



City of Hamilton
EMERGENCY & COMMUNITY SERVICES COMMITTEE
ADDENDUM

Meeting #: 23-008
Date: June 15, 2023
Time: 1:30 p.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

Loren Kolar, Legislative Coordinator (905) 546-2424 ext. 2604

12. NOTICES OF MOTION

*12.1 Affordable Housing at 272 Caroline Street South (Ward 2)

CITY OF HAMILTON

NOTICE OF MOTION

Emergency & Community Services Committee: June 15, 2023

MOVED BY COUNCILLOR C. KROETSCH

SECONDED BY COUNCILLOR A. WILSON

Affordable Housing at 272 Caroline Street South (Ward 2)

WHEREAS, average rents in Hamilton have risen to \$1,142 for a 1-bedroom, \$1,334 for a 2-bedroom, and \$1,489 for a 3-bedroom (CMHC, October 2022);

WHEREAS “no fault” eviction filings against Hamilton tenants for renovation, demolition, condominium conversion, and landlord’s-own-use have more than doubled in the last ten years (Social Planning & Research Council, 2019);

WHEREAS the average cost of constructing a new social housing unit is approximately \$500,000 to \$600,000 per unit, according to City staff, while the per-unit cost to acquire existing apartment buildings is \$150,000 to \$200,000, according to recent sales data for the Hamilton market (HSC23003(a));

WHEREAS Hamilton lost 15,854 affordable rental units from the private market since 2011, according to City consultant Steve Pomeroy (“Toward a Sustainable Housing System in Hamilton”, March 9, 2023);

WHEREAS 76% of Ward 2 residents are renters (25,000 people) and 48% of Ward 2 renters are paying unaffordable rents (Statistics Canada, 2016, cited in City of Hamilton Ward 2 profile);

WHEREAS Council adopted the Housing and Homelessness Action Plan in 2020 (Appendix A to Report CS11017(d)) that aims to “retain the existing stock of community housing; affordable housing; and land dedicated to affordable housing” by “moderniz[ing] rules and regulations to minimize the number of private market affordable rental housing units lost to condominium conversions, demolitions, and other redevelopment initiatives”;

WHEREAS Council adopted the Housing Sustainability and Investment Roadmap, 2023 (Appendix A to Report HSC23028) that highlights “Acquisition of Affordable Housing” as one of four pillars undergirding the strategy and identifies as a key action “engag[ing] with community partners, undertaking strategic acquisitions of ‘at-risk’ existing affordable housing units or existing affordable rental units that come up for sale”;

WHEREAS 272 Caroline Street South is located in the Durand neighbourhood of Ward 2;

WHEREAS the building contains 21 units, home to seniors, people with disabilities, families with young children, students, and working-class people, including four households who have lived in the building for more than 30 years;

WHEREAS current rents are affordable and below market rates, with 60% of units below the Canada Mortgage and Housing Corporation's affordable rent threshold of \$1,110 per month for the Hamilton CMA (CMHC, 2019);

WHEREAS the landlord's decision to list the building for sale threatened the housing security of the tenants and the long-term affordability of the rental units, should the building be purchased by an investment company;

WHEREAS the residents of the building have incorporated as a not-for-profit housing co-operative and voted unanimously to purchase the building and convert it into a co-operative;

WHEREAS the residents have the support of the Golden Horseshoe Co-operative Housing Federation and the Co-operative Housing Federation of Canada;

WHEREAS the residents have entered into an agreement of Purchase and Sale with the landlord; and

WHEREAS the residents have qualified for a mortgage through the Canada Mortgage and Housing Corporation's Mortgage Loan Insurance Select program but are in need of contributions to assist with the down payment for the purchase.

THEREFORE, BE IT RESOLVED:

- (a) That \$84,000 from the Ward 2 Special Capital Re-investment Reserve (108052) be contributed, upon the finalization of the agreement of purchase sale, to the down payment for tenants to purchase 272 Caroline Street South through their incorporated co-operative corporate entity 272 Caroline Street South Housing Co-operative Inc.
- (b) That the General Manager of Healthy & Safe Communities be authorized and directed to enter into an agreement with 272 Caroline Street South Housing Co-operative Inc. that the project be operated as a non-profit with subsidized and below-market rents, and approve and execute all required agreements and ancillary documents with such terms and conditions in a form satisfactory to the City Solicitor.