



City of Hamilton Report for Information

To: Chair and Members
General Issues Committee

Date: February 26, 2025

Report No: HSC23016(a)

Subject/Title: 2023 Social Housing Annual Update

Ward(s) Affected: City Wide

Recommendations

- 1) That Report HSC23016(a) respecting the 2023 Social Housing Annual Update **BE RECEIVED** for information.
- 2) Appendix "C" attached to Report HSC23016(a) remain confidential.

Key Facts

- Report HSC23016(a) provides an update on Social Housing in the City of Hamilton, including funding, key performance indicators, and property by-law violations based on 2023 data.
- The City of Hamilton continues to meet all Service Level Standards except rent-geared-to-income units for tenants at or below the Household Income Limit threshold.
- Most property complaints reported against landlords providing rent subsidies did not result in a by-law violation.

Financial Considerations

There are no budget impacts or costs associated with this report/recommendation(s).

Background

This 2023 Social Housing Update Report includes information on funding, key performance indicators, and data for by-law violations issued to Housing Providers in receipt of rent subsidies and is the second social housing annual report to Council.

In Report HSC23016(a), metrics and key performance indicators are derived from data collected for the 2023 Service Manager Annual Information Return Report. 2022 CityHousing Hamilton data was used to inform the 2023 Service Manager Annual Information Return Report.

In follow-up to a recommendation in Report HSC24009 *Contractual Obligations and Substandard Tenant Conditions*, Housing Services and Licensing and By-law Services staff were directed to develop a process to review and respond to property standard violations as they related to rent subsidy units, with the results reported annually in the Social Housing Update Report.

Analysis

Social Housing Provider Update

In 2023, there were 37 unique housing providers in Hamilton, three fewer than what was reported in 2022. At the end of 2023, Taras Shevchenko transferred their provincial project, 194 Gage, to Good Shepherd Homes. Taras' federal project, 190 Gage, also left the Community Housing Portfolio at the end of April 2023. This project had 34 units, ten (10) of which had previously been rent-geared-to-income. In 2023, Rambynas, a federal project, was incorporated into the social housing stock through an agreement with Hamilton East Kiwanis. This transfer added three (3) rent-geared-to-income units to the social housing portfolio. The third housing provider, Howell Non-Profit Homes, while no longer funded or providing rent-geared-to-income units, is still part of the community housing profile and remains listed under the Housing Services Act. Attempts to re-engage Howell continue however, as a federal housing provider, Howell is not bound to the same terms as provincial housing providers. A full list of current housing providers who were funded in 2023 appears in Appendix "A" attached to Report HSC23016(a).

Service Manager Funding for Social Housing

Funding to housing providers is reported to the Province annually. As Service Manager, the City is required by the *Housing Services Act, 2011* to fund legacy Social Housing providers according to legislated formulas. While not required legislatively, one-time funding is provided to support the operation and affordability of the units for capital repairs and Building Condition Assessments.

Table 1 – Social Housing Investments

	One Time Subsidy	Ongoing Subsidy	Total
2022	\$2,629,361.01	\$48,328,152	\$50,957,513
2023	\$5,033,407	\$49,631,763	\$54,665,169

Table 1 outlines Hamilton’s expenditures in Social Housing as reported in the Service Manager Annual Information Return for both 2022 and 2023. In 2023, \$54,665,169 was spent overall on social housing of which \$5,033,407 was one-time capital grants and the balance of \$49,613,763 was ongoing funding. The one-time subsidy increases from 2022 to 2023 as a result of increased provincial and municipal funding. Most of the funding for ongoing subsidy came from the municipal tax levy with only \$11,348,866 in federal funding.

Metrics & Key Performance Indicators

Service Level Standards (SLS) are used by the province as a key accountability measure for oversight of Social Housing. For a unit to count toward the Standard, its rent must be geared-to-income, households must be eligible for rent-geared-to-income and households must be selected in accordance with provincial priorities and rules.

The City reports performance against the Service Level Standard annually to the province in its Service Manager Annual Information Return. The data is gathered from housing providers. Service Levels are reported under the following categories: households at or below the Household Income Limits, High Needs Households and Modified Units. Household Income Limits represent the maximum income a household may have to qualify for Rent Geared to Income in a particular size unit. High Need threshold is a subset of the Household Income Limits, representing households at the lowest income bracket. These limits are set annually by the province.

Table 2 outlines the number of units that the City is legislated to provide and the total number of units provided in 2022 compared to 2023.

Table 2 City of Hamilton Legislated Service Level Standards

# of households	Legislated	2022 SMAIR	2023 SMAIR
At or below the Household Income Limit (HIL) threshold	9,527	7,606	7572
High Need (HNH) threshold	5,174	6,548	6530
Modified (accessible) units	322	502	481

While not legislated, the Service Manager Annual Information Return also tracks the number of households requiring support services. 189 households were receiving support services in 2023 compared to 199 in 2022.

Based on this 2023 Report there were a total of 11,621 social housing units, representing a mix of rent-geared-to-income, market, and vacant units.

Table 3 City of Hamilton Maximum Income Limits for Rent-Geared-to-Income for 2023

	Bachelor unit (\$)	1-bedroom unit (\$)	2-bedroom unit (\$)	3-bedroom unit (\$)	4-bedroom unit or larger (\$)
Household Income Limits	34,000	44,000	52,000	59,500	74,500
High Need Households	20,400	26,400	31,200	35,700	44,700

Part of the challenge in meeting Service Level Standards relates to the large number of households remaining in social housing once they are no longer eligible, as well as a large number of units vacant for redevelopment or long-term repair. Once a household no longer qualifies for rent-geared-to-income assistance, they may continue to occupy the rent-geared-to-income unit if they pay market rent. The number of rent-geared-to-income households with incomes above the Household Income Limits increased from 294 in 2022 to 406 in 2023.

Vacant Units

As Service Manager, the City of Hamilton monitors vacancy rates across the social housing portfolio and works with our housing providers to address chronic vacancies. The 2022 Social Housing Update report highlighted that the bulk of vacancies reported were due to CityHousing Hamilton units being off-line. In April 2023 CityHousing Hamilton adopted its current Vacancy Management and Reset Plan which committed \$5.7 million to repair 467 units of housing. As of December 31, 2023, CityHousing Hamilton had fully completed 51% or 243 units. CityHousing Hamilton reported being on track to meet their commitment achieving a 2% vacancy rate by December 2024. As Service Manager, we continue to work with CityHousing Hamilton to ensure that vacancies are addressed.

While there is no single industry standard, 2 – 3% is generally considered a reasonable vacancy rate depending on the size and type of provider. In 2023 there were 133 vacancies for non-CityHousing Hamilton Social Housing units, representing a vacancy rate of 2.8% compared to 165 vacancies in non-CityHousing Hamilton Social Housing units reported in December 2022, representing a vacancy rate of 3.3%.

New Units

Two new buildings with a total of 176 units were added to the Community Housing Portfolio in 2023: 8 Roxanne and 35 Arkledun Avenue. CityHousing Hamilton developed 8 Roxanne with 103 units, 62% of which are deeply affordable rent geared-to-income and 38% moderately affordable ‘half-market’ rent. Dorothy Day Place, a five-story building at 35 Arkledun Avenue run by Good Shepherd, has 73 supportive housing units.

Provider	Address	Replacement Rent-Geared-to-Income Units	New rent-geared-to-income /rent supplement units	Market Units	Total
CityHousing Hamilton	8 Roxanne	73	0	30	103
Good Shepherd	35 Arkledun Avenue	0	73	0	73

Rent Subsidy Units & Work Orders/Violations

A list of social housing addresses in the City of Hamilton was provided to Licensing and By-law Services to cross-reference with property violation data. In total, from January until December 2023, of the 1790 social housing addresses receiving rent subsidies, 145, or approximately 8% of addresses, had received a property violation notification. Of these, 101 were in compliance of the work order received and 42 were either in non or partial compliance and were having the work ordered carried out through contractors. One additional project was in the process of being investigated. There were also 322 occurrences (and three cancelations) where no violation was found to have occurred, i.e., either no violation was determined at the time the officer attended or compliance was met prior to the issuance of an order. Charts detailing violations & investigations, count and compliance can be found in Appendix “B” attached to Report HSC23016(a). A list of social housing addresses, including ward information and violation type can be found in confidential Appendix “C” attached to Report HSC23016(a).

Licensing and By-law Services will continue to follow-up on by-law violations and provide yearly data to Social Housing with respect to units in receipt of rent subsidies. In turn, Social Housing will analyse and report back to Council on property order violations in the annual social housing update report. Based on one year of data, the majority of property complaints (69%) were determined not to be violations, and of the complaints that were violations, Housing Providers had a high rate of complying and carrying out the work orders. The City of Hamilton agreements allow for Service Managers to take action through remedies with Housing Providers who do not action work order violations.

Alternatives

Not applicable.

Relationship to Council Strategic Priorities

Priority 2: Safe & Thriving Neighbourhoods

- Preservation and expansion of affordable rental housing

Previous Reports Submitted

- [2022 Social Housing Annual Update](#) (HSC23016)
- [Contractual Obligations and Substandard Tenant Conditions](#) (HSC24009)

Consultation

The following internal divisions were consulted and are supportive of the information presented in this report:

Heather Snider, Financial Coordinator, Housing Services/ Corporate Services Department, Financial Planning Administration and Policy Division

Tamara Reid, Manager - Enforcement, Planning and Economic Development Department, Licensing & By-law Services Division.

Stefanie Wiebe, Project Manager Licensing and Bylaw Services, Planning and Economic Development Department, Licensing & By-law Services Division.

Appendices and Schedules Attached

Appendix A: 2023 List of Social Housing Providers

Appendix B: Chart Summaries of By-law Violations

Appendix C: CONFIDENTIAL Appendix "C" to Report HSC23016(a) - 2023 Social Housing Annual Update

Confidential Appendix C is private & confidential in accordance with Section 239(2)(b) of the Municipal Act 2001 as it contains personal matters about an identifiable individual, including City or local board employees;

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