greater victoria
coalition to end
homelessness

hope has found a home

creating homes,
enhancing communities

victoriahomelessness.ca

acknowledgements

preface

Creating Homes, Enhancing Communities is about so much more than budgets, timelines, deliverables or efficiencies. It is not about bricks, lumber or paint swatches. Or even about parking spots, landscaping or view corridors.

It is about creating a home.

We as a community must recognize that a home is not simply a roof over one's head nor is it a mat on the floor when the temperatures make it unsafe to sleep hidden away outside. It is a fundamental human right and nurtures a unique sense of individual identity. At its most basic level, a house offers one shelter from the elements and a place to dim the lights. A home not only offers shelter, but also physical and psychological security.

A home is about security.

The tragic truth is that too many people in our community - our brothers, sisters, aunts, uncles, mothers, fathers, grandmothers, grandfathers and friends don't have access to a home. Many among us are being marginalized, stigmatized and ignored daily. We all deserve the same opportunities created through having a home to call our own.

A home is about dignity.

Life on the street is filled with almost unimaginable struggle. Too many of us have faced these challenges and have not survived. An uncountable number of people have become overwhelmed by the experiences of homelessness and have fallen. No human being should ever have to suffer this fate. We are the survivors. Survivors of homelessness, discrimination, addiction, mental illness and abuse.

A home is about survival.

We are still here fighting for everyone to have a place in the community and we can do this because we are all united by a hope - a hope that no one else will have to experience the tragedy of homelessness. This hope brings us together and the belief that if we work together everyone can have a special place to call home continues to move us forward.

A home is about hope.

As you read Creating Homes, Enhancing Communities we ask that you consider what a home is to you. What would you do without one? Where would you go? This is not a matter of policy, fiscal quarters, bottom lines, or election wins. This is about security, dignity and survival. A home offers us a hope for a better future, a future without homelessness and for us this is everything.

– Written by the Greater Victoria Coalition to End Homelessness'
Social Inclusion Advisory Committee Housing Group.
A group of individuals who have experienced homelessness
who advise on the complex issue of housing in the region.

executive summary

Creating Homes, Enhancing Communities is a plan to house individuals experiencing chronic homelessness in the Greater Victoria Region. Using existing analysis of patterns of shelter use, it estimates the number of individuals in the region who require support services in order to remain housed. It then creates a fully budgeted plan that includes housing and support services as required.

The chronic emergency shelter use population typically experiences long-term or repeated episodes of homelessness and emergency shelter use and consists of individuals likely struggling with chronic illness and substance use.

It is not necessarily assumed that all of the costs outlined within this plan are to be met through new funding or programs. In some instances there may be opportunities to examine the existing intervention landscape to ensure current funding is providing every individual with the most effective and appropriate housing and support model.

This plan is focused on one piece of a much larger intervention landscape necessary to address the broader issue of homelessness. Prevention is fundamental to effectively addressing homelessness. This plan does not fully explore ways to prevent homelessness but it is important to acknowledge that without an effective homelessness prevention strategy, this plan will not be enough to appropriately address the scale and type of need in the community.

Any successful intervention to address chronic homelessness will be a collective one and will involve participation and investment from many stakeholders. Given the high levels of government austerity across many different departments, it has become increasingly important to collaborate and have all stakeholders at the table, including those not necessarily associated with addressing chronic homelessness. The value of these partnerships cannot be overstated and though this plan does not specifically identify the details of potential partnerships, they will be critical for effective plan implementation.

This plan does not address the large numbers of individuals experiencing short-term homelessness because of affordability issues or temporary crises. It is specifically focused on supporting Greater Victoria's most vulnerable individuals.

Housing and Support Type Requirement

There are three key elements that must be considered with assessing the housing and support type requirement:

- the total number of unique individuals identified as chronic shelter users;
- the specific levels of support services necessary to address the housing barriers of each person; and,
- the housing typology best suited to encourage housing retention for every individuals, given their specific support services needs.
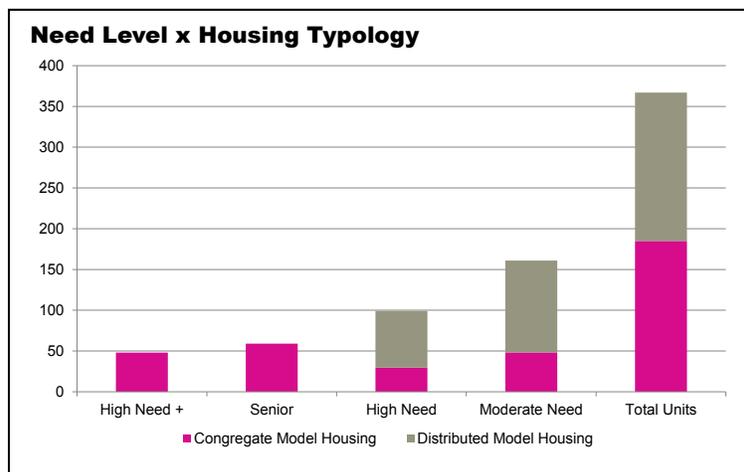
There are a minimum of 367 chronic shelter users identified through analysing the emergency shelter use data across Victoria and looking at housing need levels within existing programs. A further breakdown of this total intervention group allows us to estimate there are 48 individuals presenting the most complex level of need and would require the most intensive type of support program, 59 seniors over the age of 55 that would range in need level from moderate to very high, 99 individuals presenting with a high level of need that would likely require clinical support service programming, and 161 individuals presenting with a more moderate need, likely requiring social support based intervention.

Because shelter data analysis is not an exact science, we have allowed for a margin of error of 38% on the shelter data. The sensitivity analysis detailing the potential for added costs is located on page 30. An allowance of 38% to the shelter number of 293 individuals experiencing chronic homelessless results in a possible population size of 479 individuals at the upper limit. Because of the challenges in enumerating with absolute certainty the number of individuals experiencing chronic homelessness not visible in shelter data, this plan budgets for a measurable population of 367 individuals. It is, however, critical to consider a possible population range of 367 - 479 individuals experiencing chronic homelessness as plan implementation is undertaken and success is measured.

This plan calls for 185 units to be constructed as purpose built affordable housing to ensure that the individuals will have the most suitable housing design and construction materials necessary for housing retention and maintenance. The remaining 182 units are to be secured in existing rental stock.

Capital New Build Construction Cost

The capital cost model is framed in two ways:

SCENARIO 1

Scenario 1 provides a capital cost estimate for housing should capital support become available from funding sources. In this scenario the rent is assumed to be at $400 per unit per month (to cover the operating cost of the unit) with no ongoing debt servicing requirement.

Capital Cost Summary (Scenario 1)
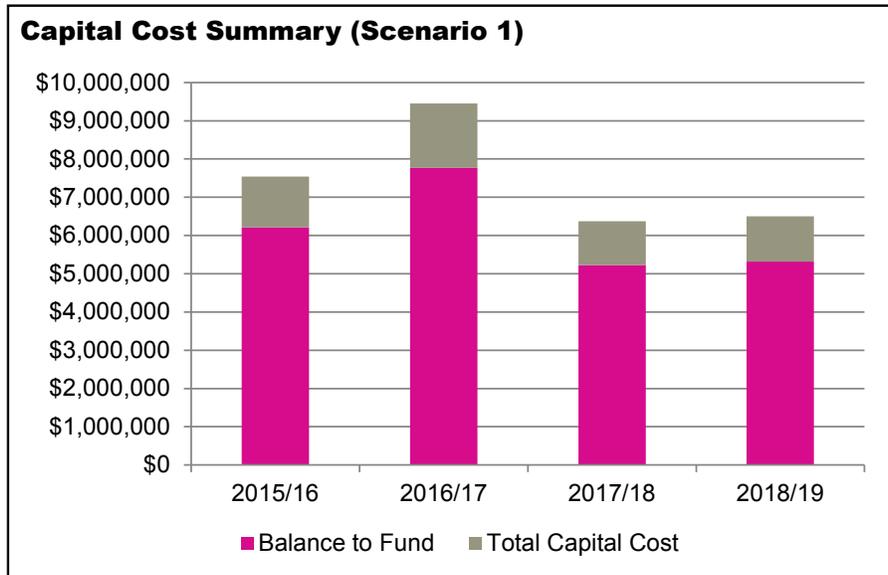
Rent levels will be affordable to an individual on social assistance with a shelter allowance of approximately $375 per client per month. This scenario requires a total of $24.5 million over four years in capital funding with a gross capital cost of $29.9 million. This cost total is for 185 units developed over four years.

SCENARIO 2

Scenario 2 calls for rental supplements as the primary tool to enable program participants the opportunity to afford new-build units. In this scenario, the current development economics require an approximate per unit monthly rental rate of $800, consisting of $400 per month operating costs and $400 per month debt servicing.

Capital Cost Summary (Scenario 2)
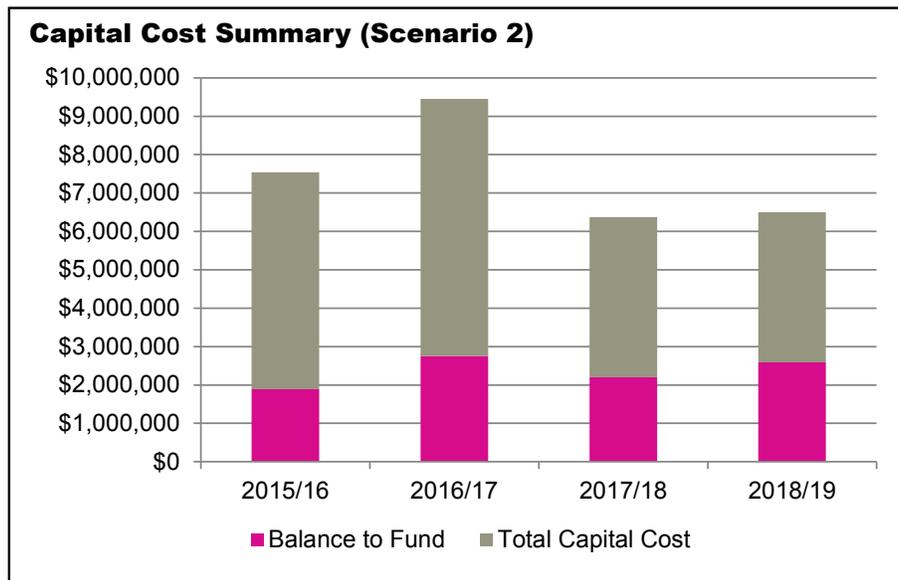
Under this scenario there is a gross capital cost of $29.9 million in 2015 dollars. In total, this Plan requires $9.4 million as a capital balance to fund spread out over four years. This cost total is for 185 units over four years.

Rental Supplement Cost

The rental supplement budget is framed in the same two scenarios. Rental supplements are assumed at $425 per client per month. This amount will both enhance the competitiveness of the clients in the existing rental market and support the debt servicing costs of the new build units.

SCENARIO 1

Rental Supplement Budget Summary (Scenario 1)
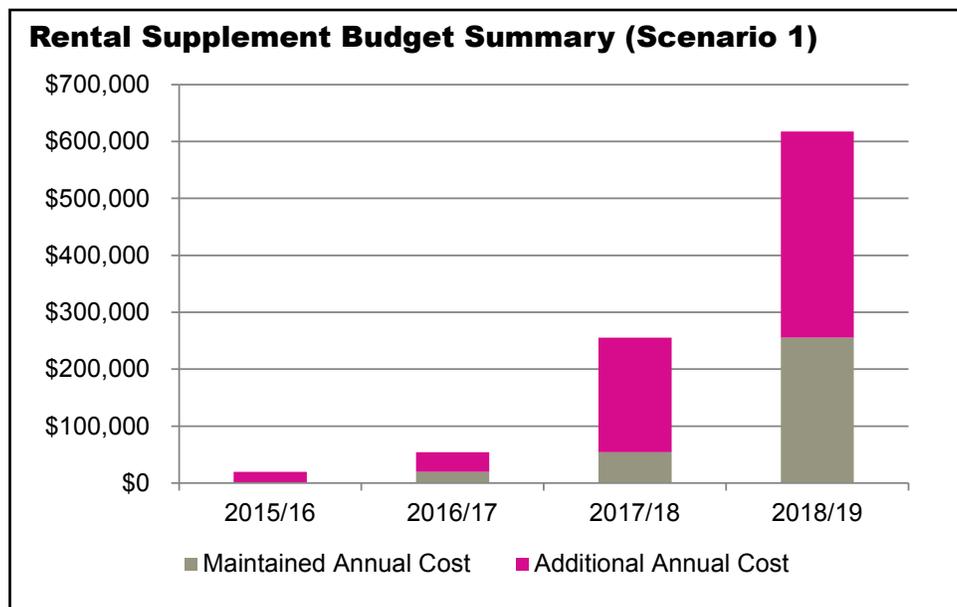
Scenario 1 only considers those individuals suitable for placement into existing rental housing eligible for rental supplement support. This scenario budgets for a total of 182 rental supplements with an annual cost of $617,400. This scenario requires an additional $24.5 million in capital support to ensure there are enough select units available to clients at a rate of $400 per unit per month.

SCENARIO 2
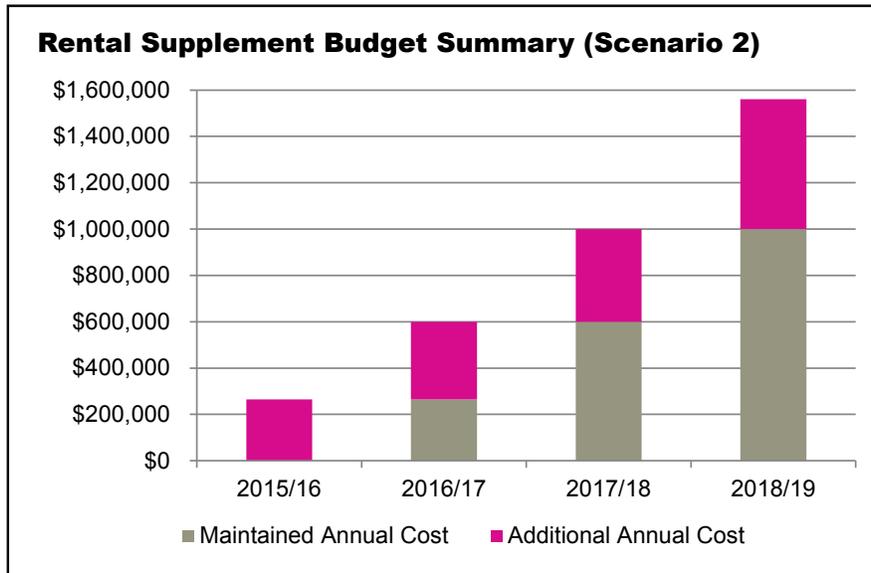
Rental Supplement Budget Summary (Scenario 2)

In total, under this scenario, there is an ongoing need for 367 rental supplements with an annual cost of approximately $1.6 million. This rental supplement need is in addition to a capital cost balance to fund of $9.4 million that is required to ensure the capital units associated with this intervention plan are available to clients at $800 per month rent levels.

Support Service Cost

Support services are an essential component to this, or any, chronic shelter use reduction initiative. The more significant the level of need of an individual, the more costly the support service is to deliver. This plan establishes four categories of need level each connected to the annual service delivery cost. These need categories are defined as High Need +, Senior 55+, High Need, and Moderate Need with an annual support cost of $73,000, $18,657, $18,657 and $10,547 respectively.

Health Support Services Budget Summary
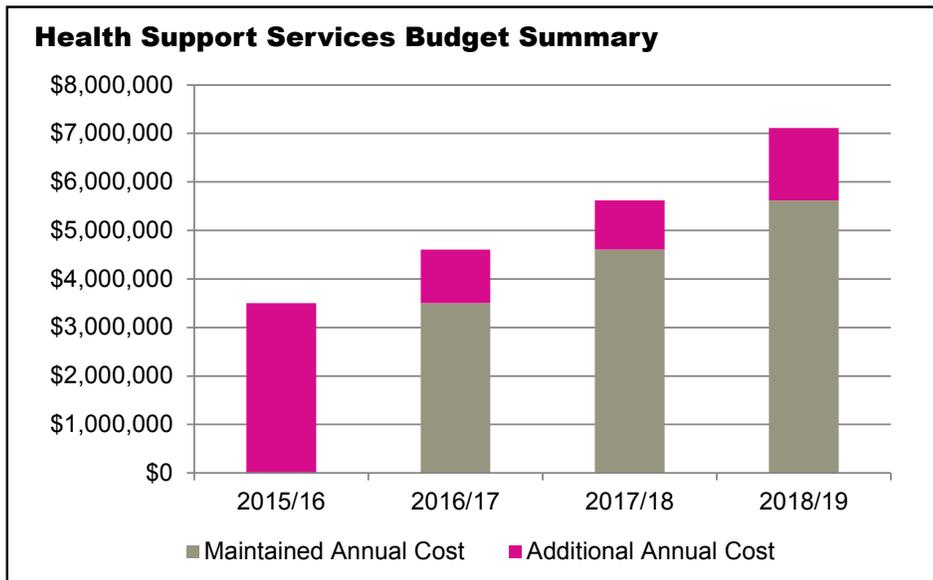
The total cost required to provide appropriate support services for existing chronic shelter users is $7.1 million annually. It is important to note that this cost considers the approximately $1 million annually that is currently being spent on 74 individuals in both the Assertive Community Treatment Team and the Outreach 713 Team that are not housed.

The assumption is that these program participants may require a higher level of support or additional housing options and could be moved accordingly thereby freeing existing program resources for a total of 74 clients of high and moderate need levels that are better suited to the ACT and Outreach 713 support model.

Total Plan Cost

SCENARIO 1

Capital Cost

Scenario 1 requires 185 units of purpose built affordable housing. Under this scenario, rent levels are set at $400 per unit per month enabling an individual access to these units without the need of a rental supplement. To support this level of affordability, the balance to fund is $24.5 million over four years.

Ongoing Costs

Because fewer rental supplements are needed to appropriately house the cohort of individuals experiencing chronic shelter use, there is an ongoing need for $7.7 million annually. This annual amount provides for 182 rental supplements and the support services for 293 unique individuals once the existing 74 high need and moderate need support spaces are subtracted from the total population need. This balanced approach will provide the total intervention population with the best opportunity for ongoing housing stability.

Plan Budget Summary Graph (Scenario 1)

■ Capital Cost Balance to Fund

──■── Support Services Cost

──◆── Rental Supplement Cost
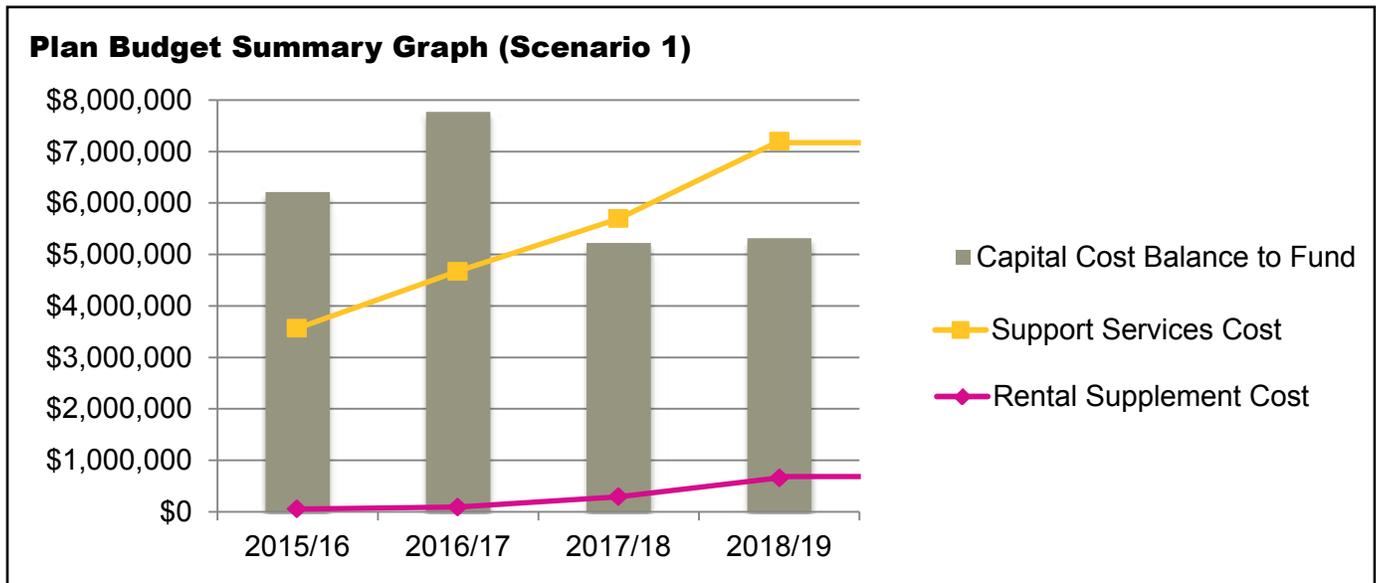
This scenario has an average ongoing cost of $21,064 per person per year including all housing and support services costs. The balance to fund totals $24.5 million over 4 years.

SCENARIO 2

Capital Costs

There is a total need of 185 units of purpose built affordable housing with a gross capital cost of $29.9 million. The balance to fund is $9.4 million, which will set rent levels for these units at approximately $800 per unit per month. Residents of these building will require rental supplements of $425 per month.

Ongoing Costs

This model requires rental supplements and health support services for a total of 367 individuals minus the existing 74 support spaces, with an ongoing cost totaling $8.7 million annually. This is an ongoing cost and will ensure that each participant has the housing stability and support programming that they require given their unique combination of housing barriers.
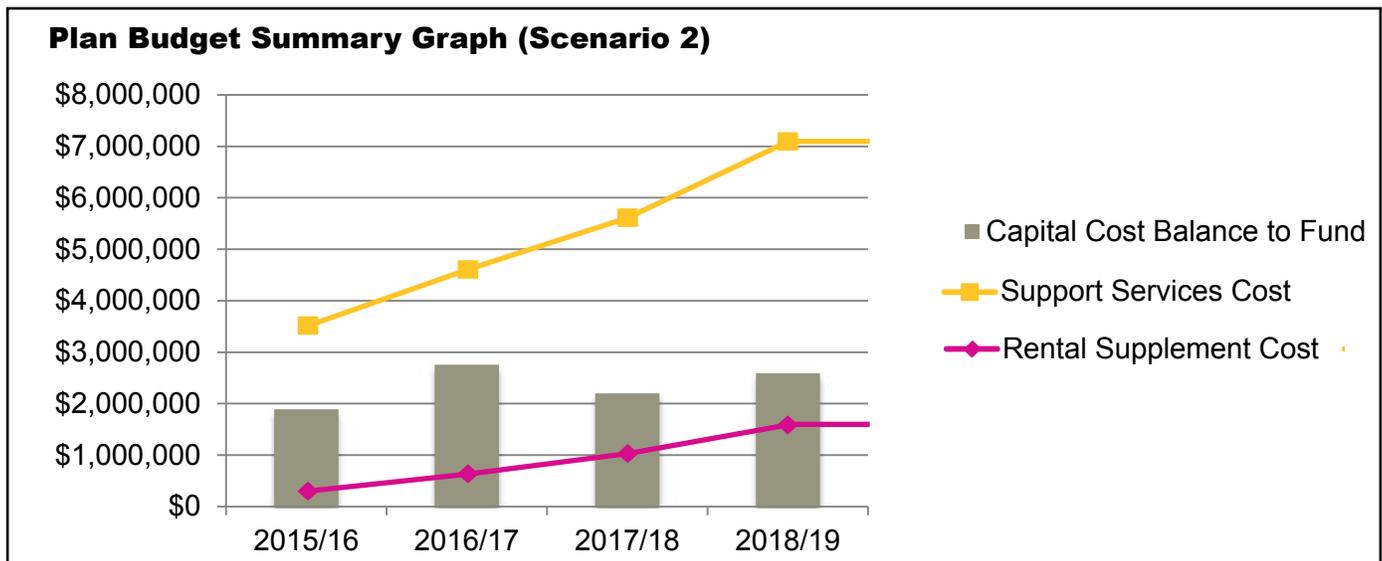
This scenario has an average cost of $23,635 per person per year including all housing and support service costs. The balance to fund totals $9.4 million over four years.

chec plan implementation

1.0 Plan Approval and Adoption

2.0 Client Identification and Targeting

3.0 Capital Projects

4.0 Distributed Model Housing

5.0 Support Service Activities

6.0 Tracking and Reporting

table of contents

about the coalition

The Greater Victoria Coalition to End Homelessness (Coalition) is a partnership of all levels of government, service providers, business members, the faith community, post-secondary institutions and community members dedicated to ending homelessness in Greater Victoria. Working with numerous partners and a broad base of additional stakeholders, the Coalition coordinates efforts and drives commitments to end homelessness throughout the region.

Mission: To end homelessness in Greater Victoria by 2018.

Vision: By 2018, all people facing homelessness in our community will have access to safe, affordable, appropriate, permanent housing, with support if they require it. This will be provided in a coordinated, accessible and effective manner.

creating homes, enhancing communities

Creating Homes, Enhancing Communities (CHEC) is a four-year (2015 – 2019) plan to house individuals experiencing chronic homelessness in the Greater Victoria region. It seeks to create additional affordable housing units for those individuals through ensuring there is the adequate provision of appropriate support services in combination with an array of housing options. This plan looks at the existing need of the client population and the suite of tools available through a diverse group of stakeholders to ensure that every individual has the best chance of housing stability possible given their unique needs. It firmly establishes a framework of intervention for chronic homelessness elimination in an effort to work toward the vision and mission of the Coalition.

The plan is focused on individuals experiencing chronic homelessness because they are at the greatest risk and create the greatest costs within the different systems of care. This plan does not address the large numbers of individuals who experience short-term homelessness because of affordability issues or temporary crises.

CHEC is differs significantly from the "Update: Housing Procurement Action Plan" published in March of 2012.[1] It uses different methodology to assess need levels. Furthermore, the earlier plan assumed that government would be able to provide 85% of capital funding for projects. This has not proven to be a viable assumption.

Recognizing this, the Coalition is pursuing a new approach to supported housing development that would more effectively speak to BC Housing's document, Housing Matters BC 2014, and the shift towards "facilitating strategic partnerships that increase housing options, decrease costs and promote effective, coordinated programs for all British Columbians".[2]

Prevention is fundamental to effectively addressing homelessness. This plan does not fully explore ways to prevent homelessness but it is important to acknowledge that without an effective homelessness prevention strategy, this plan will not be enough to appropriately address the scale and type of need in the community. The Coalition will continue to work on prevention initiatives in addition to this plan and there are two specific homelessness prevention areas that are critical to long-term success in appropriately housing and supporting individuals experiencing homelessness:

1. It is important to focus prevention initiatives on vulnerable people experiencing transitions in care, as well as youth and families that are at-risk of homelessness; and,

2. There are a number of individuals each year who experience an eviction event from supported/supportive or subsidized housing and often these events can lead to long-term homelessness. It is important to track evictions and to better understand and effectively reduce the events as a key piece of the housing quality improvement process.

For a full overview of prevention initiatives, please review the Coalition report, *A Plan to Prevent Homelessness, 2010* available at: www.victoriahomelessness.ca.

[1] Greater Victoria Coalition to End Homelessness. 2012. Update: Housing Procurement Action Plan. Prepared by CitySpaces Consulting.
[2] BC Housing. 2014. Housing Matters BC. Housing Strategy for British Columbia: A Foundation for Strong Communities. Government of British Columbia.

background

Homelessness is a complex challenge, with no single solution to solve the issue. Effectively addressing it requires integrated, cross-ministerial work, and efforts from a number of sectors and social organizations.[3] To best support capacity building and housing retention among program clients, investment is focused at housing individuals experiencing chronic homelessness and ensuring their ongoing stability through the provision of appropriate supports.

Simply re-housing individuals is not enough to effectively address incidences of chronic homelessness for many, nor is providing them with support services while they are unsuitably housed or not housed at all. The many factors that contributed to their homelessness must also be identified and addressed or that person will remain at-risk of homelessness.[4] It is for this reason that this plan speaks simultaneously to the need of choices of housing and appropriate support services to break the incidences of chronic homelessness throughout Greater Victoria.

Chronic homelessness is a concept that includes those that are living on the street or in emergency shelters. This group typically experiences long-term or repeated incidences of homelessness and often suffers from chronic illness or addiction issues.[5]

The chronic homelessness group has been identified as a priority for this plan as these individuals "often cycle between homelessness, hospitals, jails, and other institutional care and often have a complex medical problem, a serious mental illness like schizophrenia, and/or alcohol or drug addiction."[6] As a result, these individuals are not only most at risk but also represent a significant expense within the different systems of care that are meant to manage emergency situations.

This plan only addresses this chronic homelessness group. Other data available to the Coalition indicates there is a significant lack of affordable housing in Greater Victoria. We have estimated our community requires a minimum of 1,500 affordable housing units, which will significantly benefit a much broader population. This shortage also impacts on this plan in two significant ways. Firstly, it mandates larger rent supplements in order to access the necessary market units, increasing the cost of the plan.

Secondly, it impacts on the ability of the community to make best use of existing resources. Once an individual has been stably housed they could be capable of moving to a living situation that had fewer supports and greater independence. However, the lack of affordable options available means they often remain housed in situations that provide greater supports than they now require. In order for this plan to be successful the Coalition must also investigate ways that allow individuals to move through our housing continuum to find the most appropriate and most independent living situations.

If individuals are able to better access a range of housing and support options throughout the continuum, it would enable a more robust examination of the intervention landscape. This could help to identify efficiencies that may result in a reduced cost for CHEC plan implementation.

This plan will first establish the scale of need in the region through a cluster analysis of patterns of shelter use that infers the number of individuals experiencing chronic homelessness using existing homelessness shelter services. Second, the acuity levels of individuals will be determined through the application of national chronically homelessness population characteristic averages to our local chronic homelessness cohort. Once the degrees of chronicity and the acuity levels of our chronic homelessness population are determined, it is possible to develop a capital construction, rental supplement, and support service cost model for this intervention. Finally, the entire model is assembled through looking at the need of the client population, cost and type of intervention required as well as available tools that the many stakeholders can access in pursuit of ending chronic homelessness.

[3] The Alberta Sectetariat For Action On Homelessness. 2008. A Plan for Alberta: Ending Homelessness in 10 Years.
[4] Ibid.
[5] Adapted from: Echenberg, H. & Jensen, H. 2008. Defining and Enumerating Homelessness in Canada. Social Affairs Division, Parliamentary Information and Research Service. Publication No. PRB 08-30E.
[6] National Alliance to End Homelessness. 2010. Fact Sheet: Questions and Answers on Homelessness Policy and Research: Chronic Homelessness.

This plan is best viewed as the application of three distinct tools which, when combined, provide the best solution to end chronic homelessness throughout Greater Victoria. Through a combination of new-build affordable dwelling units, rental supplements and support services, all tailored to an individual's need level, the community will ensure that every person experiencing chronic homelessness will have the best opportunity possible to ensure housing stability and self-sufficiency.

This plan espouses a two-pronged approach to end chronic homelessness by focusing on:

1. **Housing** - Guided by the principles of consumer choice, self-determination and suitability. This would speak to housing typology (distributed model or place-based model) and neighbourhood preference as well as the client suitability in certain typologies as determined by the health support model.

2. **Housing Supports** - Each intervention participant must be supported by a team that can assist individuals in housing selection, relationship building, financial literacy, developing independent living skills and maintaining treatment participation for health or substance use issues.

note on data sources, limitations, assumptions & collaboration

The enumeration for this plan has been constructed in two different stages. The first stage is estimating how many individuals are experiencing chronic homelessness in Greater Victoria. The second stage is estimating the need level of those individuals.

For the first stage we have looked at data from a number of different sources. The most important is the Coalition report *Patterns of Shelter Use in Greater Victoria*. Published in September 2014, it uses cluster analysis to determine the chronicity of individuals who accessed five of the six shelters in Greater Victoria between April 2010 and March 2014. This provides robust baseline data to estimate the minimum number of individuals experiencing chronic homelessness in Greater Victoria.

We have supplemented that data with further information including number clients who part of existing programs but have been unable to secure housing, and data from our Centralised Access to Supportive Housing system. We know there is some overlap between these data sources but we also believe there are individuals experiencing chronic homelessness who are not represented in any of these data sources. As a result we have allowed for a 38% margin of error that is applied to the shelter use analysis.

For the second stage we have reviewed data from the extensive Chez Sois study. This study housed over a thousand people who had been experiencing chronic homelessness across Canada. Throughout this process they determined different need levels for those individuals. We have made the assumption that breakdown of need level in Victoria would be similar to the breakdown of need level for the same chronic homelessness population across the country.

Any successful intervention to address chronic homelessness will be a collective one and will involve participation and investment from many stakeholders. The agencies well positioned to support the range of individuals identified within this plan could include law enforcement, the criminal justice system, Ministry of Social Development, BC Housing, Community Living BC, municipal governments, non-profit societies, the private sector, the Government of Canada, and the Health Authority.

Given the high levels of government austerity across many different departments, it has become increasingly important to collaborate and have all stakeholders at the table, including those not traditionally associated with addressing chronic homelessness. No one agency has the capacity to appropriately and effectively support those suffering from chronic homelessness without additional partners.

The value of these partnerships cannot be overstated and will be absolutely critical for effective plan implementation.

needs assessment

To effectively and accurately develop the regional need assessment, a number of data sources must be considered. A full overview of the Mapping Homelessness framework is located in Appendix 1 of this plan.

Before a need assessment can be undertaken, it must be made clear that this plan is specifically tailored to address incidences of chronic homelessness across Greater Victoria. This is not to undervalue the experiences of other groups that are experiencing homelessness or are at imminent risk of homelessness, but this plan will set a path forward for the community to better support the individuals that will likely require a combination of housing and intensive health support services to address the many risk factors that have been contributing to their homelessness.

It is for this reason that those individuals experiencing temporary homelessness, that is, those who stay in emergency shelters a few times and for a limited duration as well as hidden homelessness will not be directly addressed within this plan. The those experiencing hidden homelessness are often people staying temporarily with another household and who do not have a regular address of their own and where they lack a security of tenure.[7] This group is often thought to feature a disproportionate number of youth, women and families, as well as those individuals sleeping rough, but who do not access emergency shelters and homelessness services.[8,9]

The number of chronically homeless individuals who are unlikely to be counted in the shelter data is 38%.[10] This figure represents the percentage of interviewed single adults experiencing homelessness reporting that they have never lived in a night shelter and is used as a base for the margin of error applied to the estimated total population as is outlined in greater detail in the sensitivity analysis section of this plan.

[7] Eberle, M. et. Al. 2009. Results of the Pilot Study to Estimate the Size of the Hidden Homeless Population in Metro Vancouver. Mustel Research Group and marketPOWER Research Inc.
[8] Rabinovitch, H. et. Al. 2014. Patterns of Homelessness in Greater Victoria. Greater Victoria Coalition to End Homelessness.
[9] Reeve, K & Batty, E. 2011. The Hidden Truth About Hidden Homelessness: Experiences of Single Homelessness in England. Centre for Regional Economic and Social Research.
[10] Ibid.

Base Enumeration
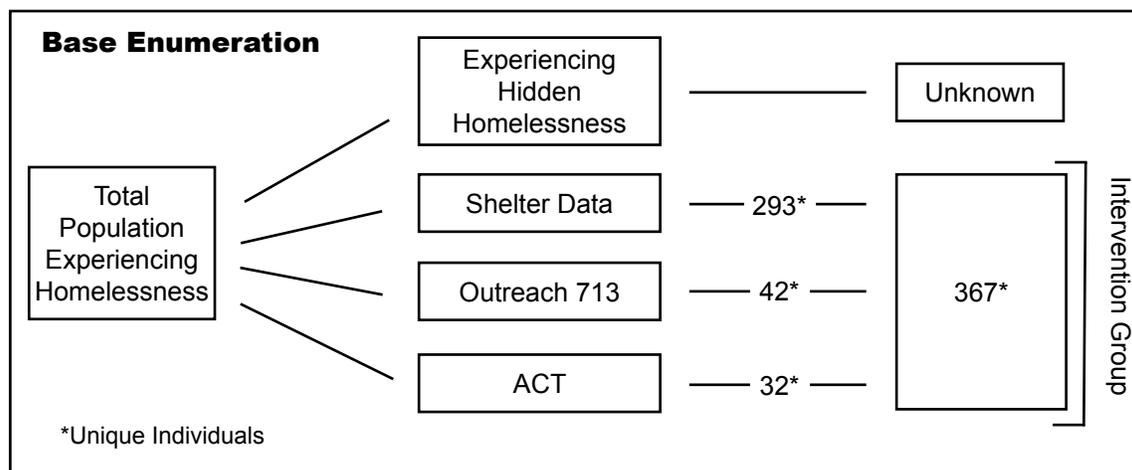
There are three critical sources of data that must be considered when assessing the number of individuals that would comprise the intervention group.

1. Shelter Data

Shelter data is used in two distinct ways within this plan. The purpose of this is to highlight two methodological approaches and ensure that number of individuals experiencing chronic homelessness can reflect the most accurate approximation possible given current best practice in identifying the scale of need.

Patterns of Homelessness

A cluster analysis was conducted by looking at the emergency shelter use data from 5/6 shelters across Victoria. This analysis looked at the patterns of use over four years and grouped shelter users into three clusters based on their patterns of stay.

Between May 2010 and May 2014 there were of 4,332 unique shelter users that visited five emergency shelters. When grouped into three clusters, as originally modelled by Aubrey et al., 3,670 are temporary (84.9%), 590 are episodic (13.6%), and 65 are long-stay (1.5%).[11]

When this cluster analysis percentage breakdown is applied to the observed 2013/14 number of total unique shelter users of 1,785, 1,515 individuals are classified as temporary, 242 are episodic and 27 are long-stay. Once youth are removed from the analysis (5 episodic and 1 long stay) there is a total remaining number of 237 individuals defined as episodically experiencing homelessness and 26 individuals defined as experiencing long-stay homelessness.

This creates a total combined intervention group estimate of 263 individuals experiencing chronic homelessness as calculated based on observations over four years. This figure is derived from applying patterns over time to the most current annual shelter use number. There are two important concerns with this approach that must be considered. First, this method does not account for all shelter beds as it only considers five of the six total shelters. Second, this approach takes observations over four years and applies it directly to the most recent shelter visit total.

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[11] Rabinovitch, H. et. Al. 2014. Patterns of Homelessness in Greater Victoria. Greater Victoria Coalition to End Homelessness.

Number of Episodes

To accurately define the intervention group, it must first be assumed that four or more distinct shelter episodes over three years is a suitable indicator of chronic homelessness.[12] Using this threshold, there is a total of 239 unique individuals between 2011/12 and 2013/14 who had a total of four or more distinct shelter episodes. This data comes from three shelters totalling approximately 149 beds. This creates a ratio of 1.60 chronically homeless individuals per shelter bed.

The total number of beds available across six permanent emergency shelters in Victoria is 183. Once this ratio of chronic homelessness per bed is applied to the regional bed total, a total of 293 individuals experiencing chronic homelessness can be estimated based on shelter use and the total number of shelter beds.

This creates a more accurate intervention group consisting of 293 individuals experiencing chronic homelessness in the shelter system. This is the preferred methodology to use for this plan as the ratio of chronic homelessness is derived directly from annual observations and uses a standard number of episodes to define the threshold for chronic homelessness.

2. Intensive Case Management (Outreach 713) Not Housed

As of December 2014 approximately 42 out of a total 64 Outreach 713 clients are not housed.

3. Assertive Community Treatment (ACT) Team Not Housed

As of June 2014 there were approximately 32 ACT team clients not housed.

Base Enumeration Summary

Looking at these three critical data sources, there is a combined total populations experiencing chronic homelessness of 367 individuals.

Once the margin of error of 38% is applied to this base estimate of the shelter data there is a total limit of 479 individuals experiencing chronic homelessness.

This plan establishes an intervention cost using the base number as this figure is derived from direct observations of shelter data and non housed program participants. As such, this figure would be a better number to track as a critical piece of measuring overall intervention success. It is critical to consider, however, that there could potentially be an additional 112 individuals experiencing chronic homelessness across Greater Victoria that have not been observed in the shelter data and would be classified as experiencing hidden homelessness.

Population Size	
Shelter Data	293
Shelter Data (+38%)	405
Outreach 713 - Not Housed	42
ACT - Not Housed	32
Intervention Group (Base)	**367**
Intervention Group (Limit)	479

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[12] HUD. 2007. Defining Chronic Homelessness: A Technical Guide for HUD Programs. Office of Community Planning and Development, Office of Special Needs Assistance Programs. U.S Department of Housing and Urban Development. https://www.hudexchange.info/resources/documents/DefiningChronicHomeless.pdf

Intervention Category Based on Need Level

Intervention Category Based on Need Level

*Unique Individuals
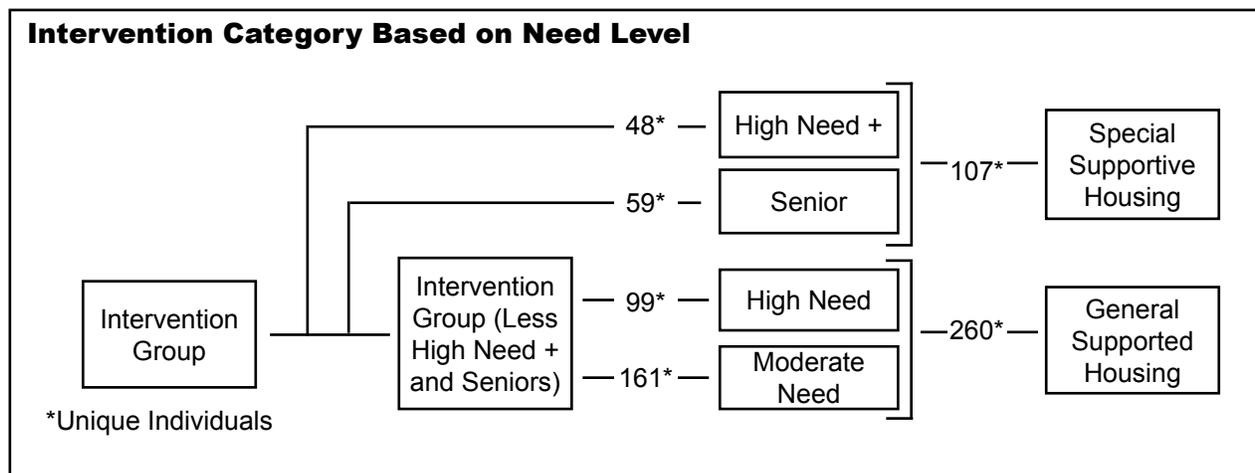
When defining the specific need level and the most appropriate housing typology of the chronic homelessness population, there are two important factors to initially consider:

High Need +

As many as 13% of the 367 individuals who comprise the chronic homelessness population may require an extra level of support and care beyond that of a typical Assertive Community Treatment team or an Intensive Case Management model.[13] These 48 High Need + individuals tend to have longer histories of homelessness, lower educational levels, more connection to street-based social networks, more serious mental health conditions, and some indication of cognitive impairment.[14]

This group of 48 individuals will likely require more intensive levels of intervention. For example, congregate, purpose built 'hardened' housing with 24/7 wrap around clinical support services. These units may include certain security measures to ensure the safety of residents and support workers.

Senior (55 +)

Based on shelter data, approximately 16% of users are 55 years of age or older. This group of 59 Seniors (55 +) is important to consider as a distinct intervention group due to the unique needs of this population and the way in which homelessness tends to exaggerate the natural aging process.

Once the High Need + and Senior (55 +) groups are separated into their own intervention category, the remaining 260 individuals experiencing chronic homelessness will likely still require a range of housing options and support services. For strategy development and costing it is helpful to further break this down into a High Need and Moderate Need group. Estimates indicate that 38% of this group (99 individuals) are High Need and 62% of this group (161 individuals) are Moderate Need.[15]

Need Level Summary	
High Need +	48
Senior (55+)	59
High Need	99
Moderate Need	161
Total Need	**367**

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[13] Paula Goering, Scott Veldhuizen, Aimee Watson, Carol Adair, Brianna Kopp, Eric Latimer, Geoff Nelson, Eric MacNaughton, David Streiner & Tim Aubry (2014). National At Home/Chez Soi Final Report. Calgary, AB: Mental Health Commission of Canada. Retrieved from: http://www.mentalhealthcommission.ca

[14] Ibid.

[15] Paula Goering, Scott Veldhuizen, Aimee Watson, Carol Adair, Brianna Kopp, Eric Latimer, Geoff Nelson, Eric MacNaughton, David Streiner & Tim Aubry (2014). National At Home/Chez Soi Final Report. Calgary, AB: Mental Health Commission of Canada. Retrieved from: http://www.mentalhealthcommission.ca

Housing Typology

Housing Typology

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Special                              Congregate
Supportive  ——107*——   Model
Housing                              Model
                                     Housing                    Total           185 total units of
                                                      ——185*——  Congregate      congregate housing with
                                                                Housing         on site support services.

General                              Congregate
Supported   ——30%——    Model
Housing                              Housing
            70%
                                     Distributed                Total           182 total units of distributed
    *Unique Individuals              Model      ——182*——        Distributed     housing with community
                                     Housing                    Housing         based support services.
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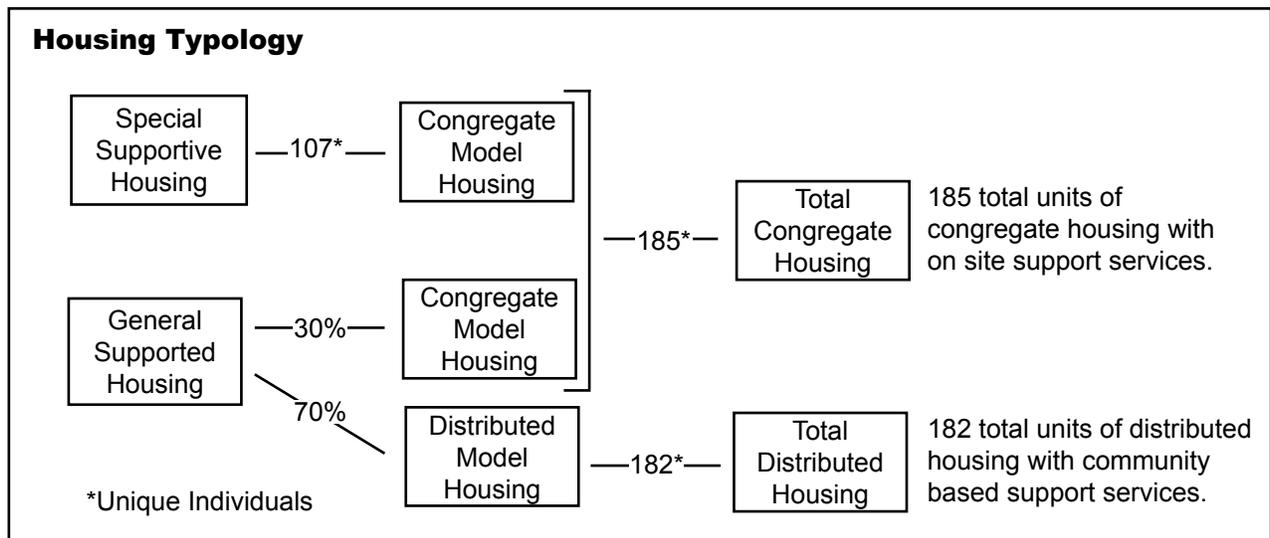
The need level of the population experiencing chronic homelessness will inform the housing typology, which then acts as the foundation for support service provision. As stated earlier, to effectively end chronic homelessness, both the physical form of the housing and the support service programming must work together to ensure housing stability and increased self-reliance.

High Need + individuals, due to their need for more intensive intervention models, will have the best chance of success in purpose-built facilities that feature on-site, intensive, around the clock clinical support regimes. This plan calls for 48 units of specialized housing to appropriately accommodate this group.

Seniors would have the best success in a building that would provide tenancy at an affordable level in combination with specialized on-site support services that are available around the clock to residents of the building. This plan calls for 59 units of specialized housing to appropriately accommodate this group. This number is based on individuals 55 years of age and over as people experiencing chronic homelessness age more quickly than those who have been housed.

Both High Need + individuals and Seniors (55+) are in need of specialized housing and support services that are available to residents of a building 24/7.

The remaining High Need and Moderate Need groups will have housing retention increases in both distributed and place based housing and support models.[16] This plan calls for an additional 78 units of housing with appropriate supports in a congregate model to support this group. This will ensure that a range of unit typologies sufficient to promote a degree of consumer choice. This further supports self-determination while acknowledging the suitability of certain program clients for differing housing typologies.

The remaining 182 units of housing are to be secured in the private rental market and supported through rental supplements and support service teams using a community-based model of service delivery.

Both High Need and Moderate Need individuals are considered in need of general housing and support services that can be delivered either on-site or to distributed housing units in the private or non-profit market should the right number of units be available on site.

This identification of housing and support service need forms the basis for Creating Homes, Enhancing Communities.

[16] Ibid.

Total Housing Need

Based on this thorough analysis of shelter use within Greater Victoria and the housing need within existing programs, in combination with an assessment of the need level of the population experiencing chronic homelessness, there is an identified need for a total of 185 units of purpose built housing units and 182 units of distributed model located housing in existing rental stock. Regardless of the particular housing typology being used, the support services remain a critical element. It is important to understand how the type of housing needed intersects with support levels that to ensure the diversity of individuals experiencing chronic homelessness can achieve housing stability.

The chart, below, connects the need level to the housing typology. It stands as the foundation for this plan and will inform the capital budget, rental supplement budget and support service costs.
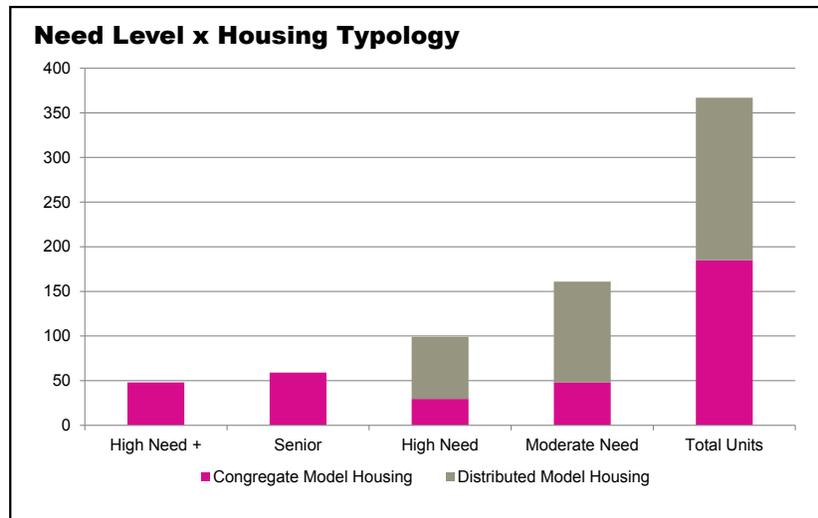
Because shelter data analysis is not an exact science, we have allowed for a margin of error of 38%. The sensitivity analysis detailing the potential for added costs is located on page 30.

capital budget

This plan calls for a total of 185 units developed over four years and allocated to those individuals experiencing chronic homelessness who require a particular housing typology and support program to ensure housing retention. This time frame will enable housing providers to take advantage of favorable financing rates that would be available through BC Housing's Community Partnership Initiative program. Further, this plan also favours new-build over acquisition/rehabilitation. As many units that would be considered suitable for acquisition/rehabilitation are currently being used to provide a level of affordable housing, it is unlikely that this particular procurement approach would create the net gain of units that this region requires.

This call for 185 new build units does not necessary mean that they would have to be in discrete projects, rather that there is a capital cost associated with this specific suite of interventions. It is conceivable that this capital allocation could be a contribution towards a larger project provided that the specific tenant population is ensured the appropriate level of support services to meet their needs.

It is important to consider the compatibility of program clients with other residents of a building should a mixed-model be the preferred intervention strategy. For High Need and Moderate Need groups, program participants should not exceed 20% of the total number of residents within a building.[17] Seniors would likely experience a high level of housing retention in a mixed-model residential building, provided that the building can appropriately accommodate the very unique needs of this population.

High Need + individuals, due to the severity of mental illness and substance use issues, would likely require a separate residential facility that could more appropriately serve this population. It is unlikely that this specific client population could be effectively served in a mixed-model residential building and would most likely require a purpose-built facility.

These capital projects follow a hierarchy for intervention that takes into account the level of support required for each need level. Essentially, this hierarchy prioritizes those groups that are the most in-need of a complex combination of health and support services to ensure an increase in housing stability.
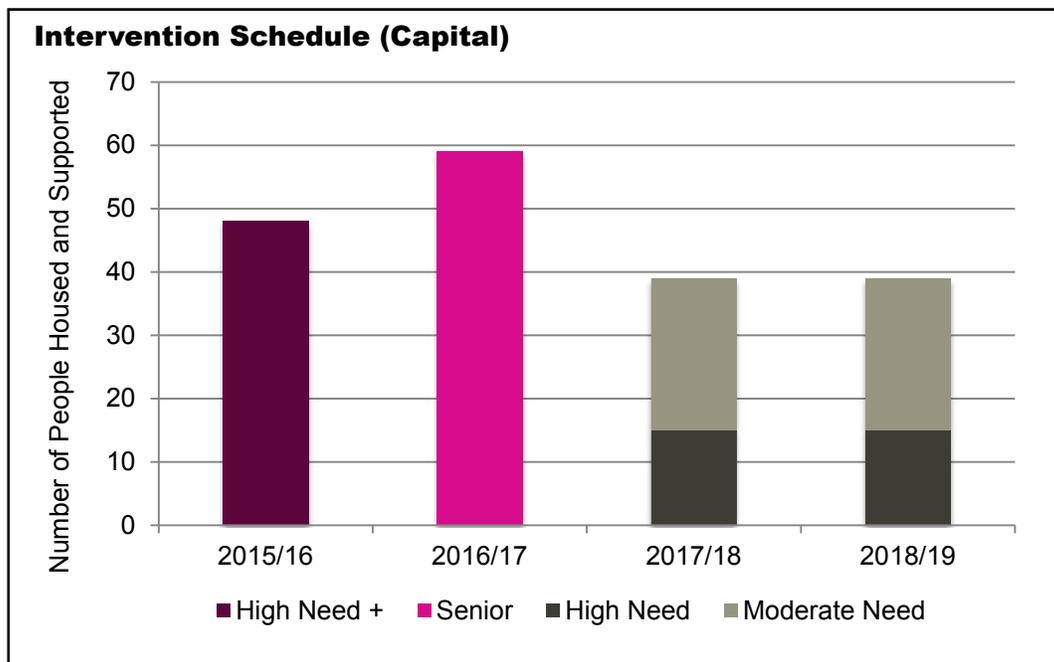
For a detailed breakdown of the capital budget for years 1 to 4, please review the information contained in Appendix 2 of this report.

[17] Paula Goering, Scott Veldhuizen, Aimee Watson, Carol Adair, Brianna Kopp, Eric Latimer, Geoff Nelson, Eric MacNaughton, David Streiner & Tim Aubry (2014). National At Home/Chez Soi Final Report. Calgary, AB: Mental Health Commission of Canada. Retrieved from: http://www.mentalhealthcommission.ca

Capital Budget Summary Cost Details				
	2015/16	**2016/17**	**2017/18**	**2018/19**
Interest Rate	4.00%	4.50%	5.25%	6.00%
Mortgage Term	35 years	35 years	35 years	35 years
Unit Cost	$157,059	$160,200	$163,404	$166,672

This plan sees an increase in take-out financing rates over the four-year plan duration. This is in keeping with general rate predictions from BC Housing.[18] An inflation assumption of 2% annually is also built into the unit costs, which does not include a land cost ($40/buildable square foot) in this chart. Please see a full chart of capital cost assumptions in Appendix 3 of this plan.

Due to their size, studio units are approximately $76,000 per unit less expensive to build when compared to 1-bedrooms. In addition to construction cost, unit typology plays a critical role in enabling and encouraging housing retention as too much space can be problematic for those requiring more support services and who may find the increased maintenance and servicing associated with a larger unit as a barrier to housing retention.[19]

For this reason, certain need groups have been identified as likely achieving better housing retention rates and support program participation in studio units (High Need + and High Need), while the other need groups are more suitable candidates for the larger 1-bedroom units (Senior and Moderate Need).[20]

Once need level is considered, the most suitable unit mixture for the new-build capital initiatives is found to be 50% studio units and 50% 1-bedroom units. This mixture will ensure the appropriate number and type of units are available to those with varying levels of support service needs.

This capital budget will be framed in two ways: Scenario 1 and Scenario 2. Scenario 1 provides the cost estimates for housing should capital funding become available. In this model the rent is assumed to be $400 per month (to cover the operating costs of a unit) with there being no ongoing debt servicing cost. In contrast, Scenario 2 calls for rental supplements as the primary tool to enable program participants the opportunity to afford new-build and market rental units. In this model, the current development economics require a rental rate of approximately $800 per unit per month consisting of $400 per month operating costs and $400 per month debt servicing.

Each scenario comes with its own risks and advantages. Scenario 1 provides greater security to the operator by injecting the capital up front and eliminating mortgage costs. It is less flexible in application though and places greater restrictions on the client once they are housed. Scenario 2 is more client centred and not only provides them with more options but allows for greater flexibility in application of the model. It does however put the operator at greater risk because if the client leaves their facility, whoever steps into that unit may not have the same rental supplement, leaving the operator find other ways to pay the mortgage. Should this scenario be considered there would need to be some provision of security of subsidy for the operator.

[18] http://www.bchousing.org/Partners/Opportunities/Current/CPI
[19] Feedback gathered from the Creating Homes, Enhancing Communities Task Force.
[20] Ibid.

SCENARIO 1

Capital Budget (Scenario 1)					
	2015/16	**2016/17**	**2017/18**	**2018/19**	**Total**
Number of Units	48	59	39	39	185
Gross Capital Cost	$7,538,832	$9,451,811	$6,372,763	$6,500,218	$29,863,624
Total Capital Cost Balance to Fund	**$6,211,776**	**$7,768,766**	**$5,225,220**	**$5,316,987**	**$24,522,749**

Based on the studio and 1-bedroom unit mixture, the total capital cost for 185 units is $29.9 million over 4 years not including land. Once society equity of 20%[21] is factored in, the balance left to fund is a total of $24.5 million over 4 years. This is the capital deficit and would need to be supplied in the form of a capital grant or some other funding source to maintain the average rent levels of $400 per unit per month.

This cost of $24.5 million is a one-time cost and is linked to the construction of 185 purpose new-build units while the rental supplement and support service budgets outline ongoing costs.

Capital Cost Summary (Scenario 1)

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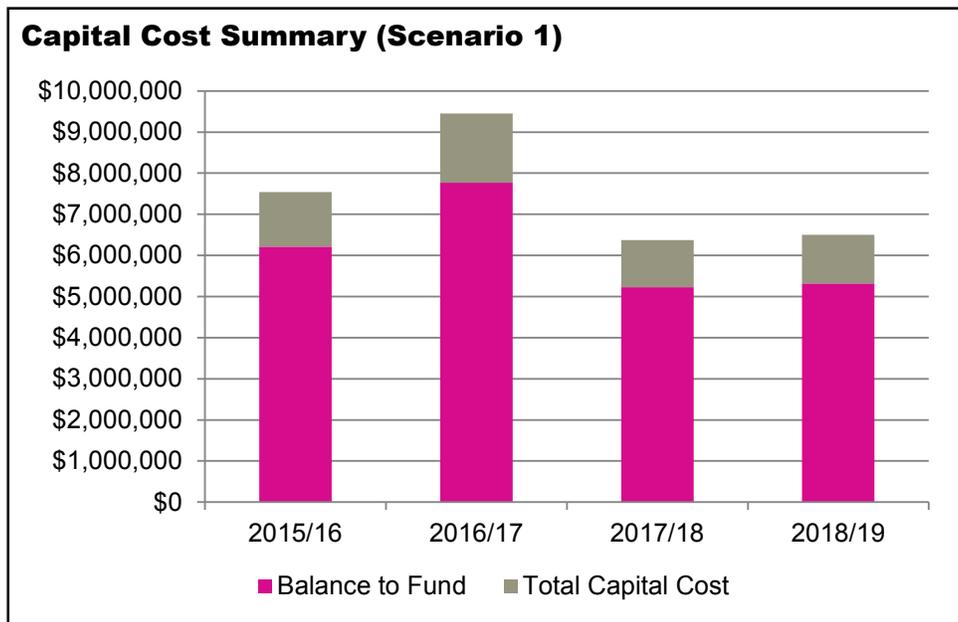
[21] Equity figure includes land assumed to be at $40 per buildable square foot.

SCENARIO 2

Capital Budget (Scenario 2)					
	2015/16	**2016/17**	**2017/18**	**2018/19**	**Total**
Number of Units	48	59	39	39	185
Gross Capital Cost	$7,538,832	$9,451,811	$6,372,763	$6,500,218	$29,863,624
Total Capital Cost Balance to Fund	**$1,891,776**	**$2,753,766**	**$2,202,720**	**$2,586,987**	**$9,435,249**

Based on the studio and 1-bedroom unit mixture, the total capital cost for 185 units is $29.9 million over 4 years not including land. Once society equity of 20%[22] and any revenue from rent[23] is included, the balance left to fund is a total of $9.4 million over 4 years. This is the capital deficit and would need to be supplied in the form of a capital grant or some other funding source to maintain the average rent levels of $800 per unit per month.

This cost of $9.4 million is a one-time cost and is linked to the construction of 185 purpose new-build units while the rental supplement and support services budget outline ongoing costs.

Capital Cost Summary (Scenario 2)

■ Balance to Fund   ■ Total Capital Cost

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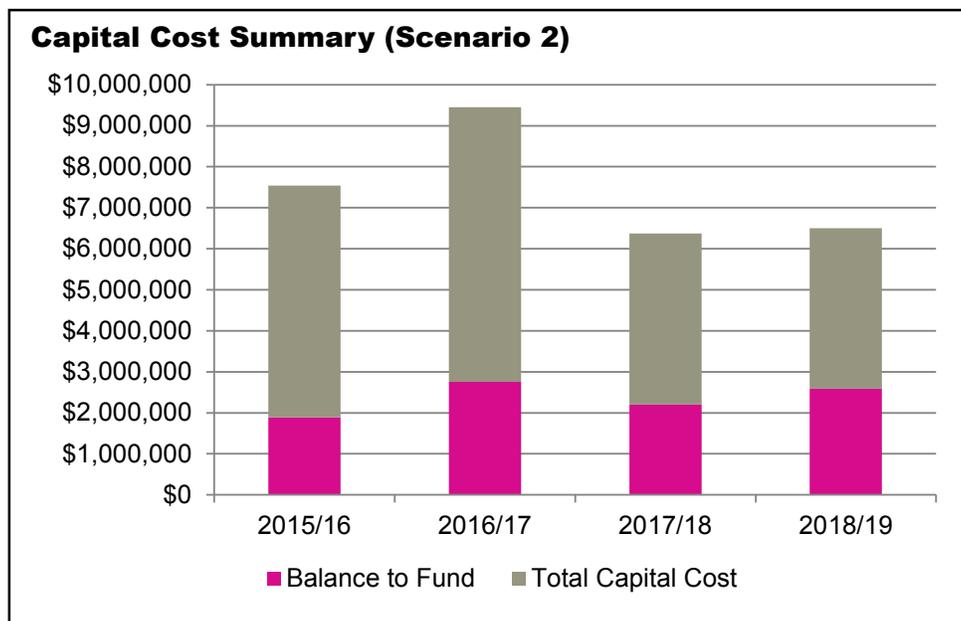
[22] Equity figure includes land assumed to be at $40 per buildable square foot.
[23] Rents are assumed at an average of $800/month and includes $400/unit for debt servicing and $400/month in operating costs.

rental supplement budget

The rental supplement budget is presented in two scenarios. Scenario 1 reflects the viability of capital projects at rent levels of $400 per unit per month as detailed in Scenario 1 of the capital budget. Scenario 2 considers rent levels of $800 per units per month as discussed in the capital budget as Scenario 2.

Scenario 1 budgets for 182 new supplements for the chronically homelessness throughout the region and is compared to Scenario 2 which budgets for 367 new rental supplements. Under Scenario 1, only individuals being served in distributed model housing and support programs would be considered eligible for rental supplements.

The Rental Market Analysis[24], illustrates the number and type of units that are vacant within the differing rental ranges. In order to effectively leverage these private market rental units, it is essential that rental supplement levels for these individuals are at $425 per month. This will ensure market access to sufficient numbers of units.

Rental Market Analysis				
	Unit Type	Number of Units	Vacancy Rate	Vacant Units
Less than $700	Studio	1,337	1.50%	20
	1-Bedroom	1,222	1.40%	17
	Total	2,559		37
$700-$799	Studio	991	0.90%	9
	1-Bedroom	4,019	1.10%	44
	Total	5,010		53
Total Units Less Than $799		**7,569**		**90**

In this Plan, a 42% increase in rental supplement amount will create a 196% increase in the number of units in universe and a 143% increase in the number of vacant units.

There are 72 individuals working with the Outreach 713 or the ACT team that are currently experiencing homelessness. It is important to consider that though these individuals are experiencing homelessness there are rental supplements available to them at an approximate level of $350 per client per month.

The rental supplement budget considers that there should be an increase of $75 per supplement per month to increase the overall supplement available to each client to $425 per month. This will help increase the number of units available to these programs for housing individuals that are assessed to be most suitable for this service delivery model.

Existing Rental Supplements ($350/month)		
High Need +	0	$0
Senior (55 +)	0	$0
High Need	32	$134,400
Moderate Need	42	$176,400
Total Existing Rental Supplements ($350/month)	**74**	**$310,800**

[24] Canada Martgage and Housing Corporation. 2014. Rental Market Report: Victoria CMA.

SCENARIO 1

Under Scenario 1, rental supplements only serve to enable additional access of chronically homelessness individuals into existing rental housing. As a result, in this scenario there is a total need of 182 rental supplements assumed at $425 per person per month.

Rental Supplement Budget (Scenario 1)				
	2015/16	**2016/17**	**2017/18**	**2018/19**
Supplements Allocated to Individuals in Capital Projects				
Number of Supplements	0	0	0	0
Additional Cost Per Year	$0	$0	$0	$0
Cumulative Supplement Total	0	0	0	0
Cumulative Cost	**$0**	**$0**	**$0**	**$0**
Supplements Allocated to Individuals in Distributed Housing				
Number of Supplements	22	38	51	71
Additional Cost Per Year	$19,800	$34,200	$201,300	$362,100
Cumulative Supplement Total	22	60	111	182
Cumulative Cost	**$19,800**	**$54,000**	**$255,300**	**$617,400**

Total Number of Ongoing Rental Supplements	**182**
Total Annual Ongoing Cost	**$617,400**

Rental Supplement Budget Summary (Scenario 1)

Legend: ▪ Maintained Annual Cost ▪ Additional Annual Cost
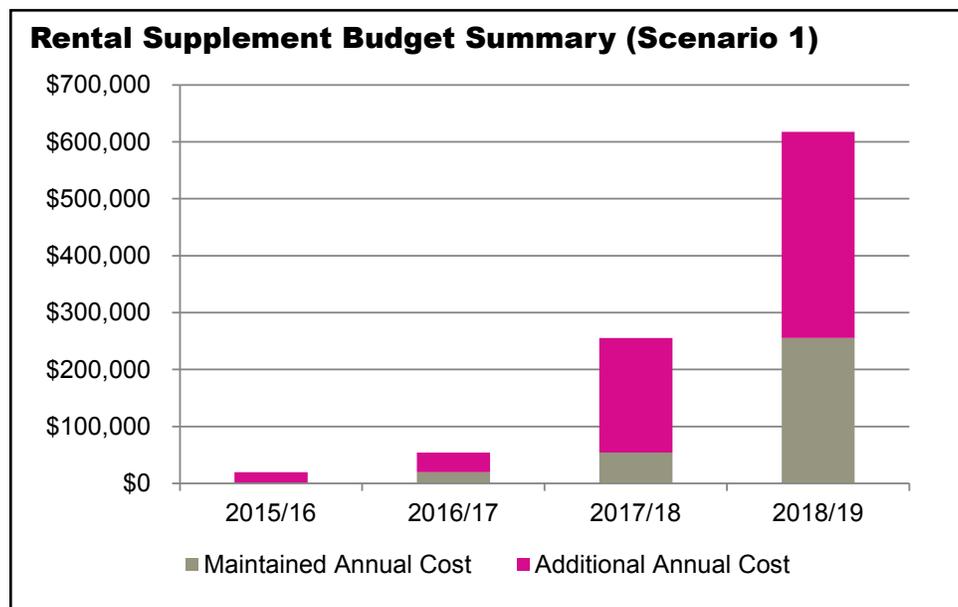
In total, under this scenario, there is an ongoing need for 182 rental supplements with an annual cost of approximately $619,400. This scenario requires an additional $24.5 million in capital support to ensure the units are available to clients at a rate of $400 per month with no ongoing operating subsidy.

SCENARIO 2

Rental supplements function in two ways:

1. Rental Supplements to Enable Capital Viability of Projects in Ending Homelessness

This plan calls for 185 units of affordable new-build capital construction with the purpose of providing suitable accommodation for those with very specific housing and support needs such that they must inform the physical attributes of the building.

The rent levels, including both operational expenditures (not including support services) and debt servicing, must be affordable given the current market conditions and without an ongoing subsidy. This is to ensure that a capital project remains viable as either a non-supported affordable residential project or as a residential project with on-site supports.

To achieve this, two key expenses are taken into consideration. First, the ongoing operating costs of a unit, including electricity, sewer, taxes, water, replacement reserve, etc. is estimated to be $400 per unit per month. The second piece is the debt servicing of the mortgaged amount over the 35 year amortization period. This is set at $400 per unit per month bringing the total ongoing cost per unit to $800 per month.

Each resident is assumed to be on Social Assistance with a shelter allowance of $375 per month leaving a gap of $425 per unit per month necessary for each resident to achieve the required amount of $800 per unit per month.

As a point of reference, the 2014 Housing Income Limits as set by BC Housing are $29,000 and $34,500 for a studio and 1-bedroom, respectively.[25] Adjusting these figures to reflect the unit typology mix as proposed within this plan, the adjusted housing income limit sits at $31,750 per year. Assuming that each individual should only be contributing 30% of their gross income to shelter costs, the rental limit is $794 per month as an average across the building, or roughly equivalent to the rent estimates assumed through this plan.

To summarize, individuals that have been identified as experiencing chronic homelessness could afford this new-build residential model with a combination of $375 per month in social assistance shelter allowance and a $425 per month rental supplement. This would create a total rent ceiling of $800 per month, which would result in a viable project with no ongoing subsidy, provided the project proponent has land available as equity for the project.

2. Rental Supplements to Enable Distributed Model Housing to End Homelessness

There are three elements to consider when examining the applicability of rental supplements into the private market:

- number of units in universe;

- number of units considered affordable by program participants; and

- vacancy rates of affordable rental units.

[25] http://www.metrovancouver.org/about/publications/Publications/2014_HILs.pdf

Rental Supplement Budget (Scenario 2)				
	2015/16	**2016/17**	**2017/18**	**2018/19**
Supplements Allocated to Individuals in Capital Projects				
Number of Supplements	48	59	39	39
Additional Cost Per Year	$244,800	$300,900	$198,900	$198,900
Cumulative Supplement Total	48	107	146	185
Cumulative Cost	**$244,800**	**$545,700**	**$744,600**	**$943,500**
Supplements Allocated to Individuals in Distributed Housing				
Number of Supplements Per Year	22	38	51	71
Additional Cost Per Year	$19,800	$34,200	$201,300	$362,100
Cumulative Supplement Total	22	60	111	182
Cumulative Cost	**$19,800**	**$54,000**	**$255,300**	**$617,400**
Total Number of Ongoing Rental Supplements	**367**			
Total Annual Ongoing Cost	**$1,560,900**			
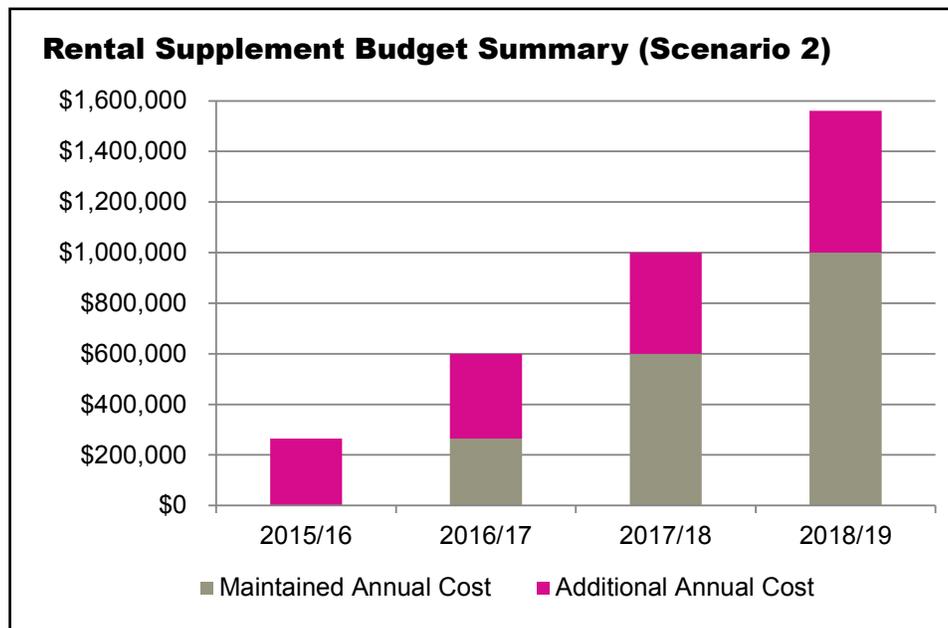
Rental Supplement Budget Summary (Scenario 2)

In total, under this scenario, there is an ongoing need for 367 rental supplements with an annual cost of approximately $1.6 million. This rental supplement need is in addition to a capital cost balance to fund of $9.4 million that is required to ensure the capital units associated with this intervention plan are available to clients at $800 per month rent levels.

support service budget

Need Level Characteristics

HIGH NEED +

High Need + are typically individuals that can be considered the hardest to house. This group may require an extra level of support and care beyond that of a typical Assertive Community Treatment Team model or an Intensive Case Management model.[26] This High Need + group tends to have longer histories of homelessness, lower educational levels, more connection to street-based social networks, more serious mental health conditions, and some indication of cognitive impairment.[27] This group will likely require more intensive levels of intervention. For example, congregate, purpose-built housing with 24/7 wrap around clinical support services. This group is supported at a client to participant ratio of 1:5.

SENIOR

The Senior group consists of individuals with a range of high and moderate needs, who are also facing challenges related to aging. The staff to participant ratio for this group is budgeted at 1:10. It is also likely that this particular cohort will require a specially designed building that can more effectively accommodate individuals with certain types of mobility challenges, etc. while supporting a group that has likely experienced prolonged incidences of homelessness. It is for this reason, the plan calls for this group to be housed in a purpose built facility with on-site support services offered seven days per week, 24 hours per day.

HIGH NEED

High Need are typically individuals suffering from a range of mental illness and/or substance use issues and are experiencing chronic homelessness. In general, those who were in the High Need group were experiencing homelessness earlier and at a younger age, had a longer average period of homelessness, and had a greater total lifetime homelessness than those in the moderate need group. In this group, approximately 52% would be diagnosed with a psychotic disorder and 73% would have a substance-use illness.[28]

The best way to ensure high levels of housing retention is through clinical support that is to be provided by multi-disciplinary teams that include a psychiatrist, nurse, and a peer specialist among others. These individuals will experience a high level of housing retention at a staff to participant ratio of 1:10. Staff would meet daily and would be available seven days per week with crisis coverage around the clock. This group can be effectively be supported through either community-based supports (outreach teams) or on-site supports.

MODERATE NEED

Moderate Need are typically individuals suffering from a range of mental illness and/or substance use issues and are experiencing chronic homelessness, but present with less severity. In this group, approximately 22% would present with a psychotic disorder and 62% would likely have a substance-use illness.[29]

The best way to ensure high levels of housing retention is through social support that is to be provided by teams of case managers who work with individuals and broker health and other related services as needed. High levels of housing retention will be attained with a staff to participant ratio of 1:16. Case conferences should be held at least monthly and services are provided seven days a week, 12 hours per day. This group can be effectively supported through either community-based supports (outreach teams) or on-site supports.

Critical to developing a budget for this plan is the per intervention annual costs associated with providing the best levels of support possible for the four distinct intervention groups.

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[26] Paula Goering, Scott Veldhuizen, Aimee Watson, Carol Adair, Brianna Kopp, Eric Latimer, Geoff Nelson, Eric MacNaughton, David Streiner & Tim Aubry (2014). National At Home/Chez Soi Final Report. Calgary, AB: Mental Health Commission of Canada. Retrieved from: http://www.mentalhealthcommission.ca

[27] Ibid.

[28] Ibid.

[29] Ibid.

Support Service Costs Per Person		
Service Level	Annual Cost	Daily Cost
High Need +	$73,000	$200
Senior (55 +)	$18,657	$51
High Need	$18,657	$51
Moderate Need	$10,574	$29

The more significant the support service needs, the more costly the programming is to deliver. The per person intervention cost forms the backbone of this plan as without appropriate support services, the housing component will not be successful.

Existing Support Spaces		
High Need +	0	$0
Senior (55 +)	0	$0
High Need	32	$597,024
Moderate Need	42	$444,108
Total Existing Support Spaces	**74**	**$1,041,132**

There are currently 74 participants of both the Outreach 713 team and the ACT team that are experiencing homelessness. It is estimated the total annual expenditure for this group to be approximately $1.0 million. This amount has been considered in detailing the support service budget as these are support service spaces that exist therefore reducing the overall number of new supports needed.

Support Services Budget Summary
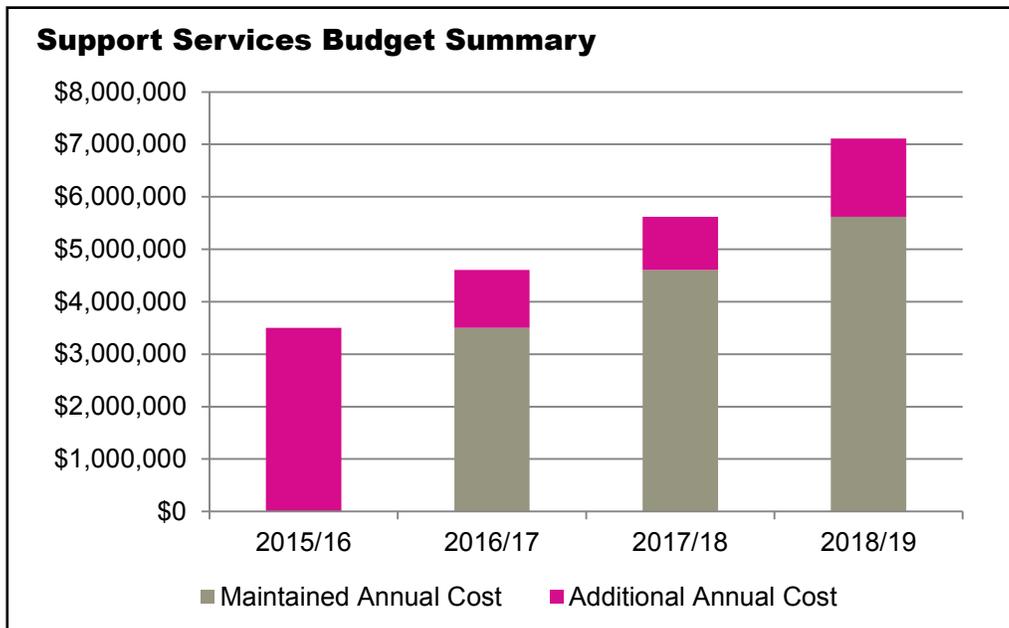
Support Service Budget Summary								
	2015/16		**2016/17**		**2017/18**		**2018/19**	
	Clients	Cost	Clients	Cost	Clients	Cost	Clients	Cost
High Need +	48	$3,504,000	0	$0	0	$0	0	$0
Senior (55 +)	0	$0	59	$1,100,763	0	$0	0	$0
High Need	0	$0	0	$0	26	$485,082	41	$764,937
Moderate Need	0	$0	0	$0	50	$528,700	69	$729,606
Annual Total	48	$3,504,000	59	$1,100,763	76	$1,013,782	110	$1,494,543
Cumulative Support Cost	**$3,504,000**		**$4,604,763**		**$5,618,545**		**$7,113,088**	

Total Population Supported	367
Existing Support Spaces	74
New Support Spaces Needed	293

The support service intervention cost is an ongoing expenditure that increases annually to a total support service cost of $7.1 million per year. These cost projections follow a hierarchy for intervention with the most in-need group targeted for early intervention. The purpose of this is to effectively reduce overall system pressures in a way that focuses resources on smaller, though more costly to serve, need groups. For a detailed breakdown detailing the support services costs for both distributed and congregate housing, please refer to Appendix 4 at the end of this report.

Broadly speaking, support services can be broken into two categories:

SOCIAL SUPPORT SERVICES

A Housing Team typically provides social support services designed to assist residents with the day to day activities necessary to locate appropriate housing and maintain successful tenancies. These services are separate from those that would be defined as clinical and include such activities as: helping participants search for and secure housing, building and maintaining relationships with landlords (including mediating during conflict), applying for and managing housing allowances, assisting in setting up apartments, working with clients to develop independent living skills, and providing referral assistance to individuals to help establish the connection between the client and other community-based support services.

CLINICAL SUPPORT SERVICES

A Clinical Team typically provides a range of recovery-oriented, client-driven support services. These supports can be either coordinated by a case manager or through a multi-disciplinary team and are designed to specifically address health, mental health, social care or other needs. Activities can include any combination of social support services as listed above as well as clinical services to manage additions and/or support individuals with mental health concerns.

To ensure long-term housing stability for the client and intervention sustainability for the provider it should be considered that:

1. Individuals will likely require a combination of both social and clinical support services that will vary depending on their level of need and unique barriers to housing.

2. Certain stakeholder groups will be more equipped than others to fund and administer certain services. It is important to recognize that the client will have the best chance of long-term success when multiple organizations are positioned to contribute their expertise and resources as a critical piece of an effective client-centred initiative designed to address chronic homelessness.

the plan

This plan weaves together capital investment to support projects designed to cater to specific groups, rental supplements to ensure program participants can access sufficient housing stock, and support services to increase the likelihood of housing retention.

Total Intervention Cost Summary					
	2015/16	**2016/17**	**2017/18**	**2018/19**	**Total**
Capital Cost					
Unit Total	48	59	39	39	185
Gross Capital Cost	$7,538,832	$9,451,811	$6,372,763	$6,500,218	$29,863,624
Scenario 1					
Balance to Fund	$6,211,776	$7,768,766	$5,225,220	$5,316,987	$24,522,749
Scenario 2					
Balance to Fund	$1,891,776	$2,753,766	$2,202,720	$2,586,987	$9,435,249
Rental Supplement Cost					
Scenario 1					
Supplement Total	22	38	51	71	182
Cumulative Cost (per year)	$19,800	$54,000	$255,300	$617,400	$617,400
Scenario 2					
Supplement Total	70	97	90	110	367
Cumulative Cost (per year)	$264,600	$599,700	$999,900	$1,560,900	$1,560,900
Support Service Cost					
Support Total	48	59	76	110	293
Cumulative Cost (per year)	$3,504,000	$4,604,763	$5,618,545	$7,113,088	$7,113,088

Scenario 1: Total Capital Grant Need	$24,522,749	Total Annual Ongoing Cost	$7,730,488
		Cost Per Person	$21,064

Scenario 2: Total Capital Grant Need	$9,435,249	Total Annual Ongoing Cost	$8,673,988
		Cost Per Person	$23,635

Capital

In 2015, dollars the gross capital cost for the required 185 purpose built units totals $29.9 million with a balance to fund of either $24.5 million under Scenario 1 or $9.4 million under Scenario 2.

The 185 new build capital units reflect the unique needs of the target population at a given support level. For example, High Need + individuals would likely require certain specific building design considerations that must be considered in any homelessness elimination initiative.

The intention is not to outline the need for traditionally developed and operated place-based model supportive housing. The plan calls for the development of units at affordable levels of rent (including debt servicing and unit monthly operating costs) and then for the provision of support services through any number of developed support models such as, community-based, site-based or a hybrid of the two.

For example, in 2015/16 a 48 unit residential building could be developed with ground floor office space. The residential units would be targeting those High Need + individuals as identified through an assessment and triage tool. The office space could then be leased to a support services provider with the intention of supporting the residents of the building. This enables a high degree of flexibility in terms of the support services provided and future usage of the building should those support services no longer be needed or available. The building could simply function as affordable rental housing.

Rental Supplements

As the overall rental supplement cost is dependent upon the debt servicing costs associated with the new-build capital units, there is an ongoing rental supplement cost of $617,400 for 182 individuals annually as detailed in Scenario 1 or $1.6 million annually for 367 supplements under Scenario 2.

Rental supplements are essential tools in ending chronic homelessness. Affordable residential units are necessary for the effective provision of services and the long-term housing stability of program participants.

In contrast to the capital balance to fund cost, discussed above, this expenditure is ongoing as long as those targeted individuals are in need of affordable housing.

Support Services

The support services comprise the single largest expense required to effectively and permanently end chronic homelessness. Critical to this costing model, is the recognition that unique individuals have different support services needs with different costs.

The support services, as described in this plan, increase as individuals are housed. Without the appropriate support systems in place program participants will remain at-risk of homelessness. This approach will ensure that they have the best levels of housing retention possible given their individual barriers.

Throughout this plan the total support service cost increases to $7.1 million annually. Similar to rental supplement costs, this expenditure is ongoing in that it must remain available for as long as people are in need. This cost considers the estimated existing annual expenditure of $1.0 that is currently being spent on 74 individuals in both the Outreach 713 and ACT team that are unable to secure and retain appropriate housing.

Final Plan Cost

The final annual ongoing cost for this plan sits at $7.7 million per year under Scenario 1 and $8.7 under Scenario 2. This annual budget will provide housing and support services for a total of 367 individuals experiencing chronic homelessness. In terms of cost per year per person, this averages out to a total of $21,064 per person annually or approximately $58 per day per person under Scenario 1 with an additional $24.5 million over four years in capital balance to fund costs. Under Scenario 2, the per person average cost is $23,635 per year or $65 per day per person. There is an additional capital balance to fund cost of $9.4 million over four years.

These figures include the support services for the entire spectrum of chronic homelessness, which range in cost from $29 per day to $200 per day, as well as all housing costs.

Plan Budget Summary Graph (Scenario 1)
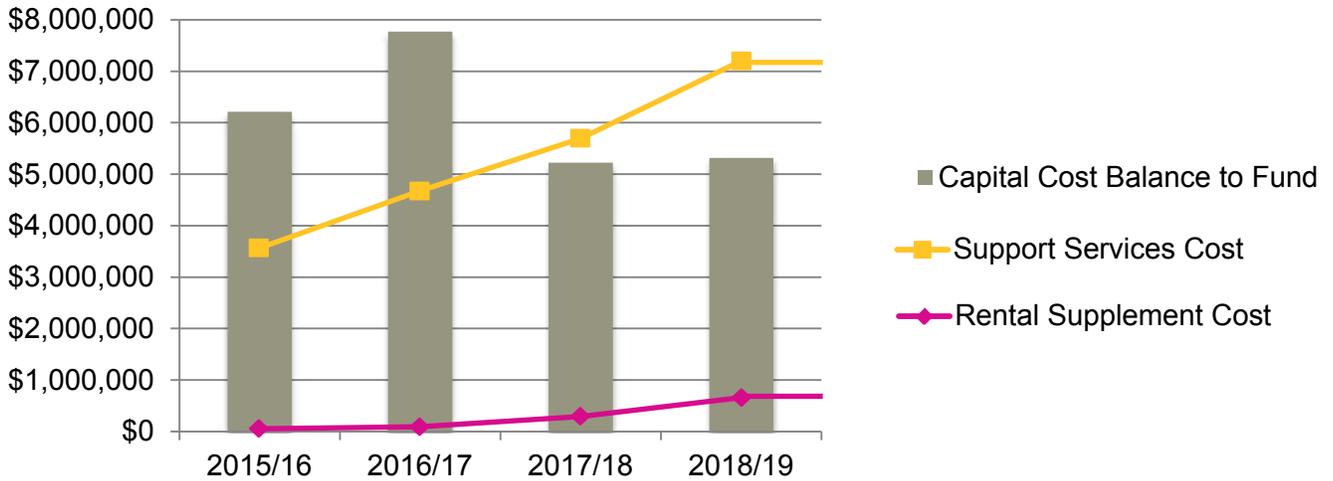
Plan Budget Summary Graph (Scenario 2)
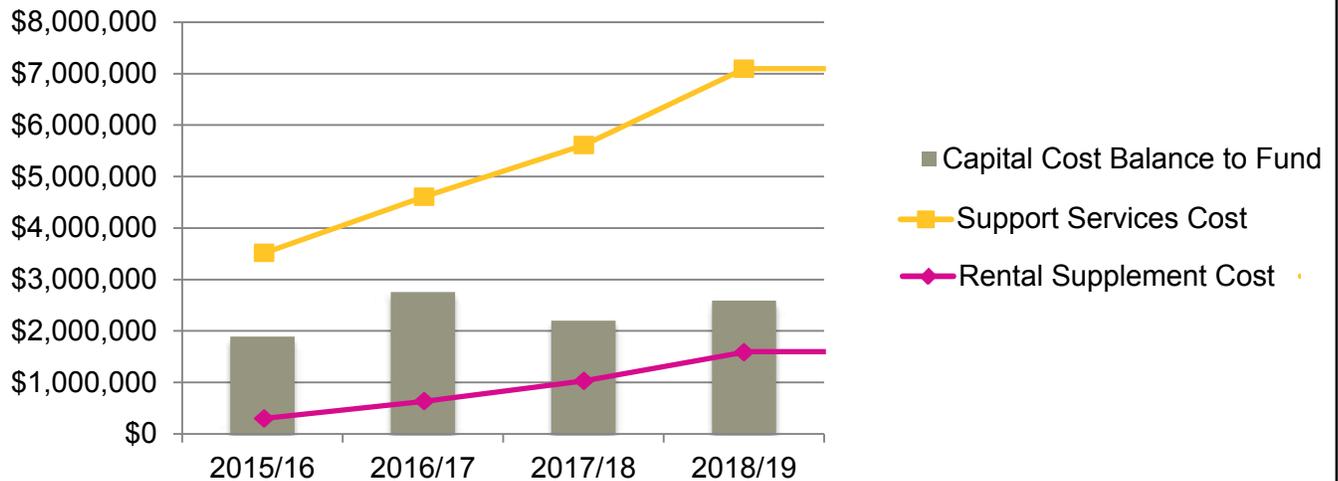
This plan does not assume that the costs outlined within it are to be met through new funding or programs. In some instances there may be opportunities to examine the existing intervention landscape to ensure current funding is providing every individual with the most effective and appropriate housing and support model.

For some program participants significant efficiencies may be found, while for others additional support may be required. Some examples could include the reuse of existing vacant buildings or facilities for housing or the closure of housing services in poorly configured buildings with the resources transferred to larger and more usable services.

CHEC supports and encourages a flexible and nimble approach to housing development and support programming to encourage efficiencies thus potentially reducing the overall costs associated with implementation.

chec plan implementation

The following section will outline a series of activities to be undertaken in Greater Victoria to begin implementing the CHEC Plan. The Gantt chart (on page 27 and 28) illustrates the timelines of specific activities as they relate to the larger implementation process.

1.0 Plan Approval and Adoption

1.1 Coalition Leadership Council to Adopt CHEC Plan

Prior to the CHEC Plan being implemented, it must undergo a review by the Coalition's Leadership Council who will then vote on adoption. This will signal to Coalition secretariat and to other community stakeholders that this process has been vetted and implementation work can begin.

2.0 Client Identification and Targeting

2.1 Identify and Implement Assessment and Triage Framework

It is critical to establish a robust and comprehensive assessment and triage tool to identify the acuity level of the population experiencing chronic homelessness. This tool should consider other provincially adopted tools, such as a Vulnerability Assessment Tool (VAT) and/or other best practices. This framework should identify the level of support services that every individual will require and analyze their housing requirements to determine the most suitable placement.

2.2 Client Model Assignment

Once the assessment and triage framework has been developed, it will then be possible to understand the client needs and begin to assign particular intervention strategies. As the shelter data goes back to 2010 some of the clients may already be receiving certain services, while others may not. It is important to ensure that those clients already participating in existing programs have the most appropriate support programs and housing options as the backbone of their support system.

These clients should also be identified according to intervention priority beginning with High Need + as this will link to the capital construction intervention schedule.

It is anticipated that client identification and assignment to the appropriate model will take place throughout the duration of the intervention schedule. Clients should be identified as capital projects come on line or as community based support teams are created.

3.0 Capital Projects

3.1 Capital Activities for High Need +

This is identified as a priority population as these are considered the most vulnerable individuals and may be suffering from severe addiction and mental illness (SAMI). This group may also benefit from specifically designed or 'hardened' housing units.

If a suitable existing facility can be located along with the resources to operate such a facility the anticipated timeline for this is one year. If, however, a purpose built facility is the preferred procurement approach, the timeline is expected to be a minimum of two to three years.

3.2 Capital Activities for Seniors

The second intervention group likely requiring a purpose built capital project are seniors (aged 55+).

The capital timeline for a purpose built seniors' facility is anticipated to be two years. Typically a purpose built facility could take three or more years to design and develop, but as we have a shovel ready project identified as a priority for the region, this timeline has been shortened to two years from ground breaking to occupancy.

The remaining new build capital units are for those individuals with either a moderate level or a high level of support service need and would be best suited in a building with on-site support services.

Provided that the capital and health support services are available construction on these units is anticipated to begin early 2017 with expected occupancy in late 2019 or early 2020.

4.0   Distributed Model Housing

4.1   *High Need*

It is anticipated that approximately 10-26 individuals per year in this cohort could be successfully housed through a combination of $425 per client per month rental supplement and clinical community based support services.

These individuals may be currently located in congregate supportive housing but be independent enough to live in the community, or could be individuals in transitional housing or in the shelters, assuming the distributed model would support their housing stability.

4.2   *Moderate Need*

Between 12 and 45 individuals with a moderate need would need to be housed annually throughout the plan duration to best serve this population.

This cohort would likely be best served by social support services in independent residential units.

These individuals would each require a $425 per client per month rental supplement, enabling them access to appropriate existing residential rental units.

5.0   Support Service Activities

5.1   *Place Based High Need +*

Expected to begin in the summer/fall of 2016 to coincide with the successful procurement of an appropriate residential facility for this population.

The estimated worker/client ratio for this group is 1:5 with an estimated annual support cost of $73,000 per client per year.

5.2   *Place Based Senior*

Expected to begin in the winter 2017/18 or as soon as a suitable residential building can be successfully developed and funding for the appropriate support services can be secured.

The estimated worker/client ratio for this group is 1:10 with an estimated annual support cost of approximately $18,657 per client per year.

5.3   *Place Based Supportive Housing*

Expected to begin in the winter 2018/19 or as soon as a suitable residential building can be successfully developed and funding for the appropriate support services can be secured.

The estimated worker/client ratio for this group is 1:10 with an estimated annual support cost of approximately $18,657 per client per year.

		CHEC Plan Implementation Timeline		
		2015 J F M A M J J A S O N D	**2016** J F M A M J J A S O N D	**2017** J F M A M J J A S O N D
1.0	Plan Approval and Adoption			
1.1	Leadership Council Adopt CHEC Plan			
2.0	Client Identification and Targeting			
2.1	Implement Assessment & Triage Framework			
2.2	Client Model Assignment			
3.0	Capital Projects			
3.1	High Need +			
3.2	Senior			
3.3	General Supportive Housing			
4.0	Distributed Model Housing			
4.1	High Need			
4.2	Moderate Need			
5.0	Support Service Activities			
5.1	Place Based High Need +			
5.2	Place Based Senior			
5.3	Place Based Supportive			
5.4	Community Based High Need			
5.5	Community Based Moderate Need			
6.0	Tracking and Reporting			
6.1	Track Housed Clients			

2018												2019												Task	#
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D		
																								Plan Approval and Adoption	1.0
																								Leadership Council Adopt CHEC Plan	1.1
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Client Identification and Targeting	2.0
																								Implement Assessment & Triage Framework	2.1
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Client Model Assignment	2.2
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Capital Projects	3.0
																									High Need +	3.1
█																								Senior	3.2
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	General Supportive Housing	3.3
█	█	█	█	█	█	█	█	█	█	█	█													Distributed Model Housing	4.0
█	█	█	█	█	█	█	█	█	█	█	█													High Need	4.1
█	█	█	█	█	█	█	█	█	█	█	█													Moderate Need	4.2
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Support Service Activities	5.0
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Place Based High Need +	5.1
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Place Based Senior	5.2
												█	█	█	█	█	█	█	█	█	█	█	█	Place Based Supportive	5.3
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Community Based High Need	5.4
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Community Based Moderate Need	5.5
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Tracking and Reporting	6.0
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	Track Housed Clients	6.1

5.4 Community Based High Need

Support teams would be required to house suitable individuals as they are identified and appropriate existing residential units could be secured. This housing placement would take place from winter/spring 2015 through to the end of 2019.

This group would likely require clinical care at a worker/client ratio of 1:10 and an annual per client cost of $18,657.

5.5 Community Based Moderate Need

Support teams would be required to housing suitable individuals with this level of need in existing rental units. This housing placement would take place from winter/spring 2015 through to the end of 2019.

This group would likely require social support services at a worker/client ratio of 1:16 with an annual per client cost of $10,574.

6.0 Tracking and Reporting

6.1 Tracking Housed Clients

Ensuring that every individual has the most appropriate level of support services and the most suitable housing typology is critical in ensuring housing retention.

Client tracking and monitoring should take place throughout the entire duration of the plan implementation timeline.

This will be a useful tool should there need to be a revision of the CHEC plan to examine areas of opportunity to better enhance the delivery of homelessness elimination programs.

> CHEC provides an evidence based approach to permanently housing 367 individuals experiencing chronic homelessness with the most appropriate type of support services given their unique level of need by winter 2019/20.
>
> Of course, the success of this Plan and the non profit housing sector as a whole hinges entirely on the availability of both capital and health support funding as without both, no meaningful intervention can be implemented and chronic homelessness will persist across Greater Victoria.

sensitivity analysis

This plan uses a combination of data sources in combination with a pattern of shelter use analysis to identify a population experiencing chronic homelessness of 367 individuals.

It may be true that not all people experiencing chronic homelessness make use of emergency shelters for any number of reasons. Because of this, it is important to provide an overview of the potential cost increases should there be more individuals experiencing chronic homelessness than the shelter data indicates.

The sensitivity analysis in this model will account for a potential increase of 38% to the chronic shelter use population. This creates a possible intervention group of as many as 479 individuals.

As throughout the rest of CHEC, this section will be detailed in Scenario 1 and Scenario 2.

Capital Sensitivity Analysis

Purpose built capital units account for approximately 50% of all units needed. As the population increases, this ratio is assumed to be consistent meaning that with a total population experiencing chronic homelessness of 479 individuals, there will be a need of 240 capital units with the remaining 239 individuals being housed in existing rental stock. It should be noted that the capital cost in the sensitivity analysis is calculated using the average cost/unit from 2015 - 2019.

SCENARIO 1

Capital Budget (Limit) Scenario 1	
Total Number of Units	240
Gross Capital Cost	$37,694,160
Total Capital Cost Balance to Fund	$31,883,940

SCENARIO 2

Capital Budget (Limit) Scenario 2	
Total Number of Units	240
Gross Capital Cost	$37,694,160
Total Capital Cost Balance to Fund	$12,533,940

Rental Supplement Sensitivity Analysis

Rental supplements are a critical piece of this intervention and together with the capital cost budget will work to ensure that every individual has the necessary tools to access the most appropriate type of housing. Through both scenarios of this model, the rental supplement amount is calculated at $425 per person per month.

SCENARIO 1

Because this scenario assumes a sufficient capital contribution to eliminate the debt-servicing component of the ongoing unit cost, there is a requirement for significantly less rental supplements. Based on the shelter data 2010 – 2014, this scenario assumes that only 239 individuals require rental supplements in order to successfully obtain existing rental housing. This is because the purpose built capital units would have rent levels of approximately $400 per unit per month.

Rental Supplement Budget (Limit) Scenario 1	
Total Number of Supplements	239
Total Supplement Cost	$1,218,900
Existing Supplements	74
Existing Supplement Funding	$310,800
Total Annual Supplement Cost	$908,100

SCENARIO 2

This scenario requires that every individual housed receive a $425 per month rental supplement for a total of 479 people, based on shelter data. This will ensure that each person can afford to debt services the purpose-built capital units or afford existing rental units at a rent level of approximately $800 per month.

Rental Supplement Budget (Limit) Scenario 2	
Total Number of Supplements	479
Total Supplement Cost	$2,442,900
Existing Supplements	74
Existing Supplement Funding	$310,800
Total Annual Supplement Cost	$2,132,100

Support Sensitivity Analysis

Every individual identified as being a part of the intervention group would likely require a tailored support service system to best support housing retention. This sensitivity analysis assumes that the need level breakdown remains consistent should the total population experiencing chronic homelessness be larger than the shelter data indicates.

Support Service Budget (Limit)	
Need Level	**Cohort Cost**
High Need +	$4,573,341
Senior (55 +)	$1,436,691
High Need	$2,410,718
Moderated Need	$2,221,952
Total Annual Support Cost	$10,642,701
Existing Support Funding	$1,041,132
Total Annual Support Cost	$9,601,569

Summary

There are two key cost types to consider under each scenario. Fixed costs are associated with capital construction and relate to the amount of capital required to ensure debt servicing and operating costs are at an affordable level for a program participant. Ongoing costs, on the other hand, are those costs that are required in perpetuity to support individuals in maintaining their housing and health condition.

SCENARIO 1

Fixed Costs

For a total intervention group size of 479 individuals, the capital cost balance to fund is estimated to be approximately $31.9 million. This balance to fund would enable the construction of 240 purpose built affordable units at a rent level of approximately $400 per unit per month.

Ongoing Costs

The combined annual ongoing costs to support the population experiencing chronic homelessness with rental supplements and support services is estimated to be $7.3 million, consisting of $617,400 in rental supplements and $7.1 million in support services. This would support a population experiencing chronic homelessness of 367 individuals. Should this population increase in size to 479 individuals the total ongoing cost would be closer to $10.5 million annually. This ongoing cost range is $7.3 - $10.5 million annually and would provide for all housing and support services costs for the population, save capital discussed above.

Total Intervention Cost Summary (Limit)		
Capital Cost Balance to Fund	Scenario 1	$31,883,940
	Scenario 2	$12,533,940
Rental Supplements	Scenario 1	$908,100
	Scenario 2	$2,132,100
Health Support Services		$9,601,569
Scenario 1		
Total Capital Grant Need		$31,883,940
Ongoing Cost		$10,509,669
Scenario 2		
Total Capital Grant Need		$12,533,940
Ongoing Cost		$11,733,669

SCENARIO 2

Fixed Costs

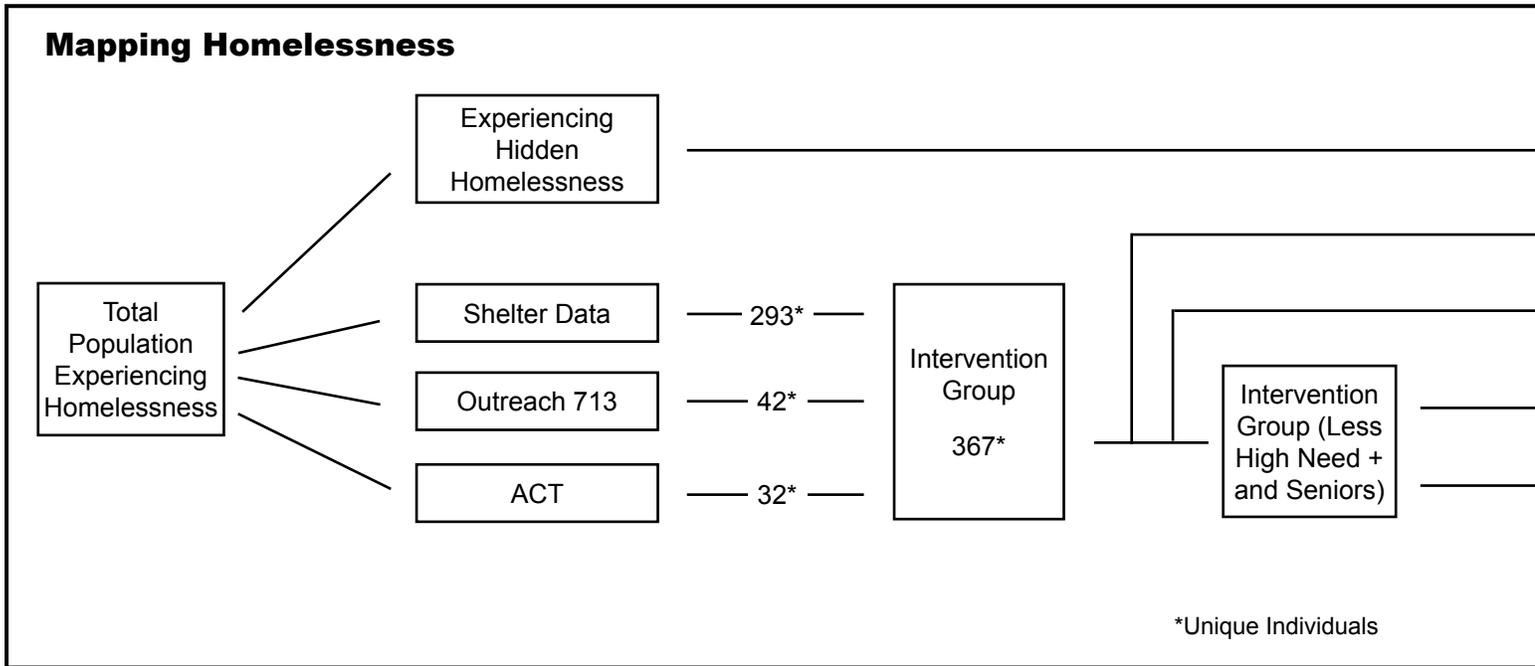The capital costs under this scenario could range from $9.4 million - $12.5 million. This ensures that the capital costs associated with housing 367 – 479 individuals would be provided. In addition, for the new build capital units, the rents would be assumed at $800 per unit per month.

Ongoing costs

With a 38% margin for error the annual ongoing costs for this scenario are $8.7 million - $11.7 million.
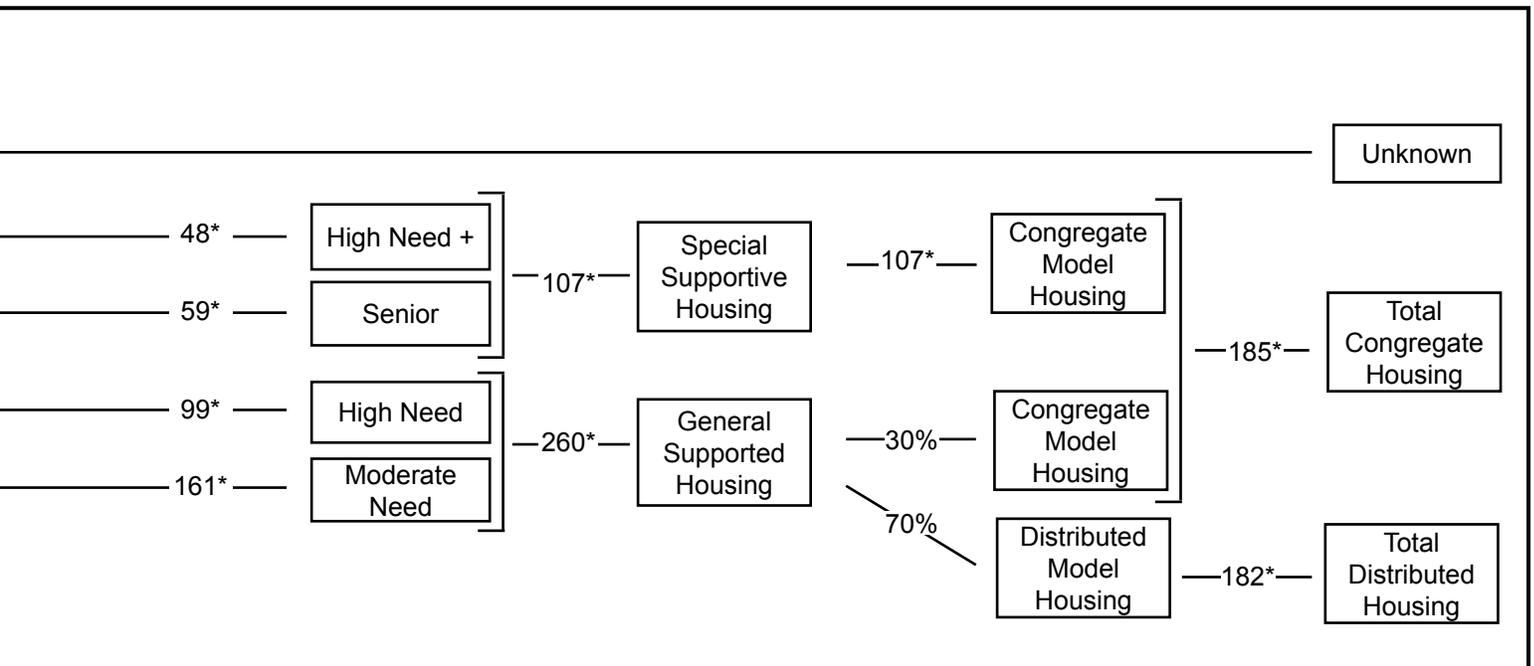
appendix 1 - mapping homelessness

Mapping Homelessness

Total Population Experiencing Homelessness
- Experiencing Hidden Homelessness
- Shelter Data — 293*
- Outreach 713 — 42*
- ACT — 32*

Intervention Group 367*

Intervention Group (Less High Need + and Seniors)

*Unique Individuals

appendix 2.1 - capital budget

Year One Capital Budget and Grant Calculations - 48 Units			
Cost Category	**Total Cost**	**Per Unit**	**Per Sqft**
Soft Costs	$2,563,203	$53,400	$94
Hard Costs	$4,975,629	$103,659	$183
Land	$1,088,640	$22,680	$40
Total Including Land	$8,627,472	$179,739	$317
Land Contribution	$1,088,640	$22,680	$40
Total After Land Contribution as Equity	$7,538,832	$157,059	$277
Regional Housing Trust Fund	$720,000	$15,000	$26
Society (in addition to land)	$607,056	$12,647	$22
Total Grants and Equity (not including land)	$1,327,056	$27,647	$49
Total Before Mortgage	$6,211,776	$129,412	$228
Mortgage Paid by Rent	$4,320,000	$90,000	$159
Balance to Fund	$1,891,776	$39,412	$70

48* — High Need +

59* — Senior

—107*— Special Supportive Housing —107*— Congregate Model Housing

99* — High Need

161* — Moderate Need

—260*— General Supported Housing —30%— Congregate Model Housing

—70%— Distributed Model Housing

—185*— Total Congregate Housing

—182*— Total Distributed Housing

Unknown

appendix 2.2 - capital budget

Year Two Capital Budget and Grant Calculations - 57 Units			
Cost Category	Total Cost	Per Unit	Per Sqft
Soft Costs	$3,213,612	$54,468	$96
Hard Costs	$6,238,188	$105,732	$186
Land	$1,338,120	$22,680	$40
Total Including Land	$10,789,920	$182,880	$323
Land Contribution	$1,338,120	$22,680	$40
Total After Land Contribution as Equity	$9,451,800	$160,200	$283
Regional Housing Trust Fund	$885,000	$15,000	$26
Society (in addition to land)	$798,034	$13,526	$24
Total Grants and Equity (not including land)	$1,683,034	$28,526	$50
Total Before Mortgage	$7,768,766	$131,674	$232
Mortgage Paid by Rent	$5,015,000	$85,000	$150
Balance to Fund	$2,753,766	$46,674	$82

appendix 2.3 - capital budget

Year Three Capital Budget and Grant Calculations - 39 Units			
Cost Category	**Total Cost**	**Per Unit**	**Per Sqft**
Soft Costs	$2,166,737	$55,557	$98
Hard Costs	$4,206,019	$107,847	$190
Land	$884,520	$22,680	$40
Total Including Land	$7,257,276	$186,084	$328
Land Contribution	$884,520	$22,680	$40
Total After Land Contribution as Equity	$6,372,756	$163,404	$288
Regional Housing Trust Fund	$585,000	$15,000	$26
Society (in addition to land)	$562,536	$14,424	$25
Total Grants and Equity (not including land)	$1,147,536	$29,424	$52
Total Before Mortgage	$5,225,220	$133,980	$236
Mortgage Paid by Rent	$3,022,500	$77,500	$137
Balance to Fund	$2,202,720	$56,480	$100

appendix 2.4 - capital budget

Year Four Capital Budget and Grant Calculations - 39 Units			
Cost Category	**Total Cost**	**Per Unit**	**Per Sqft**
Soft Costs	$1,756,723	$56,668	$100
Hard Costs	$3,410,109	$110,004	$194
Land	$703,080	$22,680	$40
Total Including Land	$5,869,912	$189,352	$334
Land Contribution	$703,080	$22,680	$40
Total After Land Contribution as Equity	$5,166,832	$166,672	$294
Regional Housing Trust Fund	$465,000	$15,000	$26
Society (in addition to land)	$475,509	$15,339	$27
Total Grants and Equity (not including land)	$940,509	$30,339	$54
Total Before Mortgage	$4,226,323	$136,333	$240
Mortgage Paid by Rent	$2,170,000	$70,000	$123
Balance to Fund	$2,056,323	$66,333	$117

appendix 3 - capital costs assumptions

Capital Budget Summary Cost				
	2015/16	**2016/17**	**2017/18**	**2018/19**
Interest Rate	4.00%	4.50%	5.25%	6.00%
Mortgage Term	35 Years	35 Years	35 Years	35 Years
Unit Cost	$156,962	$160,101	$163,303	$166,569

Capital Cost Assumptions	
Build Cost/Sqft	$277
Land Cost/Sqft	$40
Soft Costs	34%
Hard Costs	66%

Unit Size Assumptions	
Average Floor Area	567

appendix 4 - support services costs by housing typology

Support Service Budget (Capital)								
	2015/16		**2016/17**		**2017/18**		**2018/19**	
	Clients	**Cost**	**Clients**	**Cost**	**Clients**	**Cost**	**Clients**	**Cost**
High Need +	48	$3,504,000	0	$0	0	$0	0	$0
Senior (55 +)	0	$0	59	$1,100,763	0	$0	0	$0
High Need	0	$0	0	$0	15	$279,855	15	$279,855
Moderate Need	0	$0	0	$0	24	$253,776	24	$253,776
Annual Total	48	$3,504,000	59	$1,100,763	39	$533,631	39	$533,631

Cumulative Support Cost	$3,504,000	$4,604,763	$5,138,394	$5,672,025

Support Service Budget (Distributed)								
	2015/16		**2016/17**		**2017/18**		**2018/19**	
	Clients	**Cost**	**Clients**	**Cost**	**Clients**	**Cost**	**Clients**	**Cost**
High Need +	0	$0	0	$0	0	$0	0	$0
Senior (55 +)	0	$0	0	$0	0	$0	0	$0
High Need	0	$0	0	$0	11	$205,227	26	$485,082
Moderate Need	0	$0	0	$0	26	$274,924	45	$475,830
Annual Total	0	$0	0	$0	37	$480,151	71	$960,912

Cumulative Support Cost	$0	$0	$480,151	$1,441,063