

ANNUAL REPORT 2019

Peel Living



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Message from the Vice-Chair

I am pleased to present the 2019 Peel Living Annual Report which outlines the Corporation's activities this past year. The Board of Directors created a new Vision and Mission to help refocus operations to meet the current and future housing needs of our community in a sustainable and fiscally responsible manner. Through its new Vision and Mission, Peel Living will focus on contributing to healthy communities through the provision of affordable, sustainable and well-maintained housing, and access to community supports and services.

With this new Vision and Mission at the forefront, the Board created a four-year Business Plan that will guide operations to support continuing improvement that focuses on five key outcomes: set and maintain service standards; set clear expectations with our tenants and Service Manager; support and enable staff; enhance partnerships that support successful tenancies; and, improve sustainability planning. The Business Plan will align the Corporation's operations to ensure that Peel Living is prepared to address future need, while ensuring that current operations raise the bar through increased community partnerships, defined service standards, and responsible financial and asset management.

Much has been accomplished over the past year. However, there is more to do, as we work to achieve the outcomes established in the Business Plan in support of our community.

I would like to take this opportunity to recognize the hard work and dedication of Peel Living staff who directly impact the lives of so many. I would also like to extend thanks to members of Peel Regional Council. It is through your support that this valuable work is enabled. Together, we are making a difference in our community.

On behalf of the Board, we look forward to serving our community to help influence, lead and support Peel Living to continue to provide affordable and safe housing that contributes to the quality of life of our tenants.

Patricia Caza

Vice-Chair
Peel Housing Corporation Board



Message from the Commissioner

In 2019, Peel Living continued contributing to the Region's vision of a *Community for Life* by delivering affordable housing to more than 16,000 tenants.

This includes further progress in implementing enhanced systems and processes to run our business more effectively, while always maintaining our focus on creating tenant-centred housing and supports.

Peel Living is the largest of the 48 community housing providers in the region and is committed to supporting the implementation of the Housing Master Plan. Through the redevelopment of East Avenue and by optimizing some of our existing sites, Peel Living is an integral part of the plan to build quality housing in a cost effective manner.

Peel Living is an organization that is committed to exceeding the traditional role of a landlord. Using our partnerships with community agencies and focusing on a compassionate approach to the way we do business, we work to ensure that our tenants have opportunities to succeed.

I look forward to continuing to work with the Peel Housing Corporation to ensure its advancement as a strategic partner in providing affordable housing solutions.

Janice Sheehy

A handwritten signature in black ink that reads "Janice Sheehy". The signature is fluid and cursive.

Human Services Commissioner
Region of Peel



Message from the General Manager

2019 has been a year of transition, as I started the year as a member of the Peel Housing Corporation Board of Directors and then became General Manager. This year has been foundational in many ways --for the Board, our leadership and our operations. In addition to our new leaders, Peel Living also transitioned our legacy systems to new operating systems.

Peel Living operations have been working hard to stabilize our systems to improve our decision making capabilities and help the corporation become agile and adaptable to respond to the needs of the community. We do this as an active partner with the Region of Peel, ensuring we are able to leverage our relationship to the benefit of both Peel Housing Corporation and the Region, including working proactively with the Service Manger, the Office of Climate Change and Real Property and Assessment Management to find solutions that enable the Region's vision for Community for Life.

Throughout the years, Peel Living has continued to focus on quality housing, ensuring that our buildings are well maintained and contribute to the quality of life for our tenants. We have implemented a Clean Building Initiative that will ensure a minimum standard of cleanliness at all Peel Living sites. We continue to work to improve responsiveness and engagement with our tenants and continue to find ways to improve a sense of safety within Peel Living buildings. Through the development of our vision and mission statement, we know that we must advance and find ways to modernize our work order system to improve response times and tracking systems.

I have discovered that the Peel Living team is dedicated to our tenants and to each other. The work can often be challenging, but the team's commitment to the organization has been inspiring. I'm looking forward to what we can achieve together.

Sincerely

Andrea Warren
Peel Living General Manager

2019 Board of Directors



Catherine Matheson
Chair

Former Commissioner of
Corporate Services



Patricia Caza
Vice-Chair

Acting Director, Legal
Services and Deputy
Regional Solicitor



Kathryn Lockyer
Secretary

Regional Clerk and
Interim Commissioner of
Corporate Services



Steve Fantin

Director of Operations
Support, Public Works



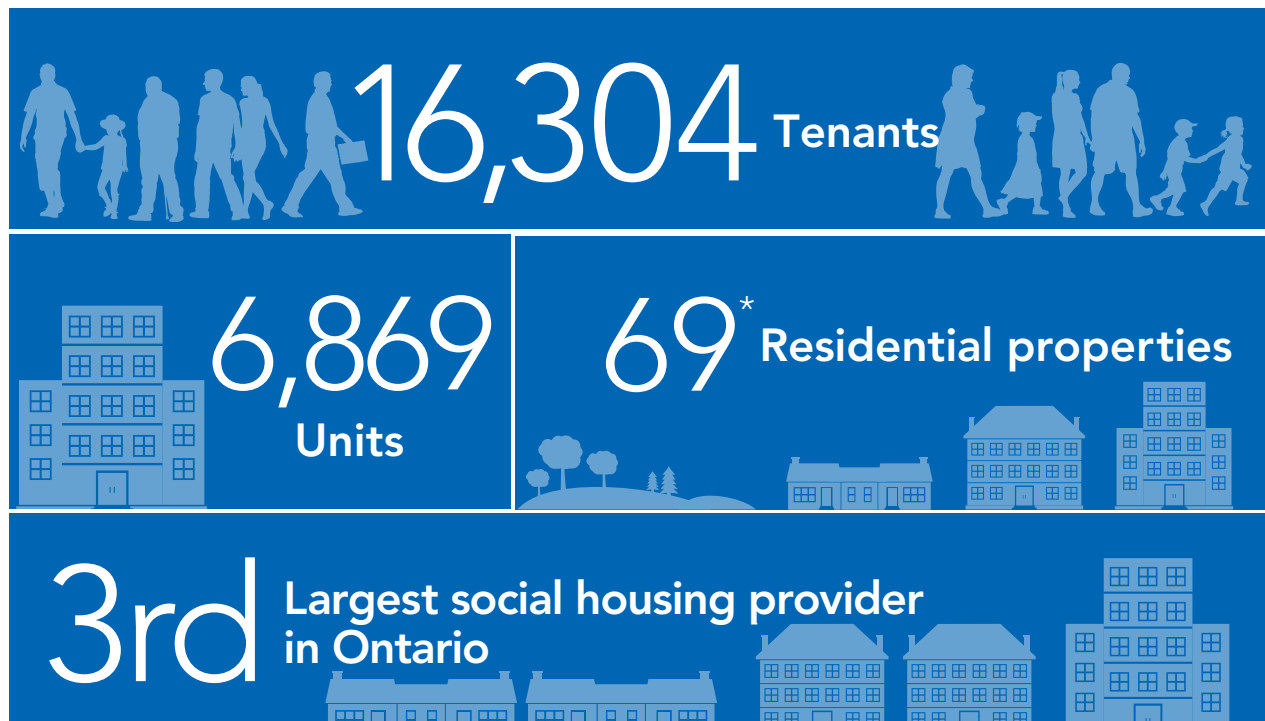
Cathy Granger

Acting Commissioner
of Health Services

Peel Living overview

Established in 1976, Peel Housing Corporation (Peel Living), is a not-for-profit social housing provider in the Region of Peel. Peel Living focuses on providing community, property and tenancy management services that not only meet industry-wide standards of excellence but also foster empowered residents and thriving communities.

The Peel Living portfolio includes 69 buildings consisting of high and low-rise apartments and townhouses. Peel Living also manages five Regionally owned buildings, two transitional housing properties and four emergency homeless shelters, and two daycare centres. Peel Living also owns the Vera Davis Long Term Care facility, which is managed by the Region of Peel.



* includes 2 transitional shelters (68 beds) and 3 group homes. East Avenue has been decommissioned for redevelopment.



2019 key service areas



Surveyor's Point, 111 Agnes St, Mississauga, ON

Regional Council approved a new Board of Directors at the end of 2018. Throughout 2019, the Board of Directors have worked to establish their role in providing leadership, advice and guidance to Peel Living on operational matters and ensuring tenant satisfaction and employee engagement. The Board of Directors were instructed by the shareholder (Regional Council) to develop a business plan to support Peel Living operations, which will be presented at the Annual General Meeting. Consequently, 2019 has been a foundational year for Peel Living, including updating the Vision and Mission. This process has allowed staff to refocus operations to support our core functions that include supporting our tenants with community partners; providing housing that contributes to the tenant's quality of life, and ensuring that assets and finances are managed responsibly to ensure future sustainability. In doing so, Peel Living is building on our foundations, to allow operations to support the 2020-2024 Business Plan.

Vision

A housing provider contributing to healthy communities in Peel, fostering a sense of pride in those who live there.

Mission

Provide housing options that are affordable, sustainable and well-maintained, as well as access to supports and services within the community.

Peel Living's Business Plan will help support operations to ensure staff can deliver affordable, sustainable, well-maintained housing for the community. Progress was made throughout 2019 to improve systems, data reliability and partnerships, so Peel Living will be able to implement the Business Plan starting in 2020.

Quality housing

As the largest community housing provider in the Region of Peel, Peel Living is not just another affordable housing provider. The shareholder direction has given Peel Living a mandate to work collaboratively with our Regional partners to deliver quality housing to the community. To do this, staff have advanced multiple initiatives which will support the foundation of our business operations, allowing staff to prepare for the future through improving our use of analytics and ability to utilize evidence-based decision making.

Clean building initiative

The Clean Building Initiative is a process to assess building cleanliness to ensure consistency at all Peel Living operated sites. The initiative was launched in 2018 and operationalized in 2019, to address declining scores in the building cleanliness category from the tenant satisfaction survey. A standardized measuring tool, or score card, is used to assess all sites. Staff collectively work to address concerns and implement corrective action. In 2018, all the sites were assessed to create baseline measures. In 2019, the sites were reassessed. Improvements have been made to stairwells, bike storage rooms, mechanical rooms and grounds. The average score improved by 5.7 per cent year over year. Moving forward, inspections will be conducted biannually. Staff anticipate tenant satisfaction scores improving. Tenants will also have increased access to safe, well lit stairwells and pathways on the grounds, supporting active living by design principles.

Active living by design assessment

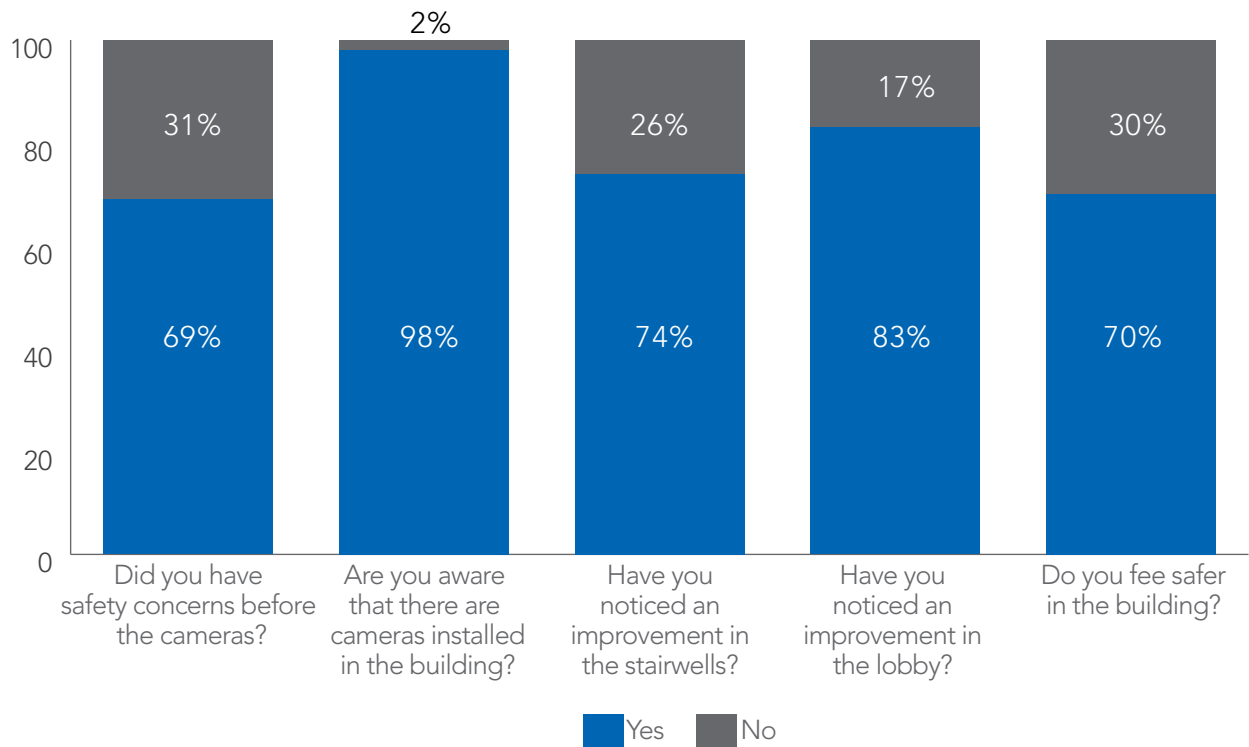
Peel Living initiated an assessment of all Peel Living sites to help prioritize improvement that support active living, across the portfolio. The project was conducted by Peel Living co-op students, who used active living by design principles to assess the sites using standardized measures. Sites were prioritized by need and recommended improvements were added into future budget considerations. At a portfolio level, the recommendations focused on improving stairwell lighting and painting which, in addition to promoting active lifestyles by using the stairs when possible, also improve safety.

Pest control management

In 2019, Peel living hired a specialist to support the integrated pest management program at Peel Living buildings. Working in partnership with our vendors, the integrated pest management program will look at addressing pest control issues at a portfolio level, including effective treatment and prevention. The position was created in response to tenant concern with increasing pest issues, as found in the tenant satisfaction survey.

Community security pilot

In response to tenant concerns with perceived safety and increased security challenges at multiple sites, Peel Living initiated an enhanced security pilot at two sites to address security concerns in common areas. The pilot included closed circuit television (CCTV) cameras with active two-way voice monitoring 24 hours a day, to monitor stairwells and underground parking garages. The goal of the pilot is to increase community safety with community involvement, which will decrease vandalism, loitering and anti-social behaviour. Tenants have had favourable responses when surveyed about their experience with the pilot, see figure below:



Modernizing our workplace

As a part of the larger workplace modernization project at the Region of Peel, the Peel Living office was modernized through various initiatives throughout 2019. This included relocating our office staff to one centralized office. This centralization has allowed staff to increase collaboration across teams, while not compromising staff availability to tenants.

Peel Living continued working on updates to operating systems after migrating from historical legacy systems. The Housing Transformation Initiative (HTI) project is a replacement application that was implemented in May of 2019. For Peel Living, HTI is our client management system that supports our tenancy management functions from lease to beyond the end of tenancy. The program also integrates financial processes relating to revenues and accounts receivable management generated through rent, invoices and parking. Since implementation, HTI posed challenges requiring stabilization and improvements to the application. This includes the Peel Living's reporting functionality, which could not generate the necessary reporting to support arrears collections. As a result, the notices to tenants were not generated from May to September 2019. For example the rental arrears rate for April 2019 was 7.2 per cent, in October 2019 it was 23 per cent and in February 2020 it was 20.6 per cent. System improvements on the HTI application continued through 2019 and are expected to be implemented throughout 2020. In response, staff worked diligently to improve the reporting functionality to ensure that arrears rates return to a more acceptable rate.

The work order management system was also changed in 2019 to MegaMations. This system supports work order management and also equipment inventories, and capital planning processes. The system also has a mobile app that Peel Living will implement in 2020. MegaMations is also the work order system that the Region of Peel uses, which will help with data integration on the condition of PHC assets.

Operational review

In 2019, Peel Living conducted an operations review, focusing on the on-site service delivery model. The Project Team conducted various engagement activities with staff (union, non-union and management), tenants and other housing providers to gather input and share results. Over the course of the review, four key improvement priorities were identified to improve operations and support a culture of continuous improvement. The priorities are:

- functional alignment and workload distribution;
- work order system enhancement;
- quality assurance and control program; and
- process improvement.

Over the course of 2020, staff will implement activities that will stabilize our business operations and pilot alternative service delivery models.

Tenant relations

Smoke-free

At the end of 2018, Peel Living introduced a smoke-free policy, effective for all new lease holders. Throughout 2019, new tenants agreed to not smoke within their unit when they signed their new leases. Since then, 8.6 per cent of Peel Living leases are smoke free, for a total of 623 leases. Through unit turnover, the number of smoke and vape free units, and smoke and vape free buildings, will increase. Staff have indicated only three prospective tenants have declined the unit due to the Smoke-Free policy. In addition, smoking cessation literature was provided to tenants. Public Health hosted 19 cessation workshops for tenants, which 50 tenants attended, and 49 tenants received free Nicotine Replacement Therapy. In December, the Peel Living Board of Directors, after consultation with Public Health, added the prohibition of vaping to the smoke-free lease. This change was recommended based on increased evidence of the danger from exposure from vaping.

Relocations

Tenant relocations are disruptive for tenants and resource intensive for staff; however operations require tenants to move from time to time to accommodate redevelopments as well as ensure tenant housing is appropriate for the family size. The Board of Directors previously directed Peel Living staff to actively manage the over-housed list, to reallocate larger units to support family placements from the Centralized Wait List. In 2019, 57 tenants were relocated. In addition, tenants were relocated from East Avenue, to allow the site to be redeveloped. East Avenue had 30 units that required tenants to move to allow the project to proceed. Staff worked with the tenants to find suitable accommodations, considering proximity to family, job and location preference of the tenant align, so the move was less impactful. Throughout the project, underhoused tenants were moved at other locations to support the relocation of the tenants from East Avenue. Of the relocated tenants, all chose to remain tenants of Peel Living, demonstrating that the tenants felt supported to make successful transitions to their new homes. **8.1-11**

Community partnerships

Peel Living is committed to supporting successful tenancies through connecting tenants to supports and services within the community. In 2019, staff conducted a comprehensive scan to understand our current partnerships, how they interact with our tenants and identify ways to measure successful partnerships. The scan analysis revealed:

- Five per cent of Peel Living tenants received support, from at least one of the 18 different community partners, to allow them to live independently
- There are 30 community agency designated office spaces, that are located in PHC buildings
- 32 partners provide programming or educational support through 82 programs utilizing PHC in-kind space
- Peel Living hosted 36 BBQ, community gardens and other events for tenants
- Moving forward, staff will continue to leverage existing partnerships and establish new ones, to improve tenancy outcomes.

Community partners are vital to support the quality of life of our tenants. Our community partners allow access to programs that might otherwise have long waitlists or that tenants might not be aware of.

Peel Living has partnered with Peel Paramedics to deliver a Paramedic Clinic at a Peel Living site. In 2019, the Paramedic Clinic expanded from one to three sites, reducing the number of 911 calls from the building and improving the general health of the tenants.

The partnership with the Boys and Girls Club resulted in employment opportunities to youth living in Peel Living buildings, to paint seniors' apartments, common hallways and fences. The program allows youth an opportunity to enter the workforce, gaining practical skills, but also allows them to thrive as individuals, learning mentorship, punctuality and improving their educational outcomes.

A partnership with Supports and Housing in our Province (SHIP) continued for a second year as a pilot to support tenants maintain successful tenancies. The program supports tenants with mental health challenges, by connecting them with additional programs and services, allowing them to bypass waitlists. In 2019, 121 tenants were referred to the program, of those who were then referred, 195 additional community connections were made to support the tenants' ability to live independently.

Managing our investments and assets

In order to continue to be a viable business, Peel Living must adapt in order to ensure that sustainability related to both finances and climate change is woven throughout operations.

In support of reducing the tenants' energy consumption, Peel Living partnered with Greensaver to give the tenants power bars, energy efficient light bulbs and to assess energy consumption and overall condition of the refrigerator, all at no cost to Peel Living. The program will systematically visit each unit in eligible high-rises to give tenants the above noted items, that will help reduce their personal energy consumption. Peel Living, in partnership with the Region's Office of Climate Change, will continue to monitor energy consumption, and implement measures to reduce consumption.

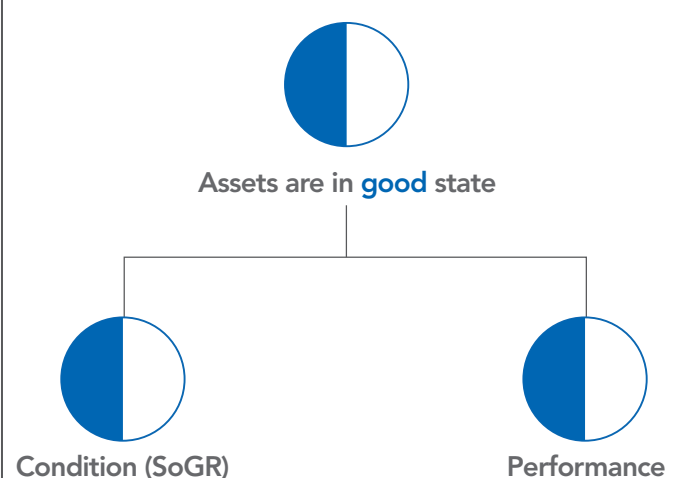
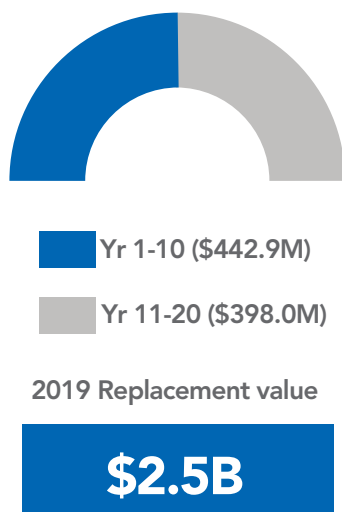
Asset management

Updated building condition assessments will help to better understand the conditions of the portfolio. From this baseline understanding we will be able to determine what we need to achieve a minimum standard and identify required improvements on a site by site basis. Annually starting in 2019, 20 per cent of the buildings were assessed. By the end of 2024 we will have completed the cycle of assessments for all the buildings, which will continue on a rotating basis.

The building condition assessment will feed into the Region's long-term asset management vision. The corporate strategy will help Peel Living develop a robust asset management program so we can have the infrastructure required to support the community. Peel Housing Corporation assets are now reported through the standardized asset management program at an enterprise level. Integration of the system will help increase operational efficiencies, improve decision making and reduce risk. The current infrastructure management rating has Peel Living assets in a good state. However, it also states that the 10 year capital reinvestment outlook is \$443 million for state of good repair work.

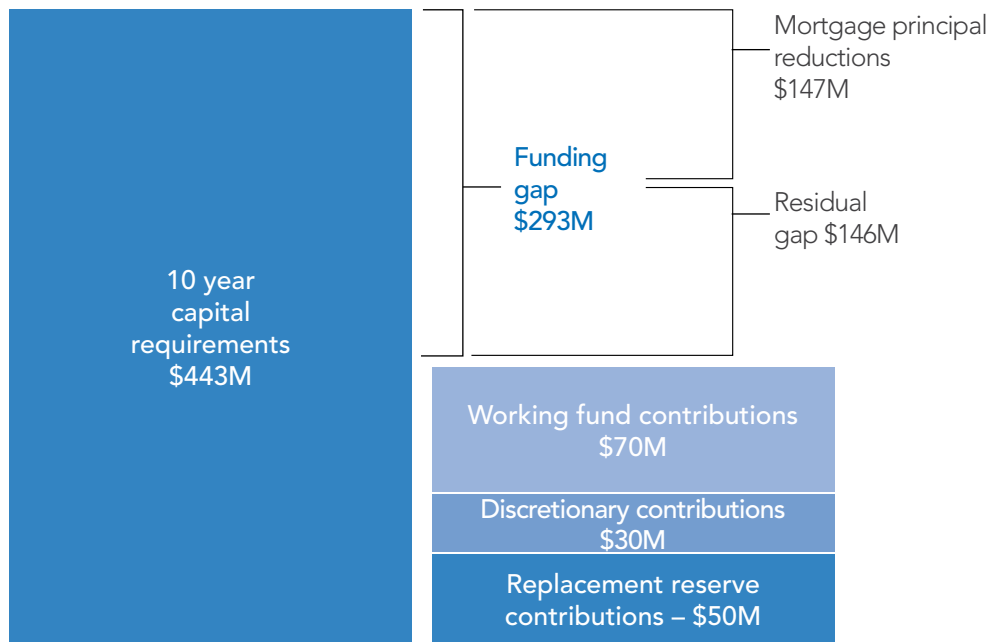
This outlook is a result of identified needs for critical building systems and structures, as well as larger scale replacements for aging building finishes and fixtures. When combined with rising construction costs across various sectors of the construction industry, it has amounted to a significant need to support the existing infrastructure. Staff expect the upward trend to continue, as critical repair work is identified through condition assessments across the remainder of the portfolio.

SoGR capital reinvestment outlook Infrastructure Risk Management rating



8.1-13

10 year capital needs funding gap



To support capital improvements, a new team within Infrastructure Planning and Servicing, has been tasked with implementing in-suite and common area capital projects. Their focus is on revitalizing the spaces for improved asset management and tenant comfort. Space utilization, functionality, material selection, and ease of maintenance are key considerations in the delivery of the program. Working closely with building operations staff, they will respond to tenant needs and balance that with responsible asset management practices to maintain them in a good state.

Modernizing our portfolio

Peel Living continues to work with the Region of Peel towards the implementation of the Peel Housing and Homelessness Plan (PHHP). The Board of Directors have worked in partnership with Regional Staff to ensure that Peel Living's interests were incorporated in the Housing Master Plan, which is an element of the PHHP. Peel Living will continue to work with the Region of Peel, on the redevelopment potential of our portfolio.

East Avenue

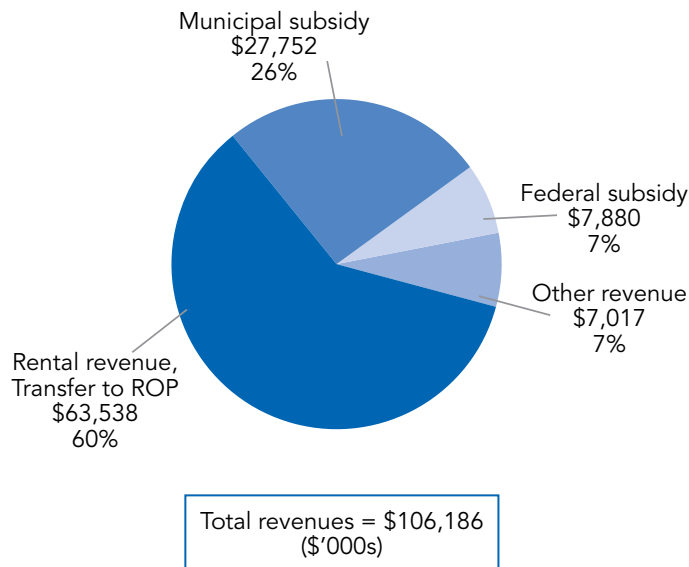
In support of the Housing Master Plan, East Avenue is the first Peel Living building to be redeveloped. As noted earlier in the report, tenants from the 30 unit site were relocated to other Peel Living buildings. The site has been decommissioned and is currently in the design and site preparation phase, which includes re-zoning. The new site is anticipated to have 156 units and is slated for occupancy in 2024.

Program phasing	2017				2019				2020				2021				2022			
Phase 1: Program definition	█	█	█	█	█	█	█	█												
Phase 2: Design and site preparation			█	█	█	█	█	█	█	█										
Phase 3: Construction									█	█	█	█	█	█	█	█	█	█	█	█
Phase 4: Occupancy																				█

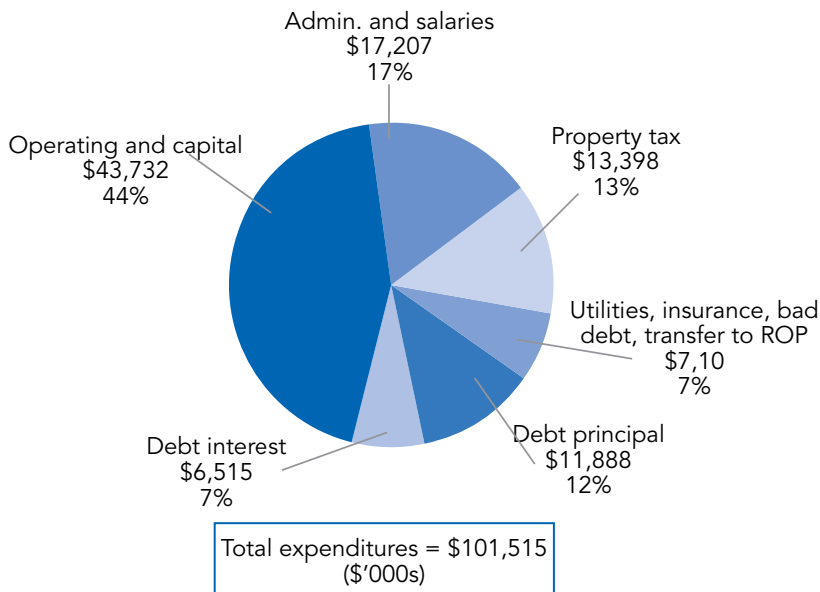
2019 revenues, expenses, reserves, assets

Peel Housing Corporation continues to uphold its commitment to provide quality housing, while supporting tenants through community partnerships and maintaining its assets. The operations continue to generate surpluses annually which have resulted in additional contributions to reserves beyond its mandatory requirements.

Total revenue by type (in \$'000)



Total expenditure by type (in \$'000)



Asset portfolio

- Outstanding mortgages: \$114 million
- Book value of asset: \$398 million
- Replacement value of asset: \$2.5 billion
- Outstanding Long-term debt: \$39 million

Reserve contributions

- Transfer to Reserves: \$6 million

Auditors Report is available at: peelregion.ca/housing/peel-living/corporate/annual-reports

2019 Peel Living executive officers

Nancy Polsinelli
Interim Chief Administrative
Officer

Janice Sheehy
Commissioner,
Human Services

Andrea Warren
General Manager, Peel Living

Stephanie Nagel
Treasurer