



City of Hamilton

CITYHOUSING HAMILTON CORPORATION SHAREHOLDER MEETING AGENDA

Meeting #: 20-001
Date: October 27, 2020
Time: 11:30 a.m.
Location: Due to the COVID-19 and the Closure of City Hall

All electronic meetings can be viewed at:
City's Website:
<https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas>
City's YouTube Channel:
<https://www.youtube.com/user/InsideCityofHamilton> or Cable 14

Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

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1. APPROVAL OF AGENDA	
(Added Items, if applicable, will be noted with *)	
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**CITYHOUSING HAMILTON CORPORATION
SHAREHOLDER MEETING
MINUTES 19-002
Immediately following the Board of Health Meeting
Wednesday, August 14, 2019
Council Chambers
Hamilton City Hall, 71 Main Street West**

Present: Deputy Mayor A. VanderBeek (Chair)
Councillors M. Wilson, J. Farr, N. Nann, S. Merulla, C. Collins,
T. Jackson, E. Pauls, J.P. Danko, B. Clark, M. Pearson, L. Ferguson

Absent Mayor Eisenberger – Personal
Councillor B. Johnson - City Business
Councillors J. Partridge, T. Whitehead - Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Roxborough Park Development Opportunity (Report #17029(d)) (Item 6.1)

(Collins/Merulla)

That Report #17029(d), respecting a Roxborough Park Development Opportunity, be received and remain confidential.

CARRIED

2. 500 MacNab Tower Renewal Update (Report #18012(c)) (Item 6.2)

(Collins/Pauls)

That Report #18012(c), respecting a 500 MacNab Tower Renewal Update, be received and remain confidential.

CARRIED

3. CityHousing Hamilton Development Strategy (Item 4.1)

(Collins/Merulla)

WHEREAS the City of Hamilton is the sole shareholder of CityHousing Hamilton Corporation (CHH);

WHEREAS, CHH is applying for certain loans from certain lenders to renovate wholly owned CHH properties;

WHEREAS, a requirement of funding applications for CHH is the guarantee of the debt and confirmation of the amortization period by City of Hamilton in its capacity as sole shareholder of CHH;

WHEREAS, CHH can access Infrastructure Ontario (IO) loan programs at a discounted municipal interest rate through the City of Hamilton as sole shareholder of CHH; and,

WHEREAS, CHH can enter into debt/debenture/mortgage agreements under terms and conditions that are approved by the Board of Directors and Sole Shareholder;

THEREFORE BE IT RESOLVED:

- (i) That the City of Hamilton, in its capacity as sole shareholder of CHH:
 - (a) Approve the respective development plans outlined in Reports 18012(c) and 17029(d) (attached);
 - (b) Guarantee the debt financing for the projects listed above in Reports 18012(c) and 17029(d) to a cumulative upset limit of (CAN) \$24,741,020;
 - (c) Approve CHH entering into loan agreements with certain lenders that would contemplate using wholly owned CHH properties as collateral;
 - (d) Apply for Infrastructure Ontario (IO) loan programs on behalf of CHH and collect approved loan payments from CHH in accordance with terms and conditions in IO Loan agreements;
 - (e) Approve amortization periods of up to thirty-five years on behalf of CHH; and,
 - (f) Prepare the necessary agreements with the terms and conditions that ensure that CHH is responsible for all debt or loan payments included in Reports 18012(c) and 17029(d), including right to allow a creditor to register security agreements against wholly owned CHH properties and seeking legal opinions where necessary;
- (ii) That, if required by a lender, CHH request City of Hamilton, the body corporate created pursuant to the *City of Hamilton Act* (Ontario), guarantee the debt financing of certain wholly owned CHH property; and,

- (iii) That the Mayor and Secretary/Clerk are hereby authorized and directed to sign and/or dispatch and deliver all other documents, notices, articles, certificates to be signed and/or dispatched or delivered under or in connection with the Shareholder Declaration or to take any action deemed necessary in respect of any of the foregoing.

Result: Motion carried by a vote of 12 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Councillor Jason Farr
YES - Councillor Nrinder Nann
YES - Councillor Sam Merulla
YES - Councillor Chad Collins
YES - Councillor Tom Jackson
YES - Councillor Esther Pauls
YES - Councillor John-Paul Danko
YES - Chair Arlene VanderBeek
NOT PRESENT - Mayor Fred Eisenberger
NOT PRESENT - Councillor Judi Partridge
NOT PRESENT - Councillor Terry Whitehead
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 1)

The Committee Clerk advised that consideration of Items 6.1, Report #17029(d), respecting a Roxborough Park Development Opportunity, and 6.2, Report #18012(c), respecting a 500 MacNab Tower Renewal Update is required prior to the consideration of Item 4.1, CityHousing Hamilton Development Strategy.

(Pearson/Wilson)

That the agenda for the August 14, 2019 meeting of the CityHousing Hamilton Corporation Shareholder be approved, as amended.

Result: Motion carried by a vote of 12 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Councillor Jason Farr
YES - Councillor Nrinder Nann
YES - Councillor Sam Merulla
YES - Councillor Chad Collins
YES - Councillor Tom Jackson
YES - Councillor Esther Pauls

YES - Councillor John-Paul Danko
YES - Chair Arlene VanderBeek
NOT PRESENT - Mayor Fred Eisenberger
NOT PRESENT - Councillor Judi Partridge
NOT PRESENT - Councillor Terry Whitehead
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) June 25, 2019 (Item 3.1)

(Pauls/Collins)

That the Minutes of the June 25, 2019 meeting be approved, as presented.

Result: Motion carried by a vote of 12 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Councillor Jason Farr
YES - Councillor Nrinder Nann
YES - Councillor Sam Merulla
YES - Councillor Chad Collins
YES - Councillor Tom Jackson
YES - Councillor Esther Pauls
YES - Councillor John-Paul Danko
YES - Chair Arlene VanderBeek
NOT PRESENT - Mayor Fred Eisenberger
NOT PRESENT - Councillor Judi Partridge
NOT PRESENT - Councillor Terry Whitehead
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(d) PRIVATE AND CONFIDENTIAL (Item 6)

The Committee determined that discussion of Item 6.1 respecting the Roxborough Park Development Opportunity (Report #17029(d)) and Item 6.2 respecting the 500 MacNab Tower Renewal Update (Report #18012(c)) was not required in Closed Session, so the matters were addressed in Open Session.

- (i) Roxborough Park Development Opportunity (Report #17029(d))
(Item 6.1)**

For disposition of this matter, refer to Item 1.

- (ii) 500 MacNab Tower Renewal Update (Report #18012(c)) (Item 6.2)**

For disposition of this matter, refer to Item 2.

- (e) ADJOURNMENT (Item 7)**

(Pearson/Ferguson)

That there being no further business the CityHousing Hamilton Corporation Shareholder meeting be adjourned at 3:12 p.m.

CARRIED

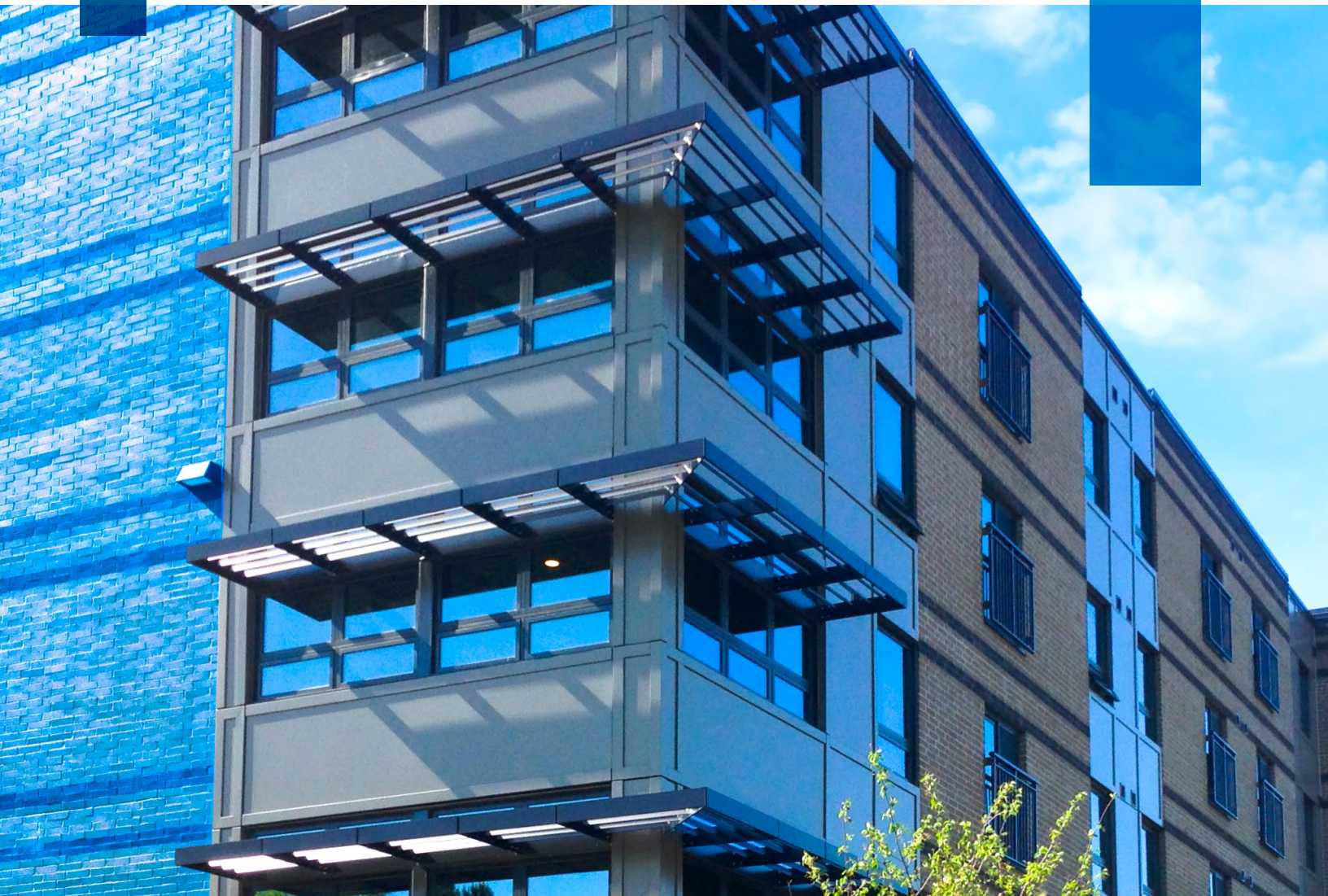
Respectfully submitted,

Deputy Mayor A. VanderBeek
Chair, CityHousing Hamilton
Corporation Shareholder

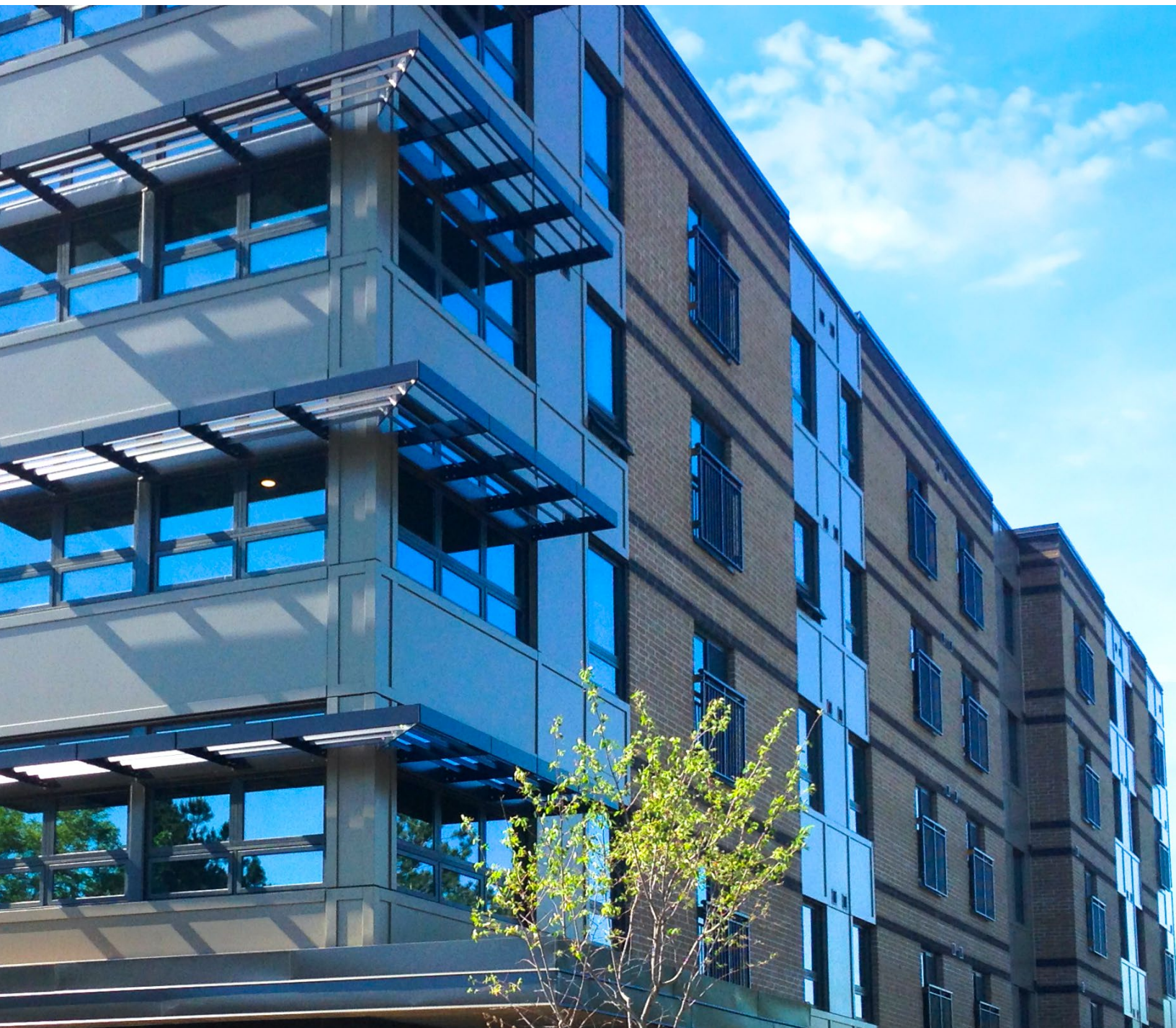
Tamara Bates
Legislative Coordinator
Office of the City Clerk

CityHOUSING HAMILTON

2019 Annual Report



...more than a place to live



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MESSAGE

FROM THE BOARD PRESIDENT AND CEO

Our 2019 message is being written at a time when we are experiencing a global pandemic. COVID-19 has caused a quantum shift in how we perform our work and live our lives. There is value in reflecting on what we have accomplished in 2019 and how it will prepare us for the uncertain path that we will move along in the future.

There is no question that housing is intrinsically linked to wellness. It has been an ongoing focus for CityHousing Hamilton (CHH) to better support the tenants in our buildings to optimize their health. This is highlighted in the Annual Report with stories on Vanier Towers, food security and smoke-free living. In particular, the work initiated in 2019 relating to food security at several buildings has resulted in a transformational food strategy for our vulnerable tenants.

We continue to focus on building a more sustainable future for both our organization and community. A key focus of this work lies in the areas of capital projects and development. Across all levels of government there is a consensus that there is a crisis relative to the availability of affordable housing. As we look at ways to solve this problem, it must be integrated and reflective of the community we serve.

Our work is made possible because of the support of our partners. Each year we highlight key partnerships and a list of all our community partners. It has never been more important for organizations and associations to work together. We each have a role to play; together we can form partnerships that build on our individual strengths leading to a better outcome for the entire community. More than ever, we must seek out opportunities and partnerships that create a stronger community.

We would like to thank the Board of Directors, the City of Hamilton, staff, tenants and our community partners for their contribution and commitment to CHH. We are focused on building a stronger organization to meet the wellness needs of our tenants and to best meet the affordable housing demands within Hamilton.



Chad Collins
*President and
 Ward 5 Councillor*



Tom Hunter
Chief Executive Officer

BOARD OF DIRECTORS

Chad Collins, President
Ward 5 Councillor

Jason Farr, Vice President
Ward 2 Councillor

Nrinder Nann, Treasurer
Ward 3 Councillor

Tom Jackson
Ward 6 Councillor

Maureen Wilson
Ward 1 Councillor

Jacqueline Aird
Citizen Member

Nicholas But
Citizen Member

Adriana Harris
Citizen Member

Patricia Reid
Citizen Member

SENIOR MANAGEMENT

Rochelle Desouza
Chief Financial Officer

Brian Kinaschuk
Manager, Maintenance

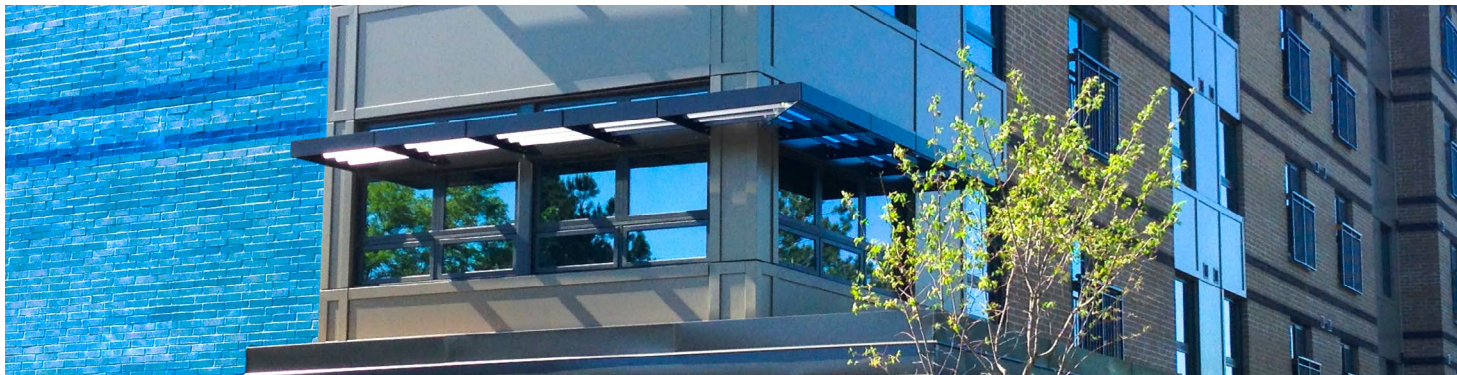
Donna Kirchknopf
Manager, Operations

Bernice Lilley
Manager, Asset Renewal

Kate Mannen
Manager, Partnership Development
and Support Services

Leanne Ward
Manager, Residency Administration

Amanda Warren-Ritchie
Manager, Business Services



COMMUNITY PARTNERSHIPS

The Vanier Towers Story

Vanier Towers are two high-rise apartment buildings located at 181 Jackson Street West and 95 Hess Street South that house approximately 550 tenants who qualify for affordable housing.

The Vanier community continues to be in a state of change, unequally and unfairly burdened by social disparities that are known drivers of negative health outcomes. Key findings from a Community Health Profile published in 2019 highlight that compared to the overall population of the City of Hamilton, Vanier tenants had difficulty accessing healthcare and support resources; had higher usage of emergency services like Police, Paramedics and Fire; and identified food insecurity as a significant challenge.

Through the voice of tenants, population health data and conversations with community partners and decision makers, a community-integrated service model was established to address the issues and implement possible solutions. Much of this work was accomplished through the **INSPIRE Project** that involved a partnership with McMaster University, including the School of Nursing and Faculty of Social Services, McMaster Family Health Team, Western University, University of Southampton (UK), HealthLinks, Information Hamilton and Public Health Services.

A vibrant community hub of more than 20 partners brought together a range of services that reflect the needs of tenants, ensuring they are safe, healthy and supported.



SUCSESSES

- Establishing a **culture of safety** with a 24/7 security concierge and magnet locks installed on all exterior doors.
- Providing for **primary care, mental health and social service** needs with onsite Social Workers (St. Joseph's Hospital), Community Health Workers (Urban Core), doctors (Shelter Health Network) and a Community Relations Worker (CHH).
- Addressing **food security** through a Wesley partnership that includes a commercial kitchen, food pantry and year-round modular farm system.
- Enhancing **tenant supports** with a broader range of services, resources and additional staffing.
- Building a **community support system** thanks to partners and initiatives like Healing Arts Recovery with Peer Support (HARPS).
- Fostering an **improved living environment** with greater accessibility through ongoing renovations and new elevators.
- Supporting **Indigenous youth** with home transition through the Hamilton Regional Indian Centre.
- Engaging regularly for **valuable tenant feedback** through face-to-face connections and drop-in group programming.

Thanks to solid tenant and community partnerships and ongoing collaboration, a noticeable culture shift is taking place. Vanier Towers is proof that a community-integrated model of service can lead to positive change, not only for tenants but for the Hamilton community as a whole.

“These services are easy to access for me unlike for some others. I am grateful to have services back in our community.”

– *Vanier tenant*



Food Security Programs

Nutrition is key to staying healthy and lowering the risk of chronic health conditions. In September 2019, we identified a food security gap in our senior buildings: the lack of fresh fruit and vegetables available to vulnerable seniors. Most of our senior buildings are in neighbourhoods known for their poverty.

A collaboration with Food for Life helped us close this “gap” by providing free fresh fruits and vegetables to seniors at First Place. This innovative approach of providing nutrition to vulnerable seniors is the first of its kind at CHH.

This collaboration has been a true success! From October 1 to December 16, 2019, we served fresh fruits and vegetables to 1,009 seniors. Every Tuesday, Wednesday and Thursday, the First Place Wellness Room transformed into a food market with an array of delicious fruits and vegetables. Tenants chose their own product by filling a re-usable bag and were always welcomed back for more; we encouraged the tenants to follow the motto, “Take what you need for today”. In two days, 90 per cent of the food was gone.

In December 2019, Food for Life submitted a proposal to the Ontario Trillium Foundation to expand the fresh food program to four additional CHH senior buildings over the next three years. This valuable partnership will ensure vulnerable tenants continue to have access to healthy food in the most accessible way.



From October 1 to December 16, 2019,
we served fresh fruits and vegetables
to 1,009 seniors.

CityLAB Partnership

CityLAB Hamilton is an innovation hub that brings together student, academic and civic leaders to identify complex challenges and co-create innovative projects to address the problem and help build a better Hamilton for all.

In 2019, our partnership with CityLAB included four projects designed to better engage, support and understand the needs of CHH tenants. Some of the issues these projects aimed to tackle included:

1. Chronic homelessness in Hamilton
2. Tenant health, safety and engagement
3. Unemployment and job-skills support
4. The meaning of “home” to tenants
5. Community engagement and tenant connections

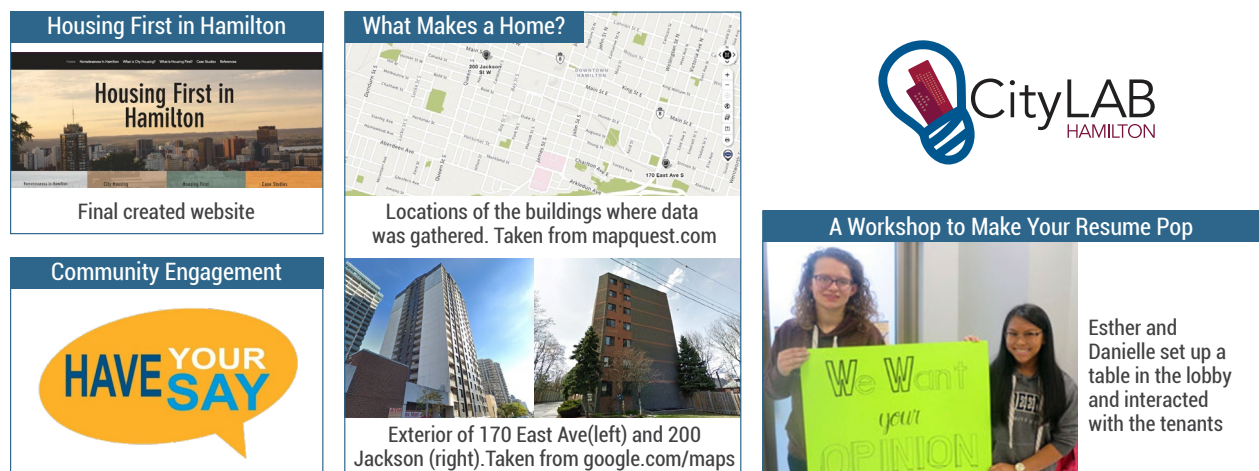
THE RESEARCH, CASE STUDIES, SURVEYS AND DATA gathered has not only informed our work and the services we offer tenants, it will provide a foundation for future projects at CityLAB and student research. The greatest benefit is shedding light on the challenges that tenants (and the larger housing sector) currently face, ultimately helping to seek out solutions.

THE PROJECTS

- **Housing First in Hamilton:** *Fighting to End Chronic Homelessness*
- **What Makes a Home?** *An Understanding of What Home Means to Residents at CityHousing (170 East Avenue and 200 Jackson Street)*
- **Community Engagement:** *How the Residents of CityHousing Connect Within their own Community (191 Main Street West)*
- **A Workshop to Make Your Resume Pop:** *Determining Whether CityHousing Residents Would Benefit from a Resume Workshop*

“Students’ engagement with tenants provided us with detailed information pointing out gaps in current programming, as well as areas where tenants feel satisfied. We would never have been able to gather this valuable data, which will help us improve how we support our tenants.”

– Christine McKay, Tenant Support Worker



Smoke-Free Living

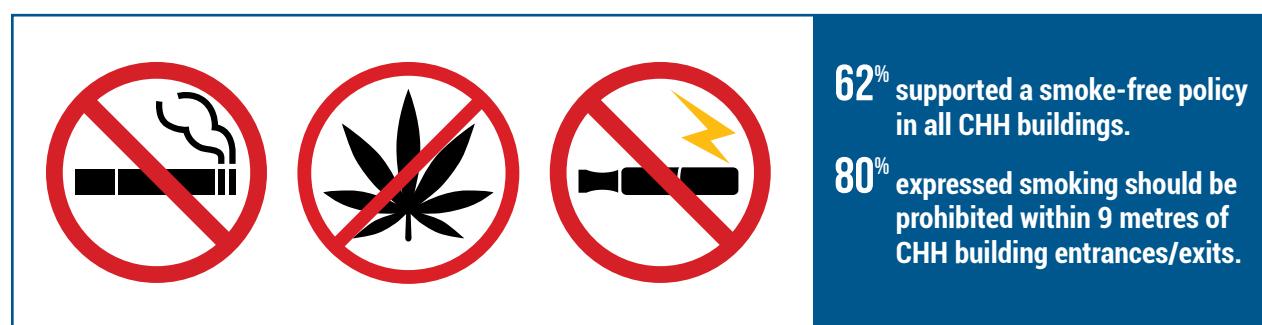
Following the initial policy launched in 2018 that made new builds and/or retrofits smoke-free, we partnered with Public Health Services to conduct a tenant survey that would measure support for smoke-free living in our buildings. The March 2019 Smoking and Second-Hand Smoke Survey results included responses from 912 households, 68 per cent of which resided in seniors' apartment buildings.

In response to the survey results, our Board of Directors approved a Smoke-Free Living policy. Under this policy, new and transferring tenants to any CHH building cannot smoke or vape in their unit or balcony.

HOW DID WE IMPLEMENT THE NEW POLICY?

- Developed new lease addendums outlining the parameters for new and transferring tenants
- Communicated the change through:
 - a personal letter to every tenant
 - the CHH Housing Matters newsletter
 - signage posted at entrances, exits and common areas
- Created a feedback brochure for tenants to voice concerns
- Offered smoking cessation supports in partnership with Public Health Services
- Made portable ashtrays available as part of a smoking cessation/harm reduction program
- Provided odour mitigation products as required to tenants

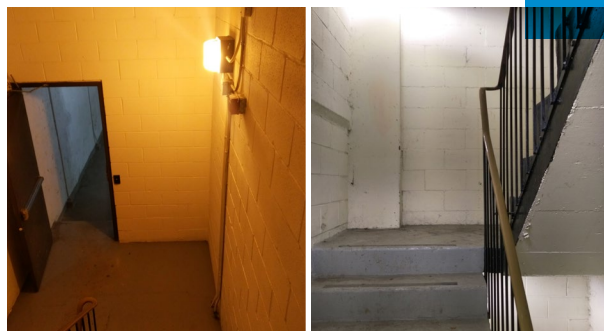
Ontario legislation allows current tenants to be grandfathered, meaning they can smoke in their unit until they either transfer units or cease to be a tenant. In Ontario social housing, research shows it typically takes 15 years for a multi-dwelling building to become totally smoke-free.



SUSTAINING CHH INFRASTRUCTURE

Canada-Ontario Community Housing Initiative

Our submissions to the 2019 Canada-Ontario Community Housing Initiative (COCHI) Call for Applications were awarded \$235,000. The COCHI funding criteria targeted buildings that were at or near the end of their operating agreements, as well as projects that improved durability and energy performance. CHH's COCHI-funded projects involve LED lighting retrofits at 25 Lynden Avenue and 700 Stone Church Road West, as well as door replacements at 772 Upper Paradise Road. These projects are expected to be completed in 2020.



(before)

(after)

SHARP LED retrofit in a stairwell
at 191 Main Street West

Elevator Modernization at Vanier Towers

Vanier Towers consists of two high-rise buildings, with each tower containing two geared hydraulic elevators originally installed in 1969 when the buildings were constructed.

The typical lifespan of a geared hydraulic elevator is 25 to 30 years. Although the Vanier Towers elevators were modernized with state-of-the-art equipment in 1994, by 2018 they were unreliable and sometimes erratic, causing serious hardships for tenants. Between September 2017 and September 2018 alone, the tower at 181 Jackson Street West had 36 service calls for elevator problems. Due to the age of the elevators, replacement parts became harder to source, and often elevator cars were out of service for days or weeks at a time while waiting for replacement parts.

Both towers will receive full elevator modernizations of both cars, which includes new motors, controls, fire safety systems, electrical work and cab interior finishes. The plan is to modernize one elevator car per building at a time, leaving one car operational for tenants. We developed a communication plan to ensure tenants were informed of the elevator work and how it would affect them. Two community meetings were held for tenants that included the elevator design consultant and modernization contractor to take tenants through the process and answer any questions. Tenants were pleased the elevators were being modernized despite the inconvenience of only having one elevator available per building for approximately 20 weeks. We also put together contingency plans for the tenants in case the one working elevator breaks down. The project is expected to be complete by June 2020, giving Vanier tenants two brand new, modern and reliable elevators.



Asbestos Abatement Projects

Maintaining an ageing infrastructure remains an ongoing challenge. With a housing portfolio that has an insured value of \$1 billion dollars and an annual capital budget of only \$8.6 million, maintaining the integrity of the buildings is difficult. The best example of this is the asbestos abatement project at 20 and 30 Congress Avenue, two high rise apartment buildings. Each building has 110 units with 2-bedroom family units. This project alone is expected to cost \$3 million dollars when all the work is complete.

Asbestos is common in buildings of this structure and age, as more of this type of work is taking place across the CHH portfolio. With a project of this magnitude, it was necessary to relocate tenants within the building while work was being completed. "Hotel suites" were created on the top floor of each building so tenants could temporarily move up to the hotel suites while all the units on one floor were repaired.

A RELOCATION PROJECT TEAM WAS SET UP TO OVERSEE:

- A Relocation Office at 20 Congress Avenue for tenants to speak with staff about the project and access information.
- Regular communication meetings to share information, timelines and Q&A opportunities, as well as written information, bulletins and mail outs.
- Hotel suites on the top floor of each building to temporarily accommodate tenants during unit repairs.
- Timelines and schedules are provided with a written two-month relocation notice. Unit cleaning and a pest control strategy also take place while the unit is vacant.
- Moving assistance and storage provided free of charge; utility costs are covered for tenants while living in the hotel suites.

A completed unit at
20 Congress Avenue



QUALITY IMPROVEMENT INITIATIVES

Energy and Water Initiatives

We continued to lower energy, water and greenhouse gas emissions in 2019 as a result of several significant energy and water retrofits completed in 2017 and 2018. The figures below illustrate the financial and environmental impact of energy and water retrofits.

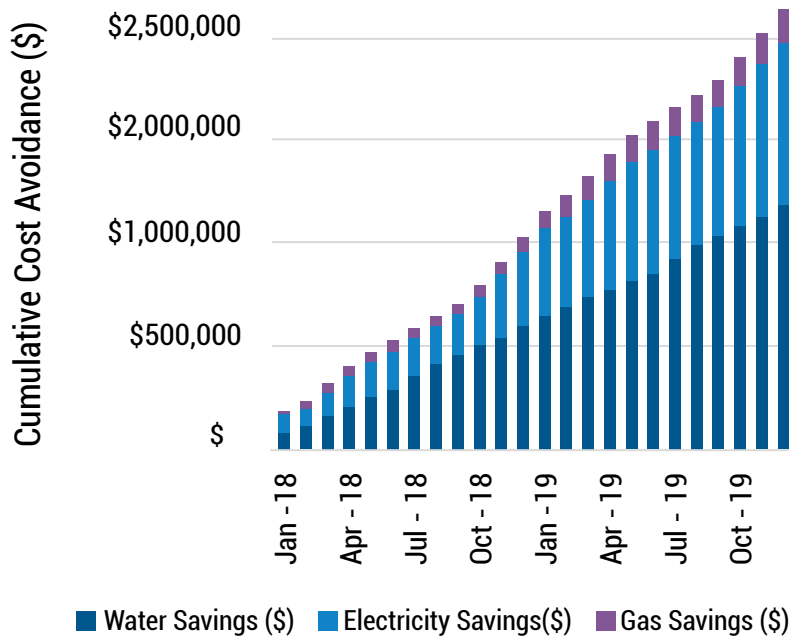


Figure 1: Cost Avoidance from 2017 and 2018 Energy and Water Retrofits

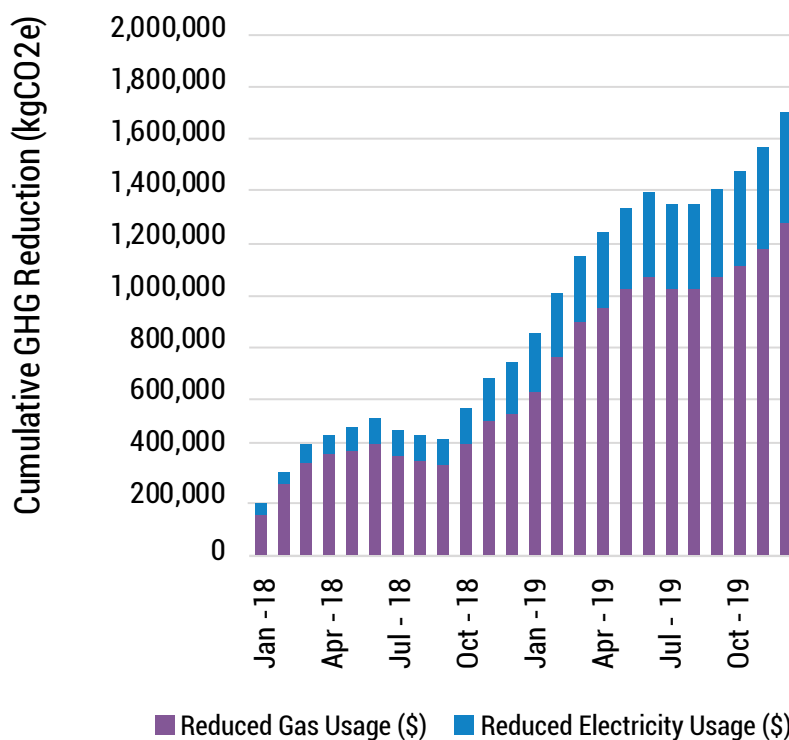


Figure 2: Greenhouse Gas Emissions Reduction from 2017 and 2018 Energy Retrofits

ADDITIONAL ENERGY RETROFITS ACROSS 11 MID- AND HIGH-RISE APARTMENT BUILDINGS:

- A deep energy retrofit to achieve Passive House certification (one building)
- Replacement of inefficient rooftop ventilation equipment with energy recovery ventilation units (three buildings)
- High-efficiency rooftop and in-suite ventilation equipment replacements (one building)
- High-efficiency boiler replacements (two buildings)
- Energy-efficient window replacements (three buildings)
- Installation of an air curtain (one building)
- Installation of exhaust fan controls (one building)
- Installation of vending machine controls (nine buildings)

These energy retrofits were made possible by a provincial funding program that ended in March 2020. All projects, with the exception of the Passive House deep energy retrofit at one building, are complete.

SMART THERMOSTAT INITIATIVE

- Implemented by Enbridge Gas at no cost
- 138 townhouse units complete in 2019
- 328 upgrades scheduled for 2020

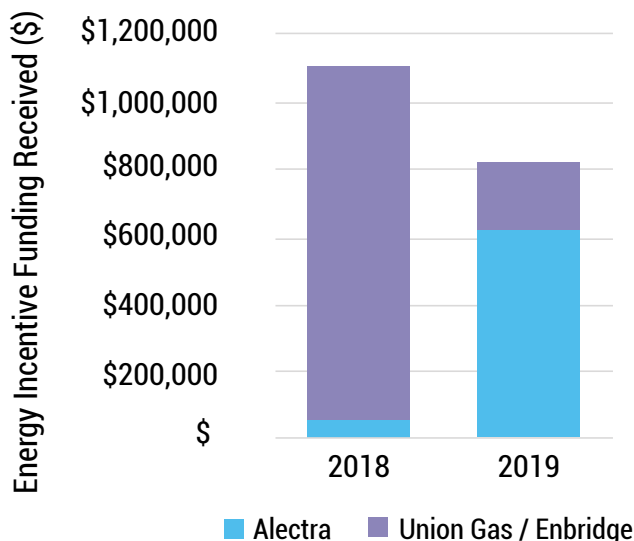
**BROADER 2019 ENERGY AND CLIMATE INITIATIVES INCLUDE:**

- Prepared a draft corporate energy management plan.
- Compiled and analyzed historical utility data to help prioritize future energy/water initiatives.
- Prepared a proposal and obtained federal funding for an existing building commissioning project, including a case study to inform implementation at other buildings in the future.
- Participated in the City of Hamilton's Corporate Climate Change Task Force.
- Participated as a member of Housing Services Corporation's (HSC's) Energy Advisory Stakeholder Committee.
- Prepared and presented "Energy Focussed Design and Affordability: A Triple Bottom Line Approach" at the 2019 HSC Regeneration Forum and the 2019 Bay Area Climate Change Summit.

These broader energy initiatives lay the groundwork for strategic planning and keep CHH connected to the rapidly changing energy efficiency industry. This allows us to learn from the collective knowledge of the industry as well as take advantage of advances in energy and water efficiency technology.

Energy Incentive Funding Received from Utility Companies

We continued working with Alectra and Enbridge throughout 2019 to secure \$822,748 in energy incentive funding. This funding supplemented our capital budget, enabling us to complete a higher volume and value of capital work in 2019 than would have otherwise been possible. These investments in high quality, energy-efficient building retrofits are expected to improve the sustainability, durability and resiliency of our buildings.



Heating, Ventilation and Air Conditioning (HVAC) Technicians

As the maintenance program has grown over the past year, areas for improvement have become evident, such as preventative maintenance of our HVAC equipment. An analysis of preventative maintenance work was completed, determining that it would be more cost effective for HVAC work such as filter servicing, seasonal start ups and general repairs to be completed by internal staff at our 45 high and middle rise buildings.

Two HVAC technicians were hired to carry out these preventative maintenance activities, including a full analysis of the HVAC systems. A preventative maintenance system has been implemented to organize and schedule tasks. Staff use a maintenance planner mobile app for daily work orders, giving the maintenance department real time information on all HVAC work.

Thanks to the hiring of HVAC staff, we can continue to achieve greater efficiencies in the maintenance program, better meet legislative requirements and improve customer service for tenants.

HVAC Technicians



Shelby

Domenico

“Since moving HVAC work in-house, our equipment is repaired more efficiently, resulting in few breakdowns and a significant cost savings.”

– Brian Kinaschuk, Manager, Maintenance

Branding: A New Look for CityHousing Hamilton

As the third largest housing provider in Ontario, CHH tenants reflect the diversity of the many communities we serve.

- 7,000 units spread over 1,265 properties
- 13,000 tenants, 45 per cent of which are children
- 30+ first languages spoken by tenants

The goal was to develop a visual brand that communicates our core business, reflects our passion for housing and wellness, and highlights our ambitious efforts to build a more sustainable future for both our organization and the community we serve.

Leadership and staff, along with branding, graphic design and communications staff from City of Hamilton’s Strategic Partnerships and Communications (SP&C) Division, participated in a branding exercise to understand our story, share what makes us special and brainstorm how to communicate our mission/vision to the community and beyond.

As a result of the rebranding exercise, we have clear and concise promotional materials that will profile our new brand/look for key stakeholders, government partners, funding partners and the community. All work was completed in-house by SP&C without any external vendor/costs. Stay tuned for our new website launching in 2020.

Our new visual identity and tagline will help us better position ourselves in the community as we continue to provide affordable housing that is safe, well maintained, cost effective and that supports the diverse needs of our many communities.



DEVELOPMENT AND REVITALIZATION



Affordable housing is a priority for Hamilton. We have a bold vision for inclusive and socially sustainable housing across the city.

We are embarking on an ambitious revitalization of our portfolio through the extensive retrofit of existing assets and new development that replaces older building stock, as well as adds net new units plus additional affordability to be determined through negotiations with a qualified preferred proponent.

Affordable housing is a priority for Hamilton. We have a bold vision for inclusive and socially sustainable housing across the city. As an organization, we strive to create affordable

housing that maximizes social benefit and contributes to the financial sustainability of the organization and the city of Hamilton. As part of this development work, we are implementing best practices for accessibility, efficiency, mix of unit sizes and design. Given the overwhelming need for more affordable housing, we are accelerating the renewal and growth of our portfolio by undertaking the first large scale revitalization of social and affordable housing, covering 565 units.

	NAME	SITE	TYPE	UNIT COMPOSITION				
				Existing	Rehab.	Replace	Net New	Future
a	500 MacNab	High-rise	Revitalization	146	146	-	-	146
b	Jamesville	Townhouse	Redevelopment Partnership	91	-	46	45 ¹	91 ¹
c	Roxborough	Townhouse	Redevelopment Partnership	107	-	103	-4	103
d	Bay-Cannon Phase 1	Parking Lot	New Development	0	-	45	10	55
e	Queenston Phase 1	Empty Lot	New Development	0	-	41	-	41
f	Macassa	Greenfield	New Development	0	-	45	20	65
g	Wellington-King William	Parking Lot	New Development	0	-	14	6	20
h	Riverdale	Greenfield	New Development	0	-	-	44	44
				344	146	294	121	565

1: plus additional affordability to be determined through a competitive RFP process.

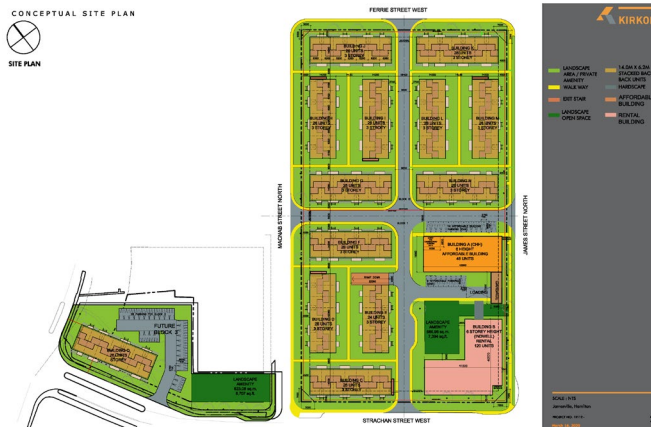
Partnerships in Focus

In 2019, we began to see the benefits that were possible with two key development partners:

JAMESVILLE

In partnership with a consortium comprised of Fram + Slokker, Marz Developments Inc., Melrose Investments Inc., Homes By DeSantis and Indwell, the team will create an inclusive, mixed-income, urban community in Hamilton’s North End. This partnership combines unparalleled experience in building diverse, affordable and environmentally sustainable communities. Envisioned and

currently being negotiated are 526 units to replace the existing 91 that will expand upon the affordability currently on the site while adding private market ownership options.



“We are excited for the opportunity to work with CHH on a project that will serve many in need of housing ranging from market units to affordable rental units.”

– Dan Gabriele, President, Marz Homes

ROXBOROUGH

In partnership with a consortium comprised of Carriage Gate Homes, Effort Trust Group and UrbanCore Developments Inc., the team will create a community that is not only desirable to live in, but accessible to many residents across a spectrum of household income and household size. The site features below-market homeownership units and rent-capped market residential rental

units that were secured through a Community Improvement Plan Area. This development will result in approximately 700 units, including both private market rental and home ownership units alongside affordable units, to replace the former 107 units and former school. This project will revitalize the east end neighbourhood while adding private market ownership options.



ROXBOROUGH PARK
ROXBOROUGH PARK DEVELOPMENTS
HAMILTON, ON

KIRKOR INC.
100 GARDNER DRIVE • SUITE 101
BURLINGTON, ONTARIO L7R 4K1
T 905-699-8900
www.kirkor.com

KNYMIH
ARCHITECTURE + DESIGN

CITY OF HAMILTON CONTRIBUTION

Area-Rated Funds

Councillor area ratings were received for the projects below:



a	Ward 1	\$4,296	120 Strathcona Avenue North	Furniture
b	Ward 2	\$144,766	181 Jackson Street	Kitchen renovations
c	Ward 2	\$4,910	226 Rebecca Street	Gazebo project
d	Ward 2	\$180,290	191 Main Street/ 200 Jackson Street	Carpet replacement
e	Ward 3	\$16,000	360 King Street East	Wall at Bagshaw
f	Ward 5	\$12,817	555/557 Queenston Road	Key scan project
g	Ward 6	\$435	801 Upper Gage Street	Dishwasher
h	Ward 6	\$39,000	1100 Limeridge Road East	Carpet replacement
i	Ward 8	\$2,900	45 Montcalm Drive	Waste bins

Poverty Reduction Funds

In 2017, the City of Hamilton invested \$50 million in the Poverty Reduction Fund. As part of this investment, we will receive \$1 million each year over the next 10 years for the maintenance and preservation of existing units. We are please to share that in 2019, 113 units were renovated and turned over to rent.

Home for the Holidays Program

Recognizing that Hamilton has a significant and rising number of households on the centralized waiting list for rent-g geared-to-income housing, on October 17, 2019 City Council approved a motion to allocate \$2 million dollars from a 2019 Year-End Corporate Surplus to make as many units as possible move-in ready by December 24, 2019.

In collaboration with the Housing Services Department, our staff forged ahead on an aggressive plan to turn over as many vacant units as possible in unprecedented time. As part of the motion, Council also provided authority to waive the City's procurement policy, allowing us to hire additional contractors for this work. Working closely with our contractors, we issued work orders for 300 residential units; an additional 50 units above the original goal!

To date, 212 units are now home to new tenants. Staff continue to offer the remaining 88 units to households on the centralized waiting list.

The Home for the Holidays program was a success thanks to the support and guidance of Hamilton City Council, Housing Services and CHH Staff, and the contractors who worked tirelessly to give these units new life for their new tenants.



“The Home for the Holidays program gave us the opportunity to provide hundreds of people with a new home, right around the holidays. It had an incredibly positive impact on all involved – one staff member even witnessed a new tenant shed tears of joy at the thought of having a place to call home for the holiday season.”

– Leanne, Manager, Residency Administration

STAFF DIVISIONAL DAY AND MILESTONES



Staff Divisional Day

Every year, one day is set aside for all staff to come together to learn, share and build relationships for professional development. On October 23, 2019, we gathered offsite at Hamilton Waterfront Trust. Agenda highlights included:

- Opening Remarks and Years of Service Awards – Janette Smith, City Manager and Tom Hunter, CEO
- Emergency Response Plan – Connie Verhaeghe and Kirsten Marples, City of Hamilton
- Gender Identity/Transgender Protocol Training for CHH Building Attendants – Cole Gately, City of Hamilton
- Vice and Drug Unit – Ryan Gagnon, Hamilton Police Service
- Mental Health First Aid – Fiona Drake, Kingston Housing





2019 Years of Service Milestones and Retirees

As a kick off to Divisional Day, we celebrated staff for their years of service with CHH:

YEARS

5	Jessica Aquin Marcus Bowen Jay Cairns	Angelo Cino Wayne Diemert Jean Eames	Stewart Lloyd Jamie Patterson John Patterson	Brent Peltier Paul Schillaci Kurtis Tweedle
---	---	--	--	---

10	Mario DeMedeiros Michael King David Long	Ann Loton Cameron Meikle Scott Mooney	Kaila Morrallee Alan Morrison Brenda Silverthorne	Sarah Varga Kevin Woodcox
----	--	---	---	------------------------------

15	Christine Filinski			
----	--------------------	--	--	--

20	Robin Colbourne Annette Noonan			
----	-----------------------------------	--	--	--

25	Amanda Warren-Ritchie Andy Chui			
----	------------------------------------	--	--	--



The following retirees were honoured

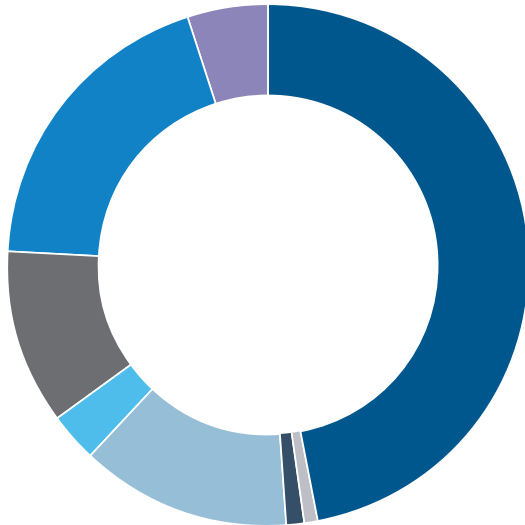
Marcia Villamoya, December 2018
 Steve MacInnes, December 2018
 Chris Buckley, January 2019

Kathy McInnes, April 2019
 Mira Cvitanin, July 2019
 Anna Banko, December 2019

Heather Horwath, December 2019
 Annette Noonan, December 2019

FINANCIAL YEAR IN REVIEW

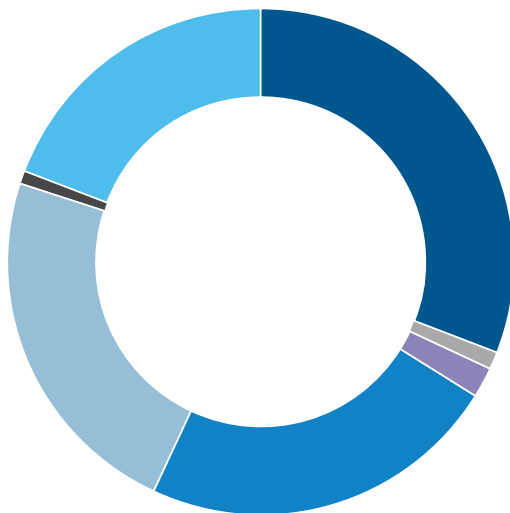
2019 Revenue



47%	Residential Rent	\$36,956,941
1%	Commercial Rent	\$1,008,011
1%	Tenant Recoveries	\$876,739
13%	Government Subsidies - Operating	\$9,832,217
3%	Other Revenue- Operating	\$2,502,068
11%	Government Subsidies-Capital	\$8,688,377
19%	Other Funding Capital**	\$15,213,881
5%	Sales of Units	\$4,124,482
TOTAL:		\$79,202,716

***Other Funding Capital consists mainly of funding from the City of Hamilton for Special Projects and Interest Earned on Investment.*

2019 Expenses



31%	Administration	\$16,274,689
1%	Bad Debt	\$420,682
2%	Insurance	\$1,141,644
23%	Maintenace	\$12,361,797
23%	Mortgage Amortization and Interest	\$11,473,182
1%	Municipal Taxes	\$726,118
19%	Utilities	\$9,801,024
TOTAL:		\$52,199,136

Note: In 2019, \$16,815,219 was capitalized to Tangible Capital assets. These expenses will be amortized over the life of the asset.

Complete audited financial statements are available online at www.cityhousinghamilton.com or upon request.

COMMUNITY PARTNERS



- AbleLiving Services Thrive Group
- Access to Housing
- Alzheimer Society of Canada
- Bahai
- Banyan Community Services
- Boys and Girls Clubs of Hamilton
- C&D Mobility
- Cancer Screening Bus
- Canadian Hearing Society
- Canadian National Institute for the Blind (CNIB)
- Canadian Red Cross
- Catholic Children's Aid Society of Hamilton
- Catholic Family Services of Hamilton
- Canada Revenue Agency
- Canadian Mental Health Association (CMHA)
- Children's Aid Society of Hamilton
- City of Hamilton:
 - Home Management Program
 - Neighbourhood Action Strategy
 - Ontario Works
 - Public Health Services
 - Recreation Department
- Community Care Access Centres of Hamilton (CCAC)
- Community Living Hamilton
- Community Schizophrenia Services (CSS)
- Crisis Outreach and Support Team Hamilton (COAST)
- Dundas Community Services
- Dundas Valley School of Arts
- Empowerment Squared
- Environment Hamilton
- Food for Life
- Gay Spong Foot Care
- Good Shepherd Centres
- Gwen Lee Supportive Housing (SJHC)
- Green Venture
- Habitat for Humanity
- Hamilton Association for Residential and Recreational Redevelopment Programs (HARRRP)
- Hamilton Centre for Civic Inclusion (HCCI)
- Hamilton Christian Fellowship
- Hamilton Community Foundation (HCF)
- Hamilton Community Garden Network (HCGN)
- Hamilton Community Legal Clinics
- Hamilton Council on Aging (HCoA)
- Hamilton Crime Stoppers
- Hamilton Food Share
- Hamilton Fire Department
- Hamilton Health Sciences Corporation (HHSC)
- Hamilton Interval House
- Hamilton Paramedic Service (Incl. CHAP-EMS)
- Hamilton People and Animal Welfare Solution (PAWS)
- Hamilton Philharmonic Orchestra
- Hamilton Police Services (HPS)
- Hamilton Program for Schizophrenia (HPS)
- Hamilton Tax Clinic
- Hamilton Urban Core Community Health Centre
- Hamilton-Wentworth District School Board (HWDSB)
- Healing Arts and Recovery through Peer Support
- Head Injury Rehabilitation Ontario
- HD Supply
- Housing Help Centre
- Housing Services Corporation (HSC)
- Indwell
- Learning and Recreation Community House (LARCH)
- Life Hearing Solutions
- March of Dimes Canada
- McMaster University (Incl. CHAP-EMS / Inspire & Isolated Seniors)
- McQuesten Community Planning Team
- McMaster University
- Mental Health Rights Coalition (MHRC)
- Ministry of Health and Long-Term Care (MOH LTC)

- Mission Services Opportunity Centres
- Mohawk College of Applied Arts and Technology
- Mountain Kidz Club
- Narcotics Anonymous World Services
- Native Women's Centre Hamilton
- Neighbour 2 Neighbour Centre
- North Compass Health
- North Hamilton Community Health Centre
- Ontario Disability Support Program (ODSP)
- Ontario Works (OW)
- Redeemer University College
- Rotary Club of Hamilton
- Schizophrenia Society of Ontario Hamilton Chapter
- Service Canada
- Shelter Health Network Clinic
- St. Charles
- St. Joseph's Healthcare Hamilton (SJHC)
- St. Joseph's Home Care (SJHC)
- St. Joseph's Immigrant Women's Centre
- St. Matthews House
- Strive Fitness and Athletics
- The City of Hamilton
- The Government of Canada
- The HBSPCA
- The Office of the Public Guardian and Trustee (OPGT)
- The Salvation Army
- The Social Planning and Research Council of Hamilton (SPRC)
- Threshold School of Building
- Toronto Community Housing (TCH)
- Union Gas
- Veteran's Affairs Canada
- Veterinarians of Canada
- Wesley
- YWCA



BY THE NUMBERS

ABOUT OUR TENANTS...



43%
FAMILIES



47%
SENIORS



10%
SINGLE

APPROXIMATELY
13,000
TENANTS
of diverse age, education,
language, ability, religion,
ethnicity, etc.



30+
FIRST LANGUAGES
spoken by tenants



82%
PAY RENT - GEAR -
TO INCOME



18%
PAY MARKET RENT



ABOUT US...



\$1,030

MILLION
ESTIMATED ASSET VALUE



\$51

MILLION ANNUAL
OPERATING BUDGET



80+

COMMUNITY AND PRIVATE
SECTOR PARTNERSHIPS



1,265
PROPERTIES



7,057

RESIDENTIAL UNITS



24

COMMERCIAL UNITS



196

PEOPLE WORK
ON OUR TEAM

130 Full-time staff and
66 Building attendants



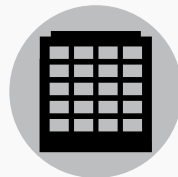
48

BUILDINGS ARE MORE
THAN 40 YEARS OLD



38%

HIGH-RISE UNITS



26%

MID-RISE UNITS



5%

LOW-RISE UNITS



25%

TOWNHOMES



6%

SINGLES/SEMIS



2019 Annual Report

CityHousing Hamilton Corporation

Head Office

55 Hess Street South, P.O. Box 2500
23rd Floor
Hamilton, Ontario
L8N 4E5

T. 905-523-8496

F. 905-540-5222

E. CityHousing@hamilton.ca



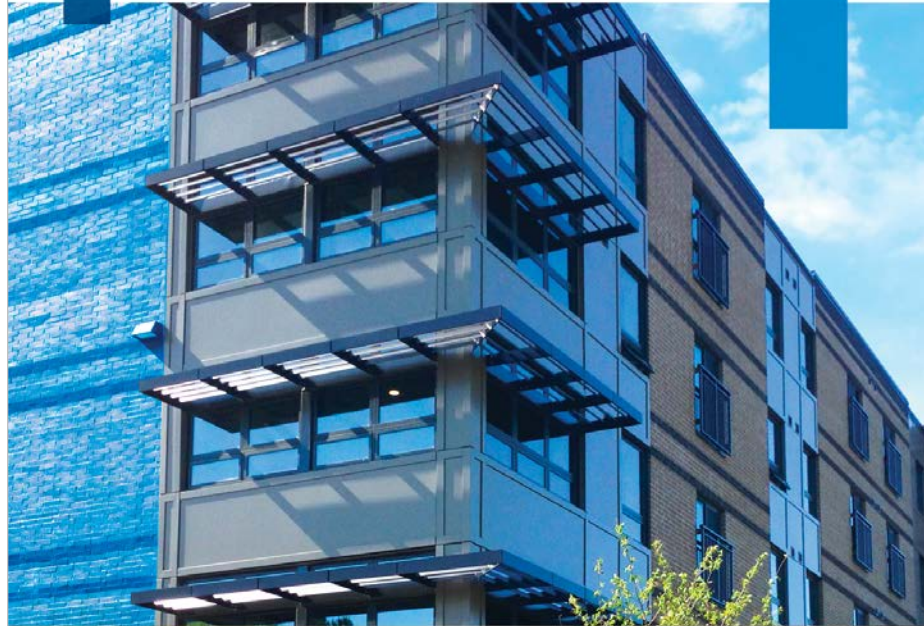


Shareholders Presentation 2020

October 27, 2020

CityHousing
HAMILTON

2019 Annual Report



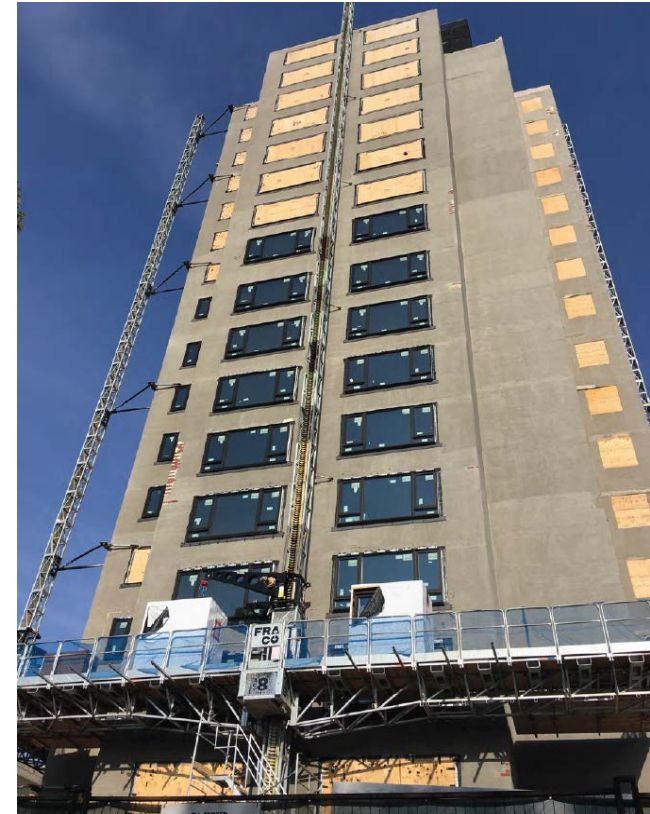
...more than a place to live

OUR VISION

To be the best place to raise a child and age successfully



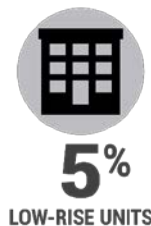
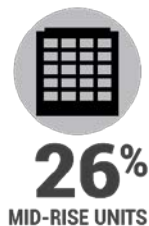
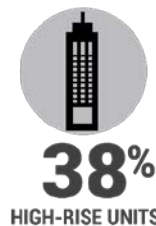
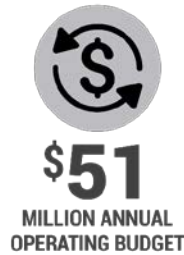
Current community: 120 Strathcona Ave N



Future community: 500 MacNab St

CityHousing Hamilton is a municipally owned social housing provider.

ABOUT US



ABOUT OUR TENANTS

CityHousing Hamilton is a municipally owned social housing provider.



43%
FAMILIES



47%
SENIORS



10%
SINGLE

APPROXIMATELY
13,000
TENANTS
of diverse age, education,
language, ability, religion,
ethnicity, etc.



30+
FIRST LANGUAGES
spoken by tenants



82%
PAY RENT - GEAR -
TO INCOME



18%
PAY MARKET RENT



COMMUNITY PARTNERSHIPS

The Vanier Towers Story

SUCSESSES

- Establishing a culture of safety
- Providing for primary care, mental health and social service needs
- Addressing food security
- Enhancing tenant supports
- Building a community support system
- Fostering an improved living environment
- Supporting Indigenous youth
- Engaging regularly for tenant feedback



COMMUNITY PARTNERSHIPS

Food Security Programs



From October 1 to December 16, 2019, we served fresh fruits and vegetables to 1,009 seniors.

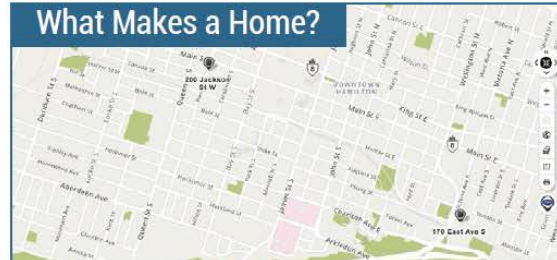


COMMUNITY PARTNERSHIPS

CityLAB



Final created website



Locations of the buildings where data was gathered. Taken from mapquest.com



Exterior of 170 East Ave(left) and 200 Jackson (right). Taken from google.com/maps



Esther and Danielle set up a table in the lobby and interacted with the tenants

COMMUNITY PARTNERSHIPS

Smoke-Free Living

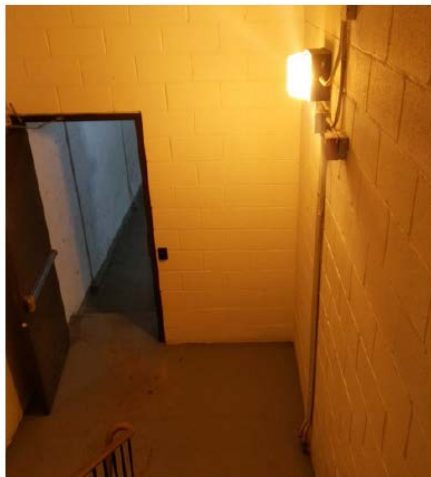
62% supported a smoke-free policy in all CHH buildings

80% expressed smoking should be prohibited within 9 metres of CHH building entrances/exits

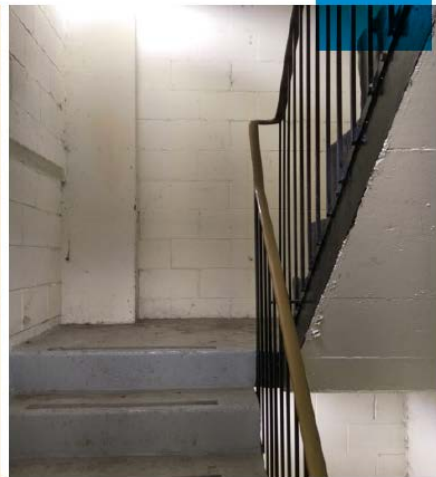


SUSTAINING CHH INFRASTRUCTURE

Canada-Ontario Community Housing Initiative (COCHI)



(before)



(after)

SHARP LED retrofit in a stairwell at 191 Main Street West

Elevator Modernization at Vanier Towers



SUSTAINING CHH INFRASTRUCTURE

Asbestos Abatement Projects

A completed unit at
20 Congress Avenue



QUALITY IMPROVEMENT INITIATIVES

Energy and Water Initiatives

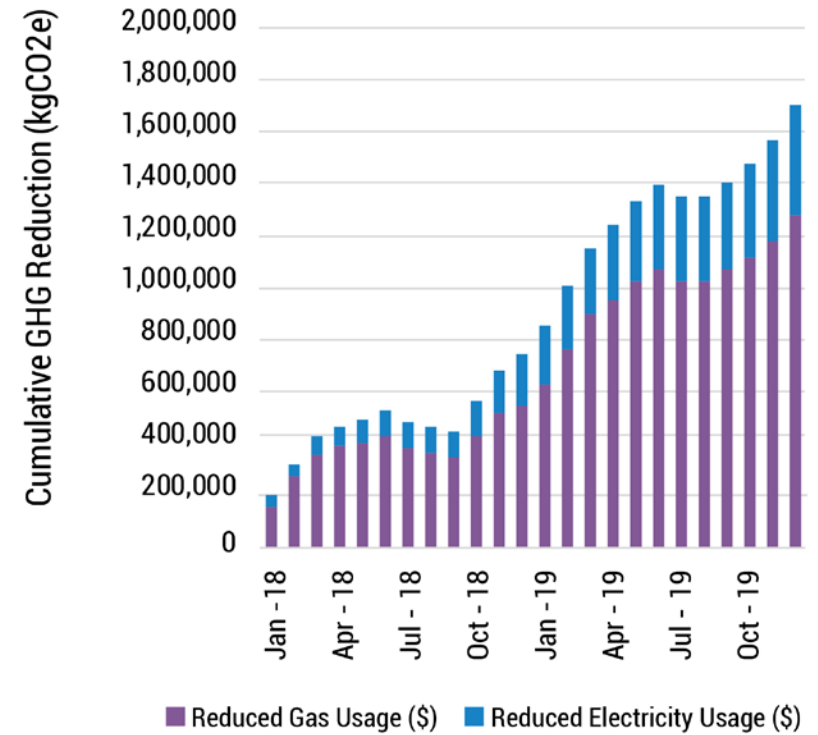
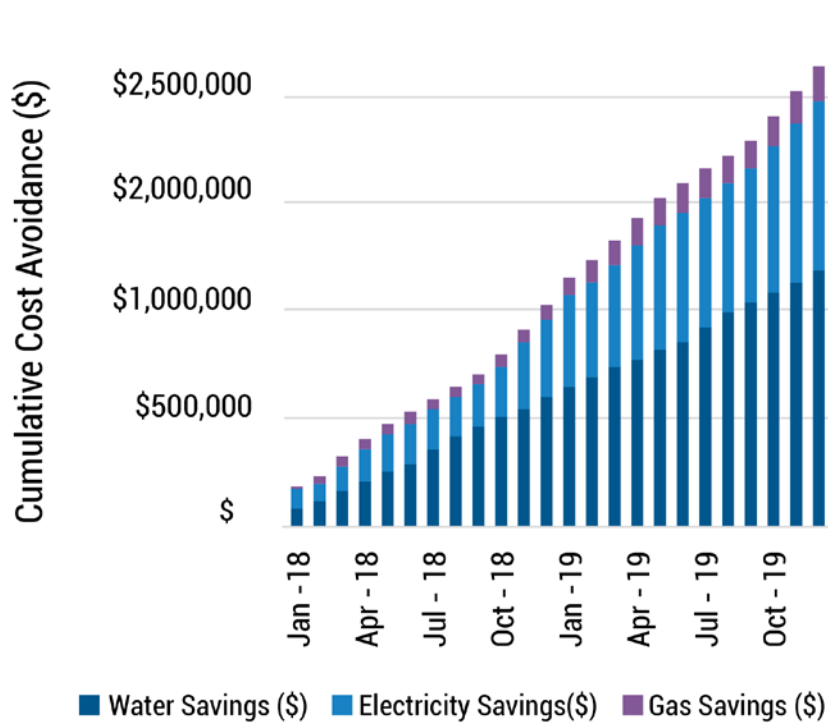
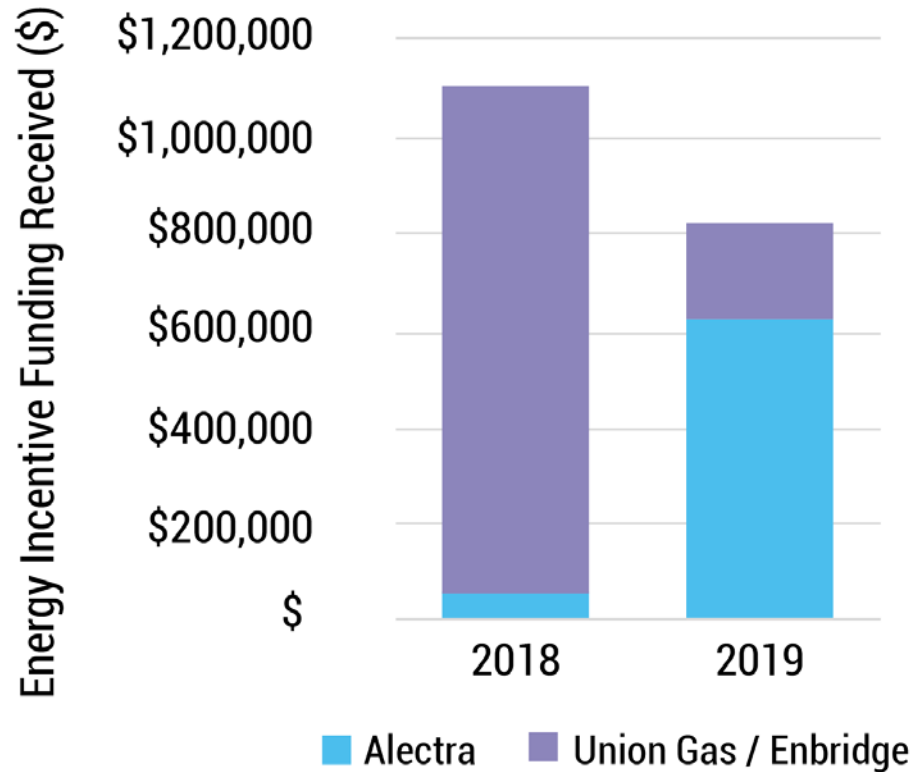


Figure 1: Cost Avoidance from 2017 and 2018 Energy and Water Retrofits

Figure 2: Greenhouse Gas Emissions Reduction from 2017 and 2018 Energy Retrofits

QUALITY IMPROVEMENT INITIATIVES

Energy Incentive Funding Received from Utility Companies



QUALITY IMPROVEMENT INITIATIVES

Maintenance and Utility Expenses

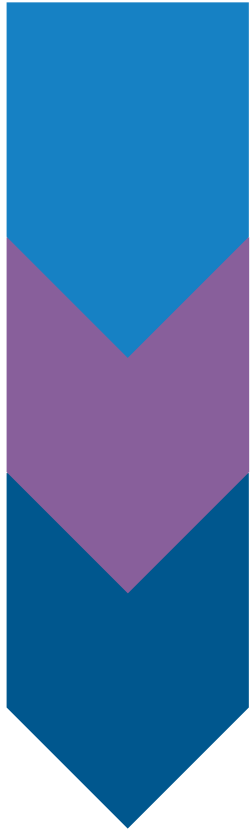
	2018 Actual	2019 Actual	2020 Budgeted
Maintenance	\$12.25M	\$13.17M	\$13.19M
Utilities	\$9.60M	\$10.58M	\$10.58M

HVAC Technicians



QUALITY IMPROVEMENT INITIATIVES

Key Performance Indicators



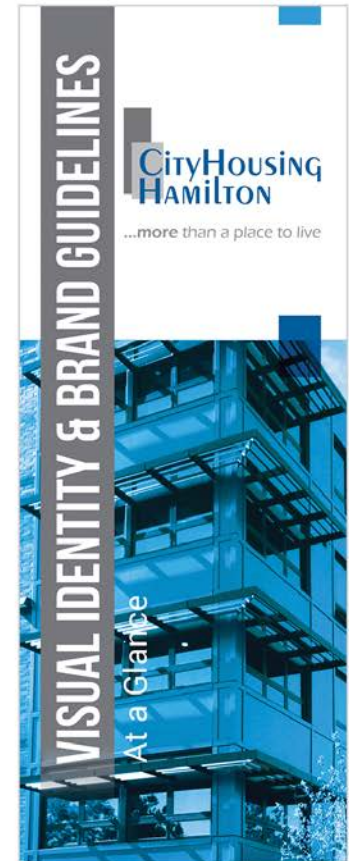
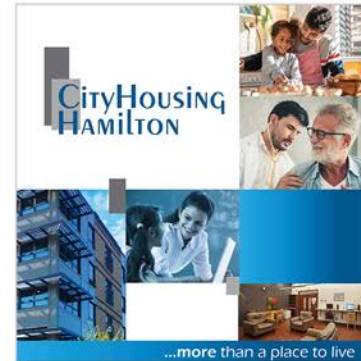
To decrease total number of **RENT ARREARS** to below 10%

To reduce total number of **VACANCIES** to below 4%

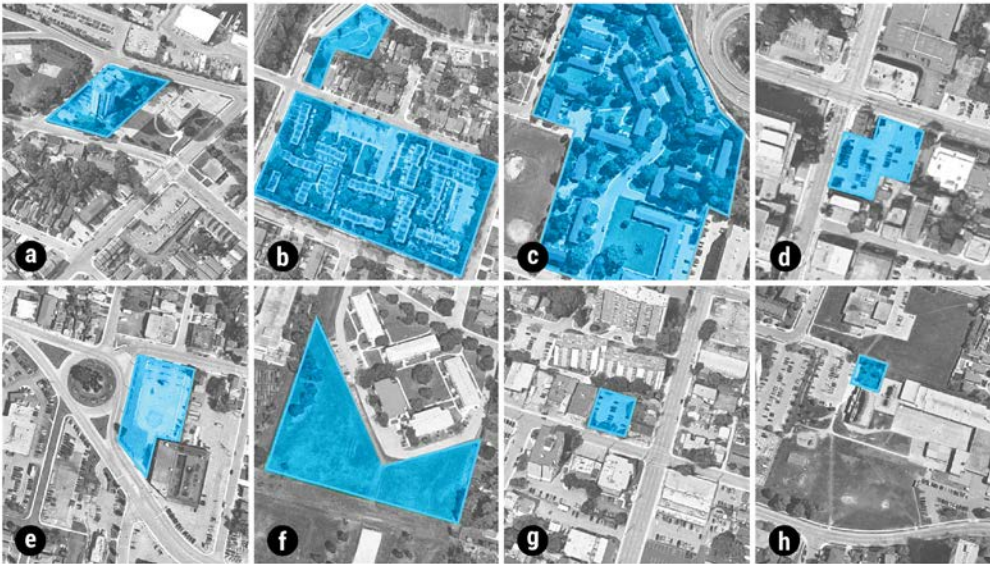
To decrease number of external **WORK ORDERS** to below 30% of total number work orders issued

QUALITY IMPROVEMENT INITIATIVES

Rebranding: Our New Look!



DEVELOPMENT AND REVITALIZATION



Affordable housing is a priority for Hamilton. We have a bold vision for inclusive and socially sustainable housing across the city.

	NAME	SITE	TYPE	UNIT COMPOSITION				
				Existing	Rehab.	Replace	Net New	Future
a	500 MacNab	High-rise	Revitalization	146	146	-	-	146
b	Jamesville	Townhouse	Redevelopment Partnership	91	-	46	45 ₁	91 ₁
c	Roxborough	Townhouse	Redevelopment Partnership	107	-	103	-4	103
d	Bay-Cannon Phase 1	Parking Lot	New Development	0	-	45	10	55
e	Queenston Phase 1	Empty Lot	New Development	0	-	41	-	41
f	Macassa	Greenfield	New Development	0	-	45	20	65
g	Wellington-King William	Parking Lot	New Development	0	-	14	6	20
h	Riverdale	Greenfield	New Development	0	-	-	44	44
				344	146	294	121	565

1: plus additional affordability to be determined through a competitive RFP process.

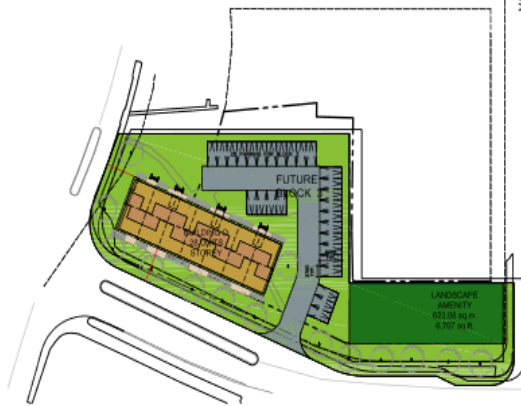
DEVELOPMENT AND REVITALIZATION

Partnerships in Focus: Jamesville

CONCEPTUAL SITE PLAN



SITE PLAN



KIRKOR

- LANDSCAPE AREA / PRIVATE AVENUE
- WALK WAY
- EXIT STAIR
- LANDSCAPE OPEN SPACE
- 14.0M X 6.2M STACKED BACK TO BACK UNITS
- HARDSCAPE
- AFFORDABLE BUILDING
- RENTAL BUILDING

SCALE: NTS
Jamesville, Hamilton
PROJECT NO. 19112
March 14, 2019

2

DEVELOPMENT AND REVITALIZATION

Partnerships in Focus: Roxborough



DEVELOPMENT AND REVITALIZATION

Sale of Semi and Single-Detached Homes

- Sale of **100** properties
- **99** properties have been identified for sale
- **55** properties have been sold for a total of **\$18 MILLION**



For Sale: 5 Martha Street

DEVELOPMENT AND REVITALIZATION

Hamilton is Home



AFFORDABLE HOUSING COLLECTIVE

Hamilton is Home

Allies in an investment plan to build 3000 units of affordable housing over 3 years

YWCA

YWCA



CITY OF HAMILTON CONTRIBUTION

Area Rated Funds



a	Ward 1	\$4,296	120 Strathcona Avenue North	Furniture
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CITY OF HAMILTON CONTRIBUTION

Poverty Reduction Funds

- 113 units were renovated and turned over with \$1M from the Poverty Reduction Funds.

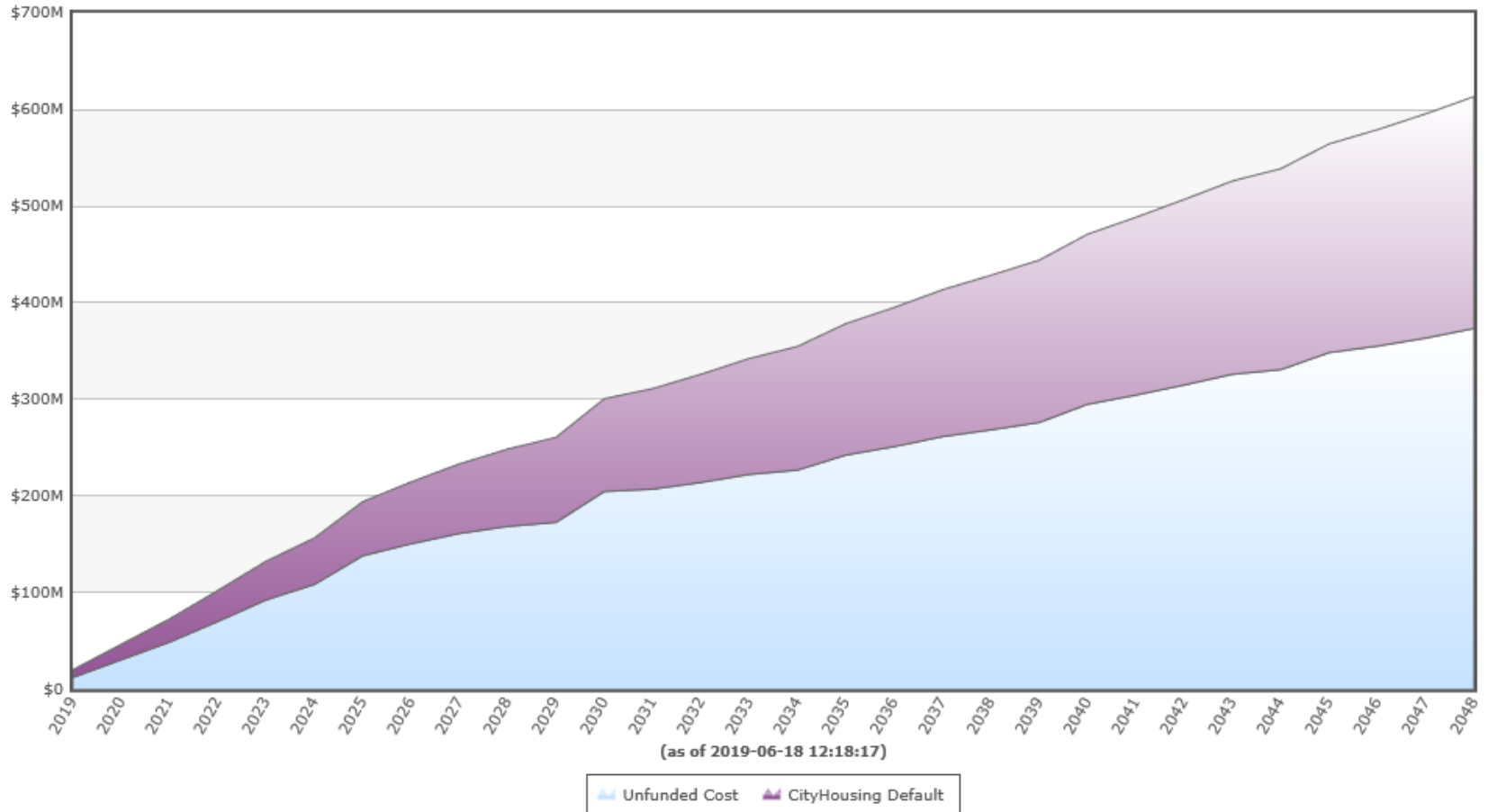
Home for the Holidays Program

- 300 work orders issued
- 212 units now home to new tenants

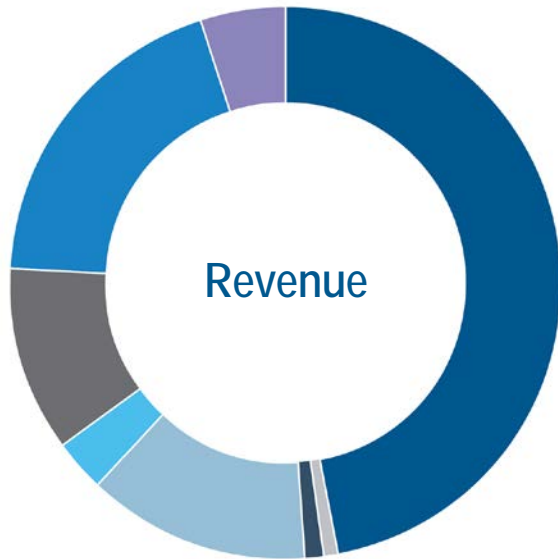


INFRASTRUCTURE AND DEFERRED CAPITAL COSTS

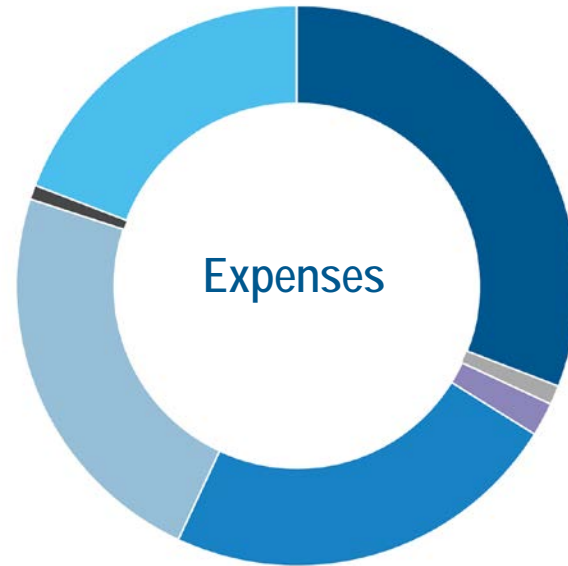
Unfunded Liability Impacts
Years 2019 - 2048 and where Asset Name Status = Active for Portfolios 8. City Housing Hamilton



FINANCIAL YEAR IN REVIEW



1%	Commercial Rent	\$1,008,011
1%	Tenant Recoveries	\$876,739
13%	Government Subsidies - Operating	\$9,832,217
3%	Other Revenue- Operating	\$2,502,068
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23%	Mortgage Amortization and Interest	\$11,473,182
1%	Municipal Taxes	\$726,118
19%	Utilities	\$9,801,024
TOTAL:		\$52,199,136

STAFF DIVISIONAL DAY

Years of Service Milestones

YEARS

5

Jessica Aquin
Marcus Bowen
Jay Cairns

Angelo Cino
Wayne Diemert
Jean Eames

Stewart Lloyd
Jamie Patterson
John Patterson

Brent Peltier
Paul Schillaci
Kurtis Tweedle

10

Mario DeMedeiros
Michael King
David Long

Ann Loton
Cameron Meikle
Scott Mooney

Kaila Morrallee
Alan Morrison
Brenda Silverthorne

Sarah Varga
Kevin Woodcox

15

Christine Filinski

Congratulations Retirees!

Marcia Villamoya, December 2018

Steve MacInnes, December 2018

Chris Buckley, January 2019

Kathy McInnes, April 2019

Mira Cviticanin, July 2019

Anna Banko, December 2019

Heather Horwath, December 2019

Annette Noonan, December 2019

20

Robin Colbourne
Annette Noonan

25

Amanda Warren-Ritchie
Andy Chui

STAFF DIVISIONAL DAY



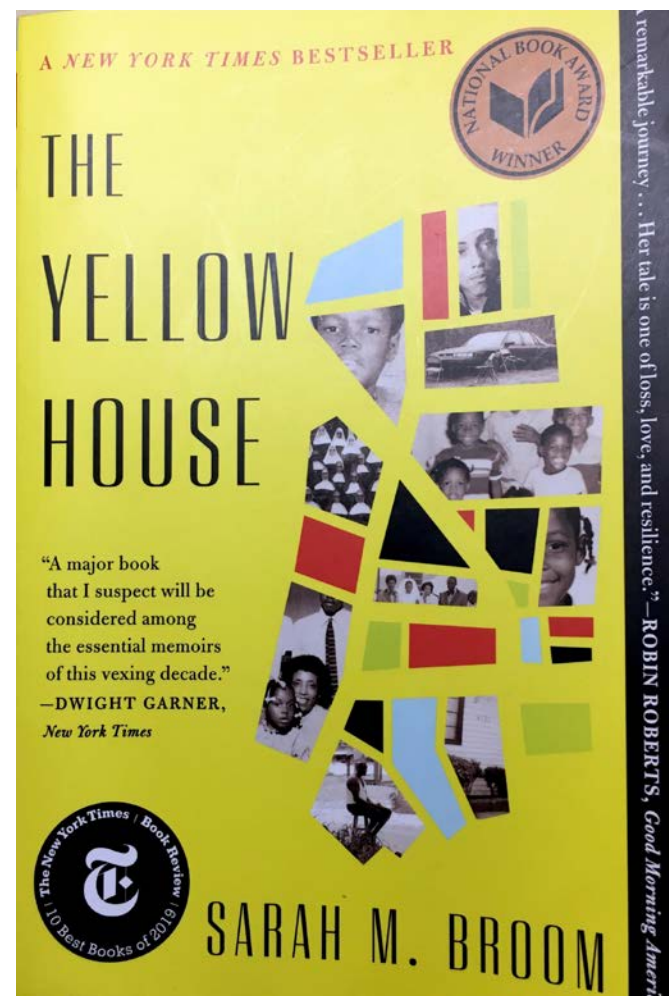
THE YELLOW HOUSE

“Houses provide a frame that bears us up.”

- Sarah Broom

“A story of nest and adventure, of home and away, of where you come from and what you’re headed to, and how it makes you who you are...”

- Bridgett M. Davis



COMMUNITY PARTNERS



80+

COMMUNITY AND PRIVATE
SECTOR PARTNERSHIPS

- AbleLiving Services Thrive Group
- Access to Housing
- Alzheimer Society of Canada
- Bahai
- Banyan Community Services
- Boys and Girls Clubs of Hamilton
- C&D Mobility
- Cancer Screening Bus
- Canadian Hearing Society
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- Environment Hamilton
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- Habitat for Humanity
- Hamilton Association for Residential and Recreational Redevelopment Programs (HARRRP)
- Hamilton Centre for Civic Inclusion (HCCI)
- Hamilton Christian Fellowship
- Hamilton Community Foundation (HCF)
- Hamilton Community Garden Network (HCGN)
- Hamilton Community Legal Clinics
- Hamilton Council on Aging (HCoA)
- Hamilton Crime Stoppers
- Hamilton Food Share
- Hamilton Fire Department
- Hamilton Health Sciences Corporation (HHSC)
- Hamilton Interval House
- Hamilton Paramedic Service (Incl. CHAP-EMS)
- Hamilton People and Animal Welfare Solution (PAWS)
- Hamilton Philharmonic Orchestra
- Hamilton Police Services (HPS)
- Hamilton Program for Schizophrenia (HPS)
- Hamilton Tax Clinic
- Hamilton Urban Core Community Health Centre
- Hamilton-Wentworth District School Board (HWDSB)
- Healing Arts and Recovery through Peer Support
- Head Injury Rehabilitation Ontario
- HD Supply
- Housing Help Centre
- Housing Services Corporation (HSC)
- Indwell
- Learning and Recreation Community House (LARCH)
- Life Hearing Solutions
- March of Dimes Canada
- McMaster University (Incl. CHAP-EMS / Inspire & Isolated Seniors)
- McQueen Community Planning Team
- McMaster University
- Mental Health Rights Coalition (MHRC)
- Ministry of Health and Long-Term Care (MOH LTC)
- Mission Services Opportunity Centres
- Mohawk College of Applied Arts and Technology
- Mountain Kidz Club
- Narcotics Anonymous World Services
- Native Women's Centre Hamilton
- Neighbour 2 Neighbour Centre
- North Compass Health
- North Hamilton Community Health Centre
- Ontario Disability Support Program (ODSP)
- Ontario Works (OW)
- Redeemer University College
- Rotary Club of Hamilton
- Schizophrenia Society of Ontario Hamilton Chapter
- Service Canada
- Shelter Health Network Clinic
- St. Charles
- St. Joseph's Healthcare Hamilton (SJHC)
- St. Joseph's Home Care (SJHC)
- St. Joseph's Immigrant Women's Centre
- St. Matthews House
- Strive Fitness and Athletics
- The City of Hamilton
- The Government of Canada
- The HBSPCA
- The Office of the Public Guardian and Trustee (OPGT)
- The Salvation Army
- The Social Planning and Research Council of Hamilton (SPRC)
- Threshold School of Building
- Toronto Community Housing (TCH)
- Union Gas
- Veteran's Affairs Canada
- Veterinarians of Canada
- Wesley
- YWCA

BOARD OF DIRECTORS

Chad Collins, President

Ward 5 Councillor

Jason Farr, Vice President

Ward 2 Councillor

Nrinder Nann, Treasurer

Ward 3 Councillor

Tom Jackson

Ward 6 Councillor

Maureen Wilson

Ward 1 Councillor

Jacqueline Aird

Citizen Member

Nicholas But

Citizen Member

Adriana Harris

Citizen Member

Patricia Reid

Citizen Member

SENIOR MANAGEMENT

Tom Hunter

Chief Executive Officer

Rochelle Desouza

Chief Financial Officer

Brian Kinaschuk

Manager, Maintenance

Donna Kirchknopf

Manager, Operations

Bernice Lilley

Manager, Asset Renewal

Kate Mannen

Manager, Partnership Development and Support Services

Leanne Ward

Manager, Residency Administration

Amanda Warren-Ritchie

Manager, Business Services

Thank You



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Tom Hunter
Chief Executive Officer
CityHousing Hamilton Corporation
181 Main St. West
Hamilton, ON L8P 4S1

May 26, 2020

Dear Tom:

In planning and performing our audit of the financial statements of CityHousing Hamilton Corporation ("the Entity") for the period ended December 31, 2019, we obtained an understanding of internal control over financial reporting (ICFR) relevant to the Entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR. Accordingly, we do not express an opinion on the effectiveness of the Entity's ICFR. Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies or other control deficiencies have been identified. As a result, any matters reported below are limited to those deficiencies in ICFR that we identified during the audit. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

Refer to the Appendices for the definitions of various control deficiencies.

Significant Deficiencies

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.

Other control deficiencies

We did not identify any other control deficiencies during the course of our engagement.



CityHousing Hamilton Corporation
May 26, 2020

Other matter

We noted that write-offs of tenant receivables continue to be well in excess of the current provision against tenant receivables. That is, the current amount provided for on the statement of financial position does not appear to adequately reflect the amount of write-offs the Entity experiences in a given year.

	2019	2018	2017
Tenant Rent Receivable	\$1,320,000	\$1,387,000	\$1,321,679
Allowance for doubtful accounts	(\$228,000)	(\$114,000)	(\$104,000)
Bad debt expense	\$421,000	\$438,000	\$406,000

While this does not constitute a control deficiency by definition, there is some analysis required to assess the appropriate required provision for financial statement preparation to ensure the valuation of tenant rent receivable is appropriate.

Management's response

Management will review tenant receivables and bad debt expenses in 2020, if the trend continues as has been seen in 2017, 2018 and 2019, the allowance for doubtful accounts will be increased and adjusted slowly to increase over the years to match bad debt write offs.

Use of letter

This letter is for the use of management and those charged with governance in carrying out and discharging their responsibilities and should not be used for any other purpose or by anyone other than management and those charged with governance.

KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this letter has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Yours very truly,

Licensed Public Accountants



CityHousing Hamilton Corporation
May 26, 2020

Appendices

Terminology	Definition
<p>Deficiency in Internal Control (“control deficiency”)</p>	<p>A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.</p> <p>A deficiency in design exists when (a) a control necessary to prevent, or detect and correct, misstatements in the financial statements is missing; or (b) an existing control is not properly designed so that, even if the control operates as designed, the control is unable to prevent, or detect and correct, misstatements in the financial statements.</p> <p>A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.</p>
<p>Significant Deficiency in Internal Control (“significant deficiency”)</p>	<p>A significant deficiency in internal control is a deficiency, or combination of deficiencies, in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.</p>

Financial Statements of

**CITYHOUSING HAMILTON
CORPORTATION**

Year ended December 31, 2019

CITYHOUSING HAMILTON CORPORATION

Financial Statements

December 31, 2019, with comparative information for 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of CityHousing Hamilton Corporation

Opinion

We have audited the accompanying financial statements of CityHousing Hamilton Corporation (the Entity), which comprise:

- the statement of financial position as at December 31, 2019,
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CityHousing Hamilton Corporation as at December 31, 2019 and its results of operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the 2019 annual report

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in the 2019 annual report as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
May 26, 2020

CITYHOUSING HAMILTON CORPORATION

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	December 31, 2019	December 31, 2018
Financial assets		
Cash	\$ 23,703,954	\$ 11,219,169
Accounts receivable (note 2)	5,388,935	4,567,772
Investments (note 3)	13,010,845	12,618,060
	<u>42,103,734</u>	<u>28,405,001</u>
Liabilities		
Accounts payable and accrued liabilities	7,946,017	7,080,834
Accrued mortgage interest	96,011	103,904
Deferred revenue (note 4)	4,190,822	4,626,033
Due to City of Hamilton (note 5)	1,520,843	1,644,892
Loans and mortgages (note 6)	46,966,734	52,802,997
Post-employment benefits (note 9)	2,682,100	952,033
Rent deposits	1,368,240	1,423,303
	<u>64,770,767</u>	<u>68,633,996</u>
Net debt	(22,667,033)	(40,228,995)
Non-financial assets		
Prepaid expenses	890,821	996,613
Tangible capital assets (note 12)	151,397,189	141,852,561
	<u>152,288,010</u>	<u>142,849,174</u>
Accumulated surplus (note 10)	\$ 129,620,977	\$ 102,620,179

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

CITYHOUSING HAMILTON CORPORATION

Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	Budget 2019	Actual 2019	Actual 2018
	(note 11)		
Revenue:			
Residential rental	\$ 37,252,244	\$ 36,956,941	\$ 36,728,260
Commercial rental	1,319,635	1,008,011	1,022,181
Tenant recoveries	499,027	876,739	849,028
Government subsidies	20,543,026	18,520,594	17,879,068
Amortization of deferred revenue	-	435,211	435,211
Government subsidies - capital	-	14,953,872	6,666,318
Other	454,953	2,466,413	2,336,398
Gain on sale of units	-	3,984,935	7,246,345
	60,068,885	79,202,716	73,162,809
Expenditures:			
Administration	14,012,637	16,274,689	13,870,833
Bad debts	338,479	420,682	437,884
Insurance	1,033,172	1,141,644	955,601
Maintenance	13,170,921	12,361,797	13,790,482
Amortization	6,883,000	6,883,000	6,657,284
Interest on long-term debt	1,930,413	1,930,413	2,267,080
OHC repayment	2,659,769	2,659,769	3,035,164
Municipal property tax	874,453	726,118	664,797
Utilities	10,583,384	9,801,024	9,600,062
	51,486,228	52,199,136	51,279,187
Annual surplus before service manager reconciliation	8,582,657	27,003,580	21,883,622
Service manager reconciliation	-	(2,782)	(191)
Annual surplus	8,582,657	27,000,798	21,883,431
Accumulated surplus, beginning of year	102,620,179	102,620,179	80,736,748
Accumulated surplus, end of year	\$ 111,202,836	\$ 129,620,977	\$ 102,620,179

See accompanying notes to financial statements.

CITYHOUSING HAMILTON CORPORATION

Statement of Changes in Net Debt

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Annual surplus	\$ 27,000,798	\$ 21,883,431
Purchase of tangible capital assets	(16,815,219)	(14,312,699)
Gain on sale of tangible capital assets	(3,984,935)	(7,246,345)
Proceeds on disposal of tangible capital assets	4,372,526	8,136,454
Amortization of tangible capital assets	6,883,000	6,657,284
	17,456,170	15,118,125
<i>Net decrease (increase) in prepaid expenses</i>	105,792	(166,690)
Change in net debt	17,561,962	14,951,435
Net debt, beginning of year	(40,228,995)	(55,180,430)
Net debt, end of year	\$ (22,667,033)	\$ (40,228,995)

See accompanying notes to financial statements.

CITYHOUSING HAMILTON CORPORATION

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 27,000,798	\$ 21,883,431
Items not involving cash:		
Amortization	6,883,000	6,657,284
Gain on disposal of tangible capital assets	(3,984,935)	(7,246,345)
Amortization of deferred revenue	(435,211)	(435,211)
Post-employment benefits	1,730,067	42,222
Change in non-cash assets and other liabilities:		
Accounts receivable	(821,163)	379,388
Prepaid expenses	105,792	(166,690)
Accounts payable and accrued liabilities	865,183	(5,731,740)
Rent deposits	(55,063)	(27,493)
Accrued mortgage interest	(7,893)	(5,690)
	31,280,575	15,349,156
Capital activities:		
Purchase of tangible capital assets	(16,815,219)	(14,312,699)
Proceeds on disposal of tangible capital assets	4,372,526	8,136,454
	(12,442,693)	(6,176,245)
Financing activities:		
Due from City of Hamilton	(124,049)	(115,243)
Repayment of loans and mortgages	(5,836,263)	(5,789,169)
	(5,960,312)	(5,904,412)
Investing activities:		
Change in investments (net)	(392,785)	(6,771,999)
Net change in cash	12,484,785	(3,503,500)
Cash, beginning of year	11,219,169	14,722,669
Cash, end of year	\$ 23,703,954	\$ 11,219,169

See accompanying notes to financial statements.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

CityHousing Hamilton Corporation (the "Corporation") is incorporated with share capital under the Ontario Business Corporations Act to provide, operate, and construct housing accommodation primarily for persons of low and moderate income. The Corporation's shares are 100% owned by the City of Hamilton (the "City"). The City is also the Service Manager for the Corporation. The Corporation is exempt from tax under the Federal Income Tax Act.

1. Significant account policies:

The financial statements of the Corporation have been prepared in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Corporation are as follows:

(a) Basis of accounting:

The Corporation follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

(b) Government transfers:

Government transfers received are from federal and provincial governments and the City of Hamilton. Government transfers paid relate to service manager reconciliation adjustments to the City of Hamilton. Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except, when and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(c) Other income including rental income:

Other income is reported as revenue in the period earned.

(d) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed or donated tangible capital assets are recognized as tangible capital assets at their fair value at the date of receipt and as revenue. Interest is not capitalized to tangible capital assets during construction.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

1. Significant account policies (continued):

(d) Non-financial assets (continued):

(ii) Amortization:

Amortization is recorded to reflect the cost, net of anticipated salvage value, associated with the use of the asset in providing services over the estimated useful life of the asset. Amortization expense is calculated on a straight-line basis over the assets' estimated useful lives as follows:

Asset	Number of years
Buildings and structures	20 - 40
Furniture and equipment	5 - 20
Leasehold improvements	20
Land improvements	20
IT equipment	3 - 5

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(e) Post-employment benefits:

The Corporation provides certain employee benefits which will require funding in future periods. These benefits include extended health and dental benefit for early retirees and vested sick leave. The costs of extended health and dental benefits and vested sick leave are actuarially determined using management's best estimate of salary escalation, earned days accumulated for certain employees payable at retirement, health care cost trends, long term inflation rates and discount rates.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as service payments and health and dental benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains or losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

The costs of multi-employer defined contribution pension plan benefits, such as the Ontario Municipal Employees Retirement System (OMERS) pensions, are the employer's contributions due to the plan in the period. These contributions are recognized in the period in which the contributions are earned.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

1. Significant account policies (continued):

(f) Deferred revenue:

Deferred revenue arising from the receipt of government transfers for the construction and acquisition of housing units are amortized to revenue over the period that the units are operated. Under the terms of the Corporation's government transfer agreements, the Corporation is required to operate the units for 20 years. Accordingly, these government transfers are amortized to revenue over 20 years.

(g) Investments:

Investments consist of short-term and long-term bonds and pooled equity instruments. Investments are carried at cost. Investment income is recognized only to the extent received or receivable. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

(h) Provincial debentures:

Certain public housing properties which were originally financed by the province of Ontario through general obligation provincial debentures are currently being repaid by the Corporation, however the Corporation is not legally responsible for the settlement of the debt. Accordingly, the provincial debentures are not presented on the Corporation's statement of financial position. Under PSAS, the amount of repayment in the year is recognized as an expense in the statement of operations.

(i) Use of estimates:

The preparation of financial statements in accordance with public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant estimates include assumptions used in performing actuarial valuations of liability for future benefits. Actual results could differ from those estimates.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

2. Accounts receivable:

	2019	2018
Tenant receivable	\$ 2,274,908	\$ 2,272,648
Subsidy receivable	1,399,864	1,490,016
Other	1,089,893	288,222
HST receivable	852,140	630,518
Allowance for doubtful accounts	(227,870)	(113,632)
	\$ 5,388,935	\$ 4,567,772

3. Investments:

	2019	2018
Cost	\$ 13,010,845	\$ 12,618,060
Market value	13,173,080	12,597,773

4. Deferred revenue:

Deferred revenue consists of grants received for housing units. The Corporation must operate and maintain the units for a period of 20 years.

	2019	2018
557 Queenston St.	\$ 715,796	\$ 835,095
Bridgewater	3,475,026	3,790,938
	\$ 4,190,822	\$ 4,626,033

Continuity	2019	2018
Balance, beginning of year	\$ 4,626,033	\$ 5,061,244
Add: Grants received	-	-
Less: Amounts recognized in revenue	(435,211)	(435,211)
Balance, end of year	\$ 4,190,822	\$ 4,626,033

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

5. Due to the City of Hamilton:

- a) Included in amounts owing to the City of Hamilton is a long-term liability for 211 King William (City Views). The liability bears interest at 4.75% per annum, maturing December 31, 2040 and payable in equal annual installments of principal and interest of \$61,437. The liability is secured under a general security agreement on the property. The balance outstanding at the end of the year is \$795,370 (2018 - \$818,794)

Principal charges in each of the next five years are as follows:

2020	\$	24,550
2021		25,730
2022		26,967
2023		28,263
2024		29,622
2025 and thereafter		660,238
	\$	795,370

- b) Included in amounts owing to the City of Hamilton is a long-term liability for the water conservation project. The liability bears interest at 2.5% per annum, maturing August 31, 2026 and payable in equal annual installments of principal and interest of \$114,259. The liability is secured under a general security agreement over the assets of the corporation. The balance outstanding at the end of the year is \$725,473 (2018 - \$826,097)

Principal charges in each of the next five years are as follows:

2020	\$	96,122
2021		98,525
2022		100,988
2023		103,513
2024		106,101
2025 and thereafter		220,224
	\$	725,473

The remaining amounts owing to the City of Hamilton are non-interest bearing with no fixed repayment terms.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

6. Loan and mortgage payable:

	2019	2018
Canada Mortgage and Housing Corporation, 0.96% mortgage for 772 Upper Paradise, renewing August 1, 2021, payable in equal monthly instalments of principal and interest of \$12,792	\$ 253,685	\$ 403,974
Scotia Mortgage Corporation, 2.590% mortgage for 470 Stone Church Road East, renewing January 1, 2023 payable in equal monthly instalments of principal and interest of \$23,206	824,548	1,078,222
Canada Mortgage and Housing Corporation, 2.22% mortgage for 75 Wentworth Street North and Ashley/Century, renewing January 1, 2024, payable in equal monthly instalments of principal and interest of \$16,479	1,295,418	1,462,597
Canada Mortgage and Housing Corporation, 1.390% mortgage for 1150 Limeridge Road East, renewing June 1, 2020, payable in equal monthly instalments of principal and interest of \$23,311.	1,372,344	1,631,116
Scotia Mortgage Corporation, 2.195% mortgage for 1781 King Street East, renewing January 1, 2022, payable in equal monthly instalments of principal and interest of \$6,719	528,661	596,925
Scotia Mortgage Corporation, 2.195% mortgage for 67 Ossington Drive, renewing January 1, 2022, payable in equal monthly instalments of principal and interest of \$10,798	849,606	959,314
Scotia Mortgage Corporation, 1.865% mortgage for 1081 Rymal Road East, renewing June 1, 2022, payable in equal monthly instalments of principal and interest of \$11,441	960,438	1,078,688
Scotia Mortgage Corporation, 5.83% mortgage for 10 Brock Street, renewing May 1, 2024, payable in equal monthly instalments of principal and interest of \$7,225	628,982	677,906
Canada Mortgage and Housing Corporation, 1.73% mortgage for 25 Towercrest Drive, renewing August 1, 2024, payable in equal monthly instalments of principal and interest of \$30,845	3,241,429	3,551,463

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

6. Loan and mortgage payable (continued):

	2019	2018
Canada Mortgage and Housing Corporation, 1.69% mortgage for 1285 Upper Gage Avenue, renewing September 1, 2024, payable in equal monthly instalments of principal and interest of \$5,930	634,393	694,007
First National Financial LP, 2.990% mortgage for 430 Cumberland Avenue, renewing October 1, 2029, payable in equal monthly instalments of principal and interest of \$69,967	7,151,545	7,785,237
Canada Mortgage and Housing Corporation, 1.39% mortgage for 101 Broadway Avenue, renewing June 1, 2020, payable in equal monthly instalments of principal and interest of \$14,194	1,602,071	1,749,093
TD Canada Trust, 2.221% mortgage for 1100 Limeridge Road East, renewing February 1, 2022, payable in equal monthly instalments of principal and interest of \$20,833	2,474,351	2,667,856
Canada Mortgage and Housing Corporation, 1.73% mortgage for 1900 Main Street West, renewing June 1, 2026, payable in equal monthly instalments of principal and interest of \$71,892	5,301,289	6,063,158
Canada Mortgage and Housing Corporation, 0.96% mortgage for 25 Lynden Avenue, renewing August 1, 2021, payable in equal monthly instalments of principal and interest of \$9,271	183,867	292,793
Canada Mortgage and Housing Corporation, 1.01% mortgage for 122 Hatt Street, renewing February 1, 2021, payable in equal monthly instalments of principal and interest of \$15,434	1,077,848	1,251,250
Canada Mortgage and Housing Corporation, 1.14% mortgage for 700 Stonechurch Road West, renewing July 1, 2021, payable in equal monthly instalments of principal and interest of \$12,973	244,168	396,135
TD Canada Trust, 2.559% mortgage for 680 Stonechurch Road West, renewing December 1, 2022, payable in equal monthly instalments of principal and interest of \$18,371	703,805	903,586

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

6. Loan and mortgage payable (continued):

	2019	2018
Canada Mortgage and Housing Corporation, 1.14% mortgage for 7-23 Gurnett Drive, renewing June 1, 2021, payable in equal monthly instalments of principal and interest of \$1,779	103,704	123,747
Canada Mortgage and Housing Corporation, 1.71% mortgage for 185-206, 210 Jackson Street East, renewing September 1, 2027, payable in equal monthly instalments of principal and interest of \$36,538	3,143,916	3,515,081
People's Trust Company 2.89% mortgage for 162 King William Street, renewing June 1, 2030, payable in equal monthly instalments of principal and interest of \$9,571	1,398,333	1,461,015
TD Canada Trust, 2.559% mortgage for 580 Limeridge Road East, renewing December 1, 2022, payable in equal monthly instalments of principal and interest of \$19,577	677,842	892,552
TD Canada Trust, 2.37% mortgage for 170 East Avenue South, renewing September 1, 2022, payable in equal monthly instalments of principal and interest of \$20,892	1,774,186	1,980,410
Sunlife Financial 3.950% mortgage for 350-360 King Street East, renewing June 1, 2027, payable in equal quarterly instalments of principal and interest of \$250,176	6,472,856	7,201,155
MCAP Financial Corporation 3.260% mortgage for 4 Bridgewater Court, renewing June 1, 2022, payable in equal monthly instalments of principal and interest of \$17,816	2,972,607	3,088,112
TD Canada Trust, 2.559% mortgage for 405 York Boulevard, renewing December 1, 2022, payable in equal monthly instalments of principal and interest of \$19,453	1,094,842	1,297,605
	\$ 46,966,734	\$ 52,802,997

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

6. Loan and mortgage payable (continued):

Future principal payments required on all long-term debt for the next five years and thereafter are as follows:

2020	\$ 8,461,402
2021	6,307,733
2022	12,727,472
2023	3,472,615
2024	7,550,090
2025 and thereafter	8,447,422
	\$ 46,966,734

7. Provincial debentures:

The value of the provincial debentures not recognized at the end of the year is \$8,340,432 (2018 - \$11,000,201).

8. Pension agreements:

The Corporation makes contributions to OMERS, which is a multi-employer plan, on behalf of 236 members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The latest actuarial valuation as at December 31, 2019, reported a funding deficit of \$3.4 billion (2018 - \$4.2 billion). OMERS expects the contributions and policy changes made in response to the deficit to return the plan to a fully funded position by 2025. Contributions were made in the 2019 calendar year at rates ranging from 9.0% to 14.6% depending on the level of earnings. As a result, \$861,906 was contributed to OMERS (2018 - \$841,435) for current service.

9. Post-employment benefits:

The Corporation provides certain employees benefits which will require funding in future periods. These benefits include sick leave and life insurance and extended health and dental benefits to early retirees.

	2019	2018
Retiree benefits	\$ 890,400	\$ 704,014
Vested sick leave	73,200	248,019
WSIB obligations	227,700	-
LTD plan	1,490,800	-
Balance, end of year	\$ 2,682,100	\$ 952,033

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

9. Post-employment benefits (continued):

Information about the Corporation's employee future benefits and obligations are summarized as follows:

	2019	2018
Accrued benefit obligation:		
Balance, beginning of year	\$ 977,800	\$ 991,200
Current benefit cost	485,700	37,841
Interest	95,900	37,175
Benefits paid	(626,000)	(88,416)
WSIB and long-term debt obligation recognition	1,748,700	-
Balance, end of year	2,682,100	977,800
Net Unamortized actuarial loss	-	(25,767)
Liability for benefits	\$ 2,682,100	\$ 952,033

a) Liability for vested sick leave benefit plans:

The Corporation provides a sick leave benefit plan for certain employee groups. Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Corporation's employment.

b) Liability for retiree benefits:

The Corporation provides certain health, dental and life insurance benefits between the time an employee retires under the Ontario Municipal Employees Retirement System (OMERS) or the normal retirement age and up to the age of 65 years.

c) Liability for WSIB benefits obligations:

The Corporation provides for accidents after 1997 benefits between the time an employee retires under the Ontario Municipal Employees Retirement System (OMERS) or the normal retirement age and up to the age of 65 years.

d) Liability for LTD plan:

The Corporation provides certain long-term disability benefits between the time an employee retires under the Ontario Municipal Employees Retirement System (OMERS) or the normal retirement age and up to the age of 65 years.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserve and reserve funds as follows:

	2019	2018
Reserves and reserve funds	\$ 28,598,096	\$ 15,348,746
Unfunded loans and mortgages	(47,692,208)	(53,629,095)
Unfunded post-employment benefit	(2,682,100)	(952,033)
Tangible capital assets	151,397,189	141,852,561
Balance, end of year	\$ 129,620,977	\$ 102,620,179

11. Budget data:

The budget data presented in these financial statements are based upon the 2019 approved operating and capital budgets approved by the Board of the Corporation. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

Revenues		
Operating budget		\$ 60,068,885
Capital budget		8,688,377
Less: capital		(8,688,377)
Total revenue		60,068,885
Expenses:		
Operating budget		51,380,508
Capital budget		8,688,377
Add:		
OHC repayment		2,659,769
Less:		
Amortization of mortgages (net)		(2,554,049)
Capital expenses		(8,688,377)
Total expenses		51,486,228
Annual surplus		\$ 8,582,657

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

12. Tangible capital assets:

(a) Assets under construction:

Assets under construction having a value of \$14,320,046 (2018 - \$3,583,941) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

No contributed tangible capital assets have been received in 2019.

(c) Tangible capital assets disclosed at nominal values:

Where an estimate could not be made, the tangible capital asset was recognized at a nominal value. No assets were recognized at nominal amount.

(d) Works of art and historical treasures:

The Corporation does not have any works of art or historical treasures.

(e) Write-down of tangible capital assets:

No capital assets were written down during the year.

	Cost			Accumulated Amortization			2019 Net Book Value		
	Balance Beginning of Year	Additions	Disposals	Balance End of Year	Balance Beginning of Year	Amortization		Disposals	Balance End of Year
	\$	\$	\$	\$	\$	\$	\$	\$	
Land	29,007,216	-	(379,816)	28,627,400	-	-	-	-	28,627,400
Building and structures	326,523,002	5,244,827	(1,044,769)	330,723,060	247,697,692	5,028,257	(1,036,994)	251,688,955	79,034,105
Furniture and Equipment	28,669,404	532,022	-	29,201,426	5,350,711	1,411,313	-	6,762,024	22,439,402
Leasehold Improvement	2,704,643	-	-	2,704,643	1,014,241	135,232	-	1,149,473	1,555,170
Land Improvement	5,098,829	302,265	-	5,401,094	1,021,127	266,681	-	1,287,808	4,113,286
It equipment	1,659,419	-	-	1,659,419	310,122	41,517	-	351,639	1,307,780
WIP	3,583,941	10,736,105	-	14,320,046	-	-	-	-	14,320,046
December 31, 2019	397,246,454	16,815,219	(1,424,585)	412,637,088	255,393,893	6,883,000	(1,036,994)	261,239,899	151,397,189
Land	27,442,567	2,400,000	(835,351)	29,007,216	-	-	-	-	29,007,216
Building and structures	326,492,176	2,458,150	(2,427,324)	326,523,002	245,053,816	5,016,442	(2,372,566)	247,697,692	78,825,310
Furniture and Equipment	19,969,894	8,699,510	-	28,669,404	4,138,185	1,212,526	-	5,350,711	23,318,693
Leasehold Improvement	2,704,643	-	-	2,704,643	879,009	135,232	-	1,014,241	1,690,402
Land Improvement	5,098,829	-	-	5,098,829	769,560	251,567	-	1,021,127	4,077,702
It equipment	1,659,419	-	-	1,659,419	268,605	41,517	-	310,122	1,349,297
WIP	2,828,902	4,345,390	(3,590,351)	3,583,941	-	-	-	-	3,583,941
December 31, 2018	386,196,430	17,903,050	(6,853,026)	397,246,454	251,109,175	6,657,284	(2,372,566)	255,393,893	141,852,561

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2019

13. Subsequent events:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At this time, these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

14. Comparative information:

Comparative information in the financial statements have been adjusted, where applicable, to correct prior period information.

CITYHOUSING HAMILTON CORPORATION
(the "Corporation")

RESOLUTION OF THE SOLE VOTING MEMBER OF THE CORPORATION

WHEREAS the City of Hamilton is the sole voting member of the Corporation ("Sole Voting Member");

AND WHEREAS City of Hamilton is authorized to hold shares in the Corporation and to exercise the rights attributed thereto, pursuant to Subsection 203(1) of the *Municipal Act*, 2001, SO 2001, c25 ("**Act**"), but the Corporation is not an Offering Corporation within the meaning ascribed to that term in the *Business Corporations Act*, R.S.O. 1990, c. B.16 ("**OBCA**");

AND WHEREAS the Council of the City of Hamilton are sitting as representatives of the Sole Voting Member (City of Hamilton) for the Corporation;

AND WHEREAS the Board of Directors of the Corporation comprises of a total of nine (9) members, five (5) of whom shall be elected members of Council of the City of Hamilton and four (4) of whom shall be members who are not Councillors of the City of Hamilton (the "**Citizen Members**").

NOW THEREFORE the Council of the City of Hamilton, acting in its capacity as representative of the Sole Voting Member (City of Hamilton) of the Corporation, RESOLVES AS FOLLOWS:

1. NOTICE

BE IT RESOLVED:

That, in accordance with the provisions of the OBCA, the Sole Voting Member hereby waives any notice requirement for the manner or time of notice required to be given under any provision of any Act, any regulations thereunder, the articles, the by-laws or otherwise and such waiver shall cure any default in the manner or time of such notice, as the case may be.

2. MINUTES OF PREVIOUS MEETING

BE IT RESOLVED:

That the minutes of the meeting held August 14, 2019 be approved.

3. FINANCIAL STATEMENTS AND AUDITOR'S REPORT

BE IT RESOLVED:

That the financial statements of the Corporation for the fiscal year ended December 31, 2019 together with the auditor's report, if applicable, be and the same are hereby received and approved.

4. AUDIT APPOINTMENT

BE IT RESOLVED:

That the undersigned, being the Sole Voting Member, hereby authorizes the Directors of the Corporation to appoint an auditor of the Corporation to hold office until the next following annual meeting at such remuneration as may be fixed by the Directors and the Directors are hereby authorized to fix such remuneration.

The foregoing resolutions are, by signature below of the Sole Voting Member of the Corporation entitled to vote on such resolutions, passed as resolutions of the Corporation pursuant to the Act.

Dated as of this 27th day of October 2020.

CITY OF HAMILTON

Per: _____
Fred Eisenberger, Mayor

Per: _____
Andrea Holland, City Clerk