

Cost Estimates (excl. capital costs)

			Estimates rounded to nearest \$1,000	
			Interim Response ¹	Annualized ²
Strategies	Cost per unit per month	# of spaces / clients	4 months 2022 Sep 1-Dec 31	12 months 2023 Jan - Dec 31
1 - Transitional Housing	\$ 3,454	100	\$ 1,382,000	\$ 4,145,000
	3,454	25	345,000	1,036,000
2 - Home Based Supports	2,180	100	872,000	2,616,000
3 - Emergency Shelters	2,538	50	508,000	1,523,000
4 - Managed Hybrid Shelter/Outdoor Model	1,566	<u>50</u>	313,000	940,000
	Total	325	\$ 3,420,000	\$ 10,260,000

¹This only reflects the financial forecast, implementation requires a longer timeframe

²The annualized cost does not reflect an additional cost for administration (Regional staffing costs)

2022 Funding and 2023 Budget Impact

For 2022, funding recommendations are as follows:

- Capacity within the 2022 Equity & Inclusion budget allocation
- Tax Stabilization Reserve

For 2023:

- Advocate to senior levels of government for additional homelessness program funding – we already have a \$6.5m funding shortfall going into the 2023 budget
- In the absence of additional funding, the shortfall and the incremental costs associated with the interim shelter plan will fall to the property tax levy (approx. \$17m)
- Costs relating to the interim shelter plan are over and above the 2023 property tax budget projection provided to Council in June, which was approx. a 10% tax increase for Regional services (excluding Police)

Provincial/Municipal Funding Commentary

The capacity of the property tax levy to fund municipal services relative to **public expectations of municipal service delivery** is a major challenge.

This is evidenced by the **ongoing funding of programs** with province-wide objectives and **which serve an income redistribution and social equity purpose from the property tax base**

The **Region's budget and financial capacity continue to be stretched**, highlighting the limitations of funding a multitude of social programs from an inadequate revenue base comprised solely of property taxes and user fees

This is predominantly an Ontario-based problem, as **most other provinces in Canada fund programs** such as income support, child care, public health, seniors' services, housing and homelessness **from provincial revenues**

Staff recommendations

Advocate to the Government of Canada and to the Province of Ontario for incremental, sustainable and predictable funding to support interim and long term solutions to eliminate homelessness in Waterloo Region;

Increase the 2022 Housing Services Operating Budget by \$3,420,000 to be funded from a combination of the 2022 Equity and Inclusion Fund and the Tax Stabilization Reserve as deemed appropriate by the Chief Financial Officer;.

Staff recommendations

Delegate on an as required basis, to the Chief Administrative Officer and the Commissioner of Community Services, the authority to finalize and execute agreements with service providers, landlords, and/or community partners, and any associated ancillary agreements, including agreements to acquire interests in property, and to execute documents and certificates as may be necessary for the expeditious implementation of the Community Services Committee resolutions from August 9, 2022 and to do all things as may be necessary or required to give effect to these resolutions, all to the satisfaction of the Regional Solicitor and the Chief Financial Officer; and

Indicate Regional Council's intent to recover, from future regional development charges, a portion of capital costs incurred in 2022 and future years relating to Housing Solutions for Regional Residents Experiencing Homelessness, subject to approval of future Regional Development Charge By-laws.