

Board Members:

Phil Squire- Chair

Gary Bezaire

John Corboy

Shawn Lewis

Hadleigh McAlister

Mayor Grantham

Cara Awcock

Kathleen Savoy

LMCH Leadership

Paul Chisholm,
CEO

Andrea Mackenzie,
Director of Tenant
Services

Trevor
Whittingham,
Senior Manager,
Asset Management

Christine Poirier,
Senior Manager,
Property Services

Dirk Volschenk,
Manager of Human
Resources

PUBLIC AGENDA

**LONDON & MIDDLESEX COMMUNITY HOUSING
(LMCH)**

Board of Directors Meeting

**Corporate Boardroom
1299 Oxford Street East, Unit 5C5
London, Ontario, N5Y 4W5**

Thursday, February 15, 2024

5:30 PM – 7:30 PM

Item	Lead	Time
1. Call to Order	P. Squire	5:30
2. Recognition of Indigenous Peoples and Lands Statement	P. Squire	
3. Completion and Acceptance of Agenda	P. Squire	
4. Disclosure of Interest	P. Squire	5:35
5. Approval of Minutes of Previous Meetings a. December 14, 2023, Public Minutes	P. Squire	
6. Communications: City of London Resolution- 2024-01-16 Resolet 4.2-3-SPPC	P. Chisholm	
7. Delegations None		
8. Presentations None		
9. Consent Agenda Items: a) Staff Report 2024- 01 CEO Report b) Staff Report 2024- 02 Vacancy Management Update Report c) Verbal Update- Selection of Director Sub Committee update	P. Chisholm A. MacKenzie/ C. Poirier P. Squire	5:50
10. Reports and Business <u>HRGC Report for Information</u> • HRGC-24-01 2023 Human Resources Annual Report <u>Finance Committee Reports for Information</u> • FC- 2024- 01 Finance & Corporate Services Update • FC-2024-02 Senior Manager Report Asset Management • FC-2024- 03 Reimagine Southdale Annual Report • FC- 2024- 04 CMHC Annual Report • FC-2024-06 Capital Work Update Report – Summary of 2023 Accomplishments	G. Bezaire Committee Chair	

Reports and Business d) Staff Report 2024-03 CMHC Budget Projections e) Staff Report 2024-04 LMCH Board of Directors Committee Mandate Update	T. Whittingham P. Chisholm	
11. In-Camera: To provide an opportunity for the board to discuss particularly sensitive matters within the jurisdiction of the board (such as litigation, labour relations, or management performance.	D. Volschenk P. Chisholm	
12. New Business/ Enquiries: None	P. Squire	
13. Meeting Adjournment	P. Squire	7:30pm

Recognition of Indigenous Peoples and Lands Statement

London & Middlesex Community Housing provides housing on the traditional lands of the Anishinaabek (AUh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Adda-won-da-run).

We acknowledge the local First Nations communities in this area, the territory of the Chippewa (CHIP-I-WAA) of the Thames, the Oneida (OH-NY-DUH) of the Thames, and the Muncey (m-UH-n-s-ee) Delaware Nation.

We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. Today, the City of London & Middlesex County is home to many First Nations, Métis and Inuit people. We are grateful to have the opportunity to work and live in this territory.

BOARD OF DIRECTORS MEETING MINUTES

December 14, 2023, at 5:30 p.m.
 London & Middlesex Community Housing
 Boardroom, 1299 Oxford Street East, Unit 5C5, London, Ontario, Canada

Board Members in Attendance:

Shawn Lewis
 Phil Squire, Board Chair
 Gary Bezaire
 John Corboy
 Hadleigh McAlister
 Mayor Grantham
 Kathleen Savoy

Senior Leadership in Attendance:

Paul Chisholm, CEO
 Christine Poirier, Senior Manager
 Property Services
 Trevor Whittingham, Senior Manager
 Asset Management
 Dirk Volschenk, Manager,
 Human Resources

** Virtual Attendance via Zoom*

1. Call to Order	P. Squire called the meeting to order at 5:30 p.m.
2. Recognition of Indigenous Peoples and Lands	<p>P. Squire provided the recognition address at 5:30 p.m.</p> <p><i>We would like to begin by acknowledging the treaty territory of the Anishnaabeg, which is defined within the pre-confederation treaty known as the London Township Treaty of 1796. Throughout time, this region has also become the current home to the Haudenosaunee and Lenni-Lenape Nations.</i></p>
3. Completion and Acceptance of the Agenda	<p>Regarding the completion and acceptance of the agenda, MOVED by G. Bezaire and seconded by H. McAlister, ALL Members AGREED that the agenda BE ACCEPTED and APPROVED as presented. PASSED at 5:31 p.m.</p>

4. Disclosures of Interest	P. Squire called for conflict-of-interest declarations with respect to the agenda. No conflicts - of- interest were declared at 5:31 p.m.
5. Approval of Board Meeting Minutes	Regarding the Board Meeting Minutes of November 16, 2023, MOVED by G. Bezaire, seconded by Mayor Grantham, that the Minutes BE ACCEPTED and APPROVED , item CARRIED at 5:32 p.m.
6. Communications	None
7. Delegations	None
8. Presentations	None
9. Consent Items a) Staff Report 2023-63 CEO Report	<p>MOTION to RECEIVE the report for Information, MOVED by H. McAlister, seconded by Mayor Grantham, PASSED at 5:41 pm.</p> <p>P. Chisholm provided an overview of the report.</p> <p>- The insurance renewal was reviewed, noting the increasing risk of fires and other claims. P. Chisholm met with the current Insurance provider and will bring forward new recommendations to the Board on smoking, tenant insurance, and upcoming tenant engagement in the new year.</p> <p>LHC of Ontario met with Assistant Deputy Minister of Housing A. Cooke, to address, the simplification of RGI, LTB backlog and other items that may improve funding. The next meeting will be in Q1 2024.</p> <p>Community Safety, with winter approaching we will see an increase in non-guests at the sites, we currently have overnight security at 3 high-level sites. We have added security to Kent St. and Albert St. to combat this. We have begun collecting data on security incidents and will use this data to determine the next steps and adjust the service model accordingly.</p> <p>Green Bin program rolling out from the City. Will work with the City over the next few months to implement a rollout plan to LMCH sites.</p>



<p>b) Staff Report 2023-64 Vacancy Management Update Report</p>	<p>Introduction of Director of Finance & Corporate Services – Enaam Omar</p> <p>Report overview provided by C. Poirier MOTION to RECEIVE the report for Information, MOVED by S. Lewis, seconded by J. Corboy, PASSED at 5:42 pm</p> <p>Total units in active restoration as of November 2023, 66 units, which is 2.7%. This put us under the 3% organizational goal.</p>
<p>10. Reports and Business</p> <p>c) Staff Report 2023- 65 KPMG Auditors Presentation 2023</p> <p>d) Staff Report 2023- 66 CMCH Kitchen Retrofits at Senior Sites</p>	<p>Report overview provided by E. Omar</p> <ul style="list-style-type: none">- This year's highlight Assent Retirement Obligation reviewed. This requirement came on Board last year. KPMG will review our calculations and advise accordingly on the next steps.- Audit Plan focuses on Material risk of fraud or misstatement and error. <p>MOTION to RECEIVE the report, MOVED by Deputy Mayor Lewis, seconded by J. Corboy., ALL in FAVOUR PASSED at, 5:45 pm</p> <p>Report overview given by P. Chisholm</p> <p>-Looking to improve accessibility of common areas at Seniors Buildings.</p> <p>MOTION to APPROVE the report and recommendations MOVED by, H. McAlister, seconded by Mayor Grantham. PASSED at 5:50 pm</p> <p>Discussion: Clarification on designated senior buildings, there are 6 large buildings designated for seniors in the LMCH portfolio.</p>



**HRGC Report for
Information**

HR Manager Report overview given by D. Volschenk

- End of Q3 we had a full staffing compliment and retained it for 2 months
- Occupational health and safety initiatives have moved forward to align our self with WSIB. We have done Workplace violence assents at our high risk buildings
- Clarification on full complement numbers

MOTION to RECEIVE the report for information **MOVED** by G. Bezaire, seconded by, H. McAlister **PASSED** 5:53pm

Annual Pay Adjustment Repot Overview D. Volschenk

- Currently engaged in Collective Barganning, this will not conclude before the contracts laps. No Traditional inflation rates will be given to any unionized and none unionized staff until Barganning is completed.

MOTION to RECEIVE the report for information **MOVED** by H. McAlister, seconded by Mayor Grantham, **PASSED** 5:55pm

**e) Staff Report 2023- 67
Staff Expense Policy**

MOTION to APPROVE reports 2023-67- 70

MOVED by G. Bezaire, seconded by K. Savoy, **PASSED** at 6:03pm

Discussion: Is there an option to increase the meal amount? When the policy was designed, LMCH used the City of London's current meal dollar values as a guide for LMCH meal allotment amount.

**f) Staff Report 2023- 68
Policy Reviews for
LMCH**

<p>g) Staff Report 2023- 69 Board Evaluation Policy Update</p>	
<p>h) Staff Report 2023- 70 Annual update of Occupational Health and Safety Reports</p>	
<p>i) Staff Report 2023- 71 2024 Workplan and Board schedule</p>	<p>Review of 2024 Workplan for HRGC 2024, P. Chisholm</p> <p>MOTION to RECEIVE the Report for Information, MOVED by G. Bezaire, Seconded by J. Corboy, PASSED at 5:57pm</p>
<p>Tenant Services Committee Reports for Information</p>	<p>Reports overview given by J. Corboy.</p> <ul style="list-style-type: none"> - LMCH engaging well with the tenants. <p>MOTION to RECIEVE the reports for Information MOVED by J. Corboy, seconded by Mayor Grantham. PASSED at 6:05 pm.</p>
<p>j) Staff Report 2023- 72 LMCH Updated Land Acknowledgement</p>	<p>MOTION to APPROVE the report and updated Land Acknowledgement, MOVED by H. McAlister, seconded by Deputy Mayor Lewis. PASSED at 6:06 pm.</p>
<p>k) Staff Report 2023- 73 HDN # 2023-268: Selection of RGI Households for Vacant Units</p>	<ul style="list-style-type: none"> - Review of a new process for the priority model as outlined in the HDN 2023-268. - Tenant Impact, we will see more households that have more affordability issues as opposed to tenants with mental health and social issues. -This will take time to see an impact on tenants and the population that we serve, this is not a change that will go back to the old model.

	<ul style="list-style-type: none"> - Discussion on who was consulted and what drove the decision to the change. All non-profit housing providers were consulted in this process. All housing providers are struggling with this tenancy issue. These issues caused significant damage, there was an increase in behavioral issues. This change came from the tenant satisfaction surveys, that were completed by all housing providers. This was driven by tenants, cost, and outdated policies. An environmental scan was done and as a result, other Municipalities have changed their ratios as well. - The director of Tenant Services will monitor, tenant statistics with her team so that we are keeping in alignment with the new HDN and to ensure LMCH is adhering to the landlord-tenant board. <p>MOTION to APPROVE the HDN 2023-268 MOVED by H. McAlister, seconded by Mayor Grantham, PASSED at 6:19 pm</p>
<p>11. New Business</p> <p>Overview of conversation with Assistant Deputy Minister, of Housing</p> <p>Ladybrook Update</p>	<ul style="list-style-type: none"> - The conversations have been a series, LHC sharing their experience in the current environment, making sure the Ministry was aware of challenges, the most recent meeting was an update and initiatives that are ongoing and how they are performing. Q1 will be able to provide more details on outcomes and next steps. - Discussion on ODSP OW, eligibility, and impact on tenants. Suggestion for management, to contribute questions and topics to upcoming meetings, that can be prepared ahead of the meeting. P. Chisholm is Chairing the upcoming meeting and will share what was provided at the August 2023 meeting. - C. Awcock, P. Squire, and P. Chisholm are now Chairing the Board. - LMCH is now providing Property Management services and the Board is now Working on a budget. Discussion on City of London's involvement and



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January 24, 2024

P. Chisholm
Chief Executive Officer, LMCH

I hereby certify that the Municipal Council, at its meeting held on January 23, 2024 resolved:

That the following actions be taken with respect to the London and Middlesex Community Housing:

- a) the communications dated December 4, 2023 from P. Chisholm BE RECEIVED;
- b) the resignation of Shellie Chowns from London and Middlesex Community Housing Board of Directors BE ACCEPTED; and
- c) the term for Kathleen Savoy, Board of Director Tenant BE EXTENDED from December 31, 2024 to December 31, 2026;

it being noted that the usual manner to solicit applications for appointment for the position to London and Middlesex Community Housing Board of Directors has commenced, with applications to be brought forward to a future meeting of the Strategic Priorities and Policy Committee for consideration. (4.2/3/SPPC) (2023-C05/C12)

M. Schulthess
City Clerk
/hw

STAFF REPORT 2024- 01

TO: LMCH Board of Directors

FROM: Paul Chisholm, Chief Executive Officer

SUBJECT: CEO Update

DATE: February 8, 2024

PURPOSE:

The purpose of the report is to provide updates to the Board on the status of key initiatives previously approved, introduce items that may come before the Board in future meetings, and provide updates on meetings, events, or operational activities that may be of interest to the Board.

RECOMMENDATION:

That the CEO Update report **BE RECEIVED** for information.

UPDATES:

Recognizing Black History Month

February is Black History Month across Canada. At LMCH, we must ensure that we are operating with an awareness of how race intersects with other aspects of personal identity and how these factors can affect someone's relationship with things like community, mental health, and housing. We aim to encourage a clear sense of openness, curiosity, and inclusion. We are committed to fostering an environment that acknowledges and honours the achievements and history of the Black community and never turns away an opportunity to learn or strive for better. To support this awareness, LMCH hosted a pair of staff workshops with Christina Lord (Creating Change) to learn more about the paths taken by many to Canada and London, and the circumstances that brought them here.

Community Safety

LMCH continues to experience seasonal increases in non-tenants and unhoused individuals accessing LMCH sites for shelter. While this activity can occur 24/7, it is most challenging when LMCH staff are not on-site in the buildings on evenings and weekends.

*LMCH Board Meeting
February 15, 2024*

The current deployment of these security services includes overnight security guards at LMCH sites on Dundas, Simcoe, and Wharncliffe. In addition to these locations, LMCH has security guard services doing patrols at Kent and Albert Street.

In February, LMCH authorized an increase in service hours at current sites and will introduce a dedicated mobile supervisor to better support the sites with only one security guard assigned. Both of these changes will be implemented by the end of February. These changes will be monitored and adjusted as required until the end of the winter season.

Multi-Year Budget Process

The City of London is in the process of reviewing the 2024-2027 Multi-Year Budget. The budget was tabled by Mayor Josh Morgan on January 31, 2024, and after a 30-day period for council deliberation and proposed amendments the budget is set to be formally approved at Council on February 29, 2024.

In August 2024 the LMCH Finance and Audit Committee and the Board of Directors reviewed, revised, and approved three budget-related matters that are included as part of the multi-year budget.

- Multi-Year Operating Budget 2024-2027
- Business Case #P-21 – LMCH Regeneration of Community Housing
- Business Case # P-22 – LMCH Service Improvement Plan

The Multi-Year Operating Budget and Business Case #P-21 have moved forward without amendment.

Business Case #P-22 – LMCH Service Improvement plan has been moved forward with a reduction in the request and a change in timing for the capital funding attached to the request. The Service Improvement plan was reduced from an original operating request of \$7 million over 4 years to \$5 million over 4 years. Delays were achieved by changing the timing of the initiative and reducing additional staff requests for some of the initiatives.

PREPARED BY:
PAUL CHISHOLM, CHIEF EXECUTIVE OFFICER

STAFF REPORT 2024- 02

TO: LMCH Board of Directors

FROM: Christine Poirier, Senior Manager - Property Services
Andrea Mackenzie, Director of Tenant Services

SUBJECT: Vacancy Management Report

DATE: February 8, 2024

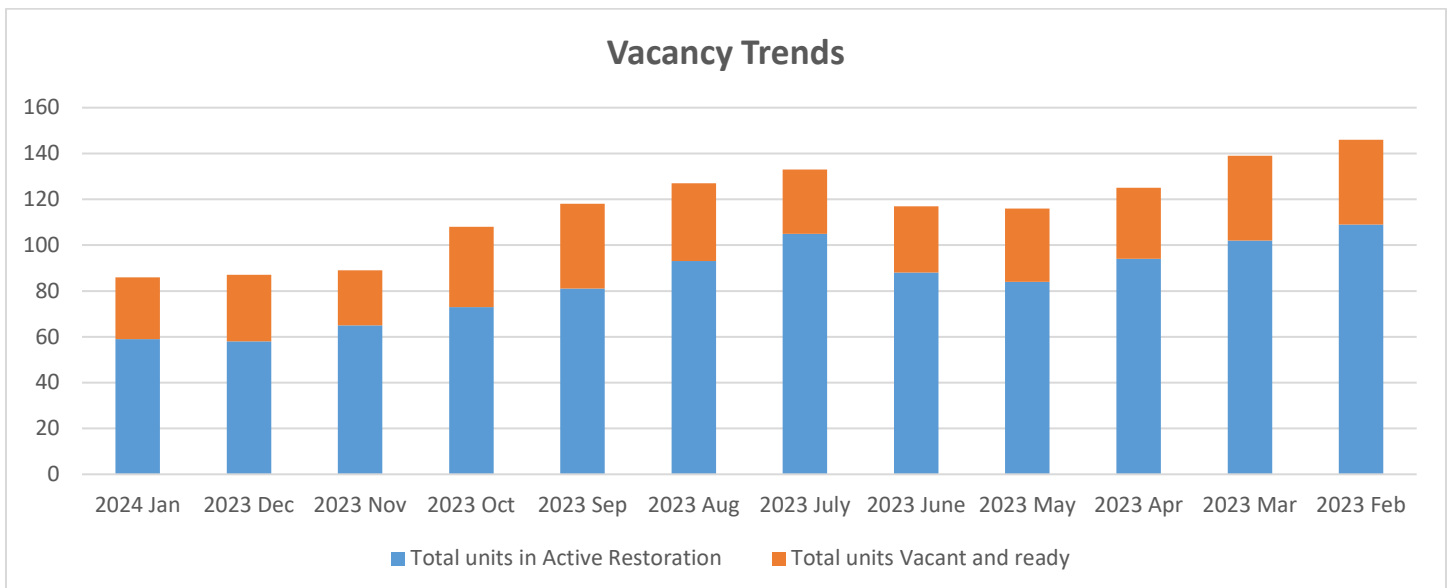
Purpose:

To update the Board of Directors regarding the status of LMCH’s Vacancy Management progress with the objective of achieving a three percent (3%) total vacancy.

RECOMMENDATION:

That the Vacancy Management Update report **BE RECEIVED** for information.

OVERVIEW:



Monthly Vacancy Progress (Reported as of January 31st, 2024)

- 1. Total Vacancy:** This includes all units within the LMCH portfolio that are not occupied. It is inclusive of units that are Non-rentable or in Active Restoration and Rent rent-ready stock. (Target: 3%)

Count (Units)	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep	2023 Aug	2023 July	2023 June	2023 May	2023 Apr	2023 Mar	2023 Feb
Total units in Active Restoration	59	58	65	73	81	93	105	88	84	94	102	109
Total units Vacant and ready	27	29	24	35	37	34	28	29	32	31	37	37
Total Vacancy (Units Available)	86	87	89	108	118	127	133	117	116	125	139	146

Vacancy Rate	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep	2023 Aug	2023 July	2023 June	2023 May	2023 Apr	2023 Mar	2023 Feb
Total units in Active Restoration	1.8%	1.8%	2.0%	2.2%	2.5%	2.8%	3.2%	2.7%	2.6%	2.9%	3.1%	3.3%
Total units Vacant and ready	0.8%	0.9%	0.7%	1.1%	1.1%	1.0%	0.9%	0.9%	1.0%	0.9%	1.1%	1.1%
Total Vacancy (Units Available)	2.6%	2.7%	2.7%	3.3%	3.6%	3.9%	4.1%	3.6%	3.5%	3.8%	4.2%	4.4%

2. Non-Rentable Units:

The non-rentable category includes units that do not have a predictable rent-ready projection date due to an insurance claim or a major construction project (e.g., units that are being used for broader portfolio improvements).

- 27 units are on hold as part of CMHC Accessible Unit Project.
- 9 units are vacant and undergoing restoration for fire or as part of insurance claims.
- 18 units at the Southdale Project were demolished in late 2023 as part of the Reimagine Southdale Project.

3. Active Restoration:

The active restoration category includes all remaining units that are slated for restoration and rental. The target for units in active restoration is 2% of the portfolio or 66 units. At the end of January 2024 there were 59 units in active restoration which was 1.8 % of the portfolio.

There were 26 units restored in January that took an average of 110 days to return to rent ready.

Age of Units Restored in Period (Count)	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep	2023 Aug	2023 July	2023 June	2023 May	2023 Apr	2023 Mar	2023 Feb
0-15 days	0	1	0	0	1	3	0	1	0	0	1	1
16-30 days	3	4	2	2	3	0	1	4	4	1	2	2
31-60 days	4	10	6	9	7	17	8	9	13	3	6	1
61-90 days	8	2	1	10	12	5	6	5	5	7	10	2
91+ days	11	12	19	15	15	16	8	10	16	18	20	29
Total units restored	26	29	29	36	38	41	23	29	38	29	39	35
Average # of days in restoration	110	100	110	111	120	96	109	80	95	137	103	156

At the end of January 2024 there were 59 units in active restoration. Units in active restoration at the end of January had been vacant for an average of 66 days as of 31st January 2024.

Age of Units in active Restoration (Count)	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep	2023 Aug	2023 July	2023 June	2023 May	2023 Apr	2023 Mar	2023 Feb
0-15 days	10	5	10	13	12	16	28	18	17	16	16	15
16-30 days	14	13	11	12	9	11	15	14	16	9	11	11
31-60 days	13	10	17	11	21	26	25	23	10	19	20	22
61-90 days	5	14	9	13	14	17	15	4	11	13	12	24
91+ days	17	16	19	24	25	23	23	29	30	37	43	37
Total units in Active Restoration	59	58	65	73	81	93	105	88	84	94	102	109
Average # of days in restoration at month end	66	80	79	81	85	87	80	100	100	101	100	92

4. Active Rental Stock: These are the units that are rent-ready and available to offer. Units leave this category when they are future leased or leased (when the actual lease is signed, and keys are handed to the new tenant). The target for Active Rental Stock is 1% of the portfolio or 33 units.

In the month of January, 24 units were leased that had been rent-ready for an average of almost 28 days. In addition to units leased an additional 18 units were accepted by tenants to be leased in February and future periods.

Age of Units Leased in the Period (Count)	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep	2023 Aug	2023 July	2023 June	2023 May	2023 Apr	2023 Mar	2023 Feb
0-15 days	10	22	23	12	15	17	11	23	16	20	20	22
16-30 days	6	4	10	6	11	11	7	10	10	8	8	5
31-60 days	4	3	6	7	3	3	4	3	4	9	6	3
61-90 days	2	1	0	0	0	2	2	1	3	1	0	1
91+ days	2	0	2	1	0	1	0	1	0	0	1	0
Total units Leased	24	30	42	26	29	34	24	38	33	38	35	31
Average # of days to commit the unit	28	15	26	26	16	22	21	20	21	19	21	17

At the end of January, the active rental stock was 27 units or 0.8 % of the portfolio. The average number of days units were in Active Rental at the end of January was 19 days.

Age of Units Vacant and Available (Count)	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep	2023 Aug	2023 July	2023 June	2023 May	2023 Apr	2023 Mar	2023 Feb
0-15 days	19	16	16	27	22	31	16	16	26	20	24	31
16-30 days	3	4	4	1	5	0	2	8	1	5	4	3
31-60 days	4	6	2	5	7	0	6	4	2	2	9	3
61-90 days	0	2	1	2	0	1	3	0	1	4	0	0
91+ days	1	1	1	0	3	2	1	1	2	0	0	0
Total units Vacant and ready	27	29	24	35	37	34	28	29	32	31	37	37
Average # of days vacant and ready	19	19	15	10	24	13	22	17	13	16	14	13

Period Summaries:

LMCH had a total of 27 new units confirmed vacant in the month of January which have been added to the active restoration stock.

LMCH restored a total of 26 units during this same period.

LMCH leased 24 units and future leased an additional 18 during this reporting period.

Conclusion

The corporate target for vacant units is 100 units. The sub-targets set are 66 units in Active Restoration and 33 units in Active Rental stock. We have achieved this target in this month and the vacant units are 86.

Work will continue to keep a number of units in active restoration to below 66 in the future. Transition of units to the CMHC Unit Accessibility Program will reduce the number of vacant units moving to active restoration resulting in a decreased number of units and the length of time a unit is in the active restoration phase.

PREPARED and RECOMMENDED BY:	PREPARED and RECOMMENDED BY:
Christine Poirier, Senior Manager, Property Services	ANDREA MACKENZIE, Director, Tenant Services

HRGC 2024-01

TO: Human Resources and Governance Committee

FROM: Dirk Volschenk, Manager of Human Resources

SUBJECT: Human Resources Manager Update

DATE: January 23rd, 2024

PURPOSE:

To provide the Human Resources and Governance Committee an overview of the key activities in Human Resources for 2023 and to provide information for the matters identified as priorities for Human Resources in 2023.

RECOMMENDATION:

That the Human Resources and Governance Committee receives this report for information.

BACKGROUND:

LMCH is committed to providing quality, accessible, affordable, and sustainable housing to those in need in our community. The work of our Human Resources Team is critical to supporting the organization in meeting this objective as well as individual staff reach their full potential at LMCH.

Year over Year review:

Staffing Complement

	2022	2023	<u>Year-on-year trend</u>
Total FTE at the end of the year	86	96	<i>11% growth</i>
Employee Departures during the year	23	20	<i>14% reduction</i>
Employees Hires during the year	33	25	<i>25% reduction</i>
Staff on LOA	8	10	<i>20% growth</i>

LMCH worked towards stabilizing its staffing complement during 2023 as challenges attracting and retaining staff negatively impacted operations during 2022. Through the work performed in the organization, LMCH was able to end 2023 with an 11% growth in its staffing complement and more importantly, ended 2023 with almost a completely full staffing complement.

Through a 14% reduction in the amount of staffing departures and work towards retaining staff, the organization was able to reduce its hiring of new staff by 25% which is both a savings in terms of costs of recruiting, but also downstream impacts such as time spent orientating new staff.

Unfortunately, staff on a leave of absence increased during 2023 which was driven by an increase in staff who are off work as a result of pregnancy and parental leave, as well as increased medical leaves in comparison to 2022.

Health and Safety

	2022	2023	Year on Year trend
Staff Occurrences Reported	11	12	<i>9% increase</i>
WSIB reports made	7	9	<i>23% increase</i>
Days lost to injury	0 days	78.47 days	<i>7740% increase</i>
Cost of total WSIB benefits	\$9,546.73	\$24,722.35	<i>159% increase</i>

2023 saw an increase in the amounts of Health and Safety occurrences reported by staff and an increase in the amount of WSIB reports made. Additionally, 2023 saw a significant increase in the amount of days lost and the total cost of benefits paid through WSIB for workplace injuries and illnesses.

The increase in costs is attributed to an ongoing mental health stress injury and approved claim.

Health and Safety of staff continues to be a priority for LMCH and forms the cornerstone of the Healthy Organization strategic vision. With the completion of the Steve Hall Safety Consulting risk assessment projects and the continued participation in the WSIB Health and Safety Excellence program, we will continue to be committed in 2023 to improving physical and mental safety in the workplace.

Labour Relations

	2022	2023	Year on Year trend
Grievances filed	28	8	<i>72% reduction</i>
Arbitrations ongoing	3	2	<i>33% reduction</i>

2023 saw a decrease in the number of grievances filed and matters proceeding to arbitration. The work that both management and the union put in to address practices that cause frustration and the way in which disputes are raised and resolved have led to a decrease in matters being referred to the grievance procedure and matters proceeding to arbitration.

2023 saw no new matters referred to arbitration and the 2 remaining arbitrations stem from 2022 and currently remain unresolved.

PREPARED and RECOMMENDED BY:
Dirk Volschenk MANAGER OF HUMAN RESOURCES

Finance Committee Report 2024-01

TO: LMCH Finance Committee.

FROM: Paul Chisholm, Chief Executive Officer

SUBJECT: Update for Finance & Corporate Services.

DATE: January 31, 2024

PURPOSE:

Present to the Finance Committee of the Board of Directors a progress update on previously reported matters and summarize the current focus areas.

RECOMMENDATION:

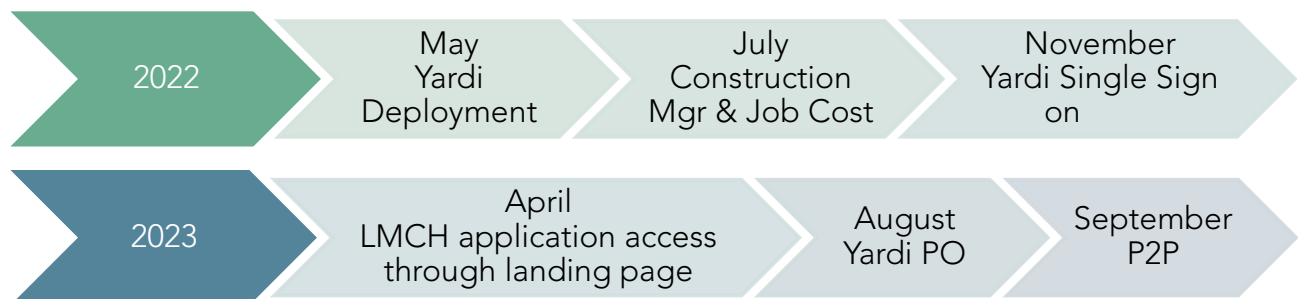
That the LMCH Finance Committee RECEIVE this report for information.

UPDATE:

INFORMATION TECHNOLOGY & DIGITAL TRANSFORMATION

In 2019 BDO completed a risk assessment of LMCH that identified several risks relevant to LMCH's need for a digital transformation. Since that assessment, and as reported in FC-23-35, LMCH's software ecosystem has changed throughout 2022 and 2023 due to the deployments reflected in Figure 1. These changes directly address the financial data integrity gaps identified by BDO in 2019, as LMCH now has a single source of truth.

Figure 1.



To enable full value realization of the 2022 and 2023 deployments LMCH’s focus in 2024 will be optimization of business processes and completing the required change management. The IT tools deployed have either been partially deployed (ex-Procure To Pay – P2P) or deployed and not adopted due to incomplete change management (construction manager and job cost).

As LMCH continues to focus on its Environment, Socio-economic Equity and Governance (ESG) commitments, and digital transformation there will be a continued focus on realizing a paperless environment. Research will be conducted to determine best practices and methods to transfer current paper records, review document retention policies and virtual backup tools, etc.

LMCH will continue enhancing its IT ecosystem to address its growing needs as well as the research and adoption of a dynamic telephony system comprised of VOIP, call center reporting, etc.

PROCUREMENT AND SUPPLY CHAIN

As reported in FC23-35, LMCH had several focus areas in 2023 to prepare for 2024. Some of the contracts that have lapsed and additional contracts expiring during the year requiring a request for proposals (RFP) are shown in Table 1. The aggregate monetary value of these agreements is ~1.8M to ~2.1M. Please note that these figures are estimates currently, as a review of all LMCH contracts & and service costs is underway.

In alignment with LMCH’s ESG commitments and digital transformation focus prioritizing movement to a paperless environment, LMCH will also in 2024 research and deploy the P2P purchasing requisition process and streamline purchase order approval workflow. More importantly, as part of the continued focus on cost containment, LMCH will also research and deploy any P2P features that permit the incorporation of the budget into the purchase order creation and approval process.

LMCH will also continue to enhance inventory management processes by adopting frequent reporting, addressing obsolescence, enabling direct-to-site deliveries when and where appropriate, etc.

Table 1.

Request For Proposal Priorities	Current Value	Status	Expirations
Public space cleaning (multiple contracts) and landscaping (multiple contracts).	800K – 900K	Ongoing	Expired
Snow Removal	600K-700K	Ongoing	April 2024
Security Guard Services	400K-500K	Ongoing	April 2024
Total Value	~1.8M- ~2.1 M		
Laundry Machines (Self-Funded + 80K Rev Opp)		Ongoing	Expired

RISK MANAGEMENT, BUSINESS ANALYTICS & FINANCE

In relation to risk management LMCH's focus in 2024 is to assess progress towards mitigating risks identified in BDO's 2019 organization risk assessment. As well as identifying new risks that did not exist at the time for LMCH specifically and for the City of London broadly. Please note that this work is currently underway, and we anticipate re-engaging BDO in the 2nd half of 2024.

As LMCH has evolved over the past 24 months there has been a growing focus on key performance indicators (KPI's), and in that spirit LMCH will continue its data-driven decision-making approach by deepening its utilization of business analytics through the enablement of segmented automated reporting, higher frequency of reporting, reviewing & expanding the current KPI's and reviewing the feasibility of adopting OKR's (Objectives & Key Results) metrics in addition to the existing KPI's. Please note that automated reporting will foster the budding culture at LMCH of data-based decision-making.

From an accounting perspective, LMCH in 2024 will be focused on adopting the asset retirement obligation (ARO) accounting standard which came into effect in April 2022, instituting the City of London's new asset management tracking model, researching and potentially deploying a tool to automate business processing data entry requirements. More importantly, as part of LMCH's cost containment focus insurance claims will be reviewed to determine if increasing the claim thresholds would result in a net positive tradeoff between the expense cost and potentially lower insurance premiums. Also, there will be continued focus on the optimization of accounting processes and reduction of manual tasks to enable a more streamlined and shorter month-end closing process.

LMCH's yearend activities have commenced, and the 2023 KPMG audit has been scheduled.

APPENDIX A: 2019 BDO RISK ASSESSMENT RESULTS

SIGNATURE:

PAUL CHISHOLM CHIEF EXECUTIVE OFFICER



LONDON &
MIDDLESEX
COMMUNITY HOUSING

2019 RISK ASSESSMENT RESULTS WORKSHOP

LMCH Finance Committee Meeting
February 1, 2024



AGENDA

1. Recap ERM activities completed
2. Present and discuss risk assessment results, including:
 - Review London & Middlesex Community Housing's ("LMCH") overall risk profile
 - Review risk assessment results by risk severity
 - Validate the appropriateness of risk ratings
 - Identify any additional new and emerging risks
3. Discuss existing and planned mitigation strategies for high and severe risks



WORKSHOP OBJECTIVES

The primary goals and objectives of this session include the following:

- ▶ Gain an understanding of where LMCH sees high and severe risks
- ▶ Discuss identified risks and review the risk assessment completed by participants
- ▶ Examine BDO's analysis of risk ratings to validate risk severity
- ▶ Discuss current and planned mitigation efforts



ERM ACTIVITIES RECAP

The following ERM activities have been conducted to date:

- ▶ Facilitated a series of ERM risk identification sessions with key personnel
- ▶ Summarized and updated LMCH's risk registry
- ▶ Defined key risk assessment principles and asked participants to assess each risk at a residual level
- ▶ Assessed the key risks through the Risk Assessment Survey
- ▶ BDO analyzed the results of the participants' risk assessments and calibrated a severity rating for each of the risks identified



KEY RISK ASSESSMENT PRINCIPLES

Participants were asked to assess risks on a residual level:

- ▶ **Residual Risk:** Risk level after implementing risk response tactics or mitigating strategies (i.e. people, processes, and/or technology).

At a residual level, participants rated the following:

- 1. Likelihood:** The probability of the risk event occurring.
- 2. Impact:** The consequences of the risk occurring.

Risks were then categorized as **Preventable**, **Strategic**, or **External Risks**.

KEY RISK ASSESSMENT PRINCIPLES

Severity is the product of likelihood and impact that determines the magnitude of the risk under consideration.

- The table below outlines the severity scores under a 4 point scale with a range of possible scores between 1 and 16
- The range of scores are associated with LMCH’s risk tolerance levels

SEVERITY LEVEL	EQUIVALENT SEVERITY SCORE
LOW	Less than 5
MODEST	5 to less than 8
HIGH	8 to less than 12
SEVERE	Greater than or equal to 12

RISK ASSESSMENT PROCESS

▶ The following LMCH personnel participated in the Risk Assessment Survey:

- CEO
- Interim Director of Finance
- Finance & IT Manager
- Director, Community Engagement & Organizational Effectiveness
- Director, Tenant Services
- IS Coordinator
- Legal Services Coordinator
- Finance Assistant
- Property Services Manager
- Vacancy Supervisor
- Manager, Community Engagement
- Tenant Services Manager
- Manager, Portfolio Strategy Development
- Communications Specialist
- Community Relations Worker

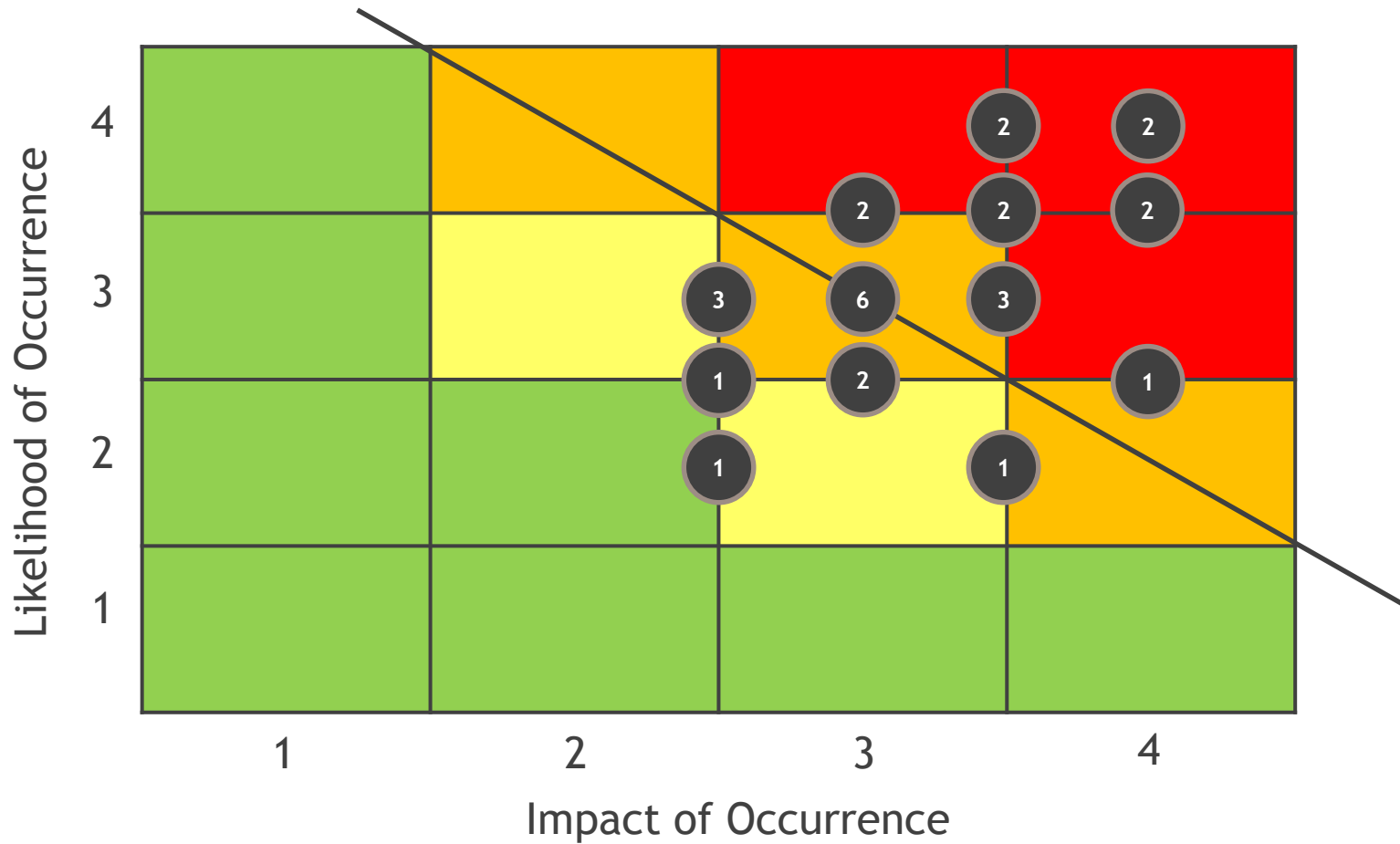
▶ BDO obtained survey results from 15 participants.

▶ Results were calibrated and assessed to assign a severity ranking to each of the risks identified.



OVERALL RISK ASSESSMENT RESULTS

2019 RESIDUAL RISK ASSESSMENT RESULTS



OVERALL RISK PROFILE - BY SEVERITY

RISK CATEGORY	RISK	RESIDUAL SEVERITY SCORE
PREVENTABLE / EXTERNAL	Health and safety incidents at housing sites resulting in violence/harm to employees, tenants, and/or third-party stakeholders/partners.	16.00
EXTERNAL	Lack of access to capital and/or liquidity due to funding restrictions resulting in the organization's inability to meet operational requirements and strategic objectives.	16.00
PREVENTABLE	Insufficient staff resources to effectively support operations and strategic initiatives impacting the quality of output and the ability to execute daily functions.	14.00
STRATEGIC	Strained relationship with the sole shareholder, the City of London, resulting in potential changes to operations and restrictions on funding.	14.00
PREVENTABLE	Failure of IT systems and insufficient resourcing resulting in disrupted business operations, reputational damage, and/or financial implications.	14.00
PREVENTABLE	Lack of formalized policies and procedures that result in inconsistent completion of tasks, operational inefficiencies, and dependency on key personnel.	14.00
PREVENTABLE / EXTERNAL	Failure to address tenant and/or staff mental health needs, including support services, resulting in a crisis/incident involving tenants and/or staff.	12.25
PREVENTABLE	Unmarketable/unsafe units or housing sites resulting in properties being undesirable/unlivable for tenants, increased tenant move-out rates, and negative media coverage.	12.25

OVERALL RISK PROFILE - BY SEVERITY

RISK CATEGORY	RISK	RESIDUAL SEVERITY SCORE
PREVENTABLE	Ineffective internal communication processes and systems resulting in organizational disconnect and a perceived lack of transparency.	10.50
PREVENTABLE	Unexpected/unplanned loss of key person(s) resulting in knowledge gap and/or gap in operations.	10.50
PREVENTABLE	Failure to comply with relevant laws, regulations, standards, or policies resulting in legal claims, potential fines, and/or reputational damage.	10.50
PREVENTABLE / EXTERNAL	Unanticipated significant expenditure increases resulting in short and/or long term objectives not being met.	10.50
PREVENTABLE	Organization fails to meet community expectations resulting in poor reputation, negative relationships with stakeholders, and/or decreased funding.	10.50
EXTERNAL	Disaster (natural or otherwise) resulting in damage/loss of housing sites and the inability to house tenants.	10.00
EXTERNAL	Physical security breaches at office or sites resulting in a loss of information and/or assets.	9.00
PREVENTABLE	Ineffective financial budgeting process resulting in an inability to meet short and long term goals and objectives.	9.00
PREVENTABLE	Inability to produce accurate financial data resulting in inaccurate reporting and hindering the decision making process.	9.00
STRATEGIC	Decreased rental revenue and the inability to identify alternative revenue sources resulting in reduced revenue to support operational requirements.	9.00

OVERALL RISK PROFILE - BY SEVERITY

RISK CATEGORY	RISK	RESIDUAL SEVERITY SCORE
EXTERNAL	Actions of social housing competitors or new market entrants threatens the positioning of LMCH as the “Developer of Choice”.	9.00
PREVENTABLE	Lack of employee engagement resulting in poor culture and negative work environment.	9.00
STRATEGIC	Inefficient or ineffective alliances or affiliations resulting in a negative impact on operations and/or reputation.	7.50
PREVENTABLE	Job descriptions do not support the roles employees are currently performing resulting in unclear responsibilities/expectations and operational inefficiencies.	7.50
EXTERNAL	Adverse actions by federal, provincial, or municipal governments resulting in potential changes to funding or operations.	7.50
PREVENTABLE	Inability to effectively react and communicate externally (including media channels) negatively impacting the organization's brand image.	7.50
PREVENTABLE / EXTERNAL	Inability to attract top talent resulting in limited staff resources and an inability to improve culture.	7.50
EXTERNAL	Cybersecurity breach resulting in a loss of information and/or assets.	7.00
PREVENTABLE	Insufficient development of staff resulting in inefficient operations and loss of qualified staff members.	6.25
STRATEGIC	Unionized environment leads to the potential risk of strike, sudden increase in wages, and restrictions imposed by the collective agreement, impacting the efficiency of operations.	5.00



RISK ASSESSMENT RESULTS: SEVERE RISKS

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE / EXTERNAL	Health and safety incidents at housing sites resulting in violence/harm to employees, tenants, and/or third-party stakeholders/partners.	<ul style="list-style-type: none"> • Safety training is not provided at the time of hire or on a continuous basis (i.e. self defense, de-escalation of situations) • Unauthorized individuals residing at sites (squatters) may cause harm to tenants • Staff are required to work at housing sites and interact with potentially dangerous tenants/squatters • Lack of processes and preventative safety measures in place to protect staff (i.e. staff are not required to travel to housing sites in pairs, mobile safety app is not always monitored, lack of security personnel on-site) • No monitoring of security cameras to protect staff and tenants • Lack of formalized protocol to react to safety incidents occurring at housing sites 	4.00	4.00	16.00

Mitigating Tactics / Controls

- ▶ There is a cellular application ‘Safety Line’ utilized by staff every time they are expected to be at a site
- ▶ Security cameras are used at some sites
- ▶ Staff Occurrence Report forms have been developed and implemented
- ▶ Applicable training is available to employees throughout the year

Survey Comment(s)

- ▶ Important for LMCH to acquire funding to enable the organization to invest in stronger security across all areas
- ▶ This risk is a growing issue within the organization
- ▶ Currently safety mitigation is reactive

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
EXTERNAL	Lack of access to capital and/or liquidity due to funding restrictions resulting in the organization's inability to meet operational requirements and strategic objectives.	<ul style="list-style-type: none"> Set amount of funding provided by the sole shareholder, the City of London Decreased funding from provincial and federal programs Inability to obtain sufficient funding to meet current housing site's critical and non-critical maintenance requirements Unable to fund any new housing developments to increase the number of available units Inability to meet strategic objectives due to funding restrictions Inability to manage debt in the context of the City's debt ceiling, Triple A rating, and PCAB rules 	4.00	4.00	16.00

Mitigating Tactics / Controls

- ▶ Reserve fund study in place and being followed in terms of prioritizing work to be done
- ▶ Projects are pre-approved by the City of London
- ▶ Asset Management Plan to assist with understanding what risks we can tackle with the amount of capital provided to us
- ▶ Participation in funding programs for capital projects
- ▶ Regeneration Plan

Survey Comment(s)

- ▶ With a lack of access to capital, no reserve, and no changes to the Shareholders agreement, there is a significant impact on LMCH's ability to fund any new housing developments. Ultimately, LMCH will fail to meet a number of strategic objectives without significant changes to the model.
- ▶ LMCH would benefit from receiving funding for the year upfront and managing it effectively
- ▶ Applying for CMHC funding

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Insufficient staff resources to effectively support operations and strategic initiatives impacting the quality of output and the ability to execute daily functions.	<ul style="list-style-type: none"> • Departments cannot effectively execute day-to-day operations/initiatives due to staffing restrictions • Understaffed departments leading to overworked employees and the potential for staff burnout/turnover/extended leaves of absence • Minimal time can be utilized for new strategic initiatives • Delays in issuing reporting requirements due to a lack of sufficient resources in departments • Improper job allocation of existing staff (i.e. understaffed at the employee level and overstaffed at the management level) • Inadequate staff planning/forecasting 	4.00	3.50	14.00

Mitigating Tactics / Controls

No mitigating controls identified.

Survey Comment(s)

- ▶ Potential to hire additional key resources
- ▶ Staff burnout is a risk across the organization

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
STRATEGIC	Strained relationship with the sole shareholder, the City of London, resulting in potential changes to operations and restrictions on funding.	<ul style="list-style-type: none"> Lack of trust between LMCH and the sole shareholder, the City of London The shareholder has the ability to drive the operational direction of the organization Increased oversight by the shareholder on key metrics and expectations to be met by LMCH Lack of communication between LMCH and the shareholder 	3.50	4.00	14.00

Mitigating Tactics / Controls

- ▶ Monthly, public Board meetings
- ▶ Regular monthly reporting
- ▶ Quarterly updates provided to key City of London representatives
- ▶ Ongoing communications with the Service Manager and key City of London staff

Survey Comment(s)

- ▶ The City of London will not allow LMCH to restructure the Shareholder Agreement, which impacts funding
- ▶ Strained relationship with members of Civic Administration

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Failure of IT systems and insufficient resourcing resulting in disrupted business operations, reputational damage, and/or financial implications.	<ul style="list-style-type: none"> Insufficient resources to focus on maintaining the IT systems Lack of IT support within the office due to staffing limitations Key person dependency on sole individual in IT department IT systems, software, and hardware do not support the needs of the current operations Business Continuity Plan is outdated and has not been communicated throughout the organization 	3.50	4.00	14.00

Mitigating Tactics / Controls

- ▶ Outsourcing projects to consultants

Survey Comment(s)

- ▶ Requested additional funding to secure additional IT resources, including an additional FTE
- ▶ Current competency of IT is great, however, having a single IT personnel can cause strains throughout the organization in having matters dealt with
- ▶ Majority of staff rely on a few key systems; if IT is unavailable to resolve the issue, work comes mostly to a halt

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Lack of formalized policies and procedures that result in inconsistent completion of tasks, operational inefficiencies, and dependency on key personnel.	<ul style="list-style-type: none"> Lack of formalized policies to outline the standards employees must adhere to Insufficient process/procedural documentation to outline daily responsibilities required of staff Inefficiencies due to lack of formalized processes (i.e. missed tasks requiring subsequent follow-up) Dependence on key personnel to perform required tasks and train others, if required Lack of guidance on responsibilities of employee's role 	4.00	3.50	14.00

Mitigating Tactics / Controls

- ▶ Standard HR policies required by legislation are in place and reviewed
- ▶ SharePoint used to store and share policies
- ▶ Job descriptions developed

Survey Comment(s)

- ▶ Plans in place to begin to better formalize all processes, which over time will help to provide better consistency for the organization
- ▶ Some policies and procedures are in place, but lack formal documentation and are inconsistently adhered to
- ▶ With a lack of procedural documentation, there is a risk of loss of key personnel that can take their business knowledge with them

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE / EXTERNAL	Failure to address tenant and/or staff mental health needs, including support services, resulting in a crisis/incident involving tenants and/or staff.	<ul style="list-style-type: none"> Lack of support services offered to tenants Social issues and crime associated with housing the most vulnerable tenants Desensitization to criminal activity at sites 	3.50	3.50	12.25

Mitigating Tactics / Controls

- ▶ Investments being made in the physical security at the sites
- ▶ Staff Occurrence Report forms have been developed and implemented
- ▶ Department support meetings
- ▶ Employee Assistance Program
- ▶ Access to support services through benefits, if required

Survey Comment(s)

- ▶ Staff mental health has become more of a priority in the past few years
- ▶ The impact to tenants, communities, and staff is felt in regard to both mental and physical health
- ▶ Not enough funding to provide the appropriate care for both tenants and staff
- ▶ Employee Assistance Program is not designed for the nature of our work

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Unmarketable/unsafe units or housing sites resulting in properties being undesirable/unlivable for tenants, increased tenant move-out rates, and negative media coverage.	<ul style="list-style-type: none"> • Restoration, cleaning, or maintenance issues making a property undesirable • Unsafe units, including structural or life safety issues that may risk tenants' health and safety • Some tenants do not feel safe living at the housing sites and opt to move-out • Lack of security at housing sites increasing potential for safety incidents • Inability to find third party contractors/vendors willing to work at housing sites • Deteriorating infrastructure and inability to provide sufficient maintenance to units • Bed bugs and other pests at sites, which are time consuming to remove • Decreased tenant satisfaction and quality of life due to the state of units being assigned 	3.50	3.50	12.25

Mitigating Tactics / Controls

- ▶ Pest Control Program
- ▶ Vacancy Management Program
- ▶ Safety Alert List

Survey Comment(s)

- ▶ Restoration improvement efforts are being implemented
- ▶ Pest projects have been completed at two sites with found success
- ▶ Increased security has been added to select sites



SESSION BREAK



RISK ASSESSMENT RESULTS: HIGH RISKS

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Ineffective internal communication processes and systems resulting in organizational disconnect and a perceived lack of transparency.	<ul style="list-style-type: none"> Ineffective or untimely disclosure of key information or decisions impacting operations Insufficient information presented and inability to interpret information Lack of a communication process or standardized structure for organization-wide communications Uninformed/disengaged employees, negatively impacting culture due to insufficient communications Minimal communication amongst departments within the organization 	3.50	3.00	10.50

Mitigating Tactics / Controls

- ▶ Monday Minute is the main tool for organization-wide communications
- ▶ Monthly management meetings are held along with staff huddles
- ▶ CARE Day and CARE conversations

Survey Comment(s)

- ▶ Often a significant disconnect between departments with regards to internal processes
- ▶ Desire to see improved communications exists, but the impact on culture is major and staff engagement suffers as a result

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Unexpected/unplanned loss of key person(s) resulting in knowledge gap and/or gap in operations.	<ul style="list-style-type: none"> Placing undue reliance on few people without adequate plans to retain knowledge (possible loss of key staff through retirement, leave of absence, resignation, illness, etc.) Lack of knowledge transfer Inadequate planning and oversight of key staff positions Lack of development plans for staff growth and cross-training within the organization 	3.00	3.50	10.50

Mitigating Tactics / Controls

- ▶ Staff development plans through CARE conversations

Survey Comment(s)

- ▶ Implementation of job shadowing
- ▶ LMCH observes a high turnover rate of their staff

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Failure to comply with relevant laws, regulations, standards, or policies resulting in legal claims, potential fines, and/or reputational damage.	<ul style="list-style-type: none"> Noncompliance with <i>Business Corporations Act</i>, <i>Housing Services Act</i>, <i>Residential Tenancies Act</i>, <i>Declaration of the Sole Shareholder</i>, <i>Bylaw No.2</i>, <i>Housing Division Notices</i>, <i>Occupational Health and Safety Act</i>, <i>AODA</i>, <i>PIPEDA</i>, <i>MFIPPA</i>, and internal policies and procedures Fraudulent, illegal, or unethical acts conducted internally or at a site Lack of a process to ensure the organization only takes appropriate, legal action regarding tenants (i.e. appropriately entering units, sending eviction notices, etc.) Inability to provide housing services in French 	3.00	3.50	10.50

Mitigating Tactics / Controls

- ▶ LMCH employs three in-house paralegals
- ▶ Staff have required experience and training to comply with laws, regulations, and standards
- ▶ LMCH seeks legal and audit assistance from third parties when necessary
- ▶ Third party resources used for translation, when required

Survey Comment(s)

- ▶ Risk surrounding tenant information (i.e. how it is collected, utilized, and destroyed)
- ▶ Stronger policies surrounding compliance with laws, regulations, and standards should be developed

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE / EXTERNAL	Unanticipated significant expenditure increases resulting in short and/or long term objectives not being met.	<ul style="list-style-type: none"> Legislated utility cost increases New contract costs Unexpected maintenance issue at housing site due to age of infrastructure requiring unanticipated expenditures 	3.00	3.50	10.50

Mitigating Tactics / Controls

- ▶ Asset Management Plan
- ▶ Contingency money set aside in capital budget line
- ▶ Building Condition Assessments were completed
- ▶ Improved communication with the City of London regarding expenditure expectations

Survey Comment(s)

- ▶ Buildings are aging and have been chronically under-invested in; combined with a tenant base that is generally rough on the assets, they are destined to fail and in time, more frequently and more severely
- ▶ Ability to maintain LMCH’s own reserves would help to mitigate this risk
- ▶ Staff morale has lowered in recent years as staff feel they need to do more with the same amount of funding

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Organization fails to meet community expectations resulting in poor reputation, negative relationships with stakeholders, and/or decreased funding.	<ul style="list-style-type: none"> Community expectations for the organization are higher than what is able to be achieved due to resource constraints 	3.50	3.00	10.50

Mitigating Tactics / Controls

- ▶ Communication Specialist and/or Senior Leadership Team provide communications on the organization
- ▶ Community engagement to provide a positive presence in the community
- ▶ Creating community partnerships

Survey Comment(s)

- ▶ Often the poor reputation is a result of communication inefficiencies
- ▶ Need to better manage expectations and ensure Council is aware of what the organization’s true capacity is
- ▶ There is a major misconception/stigma about LMCH in the community, leading to:
 - ▶ The sense that you are constantly letting down the community affects staff morale, and long-term retention
 - ▶ Creates a public bias on the organization and can result in unfair treatment and provisions

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
EXTERNAL	Disaster (natural or otherwise) resulting in damage/loss of housing sites and the inability to house tenants.	<ul style="list-style-type: none"> Disaster (i.e. terrorism, flooding, fire, or prolonged adverse weather conditions) may compromise the housing sites and ability to house tenants Processes on how to respond disasters/emergencies are outdated and have not been communicated throughout the organization (i.e. Business Continuity Plan and Disaster Recovery Plan) Employees are unaware of any emergency response plans in place 	2.50	4.00	10.00

Mitigating Tactics / Controls

- ▶ Business Continuity Plan (although not recently updated) along with the Disaster Response Plan
- ▶ Prioritization of building elements most likely to result in catastrophic loss
- ▶ Fire safety practices

Survey Comment(s)

- ▶ Lack of knowledge on who to call if an incident occurs
- ▶ Updating and distributing the Business Continuity Plan and the Disaster Recovery Plan should be a priority

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
EXTERNAL	Physical security breaches at office or sites resulting in a loss of information and/or assets.	<ul style="list-style-type: none"> Loss of physical assets or confidential information Insufficient preventative security measures (i.e. no monitoring of security cameras) Confidential information is not appropriately secured at head office 	3.00	3.00	9.00

Mitigating Tactics / Controls

- ▶ Confidentiality policy and practices
- ▶ Technology encryption, security patching, and training
- ▶ Off-site data backups
- ▶ Controlled entry, alarm system, locks on cabinets, and security cameras at the office
- ▶ Some security cameras at sites

Survey Comment(s)

- ▶ Lack of security to safeguard tenant files
- ▶ Physical files should be better secured
- ▶ Data access permissions in InSite should be reviewed and restricted, as required
- ▶ Lack of document management
- ▶ Limited control over inventory (i.e. maintenance stock, laptops, phones, etc.)

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Ineffective financial budgeting process resulting in an inability to meet short and long term goals and objectives.	<ul style="list-style-type: none"> Representatives from all departments are not involved in the budgeting process, leading to the potential for additional expenditures to be missed Justification is not always provided for budgeted items Budget to actual analysis is not provided to departments on a frequent basis to provide departments with effective oversight over any variances 	3.00	3.00	9.00

Mitigating Tactics / Controls

- ▶ Zero-Based budgeting implemented in 2019, with budget total set in advance
- ▶ Monthly reporting to those who manage budgets
- ▶ Purchasing policy limits signing authority
- ▶ Finance reviews budgets for reasonableness

Survey Comment(s)

- ▶ Budget amount does not correlate to need, rather to resource allocation
- ▶ Outcomes (over/under budget) driven by unanticipated costs more than any other driver
- ▶ Budget to react rather than to prevent or meet goals due to limits
- ▶ Providing education for those involved in the budget process (i.e. obtaining historical information from the system, basic accounting, trend analysis) would be helpful

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Inability to produce accurate financial data resulting in inaccurate reporting and hindering the decision making process.	<ul style="list-style-type: none"> Inadequate IT systems to maintain and export financial reporting data Lack of segregation of duties due to staffing limitations Significantly manual entry process Reliance on other departments resulting in potential delays or errors in the source data Workarounds are required for completing financial reporting related tasks 	3.00	3.00	9.00

Mitigating Tactics / Controls

- ▶ Staff use standardized spreadsheets to perform manual processes
- ▶ Regular reporting and audits
- ▶ Ongoing reviews of data for reasonableness
- ▶ Additional resources in the form of a Finance Manager

Survey Comment(s)

- ▶ Lean Six Sigma analysis being deployed to understand where efficiencies may be created
- ▶ KPI & Business Analyst redeveloping how information is downloaded/uploaded from/to InSite to create efficiencies and a lower volume of errors
- ▶ Minimizing some of the manual work with invoicing with the introduction of Laserfiche

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
STRATEGIC	Decreased rental revenue and the inability to identify alternative revenue sources resulting in reduced revenue to support operational requirements.	<ul style="list-style-type: none"> Restrictions on allowable revenue sources imposed by the sole shareholder, the City of London Decreased rental revenue from units as well as other sources (i.e. rooftop rentals, tenant recoveries) Increased arrears for current and former tenant rents and fees Increased vacancy rate leading to a reduction in rental revenue 	3.00	3.00	9.00

Mitigating Tactics / Controls

- ▶ Focus on arrears collection has increased in recent years
- ▶ Deficits are funded by the City of London
- ▶ Vacancy Management Initiatives as mandated by the City of London and led by the Property Services department

Survey Comment(s)

- ▶ Ability to generate revenue is mandated through the Articles of Incorporation
- ▶ Assets will close without some kind of revenue generation
- ▶ Reliance on government continues with significant impact to what LMCH can leverage to meet housing needs
- ▶ Lack of management over tenant recoveries

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
EXTERNAL	Actions of social housing competitors or new market entrants threatens the positioning of LMCH as the “Developer of Choice”.	<ul style="list-style-type: none"> • Potential to compete for funding from the sole shareholder, the City of London, and the federal government • Inability to advocate for LMCH when funding for development decisions are in the process of being made by the City of London • Potential for competitors and/or new market entrants to offer more suitable social housing options (i.e. safer, less maintenance issues, cleaner) impacting reputation • Competitors may offer more support to tenants than what is provided by LMCH 	3.00	3.00	9.00

Mitigating Tactics / Controls

- ▶ Demonstrating value
- ▶ Mandated service
- ▶ Willingness to work with other providers who offer similar services
- ▶ LMCH is working with partners to advance “regeneration”

Survey Comment(s)

- ▶ The demand for affordable housing is so significant that the few competitors who can do it well will never satisfy the demand. Therefore, there will be ongoing demand for LMCH as a developer
- ▶ It is not financially feasible for new market entrants to provide housing at the rates LMCH does

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Lack of employee engagement resulting in poor culture and negative work environment.	<ul style="list-style-type: none"> Lack of organization-wide events or recognition to boost employee morale Culture is not conducive to working as a team Disengaged individuals creating a demoralizing culture Lack of trust throughout the organization 	3.00	3.00	9.00

Mitigating Tactics / Controls

- ▶ Regular team meetings and staff huddles
- ▶ CARE Days
- ▶ Social Committee

Survey Comment(s)

- ▶ There are a variety of team events and parties for staff to attend, however, these events tend to have low turnout rates
- ▶ Low turnout rates and the level of staff engagement speaks to the current state of the company culture and overall staff burnout



RISK ASSESSMENT RESULTS: MODEST RISKS

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
STRATEGIC	Inefficient or ineffective alliances or affiliations resulting in a negative impact on operations and/or reputation.	<ul style="list-style-type: none"> Service partnerships with social service providers refuse to provide support at housing sites or do not represent LMCH's values while on-site Lack of LMCH staff oversight when community partners are at housing sites 	3.00	2.50	7.50

Mitigating Tactics / Controls

- ▶ Semi-regular meetings with community partners
- ▶ Partnership agreements and some service standards/metrics exist
- ▶ Shared reporting on the use of services exist for some partners
- ▶ Timely and ongoing communication with partner agencies
- ▶ Staff are present at events when available

Survey Comment(s)

- ▶ LMCH engages with community partners that are qualified and trusted to do the work that they do in our communities
- ▶ If not currently present, having a method to evaluate our partnerships should be developed so that we can demonstrate the outcomes from these partnerships
- ▶ Community development and engagement strategy being developed

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Job descriptions do not support the roles employees are currently performing resulting in unclear responsibilities/ expectations and operational inefficiencies.	<ul style="list-style-type: none"> Staff have responsibilities outside of their job description resulting in overworked staff and the potential for burnout Misalignment between position titles and the activities they are performing on a daily basis 	3.00	2.50	7.50

Mitigating Tactics / Controls

- ▶ Job Evaluation Committee is in place to review each role within the organization
- ▶ Recently hired Manager of Culture and People

Survey Comment(s)

- ▶ More frequent rotational job evaluations would benefit LMCH
- ▶ There is a misalignment between the current job descriptions and the actual roles being performed by employees

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
EXTERNAL	Adverse actions by federal, provincial, or municipal governments resulting in potential changes to funding or operations.	<ul style="list-style-type: none"> Changes to the political landscape may alter the organization's operations 	2.50	3.00	7.50

Mitigating Tactics / Controls

- ▶ Ongoing communication with the City of London
- ▶ Local Housing Corporations engage in advocacy activities that mitigate the risk of major negative changes

Survey Comment(s)

- ▶ Other than providing feedback on proposed legislative changes, LMCH does not have a significant ability to mitigate/control governmental policy changes
- ▶ LMHC continues to reinforce it's message surrounding issues, money, and cause/effect of funding decisions

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Inability to effectively react and communicate externally (including media channels) negatively impacting the organization's brand image.	<ul style="list-style-type: none"> Tenants approach media outlets with complaints about LMCH Media misconstrues information causing the public to have a misinformed perception of LMCH Informal communication process to address stories and respond to news outlets 	3.00	2.50	7.50

Mitigating Tactics / Controls

- ▶ Over the past couple of years, LMCH has taken a more proactive approach in trying to work with, and be responsive to the media
- ▶ Respond to requests for interviews
- ▶ Communications Specialist manages most of the communications
- ▶ Understood that the CEO and Board Chair speak for organization

Survey Comment(s)

- ▶ Lack of a formal communication plan and/or communication processes
- ▶ The public, due to the media, receive an unclear message of the real constraints put upon housing due to some tenants projecting situations worse than the reality

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE / EXTERNAL	Inability to attract top talent resulting in limited staff resources and an inability to improve culture.	<ul style="list-style-type: none"> Issues attracting talent due to reputation in the community 	2.50	3.00	7.50

Mitigating Tactics / Controls

- ▶ Individual meetings with the CEO, prior to offers of employment, to focus on organizational fit
- ▶ Recruiting through connections with the City of London and/or current staff
- ▶ Widespread advertising of vacant positions
- ▶ Probationary period for new hires

Survey Comment(s)

- ▶ LMCH has hired top talent, however they leave the organization once they struggle to see improvements
- ▶ Issue of staff retention, especially at the senior level
- ▶ Takes a significant amount of time to hire some staff positions

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
EXTERNAL	Cybersecurity breach resulting in a loss of information and/or assets.	<ul style="list-style-type: none"> Loss of data or confidential information Insufficient preventative cybersecurity measures 	2.00	3.50	7.00

Mitigating Tactics / Controls

- ▶ Policies and protocols are in place
- ▶ On premise, servers are updated with current security patches and secured behind enterprise grade firewalls
- ▶ Data backups
- ▶ Having one IT personnel within the organization means that cybersecurity management has a cohesive strategy

Survey Comment(s)

- ▶ If there were a cybersecurity breach and loss of information and/or assets it could have a significant impact on the organization
- ▶ Although there have been a lot of instances of cyber attack and ransomware attacks, LMCH is relatively well protected

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
PREVENTABLE	Insufficient development of staff resulting in inefficient operations and loss of qualified staff members.	<ul style="list-style-type: none"> Lack of a formalized onboarding process to alert departments of new hires joining the organization (e.g. informing IT of equipment requirements) Lack of training on specific duties required of staff outside of what the industry typically requires (i.e. legal personnel visiting tenant sites) Lack of professional development opportunities or continuous training 	2.50	2.50	6.25

Mitigating Tactics / Controls

- ▶ Individual teams/departments encourage job shadowing
- ▶ Mandatory training determined by HR pertaining to each role

Survey Comment(s)

- ▶ Building a formalized on-boarding process at the HR and organizational level
- ▶ Training opportunities have been significantly cut in the past few years, however expectations of staff are increasing
- ▶ Staff are not informed of training opportunities that are arising
- ▶ Staff do not feel that their ongoing development is valued by the organization

RISK PROFILE

	RISK	RISK RATIONALE	RESIDUAL RISK ASSESSMENT		
			L	I	S
STRATEGIC	Unionized environment leads to the potential risk of strike, sudden increase in wages, and restrictions imposed by the collective agreement, impacting the efficiency of operations.	<ul style="list-style-type: none"> Restrictions imposed by collective agreements (e.g. movement in job responsibilities) Potential employee strike halting business activities Bargaining of the collective agreement could result in an increase to union related costs 	2.00	2.50	5.00

Mitigating Tactics / Controls

- ▶ Four year Collective Agreement is in place
- ▶ Managing the union relationships well

Survey Comment(s)

- ▶ Strikes are relatively infrequent
- ▶ Focus on ongoing relationship with the union and ensuring open lines of communication to minimize grievances and promote a better working relationship



ADDITIONAL RISKS

- ▶ *Cash flow concerns as the organization moves forward with many capital projects, due to the funding model of spend now, and reimburse after payment to the vendor has already occurred.*
- ▶ Any other new and/or emerging risks not yet identified?



NEXT STEPS

1. BDO takeaways:

- ▶ Revise LMCH's Risk Assessment results based on today's discussion.
- ▶ Provide an updated overview of LMCH's critical risks for 2019.

2. Additional comments/questions?

Thank you for your participation!

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APPENDICES

RISK ASSESSMENT CRITERIA - LIKELIHOOD SCALE

RATING	LEVEL	PROBABILITY	FREQUENCY	DESCRIPTION
4	ALMOST CERTAIN	Event is expected to occur in most circumstances	Highly likely to occur annually	> 85%
3	LIKELY	Event will probably occur in most circumstances	Has occurred or is expected to occur once in a two (2) year timeframe	50% - 85%
2	POSSIBLE	Event could occur at some time	Has not yet occurred but could occur or is expected to occur once in a five (5) year timeframe	15% - 49%
1	UNLIKELY	Event may occur only in exceptional circumstances	Has not yet occurred but could occur or is expected to occur once in a ten (10) year timeframe	< 15%

RISK ASSESSMENT CRITERIA - IMPACT SCALE

CATEGORY EXAMPLES	RATING & LEVEL EXAMPLES			
	4 SIGNIFICANT	3 MAJOR	2 MINOR	1 INSIGNIFICANT
OPERATIONAL	<ul style="list-style-type: none"> ▶ Serious incident within the community resulting in the cessation of operations ▶ Widespread or long-term shut down due to internal operational issue 	<ul style="list-style-type: none"> ▶ Significant incident within the community resulting in the temporary shut-down of operations ▶ Significant, sustained, internal operational issue 	<ul style="list-style-type: none"> ▶ Modest incident within the community resulting in minimal loss of support ▶ Modest internal operational challenge in size or duration 	<ul style="list-style-type: none"> ▶ Minor incident within the community resulting in a brief negative reaction ▶ Minor internal operational inefficiency
HEALTH & SAFETY	<ul style="list-style-type: none"> ▶ Incident results in a fatality to staff and/or tenant(s) ▶ Full breach of health and safety regulation 	<ul style="list-style-type: none"> ▶ Event results in a long-term disability to staff and/or tenant(s) ▶ Significant regulatory health and safety violation 	<ul style="list-style-type: none"> ▶ Incident results in a short-term disability to staff and/or tenant(s) ▶ Escalation of resources committed to address health and safety regulatory concern 	<ul style="list-style-type: none"> ▶ Minor incident requiring minimal first aid to staff and/or tenant(s) ▶ Low significance health and safety regulatory incident
REPUTATIONAL	<ul style="list-style-type: none"> ▶ Event results in sustained, serious loss of stakeholder confidence ▶ Intense negative attention in national news/social media 	<ul style="list-style-type: none"> ▶ Event has a major impact on stakeholder confidence that damages the organization's image ▶ Negative attention in local news/social media 	<ul style="list-style-type: none"> ▶ There is a modest impact on organization's image ▶ Limited negative attention in local news/social media 	<ul style="list-style-type: none"> ▶ Event has limited, localized impact on organization's image ▶ Brief negative attention in local news/social media
REGULATORY	<ul style="list-style-type: none"> ▶ Material breach of legislation with very significant consequences, requiring substantial resources to rectify 	<ul style="list-style-type: none"> ▶ Regulatory breach with material consequences, requiring several resources to rectify 	<ul style="list-style-type: none"> ▶ Regulatory breach with minor consequences, requiring some resources to rectify 	<ul style="list-style-type: none"> ▶ Regulatory breach with minimal consequences, readily rectified with limited resources
HUMAN RESOURCES	<ul style="list-style-type: none"> ▶ Unexpected/unplanned loss of whole team ▶ Serious incident occurs resulting in significant resources required to rebuild culture 	<ul style="list-style-type: none"> ▶ Unexpected/unplanned loss of key individuals ▶ Significant incident occurs resulting in an immediate, lasting shift in culture, requiring several resources to rectify 	<ul style="list-style-type: none"> ▶ Unexpected/unplanned loss of a key individual ▶ Modest incident occurs resulting in a shift in culture requiring time/effort to rectify 	<ul style="list-style-type: none"> ▶ Unexpected/unplanned loss of a single staff member ▶ Minor incident occurs resulting in a temporary shift in culture
FINANCIAL	> \$500K	\$200K - \$500K	\$50K - \$200K	< \$50K

PROPOSED APPROACH TO RISK MANAGEMENT

	PREVENTABLE RISKS	STRATEGIC RISKS	EXTERNAL RISKS
DEFINITION	Risks arising from within the organization that generate minimal strategic benefits	Risks taken on for strategic returns	External, uncontrollable risks
RISK MITIGATION OBJECTIVES	Avoid or eliminate occurrence cost-effectively	Reduce likelihood and impact of occurrence cost-effectively	Reduce impact cost-effectively should risk become reality
RISK MITIGATION TACTICS	Effective governance and oversight	Continuous interactive discussions to understand risks and their associated consequence to hinder the pursuit of strategic objectives	Identify, foresee criticality, and mitigate effect
KEY RISK MITIGATION TOOLS	<ul style="list-style-type: none"> ▶ Mission, vision, and values ▶ Integrated organizational culture ▶ Governing policies, procedures, and controls ▶ Rules and boundary systems ▶ Internal audit 	<ul style="list-style-type: none"> ▶ Assessing likelihood/impact of risk occurrence ▶ Managing lead/lag indicators of risk occurrence ▶ Allocation of resources to manage risks 	<ul style="list-style-type: none"> ▶ Sensitivity/stress testing ▶ Scenario planning ▶ "What if" analysis

Finance Committee Report 2024-02

TO: LMCH Board of Directors, Finance Committee

FROM: Trevor Whittingham, Senior Manager of Asset Management

SUBJECT: Senior Manager Update

DATE: January 25, 2024

PURPOSE:

The purpose of this report is to provide the Finance Committee an update on the status of the work happening within the Asset Management Division.

RECOMMENDATION:

That the Finance Committee **RECEIVE** the February 2024 Senior Manager update report for information.

UPDATES:

Reimagine Southdale

Construction on the Reimagine Southdale project is moving ahead at a good pace. The 18 existing townhomes were cleared of hazardous materials in November, and the buildings were completely demolished in mid-December. Before the townhomes were demolished, our Property Management team was able to salvage a number of items that could be used in repairs elsewhere on the site. We took some windows and doors, electrical, plumbing, and HVAC components. This should save the maintenance team the challenge of sourcing some hard-to-find parts for a few years.

Installation of underground services (water, storm, sanitary, etc) is currently underway, and excavation for the building foundation will begin in early February. To date, there has been a modest-sized construction crew on site, as the work did not require multiple trades working at once. However, as work on the foundation begins, the site will become increasingly busy. Coordination with our Communication and Tenant Engagement colleagues will be increasingly important as the site becomes more hectic. Impacting the site tenants is unavoidable, but we will seek to minimize the effects wherever possible and ensure we are communicating every step of the way.

The construction team has only been on site for approx. 3 months, but they are already slightly ahead of their initial schedule and have been communicating with our Project Team extremely well. We look forward to continuing to work with Jackman for the duration of the project and still anticipate completion in late spring 2025.

Capital Project Update

The Asset Management team is making good progress on a number of capital projects. Below is a high-level update on several jobs.

Recently completed and minor deficiency cleanup:

- Penny Lane window and door replacement

Completion is expected within the next month

- Hale elevator modernization
- Dundas elevator modernization
- Commissioners elevator modernization
- Baseline generator replacement

Recently started construction

- Baseline elevator modernization
- Simcoe elevator modernization
- Bouleee parking lot lighting upgrades

Ongoing or soon-to-begin construction

- Walnut St generator and electrical panel replacement – completion expected early spring
- Kent St generator replacement – completion expected early spring
- Albert St front vestibule modification – construction should begin in mid-Feb
- Albert St elevator modernization

Designs are underway but contractors not yet engaged

- Baseline heating valve replacements
- Bouleee backyard step leveling
- Allan Rush chimney repairs
- Oxford concrete and railing repairs
- Berkshire concrete repairs
- Parking lot expansions at Head, Ellen, York

Development of a New Asset Management Plan

We continue to work with the City of London on the development of a new Asset Management Plan (AMP). LMCH's initial AMP was developed internally in 2019 and went into effect in 2020. While the internal plan has a lot of quality analysis and provides direction to how we have been allocating our capital funds, we have decided to refresh the Plan. By working with the City we ensure that the AMP is aligned in both format and methodology with their own Plan, as well as that of the other Agencies, Boards, and Commissions affiliated with the City.

The information contained in our most recent Building Condition Assessment has been provided to City staff for analysis, and we are now working on gathering information on our tools and other equipment (called Other Assets by the City). This process should be complete in Feb so the City can complete its analysis by sometime in March. We then move into financial strategy and risk analysis, done jointly between LMCH and City of London staff. The finalized report should be ready for review and board approval by the end of the summer.

PREPARED and SUBMITTED BY:
TREVOR WHITTINGHAM, SENIOR MANAGER OF ASSET MANAGEMENT

Finance Committee Report 2024- 03

TO: LMCH Finance Committee

FROM: Trevor Whittingham, Senior Manager of Asset Management

SUBJECT: 2023 – Year End Summary Report – Reimagine Southdale

DATE: January 25, 2024

PURPOSE:

The purpose of this report is to provide the Finance Committee with a year-end 2023 summary of our achievements on the Reimagine Southdale Phase 1 project.

RECOMMENDATION:

That the Finance Committee RECEIVE the Reimagine 2023 Year End Summary update for information only.

BACKGROUND:

The Reimagine Southdale project is the first redevelopment project that LMCH has undertaken in its history. After years of study and consultation, the Southdale site was selected as the best location to be redeveloped. A master plan has been developed for the site, including three potential phases of construction – which will create three new multi-story buildings within the existing townhome complex.

Capital funding for Phase 1 of the project, the first and western-most building of the three potential buildings, was approved as part of the City of London 2019-2023 multi-year budget. We hope that Phases 2 and 3 of our vision will be funded and built over the next several years, subject to additional funding requests to the City.

Phase 1 of the Reimagine Southdale will be a six-story 53-unit building. It will be built on the location of two townhome blocks, containing 18 units, for a net increase of 35 units. Although it will be a multi-story building, the new units will still be geared to families, to match the surrounding community.

Over the last two years, we have been working hard with a consultant team to design the new building, get the required approvals, and prepare the site for construction.

2023 was an exciting and productive year for the Reimagine Southdale Project. The following milestones were achieved over the past twelve months.

PLANNING and PERMITS

- Zoning Bylaw Amendment (ZBA) was approved in early January 2023. This kicked off the start of our planning process with the City of London. This zoning approval applies to the entire property, which enables us to plan for future phases of development without needing additional zoning amendments.
- Site Plan Approval (SPA) was approved by the City of London in July 2023. This approval is a precursor to applying for a building permit and ensures the city approves of the development conceptually.
- Building permit application was submitted to the City of London on July 5th.
- Demolition Permit for 18 townhomes was issued by the City in October 2023.
- Foundation Building Permit was issued in November 2023.

DESIGN DEVELOPMENT

- The design of the building evolved from conceptual block plans to detailed design throughout the course of the year.
- Meetings were held periodically with staff and other user groups to ensure that the design of the building continued to meet their needs.
- Designs were refined and sent to a cost consultant periodically to ensure that we were staying within our budget allocation.
- A final design was signed off by LMCH in late July, and an Issued for Tender drawing set was created.

PROCUREMENT FOR GENERAL CONTRACTOR

In July 2023 LMCH completed a RFPQ (Request for Pre-Qualifications) to procure and qualify the following: Mechanical Contractor, Electrical Contractor, and General Contractor. We received significant interest in the project from local trades as well as contractors from the Toronto area. After an extensive evaluation by LMCH along with our consultant team we prequalified 4 General Contractors, 5 Mechanical Contractors, and 5 Electrical Contractors.

With a finalized design and a list of the pre-qualified contractors in hand LMCH initiated an (RFQ) Request for Quote in early Aug. LMCH requested quotes based on a stipulated sum contract type, which means the contractors were all bidding on the same scope, and the lowest compliant bid would be selected. Jackman Construction Limited out of Kitchener was the successful proponent. In September 2023, LMCH entered into a CCDC2 contract with Jackman Construction to complete Phase 1 of the Reimagine Southdale Project.

DEMOLITION AND CONSTRUCTION

- In late October Jackman Construction mobilized and began setting up site fencing and other set-up activities.
- Hazardous Materials abatement in the 18 existing townhomes occurred throughout the course of November. This step was required to ensure that no asbestos or other dangerous materials would be released during the demolition of the townhomes.
- Demolition of the 18 impacted units was completed during the first two weeks of December.
- Installation of the first underground services – water and storm sewers began the second week of January, and we expect excavation for the building foundations to begin the week of Jan 29.
- A projected construction schedule can be found in Appendix A. This is high level and subject to minor fluctuations depending on site conditions.

CONCLUSION:

The past year on the Reimagine Southdale project was filled with a combination of planning and implementation. As we move forward, the progress will be more tangible and visible to the rest of the community. Our LMCH team, General Contractor, and consultants are excited about the construction of the first new LMCH building. Our General Contractor anticipates that substantial completion should be achieved in April 2025.

In addition to the new building, we will be enhancing the remaining townhomes with new exterior cladding. This will improve their building envelope and energy efficiency, and ensure that the new building matches nicely with the rest of the site.

APPENDIX A: Projected Reimagine Southdale Construction Timeline

Milestone	Start Date	End Date
Contract Award	Sep-23	-
Contractor mobilizes on site	Oct-23	-
Hazardous material removals and townhome demolition	Nov-23	Dec-23
Excavation and forming of foundation	Feb-24	Apr-24
Erect structure, floors 1-6	Apr-24	Dec-24
Install building envelope (siding, roof, etc)	Dec-24	Apr-25
Interior fit-out (HVAC, electrical, plumbing)	Aug-24	Mar-25
Interior finishing (painting, flooring, doors, etc)	Dec-24	May-25
Exterior paving and landscaping	Sep-24	Apr-25
Townhome siding replacement	Apr-24	Oct-24
Substantial completion	-	May-25

PREPARED and SUBMITTED BY:	STAFF CONTACT:
TREVOR WHITTINGHAM SENIOR MANAGER, ASSET MANAGEMENT	SCOTT ROBERTSON, CONSTRUCTION AND PROJECT MANAGER

Finance Committee Report 2024- 04

TO: LMCH Finance Committee

FROM: Trevor Whittingham, Senior Manager, Asset Management

SUBJECT: CMHC Q4 – 2023 Summary Report

DATE: January 25, 2024

PURPOSE:

This report is to provide an update to the LMCH Finance Committee on the CMHC Program, and the status of key projects.

RECOMMENDATION:

It is recommended that the LMCH Finance Committee **RECEIVE** this report for information.

BACKGROUND:

LMCH began collaborating with the Canadian Mortgage and Housing Corporation (CMHC) in 2019 to define projects that meet the requirements under the Renovation, Repair, and Renew funding program. The program developed by LMCH team members followed the guidelines of the National Housing Co-Investment Fund – “Minimum Environmental & Accessibility Requirements – Repairs and Renewals.” The criteria requirements include increasing accessibility in common areas and retrofitting 20% of the unit’s interior in order to meet accessibility requirements, while also achieving 25% energy savings and GHG reductions by year-end 2027.

On February 25, 2021, CMHC confirmed to LMCH that the application met the criteria for funding. The City of London, denoting its commitment to the program, agreed to act as guarantor on June 16, 2021.

On November 25, 2021, LMCH, in conjunction with the City of London (COL), executed the loan agreement with CMHC for \$40,136,090. The funding allocation consists of \$ 15,533,989 as a forgivable loan and \$24,602,101 repayable loan with the City of London guaranteeing \$37,000,000.

PROJECT UPDATES:

The funding can be categorized into three divisions: Energy, Accessibility, and Property Works. The information below highlights some of the achievements made within each division in 2023, and the plans for 2024.

Energy

Energy Management System (EMS)

In the fall of 2022, we completed the installation of the Demtroys thermostat system in 7 of the 8 high-rises within the CMHC portfolio. The system was installed in 6 buildings with electric heat, and one building with hydronic (hot water) heating. Over the 2022/23 heating season the energy consumption was tracked and compared to the consumption which would have occurred had the system not been installed. The properties averaged a 25.9% reduction in energy consumption. These results are slightly above the 24% anticipated savings originally indicated by Demtroys. In addition to the reduction in our energy bills, exceeding our savings targets enabled us to apply for federal energy grants. The programs, administered through SaveOnEnergy and Enbridge, awarded us an additional \$300,000.

Since the 22/23 heating season, Demtroys has continued to optimize the programming of its system to gain greater performance. As such an increase in savings at properties not meeting the target is expected and an updated analysis will be complete by the end of March 2024.

The table below has been calculated by completing a bill analysis. These savings equate to powering 70 average homes for a year.

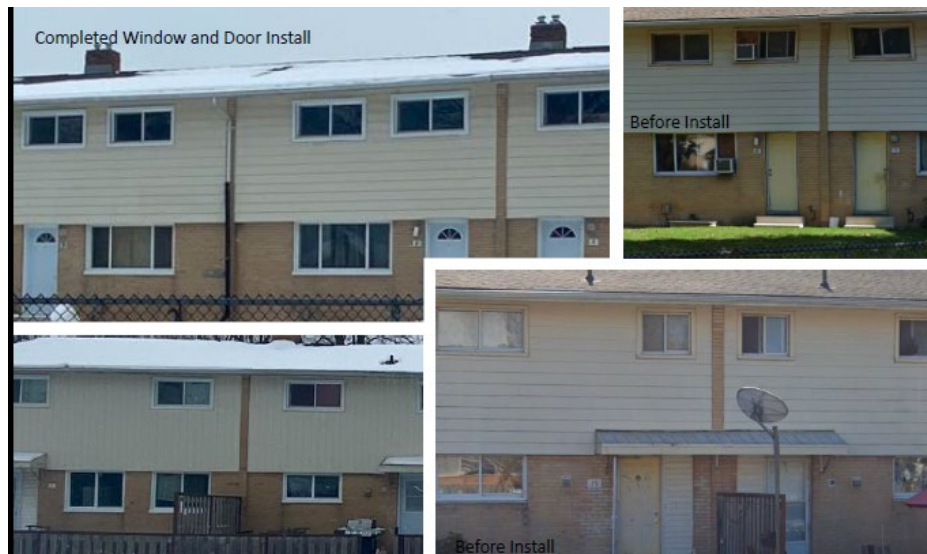
Address	Installation Date	Forecasted Savings	Actual Savings		% of heating consumption saved
ELECTRCITY					
170 Kent	2022-05-18	139 999 kWh	113 391 kWh	\$14,014	22.6%
202 McNay	2022-05-24	165 145 kWh	79 312 kWh	\$9,755	14.2%
241 Simcoe	2022-07-15	99 260 kWh	94 818 kWh	\$11,663	26%
345 Wharncliffe	2022-04-11	150 430 kWh	124 109 kWh	\$15,265	27.3%
349 Wharncliffe	2022-03-28	150 430 kWh	152 809 kWh	\$18,796	34.3%
85 Walnut	2022-09-16	137 576 kWh	102 677 kWh	\$12,629	31%
TOTAL electricity		842 840 kWh	667 116 kWh	\$82,122	
GAS					
30 Base Line	2022-08-16	43,476 m3	39,283 m3	\$13,749	23%
TOTAL SAVINGS				\$95,871	

The one building where Demtorys has yet to be installed is 580 Dundas. The program was put on hold at this location due to insufficient wiring to power the thermostat. An option to rewire each unit and relocate thermostats currently on the exterior wall, supply and install the thermostat has been priced at \$302,000. We are examining how this cost can be reduced in order to make the return on investment at this location more attractive.

Windows and Doors

In the fall of 2023, we completed the replacement of approximately 1500 windows at the Pond Mills and Allan Rush family sites. Additionally, 200 doors were replaced at Allan Rush. With an expected gain in efficiency due to the windows and caulking we anticipate a decrease of 5% in gas consumption. Tenants have already commented on being able to lower thermostats due to drafts being eliminated.

Not only will the new windows and doors increase the energy performance of our buildings, but they should also reduce ongoing maintenance costs and improve the appearance of the site. Historically we had storm doors on the front and back entrances at the Allan Rush site, but these were damaged regularly and often removed entirely, which resulted in a varying appearance between units. As part of the project, storm doors were removed and replaced with venting windows built into the steel door. The site now looks more uniform and the appearance is greatly improved. Please see below for before and after pictures of the sites.





Energy Projects Currently in Development

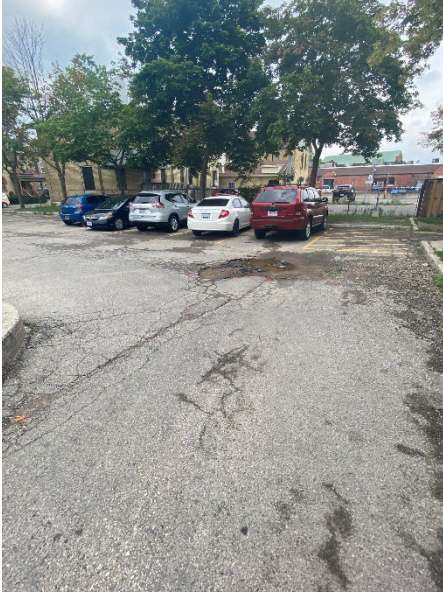
We are currently assembling performance design specifications for the Furnace and hot water tank installation at Huron and Boullee. Tankless hot water heaters were initially to be installed, but we are reevaluating that position based on site conditions and concerns about reliability. After examining our energy performance requirements, as well as projected costs, we will make a decision about which design to utilize. A public RFP is scheduled to be released Feb. 2024 with anticipated construction in July/August 2024.

Accessibility Common Areas Updates

Paving & Accessibility:

The sidewalk and parking lots at several of many of our sites had started to show their age. Due to lack of funding the team had historically only been able to complete pothole repairs and localized asphalt replacements. This resulted in many sites with uneven walkways and crumbling pavement. The accessibility funding provided by CMHC enabled us to make significant investments in our sites and complete much-needed rehabilitation projects. Partial and full paving rehab projects were completed at all eight CMHC-designated high-rise properties. Where needed walkways were rebuilt and trip hazards removed. At Wharncliffe, an entire concrete staircase was replaced. Additional barrier-free paths of travel, complete with ramps and tactile mats, were installed throughout the sites. Additional accessible parking spaces were created, and parking lots were repaved at many buildings.

A full rehab project, including sidewalks, curbs, and all asphalt was completed at Marconi, and extensive pathways and 2 parking lots were repaired at Allan Rush.



Playgrounds:

Approximately 5 years ago, the condition of playgrounds on our family sites was evaluated. Many play structures were found to be in disrepair and failed to meet current safety standards. As a result, playgrounds were removed from the Huron and Allan Rush locations. Due to lack of capital funds, they could not be replaced.

The CMHC program gave us an opportunity to install new, accessible play structures at both of these locations. After nearly a year of waiting due to supply chain issues, playgrounds were installed at these sites in fall 2023. The LMCH Community

Engagement team ran a grand opening ceremony at the Huron site which was well attended. Feedback on the new playgrounds has been extremely positive, with tenants commenting how much they appreciate that kids again have a safe gathering spot on the site.



Accessibility Projects Currently in Design

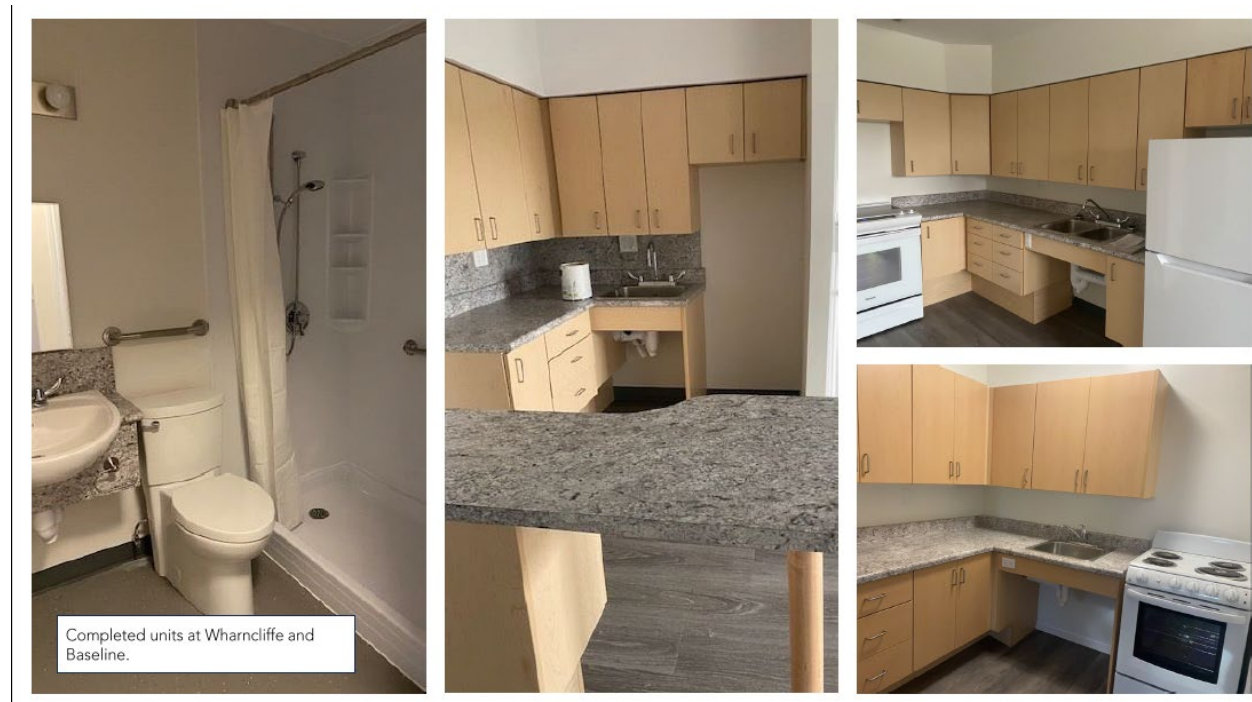
- Our consulting engineer is finalizing drawings for paving and walkway accessibility projects at Boulee, Pond Mills, and Huron family sites. We anticipate tendering in early spring for a construction start in June 2024.
- The kitchen spaces at many of our high-rises are not well used due to poor design and lack of accessibility. The CMHC funding will give us an opportunity to reimagine how these spaces can be utilized. Development of design drawings has begun for McNay, Baseline, Walnut, and Kent buildings. We anticipate that construction for all 4 sites will be complete in 2024.
- We plan to redesign the lounge at 349 Wharnccliffe, to be a more useable, accessible space. This design will also include the fit-out of a site office for LMCH staff. We anticipate submitting a permit application early in 2024 and hope to have construction complete this year as well.
- Wayfinding trial signage package to be implemented at McNay Feb. 2024.
- A refresh of high-rise laundry rooms to address accessibility requirements to coincide with a potential new equipment leasing agreement.

Accessibility / Barrier-Free Requirements – In Suite

LMCH currently has various levels of retrofits in units that have occurred over the years to meet the on-demand accessibility requests of the residents. CMHC funding provides the opportunity to develop a systematic and consistent program to meet future tenant

needs. Implementing a complete program of modifications will ensure LMCH has an inventory of accessible units to meet growing demands rather than completing a reactive retrofit in response to a specific tenant request.

In 2023 we retrofit several trial units, each with some unique design characteristics, to gather feedback and get agreement on the key features to be included in future modifications. Now that the organization has agreed on the design parameters and correct finishes to be installed, the program can be rolled out. Please see below for a sample of what the modified units are planned to look like.



Unit Modification Plans in the Future

The plan is to complete the modifications across all CMHC high rises over the next three years. The current projected schedule is found in the table below. This has been adjusted several times to account for other projects underway, and labour shortages with the install contractors. However, we believe that the projections remain achievable, and have the entire 2027 year to act as a buffer, should we fall behind schedule.

Accessible Units	Simcoe	Mc Nay	Kent	Walnut	Baseline	Dundas	345 & 349 Wharnclyffe
Completed		2		5	2		6
2024	14	30	30	30	20	20	30
2025	21	30	35	30	30		15
2026		26		10	20		
Total	35	86	65	70	70	20	45

TENANT IMPACT:

Tenant impact varies from project to project. Notice of projects is sent to tenants 60 days in advance to provide general impact, anticipated disruptions, and scope of the project. As project commencement ramps up, updates are provided to the tenants. For more complex projects information sessions may be held to provide one-on-one details of the project. Tenants are provided with contact details to ask any questions via email.

FINANCIAL IMPACT

Budget estimates were submitted for the CMHC program contract. On a quarterly basis, submissions are made to CMHC to confirm our spending to date and more accurately project future spending. Interest on the repayable portion of the loan is calculated only on actual spending and is locked in on an annual basis.

CMHC Quarterly Draw and Funds received:

Draw 1 – 8 Received	Repayable 61%	\$2,896,563
	Forgivable 39%	\$1,851,901
Draw 9 Processing	Repayable 61%	\$909,529
	Forgivable 39%	\$581,502
Total		\$6,239,496

LEGAL IMPACT / RISK MANAGEMENT:

- Under review, early lease termination for hot water tank rentals.
- All tender responses for construction projects require the submission of WSIB, insurance, and any relevant certificates. Projects are reviewed individually for surety and bonding requirements.
- Where Asbestos Containing Materials have been identified, this information has been included in the bid documents and all required precautions will be taken by the selected vendor for the project (s).
- Excess soils regulation 406/19 came into effect on Jan. 1, 2023. Under this regulation soil testing can be required for the dumping of 'excess soils' when completing excavation works. Due to the large volume of paving works occurring, it is prudent to be aware of additional costs that may stem from soil contamination.



PREPARED and SUBMITTED BY:	STAFF CONTACT:
Trevor Whittingham Senior Manager, Asset Management	Wendy Groves, Construction and Project Manager

Finance Committee Report 2024- 06

TO: LMCH Board of Directors, Finance Committee

FROM: Trevor Whittingham, Senior Manager of Asset Management

SUBJECT: Capital Work Update Report – Summary of 2023 Accomplishments

DATE: January 25, 2024

PURPOSE:

The purpose of this report is to inform the Finance Committee of the status of the organization’s capital projects and provide highlights on the achievements of the Asset Management team over the last year.

RECOMMENDATION:

That the Finance Committee **RECEIVE** the February 2024 capital work update report for information only.

BACKGROUND:

In accordance with the LMCH Asset Management Plan (AMP) and the City of London approved Multi-Year Budget (MYB), the LMCH capital program addresses asset and infrastructure maintenance, renewal, and replacement in a way that enhances the condition and lifespan of our buildings as well improves the functionality of spaces as much as possible. In all projects, we attempt to minimize tenant impact during the implementation of the project and improve the tenant experience once the work is complete.

Capital Project Status Review

2020 Capital Budget

Projects Proposed	39
Projects Completed	31
Projects Cancelled	5
Projects In Progress	3

The remaining projects from the 2020 Capital year, are exclusively major electrical upgrades. There is a generator replacement project at 30 Baseline, as well as generator and electrical panel replacements occurring at the Walnut St site. Major progress was

made on the Baseline generator install in 2023. The generator is now installed on site, and all new electrical infrastructure within the building has been installed. The remaining work involves switching electrical loads from the existing generator to the new generator, and site clean-up. These items are scheduled to be completed by the first week of February, and the project will be complete.

Significant progress was also made on the Walnut electrical upgrades in 2023. The emergency electrical loads will be switched from the old generator to the new in early Feb, and the only remaining work will be replacing electrical panels in the hallways. This work is planned for April or May, as we will need to turn off heat to the building and want to avoid doing so in the middle of winter.

Figure 1 - Existing diesel generator at Walnut St



Figure 2 - New natural gas generator at Baseline



2021 Capital Projects

Projects Proposed	38
Projects Completed	29
Projects Cancelled	5
Projects In Progress	3

There were three major projects from the 2021 capital budget which were completed last year. The roofs were replaced at all three buildings at our Tecumseh site, which will greatly reduce the number of ceiling leaks that our Property Management team have to deal with. The second project completed was the redesign and replacement of all kitchens at the Penny Lane properties in Strathroy. The new kitchens provide more counter space for the tenants as well as more storage, not to mention a significant improvement in aesthetics.

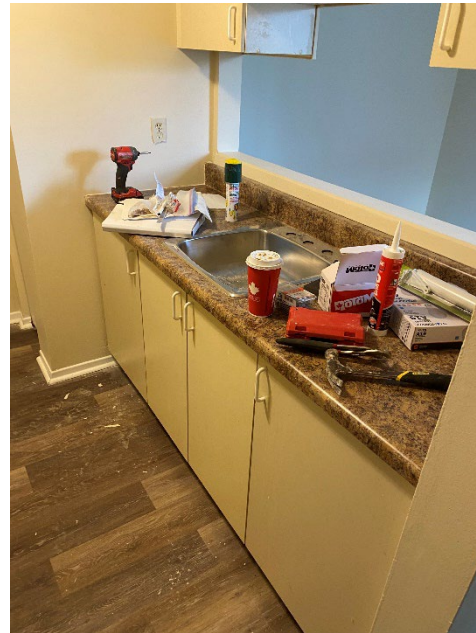
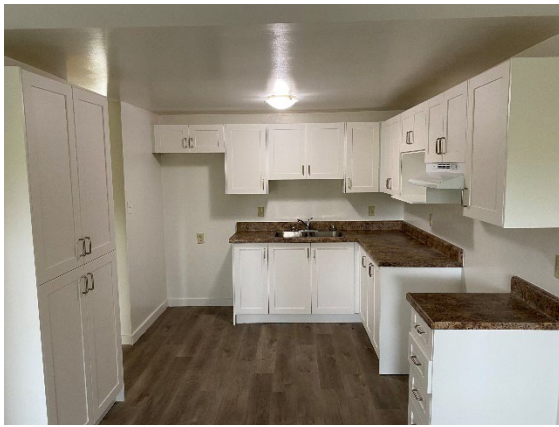


Figure 3 - Comparison of new and old kitchen designs

Finally, all roadways and parking lots were repaved at the Limberlost family site. The asphalt surfaces were in very poor condition, and we received regular complaints from tenants. Though we struggled through some challenges with the schedule of the project, it was finished in late fall, and the site is now much more attractive and safer.

Figure 4 - Previous roadway condition at Limberlost



Figure 5 - Newly paved road and parking lot



There are three projects which remain open for the 2021 capital year. One is a minor lobby finish improvement, for which we have already purchased material and just need to complete the installation. This should be done in Q1 of 2024. A generator replacement project at Kent St also remains in progress. All interior work has been completed for this job; we are just waiting for the delivery of the generator, which has been on order for more than a year. We expect the generator to arrive in late Feb, and the project should be wrapped up shortly thereafter.

The final in-progress project is the replacement of parking lot lighting at Boulee St. The contractor is about half complete, but we have run into some challenges after the Electrical Safety Authority requested some design changes. We are currently working through that challenge to determine cost and schedule impacts.

2022 Capital Projects

Projects Proposed	36
Projects Completed	14
Projects Cancelled	5
Projects In Progress	11
Projects In Design	4
Projects On Hold	2

This year's major accomplishments for projects in this bucket include the replacement of the roof at 170 Kent St, and the replacement of all windows and doors at the Penny Lane site. Both projects significantly upgraded the building envelope on our buildings and will make life much more comfortable for our tenants. The upgrades also improve the energy performance of the buildings, which will reduce energy consumption and spending.

Figure 6 - Original roof surface at Kent St



Figure 6 - New roof installed at Kent



The In Progress projects include seven elevator modification jobs. Two of the sites (Hale and Dundas) are scheduled to be complete by the end of January, and a third (Commissioners) will be completed in early March. Construction at the remaining four sites will be kicking off in the next month or two. The remaining projects are major electrical upgrades, which were impacted by supply chain issues throughout 2023. The material has arrived at the sites, and we will now be coordinating installation. These projects are expected to be completed in the spring of 2024.

2023 Capital Projects

Projects Proposed	47
Projects Completed	12
Projects Cancelled	8
Projects In Progress	3
Projects In Design	8
Projects Not Yet Started	18

Many projects from the 2023 budget remain in progress or in the design stage as we attempt to catch up on the backlog of projects from prior years. The most significant project completed using 2023 capital funds was the structural restoration of balconies at McNay. Significant amounts of concrete were repaired or replaced, and now we have a much safer, more attractive exterior area for tenants to enjoy.

Figure 7 - Concrete balcony repairs underway at McNay



Several of the cancelled projects are in this state because we were able to leverage other funding sources to complete the work. For example, the concrete repairs planned for Wharncliffe and the Kent St parking lot repaving job were initially planned to be completed using capital funds, but the scopes were completed as part of the CMHC portfolio of projects.

There are seven projects on which we are currently working with consultants to perfect the design and project specifications; we anticipate tendering in the next six weeks. The vast majority of 2023 projects that are not yet started are electrical and elevator upgrades which will require tendering for consultant services prior to beginning designs. These will be initiated once the ongoing generator projects from previous years have been completed. We anticipate beginning to make progress on these items in Q2 of 2024

PREPARED and SUBMITTED BY:
TREVOR WHITTINGHAM SENIOR MANAGER, ASSET MANAGEMENT

Staff Report 2024- 03

TO: LMCH Board of Directors

FROM: Trevor Whittingham, Senior Manager Asset Management

SUBJECT: CMHC Budget Projections

DATE: February 8, 2024

PURPOSE:

The purpose of this report is to inform the Board about the program budget for the CMHC Co-Investment fund. Budgets for the CMHC program have been continuously updated based on tender responses, and consultant verification. Accordingly, the projects selected for approval within this report do not make up the entirety of the CMHC program budget. We seek approval for the projects listed within this report to spend up to the allocated budget amounts, subject to the conditions of the LMCH Procurement Policy.

RECOMMENDATION:

That the LMCH Board of Directors APPROVE the following recommendations:

1. **APPROVE** the CMHC Program Budget for 2024 of \$12,454,914, inclusive of the individual funding requests that have been allocated to each project, including any contingency value and excluding taxes.
 - 2024 Unit Modifications total budget 174 units \$8,298,360
 - Common Area Laundry Refresh at 8 properties \$ 234,600
 - Signage Program at 8 high-rises \$79,810
 - Furnace Replacement at 3 family sites \$ 1,530,144
 - Paving Projects at 3 family Sites \$2,322,000
2. **Recommend** that this program be approved by the Board of Directors of LMCH.
3. **Authorize** LMCH staff to take the necessary steps to give effect to the above recommendation(s).

BACKGROUND:

LMCH began collaborating with CMHC in 2019 to define projects that meet the CMHC requirements under the Renovation, Repair, and Renew funding program. The program developed by LMCH team members followed the guidelines of the National Housing Co-Investment Fund – “Minimum Environmental & Accessibility Requirements – Repairs and Renewals”.

The criteria requirements include increasing accessibility in common areas and retrofitting 20% of the unit's interior in order to meet accessibility requirements, while also achieving 25% energy savings and GHG reductions by year-end 2027.

On February 25, 2021, CMHC confirmed to LMCH that the provided documentation met the criteria for funding. The City of London, denoting its commitment to the program, agreed to act as guarantor on June 16, 2021.

On November 25, 2021, LMCH, in conjunction with the City of London (COL) as guarantor, executed the loan agreement with CMHC for \$40,136,090. The funding allocation consists of \$ 15,533,989 as a forgivable loan and \$24,602,101 repayable loan with the City of London guaranteeing \$37,000,000.

CMHC Program and Budget

Quantified budget estimates of the proposed projects for the LMCH Co-Investment Program and budget are provided in the below summary. A complete program budget has been included in Appendix A. The program denotes projects mandated by CMHC to meet accessibility and energy savings and advised by the energy consultant Efficiency Engineering through modeling. The following summary will provide information on any project-specific deviations as well as updated budget values provided by consultants and contractors.

Accessibility – Resident Unit Retrofit:

Resident retrofit values have been finalized based on responses received in 2023 by interested contractors. Largely, the base scope includes the addition of a new door viewer, and the replacement of a door latch to be installed at accessible heights, as well, as providing a new electrical receptacle above the door for the potential future use of a door operator. New accessible kitchen millwork with integrated receptacle, new plumbing fixtures, and insulated pipe at the kitchen also form part of the scope. The bathroom retrofit includes a new 3" step-in shower, floating vanity, and new fixtures. At bedroom, bath, and closet doors will be enlarged to 36" or 2 - 18" doors will be installed to provide greater clearance. The bedroom door will be angled to provide ease of movement. Throughout, light switches and devices will be lowered to AODA-compliant heights, removal of the existing floor to be replaced with new paint. For a complete detailed list of the unit scope of work, refer to Appendix B. Works outlined reflect the minimum standard as outlined by the National Housing Strategy and are not indicative of new build standards as outlined in the OBC.

The budget values shown below anticipate a base scope of approximately \$35,000 with anticipated additional scope that can only be determined when the unit becomes vacant. These additions vary, examples include additional patching, heater, or fan replacement for a complete breakdown refer to Appendix B. Previous units

completed have shown an average of \$2,500 additional scope adds. The total budget is inclusive of new front fixture stoves and accessible fridges which will be ordered internally with CMHC funds. An 11% contingency, (\$822,360) has been applied to each property due to unforeseen conditions at units. These funds will be redistributed to the program if unused for new project initiatives.

We are recommending the approval for unit modifications inclusive of contingency at a total value of \$8,298,000 to complete 174 units at 8 of the designated high-rise properties. All values exclude taxes.

Accessibility Hard Costs units - 2024 Request for Approval			Program Budget	2024 Budget	Contingency	2024 Request
			\$19,740,000.00	\$7,476,000	\$822,360	\$8,298,360
Simcoe	\$44,000.00	14		\$616,000	\$67,760	\$683,760
Baseline	\$44,000.00	20		\$880,000	\$96,800	\$976,800
McNay	\$44,000.00	30		\$1,320,000	\$145,200	\$1,465,200
Walnut	\$43,000.00	30		\$1,290,000	\$141,900	\$1,431,900
Kent	\$43,000.00	30		\$1,290,000	\$141,900	\$1,431,900
Wharncliffe - 345	\$44,000.00	15		\$660,000	\$72,600	\$732,600
Wharncliffe - 349	\$44,000.00	15		\$660,000	\$72,600	\$732,600
Dundas	\$38,000.00	20		\$760,000	\$83,600	\$843,600
Recommended for Approval						\$8,298,360

Accessibility – Common Areas:

Common area accessibility projects have been ongoing since 2022. The addition of fobs and barrier-free push buttons have been installed in laundry rooms, entrances, and lounges. Additionally, a significant amount of paving projects were completed in 2023 to include leveled surfaces at entrances and paths of travel, textiles, and enhanced AODA parking spots.

Construction activities for 2024 include kitchen retrofits approved previously by the Board as well as laundry refresh at 8 high rise properties. Scope of work includes the rework of plumbing and new counters to meet accessibility requirements, a general refresh to paint, and fixes to existing deficiencies in laundry rooms. At specific properties, new millwork to mitigate vandalism to pipes and equipment will be included. As each laundry room varies in size and requirements there will be slight variations in scope and pricing per property. The budget has been validated by a contractor and a 15% contingency has been included in potential unforeseen conditions. Previous budgets for the laundry room retrofit did not include millwork enhancements which are included in the budget values below.

We are recommending the approval for laundry refreshes inclusive of contingency at a total value of \$234,600 at 8 of the designated high-rise properties. All values exclude taxes in the table below.

Common Areas	Program Budget	2024 Budget	Contingency	Total
Properties	\$2,475,000	\$204,000	\$30,600	\$234,600
Simcoe		\$25,000	\$3,750	\$28,750
Baseline		\$25,000	\$3,750	\$28,750
McNay		\$15,000	\$2,250	\$17,250
Dundas		\$22,000	\$3,300	\$25,300
Walnut		\$25,000	\$3,750	\$28,750
Kent		\$32,000	\$4,800	\$36,800
Wharncliffe - 345		\$30,000	\$4,500	\$34,500
Wharncliffe - 349		\$30,000	\$4,500	\$34,500
Recommended for Approval				\$234,600

Accessibility - Signage:

202 McNay was selected as a test site for updated signage to be compliant with current regulations. The vendor is currently preparing new signage based on these specifications for the ground floor for approval by LMCH. The scope includes the use of braille at some directional signage, changes to font and sign sizes for greater readability, and to modification the existing property directory for ease of use. Once the test site signs are approved by LMCH the works will be tendered.

We are recommending the approval for signage upgrades inclusive of contingency at a total value of \$79,810 at 8 of the designated high-rise properties. All values exclude taxes in the table below.

Common Areas	Program Budget	2024 Budget	Contingency	Total
Properties	\$2,475,000	\$69,400	\$10,410	\$79,810
Simcoe		\$8,500	\$1,275	\$9,775
Baseline		\$8,800	\$1,320	\$10,120
McNay		\$9,300	\$1,395	\$10,695
Dundas		\$8,500	\$1,275	\$9,775
Walnut		\$8,500	\$1,275	\$9,775
Kent		\$8,800	\$1,320	\$10,120
Wharncliffe - 345		\$8,500	\$1,275	\$9,775
Wharncliffe - 349		\$8,500	\$1,275	\$9,775
Recommended for Approval				\$79,810

Energy:

With 7 of the 8 high-rise properties fitted with the new energy management system, along with the VFD installation at the high-rise makeup air units and the window and door replacement at Allan Rush along with the window replacement at Pond Mills, LMCH has made significant headway in reaching the 30% emissions reduction requirements.

Furnaces and tankless hot water tanks are included in the program at 5 family sites. These works were scheduled to be completed at the end of the program due to the current lease of hot water tanks and to procure these projects simultaneously for additional cost savings. Due to the furnace life span and ongoing concerns with maintenance, these works have been re-prioritized for 2024 and 2025. The budget value of \$4,800 previously reported continues to be in line with updated costs received from vendors. An increase in furnace costs was anticipated and rework to the ducting due to inadequate sizing has these costs higher than the recently completed furnace installation at Limberlost completed by the Capital team. A performance specification for up to 97% efficiency will be requested from the vendors when the RFP is executed in Feb. 2024. At this time authorization is only being asked for furnaces at 3 properties due to ongoing investigation and discussion in regard to the lease agreement for the hot water tanks. Three properties have been selected to be completed in 2024 in an effort to avoid project fatigue from tenants who have recently felt the disruptions of the window and door replacement projects at Allan Rush and Pond Mills. A 3.5% contingency forms the total project cost.

We are recommending furnace replacement budget approval inclusive of contingency at a total value of \$1,530,144 at 3 of the designated family sites. All values exclude taxes in the table below.

Furnace Replacement - 2024 Request for Approval			Program Budget	2024 Budget	Contingency	2024 Request
			\$2,454,192	\$1,440,000	\$158,400	\$1,530,144
Marconi	\$4,800	54		\$259,200	\$28,512	\$287,712
Boulee	\$4,800	136		\$652,800	\$71,808	\$724,608
Huron	\$4,800	110		\$528,000	\$58,080	\$586,080
Recommended for Approval						\$1,598,400

Site Improvements:

Authorization from the board has been previously granted for consultant works at Pond Mills, Boulee and Huron to address paving and concrete issues. Having completed several walk-throughs with various stakeholders the consultants have verified budgets for each property. The scope includes for complete repaving of parking lots at each site, curb replacement at select sites, tactile and accessible parking as well as selected pathway replacement where required. These works will be tendered for construction Feb. 2024. Budgets include construction administration fees and contingency.

We are recommending the budget approval for paving and accessibility inclusive of contingency at a total value of \$2,322,000 for 3 of the designated family sites. All values exclude taxes in the table below.

Site Improvements - 2024 Request for Approval			Program Budget	2024 Budget	Contingency	2024 Request
Construction Budget		Consultant Budget				
			\$3,785,400	\$2,214,500	\$107,500	\$2,322,000
Pond Mills	\$725,000.00	\$21,750		\$746,750	\$36,250	\$783,000
Boullee	\$725,000.00	\$21,750		\$746,750	\$36,250	\$783,000
Huron	\$700,000.00	\$21,000		\$721,000	\$35,000	\$756,000
Recommended for Approval						\$2,322,000

CONCLUSION:

The CMHC Co-Investment Fund budget has been fully allocated based on Efficiency Engineering – LMCH Modelling Report as well as the requirements set out by the National Housing Strategy for Accessibility to meet CMHC requirements by 2027. Yearly bill analysis provides insight to ensure we are reaching our targets. A strong focus on completing energy projects was at the onset of the program roll out provides us the opportunity to pivot and research alternate initiatives to ensure goals are met.

Projects that do not have verified budgets are not represented in this report. Projects like the Wharncliffe lounge once verified will be forwarded to the Finance Committee and Board for approval under separate cover.

Appendix A: Program Budget

Appendix B: Unit Scope Details and Itemized Costing

PREPARED and SUBMITTED BY:
TREVOR WHITTINGHAM, SENIOR MANAGER, ASSET MANAGEMENT

Request For Approval - CMHC 2024 Project Budgets

Category	Total Program Allocation	Spent to Date	Budget Remaining	2024 Approval Request	Notes
General Requirements: Design fees, staffing, consultants	\$1,223,900	\$560,190	\$663,710		
Project Contingency	\$3,000,000	\$0	\$3,000,000		Unguaranteed funding
Accessibility Hard Costs units	\$19,740,000	\$674,000	\$19,066,000	\$8,298,360	Funding approval request complete 174 units at various properties
Accessibility Hard Costs Common	\$2,475,000	\$1,171,621	\$1,303,379		Common area initiatives completed works include fobs, accessible buttons, doors, hardware, and paving.
Laundry Refresh				\$234,600	
Signage				\$79,810	
Energy Management System	\$1,322,644	\$1,287,992	\$34,652		Dundas EMS incomplete potential 300k add for new wiring
VFD Programming	\$36,300	\$34,598	\$1,702		
Energy Retrofit Program	\$492,765	\$0	\$492,765		
Furnaces	\$2,454,192	\$0	\$2,454,192	\$1,530,144	Funding approval request for 3 family site properties
Hot Water Tanks	\$2,510,910	\$0	\$2,510,910		Leasing agreement under review project may hold to 2027
Exterior Works - Family Sites	\$3,785,400	\$1,131,234	\$2,654,166	\$2,322,000	Funding approval request for 3 family site properties inclusive of formerly approved consultant fees.
Windows & Doors	\$1,713,700	\$1,510,000	\$203,700		
Totals	\$38,754,811	\$6,369,635	\$32,385,176	\$12,464,914	Values listed in table exclude i taxes
Total program value \$40,036,090					

STAFF REPORT 2024 –04

TO: Board of Directors

FROM: Paul Chisholm, CEO

SUBJECT: New Committee Structure - 2024

DATE: February 8, 2024

PURPOSE:

To update and receive approval from the Board of Directors on the new proposed committee structure for LMCH.

RECOMMENDATION:

- 1) That the following proposed committee structures for the Board of Directors **BE APPROVED**:
 - a. People, Service, & Housing Committee (PSHC)
 - b. Finance, Audit, & Risk Committee (FARC)
 - c. Executive Committee (EC)
- 2) That the Board Chair assign memberships to each Committee
- 3) That the Board elect a Vice-Chair
- 4) Authorize the appropriate LMCH staff to take the necessary actions to give effect to the above recommendations.

OVERVIEW:

On December 10, 2020, SHS Consulting conducted a Governance Review for London Middlesex Community Housing. Eleven (11) recommendations were provided with the following recommendations relating to Board and Committee Structures:

- The Shareholder Agreement with the City of London should be amended to require the following size and composition of the LMCH Board of Directors:
 - Two (2) members of City Council
 - One (1) member of County Council
 - Four (4) Community Members
 - Two (2) LMCH Tenants

It's recommended that the LMCH Board of Directors have the ability to establish sub-committees focused on key areas such as Finance, Development/Regeneration, HR support, and Policy.

In August of 2021, The Board created LMCH's current Committee structure which includes:

Current Committees:

- 1) Tenant Services Committee (TSC)
- 2) Finance and Audit Committee (FAC)
- 3) Human Resources & Governance Committee (HRGC)

Committee Structure:

- 1) A minimum of four (4) assigned Board Members, one of which will be the Committee Chair.
- 2) The Board Chair is the ex-officio member
- 3) A majority (3) of Committee members are required to maintain quorum.
- 4) Expectation that a minimum of four (4) meetings per year will be held.
- 5) Any other Board member can attend.
- 6) Committee members, Board Chair and other Board members in attendance are voting members.

Over the past few months, LMCH and the Board have identified the need to restructure the current sub-committees for LMCH. Moving forward LMCH staff recommends that the new Committee structure consist of the following:

Proposed Committee's:

- 1) People, Service, & Housing Committee (PSHC - Formally TSC and HRGC)
- 2) Finance, Audit, & Risk Committee (FARC)
- 3) Executive Committee (EC - New Committee)

Based on the updated Terms of Reference, the People, Service, & Housing Committee and The Finance, Audit, & Risk Committee maintain the same Structure which includes:

- 1) A minimum of four (4) assigned Board Members, one of which will be the Committee Chair.
- 2) The Board Chair is an ex-officio member.
- 3) A majority (3) of Committee members are required to maintain quorum.
- 4) Expectation that a minimum of four (4) meetings per year will be held.
- 5) Any other Board member can attend.

The People, Service, & Housing Committee will have the combined responsibilities formerly held by the Tenant Services Committee and the Human Resources and Governance Committee. The Finance, Audit, & Risk Committee has been updated to reflect the additional governance responsibilities related to Risk Management and Information Technology (IT) for LMCH and therefore, has been renamed as the Finance, Audit, & Risk Committee.

The Executive Committee will have a different structure, consisting of the following:

- 1) Minimum of three (3) assigned Board Members:
 - a. Board Chair
 - b. Finance, Audit & Risk Chair
 - c. People, Service, & Housing Chair
- 2) Board Chair will serve as the Committee Chair.
- 3) The Vice Chair is an ex-officio member.
- 4) A majority (2) of Committee members are required to maintain quorum.
- 5) Expectation that a minimum of two (2) meetings per year will be held.

The Executive Committee is responsible for the oversight and management associated with providing oversight of the Chief Executive Officer (CEO) which includes overseeing and evaluating the performance of the CEO, developing, and review of the succession plan for the CEO, and reviewing Board and Committee performance evaluations, making recommendations as appropriate.

LMCH has created a breakdown of the roles and responsibilities of LMCH's current Committee's versus the proposed amalgamated Committees which can be found in our appendices as **Appendix A**.

CONCLUSION:

LMCH has restructured its committee framework into a People, Service, & Housing Committee, a Finance, Audit, & Risk Committee, and an Executive Committee. This realignment enhances LMCH's governance by enabling both the Board and the Committees to support the organization's objectives more effectively.

ATTACHMENTS:

Appendix A: Current Committees versus Proposed Committees (Excel).

Appendix B: Current Tenant Service Committee Terms of Reference

Appendix C: Current Human Resources & Governance Committee Terms of Reference

Appendix D: Proposed People, Services, & Housing Committee Terms of Reference
(Combined Committee)

Appendix E: Current Finance and Audit Committee Terms of Reference

Appendix F: Proposed Finance, Audit, & Risk Committee Terms of Reference

Appendix G: Proposed Executive Committee Terms of Reference (New Committee)

<p>PREPARED BY:</p>	<p>RECOMMENDED BY:</p>
<p>RYAN WINTER BUSINESS PLANNER</p>	<p>PAUL CHISHOLM CEO</p>

Appendix A: Current Committees VS. Proposed Committees

Combined Two Committees into People, Service, & Housing Committee			
	Tenant Services	Human Resources and Governance Committee	People, Service, & Housing Committee (Combined Committee)
Roles	The Committee assists the Board in its oversight and management responsibilities associated with providing Tenants with a healthy, safe, and supportive and sustainable environment, ensuring LMHC assets are used for their intended purpose. Please refer to the Terms of Reference attached as Appendix B	The Committee assists the Board in its employer oversight and management responsibilities in managing the direction of all labour and employee matters and ensuring Board compliance within its structure and processes. Please refer to the Terms of Reference attached as Appendix C	The roles for Tenant Services and Human Resources and Governance have been combined into this new committee. Please refer to the new Terms of Reference for this combined committee roles attached as Appendix D
Responsibilities	<ul style="list-style-type: none"> • Receive and review the annual and multi-year facility work plan setting out maintenance, major repair, upgrade projects timing and investment requirements, including any related update reports making recommendations as appropriate; • Engage with tenants to understand their priorities as it related to Capital Regeneration; and • Attend as appropriate tenant/LMCH information sessions, held from time to time relating to matters supporting a healthy, safe, supportive and sustainable environment. Please refer to the Terms of Reference for the full list, attached as Appendix B 	<ul style="list-style-type: none"> • Receive and review from time-to-time policies, policy programs and processes relating to employee recruitment, training, retention, advancement and performance evaluation making recommendations as appropriate; • Receive and assess from time-to-time Board governance policies and related policy programs ensuring same are current. Please refer to the Terms of Reference for a full list, attached as Appendix C 	The responsibilities for Tenant Services and Human Resources and Governance have been combined into this new committee. Please refer to the new Terms of Reference for this combined committee responsibilities attached as Appendix D
Members & Structure	The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.	The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.	The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.

Updated Finance Committee and added Executive Committee			
	Finance Committee	Finance, Audit, & Risk Committee	Executive Committee (New Committee)
Roles	The Committee assists the Board in its oversight and management responsibilities respecting financial management and reporting evidencing fiscal accountability, sustainability, and fiduciary compliance. Please refer to the Terms of Reference attached as Appendix E	No Changes to be made to the Roles.	The new Executive Committee will be responsible for oversight of the Senior Leadership team which includes the CEO, Directors, and Senior Managers. This Committee will meet twice (2) per year. Refer to the new Terms of Reference for this combined committee attached as Appendix G
Responsibilities	<ul style="list-style-type: none"> • Receive and review LMCH’s multi-year operating and capital budget programs making recommendations as appropriate; • Receive and review LMCH’s annual operating and capital budget programs (consistent with the multi-year operating and capital budget programs) making recommendations as appropriate. Please refer to the Terms of Reference for the full list, attached as Appendix E 	<ul style="list-style-type: none"> • The Finance Committee will be responsible for establishing and maintaining a risk management framework that includes risk tolerance levels, risk measurement approaches, and reporting systems. • The Finance, Audit, & Risk Committee will also be responsible for overseeing Information Technology (IT) and ensure that it alligns with the organization’s strategic goals and financial capabilities. Refer to the updated Terms of Reference for Finance and Audit Committee attached as Appendix F 	The Executive Committee will be responsible for Succession Planning, reviewing executive decision making, and CEO performance. Refer to the new Terms of Reference for this combined committee responsibilities attached as Appendix G
Members & Structure	The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.	No Changes to be made to the Members & Structure section.	The Executive Committee will have a minimum of three (3) assigned Board members which will consist of the Chair of the Board, the Finance, Audit, & Risk Committee Chair and the People, Services, & Housing Chair. The Board Chair will serve as the Chair of the Executive Committee. The three (3) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.

**TENANT SERVICES – FACILITY AND SUPPORT PROGRAM COMMITTEE
TERMS OF REFERENCE**

COMMITTEE ROLE:

The Committee assists the Board in its oversight and management responsibilities associated with providing Tenants with a healthy, safe, and supportive and sustainable environment, ensuring LMHC assets are used for their intended purpose. The role and responsibilities of the Committee are at the direction of the Board.

COMMITTEE RESPONSIBILITIES:

The Committee's responsibilities are to:

- Establish, on an annual basis the Committee's work plan setting out the Committee's prioritized activities and scheduling of same for the year, which is to be reconciled with the respective work plans of the Board, other Board Committees and Administration;
- Receive and review the annual and multi-year facility work plan setting out maintenance, major repair, upgrade projects timing and investment requirements, including any related update reports making recommendations as appropriate;
- Engage with tenants to understand their priorities as it related to Capital Regeneration; and
- Attend as appropriate tenant/LMCH information sessions, held from time to time relating to matters supporting a healthy, safe, supportive and sustainable environment;
- Attend as appropriate LMCH/Community Partners meetings in respect of providing social support programs;
- Receive and review as required policies, related policy programs and processes relating to such matters as Health and Safety, Human Rights and advocacy. as they apply to tenants making recommendations as appropriate;
- Receive and review from time-to-time tenant specific policies, related policy programs and processes making recommendations as appropriate;
- Receive and review semi-annual and annual reports concerning key performance indicator findings relating tenant services making recommendations as appropriate;
- Receive and review from time-to-time summary report on the nature and extent of tenant review/appeals handled by the Administration and the Service Manager as appropriate;
- Receive and review from time-to-time tenant onboarding programs, making recommendations as appropriate;
- Other related duties that may be assigned by the Board of Directors from time-to-time.

COMMITTEE STRUCTURE:

The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee

The Administration – Board Secretary, Chief Executive Officer, Director of Assets & Property Services or the Director of Tenant Administration and other administrative staff as maybe required.

**TENANT SERVICES – FACILITY AND SUPPORT PROGRAM COMMITTEE
TERMS OF REFERENCE**

COMMITTEE MEETINGS

Meetings are held consistent with the requirements of the Committee's annual work plan. The expectation is that the Committee would meet four (4) times a year. The meetings, as appropriate are expected to be set two weeks before a scheduled Board meeting. The quorum for a meeting to be held is three (3) voting members of the Committee.

Meetings are conducted pursuant to LMCH's Procedural Guidelines for Board and Committee Meetings. Actions/directions and approvals by the Committee must be approved -ratified by the Board of Directors. The communication to the Board on Committee actions, directions and approvals is as prescribed in LMCH Procedural Guidelines for Board and Committee Meetings.

DOCUMENT CONTROL

Replaces – Asset and Property Service Committee – effective March 1, 2018

Amended – March 22, 2018

Amended – Drafted August 2021

Approved by Board of Directors – August 19, 2021

**HUMAN RESOURCES & GOVERNANCE COMMITTEE
TERMS OF REFERENCE**

COMMITTEE ROLE:

The Committee assists the Board in its employer oversight and management responsibilities in managing the direction of all labour and employee matters and ensuring Board compliance within its structure and processes. The role and responsibilities of the Committee are at the direction of the Board.

COMMITTEE RESPONSIBILITIES:

The Committee's responsibilities are to:

- Establish, on an annual basis the Committee's work plan setting out the Committee's prioritized activities and scheduling of same for the year, which is to be reconciled with the respective work plans of the Board, other Board Committees and Administration;
- **Oversee recruitment, supervision and evaluation of the CEO including establishment of the CEO employment contract making recommendations as appropriate;**
- Receive and review from time-to-time policies, policy programs and processes relating to employee recruitment, training, retention, advancement and performance evaluation making recommendations as appropriate;
- Receive and assess from time-to-time Board governance policies and related policy programs ensuring same are current;
- Receive and review from time-to-time personnel policies, policy programs and processes relating to salary and employment benefits program for non-union employees making recommendations as appropriate;
- Receive and review as appropriate the mandate for negotiating changes to the Collective Agreement for unionized employees, negotiation updates, and the related negotiated Memorandum of Agreement making recommendations as appropriate;
- Receive and review as required workplace policies, policy programs and processes including those relating to Occupational Health and Safety, Human Rights, Workplace Violence and Sexual Harassment (including in the review as necessary assessment of any changes to related legislation) making recommendations as appropriate;
- Receive and review, on an annual basis, summary analysis of findings and disposition, of grievances, complaints and incidences filed under various employment workplace policies including human rights, workplace safety, violence and sexual harassment and the Collective Agreement making recommendations as appropriate;
- Oversee assessment and disposition of matters relating to non-compliance with the Board & Employee Code of Conduct and the Board & Employee Conflict of Interest policies making recommendations as appropriate;
- **Oversee the development and review of the succession plan for the CEO and Senior Management positions making recommendations as appropriate;**

- Review and assess Board succession plans, including establishing desired skill set and expertise of appointees to the Board, making recommendations as appropriate;
- Receive and review from time to time the management (organizational) structure ensuring same is and remains dynamic supporting LMCH strategic objectives and goals and compliance with the Shareholder Declaration and Service Agreement making recommendations as appropriate;
- Oversee Board and Committee performance evaluations, making recommendations as appropriate;
- Oversee the development, review and delivery of Board orientation and education program(s);
- Receive and consider, In Camera matters pertaining to an identifiable individual or group relating to employment matters where such matters present significant exposure to LMCH or are proceeding to arbitration or public hearing;
- Hear, In Camera, formal complaints/grievances against the CEO, including undertaking investigation as may be required making recommendations as appropriate; and
- Other related duties that may be assigned by the Board of Directors from time-to-time.

COMMITTEE STRUCTURE:

The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Human Resources Manager, and other administrative staff as maybe required.

COMMITTEE MEETINGS:

Meetings are held consistent with the requirements of the Committee’s annual work plan. The expectation is that the Committee would meet four (4) times a year. The meetings, as appropriate are expected to be set two weeks before a scheduled Board meeting. The quorum for a meeting to be held is three (3) voting members of the Committee.

Meetings are conducted pursuant to LMCH’s Procedural Guidelines for Board and Committee Meetings. Actions/directions and approvals by the Committee must be approved -ratified by the Board of Directors. The communication, to the Board on Committee actions, directions and approvals is as prescribed in the LMCH Procedural Guidelines for Board and Committee Meetings.

DOCUMENT CONTROL:

Replaces – HR & Governance Committee Terms of Reference – effective March 1, 2018

Approved – November 23, 2018

Revised – Drafted August 2021

Approved by Board of Directors – August 19, 2021

People, Service, & Housing Terms of Reference

COMMITTEE ROLE:

The People, Service, & Housing Committee is established as a committee of the Board of Directors of London & Middlesex Community Housing to assist the Board in fulfilling its responsibilities regarding tenants, labour, and services provided by the organization. These responsibilities include:

- 1) Provide tenants with a healthy, safe, supportive, and sustainable environment.
- 2) Review plans for all repairs including preventative maintenance, major repairs, capital projects / regeneration.
- 3) Review all policies related to tenants and staff.
- 4) Review and provide direction on all matters related to collective bargaining for unionized employees.
- 5) Review policies and procedures regarding community safety and security.
- 6) Review KPI reports related to Tenant Services and Human Resources.
- 7) Review LMCH's organizational structure and make recommendations based on staff reports.

COMMITTEE RESPONSIBILITIES:

The Committee's responsibilities are to:

- Establish, on an annual basis, the Committee's work plan setting out the Committee's prioritized activities and scheduling of same for the year, which is to be reconciled with the respective work plans of the Board, other Board Committees and Administration.

People (Tenant):

Review from time-to-time tenant specific policies, related policy programs and processes making recommendations as appropriate in areas including:

- Tenant intake and administration
- Tenant Engagement
- Complaint Management
- Eviction preventions

- Tenant Support Programs
- Community Safety Programs
- Tenant Communications
- Tenant facing policies and programs.
- Legislative compliance including, Residential Tenancies Act, Housing Services Act, Human Rights Code, AODA, etc.

People (Staff):

- Review and make recommendations as appropriate related to personnel policies, policy programs and processes relating to:
 - salary and employment benefits program for non-union employees
 - the mandate for negotiating changes to the Collective Agreement for unionized employees, negotiation updates, and the related negotiated Memorandum of Agreement.
 - employee recruitment, training, retention, advancement, and performance evaluation making recommendations as appropriate.
 - Occupational Health and Safety, Human Rights, Workplace Violence and Sexual Harassment
- Receive and consider, In Camera matters pertaining to an identifiable individual(s) or group relating to employment matters where such matters present significant exposure to LMCH or are proceeding to arbitration or public hearing.
- Oversee assessment and disposition of matters relating to non-compliance with the Employee Code of Conduct and the Employee Conflict of Interest policies and making recommendations as appropriate.
- Review on an annual basis, summary analysis of findings and disposition, of grievances, complaints and incidences filed under various employment workplace policies including human rights, workplace safety, violence and sexual harassment and the Collective Agreement and making recommendations as appropriate.
- Review from time to time the management (organizational) structure ensuring LMCH's strategic objectives and goals while remaining compliant with the Shareholder Declaration and Service Agreement and making recommendations as appropriate.

Services / Housing:

Review from time-to-time policies, programs and processes making recommendations as appropriate in areas including:

- LMCH maintenance strategy, programs and plans that includes regular inspections, preventive maintenance, and responsive repairs.
- Approve capital improvement projects to upgrade and enhance the housing stock, such as renovations, energy efficiency upgrades, and accessibility improvements.
- Compliance with municipal, provincial, and federal standards and regulations, including health and safety codes, accessibility requirements, and environmental regulations.
- Sustainability initiatives across LMCH's sites, such as energy-efficient lighting, heating and cooling systems, water-saving devices, and solar panels.
- Efficient use of resources and seek funding opportunities for property improvements, including grants and subsidies.
- Initiatives to enhance community development and safety.
- Quarterly and annual reports concerning key performance indicator findings relating tenant services making recommendations as appropriate.
- Other related duties that may be assigned by the Board of Directors from time-to-time.

COMMITTEE STRUCTURE:

The Committee has as a minimum of four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair, and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Human Resources Manager, and other administrative staff as maybe required.

COMMITTEE MEETINGS:

Meetings are held consistent with the requirements of the Committee's annual work plan. The expectation is that the Committee would meet a minimum of four (4) times a year. The meetings, as appropriate are expected to be set two weeks before a scheduled Board meeting. The quorum for a meeting to be held is three (3) voting members of the Committee.

Meetings are conducted pursuant to LMCH's Procedural Guidelines for Board and Committee Meetings. Actions/directions and approvals by the Committee must be approved -ratified by the Board of Directors. The communication, to the Board on



Committee actions, directions and approvals is as prescribed in the LMCH Procedural Guidelines for Board and Committee Meetings.

DOCUMENT CONTROL:

Replaces: HR & Governance Committee Terms of Reference:	August 19, 2021
Replaces: Tenant Services Committee Terms of Reference:	August 19, 2021
Drafted:	January 31, 2024
Approved by Board of Directors:	TBD

**FINANCE AND AUDIT COMMITTEE
TERMS OF REFERENCE**

COMMITTEE ROLE:

The Committee assists the Board in its oversight and management responsibilities respecting financial management and reporting evidencing fiscal accountability, sustainability, and fiduciary compliance. The role and responsibilities of the Committee are at the direction of the Board.

COMMITTEE RESPONSIBILITIES:

The Committee's responsibilities are to:

- Establish, on an annual basis the Committee's work plan setting out the Committee's prioritized activities and scheduling of same for the year, which is to be reconciled with the respective work plans of the Board, other Board Committees and Administration;
- Receive and review from time-to-time established accounting standards (e.g. PSAP), financial policies (e.g. purchasing policy/guidelines), and reporting requirements (both internal and external) making recommendations as appropriate;
- Receive and review LMCH's multi-year operating and capital budget programs making recommendations as appropriate;
- Receive and review LMCH's annual operating and capital budget programs (consistent with the multi-year operating and capital budget programs) making recommendations as appropriate;
- Receive and review from time-to-time information respecting senior government sponsored capital (infrastructure) investment programs and potential application to LMCH making recommendations as appropriate;
- Receive and review LMCH's Financial and Asset Management Plans making recommendations as appropriate;
- Receive and review from time-to-time LMCH's general insurance program (re: property, automobile, and comprehensive liability etc.) ensuring same is consistent with legislative requirements and reflective of LMCH operating environment and needs making recommendations as appropriate;
- Receive and review all recommended tenders, quotations and bids awards as prescribed under LMCH purchasing policy/guidelines making recommendations as appropriate. This includes review of any subsequent material changes to same;
- Receive and review, on a quarterly basis, LMCH Statement of Operations (operating budget performance); Capital Program Summary (capital budget performance) and Balance Sheet making recommendations as appropriate;
- Receive and review semi-annual and annual performance management reports respecting key financial performance indicators making recommendations as appropriate;
- Receive and review the External Auditor's annual audit plans making recommendations as appropriate;
- Receive and review the External Auditor's annual audit report, audited financial statements and audit findings report making recommendations as appropriate; and

- Other related duties that may be assigned by the Board of Directors from time-to-time.

COMMITTEE STRUCTURE:

The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.

COMMITTEE MEETINGS:

Meetings are held consistent with the requirements of the Committee's annual work plan. The expectation is that the Committee would meet four (4) times a year. The meetings, as appropriate are expected to be set two weeks before a scheduled Board meeting. The quorum for a meeting to be held is three (3) voting members of the Committee.

Meetings are conducted pursuant to LMCH's Procedural Guidelines for Board and Committee Meetings. Actions/directions and approvals by the Committee must be approved -ratified by the Board of Directors. The communication, to the Board on Committee actions, directions and approvals is as prescribed in the Procedural Guidelines for Board and Committee Meetings.

DOCUMENT CONTROL:

Replaces – Finance Committee Terms of Reference – effective March 1, 2018

Approved – November 23, 2017

Amended – Drafted August 2021

Approved by Board of Directors – August 19, 2021

Finance, Audit, & Risk Committee Terms of Reference

COMMITTEE ROLE:

The Finance, Audit, & Risk Committee is established as a committee of the Board of Directors of London & Middlesex Community Housing to assist the Board in fulfilling its responsibilities regarding financial management and reporting fiscal accountability, sustainability, and fiduciary compliance. These responsibilities include:

- 1) Capital Funds and investments.
- 2) Budget, Financial Reporting and Financial Statements.
- 3) Internal Audit, Accounting Systems, and Internal Controls
- 4) External Audits
- 5) Financial Compliance
- 6) Enterprise Risk Management
- 7) Financial and Fraud Risk
- 8) Information Technology
- 9) Subsidiaries and joint ventures
- 10) Insurance

COMMITTEE RESPONSIBILITIES:

The Committee's responsibilities are to:

- Establish, on an annual basis the Committee's work plan setting out the Committee's prioritized activities and scheduling of same for the year, which is to be reconciled with the respective work plans of the Board, other Board Committees and Administration.

Finance:

Review and make recommendations as appropriate, including:

- accounting standards (e.g. PSAP), financial policies (e.g. purchasing policy/guidelines), and reporting requirements (both internal and external) making recommendations as appropriate.
- LMCH's multi-year operating and capital budget programs.
- information respecting senior government sponsored capital (infrastructure) investment programs and potential application to LMCH.

- LMCH's Financial and Asset Management Plans.
- Reports related to the award of tenders, quotations and bids awards as prescribed under LMCH purchasing policy/guidelines. This includes review of any subsequent material changes to same.
- LMCH Statement of Operations (operating budget performance); Capital Program Summary (capital budget performance) and Balance Sheet on a quarterly basis.

Insurance:

- Review LMCH's general insurance program (re: property, automobile, and comprehensive liability etc.) ensuring same is consistent with legislative requirements and reflective of LMCH operating environment and needs making recommendations as appropriate.
- Review and approve the organization's insurance policies to ensure adequate coverage across all necessary areas, including property, liability, cyber, and employee benefits.
- Oversee the process for managing and resolving insurance claims, ensuring that claims are handled efficiently and effectively.

Audit:

- Review semi-annual and annual performance management reports respecting key financial performance indicators making recommendations as appropriate.
- Review the External Auditor's annual audit plans making recommendations as appropriate.
- Review the External Auditor's annual audit report, audited financial statements and audit findings report making recommendations as appropriate.

Risk Management:

- Systematically identify financial risks that the organization faces, including market risk, credit risk, liquidity risk, operational risk, and compliance/legal risk.
- Establish and maintain a risk management framework that includes risk tolerance levels, risk measurement approaches, and reporting systems. Review and update the risk management framework regularly to ensure its effectiveness and relevance.
- Oversee the establishment and implementation of internal controls to manage financial risks.

Information Technology:

- Review and approve budgets for IT projects and expenditures, ensuring they align with the organization's strategic goals and financial capabilities.
- Oversee the assessment and management of IT-related risks, including cybersecurity threats, data breaches, and system failures.
- Ensure the implementation of effective controls and disaster recovery plans to mitigate IT risks.
- Ensure that IT systems and processes comply with relevant laws, regulations, and standards, particularly those related to data protection and privacy.
- Other related duties that may be assigned by the Board of Directors from time-to-time.

COMMITTEE STRUCTURE:

The Committee has as a minimum four (4) assigned Board members, one of which will be the Committee Chair. The four (4) assigned Board members exclude the Board Chair who is an ex-officio member of the Committee. The four (4) Board assigned members, the Board Chair and any other Board Member in attendance are voting members of the Committee. The Administration – Board Secretary, Chief Executive Officer, Director of Finance & Corporate Services, and other administrative staff as may be required.

COMMITTEE MEETINGS:

Meetings are held consistent with the requirements of the Committee’s annual work plan. The expectation is that the Committee would meet a minimum of four (4) times a year. The meetings, as appropriate are expected to be set two weeks before a scheduled Board meeting. The quorum for a meeting to be held is three (3) voting members of the Committee.

Meetings are conducted pursuant to LMCH’s Procedural Guidelines for Board and Committee Meetings. Actions/directions and approvals by the Committee must be approved -ratified by the Board of Directors. The communication, to the Board on Committee actions, directions and approvals is as prescribed in the LMCH Procedural Guidelines for Board and Committee Meetings.

DOCUMENT CONTROL:

Replaces: Finance Committee Terms of Reference	March 1, 2018
Approved by Board of Directors:	November 23, 2017
Amended:	August 2021
Approved by Board of Directors:	August 19, 2021
Amended:	January 31, 2024
Approved by Board of Directors:	TBD

Executive Committee Terms of Reference

COMMITTEE ROLE:

The Executive Committee is established as a committee of the Board of Directors of London & Middlesex Community Housing to assist the Board in fulfilling its responsibilities regarding the hiring, onboarding, and oversight of the Chief Executive Officer (CEO). These responsibilities include:

- 1) Recruitment, supervision, and evaluation of the CEO
- 2) Succession planning for the CEO and Senior Management
- 3) Board succession planning
- 4) Board and Committee performance evaluations
- 5) Board orientation and education programs
- 6) Investigate complaints/grievances against the CEO.
- 7) Review all policies related to Board governance programs.

COMMITTEE RESPONSIBILITIES:

The Committee's responsibilities are to:

- Establish, on an annual basis the Committee's work plan setting out the Committee's prioritized activities and scheduling of same for the year, which is to be reconciled with the respective work plans of the Board, other Board Committees and Administration.

CEO Oversight:

- Oversee recruitment, supervision and evaluation of the CEO including establishment of the CEO employment contract making recommendations as appropriate.
- Oversee and evaluate the performance of the CEO and make recommendations as appropriate.
- Oversee the development and review of the succession plan for the CEO and Senior Management positions making recommendations as appropriate.
- Hear, In Camera, formal complaints/grievances against the CEO, including undertaking investigation as may be required making recommendations as appropriate.

Board Oversight:

- Review and assess Board succession plans, including establishing desired skill set and expertise of appointees to the Board, making recommendations as appropriate.
- Oversee Board and Committee performance evaluations, making recommendations as appropriate.
- Oversee the development, review and delivery of Board orientation and education program(s).
- Receive and assess from time-to-time Board governance policies and related policy programs ensuring same are current.
- Oversee assessment and disposition of matters relating to non-compliance with the Board and the Board Conflict of Interest policies and making recommendations as appropriate.
- Other related duties that may be assigned by the Board of Directors from time-to-time.

COMMITTEE STRUCTURE:

The Committee has a minimum of three (3) assigned Board members with the Board Chair acting as this Committee's Chair. The additional members of the Committee will be the Finance, Audit, & Risk Committee Chair, and the People, Service & Housing Committee Chair. The three (3) assigned members and any other Board Members in attendance are voting members of the Committee. The Vice-Chair is an ex-officio member of the Committee.

COMMITTEE MEETINGS:

Meetings are held consistent with the requirements of the Committee's annual work plan. The expectation is that the Committee would meet a minimum of two (2) times a year. The meetings will be scheduled in the Spring and Fall of each calendar year. The quorum for a meeting to be held is two (2) voting members of the Committee.

DOCUMENT CONTROL:

New Committee Created:

January 31, 2024

Approved by Board of Directors:

TBD

Draft Board Workplan -2024

Finance Audit and Risk	People, Service and Housing	Meeting Date 3rd Thursday of the month unless indicated otherwise	Board Meeting Agenda Overview
		January 18, 2024	Board Workshop
		February 15, 2024	Board Meeting
First week of March (7?) <ul style="list-style-type: none"> Elect Chair and set workplan 	March or April <ul style="list-style-type: none"> Elect Chair and set workplan 	March 21, 2024	Board Meeting
	March or April <ul style="list-style-type: none"> Elect Chair and set workplan 	April 18, 2024	Board Workshop <ul style="list-style-type: none"> Board Evaluation Review On boarding refresher for Directors
Early May	Early May	May 23, 2024 4 th Thursday to accommodate Audit Timing	Board Meeting <ul style="list-style-type: none"> Audited Financials Annual report
		June 18, 2024	Annual General Meeting at SPPC
	Early June	June 20, 2024	<ul style="list-style-type: none"> No Scheduled Meeting of Board
		July 18, 2024	<ul style="list-style-type: none"> No Scheduled Meeting
Early August	Early August	August 15, 2024	Board Meeting
		September 19, 2024	<ul style="list-style-type: none"> To be confirmed if required
October		October 19, 2024	
November Meeting	November Meeting	November 21, 2024	
		December 19, 2024	Executive Committee on December 3 rd or 5 th , 2024

