



2016 – 2019 CITY OF LONDON STRATEGIC MULTI-YEAR BUDGET

ADDITIONAL INVESTMENTS BUSINESS CASE #16

STRATEGIC AREA OF FOCUS:

STRENGTHENING OUR COMMUNITY

SUB-PRIORITY:

CARING AND COMPASSIONATE SERVICES

STRATEGY:

1. ELIMINATE BARRIERS FOR INDIVIDUALS FACING POVERTY, MENTAL HEALTH AND ADDICTIONS AND HELP THEM FIND PATHWAYS TO BE SUCCESSFUL.
2. WORK WITH COMMUNITY AGENCIES TO HELP TENANTS KEEP THEIR EXISTING AFFORDABLE HOUSING AND AVOID HOMELESSNESS.
3. REDUCE AND PREVENT HOMELESSNESS.

INITIATIVE:

- A. LONDON HOMELESS PREVENTION AND HOUSING PLAN 2010-2024
- B. LONDON HOMELESS PREVENTION SYSTEM IMPLEMENTATION PLAN

INITIATIVE LEAD(S):

LYNNE LIVINGSTONE

SERVICE(S):

HOMELESS PREVENTION

TOTAL 2016 – 2019 INVESTMENT REQUESTED (\$000'S): \$3,800

TOTAL 2016 – 2019 NET BUDGET REQUESTED (\$000'S): \$2,892*

* Initiative to be partially financed by debt.

WHAT IS INCLUDED IN THE BASE BUDGET?

BASE BUDGET (\$000'S):	2015	2016-2019 TOTAL
Civic Service Areas:		
Operating	1,351	5,404
Full-Time Equivalents	5	6
Capital	0	0
Total Capital	0	0

Base Budget Summary:

The base budget for Homeless Prevention under Neighbourhood, Children and Fire Services supports the City of London's Homeless Prevention System Implementation Plan. The programs, policies and practices funded under this outcome-focused Plan are designed to address, reduce and prevent homelessness in London. Our collaborative efforts with community agencies, through a Housing First response, help tenants to keep their existing housing and avoid homelessness. The base budget is primarily directed to the Housing Stability Bank providing small loans to assist Londoners with low income to obtain and retain their housing and to keep those at risk of homelessness housed. To achieve the outcomes identified in the Plan, funds from all orders of government are applied. Efforts continue to transition community services from diverting individuals from entering into an emergency shelter, shelter specialization and rapid housing once in shelter. By achieving these outcomes, priority populations are immediately supported with housing stability versus homelessness.

BASE BUDGET METRICS	2015	2016	2017	2018	2019
Reduce Emergency Shelter Use	5%	10%	10%	10%	10%
Decrease in Emergency Services Diversion (Police, ER, EMS)	5%	5%	5%	5%	5%
Persistently Homeless Households that Achieve Housing Stability	50	50	50	50	50

WHAT INVESTMENT IS REQUIRED FROM PROPERTY TAX?

TAX LEVY IMPACT (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Net Requested Tax Levy (Cumulative)	200	400	1,146	1,146	2,892	8,374
Net Incremental Tax Levy	200	200	746	0		
Annual Tax Levy Impact	0.04%	0.04%	0.14%	0.0%		

Note: Debt servicing costs would be realized as follows: Total 2016-2019: \$292 thousand, and 2020-2025: \$874 thousand.

INITIATIVE DELIVERABLES

All orders of Government, including Municipal Council, have approved London's Homeless Prevention System Implementation Plan. The Plan concentrates on delivering actionable and measurable solutions in purposeful and strategic ways with community-level results, consistent service delivery and information management. The deliverables are organized into five areas of focus: Securing Housing, Housing with Support, Housing Stability, Shelter Diversion and Strategy, Competency and Capacity.

Two primary efforts require additional operating funding and capital funding.

Initiative A - From Homelessness to Housed

Operating funding is required for housing supplement programs available to households moving from homelessness into housing. Commencing in 2016, and for each year following, housing supplements will be provided to a minimum of 150 households at an annual cost of \$200,000 for the first year, \$400,000 for the second year and the full cost of \$500,000 for each subsequent year with the aim of providing supplements to a minimum of 300 households per year.

A significant challenge is the affordability of units for low income Londoners. Housing supplements provide an immediate and effective way to support attaining housing in neighbourhoods families and individuals choose as where they believe they can be most successful in achieving stability. Housing supplements provide an immediate housing solution, addressing gaps in services (from homelessness to rapidly housed) and supports the move to housing stability. This evidence-informed practice complements existing housing solutions, adds to the diversity and range of housing options available, allows flexibility relative to household size, neighbourhoods and access to immediate permanent housing.

London has achieved strong success with its current, modest housing supplements, particularly when delivered through a Housing First service. A housing supplement is paid directly to the landlord and is based on the difference between what a household can afford to pay and the cost of the unit. Maximum levels are set and monthly contact is maintained with the landlord to ensure that a positive relationship and monitoring is in place between the landlord, tenant and funded agency.

CUMULATIVE OPERATING BUDGET (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Expenditure	200	400	500	500	1,600	3,000
Source of Funding:						
Grants						
User Fees						
Savings from Existing Budget						
Other						
Net Tax Levy	200	400	500	500	1,600	3,000
Additional Full-time Equivalents	0	0	0	0	0	0

METRICS (CUMULATIVE CHANGES)	2016	2017	2018	2019
Additional decrease in emergency shelter use and cost for chronic shelter users	Decrease by 50 individuals	Decrease by 100 individuals	Decrease by 300 individuals	Decrease by 300 individuals
Decrease in emergency services diversion (police, ER, EMS)	Decrease by 10%	Decrease by 10%	Decrease by 10%	Decrease by 10%
Increase number of individuals and families retaining their homes (retain housing 6 months+)	Increase by 25 households	Increase by 25 households	Increase by 25 households	Increase by 25 households

Initiative B - Investing in Our Youth Experiencing Homelessness

The first phase of London's Homeless Prevention System Implementation Plan focused on reducing pressures on emergency shelter use. Special programs, along with the commitment of the emergency shelter operators, have been successful in achieving demonstrated results. Between 2012 and July 1, 2015 there has been a voluntary reduction of emergency shelter beds from 360 beds to 320 beds. The re-tooling of our emergency shelters, along with our existing homeless serving organizations, continues. Investment of time and resources are dedicated to introducing centralized intake for emergency shelters, an integrated data base and specialization of services based on the unique needs of the population. Street-involved youth and youth experiencing homelessness in London require youth specific, trauma-informed immediate services to address the existing gap in services. To respond to the growing trend of youth, the goal is to design and open a youth-focused Housing First Emergency Shelter aimed at rapid housing, reconnection to family and lasting support services. Both capital and annualized operating costs are required. The additional funding requested will finance the capital cost of constructing a youth-focused shelter, as well as the ongoing operational costs of operating the shelter.

Currently, street-involved and homeless youth are provided an emergency shelter bed at The Salvation Army Centre of Hope. There is limited ability to provide a dedicated youth unit, or provide integrated services. Young men and women between the ages of 16 and 24 often share dormitory beds with older adults. The Centre of Hope currently operates 136 emergency beds and, along with other services offered, there are often over 500 individuals using the services of the Centre of Hope. Youth are at risk of harm including sexual exploitation and abuse, exposure to street drugs, gang activity, discrimination, bullying and violence. The poor personal outcomes often lead to an increase in street entrenchments, addiction, mental health and exposure to violence, abuse and distraction from family and organizations that can assist with stability.

Evidence-informed models are being developed in other communities based on a Housing First approach. In this approach a youth shelter is focused on the immediate response to prevent street-involved youth from moving to an extensive and damaging experience of homelessness. The Housing First shelter includes active involvement with community outreach initiatives to have a collaborative, immediate response to new street-involved youth including rapid short-term accommodation and basic needs. The focus is immediate access to permanent housing with ongoing built-in supports. Services include efforts to maintain or re-establish family connections, and provide targeted interventions and services during times of crisis to support and maintain new housing. Shelter stays are designed to connect youth to appropriate services based on their unique needs including their income security, education, addiction and mental health, experience of trauma, sexual abuse, exposure to domestic violence, and homophobia, while linking the youth to a wider system of care for as long as is required. The additional funding requested will finance the capital costs of constructing a youth focused shelter as well as the ongoing operational costs of operating the shelter.

CUMULATIVE OPERATING BUDGET (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Expenditure	0	0	500	500	1,000	4,500
Source of Funding:						
Grants						
User Fees						
Savings from Existing Budget						
Other						
Net Tax Levy	0	0	500	500	1,000	4,500
Additional Full-time Equivalentents	0	0	0	0	0	0

CUMULATIVE CAPITAL BUDGET (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Expenditure	0	1,200	0	0	1,200	0
Source of Funding:						
Debt	0	1,200	0	0	1,200	0
Reserve Fund						
Other						
Capital Levy						

Note: Debt servicing costs would be realized as follows: Total 2016-2019: \$292 thousand, and 2020-2025: \$874 thousand.

METRICS (CUMULATIVE CHANGES)	2016	2017	2018	2019
Youth achieving appropriate housing within 14 days of entering shelter			100	100
Youth who have improved outcomes (social determinants of health, income, education, and overall health)			5	100
Increased number of youth housed with support			100	100

WHAT ARE THE RISKS OF NOT PROCEEDING?

By not implementing these initiatives, there is a risk of not achieving the objectives of the City of London's Homeless Prevention System Implementation Plan.

Some other specific risks include:

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| 1 | The solution to homelessness is immediate access to attainable housing. When housing supplements are attached to existing in-home support, the risk of ongoing homelessness is eliminated on a permanent basis. |
| 2 | Housing supplements provide an immediate resolution to an immediate housing crisis. By not implementing housing supplements the waiting list for rent-gear-to-income increases and there will be an increased failure in housing stability. |
| 3 | Increased demand for emergency shelter resulting in an increase cost to shelter use (cost per month per individual in shelter is \$1,452 versus an average monthly cost per individual of \$150 per month to achieve permanent housing). |
| 4 | Street entrenched youth will increase resulting in declining education, an increase in addictions, and contact with police and justice responders. Long term poor outcomes. |

OTHER INFORMATION TO REFER TO

LONDON HOMELESS PREVENTION SYSTEM IMPLEMENTATION PLAN,

[HTTP://WWW.LONDON.CA/RESIDENTS/NEIGHBOURHOODS/DOCUMENTS/LONDON'S%20HOMELESS%20PREVENTION%20SYSTEM.PDF](http://www.london.ca/residents/neighbourhoods/documents/london's%20homeless%20prevention%20system.pdf)

LONDON'S HOMELESS PREVENTION SYSTEM PROGRESS REPORT AND UPDATE, AGENDA ITEM #4,

[HTTP://SIRE.LONDON.CA/MTGVIEWER.ASPX?MEETID=996&DOCTYPE=AGENDA](http://sire.london.ca/mtgviewer.aspx?meetid=996&doctype=agenda)