



**Peterborough Housing Corporation
Board of Directors**

Thursday, October 8, 2026 – 5:00PM
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 – 5:00 p.m.

2. Approval of Agenda
3. Conflict of Interest
4. Confirmation of Minutes
 - a. Open Session Board Meeting, June 24, 2026
5. Presentations
 - a. No presentations
6. Consent Items
 - a. Operational Reports
 - i. Report 2026-048 – KPI (2026 Q2)
 - ii. Report 2026-049 – Maximum Shelter Project
 - iii. Report 2026-050 – CEO Update
 - b. Committee Reports (Finance, Audit & Administrative Committee)
 - i. Report 2026-052 – Mortgage Renewal
7. Reports Requiring Motions
 - a. Operational Report
 - i. Report 2026-051 – RFP 2026-001 101-109 Anson Grading, Drainage and Waterproofing
 - b. Committee Reports (Finance, Audit & Administrative Committee)
 - i. Report 2026-053 – 2027 PHC Operating and Capital Budget
8. Information from Staff
9. Adjournment

Board Meeting Minutes, Peterborough Housing Corporation

Date: Wednesday, May 27, 2026 – 5:30PM

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

Present:	Keith Riel	Chair
	Alex Bierk	Vice-Chair
	Andrew Beamer	Member
	Lesley Parnell	Member
	Matthew Graham	Member
	Joe Crooks	Board Advisor
	Travis Doak	CEO, PHC
	Jenna Cullon	Board Secretary
Guest:	Jennifer Eggleton	Director of Financial & Budget Services, PHC
	Richard Grottsch	Director of Operations, PHC
	Jennifer McLauchlan	Director of People & Culture, PHC
	Bonnie Clark	Peterborough County
	Sheridan Graham	Peterborough County
	Jennifer Stover	Peterborough County

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

1. Land Acknowledgement

2. Approval of Agenda

On a motion by Lesley Parnell, seconded by Andrew Beamer and carried unanimously, it was **RESOLVED** to approve the agenda for the June 24th, 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, May 27, 2026

On a motion by Matthew Graham, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that the open minutes for May 27, 2026, be confirmed and accepted.

**Bonnie Clark, Sheridan Graham, and Jennifer Stover
joined the meeting at 5:32 p.m.**

5. Presentations

- a) Open Door Policy Incentive Program
Sheridan Graham and Jennifer Stover, Peterborough County

An overview of the Open Door Program was provided to the Board, including the program's purpose, eligibility requirements, funding components, and application process. The presenters responded to questions from the Board regarding the program and housing within the County.

On a motion by Lesley Parnell, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that the Open Door Policy Incentive Program Presentation," be received for information purposes.

**Bonnie Clark, Sheridan Graham, and Jennifer Stover
left the meeting at 5:42 p.m.**

6. Operational Reports

- a) Report 2026-034 – KPI (2026 Q1)

The Board discussed the 2026 Q1 KPIs, including unit turnover performance, noting that PHC's turnaround times remain below the LHC benchmark. The Board discussed ongoing efforts to further improve this metric.

On a motion by Lesley Parnell, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that Report 2026-034, "KPI (2026 Q1)," be received for information purposes.

- b) Report 2026-035 – Expiry of Affordable Housing Contribution Agreements

An update was provided on the expiry of the Affordable Housing Contribution Agreements, including background information on the agreements and ongoing discussions with the Service Manager regarding future arrangements.

On a motion by Lesley Parnell, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that Report 2026-035, "Expiry of Affordable Housing Contribution Agreements," be received for information purposes.

- c) Report 2026-036 – CEO Term of Employment and Succession Planning Policy

The Board reviewed the draft CEO Term of Employment and Succession Planning Policy, which was developed following direction provided at the May Board meeting. The Board discussed the distinction between the policy and employment contracts, succession planning considerations, and implementation practices. Staff responded to questions from the Board.

On a motion by Andrew Beamer, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that Report 2026-036, "CEO Term of Employment and Succession Planning Policy," be received; and

That the Board approve Policy TBD, CEO Term of Employment and Succession Planning Policy, incorporating governance review processes, succession planning principles, attached as Appendix A.

d) Report 2026-037 – CEO Update

The Board received the CEO Update, which included updates on the operations of PHC since the May Board meeting. Discussion took place around governance matters, redevelopment initiatives and community partnership. The Board directed PHC to review the Community Planning Permit framework for future redevelopment projects and to follow up with community partnerships regarding future opportunities. Staff responded to questions from the Board.

On a motion by Andrew Beamer, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** that Report 2026-037, "CEO Update," be received for information purposes.

e) Report 2026-038 – Delegated Authority 2026 Summer and Fall

The Board reviewed the proposed Delegated Authority framework for the 2026 summer and fall period, which was developed in response to the direction provided at the previous Board meeting. The Board discussed the proposed approach to maintaining governance continuity during the municipal election period, including monthly CEO updates and the potential for special Board meetings, as required.

On a motion by Matthew Graham, seconded by Alex Bierk and carried unanimously, it was **RESOLVED** Report 2026-038, "Delegated Authority 2026 Summer and Fall," be received; and

That the Chief Executive Officer or Acting Chief Executive Officer and the Chair or Vice Chair of the Board, acting jointly, be authorized to make decisions on behalf of the Board of Directors within approved budgets, existing policies, and the Procurement Policy commencing June 25, 2026, until the first regular meeting of the newly constituted Board following the 2026 municipal election; and

That all decisions made under delegated authority be reported to the Board at its next regular meeting; and

That the Chief Executive Officer provides written monthly updates to Board members throughout the delegated authority period.

7. Financial Reports

a) Report 2026-039 – PHC 2025 Investment Report

On a motion by Lesley Parnell, seconded by Matthew Graham and carried unanimously, it was **RESOLVED** that Report 2026-039, “PHC 2025 Investment Report,” be received for information purposes.

8. Committee Reports

- a) Finance, Audit & Administrative Committee
 - i. Report 2026-040 – Mortgage Renewals – Home Grown Homes

On a motion by Andrew Beamer, seconded by Lesley Parnell and carried unanimously, it was **RESOLVED** that Report 2026-040, “Mortgage Renewals – Home Grown Homes,” be received.

Royal Bank of Canada (RBC) for a five-year, fixed rate term, as proposed, for the following properties:

- Home Grown Homes – 220 Edinburgh Street, Peterborough, Ontario
Dollar Amount: \$289,073, Term: 5 years, Amortization: 15 years, Rate: 4.45% estimated as of the writing of this report.
- Home Grown Homes – 196 Antrim Street, Peterborough Ontario
Dollar Amount: \$156,069, Term: 5 years, Amortization: 15 years, Rate: 4.45% estimated as of the writing of this report.

That PHC staff be authorized to finalize and execute all necessary documentation to complete the mortgage renewals with RBC.

- b) Governance, Human Resources & Strategy Committee
 - i. No report

9. Information from Staff

Board members shared updates from Council discussions regarding property taxes, stormwater fees and waste management. The Board discussed the potential impact on PHC and identified the need for ongoing discussions with the Service Manager regarding these matters.

10. Adjournment

With there being no further business, the June 24, 2026 Board Meeting was adjourned on a motion by Andrew Beamer, seconded by Alex Bierk, and carried unanimously at 6:30 p.m.

Keith Riel
Chair
Peterborough Housing Corporation

Travis Doak
CEO
Peterborough Housing Corporation

Report 2026-048

Subject: Second Quarter Key Performance Indicator (KPI) Report
Date: October 8, 2026
Time: 5:00 pm
Location: Hunt Terraces, Room 112, 555 Bonaccord Street, Peterborough, ON
Prepared By: Richard Grotsch, Director of Operations

Recommendation(s):

Resolved That Report 2026-034, “KPI (2026 Q1),” be received for information purposes.

Background:

In 2021, PHC started collaborating with other Local Housing Corporations (LHCs) to develop a set of Key Performance Indicators (KPIs) for reporting on financial arrears, using an agreed-upon set of definitions.

The purpose of implementing this comparative data-sharing framework was to select specific indicators for regular collection, analysis, and reporting. This initiative aims to foster learning about various operational strategies and best practices, particularly regarding financial arrears and other key metrics.

The Executive Leadership Team (ELT) considers this statistical data valuable for sharing with the Board, replacing the previous Arrears Reports. A Key Performance Indicator (KPI) Report is submitted to the Board for informational purposes, illustrating PHC's performance relative to other LHCs on these critical metrics.

The following 6 performance measurements have been mutually agreed upon and are tracked on a quarterly basis.

Measurements	KPI	Definition
Measurement 1	Housing Occupancy Rate	Establishes the LHC percentage of homes that are occupied from the inventory of rentable homes in the housing portfolio
Measurement 2	Unit Turn Over Days	Establishes the LHC average for the number of days that rentable units are vacant between tenancies
Measurement 3	Tenant Move-Out Rate	Provides the LHC percentage of tenant move-outs

Measurements	KPI	Definition
Measurement 4	Households in Good Financial Standing (Rent & Parking)	Identifies the LHC percentage of households that are current with rent and parking charges
Measurement 5	Rent Collection Rate	Identifies the LHC percentage of tenants rent and parking charges that has been collected
Measurement 6	Tenant Debt	Identifies the distribution of current tenant rent and parking arrears in ranges of the dollar amounts and by the number of tenant accounts

Five of the six LHC measurements are presented on a weighted average basis (# of total LHC: units, tenants, rent collected, etc.). The exception is the Turnover Days which is a straight average calculation divided by the number of LHC benchmarking participants. Data is an average of year-to-date results.

The LHC group consists of 9 LHCs. These include LHCs in Ottawa, Kingston-Frontenac, Peterborough, Haldimand Norfolk, London Middlesex, Windsor Essex, Hamilton, Toronto, and Toronto Seniors.

The data in this report represents PHC KPIs for the first quarter of 2026 (January 1 – March 31). Eight out of nine LHCs submitted data for this reporting period.
Note: Data is subject to change once all LHCs data is received.

2026 Q2 Key Performance Indicators

Measurements	PHC	LHC
Tenancy Metrics		
Housing Occupancy Rate	95%	98.2%
Unit Turn Over Days	98 days	111.3 days
Tenant Move-Out Rate	1.2%	1.4%
Financial Metrics		
Households in Good Financial Standing	90.8%	80.1%
Rent Collection Rate	95.9%	95.9%

Unit turnover days continued to increase across the LHC group during the second quarter of 2026, rising to an average of 111.3 days from 97 days in Q1. While this trend was observed across the sector, PHC's performance remained below the group average.

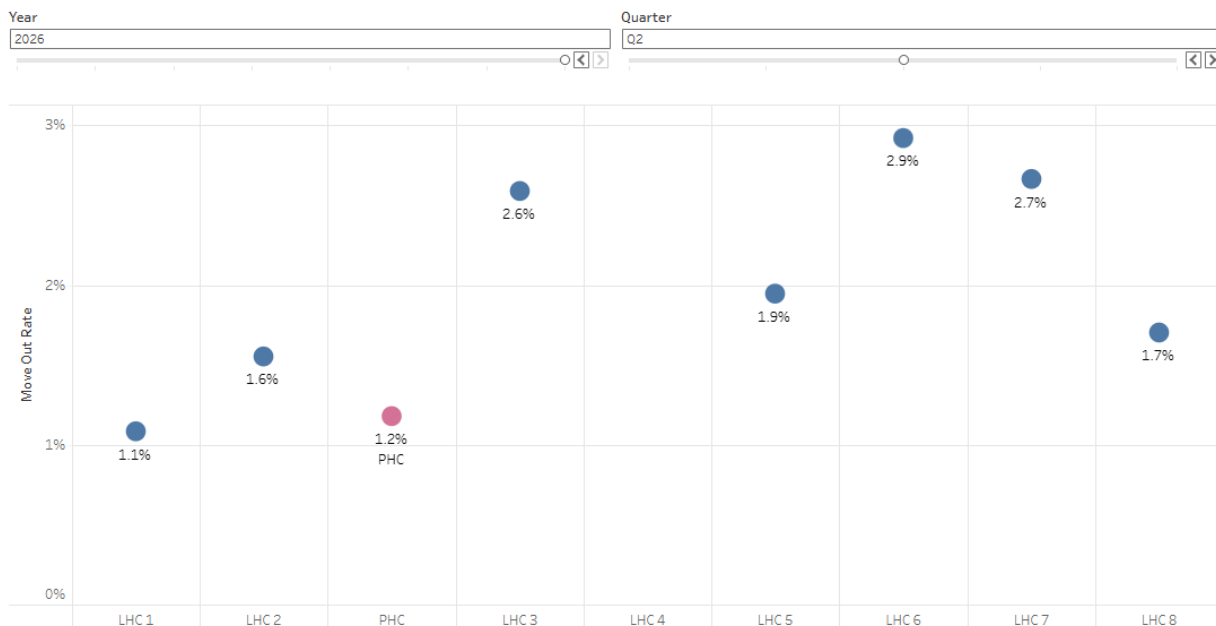
Discussions with the other LHCs indicate that extended turnover timelines continue to be influenced by several factors, including the increasing complexity and cost of unit repairs, contractor availability, and efforts to ensure units are fully prepared prior to occupancy.

PHC continues to work collaboratively with the Service Manager to streamline the offer and leasing process, reducing delays between unit readiness and occupancy. Ongoing review of internal procedures, enhanced coordination between departments, and regular monitoring of turnover performance remain priorities as the Operations Department works to maintain efficient occupancy practices while supporting positive tenant outcomes and alignment with sector benchmarks.

Tenant move-out activity remains a significant factor influencing unit turnover days. PHC experienced a substantially higher move-out rate in Q1 compared to the LHC group average. This elevated level of turnover created additional demands on maintenance and operational resources, as a greater number of vacant units required inspection, repairs, preparation, offering, and leasing activities.

PHC's move-out rate dropped to 1.2% in Q2, slightly lower than the group average. Given the time required to complete unit turnover work and secure new tenancies, the operational impacts of the higher Q1 move-out activity are likely reflected in the Q2 turnover results.

The graph below shows the unit turnover days recorded by provider for Q2.



Occupancy rates remained relatively stable during Q2, with both PHC and the LHC group average experiencing minimal changes compared to the previous quarter. As occupancy rates are closely linked to move-out activity and unit turnover timelines, it is important to recognize that the elevated move-out rate experienced by PHC in Q1 continued to influence occupancy performance during Q2.

The higher volume of move-outs created additional vacancies requiring repair, preparation, offering, and leasing before units could be returned to occupancy. Although move-out activity returned to a level more consistent with the LHC group average during Q2, the positive effects of this reduction are not expected to be fully reflected in occupancy metrics until future reporting periods.

PHC continues to perform strongly in rent collection, maintaining a collection rate of 95.9% in Q2. While this represents a slight decrease from 96.7% in Q1, PHC remained aligned with the LHC group average, which improved significantly from 92.8% to 95.9% during the quarter. This continued strong performance reflects the dedication of staff in maintaining proactive communication with tenants and fostering positive relationships that support timely rent payments.

PHC's success in rent collection is supported by a balanced approach that combines accountability with compassion. Through ongoing collaboration with Peterborough Social Services and early intervention when financial challenges arise, staff work closely with tenants to identify appropriate supports and payment arrangements that promote housing stability.

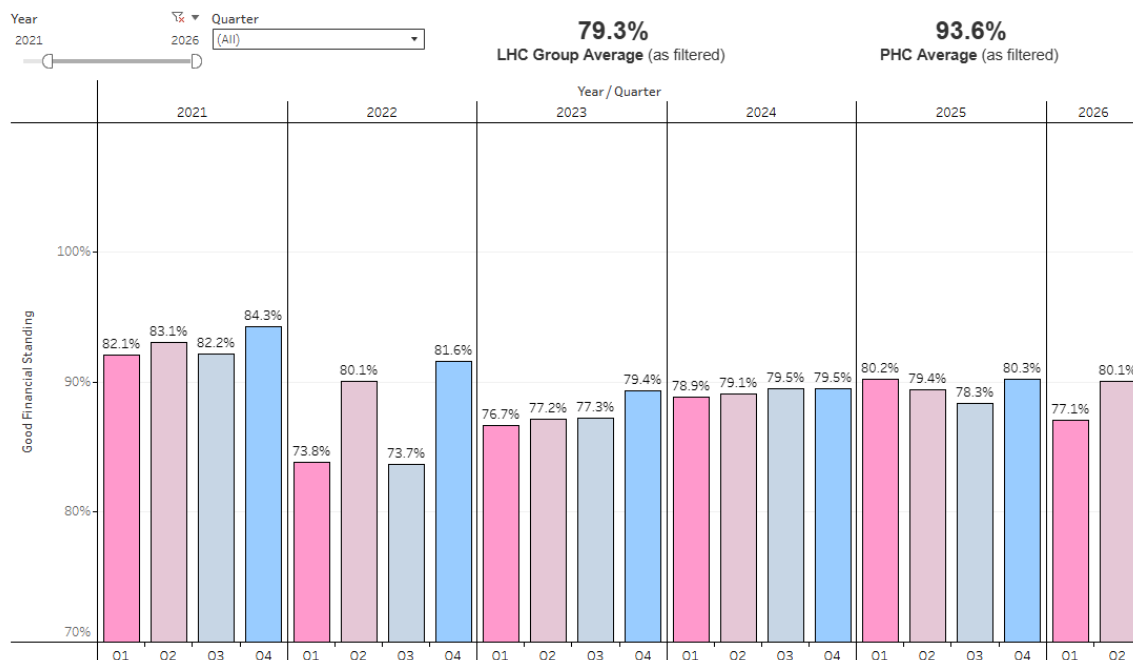
The "Households in Good Financial Standing" metric further demonstrates PHC's strong financial performance. In Q2, 90.8% of PHC households were in good financial standing, compared to the LHC group average of 80.1%. This measure reflects households that remain current with rent and parking payments and highlights the effectiveness of both available subsidy programs and the proactive daily efforts of staff to prevent arrears before they become significant issues. The results continue to demonstrate PHC's commitment to providing individualized, tenant-focused support while promoting long-term financial stability for residents.

The following chart shows the LHC average of households in good financial standing since 2021.

Households in Good Financial Standing (Rent & Parking)

Identifies the group's average percentage of households that are current with rent and parking charges

Calculation: Number of households that are current with rent and parking charges / Number of households



78.6%
 Households
 in Good
 Financial
 Standing
 2026 YTD

**Previous
 Years**
 2019 – 87.0%
 2020 – 83.6%
 2021 – 82.9%
 2022 – 77.2%
 2023 – 76.7%
 2024 – 77.2%
 2025 – 77.5%

The “Tenant Debt” metric identifies the distribution of current tenant rent and parking arrears in ranges of dollar amounts and by the number of tenant accounts. The data split is the total tenant debt amount for rent and parking and the number of tenant accounts for arrears within the following ranges (\$): 1-2,000, 2,001-4,000, 4,001-6,000, 6,001-8,000, 8,001-10,000, 10,001 and above. See Table below:

2026 Tenant Debt		
Measurements	PHC Q2	LHC Total
Average Number of Tenant Accounts with Arrears	111	16,111
Percentage of Total Number of Households with Tenant Debt	9.2%	14.8%
Average Amount of Tenant Arrears	\$2,367	\$1,731

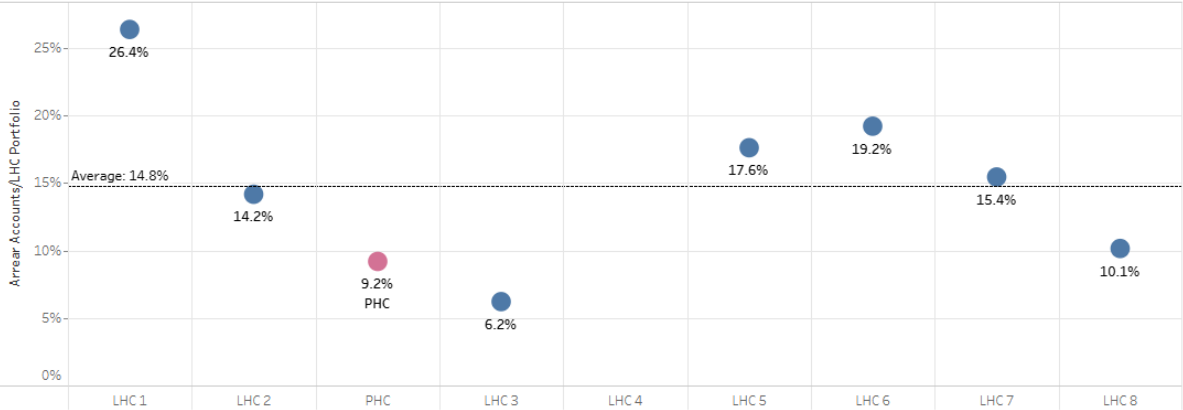
Another key measure is the Percentage of Total Households with Tenant Debt. In Q2, 9.2% of PHC households carried rental arrears, compared to the LHC average of 14.8%. This continued strong performance reflects the effectiveness of staff in identifying potential financial concerns early and working collaboratively with tenants to establish practical solutions before arrears become more significant.

PHC's average tenant arrears balance remains above the sector benchmark. This result is largely influenced by the organization's proactive approach to addressing lower-value arrears at an early stage, leaving a smaller number of accounts with higher outstanding balances represented in the average. While this can elevate the overall average arrears balance, it also demonstrates the success of early intervention strategies in preventing the accumulation of widespread tenant debt.

It is important to note that all high-value arrears accounts are either progressing through the Landlord and Tenant Board (LTB) process or are being managed through repayment agreements established with LTB involvement. Although balances subject to repayment agreements continue to be included in arrears reporting until fully repaid, these accounts are actively monitored and managed using repayment schedules that are sustainable for the household. As tenants continue to meet their repayment commitments, PHC expects the average arrears balance to gradually decline over time.

The following chart shows the percentage of Households with arrears as compared to the other LHCs in Q2.

Percentage of Households with Arrears (as filtered)



14.8%
Percentage of Households with arrears Q2 2026

Previous Quarter
Q1 2026 – 15.4%

Previous Year
Q2 2025 – 16%

The following chart shows the total tenant debt within the system for Q2.

Year

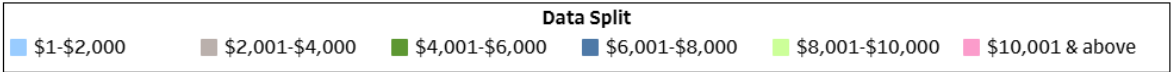
2025

Quarter

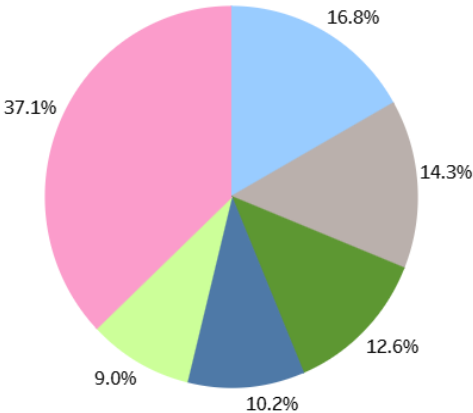
Q2

LHC Forum - 17,641 tenant accounts owed \$37,907,286 in arrears across the group (as filtered)

PHC - 106 tenant accounts owed \$238,202 in arrears (as filtered)

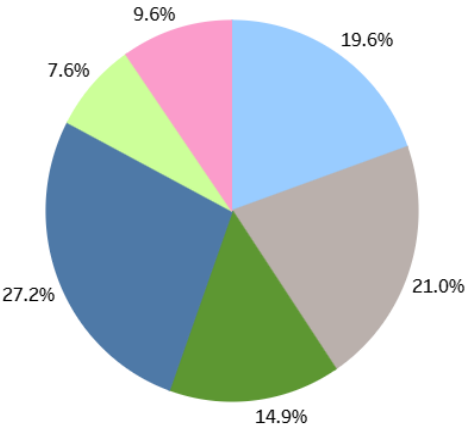


LHC Forum - Arrears (\$)



Q1 2026 (Previous Quarter)
17,024 Tenant Accounts

PHC - Arrears (\$)



Q2 2025 (Previous Year)
17,641 tenant accounts
\$37,907,286 arrears

Rationale:

Informational purposes only.

Other Alternatives Considered:

None.

Alignment to Strategic Priority Areas:

This report aligns to the 2026-2031 Strategic Plan as follows:

1. **Our Services** – Streamline how we work internally and with community partners.
2. **Our People** – Cultivate responsive, empathetic, adaptive, and professional staff.
3. **Our Organization** – Pursue long-term financial sustainability through leveraging technology, operational efficiency and diversified revenue sources.

Financial Considerations:

There are no direct financial considerations to this report. However, the report does provide an overview of PHC's current statistical arrear's status.

Consultations:

Rebekah Vettor, Senior Resident Services Manager

Attachments:

None.

Approved By:



Chief Executive Officer

Report 2026-049

Subject: Maximum Shelter Project
Date: October 8, 2026
Time: 5:00 pm
Location: Hunt Terraces, Room 112, 555 Bonaccord Street, Peterborough, ON
Prepared By: Richard Grotsch, Director of Operations

Recommendation(s):

Resolved That Report 2026-049, “Maximum Shelter Project,” be received for information purposes.

Background:

PHC in partnership with the Service Manager have been exploring opportunities to stabilize and maximize rent and revenue levels associated with its RGI portfolio. This portfolio is complex due to the restrictions placed on rent setting by the Housing Services Act (HSA), which is Ontario's core legislation governing community housing and RGI assistance.

Through an extensive review that includes a sector scan for best practices with the Service Manager, PHC has initiated an assessment of revenue optimization opportunities within the RGI portfolio. As part of this review, PHC is exploring the implementation of maximum shelter rents for households receiving social assistance benefits through Ontario Works (OW) and the Ontario Disability Support Program (ODSP), replacing the rent scale currently in use.

For Social Assistance recipients, they receive financial assistance for basic needs and shelter. Each recipient's allocation for basic needs is for everyday living expenses with exception of their housing which is funded through a shelter component. PHC utilizes the rent scale prescribed under the HSA to determine rent-geared-to-income (RGI) rents for Social Assistance recipients. The rent scale establishes fixed rent amounts based on household size, with adjustments made to reflect utility responsibilities, resulting in either an increase or decrease in rent depending on whether utilities are included in the rent or paid directly by the household.

Rationale:

In collaboration with the Services Manager, PHC has begun to explore the revenue impacts of replacing the provincially prescribed rent scale with maximum shelter rates for households receiving social assistance benefits through OW and ODSP. Under the current rent scale approach, tenants are often charged less than the maximum shelter

allowance available through their social assistance benefits. As a result, a portion of the shelter allowance is not paid to the housing provider and does not increase the tenant's disposable income, which remains limited to the basic needs component of their benefit. This has resulted in provincial housing support funding being left unspent and inaccessible to PHC for the purpose of operating its buildings.

The following chart outlines maximum shelter allowance based on family size for OW recipients compared to the set rent scale amount which is currently used.

Family Size	Housing Services Act Rent Scale	Maximum Allowable Rent OW – Shelter Allowance
1	\$85	\$390
2	\$175	\$642
3	\$212	\$697
4	\$254	\$756
5	\$296	\$815
6 or more	\$339	\$844

The following chart outlines maximum shelter allowance based on family size for ODSP recipients compared to the set rent scale amount which is currently used.

Family Size	Housing Services Act Rent Scale	Maximum Allowable Rent ODSP – Shelter Allowance
1	\$109	\$611
2	\$199	\$959
3	\$236	\$1038
4	\$278	\$1126
5	\$321	\$1215
6	\$363	\$1259

Preliminary analysis indicates that this approach represents an opportunity for PHC to increase revenue for the RGI portfolio. The extent of the financial benefit will vary on a case-by-case basis and is dependent on each household's individual circumstances. Factors that may influence the amount available to the housing provider include household composition, utility costs, tenant insurance premiums, outstanding utility arrears, and other eligible shelter-related expenses considered in the calculation of social assistance benefits. As a result, this cannot be applied uniformly across the portfolio and will require individual site level assessment to determine the potential increase for each tenancy.

Implementation Strategy

PHC is working collaboratively with the Service Manager to evaluate the most effective approach for implementing this initiative across the RGI portfolio.

Preliminary discussions have focused on a phased implementation strategy aligned with individual properties vs. lease renewal dates. This approach would support a more manageable transition while allowing PHC and City staff to effectively administer the required changes. Operational capacity, resource requirements, and administrative impacts will continue to be assessed as implementation planning progresses.

Implementation will be guided by an individualized assessment, recognizing that the opportunity associated with this approach will vary significantly based on tenant-specific circumstances. Factors such as household composition, utility expenses, tenant insurance costs, and outstanding utility arrears can all influence the amount of shelter allowance available for rent. Accordingly, PHC will evaluate each tenancy on a case-by-case basis to balance its financial responsibilities with ensuring housing remains sustainable and affordable for residents.

Engagement Strategy

PHC is developing a comprehensive engagement strategy to support households impacted by any changes to their rent. While these changes would pose no impact on an individual households' income from OW or ODSP, PHC is committed to providing clear information and support in advance of any changes.

Strategies such as onsite meetings and clear written communication will be developed in partnership with city staff to ensure transparency with all households.

PHC will also work closely with OW and ODSP staff to ensure consistent messaging and a coordinated approach to resident support. Information will be shared with Client Service Workers to ensure they are aware of the proposed changes and equipped to respond to inquiries from clients who may be affected.

PHC has a core responsibility to ensure the long-term fiscal sustainability of the communities served. While the implementation of maximum shelter rents is expected to have minimal financial impact on the affected households, the additional revenues will provide additional resources that are reinvested back into the operation of the portfolio.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas:

This report aligns to the 2026-2031 Strategic Plan as follows:

1. **Our Services** – Streamline how we work internally and with community partners.
2. **Our Organization** – Pursue long-term financial sustainability through leveraging technology, operational efficiency and diversified revenue sources.

Financial Considerations:

This report highlights opportunities for PHC to enhance its revenue generation in its RGI portfolio. While the revenue increase will fluctuate by changes in household composition, it is anticipated that the potential revenue may increase by \$150,000.00 annually while minimizing financial impact for Residents.

Consultations:

Lisa Clark, Resident Services Manager
Rebekah Vettor, Senior Resident Services Manager
City of Peterborough, Housing Services Staff

Attachments:

None

Approved By:



Chief Executive Officer

Report 2026-050

Subject: CEO Update
Date: October 8, 2026
Time: 5:00 pm
Location: Hunt Terraces, Room 112, 555 Bonaccord Street, Peterborough, ON
Prepared By: Travis Doak, CEO

Recommendation(s):

Resolved That Report 2026-050, "CEO Update," be received for information purposes.

Background:

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

Rationale:

PHC Annual Report presented to City Council

On August 24, 2026, PHC presented its Annual Report to Peterborough City Council. The report, previously presented to the PHC Board earlier this year, provided Council with an overview of the Corporation's activities, accomplishments and key areas of focus over the past year.

The presentation also provided an opportunity to highlight PHC's ongoing work in supporting residents, maintaining and investing in its existing housing portfolio, advancing new housing opportunities, and working collaboratively with the Service Manager and community partners. The Annual Report was well received and provided an important opportunity to reinforce PHC's role as the City's community housing provider and its contribution to addressing local housing needs.

Strengthening Building Access and Security Procedures

PHC staff have completed a review and modernization of the organization's approach to building access and security. This initiative involved staff from across the organization and included updating the former Lock and Key Control Directive, which has now been replaced by a broader Access Control Directive.

The updated Directive reflects current operational requirements and provides clearer direction regarding the management and control of access to PHC buildings, units and other secured areas. As part of this work, staff also developed a number of new Standard Operating Procedures (SOPs) to provide consistent, practical guidance for employees responsible for administering various aspects of building access and security.

The work was undertaken to strengthen consistency and accountability in how access is managed across PHC's portfolio, while supporting the safety and security of both residents and employees. The updated framework also provides clearer processes for maintaining PHC buildings and responding to access-related issues as they arise.

The completion of the Access Control Directive and supporting SOPs represents an operational improvement and provides PHC with a more comprehensive and consistent framework for managing building access across the organization.

CEO Term of Employment and Succession Planning Directive

On June 24, 2026, the Board approved the CEO Term of Employment and Succession Planning Policy, which established the framework governing the CEO's term of employment and longer-term succession planning. Following approval of the Policy, PHC staff developed the supporting CEO Term Directive to provide the detailed administrative processes required to implement the Policy.

The Directive provides clarity regarding roles and responsibilities; key timelines and review requirements associated with the CEO's term of employment. It also establishes the processes to support succession planning, including the steps and timelines to be followed in advance of the maximum CEO term established under the Policy. Documenting these processes in advance will support consistency, leadership continuity and sufficient time for future succession planning and recruitment.

As the CEO Term Directive is an administrative document supporting implementation of the Board-approved Policy, it does not require Board approval. This update is being provided to the Board for information and to confirm that the Directive has been completed and the administrative processes necessary to support implementation of the CEO Term of Employment and Succession Planning Policy are now in place.

PHC Property Sales – Property Tax Issue

Between approximately 2017 and 2021, PHC sold a number of residential properties on Collison Crescent and Denne Street. Proceeds from these sales were used to support the development and construction of Malcolm Court and Hunt Terraces properties at 553 and 555 Bonaccord Street.

PHC has recently identified a property tax issue associated with some of the semi-detached properties that were sold during this period. In certain instances, the two attached units had historically been held by PHC under a single property/tax parcel. When individual units were subsequently sold, the necessary separation of the property for municipal taxation purposes was not fully addressed. As a result, there are situations where the current ownership of the individual units is not appropriately reflected for property tax purposes.

PHC staff have identified two properties requiring further review and are working with legal counsel and the City to confirm the property and ownership details and determine the appropriate steps required to correct the issue. This work will include ensuring the

affected properties are appropriately separated for taxation purposes so that property taxes are correctly attributed to the respective property owners.

Staff will continue to work through the matter with legal counsel and the City and will address any additional properties should they be identified through this review.

Supporting a Tenant Through a Long-Term Pest Issue

As part of the CEO Update, staff periodically provide highlight examples of the interactions PHC has with residents and the range of challenges our teams work to address. These examples provide the Board with additional insight into the complexity of the work occurring within our communities and the impact that sustained staff intervention and community partnerships can have on individual residents.

One recent example involved a senior resident who had experienced a persistent pest infestation over several years, significantly affecting their well-being and enjoyment of their home. PHC staff, working collaboratively with community partners, provided ongoing support to assist the resident with cleaning and preparing the unit so that pest treatment could be successfully completed.

Following several months of coordinated intervention, the unit has now been cleared of pests. The resident shared the positive impact this has had on their well-being and quality of life, including once again feeling comfortable welcoming their grandchildren into their home. This is an example of how persistent, coordinated support between PHC staff, residents and community partners can help address complex tenancy challenges and achieve meaningful outcomes for residents.

Relocating an Overhoused Resident for Long-Term Housing Stability

Another recent example of tenant engagement involves PHC staff supporting the relocation of a resident who had become overhoused and was living alone in a four-bedroom unit following changes in the household composition, including the passing of a parent. Recognizing that the existing unit was no longer appropriate for the residents' needs, staff worked collaboratively with the City of Peterborough Social Services team to identify a sustainable housing solution.

Through this partnership, a rent supplement was secured, and the resident was successfully transferred to an appropriately sized and affordable one-bedroom unit. The new arrangement provides the resident with greater long-term housing stability while allowing them to remain within the PHC community.

The move also resulted in a positive outcome for PHC's broader housing portfolio. The four-bedroom townhouse has been made available for transition to the market-rent portfolio, creating an opportunity to provide housing for another family while also generating additional rental revenue for PHC. This is an example of how individualized resident support can achieve positive outcomes for both residents and the organization.

Landlord and Tenant Board Decision – Tenant and Staff Safety

PHC recently received a decision from the Landlord and Tenant Board (LTB) regarding an eviction application involving a tenant with a lengthy history of serious and escalating behaviour toward PHC staff and other tenants. PHC initiated the application following repeated incidents that included threats of violence and death threats toward staff. The matter proceeded before the LTB over an extended period of approximately two years.

Prior to seeking eviction, PHC staff had worked extensively with the tenant for more than six years in an effort to stabilize the tenancy and address the behaviours of concern. This included intensive case management, ongoing engagement and efforts to connect the tenant with appropriate supports. Given the continued escalation of the behaviour and the resulting concerns for the safety and well-being of staff and other tenants, PHC ultimately determined that an application for eviction was necessary.

On September 15, 2026, PHC was advised that the LTB had issued its decision and had declined to grant the eviction. A significant factor in the decision was the LTB's finding that PHC had not sufficiently fulfilled its duty to accommodate the tenant's mental health-related disability under the Ontario Human Rights Code prior to pursuing eviction.

PHC has significant concerns with the decision and, in particular, the extent of the accommodation obligations the decision appears to place on a housing provider. Despite the considerable supports and interventions undertaken by PHC over a number of years, the decision suggests that additional measures should have been pursued before eviction could be considered, including a level of involvement in the tenant's health care and treatment that PHC believes extends beyond the reasonable role and capacity of a landlord.

PHC has sought legal advice regarding the decision. Preliminary legal advice has identified concerns with the LTB's interpretation and application of the relevant legislative and human rights requirements, including the implications for PHC's ability to appropriately balance its duty to accommodate with its responsibilities for the health and safety of employees and other tenants.

Given the seriousness of the decision and its potential implications for future tenancy matters involving similar circumstances, PHC is reviewing its legal options, including an appeal of the LTB decision. Staff will continue to work with legal counsel to determine the appropriate next steps and will keep the Board informed of any significant developments.

Review of Health & Safety Policy and Directives

The Joint Health and Safety Committee (JHSC) has begun a review of PHC's health and safety related Policies and Directives, with the review expected to be completed by the end of this year. This work is intended to ensure PHC's health and safety framework remains aligned with the Occupational Health and Safety Act (OHSA) and other applicable legislative requirements, while also incorporating current best practices and lessons learned through PHC's operational experience.

The Committee has completed its initial review of four key documents related to occupational health and safety responsibilities, workplace discrimination and harassment, and associated complaint and investigation processes. The review has identified a combination of administrative updates and more substantive amendments to strengthen legislative alignment, clarify roles and responsibilities, improve consistency in definitions and terminology, and provide clearer processes and timelines.

The JHSC will continue its review of the remaining health and safety Policies and Directives over the coming months. Once completed, this work will provide PHC with an updated and consistent health and safety framework that supports both legislative compliance and a safe, respectful workplace for employees.

Employee Engagement Day

On September 16, 2026, PHC held its annual Employee Engagement Day. This day allowed staff to come together as a full employee group for celebration, recognition and learning. We welcomed four (4) new employees to PHC and celebrated the years of service of four (4) employees each with five (5) years of service with; Jenna Cullon, Executive Assistant, Jake Dean, Resident Services Manager, Travis Doak, CEO, Elizabeth Toms, Building Services Coordinator.

The CEO and Directors each provided updates on their divisions' mandate work creating opportunity for connection with the day-to-day work and the Strategic Plan. Julie Brown, our guest speaker, engaged with the group about Trauma Informed Workplaces and the Impact of Technology.

Following the formal portion of the day, employees participated in a team-building activity at Lakeview Bowl. Staff were intentionally encouraged to interact with colleagues outside of their usual work teams, providing an informal opportunity to strengthen relationships across departments and build connections with employees they may not regularly work alongside.

Many thanks are extended to the Employee Engagement Committee for planning these incredibly important days together.

Municipal Services Corporation - Property Management Agreement

PHC and the City of Peterborough continue to work to finalize the property management agreement associated with the Municipal Services Corporation. Considerable work has been undertaken over the past several months to review and refine the agreement and ensure there is clarity regarding the respective roles, responsibilities, service expectations and administrative requirements of both organizations.

The agreement is now in the final stages of review, with PHC and City staff working through the remaining details and fine-tuning the document. This work is intended to establish a clear and practical framework for the property management services to be provided and to ensure the agreement appropriately reflects the operational requirements and responsibilities of both PHC and the City.

Staff anticipate concluding this work in the near future and will provide the Board with a further update once the agreement has been finalized.

ONPHA Policy Update – Build Canada Homes

Ontario Non-Profit Housing Association (ONPHA) recently highlighted the official launch of the Canada Rental Protection Fund (CRPF) by Build Canada Homes. The \$1.5 billion federal initiative is intended to support community housing providers in acquiring, preserving and renewing at-risk private rental properties, helping to protect existing affordable rental housing and increase long-term community ownership.

The Canadian Housing Acquisition Fund (CHAF) has been selected to administer the program, which will provide a combination of repayable and forgivable loans, together with commercial financing. The fund is expected to support the preservation of approximately 7,000 rental homes across Canada during its first five years.

ONPHA has indicated that it will work with Build Canada Homes and CHAF to support Ontario non-profit housing providers in understanding and accessing the program. Staff will continue to monitor the fund as further program and eligibility details become available and assess any potential opportunities relevant to PHC.

ONPHA has also expanded its housing data and real estate analytics supports for members, including access to CoStar market information to assist with property searches, market research and early-stage acquisition and development analysis. PHC staff will review the program in greater detail to determine whether there may be opportunities to leverage the fund in support of our existing housing portfolio.

Changes to Ontario's Residential Tenancies Framework

Effective September 21, 2026, a number of changes to Ontario's Residential Tenancies Act and Landlord and Tenant Board (LTB) processes came into effect. The changes are intended, in part, to reduce delays within the LTB system and provide greater clarity and efficiency in addressing certain tenancy matters.

Of importance to PHC are changes related to non-payment and persistent late payment of rent. The notice period associated with an N4 Notice to End a Tenancy Early for Non-Payment of Rent has been reduced from 14 days to seven days, allowing landlords to proceed with an LTB application sooner where outstanding rent is not paid.

The Province has also established a clearer threshold for persistent late payment. A tenant may now be considered to have persistently paid rent late where rent is received more than seven days after its due date on at least three occasions within a six-month period. This provides greater clarity for landlords when addressing recurring patterns of late payment.

Additional changes apply to rent-arrears hearings. Where a landlord files a qualifying application on or after September 21, 2026, a tenant wishing to raise other matters at the hearing, such as maintenance or tenant-rights concerns, is generally required to pay the landlord at least 50% of the rent arrears claimed at least seven days before the hearing.

There are also new limitations governing when the LTB may delay enforcement of an eviction order, including consideration of whether a delay would be unfair to the landlord or other tenants.

These changes provide staff with additional tools and more timely options for addressing rent arrears and persistent late payment; however, they will not replace PHC's commitment to working with residents to support successful and sustainable tenancies. Staff will continue to consider individual circumstances, exercise appropriate flexibility, and work with residents to address financial challenges and identify solutions wherever possible. The revised LTB framework provides additional options where intervention is necessary, while allowing PHC to balance its responsibilities as a landlord with a compassionate and responsive approach to the needs of the residents and communities we serve.

International Housing Partnership Leadership Exchange

I attended the 2026 International Housing Partnership (IHP) Leadership Exchange, held September 21–24 in Montreal. The Exchange brought together senior community and affordable housing leaders from Canada and internationally, providing an opportunity to share experiences, challenges, innovative practices and emerging approaches from across the housing sector.

The exchange focused on a number of issues that are particularly relevant to PHC, including changing housing policy and funding environments, organizational and workforce sustainability, preservation of existing and aging housing stock, climate and infrastructure pressures, the rapidly evolving use of digital technology and artificial intelligence, and the increasingly complex needs of residents.

The Exchange also included discussions and site visits examining different approaches to affordable housing development, community-led development, preservation of affordability, innovative financing, and the role of municipalities and non-profit housing organizations in expanding community housing. Discussions also explored how different jurisdictions and countries are leveraging public-private partnerships and other collaborative models. These models bring together governments, non-profit housing providers, private-sector partners and financial institutions to support the development, financing and long-term sustainability of affordable and community housing.

The Exchange was quite valuable, particularly the opportunity to engage directly with housing leaders from Canada, the United States, Australia, Britain and Ireland and compare how organizations in different jurisdictions are responding to many of the same pressures experienced by PHC. The discussions provided practical ideas and perspectives that can inform PHC's ongoing work and reinforced the value of maintaining connections with housing leaders beyond Ontario to share practices, challenges and potential solutions.

Other Alternatives Considered:

None

Alignment to Strategic Priority Areas:

This report aligns to the 2026-2031 Strategic Plan as follows:

1. **Our Properties** – Create and provide excellent, well maintained, functional spaces for residents to live and thrive in.
2. **Our Community** – Create and foster a sense of community amongst residents and staff.
3. **Our Services** – Streamline how we work internally and with community partners.
4. **Our People** – Cultivate responsive, empathetic, adaptive, and professional staff.
5. **Our Organization** – Pursue long-term financial sustainability through leveraging technology, operational efficiency and diversified revenue sources.

Financial Considerations:

None

Consultations:

Jennifer McLauchlan, Director of People & Culture
Richard Grottsch, Director of Operations
Jake Dean, Resident Services Manager

Attachments:

None

Approved By:



Chief Executive Officer

Report 2026-052

Subject: Mortgage Renewal
Date: October 8, 2026
Time: 5:00 pm
Location: Hunt Terraces, Room 112, 555 Bonaccord Street, Peterborough, ON
Prepared By: Jennifer Eggleton, Director of Financial and Budget Services

Recommendation(s):

Resolved That Report 2026-052, "Mortgage Renewal," be received by the Board of Directors; and

That Peterborough Housing Corporation (PHC) be approved to renew the existing mortgages with RBC a five-year, fixed rate term, as proposed, for the following property:

- Bradburn House – 293 London St Peterborough, Ontario, Dollar Amount: \$520,195, Term: 5 years, Amortization: 123 Months, Rate: 4.55% estimated as of the writing of this report.

That PHC staff be authorized to finalize and execute all necessary documentation to complete the mortgage renewals with RBC.

Background:

PHC currently holds one mortgage with Royal Bank of Canada (RBC) relating to Bradburn House located at 293 London Street in Peterborough, Ontario. The mortgage is approaching maturity and requires renewal to ensure continued financing of this property.

Bradburn House has an interest rate of 2.64% and will be renewed at 4.55% estimated. This will include a monthly increase of \$436.65.

As part of the 2026 budget process, staff anticipated these renewals and incorporated an estimated renewal interest rate of 4.25% into the operating forecasts. Given the current lending environment and the relatively small outstanding balances remaining on the mortgages, staff initiated a review of available financing options to determine the most cost-effective and prudent renewal strategy.

Rationale:

Staff undertook an invitation process to ensure due diligence was completed and to obtain the most competitive financing available. Lending institutions were invited to provide proposals for the renewal of the mortgage. The feedback received consistently indicated that the relatively small outstanding balance limited lenders' ability to offer rates that would

offset the legal, administrative, appraisal, and transfer costs associated with moving the mortgage to another financial institution.

Breakdown:

An invitation to submit a proposal for the mortgage renewal was sent to the following financial institutions:

- RBC
- TD Bank
- BMO
- KCU
- CIBC

Following this review, RBC provided a competitive proposal with an estimated fixed interest rate of 4.55% for a five-year term. While the proposed rate is slightly higher than the 4.25% rate assumed in the approved budget, the financial impact is manageable within existing operating forecasts for the short period left in the year. During previous mortgage invitations in 2026, other lenders communicated they were not interested at this time or stated the additional costs, administrative requirements would prevent them from being competitive at this time.

Staff therefore recommend renewing the mortgage with RBC as the option that provides the best overall value, minimizes financial risk, and ensures continued stability in financing these properties.

Other Alternatives Considered:

In 2026 we attempted to use mortgage brokers. They communicated the cost to move the mortgages would outweigh the benefit due to the nominal amount remaining on the mortgages.

Alignment to Strategic Priority Areas:

This report aligns to the 2026-2031 Strategic Plan as follows:

1. **Our Properties** – Create and provide excellent, well maintained, functional spaces for residents to live and thrive in.
2. **Our Community** – Create and foster a sense of community amongst residents and staff.

Financial Considerations:

The proposed mortgage renewal will maintain financing for the Bradburn House property while providing predictable debt servicing costs over the next five years. RBC submitted the most competitive proposal received, with the following estimated terms and monthly payment obligations:

RBC Proposal:

Name: Bradburn House

Address: 293 London Street, Peterborough, Ontario

Dollar Amount: \$520,195

Term: 5 years

Rate: 4.55% estimated

Monthly Payment: \$5,300.65

Amortization: 123 Months

Consultations:

Travis Doak CEO

Attachments:

Attachment A: RBC Mortgage Renewal Offer

Approved By:



Chief Executive Officer

Response to Request for Proposals

Peterborough Housing Corporation

Presented by: Jordan Bress
Director Corporate Client Group
Public Sector- Royal Bank of Canada
Ontario North and East Region

STRICTLY PRIVATE AND CONFIDENTIAL



Royal Bank

Response to Request for Proposal | Peterborough Housing Corporation

Executive Summary

On behalf of the RBC Public Sector Team we greatly appreciate the opportunity to present Peterborough Housing Corporation the following proposal for Term Financing

Lending Facilities

Address: 293 London St K9H 2Z5

Dollar Amount: \$520,195

Term: 5 years

Amortization: 123 Months

Rate: 4.55% estimated



Bank Facility

*** Rates are indication Rates only as we can not complete Rate holds for commercial clients**

▪ **Benefits of RBC's proposal and recommendations include:**

- **Less administrative**- RBC brings a deep understanding of the business and operations, we are committed to make the financing process seamless from a day-to-day banking perspective
 - **Competitive credit spreads**
- **Experienced team** – high quality team of experienced professionals with sector knowledge and proven execution capability, having each worked on RBC's most recently public sector transactions
- **Innovative execution and deal support** – demonstrated ability and willingness to engage in innovative execution strategies to ensure successful financings

RBC Public Sector Overview

Why choose the Royal Bank of Canada

RBC's strong commitment to providing exceptional quality service, combined with our flexible product solutions and superior advice, differentiate us from our competitors. RBC offers a proven track record in the provision of banking services to our clients.

Strong Market share within Ontario North and East within the Public Sector space. Specializing in custom credit facilities, one off product solutions, fraud mitigation

Executive Summary

Jordan Bress, Director Corporate Client Group– Public Sector Ontario North and East

The key to a good relationship is effective communication at all levels. Your RBC dedicated relationship team will be led by Jordan Bress, Director Corporate Client Group– Public Sector Ontario North and East who will act as your partner not only in providing services and alternatives, but in determining the most beneficial and cost-effective solutions based on our experience with similar organizations.

The RBC Public Sector team takes great pride in working with “MUSH” clients across Ontario North and East. We are very fortunate to have long standing relationships within the sector across Ontario.



Report 2026-051

Subject: RFP 2026-001 101-109 Anson Grading, Drainage, and Waterproofing
Date: October 8, 2026
Time: 5:00 pm
Location: Hunt Terraces, Room 112, 555 Bonaccord Street, Peterborough, ON
Prepared By: Richard Grotsch, Director of Operations

Recommendation(s):

Resolved that PHC Board of Directors approve the award of RFP 2026-001 with the total maximum project value of **\$262,972.40** for a multi-unit grading, drainage, and waterproofing project. PHC recommends awarding this contract to Drain Bro's consistent with its approval authorities set out in PHC Procurement Policy FA1 and,

That: Report 2026-001, "101-109 Anson Grading, drainage and waterproofing", be received for information purposes.

Background:

In 2026, PHC launched a new strategic plan grounded in a clear commitment to strengthening homes, communities, and the experiences of the people we serve.

PHC's capital investment program focuses on infrastructure renewal and strategic opportunities for growth. The program primarily supports Community (RGI) and Affordable Housing properties within the PHC portfolio, helping to ensure that homes remain safe, in good repair, and fit for occupancy while positioning PHC's housing assets for long-term sustainability.

Investment priorities are informed by a combination of data, professional expertise, and the lived experience of our properties. This includes Building Condition Assessment (BCA) reports completed by third-party vendors, observations from PHC technical staff, recommendations from industry professionals, and ongoing maintenance trends. Together, these sources provide PHC with a comprehensive understanding of property needs and help ensure capital investments are directed where they can have the greatest impact for residents, communities, and the long-term health of the housing portfolio.

The property located at 101-109 Anson Street was built in the late 1960s and is part of PHC's RGI portfolio.

As per PHC Policy FA1, any open competition procurement valued above \$250,000 requires approval by the Board of Directors.

Rationale:

Through the Building Condition Assessments (BCA), it has been identified that the retaining walls, drainage and foundation have deteriorated and are in poor condition. This has resulted in water penetration through the walls into the basements of the units, and if left unmanaged, will result in further damage to the structures.

These site wide conditions require an investment in excavating the perimeter of three (3) units and partial excavation of another two (2) adjacent units. This work will be followed by comprehensive waterproofing measures, positive grading, and reinstatement of affected areas.

Scope

PHC staff completed full assessments of each unit and established a comprehensive scope of deliverables, which was completed in August 2026. To limit resident disruption as well as to manage total project workflow a single contractor would be sought to provide full project oversight. A technical approach to drainage design and defined construction timelines are key elements of the contract deliverables.

Procurement Timelines:

1. **Issue Date:** Friday, August 21, 2026
2. **Mandatory Information Meeting:** Thursday, August 27, 2026
3. **Deadline for Questions:** Friday, August 28, 2026
4. **Closing Date:** Friday, September 4, 2026
5. **Tender Opening:** Tuesday, September 8, 2026
6. **Distribute Evaluation Forms to Committee:** Tuesday, September 8, 2026
7. **Evaluation of Proposals:** September 8, 2026 – September 14, 2026
8. **Evaluation Discussion:** Tuesday, September 15, 2026
9. **Pricing Opening:** September 8, 2026
10. **Preferred Proponent Selected:** September 15, 2026
11. **Tentative Contract Award (Letter of Intent to Selected Proponent):** Thursday, September 17, 2026

Submission Evaluation:

The public proposal for this project was accessed by sixteen (16) proponents, and PHC received one (1) submission on closing. PHC established an evaluation team of three (3) PHC staff who evaluated the submissions based on the following criteria:

- 1) Technical Approach and Understanding of Scope
- 2) Company Profile and Relevant Experience
- 3) References
- 4) Tenant Impact and Site Considerations

- 5) Timeline and Project Management
- 6) Price and Value
- 7) Warranty

Project Timelines

The following timelines have been established for the completion of this project once awarded:

- Contract Signing and Project Commencement: October 2026
- Foundation Repairs and Sealing: October 2026
- Project Completion and Close Out: December 2, 2026

Resident Disruption:

Due to the scale of this project, resident disruption/impact has received significant consideration. While proponents are required to limit disruption where possible, staff have developed a resident engagement strategy to support this project's delivery.

Other Alternatives Considered:

No viable options available.

Alignment to Strategic Priority Areas:

This report aligns to the 2026-2031 Strategic Plan as follows:

1. **Our Properties** – Create and provide excellent, well maintained, functional spaces for residents to live and thrive in.

Financial Considerations:

This project has a total combined maximum value of \$262,972.40 plus applicable taxes and includes a built-in \$15,000.00 contingency to account for addressing any unforeseen conditions. It is an established project defined within the 2026 capital plan. This project is fully funded through the 2026 Year 7 COCHI funding agreement through our Service Manager.

Consultations:

Richard Grotsch, Director of Operations
Alexandra Arbour, Capital and Special Projects Manager
Brendan Le, Capital and Special Projects Assistant
Building Services Staff
Other Operations Staff

Attachments:

None.

Approved By:

A handwritten signature in black ink, appearing to be "J. M. [unclear]", written in a cursive style.

Chief Executive Officer

Report 2026-053

Subject: Proposed 2027 Operating & Capital Budget
Date: October 8, 2026
Time: 5:00 pm
Location: Hunt Terraces, Room 112, 555 Bonaccord Street, Peterborough, ON
Prepared By: Jennifer Eggleton, Director of Financial and Budget Services

Recommendation(s):

Resolved That Report 2026-053, “Proposed 2027 Operating & Capital Budget”, be received;

That the following recommendations of the Finance, Audit and Administration Committee, are adopted by the Board:

That the 2027 Operating & Capital budget, outlined in Report FAA2026-005 is approved.

That the CEO is directed to request operating subsidy in the amount of **\$4,806,032** to support the 2026 portfolio operations and capital subsidy in the amount of **\$1,017,329** from the Service Manager on behalf of the City of Peterborough and Peterborough County; and

That the CEO reports back to the Board with any 2027 operating or capital budget amendments based on the Service Manager’s approvals.

Background:

This report represents the proposed 2027 Operating and Capital Budget for PHC. Budget development commenced in early 2026 in recognition of the significant fiscal pressures anticipated for 2027. Staff undertook a comprehensive review of all revenue and expenditure lines to develop a prudent and balanced budget while maintaining essential operations, resident services, and asset management requirements.

As part of this process, all feasible cost-containment measures were identified and incorporated. Despite these efforts, ongoing inflationary pressures, rising operating costs, aging infrastructure requirements, and limited funding capacity continue to create significant challenges for the organization.

Rationale:

The proposed 2027 budget reflects a financially constrained environment and incorporates significant measures to contain costs while maintaining critical services and operations.

Operating Budget:

PHC is requesting an operating subsidy increase of \$456,789, representing a 10.5% increase over the 2026 base operating funding for a total operating subsidy request of \$4,806,032.

Despite the requested increase, the operating budget cannot be balanced without utilizing capital funding. Accordingly, \$780,443 of capital subsidy funding will be redirected to support operating requirements in 2027.

REVENUES				
Name	Number	Description	Variance	Notes
Residential Rental Income	1	Rent received from tenants or on behalf of tenants	2.7% \$ 276,989	Rent for Community Housing remains static due to the current economic instability.
Commercial Rental Income	2	Rent payment received from commercial tenants	-1.4% -\$ 4,361	There is a slight reduction as a planned rental agreement for additional space with VON has been put on hold.
Food Revenue	3	Food Revenue from Hunt Terraces tenants & FourCast -Paddock Wood	11.8% \$ 43,992	Sales increase.
Miscellaneous Revenue	4	Combination of revenue other than rent received from tenants (i.e. parking, laundry etc.) and investment income	- 30.2% - \$100,365	Decrease. Previously food and miscellaneous were categorized together. Re-forecasted laundry revenue as well.
Food Subsidy	5	Food Subsidy	NA	One time food Subsidy from the Service manager in 2026. Not to continue in 2027.
Municipal Operational Subsidies	6	Subsidy received from the Service Manager to assist with expenses not	10.5% \$ 456,789	Increase to base funding for the portfolio based on

		offset by rent or other revenue.		staff review and input.
Property Management Agreements	7	Fees received to manage other properties	-9% -\$ 15,125	Decrease due to The Mount contract expiring in 2026.
EXPENSES				
Name	Number	Description		Variance
Vacancy Loss/Bad Debt		Represents the write off from uncollectible former tenant accounts.	Nil	Overall remains static.
Corporate Costs	8	Includes all costs related to bank and payroll management fees.	43.6% \$ 10,730	The variance is the result of a budget correction identified during the Q2 2026 review and a modest 3% increase. Reallocating costs to the appropriate budget lines to better reflect the actual cost for 2027.
Salaries, Wages & Benefits	9	Includes all staff wages and benefits, including statutory deductions, health, and OMERS	7.6% \$ 335,094	Salaries, wages and benefits reflect the following adjustments based on the 2026 staff complement, and a new Collective Agreement renewal.
Fleet Maintenance & Travel	10	Represents costs associated with corporate vehicle fleet and staff travel	22% \$ 14,654	Maintenance of aging fleet, increased cost of mileage rate and more presence in community.
Administrative Services	11	Represents costs associated with supporting the operations of PHC i.e., telecommunications, software licenses, IT services, consulting fees, and staff development	18% \$ 101,874	The major expenses include Labour Management \$63,000, Software \$22,000, IT Maintenance \$15,000.
Food Services	12	Represents food costs at Hunt Terraces, including Wolfe Street	3% \$ 21,750	Standard increase expected.
Insurance	13	Represents insurance on PHC's assets.	13.6%	Includes a 3% Increase overall and

			\$ 66,752	three buildings insured to value which were previously significantly under insured.
Building Materials & Services	14	All day-to-day operational expenses related to maintaining the properties including the grounds, buildings, and units	3% \$ 51,035	Marginal increase budgeted.
Capital Reserve Allocation	15	Any mandatory requirements to transfer funds to a reserve to cover future capital costs, as required through funding or financing agreements	Nil	No change.
Utilities Electricity, Gas & Water	16	Includes utilities provided to the properties including hydro, gas, water, and water heater rentals	10.7% \$ 274,476	The increase reflects the anticipated usage increase due to extreme weather. These costs were monitored closely in 2026 and budgeted based on 2026 Q2 actuals.
Utilities – Storm Water Charge	17	Storm water utility charge is now part of the water bill effective April 2025	3% \$ 1,721	Standard increase expected.
Property Taxes	18	Property taxes for all PHC buildings paid to the City and County.	10.2% \$ 269,330	Estimated annual increase and expiration of AHP properties.
Mortgage and Debenture Payments	19	Mortgages and refuse truck loan.	4.6% \$ 104,829	Increase due to mortgage renewals in 2026 and upcoming 2027.

Capital Budget:

PHC is requesting a capital subsidy of \$1,017,329, representing a 3% increase over the previous year. Of this amount, \$780,443 will be required to support operations, leaving approximately \$236,886 available to address unplanned capital emergencies. Staff anticipate an additional \$600,000 in COCHI funding for pre-approved capital projects.

The proposed capital budget represents a significant organizational risk. The remaining capital funding is insufficient to address the full scope of anticipated infrastructure requirements across the portfolio. This constrained funding position will likely result in the deferral of capital work, increased pressure on aging building systems, and reduced capacity to respond to unexpected asset failures.

Spruce Corners:

The Spruce Corners project continues to be funded separately through the Ministry of Health using the provincial funding formula. This project does not rely on municipal subsidy funding, and PHC continues to work closely with the Ministry to maintain this funding arrangement

Other Alternatives Considered:

Staff considered several alternatives during the development of the budget in response to ongoing operating pressures and the need to balance financial requirements with PHC's longer-term needs. One option considered was requesting a larger increase to the operating subsidy to more fully address rising operating costs and reduce the need to rely on other funding sources. This approach would have helped preserve available capital funding for its intended purpose of maintaining and renewing PHC's housing portfolio; however, it would have required a more significant increase in funding from the Service Manager.

Staff also considered opportunities to further reduce or defer expenditures, adjust service levels, and postpone planned initiatives. While these measures could provide additional short-term budget relief, further reductions or deferrals may have operational impacts and could contribute to increased pressures in future years.

The proposed budget therefore reflects an effort to balance financial restraint with the need to maintain essential services, respond to increasing operating costs, and protect PHC's ability to address its significant and growing capital requirements.

Alignment to Strategic Priority Areas:

This report aligns to the 2026-2031 Strategic Plan as follows:

1. **Our Properties** – Create and provide excellent, well maintained, functional spaces for residents to live and thrive in.
2. **Our Community** – Create and foster a sense of community amongst residents and staff.

Financial Considerations:

The proposed 2027 Operating and Capital Budget has been developed in response to significant financial pressures across the portfolio. Staff have completed a detailed review of revenue and expense lines and have incorporated all feasible cost-saving measures while continuing to prioritize core operations, resident services, and essential asset needs.

The Board should note that this is a constrained and high-risk budget. The remaining capital allocation is not sufficient to address the full scope of anticipated infrastructure requirements, and continued use of capital funding to offset operating pressures is not sustainable over the long term. This may increase deferred capital work and limit PHC's ability to respond to unexpected asset failures or cost pressures during the year.

Staff will continue to monitor expenditures closely, manage risks within approved funding levels, and advocate for sustainable operating and capital funding to support the long-term viability of the portfolio.

Consultations:

Richard Grotsch, Director of Operations
Jennifer McLauchlan, Director of People and Culture
Travis Doak CEO

Attachments:

Attachment A: 2027 Draft Operating Budget

Approved By:



Chief Executive Officer

ATTACHMENT A - 2027 DRAFT OPERATING BUDGET

	2026 Budget	2027 Budget	Variance From 2026	% Variance From 2026 Budget	NOTE
REVENUES					
Residential Rental Income	10,154,766	10,431,755	276,989	2.7%	1
Commercial Rental Income	318,624	314,263	-4,361	-1.4%	2
Gross Rental Income	10,473,390	10,746,018	272,628	2.6%	
Other Revenue					
Food Revenue	371,933	415,925	43,992	11.8%	3
Miscellaneous Revenue	331,928	231,563	-100,365	-30.2%	4
Food Subsidy - One time 2026	187,000	0	-187,000	-100.0%	5
Municipal Subsidy - Operating (excludes capital)	4,349,243	4,806,032	456,789	10.5%	6
Property Management Agreements	168,305	153,180	-15,125	-9.0%	7
Total Revenue	15,881,799	16,352,717	470,919	3.0%	
EXPENSES					
Vacancy Loss	196,267	195,384	-883	-0.4%	
Corporate Costs	24,595	35,325	10,730	43.6%	8
Wages	4,390,471	4,725,565	335,094	7.6%	9
Fleet Maintenance & Travel	63,861	78,515	14,654	22.9%	10
Administrative Services	566,335	668,209	101,874	18.0%	11
Food Services	725,000	746,750	21,750	3.0%	12
Insurance	491,720	558,472	66,752	13.6%	13
Building - Materials and Services	1,706,897	1,757,932	51,035	3.0%	14
Capital Reserve Allocation	163,896	163,896	0	0.0%	15
Utilities - Electricity, Gas and Water	2,565,216	2,839,692	274,476	10.7%	16
Utilities - Storm Water Charge	57,372	59,093	1,721	3.0%	
Property Tax	2,647,068	2,916,398	269,330	10.2%	17
Debt Servicing (vehicle loans added in 2027)	2,283,100	2,387,929	104,829	4.6%	18
Vehicle Loans (added in 2026)	62,135		-62,135		
Total Expenses	15,943,933	17,133,160	1,189,227	7%	
Annual Surplus (shortfall)	-62,135	-780,443			
Subsidy Information to balance budget:					
2027 Increased Operating Subsidy Amount:		456,789			
2027 Capital Subsidy to support operations		780,443			

Notes

To provide a balanced budget for 2027, the operating subsidy required would be an increase of \$456,789, which is a 10.5% increase. PHC has experienced significant cost pressures over the last few years, and to lessen the burden we are drawing down on a portion of the capital funding in the amount of \$780,443. With a 3% increase, the capital funding total will be \$1,017,329, leaving a small capital emergency fund of \$236,886.

1. Residential Rental Income

Residential rent for the Community Housing properties remains static. Based on the current economic situation, there is an expectation that there will be an impact to our residents that are employed in 2026 which will directly impact this revenue line. For the Affordable Housing properties, it is anticipated that the 2026 Rent Guideline Increase will be 1.9%.

2. Commercial Rental Income

VON and Community Living. Each organization has a separate lease, and the Commercial Rental Income has been increased for 2026 based on those leases. There is a slight reduction as a planned rental agreement for additional space with VON has been put on hold.

3. Food Revenue

We collect revenue from tenants on the food program at Hunt Terrace and Paddock Wood food program. We are anticipating an increase of 11.8% in 2027.

4. Miscellaneous Revenue

Miscellaneous Revenue includes parking, interest and laundry. This line is lower than 2026 due to Food Services revenue now having its own budget line.

5. Food Subsidy

The Service Manager provided a one time subsidy in 2026, not to be continue in 2027.

6. Municipal Operating Subsidy - Excludes Capital funding

The Operating subsidy is for: PHC Social Housing operations, Urban Aboriginal- Anishnawbe, 555 Bonnacord Hydro Subsidy.

7. Property Management Agreements

PHC has property management agreements with external partners as well as the City to manage their properties and tenancies. The agreements with the city will continue based on agreements in place. The variance is due to the Mount contract expiring in 2026

5. Vacancy Loss

Vacancy loss is set at 1% - 2.5% based on the individual building and will increase as rent increases.

6. Corporate Costs

Corporate costs primarily include bank and service charges and payroll fees. Budget based on 2026 Q2 actuals forecast.

7. Salaries Wages and Benefits

Salaries, wages and benefits reflect the following adjustments based on the 2026 staff complement. 3% economic increase for all staff. The Collective Agreement renewal.

8. Fleet Maintenance and Travel

Fleet Maintenance and Travel include all costs associated with our vehicles as well as employee mileage where non-corporate vehicles are utilized. Includes fuel costs. In addition, mileage rates will increase based on the CRA rate and increasing mileage as our staff have an increased presence in our communities.

9. Administrative Services

The major expenses that are included in Administrative Services are all telecommunications costs, postage, office equipment rental, staff development and training, software license fees, IT services and equipment and HR consulting fees. The major expenses include Labour Management \$63,000, Software \$22,000, IT Maintenance \$15,000.

10. Food Services

The 2027 budget for Food Services at Hunt Terraces has been adjusted based on 2026 actual and 3 years presented to the Board in November 2025. This includes costs for the resident meal plans and the Paddock Food Program.

11. Insurance

Estimating an increase of 3% portfolio wide for 2027. We also budgeted an additional 10.6% to increasing the insured value for properties with the most risk due to significant lack of coverage. Property coverage increases approved by the Board in 2026

12. Building Materials and Services

We continue to have ongoing challenges with respect to maintaining both our aging legacy portfolio as well as our newer stock. We are seeing increases in contract fees, services and materials. In recent years we were able to align some of the more significant work with our capital plan to take advantage of both CMHC and COCHI funding received. For 2027, there will be no additional funding but only our base funding. Historically we spend \$2,500,000 or more per year in materials and services. Operations plans to increase tenant rent to cover the shortfall as required. This can be reforecasted in 2027 once implemented.

13. Transfer to Capital Reserves

With the exception of Community Housing, the remainder of the portfolio has a reserve fund set up where 4% of gross revenues are allocated. These funds will be utilized for major repairs and/or capital work in the future.

14. Utilities - Electricity, Gas, Water

Electricity, Gas and water has increased by 10%. These costs were monitored closely in 2026 and budgeted based on 2026 Q2 actuals.

15. Storm Water Charge

Anticipating a moderate increase of 3%.

16. Property Tax

Estimating a 5% increase portfolio wide. In addition River Ridge and Woollen Mill have lost their AHP status.

17. Debt Servicing

There were 6 mortgage renewals in 2026. PHC consulted with RBC and based on current economic predictions, advised that a 4.5% interest rate for any mortgages renewing would be fair. Currently, these mortgages have interest rates that range in the 2% range. We have two mortgages coming up for renewal in 2027. In addition to adjusting the renewing mortgages, the loan for the new Haul All truck has been reflected here. It is a 3-year term that commenced in May 2025 until April 2028.