

# Staff Report



To	<b>City Council</b>
Service Area	Office of the Chief Administrative Officer
Date	Tuesday, July 16, 2024
Subject	<b>Follow up, Mayoral Direction B4 - Temporary Structured Encampment</b>

## Recommendation

1. That City staff, in alignment with the report titled Mayoral Direction B3 – Strategic Real Estate Partnerships on Underutilized City-Owned Assets, be directed to continue working to identify the potential for City owned lands to be used for the development of temporary or permanent housing, and report back no later than Q1 2025 as part of the planned City-wide land inventory evaluation.
2. That staff be directed to forward a copy of this report to the Joint Social Services and Land Ambulance Committee for information.
3. That City Council respectfully request that the Joint Social Services and Land Ambulance Committee refer the estimated costs, including any Federal and Provincial funding, that will be required to temporarily house any individuals from the by name list not accommodated through other shelter locations as part of the winter 2024/25 homelessness response to City Council for consideration at the September 24, 2024 Guelph City Council meeting.

## Executive Summary

### Purpose of Report

The purpose of this report is to provide Council with additional information in follow up to the May Council cycle where the report titled [Mayoral Direction B4 – Temporary Structured Encampment](#) was discussed.

### Key Findings

On May 28, 2024, Council passed the following resolutions related to the above-mentioned report.

1. That the report titled Mayoral Direction B4 -Temporary Structured Encampment dated May 15, 2024, be received.
2. That staff be directed to forward a copy of this report to the Joint Social Services and Land Ambulance Committee for information.

3. That City staff identify any potential suitable municipally owned sites including site servicing requirements, zoning requirements and other necessary approval processes, as well as identify potential cost implications to the City for site preparation.
4. That City Council request that County of Wellington's Housing Services staff work with City staff to evaluate and determine the viability and suitability of the of the Guelph Tiny Homes Coalition's proposal and gauge the County's potential involvement in the project; and that staff report back to City Council no later than July 2024, or sooner.
5. That Guelph City Council respectfully requests that if the County of Wellington Housing Services staff determines that the Tiny Homes Coalition proposal is not viable, that the County provide an alternative accessible solution be presented to address people living in encampments in Guelph, including a winter plan to support people experiencing homelessness, and that County staff report back to the Joint Social Services and Land Ambulance Committee in appropriate timing to accommodate people for winter 2024-25.

Further discussion of the May report and motions also took place at the Joint Land Ambulance and Social Services Committee on June 12, 2024 at the County of Wellington.

In that meeting, the following motions (motions in draft as of the time of writing) were passed:

1. That the correspondence from the City of Guelph regarding resolutions adopted by Guelph City Council on May 28, 2024 be received for information; and
2. That County staff be directed to prepare a response to the City of Guelph by July 2024.

In follow up to the above motions and related discussions, City staff undertook a review of all municipally owned sites to evaluate their suitability for potential use as a temporary structured encampment. City and County staff also met with representatives from the Tiny Homes Coalition to understand, evaluate, and determine the viability and suitability of their proposal, and gauge the County's potential involvement in the project.

The Wellington-Guelph By-Name List is a real-time, up-to-date list of all the people experiencing homelessness in our community. It is updated by the County of Wellington's Housing Services department, in their capacity as Guelph's Consolidated Municipal Services Manager. In the first quarter of 2024, there was a monthly average of 198 individuals on the Wellington-Guelph By-Name List.

### **Strategic Plan Alignment**

This report aligns to Future Guelph, Guelph's 2024–2027 Strategic Plan through the theme of people and economy where our goal is to support community well-being.

### **Future Guelph Theme**

People and Economy

### **Future Guelph Objectives**

People and Economy: Support community well-being

## **Financial Implications**

The financial implications to the City of Guelph of pursuing a partnership with Guelph Tiny Homes Coalition are estimated to be approximately \$1M - \$2M in capital costs, along with approximately \$900K annually in operating expenses for a minimum of three years, net of any revenue generated from shelter allowance contributions and other grants or donations.

These costs would come in addition to existing budget pressures, including a significant anticipated increase in costs from the County of Wellington for housing and homelessness response, and do not have a funding source available outside of an increase to the local taxpayer.

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## **Report**

This report provides Council with additional information in follow up to the May council cycle where the report titled [Mayoral Direction B4 – Temporary Structured Encampment](#) was discussed.

### **Guelph Tiny Homes Coalition Project Proposal**

Guelph Tiny Homes Coalition is a volunteer run, non-profit organization proposing a Tiny Home Pilot Community of 25-50 tiny homes with a shared kitchen, washroom and laundry area to assist people currently living in encampments. Their project charter notes that the pilot community is proposed to be supported 24/7 by a team of volunteers and staff, including healthcare, substance use and harm reduction supports, employment training, and additional support as needed. They have entered into a partnership agreement with Royal City Mission to support the provision of social services on site, and with Guelph Community Foundation to facilitate tax receipts for charitable donations.

Fundraising is critical to the Guelph Tiny Homes Coalition's financial plan. In addition, using an approach similar to A Better Tent City, the Guelph Tiny Homes Coalition proposes to use the shelter allowance portion of Ontario Works and/or Ontario Disability Support Program for residents of the Tiny Homes Community to offset operating costs of the community.

Given that A Better Tent City is the model closest to the one proposed by Guelph Tiny Homes Coalition, City staff met with Jeff Willmer, Chair, A Better Tent City, to understand their operating model and budget. For the period April 1, 2024 to March 31, 2025, A Better Tent City anticipates expenditures of approximately \$870,000 and approximately \$680,000 in revenues which includes grants, donations, shelter allowance contributions and a funding allocation of \$236,900 from the Region of Waterloo as the Consolidated Municipal Services Manager (CMSM) for municipalities within Waterloo Region.

### **Requests of the City of Guelph**

The Guelph Tiny Homes Coalition has submitted the following requests for supports from the City of Guelph:

In Kind Services

"The Guelph Tiny Homes Coalition is requesting waste and water connections; bus/public transportation connection, garbage pick-up, and that permitting and

leasing costs for the site are also covered by the City. We also request the in-kind removal of topsoil if grading/leveling of the site is required.

Once a site location has been finalized, the Guelph Tiny Homes Coalition will engage with the City to discuss what additional service costs can be covered by the coalition. As examples, this may include electrical upgrades, grading of the site, site/location capital improvements, and fencing. This scope of the site servicing to be covered by the coalition is highly dependent on the preferred site/location.”

In response to the City’s request for the Guelph Tiny Homes Coalition’s fundraising plan, they submitted the following for consideration:

“The Guelph Tiny Homes Coalition has developed a project budget, engaged with builders, volunteers and donors, and has developed an initial fundraising plan. However, in the absence of a confirmed site location or commitment from the City of Guelph, it is premature for the Guelph Tiny Homes Coalition to arrive at a finalized plan as key details having yet been established. A fundraising principle is more appropriate at this time.

Our fundraising principle: The GTHC will fundraise 55 percent of capital costs for the project, to be matched by the City of Guelph, with the exception of the City's in-kind services. Annual operating costs will also be covered by the City of Guelph. Once a location has been identified, the GTHC will finalize a fundraising plan that will be delivered within a specific timeline. If the fundraising goals as established in the mutually agreed fundraising plan are not met by the coalition, the Tiny Home Project will not proceed.”

### **County of Wellington Input**

The County of Wellington Housing Services staff reviewed the proposal from the Guelph Tiny Home Coalition, while taking into consideration local need and existing and new homelessness initiatives and priorities. Information about the 2024/25 winter response is anticipated to be presented to the Joint Land Ambulance and Social Services Committee by County of Wellington staff in September 2025.

Comments from the County of Wellington related to the Guelph Tiny Home Coalition proposal are provided in Attachment-1.

### **Municipally owned Lands**

City staff have exhausted their review of City-owned sites. This included expanding the search beyond the original constraint of a 2-kilometer radius of the downtown core, to instead consider anything within the municipal boundary as long as the site was situated close to a major transit route. A total of 22 sites were reviewed.

Of the sites reviewed, some that were potential options were determined to lack servicing, making them unsuitable to be used as part of a winter 2024/2025 response. These sites may be revisited for housing projects as part of longer term strategic real estate efforts.

Other sites were ruled out after consultation with external regulatory bodies, like the Ministry of the Environment and the Grand River Conservation Authority, when reviewing constraints like site contamination as well as floodplain issues. While mitigation measures could be options long-term, these are extremely costly and will take considerable time to resolve with the regulatory bodies, and not something that could be considered when looking for a short-term solution.

Some of the City sites considered did also have current usage that would be impacted if the site usage was changed into a temporary use for a structured encampment, and so that impact will need to be evaluated.

As no public consultation about the City spaces being considered has occurred, and due to the concerns about the safety and security of the property associated with the site details being considered, additional information on these sites is provided in the closed report entitled Potential Municipally Owned Sites for Temporary Structured Encampment.

## **Zoning**

Supportive housing is permitted in residential zones (RL1-RL7), of which some of the regulations in the comprehensive Zoning By-law are under appeal and may need site specific zoning amendments. A site not in the residential zone would have to go through the appropriate zoning and planning processes. A zone change application and potentially an Official Plan amendment application would be required along with a site plan. Should Council choose a property not in the RL1 to RL7 zone, Council could direct staff to submit a development application to the General Manager of Planning and Building Services in order to initiate the planning process.

Alternatively, Council could choose to pass a motion directing the General Manager of Planning and Building Services to issue a Temporary Use By-law approval for a site-specific location. Such an approval would be for a period of up to three years as outlined in the Planning Act. There are time limitations with a Temporary Use By-law, with a maximum renewal period of three years after which time the use must cease.

Given the concerns flagged during the recent discussions regarding the Public Space Use By-law and the need for more fulsome public engagement, issuing a Temporary Use By-law approval for a site-specific location would likely be highly controversial. Given that no public notice for a location has been provided and there will be limited opportunity for any public consultation or engagement in advance of occupancy for this winter, Council should carefully consider the impact of issuing of a Temporary Use By-law.

Notwithstanding any zoning approvals that Council may direct, all proper permitting processes through the Planning and Building Services department will still be required for any construction required in advance of occupancy of a temporary structured encampment.

## **Financial Implications**

Based on the information provided by the Guelph Tiny Home Coalition above, and using the Better Tent City budget as an example, City staff estimate that the cost to the City of Guelph would be in the range of:

- \$1 - \$2M for the initial capital contribution (our matching contribution to the fundraising campaign along with the in-kind land donation, site servicing and other costs)
- \$900K estimate for the annual operating cost for a minimum of three years, net of any revenue generated from shelter allowance contributions and other grants or donations

- \$500K estimate for the site restoration upon completion of the project (entirely dependent on the site selected)

As these funds are not currently allocated in either the capital or multi-year operating budget, staff would recommend consideration of the budget be referred to the 2025 budget confirmation process.

### **Consultations and Engagement**

Guelph Tiny Home Coalition  
County of Wellington Housing Services  
Planning and Building Services  
Engineering and Transportation Services  
Parks Department  
Finance Department

### **Attachments**

Attachment-1 County of Wellington Guelph Tiny Homes Coalition Proposal Review

### **Departmental Approval**

None

### **Report Author**

Anthony Dolcetti, Housing Stability Advisor

### **This report was approved by:**

Jodie Sales  
General Manager, Strategic Initiatives and Intergovernmental Services  
Office of the Chief Administrative Officer  
519-822-1260 extension 3617  
Jodie.sales@guelph.ca

### **This report was recommended by:**

Jayne Holmes  
Acting, Chief Administrative Officer  
Office of the Chief Administrative Officer  
519-822-1260 extension 2221  
jayne.holmes@guelph.ca

Colleen Clack-Bush  
Deputy Chief Administrative Officer  
Public Services

519-822-1260 extension 2588  
colleen.clack-bush@guelph.ca