TO: Bert Meunier, Chief Administrative Officer
FROM: Lance Thurston, Commissioner, Department of Community Services
PREPARED BY: Tanie Steacy, Manager, Program Delivery, Social Services
Adele Lafrance, Manager, Administrative Services, Social Services
DATE OF MEETING: 2004 03 09
SUBJECT: Supports to Homeless Persons: A Response to Presentation of A Room of One’s Own

RECOMMENDATION TO COUNCIL:
That Council receives this report and defers consideration of the issues and possible interventions to the 2004 budget deliberations.

ORIGIN/PURPOSE:
The information detailed in this report is provided in response to a resolution passed by Council at its regular meeting of February 17, 2004, in which Council directed staff to report on the issues raised in the presentation to Council on February 3, 2004 by members of the social inclusion initiative, A Room of One’s Own.

This report also provides information on other issues that arose in a related public forum regarding housing, homelessness and health issues held on January 19, 2004, sponsored by A Room of One’s Own, the Social Planning Council, and the Health and Housing Coalition.

The Issues
Council has been asked to take the following actions to address the issues raised:

1. Establish a day time “drop-in” for homeless persons
2. Discontinue the practice of reducing Ontario Works Allowance for people staying in emergency hostels
3. Use money in City reserves to meet the needs of the poor
4. Extend use of Discretionary Ontario Works Benefits for medical and non-medical needs
5. Extend use of Pay Direct system for rent and utility payments

OPTIONS/DISCUSSION:

(A) Review
The following undertakings were initiated by staff to assemble and provide information for Council:
A brief survey on policies of other municipalities related to provision of Personal Needs for users of emergency hostels was undertaken (47 surveys were sent out, 15 replies were received of which 2 did not provide OW emergency hostel services).

A brief survey of local emergency hostel service providers was undertaken regarding scope of services delivered (5 surveys were sent out and 5 replies were received).

A consultation meeting was held with Social Planning Council staff and volunteer members from A Room of One's Own to clarify the items requested and to provide information on research and recommended solutions.

Confirmation from the Province as to the appropriateness of our interpretation of legislation, regulations and directives concerning OW allowances and emergency shelter use.

(B) Background

To provide some context for this discussion, we first provide some background information on the organizations that have brought the issues to Council, and the extent of the City's involvement to date in the provision of emergency hostel services to the community.

The Social Planning Council

The Social Planning Council of Kingston and area is a non-profit, non-governmental organization and registered charity operating in Kingston since 1930. In 2003 it began a process of renewal, to better define its role and major functions.

The role of the Social Planning Council, as stated by its new Board of Directors, is to raise awareness about social needs in Kingston and area and to engage citizens and community partners in planning an action on social needs that will improve the well being of the whole community.

The Social Planning Council sees its major functions as being to:

- Bring together community members and partners in order to build relationships and create opportunities for positive social change
- Listen to concerns and ideas emerging from the community
- Research issues, develop tools, generate knowledge and information on social needs and issues as well as approaches to addressing these needs and issues
- Enable community members to use research and information to improve the quality of community life.

A Room of One's Own

This is termed a social inclusion initiative funded by a grant from Health Canada and sponsored by the Social Planning Council. The project brings together housing providers, those in need of affordable housing, and social agencies in a forum to identify issues and develop solutions to the housing and health challenges facing many citizens in this community. The focus to date has been primarily on issues of homelessness and affordable rents.

Goals of the project are:

- To create new links between the general community and marginalized populations in need of rooms as basic housing
To create support system for potential landlords and marginalized groups who become their tenants

To close the gap between decision makers and those who are seeking basic housing

To work towards increasing of the supply of housing through inclusive planning

Health and Housing Coalition
The mandate of the Kingston Housing and Health Coalition is to raise awareness of the impact of inadequate housing on health outcomes and to develop local strategies to address the health care needs of those living in inadequate housing.

Members of the Coalition represent a wide spectrum of health care, social and community service organizations, including Hotel Dieu Hospital, Kingston General Hospital, Frontenac Community Mental Health Services, Providence Continuing Care Centre, North Kingston Community Health Centre, Kingston Not-for-Profit Housing Association, Home Base Housing, Queen's Family Medicine, Ryandale Shelter for the Homeless, Social Planning Council, Street Health Centre, and Community Care Access Centre.

The City's Emergency Hostel Program
Emergency hostels provide board, lodging and personal needs to homeless people on a short term and infrequent basis. Hostels are intended for individuals in crisis seeking temporary accommodation and supports pending resolution of the issues that gave rise to the emergency.

The City of Kingston has had a long history of involvement in the provision of emergency hostel services to the community. The City is not a direct provider of emergency hostel services; choosing instead to purchase the services of a number of emergency hostel operators in the community. As the Ontario Works service delivery agent, the City must ensure that access to an application for social assistance is made available to anyone residing in the geographic area of Kingston and Frontenac. Emergency Hostels are an essential service delivery option to assist the City in meeting this “access to application” obligation, particularly for those people without an address wishing to secure ongoing assistance for permanent accommodations. Emergency Hostels are also an essential referral resource for ongoing OW participants who lose their existing accommodations and/or who have their social assistance interrupted for some reason. The Province shares in the costs associated with this service at a rate of 80%.

Over the course of the past five years, Council has supported staff recommendations to increase hostel capacity and related funding, in recognition of the shortage of available affordable permanent housing within the municipality and the resulting increase in the incidence of homelessness. To date this service delivery expansion has been undertaken within the scope of Ontario Works services that are cost shared with the Province.

Appendix “A” provides a summary of emergency hostel bed night purchases by the City over the past 6 years. Since 1998 the number of hostel night stays has increased almost 300%. The cost of the program to the City and Province through Ontario Works has quadrupled to $524,000 overall in 2003; with the City’s share being $104,000. Appendix “B” provides a chronology of the expansion of the service in that time.

The reasons for the increased utilization of emergency hostel services are numerous, complex and interdependent. Economic losses, family break-ups, the provincially initiated social assistance reforms
(including the 22% reduction in Allowances in 1997), health care restructuring, mental health services restructuring and shortages of appropriate housing opportunities have all contributed to this problem. Many homeless people may also face formidable personal challenges that make it difficult to obtain and retain a job or permanent accommodation, including acute and/or chronic health problems, literacy deficits, cultural and language barriers, substance dependency, domestic violence, criminal justice histories and familial isolation.

Emergency hostels are often the only form of assistance these individuals may use. While it is recognized that emergency hostels are not a solution to homelessness within our community, they are nonetheless an essential component of both short term and long term homelessness strategies and represent the first and most immediate intervention in any responsive service system that may be developed.

The Local Snapshot
A review of local emergency hostel utilization over a four month period in 2002 indicated that approximately 76% of users were or had been OW participants, 17% were in receipt of Ontario Disability Support and 7% had other income or no income support whatsoever. Referrals to emergency hostels are an essential service delivery option employed by the City of Kingston OW Office to meet the immediate needs of many applicants and participants who present to the office with accommodation needs. Other service options include:

- Provision of bus tickets to assist individuals home or to family reunification
- Provision of emergency assistance funds; on occasion these may be used to pay for hotel accommodations on a short term basis.

The presence of a large mental health institution and several correctional facilities within the region, as well as the City’s proximity to Highway 401 and location between three large metropolitan areas (Toronto, Montreal and Ottawa), increases the demand for transient shelter and emergency hostels.

(C) Addressing the Issues

1) Establishing a Drop-In Centre for Persons on the Street

*A Room of One’s Own* is asking the City to fund the establishment and operation of a day time drop-in centre for homeless people and others that find themselves “on the street” or at risk of homelessness. There is a consensus among volunteer members of *A Room of One’s Own*, staff of the Social Planning Council and other community agencies, that there is a real and urgent need for this service, particularly between the hours of 4 p.m. and 8 p.m.

In the last few years, emergency hostel providers have extended their level of service to the community, within the means available to them, to ease the daytime gap in services and supports that many homeless people face. While the situation has been improved somewhat, *A Room of One’s Own* and other social advocates indicate that more is required. During the daytime hours many homeless individuals seek a variety of ways to occupy themselves until the evening when they can seek a hostel bed. This is a concern of particular urgency during periods of extreme cold or heat.

The grim reality of life for homeless people in Kingston was highlighted during the January 19/04 bus tour organized by the Health and Housing Coalition. With few options available to them during daytime hours, the homeless must find ways to stay warm in winter, cool in summer and otherwise occupied. Many seek refuge from the elements and the tedium by “surfing” local coffee shops and fast food restaurants, pan handling, riding the Wolfe Island Ferry, spending time at the library, visiting hospital emergency departments, etc. Those with mental health conditions, addictions or other medical conditions
are at greatest risk during these hours in the absence of any consistent personal or community support systems.

The term, "Drop-in Centre" under-represents the vital role such a service would deliver to persons who are homeless or at high risk of becoming homeless; a more appropriate name would be "Homeless Support Centre". The range of services that could be offered includes:

- Respite shelter from extreme cold and heat
- Contact centre for personal safety and security through informal peer and staff association
- Deterrent to self-destructive behaviours and actions related to addictions, mental health conditions and criminal activities

Representatives from A Room of One's Own and Social Planning Council staff advise that this service should be available at a minimum from 4pm to 8pm, as that is by far the most difficult and "at risk" period of the day for people "on the street".

A Homeless Support Centre with extended hours of service from 1pm to 8pm would better address the needs of potential users. Such a centre should also include the sharing of community and health information, community referrals and the opportunity to provide a "street front" intake location for agencies serving the homeless population.

Representatives of A Room of One's Own stress that they are seeking to find permanent housing solutions for the homeless, not build an expansive day program. Members further stress that while the request for a Homeless Support Centre is presented firstly as an intervention to mitigate immediate harm, it will have longer term beneficial impacts. For example, such a centre and the services it would provide would go a long way towards easing the cumulative debility that occurs in people as the result of chronic homelessness. Such a centre would provide a deterrent to substance abuse activities, address factors that tend to worsen mental health conditions and related behaviours, and provide an alternative to unlawful activities- all being among the root causes of homelessness.

City staff is aware that other programs operate within the Community offering a variety of services to homeless persons as well as persons at risk of becoming homeless. In 2002 the Social Planning Council identified 9 "drop-in" type services operating in the community. A review of the list suggests that only 7 of those services are in operation today. Some of these services are geared only to a specific age group or the client base of specific agencies, and are not readily available to all. While efforts are made by all agencies to cooperate as much as possible to meet community needs, program mandates, funding constraints and limited budgets create significant service gaps that are not being addressed.

If Council wishes to establish a Homeless Support Centre, there are three basic operational models to be considered, namely:

- Directly operate the new centre as a City of Kingston service
- Contract the operation of the new centre to an experienced community service agency
- Enhance similar services currently being offered by community agencies

Staff has not had the opportunity to cost out these service models. There are many variables and factors to consider in assessing the merits and feasibility of these options. The first decision that would need to be made is whether or not Council wished to be in the business of directly delivering this service.
A Homeless Support Service is not cost sharable with the Province under the Ontario Works legislation. The cost of the service therefore would be 100% responsibility of the City. A detailed scope of service has yet to be provided; no accurate figure is available to Council at this time. In anticipation that Council may wish to investigate this option further, $50,000 has been earmarked in the Social Services Division 2004 operating budget submission for Council’s consideration. This figure is purely arbitrary and would serve to provide staff with some resources to develop an appropriate service model if so directed.

2) Financial Assistance to Homeless Individuals

Representatives of A Room of One’s Own and staff of the Social Planning Council have requested that Council change its policies with respect to the level of social assistance made available to homeless people in Kingston. The City of Kingston is responsible for administering the Ontario Works component of social assistance. This program is cost-shared with the Province of Ontario. The rules and regulations that govern Ontario Works are largely prescribed by the Province and are remarkably complicated. Understandably then, there is considerable misunderstanding and confusion as to the eligibility rules that apply to homeless persons staying in emergency hostels. We will attempt to clarify the issue.

OW Allowances

For the purposes of this discussion the financial assistance offered through Ontario Works is known as the OW Allowance. There are other forms of financial assistance offered under specific programs within Ontario Works that are not directly applicable to this discussion and therefore are not mentioned further. The OW Allowance is broken into three categories: Basic Allowance, Shelter Allowance, and Benefits.

- **Basic Allowance**- This represents the funds that Ontario Works participants receive as an ongoing monthly allowance ($195.00 for a single person). It is intended to be used for food, clothing, transportation, etc.

- **Shelter Allowance**- This is a separate, distinct and defined allowance that is provided to Ontario Works participants who have verified rental costs (up to $325 for a single person). OW eligible individuals who do not have rental costs are not entitled to the Shelter Allowance per se; rather, their Basic Allowance may be increased (to a maximum of $357 for a single person) in order to pay for verifiable lodging expenses. This would apply to people in boarding-type arrangements.

- **Benefits**- Ontario Works participants are entitled to mandatory and discretionary medical and non-medical benefits including prescription drugs, dental coverage, and travel and transportation funds. Other non-medical discretionary benefits may also be available depending on circumstances, such as assistive devices, transportation, etc.

According to legislation, the provision of emergency hostel service is **in lieu of regular OW Allowances, and not in addition to**. Emergency hostel users therefore are not entitled to receive either Basic or Shelter Allowance from the City while staying at an emergency hostel. They do, however, remain eligible to receive Benefits. In lieu of providing Allowances to OW eligible persons staying in emergency shelters, the City pays the emergency shelter provider a fee or “per diem” based on a night’s stay, to provide board, lodging and personal needs to the individual. AS part of this review, City staff once again confirmed with the Ministry of Community and Social Services that hostel per diems are paid to operators **in lieu of** other forms of financial assistance being given to hostel users.
Personal Needs Allowance

There is another form of financial assistance that is often confused with the OW Basic Allowance; this is known as the Personal Needs Allowance or PNA for short. The PNA is provided to eligible persons (same income and asset needs testing as regular OW eligibility) who are living in certain institutions. These institutions include long term care facilities, interval or transition homes for victims of family violence, hospitals, and residential substance abuse recovery programs. The PNA is based on a per diem of $3.70 per day of stay in the institution but must not exceed $112 per month.

The Ontario Works legislation is somewhat ambiguous when it comes to PNA. Ministry directives clearly state that emergency hostel residents are not eligible for PNA directly from the City as the OW service manager, as their basic and personal needs are provided for by the hostel operator. The hostel operator however, can provide for the personal needs of residents through either in-kind services or a cash PNA amount.

The City of Kingston’s Purchase of Service agreements with service providers reflect the legislative requirements related to all three emergency hostel components: furnishing of emergency board, lodging, and personal needs services. The agreements recognize the service providers’ expert knowledge on these service delivery matters and provide the service operator with the discretion to provide for personal needs in the manner the service provider sees most suitable. The per diem paid by the City to emergency hostel providers is $41.70 per day per client, inclusive of personal needs, ($38.00 for board and lodging and $3.70 either payable to the recipient by the hostel provider as a PNA or provided as services in kind).

Staff conducted a quick survey of local emergency hostel service providers regarding provision of personal need services. The results are provided below:

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Cash PNA</th>
<th>In Kind Services</th>
<th>Personal Need Services Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>In From the Cold</td>
<td>$3.00 per day</td>
<td>Yes</td>
<td>Clothing, all personal hygiene products: soap, deodorant, toothpaste, toothbrushes, tickets to Martha’s Table, travel if required for appointments, laundry facilities, showers, telephone, computers</td>
</tr>
<tr>
<td>Open daily; closed between 4pm and 8pm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dawn House</td>
<td>$3.00 per day</td>
<td>Yes</td>
<td>Toothpaste, toothbrushes, shampoo, soaps, feminine products, toiletries, diapers for babies, telephone</td>
</tr>
<tr>
<td>Open 24hrs/7days</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kingston Youth Shelter Project</td>
<td>No</td>
<td>Yes</td>
<td>Toiletries incl. soap, deodorant, feminine hygiene supplies, shaving cream razors, shampoo, telephone, access to food pantry</td>
</tr>
<tr>
<td>Open 6pm to 9am</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ryandale</td>
<td>$4.00 per day</td>
<td>Yes</td>
<td>Soap, toothpaste, toothbrushes, shampoo, razors, telephone, tickets to Martha’s Table, newspaper</td>
</tr>
<tr>
<td>Open 4pm to 8am</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harbour Light</td>
<td>No</td>
<td>Yes</td>
<td>Toothbrush, toothpaste razors, shampoo, soap, shave cream, laundry</td>
</tr>
<tr>
<td>4pm to 8am</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A survey of other Ontario Works delivery agents indicates that our policies are consistent with practices across the Province.
Not Enough Money to Sustain Health

The Social Planning Council, homeless people and representatives of *A Room of One's Own*, expressed the view that a homeless person who remains on the street has more money in their pocket than that same person were they to stay at an emergency hostel. According to the argument, an OW eligible person staying in an emergency hostel is not entitled to OW Allowance and receives instead (apart from board and lodging) either a cash PNA daily from the operator ($3-$4) or personal needs services in kind.

At best, it is argued, this person has limited pocket change to spend on food and other personal needs for the day. The cash PNA does not go very far for someone who must then spend the day existing on the street. At worst, the person has no money upon leaving the hostel.

That same person, if they were to remain on the street and not stay in an emergency hostel, would continue to receive the monthly Basic Allowance of $195. It is argued therefore that the homeless person then would have more money in hand for their daily needs. Of course once the money is spent, that person must wait until the beginning of the next month to again receive their monthly Basic Allowance.

It is the view of the Social Planning Council and *A Room of One's Own* that under the current Provincial cost share funding rules emergency hostels are not able to provide lodging, shelter and personal need services at a level that will sustain the health and well being of users. While all would agree that the system requires additional funding, the emergency hostel operators are quick to point out that in many instances, due to limited life skills or other circumstances, hostel users receive a higher level of board and attention to personal needs than they would otherwise when left on their own to manage their Basic Allowance. As noted earlier, chronic homelessness can be severely debilitating to an individual’s social, emotional and physical wellbeing, through unwillful self-neglect and other factors. Emergency hostel services are often rehabilitative in nature.

City staff acknowledges that the current cost shared funding to emergency hostels through the Ontario Works program does not adequately cover the cost of service delivery. All emergency hostel providers seek to supplement government funding through other sources, including community fund raising.

It must be kept in mind that the current service delivery model and funding formula created by the Province was meant for *short term and infrequent use*; it was never intended to service the depth and sustained level of homelessness now being faced in Ontario. That said however, there are some possible remedies that Council may wish to consider.

Possible Remedies

An initial staff review suggests there are three possible options that Council may wish to consider:

- **City Basic Allowance** - Council could implement a City of Kingston social assistance policy whereby Ontario Works recipients residing in emergency hostels (or alternately all residents of emergency hostels) are paid some form of Basic Allowance. Payment of ongoing Basic Allowance in the amount of $195.00 per month to emergency hostel users would not be compliant with Provincial OW Directives, and as such this program would not be eligible for cost sharing with the Province; hence it would be at 100% municipal cost (versus an 80/20 sharable).

The following cost estimate is based on 2003 emergency hostel utilization statistics and assumes the Personal Needs Allowance currently paid to the emergency hostels would be withdrawn:
2003 per diem nights paid: 17,137
PNA cost related to these stays @ $3.70 per night: $63,406.90
City contribution to this PNA @ 20%: $12,681.38

Daily cost of Basic Allowance at $195 per month: $6.41/day based on 30.42 days/month
Yearly City cost of Basic Allowance: $109,852.56 (based on 17,137 nights)
Offset by savings of City PNA (above): - $12,681.38

Net yearly City cost to implement initiative: $97,171.18

- Increase the Per Diem- Council could elect to increase the per diem rate paid to emergency hostel operators, above the rate set by the Province, to assist the operators in offering more extensive services. As the maximum sharable per diem rate for the purchase of emergency hostel services is set by the Province, any additional funding above the set rate would have to be paid fully by the City. Costing of this option has not been undertaken at this time.

- Cash Personal Needs Allowance- Council could elect to modify the Purchase of Service Agreements with emergency hostel service providers and specify that all operators must provide a cash PNA ($3.70) to clients. Since the PNA is a sharable OW allowance, this option would not have a financial impact on the City and would ensure that hostel service providers provided cash PNA to OW eligible users. It must be noted however, that a strict payment requirement would be administratively challenging for emergency hostel providers, as not all users are OW eligible. Likewise, if overpayments of PNA to non-OW eligible users occurred, emergency hostel operators would be burdened with this expense within a service delivery model that is already recognized as being under-funded. It was noted in our survey that some municipalities stipulate cash payment of the PNA to hostel users.

3) Use of Social Services Stabilization Reserve
In its presentation to Council, A Room of One’s Own suggested that the Social Services Stabilization Reserve should be used to provide financial relief to the homeless. This reserve was created by Council three years ago with year-end surplus funds from the Ontario Works Allowance and Benefits budget lines. Council policy stipulates that any surplus/deficits in net Social Service Costs relating to Ontario Works Allowances and Benefits be transferred to, or funded from, the Social Services Ontario Works Allowances and Benefits Stabilization Reserve in future years; and that the surplus be considered to offset net cost increases in Social Service costs relating to Ontario Works Allowances and Benefits, in subsequent years’ operating budgets.

The Reserve is intended by policy to provide a contingency or buffer against dramatic or unanticipated spikes in Ontario Works costs that otherwise would have a significant impact on City taxes. Over the past three years significant budget surpluses have been recorded as the OW caseload has declined to all-time lows and staff capacity to generate greater performance-based revenues has increased (expenditures down; revenues up).

Each year for the past three years, the operating budget for Ontario Works has been adjusted downwards accordingly. Last year, in an effort to provide additional budget relief to the corporation, the OW budget was further reduced by stripping out any remaining contingency estimates that traditionally were
budgeted in the event of unforeseen events. This was done confident in the knowledge that the Stabilization Reserve was in place.

There is a decided risk in using the Stabilization Reserve for purposes other than its intended use. Staff is ever-mindful that despite our good economic fortune of recent years, invariably there will come a time when the cost of providing Ontario Works will once again escalate considerably. Experience has shown that the caseload can increase dramatically and quickly in response to declining economic conditions. In addition, any change in Provincial policy with respect to administration costs or allowance costs can have a significant impact on the City's costs.

For example, unanticipated in-year budget adjustments in the hundreds of thousands of dollars by the Province are not uncommon. Of even greater impact would be an increase in the Allowance and Benefits rates back to 1997 levels (22%), as the Province has hinted at doing. While such a move would be exceedingly beneficial to the OW participants and is long-overdue, the cost to the City would be substantial (upwards of $1 million). Without a sizeable stabilization reserve in place and in the absence of significant service cuts, the impact on the tax bill would be immediate and dramatic. By using the reserve as it was intended, such increases can be buffered and spread out over a longer period of time, thereby easing the immediate impact to the taxpayer.

In deliberating this matter, Council should consider two additional points:

- While emergency hostel residents who are OW-eligible do not receive OW Allowance while in a hostel, their entitlement to other Benefits remains ongoing. Among the provincially sharable benefits available to OW eligible emergency hostel users are the provincial drug card for prescription drugs, emergency dental care, vision care, other discretionary health requirements and community start-up (for relocation to permanent accommodations).

To date the service delivery approach City staff has taken is to always deliver services through cost shared programs where they exist as a means of extending municipal funds and of optimizing programs sustainability.

Emergency Hostel operators refer hostel residents to the OW office for health services, benefits and drug cards. Some hostel operators noted a service gap exists for residents who are not OW eligible (see next item).

- Some emergency hostel residents may not be eligible for Ontario Works (usually for failure to report income or for reasons of non compliance) and as such, assistance with health services and community start up allowance to acquire private accommodations is not available. If Council elects to use any municipal reserve funds for this purpose, long and careful consideration must be given to both the scope of hostel residents and scope of benefits that will be eligible for this funding.

4) Extend Use of Discretionary Ontario Works Benefits

During the public forum organized by A Room of One's Own and the subsequent bus tour organized by the Health and Housing Coalition, it was suggested that the City allocate more resources to providing medical and non-medical benefits to the homeless. Through the Ontario Works program the City offers a range of benefits to OW eligible individuals and their beneficiaries for medical and non-medical purposes.

- Mandatory Benefits- includes: prescribed drugs, dental and vision care for dependent children under 18 years of age, diabetic supplies, surgical supplies, medical transportation, assessment and co payment costs for assistive devices, batteries and repairs for mobility devices, winter clothing.
for dependent children, back to school allowance for dependent children, community start up (for relocation and/or establishment of a permanent residence), guide dog allowance, employment and training start up assistance and temporary care (formerly foster care) allowance.

- **Discretionary Benefits** - includes: dental services; prosthetic appliances, including eye-glasses; vocational training and retraining; travel and transportation; moving costs; funeral and burial and the extraordinary costs of transporting a deceased person; and other services, items or payments as may be authorized by the Province and or City managers within limits.

### Reduced Benefit Levels

In response to the rapid escalation of the social assistance caseload in the early 1990s, the City of Kingston dramatically reduced the discretionary benefits provided to clients in the mid 1990s, as a cost-containment strategy. In addition, in 1996 General Welfare recipients experienced a significant reduction (22%) in their social assistance Allowances. The reduction of both the discretionary and the mandatory benefits has resulted in significant hardship for social assistance recipients. Community agencies and local human service providers have endeavoured to fill the gap, in some cases with no access to public funds or source of reimbursement for services provided.

While the economy has prospered and the Ontario Works caseload has declined over the last four years, an unfortunate and easily overlooked reality of the last decade is that the poorest of the poor, those least likely to be able to exit social assistance, have become poorer. With this increased poverty comes an overall debility of physical person and means, which ultimately creates a significant barrier to gaining employment.

The "working poor" represent another significant sector of the social assistance caseload. These individuals comprise between 20 to 25% of the local Ontario Works caseload. In many instances these recipients work two or more part time jobs with no job-related benefits and expend more than 75% of their income on accommodation. While the amount of financial assistance they receive from Ontario Works Allowances may be minimal, without the OW health and mandatory Benefits (back to school, winter clothing, medical transportation) provided to them and their family, they would likely not be able to maintain a home life conducive to their ongoing employment.

It became obvious to staff through 2001 that there was a considerable and growing need among Ontario Works participants and their families for a range and depth of benefit support not being met. Topping the list of needs was (and remains) adult dental care. In 2002 Council adopted a staff recommendation to significantly increase the discretionary benefits budget envelope of available money to $500,000; $100,000 of which is the municipal contribution.

According to 2003 data, uptake of this program has been good, with $85,000 (City net) in actual spending. If more money was to be allocated for these purposes (in 2001 staff had initially recommended $1 million gross) both the scope of services and maximum yearly entitlements could be increased and we could address more of the discretionary needs that OW recipients encounter.
5) Extend Direct Payment of Rent to Landlords

The goal of Ontario Works is to support participants in the shortest route to paid employment. It is recognized that shelter instability and lack of secure accommodation are significant barriers to obtaining and retaining paid employment. This is one of the greatest challenges for people in or close to poverty.

Social assistance rates are not sufficient to sustain a healthy and secure life for many individuals and families. As noted previously, social assistance rates were reduced 22% in the late '90's and rates have not been increased since, even for cost of living adjustments. Utility rates have increased considerably over the past 10 years, with the promise of substantial and sustained increases over the next few years in Kingston for sewer, water, gas, and electricity.

Neither the social housing portfolio nor the private housing market in Kingston can accommodate the housing needs of many low-income residents. As a result, 933 eligible households were listed on the central waiting list for affordable housing at the end December 2003. Over 50% of incoming applications to the Social Housing Registry in 2003 were from recipients of Ontario Works and Ontario Disability Support. The majority of applicants (approximately 84%) on the central waiting list are high need households paying more than 50% of their income on current accommodation.

The number of eligible applicants for social housing on the centralized waiting list is increasing at a faster pace (on average 119 per month in 2003) than social housing units being vacated and becoming available for occupancy (on average 32 applicants per month were housed in 2003). While a healthy vacancy rate is acknowledged to be no less than 3%, the Kingston area has had a gradually declining vacancy rate since 1999, falling from 3.4% in 1999 to a critical point of 0.9% in 2002; increasing slightly to 1.9% in 2003.

With limited new rental housing supply and low vacancy rate, the rental housing in Kingston is costly. According the CMHC rental market survey, the average rent for 1 bedroom apartment was $627 and for 2 bedroom- $768 in 2003. This represents approximately a 16% and 17% increase, respectively since 1999.

For these and other social, health and economic reasons, many individuals and families on assistance or close to the poverty line find it a supreme challenge to pay monthly rent and utilities. Failure to pay rent and utility bills will often result in the accumulation of insurmountable arrears and eventual eviction. This is traumatic for the individuals and families involved. Apart from the tragic social dislocation that results, there are significant economic costs to the community in increased social, community and health service costs; reduced health status of individuals, increased demand on the health care system, increased burden to taxpayers in paying for accumulated arrears, and economic loss through unemployment. This in turn erodes the overall quality of life for many in this community and weakens our overall economic prosperity. This is the linkage that the Health and Housing Coalition is attempting to address. Securing safe, secure, affordable housing is one of the keys to breaking this downward spiral.

In 2001 the City introduced a voluntary program for paying the accommodation component of the Ontario Works allowance of participants living in social housing, directly to the housing provider. The uptake on this program among OW participants has been strong. Currently more than 300 OW recipients have their rent paid directly to their landlord. In addition, Utilities Kingston has instituted changes to its billing programs to assist people in paying their utility bills through direct payments in some cases. The utility direct payment program remains a challenge for the OW office to administer and this will form part of the report to Council. City staff is reviewing the program with the possibility of extending this arrangement to
private sector landlords of OW participants. A report will be forthcoming to Council in the spring of this year.

To cite just one example of the economic loss created by accumulated arrears and the positive impact of the Rent Direct program; in 2000 the Kingston Frontenac Housing Corporation reported year-end rent arrears totaling $98,000 (from current and former tenants), of which almost 60% were from tenants who were OW participants. There was no rent direct program at that time. The rent arrears for the most part could not be collected and were written-off and paid by local taxpayers. In addition, the cost (not to mention social upset and heartache) of evicting individuals and families and re-renting accommodations is in the order of tens of thousands of dollars a year.

In 2003 by comparison, the Housing Corporation had between 175 and 200 tenants with Ontario Works direct rent payment arrangements. Approximately 95% of new tenants (tenants moving in) in receipt of Ontario Works sign up for both rent direct and utilities direct payment arrangements. At the end of 2003 the Housing Corporation reported total arrears of $87,000. Of that total, only 27% is attributable to Ontario Works participants- a remarkable decline from only 3 years previous. The bulk of the arrears now being experienced by the Housing Corporation are attributable to tenants who are not on social assistance but are at or just above the poverty line and do not have a rent or utility direct payment arrangement.

6) Other Housing and Homeless Supports

Attached to this report as Appendix “C” is a summary of housing and homeless services and supports provided by or involving the City of Kingston. This is by no means a complete listing of services available in the community, as other agencies provide a range of services and programs as well. But it does demonstrate the City’s involvement in seeking solutions to these challenges.

Through the Community Strategic Planning process Affordable Housing has been targeted as a priority by Council. A comprehensive housing strategy is being developed that will complement and support the many initiatives ongoing in the community. The aim of the strategy will be to increase the availability and sustainability of affordable housing opportunities in the community. Funding for this work has been earmarked in the proposed 2004 City operating budget.

(D) Conclusion

The situation playing out on the streets of Kingston everyday is the stark realization of almost a decade of federal and provincial policy decisions and budget constraints that have eroded our community’s health care, social and community safety nets. The reduction of social assistance rates by 22%, failing to index these rates to inflation, cancellation of social and affordable housing incentives, reductions in other community service support programs, reductions to public health and acute care health budgets, and mental health reforms have all contributed to the growing number of homeless and marginalized men, women, youth and families in our community.

The Social Planning Council, through its initiative called A Room of One’s Own has requested the City to initiate more extensive, comprehensive and integrated activities to address the issues of homelessness. City staff concurs that the solutions to the challenges we face as a community lie in a collaborative, inclusive strategy. We must caution Council and community however, that an expansion of local programs to address housing and homelessness will have significant associated costs that may well not be cost sharable with the Province or Federal government in the absence of policy reform at those levels. Local initiatives therefore would have to be financed locally. This is not to suggest that we take no further
action; we must however be prudent, realistic and strategic in our deliberations, and mindful of our limitations in addressing what is a much broader societal issue. While we can take steps locally to ease the symptoms of the problem, and a stronger community network of agencies working towards this goal is a great step forward, the root causes and the sustainable solutions lie in a coordinated effort between community partners and all levels of government. The City of Kingston does not have the financial means to address these issues alone.

EXISTING POLICY/BY-LAW: N.A.

LINK TO STRATEGIC PLAN:
Affordable Housing is a Council priority stemming from the Kingston Community Strategic Plan.

FINANCIAL CONSIDERATIONS:
See above comments where applicable.

CONTACTS:
Lance Thurston, Commissioner Community Services, 546-4291, ext. 1250
Adele Lafiance, Manager of Administration, Social Services 546-4695 ext 4801
Tanie Steacy, Manager of Program Delivery, Social Services 546-4695 ext 4802
Greg Grange, Manager, Housing Services, 546-4291, ext.

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Cheryl Mastantuono, Manager, Policy & Support Services; Mila Kolokolnikova, Supervisor, Housing Division; Marvin Valensky, South-eastern Region Ministry of Community and Social Services; John Osborne, Director, Social Planning Council; Matt Silburn, CD Facilitator, Social Planning Council; Emergency Hostel Service Providers for the City of Kingston

NOTICE PROVISIONS:
Not applicable

APPENDICES:
Appendix A: City OW Emergency Hostel Service Statistics for Last 6 years.
Appendix B: Chronology of Emergency Hostel Service Expansion:
Appendix C: City of Kingston Housing Division Fact Sheet
Appendix A:
City OW Emergency Hostel Service Statistics

Hostel Bed Night Statistics and Costs (in gross and net municipal dollars):

<table>
<thead>
<tr>
<th>Year</th>
<th>Bed Nights Purchase by City OW</th>
<th>Gross Expenditures</th>
<th>Net City Cost (@20%)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>5,320 (est)</td>
<td>$129,115</td>
<td>$25,823</td>
<td>Per diem = $34.44 PNA is paid separately</td>
</tr>
<tr>
<td>1999</td>
<td>6,322</td>
<td>$132,069</td>
<td>$26,414</td>
<td>Per Diem &amp; PNA per 1998</td>
</tr>
<tr>
<td>2000</td>
<td>6,386</td>
<td>$142,660</td>
<td>$28,532</td>
<td>Per Diem &amp; PNA per 1998 Incl 2 month of KYSP operation</td>
</tr>
<tr>
<td>2001</td>
<td>8,537</td>
<td>$242,281</td>
<td>$48,456</td>
<td>Per Diem = $38.00 incl PNA Includes KYSP as 4th hostel</td>
</tr>
<tr>
<td>2002</td>
<td>10,411</td>
<td>$304,580</td>
<td>$60,916</td>
<td>Per Diem = $38.00 incl PNA Includes 1.5 month Winter Overflow Hostel</td>
</tr>
<tr>
<td>2003</td>
<td>19,713</td>
<td>$524,354</td>
<td>$104,871</td>
<td>Per Diem = $41.70 incl PNA Includes 5 month Winter Overflow Hostel</td>
</tr>
</tbody>
</table>
Appendix B:  
Chronology of Emergency Hostel Service Expansion:

<table>
<thead>
<tr>
<th>Year</th>
<th>Key Emergency Hostel Service Undertakings</th>
</tr>
</thead>
</table>
| 1998 | ➢ City continues pre amalgamation POS agreements for Emergency Hostel Service provision with 2 providers: Ryandale and Sal. Army Harbour Light  
➢ Due to uncertain cost share funding for Domiciliary Hostels related to provincial social services downloading, City negotiates with Province to change Dawn House funding from Domiciliary Hostel funding to cost sharable Emergency Hostel funding  
➢ Provincially set sharable per diem maximum is $34.50 per day (plus $3.70 PNA)  |
| 2000 | ➢ Council approves service expansion to include funding for Kingston Youth Shelter Project in November 2000  
➢ Province announces Municipalities may be funded through OW Emergency Hostel Service funding for direct operation of Winter Overflow Shelters  |
| 2001 | ➢ Province increase Emergency Hostel Per Diem to $38.00 but OW Directives are unclear as to whether Hostel users are still entitled to PNAs  |
| 2002 | ➢ Province clarified that Emergency Hostel per diem funding maximum may be $38.00 plus $3.70 for PNA = $41.70  
➢ City undertakes review of existing OW Emergency Hostel Service provision, in consultation with service providers  
➢ Council approves entering into service agreement with In From the Cold as a winter overflow shelter for Emergency Hostel Service provision for 2002-2003 winter season  
➢ Council approves recommended changes to local OW Emergency Hostel Service funding policies and business practices including:  
  o Increased bed night purchases by 15 beds per night  
  o Increased per diem rate to $41.70 per day  
  o Exemption of user OW & ODSP income in per diem prorating calculations  
  o Extended pre approved length of stay at hostels up to 45 nights  
  o Removed restrictions for 16 and 17 year old hostel residents  
  o Discontinued 100% core funding for Kingston Youth Shelter and alternately increase its POS allocation for per diem funding  
  o Approved continuation for future years of emergency funding for In from the Cold overflow hostel  |
| 2003 | ➢ Expanded ongoing consultation process with emergency hostels to include a representative from the local ODSP office in recognition of the high use frequency of ODSP recipients  
➢ Issued RFP for Winter Overflow Hostel services and awarded to In from the Cold for 2003-2004 season with a future year renewal option  |
| 2004 | ➢ anticipate ongoing service and funding levels with 5 service providers through POS agreements representing a annual financial commitment of $663,640 gross dollars / $132,728 net municipal dollars for 17500 bed nights in 2004  |
APPENDIX C:
City of Kingston Housing Division Fact Sheet

Preventing Homelessness and Enhancing Supportive Service Delivery

Municipal Services and Initiatives:

- Administration and funding of 13 supportive housing providers, including 3 alternative housing providers with transitional accommodation for homeless and population at risk
- The Social Housing Registry with integrated supportive services
- Additional allocation of 24 rent supplement units under Provincial Homelessness Initiative available “The New Tomorrow Rent Supplement Program” until 2023
- “Off the Street Into Shelter” program to accommodate costs of hostel outreach workers
- Training for private and non-profit housing provider to prevent evictions in partnership with the Institute of Housing Management

Municipal administration of the Provincial Homelessness Initiative:

- Supports to Daily Living to sustain the provision of supportive housing providers: Bridge House, Kaye Healey Homes, Dawn House, and Home Base Housing
- Community Partners Program to accommodate the Housing Registry services and secure access to rent-gearied-to-income assistance provided by the Social Housing Registry of Kingston and Frontenac
- Provincial Homelessness Funding Initiatives to fund the Tenant Assistance Program, Voice Mail Service, and Housing Help Centre.

Implementation of National Homelessness Initiative by local non-profit groups:

- Supporting Communities Partnership Initiative (SCPI) - delivered by local non-profit groups (Dawn House Women, Shelter Ryandale Shelter for Homeless, Tipi Moza, Migizi Wigwaam, Social Planning Council, Kingston Municipal Non-Profit (Town Homes Kingston), Home Base Housing) through 12 projects. Targeted outcomes included: provision of sheltering facilities, community capacity building, support services, transitional housing, homelessness prevention worker, expansion of eviction avoidance program, and expansion of drop-in centre.
- Youth Homelessness Strategy - funded Home Bbase Housing, Kingston Youth Shelter and Dawn House Women Shelter through 6 projects to address homelessness among youth
- Urban Aboriginal Strategy – delivered by Tipi Moza and Migizi Wigwaam to provide sheltering facilities and support services for Aboriginal people.

Community partnerships to address housing and homelessness issues:

- Community Homelessness and Housing Advisory Committee to address the priority issues identified under the Community Plan as discharge planning, supportive housing, overflow shelters, affordable Housing and second stage Housing, health care outreach, storage, and data collection.
- Social and Economic Inclusion Initiative, Social Planning Council of Kingston and Area funded by Health Canada