
Subject: Homelessness Prevention Plan Investment Plan 2024-25
Report to: Public Health and Social Services Committee
Report date: Tuesday, March 5, 2024

Recommendations

1. That the Ministry mandated Homelessness Prevention Plan (HPP) investment plan for the 2024-25 funding allotment **BE APPROVED**.

Key Facts

- Consistent with the previous year, the Ministry of Municipal Affairs and Housing (MMAH) requires service managers to submit a HPP investment plan for 2024-25, which is due April 15, 2024, outlining the planned spending in the directed categories of: community outreach and support services, emergency shelter solutions, housing assistance and supportive housing.
- Through MMAH, Niagara is expected to receive \$ 20,771,400 for 2024-2025 with \$6,153,900 already designated towards the capital program.
- The proposed investment plan included in the report has been developed based on the HPP program guidelines, (April 2022), in alignment with Niagara's Ten-Year Housing and Homelessness Action Plan and with consideration to existing funding allocations to support a stable homelessness system in Niagara.

Financial Considerations

The total 100% provincial HPP funding provided for 2024-25 is anticipated to be \$20,771,400. Niagara Region contributes an additional \$1,971,286 of levy funding through the 2024 operating budget to the same priority funding categories beyond the proposed provincial amounts (assuming a consistent levy allocation in Q1 2025). The 2024 operating budget also includes a one-time transfer of \$2.4 million from the Taxpayer Relief Reserve (with Council approved flexibility up to an additional \$1.7 million for a total of \$4.1 million) to fund the RFP/system contract pressures for homelessness operations. This is considered a one-time request from the reserve because the HPP annual funding, of \$6.2M, that is dedicated in 2024 to capital investments, will be repurposed back to support these contracts in 2025. The Region also provides \$2,162,516 in levy funding in the 2024 operating budget to operate the Bridge Housing and Permanent Supportive Housing facilities.

The HPP program was an updated program implemented in 2022 by MMAH, consolidating the Community Homelessness Prevention Initiative (CHPI), Home For Good (HFG) and the Strong Communities Rent Supplement Program. The HPP funding formula now limits administration at 5%, where the previously allowable administration amount was 10% under the earlier provincial programs. This reduction creates a potential additional pressure on Niagara Region as administration includes the provision of system management and support, ensuring continuous system improvements, monitoring contracts, managing the By Name List and ensuring a quality data strategy to have effective and successful system transformation. The Region has not fully leveraged all of the allocation of administration money in the past, and currently is estimating to use approximately 3.6% as monies are prioritized to front line services to clients, as funding in Niagara is not sufficient to meet local need. Niagara and its funded agencies (also capped at 5%) remains concerned that reduced availability of administrative funding, with increased system performance expectations, will result in a further pressure to an already stretched system.

Analysis

The proposed HPP investment plan is designed to align with the HPP program guidelines issued April 2022. The Ministry requires that an investment plan be submitted each year indicating how Niagara Region plans to use the funding provided based on the categories identified by the province, and additionally, recognizing the four provincial homelessness priority populations of chronic homelessness, youth, Indigenous persons and homelessness following transitions from provincially funded institutions and service systems.

The vision for HPP is “to provide Service Managers with the resources needed to establish a coordinated housing and homelessness system in each community so that people at risk of, or experiencing homelessness, have the housing and support services that they need to retain and/or obtain stable housing and achieve better outcomes.”¹ This vision has three goals, to prevent homelessness, address homelessness and reduce chronic homelessness which is a system that focuses on proactive and permanent housing solutions rather than reactive responses to homelessness.

¹ Homelessness Prevention Plan Program Guidelines, April 2022, Ministry of Housing.

Niagara Region funds and works collaboratively with 15 agencies in the region to deliver homelessness services and supports to the residents of Niagara. Current homelessness service contracts were executed through a Negotiated Request for Proposal procurement process for each of the HPP categories and have been approved for a three-year contract period from April 1, 2024 to March 31, 2027. The contract awards align with the HPP investment plan for 2024-25.

The table in Appendix 1 details the funding plan submitted for 2023-24, the proposed plan to be submitted for 2024-25 and the changes in funding allocations, over the prior year.

The relative amounts set out in Niagara's investment plan align with provincial expectations and ensure funding levels in each category support stability in the Niagara homelessness system while allowing for the capacity to move the system forward in achieving provincially identified priorities. While stability is a key goal in supporting the homeless sector in Niagara, the continued social, health and economic impacts of the pandemic on individuals and families, homelessness and the acuity of clients is increasing and challenges to outflow in the homelessness system, has raised significant concerns regarding the ability of the system to support clients' complex needs without additional funding and resources. The types of services that will be funded under the HPP categories, as well as some specific work related to system improvements, are outlined as follows:

Housing Assistance

- This category includes funding provided for rent supplements for those who qualify from the centralized housing waitlist to obtain and sustain affordable housing units, while receiving a range of case management supports through those ministries.
- Housing help and other upstream prevention services are funded in this category supporting clients with housing searches, shelter diversion, family reunification, and eviction and housing loss prevention.
- The shelter diversion program continues to see rates of 30-35% diversion for youth and 10% for adults.
- Rapid rehousing, an emerging best practice, supports shelter capacity management by the rapid movement of people from homelessness into permanent housing.

Supportive Housing

- Consistent with best practices, funding in this category will support transitional housing programming, specific to targeted populations (youth, newcomers, women) in Niagara. These critical programs aim to increase housing stability and reduce reliance on emergency shelters.
- Funding for the new Bridge Housing project on Geneva Street in St. Catharines will be funded through this category.
- The additional funding in this category will go to enhance housing allowances and ensure that clients in the Housing First and Home For Good programs are able to find affordable housing in the current Niagara region housing market.

Emergency Shelter Solutions

- Funding will support a low barrier, trauma informed shelter system, offered in a variety of settings; providing necessary basic needs, and meals, along with housing support services including transportation to shelter.
- The demand for shelter in Niagara remains high due to rental housing costs being up 50% over the last two years, which is increasing clients' length of stay in shelter as they struggle to find affordable rental units.
- There will be continued effort to align with provincial policy expectations, emphasizing where possible, prevention over emergency responses.
- In alignment with a Shelter Capacity Review conducted in 2023, Niagara has increased full day/full year shelter spaces, by just over 100 beds/units in the cities of St. Catharines and Niagara Falls.

Program Administration

- Funding for administration supports system capacity building, and system transformation including best practice training for staff and leaders of all third-party agencies delivering programs.
- While permitted under the Administration category, Niagara Region does not allocate the full 5% available under the HPP guidelines for administration, largely due to the limits of funding available, rather, focusing as much funding as possible to direct client service delivery. Niagara currently applies approximately 3.6% of funding to administration.

Alternatives Reviewed

Not applicable, as the HPP investment plan must be developed, approved and submitted to the province in order to receive this funding to support Niagara's homelessness serving system.

Relationship to Council Strategic Priorities

This plan aligns with the goals in Niagara's 10-Year Housing and Homelessness Action Plan, including Goal 1: housing individuals who do not have a home and Goal 4: building capacity and improving the effectiveness of the housing system.

The recommendation will also advance the following Niagara Region's Strategic Priorities

- Effective Region – Transforming service delivery in a way that is innovative, collaborative, and fiscally-responsible.
- Equitable Region – Improve access to affordable and attainable housing.

Other Pertinent Reports

- CAO-06-2023 Homelessness Prevention Plan Investment Plan 2023-2024

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Appendices

Appendix 1: HPP Investment Plan

Appendix 1

Service Category Activities	2023-24	2024-25	Change	Projected # Households Assisted
Community Outreach & Support Services	\$1,054,559	\$0	(\$1,054,559)	0
Other Health-Related Supports	\$90,376	\$0	(\$90,376)	0
Life Skills Development/Daily Living Supports	\$83,057	\$0	(\$83,057)	0
Case Management and Outreach	\$813,126	\$0	(\$813,126)	0
Culturally – Relevant Supports for Indigenous People	\$68,000	\$0	(\$68,000)	0
Housing Assistance	\$3,928,716	\$5,724,763	\$1,796,047	3660
Long-Term Housing Assistance	\$2,182,788	\$2,182,788	\$0	260
Short-Term/Emergency Assistance	\$0	\$1,631,834	\$1,631,834	1900
Non-Financial Assistance	\$1,745,928	\$1,910,141	\$164,213	1500
Supportive Housing	\$3,444,421	\$2,634,383	(\$810,038)	365
Rental Assistance	\$414,000	\$684,000	\$270,000	200
Mental Health and Addictions Supports	\$2,937,421	\$1,950,383	(\$987,038)	165
Culturally – Relevant Supports for Indigenous Peoples	\$68,000	\$0	(\$68,000)	0
Minor Repairs	\$25,000	\$0	(\$25,000)	0
Emergency Shelter Solutions	\$5,439,204	\$5,507,754	\$68,550	2100
Program Administration	\$750,600	\$750,600	\$0	0
Sub Total	\$14,617,500	\$14,617,500	\$0	0
Capital Program	\$6,153,900	\$6,153,900	\$0	30
Total	\$20,771,400	\$20,771,400	\$0	6155