

The Corporation of the City of Kawartha Lakes

Committee of the Whole Report

Report Number HH2019-003

Date: January 22, 2019

Time: 1:00 p.m.

Place: Council Chambers

Ward Community Identifier:

Title: Housing Asset Management Plan

Description: 2018 Asset Management Plan for housing assets within the City of Kawartha Lakes and the County of Haliburton

Author and Title: Hope Lee, Administrator/Manager of Housing

Recommendation(s):

That Report HH2018-003 Housing Asset Management Plan, be received;

That the 2018 Kawartha Lakes and Haliburton Housing Asset Management Plan, included as Appendix A to Report HH2019-003 be endorsed by Council and guide future work plans and budget submissions;

That the Housing Asset Management Plan be incorporated into the City's Asset Management Plan at its next review; and

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

Strategic asset management is the coordinated activity of an organization to realize value from assets. It involves balancing costs, opportunities and risks against the desired performance of assets, to achieve the organizational objectives.

In January 2018, the Infrastructure for Jobs and Prosperity Act, 2015 (Ontario Regulation 588/17) set the requirements for mandatory Asset Management Plans and Mandatory Strategic Asset Management Policy for municipally-owned assets. In 2017, the City of Kawartha Lakes (CKL) commissioned an Asset Management Plan for its core infrastructure assets; however, the resulting “AMP2017” did not include Social Housing. The County of Haliburton (County) Asset Management Plan did not include Social Housing either.

CKL is the Municipal Service Manager (“Service Manager”) for housing for the County and the City of Kawartha Lakes as mandated by the Province of Ontario through the Housing Service Act. Although CKL is the designated Service Manager for both CKL and the County, the County and CKL actively collaborate in order to ensure that housing and homelessness is addressed throughout the area.

As Service Manager, CKL is responsible for the ongoing financial support of the social housing providers and their housing units. An agreement between CKL and the County outline how the cost of the ongoing financial support is shared. While operating support is cost shared based on a percentage basis overall, capital support is provided through CKL or the County based on where the units resides geographically.

In its role as Service Manager responsible for social housing in both the City and County, CKL has engaged Housing Services Corporation to complete an Asset Management Plan (AMP) for its social housing portfolio in accordance with these regulatory requirements. Due to the financial cost sharing of capital costs occurring where the unit resides geographically, the AMP is structured in such a way to define assets between CKL and the County.

The AMP is further broken down to identify Kawartha Lakes-Haliburton Housing Corporation (KLH Housing Corp) and the other non-profit housing providers.

CKL is the sole shareholder of KLH Housing Corp, which is established under the Business Corporation Act. KLH Housing Corp is governed by a Board of Directors which includes three municipal councillors - two from the City of Kawartha Lakes and one from the County of Haliburton. KLH Housing Corp purchases its staffing resources from the City of Kawartha Lakes. The Administrator/Manager of Housing position for the City of Kawartha Lakes is deemed to be the Chief Executive Officer and Secretary of KLH Housing Corp, and the City’s Treasurer is deemed to also be the Treasurer of KLH Housing

Corp. As of August 2018, the KLH Housing Corp portfolio consists of 701 units owned and managed by KLH Housing Corp.

The other non-profit housing providers are independent corporations established through the Not-for-Profit Corporations Act. Each has its own Board of Directors and staff.

Rationale:

The City of Kawartha Lakes and County of Haliburton (CKL-H) Asset Management Plan (AMP) provides an overview of the Service Manager's approach to maximizing the benefit of the assets, managing risk, and providing satisfactory levels of service throughout its portfolio. It identifies the forecasted capital requirements within the next ten years based on a detailed review of the current asset inventory condition and risk.

The AMP is directly aligned with CKL's Strategic Plan 2016-2019 by supporting the goal of efficient infrastructure and asset management. One of the objectives of CKL's Strategic Plan is to provide "well managed and maintained municipal assets," which can be achieved through the AMP and alignment with municipal Master Plans.

The AMP has been completed based on available data in the CKL-H social housing portfolio provided by the Service Manager. The CKL-H social housing portfolio, as analyzed in the AMP, is valued at \$145,312,010 using 2018 replacement costs. This includes:

KLH Housing Corp. (assets within CKL): \$88,550,793

KLH Housing Corp (assets within the County): \$14,392,926

Non-profits (assets within CKL): \$5,860,427

Non-profits (assets within the County): \$36,507,864

These assets require significant ongoing investment in operation, maintenance and renewal activities to ensure they are kept safe, structurally sound, and fit to support the ongoing delivery of services. With changing demographics and an evolving legislative landscape, the AMP will continue to evolve over time. At a minimum, it should be reviewed every five years and updated every ten, in accordance with the regulatory requirements of the Infrastructure for Jobs and Prosperity Act, 2015.

While this CKL-H AMP for social housing is a standalone document at this point, the intention is for it to become part of the CKL and County's overall AMP. At the next review cycle of each AMP, CKL and the County will include social housing in their overall plan.

Other Alternatives Considered:

None.

Financial/Operation Impacts:

The recommendations will guide future work plans and budget submissions.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

The AMP is directly aligned with CKL's Strategic Plan 2016-2019 by supporting the goal of efficient infrastructure and asset management. One of the objectives of CKL's Strategic Plan is to provide "well managed and maintained municipal assets," which can be achieved through the AMP and alignment with municipal Master Plans.

Review of Accessibility Implications of Any Development or Policy:

Not applicable

Servicing Implications:

Not applicable

Consultations:

Housing Services Corporation
Manager Building & Property, Housing
Program Supervisor, Housing Help
Manager of Corporate Assets

Attachments:

Appendix A – 2018 Kawartha Lakes & Haliburton Housing Asset Management Plan



CKL AMP Report -
Final Dec 19 2018 - a

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