
Subject: St. Catharines Emergency Shelter Funding

Report to: Public Health and Social Services Committee

Report date: Tuesday, April 14, 2026

Recommendations

1. That the transfer of \$2,000,000 in funding from the Capital Variance Project - Levy to Niagara Regional Housing (NRH) for the St. Catharines Emergency Shelter project **BE APPROVED**; and
2. That this report **BE FORWARDED** to Niagara Regional Housing Board of Directors for information at its next scheduled meeting.

Key Facts

- The purpose of this report is to seek Council's approval for the budget adjustment to transfer \$2,000,000 million in capital funding to Niagara Regional Housing (NRH) for the St. Catharines Emergency Shelter capital project for the design, servicing and setup costs for the modular trailers to be used for the shelter, as well as the decommissioning of the existing shelter site at 29 Riordon Street.
- Per the Budget Control By-Law section 6.5(c) iii), Council approval is required for budget adjustments greater than \$250,000 that utilize funding from the Capital Variance Project - Levy.
- The existing temporary shelter located at 29 Riordon Street is situated on a property that is leased by NRH from the City of St. Catharines. The lease term was set for three years with expiry on December 31, 2026. The lease has no option for renewal.
- Niagara Region's extensive search for an alternate shelter site has resulted in the identification of a suitable portion of a candidate property that is available for lease and requires the use of these additional funds that are subject to this budget request for servicing. The original capital budget for the 50 unit St. Catharines emergency shelter of \$5.5 million was approved through the 2025 budget process in report SPEC 2-2024-2.1 Proposed 2025 NRH Capital Budget.
- A capital budget adjustment of \$2 million, for a total estimated project cost of \$7.5 million, is required to facilitate the setup and servicing of the candidate site for the new shelter. This includes costs for the expansion of the shelter from the original

plan of 50 units to 90 units, as well as the decommissioning of the existing shelter at 29 Riordon Street.

- The operating budget for operating this site will be re-purposed from the temporary shelter at 29 Riordon Street. The incremental operating budget required for added units was approved through the 2026 budget process. The annual lease cost (approximately \$100,000) was not included in the approved 2026 operating budget and will be managed in-year, supported by savings as the additional units will not be operational for the full year in 2026. The ongoing lease cost will be considered as part of the 2027 budget process; if the lease cost cannot be accommodated within existing approved funding, the number of operational units may be adjusted to avoid a levy pressure. In addition, Niagara Region continues to advocate for ongoing operating funding from upper tier governments for the operation of the emergency shelters.
- The capital budget adjustment is subject to funding being approved at the April 14, 2026, Niagara Region Public Health and Social Services Committee meeting and Regional Council on April 30, 2026.

Analysis

In alignment with the recommendations of the shelter capacity review, Niagara Region is moving forward with continued efforts to expand the local shelter system. Staff continue to monitor shelter occupancy and operations for capacity while taking into consideration that expanding shelter capacity in a community without concurrently increasing housing opportunities results in a bottleneck in the shelter system, as there is no opportunity for outflow. Investment in housing, and in particular supportive housing, is a key component to an effectively functioning homeless and shelter system.

The current shelter operation at 29 Riordon Street is located on a property leased by NRH from the City of St. Catharines and is set to expire on December 31, 2026, with no option for renewal or extension. As such, it is critical for Niagara Region to secure an alternate site for shelter operations.

Staff at NRH, Niagara Region, and the City of St. Catharines have reviewed a number of properties to identify an alternative location for shelter operations. Staff's review was supplemented by the Region's shelter site considerations, in addition to many conversations between interested parties to find an expedited solution. Search efforts have been challenged by several factors including but not limited to cost, duration, and timing of lease or purchase; the size/area of land needed to accommodate a shelter

configuration; appropriate existing land use permissions and without the need for amendment; and potential impacts to the surrounding community.

The site under consideration has many favourable characteristics that mitigate risk and support the ability to implement the shelter operation in timely manner. This, and in tandem with the ability to proceed with direct award for professional design and construction services, is a particularly important consideration with the approaching lease expiration involving current shelter operations at 29 Riordon Street.

Staff will continue to engage with the property owner to work through the provisions that are contained within the Permission to Use Agreement and Lease Agreement. Once direction can be given to pursue the site, staff will promptly schedule a pre-consultation meeting with the City of St. Catharines to verify due diligence requirements and any applicable Planning Act applications and building permits.

Alternatives Reviewed

Should Council not approve the transfer of \$2,000,000 in funding from the Capital Variance Project - Levy to NRH for the St. Catharines Emergency Shelter project, then the project cannot proceed. This decision would place an insurmountable pressure on the Region's ability to identify an alternate site that can be acquired, prepared, and operationalized within a similar timeframe that can accommodate the displaced and unhoused clients that would result from the closure of 29 Riordon Street.

Relationship to Council Strategic Priorities

The temporary emergency shelter programs are homelessness system services that support the Council Priority of an Equitable Region, and specifically Objective 3.1, to ensure the Region is inclusive, welcoming and free of discrimination.

Other Pertinent Reports

Not applicable.

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