



Pre-Budget Submission: Hamilton is Home – Solving homelessness in Canada, one willing community at a time

August 2, 2024

SENT VIA EMAIL: chrystia.freeland@fin.gc.ca

The Honourable Chrystia Freeland
Minister of Finance
Department of Finance Canada
90 Elgin Street
Ottawa, Ontario K1A 0G5

House of Commons
Ottawa, Ontario K1A 0A6

Subject: A viable path to solve homelessness in our lifetime

Dear Minister Chrystia Freeland,

Hamilton is Home is a coalition of eight highly experienced community housing providers operating in Hamilton, Ontario. We organized over four years ago in response to Minister Filomena Tassi's question: "What would it take to move the needle on affordable housing in our lifetime?".

Since then, we have met twice monthly to share insight, develop complimentary plans, and support one another's work toward our shared goal of ending homelessness so all Hamiltonians have access to affordable housing.

Hamilton is Home was instrumental in mobilizing the City to establish a Housing Secretariat Division and develop a streamlined, transparent process to allocate municipal co-investments in over 20 affordable and supportive housing projects this year.

Just two weeks ago, on July 22, a contingent of Hamilton is Home representatives met with Minister Sean Fraser. Minister Fraser was interested in how he could incentivize other municipalities and community housing providers to create coalitions like ours to come to the table shovel-ready and with municipal contributions committed. Our answer is simple: **work with Hamilton is Home community housing providers and the City of Hamilton to demonstrate the power of co-operative, aligned efforts to build**

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affordable and supportive housing, and others will follow suit.

Executive Summary: Hamilton, not unlike other mid-sized cities is facing tandem crises in housing and affordability that a slow and steady approach cannot fix.

Hamilton is Home community housing providers have received municipal co-investments to support construction on over 1500 apartments this year. All projects can be completed within three years, supporting Canadians who are living rough, precariously housed or staying in shelters, or facing homelessness due to skyrocketing rental costs. We are requesting \$369 million in strategic federal investments over the next three years through Minister Fraser and HICC to launch 21 projects that will transform the affordable housing reality in Hamilton. We are prepared to take the responsibility of maximizing this federal investment and showing the country what collaboration can achieve on the housing crisis.

The City of Hamilton and our membership of reputable, community housing providers have the capability to deliver on this investment. Your commitment this fall will help demonstrate a model of proactive federal investment that enables achievement. Piloting this approach will encourage collaboration between non-profits, municipal departments, trades, and industry.

By investing \$369M in our projects this year – funds which are already available through the Federal Budget 2024 – you will be helping us demonstrate that your government is committed to results. Together we can showcase a model that brings a substantial number of new homes online quickly. A significant investment like this will dramatically change the trajectory of the fight to end homelessness and ensure Canadians in Hamilton can afford a home that meets their needs.

Background and Need:

Homelessness has reached crisis levels in Hamilton and under-housing is affecting the health and stress levels of households at risk, as well as raising tensions in communities where homelessness is most visible. This crisis is compounding mental health challenges, intimate partner violence, and testing the compassion of residents who have not witnessed displays of community suffering and desperation in these ways. Tragically, it also violates the right to housing of those experiencing suffering and desperation in encampments. Finally, the housing and homelessness crisis in Hamilton is straining local government resources, forcing a downstream approach to meeting the responsibilities of upper levels of government.

There are just under 2000 people experiencing homelessness and just 500 shelter beds

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in the City of Hamilton. Of these individuals, over 500 are experiencing chronic homelessness – requiring some level of healthcare to exit shelter or encampments into supported housing. This population is the most visible, vulnerable and desperate for support. Meanwhile, there are over 6000 households on the City’s housing waitlist who face the threat of homelessness.

1. Project Details: Our projects have been planned thoughtfully to support target-populations and address specific community needs. These include people looking to transition from encampments or shelters; rebuilding their lives after fleeing intimate partner violence; and, those seeking stable, independent affordable housing for their families. These are specific projects that can all be developed immediately with your investment:

Year 1 – Budget 2025

Supportive housing units are indicated in green

Project No.	Organization	Units	CMHC Financing Required	CMHC Forgivable Loan Required	Total CMHC Funding Required
1	Good Shepherd	156	\$19,900,000	\$11,700,000	\$31,600,000
2	Good Shepherd	10	\$0	\$750,000	\$750,000
3	Indwell	23	\$3,400,000	\$1,725,000	\$5,125,000
4	Indwell	50	\$7,850,000	\$3,750,000	\$11,600,000
5	Indwell	32	\$2,400,000	\$2,400,000	\$4,800,000
6	Indwell	41	\$6,150,000	\$3,075,000	\$9,225,000
7	Kiwanis	124	\$29,000,000	\$9,300,000	\$38,300,000
8	Kiwanis	12	\$2,500,000	\$300,000	\$2,800,000
9	Sacajawea	40	\$5,800,000	\$3,000,000	\$8,800,000
10	Sacajawea	30	\$2,800,000	\$2,250,000	\$5,050,000
11	Victoria Park	261	\$71,000,000	\$19,600,000	\$90,600,000
12	Victoria Park	105	\$21,000,000	\$7,900,000	\$28,900,000
13	YWCA	90	\$0	\$34,100,000	\$34,100,000
14	YWCA	10	\$1,000,000	\$3,360,000	\$4,360,000
Total		984	\$173 MILLION	\$103 MILLION	\$276 MILLION

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Year 2 -- Budget 2026

Supportive housing units are indicated in green

Project No.	Organization	Units	CMHC Financing Required	CMHC Forgivable Loan Required	Total CMHC Funding Required
15	City Housing Hamilton	66	\$5,400,000	\$4,950,000	\$10,350,000
16	City Housing Hamilton	24	\$1,800,000	\$1,800,000	\$3,600,000
17	Good Shepherd	280	\$28,000,000	\$10,500,000	\$38,500,000
18	Good Shepherd	51	\$5,700,000	\$3,900,000	\$9,600,000
19	Indwell	18	\$2,500,000	\$1,350,000	\$3,850,000
20	Kiwanis	55	\$8,500,000	\$2,750,000	\$11,250,000
21	Victoria Park	60	\$11,200,000	\$4,500,000	\$15,700,000
Total		554	\$63 MILLION	\$30 MILLION	\$93 MILLION

2. Our Total Investment Request:

Year 2025

CMHC Financing: \$173 million

CMHC Forgivable Loan: \$103 million

Total CMHC Funding: \$276 million

Of this total, the following funding is requested specifically for supportive housing projects, to create 286 units:

CMHC Financing: \$47 million

CMHC Forgivable Loan: \$64 million

Total CMHC Funding: \$111 million

Year 2026

CMHC Financing: \$63 million

CMHC Forgivable Loan: \$30 million

Total CMHC Funding: \$93 million

Of this total, the following funding is requested specifically for supportive housing projects, to create 349 units:

CMHC Financing: \$36 million

CMHC Forgivable Loan: \$18 million

Total CMHC Funding: \$52 million



3. Expected Outcomes:

Affordable Units: 1,065 units designed to meet the needs of households of varying demographics.

Supportive Units: 473 units designed to support unhoused and vulnerable households with integrated health and support services.

Economic Impact: More proactive investment means less reactive spending. [The Canadian Observatory on Homelessness uses local data to calculate that ending homelessness could save \\$7B annually](#) – to further invest proactively. Each of our units built also creates a full year of employment for skilled trade workers.

Social Benefit: Improved health of community members, better social cohesion and improved fiscal wellbeing of the healthcare system including a shift in investment over time.

Replicability: Demonstrates a replicable model to encourage collaboration between community, non-profits, and local governments to make the first co-investment and develop a plan to deploy federal government funding on a localized responsibility model similar to the [Housing Accelerator Fund](#) program.

4. Future Program Design:

Federal Investments leverage Municipal Contributions: this investment can pilot a national approach to rapidly deploying federal resources to maximize outcomes. Proponent + municipal investments of 15%-35% can directly leverage federal investments, as well as Provincial contributions to supported housing, providing a predictable investment model that results in faster development and successful outcomes in homes built.

Community Services and Support: Incentivizes municipal departments to prioritize affordable and supportive housing projects to ensure accountability of results.

Project Management and Oversight: The City can receive and distribute federal funds, easing the burden on CMHC of individual project due diligence as projects are already pre-approved for municipal co-investments. City can administer on a claims basis as projects move through development to completion.

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Conclusion:

Hamilton is Home and the City of Hamilton's Housing Secretariat Division are ready to discuss the ways that we can make Hamilton a leading example of what the federal government's National Housing Strategy can do when everyone comes to the table. These investments are critical to moving the needle on affordable housing development in Hamilton – answering the challenge we heard from Minister Tassi.

Immediate action is key to ending our housing crisis. Federal support this summer will activate 1,516 housing starts within 12 months. We are keen to work out a portfolio approach with Housing, Infrastructure, and Communities Canada to streamline the due-diligence required to realize these projects and ensure their collective impact. Transferring the \$369 million investment to Hamilton upfront raises the bar for Hamilton is Home and the City of Hamilton to take immediate action. Current federal budget allocations are in place to fund this portfolio this year, before unspent funds are returned by CMHC.* Hamilton is Home is ready to deliver the affordable housing your government wants to see and that our community desperately needs, accelerating completion of 1,516 homes for Hamiltonians within three years. We look forward to working with you to finalize this landmark commitment and immediately activate the projects our members can deliver.

Sincerely,



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HAMILTON IS HOME COALITION MEMBERS: *Indwell* – (Chair) Graham Cubitt, Pres. of Flourish, Dir. of Projects & Development for Indwell; **City Housing Hamilton** – Adam Sweedland, CEO; **Victoria Park Community Housing** – Lori-Anne Gagne, CEO; **Hamilton East Kiwanis Non-Profit Homes** – Brian Sibley, Executive Director; **Sacajawea Non-Profit Housing** – Miranda Rappazzo, Executive Director; **YWCA Hamilton** – Medora Uppal, CEO; **Good Shepherd Non-Profit Homes** - Alan Whittle, Director, Community & Government Relations; **Habitat for Humanity Hamilton** - Sean Ferris, Executive Director

*<https://www.tbs-sct.canada.ca/ems-sgd/edb-bdd/index-eng.html#infographic/dept/42/financial>