Agenda – Council – March 21, 2012

Report "A" – Executive Policy Committee – March 14, 2012

Item No. 1 Agreement with the Government of Canada to Deliver Homelessness Partnering Strategy Funding

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 14, 2012, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the City of Winnipeg enter into an agreement with the Government of Canada to assume the role as Community Entity for delivery of Homelessness Partnering Strategy funding in Winnipeg through March 31, 2014, and that the Chief Administrative Officer be authorized to finalize and approve the terms and conditions of such agreement in accordance with the Winnipeg Public Service report.

2. That the Chief Administrative Officer be delegated authority to approve and manage delivery of funding for sub-projects under Designated Communities and Aboriginal Homelessness funding streams.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report "A" – Executive Policy Committee – March 14, 2012

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 14, 2012, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: ***Authorization to enter into an agreement with the Government of Canada to deliver Homelessness Partnering Strategy Funding in Winnipeg***

Critical Path: **Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
W. Yee	B. Thorgrimson	M Ruta	D Joshi

RECOMMENDATIONS

1. That the City of Winnipeg enter into an agreement with the Government of Canada to assume the role as Community Entity for delivery of Homelessness Partnering Strategy (HPS) funding in Winnipeg through March 31, 2014, and that the Chief Administrative Officer be authorized to finalize and approve the terms and conditions of such agreement in accordance with this report.

2. That the Chief Administrative Officer be delegated authority to approve and manage delivery of funding for sub-projects under Designated Communities and Aboriginal Homelessness funding streams.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Upon authority granted by City Council on April 27, 2011, the Public Service responded to a Request for Proposals by the Federal Government to become the Community Entity to deliver federal Homelessness Partnering Strategy funding in Winnipeg. The City's proposal has been recommended by Service Canada for approval by the Minister of Human Resources and Skills Development Canada (HRSDC). This report recommends final approval by Council for the City to enter into agreement with the Federal Government to undertake the proposed funding delivery activities.

IMPLICATIONS OF THE RECOMMENDATIONS

By becoming the delivery agent for these funds as have many large municipalities (e.g. Hamilton, Ottawa, Toronto, Sudbury, Red Deer), the City will have influence over how funding for homelessness is directed in Winnipeg.

The City will administer direct funding for solutions for homelessness with no requirement for contribution from its operating budget.

Administration costs of the City will be covered by a portion of the funding provided by HRSDC; therefore, the administration of the project will be cost neutral to the City's budget.

The City will be required to adhere to funding criteria established by HRSDC - Service Canada regarding how it can process, approve and monitor applications and funding recommendations.

HISTORY

The Federal Government, through Human Resources and Skills Development Canada (HRSDC), provides funding for projects that support people who are homeless or at risk of homelessness. Most recently (since 2007), this funding has been known as the Homelessness Partnering Strategy (HPS). In Manitoba and Saskatchewan, HRSDC – Service Canada has been directly responsible for managing delivery of funds though a model known as "Shared Delivery", whereby federal staff solicit proposals, disburse funding and monitor progress of approved projects.

HRSDC has directed its administration to shift funding delivery to a model known as the "Community Entity" model, under which a local organization will deliver funding on behalf of the Federal Government. That entity can be the municipality, a nonprofit organization, a foundation, or a similar entity. In Winnipeg, the Community Entity (CE) will deliver two streams of funding, which are "Designated Community" and "Aboriginal Homelessness". The total amount of funding is $11.5 million, to be delivered over a two-year period ending March 31, 2014. This funding will cover "sub-projects", which are projects proposed for creation of shelters and/or transitional housing as well as delivery of services in Winnipeg, and it will cover administrative costs of the Community Entity to deliver those funds.

The primary advantages to the City and to HRSDC – Service Canada of shifting the HPS delivery model from Shared Delivery to Community Entity are:

1. Increased flexibility to address local needs and issues;
2. Ability to approve sub-projects more quickly;
3. Opportunity to align delivery of homelessness projects and services with other policies and plans of the City; and
4. Opportunity to work more closely with the community and service delivery organizations related to homelessness in Winnipeg.

The City's Public Service requested authority from Council to respond to a pending Call for Proposals (CFP) to be issued by HRSDC – Service Canada for organizations interested in acting as the Community Entity, and on April 27, 2011 Council approved the recommendation of EPC that this authority be granted. In the report requesting authority for the Public Service to respond, it was stipulated that if the City's proposal was accepted, the agreement is contingent on approval by Council.

HRSDC – Service Canada issued its CFP on September 26, 2011 and the City submitted its proposal for consideration. Proposals were vetted by Service Canada staff, and by a Community Advisory Board (CAB) that reviews funding proposals for Service Canada on behalf of the Winnipeg Community. The City's proposal was recommended for approval by the CAB, Service Canada concurred with the recommendation of CAB, and on January 9, 2012 Service Canada submitted its recommendation to accept the City's proposal to Diane Finley, Minister of HRSDC. The Minister's approval is anticipated for the latter half of February 2012, after which the project can commence.

The City's proposal is to become the CE to deliver HPS funds for both the Designated Community (which is Winnipeg) and for Aboriginal Homelessness in Winnipeg. The total amount of funding is $11.5 million, which includes funding for the CE's administrative costs, and costs for "sub-projects", or those projects proposed by proponents creating units and/or delivering services for people who are homeless or at risk of becoming homeless. Under the City's proposal, the City as CE will:

1. Issue two annual CFPs for HPS funding.
2. Provide initial screening of proposals upon closure of each CFP.
3. Present proposals to CAB for evaluation.
4. Prepare recommendations for funding based on internal evaluation and CAB recommendations.
5. Prepare Legal Agreements between City and proponents for approved projects.
6. Monitor project delivery and expenditures.
7. Prepare project payments according to schedules established for individual projects.
8. Prepare quarterly reports for Service Canada on CE operation.

The City's proposal includes costs for staffing and office expenses to meet its obligations under a CE project agreement. The proposal identifies three FTE temporary Program Officers, 1.5 FTE temporary Program Assistants, and a 0.5 FTE temporary Clerk A. In addition, half of the existing Housing Policy Coordinator (WAPSO 4) will be charged to the project. The existing Project Assistant in the Housing Development Division will assume some of the existing duties of the Housing Policy Coordinator, and a recommendation will therefore be made to increase this position to Program Officer. The remaining half time of the Clerk A will be dedicated to supporting the existing Housing Development Division activities (i.e. the Clerk A position will be full-time, with half dedicated to supporting the CE role and half dedicated to existing responsibilities). All positions must undergo the compensation and classification process as required by Corporate Support Services. Personnel costs related to duties of the existing Housing Development Division will be cost neutral or potentially reduced as a result of personnel shifts and funding provided for the CE role.

HRSDC – Service Canada has agreed to provide funds for CE administration and for projected sub-project costs in advance; therefore, the City will assume no interest expenses or risk associated with financing of CE activities.

FINANCIAL IMPACT

Financial Impact Statement **Date:** February 6, 2012

Project Name: **First Year of Program** **2012**

Authorization to enter into an agreement with the Government of Canada to deliver Homelessness Partnering Strategy Funding in Winnipeg

	2012	2013	2014	2015	2016
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 4,312,500	$ 5,750,000	$ 1,437,500	$ -	$ -
Less: Incremental Revenue/Recovery	4,312,500	5,750,000	1,437,500	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Revenues in 2012 represent half of the $11.5 million in program funding from HRSDC prorated for the April to December period. Revenues in 2013 represent half of the two-year program's funding while the 2014 amount has been prorated for January to March. Direct costs represent "sub-project" expenditures and program administration expenses, which are assumed to be equal to and incurred on the same timeline as the related funding from HRSDC. While a net saving in WHHI operating costs is possible as a result of the City acting as the Community Entity for this program, it is not possible at this time to determine with reasonable certainty the amount of any such savings. In addition, the amount of savings, if any, is likely to be immaterial in nature.

"Original signed by"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

Legal Services Department

SUBMITTED BY

Department: Planning, Property and Development
Division: Housing Development
Prepared by: Dave Dessens
Date: February 7, 2012
File No.

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