

Calgary Homeless Foundation

Report on the Cost of Homelessness in the City of Calgary

RSM Richter & Associates Inc.
Business Valuations & Litigation Support
Calgary, January 28, 2008

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RSM Richter

January 28, 2008

DELIVERED BY EMAIL

Calgary Homeless Foundation
McDougall Centre
455 – 6th Street SW
Calgary, Alberta T2P 4E8

Attention: Tim Richter

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Dear Sir:

Re: Calgary Homeless Foundation
Our File No. 07-3066

1. General

1.1 Mandate

You have requested our assistance in compiling and estimating the costs of caring for homeless persons (including, but not limited to, costs of providing emergency services, shelter, food, health care, and social services) in Calgary. Our work consisted largely of accumulating care costs by those agencies and parties providing the services, ensuring there is no duplication or overlap (which would cause the same cost to be counted twice), and reporting to you.

As will be discussed further in this report, there were some limitations on the data available to us; some agencies did not accumulate costs; some did not segregate the costs of services provided to homeless vs. other clients; and capital costs in particular had to be estimated in many instances. We recommend that this analysis be the starting point for a more detailed study.

We understand that our analysis will be included in a report to the Government of Alberta and other stakeholders of the Calgary Homeless Foundation as a part of the 10 Year Plan to End Homelessness in Calgary.

1.2 Summary of Findings

The methodology employed by us in preparing this report is outlined in Section 2 to this report. We also direct you to Section 4, which outlines a number of critical assumptions made. Finally, we refer to Exhibits “A” and “A-1” to this report for greater detail.

Subject to the assumptions noted throughout the report and subject to the scope of our review, we estimate the costs of homelessness in the City of Calgary are as follows:

Summary:

Annual operating costs		\$	179,002,934
Capital cost	\$ 1,446,760,137		
Cost of capital	10%		<u>144,676,014</u>
Estimated annual costs		\$	<u><u>323,678,948</u></u>

Size of homeless population:

Transient		2,234
Chronic		<u>1,202</u>
		<u><u>3,436</u></u>

Average annual cost per person \$ 94,202

Average annual cost, stratified, assuming chronic homeless are responsible for 50% of total costs

Transient	\$	<u>72,444</u>
Chronic	\$	<u><u>134,642</u></u>

1.3 Restrictions

This report is not intended for general circulation or publication, nor is it to be reproduced or used for any purpose other than that outlined above, or by any party other than the addressee, without our prior written permission in each specific instance. We do not assume any responsibility or liability for losses occasioned to you, the Calgary Homeless Foundation, the 10 Year Plan to End Homelessness in Calgary or others as a result of the circulation, publication, reproduction, or use of this report contrary to the provisions of this paragraph. We reserve the right to review all findings and calculations included or referred to in this report and, if we consider it necessary, to revise the findings reported herein in light of facts, trends or changing conditions which become known to us subsequent to the date hereof.

1.4 Statement of Independence

No member of our firm has any stake directly or indirectly in the outcome of this report.

This report was prepared on a pro bono basis. We have no economic interest in the matters in which you intend using this report.

1.5 Scope of Review, Assumptions and Limitations

In performing the analysis set out herein, and in arriving at our opinion, we have reviewed and relied upon, *inter alia*, the documents and information outlined in Exhibit “B” to this report.

We also obtained a letter of representation from the Calgary Homeless Foundation, wherein it confirms that it has reviewed a draft of this report and has no knowledge of any facts which were not brought to our attention and which could reasonably be expected to change our findings and conclusions.

In performing our work we have not audited the financial or other information outlined in Exhibit “B”. However, we have made inquiries where possible to satisfy ourselves of the reasonableness of this information.

In preparing this report, we necessarily made a number of assumptions, primarily due to limitations on the data available to us. The major assumptions are outlined in Section 4 to this report,

2. Research Methodology

2.1 Cost Pools Identified

Based on discussion with you, we prepared a list of the major service providers to the homeless population, and we categorized the services provided by them as follows:

2.1.1 Emergency Services

This includes emergency medical services (“EMS”), fire and police services provided to the homeless.

2.1.2 Health Care

This includes hospital stays by homeless persons at one of the four hospitals in the Calgary Health Region (“CHR”).

2.1.3 Housing

This includes the costs of providing subsidized housing in order to prevent youth, seniors, men and women from becoming homeless.

2.1.4 Support

These costs include various forms of support provided to the homeless including meals, career counselling, job placement, addictions treatment, medical services, bus tickets, rent assistance, provision of clothing and work boots, and computer access.

2.1.5 Incarceration

This includes the cost of stays by homeless persons in the Calgary Remand Centre, the Calgary Correctional Centre and the Calgary Young Offender Centre.

2.2 Organizations Contacted

We contacted over seventy-four organizations that serve the homeless exclusively, or as part of a broader mandate, to determine what services each provides, the number of homeless individuals they serve, and the costs on an annual basis between 2006 and 2007. These services are broken down further into two sub-categories as follows:

2.2.1 Services Used by the General Population

Organizations that provide services to the general population, which includes the homeless population. These include the Calgary Health Region, Calgary Fire Department, Calgary EMS, the Calgary Police Service, the Calgary Remand Centre, the Calgary Correctional Centre, and the Calgary Young Offender Centre.

These services are thought to be required in greater degree, per capita, by the homeless population. That does not mean to say that those costs would be reduced to nil once those homeless persons are housed, although presumably the incidence of use and therefore total costs would decrease. However, we make no representation as to the degree of decline of usage that takes place once a previously homeless person obtains housing.

2.2.2 Services Used Only by the Homeless Population

These costs include housing and support services provided to the homeless that would be eliminated if an alternate resource were available for the homeless population to draw upon.

2.3 Findings

Our research revealed that many organizations whose clientele are comprised of the general population, do not segregate the costs of providing their services for the homeless vs. the non-homeless population. (Many do not know what portion of their clients are homeless or not.) Also, some organizations knew their operating costs, but did not know their capital costs (i.e. value of buildings or other assets which are required by them to provide those services).

Organizations that were not able to provide any breakdown between these two groups or that did not know their capital costs, were initially excluded from the overall analysis to ensure no costs were incorrectly attributed to the homeless population. In those instances, we made estimates, based on other organizations that may have tracked the usage of similar services by a portion of the homeless population over a certain length of time.

2.4 Costs Not Captured

This study does not attempt to quantify the costs of volunteer hours, donated goods and services and the time involved with supporting the homeless population. These cost categories are discussed further below:

- The majority of organizations providing housing and support services to the homeless are operated with volunteer hours. This time is not consistently measured or valued for inclusion in the overall cost analysis.
- Donated goods and services range from food to buildings and are also not recorded by the organizations receiving them.
- Organizational time used in support of the homeless ranges from the time a paramedic spends waiting at a hospital for admission of his homeless patient, to the time police officers spend attending at the site of a dispute amongst homeless individuals. This time is not quantified by these organizations and therefore is not allocable to the overall cost of supporting the homeless population.
- For some organizations that would exist regardless of the existence of a homeless population or not, we did not accumulate or estimate capital costs. This included Calgary EMS, Calgary Police Services, Calgary Fire Department, Calgary Remand Centre, Calgary Correctional Centre, Calgary Young Offender Centre, and the Calgary Health Region. As well, for organizations that only provided support services but not housing, where capital costs were not available, we did not estimate capital costs due to the varied nature of the services provided and therefore differing space required to perform them. This included the Distress Centre, Jewish Family Service Calgary, Momentum, Calgary Meals on Wheels, and the Women's Centre of Calgary. This approach may understate costs, since, in the long run, a decreased usage of their services would presumably result in less capital being required (e.g. smaller or fewer police stations).

2.5 Per Person Costs

Our findings were then translated to costs per homeless person, based on the following estimates provided by you (and which we did not verify):

- The homeless population numbers 3,436 persons, 35% of which can be regarded as “chronic” homeless as per the *2002 Study of Homelessness in Calgary*¹, with the balance being “transient” homeless persons;
- The chronic homeless, while fewer in number, are responsible for 50% of the costs.

2.6 Canadian Studies Completed

Three separate Canadian studies were reviewed as they form a basis for current analyses of the costs of homelessness in Canada. These studies were:

- *The Cost of Homelessness: Analysis of Alternate Responses in Four Canadian Cities*; National Secretariat on Homelessness (California: Focus Consulting Inc., 2005)
- *Costs of Responding to Homelessness in Ottawa: Pro-Active versus Reactive Responses*; City of Ottawa (California: Focus Consulting Inc., 2007)
- *The Cost of Homelessness and the Value of Investment in Housing Support Services in Halifax Regional Municipality*; Cities & Environment Unit Dalhousie University (Halifax: Dalhousie University, 2006)

These studies provided information on average costs for services used by the homeless in other Canadian jurisdictions and provided a comparison for the numbers obtained in our study.

3. Cost of Homelessness in the City of Calgary

3.1 Operating Costs

In accordance with the cost pools discussed in Section 2.1, we obtained the annual operating costs of the organizations which provide services to the homeless population. These costs have been grouped by service type to obtain an annual operating cost for supporting the homeless population in the City of Calgary (Exhibit “A-1”).

¹ *2002 Study of Homelessness in Calgary*; Calgary Homeless Foundation (Calgary: 2002)

3.2 Capital Costs

To estimate the annual cost of capital assets used by the homeless, we allocated the cost of capital assets used by the organizations identified in supporting the homeless population.

These investments are not made annually, but rather are in long-lived assets (such as buildings and equipment). We estimated the annual cost of the capital assets at a rate of 10% of those assets' estimated cost. This rate represents the opportunity cost of the funds that were invested in these assets, versus this same investment being made in another venture with a rate of return of 10% per year (Exhibit "A-1").

The exact rate of return would vary for each organization, depending on the type and quality of assets (for instance, the location of a building, or the type of equipment). However, we believe that a detailed analysis would confirm a rate of 8% to 12% (the midpoint of which is 10%).

3.3 Total Costs

Subject to the assumptions noted throughout the report and subject to the scope of our review, in our opinion, the costs of homelessness in the City of Calgary are as follows:

Summary:

Annual operating costs		\$ 179,002,934
Capital cost	\$ 1,446,760,137	
Cost of capital	10%	<u>144,676,014</u>
Estimated annual costs		<u>\$ 323,678,948</u>

Size of homeless population:

Transient	2,234
Chronic	<u>1,202</u>
	<u>3,436</u>

Average annual cost per person \$ 94,202

Average annual cost, stratified, assuming chronic homeless are responsible for 50% of total costs

Transient	<u>\$ 72,444</u>
Chronic	<u>\$ 134,642</u>

4. Assumptions

In order to determine both operating and capital costs for the organizations which were not able to provide detailed responses and for which information was not publicly available, some assumptions were required. These assumptions were made based on information for similar service organizations. These assumptions are identified below:

- ***Emergency Services***

Calgary EMS did a study of total EMS responses for the top 18 users of their services for 2006 without a fixed address and for whom invoices were either not paid or were paid by either Health Canada or Social Services (“Top 18”). This data showed that the Top 18 had \$56,554 in unpaid fees, while total unpaid EMS fees for the year totalled \$550,000. This usage rate was used to extrapolate the overall unpaid services for the fire department and police department emergency services.

Costs were not available from the Calgary Police Service with regard to the cost per arrest or attendance at an emergency scene. Therefore, the average cost determined by the 2007 *Costs of Responding to Homelessness in Ottawa: Pro-Active versus Reactive Responses* study for “Street arrest – Community policing” were used to provide a cost for this service.

- ***Health Care***

CHR indicates that the average stay for a homeless person under its care is 12.2 days. CHR believes, but as yet has been unable to confirm, that its average cost of providing these services at \$1,000 per person, per day. CHR also reports that, in fiscal 2006, 767 homeless persons were cared for.

- ***Housing***

The Calgary Housing Company’s (“CHC”) annual operating budget is \$80,111,000 for the provision of 9,275 housing units provided to prevent individuals and families from becoming homeless. The per unit average cost of the CHC is \$8,637. This per unit cost was applied to other housing service agencies to estimate what their operating costs might have been, in the absence of specific information on this.

Capital costs for housing projects owned by the CHC totalled \$57,566,000 for the most recently acquired 433 units in its inventory, for an average cost of \$132,947 per unit. This cost was used to estimate the total cost of capital for all 9,275 units owned and operated by the CHC.

- ***Housing and Support***

Inn from the Cold operates out of donated buildings and provides housing and support to homeless individuals and families. Its annual operating costs were \$858,204 to provide 17,759 beds and services, for an average of \$48 per bed. For

those organizations providing similar services, but which did not accumulate their actual costs, the \$48 per bed average operating cost was applied.

Wood's Christian Homes Treatment Resources has annual operating costs of \$409,000 to provide 15 beds for youth between the ages of 12 and 17, for an average of \$75 per bed. This average cost was also applied to other housing and support programs for youth and women and children whose costs were not known.

The Salvation Army operates the Jackson Willan Seniors Residence which has a capital cost \$9,358,000 for 100 units, or \$93,580 per unit. The Salvation Army's operating costs are estimated at \$48/bed. This translates to \$1,949 of operating costs for each \$1 of operating costs. This ratio was relied upon to form estimates for other housing and support service providers which did not know their capital costs, but who did know their operating costs, or for whom operating costs could be estimated by us.

- ***Incarceration***

The *Results of the 2006 Count of Homeless Persons in Calgary*² showed that there were 103 beds in the Calgary Remand Centre occupied by individuals of no fixed address. This number was compared to the total number of beds at the centre and the ratio of homeless individuals to non-homeless individuals was calculated. This ratio was then applied to both the Calgary Correctional Centre and the Calgary Young Offender Centre to estimate the usage by the homeless at these facilities.

- ***Support***

The Jewish Family Service Calgary has only operated its support programs for three months of 2007 and therefore the costs of \$35,000 to \$40,000 were pro-rated over 12 months to provide an annual cost of \$150,000.

5. Further Areas for Research

The results of this report are preliminary and there are areas for further research to more precisely quantify the costs of homelessness in the City of Calgary. Some areas for further research are noted below:

- There are many agencies that provide services to the homeless that were not able to respond in time to supply information for this report. An exhaustive canvassing of these agencies would result in further costs attributed for the support of the homeless in Calgary.
- Many service organizations do not track the number of homeless individuals served throughout the year and therefore have no way of separating out the

² *Results of the 2006 Count of Homeless Persons in Calgary*; The City of Calgary (Calgary: 2006)

operating or capital costs for inclusion in this type of report. Gathering statistics on these usage rates would allow for the costs of these organizations to be included in the report.

- Services not tracked, such as volunteer hours and donated goods and services, could be reviewed further and quantified.



Yours very truly,

RSM RICHTER & ASSOCIATES INC.

A handwritten signature in cursive script that reads "Jeff Pellarin".

Jeff P. Pellarin, CA•CBV, CA•CIRP

Calgary Homeless Foundation
Summary of the Costs of Homelessness in the City of Calgary
January 28, 2008
 (\$ Canadian) (Unaudited)

Exhibit "A"

Summary (Exhibit "A-1"):

Operating costs		\$ 179,002,934
Capital cost	\$ 1,446,760,137	
Cost of capital	10%	<u>144,676,014</u>
Estimated total costs		<u>\$ 323,678,948</u>

Homeless population:

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		<u>3,436</u>

Average annual cost per client \$ 94,202

Average annual cost, stratified, assuming chronic homeless are responsible for 50% of total costs

Transient		<u>\$ 72,444</u>
Chronic		<u>\$ 134,642</u>

Calgary Homeless Foundation
Analysis of the Costs of Homelessness in the City of Calgary
January 28, 2008
(\$ Canadian) (Unaudited)



indicates those areas where per idem costs cannot be identified
indicates those areas where costs are not known, but estimates were made based on costs incurred by similar organizations
indicates those areas that did not have capital costs that are identifiable as relating specifically to services for the homeless

Agency	Type of Service	Total Service Cost	Cost per diem	Service(s)	Annual Cost of Capital	Total Capital Asset Cost	Capital assets
Calgary Emergency Medical Services	Emergency - EMS	\$ 151,144	\$8,397 per person for Top 18	\$56,554 in unpaid fees + \$94,590 pd by support orgs. for the Top 18 users of emergency services in 2006 (671 EMS Responses and 462 transports to hospital with 64 minutes mean wait time which is unbilled - charges are for response not time). The Top 18 were the 18 most frequent users of emergency services in 2006 who are known to be without a fixed address and their costs are paid for as follows:9 paid by Health Canada (aboriginal pop.), 4 paid by Social Services, 5 unpaid.			
Calgary Emergency Medical Services	Emergency - EMS	\$ 493,446	Average \$275.69 per EMS call	\$550,000 in bad debts - calls for no name or address or abuse of service - Top 18 would be included in this group of 1,995 calls.			
Calgary Fire Department	Emergency - Fire	\$ 19,850	Assume \$275.69 per call (same as EMS)	2006 - 72 emergency services for the Top 18 users			
Calgary Fire Department	Emergency - Fire	\$ 173,193	Assume \$275.69 per call (same as EMS)	Assume ratio of Top 18 users to homeless users with unpaid fees is the same as for EMS (\$56,554 unpaid fees vs. \$550,000 total bad debts for the year).			
Calgary Police Service	Emergency - Police	\$ 22,848	\$84 per community policing arrest	2006 - 272 emergency services for the Top 18 users; cost in Ottawa per street arrest = \$55-\$113 (average \$84 per arrest)			
Calgary Police Service	Emergency - Police	\$ 199,354	\$84 per community policing arrest	Assume ratio of Top 18 users to homeless users with unpaid fees is the same as for EMS (\$56,554 unpaid fees vs. \$550,000 total bad debts for the year).			
Calgary Health Region	Health	\$ 9,357,400	Average \$1,000 per day for Calgary Health Region usage.	Per discussion with Calgary Health Region, the average cost per day for services is approximately \$1,000. Annual usage by homeless was 767 admissions with an average length of stay of 12.2 days.			

Agency	Type of Service	Total Service Cost	Cost per diem	Service(s)	Annual Cost of Capital	Total Capital Asset Cost	Capital assets
Calgary Housing Company	Housing	\$ 80,111,000	\$8,637 actual average cost per unit	\$80,111,000 million operating budget for 9275 units. The focus of the program is prevention of homelessness by providing housing alternatives.	123,308,233	1,233,082,333	Crestwood Development - 60 units - \$13.2M, Vista Grande - 41 units - \$8.8M, Bridges - 16 units - \$1.316M, Inglewood Residence - 114 units - \$19.6M, Manchester - 202 units - \$14.65M = \$57,566,000 for 433 units (average \$132,947 per unit). Total of 9,275 units provided by CHC therefore estimate total capital asset costs based on known average cost per unit.
Glamorgan Christian Housing Society	Housing	\$ 310,943	est. \$8,637 actual average cost per unit based on Calgary Housing Company costs for Housing	Assume operating costs per dollar of capital cost is same as for Calgary Housing Company.	166,000	1,660,000	36 unit apartments with a total capital cost of \$1.66M.
Oxford House	Housing	\$ 1,145,597	est. \$8,637 actual average cost per unit based on Calgary Housing Company costs for Housing	Assume operating costs per dollar of capital cost is same as for Calgary Housing Company.	1,763,322	17,633,223	Oxford House development costs available at \$876,000. Therefore costs pro-rated based on Calgary Housing Company capital costs compared to operating costs.
Storehouse 39-3-10	Housing	\$ 259,119	est. \$8,637 actual average cost per unit based on Calgary Housing Company costs for Housing	Assume operating costs per dollar of capital cost is same as for Calgary Housing Company.	129,000	1,290,000	Storehouse 39-3-10 - federal funding of \$1.29M (assume 30 units based on the units of Glamorgan Christian Housing Society).
Accessible Housing Society	Housing and Support	\$ 1,006,374		3 facilities run at \$844,710 per year providing homes to 21 individuals and residential assessment and design program costs \$161,664 per year.	451,187	4,511,870	Pro-rated, based on Salvation Army capital costs compared to operating costs

Agency	Type of Service	Total Service Cost	Cost per diem	Service(s)	Annual Cost of Capital	Total Capital Asset Cost	Capital assets
Calgary Catholic Immigration Society	Housing and Support	\$ 2,000,000		16 housing units for families of 3-4, 1,000 people use services annually. June to November costs were \$36,612 total for one night bed usages. Other individual costs have not been tracked. Total budget for services including finding homes, jobs and meals is \$2M per year.	150,000	1,500,000	Transitional housing capital expenditure of \$1.5 million.
Calgary Drop-In and Rehab Centre	Housing and Support	\$ 20,708,640	est. \$48 per bed usage as per actual costs of Inn from the Cold for Housing and Support	Assuming 100% usage 365 days per year at \$48 per person	1,500,000	15,000,000	\$15 million capital cost for Riverfront Ave. Location (800 person capacity), Centre 110 (58 man capacity), Centre 2507 (125 man capacity), Centre 2032 (150 man capacity), Bridgeland Manor (49 units for seniors).
Calgary John Howard Society	Housing and Support	\$ 1,841,000		Programs to house youth between 14 and 18 (17 beds), 1500 clients are seen through emergency centre for adults (clothing, bus tickets, etc.), employment program for 85 clients, drop-in-centre for literacy (45-50 clients per year), half-way houses - 22 beds for men and 10 for women.	983,338	9,833,378	Pro-rated, based on Salvation Army capital costs compared to operating costs
Horizon Housing Society	Housing and Support	\$ 1,924,276		Beds for 460 people (231 mentally disabled, 29 with brain injuries, 27 physically disabled, 68 subsidized low income, 93 market and 12 staff and family). Annual operating costs are \$1,924,276.	1,057,035	10,570,348	The net book value (cost less amortization) of the capital assets per annual financial statements.
Inn from the Cold	Housing and Support	\$ 858,204	\$48 per bed usage (average actual cost)	310 families helped, 8,016 beds for children, 17,759 beds overall - total expenses for 2006 excluding amortization = \$858,204. Use of churches, synagogues and community halls for temporary emergency shelter on a rotating basis.	10,373	103,727	Capital assets cost \$103,727. Capital cost does not consider cost of churches, etc. used for emergency shelter.
Metropolitan Calgary Foundation	Housing and Support	\$ 19,300,000	\$13,785 actual average cost per unit	Residences for 1400 low to moderate income seniors are assisted with residence. Annual operating budget is \$19,300,000 including services provided in the buildings (9 lodges and 16 self-contained units) such as housekeeping and food services.	10,308,756	103,087,557	Pro-rated, based on Salvation Army capital costs compared to operating costs
Potential Place Society	Housing and Support	\$ 508,080	est. \$48 per bed usage as per actual costs of Inn from the Cold for Housing and Support	Work with people with mental illnesses by providing 2 houses serving 29 people.	271,382	2,713,820	Pro-rated, based on Salvation Army capital costs compared to operating costs

Agency	Type of Service	Total Service Cost	Cost per diem	Service(s)	Annual Cost of Capital	Total Capital Asset Cost	Capital assets
The Mustard Seed	Housing and Support	\$ 9,541,672		Services include food (1,540 stays in "emergency" housing, 292 stays in supported housing, 512 work boots distributed, 338,000 meals served, counselling, employment and training and recreation. Total operating expenses for 2007 less costs of capital asset amortization are \$9,541,672 (amortization removed as the cost of capital is allocated separately).	1,090,817	10,908,168	Capital assets cost \$10,908,168 per annual financial statements.
The Salvation Army	Housing and Support	\$ 2,522,880	est. \$48 per bed usage as per actual costs of Inn from the Cold for Housing and Support	Services include addictions treatment and seniors support	935,800	9,358,000	Centre of Hope - addictions treatment centre (44 beds) and Jackson Willan Seniors Residence - 100 units (\$9,358,000)
The Salvation Army - Women's Residential	Housing and Support - Women	\$ 800,000		20 emergency stay rooms (rent free with 3 meals a day for 30-90 days), 4 non-emergency stay rooms (\$10.50 cost to individuals per day with no food provided), 2 family units (\$695 per family per month cost). Operating budget also includes 24 hour staffing, support, cafeteria, life skills coordinator.	427,306	4,273,059	Pro-rated, based on Salvation Army capital costs compared to operating costs
YWCA	Housing and Support - Women and Children	\$ 2,409,000	est. \$75 per bed usage as per actual costs of Wood's Homes for Housing and Support - Youth	6 emergency beds (up to 14 days), 82 transitional beds and counselling services. From January to November helped 437 total - 147 women for the emergency beds, 191 women for transitional beds and 99 children.	1,286,725	12,867,250	Pro-rated, based on Salvation Army capital costs compared to operating costs
Wood's Homes Treatment Resources	Housing and Support - Youth	\$ 409,000	\$75 per bed usage	15 beds in shelter program for children between 12 and 17. 850 people went through the program last year.	218,460	2,184,602	Pro-rated, based on Salvation Army capital costs compared to operating costs
Youth for Christ Association for Calgary	Housing and Support - Youth	\$ 312,000	est. \$75 per bed usage as per actual costs of Wood's Homes for Housing and Support - Youth	20 youths a night - drop-in centre Monday through Thursday (usually same youth each week).	166,649	1,666,493	Pro-rated, based on Salvation Army capital costs compared to operating costs
Calgary Remand Centre	Incarceration	\$ 11,002,838	\$108.72 per diem	10,263 admissions of an average of 34.6 days at \$108.72 per day. 103 of the beds were occupied by individuals with no fixed address per 2006 Count of Homeless Persons in Calgary.			
Calgary Young Offender Centre	Incarceration	\$ 5,268,925	\$326.82 per diem	1,107 admissions of an average of 51.1 days at \$326.82 per day. Assume similar usage rate to the Calgary Remand Centre.			

Agency	Type of Service	Total Service Cost	Cost per diem	Service(s)	Annual Cost of Capital	Total Capital Asset Cost	Capital assets
Calgary Correctional Centre	Incarceration	\$ 265,878	\$108.72 per diem	248 admissions of an average of 34.6 days at \$108.72 per day. Assume similar usage rate to Calgary Remand Centre.			
Distress Centre	Support - Family	\$ 28,700	\$203.55 per family	Helped 141 families for 2006 from instrumental needs program.			
Jewish Family Service Calgary	Support - Family	\$ 150,000		Costs for 3 months of operating were \$35-40,000 therefore annualized at \$150,000. They provide recently unemployed individuals with assistance paying for essential services and paying down payments on rent.			
Momentum	Support - Family	\$ 450,000		Funds provided for rent / utilities in arrears or as down payment to get a place for low income individuals.			
Calgary Meals on Wheels	Support - Meals	\$ 179,900	\$1.68 per lunch for workers	216 bagged lunches per work day for "working homeless" at \$94,900 annually. \$85,000 per year for lunches for school children - 2 times a week - #s not available for how many children.			
Women's Centre of Calgary	Support - Women	\$ 700,000		\$700,000 annually for services including food hampers, bus tickets, legal advice, peer support, drop-in for computers and mail ad referrals to other centres.			
Calgary Urban Project Society	Support and Community Health	\$ 4,571,674		Services include community health services, a family resource centre, Street Talk newspaper, counselling, shower facilities, clothing and lunches.	451,631	4,516,309	Capital assets cost \$4,516,309 per annual financial statements.
		<u>\$ 179,002,934</u>			<u>\$ 144,676,014</u>	<u>\$ 1,446,760,137</u>	

Unquantifiable Costs - Volunteer Hours, Donated Goods and Services, Organizational Time (i.e. EMS waiting time)

**Report on the Cost of Homelessness in the City of Calgary
Scope of Review**

In performing our analysis and in forming our opinion, we have reviewed and relied upon, *inter alia*, the following documents and information:

1. Canadian studies on the cost of homelessness:
 - a) *The Cost of Homelessness and the Value of Investment in Housing Support Services in the Halifax Regional Municipality*; Cities & Environment Unit, Dalhousie University (Halifax: Dalhousie University, 2006);
 - b) *Costs of Responding to Homelessness in Ottawa: Pro-Active versus Reactive Responses*; National Secretariat on Homelessness (California: Focus Consulting Inc., 2005); and
 - c) *The Cost of Homelessness: Analysis of Alternate Responses in Four Canadian Cities*; City of Ottawa (California: Focus Consulting Inc., 2007).
2. *Data for Calgary Area Correctional Facilities*; Solicitor General and Public Security, 2007;
3. Consolidated financial statements of Mustard Seed (Calgary) Street Ministry Society for the year ended March 31, 2007;
4. The Mustard Seed Street Ministry website;
5. Horizon Housing Society and Horizon West Housing Society Tenant Population Chart;
6. Horizon Housing Society Financial Report March 31, 2007;
7. Horizon Housing Society Vision and Mission Statement;
8. The City of Calgary: Calgary Housing Company website;
9. Alberta Seniors and Community Supports May 2007 AISH Facts;
10. Inn from the Cold Annual Report for the year ended December 31, 2006;
11. United Way Fast Facts 2007 – Community Investments & Collaborations;
12. Calgary Catholic Immigration Society 25th Annual Report 2005-2006;
13. Calgary and Area Child and Family Services Authority - Community Resource Centres website;
14. Distress Centre Fast Facts;
15. Distress Centre Annual Report December 31, 2006;
16. Calgary Drop-In & Rehab Centre website;
17. The Salvation Army Prairie Division website;

18. Calgary Women's Emergency Shelter Residential Services website;
19. Canadian Mental Health Association Calgary Region website;
20. Canadian Red Cross Western Canada website;
21. Family & Community Support Services website;
22. Calgary Urban Project Society Annual Report December 31, 2006;
23. Calgary Homeless Foundation website;
24. *The External Costs of Poverty: A Conservative Assessment*; A Report to the United Way of Calgary and Area (Calgary: Shiell, Alan and Jenny Zhang, 2004);
25. United States Interagency Council on Homelessness – The Presidential Chronic Homelessness Initiative PowerPoint Presentation;
26. City of Calgary website;
27. *SHELTER - Homelessness in a growth economy: Canada's 21st century paradox*; A Report for the Sheldon Chumir Foundation for Ethics in Leadership (Laird, Gordon, 2007);
28. *Improving the Health of Canadians: Mental Health and Homelessness*; Canadian Institute for Health Information (Ottawa: CIHI, 2007);
29. *Articles from the New Yorker – Million Dollar Murray*; www.gladwell.com;
30. Calgary John Howard Society Annual Report 2006;
31. Human Resources and Social Development Canada website;
32. Government of Alberta Municipal Affairs and Housing website;
33. Results of the 2006 Count of Homeless Persons in Calgary;
34. Phone and e-mail discussions with:
 - a) Tim Richter, Vice-President of the Calgary Homeless Foundation;
 - b) Andy Weiler, Communications Director for the Solicitor General and Public Security;
 - c) Sean McIntyre, Calgary Health Region;
 - d) Bill Staubi, DG Performance Management, Correctional Service of Canada;
 - e) Women's Centre of Calgary;
 - f) The Back Door – A Youth Employment Society;
 - g) Youth for Christ Association;

- h) Calgary Catholic Immigration Society;
- i) Calgary Women's Emergency Shelter;
- j) Wood's Homes Treatment Resources;
- k) Trinity Place Foundation of Alberta;
- l) Calgary Immigrant Aid Society;
- m) The Mustard Seed Street Ministry;
- n) Robert Perry, Calgary Urban Project Society;
- o) Calgary John Howard Society;
- p) Inn from the Cold;
- q) Horizons Housing Society;
- r) Spectrum Youth and Family Services Association;
- s) Accessible Housing Society;
- t) Prospect Human Services Society;
- u) Developmental Disabilities Resource Centre of Calgary;
- v) Centre for Newcomers;
- w) Calgary Immigrant Women's Association;
- x) Children's Cottage Society of Calgary;
- y) Simon House Residence Society;
- z) Sunrise – Native Addictions Services Society;
- aa) Calgary Bridge Foundation for Youth;
- bb) Ghost River Rediscovery Society;
- cc) Metis Employment Centre;
- dd) Jewish Family Service Calgary;
- ee) Hera Society;
- ff) Oxford House Foundation of Calgary;
- gg) Potential Place Society;
- hh) United Way;

- ii) Motive-Action Training Foundation;
- jj) Elizabeth Fry Society of Calgary;
- kk) Child & Youth Friendly Calgary;
- ll) Metropolitan Calgary Foundation;
- mm) Momentum;
- nn) The Salvation Army (Women's Residential);
- oo) Alberta Seventh Step Society;
- pp) Victorian Order of Nurses;
- qq) McBride Career Group;
- rr) Calgary Inter-faith Food Bank Society;
- ss) Latour Native Foundation;
- tt) John Rowland, Drop-In & Rehab Centre Society;
- uu) Canadian Red Cross;
- vv) Distress Centre;
- ww) Lou Winters, Calgary Meals on Wheels;
- xx) Hospice Calgary;
- yy) Persons with Developmental Disabilities;
- zz) Habitat for Humanity Society;
- aaa) Susan Plesuk, YWCA; and
- bbb) Calgary Alternative Support Services;

regarding service usage by the homeless and costs of services and various of the documents described above.