

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: January 5, 2022

SUBJECT: Crisis Accommodation Funding Request

ORIGIN

August 31, 2021 Regional Council motion (item 14.1):

Moved by Mayor Savage, seconded by Councillor Mason.

THAT Halifax Regional Council:

Direct the Chief Administrative Officer to implement a range of emergency supportive housing and emergency shelter accommodations for those who are unhoused in collaboration with and based on feedback from community-based social services providers and the Province of Nova Scotia to address immediate and emergent needs including measures such as the fit-up of spaces for temporary accommodations, renting of hotel and other spaces and further, and to coordinate and collaborate with community-based social services providers and the Province of Nova Scotia in that respect;

Direct that the Chief Administrative Officer be authorized to spend up to \$500,000 from Fiscal Services in respect of addressing these needs, and report on the use of said funds through monthly public updates as an information report at Regional Council meetings until the end of the fiscal year and then quarterly at a minimum; and,

Further direct the Chief Administrative Officer to work with Department of Community Services and community service providers on a needs-analysis including determining how many people are unhoused, how many of them are currently tenting or occupying other forms of shelter within parks and other public lands in Halifax Regional Municipality and how many can be accommodated in a safer manner.

MOTION PUT AND PASSED UNANIMOUSLY.

November 9, 2021 Regional Council motion (item 15.1.9):

Moved by Councillor Mason, seconded by Councillor Blackburn.

THAT Halifax Regional Council:

Direct that the Chief Administrative Officer be authorized to spend up to \$3.2 million from Fiscal Services to purchase, install and maintain modular units at two sites and to address suitable temporary housing to address needs of unhoused residents. Regular updates to Regional Council will occur monthly until the end of the fiscal year and then quarterly at minimum.

MOTION PUT AND PASSED UNANIMOUSLY.

LEGISLATIVE AUTHORITY

The *Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39 provides:

7A The purposes of the Municipality are to

...

(b) provide services, facilities and other things that, in the opinion of the Council, are necessary or desirable for all or part of the Municipality; and

(c) develop and maintain safe and viable communities.

79A (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if

(a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;

(b) the expenditure is in respect of an emergency under the Emergency Management Act; or

(c) the expenditure is legally required to be paid.

Section 28 of Administrative Order 2020-004-ADM (*the Procurement Administrative Order*), provides that the CAO may approve Urgent Circumstances Alternative Procurement Awards in any amount.

RECOMMENDATION

It is recommended that Halifax Regional Council direct that the Chief Administrative Officer be authorized to spend up to an additional \$1,200,000 from Fiscal Services to purchase and install modular units at two sites and to address suitable temporary housing to address needs of unhoused residents.

BACKGROUND

The number of people sleeping rough in Halifax has more than doubled in the past year. According to the Affordable Housing Association, as of August 10, 2021, 400 people were homeless in the municipality. The situation with homelessness is dynamic and changes frequently but it is anticipated that this number will continue to grow as the municipality's population increases. Therefore, Halifax Regional Council has identified \$3.7 million for use in addressing urgent and emergency needs related to homelessness. The purpose of this report is to authorize an additional \$1,200,000 for this purpose, primarily to complete the installation of modular units at two sites.

DISCUSSION

The municipality has finalized and announced a location at Flotilla Lane / Alderney Drive / Church Street in Dartmouth for modular units to accommodate clients of the Out of the Cold shelter, currently housed at the Gray Arena, and potentially other individuals sleeping in municipal parks. Four modular units, an accessible unit, and two support units will be installed at the Dartmouth site. This site will be able to accommodate 26 individuals, based on single occupancy, within days of the date of this report assuming ready cooperation from the Out of the Cold Shelter and the Province that has contracted OTC for the purposes of providing wraparound, supportive housing services to people staying in HRM's modular housing units.

A portion of the parking area of the Centennial Pool has been selected as the Halifax site for installation of modular units. Key factors in helping choose this location include but are not limited to the property being owned by the municipality, meeting the applicable zoning requirements, and being located within reasonable proximity to important supports and services that occupants may need, including transit. Six modular units, an accessible unit and a number of support units, for a total of nine (9) units, will be installed at this site. The units are expected to accommodate 38 individuals, based on single occupancy.

The projected start of the installation of the modular units in Halifax is late January 2022. Exact timing for occupancy is dependent upon the province, which is responsible for determining placement of individuals and providing wrap-around services onsite through its service provider. It is anticipated the Halifax shelter will be ready for occupancy by mid-March 2022.

The anticipated costs identified with the construction of the Dartmouth site has increased due to unforeseen costs specific to the following:

- Rental of mobile office trailer to accommodate offices and program space for Out of the Cold staff
- Electrical and mechanical infrastructure required to accommodate commercial kitchen equipment
- Installation of site services from Alderney Drive
- Unsuitable site material below existing parking lot asphalt
- Site security

The budgeted costs for the Halifax site have increased due to the following:

- Additional classroom sized modular unit added to accommodate a larger program space for the kitchen area
- Installation of nine (9) modular units within a larger site area requires increased civil and building servicing costs
- Rental of mobile office trailer to accommodate offices and program space for Out of the Cold staff
- Electrical and mechanical infrastructure costs to accommodate commercial kitchen equipment
- Installation of site services from Cogswell Street
- Site security

At the time of the original project budget, it was assumed the building program for the Halifax site would be similar to the Dartmouth site. Typically, the management of a capital construction project includes sufficient time for the development of a well-defined scope of work that assists with accurate budgeting and cost estimates. Due to the unique nature and urgency of this project, risks associated with unknown issues, program requirements and other variables have had an impact on the project budget and schedule.

In addition to the capital work, HRM has provided \$70,000 to a coalition of service providers (COPSO) for use as crisis funding to support those experiencing homelessness and has been paying for hotel rooms for some individuals. Staff are working on a more detailed proposal and parameters to provide further funding to COPSO to support this activity until the end of the 2021/22 fiscal year and anticipate that there may be potential ongoing costs for those already in hotels. As such, we are asking the Province to reimburse HRM for the costs associated with hotel stays incurred previously and in future.

FINANCIAL IMPLICATIONS

The estimated Operating and Capital costs for fiscal 2021/22 as discussed above are summarized in the table below.

Expenditures	Actual Spending	Projected to Complete	Total	Original Estimate	Variance from Original
Operating Expenditures					
Meals and Miscellaneous	12,146	23,854	36,000	36,000	-
Hotel costs	165,330	224,670	390,000	390,000	-
Gray Arena - Utilities & Maintenance	8,286	48,914	57,200	20,000	(37,200)
Contribution Agreement to Service Providers	70,000	-	70,000	70,000	-
Security Costs	516	4,484	5,000	5,000	-
Modular Units - Utilities & Maintenance		20,552	20,552	40,000	19,448
Capital Expenditures					
Contract to renovate modular unit	26,072	-	26,072	31,300	5,229
Dartmouth - Design for water and sanitary	2,607	26,791	29,398	30,000	602
Dartmouth Modular Unit Installation	16,387	1,067,723	1,084,110	670,000	(414,110)
Dartmouth Modular Units	713,580	7,511	721,091	710,000	(11,091)
Halifax Design for water and sanitary		31,286	31,286	30,000	(1,286)
Halifax Modular Unit Installation	1,398	1,357,482	1,358,880	670,000	(688,880)
Halifax Modular Units	160,093	910,319	1,070,412	990,000	(80,412)
Total	1,176,414	3,723,586	4,900,000	3,692,300	(1,207,700)
Council Approved Funding			3,700,000	3,700,000	
Uncommitted Balance/(Shortfall)			(1,200,000)	7,700	(1,207,700)

Costs are estimated at \$4,900,000 and will continue to be tracked in Fiscal Services. Considering the \$3,700,000 already approved, this leaves a funding shortfall of \$1,200,000 based on the information we have now. It is recommended that this funding shortfall come from the 2021/22 General Rate Surplus.

RISK CONSIDERATION

There is high financial risk associated with the recommendations in this report as some of the costs are based on estimates and there are no contingency funds available to absorb cost overruns due to unforeseen issues. Should the Province reimburse HRM for hotel costs, those funds can be used to fund unforeseen issues if any.

COMMUNITY ENGAGEMENT

In addition to the Province, staff have contact and/or meet regularly with several community-based service providers including: Adsum for Women and Children, the Mi'kmaw Native Friendship Centre, North End Community Health Centre / MOSH Housing First, Out of the Cold Community Association, Phoenix Youth Programs, Welcome Housing, YWCA Halifax, Elizabeth Fry Society, Coverdale Courtwork Society, the John Howard Society, Shelter Nova Scotia, Outreach Street Navigators, and Mainline.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Regional Council could choose not to authorize the additional funding for this project or choose a different amount.

ATTACHMENTS

Attachment 1: Regional Council Report dated November 9, 2021 (item 15.1.9)

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Michael MacDonald / Project Manager, Capital Projects / Corporate and Customer Services / 902.490.1744

Paul Johnston / Managing Director, Government Relations and External Affairs / 902.240.2759

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 15.1.9
Halifax Regional Council
November 9, 2021

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 
Jacques Dubé, Chief Administrative Officer

DATE: November 3, 2021

SUBJECT: Emergency Accommodation Funding Request

ORIGIN

August 31, 2021 Regional Council motion (item 14.1):

Moved by Mayor Savage, seconded by Councillor Mason.

THAT Halifax Regional Council:

Direct the Chief Administrative Officer to implement a range of emergency supportive housing and emergency shelter accommodations for those who are unhoused in collaboration with and based on feedback from community-based social services providers and the Province of Nova Scotia to address immediate and emergent needs including measures such as the fit-up of spaces for temporary accommodations, renting of hotel and other spaces and further, and to coordinate and collaborate with community-based social services providers and the Province of Nova Scotia in that respect;

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RECOMMENDATION ON PAGE 2

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BACKGROUND

The number of people sleeping rough in Halifax has more than doubled in the past year. According to the Affordable Housing Association, as of August 10, 2021, 400 people were homeless in the municipality. The situation with homelessness is dynamic and changes frequently but it is anticipated that this number will continue to grow as the municipality's population increases.

Housing and homelessness is not a core municipal mandate, so the municipality does not have existing resources or staff expertise in this area. Therefore, as noted in the Origin section, Halifax Regional Council identified \$500,000 for use in addressing urgent and emergency needs related to homelessness and directed the Chief Administrative Officer to work with the Province of Nova Scotia and community partners to explore best use of this funding.

To date, \$161,000 for the months of September and October (estimate) has been spent from the \$500,000 approved by Regional Council. Based on this estimate, it is anticipated that additional resources will be required in the 2021/22 fiscal year to support emergency accommodation for unhoused individuals. In addition, staff have explored the possibility of installing modular units to act as emergency accommodations on two sites in the municipality and new funding is required to deliver these projects.

DISCUSSION

The municipality is finalizing a location at Flotilla Lane / Alderney Drive / Church Street in Dartmouth for modular units to accommodate clients of the Out of the Cold shelter, currently housed at the Gray Arena, and potentially other individuals sleeping in municipal parks. A site plan is attached to this report. Previous updates to Regional Council indicated that the municipality had purchased 24 modular units. Following an inspection, the purchase was rejected in accordance with the terms of the purchase order, after it was determined that none of the units were deemed to be suitable for the municipality's use.

The Province of Nova Scotia is working to secure funding to deliver the services required for the clientele moving from Gray Arena to the Dartmouth site. HRM will purchase the units and provide all normal municipal services, such as garbage pick up, as well as cover the cost of utilities and maintenance on site. It is expected that the Province will release details of the funding and service model in the coming days.

In addition, staff are working to identify and secure a Halifax site to install modular units, with confirmation of the location and number of units able to be placed yet to be determined.

Estimated costs to purchase and maintain the modular units for the remainder of this year are as follows:

- Dartmouth site purchase, installation and maintenance is estimated at \$1,410,000, with operating costs of \$20,000 in 2021/22.
- Halifax site purchase, installation and maintenance is estimated at \$1,690,000, with operating costs of \$20,000 in 2021/22.

An ongoing priority has been to work with those sleeping on municipal park lands to identify suitable temporary housing options. In coordination with multiple service providers, hotel rooms and shelter placement has been occurring regularly. As of the writing of this report, total expenditure for this activity is approximately \$161,000. Based on expenditures to date, it is anticipated that an additional \$290,000 will be required to carry this activity to the end of the current fiscal year.

Once the proposed modular units are installed at a Halifax location, the service providers working with HRM and the Province will be able to accommodate many of the people living in tents and other structures including those currently living in Meagher Park. Further, a Rapid Housing project funded by the Federal and Provincial governments and HRM that will house upwards of 70 residents is anticipated to be operational early in the new year.

To assist in responding to homelessness issues, Regional Council approved a Social Policy Strategist position in the 2021/22 budget which has recently been filled. In addition, a hiring process is underway for a full time Housing and Homelessness Coordinator for a term of 12 months. A review will be conducted prior to the end of the term to evaluate the success of this position in helping to house those experiencing homelessness, in coordination with community service providers. Estimated spending on these positions for the remainder of 2021/22 is \$88,000. These costs are already included in the 2021/22 compensation budget so not reflected in the table below.

HRM has completed an agreement with a coalition of service providers to provide \$60,000 in emergency funding for a period of 8 weeks, as well as an additional \$10,000 to fund an administrator to coordinate referral of those experiencing homelessness to the appropriate service provider. The intention is to assess this initiative after the initial 8-week period and determine further funding that may be required to continue this agreement. If results are as expected, further funding will be provided from the initial \$500,000 approved by Regional Council to support this agreement on an ongoing basis.

It is expected that homelessness will continue to be a significant social issue in the municipality and a gap analysis has shown that the municipality will continue to require facilitation for those sleeping in parks and other locations. Therefore, a budget estimate and request will be developed for inclusion in the 2022/23 budget.

As per the motion, staff will continue to provide updates on activities and expenditures via monthly information reports to Regional Council.

FINANCIAL IMPLICATIONS

The estimated Operating and Capital costs for fiscal 2021/22 as discussed above are summarized in the table below.

Estimated Operating Costs for Fiscal 2021/22

Spending in September and October (estimate)	Estimated Cost
Meals for Homeless Individuals and Miscellaneous	\$11,000
Hotel costs	\$140,000
Utilities Gray Arena	\$9,000
Security costs	\$1,000
Subtotal	\$161,000
Estimated costs November to March	
Meals for Homeless Individuals and Miscellaneous @ \$5,000 per month	\$25,000
Hotel costs @ \$50,000 per month	\$250,000
Utilities Gray Arena for November	\$10,000
Security costs @ \$1,000 per month	\$5,000
Subtotal	\$290,000
Utilities and Maintenance Costs @ \$48,000 per site per year (prorated)	\$40,000
Contribution Agreement to Service Providers	\$70,000
Modular Renovation	\$31,300
Estimated Total Operating Cost	\$592,300

Estimated Capital Costs

Temporary Shelter Site Location	Estimated Cost
Flotilla Lane, Dartmouth	
Supply Modular Units (4 Dorms, 24 residents)	\$710,000
Installation of Modular Units	\$670,000
Engineering design for water and sanitary services	\$30,000
Subtotal	\$1,410,000
Halifax Site (TBD)	
Supply Modular Units (6 Dorms, 36 residents)	\$990,000
Installation of Modular Units	\$670,000
Engineering design for water and sanitary services	\$30,000
Subtotal	\$1,690,000
Estimated Total Capital Cost	\$3,100,000
Total Estimated Costs	\$3,692,300
Minus Council Approved Funding	(\$500,000)
Shortfall	\$3,192,300

Costs are estimated at \$3,692,300 and will continue to be tracked in Fiscal Services. Considering the \$500,000 already approved, this leaves a funding shortfall of \$3,192,300. It is recommended that this funding shortfall come from the 2021/22 General Rate Surplus.

RISK CONSIDERATION

There is moderate financial risk associated with the recommendations in this report as some of the costs are based on estimates.

COMMUNITY ENGAGEMENT

In addition to the Province, staff have contact and/or meet regularly with several community-based service providers including: Adsum for Women and Children, the Mi'kmaw Native Friendship Centre, North End Community Health Centre / MOSH Housing First, Out of the Cold Community Association, Phoenix Youth Programs, Welcome Housing, YWCA Halifax, Elizabeth Fry Society, Coverdale Courtwork Society, the John Howard Society, Shelter Nova Scotia, Outreach Street Navigators, and Mainline.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Regional Council could choose to not accept the recommendations in this report. In that case, staff would not move forward with purchasing and installing modular units.

Regional Council could choose to proceed with only the Dartmouth site for installation of modular units and direct staff to not proceed with securing a Halifax site.

ATTACHMENTS

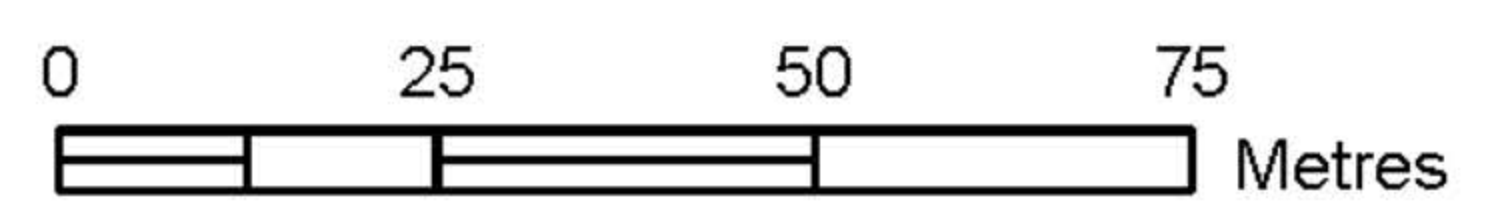
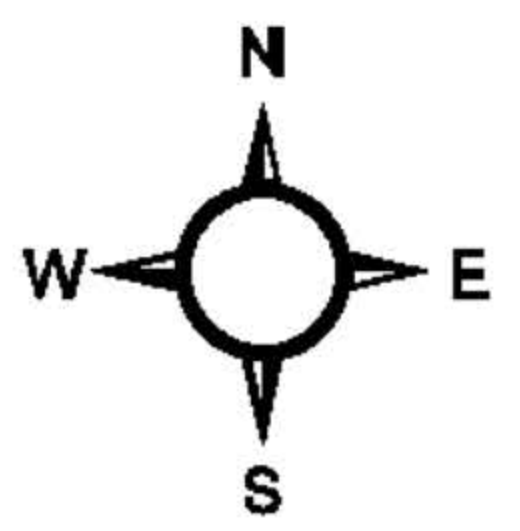
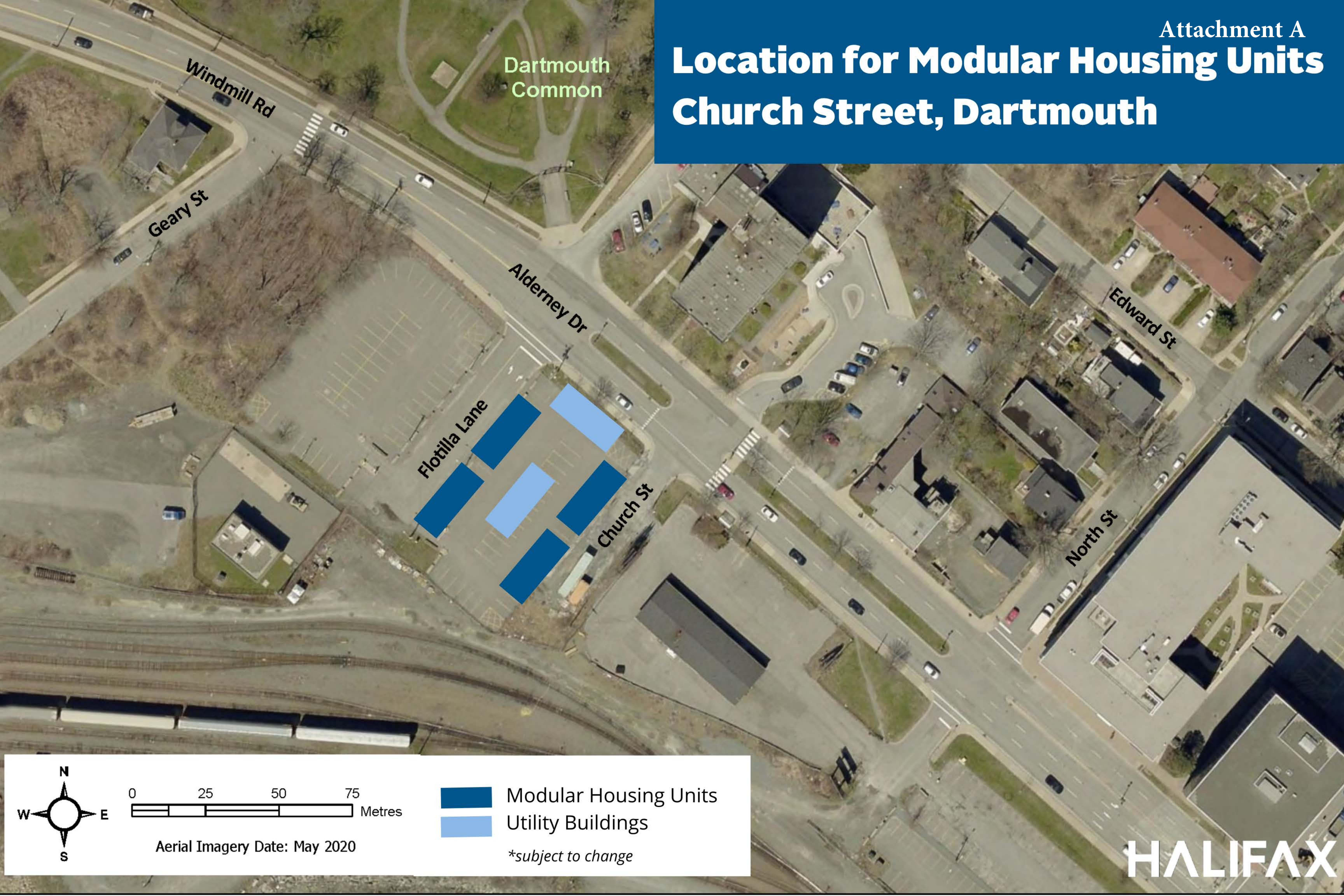
Attachment A: Site plan for Dartmouth location.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Paul Johnston, Managing Director, Government Relations & External Affairs,
902.240.2759

Erica Fleck, Housing and Homelessness Administrator, 902.266.7362

Location for Modular Housing Units Church Street, Dartmouth



Aerial Imagery Date: May 2020



Modular Housing Units
Utility Buildings

**subject to change*