



Peterborough Housing Corporation Board of Directors

Wednesday, January 22, 2025 – 5:30PM
Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough, ON

*“We respectfully acknowledge that we are on the
traditional territory of the Mississauga Anishinaabeg.
We offer our gratitude to the First Nations for their care for,
and teachings about, our earth and our relations.
May we honour those teachings.”*

Agenda

1. Land Acknowledgement

Open Session – 5:30 p.m.

2. Approval of Agenda
3. Conflict of Interest
4. Confirmation of Minutes
 - a. Open Session Board Meeting, November 27, 2024
 - b. Closed Session Board Meeting, November 27, 2024
5. Presentations
 - a. Operations Presentation
 - i. Report 2025-004 – Food Bank Program
Lisa Clark, Resident Services Manager and Krista Charette,
Housing Support Worker
6. Operational Reports
 - a. Report 2025-001 – CEO Update
 - b. Report 2025-002 – PHC Strategic Plan Development
 - c. Report 2025-003 – PHC Properties – Insurance Valuations
7. Financial Reports
 - a. No report
8. Committee Reports
 - a. Finance, Audit & Administrative Committee
 - i. No report

- b. Governance, Human Resources & Strategy Committee
 - i. No report
- 9. Information from Staff
 - a. Finally a Home Board Meeting Requirements
- 10. Adjournment

Board Meeting Minutes, Peterborough Housing Corporation

Date: Wednesday, November 27, 2024 – 5:30PM

Location: Hunt Terraces, Meeting Room #112,
555 Bonaccord Street, Peterborough, ON

Present:	Keith Riel	Chair
	Alex Bierk	Vice-Chair
	Andrew Beamer	Member
	Matthew Graham	Member
	Jeff Leal	Member
	Jeeniraj Thevasagayam	Board Advisor
	Travis Doak	CEO, PHC/Board Secretary
	Jenna Cullon	Recording Secretary
Staff:	Sondra Fitzgerald	Director of Corporate Services
	Richard Grotsch	Director of Operations
Regrets:	Sheldon Laidman	Board Advisor

Keith Riel, Chair, PHC Board, called the board meeting to order at 5:30 p.m.

1. Closed Session

a) Confirmation of Minutes

i. Closed Session Board Meeting, October 23, 2024

On a motion by Matthew Graham, seconded by Andrew Beamer and carried unanimously, it was **RESOLVED** that the minutes for October 23, 2024, be confirmed and accepted.

2. Approval of Agenda

On a motion by Jeff Leal, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** to approve the agenda for the November 27th, PHC Board Meeting.

3. Conflict of Interest

The Chair requested that Board members declare any conflict of interest at this time. None were declared.

4. Confirmation of Minutes

- a) Open Session Board Meeting, October 23, 2024

On a motion by Andrew Beamer, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that the minutes for September 25, 2024, be confirmed and accepted.

5. Presentations

- a) Operations Presentation
 - i. Report 2024-034 2025 Capital Plan,
Richard Grotsch, Director of Operations

Discussions took place surrounding percentage of our required work going to local suppliers and contractors, our procurement policies and forms of funding PHC receives.

On a motion by Matthew Graham, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that Report 2024-034, "2025 Capital Plan", be received for information purposes.

6. Operational Reports

- a) Report 2024-035 – CEO Update

On a motion by Matthew Graham, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that Report 2024-035, "CEO Update", be received for information purposes.

- b) Report 2024-036 – PHC 2023 Annual Report

On a motion by Matthew Graham, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that Report 2024-036, "Peterborough Housing Corporation 2023 Annual Report" be received.

- c) Report 2024-037 – Delegated Authority

On a motion by Matthew Graham, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that Report 2024-037, "Delegated Authority", be received;

That the Chief Executive Officer or Acting Chief Executive Officer and the Chair or Vice Chair, acting together, be authorized to make decisions within approved budgets and under the Purchasing Policy on behalf of the Board commencing November 28, 2024, until January 21, 2025; and

That a report be made to the Board at its next meeting on decisions made in accordance with this resolution if delegated authority is used.

- d) Report 2024-041 – Reconstruction of 37 George Street

On a motion by Matthew Graham, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that Report 2024-041” Reconstruction of 37 George Street”, be received for information purposes.

7. Financial Reports

a) Report 2024-038 – 2024 Operating Report (Q3)

On a motion by Alex Bierk, seconded by Jeff Leal and carried unanimously, it was **RESOLVED** that Report 2024-038, “2024 Operating Report (Q3)”, be received for information purposes.

Discussion regarding ongoing trends and pressure points. PHC provided an explanation for various expenses and the actions being taken to help with the expenses overtime.

b) Report 2024-039 – 2024 Capital Report (Q3)

On a motion by Alex Bierk, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that Report 2024-038, “2024 Operating Report (Q3)”, be received for information purposes.

c) Report 2024-040 – 2024 Q3 Reporting Obligations (as at September 30th)

On a motion by Alex Bierk, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that Report 2024-040, “2024 Q3 Reporting Obligations”, be received for information.

Jeff Leal left the meeting at 6:45 p.m.

8. Committee Reports

a) Finance, Audit & Administrative Committee

- i. No report

b) Governance, Human Resources & Strategy Committee

- i. No report

9. Information from Staff

Questions were raised regarding the redevelopment project and where they stand. A meeting is scheduled for next week regarding the status of both projects and next steps. There will be more information in the new year.

10. Adjournment

With there being no further business, the November 27, 2024 Board Meeting, was adjourned on a motion by Andrew Beamer, seconded by Matthew Graham, carried unanimously at 7:00 p.m.

Keith Riel
Chair
Peterborough Housing Corporation

Travis Doak
CEO/Board Secretary
Peterborough Housing Corporation

Peterborough Housing Corporation

Report 2025-004

Meeting Date: January 22, 2025

Meeting Time: 5:30pm

Meeting Place: Hunt Terraces, Meeting Room #112
555 Bonaccord Street, Peterborough

Subject: Food Bank Program

Author Name and Title: Lisa Clark, Resident Services Manager

Recommendation(s):

Resolved That Report 2025-002, "Food Bank Program", be received for information purposes.



Chief Executive Officer

Background:

PHC is committed to providing residents with safe and secure housing. Include in this commitment is desire to assist residents with access to basic needs, such as food and assist with the increased food insecurity that many are facing. The Resident Services Team plays a key role in this commitment and works diligently to provide access to address this.

Rationale:

PHC recognizes that our residents are generally low-income households who experience food insecurity daily which impacts household members physical and mental health. In December 2024 a report from Peterborough Public Health entitled Addressing Food Insecurity in Peterborough ¹ stated that nearly 1 in 5 households faced food insecurity in the City and County of Peterborough between 2021-2023.

PHC, in partnership with Kawartha Food Share (KFS), provide 2 onsite food banks each month in the family communities of 835 Cameron Street and 30 Alexander.

PHC Onsite Food Banks – The Process:

PHC staff works with the Kawartha Food Share on their respective food bank days and collect the monthly allocation of food for each PHC property that participates.

Monthly allocation is determined through reporting that is completed each month by the HSW using the central reporting system called Lin12Feed. This system is feeds data to KFS as well as to Food Banks Canada. The data serves as a tool to support the national goal of ending hunger and provides valuable information for advocacy.

Food is then transported to the Onsite Resource Centre where it is sorted for distribution. Each household that attends receives perishable and nonperishable food items.

The sorting of the items is led by the Housing Support Worker and completed each month by 2 – 3 regular resident volunteers.

Benefits of PHC Onsite Food Banks:

First and foremost, PHC Onsite Food Banks allow households have access to food. Onsite food banks remove barriers such as transportation, childcare and as well as the shame that can be experienced when attending other food banks.

¹ Peterborough Public Health (2024). Addressing Food Insecurity in Peterborough. Retrieved from: www.peterboroughpublichealth.ca/wp-content/uploads/2024/12/2024-Report-Addressing-Food-Insecurity-in-Peterborough.pdf

It is important to note the benefits go beyond addressing food insecurity. HSW's develop strong community member connections that allow for positive engagement and relationship building.

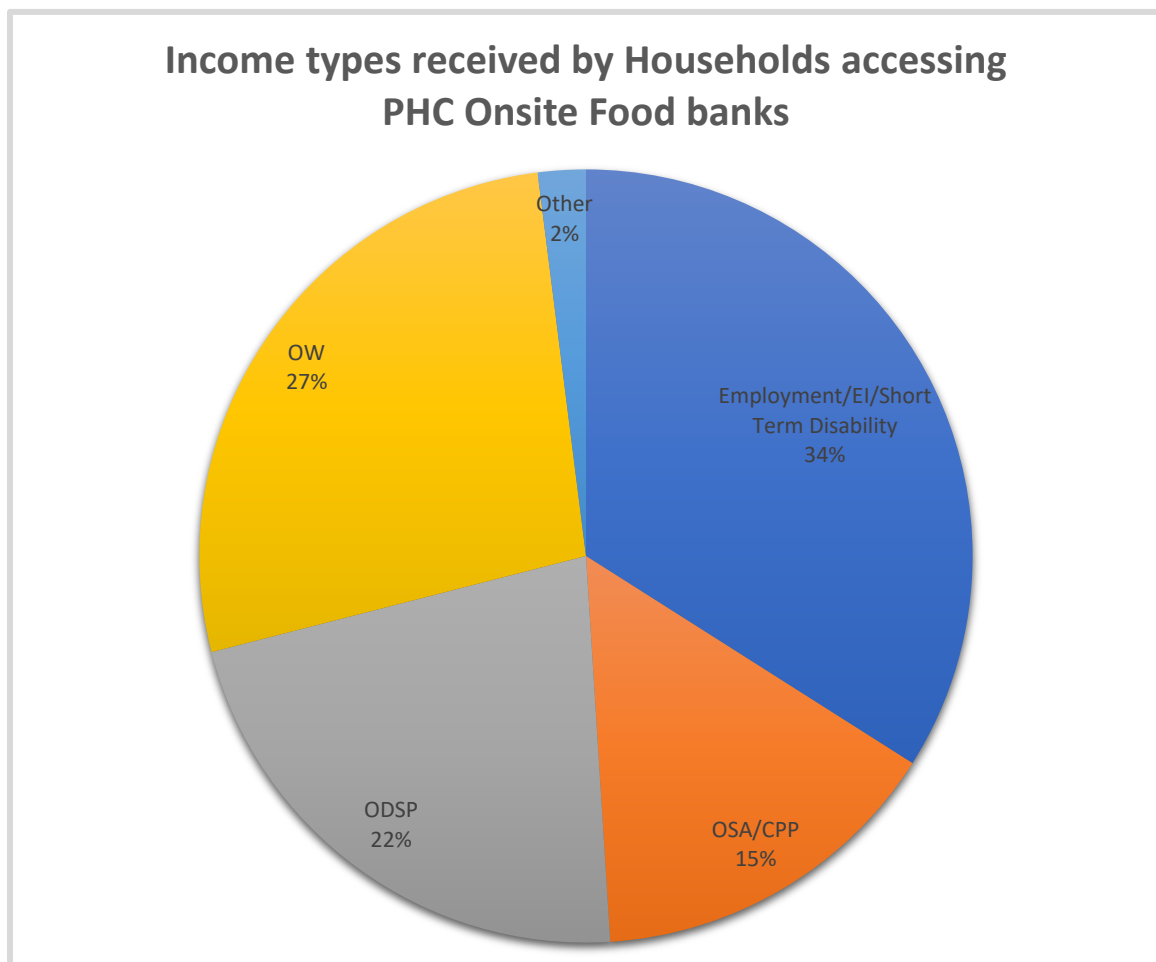
HSW's can address the needs of residents that are presented to them in person. Needs that may often not have been brought forward had there not been face-to-face contact. This can be unit maintenance needs, annual paperwork requirements or even community conflicts that need staff intervention to assist with a successful outcome.

The resident volunteers also experience benefits in their roles. They directly assist their neighbours and friends and take a leadership role in their community. As a volunteer they have a purpose that provides them with meaningful and satisfying work.

PHC Onsite Food Bank – Household Demographics:

The Onsite Food Banks provide access to 91 households monthly, which includes 64 households with dependent children.

Income for the households also varies and is depicted below.



Future Action and Considerations:

As identified in the report by Peterborough Public Health cited earlier in this report food relief programs, such as the ones ran by PHC, are struggling to keep up with the community need and don't address the root cause of food insecurity. Inadequate incomes are a root cause and policy development that addresses this is essential. PHC, as members of LHC communities of practice, take opportunities to discuss and advocate for such change.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas

This report aligns to the 2019-2024 Strategic Plan as follows:

1. Serving Our Clients & Community – Customer Service
2. Serving Our Clients & Community – Finance & Resources
3. Serving Our Clients & Community – Community Building
4. Strengthening Relationships – Partnerships
5. Strengthening Relationships – Community Safety Net

Financial Considerations:

There are no direct financial considerations for this report.

Consultations:

Krista Charette, Housing Support Worker

Attachments:

None

Peterborough Housing Corporation

Report 2024-035

Meeting Date: January 22, 2025

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112
555 Bonaccord Street, Peterborough

Subject: CEO Update

Author Name and Title: Travis Doak, CEO

Recommendation(s):

Resolved That Report 2025-001, "CEO Update", be received for information purposes.



Chief Executive Officer

Background:

The CEO Update Report is provided at each Board meeting and provides the Board with updates on key operational matters.

Rationale:

Labour Relations with CUPE:

As shared during the November Board meeting, three grievances that were initially set to proceed to arbitration were successfully resolved through proactive dialogue and negotiation. The union accepted the proposed resolutions for all three grievances, allowing us to avoid arbitration and finalize these matters amicably.

Throughout December, the management team worked on drafting and finalizing Letters of Understanding (LOUs) in collaboration with the union. In total, four new LOUs were developed, each addressing key areas of concern and providing clarity to prevent similar issues from arising in the future. These LOUs reflect our commitment to fostering clear communication, strengthening relationships with the union, and maintaining a fair and respectful workplace. The LOU's are currently with union leadership, awaiting final sign-off.

This outcome highlights the value of a collaborative approach and underscores the shared commitment between management and the union to address challenges in a constructive and mutually beneficial manner. By prioritizing resolution over conflict, we have not only mitigated potential risks and costs associated with arbitration but have also reinforced trust and cooperation within our organization.

Housing Continuum Group:

In mid-December I attended a meeting of a newly formed group referred to as the Housing Continuum Group, with an initial mandate to support people who struggle with finding housing in our community. Rebecca Schillemat and Lois Tuffin have brought forward this initiative, to address the need to help create housing opportunities in our community. They are proposing that the only way to move the needle is to get key decision makers in the same room: provincial and federal Ministers of Health, Housing, Justice, Finance, Social Services, Employment, Skills Training, etc.

This first meeting involved representation from the public and private sectors. The focus of this initial meeting was to share different perspectives on our housing challenges and to explore potential collaborative solutions. Participants shared insights into the barriers faced by individuals struggling to find housing, as well as the systemic issues contributing to the current crisis.

Key discussion points included the need for integrated approaches to housing, the importance of aligning funding streams across different levels of government and leveraging public-private partnerships to create sustainable housing opportunities. I will keep the Board apprised of any developments from this group.

Senior Manager of People & Culture:

In November Graham Willsie informed me he would be resigning from his position of Manager of HR at PHC to take on a role with the provincial government in Toronto. While I am saddened to see him move on, I am also excited for him to advance his career. Graham will be joining Supply Ontario, where he will lead their multi-year programs focused on employee total rewards, wellness, and engagement. During Graham's time reporting to me directly, we broadened the scope of work his position was responsible for to include strategic initiatives that expand beyond traditional HR administrative responsibilities to encompass areas such as workforce planning, employee engagement strategies, and the development of policies aimed at fostering a positive organizational culture.

The recruitment process for the new Senior Manager of People & Culture has been underway since early December, and we expect to have the position filled permanently by the end of January.

37 George Street, Havelock Update:

Restoration efforts at the property are progressing after the awarding of the project to Bestway, a local contracting company. EllisDon has been the cost consultant, completing the environmental, structural, mechanical and electrical assessments and preparing the permit drawings. Approximately half of the roof and second floor are being replaced to the existing subfloor. In addition, the first-floor suites, common and service areas beneath the demoed suites/units on the second floor had smoke and water damage requiring the architectural finishes and electrical and mechanical fixture/equipment to be replaced. Due to the presence of asbestos within the textured ceilings, drywall compound and select floor tiles are also being replaced.

This is a large renovation, with significant scope encompassing both structural rebuilding and comprehensive interior restoration. To date restoration is on track and budget, with substantial completion anticipated within the projected timeline of fall 2025.

The Service Manager has confirmed with the Ministry that additional funding has been made available to help with the reconstruction. This additional funding would go towards the reconstruction of up to nine one-bedroom rent-geared-to-income (RGI) units. The funding allows for an estimated reconstruction cost of approximately \$47,644 per unit. While insurance will assist with most of the rebuilding costs, this new funding enables the relocation of funds for additional improvements focused on safety, security, and accessibility to ensure the building meets modern standards and better serves tenants.

17 Smith, Havelock

On December 20th we were made aware of a potential safety risk at our senior's property at 13 Smith, Havelock. Our on-site custodial staff identified that a section of a common area hallway on the second floor appeared to have lowered

approximately one inch. The building has two floors. Our Building Services Team was contacted immediately and proceeded to property to have a visual inspection. By mid-afternoon we had our engineering consultants who helped design the building and the original builder on site to conduct an inspection. It was determined that there was no immediate safety risk to tenants, and temporary posts were put in place for precautionary reasons. The cause of the settling of this section of the building has been attributed to the failure of some fasteners connected to the floor joists. This building is just over 4 years old, and it opened in March 2021.

Currently engineers are developing a remedy to open portions of the first-floor ceiling to install a different style of joist fasteners. The original builder will be completing this work at no cost to PHC. There is no direct impact on tenant's units as the work will take place in common areas of the building.

Positive Tenant Experience:

I am pleased to share feedback received from our Resident Services Managers about a recent involvement with one of our Housing Support Workers (HSW) and a tenant.

Very significant clutter and fire/life safety hazards were discovered at a unit during an annual inspection at a City property. The HSW connected with the City's Social Services team to meet with the tenant and develop a support plan. Urgent priority was given to the situation, as there was the potential for child removal due to the condition of the unit/lack of support in the household.

The HSW was able to get immediate support through Impact Recovery to assist with a deep clean, funded through the un-used shelter portion of the tenant's OW benefit. Staff were also able to secure replacement furniture through Habitat for Humanity. The deep clean was completed, and ongoing support is in place that will stabilize the tenancy and keep the family together.

The tenant shared the following feedback with the HSW:

"Thank you for all of your help, The people that came to do my place were amazing. They got a ton of stuff out of my place for garbage and they did a ton of cleaning. They were all very nice and did such a good job. It is so nice to have my place back to normal. Thank you for getting the couch for me and for all of your help with getting my place done."

CEO Communication with Staff:

As a general practice, I typically do not share internal communications with the Board. However, as we reflect on the conclusion of what has been a particularly challenging year, I believe it would be valuable to provide the Board with a glimpse of the year-end message I shared with our employees. This communication was an opportunity to acknowledge the significant challenges we faced together, recognize the incredible resilience and dedication demonstrated by our staff, and outline the priorities as we move forward into the new year.

This year has been a time of change and growth for PHC. Together, we've tackled complex challenges, embraced new opportunities, and continued our unwavering commitment to providing safe, affordable housing for our community. We faced significant events, including a major fire at a County property and four critical incidents at City properties, some of which tragically resulted in the loss of life. These incidents are stark reminders of the vulnerabilities within the communities we serve and the importance of our work in creating safe and supportive housing environments. Through these challenges, I have been moved by the resilience, professionalism, and compassion demonstrated by our staff. Whether responding to emergencies, supporting tenants, or ensuring that our properties remain safe and well-maintained, your efforts have made a real difference during difficult times. As we reflect on these experiences, let them fuel our commitment to building stronger systems, enhancing tenant safety, and fostering partnerships that address the needs of our most vulnerable populations. Together, we can continue to turn challenges into opportunities for growth and improvement.

Looking back at 2024, here are some key highlights:

- **PHC Rebranding:** *This initiative updated and modernized our image to better reflect our evolved strategic objectives, enhancing our recognition and fostering a deeper understanding among stakeholders, partners, and the communities we serve.*
- **Investment in Staff Complement:** *Adding key roles to enhance operational efficiency as part of our commitment to ensuring our team has the resources, skills, and support needed to deliver high-quality services to our tenants and achieve our organizational goals.*
- **Capital Investment:** *Several projects have taken place this year, with over 4 million dollars being invested into our current housing stock, resulting in meaningful improvements that directly benefit our tenants.*
- **Security Features:** *The installation of CCTV cameras and electronic access control systems has enhanced the safety and security at several properties to help ensure a safer environment for tenants, staff, and visitors.*

Each of these achievements is a testament to the hard work, dedication, and resilience of our team. I am incredibly proud of what we've accomplished together. I recognize that this year brought change and, at times, uncertainty. Change can be challenging, but it's also an opportunity to grow and adapt. I want to thank each of you for your patience, professionalism, and willingness to navigate these transitions. Our decisions have been guided by one priority: ensuring the long-term sustainability of PHC so we can continue serving our tenants and the community effectively. I deeply value your contributions in helping us achieve this goal.

As we enter 2025, I am excited about the opportunities on the horizon. Some key priorities for the upcoming year include:

- **Enhancing Tenant Support:** *Strengthening our programs and services to better meet the needs of our tenants. An example will be partnering with the City of Peterborough for additional rent supplement programs.*

- **Operational Improvements:** Continuing to streamline our processes to work more efficiently and effectively. An example will be bringing refuse pickup 'in-house' at City family properties.
- **Team Development:** Investing in training and professional growth opportunities for our staff. An example will be staff presenting to the PHC Board of Directors on their areas of expertise.
- **New Initiatives:** Exploring innovative solutions to address housing challenges and expanding our impact in the community. An example will be the creation of a new strategic plan for PHC.

Your insights and ideas will be critical as we shape the future of PHC. Together, we can build on the strong foundation we've created and achieve even greater success. We will be looking for staff to sit on a working committee in the development of a new strategic plan.

I want to express my gratitude for everything you do to make PHC a remarkable organization. Each of you plays an important role in our success, and your dedication does not go unnoticed.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas

These operational updates align to all three priority areas.

Financial Considerations:

None

Consultations:

Richard Grottsch, Director of Operations

Sondra Fitzgerald, Director of Corporate Services

Attachments:

None

Peterborough Housing Corporation

Report 2025-002

Meeting Date: January 22, 2025

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112
555 Bonaccord Street, Peterborough

Subject: PHC Strategic Plan Development

Author Name and Title: Travis Doak, CEO

Recommendation(s):

Resolved That Report 2025-002, "PHC Strategic Plan Development", be received for information purposes.



Chief Executive Officer

Background:

The purpose of this report is to present a proposed strategy for the development of a new 5 year strategic plan for Peterborough Housing Corporation (PHC). This strategy will ensure that PHC's future direction aligns with a revised mission, vision, and values while addressing the evolving needs of our tenants, stakeholders, and the broader community. The strategic plan will serve as a roadmap to guide decision-making, resource allocation, and performance measurement over the next five years.

PHC's current strategic plan has reached its conclusion, necessitating the creation of a new plan to ensure the organization remains responsive to both internal and external changes in the housing sector. The new strategic plan will consider critical factors such as affordable housing demands, regulatory changes, funding opportunities, the increasing importance of sustainability and digital transformation in housing services. This new plan will strike a balance between building on PHC's key business fundamentals, positioning the corporation for long-term success while deeply focusing on the changing needs of our residents and the supports required to ensure successful tenancies and communities.

Rationale:

The development of the new strategic plan will be guided by a structured and inclusive process. The approach will include the following key phases:

Phase 1: Initiation and Planning (Q1 2025)

Objective: Establish the foundation for the strategic planning process.

- **Form a Strategic Planning Committee:**
 - The committee will be composed of board members, senior management, PHC staff and tenant representatives.
 - The committee will oversee the entire strategic planning process to ensure alignment with PHC's goals and stakeholder expectations.
- **Define Project Scope and Timeline:**
 - Clearly outline the scope of the strategic plan, including the planning horizon of 5 years and key areas of focus.
 - Develop a detailed timeline, identifying milestones and deadlines for each phase of the planning process.
- **Engage a Consultant Firm:**
 - PHC will issue a Request for Proposal (RFP) to engage an external consultant firm with expertise in strategic planning in the public sector.
 - The selected consultant will support the Strategic Planning Committee by facilitating stakeholder engagement sessions,

conducting environmental scans, and assisting in the development of key components of the strategic plan.

Phase 2: Stakeholder Engagement and Environmental Scan (Q2 2025)

Objective: Gather input from a broad range of stakeholders to inform the strategic direction.

- **Conduct Stakeholder Consultations:**
 - Engage with tenants, staff, community partners, and government agencies through surveys, focus groups, and interviews.
 - Ensure that stakeholder feedback is representative of diverse perspectives, including marginalized and vulnerable populations.
- **Perform an Environmental Scan:**
 - Analyze internal and external factors impacting PHC, including market trends, regulatory changes, and funding opportunities.
 - Conduct a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) to identify key areas for growth and improvement

Phase 3: Visioning and Strategic Priorities (Q3 2025)

Objective: Define PHC's future vision and identify strategic priorities.

- **Facilitate Visioning Workshops:**
 - Host workshops with board members, staff, and stakeholders to refine PHC's vision, mission, and core values.
 - Identify overarching themes and long-term goals for the organization.
- **Identify Strategic Priorities:**
 - Based on stakeholder feedback and environmental scan findings, determine the key priorities that will guide PHC's efforts over the next 3-5 years.
 - Priorities may include areas such as affordable housing development, tenant engagement, digital transformation, financial sustainability, and environmental stewardship.

Phase 4: Drafting and Reviewing the Strategic Plan (Q4 2025)

Objective: Develop a comprehensive strategic plan document.

- **Prepare the Draft Strategic Plan:**
 - Outline the vision, mission, core values, strategic priorities, and specific initiatives to achieve the plan's goals.
 - Include measurable objectives and key performance indicators (KPIs) to track progress.

- **Review and Refine the Plan:**
 - Circulate the draft plan for feedback from the board, senior management, and key stakeholders.
 - Incorporate feedback to ensure the plan is comprehensive, realistic, and aligned with PHC's capabilities and resources.

Phase 5: Approval and Implementation (Q4 2025)

Objective: Finalize the strategic plan and begin implementation.

- **Board Approval:**
 - Present the final strategic plan to the PHC Board of Directors for approval in October.
- **Communicate the Plan:**
 - Develop a communication strategy to share the strategic plan with staff, tenants, and external stakeholders.
- **Implement the Plan:**
 - Assign responsibilities and timelines for each initiative outlined in the strategic plan.
 - Establish a performance monitoring framework to track progress and make adjustments as needed.

Key Considerations:

- **Inclusivity and Engagement:** The strategic planning process will prioritize inclusivity to ensure all voices are heard, particularly those of tenants and marginalized groups.
- **Alignment with Municipal and Provincial Policies:** The plan will align with relevant policies and frameworks to maximize funding and partnership opportunities.
- **Adaptability:** The plan will be designed to remain flexible and adaptable to changing circumstances.

Next Steps:

- Form the Strategic Planning Committee by the end of January 2025.
- Begin stakeholder consultations in Q2 2025.
- Provide regular updates to the board throughout the strategic planning process.

Other Alternatives Considered:

None.

Alignment to Strategic Priority Area:

This report aligns to the following priority areas.

1. Investing in Our People – Board Governance
2. Serving Our Clients & Community – Finance & Resources

Financial Considerations:

There are no financial considerations to this report. Financial impact will be presented to the Board in March 2025.

Consultations:

None.

Attachments:

None.

Peterborough Housing Corporation

Report 2025-003

Meeting Date: January 22, 2025

Meeting Time: 5:30 p.m.

Meeting Place: Hunt Terraces, Meeting Room #112
555 Bonaccord Street, Peterborough

Subject: PHC Properties – Insurance Valuations

Author Name and Title: Travis Doak, CEO

Recommendation(s):

Resolved That Report 2025-003, “PHC Properties – Insurance Valuations”, be received for information purposes.



Chief Executive Officer

Background:

In the spring of 2024, the Housing Services Corporation (HSC) recommended that PHC conduct a benchmarking analysis to verify and update the replacement values of its properties. This recommendation was made to ensure that PHC's property replacement values remain accurate and reflective of current market conditions, reducing potential risk associated with under insurance or over insurance.

Benchmarking Exercise:

Accuracy and Risk Mitigation: Ensuring accurate replacement values protects PHC against potential financial exposure in the event of a loss.

Compliance and Best Practices: Aligning with HSC's recommendations and industry standards demonstrates PHC's commitment to robust risk management and governance.

Data-Driven Decision Making: The benchmarking analysis provides a clear, data-backed foundation for insurance renewal and financial planning.

Process Overview:

PHC initiated the benchmarking process by conducting a comprehensive internal review of properties, adhering to the guidelines provided by the organization's insurer, Marsh. The process included the following steps:

1. Data Collection:

- PHC staff compiled detailed property information, including square footage, construction materials, age, and usage of each building.
- Current reported replacement values were compared against benchmark cost-per-square-foot data provided by Marsh.

2. Initial Analysis:

- The internal review involved evaluating replacement values for all PHC properties.
- Properties were assessed to identify discrepancies between reported replacement values and the benchmark data.
- PHC focused on determining whether properties had replacement values deviating by more than 10% from Marsh's benchmarks.

3. Identification of Key Properties:

- Through the review, 8 different properties were identified where replacement values varied, falling short of benchmark values by over 10%.
- These discrepancies warranted further investigation to ensure accuracy.

Engagement of Marsh for Full Evaluations:

Following the internal review, Marsh was engaged to perform detailed evaluations on the 8 identified properties. Their role included:

- Conducting on-site inspections, where necessary, to verify building details and assess factors influencing replacement costs (e.g., location, construction complexity, and local construction costs).
- Reassessing cost-per-square-foot benchmarks specific to the region and property type.
- Providing updated replacement value assessments to guide PHC's insurance and financial planning.

Rationale:

Results of the Marsh Valuation:

Marsh completed detailed evaluations for the 8 properties identified during the initial benchmarking analysis. The updated replacement values revealed significant discrepancies compared to the previously reported values, as outlined in the table below. The revised values highlight critical gaps in current coverage that could have left PHC vulnerable in the event of a loss. These findings underscore the importance of regularly updating replacement values to ensure adequate insurance protection.

PHC Building Valuations Comparison 2024-2025 Renewal

Property	Current Valuation	Revised Valuation	Difference	Percent
169 Lake Street	\$12,438,098	\$21,877,741	-\$8,439,643	62.8%
526 McDonnel Street	\$9,006,743	\$12,698,099	-\$3,691,356	41%
572 Crystal Drive	\$17,939,168	\$34,903,929	-\$16,964,761	94.6%
611 Rogers Street	\$9,974,670	\$14,139,756	-\$4,165,096	41.8%
665 Crawford Drive	\$8,381,495	\$21,834,734	-\$13,453,239	160.5%
835 Cameron Street	\$7,688,809	\$21,755,331	-\$14,066,522	182.9%
850 Fairbairn Street	\$6,023,593	\$12,027,629	-\$6,004,036	99.7%
900 Dutton Road	\$6,666,404	\$20,691,083	-\$14,024,679	210.4%
Total	\$79,118,980	\$159,928,312	-\$80,809,332	102.1%

PHC has engaged Marsh Canada to request the completion of Insurance validations for the remaining sites in the portfolio that will include both City of Peterborough and County locations. Marsh has indicated that they are currently undertaking a review to streamline their validation services and anticipate that they will be able to commence the project coordination processes by the end of January 2025. A key tool to their completion of the validations will be the Building Condition Assessments previously completed on the sites with PHC staff providing additional information as required. Once commenced it is anticipated to take up to 2 weeks to complete the exercise with written reports provided on conclusion.

PHC's investment for the initial 8 properties valuations was approximately \$13,000. Marsh will provide a quote by property prior to commencement of this project and all associated costs will be aligned to the 2025 Capital Budget.

Next Steps:

Completion of Property Valuations:

- Upon completion of property valuations, a follow-up report will be provided to the Board with the results and analysis.
- The level of risk will be evaluated, and mitigation strategies will be developed to address any identified coverage gaps or areas of concern.
- The 2025 Capital Budget will be adjusted to reflect in-year costs where applicable.

Integration of Updated Values:

- PHC will update its records to reflect Marsh's revised replacement values for properties.
- These updates will inform upcoming insurance renewals and budget allocations.

Continuous Monitoring:

- PHC will implement a schedule for periodic benchmarking analyses to maintain up-to-date property values.
- Collaboration with Marsh and HSC will continue to ensure alignment with evolving market conditions.

Future Implications:

The Marsh evaluations underscore the critical need for ongoing valuation updates to safeguard PHC's assets and ensure comprehensive insurance coverage. The findings not only highlight the financial adjustments required but also serve as a foundation for improved risk management practices. By extending this rigorous approach to the entire portfolio, PHC will achieve greater accuracy in replacement

values, enhance its financial planning, and reinforce its commitment to the long-term sustainability of its housing operations.

Other Alternatives Considered:

None.

Alignment to Strategic Priority Areas:

This report aligns to the 2019-2024 Strategic Plan as follows:

1. Serving Our Clients & Community – Finance & Resources

Financial Considerations:

Financial implications associated with this project will be planned and managed through the 2025 Capital Budget. Staff will ensure expenditures align with fiscal responsibility standards and undergo regular oversight for budgetary adjustments as needed.

Any potential increases to the operational budget for future property coverage will be provided in a future Board report with mitigation strategies.

Consultations:

Sondra Fitzgerald, Director of Corporate Services

Richard Grottsch, Director of Operations

Attachments:

None.