

Chart 4: Average Rents and Vacancy Rates, 1998, 2001, by Area of Hamilton

Area	Average Rent 1998	Average Rent 2001	Vacancy Rate 1998	Vacancy Rate 2001
Downtown Core	\$555	\$629	4.8%	1.9%
Centre East	\$521	\$587	5.5%	0.8%
East End	\$546	\$641	4.1%	2.0%
Central/North	\$506	\$586	6.9%	4.1%
West End	\$576	\$673	1.9%	0.6%
Mountain	\$586	\$647	1.5%	0.7%
City of Hamilton (Former)	\$557	\$630	4.1%	1.6%
Stoney Creek	\$598	\$635	1.6%	1.0%
Dundas	\$672	\$730	1.8%	0.4%
Burlington	\$791	\$864	0.3%	0.3%
Hamilton CMA	\$603	\$677	3.2%	1.3%

In spite of the great demand for social housing, the federal and provincial governments have downloaded this responsibility to the municipalities, and since 1995 there have been no new funds allocated to social housing.

Key Findings from Trends in Homelessness

- The crisis of homelessness in Hamilton has escalated dramatically since 1998. The number of people staying in emergency shelters on a given night has increased from 172 in 1998 to 343 in November 2001.
- Women's shelters, in particular, are having to turn people away on a nightly basis.
- Temporary emergency measures for families such as motel and hotel accommodation have skyrocketed since 1998.
- With the increasing poverty in our community, more and more people with low incomes are forced to make difficult choices about how to make ends meet every month.
- Social assistance rates, particularly for Ontario Works benefits, are extremely inadequate and leaving people

at risk of homelessness. The shelter portion of the allowance falls seriously short of average rents, while the costs for basic necessities such as food, shelter, and clothing exceed the maximum benefit levels.

- The housing market in Hamilton has changed drastically since 1998. Average rents have increased 13% since 1998 and vacancy rates in the CMA have plunged from 3.2% to 1.3%.
- The private rental market is not producing new units in spite of the increased demands and an estimated need of 770 new units annually.
- With long waiting lists and average waits of up to 5 years there is an urgent need for social housing in this community.

Summary

The last time that these indicators were compiled was in 1999 in the report *Our Homes and Our Streets*. While that report documented the rising poverty in our community, it did not find that indicators of homelessness had increased dramatically since 1995. It also reported that while very little rental housing was being built, "Hamilton rents are some of the most affordable in the province" (SPRC, 1999: 51). It also found that the rental housing market vacancy rates above the "healthy" levels as prescribed by CMHC.

The last four years, and the data gathered for the Report Card on Homelessness, tell a very different story. With double the number of people accessing emergency shelters on a given night, vacancy rates plunging, and average rents increasing, the crisis of homelessness has taken a dramatic turn for the worse in Hamilton.

The drastic changes of the last few years have certainly not gone unnoticed by the many agencies, organizations, and individuals who are working to alleviate the crisis of homelessness in this community. It is because of their tireless work, and the commitment of new funding by governments, that this crisis is not even bleaker. And it is only through continued cooperative efforts that there can be some relief for people experiencing this crisis first hand.

To obtain a full copy of The Report Card on Homelessness, please visit our website at <http://www.sprc.hamilton.on.ca> Or contact us by phone at 905-522-1148.

Community Trends in Hamilton-Wentworth

Trends in Homelessness in Hamilton

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Introduction

Since 1998, the SPRC has been collecting and reporting on homelessness trends in Hamilton. As a part of the *Report Card on Homelessness* (2002), research was gathered to update trends first reported in *Our Homes and Our Streets* (1999) and *The Community Action Plan on Homelessness* (2000). It also builds on the 1995 Health of the Public report: *Homelessness and Mental Illness in the Hamilton-Wentworth Region*.

The research focused on three different areas: homelessness, poverty, and housing, and developed indicators for each section. While there is much more in-depth information contained in the full *Report Card*, this Community Trends Sheet will give an overview of the findings for each area of research.

Homelessness Indicators

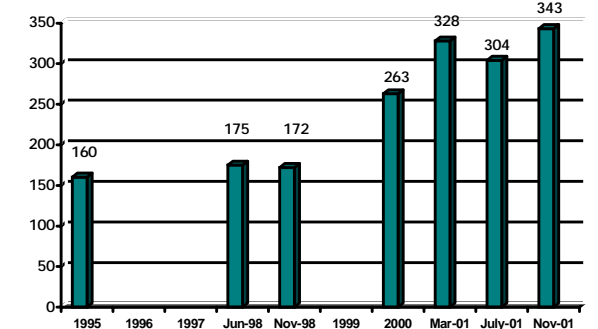
People who are experiencing homelessness stay in a wide variety of locations: on the streets, in parks, in cars, in tents, in alleys, in abandoned buildings, doubled up with friends and family, in motels or hotels, and sometimes, in emergency shelters and hostels.

Of these places, emergency shelters and hostels are among the most accessible and reliable sources of information to make comparisons about the size and scope of the crisis of homelessness over time. However, it must be remembered that the number of people resorting to emergency shelter on a given night is only a small portion of the total number of people who lack a place to call their own.

Emergency shelter use on a given night has increased by 99% since 1998.

The snapshot of homelessness in Hamilton that emergency shelter usage gives us is alarming. In 1995, the number of people staying in emergency shelters on a given night was 160, and in November 1998, it was 172. On any given night in Hamilton in November 2001, there were 343 people staying in emergency shelters – an increase of 99% in 3 years. More people are sleeping on mats or being placed in hotels and motels when shelter beds are full. Different shelters and hostels have

Chart 1: # of People in Emergency Shelters on a Given Night in Hamilton



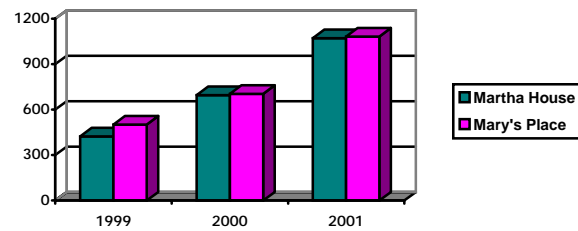
Source: SPRC 2001 Emergency Shelter Survey, Community Action Plan on Homelessness 2000

adapted differently to the growing crisis. Some shelters, primarily the men's, have been able to temporarily meet the growing demand by providing mats on the floor and additional beds. Some shelters have not had the resources to expand to meet the growing demand. When these shelters are full, they must turn away requests for services. Women's shelters in particular are consistently full, and have had to turn away more than 20 requests for service on a given night. These women are then housed in motels



Staff from women's emergency shelters report that the reasons for the increasing number of women and children seeking emergency shelter are due to increasing poverty and the lack of housing options.

Chart 2 - # of Turnaways, Annually, Martha House and Mary's Place



Source: Martha House 2002

The increasing poverty combined with the general lack of housing options for women leaving abusive relationships is making an already dangerous situation worse. Women are faced with difficult choices about whether to remain in emergency shelters longer, leave their communities (for housing options in other communities), or even to return to the abusive relationship.

Poverty Indicators

Poverty and homelessness are deeply connected. People who are poor and at risk of homelessness are faced with an impossible choice deciding between shelter, food or clothing.

As housing costs rise, likelihood of missing a rent payment increases and with it the risk of eviction while less and less is left for other necessities such as food and clothing.

People living in poverty either work in low paying jobs, live on a fixed income such as Old Age Security or Ontario Works, or have no source of income at all. As the *Community Action Plan on Homelessness* states:

For people living in deep poverty, the barrier to finding affordable housing has less to do with the cost of rental accommodation than it has to do with level of income. At some point, it does not matter how affordable housing is, if your income is too low, it will still be unaffordable (p.4).

The poverty rate based on Statistics Canada's Low Income Cutoff for the Region of Hamilton-Wentworth increased sharply between 1990 and 1995 – from 17.4% to 21.9%. The former City of Hamilton's poverty rate was substantially higher at 27.6% -- the second highest municipality in Ontario after Toronto.

The number of people paying more than 50% of their income to housing is increasing.

People who pay more than 50% of their income to rent are experiencing relative homelessness. With such a high portion of their income going to cover housing costs, little is left over to pay for other basic necessities such as food and clothing.

The number of tenant households paying more than 50% of their income to rent increased from 16% (10,000 households) to 23% (15,460 households) in 1995. This increase was one of the largest in Canada. The SPRC estimates that this number has increased to at least 17,000 households in 2001 based on population growth alone.

Spending less than 50% of your income on rent is very difficult for people on Ontario Works. In 1995, the provincial government cut social assistance benefits by 21.6%, and there has been no increase for cost of living since then. Chart 3 compares the cost of shelter and food with the maximum benefits of Ontario Works. The amount in the final column represents what is left at the end of each month to pay for clothing, transportation and other necessities.

Housing Indicators

Long-term solutions to homelessness must include safe, secure, adequate, affordable and permanent housing options for all members of our community.

In Hamilton, however, finding safe, secure, adequate, affordable, and permanent housing is becoming more and more difficult. Average rents are rising, while vacancy rates continue to decline. Perhaps most striking is that virtually no new rental housing, affordable or otherwise, is being created in Hamilton.

Average rents have risen 13% since 1998, and the vacancy rate has plunged.

The average apartment rent in the former City of Hamilton jumped 13% from 1998 to 2001 to \$630, with rent increases ranging from 12% for bachelor apartments to 14% for units with 3+ bedrooms. The cost of living increased by only 7% over the same period.

While there is considerable variation in both average rents and vacancy rates in different areas of Hamilton, rents have increased in all areas and vacancy rates have all decreased substantially.

As chart 4 demonstrates, many areas of Hamilton have vacancy rates below 1% and are very undersupplied. The only area in Hamilton to have a vacancy rate above 3% was Central Hamilton at 4.1%, driven primarily by a vacancy rate of 8.4% for bachelor apartments in that area. Canada Mortgage and Housing Corporation (CMHC) considers 3% to be "healthy", and notes that a vacancy rate lower than 3% may result in higher rent costs, less consumer choice and less maintenance.

The supply of rental housing is shrinking.

There were approximately 57,200 rental units in the former City of Hamilton and 66,230 units in the Hamilton CMA in 1996. Since that time, some of those units have been lost to conversion or demolition (503 units lost to conversion in the year 2001 alone in the Hamilton CMA).

CMHC reports that there were 0 rental starts in 2001, and only 15 in 2000. The lack of new rental housing is chronic in Hamilton, with only 53 starts between 1993 and 1999. CMHC estimates that there are 400 new tenant households in Hamilton annually, and the City of Hamilton, Planning and Development Department, estimates a need for 770 new rental units annually.

The Housing Help Centre's *2001 Vacant Rental Market Study*, keeps track of the monthly number of units advertised in the Hamilton Spectator. They reported that the number of units listed fell to an all-time low of 309 in October 2001. This is down from a high of 913 units listed in April 1993.

The wait continues for affordable housing.

There are currently 14,200 not-for-profit housing units that are funded by the City of Hamilton. These include 6,100 units owned by the Hamilton Housing Corporation, and 8,100 owned and managed by the 38 non-profit housing provider members of the Community Housing Access Network (CHAN). As of December 1, 2001 the City of Hamilton took over responsibility from the Province for administration of these housing units. There are also approximately 5000 units of federally funded not-for-profit housing.

In 2001, there was a monthly average of 3,304 households on the CHAN waiting list for subsidized housing. This does not include the 322 households who were removed monthly from the list because they could not be contacted by mail or phone. An average of 104 households per month was successfully housed.

Average waits vary depending on the type of housing: for shared accommodation the wait could be a number of months, for a one-bedroom apartment in most areas of the city, the wait is over two years. Townhouses and single family homes have three-year waits on average. For some areas of the city, the wait can be four or five years.

Chart 3: Ontario Works Maximum Benefits, Rent Costs, Food Costs, and the Amount Left for Other Necessities, 2001

Family Type	Max. OW Benefits (\$)	Cost of Nutritious Food Baskets per month (\$)	Average Monthly Rents (\$)	Amount Left per Month for Other Necessities (\$)
Single Person	511	175	450. (bachelor)	-\$114
Single Parent with 7 year old Child	957	218	696. (2 BR)	\$43
Family of four, with two children under 13	1178	482	848. (3 BR)	-\$152