

# HOMES FOR ALL

Platform for an Affordable Hamilton



August 2021

# EXECUTIVE SUMMARY

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Like many Ontario cities, Hamilton is in a housing crisis and we need all levels of government to play a role in finding solutions. Low and moderate income tenants across Hamilton are facing increasing displacement pressures, are forced to stay in substandard housing because they cannot afford to move, face the long wait of adding their name to the waitlist for social housing or when no other options are available - face become homeless until the city can offer an affordable unit.

The situation is dire and more must be done municipally to address the crisis. This report will outline action the city can take to create more affordable housing on private and public land and expand on ACORN's tenant protection demands.

We need to keep tenants housed that currently have affordable housing and we urgently need the City of Hamilton to build more of it.

## Creating more affordable housing on public and private land

- 1) The City of Hamilton must implement a strong inclusionary zoning by-law to ensure affordable housing is built near high density transit areas on private land.
- 2) The City of Hamilton must prioritize real affordable housing on public land.

## Protecting Hamilton's existing affordable housing stock

- 1) The City of Hamilton must implement a city wide landlord licensing program to protect tenants from renoviction and substandard housing, based on the policy from New Westminster, British Columbia
- 2) The City of Hamilton must implement a city wide rental replacement policy and require that tenants displaced by demoviction can return to their units at the same rent in the new development

The City of Hamilton has the power to do more to protect tenants and increase the number of new affordable housing units. The crisis demands bold and swift action.

ACORN Hamilton looks forward to continuing to work with our allies and City Councillors and staff to ensure housing for all!



# WHAT IS ACORN?

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ACORN Canada is a multi-issue, mass-based union of low- to moderate-income people. The purpose of the union is to give people power so that they can have their voices heard at the highest levels of the country. With chapters across the region, province, and across the country, ACORN is able to be both a local-based union winning local campaigns, as well as a large organization combining forces to fight national corporations and governments that are at the root of most of our problems.

ACORN Hamilton started in 2017 and has grown to have three chapters across the city: Downtown, Mountain & East End.



Contact info:

1031 Barton St E Suite 210

[www.acorncanada.org](http://www.acorncanada.org)

905-393-5734

[hamilton@acorncanada.org](mailto:hamilton@acorncanada.org)

Social Media:

Facebook @HamiltonACORN

Twitter @ACORNHamilton

Instagram @HamiltonACORN

# INTRODUCTION

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Since 2017 ACORN has been organizing in Hamilton for stronger tenant protections against substandard housing and in 2020 began advocating for local policy to restrict renoviction. While ACORN will keep fighting for municipal policy to protect Hamilton's existing market affordable housing stock, we urgently need the city to create more of it.

Hamilton is in an affordable housing crisis. Due to lack of vacancy control in Ontario and not enough subsidized housing being built, Hamilton tenants face skyrocketing rents and little hope of securing an affordable apartment. For August 2021, the average rent of a one bedroom apartment is \$1,395 and the waitlist for social housing stands at over 6,000 households.

In 2021/2022 the City of Hamilton said that "at least 400 new affordable housing units in Hamilton will break ground or be completed" and "in 2020 over 700 households from Hamilton's Access to Housing (ATH) wait list were housed". But we know that these numbers do not come close to ensuring that every Hamilton tenant that needs an affordable home is offered one.

This report will outline steps the City of Hamilton can take to increase the stock of affordable housing in Hamilton. ACORN is calling on the city to use all available tools and implement bold policies to maximize the number of affordable housing units that can be built on private and public land in the city. We need City Hall to put the urgent housing needs of Hamilton ahead of the profit of developers.



# DEFINITION OF AFFORDABLE HOUSING

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Hamilton once known as a city with affordable market rental housing has become increasingly unaffordable to low and moderate income tenants. Low wage workers, ODSP & OW recipients and fixed income seniors cannot afford the average market in Hamilton anymore.

Over the past decade, Hamilton rents have risen 49%: more than double the increase in cost of living.

## What affordable housing means to tenants?

30% of household income is considered affordable. But reports have shown 45% of Hamilton renters are living in unaffordable housing - meaning that they are spending more than 30% of their income on rent. 20% of renters live in deeply unaffordable homes by spending more than 50% of their income on rent.

## What affordable housing means to the City of Hamilton?

For subsidized housing units, the city has the definition of rent geared to income but for affordable market rent, the city considers no more than 125 per cent of the average market rent for the area.

## Hamilton needs real affordable housing

125 per cent of the average market rent is not affordable to low and moderate income tenants. We need the City of Hamilton to prioritize affordable housing for ODSP & OW recipients, fixed income seniors and low wage workers - target people making \$10,000 - \$30,000 with affordability programs.





# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 1) INCLUSIONARY ZONING

After persistent organizing and campaigning by ACORN Ontario chapters and its allies, the Province began to introduce legislation in 2016 enabling municipalities to establish inclusionary zoning policies. It took until 2018 for the province to pass regulations enabling municipalities to implement their policies. However, in 2019, with the election of a new Progressive Conservative government, some of the powers to implement IZ were taken back from cities with the passage of Bill 108.

Bill 108 limits the scale of IZ in Hamilton but remains a powerful planning tool that ensures a predetermined amount of affordable housing is included in new residential developments, close to high density transit developments. This tool dates back more than 40 years when it was implemented in several US jurisdictions. Given the current state of the housing crisis and its worsening situation in Hamilton, the importance of a policy such as IZ cannot be overstated. It's not the entire solution but a piece of it.

Bill 108 reduces the use of IZ to a "protected major transit station area or an area in respect of which a development permit system is adopted or established in response to an order made by the Minister of Municipal Affairs and Housing under section 70.2.2". In other words, Hamilton's future LRT and existing and planned GO Transit Stations can play an important role in creating more affordable housing.

ACORN Hamilton is calling on the City of Hamilton to create a bold inclusionary zoning policy that includes:

- A set aside rate of minimum 40% affordable housing in all new condo & apartment developments where IZ can be used
- Affordable units built with IZ policies be kept affordable forever
- Require targets for accessible housing
- Target incomes of \$30,000 and under for affordability. We need affordable housing for Hamiltonians - ODSP/OW recipients, low wage workers and fixed income seniors
- IZ policy apply to minimum amount of units as set out in the provincial policy (10 units or more)



# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 1) INCLUSIONARY ZONING CONTINUED



The struggle for an affordable city won't end when the city passes its IZ policies. That being said, IZ is an important opportunity to get affordable housing built by leveraging the huge amount of investment expected to continue along the LRT route and surrounding GO Transit Stations. We need to ensure that transit projects benefit the community. The commodification of housing and the huge profits being made off of condo and apartments developments that are primarily sold as investments has driven large numbers of working people out of their communities. ACORN members want to see developer profits cut into, and affordable housing delivered.

Several specific components in a IZ policy that define the requirements developers are obliged to meet:

- "Set Aside Rates" determine what proportion of a new development has to be affordable.
- "Affordability Periods" determine how long the affordable units need to remain affordable.
- "Affordability Levels" determines the rents on the affordable homes for tenants.
- "Thresholds" determine the minimum size of the developments that are required to meet inclusionary zoning requirements.
- "Incentives" outline any direct or indirect compensation offered to developers to help them meet inclusionary zoning requirements while still ensuring the project is economically viable.

# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 2) AFFORDABLE HOUSING ON PUBLIC LAND

Since the mid 1990s, investment in affordable housing by the federal and provincial governments has dwindled. Municipalities have not picked up the slack, failing to produce, deliver or maintain affordable housing, including social and supportive housing, and has resulted in a heavy reliance on the private market and recently investment companies to deliver housing.

In an effort to tackle the city's multimillion-dollar repair backlog in social housing and their "community revitalization strategy", the city has been selling off its real estate assets. Notable current projects underway are Roxborough Park & Jamesville. In both redevelopments, the city maintains a portion of the land for city owned and operated social housing. The rest goes to developers or non-profit housing providers. The city has also endorsed the Hamilton is Home alliance of community housing providers which aims to build 3,000 affordable housing units within 50+ properties over the next three years which will rely on "City land holdings and potential land purchases from government agencies."



In 2015, the median total income of households in Hamilton was \$75,464

In 2015, 27% of Hamilton households had \$40,000 or less in disposable income.

13.0% of Hamiltonians are living below the poverty line.

29.6% of Hamiltonians rent.

Private development is booming in Hamilton. June 2021 the earliest the City has reached the billion-dollar mark in construction value.



# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 2) AFFORDABLE HOUSING ON PUBLIC CONTINUED

For future redevelopment projects or projects that involve public land, ACORN is calling on the City of Hamilton to:

- Ensure rent control in all market rentals created. Due to weakening of the province's rent control laws, units built after November 2018 are not required to have rent control.
- Affordable housing definition tied to income not the market
- Explore keeping public land in public control. The City of Toronto "Housing Now" program leases public land to developers instead of selling.
- Affordable rental housing on all public land, no condos
- 100% affordable housing on public land targeting low to moderate incomes (\$30,000 individuals / \$60,000 households and under)

The City of Hamilton needs to use public land for real affordable housing. We need City Hall to prioritize the right to housing over developer's right to profit.



# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 3) TENANT PROTECTIONS FROM PREDATORY LANDLORDS

Renoviction and demoviction are having a substantial impact on Hamilton's existing market affordable housing stock.

### Impacts

- Displacement of low income & vulnerable residents
- Destroys existing stock of market affordable housing
- Drives up rents in the neighborhood
- Housing instability for tenants
- Increases demand for social housing
- Incentivizes landlords to deliberately let their buildings fall into disrepair
- Increasing pressure on social and health services
- Increase in homelessness



Renoviction is the practice and tactics used by landlords to evict or force out tenants under the guise of major renovation. The goal is to displace low and moderate income tenants who are paying below market rent. Vacated units are renovated and re-rented out at a higher rate.

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Demoviction is the practice by landlords to evict or force out tenants by demolishing the building or apartment suite. Like renoviction, the goal is to displace low income tenants and build a new development to maximize profit. However, tenants do not have the right to return to the new development.

# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 3) TENANT PROTECTIONS FROM PREDATORY LANDLORDS CONTINUED

ACORN is calling on the City of Hamilton to implement city wide policy to protect tenants from renovation and demoviction.

1) Demoviction: The city already has policy in place in the Downtown Secondary Plan that "require development proposals that will result in the demolition or redevelopment of affordable housing units to demonstrate that as a result of the proposed development there is no net loss in the number of affordable housing units within the Central Hamilton Local Housing Market Zone and provide an acceptable tenant relocation and assistance plan."

This policy needs to be expanded city wide and to be strengthened by adding that tenants have first right of refusal in the new development to return to a unit at the same rent. Similar to the rental replacement policy in Burnaby, British Columbia.

2) Renovation: Currently the city is developing a framework to create a comprehensive anti-renovation strategy that looks at licensing (based on policy from New Westminster, British Columbia), proactive tenant education and improvements to the tenant defense fund.

ACORN released a report earlier this year outlining our demands for bold local policy to restrict renovation. The proposed framework matches the areas ACORN has advocated for. We urge the city to move quickly on developing this policy.

3) ACORN has also been advocating for the city to stop giving incentive grants to landlords who are displacing tenants through these predatory tactics





# ACORN'S AFFORDABLE HAMILTON PLATFORM

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## 4) COMMUNITY BENEFITS - LRT

While ACORN's demands for tenant protections from displacement and strong targets for affordable housing on public land are applicable and needed across Hamilton, bold inclusionary zoning will be vital to ensuring that the LRT benefits working class Hamilton residents and is not just a driver of gentrification and filling the pockets of rich developers.

In addition to a strong IZ policy being mandated for the LRT project, ACORN is demanding (specific to the transit project) that:

- The project adopts a zero tenant displacement policy. Tenants across the route and adjoining neighbourhoods are anxious that the project will lead to further displacement of tenants and loss of affordable housing as the project attracts investors looking to buy properties along and near the route and flip affordable housing stock into luxury rentals
- Communication to tenants along the route about the project and their rights as a tenant and resources available to them (include contacts of Hamilton Community Legal Clinic, Housing Help, ACORN)

Furthermore, ACORN will be working as a member of the Hamilton Community Benefits Network to ensure that affordable housing is achieved along the route.



# CONCLUSION

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The struggle for an affordable city won't end with any one specific policy or tool but the powers are there for the City of Hamilton to implement bold local legislation to protect tenants and create more real affordable housing.

ACORN members recognize that the battle for an affordable city will be won when the power of the mass numbers of low-and-moderate income people get more organized than the power of moneyed developers and their lobbyists.

ACORN members hope that these demands will be heard and acted upon by city staff and city councillors. At the end of the day, developers don't vote and politicians rely upon the people for their positions. If the city council is for the people, then the City of Hamilton will do everything in its powers to prioritize the right to housing over the profit of wealthy developers.



# SOURCES

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