

Centretown Citizens Ottawa Corporation - Centretown Citizens Housing Cooperative

CCOC/CCHC 2022 Annual Report

Planning for the Future



Prepared for the CCOC/CCHC Annual General Meeting, May 18, 2023

President's Report

AnaLori Smith

To my community, my Centretown neighbours,

Throughout 2022, CCOC weathered storms – literal and figurative - and planted seeds for future growth and change.

We started the year with the resurgence of the Omicron variant of Covid-19 and the convoy occupation of downtown Ottawa. This event was very disruptive for many of our tenants and community members and was a stark reminder of the growing inequality and division in society.

In the midst of the convoy, CCOC welcomed its new Executive Director, Sarah Button. During her first four months, Sarah listened to staff, volunteers, committee members, and community partners to understand the shape of the challenges facing CCOC. Sarah and the Board worked closely together to identify critical focus areas for the rest of the year.

2022 brought many projects to important junction points: in the summer, CCOC's three small planned redevelopment sites were challenged by rising interest rates and inflation. In the fall, CCOC received the final reports from the AROC Phase 2 work, and 2023 will see the organization begin to operationalize the recommendations. In December, the courts confirmed that CCOC is eligible for property tax reductions that will help stabilize our financial future. The Board also navigated important ongoing policy questions about affordability, safety, and organizational risks.

Toward the end of 2022, CCOC started several multi-year projects to help secure CCOC's future resilience. These include our new Strategic Plan and a review and renewal of our governance processes. The staff team continues to gather information about the new provincial regulatory context and to prepare for the expiry of many of our Provincial operating agreements over the next 5 years.

As the outgoing Board President, I'm proud of the incredible work the Board put in this year to welcome a new ED and support the important strategic changes CCOC needs. We are working together to move the corporation forward, and we're up against a City that is increasingly full of condo towers! The CCOC team is doing essential work to build the future of the corporation, and the future of affordable housing in Ottawa.

With empathy and humility, AnaLori Smith, CCOC Board President



Tenant and Community Engagement Tenant Satisfaction Survey

In 2022, CCOC administered a Tenant Satisfaction Survey. The Tenant and Community Engagement Department received over 700 replies – that's about 43% of units! The survey revealed some positive trends, and some more challenging ones.

Areas of improvement: Tenant satisfaction was generally down from the 2020 survey. Folks also shared concerns about customer service, maintenance, and safety. Respondents felt it can be hard to get in touch with CCOC and that they wait a long time or need to follow up multiple times to get concerns addressed. Tenants also reported concerns about aging buildings increasingly in need of upgrades in units and in common areas. Finally, tenants expressed a variety of concerns about safety in their buildings, and highlighted that it feels like the number of serious incidents is increasing.

Positive trends: Interactions with staff were reported to be positive. Tenants spoke highly of CCOC's front-line staff such as building cleaners, rental officers and general maintenance workers. Tenants also appreciated the work CCOC does to maintain gardens and outdoor spaces. Above all, folks expressed appreciation for the work that CCOC does to maintain affordable housing for tenants.

The 2022 survey was the first time the survey was analyzed for demographic data. Disparities between the experiences of racialized and non-racialized folks were evident in the results.

In 2022, racialized folks were less likely to be satisfied with the customer service they received and had lower tenant satisfaction overall. CCOC is continuing to work on Anti-Racist Organizational Change (see page 6 of the report) in line with the core value of Diversity, Equity and Inclusion which includes a diverse tenant, staff, and member population that treats everyone fairly and is inclusive for all. This year's survey findings are an important baseline to measure against in future.

CCOC is using the survey results to inform the new 5-year strategic plan and has already begun to take action on some items. CCOC recently re-organized the front desk to enable receptionists to respond directly to tenants in a timely manner; and a new team of facilities coordinators is working hard to support quick replies to maintenance requests. CCOC has also established new practices to respond to safety concerns on a building-by-building basis. Tenants are already reporting that changes like new entry door systems are helping them feel more secure in their homes.

Plant Days 2022



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2022 Calls to Action

Property Tax Appeal

In 2020 as part of CCOC's efforts to explore avenues to long-term financial sustainability, CCOC applied for property tax relief. After a long legal process, a court order determined CCOC is eligible for property tax reductions for most properties. The ruling is based on preserving the current operating model that supports CCOC's mission of providing housing primarily for persons of low and moderate income.

The full impact on CCOC's long-term financial plan remains to be seen. CCOC expects savings in the range of \$1 million per year in the short term, increasing to \$3.5 million per year over time. This will make a significant difference in CCOC's long-term financial sustainability, but it does have potential negative consequences for some tenants. With the exemption, tenants at exempt properties may no longer be eligible for the Ontario Trillium Benefit tax credit. The way this benefit is calculated unfairly penalizes low-income households.

CCOC sent a letter to the Canada Revenue Agency requesting they forgive any Ontario Trillium Benefit demand payments for 2020 and 2021. CCOC raised the issue with housing sector partners and organizations who lead housing advocacy efforts, and is working with the Ontario Non-Profit Housing Association to ask various levels of government to make sure property tax exemptions do not negatively affect tenants. CCOC has also provided template letters directly to members and tenants who would like to add their voices to these efforts.

Landlord and Tenant Board Impacts

In non-profit housing, financial margins are lean. CCOC relies on rents to fund building repairs and maintenance, pay mortgages, pay staff, and pay for internally-funded subsidies to keep housing affordable for those with low and moderate incomes.

The only tool landlords have to legally end a tenancy due to substantial interference or nonpayment of rent is the eviction process via the Landlord Tenant Board (LTB). In the last two years, the effectiveness of the LTB has slowly eroded:

Delays: Housing providers regularly wait 6-12 months for hearings to be scheduled. This can lead to persistent disturbances in the lives of tenants who cannot afford to move elsewhere to avoid disruptive behaviour and creates financial hardship for housing providers.

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Governance Renewal

CCOC also began formal work on a review of its governance structures and processes. With funding from the City of Ottawa, this work is focused on clarifying governance structures, decision-making, and future resilience. The governance renewal work is being led by the Board of Directors and continues work begun by the Governance Sub-Committee and the Transforming Tenant Engagement project.

The initial goal is to bring CCOC's letters patent and bylaws into compliance with the new Ontario Non-Profit Corporations Act by October 2024. This work is still in its early stages and will slowly expand to Committees and membership.



Anti-Racist Organizational Change

In 2022, CCOC completed Phase 2 of the Anti-Racist Organizational Change (AROC) initiative. This work was led by a staff Change Team, culminating with Phase 2 final reports in October. Phase 2 reports provided clear objectives and a prioritized list of actions to carry into 2023. The first priority is to embed AROC and Diversity, Equity, and Inclusion (DEI) into the new Strategic Plan and operational planning.

Other key actions for 2022-2023 identified in Phase 2 are:

- Empower a staff Change Team with mandate, capacity, and budget
- Enable support for the Change Team from leadership
- Include AROC in job descriptions and performance agreements
- Learn about the AROC change management framework and theory of change
- Excite and include the broader community about what's happening around AROC

Equity and inclusion work is long-term and moves slowly at the organizational scale. It will take time for change to take hold. The results of this work will be transformational, but it's only through the ongoing commitment of the whole CCOC community that real change will occur.

Virtual hearings: The LTB also moved exclusively online. This shift put many at a disadvantage, including folks with limited internet access, language barriers, or accommodation needs. Many participants can't follow the pace of online hearings.

The affordable housing sector only evicts people as a last resort, but all affordable landlords need appropriate access to the only tool there is to maintain financial stability and to protect the reasonable enjoyment of all tenants.

In September 2022, CCOC co-signed a letter with the Ottawa Social Housing network calling for changes to the LTB, including shorter wait times for hearings, in-person hearings, and investment in appropriate staffing levels.

Starts with Home Campaign

In 2022, CCOC participated in and supported the Alliance to End Homelessness Ottawa's Starts With Home campaign. Starts With Home is a non-partisan campaign to build public and political support for addressing the housing affordability crisis in Ottawa. The advocacy platform was developed by over 40 community partners, including CCOC, and was endorsed by over 160 local organizations.

Starts With Home has three key messages:

- Stop the loss of affordable housing
- Create more affordable housing
- Preserve the quality of existing affordable housing

The campaign includes six clear actions for the City to follow and build on in the coming years, and provides a common call to action for affordable housing in Ottawa.

(Strategic) Planning for the Future

In 2022, CCOC started working on a new Strategic Plan. The new plan will guide CCOC's priorities for the next 5 years.

CCOC received funding from the City of Ottawa to support the strategic planning process. The work was led by a Strategic Planning Committee made up of staff and Board members and included a survey of the membership and a series of interviews. Planning began with an all-staff event, and an environmental scan that considered factors that are likely to affect CCOC's operations over the next 5 years.

The results of the 2022 Tenant Satisfaction Survey also informed the development of the plan. The new plan was adopted by the Board of Directors in early 2023.

Development Department

159 Forward Avenue



Cahdco's mission is to create and promote affordable housing. Created in 1996 by CCOC following the provincial government's withdrawal from investing in affordable housing, Cahdco assists CCOC and many other non-profit, co-operatives and charities with the capacity and expertise to create their own affordable housing buildings.

In 2022, Cahdco led the construction of four new affordable housing projects that will be completed in 2023, including CCOC's 159 Forward Avenue development, and buildings for the Anglican Diocese of Ottawa, Cornerstone Housing for Women, and Carebridge Community Services. Combined, these four buildings will provide affordable housing for more than 160 households.

The new CCOC building at 159 Forward will include 49 new homes, a combination of 14 three-bedroom, 8 two-bedroom, and 27 one-bedroom and bachelor apartments. Construction will finish in Summer 2023 with tenants moving in soon afterwards.

The building is being built to Passive House building performance standards. Passive House is an advanced construction and design standard that produces homes that require very little energy for heating or cooling. There will also be solar panels on the roof to generate energy.

Toolbox+ by Cahdco



In 2022, Cahdco launched the Toolbox+, a national community of practice that coaches and mentors organizations across Canada to develop affordable housing and scale-up their organizational capacity. The Toolbox+ by Cahdco received financial support from the CMHC Housing Supply Challenge and the Community Housing Transformation Center (CHTC).

Facilities Management

Operations & Capital Projects

In 2022, the Facilities Management Department completed more than 13,500 work orders, up from 11,000 in 2021. Nearly 6,000 of these were emergency or urgent calls. Despite the significant increase in the number of work orders, the department maintained an overall performance standard of over 90% on-time delivery across all service categories, with many categories maintaining 95% on-time delivery.

Throughout the year, the department also completed more than 170 unit turnovers for homes requiring varying degrees of renovation.

CCOC's in-house pest control program also continued to develop well. The year-end crawling insect rate was 12%, typical of most affordable housing complexes. Bedbugs had an excellent year-end rate of 4.07%, which is very low, and closer to that of private condominiums.

2022 was also another successful year for CCOC in the Canada-Ontario Community Housing Initiative (COCHI). Administered by the City of Ottawa, COCHI funds major capital repairs each year. In 2022, this work represented over \$2 million in addition to CCOC's regular annual capital budget. 258 Lisgar was the recipient of significant 2022 COCHI funding as part of a multi-year project which includes balcony repairs, electrical upgrades, roofing, and mechanical and electrical projects.

Ongoing departmental projects include window and furnace replacements to improve energy efficiency, modernizing buildings' internet capability with fibre-optic connections, and continued participation in the "save on" program. Through this energy saving program, CCOC will have the opportunity to replace a significant portion of fridges across the portfolio.

Throughout 2022, the Facilities Management Department also worked on the 40-year capital plan and asset management plan in support of the new Strategic Plan and to comply with the new Rental Property Bylaw. This plan will be completed in 2023.

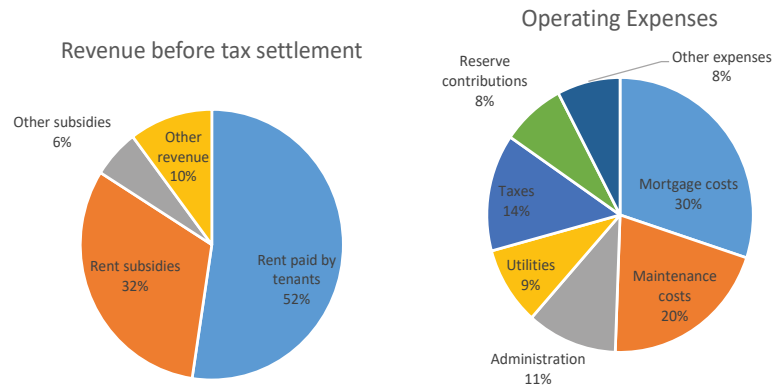
2022 Financial Snapshot

CCOC ended 2022 with an operating surplus, which allowed an additional contribution of \$680,000 to capital reserves for future building repairs and upgrades.

Furthermore, in 2022, the corporation was successful in obtaining a court order securing property tax reductions, for most CCOC properties, retroactive to 2020. This is a critical element of CCOC's long-term financial sustainability plan. In fiscal year 2022, CCOC received over \$3,500,000 in retroactive payments for fiscal years 2020, 2021, and 2022.

With this initial tax settlement, CCOC will address ongoing significant funding deficits at Beaver Barracks, which put the rest of the portfolio at risk. A further portion of the settlement will be invested in capital repairs at other properties.

As of December 31, 2022, CCOC had 23 properties with fully paid-off mortgages. This leads to larger surpluses to reinvest in existing properties, and, eventually, to buy or build new ones. CCHC ended 2022 with an operating surplus of \$73,670, after a contribution of \$30,000 to capital reserves.



2022 Annual Property Tour

