



COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	November 8, 2022
SUBJECT:	Launch of City of Hamilton's Ontario Renovates Secondary Suites Forgivable Loan Program (Secondary Dwelling Units SDU) (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Angela Burden General Manager Healthy and Safe Communities Department
SIGNATURE:	

On April 13, 2022, City Council approved Emergency and Community Services Committee Report 22-005 including adopting the City of Hamilton's Strategic Plan to Create Affordable Housing Supply in the secondary rental market as well as a recommendation authorizing the General Manager of the Healthy and Safe Communities Department, or designate, to administer the Secondary Dwelling Units (SDU) program and provide support to residents applying to the SDU program including: entering into any agreements on such terms as they consider appropriate; approving payments, and taking other actions.

The approval of the above strategy followed a successful amendment of the City's Zoning By-Laws Nos. 21- 071 to 21-077, inclusive of City of Hamilton Zoning By-law No. 05-200 and Zoning By-laws applicable to the Town of Ancaster, Town of Dundas, Town of Flamborough, Township of Glanbrook, City of Hamilton and City of Stoney Creek Zoning By-laws to permit one SDU within the principal dwelling and one detached SDU on a lot containing a Single Detached Dwelling, Semi-Detached Dwelling or Street Townhouse Dwelling in the Urban Area; one SDU within a Single Detached Dwelling and a Semi-Detached Dwelling in the Rural Area; Locational, design, parking, and other technical regulations related to Secondary Dwelling Units in the Urban Area; and, Minimum lot area,

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adequate service, parking, and other technical regulations related to Secondary Dwelling Units in the Rural Area.

On April 21, 2022, City Council directed General Manager of the Healthy and Safe Communities Department or their designate to approve and submit the annual Investment Plan pursuant to receiving the Canada-Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI) program guidelines, and to update or amend the Investment Plan, as necessary to deliver and administer the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative program;

On August 5, 2022, the Ministry of Municipal Housing Affairs, approved the City of Hamilton's Investment Plan for Ontario Priorities Housing Initiative inclusive of an allocation of \$250,000 to support the development of secondary suites in the City of Hamilton aligned to Ontario Renovates component of the OPHI funding guidelines.

Healthy and Safe Communities Department **will launch a City of Hamilton's Ontario Renovates Secondary Suites Forgivable Loan Program on Tuesday, November 8, 2022.** This program aims to increase the supply of affordable housing units in Hamilton, while creating an opportunity for homeowners to generate additional income by providing eligible homeowners financial assistance in the form of a 15-year forgivable loan to create affordable secondary suites in existing single-family homes or garden suites on the property of a single-family home that is the homeowner's sole and principal residence.

Eligible homeowners can apply for a maximum \$25,000 forgivable loan to add or renovate an existing SDU in their home, and an additional grant of \$5,000 if accessible modifications are included in the project. Per OPHI program guidelines, Residential property owners must meet among others the following requirements to be eligible to apply for this program;

- Use their home as sole and principal residence;
- Mortgage payments and City property taxes are current and up to date
- Property insurance coverage is in place for the full value of the home and payments for insurance are current.
- Property meets the requirements under the applicable Zoning By-law, design guidelines and site plan approvals (if applicable)
- Possess a building permit or proof that an application for a building permit has been submitted or a letter from a Chief Building Official (CBO) confirming that the building permit is not required for the modifications.
- Be of low to moderate income with a combined annual total household income that is less than \$92,600 which the 60th percentile as defined and published annually by the Ministry of Municipal Housing and Affairs per Schedule G of COCHI-OPHI Program Guidelines, *Appendix D: Maximum Household Income Level.*

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Post-repair, the Applicant/homeowner will select their own tenant. At initial occupancy, the tenant will have a maximum household income of no higher than \$62,500 as described by the City and updated annually. During the 15-year term of the agreement maximum allowable rent may not exceed the Average Market Rent (AMR), as surveyed annually by CMHC. Annual rent increases in accordance with the Residential Tenancies Act, 2006 (RTA) are allowed.

For questions related to the City of Hamilton's Ontario Renovates Secondary Suites Forgivable Loan Program please contact Michelle Baird, Director Housing Services (Michelle.Baird@hamilton.ca)

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