



**Date:** September 13, 2016

**Report to:** Board of Directors  
CityHousing Hamilton Corporation

**Submitted by:** Tom Hunter  
Chief Executive Officer/  
Secretary

**Prepared by:** Kathy McInnes  
Manager, Business  
Services

**Subject:** **CityHousing Hamilton Tenant Insurance Policy (Report # 16028)**

**RECOMMENDATION:**

That the Board endorse the CityHousing Hamilton Tenant Insurance policy and procedures.

A handwritten signature in blue ink that reads "Tom Hunter".

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Tom Hunter  
Chief Executive Officer/  
Secretary

**BACKGROUND:**

In September 2015, a CityHousing Hamilton, Mandatory Tenant Insurance Policy was provided to the Board (Report #15020) for review.

The Policy included the following components:

- CityHousing Hamilton Corporation (CHH), as the landlord requires that all new tenants obtain and keep in force content and liability insurance.

- On an annual basis or as required, tenants moving into a CityHousing Hamilton unit shall be required to obtain and maintain content and liability insurance.
- Applicants will be required to provide proof of current insurance coverage at the time of lease signing. If an applicant does not provide proof of insurance they will be advised that failure to do so could result in denial of their lease.
- Failure to provide proof of insurance coverage on an annual basis and/or failure to maintain insurance coverage for their unit is a breach of the tenant's contractual obligations and could lead to termination of their lease.
- If a tenant does not have content and liability insurance and causes loss or damage to another person or property, all costs incurred by CHH will be deemed a tenant chargeback including any insurance deductible costs.

After reviewing all information the Board requested that staff report back with insurance group rate costs and a comprehensive communication plan to educate and advise tenants of the benefits of having insurance.

## **DISCUSSION:**

### Insurance group rate costs

The Housing Services Corporation has outlined the following costs if CHH was to purchase contents and liability insurance for all tenants:

- For an insurance limit of \$10,000, the annual cost to CHH would be \$1,159,200.00 (an annual cost per tenant of \$165.60)
- For an insurance limit of \$20,000, the annual cost to CHH would be \$1,524.600 (an annual cost per tenancy of \$217.80).

In addition to insurance costs, there would be a cost to administer the program as CHH would be required to provide changes to the policy on a monthly basis to capture new and vacating tenants.

In 2015 insurance costs to CHH for unrecoverable costs was \$100,000.00.

## Comprehensive Education Plan:

A comprehensive education plan would include the following practices:

### **Applicants:**

- A Tenant Insurance Education Package consisting of insurance information, approximate costs and provider brochures would be developed for distribution to all CHH applicants. Applicants would be advised that they could also choose to obtain coverage through their own insurance carrier;
- Access to Housing would be requested to advise applicants that all CityHousing Hamilton tenants are required to have content and liability insurance as part of their leasing agreement.

### **Tenants:**

- Annually the CHH Housing Matters Newsletter distributed to CHH tenants would include information on the benefits and importance of tenant insurance, approximate costs and how/where to obtain insurance;
- A Tenant Insurance Education Package would be provided with all tenant renewal packages annually;
- Tenant insurance would be a standing item of discussion at all Annual General meetings with tenants. Social housing insurance providers would be invited to attend to provide information on content and liability insurance;
- Tenant Associations would be provided with tenant insurance requirements and information brochures;
- The Tenant Insurance Policy and educational information would be posted on the CHH website.
- Tenant insurance information posters would be developed and posted in common areas of all CHH apartment buildings and offices.

### **Staff:**

- CityHousing staff would be trained on the different insurance policies and how to support tenants with obtaining insurance.

## CONCLUSION:

We are recommending at this time to implement the Tenant Insurance Policy and procedure as of January 1, 2017, incorporating the education plan outlined above.

## OPERATIONAL PLAN:

This report implements:

**Goal 1.** Create Financial Sustainability – *Ensure that CityHousing Hamilton has sufficient capital to invest in buildings to minimize the impact on City of Hamilton taxpayers.*

**Goal 3.** Create Healthy, Secure Communities - *Ensure that Hamilton residents have access to affordable housing opportunities and support initiatives that will enhance quality-of-life, increase client empowerment and decrease dependency.*