

JAN 19 2011

Minister
of Human Resources and
Skills Development



Ministre
des Ressources humaines et du
Développement des compétences

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Ottawa, Canada K1A 0J9

JAN 13 2011

His Worship Bob Bratina
Mayor
City of Hamilton
71 Main Street West 2nd Floor
Hamilton, Ontario
L8P 4Y5

Dear Mayor Bratina:

I am writing with respect to the letter of September 30, 2010, that I received from your predecessor, Mr. Fred Eisenberger, who wrote to me regarding Canada Mortgage and Housing Corporation's (CMHC) Residential Rehabilitation Assistance Program (RRAP).

Please allow me to begin by explaining that the federal government works with provinces and territories, municipalities, First Nations and other stakeholders to improve housing choice and affordability by providing support and assistance across a broad continuum – from shelter and supports, to transitional and supportive housing to help people live more independently, to subsidized housing. Taken together, this broad range of housing activities serves to support vulnerable Canadians, homeowners, renters and the housing sector.

The Government is fulfilling its commitment to help those seeking to break free from the cycles of homelessness and poverty with an investment of more than \$1.9 billion in housing and homelessness over five years to March 31, 2014. This includes the two-year extension of funding, until March 31, 2011, for the Affordable Housing Initiative (AHI), the federal renovation programs, including RRAP, and the Homelessness Partnering Strategy (HPS). In Ontario, the extension of the renovation programs represents a federal investment of almost \$73 million.

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CMHC delivers the federal renovation programs off-reserve in Ontario, which include RRAP, the Shelter Enhancement Program (SEP), the Emergency Repair Program (ERP) and Home Adaptations for Seniors' Independence (HASI). As you may know, the City of Hamilton is a delivery agent and in this capacity, delivers the RRAP program on behalf of CMHC.

I am pleased that low-income households in the City of Hamilton have benefitted from the federal investment in renovation program funding. In his letter, Mr. Eisenberger requested an additional \$2.5 million in Rental RRAP funding to improve the condition of the aging multi-residential housing stock in Hamilton. It is important to know that when determining fiscal year funding allocations to delivery areas in Ontario, CMHC considers historical levels of program take-up as well as the geographic distribution of households in core housing need by tenure (homeowner and rental) as derived from the 2006 Census conducted by Statistics Canada. On this basis, the federal allocation for the City of Hamilton is the second largest RRAP budget in Ontario, and historically, has generally been allocated in the order of 10 per cent of the overall Rental RRAP budget.

With respect to the 2010/2011 allocation for programs targeted to rental properties, the City of Hamilton received a total allocation of \$700,000 under Rental RRAP alone. Hamilton has also received \$100,000 under Rooming House RRAP from a total Rooming House RRAP budget of \$800,000.

In addition to the annual fiscal budget allocation, CMHC monitors program take-up in order to reallocate budgets from areas where take-up is lower than expected to those where demand is high. During the 2009/2010 delivery year for example, the City of Hamilton benefitted from a significant redistribution of commitment budget, as CMHC conducted two reallocations over the course of the delivery year. Should additional funding from the 2010/2011 delivery year become available, Mr. Eisenberger's request will be considered, and as the Delivery Agent, the City of Hamilton will be contacted.

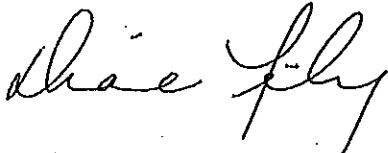
As previously mentioned, the federal government confirmed \$1.9 billion over five years for funding for housing and homelessness. The five-year funding provided an opportunity to consider improvements to ensure that programs continue to effectively respond to the needs of Canadians for the remaining three years of funding. On that note, the federal government consulted with provinces, territories and stakeholders on how federal housing and homelessness investments can be used more effectively in helping those in need of affordable housing.

You will be pleased to learn that funding for housing will continue at the current levels of \$253.1 million per year from April 1, 2011, through to March 31, 2014. Discussions between CMHC and provinces and territories regarding arrangements for the implementation of these funds are underway. CMHC will be in a position to advise all delivery agents on the approach to delivery for 2011/2012 once more is known.

Regarding homelessness, I am pleased to inform you that the HPS has been renewed until March 31, 2014, at its current funding level of \$134.8 million per year. The renewed HPS will continue to invest in and focus on communities, while introducing a number of enhancements to help communities better address homelessness issues. HPS programs enhancements will include greater support for rural and remote communities, greater alignment with the priorities of provinces and territories, development of linkages on mental health and homelessness, and improved accountability measures.

I hope that you find this information to be helpful in addressing Mr. Eisenberger's request. Please accept my best regards.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Diane Finley".

The Hon. Diane Finley, P.C., M.P.



THE CITY OF
HAMILTON
OFFICE OF THE MAYOR

September 30, 2010

The Honourable Diane Finley
Minister of Human Resources and Social Development Canada
House of Commons
Ottawa, Ontario K1A 0A6

Subject: Homeless Partnership Strategy Extension Request

Dear Minister Finley:

On behalf of the Hamilton City Council, I am writing to request that funding for the Homelessness Partnering Strategy (HPS) be extended to March 31, 2014.

As you are aware, the current HPS funding ends March 31, 2011 and, without continued federal funding, the future of many homelessness initiatives and services in our community is uncertain. The milestones that the City of Hamilton and partner agencies have achieved in addressing homelessness may be lost.

HPS has provided Hamilton with the resources to develop some innovative strategies that are showing dividends. Hamilton's Blueprint for Emergency Shelter Services focuses on supporting chronic shelter users to access and retain permanent housing and paved the way to close 55 emergency shelter beds for men. HPS signaled a shift from merely managing homelessness toward a *Housing First* approach, with an emphasis on the prevention of homelessness.

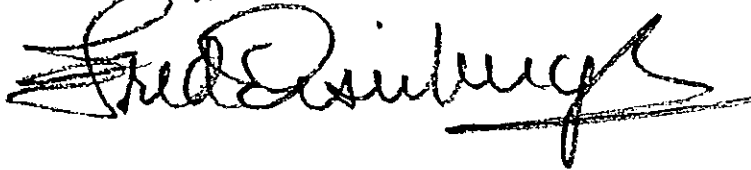
While welcomed, this shift requires a sustainable and long term investment of sufficient resources to support homelessness and housing system planning. The federal consultation report entitled, "*What We've Heard*" (2009), supports the concept that communities need longer timeframes and increased funding levels to truly address the housing needs of their citizens.

Continued federal funding for homelessness is especially important in these challenging economic times. Hamilton is living through the effects of the worst economic downturn since the Great Depression through increases in food bank usage, Ontario Works caseloads and increasing numbers of families and individuals on waiting lists for social housing.

With less than six months left in the HPS program, we respectfully encourage your government to renew HPS funding as soon as possible so that Hamilton may prepare for community planning and maintain the momentum that HPS has provided to implement further service improvements.

In closing, please accept my sincere thanks for your continued interest in the City of Hamilton and your support of our community as we continue to serve our most vulnerable citizens.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Eisenberger", with a long horizontal flourish extending to the right.

Fred Eisenberger
Mayor

File: C10-023 (E&CS 10-012-5)