CITYHOUSING HAMILTON

NATIONAL HOUSING STRATEGY PORTFOLIO RENEWAL SUBMISSION

RENEWAL PLAN 2021-2028

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INTRODUCTION

Low energy retrofits that maintain affordability, improve resident health and extend the life of aging assets are not only possible, but critical to preserving and enhancing housing across the country.

- Tom Hunter, CEO

In partnership, the City of Hamilton and CityHousing Hamilton are presenting the following discussion document to scope a potential partnership with Canada Mortgage Housing Corporation. Within, proposed repairs to key components of local social housing infrastructure are described and costs for those repairs are estimated. As an initial submission, it is our hope this brings us closer to working together to find solutions for improving housing for people in Hamilton.

The need for investment in affordable and social housing in Hamilton is tremendous. CityHousing Hamilton (CHH) has just over **7,000 housing units** built post-war that provide critical affordable rental housing for thousands, making strategies for the preservation, modernization and low-energy retrofit of this housing stock urgently required.

Major capital investment is critical to change the trajectory of social housing. Social housing stock in Hamilton has been in decline for years due to a lack of reinvestment and deferred maintenance. With sufficient new capital investment, it is possible to systematically approach whole building deep energy and high accessibility retrofits to create exemplary buildings that will meet the needs of vulnerable people for decades moving forward.

CHH is ready to implement transformative projects across our housing portfolio. With one of the most ambitious social housing transformations in the country already underway, the Passive House renewal of the Ken Soble Tower, CHH has demonstrated vision and leadership in social housing revitalization, and is ready to apply these learnings to its **$1B** in housing assets

With an aging portfolio it is imperative that our existing housing be preserved and renewed through new investment for another generation. This portfolio renewal will tangibly improve social, financial and environmental sustainability through rehabilitation of the City's social housing assets. I would like to thank our Federal partners for initiating the portfolio approach to NHS funding.

-Councilor Chad Collins, FormerBoard Chair

Investment in CHH will maximize social benefits and contribute to the long-term financial sustainability of the organization. CHH's 2017 – 2021 Home is the Foundation Strategic Plan guides CHH to "provide affordable housing, that is safe, well maintained, and cost effective" to meet community needs. A key direction of the plan is to revitalize its housing portfolio, for which CHH is seeking a **$145M** investment from the CMHC's National Housing Strategy Co-Investment Fund. CHH is ready and able to capitalize on this once in a generation opportunity created by the Federal Government to create long term sustainability in its social housing portfolio.

CHH portfolio renewal will modernize half of Hamilton's social housing, while reinvigorating and planning for community spaces and outdoor gathering areas, aging-in-place, barrier-free living, and a changing climate. The portfolio renewal and modernization enabled by this investment and completed over the next decade will provide thousands of residents with improved comfort, control of their indoor environments, and incredible accessibility for several decades. It will also massively reduce the amount of deferred maintenance of half of Hamilton's social housing stock, substantially extend its life, and dramatically increase its ability to withstand extreme climate events into the future. Together the Federal Government and the City of Hamilton can shift the conversation from social housing as a liability, to social housing as a vital positive part of communities.

CHH has a duty to accommodate all tenants' accessibility needs:

When tenant requires modification to their unit, CHH will go through the modification process to ensure a tenant can age in place.

Based on the high-level guidelines, the required work would dramatically exceed both current and anticipated future demands. This will pose some challenges:

(1) It is difficult to rent the accessible units not in demand, leading to homes being empty for several months, that could instead provide housing for tenants in need; and

(2) It is often not practical or cost effective to fully modify existing buildings to meet current accessibility standards. For example:

- o This may require major structural or architectural changes to the buildings in order to provide appropriately sized door openings or turning radius
- o Modifications may impact other building systems and components, increasing the cost and the disruption to tenants
- o The space needed to renovate a unit to accessible standards would result in a loss of units increasing the current waitlist and impacting our compliance with our current service level agreement
- o The unavailability of the unit during renovation will reduce housing opportunities

Often accessible units still don't meet the specific needs of an individual as assessed by a health professional making difficult to predict whether these accessible standards will meet their needs

Since accessibility requirements have proven that one size does not fit all, each tenant is unique and requires specific solutions to assist them.

Rather CHH will modify units based on the tenant's specific accessibility needs ensure tenant's safety and comfort in the unit, while reducing potential costs.

CHH has a request for modifications process in place to support tenants and have successfully made many modifications to make units accessible for tenants by adding grab bars, installing cut-out bathtubs to make them a walk in, automatic door closers, strobe lights for hearing impaired, higher toilets with grab bars, creating space for scooters, or exterior ramps.

Custom modifications to dwelling units is an innovative approach inspired by experiencing how minor changes to a unit for a hearing or visually impaired person can greatly increase resident safety and quality of life. The same holds true for the unique needs of many requiring mobility device access. The CHH vision is to build on these successes through a dedicated fund available for client-centered accessibility needs.

Customizing the renewal of supportive housing units shows the CHH commitment to providing quality housing for people in greatest need. A portion of the CHH portfolio is rented to support service agencies. CIF resources will allow CHH to renew the dwelling units, and where required, modernize the unit to specific resident or support agency needs.

PARTNERSHIPS

The City of Hamilton has a long history of working closely with CHH on social and affordable housing projects. Co-located, the Affordable Housing Office at the City of Hamilton and CHH staff have the ability to work side-by-side throughout the development process. City staff can provide in-kind support as liaisons with key internal stakeholders.

These relationships are needed for the efficient execution of this project and to assist in the ability to meet key milestones along the development process. For example, City of Hamilton staff can link CHH staff directly to the Planning and Economic Development Department's Building Division to expedite process of building permits.

The City of Hamilton and CHH Hamilton have successfully partnered with the Federal and Provincial governments in recent years to create new affordable housing at 4 Bridgewater Court and 557 Queenston Road. Monetary support will be provided through a coordination of investments, namely social housing repairs and renewals that come through the newly launched Provincial COCHI program as well as continued annual municipal investments towards capital repair. The City of Hamilton will be exploring ways to make direct financial contributions to this initiative.

CHH also recognizes that other incentive funding programs can be used to supplement and multiply the impact of National Housing Co-Investment funding. CHH intends to apply to the SaveOnEnergy Retrofit Program through the IESO for electricity conservation projects, and the Affordable Housing Conservation Program through Enbridge for natural gas conservation projects. CHH has extensive experience in successfully preparing, managing, and completing these applications; including over **50 applications** that were made to these programs on energy retrofits that were completed in 2017 and 2018.

Affordability

CHH is committed to helping address the growing need for affordable housing in Hamilton.

Both the 2019 and 2020 affordability criteria were met for this portfolio and will be increased by the annual rent increase guideline percentage, which was set at 1.2% for 2022 for Ontario based on the CPI Index. CHH will also only increase their market units by this amount. If it is suggested that the rent increase be higher, CHH most attain the permission of our service manager and board to change these rents. This is often is only suggested when utilities are being incorporated into the rent rather than the tenants' paying them separately such as hot water tanks. The table below highlights the rent increase in Ontario from 2017- 2022.

Rent Increase Guidelines	
Year	**%**
2022	1.2
2021	0
2020	2.2
2019	1.8
2018	1.8
2017	1.5

As part of our service manager agreement, CHH is also required to maintain a minimum number of Rent-Geared-to-Income (RGI) units, helping to further ensure the affordability of the portfolio.

Source: Codrin Tabala

IMPACTS

The total impact of this investment on both the quality and durability of CityHousing Hamilton's capital infrastructure will be significant. The lifespan of thousands of units will be extended for decades with critical investments made to ageing buildings across the portfolio.
Moreover, residents will experience increased safety, health and accessibility outcomes as a result of these enhancements. As much as many of these repairs are urgent and needed to mitigate risk of systems failure and/or resident displacements, this is not simply an investment targeted at risk mitigation; targeted investments focus on energy efficient improvements and accessibility will improve the overall quality of life of thousands of residents across the City.

"6290 at risk" units prevented from going offline

38 projects will improve accessibility, or newly accessible

3,325,000 of kg CO2e/year in greenhouse gassavings