Centretown Citizens Ottawa Corporation
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NOTICE OF MEETING

The next regular meeting of the CCOC/CCHC Board of Directors is:
7:00 pm Wednesday, September 30October 28, 2020
Video Conference:

AGENDA FOR THE CCHC BOARD OF DIRECTORS MEETING

1. Call to order & Anti-Oppression Statement
2. Adoption of agenda
3. Declaration of conflict of interest
4. Adoption of the Board minutes of September 30, 2020
5. Business arising from the previous minutes
6. Rental Committee Report
7. Facilities Management Committee Report
   a. 2021 Capital Budget
8. Finance Committee Report
   a. Draft Budget
9. Other Business
   a. Federal Community Housing Initiative Phase 2
10. Adjournment

You can view all CCOC/CCHC policies, job descriptions, bylaws, past minutes and a veritable treasure trove of information on this website:
ccochousing.org/book

Password: board
(it's case-sensitive)

*	The committee didn't meet before the Board packages were sent.
**	The committee report wasn't ready when the Board packages were sent
***	The committee did not meet this month.

AGENDA FOR THE CCOC BOARD OF DIRECTORS MEETING

1. Call to order & Anti-Oppression Statement
2. Adoption of agenda:
3. Adoption of September 30, 2020 regular and *in camera* minutes, July 2020 *in camera* minutes
4. Declaration of conflict of interest
5. Business arising from the previous minutes
    - **a)** Pandemic update
6. Executive Committee Report
    - **a)** Merger proposal *(in camera)*
    - **b)** Governance Sub-Committee
    - **c)** Cahdco-CCOC legal opinion
7. Personnel Committee Report
8. Tenant and Community Engagement Committee Report
    - **a)** Department re-alignment: merging 2 positions
9. Finance Committee Report
    - **a)** Charitable status
    - **b)** Geothermal fees
    - **c)** Development Project Managers spending approval limit
    - **d)** Draft budget: 2021 salary increases
10. Facilities Management
    - **a)** 2021 Capital Budget
11. Rental Committee Report
    - **a)** 2021 Parking Increase
12. Development Committee Report
    - **a)** Forward Avenue
    - **b)** CAP Re-development sites
13. Corporate Business
14. Conference / Associations' Report: ONPHA November 4
15. Other Business
16. Adjournment

Next Meeting: November 25, 2020

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MINUTES FOR THE CCHC BOARD OF DIRECTORS MEETING
Wednesday September 30, 2020 (Videoconference)

Present: Dallas Alderson (President/Chair), Kerry Beckett, Dougald Brown, Josh Bueckert (Treasurer), Sarah Button, Wayne Fan, Sinda Garziz, Sarah Gelbard, Sandy Hung, Penny McCann, Shelley Robinson (Secretary), AnaLori Smith (Vice-President), Jesse Steinberg, Chris Yordy

Staff: Ray Sullivan (staff support), Norm Turner (guest), Hannah Vlaar (recorder)

Note: Before the call to order, all board members attended a brief orientation training led by Ray about CCHC and CCOC's history and current context. This training is generally provided at the first full board meeting following the Annual General Meeting.

1. Call to order & Anti-Oppression Statement

Dallas called the meeting to order at 7:42 p.m. The board read the Anti-Oppression statement.

2. Adoption of agenda

The agenda was adopted as presented. (M/S/C Kerry Beckett/Penny McCann)

3. Declaration of conflict of interest – none

4. Adoption of the Board minutes of July 29, 2020

The minutes were adopted as presented. (M/S/C Sarah Button/Jesse Steinberg)

5. Business arising from the previous minutes

a) Member Notice to Appear

Note: Co-op tenants are referred to as members. One specific governance feature of co-op is that members can appear before the board if they want to bring a certain grievance to the board.

In July 2020, the CCHC board gave staff permission to move forward with eviction proceedings due to non-payment and approved ending member and occupancy rights ogf one member as of August 13. The member still has not paid their housing charges but CCHC has not yet evicted the member. Staff are still working to avoid eviction.
Staff will keep the board updated as this progresses.

6. Rental Committee Report

a) 2021 Market Housing Charge (Rent)

<u>Ontario Rent Freeze</u>

A residential rent freeze bill is expected to pass for 2021. This legislation would forbid rent increases from January to December 2021. The Rental and Finance committees had a joint meeting to make recommendations to the board.

The Rental department has to provide rent increase notices 90 days in advance. In September 2020, the rent increase notices had been sent for October, November, and December. At that point, legislation was still in the air. These rent increases will stand for 2020, but those tenants will have a 0% rent increase in 2021.

While the legislation does not apply to co-ops, the proposed 2021 rent freeze will apply to both CCHC tenants.

Motion: Approve a rent freeze for current tenants at all CCHC housing charges from January 1 to December 31 2021, and accept currently planned rent increases for the remainder of 2020.

(M/S/C Kerry Beckett/Josh Bueckert)

<u>Turnover Rents</u>

The joint Rentals-Finance Committee recommends that, on turnover, rents at 240 Presland be adjusted to $950 for a one-bedroom, and $1080 for a two-bedroom.

Motion: To accept the turnover rents as presented, and to accept the currently planned rent increases for the remainder of 2020. The discretion to alter turnover rents if postings are unsuccessful will rest with the Rental Department.

(M/S/C, Kerry Beckett/Josh Bueckert)

The motion carried by a vote of 6 in favour, 5 opposed and 1 abstention.

7. Facilities Management Committee Report – none

8. Finance Committee Report

a) Bad Debts ($85)

The board moved that $85 be written off for bad debt for CCHC for the month of August.

(M/S/C Josh Bueckert/Penny McCann)

9. Other Business

a) Annual reports from The Agency

This item was on the July agenda and was deferred to the September meeting.

For new board members, “The Agency” is a regulatory and oversight body for co-ops under federal programs (like CCHC). They produce an annual report that is a useful benchmark when comparing the CCHC co-op to its peers and to the CCOC portfolio.
Overall, CCHC (240 Presland Road) is a poor performer. Vacancies are longer than at other CCOC-managed properties. Apartments are less popular due to electric heating, no elevator, and a less desireable location. Financially, it also lags behind as it owes a debt to CCOC and has negative

reserves.

Looking forward,

- the property will be mortgage-free after March 2021;
- the Federal rent subsidy will bee extended to 2028; and
- steady surpluses and debt repayment are planned for 2020-2028.

Staff have also been concentrating on renting apartments there, and the property is in good condition.

10. Adjournment

The meeting was adjourned at 7:51 p.m. (M/C Josh Bueckert)

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MINUTES FOR THE CCOC BOARD OF DIRECTORS MEETING
Wednesday, September 30, 2020 (Videoconference)

Present: Dallas Alderson (President/Chair), Kerry Beckett, Dougald Brown, Josh Bueckert (Treasurer), Sarah Button, Wayne Fan, Sinda Garziz, Sarah Gelbard, Sandy Hung, Penny McCann, Shelley Robinson (Secretary), AnaLori Smith (Vice-President), Jesse Steinberg, Chris Yordy

Staff: Ray Sullivan (staff support), Norm Turner (guest), Hannah Vlaar (recorder)

Note: Before the call to order, all board members attended a brief training orientation led by Ray about CCOC's history and current context. This training is generally provided at the first full board meeting following the Annual General Meeting.

1. Call to order & Anti-Oppression Statement

Dallas called the meeting to order at 7:51 p.m. The board read the Anti-Oppression statement.

2. Adoption of agenda

The board agreed to adopt the Executive committee, Personnel committee, and Tenant and Community Engagement committee minutes on consent.

Note that Dallas is listed as present at the September Executive committee meeting, but she was *not* in attendance. This will be updated at the next Executive committee meeting.

The agenda was adopted as presented. (M/S/C, Chris Yordy/Kerry Beckett)

3. Adoption of July 29, 2020 regular minutes

The minutes were adopted as presented. (M/S/C, Josh Bueckert/Penny McCann)

4. Declaration of conflict of interest – none.

5. Business arising from the previous minutes

a) Merger proposal *(in camera)*

The board moved *in camera* at 7:56 p.m. (M/S/C, Kerry Beckett/Sarah Button)

While in camera the board approved proceeding with merger, acquisition, or amalgamation planning with a small single-site non-profit.

The board moved *ex camera* at 8:25 p.m. (M/S/C, Penny McCann/Sarah Button)

b) Governance Sub-Committee

In July 2020 Laine Johnson, the Director of the Tenant and Community Engagement department, gave a presentation on board governance structures and to share different types of governance styles. The presentation was informed by a self-evaluation survey that the board completed in April which tried to assess how the board felt about how it was doing.

This has led to the idea of striking a time-limited governance sub-committee to think through changes or recommendations to governance to help make better decisions. The sub-committee would look at things like board recruitment and orientation, board/committee functioning, by-laws and policies, consider term limits, etc.

The board discussed and confirmed the direction they would like the sub-committee to take. The sub-committee will use the following direction to create their Terms of Reference:

- Explore governance informed by an anti-racist perspective.
- Connect to the Nominations sub-committee as it relates to recruitment/retention.
- Use a systems-based critical lens to look at governance questions and be willing to look at CCOC board as part of this.
- Consider the right roles between staff, committees, and the board. Articulate the relationship between these bodies and incorporate staff and committee perspectives.
- Consider committees in this governance review, including their representativeness of the CCOC community, and ask how CCOC can reach out to get more people involved.
- Continue an intentional conversation with the TCE department to ensure links with the current volunteer support and diversity project.

The sub-committee will create the Terms of Reference and then decide the necessary time-limit of the committee. It is not meant to be ongoing.

Board members interested in joining the Governance Sub-committee: Sarah Button, Sinda Garziz, Sarah Gelbard, Penny McCann, Shelley Robinson, AnaLori Smith.

Dallas will reach out to the following past board members to see if they are interested in providing past perspective: Abra Adamo, Erica Braunovan, Sue Lott, Andrew McNeill, Lee Pepper.

The staff support for the sub-committee with be a combination of Ray and TCE. Dallas will let staff know if any of these past board members are interested in joining.

Staff will connect with current and past board members who expressed interest to get the ball rolling.

c) Pandemic update

The board receives the weekly report from Ray. In the next week we will cross 750 known active cases in Ottawa, which will trigger further reduction in service levels as we try to minimize entry in to homes. CCOC may need to ramp up staff wellness efforts as people are struggling with the second wave.

Ray confirmed that 750 cases and above is when CCOC services are the most pulled back. There is no level beyond this. At 750 cases and above, staff will only be completing emergency work orders in tenants' homes.

6. **Executive Committee Report** – approved on consent motion

7. **Personnel Committee Report** – approved on consent motion

8. **Tenant and Community Engagement Committee Report** – approved on consent motion

9. **Facilities Management**

a) Pest Control

Norm presented a business case at the last FMC meeting to create a fully in-house pest management function. Currently CCOC has a contract with a large pest-control company, which is coordinated by staff and the contractor applies the pesticide. The relationship is not satisfactory and expensive. The board received the business case in the September meeting package.

The business case explains that this would result in a service improvement for tenants and CCOC. The contract currently costs $250,000 annually and the proposed in-house management would save up to $100,000 annually, after initial set up costs of $154,000. There is also the possibility of a grant to offset start-up costs.

The savings include hiring one additional full-time employee.

The in-house pest control business case also reflects the possibility to sell the service to other housing providers. The board asked whether CCOC has done any modelling on what fees CCOC might be able to charge if it is decided to offer this service to other providers. Ray confirmed that this hasn't been done yet, but CAHDCO is doing some of that work as part of the Ottawa Social Housing Network (OSHN) shared services project.

Josh explained that one of the challenges with contracting pest control is that CCOC would budget for a certain amount, and then would be billed for much more. This happened year over year. The benefit of this proposal from a financial perspective is that the work can be more closely monitored and the budgeted amount will more accurately reflect the amount spent.

Norm confirmed that CCOC's current pest-control contract can be cancelled with one month's notice.

Motion: Support creating a fully in-house integrated pest management function.

(M/S/C, Penny McCann/Josh Bueckert)

10. Finance Committee Report

a) Bad debts ($2,391)

The board moved that $2,391 be written off for bad debts for CCOC for July 2020.

(M/S/C Josh Bueckert/AnaLori Smith)

11. Rental Committee Report

a) 2021 Market Rents

Ontario Rent Freeze

A residential rent freeze bill is expected to pass for 2021. This legislation would forbid rent increases from January to December 2021. The Rental and Finance committees had a joint meeting to discuss this and make recommendations for the board.

The Rental department has to provide rent increase notices 90 days in advance. In September 2020, the rent increase notices had been sent for October, November, and December. At that point, legislation was still in the air. These rent increases will stand for 2020, but those tenants will have a 0% rent increase in 2021.

While the legislation does not apply to co-ops, the proposed 2021 rent freeze will apply to both CCOC and CCHC tenants.

The overall net loss to CCOC revenue in 2021 is $95,000. With COVID losses, the expected surplus for 2020 is only $9,000.

Motion: Approve a rent freeze for current tenants at all CCOC units from January 1 to December 31 2021, and accept currently planned rent increases for the remainder of 2020.

(M/S/C Kerry Beckett/Josh Bueckert)

Turnover Rents

The Rental Department provided excellent data about CCOC market rents. There is no consistent market rent for a 1-bedroom at any particular building. The data provided reflects the highest, lowest, and average market rents.

CCOC market rents are reviewed on turnover and CCOC targets rent at >90% of neighbourhood average market rent (AMR). In the private market, turnover rents are 15-20% above AMR.

At the joint Finance and Rental committee meeting, they discussed how much is unknown about the 2021 rental market. The committees recommend that the board allow staff to make the judgement call about individual turnover rents to lower the rent if there is little to no interest. This knowledge could come within a day or a couple of weeks, but staff know their portfolios extremely well and will be able to asses this better and faster than anyone.

The board had a thorough discussion about affordability of the proposed turnover rents. The board discussed whether AMR is the best benchmark for affordability because of how rapidly AMR is increasing due to such a heated housing market. It was noted that AMR is calculated based on what people are actually paying, not what is actually available. This can skew AMR cheaper than what is generally available, meaning that CCOC's proposed turnover rents are still cheaper when compared to other market availability. Unfortunately, there is no number perfect for benchmarking. Some board members are interested in exploring different models or benchmarks, as our housing model is fundamentally different.

The board expressed interest in knowing what percentage of market rent tenant's salaries is paid to rent.

The board acknowledged the tension between needing market rents to pay for subsidies and operations, but some board members felt that increasing market rents by so much is adding to the affordability crisis. Board members asked how increasing turnover rents based on AMR is changing the accessibility of CCOC's units over time. There was a specific mention about the impact of COVID and that those who can still afford the increase could shift the demographics of CCOC market rent tenants during this time.

Ray also explained that turnover rents are what CCOC uses to charge the city on rent supplement units. Some properties are capped at AMR, but no programs require CCOC to specifically use AMR.

Over the past few years, the CCOC board has pushed for increased development. The reality is that the money for these developments comes, in part, from surpluses generated by market rents. Financially, CCOC cannot both subsidize market rents and increase development efforts. Without increases to turnover rent, there would be a sustainability challenge. It was also noted that the rental staff set increases as per policy directed by the board.

Some board members are concerned about mission drift by increasing market rent by so much. Others feel that increasing market rents allows CCOC to further the mission by ensuring financial feasibility to make capital repairs, offer good services, etc.

Overall, board members agree that increased cost of living has not been matched by increases to salaries, and market rent affordability is inevitably impacted by this reality. The board acknowledged the larger systemic factors at play here that need to be considered. They will discuss the broken housing system and ways CCOC can best intervene at their strategic planning session.

The board would like more data on this topic. They would like Fran, Ray, and staff to look in to potential other options for the board to consider at the strategic planning session. They will connect these ideas to the board's historic direction of choosing development and capital improvement over keeping lower rents.

Ray noted that he is not aware of other models for benchmarking market rents but that CCOC can invent them.

It was also noted that historically, CCOC has been really great at coming up with options and new ways of doing things.

Motion: To accept the turnover rents as presented, and to accept the currently planned rent increases for the remainder of 2020. The discretion to alter turnover rents if postings are unsuccessful will rest with the Rental Department.

(M/S/C Kerry Beckett/Josh Bueckert)

The motion carried with 6 in favour, 5 against and one abstention.

Ray noted that it is good to have a divergence of opinion on the board. This item touches on CCOC's mission, and the purpose of the board is to work it out, discuss it and make the decision.

b) Rent arrears and collection

The Rental and Finance committees would like board direction on staff handling arrears and unpaid rent during the pandemic. The board reviewed current process on dealing with arrears and evictions, as well as template warning letters and cover letters for eviction notices.

The board approvedthe motion as recommended by the Rental and Finance committees:.

Motion: To provide rent collection officers with the discretion to determine whether tenants are cooperating and acting in good faith, and with the discretion to continue providing leeway on N4 notices. The committees define good faith as tenants working with CCOC to pay down their rent. This motion will be subject to review from the Rental and Finance committees.

(M/S/C, Kerry Beckett/Chris Yordy)

A sincere thank you from the Board to the Rental department staff for the excellent, clear reporting on the whole 2021 market rent piece. This was the best reporting on this that the board has seen in years.

12. Development Committee Report

a) Forward Avenue

The board approved that CCOC purchase the land adjacent to the Forward Ave. property which expands the potential building size. The Development department is now targeting 49 units (previously 31 units). The next steps will be to rework the architectural plan, and pro forma budget.

Ray clarified that this item is just to confirm expanding from a 31- to 49-unit building. As stated in the Project Charter, the board will review final financial decisions later in the process.

Motion: To approve the revised 49-unit development target.

(M/S/C Penny McCann/Josh Bueckert)

b) CAP Re-development sites Project Charter *(in camera)*

The board moved in-camera at 9:48 p.m. (M/S/C, Sarah Button/Jesse Steinberg)

While *in camera* the Board approved the Project Charter for a feasibility study to redevelop three small properties.

The board moved *ex camera* at 9:55 p.m. (M/S/C, Penny McCann/Kerry Beckett)

13. Corporate Business – none

14. Conference / Associations' Report – none

15. Other Business

a) Board Orientation Date: October 22 at 7 p.m.

b) Thanking past board members

Some board members asked about whether there were any actions to thank past board members, notably Bill Rooney who was a long-time board member. Ray noted that Dallas wrote a nice letter to all Board members who's terms ended at the AGM. It was suggested that board members donate to purchase Bill a nice bottle of wine.

16. Adjournment – The meeting was adjourned at 9:56 p.m. (M/C Josh Bueckert)

Next Meeting: October 28, 2020

CCOC/CCHC EXECUTIVE COMMITTEE

Minutes

Monday, October 19, 2020

By Video Conference

Present: Dallas Alderson (Chair), Kerry Beckett, Josh Bueckert, Penny McCann, Shelley Robinson, AnaLori Smith

1. **Call to order & anti-oppression statement**: 7:33
2. **Approval of the agenda:** (Moved/Seconded/Carried, Josh/Kerry)
3. **Approval of September 14 minutes:** (M/S/C, Kerry/AnaLori)
4. **Reviewing Department Directors' meeting:** Committee members reviewed notes from the Oct 15 meeting, which dealt with year-to-date financial statements and the draft 2021 budget. The complete draft budget, capital plan and long term financial plan will come to the Board in November.
5. **Business Arising:**
   a) **Potential Merger with a small Non-profit:**
   Background: the 2019-2022 CCOC Workplan directs staff to explore merger opportunities with other non-profits. A smaller single site non-profit is interested in merger with CCOC.
   Discussion: The committee moved *in camera* (M/S/C, Josh/Penny). While *in camera*, the committee discussed possible timelines, which include calling a special CCOC member's meeting to vote on merger in the first quarter of 2021, if recommended by the CCOC Board.
   Staff are exploring three potential solutions to covering capital repair needs: folding the property into the CMHC Co-investment Fund bundle, refinancing when the property's mortgage term renews in December 2024, or covering repairs within CCOC's existing capital plan. Staff hope to bring more insight to the December Board meeting, but as committee members pointed out, the first two options won't be certain by then.
   There are no further in camera notes.
   The committee moved *ex camera* to resume the agenda. (M/S/C, Penny/Josh)

6. **New Business:**
   a) **Governance Subcommittee**
   Background: On September 30, 2020 the Board struck a Governance subcommittee. Sarah Button, Sinda Garziz, Sarah Gelbard, Penny McCann, Shelley Robinson and AnaLori Smith volunteered. Dallas also agreed to invite recent past board members.
   Discussion: In addition to the current Board members above, four past Board members have accepted the invitation to join the committee: Lee Pepper, Erica Braunovan, Abra Adamo and Andrew McNeill. Ray has sent out a kick-off message to schedule the first meeting. Draft Terms of Reference might be ready for the November Board meeting.

   b) **CAP Re-development Feasibility Study**
   Background: On September 30, 2020 the Board approved the project charter to study the potential redevelopment of three small CCOC properties.
   Discussion: The committee reviewed a draft letter written by Ray, in response to the City Social Housing division's requirements before we get a grant from the City's Affordable Housing division. The Social Housing side of Housing Services wants to be reassured that CCOC will meet certain conditions before the Affordable Housing division can release the first instalment of the grant to study redevelopment feasibility. The committee approved the letter and directed Ray to send it.

7. **Programs/Policy:**
   a) **Rapid Housing Initiative**
   Background: The federal government has announced a $1bn national Rapid Housing Initiative for "construction of modular housing, acquisition of land, and the conversion of existing buildings to affordable housing."
   Discussion: CMHC has made a commitment to release program guidelines by the end of October. This isn't the long-term acquisition program that the housing sector has been asking for, this is a COVID emergency response, but might also lead to a longer-term acquisition program. People watching this believe the program will be oriented towards addressing chronic homelessness and adding supportive housing.

8. **Residential Tenancies Act (RTA) Proceedings:**
   a) **Non-payment:** The committee reviewed the list and moved "That staff be authorized to proceed with eviction for non-payment in the case **3** tenants.
   (M/S/C, Josh/AnaLori)
   b) **Other reasons**: The committee reviewed the list and moved "That staff be authorized to proceed with eviction in the case of **2** tenants for substantial interference." **(M/S/C, Penny/Josh)**

9. Strategic Plan:

Background: The 2019-2022 CCOC Workplan directs staff to plan a new Strategic Plan development

Discussion: Committee members underlined the importance of creating time to discuss areas where there might be divergent views – these will be the most productive conversations. It could include discussing the trade-offs between what we wish for, and what is constrained by systemic problems, and how not to let our thinking be constrained by systemic conditions.

The committee wondered about the connection to the upcoming Governance Subcommittee and suggested we should slow down, consider the Terms of Reference that committee will table and reconsider the timeline and starting point for developing a new strategic plan.

10. Cahdco Update:

a) Cahdco-CCOC relationship:

Background: In the summer of 2020, Board members requested a legal opinion on the relationship between CCOC and Cahdco and liability to CCOC.

Discussion: The committee reviewed the October 6, 2020 legal opinion provided by Iwona Albrecht at Soloway Wright. Committee members were satisfied that the legal opinion confirms adequate protection of CCOC assets against risk from Cahdco activities. The document includes 7 recommendations for keeping that risk minimized:

1. Ensure that the board of directors of CAHDCO and CCOC have distinct members, to the greatest extent possible, and conducts separate meetings of the board of directors for each entity.

Comment: A verbal debrief with Iwona confirms that a few overlapping members is fine, but a majority or total overlap of members would not be.

2. Create and maintain a separate and independent bank account for CAHDCO and CCOC.

Comment: This has been in place for years

3. Keep separate books and records for CAHDCO.

Comment: This has been in place for years

4. Document all transfers of money or other property between the CCOC and CAHDCO.

Comment: This has been in place for years

5. If possible, ensure that CAHDCO hires its own employees, paid from CAHDCO's funds, and not allow CCOC to hire and fire CAHDCO's employees.

Comment: Cahdco does not have employees. Instead, CCOC assigns staff resources as needed. This is primarily Development Dept staff, but also includes portions of HR & Corporate Resources, Finance Department and the Executive Director. Cahdco reimburses CCOC for those costs and Iwona confirmed that this is the most significant part to maintain, and gives us partial points on this one.

6. Avoid references to CAHDCO as a "division" or "department" of CCOC or similar terms. We note that CAHDCO's website references CAHDCO as a "sister company" to CCOC, and suggest that such references are removed.
Comment: We will need to come up with a new term. It is legitimate that CCOC has created Cahdco as a subsidiary corporation, but we don't want to create a false impression that the CCOC Board directs the Cahdco board, for example.

7. Ensure that the full legal name of CAHDCO is used on all contracts, purchase orders, invoices, cheques, letterhead, e-mails, website and so forth.
Comment: This has been in place for years

The legal opinion notes that "non-compliance or partial compliance with the recommendations above shall not be the sole determinative factor of the success in any veil-lifting claim." Which means that we don't need to score 100%, but more is better.

The opinion also notes that CCOC "co-signing" or guaranteeing Cahdco agreements and obligations makes CCOC liable and exposes CCOC to risks. CCOC recently offered collateral on a Cahdco mortgage to purchase the Champlain property. The lesson from the legal opinion is that we shouldn't do that again.

Committee members requested a follow-up joint meeting between the CCOC and Cahdco executive committees. Ray will arrange that.

b) **Champlain Site**:
Background: Cahdco purchased 16 & 20 Champlain in January/February 2019 with the intention of developing a co-housing project (Plan A) or affordable homeownership (Plan B). CCOC offered a property as collateral to secure a Cahdco loan. CCOC also covered approximately $500k of the closing cost to Cahdco.
Discussion: Cahdco has sold the site, unconditionally ($1,575,000, closing November 5). Ray is confident that Cahdco will be able to repay all, or almost all of the debt to CCOC by December 31.

11. Other business:

a) **Upcoming Board schedule**
Committee members identified potential big items for upcoming Board meetings

October:

- Staff annual salary increases
- co-op & cash flow (should the co-op repay CCOC by taking out a loan after becoming mortgage-free?)
- charitable status and property tax

November:

- Budget,
- Vol engagement project eval
- Governance committee TOR

Early New Year:

- Discussion on market rents and moderate income rentals
- Bringing it PRAC (&advocacy)

12. Adjournment: 9:33 (M/S/C, Josh)

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Lisa Goodfellow
Program Manager, Social Housing Branch
Housing Services
City of Ottawa

[BY E-MAIL: LISA.GOODFELLOW@OTTAWA.CA]

October 20, 2020

Dear Lisa,

I'm writing to you on behalf of the CCOC Board of Directors in response to your January 30, 2020 letter about Service Manager Consent for Predevelopment Funding. As you are aware, CCOC entered into a Pre-Development Loan Agreement with the City of Ottawa on August 18, 2020. Under the agreement, the City has offered a $180,000 forgivable loan to study the feasibility of redeveloping 212-26 Carruthers, 171 Armstrong/277 Carruthers, and 82-84 Putman (we are referring to the project as "CAP" redevelopment, for "Carruthers, Armstrong, Putman"). All three properties are within our Provincial Reformed Portfolio under the Housing Services Act.

Your January 30 letter lists some conditions and requests answers to several questions before the City of Ottawa, as Service Manager, will grant consent to the redevelopments and make advances on the loan:

No impact on title during pre-development phase: No additional encumbrances will be registered on title for those sites until after May 2021, aside from the ones required by the August 18 Pre-Development Loan Agreement.

Mitigate impact on RGI tenants, no disadvantages to the current tenants: The feasibility study will be complete in May 2021. There will be no disadvantage or impact on tenants at the CAP sites until after that date. If the CCOC Board makes a final decision to proceed in May 2021 (see attached Project Charter), tenants will be informed of the pending redevelopment and CCOC will offer transfer opportunities to all tenants.

Mitigate impact to obligations and commitments under the Housing Services Act: At our meeting on August 1, 2019, I had proposed carrying the existing RGI subsidies into the new redeveloped properties. Although this remains our preference, we understand that the City of Ottawa would prefer CCOC to relocate any RGI subsidies at the CAP sites to other Provincial Reformed properties. CCOC is committed to following Service Manager direction on this and commits to continue meeting our current target of 517 RGI units under our Housing Services Act commitments.

I note that the original mortgages and program obligations at Armstrong/Carruthers will end in April 2022, and the same for Carruthers and for Putman in March 2025. Pending regulations under the HSA will clarify the range of future agreements between CCOC and the City of Ottawa for Provincial Reformed properties after their original mortgages have been paid off, which may affect the HSA target above.

No alterations to the existing Housing Provider Service Agreement: CCOC will continue to manage the CAP properties in accordance with the December 5, 2017 Housing Provider Service Agreement for as long as tenants reside at the properties.

Ensure viability of existing properties: All three properties will be maintained to an acceptable standard to ensure good quality housing for as long as tenants reside at the properties.

Funding pre-development planning studies: We expect that the forgivable loan from the City of Ottawa will fully cover the pre-development feasibility study.

No cost borne by Provincial Reformed programs: neither pre-development, nor re-development costs will be borne by the balance of our Provincial Reformed portfolio. The CAP properties collectively have a small replacement reserve and net assets deficiency. It is our intention that the re-development project will repay those deficits to the Provincial Reformed portfolio.

I note that successive annual settlement letters from the City of Ottawa have stated that the City agrees “to allow CCOC flexibility in the investments of the funds in its reserve accounts including their use as a source of internal financing”. It is not our current intention to make use of that flexibility for the CAP redevelopment projects.

Tenant consultation: Tenants of the CAP properties will not be consulted during the feasibility study. I note however that a significant number of CCOC tenants are active members of the CCOC Board and its committees, who will be consulted throughout (refer to Project Charter attached).

Board involvement: Refer to the Project Charter attached, approved by the CCOC Board on September 30, 2020.

Councillor and neighbourhood consultation: Consultation with City Councillors and community representatives is standard practice for all CCOC developments. This will happen after the current feasibility study, once we have a clearer idea what is feasible at these sites. Councillors will be briefed and consulted before tenants are informed, and community associations and neighbours will be informed after CCOC tenants at the CAP sites.

Service Manager engagement in pre-development phase: CCOC will continue to consult the City of Ottawa on any impacts to HSA and Housing Provider Service Agreement impacts as they emerge during the feasibility study. If the eventual redevelopments apply to Action Ottawa or other City of Ottawa development funding sources, that will begin a greater engagement process.

We are excited to explore the feasibility of redeveloping these three sites. We have been troubled for years by the deteriorating quality of housing at these sites compared to other CCOC properties, and the cost to maintain them to acceptable standards. We believe this redevelopment opportunity will create much greater quality homes, to a much higher environmental standard, and reduce CCOC's long-term net carrying cost for these sites. I appreciate the City's continued support.

Sincerely,

Ray Sullivan
Executive Director

cc. Catherine McCurdy
Selma Hassan
CCOC Board of Directors

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BY EMAIL

October 6, 2020

Ray Sullivan
Chair of the Board of Directors
Centretown Affordable Housing Development Corporation
415 Gilmour Street, Suite 200
Ottawa, ON K2P 2M8

Dear Mr. Sullivan:

You have asked us to provide a legal opinion as to whether the benefit of the corporate veil vested by incorporating two not-for-profit corporations protects Centretown Citizens Ottawa Corporation's ("**CCOC**") assets from liability resulting from Centretown Affordable Housing Development Corporation's ("**CAHDCO**") activities.

Summary and Recommendations

Despite CAHDCO's status as a subsidiary of CCOC, and despite CCOC's control of CAHDCO, it is unlikely that a court will look through the shield of the corporate veil to satisfy any liabilities of CAHDCO, unless CCOC uses CAHDCO as a shield for improper activity or fraud.

Based on the information provided (as identified below), CAHDCO was incorporated with a mandate of providing development project management consulting services to the not-for-profit sector and was not incorporated with the purpose of protecting CCOC from any liabilities existing at that time. We understand that CCOC and CAHDCO have distinct, although related, operations.

Please note that any obligations of CAHDCO that are "co-signed" or guaranteed by CCOC will not have the benefit of the liability shield created by separate incorporations. In those instances, since CCOC is itself a party to the obligations, CCOC will remain responsible for ensuring performance of and continue compliance with said obligations. In the event of a default by CAHDCO of any obligations owed to a third party, pursuant to any “co-signed” or guaranteed agreements, CCOC may be liable to the third party for said obligations, whether monetary or otherwise.

We recommend the following practice be adopted by both entities to ensure the benefit of separate legal status:

1. Ensure that the board of directors of CAHDCO and CCOC have distinct members, to the greatest extent possible, and conducts separate meetings of the board of directors for each entity.

2. Create and maintain a separate and independent bank account for CAHDCO and CCOC.

3. Keep separate books and records for CAHDCO.

4. Document all transfers of money or other property between the CCOC and CAHDCO.

5. If possible, ensure that CAHDCO hires its own employees, paid from CAHDCO’s funds, and not allow CCOC to hire and fire CAHDCO’s employees.

6. Avoid references to CAHDCO as a “division” or “department” of CCOC or similar terms. We note that CAHDCO’s website references CAHDCO as a “sister company” to CCOC, and suggest that such references are removed.

7. Ensure that the full legal name of CAHDCO is used on all contracts, purchase orders, invoices, cheques, letterhead, e-mails, website and so forth.

We note that CCOC’s control of CAHDCO’s major transactions through membership and board control and an overlap of directors, officers and other staff, as well as non-compliance or partial compliance with the recommendations above shall not be the sole determinative factor of the success in any veil-lifting claim. However, to minimize the risk, CAHDCO shall ensure that CCOC does not possess any decision-making power or other undue influence on the routine business operations of CAHDCO to ensure that the separate autonomy is maintained.

Facts

We have prepared this legal opinion based on the following facts:

1. CCOC was incorporated under the laws of the Province of Ontario by letters patent dated July 31, 1974 and by supplemental letters patent dated July 16, 1992 and July 24, 1994. CCOC develops and redevelops not-for-profit rental house, including the creation of new rental housing through development and redevelopment of older CCOC properties. Membership in CCOC is open to persons who are resident in accommodation owned by the CCOC and who are tenants of CCOC, members of the Centretown Citizens Housing Cooperative Inc., and

other persons interested in furthering the objectives of the Corporation whose applications for admission as member have received the approval of the board of directors of CCOC.

2. CAHDCO is a not-for-profit corporation continued under the *Canada Not-for-profit Corporations Act* (the "**Act**") on May 27, 2014. CAHDCO's mandate includes providing development project management consulting services to the not-for-profit sector. The sole member of CAHDCO is CCOC as per section 2.1 of By-Law #3 effective January 28, 2014. Consistent with CAHDCO's By-laws, CCOC will appoint majority of the members of the board of directors of CAHDCO. The remainder of CAHDCO's board of directors will be appointed by those majority directors appointed by CCOC. The executive director of CCOC will serve on the board of directors of CAHDCO and on the CAHDCO executive committee.

3. CAHDCO is controlled by, and a subsidiary of, CCOC within the meaning of said terms in section 2 of the Act.

4. CAHDCO provides development services to CCOC on an "as needed" basis. When engaged, CAHDCO is responsible for the provision of any development project management services in support of CCOC's development objectives, including identifying, assessing, and recommending funding and financing options.

5. CCOC is responsible for capital funding and financing of its new rental housing projects or for the redevelopment of its existing projects. CCOC uses CAHDCO for development project management services, providing a project plan including timelines and estimated hours at the initiation of each CCOC development project.

6. For CCOC development projects, CAHDCO will charge CCOC based on hourly internal break-even charge-out rates. The rates will be set annually based on the approved budget, and may be adjusted during the year if needed. CAHDCOO will provide the CCOC finance committee financial statements on a quarterly basis.

7. CCOC supports CAHDCO by providing operational resources, including financial administration, and basic organizational administration and support.

8. In certain circumstances, CCOC may co-sign or guarantee the liabilities of CAHDCO, including obligations incurred through lending from banks or otherwise.

Law and Analysis

Corporations are generally treated as separate legal entities.[1] Accordingly, CCOC may legitimately use the corporate structure to manage their operational risk by creating corporate subsidiaries to conduct their businesses, including contracting with customers and suppliers and incurring debts. This structure allows CCOC to shield itself from its subsidiary's, CAHDCO, liabilities and limit its

[1] *Salomon v Salomon & Co.*, [1897] A.C. 22 (U.K.H.L.); *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23, s 16(1).

exposure to its capital contributions to CAHDCO. The benefits of separate legal status apply equally to not-for-profit corporations as they do to for-profit corporations.[2]

In order for a third party to assert any liability against a separate legal entity, not a party to a contract, which is commonly referred to as "lifting" or "piercing" the corporate veil, the following arguments would have to be advanced in the courts:

1. Complete domination or control (which is more than mere ownership[3]) so that the subsidiary does not function independently, coupled with an element of fraud or other improper activity;

2. The subsidiary is the parent corporation's agent;[4] and

3. Failure to lift the corporate veil is "too flagrantly" opposed to justice.[5]

Complete Domination or Control Test

A third party must prove, on a balance of probabilities, that the control and domination of a parent corporation was so extensive that the subsidiary did not function independently. Courts are rigorous in protecting the principle of corporate separateness because the rule is codified in legislation and stakeholders of the corporation have the right to expect that, absent extraordinary circumstances, they may deal with a corporation as a natural person.

Furthermore, the third party must prove, on a balance of probabilities, that the subsidiary was incorporated for a fraudulent or improper purpose or that the parent corporation used the subsidiary as a shield for improper activity.

The leading case on this topic demonstrates the difficulties of arguing that the complete domination or control by the parent company should warrant looking beyond the corporate veil to satisfy obligations of a subsidiary.[6] In CAHDCO/CCOC case, there is sufficient operational independence that evidences lack of complete domination of CAHDCO by CCOC.

Agency Test

Here, a third party must seek to prove that the subsidiary corporation was acting as an agent of the parent corporation for improper or fraudulent conduct. The concept is that principals are liable for actions taken by their agents within the scope of their authority, actual or apparent.[7]

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[2] Section 16(1) of the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23.
[3] *Yaiguaje v. Chevron Corporation*, 2018 CarswellOnt 7942 (Ont. C.A.) [*Chevron*].
[4] *White v. E.B.F. Manufacturing Ltd.*, 2005 NSCA 167, 2005 CarswellNS 554 (N.S. C.A.) [*White*].
[5] *Kosmopoulos v. Constitution Insurance Co. of Canada*, 1987 CarswellOnt 132 (S.C.C.) [*Kosmopoulos*].
[6] Chevron, *supra* note 3.
[7] White, *supra* note 4.

Actual authority exits when words, conduct or other actions by the parent corporation manifest an intent to grant authority to a subsidiary to act on its behalf. Actual authority can be express or implied by reasonable inference from the express authority granted by the parent corporation.

In our case, a third party would have to prove that CCOC, by actual or implied authority, directed CAHDCO, and CAHDCO represented itself as an agent, to commit inappropriate activities or fraudulent conduct on its behalf.

Flagrant Opposition to Justice Test

The third, residual argument for lifting the corporate veil, as identified by the Supreme Court of Canada, occurs when the separate legal entity would yield "a result too flagrantly opposed to justice, convenience or the interests of fiscal authorities."[8]

For this argument to be successful, the conduct or activities of the parent corporation must be significant and egregious to warrant court intervention. Based on our facts, court intervention for flagrant opposition to justice is highly unlikely.

Conclusion

In our view, despite CCOC's control of CAHDCO by direct ownership, we believe that the benefits of the separate legal entity shall shield CCOC's assets from the conduct and activities of CAHDCO, unless CCOC utilizes such control to force CAHDCO to engage in improper actives or fraud. Furthermore, implementing our recommendations stated earlier in this opinion shall preserve the benefits of the separate legal entity as it relates to the corporate status of CAHDCO and CCOC.

We trust this is helpful. Should you have any questions or comments with respect to this opinion, kindly contact the undersigned.

Yours very truly,

Iwona Albrecht

[8] Chevron, *supra* note 3.

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CCOC Personnel Committee

Minutes

5:30pm, Monday, October 19, 2020 by videoconference

Present: AnaLori Smith, Zak Spelay, Kerry Beckett, Pascal St-Amour, Ricky Keo, Bill Rooney

Staff: Andrée-Ann Cousineau-Lalonde, Tessa Trueman (recorder)

Regrets: Jane Dickinson

1. **Call to order**: 5:38pm

2. **Reading of the anti-oppression statement:** Completed

3. **Approval of the agenda:** (M/S/C, K. Beckett/P. St-Amour)

4. **Approval of the September 14, 2020 minutes**: (M/S/C, Z. Spelay/P. St-Amour)

5. **New Business:**

   a) Tenant and Community Engagement (TCE) looking forward to 2021: Laine Johnson (Guest)
   We are looking to restructure the TCE department. The Sustainability Facilitator and TCE Facilitator roles be merged together to create two TCE Facilitator roles that include specific sustainability activities. There would be no change in staffing. There has been some discussion about splitting the two roles into East/West to mirror other departments in the near future. This will allow the TCE department to respond to more demand as the portfolio grows.

   Laine discussed this proposal with both of the staff members currently in the roles. They understand the need for the change and the possible benefits. There was some concern about adding duties and it's important that we don't add more than they are capable of handling. This will be an ongoing conversation with them as it progresses.

   The current positions are very specialized and without redundancy. There is a siloed knowledge of programs and services. The goal of this departmental restructuring is to develop more mutually shared responsibilities and build redundancy. Sustainability will still be a focus for CCOC. We hope that we will even be able to take on larger sustainability projects by have two individuals focused on it and by working closely with other departments.

   Committee member feedback:

   - This change will result in a wider SCOPE for the positions but may not have as much DEPTH. This isn't necessarily bad but something to keep in mind.

- Members felt this was overwhelmingly a positive change. It will provide a great benefit to staff (and tenants) in the long run.

The committee recommends the outlined TCE departmental changes to the Board.
(M/S/C, P. St-Amour/Z. Spelay)

The committee reviewed the updated job description for the role of TCE Facilitator (merged with the Sustainability Facilitator role). None of the duties from either description were left off. Members felt it was important that the TCE Director remain cognizant of this as the individuals shift into this new hybrid role to avoid overloading them.

The committee approved the updated job description as presented. (M/S/C K. Beckett/B. Rooney)

6. **Staffing Updates:**
Jignesh Dudhat was hired as Pest Control Coordinator. He started on October 8th. He has worked with CCOC in the past as an Orkin technician so he is already very familiar with our buildings and tenants.

Diba Hareer was hired as Communications Officer. She starts on October 27th.

Jenny Levin was hired as Budget & Cost Analyst on a 1-year term. She starts on October 22nd.

7. **Training:**
   a) Anti-discrimination and anti-oppression training: update
   A summary report of the first BIPOC conversation was circulated.

   Three priority areas to address: 1) tokenism 2) stereotyping/micro-aggressions and 3) isolation/lack of support and action from CCOC.

   Three actionable items for 2021: 1) accountability to follow through with this initiative 2) a more equitable and inclusive recruitment process and 3) empowering BIPOC staff to develop professionally.

   Kaafi Consulting is using this report to design the staff and volunteer training. Staff will receive more information on this training shortly.

8. **Business Arising:**
   a) **Pandemic:** update
   As per CCOC's COVID-19 pandemic plan, we have reduced service to emergency work orders only because there are 750+ cases in Ottawa. Staff daily screening will be implemented tomorrow using Survey Monkey.

   b) **Job Evaluation Requests:** *In camera* item #1

Committee moved *in camera* at 6:28pm. (M/S/C, K. Beckett/B. Rooney)

In camera minutes recorded separately.

The committee moved *ex camera* at 6:43pm. (M/S/C, B. Rooney/P. St-Amour)

c) 2021 Budget: update
The budget constraints were discussed at the most recent all staff meeting. Staff were able to give input about the proposed salary increase options for 2021 via a confidential survey. Many staff did not feel comfortable weighing in on the options, in part due to funds for pay increases needing to be reallocated from elsewhere in the overall budget.

d) Year-end performance evaluation: ongoing (no update)

9. **Staff meetings:**
   All Staff: October 14
   Health & Safety: None

10. **Committee summaries:** Nothing discussed.

11. **Other business**:
    a) Sharing documents: Members requested that documents be shared in advance of the meeting as much as possible. This meeting had several items that could not be shared in advance and it makes it more difficult to make decisions and ask relevant questions.

    b) *In camera* item #2:
    All staff (R. Keo, P. St-Amour, and T. Trueman) left the meeting for the final in camera item. Minutes were recorded separately.

12. **Adjournment**: 7:04pm

Next meeting: 5:30pm, November 9, 2020
By videoconference

Work plan (2019-2022)

Goal (from CCOC strat plan)	**Objectives**	**Strategies**	**Activities**	**Timelines**
Empower staff, volunteers and tenants	Shared staff understanding and commitment to mission and bigger picture	Ensure new staff welcoming process is consistent and complete	**Staff welcoming:** develop a comprehensive welcoming and orientation process for new staff	6 months
Empower staff, volunteers and tenants	Staff have trust that they are well informed across departments and about corporate priorities	Take a more deliberate and consistent approach to internal communication and team building	**Internal Communication**: Plan staff meetings and engage other tools to improve internal communications	6-8 months
Empower staff, volunteers and tenants	Update procedures to ensure decision-making is consistent	Use an intersectional approach when developing policies	**Human Resources**: Full review of Employment Policies 2021.	End of 2021

Tenant & Community Engagement Facilitator

Department: Tenant & Community Engagement
Reports To: Director of Tenant & Community Engagement

Summary

The Tenant & Community Engagement Facilitator supports tenants and colleagues as they address issues which affect the quality of life at CCOC properties and their surrounding neighbourhoods, facilitates tenant engagement and volunteering, and acts as a representative of CCOC at neighbourhood and community events.

Responsibilities (this is not an exhaustive list)

1. Works with tenants and colleagues on issues which affect the quality of life at CCOC properties and their surrounding neighbourhoods by:
   - Working with tenants to identify quality of life priorities and how to satisfy those priorities;
   - Developing and executing sustainability programs to engage tenants in sustainable behavior that helps tenants reduce their ecological footprint;
   - Delivering communications, education and outreach tools to engage tenants with current CCOC values and priorities;
   - Design programs using the framework of community-based social marketing that will address potential barriers to participation;
   - Supporting methods with which to evaluate tenant experience and satisfaction;
   - Coordinating with other community groups, agencies, and local organizations whose work is beneficial to tenants or aligns with CCOC's mission.

2. Facilitates tenant engagement and volunteering by
   - Recruiting members and tenants for participation in volunteer work on committees, for CCOC events and programs, or elsewhere as appropriate;
   - Implementing volunteer engagement strategies and actively working to bring greater diversity into CCOC decision making bodies;
   - Communicating regularly and managing feedback between tenants, their neighbours and CCOC staff;
   - Planning and coordinating events, such as: volunteer appreciation, gardening workshops, property openings and tours, Plant Days,

- harvest events, neighbourhood events and the Annual General Meeting;
- Encouraging the attendance of tenants, members and the community at events and functions;
- Occasionally working outside business hours for events or committee meetings.

3. Acts as a representative of CCOC at neighbourhood and community events, serving as an ambassador for CCOC's role in the community.

4. Performs such other duties as may from time to time be assigned by the Director of Tenant & Community Engagement or the Executive Director.

This position supports the work of Centretown Citizens Ottawa Corporation, Centretown Citizens Housing Co-Operative and Cahdco (Centretown Affordable Housing Development Corporation).

Education and Experience

- 3 years of post-secondary education
- 3-years of related work experience
- Experience and formal training combined with demonstrated performance and ability may substitute for stipulated academic requirements.
- Demonstrated ability liaising and collaborating with various stakeholders (colleagues, volunteers, clients, contractors) to foster positive relationships.
- Strong organizational skills and ability to work independently.
- Intermediate ability to use Microsoft Office Suite
- Advanced verbal communication in English, intermediate written communication in English.
- Advanced verbal communication in French, intermediate written communication in French.
- Knowledge of additional languages is considered an asset.

Supervision and Decision-Making

- Tasks are guided by well-defined procedures such as policies, templates, checklists; some judgement in decision-making is required and instructions are provided
- Responsible for regularly assigning, checking and maintaining work flow of other employees and volunteers
- Responsible for providing direct day-to-day coordination for standardized tasks, also checks and maintains work flow. Recommends new or changed policies and procedures for approval by others.
- Works under general direction, must be able to think independently to come to solutions.

- Some impact to the organization, or to people if errors are made.
- Regular use of confidential information.

Working Environment

- Interaction with internal colleagues involves presenting reports and recommendations, and coordinating activities of other employees doing similar work.
- Interaction with external contacts requires tact and courtesy, primarily in exchanging information.
- Normal office environment; periods of light physical effort are required (for example; intermittent sitting, standing or reading).
- Some degree of physical skill and coordination required (for example, basic keyboarding)
- Comfortable physical work environment
- The incumbent may be exposed to moderate stress

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MINUTES FOR THE TENANT AND COMMUNITY ENGAGEMENT COMMITTEE
MEETING OF MONDAY October 19, 2020
7pm, Go To Meetings (online)

TCE Committee: Jordan Edwards (chair), Sinda Garziz, Lisa Hollingshead, Shelley Robinson (until 7:30 p.m.), Terry Schoembs, Peter Thorn, Carol Timusk
Regrets: Yvette Guo, Ashlin Kelly, Ralf MacGrady
Guests: Mayada Bahubeshi (1), Gisèle Doyle (1), Patrick Doyle (1) Erika Koenig-Sheridan (1), Lauren Saikaly (3)
Staff: Laine Johnson, Hannah Vlaar (recorder)

1. Call to order: 7:07 p.m.

2. Welcome and introductions
Lots of guests were in attendance. Everyone introduced themselves.

3. Adoption of the agenda
The agenda was amended to move item 6 to follow item 3. The agenda was adopted as amended.
(M/S/C, Peter Thorn/Shelley Robinson)

4. Adoption of the minutes
The minutes of the meeting of Monday, September 21, 2020 were amended to clarify that in item 5a, the anti-oppression training will be offered to committee volunteers and CCOC staff.
The minutes were adopted as amended. (M/S/C, Peter Thorn/Lisa Hollingshead)

5. New business
a) Looking forward to 2021
Staff recommend that the Sustainability Facilitator and Tenant and Community Engagement (TCE) Facilitator roles be merged to create a TCE Facilitator role that includes specific sustainability activities. This will create two TCE Facilitator positions.

Discussion:
Staff clarified some definitions from the supporting documents.

- GHG: greenhouse gas
- Net Zero Standards: a building that is highly energy efficient and fully powered from on-site and/or off-site renewable energy

Under Responsibilities in the job description (number 2, bullet 3), the sentence should be revised to read "Communicating regularly and managing feedback between tenants, their neighbours, CCOC staff, *and the CCOC Board of Directors*."

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The committee discussed what would happen with CCOC-wide initiatives like the Neighbours Network if the proposal passes and work is split based on East/West properties? (CCOC organizes properties based on their geographical location in the city. In other CCOC departments, staff are assigned to a particular group of properties based on whether they are East or West.)

The recommendation has to be approved by the TCE committee and the Board before staff design an implementation plan. If approved, implementation will be co-designed with current staff. Projects that are not building specific will likely be shared between the two staff or will be taken on primarily by one staff or the other. Ex. Staff #1 is responsible for Neighbours Network, Staff #2 is responsible for AGM, and both staff are responsible for Plant Days.

Currently the TCE Director does not have the discretion to make these decisions because of how the positions are constructed. Nothing in the job description states that any projects have to be shared 50/50.

This job description could also be used to hire future TCE staff as the department grows. No new hiring is possible right now because of the financial crunch due to COVID. In lieu of hiring more staff, this recommendation proposes one way CCOC can redesign the department to create more flexibility. When new hiring is possible again and if there is increased demand, it would be easy to replicate the proposed job description.

Both current positions are funded through CCOC so there is no risk of losing a funding stream and not being able to keep on both staff. Funding will not affect the future of both positions. Both current positions are scored the same way for compensation, so no adjustments will be necessary.

Removing sustainability from the job title may seem like CCOC will not give it as much attention in the future, but this is not the goal. Other departments are also working on sustainability and this shift will hopefully encourage them to step up and fulfill this CCOC value even more, instead of relying on one person to support sustainability as a value for the whole organization.

In the disability sector a lot of departments are silo-ed from each other, which makes it difficult to access services. Removing silos, or ensuring they talk to each other, is crucial. This recommendation furthers this effort.

Motion that the Sustainability Facilitator and the Tenant and Community Engagement Facilitator job descriptions be merged into one single Tenant and Community Engagement Facilitator job description.
(M/S/C, Peter Thorn/Carol Timusk)

Motion carried.

6. Business arising from the previous minutes – none
There is no business arising from the previous meeting. Updates on the listening parties, AGM post-mortem, and the volunteer program are included in the department report.

7. Standing items
a) Board & committees report
Committee members requested that staff avoid acronyms wherever possible.
Action: Hannah to send the acronyms list to all TCE committee members and guests, and to remind other committees to do the same.

b) Department report
The committee reviewed the department report.

Discussion:
Staff confirmed that Hydro Ottawa provided the aggregated data for CCOC's Canada Mortgage and Housing Corporation (CMHC) funding application. CCOC's larger buildings will be involved in the Energy and Water usage tracking, but not exclusively.

The committee discussed the term "harmony" as related to the title of the second Listening Party: "How can neighbours help neighbours live in harmony with nature?" Laine explained that this was an effort to avoid the term *sustainability*, which the committee previously flagged as vague. The first part of the Listening Party will include attendees explaining what these terms mean to them.

Laine confirmed that Diba Hareer is joining the TCE department as the new Communications Officer. The position was previously held by Adella Khan, who recently moved on to a new job.

AGM post-mortem:

- No one aged 65+ was part of the planning committee, which impacted the design.
- One member felt like a "rubber stamp". They asked questions that weren't addressed.
- Ensure there is a continued conversation about accessibility for virtual events. The outcome of elections is defined by who is able to attend and vote at the AGM.

c) Items for board discussion
Looking forward to 2021
Motion that the Sustainability Facilitator and the Tenant and Community Engagement Facilitator job descriptions be merged into one single Tenant and Community Engagement Facilitator job description.

8. Announcements
a) TCE related community activities/events
Three Listening Parties

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1. November 12, 6:30 p.m.: How can neighbours help neighbours feel like we are all welcome?

Now more than ever, we are understanding how important our neighbours are. How might we work together to increase connections for CCOC tenants so everyone can feel like they are welcome in their neighbourhoods and among their neighbours?

2. November 26, 6:30 p.m.: How can neighbours help neighbours live in harmony with nature?

You told us that sustainable living matters to you. But what does "sustainability" really mean? What solutions can we build close to home that will make a difference for our environment? How can neighbours support each other with these efforts?

3. Dec 10, 6:30 p.m.: How can neighbours help neighbours feel safe at home?

One of the best parts of urban living is being so close to your neighbours, services, and community. However, with so many people living close together, challenges are inevitable. Many CCOC buildings are expecting updates that will improve safety in the longer term. But what can we do now, in our *relationships* with neighbours, to support everyone feeling good about where they live? How might we all play a role in helping everyone feel comfortable at home?

To RSVP for any of these events, email membership@ccochousing.org.

b) 2020 Meeting Schedule: Nov. 16, Dec. 14, Jan. 18

9. Adjournment: 8:26 p.m. (M/C, Carol Timusk)

Tenant and Community Engagement Department report, September 21, 2020

CCOC's governance and volunteer program is well supported and adaptable to tenant needs.

CHTC grant

C2K was the successful evaluator for the Volunteer Program grant. We will be working with them over the next 9 months to produce survey materials that will help CCOC to understand how its' current volunteer program works and create ways to measure how it can improve over time. C2K will come to the November TCE Committee meeting and to an upcoming Board of Directors meeting to introduce themselves and their work.

We have also begun informing the anti-racist and anti-oppressive workshops to be delivered to all staff and committee volunteers. This work will be designed and delivered by an external facilitator.

Volunteer Program: Governance Volunteers

TCE is engaging with each department that reports to a committee for more details about their processes. This will inform the volunteer database software we invest in and the way we ask each department to consistently support new volunteers. Staff are excited for a more streamlined process that centralizes the first orientations and trainings with TCE and then requests of them more specific orientation to their committee.

The volunteer orientation documents reviewed last month by committee are still being edited. The anticipated timeline for moving these documents into circulation and living on the website is early 2021.

AGM: Post-Mortem Notes

CCOC staff held a meeting after the AGM to review what went well and what could have been better, as well as suggestions for next year. TCE also delivered a feedback survey to all AGM attendees to learn more about their experiences. The notes from the meeting and the survey results are attached.

All CCOC tenants recognize their personal responsibility to space and community and feel aligned with CCOC values.

Energy and Water Usage: tracking and tenant engagement

Natalia and Laine met with Kiefer Maracle, a member of the development team Cahdco, to learn more about what energy and water usage benchmarking is being undertaken to qualify for some funding through CMHC. For a sample of 14 buildings, Hydro Ottawa has provided aggregate, anonymous building data for energy consumption rates over the past 3 years. TCE is interested in gathering that data on an ongoing basis and designing interventions for specific buildings to see whether we can further reduce our usage. We will be reconnecting with Hydro Ottawa to see whether we can easily gain access to this data. They have created a portal for tracking purposes for larger buildings who are required to report to the Province, but we fall below that threshold so it's a bit tricky to get their attention.

Listening Parties Fall 2020

The following appeared in the October 15 tenant email:

Last spring you shared your thoughts by responding to the Tenant Satisfaction Survey (more results to come). You identified three priorities that really matter to you: ensuring everyone feels like they belong, sustainable living, and feeling safe at home. The Tenant and Community Engagement Department wants to better understand how we can work together to make these priorities come to life.

We are hosting three online conversations this fall to learn and share with you. Join us for one, two, or all three of these events! Email membership@ccochousing.org to RSVP and let us know which event you would like to come to. If virtual meetings are not for you, you can participate by email. Just let us know in the RSVP and we will will send you some information and get your feedback this way.

Here are the dates and times for each conversation:

November 15, 6:30 pm: How can neighbours help neighbours feel like they belong?

November 26, 6:30 pm: How can neighbours help neighbours live in harmony with nature?

December 10, 6:30 pm: How can neighbours help neighbours feel safe at home?

CCOC advocates for affordable housing as well as affordable housing as delivered by a social purpose landlord.

Communications during COVID-19

Diba Hareer is joining the TCE team on October 27. Diba comes with a Masters of Organizational Communication and several years with Planned Parenthood Ottawa. We are wishing her the warmest welcome!

Tenant Handbook (Calendar)

Because of the staff turnover in the communications role, we have had to delay the beginning of the calendar project. Although we generally want it to be delivered with the December Newsnotes, it’s likely going to require its own distribution at either the end of December or the beginning of January. Tenants should still have it in hand within the first two weeks of January.

Looking forward to 2021: Tenant and Community Engagement Department

Recommendation: The Sustainability Facilitator and Tenant and Community Engagement roles be merged together to create a Tenant and Community Engagement (TCE) Coordinator role that includes specific sustainability activities. This will create two Tenant and Community Engagement facilitator positions. The two positions may likely split the portfolio East/ West in the near future to mirror the Facilities and Rentals Departments so that the department can respond to more demands as the portfolio grows. For the time being, these positions will cover off the current programs and staff will, along with management, co-create the new structure in 2021 and beyond.

Rationale: The current specialization of each position (Sustainability and TCE Facilitator) means that there is only one person to cover off the specific demands of the full 1600+ units in CCOC's portfolio. There is siloed knowledge of programs and services in each position, meaning that there is less ability to cover off each other's workload if required.

The current pressures include a 3- year grant that is essential for deepening CCOC's representativeness and responsiveness to its tenants through its voluntary structures. This grant will consume more than 50% of the current TCE Facilitator position. For example, we will be hosting three online engagements before the end of the year. Requests for specific building engagements continue to come through, most recently some mask-compliance concerns at 3 specific properties. With the current job configuration, we don't have the current capacity to respond.

Similarly, the current construction of the Sustainability Facilitator activities often centre around the spring-summer months and can create challenges in managing priorities. Plant Days, gardening start-ups, and launching a workshop series, for example. These programs can be mutually shared across two staff for greater efficiency.

The Director of the department is currently involved in several corporate-wide initiatives such as the Ottawa Community Land Trust, CCOC's Strategic Planning process for 2021, the Anti-Racist Organizational Change priority, and the pursuit of a charitable designation for CCOC. This work, as well as the human resources and supervision of the department, prevents that position from assuming more of the front-line engagement activities.

The upcoming potential merger with a single-site non-profit has specifically cited CCOC's Tenant and Community Engagement resources as a need for their tenants and an influential part of their decision. We want to be able to respond appropriately and deliver what we know we can deliver, but under the current configuration we are concerned we will be limited.

Preserving Sustainability as an essential CCOC value: There are many ways that CCOC is driving its sustainability agenda across our various departments that could be better captured and shared. The new Communications Officer position could be tasked with a specific content requirement that shares our Sustainability efforts: the Green Commitments program, our waste diversion, the strategies we employ through community-based social marketing. We could specify a page in our Annual Report dedicated to Sustainability efforts that would cut across departments: the GHG remissions from Facilities Management and the Net-Zero standards that Cahdco is managing for the Forward project. The more we amplify the sustainability efforts across the organization, the more commonly the sustainability responsibility is felt. One of the current challenges is that sustainability management can appear to be the exclusive responsibility of the Sustainability Facilitator even though there are so many others who take the time and make the effort to do this well. Through this restructuring, CCOC sustainability priorities can be shared between all TCE dept staff, as well among other depts., not siloed or isolated to one position.

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Finance Committee
Minutes
October 15, 2020

Finance committee: Josh Bueckert (chair), David Boushey, Court Miller, Sandy Hung, Mary Huang, Nicole Rogers, Linda Camilleri, Alannah Bird, Andrew McNeill

Guests: Wayne Fan (second meeting), Alisher Perez (first meeting)

Regrets: Vladimir Gorodkov, Michael Holmes, Rod Manchee

Staff: Maryse Martin, Arianne Charlebois

Motions for Board Approval

CCOC Motions for Board Approval

MOTION: That the Finance Committee recommends to the Board that CCOC proceed with applying for CRA charitable status.

(M/S/C, Court Miller/Sandy Hung)

MOTION: The Finance Committee recommends that Corix rates to Beaver Barracks tenants be increased by 3% for units under 900 ft2, and 2% for units above 900 ft^2. The increase will be effective April 1st, 2021.

(M/S/C, Andrew McNeill/David Boushey)

MOTION: The Finance Committee recommends that Development Project Managers approval limit be increased from $5,000 to $10,000 effective immediately, to improve operational efficiency. Additionally, the Development Director can delegate approval authority to the Senior Project Manager while on leave.

(M/S/C,Alannah Bird/David Boushey)

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1. **Call to Order at 7:05 pm and Anti-Oppression Statement – Read and Acknowledged**

2. **Declaration of Conflict of Interest**: None

3. **Adoption of the Agenda:** Item 9: Long term financial plan was removed from the agenda. It will be reviewed in November. The agenda was adopted as amended.
(M/S/C,David Boushey/Alannah Bird)

4. **Approval of meeting minutes**

- Finance Meeting and Joint Finance & Rental Meeting, September 22, 2020
(M/S/C,David Boushgey/Sandy Hung)

5. **Notices/Announcements**

- As treasurer of the Board, Josh remains the Finance Committee chair. Everyone was happy to see Josh continue in this role.
- Cahdco is hosting a webinar on Affordable Housing 101, which will be a high level overview of the affordable planning process. It will take place on October 21, from 12:00pm to 1:00pm.
- Cahdco will be meeting with each committee to go over the lessons learned from the Arlington redevelopment. The date hasn't been finalized but it will likely be the first week of November.

6. **Property tax and charitable status**

- We received our lawyer's opinion on property tax exemptions if we obtained charitable status.
- Several properties would definitely or likely qualify. The properties that qualify would result in an annual savings of $906k, and the properties that are likely to qualify would result in a savings of about $2M. The lawyer's fee is 20% of the savings in the first year.
- Our plan is that any savings would be put toward the capital reserves.
- As a charity, we would also have a new revenue source available in donations. This could help us fund the internal subsidies.
- In order to be able to apply this exemption to 2020 taxes, we would need to put in the application by the end of 2020.
- Because we have so many properties, and because of Covid-related delays, this process is expected to take a year or two. The quickest way forward would be a settlement with MPAC.
- We need to make sure we comply with the requirements every year in order to maintain our exemption.
- If we go ahead with pursuing charitable status, we want to make sure that this doesn't affect who we are and what we do. We don't want it to affect our decision making around subsidies and our mission.
- Sandy asked about the criteria for qualifying for tax exemptions. It's based on the income mix at the properties, which in turn is based on the subsidies in place at each property.
- Nicole asked whether tenants' changing income over time would affect this status. Since CCOC doesn't track tenant income, the qualifications will be based on the subsidies level at each property.
- Andew asked how much we're likely to save in property taxes, since some provinvial properties already have property tax subsidies. We may be paying the lawyer their fee of 20% of tax savings on properties where we're not actually saving any of our own money. Maryse pointed

out that many of the provincial properties' operating agreements will end in the next few years, so we'll see the full benefit of the savings at that point.

- Andrew also noted that this could affect our ability to speak out on issues due to government restraints placed on charities. He asked whether we've gotten any advice on that. We haven't yet but will look into it.
- Josh asked whether some of the savings could be put towards increased subsidies rather than going fully to capital repairs. This could offset our increasing market rents. This is a possibility and it will be up to CCOC to decide once we get the tax savings.
- Mary asked how likely the "likely qualify" buildings are to qualify. We asked the lawyers this and didn't receive a clear answer.
- Court asked whether we've done a broader stakeholder analysis to see how charitable satatus could impact our employees, sub-contractors, commercial tenants, etc. He's concerned whether there could be negative consequences. We haven't done this analysis at this point, but we do want to make sure that this status doesn't change how CCOC operates.
- Mary believes that a soliciting charity has more filing requirements and accounting costs, although the tax savings would be much higher than the additional costs. Maryse agreed that there will be a higher administrative cost, but would be worthwhile given the potential savings.
- Nicole asked whether the 20% legal fee would be contingent on their success in getting the tax exemptions. Maryse confirmed that this would be the case.
- Josh pointed out that Finance Committee can recommend to go ahead with the application status, but if CCOC wants to change course, the Board can still put the breaks on this process.

MOTION: That the Finance Committee recommend to the Board that CCOC proceed with applying for CRA charitable status.

(M/S/C, Court Miller/Sandy Hung)

7. Bad Debt Write Off and Accounts Receivable Statistics

- There was no bad debt written off for September.
- Maryse drew attention to the arrears for September. Because Finance Committee met earlier than average this month, the arrears report had the be pulled earlier. This led to higher apparent arrears as many tenants pay in the first several days of the month.
- Our vacancies are increasing, especially with the new rise in Covid cases, which means that we aren't showing or inspecting occupied units. This lengthens the amount of time that units sit vacant.
- Mary thought it would be valuable to see more in depth data and analysis on the report. Maryse presented a more in depth report on rent arrears in the summer, and the next one will be at the end of the year. Since this is more labour intensive, we aren't able to present this data in a report every month. We also don't present detailed information on subsidized vs. market in the move-in and move-out stats presented monthly to Rental committee in order to protect tenants' privacy. The Rental department does track all of this data however.

8. CCOC 2021 Draft Budget

- Maryse reminded the committee of what we know: we have limited revenue growth, average rents well below the CMHC averages, and costs that are growing faster than revenues. The capital reserves are inadequate for the repairs needed.
- We also have new challenges in 2021 due to the pandemic: a rent freeze, high vacancy costs, higher arrears, and Covid compliance costs. These creates a lot of unknowns.
- We do have some opportunities, although many of them are medium- to long-term prospects. These include shared services, grants, a merger, redevelopments, the capital repairs co-investment bundle, a rent supplement agreement for the Provincial portfolio post-EOM, and potential property tax savings with a charitable status. Most of these will not help us with the 2021 budget.
- We're still forecasting a break-even budget for 2020.
- The preliminary budget projects a surplus of $361k before any additional contribution to the capital reserves.

Revenue:
- The projected revenue growth is 0.1% over 2020.
- There is a rent freeze in effect for all of 2021.
- Our subsidies in the provincial portfolio are tied to benchmark rents, which are much lower than our rents. The gap between the subsidy we provide to tenants and the subsidy money received for this portfolio is growing each year.
- Our reduced mortage rates at three properties will also reduce the Provincial Affordability subsidy at those properties.
- We expect higher vacancy costs in 2021 as the pandemic continues.
- Our parking revenue will increase due to the $5 increase approved earlier this year. This budget assumes full parking occupancy.
- Our geothermal fees from Corix will increase by 2% in Januray. Due to delays last year, we won't be able to increase the fees to our tenants until later in the year. The hope is to increase tenant rates in April 2021, March 2022, February 2023, and January 2024. This will bring us back in line with the rate increases to CCOC.
- Maryse presented the proposed increase to geothermal fees charged to each unit. Most units would see an increase of about $1-3.
- David asked if this increase would be impacted by the rent freeze. Josh explained that it would not be affected because it's not part of rent, it's a way for us to recoup utility costs.

Expenses:
- Projected expense growth is 1.8% over 2020.
- The Board will decide on Annual Salary Adjustments. This budget assumed the usual process of a 1.2% COLA increase (Ottwa June CPI) and 2% performance increase for most staff.
- We have significant mortgage savings with properties coming off mortgage and with mortage renewals at 54 Primrose, 464 Metcalfe, and 160 Argyle.
- Non-staff maintenance costs show a 2% increase, which considering the age of our buildings is quite small.

- Utility rates are increasing, and we expect higher consumption with tenants staying home during the pandemic.
- We expect property taxes to increase 3% in 2021.
- The bad debt budget allows for higher potential bad debts due to Covid.
- The insurance line is based on a preliminary quote from a new provider. Our current provider's quote would have been a 19% increase over 2020 costs.
- Some minor adjustments are still needed to the indirect salary costs that are used to calculate the admin charge-out to buildngs. We may also receive grants to offset our costs, which are not currently factored in.
- Only the regular capital reserve contributions are included in the budget for now.
- We also plan to add a contingency line to the budget, which is not part of this draft.

Cashflow:

- Maryse presented the cashflow analysis for 2021. We would be below the minimum desired cash level of $2M throughout the year. If arrears continue to get higher, this would further reduce our available cash.
- The sale of the Champlain site by Cahdco is expected to close in March. This would allow Cahdco to pay off their full debt to CCOC at that time.
- This payment to CCOC would offset the property taxes due in March. The property taxes due in June would bring the cashflow to its lowest point in 2021.
- This projection assumes we only go ahead with tiers 1-3 of the capital budget.

MOTION: The Finance Committee recommends that Corix rates to Beaver Barracks tenants be increased by 3% for units under 900 ft2, and 2% for units above 900 ft^2. The increase will be effective April 1st, 2021.

(M/S/C, Andrew McNeill/David Boushey)

9. CCHC 2021 Draft Budget

- The mortgage will be paid off in March 2021, which will save us about $90k annually.
- The co-op now has the ability to pay portion of CCOC debt and increase contribution to capital reserve. The committee will discuss the spending priorities when the final budget draft is presented in November.

10. Business Arising

11. New Business

- The development department is seeking to increase the approval limits for their staff.
- [Due to time constraints, committee members voted on this motion by email. The motion passed on October 19.]

MOTION: The Finance Committee recommends that Development Project Managers approval limit be increased from $5,000 to $10,000 effective immediately, to improve operational efficiency. Additionally, the Development Director can delegate approval authority to the Senior Project Manager while on leave.

(M/S/C, Alannah Bird/David Boushey)

12. Next meeting/Deferrals

- Next meeting: November 19, 2020
- Policy Expiration Updates - sunset dates extended by the Board for procurement policies

13. Motion to Adjourn #1 - Finance Portion:

The separate meeting ended at 8:19 p.m. (M/C, Alannah Bird)

Joint Finance and FMC Committee
Minutes
October 15 2020

Finance committee: Josh Bueckert (chair), David Boushey, Sandy Hung, Nicole Rogers, Linda Camilleri, Alannah Bird, Andrew McNeill

Guests: Wayne Fan, Alisher Perez

Facilities Management committee: Penny McCann, James Clark, Shelley Robinson

Guests: Sharon Zvonar, Mayada Bahubeshi

Staff: Maryse Martin (Finance), Arianne Charlebois (Finance), Norm Turner (Facilities), Marie Rose Kassim (Facilities)

Motions for Board Approval

CCOC Motions for Board Approval

MOTION: The Committees recommend that the Board of Directors approve a capital budget of $2,429,801 for CCOC for 2021. This represents tiers one and two of the capital budget. The decision on a budget for tier three projects will be deferred pending further analysis of CCOC's cashflow midway through 2021.

(M/S/C, David Boushey/Andrew McNeill)

CCHC Motions for Board Approval

MOTION: The Committees recommend that the Board of Directors approve a capital budget of $23,376 for CCHC for 2021. This represents tiers one and two of the capital budget. The decision on a budget for tier three projects will be deferred pending further analysis of CCOC's cashflow midway through 2021.

(M/S/C, Andrew McNeill/David Boushey)

1. **Call to Order: Joint Committee 8:25 p.m.**
2. **Anti-Oppression Statement acknowledged**

3. **Declaration of Conflict of Interest:** None

4. **Adoption of the Agenda:** Item 6: Discussion of CAP sites was removed from the agenda. The agenda was adopted as amended.

(M/S/C,Alannah Bird/Penny McCann)

5. **2021 Draft Maintenance & Repairs budget**

- The biggest jump in 2020 is in common area repairs. This is partly due to Covid cleaning and sanitizing supplies, as well as increased fire safety expense. The 2020 budget was also quite low compared to 2019 actuals, so the 2020 forecast is in line with 2019 actuals.
- The 2021 budget is mostly based on adding inflation to the expenses we would expect in a typical year.
- We kept 2021 turnover projections in line with previous years rather than 2020. We saw lower than usual turnover costs in 2020 due to Covid.
- David asked if our turnover costs decreased from doing more in-house work. This did play a part. Turnovers were also very light during the first wave of Covid, which further decreased our expense.
- Shelley asked why the redecorating budget dropped by $60k. This was due to an error in the 2020 budget that lumped operating and capital redecorating budget together. The 2021 total is the same, but has $60k allocated to the capital budget.
- James asked about what makes up the “other” category.This is made up of miscellaneous expenses including chargebacks to tenants.

6. **2021 Draft Capital budget**

- Our projected capital expenditure for 2021 would be $4.1M if we did all of the projects we wanted. Our cashflow projections won’t allow for this spending. We also aren’t projecting enough of a surplus in the budget to top up the replacement reserves if we spent this much.
- Norm has created multiple priority tiers for the capital work. He presented the projects in the various tiers. The recommendation from staff is to go ahead with the top three tiers and defer the bottom two tiers.
- Tier one includes projects that can’t be deferred or have already been deferred from last year. These items are nearing the end of their useful lives or need urgent safety upgrades. Tier two represents priority issues that should be done. Tier three represents non-urgent projects that we would still like to do if possible.
- The new fire safety technician position could alleviate some of of our capital costs going forward.
- David asked whether the LED and emergency lighting budgets take infro account any available rebated through Hydro Ottawa, SaveOnEnergy, or others. Norm responded that we may qualify for some modest rebates for the LED upgrades, which have been included in their budget. The emergency lighting likely won’t qualify for rebates.
- David asked what the $416k contingency number was based on and commented that it seemed high. Norm answered that the contingency was based on roughly 10% of the total budget, which is typical.

- Nicole asked when we're expecting CMHC financing, which will alleviate some of our cashflow worries. This is expected to start in late 2022.
- Shelley asked whether we should consider not doing the projects in tier three. These seem more like "nice to do" rather than "need to do" projects. Norm pointed out that some of these could be done internally by CCOC field staff, which would result in some savings. The projects are also easy to get pushed off over and over again, which we want to avoid.
- Penny asked about the relationship between building condition assessments (BCAs) and the capital projects on this list. Some issues identified in the BCAs haven't even made it to the list. Norm replied that doing everything from the BCAs would likely double this capital budget. The BCAs are taken together with staff knowledge on what should be dealt with and what can wait. Our long term capital plan will deal with these items, because they can't be put off forever.
- James asked whether we actually expect all of the top tier projects to be done in 2021 with the extra staff and contracting constraints from Covid. Norm thinks that this list is realistic for 2021 because it excludes most of the projects with the longest timeframes.
- Josh recommended that the committees could include tier three in the recommendation but only when cashflow allows. He isn't comfortable with a blanked approval for tier three given our cashflow issues.
- There was an alternate suggestion to approve tier one and two, and defer the approval of tier three:
  - Multiple committee members thought that the committees could approve tiers one and two, then look at potential savings six months into the year and use those savings to complete tier three projects.
  - Josh pointed out that the halfway point of the year has the lowest projected cashflow, making it a bad time to start new projects.
  - Our cashflow recovers in the last quarter. Maryse asked if the tier three items could be done in the last three months of the year. Norm stated that these could be done at any point of the year.
  - James said he would be comfortable deferring to staff to determine in the summer what would be feasible from tier three.
  - Norm mentioned that he'd like approvals to take place 1-1.5 months before the expected start date of the work, in order to allow staff time to arrange the work.
  - James suggested we approve tiers one and two, and defer the discussion on tier three to the summer.
  - Maryse noted that we should make sure the summer schedule for committees doesn't end up delaying potential work for tier three. We'd like to make sure we don't wait until September to approve any tier three work. James pointed out that this wouldn't necessarily need to be a joint meeting, the two committees could approve this work separately.
- CCHC does have enough money to approve all capital repairs, but we also need to consider the need to repay its debt to CCOC. Committee members felt that it made sense to take the same approach with CCHC: approve tiers one and two now, and reassess tier three in the summer. This would maintain uniformity with CCOC. It would also give us the flexibility to assess in the summer whether the cash for CCOC or the capital repairs are more needed.
- Josh asked whether 240 Presland could take out a new mortgage of approximately $400k to pay off its debt to CCOC. This hasn't been discussed yet but is worth exploring.

CCOC MOTION: The Committees recommend that the Board of Directors approve a capital budget of $2,429,801 for CCOC for 2021. This represents tiers one and two of the capital budget. The decision on a budget for tier three projects will be deferred pending further analysis of CCOC's cashflow midway through 2021.

(M/S/C, David Boushey/Andrew McNeill)

CCHC MOTION: The Committees recommend that the Board of Directors approve a capital budget of $23,376 for CCHC for 2021. This represents tiers one and two of the capital budget. The decision on a budget for tier three projects will be deferred pending further analysis of CCOC's cashflow midway through 2021.

(M/S/C, Andrew McNeill/David Boushey)

7. **Motion to Adjourn**The meeting ended at 9:39 p.m. (M/C, Josh Bueckert)

September 15, 2020

PRIVILEGED AND CONFIDENTIAL

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File no. 01421919

Ray Sullivan
Executive Director
Centretown Citizens Ottawa Corporation

Dear Mr. Sullivan:

Re: Property Tax Exemption Analysis for CCOC Properties

Gowling WLG (Canada) LLP (hereinafter "**Gowlings**") has been retained by the Centretown Citizens Ottawa Corporation ("**CCOC**") to analyze properties owned or leased by CCOC which may qualify for a property tax exemption pursuant to the *Assessment Act* (the "**Act**").

In preparation of this analysis, Gowlings reviewed the documents provided by CCOC listed in Appendix "**A**". If Gowlings receives additional information, or any assumption is altered, our opinion on CCOC's eligibility for an exemption may also change. A list of the 52 properties considered is included as Appendix "**B**".[1]

The recommendation of whether to pursue a property tax exemption is based on the status of the property as it is on the date of this letter. Each property is evaluated independently. Changes to any of the considered criteria including ownership, income of tenants, and included subsidies may change the prospects of a successful exemption application.

Summary

The CCOC is a non-profit corporation located in Ottawa that provides community-based housing. The CCOC leases or owns numerous properties throughout Ottawa to provide housing either at or below market rents.

The list of 52 properties provided to Gowlings have been divided into 4 categories: (1) Qualify; (2) Likely Qualify; (3) May Qualify; (4) Do Not Qualify. The properties categorized as "qualify" are subject to litigation risk (they are not a guarantee). However, based on an analysis of the language of the legal test for the exemption and the average incomes of tenants at those properties, there is a high probability that the exemption will be granted.

Properties that fall under "may qualify" have various issues that can change their likelihood of success. Some fall under the "may qualify" category because the average income for the property is high but this could be due to the number of persons residing in each household. Further information will be required to determine if those properties have a higher likelihood of success.

[1] The properties are numbered from 1-71 but are not a full list of 71 properties

We recommend pursuing exemptions, at least initially, for all properties that are in the "qualify", "likely qualify" and "may qualify" categories. This provides a stronger position for potential settlement with MPAC and the City of Ottawa (the "**City**").

1. **Qualify: 24 Properties** resulting in an annual tax saving of **$905,787.82**[2]
2. **Likely Qualify: 15 Properties** resulting in an annual tax saving of **$2,044,804.38**[3]
3. **May Qualify: 9 Properties** which could result in an annual tax saving of **$107,802.34**[4]
4. **Does Not Qualify: 4 Properties** accounting for **$150,862.71** in annual property taxes paid

Spreadsheets providing the categorization of the properties and the possible tax savings are included at the end of this letter. Changes in information relied on for the purposes of this opinion may alter whether some properties are eligible to be tax exempt in the future.

The Legislation

Subject to enumerated exemptions, all real property in Ontario is subject to taxation under the Act.[5]

One of the exemptions provided for in the Act exempts lands owned, used and occupied by any charitable, non-profit philanthropic corporation organized for the relief of the poor if the corporation is supported in part by public funds.

> Property assessable and taxable, exemptions
>
> 3 (1) All real property in Ontario is liable to assessment and taxation, subject to the following exemptions from taxation:
>
> > Charitable institutions
> >
> > 12. **Land owned, used and occupied by**,
> >
> > > i. The Canadian Red Cross Society,
> > >
> > > ii. The St. John Ambulance Association, or
> > >
> > > iii. **any charitable, non-profit philanthropic corporation organized for the relief of the poor if the corporation is supported in part by public funds.** [emphasis added][6]

In the context of property tax exemption applications, the Act is clear that disputes on tax exemptions are to be adjudicated before the Superior Court of Justice.[7] MPAC has an informal process for tax exemptions; however, MPAC's informal process is not a prerequisite to proceeding before the Superior Court. When a Superior Court Application is finally determined, the clerk of the municipality or the Minister shall alter the assessment roll, if

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[2] Plus taxes paid for Properties 67 & 68 which are included under one Tax Roll No. with other properties and the building portion of 258 Argyle

[3] Plus building portions of 29, 33 Rochester, 220-222 Booth & 129-135 Primrose, 170 Booth and portion attributable to 29, 33 Rochester from 746-760 Albert

[4] Plus building portion of 746-760 Albert

[5] Assessment Act, RSO 1990, c. A.31, s.3

[6] Assessment Act, RSO 1990, c. A.31, s.3(1) para 12.

[7] Assessment Act, RSO 1990, c. A.31, s. 46.

necessary, to reflect the final determination of the application under this section.[8]

The Court does not have the right pursuant to the Act to alter an assessment or classification so as to alter taxes for a taxation year before the year in which the application was made.[9] This means that if CCOC wishes to seek property tax exemptions and refunds for its properties for the 2020 year, application(s) to the Court **must** be made by December 31, 2020.[10]

What counts as land?

For the purposes of the Act, “land” includes all buildings, or any part of any building, and all structures, machinery and fixtures erected or placed upon, in, over, under or affixed to land.[11] This definition is important for the purpose of this analysis as CCOC leases land for some of the properties but owns the building on the lands for the term of the lease.

Municipal Property May be Exempt

Land owned by a municipality is generally exempt from property taxation unless the land is occupied by a tenant who would be taxable if the tenant owned the land.[12] Lands that CCOC leases from the City of Ottawa, regardless of ownership of the building, should be assessed on the merits of CCOC’s claim pursuant to the set out above (per paragraph 12 of subsection 3(1) of the Act).

The Roles of Parties and the Court

CCOC would be the Applicant in any exemption application before the Court. The obligations of the Applicant are to demonstrate to the Court that it meets the legislative test for exemption pursuant to subsection 3(1) paragraph 12 of the *Assessment Act*. This is done by serving and filing a Notice of Application along with a supporting affidavit outlining all the relevant and necessary information.

The City has a direct interest in ensuring the integrity of the assessment process. That said, municipalities often are not willing to spend the funds required to actively participate in the exemption application process. Generally speaking, the City will leave MPAC to respond, negotiate, and provide submissions to the Court if required. When municipalities choose not to participate, their approval is not required on any consent or settlement. However, the City will be obligated to enforce any order of the Court regardless of whether it actively participated.

MPAC is a responding party in all exemption applications in Ontario. MPAC, through its legislative and policy team, along with its external counsel respond to all exemption applications served and filed. MPAC’s role as the respondent is to determine whether they agree with our position that CCOC should be exempt[13], to determine whether a consent judgment can be agreed to, and if not, to present their position to the Court in opposition to our request for exemption status.

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[8] Assessment Act, RSO 1990, c. A.31, s. 46 (5.1).

[9] Assessment Act, RSO 1990, c. A.31, s. 46 (7)

[10] It is unlikely that O. Reg. 73/20: Limitation Periods would extend the deadline to file an application in Superior Court for these matters. For this reason, it is our opinion that the application(s) must be filed by December 31, 2020.

[11] Assessment Act, RSO 1990, c. A.31, s. 1(1) “land”.

[12] Assessment Act, RSO 1990, c. A.31, s.3(1) para 9.

[13] Note: MPAC often takes a hard line on exemption applications and does not even consider negotiation until after cross-examinations take place and factums for a hearing are exchanged.

The Court has the sole authority to order a municipality to amend the assessment role to recognize exemption status in the year an application was filed, and going forward if the reasons for exemption are unchanged. The Court will issue a judgment in one of two ways:

1. Either MPAC and CCOC agree to a consent judgment which the Court then reviews and issues (this is a form of settlement); or

2. Parties proceed to a hearing before the Court and a decision is rendered.

If this matter proceeds to a hearing, the Court will consider all affidavits filed, the transcripts from cross-examinations on those affidavits, and the legal submissions presented by counsel as to how the facts as presented meet the legislative test under the *Act*. After reviewing the documentation and hearing submissions, the Court will make a determination as to whether CCOC has demonstrated that it should be exempt. Decisions are often made on a date after the hearing.

The Test

For the properties to be exempt from taxation the following must all be true:

1. CCOC is a charitable, non-profit philanthropic corporation;
2. CCOC is organized for the relief of the poor;
3. CCOC is supported in part by public funds; and
4. The property in question is owned, used and occupied by CCOC.

1. CCOC is a Charitable, Non-Profit Philanthropic Corporation

CCOC is a non-profit corporation. For the purposes of this analysis, we presume that Gowlings will be successful in obtaining charitable status for CCOC. In the event that CCOC does not become a registered charity, there remains a possibility of success before the Superior Court of Justice because the test considers whether the primary purpose of CCOC is as a charitable, non-profit philanthropic corporation. The Courts have not considered this argument, making the argument weaker and subject to greater litigation risk.

2. CCOC is Organized for the Relief of the Poor

CCOC will need to demonstrate to MPAC (for the purposes of settlement only), and the Superior Court if the application proceeds to a hearing, that its primary purpose is to provide relief to the poor. This is done in two ways:

1. The incorporation documents of CCOC; and
2. Looking to the specific actions by CCOC to provide relief to the poor.

CCOC's Incorporation Documents

CCOC's Mission Statement is to create, maintain and promote housing for low and moderate income people.[14] CCOC's Letters Patent demonstrate that its primary purpose is to provide relief to the poor. The Application for Supplementary Letters Patent dated May 24, 1994 (Gowlings understands this to be the most recent amendments to the Letters Patent) states CCOC's purpose as:

> To provide and operate housing accommodation, with or without any public space, recreational facilities, and commercial space or buildings appropriate thereto, primarily for persons of low or modest income.

The Letters Patent further demonstrate CCOC's commitment to relief of the poor by stating that upon dissolution of the corporation, and after payment of all debts and liabilities, CCOC's remaining property and assets shall be distributed or disposed of to charitable organizations which carry on work solely in Canada or to non-profit housing corporations in Canada.

CCOC's Actions in Providing Relief to the Poor

The expression "poor person" does not mean the very poorest, the absolutely destitute, the word "poor" is more or less relative.[15] To satisfy the term "poor", there must be an element of economic deprivation or need, the relief from which is a part of the purpose of the institution claiming the exemption.[16] Even where some individuals who benefit from the services provided by the charitable corporation are not poor, it does not necessarily mean that the corporation is not organized for relief of the poor.[17]

In 2015, the Superior Court found that where the annual average income of residents for one-bedroom apartments was $24,140, the figures equated with any common sense notion of "poor". Taking inflation into account that would be the same as average income of approximately $26,029.22 for residents of one-bedroom apartments in 2020. This is an example of how the Court considered the definition of "poor" and does not mean that any income above this amount would not fall under the category of poor.

The most recent update by StatsCan was in 2018 for the low income cut-offs ("LICO") before tax based on a city population of 500,000 and over. For 1 person the LICO was $25,921, $32,270 for 2 people, $39,672 for 3 people, and $48,167 for 4 people.[18] Again, these are not threshold amounts but provide some guidance as to income levels the Court would view as "poor".

As the legal test looks to land owned, used and occupied by CCOC for relief of the poor, MPAC and the Court would likely look to each property individually to determine if it is used in a manner to provide such relief. A breakdown is provided at Appendix "**C**" showing both the average and median income of tenants at each of the properties. Further consideration is given to the amount of rent charged, whether the rent is below market rent, and the level of subsidy provided to the tenant. Gowlings has not received documentation outlining how

[14] https://ccochousing.org/about-us/

[15] St. Catharines Seniors Apartments Phase Three Inc. v. Municipal Property Assessment Corp., 2015 ONSC 3896 (ONSC) at para 41

[16] St. Catharines Seniors Apartments Phase Three Inc. v. Municipal Property Assessment Corp., 2015 ONSC 3896 (ONSC) at para 42

[17] St. Catharines Seniors Apartments Phase Three Inc. v. Municipal Property Assessment Corp., 2015 ONSC 3896 (ONSC) at para 46

[18] https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110019501

subsidies are determined. For the purposes of this analysis, we assume that the level of subsidy provided is based on factors like household income.

CCOC provided the average and median incomes per property in the document "Tenant rent and income June 1, 2020". Gowlings relied on these values as presented without any further analysis. Gowlings also relied on the "percentage of units subsidized per property" as provided for in the document titled "property list for Gowlings".

Properties with an average income below $26,029.22 fall within the common sense notion of "poor". Properties with an average income above $100,000 would not qualify as poor.

Properties with an average rent above $26,029 and below $100,000 are harder to determine in terms of the definition of "poor". It would be helpful if CCOC had documentation demonstrating how many people lived in each unit. Without this information, Gowlings relied on the level of subsidies to estimate the level of need and make a determination as to whether it could be considered "poor". Attached as Appendix "**D**" is a spreadsheet outlining additional considerations for each property.

Properties fully subsidized by CCOC were deemed to qualify as "poor" households. Properties where at least 2/3 of units did not pay any rent (i.e. were fully subsidized) were also considered "poor". All of these properties had average incomes below $35,000 and included many units with multi-bedrooms leading us to presume that these may be households with more than one individual.

Properties where 70% or more of the units were subsidized by CCOC were considered next. Though some of these buildings had average incomes in the $40,000 range, the high average income properties also consisted mainly of 3-bedroom units. These properties were all considered to qualify.

Properties where a minimum of 50% of the units were subsidized by CCOC were deemed likely to qualify. Two of these seven properties had average incomes in the $40,000 range but had multi-bedroom units. [19]

The remainder properties are more challenging to classify as less than 50% of their units are subsidized, some have high average incomes, and they each have various number of bedrooms per unit making it challenging to determine number of persons per household. Further information as to number of people living in each unit would be helpful to make a better determination of the chances of success with these properties.

A breakdown on the categorization of properties based on financials is attached as Appendix "**E**".

3. CCOC is supported in part by public funds

In the event that we have mis-categorized properties above, all properties are considered under this category to determine if they meet the threshold for support. A breakdown of the funds received by each property is included in Appendix "**F**".

The term "public funds" means funds received from a government source.[20] Funds from CMHC are through the Government of Canada and are considered public funds.[21]

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[19] In the document "property list for Gowlings" it states that this property only subsidizes 46%. However, looking at tenant income information, 52% of tenants do no pay any rent.
[20] Causeway Foundation v. Ontario Property Assessment Corp., Region No. 3, [2004] OJ No. 214 (ONCA) at para 22
[21] MacKay Homes v North Bay, [2005] OJ No. 919 (ONSC) at para 24-25

Of the properties reviewed, 10 are not supported by government funds:

1. 474-482 Gilmour; 388-390 Kent
2. 598-616 MacLaren; 625-631 Gilmour
3. 746-760 Albert & 25/ 35-39 Rochester
4. 594-604 Gladstone
5. 29, 33 Rochester
6. 170 Booth
7. 90-92 James
8. 220-222 Booth & 129-135 Primrose
9. 298 Arlington
10. 345 Waverley

There are a further 4 properties where Gowlings does not have information as to whether they currently receive public funds[22], these properties are:

1. 210 Gloucester
2. 163 James
3. 140 Bronson
4. 123 Stirling

The remainder of the properties are currently supported by public funds:

- Most properties have Operating Agreements in place;
- Nine properties are supported by “L01G” rent supplement agreements between CCOC and the City of Ottawa;
- A further property is supported by a “MM J83G” rent supplement agreement between the City of Ottawa and CCOC, and another a similar “RR M30G” rent supplement agreement;
- Two, possibly three, properties currently receive mortgage subsidies from CMHC;
- Eighteen properties are regulated by the *Housing Services Act* and receive operating subsidies, rent subsidies and property tax subsidies;
- Five properties have active operating agreements with the Province of Ontario and City of Ottawa, these five properties also have rent subsidy agreements with the City of Ottawa; and
- Finally, four more properties receive a mortgage subsidy. The specifics with regards to the mortgage subsidy (i.e. who from) have not been provided and could impact our analysis.

However, the legal test is not for each property to be supported by public funds individually but for the corporation, CCOC, to be supported in part by public funds. There is always litigation risk with presenting a broad interpretation of legislation. However, the law states that it is the entity that is to be supported in part by public (government) funds.[23] It is clear from the above that CCOC is supported through public funds and government initiatives to make its housing available to low income persons.[24] For this reason, we have considered all properties to have met the threshold requirement. Should this proceed to a hearing, MPAC may take an approach seeking to limit consideration to properties that are directly funded by government funds.

[22] According to documentation provided by CCOC, 210 Gloucester receives mortgage subsidies from CMHC, administered by the City of Ottawa, until its EOA Date (July 2020). Should CCOC receive its charitable status this year and file for an exemption before December 31, 2020, 210 Gloucester would be considered to be supported in part by public funds for the 2020 taxation year. Unless another form of government subsidy or funding was obtained for future years, it would be arguable but unlikely that it remains exempt from property taxation based on funding.

[23] *Causeway Foundation v. Ontario Property Assessment Corp., Region No. 3*, 2004 CarswellOnt 328, [2004] O.J. No. 214 at para 19.

[24] *Shooting Star Day Care/Guarderie Etoile Filante v. Ontario Property Assessment Corp., Region No. 30* 2005 CarswellOnt 3092, [2005] O.J. No. 3002, 12 M.P.L.R. (4th) 60, 140 A.C.W.S. (3d) 783 at para 8.

4. ***Land Owned, Used and Occupied by CCOC***

All the properties are used and occupied by CCOC to fulfill its purpose of providing community housing. To qualify for an exemption pursuant to paragraph 12 of subsection 3(1) of the Act, CCOC must own the lands. CCOC clearly owns, uses and occupies 41 of the properties reviewed. A breakdown of the ownership of lands is included in Appendix "**G**".

Of the 52 properties provided to Gowlings to review, CCOC leases 10. On 9 of the leased properties, CCOC owns the building but leases the land. Under the *Assessment Act*, "land" includes all buildings and structures.[25] Therefore, for the 9 leased properties where CCOC owns the building, CCOC is considered to own, use and occupy the building for the purposes of paragraph 12 of subsection 3(1) of the Act. The land that is not the building would remain subject to property taxation unless it falls under the additional exemption outlined below relating to municipal property.[26]

CCOC leases both the land and building from the City of Ottawa for 140 Bronson. No portion of the land would be considered "owned" by CCOC for the purposes of paragraph 12 of subsection 3(1) of the Act.

240 Presland is not owned or leased by CCOC. 240 Presland is a housing co-operative that is owned under a separate corporation "Centretown Citizens Housing Co-operative". CCOC controls the Co-Operative. This property is subject to an existing Operating Agreement which would allow the separate corporation to be supplied in part by public funds. The fact that CCOC controls the corporation is not sufficient for this property to qualify for exemption. The Co-Op would need to qualify on its own pursuant to the Act.[27] We do not have enough information at this time to determine that it would.

Exemption Status for Lands Leased from the City of Ottawa

CCOC leases the land and building from the City of Ottawa for 140 Bronson, and the land from the City for:

1. 598-616 MacLaren; 625-631 Gilmour;
2. 210 Gloucester;
3. 145 Clarence; and
4. 1138-1140 Richmond / 230-250 Hartleigh / 2341-2367 Midway.

Pursuant to the Act subsection 3(1) paragraph 9, land owned by a municipality, like the City of Ottawa, is exempt from taxation. The land is not exempt if occupied by a tenant who would be taxable if the tenant owned the land. We have previously determined that 598-616 MacLaren / 625-631 Gilmour would not qualify for an exemption based on the financials related to those properties.

The other four properties[28] are likely to qualify based on their financials. Should MPAC and the Court find that these properties meet all the other requirements for exemption pursuant to paragraph 12 of subsection 3(1) of the Act other than ownership, the lands (and building for 140 Bronson) should be exempt pursuant to s. 3(1) paragraph 9.

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[25] *Assessment Act*, s. 1(1), "land".

[26] The land owned by the Anglican Church would not qualify for an exemption as it is not for a place of worship or ancillary to one.

[27] *Causeway Foundation v. Ontario Property Assessment Corp., Region No. 3*, 2004 CarswellOnt 328, [2004] O.J. No. 214 (ONCA).

[28] 140 Bronson, 210 Gloucester, 145 Clarence, and 1138-1140 Richmond / 230-250 Hartleigh / 2341-2367 Midway.

Conclusion

We recommend pursuing exemptions, at least initially, for all properties that are in the "qualify", "likely qualify" and "may qualify" categories. This provides a stronger position for potential settlement with MPAC and the City and could result in property tax savings of more than $3,000,000 annually.

We would be pleased to discuss this opinion with you.

Sincerely,

for Roberto D. Aburto

RDA:mc
Attachments

cc: Michelle Cicchino, Gowling WLG (Canada) LLP
Michael Polowin, Gowling WLG (Canada) LLP
Colin Green, Gowling WLG (Canada) LLP

SUMMARY OF FINDINGS AND TAX SAVINGS

* only for building amount

QUALIFY

	Address	Annual Property Taxes	Tax Roll
1	515 MacLaren; 341 Lyon	$52,795.33	2 rolls
2	171 Armstrong; 277 Carruthers	$17,516.29	0614.073.701.54100.0000
3	163 James	$8,634.80	0614.063.101.11300.0000
4	369 Stewart	$6,825.53	0614.021.101.12500.0000
5	511 Bronson	$51,166.50	0614.063.101.71400.0000
6	54 Primrose East	$35,632.93	0614.063.201.55300.0000
7	100-102 Flora	$10,883.75	0614.042.201.28200.0000
8	50 James	$65,112.30	0614.042.101.15100.0000
9	50 Waverley	$8,081.23	0614.042.101.24700.0000
10	147 Hinchey	$28,235.19	0614.073.601.10800.0000
11	258 Argyle*	$130,539.88	0614.042.201.24900.0000
12	110 Nelson	$138,560.39	0614.020.601.43000.0000
13	500-504 Gilmour	$10,927.13	0614.042.101.04500.0000
14	283 Arlington	$5,664.15	0614.063.101.48600.0000
15	212-216 Caruthers	$6,420.71	0614.073.701.58300.0000
16	10 Stevens	$104,356.02	0614.031.201.02000.0000
17	151 Parkdale	$126,536.43	0614.073.601.27000.0000
18	100-200 Victory Gardens	along with 464 Metcalfe, 160 Argyle and 111 Catherine	0614.042.201.42010.0000
19	41 Florence	$7,191.20	0614.042.101.30700.0000
20	520 Bronson	$172,151.90	0614.063.301.01100.0000
21	530-544 McLeod	$22,661.02	2 rolls
22	706-712 Gilmour	$10,373.61	0614.063.101.10600.0000
23	111 Catherine	along with 464 Metcalfe, 160 Argyle and 1100-200 Victory Gardens	0614.042.201.42010.0000
24	287 Loretta; 289-293 Loretta	$16,061.41	0614.063.501.19500.0000
	Property Tax Savings:	**$905,787.82**	**plus building portion of $130,539.88 and portions of roll no. assigned to 464 Metcalfe**

LIKELY QUALIFY

	Address	Annual Property Taxes	Tax Roll No.
1	264 Lisgar	$204,459.32	0614.041.901.23500.0000
2	464 Metcalfe	$629,892.18	0614.042.201.42010.0000
3	145 Clarence	$163,715.73	0614.020.701.02200.0000
4	455 Lisgar	$121,781.39	0614.041.801.24500.0000
5	1138-1140 Richmond / 230-250 Hartleigh / 2341-2367 Midway	$52,384.09	0614.095.002.02300.0000
6	29, 33 Rochester*	along with 746-760 Albert	0614.063.401.31500.0000
7	415 Gilmour	$218,123.62	21 rolls
8	140 Bronson	$14,657.74	0614.062.901.17300.0000
9	258 Lisgar	$276,917.96	0614.041.901.02300.0000
10	220-222 Booth & 129-135 Primrose*	$15,214.13	3 rolls
11	210 Gloucester	$204,662.00	0614.041.801.13600.0000
12	20 Robinson	$67,095.58	0614.031.601.05800.0000
13	170 Booth*	$109,858.17	0614.063.401.30500.0000
14	345 Waverley	$57,624.33	0614.042.101.23400.0000
15	472-482 Gilmour 388-390 Kent	$33,490.44	2 rolls
	Property Tax savings:	**$2,044,804.38**	**plus building portions of 3 properties**

MAY QUALIFY

	Address	Annual Property Taxes	Tax Roll No.
1	202 Flora	$7,071.80	0614.063.101.40300.0000
2	746-760 Albert & 25/ 35-39 Rochester*	$69,606.75	0614.063.401.31500.0000
3	160 Argyle (tax roll and amount also for 29, 33 Rochester)	grouped in with 464 Metcalfe, 111 Catherine and 100-200 Victory Gardens	0614.042.201.42010.0000
4	298 Arlington	$18,973.52	0614.063.101.53500.0000
5	82-84 Putman	$6,987.13	0614.010.201.42700.0000
6	90-92 James	$15,326.70	2 rolls
7	143-153 Arlington	$15,703.10	0614.063.101.44800.0000
8	123 Stirling	$11,542.74	0614.073.701.48000.0000
9	1134-1144 Merivale/ 1361-1373 Mayview	$32,197.35	0614.084.802.16400.0000
	Property Tax savings:	**$107,802.34**	**plus building portion of $69,606.75**

DOES NOT QUALIFY

	Address	Reason	Annual Property Taxes
1	539-539A MacLeod	Financial	$7,278.02
2	594-604 Gladstone	Financial	$15,131.64
3	598-616 MacLaren; 625-631 Gilmour	Financial	$82,762.01
4	240 Presland	Ownership	$45,691.04
		Property Taxes that will continue to be owing:	**$150,862.71**

Centretown Citizens Ottawa Corporation

2021 Budget

October 15, 2020

Budget considerations

- What we know:
  - Limited revenue growth: annual rent increases are within the limits set by the rent review guideline and our funding agreements.
  - CCOC average rents are well below CMHC average rents. Turnovers on market rent units provide opportunity to reduce the gap.
  - Current mix is 55% RGI/ 45% Market units.
  - Costs growing faster than revenues. Mortgage, property taxes and maintenance costs account for 70% of total operating costs.
  - Capital reserves inadequate for repairs and improvements needed
- New Challenges
  - Rent freeze
  - High vacancy costs
  - High arrears
  - COVID: compliance costs and impact on tenants
- Opportunities
  - Shared services
    - Pest control in-house (2021/2022)
    - Property management (2021/2022)
  - CHTC and other grants (2020/2021)
  - Merger: potential modest incremental income. Impact on capital reserves to be determined (2021/2022)
  - Forward: work in progress on proformas. Plan is to have $0 CCOC equity contribution (2023)
  - Capital Repairs Co-investment bundle re. provincial portfolio: energy audit in progress (2022/2023)
  - Rent supplement agreement for Provincial portfolio post EOM (2023 and onwards)
  - CAP sites: pre-development feasibility work in progress. (TBD)
  - Charitable status: could save over $1M/year in property taxes and provide funds for internal subsidies (2023/2024)

2020 Forecast: projected break-even. Savings in Admin, utilities and mortgage are offset by high maintenance costs

	2019 Actual	2020 Budget	2020 Forecast	Forecast vs Budget	YTDAug 2020	YTD% of forecast	Forecast notes
Revenue	**22,058,267**	**22,723,680**	**22,703,070**	**-20,610**	**15,136,323**	67%	Commercial rent relief and low interest income
Mortgage costs	7,654,324	7,832,400	7,704,900	-127,500	5,194,810	67%	Arlington- interest only; Percy fully amortized
Maintenance costs	4,368,840	4,198,365	4,483,344	284,979	3,130,908	70%	Low budget for fire safety & unexpected repairs (pump repairs, sewage backup, elevator maintenance, exterior walls, etc.), $10K pandemic recognition gift, c. $50K Covid costs, and $25K write-off AR District
Administration	2,342,936	2,471,384	2,390,312	-81,072	1,485,099	62%	TCE grants, wage subsidy, and savings in conference and travel
Utilities	1,984,027	2,121,100	2,006,100	-115,000	1,327,920	66%	Heat budget overstated
Property Taxes	3,123,340	3,514,836	3,488,219	-26,617	2,312,814	66%	Tax credits net of Altus fees and supplemental tax on Arlington
Reserve contributions	1,869,211	1,909,330	1,909,330	0	804,735	42%	Additional contribution at year-end
Other expenses	595,409	622,607	693,251	70,644	454,380	66%	Low budget for Bad debt & Insurance
Total operating expenses	**21,938,088**	**22,670,022**	**22,675,456**	**5,434**	**14,710,667**	**65%**	
Other revenue & expenses	-24,396	39,357	-18,701	-58,058	-41,066		Development costs re CMHC Co-investment applications & CAP
Net income	**95,784**	**93,015**	**8,913**	**-84,102**	**384,591**		
Capital expenditures	-3,851,211	-2,483,936	-3,020,503	-536,567	-822,364		
Capital Grant/Funding	439,616	450,000	953,025	503,025	150,000		
Net Capex	**-3,411,595**	**-2,033,936**	**-2,067,478**	**-33,542**	**-672,364**		

Preliminary 2021 surplus projected at $361K before additional contribution to capital reserves

CCOC Operating Statements

	2019 Actual	2020 Budget	2020 Forecast	2021 Budget	2020 Fcast vs Budget	2021B / 2020 Fcast	2021B Var %	Comments
Revenue	**22,058,267**	**22,723,680**	**22,703,070**	**22,734,398**	**-20,610**	**31,328**	**0.1%**	Rent freeze offset by 2020 turnover rents and increase in parking rates
Mortgage costs	7,654,324	7,832,400	7,704,900	7,401,414	-127,500	-303,486	**-3.9%**	EOM Gloucester (Jul20), Robinson (Sep21) and savings on P64-P66 assuming debt renewed at 2.1%. Percy mortgage: asset fully amortized, only interest payment go to expenses but full impact (P+I) on cash
Maintenance costs	4,368,840	4,198,365	4,483,344	4,677,374	284,979	194,031	**4.3%**	Non-salary cost increased by 2%
Administration	2,342,936	2,471,384	2,390,312	2,525,142	-81,072	134,830	**5.6%**	Increase in salaries (1.2% COLA + 2% merit increase) and consulting fees (re. AROC, strategic plan)
Utilities	1,984,027	2,121,100	2,006,100	2,216,345	-115,000	210,245	**10.5%**	Rates increase & higher consumption with tenants staying home
Property Taxes	3,123,340	3,514,836	3,488,219	3,600,712	-26,617	112,492	**3.2%**	3% increase and no tax credit in 2021
Reserve contributions	1,869,211	1,909,330	1,909,330	1,220,688	0	-688,642	**-36.1%**	Only regular contribution in budget as of now
Bad debts	23,605	57,288	100,932	101,445	43,644	513	**0.5%**	Including allowance for doubtful accounts
Insurance	309,090	317,772	349,772	363,125	32,000	13,353	**3.8%**	Based on preliminary quote from Hapelnny
Other expenses	262,714	247,547	242,547	250,866	-5,000	8,319	**3.4%**	HP subsidy distributed, land rent, sales taxes and misc. (legal fees re. properties, rooming house licenses, mgmt fees to Bytown Options, condo fees…)
Total operating expenses	**21,938,088**	**22,670,022**	**22,675,456**	**22,357,113**	**5,434**	**-318,344**	**-1.4%**	
Other revenue & expenses	-24,396	39,357	-18,701	-15,986	-58,058	2,714	**-14.5%**	Management contracts & development costs
Net income	**95,784**	**93,015**	**8,913**	**361,299**	**-84,102**	**352,386**	**3953.6%**	

Adjustments pending:

Salaries	[ ]
CHTC grants	[ ]
Additional contribution to Capital replacement reserve	-300,000
Contingency (COVID, etc.)	-50,000
Adjusted net income	**11,299**

Projected revenue growth of 0.1% vs 2020

CCOC -2021 Budget by Portfolio

# units	26	30	430	723	97	258	127	2021	2020	2019
Portfolio	NHA 27	NHA 95	EOA	PROV	OTHER	BB	3rd Party	Budget	Forecast	Actuals
Revenue										
Market rent-RGI units	260,747	100,034	1,837,331	6,134,857	513,998	2,149,319	0	**10,996,287**	10,944,792	10,599,144
Market rent-Market Units	100,999	276,969	3,752,571	2,801,445	593,566	1,391,692		**8,917,242**	8,811,312	8,515,534
Market rent	**361,746**	**377,004**	**5,589,902**	**8,936,302**	**1,107,565**	**3,541,011**	0	**19,913,529**	**19,756,104**	**19,114,678**
Subsidies to tenants - Government funded	-176,724	0	-487,944	-3,330,504	-154,116	-1,368,012	0	**-5,517,300**	-5,379,888	-5,266,696
Subsidies to tenants - Gap with Indexed benchmark rents	0	0	0	-894,780	0	0		**-894,780**	-856,004	-804,284
Subsidies to tenants - CCOC funded	-2,664	-51,132	-563,376	-10,680	-75,420	-103,428	0	**-806,700**	-719,224	-690,977
Rent before vacancy cost	**182,358**	**325,872**	**4,538,582**	**4,700,338**	**878,029**	**2,069,571**	**0**	**12,694,749**	**12,800,988**	**12,352,722**
Vacancy cost	-5,788	-6,032	-89,438	-142,981	-17,721	-56,656	0	**-318,616**	-306,756	-237,971
Rent received from tenants	**176,570**	**319,840**	**4,449,143**	**4,557,357**	**860,308**	**2,012,915**	**0**	**12,376,133**	**12,494,232**	**12,114,751**
Interest rate reduction subsidy	14,508	3,564	0	0	0	0	0	**18,072**	19,260	19,300
RGI supplement	176,724	0	487,944	0	154,116	1,368,012	0	**2,186,796**	2,103,564	2,069,783
Provincial Rent subsidy	0	0	0	3,330,504	0	0	0	**3,330,504**	3,276,324	3,196,912
Provincial Property tax subsidy				1,583,863				**1,583,863**	1,530,358	1,456,930
Provincial Operating subsidy	0	0	0	125,201	0	0	0	**125,201**	152,330	158,644
Provincial affordability payment	0	0	0	0	28,371	612,476	0	**640,847**	667,728	667,743
Alternative HP subsidy	0	0	0	78,096	0	0	0	**78,096**	78,432	76,617
Geothermal fees	0	0	0	0	0	221,934	0	**221,934**	216,444	218,029
Electricity fees	0	0	0	0	0	82,405	0	**82,405**	85,352	78,923
Commercial rent	0	0	123,755	24,636	0	55,749	0	**204,140**	223,582	204,319
Amortization of deferred contribution	0	0	0	0	92,618	723,054	0	**815,672**	815,676	815,672
Parking	13,680	13,680	114,420	320,220	30,030	140,220	0	**632,250**	611,940	528,945
Laundry	3,383	9,211	59,554	157,221	10,488	54,183	0	**294,041**	296,040	298,665
Interest income	0	0	0	0	12,300	49,948	0	**62,248**	64,428	83,958
Sundry	972	0	19,259	54,946	918	6,102	478,758	**560,954**	468,960	520,398
	385,837	**346,295**	**5,254,075**	**10,232,044**	**1,189,149**	**5,326,999**	**478,758**	**23,213,156**	**23,104,650**	**22,509,590**

- Total operating revenue (before revenue from Unity) projected at $22.7M for 2021 or $31K increase from 2020 forecast.

>Rent and operating subsidies increase by $164K, partially offset by a $118K decrease in Rent received from tenants. Rent mix: 55% RGI / 45% Market Units.

Rent freeze in effect from Jan-Dec 2021. Also assumed increase in vacancy costs (1.6% of market rent compared to 1.1% in past 3 years)

>Affordability payment on P64-68 decrease by $27K, proportionally to the expected savings in mortgage costs assuming the Primrose and BB debts are renewed at a 2.1% interest rate in March and Sep respectively (vs 4.4% - 5.5% currently).

>Commercial rent decreased by 19K. One tenant budgeted at $0 as she implied she may not renew her lease in January. **(pending: add back rent)**

>$20K increase in parking revenue assumed $5 increase in parking rates and full occupancy

>$15K Full year impact of Freedom mobile new roof rental at 455 Lisgar.

- Management contract revenue with Unity projected at $479K, with a net margin of $34K.

Projected expense growth of 1.8% vs 2020

# units	26	30	430	723	97	258	127	2021	2020	2019
Portfolio	**NHA 27**	**NHA 95**	**EOA**	**PROV**	**OTHER**	**BB**	**3rd Party**	**Budget**	**Forecast**	**Actuals**
Expenses										
Administration	42,113	48,592	692,424	1,170,251	157,113	414,650	0	**2,525,142**	2,390,312	2,342,936
Alternative HP subsidy distributed	0	0	0	93,276	0	0	0	**93,276**	93,432	91,617
Property taxes	77,750	69,108	1,061,500	1,583,863	159,701	648,789	0	**3,600,712**	3,488,219	3,123,340
Mortgage	79,215	77,302	209,856	3,589,222	385,504	3,060,315	0	**7,401,414**	7,704,900	7,654,324
Bad Debts	1,413	2,968	39,915	34,164	6,882	16,103	0	**101,445**	100,932	23,605
Geoexchange fees	0	0	0	0	0	261,791	0	**261,791**	256,656	251,625
Heat	11,086	3,699	154,362	217,391	35,038	35,457	0	**457,033**	403,220	393,553
Hydro	15,883	8,944	143,340	308,857	24,494	238,435	0	**739,953**	670,228	695,078
Water	12,221	15,579	180,544	399,149	48,690	101,387	0	**757,569**	675,996	643,771
Insurance	5,304	5,850	83,393	160,744	19,075	88,757	0	**363,125**	349,772	309,090
Land rent	0	0	7,694	21,096	1	0	0	**28,790**	28,756	25,357
Maintenance and repairs	98,460	119,181	1,253,896	2,076,633	317,025	812,179	444,744	**5,122,118**	4,845,567	4,723,585
Provision for capital replacements	33,003	22,787	365,755	586,834	49,835	162,474	0	**1,220,688**	1,909,330	1,869,211
Miscellaneous	237	1,227	3,408	28,705	1,061	3,730	0	**38,368**	37,163	75,580
Sales taxes	1,982	1,775	23,612	39,169	5,708	18,186	0	**90,432**	83,196	70,160
	378,668	**377,012**	**4,219,696**	**10,309,355**	**1,210,129**	**5,862,252**	**444,744**	**22,801,856**	**23,037,679**	**22,292,833**
Development cost			**-50,000**					**-50,000**	**-58,058**	**-120,973**
Net Income	**7,169**	**-30,718**	**984,379**	**-77,311**	**-20,980**	**-535,253**	**34,014**	**361,299**	**8,913**	**95,784**
DCR	**1.09**	**0.60**	**5.69**	**0.98**	**0.95**	**0.83**		**1.05**	**1.00**	**1.01**

- Total operating expense (before provision for capital replacement and management contract) projected at $21.1M for 2021 i.e. $370K or 1.8% increase from 2020 forecast.
- Geothermal fees: the rate agreement with CORIX locked increases at 2% for next 3 years starting Jan. To help offset this cost, we recommend a 2.5% increase in geothermal charged to tenants starting April 2021. The plan is to get back to a calendar year cycle for fee adjustment by 2024.
- Insurance cost with HSC would have been $418K ie. 19% increase from current charges.
- Maintenance and repairs:
    - Non-salary cost increased by 2%, mainly attributable to COVID costs (extra cleaning/sanitizing and supplies), in-suite and turnover repairs.
    - Assumed status quo for pest control

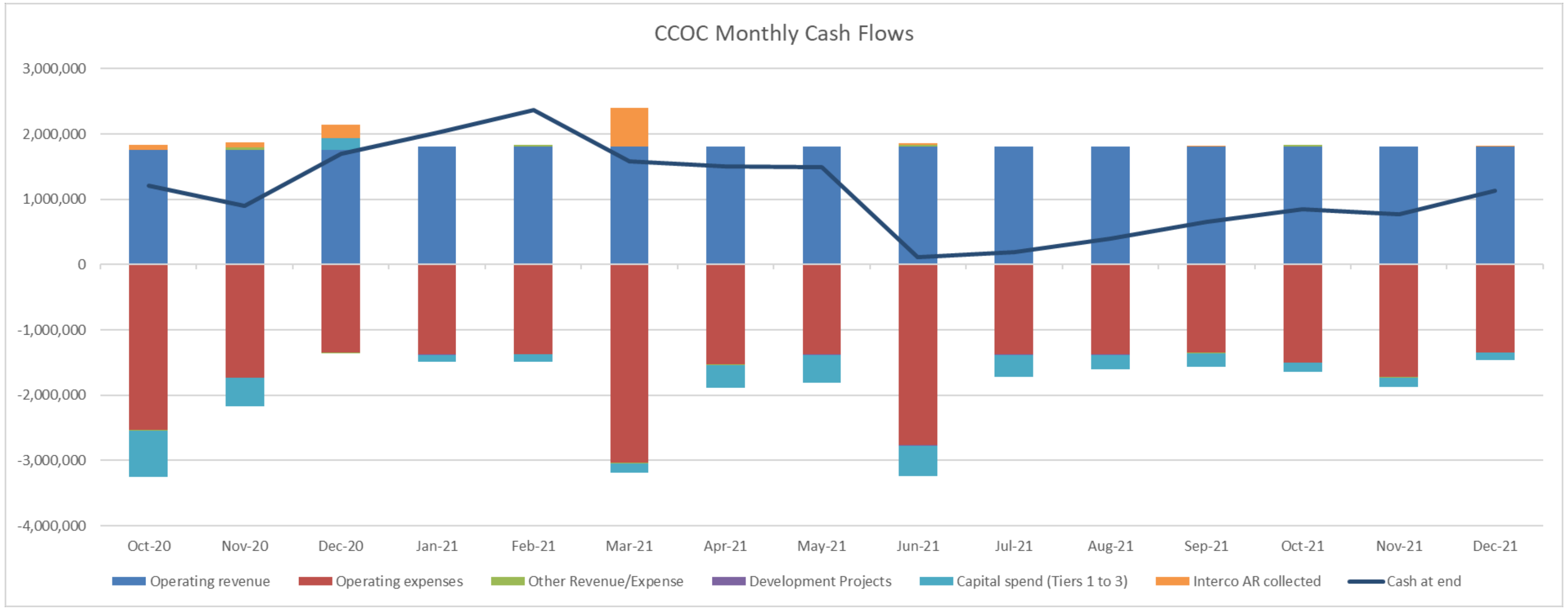
Admin cost allocated to properties

Administration Costs

			2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Forecast	2021 Budget
	Salaries & benefits		1,433,663	1,667,910	1,678,838	1,674,173	1,674,173	1,772,910
	Advertising and rent-up		11,951	14,105	8,157	12,504	12,504	9,000
	Office occupancy		108,466	169,243	200,839	179,820	199,820	175,032
	Staff conferences, training and travel		33,143	32,678	41,708	50,448	35,448	31,208
	Audit		25,250	26,300	26,496	27,996	32,996	30,000
	Legal and professional		20,746	34,504	7,363	24,996	34,996	20,000
	Office administration		192,844	262,642	214,462	221,472	216,472	239,700
	Bank charges		25,656	36,399	38,533	39,000	42,000	38,622
	Corporate		71,672	87,734	69,101	55,860	75,860	96,529
	Tenant and Community engagement		25,973	22,645	33,650	44,175	30,270	39,425
	Amortization of capital assets		66,488	68,600	161,546	160,944	222,277	219,047
*	Cost recovery		-90,907	-89,796	-137,757	-20,004	-186,504	-146,330
	General Admin	A	**1,924,945**	**2,332,964**	**2,342,936**	**2,471,384**	**2,390,312**	**2,525,142**
*	Add back: CCHC Management fees	B	39,717	48,258	48,239		49,376	51,840
	# of Units (CCOC, CCHC and 1/2 Commercial)	C	**1,595**	**1,579**	**1,595**	**1,602**	**1,591**	**1,591**
	Cost per unit	**D=(A+B)/C**	**1,232**	**1,508**	**1,499**	**1,543**	**1,533**	**1,620**
	Salaries & benefits		2,183,560	2,009,946	1,998,926	2,172,654	2,149,927	2,344,376
	Maintenance charged out		-1,590,548	-1,513,626	-1,422,216	-1,534,619	-1,534,619	-1,629,286
	Other Maintenance (incl. COVID costs)		344,029	292,346	203,683	231,850	274,569	401,536
	Maintenance Admin		**937,041**	**788,666**	**780,394**	**869,885**	**889,877**	**1,116,625**
	# of Units (incl. Unity)		**1,722**	**1,706**	**1,722**	**1,729**	**1,718**	**1,718**
	Cost per unit	**E**	**544**	**462**	**453**	**503**	**518**	**650**
	Total Cost per Unit	**D+E**	**1,776**	**1,970**	**1,952**	**2,046**	**2,051**	**2,270**

- Adjustments pending:
  - Pest control coordinator: 50% recoverable
  - Fire safety: 80% recoverable
- Administration cost recovery includes TCE grants, management fees charged to CCHC/Condo, Cahdco rent, etc.

Below minimum cash level of $2M throughout the year



	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Operating revenue	1,757,675	1,759,200	1,758,894	1,805,024	1,804,728	1,804,403	1,804,963	1,803,734	1,803,414	1,803,472	1,804,055	1,802,898	1,802,184	1,801,803	1,802,306
Operating expenses	-2,535,135	-1,729,555	-1,351,931	-1,370,340	-1,370,340	-3,035,696	-1,527,617	-1,369,389	-2,766,888	-1,371,533	-1,371,532	-1,349,454	-1,499,093	-1,722,146	-1,340,865
Other Revenue/Expense	-6,981	33,019	-6,981	-7,166	32,834	-7,166	-7,166	-7,166	32,834	-7,166	-7,166	-7,166	32,834	-7,166	-7,166
Development Projects	0	0	0	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167
Capital spend (Tiers 1 to 3)	-709,699	-435,468	173,052	-100,592	-118,092	-134,422	-344,422	-429,422	-464,422	-342,554	-217,554	-202,554	-144,221	-144,221	-110,390
Interco AR collected	75,000	75,000	215,000	0	0	595,000	0	0	20,000	0	0	20,000	0	0	20,000
Cash at end	1,203,982	906,178	1,694,211	2,016,971	2,361,934	1,579,887	1,501,479	1,495,069	115,841	193,894	397,531	657,088	844,626	768,730	1,128,449
Cash at beginning	2,623,123	1,203,982	906,178	1,694,211	2,016,971	2,361,934	1,579,887	1,501,479	1,495,069	115,841	193,894	397,531	657,088	844,626	768,730

- Assumed CCHC partially pays down its debt to CCOC, $20K/quarter (TBC).
- Assumed Champlain sale closed early 2021 and remaining Cahdco debt fully paid in March 2021. Forward and CAP sites not reflected in here.
- Assumed only tiers 1-3 capital spend (ie. $2.6M spend on total budget of $4.1M)
- Facilities:
  - $500K CCOC line of credit – RBC prime rate (currently 2.45%) + 1%
  - $1M Cahdco credit facility secured by CCOC properties – RBC prime rate +0.5%
- **Impact of budget pressures on staff:**
  - No planned layoffs
  - New staff only with positive business case
  - Board needs to decide on Annual Salary Adjustments

Annual Salary Adjustments

Annual Salary Adjustments

1. COLA

C.P.I.	April	May	June	July	August
Canada	-0.2	-0.4	0.7	0.1	0.1
Ontario	-0.1	-0.4	0.4	0.0	0.1
Ottawa	0.8	0.3	1.2	0.9	0.9

https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1810000402

2.3 Cost of Living Adjustments (COLA) - Section 9.2

When the Board determines that it can adjust salary ranges, COLA will be based on the June Consumer Price Index for Ottawa. Increases would be effective as of the next January 1st.

Annual Salary Adjustments

Affordability

1. COLA

9.2 Cost of Living Adjustments

The Board intends to annually adjust salary ranges and salaries for all regular and term employees by an amount which reflects increases in the cost of living. Such adjustments are subject to CCOC's ability to afford them. If, in any year, the Board perceives that cost of living increases cannot be provided, consultation with employees will take place before the Board makes a final decision.

Generally, the Board will not reduce salaries in years of negative inflation.

Annual Salary Adjustments

Affordability

2. Performance pay

9.3.3 Consideration of Affordability

Salary increases noted in 9.3.1. and 9.3.2. are subject to CCOC's ability to afford them. If, in any year, the Board perceives that salary increases cannot be provided, consultation with employees will take place before the Board makes a final decision.

In the years where the Board perceives that budgets will allow increases for cost of living adjustments or salary increases, but not both, staff will receive cost of living adjustments.

Annual Salary Adjustments

Affordability: Board of Directors Decision

	Ave 2% performance raise	Ave 2% performance one-time-bonus	No performance pay
1.2% COLA (June 2019 -June 2020)	Default	Saves us $0 in 2021, $75k in 2022+	Saves $75k in 2021 and onwards
.82% COLA (ave April-Aug)	Saves $17k	Saves $17k 2021, $92k in 2022+	Saves $92k in 2021 and onwards
No COLA	Saves $50k	Saves $50k in 2021 and $125k in 2022+	

CCHC

CCHC: Mortgage is paid off in March 2021

CCHC Statement of Operations

	2019 Actual *(audited)*	2020 Budget *(approved)*	2021 Budget *(prelim. draft)*
Revenue			
Market rent	330,558	338,254	338,254
Subsidies to tenants	-126,384	-129,814	-135,444
Rent before vacancy cost	204,174	208,439	202,810
Vacancy cost	-1,616	-13,530	-5,416
Rent received from tenants	**202,558**	**194,909**	**197,394**
Rent supplement	126,384	129,814	135,444
Federal co-op assistance	79,376	79,291	13,238
Parking	7,744	13,200	13,320
Laundry	8,395	8,052	8,954
Amortization of deferred contribution	12,899		0
Sundry	936	864	910
	438,292	**426,131**	**369,260**
Expenses			
Administration	48,239	47,049	51,831
Amortization of capital assets	157,988	156,017	20,295
Appropriation to capital replacement reserve	12,367	12,367	42,367
Appropriation to security of tenure reserve	1,286	1,399	1,432
Bad Debts	-274	3,000	1,581
Bank charges	52	0	0
Heat	1,592	2,926	213
Hydro	6,427	7,702	9,302
Insurance	5,092	5,169	5,944
Interest	6,822	0	6,822
Maintenance and repairs	96,621	108,391	116,295
Miscellaneous	31	0	0
Mortgage interest paid	18,693	15,335	108
Property taxes	43,791	44,973	47,062
Professional fees	9,898	6,114	6,171
Sales taxes	1,399	1,717	1,607
Water	14,149	13,972	15,219
	424,173	**426,131**	**326,248**
Excess of revenue over expenses for the year	**14,119**	**0**	**43,012**

Replacement Reserve:			
Opening Balance	2,243	21,295	662
Capital Projects	(1,715)	(33,000)	(37,556)
Additional funding received	8,400	-	-
Annual Allocation	12,367	12,367	12,367
Additional contribution			30,000
Closing Balance	**21,295**	**662**	**5,473**

- Annual savings on mortgage of c. $90K
- Trade-off between paying down Due to CCOC and contribution to capital reserves.
- What are our priorities? Budget and cash flows to update accordingly.

Capital Budget

Planned capital expenditures for 2021 is $4.1M…

2021 Capital Projects

Project #	Project Name	Priority	Description	EOA	NHA 27	NHA 95	PROV	OTHER	BB	CCOC Total Capex	CCHC	CCOC+CCHC Total Capex
2021-1	Percy School Landscape	1	Landscaping and drainage	200,000	-	-	-	-	-	200,000	-	200,000
2021-2	Emergency Lighting (various properties)	1	Update fire protection emergency lights buildings 11, 17, 26, 36, 52, 60,35,28	66,576	-	-	97,962	10,462	-	175,000	-	175,000
2021-3	Bronson Booster Pumps	1	Deferred from 2020	-	-	-	80,000	-	-	80,000	-	80,000
2021-4	345 Waverly Boilers	1	DHW	80,000	-	-	-	-	-	80,000	-	80,000
2021-5	Rochester balcony columns	1	Various footings for balconies and carport columns defective	200,000	-	-	-	-	-	200,000	-	200,000
2021-6	258 Lisgar Sump pumps	1	Basement sump pumps	15,000	-	-	-	-	-	15,000	-	15,000
2021-11	Parkdale pumps	1	circulation and booster pumps	-	-	-	70,000	-	-	70,000	-	70,000
2021-12	163 James masonry repair	1		-	-	-	-	15,000	-	15,000	-	15,000
2021-16	210 Gloucester balcony repairs	1	Concrete repairs and waterproofing	350,000	-	-	-	-	-	350,000	-	350,000
C	Contingency	1		80,391	4,918	5,675	136,570	18,348	48,045	293,947	6,053	300,000
C-1	Unplanned fire systems contingency	1	Budget allocated across properties with lobbies.	18,903	2,298	-	69,974	6,893	18,590	116,658	3,342	120,000
T	Turnover	1		51,862	3,156	3,641	87,632	11,773	30,829	188,893	3,884	192,777
I	Insuite	1		40,303	2,466	2,845	68,467	9,198	24,087	147,365	3,035	150,400
X-1	Balcony inspections AND PM	1	Various properties ongoing program	40,195	2,459	2,837	68,285	9,174	24,023	146,974	3,026	150,000
X-4	Accessibility and aging in place modifications	1	Various properties ongoing program	26,797	1,639	1,892	45,523	6,116	16,015	97,982	2,018	100,000
2021-13	LED upgrades	2	27,35, note exit and emergency light at some too	-	-	-	65,000	-	-	65,000	-	65,000
2021-15	Parking lot asphalt surface 258 Lisgar	2	Create smooth surface for servicing garbage and recyle	60,000	-	-	-	-		60,000	-	60,000
2021-18	Civil Works - Beaver Barracks	2	Sink holes and catchbasin	-	-	-	-	-	30,000	30,000	-	30,000
X-2	Lobby security improvements and environmental security	2	Various properties ongoing program	26,797	1,639	1,892	45,523	6,116	16,015	97,982	2,018	100,000
X-3	Ongoing common area paint	3	Various properties ongoing program	32,156	1,967	2,270	54,628	7,339	19,218	117,579	2,421	120,000
X-5	Lobby refreshment	3	Various properties ongoing program	40,195	2,459	2,837	68,285	9,174	24,023	146,974	3,026	150,000
R	Redecorating	3	Various properties ongoing program	15,801	984	1,135	27,314	3,670	9,609	58,512	1,211	59,723
2021-7	147 Hinchey	4	Envelope scheme	-	-	-	400,000	-	-	400,000	-	400,000
2021-9	Window replacement	4	Window replacement lyon, gilmore/kent & McLeod, both Flora, 41 florence	73,529	-	-	147,059	29,412	-	250,000	-	250,000
2021-10	Midway Windows and doors	4	update windows and doors	-	-	-	-	250,000	-	250,000	-	250,000
2021-14	Small masonry repairs various properties	4		13,398	820	946	22,762	3,058	8,008	48,991	1,009	50,000
2021-8	Boiler/Furnace replacement	4	Replace boilers and furnaces at various smaller properties. Includes project level contingency.	194,700	11,000	11,000	60,500	66,000	-	343,200	-	343,200
2021-17	Timber repairs	5	Planters and low rise balconies	20,098	1,230	1,419	34,142	4,587	12,011	73,487	1,513	75,000
2021-19	Timer wall 240 Presland	5	Timber wall	-	-	-	-	-	-	-	5,000	5,000
G	Grant placeholder	G		-	-	-	-	-	-	(100,000)	-	(100,000)
Total				**1,646,702**	**37,034**	**38,388**	**1,649,627**	**466,320**	**280,473**	**4,018,544**	**37,556**	**4,056,100**

Capital expenditure - by tiers	Priority
Should be kept (incl. some deferred already)	1
Priority issues that should be retained	2
Important tenant relations work	3
Potential short term deferral	4
Run to failure - Planters and low rise balconies	5

… but what can we afford it?

# units		26	30	430	723	97	258	127	2021	2020	2019
Portfolio		**NHA 27**	**NHA 95**	**EOA**	**PROV**	**OTHER**	**BB**	**3rd Party**	**Budget**	**Forecast**	**Actuals**
Capital Replacement Reserve											
Opening balance		**145,851**	**1,937,504**	**833,430**	**5,104,493**	**14,915**	**614,845**		**8,651,038**	**8,809,186**	**8,997,591**
Capital Expenditure		-37,034	-38,388	-1,646,702	-1,649,627	-466,320	-280,473		**-4,118,544**	-3,020,503	-3,851,211
Provision for capital replacements		33,003	22,787	365,755	586,834	49,835	162,474		**1,220,688**	1,909,330	1,869,211
Capital Grant/Funding				33,333	33,333	33,333			**100,000**	953,025	439,616
Interest on capital replacement reserve									**0**	0	477,794
Interfund transfers									**0**	0	876,185
Ending balance		**141,820**	**1,921,903**	**-414,184**	**4,075,034**	**-368,237**	**496,846**		**5,853,182**	**8,651,038**	**8,809,186**
Capital expenditure - by tiers	**Priority**										
Should be kept (incl. some deferred already)	1	16,935	16,890	1,170,026	724,415	86,964	161,589		**2,176,819**		
Priority issues that should be retained	2	1,639	1,892	86,797	110,523	6,116	46,015		**252,982**		
Important tenant relations work	3	5,410	6,242	88,153	150,227	20,183	52,850		**323,065**		
Potential short term deferral	4	11,820	11,945	281,628	630,320	348,470	8,008		**1,292,191**		
Run to failure - Planters and low rise balconies	5	1,230	1,419	20,098	34,142	4,587	12,011		**73,487**		
Total		**37,034**	**38,388**	**1,646,702**	**1,649,627**	**466,320**	**280,473**		**4,118,544**		
										Top up	**Net surplus**
	1+2	**18,574**	**18,782**	**1,256,823**	**834,938**	**93,080**	**207,604**		**2,429,801**	**24,305**	**336,994**
	1+2+3	**23,984**	**25,024**	**1,344,976**	**985,165**	**113,263**	**260,454**		**2,752,866**	**127,638**	**233,662**
	1+2+3+4	**35,804**	**36,969**	**1,626,604**	**1,615,485**	**461,733**	**268,462**		**4,045,057**	**757,736**	**-396,436**

- Adjustments pending: Move Gloucester from NHA95 to EOA in 2021 opening balance.

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1 Staff meeting Oct 14
Finance Committee Oct 15
Board Oct 28

October 14, 2020 All-Staff Meeting

Staff meeting Oct 14
Finance Committee Oct 15
Board Oct 28

October 14, 2020 All-Staff Meeting

- CCOC is impacted by, and we have to respond to, the world around us, including the pandemic
- CCOC's Values include:

  Inclusive, Open Decision Making: Decisions which are open and inclusive in the way they are made, communicated and implemented

- As staff, we have the opportunity to comment before the Board makes a decision on Annual Salary Adjustments

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Finance Committee Oct 15
Board Oct 28

2021 Budget: Pressures and Uncertainty

1. **Rent Freeze:** 0% increase on all rents (vs 1.5%)
2. **Vacancy costs:** higher in pandemic (3 mo, 6mo, 12 mo??)
3. **Arrears:** growing and many tenants not paying full rent
4. **COVID supplies:** 3 mo, 6mo, 12 mo??
5. **Long-term financial challenge:** Already known before pandemic
   - “EOM”: what happens to gov’t $ when mortgages paid off?
   - Costs growing faster than revenues

2021 Budget: possible solutions

2021:

1. **Draft budget trims costs:** limits cost increase below **2%**
2. **Capital Repairs:** cut added contribution to ¼ - ½ of $1M plan
3. **Pest Control in-house:** may save $100k/year

Future:

4. **New Forward Dev't:** planning $0 CCOC cash, + surplus 2022+
5. **Merger:** "buying" 100-unit building for free, + surplus 2022+
   Studying impact on capital reserves
6. **Charitable status:** could save/earn $1M+/year (will take years)

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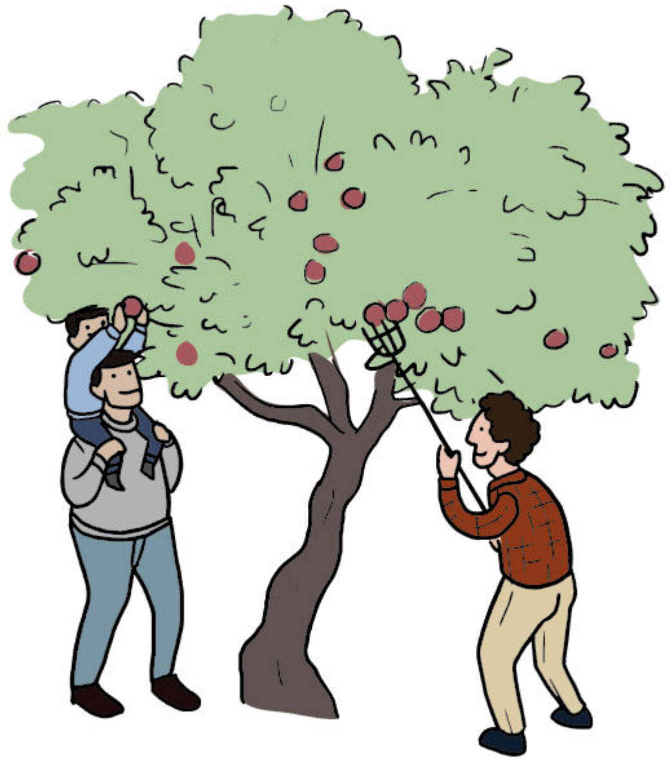
Questions?



2021 Budget Pressures and Uncertainty

Impact on staff:

- No planned layoffs for full time staff
- New staff only with positive business case
- Board needs to decide on Annual Salary Adjustments

Questions?

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Annual Salary Adjustments

1. COLA
2. Performance pay

C.O.L.A. = Cost of Living Adjustment

A CCOC practice for annual increases to make up for inflation, based on the Consumer Price Index (C.P.I.)

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Board Oct 28

Annual Salary Adjustments

1. COLA

C.P.I.	April	May	June	July	August
Canada	-0.2	-0.4	0.7	0.1	0.1
Ontario	-0.1	-0.4	0.4	0.0	0.1
Ottawa	0.8	0.3	1.2	0.9	0.9

https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1810000402

2.3 Cost of Living Adjustments (COLA) - Section 9.2

When the Board determines that it can adjust salary ranges, COLA will be based on the June Consumer Price Index for Ottawa. Increases would be effective as of the next January 1st.

Annual Salary Adjustments

1. COLA
2. Performance pay

Performance pay (section 9.3 Policies of Employment)

9.3.1.1 **Good Performance = 2%**
9.3.1.2 **Exemplary Performance = 3%**
9.3.1.3 **Less Than Good Performance = 0%** (must be documented in advance)

Eligible after first six months employment

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Annual Salary Adjustments

Affordability

1. COLA

9.2 Cost of Living Adjustments

The Board intends to annually adjust salary ranges and salaries for all regular and term employees by an amount which reflects increases in the cost of living. Such adjustments are subject to CCOC's ability to afford them. If, in any year, the Board perceives that cost of living increases cannot be provided, consultation with employees will take place before the Board makes a final decision.

Generally, the Board will not reduce salaries in years of negative inflation.

Annual Salary Adjustments

Affordability

2. Performance pay

9.3.3 Consideration of Affordability

Salary increases noted in 9.3.1. and 9.3.2. are subject to CCOC's ability to afford them. If, in any year, the Board perceives that salary increases cannot be provided, consultation with employees will take place before the Board makes a final decision.

In the years where the Board perceives that budgets will allow increases for cost of living adjustments or salary increases, but not both, staff will receive cost of living adjustments.

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Annual Salary Adjustments

Affordability: Board of Directors Decision

	Ave 2% performance raise	**Ave 2% performance one-time-bonus**	**No performance pay**
1.2% COLA (June 2019 -June 2020)	3.2% pay increase (most staff)	1.2% pay increase (All) 2% one-time bonus (most staff)	1.2% pay increase
.82% COLA (ave April-Aug)	2.82% pay increase (most staff)	.82% pay increase (All) 2% one-time bonus (most staff)	0.82% pay increase
No COLA	2.0% pay increase (most staff)	2% one-time bonus (most staff)	0% pay increase

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Annual Salary Adjustments

Affordability: Board of Directors Decision

	Ave 2% performance raise	**Ave 2% performance one-time-bonus**	**No performance pay**
1.2% COLA (June 2019 -June 2020)	Default	Saves us $0 in 2021, $75k in 2022+	Saves $75k in 2021 and onwards
.82% COLA (ave April-Aug)	Saves $17k	Saves $17k 2021, $92k in 2022+	Saves $92k in 2021 and onwards
No COLA	Saves $50k	Saves $50k in 2021 and $125k in 2022+	

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Annual Salary Adjustments

	Ave 2% performance raise	Ave 2% performance one-time-bonus	No performance pay
1.2% COLA (June 2019 -June 2020)	A	B	C
.82% COLA (ave April-Aug)	D	E	F
No COLA	G	H	I

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Finance Committee Oct 15
Board Oct 28

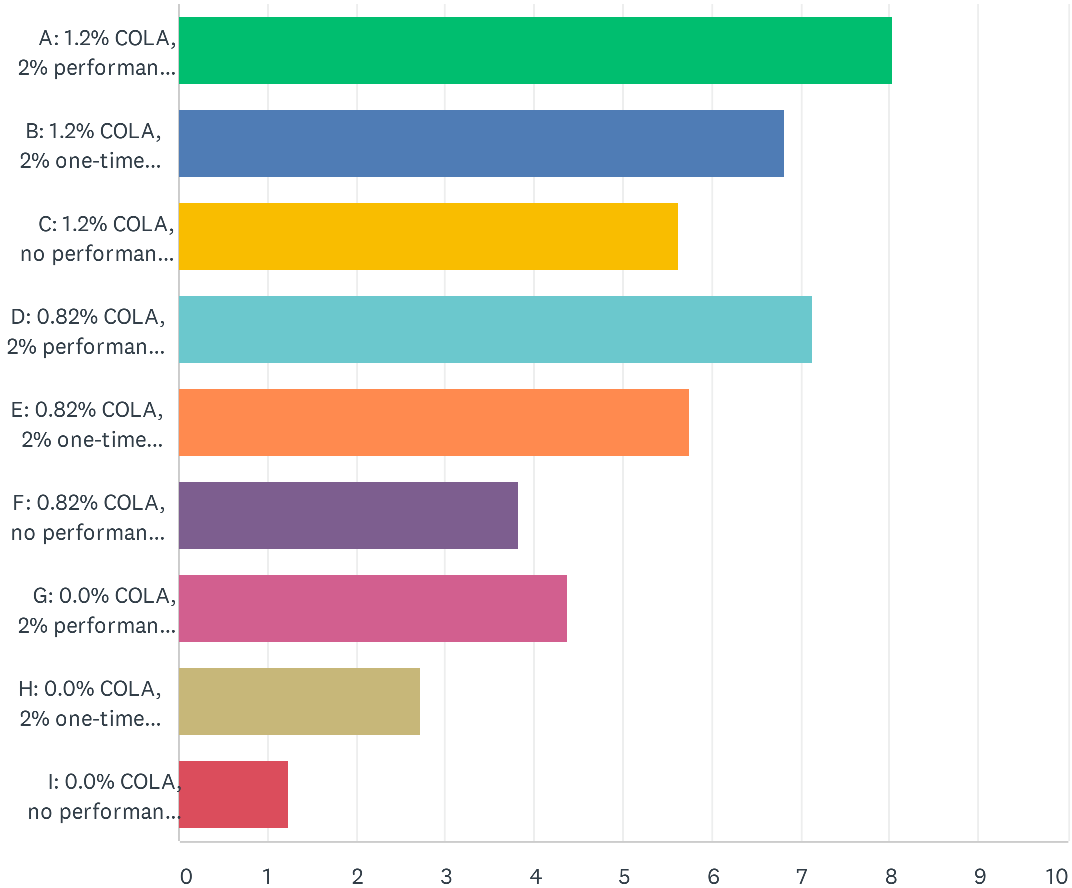
Annual Salary Adjustments

Next Steps:

1. **Staff Survey by e-mail:** rank options 1-9 (Oct 14-22)
2. **Feedback to Director**: in weekly team meeting, or 1:1
3. **Finance Committee:** Oct 15
4. **Board Oct 28:** Survey results and all staff feedback
   Board decision built into draft 2021 budget
5. **Report to Staff:** Oct 29 Ray will report Board decision

Q1 Rank these options for 2021 salary increases (1=first choice, 9=last choice)

Answered: 33   Skipped: 3



Staff Survey on 2021 Salary Increases

	1	2	3	4	5	6	7	8	9	TOTAL	SCORE
A: 1.2% COLA, 2% performance raise (for most staff)	69.70% 23	15.15% 5	0.00% 0	3.03% 1	3.03% 1	3.03% 1	0.00% 0	3.03% 1	3.03% 1	33	8.03
B: 1.2% COLA, 2% one-time performance bonus (for most staff)	10.34% 3	34.48% 10	17.24% 5	24.14% 7	6.90% 2	0.00% 0	3.45% 1	0.00% 0	3.45% 1	29	6.83
C: 1.2% COLA, no performance pay	13.33% 4	0.00% 0	23.33% 7	6.67% 2	26.67% 8	16.67% 5	13.33% 4	0.00% 0	0.00% 0	30	5.63
D: 0.82% COLA, 2% performance raise (for most staff)	6.67% 2	36.67% 11	26.67% 8	23.33% 7	6.67% 2	0.00% 0	0.00% 0	0.00% 0	0.00% 0	30	7.13
E: 0.82% COLA, 2% one-time performance bonus (for most staff)	0.00% 0	10.71% 3	14.29% 4	32.14% 9	28.57% 8	10.71% 3	3.57% 1	0.00% 0	0.00% 0	28	5.75
F: 0.82% COLA, no performance pay	0.00% 0	6.90% 2	3.45% 1	6.90% 2	6.90% 2	31.03% 9	13.79% 4	31.03% 9	0.00% 0	29	3.83
G: 0.0% COLA, 2% performance raise (for most staff)	3.33% 1	0.00% 0	16.67% 5	3.33% 1	13.33% 4	23.33% 7	30.00% 9	10.00% 3	0.00% 0	30	4.37
H: 0.0% COLA, 2% one-time performance bonus (for most staff)	0.00% 0	0.00% 0	0.00% 0	0.00% 0	7.14% 2	10.71% 3	32.14% 9	46.43% 13	3.57% 1	28	2.71
I: 0.0% COLA, no performance pay	0.00% 0	0.00% 0	0.00% 0	3.45% 1	0.00% 0	0.00% 0	0.00% 0	6.90% 2	89.66% 26	29	1.24

Q2 What are your comments for the Board of Directors?

Answered: 18 Skipped: 18

#	RESPONSES	DATE
1	I rely on these scheduled raises. The world isn't getting any cheaper and I don't make a lot of money.	10/21/2020 1:26 PM
2	I decided not to rank the options. While I appreciate the opportunity to learn about the challenges and options being presented, I feel that: (1) it is only natural for staff to want the usual salary increases; and (2) it is really a decision for the Board to make based on what CCOC can realistically afford and at what cost. Maybe a couple of comments for consideration... If I am understanding the savings chart correctly, it looks like the savings in 2021/2022 would be between $17K and $125K. I wonder if there are grants or other areas where we could save/make up this relatively small amount. Also, while a one time change is understandable, we know that the impacts of covid will be around for years to come, and so I wonder whether this will have an impact on staff retention if this type of decision is required this year, and again beyond this year. No matter what the Board decides, I will understand. I appreciate that it is a complex decision, with many variables to consider. Good luck!	10/21/2020 1:26 PM
3	I respect our approach to community consultation on these issues but I feel that the Board should drive this discussion and as staff we can provide feedback on their decision. As a corporation the challenges we will face in the coming years with respect to our budget and the capacity of our tenant's to pay rent may be quite burdensome. I appreciate that in the future we may face a decision at some point as to whether or not to hire more staff or whether to potentially lay off staff to balance our budget. However, at this point in time with the numbers shared during our meeting I would suspect that all staff should pick the most self-interested options presented. If I recall we are looking at a total savings of up to $100k/a. Perhaps a portion of this could be offset by the savings of having our office staff work from home. If we ever reach a point where an annual wage increase is the difference between keeping our colleagues employed or our tenants housed then I will gladly give up my share as needed. I appreciate you bringing this topic up for discussion before that becomes a reality but I don't think we are there yet and if we are then we should have a more fulsome discussion.	10/20/2020 4:21 PM
4	The Ranking for being entitled to a pay increase in 2021 especially during 2020 difficulties & COVID: 1- Field staff - daily in the field risking their health in order to protect our tenants and corporations' repetition 2- F.M office staff - daily in the office risking their health in order to support field staff and also protecting our tenants and corporations' repetition 3- TSR's 4- Rentals 5- Finance 6- TCE 7- Development	10/20/2020 3:21 PM
5	The amount saved on staff costs is insignificant compared to the impacts on staff, particularly during the pandemic. It is particularly awkward for the development department staff (aka Cahdco) who are having a strong financial year and whose salary is paid for by Cahdco and not CCOC.	10/20/2020 5:51 AM
6	1. The one time bonus is the worst option in my opinion. It doesn't save us any money in the year we need it the most, but it also prevents staff from moving up their pay grids. Who benefits from this option, really? 2. Option D seems almost pointless with how little money it saves CCOC. 3. In the future, CCOC should set aside a contingency fund. Currently CCOC spends any extra available money on new developments. We can't really afford these if we can't weather a bad year without making cuts. CCOC is essentially "house poor". We're also eager to add the latest green technology to new developments. This adds extra costs at the time and extra maintenance costs down the road, and doesn't further our mission to create and maintain affordable housing. 4. Have other savings options related to staff been explored? For example, not sending staff to conferences or reducing the training budget. I appreciate that CCOC wants to invest in me as an employee, but I would appreciate my pay increase more. 5. If not all staff will receive a pay increase, the field staff should still receive one. They are at much more risk during covid compared to the office staff. A lot of the field staff salaries are also at the lowest salary level making an increase for them much less of an expense to CCOC.	10/19/2020 8:41 PM
7	I thought about what would be best for the company and was going to vote according to that but I can't do it this time. Make cuts to plant day, history books, statues and gardens at Victory gardens. Don't send anyone to ONPHA for a few years. These are all things that are important to CCOC but my salary increase that I work my butt off for is important to me. Some	10/19/2020 8:41 PM

	of these are options are ridiculous to me. Option B has a savings of 17k? What is that going to do? Start holding people accountable for calling contractors not when they need help but when they're too lazy to do the work themselves and you'll see a huge savings. I don't feel like I should have my progression through the pay grid frozen when there's several other things that can and should be done. Some of these should be done regardless of our financial situation. It's frustrating watching us bleed money through inefficiency and then asked to vote for a wage freeze. That being said I do value what ccoc provides to me and the community and if we really need the money then please don't take half measures. If things can't stay the same this year I'd much rather see us choose an option like (I) where a real savings could be had.	
8	Staff have been working extremely hard this year to come up with all kinds of ways to save money. Despite CCOC's financial challenges, this should be the year that staff can rely on their hard work to be acknowledged with increase in pay.	10/19/2020 6:20 PM
9	Having had more time to review the options and reflect on this exercise (since we were only given the information 30 minutes ahead of the meeting), I don’t think it’s appropriate for staff to be ranking options. While the policies state that “in the years where the Board perceives that budgets will allow increases for cost of living adjustments or salary increases, but not both, staff will receive cost of living adjustments”, it is not clear if the Board perceives that the budget will not allow for both increases, since they haven’t been presented with this information yet. How are we expected as staff to handle complaints from our tenants about elevators not working and drafty windows over the course of the next year if we know that they didn’t get these repairs because we put our own interests first. Perhaps when the compensation review was done, raises given to certain positions should have been considered more carefully in terms of the long term impacts, including in years where CCOC’s finances are tighter. Perhaps the same thing should have been considered when hiring new staff and reviewing requests for starting salaries to be above the minimum. I appreciate that CCOC values open communication and that we have been given an opportunity to provide feedback but ultimately CCOC’s Board is going to make the most financially sound decision, regardless of what staff think. I highly doubt if we all ranked that we wanted our COLA increases and our 2% performance pay as number 1, the Board would approve this in the budget if we couldn’t afford it. My last note is around one-time performance bonuses. Staff didn’t have enough time to review and understand the ramifications of this type of compensation before the meeting. While this might seem desirable on the one hand and does provide savings to CCOC, it is ultimately detrimental to the staff member, lowering their overall earnings year after year and affecting their retirement savings in the process. I’m not sure if enough staff understood this but there are greater impacts here than were presented. I hope the Board is provided all the necessary information to make an educated decision about salary increases in 2021.	10/19/2020 12:49 PM
10	The thought of our cleaners and maintenance staff who are most at risk, who have no choice but to come to work everyday through this pandemic and not get compensated is very sad. If our staff are having to fill out a survey like this, maybe CCOC should re consider adding additional units to our portfolio until we get a handle on what we have, the staff meeting and this survey doesnt give staff much confidence that we are heading in the right direction. There are ways to save money perhaps holding off on hiring additional staff (including current vacant positions)in various departments until our financial situation gets better or there is a real need to replace those positions. Does Cahdco still not owe CCOC money ? their staff recently grew by two when we are in a finicial crisis?	10/16/2020 5:02 PM
11	Another option would be for the Directors to forgo any pay increases. 2% of the top earners salaries would be significantly more than that of the lowest earners.	10/16/2020 2:55 PM
12	Because there are many uncertainties in 2021, I think it is best to be cautious in our approach on salary increases.	10/16/2020 10:21 AM
13	We should explore the possibility of having commercial attached properties to existing residential properties to enhance the revenue permanently. For e.g there are number of CCOC properties where we could have attached Tim Hortons, Mc Donald , Subways or Starbucks which could generate the perennial sources of income for CCOC. Have done such projects in Toronto. Tim Hortons do come forward and bear the complete construction cost by themselves. They just need space, which CCOC could provide at many of our east and west properties. The economy of whole world have changed due to	10/14/2020 5:17 PM

	COVID-19 pandemic, but this may not be the end. There may be new version of viruses getting developed and spread all over the world resulting in the economy getting hit badly everywhere. But the food and beverage sector may not get affected much. Therefore this is the time we need to add these sectors with our affordable housing scenario. The revenue generated from such ventures could be used to buy new properties as well as for vertical expansion of existing CCOC properties thereby creating new affordable housing in Ottawa. Hope this suggestion is considered and explored please. Thank you and Best Regards,	
14	Explore all avenues of savings and be mindful of the morale of staff many of whom have gone above and beyond in the current pandemic	10/14/2020 2:16 PM
15	Salary increases are great but the longevity of CCOC (and the related job security that provides to staff) is more important than an increase for 2021. Do what you can to reward the hard work of all the staff this year but keep our long term employment as top priority. If it comes to option I (no increases at all) perhaps look at alternative rewards with lower costs to soften the blow (i.e. extra time off for 2021, a small gift, etc.).	10/14/2020 2:08 PM
16	I think all of us would vote for wanting an increase but we understand this has been a challenging year. I voted in numerical/alphabetical order, in favour of the highest available increases, only in the event that CCOC has no financial problems with paying the increases out and it does not come at the expense of our tenants' housing or the future job security within the corporation.	10/14/2020 1:00 PM
17	Consider long term impacts: what can we afford and not afford. Staff morale and turnover is expensive but over committing could create a lay-off situation. We cannot cut into capital repairs too deep.	10/14/2020 12:08 PM
18	I hope you take the best option for both parts	10/14/2020 11:57 AM

From:
Sent: October 14, 2020 11:18 AM
To: Ray Sullivan <Ray.Sullivan@CCOCHOUSING.ORG>
Cc: Maryse Martin <Maryse.Martin@ccochousing.org>; Andrée-Ann Cousineau-Lalonde <Andree-Ann.Cousineau-Lalonde@ccochousing.org>
Subject: Pay increases

Ray,

I think it's ethically unfair to ask people what kind of pay raise they get at the cost of the people we are mandated to help.

If this question had been asked of a potential employee as to whether they would take a pay increase at the cost of our tenants standard of living – would you hire them?

You're are asking us to make a moral choice when this should be a management/board decision. Of course I could say to go with the lowest cost option, my problem is that you are asking us this question in the first place when ultimately the board will make it's decision regardless.

What is your reasoning for putting it to us like this?

From: Ray Sullivan
Sent: October 14, 2020 11:29 AM
To:
Cc: Maryse Martin <Maryse.Martin@ccochousing.org>; Andrée-Ann Cousineau-Lalonde <Andree-Ann.Cousineau-Lalonde@ccochousing.org>
Subject: RE: Pay increases

Hi [redacted],

I will pass that feedback on to the Board as well (without any name attached, obviously).

The Policies of Employment require that staff have the opportunity to be consulted before the Board makes a decision. It is not my place to ignore or arbitrarily change those policies.
From past experience, I know that the Board normally pays attention to this kind of staff input before making a decision, and their decision will be influenced by staff feedback.

I agree that it would be an unethical question in a hiring scenario. This is a collective feedback exercise, not putting any single person on the spot or any single person responsible for determining what happens to their own single circumstance.

Thanks,

Ray

From:	Tim McConnell
To:	Ray Sullivan;
	2021 $
Subject:	October 19, 2020 10:48:09 AM
Date:	

Good morning.

As you all know, each year McConnell HR Consulting Inc. (MRHC) forwards information provided by the Ottawa Region Rewards Association (ORRA) outlining projected salary increases for the next year.

This information has become a trusted and valuable resource for our clients in planning for next year.
Unfortunately, it appears that ORRA is not compiling salary information this year.

As a result, we would like to share what we have been able to research. As expected, the data varies.

Conference Board of Canada (National) - projected average increases of 2.1%.
They caution that 40% of survey respondents are still undecided.
14% of respondents plan to freeze salaries for 2021.

Normandin Beaudry (for Ontario) - projected average increases of 2.5%.
They caution that 40% of survey respondents are still undecided.
20% of their respondents plan to freeze salaries.

Morneau Shepell (National): projected average increases of 1.9%.
They caution that 46% of survey respondents are still undecided
13% of respondents plan to freeze salaries.

Mercer (National): - projected average increase of 2.4%.
They caution that 40% of survey respondents are still undecided.
5% of respondents plan to freeze salaries.

Québec Associations Services Centre - CQSA (For Non-Profits in Quebec): - projected average increase of 2.1%.
33% of respondents plan to freeze salaries.

Annual year to year inflation in Ottawa is down to 0.1%.
The federal public sector unions are trending in the 2.0% range for negotiated settlements.
Provincial (Ontario) legislation limits raises for public sector employees to one per cent annually.

MHRC's View

This uncertainty in October is very unusual, but a sign of the times.

It is our firm's belief that the freezes and 'don't know yet' group are mainly from the private sector; especially those companies hit hardest by the pandemic, i.e. hospitality, service, retail, tourism, travel etc. The Association / NPO sector in Ottawa tends to exist in an economic bubble, due to the nature of their funding and the presence of the federal government. We rode through the 2008-09 recession unscathed while locales like the manufacturing sector in SW Ontario suffered deeply.

Although we do not normally offer an interpretation of the data, our recommendation for our clients regarding 2021 is:

- For those with salary ranges, freeze them. This means no structure movement.
- We do not recommend providing a pure COLA (Cost of Living Adjustment) based on inflation, due to current inflation being so low. Organizations could choose to call the salary increase a 'market adjustment' to keep up with expected movement in the sector. I.e. 2%.
- For average actual salary increases based on merit or progress through the range, we would recommend up to 2%. Unless of course you have a budget and a merit pay policy that allows for greater than 'average' increases.

Since many organizations have accepted virtual working arrangements for most staff (present and future), now more than ever it is critical for organizations to ensure they are paying competitively in order to successfully attract and retain top talent/key employees.

We hope this analysis and recommendation has been helpful! Wishing you all a safe end to 2020.

Tim McConnell, BA, MPA, SPHR
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Facilities Management Committee
Meeting Agenda
October 15th, 2020

To be held jointly with Finance (Finance Dept will Join at 8:15)

FMC Minutes - October 15 2020.docx

The meeting will be conducted ***remotely***

Thu, Oct 15, 2020 7:00 PM - 11:00 PM (EDT)

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Participants: James Clarke, Penny McCann, Shelley Robinson

Guests: Mayada Bahubeshi, Sharon Zvonar

Regrets: Kevin Judge**,** Michael Lambert, David McCallum, Alexander Miller

Staff: Norm Turner, Marie Rose Kassim (minute taker)

1. **Appointment of Chair:** James Clarke appointed for chair.

MOTION: Shelly, Penny voted to move.

2. **Call to Order**: 7:11PM

3. **Anti-oppression Statement**

As Committee members,
We acknowledge that the land on which we gather is the traditional and unceded territory of the Algonquin Peoples, recognize Canada's first peoples before contact, and are committed to reconciliation.

We are committed to:
Listening actively; Being accountable for our actions and words at meetings, and encouraging continuous self-improvement as Committee members; Being mindful when taking up time and space at meetings; Being respectful of the diverse and lived experiences of Committee members, tenants, volunteers and staff; Empowering the leadership abilities of everyone on the Committee; Respecting correct pronouns (e.g. he/she/they/ze) according to each person's preference; Using compassionate language, specifically when speaking of inequalities that disproportionately impact Indigenous communities, people of colour, persons with disabilities, people living in poverty, those with addiction and mental health challenges.

4. Adoption of the Agenda & Anti Oppression Statement

(m/s/c Shelley, Penny)

5. Declaration of Conflict of Interest –

6. Approval of meeting minutes

MOTION: Penny and Shelley moved as amended - modifying point #4.

6.1. Meeting Minutes – September 10th, 2020

Discussion: Moving forward page numbers should be included in the package. This would facilitate guiding the committee to which page is currently being looked at. In point #4 the text that comes after *Pest Control-Business case* could have been removed as it is later on discussed in point #6.3.

7. Items for Board Attention

- **341 Lyon and 163 James identified for a s27 heritage listing**

Discussion: These properties have been added to the register of heritage building. CCOC will be exploring grant options.

- **Affordable Housing Development 101 – Webinar Invitation**

No discussion.

8. Consent Items

8.1. Committee Summary

No discussion.

8.2. Capital Projects Report

Discussion: The committee brought up the question of what dollar figure qualifies as a Capital Project. A $10,000 budget becomes Capital. Although, depending on the scope of work, different projects (that may constitute of a smaller budget) can still be considered capital or operational.

170 Booth MUA Replacement – committee drew concern if the replacement of the MUA was related to the covid-19 virus. The urgency of the replacement is attached to the coaching funding.

415 Gilmour Street Accessibility Project – this is a part of the security package. Intention is to move the entry phone system to the outside of the lobby. We plan on taking the opportunity to re vamp the front entrance and make it more accessible for wheelchairs. Accessibility grant will be explored.

258 Lisgar Boiler & Domestic Hot Water Tank Replacement – fire watch is not required as we are equipped with an alarm system.

8.3. LTB Status Report

Discussion: The committee drew concern for the level of specificity of the cases presented. Strong encouragement to be vaguer and less specific with details. Recognizing that we want to be sensitive and respect people's situations. Attention to last sentence of case #1.

8.4. Chargeback Report

No discussion.

8.5. Service Delivery Standards

Discussion: Looking at the current trend of covid-19 cases in Ottawa, we hope that by the end of November 2020 we could potentially resume priority and low priority work orders. There has recently been a minor decrease of cases but considering the back log testing labs are experiencing, we need to be aware of what could come our way.

8.6. Q3 Service Delivery Standards

Discussion: The committee drew attention to the 4% Emergency Priority work orders not being completed on time. With the office being closed, a number of tenants have used the emergency line as their primary way of reaching CCOC rather than the main line. This explains the higher percentage in that column.

8.7. Maintenance Variance Report (Aug)

Discussion: East/West – the committee noticed that the common area column contains noticeably higher numbers. Due to covid-19, sanitization and increased cleaning is the reason for this spike. Additionally, we will be implementing even more cleaning and sanitization, so cost could increase even further. Offset could occur to this number due to in-suite work.

Question was brought up about the status of redecoration requests. Seeing as these are not considered priority or an emergency service, these have been deferred until further notice.

8.8. Chargeback Appeals (0)

MOTION: Penny and Shelly move.

9. Directors Summary (verbal)

- **Covid**

We are currently at the highest number of active cases in Ottawa. We have dialed back on service standards and are not accepting entry into the office. Completing any common area work such as cleaning, sanitizing, exterior building repairs have been the main duties for our field staff. With Thanksgiving just passing and more holidays approaching in the next 6 months, this could put us into a critical period.

- **Finance and budgets set scene for Finance committee presentation**

An overview of Operational and Capital budgets will be presented. With consideration of our budgets expenditure, this will reflect which projects are feasible sooner than others.

- **Pest Control – In house**

CCOC has recruited a new Pest Control Coordinator. A training scheme is in line for one of our maintenance field staff. We are connecting with resources to improve our methodology on pest control and how to approach it in different ways. New product that hit the market for bed bugs (biological agent not chemical) is something we are interested in. This product can be used with little to no preparation and has longer lasting effects!

Facilities Meeting Adjourned: 8:25PM

(m/s/c Shelly, Penny)

Finance Committee joins

Finance committee: Josh Bueckert (chair), David Boushey, Court Miller, Sandy Hung, Mary Huang, Nicole Rogers, Linda Camilleri, Alannah Bird, Andrew McNeill

Guests: Wayne Fan (second meeting), Alisher Perez (first meeting)

Staff: Maryse Martin (Finance), Arianne Charlebois (Finance), Norm Turner (Facilities), Marie Rose Kassim (Facilities)

Call to Order: 8:29PM

10. Adoption of the finance agenda

Discussion: Discussion of CAP sites was removed from the agenda. The agenda was adopted as amended.

(m/s/c Alannah, Penny)

11. FINANCE – Budgets

Discussion:

- The planned expenditure for Capital Projects in 2021 is $4.1M.
- Discussed each of the 2021 Capital Projects briefly and how they are divided by priority. Different colors represented their priority level and how much of the budget is planned to be put towards it. Recommendation from staff is to go ahead with the top three tiers and defer the bottom two tiers.
- Tier one includes projects that cannot be deferred or have already been deferred from last year. These items are nearing the end of their useful lives or need urgent safety upgrades. Tier two represents priority issues that should be done. Tier three represents non-urgent projects that we would still like to do if possible.
- Considering the state of cash flow, we must prioritize projects and jobs accordingly to reflect their importance and critical-ness.
- CMHC is expected to start flowing on the first day of 2022. The application process will take the year to complete.

- If the covid-19 lock down persists, there are potential benefits. This could allow CCOC field staff to get a head start on Capital Projects that are in line. Since in-suite repairs would be deferred, not only would this be cost effective but it would get the ball rolling on items that could have taken longer to execute.

- Interest in pulling out a separate mortgage for 240 Presland of approximately $400K to pay off its debt to CCOC. The mortgage could be paid off within a few years. Many members were in favor of this idea.

- Discussion on how tier 3 of the budget should be deferred until the last quarter of 2021 and commitment to discuss closer to that date based on where we are in the budget. This would be logistically do-able as it wouldn't cause any disruption to facilities.

- Kudos to Maryse and the finance team for the very comprehensive presentation.

CCOC Motions for Board Approval:

CCOC MOTION: The Committees recommend that the Board of Directors approve a capital budget of $2,429,801 for CCOC for 2021. This represents tiers one and two of the capital budget. The decision on a budget for tier three projects will be deferred pending further analysis of CCOC's cashflow midway through 2021.

(m/s/c David Boushey/Andrew McNeill)

CCHC MOTION: The Committees recommend that the Board of Directors approve a capital budget of $23,376 for CCHC for 2021. This represents tiers one and two of the capital budget. The decision on a budget for tier three projects will be deferred pending further analysis of CCOC's cashflow midway through 2021.

(m/s/c Andrew McNeill/David Boushey)

12. Cahdco in camera presentation on new development project

Item was removed. No discussion.

13. Adjournment: 9:40PM

Motion to Adjourn: Josh Bueckert, David Boushey

14. Next Meeting: Thursday, November 19th, 2020. Will be held virtually.

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Rental Committee Meeting

August 18th, 2020

Rental Committee: Christopher Yordy (Chair), Sulaina Bonabana, David Brooks, Teresa Schoembs, Cynara Desbarats
Regrets: Vera Theokritoff, Alison Kar, Daniel & Michelle Boyer, Dahyla Smolash, Kerry Beckett, Helena Brown
Staff: Fran Childs, Linda Camilleri (staff recorder)

Call to Order: 6:35 p.m.

1. Anti-oppression Statement

2. Acceptance of the Agenda

3. Adoption of the July 21st minutes **m/s/c Brooks/Yordy**

4. Review Parking Increases: Fran proposed two options for parking increases as of January 1, 2021: either a 5% increase or $5 increase. Our parking rates are still very low compared with market rates.

Members fed in to a lively discussion. A $10 increase was proposed and added to the data for comparison. Several members expressed concern for a high increase, due to COVID and the financial impacts currently on tenants. Fran explained that last year, when some buildings saw higher increases ($10 or $15) we had feedback from tenants that those increases were too high at one time. Some members also raised the impact of Covid-19 on tenants' incomes and expressed that any increase will be difficult for some tenants. Some members felt that higher parking rates might encourage tenants to live car free. Fran also pointed out that many tenants use their vehicles to earn income so that is a consideration also.

Parking rates at Beaver Barracks have not been included in the past two rate increases, as they are currently the highest rates charged at all our properties. We discussed holding the parking rates steady and waiting for other comparative parking to catch up before increasing at Beaver Barracks.

Based on full occupancy a $5 increase should bring in about $22,000 in additional revenue for 2021. Voting resulted in 3 members voting yes for the $5 parking increase and 1 member voting no. Majority were in favour so $5 increase will be implemented for January 1, 2021.

The committee recommends a $5 increase in parking rates effective January 1, 2021 (excluding Beaver Barracks) as presented in the data.

m/s/c Brooks/Desbarats

5. Announcements:

a) **Forward Project:** The purchase of the neighboring building closes on August 24th. There are two existing tenants at the property. Early next week Fran plans to visit the building and meet with the tenants to introduce them to CCOC.

6. Rental Department Reports: Refer to notes provided in the reports a) & b)

a) **Vacancy & Turnover Reports:** Reviewed, we are still waiting until an apartment is empty to show it, safety procedures are almost ready for conducting showings before apartments are vacated (where that is possible). This will help to rent things ahead of time and spread out the workload. There were 22 move outs for July 31, double the number from June.

b) **Legal Tracking Reports:** Reviewed. Landlord and Tenant Board has reopened, have not received any hearing updates for things filed before or during their closure.

c) **Accounts Receivable Stats:** Reviewed.

d) **Bad Debt Write-offs:** We reviewed the Arrears and Bad Debts report for July. Compared to this time last year, rent arrears as a percentage of rents payable has almost doubled, now sits at 7.99%. Financial impacts of COVID are starting to be evident, current tenants total arrears has been increasing each month throughout the pandemic. In September's joint meeting with Finance, we will discuss and decide on thresholds and courses of action regarding current tenants' arrears.

7. Board and Committee Reports: We will circulate the report along with the minutes

8. Any Other Business: AGM is being held virtually on September 17th and membership from last year will be valid to the end of this year. September 22nd is a joint meeting with Finance, reviewing rent increases and turnover rents and discussing arrears strategy.

9. Board Focus on Rental Business: Information item on Parking Increase.

10. Adjournment: 7.54 pm

RENTAL DEPARTMENT REPORT
August 2020

1. CCOC Units Rented by Source and Unit Turnovers:

Source	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Totals	**21**	**7**	**6**	**7**	**4**	**12**	**7**						**64**
Transfers (incl. overhoused)	4	1	3	0	1	1	1						11
Registry W/L	9	4	1	3	0	5	1						23
Referrals	7	2	1	1	2	5	5						23
Insitu MR to RGI	0	0	0	0	0	0	0						0
Websites/Twitter	1	0	1	3	1	1	0						7
Former Tenant	0	0	0	0	0	0	0						0
Move outs by month	12	13	6	11	16	11	22						**91**
Monthly V.C. rate	0.3 %	0.4%	0.4%	0.7%	1.0%	0.9%	1.6%						**Avg: 0.78%**

✳ **Benchmark 1: monthly units rented should equal number of move outs**

July 2020: # of units rented = 7
# of move outs = 22

This is **double** the move outs we had in June

✳ **Benchmark 2: CCOC vacancy rate (1.6%) should be < than Ottawa's vacancy rate (1.8%)**

Our vacancy rate increased by .7% compared to June (many July 31 move outs)

2. Vacancies & Turnovers:

July Move Outs: 22
August Move Outs (so far): 13
September Move Outs (so far): 17

As of August 12, 2020, the CCOC vacancy rate is 1.6% with 25 empty units in our 1585 "rentable units". Our vacancy rate continues to be **below the City average VC rate of 1.8%** **(CMHC, Rental Market Report, Jan 2020).**

3. N5's & Evictions July/August:

- We have not served any new N5s since last meeting, we still have a second N5 for one ongoing situation to be written and served as soon as possible (same one as last month).
- There are 4 active N5s. One person corrected their behaviour so the N5 expired.
- The Landlord Tenant Board has reopened, but we have yet to receive any hearing dates for things submitted during the closure.

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Development Committee
Meeting Minutes

Tuesday, October 13, 7:00 PM
Conducted remotely via GoToMeeting

Present: Penny McCann (Chair, CCOC Board Member), Sarah Button (CCOC Board Member), Jesse Steinberg (CCOC Board Member), Sarah Gelbard (CCOC Board Member), Wayne Fan (CCOC Board Member), Abra Adamo, Rod Manchee, Elliot Sherman, Mary Huang, Alannah Bird, Court Miller, Gisèle Doyle, Graeme Hussey (Staff), Jana Bawaba (Staff/Minute-taker)

Regrets: Natalie Duchesne, John Kingsley, Brent Walden, Stephanie Bohdanow, David McCallum, Erika Koenig-Sheridan (Guest)

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1. **Call to Order and Anti-Oppression Statement:** (7:02 pm)
2. **Introduction to New Committee Members**
   - Round of introductions to welcome new board members to committee.
3. **Approval of Agenda** (m/s/c Elliot/Jesse)
4. **Approval of Minutes** – Attached September 2020 (m/s/c Jesse/Rod)
5. **Business Arising**
   - CCOC Forward Avenue – Report attached
     - Awaiting update on cost estimate for the new concept (49 units).
     - Pursuing a minor variance to expand the floor area to turn 4 two-bedrooms into 4 three-bedrooms.
     - Funding/financing agreements (Action Ottawa, CMHC Co-Investment) and City approvals (Site Plan Control) are being updated to reflect the new concept.
     - The team has been meeting with consultants and experienced developer/client groups to discuss Net-Zero Energy.
       - A Net-Zero Energy consultant will be procured, and energy modelling and analysis will be part of the process.
       - Staff will share energy report and summary once available at future committee meetings. Kiefer can present the findings.
       - The project will apply to FCM Green Municipal Fund for a combination of grant and financing for energy efficiency measures.
   - CCOC CAP Sites Update – To be distributed
     - **MOTION:** Move in camera (m/s/c Mary/Sarah G.)
     - **MOTION:** Move out of camera (m/s/c Mary/Sarah G.)

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6. New Business

- Election of Committee Chair
  - Sarah B. chaired this portion of the meeting, as the subject relates to Penny as current Chair.
  - After every AGM, the committee Chair needs to be (re-)elected. Penny expressed interest in continuing as Chair. No other nominations were made.
  - Penny will continue to chair the development committee. Penny will also continue to report to the Board. Jesse offered to support Penny in reporting to the Board if needed.

7. Government Policy & Program

- New CMHC funding program – Rapid Housing Initiative
  - The program is intended as a response to COVID-19 and is still being developed.
  - Details are not yet available, but the program will likely not apply to CCOC and is geared more towards shelters.
- R4 Review
  - The By-Law goes to Council for approval on October 14, 2020.

8. Report of Board, Committees, Community Associations

- Committee Summaries – Attached
  - Future agendas will amend the title of Item #8 to remove "Community Associations".

9. Report from Cahdco – Verbal report

- Background: Update on active and new Cahdco client projects. Highlights include:
  - The Champlain site was listed for sale.

10. Announcements

- ONPHA Conference on November 4, 2020 (online).
  - Committee members to notify staff within the next two weeks if interested in attending the online conference.
  - Beyond the conference, ONPHA will be offering webinars on a variety of topics over the next 6-9 months.
- Cahdco Affordable Housing 101 webinar – October 21, 2020, 12:00 pm to 1:00 pm (see email invitation shared with committee on October 9, 2020).

11. Items to Highlight for the Board

- Forward Ave.

12. Agenda Items or Decisions for Next/Future Meetings

- Development policy items; Forward Ave.; CAP redevelopment sites.

Adjournment: 9:04 pm (m Rod)

Next Development Committee Meeting: Tuesday, November 10, 2020

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Regrets: Natalie Duchesne, John Kingsley, Brent Walden, Stephanie Bohdanow, David McCallum, Erika Koenig-Sheridan (Guest)

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5. Business Arising

- CCOC CAP Sites Update – To be distributed
  - **MOTION:** Move in camera. (m/s/c Mary/Sarah G.)
  - CCOC is conducting feasibility studies to consider redevelopment of three sites, and potentially an additional City-owned site. No redevelopment decisions have been made yet.
  - Graeme presented current preliminary concepts for general feedback on scale, built form, unit mix, parking, accessibility, environmental efficiency, rent levels.
  - Concepts currently show 8 units per site, including 2 accessible units per site. Sites include basement units with stepped terraces.
  - The committee is open to exploring options without parking to add more units, particularly for buildings with smaller units, and sites near LRT.
    - Ideally would like parking for buildings with larger family units (3+ bedrooms).
    - Will confirm with rentals whether there is demand for accessible parking.
  - In general, the committee would like to maximise the sites in terms of number of units developed, and looking into options with more units, even if they are smaller units (studio, one-bedrooms) vs. two- and three-bedrooms.
  - Suggestion to explore options with shared vestibule entrance to the buildings to increase energy efficiency.
  - Staff will work to determine possibilities for development of the City-owned Hinchey site. Options could include small residential development and/or greenspace and parking to enhance the nearby Carruthers development site.
  - The committee is most positive about the Armstrong/Carruthers option, as it presents a variety of opportunities.

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  - Interior scissor stairs allow for more favourable unit formations.
  - Suggestion to try to increase the number of units at Armstrong/Carruthers, by pushing the building and adding stacked towns on the Carruthers face, adding an overhang over parking, or moving the parking to the Carruthers face.
- Putman was the least preferred concept, particularly due to the number of front doors/stairs narrowing units and potentially creating safety concerns.
  - Clustering main entrances at the front, and using scissor stairs would be preferable.
  - Adding units, particularly smaller units, and removing parking could improve the concept.
  - Make use of the site as a corner site, like with Armstrong/Carruthers.
- Next step: pre-development targets will be brought to the committee in November for review and discussion.
- **MOTION:** Move out of camera. (m/s/c Mary/Sarah G.)

159 Forward Ave

Monthly Project Report

Date: October 13, 2020

To (Attention): CCOC Development Committee

From: Kiefer Maracle, Project Manager, Cahdco

Re: **September 2020 Project Report**

Note: New items since last month's report will be noted in red font in subsequent reports moving forward.

CCOC is developing 49 units of affordable housing on the site of the City's former Forward Family Shelter at 159 Forward Ave.

Recent Activity

Purchase of 147 Forward Avenue:

- On Monday August 24th, CCOC purchased 147 Forward Ave. which is adjacent to our existing site at 159 Forward.
- CCOC has secured a Section 37 grant and an advance of City funding totalling $500k to assist with the purchase of this new land.
- Figurr has revised their plan for the amalgamated site to produce a building that is four-storeys and 49 units.
- This 49-unit design increases the footprint of the building, which will now be required to have a sprinkler system.
- The new designs have moved the garbage room inside, optimized the lobby for tenant engagement, and incorporated two full sized elevators.
- CCOC has decided to pursue a minor variance that would allow for four two-bedroom units to be converted into four three-bedroom units.
- CCOC's Development and Rental committees have approved the updated design and are awaiting an updated costing of the project.
- MBC is working on a class D estimate and is aiming to have a draft for the first week of October. They are optimistic that the new design and expanded floor plate will be beneficial for the overall project budget.

Required Site Studies and Demolition:

- Two tenants currently occupy the building at 147 Forward Ave. CCOC has received notice that both tenants have elected to move out and the building will be vacant by November.
- To update and progress our existing Site Plan with the City we will need to provide updated drawings and studies that address the additional land.
    - As noted above drawings are underway;
    - A survey of the new site and a geotechnical analysis have been procured;
    - A Phase I ESA for 147 Forward has been completed and indicated no areas of concern.
    - A Designated Substances Survey will be conducted in October in order to facilitate demolition.

Next Steps:

- Steps are being taken to amalgamate half of the closed laneway behind 147 Forward. The City has agreed that there are no issues with this PIN being turned over to CCOC. Unlike 159, the half of the laneway belong to the backdoor neighbours. This means that the rear lot line will not be straight across the entirety of the site.
- CCOC is awaiting a response from the City regarding the right-of-way in front of 159 Forward. CCOC has responded to the City's concerns and are waiting for a final decision.
- Once the financial analysis is completed and the design is finalized the development team will proceed to fulfill the requirements of the site plan submission with the City. The architect will have their M&E team begin work on specifying the mechanical systems.
- The City will work to have 147 Forward included in their existing demolition agreement with CCOC. From there demolition of both buildings will be scheduled for winter 2020 and spring of 2021.