

# The Regional Municipality of York

Housing York Inc.  
December 3, 2015

Report of the  
General Manager  
and  
Chief Financial Officer

## 2016 Business Plan and Budget

### 1. Recommendation

It is recommended that:

1. The Board of Directors approve the Housing York Inc. 2016 Business Plan and Budget as summarized in Attachment 1.

### 2. Purpose

This report seeks the Board's approval of the Housing York Inc. 2016 Business Plan and Budget.

### 3. Background

#### Strategic Plan 2012-2016

In 2012, the Board approved Housing York Inc.'s first multi-year strategic plan. This plan guides Housing York's activities and budget allocation. Significant progress has been made in implementing the strategic plan.

### 4. Analysis and Options

The 2016 Business Plan activity will complete the objectives set out in Housing York's 2012-2016 Strategic Plan

In 2016, Housing York will focus its efforts on implementing the balance of the strategic plan goals. The attached business plan details the activities planned in order to accomplish this. The 2016 actions under each of the five strategic directions include:

**Table 1**  
**2016 Actions under the Five Strategic Directions**

Strategic Direction	2016 Key Actions
Sustain Healthy Communities	<ul style="list-style-type: none"> <li>• Roll out consultation on a Tenant Engagement Strategy</li> <li>• Implement Phase 1 of the Community Health Framework</li> </ul>
Manage Properties Effectively	<ul style="list-style-type: none"> <li>• Develop a tenant recognition program</li> <li>• Complete over \$4 million in capital improvements (see Attachment 2)</li> <li>• Initiate a security upgrade program at six properties</li> <li>• Launch an education program to reduce energy use</li> <li>• Complete our Asset Management Plan</li> </ul>
Manage Finances Proactively	<ul style="list-style-type: none"> <li>• Ensure new building designs reflect changing needs of tenants</li> <li>• Develop a long-term overarching financial strategy</li> <li>• Maximize rental revenues through efficient unit turnover</li> </ul>
Provide User Friendly Services	<ul style="list-style-type: none"> <li>• Roll out annual tenant satisfaction survey</li> <li>• Promote e-communications improvements</li> <li>• Support increased cultural awareness within communities</li> </ul>
Strengthen Governance and Organizational Capacity	<ul style="list-style-type: none"> <li>• Develop capacity to manage portfolio growth</li> <li>• Introduce a Performance Management Framework</li> <li>• Improve financial forecasting and reporting</li> <li>• Conduct an information technology review</li> </ul>

Housing York’s approach to its Budget and Business Plan will mirror the Region’s approach.

Housing York continues to grow in 2016

York Region’s commitment to provide a broad range of housing choices to meet the diverse needs of residents will result in a growth in 2016. The Richmond Hill Housing and Community Hub will add 202 units or 8.3% portfolio growth in 2016.

Portfolio growth is driving increases in revenue and expenses in 2016

2016 revenue is projected to increase by 15.0% and expenditures by 14.9% compared to 2015. The increase in revenue and expenditures are largely driven by Housing York’s portfolio growth.

Housing York projects a healthy financial position for the outlook period

Table 2 demonstrates a growing financial outlook trend for the period 2016 to 2018, with an operating surplus growing to \$893,000 and retained earnings growing to just over \$5 million by the end of 2018.

**Table 2**  
2016 to 2018 Outlook Years  
(\$000s)

	2015 Forecast	2016 Total Budget	2017 Total Outlook	2018 Total Outlook
Tenant Rents	20,494	22,357	23,281	23,569
Subsidy-York Region	9,651	12,723	12,713	11,791
Total Revenue	30,145	35,080	35,994	35,360
Operating Expenses	29,739	34,635	35,108	34,467
Operating Surplus	406	445	886	893
Retained Earnings*	3,055	3,500	4,386	5,279
Capital Reserve	4,449	5,421	6,787	8,155

\*Projected Year End Estimates

Prudent financial management has mitigated risks to maintain financial sustainability

Housing York has exercised strong financial management by maximizing revenue through optimization of rental units mix (subsidized vs market). Housing York also controlled costs through techniques such as bulk tendering and investing in energy efficiency initiatives, which led to utilities cost savings.

In 2016 and the outlook years, Housing York will continue to explore ways to minimize costs and maximize revenues.

Prudent financial management will lead to the growth of Housing York's retained earnings and capital reserve

Retained earnings are projected to grow year-over-year from 2015-2018. The retained earnings balance is projected to be \$3.5 million in 2016.

Operating surpluses help to fund the capital reserve for Housing York's newer buildings. The balance of this reserve is projected to be \$5.4 million in 2016.

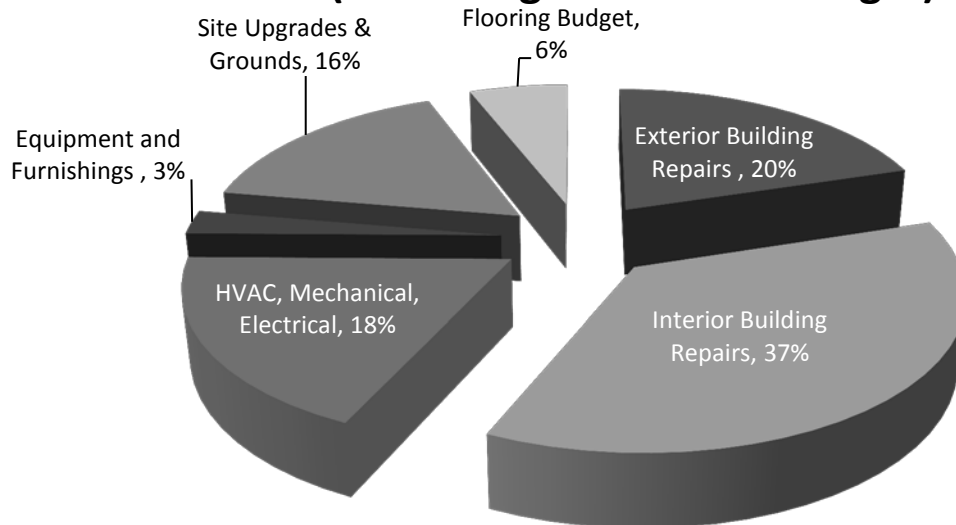
Housing York remains committed to keeping its assets in good state of repair

In 2016, Housing York plans to invest almost \$5.5 million in capital upgrades and repairs. The significant capital investment is aimed at maintaining Housing York's commitment to providing well-maintained buildings, improving accessibility and maximizing building life expectancy. Figure 1 provides a breakdown of Housing York's planned capital expenditures for 2016.

**Figure 1**

Housing York's Capital Expenditures for 2016

**\$5.5 Million HYI Capital Expenditures for 2016 (Percentage of Overall Budget)**



Attachment 2 provides a summary of the \$5.5 million budget for 2016 capital repairs.

[Link to key Council-approved plans](#)

Housing York's 2016 Business Plan and Budget supports and complements the Region's housing goals as outlined in corporate policies such as Vision 2051, the Sustainability Strategy, the Region's 2011-2015 Strategic Plan and the Regional Official Plan.

5. Financial Implications

The projected \$445,000 operating surplus for 2016 will be allocated to retained earnings according to current accounting policies.

6. Local Municipal Impact

With 36 properties in all 9 municipalities, Housing York owns and operates more than 2,400 residential, rental housing units that over 4,000 residents are proud to call home.

## 7. Conclusion

In 2016, Housing York is projecting revenue of \$35.08 million and operating expenditures of \$34.65 million leading to a \$445,000 operating surplus. Retained earnings are projected to reach \$3.5 million and the capital reserves \$5.4 million by the end of 2016.

For more information on this report, please contact Carlene Jackson, Chief Financial Officer, at ext. 76064.

The Senior Management Group has reviewed this report.

Recommended by:

Rick Farrell  
General Manager

Carlene Jackson  
Chief Financial Officer

Approved for Submission:

Adelina Urbanski  
President

November 19, 2015

Attachments (2)

#6354130

Accessible formats or communication supports are available upon request



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# Business Plan and Budget

Building **Stronger** Communities



Community gardeners | **Nobleview Pines**





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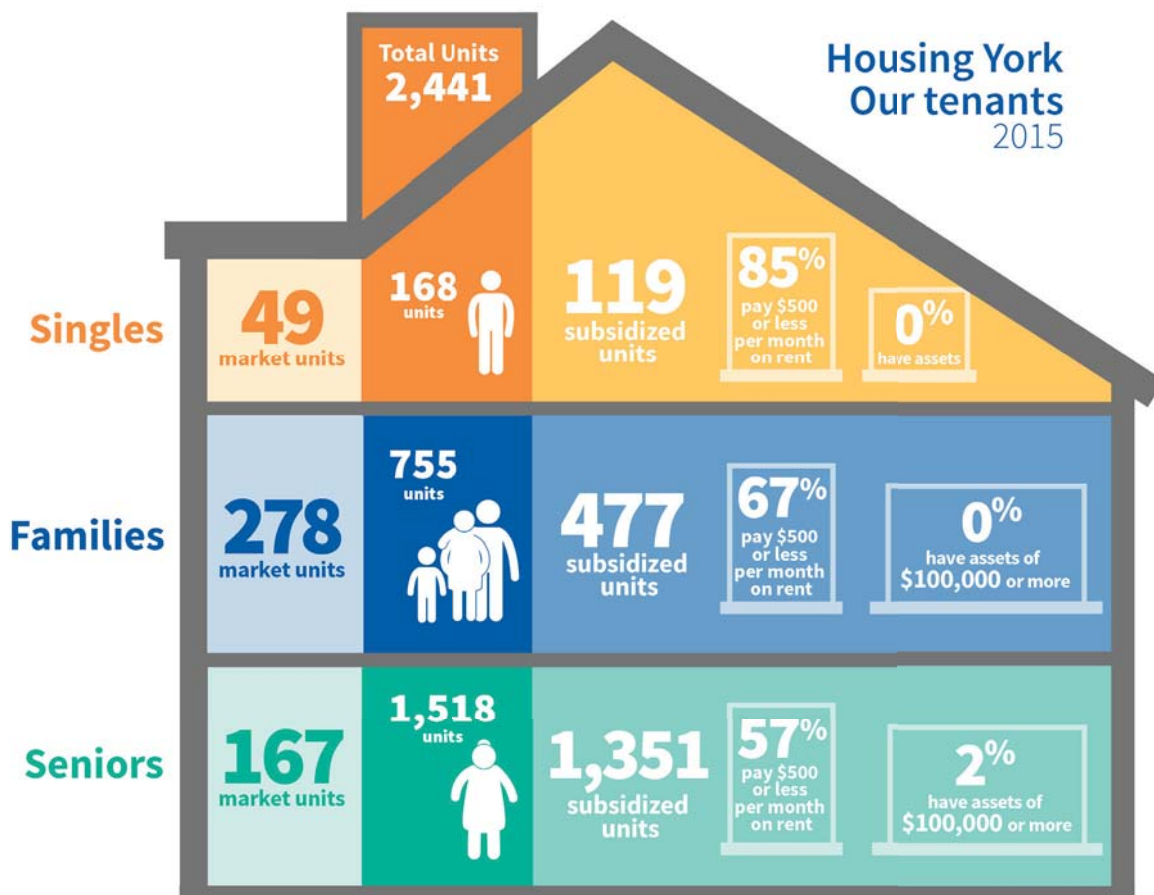
# Foreword

Welcome to the 2016 Housing York Inc. Business Plan and Budget. We appreciate your interest in The Regional Municipality of York's non-profit housing corporation and the work we're doing to **build strong, healthy and affordable housing communities in the Region.**

In this document, you will read about our 2016 goals as we work to complete our 2012-2016 Strategic Plan, and about how those goals build on the work already done in 2015 to build firm foundations for the future.

The cost of housing in York Region continues to rise, increasing by more than seven per cent in the first six months of 2015. There is a gap between the housing we need to accommodate our residents, and the housing that is available and affordable in the Region.

Housing York works with its partners in the Region to address this gap and provide affordable housing choices for low- and moderate-income households. As the seventh largest social housing provider in Ontario, we own and manage 2,441 rental units in 36 locations across York Region. We provide homes for 4,000 people, including more than 600 children and more than 1,500 seniors.



\* Percentages relate to subsidized units only

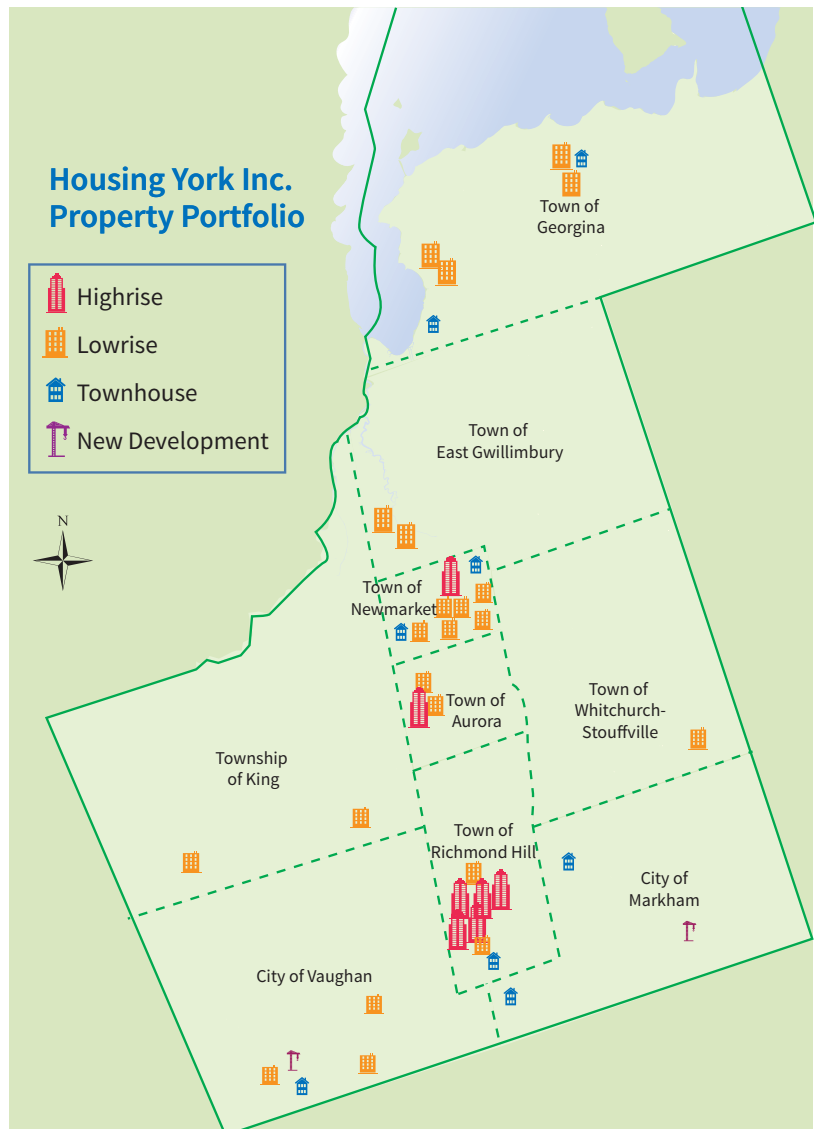
We provide social and transitional housing to vulnerable York Region residents so that they may have the benefits of stable and secure accommodation, regardless of age, health issues and income levels. To help achieve this goal, we need to keep up with the growing demand for affordable rental accommodation.

There are almost 12,000 households on York Region’s social housing waiting list and demand continues to rise. As well as growing our portfolio of properties, we are finding other new and innovative ways to provide sustainable social housing – including new funding models to help ensure our portfolio’s long-term financial viability.

We are working to improve our knowledge of Housing York tenants and tenant communities and better serve their needs. We are also building new partnerships with tenants and community organizations to improve air quality, seniors’ health and youth services.

Our tenants are becoming more engaged through events, workshops and programs. Tenant engagement and an awareness of tenant cultures and communities, will be demonstrated in the way we go about achieving all of our goals for 2016. With the support of our dedicated staff in York Region’s Community and Health Services Department, we will continue to look for new and better ways to build and sustain healthy communities in Housing York’s properties in 2016.

We encourage you to read on and find out more about what we have done in 2015 and how we will build on our achievements in 2016 – providing improved services for Housing York’s tenants as we complete our five-year strategic plan.



## Our focus for 2016

Completing the 2012-2016 Strategic Plan

Building firm foundations

Growth

# Housing York's five strategic directions and key 2016 goals

**Housing York is working for tenants to provide ...**



## ... healthy communities

**We are sustaining healthy communities by:**

- Enhancing tenant engagement
- Creating proactive community partnerships
- Enhancing economic opportunities for tenants

**Key 2016 goals:**

- Consult on a Tenant Engagement Strategy with tenants across the portfolio
- Implement Phase One of the Community Health Framework
- Start a rewards and recognition program for tenants' community-building efforts



## ... well managed properties

**We are effectively managing our properties by:**

- Ensuring our income mix is appropriate
- Managing our assets strategically
- Maintaining and renewing our buildings

**Key 2016 goals:**

- Complete over \$5 million in capital renovations
- Initiate the first phase of a five-year security upgrade program at six properties
- Launch an education program to reduce energy use
- Complete our Asset Management Plan
- Work with tenants to ensure new building designs reflect their changing needs



## ... a financially secure business

### We are making sure Housing York is financially secure by:

- Managing resources effectively
- Ensuring long-term financial health

### Key 2016 goals:

- Develop an overarching financial strategy, including financial targets and goals
- Fully implement multi-year budgeting
- Maximize rental revenues through efficient unit turnover



## ... user-friendly services

### We are providing user-friendly services by:

- Communicating effectively with tenants
- Providing quality services that are accessible for all tenants
- Collaborating on culturally appropriate services

### Key 2016 goals:

- Roll out an annual tenant satisfaction survey to all Housing York households
- Promote e-communications improvements
- Continue on-site tenant service days at remote buildings
- Support increased cultural awareness within communities



## ... a well-run organization

### We are strengthening our governance and organizational capacity by:

- Enhancing our reporting processes
- Renewing our governance framework
- Ensuring appropriate staffing

### Key 2016 goals:

- Develop capacity to plan, promote and manage portfolio growth
- Introduce a Performance Management Framework
- Improve our financial forecasting and reporting
- Conduct an information technology review



# Healthy communities through proactive partnerships

## We are sustaining healthy communities by:

- Enhancing tenant engagement
- Creating proactive community partnerships
- Enhancing economic opportunities for tenants

## Key 2016 goals:

- Consult on a Tenant Engagement Strategy with tenants across the portfolio
- Implement Phase One of the Community Health Framework
- Start a rewards and recognition program for tenants' community-building efforts

## Tenant Engagement Strategy

In 2015, working with our Tenant Reference Group, we began the process of developing a Tenant Engagement Strategy. This work will continue in 2016. We will be getting out and talking to tenants more than ever before – through workshops and other outreach activities – so they can have their say on if, when and how they wish to be engaged.

At Housing York, we care about what our tenants think and we provide opportunities for them to have their say on the issues that matter to them. We understand that, while repairs and maintenance are the top priority for our tenants, there are multiple benefits that flow from meaningful engagement with tenant communities on a much wider range of issues and concerns.

Tenant engagement at Housing York will be an evolving and continuous process – taking into account our tenants' interests and lifestyles and offering different kinds of opportunities to become more involved.

## Tenant programs and activities

We know our tenants want to be active and engaged – both with Housing York and with their communities. In 2015, we conducted surveys at three residences to find out what kinds of programs, services, events and activities tenants would like to have offered. From these surveys, we learned that tenants would like to see more group activities and workshops, as well as programs related to health and technology.

Champions are already coming forward to take the lead as organizers of exercise programs, computer training, card and movie nights, pot lucks, bus trips and bingo nights. As Chris, a tenant at our Kingview Court property says: “The greatest benefit to a [tenant] social group is that people get to know one another. Friendships are being made and we help each other out.”

In August 2015, tenants at our Nobleview Pines property in Nobleton participated in their first Masterchef competition, which brought together members of the Nobleview community for a fun afternoon of cooking, multicultural food sampling and judging.

In 2016, we will continue to support these community-building events and activities. One of the things we plan to introduce is a rewards and recognition program for events and event organizers.



Masterchef competition | **Nobleview Pines**

## Community Health Framework

At Housing York, we understand that social factors, as well as economic and environmental factors, affect the overall health and wellbeing of our tenants. By supporting York Region's new Community Health Framework, we aim to improve the physical and social environments in our properties as we help our tenants to achieve housing stability.

In 2016, we will implement the first phase of the Community Health Framework to support vulnerable tenants. Under the Framework, our formal intake process will be improved to better respond to community health needs.

The Framework also includes plans to start a food access program, promote youth leadership and create opportunities for tenant-led initiatives. These and other best practices will improve the way we work with vulnerable tenants and promote closer partnerships with appropriate support agencies.

## Clean air at home

In partnership with York Region Public Health, Housing York piloted a new campaign in 2015 that asked tenants to take a five-step challenge to improve air quality in their homes. Families received free cleaning tool kits and other useful materials to help them breathe easy at home. A barbeque and family day kicked off the campaign in July at the Markham Kin Village affordable housing community, which partnered in the event with our Trinity Square property.



Clean air at home competition | **Markham**

## 360°kids

In 2016, 360°kids will start delivering programs and support services to at-risk youth in our new Richmond Hill Hub. 360°kids takes a holistic approach to helping at-risk youth, surrounding them with the care they need.

They already serve over 1,300 families and over 2,800 youth each year in the Region and will serve a lot more once they are up and running at the Richmond Hill Hub. We welcome this partnership with 360°kids, which will bring quality, innovative services to our tenants.

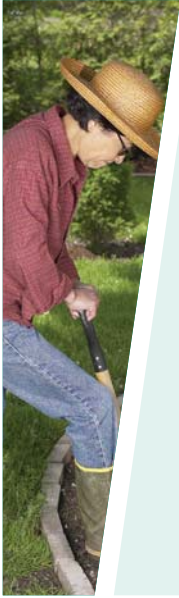
## Opportunities for young people

In 2015, our successful program of tenant events included youth photography workshops, which help young people to learn new skills; as well as Girls Inc., a self-esteem, safety and work-readiness workshop program aimed at empowering girls between the ages of seven and 16. High school students living in Springbrook Gardens had the opportunity to participate in a 12-week youth mentorship program hosted by professional athlete Jonathon Hood.





Jonathon Hood (front centre) with youth photo contestants | **October 2015**



# Well managed properties

## We are effectively managing our properties by:

- Ensuring our income mix is appropriate
- Managing our assets strategically
- Maintaining and renewing our buildings

## Key 2016 goals:

- Complete over \$5 million in capital renovations
- Initiate the first phase of a five-year security upgrade program at six properties
- Launch an education program to reduce energy use
- Complete our Asset Management Plan
- Work with tenants to ensure new building designs reflect their changing needs

## Upgrading, renovating and expanding

In 2015, we successfully completed nearly \$3 million worth of capital improvements to Housing York properties. These improvements include landscaping, new paths around properties, kitchen replacements, new siding, parking lot upgrades and bathroom renovations.

Our capital upgrade programs promote consistent quality assurance standards across the portfolio. Capital programs are improving efficiency, reducing costs and improving quality by standardizing materials and by partnering with other non-profit social housing providers.

By combining tender processes with other housing providers, we can save on materials such as window, doors, kitchen cabinets and carpet tiles. While bringing a more standard look and feel to properties, our approach also allows properties to retain unique colour schemes.

In 2016, as well as completing over \$5 million of capital improvements, we will initiate the first phase of a five-year security upgrade at six of our properties.

The safety of our tenants and the security of their possessions is a primary concern for Housing York. In 2015, we began a comprehensive security review of our properties. Based on this review, we have developed a prioritized five-year security upgrade plan, which will commence implementation in 2016. A safety and security review committee is working on enhancing signage, partnering with local police, offering training opportunities for staff and promoting awareness of safety issues among tenants.

## Energy consumption

We continue our environmental stewardship while reducing operating costs as we improve energy efficiency at our properties. In 2016, we will target properties with above average energy consumption, providing education and guidance to tenants to reduce usage and improve energy efficiency.

There is a lot that tenants can do to help us manage energy consumption in Housing York properties. In the future, we will look at providing tools to tenants that can help them track and reduce their power usage.

## Long-term planning

When planning renovations, we consider a range of factors including life safety and security, building component condition, legislative and code compliance, building functionality, marketability, tenant impact and cost effectiveness. We also use information from our web-based asset management software, Asset Planner. Combined with regular condition assessments at our properties and standard life-cycles, this allows for detailed asset planning and allocation of resources where they are needed most.

In 2015, we began a five-year phased approach to completing Building Condition Assessments of all our Housing York assets. The order of site inspections is based on a Facility Condition Index, which measures the overall condition of each property asset. These assessments will continue in 2016, providing additional verified, up-to-date information about the state of repair of our buildings. They will help us to refine our long range capital plans by determining which assets are in the most urgent need of repairs.

In 2016, we will also see the completion of our Asset Management Plan. This plan will describe:

- The characteristics and conditions of assets
- The levels of service expected from them
- Planned actions to ensure the assets are providing the expected level of service
- Financing strategies to implement the planned actions

Our review of design guidelines will also continue in 2016, with the selection of construction materials. Through an ongoing committee process, we will review and update the guidelines based on factors such as the availability of new products, lessons learned and technology changes.

Like our design guidelines, the needs of our tenants are constantly evolving. In 2016, we plan to work with tenants to ensure the designs of our new buildings take account of their changing needs, as reflected in survey results and other forms of tenant feedback.

As well as expanding our portfolio with new developments, we are identifying priority redevelopment opportunities to increase the number of units available at existing House York properties (see Strategic Portfolio Growth, page 20).



Alver, Building Superintendent | Trinity Square



# Ensuring financial security

## We are making sure Housing York is financially secure by:

- Managing resources effectively
- Ensuring long-term financial health

## Key 2016 goals:

- Develop an overarching financial strategy, including financial targets and goals
- Fully-implement multi-year budgeting
- Maximize rental revenues through efficient unit turnover

## Financial Strategy

In 2015, we introduced multi-year budgeting for our operating and capital budgets, strengthening our financial planning and management. In 2016, we will build on this work – enhancing financial forecasting to make sure we use our resources effectively.

In 2016, we plan to develop a new Financial Strategy, which help us achieve our long-term strategic objectives. This strategy will keep Housing York focused on managing its resources effectively and safeguarding its assets. It will help us to optimize our capital reserves, our retained earnings and our working capital. Importantly, as well as providing financial targets and goals, the strategy will guide us toward achieving those goals.

## Efficient unit turnover

We are taking a three-pronged approach to increasing the efficiency of unit turnover:

- Standardizing building materials
- Maximizing occupancy
- Expanding the move-in readiness program

When our units become vacant, we want to make them available to new tenants as quickly and economically as possible. In 2015, we started a new program to drive savings on unit turnover by standardizing building materials. Once we have developed a full set of building standards, we will move forward with a Request for Proposal in 2016 to select vendors. This innovative program to standardize the look and feel of our units should be fully implemented by the end of 2016.

We are also advertising vacancies more aggressively – online, in print publications and through signage – to make sure vacancies are filled promptly. By exploring new strategies to market vacant units more effectively, we are helping to make the most efficient possible use of our limited resources.

In 2016, we will continue to work with York Region’s Housing Strategy and Program Delivery team to expand implementation of the Move-In Readiness Program. This program works with applicants nearing the top of the waiting list to make sure their housing choices match their needs and that vacancies can be filled quickly.

In 2016, we will benchmark our average unit turnover time with other housing providers. Our aim is to be among the most efficient housing providers.



Kerri, Tenant Services Coordinator, welcomes Sheila to her new home

## Alternative rent models

In 2016, we will continue to explore alternative rent models that will increase Housing York’s financial health and sustainability, reduce our dependency on government subsidies and promote long-term financial viability. A new rent model will be implemented at the Richmond Hill Hub when it opens in 2016, making the building financially self-sufficient.

We will also be exploring other ways to ensure financial sustainability as we continue to develop the Housing York portfolio in 2016 and beyond.

## Commercial rental space

Our Richmond Hill Hub property also includes commercial space for a business that will help to build healthy communities in Richmond Hill. To rent the space, we will select an enterprise that addresses a social need in the community – through products and services sold and/or by providing training or work opportunities that would benefit the local community.

Rental revenue will be used to offset a proportion of total building operating expenses, helping to support the Hub’s financial self-sufficiency.



# Providing user-friendly services

## We are providing user-friendly services by:

- Communicating effectively with tenants
- Providing quality services that are accessible for all tenants
- Collaborating on culturally appropriate services

## Key 2016 goals:

- Roll out annual tenant satisfaction survey to all Housing York households
- Promote e-communications improvements
- Continue on-site tenant service days at remote buildings
- Support increased cultural awareness within communities

## Connecting with our tenants

We are using technology to connect with our tenants in a variety of ways. In 2015, we provided a new free Wi-Fi service in common rooms for tenants in our Mapleglen Residences and Mackenzie Green properties.

By providing free Wi-Fi, we are encouraging seniors and young people to use common rooms to learn and collaborate. We are making it easier for seniors to access resources that make their lives easier and healthier, and we are giving young people after-school access to online resources like college and financial aid applications, resume tools, government services and social networks. We will continue to roll out this service across our other properties in 2016, allowing tenants to connect more easily with family and friends and with Housing York for their requests and enquiries. In 2016, we will explore technology options for online maintenance requests and secure online personal account access.

We are also adding electronic message boards in central areas in apartment buildings. These boards will provide information about services and programs in the community and share Housing York news with tenants more efficiently.

The messages scroll across the screen and can be quickly updated remotely using web-based technology. More electronic message boards will appear at our properties in 2016.

We plan to continue our pilot program of on-site tenant service days in 2016 as another way of staying connected. This program helps us connect with tenants in our more remote properties, giving them a chance to meet in common areas on set days with our Tenant Services Coordinators to get information, get help completing forms and ask questions.



Haibo, Building Superintendent,  
with Mary, tenant





# Ensuring a well-run organization

## We are strengthening our governance and organizational capacity by:

- Enhancing our reporting processes
- Renewing our governance framework
- Ensuring appropriate staffing

## Key 2016 goals:

- Develop capacity to plan, promote and manage portfolio growth
- Introduce a Performance Management Framework
- Improve our financial forecasting and reporting
- Conduct an information technology review

## Performance Management Framework

In 2016, we will develop a new Performance Management Framework to increase organizational efficiency and effectiveness and help us plan, promote and manage portfolio growth. The Framework will help us understand where our organization is and where it needs to go in the future to ensure it is providing consistent, best-in-class services to its customers.

The Performance Management Framework will provide firm foundations for portfolio growth. It will improve Housing York's decision-making in all areas of our business, and help to ensure that we have the human, operational, and capital resources in place to plan, promote and manage portfolio growth.

Among other things, the Framework will include:

- A comprehensive policy and procedure manual to ensure consistent delivery
- Benchmarking, with collection of data from other organizations
- More robust key performance indicators to shape and encourage behaviour that helps us achieve our objectives
- A compliance framework
- Quality assurance
- Service standards
- An inventory management system

As part of the Performance Management Framework, we will continue our risk management initiatives in 2016, with the continued development of a new Enterprise Risk Management Framework to identify, mitigate and manage operational, financial and service-level risks. This systematic and proactive approach to risk management will support more informed decision-making. It will include better reporting on risk and more risk-analysis tools.



## Information technology review

In 2016, we will conduct a comprehensive information technology review to make sure Housing York is making the best possible use of new technology to support delivery of our services.

One area where technology is improving efficiency for our staff in the field is in the use of mobile forms. Starting in 2016, our maintenance staff will be able to use their mobile devices to access the Housing York system and fill out key forms, reducing time spent traveling to and from the office and getting information into our systems faster.

## Forecasting and reporting

In 2016, we will improve our operational and capital budgeting process with better forecasts and reporting – improving quarterly forecasting and information for decision-making. Through improved reporting, we will also support York Region’s goal of developing a consolidated Region-wide State of Infrastructure Report.

## Growing capacity

In 2015, all Housing York staff members attended full-day training events to help them improve the way they serve our customers. Through these events, staff members have obtained the tools and resources they need to interact effectively with our various customer groups. In 2016, we will continue to develop these training resources. We will also review our staffing model with a focus on more efficient service, and on embracing the results of our technology review.



Gabrielle and Daniel, tenants | **Kingview Court**

# Strategic portfolio growth

In 2016, we will explore alternative sources of financing and develop financial models to find ways of serving more York Region residents. These models will help us to understand organic portfolio growth, as well as the possible redevelopment of existing low-density properties in our portfolio.

We are working closely with York Region Housing Development to expand our portfolio of properties and provide housing options that meet the needs of tenants.

## Richmond Hill Hub

We are excited to report that our newest property, the Richmond Hill Hub, which will provide 202 new rental apartments, is nearing completion. In 2015, we introduced a new subsidy model, which will be applied at this property, and we expect to be able to welcome our first tenants in early 2016.



Richmond Hill Hub | **Richmond Hill**

Building features include a multi-purpose room, a roof top patio and garden, and a spacious lobby with a fireplace and living wall. The Hub is geared towards providing homes for single individuals, seniors and small families. Of its 202 units, approximately 80 per cent are single units and the property is located on Yonge Street, with public transit and amenities right outside the front door.

360°kids will also operate a youth drop-in centre and housing for youth on the Hub's main floor.



Belinda's Place | **Newmarket**

## Belinda's Place

In 2015, we became responsible for managing the newly completed Belinda's Place in Newmarket, the first shelter for single homeless women in York Region. Belinda's Place provides 28 emergency housing rooms and nine transitional units.

The Salvation Army will provide counseling and life-skill learning opportunities at Belinda's Place, as

well as referrals to other community supports and resources to help homeless women find and maintain permanent housing.

## Unionville affordable housing development

We are moving forward with our Unionville affordable housing development in 2016. This development, planned to start construction in 2017, will bring additional affordable seniors' housing to the City of Markham.

Through the Unionville affordable housing development, we will work closely with the Unionville Home Society and The Minto Group, who will each be developing on adjacent properties. The Heritage Village currently located on the site will remain occupied during construction and its tenants will have the opportunity to move into the new Housing York building, which is expected to have more than 200 units upon completion.

## Woodbridge redevelopment

The design-build contract for the new Woodbridge redevelopment – which includes our 275 Woodbridge Avenue and 64 Abell Avenue properties – was awarded in September 2015 to VanMar Constructors. This redevelopment will eventually bring 150 newly constructed affordable housing units to York Region in 2019. Construction is planned to start late in 2016.



Proposed Woodbridge Redevelopment | **Woodbridge**

# Outlook

For new Housing York tenants, the keys to their homes are keys to new lives. Having a secure place to live means better health, a better chance of finding a good job and better quality of life for the seniors, singles, and families that call Housing York properties home.

We are honoured to be able to open the doors to new and better lives for our tenants across York Region, providing safe environments to enjoy secure retirements, put down roots as productive members of the community and raise families. We are proud of all we have achieved to date in implementing our 2012-2016 Strategic Plan and we look forward to completing the plan in 2016 and laying a solid foundation for new growth in the years ahead.



# 2016 Budget

\$ Thousands	2016 Budget	2015 Budget	Year Over Year Change	Comments
Tenant Rents	22,357	20,109	11.2%	<ul style="list-style-type: none"> <li>• Marginal Rent increase of 2%</li> <li>• Portfolio Growth - Full year of Lakeside Residences and ten months of Richmond Hill Hub</li> </ul>
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Total Revenue	35,080	30,482	15.1%	
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Operating Surplus	445	330	34.8%	<ul style="list-style-type: none"> <li>• Operating surplus increase due to economies of scales resulting from portfolio growth</li> </ul>
Retained Earnings*	3,500	2,998	16.7%	
Regional Housing Capital Reserve	5,421	4,215	28.6%	<ul style="list-style-type: none"> <li>• The reserve continues to grow based on approved contribution to reserve policies</li> </ul>

\* Year end estimates

## Financial outlook

\$ Thousands	2015 Forecast*	2016 Budget	2017 Outlook	2018 Outlook
Tenant Rents	20,494	22,357	23,281	23,569
Subsidy - York Region	9,651	12,723	12,713	11,791
Total Revenue	30,145	35,080	35,994	35,360
Operating Expenses**	29,739	34,635	35,108	34,467
Operating Surplus	406	445	886	893
Retained Earnings	3,055	3,500	4,386	5,279
Capital Reserve	4,449	5,421	6,787	8,155

\* The 2015 Forecast is based on financial results published in the 2015 Mid-Year Report

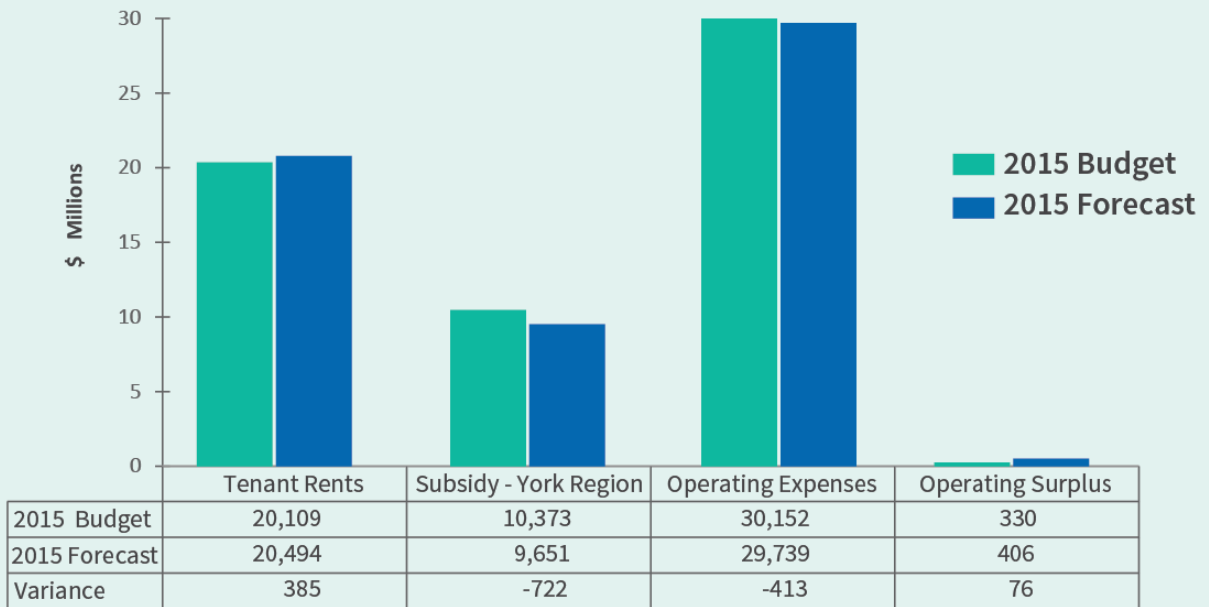
\*\* Richmond Hill Hub's contribution to Capital Reserve fund is limited to \$300,000 per year

# Operating data

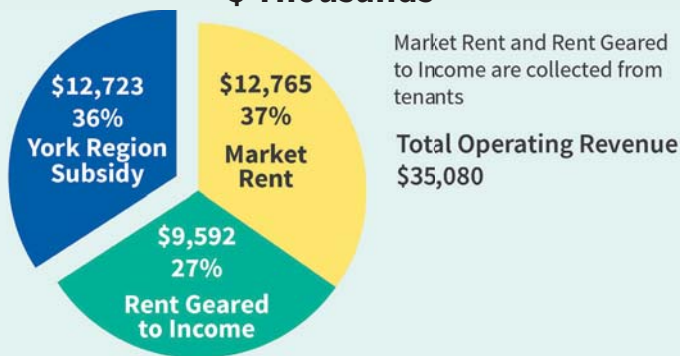
## Portfolio Growth 2011- 2018



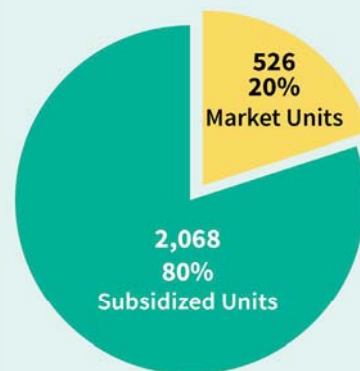
## 2015 Budget vs Forecast



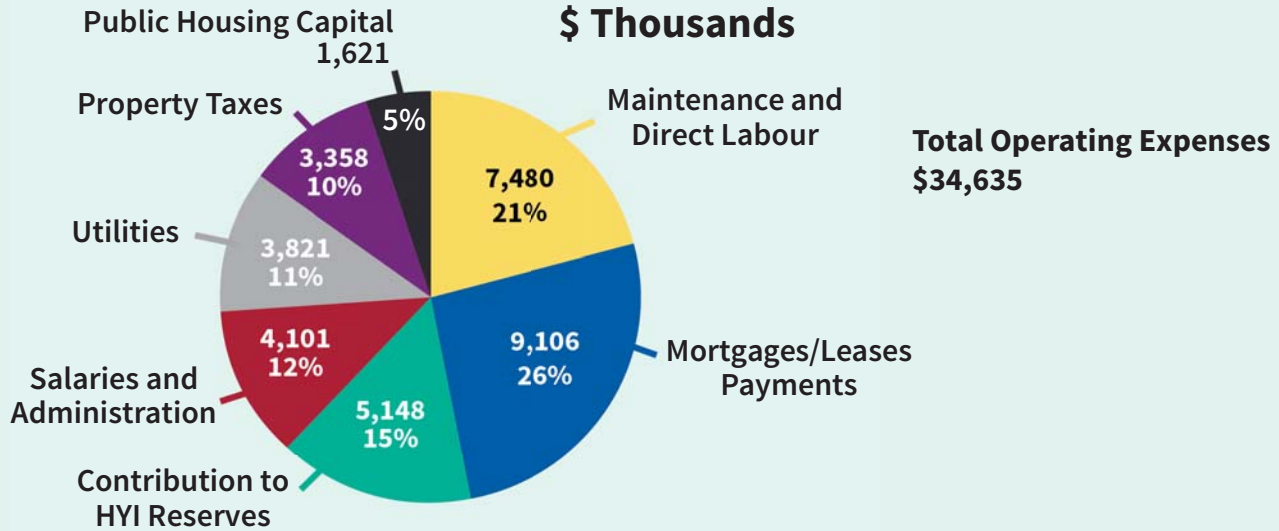
## 2016 Revenue Mix \$ Thousands



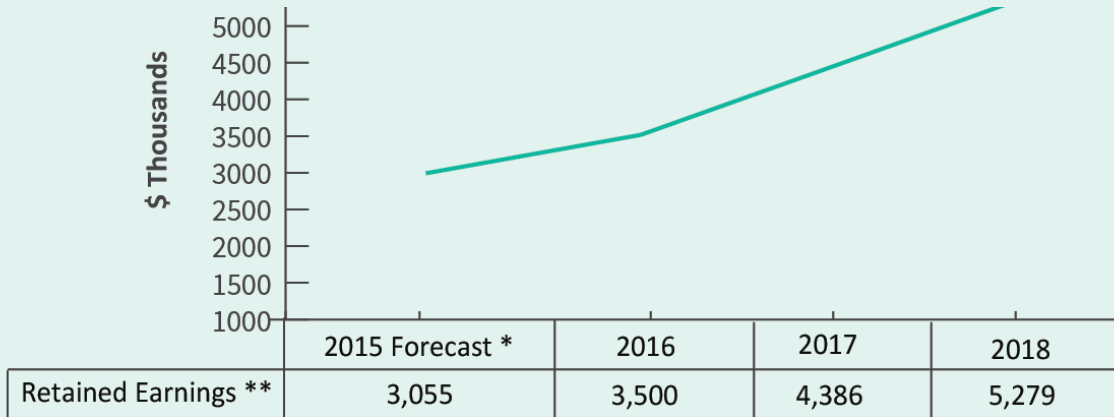
## 2016 Unit Mix



## 2016 Operating Expenses \$ Thousands



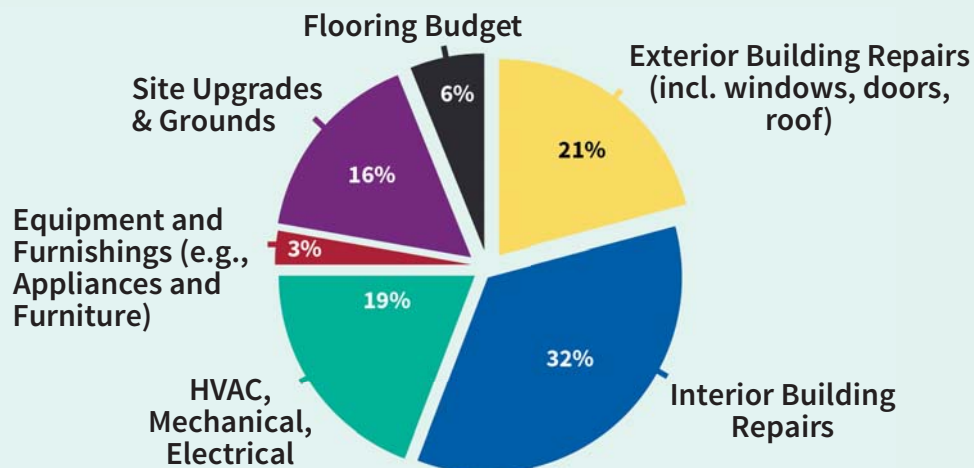
## 2015-2018 Retained Earnings



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## \$5.5 Million HYI Capital Expenditures for 2016 (Percentage of Overall Budget)







**\$5.49M Budget 2016 HYI Capital Expenditures  
Summary of 2016 HYI Capital Projects Greater than \$50k**

<b>Municipality</b>	<b>Facility</b>	<b>Project</b>	<b>Project Cost excluding Overhead (\$)</b>	<b>Project Cost including Overhead (\$)</b>
Aurora				
	Hadley Grange	Hydronic heating boiler upgrade including consultant	70,000	85,361
	Orchard Heights Place	Window replacement (#55 Orchard only)	60,000	73,397
Keswick				
	Glenwood Mews	Asphalt Repairs	50,000	60,972
	Keswick Gardens	Exterior lighting upgrades	50,000	73,397
King City				
	Kingview Court	Air conditioning system consultant assessment and repairs/reconstruction	70,000	85,630
Markham				
	Thornhill Green	Furnaces	50,000	60,972
	Trinity Square	Siding Repairs	50,000	60,972
	Trinity Square	Driveway replacement of single car garage units	60,000	73,166
	Trinity Square	Exterior window and doors replacement	575,000	701,176
Newmarket				
	Brayfield Manors	Bathroom upgrade phase 2 (remaining units that were not completed in 2015)	130,000	158,527
	Fairy Lake Gardens	Elevator upgrade	90,000	110,095

<b>Municipality</b>	<b>Facility</b>	<b>Project</b>	<b>Project Cost excluding Overhead (\$)</b>	<b>Project Cost including Overhead (\$)</b>
	Founders Place	Domestic hot water boilers replacement (2 of them) including consulting fees	65,000	79,513
	Heritage East	Underground garage ramp and wall repairs	400,000	487,775
	Mulock Village	Kitchen upgrade (stoves included)	300,000	365,831
Richmond Hill				
	Evergreen Terrace	Elevator cab interior upgrades	60,000	73,397
	Maplewood Place	Lounge furniture and common area carpet upgrade	50,000	61,164
	Rose Town	Common area painting	50,000	60,972
	Rose Town	Masonry repairs and control joint caulking	75,000	91,458
	Rose Town	Asphalt sidewalk/pathway surrounding entire building	80,000	97,555
	Rose Town	Kitchen upgrade including stove replacement	300,000	365,841
	Springbrook Gardens	Kitchen upgrades including stove replacement	250,000	304,859
Stouffville	Elmwood Gardens	DHW recirculation system replacement	50,000	61,164
Sutton				
	NorthView Court	Make-up air handling unit replacement	50,000	61,164
	NorthView Court	Exterior public space lighting upgrade including consulting fees	55,000	67,280
	NorthView Court	Lounge and common area upgrades for both buildings #37 and #39	150,000	183,492

Summary of 2016 HYI Capital Projects Under \$50k Project Cost by Building Component Category

<b>Building Component</b>	<b>Project Cost excluding Overhead (\$)</b>	<b>Project Cost including Overhead (\$)</b>
Site Upgrades	146,000	166,221
Interior Building Repairs	246,205	290,647
HVAC, Mechanical, Electrical	251,500	308,107
Exterior Building Repairs (incl. windows, doors, roof)	180,000	219,701
Equipment and Furnishings	67,205	82,134
Flooring Budget	325,000	325,00
Minor Capital	205,000	205,000
<b>Subtotal</b>	<b>1,420,910</b>	<b>1,596,810</b>

<b>TOTAL BUDGET</b>	<b>5,489,515</b>
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# Housing York Inc. 2016 Business Plan and Budget

Presentation to  
**Housing York Inc. Board of Directors**

**Rick Farrell and Carlene Jackson**

December 3, 2015

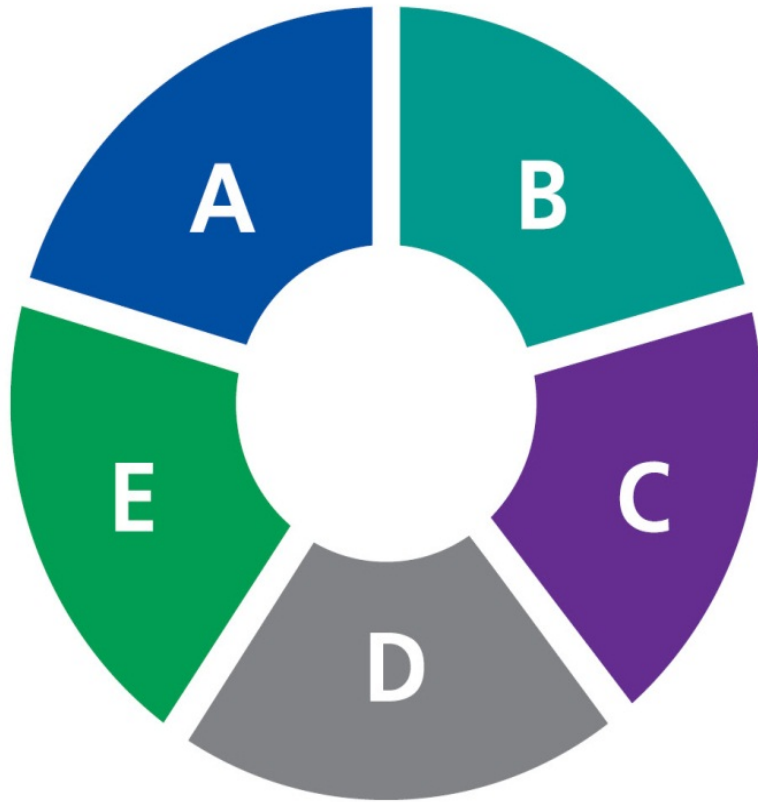


# Key Operational Drivers

- Waiting list for affordable housing continues to grow at a rapid pace
- Rising expectations for tenant engagement and support services
- Housing York has a more diverse and complex tenant population
- Reducing energy costs/consumption can be achieved through tenant engagement/partnerships
- Maintaining an ageing asset base requires a more strategic approach
- Technological advancement can offer opportunities for efficiencies and improved services



# Housing York's Roadmap to the Future



## **A) Sustain Healthy Communities**

- Enhanced tenant engagement
- Proactive community partnerships
- Enhanced tenant economic opportunities

## **B) Manage Properties Effectively**

- Appropriate income mix
- Strategic portfolio management
- Regeneration and expansion

## **C) Manage Finances Proactively**

- Long-term financial health
- Revenue maximization and fiscal management

## **D) Provide User Friendly Services**

- Effective tenant communications
- Accessible quality service
- Culturally appropriate services

## **E) Strengthen Governance and Organizational Capacity**

- Enhanced reporting
- Renewed governance framework
- Appropriate staffing

# ... healthy communities

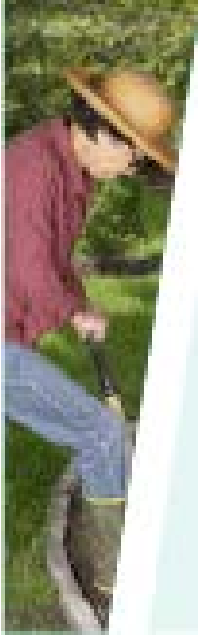
## 2015 HIGHLIGHTS

- began dialogue with Tenant Reference Group on tenant engagement
- Community champions led variety of activities
- Nobleview Pines hosted their first Masterchef competition
- Clean Air At Home – Trinity Square
- Opportunities for Young People
  - 360 Kids
  - Photography Contest
  - Youth mentorship program

## 2016 PRIORITIES

- Roll out tenant engagement consultation across portfolio
- Introduce a rewards and recognition program for community champions
- Implement first phase of Community Health Framework
  - Formal intake process
  - Partnerships to work with vulnerable tenants
  - Food access program
  - Youth leadership
  - Tenant led initiatives





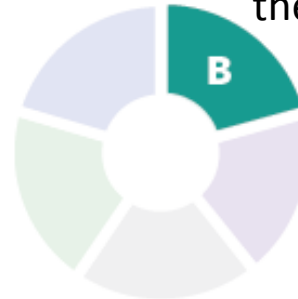
# ... well managed properties

## 2015 HIGHLIGHTS

- Completed nearly \$3m in capital improvements
  - Landscaping & new pathways
  - Kitchens & bathrooms
  - New siding
  - Parking lot upgrades
- Completed security review of 6 properties
- Began a five-year phased approach to completing Building Condition assessments
- Began review of design guidelines and product standardization

## 2016 PRIORITIES

- Complete \$5m in capital works
- Deliver 1<sup>st</sup> phase of security upgrades
- Provide education & guidance to reduce energy consumption
- Complete our Asset Management Plan
- Work with tenants to ensure that new build designs reflect their changing needs







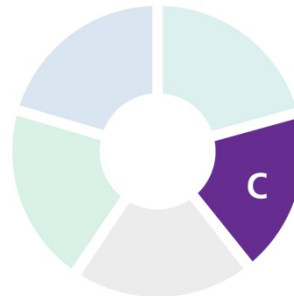
# ... a financially secure business

## 2015 HIGHLIGHTS

- Introduced multi-year budgeting
- Mitigated operational risk by:
  - Hedging gas pricing volatility through one year closed supply contract with HSC and ECNG
  - Exploring options to reduce insurance costs
- Developed a rental subsidy model for Richmond Hill Hub
- Continued to expand on the range of bulk tendering initiatives between housing providers

## 2016 PRIORITIES

- Fully implement multi-year budgeting
- Develop new Financial Strategy
- Maximize rental revenues through efficient unit turnover
  - Standardizing building materials
  - Aggressive advertising
  - Expanding move-in readiness program
- Select social enterprise partner for Richmond Hill Hub
- Undertake the first bulk capital upgrade in 2016 with other providers





# ... user-friendly services

## 2015 HIGHLIGHTS

- Initiated free Wi Fi in common rooms pilot at Mapleglen and Mackenzie Green
- Installed electronic message boards in apartment buildings
- 70% response rate to parking policy survey
- Provided on-site tenant service days

## 2016 PRIORITIES

- Roll out annual tenant satisfaction survey to all HYI households
  - Maintenance & repairs
  - Customer service
  - Communication
  - Community engagement
  - safety
- Promote e-communication improvements
- Support increased cultural awareness within communities





# ... a well-run organization

## 2015 HIGHLIGHTS

- Conducted a technology review
- Staff training to provide tools and resources for interacting with various customer groups and facing difficult situations.
- Introduced the Enterprise Risk Management Framework

## 2016 PRIORITIES

- Develop a Performance Management Framework
- Improve financial forecasting and reporting
- Implement technology upgrades, including mobile solutions
- Review staffing models with a focus on efficient service delivery



# Strategic portfolio growth

- Richmond Hill Hub
- Belinda's Place
- Woodbridge Redevelopment
- Unionville Affordable Housing Development



# Financial Snapshot



# Major Drivers

- Portfolio growth is driving both increases in revenues and costs
- Maintenance costs are increasing given the aging portfolio, and the rising cost of service delivery
  - The Region has increased its subsidy by just over \$2M to fund the capital costs related to building repairs in HYI's older buildings
- Utilities costs continue to rise – electricity in particular



***Despite the pressures, a healthy financial position is projected during the planning period***

# 2016 At a Glance

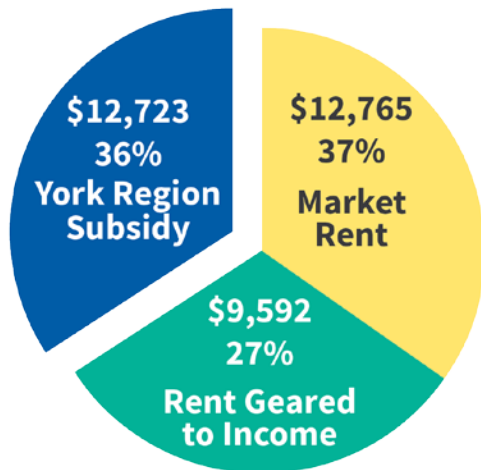
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\*Year end estimates

# 2016 Projected Revenue Mix

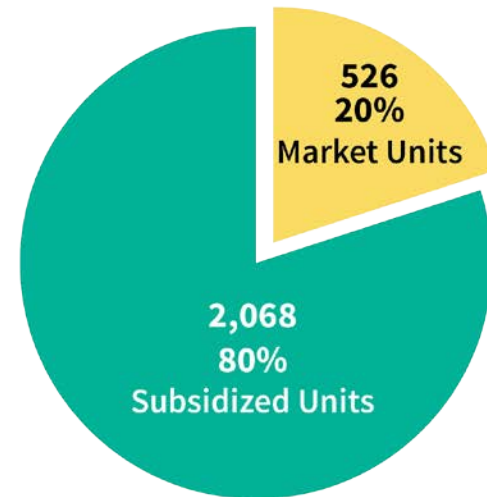
2016 Revenue Mix  
\$ Thousands



Market Rent and Rent Geared to Income are collected from tenants

Total Operating Revenue  
\$35,080

2016 Unit Mix

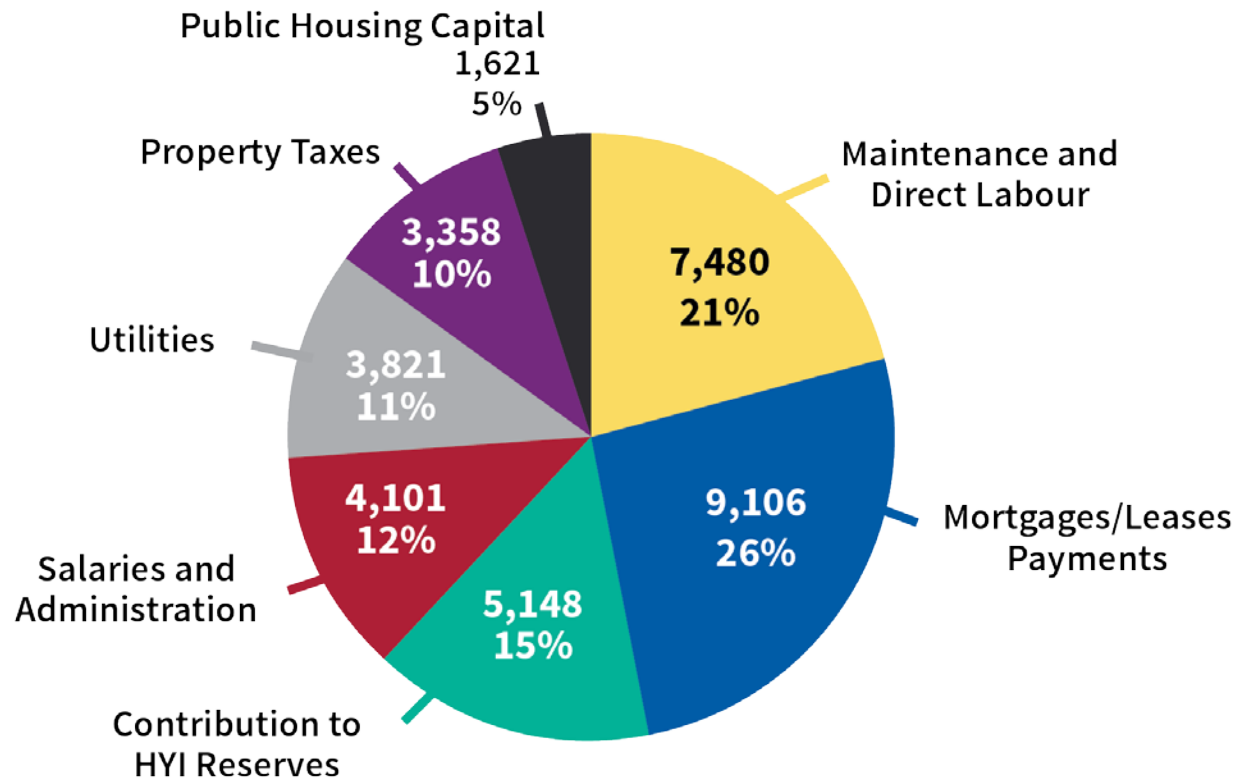


*The Housing York portfolio is a mix of subsidized rentals and market rate rentals, creating balanced and sustainable communities.*



# 2016 Operating Expense Breakdown

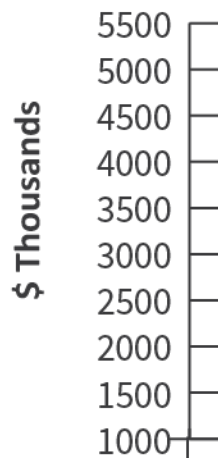
## 2016 Operating Expenses \$ Thousands



Total Operating Expenses  
\$34,635

# Retained Earnings are Increasing

2015-2018 Retained Earnings



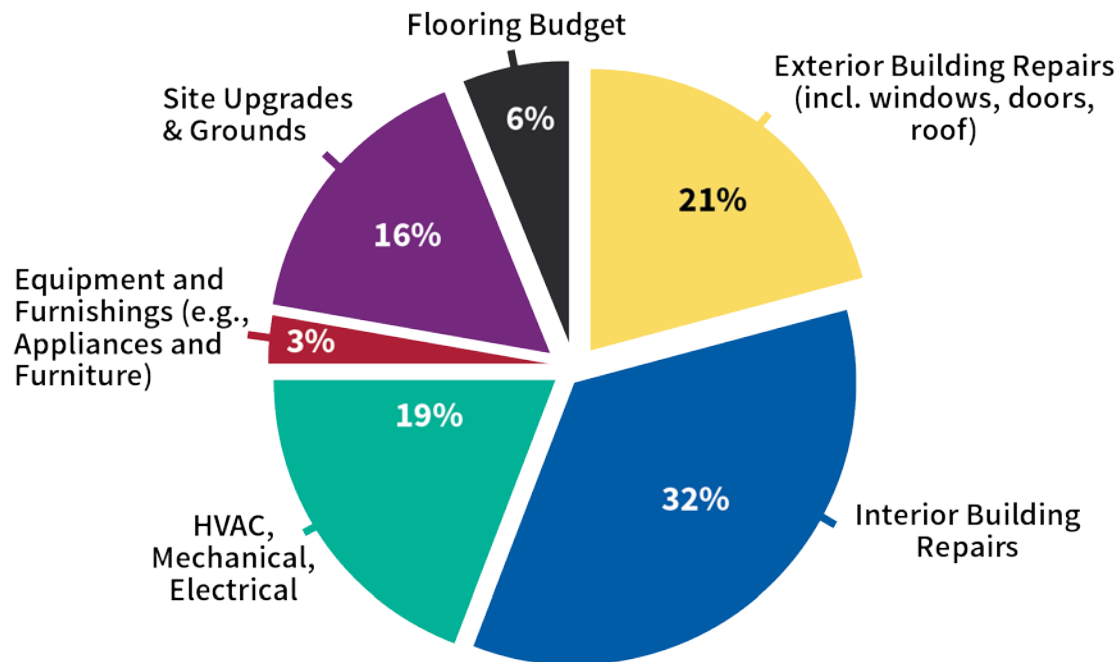
	2015 Forecast *	2016	2017	2018
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# A Healthy Financial Outlook is Expected

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# 2016 Capital Expenditures

**\$5.5 Million HYI Capital Expenditures for 2016  
(Percentage of Overall Budget)**



# Summary and Conclusions

- Housing York's portfolio is growing, increasing affordable housing opportunities
- 2016 activities will complete all areas of the Strategic Plan
- The Corporation is well positioned to undertake additional growth and address tenant needs
- Balanced budgets are projected. Average surplus of \$741K planning period
- Regional Housing properties are self-sufficient. Projected reserve balance of \$8.2M by 2018
- Retained earnings are growing. Projected balance of \$5.3M by 2018



Thank you

