SUBJECT: The EnerGuide for Low-Income Households Program (EGLIH) – Letter of Agreement (SSC06009) (City Wide)

RECOMMENDATIONS:

(a) That Canada Mortgage and Housing Corporation be advised that the City of Hamilton will act as the delivery agent for the EnerGuide for Low-Income Households Program (EGLIH).

(b) That the Mayor and City Clerk be hereby authorized and directed to execute the Letter of Agreement, attached as Appendix “A” to Report SSC06009, in a form satisfactory to Corporate Counsel.

(c) That correspondence be sent to the Federal Minister of Human Resources and Social Development with responsibility for Canada Mortgage and Housing Corporation, that the City of Hamilton is pleased to partner with the Federal Government to deliver the EnerGuide for Low-Income Households Program.

Joe-Anne Priel,
General Manager
Community Services Department

EXECUTIVE SUMMARY:

The City of Hamilton is presently the delivery agent for the Residential Rehabilitation Assistance Program (RRAP). RRAP is a federally-funded program that provides financial assistance to lower-income homeowners to improve the condition of their dwelling through home renovations. Natural Resources Canada and Canada Mortgage
and Housing Corporation have introduced a new program called the EnerGuide for Low-Income Households (EGLIH). EGLIH offers a maximum financial contribution of a $3,500 grant for energy retrofit measures to eligible homeowners, private sector landlords, social housing providers and Aboriginals.

As the EGLIH Program provides the potential to piggy-back on the existing RRAP Program, it is appropriate that the City deliver this new program. In addition, delivery within the Housing Branch will provide “one window service” for lower income homeowners and social housing providers seeking financial assistance to improve the conditions of their dwelling.

**BACKGROUND:**

Canada Mortgage and Housing Corporation (CMHC), with the assistance of Natural Resources Canada (NRCan), are providing financial assistance to improve the energy efficiency of housing occupied by low-income households. The EnerGuide for Low-Income Households (EGLIH) Program offers financial assistance to low-income homeowners, private sector landlords of units/beds occupied by low income households and social housing providers where tenants have a low income. Low income is defined by “Core Need Income Thresholds” prepared by Canada Mortgage and Housing Corporation.

The program is intended to reduce the energy costs of housing by providing assistance to cover energy retrofit work on dwellings and rental units. It is not intended that the program cover the cost of an entire energy retrofit of a dwelling. The focus is for energy retrofits that provide the greatest energy savings within the maximum financial assistance available and, at the same time, lead to permanent energy efficiency improvements in the housing stock.

The EnerGuide for Low-Income Households Program will provide $500-million in federal funding over 5 years that will help approximately 130,000 low-income Canadian households make energy-efficiency retrofits. These retrofits will make their housing more affordable and reduce greenhouse gas (GHG) emissions that contribute to climate change.

EGLIH will be a 5 year program that begins in the 2005-2006 delivery year and will expire March 31, 2010. Approximately thirty percent of the $500-million will be allocated to Ontario. The actual dollar allocation to the City of Hamilton has not been determined by Canada Mortgage and Housing Corporation.

The amount of assistance will vary by the type of structure. For single, row and semi-detached housing, maximum financial assistance will be $3,500 in the form of a grant. For multiple-unit buildings and rooming houses, financial assistance will be $1,000 per unit.
EGLIH can be delivered as a “stand alone” program or it can be piggy-backed with the Residential Rehabilitation Assistance Program that the City already delivers. Delivery of the EGLIH Program is consistent with other programs being delivered by the City and this initiative will lead to permanent energy improvements to the housing stock in the City of Hamilton. This provides the dual benefit of lowering energy costs for lower income households and reducing greenhouse gas emissions.

ANALYSIS OF ALTERNATIVES:

Not delivering the EnerGuide for Low-Income Households Program would result in reduced opportunity for lower-income households to access Federal funding to improve the energy efficiency of their dwelling. CMHC would have to make alternative arrangements with existing delivery agents outside the City or train and develop new local agents. In addition, the potential to piggy-back with the RRAP program that the City currently delivers would be reduced.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial - Under the Letter of Agreement between the City and CMHC, attached as Appendix “A” to Report SSC06009 the City will receive a delivery fee of $289 per unit for homeowner applications, and for multi-unit applications $379. These funds are used to cover the administrative aspects of the application processing.

Staffing – Current staffing levels in the Housing Branch of the Employment, Housing and Long-Term Care Division is anticipated to be sufficient to address the budget allocation from CMHC.

Legal – None.

POLICIES AFFECTING PROPOSAL:

None at this time.

CONSULTATION WITH RELEVANT DEPARTMENTS/AGENCIES:

Housing Branch staff has consulted with CMHC staff on the extent of the Budget Allocation, delivery fees and administration protocols.

CITY STRATEGIC COMMITMENT:
By evaluating the “Triple Bottom Line” (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No

Shelter, care is more accessible and enhanced employment opportunities for local contractors are provided and greenhouse gasses are reduced.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
Human health and safety are protected through better living conditions and enhanced quality of residential construction.

Economic Well-Being is enhanced. ☑ Yes ☐ No
Investment in Hamilton’s residential dwelling stock is enhanced and supported.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☑ Yes ☐ No
The ability to deliver a range of program initiatives to meet housing needs in our community emphasizes a corporate culture that promotes staff leadership, innovation and entrepreneurship.

MK/KE/mk

Attach. (1)