

## End of Mortgage Workplan and Timelines

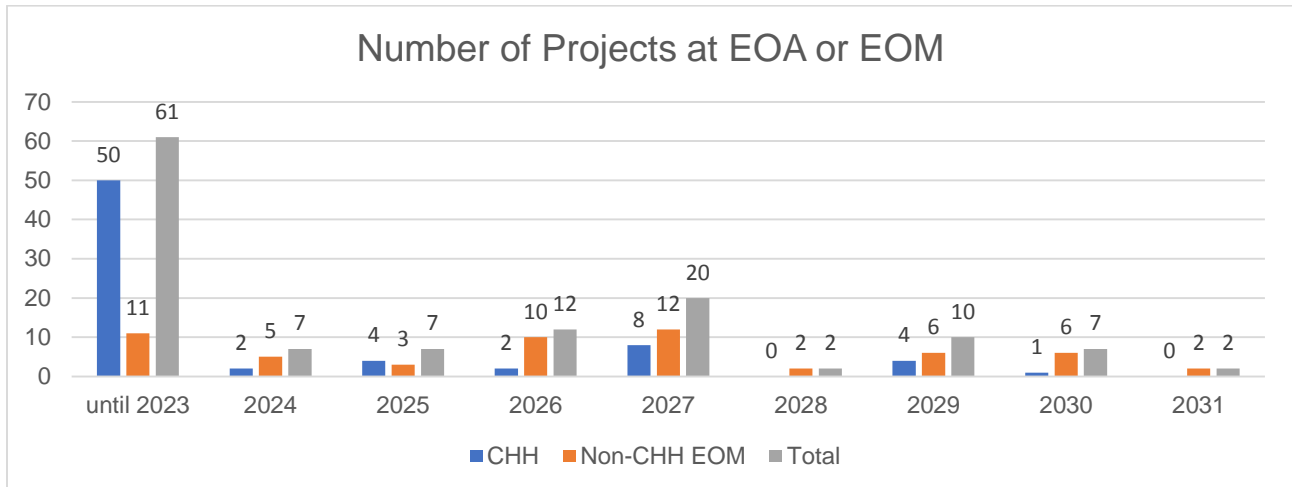
Housing Providers with City of Hamilton agreements that fund federal projects as provincial projects will have both their End of Mortgage and End of Agreement projects considered at the same time. This includes review of both End of Mortgage and End of Agreement projects for CityHousing Hamilton, Hamilton East Kiwanis and McGivney Homes. Due to our unique relationship with CityHousing Hamilton, this framework distinguishes CityHousing Hamilton projects from non-CityHousing Hamilton projects. Service Agreements negotiated in 2012 with CityHousing Hamilton outlined that *all* CityHousing Hamilton projects should be treated like provincial projects and funded to benchmark formulas. Moreover, City of Hamilton staff have been tasked with ensuring a sufficient budget for CityHousing Hamilton. CityHousing Hamilton has historically been underfunded resulting in deficits and not completing necessary maintenance and other repairs. Despite this separate approach, the principles underpinning our strategy will apply to all Housing Projects.

For non-CityHousing Hamilton projects, excluding Hamilton East Kiwanis and McGivney Homes where End of Agreement projects will be included, the initial focus will be on projects at End of Mortgage rather than projects at End of Agreement. This methodology excludes 13 non-CityHousing Hamilton multi-unit projects that have already reached End of Agreement and 244 single and scattered units from new negotiations. These 13 non-CityHousing Hamilton multi-unit projects are currently in receipt of rent supplements and have corresponding funding agreements in place. The 244 single and scattered units are either internally subsidized or have corresponding funding agreements in place. These federal projects will have their agreements revisited after the other agreements for the 738 projects are in place.

The bulk of multi-unit Housing Projects with End of Agreements have already expired, with currently only three End of Agreements remaining after 2023. These projects belong to CityHousing Hamilton and are set to expire between 2024 and 2026. These three projects account for 473 rent-geared-to-income units.

The graph below depicts multi-unit CityHousing Hamilton End of Mortgage and End of Agreement projects and non-CityHousing Hamilton End of Mortgage projects that require new agreements.

**Graph 1: Multi-unit project breakdown CityHousing Hamilton End of Agreement & End of Mortgage and non-CityHousing Hamilton End of Mortgage by year**



Up until the end of 2023, 61 multi-unit projects will reach End of Agreement or End of Mortgage (48%). All 46 of the projects reaching End of Agreement are part of CityHousing Hamilton’s portfolio. The other fifteen projects are End of Mortgage, four of which are part of CityHousing Hamilton’s portfolio while eleven are non-CityHousing Hamilton provincial projects. From 2024-2027, 46 projects will reach End of Agreement or End of Mortgage (36%) and from 2028-2031, 21 projects will reach End of Mortgage (16%).

New operating agreements can help the City of Hamilton retain 10,678 affordable and deeply affordable units within the social housing portfolio. Of these units, 10,068 units belong to multi-unit projects. The chart below shows the breakdown of these units by End of Agreement and End of Mortgage time range.

**Chart 1: Number of Multi-Unit Projects at End of Agreement and End of Mortgage and associated number of Units by Timeframe**

Timeframe	Number of Projects	Target RGI Units	Market Units	Total Number of Units
2020-2023	61	4934	846	5780
2024-2027	46	2291	567	2858
2028-2031	21	1058	372	1430
<b>Total</b>	128	8,283	1,785	10, 068

The focus in 2023 will be on establishing new operating agreements with the eleven non-CityHousing Hamilton provincial projects distributed among six different housing providers, that have or will reach End of Mortgage by the end of 2023. For Hamilton East Kiwanis and McGivney, End of Agreement projects will be considered at the same time. No timeline is specified by the legislation or the expiring agreements regarding the timeframe for establishing a new agreement. Housing projects listed under the Housing Services Act waiting on new operating contracts continue to follow the pre-existing legislative funding requirements.

A separate CityHousing Hamilton approach will commence in 2025. Pushing the CityHousing Hamilton projects back will ensure that the volume of projects requiring review is manageable within the given year and without the additional staffing support in place. This timing supports CityHousing Hamilton’s request to delay review of their End of Agreement/End of Mortgage projects and allows for process revisions to occur should they be needed prior to entering into agreements for a larger number of properties at End of Agreement/End of Mortgage. For CityHousing Hamilton’s End of Agreement and End of Mortgage projects, projects will continue to be funded to benchmarks as per the 2012 Service Agreement and legislative requirements. As CityHousing Hamilton is our largest portfolio holder and given the City’s unique relationship with CityHousing Hamilton, a thorough review of CityHousing Hamilton will be conducted in 2024 to determine if the proposed methodology sufficiently addresses CityHousing Hamilton’s needs.