KEEPING HAMILTON LRT ON TRACK TO BRING BENEFITS TO LOW-INCOME RESIDENTS:

'Pro-Poor Growth' Framework and Indicators

Prepared by Sara Mayo

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SPRC | Social Planning and Research Council of **Hamilton**

HAMILTON COMMUNITY BENEFITS NETWORK

building capacity through building communities

Table of Contents

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 2
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

1.0   Introduction

Since at least 2010, City of Hamilton reports have highlighted how transit improvements and LRT in particular can bring benefits to low-income households, including in a presentation by Public Health for the Public Works committee in 2013 regarding the city's *Rapid Ready* transit strategy. Hamilton's low-income households are the ones most likely to be using transit, least likely to own a car, and most likely to live in the B-Line LRT Corridor, compared to higher income households. In addition, there is the intersection of poverty and demographic groups that face discrimination in our society, including women, persons with disabilities, young adults, seniors, Indigenous persons, racialized persons, immigrants, workers in low status occupations, among other examples. These intersections between income and demographics means that the LRT corridor is also home to higher proportions of many of these groups, compared to the parts of the city outside the LRT corridor. The City of Hamilton Public Works department published a paper by Sam Nabi in 2011 which provides more insight and data on these issues: Affordable Housing in Hamilton's B-Line Corridor.

In more recent years, and then exacerbated by the economic impacts of the pandemic, the rental landscape in Hamilton has been especially harsh in part due to a combination of rental prices increasing faster than inflation, and not enough rental housing being built for the largest increase in the number of renters since at least 1991[1]. Some of the most harmful impacts of the rental housing crisis in Hamilton have been experienced in neighbourhoods in or close to the LRT Corridor. The map on the following page shows that in 2018, the highest rates of landlord applications for eviction for reasons other than non-payment of rent (L2 eviction applications) were all in neighbourhoods close to the B-Line LRT. In the Stinson/Corktown area, more than 3% of renter households had to defend themselves from these types of evictions. If the rate of 3% remained stable, then since 2018, that would be almost 20% of renters in this area would have been targeted by landlords in this way. On the ground perspectives from tenant advocacy groups in Hamilton indicates that the rate of eviction applications from landlords has skyrocketed since 2018, so 20% is likely an underestimation for that neighbourhood, and others near the LRT Corridor.

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[1] See: Social Planning and Research Council of Hamilton. (2022). *2021 Census: Rise of renter households across Hamilton's communities* and *Growth in renter households outpacing construction of primary rental units*, in Hamilton's Social Landscape reports available at: sprchamilton.ca/sociallandscape

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 3
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

Map taken from *Rising Eviction Rates Threating Tenants and Affordable Housing*, a Hamilton Social Landscape report from SPRC Hamilton available at: sprchamilton.ca/sociallandscape

Map 3. Proportion of renters that received a L2 notice from their landlord (Terminate for other reasons and evict), City of Hamilton Forward Sortation Areas, estimate for 2018/2019 fiscal year based on partial year data
Landlord Tenant Board, Ministry of the Attorney General
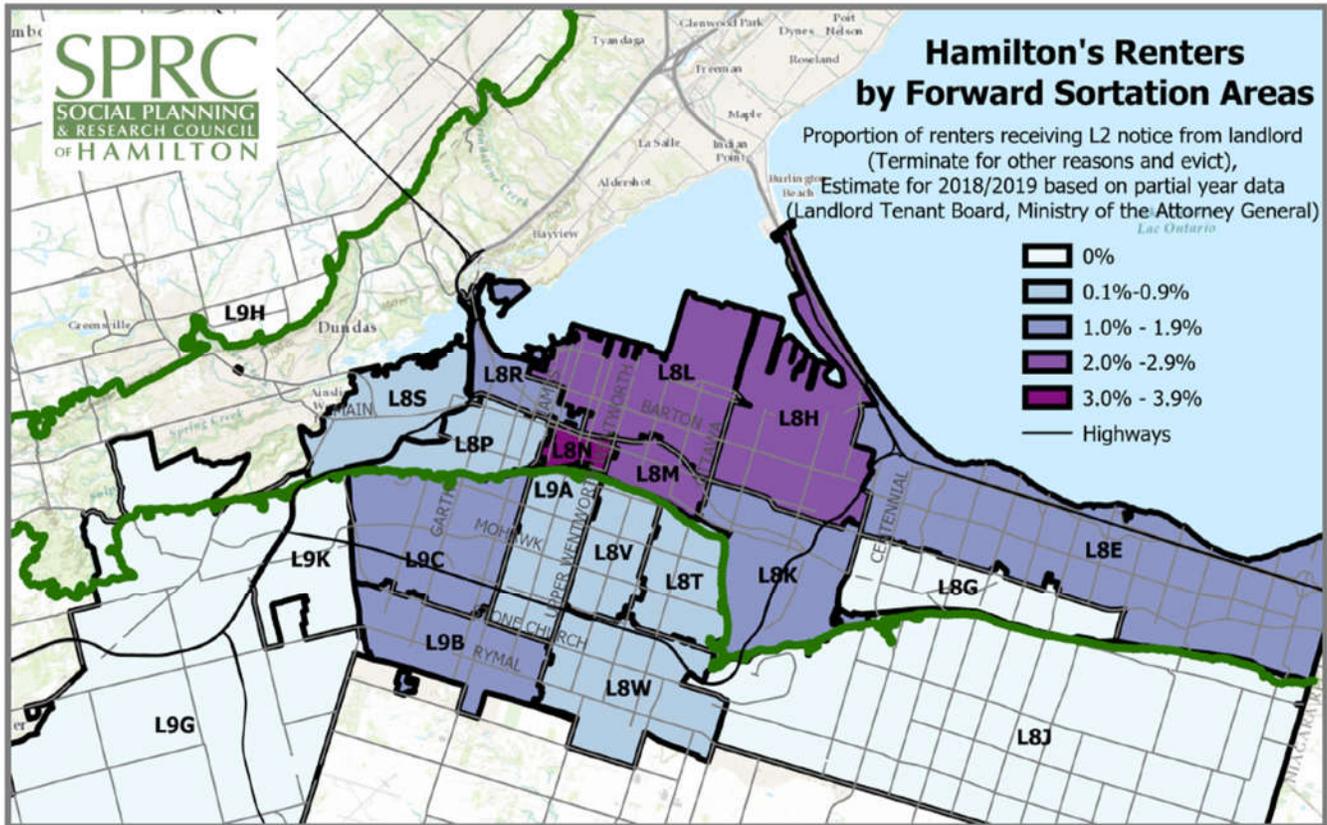
2.0 Economic and social forces that adversely impact existing tenants in the LRT Corridor

To bring the most benefits to low-income and equity seeking populations in Hamilton, neighbourhoods around the LRT need to continue to be welcoming to these groups, once LRT is in operation. Current national and global forces though will prevent the benefits of LRT being shared with Hamilton's low-income populations, if there are not protections and planning put in place in the immediate term to mitigate and counter these forces. The economic forces of global capital flows, financialization of housing, housing inflation, government de-investment in social housing, and housing shortages, along with social forces such as low trust in government and what they will do to help citizens, gentrification, income segregation, and racism and discrimination in the housing market, all contribute to the displacement of low-income households from neighbourhoods that has already started occurring in Hamilton, even before shovels are in the ground to build the B-Line LRT. ACORN Hamilton's reports summarizing the experiences of hundreds of tenants who have experienced unethical tactics from landlords to evict them is an important testament to this critical time in Hamilton's history: https://acorncanada.org/campaigns/housing-tenant-unions/

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 4
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

3.0 Recommendations to counter these forces and protect tenants

There are some encouraging signs that some muscle may be on the way to help counter these issues, including the Federal government's commitment that affordable housing be a major pillar of their investment in the B-line LRT Corridor, after many years of advocacy championed by the Hamilton Community Benefits Network that there be a direct link between LRT and housing.

But beyond funding, some powers that require minimal or no additional funding, are urgently needed to be enacted by all levels of governments, to counter the forces displacing low-income residents from the LRT Corridor. These include:

- Strengthening of tenant protection laws in Ontario, for example with the recommendations in the SPRC report " Out of Control: Ontario's acute rental housing crisis – Lessons from Hamilton and Quebec City"
- Licensing of large rental buildings as businesses under municipal purview and inspection, as Toronto has done with their *RentSafeTO program*. This could also be extended to licensing property management businesses that operate in Hamilton. Licensing brings opportunities for education, tracking, inspections and enforcement that will help bring more ethical and legal behaviours by actors in the landlord sector.
- Provincial and municipal actions to bring Inclusionary Zoning principles into practice as soon as possible in the LRT Corridor.
- CMHC and other federal government departments or agencies take a 'pro-renter' analysis in all their housing activities, to take into account their impact on existing tenants, and the rental market in general. For example, any CMHC funding to for profit rental buildings in the Hamilton LRT corridor could include a component in the funding allocation process to ask developers what their activities have been at the Landlord Tenant Board for their other rental buildings, to understand their track record when it comes to eviction and displacement, and then favour developers who have a more ethical history in their dealings with tenants.

4.0 'Pro-Poor Growth' framework to align policies and funding to ensure benefits of LRT are shared equitably

A general recommendation for all levels of government would be to incorporate principles of 'Pro-Poor Growth' (economic growth that is good for the poor) into their policies and funding that affect Hamilton's B-Line LRT Corridor. According to the UK Department for International Development, a Pro-Poor Growth policy framework includes these principles:

- Makes clear that policy-makers do not have to choose between pro-growth and pro-poor policies. Most policies that increase growth reduce poverty, and many policies that alleviate poverty also boost growth.

- Underlines the importance of enabling poor people to participate in, as well as benefit from, the growth process.

- Highlights how high inequality slows growth, emphasising the need to reduce it. Policy-makers should aim for the most pro-poor combination of overall growth and inequality reduction.

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 5
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

Pro-Poor Growth policies would help reduce the tension between the goals of LRT development and the unintended consequences that development. Right now, there is a Catch-22 entanglement between these contradictory forces:

- The impetus of LRT is to bring needed development to areas of Hamilton that have seen lack of investment (and de-investment, considering the impacts of de-industrialization), to bring benefits to existing and future transit users, and to prevent unnecessary sprawl into farmlands and instead grow the city upwards with urban infill.

- The economic benefits of LRT are creating a "gold rush" mentality among existing landlords, landowners, developers, and individual small investors (a.k.a. "flippers"), where they all want to cash in and have a piece of the LRT economic pie. This leaves only crumbs for existing renters, who were supposed to among the main beneficiaries of the LRT project. With the current imbalance in the Residential Tenancies Act, property owners have much more power to capitalize on the economic benefits of LRT, and tenants will continue to be displaced without further actions to protect them.

- The construction of LRT will have enormous negative impacts on all residents in surrounding neighbourhoods, including renters, due to closures of streets, dust, noise, and increased traffic (and associated pollution and injury risks) due to detours. If tenants manage to hold on to their units and not to be displaced during construction of LRT, policies need to stay in place to protect them after it opens as well, so that they don't face the appalling situation of having endured all the negative consequences of LRT construction, only to be forced to move and miss out on the benefits of LRT once it is operational.

5.0   Baseline data to measure against for future progress in protecting existing low-income residents

To understand what are the current demographics of the low-income population in the LRT corridor 2021 Census data was analysed, grouping together all the census tracts that are within the LRT Corridor (45 census tracts), and those in the other areas of the city of Hamilton (105 census tracts).

In choosing how to analyse and present the data, consideration was given to the goals of a Pro-Poor Growth framework goal to reduce poverty at the neighbourhood and city levels through economic development, and the individual level experience of displacement, as well as the normal processes, not influenced by outside forces, of households moving between and within, cities and neighbourhoods for wide variety of reasons.

It would not be a good outcome if all low-income residents in the LRT corridor remained exactly where they are, all continued to be poor, and if poverty rates in these neighbourhoods continued to be among the highest comparing neighbourhoods across the province. Forced displacement of low-income residents against their will is devastating for individuals and families, as well as for cohesion of neighbourhoods and social networks, however, if the potential economic benefits of LRT for high poverty concentration areas is realized, incomes of poor families and individuals will rise and they will have increased economic power and more choices for where they will live. Some will choose to remain in the LRT Corridor, especially as those neighbourhoods will be even more convenient places to live once LRT is operational, but others will choose to live in

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 6
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

other neighbourhoods or other cities, because they have the freedom that poverty robbed them of previously.

Therefore, the goal of Pro-Poor Growth for the LRT should be to reduce income segregation between Hamilton's neighbourhoods, but not "freezing in amber" the neighbourhoods and residents in the LRT Corridor and mistakenly seeing any reduction in poverty rates in those neighbourhoods as a sign that people have been displaced against their will. Overall, poverty rates should decrease across the LRT Corridor if economic benefits are shared equitably. In contrast, however, the diversity of residents should remain in large part, even if the total number is reduced, with Pro-Poor Growth policies. The diversity of the low-income population can be measured to quantify the changes in demographics as LRT planning, construction, and operation progress over the years, and can be used to gauge the success of a Pro-Poor Growth policy framework.

To put it in more direct terms, while the total low-income population in the LRT Corridor should decrease if LRT brings the benefits promised by planners and politicians, the demographics within the low-income population should remain generally consistent if inequality is reduced across the board. If in reality some groups within the overall poor population in corridor neighbourhoods experience displacement at higher rates than others, then we could see a reduction in the diversity within the low-income population in the LRT Corridor, for example, in the indicators seen in the analysis below.

5.1   How to read the following charts

The following charts and data are a snapshot from the 2021 Census, showing the diversity within the low-income population in the LRT Corridor, compared to the average for the low-income population in neighbourhoods in all other parts of the city combined.

The first part of each chart shows a comparison of the size of the population (all incomes, not just low-income) in the LRT Corridor and the rest of the city. This shows that 27% of Hamilton's residents live in neighbourhoods in the LRT Corridor, and 73% live in other parts of the city. This is the baseline comparison for all data. If other data shows a rate higher than 27% in the LRT Corridor, then that indicator has an over-representation in the LRT Corridor, and is under-represented in the other parts of the city combined.

The second set of columns in each chart, is the comparison but limited to just residents living on a low-income. In Hamilton, 48% of low-income residents live in the LRT Corridor area, and the balance, 52% of low-income residents live in other parts of the city. This is a stark contrast, and shows in data the summary provided in the introduction of this report – while only 27% of Hamilton's residents live in the LRT Corridor, almost half of low-income residents in Hamilton live in the corridor (48%). That's almost a two-fold difference, and reflects the income segregation within parts of the city that has been seen in Hamilton for many decades.

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 7
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

Chart 1. Proportion of residents by proximity to the City of Hamilton B-Line LRT Corridor, overall population and low-income population, 2021 Census

	Overall population distribution within City of Hamilton All incomes	Total Low income population Low income population overall (LIM-AT)
■ LRT Corridor Area	27%	48%
■ Outside of LRT Corridor Area	73%	52%

6.0   Diversity **indicators within Hamilton's Low-income population: LRT Corridor compared to rest of city**

Looking at selected age groups and household types, Chart 2 shows that all the groups are over-represented in the LRT Corridor, compared to overall population representation. In particular, low-income persons aged 20-24 years old, low-income persons living alone, and low-income persons in households with roommates (non-relatives only), have very high over-representation in the LRT corridor: 60% percent or higher proportion of these groups live in the LRT Corridor, when only 27% of Hamilton's residents overall live in these neighbourhoods.

Chart 2. Proportion of residents by proximity to the City of Hamilton B-Line LRT Corridor, overall population and selected low-income age groups and households, 2021 Census

	Overall population distribution within City of Hamilton All incomes	Total Low income population	0 to 14 years	15 to 19 years	20 to 24 years	65 years and over	0 to 14 years	Living alone	Parents in one-parent families	Living with non-relatives only
						Low income populations (LIM-AT) Age and families				
■ LRT Corridor Area	27%	48%	44%	47%	71%	48%	44%	60%	48%	83%
■ Outside of LRT Corridor Area	73%	52%	56%	53%	29%	52%	56%	40%	52%	17%

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 8
'Pro-Poor Growth' framework and indicators
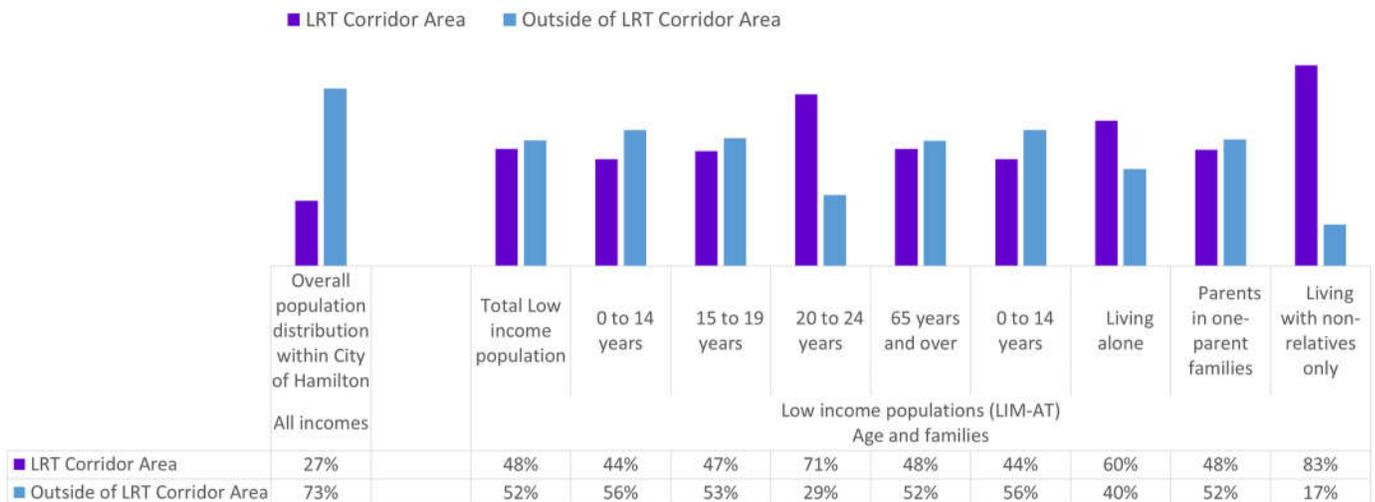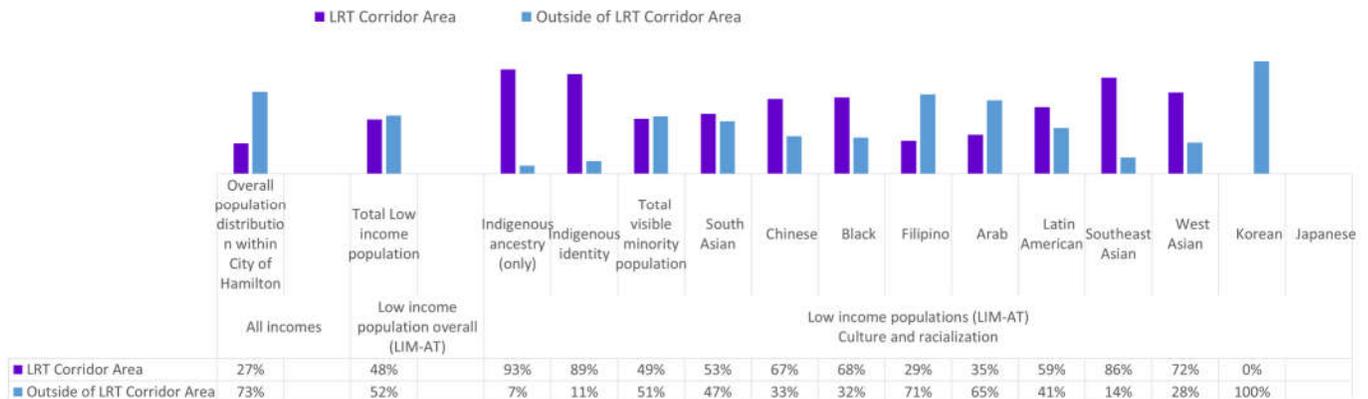Social Planning and Research Council of Hamilton

Chart 3 shows that low-income Indigenous, Chinese, Black, Southeast Asian, and West Asian populations have the most over-representation in the LRT Corridor, among cultural and racialization groups available in census data. The over-representation of low-income Indigenous residents in the highest of any groups examined in the data – approximately 9 in 10 low-income Indigenous residents live in neighbourhoods in the LRT Corridor, and in the entire rest of the city, only about 10% are living in those neighbourhoods further from the LRT line.

Chart 3. Proportion of residents by proximity to the City of Hamilton B-Line LRT Corridor, overall population and selected low-income cultural and racialization groups, 2021 Census

	Overall population distribution within City of Hamilton	Total Low income population	Indigenous ancestry (only)	Indigenous identity	Total visible minority population	South Asian	Chinese	Black	Filipino	Arab	Latin American	Southeast Asian	West Asian	Korean	Japanese
	All incomes	Low income population overall (LIM-AT)						Low income populations (LIM-AT) Culture and racialization							
LRT Corridor Area	27%	48%	93%	89%	49%	53%	67%	68%	29%	35%	59%	86%	72%	0%	
Outside of LRT Corridor Area	73%	52%	7%	11%	51%	47%	33%	32%	71%	65%	41%	14%	28%	100%	

Finally, Charts 4 and 5 provide data related to labour force activity, education and work occupations. In these charts, the low-income groups most over-represented in the LRT Corridor are low-income Temporary workers, especially casual/seasonal/short term workers, and low-income workers in natural sciences and related occupations; education and social/community sector occupations; art/culture/recreation/sport occupations; and manufacturing occupations.

Chart 4. Proportion of residents by proximity to the City of Hamilton B-Line LRT Corridor, overall population and selected labour force activity and education among low-income residents, 2021 Census

	Overall population distribution within City of Hamilton	Total Low income population	In the labour force	Employed	Unemployed	Not in the labour force	Worked full year full time	Worked part year and/or part time	No high school diploma or equivalency certificate	With high school diploma or equivalency certificate	Postsecondary certificate, diploma or degree
	All incomes	Low income population overall (LIM-AT)		Low income populations (LIM-AT) Labour force activity					Low income populations (LIM-AT) Education		
LRT Corridor Area	27%	48%	48%	46%	58%	51%	47%	49%	53%	49%	47%
Outside of LRT Corridor Area	73%	52%	52%	54%	42%	49%	53%	51%	47%	51%	53%

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 9
'Pro-Poor Growth' framework and indicators
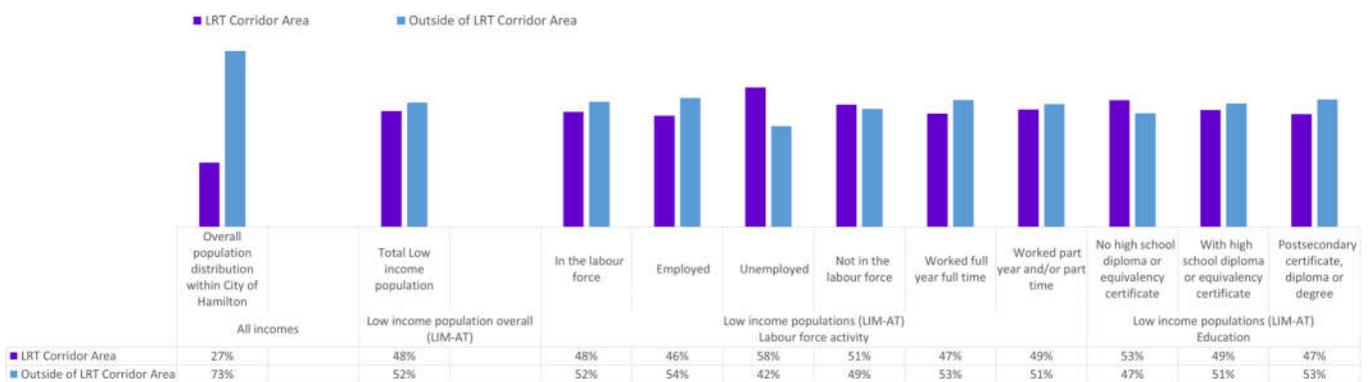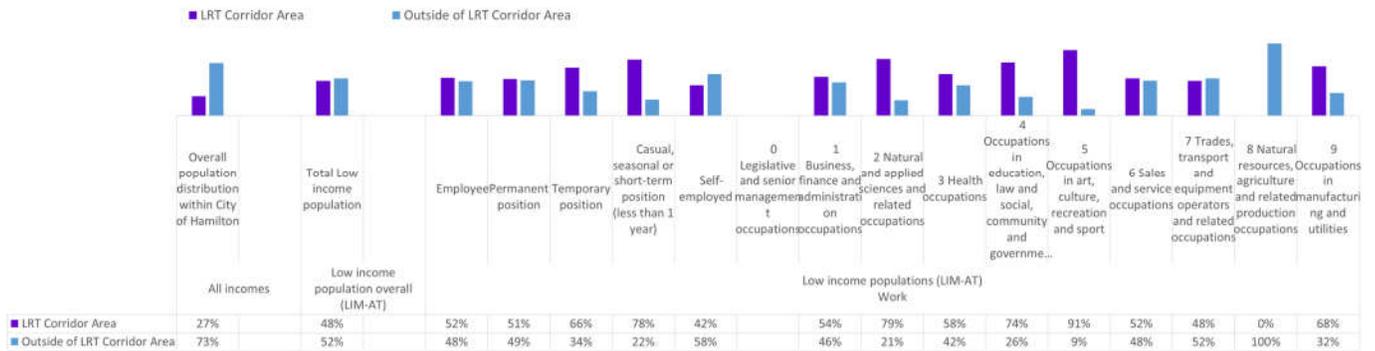Social Planning and Research Council of Hamilton

Chart 5. Proportion of residents by proximity to the City of Hamilton B-Line LRT Corridor, overall population and major work occupation categories among low-income residents, 2021 Census

	Overall population distribution within City of Hamilton (All incomes)	Total Low income population (Low income population overall LIM-AT)	Employee	Permanent position	Temporary position	Casual, seasonal or short-term position (less than 1 year)	Self-employed	0 Legislative and senior management occupations	1 Business, finance and administration occupations	2 Natural and applied sciences and related occupations	3 Health Occupations	4 Occupations in education, law and social, community and governme...	5 Occupations in art, culture, recreation and sport	6 Sales and service occupations	7 Trades, transport and equipment operators and related occupations	8 Natural resources, agriculture and related production occupations	9 Occupations in manufacturing and utilities
LRT Corridor Area	27%	48%	52%	51%	66%	78%	42%	54%	79%	58%	74%	91%	52%	48%	0%	68%	
Outside of LRT Corridor Area	73%	52%	48%	49%	34%	22%	58%	46%	21%	42%	26%	9%	48%	52%	100%	32%	

(Work categories fall under: Low income populations (LIM-AT) Work)

7.0 Summary lists of low-income groups facing high over-representation in LRT Corridor neighbourhoods

Across all the low-income demographic data and charts presented in the previous section, the following groups were found to face the highest over representation, starting with the groups facing the highest over-representation.

Around nine in ten Hamilton residents in these groups live in LRT Corridor Neighbourhoods:

- low-income Indigenous residents
- low-income workers in art/culture/recreation/sport occupations

Around eight in ten Hamilton residents in these groups live in LRT Corridor neighbourhoods:

- low income residents who identify as Southeast Asian
- low-income persons in households with roommates (non-relatives only)

Around seven in ten Hamilton residents in these groups live in LRT Corridor neighbourhoods:

- low income residents who identify as West Asian
- low-income persons living alone
- low-income casual/seasonal/short term workers
- low-income workers in education and social/community sector occupations

Around six in ten Hamilton residents in these groups live in LRT Corridor neighbourhoods:

- low-income persons aged 20-24 years old
- low income residents who identify as Black
- low income residents who identify as Chinese
- low-income workers in natural sciences and related occupations
- low-income workers in manufacturing occupations

The representation of these groups contrasts starkly to the less than three in ten overall residents in Hamilton who live in LRT Corridor neighbourhoods. The over-representation of the groups in the lists above is even higher than the over-representation of low-income residents overall in LRT Corridor neighbourhoods; just a bit less than five in ten low-income residents in Hamilton live in these neighbourhoods.

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 10
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton

8.0   Conclusion

This report has provided the foundation for a Pro-Poor Growth policy framework to ensure the benefits of LRT are equitably shared, especially with low-income groups living in proximity to the Hamilton B-Line LRT Corridor.

The data analysis of low-income groups showed that low-income Indigenous residents and low-income workers in art/culture/recreation/sport occupations are the most over-represented in the LRT Corridor. A Pro-Poor Growth policy framework should at a minimum focus on these two population groups. Bringing more attention and resources to support these groups and protect the affordability of their housing will also support goals the City of Hamilton has already committed to in:

- The City of Hamilton Urban Indigenous Strategy
- The desired outcome of the City of Hamilton's Strategic Plan, under the Culture and Diversity Priority is…"Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated."
- Creative Industries has been identified by the City of Hamilton, as one of its top eight key industries, and the Planning and Economic Development division has targeted strategies for many sectors within the Creative Industries category

A robust Pro-Poor Growth strategy would broaden the focus to most or all the other groups highlighted in section 7.0. Many of these groups are also priority groups in City of Hamilton strategies and community coalitions such as:

- No Hate in the Hammer
- Just Recovery Hamilton Coalition
- Hamilton's Community Safety and Well-Being Plan
- City of Hamilton Youth Strategy
- Mohawk College's Challenge 2025 collaborative

The principles of Pro-Poor Growth described in section 4.0 can be summarized as growth strategies that reduce or alleviate poverty, including people who experience poverty in the growth process, and increasing growth that reduces inequalities (which in turn will drive further growth). The federal, provincial and city governments partnering to implement LRT should all be fine tuning their strategies with these Pro-Poor Growth principles. Within the City's divisions, this means further increasing collaboration between the LRT office, Community Services and Public Health, Planning and Economic Development Public Works, and ensuring the highest level of leadership across City staff, the Mayor's Office, and City Councillors all understand and champion Pro-Poor Growth framework for policies, funding and strategies as LRT is implemented in Hamilton. Continuing and deepening partnership with the Hamilton Community Benefits Network will allow city staff to benefit from HCBN's expertise in community benefits, Pro-Poor Growth strategies, pro-renter policies and related topics. Finally, the best way to ensure low-income residents are part of the Pro-Poor Growth strategies is to work with organizations that have a track record of involving these residents in advocacy and/or service delivery in the LRT Corridor, including for example, the Hamilton Community Benefits Network, Hamilton Roundtable for Poverty Reduction, ACORN Hamilton, Xperience Annex, Empowerment Squared, Hamilton Hub, and Mohawk's City School.

Keeping Hamilton LRT on track to bring benefits to low-income residents: Page 11
'Pro-Poor Growth' framework and indicators
Social Planning and Research Council of Hamilton