

Advancing the Homelessness Services Capital Infrastructure Strategy (HSCIS) and the 2025 Shelter Infrastructure Plan

Date: June 4, 2024

To: Executive Committee

From: General Manager, Toronto Shelter and Support Services; Chief Financial Officer and Treasurer; Executive Director, Corporate Real Estate Management

Wards: All

SUMMARY

This report provides an update on Toronto Shelter and Support Services' (TSSS) long-term, proactive approach to capital planning through the new Homelessness Services Capital Infrastructure Strategy (HSCIS). This report also seeks funding to increase the total number of new long-term and permanent spaces in the base shelter system by 1,600 spaces between 2024 and 2033. The majority of these new spaces will replace the temporary spaces secured during the COVID-19 pandemic, including hotel sites, and will support recovery and stability of the shelter system. The requested funding will advance securing up to five new shelter sites in 2024 through acquisitions, and additional sites through development on existing City-owned land for the first phase of the HSCIS. The City is in active negotiations with the federal government to secure capital funding for the HSCIS Strategy.

This report also provides an update on other TSSS shelter development projects as part of the 2025 Shelter Infrastructure Plan as required by the Emergency Shelter Development Process (ESDP), approved by City Council in 2017. The Infrastructure Plan provides updates on the Housing and Shelter Infrastructure Development project (HSID, formerly 1,000 beds), the George Street Revitalization (GSR) project, in addition to the new projects as part of the HSCIS that will begin in 2024.

Finally, this report provides an update on the Council-approved COVID-19 Shelter Transition and Relocation Plan, including de-commissioning plans for temporary shelter hotel locations with the largest (more than 200) single adult and chronically homeless populations.

RECOMMENDATIONS

The General Manager, Toronto Shelter and Support Services, the Chief Financial Officer, and the Executive Director, Corporate Real Estate Management recommend that:

1. City Council amend the 2024 Capital Budget and 2025 – 2033 Capital Plan for Toronto Shelter and Support Services to create a new capital project called “Homelessness Services Capital Infrastructure Strategy (HSCIS)” with a project cost of \$89.5 million, with cash flows commitments of \$57.3 million in 2024 and a future commitment of \$32.2 million in 2025, fully funded by the City Building Fund, in order to proceed with the due diligence and acquisition of properties.
2. City Council request the Government of Canada to provide \$674.5 million in funding over 10 years to support the capital funding needs of Toronto’s Homelessness Services Capital Infrastructure Strategy.
3. City Council direct the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Toronto Shelter and Support Services, and the Chief Procurement Officer, to extend the use of Request for Supplier Qualifications solicitations RFSQ No. Doc3982873048 and RFSQ No. Doc3829596667 for Rapid Build Construction and Traditional Build Construction, established for the Rapid Housing Initiative to the Homelessness Services Capital Infrastructure Strategy until such time as updated RFSQs are issued in 2025, including any amendments to the documents necessary to reflect such changes in a form satisfactory to the City Solicitor, but excluding the approvals and delegated authorities set out in Recommendation #13 of Item 2021.PH26.4.

FINANCIAL IMPACT

The total capital cost to implement the Council approved Homelessness Services Capital Infrastructure Strategy (HSCIS) to acquire and develop 20 new purpose-built shelter sites from 2024 – 2033 is estimated to be \$674.5 million.

As part of the New Deal Term Sheet with the Province of Ontario, the federal government was requested to provide financial support to help fund the HSCIS. The City is in active negotiations with the federal government to secure the full capital cost of the HSCIS.

This report recommends an increase of \$89.5 million of new capital funding to the 2024 – 2033 Capital Budget and Plan for Toronto Shelter and Support Services, fully funded by the City Building Fund, to advance securing up to five (5) new shelter sites in 2024, through acquisitions and development of existing City-owned land, for the first phase of HSCIS.

This funding is required to facilitate securing new shelter sites which includes, but is not limited to, executing conditional agreements of purchase and sale for new sites, and

conducting the necessary technical investigations and due diligence on new and City-owned sites, all required to be completed prior to formally advancing new shelter development and construction on suitable shelter sites. For purchased sites, all funding must be in place before the signing of an Agreement of Purchase and Sale (APS). A breakdown of the funding required is identified in Table 1 below:

Table 1: Funding required for HSCIS for 2024 and 2025

FUNDING (000's)	2024	2025	TOTAL
Acquisition Budget for 5-7 Properties	56,300.0	27,050.0	83,350.0
Development on Existing City-owned Land (5 Sites targeted)	992.9	5,167.6	6,160.5
TOTAL	57,292.9	32,217.6	89,510.5

Given the urgent need to advance the acquisitions of new shelter sites and development of existing City-owned land, the City Building Fund will serve as the funding source for the HSCIS in 2024 and part of 2025, consistent with its eligible use towards housing and transit infrastructure priorities. There is sufficient funding capacity within the City Building Fund to support this initial phase. The City will continue to negotiate for federal funding for the entire cost of this capital project. Collaboration with and financial support from other levels of government is critical to establish sustainable and collaborative solutions for refugee claimants and asylum seekers requiring access to shelter spaces in the city.

Future funding will be required for the HSCIS capital projects for 2025 to 2033 to advance the pathway to recovery and stability of the shelter system through the development of 20 new purpose-built, permanent, and long-term use shelters.

The remaining funding required for the HSCIS capital project will be requested annually through the budget process including through the 2025 Budget. Budget processes for consideration along with other critical City-wide operating and capital priorities subject to the City's financial and resource capacity.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on April 14, 2024, City Council adopted PH11.21 "Taking Action to Accelerate Modular and Rapid Build Construction in Toronto", directing staff to expand the City's existing pre-qualified roster of vendors for rapid-build housing construction, initiate discussions with the Province of Ontario and Infrastructure Ontario regarding the creation of a pre-qualified roster of vendors to facilitate rapid-build construction for access and use by all Ontario municipalities and to review and streamline approvals as it relates to rapid build construction.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH11.21>

At its meeting on February 6, 2024, City Council adopted EC9.4 “Homelessness Services Capital Infrastructure Strategy: Real Estate Strategy and Lease Extensions”, granting authority to expedite the redevelopment of existing City-owned sites or acquiring new sites for permanent, purpose-built shelters. This includes securing at least five new shelter opportunities in 2024 and medium-term lease extensions at temporary shelters. <https://secure.toronto.ca/council/agenda-item.do?item=2024.EC9.4>

At its meeting on November 8, 2023, City Council adopted EC7.7 "Shelter Infrastructure Plan and the Homelessness Services Capital Infrastructure Strategy (HSCIS)", as the guiding Strategy for capital infrastructure spending decisions from 2024 - 2033 across the City of Toronto's shelter system. This plan includes transitioning the shelter system towards increased permanency and expanding shelter capacity to respond to sector specific needs. <https://secure.toronto.ca/council/agenda-item.do?item=2023.EC7.7>

At its meeting on February 7, 2023, City Council adopted EC1.5 “COVID-19 Shelter Transition and Relocation Plan Update 2023,” granting authorities required for lease/licence extensions at temporary shelter sites and services through April 30, 2024, and amend various existing non-competitive blanket contracts/purchase orders established to support the COVID-19 response. <https://secure.toronto.ca/council/agenda-item.do?item=2023.EC1.5>

At its meeting on April 6, 2022, City Council adopted EC28.9 "COVID-19 Shelter Transition and Relocation Plan Update," which granted authorities required for lease/licence extensions at temporary shelter sites and services through until April 30, 2023. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EC28.9>

At its meeting on November 9, 2021, City Council adopted EC25.6 “2022 Shelter Infrastructure Plan, Community Engagement Review and Amendments to Contracts and Purchase Orders to Support Shelter Services,” approving the plan which included the development of a Capital Infrastructure Strategy for the City’s shelter system, and an improved community engagement process. Authority was also granted to amend various existing non-competitive blanket contracts/purchase orders established to support the COVID-19 response, as well as to open and operate shelters and to take appropriate measures to provide adequate shelter capacity in response to unanticipated demands on the system. <https://secure.toronto.ca/council/agendaitem.do?item=2021.EC25.6>

At its meeting on December 17, 2019, City Council adopted PH11.5 "HousingTO 2020-2030 Action Plan" as the framework to address Toronto's housing and homelessness challenges by 2030. This Plan includes a number of actions and targets to address critical needs across the housing spectrum including emergency shelters and supportive housing, social and supportive housing, market and affordable rental housing and home ownership. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH11.5>

At its meeting on December 5, 2017, City Council adopted CD24.7 "2018 Shelter Infrastructure Plan and Progress Report." Council approved the 2018 Shelter Infrastructure Plan and a new property development approach to siting shelters, and authorized the Deputy City Manager, Cluster A, to approve specific sites for shelters, provided certain criteria are met. The report also provided information on the

development of a New Shelter Service Model.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD24.7>

At its meeting of April 26, 27 and 28, 2017, City Council adopted CD19.6 "Proposed New Engagement and Planning Process for Emergency Shelters," which provided recommendations to improve the community engagement process for opening new emergency shelters.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD19.6>

COMMENTS

Shelter System Capacity and Infrastructure Pressures

Toronto's shelter system is the largest in Canada, providing more beds per capita than any other Canadian city. The City continues to experience unprecedented demand and pressure for shelter services. As of May 5, 2024, the City is accommodating 12,221 people experiencing homelessness.

Demand for shelter services has increased significantly over the past few years and is projected to continue throughout 2024 for many reasons including, but not limited to, insufficient affordable housing supply, increased costs of living, inadequate wage and income supports, and an increase in the number of refugee claimants arriving in the city who become immediately homeless. In 2023, 37,831 unique callers called the City's Central Intake service seeking access to a shelter program.

Many people remain unable to access shelter beds each night. In 2023, there were, on average, 202 callers per day not matched to a shelter space. Data show these averages have almost doubled since 2022; this figure continues to trend upward. These factors impact the number of individuals staying in encampments. As of May 5, 2024, 256 encampments have been identified city-wide. This includes 190 encampments across 77 parks, and 66 encampments in right-of-way locations.

There continues to be a humanitarian crisis of refugee claimants requiring shelter across the country – particularly acute in Toronto. As of May 5, 2024, the City is providing support to 6,457 refugee claimants, with over 4,795 people inside the system, and 1,662 people outside the shelter system, accounting for 53% of all people provided with accommodation.

Entries to homelessness continue to outpace exits to housing. Of 21,929 unique individuals who used the shelter system in 2023, 5,927 were assisted to move into permanent housing. Despite the progress in connecting people to housing, the high level of demand highlights the broad capacity issues facing the City's shelter system.

Overview of Homelessness Services Capital Infrastructure Strategy - Update and Progress

The [Homelessness Services Capital Infrastructure Strategy](#) (HSCIS) was adopted by Council in November 2023 via [EC7.7](#).

The HSCIS serves as the roadmap to transition the City's shelter infrastructure from primarily emergency-focused responses to a system rooted in proactive, long-term, and strategic capital planning and decision making. This includes transitioning out of temporary hotel programs into purpose-built, permanent, and long-term use shelter sites. This process will ensure new spaces are proactively secured and thoughtfully designed to enhance safety, dignity, and meet the needs of Toronto's diverse homeless population while being well integrated into the surrounding community. The HSCIS works in alignment with the [Shelter Design and Technical Guidelines](#), [Homelessness Solutions Service Plan](#), [HousingTO 2020-2030 Action Plan](#), and other City-wide strategies.

Over the ten-year capital planning period for the HSCIS (2024 – 2033), 20 new permanent and long-term use shelters with 1,600 spaces will be developed. This includes 16 new sites to replace approximately 1,280 temporary hotel spaces, and three (3) new expansion sites that increase system capacity by 240 spaces. The expansion sites will respond to pressing needs across the sector, including new sites for families, youth, and Indigenous peoples experiencing homelessness. Additionally, a new permanent flex site with approximately 80 spaces will also be developed to use as a temporary swing space when the City's existing shelters undergo renovations, and client relocations are necessary. Through HSCIS shelter development, the development of a Black-led shelter program will also be prioritized by TSSS.

Estimated Capital Costs for Homelessness Services Capital Infrastructure Plan

Capital requirements over the ten-year capital planning period (2024-2033) are an estimated \$674.5 million. The estimated capital costs for new HSCIS shelter sites includes the cost of site acquisition, consulting fees, construction and site development costs (for new sites and City-owned sites), site design, fit-up expenses, project staffing, and costs related to community engagement. Estimated costs account for inflation related cost increases. Funding is urgently needed for the HSCIS project to advance the 2024 milestones for securing sites under the HSCIS and speed up development of new HSCIS sites.

Developing permanent and long-term use shelter sites is significantly more cost effective than continuing to lease temporary hotel locations. Temporary sites have almost double the operating costs of permanent and long-term-use sites. Despite negotiating up to five-year extensions with the majority of sites in order to allow time for site acquisition and development and secure improved rates, the cost of operating temporary programs remains high due to the impacts of inflation and lease costs relative to the operating costs of City-owned sites.

New purpose-built shelters produce substantial capital and operational cost savings over the long-term, in addition to providing more accessible spaces with increased safety and programming measures that meet the diverse and unique programming needs of clients across the shelter system.

HSCIS Property Strategy

In collaboration with CreateTO and Corporate Real Estate Management (CREM), TSSS is working to identify, evaluate and secure potential shelter locations including securing a minimum of five new shelter opportunities in 2024 and early 2025. Shelter opportunities include allocating City lands, redeveloping and repurposing City-owned properties for shelter use, leveraging real estate from other levels of government, and private market sites for acquisition or long-term lease. Table 1 and 2 of Attachment 1 summarizes the planned site identification and opening of new HSCIS sites. All new shelters sites developed through the HSCIS will follow the Emergency Shelter Development Process approved by City Council in 2018 ([CD24.7](#)).

Between January 1 and June 7, 2024, the City undertook investigation of 72 open market properties and 34 City-owned properties have been or are being investigated. A multi-step evaluation process has been implemented to ensure sites are suitable for Municipal Shelter use. This includes ensuring a site is a) allowed under Municipal Shelter By-Law; b) appropriately sized; and c) connected to transit and other amenities. For sites that have passed the initial review, site visits are conducted to determine the viability of the site for future shelter usage. This includes evaluating potential project costs, timing, and complexity.

Funding is required to facilitate the next phase in securing sites. This includes, but is not limited to, executing conditional agreements of purchase and sale, and conducting the necessary technical investigations and due diligence (on both new sites and City-owned sites). While initial funding has been leveraged to allow for early due diligence work, this funding will not be sufficient for the necessary property selection work that must be completed immediately. Urgent funding is required to ensure that 2024 timelines are maintained, and suitable sites are successfully secured for development.

Staff are working to identify strategies to expedite the delivery of HSCIS sites once sites have been secured. As part of this strategy, staff recommend City Council extend the use of the pre-existing competitive Request for Supplier Qualifications documents for rapid build construction, traditional build construction, and associated rosters established for the Rapid Housing Initiative to the HSCIS project. Utilizing these existing lists of vendors would allow for significant timeline improvements. Additionally, an update will occur in the fourth quarter of 2024 to expand the City's existing pre-qualified roster of vendors for rapid-build housing construction which will also take into consideration HSCIS requirements, in accordance with Section 195-8.5 of the Toronto Municipal Code Chapter 195 (Purchasing By-Law).

Community Engagement and Integration

The City is committed to site-specific engagement for all new HSCIS shelters, as directed by City Council through CD19.6 "[Proposed New Engagement and Planning Process for Emergency Shelters](#)." CREM and TSSS will jointly brief local Councillors about proposed shelters before completing the purchase of any property, and any information becomes public about the shelter project. The City will work with local Councillors to clearly communicate project information and foster solution-focused engagement prior to the opening of new services with the public.

This process will contribute to enhancing the successful integration of the new shelter service into the community and pave the path toward deeper and more positive and supportive community relationships.

Update on Intergovernmental Funding Status

The City is requesting funding of \$674.5 million over 10 years from the federal government to support the capital funding needs of Toronto's Homelessness Services Capital Infrastructure Strategy.

In December 2023, City Council adopted recommendations to implement the [Ontario-Toronto New Deal Agreement](#) to advance discussions and take necessary actions to implement the Core Commitments, which included financial support from the Province of \$600 million in operating funds over three years for "non-refugee" shelters and homelessness, conditional on the City receiving federal operating funding support for refugees and asylum seekers. A Transfer Payment Agreement for the first tranche of this provincial support funding (\$200 million) was executed on March 28, 2024. The New Deal Term Sheet also noted the Shelter Infrastructure Plan and Homelessness Services Infrastructure Strategy as a key support stream for federal government cost-sharing.

The City is now in active negotiations with the federal government to secure funding for the 2025 – 2033 Capital Plan. As an initial step, the City is seeking \$89.5 million with cash flows commitments of \$57.3 million in 2024 and a future commitment of \$32.2 million in 2025 to allow for the acquisition of key properties currently under consideration. Ultimately, the City is looking for the federal government to commit to fully funding the capital costs based on the Council approved strategy and the proposed spending plan.

The 2024 Federal Budget included \$1.1 billion over the next three years to extend the Interim Housing Assistance Program (IHAP), which helps provincial and municipal governments prevent homelessness for asylum claimants on a cost-sharing basis. In addition to IHAP, the Budget also committed \$250 million over the next two years to address the urgent issue of encampments and unsheltered homelessness. This funding will require provinces and territories to cost-match federal investments, leveraging a total of up to \$500 million. City staff are exploring opportunities from these recent budget commitments and how they can be leveraged in support of the HSCIS.

Additional Shelter Infrastructure Plan Sites

In addition to HSCIS sites, the City is finalizing work on existing shelter projects including the Housing and Shelter Infrastructure Development project and George Street Revitalization.

Housing and Shelter Infrastructure Development (HSID)

In 2018, in response to increased demand for shelter services, City Council directed TSSS through [EX31.2](#) "2018 Capital and Operating Budgets" to expand the number of permanent new shelter beds in Toronto by 1,000. In 2020, this funding stream was

expanded to include both housing and shelter projects as a response to the identified need for more housing opportunities in Toronto. As a result, the 1,000 Beds Project was renamed the Housing and Shelter Infrastructure Development (HSID) Project.

Through HSID, seven new shelter sites with 680 beds have opened, with an additional Indigenous men's shelter with 75 shelter beds currently in development. The City also used funding from HSID to create 300 spaces through three (3) 24-hour respite sites in Sprung Structures. Additionally, one planned shelter site through HSID was transitioned into a 33-room supportive housing unit. HSID funding also supports the relocation of a 24/7 Women's Drop-In. Despite the increase in shelter spaces created through HSID, shelter demand remains high and the need for additional shelter infrastructure remains critical for the future of the City's shelter system.

George Street Revitalization (GSR)

The George Street Revitalization (GSR) project seeks to redevelop the current Seaton House men's shelter program and ensure individuals experiencing homelessness have programming and services that support their needs. To support this process, the City is relocating existing shelter residents at Seaton House to new shelter sites. To date, four shelter programs have opened as part of the GSR project and Seaton House Transition Plan. These programs have shifted beds from Seaton House to sites in neighbourhoods across the city.

Construction has started for the final shelter program (2299 Dundas Street West), expected to open in 2025 with a capacity of 80 shelter spaces. In addition to relocating beds to shelter programs across the city, several housing partnerships have been developed to assist in housing clients from Seaton House in advance of the program closing. These include partnerships with operators such as Habitat Services, Canadian Mental Health Association and St. Clare's Multi-Faith Housing Society.

Table 1 and 2 in Attachment 2 summarize the upcoming new shelter sites within the GSR and HSID projects.

COVID-19 Shelter Transition and Relocation Plan Update

The [COVID-19 Shelter Transition and Relocation Plan](#) (CTR Plan) was approved by City Council on April 6, 2022, recommending a thoughtful and phased approach to support a gradual transition out of temporary COVID-19 shelter sites.

City Council approved phase three of the CTR Plan in November 2023 via [EC7.7](#), to integrate the CTR Plan more fully with the HSCIS and transition from an emergency focused COVID-19 response to a long-term, proactive approach to capital planning for Toronto's shelter system. As the City continues toward recovery and stabilization, the plan focuses on moving people into purpose-built buildings that can adequately meet the diverse needs of shelter clients, allow for enhanced operations and safety, and provide more financial sustainability. Funding for HSCIS is critical to ensuring that the City can support the transition out of temporary hotel shelter sites.

The HSCIS aims to develop up to 20 new permanent and long-term shelter sites to replace the remaining 16 temporary hotel sites over the course of 2024-2033. The development of each new, permanent HSCIS shelter site will take between two to five years from acquisition through to design and construction. It is estimated that the first replacement shelters will be operational in 2026 at the earliest (see Attachment 1, Table 1).

In the interim, CREM, CreateTO and TSSS are jointly stabilizing the CTR Portfolio by executing medium-term extensions to existing agreements with temporary shelter site owners, per the direction of City Council in [EC9.4](#). These medium-term extensions are resulting in both financial and operational benefits to TSSS, when compared to the historic annual extensions that have been used to sustain the CTR Portfolio.

Leveraging these medium-term timeframes, TSSS is developing a plan to align the decommissioning of sites in the CTR Portfolio with the new sites identified through the HSCIS and other confirmed supportive and affordable housing opportunities over the course of 2024-2033. This approach ensures the best possible outcomes for shelter residents, service providers, and the broader community.

The CTR Plan aims to move residents from temporary sites into permanent housing wherever possible and offset changes to shelter system capacity. Housing is the priority when closing shelter hotel programs, with 2023 closures achieving a housing outcome rate of approximately 27 percent. To support previous shelter hotel closures, TSSS also returned some capacity to the base shelter system through a return to pre-pandemic physical distancing standards, including reintroducing double occupancy where space allowed. Programs across the system have also converted programming space and common areas to serve as emergency capacity to maximize the capacity of the system and mitigate the increases in demand for shelter. The City has exhausted the capacity that can be added by reducing distancing between beds in the base shelter and will not be able to use this approach to address future shelter system pressures resulting from the closure of shelter hotel sites. As such, these CTR closures must be aligned with the development of new HSCIS and housing sites to offset impacts to shelter system capacity.

Large Program Closures

At its meeting in February 2024, City Council directed TSSS to implement plans and report back with an outline for de-commissioning temporary shelter hotel locations with the largest (more than 200) single adult and chronically homeless populations. This represents four (4) of the current temporary hotel programs and includes: 2035 Kennedy Road, 2180 Islington Avenue, 1677 Wilson Avenue, and 185 Yorkland Boulevard.

Table 2: CTR shelter sites with approximately 200 or more single adult and/or chronically homeless populations

Site Address	Number of Residents ¹	Percentage of Residents Experiencing Chronic Homelessness ¹
2035 Kennedy Road	381	83.2% (317/381)
2180 Islington Avenue	176*	72.2% (127/176)
1677 Wilson Avenue	211	58.8% (124/211)
185 Yorkland Boulevard	283	82.0% (232/283)

Note¹: Based on May 13, 2024, occupancy.

*: Site occupancy fluctuates above 200 based on demand for Isolation spaces

Decommissioning Strategy

While 2035 Kennedy Road is slated as the first closure, decisions about when and how the remaining three large sites will be closed is based on the timelines for new HSCIS sites, on continued suitability of the site to operate as a shelter and the willingness of the property owner to continue existing lease arrangements. Additional criteria for determining the sequence of decommissioning, particularly among the four largest sites, includes a range of considerations such as operational suitability, current state of good repair, cost per diem, sector served, geographic location, emergent factors, among other factors. The City is committed to sharing details of these site closure plans prior to the closure of each site and providing as much notice as possible to site residents, staff, and the public, where possible.

As recommended in the Shelter Design and Technical Guidelines, new sites opening as part of HSCIS will not exceed 80 -100 beds for single adults, and 80 - 100 rooms for family shelters. Closing the largest hotels (over 200 spaces) will require bed resources from multiple new permanent sites. Through this process, every effort will be made to ensure continuity of services and supports for residents and that all residents are provided with referrals to shelters or housing solutions that meet their needs.

Additional factors that can impact this plan include the growing need for shelter spaces for refugee claimants and individuals staying in encampments. There are ongoing discussions among all levels of government regarding the division of responsibilities and funding to support the shelter needs of newcomers including refugee claimants.

2035 Kennedy Road Decommissioning

In response to City Council direction ([EC9.4](#)) in February 2024, TSSS established an interim mandate to transition the primary resident population served at 2035 Kennedy Road from single adults to refugees and refugee claimant households. TSSS is achieving this population transition through attrition, whereby new vacancies at the site are exclusively available to refugee claimants, without involuntary displacement of the existing population of the site.

All new admissions to the program are planned to stop permanently in Fall 2024. Over the following twelve months, efforts will be made to provide as many residents as possible with permanent housing opportunities and referrals to other shelter sites, where needed. This approach will result in a gradual decanting of the shelter program and a phased monthly return of floors to the landlord, in order for the landlord to start some renovations and ensure the City is not incurring undue costs for rooms no longer being used for shelter spaces. This approach will result in the shelter site being vacated and returned to the landlord prior to December 31, 2025.

Remaining Temporary COVID-19 sites

Following the closure of the large hotel sites, TSSS will apply the same criteria, including other emergent factors, to determine the sequence of decommissioning for the remaining 12-16 COVID-19 Transition and Relocation sites. Majority of the remaining temporary sites will be closed as additional permanent HSCIS sites are planned to open between 2029 and 2033. It will remain essential to ensure that there is new shelter space, to mitigate the impact of closures and prevent greater pressures on the shelter system including increased encampments.

Next Steps

Subject to City Council's approval of the recommendations in this report, City staff will be securing sites considered for shelter use to conduct the necessary technical investigations and due diligence prior to completing any acquisition. The new sites will play a key role in the shelter hotel decommissioning strategy as outlined in the COVID-19 Transition and Relocation Plan. Moving forward with securing potential new shelter sites will also allow staff to report to City Council a more accurate timeline to close shelter hotels and open new sites.

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ATTACHMENTS

Attachment 1: 2025 Shelter Infrastructure Plan for the Homelessness Services Capital Infrastructure Strategy (HSCIS) 10-Year Plan (2024-2033)

Table 1 highlights the number of spaces forecasted to open for the HSCIS 2024-2033 (10-year HSCIS outlook). As recommended in the Shelter Design and Technical Guidelines, new sites opening as part of HSCIS will not exceed 80 -100 beds for single individuals. For family shelters, sites will not exceed 80 – 100 rooms, allocating one (1) family per room.

Table 1: HSCIS Shelter Development Allocation

Site	Estimated Year to Secure	Projected Opening Year	HSCIS Replacement Site	Flex Site	Expansion Site
HSCIS Site 1	2024	2026			80 spaces
HSCIS Site 2	2024	2026/ 2027	80 spaces		
HSCIS Site 3	2024	2026/ 2027	80 spaces		
HSCIS Site 4	2024	2027	80 spaces		
HSCIS Site 5	2024	2027			80 spaces
HSCIS Site 6	2024/ 2025	2027			80 spaces
HSCIS Site 7	2025	2028		80 spaces	
HSCIS Site 8	2025	2028	80 spaces		
HSCIS Site 9	2025	2028	80 spaces		
HSCIS Site 10	2026	2029	80 spaces		
HSCIS Site 11	2026/ 2027	2029	80 spaces		
HSCIS Site 12	2027	2029	80 spaces		
HSCIS Site 13	2027	2029	80 spaces		
HSCIS Site 14	2027	2029	80 spaces		
HSCIS Site 15	2028	2030	80 spaces		

Site	Estimated Year to Secure	Projected Opening Year	HSCIS Replacement Site	Flex Site	Expansion Site
HSCIS Site 16	2028	2030	80 spaces		
HSCIS Site 17	2029	2031	80 spaces		
HSCIS Site 18	2029	2031	80 spaces		
HSCIS Site 19	2030	2032	80 spaces		
HSCIS Site 20	2031	2033	80 spaces		
Total			1280	80	240

Table 2: Forecast of HSCIS Site Openings by Year, 2024 – 2033 (Projected Site Opening)

	Replacement Site	Flex Site	Expansion Sites	Total By Year
2024				
2025				
2026			1	1
2027	3		2	5
2028	2	1		3
2029	5			5
2030	2			2
2031	2			2
2032	1			1
2033	1			1
Total by Category	16	1	3	20 sites

Attachment 2: 2025 Shelter Infrastructure Plan for the Housing and Shelter Infrastructure Development (HSID) and George Street Revitalization (GSR) projects

Table 1 highlights the number of spaces forecasted to open specifically for the approved Housing and Shelter Infrastructure Development (HSID) and George Street Revitalization (GSR) projects between 2024 to 2026. There is also one service relocation as part of the HSID project. Table 2 provides an update on addresses of sites and number of beds included in the HSID and GSR projects.

Table 1: Forecast of Shelter Site Openings by Year, 2024 – 2026.

	GSR	HSID	Relocation	Total By Year
2024	1		1	
2025	1			
2026		1		
Total By Category	2	1	1	4

Table 2: Update on HSID and GSR projects by address, 2024 – 2026.

	Address	Project	HSID	GSR	Relocation	Program	Lease/Own
2024	76 Church Street	GSR		53		Men	COT, City Leased
2024	233 Carlton Street*	HSID			28	Women	POS, City Leased
2025	2299 Dundas St. W.	GSR		80		Men	COT, City Owned
2026	67 Adelaide St. E.	HSID	75			Indigenous Men	POS
Total			75	133	28	236 Total	

*233 Carlton Street is a replacement site for the Adelaide Women's Resource Centre relocating from 67 Adelaide Street East. The site will focus on providing 24-hour drop-in and support services for vulnerable women who are at risk of gender-based violence and experiencing homelessness.