

Partner Resources for the Eradication of Homelessness

Recommendation

That the October 1, 2018, Citizen Services report CR_5961, be received for information.

Previous Council/Committee Action

At the April 25, 2018, City Council meeting the following motion was passed:

That Council resolve that the 916 units of Permanent Supportive Housing over the next six years is the highest priority for investment in the eradication of homelessness from partners, especially the Government of Alberta and Government of Canada, and that the Mayor advocate accordingly; and that Administration report back with an assessment of whether all the partner resources are in place to achieve that goal, and what gaps remain if any.

Executive Summary

Permanent supportive housing is a cost-effective and evidence-based intervention required to effectively meet the needs of Edmonton's most vulnerable people. Housing individuals experiencing chronic homelessness in permanent supportive housing reduces their reliance on emergency, health, and justice services, which reduces the strain on community resources.

Endorsed by City Council in September 2017, Edmonton's Updated Plan to Prevent and End Homelessness identifies the need to develop 916 new units of permanent supportive housing. Both the federal and provincial governments have expressed general support for funding new permanent supportive housing projects; however, as of September 2018, the funding required to meet Edmonton's needs over the next 10 years has not been committed.

As a limited funding partner, Administration is advancing several initiatives to attract increased federal and provincial affordable housing investment. The City will adopt a proactive approach to permanent supportive housing development by providing land, planning dollars, and limited grant funding to attract additional funds from other orders of government to achieve Edmonton's overall housing targets.

Report

In September 2017, City Council endorsed Edmonton's Updated Plan to Prevent and End Homelessness. The plan was co-developed by the City of Edmonton and Homeward Trust Edmonton and defines a set of goals and actions to guide community-wide efforts related to ending homelessness. A core component of the plan is to develop 916 permanent supportive housing units across Edmonton.

What is Permanent Supportive Housing?

Permanent supportive housing combines rental or housing assistance with individualized, flexible, and voluntary support services for people with complex needs related to their physical and/or mental health, developmental disabilities, or substance use. Permanent supportive housing includes onsite supports, and does not limit the length of stay. This type of housing incorporates a harm reduction philosophy, and is often concentrated in a purpose-specific building, with independent living units and shared common space (Attachment 1).

In Edmonton, the term permanent supportive housing is used to refer primarily to housing designed to meet the needs of people who have experienced or are at risk of experiencing chronic homelessness.

Homeward Trust Edmonton has defined three different types of permanent supportive housing, defined by the degree of supports included in each model:

1. **Low Intensity:** 24 hour a day, 7 days a week on-site tenancy management and mobile (non-clinical and clinical) support workers as needed.
2. **Medium Intensity:** 24 hour a day, 7 days a week on-site tenancy management, on-site non-clinical supports and in-reached health services.
3. **High Intensity:** 24 hour a day, 7 days a week on-site tenancy management, on-site clinical supports, in-reached health and disability (Persons with Developmental Disabilities) services.

Why is More Permanent Supportive Housing Needed in Edmonton?

In 2009, City Council endorsed A Place to Call Home: Edmonton's 10 Year Plan to End Homelessness. The plan embraced a "housing first" philosophy, which views homelessness as a structural problem that can be solved through access to safe, appropriate and affordable housing without preconditions (for example, employment or sobriety). Edmonton was an early adopter of this approach and the City, as well as Homeward Trust Edmonton, the nonprofit that stewards the plan, have been recognized nationally and internationally for its progress towards the goal of ending homelessness.

Housing First programs are designed to enable clients to transition or "graduate" into long-term, independent housing options. When exiting the program, many Housing

First participants become financially independent and are able to secure independent, private-market housing, while others require access to affordable housing or ongoing rent subsidies to maintain their housing. For clients with complex health, addictions, or cognitive challenges, maintaining their housing depends on access to affordable housing with on-site supports to help them overcome additional barriers. Without these supports, these clients can fall into chronic homelessness. To meet the needs of this population, the plan identified a target of 1,000 units of permanent supportive housing. From 2009 to 2016, only 200 units of permanent supportive housing were built.

This gap in the supply of permanent supportive housing in Edmonton remains one of the most significant barriers to ending chronic homelessness in our City.

Funding Requirements

Unlike many forms of affordable housing, permanent supportive housing generally requires both initial/one-time capital funding and ongoing operating funding to ensure it remains affordable for tenants and to offset the cost of the supports provided on-site.

Permanent supportive housing projects in Edmonton may be eligible to receive capital funding from the Government of Canada, Government of Alberta and the City of Edmonton. Operating funding is typically provided by the federal or provincial governments through Homeward Trust Edmonton, which administers the funding on behalf of both governments. High-intensity permanent supportive housing projects may also be able to utilize Alberta Health Services or Persons with Developmental Disabilities staff for on-site clinical supports.

Edmonton's Updated Plan to Prevent and End Homelessness states that an additional 916 units of permanent supportive housing are required over the next six years. This target includes a mix of units at different support intensity levels - low, medium or high. The estimated per unit capital and ongoing operating funding required to support each type of development is included in the table below.

Housing Type	Estimated Units Needed	Capital Cost (per unit, 2017 dollars)	Annual Cost of Supports (per client)
Low Intensity Supports	500	\$200,000	\$5,000
Medium Intensity Supports	176	\$210,000	\$45,000
High Intensity Supports	240	\$310,000	\$85,000

Overall, the Updated Plan to Prevent and End Homelessness, requires approximately \$230 million in one-time capital funding and an increase of \$30 million in annual operating funding over the next 10 years. This will fund the additional housing required to support the achievement of the plan's goals, including the required increased supply of permanent supportive housing.

Partner Resources Available for Permanent Supportive Housing

As a limited funding partner, the City of Edmonton depends on resources from external partners to significantly increase the supply of permanent supportive housing in Edmonton.

Homeward Trust

Homeward Trust is one of 61 federally-designated Community Entities under the Homelessness Partnering Strategy and acts as the community-based organization for the Government of Alberta's investment in ending homelessness. This means Homeward Trust is responsible for administering the operating funding provided by each order of government for the purposes of meeting the goals and objectives of Edmonton's Plan to End Homelessness.

Since 2009, the Government of Canada and the Government of Alberta have contributed ongoing annual investments to Homeward Trust. In 2017, these contributions were \$27.8 million and \$8.7 million, respectively. The City of Edmonton also provides an annual subsidy of approximately \$1.2 million to Homeward Trust. A portion of the operating funding provided to Homeward Trust is used to fund existing permanent supportive housing projects in Edmonton. Increasing the number of permanent supportive housing units in Edmonton funded by Homeward Trust will require the transfer of additional operating funding from both orders of government.

Government of Alberta

The Government of Alberta supports the development of permanent supportive housing through capital and operating funding. The provincial government has dedicated capital funding for the development of new province-wide permanent supportive housing. For example, the 2018 budget for the Ministry of Seniors and Housing identified a five-year budget of \$46 million to create new affordable and specialized housing for Albertans, which includes permanent supportive housing. This is in addition to other five-year budget commitments from the 2018 budget, which includes \$96 million for family and community housing development and renewal, \$72 million for indigenous housing construction, and \$280 million for seniors housing development and renewal.

The Government of Alberta's operating funding for permanent supportive housing is provided by the Ministry of Community and Social Services. The 2018 provincial budget committed funding for supports to the 100 new units of permanent supportive housing expected to open across the province in 2018 and 2019.

Government of Canada

Permanent supportive housing is also eligible for capital funding through the federal government's \$15.9 billion National Housing Co-Investment Fund. Launched in 2018, the fund consists of \$4.7 billion in financial contributions and \$11.2 billion in low interest loans. Through the fund, the federal government has prioritized investments in a range of housing types, including transitional and supportive housing, shelter spaces for survivors of family violence, and affordable and social housing.

In July 2018, the Government of Canada announced Reaching Home: Canada's Homelessness Strategy, an extension of the National Housing Strategy, which was released in 2017. Reaching Home will replace the Homelessness Partnership Strategy, which is the federal program that funds homelessness support services, including those delivered by Homeward Trust.

Reaching Home is intended to complement the capital funding commitments made through the National Housing Strategy with a continued focus on Housing First. As part of the National Housing Strategy, the Government of Canada announced a total investment of \$2.2 billion to end homelessness over 10 years, which doubles the annual federal investments compared 2015 to 2016. More details on specific funding commitments are anticipated in late 2018.

Gap Assessment

Achieving Edmonton's permanent supportive housing targets requires proactive and focused support from a range of stakeholders, including all orders of government and the community sector. To identify what gaps might exist, Administration reviewed the experiences of other cities that have increased their inventory of permanent supportive housing, including Calgary and Vancouver (Attachment 2).

Funding from the provincial and federal governments is a critical component for success. While neither the Government of Alberta or the Government of Canada has committed to total overall funding required over the next 10 years to meet the goals of Edmonton's Updated Plan to Prevent and End Homelessness, both governments have expressed a willingness to direct more resources to developing additional permanent supportive housing units.

Within Edmonton's affordable housing sector, providers are demonstrating an increased willingness to build additional permanent supportive housing. The success of Homespace, an arms-length entity created by the Calgary Homeless Foundation to focus specifically on building and operating permanent supportive housing, has also encouraged Homeward Trust to pursue the creation of a similar independent entity focused on developing, owning and operating permanent supportive housing in Edmonton.

Next Steps

The City will help increase permanent supportive housing development by serving as an initial partner in providing land, planning dollars, and limited capital funding (if necessary). This will ensure the development of new investment-ready permanent supportive housing projects to attract additional capital and operating funds from other orders of government and help Edmonton achieve its overall housing targets.

Administration will begin immediately working with partners to identify four sites for future permanent supportive housing developments. Sites may be drawn from existing City owned sites identified for housing development, approved sites from the City's surplus land inventory, or through the acquisition of privately owned real estate, either land for development or buildings for refurbishment. Budgetary approvals to fund or offset the cost of land acquisitions will be submitted for City Council's consideration during the 2019-2022 capital budget process.

In 2019 Administration will begin a mid-term refresh of the City of Edmonton's Affordable Housing Strategy, 2016-2025. The strategy's approval in 2015 preceded the completion of the Updated 10 Year Plan to End Homelessness and therefore did not consider a specific role for the City of Edmonton in increasing the supply of permanent supportive housing. This refresh will provide an opportunity to develop a more systematic and long-term approach to the City of Edmonton's role in achieving Edmonton's permanent supportive housing targets. These efforts will be informed by continued ongoing discussions with Homeward Trust, housing providers, the Government of Alberta and the Government of Canada.

Corporate Outcomes and Performance Management

Corporate Outcome(s): The City of Edmonton has sustainable and accessible infrastructure			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Increased access to affordable housing	Number of permanent supportive housing units developed	2009-2016: 201	916 additional units (by 2024)

Attachments

1. Permanent Supportive Housing - Background
2. Permanent Supportive Housing - Comparative Approaches
3. Glossary of Housing Terms

Others Reviewing this Report

- S. Padbury/R. Kits, Acting Deputy City Managers, Financial and Corporate Services
- P. Ross, Acting Deputy City Manager, Urban Form and Corporate Strategy Development
- C. Owen, Deputy City Manager, Communications and Engagement