

CITY OF HAMILTON

NOTICE OF MOTION

Council: July 12, 2024

MOVED BY COUNCILLOR C. KROETSCH.....

Amendment to Item 6.3 of the Council Meeting 21-024, respecting Canada Mortgage and Housing Corporation (CMHC) Rapid Housing Initiative (RHI) Project Stream Funding, which was approved by Council on December 15, 2021

WHEREAS, Council on December 15, 2021 approved rent subsidy of \$150K for 36 units created under the Rapid Housing Initiative Round II for the City's submitted projects with required program affordability period of 20 years to be included in the 2023 operating budget for Council deliberation and approval, through the motion dated December 15, 2021 respecting Canada Mortgage and Housing Corporation (CMHC) Rapid Housing Initiative (RHI) Project Stream Funding;

WHEREAS, Council on December 7, 2022 approved an amendment that repurposed subsidy approved for 49 units under Rapid Housing Initiative II, through report Emergency and Community Services report HSC20056(a), to support the rent subsidy for 36 units to created under the Rapid Housing Initiative Round II, for the City's submitted projects with required program affordability period of 20 years;

WHEREAS, rent subsidies for projects approved under the Rapid Housing Initiative II Project Stream was approved in the annual tax operating budget 2023 to be funded from the municipal levy;

WHEREAS, the King William project capital costs were funded by the federal Rapid Housing Initiative and our funding agreement stipulates that the affordability term required is 40 years; and

WHEREAS, the City requires approval to commit future annual budgets for the 40-year affordability term.

THEREFORE, BE IT RESOLVED:

That Item 6.3 of the Council Meeting 21-024, respecting Canada Mortgage and Housing Corporation (CMHC) Rapid Housing Initiative (RHI) Project Stream Funding, be **amended**, to read as follows:

6.3 Canada Mortgage and Housing Corporation (CMHC) Rapid Housing Initiative (RHI) Project Stream Funding

- (a) That the General Manager of the Healthy and Safe Communities Department, or designate, be directed to accept the Rapid Housing Initiative Project Stream Funding allocation in an amount of up to \$10,305,844 for the creation of additional affordable housing units, providing the City's submitted projects are selected by CMHC's evaluation team for funding under the Project Stream;

- (b) That the General Manager of the Healthy and Safe Communities Department, or designate, be authorized and directed to enter into the Rapid Housing Initiative Amending Letter dated December 6, 2021 with the Canada Mortgage and Housing Corporation (CMHC) to accept Rapid Housing Initiative Project Stream allocation in the amount of up to \$10,305,844 for the creation of up to 36 affordable housing units, in a form satisfactory to the City Solicitor;
- (c) That the General Manager of the Healthy and Safe Communities Department, or designate, be authorized and directed to administer projects selected through the Rapid Housing Initiative (RHI) Project Stream including: entering into any agreements and ancillary agreements on such terms as they consider appropriate; approving purchase orders; and taking other actions needed to ensure success, in a form satisfactory to the City Solicitor;
- (d) That Housing Services Division be directed to managed project overrun costs for the projects selected under RHI-2 Project Stream, and funds required to cover overruns of the RHI-2 Project Stream projects be brought forward to Council for approval with a funding source identified;
- (e) Pending CMHC's approval of the City's submitted projects for Project Stream Funding, Staff be directed to fund eligible Development Charges (DC), for approximately 12 units at an estimated cost of \$231 K, from the Tax Stabilization Reserve 110046 or other Council approved funding sources; and
- (f) That the Housing Services Division report back to the Emergency and Community Services Committee, upon receiving CMHC's approval of RHI-2 projects under Project Stream as appropriate, on the City's progress with the Rapid Housing Initiative including both the first and second round of funding; and
- (g) ***That the City of Hamilton enter into agreements with RHI-2 projects under the Project Stream for the provision of funding rent subsidy with the following terms and conditions:***
 - (i) ***the term of the agreement for 2024 shall be from a start date determined by the GM and end on December 31, 2024 with an automatic yearly renewal contingent on approval of yearly funding by Council for a maximum of 39 renewals;***
 - (ii) ***that payments continue for the first quarter of each calendar year past the initial term and each renewal term until Council approves the budget for the subsequent renewal term and if funding is not approved the agreement terminates;***
 - (iii) ***such additional terms and conditions satisfactory to the General Manager of Healthy and Safe Communities in a form satisfactory to the City Solicitor and that the General Manager of Healthy and Safe Communities be authorized to execute the agreement.***

Main Motion, As **Amended**, to read as follows:

6.3 Canada Mortgage and Housing Corporation (CMHC) Rapid Housing Initiative (RHI) Project Stream Funding

- (a) That the General Manager of the Healthy and Safe Communities Department, or designate, be directed to accept the Rapid Housing Initiative Project Stream Funding allocation in an amount of up to \$10,305,844 for the creation of additional affordable housing units, providing the City's submitted projects are selected by CMHC's evaluation team for funding under the Project Stream;
- (b) That the General Manager of the Healthy and Safe Communities Department, or designate, be authorized and directed to enter into the Rapid Housing Initiative Amending Letter dated December 6, 2021 with the Canada Mortgage and Housing Corporation (CMHC) to accept Rapid Housing Initiative Project Stream allocation in the amount of up to \$10,305,844 for the creation of up to 36 affordable housing units, in a form satisfactory to the City Solicitor;
- (c) That the General Manager of the Healthy and Safe Communities Department, or designate, be authorized and directed to administer projects selected through the Rapid Housing Initiative (RHI) Project Stream including: entering into any agreements and ancillary agreements on such terms as they consider appropriate; approving purchase orders; and taking other actions needed to ensure success, in a form satisfactory to the City Solicitor;
- (d) That Housing Services Division be directed to managed project overrun costs for the projects selected under RHI-2 Project Stream, and funds required to cover overruns of the RHI-2 Project Stream projects be brought forward to Council for approval with a funding source identified;
- (e) Pending CMHC's approval of the City's submitted projects for Project Stream Funding, Staff be directed to fund eligible Development Charges (DC), for approximately 12 units at an estimated cost of \$231 K, from the Tax Stabilization Reserve 110046 or other Council approved funding sources; and
- (f) That the Housing Services Division report back to the Emergency and Community Services Committee, upon receiving CMHC's approval of RHI-2 projects under Project Stream as appropriate, on the City's progress with the Rapid Housing Initiative including both the first and second round of funding.

- (g) That the City of Hamilton enter into agreements with RHI-2 projects under the Project Stream for the provision of funding rent subsidy with the following terms and conditions:**
- (i) the term of the agreement for 2024 shall be from a start date determined by the GM and end on December 31, 2024 with an automatic yearly renewal contingent on approval of yearly funding by Council for a maximum of 39 renewals;**
 - (ii) that payments continue for the first quarter of each calendar year past the initial term and each renewal term until Council approves the budget for the subsequent renewal term and if funding is not approved the agreement terminates;**
 - (iii) such additional terms and conditions satisfactory to the General Manager of Healthy and Safe Communities in a form satisfactory to the City Solicitor and that the General Manager of Healthy and Safe Communities be authorized to execute the agreement.**