

Minister of Housing,
Infrastructure
and Communities



Ministre du Logement,
de l'Infrastructure
et des Collectivités

Ottawa, Canada K1P 0B6

May 17, 2024

Mayor Leonard Krog
City of Nanaimo
City Hall
455 Wallace Street
Nanaimo, British Columbia V9R 5J6

Dear Mayor Krog:

I am writing in response to your correspondence regarding Nanaimo City Council's decision to have passed the motion to seek additional support from the federal government through its Reaching Home funding.

We appreciate the work your Reaching Home Community Entity, United Way British Columbia, is doing to address homelessness in your community. Homelessness is a complex issue caused by a range of social, economic and individual factors. The Government of Canada is committed to continuing to work with partners and communities to move towards the ultimate goal of eliminating chronic homelessness as they respond to the needs of people experiencing or at risk of homelessness.

Launched in April 2019 as part of the National Housing Strategy (NHS), a 10-year, \$82+ billion plan, the Government of Canada is investing \$4 billion over nine years, from 2019–2020 to 2027–2028, through Reaching Home: Canada's Homelessness Strategy. Funding under Reaching Home has been responsive to emerging needs, and includes: additional investments that were made through Budgets 2021 and 2022; incremental contributions made throughout the pandemic to assist the emergency response; and a \$100-million winter top-up that I announced in December 2023 to support communities in responding to unsheltered homelessness from November 2023 to April 2024.

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Furthermore, in [Budget 2024: Fairness in Every Generation](#), the federal government proposed to provide an additional \$1.3 billion over four years, starting in 2024–2025, to Infrastructure Canada for Reaching Home, as follows:

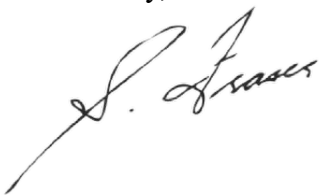
- \$1 billion over four years, starting in 2024–2025, to stabilize funding under the program, to reflect the Government’s commitment to support organizations across Canada in preventing and reducing homelessness. Of this investment, \$50 million will focus on accelerating community-level reductions in homelessness.
- \$250 million over two years, starting in 2024–2025, to address the urgent issue of encampments and unsheltered homelessness. This funding will require provinces and territories to cost-match federal investments, leveraging a total of \$500 million. This will help communities scale-up their efforts to train homelessness support workers, respond to the unique experiences of those affected by unsheltered homelessness, including those living in encampments, and renovate and build more shelters and transitional homes for those who need them.

As you may know from the communications sent by my officials, it is not possible to maintain current enhanced Reaching Home funding levels going forward due to the transition from Budget 2021 to Budget 2022 incremental funding (respectively \$567 million and \$562.2 million). The expiry of Budget 2022 incremental funding will lead to a return to Reaching Home base funding for 2026–2027 and 2027–2028. This affects all communities and recipients. I recognize that United Way British Columbia’s funding has been impacted by this change in incremental funding.

In the meantime, Infrastructure Canada officials remain in close contact with all agreement holders to ensure transparency and clear communication in regards to the Reaching Home program funding.

Please rest assured that the Government of Canada is committed to working with all orders of government, local communities and stakeholders to implement longer-term solutions to homelessness and housing need for all Canadians. Thank you for writing on this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Fraser', written in a cursive style.

The Honourable Sean Fraser, P.C., M.P.
Minister of Housing, Infrastructure and Communities