January 9, 2025

HELPSEEKER TECHNOLOGIES

Municipalities Under Pressure:

THE HUMAN AND FINANCIAL COST OF ONTARIO'S HOMELESSNESS CRISIS

AMO Association of Municipalities of Ontario

NOSDA

OMSSA Ontario Municipal Social Services Association

Ontario's Homelessness Crisis has Deepened Significantly

A WARNING SIGN THAT OUR UNACCEPTABLE HOUSING PROBLEM IS ON A TRAJECTORY TO GET WORSE

About this Report

The Association of Municipalities of Ontario (AMO), in partnership with the Ontario Municipal Social Services Association (OMSSA) and the Northern Ontario Service Deliverers Association (NOSDA), selected HelpSeeker through a Request for Proposal process as the successful proponent to quantify current and projected homelessness, identify and cost provincial-level solutions to achieve functional zero by 2030, and determine the investment gap between current and required funding across all government levels.

About HelpSeeker

HelpSeeker Technologies is a Canadian social innovation company dedicated to designing and implementing data-driven tools and services that empower communities, nonprofits, and government agencies. By delivering innovative solutions, we help organizations streamline operations, enhance decision-making, and address complex social challenges effectively.

Donaldson, J., Wang, D., Escamilla, C., & Turner, A. (2025). Municipalities under pressure: The human and financial cost of Ontario's homelessness crisis. HelpSeeker.

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Acknowledgements

This project represents a first-of-its-kind analysis made possible through the participation and contributions of the 47 service managers across Ontario, which provided essential data and insights to ground the analysis in local realities.

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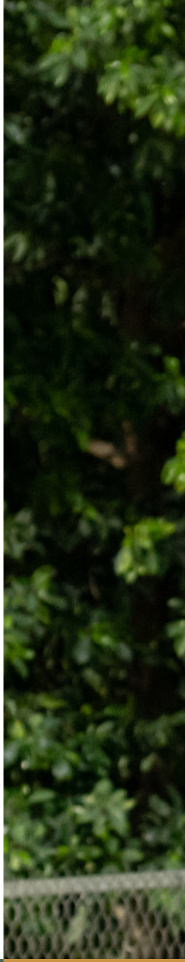


Executive Summary

ONTARIO IS AT A TIPPING POINT IN ITS HOMELESSNESS CRISIS. NEW EVIDENCE REVEALS THE UNPRECEDENTED AND GROWING STRESS ON INDIVIDUALS, FAMILIES, COMMUNITIES, AND GOVERNMENTS.

For the first time, data from Ontario's 47 municipal service managers has been aggregated and analyzed, providing a fuller picture of the issue, along with a roadmap for the future.

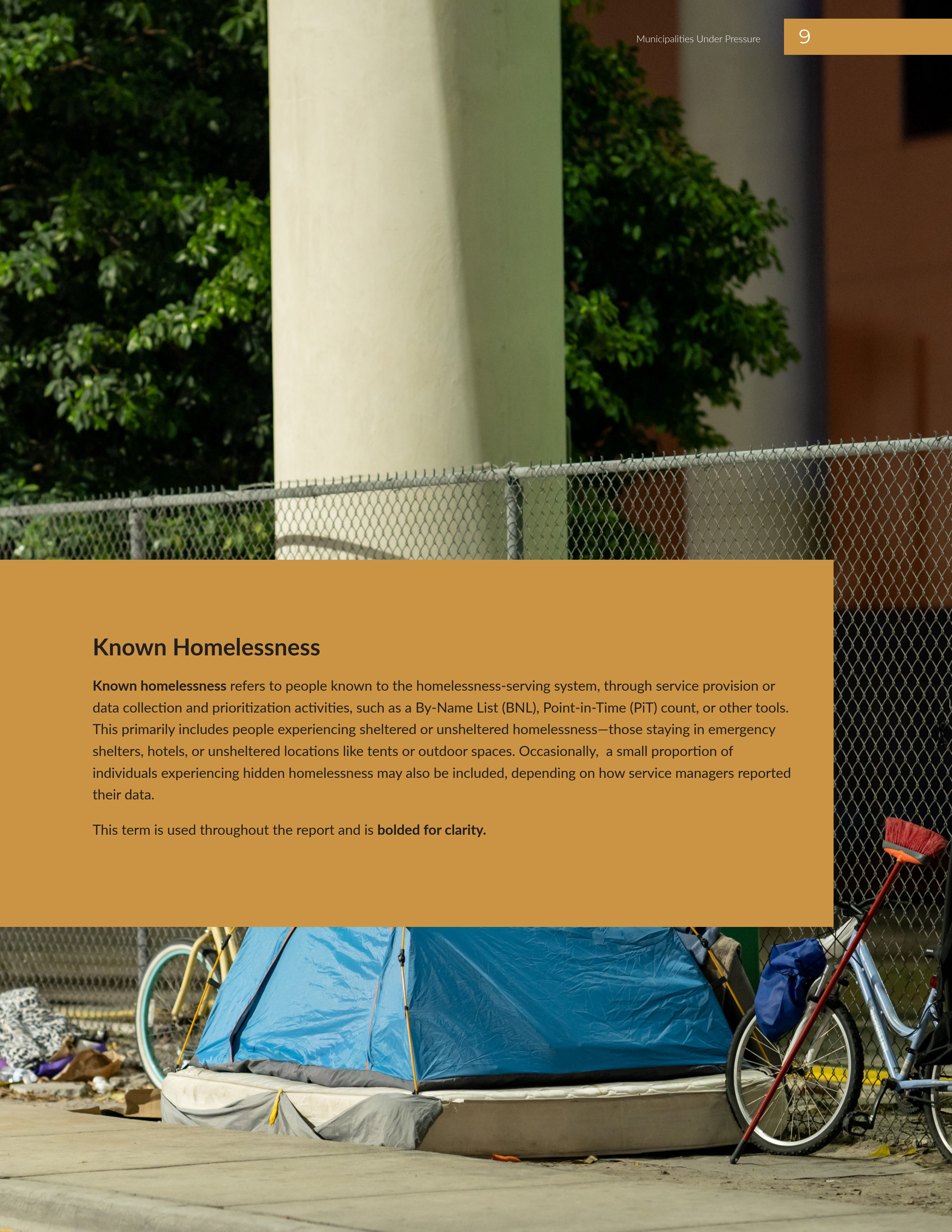
In 2024, an estimated

81,515 **ONTARIANS EXPERIENCED KNOWN HOMELESSNESS**

25% **INCREASE SINCE 2022**

The incidence of chronic homelessness, characterized by prolonged or repeated episodes, has tripled over the same period, and now accounts for more than half of all cases of **known homelessness.**

THESE NUMBERS DEMONSTRATE SYSTEMIC FAILURES THAT EXTEND BEYOND HOUSING, REFLECTING DEEP GAPS IN HEALTHCARE, MENTAL-HEALTH SERVICES, JUSTICE SYSTEMS, AND MORE.



Known Homelessness

Known homelessness refers to people known to the homelessness-serving system, through service provision or data collection and prioritization activities, such as a By-Name List (BNL), Point-in-Time (PiT) count, or other tools. This primarily includes people experiencing sheltered or unsheltered homelessness—those staying in emergency shelters, hotels, or unsheltered locations like tents or outdoor spaces. Occasionally, a small proportion of individuals experiencing hidden homelessness may also be included, depending on how service managers reported their data.

This term is used throughout the report and is **bolded for clarity.**

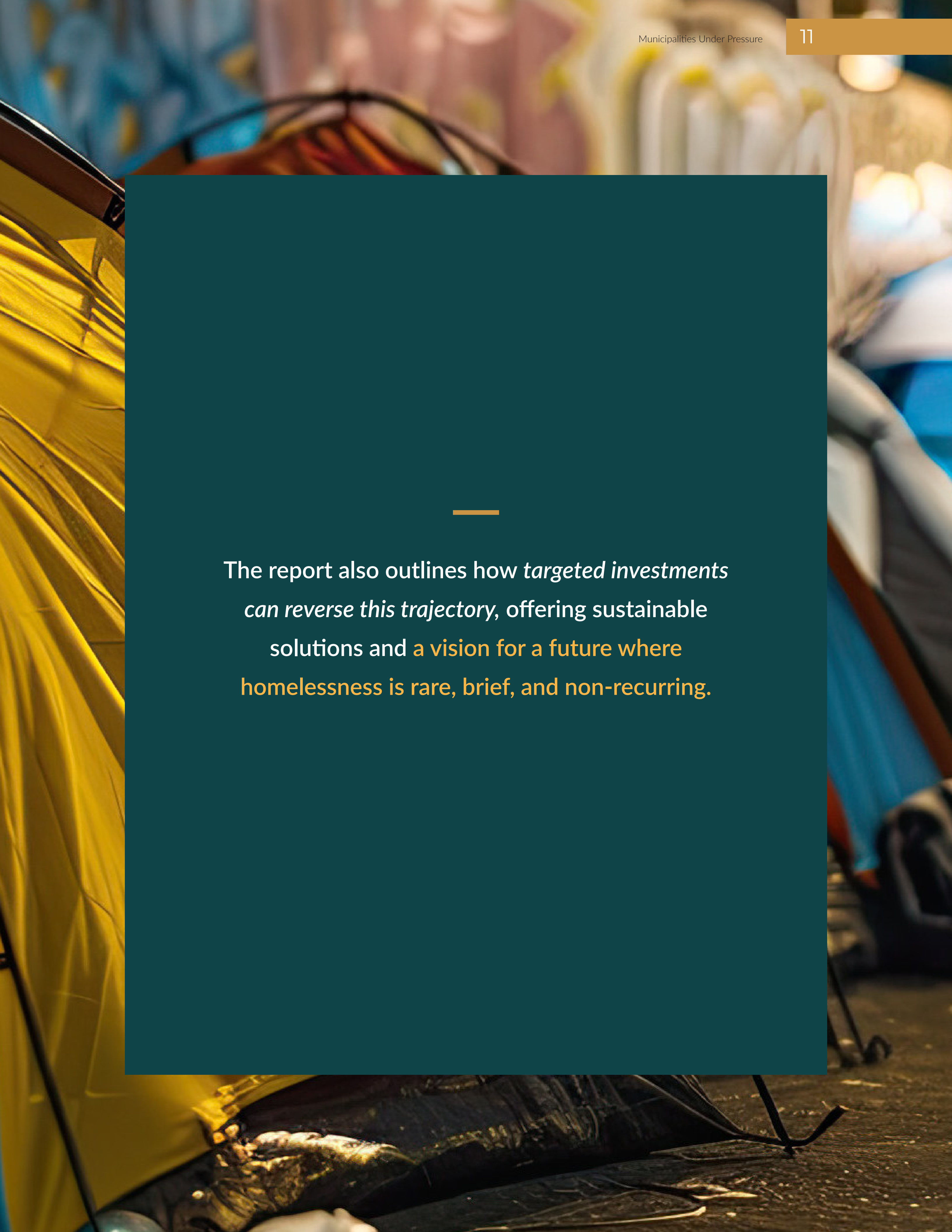
This report documents the problem and projects how homelessness in Ontario might look in the next decade.

Without significant intervention, homelessness could more than triple by 2035, leaving up to

294,266 people

without stable housing

under an economic downturn scenario—a reality that most would agree is unacceptable.



The report also outlines how *targeted investments can reverse this trajectory,* offering sustainable solutions and a vision for a future where homelessness is rare, brief, and non-recurring.

The Scale of the Crisis

Ontario's homelessness crisis has deepened significantly over the past decade, but the increasing proportion of **chronic homelessness—people in prolonged or repeated episodes of homelessness—is a warning sign** that our already unacceptable housing problem is on a trajectory to get worse.

In 2024, an estimated

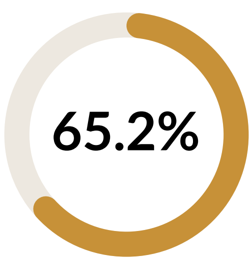
41,512 **ONTARIANS EXPERIENCED CHRONIC HOMELESSNESS,**

accounting for more than half of all known cases of homelessness. This is a critical indicator of how strained the housing system is. Ideally, people should spend little to no time in the housing crisis system before transitioning to stable and appropriate housing. Chronic homelessness represents a breakdown in this process.

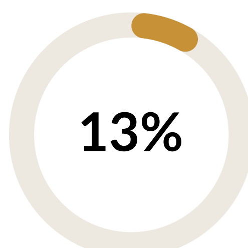
When chronic homelessness grows as a share of total homelessness, it reveals two fundamental systemic issues: **too many people are entering homelessness and too few people are exiting homelessness because of a lack of affordable, appropriate options.** In most cases, both problems apply. As a result, people become trapped in unsheltered homelessness or the emergency shelter system for extended periods, facing heightened risks of trauma, violence, worsening health outcomes, and even loss of life.

The reasons why too few people are exiting homelessness are clear: Ontario does not have enough housing spaces, and it does not have the right mix of spaces.

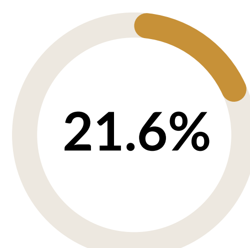
Of the 27,138 estimated spaces reported by service managers:



are in emergency shelters



are in transitional housing



are in supportive housing

Emergency shelters are vital for individuals and families facing or experiencing crisis. But the growing proportion of chronic homelessness suggests that too many people remain in these temporary solutions longer than intended. Supportive housing—proven to help people transition out of homelessness permanently—is in critically short supply, with **only one non-health-operated supportive housing space available for every 14 people experiencing known homelessness.**

The overwhelming demand for affordable housing exacerbates the problem. Across Ontario, **more than 268,000 households are on housing waitlists,** with average wait times exceeding **five years** and, in some regions, surpassing **20 years.** This longstanding shortage of affordable housing creates immense pressure on homelessness-serving systems and forces people to rely on shelters or other temporary arrangements far longer than intended. Addressing these gaps—both in the overall availability of spaces and in ensuring the right service mix—is essential to breaking the cycles of homelessness, and creating a system where homelessness is **rare, brief, and non-recurring.**

The Unequal Effects of the Crisis

The scale of Ontario's homelessness crisis is compounded by the fact that its effects are not evenly felt. Certain populations face larger barriers and deeper inequities, leaving them disproportionately affected by the gaps in available resources.

INDIGENOUS PEOPLES

are disproportionately affected, representing nearly

45%

of people experiencing chronic homelessness in northern communities. Systemic racism, discrimination, intergenerational trauma, and colonial policies have created barriers to culturally safe and Indigenous-led housing solutions. Further, a lack of adequate housing on reserve, stemming from insufficient funding, increases housing instability among Indigenous Peoples and contributes to vastly disproportionate rates of chronic homelessness.

CHILDREN AND YOUTH

now account for nearly

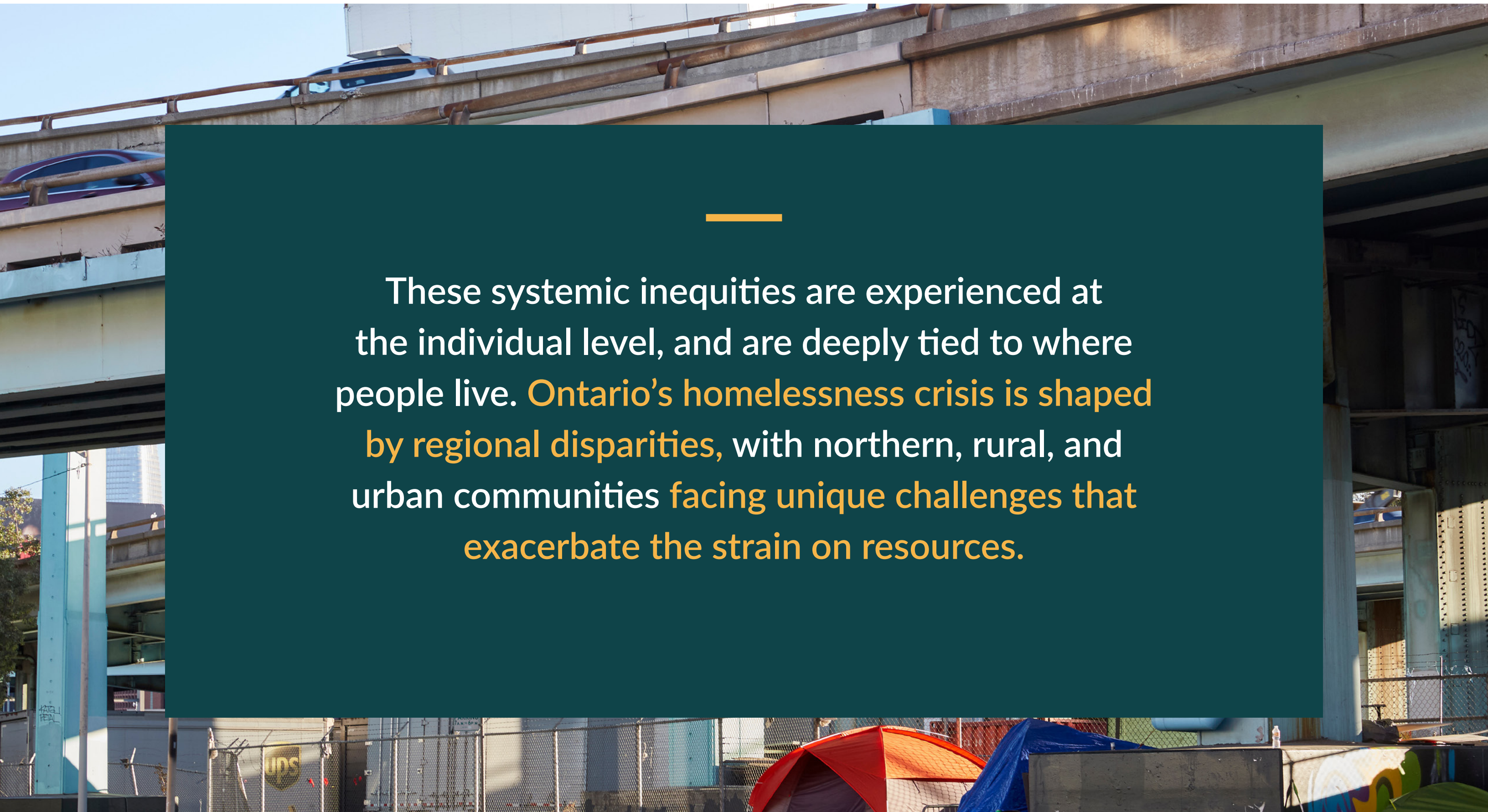
25%

of those experiencing chronic homelessness, with **children aged 0–15 representing 12%** and **youth aged 16–24 accounting for 11%**.

These figures highlight the growing vulnerability of young people and the systemic gaps in services to support them.

REFUGEES AND ASYLUM SEEKERS

have experienced a sixfold increase in chronic homelessness since 2020, underscoring the challenges posed by immigration policies that fail to provide adequate support for housing and integration.



These systemic inequities are experienced at the individual level, and are deeply tied to where people live. Ontario's homelessness crisis is shaped by regional disparities, with northern, rural, and urban communities facing unique challenges that exacerbate the strain on resources.

In Northern Ontario, known homelessness has risen by an estimated **204% since 2016,** growing from **1,771 people to 5,377 people in 2024.**

By 2035, projections estimate that **known homelessness** in the north could climb to between

10,674 and 26,633 people,

depending on economic conditions. These figures highlight northern communities' acute vulnerabilities, which are driven by geographic isolation, limited infrastructure, and systemic inequities.

While Northern Ontario faces **steeper proportional increases, non-northern regions in Ontario are grappling with an estimated 46% increase in known homelessness** since 2016, rising from **52,032 to 76,140 people in 2024.** Homelessness in non-northern areas is projected to grow to between **117,448 and 267,633 people by 2035,** depending on economic conditions. Urban centres bear the brunt of this increase, serving as service hubs for surrounding areas and key inflow points for people seeking support due to significant infrastructure gaps elsewhere in the province.

Urban centres are also seeing an increasing number of **refugees and asylum seekers** entering the homelessness response system, requiring urgent investment in specialized programs to aid transitioning into stable housing.

Rural communities also face challenges. Smaller communities often lack shelters, transitional housing, or specialized support, forcing individuals and families to either travel long distances to service hubs or remain in precarious situations.

Several key drivers contribute to regional and urban disparities:

SHELTER CAPACITY AND AFFORDABLE HOUSING SHORTAGES

are widespread, but especially pronounced in Northern Ontario and rural areas elsewhere in the province, where geographic isolation and higher costs limit expansion.

SPECIALIZED SUPPORTS

for mental health, substance use, and complex needs are scarce in smaller communities, creating significant barriers to housing stability.

URBAN INFLOW PRESSURES,

driven by urban areas' dual role as service hubs and settlement locations for refugees and asylum seekers, increase the need for coordinated, community-specific solutions.

TRANSPORTATION BARRIERS

and limited public services in Northern Ontario and rural areas make accessing shelters, healthcare, and supports particularly challenging, which worsens housing instability.

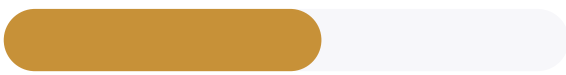
The growing pressures of Ontario's homelessness crisis are felt most acutely at the local level. Municipal governments are tasked with responding to immediate needs while trying to deal with infrastructure gaps that limit their ability to address long-term solutions. Communities are deeply affected, with individuals and families enduring the trauma of homelessness and neighbourhoods saying that long-term homelessness and people living outdoors are unacceptable, demanding urgent action from governments.

Based on data collection from service managers,

IN 2024 FUNDING FOR HOUSING AND HOMELESSNESS PROGRAMS IN ONTARIO WAS AN ESTIMATED **$4.1 billion,**

combining contributions from municipal, provincial, and federal governments. These funds support various services, including homelessness prevention, emergency shelters, transitional housing, supportive housing, and affordable housing.

Municipal contributions accounted for



51.5% **of the total reported funding across all three levels of government.**

WHILE THE DATA IN THIS REPORT AND FUNDING ANALYSIS INCLUDES EXPENDITURES REPORTED BY MUNICIPAL SERVICE MANAGERS, IT DOES NOT ACCOUNT FOR THE FULL SCOPE OF FUNDING DIRECTED TO HOMELESSNESS AND HOUSING IN ONTARIO, SUCH AS INVESTMENTS BY ONTARIO ABORIGINAL HOUSING SERVICES OR HOUSING PROVIDERS FUNDED THROUGH THE MINISTRY OF HEALTH.

NONETHELESS, THIS REFLECTS THE CRITICAL ROLE MUNICIPALITIES PLAY IN ADDRESSING HOMELESSNESS.

In housing, municipalities have increasingly stepped in to address mounting pressures, providing 65.6% of total estimated housing funding in 2024. Those contributions have been essential to maintaining services and meeting the urgent needs of people experiencing homelessness. However, the scale of the issue—and the infrastructure required to solve it—extends far beyond what municipalities alone can sustainably fund. Chronic homelessness—a flashing red signal for system strain—remains proportionally high and growing, highlighting the urgent need to create more spaces where individuals can successfully exit homelessness while also curbing and preventing the number of people experiencing homelessness in the future.

Without significant investment and coordination across all three levels of government, it will not be possible to scale up the infrastructure needed to create a system where homelessness is rare, brief, and non-recurring.

An End to Chronic Homelessness

Ontario's homelessness crisis is significant, but it is not unresolvable. Chronic homelessness is a clear signal of an overburdened and misaligned system, but that can be addressed with bold and coordinated action. Ending chronic homelessness requires a focused, long-term investment that targets root causes, optimizes system capacity, and ensures that housing and supports meet the needs of Ontarians.

A 10-year scenario was modelled to explore what it would take to achieve **functional zero chronic homelessness.** The analysis determined that an **$11-billion investment over 10 years** would:

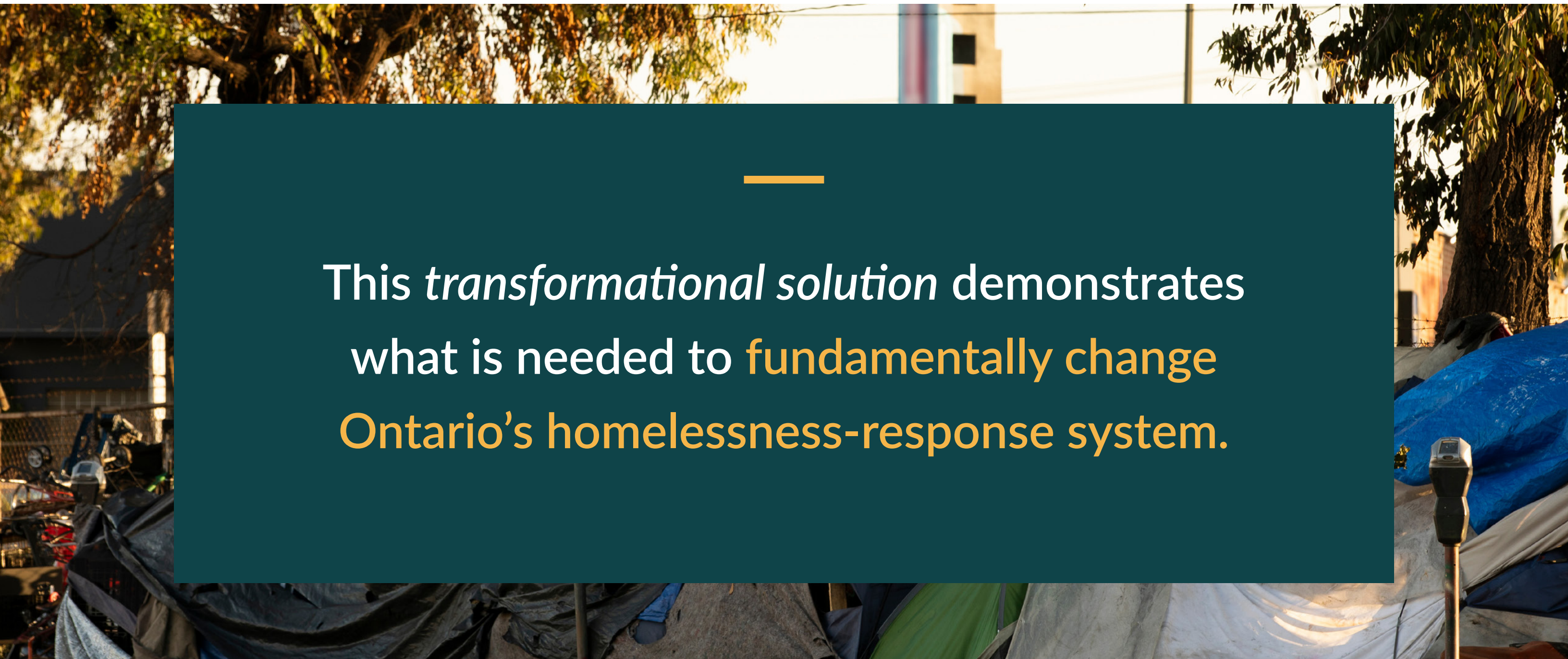
01 Create **75,050 new housing and support spaces,** ensuring the infrastructure exists to house people permanently.

02 Address systemic causes by focusing on **prevention, supportive housing, and sustainable exits** from homelessness.

03 Shift resources from crisis management to long-term stability, reducing reliance on emergency systems like shelters and hospitals.

04 Build healthier, more resilient communities by alleviating strain on municipalities and service providers.

05 Provide a foundation to optimize and improve outcomes across critical systems, including health, justice, immigration settlement, education, and financial support systems.



This *transformational solution* demonstrates what is needed to fundamentally change Ontario's homelessness-response system.

Modelling Urgent Pressures

The most cost-effective and sustainable solution to homelessness is to end chronic homelessness and prevent people from becoming unhoused in the first place. Acknowledging that encampments are an urgent pressure point across Ontario, a scenario was designed to model what a **fixed $2-billion investment** could achieve toward preventing and resolving encampments.

In this model, $2.017 billion could provide:

5,700

new housing and support spaces

TO QUICKLY STABILIZE AND TRANSITION PEOPLE OUT OF ENCAMPMENTS.

SUPPORT FOR AN INITIAL

8,400 people

to transition into housing, reducing visible pressures on communities and service systems.

Recognizing the unique challenges faced by Northern Ontario, it is suggested that up to

20% **OF THESE INVESTMENTS**

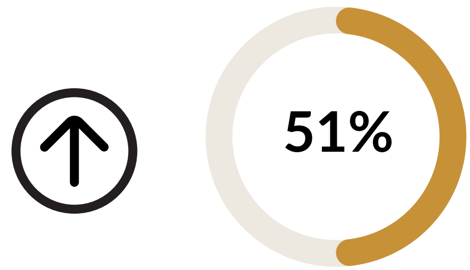
be allocated to address capacity gaps, issues created by geographic isolation, and the overrepresentation of Indigenous populations in homelessness.

While focusing solely on encampments misses the broader opportunity to sustainably address homelessness as a whole, this approach offers a housing-focused alternative that could swiftly house people experiencing homelessness in encampments. By investing strategically, it avoids the inefficiencies and missed opportunities of a reactive and temporary response to encampments.

A Defining Moment for Ontario's Future

Known homelessness in Ontario has risen by an estimated 51% since 2016, with chronic homelessness tripling during that time.

Known Homelessness



If left unaddressed, these numbers could more than triple by 2035, **with as many as 294,266 people experiencing homelessness.** This would place increasing pressure on municipalities, public services, and communities across the province, exacerbating the current stress on local resources, and affecting overall community wellbeing.

A deepening homelessness crisis in Ontario is not inevitable. Systemic gaps can and must be addressed through targeted investments, coordinated responses, and a commitment to long-term solutions. The solution is to build a system where emergency shelters serve as temporary interventions, not long-term housing solutions. By focusing on prevention, affordable housing, and culturally safe, community-led approaches, Ontario can reduce the inflow of homelessness and create stable exits for those currently trapped in cycles of unstable housing.

The benefits of decisive action are clear:

STRONGER AND SAFER COMMUNITIES

Supported by stable housing and equitable systems of care.

IMPROVED QUALITY OF LIFE

With fewer individuals and families in crisis.

REDUCED COSTS

As emergency responses are replaced by sustainable, long-term solutions that alleviate pressures on municipalities and public systems.

ENHANCED LOCAL ECONOMIES

As stable housing fosters increased consumer activity, workforce participation, and community investment.

ONTARIO HAS AN OPPORTUNITY TO CREATE A FUTURE WHERE HOMELESSNESS IS RARE, BRIEF, AND NON-RECURRING. THIS REQUIRES BOLD, EVIDENCE-BASED DECISIONS AND COORDINATED ACTION ACROSS ALL LEVELS OF GOVERNMENT.

With the right investments and continued collaboration, the province can *build a system that ensures every Ontarian has a place to call home,* strengthening the resilience and wellbeing of communities for generations to come.

Introduction

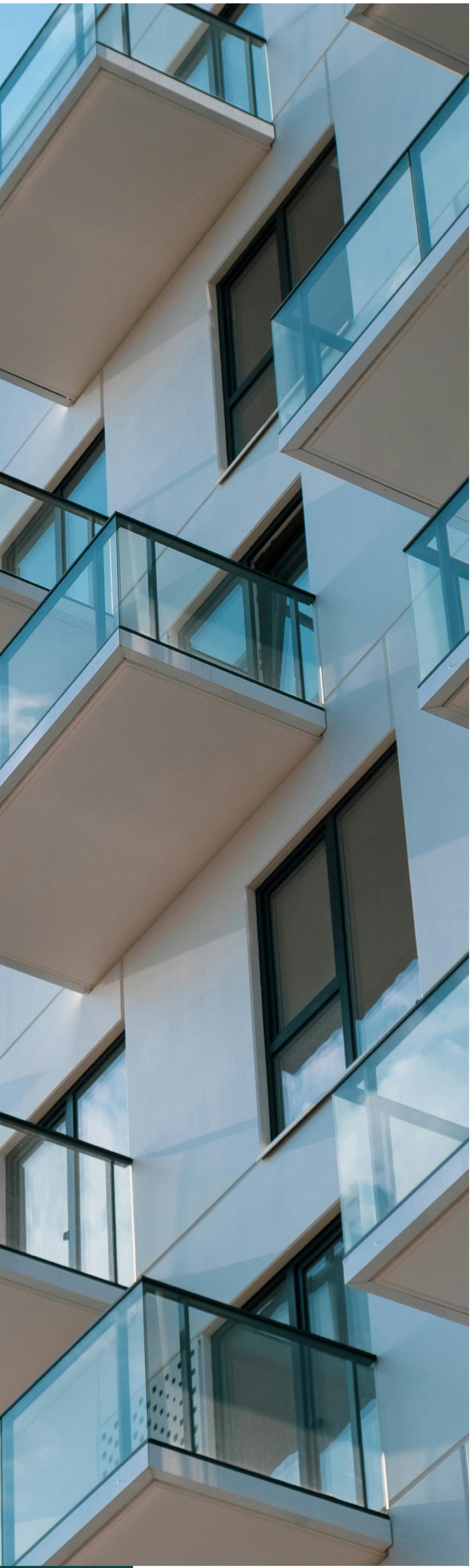
HOMELESSNESS IN ONTARIO IS A SYSTEMIC CRISIS THAT REQUIRES BOLD, COORDINATED ACTION TO ACHIEVE FUNCTIONAL ZERO—A STATE WHERE HOMELESSNESS IS RARE, BRIEF, AND NON-RECURRING.

This goal is ambitious. But it is achievable with evidence-driven solutions, alignment across jurisdictions, and investments that target the root causes of housing instability.

This report provides a comprehensive, province-wide analysis of homelessness, leveraging data from all 47 service managers. Developed in collaboration with the Association of Municipalities of Ontario (AMO), the Ontario Municipal Social Services Association (OMSSA), and the Northern Ontario Service Deliverers Association (NOSDA), the report offers an unprecedented examination of the scale, scope, and systemic changes required to effectively address homelessness in Ontario. The work is a testament to the significant progress in data collection and analysis capacity across the province, progress that has made it possible to undertake an exercise of this magnitude. The data provides a valuable and compelling picture of the homelessness landscape, but it is not without limitations, which are noted, as relevant, elsewhere in the report.

Impressive local successes and innovations driven by service managers cannot overcome a system that remains fundamentally misaligned because of the complex and diverse housing needs across Ontario.

HOWEVER, THIS REPORT ACKNOWLEDGES AND BUILDS ON THOSE LOCAL SUCCESSES TO MAKE THE CASE FOR ALIGNING EFFORTS, SCALING SOLUTIONS, AND TARGETING INVESTMENTS THAT CAN WORK AT A PROVINCIAL LEVEL.



The report is organized around three core areas of inquiry. Each explores actionable solutions and critical gaps.

Part 1: A New Look at Housing and Homelessness in Ontario

- What is the current state of homelessness across Ontario?
- How do the experiences of homelessness vary across regions and populations?
- What capacity exists in Ontario's current housing and homelessness-serving systems?
- Where are the critical gaps in infrastructure and support?

Part 2: A 10-Year Perspective on Homelessness in Ontario

- How might homelessness evolve over the next decade?
- What factors will most influence future trends?
- What scenarios should communities prepare for?
- What are the risks of not taking action?

Part 3: Investing in Solutions

- What investments are needed to achieve functional zero in chronic homelessness?
- How can systems be better aligned to prevent and respond to homelessness?
- What specific actions will make the biggest difference?
- How can resources be allocated most effectively?

Key Terms

Known Homelessness

Known homelessness refers to people known to the homelessness-serving system, through service provision or data collection and prioritization activities, such as a By-Name List (BNL), Point-in-Time (PiT) count, or other tools. This primarily includes people experiencing sheltered or unsheltered homelessness—those staying in emergency shelters, hotels, or unsheltered locations like tents or outdoor spaces. Occasionally, a small proportion of individuals experiencing hidden homelessness may also be included, depending on how service managers reported their data.

This term is used throughout the report and is **bolded for clarity.**

Service Managers: Entities responsible for planning, managing, and delivering local human services in Ontario. This includes both Consolidated Municipal Service Managers and District Social Services Administration Boards.

Consolidated Municipal Service Managers: Upper-tier (regional) and single-tier municipal governments across Ontario designated to manage social services, such as income support, child care, and social housing.

District Social Services Administration Boards: Boards established in areas of Northern Ontario where no upper-tier municipality exists, and responsible for delivering social services similar to Consolidated Municipal Service Managers.

Northern/Non-Northern: For the purposes of this project, northern communities include all District Social Services Administration Boards and the City of Greater Sudbury, a Consolidated Municipal Service Manager. Non-northern communities include all other Consolidated Municipal Service Managers across Ontario.

By-Name List: A real-time, up-to-date record of all people experiencing homelessness in a community. Each entry includes personal details—such as name, history of homelessness, health status, and housing needs—collected and shared with the person's consent.

PiT Counts: A snapshot of people experiencing homelessness in a community on a single night, including those in shelters and sleeping outdoors and, in some cases, people experiencing hidden homelessness (temporarily staying with others).

Chronic Homelessness: The national definition of chronic homelessness covers experiences of homelessness in both sheltered and unsheltered areas, as well as experiences of hidden homelessness. This refers to people who are currently experiencing homelessness and meet at least one of the following criteria:

- They have experienced homelessness for a total of at least six months (180 days) over the past year, or
- They have recurrent experiences of homelessness over the past three years, with a cumulative duration of at least 18 months (546 days).

Hidden Homelessness: People without permanent housing who temporarily stay with friends, family, or in other informal arrangements, often referred to as 'couch-surfing.'

Acuity: The level of complexity of a person's needs and challenges, often used to determine the intensity of support services required. High acuity indicates complex, ongoing needs requiring intensive support.

Functional Zero: A state where homelessness is rare, brief, and non-recurring. Achieving functional zero means that the number of people experiencing homelessness at any time does not exceed the community's capacity to ensure they are quickly rehoused.

Positive Exit: A sustainable and permanent transition of someone out of homelessness into stable housing that meets individual or family needs.

Negative Exit: When someone returns to homelessness after a housing placement or leaves a program without achieving stable housing.

Emergency Shelter: Short-term accommodations designed to provide immediate, temporary refuge for people experiencing homelessness. Emergency shelters often offer basic services, such as meals, hygiene facilities, and referrals to other housing and support programs, but are not intended as long-term solutions to homelessness.

Transitional Housing: Temporary, time-limited housing with support services intended to help people transition toward permanent housing. However, there is no standardized definition across jurisdictions. Some models resemble permanent housing with formal leases, while others impose stricter timelines and program requirements, with varying levels of support.

Supportive Housing: Housing paired with individualized support services, such as case management, mental-health care, and substance-use supports, typically designed to serve people with more complex challenges. However, supportive housing operates across a wide range of models in both policy and practice, with differences in tenancy arrangements, support intensity, and the acuity levels of the populations served. Some supportive housing units are delivered through the housing and homelessness system, while others are funded and managed within health systems, such as programs overseen by the Ministry of Health. **In this report, all references to supportive housing refer specifically to units operated through the housing and homelessness system.**

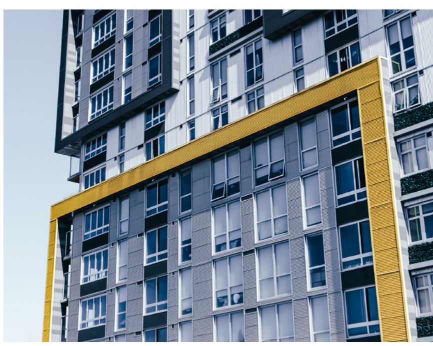
Methodology

THIS PROJECT USED AN INNOVATIVE, THREE-PART METHODOLOGY TO ANALYZE AND PROJECT HOMELESSNESS TRENDS ACROSS ONTARIO.

Designed to address a challenge of this scale, the methodology represents one of the most comprehensive efforts of its kind in the province. The data-collection process was extensive, but not without limitations. However, the results provide a robust foundation for understanding homelessness today and planning how to address it now and into the future.

Part 1: A New Look at Housing and Homelessness in Ontario

Focused on collecting and standardizing data from service managers, to capture the scale and scope of homelessness and available supports across Ontario.



Part 2: A 10-Year Perspective on Homelessness in Ontario

Used the standardized data from Part 1 to project homelessness trends through 2035, examining how socioeconomic factors influence future outcomes under different scenarios.

Part 3: Investing in Solutions

Used the outputs from Part 2 to estimate future space and resource requirements, identifying gaps between current system capacity and anticipated needs.

A robust foundation for *understanding homelessness* today and planning how to address it now and into the future.

Part 1:
A New Look at Housing and Homelessness in Ontario

THE FIRST PHASE OF THE PROJECT FOCUSED ON COLLECTING AND STANDARDIZING DATA FROM 47 SERVICE MANAGERS ACROSS ONTARIO, IN ORDER TO UNDERSTAND THE CURRENT STATE OF HOMELESSNESS AND AVAILABLE SUPPORTS. WITH ALL SERVICE MANAGERS PARTICIPATING, THE DATASET REPRESENTS AN IMPORTANT AND RELIABLE FOUNDATION.

Primary data was collected using a standardized template, which captured information about By-Name Lists, emergency shelter occupancy, Point-in-Time (PiT) counts, and program performance metrics. Communities with limited resources or incomplete records were encouraged to provide estimates to ensure broad representation. Secondary sources, such as historical reports and public datasets, like Statistics Canada's Shelter Capacity reports, supplemented the primary data, particularly in northern areas.

To improve comparisons across regions, the data was standardized. Information provided in different formats was converted into annualized figures, and key definitions, such as chronic homelessness and housing capacity, were also standardized to align with provincial and federal definitions. Where gaps persisted, statistical methods like linear regression and trend analysis were applied to estimate missing values. However, differences in reporting practices across departments—for example, housing, financial, and performance units—meant that perfect consistency was not achievable.

The standardized template and general reporting categories helped ensure participation by all service managers. However, the complexities and nuances of local systems may not have been fully captured by these tools. Differences in reporting practices across regions added further variability, particularly in rural and northern areas, where service coverage is often limited. Additionally, historical data gaps and disruptions caused by the COVID-19 pandemic affected the completeness and consistency of the dataset. As always, undercounting remains a concern, as no region can fully capture the entire population of those experiencing homelessness.

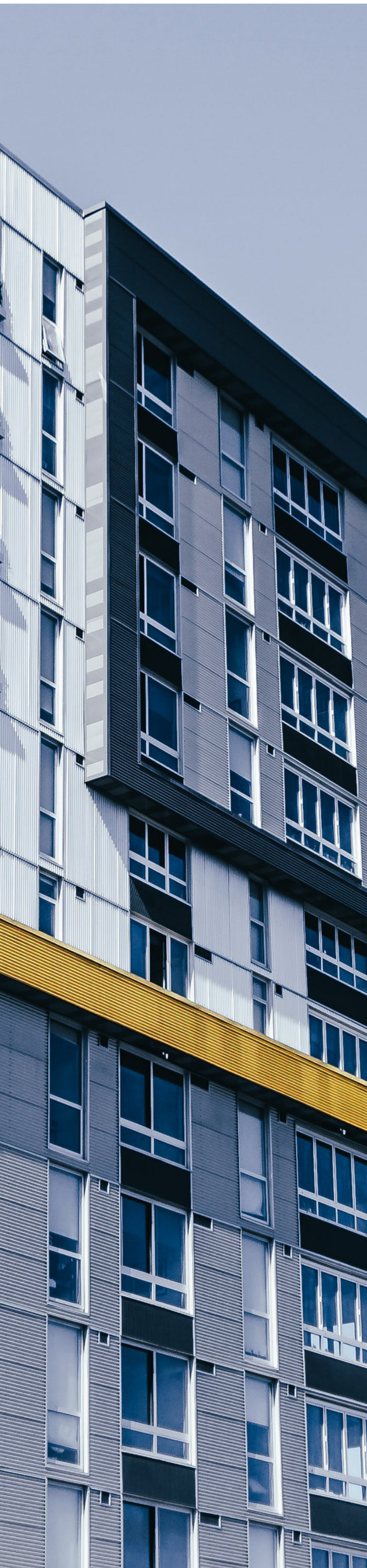
Hidden Homelessness

HIDDEN HOMELESSNESS REFERS TO INDIVIDUALS STAYING IN INFORMAL OR TEMPORARY ACCOMMODATIONS, SUCH AS COUCH-SURFING OR STAYING WITH FRIENDS OR FAMILY, WITHOUT FORMAL SUPPORT.

While some people experiencing hidden homelessness may be included in this dataset—typically they are those known to the system through a By-Name List (BNL) or other service interactions—the data does not come close to capturing the full scope of hidden homelessness. This project was not designed to identify those who remain entirely outside the reach of formal systems.

As a result, the dataset reflects only a fraction of those living in such precarious circumstances.

This limitation highlights the need for further research to determine the extent and characteristics of hidden homelessness, particularly for people who are not engaged with services or documented in existing systems.



Part 2: A 10-Year Perspective on Homelessness in Ontario

THE SECOND PHASE OF THE PROJECT USED STATISTICAL MODELLING TO PROJECT FUTURE HOMELESSNESS TRENDS IN ONTARIO THROUGH 2035. THIS ANALYSIS AIMED TO IDENTIFY HOW SOCIOECONOMIC FACTORS, SUCH AS UNEMPLOYMENT, INCOME, AND HOUSING AFFORDABILITY, INFLUENCE HOMELESSNESS OVER TIME. THE RESULTS PROVIDE INSIGHTS INTO HOW DIFFERENT FUTURE CONDITIONS MIGHT SHAPE THE SCALE OF HOMELESSNESS ACROSS THE PROVINCE.

The model relied on the standardized data from Part 1, combined with additional socioeconomic data, including Census data (2016 and 2021), CMHC Core Housing Needs data, and other public datasets. These inputs included population growth, unemployment rates, median household income, and the prevalence of households with core housing needs. Together, these factors created a picture of how economic and social changes might affect homelessness.

The model used multiple linear regression to project homelessness trends, a statistical method that found relationships between homelessness and key factors like income or unemployment.

By analyzing these relationships, the model estimated future homelessness levels under three scenarios: economic steady, economic upturn, and economic downturn. These scenarios explored how changes in socioeconomic conditions, such as job growth or housing affordability, might affect the number of people experiencing homelessness.

WHILE THE PROJECTIONS PROVIDE VALUABLE INSIGHTS, THEY ALSO HAVE LIMITATIONS.

The model assumes that relationships between income and homelessness remain consistent over time, which may not account for unexpected changes, such as policy shifts or economic shocks.

Part 3:
Investing in Solutions

THE THIRD PHASE OF THIS PROJECT FOCUSED ON ESTIMATING FUTURE SPACE AND RESOURCE REQUIREMENTS FOR HOMELESSNESS PROGRAMS ACROSS ONTARIO. BUILDING ON THE PROJECTIONS DEVELOPED IN PART 2, THIS PHASE TRANSLATED THE ANTICIPATED TRENDS IN HOMELESSNESS INTO PRACTICAL ESTIMATES OF CAPACITY NEEDS, TO IDENTIFY GAPS IN THE SYSTEM AND HIGHLIGHT AREAS FOR INTERVENTION.

Scenario modelling, using data from Part 1, which includes information on homelessness and housing supports, was created to inform those estimates. Factors considered included the presumed distribution of needs for those experiencing chronic homelessness, particularly in the context of acuity; the percentage of successful housing placements; the proportion of placements resulting in negative exits (that is, returning to homelessness); and average costs reported by service managers. The modelling emphasized interventions designed to prevent inflow into homelessness and to facilitate positive exits, such as permanent housing, recognizing that shelters are not long-term solutions.

The analysis has important limitations.

First, the reported capacity reflects service managers' understanding of the homelessness-serving system in their regions. For large and complex systems, there may be underreporting of capacities or gaps in considering the full scope of available resources. However, thanks to strong participation by service managers across Ontario, the dataset still provides a strong foundation for analysis and planning purposes.

Second, homelessness is a multi-system failure that requires well-functioning social infrastructure in several areas to prevent and respond effectively. While the modelling discussed in this report focused on key homelessness and housing supports necessary to increase positive exits from homelessness, broader supports are critical to address root causes and sustain long-term stability. These include mental-health treatment, substance-use services, employment and job training programs, family reunification, income supports, and life-skills development.

As important as the above supports are, addressing homelessness also requires adequate housing options. This modelling emphasizes the importance of focusing on housing and prevention as the foundation for a system capable of ending homelessness.

Interpreting the Data

Each part of this project is complex and interconnected, with its own methodology, limitations, and definitions. To support transparency and help readers interpret the findings, several tools are provided throughout the report:

- Each subsection includes a methodology and limitations section. These sections explain the approach taken, highlight any gaps, and provide tips on how to read and understand the data. They are designed to be accessible to all audiences.
- For those seeking more detailed explanations, additional technical notes are included in the appendix.
- In Part 1, tables are included below most charts. These tables show how many service managers reported data for a specific year or measure and the percentage of the population they represent. The data shown in these tables reflects submission rates prior to any adjustments and helps provide context about the level of data completion.

Example

	2016	2017	2018	2019	2020	2021	2022	2023	2024
SM Count	11	10	24	20	24	37	46	47	47
Population %	13%	12%	54%	63%	73%	85%	96%	100%	100%

Table xx: Submittion rate for Figure 1: Number of People Experiencing Homelessness in Northern and Non-Northern Communities, Ontario, 2016–2024

For some measures, adjusted data is presented, where gaps were addressed using additional desk research or reliable statistical estimates to provide a more complete picture. For other measures, unadjusted data is shown, reflecting the numbers exactly as reported. Adjustments were made only when it could be done responsibly, and publicly available information aligned with collected sources.

Throughout Part 1, this legend will help you distinguish between the two.

Adjusted
Missing values have been filled using additional research or statistical methods.

Unadjusted
Figures are presented as reported, without adjustments for missing values.

Chronic Homelessness is a Warning Sign

OUR ALREADY UNACCEPTABLE HOUSING PROBLEM IS ON A TRAJECTORY TO GET WORSE

Part 1:
A New Look at Housing and Homelessness in Ontario

Part 1 reflects the significant efforts of Ontario's 47 service managers, all of whom participated in this first-of-its-kind data-collection effort. This work offers unprecedented insights into the scale, scope, and regional variations in homelessness, sector capacity, expenditures, and more. While no data-collection effort can capture every aspect of the homelessness-serving system or all the sectors involved in working to prevent and end homelessness, this report represents an innovative and promising step forward in understanding and addressing the issue.

1.1 People Experiencing Homelessness

OVER THE PAST DECADE, SIGNIFICANT EFFORTS HAVE BEEN MADE TO ENUMERATE HOMELESSNESS, IMPROVE DATA COLLECTION, AND ENABLE EVIDENCE-BASED DECISION-MAKING.

These efforts aim to define the scope of homelessness, clarify its effects on individuals, families, and communities, and hold systems accountable for change. But quantifying homelessness remains incredibly challenging. Conflicting data systems, inconsistent definitions, and the fluid nature of homelessness create major barriers to developing a consistent estimate of the true extent of homelessness in Ontario.

This report represents the first effort to aggregate and standardize data across all service managers in Ontario, providing a provincial estimate of annual homelessness. The findings below illustrate the scope of the crisis: homelessness in Ontario has grown by more than 50% in eight years, with the annual number of people experiencing homelessness rising to an estimated 81,515 in 2024.

Like any large-scale enumeration effort, this analysis has limitations, as outlined in the data section below. However, the rigour of this analysis and the trends it uncovers reveal an escalating crisis. But it is a crisis that can realistically be solved.

Methods and Limitations

To ensure a consistent and comparable picture of homelessness across Ontario, we standardized data from 47 service managers. By applying data standardization techniques, we aligned information from varied sources, including By-Name Lists, emergency shelter records, Point-in-Time (PiT) counts, Period Prevalence Counts (PPCs) and other reports, into a single cohesive dataset.

Key limitations of the methodology are described below.

01 **Regional Variability and Data Quality:** Data quality varies significantly across regions due to differences in local resources, reporting practices, definitions, and tracking systems. Older data, particularly from 2016 to 2020, was often incomplete or inconsistent, leading to gaps in confirming homelessness trends during those years.

02 **Exclusions:** These estimates capture only people known to the system through service use, enumeration efforts, or consent to be included on a By-Name List in areas covered by service managers. They exclude people experiencing hidden homelessness (e.g., staying with friends or family) and people in institutional settings (e.g., hospitals, correctional facilities, and provincially operated shelters like Violence Against Women shelters).

03 **On-Reserve/Off-Reserve Enumeration:** Estimates are limited to data from service managers and primarily including people who have accessed services, consented to be included on By-Name Lists, or were captured in research efforts and reporting. This approach is inadequate for enumerating homelessness among First Nations people living on reserve if they have not accessed services or become known to the system within a reporting year. The high representation of Indigenous people among those experiencing homelessness highlights the enduring effects of colonialism, systemic inequities, historical displacement, and a lack of appropriate funding. This issue is discussed further in **Section 1.3: Chronic Homelessness**.

04 **COVID-19 Effects:** Data-collection efforts and reporting practices changed substantially before and after the onset of the COVID-19 pandemic, complicating year-over-year comparisons and making it more difficult to identify trends over time.

05 **Undercount:** The above reasons, along with other factors like hidden homelessness that make homelessness enumeration challenging locally and difficult to aggregate regionally or provincially, means the data represents an almost-certain undercounting of homelessness in Ontario.

More information on the methodology for calculating the number of people experiencing homelessness can be found in the Technical Notes section.

Interpreting this Section

Annual Estimates vs. Point-in-Time Counts

The data in this section reflects annual estimates, which account for the fluid nature of homelessness. Unlike PiT counts, which capture a snapshot of homelessness on a single day, annual estimates account for people moving in and out of housing instability throughout the year.

Regional Definitions

For this analysis, northern communities are defined as those served by District Social Services Administration Boards, including:

- Algoma
- Cochrane
- Kenora
- Manitoulin-Sudbury
- Nipissing
- Parry Sound
- Rainy River
- Sault Ste. Marie
- Thunder Bay
- Timiskaming

The City of Greater Sudbury, a Consolidated Municipal Service Manager, is also included in the northern region. These definitions provide a consistent framework for analyzing geographic trends in homelessness.

Service Area Classifications

Service areas were classified by service managers based on unique regional characteristics. They self-identified as one of the following:

- Mostly urban
- Mostly rural
- Rural/urban mix

Findings

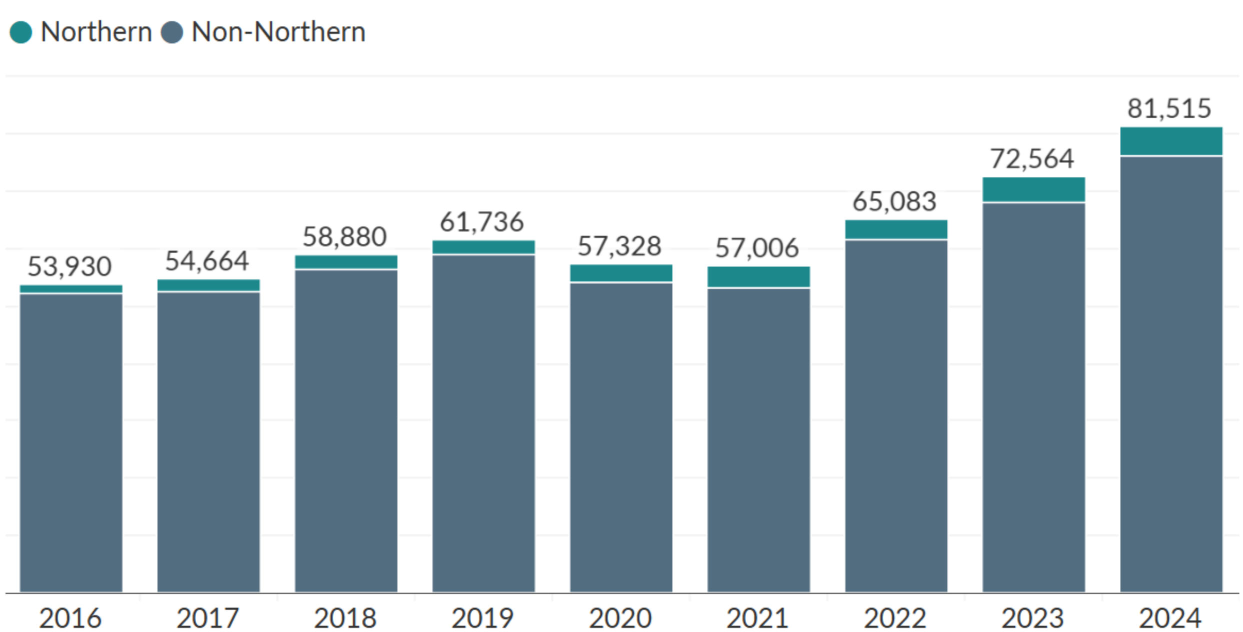
Homelessness in Ontario has grown by over 50% in eight years, with an estimated 12% increase since 2023

Between 2016 and 2024, the estimated number of people experiencing **known homelessness** rose from 53,930 to 81,515—a 51% increase. From 2023 to 2024, **known homelessness** increased by an estimated 12%.

This growth arises from a complex interplay of systemic and structural challenges, many of which predate the current crisis by decades.[1] Homelessness reflects broader societal inequities, and manifests through economic conditions, socioeconomic factors, population size, and demographic changes. The availability and affordability of housing, alongside support for health and mental health, substance use treatment, and income security, all influence vulnerability to homelessness. Policy decisions at municipal, provincial, and federal levels directly affect the scope and effectiveness of responses, while the capacity of support systems and patterns of resource allocation further affect these fundamental issues.

The current human toll of homelessness is undeniable and demands urgent action. With more than 81,515 people experiencing homelessness in Ontario in 2024, there are many thousands of disrupted lives and fractured families.

Figure 1: Estimated Number of People Experiencing Homelessness in Northern and Non-Northern Communities, Ontario, 2016–2024



Adjusted
Missing values have been filled using additional research or statistical methods.

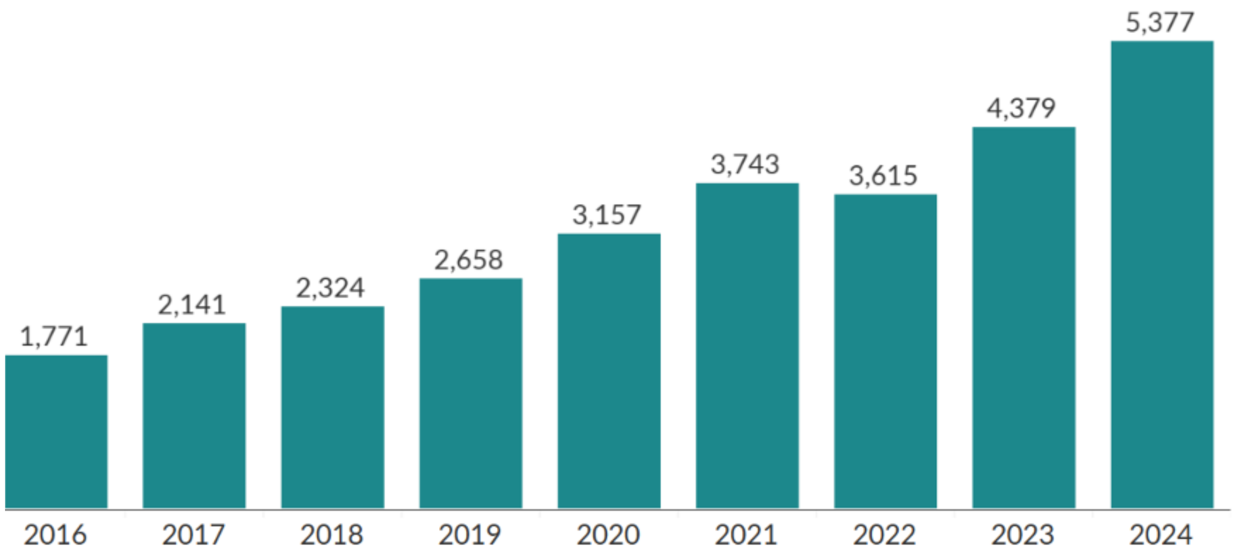
Table 1: Service Manager (SM) Response Rates for Number of People Experiencing Homelessness in Northern and Non-Northern Communities, Ontario, 2016–2024

	2016	2017	2018	2019	2020	2021	2022	2023	2024
SM Count	11	10	24	20	24	37	46	47	47
Population %	13%	12%	54%	63%	73%	85%	96%	100%	100%

Homelessness in Northern Ontario has grown four times faster than in non-northern communities

When isolating data from northern communities, a more pronounced increase emerges. An estimated 5,377 people experienced **known homelessness** annually in 2024—nearly triple the 1,771 recorded in 2016. This represents a 204% rise over eight years, outpacing the growth in non-northern areas.

Figure 2: Estimated Number of People Experiencing Homelessness in Northern Communities, Ontario, 2016–2024



Adjusted
Missing values have been filled using additional research or statistical methods.

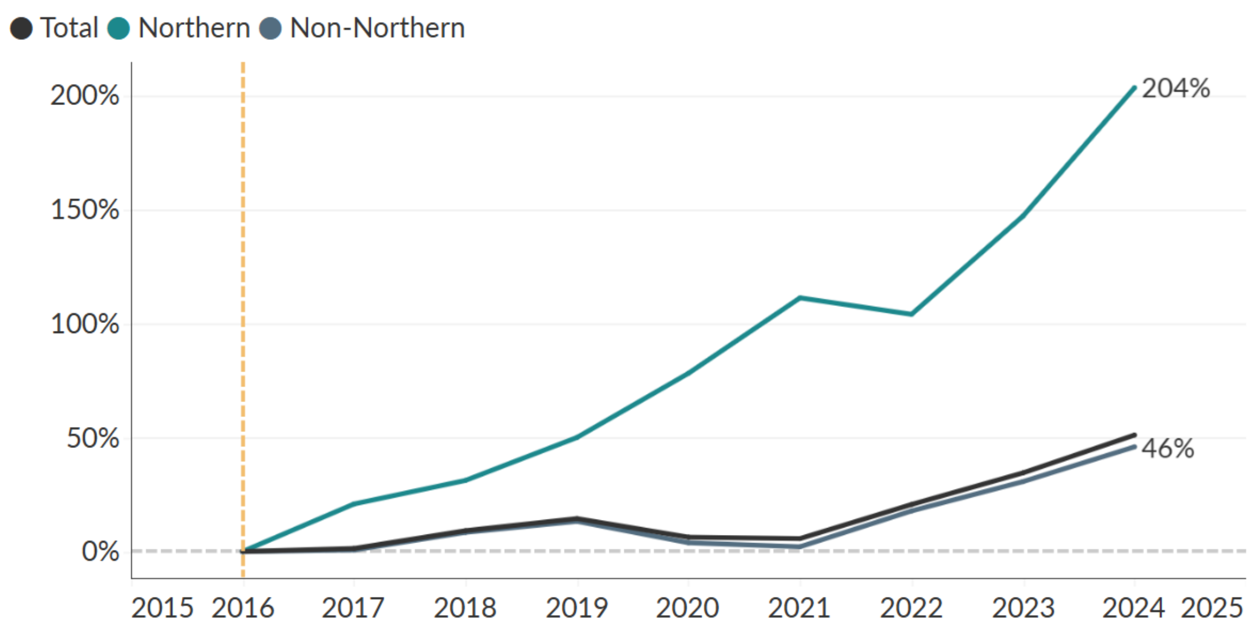
Table 2: Service Manager (SM) Submission Rates for Number of People Experiencing Homelessness in Northern Communities, Ontario, 2016–2024

	2016	2017	2018	2019	2020	2021	2022	2023	2024
SM Count	2	3	6	3	5	8	11	11	11
Population %	10%	12%	37%	12%	37%	53%	100%	100%	100%

While northern regions account for a smaller share of Ontario's overall population, the scale of the north's proportion of homelessness represents a deepening crisis in the north. Unique challenges, such as limited access to critical supports, geographic isolation, fewer housing options, and an inadequate transportation infrastructure, have exacerbated the issue.

Improved social infrastructure in recent years has led to better data collection and more people interacting with the system, and may have brought hidden homelessness to light. So some of the increase in homelessness in the north may be a matter of more accurate enumeration. However, it is more likely that the change reflects an actual rise in homelessness in Northern Ontario.

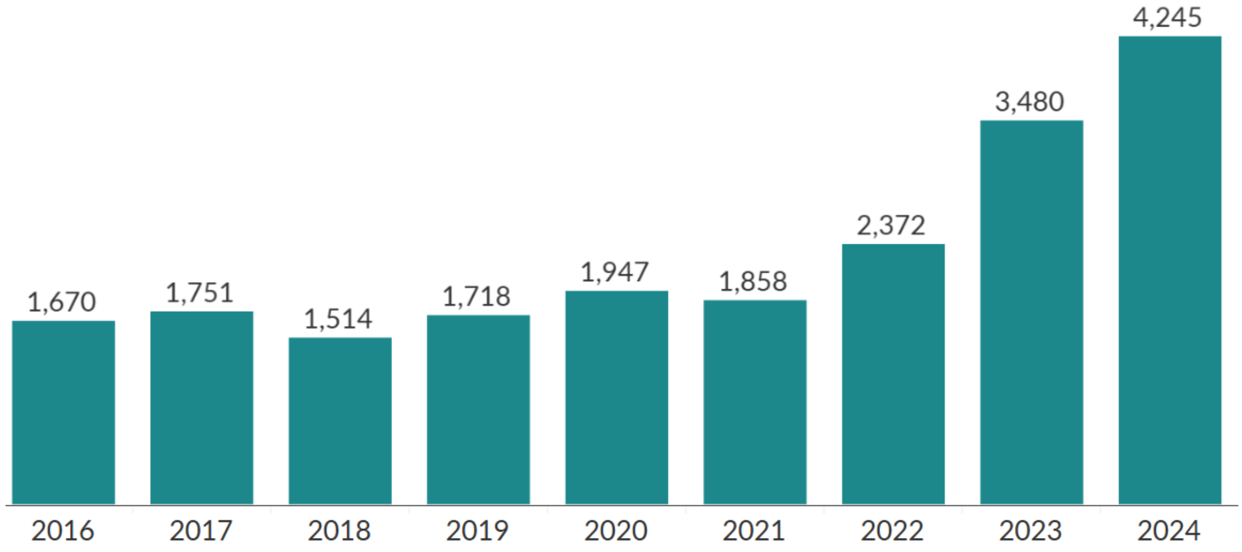
Figure 3: Percent Change in People Experiencing Homelessness from 2016 by Region, Ontario, 2016–2024



Rural homelessness is increasing at a faster rate than urban homelessness

In 2024, it is estimated that 4,245 people experience **known homelessness** annually in rural areas. While most estimates of homelessness represent an undercount, this is particularly true in rural areas. Factors such as fewer available services, vast geographic areas, and migration to urban centres to receive services contribute to the prevalence of hidden homelessness, making it difficult to capture the full extent of rural homelessness.

Figure 4: Estimated Number of People Experiencing Homelessness in Mostly Rural Communities, Ontario, 2016–2024



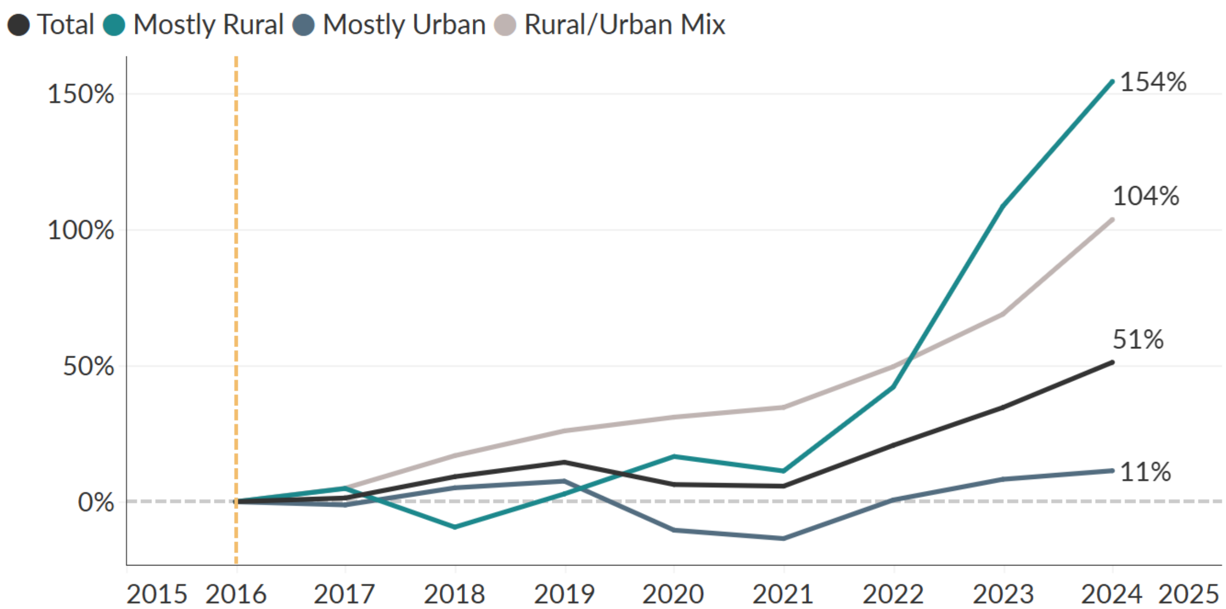
Adjusted
Missing values have been filled using additional research or statistical methods.

Table 3: Service Manager (SM) Submission Rates for Number of People Experiencing Homelessness in Mostly Rural Communities, Ontario, 2016–2024

	2016	2017	2018	2019	2020	2021	2022	2023	2024
SM Count	7	7	11	8	8	12	15	15	15
Population %	54%	48%	76%	55%	58%	81%	100%	100%	100%

The data shows that **known homelessness** in mostly rural areas has grown by 154% since 2016, outpacing the 104% increase in mixed rural-urban regions and the 11% increase in mostly urban areas, even when excluding estimates of hidden homelessness.

Figure 5: Percent Change in People Experiencing Homelessness from 2016, Mostly Rural, Rural/Urban Mix, and Mostly Urban Communities, Ontario, 2016–2024



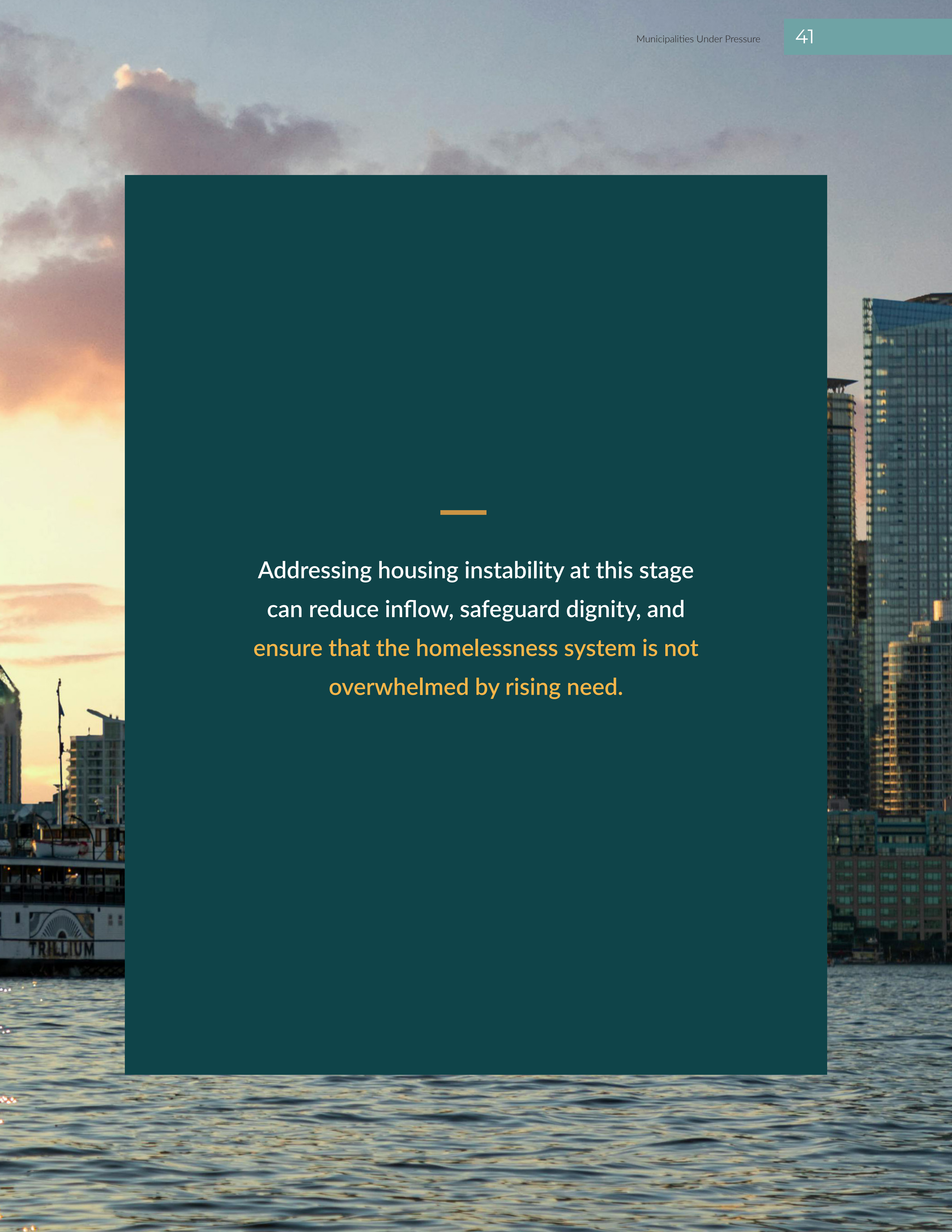
1.2: Indications of Housing Instability

TO END CHRONIC HOMELESSNESS, AS DEFINED BY FUNCTIONAL ZERO, ONTARIO'S HOUSING SYSTEM MUST FOCUS NOT ONLY ON PROVIDING TEMPORARY LANDING SPACES AND FACILITATING SUCCESSFUL EXITS, BUT ALSO ON REDUCING THE INFLOW OF PEOPLE ENTERING HOMELESSNESS.

Prevention is one of the most cost-effective and ethically sound strategies to achieve this goal. By stabilizing households before they reach a crisis point, prevention reduces the financial and human costs of homelessness while strengthening the overall system.

The data on community housing waitlists highlights the scale of housing instability and offers insight into the potential inflow into homelessness. In 2024, 268,241 households were on Ontario's waitlist for rent-geared-to-income (RGI) housing, a figure that includes a wide range of housing statuses, from those housed but at risk, to those who are precariously housed, to those already experiencing homelessness. With wait times now averaging nearly five years and stretching up to two decades in some situations, the waitlist reflects a system under immense strain. Census data and broader indicators of core housing need reinforce those findings, showing that affordability challenges and inadequate housing supply are widespread across the province.

As homelessness is projected to rise, as outlined in **Part 2: A 10-Year Perspective on Homelessness in Ontario,** the inflow into homelessness will also rise, unless there is targeted action, compounding existing challenges and escalating costs across the system. Community housing waitlists are more than indicators of demand—they also highlight a critical opportunity to intervene before more people fall into homelessness.



Addressing housing instability at this stage can reduce inflow, safeguard dignity, and ensure that the homelessness system is not overwhelmed by rising need.

Methods and Limitations

Data on community housing waitlists was collected from 43 service managers for 2024. For the remaining four service managers, data from 2023 was used to estimate their 2024 numbers, applying the observed average year-over-year increase among service managers that provided data for both years. This ensured a consistent approach to estimating the total waitlist figures.

Key limitations of the methodology are described below.:

01 **Exclusions and Backlogs:** Waitlist figures do not capture all households seeking community housing. Application backlogs, eligibility restrictions, and other administrative barriers mean that some households in need may not appear on official waitlists, leading to an underrepresentation of actual demand.

02 **Wait Time Estimations:** Average wait times were calculated based on data from service managers reporting for 2024 and supplemented by data from the end of 2023 where available. Year-over-year increases were applied to estimate the average wait time for 2024, which introduces assumptions that may not account for all regional differences or changes in waitlist dynamics.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

Rent-Geared-to-Income (RGI) Housing

Rent-geared-to-income (RGI) housing is a form of subsidized housing designed to make rental accommodations affordable for low-income households. Tenants in RGI units typically pay 30% of their gross monthly income toward rent, with the remaining cost subsidized by government funding.

Understanding Housing and Homelessness Metrics

Homelessness and housing instability are interconnected but distinct conditions. Homelessness refers to the lack of a stable and adequate nighttime residence, while housing instability encompasses a broader range of challenges, such as unaffordable rent, overcrowding, or frequently moving. These designations are not mutually exclusive. People experiencing homelessness may appear on housing waitlists, and those in unstable housing may be at risk of homelessness.

It is important not to combine homelessness estimates with housing waitlist figures when calculating the total number of people in need. This approach risks double-counting and misrepresents the scale and complexity of housing challenges.

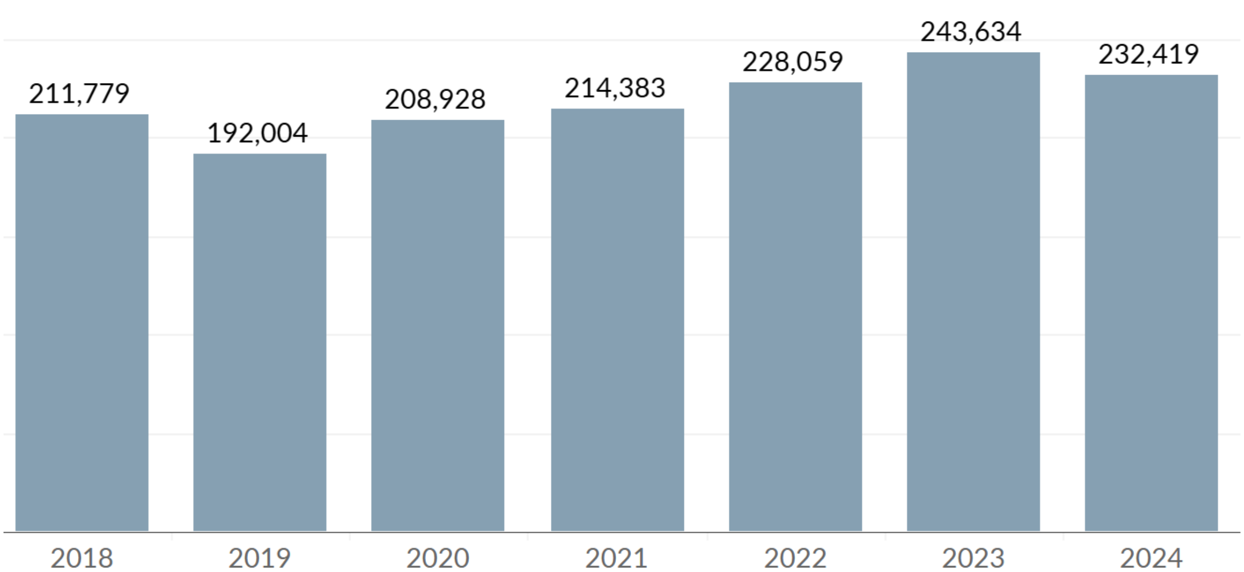
Findings

Up to 1 in 20 households on the waitlist for community housing

In 2024, Ontario's reported waitlist for rent-geared-to-income (RGI) housing included 232,419 households, based on data collected from service managers. As noted in the methodology, data gaps were addressed through standardization, where missing values were filled using additional research and reliable estimates.

The estimated total number of households on the waitlist is 268,241, reflecting a broad spectrum of housing instability. This includes those experiencing homelessness, those precariously housed, and those at risk of losing housing. The average wait time for RGI units remains just over five years (61 months), with significant regional variations.

Figure 6: Reported Number of Households on the Community Housing (RGI) Waitlist, Ontario, 2018–2024



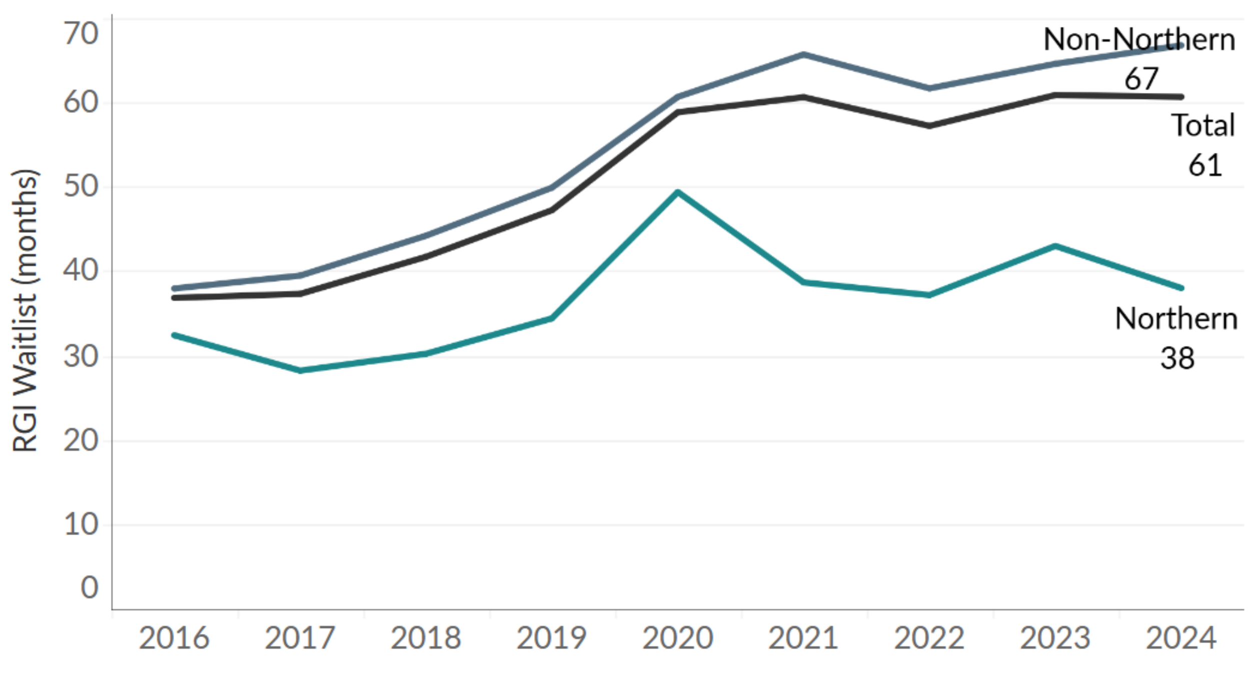
Unadjusted
Figures are presented as reported, without adjustments for missing values.

Table 4: Service Manager (SM) Submission Rates for Number of Households on the Community Housing (RGI) Waitlist, Ontario, 2018–2024

	2018	2019	2020	2021	2022	2023	2024
SM Count	39	40	41	41	41	43	42
Population %	90%	91%	95%	95%	95%	97%	83%

Non-northern regions reported an average wait time of 67 months, compared to 38 months in northern areas. Despite shorter wait times in the north, many communities face severe capacity constraints, highlighting the systemic challenges of addressing housing needs in areas with limited infrastructure.

Figure 7: Reported Wait Times for Community Housing (RGI), Northern and Non-Northern Regions, Ontario, 2016–2024



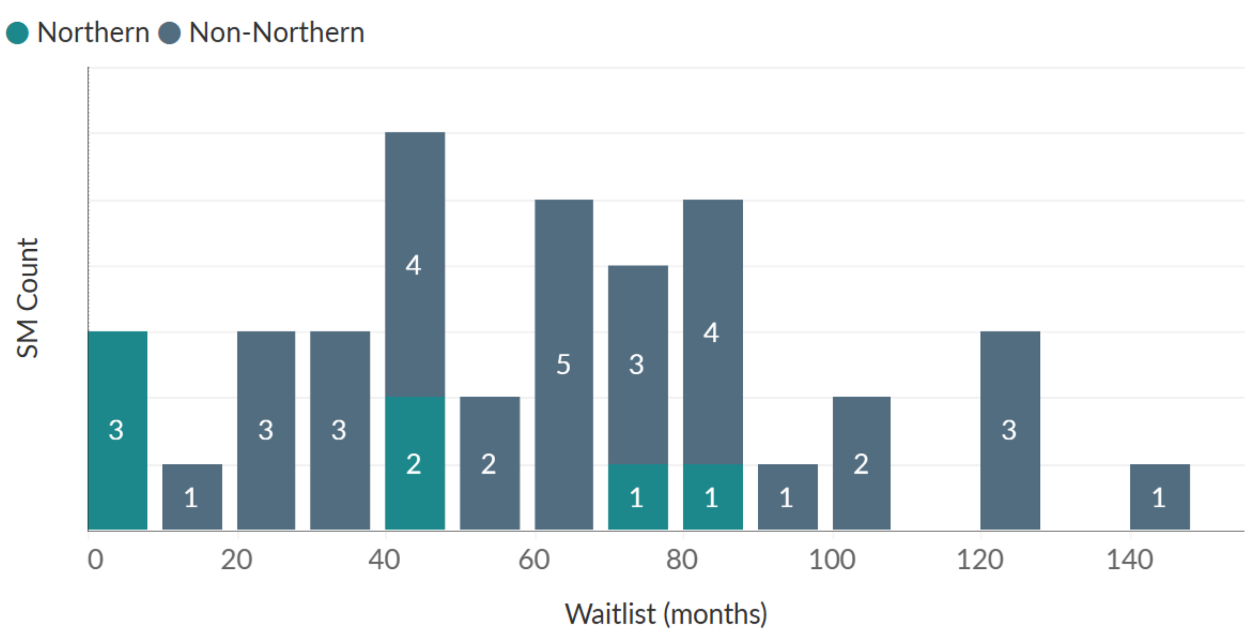
Unadjusted
Figures are presented as reported, without adjustments for missing values.

Table 5: Service Manager (SM) Submission Rates for Wait Times for Community Housing (RGI), Northern and Non-Northern Regions, Ontario, 2016–2024

		2016	2017	2018	2019	2020	2021	2022	2023	2024
Non-Northern	SM Count	20	21	23	24	26	26	27	29	26
	Population %	52%	53%	58%	58%	80%	80%	84%	87%	42%
Northern	SM Count	5	5	5	5	5	6	6	6	7
	Population %	46%	46%	46%	46%	46%	50%	50%	50%	60%
Total	SM Count	25	26	28	29	31	32	33	35	33
	Population %	52%	53%	57%	58%	78%	79%	83%	85%	43%

Waitlists also reveal extreme delays in some areas. The longest recorded average wait time for RGI housing in 2024 was 12 years (144 months), with a median wait time of 5 years (60 months). While the number of households on waitlists increased by 8.9% from 2023 among reporting service managers, these figures may understate the true demand for community housing. Backlogs in applications and administrative barriers prevent some households from being counted, suggesting that the need for affordable housing is even greater than these numbers indicate.

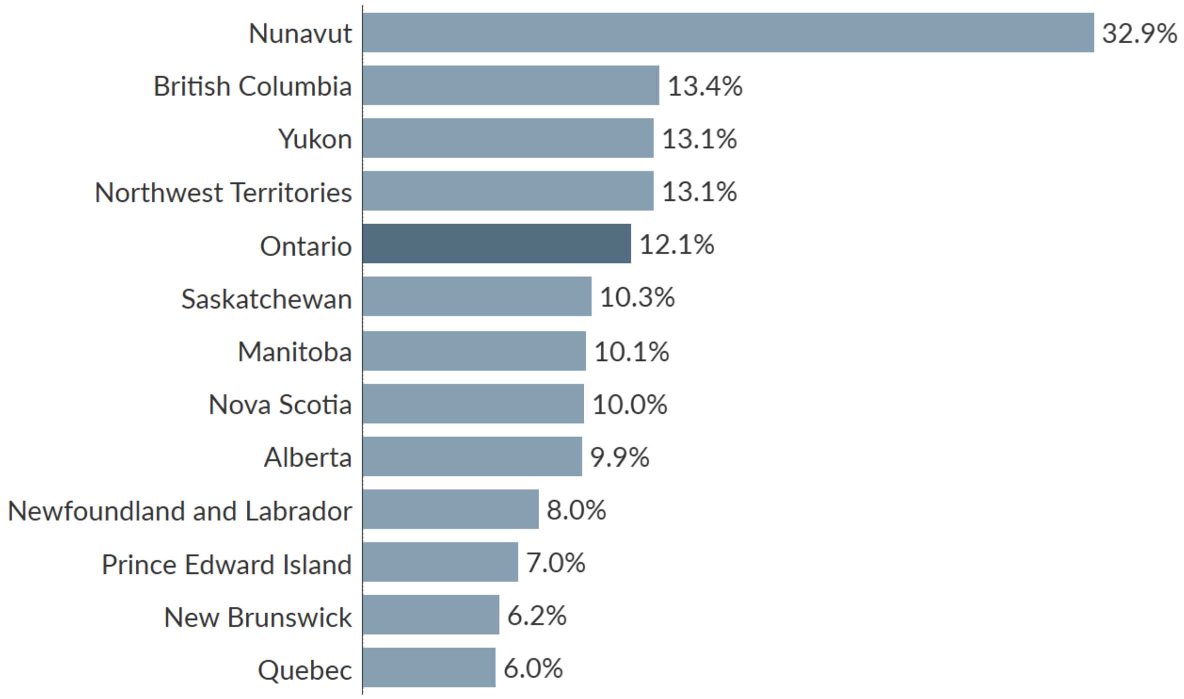
Figure 8: Service Manager (SM) Distribution of Adjusted Community Housing Wait Times by Region, Northern and Non-Northern, Ontario, 2024



Over 260,000 Ontario households face extreme housing cost burdens, spending more than half their income on shelter

Publicly available information highlights key trends in housing challenges across Ontario. According to the 2021 Census, Ontario's core housing need rate stands at 12.1%, placing it in the mid-range compared to other provinces and territories. Almost 640,000 households in Ontario are in core housing need, meaning their housing is unaffordable, inadequate, or unsuitable, and they cannot afford alternative local options that meet these standards.

Figure 9: Core Housing Need Rates by Province and Territory, Canada, 2021



However, this figure may underestimate the severity of housing instability due to temporary income supports during the COVID-19 pandemic, such as the Canada Emergency Response Benefit (CERB). These supports temporarily increased incomes for lower-income households, reducing the proportion of those spending 30% or more of their income on shelter costs. While shelter costs rose during this period, the income supports helped offset these increases, particularly benefiting renters.[2]

In addition, more than 260,000 households in Ontario face severe affordability challenges, spending 50% or more of their income on shelter costs. This represents 83% of the 575,080 households spending 30% or more of their income on housing. Renters are disproportionately affected, accounting for 62% of these households (359,370 households), while homeowners make up 38% (215,710 households).

Table 6: Households Spending 30% or More of Income on Shelter Costs by Tenure and Level of Shelter Cost Burden, Ontario, 2021

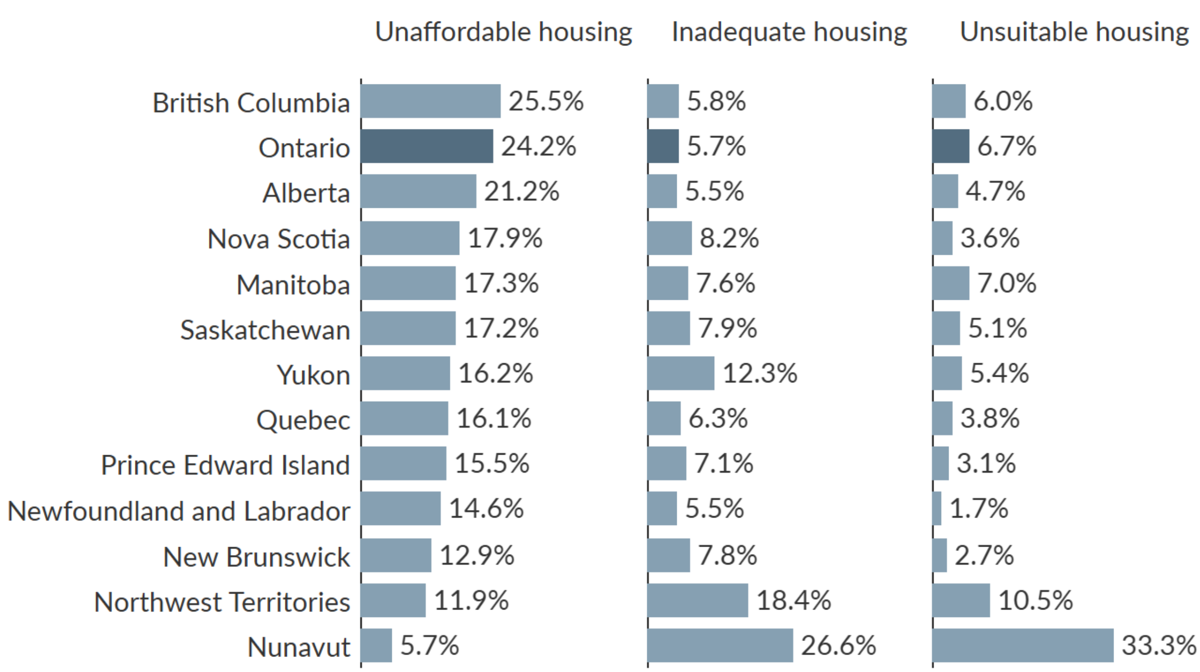
	Owner	Renter	Total
Spending 30% or more of income on shelter costs	**215,710**	**359,370**	**575,080**
30% to less than 50%	111,270	202,970	314,240
50% or more	104,440	156,400	260,840

In Ontario, housing affordability remains the dominant driver of core housing need, with 24.2% of households spending a significant portion of their income on shelter costs. In comparison, 5.7% of households experience inadequate housing, and 6.7% live in unsuitable housing.

However, provincial averages mask significant regional differences, particularly in Northern Ontario. Analysis of historical data shows that northern communities face disproportionately high rates of inadequate housing. Urban centres in Northern Ontario have some of the highest percentages of housing in need of major repairs, with smaller communities experiencing even greater challenges. In many cases, over 50% of housing units require major repairs, and for some communities, the figure reaches as high as 70% to 80%.[3]

The high levels of unaffordability, inadequacy, and unsuitability in housing highlight significant risks of increased inflow into homelessness.

Figure 10: Housing Challenges Across Canada: Regional Variations in Affordability, Inadequacy, and Unsuitability



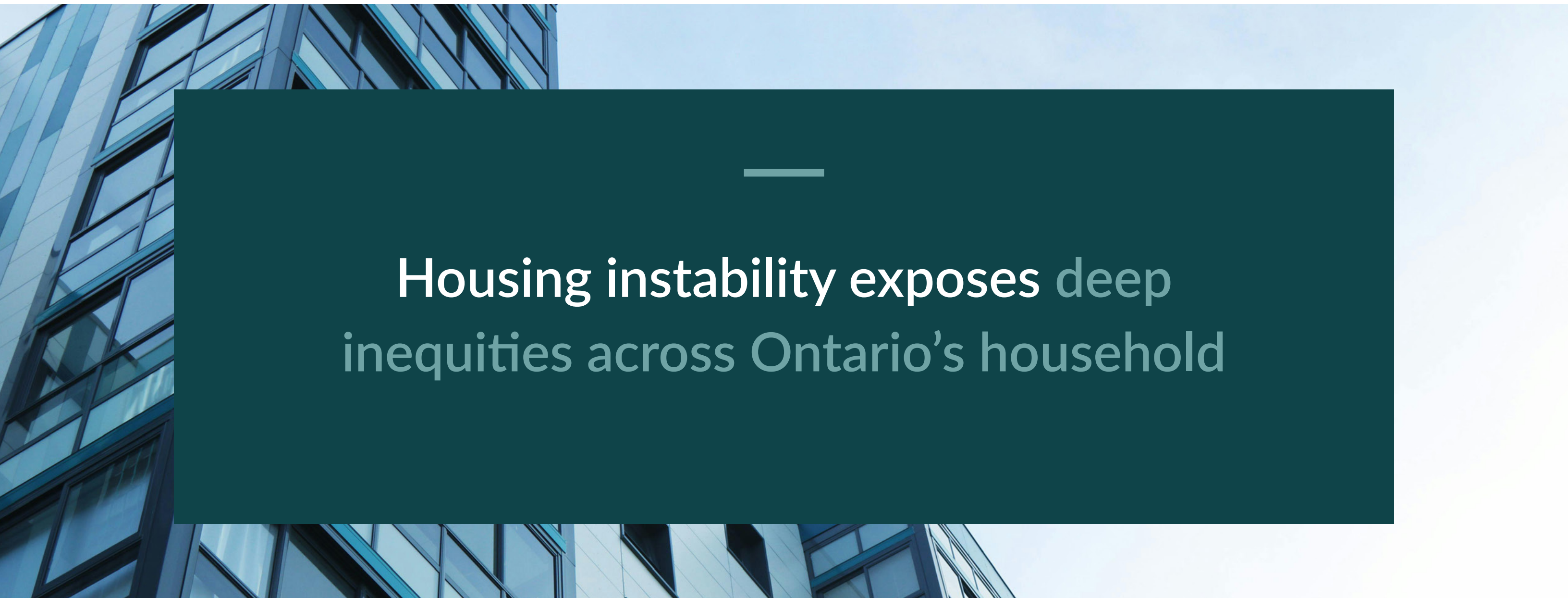
Core housing need rates vary substantially across demographic groups, with an overall community rate of 12.1%. Single-mother-led households (23.1%) and refugee-claimant-led households (22.3%) have the highest CHN rates, followed closely by Black-led households (21.4%). Older adults (14.0% for heads over 65, 18.8% for heads over 85) and youth under 25 (17.3%) also face notable housing challenges.

As noted above, the 2021 data may understate current housing needs due to temporary financial assistance measures introduced during the COVID-19 pandemic.

Table 7: Households in Core Housing Need by Priority Population, Ontario, 2021

	Total Households	In Core Housing Need	Core Housing Need %
Single mother-led	447,885	103,275	23.1%
Refugee claimant-led	255,105	56,815	22.3%
Black-led	247,755	53,125	21.4%
New migrant-led	168,920	32,685	19.4%
Head of household over 85	181,830	34,090	18.8%
Head of household under 25	102,270	17,645	17.3%
Women-led	2,234,725	347,670	15.6%
Head of household member of racialized group	1,623,310	252,415	15.6%
Head of household over 65	1,504,935	210,110	14.0%
Transgender or non-binary	42,775	5,405	12.6%
Indigenous	193,885	23,965	12.4%
Household with physical activity limitation	1,506,880	156,710	10.4%
Household with cognitive, mental, or addictions activity limitation	892,720	89,095	10.0%
Ontario	5,272,360	639,810	12.1%

Source: Housing Needs Assessment Tool (HART)



Housing instability exposes deep inequities across Ontario's household

1.3: Chronic Homelessness

CHRONIC HOMELESSNESS HAS BECOME THE DEFINING CHARACTERISTIC OF HOMELESSNESS IN ONTARIO. IN LESS THAN A DECADE, THE NUMBER OF PEOPLE EXPERIENCING CHRONIC HOMELESSNESS HAS TRIPLED, REACHING OVER 41,512 PEOPLE IN 2024.

For the first time, more than half of all **known homelessness** is now chronic, a trend that reveals critical misalignments in how investments and capacity are being allocated.

Chronic homelessness signals that the system is not functioning as it should. In a healthy system, long-term homelessness is quickly addressed—or better yet, prevented entirely—by providing timely and effective pathways to housing stability. The persistent growth in chronic homelessness highlights systemic gaps in housing infrastructure, high-acuity supports, and prevention measures.

Northern communities face an especially urgent crisis. Chronic homelessness in Northern Ontario has nearly doubled since 2022, reflecting the infrastructure gaps and systemic inequities that disproportionately affect these regions. Meanwhile, children and youth now account for nearly one in four chronically homeless people, a reminder of the generational consequences of systemic inaction. Indigenous people and refugees, affected by structural inequities and histories of displacement, are also overrepresented in chronic homelessness, though their needs are often less visible because of the limitations of current systems and definitions.

Ontario's ability to end chronic homelessness requires a system that addresses the complexity and diversity of these experiences and also aligns funding, capacity, and targeted investments with goals. Fortunately, ending chronic homelessness is not an insurmountable challenge, as discussed in **Part 3: Investing in Solutions.**

Chronic Homelessness Signals

THAT THE SYSTEM IS NOT FUNCTIONING AS IT SHOULD

Methods and Limitations

To establish a consistent and comparable understanding of chronic homelessness across Ontario, data from 47 service managers was standardized. This included aligning information from varied sources, such as By-Name Lists, emergency shelter records, and demographic reporting. The annual estimates were calculated using the weighted average percentage of chronic homelessness reported by service managers applied to the total number of people experiencing homelessness each year. For example, in 2024, a weighted average of 51% was applied to the estimated total of 81,515 people experiencing homelessness.

Key limitations of the methodology are described below.

01

Data Coverage Over Time: All 47 service managers reported chronic homelessness rates for 2024. A total of 46 had reported for 2023 and 2022, 36 for 2021, and only 15 for 2019. This participation variability limits the reliability of historical data, particularly for years when less than 50% of service managers participated.

02

Definitions and Consistency: A majority of service managers used the federal definition of chronic homelessness, which is more inclusive than the provincial definition. This contributes to slight variations in the reported data and a potential undercount where provincial definitions were used.

03

Demographic Data and Priority Populations:

- Data on demographics, such as gender and age, was available from 36 service managers in 2024, representing 74% of all service managers. Most service managers reported using consistent age groupings, although minor variations were noted.
- Priority population data was more limited. Refugees and asylum seekers, for instance, were reported by 21 service managers in 2024. Missing data was addressed through desk research or assumptions, such as using zero for earlier years when fewer than 10 people were reported in later years, to avoid overestimating overall rates for Ontario.
- For Indigenous populations, 74% of service managers reported, with significantly lower reporting rates in previous years.

04

Exclusions and Underrepresentation: The estimates capture **known homelessness** only, focusing on people known to the system through service use or enumeration efforts. Estimates do not accurately account for all hidden homelessness (e.g., couch-surfing) or for people in institutional settings, such as hospitals or correctional facilities. Similarly, populations living on reserve are not comprehensively represented, which limits the representation of Indigenous homelessness data.

05

Underreported Demographics: Demographic information, particularly for Indigenous populations, may be underreported due to several factors. These include reliance on observed characteristics, exclusion at the program level, or people choosing not to disclose information due to experiences of systemic racism or mistrust of institutions.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

Annual Estimates vs. Real-Time Counts

As with the previous section, data in this section reflects annualized estimates of chronic homelessness, capturing the number of people who experienced chronic homelessness at any point during the year; it is not an estimate of how many people are presently experiencing chronic homelessness.

Definition of Chronic Homelessness

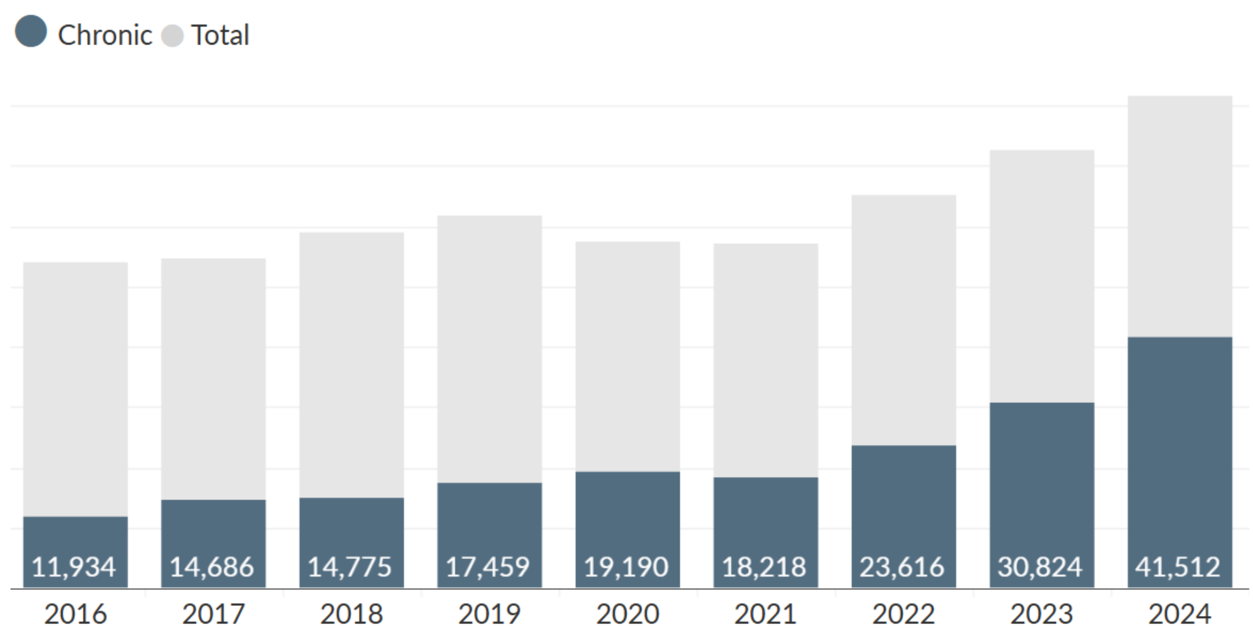
Despite slight variations in the definitions used, chronic homelessness generally refers to situations where people are currently homeless and meet at least one of the following criteria: they have been homeless for a total of at least six months (180 days) over the past year, or they have experienced recurrent homelessness over the past three years, with a cumulative duration of homelessness during that time of at least 18 months.

Findings

Chronic homelessness has nearly doubled since 2021, with 41,512 people affected in 2024

Chronic homelessness has increased significantly since 2016, with both the estimated number of people experiencing it annually and its share of the total homeless population growing. In 2024, an estimated 41,512 people experienced chronic homelessness, marking the first time those experiencing chronic homelessness represented more than half of all **known homelessness.**

Figure 11: Estimated Number of People Experiencing Chronic Homelessness Compared to Total Population Experiencing Homelessness, Ontario, 2016–2024



Adjusted
Missing values have been filled using additional research or statistical methods.

Table 8: Service Manager (SM) Submission Rates for People Experiencing Chronic Homelessness Compared to Total Population Experiencing Homelessness, Ontario, 2016–2024

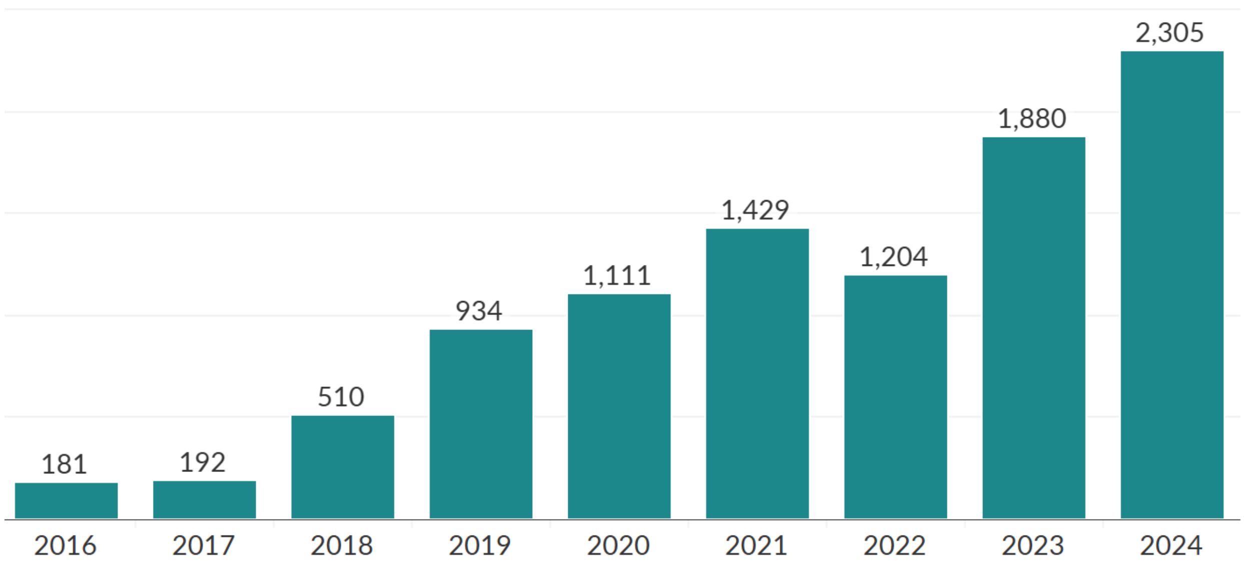
	2016	2017	2018	2019	2020	2021	2022	2023	2024
SM Count	8	8	21	15	21	36	45	46	47
Population %	11%	11%	43%	51%	61%	81%	91%	95%	100%

While the total number of people experiencing homelessness has risen, chronic homelessness as a percentage of the total has grown from 22% in 2016 to 51% in 2024. This suggests that people remain unhoused for longer periods. This also highlights systemic challenges, including gaps in housing infrastructure and a misalignment between the existing continuum of supports and the demand for them. Simply put, there are not enough spaces to meet the needs of people or the spaces that do exist are not the right ones.

Chronic homelessness in northern regions has nearly doubled since 2022

In northern regions, the number of people experiencing chronic homelessness has risen sharply, nearly doubling from 1,204 people in 2022 to an estimated 2,305 in 2024. At the same time, the total number of people experiencing **known homelessness** in these regions grew from 3,615 to 5,377, an increase of 49%.

Figure 12: Estimated Number of People Experiencing Chronic Homelessness in Northern Communities, Ontario, 2016–2024



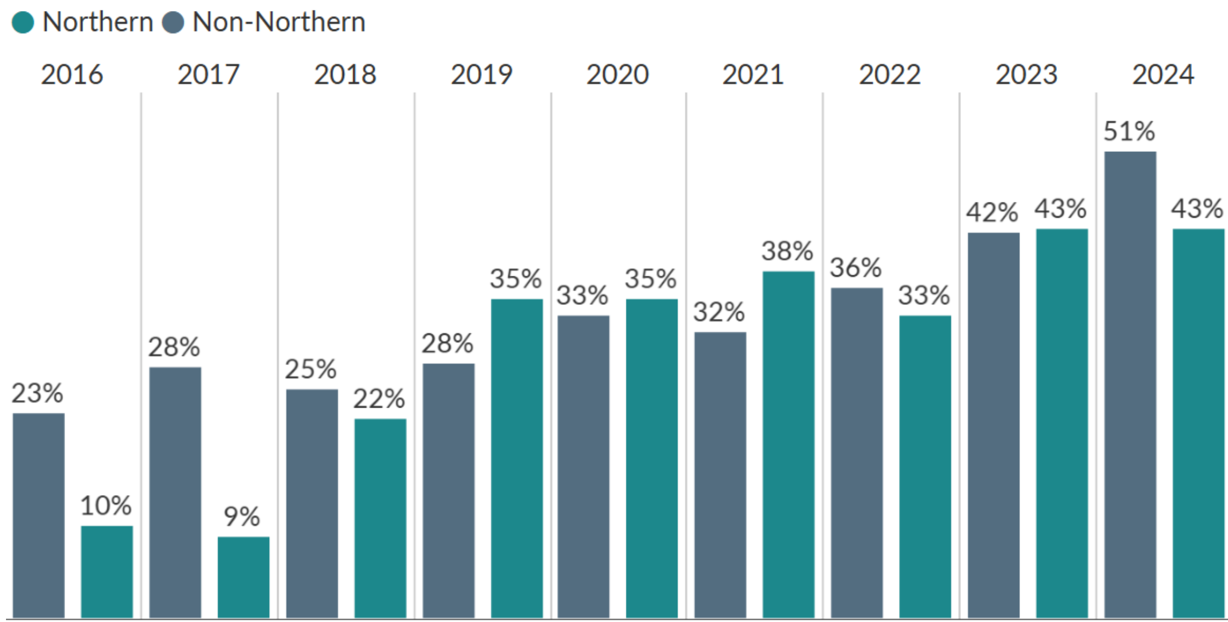
Adjusted
Missing values have been filled using additional research or statistical methods.

Table 9: Service Manager (SM) Submission Rates for People Experiencing Chronic Homelessness in Northern Communities, Ontario, 2016–2024

	2016	2017	2018	2019	2020	2021	2022	2023	2024
SM Count	1	2	5	1	4	8	11	11	11
Population %	5%	10%	33%	5%	33%	72%	100%	100%	100%

That means that while more people overall are becoming homeless in northern regions, chronic homelessness—the number of people experiencing long-term homelessness—is growing even faster. By 2024, chronic homelessness accounted for 43% of all **known homelessness** in the north, up from 33% in 2022. This trend reflects the acute challenges faced by northern communities, where resources and infrastructure to address long-term homelessness are often limited.

Figure 13: Chronic Homelessness as a Percentage of Total Homelessness, Northern and Non-Northern Communities, Ontario, 2016–2024



Nearly one-quarter of the people experiencing chronic homelessness in Ontario are youth or children

Since 2021, children (aged 0–15) and youth (aged 16–24) have consistently made up approximately 23.0% of Ontario's known chronic homelessness population. In 2024, children accounted for 11.5% and youth 11.0%. This proportion has remained steady over the past four years, with only minor fluctuations between 22.0% and 24.0%.

Figure 14: Reported Chronic Homelessness by Age Group, Ontario, 202

Unadjusted
Figures are presented as reported, without adjustments for missing values.

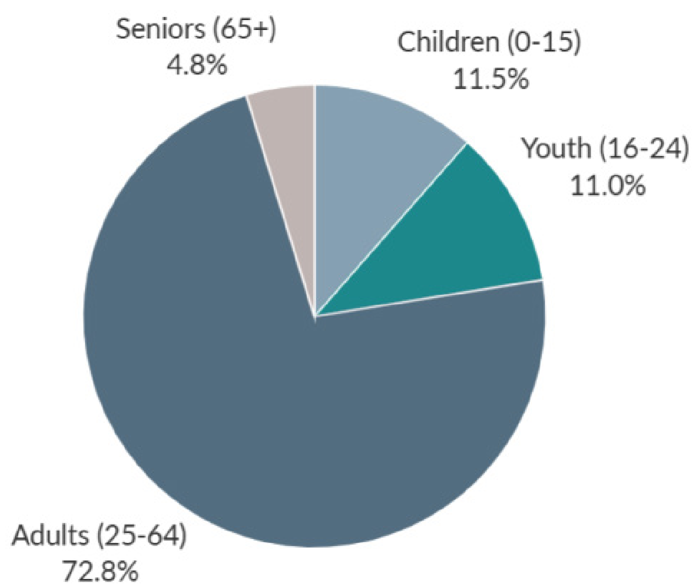


Table 10: Service Manager (SM) Submission Rates for Chronic Homelessness by Age Group, Ontario, 2024

SM Count	36
Population %	74%

According to Infrastructure Canada, data from the 2020–2022 Nationally Coordinated Point-in-Time Count[4] reveals that while children and youth are less likely than adults to experience chronic homelessness, the long-term effects can be devastating. Research shows that people who first experience homelessness as children are significantly more likely to face chronic homelessness later in life: 78% of those who became homeless as children were chronically homeless during the federal count.

Failing to address homelessness among children and youth may not only perpetuate cycles of long-term homelessness, placing increasing strain on the social safety net, but also fracture family structures, destabilize communities, and impose immense burdens on social systems for generations.

Indigenous representation in chronic homelessness data masked by systemic underreporting

According to reported data (38 service managers reporting for 2024, representing 76% of the total population), at least 4,418 Indigenous people were experiencing chronic homelessness in Ontario in 2024, representing 10.6% of the population known to be experiencing chronic homelessness.

While Indigenous people make up 2.9% of Ontario's overall population (2021 Census), they are clearly overrepresented among those experiencing chronic homelessness. However, this figure likely underrepresents the true extent of the issue due to systemic barriers to accurate enumeration. A lack of culturally safe spaces and Indigenous-led crisis supports means many Indigenous people experiencing homelessness may not access services or become known to homelessness systems through data-collection tools like PiT Counts and By-Name Lists. This results in incomplete data, particularly in urban centres, where Indigenous representation in reported data was, for some, below 10%.

Data from service managers reveals notable regional differences. For 2024, the non-weighted average Indigenous representation among chronically homeless populations is 44.6% in northern regions compared to 13.8% in non-northern regions. Four service managers reported that Indigenous representation exceeds 50% of the chronically homeless population in their regions. These disparities point to systemic challenges, including the lack of culturally safe spaces, mistrust of data-collection systems, and the missing data from hidden homelessness and on-reserve populations.

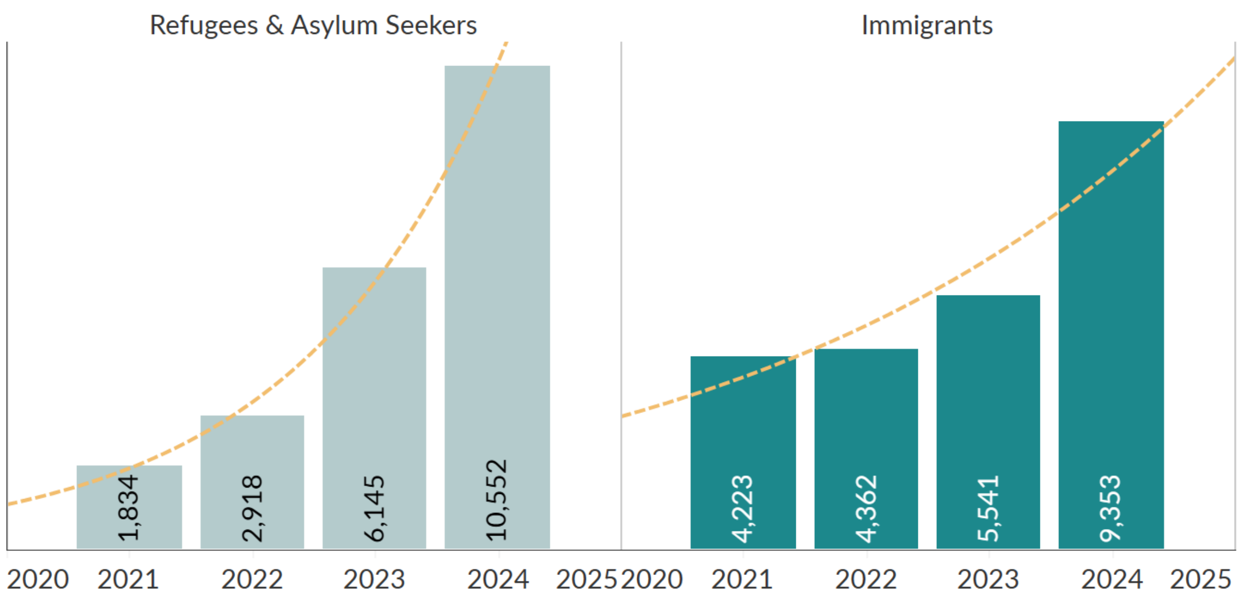
Current definitions of homelessness, rooted in colonial frameworks, fail to align with Indigenous understandings of home, community, and displacement. Colonial-centred definitions and methodologies do not acknowledge key aspects of Indigenous experiences, such as intergenerational trauma, systemic racism, and land dispossession, all of which are central to understanding housing instability in Indigenous communities.

It is our assessment that the data significantly understates the extent of Indigenous chronic homelessness. This report, which reflects data provided by service managers, acknowledges the data's limitations, particularly regarding the known population it represents. Addressing—and even quantifying—Indigenous homelessness is not just about more accurate enumeration: it is about the need to dismantle colonial frameworks and centre Indigenous leadership, sovereignty, and culturally rooted data collection in working toward housing solutions.

Chronic homelessness for refugees grows nearly sixfold in four years

Although the proportion of immigrants in the overall provincial population has not changed in recent years, the number of immigrants, refugees, and asylum seekers enumerated among Ontario's chronic homelessness population has grown significantly. Between 2021 and 2024, the number of chronically homeless refugees and asylum seekers rose from 1,834 to 10,552 (+475.4%), while immigrants experiencing chronic homelessness increased from 4,223 to 9,353 (+121.5%).

Figure 15: Estimated Annual Chronic Homelessness Among Refugees, Asylum Seekers, and Immigrants, Ontario, 2020–2025



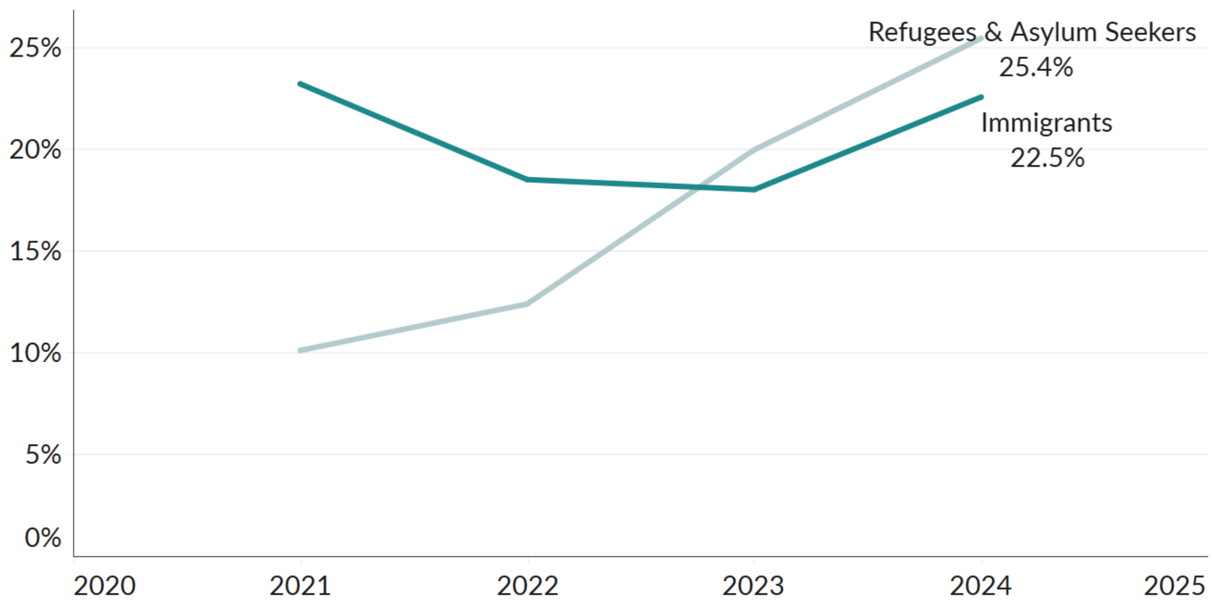
Adjusted
Missing values have been filled using additional research or statistical methods.

Table 11: Service Manager (SM) Submission Rates for Chronic Homelessness Among Refugees, Asylum Seekers, and Immigrants, Ontario, 2020–2025

		2021	2022	2023	2024
Refugees & Asylum Seekers	SM Count	14	16	18	21
	Population %	50%	51%	52%	58%
Immigrants	SM Count	12	15	17	20
	Population %	30%	31%	32%	38%

Historically, refugees and asylum seekers did not remain in unsheltered or sheltered homelessness for prolonged periods, often transitioning quickly to permanent housing solutions. However, the current system has barriers to positive exits, defined as a sustainable and permanent transition out of homelessness into stable housing that meets individual or family needs. These groups are, increasingly, remaining in the homelessness system long enough to meet the threshold for chronic homelessness.

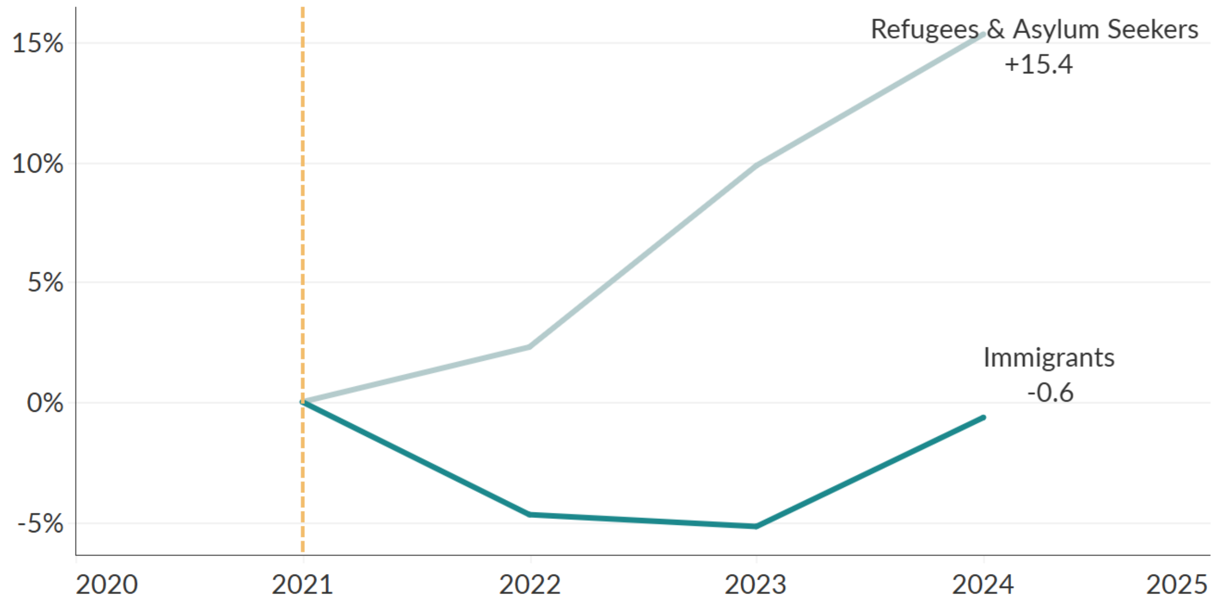
Figure 16: Percent of Total Chronic Homelessness Among Refugees, Asylum Seekers, and Immigrants, Ontario, 2021–2024



Refugees and asylum seekers have had a 15.4 percentage-point increase in their share of Ontario's chronic homelessness population since 2021, while the proportion of immigrants has remained relatively stable, decreasing slightly by 0.6 percentage points.

This growing extent of chronic homelessness in demographics not typically associated with prolonged homelessness highlights a key systemic challenge and represents an important limiting factor in achieving functional zero, a state where homelessness is rare, brief, and non-recurring. Some service managers have made notable progress, with limited resources, in developing diversion initiatives and tailoring programs for refugees and asylum seekers. However, the overall system was not originally designed to provide a long-term crisis response to refugees and asylum seekers. This reality reflects the need to ensure that the social infrastructure is aligned with the evolving profiles and needs of those experiencing homelessness.

Figure 17: Percentage Point Change in Percent of Total Chronic Homelessness from 2021 Among Refugees, Asylum Seekers, and Immigrants, Ontario, 2021–2024



1.4: Homelessness-Serving System

ONTARIO'S HOMELESSNESS-SERVING SYSTEM IS AT A CROSSROADS, CHALLENGED BY INCREASING DEMAND, A SURGE IN CHRONIC HOMELESSNESS, AND AN URGENT NEED TO BALANCE IMMEDIATE CRISIS RESPONSE WITH LONG-TERM SOLUTIONS.

Between 2019 and 2024, bed capacity in emergency shelters grew by an estimated 34%, signaling an unmet need within the crisis response system. Meanwhile, chronic homelessness has tripled since 2016—a clear indication that more people are becoming trapped in homelessness systems designed to provide temporary relief.

Based on data provided by service managers, there were an estimated 27,138 beds across three main support types in 2024: emergency shelters, transitional housing, and supportive housing. These figures do not include Violence Against Women (VAW) shelters, provincially operated shelters, or supportive housing funded through health programs like those provided by the Ministry of Health. Nonetheless, the available data highlights a homelessness-serving system heavily reliant on emergency shelters, which account for 65.2% of total expenditures. In contrast, transitional and supportive housing, which are critical for providing pathways out of homelessness, received only 6.0% and 11.6% of spending, respectively.

These patterns highlight a system facing significant challenges in meeting both immediate and long-term needs. As shown in **Part 3: Investing in Solutions,** ending chronic homelessness to a functional zero level—a dynamic milestone where homelessness becomes rare, brief, and non-recurring—requires that there are appropriate and stable housing options available for people to transition into. However, with chronic homelessness growing as a proportion of total homelessness, more people are becoming stuck inside the system. This is a reflection of the system's current design, which prioritizes crisis response over pathways to permanent stability.

The increasing length of waitlists, as described above, and the growing pressure on the housing system, as described below, combine to add enormous pressure on Ontario's homelessness-serving system.

Chronic Homelessness Has Tripled

A CLEAR INDICATION THAT MORE PEOPLE ARE BECOMING TRAPPED IN HOMELESSNESS

Methods and Limitations

This analysis focused on the capacity of three key housing types—emergency shelters, transitional housing, and supportive housing—using data reported by service managers. Reporting rates varied across these programs, requiring additional steps to address data gaps and ensure accurate estimates.

PROGRAM CAPACITY

Missing data was supplemented through desk research and manual adjustments using public sources, notes from service managers and standardized methodologies. This approach aimed to provide a more accurate picture of the system's capacity.

To account for non-reporting areas, service managers were asked to estimate the percentage of total system capacity represented by their reported, funded beds. These estimated coverage rates were then applied to extrapolate the capacity for the remainder of the system.

FUNDING EXPENDITURES

Expenditure data was reported directly by service managers and was not adjusted, except in occasional cases when capital expenditures were included to ensure completeness. Some service managers reported program expenditures without specifying associated capacity, such as funding for temporary accommodations like hotel or motel stays. These findings reflect the service manager-provided reported expenditures and address only programs under service manager oversight.

Key Limitations

01 **Reporting Gaps:** Coverage and reporting rates varied considerably across service managers, leaving some data incomplete or unavailable. In some cases, missing information was filled through estimates, which may not provide a complete picture of actual capacity.

02 **Data Exclusions:** Certain types of facilities, such as Violence Against Women shelters, were generally excluded from this analysis, though it is possible some may have inadvertently been included in the data provided by service managers.

03 **Undercounting of System Capacity:** This analysis captures only the portion of the housing system funded and reported by service managers. While service managers oversee and fund a substantial share of the homelessness-serving system, it is not the entire system; hence, the data does not reflect the entire housing system. Expenditures were reported as provided, without adjustments for unreported programs or external funding sources. As a result, the findings offer a robust view of the system's capacity, but may not include all investments made by non-government sources.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

Discrepancies Between Funding Announcements and Reported Expenditures

Dollar amounts discussed in this section are based on expenditures reported by service managers, with high submission rates across programs in 2024. While publicly available information, such as funding announcements or budgets, may differ from the expenditures reported here, the figures are not adjusted to align with such sources. The figures provided here represent actual spending reported by service managers, as distinct from allocated funding or planned disbursements, which are often subject to differences in timing and reporting.

Cross-Referencing Submitted Data with Publicly Available Data

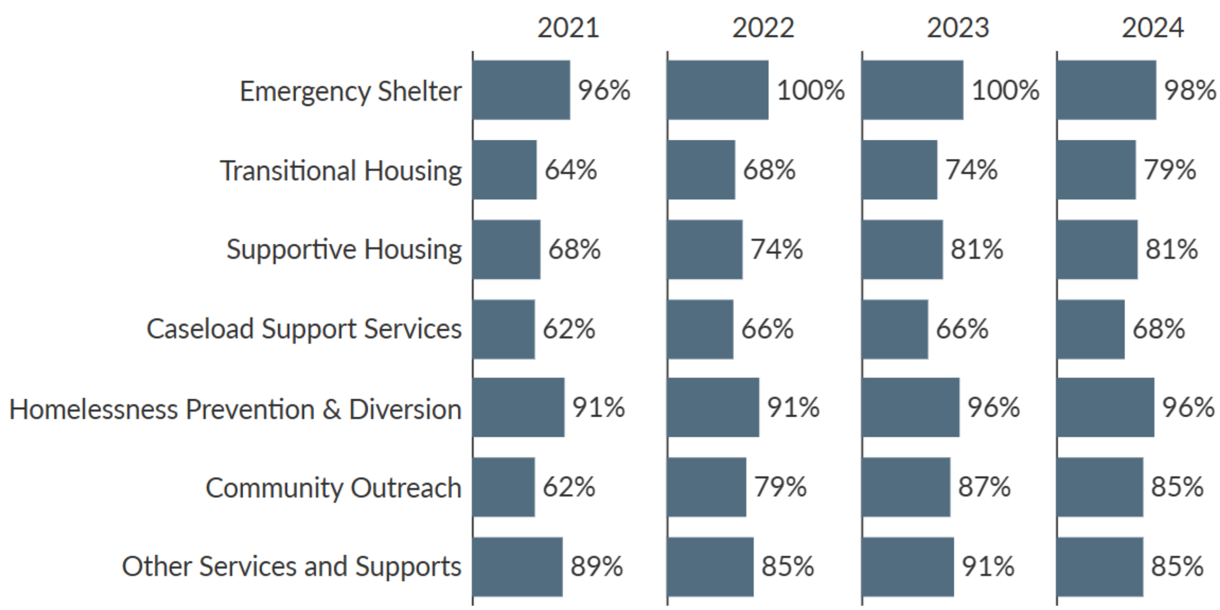
The lack of standardized definitions for program types introduced inconsistencies in reporting, creating a known limitation of this analysis. To facilitate aggregation, service managers were asked to classify programs in the category they thought was the best fit. For example, transitional housing may have been categorized as either emergency shelters or supportive housing in some regions, while one of the larger service managers included supportive housing under rent-geared-to-income (RGI) housing. As such, the submitted figures should not be compared directly with publicly available information, such as funding announcements or locally reported data. The results presented here reflect service manager submissions and are specific to this analysis.

Findings

Homelessness prevention programs have expanded across Ontario, but increases in supportive housing remains slow

This chart shows the percentage of service managers that reported operating specific homelessness programs between 2021 and 2024. The data highlights trends in program availability across Ontario's homelessness-serving system.

Figure 18: Percentage of Service Managers Operating Specific Homelessness Programs, Ontario, 2021–2024

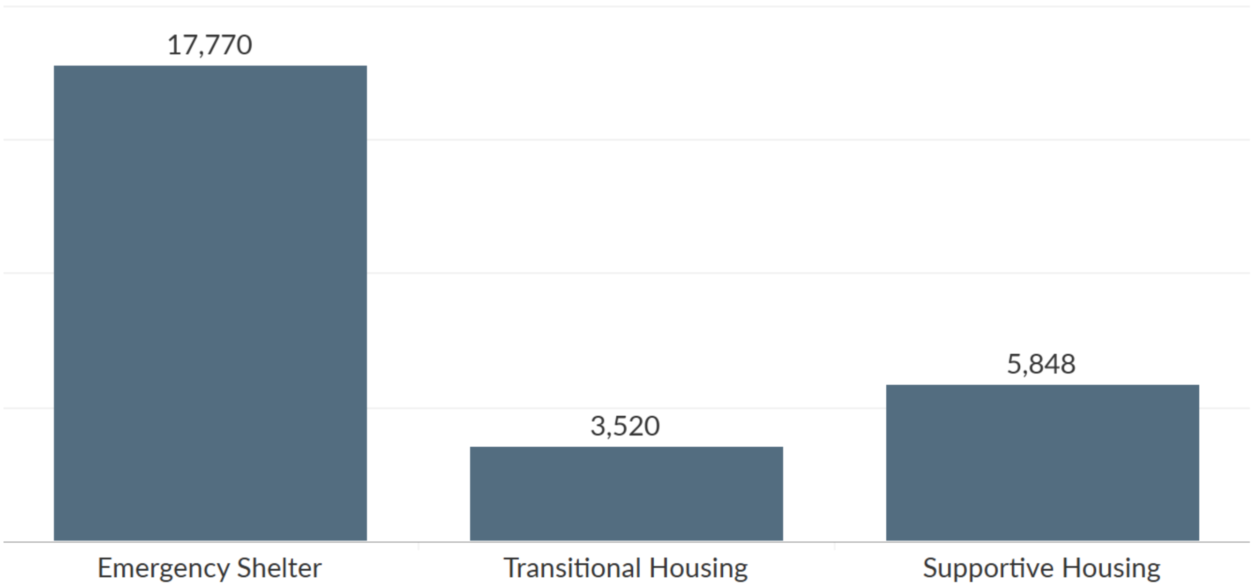


- Nearly all service managers reported emergency shelter programs, reaching 100% of service managers in 2022 and 98% in 2024.
- Transitional housing programs grew steadily, with the number of service managers reporting such programs increasing from 64% in 2021 to 79% in 2024.
- Supportive housing programs also grew, with 68% of service managers reporting these programs in 2021, rising to 81% in both 2023 and 2024.
- Caseload support services remained stable, with coverage increasing slightly from 62% in 2021 to 68% in 2024.
- Homelessness prevention and diversion programs maintained high levels of availability, with 91% of service managers reporting these programs in 2021, increasing to 96% by 2024.
- Community outreach programs grew from 62% in 2021 to 87% in 2023, stabilizing at 85% in 2024.
- Other services and support saw coverage decreasing from 89% in 2021 to 85% in 2024.

In 2024, there was one supportive housing space for every 14 people estimated to be experiencing known homelessness in Ontario

In 2024, Ontario's homelessness-serving system provided an estimated 27,138 beds across three main service types: emergency shelters, transitional housing, and supportive housing. Note that transitional and supportive housing are defined differently, as discussed in detail in the section below. **This estimate does not include supportive housing funded and overseen by the Ministry of Health, which operates outside the homelessness-serving system.**

Figure 19: Estimated Bed Capacity by Homelessness Program Type, Ontario, 2024



Adjusted
Missing values have been filled using additional research or statistical methods.

Table 12: Service Manager (SM) Submission Rates Estimated Bed Capacity by Homelessness Program Type, Ontario, 2024

	Emergency Shelters	Transitional Housing	Supportive Housing
SM Count	42	36	36
Population %	97%	74%	73%

EMERGENCY SHELTERS

Emergency shelters formed the largest part of the system, with an estimated total of **17,770 beds** across all 47 service managers. This estimate was based on data reported by 42 service managers, with the remaining data supplemented through desk research and manual adjustments, such as using 2023 data to fill gaps for 2024. This category includes permanent shelter beds, cold-weather shelters, temporary crisis shelters, overflow accommodations, and hotel/motel beds.

TRANSITIONAL HOUSING

Transitional housing accounted for an estimated total of **3,520 beds** across all 47 service managers. This figure was based on data reported by 36 service managers, with gaps addressed through additional analysis, such as reallocating beds that were grouped under other categories. These facilities provide temporary, time-limited support for people transitioning toward permanent housing.

SUPPORTIVE HOUSING

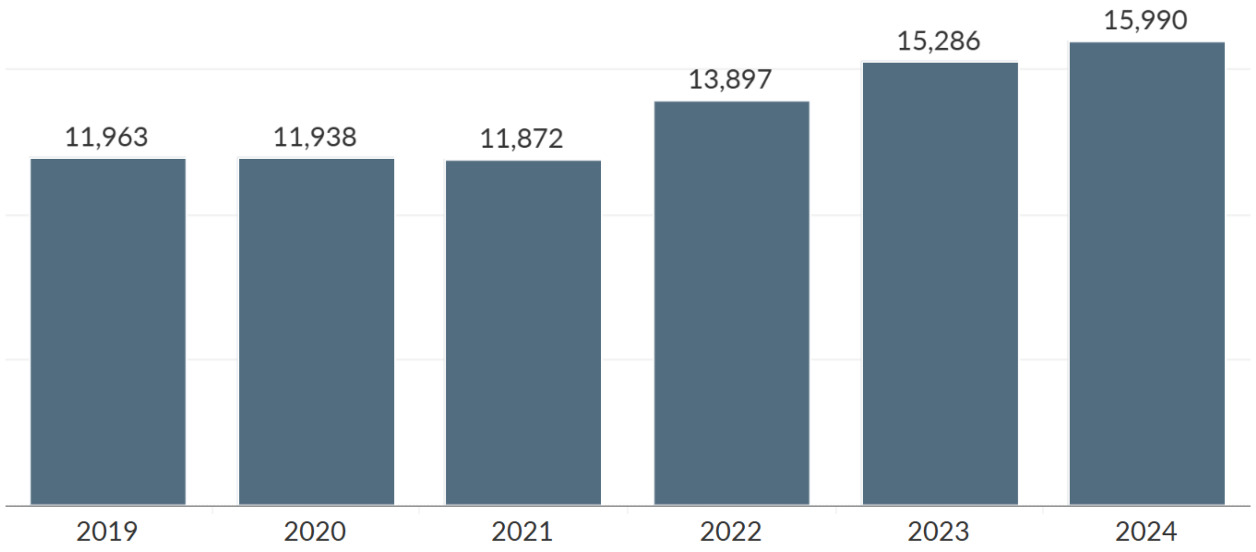
Supportive housing accounted for an estimated total of **5,848 beds** across all 47 service managers. This figure was based on data reported by 36 service managers, with estimates adjusted using a median system coverage rate of 80%, and further research applied to refine totals. This housing type combines permanent accommodations with individualized support services tailored to people with higher needs.

While these figures demonstrate the scale of Ontario's homelessness-serving system, they reflect primarily capacity funded by service managers. And though service managers deliver and fund most of the system, manual adjustments only partially account for housing and services outside their scope. As a result, the totals do not capture the full extent of Ontario's housing system.

Ontario's homelessness system has 34% shelter growth, yet chronic homelessness grows by 138%

Between 2019 and 2024, Ontario's emergency shelter bed capacity increased by 34%, reflecting significant efforts to expand resources and address the rising need for crisis response across the province. The most notable growth occurred after 2021, when the demand for emergency shelters surged, prompting investments in shelter capacity to meet the growing pressures.

Figure 20: Reported Emergency Shelter Bed Capacity (Funded by Service Managers), Permanent and Temporary, Ontario, 2019–2024



Unadjusted
Figures are presented as reported, without adjustments for missing values.

Table 13: Submission Rates by Service Manager (SM) for Emergency Shelter Bed Capacity (Funded by Service Managers), Permanent and Temporary, Ontario, 2019–2024

	2019	2020	2021	2022	2023	2024
SM Count	29	34	38	40	43	42
Population %	62%	75%	93%	95%	98%	97%

During the same period, the total number of people experiencing homelessness grew by 32%, while chronic homelessness rose by 138%, highlighting a troubling shift toward deeper, more persistent housing instability. This increase in chronic homelessness shows that more people are becoming trapped in the homelessness system, unable to transition out of emergency shelters and into stable housing.

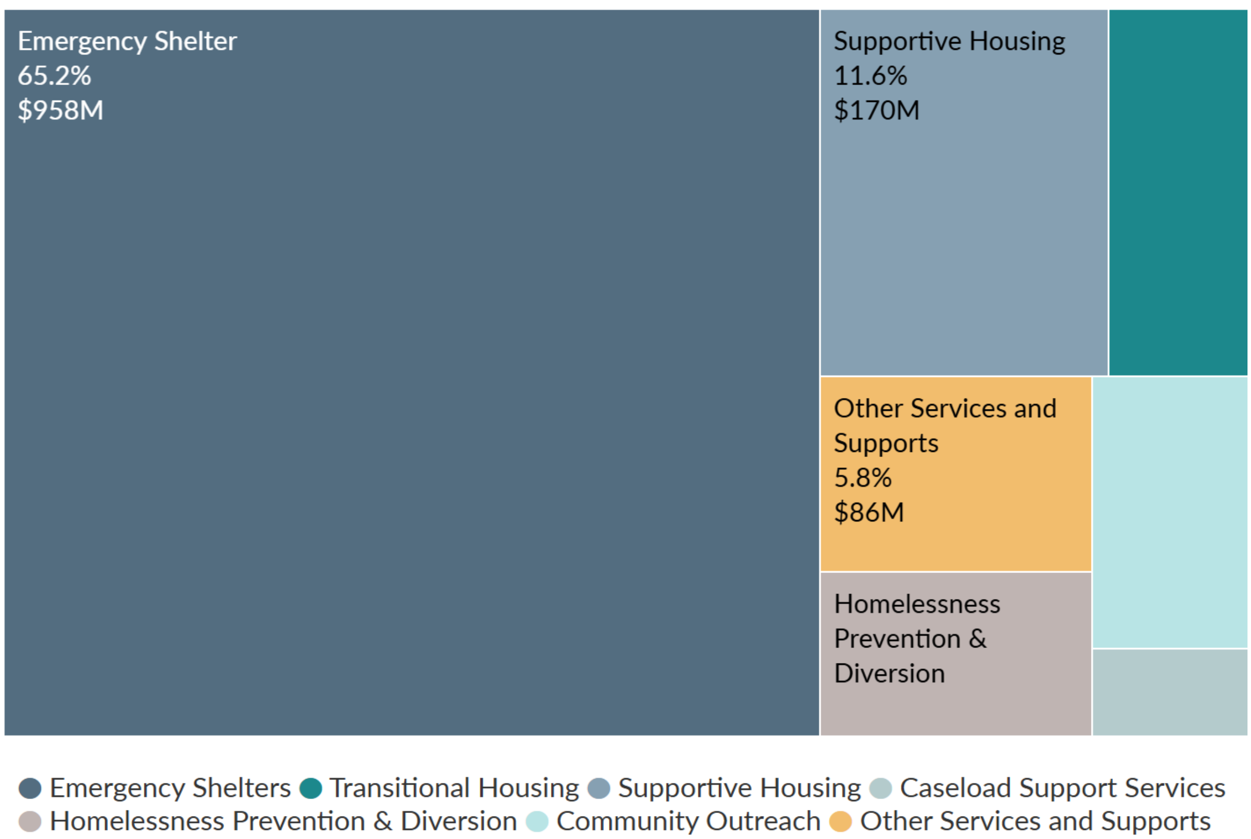
These trends reveal mounting pressures on Ontario's homelessness-serving system. While emergency-shelter capacity continues to expand to meet growing demand, the growing prevalence of chronic homelessness underscores the urgent need for long-term solutions beyond crisis response.

Spending reflects reliance on emergency shelters over prevention

The spending distribution across Ontario's homelessness programs reflects the emphasis on crisis response in the system. Emergency shelters, which make up the largest portion of the system's bed capacity, also dominate funding, accounting for 65.2% of the total $1.47 billion spent in 2024. In contrast, transitional and supportive housing—essential for moving people out of shelters and into stable housing—received 6.0% and 11.6% of spending, respectively.

This highlights the system's heavy reliance on emergency shelters to address immediate needs, while investments in longer-term solutions like supportive and transitional housing remain comparatively limited.

Figure 21: Reported Allocation of Spending on Homelessness Programs by Program Type, Ontario, 2024



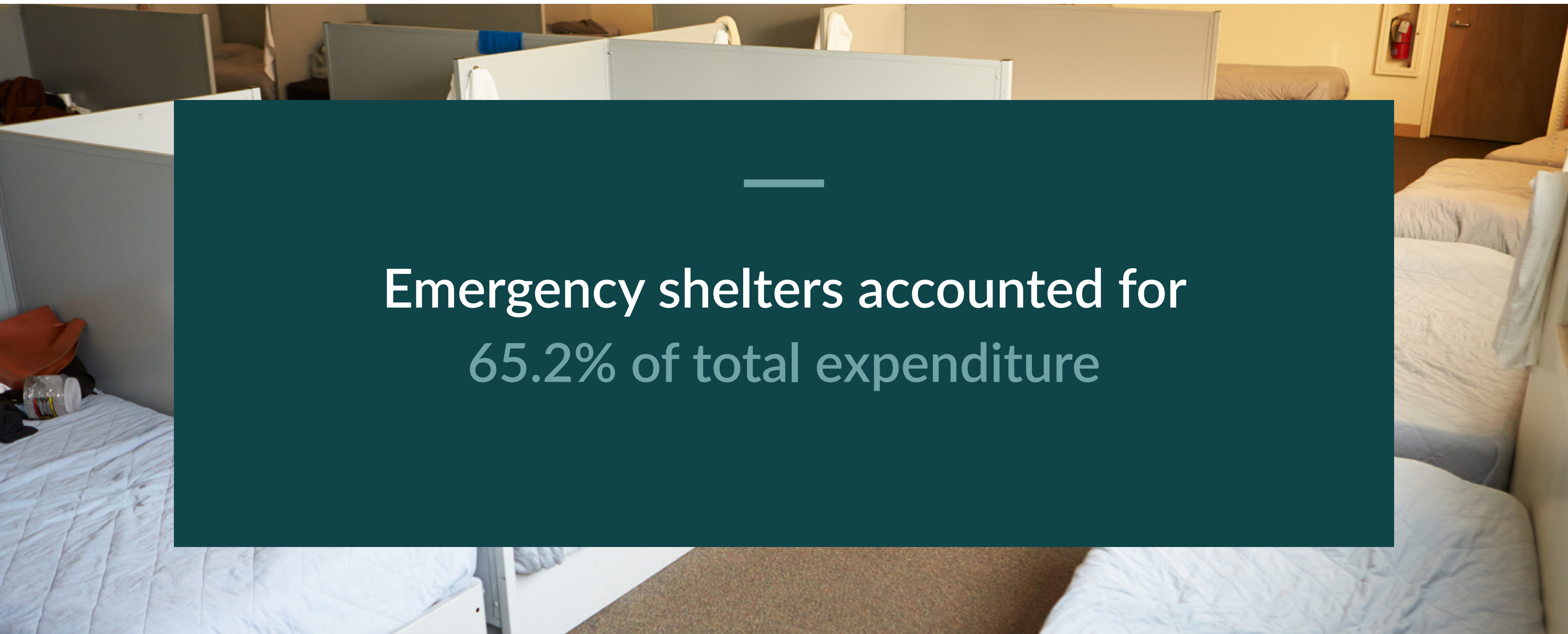
Unadjusted

Figures are presented as reported, without adjustments for missing values.

Table 14: Service Manager (SM) Submission Rates for Allocation of Spending on Homelessness Programs by Program Type, Ontario, 2024

	Emergency Shelter	Transitional Housing	Supportive Housing	Caseload Support Services	Prevention & Diversion	Community Outreach	Other Services and Supports
SM Count	40	22	36	22	38	34	34
Population %	93%	59%	72%	53%	62%	79%	79%

- Emergency shelters accounted for 65.2% of total expenditures, with approximately $957.7 million on emergency shelters in 2024, and an average expenditure of $23.9 million.
- Supportive housing represented the second-largest area of spending at 11.6%, totalling $170.4 million. The average expenditure reported per service manager was $4.7 million, reflecting the increasing emphasis on providing long-term stable housing with individualized support for people who have complex needs. A portion of these expenditures is embedded in rent-geared-to-income (RGI) housing due to classification practices by a larger service manager.
- Other services and supports made up 5.8% of total expenditures, amounting to $86 million, with an average expenditure of $2.5 million.
- Homelessness prevention and diversion programs accounted for 4.9% of expenditures, totalling $71.8 million, with an average of $1.89 million.
- Transitional housing expenditures reached $87.8 million, or 6.0% of total spending, with an average expenditure of $3.99 million.
- Caseload support services represented 1.6% of expenditures, amounting to $23.3 million, with an average of $1.06 million.
- Community outreach programs also accounted for 4.9% of expenditures, equating to $71.8 million, with an average expenditure of $2.11 million.



Emergency shelters accounted for 65.2% of total expenditure

Table 15: Homelessness Program Spending by Program Type, Ontario, 2020–2024

		2020	2021	2022	2023	2024
Emergency Shelter	Expenditures	612.2M	750.8M	820.1M	966.5M	957.7M
	% of Total	63.5%	62.2%	64.2%	66.7%	65.2%
	SM Average	16,111K	18,771K	19,073K	21,478K	23,943K
	SM Count	38	40	43	45	40
	Population %	83%	86%	87%	95%	93%
Transitional Housing	Expenditures	42.9M	64.6M	80.9M	90.0M	87.8M
	% of Total	4.4%	5.4%	6.3%	6.2%	6.0%
	SM Average	2,384K	2,810K	3,677K	3,599K	3,989K
	SM Count	18	23	22	25	22
	Population %	60%	66%	52%	70%	59%
Supportive Housing	Expenditures	76.4M	147.4M	163.5M	144.4M	170.4M
	% of Total	7.9%	12.2%	12.8%	10.0%	11.6%
	SM Average	2,635K	4,912K	4,673K	3,904K	4,734K
	SM Count	29	30	35	37	36
	Population %	59%	61%	65%	73%	72%
Caseload Support Services	Expenditures	23.5M	26.4M	19.8M	22.8M	23.3M
	% of Total	2.4%	2.2%	1.6%	1.6%	1.6%
	SM Average	1,069K	1,054K	861K	948K	1,061K
	SM Count	22	25	23	24	22
	Population %	58%	61%	57%	64%	53%
Prevention & Diversion	Expenditures	46.3M	68.3M	83.7M	81.0M	71.8M
	% of Total	4.8%	5.7%	6.6%	5.6%	4.9%
	SM Average	1,218K	1,665K	2,092K	1,928K	1,891K
	SM Count	38	41	40	42	38
	Population %	64%	67%	63%	71%	62%
Community Outreach	Expenditures	18.9M	23.4M	35.7M	60.5M	71.8M
	% of Total	2.0%	1.9%	2.8%	4.2%	4.9%
	SM Average	860K	938K	1,021K	1,552K	2,110K
	SM Count	22	25	35	39	34
	Population %	56%	59%	82%	91%	79%
Other Services and Supports	Expenditures	144.2M	126.5M	72.9M	83.3M	85.7M
	% of Total	14.9%	10.5%	5.7%	5.8%	5.8%
	SM Average	4,005K	3,163K	1,823K	2,083K	2,520K
	SM Count	36	40	40	40	34
	Population %	82%	86%	85%	92%	79%
Total	Expenditures	964.4M	1,207.4M	1,276.7M	1,448.5M	1,468.5M
	% of Total	100.0%	100.0%	100.0%	100.0%	100.0%
	SM Average	4,751K	5,390K	5,364K	5,748K	6,498K
	SM Count	41	43	44	46	44
	Population %	84%	87%	88%	96%	95%

Definition differences obscure capacity and system performance

TRANSITIONAL AND SUPPORTIVE HOUSING ARE ESSENTIAL COMPONENTS OF ONTARIO'S HOMELESSNESS-SERVING SYSTEM, BUT BOTH FACE SIGNIFICANT INCONSISTENCIES IN DEFINITION AND OPERATIONS THAT OBSCURE THEIR ROLES AND EFFECTS.

Transitional housing is intended to provide temporary, time-limited accommodations with support services to help people move toward permanent housing. However, there is no standardized definition of transitional housing across the province. Some models resemble permanent housing with formal leases and tenancy rights, while others impose stricter timelines and programming requirements, with stays ranging from a few months to several years. These variations made it difficult to capture the true scale or function of transitional housing in the system, and complicated data collection and reporting, despite considerable efforts by service managers.

Supportive housing also lacks a universally accepted definition. Generally considered as permanent housing paired with individualized support services, its implementation varies widely across Ontario. Differences in tenancy arrangements, the intensity and type of support provided, and the populations served all contribute to an inconsistent understanding of supportive housing. Operational models range from nonprofit organizations to housing corporations to municipal partnerships. This project focused on supportive housing and associated capital and operational costs based on data collected from service managers. Supportive housing funded by the Ministry of Health and other health-related supportive housing programs were not included, but it is precisely this complexity that makes fully quantifying supportive housing across the system so challenging.

FEEDBACK FROM SERVICE MANAGERS INDICATES A CHANGE IN THE ROLE OF SUPPORTIVE HOUSING. HISTORICALLY DESIGNED TO MEET THE NEEDS OF PEOPLE WITH COMPLEX AND HIGH-ACUITY CHALLENGES, SUCH AS SEVERE MENTAL-HEALTH ISSUES OR SUBSTANCE-USE DISORDERS, MANY SUPPORTIVE HOUSING UNITS NOW SERVE CLIENTS WITH LOWER-ACUITY NEEDS.

As a result, there has been a shift—either explicitly, through eligibility criteria, or informally in practice—toward serving people with less complex needs.

While imposing rigid models that disregard local definitions and regional variability is not desirable, the looseness of current approaches has turned transitional and supportive housing into broad categories used to describe a wide range of programs with vastly different structures, goals, and service populations. This ambiguity makes it challenging to assess the system's true capacity, evaluate its effectiveness, and determine whether these models are fulfilling their intended roles in addressing homelessness. It also limits the ability to measure their success in achieving goals such as facilitating transitions to permanent housing or supporting people with complex needs.

1.5: Housing System

ONTARIO'S HOUSING SERVICES ARE A CRITICAL PART OF THE BROADER STRATEGY TO ADDRESS HOUSING INSTABILITY AND HOMELESSNESS. THESE PROGRAMS AIM TO PROVIDE AFFORDABLE OPTIONS, CREATE PATHWAYS TO HOUSING STABILITY, AND PREVENT INDIVIDUALS AND FAMILIES FROM FALLING INTO HOMELESSNESS.

Between 2021 and 2024, key housing programs, including rent-geared-to-income (RGI) housing, affordable housing, rent supplements, and transitional and supportive housing, were widely available across most service managers. However, as demand for housing grows, the gap between need and supply is increasingly evident.

While community housing and affordable housing units have shown modest growth, Ontario's RGI housing stock is at capacity, with the waitlist exceeding the total number of available units. This strain on supply limits the system's ability to provide positive exits for people experiencing homelessness, and puts further pressure on high-cost emergency responses, such as shelter systems and transitional housing.

In 2024, service managers reported over $2.32 billion in housing-program expenditures, with the majority allocated to RGI housing. While this spending demonstrates the central role of RGI housing in supporting low-income households, gaps remain in prevention-focused investments and long-term solutions, both essential to reducing inflow into homelessness and achieving sustainable housing outcomes.

Methods and Limitations

The methods and limitations in this section of the report are largely the same as those outlined in the previous section, with the data collection and analysis processes consistent for both. These figures are based on expenditures reported by service managers, with high submission rates across programs in 2024. However, this data was not reconciled with publicly available information, such as funding announcements or budgets. As a result, discrepancies between allocations to funding and reported expenditures may exist, reflecting differences in timing and reporting for funding commitments, disbursements, and actual spending.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

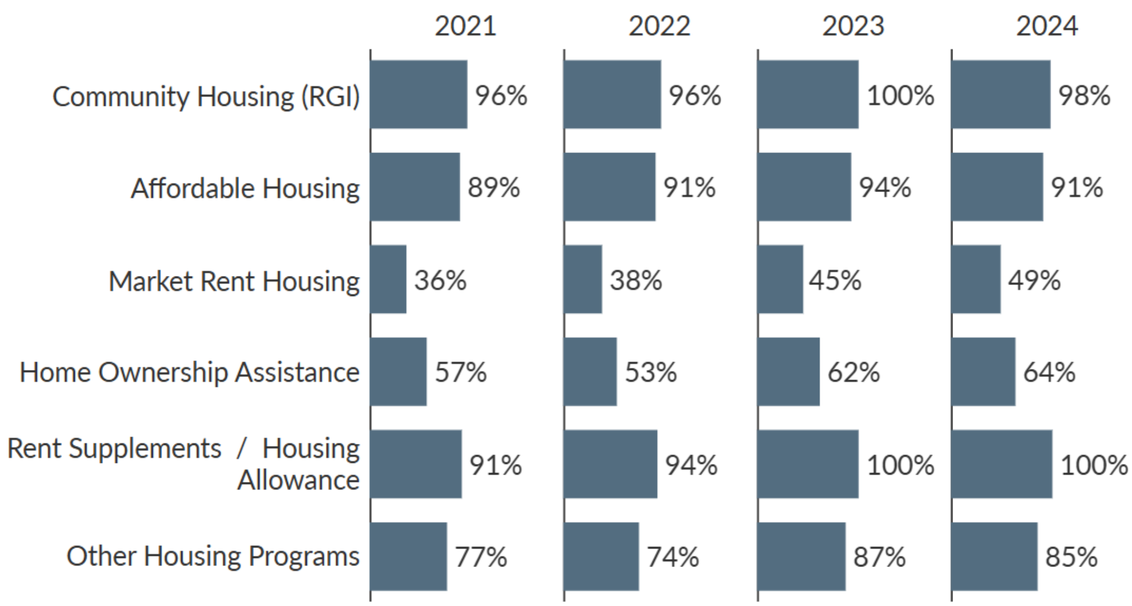
Discrepancies Between Funding Announcements and Reported Expenditures

As explained in **"Interpreting This Section" on page 63 in Section 1.4: Homelessness-Serving System,** the figures provided in this section represent expenditures reported by service managers; these differ from funding announcements or budgets. Announcements often reflect allocated or planned expenses, while service managers report actual spending, making direct comparisons inaccurate.

Findings

Ontario service managers expand housing programs, with universal access to rent supplements by 2024

Figure 22: Percentage of Service Managers Operating Housing Programs by Program Type, Ontario, 2021–2024



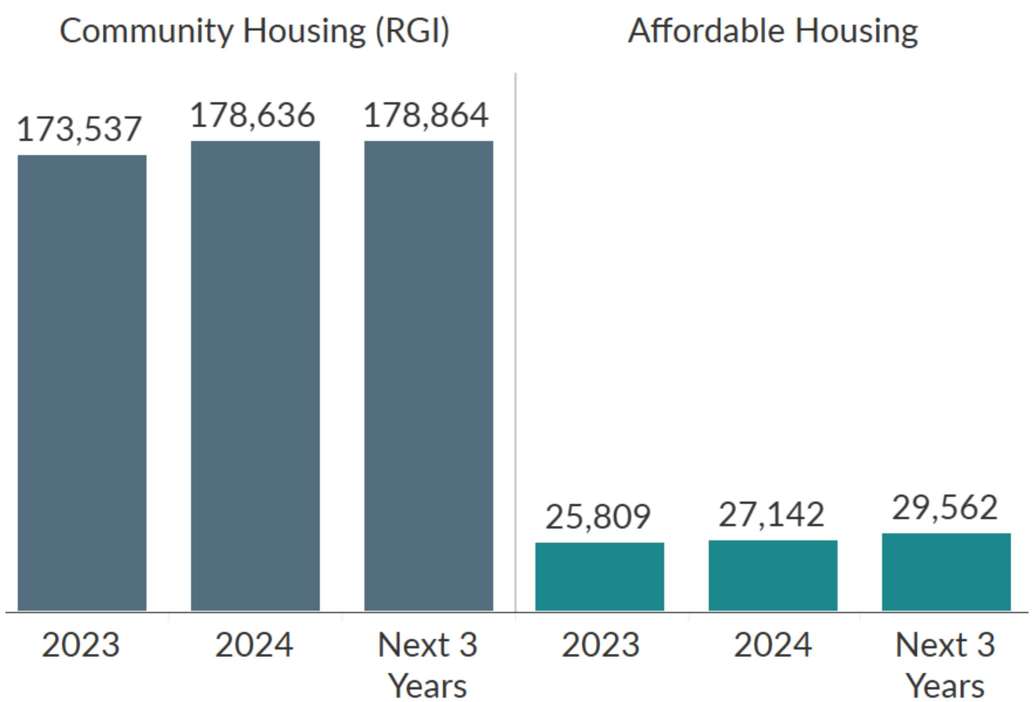
Between 2021 and 2024, service managers reported consistently high levels of availability for key housing programs in Ontario. Rent-geared-to-income (RGI) housing was reported by 98% of service managers in 2024. Affordable housing programs were also widely reported, with 91% of service managers including these.

Rent supplements and housing allowances achieved universal reporting (100%) by 2024, reflecting their central role in Ontario's housing strategy. Homeownership assistance programs were less commonly reported, but saw a steady increase, from 57% in 2021 to 64% in 2024.

Community housing and affordable housing units see modest growth, with significant expansions planned

Service managers reported 178,636 units of community housing (rent-geared-to-income, RGI) and 27,142 units of affordable housing in 2024. These figures remained largely the same as in 2023, with minor variations due to differences in reporting across years. The stability in numbers demonstrates the limited progress made in addressing Ontario's housing needs.

Figure 23: Reported Housing Program Units by Program Type, Ontario, 2023–Next 3 Years



Unadjusted
Figures are presented as reported, without adjustments for missing values.

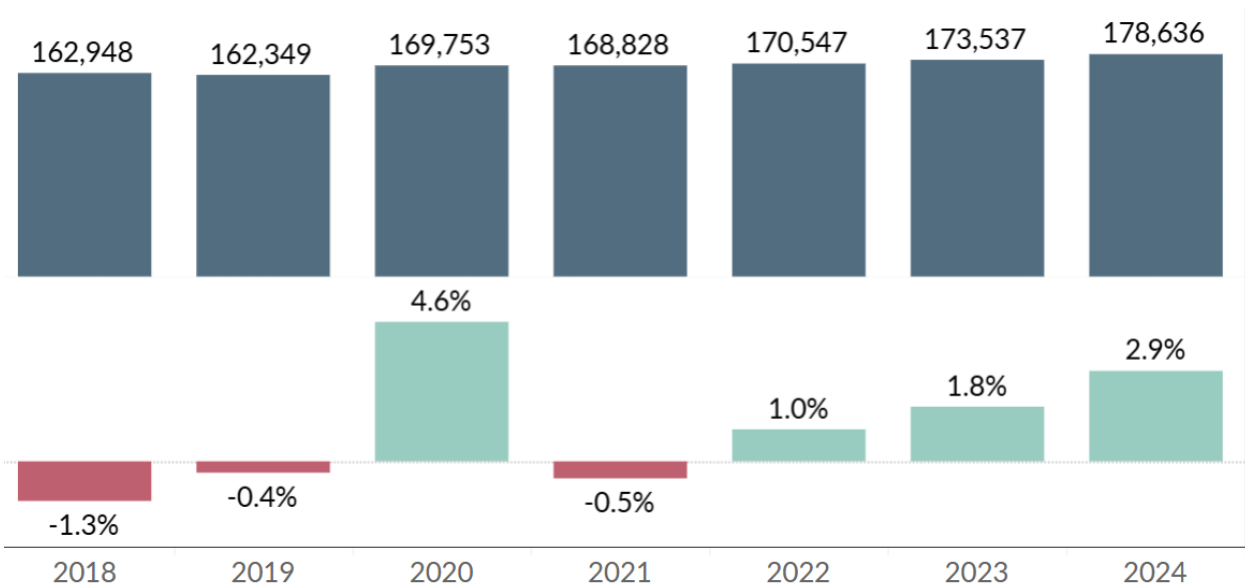
Table 16: Service Manager (SM) Submission Rates for Housing Program Units by Program Type, Ontario, 2023–Next 3 Years

		2023	2024	Next 3 Years
Community Housing (RGI)	SM Count	45	46	33
	Population %	99%	100%	46%
Affordable Housing	SM Count	43	44	31
	Population %	98%	99%	39%

Ontario's RGI housing supply has very few vacancies, while the waitlist surpasses total available units and continues to grow slightly

Community housing (rent-geared-to-income, RGI) units in Ontario have remained largely the same in recent years. While the data shows 178,636 units in 2024, any apparent changes are largely attributable to variations in reporting rates rather than significant growth.

Figure 24: Reported Community Housing (RGI) Units and Annual Percentage Change, Ontario, 2018–2024



Unadjusted
Figures are presented as reported, without adjustments for missing values.

Table 17: Submission Rates by Service Manager (SM) for Community Housing (RGI) Units and Annual Percentage Change, Ontario, 2018–2024

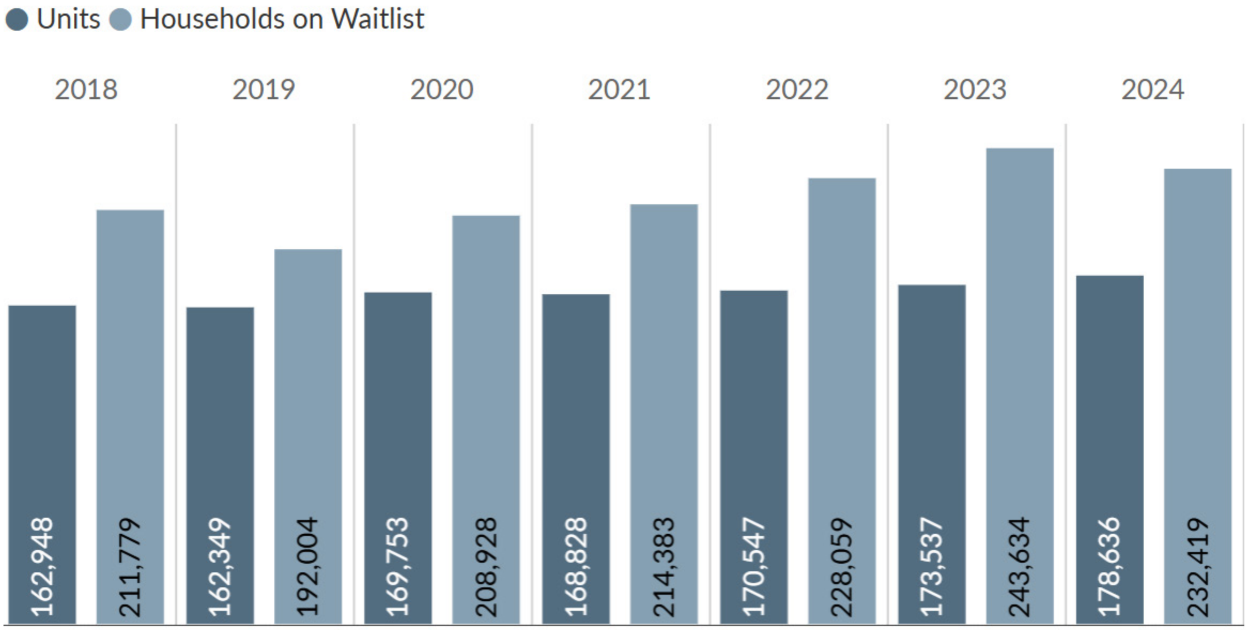
	2018	2019	2020	2021	2022	2023	2024
SM Count	40	40	43	43	43	45	46
Population %	90%	90%	97%	97%	97%	99%	100%

Ontario's RGI housing system is essentially full, with an estimated waitlist of 268,241 households in 2024. This figure is adjusted from the 232,419 households reported by 43 service managers.

Adjusted
Missing values have been filled using additional research or statistical methods.

This waitlist includes people who are at various stages of housing precarity, from those struggling to maintain stable housing to those experiencing homelessness. The lack of available RGI units limits the system's ability to create positive exits for people experiencing homelessness, and reduces options for being able to house people transitioning out of the homelessness system.

Figure 25: Reported Community Housing (RGI) Units and Households on Waitlist, Ontario, 2018–2024



Unadjusted
Figures are presented as reported, without adjustments for missing values.

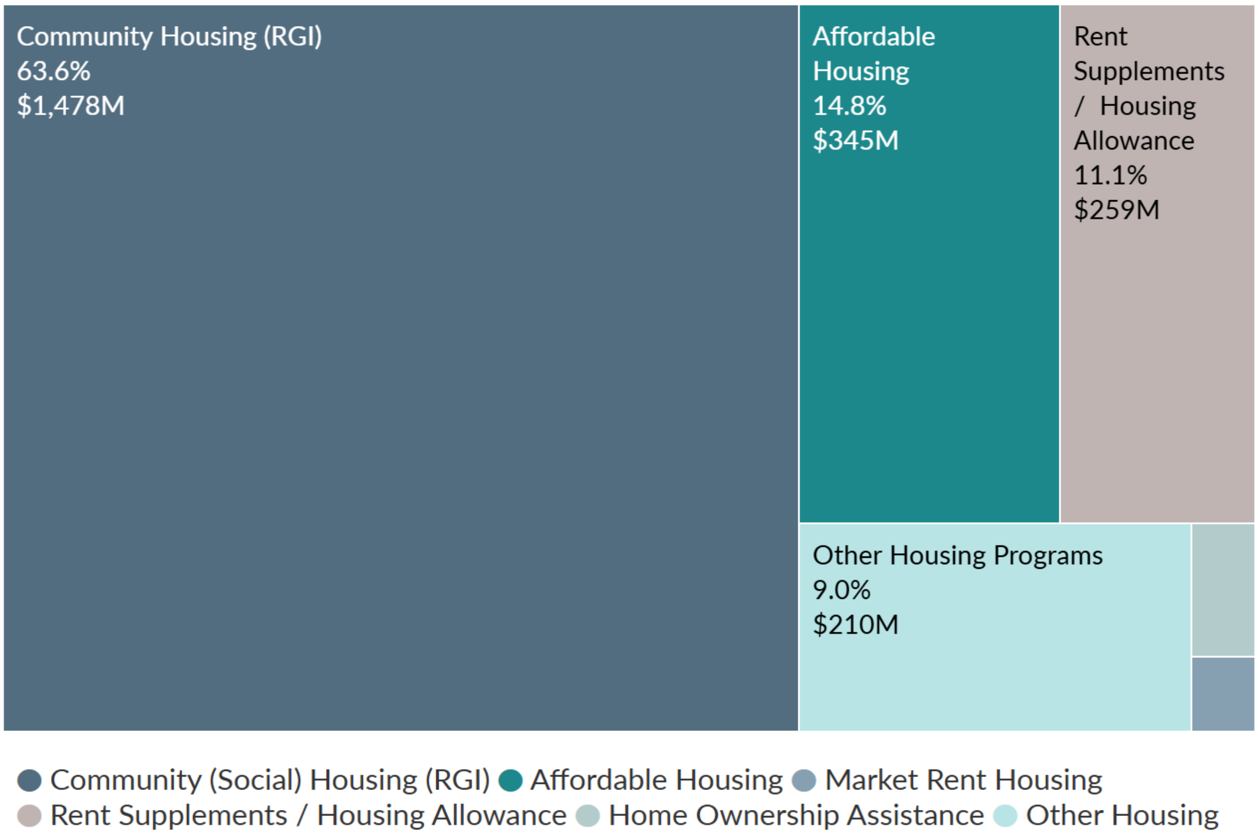
The reliance on an overburdened RGI system exacerbates the problem, as people who are unable to access RGI housing units are more likely to remain in the homelessness system or to require more expensive housing supports, such as emergency shelters or transitional housing. With average rents far exceeding the shelter rates provided by Ontario Works (OW) and Ontario Disability Support Program (ODSP) payments, the availability of RGI and affordable housing is essential to achieving an end to chronic homelessness.

The imbalance between supply and demand, coupled with rising affordability pressures, signals not just an ongoing stress on the RGI system, but also significant inflow into homelessness systems. Without additional capacity to absorb new demand, Ontario's housing system faces a critical risk of instability.

Community housing drives spending, but unmet demand and fewer prevention expenditures risk stress on the system

In 2024, service managers reported total housing program expenditures of $2.32 billion, with 63.6% ($1.48 billion) allocated to community housing (rent-geared-to-income, RGI), reflecting the dominant role of RGI housing in addressing affordability challenges and supporting low-income households.

Figure 26: Reported Total Housing Program Expenditures by Program Type, Ontario, 2024



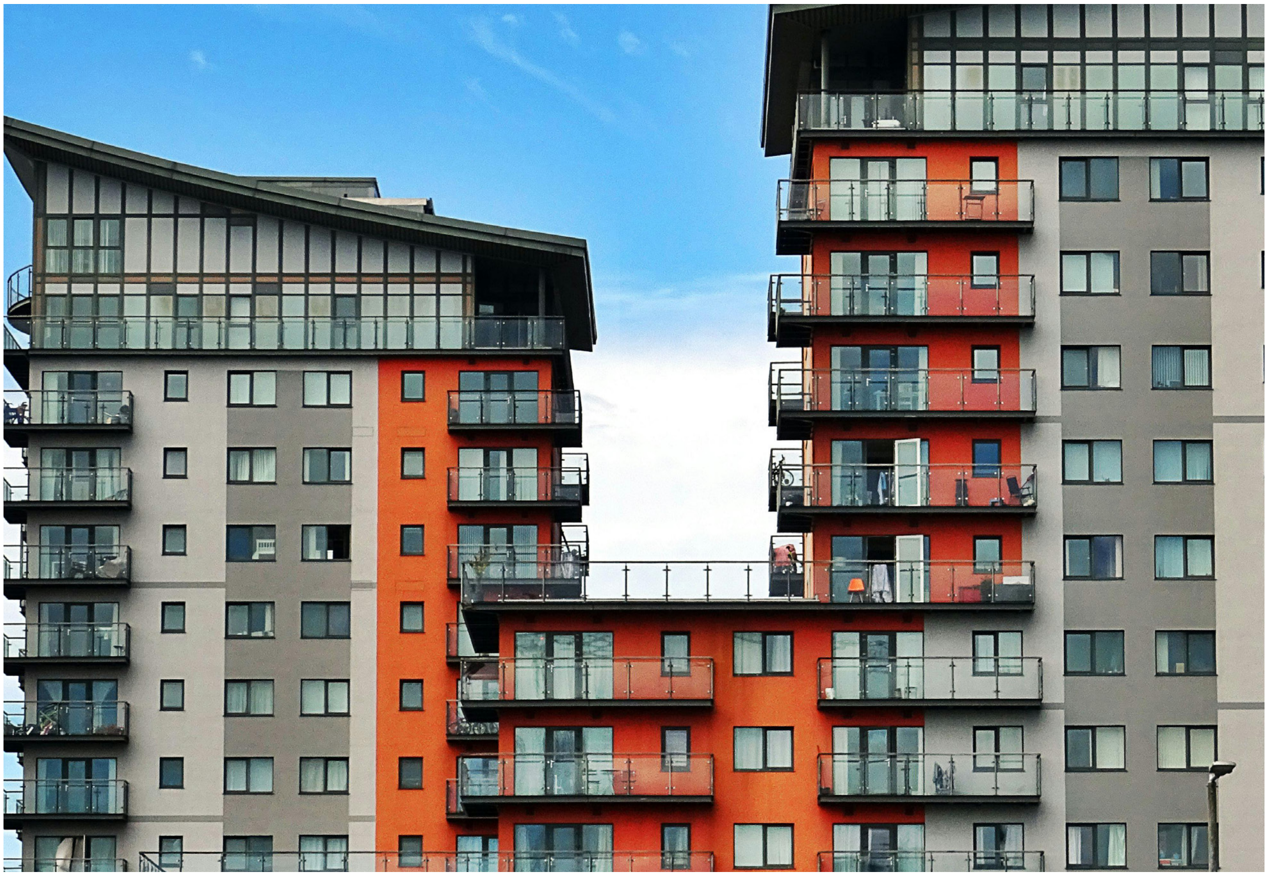
Unadjusted
Figures are presented as reported, without adjustments for missing values.

Table 18: Service Manager (SM) Submission Rates for Allocation of Total Housing Program Expenditures by Program Type, Ontario, 2024

	Community Housing (RGI)	Affordable Housing	Market Rent Housing	Home Ownership Assistance	Rent Supplements / Housing Allow..	Other Housing Programs
SM Count	39	32	17	23	39	31
Population %	96%	89%	26%	50%	87%	72%

Affordable housing programs accounted for 14.8% of expenditures ($345 million), while rent supplements and housing allowances represented 11.1% ($259 million). Other housing programs made up 9.0% of spending ($210 million). The smallest portions of reported funding were allocated to market-rent housing (0.5%) and homeownership assistance (0.9%).

In contrast, service managers reported $957.7 million in emergency-shelter expenditures in 2024. Crisis response remains critically important and should not be viewed as a zero-sum game against other forms of housing investments. However, the scale of spending on emergency shelters—especially since many communities lack access to shelter beds at all—raises questions about whether current allocations meet the system's broader goals. Balancing immediate crisis needs with long-term solutions is important to reduce reliance on high-cost interventions and address the systemic roots of housing instability.



As noted previously, rent-geared-to-income housing is essential to the effective functioning of the homelessness system, but demand far outstrips supply. This imbalance significantly affects both inflow into homelessness and the ability to create positive exits out of homelessness. Additionally, without sufficient investment in prevention strategies—which are generally lower-cost interventions—both system costs and homelessness rates will continue to escalate. These challenges are explored in greater detail in **Part 3: Investing in Solutions.**

Table 19: Housing Program Spending by Program Type, Ontario, 2020–2024

		2020	2021	2022	2023	2024
Community Housing (RGI)	Expenditures	693.4M	1,201.3M	1,290.6M	1,456.7M	1,477.8M
	% of Total	68.2%	73.0%	72.1%	63.0%	63.6%
	SM Average	17,779K	28,602K	31,478K	33,106K	37,893K
	SM Count	39	42	41	44	39
	Population %	74%	97%	96%	99%	96%
Affordable Housing	Expenditures	145.7M	175.5M	144.1M	372.0M	344.8M
	% of Total	14.3%	10.7%	8.1%	16.1%	14.8%
	SM Average	5,024K	5,662K	4,650K	10,627K	10,773K
	SM Count	29	31	31	35	32
	Population %	57%	81%	81%	94%	89%
Market Rent Housing	Expenditures	6.6M	9.4M	8.9M	11.4M	12.2M
	% of Total	0.7%	0.6%	0.5%	0.5%	0.5%
	SM Average	473K	585K	526K	631K	719K
	SM Count	14	16	17	18	17
	Population %	23%	25%	26%	27%	26%
Home Ownership Assistance	Expenditures	3.0M	2.4M	3.7M	13.9M	21.5M
	% of Total	0.3%	0.1%	0.2%	0.6%	0.9%
	SM Average	160K	106K	174K	556K	935K
	SM Count	19	23	21	25	23
	Population %	23%	27%	26%	58%	50%
Rent Supplements / Housing Allowance	Expenditures	97.7M	163.7M	164.9M	218.8M	258.7M
	% of Total	9.6%	10.0%	9.2%	9.5%	11.1%
	SM Average	2,642K	4,094K	4,023K	4,974K	6,634K
	SM Count	37	40	41	44	39
	Population %	63%	86%	86%	99%	87%
Other Housing Programs	Expenditures	69.7M	92.7M	178.0M	240.0M	209.9M
	% of Total	6.9%	5.6%	9.9%	10.4%	9.0%
	SM Average	2,323K	2,810K	5,564K	6,486K	6,771K
	SM Count	30	33	32	37	31
	Population %	49%	72%	71%	85%	72%
Total	Expenditures	1,016.2M	1,645.1M	1,790.3M	2,312.7M	2,324.9M
	% of Total	100.0%	100.0%	100.0%	100.0%	100.0%
	SM Average	6,049K	8,892K	9,783K	11,393K	12,845K
	SM Count	40	43	43	45	42
	Population %	74%	97%	97%	99%	97%

1.6: Housing and Homelessness Funding

BETWEEN 2016 AND 2024, THE ESTIMATED FUNDING FOR HOUSING AND HOMELESSNESS MORE THAN DOUBLED, INCREASING FROM

$1.9 BILLION TO $4.1 BILLION.

This growth highlights a heightened recognition of the urgent need to address housing instability and homelessness across the province. However, the data also shows a significant shift in financial responsibility, with municipalities increasingly shouldering a larger share of costs, particularly for housing programs.

With Ontario's goal of ending chronic homelessness by 2030, these trends raise critical questions about the funding mix and allocation strategies that will be most effective in achieving the target. While federal investments in homelessness funding have increased significantly in recent years, municipalities remain the cornerstone of housing funding in Ontario, accounting for over 65% of housing expenditures by 2024.

Balancing funding responsibilities across all levels of government will be essential to ensure the long-term sustainability of these systems, and to achieve goals, particularly ahead of the projected significant increases in homelessness discussed in the next section.

THESE CHALLENGES WILL REQUIRE A HIGHLY COORDINATED APPROACH, BUILT ON ACCOUNTABILITY AND COLLABORATION, TO ADDRESS INCREASING NEEDS AND TO ENSURE INVESTMENTS ARE ALIGNED WITH OUTCOMES.

Methods and Limitations

Funding data was collected from 47 service managers across Ontario to support targeted analysis of housing and homelessness programs.

DATA COLLECTION AND ESTIMATION

Missing data points were addressed by estimating funding values using year-over-year percentage changes observed in Ontario and locally. This resulted in filling gaps in approximately 16% of the dataset. This process increased total funding estimates by 18%.

CATEGORIZATION

Funding streams were categorized into “housing” and “homelessness” programs for analytical clarity. This involved aggregating specific funding sources into those two categories, which may differ from how funding is reported locally or provincially.

Key Limitations

01 **Data Reflects Actual Disbursements:** The funding reported by service managers reflects amounts received, rather than multi-year funding commitments or public announcements. This distinction means there are differences when comparing these figures to reports that show aggregated commitments over longer periods.

02 **Categorization Challenges:** Many funding streams do not differentiate between housing and homelessness programs. While categorizing funding provides analytical clarity, it may create discrepancies when comparing totals with other sources that use different reporting formats.

03 **Granularity Issues:** Service managers do not always receive detailed breakdowns of provincial or federal contributions within cost-shared programs. This lack of granularity can lead to inconsistencies between local reporting and government datasets.

04 **Scope of Analysis:** Funding streams that are indirectly related to housing or homelessness—such as social supports or infrastructure programs—were excluded from this analysis. These exclusions may result in lower total figures compared to other reports that include broader funding categories.

The analysis includes provincial transfer payments to municipal service managers, but excludes funding directed to Ontario Aboriginal Housing Services and supportive housing providers funded by the Ministry of Health.

05 **Methodological Differences:** The specific approach to collecting and normalizing funding data in this analysis may differ from other reports or publicly available information, making direct comparisons and reconciliation inaccurate.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

Scope of Analysis

This analysis focuses exclusively on funding streams that are directly related to housing and homelessness programs, excluding broader categories like social supports or infrastructure investments. These exclusions mean that total figures presented here may appear lower than those found in reports that include additional funding areas.

Methodological Differences

The methodology used in this analysis to collect and normalize funding data differs from other publicly available reports. For example, funding streams were categorized into “housing” and “homelessness” for clarity, but many programs do not delineate allocations that way. Additionally, the data reflects reported expenditures rather than planned disbursements or multi-year funding commitments.

Given these differences, direct comparisons or reconciliation with other datasets may misrepresent the scope and context of this analysis. The figures presented here are intended to provide a targeted view of funding trends based on submissions by service managers, and should be understood within those specific parameters.

Findings

Ontario's housing and homelessness funding grows, with municipalities playing an increasingly key role

Between 2016 and 2024, total estimated funding for housing and homelessness programs in Ontario more than doubled, rising from $1.9 billion to $4.1 billion, based on data submitted by service managers. This substantial increase reflects the growing need to address housing instability and homelessness across the province. However, the funding trends reveal notable shifts in responsibility among federal, provincial, and municipal governments, with municipalities increasingly bearing a larger share of the overall financial burden, particularly for housing programs.

Table 20: Estimated Funding by Source for Homelessness and Housing Programs ($M), Ontario, 2016–2024

		2016	2017	2018	2019	2020	2021	2022	2023	2024
Homelessness	Federal	46	56	91	141	168	217	257	381	430
	Municipal	133	163	223	239	255	250	499	325	501
	Provincial	272	283	309	333	644	825	642	706	700
	Other	1	2	17	10	14	13	12	41	4
Housing	Federal	297	314	293	241	270	387	341	400	375
	Municipal	792	838	849	923	929	1,132	1,308	1,446	1,644
	Provincial	273	314	226	179	204	282	298	312	319
	Other	92	102	102	97	132	111	132	160	189
Total		1,906	2,072	2,110	2,163	2,616	3,218	3,490	3,772	4,162

Adjusted
Missing values have been filled using additional research or statistical methods.

Table 21: Service Manager (SM) Submission Rates for Estimated Funding by Source for Homelessness and Housing Programs ($M), Ontario, 2016–2024

		2016	2017	2018	2019	2020	2021	2022	2023	2024
Homelessness	SM Count	35	37	38	39	42	44	44	47	43
	Population %	77%	78%	78%	79%	85%	88%	88%	100%	88%
Housing	SM Count	46	46	46	46	46	47	47	47	43
	Population %	80%	80%	80%	80%	80%	100%	100%	100%	88%

Homelessness program funding grew significantly after 2020, rising from $1.08 billion to $1.64 billion by 2024. Municipal contributions nearly doubled during this period, increasing from $255 million in 2020 to $501 million in 2024, while federal funding nearly doubled between 2021 and 2024, increasing by 98%. In contrast, provincial funding for homelessness peaked at $825 million in 2021, before declining to $700 million in 2024.

Housing-program funding, which represents the bulk of total expenditures, steadily rose from $1.4 billion in 2016 to $2.5 billion in 2024. Municipalities accounted for the majority of this increase, with contributions growing by 108%, from $792 million in 2016 to $1.64 billion in 2024. By 2024, municipalities were responsible for 65.1% of all housing funding, up from 54.5% in 2016, illustrating municipalities' growing role in Ontario's housing system. Provincial funding for housing saw a modest increase during this period, while federal contributions remained smaller in scale, reflecting a slower rate of growth relative to municipal investments.

Figure 27: Funding Trends for Homelessness and Housing Programs by Source (Federal, Provincial, Municipal, Other), Ontario, 2016–2024

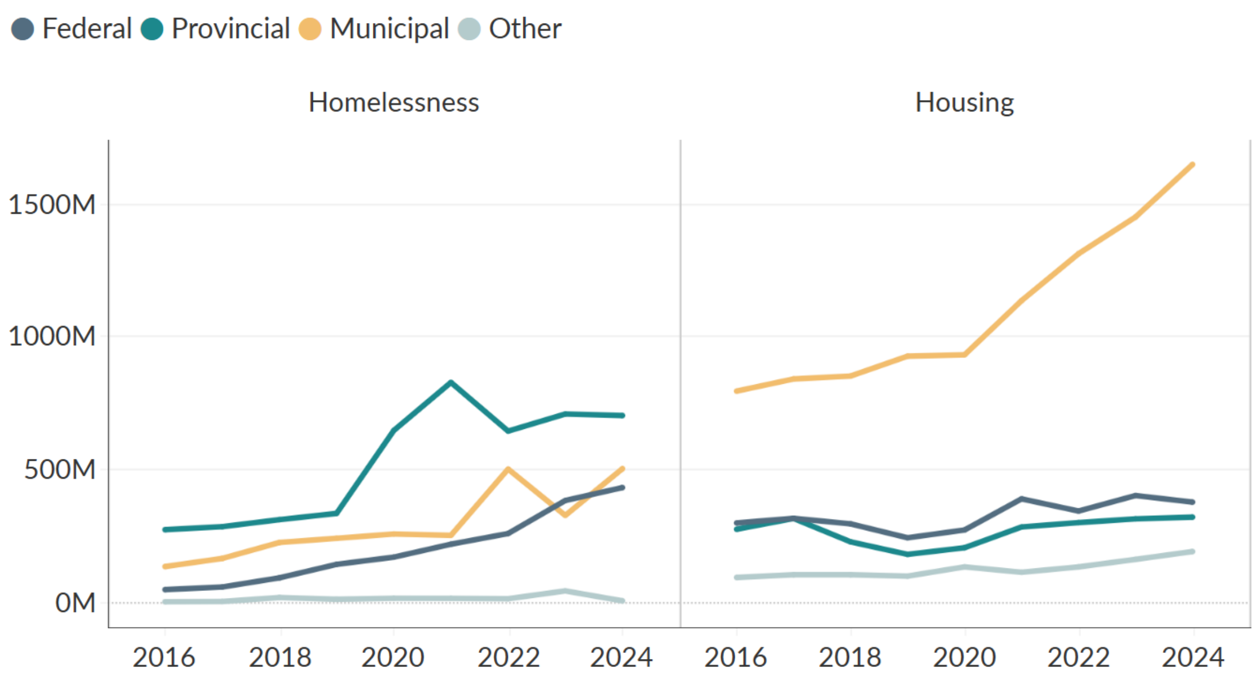


Figure 28: Percent Change in Funding for Homelessness and Housing Programs from 2021 by Source (Federal, Provincial, Municipal), Ontario, 2016–2024

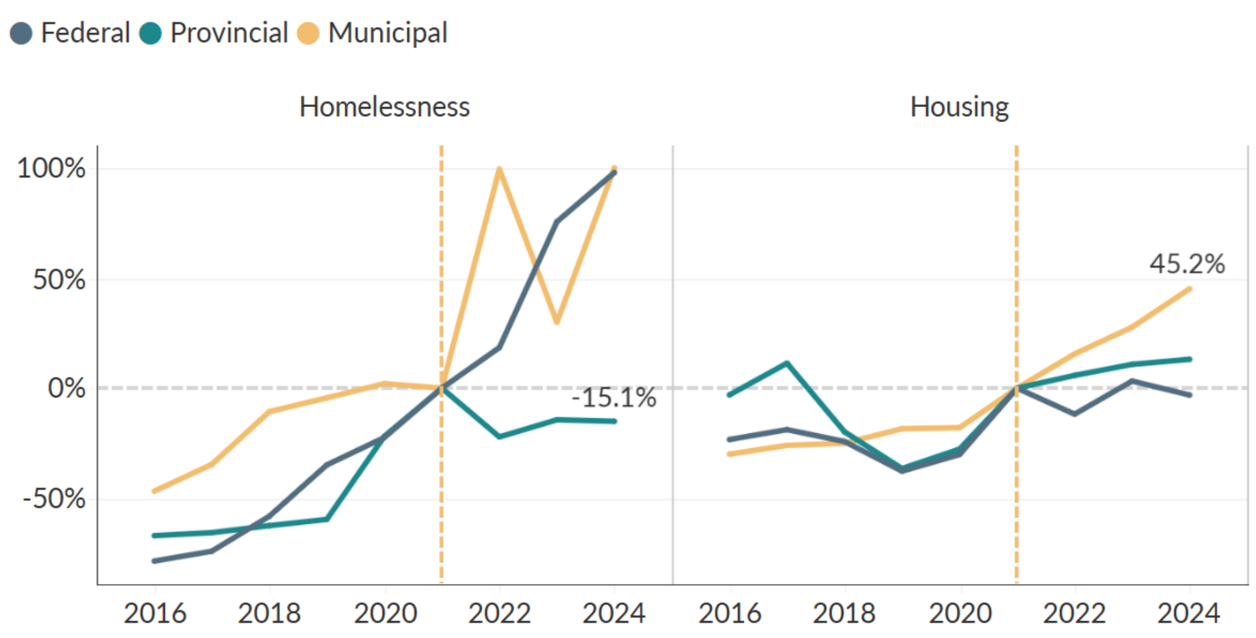


Table 22: Percent Change in Funding for Homelessness and Housing Programs from 2021 by Source (Federal, Provincial, Municipal), Ontario, 2016–2024

Percent Change from 2021

		2016	2017	2018	2019	2020	2021	2022	2023	2024
Homelessness	Federal	46	56	91	141	168	217	257	381	430
		-78.6%	-74.2%	-58.3%	-34.9%	-22.4%	0.0%	18.5%	75.7%	98.1%
	Provincial	272	283	309	333	644	825	642	706	700
		-67.1%	-65.7%	-62.5%	-59.7%	-21.9%	0.0%	-22.2%	-14.4%	-15.1%
	Municipal	133	163	223	239	255	250	499	325	501
		-46.9%	-34.7%	-10.7%	-4.4%	2.1%	0.0%	99.6%	29.9%	100.2%
Housing	Federal	297	314	293	241	270	387	341	400	375
		-23.4%	-18.9%	-24.3%	-37.7%	-30.2%	0.0%	-11.8%	3.2%	-3.1%
	Provincial	273	314	226	179	204	282	298	312	319
		-3.1%	11.4%	-19.9%	-36.6%	-27.7%	0.0%	5.8%	10.8%	13.1%
	Municipal	792	838	849	923	929	1,132	1,308	1,446	1,644
		-30.0%	-26.0%	-25.0%	-18.4%	-18.0%	0.0%	15.6%	27.8%	45.2%

The data highlights that municipalities are not only contributing more funding overall but are also absorbing a larger share of responsibility in real terms. While federal homelessness funding has increased significantly in recent years, municipal governments continue to play a dominant role in housing funding, even as affordability pressures and system demands intensify. Without a proportional increase in provincial contributions to match growing municipal investments, the sustainability of this funding model could face significant challenges.

Figure 29: Percent of Total Program Funding by Source (Federal, Provincial, Municipal), Ontario, 2016–2024

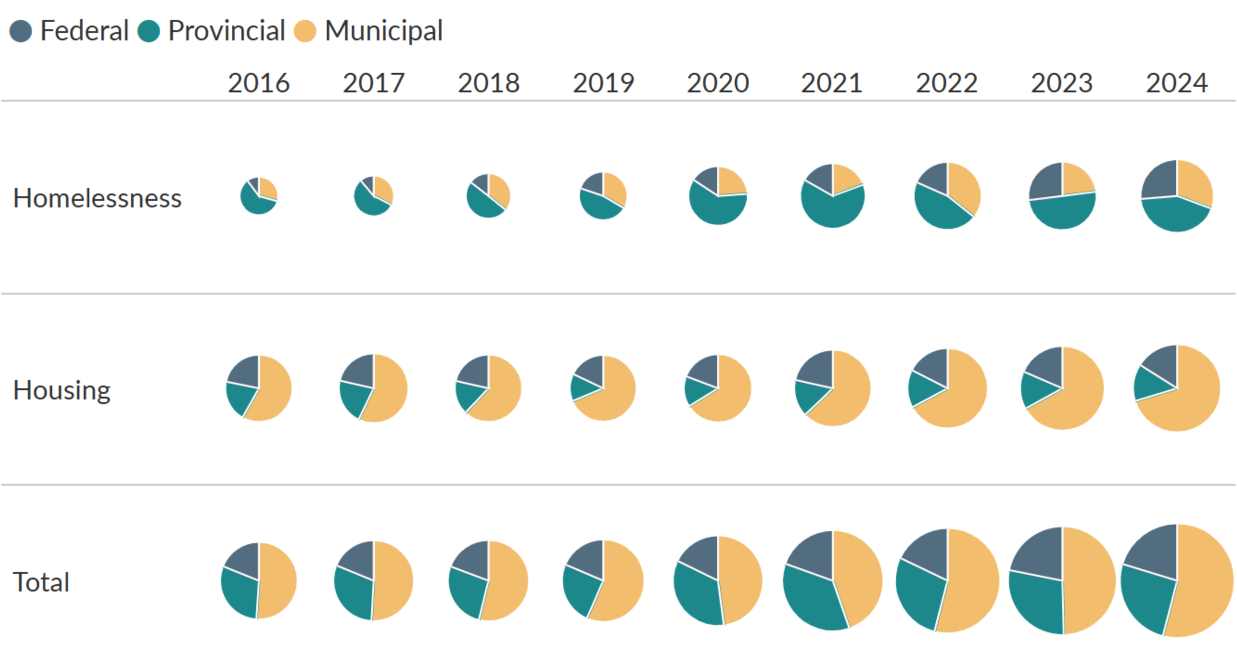
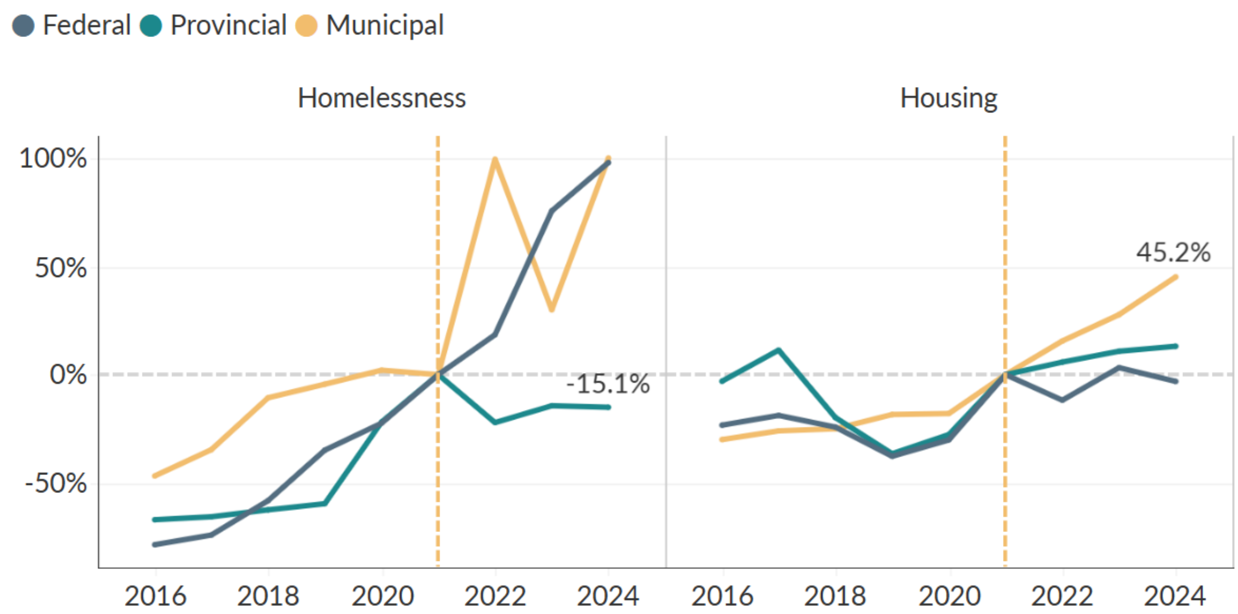


Figure 30: Percent Change in Program Funding from 2021 by Source (Federal, Provincial, Municipal), Ontario, 2016–2024



While federal homelessness funding has increased significantly in recent years, municipal governments continue to play a dominant role in housing funding

Part 2:
A 10-Year Perspective on Homelessness in Ontario

*This section provides a 10-year perspective on homelessness in Ontario, using submitted data from 47 service managers, combined with desk research and advanced statistical modelling techniques. This represents the first instance in Ontario where data directly collected by service managers has been used alongside advanced methods to model homelessness trends across the province. The analysis examines how economic and social factors—such as unemployment, income levels, and housing affordability—may shape **known homelessness** over time.*

2.1: 10-Year Homelessness Projections

BUILDING ON THE FOUNDATIONAL DATA PRESENTED IN PART 1: A NEW LOOK AT ONTARIO'S HOMELESSNESS CRISIS, THIS SECTION EXPLORES HOW KEY ECONOMIC AND SOCIAL FACTORS COULD INFLUENCE HOMELESSNESS UNDER THREE SCENARIOS, WHICH WE ARE CALLING STEADY, DOWNTURN, AND UPTURN.

These projections lay the groundwork for **Part 3: Investing in Solutions,** which examines the potential effects of targeted investments across the housing and homelessness continuum.

By 2035, **known homelessness** in Ontario could range from 128,122 to 294,266 annually, depending on how economic conditions unfold. These projections underscore the significant role of economic and social factors in driving homelessness trends, offering a valuable framework for understanding potential outcomes. By exploring these scenarios, this model provides deeper insights into how shifting conditions may influence the future of homelessness across the province.

Methods and Limitations

To understand how homelessness might change in Ontario over the next decade, we developed a statistical model that examines economic and social patterns. This model analyzes the relationships between homelessness and factors like unemployment, household income, and housing costs and availability. The model uses data from 47 service managers, applying the standardization methods and data discussed in **Part 1: A New Look at the Ontario Homelessness Crisis.** This data was combined with Census 2016 and 2021 data, HART data, and CMHC data on core housing need.

To make projections through 2035, we created three different economic scenarios—steady, downturn, and upturn. Each scenario considers how economic changes might affect factors linked to homelessness. The steady scenario assumes current trends continue, while the downturn and upturn scenarios explore what might happen if economic conditions significantly worsen or improve.

Key limitations of the methodology are described below:

01 **Scope of Analysis:** The model considers only economic and social trends. It does not account for the effect of new programs, policy changes, or funding decisions that could affect homelessness outcomes. These factors are discussed in **Part 3: Investing in Solutions.**

02 **Exclusions:** These projections are based on the data from Part 1 and reflect only **known homelessness**—people identified through service use, enumeration efforts, by-name lists, or other data-collection efforts. While the input data includes a small fraction of people experiencing hidden homelessness, that is incidental and not representative of the broader hidden homelessness population. The model is not designed to account for or project hidden homelessness, nor does it include people in provincially run shelters or those in institutional settings.

03 **Data Quality:** While the model is statistically strong (explaining 90% of historical patterns), it relies on data from 2016 to 2024, which includes the unusual circumstances of the COVID-19 pandemic. Some data points were excluded due to quality concerns or inconsistent collection methods.

04 **Regional Differences:** Ontario's northern communities and non-northern areas experience different housing-market conditions and social factors that may not be fully captured in the model's province-wide assumptions.

05 **Economic Uncertainty:** While the model explores three possible economic futures, unexpected events like global economic shocks or major policy changes could lead to different outcomes than those projected.

06 **Model Assumptions:** The model assumes relatively straightforward relationships between economic conditions and homelessness. In reality, such relationships can be both more complex and more influenced by local factors not captured in the data.

Interpreting this Section

Scenarios

The projections present three possible economic futures and their effect on homelessness in Ontario:

- **Steady** assumes current socioeconomic trends continue, with only gradual changes in employment, income, and housing costs. This scenario provides a baseline for understanding potential homelessness trends under current conditions.
- **Downturn** represents deteriorating conditions, including rising unemployment, declining household incomes, and worsening housing affordability. This scenario helps us understand potential risks and pressures that could increase homelessness.
- **Upturn** reflects improved conditions through better employment rates, rising household incomes, and improved housing affordability. This scenario shows how positive economic changes could affect homelessness rates.

Understanding the Projections

The projections are not exact forecasts but instead a tool for understanding how homelessness might respond to changes in economic conditions. They highlight potential trends and outcomes to guide planning and policymaking.

Regional Definitions and Classifications

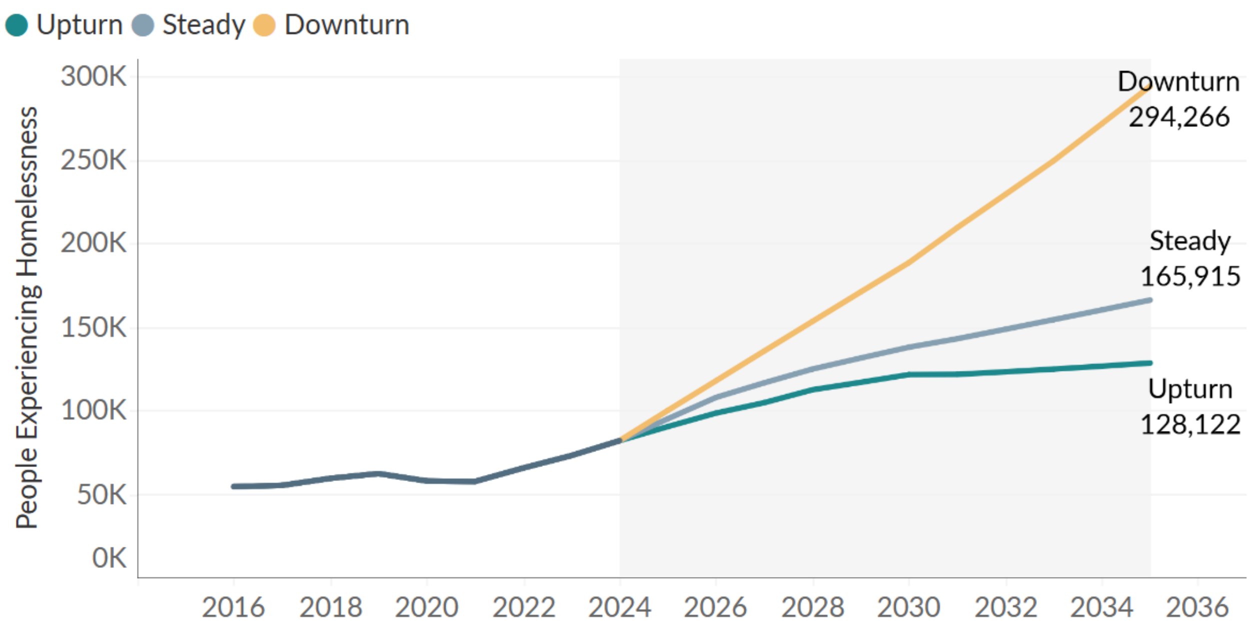
For this analysis, northern communities include those served by District Social Services Administration Boards and the City of Greater Sudbury. All other areas are classified as non-northern communities. **A full list is available in 1.1. People Experiencing Homelessness.**

Findings

In a steady economic scenario, over 160,000 people could experience homelessness in Ontario annually by 2035

The model estimates that the number of people experiencing **known homelessness** annually in Ontario could range from 128,122 to 294,266 by 2035, depending on economic conditions.

Figure 31: Projections of People Experiencing Homelessness Under Different Scenarios, Ontario, 2016–2035



THE ESTIMATE FOR 2024 IS 81,515 PEOPLE EXPERIENCING HOMELESSNESS, A NUMBER DERIVED FROM HISTORICAL DATA COLLECTED BY SERVICE MANAGERS.

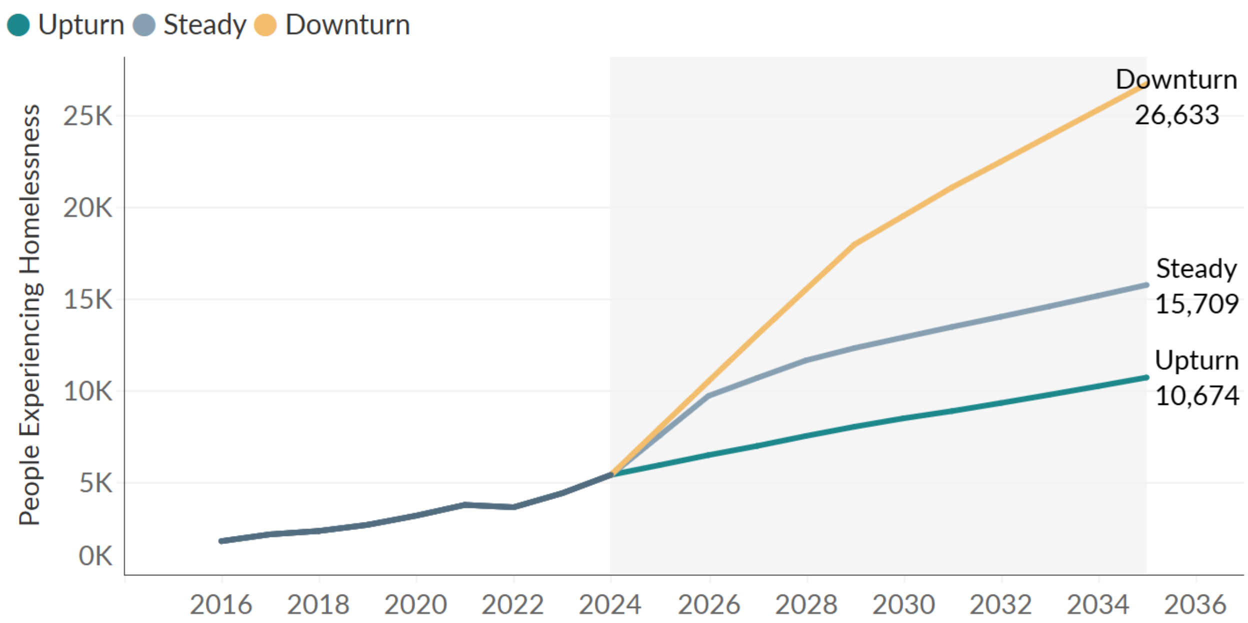
Under a steady economic scenario, which assumes the continuation of current trends, the model projects that approximately 165,915 people could experience **known homelessness** annually by 2035.

That number grows to 294,266 in a downturn scenario marked by higher unemployment, declining incomes, and worsening housing affordability. Conversely, in an upturn scenario with improvements in household incomes, employment rates, and housing affordability, the projection decreases to 128,122.

With stable economic conditions, over 15,000 people in Northern Ontario could experience homelessness annually by 2035, while the non-northern number could exceed 150,000

The number of people experiencing **known homelessness** annually in Northern Ontario could range from 10,674 to 26,633 by 2035, depending on economic conditions. The estimate for 2024 is 5,377 people, derived from historical data collected by District Social Services Administration Boards. Under a steady economic scenario, which assumes the continuation of current trends, the model projects that approximately 15,709 people could experience **known homelessness** annually by 2035.

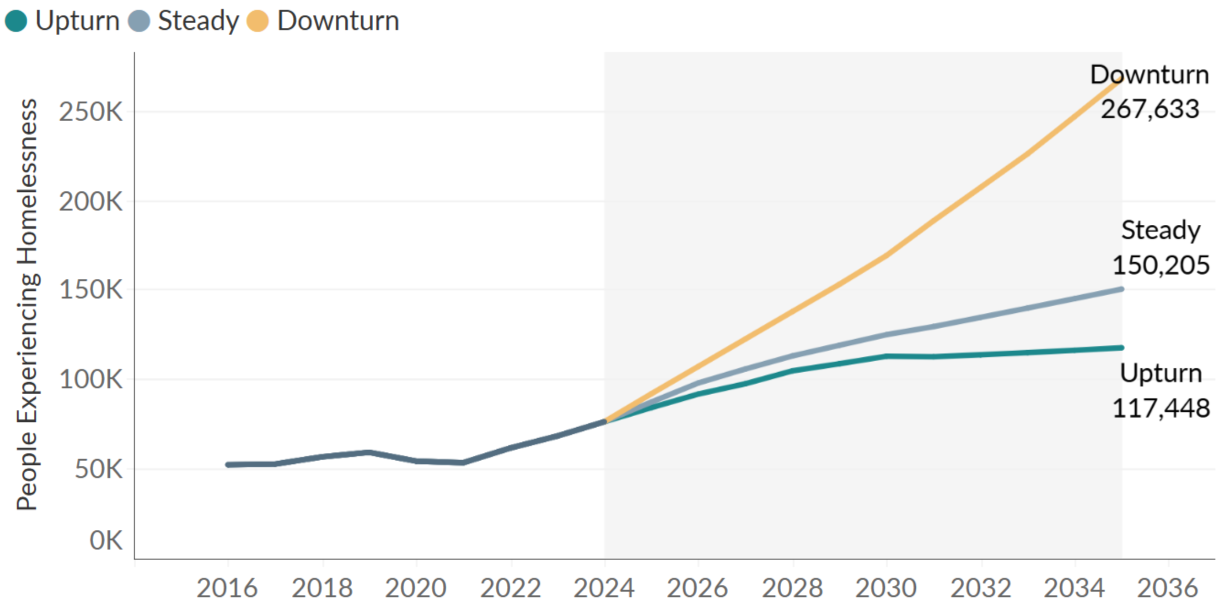
Figure 32: Projections of Number of People Experiencing Homelessness in Northern Ontario Under Different Scenarios, 2016–2035



This number rises to 26,633 in a downturn scenario marked by higher unemployment, declining incomes, and worsening housing affordability. Conversely, in an upturn scenario with improvements in household incomes, employment rates, and housing affordability, the projection decreases to 10,674.

Depending on economic conditions, the estimated number of people experiencing **known homelessness** annually in non-northern regions could range from 117,448 to 267,633 by 2035. Under a steady economic scenario, which assumes the continuation of current trends, the model projects that approximately 267,633 people could experience **known homelessness** annually by 2035.

Figure 33: Projections of Number of People Experiencing Homelessness in Non-northern Regions of Ontario Under Different Scenarios, 2016–2035



This number rises to 267,633 in a downturn scenario marked by higher unemployment, declining incomes, and worsening housing affordability. Conversely, in an upturn scenario with improvements in household incomes, employment rates, and housing affordability, the projection decreases to 117,448.

Part 3:
Investing in Solutions

Scenario modelling is a tool used to explore potential outcomes based on specific investments or interventions. Unlike predictive modelling, which forecasts what will likely happen, scenario modelling examines what could happen under different assumptions or targeted actions. This approach helps governments, communities, and decision-makers understand the potential effects of specific strategies, identify gaps, and weigh options for achieving desired outcomes.

There is no single answer to addressing homelessness and housing instability. The scenarios presented here propose a recommended mix of interventions designed to deliver sustainable long-term solutions. Two scenarios are explored: the first examines what is needed to achieve an end to chronic homelessness to functional zero over a decade, while the second focuses on preventing and solving encampments through immediate action.

Rather than prescribing detailed actions for individual communities, these scenarios explore a systems-level framework for understanding the overall mix of resources, programs, and investments that could be needed. Costs, program combinations, and implementation strategies will vary, and must be adapted to local circumstances.

3.1: Scenario 1, Modelling an End to Chronic Homelessness

THIS SCENARIO CONSIDERS WHAT IT WOULD TAKE FOR ONTARIO TO REACH FUNCTIONAL ZERO HOMELESSNESS ACCORDING TO THE "BUILT FOR ZERO" MODEL DEVELOPED BY THE CANADIAN ALLIANCE TO END HOMELESSNESS.

Under this model, ending homelessness does not mean homelessness never occurs; instead, it means the systems in place respond quickly and effectively, making homelessness rare, brief, and non-recurring. In other words, the network of supports—to address structural challenges like income security and health—achieves a state of dynamic equilibrium, or "stasis,"[5] whereby the system balances needs and resources, preventing prolonged housing instability.

Reaching this level of stability requires a robust social infrastructure and dedicated resources capable of addressing a wide range of housing challenges. From people sleeping in public spaces to those facing complex mental-health conditions, the response system must be flexible, coordinated, and able to adapt to diverse circumstances. By ensuring that unsafe or temporary living situations occur much less often and then are quickly resolved when they do occur, the homelessness-serving system is able to ensure homelessness remains manageable, short-lived, and exceptionally rare.

This scenario focuses on leveraging and enhancing the current system to address the full spectrum of homelessness, from low acuity to high acuity. It emphasizes expanding the supply of supportive and affordable housing, strengthening housing-focused case management, and scaling prevention and diversion programs to reduce the inflow into homelessness. Such an interconnected approach ensures that people receive the right support at the right time, preventing prolonged shelter stays or returns to homelessness.

This scenario assumes that the current homelessness-response system can adapt, evolve, and—fundamental to any systems change—improve, to build on existing investments in housing and homelessness programs, while addressing critical gaps to create a system that aligns supply with demand. This approach seeks to deliver housing stability and long-term sustainability by optimizing what already exists, without requiring a complete overhaul of Ontario's homelessness response.

Methods and Limitations

To model the investments required to end chronic homelessness in Ontario, Scenario 1 uses data collected from Ontario's 47 service managers. This data forms the foundation of the projections, representing the ecosystems that service managers can observe and influence. While homelessness is inherently complex and interconnected with broader systems, this model focuses specifically on what can be achieved within the housing and homelessness sectors as represented by service managers' data. Data from parts 1 and 2 serve as starting points for this projection.

Key limitations of the methodology are desribed below:

01 **Definitions and Costs:** What is modelled here reflects housing and homelessness programs run through service managers. It does not include all types of supportive housing, such as health-run programs addressing the highest acuity of needs with intensive medical care, a significant gap in the current system. Therefore, these numbers may differ from other estimates of what is required, which might follow a more expansive definition of supports, particularly supportive housing.

02 **Cost Variations:** The operating and capital cost averages used in this model were derived from data reported by service managers. Because this modelling focuses on the programs and costs administered by service managers, those costs may not reflect the full spectrum of needs and expenditures for additional programs.

03 **Regional Variations:** Province-wide averages for costs and needs were used as a starting point, but they do not reflect the substantial regional differences in service delivery and costs. Using the province-wide averages as benchmarks for funding to be allocated to specific service managers would be inappropriate and potentially misleading.

04 **System Optimization Assumptions:** Scenario 1 assumes a better-functioning and more optimized system, including necessary investments in health, justice, education, and prevention systems, as well as relatively low negative exit rates, defined as better housing retention.

05 **Placement Assumptions:** The model presumes that people are matched to the right spaces for their needs—an ideal scenario where, for example, someone who requires supportive housing is not placed in a high-cost long-term care facility due to lack of alternatives. However, this assumption does not reflect the current realities of the system, where mismatches often occur due to resource constraints.

06 **Data Standardization:** Projections rely on data provided by service managers, which may include inconsistencies or gaps due to variations in data-collection methods. This challenge was compounded by the need to standardize data across 47 service managers with differing definitions, capacities, and resources.

07 **Economic and Policy Uncertainty**: Projections do not account for unforeseen challenges, such as economic downturns, emerging drug crises, or significant shifts in policy or funding that could affect homelessness outcomes.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

Net New Spaces

The projections estimate the number of additional spaces needed to achieve functional zero for chronic homelessness. These net new spaces are based on assumptions about current capacity and the investments required to stabilize the system and address unmet needs.

Over time, as homelessness prevention efforts expand and positive exit rates increase, the need for certain crisis responses is expected to decline. This will allow the system to shift resources strategically, focusing on long-term housing stability rather than emergency measures.

Inflows and Outflows

Achieving functional zero means addressing both the inflows of people entering homelessness and the outflows of people successfully transitioning into stable housing. That balance ensures that homelessness is rare, brief, and non-recurring.

Housing Choice

Although not explicitly modelled, individual choice in housing placement is critical. Ensuring that people are matched with housing that meets their specific needs is essential for long-term stability and success.

Understanding the Projections

The projections are not precise forecasts, but rather a means for exploring how specific investments could stabilize and improve the housing and homelessness system. They highlight opportunities for progress, while acknowledging systemic challenges.

Findings

$11 billion over 10 years to end chronic homelessness

Achieving functional zero homelessness in Ontario through an optimized and scaled homelessness-serving system requires significant and targeted investments. These investments fall into two main categories: operational expenses and capital expenses. Together, they reflect the resources needed to expand capacity, address critical gaps, and align the system with the needs of people experiencing homelessness.

To achieve functional zero, inflows into homelessness must be decreased. This scenario addresses both current and future chronic homelessness through substantial investment in affordable housing and prevention, while also managing the need to support outflow from homelessness.

Operational Expenses

Operational expenses include the ongoing funding required for solutions, including supportive housing, case management, prevention programs, and rent assistance. Over 10 years, these costs are estimated at $3.3 billion, or approximately $329 million annually.

This funding is in addition to the current $4.1 billion reported annually by service managers for existing homelessness and housing programs.

Operational expenses prioritize expanding the programs that have the greatest effect on long-term housing stability, as described below.

SUPPORTIVE HOUSING

$165 million over 10 years, so that people with high needs receive housing paired with wraparound services.

TRANSITIONAL HOUSING

$90 million over 10 years, providing short-term support for people transitioning from homelessness.

HOUSING AND CASE MANAGEMENT

$231 million over 10 years, supporting people with moderate needs through intensive case management.

PREVENTION/DIVERSION PROGRAMS

$17.5 million over 10 years, reducing inflow into homelessness through early intervention.

RENT ASSISTANCE

$1.25 billion over 10 years, to support securing and maintaining housing through subsidies.

Capital Expenses

Capital expenses represent the funding required to build and develop new housing infrastructure. Over 10 years, the total capital investment needed is estimated at $7.7 billion. Most of that investment—$7.4 billion—is allocated to subsidized housing, which reflects the scale of the affordable-housing shortage in Ontario.

Other capital investments focus on addressing specific program needs.

SUPPORTIVE HOUSING

$250 million, creating 1,000 net new spaces for people with high-acuity needs.

TRANSITIONAL HOUSING

$60 million, supporting shorter-term housing solutions and 600 net new units.

Balancing Investments

This approach balances infrastructure development with program delivery. Capital investments ensure the availability of physical spaces, while operational funding supports the services required to make those spaces effective. For example, subsidized housing requires building units and ongoing rent subsidies to ensure affordability for renters.

The Bottom Line

The combined investments total $11.0 billion over 10 years, including $7.7 billion allocated to capital expenses and $3.3 billion for operational expenses, while assuming the continuation of current annual investments totalling $4.1 billion. Though these costs are substantial, they reflect the urgency of the housing crisis in Ontario. As noted in Part 1, there are currently 232,419 households on the waitlist for community housing, with a median wait time of five years. In addition, projections indicate that more than 165,000 people could be experiencing homelessness by 2035.

Nearly $1 billion annually ($957.7 million) is spent on emergency shelters, a necessary system component that neither prevents inflow into homelessness nor facilitates long-term outflow. This functional limitation contributes to the increasing proportion of chronic homelessness within overall homelessness rates.

INVESTING IN HOUSING AND PREVENTION MEASURES ADDRESSES THE IMMEDIATE CRISIS. IT REDUCES LONG-TERM COSTS BY MINIMIZING RELIANCE ON EMERGENCY SHELTERS AND ALLEVIATING HEALTHCARE, JUSTICE, AND OTHER PRESSURES ON SOCIAL SYSTEMS.

Capacity Expansion and Acuity Alignment

With the investments outlined above, and acknowledging that both capital and operational costs vary significantly across the province due to regional differences, inconsistent definitions, and local operational practices, this scenario estimates the addition of 75,050 net new unit and caseload spaces over the next 10 years. These new spaces are designed to address critical gaps and to better align resources to the needs of people experiencing homelessness.

This modelling approach emphasizes the need for a significant expansion in affordable housing, while maintaining essential crisis response capacities like emergency shelters and outreach supports. Over time, strategic repurposing of transitional or emergency facilities will allow the system to adapt to changing population needs and housing-market pressures.

Net New Capacity

The proposed capacity expansion focuses on several key program types.

AFFORDABLE HOUSING

An additional 40,000 spaces will address the critical shortfall in affordable housing. This program is particularly effective for low- and moderate-acuity needs for people who require minimal supports and need long-term stability.

RENT ASSISTANCE

Adding 32,000 subsidies will help at-risk households secure or maintain housing in the private rental market, providing a crucial buffer against homelessness.

SUPPORTIVE HOUSING

With 1,000 new spaces, this program targets people with high-acuity requirements who need intensive support, combining permanent housing with wraparound services to ensure long-term success.

HOUSING AND CASE MANAGEMENT

The addition of 1,000 new spaces will allow support for people with moderate needs through intensive case management.

TRANSITIONAL HOUSING

The addition of 600 spaces will provide short-term accommodations for people in crisis, helping them transition into permanent housing solutions.

PREVENTION AND DIVERSION PROGRAMS

An additional 450 spaces will be dedicated to early intervention efforts, reducing inflow into homelessness through targeted support.

Acuity Alignment

The capacity expansion has been designed to match the diverse acuity levels of people experiencing homelessness.

HIGH ACUITY

For people with the most complex and ongoing needs, such as chronic health conditions or severe mental-health challenges, programs like supportive housing and intensive case management are prioritized.

MODERATE ACUITY

For those who require temporary or moderate support, transitional housing, rent assistance, and moderate-intensity case management programs are key interventions.

LOW ACUITY

For people with minimal support needs, subsidized housing and prevention/diversion programs offer stable housing solutions without intensive services that are not required.

Addressing System Bottlenecks

Emergency shelters and outreach programs remain critical components of the homelessness-response system. These services provide essential crisis intervention, stabilize people during acute crises, and connect them to broader resources. However, the current system relies too heavily on emergency shelters, with many people unable to exit due to a lack of appropriate long-term housing options. This reliance stretches shelter capacity and drives increases in unsheltered homelessness.

This scenario emphasizes the importance of creating spaces where people can exit to stable housing, helping to prevent prolonged stays in shelters and encampments. The approach aims to reduce reliance on shelters over time by expanding housing options for people across acuity levels. While crisis response will remain an essential part of the system and may even require temporary short-term expansion, the ultimate solution rests in ensuring adequate and appropriate spaces for people to transition out of homelessness.

This scenario emphasizes the importance of creating spaces where people can exit to stable housing

Integration into Broader Systems

Building capacity is critical, but it is not enough to achieve long-term success in reducing homelessness. Without substantial investments in direct service provision—particularly in substance use and mental health supports within the healthcare system—the true gains from the recommended $11-billion investment in housing and homelessness programs will not be fully realized. Minimizing negative exits and ensuring people do not cycle back into the system requires a coordinated, multi-system effort that addresses the broader social determinants of homelessness.

Expanding housing capacity is a critical step toward addressing homelessness. Still, it must be paired with broader optimization and alignment efforts across critical systems, including health, justice, immigration settlement, education, and poverty reduction/financial support. Housing and homelessness responses depend on these complementary systems to create pathways for long-term stability and reduce the inflow into homelessness.

The optimization scenario in the model recommends improvements in the following:

HEALTH SYSTEM

Investments in addiction treatment, detox programs, primary care, and preventative health measures are essential to supporting people as they transition out of homelessness and maintain housing stability.

JUSTICE SYSTEM

The development of diversion courts, community safety initiatives, and crime prevention strategies reduces the overrepresentation of justice-involved people in homelessness and creates better reintegration pathways.

IMMIGRATION & SETTLEMENT SYSTEMS

Targeted support for newcomers and refugees mitigates the risks that can lead to homelessness, ensuring alignment between housing responses and settlement services.

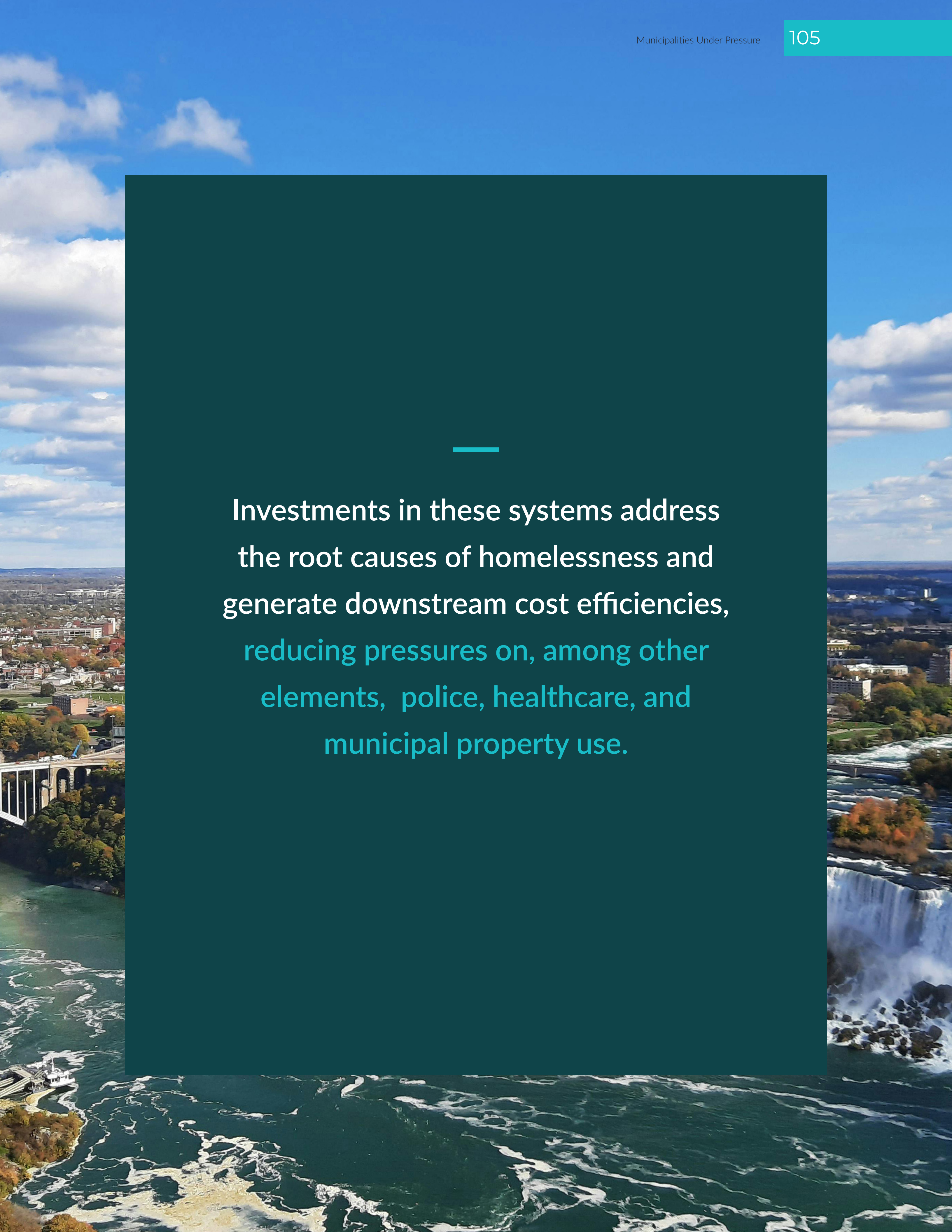
EDUCATION SYSTEM

Early prevention through community education and outreach addresses the root causes of poverty and homelessness, helping individuals and families before they face housing crises.

FINANCIAL SUPPORT SYSTEMS

Poverty reduction initiatives and income stabilization programs are critical to preventing at-risk populations from entering homelessness in the first place.

WHILE HOUSING-FOCUSED SOLUTIONS ARE CENTRAL TO THIS MODEL, THEY DEPEND ON A COHESIVE, MULTI-SYSTEM EFFORT TO ADDRESS IMMEDIATE AND SYSTEMIC NEEDS.



Investments in these systems address the root causes of homelessness and generate downstream cost efficiencies, reducing pressures on, among other elements, police, healthcare, and municipal property use.

3.2: Scenario 2, Modelling a $2 Billion Investment

THIS SCENARIO MODELS HOW A TARGETED $2 BILLION INVESTMENT COULD ADDRESS ONE OF ONTARIO'S MOST VISIBLE AND PRESSING CHALLENGES: ENCAMPMENTS.

Encampments reflect complex systemic issues, and the number of people residing in them varies widely due to challenges in enumeration. Definitional inconsistencies—whether counting tents, individuals, or sites—make data unreliable. Encampments range significantly in size, from small clusters to larger settlements of 50 or more people. Their transient nature, combined with shifting policies on sanctioned or unsanctioned sites, further complicates modelling efforts. Despite discrepancies in estimating the number of people living in encampments, the evidence is sufficient to show that addressing encampments requires urgent and immediate action.

The reasons people reside in encampments are diverse and intersecting. While some people require intensive supports, others face barriers stemming from housing affordability, accessibility, or gaps in prevention systems. People reside in encampments for many reasons, including barriers to accessing shelters, such as restrictive policies, safety concerns, or the lack of accommodations for families or pets. For some, these barriers are compounded by discrimination or systemic inequities, including those based on race, indigeneity, gender, sexuality, or other identities. Others face challenges stemming from substance use, mental health issues, or prior bans from shelters.

THIS SCENARIO FOCUSES ON HOUSING AND SUPPORT SOLUTIONS THAT DELIVER URGENT AND IMMEDIATE ACTION WHILE ENSURING LONG-TERM, SUSTAINABLE OUTCOMES. IT EMPHASIZES INTERVENTIONS THAT STABILIZE PEOPLE QUICKLY, ADDRESS ROOT CAUSES, AND CREATE PATHWAYS OUT OF ENCAMPMENTS TO PREVENT RECURRENCE—NOT SIMPLY TEMPORARY SOLUTIONS.

Methods and Limitations

This scenario shares the same methodological limitations as Scenario 1, including its reliance on programs funded by service managers, a narrow definition of supportive housing programs run through the housing and homelessness system, cost variations, assumptions about system optimization, and the use of province-wide averages, which should not be used as benchmarks for individual service managers or regions.

Additionally, Scenario 2 is constrained by inconsistent and incomplete data on the number of people living in encampments, how these populations fluctuate throughout the year, and the current state of encampments.

Further methodological details can be found in the Technical Notes section.

Interpreting this Section

Differences Between Scenario 1 and Scenario 2

Scenario 2 is distinct from Scenario 1 in both principle and purpose. While Scenario 1 models what is required to end chronic homelessness over 10 years, Scenario 2 focuses on immediate action to address the significant and visible challenge of encampments within a shorter timeframe. Scenario 2 models a $2-billion investment to be deployed over three years, with ongoing operational support for housing continuing for an additional five years, for a total of eight years.

Scenarios 1 and 2 represent fundamentally different approaches to addressing homelessness. Scenario 1 focuses on achieving a specific outcome—ending chronic homelessness—over a 10-year period, while Scenario 2 models the effects of a $2-billion investment aimed at addressing the immediate and urgent issue of encampments. These scenarios address different aspects of the broader homelessness crisis and are not directly comparable or additive.

Sustaining Support for Immediate Action

Scenario 2 prioritizes immediate action to address the urgent needs of people currently living in encampments, many of whom face significant harm and lack access to safe, stable housing. The investment modelled here focuses on capital and operating expenses for the first three years to address the immediate crisis, with an additional five years of continued operating support to ensure the investments made during the initial period are sustained.

Findings

A $2-billion investment toward preventing and solving encampments

Encampments and unsheltered homelessness are among Ontario's most pressing and visible challenges, requiring fast, decisive, and coordinated action. Scenario modelling was designed around a fixed $2 billion investment; however, the final modelled amount came to $2.017 billion, which allowed for the creation of 5,700 net new housing and support spaces. These spaces would provide immediate capacity to stabilize people, reduce the instability caused by encampments, and prevent their recurrence or displacement. This approach aims to improve safety and wellbeing for both individuals and communities.

While focusing solely on encampments misses a broader opportunity to address homelessness sustainably as a whole, this approach does enable immediate, measurable progress. The first three years of this investment could stabilize housing for approximately 8,443 people, representing 10.4% of the total estimated known homeless population for 2024 (81,515 people) referenced in Part 1. Over the implementation period, these spaces are expected to result in 27,812 service interactions over eight years, as a measure of how many times spaces or supports are actively accessed. This reflects the dynamic nature of the system, as people move in and out of homelessness and may access more than one type of support, rather than representing unique individuals.

Net New Capacity

This model presupposes the creation of 5,700 net new spaces, designed to address diverse needs across the homelessness system. While many encampment residents could benefit from high-acuity supports, others could be effectively supported through medium- or low-acuity housing solutions. At a local level, these spaces must be tailored to address specific needs, varying in design based on the populations they serve. Understanding who resides in encampments, why they are there, and potential barriers to accessing existing crisis responses is essential for ensuring these spaces are effective.

For example, if data shows that youth are overrepresented in encampments, gender-specific transitional housing programs could divert young people from these settings. Similarly, culturally safe Indigenous-led supportive housing could meet the needs of Indigenous populations, while specialized housing may be required for people dealing with the long-term effects of substance use or brain injuries. Tailored approaches like these are critical to addressing the most significant barriers to stability.

THE LONGER PEOPLE EXPERIENCE HOMELESSNESS, THE MORE LIKELY THEY ARE TO DEVELOP HIGHER NEEDS, UNDERSCORING THE NEED FOR IMMEDIATE AND COORDINATED ACTION TO STABILIZE PEOPLE'S CIRCUMSTANCES AND ADDRESS SYSTEMIC DRIVERS OF ENCAMPMENTS.

Table 23: Net New Spaces and Service Interactions by Program Type, 3-Year and 8-Year Totals

Program Type	Net New Spaces (3 Years)	Service Interactions (8 Years)
Supportive Housing	3,000	6,240
Transitional Housing	600	3,480
Housing and Case Management	600	1,302
Prevention/Diversion	1,000	15,625
Rent Assistance	500	1,165
Total	**5,700**	**27,812**

Capital Expenses

Capital costs represent the funding required to build and develop new housing infrastructure. Over three years, the total capital investment is estimated at **$810 million,** which focuses on constructing net new supportive and transitional housing units.

SUPPORTIVE HOUSING

$750 million, creating 3,000 net new spaces for people with high-acuity needs.

TRANSITIONAL HOUSING

$60 million, supporting shorter-term housing solutions with 600 net new spaces.

These investments are critical to rapidly increasing the system's capacity to address the immediate need for housing and stabilization options.

Supportive Housing

As noted in the Methods and Limitations sections for Scenarios 1 and 2, supportive housing is a broad term used to describe a wide range of housing programs that provide various levels of support and intervention. These programs may differ significantly in their purpose, intensity, and funding models. For example, some supportive housing programs involve lighter-touch interventions managed by housing and homelessness teams, while others provide intensive health supports, funded through the Ministry of Health, and resemble long-term care facilities in their complexity.

In this scenario, an annual operating cost of $40,000 per unit was used as a baseline, derived from data provided by service managers and adjusted upward to reflect the typical range of supports offered. However, the variability in supportive-housing models means this figure may not fully capture the costs of more intensive programs, such as health-run programs addressing severe health or substance-use challenges.

Operational Expenses

Operational costs encompass the ongoing funding required to run these spaces and deliver housing-focused solutions over an eight-year period. These costs are estimated at **$1.2 billion,** or approximately **$151 million annually.**

Operational investments prioritize programs that provide both immediate stabilization and longer-term housing outcomes.

SUPPORTIVE HOUSING

$840 million over eight years, providing housing paired with wraparound services for people with higher and more complex needs.

HOUSING AND CASE MANAGEMENT

$189 million over eight years, supporting people with moderate needs through tailored case management.

TRANSITIONAL HOUSING

$126 million over eight years, offering short-term support for people transitioning from homelessness.

PREVENTION/DIVERSION PROGRAMS

$52.5 million over eight years, reducing inflow into homelessness through early interventions.

Regional Differences

Encampments and unsheltered homelessness are not unique to urban or non-northern communities. They affect rural and urban areas across Ontario, with significant effects in both northern and non-northern contexts. However, Northern Ontario faces distinct challenges that require tailored considerations in this scenario. A lack of infrastructure and limited local service capacity often force people to migrate to urban centres in search of support, exacerbating pressures on urban systems while obscuring the full scale and complexity of homelessness in the north.

In the context of this scenario, Northern Ontario's need for housing and support spaces could account for as much as 20% of the total projected requirement, considering the north's rapid homelessness growth rates and the greater needs of underserved Indigenous communities. These spaces must be designed to address both the immediate crisis of encampments and the systemic barriers that perpetuate homelessness in these regions.

While the actual number of people experiencing homelessness in Northern Ontario is lower than in urban or non-northern areas, these figures obscure the outsized effect that complex homelessness in the north has on communities across the province, including urban areas. For instance, homelessness in Northern Ontario has grown by 204% since 2016, far outpacing provincial averages.

In addition to representing a significant proportion of service need, encampments in Northern Ontario are shaped by distinct local factors, including geographic isolation, higher construction costs, and limited shelter capacity. For example, northern construction costs average $500 per square foot for a standard 700-square-foot unit, resulting in $350,000 per unit. To ensure equitable funding, funding formulas must reflect these cost disparities, ensuring that resources are sufficient to address regional variations without placing undue strain on local systems.

Additional modelling is needed to fully assess the effects of localized funding in Northern Ontario, particularly given the unique needs of Indigenous communities, including those on eserve. This should be done at the behest of First Nations and Indigenous governments. Tailored investments in culturally safe, Indigenous-led housing solutions, as well as strategies to stabilize populations locally and reduce service migration, are critical to ensuring that northern communities are equitably supported within this broader response.

Integration into Broader Systems

If chronic homelessness is viewed as a measure of systemic failure, then the experiences of people living in encampments should be seen as an even more acute indicator of multi-system failure. These experiences reflect significant gaps in housing, healthcare, and social supports, as well as challenges in addressing capacity and program availability. Multi-system failures require multi-system responses, and no single tool—whether it be housing, legal responses, health supports, or poverty reduction—can fully address the complexity of the issue on its own.

This scenario demonstrates how a $2.017 billion investment can be used to create supportive and transitional housing for people with more complex needs. By focusing on housing capacity and pathways to stability, the scenario addresses a critical portion of the homelessness system, while also acknowledging the need for complementary efforts across sectors.

Discussion

THE GROWING SCALE OF ONTARIO'S HOMELESSNESS CRISIS

Ontario is in the midst of a homelessness crisis that has grown significantly over the past decade. Between 2016 and 2024, the annual number of people experiencing homelessness rose from 53,930 to 81,515—a 51% increase. Chronic homelessness, which now accounts for more than half of all cases of homelessness, has tripled during this time.

Projections suggest that without significant intervention, the situation could worsen. By 2035, the number of people experiencing homelessness in Ontario could range from 128,122 under optimistic economic conditions to as high as 294,266 in an economic downturn. These estimates underscore the urgent need for action to prevent higher rates of homelessness and to address the systemic factors driving homelessness.

UNDERSTANDING INTERCONNECTIONS ACROSS POLICIES

Homelessness is not just a housing issue—it is a barometer of systemic gaps across housing, healthcare, mental health, income support, and justice systems. Homelessness is driven by a wide range of issues: the lack of affordable housing, inadequate mental-health care, insufficient shelter capacity, worsening substance use, and gaps in immigration support, among others. Each instance of homelessness reflects the ripple effects of misaligned or underfunded policies.

Chronic homelessness, in particular, serves as evidence that people are not receiving the supports they need to move forward and achieve stability. For some people, including Indigenous populations, systemic failures in the ecosystem are compounded by additional inequities, entwined with intergenerational trauma, discrimination and racism.

ADDRESSING INEQUITY OF INDIGENOUS HOMELESSNESS

Indigenous people are disproportionately represented among Ontario's chronically homeless population, reflecting the enduring effects of colonialism, systemic inequities, and cultural disconnection across health, housing, and governance systems. While Indigenous people make up only 2.9% of Ontario's population, they account for a significant portion of those experiencing chronic homelessness. Data from service managers highlights notable regional disparities, with Indigenous representation among chronically homeless populations averaging 44.6% in northern regions and 13.8% in non-northern regions. As stated in the report, this is believed to be an underrepresentation, as Indigenous populations are often underserved and under represented in systems, reports, and data. Historical exploitation and harm caused by data-collection processes, combined with systemic racism and mistrust of institutional systems, further contribute to gaps in accurate representation.

Systemic barriers, such as exclusion from mainstream housing programs and the lack of culturally safe and Indigenous-led spaces, continue to leave Indigenous populations underserved. Structural definitions of homelessness, rooted in colonial frameworks, fail to reflect Indigenous realities of home, displacement, and community.

The Definition of Indigenous Homelessness underscores how drivers such as intergenerational trauma, systemic racism, and dispossession of land and culture have uniquely shaped Indigenous experiences of housing instability. These factors highlight the need for holistic, culturally informed approaches that address not only physical shelter but also the restoration of cultural and community connections.[6]

Any discussion about capacity, housing solutions, and funding must centre on addressing the profound housing inequities and chronic underfunding on reserves, alongside the lack of Indigenous-led supports and culturally safe services in both urban and rural areas. These inequities are further compounded by limited resources to enumerate the full extent of need, which restricts the ability to advocate effectively for appropriate funding and services. Additionally, barriers to data sharing and systemic gaps in collecting reliable, culturally informed data hinder Indigenous-led organizations from designing and delivering solutions that fully address the unique challenges faced by their communities.

CHANGES IN THE PROFILE OF CHRONIC HOMELESSNESS

Chronic homelessness is not static—it is evolving and will continue to change over time. We cannot make assumptions about who is experiencing chronic homelessness, as the data shows a shifting and increasingly diverse profile of people in that situation. For example, nearly one in four people experiencing chronic homelessness in Ontario are children or youth, with children (ages 0–15) accounting for 12% and youth (ages 16–24) making up 11% in 2024. Similarly, the representation of refugees and asylum seekers in chronic homelessness has grown significantly, increasing from 1,834 in 2020 to 10,552 in 2024. These changes highlight the need to adapt our understanding of chronic homelessness to respond to its changing reality.

This data is critical to understanding who is experiencing homelessness, and how, where, and why they are experiencing it. While aggregate data helps paint a picture, the most powerful insights come from the capacity-building that service managers are undertaking to collect and analyze local data. These efforts support the development of tailored, evidence-based solutions that reflect the unique needs and experiences of diverse populations experiencing chronic homelessness.

THE SHIFTING GEOGRAPHY OF CHRONIC HOMELESSNESS

Not only is chronic homelessness changing in who it affects, but also where it is being experienced. In Northern Ontario, homelessness has grown by 204% between 2016 and 2024, far outpacing aggregate growth in the rest of the province. Geographic isolation, limited social infrastructure, and declining affordability and supports create distinct barriers to housing stability in the region. Indigenous people are disproportionately affected, with their representation in some areas exceeding 50% of the chronic homelessness population, underscoring the need for culturally safe and Indigenous-led solutions.

Similarly, rural homelessness is becoming more visible as smaller communities grapple with rising demand for services. These areas often lack resources for crisis response, or specialized supports, forcing individuals and families to seek assistance in nearby hubs or remain in precarious situations.

THE CRITICAL ROLE OF LOCALIZED SYSTEMS PLANNING

Service managers, municipalities and local networks are at the heart of Ontario's homelessness response, playing a vital role in coordinating and implementing housing programs across the province. Between 2016 and 2024, municipal funding for housing and homelessness more than doubled, rising from $1.04 billion to $2.14 billion. By 2024, municipalities accounted for 65% of reported housing funding, reflecting their growing role in addressing housing instability and homelessness.

Moving forward, balancing contributions across all levels of government will be key to maintaining a sustainable and effective response to homelessness. Collaborative approaches built on shared accountability and a commitment to long-term outcomes will allow service managers to continue leading innovative, community-based solutions.

ADVANCING DATA-LED DECISION-MAKING CAPACITY

Significant advancements in data collection and systems planning—defined as a coordinated approach to designing, implementing, and managing programs and resources across multiple sectors—have strengthened Ontario's ability to address homelessness. Service managers have significantly improved data capacity and collection processes, paving the way for more accurate tracking of homelessness trends, program performance, and service gaps.

This evolution is evident in the success of the collaborative effort required for this report. Supported by all three major associations (AMO, OMSSA, NOSDA), and with 100% participation from Ontario's 47 service managers, the analysis reflects a shared commitment to advancing consistent data collection and forecasting methods. While some data gaps inevitably remain, the progress demonstrated here marks an important step toward fully integrating systems planning into homelessness responses across the province.

To sustain this progress, continued improvements in data quality, collection processes, and standardization are essential—and these efforts must be effectively resourced. Service managers need the capacity to carry out this work directly and to hire people with the skills to build and maintain robust data systems locally. Strengthening internal capacity is key to reducing reliance on external consultants, while ensuring that accountability mechanisms are matched to expenditures, program performance, supply, program definitions, outcomes, and more.

MOVING TO LONGER-TERM SOLUTIONS

The data collected for this report shows that the current path is not sustainable. In a well-functioning system, emergency shelters serve as temporary crisis intervention, particularly in areas where no other options are available. They are not a long-term solution. However, in 2024, emergency shelters accounted for 65.2% of total homelessness-program expenditures, as reported by service managers, reflecting a system heavily oriented toward crisis management. The reliance on shelters often results in individuals and families spending extended periods in spaces that were never designed for prolonged use, with very limited options for safe and stable exits.

While emergency shelters are essential for addressing immediate crises, greater investments in preventative measures, supportive housing, and affordable housing are critical to reducing the inflow into homelessness and providing stable exits to avoid chronic homelessness. Over time—and it will take time—curbing both inflow and outflow through a coordinated policy ecosystem will allow the homelessness-serving system to begin to realign resources toward long-term solutions. This realignment will enable the system to better support individuals and families to achieve stability.

These principles form the foundation for the investment scenario outlined in this report, which estimates that achieving functional zero in chronic homelessness will require $7.7 billion in capital investments and $3.3 billion in operational funding over the next decade. While substantial, these investments are necessary to build the infrastructure and systems required to end chronic homelessness and ensure long-term stability for those affected and those at risk.

The data and insights provided by such strengthened capacity make it clear that the current system, heavily reliant on a crisis response, is unsustainable.

MULTI-SYSTEM INTEGRATION

The true cost of homelessness, particularly for those experiencing it long term, extends far beyond individuals to affect families, communities, and society as a whole. Chronic homelessness is often accompanied by worsening physical and mental health, reduced life expectancy, and limited opportunities for social and economic participation. Communities also face significant pressures, including increased demand on emergency shelters, healthcare systems, and justice services—systems that are costly to maintain and frequently fail to address the underlying causes of homelessness.

Addressing chronic homelessness is not only a moral imperative but also a matter of public health, community safety, equity, and economic sustainability.

Ending chronic homelessness is not only about meeting immediate or even long-term numeric targets; it is also about how effectively our social-services systems support those who are in need and at risk. Achieving functional zero requires a coordinated policy framework that integrates housing with healthcare, mental-health care, justice, income supports, and other systems—much like the legislated community-safety and wellbeing plans are intended to do.

Focusing on where programs and policies intersect can amplify the value of investments. For example, combining prevention efforts with rent assistance can stabilize households before they fall into homelessness, while linking supportive housing with culturally safe healthcare can improve outcomes for those transitioning out of homelessness. Strategic alignment of resources reduces duplication, maximizes efficiency, and delivers lasting solutions.

With refined data collection and integrated modelling, policymakers can use today's investments to support strategies that will create enduring stability. By shifting from reactive crisis management to forward-looking, coordinated and proactive solutions, Ontario can reduce homelessness. It can also build a system that prioritizes the wellbeing of individual Ontarians and strengthens communities. Ending chronic homelessness is a collective commitment to equity, resilience, and a future where everyone has the opportunity to thrive.

Addressing Chronic Homelessness is not only a Moral Imperative

BUT ALSO A MATTER OF PUBLIC HEALTH, COMMUNITY SAFETY, EQUITY, AND ECONOMIC SUSTAINABILITY.

Technical Notes

1.1: People Experiencing Homelessness

Data Sources and Collection

The data used to estimate the total number of people experiencing homelessness from 2016 to 2024 was based on 205 data points submitted by Ontario's 47 service managers, out of a total of 423 possible data points (47 service managers × 9 years). Data was drawn from a variety of sources described below.

- By-Name Lists: Comprehensive records of people experiencing homelessness.
- Emergency shelter records: Data from shelters capturing usage patterns.
- Point-in-Time (PiT) counts: One-day snapshots of homelessness in communities.
- Other supplementary reports: Regional- and service-level documentation.

Data Completion

The dataset on people experiencing homelessness in Ontario reflects data collected in 2024, but represents trends spanning 2016 to 2024. While all 47 service managers contributed data in 2024, the earlier years (2016–2019) rely on retrospective data representing fewer service managers and covering a smaller portion of the provincial population. For example, data representing 2016 came from 21 service managers, covering just 13% of Ontario's population, and by 2019, that increased to 24 service managers covering 63% of the population. Those earlier years may reflect undercounts or inconsistencies due to limited data availability and incomplete reporting.

From 2020 onward, data quality improved significantly, with service manager participation rising to 41 (73% population coverage) in 2020 and all 47 service managers contributing in 2022, achieving full provincial population representation. These improvements make data from 2020 onwards more reliable for identifying trends and informing decision-making.

Estimation and Standardization Process

The estimates, spanning 2016 to 2024, were derived as described below:

- 35%: Annual data submitted directly
- 14%: Converted into annualized estimates
- 6%: Manually estimated using desk research
- 46%: Projected through linear regression or, for 2024 data, projecting to year-end

Where gaps existed, publicly available information and additional research supplemented the dataset. Standardization was applied to improve consistency and comparability across all regions and years.

1.2: Chronic Homelessness

Data Sources and Collection

Data on chronic homelessness was submitted by Ontario's 47 service managers for 2024, with reduced participation in earlier years.

- **2024:** All 47 service managers participated.
- **2023 and 2022:** 46 service managers contributed data.
- **2021:** 36 service managers provided data.
- **2019:** Only 15 service managers contributed, covering 51% of the provincial population.

The dataset primarily includes by-name lists, emergency-shelter records, and demographic data submitted by service managers. Eighty-six percent of people reported as experiencing chronic homelessness were identified using the federal definition. Twelve percent were identified using the provincial definition, while 2% were based on other or unspecified definitions.

Estimation and Standardization Process

Annual estimates of chronic homelessness were calculated by applying the weighted average for all service managers to the total number of people experiencing homelessness each year. For instance, in 2024, the weighted chronic-homelessness rate of 51% was applied to the estimated 81,515 people experiencing homelessness.

Rates reported by service managers were aggregated to calculate the estimated number of chronically homeless people across the province for priority populations as follows:

REFUGEES AND ASYLUM SEEKERS

Data for 2024 was reported by 21 service managers, with 8 reporting zero people. Missing values for 2024 were filled using desk research, with one missing value carried forward from 2023. All remaining missing values for 2024 were set to zero to avoid overestimation.

All service managers who reported more than 10 people in 2024 also provided data back to 2019. All remaining missing values were set to zero for 2023-2019.

IMMIGRANTS

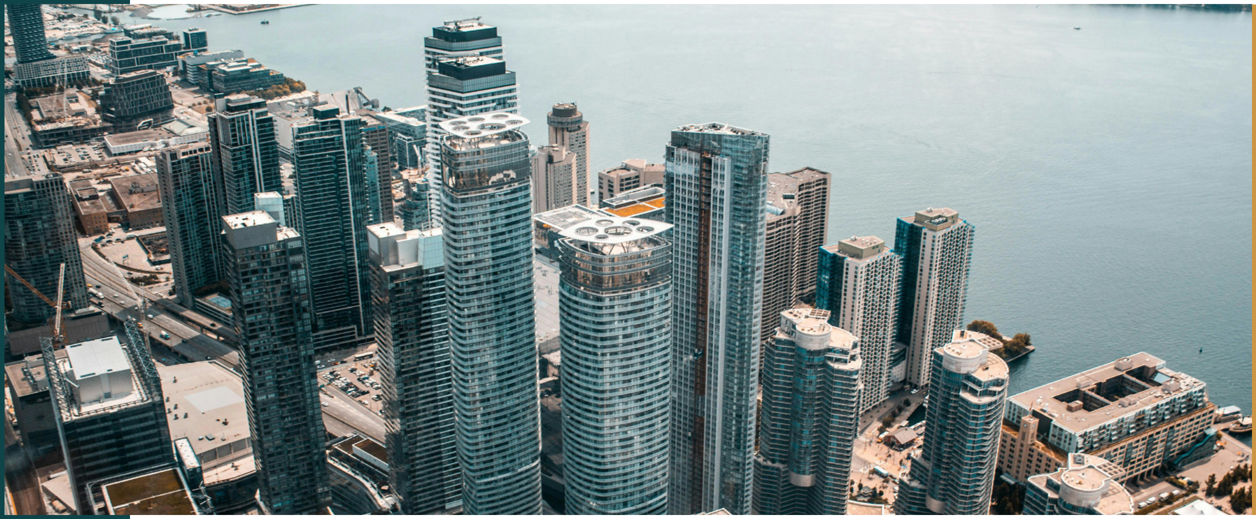
Data for 2024 was reported by 21 service managers, representing 38% of the total population. Data coverage was approximately 30% for earlier years back to 2020. Missing values were not filled due to limited reliability.

INDIGENOUS POPULATIONS

Data for 2024 was reported by 38 service managers, covering 76% of the provincial population. Coverage was 63% in 2021 and dropped to 33% in 2020. Missing values were not imputed for earlier years due to limited reliability.

AGE

Age was reported by 36 service managers in 2024, representing 74% of the total population. While most service managers used consistent age groupings, minor variations were noted.



1.3: Homelessness-Serving System

Emergency Shelters

- Emergency shelters include permanent beds, cold weather shelters, temporary crisis shelters, overflow accommodations, hotel/motel "up-to" beds, and domestic violence shelters. Some service managers noted that Violence Against Women (VAW) shelter beds were excluded.
- An estimated 15,990 emergency shelter beds were reported for 2024. Data was collected from 42 service managers, with 2 indicating no beds. Based on desk research, data for three additional service managers was manually input, and two service managers required adjustments using notes from service managers.
- Historical data gaps were supplemented with public sources, such as Statistics Canada's Shelter Capacity Online Reports (2017–2020), which provide permanent bed counts. Missing data for 2021–2023 was addressed using related datasets for counts by Census Subdivision (CSD).
- For 2024, 20 service managers reported 268 non-funded beds, representing 12.5% of the reported funded beds and indicating an assumption of 10% non-funded beds to be applied in scenario modelling.

Transitional Housing

- Transitional housing provides temporary, time-limited housing with support services, typically lasting 3 months to 3 years, with the goal of transitioning people to permanent housing.
- For 2024, 36 of 47 service managers reported transitional housing capacity, totalling 3,168 beds. Data gaps were addressed as follows:
    - One service manager categorized transitional housing beds under emergency shelters; adjustments were made based on publicly available data.
    - Another grouped transitional housing beds under supportive housing; desk research did not yield reliable results to fill this gap.
    - One service manager's data was estimated using Statistics Canada's shelter data.
    - Based on Statistics Canada's data and research, eight service managers were confirmed to have no transitional housing beds.
- Using a 90% system coverage rate (based on emergency shelters), the estimated total for transitional housing in 2024 was adjusted to 3,520 beds.

Supportive Housing

- Supportive housing offers permanent, fixed-site housing with individualized, flexible support services for people with higher needs, such as mental-health challenges or substance-use.
- For 2024, 40 of 47 service managers reported supportive housing capacity, totalling 4,679 beds. Adjustments included:
    - Extrapolating data based on a median 80% system coverage rate reported by 22 service managers.
    - Using adjusted totals, the estimated capacity increased to 5,848 beds in 2024.
    - One larger service manager reported supportive housing spaces under RGI units.

Expenditure Data

Expenditure data was reported directly by service managers and reflects spending associated with homelessness programs. While expenditure data was among the most reliable collected, certain limitations and nuances were noted.

Unspecified Programs: Some service managers reported expenditures without directly associating them with specific programs, particularly for temporary accommodations such as hotel/motel stays in place of emergency shelter beds.

Capital Expenditures: A few service managers included spending on housing units that were not yet operational, which is standard practice for infrastructure projects.

Data Adjustments: Expenditure data was reported as provided, except in limited cases where standard capital expenditures were included to ensure alignment with capacity reporting.

Expenditure data quality was highest in 2024, covering 45 service managers, with historical data extending back to 2016, when 37 service managers reported. Reporting improved consistently over time, with 47 service managers providing data in 2023 and 40+ service managers reporting from 2017 to 2022.

1.4: Homelessness-Serving System

RGI Waitlist Estimation

The adjusted estimate incorporates data from 43 reporting service managers, which recorded 232,419 households on the waitlist for 2024. To account for gaps, data from the remaining four service managers was estimated using the average 8.9% increase observed among those who reported for both 2023 and 2024. This adjustment yields an additional 35,822 households, bringing the total adjusted estimate to 268,241 households.

2.1: 2035 Homelessness Projections

Data Processing

The analysis integrates data from multiple sources:

- Service manager data-collection forms with total homelessness counts
- Census 2016 and 2021 data
- HART data
- CMHC data

These datasets were merged at the Census Subdivision (CSD) level, with CSDs aligned to each service manager's area of responsibility. The homelessness count data was linked with census features based on each area of responsibility.

Model training used 94 total observations, which represent the standardized data points remaining after applying the data-cleaning rules detailed in **Section 1.1: People Experiencing Homelessness**. Certain data points were excluded or replaced due to partial data coverage, period prevalence counts, or unclear count types to ensure data quality and consistency.

Statistical Model Details

Model Development and Training

To forecast homelessness in Ontario, we developed a linear regression model that was improved through using a variety of statistical techniques. This approach was chosen specifically for our relatively small dataset (n=94 observations), as it offered optimal predictive capability while maintaining interpretability. The model examined the relationship between People Experiencing Homelessness (PEH) as the dependent variable and multiple socioeconomic independent variables, including median household income, unemployment rates, and core housing needs.

Statistical Optimization Techniques

Principal Component Analysis and Ridge Regression Implementation

We employed ridge regression and Principal Component Analysis (PCA) to enhance model stability and prediction accuracy. These two techniques were particularly valuable given our dataset characteristics as they:

- Prevented overemphasis of individual predictors through regularization
- Mitigated multicollinearity between correlated variables (e.g., median income and core housing need)
- Reduced overfitting risk by balancing model complexity with predictive power
- Enhanced generalizability to new data through coefficient stabilization

Feature Selection Process

Backward elimination was used during feature selection by:

1. Starting with the full set of potential predictors
2. Iteratively evaluating each variable's contribution to model performance
3. Systematically removing variables with minimal predictive impact
4. Retaining statistically significant features

This process optimized model parsimony while maintaining predictive accuracy.

Dimensionality Reduction

To improve the accuracy of the model, Principal Component Analysis (PCA) was applied to:

- Convert correlated variables into uncorrelated principal components
- Preserve maximum variance in the transformed dataset
- Reduce computational complexity
- Further addressed multicollinearity concerns
- Maintain data structure while simplifying the feature space

Model Validation Framework

Cross-Validation Implementation

3-fold cross-validation was used to ensure robust model evaluation:

- Divided 94 observations into three equal partitions
- Training sets: 62-63 samples per fold
- Testing sets: 31-32 samples per fold
- Maintained consistent splitting patterns across iterations for reproducibility
- Averaged performance metrics across all folds

Performance Assessment

The model achieved an R-squared value of 0.9, indicating that our selected predictors explained 90% of the variance in homelessness counts. This performance level is particularly noteworthy in social science applications, where R-squared values above 0.70 are typically considered strong. However, we acknowledge several important considerations identified below.

1. **Model Strengths:**
    - High R-squared
    - Robust performance across validation folds
    - Strong predictive capability for scenario analysis
2. **Limitations and Considerations:**
    - R-squared alone doesn't capture all aspects of model performance
    - Potential for overfitting despite regularization due to limited number of variables
    - Generalization capabilities require ongoing validation
    - Complex social factors may not be represented fully in data, effecting predictive power

Model Analysis

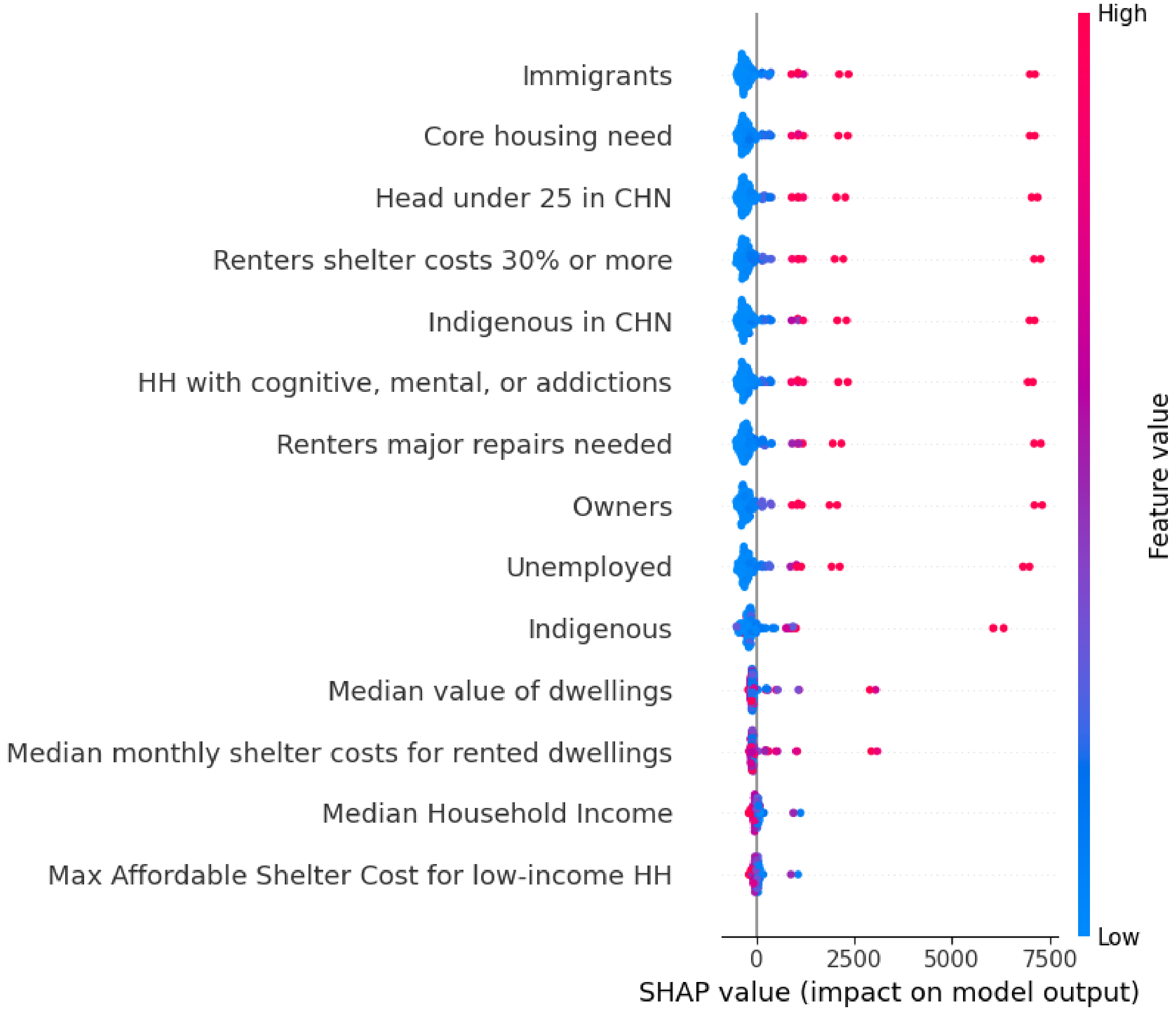
Coefficient Interpretation and SHAP Analysis

The model employs two complementary approaches to understanding variable importance: regression coefficients and SHAP (SHapley Additive exPlanations) values. The coefficients quantify the direct relationship between each independent variable and homelessness counts, while SHAP values provide a visual representation of each variable's contribution to the projection.

Variable Impact Categories

Based on both coefficient magnitude and SHAP analysis distributions (measured in impact units from 0-7500), variables were categorized into four distinct impact levels.

Figure 34: SHAP Analysis of Variables Impacting Housing Outcomes



01

High Positive Impact

Features like immigrant population, core housing need, youth under 25 in core housing need (CHN), and renters with shelter costs exceeding 30% of income are the strongest drivers of our projections. Their coefficients indicate a significant positive relationship with the homelessness count, meaning that as these values increase, homelessness is predicted to rise.

SHAP analysis reinforces this finding, showing a large spread of SHAP values for these features, which indicates their substantial contribution to model predictions.

02

Moderate Positive Impact

Factors like rented units needing major repairs, unemployment, and homeownership also exhibit positive relationships with homelessness, but their effects are relatively smaller compared to the variables with a high positive impact. The SHAP plot shows moderate value spreads for these variables, emphasizing their secondary yet important roles.

03

Negative Impact (Protective Factors)

Variables such as median household income and maximum affordable shelter cost for low-income households demonstrate a negative relationship with homelessness. This suggests that increases in either income or affordable housing measures can reduce homelessness. The SHAP plot visually confirms this by showing that higher values for these features are associated with decreases in homelessness predictions.

04

Mixed Effects

Variables like median monthly shelter costs for rented dwellings and median dwelling value show varied effects, depending on specific conditions. While these factors are relevant, their influence is less pronounced than positive and negative drivers.

SHAP Distribution Analysis

The SHAP analysis reveals:

- Feature value ranges of 0-7500 impact units
- Clustering patterns in impact distribution
- Interaction effects between variables
- Regional variation in impact magnitude

Economic Scenarios

The model incorporates three distinct economic trajectories to project homelessness outcomes, each with specific variable assumptions and regional considerations.

Economic Steady Scenario

1. **Immigration**
   - Steady growth following historical trends
   - Initial moderation due to study visa/work permit reductions
   - Stabilization influenced by effects of United States policies
2. **Economic Indicators**
   - Unemployment: Initial decrease with inflation stabilization, followed by steady state
   - Median Household Income: 1-2 year decline, then stabilization and modest growth
   - Core Housing Need: Growth aligned with population increase, minimal rate
3. **Housing Market Variables**
   - Shelter Costs: Continued rise following historical patterns, smoother trajectory
   - Property Values: Steady growth with interest rate stabilization
   - Rental Affordability: Initial stagnation, gradual improvement with income recovery
4. **Demographic Factors**
   - Indigenous Population: Stable provincial growth with regional variation
   - Households with Cognitive/Mental Health/Addiction Challenges: Growth rate parallel to core housing need
   - Youth Under 25 in Core Housing Need: Stable increase aligned with population growth

Economic Downturn Scenario

1. **Economic Pressure Points**
   - Unemployment: Persistent elevation with limited recovery
   - Household Incomes: Initial decline, long-term stagnation
   - Core Housing Need: Accelerating growth pattern
2. **Housing Market Stress**
   - Shelter Costs: Early spike, later market adjustment
   - Property Values: Sharp initial decline, slow recovery
   - Affordability Metrics: Progressive deterioration
3. **Vulnerability Factors**
   - Mental Health Challenges: Increased growth rate
   - Housing Insecurity: Compounding effects
   - Support-System Strain: Elevated pressure

Economic Upturn Scenario

1. **Economic Strengthening**
   - Unemployment: Steady decrease through the scenario period
   - Household Incomes: Consistent growth across industries
   - Core Housing Need: Initial modest growth, later stabilization
2. **Market Improvements**
   - Shelter Affordability: Progressive improvement
   - Housing Costs: Stable, manageable growth
   - Property Values: Consistent appreciation without sharp fluctuations
3. **Social Indicators**
   - Support-Service Access: Enhanced
   - Vulnerability Factors: Stabilizing trends
   - Cost-Burden Ratios: Gradual improvement

3.1: Modelling Solutions to Chronic Homelessness

Turnover and Negative Exit Assumptions

The model incorporates assumptions about turnover and negative exit rate to guide capacity planning for new spaces in the homelessness-serving system. Turnover rates represent the percentage of participants transitioning out of programs annually, while negative exit rates capture the percentage of participants leaving programs without achieving stable housing outcomes.

Turnover Rates:

- Higher turnover rates, such as 250% for Prevention/Diversion programs, reflect the short-term nature of these interventions and their ability to serve multiple clients within a year.
- Lower turnover rates, such as 10% for Subsidized Housing, reflect the longer-term stability these programs are designed to provide.

Negative Exit Rates:

- These rates vary by program type based on the intensity and objectives of the service. For example:
  - Supportive Housing: 10% negative exit rate, as intensive supports aim to minimize failures.
  - Transitional Housing: 20% negative exit rate, acknowledging the inherent challenges in short-term interventions.

Table 24: Turnover and Negative Exit Rates

Program Type	Turnover Rate	Negative Exit Rate
Rent Supports	20%	5%
Prevention/Diversion	250%	10%
Subsidized Housing	10%	5%
Housing and Case Management	20%	10%
Transitional Housing	100%	20%
Supportive Housing	20%	10%

Considerations

TARGETS AND RECALIBRATION

These rates are initial targets and may need adjustment as more robust data becomes available. Continuous monitoring and evaluation will be essential to ensure the assumptions align with real-world program performance.

PROGRAM DURATION

Turnover rates reflect program durations, with short-term programs like Prevention/Diversion having higher turnover compared to long-term supports like Subsidized Housing.

NEGATIVE EXIT CHALLENGES

Lower negative exit rates are achievable with strong program supports, but may require additional investments in case management and follow-up services to prevent homelessness recurrence.

Cost Assumptions

The model estimates capital and operational costs based on standardized per-unit calculations. These estimates provide a foundation for understanding the financial investments required to meet the projected demand for housing and support services.

Capital Costs

The following estimates outline the per-space investment needed to develop key program types.

- Supportive Housing: $250,000 per space.
- Subsidized Housing: $185,000 per space.
- Transitional Housing: $100,000 per space.

Operational Costs

The yearly operational costs per space account for program delivery, including activities such as rent subsidies, case management, and landlord liaison services.

- Supportive Housing: $30,000 per space annually
- Subsidized Housing: $8,500 per space annually
- Housing and Case Management: $42,000 per space annually
- Prevention/Diversion Programs: $5,000 per space annually

Considerations

OPERATIONAL COSTS

These are calculated per caseload space, and include all relevant program costs. For example, housing and case management costs encompass rent supports, caseworker salaries, and landlord liaison services.

REGIONAL VARIABILITY

Costs may vary significantly across regions due to differences in local markets, household sizes, and program delivery models. For example, urban areas with higher construction costs may exceed the average capital estimates.

FUTURE CALIBRATION

These estimates are broad averages and will require adjustment as more robust data becomes available on actual capital and operational expenditures.

INTEGRATED COST APPROACH

Certain programs, such as Prevention/Diversion, reflect a mix of interventions that include early-stage engagement activities, which may differ in intensity and cost compared to more resource-intensive services like Supportive Housing.

Growth Projections and Target Population Assumptions

The model assumes population growth across different chronicity levels and aims for 100% coverage of need to achieve functional zero homelessness. These assumptions reflect conservative yet optimistic projections, accounting for systemic risks, macroeconomic pressures, and ongoing interventions.

Growth Projections by Chronicity

The model projects annual growth rates for populations based on chronicity levels:

- High and Moderate Chronicity: 16% annual growth, reflecting reduced rates from previous years (30%).
- Emerging and No Chronicity: 8% annual growth, recognizing ongoing risks and systemic pressures.

Considerations

While these projections are optimistic, several risk factors could influence actual growth rates:

MACROECONOMIC SHOCKS

Recessions, inflation, and housing-market instability could increase homelessness rates.

EMERGING CHALLENGES

New drug crises, changing immigration patterns, or failures in upstream systems like healthcare and justice could exacerbate homelessness.

SYSTEMIC GAPS

Insufficient upstream interventions in areas such as poverty reduction, mental health, and addiction services may lead to higher inflow into homelessness.

Target Population Coverage

The model targets 100% of demand across all chronicity levels, aiming for functional zero homelessness by addressing populations at all stages of housing instability.

Table 25: Target Population Coverage by Chronicity Level

Chronicity Level	Target % of Demand
High Chronicity	**100%**
Moderate Chronicity	**100%**
Emerging Chronicity	**100%**
No Chronicity	**100%**

Considerations

OPTIMISTIC ESTIMATES

These assumptions reflect the model's goal of fully meeting demand, but may need recalibration based on real-world conditions.

SYSTEMIC RISKS

Addressing chronicity requires a multi-system response, including upstream investments in health, financial supports, and justice systems to mitigate homelessness inflow.

SCALABILITY & FLEXIBILITY

The ability to adapt to unexpected pressures, such as economic shocks or population changes, will be critical to achieving these targets.

Acuity Level Distributions and Matching Program Components

The model uses acuity levels to guide resource allocation and program design, ensuring that people receive the appropriate level of support based on their specific needs. Acuity levels—high, moderate, and low—reflect the complexity of people's circumstances and the intensity of the supports required. Matching program components to these levels enables a targeted and efficient use of resources.

Table 26: Acuity Level Distributions by Chronicity

Chronicity Level	High Acuity	Moderate Acuity	Low Acuity	Total
High Chronicity	70%	30%	0%	**100%**
Moderate Chronicity	50%	30%	20%	**100%**
Emerging Chronicity	10%	20%	70%	**100%**
No Chronicity	5%	15%	80%	**100%**

Matching Program Components to Acuity Levels

Each acuity level is matched to program components that address the specific intensity of support required.

- High-acuity people with chronic and complex needs require intensive, long-term programs such as supportive housing and housing and case management.
- Moderate-acuity people benefit from transitional and medium-intensity programs to stabilize and transition to independence.
- Low-acuity people are best supported through housing solutions that provide minimal but essential assistance, such as Subsidized Housing and Prevention/Diversion programs.

3.2 Modelling a $2 Billion Investment

Acuity Level Distributions and Program Allocations

The model aligns investments with acuity levels and chronicity distributions to optimize resource allocation and program delivery. This approach ensures that people receive appropriate levels of support based on their needs. The following table illustrates the proportional use of program components across acuity levels.

Table 27: Distribution of Program Components Across Acuity Levels

Acuity Level	Program Component	% Used
High Needs	Supportive Housing	100%
	Housing and Case Management	90%
	Transitional Housing	60%
	Subsidized Housing	15%
	Rent Assistance	15%
	Prevention/Diversion	7%
Moderate Needs	Housing and Case Management	10%
	Transitional Housing	40%
	Subsidized Housing	20%
	Rent Assistance	25%
	Prevention/Diversion	13%
Low Needs	Subsidized Housing	65%
	Rent Assistance	60%
	Prevention/Diversion	80%

Acuity and Chronicity Distributions

The model incorporates assumptions about the distribution of acuity levels within each chronicity category to guide program design and resource allocation.

Table 28: Codistribution of Chronicity and Acuity Levels

Chronicity Level	High Acuity	Moderate Acuity	Low Acuity	Total
High Chronicity	70%	30%	0%	**100%**
Moderate Chronicity	50%	30%	20%	**100%**
Emerging Chronicity	10%	20%	70%	**100%**
No Chronicity	5%	15%	80%	**100%**

Matching Program Components to Needs

The model prioritizes resource allocation to ensure program components are matched to acuity levels:

HIGH SUPPORT NEEDS

Supportive Housing (85%), Housing and Case Management (75%), Transitional Housing (75%), Prevention/Diversion (35%).

MODERATE SUPPORT NEEDS

Transitional Housing (25%), Housing and Case Management (25%), Prevention/Diversion (65%).

LOW SUPPORT NEEDS

Rent Assistance (100%), with minimal reliance on other intensive services.

Growth Projections and Demand Targets

The model projects annual growth across chronicity levels, reflecting ongoing challenges and systemic pressures.

Table 29: Projected Growth Across Chronicity Levels

Chronicity Level	Yearly Growth	Target % of Demand
High Chronicity	16%	40%
Moderate Chronicity	16%	10%
Emerging Chronicity	8%	5%
No Chronicity	8%	0%

Cost Assumptions

The model incorporates detailed operational cost estimates to inform budget planning and funding requirements.

Table 30: Cost Estimates for Program Components

Program Component	Capital Cost	Annual Operational Cost
Supportive Housing	$250,000	$40,000
Housing and Case Management	Not applicable	$42,000
Transitional Housing	$185,000	$30,000
Prevention/Diversion	Not applicable	$7,000

References

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5. In this context, "stasis" refers to a state of dynamic equilibrium within the homelessness response system. It means the system is continuously adjusting, so that any new instances of homelessness are quickly addressed and resolved before they lead to prolonged instability. In other words, the overall number of people experiencing homelessness remains relatively steady because the system has the capacity to both help those who need assistance and prevent long-term homelessness from becoming established.

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