



Hamilton

INFORMATION REPORT

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	June 15, 2023
SUBJECT/REPORT NO:	Poverty Reduction Investment Plan Update (CES16043(f)) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Al Fletcher (905) 546-2424 Ext. 4711 Kamba Ankunda (905) 546-2424 Ext. 4557
SUBMITTED BY:	Michelle Baird Director, Housing Services Division Healthy and Safe Communities Department
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COUNCIL DIRECTION

At the September 27, 2017 Council meeting, staff were directed to:

“keep Council informed, by reporting back to the Emergency & Community Services Committee preferably semi-annually or, at minimum, annually with updates respecting the implementation of the Poverty Reduction Investment Plan.”

INFORMATION

The Poverty Reduction Investment Plan was established by Council in 2017 through Report BOH16034/CES16043 with \$50 M planned funding and planned spending from 2017 – 2027. \$20 M was approved to be derived by extending the payback term for existing City loans from the Future Fund from 2031 to 2036 for affordable housing. \$30 M at \$3 M per year for 10 years was approved to be derived from the dividend uplift to the City resulting from merger of Horizon Utilities Corporation and several other local utilities into the new entity provisionally called MergeCo for poverty reduction over 10 years. The overall objective was to increase affordable housing and reduce poverty by investing in people.

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.

There are three components to the Poverty Reduction Investment Plan which were approved by Council on September 27, 2017:

- \$10 M for general Indigenous poverty reduction at \$1 M annually for 10 years (2018-2027);
- \$20 M for new affordable rental housing construction at \$4 M annually for five years (2017-2021); and,
- \$20 M for social housing repairs and renovations at \$2 M annually for 10 years (2018-2027).

Half of the funds for new affordable rental housing construction and social housing repairs and renovations were allocated to CityHousing Hamilton.

On November 25, 2020, Council was informed of the investments made from the Poverty Reduction Investment Plan prior to and during 2019 (Report CES16043(d)). The investments made in the year 2020 and 2021 were provided to Council in February 2022 (Report CES16043(e)). This report provides an update on investments made in 2022 as detailed in the following section of the report:

1. Indigenous Led Poverty Reduction Program

Indigenous Component of the Poverty Reduction Investment Plan – Project ID 6731841610

As of December 2022, a total of \$5 M has been spent of the \$10 M allocated over 10 years for the Indigenous Led Poverty Reduction program.

For the year 2022, the Coalition of Hamilton Indigenous Leadership reported the expense of \$1 M as follows:

- \$398,670 was utilized on Indigenous social housing and infrastructure repairs and/or enhancements targeting a minimum of an additional 20 to the previous 152 housing units and 2 community spaces; and,
- \$601,330 was spent on a range of programs to support housing stability and assistance including;
 - Tenant advocacy and supports (2,077 households assisted);
 - Youth employment and stability (378 youth assisted);
 - Housing & Homelessness Supports & Services (439 households assisted);
 - Indigenous Nursing Outreach Program (154 individuals assisted and 319 COVID-19 vaccines administered);

- Indigenous Mobile Street Outreach (9,619 total interactions, with 1,800 directly with Indigenous clients);
- Administrative management of funds and coordination of programs and strategies.

2. New Construction

New Affordable Rental Housing Construction Projects – Project ID 6731741609

The \$20 M allocated for rental construction was divided equally between the Housing Services Division (\$10 M) and CityHousing Hamilton, (\$10 M), with \$4 M funded annually starting in 2017 and ending in 2021.

Based on projects identified since 2017 the Housing Services Division allocation has been committed as listed and identified in Table 1:

Table 1: Housing Services Allocation

Housing Services Division \$10 M Allocation				
#	Funding Recipient	Type of Investment	Status of Investment	Amount
1	Hamilton Young Christian Women’s Association (YWCA), Putman Family YWCA, 52 Ottawa St. N.	Fee Offsets	Completed	\$512,576
2	Indwell, McQuesten Lofts Parkdale Landing, 256 Parkdale Avenue (previously referred as 205 Melvin Ave).	Capital Fee Offsets	Completed	\$2,411,970
		Development Charges	Completed	\$829,260
3	Victoria Park Community Homes Inc. / East Kiwanis Non-Profit Homes Inc., 60 Caledon Ave., Mountain Secondary School Site	Land Purchase	Completed	\$3,130,000
4	YWCA – Carole Anne’s Place / Mission Services – Willow’s Place	Operating Costs	Completed	\$128,000
5	90 Carling Street – Building & Planning Fees (Victoria Park Community Homes Inc. / East Kiwanis Non-Profit Homes Inc.)	Fee Offsets	complete	\$16,759
6	Options for Independent Living and Development, 137 George Street	Construction Costs	Under Construction	\$483,303
7	Options for Independent Living and Development, 137 George Street	Construction Costs	Under Construction	\$360,000

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8	Contingency funds for multiple affordable housing development projects	Construction and Development Costs	Under Construction	\$837,728
9	191 York Boulevard – Planning and Economic Development (Real Estate)	Predevelopment Work	Funds Committed	\$250,000
10	Contracts Analyst – Indigenous 1 FTE (2018-2022)	Staffing Costs	Completed	\$411,436
11	Contracts Analyst - 1 FTE in HSD (projected to 2023-2027)	Staffing Costs	On Going	\$549,550
12	Contracts Analyst – Materials Recovery (projected to 2018-2027)	Staffing Costs	On Going	\$25,353
13	The Good Shepherd Centre Hamilton - 35 Arkledun Avenue	Construction Costs	Under Construction	\$54,065
Total Allocated/Spent				\$10,000,000

The section below provides further updates on the status of the investment on some of the projects provided in Table 1 above;

- #3. Former Mountain Secondary School Site Project, 60 Caledon Avenue
 - Update: The sale of the property is Complete. The Housing Providers (Victoria Park community Homes Inc and Hamilton East Kiwanis Non-Profit Homes Inc) have informed staff that project construction is set to begin in the Summer of 2023 creating 266 affordable housing opportunities with units consisting of single and family units, pending securing capital build funding.
- #6 and #7. Options for Independent Living and Development (OFILD), 137 George Street
 - Update: The project timeline has changed and is scheduled to be completed in Q3/Q4 2023.
- #8. Development Charges and New Affordable Housing Contingency;
 - As previously reported through CES16043(e), savings realized in the Year ending 2021 resulted in an unspent allocation of \$689,413. Through HSC22027, approval was received to use this balance as a contingency for affordable housing development projects, increasing the contingency allocation from \$205,000 to \$894,413. To date, \$54,065 is allocated to support The Good Shepherd Centre Hamilton in the construction costs for 35 Arkledun Avenue (item #13) resulting in an ending contingency balance of \$837,728.

- #13. Good Shepherd Centre’s Supportive Housing Project, 35 Arkledun Avenue
 - Update: The project is complete and occupancy starts mid-May 2023.

Table 2: CityHousing Allocation

CityHousing Hamilton \$10 Million Allocation:		
Funding Recipient	Type of Investment	Amount
Bay & Cannon street project	Capital	\$9,124,652
Riverdale Projects	Capital	0
King William project	Capital	\$875,348
Total Allocated		\$10,000,000
Total Committed/spent		\$10,000,000

The Riverdale project is delayed and funding of \$6.5 M previously committed has been reallocated to other projects to address funding shortfalls due to the increasing cost of construction. The Bay & Cannon project investment has increased by \$5.625 M to a revised commitment of \$9.1 M and the remaining balance of \$875,348 has been committed to CityHousing Hamilton King William project.

3. Social Housing Repairs

Social Housing Repair and Renovation – Project ID 6731841611

The annual allotment of \$2 M for the period 2018-2027 for social housing repairs and renovations is distributed as follows:

- \$1 M to the Social Housing Section, Housing Services Division; and,
- \$1 M to CityHousing Hamilton.

(a) Social Housing Section, Housing Services Division

In 2022, \$1 M was allocated by social housing as follows:

- Repairs and renovations for 399 units at an average cost of \$2,491 per unit, total commitment of \$994,000 The following was achieved:
 - one unit that was vacant for over three months due to damage were repaired and occupied; and,
 - 398 units in multiple buildings were repaired, increasing energy and operating cost efficiencies. Work completed included exterior masonry

repairs, roof replacements, replacement of windows, and hot water heater replacements.

- The balance of the funding in the amounts of \$5,400 was used within Housing Services Division to pay for administration, software project and contract management support for all capital repair programs for social housing.

(b) CityHousing Hamilton

In 2022, \$937,741.92 was allocated as follows:

- Maintenance and repairs to 97 units at an average cost of \$8,325 per unit.

APPENDICES AND SCHEDULES ATTACHED

None