



Hamilton

# INFORMATION REPORT

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	August 14, 2023
<b>SUBJECT/REPORT NO:</b>	Overview of Housing 2023 Reports and Budget Asks (HSC23058) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Michelle Baird (905) 546-2424 Ext. 4860 Director, Housing Services Division
<b>SUBMITTED BY:</b>	Angie Burden General Manager, Healthy and Safe Communities Department
<b>SIGNATURE:</b>	

## COUNCIL DIRECTION

Not Applicable

## INFORMATION

Housing in Hamilton has become unaffordable for a lot of Hamiltonians and unattainable for many more.

Between June 2020 and June 2023, Hamilton has seen a 69% increase in the number of people experiencing homelessness – including those staying with friends, couch surfing, staying in emergency shelters or with no shelter at all. As of June 2023, the total number of individuals without a home was sitting at 1,732, including 165 people sleeping rough.

There is no singular cause of homelessness and nor is there a single solution. This is not an issue facing Hamilton alone. Homelessness is an issue that's affecting cities across the Canada and beyond. Council's recent declaration of emergencies related to homelessness, mental health and opioid addiction point to an overall crisis that one that is complex and intersects with issues of mental health and additions, income, and other social challenges.

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As the numbers of individuals experiencing homelessness continue to increase, demand is outstripping capacity in the shelter system. Likewise, demand for affordable housing across Canada is outstripping supply as incomes are not keeping pace with the increasing costs of living.

The root cause of homelessness is lack of housing. The City has aimed to investing in new housing units, but the net loss of affordable housing – 16,000 units over the last 10 years - has outstripped the City's ability to replace, let alone increase the overall number of affordable housing units.

Post-pandemic, the City has continued to dramatically increase its investments in addressing visible homelessness, emergency response and housing needs along all four pillars of the Housing Sustainability and Investment Roadmap, including a 70% increase in its housing budget in 2023 alone. Increased investments in services and supports are not sustainable for the City without assistance from upper levels of government.

Looking ahead to how the City will continue to meet housing needs in 2024, the City faces significant financial headwinds, including a \$5M increase in costs in providing current services just due to inflation, \$6.7 M in development charges the City will invest in supporting affordable housing providers for upcoming housing projects, as well as the potential of up to \$6 M to cover cost overruns for Rapid Housing Initiative projects.

Additionally, the City will draw \$22 M from its reserves this year to fund housing-related investments that were made in 2023 after the 2023 budget was approved, leaving reserves near depletion.

Concerning housing and the ability of the City of Hamilton to continue to address the current housing crisis, the 2024 budget will represent some very difficult choices. The City of Hamilton will need to invest in some priorities and not others despite the demonstrated need, given its financial constraints. The City must advocate to other government counterparts to fulfill housing needs that cannot be funded by the municipality alone.

In March 2023, staff brought forward a comprehensive report HSC23021 Ending Chronic Homelessness, which provided an overview of what it will take to end homelessness in the City. City staff followed in April 2023 by presenting the Housing Sustainability and Investment Roadmap that identified four pillars of work and eleven first year priorities. Over the next few months, City staff will be bringing forward a series of reports on these priorities and what investments they believe will be necessary to meet all identified housing needs in the coming year, with the understanding that the City's fiscal capacity will make it unlikely that all those needs can be met without external assistance.

Some reports will seek to address the symptoms of the housing crisis, homelessness, and aim to provide emergency response to support some of the community's most vulnerable citizens. The remainder will seek to address the root causes of the issue through the four pillars of the Housing Roadmap and focus on helping people to stay in their homes and create new housing opportunities that expand permanent housing options across the City as a whole.

The items related to emergency response (i.e. Winter Response, Encampment Response) will require an in-year decision by Council as the reports come forward. The remainder will be referred to the 2024 budget process, and it is recommended that these recommendations be brought forward collectively for the Council's consideration on a housing-specific budget day for a decision where they can all be discussed in the context of all housing-related supports being asked for and the available budget.

**LIST OF REPORTS COMING FORWARD – FOR DECISION BASED ON HOUSING EMERGENCY**

- **Encampment Protocol Public Engagement and Sanctioned Encampments**  
Encampments are the outcome of the pressures in the homelessness sector combined with the challenges of addictions and mental health and lack of affordable housing. Recognizing that encampments exist in Hamilton this report is not a solution to homelessness but rather recommends a framework to manage encampments while meeting the needs of the housed and unsheltered residents of our city (estimated at \$800,000 in-year investment for 2023). Also, recommend supporting a housing project for Hamilton Alliance of Tiny Shelters (HATS) (estimated at \$0) - August 14 GIC.
- **Addressing the Needs of Unsheltered Individuals and Those Accessing Emergency Shelters** recommends maintaining current, enhanced shelter supports but directing any future investments to more permanent housing supports – a collective cost of approximately (\$7.9M in-year investment for 2023 and \$9.63 M in 2024 and annually thereafter. Note that this report includes recommendations for supportive housing, some costs which we would advocate be funded by other government agencies) - August 14 GIC.
- **Winter Homelessness Response** – Currently limited resources are available to allow unsheltered individuals to find warming areas during inclement weather. This report provides an overview of investments in supports such as overnight drop-ins and warming shelters (estimated at \$2.5 to \$3 M) – September 7 ECS.

LIST OF REPORTS COMING FORWARD WITH RECOMMENDATIONS REFERRED TO THE 2024 BUDGET:

- **Ending Renovictions and the Tenant Support Program** – Maintaining existing rental units, particularly those with affordable rents, is an integral piece to ensuring further individuals are not experiencing homelessness. These two reports are aimed at supporting tenants with their tenancy and establishes tenant support to assist tenants in understanding their rights (\$1.2 M) and sufficient bylaw resources to protect tenants from being unjustly evicted (\$3 M) – August 17 ECS
- **Supporting Social Housing Providers to Maintain Affordable Housing Units at the End of Mortgage Agreements** provides funding to encourage social housing providers to keep their rental housing units affordable after agreements with the federal government sunset (estimated at \$5.2 M per year over next 4 years) – September 7 ECS.
- **Emergency Shelter Standard Review and Continuous Quality Improvement** established a review in partnership with and led by funded shelter providers (estimated at \$100,000) – September 21 ECS
- **Stability of City Housing Hamilton (CHH) Operations** responds to Council direction to review CHH annual operating budget and make a recommendation regarding increase to base budget to address budgetary deficits and better enables consistent repair of vacant units (\$2.5 M per year) – September 21 ECS.
- **Sustainable Housing Through Rental Subsidies Arrears Supports** aims to provide increased support to low-income individuals to maintain their accommodations (\$2.5 M) – October 19 ECS.
- **Additional Staffing Required to Sufficiently Resources Housing Services Division and Housing Secretariat** – Report will take into consideration an independent review of the City’s Housing Services Division as well as staffing needs within the newly created Housing Secretariat and will recommend resources designed to advance the Roadmap and Term of Council priority within these two divisions to prevent any gaps in service to follow (placeholder - \$1.2 M) – October 19 ECS.

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<b>Report Timelines</b>		
<b>Meeting Date</b>	<b>Report</b>	<b>In-year or Referral to Budget</b>
<b>GIC August 14, 2023</b>	Encampment Protocol Public Engagement and Sanctioned Encampments	In-year: <ul style="list-style-type: none"> <li>• Washroom and Shower Access</li> <li>• Adequate resourcing of a) Protocol Enforcement and b) Waste and Debris Removal</li> <li>• \$800,000 total</li> </ul> Remainder referral to 2024 budget process
	Addressing the Needs of Unsheltered Individuals and Those Accessing Emergency Shelters	In-year: <ul style="list-style-type: none"> <li>• 30 rooms hotel overflow for families (4.1M)</li> <li>• 24 units Supportive Housing for individuals directly from encampments (\$300,000)</li> <li>• Grant to enable construction on Acorn Flats to build 24 units for families (\$2.3M)</li> </ul> Remainder referral to 2024 budget process
<b>ECS August 17, 2023</b>	Ending Renovictions and the Tenant Support Program	<ul style="list-style-type: none"> <li>• Referral to 2024 Budget</li> </ul>
<b>ECS September 7, 2023</b>	Supporting Social Housing Providers to Maintain Affordable Housing Units at the End of Mortgage Agreements	<ul style="list-style-type: none"> <li>• Referral to 2024 Budget</li> </ul>
	Winter Homelessness Response	In-year <ul style="list-style-type: none"> <li>• \$876,000 for overnight drop in warming</li> </ul>
<b>ECS September 21, 2023</b>	Emergency Shelter Standard Review and Continuous Quality Improvement	<ul style="list-style-type: none"> <li>• Referral to 2024 Budget</li> </ul>
	Stability of City Housing Hamilton (CHH) Operations	<ul style="list-style-type: none"> <li>• Referral to 2024 Budget</li> </ul>
<b>ECS October 19, 2023</b>	Additional Staffing Required to Sufficiently Resources Housing Services Division and Housing Secretariat	<ul style="list-style-type: none"> <li>• Referral to 2024 Budget</li> </ul>
	Sustainable Housing Through Rental Subsidies Arrears Supports	<ul style="list-style-type: none"> <li>• Referral to 2024 Budget</li> </ul>

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**APPENDICES AND SCHEDULES ATTACHED**

Not Applicable