

**NOTICE OF MEETING
BOARD OF DIRECTORS AND MEMBERS
CITYHOUSING HAMILTON CORPORATION**

AGM (2024) - SPECIAL MEETING

Date: WEDNESDAY, November 5th, 2025
Time: 1:30pm – 2:30pm – 2024 Financial Statement-
Annual Report
(1:15pm – Board members join via Webex invite)

Place: Special Notice: (Hybrid - City Hall, 1st
Floor, Room 192 and will be held via
WebEx conferencing and live streamed
only on YouTube for public access:
[YouTube Link - CHH Board meeting Nov. 5 2025 at
1:30](#)
CHH website, Agenda Material link:
[Board meeting material November 5, 2025](#)

AGENDA:

- 1) Call to Order**
- 2) Conflict of Interest Declaration**
- 3) Confirmation of Minutes**
 - a) AGM meeting held February 18, 2025
 - b) Audit & Finance Committee meeting held March 13, 2025
- 4) AGM 2024 Annual Report - Financial Statements**
 - a) Remarks by President
 - b) AGM **2024** brochure presentation, Chief Executive Officer
 - c) Audited **2024** Financial Report for CHH (Report #25028)
 - d) Appointment of Auditor for 2025 Audit Year (Report #25029)
- 5) AGM (2024) meeting adjourned**



To be approved by the Board on Nov. 5, 2025

MEETING MINUTES
BOARD OF DIRECTORS AND MEMBERS
CITYHOUSING HAMILTON CORPORATION

Date: **Tuesday, February 18th, 2025**
Time: **9:00am – 10:00am**
Meeting: **Annual General Meeting (2024)**

Place: **Special Notice: Hybrid / City Hall, 1st Floor, Room 192 & will be held via WebEx conferencing and live streamed only on YouTube for public access:**
[CHH Feb18 2025 YouTube Link](#)
CHH website, Agenda Material link:
[CHH Feb18 2025 Agenda Material Link](#)

Present: Councillor N. Nann, President
~~Christine Griffith, Vice President~~
Councillor T. Hwang, Treasurer (Virtual)
Adam Sweedland, CEO/Secretary
Councillor C. Kroetsch
Councillor T. Jackson (Virtual)
~~Councillor A. Wilson~~
Karl Andrus (Virtual)
Adriana Harris
Alice Plug-Buist (Virtual)

Regrets: Councillor A. Wilson
Christine Griffith

Also Present: CHH Staff: S. Botham, R. Desouza, A. Warren-Ritchie, B. Lilley, (Virtual): B. Kinaschuk, L. Ward, G. McLaughlin
Other City Depts: Housing Services: Kelly Harrington, Pilar Homerston
Guest for item 4c: Paul Ciapanna and Daniel Glasbergen, KPMG LLP

Public: Live streaming made available and posted to CHH website.

1. Call to Order (Quorum is five)

Councillor Nirder Nann, President, called the meeting to order at 9:21am. (delay starting the meeting due to technical difficulties – no visuals, only audio on YouTube for most of the meeting).

President N. Nann read the ‘Traditional Land Acknowledgement for the City of Hamilton’.

Board meeting Feb. 18th is **Hybrid** meeting (from City Hall, Boardroom 192) and being held via WebEx conferencing and Live Streamed on YouTube. President proceeded with roll call.

Chair Nann welcomed Paul Ciapanna and Daniel Glasbergen, Auditors from KPMG LLP attending for AGM, Item #4c.

2. Conflict of Interest Declaration

In response of a call from the President for conflict-of-interest declarations:
None received.

3. Confirmation of Minutes

a) AGM meeting held May 23, 2023

Motion by Treasurer T. Hwang, seconded by Citizen A. Harris and carried to approve AGM minutes of May 23, 2023 as distributed.

b) Audit & Finance Committee meeting held May 12, 2023

Motion by Treasurer T. Hwang, seconded by Citizen K. Andrus and carried to approve AGM minutes of May 12, 2023 as distributed.

c) Audit & Finance Committee meeting held January 17, 2025

Motion by Treasurer T. Hwang, seconded by Citizen A. Plug-Buist and carried to approve AGM minutes of January 17, 2025 as distributed

4. Annual General Meeting

a) Remarks by President

Board President N. Nann acknowledged the unfortunate timing of the 2023 annual report due to the cybersecurity incident which impacted accessing the financial information and other important data and materials needed.

Tenants, staff, leadership, and the Board made incredible strides this year advancing City Housing Hamilton's strategic priorities and laying the groundwork for future success.

A total of 476 homes were initially identified as vacant for various reasons, with an estimated turnover cost of \$5.7million. By the end of 2023, this number was reduced to 233. As of the end of 2024, only 10 homes remained – either with contractors or awaiting new tenants. Thanking Council for supporting the additional \$3.8M investment from the City of Hamilton and \$1.9M of CityHousing Hamilton funding to tackle this backlog.

A new build, 8 Roxanne Road, welcomed 103 households and four other developments advanced in 2023, two of which were completed in 2024. CHH's reductions in energy use and greenhouse gas emissions are targeting a 25% reduction by the end of 2028.

President Nann extended appreciation to:

- the staff who are working to continuously improve how CityHousing maintains its properties and really show up for our tenants every day with dedication and optimism
- the development team, partners, and funders for giving the community the incredible new homes
- the CityHousing Hamilton Board of Directors for its support and forward-thinking direction and the senior leadership team for their professional advice and commitment to continuous improvement
- to all the people who call CHH home

b) 2023 Draft Annual Report Brochure

The Board was in receipt of the draft 2023 Annual Report brochure from CEO/Secretary dated February 18, 2025.

Adam Sweedland, CEO, gave an overview of the draft brochure which is including the financial audited statements and will be shared with the City of Hamilton Shareholder.

Adam presented the brochure slideshow including but not limited to:

- Message from the Chief Executive Officer and President
- High quality Tenant Experience
 - Welcoming New Tenants / Partnership and Engagement / Accessibility & Inclusion / Property Beautification / Maintenance
- Excellence in Portfolio Management
 - Vacancy Management / Building for the Future / Maintaining Portfolio / Reducing Environmental Impact
- Optimal Organizational Performance
 - Financial Performance / Staff Engagement / Governance and Senior Leadership / Community Partners

It was moved by Citizen K. Andrus, seconded by Citizen A. Harris and carried:

That the 2023 AGM Brochure be received for information and noted as finalized.

c) Audited 2023 Financial Report for CHH

The Board was in receipt of Report #25001 from CEO/Secretary dated February 18, 2025.

Rochelle Desouza, CFO introduced Paul Ciapanna and Daniel Glasbergen, Audit Partners at KPMG. Paul presented the financial statements for the year ending Dec. 31, 2023 and gave a high-level financial overview and background of the implemented new audit process standards, including but not limited to:

- Independent Auditor's Report
- Statement of Financial Position
- Statement of Operations and Accumulated Surplus
- Statement of Cash Flows
- Loans / New Loans
- Revenue / Expenditures / Employment Benefits / Tangible assets
- Notes to Financial Statements

Rochelle Desouza, CFO thanked the Auditor, Board and Treasurer Hwang and staff who helped with the audit process. Rochelle gave an overview of Report 25001, highlighting the variances, revenues, expenses, and Appendix A.

It was moved by Councillor C. Kroetsch, seconded by Citizen A. Harris and carried:

That Report #25001 Audited 2023 Financial Report be received for information and the following recommendation(s) **approved**:

- a. The President and Vice-President of CityHousing Hamilton Corporation (CHH) be authorized to execute the final 2023 Financial Reports for CHH as audited by KPMG LLP and attached as Appendix A to Report 25001.

d) Appointment of Auditor for 2024 Audit Year

The Board was in receipt of Report #25002 from CEO/Secretary dated February 18, 2025.

Rochelle Desouza, CFO reviewed report with the recommendation to appoint KPMG LLP.

It was moved by Treasurer T. Hwang, seconded by Citizen A. Harris and carried:

That Report #25002 be received for information and the following recommendation be **approved**:

- i. That the Board of Directors appoint KPMG LLP for the 2024 fiscal year audit for CityHousing Hamilton Corporation.

5. Adjournment at 9:50am

Motion by Councillor T. Jackson, seconded by Citizen A. Plug-Buist and carried that the meeting be adjourned.

TAKEN AS READ AND APPROVED

NIRDER NANN, PRESIDENT
CityHousing Hamilton Corporation

Teresa Herechuk
CityHousing Hamilton Corporation
February 18, 2025

To be approved at Board on Nov. 5, 2025

AUDIT & FINANCE COMMITTEE

CITYHOUSING HAMILTON CORPORATION

Date: Thursday March 13, 2025
Time: 3:00pm – 3:30pm
Place: By Web-ex

Web-ex Attendees: Councillor Tammy Hwang – Treasurer
Pilar Homerston – Service Manager, Hsg. Ser.
Kelly Harrington – Hsg. Officer, Hsg. Ser.
Paul Ciapanna – KPMG auditor
Daniel Glasbergen – KPMG auditor
Adam Sweedland, CEO
Rochelle Desouza, CFO
Teresa Herechuk – Web-ex host

Re: To complete AIR 2023 -related to Audit 2023

AUDIT COMMITTEE MEETING MINUTES:

Item	Title	ACTION
1)	AIR 2023 – Annual Information Return, approve Management Responses Paul Ciapanna, summarized the questions on the AIR 2023. Councillor Tammy Hwang agreed with the responses management had provided.	.
2)	Adjournment with no changes or action items from the AIR 2023.	
	TAKEN AS READ AND APPROVED	
	TAMMY HWANG, TREASURER CityHousing Hamilton Corporation	
	Rochelle Desouza, CFO CityHousing Hamilton Corporation March 13, 2025	

...**more** than a place to live

2024 **ANNUAL REPORT**





Land Acknowledgement



The City of Hamilton is situated upon the traditional territories of the Erie, Neutral, Huron-Wendat, Haudenosaunee and Mississaugas. This land is covered by the Dish With One Spoon Wampum Belt Covenant, which was an agreement between the Haudenosaunee and Anishinaabek to share and care for the resources around the Great Lakes`. We further acknowledge that this land is covered by the Between the Lakes Purchase, 1792, between the Crown and the Mississaugas of the Credit First Nation.

Today, the City of Hamilton is home to many Indigenous people from across Turtle Island (North America) and we recognize that we must do more to learn about the rich history of this land so that we can better understand our roles as residents, neighbours, partners and caretakers.

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CEO & President Letter

As the president and the chief executive officer of CityHousing Hamilton (CHH) we share a strong belief that people must always be at the center of our work. We are entrusted with an important responsibility—to preserve and improve the conditions of our communities for current and future generations who will call our communities their home.

We believe people who choose a CHH community as their home deserve to be proud, feel safe, and have success in their lives.

As the largest provider of affordable housing in Hamilton, managing close to 50 per cent of the purpose-built affordable rental stock, CHH plays an integral role in ensuring Hamiltonians have affordable and safe places to call home.

2024 was a big year for the organization, but our proudest achievement was seeing our vacancy rate slashes from 9% (649 units) to 2.4% (171 units) over an 18-month period. This cleared a backlog of almost 500 units of much-needed affordable housing.

We also took this opportunity to enhance and add accessibility features, while using higher quality materials to better withstand typical wear and tear associated with long-term, purpose-built rentals.

We started the journey of affirming an organizational culture that puts tenants first by providing high-quality tenant experiences, excellence in portfolio management, and

optimal organizational performance. We saw the creation of the Tenants First Team, which embeds tenant input and feedback into the organizational decisions of CityHousing Hamilton.

We piloted an in-house caretakers project, bringing cleaning services into the organization for a select few properties, and it was an overwhelming success. Tenants, staff, and vendors alike all continuously remarked on the improved level of cleanliness, and it is our hope to roll this out across more buildings in 2025.

We continue to make strides to address tenant concerns about safety through the introduction of a community safety staff member, leading to better relationships with both tenants and police.

We launched our first strategic communications plan in order to communicate better with tenants and begin the work of changing our perception in the broader community.

Lastly, we continued demonstrating CHH’s commitment to environmental sustainability and the City of Hamilton’s 2050 Climate Change goals by making smart decisions in the construction methods and technology applied in new construction. Two buildings, were opened this year, totaling 79 new homes. A unique partnership with Indwell at 257 King William will provide 24 deeply affordable homes for individuals at risk of or experiencing homelessness.

At 106 Bay St N, we have created a near net-zero transit-oriented 55-unit building that incorporates alternative transportation options in order to provide the opportunity for further development.

On behalf of the board of directors and the senior leadership team of CityHousing Hamilton, we want to extend our sincere thanks to the tenants, staff, and community partners for their commitment and hard work in 2024.

Because of you, CHH is working to put tenants first in everything we do.



Nrinder Nann
President &
Ward 3 Councillor



Adam Sweedland
Chief Executive
Officer

Vision

To be the best place to raise a child and age successfully.

Mission

We provide affordable housing that is safe, well maintained and cost effective and that supports the diverse needs of our many communities.

Strategic Priorities



Flourishing Communities:
Empowering tenants with the support and services they need to thrive.



A Whole Team Approach:
Strengthening our people and performance.

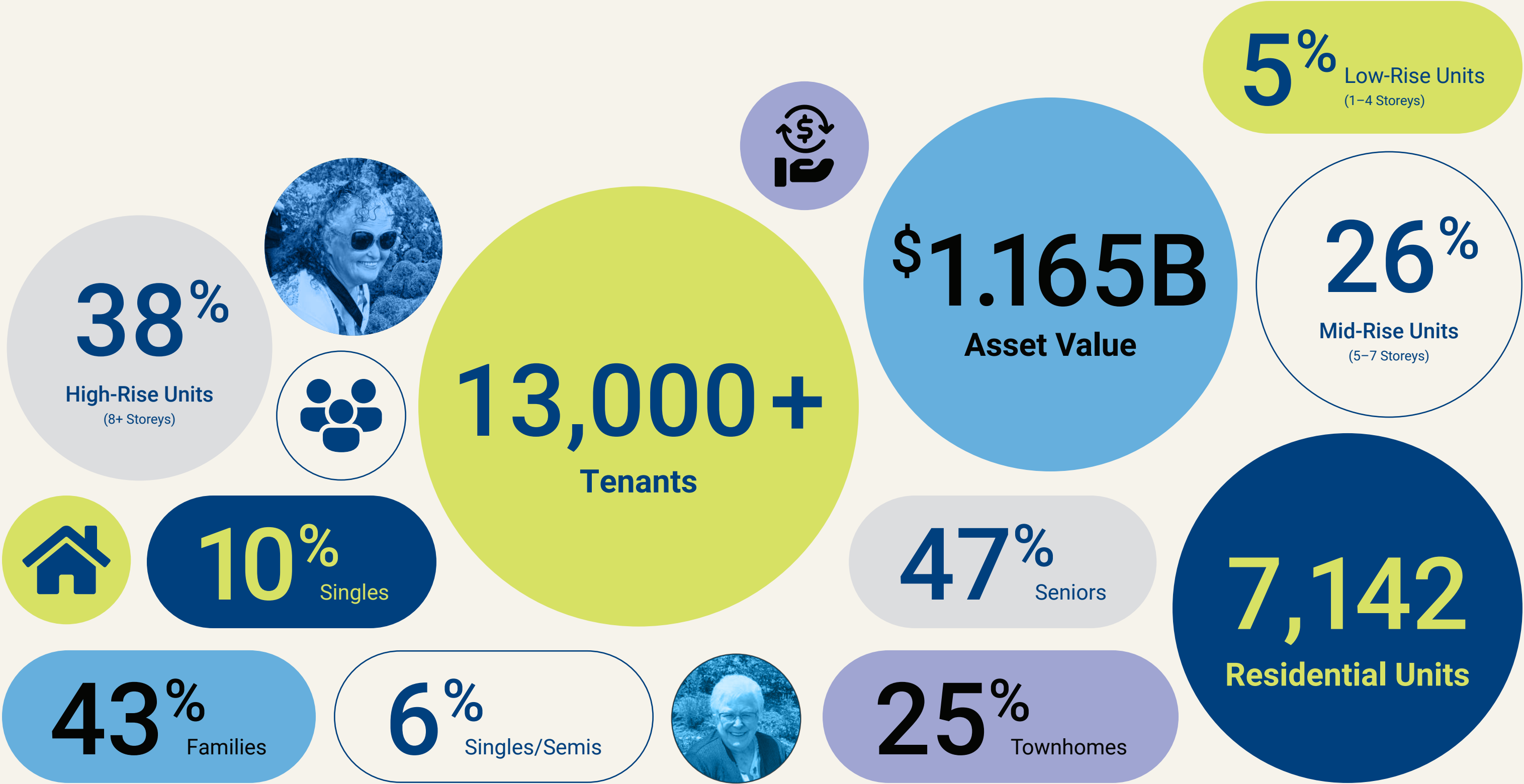


Pride in Home:
Developing new and inclusive affordable mixed housing that builds strong and successful multi-generational communities.



Neighbourhood Revitalization:
Preserving and upgrading CHH’s current housing stock.

Demographics & Portfolio Breakdown



Tenants First Team Introduced

In 2023 tenants from across the city, including myself, had the opportunity to meet with our then new CEO Adam Sweedland for a series of round table talks. In keeping with CHH strategic plan for 2023-2027, the intent was to meet with community leaders and gain a perspective on the tenant experience and find areas of concern and opportunity.

Early in 2024, community leaders from the initial round tables were invited to come together and create a new committee with support from Adam and CHH, and the journey for the new Tenant's First Team began. Our purpose, as created by the group, has become to partner with CHH to ensure it offers high-quality tenant experience by providing a tenant perspective on decisions that impact our communities and helping to prioritize what is needed to improve overall quality of life for tenants.

I was honored to be elected as the Chair, and I am looking forward to continuing to work with Co-Chair Kim Cruz, and our members Don Mallette, Jim Shao, Marie Dynas, Mike Hallman, Terry Daily, Tesha Sylvester, Malcolm Purdy and Marylou Purdy. I have enjoyed guiding the group through our first year's work plan and watching the group learn and grow, coming together to provide a much-needed tenant perspective to impact of day-to-day operations within CHH and how it effects the communities overall.

There are often many challenges to striking a new committee, however much to my surprise the group was able to achieve all of their work goals for 2024. The work was inclusive of not only the required administrative details such as terms of reference, but as well as several learning and training sessions to assist the group in having a full understanding for success. The insightful conversation

regarding communications strategies, development strategies, safety and security and more, brought forth insightful impacts on the communities and wide range of positive and constructive suggestions for how to best move forward.

It has become our mission that the Tenants First Team improves CHH's tenant experience by bringing the community together to improve quality of life, accessibility and ensure everyone feels safe, supported, engaged, and included in our communities.

We look forward to continuing our partnership in 2025 with a work plan that will include further discussions on communications, security, Inclusion, Diversity, Equity, and Accessibility training, as well as planning for new membership. Most exciting on our work plan however is

the future working committee that will lend its voice to the planning of CHH upcoming 25th anniversary celebrations in 2026.

CHH has dedicated themselves to the improvement and revalidation of our communities across the city, and we as a group are honored and excited to have partnered with them in helping to ensure the success of these goals.

Lisa Burton
Tenants First Team Chair



Tenants First Refresh

In 2024, CityHousing Hamilton embarked on a journey to put tenants at the forefront of organizational decisions, to provide a high quality tenant experience, and to address long-standing challenges. We are fortunate to have many dedicated employees who want to do a better job for current and future tenants, but face roadblocks due to time-constraints, resource scarcity, and other pressures.

Extensive tenant and staff feedback has helped inform and shape this organizational change. This new plan is CHH’s framework to successfully deliver on the 2023-2027 strategic plan through three components:



Culture

Re-affirm and strengthen our corporate culture to reflect how CHH’s role in the community has evolved



Resources

Secure and deploy added resources (staff, budget, equipment, technology) in the most effective way



Tenant Participation

Implement a formal structure to ensure tenants’ voices are heard and they have an opportunity to participate in the decisions affecting their homes

This plan touches all areas of the organization, from the introduction of staff focused on community safety, which improves our relationships with tenants, a communications strategy that will help tenants be informed in accessible and relevant ways, to an in-house cleaning program to improve the level of cleanliness in our buildings.

A resource working group identified resources gaps and worked to address them. Through this group, CHH’s fleet has grown by six brand new vehicles, and the group continues to examine where and how CHH staff work, as well as where tenants meet staff, in order to provide the best use of space for staff and tenants.

Work continues to implement this plan into 2025, and it is our hope that tenants will see and feel that they are being put first, each and every day, in small and big ways, by CHH.

Tenants First Team

As a part of our ongoing Tenants First Refresh, the essential work of embedding tenant feedback in CHH decision making has begun through the introduction of the Tenants First Team. This group of dedicated community leaders has a CHH-wide focus and provide insightful input, questions, feedback, and critiques to improve quality of life, accessibility, and ensure everyone feels safe, supported, engaged, and included in our communities. The team, made up of ten transitional members, help CHH holistically understand the impact of policies and procedures on tenants, the effective use of limited resourced, program design.

This group plays an essential role in re-shaping the story and reputation of CHH and contributed invaluable feedback in the development of CHH’s first comprehensive communication plan. This team is an imperative part of our tenant engagement to ensure we are offering a High Quality Tenant Experience.

In 2024 the Tenants First Team:

Established a Terms of Reference and a procedure for recruiting and selecting new members

Elected a Chair and Vice-Chair who lead the Tenants First Team

Created the materials to support members in their role on the Tenants First Team

Provided input and helped prioritize focus areas in the ConnectingCHH Communications Strategy and CHH Development Strategy

Received training on CHH governance and the 2023-2027 Strategic Plan

Communications

In 2024, CityHousing Hamilton hired a Communications Coordinator and introduced a comprehensive communication strategy to effectively inform and engages tenants, staff, and community stakeholders. ConnectingCHH, developed with extensive tenant and staff feedback, is CityHousing Hamilton’s first comprehensive communications, branding, and digital content strategy. It will guide how CHH delivers:



Tenant communications and marketing



Digital brand and design



Internal communications and staff engagement



External communications and media relations

Two partnerships with Humber College and Mohawk College highlighted the opportunities and strategies for CHH to carry out this work. This annual report was developed through The Agency, an experiential work-learning environment. Students from the graphic design discipline gained valuable work experience developing an accessible annual report, and CHH benefited greatly from students’ expertise in graphic design.

A collaboration with Public Relations, Marketing, and Communications students at Humber College provided CHH with communications and marketing strategies to help CHH identify and execute on opportunities to improve the perception of tenants and CHH’s reputation in the community.



The plan has three strategic focus areas:

1

Deliver tenant communications that:

- Meet the accessibility needs of all tenants
- Reflect CHH’s commitment to inclusion, diversity, equity, and accessibility in all communities
- Highlight tenant stories

2

Implement a digital focus

- Develop and promote the use of multiple digital communications
- A user-friendly web experience focused on tenant needs

3

Deliver people and performance communications that:

- Celebrate staff achievements and promote a Tenants First culture
- Promote cohesion, collaboration
- Encourages and enables staff feedback
- Addresses reactionary issues with transparency, accountability, and adaptability
- Proactively tells stories by highlighting CHH achievements and examples of community leadership

Eviction Prevention Policy

In 2024, CityHousing Hamilton updated a compassionate eviction prevention policy to help residents at risk of ending their tenancy due to extenuating circumstances.

This can include taking extensive steps to address changes in a tenants’ finances.

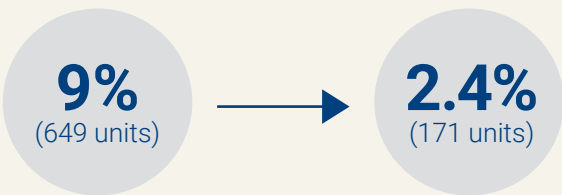
The updated eviction prevention policy introduces eviction case reviews, in order to ensure all possible tenant supports have been explored and exhausted in order to prevent evictions due to arrears, with consideration to the specific context of the tenants circumstances.

In-House Caretakers

In response to staff and tenant feedback, a pilot project was launched, introducing in-house cleaning staff at 55 Hess St S, 95 Hess St S, 181 Jackson St W, 181 Main St W, 191 Main St W, and 200 Jackson St W. This pilot project has clearly shown how valuable in-house caretakers can be to our team, and we will be rolling this out more broadly to improve the level of care and cleanliness in more of our buildings.

Vacancy Management

In 2024, CityHousing Hamilton (CHH) drastically reduced its annual vacancy rate from:



Establishing a new all-time low vacancy rate.

This cleared a backlog of almost 500 units of much-needed affordable housing in the city.

For years, CHH struggled to keep pace with the number of vacant homes resulting in an unacceptable vacancy rate which peaked in early 2023 at more than 9% (649 units).

In spring 2023, CHH made significant changes to address this systemic problem:

Implementing new processes and timelines for overseeing and monitoring the work;

Centralizing the oversight of vacancy renovations, resulting in better work and much faster turnovers;

Changing its budgeting approach to ensure an annual baseline of funding is protected to support projected unit turnovers for the year; and

Creating a new reserve to help offset unplanned pressures in future years.

Enhancing Security



Recognizing the importance of CHH’s role as the largest provider of affordable housing in Hamilton, the City provided additional funding to CHH to tackle this problem. This allowed CHH to eliminate a point-in-time backlog of approximately 476 homes and reduced the total number of vacant homes to approximately 171 – slashing its vacancy rate to just over 2% in 18 months.

The 2% vacancy rate was targeted to bring CHH in line with the average vacancy rate in the affordable housing sector in Ontario.

CHH also took this opportunity to enhance or add accessibility features in many of its homes and used higher quality materials to better withstand typical wear and tear associated with long-term, purpose-built rental properties.

On average, about 40-50 homes become vacant every month within CHH’s portfolio, with repairs needed ranging from a simple coat of paint to extensive repair beyond regular wear-and-tear.

Achieving the near 2% target represented a remarkable effort across the CHH organization to return as many affordable homes to as many Hamiltonians as possible.

In September of 2023, CityHousing Hamilton hired a Supervisor of Community Safety to coordinate security services across CityHousing Hamilton’s properties, address tenant’s safety concerns, and to implement upgrades and changes to improve safety, while working with Hamilton Police Services to improve our mutual understanding about the issues in CHH’s communities. The supervisor also works closely with third-party security vendors to better align services to meet tenants needs.

One tangible example of this work includes a partnership between Hamilton Police Services, CityHousing Hamilton, Niwasa Kendaaswin Teg, McQuesten Planning Team, Wesley, De Dwa De Dehs Nye Aboriginal Health Centre, and Boys and Girls Club. This partnership provides wrap around supports that include life skills, recreation activities, employment skills, counselling, wholistic

wellness, culturally relevant activities, Elders, ceremonies, land-based activities, primary care and street outreach, youth gang education and awareness.

The supervisor has cultivated relationships with the Hamilton Region Rapid Intervention Support Team (RIST) to help transient homeless individuals who attempt to find shelter on CHH properties. RIST offers wraparound case management to those who are homeless, experience mental illness, or struggle with addiction.

Many of those who call our communities home are seniors, and CHH has joined the Good Shepard – Seniors at Risk in Hamilton Collaborative, a working group facilitating timely interventions and supports for seniors impact by abuse, exploitation, precarious housing, food insecurity and social isolation.

The supervisor has also cultivated new relationships and coordinated efforts with members of federal, provincial, and local law enforcement agencies, assisting in more than 40 investigations in 2024.

In an effort to improve tenant safety across the portfolio, a Crime Prevention Through Environmental Design (CPTED) Program has been implemented, a strategy for making neighborhoods safer by improving the physical design of the environment. This involves assessing the safety of properties, and introducing strategies aim to reduce victimization, deter offender decisions that precede criminal acts, and build a sense of community among inhabitants so they can gain territorial control of areas, reduce crime, and minimize fear of crime. Recommendations can include planting trees and shrubs, eliminating escape routes, improving camera coverage, correcting the use of lighting, and encouraging pedestrian and bicycle traffic in streets. Tests show that the application of CPTED measures reduces criminal activity.



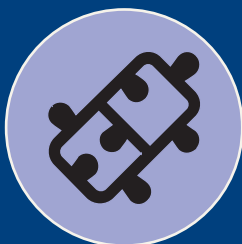
EDI and Accessibility

Accessibility report with highlights from ACPD Housing Group

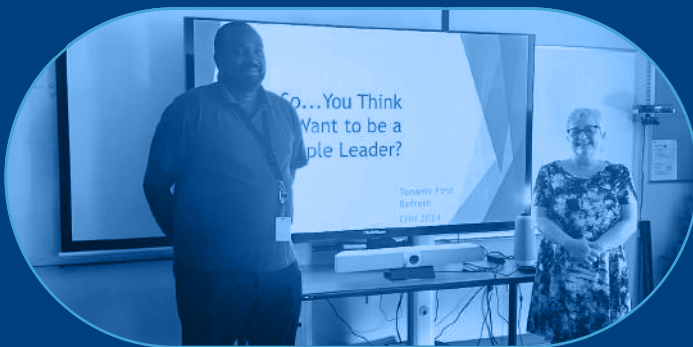
In 2023, CityHousing Hamilton (CHH) Board of Directors received a presentation from the Advisory Committee for Persons with Disabilities (ACPD) with recommendations to improve accessibility at CHH buildings. CHH has implemented a multi-year plan to address the ten recommendations. In 2024, CityHousing Hamilton:

Hired an Equity, Diversity and Inclusion (EDI) Specialist. This new position is responsible for developing an Inclusion, Diversity, Equity and Accessibility (IDEA) framework for tenants and staff. This will help to mitigate accessibility issues at properties and support tenants' individualized needs.

Since February 2024 CHH has had two staff participating regularly in the Extreme Heat Working Group. Pertinent information from this working group is disseminated back to the organization.



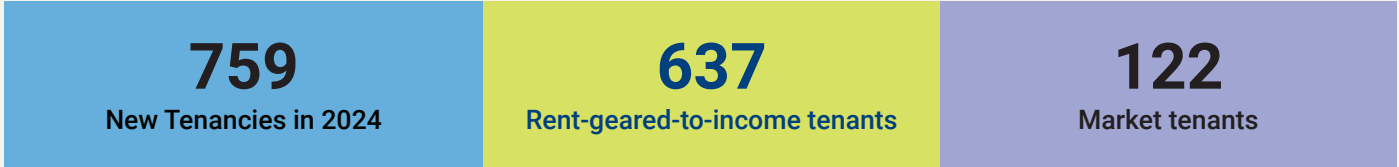
The Equity, Diversity, and Inclusion Specialist has also implemented an IDEA (Inclusion, Diversity, Equity, and Accessibility) Roadmap. This roadmap focuses on embedding staff and tenant feedback into the adoption of an IDEA culture, identifying areas of strength and room for growth across the organization. These inputs are instrumental in identifying emerging trends and themes, and will inform the development and implementation of a comprehensive stakeholder consultation plan.



In 2024, the Equity, Diversity, and Inclusion specialist engaged front-line staff and management to identify opportunities to better serve tenants in an equitable, inclusive, and accessible way. Communicating in a tenants preferred language, and the methods of communications available were identified as areas to improve. Staff participated in "Brave Conversation" training, to provide employees with guidelines to help actively engage in uncomfortable conversations. 104 staff completed the training in 2024.

The Brave Conversation training focused on the difference between safe space and brave space, and how to create brave spaces in the workplace. This training aligns with the City of Hamilton's training on how to interrupt inappropriate behaviour and engage in challenging conversations in the workplace. The goal of the Brave Conversation training is to enhance our delivery of equitable and culturally safe care for our tenants and to provide a welcoming and inclusive work environment. It's not about changing personal convictions and beliefs, but it does involve challenging them, so that we examine our norms, practices, actions, and beliefs and the impact they may or may not have on the service we provide to our tenants and our shared work environment. It also involves learning about the norms, practices, actions, and beliefs that might differ from our own, and examining how we can create shared spaces and experiences of respect and belonging, even amidst difference.

Welcoming New Tenants



A picture of a kitchen in a new unit.

The Tenant Administration Department supports current and prospective tenants across their tenancy and experience with CHH. Tenant administration helps applicants from the centralized waitlist¹ choose units within CHH buildings to call home.

They also help tenants maintain their rent subsidies through annual renewals, navigate legislation², policies, and procedures that determine their rent calculation, and help connect tenants and prospective tenants to staff who can best answer inquiries. This team is also responsible for renting market rent units³ and for facilitating tenant transfers.

Partnership and Engagement

Working together with community partners, CHH offered tenants free or low-cost accessible programming and engagement opportunities. These programs focused on addressing food insecurity, digital literacy, therapeutic arts, health promotion, and leadership skill development.

Program Coordinator

In 2024, CityHousing hired a second Program Coordinator, specifically focusing on supporting the programming needs for tenants located at Vanier Towers and Main-Hess. This, in turn, allowed the existing Program Coordinator to better focus on gaps in the service needs of tenants at family units



without impacting programs that already exist at many seniors' locations. Tenant communities continue to grow, with 36 different tenant-led groups running in many CHH communities.

Thrive Community Wellness Hubs

In November of 2024, in collaboration with The Greater Hamilton Health Network and Able Living Services, two community wellness hubs were launched at 801 Upper Gage and 405 York. All tenants will have access to wellness services including foot care, nutrition, exercise programs, and social events.

Promoting Senior Health

In partnership with community paramedics, 436 tenants received influenza vaccines at senior buildings, and a new partnership with a pharmacy helped 143 tenants who live in family or single sites get flu shots this year. Healthy Aging Fitness continues to deliver Falls Prevention and Exercise classes to more than 200 seniors at 12 CHH locations. In 2024 this represented a cumulative 3000 hours of sweat.

Advancing Digital Literacy for Seniors

McMaster University, in partnership with CityHousing Hamilton held a digital literacy training program for seniors in March and April of 2024. The training was held at First Place and was open to all residents of CHH's seniors' buildings. To encourage continual learning, each participant was given a tablet of their own at no cost to them. Having now

completed the first cycle of this exciting project, the research team at McMaster University is currently analyzing collected data to assess the impact of the program which will rely very much on participant feedback. This initiative underscores our dedication to advancing digital literacy and inclusivity for CityHousing Hamilton's senior population.



Evolving Wall Collaboration with the Art Gallery of Hamilton

This project, which addresses social isolation and encourages friendship and connection, was expanded to 5 additional CityHousing Hamilton buildings throughout 2023 and 2024. The program, funded by a grant from New Horizons, helps seniors express themselves through the creation of art tiles, which become part of an art display in building common spaces.

Engagement Sessions

Staff conducted engagement events throughout the year, building relationships between staff and tenants, and connecting tenants to services. One particular engagement was hugely successful, where more than 150 tenants attended.

17 ¹ A single list where people apply and wait for available housing.
² Laws that affect how rent and housing are managed.
³ Apartments that are rented at affordable market rates, not at a subsidized rate.

⁴ A picture of participants in a digital literacy project with McMaster University 18

like these help CityHousing Hamilton engage with tenants to identify future programming opportunities and provide feedback on current programs and activities.

Tax Clinic

Tenants took advantage of the tax clinics offered in partnership with the Community Volunteer Income Tax Program, where 810 tenants got help successfully filing their tax returns, the biggest number yet.

Caring for Pets

Thanks to a partnership with the SPCA, tenants are able to access low or no-cost veterinary care for their pets. Tenant support workers are regularly approached by tenants in need with pets who are struggling to provide pet food. Thanks to SPCA, tenants in need are able to access quality pet food,

directly from Tenant support workers, helping tenants keep their pets happy and healthy.

Tenant Support Worker

Tenant support workers focus on eviction prevention and connect tenants to supports and services that will improve their quality of life and help them sustain their tenancies. Unfortunately, many community resources tenants relied on have closed, changed eligibility, or reduced services. This has led to move programming and supports needed at all CHH properties. Tenant Support Workers engage tenants through being a regular presence at CHH buildings. Their knowledge of our communities helps the Partnership Development team identify what programs and services tenants need and want as we continue to look for opportunities to expand existing or deliver new services for tenants.

Maintenance

Preventative maintenance remains a focus for CityHousing Hamilton. In 2024, work continued on sump pump¹ inspections and repairs across the portfolio of properties as well as duct cleaning and sewer stack cleaning².

One major area of focus has been on conducting inspections and audits of CityHousing’s electrical equipment in order to ensure equipment remains reliable to keep tenants connected. This can include thermal testing³ to detect potential defects, allowing for timely maintenance and repair, preventing inconvenient and costly breakdowns.

19 ¹ A device that removes water from basements or low areas to prevent flooding.
² Cleaning vertical pipes that carry wastewater to prevent blockages.
³ Using heat detection to find electrical problems before they cause failures.



CityHousing Hamilton has taken a no shame, no blame approach to pest concerns in tenant homes.

The presence of pests are often accidental, and no one wants pests in their home, so CHH’s pest management uses a number of approaches to prevent, detect and treat a pest issue in a tenant’s homes. These can include preventative maintenance, education for tenants, an easy reporting process and a quick response time. In 2024, pest control conducted 5,679 inspections before treatments, and completed more than 10,000 pest control service requests.

Building for the Future

Opening of 257 King William

CityHousing Hamilton opened a first-of-its-kind building at 257 King William, providing 24 deeply affordable homes for people experiencing or at risk of homelessness and living in encampments.

Through a partnership with Indwell, CHH is providing wrap-around services and supports like counselling, addictions, and mental health programming, to help tenants recreate a sense of community, build new skills, and gain mental health and addictions support.

As with all new developments, this building is near net-zero¹, achieving Passive House certification², ensuring high energy efficiency and ultra-low greenhouse gas emissions.



106 Bay Street North

In another first-of-its-kind building, CHH opened 106 Bay Street North, a 55-unit building offering affordable, near net-zero community focused housing.

Transit-Oriented:

106 Bay Street North hosts innovative partnerships to provide affordable alternative transportation options through Communauto’s car-share program, with two car-share cars available directly on site. All households received memberships to Hamilton Bike Share which are also available nearby. The building is close to HSR and GO bus stops and is also within walking distance of a future LRT station.

Community and Family-Focused:

This multi-generational building features 35 one-bedroom units, and 20 three-bedroom units uniquely designed for families. The project replaces 45 (of 91) deeply affordable rent geared-to-income (RGI) units from the Jamesville site and adds 10 new moderately affordable half-market units to Hamilton’s housing supply. As is the standard for all new CityHousing Hamilton buildings, 20 per cent of units are barrier-free to meet or exceed Accessibility for Ontarians with Disabilities Act (AODA) standards.

Multi-phase Development:

106 Bay Street North does not have tenant parking, which allows for a second phase of development on the site as funding allows,



providing a sustainable and scalable solution to deliver more much-needed affordable housing in the city.

Sustainability Focus:

The building is Passive House certified to deliver near-net zero energy performance, reinforcing CityHousing Hamilton’s commitment to sustainability and environmental responsibility.

Work continued on two other projects under active construction:

1620 Main St E

1620 Main St E is a 42-unit building located adjacent to the 55 Queenston Rd site and is CityHousing Hamilton’s first mass timber project. Mass timber uses sustainably harvested wood in cross laminated timber panels for almost the entirety of the structure, including the stairwells and elevator shafts. Unlike typical concrete and steel construction which cause a significant amount of greenhouse gas emissions in their production, mass timber almost substantially reduces greenhouse gas emissions for the production of the structure of the building.

Like most of CityHousing Hamilton’s projects this building was certified under Passive House International standards which will make it one of the most energy efficient buildings in all of



Hamilton and ensure low operating costs and almost zero greenhouse gas emissions for the life of the building. Tenants were welcomed in summer of 2025.

55 Queenston

55 Queenston Road is a 40-unit building located next to 1620 Main St E, being built on the former City Motor Hotel site. The 25 one- bedrooms and 15 two-bedroom deeply affordable apartments provide tenants with safe and comfortable homes, while also providing for the broader communities needs with the placement of a daycare center in the ground-floor commercial space. Tenants were welcomed in summer of 2025.



21 ¹ A building that uses very little energy and offsets most of its energy use.
² A standard for highly energy-efficient buildings.
³ A picture of a new building at 257 King William Street.

Additional Successes:

The Development and Revitalization website section was launched, detailing the stories and project updates relevant to our community.

CityHousing Hamilton also introduced a new role on the development team, hiring a Senior Financial Analyst to coordinate and lead subject specific focus and expertise on pro forma¹ and funding that will enable efficient development growth. The role specializes in finding and securing new and unique funding sources to delivery continued affordable housing renewal and growth.

CityHousing Hamilton began to put a 20-year development strategy into motion. The strategy will guide CHH towards an aligned series of development priorities that are socially, financially, and environmentally sustainable. Over the next 20 years, the board approval for this strategy will unlock hundreds of net new units through the renewal of existing CHH properties, strategic acquisition of new properties, the redevelopment of some aging properties, and gentle, phased intensification² that minimizes displacement.

Future Foundations is CHH's first comprehensive development strategy for future revitalization, acquisition, and new development. CHH has previously developed lands as opportunities arose, with project-by-project direction from the Board of Directors (the Board). This approach has enabled CHH to be nimble and responsive, but it has not provided a framework for the organization to systematically direct resources to advance development at significant scale.

This Development Strategy began with a robust engagement process intended to establish a vision for CHH's next 20 years. The project team spoke with CHH and City of Hamilton staff, tenant groups, decision makers, and other stakeholders. Through this extensive engagement process, four Guiding Principles and seven Development Priorities were established to set the stage for decisions regarding CHH's specific development targets for the coming years.

Four Guiding Principles:



Embedded Equity



Financial Viability



Sustainability



Maximizing Public Benefit



Seven Development Priorities:

1

Ambitiously expand Hamilton's affordable housing supply

2

Maximize the housing impact of CHH properties, in balance with impact on existing tenants

3

Strategically acquire to retain and expand affordable housing supply

4

Deliver mixed-use and mixed-unit projects to foster community building and support multi-generational needs

5

Deliver units across the housing continuum³

6

Demonstrate leadership in housing delivery

7

Consider time, financial and economic viability, and use time and resources effective

The development strategy puts tenants first, by establishing a new approach to tenant engagement and re-housing to reduce the negative impact on tenants, and ensure that tenants are thoughtfully engaged and supported throughout the necessary changes that will enable continued investment in and expansion of CHH's affordable rental properties.

¹ A financial plan that estimates a project's costs and revenues.

² Gradually increasing housing density over time.

³ A range of housing options.

Maintaining Portfolio

\$30,734,477

Total value in capital projects to repair, restore, and renew



With an average age of 48 years, CHH's portfolio requires long-term capital repair investments, balancing a commitment to excellence in portfolio management with sustainable spending.

In 2024, asset renewal projects were carried out under a number of funding sources, including municipal and provincial programs, as well as the CMHC Repair and Renewal fund. These projects keep tenant homes comfortable and safe, while helping CityHousing reduce energy use and greenhouse gas emissions.

As CityHousing continues on a journey to put tenants first across the organization, tenant satisfaction was at the forefront for many projects with heat-pump retrofits to improve tenant comfort in all seasons, enhanced exterior and interior lighting improvements, and improved hot water heating systems.

There was a significant focus on improving the accessibility of common areas, so that CityHousing properties are accessible for all residents. Projects also included emergency generator upgrades, exterior cladding upgrades

and window replacements to improve tenant comfort and energy efficiency.

CityHousing developed a strategic funding approach for energy initiatives to strengthen CHH's ability to achieve a 25 per cent by 2028 energy and emissions targets, while achieving improved social, environmental, and economic outcomes associated with capital repairs. This 25 per cent reduction target is relative to 2017 levels across its portfolio of townhouse and apartment buildings.

This strategic funding approach aims to secure new funding opportunities for capital projects to address building components and systems that are in poor condition or have reached the end of their life cycle, to reduce energy use and greenhouse gas emissions, and to complete capital repairs that enhance the accessibility of CHH buildings and properties.

44 Total Projects Completed in 2024

- 18 Mechanical Projects \$15,675,413
- 9 Health & Safety Projects \$8,625,065
- 1 Electrical Projects \$102,390
- 13 Envelope Projects \$5,534,700

Energy Savings by the Numbers

The last complete calendar year of utility data demonstrates that as of December 31, 2024, CHH has achieved the following:

- 17,594 MWh per year of energy saved
- 2,321 tCO₂e per year of greenhouse gas emissions reduced
- Resulting in:
 - 14.8% reduction in energy consumption
 - 15.4% reduction in greenhouse gas emissions



Reducing Environmental Impact



In 2024, CHH continued to identify and implement energy and water efficiency initiatives, which are contributing towards our target of a 25% reduction in energy use and greenhouse gas emissions by 2028.

CityHousing Hamilton worked with utility conservation program providers to install heat pumps, fridges, LED light bulbs, and smart thermostats at no cost to tenants.

Initial work was completed as part of a pilot

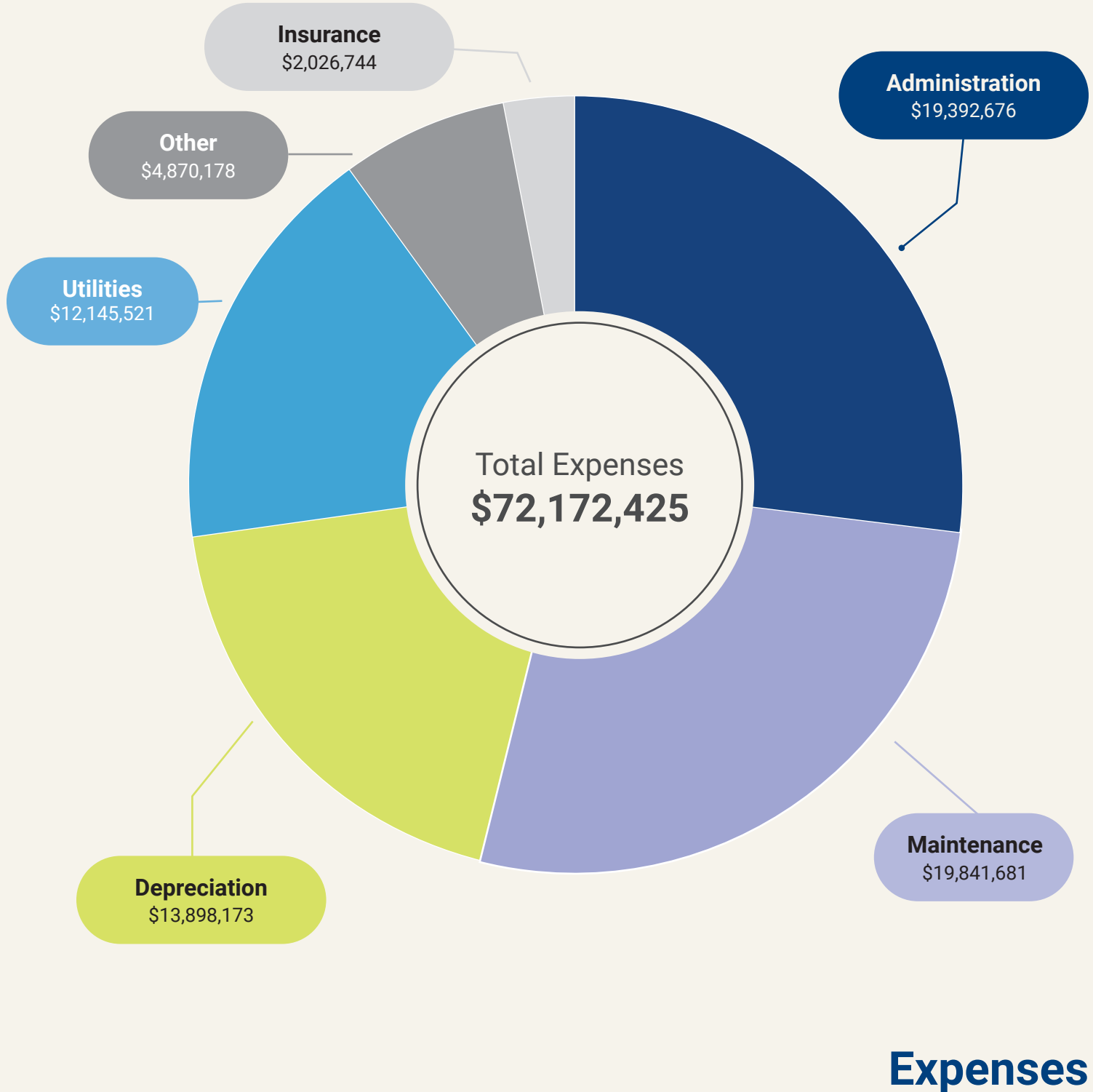
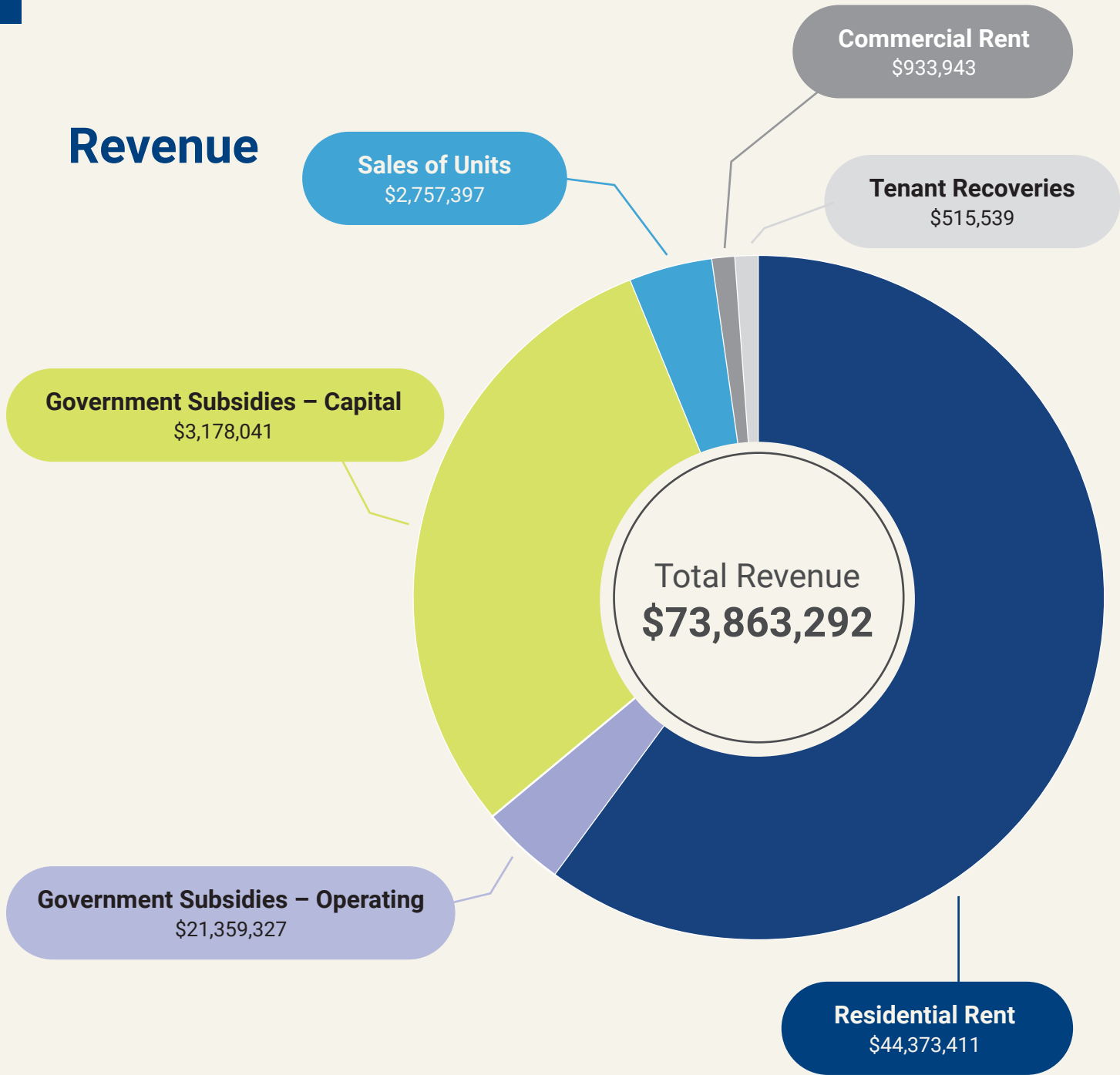
project in 2023, and in 2024 was carried out across more properties across the portfolio.

As this work progresses, CHH has established efficient processes and laid the groundwork to complete similar upgrades for the rest of CHH's units in 2025-2026.

The initial results of this initiative are demonstrating a positive impact on CHH and its tenants.

Financial Performance

Revenue



Expenses

Staff Engagement



In 2024, staff engagement was at the forefront of everything we did. Staff contributed across departments to provide input on major strategic directions such as the development strategy and the strategic communications plan.

These engagement sessions continue to help CHH re-orient and focus our culture, resources need, and organizational structure around the three service pillars identified in the 2023-2027 strategic plan: High Quality Tenant Experience, Excellence in Portfolio Management, and Optimal Organizational Performance. Staff have rallied around these service pillars.

Staff continued to cultivate¹ a culture of lifelong learning through lunch and learns and formal

training offered through the City of Hamilton. In 2024, CHH staff contributed to a thriving workplace culture and to their communities through supporting the March for Larch after-school program and competing in the City of Hamilton United Way Bus Pull Challenge.

CHH continued its practice of hosting an All Staff Day as a way to thank and celebrate staff and highlight the accomplishments achieved through the year.

In 2024, CHH's All Staff Day featured team building exercises, professional learning and development, and a presentation from CEO Adam Sweedland on the work done in 2024 to advance the Tenants First Refresh Plan and our 2023-2027 strategic plan.



29 ¹ To help create.
² Three photos off staff at events like barbeques and Orange Shirt Day.

Governance and Senior Leadership

CityHousing Hamilton is governed by a nine-member Board of Directors comprised of five City Councillors and four members from the community, bringing a variety of experience and perspectives.



BOARD OF DIRECTORS

- Councillor Nrinder Nann** Ward 3 Councillor; President
- Christine Griffith** Vice President; Citizen Member
- Councillor Tammy Hwang** Ward 4 Councillor; Treasurer
- Karl Andrus** Citizen Member
- Adriana Harris** Citizen Member
- Councillor Tom Jackson** Ward 6 Councillor
- Councillor Cameron Kroetsch** Ward 2 Councillor
- Alice Plug-Buist** Citizen Member
- Councillor Alex Wilson** Ward 13 Councillor

SENIOR LEADERSHIP

- Adam Sweedland** Chief Executive Officer
- Rochelle Desouza** Chief Financial Officer
- Sean Botham** Manager, Development
- Brian Kinaschuk** Manager, Maintenance
- Bernice Lilley** Manager, Asset Renewal
- Tracy Murphy** Manager, Tenant Administration
- Gillian McLaughlin** Manager, Partnership Development & Support Services
- Leanne Ward** Manager, Operations
- Amanda Warren-Ritchie** Manager, Strategy, Quality Improvement

Thank you to our Community Partners

CityHousing Hamilton is very fortunate to be in regular collaboration with a wide variety of dedicated community partners without which many of our programs and services would not be sustainable.



Able Living , Thrive Group	East Side Pharmacy	Life Hearing Solutions
Alzheimers Society	Food For Life	Livercare
Art Gallery of Hamilton	Good Shepherd	McMaster University
Banyan Community Services	Goodwill Industries	McQuesten Farms
C & DC Mobility	Green Venture	Marchese Pharmacy
CAMH (Centre for Addictions & Mental Health)	HIRO	Mohawk College
CBI Health	HRIC (Hamilton Regional Indian Centre)	Narcotics Anonymous
CMHA (Canadian Mental Health Association)	Hamilton Christian Fellowship Church	Neighbour to Neighbour
CVITP (Community Volunteer Income Tax Program)	Hamilton Health Sciences	New Horizons
Cancer Screening Bus	Hamilton Literacy Council	Niwasa Kendaaswin Teg
City of Hamilton Recreation Services	Hamilton Public Library	Ontario Disability Supports Program
Compass Community Heath	HARPS (Healing Arts Program)	Ontario Health
Community Paramedics	Hamilton Police Services, Senior Support Officer	Ontario March of Dimes
Cycling Without Age	Hausers Pharmacy	Ontario Works (OW)
Distress Centre Halton	Home Management	Public Health
Dundas Community Services	Humber College	Queenston Pharmacy
Dundas Valley School of Art	Kiwanis Boys & Girls Club	RCC Church
Earth Wisdom Yoga	LARCH After School Program	Salvation Army

¹ A picture of CityHousing Hamilton's Board of Directors at a meeting.
² An aerial picture of the city of Hamilton.



181 Main Street West 3rd Floor
Hamilton, Ontario L8N 4E5



Call 905-523-8496 Ext.7303
Fax 905-546-3234



hamilton.ca/CHH



Date:	November 5, 2025
Report to:	Board of Directors CityHousing Hamilton Corporation
Prepared by:	Rochelle Desouza, Chief Financial Officer
CEO/Secretary Signature	Adam Sweedland, Chief Executive Officer 
Subject:	Audited <u>2024</u> Financial Report for CityHousing Hamilton Corporation (Report #25028)
Report Type:	Recommendation for Approval

Recommendation(s):

That Report #25028 Audited 2024 Financial Report be received for information and the following recommendation(s) **approved**:

- a) The President and Vice-President of CityHousing Hamilton Corporation (CHH) be authorized to execute the final 2024 Financial Reports for CHH as audited by KPMG LLP and attached as Appendix A to Report 25028.

Executive Summary:

CityHousing Hamilton Corporation (CHH) has prepared its 2024 financial statements as per the Canadian Public Sector Accounting Standards.

KPMG, CHH's appointed Auditor, has audited the draft 2024 financial statements for CityHousing Hamilton (Appendix A). The report includes three key financial reports:

- Statement of Financial Position – summarizes the financial balances as at December 31, 2024.
- Statement of Operations and Accumulated Surplus – details operating results for the fiscal year ending December 31, 2024.
- Statement of Cash Flow – outlines the sources and uses of funds and explains any changes in cash or working capital.

Consolidated operating results show a net surplus of \$1,690,867 compared to a budgeted surplus of \$5,667,286, resulting in a net unfavourable variance of (\$3,976,419). The surplus reflects depreciated values of assets amortized over future years, but the revenue is recognized in the year it is earned.

Background and Additional Information:

Table 1 – Variances (consolidated)

Revenue	Description	2024 Budget	2024 Actual	Variance
	Rental Revenue & Recoveries	45,836,882	43,373,411	-2,463,471
	City of Hamilton Operating Subsidy	21,314,017	21,359,327	45,310
	Commercial Rental	832,698	933,943	101,245
	Tenant Recoveries	534,701	515,359	-19,342
	Amortization of Deferred Revenue	0	1,639,192	1,639,192
	Sold Units	0	384,432	384,432
	Other Revenue (parking, capital funding programs,	1,686,650	5,657,628	3,970,978

	energy rebates, interest earned, etc.)			
	Subtotal	70,204,948	73,863,292	3,658,344
Expenditures				
	Salaries & Benefits	20,469,577	19,392,676	1,076,901
	Bad Debts	431,179	731,802	-300,623
	Insurance	2,350,318	2,026,744	323,574
	Maintenance	15,545,413	19,841,681	-4,296,268
	Depreciation & Accretion	11,014,420	14,996,543	-3,982,123
	Interest on long-term debt	1,339,112	1,267,902	71,210
	Municipal Property Taxes	879,706	1,058,801	-179,095
	Debentures	710,755	710,755	0
	Utilities	11,797,182	12,145,521	-348,339
	Total	64,537,662	72,172,425	-7,634,763
Annual Surplus before Service Manager Reconciliation		5,667,286	1,690,867	-3,976,419

The audited financial statements attached (Appendix A) require execution by the President and Vice-President following approval by the Board of Directors

Additional information for the 2024 variance is set out below:

REVENUE (Favourable \$3,658,344)

- Residential Rent – There was an unfavourable variance of (\$2,463,471). The budget is established primarily based on rents determined by the Service Manager with annual indices applied per provincial regulations. Actual revenue reflects what CHH received. This includes market rents with increases applied as per the *Residential Tenancies Act*. When budgets were created vacancy rate was expected to be around 2.5%, which trended higher at December 2024.
- Commercial Rent – There was a favourable variance of \$101,245. This reflects the extension of a commercial lease at 181 Main Street West not originally budgeted for 2024.
- Tenant recoveries – There was an unfavorable variance of (\$19,342). The budget estimated a higher recovery than received, collection efforts in 2024 were slowed down due to the cyber incident.
- Subsidy – There was a favourable variance of \$45,310. This reflects the annual reconciliation to the Service Manager and funds returned to the City of Hamilton.
- Other revenue – There was a favourable variance of \$3,970,978. This is the result of the budget being based on benchmarking and actual revenue being higher and includes interest, incentive funding and energy rebates in 2024. This also includes Development Charges received from the City of Hamilton.
- Sold Units - \$384,432 in revenue was received through the sale of units in 2024 and transferred to the sold unit fund.
- Amortization of deferred revenue – There was deferred revenue of \$1,639,192. This reflects the terms of transfer payment agreements which require the revenue to be amortized over the length of the affordability period of the agreement.

EXPENDITURES (Unfavourable \$7,634,763)

- Salaries, wages and benefits (Favourable variance of \$1,076,901). This primarily is the result of our Tenant First Refresh Plan and implementation starting in 2025 and time lags between employee departures and recruitment.
- Bad Debt Expenses (Unfavourable variance of \$300,623). Additional efforts to close out former tenant files resulted in higher-than-expected write-offs. All uncollectable accounts written off until June 2024. These are accounts which, based on age, are considered unlikely to be recoverable.
- Insurance – Favourable of \$323,574. There has been a change made to how deductibles are recorded. Previously, the deductible was paid when the file was concluded by the adjuster. Beginning in 2023, deductibles are paid at the time of the incident. Most old claims are closed and new files with front ended deductibles.
- Maintenance (Unfavourable variance of \$4,296,268). Security and waste/removal and grounds maintenance continue to be high-cost drivers for maintenance. In addition, the growing volume of unit turnovers results in more tenants. This drives additional need and requests for security, pest control, routine maintenance, and common element repairs such as elevators, fire systems and HVAC. Unit turnover costs were split between maintenance, special City funding and Poverty Reduction Funds and expensed under the respective project.
- Municipal property taxes (unfavourable \$179,095). In 2024 there were two properties 690 Stone Church Rd West and 4 Bridgewater for which property taxes are paid and equal funds are received as part of the operating subsidy, resulting in a net zero impact to CHH. CHH pays property taxes on some market and commercial properties and on sites under construction are included in this variance. CHH is only able to seek tax exemption once these sites are fully constructed and occupied.
- Utilities (unfavourable \$348,339). CHH implements energy and water initiatives that target significant annual utility cost avoidance. Some of these initiatives include heating controls, LED lighting retrofits, mechanical equipment upgrades, and regular water leak investigations.

In 2024, utility expenses were 3% higher than budgeted. Overall, this is a minor variance given the complex number of variables affecting utility costs (utility rates, weather, tenant behaviour, etc.).

One of the primary factors leading to an unfavourable variance on utility costs in 2024 was utility rates. In 2024, market electricity rates increased by 7%, market natural gas rates decreased by 23%, natural gas rates procured through Housing Services Corporation (HSC) increased by 42%, and water rates increased by 9% compared to 2023.

In 2025, CHH will readjust Hydro (i.e., electricity) and Heating Fuel (i.e., natural gas) budgets to reflect recent shifts in utility usage and rate trends and re-allocate this funding to support other areas, but being benchmarked this can sometimes not be achieved.

Note: some numbers have been rounded and grouped for presentation.

Consultation:

Internal CHH Departments:

External: KPMG (City of Hamilton appointed auditor for CityHousing Hamilton Corporation)

Financial and Legal/Risk Considerations:

Audited statements are required to be approved by the Board and Shareholder annually.

Next Steps and Milestones:

Present 2024 Audited Financial Reporting to City of Hamilton for approval in its capacity as sole-shareholder of CityHousing Hamilton Corporation.

Strategic Alignment:

This report supports the following 2023-2027 CityHousing Hamilton Strategic Priorities:

- A WHOLE TEAM APPROACH: Strengthen our people and performance.

Supporting Presentations and Appendices:

Appendix A – 2024-12-31 CHH Financial Statement

Financial Statements of

**CITYHOUSING HAMILTON
CORPORATION**

And Independent Auditor's Report thereon

Year ended December 31, 2024

DRAFT

CITYHOUSING HAMILTON CORPORATION

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For the year ended December 31, 2024

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Statement of Changes in Net Debt.....	3
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DRAFT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of CityHousing Hamilton Corporation and Members of Council of the City of Hamilton

Opinion

We have audited the financial statements of CityHousing Hamilton Corporation (the "Corporation"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CityHousing Hamilton Corporation as at December 31, 2024 and its results of operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our report.

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's' report thereon, included in the 2024 annual report

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the 2024 annual report as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this

other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

Date

CITYHOUSING HAMILTON CORPORATION

Statement of Financial Position

As at December 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash	\$ 7,736,406	\$ 20,837,000
Accounts receivable (note 4)	20,556,080	5,897,916
Investments (note 5)	23,017,411	19,378,018
Due From City of Hamilton (note 7)	—	919,395
	51,309,897	47,032,329
Liabilities		
Accounts payable and accrued liabilities (note 12)	25,132,357	18,500,667
Accrued mortgage interest	131,092	119,966
Deferred revenue (note 6)	30,403,673	28,439,718
Due to City of Hamilton (note 7)	34,911,925	—
Loans and mortgages (note 8)	43,375,350	43,498,439
Post-employment benefits (note 11)	2,881,386	2,910,591
Rent deposits	2,714,918	1,911,380
Asset retirement obligation (note 16)	151,143,685	212,815,918
	290,694,386	308,196,679
Net debt	(239,384,489)	(261,164,350)
Non-financial assets		
Prepaid expenses	2,013,935	1,777,055
Tangible capital assets (note 15)	327,734,598	346,643,406
	329,748,533	348,420,461
Contingencies (note 17)		
Accumulated surplus (note 13)	\$ 90,364,044	\$ 87,256,111

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

CITYHOUSING HAMILTON CORPORATION

Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 14)	2024 Total	2023 Total
Revenue:			
Residential rental	\$ 45,836,882	\$ 43,373,411	\$ 40,427,630
Government subsidies	21,314,017	21,359,327	20,848,817
Government subsidies - capital	—	3,178,041	13,680,385
Other income	1,686,650	2,479,587	2,896,698
Amortization of deferred revenue	—	1,639,192	1,218,512
Commercial rental	832,698	933,943	1,127,669
Tenant recoveries	534,701	515,359	638,515
Gain on sale of units	—	384,432	2,757,397
	70,204,948	73,863,292	83,595,623
Expenditures:			
Administration	20,469,577	19,392,676	16,333,043
Maintenance	15,545,413	19,841,681	17,648,297
Depreciation	11,014,420	13,898,173	13,035,118
Utilities	11,797,182	12,145,521	11,376,144
Insurance	2,350,318	2,026,744	2,288,926
Interest on long-term debt	1,339,112	1,267,902	1,254,449
Accretion	—	1,098,370	1,100,918
Municipal property tax	879,706	1,058,801	898,059
Bad debts	431,179	731,802	755,105
OHC repayment (note 9)	710,755	710,755	734,663
	64,537,662	72,172,425	65,424,722
Annual surplus before service manager reconciliation	5,667,286	1,690,867	18,170,901
Service manager reconciliation	—	1,417,066	—
Annual surplus	5,667,286	3,107,933	18,170,901
Accumulated surplus, beginning of year	87,256,111	87,256,111	69,085,210
Accumulated surplus, end of year	\$ 92,923,397	\$ 90,364,044	\$ 87,256,111

See accompanying notes to financial statements.

CITYHOUSING HAMILTON CORPORATION

Statement of Changes in Net Debt

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Annual surplus	\$ 3,107,933	\$ 18,170,901
Purchase of tangible capital assets	(57,776,509)	(43,240,327)
Gain on sale of tangible capital assets	(384,432)	(2,757,397)
Proceeds on disposal of tangible capital assets	400,973	2,951,767
Depreciation of tangible capital assets	13,898,173	13,035,118
Change in asset retirement obligation (note 15)	62,770,603	—
	22,016,741	(11,839,938)
Net increase in prepaid expenses	(236,880)	(246,472)
Increase in net debt	21,779,861	(12,086,410)
Net debt, beginning of year	(261,164,350)	(249,077,940)
Net debt, end of year	\$ (239,384,489)	\$ (261,164,350)

See accompanying notes to financial statements.

CITYHOUSING HAMILTON CORPORATION

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 3,107,933	\$ 18,170,901
Items not involving cash:		
Depreciation	13,898,173	13,035,118
Accretion expense for asset retirement obligation	1,098,370	1,100,918
Gain on disposal of tangible capital assets	(384,432)	(2,757,397)
Amortization of deferred revenue	(1,639,192)	(1,218,512)
Post-employment benefits	(29,205)	(463,109)
Change in non-cash assets and other liabilities:		
Accounts receivable	(13,562,091)	1,398,103
Prepaid expenses	(236,880)	(246,472)
Accounts payable and accrued liabilities	5,535,617	6,268,133
Rent deposits	803,538	152,959
Accrued mortgage interest	11,126	(5,108)
	8,602,957	35,435,534
Capital activities:		
Purchase of tangible capital assets	(57,776,509)	(43,240,327)
Proceeds on disposal of tangible capital assets	400,973	2,951,767
	(57,375,536)	(40,288,560)
Financing activities:		
Repayment to City of Hamilton	—	(9,713,376)
Advances from the City of Hamilton	35,831,320	—
Deferred capital contributions	3,603,147	18,410,926
Repayment of loans and mortgages (net)	(123,089)	(3,232,645)
	39,311,378	5,464,905
Investing activities:		
Change in investments (net)	(3,639,393)	(3,128,965)
Net change in cash	(13,100,594)	(2,517,086)
Cash, beginning of year	20,837,000	23,354,086
Cash, end of year	\$ 7,736,406	\$ 20,837,000

See accompanying notes to financial statements.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2024

CityHousing Hamilton Corporation (the "Corporation") is incorporated with share capital under the Ontario Business Corporations Act to provide, operate, and construct housing accommodation primarily for persons of low and moderate income. The Corporation's shares are 100% owned by the City of Hamilton (the "City"). The City is also the Service Manager for the Corporation. The Corporation is exempt from tax under the Federal Income Tax Act.

1. Significant account policies:

The financial statements of the Corporation have been prepared in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Corporation are as follows:

(a) Basis of accounting:

The Corporation follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

(b) Government subsidies:

Government transfers received are from federal and provincial governments and the City of Hamilton. Government transfers paid relate to service manager reconciliation adjustments to the City of Hamilton. Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except, when and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished. Government transfers made by the Corporation are recognized as expenses when the transfer is paid.

(c) Other income including rental income:

Other income is reported as revenue in the period earned. Rental income is reported as revenue in the period earned at the agreed upon rental rate between the Corporation and the tenant.

(d) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant account policies (continued):

(d) Non-financial assets (continued):

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed or donated tangible capital assets are recognized as tangible capital assets at their fair value at the date of receipt and as revenue. Interest is not capitalized to tangible capital assets during construction.

(ii) Depreciation:

Depreciation is recorded to reflect the cost, net of anticipated salvage value, associated with the use of the asset in providing services over the estimated useful life of the asset. Depreciation expense is calculated on a straight-line basis over the assets' estimated useful lives as follows:

Asset	Number of years
Buildings and structures	20 - 40
Furniture and equipment	5 - 20
Leasehold improvements	20
Land improvements	20
IT equipment	3 - 5

One half of the annual depreciation is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(e) Post-employment benefits:

The Corporation provides certain employee benefits which will require funding in future periods. These benefits include extended health and dental benefit for early retirees and vested sick leave. The costs of extended health and dental benefits and vested sick leave are actuarially determined using management's best estimate of salary escalation, earned days accumulated for certain employees payable at retirement, health care cost trends, long term inflation rates and discount rates.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as service payments and health and dental benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains or losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant account policies (continued):

(e) Post-employment benefits (continued):

The costs of multi-employer defined contribution pension plan benefits, such as the Ontario Municipal Employees Retirement System (OMERS) pensions, are the employer's contributions due to the plan in the period. These contributions are recognized in the period in which the contributions are earned.

(f) Deferred revenue:

Deferred revenue arising from the receipt of government subsidies for the construction and acquisition of housing units are amortized to revenue over the period that the units are operated. Under the terms of the Corporation's government transfer agreements, the Corporation is required to operate the units for 20 years. Accordingly, these government subsidies are amortized to revenue over 20 years.

(g) Investments:

Investments consist of short-term and long-term bonds and pooled equity instruments. Investments are carried at cost. Investment income is recognized only to the extent received or receivable. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

(h) Provincial debentures:

Certain public housing properties which were originally financed by the Province of Ontario through general obligation provincial debentures are currently being repaid by the Corporation, however the Corporation is not legally responsible for the settlement of the debt. Accordingly, the provincial debentures are not presented on the Corporation's statement of financial position. Under PSAS, the amount of repayment in the year is recognized as an expense in the statement of operations.

(i) Use of estimates:

The preparation of financial statements in accordance with public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant estimates include assumptions used in performing actuarial valuations of liability for post-employment benefits. Actual results could differ from those estimates.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant account policies (continued):

(i) Use of estimates:

The following is a list of all instruments and their related measure.

Financial Asset	Measurement Basis
Cash and cash equivalents	Cost/amortized cost
Accounts receivable	Cost/amortized cost
Investments	Cost/amortized cost
Financial Liability	Measurement Basis
Accounts payable and accrued liabilities	Cost/amortized cost
Post employment benefits	Cost/amortized cost

2. Change in accounting policies:

PS 3400: Revenue

The Corporation adopted Section PS 3400 - Revenue on a prospective basis effective January 1, 2024.

Revenue establishes standards on how to account for and report on revenue, specifically differentiating between revenue arising from transactions that include performance obligations, referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. Taxation revenue is excluded from the scope of this standard. The implementation of this standard did not result in significant changes or financial impacts to the corporation.

PS 3160: Public Private partnerships

The Corporation adopted Section PS 3160 – Public Private Partnerships (P3) on a prospective basis effective January 1, 2024.

The new standard requires the recognition of a tangible capital asset and corresponding performance obligation liability for infrastructure acquired through public private partnerships with a user-pay model. Previously, the Corporation was not required to recognize these assets or liabilities. The performance obligation liability is initially recognized as deferred revenue and revenue is recognized in future fiscal periods, when the performance obligations are satisfied.

The implementation of this standard did not result in significant changes or impacts to the corporation.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

2. Change in accounting policies (continued):

PSG-8: Purchases Intangibles

The Corporation adopted PSG-8 – Purchased intangibles (PSG-8) on a prospective basis effective January 1, 2024.

The new guidelines require capitalization of purchased intangibles such as patents, trademarks and easements, and results in the recognition of assets that were previously prohibited by PSAS.

The implementation of this standard did not result in significant changes or financial impacts to the Corporation.

3. Accounts receivable:

	2024	2023
Tenant receivable	\$ 7,499,182	\$ 3,595,528
Subsidy receivable	911,209	1,014,440
Other	480,933	27,447
HST receivable	11,468,585	1,711,359
Service manager receivable	1,096,073	—
Allowance for doubtful accounts	(899,902)	(450,858)
	\$ 20,556,080	\$ 5,897,916

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

4. Investments:

	2024	2023
Cost	\$ 23,017,411	\$ 19,378,018
Market value	23,812,903	19,444,425

5. Deferred revenue:

Deferred revenue consists of grants received for housing units. The Corporation must operate and maintain the units for a period of 20 years.

	2024	2023
557 Queenston St.	\$ 119,299	\$ 238,599
Bridgewater	1,895,469	2,211,380
500 MacNab St.	5,100,000	5,400,000
CMHC Repair & Renewal Forgivable Loan	6,840,309	4,112,162
257 King William St.	7,992,928	8,413,608
106 Bay St.	1,256,250	1,256,250
55 Queenston Rd.	750,000	-
8 Roxanne Dr.	6,449,418	6,807,719
	\$ 30,403,673	\$ 28,439,718
Continuity	2024	2023
Balance, beginning of year	\$ 28,439,718	\$ 11,247,304
Add: grants received	3,603,147	18,410,926
Less: amounts recognized in revenue	(1,639,192)	(1,218,512)
Balance, end of year	\$ 30,403,673	\$ 28,439,718

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

6. Due to/from the City of Hamilton:

- (a) Included in amounts owing to the City of Hamilton is a long-term liability for 211 King William (City Views). The liability bears interest at 4.75% per annum, maturing December 31, 2040 and payable in equal annual installments of principal and interest of \$61,437. The liability is secured under a general security agreement on the property. The balance outstanding at the end of the year is \$660,237 (2023 - \$689,859).

Principal charges in each of the next six years and thereafter are as follows:

2025	\$	31,046
2026		32,538
2027		34,102
2028		35,741
2029		37,458
2030 and thereafter		489,352
	\$	660,237

- (b) Included in amounts owing to the City of Hamilton is a long-term liability for the water conservation project. The liability bears interest at 2.5% per annum, maturing August 31, 2026 and payable in equal annual installments of principal and interest of \$114,259. The liability is secured under a general security agreement over the assets of the corporation. The balance outstanding at the end of the year is \$220,225 (2023 - \$326,326)

Principal charges in each of the next two years are as follows:

2025	\$	108,753
2026		111,472
	\$	220,225

- (c) Included in amounts owing to the City of Hamilton is a long-term liability for 500 MacNab project. The liability bears interest at 2.63% per annum, maturing May 6, 2030 and payable in equal annual installments of principal and interest of \$1,063,000. The liability is secured by 20 Congress and 30 Congress Ave. The balance outstanding at the end of the year is \$5,537,700 (2023 - \$6,460,650). Principal will be repaid in equal installments of \$922,950 over the 10-year period.
- (d) Included in amounts owing to the City of Hamilton is a long-term liability for 8 Roxanne project. The liability bears interest at 2.14% per annum, maturing May 30, 2044 and payable in equal annual installments of principal and interest of \$1,203,664. The liability is secured against the property of 8 Roxanne. The balance outstanding at the end of the year is \$19,396,979 (2023 - \$nil).

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

8. Due to/from the City of Hamilton (continued):

Principal charges in each of the next six years and thereafter are as follows:

2025	\$ 786,347
2026	803,265
2027	820,547
2028	838,201
2029	856,234
2023 and thereafter	15,292,385
	\$ 19,396,979

- (e) The remaining amounts owing to/from the City of Hamilton are non-interest bearing with no fixed repayment terms and are recognized in accounts receivable and accounts payable in the normal course of operations. At December 31, 2024, the Corporation had an amount owing from the City of Hamilton \$9,096,784 (2023 - \$8,396,230) related to payroll costs. These amounts are recognized at the carrying amount.

7. Loans and mortgage payable:

	2024	2023
Canada Mortgage and Housing Corporation 4.08% mortgage for 75 Wentworth Street North and Ashley/Century, renewing January 1, 2027, payable in equal monthly instalments of principal and interest of \$16,942	405,504	588,817
Canada Mortgage and Housing Corporation, 0.69% mortgage for 1150 Limeridge Road East, renewing January 1, 2025, payable in equal monthly instalments of principal and interest of \$23,168	22,922	297,014
Scotia Mortgage Corporation, 2.248% mortgage for 1781 King Street East, renewing January 1, 2027, payable in equal monthly instalments of principal and interest of \$6,728	164,183	240,316
Scotia Mortgage Corporation, 2.248% mortgage for 67 Ossington Drive, renewing January 1, 2027, payable in equal monthly instalments of principal and interest of \$10,812	263,857	386,209
Scotia Mortgage Corporation, 3.740% mortgage for 1081 Rymal Road East, renewing June 1,		

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

2027, payable in equal monthly instalments of principal and interest of \$11,978	342,674	471,098
Scotia Mortgage Corporation, 4.61% (2023 - 5.83%) mortgage for 10 Brock Street, renewing May 1, 2029, payable in equal monthly instalments of principal and interest of \$7,019	336,298	402,581
Balance carryforward	1,535,438	2,386,035

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CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

7. Loans and mortgage payable (continued):

	2024	2023
Balance carryforward	\$ 1,535,438	\$ 2,386,035
Canada Mortgage and Housing Corporation, 3.64% (2023 - 1.73%) mortgage for 25 Towercrest Drive, renewing June 1, 2029, payable in equal monthly instalments of principal and interest of \$32,277	1,606,453	1,940,972
Canada Mortgage and Housing Corporation, 3.30% (2023 -1.69%) mortgage for 1285 Upper Gage Avenue, renewing August 1, 2029, payable in equal monthly instalments of principal and interest of \$6,166	319,747	384,332
First National Financial LP, 2.99% mortgage for 430 Cumberland Avenue, renewing October 1, 2029, payable in equal monthly instalments of principal and interest of \$69,967	3,775,670	4,491,504
Canada Mortgage and Housing Corporation, 0.69% mortgage for 101 Broadway Avenue, renewing June 1, 2025, payable in equal monthly instalments of principal and interest of \$13,732	822,945	981,471
Scotia Mortgage Corporation, 2.32% mortgage for 1100 Limeridge Road East, renewing February 1, 2027, payable in equal monthly instalments of principal and interest of \$20,940	1,443,032	1,658,296
Canada Mortgage and Housing Corporation, 4.47% mortgage for 1900 Main Street West, renewing June 1, 2026, payable in equal monthly instalments of principal and interest of \$73,762	1,282,291	2,109,528
Canada Mortgage and Housing Corporation, 0.74% mortgage for 122 Hatt Street, renewing December 1, 2025, payable in equal monthly instalments of principal and interest of \$15,333	183,238	365,150
Canada Mortgage and Housing Corporation, 0.83% mortgage for 7-23 Gurnett Drive, renewed December 1, 2024, payable in equal monthly instalments of principal and interest of \$1,769	—	21,134
Balance carryforward	10,968,814	14,338,422

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

7. Loans and mortgage payable (continued):

	2024	2023
Balance carryforward	\$ 10,968,814	\$ 14,338,422
Canada Mortgage and Housing Corporation, 2.02% mortgage for 185-206, 210 Jackson Street East, renewing September 1, 2027, payable in equal monthly instalments of principal and interest of \$36,538	1,171,983	1,582,370
People's Trust Company, 2.89% mortgage for 162 King William Street, renewing June 1, 2030, payable in equal monthly instalments of principal and interest of \$9,571	997,274	1,082,153
People's Trust Company, 4.03% mortgage for 170 East Avenue South, renewing September 1, 2027, payable in equal monthly instalments of principal and interest of \$21,755	678,796	907,739
Sunlife Financial 3.950% mortgage for 350-360 King Street East, renewing June 1, 2027, payable in equal quarterly instalments of principal and interest of \$250,176	2,371,702	3,257,320
MCAP Financial Corporation 4.09% mortgage for 4 Bridgewater Court, renewing September 1, 2032, payable in equal monthly instalments of principal and interest of \$18,904	2,355,241	2,483,729
Scotia Mortgage Corporation, 4.98% mortgage for 405 York Boulevard, renewed December 1, 2024, payable in equal monthly instalments of principal and interest of \$19,933	—	232,929
Federation of Canadian Municipalities, 3.63% debenture for 500 MacNab St N, renewing September 1, 2040, payable in semi annual instalments of principal and interest of \$144,028	4,613,889	4,731,255
Federation of Canadian Municipalities, 5.03% debenture for 8 Roxanne, renewing August 2, 2044, payable in semi annual instalments of principal and interest of \$48,470	1,213,612	—
Balance carryforward	24,371,310	28,615,917

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

7. Loans and mortgage payable (continued):

	2024	2023
Balance carryforward	\$ 24,371,310	\$ 28,615,917
Canada Mortgage and Housing Corporation, 0.00% mortgage for 500 MacNab St N, renewing August 11, 2028, payable at maturity, only interest payment starting on August 11, 2024 \$53,442 annually	2,650,000	2,650,000
Canada Mortgage and Housing Corporation, 1.73% mortgage for Repair and Renewal 2021, renewing January 1, 2032, payable in equal monthly instalments of principal and interest of \$661	195,322	199,842
Canada Mortgage and Housing Corporation, 1.92% mortgage for 500 MacNab St N, renewing November 1, 2031, payable in equal monthly instalments of principal and interest of \$23,855	6,847,554	7,001,236
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2022, renewing June 1, 2032, payable at maturity, only interest payment paid semi-annually	415,008	415,008
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2022, renewing September 1, 2032, payable at maturity, only interest payments paid semi-annually	1,343,342	1,343,342
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2022, renewing December 1, 2032, payable at maturity, only interest payments paid semi-annually	901,522	901,522
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2023, renewing December 1, 2033, payable at maturity, only interest payments paid semi-annually	598,716	598,716
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2023, renewing December 1, 2033, payable at maturity, only interest payments paid semi-annually	441,973	441,973
Balance carryforward	37,764,746	42,167,556

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

7. Loans and mortgage payable (continued):

	2024	2023
Balance carryforward	\$ 37,764,746	\$ 42,167,556
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2023, renewing December 1, 2033, payable at maturity, only interest payments paid semi-annually	634,307	634,307
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2023, renewing December 1, 2033, payable at maturity, only interest payments paid semi-annually	696,576	696,576
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2023, renewing December 1, 2034, payable at maturity, only interest payments paid semi-annually	1,042,464	—
Canada Mortgage and Housing Corporation, 3.45% mortgage for Repair and Renewal 2023, renewing December 1, 2034, payable at maturity, only interest payments paid semi-annually	3,237,255	—
	\$ 43,375,350	\$ 43,498,439

Future principal payments required on all long-term debt for the next five years and thereafter are as follows:

2025	\$ 5,284,044
2026	4,757,355
2027	3,398,372
2028	4,951,084
2029 and thereafter	24,984,495
	\$ 43,375,350

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

8. Provincial debentures:

The value of the provincial debentures not recognized at the end of the year is \$359,057 (2023 - \$846,699). The Corporation made payments in the amount of \$710,755 during the year (2023 - \$734,663).

9. Pension agreements:

The Corporation makes contributions to OMERS, which is a multi-employer plan, on behalf of 156 members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The latest actuarial valuation as at December 31, 2024, reported a funding deficit of \$2.9 billion (2023 - \$4.2 billion). Contributions were made in the 2023 calendar year at rates ranging from 9% to 14.6% depending on the level of earnings. As a result, \$1,242,118 was contributed to OMERS (2023 - \$1,111,944) for current service. The OMERS board has confirmed that contribution rates will remain at the current levels until 2027.

10. Post-employment benefits:

The Corporation provides certain employees benefits which will require funding in future periods. These benefits include sick leave and life insurance and extended health and dental benefits to early retirees.

	2024	2023
Retiree benefits	\$ 694,336	\$ 698,610
Vested sick leave	18,450	19,481
WSIB obligations	47,900	67,200
LTD plan	2,120,700	2,125,300
Balance, end of year	\$ 2,881,386	\$ 2,910,591

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

10. Post-employment benefits (continued):

Information about the Corporation's employee future benefits and obligations are summarized below. The most recent actuarial valuation on the Corporation's retiree benefits and vested sick leave was completed for the December 31, 2023 year-end.

	2024	2023
Accrued benefit obligation:		
Balance, beginning of year	\$ 3,361,057	\$ 3,361,700
Current benefit cost	247,525	219,714
Interest	125,287	145,955
Benefits paid	(382,537)	(366,312)
Balance, end of year	3,351,332	3,361,057
Net actuarial loss	(469,946)	(450,466)
Liability for benefits	\$ 2,881,386	\$ 2,910,591

(a) Liability for vested sick leave benefit plans:

The Corporation provides a sick leave benefit plan for certain employee groups. Under the sick leave benefit plan, unused sick leave can accumulate, and employees may become entitled to a cash payment when they leave the Corporation's employment.

The significant actuarial assumptions adopted in estimating the Corporation's accrued benefit obligation for vested sick leave is as follows:

	2024	2023
Interest (discount rate)	4.50%	4.50%
Salary increases	3.00%	3.00%
Inflation	2.00%	2.00%

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

10. Post-employment benefits (continued):

(b) Liability for retiree benefits:

The Corporation provides certain health, dental and life insurance benefits between the time an employee retires under the Ontario Municipal Employees Retirement System (OMERS) or the normal retirement age and up to the age of 65 years.

The significant actuarial assumptions adopted in estimating the Corporation's accrued benefit obligation for retiree benefits is as follows:

	2024	2023
Interest (discount rate)	4.0%	4.5%
Health care trend rate*	4.0%	6.0%
Dental care trend rate	4.0%	4.0%

*Decreasing at a rate of 0.13% per annum reaching 4.00% in 2038.

(c) Liability for WSIB benefits obligations:

In common with other Schedule 2 employers, the Corporation funds its obligations to the Workplace Safety and Insurance Board ("WSIB") on a pay as you go basis for employees under Schedule 2. An independent actuarial valuation has been performed on the Corporation's liabilities for future payments, with the most recent valuation completed for the December 31, 2024 year-end.

(d) Liability for LTD plan:

The Corporation provides certain long-term disability benefits which are self-insured by the Corporation. An independent actuarial valuation has been performed on the Corporation's liabilities for future payments, with the most recent valuation completed for the December 31, 2024 year-end.

11. Accounts payable and accrued liabilities:

	2024	2023
Accounts payable	\$ 12,142,151	\$ 8,928,181
Contractor holdbacks	7,723,160	4,215,418
Accrued liabilities including payroll	5,267,046	5,036,075
Service manager payable	—	320,993
	\$ 25,132,357	\$ 18,500,667

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

12. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserve and reserve funds as follows:

	2024	2023
Reserves and reserve funds	\$ (14,154,992)	\$ 6,624,629
Unfunded loans and mortgages	(69,190,491)	(50,285,415)
Unfunded post-employment benefit	(2,881,386)	(2,910,591)
Tangible capital assets	327,734,598	346,643,406
Asset retirement obligation (Note 16)	(151,143,685)	(212,815,918)
Balance, end of year	\$ 90,364,044	\$ 87,256,111

13. Budget data:

The budget data presented in these financial statements are based upon the 2024 approved operating and capital budgets approved by the Board of the Corporation. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

Revenues:	
Operating budget	\$ 70,204,948
Capital budget	9,991,208
Less: capital	(9,991,208)
Total revenue	70,204,948
Expenses:	
Operating budget	70,204,948
Capital budget	9,991,208
Add:	
OHC repayment	710,755
Less:	
Amortization – repayments including ARO	(11,014,220)
Transfers to replacement reserve	4,636,379
Capital expenses	(9,991,208)
Total expenses	64,537,662
Annual surplus	\$ 5,667,286

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements (continued)

Year ended December 31, 2024

14. Tangible capital assets:

(a) Assets under construction:

Assets under construction having a value of \$190,687,759 (2023 - \$137,583,647) have not been depreciated. Depreciation of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

No contributed tangible capital assets have been received in 2024 or 2023.

(c) Tangible capital assets disclosed at nominal values:

Where an estimate could not be made, the tangible capital asset was recognized at a nominal value. No assets were recognized at nominal amount in 2024 or 2023.

(d) Works of art and historical treasures:

The Corporation does not have any works of art or historical treasures.

(e) Write-down of tangible capital assets:

No capital assets were written down during the year.

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2024

14. Tangible capital assets (continued):

	Balance Beginning of year	Additions	Disposals	Change in Estimate	Transfers	Balance end of year	Balance Beginning of	Depreciation	Disposals	Balance end of year	Net Book Value
	Cost					Accumulated Amortization					
Land	27,060,442.00	-	(16,541.00)	-	-	27,043,901.00	-	-	-	-	27,043,901.00
Building and structures	520,213,380.00	4,297,051.00	(72,609.00)	(62,770,603.00)	-	461,667,219.00	363,056,946.00	11,691,000.00	(72,609.00)	374,675,337.00	86,991,882.00
Furniture and equipment	32,273,844.00	375,348.00	-	-	-	32,649,192.00	13,141,439.00	1,711,698.00	-	14,853,137.00	17,796,055.00
Leasehold improvement	2,704,643.00	-	-	-	-	2,704,643.00	1,690,401.00	135,232.00	-	1,825,633.00	879,010.00
Land improvement	5,926,082.00	-	-	-	-	5,926,082.00	2,501,634.00	310,935.00	-	2,812,569.00	3,113,513.00
IT equipment	1,812,448.00	-	-	-	-	1,812,448.00	540,661.00	49,308.00	-	589,969.00	1,222,479.00
Assets under construction	137,583,648.00	53,104,110.00	-	-	-	190,687,758.00	-	-	-	-	190,687,758.00
Total December 31, 2024	727,574,487.00	57,776,509.00	(89,150.00)	(62,770,603.00)	-	722,491,243.00	380,931,081.00	13,898,173.00	(72,609.00)	394,756,645.00	327,734,598.00
	Cost					Accumulated Amortization					
Land	27,160,856.00	-	(100,414.00)	-	-	27,060,442.00	-	-	-	-	27,060,442.00
Building and structures	515,997,131.00	4,578,493.00	(362,244.00)	-	-	520,213,380.00	352,571,628.00	10,843,079.00	(357,761.00)	363,056,946.00	157,156,434.00
Furniture and equipment	31,817,215.00	456,629.00	-	-	-	32,273,844.00	11,459,587.00	1,681,852.00	-	13,141,439.00	19,132,405.00
Leasehold improvement	2,704,643.00	-	-	-	-	2,704,643.00	1,555,169.00	135,232.00	-	1,690,401.00	1,014,242.00
Land improvement	5,926,082.00	-	-	-	-	5,926,082.00	2,185,542.00	316,092.00	-	2,501,634.00	3,424,448.00
IT equipment	1,853,310.00	-	(40,862.00)	-	-	1,812,448.00	485,884.00	58,863.00	(4,086.00)	540,661.00	1,271,787.00
Assets under construction	99,431,140.00	40,718,580.00	(52,697.00)	-	(2,513,375.00)	137,583,648.00	-	-	-	-	137,583,648.00
Total December 31, 2023	684,890,377.00	45,753,702.00	(556,217.00)	-	(2,513,375.00)	727,574,487.00	368,257,810.00	13,035,118.00	(361,847.00)	380,931,081.00	346,643,406.00

CITYHOUSING HAMILTON CORPORATION

Notes to Financial Statements

Year ended December 31, 2024

15. Asset retirement obligation:

The Corporation owns and operates buildings and other structures that are known to contain asbestos. Asbestos is a designated substance declared as a human carcinogen for which the removal and disposal are regulated through legislation. Therefore, the Corporation has recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings and other structures. The estimated liability associated with the removal and post-removal care of asbestos in owned buildings and other structures is based on the undiscounted expected cost of the activities required to settle the legal obligation. Site assessment reports that include the type and quantity of contamination are used with experience and expert advice to determine the cost of retiring asbestos. The estimated cost for retirement activities as at December 31, 2024 was \$151,143,685 (2023 – \$212,815,918).

Changes to the asset retirement obligation in the year are as follows:

2024	Asbestos
Asset retirement obligation, beginning of year	\$ 212,815,918
Changes in estimates	(62,770,603)
Increase in liabilities due to accretion	1,098,370
Asset retirement obligation, end of year	\$ 151,143,685
2023	Asbestos
Asset retirement obligation, beginning of year	\$ 211,715,000
Increase in liabilities due to accretion	1,100,918
Asset retirement obligation, end of year	\$ 212,815,918

16. Contingencies:

As of December 31, 2024, the Corporation is contingently liable for letters of credit relating to the development of property with the City of Hamilton in the amount of \$813,197. As at December 31, 2024, the Corporation has not recorded a liability with respect to these letters of credit.

Date:	November 5, 2025
Report to:	Board of Directors CityHousing Hamilton Corporation
Prepared by:	Rochelle Desouza Chief Financial Officer
CEO/Secretary	Adam Sweedland
Signature	
Subject:	Appointment of Auditor for 2025 Audit Year (Report #25029)
Report Type:	Recommendation

Recommendation(s):

That Report #25029 be received for information and the following recommendation be approved:

- (i) That the Board of Directors appoint KPMG LLP for the 2025 fiscal year audit for CityHousing Hamilton Corporation.

Executive Summary:

Once a year, at its Annual General Meeting, the Board is required to appoint its auditors for the ensuing fiscal year. The City of Hamilton selected KPMG as its auditors for the year 2025; staff recommend that this auditor also be confirmed as the auditor for CityHousing Hamilton Corporation.

Background and Additional Information:

The audit fees for CityHousing Hamilton are based on the Request for Proposal (RFP) procured by the City of Hamilton. For 2025 the cost will be \$20,160 (any audit work that



exceeds the number of hours specified in the RFP will incur additional charges at the agreed-upon rate).

Audit fees are included in CityHousing Hamilton's operating budget.

Strategic Alignment:

This report supports the following 2023-2027 CityHousing Hamilton Strategic Priorities:

- PRIDE IN HOME: Preserve and upgrade CHH's current housing stock.
- NEIGHBOURHOOD REVITALIZATION: Develop new and inclusive affordable mixed housing that builds strong and successful multi-generational communities.
- A WHOLE TEAM APPROACH: Strengthen our people and performance.

Supporting Presentations and Appendices:

None:

AS/rd