



Hamilton

## **Housing and Homelessness Advisory Committee Minutes**

**6pm**

**September 5th, 2017**

**Meeting room 264**

**Hamilton City Hall**

**71 Main Street West, Hamilton**

James O'Brien, Senior Project Manager Housing & Homelessness  
905-546-2424 x 3728

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**Present:** Marie Raftis, Julia Verbitsky, Lance Dingman, Eileen Campbell, Thomas Mobley, Elske de Visch Eybergen, Chelsea MacDonald, Yim Chung, Michael Slusarenko, Stephanie Greenaway, Trevor Jaundoo,

**Absent with Regrets:** Councillor Collins, Councillor Green, Councillor Vanderbeek

**Absent:** Tyson Benn, Michael Cameron, Obaid Shah, Sandy Leyland

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### **FOR THE INFORMATION OF COMMITTEE:**

**(a) Approval of the Agenda  
(MacDonald/Mobley)**

**(b) CHANGES TO THE AGENDA (Item 1)**

None

**(Raftis/Mobley)**

That the Agenda for the September 5, 2017 Housing and Homelessness Advisory Committee be approved, as distributed.

**CARRIED**

**(c) DECLARATIONS OF INTEREST (Item 2)**

None.

**(d) APPROVAL OF MINUTES (Item 3)**

**(Raftis/Mobley)**

Minutes from the June 6, 2017 Housing and Homelessness Advisory Committee approved.

**CARRIED**

**(e) Presentations (Item 4)**

**4.1 Opportunities in Affordable Housing – Daniel Bragagnolo, First National**

Focus of discussion – construction lending and financing

- Projected rents (depending on the area) are \$1.90-\$3.50/sqf. Minimum rents per square foot for rental project is \$2.00/sqf to be sustained
  - \$2.00/sqf – market rent – which is a major part of the lender risk analysis – and effects investor potential
- Expenses – tax and utility estimates
  - 25 – 32% expense ratio
  - There is a movement in some buildings to move to Sub metering – all services or electricity only – which can impact this expense ratio.
- Tax average – \$2,000 per unit per year
- Valuation (loan to value threshold) – Cap Rate: 4.5% - 5.5%. Example - \$10 million evaluation of building, the loan won't be over \$8.5 million.
- Development risk – large developers looking for premium on returns re: risk of new rental building
- Interest rates – largest risk to building new rental buildings – change in interest rates risk to developers and return
- CMHC – no maximum on insurance for construction loans
  - Interest rates around prime
- Program allows up to 30% of the building – commercial – mix use with residential
- CMHC affordable housing construction program increased flexibility includes –
  - 95% Loan to Cost
  - Lower premiums

- Reduced debt coverage
- Reduced rents & thresholds
- 2% maintenance reserve
- Lower interest rates
- Affordable housing development – contributions of \$150,000 grant towards affordable housing units (average cost to build a unit is \$200,000) – new build units
- Funding awarded from the Province to the City of Hamilton
- City Hamilton waiting to hear from the Province if funds will be awarded for the Home for Good program
- Changes to CMHC program promoting new build and developer interest as compared to previous program rules
- Opportunities to Grow: Government incentives that work well
  - Reduce development charges
  - Increase in density
  - Parking relaxation
  - Property tax reduction
- Government incentives that don't work well
  - Delayed development charges
  - Interest free loan x up to 75% of value
  - Incentives that don't transfer to the lender
  - Short term incentives

**(Greenaway/Slusarenko)**

Motion: presentation to be received.

**CARRIED**

**(f) Discussion Items (Item 5)**

**5.1 Housing and Homelessness Advisory Committee work plan – Working Groups**

The HHAC has discussed how to start progressing on their work plan. It is recommended that the group look at the possibility of forming working groups to tackle specific focus areas to deliver a report to the committee and Emergency and Community Services Committee. The group also discussed areas the committee has consulted on, which is in their mandate to help provide input on the implementation of the 10 year Housing and Homelessness Action Plan.

- Consulted on Home for Good expression of interest
- Consulted on topics for National Housing Day
- Explored ways to increase available units – secondary suites
- Discussed development – incentives to make projects attractive
- Consultation efforts for Social Housing –ie. Endorsement of new supply
- Current state of HHAP implementation compared to plan
  - James to provide 2016 Action Plan summary / review

- Federal Government – National Housing Strategy released – budget / funding and implementation plan forthcoming
- Review of brainstorming topics discussed last year by the Advisory Committee to be shared for working group decisions
- Interest expressed – potential working groups
  - How to increase additional affordable units
    - Secondary Units
  - How to increase new build with developers
  - Tax credits as an incentive
  - Housing help and stability fund – information report
    - Thoughts on funding uses – additional funding
  - Poverty reduction – holistic view of poverty issues – housing is one aspect
  - Topic for Working Group – hostel system, CityHousing Hamilton
- No working groups formed – further discussion at next meeting October 5<sup>th</sup>

**(g) Motions (ITEM 6)**

Motion to nominate HHAC member to planning National Housing Day Committee – Nominate Chelsea MacDonald

(Mobely/Jaundoo)

CARRIED

**New Business (ITEM 8) General Information / Business**

**8.1 Roundtable Updates**

Key dates – September 20<sup>th</sup> – 9:30am Council Chambers GIC committee, Poverty Reduction Investment Plan report.

October 3<sup>rd</sup> – next meeting – presentation on Laneway Housing

Budget proposal for next year

Working Groups

November 7<sup>th</sup> – agenda item – presentation to ECS – what the Committee would like to see in presentation and report – what has been done and accomplished

Presentation – December 11<sup>th</sup> – year in review

November 22<sup>nd</sup> – National Housing Day

**(h) ADJOURNMENT (Item 9)**

(Greenway/Slusarenko)

That, there being no further business, the Housing & Homelessness Advisory Committee adjourn at 8:01pm.

**CARRIED**

Next meeting October 5, 2017  
City Hall – Room 264 – 2<sup>nd</sup> Floor

Respectfully submitted,

Julia Verbitsky  
Chair, Housing and  
Homelessness Advisory  
Committee

James O'Brien  
Senior Project Manager  
Housing Services Division