



COMBINED

Victoria Park Community Homes Inc. &
 Victoria Park Affordable Homes Corp.
 (VPCON)

Board of Directors Meeting

Thursday, February 16, 2017

Approx. 5:30 p.m.

Start Time	Agenda Item	Lead	Timing
5:30 p.m.	1. Call to Order and Chairperson's Remarks	P. Mustin	1 min.
5:31 p.m.	2. Approval of the Agenda	P. Mustin	1 min.
5:32 p.m.	3. Conflict of Interest Declarations	P. Mustin	1 min.
5:33 p.m.	4. Approval of Minutes 4.1. December 15, 2016	P. Mustin	2 min.
5:35 p.m.	5. Business Arising from Previous Minutes 5.1. Follow Up Chart	L. Gagne	5 min.
5:40 p.m.	6. Staff and Committee Reports 6.1. Development and Growth Committee 6.1.1. January 31, 2017 6.2. Property and Tenant Relations Committee 6.2.1. February 2, 2017	P. Mustin U. Filice	15 min. 10 min.
6:05 p.m.	7. Other Business 7.1. Motion to approve \$500,000 redemption from PHN. 7.2. Postponement of Tuerr Mortgage 7.3. Loan Extension for a 5 year fixed term for VP20	V. Fowler	10 min.
6:15 p.m.	8. Executive Director's Report	L. Gagne	15 min.
6:30 p.m.	9. New Business	P. Mustin	1 min.
6:31 p.m.	10. Date/Time of Next Meetings 10.1. April 6, 2017	P. Mustin	1 min.
6:22 p.m.	11. Adjournment	P. Mustin	1 min.



COMBINED

Victoria Park Community Homes Inc. and
Victoria Park Affordable Homes Corp.

BOARD OF DIRECTORS MEETING

December 15, 2016

MINUTES

In Attendance

P. Mustin – Chair
S. Holman – Vice Chair
M. Gallagher - Treasurer
L. Burchett - Secretary
M. Mokrycke
U. Filice
A. Blignaut
D. Montini

Staff

L. Gagne, Executive Director
V. Fowler, Manager, Finance &
Administration
A. Jackson, Manager, Operations &
Development
V. Wall, Executive Assistant (Recorder)

Regrets

R. Ganesaratnam
R. Trask
C. Reid

Minutes

1. Opening and Chairperson's Welcome

P. Mustin called the meeting to order at 5:36 p.m. He thanked L. Gagne and expressed appreciation and thanks on behalf of the Board to the entire management team and all VPCH staff for their contributions during the year.

2. Approval of the Agenda

It was motioned by U. Filice and seconded by M. Mokrycke, to accept the Agenda as presented, **CARRIED**.

3. Conflict of Interest Declarations

None were made.

4. Approval of the Minutes

It was motioned by S. Holman and seconded by D. Montini to approve the minutes of the Board of Directors Meeting of November 10th, 2016 as presented, **CARRIED**.

5. Business Arising from Previous Minutes

- L. Gagne presented the outstanding items from the follow up chart dated December 2016.
- 10, 11, 12, 13 can be marked as complete now and will be removed from the list.
- S. Holman asked if any items could be deferred due to staff workload and L. Gagne advised that the land trust research has a lower priority due to other development opportunities we are currently exploring. The remaining items are relevant.

6. Staff and Committee Reports

- By-Law Review Committee – November 15, 2016
 - P. Mustin passed the Chair to Steve Holman.
 - S. Holman reviewed the report and advised that the by-laws (By Laws No. 8, 11 and 13) will come back to the Board for approval once our corporate lawyer has reviewed them.
- Joint Finance and Property & Tenant Relations Committee Report – December 1, 2016
 - P. Mustin passed the Chair to M. Gallagher.
 - M. Gallagher presented the report with the following highlights:
 - The Capital Plan and budget was reviewed in detail at the last Finance Meeting.
 - A. Jackson to present the capital budget in detail.
 - V. Fowler to present VPCON budget
 - Motions will follow the budget presentations.
- Audit Committee Report – December 9, 2016
 - V. Fowler advised that the Audit Committee met and reviewed and approved the upcoming schedule and the questions from the Auditors. This meeting was for Inc. only as the schedule for Management was agreed upon with the Auditors and V. Fowler.

It was motioned by U. Filice and seconded by M. Mokrycke to approve the Schedule of Audit activities, as presented, **CARRIED.**

- Capital Plan and Budget for 2017
 - V. Fowler passed the Chair to A. Jackson.
 - A. Jackson gave an overview of the Capital Plan and Budget for 2017 for VPCHI with the following highlights:
 - This plan and budget was already presented to and approved by Finance and

the Property and Tenant Committees.

- o It was presented with information for The Village work and without The Village work.
- o It was agreed to defer any work and decisions regarding The Village budget until the new Development Committee meets in late January.
- o V. Fowler advised that there is some uncertainty past 2018 as we are continuing to leverage properties as they come out of their operating agreements, and we do so conservatively, however, we are exhausting the available properties that remain to be leveraged.
- o L. Gagne advised that once Asset Planner is populated, it will help us determine long range plans and capital needs.
- o The Committee discussed the need to complete some work that is a Health and Safety issue on The Village property i.e. the accessible ramp and the rear entrance steps and sidewalk.

It was motioned by U. Filice and seconded by M. Gallagher to approve the capital plan and budget for 2017 including \$1.3 M for a total of \$6,505,259 with the provision that the P&T Committee have the discretion to approve any work for The Village before it is started, **CARRIED.**

- VPCON Budget

- V. Fowler presented the consolidated budget for VPCON with the following highlights:
 - o The source of revenue is mainly rents.
 - o Resident Managers' salaries increased by 1.5% per the COLA policy.
 - o Maintenance has increased by 5% and utility expenses by 4.53%
 - o Bad debt expense is budgeted at 1.5% of net rental revenue.
 - o Vacancy loss has decreased substantially.

It was motioned by S. Holman and seconded by A. Blignaut to ratify the motions made at the Joint Finance and Property and Tenant meeting held on December 1, 2016 which included:

- o Approval of the 2017 VPCHI budget, as presented.
- o Approval of the 2017 VPAHC Budget, as presented, **CARRIED.**

7. Executive Director's Report

- L. Gagne presented her report with the following highlights:
 - o L. Gagne recently had a meeting with the Executive Committee to discuss the

staffing and resource pressures.

- As a result of that meeting, it was decided to give a Team Incentive to the Resident Manager staff in the amount of \$500 each for the year 2016 to recognize their efforts in cost reductions and the decreased vacancy loss. This represents less than 5% of the cost savings.
- The Board agreed with the initiative but felt that it should have been approved by the Board as a whole rather than the Executive Committee.
- The Board discussed that this may send a message that one group of employees received “more” than another and L. Gagne advised the Board that this group of employees (the RMs) typically receives the least amount of employee benefits. For example, they do not get early Fridays in the summer or have flexibility in their schedules as the office staff do.
- L. Gagne also presented information from New Commons regarding a possible development opportunity and the first phase of their work will not have any fees. This will help us bring some focus to the financing requirements for The Village and the Development Committee.

It was motioned by U. Filice and seconded by M. Hackl to accept the Executive Director Report, as presented, **CARRIED.**

8. New Business

- V. Fowler advised that she would be asking Board Members to sign a Transfer of \$400K from PHN to capital account for the Waterloo loan payment.

9. Date/Time of Next Meeting

- February 16, 2017 at 5:00 p.m.

10. Adjournment

There being no further business, **it was motioned** by U. Filice, seconded by M. Hackl, to adjourn the meeting at 6:20 p.m., **CARRIED.**

Chair

Secretary

VICTORIA PARK COMMUNITY HOMES INC.
FOLLOW UP ITEMS FROM BOARD OF DIRECTORS MEETINGS
Updated February 2017

Item #	BOARD MEETING DATE	FOLLOW UP ITEM(S)	ACTION TO BE TAKEN BY:	STATUS	TARGET DATE	COMP LETED
1	Sept 8, 2016	<i>Item 6</i> L. Gagne to provide Board with reading material re: Land Trust model.	L. Gagne	To be deleted as it is very low priority.	Sept. 2016	X
2	Sept 8, 2016	<i>Item 6</i> L. Gagne to invite S. Henderson to the next Board or P&T Meeting to be involved in the Land Trust discussions.	L. Gagne	To be deleted as it is very low priority.	Oct/Nov 2016	X
3	Sept 8, 2016	<i>Item 6</i> Revise VPCHI By-Laws to include that at least one member must reside in the Region of Waterloo.	L. Gagne	KACHI amalgamation date is December 31, 2017.	Dec 2017	
4	Sept 8, 2016	<i>Item 6</i> Prepare Tender for next round of mortgages.	V. Fowler		TBD	
5	Sept 8, 2016	<i>Item 7.3</i> The Board asked for a comparison of collection rates between the agency we used and our own Paralegal when data is available.	A. Jackson	This process has just started and data is being collected.	June 2017	
6	Sept 8, 2016	<i>Item 7.3</i> Take out a 1.5 M loan on 101 Tuerr with RBC to repay the Region of Waterloo and fund the replacement reserve.	V. Fowler	Update to be provided under Item 7.1 of February Agenda.	Q1 2017	

Item #	BOARD MEETING DATE	FOLLOW UP ITEM(S)	ACTION TO BE TAKEN BY:	STATUS	TARGET DATE	COMPLETED
7	Sept 8, 2016	<i>Item 7.3</i> Close the RBC Dominions Security Account #571-21805-1-1 and transfer funds to #416-0256-1-1	V. Fowler			
8	Sept 8, 2016	<i>Item 7.3</i> Invest \$72,251.64 in a Step Up GIC for 5 years at the best rate possible.	V. Fowler			
9	Sept. 8, 2016	<i>Item 7.3</i> Open three new accounts with Phillips Hagar North.	V. Fowler			
10	Sept. 8, 2016	<i>Item 7.3</i> Open a development fund with Phillips Hagar North with the proceeds from the Cheever sale.	V. Fowler			
11	Sept. 8, 2016	<i>Item 7.3</i> Confirm the Region of Waterloo's sign off on the rental increase for Millcreek Terrace and Tuerr Road in the amount of 6.5%.	C. Thornhill	In Progress		
12	November 10, 2016	<i>Item 5</i> Stage 1 – King St. Proposal	L. Gagne	Formal meeting with the City of Hamilton on Feb 22, 2017.	Apr 2017	

CHAIRPERSON'S REPORT

Development and Growth Committee

Meeting Date: January 31, 2017

In attendance:	P. Mustin, Chair	Teleconference:	A. Blignaut
	L. Burchett		D. Ballantyne (NCD)
	D. Filice		A. Broderick (NCD)
	U. Filice		
	M. Gallagher		
	R. Ganesaratnam		
	M. Hackl		
	S. Holman		
	M. Mokrycke		
	R. Trask		
	T. Welch (TWC)		

Staff:

- L. Gagne, Executive Director
- V. Fowler, Manager, Finance and Administration
- A. Jackson, Manager, Operations and Development
- V. Wall, Executive Assistant (Recorder)

Items Discussed:

- ❖ This was the first meeting of the newly developed “Development and Growth Committee”
- ❖ Derek Ballantyne and Andy Broderick joined the meeting by teleconference to discuss the proposal by New Commons Development (NCD) and the commitment required by VPCH.
- ❖ The first phase of the NCD proposal would be at no risk or cost to VPCH and would involve NCD preparing a report which would outline the various funding and/or financing options to raise funds to perform capital repairs on The Village.
- ❖ L. Gagne presented a proposal from Ninco that would see a new tower built on the green space adjacent to York Boulevard. In exchange for the land, Ninco would provide work and materials up to an agreed upon value for the land, to perform capital repairs on The Village. A representative from Ninco was not at the meeting and has been invited to attend the next meeting to provide further information to the Committee.
- ❖ The Committee discussed both proposals in length including:
 - the impact that loss of green space would have on the community

- the effect of higher density on the property
- how to ensure that the capital asset repairs projected for The Village are correct and that we have enough funds to complete any undiscovered issues,
- ❖ The Committee also agreed that the desired outcome is for The Village to be financially sustainable and viable. The Committee agreed that it was not yet clear if this was possible with either proposal.
- ❖ The Committee discussed the option of an outright sale and would like to research further what that would mean to the stakeholders; tenants, staff, the organization and the community at large.
- ❖ L. Gagne advised the Committee that the only way to recoup costs already paid by the organization to sustain The Village would be an outright sale.
- ❖ T. Welch from Tim Welch Consulting (TWC) attended the meeting to introduce the proposal of a new 24 unit building on an existing site in Milton. This proposal was in a response to an Expression of Interest from the Region of Halton. It will require some investment by VPCH to obtain the necessary information to submit a formal RFP. These costs are estimated to be \$30-40K. T. Welch is confident that this proposal would be successful based on the need for 1 bedroom units in Milton, that we own the land and that we would require very minor variances.
- ❖ L. Gagne advised that the next step in the King Street development project is a formal meeting with the City of Hamilton to determine what would be necessary to go forward with this project.
- ❖ L. Gagne updated the Committee on meetings with Hamilton Councillors and their interest in The Village and how losing the 437 units or gaining more units would affect the proposed Hess Street school closure. She has had other discussions regarding the Barton/Tiffany lands and will be meeting with developers for further discussions in the upcoming weeks.

Recommendations to the Board:

The committee asks the Board to ratify the following motions made at the meeting:

1. **It was motioned** by R. Trask and seconded by U. Filice to recommend that the Board proceed with the New Commons Phase 1 proposal which includes the scope set out in the draft Letter of Agreement:

Phase 1 – feasibility and option development

- Assess the capital investment requirements for the refurbishment of the property to meet acceptable rental housing standards and current efficiency requirements
- Develop financial model options for the refurbishment and future operation of the property acceptable to VPCH staff
- Assess the capital and other financial requirements of this model and identify potential sources of project financing and capital
- Assess permitting and approval requirements for the redevelopment plan
- Submit a redevelopment plan for approval to VPCH and NCD boards,

subject to review of the Letter of Agreement by VPCHI's legal counsel and may include a break up fee, **CARRIED.**

2. **It was motioned** by M. Hackl and seconded by R. Ganesaratnam to obtain quotes to determine the costs to be in a position to make an application to the Committee of Adjustments for necessary variances for the Halton Infill Development, **CARRIED.**

Note: Full package and minutes can be found on line at www.vpch.com once approved.

CHAIRPERSON'S REPORT

Property and Tenant Relations Committee

Meeting Date: February 7, 2017

In attendance: U. Filice Chair Teleconference: D. Filice
M. Gallagher
R. Ganesaratnam
S. Holman
R. Trask
L. Gagne, Executive Director
A. Jackson, Manager, Operations & Development
C. Thornhill, Manager, Property Services
V. Wall, Executive Assistant (Recorder)

Regrets: M. Mokrycke

Items Discussed:

- ❖ The Committee received the **Property Services Report** from C. Thornhill including reports on Vacancy Loss, Benchmark RGI Targets, Solar Revenues and Orders to Comply, with the following highlights:
 - VPCH submitted a bid for property management services for the Region of Peel. This is 30 scattered condo units. We were invited to an interview on February 3, 2017 and are expecting to hear the outcome shortly.
 - McMaster Community Homes has renewed their Property Management Contract with us for another year.
 - Highland Homes is going out to tender as our contract with them ends March 31. The Region of Waterloo is assisting them with the tendering process so that Victoria Park remains at arms' length.
 - The City of Kitchener has closed the Order to Comply for a tenant at 39 Paulander Drive who requires special flooring due to allergies. However, VPCH will continue to work with the tenant to provide a replacement floor.

❖ The Committee received the **Operations and Development Report** from A. Jackson including reports on Collections and Arrears, Above Guideline Increases, Landlord and Tenant Board Activity, Insurance Claims, Internal Reviews, IT Initiatives and Business Processes, the Brantford Operational Review and policy changes, Resident Engagement, Organizational Changes and the South Mountain Collaborative Program with the following highlights:

- A. Jackson reviewed the proposed Above Guideline Increases and advised that only Clyde Road was justified and we will be proceeding accordingly. L. Gagne advised that this will affect our 2017 budget as the budget assumed all the AGIs would be in place starting in 2017. This item will be taken back to the Finance Committee.
- We are currently working through the Yardi upgrade and had some unforeseen rework due to Yardi losing some data and our staff having to re-enter data manually.
- The Committee discussed the issue of VPCH continuing to provide subsidies after the end of operating agreements. The subsidies have continued but now that we are out of our operating agreements, we are under no obligation to continue to provide RGI assistance. Since the Board opted to continue these subsidies it is at a cost of approximately \$290,000/year for The Village. If these subsidies were discontinued it would help The Village meet its operating budget.
- Peter Paige, Capital Assets Technologist, has left VPCH. He did not give any notice and was with us only two weeks. He advised he did not feel it was a good fit for him but we believe he chose another position.
- We are hoping to hire a Project Coordinator with a background in construction to fill this gap.
- SPRC and tenants in the South Mountain Collaborative have asked to have a meeting with our Committee so they can express their views and concerns. Several Committee members expressed interest and requested the A. Jackson provide some times/dates that would be suitable for the Committee members to attend.

❖ The Committee received the **Capital Assets Report** from A. Jackson including reports on Capital Projects and Schedules, Asset Planner, The Village Permits and

Contract Awards with the following highlights:

- With the departure of Peter Paige we have a gap in our resources to complete the \$1.6M worth of work at 831 Queenston Road that we agreed to under the Hamilton SHIP agreement. The Committee discussed, and agreed to, sole source Hans Koegel of HAERKO to project manage this work for the fee of \$72,300. L. Gagne explained that there is not enough time to complete a full tender with the deadlines required by the funding agreement.

Recommendations to the Board:

The Committee asks the Board to ratify the motions made at the Property and Tenant Relations Committee held on February 7, 2017.

- ❖ **It was motioned** by M. Gallagher and seconded by S. Holman to recommend approval of the KACHI amalgamation date as December 31, 2017, as presented, **CARRIED.**
- ❖ **It was motioned** by M. Gallagher and seconded by S. Holman to accept the Operations and Development report for submission to the Board, as presented, **CARRIED.**
- ❖ **It was motioned** by R. Trask and seconded by M. Gallagher to accept the revised Internal Transfer Policy with revisions to the priority list to reflect the priority for Special Priority Tenants as requested by the City of Brantford, as presented, **CARRIED.**
- ❖ **It was motioned** by R. Ganesaratnam and seconded by R. Trask to recommend approval by the Board to sole source HAERKO for the Hamilton SHIP Funding work at 831 Queenston Road for the fee of \$72,300, as presented, **CARRIED.**
- ❖ **It was motioned by** S. Holman and seconded by M. Gallagher to recommend approval by the Board for the 2017 Capital Plan not including the amount for the capital work for The Village. Work for The Village will be brought to the Committee for approval on an item by item basis, with the understanding that

required work will be continued, until the future of The Village has been determined **CARRIED.**

- ❖ **It was motioned** by R. Trask and seconded by M. Gallagher to recommend approval by the Board for the contract award to AC Contracting in the amount of \$64,357.14 plus HST, with the potential for change orders up to an additional \$10,000, for baseboard heaters and thermostats at 39 Paulander Drive, Kitchener, as presented, **CARRIED.**

- ❖ **It was motioned by** M. Gallagher and seconded by R. Trask to recommend approval by the Board for the contract award to Merlo Electric in the amount of \$58,589.00 plus HST, with the potential for change orders up to an additional \$10,000, for lighting upgrades at 39 Paulander Drive, Kitchener, as presented, **CARRIED.**

- ❖ **It was motioned** by M. Gallagher and seconded by R. Trask to recommend approval by the Board for the contract award to Maresco Limited in the amount of \$251,060 plus HST for window replacements at 454-470 Grey Street, Brantford, as presented, **CARRIED.**

Note: Full package and minutes can be found on line at www.vpch.com once approved.