**INFORMATION REPORT**

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<th>TO:</th>
<th>Chair and Members Emergency &amp; Community Services Committee</th>
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<td>WARD(S) AFFECTED:</td>
<td>WARDS 1, 2 &amp; 3</td>
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<td>COMMITTEE DATE:</td>
<td>May 5, 2010</td>
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<td>SUBJECT/REPORT NO:</td>
<td>Update Transition of First Place Hamilton to CityHousing Hamilton (CS09073)(a) (Wards 1, 2, &amp; 3)</td>
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**Council Direction:**

Not Applicable

**Information:**

The purpose of this report is to provide the Emergency and Community Services Committee with updated information related to the transfer of First Place Hamilton to CityHousing Hamilton (CHH). The Emergency and Community Services Committee received Information Report (CS09073)(a), dated October 28, 2009, advising that CHH became registered as the legal owner of First Place Hamilton effective October 1, 2009.

CHH is now responsible for all property management, financial, legal, technical and staffing issues related to First Place Hamilton.

**Discharge of Receivership**

On October 1, 2009, all mortgages for all the properties in the First Place, Hamilton portfolio were transferred to CHH. Despite the transfer of ownership and mortgages to CHH, the portfolio still remains under Court Ordered Receivership. Mintz & Partners Limited (the “Receiver”) must make application to the Courts in order to discharge the Receiver. A representative from the Receiver has advised that the final report to Court has been prepared and is currently being reviewed by its Legal Counsel. Once Legal
Counsel for the Receiver has completed the review, a copy of the report will be circulated for comments to the City of Hamilton in its role as Service Manager. It is expected that the report to the City will be forwarded in April, with an anticipated Court date in Hamilton in early May, 2010.

After the Receiver has been discharged and the City is in possession of the Court Discharge Documents, a final report will be provided to the Emergency and Community Services Committee which will provide an accurate and current financial report on First Place Hamilton to Council in its role as sole shareholder of CityHousing Hamilton. At that time, the Emergency and Community Services Committee could decide to advocate to the province for additional funding.

**CityHousing Hamilton Operational Review**

During the fall of 2008 and winter of 2009, a comprehensive operational review of CityHousing Hamilton was undertaken by the City of Hamilton in its role as Service Manager. SHS Consulting, in association with Refact Consulting, was retained through a Request for Proposal process to conduct the review. The review was completed February 26, 2010. Report CS10037 - Comprehensive Operational Review of CityHousing Hamilton - provided The Emergency and Community Services Committee with an overview of the findings and recommendations resulting from the review. The report made note of the following issues specifically related to First Place Hamilton:

- The acquisition of First Place Hamilton, which is one of Ontario’s largest and most complex inner city multi-use residential facilities, has added organizational challenges facing CHH.

- First Place Hamilton requires a significant level of resources to address major issues around repair and renovation, finance, marketing, supported services and related areas.

- It was recommended that a short term transition team be established to focus on addressing these issues and report directly to the CEO of CHH. On completion of this work, which could take from two to three years, First Place Hamilton would then be fully integrated into the regular operations of CHH.

The findings and recommendations from the CHH Operational Review have been presented to the CHH Board of Directors. CHH will establish a joint steering committee with formal terms of reference to review the recommendations and determine a course of action for First Place Hamilton and CHH.
CHH Transition Plan for First Place Hamilton

CityHousing Hamilton has developed a transition plan for First Place. The plan will be presented to the CHH Board of Directors on May 6, 2010. Some of the priorities outlined in the plan are as follows:

- A funding agreement with the Local Health Integration Network is in process for recreational and community development initiatives

- An agreement is being drafted in partnership with CityHousing Hamilton, the Hamilton Community Foundation and St. Joseph’s Health Care to access funding to provide supports for tenants who are in financial need through revenue generated from the Hamilton Tomorrow Fund.

- The postal outlet has been transferred to the pharmacy on site.

- There is a new operator of the variety store – Big Bee Variety Store.

- A feasibility study is underway to lease vacant commercial space to the Social Housing and Homelessness Division, Community Services Department.

- Marketing has been initiated to increase the rental of Assisted Living Units.

- A licensing agreement is underway to provide a Residential Care Facility.

- An environmental assessment will be completed concerning asbestos investigation and management.

Financial Update

A preliminary financial analysis of First Place Hamilton was undertaken by CHH pending the final report from the Receiver. First Place Hamilton, unlike other CHH properties, has many revenue sources including:

- Market rent
- Rent Geared to Income
- Assisted Living Units
- Parking for tenants and commercial customers
- Commercial tenants
- Food sales
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Goals have been established for 2010 to increase revenue such as reducing apartment vacancy losses, improve collections and tighten parking controls.

On October 28, 2009 a letter was received from the Honourable Jim Watson, Minister of Municipal Affairs and Housing in response to a letter from the Mayor seeking additional funding for First Place. The letter stated that the Ministry is no longer in a position to offer additional funding since Hamilton has received considerable funding over the years for First Place.

The letter stated that the City has received:

- $5.1 million in additional funding specifically for First Place
- At the time of transfer, $1.5 million (of the $5.1 million) was provided as a full and final settlement of First Place.
- Canada Mortgage and Housing Corporation has forgiven an $11 million mortgage on the property
- And the City of Hamilton as Municipal Service Manager has access to other funding for capital repairs for social housing.

Capita l Repairs

To date, the City of Hamilton, as Service Manager responsible for the administration of social housing under the Social Housing Reform Act, has approved through federal and provincial Capital Repair Funding and the Social Housing Renovation & Repair Program, over $5,245,486 for First Place for urgent capital repairs, such as elevator repairs, a new roof, plumbing, and electrical boxes.

Tenant Services

The transfer of ownership to CHH was seamless with no interruption of services to the tenants. CHH partnered with St. Joseph’s Health Care to provide continued care to the tenants residing on the Assisted Living Unit (ALU) floor, as well as maintaining the restaurant and ALU dining rooms. CHH partnered with Catholic Family Services to provide life and help services to those tenants who require it. These agencies also provide the programs and services originally provided to the tenants such as recreational events, road trips, accompanying tenants to doctor’s appointments and housecleaning.

CHH has reported that three months into operations, St. Joseph’s Health Care began to change some menu items to more nutritional food options and is continuing to consult with residents regarding their dietary needs. There have been no interruptions in
personal support care and services have continued with the same staff in place that assisted residents prior to the transition.

In an effort to support seniors age sixty years and older who may be at risk of losing their home or ability to live independently, a partnership between Catholic Family Services, St. Josephs' Health Care and CHH was formed and a new program called the Neighbourhood Model was implemented. The community partnership of the three corporations provides a multifaceted approach in providing services that are specific to each corporation’s mandate.