



2018

Victoria Park Community Homes Annual Report

ALL SYSTEMS



Regeneration



Capital Repairs



Customer Service



Consolidation



Partnerships

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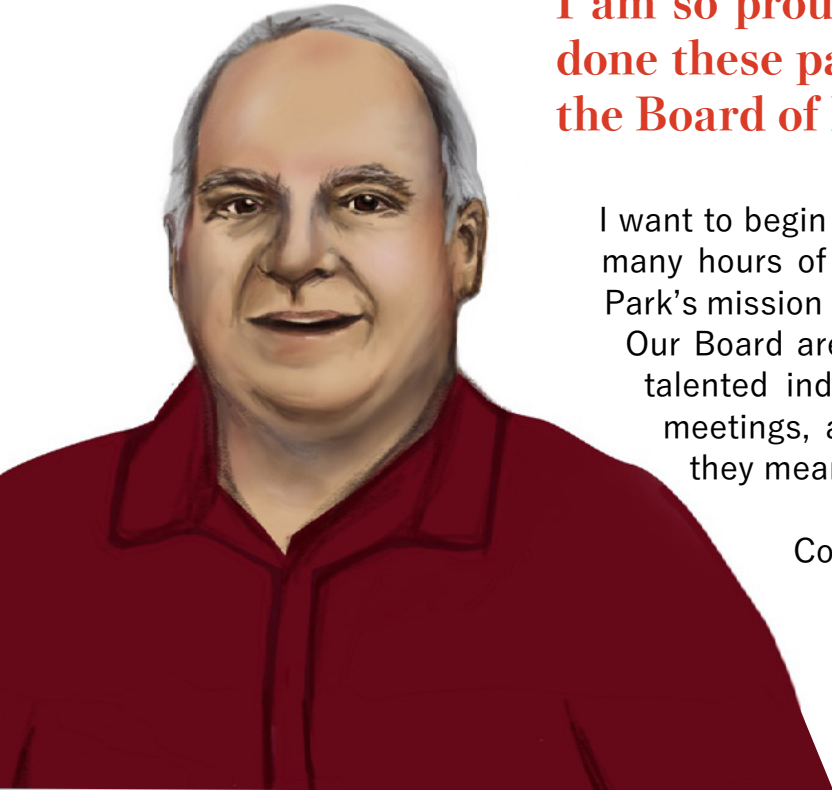
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Hi everyone. What an incredible journey. I am so proud of the work Victoria Park has done these past few years that I have been on the Board of Directors.

I want to begin by thanking my colleagues on the Board. The many hours of volunteer time that you dedicate to Victoria Park's mission and vision is a vital component to our success. Our Board are a group of incredibly dedicated and highly talented individuals, who beyond participating at Board meetings, are each very active in committees in which they meaningfully lend their experience and expertise.

Collectively, we take our leadership role for the organization's work seriously. This means making sure that we're attending conferences, learning sessions and just as importantly, connecting regularly with the Victoria Park staff and our residents throughout the year.

"As Chairperson, I was personally delighted to present staff awards throughout the year on behalf of the Board."



Selim Elgharabli, Purchasing Coordinator, 10 Year Certificate

I also want to congratulate all the staff at Victoria Park who work so very hard to accomplish the priorities and goals that we set out during our strategic planning processes as a Board. Without you, all the amazing progress Victoria Park has made would simply not be possible.

Finally, I must extend my sincerest gratitude to all the Service Managers who have worked so closely with Victoria Park over the past year with a special thank you to Halton Region and the City of Hamilton. Without your collaboration, support and financial contributions, we would not have been in a position to build more affordable housing while also maintaining our current housing stock.

I invite you to read further as we:

- Update you on the progress of our people-centred strategic plan
- Tell the stories of our amalgamation and our new development and what that means for Victoria Park and the communities we serve
- Take you through our journey to preserve and restore the community known as The Village
- Share our asset leveraging strategy and capital plan
- Highlight our new staff additions and honour current staff milestones



Front L-R: Ugo Filice, Krish Vadivale, Michael Hackl
Middle L-R: Deborah Filice, Lisa DuPelle
Back L-R: Steve Holman, Paul Mustin

I Acknowledge and Sincerely Thank Our Board

- | | |
|--------------------|---------------------|
| Ugo Filice | Dennis Montini |
| Lana Burchett | Paul Mustin |
| Mohammed Al-Halimi | Maggie Gallagher |
| Lisa Dupelle | Marsha Forth |
| Krish Vadivale | Ramana Ganesaratnam |
| Michael Hackl | Ray Trask |

Hi, I'm Charlene. I have been with Victoria Park for 28 years and it is invigorating to see the adjustments we are making to our operations through our very people-centred plan with an important focus on client service.

The People Focus of the 2018-20 Plan

Let's take a moment and explore the key milestones reached throughout 2018.

Goal #1

Be the housing provider of choice by providing outstanding customer service.

Goal #1 is really targeting the services we provide to all of our residents. In order to provide outstanding customer service, the expectations must be clear. Residents should know that when they complete a work request form, they will be responded to within an acceptable period of time.

"The updates keep us informed of all new things that are happening. You get so wrapped up in your own job, you don't realize what amazing work others are doing and you go 'Wow, I'm impressed!'"

-- Kristine MacNeil, Victoria Park Rent Administrator

When someone calls the office with a question, they should be able to expect an answer within a reasonable timeframe.

As such, the primary goal for 2018 was to establish a Customer Service Standards (CSS) document that would help define these areas for both staff and residents. The CSS have now been developed and are being tested internally while we finalize methods to measure and compare our outputs to the standards.

We are on track to publish the CSS broadly by the end of 2019.

Goal #2

Leverage sector leadership to maintain and grow mutually beneficial relationships and share our lessons learned

Goal #2 focuses on our Board of Directors as the key strategic leaders of the organization as well as our sector partners and stakeholders. When establishing our Strategic Plan, our Board acknowledged the many benefits and flexibilities Victoria Park achieves because of our size, operational structure and economies of scale.



Front L-R: Joanne Young, Mandy Luck, Karen Deveau, Lisa Cherrington, Beverly Randell, Kayla Volpini-Tayler, Stacie Bachiu
Middle L-R: Jim Cooper, Linda Halford, Phil Deveau, Gerry Couture, Hilda Canning, Bonnie Rose, Karen Gray, Valerie O'Neil, Sally Wibberley
Back L-R: Bill Sherry, David Dixon, Gary Halford, Danny Duce, Deidre Randell, Ryan Tayler, Ryan Maguire, Tom Wibberley

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Further, they felt very strongly that we need to use this privileged position to assist other smaller non-profits and for the benefit of the broader, housing sector.

During the year our staff met with 9 individual non-profit groups to share information with them at their request. We also did formal presentations and workshops on a variety of topics including:

- Capital Asset Planning Process for York Housing Providers
- Social Housing Finance 101 through the Ontario Non-Profit Housing Association (ONPHA)
- Cannabis and Housing at the Hamilton Housing Provider Meeting

Our Board Members also facilitated workshops regarding Friendly Amalgamations at ONPHA as well as Human Rights and Housing at the Hamilton Housing Provider Meeting.

Goal #3

Support and maintain a highly engaged and effective workforce.

Goal #3 identifies supporting our staff as the key to operational success. An engaged and effective workforce is critical to Victoria

Park's success and we value all of our staff tremendously.

We strove to do two critical things in 2018:

- 1 Make Victoria Park a best-in-class environment to work in. The first step in doing that was to move towards a core-competency based model of performance by ensuring all staff job descriptions were reviewed and up to date. Our Human Resources division did a tremendous job completing this work.
- 2 Heighten the engagement with and between staff through regular corporate updates to share information, build knowledge and seek feedback and input from all staff on the direction of the organization.

Goal #4

Ensure operational excellence and long-term financial stability

Goal #4 is intended to maintain the confidence of the many Service Managers and government partners we collaborate with in our delivery of quality, affordable and suitable housing for our communities. Operational excellence and long-term financial stability will ultimately be ingrained in our every day operations.

Our Financial Division worked very closely with the Board to establish reporting dashboards and historical trend analysis. This will ensure we can budget much further into the future, remain strong and financially viable, while still being able to deliver on our mission and mandate.

We also engaged staff to develop the Annual Quality Control Checklist to act as a quality

assurance tool by aligning our various processes around our 4 pillars of service:

- Resident and Property Services
- Corporate & Legal
- Financial, and
- Capital Assets & Infrastructure

The 4 Pillars of Our Service



Corporate & Legal Services <hr/> Internal Review Committee <hr/> Nominating Committee	Financial Services <hr/> Finance Committee <hr/> Audit Committee	Resident & Property Services <hr/> Property & Tenant Relations Committee	Asset & Infrastructure Services <hr/> Property & Tenant Relations Committee
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Hello everyone. I'm Veronica, and I'm really excited to report on how we've grown stronger through consolidation. On the very first day of 2018, we amalgamated with Kitchener Alliance Community Homes (KACHI) making it finally official after 5 years.



The very first meeting for KACHI was held over 30 years ago, in 1984. Paul Mustin, KACHI'S President and Chairperson was at that meeting to discuss ideas and a plan to help address the housing need in the community. KACHI was officially incorporated 2 years later in 1986. The 6 member Board of Directors were able to develop 5 different properties between 1988 and 1992. In total, KACHI developed 194

units. Victoria Park was heavily involved with the development of KACHI's stock at that time as their development consultant.

After 30 years of servicing the housing needs of their community, the KACHI Board recognized it was starting to face some challenges:

- They were an aging Board and it was becoming increasingly more difficult to recruit new members with the same level of commitment
- The housing sector was changing and there was a need for specialized knowledge around capital asset planning, long-term financial planning and increased complexities within the communities

- They did not have the economies of scale to properly regenerate all of the properties

The KACHI Board explored options and decided to approach Victoria Park with the idea of an amalgamation and consolidation of the 2 non-profit entities.

They approached Victoria Park for several reasons; First, our visions and missions were very similar so they could be assured that the affordable housing would be sustained. KACHI also knew the strength of Victoria Park's management services and were confident the needs of their residents would be met. Finally, they knew Victoria Park could provide a more sophisticated and comprehensive capital asset plan.

“Throughout the process, the overarching consideration was always: What’s in the best interest of the Kitchener Alliance tenants.”

**Paul Mustin,
Chairperson Kitchener
Alliance Community Homes**

The Amalgamation with KACHI

The amalgamation was seamless for the residents. It was truly a “win-win” for residents, Victoria Park and KACHI:

- Collectively, we now have greater economies of scale to provide better quality service
- Victoria Park has leveraged its equity to ensure the capital repairs at KACHI are completed
- KACHI's \$50 Million dollars of assets will remain affordable and maintained for the long-term benefit of the residents

Our History with KACHI

2012
KACHI Board approaches VPCH regarding amalgamation
2013
VPCH Board took over governance of KACHI (Jan 31, 2013)
2014-2015
Discussions with Service Managers and 17 Point Action Plan
2016
To Council for Approval
2018
Amalgamation approved and finalized

Hi everyone. I'm Petr. Over the last few years, all levels of government have had a renewed focus on affordable housing.

A great deal of that focus has been on creating new supply or additional affordable rental units. Of course we applaud those efforts and in fact are adding new affordable units as well. However, it is equally as important to **preserve our existing units.**

Several years ago, the Victoria Park Board of Directors carefully examined the future of our housing complex fondly known as The Village. These two towers are home to 437 households (over 1,000 residents) and are located in the North end of Hamilton. They were developed in the late 70's under a former federal housing program. The towers are over our community hub which hosts

an Early Years Learning Centre, a job employment centre and an after-hours youth program all through Wesley Urban Ministries. In addition, English as a Second Language classes are offered by Circle of Friends and, of course, The Village is also home to the head office for Victoria Park. The entire complex is a significant contributor to the community as a whole.

In 2015, the future of The Village as an affordable housing complex was at risk. The end of their operating agreement was approaching in 2017, the buildings

had been operating in a deficit as a result of a number of operational challenges and the aging complex needed a substantial capital investment. The building envelope and interior plumbing fixtures were all failing quite substantially and the balconies needed a complete replacement. From an energy perspective, the two towers were certainly not as efficient as they could be.

Fast forward to 2018 and I am delighted to announce that we have saved these homes and an entire community hub.



Saving the Village

First, we reviewed every aspect of operation to ensure the buildings were viable from an operational perspective. We reviewed all of our processes to ensure we were operating in the most efficient way possible to quickly eliminate any deficit position.

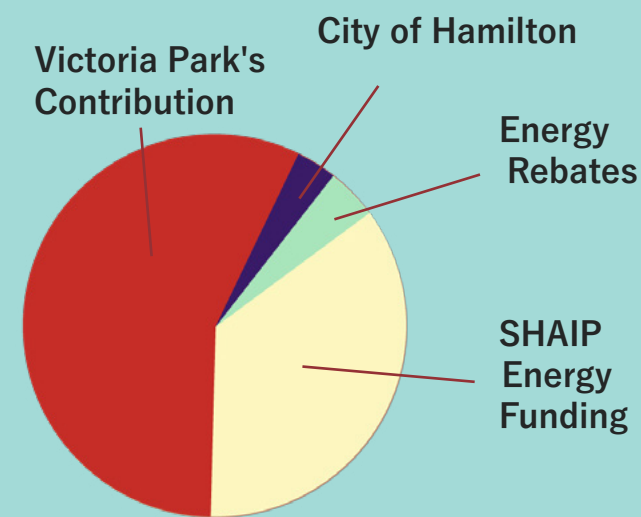
Then we worked with the City of Hamilton's housing services division to transfer 50 rent supplements into the buildings so that we

could continue to provide a deeper assistance level to some of our residents.

In addition, Victoria Park also contributed (and continues to contribute) towards providing financial assistance for those in greater need. **By 2017, The Village was operating in a surplus position** and we could now turn our attention to the capital repair needs.

We set to work on a financing plan that would enable the full restoration of the 2 towers. We had to do an extensive building condition audit and energy audit which revealed we would need approximately \$11 Million dollars to restore the buildings. With substantial help from our government partners, the plan came together.

The Funding Sources for the 2018 Capital Repair Budget:



Total: \$11,440,200

Talking to Our Residents

With all that was going to happen at The Village, we knew that communication with our residents would be vital.

We held our first information meeting to announce that the long overdue repairs were finally going to begin and we had over 150 residents attend! It was amazing.

One of the first questions that was asked at the meeting was how much would the rent increase once the repairs were done. When we confirmed that our intent was to keep them affordable and we would not be looking for any rental increase above normal guidelines, the auditorium broke into applause.



Hi everyone. I'm Rizwan. I joined this wonderful team in January of 2018, just when we were embarking on the most aggressive capital plan in our organization's history.

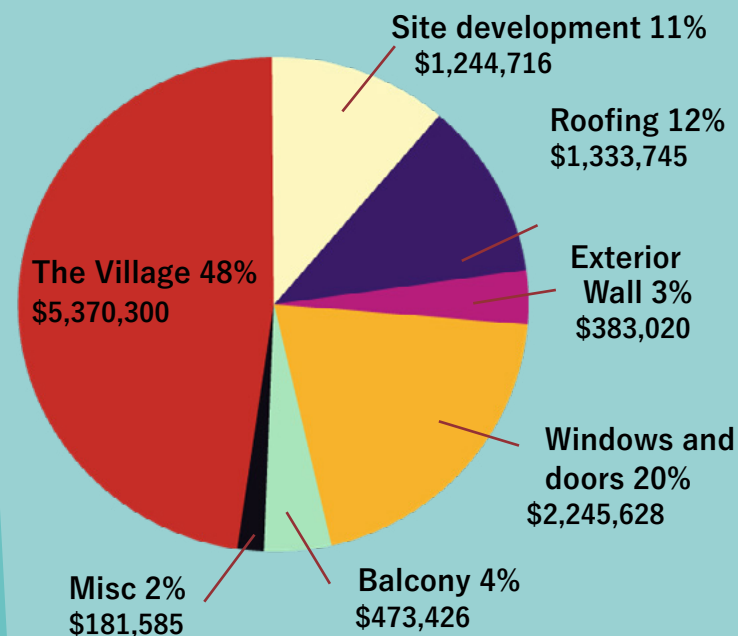
It is not uncommon for non-profit housing providers to face a back-log of capital repairs. Historically, housing providers have not been able to adequately fund the replacement reserve accounts with amounts that would fully address all of their capital needs. We were no different and we knew we needed to make a substantial investment in our buildings.

Victoria Park was in a very fortunate position that when its original housing portfolio, funded through the Federal government, began to reach the end of their operating agreements, we had fully paid our initial mortgages.

Our Goals

- To ensure we keep the buildings structurally sound so they continue to serve the community well into the future
- To keep operating costs down through proper maintenance and upgrades
- Establish a re-financing plan that improves the overall quality and appearance of our residents' homes

2018 capital expenditure: 11.2 million



With over 1,000 units coming out of our government agreements between 2010 and 2018, Victoria Park was in a strategic position to:

- Step back and take a holistic view of the portfolio from a financial, building and maintenance and community impact lens
- Determine the capital needs of our portfolio as a whole
- Establish a re-financing plan that would involve leveraging the equity of the federal housing stock in order to fully cover the identified capital needs and finally,
- Initiate our most aggressive 3-year capital spending plan to date

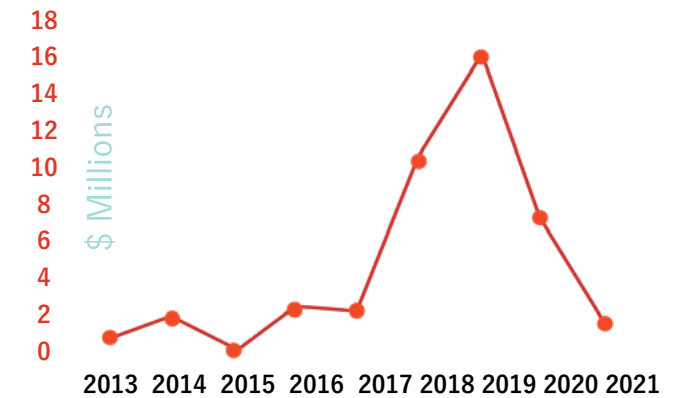
During 2018, we completed and/or initiated in excess of **\$11 million dollars** in capital repairs including window replacements, roof replacements, fencing, landscaping and a number of other repairs.

The Team

I knew I could not do this alone. I quickly set to work to establish the newly formed Capital Asset & Infrastructure team

We knew we could not accomplish everything that needed to be done without some external help so we engaged the services of various professionals and collectively rolled up our sleeves to improve the quality of housing for our residents.

Capital Spending 2013 - 2021



I would like to thank all the Resident and Property Managers for their cooperation and support in executing this enormous amount of capital repairs. I look forward to working with them in the coming years.

Finally, we truly hope our residents benefit from and enjoy the improvements we are making and we'd like to thank them all for their patience and cooperation throughout the process.



L-R: Ramin Daliri, ABM Shajahan, Mohamad Al Balmouni, Rizwan Zaeem

Hello everyone. My name is Lauren and I had the privilege to work on Victoria Park’s newest development project. Even with renewed government interest and financial support, the development of new affordable housing by non-profits remains a huge challenge.



Land costs are extremely high and the cost of construction continues to escalate. On top of that, most non-profits simply don’t have the internal capacity to take the projects through to the finish line.

To develop truly affordable housing, nonprofits must be able to:

- Identify and obtain affordable land (generally well below market rates)
- Dedicate some equity into the development



Artist rendering of the Bronte property

“The new Bronte Street affordable units will enhance community growth, wellness, and inclusion for households that might otherwise experience homelessness”

Deborah Filice,
Victoria Park Board
Director

- Find various sources of funding to fill any equity gap; and
- Take a measure of risk

With the above in mind, Victoria Park started thinking about development back in 2016 with land identification as our first step.

The natural starting point was to look within our own stock. We quickly determined that we could repurpose space at an existing property located on Bronte Street in Milton for an infill project. In concert with TWelch Consulting

and Chamberlain Architect Services, the Board developed a concept plan for a 24-unit apartment building.

In moving the project from the concept stage, the Board agreed to invest up to \$150,000 in development expenditures to move forward with external funding applications and grants.

In October 2018, we received approval for the Investment in Affordable Housing Extension funding along with an approval for funding under the Homes for Good program. With that, **the project was officially underway.**

Bronte Property Funding Plan

The final funding model was comprised of a matrix of funding as follows:

IAH-E funding	(\$2,700,000)
Homes for Good Funding	(\$900,000)
Accessibility Funding	(\$96,954)
CMHC Seed funding	(\$37,500)
CMHC Co-investment Grant	(\$367,287)
CMHC Co-investment Finance	(\$2,620,000)
Victoria Park Land Equity	(\$360,000)
Victoria Park Contribution	(\$813,041)
HST Rebates	(\$652,570)
Development Charge Deferrals	(\$35,878)
Total Cost for Development	\$ 8,592,230

In 2019, we will see the ground for this project broken and the commencement of a new chapter of affordable housing development by Victoria Park.

Hello my name is Darlene. With the support of Ewa Arnister, HR Generalist, I have been proud to contribute to many of the changes that occurred over the last 4 years because they unified and strengthened our team, which in turn, enhanced the services we provide to our Residents.

As you have already read, maintaining an engaged and effective workforce is one of the key goals of Victoria Park's current Strategic Plan. Our Board and Management recognizes that our success as an organization is a direct result of the team's collective efforts.

Each year, Victoria Park continues to build increased investment in vital team building activities, communication, engagement and involvement around the organization's strategic direction and new initiatives.

We have worked hard as a team by collaborating, problem solving, and improving our processes - sometimes through fun activities like bowling, baseball and making gingerbread houses - and sometimes through multi-team discussions



and updates about processes, clients, and upcoming challenges.

In addition, staff are invited and encouraged to attend Victoria Park's Annual General meeting where they can meet our Board Members and some of our clients. This helps everyone put 'a name to a face' and gives context to the work we do.

Staff also organize and support community events such as our Annual Halloween Parade with the children of Wesley Childcare, the Christmas Tree "Hat and Mitts" Drive for the children at Hess School, and food drives for Good Shepherd.



Senior staff have also facilitated workshops and made presentations at industry events, sharing their specialized knowledge while also enhancing Victoria Park's profile as an industry leader.

The heart of any organization is its people and when employees choose to stay with Victoria Park, it speaks to the level of satisfaction staff feel about their contribution to our mission and success.



In 2018, we celebrated several employee milestones and welcomed some new team members.

5 Years

- Danny Duce, Resident Manager
- Natalie Belanger, Property Management Intern
- Milva Hachey, Assistant Custodian
- Deidre and Darren Randell, Resident Manager Couple

10 Years

- Selim Elgharabli, Purchasing Coordinator

15 Years

- Veronica Fowler, Chief Financial Officer
- Don Cox, Maintenance Attendant

20 Years

- Fay Jolly, Custodian

New Employees

- Lauren Blumas, Manager, Legal and Special Project
- Rizwan Zaeem, Manager, Capital Assets and Infrastructure
- Dragan Babin, Property Manager
- Angela Akbari, Rent Administrator
- Halil Celik, Financial Analyst
- Stacie Bachiu and Michael Penney, Resident Manager Couple
- Sean Murray and Perka Cabraja, Resident Manager Couple
- Ian Gordon and Helen Green, Resident Manager Couple
- Laura Rigby, Assistant Resident Manager
- Pamela King, Assistant Resident Manager
- Robert Russell, Maintenance Attendant



In 2014, I became the Executive Director of Victoria Park. I have spent the last few years feeling incredibly grateful, each and every day for being a small part of an incredibly great organization.

You have just reviewed our amazing accomplishments for 2018. I would like to now offer a glimpse into the future for Victoria Park. I was asked recently, “What do you see happening at Victoria Park over the next 5 years?”

A New Subsidy Assistance Program

Half of our portfolio will have reached the end of their operating agreements and are no longer receiving government assistance. For these properties, we have been working diligently to design our own subsidy assistance program that will replace the traditional RGI calculations.

We think our new program will be simpler to administer, will be less cumbersome and intrusive for our residents and will still achieve the desired outcomes of affordability and assistance to those in need of the same. Of course there is some risk in trying to implement a private program outside legislation but without some risk, we never see the rewards.

“I have lived here for 32 years [The Village] and I see a LOT of improvement.”

-- Maureen Bello, long-time resident

Yardi to the Max

Victoria Park has used the Yardi property management software for years and recently upgraded to a newer version. We want to go further and implement the remaining Case Management and Mobile Maintenance modules in order to gain additional operational efficiencies but more importantly, to improve our customer service to our residents.

Customer-First

The intent of our Quality Control Checklist is to provide assurance to the board of directors and residents we serve that all facets of their community are being well managed and maintained. Better customer service always excites me and I look forward to our full Yardi and QCC implementation over the next couple of years.

Less Reliant on Government Assistance, Stronger Reliance on Partnerships

From an operational perspective, I do believe that as Victoria park moves forward, we will have less reliance on government assistance. That objective will only be achieved if we can effectively establish partnerships to fill various gaps of expertise.

We know that governments at all levels change regularly and with each change, there is always a chance that our programs or funding may be altered. In order to minimize this risk, we must plan with a more self-sustaining business lens and that’s exactly what we’re doing.

"As Victoria park moves forward, we will have less reliance on government assistance."

"Through our strong partnership with Victoria Park we are able to create a one-stop shop for children, youth, families, adults and those seeking employment opportunities."

-- Denise Scott, Wesley Urban Ministries

Parting Thoughts

While that's what I see for Victoria Park in the next 5 years, what about the future of affordable housing?

We are already witnessing the fact that development of affordable housing is not like the development that occurred in the 1980's when all of the up-front capital costs were paid for by the government. Now, projects must be willing to contribute some equity of their own and often must partner with others to obtain funding from numerous sources in order to make the project viable through construction.

Once constructed, these new developments often do not have long-term financial assistance and must operate independent of government funding. I have a fear that the most vulnerable in our society may be missed with this new model of development and I can say with certainty that our housing sector is changing.

"Now, projects must be willing to contribute some equity of their own and often must partner with others."

During these changing times, I am also concerned that private non-profit housing

projects in Ontario may be at risk. Only in Ontario is the administration of affordable housing at the Municipal level. Many of these municipalities have their own housing stock and plenty of asset management and social supports. However, non-profit providers are not impacted by changes in local council and may have greater flexibilities in delivering a range of services.

Victoria Park is one of the lucky providers. Because of our size, long history of experience and the commitment of our Board and staff, we have been able to develop substantial in-house capacity to deliver essential, top quality services. However, self-preservation is not enough.

We have an obligation to the greater housing sector to support and assist the other, smaller non-profit groups in the places where they have capacity gaps. Through partnerships and collaborations, we will continue to explore ways in which we can best support the non-profit housing sector.

Thank you to all our stakeholders for your confidence in, and ongoing support of, Victoria Park.





155 Queen Street North
Hamilton, Ontario, L8R 2V6
Phone: (905) 527-0221
E-mail: info@vpch.com
www.vpch.com