

## TRANSITION STRATEGY FOR HOMELESSNESS RELATED SERVICES

### Recommendation

That the March 31, 2025, Community and Public Services Committee report CS02575, be received for information.

<b>Requested Action</b>	Information only		
<b>ConnectEdmonton's Guiding Principle</b>	<b>ConnectEdmonton Strategic Goals</b>		
<b>CONNECTED</b> This unifies our work to achieve our strategic goals.	<b>Healthy City</b>		
<b>City Plan Values</b>	BELONG. LIVE. THRIVE.		
<b>City Plan Big City Move(s)</b>	Inclusive and compassionate	<b>Relationship to Council's Strategic Priorities</b>	Community safety and well-being
<b>Corporate Business Plan</b>	Serving Edmontonians		
<b>Council Policy, Program or Project Relationships</b>	<ul style="list-style-type: none"> <li>● Truth and Reconciliation Commission (TRC) Municipal Response Plan</li> <li>● Anti-Racism Strategy</li> <li>● City of Edmonton Indigenous Framework</li> <li>● Community Safety and Wellbeing Strategy</li> <li>● Community Plan to Prevent and End Homelessness Update</li> <li>● Updated Affordable Housing Strategy</li> <li>● Community Mobilization Task Force on Housing and Houselessness</li> </ul>		
<b>Related Council Discussions</b>	<ul style="list-style-type: none"> <li>● June 17, 2022, Office of the City Auditor report OCA01289, City's Response to Homelessness Audit</li> <li>● June 27, 2022, Community Services report CS01089, Update on Housing Needs Assessment</li> <li>● June 27, 2022, Community Services report CS00939, Indigenous-led Shelters, Housing and Programming</li> <li>● June 27, 2022, Community Services report CS00433, Indigenous Affordable Housing Strategy</li> <li>● April 11, 2023, Community Services report CS01637, Enhanced Encampment and Unsheltered Homelessness Response Plan</li> </ul>		

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- May 1, 2023, Community Services report CS01762, Edmonton's Approach (2023/24) - Supporting Those Experiencing Homelessness
- May 31, 2023, Community Services report CS01732, Corporate Homelessness Plan - Research and Project Update
- October 30, 2023, Community Services report CS01673, Updated Affordable Housing Strategy
- May 21, 2024, Community Services report CS01853, Updated Community Plan to End Homelessness - Progress Update
- June 17, 2024, Community Services report CS01759, City of Edmonton - Corporate Homelessness Plan
- August 27, 2024, Community Services report CS02526, Implications of Limiting Temporary Shelter Locations - Providing the Emergency Shelter Best Practices Guide

### Previous Council/Committee Action

At the July 3/4, 2024, City Council meeting, the following motion was passed:

That Administration work with the province on a transition strategy for all services, programs, and infrastructure related to housing and homelessness, shelter operations, and mental health supports and addictions treatment that are being funded by the City of Edmonton but are the jurisdiction of the Government of Alberta.

### Executive Summary

- This report summarizes the conversations Administration has undertaken with representatives from the Government of Alberta about respective roles and investments in housing and homelessness programs and services.
- The result of these conversations was a shared understanding of the funding commitments that each order of government provides. In many areas, there are not clear lines delineating detailed levels of jurisdiction responsibility.
- For example, Mental Health and Addictions support is clearly a provincial jurisdiction. To transition out of this space, the City would cancel contracts and programs (such as the Strategy Development for Community Mental Health and Mental Health and Suicide Prevention Public Education and Training, Attachment 2) and reallocate this funding within the City.
- A Council motion would be required to provide Administration direction of which areas to defund.
- Both the City of Edmonton and the Government of Alberta are aligned in their commitments to increase affordable housing and improve community responses to homelessness, mental health and drug poisonings.
- The Government of Alberta has increased investment in homelessness services by increasing emergency shelter supply and diversity, standing up the Navigation and Support Centre alongside additional funding for the City's encampment response in 2024, and reaching a deal

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with the federal government for a combined \$70 million to address unsheltered homelessness in Alberta over the next two years.

- While some elements of homelessness response spending have increased in 2024, the City's spending on short-term emergency shelter, day services provision, and addictions support has decreased. The net result is an overall decrease in City spending on homelessness-related services.
- City spending on homelessness, shelter operations and mental health and addictions services was forecasted to be \$43.3 million in 2024. Additionally, \$168.1 million in spending was forecasted for housing in 2023 and 2024.
- While respective investment levels and priorities have shifted in recent years due to disruptive factors, such as the COVID-19 pandemic and an economic downturn, both the City and the Government of Alberta recognize the importance of continued collaboration, along with the Federal government, to align investments to adequately address the need.

## REPORT

### Municipal-Provincial Alignment on Shared Priorities

Following the July 3/4, 2024 Council meeting, Administration worked with Government of Alberta representatives to identify respective spending on housing, homelessness, mental health and addictions. The goal was to:

- Clarify the respective roles and commitments of the City of Edmonton and the Government of Alberta in providing appropriate responses and supports for vulnerable people in the community
- Identify if there are costs that could be transitioned to the Government of Alberta to avoid duplicative spending while exploring opportunities for improved collaboration.

Key points emerged throughout the dialogue are reiterated below:

#### Provincial Role and Commitments

- Emphasis that caring for vulnerable residents is a multi-government responsibility.
- In 2024/25, the Government of Alberta committed \$42.5 million to nine agencies delivering 10 emergency shelters and five transitional shelter programs inclusive of 24/7 services and 2,000 spaces, compared to 1,200 spaces and fewer operators in the previous year. An additional \$41.3 million is committed to homeless-serving agencies, stewarded by Homeward Trust Edmonton<sup>1</sup>.
- Through the Affordable Housing Partnership Program, which provides capital funding for affordable housing, Edmonton has received 29 per cent of the total funds distributed to date

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<sup>1</sup>The Government of Alberta announced on December 20, 2024 that it would be funding front line service providers directly. See section on "Current Status on Homelessness, Housing, and Support Services Funding" for further background.

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(\$54.8 million) for 10 projects since 2021, three of which were City-led supportive housing sites and the remaining projects led by community-based organizations<sup>2</sup>.

- In 2024/25, the Government of Alberta designated \$210.6 million<sup>3</sup> in grant funding for mental health and addictions programs and services in the Edmonton zone over a three-year period. Examples of programs and services funded include:
  - \$15.7 million for Edmonton Police Service HELP (Human-centred Engagement and Liaison Partnership Unit) outreach teams and adding health care practitioners and recovery coaches to assist detainees in the Detainee Management Unit (February 2023 - July 2025),
  - \$1.0 million for Alberta Health Services to provide support for those in encampments inclusive of Addiction Recovery Centre beds (March 28, 2024 to September 30, 2024),
  - \$8.0 million for The George Spady Centre to enable a relocation of detox services (January 2023 to July 2024), and
  - \$11.4 million to Alberta Health Services for medical detoxification and residential addiction treatment expansion through Edmonton based organizations (March 2023 to March 2026).
- Additionally, Alberta Health Services allocated \$303.8 million<sup>4</sup> from Budget 2024/25 to support mental health and addiction programs in the Edmonton zone.
- The Government of Alberta did not articulate a willingness to assume sole responsibility for homelessness and affordable housing programs and services currently administered by the City.
- In the Government of Alberta's correspondence, it was emphasized that all governments, including the federal government, play a role in investing in solutions for vulnerable Edmontonians.
- Provincial representatives re-emphasized the shared priorities of both governments as articulated through plans and strategies (see Attachment 1).

### City Role and Commitments

- The City of Edmonton remains committed to increasing affordable housing supply and working collaboratively with the Government of Alberta to coordinate solutions that address root causes of homelessness, mental health and addictions and to decrease municipal costs for emergency responses.
- The June 17, 2024, Community Services report CS01759, City of Edmonton - Corporate Homelessness Plan was approved by City Council in July 2024 . This outlines the City's roles in responding to housing and homelessness needs, based on various inputs and considerations, including how other orders of government contribute as outlined in their strategic documents.

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<sup>2</sup>[www.alberta.ca/system/files/custom\\_downloaded\\_images/scss-affordable-housing-partnership-program-approved-projects.pdf](http://www.alberta.ca/system/files/custom_downloaded_images/scss-affordable-housing-partnership-program-approved-projects.pdf)

<sup>3</sup>Correspondence between Government of Alberta and the City of Edmonton, December 11, 2024.

<sup>4</sup>Correspondence between Government of Alberta and the City of Edmonton, December 11, 2024.

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- City spending on homelessness, shelter operations and mental health and addictions services was forecasted to be \$43.3 million in 2024. Additionally, \$168.1 million in spending was forecasted for housing in 2023 and 2024. In Q3 2025, Administration will share a memo on the implementation of the Homelessness and Housing Services Plan and provide a cost analysis on 2024 homelessness spending (actuals).
- While there has been a significant decrease in projected City spending on shelter and bridge housing services in 2024 compared to 2022 and 2023, City spending on addressing unsheltered homelessness is projected to be higher as a result of increased funding for REACH 24/7 Crisis Diversion, encampment response (inclusive of waste and clean-up) and the City's extreme weather response. However, overall costs for homelessness related services are down.
- In September 23, 2024, the City advanced its priorities for the Government of Alberta's Budget 2025<sup>5</sup>. The City's submission re-emphasized the need to increase provincial investment in areas that fall under provincial responsibility and highlighted City costs regarding addressing homelessness, shelter capacity and mental health and addiction.

### Ongoing Collaboration

As the Government of Alberta has reaffirmed its commitment to collaborating with the City on these complex issues, Administration continues to communicate the needs of unhoused Edmontonians and those in need of mental health and recovery support services through ongoing engagement with the Province. In addition to regular discussions and working groups, recent examples of collaboration across these topics include:

- In July 2024, Administration shared a list of affordable housing projects to collaborate and align with the Government of Alberta on priority projects for potential combined operating and capital funding investments. This list highlighted an estimated investment gap of \$358.6 million to support the advancement of 3,137 units of unfunded affordable and permanent supportive housing.
- In October 2024, the City of Edmonton was consulted to help inform the project list to be considered for the cost-matched bilateral funding agreement between the provincial and federal governments to address encampments and unsheltered homelessness.
  - During this time, the Government of Alberta also invited Edmonton to provide input on affordable housing accommodations that should be eligible for tax exemption from both municipal and provincial property taxes, beginning in 2025.
- In November 2024, the City convened a conversation with community partners on the overdose crisis to reflect on current realities and identify localized actions that could be undertaken to move to a preferred future state. Representatives from the Ministry of Mental Health and Addictions attended the conversation, and City Administration, having collaborated with the Ministry during the planning process, committed to sharing the learnings. A What We

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<sup>5</sup>[https://cdn.prod.website-files.com/632a02df58ca4bfbe981a299/6700214d4aaef042725c4dad\\_Provincial%20Budget%202025-%20City%20of%20Edmonton%20Submission%20.pdf](https://cdn.prod.website-files.com/632a02df58ca4bfbe981a299/6700214d4aaef042725c4dad_Provincial%20Budget%202025-%20City%20of%20Edmonton%20Submission%20.pdf)

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Heard Report will be shared with the list of registrants who attended the conversation and with Council through a memo later this spring.

- In January 2025, the Big Cities and Government of Alberta Affordable Housing Capital working group was re-established in collaboration with the Canadian Mortgage and Housing Corporation (CMHC), the Government of Alberta and the City of Calgary. The working group supports members in developing and aligning funding from various orders of government to increase the supply of affordable housing.
- The City also has touchpoints with Recovery Alberta and Alberta Health Services through groups such as the Partners in Drug Poisoning Prevention Committee. This committee is co-chaired by the City and Alberta Health Services and includes membership from community based organizations, mutual aid groups, service providers and people with lived and living experience.

Administration also works to advance City priorities through engagement and funding applications to the federal government on social issues related to homelessness.

### Current Status on Provincial Homelessness, Housing and Support Services Funding

In December 2024, the Government of Alberta announced it would be transitioning to a new model of funding for homelessness programs and services. Provincial funding that currently flows through community-based organizations like Homeward Trust Edmonton to homeless-serving organizations will instead flow to service providers directly. The province aims for a seamless transition with no disruption to existing services, targeting October 1, 2025 for the finalization of funding transitions with Homeward Trust Edmonton.

The provincial government's second round of funding for the Affordable Housing Partnership Program recently closed submissions. The City's application is currently under review, with the evaluation expected to be completed in the spring and the formal announcements scheduled for April 2025.

A main focus of the Government of Alberta's Recovery Model is to build treatment capacity. This includes the plan for 11 new recovery communities across the province<sup>6</sup>. Most recently, in July 2024, a 75-bed recovery community opened outside of Edmonton in Gunn, Alberta. Recovery communities have also been announced for Edmonton and Enoch Cree Nation, both of which are still under the planning and development phases.

Additional communication and aligned advocacy efforts have been occurring through the Alberta Municipalities Association. For example, in 2024, a number of municipal member-sponsored resolutions were endorsed which included encouraging the provincial government to increase capital and operational funding for permanent supportive housing, increase Family and Community Support Services (FCSS) funding, create a comprehensive emergency shelter strategy and increase provincial role clarity in addressing homelessness.

With the recent release of the Government of Alberta Budget 2025 in late February, Administration will continue to assess areas of overlap and gaps in spending related to

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<sup>6</sup><https://www.alberta.ca/recovery-communities>

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homelessness services and work closely with provincial administration to align efforts to ensure that the appropriate housing and support services are available for Edmontonians in need.

### Budget/Financial Implications

To support engagement with the Government of Alberta, Administration leveraged the previous analysis completed for CS01759, City of Edmonton - Corporate Homelessness Plan to develop an initial cost estimate of City spending on homelessness. The motion for this report expanded the list of expenditures to include mental health, addictions and housing costs, which increased the submission presented to the Government of Alberta.

### Community Insight

The City's investments in housing, homelessness and related support services and programs are informed by evidence derived from robust research and engagement activities, including with priority population groups and people with lived and living experience. For example, development of a Housing Needs Assessment was based on significant qualitative research, which provided insights into the experiences of Edmontonians with homelessness and housing precarity. The Needs Assessment was a key input into the development of the Affordable Housing Strategy and the Homelessness and Housing Services Plan.

### GBA+

The City's Housing Needs Assessment<sup>7</sup> identifies a number of priority populations that are disproportionately represented as experiencing core housing need. In 2021, among renters in core housing need, 27 per cent were Indigenous peoples, 23 per cent had developmental disabilities and 19 per cent were racialized people, representing three of 13 priority populations. According to Homeward Trust Edmonton's By Name List<sup>8</sup>, which is a real-time list of people experiencing homelessness in Edmonton who have accessed services and have been referred and triaged for housing support, approximately 2,000 people are staying in emergency shelters or are unsheltered. An additional 3,000 people are provisionally accommodated, meaning they have no permanent housing (i.e. couch surfing, hotels, staying with friends). Nearly 60 per cent of Edmontonians on the By Name List identify as Indigenous (1,718).

Through the implementation of the 2023-2026 Affordable Housing Strategy, Administration is pursuing a number of actions that prioritize investments in affordable housing for marginalized populations who experience greater housing needs (i.e. the September 18, 2024, Community Services report CS02527, Affordable Housing Investment Program - Fall 2024 Grant Award and the November 27, 2024, Community Services report CS02589, Indigenous Housing Grant Program - Fall 2024 Grant Award Recommendations).

### Environment and Climate Review

This report was reviewed for climate and environmental risks. Extreme weather fluctuations create environmental conditions that increase the risk of exposure-related illness and injury for

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<sup>7</sup><https://www.edmonton.ca/sites/default/files/public-files/CoE-HousingNeedsAssessment2023.pdf?cb=1706745433>

<sup>8</sup>Data pulled February 7, 2025. Dashboard update dated January 16, 2025.

<https://homewardtrust.ca/data-analytics-reporting/#1727997801593-d71925c8-b8d3>



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people experiencing homelessness. As of February 26, 2025, the City of Edmonton activated its extreme weather response five times in the 2024/2025 winter season, for a total duration of 45 days. The City seeks to provide increased access to shelter and respite spaces through the City's Winter Safety Response Plan. To date, 4,787 transports have been provided by the Winter Shelter Shuttle Service and Al Rashid Mosque has accommodated 2,626 overnight stays for people experiencing homelessness. Rising experiences of homelessness combined with climate extremes will increase the risk of climate-related injuries for those who are not permanently housed.

### **Attachments**

1. Municipal and Provincial Priority Alignment
2. Summary of Municipal and Provincial Investments in Homelessness Related Services