2.6 Quick Reference: Briefing Note/

Steps to Take in Preparing this Policy Brief

Requiring a Policy Brief and presentation is becoming increasingly common in public sector job interviews. As an applicant you have the benefit of the academic background

Issue

Occupancy rates in many of Ontario's homeless shelters are over 90%. This has been an ongoing issue. High-occupancy rates restrict shelters' abilities to respond to sudden increases in demand. If shelters are unable to meet demand during winters, unsheltered individuals risk overexposure injuries. Shelter crowding also places residents at an increased risk of contracting airborne illnesses. This has contributed to poor COVID-19 outcomes for homeless Ontarians.

Background

Provincial-level data on shelter occupancy is not readily available. National-level data from Employment and Social Development Canada shows that shelter occupancy rates in Canada were above 90% between 2009-2016.1 National level data beyond 2016 is not available.

Toronto's shelter occupancy rates averaged 94.9% in 2017, 93.8% in 2018, and 94.6% in 2019.2 Toronto's daily occupancy report for March 25th, 2021 recorded the majority of the city's shelter programs operating above 90% occupancy. Several programs were also above 95% capacity.3 Appendix A shows the full occupancy report.

Shelter occupancy data from other Ontario municipalities is lacking. However, the following reports confirm that shelter occupancy rates are high in other municipalities as well:

- _In a CBC interview, the O ttawa Mission's shelter reported average occupancy rates of 107% from May to September 2018.4
- _A 2016 report found the annual occupancy rate of two Thunder Bay shelters to be 134% in 2015. Occupancy rates for these shelters peaked at 140% in 2014.5
- _A 2017 report found the occupancy rate of London's shelter system to be 98% in 2016.6 In 2018, a Women's and Family Shelter in London reported occupancy rates fluctuating between 120%-200%.7

A 2013 study found that clients experiencing chronic and episodic homelessness occupied over 50% of available nightly shelter beds per year in Ottawa and Toronto.8 Chronically homeless individuals are those that experience homelessness for durations of 6+ months. Episodically homeless individuals are those that experience 3+ episodes of homelessness within one year.9 Episodes are periods of homelessness that last under 6-months. Despite high shelter usage, these groups only accounted for 12-13% of total yearly shelter users in the study.10 Longer and/or more frequent shel

and episodic homeless populations on emergency shelters results in significant shelter strain. Long-term solutions for these populations are needed.

• _In Toronto's 2018 PiT, 14% of respondents identified inability to pay rent/mortgage as a primary cause of their homelessness.15 This was the second most frequently cited reason.

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Increased investment in new affordable/social housing will result in fewer individuals becoming homeless due to affordability issues. This will reduce future shelter demand, easing shelter system strain in the long run.

Two types of affordable housing should be prioritized. Rent-Geared-to-Income (RGI) units and units priced at 80% of average market rents. RGI units set rents based on the tenant's ability to pay—rents are typically set at 30% of gross monthly household income.17 RGI units will increase affordability for the widest range of income-levels. However, they will require ongoing government subsidies to offset the difference between what tenants pay and units' assessed values.18

RGI units are preferable in high rent markets like Toronto. Units priced at 80% of the average market rent are still unaffordable for many low-income individuals/households in these markets.

Affordable housing is overseen by municipal service managers.¹⁹ The province is not directly involved in the provision of affordable units. However, there are a few levers that Ontario could use to increase the supply of affordable rentals.

Two levers being recommended are:

1. Allocate surplus public lands to affordable housing development. Provide land to developers at a discounted price, contingent on the development of affordable housing. Rents must be held to affordable levels for a minimum agreed-upon period (eg. 20 years). This will provide an incentive for private sector involvement in increasing the affordable housing supply.20

2. Provide forgivable capital loans to fund affordable housing development.

Developers/operators must meet specified conditions to be eligible for loan forgiveness. Conditions will include holding rents to 80% of market value for a minimum agreed-upon period and/or to provide a specified number of RGI units. A similar funding program was available from 2014 – 2020, under the

1. "Highlights of the National Shelter Study 2005 to 2016," Employment and Social

13. Ibid.

14. A li Jadidzadeh et al., "Cost Savings of Housing First in a Non-Experimental Setting," , 46:1, 2020. DOI: 10.3138/cpp.2019-017

15. "Toronto Street N eeds A ssessment 2018," City of Toronto, 2018.

https://www.toronto.ca/wp-content/uploads/2018/11/99be-2018-SNA-Results-Report.pdf 16. "Point in Time Connection," City of Hamilton, 2020. https://www.hamilton.ca/socialservices/housing/point-in-time-

connection#:~:text=View%202018%20Results&text=The%20Point%20in%20Time%20Connection%20continues%20to%20support%20a%20national,Canada%20to%20pilot%2020%2C000%20Homes.

17. André Côté & Howard Tan,

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