

Board Members:

Phil Squire- Chair

Shellie Chowns

Gary Bezaire

John Corboy

Shawn Lewis

Hadleigh McAlister

Mayor Grantham

Cara Awcock

LMCH Leadership

Paul Chisholm,
CEO

Andrea Mackenzie,
Director of Tenant
Services

Diana Taplashvily,
Director of Finance
and Corporate
Services

Trevor
Whittingham,
Senior Manager,
Asset Management

Christine Poirier,
Senior Manager,
Property Services

Dirk Volschen,
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, June 15, 2023

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. May 18, 2023, Public Minutes	P. Squire	
6. Communications City of London Council Resolution	P. Chisholm	
7. Delegations None		
8. Presentations None		
9. In-Camera None		
10. Consent Agenda Items: a) Staff Report 2023- 37 CEO Report b) Staff Report 2023- 38 Vacancy Management Update Report	P. Chisholm A. MacKenzie	5:50
11. Reports and Business <u>Finance Committee Reports for Information:</u> <i>Reports overview provided by Committee Chair, S. Chowns</i> <ul style="list-style-type: none"> • FC- 23- 28 Q1 Financial Results • FC- 23-29 Q1 KPI Report • FC- 23-33 Capital Work Update Report for the month of May 2023 		

<p><u>Finance Committee Reports for Approval</u></p> <p>c. Staff Report 2023 -39 Re-Costed 2023 of Operating Budget</p> <p>d. Staff Report 2023 -40 Service Agreement – Pest Control Services</p> <p>e. Staff Report 2023- 41 2024 Capital Budget</p> <p>g. Staff Report 2023- 42 Approval of CMHC Unit Retrofit Budget & Approval of CMHC Unit Retrofit Tender</p>	<p>D. Taplashvily</p> <p>D. Taplashvily</p> <p>T. Whittingham</p> <p>T. Whittingham</p>	
<p>12. New Business / Enquiries</p>	<p>P. Squire</p>	
<p>13. Meeting Adjournment</p>	<p>P. Squire</p>	<p>7:30pm</p>

Recognition of Indigenous Peoples and Lands Statement

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.



BOARD OF DIRECTORS MEETING MINUTES

May 18, 2023 at 5:30 p.m.
London & Middlesex Community Housing
Boardroom, 1299 Oxford Street East, Unit 5C5, London, Ontario, Canada

Board Members in Attendance:

Phillip Squire, Chair

Shellie Chowns*

Shawn Lewis

John Corboy*

Mayor Grantham

Cara Awcock

Senior Leadership in Attendance:

Paul Chisholm, CEO

Andrea Mackenzie, Director of Tenant Services

Christine Poirier, Senior Manager Property Services

Ryan Winter, Business Planner

Not in Attendance

- Hadleigh McAlister
- Gary Bezaire

* *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. Squire provided the recognition address at 5:30 p.m. <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 Leni-Lenape Nations.</i>
3. Completion and Acceptance of the Agenda	Regarding the completion and acceptance of the agenda, MOVED by C. Awcock, seconded by S.Lewis, ALL Members AGREED that the agenda BE ACCEPTED and APPROVED as presented. PASSED at 5:30 p.m.

4. Disclosures of Interest	P. Squire called for conflict-of-interest declarations with respect to the agenda. No conflicts - of- interest were declared at 5:30 p.m.
5. Approval of Board Meeting Minutes	Regarding the Board Meeting Minutes of April 20, 2023, MOVED by C. Awcock, seconded by S. Chowns, that the Minutes BE ACCEPTED and APPROVED , item CARRIED at 5:31 p.m. ALL In Favour.
6. Communications	None
7. Delegations	None
8. Presentations	None
9. In Camera	None
<p>10. Consent Items</p> <p>a) Staff Report 2023- 26 CEO Report</p>	<p>P. Chisholm provided an overview of the report.</p> <p>MOTION to RECIEVE the report, MOVED by C. Awcock, seconded by Mayor Grantham 5:32pm.</p> <ul style="list-style-type: none"> - IHP Meeting discussion reviewed. The consistent theme of the meeting was that housing issues are the same across Housing Corporations on an international scale. Pandemic impact, meeting housing needs and Community safety responses are also recurring themes throughout the sector for housing providers across the globe. - ONPHA Conference set for the fall, invitation extended to all Board members. - Reimagine Southdale Conditions Site Plan Approval secured, working through contractor prequalification’s ahead of time so we can maintain timelines. - Discussion on Safety: LMCH tries to provide updates to the Board as the safety concerns are having an impact on the tenants. Increased activity at Kent St. & Albert St. sites and those sites now have overnight security. Working with London Police Services, on strengthening relationships. - Messaging that will be presented to City Council on tenant security reviewed. LMCH’s role is as a Landlord and to provide safe and affordable housing. - As the City seeks funding for wrap-around services, there is significant pushback from other Housing Providers in London and partners to sign the Tenant Placement Agreement.



<p>b) Staff Report 2023- 27 Vacancy Management Update Report</p>	<p>Concerns around the tenancy not being long-lasting and tenants not being able to sustain the tenancy are the areas on concern being raised. This also creates a loss for potential tenants who could have sustained the tenancy and tax dollars lost to rehouse in a short cycle.</p> <p>ALL in Favour to Receive the report Unanimously PASSED at 5:41pm.</p> <p>Report overview provided by A. Mackenzie. MOTION to RECEIVE Report, MOVED by C. Awcock seconded by S. Chowns.</p> <ul style="list-style-type: none">- Overall decrease in units in active restoration.- Numbers trending down to the 3% vacancy rate goal.- Discussion: Average number of days in restoration at the end of the month, the number remains static in the high 90- low 100s of days.- Progress on the number of days in restoration and additional factors aside from supply chain and labour contributing to numbers reviewed.- Vacancy report to go to Tenant Services Committee May 31st that will speak to these trends. This vacancy presentation breaks down the number of units in more detail as to why the units are turning over at a slower rate.- Bottleneck of units with Asbestos has been resolved so this will decrease the units in the active restoration numbers.- Discussion on strategically restoring units. <p>All in Favour to RECEIVE the report, PASSED at 5:50pm.</p>
<p>11. Reports and Business</p> <p>c. Staff Report 2023 -28 Resignation of Tenant Director</p>	<p>Report overview provided by P. Chisholm.</p> <p>MOTION to RECEIVE and ACCEPT the resignation, MOVED by S. Lewis, seconded by C. Awcock. PASSED by 5:58pm.</p> <ul style="list-style-type: none">- -When we speak to the City Clerk we will identify timelines and next steps in the recruitment process, to begin in the summer.- County tenants are welcome to apply.- Outreach strategies reviewed.- City Council Shifts to a Summer schedule, so a September



<p>d. Staff Report 2023 -29 2022 Audited Financials</p> <p>e. Staff Report 2023 -30 DRAFT Procurement Policy</p> <p>f. Staff Report 2023 -31 Simcoe Paving Project Tender Award</p> <p>g. Staff Report 2023 -32 Boullee St. Parking lot Lighting Tender Award.</p> <p>h. Staff Report</p>	<p>appointment is a reasonable timeline.</p> <ul style="list-style-type: none"> - Board agreed current recruitment process should remain the same. <p><u>Finance Committee Reports for Information:</u> Reports overview provided by Committee Chair, S. Chowns</p> <ul style="list-style-type: none"> • FC- 23- 20 Director of Finance & Corporate Services Update • FC- 23- 23 CMCH Quarterly Update • FC- 23- 24 Reimage Southdale Update <p>Noted: Reporting structure, recommendations etc. are put forward clearly and provides the Board with details.</p> <p>MOTION to RECEIVE Reports FC- 23- 20, 23-23 & 23- 24, for information, MOVED by S. Chowns, seconded S.Lewis, All in Favour PASSED 6:04pm.</p> <p style="text-align: center;"><u>Reports for Approval</u></p> <p>MOTION to RECEIVE Staff Reports 2023- 29, 30,31, 32, 33, 34, 35 & 36. MOVED by S. Chowns, seconded by C. Awcock. All in Favour to APPROVE the Reports and Policies, PASSED at 6:04pm</p> <p>-Review of Auditors comments and remarks on the 2022 Audited Financials and the Finance Committee Chair noted that, the Finance Committee Approved the report and financials.</p>
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<p>2023 -33 Service Agreement S & K Landscaping</p> <p>i) Staff Report 2023- 34 Paving & Accessibility Works – Highrise’s 2021-CMHC-0011</p> <p>j) Staff Report 2023-35 Contractor – Windows & Doors</p> <p>2021-CMHC-0015b k. Staff Report 2023- 36 LMCH Indemnification Policy</p>	
<p>New Business</p> <p>Network security Discussion and Cyber Risk</p> <p>Media Report on Development of Housing Software</p>	<p>Mayor Grantham brought forward the item of Cyber Risk. It was clarified to the Board that a Report was done, and this can be reshared with the Board.</p> <p>S. Chowns brought forward a request for clarification on the, Housing Collaborate Initiative.</p> <p>-P. Chisholm provided an overview on the BSA Advisory group. This was a combined effort with LMCH and the City of London. LMCH holds the contract and is the contract administrator with the BSA Advisory group. With the YARDI implementation LMCH may move away from this Software and review the contract to transition from being managed by LMCH to the City of London.</p> <p>Reminder: June 20th is City of London AGM</p>
<p>13. MEETING ADJOURNMENT</p>	<p>ADJOURNED, MOVED by Mayor Grantham, seconded by C. Awcock ALL in Favour, PASSED at 6:10 pm.</p>

Phil Squire, Chair

Paul Chisholm, CEO



P.O. Box 5035
300 Dufferin Avenue
London, ON
N6A 4L9

June 7, 2023

P. Chisholm, CEO
London & Middlesex Community Housing

I hereby certify that the Municipal Council, at its meeting held on June 6, 2023 resolved:

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

- a) the communication dated May 19, 2023 from P. Chisholm BE RECEIVED;
- b) the resignation of Tammy Brooks from London and Middlesex Community Housing Board of Directors BE ACCEPTED; and,
- c) the City Clerk BE DIRECTED to advertise in the usual manner to solicit applications for appointment for a tenant position to London and Middlesex Community Housing Board of Directors, with applications to be brought forward to a future meeting of the Strategic Priorities and Policy Committee for consideration. (4.4/16/SPPC) (2023-C05)

M. Schulthess
City Clerk
/hw

STAFF REPORT 2023-37

TO: LMCH Board of Directors

FROM: Paul Chisholm, Chief Executive Officer

SUBJECT: CEO Update

DATE: June 8, 2023

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:

Sector Engagement

Local Housing Corporation

At the most recent meeting of the Local Housing Corporation Forum, Senior Leaders from Local Housing Corporations met with Angela Cooke, Assistant Deputy Minister with the Ministry of Municipal Affairs and Housing. ADM Cooke shared some updates and priority areas from the Ministry and there was a productive discussion about challenges in the sector and opportunities to work together in key areas of affordable housing development, supporting the success of tenants and the health of our communities.



Reimagine Southdale

Work continues on this project to finalize floorplans, develop the procurement plan, and other critical path items. LMCH would like to highlight:

- Final site plan approval documents have been received from the City for sign-back by LMCH.
- LMCH received 75% Blueprint drawings for the project for review and comment. LMCH is still targeting 100% blueprint drawings finalized for submission to the City at the end of June.
- LMCH is reviewing the submissions received from the Request for Pre-Qualification (RFPO). LMCH will complete the review and identification of eligible bidders for the Southdale Project by the end of June. Only vendors that qualify through the RFPO process will be invited to bid on the project.

Asset Management Planning

LMCH has an Asset Management Plan (AMP) that was developed in collaboration with City of London staff, approved by the Board of Directors, and shared with the City of London in 2020. As LMCH properties are also considered assets of the City of London there is legislation that requires LMCH to have an AMP and provide an annual update on the plan and that is fully refreshed every five years.

Moving forward, the City of London is looking to standardize the look and feel of the AMP for all of its Boards and Commissions, including LMCH. LMCH is currently working with City of London staff to formalize a consulting service agreement to do this work so that it aligns with the needs of the City and complies with the legislation. It is anticipated that LMCH will leverage the expertise of the City of London to support some areas of data management, analysis, and reporting that will provide a mutual benefit to support good governance, compliance, and efficient use of resources for both LMCH and the City.

LMCH will provide an update to the Board of Directors as part of the annual update to the Asset Management Plan at a future meeting.

LMCH Annual Report

We are pleased to provide the Board with a copy of our 2022 Annual Report “Building for the Future”. In this report we recognize the importance of hearing directly from tenants on the things that matter to them most, highlighting the impact of the Housing Stability Case Coordinators in supporting successful tenancies and providing some updates on key projects like Relmagine Southdale.

LMCH will formally present the Annual report and the 2022 Financial statements to the City of London at our Annual General Meeting on June 20, 2023.

APPENDIX A: 2022 LMCH Annual Report

PREPARED BY:
PAUL CHISHOLM, CHIEF EXECUTIVE OFFICER

STAFF REPORT 2023- 38

TO: LMCH Board of Directors

FROM: Andrea Mackenzie, Director of Tenant Services

SUBJECT: Vacancy Management Report

DATE: June 08, 2023

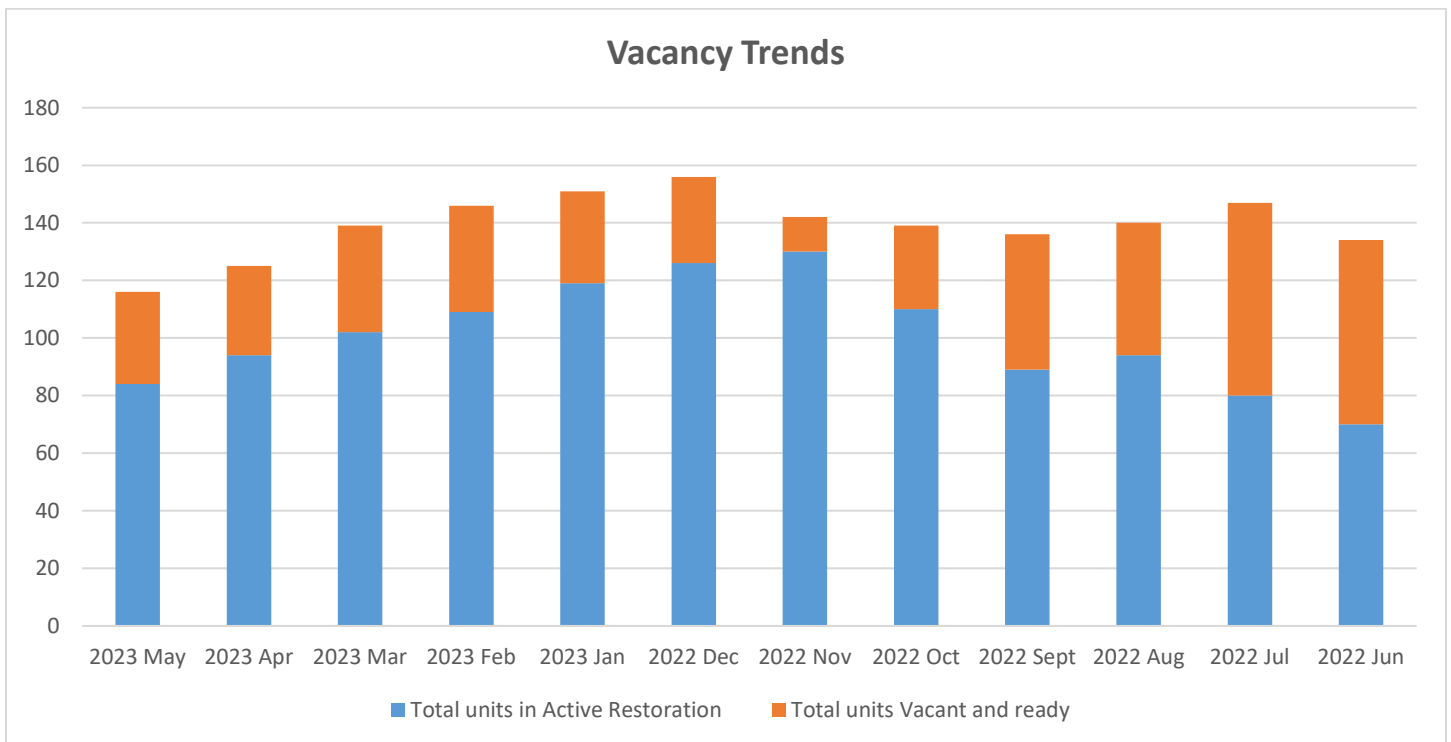
Purpose:

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 May 31st, 2023)

- Total Vacancy:** This includes all units within LMCH portfolio that are not occupied. It is inclusive of units that are Non-Rentable or in Active Restoration and Rent Ready Stock. (Target: 3%)

Count (Units)	2023 May	2023 Apr	2023 Mar	2023 Feb	2023 Jan	2022 Dec	2022 Nov	2022 Oct	2022 Sept	2022 Aug	2022 Jul	2022 Jun
Total units in Active Restoration	84	94	102	109	119	126	130	110	89	94	80	70
Total units Vacant and ready	32	31	37	37	32	30	12	29	47	46	67	64
Total Vacancy (Units Available)	116	125	139	146	151	156	142	139	136	140	147	134

Vacancy Rate	2023 May	2023 Apr	2023 Mar	2023 Feb	2023 Jan	2022 Dec	2022 Nov	2022 Oct	2022 Sept	2022 Aug	2022 Jul	2022 Jun
Total units in Active Restoration	2.6%	2.9%	3.1%	3.3%	3.6%	3.8%	4.0%	3.4%	2.7%	2.9%	2.4%	2.1%
Total units Vacant and ready	1.0%	0.9%	1.1%	1.1%	1.0%	0.9%	0.4%	0.9%	1.4%	1.4%	2.0%	2.0%
Total Vacancy (Units Available)	3.5%	3.8%	4.2%	4.4%	4.6%	4.8%	4.3%	4.2%	4.1%	4.3%	4.5%	4.1%

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).

- 29 units are on hold as part of CMHC Accessible Unit Project.
- 4 units are vacant and undergoing restoration for fire or as part of insurance claims.
- 18 units at our Southdale Project are vacant awaiting demolition 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 May there were 84 units in active restoration which was 2.6 % of the portfolio.

There were 38 units restored in May that took an average of 95 days to return to rent ready.

Age of Units Restored in Period (Count)	2023 May	2023 Apr	2023 Mar	2023 Feb	2023 Jan	2022 Dec	2022 Nov	2022 Oct	2022 Sept	2022 Aug	2022 Jul	2022 Jun
0-15 days	0	0	1	1	0	0	0	0	1	0	0	0
16-30 days	4	1	2	2	2	1	0	1	4	1	2	1
31-60 days	13	3	6	1	4	4	1	5	7	1	7	6
61-90 days	5	7	10	2	8	4	3	6	7	6	6	10
91+ days	16	18	20	29	24	23	6	8	14	7	9	11
Total units restored	38	29	39	35	38	32	10	20	33	15	24	28
Average # of days in restoration	95	137	103	156	122	116	124	95	84	84	101	95

At the end of May 2023 there were 84 units in active restoration down from 94 at the end of April 2023. Units in active restoration at the end of May had been vacant for an average of 100 days as of 31st May 2023.

Age of Units in active Restoration (Count)	2023 May	2023 Apr	2023 Mar	2023 Feb	2023 Jan	2022 Dec	2022 Nov	2022 Oct	2022 Sept	2022 Aug	2022 Jul	2022 Jun
0-15 days	17	16	16	15	9	10	15	18	9	15	8	10
16-30 days	16	9	11	11	18	18	15	14	18	15	24	16
31-60 days	10	19	20	22	22	24	29	20	20	31	20	22
61-90 days	11	13	12	24	20	26	17	17	23	12	14	13
91+ days	30	37	43	37	50	48	54	41	19	21	14	9
Total units in Active Restoration	84	94	102	109	119	126	130	110	89	94	80	70
Average # of days in restoration at month end	100	101	100	92	101	97	90	82	71	63	56	56

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 May, 33 units were leased that had been rent ready for an average of almost 21 days. In addition to units leased an additional 28 units were accepted by tenants to be leased in June and future periods.

Age of Units Leased in the Period (Count)	2023 May	2023 Apr	2023 Mar	2023 Feb	2023 Jan	2022 Dec	2022 Nov	2022 Oct	2022 Sept	2022 Aug	2022 Jul	2022 Jun
0-15 days	16	20	20	22	11	8	6	11	3	5	0	6
16-30 days	10	8	8	5	5	6	9	8	8	5	9	4
31-60 days	4	9	6	3	2	4	4	5	11	9	8	13
61-90 days	3	1	0	1	0	1	4	1	4	2	9	5
91+ days	0	0	1	0	0	3	4	9	9	2	5	4
Total units Leased	33	38	35	31	18	22	27	34	35	23	31	32
Average # of days to commit the unit	21	19	21	17	14	54	48	56	64	42	63	47

At the end of May, the active rental stock was 32 units or 1 % of the portfolio. The average days units were in Active Rental at the end of May was 13 days.

Age of Units Vacant and Available (Count)	2023 May	2023 Apr	2023 Mar	2023 Feb	2023 Jan	2022 Dec	2022 Nov	2022 Oct	2022 Sept	2022 Aug	2022 Jul	2022 Jun
0-15 days	26	20	24	31	29	23	7	17	25	18	20	24
16-30 days	1	5	4	3	2	3	2	6	9	0	4	9
31-60 days	2	2	9	3	0	2	0	2	1	9	18	10
61-90 days	1	4	0	0	0	1	3	2	4	4	12	8
91+ days	2	0	0	0	1	1	1	2	8	15	13	13
Total units Vacant and ready	32	31	37	37	32	30	12	29	47	46	67	64
Average # of days vacant and ready	13	16	14	13	13	13	24	32	41	63	52	47

Period Summaries:

LMCH had a total of 36 new units confirmed vacant in the month of May which have been added to the active restoration stock.

LMCH restored a total of 38 units during this same period.

In addition to the units above LMCH moved an additional 9 units in the month of May from active restoration to unlettable for the CMHC Unit Accessibility Program.

LMCH leased 33 units and future leased an additional 28 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 are in Active Rental stock.

With 84 units in Active Restoration LMCH has reduced the units in Active restoration by 42 units since December 31, 2022. Work will continue to reduce the number of units in active restoration to below 66 to meet the target by the end of 2023. The 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:	STAFF CONTACT:
ANDREA MACKENZIE, Director, Tenant Services	AHMAD MIAN, Business Analyst

Finance Committee Report 2023- 28

TO: LMCH Finance Committee

FROM: Diana Taplashvily, Director of Finance & Corporate Services

SUBJECT: Q1 2023 Financial Results

DATE: May 31, 2023

RECOMMENDATION:

That the March 31, 2023, Financial Performance Results, and its Operating Summary Report BE RECEIVED for information.

REASONS FOR RECOMMENDATIONS:

The following report provides a high-level analysis of LMCH's March 31, 2023, Operating Financial Results.

The YTD operating results on March 31, 2023, ended with an operating deficit of (\$502,203) an unfavourable result of (\$502,203) to the budget.

Operations Revenue

Total revenue showed a favorable variance of \$ 187,132.05 over the 2023 budget:

- Positive variances to the budget were realized in rental revenue of \$ 222,470.90 \$ 19,132.17 in tenant recoveries, \$28,168.36 interest revenue, and \$1,626.25 in antenna licenses. The management believes that a significant portion of the positive variance in rental revenues comes from delays in adjustments due to the existing processes and a 6-month backlog with LTB.
- Positive variances in revenues are partially offset by higher than anticipated net bad debt write-offs \$ (110,019.15). This includes Bad debts Provision for both past and current tenants.

Expenditures

Total expenditures showed unfavorable variance of \$ (669,580.28) over the 2023 budget. Salaries, wages, and benefits have a small favorable variance of \$13,438.23.

Building Maintenance, Materials and Services was the primary driver for the variance with an unfavorable variance of (\$354,332.57). LMCH continues to experience high demand for maintenance and repairs due to the age of buildings and infrastructure. An unfavorable variance is driven by costs in Building General (\$128,523.64) Snow Removal (\$295,877.40), Cleaning (\$62,708.89), Painting (\$47,030.42), Life safety Systems (20,796.55), Vandalism (\$14,508.48) and Electrical (3,589.02).

Utilities have an unfavorable variance of (\$351,815.50). Small favorable variances are reported in Property and in Transport & Communication at of \$14,094.66 and \$10,690.93 respectfully.

While Q1-2023 results have significant variances to the Provisional Budget, they are in line with the results reported for Q1- 2022. The unfavourable variances in snow removal and a portion of the unfavourable variance in utilities is seasonal and is expected to be reduced through the spring and summer seasons. LMCH anticipates better alignment with Re-costed Budget presented in a separate staff report.

Please see attached report for a detailed analysis.

Appendix A – March 31, 2023, Operating Results

SIGNATURE:

PREPARED and SUBMITTED BY:	STAFF CONTACT:
DIANA TAPLASHVILY DIRECTOR of FINANCE & CORPORATE SERVICES	BUSHRA WALJI MANAGER of FINANCE

Appendix A – March 31, 2023, Operating Results



	2023 YTD Actuals	2023 YTD Budget	Variance from BUDGET Better (Worse)	% Var	2022 YTD Actuals	Variance from 2022 Better (Worse)	% Var	Provisional 2023 FY Budget	2022 FY Actuals
OPERATING INCOME STATEMENT									
March 31, 2023									
REVENUES									
RENT REVENUES	3,355,608.27	3,133,137.37	222,470.90	7.1%	3,505,979.35	-150,371.08	-4.3%	12,532,549.49	13,621,605.02
TENANT RECOVERIES	56,632.17	37,500.00	19,132.17	51.0%	85,483.55	-28,851.38	-33.8%	150,000.00	226,385.14
NET BAD DEBT WRITE OFF	-207,519.15	-97,500.00	-110,019.15	112.8%	-121,677.04	-85,842.11	70.5%	-390,000.00	-976,877.00
ANTENNA LICENSES	40,389.70	38,763.45	1,626.25	4.2%	39,255.11	1,134.59	2.9%	155,053.80	159,092.18
INTEREST	38,668.36	10,500.00	28,168.36	268.3%	13,186.62	25,481.74	193.2%	42,000.00	142,054.36
SUNDRY & OTHER REVENUE	78,253.52	52,500.00	25,753.52	49.1%	39,558.75	38,694.77	97.8%	210,000.00	222,099.75
MUNICIPAL BASE FUNDING	3,669,162.75	3,669,162.75	0.00	0.0%	3,475,045.50	194,117.25	5.6%	14,676,651.00	13,900,182.00
TOTAL REVENUES	7,031,195.62	6,844,063.57	187,132.05	2.7%	7,036,831.84	-5,636.22	-0.1%	27,376,254.29	27,294,541.45
OPERATING EXPENDITURES									
SALARIES, WAGES & BENEFITS	1,973,027.43	1,986,465.66	13,438.23	0.7%	1,763,034.57	-209,992.86	-11.9%	7,945,862.65	6,702,575.17
TENANT SERVICES									
SECURITY	134,505.71	159,500.00	24,994.29	15.7%	173,630.50	39,124.79	22.5%	638,000.00	592,398.27
SOCIAL & REC PROGRAMS	9,397.71	31,416.95	22,019.24	70.1%	2,364.62	-7,033.09	-297.4%	125,667.82	88,986.54
TENANT SERVICES	143,903.42	190,916.95	47,013.53	24.6%	175,995.12	32,091.70	18.2%	763,667.82	681,384.81
MAINTENANCE, MATERIALS & SERVICES									
ROOFING	6,397.80	8,750.00	2,352.20	26.9%	3,750.10	-2,647.70	-70.6%	35,000.00	50,955.51
BUILDING GENERAL	353,523.64	225,000.00	-128,523.64	-57.1%	308,520.90	-45,002.74	-14.6%	900,000.00	1,379,290.36
CLEANING	250,208.89	187,500.00	-62,708.89	-33.4%	253,560.73	3,351.84	1.3%	750,000.00	1,011,680.35
PEST CONTROL	105,878.48	175,000.00	69,121.52	39.5%	162,034.76	56,156.28	34.7%	700,000.00	996,811.27
ELEVATORS	21,996.61	50,000.00	28,003.39	56.0%	61,890.82	39,894.21	64.5%	200,000.00	174,043.51
ELECTRICAL	58,589.02	55,000.00	-3,589.02	-6.5%	67,649.37	9,060.35	13.4%	220,000.00	206,663.41
EQUIPMENT	1,550.22	28,297.28	26,747.06	94.5%	24,401.94	22,851.72	93.6%	113,189.12	10,972.32
LANDSCAPING & PARKING LOT MTCE.	22,100.23	86,243.50	64,143.27	74.4%	17,538.41	-4,561.82	-26.0%	344,974.00	305,810.29
MOLD	15,951.18	6,250.00	-9,701.18	-155.2%	8,695.86	-7,255.32	-83.4%	25,000.00	37,168.88
SNOW REMOVAL	470,877.40	175,000.00	-295,877.40	-169.1%	445,999.01	-24,878.39	-5.6%	700,000.00	771,593.75
LIFE SAFETY SYSTEMS	70,796.55	50,000.00	-20,796.55	-41.6%	75,251.94	4,455.39	5.9%	200,000.00	354,751.73
HEATING & VENTILATION	63,327.25	66,250.00	2,922.75	4.4%	65,714.62	2,387.37	3.6%	265,000.00	215,779.45
PLUMBING	149,155.95	154,640.13	5,484.18	3.5%	139,280.20	-9,875.75	-7.1%	618,560.54	615,647.91
PAINTING	134,530.42	87,500.00	-47,030.42	-53.7%	33,164.47	-101,365.95	-305.6%	350,000.00	259,746.03
VANDALISM	20,265.28	5,756.80	-14,508.48	-252.0%	12,844.32	-7,420.96	-57.8%	23,027.21	66,613.91
WASTE REMOVAL	97,134.57	115,845.78	18,711.21	16.2%	71,202.52	-25,932.05	-36.4%	463,383.13	351,862.37
SUNDRY MATERIALS & SERVICES	4,082.58	15,000.00	10,917.42	72.8%	-1,871.51	-5,954.09	318.1%	60,000.00	4,299.17
TOTAL MAINTENANCE, MATERIALS & SERVICES	1,846,366.07	1,492,033.50	-354,332.57	-23.7%	1,749,628.46	-96,737.61	-5.5%	5,968,133.99	6,813,690.22

Appendix A – March 31, 2023, Operating Results



	2023 YTD Actuals	2023 YTD Budget	Variance from BUDGET Better (Worse)	% Var	2022 YTD Actuals	Variance from 2022 Better (Worse)	% Var	Provisional 2023 FY Budget	2022 FY Actuals
UTILITIES									
ELECTRICITY	554,309.12	406,125.50	-148,183.62	-36.5%	588,252.50	33,943.38	5.8%	1,624,502.00	1,729,694.43
WATER HEATER RENTAL	58,555.78	63,216.26	4,660.48	7.4%	60,045.92	1,490.14	2.5%	252,865.02	250,990.87
WATER	403,985.44	352,856.25	-51,129.19	-14.5%	366,803.95	-37,181.49	-10.1%	1,411,425.00	1,500,973.23
NATURAL GAS	444,675.67	287,512.50	-157,163.17	-54.7%	434,682.57	-9,993.10	-2.3%	1,150,050.00	1,068,158.07
TOTAL UTILITIES	1,461,526.01	1,109,710.51	-351,815.50	-31.7%	1,449,784.94	-11,741.07	-0.8%	4,438,842.02	4,549,816.60
PROPERTY									
INSURANCE	256,774.62	242,681.14	-14,093.48	-5.8%	214,914.08	-41,860.54	-19.5%	970,724.57	860,365.75
MUNICIPAL TAXES	1,352,508.39	1,380,696.53	28,188.14	2.0%	1,325,486.88	-27,021.51	-2.0%	5,522,786.10	5,285,586.71
MORTGAGE PAYMENTS		0.00	0.00		9,275.28	9,275.28	100.0%	0.00	9,046.49
TOTAL PROPERTY	1,609,283.01	1,623,377.67	14,094.66	0.9%	1,549,676.24	-59,606.77	-3.8%	6,493,510.67	6,154,998.95
ADMINISTRATION									
CORPORATE	270,704.83	226,750.00	-43,954.83	-19.4%	303,097.58	32,392.75	10.7%	907,000.00	1,292,459.76
TRANSPORTATION & COMMUNICATION	88,293.12	91,860.84	3,567.72	3.9%	73,544.64	-14,748.48	-20.1%	367,443.37	298,722.76
SUPPLIES & EQUIPMENT	120,539.98	97,948.45	-22,591.53	-23.1%	164,558.02	44,018.04	26.7%	391,793.82	701,463.83
TOTAL ADMINISTRATION	479,537.93	416,559.30	-62,978.63	-15.1%	541,200.24	61,662.31	11.4%	1,666,237.19	2,292,646.35
TOTAL OPERATING EXPENDITURES	7,513,643.87	6,844,063.59	-669,580.28	-9.8%	7,229,319.57	-284,324.30	-3.9%	27,376,254.35	27,195,112.10
EXTRAORDINARY LOSS	19,755.59	25,000.00	5,244.41	21.0%	33,013.58	13,257.99	40.2%	100,000.00	83,420.10
NET SURPLUS (DEFICIT)	-502,203.84	0.00	502,203.84		-225,501.31	-276,702.53	122.7%	0.00	16,009.25

Finance Committee Report 2023- 29

TO: LMCH Finance Committee

FROM: Diana Taplashvily, Director of Finance & Corporate Services

SUBJECT: Key Performance Indicators (KPIs)

DATE: May 31, 2023

RECOMMENDATION:

That, the Key Performance Indicators report be **RECEIVED** for information purposes.

REASONS FOR RECOMMENDATIONS:


A new reporting format and schedule has been approved by the LMCH Board of Directors (BOD). This report honors this new reporting structure.

Appendix A: LMCH BOD KPI summary, with unaudited, preliminary Q1 2023 data.
Appendix B: Data Dictionary for LMCH BOD reported KPIs.

SIGNATURE:

PREPARED and SUBMITTED BY:	STAFF CONTACT:
DIANA TAPLASHVILY DIRECTOR FINANCE & CORPORATE SERVICES	AHMAD MIAN BUSINESS ANALYST

Appendix A: LMCH Board of Directors KPI Summary

 LONDON & MIDDLESEX COMMUNITY HOUSING	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Avg. 2023	Avg. 2022
Category/Metrics	Current Quarter	Previous Quarter					
Human Resources KPI Metric Summary							
Full Time Staff	84	84	75	69	72	84	74
Full Time Equivalent (FTE) ^Q	85.36	85.39	76.43	70.47	73.26	85.36	75.39
Business Case 19 Related Hires	19	21	20	19	19	19	20
Finance, Information Technology and Data Science KPI Metric Summary							
Surplus/(Deficit)**	(\$502,204)	\$16,009	\$1,365,669	\$335,081	(\$255,516)	N/A	N/A
Rent Arrears	\$1,094,658	\$1,143,684	\$1,065,373	\$869,969	\$676,415	\$1,094,658	\$1,143,684
Rent Collection Percentage	69.21%	91.60%	89.59%	87.32%	80.71%	69.21%	84.42%
Percentage of Tenants in Good Financial Standing	80.07%	78.44%	76.52%	77.22%	77.35%	80.07%	76.95%
Tenant Services KPI Metric Summary							
Total Evictions	17	4	3	16	13	17	36
Units Leased	84	83	89	81	97	84	350
Property Services KPI Metric Summary							
Total Vacant Units	139	156	136	134	146	139	572
Total Vacancy Rate	4.24%	4.75%	4.14%	4.08%	4.44%	4.24%	4.35%
Cost of Vacancy [†]	\$117,720	\$117,990	\$114,210	\$115,830	\$132,840	\$117,720	\$120,218
Capital KPI Metric Summary							
Percentage Spent vs Approved Budget [†]	47.57%	25.64%	12.31%	6.78%	4.12%	47.57%	25.64%
FCI Score	-	-	-	-	-	-	-
Q Derivation excludes On Call Manager Hours Spent vs Approved Budget [†] has been adjusted to reflect projects with anticipated spend in 2023. Derived from KPMG 'Cost of Vacancy' Metric.						†Percentage †	
						**Suplus/Deficit for Q42022 has been updated	

Appendix B: LMCH Board of Directors KPI Data Dictionary

Human Resources KPI Metric Summary

Full Time Staff – The number of full-time employees at the end of the reporting period

Full Time Equivalent (FTE) – Quarterly average FTE based on overtime hours, with respect to work (paid) days for a given period

Business Case 19 Related Hires – The number of accumulated LMCH staff related to Business Case 19 for a given period.

Finance, Information Technology and Data Science KPI Metric Summary

Surplus/(Deficit) – The amount leftover / (excess of expenditure) compared to budget for a given period.

Rent Arrears – Total money owing by tenants for rent, for a given period.

Rent Collection Percentage – The percentage of tenant rent collected with respect to amount owing, year-to-date for a given period

Percentage of Tenants in Good Financial Standing – The number of tenants who are current with rent charges for a given period

Tenant Services KPI Metric Summary

Total Evictions – The total number of evicted LMCH tenants for a given period.

Average Length of Tenancy for Current Tenants – The time duration as an LMCH tenant (Current) for a given period

Units Leased – The total number of units rented for a given period.

Property Services KPI Metric Summary

Total Vacant Units – The total number of vacant units for a given period.

Total Vacancy Rate – The percentage of the total vacant units with respect to our total LMCH portfolio count (3282) for a given period

Cost of Vacancy – The cost due to lost rent revenue on vacant units for a given period

Capital KPI Metric Summary

Percentage Spent vs Approved Budget – $(\text{Money Spent} / \text{Approved Budget}) \times 100\%$ For projects with anticipated spend within the reporting year

FCI Score – The percentage within each FCI score status (“Excellent”, “Very Good”, “Good”, “Fair”, “Poor”, “Deficient”) for a given period.

Finance Committee Report 2023- 33

TO: LMCH Finance Committee

FROM: Trevor Whittingham, Senior Manager of Asset Management

SUBJECT: Capital Work Update Report for the month of May 2023

DATE: May 31, 2023

PURPOSE:

The purpose of this report is to inform the Finance Committee of the status of the organization's capital projects and provide information on the progress which is expected over the next quarter.

RECOMMENDATION:

That the Finance Committee **RECEIVE** the May 2023 capital work update report for information only.

BACKGROUND:

In accordance with the LMCH Asset Management Plan (AMP) and City of London approved Multi-Year Budget (MYB), the LMCH capital work program addresses asset and infrastructure maintenance, renewal, and replacement in a way that mitigates risk while endeavoring to maintain reasonable and acceptable living conditions for all tenants.

This Report includes status highlights of capital projects through the middle of May 2023.

Capital Project Status Review

Between 2020-2023 the LMCH Board of Directors has instructed staff to complete 165 Capital Projects. A full listing of Approved Capital Projects and Current Status is included as part of Appendix A.

2020 Capital Projects

- 39 projects
- 87% (34 Projects) are completed or cancelled.
- 8% (3 Projects) remain in progress. All three projects are major electrical



infrastructure improvements. In spring 2022 we entered contracts for all three upgrades, but the lead time on new generators is extremely long. We expect these projects to be completed in summer 2023.

2021 Capital Projects

- 42 projects
- 64% (27 Projects) are completed or cancelled.
- 24% (10 projects) are currently in active construction.
 - Elevator Control Modernizations (7).
 - Kent St generator replacement.
 - Tecumseh roof replacement.
 - Limberlost site paving
- 5% (2 project) are currently being scoped or with an engineering firm to assist with designs.
 - Asphalt Restoration & Replacements. (County Properties - Head, Ellen & York)
 - Exterior lighting project (Boulee)
- 5% (2 projects) are under review by staff to determine how to best proceed with the work.
 - 2 projects relate to lobby upgrades and balcony studies.

2022 Capital Projects

- 37 Projects.
- 11% (4 Projects) are completed or cancelled.
- 49% (18 projects) are currently in progress – in most cases contracts have been awarded and the contractors are waiting on delivery of material to begin work on site.
 - 7 projects relate to elevator modernization.
 - 4 projects are major electrical upgrades.
 - 3 are small projects needed to address fire system deficiencies found on annual inspections.
 - 1 is for roadway and parking lot repairs at various sites.
 - 1 is for roof repairs/replacement.
 - 1 is related to capital flooring purchases.
 - 1 is related to stairwell fencing for security.
- 22% (8 Projects) in Engineering/scoping.
 - 2 are for fencing repairs.
 - 2 Fire panel/ system repairs
 - 1 project is related to Stairwell Door replacements repairs.
 - 1 project is to replace the MUA air unit at Tecumseh.
 - 1 project is related to radiator heating repairs.



- 14% (5 projects) are under review by staff to determine how to best proceed with the work.
 - 3 projects relate to upgrades to garbage infrastructure.
 - 1 project is for a mechanical system audit.
 - 1 project is for a minor fire alarm upgrade.

2023 Capital Projects

- 48 Projects
- 77% (37 Projects) in engineering/scoping.
- 13% (6 projects) in progress.
 - 1 project relates to McNay balcony restorations.
 - 5 projects relate to unit modernization & Access Upgrades
- 4% (2 Projects) are completed or cancelled.
- 2% (1 project) is for contingency.
- 4% (2 Projects) are recurring.

	2020	2021	2022	2023
Cancelled	5	10	2	2
Completed	29	17	2	0
Contract Awarded	0	0	0	1
In progress	3	10	18	6
Procurement Underway	0	1	2	0
Engineering/Scoping	0	1	7	37
Contingency	2	1	1	1
Under Review	0	2	5	0
Recurring	0	0	0	2
Grand Total	39	41	37	48

Highlights:

- First phase balcony restoration work began in March 2023 at 202 McNay St. Each of the three (3) phases will take approximately six (6) weeks with total completion expected by the end of July 2023. (2023-0012).
- Complete repaving of all parking lots and roadways at the Limberlost family site began in May 2023. This work is expected to be completed by July 2023.
- Electrical Circuit Breakers & Panels upgrades are currently underway at three (3) LMCH buildings (William, Tecumseh & Dundas). This work is expected to be completed during Q2-2023 (2022-004).

- All 20 kitchens at the Penny Lane homes in Strathroy have been completed. This work was to refresh the kitchens including new cabinets and countertops and is expected to be completed in Q2-2023 (2021-0012).
- Elevator Modernization on seven (7) LMCH high rise buildings have had contracts awarded to three (3) separate Elevator Contractors. Elevator Modernizations (Baseline, Commissioners, Simcoe, Hale, Dundas, William & Dorchester) to be completed in Q4-2023. (2022-0003).
- Construction for roof replacements at 39 Tecumseh is underway. The three (3) building's roofs are expected to be completed during Q2-2023 (2021-0006B).

Financial Update:

Fully utilizing the money available is important for tenants, LMCH and the City of London. Ramping up from a \$2 million capital program to an \$8 million capital program has been challenging and resulted in delays in moving projects from approval to completion. In response LMCH has added staff and are engaging differently with consultants to we have added manpower and are making good progress reducing the backlog of work. By the end of Q3 2023, LMCH we will have closed out the majority of 2021 and 2022 projects and will have made significant progress on the 2023 capital program.

A summary of capital fund utilization, organized by funding source and year, can be found below.

Funding Code	Funding Source Name	Allotted Capital Budget	Total Spending To Date	Total Contractual Commitments	Budget Funds Remaining
LMH261821	2021 Public Housing Major Upgrades	\$ 2,208,000	\$ 1,425,167	\$230,902	\$ 551,931
LMH261822	2022 Public Housing Major Upgrades	\$ 2,208,000	\$ 1,017,754	\$670,000	\$ 520,246
LMH261823	2022 Public Housing Major Upgrades	\$ 2,208,000	\$ 230,720	\$140,000	\$ 1,837,280
LMH2619 (2021)	LMCH Infrastructure Gap	\$ 3,042,000	\$ 1,099,517	\$ 1,761,579	\$ 180,904
LMH2619 (2022)	LMCH Infrastructure Gap	\$ 4,542,000	\$ 762,074	\$ 3,453,048	\$ 326,878
LMH2619 (2023)	LMCH Infrastructure Gap	\$ 6,142,000	\$ 2,164	\$ 566,041	\$ 5,573,795
Budget Totals		\$ 20,350,000	\$ 4,537,396	\$ 6,821,570	\$ 8,991,034

LMCH is currently reviewing annual capital budgets to determine how and when contingency funds and other unspent capital funds can be reallocated to additional projects.

PREPARED and SUBMITTED BY:	STAFF CONTACT:
TREVOR WHITTINGHAM SENIOR MANAGER, ASSET MANAGEMENT	BILL LESLIE MANAGER, CAPITAL PROJECTS & CONSTRUCTION

STAFF REPORT 2023- 39

TO: LMCH Board of Directors

FROM: Diana Taplashvily, Director of Finance & Corporate Services

SUBJECT: Re-costed 2023 Operating Budget

DATE: June 8, 2023

PURPOSE:

The purpose of this report is to receive approval from the Board of Directors for the Re-costed 2023 Operating Budget.

RECOMMENDATION:

That, the Board of Directors APPROVE the attached Re-costed 2023 Operating Budget.

BACKGROUND:

The Board of Directors previously approved the 2022 Provisional Operating Budget on August 18, 2022, subject to the re-costing of revenue and expenditures. In Q1 2023 LMCH completed re-costing based on the 2022-year actual results and revised outlook for 2023.

LMCH continues to balance budget constraints against increasingly complex challenges in supporting tenants and managing infrastructure. LMCH is managing its budget prudently to ensure funds are being directed to areas where the greatest positive impact is achievable.

FINANCE COMMITTEE UPDATE:

The Finance Committee met on June 7, 2023, to review Re-costed 2023 Operating Budget. The Committee members discussed the report structure details, increase in budget lines, and insurance premiums. After review of the report, the Finance committee Approved a recommendation to forward the report to the Board of Directors for approval.

*LMCH Board Meeting,
June 15, 2023*

Revenue

- Total Revenue increased by \$798,919 from \$27,376,254 to \$28,175,174.
 - Rental revenue from tenants is forecasted to increase by \$1,350,797.
 - Net Bad Bet Write-offs are increased by \$563,614,560 and tenant recoveries are forecasted to reduce by \$31,742.
 - Base Funding from the City of London and the County of Middlesex remains the same at \$14,676,651.

Expenses

- Total Expenses are forecasted to increase by \$798,919.
- Salaries, Wages, and Benefits – remained unchanged.
- Maintenance, Materials & Services – The increase of \$216,351 to a total of \$6,184,485 is based on increases to Building Improvements, Cleaning, and Life Safety Systems.
- Utilities – \$268,485 increase is based on the 2022 Actuals and continued increased in utility prices.
- Property – the Increase in budget of \$17,518 is driven by 3% inflation adjustment for Municipal Property Taxes.
- Administration – the increase in budget by \$331,598 to a total of \$1,997,835 is driven by labour costs associated with IT Managed Services, Software Licenses and anticipated increase in legal and consulting costs.

CONCLUSION:

The budget for 2023 was built based on the knowledge obtained through analysis of 2022 actuals and current outlook for 2023. LMHC will continue to seek cost-saving mechanisms and investigate available solutions to mitigate risks of unexpected events.

Appendix A: 2023 Operating Budget

SIGNATURE:

PREPARED and SUBMITTED BY:	REVIEWED and CONCURRED BY:
DIANA TAPLASHVILY DIRECTOR FINANCE & CORPORATE SERVICES	PAUL CHISHOLM CHIEF EXECUTIVE OFFICER



**Appendix A: 2023 Operating Budget 2023 Recosted
as at June 7, 2023**

	RECOSTED	Provisional Budget Approved		Actual		Actual	
	2023 Budget	2023 Budget	Over / (Under)	2022 Actual	Over / (Under)	2021 Actual	Over / (Under)
REVENUES							
RENT REVENUES	\$ 13,883,347	\$ 12,532,549	\$ 1,350,797	\$ 13,621,705	\$ 261,642	\$ 12,046,185	\$ 1,837,162
TENANT RECOVERIES	118,258	150,000	(31,742)	226,285	(108,027)	170,951	(52,693)
NET BAD DEBT WRITE OFF	(953,614)	(390,000)	(563,614)	(976,877)	23,263	(384,087)	(569,527)
ANTENNA LICENSES	161,675	155,054	6,621	159,092	2,583	148,353	13,322
INTEREST	107,580	42,000	65,580	142,054	(34,475)	27,635	79,945
SUNDRY & OTHER REVENUE	181,278	210,000	(28,722)	222,100	(40,822)	215,430	(34,152)
MUNICIPAL BASE FUNDING	14,676,651	14,676,651	-	13,900,182	776,469	13,184,441	1,492,210
TOTAL REVENUES	28,175,174	\$ 27,376,254	798,919	27,294,541	\$ 880,632	\$ 25,408,907	\$ 2,766,267
OPERATING EXPENDITURES							
SALARIES, WAGES & BENEFITS	\$ 7,945,863	\$ 7,945,863	\$ (0)	\$ 6,702,575	\$ 1,243,287	\$ 6,311,710	\$ 1,634,153
TENANT SERVICES							
SECURITY	\$ 638,000	\$ 638,000	\$ -	\$ 592,398	\$ 45,602	\$ 580,715	\$ 57,285
SOCIAL & REC PROGRAMS	125,671	125,668	3	88,987	36,685	29,834	95,837
TOTAL TENANT SERVICES	763,671	\$ 763,668	3	681,385	\$ 82,286	\$ 610,548	\$ 153,123
MAINTENANCE, MATERIALS & SERVICES							
ROOFING	\$ 43,609	\$ 35,000	\$ 8,609	\$ 50,956	\$ (7,347)	\$ 24,394	\$ 19,215
BUILDING GENERAL	1,230,910	900,000	330,910	1,379,290	(148,380)	1,017,838	213,072
CLEANING	1,004,037	750,000	254,037	1,011,680	(7,643)	936,518	67,519
PEST CONTROL	721,666	700,000	21,666	996,811	(275,146)	696,719	24,947
ELEVATORS	93,587	200,000	(106,413)	174,044	(80,456)	187,254	(93,667)
ELECTRICAL	148,089	220,000	(71,911)	206,663	(58,574)	211,305	(63,216)
EQUIPMENT	87,566	113,189	(25,623)	10,972	76,594	133,379	(45,813)
LANDSCAPING & PARKING LOT MTCE.	221,397	344,974	(123,577)	305,810	(84,413)	323,946	(102,549)
MOLD	61,872	25,000	36,872	37,169	24,703	58,610	3,262
SNOW REMOVAL	658,542	700,000	(41,458)	771,594	(113,052)	628,610	29,932
LIFE SAFETY SYSTEMS	264,938	200,000	64,938	354,752	(89,814)	247,222	17,716
HEATING & VENTILATION	206,652	265,000	(58,348)	215,779	(9,127)	250,008	(43,356)
PLUMBING	541,992	618,561	(76,568)	615,648	(73,656)	713,862	(171,870)
PAINTING	374,015	350,000	24,015	259,746	114,269	351,828	22,187
VANDALISM	69,762	23,027	46,735	66,614	3,148	59,404	10,358
WASTE REMOVAL	415,411	463,383	(47,973)	351,862	63,548	371,553	43,858
SUNDRY MATERIALS & SERVICES	40,441	60,000	(19,559)	4,299	36,142	13,585	26,856
TOTAL MAINTENANCE, MATERIALS & SERVICES	6,184,485	\$ 5,968,134	216,351	6,813,690	\$ (629,205)	\$ 6,226,034	\$ (41,549)



Appendix A : 2023 Operating Budget 2023
Recosted as at June 7, 2023

as at June 7, 2023



	RECOSTED	Provisional Budget Approved		Actual		Actual	
	2023 Budget	2023 Budget	Over / (Under)	2022 Actual	Over / (Under)	2021 Actual	Over / (Under)
	RECOSTED	Provisional Budget Approved		Actual		Actual	
	2023 Budget	2023 Budget	Over / (Under)	2022 Actual	Over / (Under)	2021 Actual	Over / (Under)
ELECTRICITY	\$ 1,615,850	\$ 1,624,502	\$ (8,652)	\$ 1,729,694	\$ (113,844)	\$ 1,685,455	\$ (69,605)
WATER HEATER RENTAL	247,728	252,865	(5,137)	250,991	(3,262)	252,565	(4,836)
WATER	1,651,572	1,411,425	240,147	1,500,973	150,598	1,392,732	258,840
NATURAL GAS	1,192,177	1,150,050	42,127	1,068,158	124,019	942,303	249,873
ENERGY SAVINGS REBATE	-	-	-	-	-	(306,796)	306,796
TOTAL UTILITIES	4,707,327	\$ 4,438,842	268,485	4,549,817	\$ 157,510	\$ 3,966,258	\$ 741,069
PROPERTY							
INSURANCE	\$ 1,065,959	\$ 970,725	\$ 95,234	\$ 860,366	\$ 205,593	\$ 800,296	\$ 265,663
MUNICIPAL TAXES	5,410,034	5,522,786	(112,752)	5,285,587	124,447	5,117,741	292,292
MORTGAGE PAYMENTS	-	-	-	9,046	(9,046)	55,652	(55,652)
TOTAL PROPERTY	6,475,992	\$ 6,493,511	(17,518)	6,154,999	\$ 320,994	\$ 5,973,689	\$ 502,303
ADMINISTRATION							
CORPORATE	\$ 1,141,789	\$ 907,000	\$ 234,789	\$ 1,292,460	\$ (150,671)	\$ 1,524,959	\$ (383,170)
TRANSPORTATION & COMMUNICATION	311,583	367,443	(55,860)	298,723	12,860	301,796	9,787
SUPPLIES & EQUIPMENT	544,463	391,794	152,669	701,464	(157,001)	324,886	219,577
TOTAL ADMINISTRATION	1,997,835	\$ 1,666,237	331,598	2,292,646	\$ (294,811)	\$ 2,151,640	\$ (153,805)
TOTAL OPERATING EXPENDITURES	28,075,174	\$ 27,276,254	798,919	27,195,112	\$ 880,062	\$ 25,239,880	\$ 2,835,294
EXTRAORDINARY LOSS	100,000	100,000	-	83,420	16,580	10,724	89,276
NET SURPLUS (DEFICIT)	-	\$ (0)	0	16,009	\$ (16,009)	\$ 158,303	\$ (158,303)

STAFF REPORT 2023- 40

TO: LMCH Board of Directors

FROM: Diana Taplashvily, Director of Finance

SUBJECT: Service Agreement – Pest Control Services

DATE: June 8, 2023

PURPOSE:

The purpose of this report is to receive approval from the LMCH Board of Directors for the award of the contract for pest control service provider for LMCH as set out in the 2023 Pest Control RFP (RFP 2023 – 001).

Board of Directors approval is required for this contractor as the annual contract value exceeds the \$75,000 financial approval limit of LMCH’s CEO as set out in the LMCH “Purchasing Policies and Guidelines

RECOMMENDATION:

That the LMCH Board of Directors APPROVE the following recommendations:

1. **APPROVE** the award of the contract for Pest Control Services (RFP 2023 – 001) to Safe Guard 24/7 for a two-year term with up to two 1 year extensions. Annual pest control service is estimated at \$721,000 (projected 2023).
2. **AUTHORIZE** LMCH staff to take the necessary steps to give effect to the above recommendation(s).

BACKGROUND:

As a landlord, LMCH has a responsibility to develop a pest management program that includes both monthly proactive inspection, treatment of common areas as well as a complaints-based inspection and treatment program. Integrated Pest Management Programs provide a framework to respond to pest complaints in a coordinated manner with the objective of reducing the frequency and severity of pest infestations for tenants, within units and in LMCH buildings. The objective of LMCH is to reduce pest control service requests and complaints by 80% over the next two years.

To support this objective LMCH completed a RFP process to select a pest control service provider to provide the required services across the full LMCH portfolio.

Through the RFP process, LMCH is expected to achieve the following outcomes:

- Improved communication with Pest Control Service Provider
- Consistent communication with tenants on treatment preparation, follow-up, etc.
- Improved coordination across the LMCH portfolio
- Improved service level reporting from the provider to assess the quality of service
- Improved provider reporting to support coordination of follow-up treatments, support needs of tenants, etc.
- Standardized pricing
- Reduced administrative burden for property services to schedule initial and follow-up service
- Streamlined process to manage vendor invoices and payments

FINANCE COMMITTEE UPDATE:

The Finance Committee met on June 7, 2023, to review Service Agreement – Pest Control Services report and recommendations. The Committee members discussed the vendor references and Local Housing Corporation experience of the proposed vendor. Tenant impact and timelines for implementation of the agreement were clarified. After review of the report and recommendations, the Finance committee Approved the recommendation to forward the report to the Board of Directors for approval.

REASON FOR RECOMMENDATION:

Three vendors submitted RFP responses to LMCH. Two of the proponents were current LMCH vendors. The proposals were evaluated against mandatory RFP requirements and all three vendors were invited to make a presentation on their company, their pest management program, and their approach to supporting LMCH in reducing the pest complaints across the portfolio.

After the presentation, pricing for two vendors were reviewed and LMCH worked to negotiate improved pricing for contract award for the full LMCH portfolio with both vendors. As a result of this review and negotiation, LMCH is recommending SafeGuard 24/7 for the contract award for pest control service provider for a term of two years with up to two 1 year extensions.

SafeGuard 24/7 has been in operation since 2011 and currently services approximately 25,000 multi-residential units. Most of these units are with community housing providers including Toronto Community Housing, Durham Region Non-Profit Housing, and Peel Living. Safe Guard 24/7 has demonstrated the ability to successfully ramp up services

for community housing providers and transition pest control services with minimal disruption for tenants.

The proposal submitted by Safe Guard 24/7 demonstrates an understanding of the tenants that we serve, the challenges they may experience in providing services, a commitment to both collaborate and communicate with LMCH to improve outcomes through integrated pest management that will serve to improve the experience of our tenants.

TENANT IMPACT:

Safe Guard 24/7 is a new vendor for LMCH. LMCH will post notices in each building and provide information to tenants on the new service provider. Safe Guard 24/7 have uniformed staff with ID badges, and they drive marked corporate vehicles so LMCH does not anticipate any issues in identifying the new provider.

LMCH will need to coordinate with the existing pest control service providers to transition the portfolio to Safe Guard 24/7. It is expected that the full transition of the portfolio will take up to 90 days from contract award to allow for a coordinated transition with minimal disruption for tenants. As part of the transition, LMCH will ensure staff are available during the first few rounds of treatments at each building to ensure access to units, engage with tenants and address any issues that may emerge.

FINANCIAL IMPACT:

As noted below, the costs of pest control costs have been increasing year over year. During 2022, LMCH experienced significant disruption to pest control service provision with changes being made to pest control service providers, an increase in refusals of service by tenants, an increase in complex pest control issues requiring intensive support, and poor coordination of service resulting in tenants not being advised of scheduled service. This increase in service costs reflects both increased fees for service costs and the increased costs of full building inspection and treatment programs implemented at multiple sites in the latter half of 2022 to address increasing pest control issues at specific sites.

	2019	2020	2021	2022
Annual Spend	\$599,378	\$614,525	\$696,060	\$996,811
Year-Over Year %	N/A	3%	13%	43%
Average Spend 2019 - 2022	\$726,694			

The commitment to a single vendor model will stabilize service delivery for tenants, resulting in a reduction in per-treatment costs below current vendor pricing and improve coordination to reduce costs associated with refusal of service and failure to serve notice to tenants.

LMCH is anticipating an increase in costs over 2021 levels and currently, LMCH has allocated approximately \$721,000 for pest control services in the adjusted 2023 budget. The expectation is that this cost will continue to be managed down in 2024 with improved coordination and implementation of the integrated pest management program.

With the timing of the contract transition, LMCH may not experience the increase the full savings in service delivery in the budget year 2023. Staff will continue to monitor service delivery and costs through the transition period to maximize savings while delivering improved service for tenants.

LEGAL IMPACT / RISK MANAGEMENT:

Pest Control Services Providers are licensed and regulated by the Province of Ontario. A requirement of the contract award is that Safe Guard 24/7 maintains all required licenses through the term of the contract. LMCH will work with the vendor to ensure all required licenses, WSIB coverage certificates and similar compliance documents are maintained on the file.

PREPARED and SUBMITTED BY:	STAFF CONTACT:
Christine Poirier Senior Manager, Property Services	Sherry Tunks Procurement Manager

STAFF REPORT 2023- 41

TO: LMCH Board of Directors

FROM: Trevor Whittingham, Senior Manager of Asset Management

SUBJECT: 2024 Capital Budget

DATE: June 8, 2023

PURPOSE:

The purpose of this report is to inform the Board of Directors about the projects identified for inclusion in the 2024 Capital Plan and Budget. In addition to identifying areas that require capital investment, we seek approval to spend up to the allocated budget amounts on each project, subject to the conditions of the LMCH Procurement Policy.

RECOMMENDATION:

That the LMCH Board of Directors **APPROVE** the following recommendations:

1. **APPROVE** the 2024 Capital Plan, inclusive of the individual funding requests that have been allocated to each project.
2. **AUTHORIZE** LMCH staff to take the necessary steps to give effect to the above recommendation(s).

BACKGROUND:

LMCH receives an annual allotment of capital funds from the City of London. Historically, we have received just over two million dollars per year for capital upkeep of our buildings. This funding allocation was not sufficient and led to a large backlog of deferred maintenance and a building portfolio which, in the aggregate, was assessed as in poor condition.

During the City of London's 2020-2023 multi-year budget process, LMCH successfully demonstrated the need for increased capital funding. City Council approved the funding request, known as Business Case 12 - LMCH Infrastructure Gap which provided additional capital each year between 2020-2029. LMCH will continue to work with the City of London to ensure this funding remains within the 2024-2027 multi-year budget.

As a result, for 2024, London & Middlesex Community Housing has access to two sources of capital funding (LMH2619, LMH261824) and a total of \$8,350,000 to renew our buildings.

LMH2619 – LMCH Infrastructure Gap	\$	6,142,000
LMH261823 – Public Housing Major Upgrades	\$	<u>2,208,000</u>
Total:	\$	8,350,000

FINANCE COMMITTEE UPDATE:

The Finance Committee met on June 7, 2023, to review the 2024 Capital Budget. The Committee members discussed the details of the Multi-Year plan to upgrade the electrical in all buildings and the importance of these upgrades to improve tenant experience in their homes and common areas. After reviewing the report, the Finance committee Approved a recommendation to forward the report to the Board of Directors for approval.

2024 Capital Budget

A detailed summary of the proposed projects for the 2024 LMCH Capital Budget of \$8,350,000 is provided in Appendix A for Committee information.

The Capital Plan features several large, highly visible projects which will extend the useful life of our buildings. In prior years we have commissioned several engineering studies to evaluate the condition of our buildings and make recommendations about how to best invest our funding. These studies were used to identify high and medium-priority projects. In these categories, the condition of our infrastructure is putting the corporation at risk, and we must invest to ensure the safety and security of our tenants and buildings. Similar to the 2023 Capital Plan, we will be making significant investments in our electrical infrastructure – replacing equipment that is original to the buildings and far beyond its expected life span.

We are also continuing with a 10-year plan to renew the roofs and building envelopes of all of our sites. Roof leaks are currently rare at most of our buildings, but we need to begin making these investments to avoid damage and insurance claims in the future.

An increased emphasis has also been placed on improving the resident experience, so we will be investing in enhanced landscaping features at several sites and other exterior amenities. When combined with the CMHC-funded projects which are already approved, significant enhancements will be made to the exterior appearance at many of our sites.

The final area of focus for the plan is responding to the climate emergency by improving our energy efficiency and ensuring that building systems are operating as well as possible. We will be replacing the last of our medium-efficiency hot water boilers, and recommissioning mechanical systems at several buildings to make sure that we are getting the full benefit of previous energy-saving initiatives.

LMCH has introduced a recurring budget line in the 2024 capital budget to provide capital funding for small capital projects that will be identified through a participatory budget process. The fund will include \$100,000 in funding for 2024 and will be reassessed on an annual basis. LMCH will develop a process and program for the allocation of these funds prior to the end of 2023.

As outlined above, the plan achieves a good balance between funding 'behind the walls' infrastructure improvements and projects which enhance the tenant experience.

It should also be noted that this plan continues the practice of allocating money to recurring buckets of funding for items such as mold abatement, asbestos remediation, and accessibility enhancements. These allocations enhance the condition and safety of our buildings, while also taking pressure off the maintenance operating budget.

CONCLUSION:

The 2024 capital budget has been fully allocated based on the priorities set out in the Asset Management Plan and the capital funding available for 2024.

Appendix A: 2024 Capital Budget

Appendix B: 2024 Capital Budget – In-Camera Version

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

Instructions:

1. Please complete all sections of the model below;
2. Including Project #, Business Unit, Project Description, Site, and total dollar value per capital project;
3. Please indicate if project could be used as a deferral + amount, when/if needed;
4. Use the "Remaining Dollars" section to determine remaining allocations.

Remaining Dollars:

LMH2619 - LMCH Infrastructure Gap
 LMH2620 - LMCH CMHC Co-Investments
 LMH261824 - Public Housing Major Upgrades

Dollar Amount

\$	-
	-
	-
	-

2024 Capital Budget

Project #	Status	Business Unit (COL) - Drop Down	Project Description	Site Drop Down	Notes If "Various" sites, please add in notes, which sites.
High Priority					
2024-0001		LMH2619 - LMCH Infrastructure Gap	Balcony Repairs	304 Oxford Street West	As identified in 2022 IRC report. Resolve potential safety issues
2024-0002		LMH2619 - LMCH Infrastructure Gap	Generator Replacement	200 Berkshire Drive	Replacement of emergency generator that was installed circa 1985
2024-0003		LMH2619 - LMCH Infrastructure Gap	Main Electrical Room Equipment Replacement	200 Berkshire Drive	Replacement of aged electrical infrastructure to improve resilience of building
2024-0004		LMH2619 - LMCH Infrastructure Gap	Generator Replacement	241 Simcoe Street	Replacement of emergency generator that was installed circa 1984
2024-0005		LMH261824 - Public Housing Major Upgrades	Main Electrical Room Equipment Replacement	30 Baseline Road West	As identified in EXP report. Also include outdated laundry room and storage room panels
2024-0006		LMH2619 - LMCH Infrastructure Gap	Control valve replacements on hot water rads	30 Baseline Road West	This will likely be phase 1 of 2, targeting the valves that clearly are not maintaining temp properly. Phase 2 to follow in 2025
Total High Priority				Total High Priority	
Medium Priority					
2024-0008		LMH2619 - LMCH Infrastructure Gap	Elevator Mod	349 Wharnclyffe Road	Modification of mechanical/electrical/controls, as well as cab interior refresh
2024-0009		LMH2619 - LMCH Infrastructure Gap	Elevator Mod	345 Wharnclyffe Road	Modification of mechanical/electrical/controls, as well as cab interior refresh
2024-0010		LMH2619 - LMCH Infrastructure Gap	Building envelope upgrades	All family sites	As identified in 2023 study of family sites.
2024-0011		LMH2619 - LMCH Infrastructure Gap	Roof Replacement	241 Simcoe Street	All roofing surfaces to be refreshed. Timing as per IRC report in 2022
2024-0012		LMH2619 - LMCH Infrastructure Gap	Roof Replacement	205 Cairn Avenue	All roofing surfaces to be refreshed. Timing as per IRC report in 2022
2024-0013		LMH2619 - LMCH Infrastructure Gap	Roof Replacement	1194 Commissioners Road	All roofing surfaces to be refreshed. Timing as per IRC report in 2022
2024-0014		LMH261824 - Public Housing Major Upgrades	Mailbox replacement	30 Baseline	Existing mailboxes are end of life and spare parts are no longer available
2024-0015		LMH261824 - Public Housing Major Upgrades	Eavestrough replacement	49 Bella St.	Existing eaves are in very poor condition and need to be replaced
Total Medium Priority				Total Medium Priority	
Low Priority					
2024-0016		LMH261824 - Public Housing Major Upgrades	Refinishing floors in mechanical spaces	Various	Floors are in poor shape in mechanical spaces. Get these repainted for easier identification of leaks
2024-0017		LMH261824 - Public Housing Major Upgrades	Albert Boiler Replacement	136 Albert Street	Boilers are nearing the end of their useful life. Likely Enbridge incentive money available to supplement project
2024-0018		LMH261824 - Public Housing Major Upgrades	William Boiler Replacement	872 William Street	Boilers are nearing the end of their useful life. Likely Enbridge incentive money available to supplement project
2024-0019		LMH261824 - Public Housing Major Upgrades	Mechanical equipment recommissioning	Various	Analysis of operating parameters for mechanical equipment to ensure they are controlling properly
2024-0020		LMH261824 - Public Housing Major Upgrades	Fence Repair	Wharnclyffe	Fence has been badly damaged by vegetation. Repair/replace as necessary and remove trees and other plants causing damage
2024-0021		LMH261824 - Public Housing Major Upgrades	Landscaping design for family sites	All family sites	Backyards at family sites are not working operationally. Want to engage a landscape architect to rework fencing, patios, walkways, etc. for better flow.
2024-0022		LMH2619 - LMCH Infrastructure Gap	Garbage Enclosure Redesign	All family sites	Existing garbage areas at family sites are messy and poorly designed. Priority sites are Limberlost and Boulee
2024-0023		LMH2619 - LMCH Infrastructure Gap	Family Site Improvements	All family sites	Site infrastructure improvements (fencing, paving, site furniture, etc)
2024-0024		LMH2619 - LMCH Infrastructure Gap	Replacement awning	1194 Commissioners Road	Awning over rear patio is in poor condition and should be replaced
Total Low Priority				Total Low Priority	
Recurring Capital Needs					
2024-0025		LMH261824 - Public Housing Major Upgrades	Asphalt Restoration & Replacement	All sites	To repair sections of parking lots or pedestrian paving that are in poor shape
2024-0026		LMH2619 - LMCH Infrastructure Gap	Outdoor furniture upgrades	All sites	Replacement of dated and damaged outdoor furniture (picnic tables, benches, etc.)
2024-0027		LMH261824 - Public Housing Major Upgrades	Universal Access Upgrades	All sites	Bucket of funding for one off accessibility requests received from tenants
2024-0028		LMH261824 - Public Housing Major Upgrades	Common Areas Capital Upgrade (i.e. painting)	All sites	Bucket of funding for painting jobs not identified previously
2024-0029		LMH261824 - Public Housing Major Upgrades	Unit modernization funds	All sites	Bucket of funds to refresh units to more modern appearance. Flooring, kitchen, fixtures, bathroom makeover, lighting
2024-0030		LMH261824 - Public Housing Major Upgrades	Tenant directed fund	All sites	To fund projects and improvements received through tenant suggestions
2024-0031		LMH261824 - Public Housing Major Upgrades	Asbestos abatement	All sites	To abate poor condition asbestos as identified by site audits
2024-0032		LMH261824 - Public Housing Major Upgrades	Mold abatement	All sites	To abate mold found during unit inspections and renovations
2024-0033		LMH2619 - LMCH Infrastructure Gap	General Contingency	All sites	For cost overages experienced in any project
Total Other Capital Needs					
				TOTAL 2024 Capital Allocation	

Notes

Year	Business Unit	2022 Allocation
2024	LMH2619	\$ 6,142,000
2024	LMH261824	\$ 2,208,000
		\$ 8,350,000

STAFF REPORT 2023- 42

TO: LMCH Board of Directors

FROM: Trevor Whittingham, Senior Manager of Asset Management

SUBJECT: CMHC Accessible Unit Retrofit Budget

DATE: June 8, 2023

PURPOSE:

The purpose of this report is to seek budget approval for the unit retrofits accessibility project per the CMHC program. As part of the program budget, accessible unit retrofits were budgeted at \$21,127,400 to complete 416 unit retrofits.

Approval is required on the base scope and contingency budget for unit modifications.

RECOMMENDATION:

That the LMCH Board of Directors APPROVE the following recommendations:

1. **APPROVE** the 2023 budget for the CMHC Accessible Unit Retrofit Program of \$6,028,960.
2. **AUTHORIZE** the CEO of LMCH to approve contract awards based on the methodology set out in this report and in a manner consistent with the LMCH Procurement Policies and Guidelines.
3. Request that Staff report back to the Board on a quarterly basis on the number of units set aside for the CMHC Program, the status of the units set aside, the number of units completed under this program as well as the actual costs and commitment made in the Program.
4. **AUTHORIZE** LMHC staff to take the necessary steps to give effect to the above recommendations.

BACKGROUND:

As part of a co-Investment program approved on November 25, 2021, LMHC in conjunction with the City of London (COL) as guarantor executed a loan agreement with CMHC of \$40,139,939. The funding allocation consists of \$ 15,533,989 as a

forgivable loan and \$24,602,101 as a repayable loan, with the City of London guaranteeing \$37,000,000.

LMHC identified several projects to fulfill the program’s requirements, as identified in the Co-Investment Fund Portfolio Plan, that when fully implemented would meet the energy savings, accessibility requirements, and property enhancements required by CMHC. The Co-investment Fund Portfolio Plan indicated that 416 units of the LMCHs portfolio would be retrofitted by 2027 totaling 20% of the portfolio.

Table # 1 denotes the required units per building to be retrofitted.

Unit Conversions Per Property	Residence Type	No. of Units per Building	Bachelor Units to be Modified	1-Bedroom Units to be Modified
202 McNay	Seniors	251	0	88
345 Wharncliffe	Adult	144	0	25
349 Wharncliffe	Adult	144	0	26
30 Baseline	Seniors	250	0	82
85 Walnut	Seniors	231	0	75
241 Simcoe	Adult	216	0	35
170 Kent	Seniors	211	0	65
580 Dundas	Adult	151	3	17
Family Sites		478	0	0
Total Units		2076	416	

LMCH properties are on average more than 50 years old. As part of the work developing the ‘Co-Investment Fund Execution Plan’ LMCH worked with CMHC to create the scope of work for accessibility upgrades that can be achieved at LMCH sites. This included identifying program elements and current accessibility requirements that could be achieved at LMCH buildings based on the current layout and structure. This work was reviewed by Walter Fedy Architects and approved by CMHC.

The intent of the retrofit program is to improve accessibility throughout the unit, and to the best of our ability meet current the Canadian Standards Association (CSA group) guidelines. The plan acknowledges that we are not able to meet current Ontario Building Code requirements for accessibility. The executed plan also noted LMCH's commitment to complete unit retrofits as units become vacant. Retrofitting units based on vacancy versus tendering a specified group of units on a single floor ensures tenants are not displaced as well as minimizes the amount of time a unit is non lettable. However, this approach does add complexity.

As each unit becomes vacant there is no advance knowledge of the condition of the unit and consequently, pricing may be inaccurate for a lump sum fee. This would lead to an increase in change orders. Rather than enter into a fixed fee contract, a base scope has been priced to complete the minimum requirements at each unit. In addition, unit rates have been established for potential added scope. As an example of this approach if, during the unit pre-inspection, it is noted that the bedroom closet door is damaged and requires replacement this would be added to the scope, and the unit pricing denoted in the bid form would be added to the unit contract value.

The vacant approach methodology includes the following steps:

1. Tenant Services team members deem the unit vacant and enter it into Yardi.
2. An initial inspection is completed by LMCH field supervisor/coordinator determining pest control, biohazards, and debris removal requirements. Information was passed to the property services coordinator.
3. The Property Services team is contacted to organize pre-construction activities which may include pest control, debris removal, and when required unit construction cleaning.
4. A pre-inspection is conducted by LMCH field supervisor and general contractor to finalize any 'added' scope and scope of work (SOW) document sheet is signed by all parties.
5. General contractor now has ownership of the unit to complete the retrofit.

The base scope was developed for each property to meet the minimum requirements of the CMHC program criteria, adopting best practices for those who require a more open floor plan, and refreshing end-of-life materials. The base scope developed has slight variations from property to property however generally includes work in the unit entry, kitchen, washroom, and bedroom along with standards for electrical work, doors, and door hardware (see attachment A).

To validate budgets, 6 sample units at the Walnut site were selected and a bid request was sent on May 3rd, 2023. Four vendors attended a site walk-through on May 9th, 2023. In response to the walk through one vendor declined to bid, one bidder requested an

extension and two bidders submitted. The average price to complete the base scope of work for a standard unit came in at \$33,650. This value will vary marginally from property

to property. Additionally, each unit had an average additional cost of \$1,200 to complete works outside of the base scope. Similar to the base scope, we anticipate that the cost to complete additional work will vary slightly between sites. It is expected that costs will be higher at LMCH adult buildings where historical information indicates units are often found in poor condition.

As this program moves forward, the intent is to have multiple bids for each property and select vendor(s) per building to start retrofits in tranches of 6-10 units. As additional units become vacant the vendor selected at that property will take on each additional unit and begin the retrofit using the base scope of work and the unit rates for additional scope requirements. This will mitigate the potential cost increases that would arise in a lump sum contract where quantity requirements and timelines of vacant units would need to be confirmed.

FINANCE COMMITTEE UPDATE:

The Finance Committee met on June 7, 2023, CMHC Accessible Unit Retrofit Budget. The Committee members discussed report details and the Senior Manager of Asset Management confirmed that a quarterly reporting structure on costing is being finalized. After review of the report, the Finance committee Approved a recommendation to forward the report to the Board of Directors for approval.

FINANCIAL IMPACT:

There is currently \$21,111,895 allocated to the CMHC Unit Retrofit Program that must be fully expended by 2027. LMCH has identified that Phase 1 of the Program will include 119 units and has allocated a budget of \$6,028,960 for this work. Approval of the 2023 CMCH Accessibility Unit Retrofit Budget, as shown in Table 2 (below), will enable LMCH to contract with multiple vendors which will optimize workforce availability.

2023 Planned Accessibility Upgrades					
Site	Per Unit Average Cost	Quantity	Sub Total	Construction Contingency	Total
Simcoe	\$45,000	20	\$900,000	\$108,000	\$1,008,000
Baseline	\$45,000	28	\$1,260,000	\$151,200	\$1,411,200
McNay	\$45,000	30	\$1,350,000	\$162,000	\$1,512,000
Walnut	\$43,000	10	\$430,000	\$51,600	\$481,600
Kent	\$45,000	15	\$675,000	\$81,000	\$756,000
Wharnccliffe	\$48,000	16	\$768,000	\$92,160	\$860,160

	Total	119	\$5,383,000	\$645,960	\$6,028,960
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Contracting multiple vendors for a set group of units and then adding additional units as they become available mitigates any pre-determined required number of units that LMCH would be required if set as a lump sum contract. It also provides greater flexibility to LMCH if needed to replace one vendor with another if schedules and or quality of workmanship is not being met.

Based on the tender values received and unit modifications which have been previously completed, the funding allocated to this scope should be sufficient. It is anticipated that the cost to complete the base scope for each unit will range from \$30,000 - \$40,000. These values fall within the pre-determined budgets. Additional funds are included in the program budget for appliances, contingencies, and other work that may need to be completed directly by LMCH on this program.

Upon Board approval of the budget for the program, LMCH will award a contract based on the May 3rd into a contract with a vendor at Walnut to complete 6 (six) units at a value of approximately \$200,000 and will award additional units at the site to this vendor as vacancies arise. Work packages are being developed for both Simcoe and Wharnccliffe to complete up to 10 units per building with the selected vendor. This work will continue as unit availability permits through the remainder of 2023.

TENANT IMPACT:

Tenants were notified of the unit retrofit program during town halls last year at their respective properties. In addition, we will post general notices of construction activities and anticipated noise levels at common area locations. As unit turnover construction is common at all LMCH properties, we do not anticipate any specific concerns from our tenants.

To the extent possible, utility shutdowns will be minimized. When required 48 hours notice will be provided to tenants and when possible multiple units will be coordinated together. The use of elevators will be monitored and coordinated at one-hour intervals in the morning for material deliveries and in the evenings for debris removal.

LEGAL IMPACT / RISK MANAGEMENT:

To mitigate risk several unit modifications have taken place in which design has been altered to accommodate hidden piping and hard conduits in walls. These lessons learned as well as completing a verification report on each property has assisted in the final Statement of Work for each property unit type. Accommodations for the various intricacies of each property (ie. Electrical panel location, thermostat locations) has been



considered in the final scope. These efforts and construction activities has assisted in formalizing the base scope and required budget.

ATTACHMENTS:

APPENDIX A: Drawings and Scope

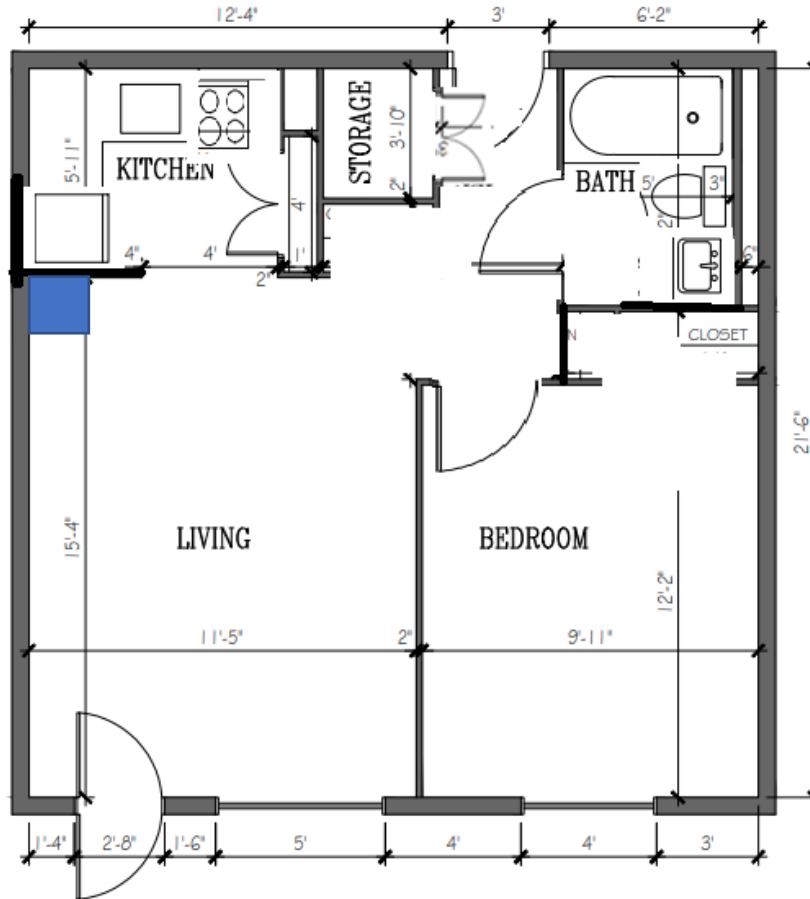
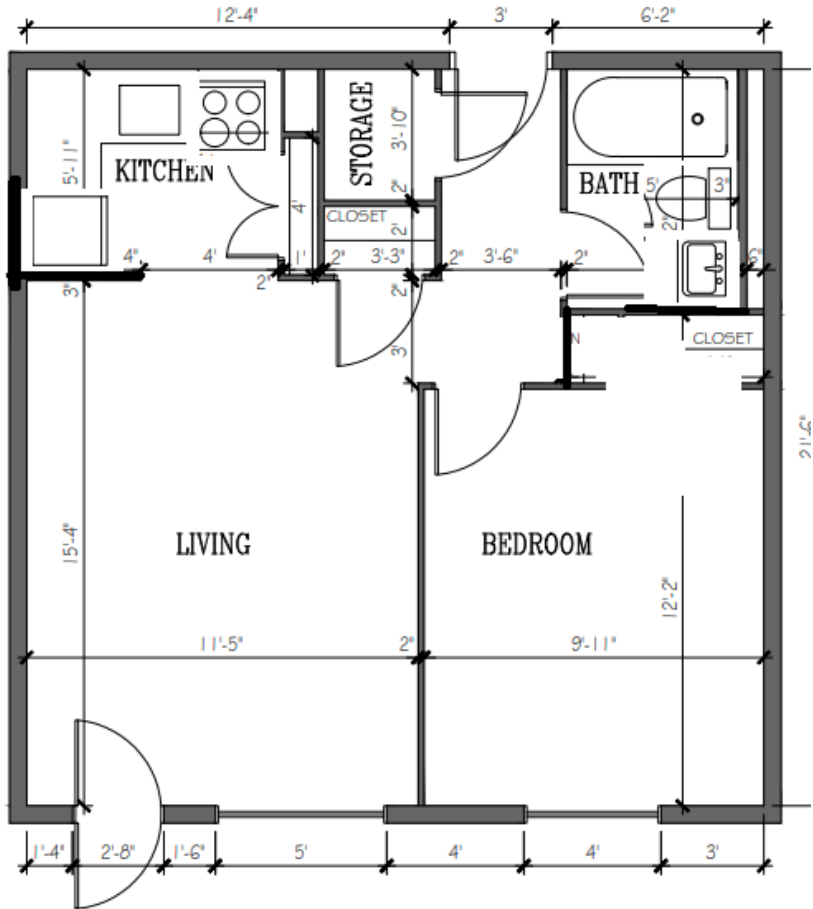
APPENDIX B: Budget Breakdown and Unit Rates

APPENDIX C: National Housing LMCH Agreed Requirements and Added Inclusions

PREPARED and SUBMITTED BY:	STAFF CONTACT:
TREVOR WHITTINGHAM SENIOR MANAGER, ASSET MANAGEMENT	WENDY GROVES CONSTRUCTION PROJECT MANAGER

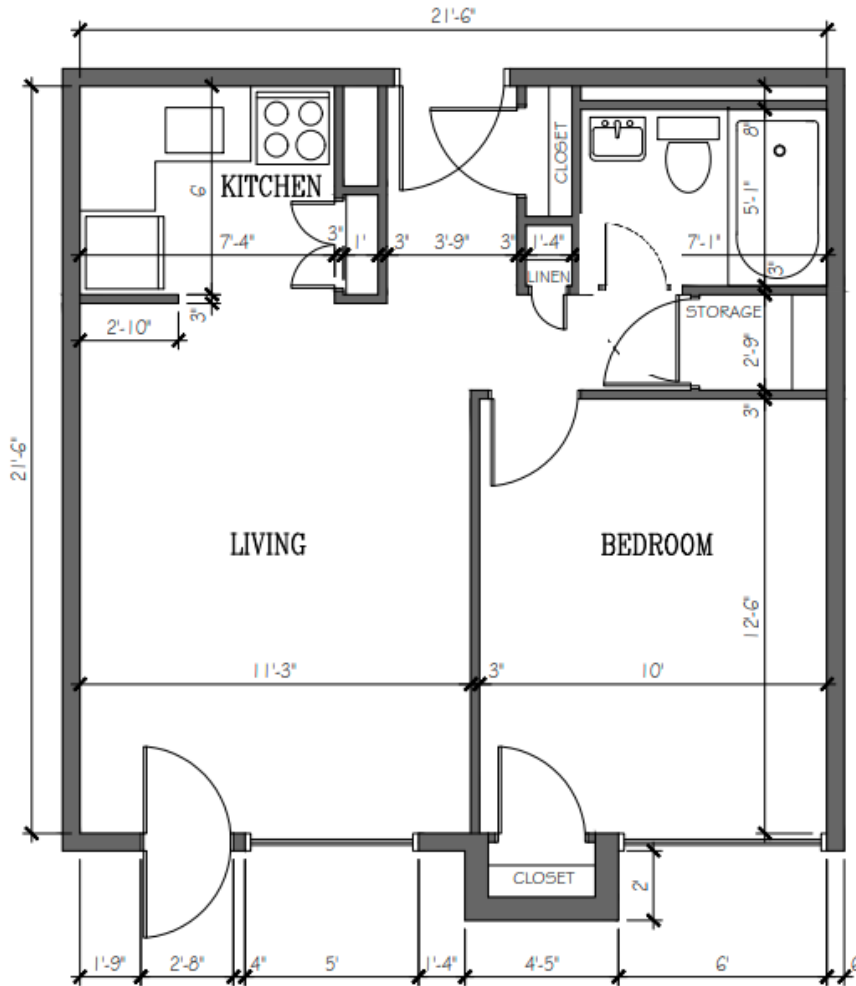
Type 1 – Simcoe & Walnut
Existing

Type 1 - Simcoe & Walnut
New Layout

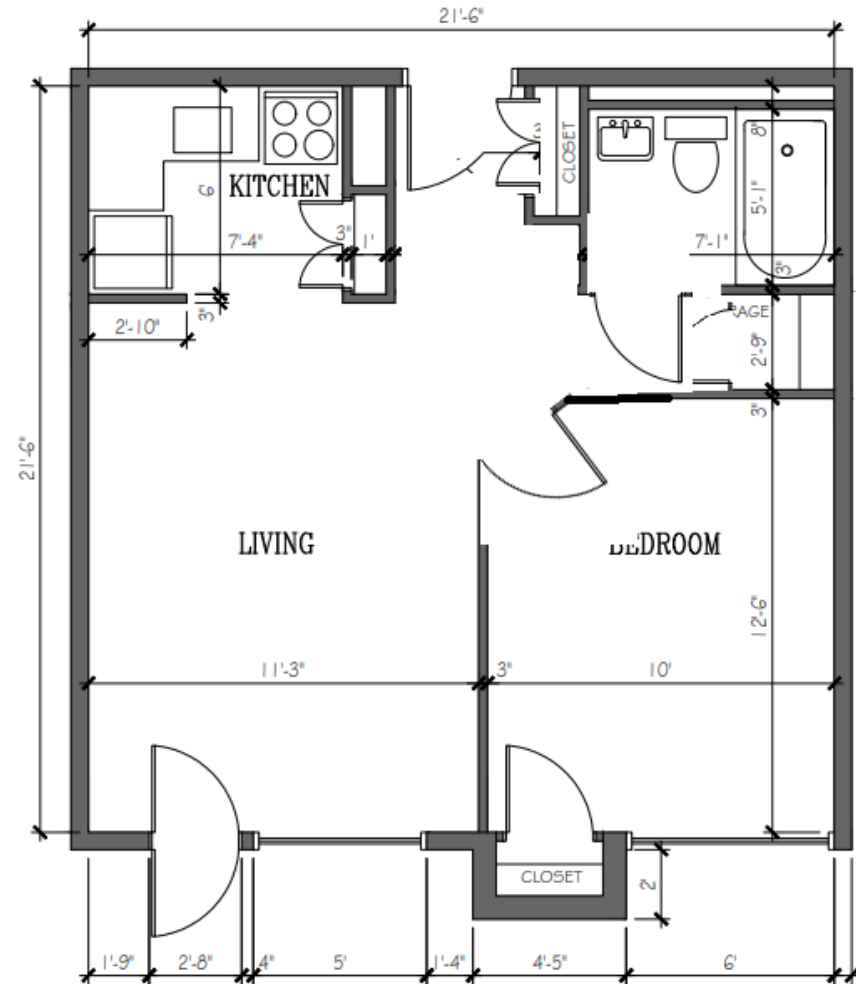


1. **Entry:**
 - Additional door viewer.
 - Interior above door add new electrical outlet for future use.
 - Increase storage closet door to receive 2 - 16" doors.
 - New closet organizer with shelving at 1100mm FFF and clothes rod at 1200mm FFF.
 - Incorporate linen closet into bedroom closet, remove hallway closet.
 2. **Lavatory/Bath:**
 - Install new door and frame 36" with clear hinges opening outwards..
 - New vanity, mirror and plumbing fixtures.
 - New shower insert.
 3. **Bedroom:**
 - Increase door width 34" clear swing hinges.
 - Relocate electrical and thermostat as required.
 - Install new wire closet organizer with shelving and clothes rod.
 4. **Kitchen**
 - New cabinetry, GFCI, fixtures and associated plumbing to meet CSA standards.
 5. **Living Room**
 - Build new pantry (optional)
 6. **Throughout**
 - Relocation of all electrical switches.
 - Relocate thermostats
 - New flooring & baseboard
 - Paint throughout
 - Lever handles throughout
 - New devices for receptacles and switches with cover plates
- Optional pantry in lieu of upper cabinets.

Type 2 - 345 & 349 Wharncliffe
Existing Layout



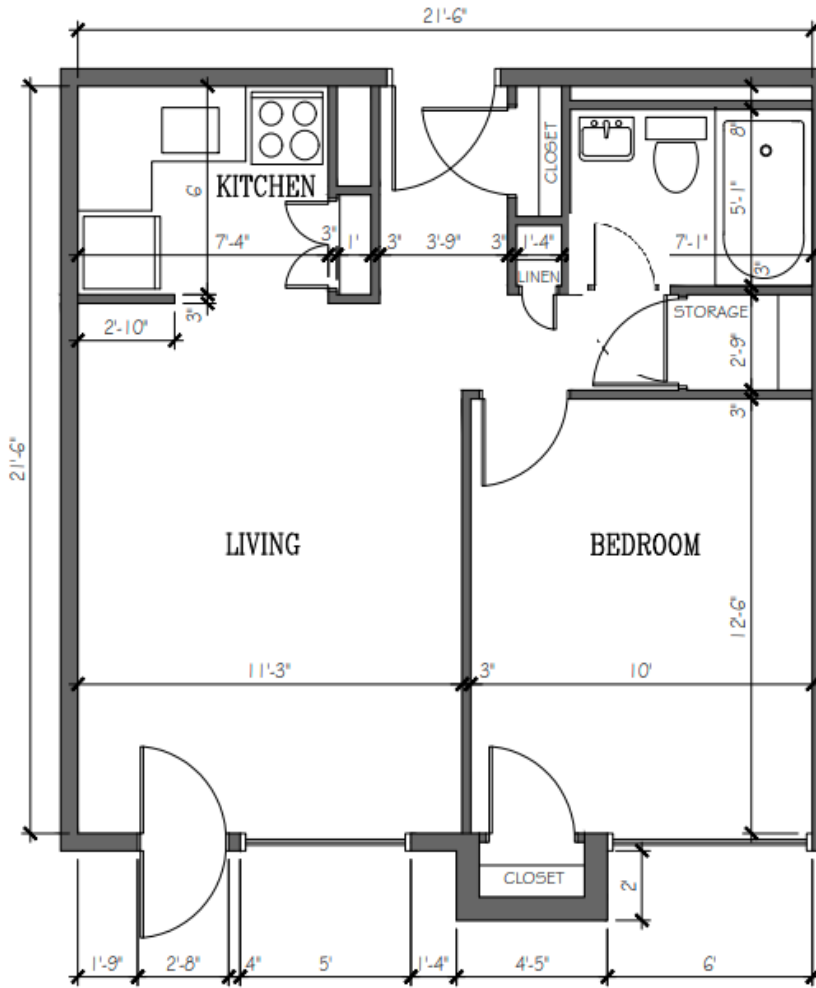
Type 2 - 345 & 349 Wharncliffe
New Layout - Option 1



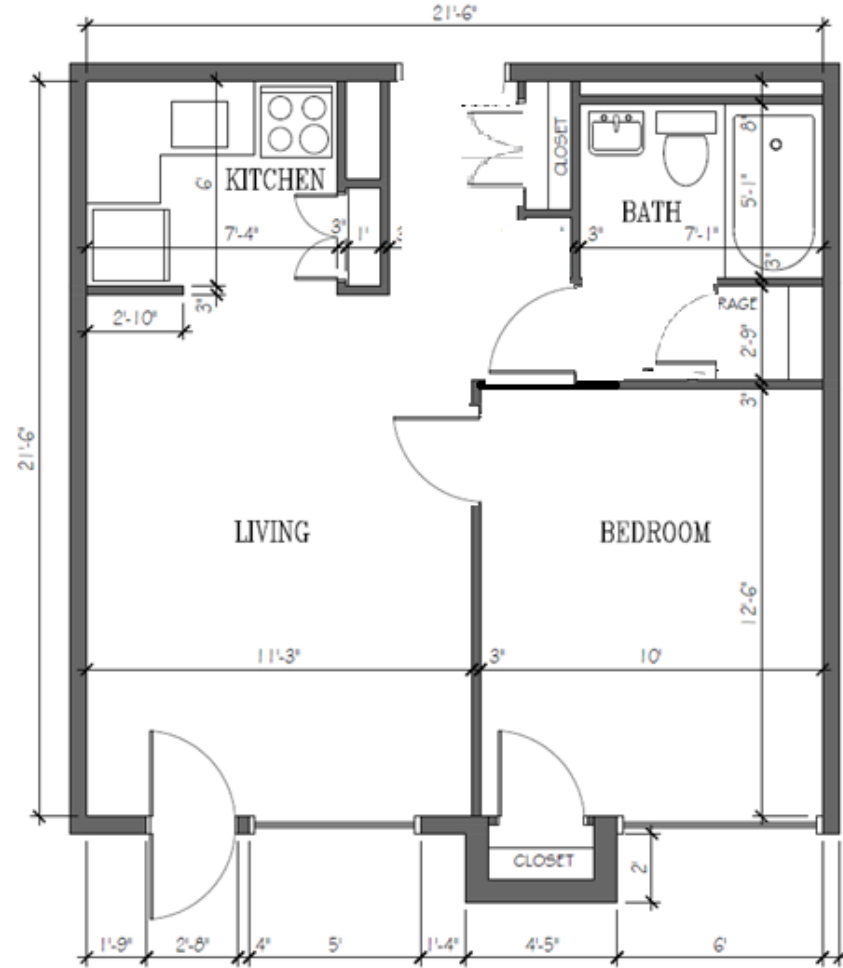
* To note 345 Wharncliffe units, stove and fridge reversed.

1. **Entry:**
 - Additional door viewer
 - Interior above door add new electrical outlet for future use.
 - Increase closet door to receive 2 - 16" (406mm) doors.
 - New closet organizer with shelving at 1100mm FFF and coat rack
2. **Lavatory/Bath:**
 - Cut back partition wall at storage unit install new 36" wide door and frame, opening outwards.
 - Install new vanity, sink, toilet and shower insert with required fixtures.
- Storage
 - Reduce storage to accommodate new bath door install new door and frame.
 - Remove existing shelving and install new wire organizer per CSA requirements.
3. **Bedroom:**
 - Install new relocated door with 34" clear swing hinges (860mm).
 - Replace drywall and studs at opening.
 - Install new shelf and rod at 1200mm FFF.
4. **Kitchen**
 - New cabinetry, fixtures and associated plumbing.
5. **Living Room**
 - Build new pantry - optional
6. **Throughout**
 - Relocation of all electrical switches.
 - Relocate thermostats
 - New flooring & baseboard
 - Paint throughout
 - Lever handles throughout
 - New devices for receptacles and switches with cover plates

Type 2 - 345 & 349 Wharncliffe
Existing Layout



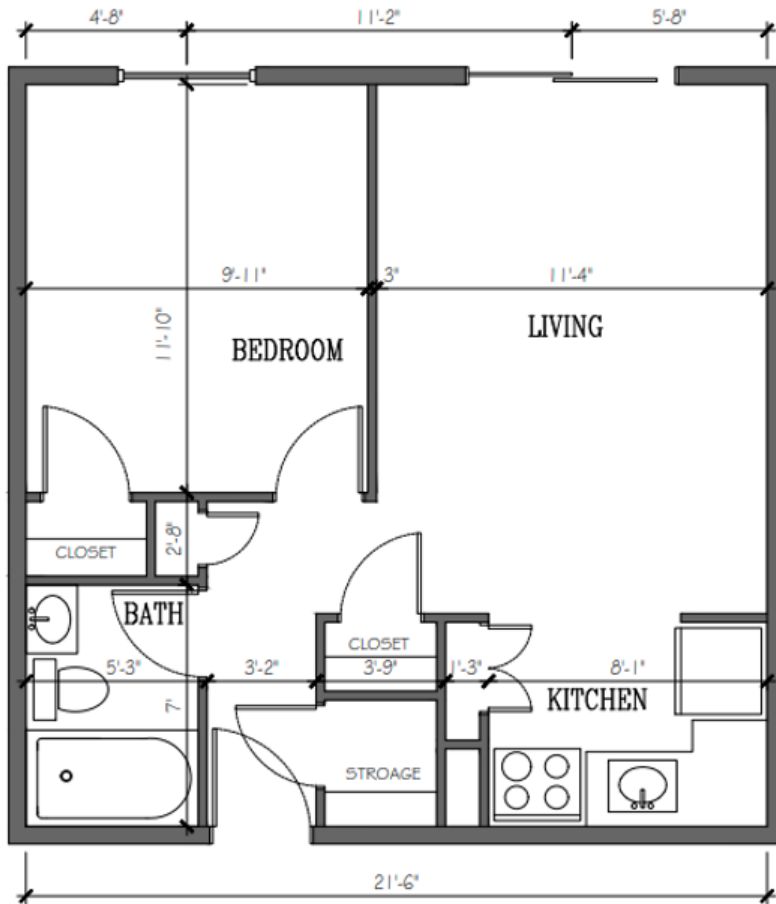
Type 2 - 345 & 349 Wharncliffe
Existing Layout - Option 2



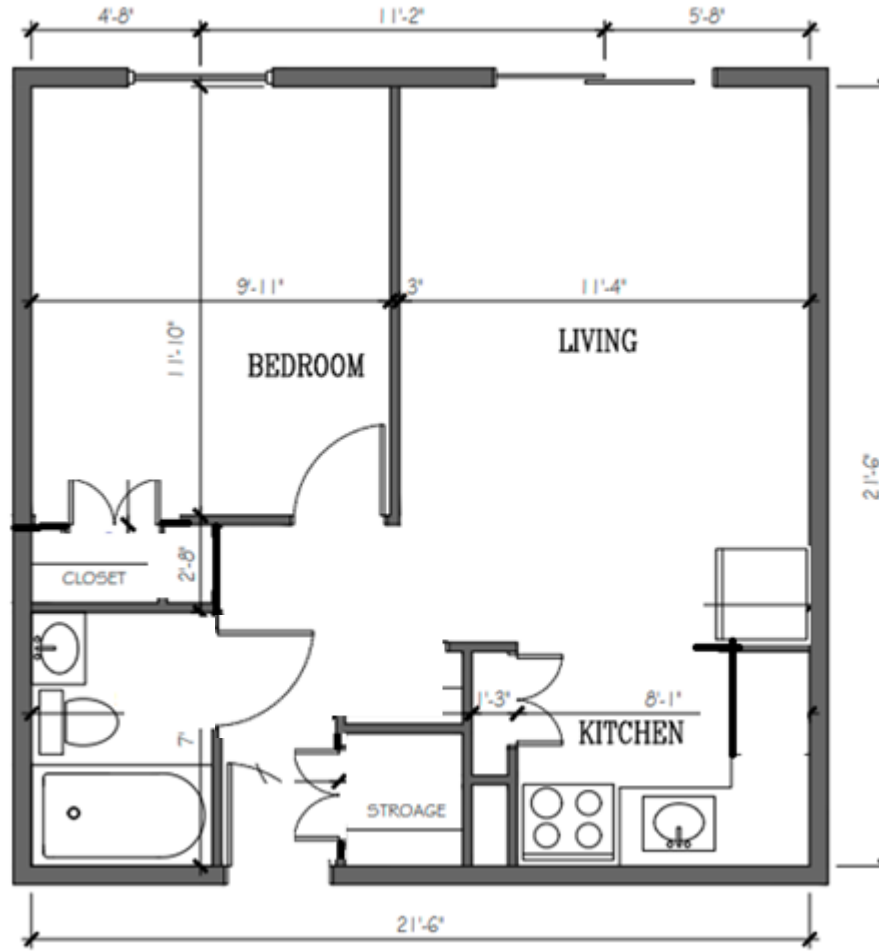
* To note 345 Wharncliffe units, stove and fridge reversed.

1. **Entry:**
 - Additional door viewer
 - Interior above door add new electrical outlet for future use.
 - Increase closet door to receive 2 - 16" (406mm) doors.
 - New closet organizer with shelving at 1100mm FFF and coat rack
2. **Lavatory/Bath:**
 - Install new 36" door to new entry at bath.
 - Install new vanity, sink, toilet and shower insert with required fixtures.
- Storage**
 - Reduce storage to accommodate new bath door install new door and frame.
 - Remove existing shelving and install new wire organizer per CSA requirements.
3. **Bedroom:**
 - Install new relocated door with 34" clear swing hinges (860mm). Relocate receptacles and electrical switches.
 - Replace drywall and studs at opening.
 - Install new shelf and rod at 1200mm FFF.
4. **Kitchen**
 - New cabinetry, fixtures and associated plumbing.
5. **Living Room**
 - Build new pantry - optional
6. **Throughout**
 - Relocation of all electrical switches.
 - Relocate thermostats
 - New flooring & baseboard
 - Paint throughout
 - Lever handles throughout
 - New devices for receptacles and switches with cover plates

Type 3 - Baseline
Existing Layout

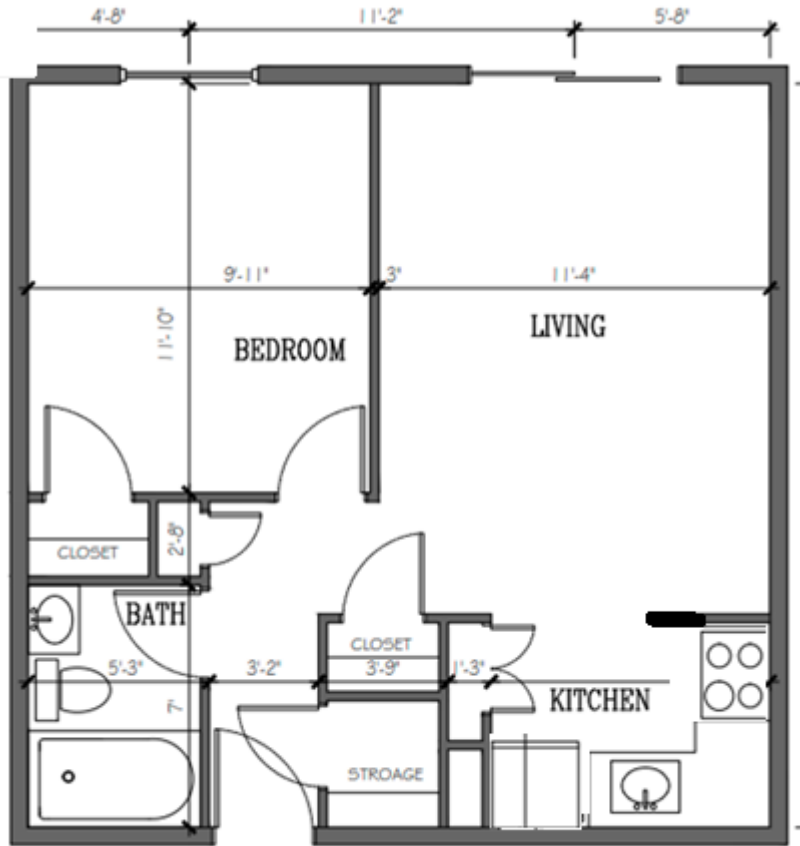


Type 3 - Baseline
New Layout

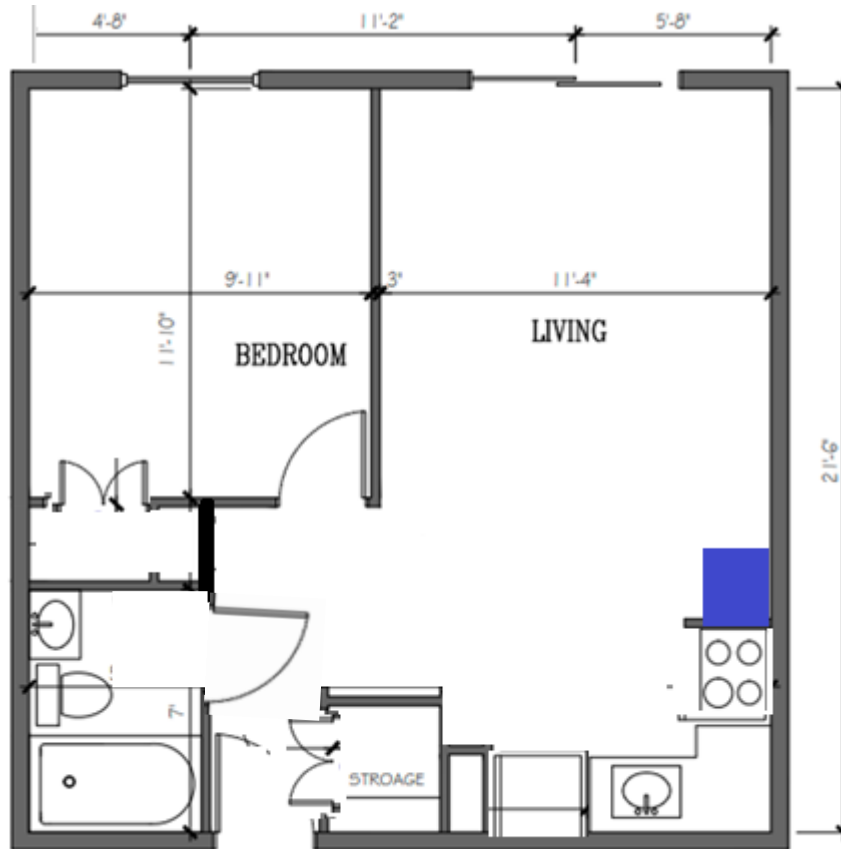


1. **Entry:**
 - Additional door viewer
 - Interior above door add new electrical outlet for future use.
 - Increase storage door to receive 2 - 16" (406mm) doors.
 - Delete closet and install new rack and shelving in storage.
2. **Lavatory/Bath:**
 - Install new 36" door to new entry at bath.
 - Install new vanity, sink, toilet and shower insert with required fixtures.
3. **Bedroom:**
 - Incorporate linen closet with bedroom closet.
 - Install new double doors.
 - Install new closet organizer.
4. **Kitchen**
 - New cabinetry, fixtures and associated plumbing.
5. **Living Room**
 - Build out kitchen to allow for fridge on opposite wall of partition – alternate.
 - Build new pantry – optional
6. **Throughout**
 - Relocation of all electrical switches.
 - Relocate thermostats
 - New flooring & baseboard
 - Paint throughout
 - Lever handles throughout
 - New devices for receptacles and switches with cover plates

Type 4 - Kent
Existing Layout

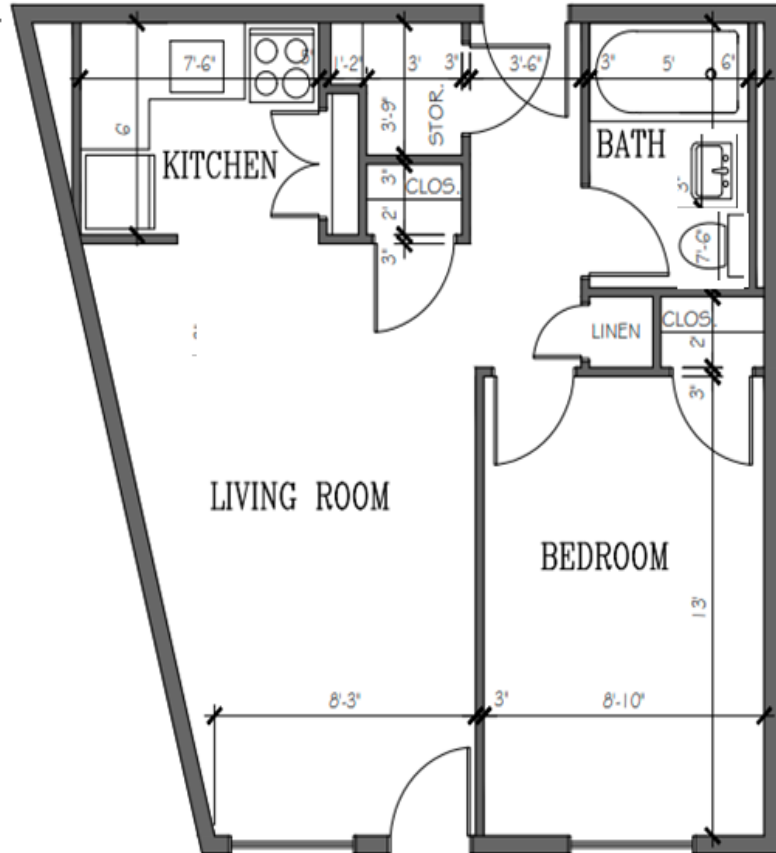


Type 4 - Kent
New Layout

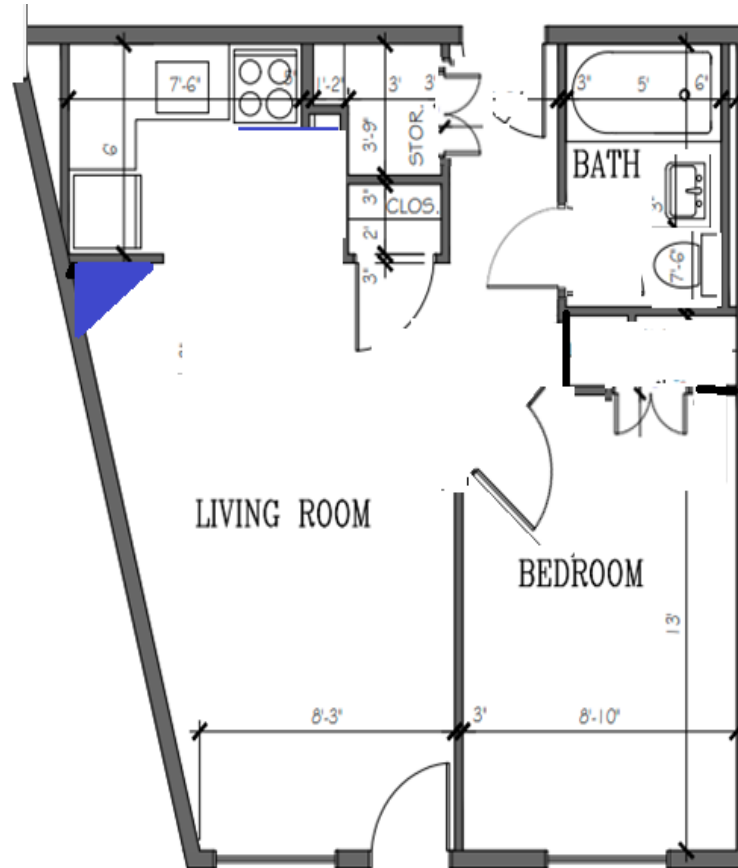


1. **Entry:**
 - Additional door viewer
 - Interior above door add new electrical outlet for future use.
 - Increase closet door to receive 2 - 16" (406mm) doors.
 - New closet organizer with shelving at 1100mm FFF and coat rack
2. **Lavatory/Bath:**
 - Install new 36" door to new entry at bath.
 - Install new vanity, sink, toilet and shower insert with required fixtures.
- Storage**
 - Reduce storage to accommodate new bath door install new door and frame.
 - Remove existing shelving and install new wire organizer per CSA requirements.
3. **Bedroom:**
 - Install new relocated door with 34" clear swing hinges (860mm). Relocate receptacles and electrical switches.
 - Replace drywall and studs at opening.
 - Install new shelf and rod at 1200mm FFF.
4. **Kitchen**
 - New cabinetry, fixtures and associated plumbing
 - Remove existing pantry make good walls to gain required turn around space.
5. **Living Room**
 - Build new pantry
6. **Throughout**
 - Relocation of all electrical switches.
 - Relocate thermostats
 - New flooring & baseboard
 - Paint throughout
 - Lever handles throughout
 - New devices for receptacles and switches with cover plates

Type 5 – Mc Nay
Existing Layout



Type 5 – Mc Nay
New Layout



- 1. Entry:**
 - Additional door viewer
 - Interior above door add new electrical outlet for future use.
 - Increase closet door to receive 2 - 16" (406mm) doors.
 - New closet organizer with shelving at 1100mm FFF and coat rack
- 2. Lavatory/Bath:**
 - Install new 36" door to new entry at bath.
 - Install new vanity, sink, toilet and shower insert with required fixtures.
- Storage**
 - Reduce storage to accommodate new bath door install new door and frame.
 - Remove existing shelving and install new wire organizer per CSA requirements.
- 3. Bedroom:**
 - Install new relocated door with 34" clear swing hinges (860mm). Relocate receptacles and electrical switches.
 - Replace drywall and studs at opening.
 - Install new shelf and rod at 1200mm FFF.
- 4. Kitchen**
 - New cabinetry, fixtures and associated plumbing
 - Remove existing pantry make good walls to gain required turn around space.
- 5. Living Room**
 - Build new pantry
- 6. Throughout**
 - Relocation of all electrical switches.
 - Relocate thermostats
 - New flooring & baseboard
 - Paint throughout
 - Lever handles throughout
 - New devices for receptacles and switches with cover plates

*Kitchen widths at partition wall has varied, when unit has 1200-1500mm dimension kitchen pantry will not be removed.

APPENDIX A: Budget Breakdown and Unit Rates



Unit Rates

Item	Category	Item	Description	Rate	Value
1	Finishes	Specialty Paint	Specialty paint neutralizer. (product similar to killz) to eliminate mold, smoke, markings etc.	sq.ft	\$4.00
2	Finishes	Specialty Paint #2	Scrap areas damaged at ceiling stucco, go beyond by 6" apply new stucco spray to blend into existing finish with full ceiling paint (full ceiling paint included in base scope)	sq.ft	\$10.00
3	Finishes	Specialty Paint #3	Spray paint aluminum window frames - clean down frame, use appropriate spray paint for the application protect windows.	LS	\$250.00
4	Hardware	Lever	Dummy sets	LS	\$40.00
5	Doors	Bedroom closet track and sliding door assembly	Remove and dispose existing install new sliding door assembly contractor supplied. To match other units. (potentially at walnut)	LS	\$255.00
6	Doors	Doors New	Install new slab door flat	LS	\$165.00
7	Doors	Barn Door	Supply and Install along with support	LS	\$1,800.00
8	Doors	Patio Main Door	Patio door - supply only		\$475.00
9	Doors	Patio	Screen door - supply only		\$375.00
10	Doors	Doors & Frames Prep - additional	Additional prep to entry door and frames inclusive of grinding and major filling.	LS	\$250 - \$375
11	Plaster and Repairs	Drywall and plaster repair, additional skim and sand.	80% skim at walls and up to 10 patches	LS	\$5,000.00
12	Drywall	New drywall	Install new drywall	10'x10'	\$550
13	Drywall	Drywall wall with studs	Drywall wall with studs	10'x10'	\$1,100
14	Shelves	Closet clothes rod	If damaged, remove and replace with new metal rod	LS	\$250.00
15	Shelves	At closet	Replace all wood and install new wire shelving and clothes rod.	LS	
16	Shelves	At pantry	Install all new pantry shelving	LS	\$200.00
17	Shelves	Closet organizer	Install only closet organizer 6' x 6.5'	LS	\$800.00
18	Shelves				
19	Carpentry	Trim	Replace new wood trim to match existing - GC to determine liner ft.	LFt	\$4.00
20	Carpentry	Threshold	Remove existing, dispose install new rubber or wood threshold jambed as required not to exceed 13mm	LS	\$75.00
21	Carpentry	Baseboard	Upgrade to popular baseboards		
22	Plumbing	Drain	Drain modifications within 6"	LS	\$270.00
23	Plumbing	Shut off valves	Supply and Install		\$150.00
24	Electrical	Electrical devices	Relocate electrical box (stove plug)		\$475.00
25	HVAC	Grills	Supply and install new grill at kitchen or bath		\$50.00
26	Electrical	GFCIs	Replace existing duplex and replace with new GFCI and cover plate	LS	
27	Electrical	Fan	Replace with new contractor supplied exhaust fan		
28	Electrical	Wiring	Additional wiring to electrical box for power		\$325.00
29	Electrical	Electrical Panel Relocation	Within 2' relocate panel	LS	\$2000 - \$ 2500
30	Electrical	Electrical Baseboard Heaters	Remove existing, dispose install new.	LS	\$495.00
31	HVAC	Grills	Supply and install new grill at kitchen or bath		\$50.00
32	Mech	AC Wall Panel	Custom wall panel to be removable for a/c unit, to include for rigid foam insulation.	LS	\$225.00
33	General Labour			per/hr	\$55.00

APPENDIX C: National Housing LMCH Agreed Requirements and Added Inclusions

National Housing LMCH Agreed Requirements	LMCH Added Inclusions
Entry: 1) No step threshold at entry >14mm, 2) Door viewer at 1200mm from finished floor (FFF), 3) Increase closet door width for two single doors to create 860 mm opening for ease of use due to confined hallway.	Entry: 1) Electrical outlet above entry door for future use of door operator installation. 2) Replace chain lock with new at 1200mm FFF
Kitchen 1) Provide turning radius 1500mm, 2) Front control appliances, 3) New kitchen cabinets with appropriate hardware and counter to meet CSA requirements with accessible sink and off set plumbing, 4) New GFCI receptable at millwork, 5) Kitchen illumination to 300 LX.	Kitchen: 1) Replace outlet at kitchen with GFCI
Lavatory 1) Accessible sink vanity & mirror, 2) Off set plumbing, 3) Lighting to 200 LX, 4) Grab bars above toilet and at surround, 5) Handheld shower and accessible fixtures.	Lavatory: 1) Increase door width to 915mm opening as 1500mm turning radius cannot be achieved in lavatory. Unit dependent door will be a swing or barn door 2) Replace tub with shower insert. 3) New plumbing fixtures.
Bedroom: 1) Provide t-turn 2) Clear swing of 850mm entry. 3) Provide 3 shelves at 1100mm, and accessible clothes rod.	Bedroom: 1) Replace closet doors to two singles to maintain t-turn. 2) Unit dependent relocate entry door to living room wall due to interference from electrical devices.
Throughout	Throughout
Switches and thermostats to be relocated to 1200mm FFF	Replacement of electrical switch devices and receptacles.
1) Doors to swing out (or be pocket doors) at lavatory. 2) Clear opening of 850mm at doors.	Replacement of flooring throughout.
Lever hardware at all closets, pantry, bedroom, and bath doors. (Where applicable)	Replace overhead & wall light fixtures.
	Provide 1200mm distance at turning areas where possible.
	30% skim, up to 5 patches and two coats of paint throughout.