



City of Hamilton
EMERGENCY & COMMUNITY SERVICES COMMITTEE
AGENDA

Meeting #: 21-004
Date: April 22, 2021
Time: 1:30 p.m.
Location: Due to the COVID-19 and the Closure of City Hall (CC)

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

1. CEREMONIAL ACTIVITIES
2. APPROVAL OF AGENDA
(Added Items, if applicable, will be noted with *)
3. DECLARATIONS OF INTEREST
4. APPROVAL OF MINUTES OF PREVIOUS MEETING
 - 4.1. April 8, 2020
5. COMMUNICATIONS
6. DELEGATION REQUESTS
7. CONSENT ITEMS

7.1. Ontario's Vision for Social Assistance (HSC21014) (City Wide)

8. STAFF PRESENTATIONS

9. PUBLIC HEARINGS / DELEGATIONS

10. DISCUSSION ITEMS

10.1. Tenant Defence Fund (HSC19011(a)) (City Wide)

10.2. Accessing Capital Repair Funds from the National Housing Strategy -Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide)

11. MOTIONS

12. NOTICES OF MOTION

13. GENERAL INFORMATION / OTHER BUSINESS

13.1. Amendments to the Outstanding Business List

13.1.a. Items Considered Complete and to be Removed

13.1.a.a. Mitigation of Effects of Reno-viction

Item on OBL: 20-J

Addressed as Item 10.1 on today's agenda

14. PRIVATE AND CONFIDENTIAL

15. ADJOURNMENT



EMERGENCY & COMMUNITY SERVICES COMMITTEE MINUTES 21-003

1:30 p.m.
Thursday, April 8, 2021
Council Chambers
Hamilton City Hall
71 Main Street West

Present: Councillors N. Nann (Chair), B. Clark, T. Jackson, S. Merulla, and E. Pauls

Regrets: Councillor T. Whitehead – Leave of Absence

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Standardization of Adult Incontinent Products (HSC21005) (City Wide) (Item 7.1)

(Jackson/Pauls)

That Council approve the standardization of TENA® adult incontinent products for use in Macassa and Wentworth Lodges and the Ontario Works Special Supports Program, pursuant to Procurement Policy #14 – Standardization, until February 28, 2026.

Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Chair - Ward 3 Councillor Ninder Nann
ABSENT - Ward 4 Councillor Sam Merulla
YES - Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 9 Councillor Brad Clark
ABSENT - Ward 14 Councillor Terry Whitehead

2. Age Friendly Plan 2021-2026 (CES14053(d)) (City Wide) (Item 8.1)

(Jackson/Pauls)

That Report CES14053(d), respecting Age Friendly Plan 2021-2026, be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinde Nann
YES - Ward 4 Councillor Sam Merulla
YES - Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 9 Councillor Brad Clark
ABSENT - Ward 14 Councillor Terry Whitehead

3. Support for Rapid Housing Initiative Affordable Housing Development Projects (HSC20056(a)) (City Wide) (Item 10.1)**(Merulla/Clark)**

- (a) That the Minister of Municipal Affairs and Housing (MMAH) be advised that the City of Hamilton recommends that the Ontario Priorities Housing Initiative (OPHI) New Rental Housing Component Year 3 funding in the amount of \$750,000 be allocated to Wesley Community Homes, 195 Ferguson Avenue North under Request for Proposal (RFP) C5-19-19 prior to its expiration July 31, 2021;
- (b) That the Minister of Municipal Affairs and Housing (MMAH) be advised that the City of Hamilton recommends that the Ontario Priorities Housing Initiative (OPHI) New Rental Housing Component Year 3 funding in the amount of \$822,495 be allocated to the Corktown Co-op affordable housing development under Request for Proposal (RFP) C5-19-19 prior to its expiration July 31, 2021;
- (c) That, subject to approval of the reallocation of Canada-Ontario Community Housing Initiative (COCHI) Year 3 funds from the Rent Supplement Component to the Capital Component, New Build by the Minister of Municipal Affairs and Housing (MMAH), CityHousing Hamilton's Rapid Housing Initiative project at 350 King Street East be recommended to the Minister for funding in the amount of \$846,414;
- (d) That the Options for Independent Living and Development's (OFILD) modular affordable housing development Rapid Housing Initiative (RHI) project, 137 George Street be funded in the amount of \$483,303 from the Poverty Reduction Fund (Project ID 6731741609) to provide the full amount requested in its proposal;
- (e) That a contingency of approximately \$565 K, be used at the sole discretion of the General Manager of the Healthy and Safe Communities Department to address unanticipated issues that arise in affordable housing development projects using the funds remaining in the Poverty Reduction Fund Housing Services Division (Project ID 6731741609); and,

- (f) That the Outstanding Business List item identified as Modular Housing Pilot, be removed from the Outstanding Business List and considered complete.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinder Nann
YES - Ward 4 Councillor Sam Merulla
YES - Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 9 Councillor Brad Clark
ABSENT - Ward 14 Councillor Terry Whitehead

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 2)

The Committee Clerk advised that there were no changes to the agenda:

(Jackson/Pauls)

That the agenda for the April 8, 2021 Emergency and Community Services Committee meeting be approved, as presented.

Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinder Nann
ABSENT - Ward 4 Councillor Sam Merulla
YES - Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 9 Councillor Brad Clark
ABSENT - Ward 14 Councillor Terry Whitehead

(b) DECLARATIONS OF INTEREST (Item 3)

There were no Declarations of Interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 4)

(i) March 25, 2021 (Item 4.1)

(Clark/Pauls)

That the Minutes of the March 25, 2021 meeting of the Emergency and Community Services Committee be approved, as presented.

Result: Motion CARRIED by a vote of 4 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinder Nann
ABSENT - Ward 4 Councillor Sam Merulla

**Emergency & Community Services Committee
Minutes 21-003**

**April 8, 2021
Page 4 of 5**

YES - Ward 6 Councillor Tom Jackson
 YES - Ward 7 Councillor Esther Pauls
 YES - Ward 9 Councillor Brad Clark
 ABSENT - Ward 14 Councillor Terry Whitehead

(d) STAFF PRESENTATIONS (Item 7)

(i) Age Friendly Plan 2021-2026 (CES14053(d)) (City Wide) (Item 8.1)

(Jackson/Nann)

That the presentation from Lisa Maychak, Project Manager, Age Friendly City, Children's Services and Neighbourhood Development Division and Dr. Lori Letts, Chair, Age Friendly Collaborative Governance Committee, respecting Age Friendly Plan 2021-2026, be received.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinder Nann
 YES - Ward 4 Councillor Sam Merulla
 YES - Ward 6 Councillor Tom Jackson
 YES - Ward 7 Councillor Esther Pauls
 YES - Ward 9 Councillor Brad Clark
 ABSENT - Ward 14 Councillor Terry Whitehead

For disposition of this matter, please refer to Item 2.

(e) GENERAL INFORMATION AND OTHER BUSINESS (Item 13)

(i) Amendments to the Outstanding Business List (Item 13.1)

(Pauls/Merulla)

That the following amendment to the Emergency and Community Services Outstanding Business List, be approved:

13.1.a. Items to Be Removed

- (i) Modular Housing
 Item on OBL: 20-E
 Addressed as Item 10.1 on today's Agenda

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinder Nann
 YES - Ward 4 Councillor Sam Merulla
 YES - Ward 6 Councillor Tom Jackson
 YES - Ward 7 Councillor Esther Pauls
 YES - Ward 9 Councillor Brad Clark
 ABSENT - Ward 14 Councillor Terry Whitehead

(f) ADJOURNMENT (Item 15)

(Jackson/Clark)

That there being no further business, the Emergency and Community Services Committee be adjourned at 2:24 p.m.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Chair - Ward 3 Councillor Nrinder Nann
YES - Ward 4 Councillor Sam Merulla
YES - Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 9 Councillor Brad Clark
NOT PRESENT - Ward 14 Councillor Terry Whitehead

Respectfully submitted,

Councillor N. Nann
Chair, Emergency and Community Services
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk

A working vision for social assistance



Vision:

To create an efficient, effective and streamlined social services system that focuses on people, providing them with a range of services and supports to respond to their unique needs and address barriers to success so they can move towards employment and independence.

How we will realign:



Province

Delivers:

- ✓ Centralized financial assistance
- ✓ Financial controls and back-office functions suited to centralization or automation

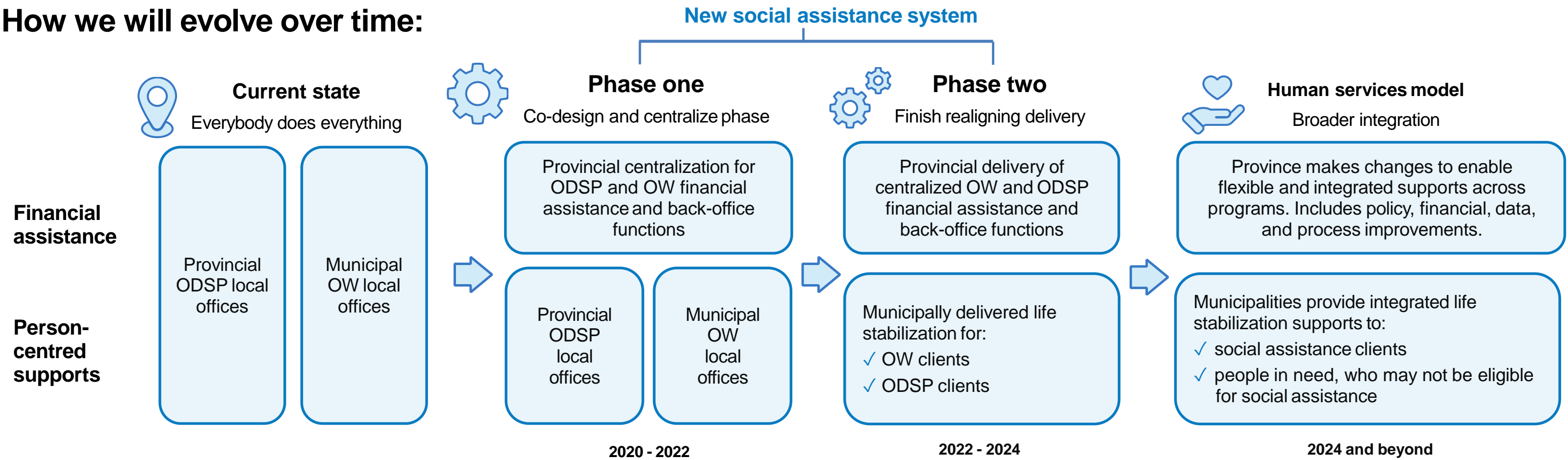


Municipalities

Delivers:

- ✓ Life stabilization – including needs assessment, service planning, warm referrals, discretionary benefits
- ✓ Person-centred, connected supports and navigation of broader system (e.g., housing, employment, mental health)

How we will evolve over time:



Integrated client services:

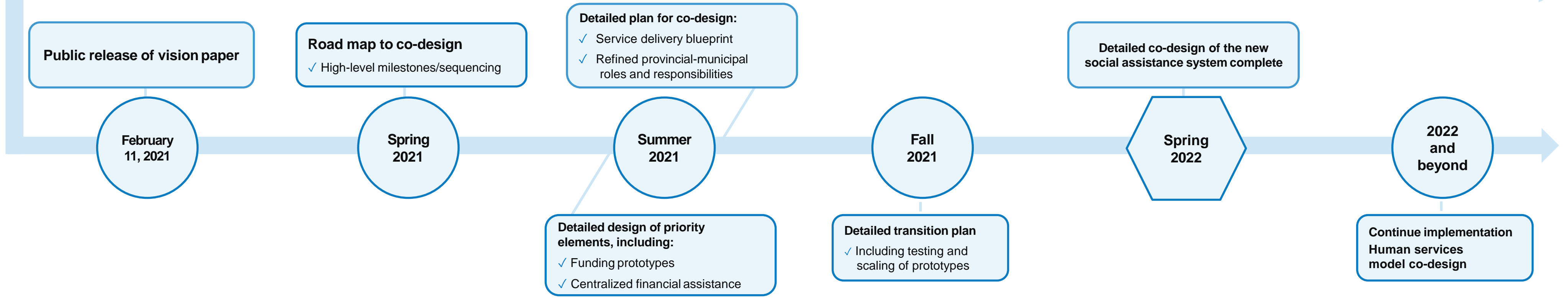


Social assistance: where we're headed

In the short term: co-designing the new social assistance system

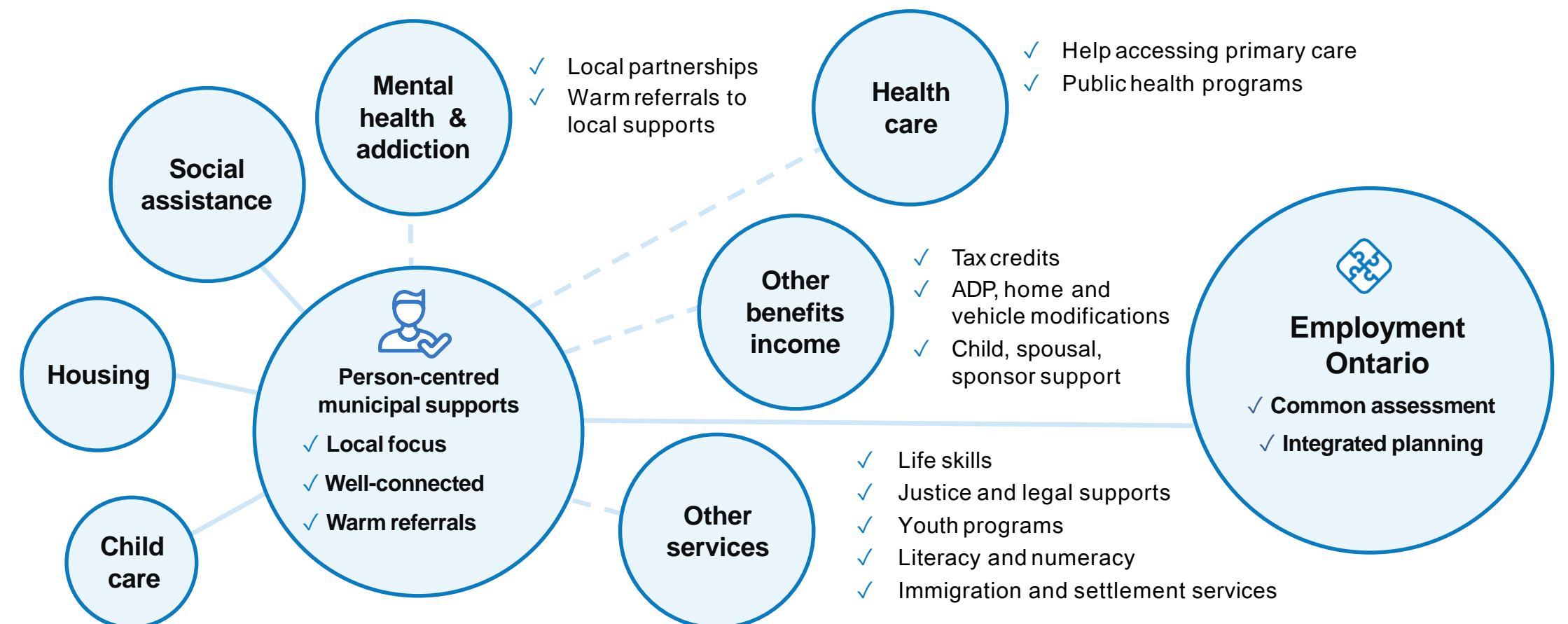
Prototype and implement: developing centralized provincial functions, starting with intake, and tools and processes to support life stabilization

Co-design: engaging to design provincial and municipal functions, principles and processes



In the long term: moving to a human services delivery model

- ✓ In the human services model, benefits like social assistance become “tools” in the caseworker toolbox, as opposed to the other way around
- ✓ Caseworkers are knowledgeable about the broader system of benefits and supports, and can guide people to the supports they need – whether Ontario Works or something else
- ✓ People seeking help are triaged by municipal caseworkers, supported as needed, and potentially diverted from social assistance





INFORMATION REPORT

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	April 22, 2021
SUBJECT/REPORT NO:	Ontario's Vision for Social Assistance (HSC21014) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Terry Quinn (905) 546-2424 Ext. 3080
SUBMITTED BY:	Bonnie Elder Director, Ontario Works Division Healthy and Safe Communities Department
SIGNATURE:	

COUNCIL DIRECTION

Not Applicable

INFORMATION

Since 2018, the Ministry of Children, Community and Social Services (MCCSS) has taken steps to reform the delivery of social assistance. Strategies initiated to date include service delivery modernization, efforts to improve coordination across ministries, reduce administrative burdens and employment services integration. Linkages between the strategies include emphasis on the importance of life stabilization, employment supports and recognizing the local context.

On February 11, 2021, MCCSS outlined a renewed long-term vision for social assistance transformation in Ontario. An overview of the vision and timeline is attached as Appendix "A" to Report HSC21014. Key elements of the vision include maintaining person-centred services within municipalities to better support life stabilization and improved outcomes, and a shift of administrative services that could benefit from further automation to the Province. In addition to their current client caseload, municipal Ontario Works (OW) case workers will provide life stabilization supports to Ontario Disability Support Program (ODSP) clients starting with dependant adults. This

OUR Vision: To be the best place to raise a child and age successfully.

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SUBJECT: Ontario's Vision for Social Assistance (HSC21014) (City Wide) - Page 2 of 4

increased caseload, as well as changes to how employment services are provided, are currently being prototyped in Hamilton.

There is no immediate impact as a result of these developments. Implementation of this long-term vision for social assistance transformation will take place over several years. Learning and testing will continue in 2021 and 2022, including Hamilton's involvement in the current prototypes. Full implementation of the vision will begin in 2022 and continue through 2024.

Background

In July 2018, MCCSS announced intentions to implement a new social assistance program to improve an existing "patchwork" system. In November 2018, a high-level strategic framework was announced which included emphasis on simplified rates, local flexibility, life stabilization supports, and employment supports focused on empowering individuals. Additionally, key priorities included a coordinated multi-ministry approach, reduced administrative burdens and continued service delivery modernization so front-line staff can spend more time working with people to address complex needs.

In February 2019, the Ministry of Labour, Training and Skills Development (MLTSD) along with MCCSS announced a plan to integrate Employment Services between OW, ODSP, and Employment Ontario. Hamilton is one of the three regions working with both Ministries to prototype the model (Report HSC20005(a)) and inform the final design before it is implemented province-wide.

In the past year, Hamilton has adopted several modernization technologies developed by MCCSS to streamline administration of OW. These include implementation of the MyBenefits digital application (app) for clients, electronic document management that eliminated paper client files, and the reloadable payment card to reduce the number of cheques issued monthly. In addition, the General Manager of the Healthy and Safe Communities Department advised Council on October 5, 2020 through an Information Update that Hamilton would be prototyping the centralized online application and the risk-based automated eligibility review system with the Province.

Future Direction

The provincial vision outlines strategies for a new social assistance delivery model that allows frontline workers to focus on individualized supports at the local level and make it easier for people to navigate the system. This service delivery vision identifies municipalities as key partners for expanded life stabilization efforts.

Local case workers will focus on needs assessments, discretionary benefits issuance, service planning and warm referrals to community supports including job-readiness programs, housing, childcare, skills training and mental health services. Hamilton is

SUBJECT: Ontario's Vision for Social Assistance (HSC21014) (City Wide) - Page 3 of 4

currently working with MCCSS as a prototype municipality for life stabilization to inform the final design before it is implemented province-wide. When fully implemented, local OW case workers will also provide life stabilization services to ODSP clients as well as their current OW clients.

Client services that are more administrative in nature and which can be streamlined or automated will be delivered by the Province. Currently, Hamilton is a prototype municipality for a streamlined application system and automated risk-based eligibility determination. Local intake staff will focus efforts on the harder to serve clients and higher risk eligibility decisions and have reduced involvement with routine applications that can be well served with the automated, centralized intake approach. In addition, the delivery of monthly financial assistance payments to OW clients will be managed by the Province.

Estimated Timelines

The Ministry has provided a high-level timeline for implementation of the renewed long-term vision for social assistance in Ontario. A summary of the phased approach is as follows:

- | | |
|----------------------|--|
| Phase 1 | <ul style="list-style-type: none"> • 2020 - 2022 • Learning and Testing phase • Focus on prototyping changes |
| Phase 2 | <ul style="list-style-type: none"> • 2022 - 2024 • Roll-out phase • Realigning service delivery province-wide • Municipally delivered life stabilization for OW and ODSP dependant adults • Consolidation of financial assistance by the Province |
| Human Services Model | <ul style="list-style-type: none"> • 2024 & beyond • New human services model • Broadened community access to case workers |

The Ministry has described their timeline as ambitious, with urgency partly related to anticipated needs and new challenges facing Ontarians during the province's economic recovery from COVID-19.

Financial Impact

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SUBJECT: Ontario's Vision for Social Assistance (HSC21014) (City Wide) - Page 4 of 4

There is no budget impact at this time. It is anticipated that longer term budget impacts will be discussed in the 2022 Service Contract discussion, which could begin in late 2021 or early 2022.

Factors that will impact the 2022 Service Contract and budget discussions will include:

- the caseload impact on OW related to the COVID-19 economic recovery (Hamilton residents currently in receipt of temporary federal benefit programs may increase the OW caseload when those benefits expire and/or employment opportunities do not rebound quickly);
- workload related to the provision of life stabilization case management by municipal OW staff to ODSP clients;
- increased focus by municipal OW case workers on life stabilization related services;
- the administration and delivery of monthly financial assistance centrally by the Province; and,
- the workload impact of centralized intake and risk-based eligibility decisions.

APPENDICES AND SCHEDULES ATTACHED

Appendix A to Report HSC21014 - Social Assistance: Where We're Headed



CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Housing Services Division

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	April 22, 2021
SUBJECT/REPORT NO:	Tenant Defence Fund (HSC19011(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Edward John (905) 546-2424 Ext. 4860
SUBMITTED BY:	Paul Johnson General Manager Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the Tenant Defence Fund Program be expanded and amended to include tenants being displaced due to evictions as a result of renovations;
- (b) That the Tenant Defence Fund grant amount eligible to tenants for legal fees be increased to \$2,500;
- (c) That the Outstanding Business List item identified as Mitigation Effects of Renovictions, be removed from the Outstanding Business List and considered complete.

EXECUTIVE SUMMARY

In March 2019, the City created the Tenant Defence Fund (TDF) to assist with Above Guideline Increase (AGI) applications at the Landlord and Tenant Board (LTB). The Tenant Defence Fund Program provides financial and other support to assist eligible tenant groups prepare and present a defence against AGI applications. To date, there has been very limited uptake in this program leaving available funds to consider expanding the program. This report proposes to expand the mandate of the Tenant Defence Fund Program to include tenants facing displacement due to renovictions.

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SUBJECT: Tenant Defence Fund (HSC19011(a)) (City Wide) - Page 2 of 7

**Alternatives for Consideration – Not Applicable
FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: The existing fund has a remaining balance of \$50,000 and will be used for the expanded mandate. Staff will monitor uptake, and should additional resources be required, a subsequent report will be prepared.

Staffing: N/A

Legal: Updates to the existing program will be reviewed with Legal Services.

HISTORICAL BACKGROUND

October 2, 2019, the General Issues Committee approved Report PED19178/HSC19052, Financial Incentive Program Amendments Respecting Potential Tenant Displacement.

On December 19, 2018, Council directed staff to establish a Tenant Defence Fund (TDF).

On March 27, 2019, Council approved the establishment of the Tenant Defence Fund Pilot Project in the amount of \$50,000.

Dec 16, 2020, Council directed staff to review renovations in Hamilton and report back to the Emergency and Community Services Committee with information about what other jurisdictions have done to reduce the problem and what the City can do to mitigate the number of people who are affected by this practice.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Housing and Homelessness Action Plan

Outcome 3: People have the individualized supports they need to obtain and maintain housing.

Strategy 2: Increase housing supports that help tenants remained housed.

Implementation Action: Promote a complete suite of services for people experiencing or at risk of homelessness including shelter diversion, rapid rehousing, housing first, and eviction prevention.

Outcome 5: All people experience equity in housing and housing-related services.

Strategy 5: Improve information and knowledge sharing within the housing sector

SUBJECT: Tenant Defence Fund (HSC19011(a)) (City Wide) - Page 3 of 7

Implementation actions: Develop and implement a public campaign to increase awareness and knowledge of the housing rights and responsibilities of both landlords and tenants. This campaign will include rental housing best practice guidelines.

Amendment to the terms of reference for the Tenant Defence Fund to include renovictions.

RELEVANT CONSULTATION

The issue of renovictions has been discussed within the housing and homelessness sector over the last two years including discussions with ACORN, the tenant advocacy group. Extensive public comments from Councillors have informed the consultation on the issue of renovictions.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Renovictions:

The issue of renovictions has been a growing focus of the Hamilton community for a number of years. In 2019, Report PED19178/HSC19052 was approved to address renovation concerns around the Commercial Corridor Housing Loan and Grant Program, the Hamilton Tax Increment Grant Program, the Barton/Kenilworth Tax Increment Grant Program and the Barton/Kenilworth Commercial Corridor Building Improvement Grant Program. The purpose of this program was to ensure that any property improvements funded by these incentive programs do not result in the permanent displacement of an existing tenant, as a result of the improvement.

Renovictions have since been identified as a system wide issue that impacts some of the most vulnerable renters in the City of Hamilton.

New Westminster Program

New Westminster British Columbia has a licensing by-law regarding rental units and addresses the issue of renovations.

This legislation requires any landlord who is doing renovations to obtain every building permit, plumbing permit, development permit, special development permit or heritage alteration permit required. Additionally, the landlord must also enter into a new tenancy agreement with the tenant on the same terms or better for a comparable rental unit in the same building. If they are unable to accommodate in the same building, they must make other arrangements in writing for the tenants' temporary accommodation during the renovation.

SUBJECT: Tenant Defence Fund (HSC19011(a)) (City Wide) - Page 4 of 7

Central to their licensing regime is the premise that tenants should be able to reside within their unit during renovations and subsequent accommodations be made to address their needs within the unit or building during the proposed works. The landlord is as a result required to apply to the city in those circumstances where this is not feasible.

Staff propose to raise and evaluate this option as part of the on-going licensing review, recognizing that limitations may still exist with respect to the governing legislation regarding the Landlord Tenancy Act.

With respect to the building permit process itself, under the current legislation less ability is available to affect the issuance of permits as a result of the Ontario Building Code requirements.

Governing Legislation:

The issue of renovations is governed by Provincial legislation through the *Building Code Act* and the *Landlord Tenancy Act*.

The *Building Code* states:

The chief building official shall issue a permit referred to in subsection (1) unless,
(a) the proposed building, construction or demolition will contravene this Act, the building code or any other applicable law;

The above identifies 'applicable law'. The *Building Code Act* further identifies what applicable law is under the Act and the *Landlord Tenant Act* is not deemed to be applicable law under the *Building Code Act*.

On the basis of the above, placing caveats or conditions on the issuance of a Building Permit is specifically limited. The *Building Code Act* has a specific section that speaks to a 'Conditional Permit' which outlines when a Conditional Permit may be issued. Conditional Building Permits are used when all the applicable law(s) (except zoning) have not been met and permits an applicant (at the Chief Building Official's discretion) to enter into an agreement with the municipality to proceed prior to all the applicable law requirements having been met. Placing a restriction on a building permit tied to tenancy is therefore not an option for a conditional building permit. Additionally, the Building Division confirmed that they could not place a caveat or a condition on a Building Permit without the regulatory authority to enforce such

The *Landlord Tenancy Act* provides the following guidance related to evictions for renovations.

SUBJECT: Tenant Defence Fund (HSC19011(a)) (City Wide) - Page 5 of 7

Eviction for Personal Use, Demolition, Repairs and Conversion: Interpretation Guideline 12:

A landlord may apply to terminate a tenancy on the basis that the landlord: (1) will demolish the rental unit; (2) needs vacant possession to do extensive repairs or renovations; or (3) intends to convert the rental unit to non-residential use.

The Province of Ontario provides guidance to tenants if evicted due to renovations:

Your landlord must also compensate you if they evict you from your unit to:

- renovate
- repair
- demolish

They must give you the right of first refusal to move back into the unit following the renovation. You must notify your landlord in writing before you leave that you want them to offer you the unit when they complete the renovation.

Under the new rules, if your landlord fails to provide you a right of first refusal, you will have two years, rather than one, to file a claim with the Landlord and Tenant Board for compensation.

As detailed below, staff will continue to ensure as comprehensively as possible that education of these rights are provided proactively to tenants who may be at risk of renovictions.

Property Standards By-law

The City of Hamilton is in the process of updating the Property Standards By-law to provide greater clarity on matters that are covered, and which can be enforced by the Property Standards By-law. While these updates will not specifically address the issue of renovictions, it does provide additional support to tenants to address factors that lead to displacement of tenants as well as provide an opportunity to inform and educate tenants of their rights.

Community Input

The issue of renovictions has been an issue for many community advocates. ACORN on their website states:

“The City should expand and make permanent the Tenant Defence Fund by adding tenant outreach and education to its mandate as well as expanding the criteria for eligibility to include tenants at risk of displacement.”

SUBJECT: Tenant Defence Fund (HSC19011(a)) (City Wide) - Page 6 of 7

As detailed within this Report, staff will seek to expand the mandate to include financial resources for those individuals addressing renovations in front of the LTB. With respect to education of renters' rights, this forms a central component to the approach, recognizing that individuals may be coerced into leaving units without fully appreciating their rights under the Act. Staff will therefore continue to support and extend the existing educational opportunities to do this. Staff will work with the Building Division and the Licensing and By-Law Services Division to determine all reasonable and proactive opportunities to inform and educate in circumstances where there is a potential for tenant displacement.

With respect to education, staff also consider it important to raise concerns and offer education to the Hamilton District Apartment Association recognizing the important role the Association can play in limiting this process.

Direction

Expanding the Tenant Defence Fund to include renovations would allow the already existing program and staff compliment to support tenants with preparation and legal support at the Landlord Tenant Board.

The current program includes:

- 1) A \$1,000 grant for the purpose of hiring legal support from a paralegal or lawyer;
- 2) In addition to the \$1,000 for legal representation, support services (up to a maximum value of \$250) provided by the Housing Services Division for photocopying, printing, postage, and meeting space rental, either prior to a tenant group retaining a legal agent, or if the tenant group chooses to represent themselves. Support may also include services such as securing meeting space, help preparing the grant application, or other relevant services that are pre-approved by the Tenant Relations Officer, Housing Services Division.

A revised program would include the issue of renovations and would increase the amount available for the purpose of hiring legal support from a paralegal or lawyer to \$2,500.

Staff will continue to monitor uptake and look for improvements in the program which will include increased financial resources and will report back to this Committee. Discussions with the Legal Clinic will also continue to ensure no duplication and complementary support can be provided on individual cases.

SUBJECT: Tenant Defence Fund (HSC19011(a)) (City Wide) - Page 7 of 7

ALTERNATIVES FOR CONSIDERATION

Not Applicable

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Not Applicable



CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Housing Services Division

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	April 22, 2021
SUBJECT/REPORT NO:	Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Jennifer Hohol (905) 546-2424 Ext. 7857
SUBMITTED BY:	Edward John Director, Housing Services Division Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION

- (a) That the General Manager of Healthy and Safe Communities Department, as the Service Manager, be authorized to enter into and execute the Letter of Intent with the Canadian Mortgage and Housing Corporation for funding through the National Housing Strategy Co-Investment Fund – Repair and Renewal Stream to support CityHousing Hamilton;
- (b) That staff report back to the Emergency and Community Services Committee with any Service Manager consents or other approvals required to execute CityHousing Hamilton’s Credit Agreement with the Canadian Mortgage and Housing Corporation for the National Housing Strategy Co-Investment – Repair and Renewal Stream; and,
- (c) That the City of Hamilton will act as guarantor of the long-term financing and performance obligations identified in the Letter of Intent, not to exceed \$87,413,328 in repayable loans and \$58,275,552 in forgivable loans and that the General Manager, Finance and Corporate Services, and City Clerk be authorized to execute any agreements and ancillary documents relating to the guarantee.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide) - Page 2 of 7

EXECUTIVE SUMMARY

On March 11, 2021, CityHousing Hamilton (CHH) and the City of Hamilton received confirmation through a Letter of Intent from the Canada Mortgage and Housing Corporation (CMHC) for \$145,688,880 in funding over eight years. This funding is delivered through the National Housing Co-Investment Fund – Repair and Renewal Stream and will support \$194,251,800 in repair and renewal projects impacting 6,290 CHH units. As this funding from CMHC requires a co-investment approach, CHH will contribute the remainder of the \$48,562,920 in funding from its capital budget to complete these projects across the portfolio. This includes investment of CHH’s annual capital allocation from the Service Manager.

The \$145,688,880 in funding from CMHC consists of \$87,413,328 in repayable loans and \$58,275,552 in forgivable loans. In order for CHH to receive the funding, CMHC is requesting the City of Hamilton guarantee payment and performance obligations for CHH. The risk associated with this broad unlimited guarantee is unknown until further details are acquired.

The 6,290 units from CHH that will benefit from this funding are just a portion of the 14,000 social/affordable housing units across the city. The total estimated need alone for CHH capital repairs over the next 20 years is \$400 M. The National Housing Co-Investment Fund – Repair and Renewal Stream also has a primary goal to fund projects that will achieve improved outcomes related to affordability, energy efficiency and accessibility. As this funding has a defined scope, money cannot be used to address all types of repair needs. The funding from the National Housing Co-Investment Fund will help to extend the lifespan of some, but not all, of CHH’s housing stock.

If the Letter of Intent is successfully executed by CHH and the City of Hamilton, the next step in securing funding will be to understand the detailed terms of the funding and performance outcomes through a Credit Agreement with CMHC. Further reports will come forward to attain required financial and Service Manager consents.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The City of Hamilton is being asked to act as guarantor of the long-term financing and performance obligations for funding from the Canada Mortgage and Housing Corporation to CityHousing Hamilton, not to exceed \$87,413,328 in repayable loans and \$58,275,552 in forgivable loans. At this time, Report HSC19048(a) is only seeking authority for the City of Hamilton

SUBJECT: Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide) - Page 3 of 7

to act as a guarantor. Once loan terms and conditions including issues of interest rate, security, and loan amortization are known and included in an agreement, a further report will come forward to the Audit, Finance and Administration Committee seeking appropriate authority to enter into the agreement.

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

On November 22, 2017, the federal government released Canada's National Housing Strategy: A Place to Call Home. The goal of the National Housing Strategy is to, over ten years, deliver a range of housing program initiatives.

One of the National Housing Strategy programs, the National Housing Co-investment Fund (NHCF), was launched on May 2, 2018. The NHCF is a \$16.6 B federal investment, \$5 B of which is new funding, with two funding streams: new construction of affordable housing and repair and renewal of social housing.

On August 15, 2019, Report HSC19048 was brought forward to the Emergency and Community Services Committee which sought permission for staff to engage in discussion with the Canada Mortgage and Housing Corporation (CMHC) alongside CityHousing Hamilton (CHH) to negotiate funding principles and to determine the extent of the municipal contribution needed under the NHCF. Since 2019, staff have been working with CHH and CMHC to negotiate funding principles to support repair and renewal projects across CHH's housing portfolio.

On March 11, 2021, CHH and the City of Hamilton received confirmation through a Letter of Intent from CMHC for \$145,688,880 in funding over eight years to support \$194,251,800 in repair and renewal projects impacting 6,290 CHH units. This information was communicated to CHH's Board of Directors on March 30, 2021 through CHH Report #21009 (attached as Appendix "A" to Report HSC19048(a)). If the Letter of Intent is successfully executed by CHH and the City of Hamilton, the next step in securing funding would be to understand the detailed terms of the funding and performance outcomes through a credit agreement with CMHC.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Under the *Housing Services Act, 2011* the City of Hamilton is legally obligated to maintain a minimum number of Rent-Geared-to-Income units. Hamilton's Service Level

SUBJECT: Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide) - Page 4 of 7

Standard of 9,257 is composed of units from 38 housing providers including CityHousing Hamilton. There is no expiration date on Hamilton's obligation to continue calculating and paying subsidy to these providers according to provincial regulations.

RELEVANT CONSULTATION

Consultation and comment on Report HSC19048(a) has been provided by CityHousing Hamilton, Corporate Services – Financial Planning, Administration, and Policy and Legal Services.

Legal Services has recommended that a request be made to CMHC to adjust the language in the Letter of Intent so that the City of Hamilton has to guarantee only the payment, and not the performance obligations of CHH. CMHC is not agreeable to this change as this approach would differ from NHCF agreements already in place with other organizations.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

There are approximately 14,000 social/affordable housing units in Hamilton, of which CHH has just over 7,000 which constitute an important part of Hamilton's service level standard. These units were built post-war and continue to provide critical affordable housing for thousands of Hamilton residents. Many of the major systems in these CHH units are at the end of their life cycle, and the state of repair and quality of these units have been in decline due to a lack of reinvestment and deferred maintenance as a result of limited financial resources. Due to this, CHH saw value in applying to the NHCF – Repair and Renewal Stream to support repair and renewal across the portfolio.

National Housing Co-Investment Funding for CityHousing Hamilton

A Letter of Intent received from CMHC outlines \$145,688,880 in funding over eight years to support \$194,251,800 in repair and renewal projects that will impact 6,290 CHH units. As this funding from CMHC requires a co-investment approach, CHH will contribute the remainder of the \$48,562,920 in funding from its capital budget to complete these projects across the portfolio. This includes investment of CHH's annual capital allocation from the Service Manager.

The primary goal of the NHCF – Repair and Renewal Stream is to fund projects that will achieve improved outcomes related to affordability, energy efficiency and accessibility. As a condition of this funding, CHH will be expected to regularly report outcomes and achieve performance targets in each of these three areas. Under these performance targets, CHH will aim to:

SUBJECT: Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide) - Page 5 of 7

- Maintain affordability for at least 20 years beyond the project such that rents for a minimum of 50% of the units will be on average below 69.9% of the median market rental rate;
- Reduce energy consumption and greenhouse gas emissions by at least 25% relative to pre-repair levels; and,
- Meet accessibility criteria in 20% of units, addressing in-unit accessibility needs customized to tenants.

Further details on performance obligations will be outlined in the Credit Agreement with CMHC. CHH will be expected to ensure they meet all performance obligations identified in future agreements with CMHC under the NHCF and regularly report progress to the City of Hamilton.

City of Hamilton Contribution

The \$145,688,880 in funding from CMHC consists of \$87,413,328 in repayable loans and \$58,275,552 in forgivable loans. In order to receive funding, CMHC is asking the City of Hamilton to guarantee payment and performance obligations for CHH.

Continued Need for Social Housing Repair and Renewal in Hamilton

The total estimated need for CHH capital repairs over the next 20 years is \$400 M. The funding from the NHCF will help to extend the lifespan of some, but not all, of CityHousing Hamilton's housing stock. For example, the scope of the NHCF funding will not apply to singles, semis and new development projects across CHH's portfolio. Capital investment needs for repair and renewals for semis and singles will still remain.

As this funding has a defined scope focused on projects that will improve outcomes related to affordability, energy efficiency and accessibility, money cannot be used to address all types of repair needs in buildings. CHH has confirmed with CMHC that within annual funding allotments, there is some flexibility on which projects from the portfolio are being addressed when over the eight-year project timeframe. This will help to best meet the housing unit needs in the event of emergency repairs.

The 6,290 units from CHH that will benefit from this funding are just a portion of the 14,000 social/affordable housing units across the city. Many housing providers also struggle with aging housing stocks in need of capital investment. The City of Hamilton will continue to explore ways to better support all housing providers in securing capital to extend the lifespan of their housing stock.

SUBJECT: Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide) - Page 6 of 7

Matters Requiring Further Review and Evaluation

What is understood about the extent of the guarantee at this time is that it is quite broad asking for an unlimited payment and performance guarantee and indemnity agreement (including, but not limited to, indemnification for environmental matters). If approval to sign-off on the Letter of Intent is given, there is risk to the City in acting as a guarantor in this broad capacity should CHH not be able to achieve financial or performance obligations. The City of Hamilton has asked CMHC to narrow the language of the guarantee required, however, CMHC is not agreeable to this.

To pay back the repayable loan portion of the funding, CHH will apply anticipated utility savings that will be realized as a result of completed energy efficiency projects. CHH will also be requesting City of Hamilton contribution to the balance of the repayment of the principle and interest of the loan. The details related to how this is proposed to be structured, including any future levy impacts will be addressed in a report to the Audit, Finance and Administration Committee that will be prepared once a Credit Agreement with CMHC is available.

Next Steps

Many details must still be understood with CMHC including the interest rate for the loan, the amortization period, reporting expectations and other terms. Report HSC19048(a) only seeks permission to sign the Letter of Intent and act as guarantor for CHH so that funding discussions may continue. If the Letter of Intent is successfully executed by CHH and the City of Hamilton, the next step in securing funding would be to understand the detailed terms of the funding and performance outcomes through a Credit Agreement with CMHC. A report will be brought to Council to approve the Credit Agreement and its associated terms. The report will spell out the details of the arrangements and the implications for the City of Hamilton including any additional reporting requirements that may need to be put in place between CHH and the City to ensure ongoing monitoring of performance obligations. It will also include any further financial and Service Manager consents that may be appropriate.

ALTERNATIVES FOR CONSIDERATION

None.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

SUBJECT: Accessing Capital Repair Funds from the National Housing Strategy - Co-Investment Fund for CityHousing Hamilton (HSC19048(a)) (City Wide) - Page 7 of 7

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report HSC19048(a): CityHousing Hamilton Corporation Report #21009 - National Housing Co-Investment Fund – Repair and Renewal Stream Letter of Intent



Date: March 30, 2021

Report to: Board of Directors
CityHousing Hamilton Corporation

Submitted by: Tom Hunter, Chief Executive Officer/Secretary **Prepared by:** Samantha Blackley, Development Coordinator

Subject: **National Housing Co-Investment Fund – Repair and Renewal Stream Letter of Intent (Report #21009)**

RECOMMENDATION:

That the Board of Directors approve the following resolution:

- (i) That the CEO of CityHousing Hamilton be authorized to negotiate, enter into and execute the Letter of Intent with the Canada Mortgage and Housing Corporation for funding through the National Housing Co-investment Fund – Repair and Renewal Stream, in a form satisfactory to the CityHousing Hamilton legal support;
- (ii) That staff report back to the Board of Directors regarding the terms and conditions of the loan agreement which is the next step to receive funding through the National Housing Co-investment Fund – Repair and Renewal Stream; and
- (iii) That Report #21009 be forwarded to the City of Hamilton in its capacity as Service System Manager for approval of all necessary consents and financial commitments.

A handwritten signature in blue ink that reads "Tom Hunter".

Tom Hunter
Chief Executive Officer/Secretary

EXECUTIVE SUMMARY:

In partnership, CityHousing Hamilton (CHH) and the City of Hamilton have created an eight-year CHH portfolio-wide application to the Canada Mortgage and Housing Corporation (CMHC) under the National Housing Co-Investment Fund (NHCF) – Repair and Renewal Stream. The CHH portfolio-wide application consists of \$194,251,800 in projects over eight years for repair and renewal that will impact 6,290 units.

On March 11th, CHH and the City of Hamilton received confirmation through a Letter of Intent (LOI) from CMHC for \$145,688,880 in funding to support the proposed CHH portfolio-wide projects. This funding consists of \$87,413,328 in repayable loans and \$58,275,552 in forgivable loans. Permissions are required from the City of Hamilton for the repayment of the loan, CHH will apply approximately \$80,000 each year in utility savings towards the repayable loan and the City of Hamilton will be asked to contribute the balance of the repayment of the loan. As a condition of this funding CMHC has also requested a contribution commitment from the benefitting municipality as a guarantor. The remaining \$48,562,920 in funding for the projects across the portfolio will be provided by CHH. This includes CHH's annual capital allocation from the Service Manager. Authorization from the City of Hamilton will be requested through Council in April 2021 in order to fulfill these conditions in awarding the funding.

The total impact of the NHCR will help to expand the lifespan of CHH's housing stock through the program's affordability, energy efficiency and accessibility targets while helping to address the \$400M that is needed for capital repairs over the next 20 years. Most importantly, residents will experience increased quality of life, safety, health and accessibility.

BACKGROUND:

On November 22, 2017, the federal government released "Canada's National Housing Strategy: A Place to Call Home". The goal of the National Housing Strategy (NHS) is to, over ten years, deliver a range of housing program initiatives.

One NHS program, the National Housing Co-investment Fund (NHCF) was launched on May 2, 2018. The NHCF is a \$16.6 B federal investment, \$5 B of which is new funding, with two funding streams: New Construction of affordable housing and Repair/Renewal of social housing. In August 2019, Report HSC19048 was brought forward to the City of Hamilton's Emergency and Community Services Committee which granted approval to engage in discussions with CMHC to negotiate funding principles and to determine the

extent of the municipal contribution with respect to the CHH application under the NHCF.

There are approximately 14,000 social housing units in Hamilton, of which CHH has just over 7,000. These units were built post-war and continue to provide critical affordable housing for thousands of Hamilton residents. Many of the major systems in these units are at the end of their life cycle, and the state of repair and quality of these units have been in decline due to a lack of reinvestment and deferred maintenance as a result of limited financial resources.

The CHH and the City of Hamilton have submitted an eight-year CHH portfolio-wide application to CMHC under the NHCF – Repair and Renewal Stream. The CHH portfolio-wide application consists of \$194,251,800 in projects over eight years for repair and renewal that will impact 6,290 units.

DISCUSSION:

In partnership, CityHousing Hamilton (CHH) and the City of Hamilton have created an eight-year CHH portfolio-wide application to the Canada Mortgage and Housing Corporation (CMHC) under the National Housing Co-Investment Fund (NHCF) – Repair and Renewal Stream. The CHH portfolio-wide application consists of \$194,251,800 in projects over eight years for repair and renewal that will impact 6,290 units.

On March 11th, CHH and the City of Hamilton received confirmation through a Letter of Intent (LOI) from CMHC for \$145,688,880 in funding to support the proposed CHH portfolio-wide projects. This funding consists of \$87,413,328 in repayable loans and \$58,275,552 in forgivable loans. Permissions are required from the City of Hamilton for the repayment of the loan, CHH will apply approximately \$80,000 each year in utility savings towards the repayable loan and the City of Hamilton will contribute the balance of the repayment of the loan. As a condition of this funding CMHC has also requested a contribution commitment from the benefitting municipality as a guarantor. The remaining \$48,562,920 in funding for the projects across the portfolio will be provided by CHH. This includes CHH's annual capital allocation from the Service Manager. Authorization from the City of Hamilton will be requested through Council in April 2021 in order to fulfill these conditions in awarding the funding.

The primary goals of the projects that will be funded through the NHCF are improvements in:

- Affordability;
- Energy efficiency; and,
- Accessibility.

Table 1 outlines the distribution of these targets below:

Repairs	Repair Costs	% of Total Repairs
Repairs for Health and Safety	106,333,457.22	54.74%
Repairs for Energy Efficiency	48,932,038.50	25.19%
Repairs for Accessibility Improvements	38,986,344.29	20.07%
Total	194,251,840.01	100.00%

Through repair and renewal projects, the energy usage reduction target required by CMHC is 25%, which is expected to reduce annual greenhouse gas emissions by over 3 million ekgCO₂/year, as well as result in a potential \$1.6 M in annual utility cost avoidance. The funding from the NHCF would also improve accessibility to common spaces as well as provide the ability to address in-unit accessibility needs customized to tenants.

CHH has confirmed with CMHC that within the NHCF annual funding allotments there is flexibility on which projects from the portfolio are being addressed when over the eight year project timeframe, in order to best meet the needs of the housing units in the event of emergency repairs.

The total impact of the NHCR will help to expand the lifespan of CHH’s housing stock through the program’s affordability, energy efficiency and accessibility targets while helping to address the \$400M that is needed for capital repairs over the next 20 years. Most importantly, residents will experience increased quality of life, safety, health and accessibility.

CONCLUSION:

The funding from the NHCF will help to address the needed capital repairs and provide opportunities to maintain affordability and increase energy efficiency and accessibility in 6,290 CHH units increasing the quality of life for tenants. Staff are seeking authorization from the Board to execute the LOI to allow CHH to work with CMHC towards negotiation of a loan agreement.

ALIGNMENT TO THE 2017-2021 STRATEGIC PLAN:

This report implements:

Clean and Green

CityHousing Hamilton strives to be an environmental steward by minimizing our environmental footprint by implementing sustainable water and energy efficiencies in our housing stock.

Built Environment and Social Infrastructure

CityHousing Hamilton is committed to finding new ways to be innovative that will contribute to a dynamic City characterized by unique infrastructure, buildings, and public spaces. The maintenance, renewal and new development of our housing stock will ensure that the quality of life, well-being and enjoyment of our residents', influences the design and planning of our homes.

APPENDICES:

N/A

TH/sb

Mission: We provide affordable housing that is safe, well maintained and cost effective and that supports the diverse needs of our many communities.