



**CAPITAL REGION HOUSING CORPORATION
BOARD OF DIRECTORS MEETING**

AGENDA

10:00 a.m., Tuesday, June 27, 2017
625 Fisgard St., Victoria
Room 488

- | | <u>Att. #</u> |
|--|-------------------|
| 1. Approval of Agenda | |
| 2. Approval of Minutes of April 25, 2017 Meeting | 17-13 |
| 3. Castanea Place Landlord – Operator Agreement | PPS/CRHC 2017- 16 |
| 4. Landscaping Services | PPS/CRHC 2017- 17 |
| 5. Carillon Place Roof Replacement 17/192 | PPS/CRHC 2017- 18 |
| 6. Westview Development Architect Contract | PPS/CRHC 2017- 19 |
| 7. Management Report | PPS/CRHC 2017-20 |
| Appendix A - Pets & Housing Forum | |
| 8. Adjournment | |



**Minutes of a Meeting of the Capital Region Housing Corporation Board of Directors
Held April 25, 2017 in Room 488, 625 Fisgard St, Victoria, BC**

PRESENT: Directors: D. Screech; J. Carline; B. Braude; G. Young; S. Price; W. McIntyre; R. Cooper;
Staff: K. Lorette; C. Culham; D. Metcalf; R. Loukes; P. Kitson;
Recorder: K. Kusnyerik

The meeting was called to order at 10:00a.m.

1. APPROVAL OF AGENDA

It was **MOVED** by Director Price, **SECONDED** by Director Braude
That the agenda be approved.

CARRIED

2. APPROVAL OF THE MINUTES OF MARCH 28, 2017

It was **MOVED** by Director Price, **SECONDED** by Director McIntyre
That the minutes of March 28, 2017 be approved as circulated.

CARRIED

3. WESTVIEW - LETTER OF INTENT – EASEMENT

It was **MOVED** by Director Price, **SECONDED** by Director Cooper
Approved the registration of the easement on 3812 Carey Rd. for the purposes as outlined
in the Letter of Intent.

CARRIED

4. CAPITAL REGION HOUSING CORPORATION (CRHC) UMBRELLA OPERATING AGREEMENT (UOA) ADMINISTRATION AND OPERATING BUDGET REVISION

It was **MOVED** by Director Braude **SECONDED** by Director Price
Approved the revised 2017 Umbrella Operating Agreement budget and CRHC Administration
Budget.

CARRIED

5. QUARTERLY FINANCIAL UPDATE – FIRST QUARTER

It was **MOVED** by Director Price **SECONDED** by Director Braude
That the Capital Region Housing Corporation Board of Directors receives the Quarterly
Report for information.

CARRIED

6. TURNOVER AND VACANCY QUARTERLY REPORT – FIRST QUARTER

Although the first quarter vacancy rate averaged at 34.8 days vacant there was a positive
variance of \$40,000 in the tenant rent revenue. Discussion ensued regarding causes of
vacancies and possible solutions.

Director Carline Arrived 10:13am.

It was **MOVED** by Director Price **SECONDED** by Director McIntyre
Receive the First Quarter 2017 Turnover and Vacancy Report for information.

CARRIED

7. MANAGEMENT REPORT

C.Culham presented the management report.

Staff will report to the board on collections and sign designs at a future meeting.

It was **MOVED** by Director Braude **SECONDED** by Director McIntyre
Receive the report for information.

CARRIED

8. MOTION TO CLOSE THE MEETING

It was **MOVED** by Director Price **SECONDED** by Director Braude

Motion to Close the meeting in accordance with the Community Charter, Part 4, Division 3,
Sections 90 (1):

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality; and
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

CARRIED

9. ADJOURNMENT

It was **MOVED** by Director McIntyre **SECONDED** by Director Carline
That the meeting the adjourned.

CARRIED

The meeting was adjourned at 10:57a.m.

David Screech, Chair

Kristine Kusnyerik, Recorder



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF JUNE 27, 2017**

SUBJECT **Castanea Place Landlord - Operator Agreement for Units 201 and 202 – 2860 Quadra Street, Victoria B.C.**

ISSUE

The Capital Region Housing Corporation (CRHC) Delegated Signing Authority Policy requires that all operating agreements must be signed by two members of the Executive Committee.

BACKGROUND

In 1995, the CRHC entered into an operating agreement with the Ministry for Children and Families to provide 2 two-bedroom units at Castanea Place (Units 201 and 202 – 2860 Quadra Street, Victoria B.C.) for a group home for persons living with disabilities requiring 24 hour care. The responsibilities for this agreement are now held by Community Living BC (CLBC). CLBC has the responsibility of tendering and entering into the contract for the program support for the group home. Once the service provider is chosen, the CRHC signs a "Landlord – Operator Agreement" (Appendix A) with the program support provider outlining the responsibilities of each party.

CRHC was contacted in late March 2017 and advised that the contract was awarded to Thompson Community Services. It is a five year agreement with a 5 year renewal provision.

ALTERNATIVES

1. Authorize two members of the Executive committee to sign the Castanea Place Landlord - Operator Agreement for Units 201 and 202 – 2860 Quadra Street, Victoria B.C. with Thompson community Services.
2. Refer back to staff for further review.

CONCLUSION

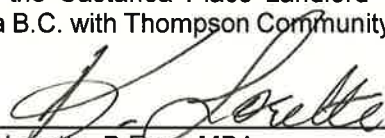
Units 201 and 202 – 2860 Quadra Street, Victoria B.C. have been used as a group home for persons living with disabilities requiring 24 hour care since 1995. CLBC is responsible for tendering and choosing the contractor to provide the program support from the group home and have chosen Thompson Community Services. The CRHC enters into a "Landlord – Operator Agreement" with the program support provider outlining the responsibilities of each party that must be signed by two members of the Executive committee of the Board.

RECOMMENDATION

Authorize two members of the Executive Committee to sign the Castanea Place Landlord - Operator Agreement for Units 201 and 202 – 2860 Quadra Street, Victoria B.C. with Thompson Community Services.



 Christine Culham
 Senior Manager
 Capital Region Housing Corporation



 Kevin Lorette, P.Eng., MBA
 General Manager
 Planning and Protective Services
 Concurrence

Attachment: Appendix A

LANDLORD - OPERATOR AGREEMENT

THIS AGREEMENT dated for reference the 27 day of June, 2017.

BETWEEN:

CAPITAL REGION HOUSING CORPORATION

625 Fisgard St.
Victoria BC
V8W 2S6

(hereinafter referred to as the "Landlord")

AND:

THOMPSON COMMUNITY SERVICES

#102-1450 Pearson Place
Kamloops BC
V1S 1J9

(hereinafter referred to as the "Operator")

with respect to the housing development known as Castanea Place, 2860 Quadra Street, Victoria, B.C.
V8T 4B7

WHEREAS:

- A. The Landlord is the owner of the building located at 2860 Quadra Street, Victoria, B. C. (the "Building").
- B. Within the Building, known as Castanea Place, there are two 2 bedroom units, known as 201 and 202, which have been designated for use pursuant to this Agreement (the "Units").
- C. has entered into a Community Living British Columbia -Operator Agreement with the Operator in the Building to provide program support to Occupants proposed by the Community Living British Columbia.
- D. The Landlord wishes to assign to the Operator the responsibility for day-to-day administration and maintenance of the Units on the terms and conditions herein.

E. The parties acknowledge that the common goal in making this Agreement is to provide suitable, affordable and well-managed housing for persons with disabilities, while accepting that a multi-disciplinary approach is needed to support the Occupants.

AGREEMENT

The parties agree as follows for the Term of this Agreement:

1. DEFINITIONS

1.1 "Community Living British Columbia" means the Community Living British Columbia for Children and Families, or its successor.

1.2 "BC Housing" means British Columbia Housing Management Commission

1.3 "Occupants" means Persons in Need as defined in the Community Living British Columbia - Operator Agreement.

1.4 "Community Living British Columbia -Operator Agreement ' means the contract between the Community Living British Columbia and the Operator to provide care for Occupants.

1.5 "Rent Contribution" means the aggregate amount of the contribution towards the rent for the Units to be made by the Occupants then occupying the Units pursuant to the Community Living British Columbia - Operator Agreement. The amount of the Rent Contribution shall be determined by BC Housing.

1.6 "Rent" means an amount exactly equivalent to the Rent Contribution which is payable in relation to the Units pursuant to this Agreement.

2. TERM AND RENEWAL

2.1 Subject to earlier termination in accordance with the provisions hereof, the term of this Agreement shall be five (5) years, commencing on the 27th day of June, 2017 and terminating on the 30th day of June, 2022.

2.2 Subject to 2.4, upon expiry of the term of this Agreement, the Landlord shall consent to the renewal of this Agreement for an additional term of five (5) years upon the same terms and conditions as herein contained, and the parties agree that the Agreement may be renewed for further terms of five (5) years.

2.3 Subject to 2.4, the Landlord is not obligated to, but may, consent to the renewal of this Agreement for additional terms beyond the year 2027.

2.4 In the event that the Operator has not observed and performed all covenants and agreements herein contained, the Landlord may decline to consent to the renewal of the Agreement for the renewal term and the Agreement shall be terminated upon expiry of the Agreement or the renewal term as the case may be, and the Operator shall vacate the Units and provide the Landlord with vacant possession of the Units as of the expiry of the Agreement or renewal term.

3. LIMITATIONS AND RESTRICTIONS

3.1 Notwithstanding any provisions of this Agreement, the Operator shall not without first obtaining the approval of the Commission in writing:

3.1.1 Allow or place any encumbrance, lien, judgment, or other charge against title to the lands upon which the Project is located or any assets of the Project;

3.1.2 Execute any lease, license or other right to occupy the Project other than a Tenancy Agreement;

3.1.3 Construct or make any improvements, capital improvements, Major Repairs, alterations, or changes in, to or of the Project;

3.1.4 Enter into any contract pertaining to the Project where the Operator assumes any liability for a period longer than the term of this Agreement.

4. AUTHORITY

The Operator shall have no right or authority, express or implied, to commit or otherwise obligate the Landlord in any manner whatsoever.

5. LIMITATIONS AND RESTRICTIONS

5.1 Notwithstanding any provisions of this Agreement, the Operator shall not without first obtaining the approval of the Landlord in writing:

5.1.1. Allow or place any encumbrance, lien, judgment, or other charge against title to the lands upon which the Units are located;

5.1.2. Construct or make any improvements, capital improvements, major repairs, alterations or changes in, to or of the Units;

5.1.3. Enter into any contract pertaining to the Units where the Operator assumes any liability for a period longer than the term of this Agreement;

5.1.4. Assign the whole or any part of this Agreement, which would have the effect of transferring the responsibility for administration and maintenance of the Units.

6. OWNERSHIP OF INFORMATION AND MATERIALS

6.1 The Operator shall, upon completion of its services or any earlier termination of this Agreement, deliver to the Landlord all written data and information generated by or for the Operator in connection with the Units and all drawings, plans, books, records, contracts, agreements and all other documents and writings in its possession pertaining to the Units. Such data and information and all such documents shall at all times be the property of the Landlord. The Operator agrees, for itself and all persons retained or employed by it in performing its services, to hold in confidence and not to use or disclose to others any confidential or proprietary information of the Landlord disclosed to the Operator.

7. OCCUPANCY OF THE UNITS

7.1 The Operator will use the premises to house Occupants in accordance with the Community Living British Columbia - Operator Agreement.

7.2 The Operator shall provide the Landlord with a list of names of the Occupants which are occupying the Units, and shall promptly advise of any changes in the Occupants.

8. RENT

8.1 Rent becomes due and payable on the first day of each and every month.

8.2 The Rent will be paid on the basis of two-person occupancy in each unit, even if there are fewer than two Occupants per unit.

9. OPERATING COSTS AND UTILITIES

9.1 The parties agree that the Landlord shall be responsible for any and all operating costs of the Units including water, sewage disposal, property taxes and garbage collection.

9.2 The Operator shall be responsible for the payment of heat, hydro, telephone and cable charges.

10. MAINTENANCE AND REPAIR

10.1 The Operator shall provide efficient management of the Units, maintain the Units in a satisfactory state of repair and fit for habitation and will comply with health and safety standards including any standards required by law, and shall perform all maintenance and repair work described in Schedule A hereto, and any other work as mutually agreed to by the parties.

10.2 The Operator shall permit representatives of the Landlord to inspect the Units upon receipt of 24 hours written notice. If, in the opinion of the Landlord, the Operator is not providing efficient management or maintenance of the Units in a satisfactory state of repair pursuant to this Agreement, the Operator, under the direction of the Landlord, shall rectify the deficiencies.

10.3 Should the Operator fail to comply with the Landlord's directive under 10.2 within a reasonable period of time, the Landlord shall notify the Community Living British Columbia of the deficiencies.

10.4 The Operator shall advise the Landlord immediately on discovery of any structural deficiency in the Units, or the need for any maintenance, repair or replacement item outside the Operator's area of accountability in this Agreement or the Schedules hereto.

10.5 The Operator shall not perform a major repair without the prior written approval of the Landlord.

10.6 The parties acknowledge that the Community Living British Columbia has equipped the Units with specialized equipment, as described in Schedule B. Such specialized equipment is specifically excluded from this agreement and the parties agree that the Landlord is not responsible for the maintenance or repair of the specialized equipment. The parties acknowledge and agree that if, for any reason, the Agreement is terminated or is not renewed, it shall be the responsibility of the Community Living British Columbia to remove the Specialized Equipment, as described in Schedule B, and to return the Units to their original state of repair, subject only to reasonable wear and tear.

10.7 The Landlord must provide and maintain the Units and the Building in a reasonable state of repair, making the Units and the Building suitable for occupation by a reasonable tenant. The Landlord must comply with health, safety and housing standards required by law. Requirements of the Community Care Facilities Act shall be the responsibility of the Community Living British Columbia.

10.8 The Operator, on behalf of the Community Living British Columbia, must take the necessary steps to repair damage to the Units and Buildings caused by the Operator, Occupants and their invited guests.

11. INSURANCE

11.1 The Operator shall effect and keep continuously in force:

11.1.1 Insurance protecting the Operator and the Landlord against claims for personal injury, death, property damage or third party or public liability claims arising from any accident or occurrence upon the land and Units and other improvements from any cause to an amount not less than \$1,000,000.00 and;

11.1.2 Insurance upon the contents of the Units and all fixtures and improvements for damage, caused by:

11.1.2.1 Fire and such perils as may from time to time be included in the standard fire insurance additional perils supplementary contract generally available in British Columbia; and

11.1.2.2 Risks normally insured against in British Columbia for rental units of construction, location and use similar to the Units.

11.1.3 If the Units are destroyed in whole or in part, this Agreement may be terminated at the discretion of the Landlord.

12. EARLY TERMINATION OF THIS AGREEMENT

12.1 The parties acknowledge that the Landlord retains the right of early termination of this agreement if the two (2) Units are vacant for longer than six (6) consecutive months. The Landlord shall give written notice to the Community Living British Columbia of the Landlord's intention to terminate the Agreement, and the Community Living British Columbia shall then have a period of sixty (60) days in which to terminate the Community Living British Columbia - Operator Agreement and vacate the Units, removing the Specialized Equipment, as described in Schedule B, and returning the Units to their original state of repair, subject to reasonable wear and tear.

12.2 If one (1) Unit remains vacant for longer than six (6) consecutive months, the parties will discuss the continued need for the Unit.

12.3 Notwithstanding any other provisions of this Agreement, the Landlord may terminate this Agreement, by providing sixty (60) days' notice to the Operator, in the following events:

12.3.1 If the operator fails to carry out any term of this Agreement;

12.3.2 Bankruptcy or receivership of the Operator;

12.3.3 Breach by the Operator of normal management standards; "normal management standards" shall mean those management standards normally practiced by similar Operators in similar units in the community;

12.3.3.1 Termination of the Community Living British Columbia - Operator Agreement;

12.3.3.2 If the behavior of the Occupants unreasonably disturbs the other tenants in the Building, and the Operator cannot resolve the issue through the dispute resolution process as set out in section 12 of this Agreement;

12.3.3.3 If the Community Living British Columbia fails to comply with the Landlord's directive under 10.3 within a reasonable time.

12.4 In the event that the Community Living British Columbia requires the termination of the Operator, the parties agree that the Operator shall immediately assign the Community Living British Columbia - Operator Agreement to the Community Living British Columbia and the Community Living British Columbia shall assume the Operator's responsibilities and obligations under the Community Living British Columbia - Operator Agreement until such time as the Community Living British Columbia can appoint a new Operator. The Community Living British Columbia shall have a period of ninety (90) days in which to appoint a new Operator and the new Operator shall then be bound to enter into a Landlord - Operator Agreement with the Landlord which is identical in substance to the original Landlord - Operator Agreement, with the exception that the term of Agreement shall be equal to the term remaining on the original Landlord - Operator Agreement at the time of the execution of the new Landlord - Operator Agreement.

13. DISPUTE RESOLUTION

13.1 The parties agree that this provision is designed to deal with any dispute which may arise between the Landlord and the Operator, in addition to any dispute which may arise as a result of the Occupants.

13.2 The Operator will provide the Landlord with an opportunity to meet the Occupants and their support staff, and both the Operator and the Landlord will use their best efforts to promote a positive view of the Occupants and facilitate the establishment of cordial relationships with the other occupants in the Building.

13.3 In the event of a dispute between the Landlord and the Operator, the following shall apply:

A. If either the Landlord or the Operator has a concern regarding any issue including maintenance of the Building, the Occupant, or the employees of the Landlord, or Operator, that party will notify the other party of the concern and the parties will:

(a) meet to discuss the issue at a meeting to be held within two (2) working days of such notice, except if an issue is an emergency, including but not limited to the immediate health and safety of any person in the Building, in which case the parties will hold the meeting within twenty-four (24) hours rather than two (2) working days (the «First Meeting»);

(b) Acting reasonably, take whatever steps are necessary to resolve the issue.

B. If the Landlord and the Operator are unable to reach an agreement as to how the issue is to be resolved, or if the parties have agreed on a plan to resolve the issue with appropriate time frames, and the time frames have expired without resolution, the parties shall do the following:

(a) Arrange a meeting with a representative from each of the Community Living British Columbia Operator and Landlord, to be held within ten (10) working days of the First Meeting, or within ten (10) working days of the expiry of the agreed time frame, if there is no resolution within that time frame. (the "Second Meeting"):

(b) Provide to all other parties, a written summary of the issues and the steps taken to date at least three (3) working days before the Second Meeting;

(c) At the Second Meeting the parties shall;

(i) Acting reasonably, take whatever steps are necessary to resolve the issue;

(ii) Confirm in writing the proposed resolution of the issue, providing copies of such report to each party;

(iii) If the parties are unable to agree on a proposed resolution at the Second Meeting, they shall send a report to the Community Living British Columbia's Regional Operating Officer setting out a brief history of the steps taken to date.

C. If the parties are unable to agree on a proposed resolution at the Second Meeting and a report has been sent as set out in 12.3 (B) (c) (iii), the parties shall:

(i) Arrange a meeting of the Landlord, the Operator, and the Regional Operating Officer of the Community Living British Columbia, to be held within fourteen (14) working days of the Second Meeting (the "Third Meeting");

(ii) Acting reasonably, take whatever steps are necessary to resolve the issue, including the use of an arbitrator, if mutually agreed.

14. CONDUCT

14.1 The Operator, Occupants, or Occupants' guests shall not cause or allow loud conversation, music, television, radio, or an irritating noise to disturb the peaceful enjoyment of other occupants at any time, and in particular between the hours of 11:00 p.m. and 8:00 a.m.

15. CONFIDENTIALITY

15.1 The parties will treat as confidential and will not, without the prior written consent of the Minister, publish, release or disclose, or permit to be published, released or disclosed, either before or after the expiration or sooner termination of this Agreement, the information supplied to, obtained by or which comes to the knowledge of the parties as a result of this Agreement except insofar as such publication , release or disclosure is necessary to enable the parties to fulfil their obligations under this Agreement

The parties agree to inform each other regarding any changes to their business name, address and telephone number.

IN WITNESS HEREOF the parties have executed this Agreement this 27th day of June, 2017.

THOMPSON COMMUNITY SERVICES

Name:
Title:

CAPITAL REGION HOUSING CORPORATION

Name:
Title:

Name:
Title:

Appendix A

OPERATOR'S RESPONSIBILITIES -MINOR MAINTENANCE AND REPAIR

The following is a basic description of the minor maintenance and repair work the Operator is expected to carry out under the terms of this agreement. NOTE: the Operator shall provide normal cleaning of the units under its contract with the sponsoring Community Living British Columbia. The list is not all inclusive and shall include work of a similar nature.

The Operator shall be responsible to provide all cleaning supplies, tools, equipment and other materials necessary for the performance of its responsibilities.

General

- Interior of units and patio areas should be kept clean and in good repair No storage is permitted in patio and yard areas
- Carpet shall be vacuumed on a regular basis and shampooed at least annually lino/tiles shall be cleaned weekly
- Blockages in toilets and drains shall be removed
- Water leaks shall be reported immediately to the Landlord
- Shall be kept clean and in good repair refrigerators shall be defrosted as required

Fire and Safety

- Smoke and heat detectors shall be kept fully operational at all times; malfunctioning equipment shall be reported to the Landlord immediately
- Fire extinguishers shall be kept fully pressurized and replaced as necessary items that could create a hazard shall not be stored within the Units areas around the furnace and hot water tank shall be kept clean and free of hazard

Furnishings and Fixtures

- All furnishings and fixtures (e.g drapes, blinds, chandeliers, etc.) supplied by the Landlord shall be kept clean and in good repair

The following is a list of specialized equipment that the Community Living British Columbia is responsible for the maintenance or repair of:

1. Specialized Bath Tub
2. Lifts and Ceiling Tracks
3. Washer and Dryer
4. Lift-up or Swing Away Grab Bars



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF JUNE 27, 2017**

SUBJECT **Landscaping Services**

ISSUE

In January 2016, the Capital Region Housing Corporation (CRHC) Board of Directors struck the Tenant Engagement Task Force (Task Force) to examine possible tenant engagement measures and reported back to the CRHC Board of Directors in October, 2016. The Task Force noted two main areas for improvement: the need for increased tenant engagement and improved landscaping services.

In December 2016, the Capital Region Housing Corporation (CRHC) Board of Directors directed staff to review the current landscape services and report back to the Board on how to improve the current services including a review of potential models of service delivery in 2017.

BACKGROUND

History of Landscaping Services at the CRHC

The landscaping services within the CRHC can be broken down into two categories: landscaping services and tree care services.

Landscaping services are contracted out for all areas except “tenant limited use areas” that are defined in the tenancy agreements as areas where the tenant is obligated to maintain. These are defined in the landscape contracts as “areas at tenant rear patios where the privacy fence has less than a 48” wide opening or a gate.”

The “tenant limited use areas” are a mix of grass and flower beds. The level of tenant involvement varies widely. At unit turnover, the staff returns the tenant limited use area to standard plantings in place, the lawn cut and no moss on the patio surface. The upgrades completed by the previous tenant are removed unless otherwise directed by the prospective tenant at viewing. Senior’s buildings are the exception whereby the landscapers provide all outside landscape, including garden patios, unless the tenant is active in their garden beds.

In April 2011, staff received bids at least 30% higher than CRHC had paid in 2010. The contracts were not awarded due to budget restraints by BC Housing (BCHMC). Two CRHC auxiliary staff were used full time in the spring to cut lawns and tidy garden beds at several sites. The balance of sites were awarded to the lowest bidder under modified conditions for the balance of 2011 and 2012.

In 2013, the landscape contracts were arranged into packages representing CMHC and BCHMC funded properties. The CMHC sites, which had stronger funding, included basic grass cutting, weeding of beds, pruning and leaf mulching whereas due to funding limitations at BCHMC buildings, the contracts only included grass cutting and weeding of beds. In the fall, pruning would be approved as budgets allowed. This contract went out for tender and has produced our current contractors.

In 2015, due to the consolidation of operating agreements under the Umbrella Operating Agreement (UOA), the BCHMC building contracts were updated to include the pruning and leaf mulching. The contracts have been renewed annually until December 2017, with a new tender needed for 2018.

Tree care services are delivered in two streams: plant health care and hazardous pruning. These services are delivered by a contractor specializing in tree care for the entire portfolio.

Landscaping and Tree Care Budgets 2015-2017

The total budget for landscaping and tree care services can be found in Table 1.

Table 1. Landscaping and tree care budgets

Budget category	2015 (\$)	2016 (\$)	2017 (\$)
Landscaping	314,979	317,142	319,457
Tree care	69,420	79,171*	79,015
Total (\$)	384,399	396,313	398,472

*increased levels of hazardous pruning from 2015 to 2016

Through a review of current levels of landscaping services, on average, landscaping contractors are on site 265 hours per week across the CRHC properties.

Landscaping services has been identified through The Task Force, the Tenant Satisfaction Survey and the Field Services Review (FSR) as requiring improvement.

There are four potential models that staff have reviewed for improving landscaping services: Maintaining status quo, changing the current contract allocation structure, bringing landscaping in-house delivered either through a specialized landscaping crew or delivered through the current caretaker framework.

ALTERNATIVES

1. Tender two contracts for 2018, based on Property Management Portfolios.
2. Tender the three contracts (status quo) for 2018.
3. Deliver landscaping services internally through the development of a specialized landscaping team and adjust staff complement by 9 FTE in 2018.
4. Deliver landscaping services internally, integrating landscaping duties into caretaker job descriptions and adjusting staff complement by 9 FTE in 2018.
5. Refer back to staff.

IMPLICATIONS

OPTION 1:

Tender two contracts for 2018, based on Property Management Portfolios.

The tendering of the contracts based on operating agreements in 2012/13 were determined based on variances in budget allocations across agreements. BCHMC properties have been underfunded and pruning hadn't been included in the contracts and was only done "as needed" and budget permitting. This was altered in 2015 due to the implementation of the UOA. Currently all contractors have the same scope of work for all sites.

The current service delivery for onsite operations is divided into two portfolios: West and Peninsula. These portfolios are based on geography, not operating agreements. Yet, the contracts are based on operating agreements, leaving the Property Managers (PM) and caretakers to provide oversight to all three contractors and their many landscapers.

If CRHC tenders the two contracts based on the two PM portfolios, each PM will be responsible for the oversight of one contractor. Onsite, caretakers will also only be working with one contractor and will therefore have a better understanding of the scope of work. There will be greater consistency in expectations across sites, resulting in more effective evaluation of services and improved relationships. The cost of this option is estimated at \$324,250, based on the current contract increases determined by the Consumer Price Index (CPI) index and current fuel prices. The standard annual increase for all three contractors over the term of the contract has been approximately 1.5%.

OPTION 2:

Tender the three contracts (status quo) for 2018, based on the three operating agreements.

Staff have determined that this model makes it difficult to develop strong relationships with the contractors and landscapers on site, to evaluate their performance and to manage the contract deficiencies. This service delivery framework made sense when operating agreements were funded individually but is not relevant under the Umbrella Operating Agreement.

As in Option 1, the cost of this option is estimated at \$324,250.

OPTION 3:

Deliver landscaping services internally through the development of a specialized landscaping team and adjust staff complement as required.

The benefit of this system would be:

- The CRHC would directly hire and supervise the staff that are providing services on site.
- As staff, they would be more closely linked to the vision, mission and priorities of the corporation, such as tenant engagement.
- Staff that are hired would have the specific qualifications and employment experience to provide landscaping services.

On average, landscaping contractors are on site 265 hours per week across the CRHC properties. This would be equal to approximately 7 FTE. This increase in staff levels would also require the coordination and supervision of an additional PM and Property Assist (PA). These costs are outlined in Table 2 below.

Table 2. Staffing costs associated with Option 3.

Staffing allocation	Cost (\$)
1 FTE - PM	91,035
1 FTE - PA	74,008
7 FTE - Caretaker	502,537
Total 8 FTE (\$)	667,579

In the first year, an initial capital expenses for equipment and vehicles would total \$360,750. A list of these items can be found in Table 3 below.

Table 3. Initial capital expenses required for purchase to provide Landscaping Services for Option 3

Equipment	Estimated Unit Cost (\$)	Number of units	Total (\$)
Full sized vans/truck	38,000	5	190,000
Pick-up truck	33,000	1	53,000
Landscape Trailer	6,500	5	32,500
Riding Mowers	12,000	5	60,000
Self-propelled Mowers	1,500	5	7,500
Gas and Hedge Trimmers	450	15	6,750
Other			11,000
Total (\$)			360,750

Also, there would be a requirement to maintain and replace the equipment associated with the landscaping tasks as well as associated operating costs. Annual operating expenses and replacement contributions associated with Option 3 can be found in Table 4 below.

Table 4. Annual operating expenses and replacement contributions associated with Option 3*

Expenses	Cost
Annual Insurance, maintenance, and fuel expenses	87,600
Annual equipment replacement contribution	18,000
Annual vehicle replacement contribution	32,000
Annual operating expenses and replacement contributions (\$)	137,600

Total annual costs for Option 3 can be found in Table 5.

Table 5. Total annual expenses associated with Option 3.*

Expenses	Cost
Salaries	667,579
Operating Costs and Annual Replacement Expenses	137,600
Total Annual Expenses	805,179

OPTION 4:

Deliver landscaping services internally, integrating landscaping duties into caretaker job descriptions and adjusting staff complement as required.

The benefit of this system is:

- Through the introduction of 7 new caretakers, each caretaker would be able to spend more time at each site, allowing them to increase opportunities for tenant engagement.
- As mentioned above, as staff, they would be more closely linked to the vision, mission and priorities of the corporation and would be directly hired and supervised by the CRHC.

This option would also require an additional 9 staff (1 PM, 7 caretakers). The initial capital expenses would be estimated to cost \$388,300 (Table 6), although vehicles would not be required, riding mowers would be required for almost all sites.

Table 6. Initial capital expenses required for purchase to provide Landscaping Services for Option 4

Equipment	Estimated Unit Cost (\$)	Number of units	Total (\$)
Riding Mowers	12,000	23	276,000
Self-propelled Mowers	1,500	45	67,500
Gas and Hedge Trimmers	450	44	19,800
Other			25,000
Total			388,300

The overall operating costs would be less than Option #3 but the staff would be generalists and would be required to integrate this additional work into their existing diverse duties. Due to the fact that landscaping is not a current requirement of the job description, the majority of the workforce would not have the required expertise and significant training could be required.

Table 7. Total annual expenses associated with Option 4*

Expenses	Cost
Salaries	\$667,579
Operating Costs and Annual Replacement Expenses	\$41,000
Total Annual Expenses	\$708,579

Please see Table 8 for a cost comparison of estimated operating and capital expenses for Options 1-4 for 2018.

Table 8: Total Estimated Operating and Capital Expenses for 2018 for Options 1-4

Expenses	Option 1 (\$)	Option 2(\$)	Option 3(\$)	Option 4(\$)
Landscaping Services	324,250	324,250	N/A	N/A
Salaries	N/A	N/A	667,579	667,579
Operating Costs and Annual Replacement Expenses	N/A	N/A	137,600	41,000
Tree care	79,015	79,015	79,015	79,015
Sub-Total(\$)	403,265	403,265	884,194	787,594
Initial capital expenses	N/A	N/A	360,750	388,300
Total	403,265	403,265	1,244,944	1,175,894

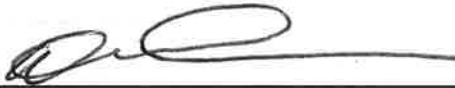
CONCLUSION

Landscaping services have historically been underfunded. Pruning services were not provided regularly in BCHMC buildings for at least five years and were only restated in 2015 due to the implementation of the UOA. Due to the contract structure, it was difficult for front line and property management staff to provide effective contract management. Bringing landscaping services in-house would have significant cost implications.

Therefore, Option 1, of tendering two contracts in 2017 based on Property Management Portfolios, is the preferred option. Each PM will be responsible for the oversight of one contractor. This will ensure greater consistency, resulting in more effective evaluation of services and improved relationships.

RECOMMENDATION

Tender two contracts for 2018, based on Property Management Portfolios, increase service levels as per staff recommendations.



Christine Culham
Senior Manager
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services
Concurrence



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF JUNE 27, 2017**

SUBJECT **Carillon Place Roof Replacement 17/192**

ISSUE

The Capital Region Housing Corporation (CRHC) Delegated Signing Authority requires that all contracts with a value over \$200,000 require the approval of the Board of Directors and must be signed by two members of the Executive Committee.

BACKGROUND

2017 Roof Replacement

The CRHC approved the updated 2017 capital budget in January 2017. The 2017 budget allocation for roofs is \$490,000.

There were three roofs slated for replacement in 2017: Carillon Place, Brock Place and Cairns Park.

Carillon Place is a 15 unit townhome complex, built in 1998. The three building site still has the original roofing and gutter system in place.

In 2016, CRHC staff hired Westcoast Roof Inspections Ltd. (Westcoast) to provide roof inspections for roofs within the 2017-2019 capital plan in order to better understand the costs and priorities for the required work. The 2016 roof inspection report confirmed a very poor rating of Carillon Place, Brock Place and Cairns Park and supported their placement in the capital plan for 2017.

The roof inspector had forecasted a budget of \$132,000 or \$12.00 per square foot. This was above the \$7.00 per square foot pricing identified for Brock Place and Cairns Park due to the challenges that are presented by the Carillon Place work site.

Carillon Place is located in James Bay and does not have adequate space for staging of the equipment needed for the roof replacement. Also, due to the steep pitch and the architecturally detailed roofs it will require scaffolding.

CRHC staff incorporated a contingency, the inspector service fees, the hazardous materials survey and the specifications fees, for a total budget allocation of \$160,000.

In February 2017, the three roof replacement contracts were tendered. In March 2017, all bids came in over budget. The Brock Place roof has been deferred until 2018. The Cairns Park roof replacement budget was within the staff delegated signing authority and staff have moved forward with the contract for \$74,815.

At the March 28, 2017 Board meeting, the CRHC Board directed staff to retender the Carillon Place roof with the removal of the provisions including the requirement of a bid bond and tender specification of a Roofing Contractors Association of British Columbia (RCABC).

The summary of bids March 2017 bids for the Carillon Place roof can be found in Table 1.

Table 1: Summary of Bids for Carillon Place Roof, March 2017

Compliant Bidders	#1	#2	#3
Compliant Bids	\$ 387,000	\$425,420	\$507,400
Contract Specifications	\$ 3,000	\$ 3,000	\$ 3,000
Inspection and Warranty fee (5% contract value)	\$19,350	\$21,271	\$25,370
Hazardous Mat. Roof Survey	\$ 1000	\$ 1000	\$ 1000
Contingency (10% of contract value)	\$38,700	\$42,524	\$50,740
Total	\$449,050	\$493,215	\$587,520

There were two compliant bidders for the June 2017 tender for Carillon Place. The tender did not include the RCABC bid, performance or labour bond requirements. The compliant bids and projects costs are summarized in Table 2.

Table 2: Summary of Bids for Carillon Place Roof, June 2017

Compliant Bidders	Universal Sheet Metal	#2
Compliant Bids	\$339,950	\$389,845
West Coast Roof Inspectors specifications and bid meeting (17/189 & 17/192)	\$4,000	\$4,000
Hazardous materials report	\$955	\$955
Contingency Allowance	\$33,950	\$ 38,985
West coast Roof inspectors 5% at minimum	\$16,998	\$19,492
Estimated total	\$395,898	\$453,277

The difference between the March 2017 bid and the June 2017 bid is \$53,152.

ALTERNATIVES

1. Award Contract 17/192 for the Carillon Place Roof Replacement to Universal Sheet Metal in the amount of \$395,898 to be completed in 2017.
2. Defer the Carillon Place roof to 2018 and execute repairs in 2017 for the estimated amount of \$40,000.

FINANCIAL IMPLICATIONS

The Carillon Place roof is estimated to cost a maximum of \$395,898. The cost of the Carillon and Cairns rooves are within the 2017 roof budget amount of \$490,000.

CONCLUSION

There is significant construction activity in the capital region and the market is currently oversaturated. The three roof replacement contracts were tendered and came in over budget. The Carillon Place roof was retendered with lowered specifications and bond requirements and still came back over budget, although \$53,152 lower than the first round of bids. Moving forward would eliminate the need for short term repairs, keep spending on track for the Umbrella Operating Agreement targets and avoid crowding capacity in the remaining years. If the Carillon Place roof is completed in 2017, it will be within the allocated 2017 roof budget for 2017.

The CRHC will need to reassess the estimates in the 2018 and 2019 capital budgets for roof replacement to align with the actual costs that are currently being generated in the market.

RECOMMENDATION

Award Contract 17/192 for the Carillon Place Roof Replacement to Universal Sheet Metal in the amount of \$395,898 to be completed in 2017.



Christine Culham
Senior Manager
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF JUNE 27, 2017**

SUBJECT Westview Development Architect Contract CRHC-CP-WV 17.102

ISSUE

The Capital Region Housing Corporation (CRHC) Delegated Signing Authority requires that all contracts with a value over \$200,000 require the approval of the Board of Directors and must be signed by two members of the Executive Committee.

BACKGROUND

The CRHC approved the Westview Development provisional project budget of \$18,250,235 in March 2017. This included a budget line item for architectural services.

To meet funding and approval schedules, the CRHC had proceeded on an expedited basis under a partial contract to hire Joe Newel Architect Inc. acting as the design architect for the Westview Housing Development. The contract included completing the Schematic Design and assisting with obtaining the Development Permit approval from the District of Saanich for the project. The design architect's initial contract sum amounted to \$50,000.

The development permit approval process is estimated to range between 6-8 months as stated by the planning department at the District of Saanich. In order to reduce the risk of continuing major design work without obtaining a development permit approval, staff believed it prudent to bring the project to the completion of the design development stage and not proceed to the working drawing phase of the project. Staff also decided that a design development package as per the requirements of BC Housing would be an appropriate starting point from which to enter new contract agreements with the design team.

Considering that there is a gap between the existing architect contract and the work required to complete the design development phase, staff decided to enter into a new contract agreement with the design architect for a new contract sum of \$48,300. The two separate contracts for architectural services amounted to a total of \$98,300.

In April 2017, staff posted an Request for Proposal (RFP) package for architectural services on BC Bid for works starting from the design development stage up until the end of the project. CRHC received four proposals. The budget for architectural services as approved by BC Housing is \$500,000 for the scope of the entire project. The remaining budget after deducting previous contract amounts to pay for the new contract services totals \$401,700.

Tendering and Evaluation Process

- The RFP: CRHC-CP-WV 17.102 was publicly tendered on BC Bid
- Four compliant bids were received and evaluated. (Table 1)
- Two firms were shortlisted and interviewed by the evaluation team
- Staff is recommending an appropriate architect as per this staff report

Evaluation

Evaluation was conducted based on a points system using the following evaluation criteria:

1. Qualitative evaluation (60 points)
 - a. Company information and experience
 - b. Capacity to undertake the contract
 - c. Capability
 - d. Written statement – outlining issues, challenges, considerations of affordable housing
2. Pricing (40 points)
3. Interview - short listed firms only (40 points)

Joe Newell Architect Inc. had the highest score both after submission and after the interview process. The bid was \$299,900.

ALTERNATIVES

1. Award Contract CRHC-CP-WV 17.102 for the Westview architectural services to Joe Newell Architect Inc. in the amount of \$299,900.
2. Refer back to staff to re-evaluate all bids.

IMPLICATIONS

The bid of \$299,900, with the inclusion of the previous contracts of \$98,300, totals \$398,200. This is \$101,800 less than the approved budget of \$500,000.

CONCLUSION

The firms have been evaluated based on a qualitative and quantitative evaluation process, in addition to the conducted interviews, Joe Newell Architects had the highest points after the submission and interview phases.

The bid combined with previous contracts is \$101,800 less than the approved budget of \$500,000.

RECOMMENDATION

Award Contract CRHC-CP-WV 17.102 for the Westview architectural services to Joe Newell Architect Inc. in the amount of \$299,900.



Paul Kitson,
Manager, Capital Projects
Capital Region Housing Corporation



Christine Culham
Senior Manager
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services

Attachments:

CRHC-CP-WV 17.102 Contract for Architectural Services



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF JUNE 27, 2017**

SUBJECT Management Update

ISSUE

This report provides monthly operations, capital and project updates to the Capital Region Housing Corporation (CRHC) Board of Directors.

Operations Update

Human Resources

Two full-time positions have been filled, replacing two staff who retired in the first half of this year. Two new auxiliaries (one administrative and one caretaker) have been hired.

Arbitrations

On April 27, 2017, staff attended an arbitration regarding an abandoned unit. CRHC was awarded a monetary order in the amount of \$315.00.

The Housing Registry Waitlist Statistics

Table 1. Capital Region Housing Registry Waitlist Statistics

Category	June 2017	May 2017	June 2016
Total Registry Units	3,267	3,267	3,299
Applicants			
Family	635	637	533
Seniors	705	702	618
Persons with Disabilities	442	433	393
Wheelchair Modified	64	57	63
Singles	87	86	40
Total	1,933	1,915	1,647

Capital Updates

Westview

- The development permit application was submitted on April 19, 2017 to the District of Saanich. Staff received a deficiency letter on June 19, 2017 and responded to the District of Saanich on June 22, 2017.
- Staff are anticipating the Design Panel to meet the week of July 5, 2017.
- BC Housing provided an official Provisional Project Approval (PPA) funding letter. Staff signed a document acknowledging that we have reviewed and accepted the terms of the PPA.

Heathers Landscape Remediation

The remediation work has been awarded to Garden City Tree & Landscape LTD. The work is underway and anticipated to be complete by the end of June.

Project Updates

IT Project: Implementation of an enhanced SAP system to better meet operational requirements of CRHC.

On June 12, 2017, CRHC launched the improved SAP plant maintenance system and SAP real estate system. The plant maintenance system includes a mobile platform for the field staff. Significant training occurred prior to the launch and the CRD IT staff are continuing to support staff in the field and the office.

Tenant Engagement

LifeCycles Community Food Engagement Project

Since March 15, 2017, Community Food Educators (educators) from *Lifecycles* have been attending two CRHC communities every first and third Wednesday of the month. Seven boxes of quality food (distributed through the “Food Rescue Project”) are delivered to each location followed by collaborative programming with the support of LifeCycles’ Community Food Educators. Tenant participation has varied by community, overall there has been approximately upward of 50% of tenants from each community involved in the project. These educators have been funded through a community grant being administered through the Victoria Native Friendship Centre (VNFC) and the educators will continue to support these communities until December 2017. The “Food Rescue Project” is ongoing.

Financial Reporting

Table 2. May/June cheques/EFTS OVER \$50,000

Vendor	Issued	Expenditure	Notes
City of Victoria	June 22, 2017	338,608.15	2017 property taxes
District of Saanich	June 22, 2017	315,884.84	2017 property taxes



Christine Culham
Senior Manager, Regional Housing