



VICTORIA PARK COMMUNITY HOMES

END OF MORTGAGE UPDATE
September 18, 2024

WHO WE ARE

An architectural rendering of a modern multi-story apartment building. The building has a light-colored facade with dark accents and numerous windows. In the foreground, there are several houses with dark grey roofs. A paved area with a blue car and a white car is visible, along with some greenery and a small gazebo-like structure. The sky is a mix of blue and orange, suggesting a sunset or sunrise.

Victoria Park Community Homes (Victoria Park) is one of the oldest and largest private non-profit housing corporations in Ontario.

Victoria Park's portfolio of owned and managed homes has grown to over **3,262** apartments, townhouses, and single-family homes.

Our units are located in Hamilton, Dundas, Stoney Creek, Burlington, Milton, Georgetown, Brantford, Kitchener, Waterloo, Cambridge, Guelph, Mississauga and Brampton.

ABOUT US



- Governed by a Board of Directors and employs **125** people.
- Team is made up of CPAs, engineers, paralegals, etc.
- We perform annual audits, compliance, financial forecasting, leveraging plan etc.
- Engineers manage construction, renovation projects including delivering \$37M renovation project.

HOUSING SERVICES ACT

The *Housing Services Act (Bill 184)* provides legislative framework for community housing in Ontario. Bill 184 came into effect July 1, 2022.

The Act gave housing providers with expiring operating agreements and mortgages ways to remain in the community housing system.

The intent of the legislation was: “to create the foundation for mutually beneficial service relationships between Service Managers and Housing Providers. The amendments were intended to put people first, and update rules for Service Managers to **improve access to housing assistance for people most in need.**”

THE CHALLENGE

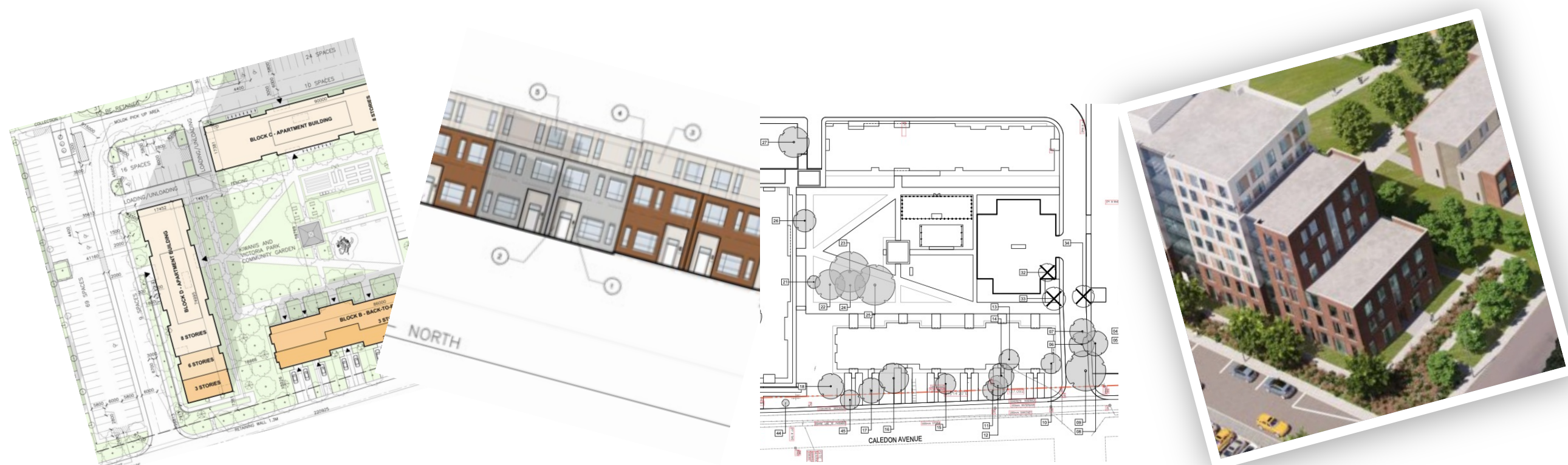
- CMHC funding requires **matching funds** from Vic Park.
- Refinancing is how we build new homes by matching CMHC's funds.
- Here today to ask for Hamilton's consent to refinance our own properties.
- This is an untenable situation. We need the nimbleness and flexibility to act, without asking permission.



\$8 Million unlocks \$70 Million

Victoria Park has been named a "trusted partner" with the Federal Government's Canada Mortgage and Housing Corporation, which has pledged \$70 million in funding to advance the goals of affordable housing for all. This **conditional** funding – at ZERO COST AND ZERO RISK to the city - will flow to Hamilton and surrounding areas in the form of:

- \$19 Million – Affordable Housing Program for Development – which, subject to CMHC underwriting, will be used to break ground on new 260-unit affordable housing development at 60 Caledon Ave. by January 2025.
- \$31 Million – Canada's Greener Affordable Housing funding – 2 agreements, \$16 Million each to make homes more energy efficient and accessible for better tenant comfort and to preserve and regenerate for decades to come.
- \$20 Million – Co-Investment Repair and Renewal Stream – for regeneration, preservation of existing stock for decades to come.



A minimalist graphic of a house outline in black, consisting of a triangular roof and two vertical pillars. The text is centered within the white space of the house.

**END OF MORTGAGE
UPDATE**



ISSUES WITH END OF MORTGAGE

- Housing is coming to End of Mortgage, prompting renewal of service agreements
 - These are not municipal assets, they're our assets.
- Excessive bureaucracy
 - Municipalities are duplicating bureaucracy, demanding to see financial analysis and cumbersome business cases that you don't need to see.
 - Victoria Park is governed by a very capable board of directors, staffed with 125 experts in their fields.
- Consents
 - Big issue is around consent: essentially asking permission to refinance etc.
 - You're asking us to sign away our autonomy. That we seek your consent on every refinancing and portfolio decision.
 - Spirit of partnership?

ISSUE

Issue : Condition states “The maximum amount of the mortgage for each property shall not exceed 40% of the value of each property...”

Problem: Vic Park can not guarantee this.

Solution: Eliminate this condition or alter wording to reflect that the amount of the mortgage shall not exceed the amount the property can support while maintaining affordable rents.



HOW YOU CAN HELP



- Say yes today, with amended condition (40%).
- Direct staff to recognize Victoria Park's unique status as one of the largest, most sophisticated non-profit housing providers in upcoming EoM discussions.
 - Our goal: No consents required for leveraging.

