

Housing York Governance Framework Update

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

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May 1, 2014

Presentation Overview

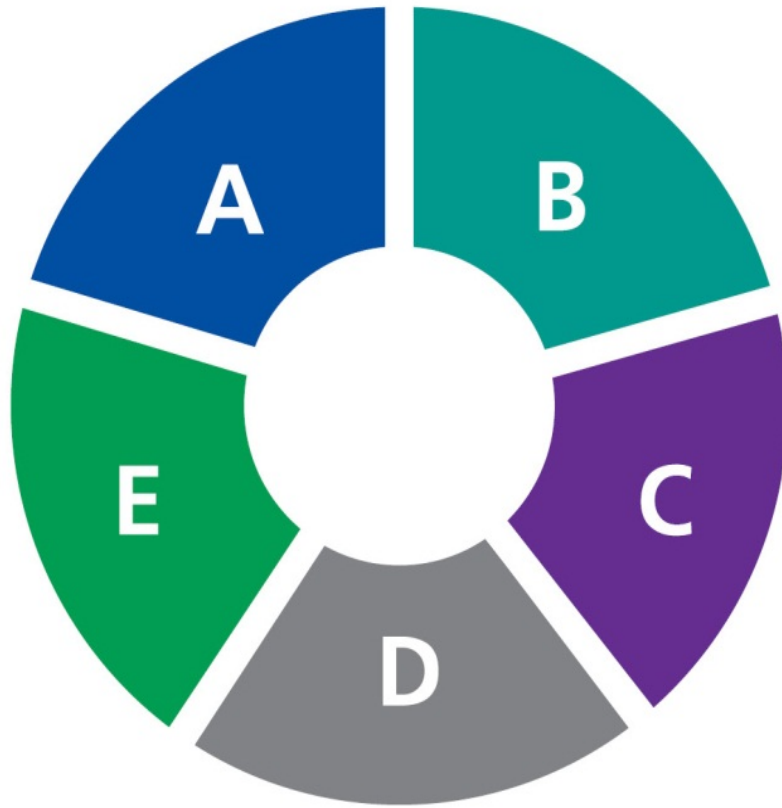
- Provide an update on the Housing York Inc. (HYI) Strategic Plan direction:
 - *Strengthen Governance and Organizational Capacity*
- Provide an overview of the updated governance documents prepared to complete the “*Renewed Governance Framework*” objective

Development of the HYI Strategic Plan

- The HYI Strategic Plan development process:
 - Consultation with tenants, staff, and internal and external partners
 - A series of HYI Board workshops that considered:
 - Corporate context
 - Asset management
 - Governance
 - Setting strategic directions

The Housing York Strategic Plan was approved in October 2012

HYI Strategic Directions 2012 - 2016



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

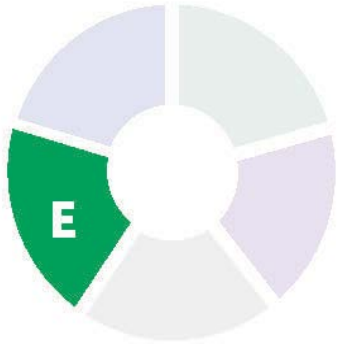
D) Provide User Friendly Services

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

E) Strengthen Governance and Organizational Capacity

- Enhanced reporting
- Renewed governance framework
- Appropriate staffing

Strategic Direction



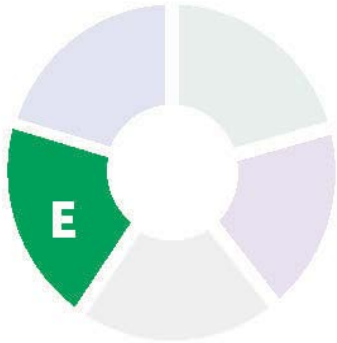
E) Strengthen Governance and Organizational Capacity

- Enhanced reporting
- Renewed governance framework
- Appropriate staffing

Actions Taken to Date:

- Enhanced reporting: e.g. new risk management report
- Staffing resources aligned to support enhanced fiscal and asset management
- New draft governance documents developed

Strategic Direction



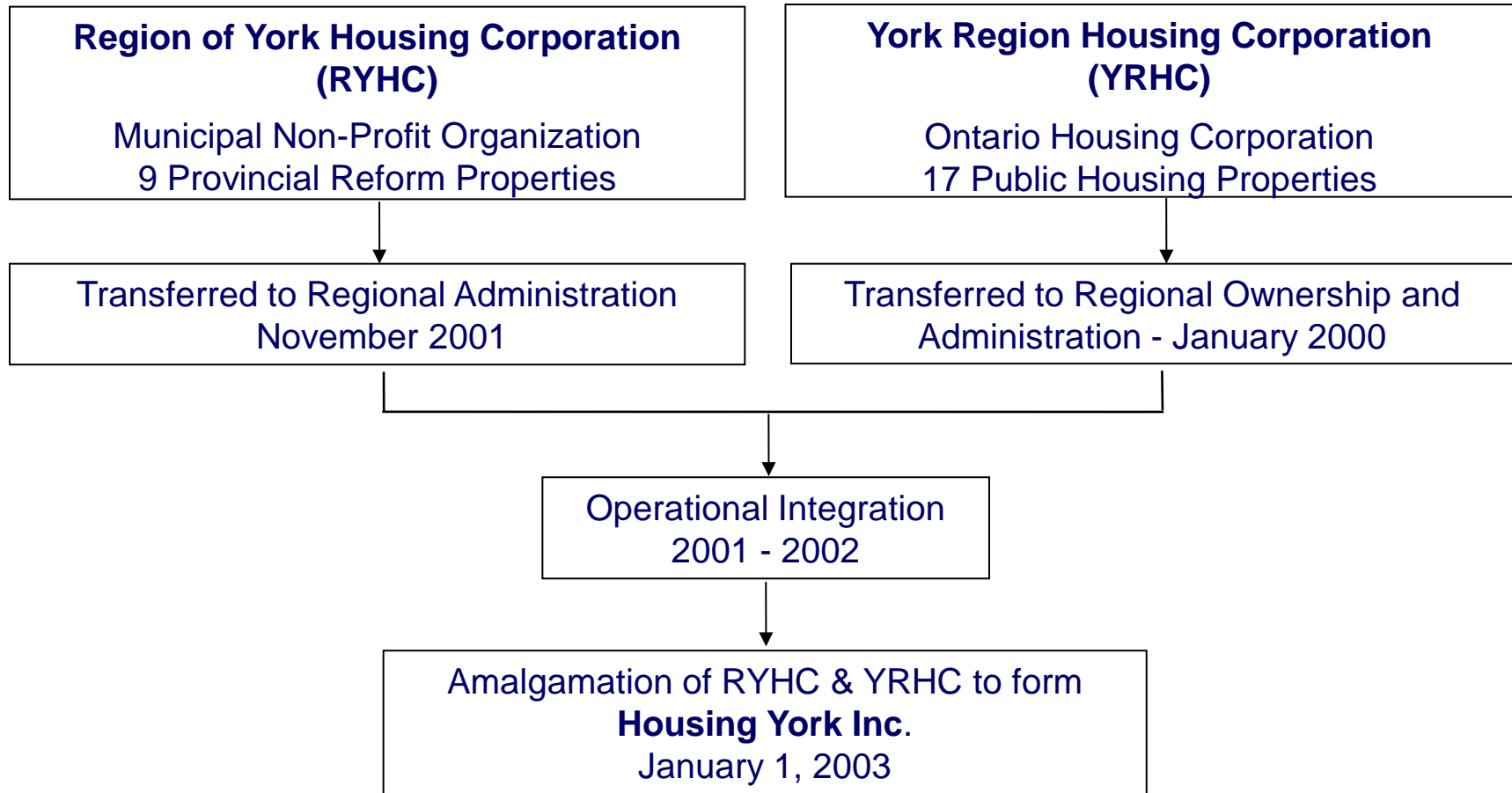
E) Strengthen Governance and Organizational Capacity

- Enhanced reporting
- **Renewed governance framework**
- Appropriate staffing

Governance Framework Renewal - Objectives:

- ❑ Document and formalize current governance practices
- ❑ Reflect new legislation and HYI's current business functions
- ❑ Update alignment of HYI policies and by-laws with Regional policies and by-laws

History of Housing York



The existing governance documents were established in January 2003

Governance Framework

Shareholder Direction (*new*)

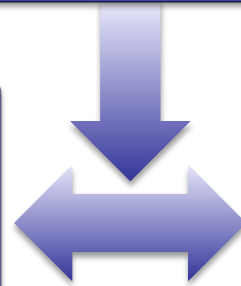
- Establishes principles
- Designates Officers
- Governs HYI by-laws
- Requires alignment with Regional policies

Management Agreement (*updated*)

- Describes the transactional relationship between the Region and HYI

By-laws

- Organizational by-law (*updated*)
- Borrowing by-law (*no change*)
- Purchasing by-law (*no change*)
- Execution of documents by-law (*new*)



Implementing a Shareholder Direction for the housing company is consistent with the practices of other Service Managers

Shareholder Direction

- The Region will:
 - Appoint the Board, officers and directors of the HYI and hire staff as needed
 - Develop new housing projects and acquire or direct acquisition of land and housing assets
 - Secure or direct new debt financing as required
 - Direct the asset management strategy for the housing portfolio
 - Provide HYI with funding required to fulfill its obligations through the Region's budget process
 - Establish a management services agreement

Shareholder Direction

□ The Board will:

- Direct the operations of the housing company
- Approve operational policies consistent with the Shareholder Direction
- Pass, amend or repeal by-laws subject to shareholder approval
- Purchase and sell land subject to shareholder approval
- Oversee compliance with all applicable legislation, program requirements and related agreements through review of internal and external financial and audit reports, risk management and property management reports

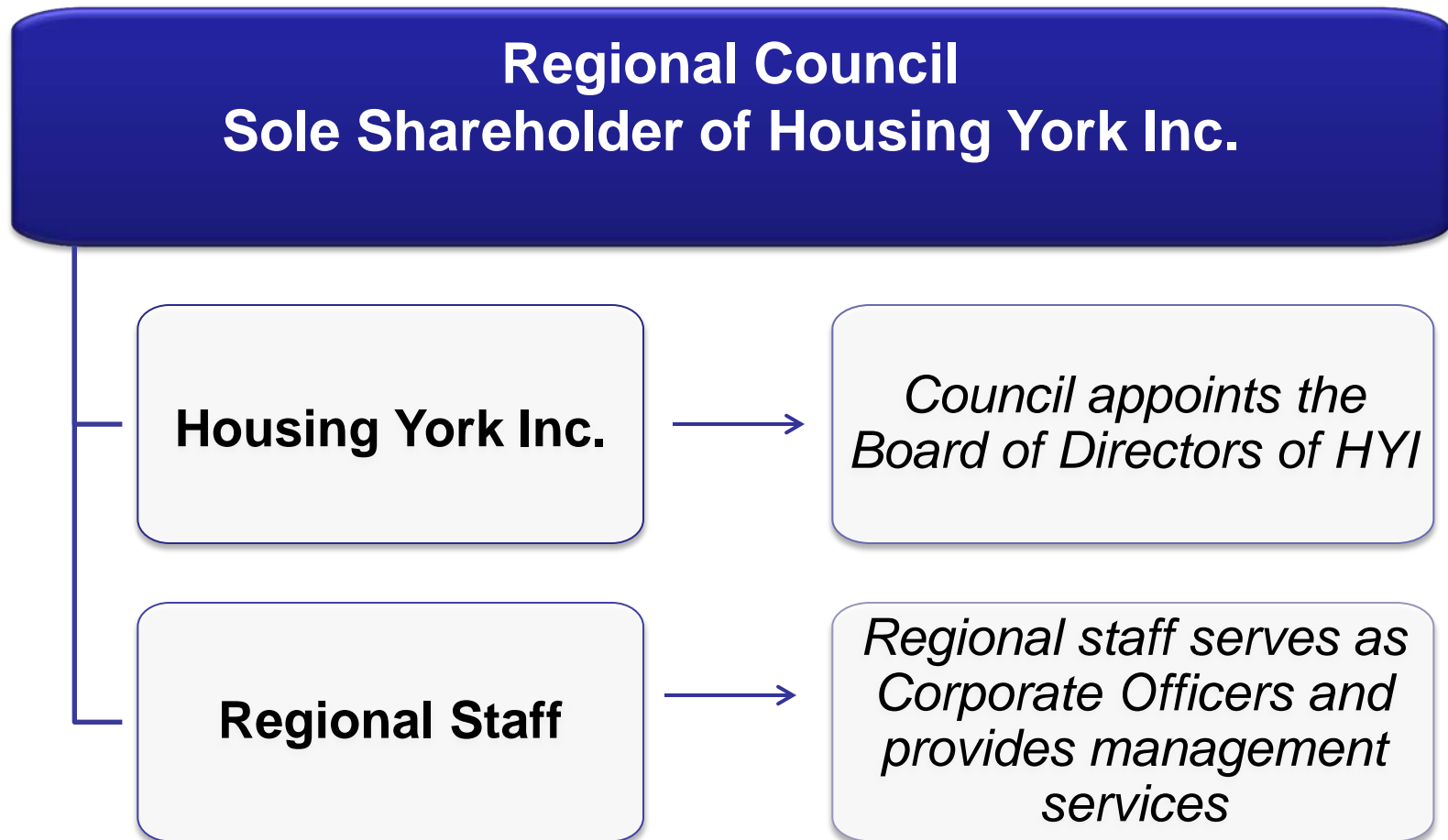
Shareholder Direction

- The Board will:
 - Renew existing social housing mortgages in accordance with provincial program requirements
 - Secure new debt at the Shareholder's direction
 - Implement the asset management strategy
 - Approve business plans and budgets and submit funding requests for consideration in the Regional budget process
 - Enter into the management services agreement established by the Shareholder

Management Agreement

- **Describes the transactional relationship**
 - Regional staff perform all property management functions on behalf of HYI and the Region invoices HYI for costs incurred
 - HYI maintains separate corporate financial statements, reflecting rents and related revenue, program subsidies and payment of invoices, including Regional management services

Organizational Relationship



Officers (Current)

Officers	As established in 2003
Chief Executive Officer	Regional Chairman
President	Chief Administrative Officer
General Manager	Commissioner of Community Services and Housing
Assistant General Manager	Director, Housing and Residential Services
Treasurer	Commissioner of Finance
Assistant Treasurer	Director, Financial Services
Secretary	Regional Clerk
Assistant Secretary	Deputy Clerk
Regional Solicitor	Solicitor

Officers (Proposed)

Officers	Proposed
President	Commissioner Community & Health Services
General Manager	General Manager, Housing and Long-Term Care
Treasurer	Chief Financial Officer for Housing York Inc.
Secretary	Regional Clerk
Regional Solicitor	Solicitor

Next Steps

The existing governance documents serve Housing York well. Refreshing the governance framework confirms the existing operating and fiscal responsibilities.

June 2014 - The refreshed governance package will be presented to Regional Council for consideration in its shareholder capacity