

## Report HDR-SS-09-14

**To:** Chair Burley and Members of the Social Services Committee  
**From:** Rod Wyatt, Director of Housing  
**Meeting Date:** **June 11, 2014**  
**Subject:** **Housing 2015-2019 Draft Five Year Capital Forecast**  
**Status:** Recommendation adopted by Committee as presented per Resolution SSC47-14; Endorsed by County Council July 8, 2014 per Resolution CC95-14;

### Recommendation(s)

**THAT Report HDR-SS-09-14 regarding the Housing 2015-2019 Draft Five Year Capital Forecast be received as presented/amended and forwarded for inclusion in the corporate Five Year Capital & Extra-Ordinary Expenditures Forecast for consideration by County Council.**

### Background

Provided is a summary of the Housing Five Year Capital Forecast (2015 – 2019) accompanied with detailed sheets for each of the proposed projects and a spreadsheet by building of the capital plans for the next five year period.

Updated building condition audits, and energy audit and a capital reserve fund study were completed for each of our housing projects earlier this year. Previously building condition audits and reserve fund studies had been completed in 2007. The information provided by both of these studies have been valuable in establishing priorities for capital upgrade and replacements in the short term (five year capital forecast) and longer term requirements to maintain our properties.

Our social housing buildings are aging and in many cases we are housing a clientele that the buildings were not originally built for. This has implications on accessibility issues and in the “wear and tear” experienced in looking after the physical environment. The average age of the County’s social housing buildings is now 42 years, with the oldest buildings built 59 years ago and the newest building being built 33 years ago.

In the five year project capital budget we have tried to balance the needs identified in our building condition audits and by staff with maintaining a consistent level of levy requirement and reserve fund requirements.

For 2015 we have a number of capital budget items that have an energy efficiency aspect to them. These include replacement of air make-up systems, windows, doors, insulation and cladding. These improvements should reduce energy consumption and also we may be able to offset some of the capital costs with energy incentive programs from the utility companies. We do have three generators in the budget for 2015 for buildings that have water supplied by wells and/or may also have a septic system with pumps. Any extended period without power could jeopardize the ability of the tenants to remain in their apartments. Most of other capital items deal with improving accessibility or capital upgrades identified in the building condition audits as life cycle replacements. There is one significant upgrade that will be a multi-year job. This is the cladding of the exterior walls at our 8 story apartment building in Owen Sound. This is to prevent water penetration and further brick deterioration at this building.

For the remaining four years (2016 – 2019) of the five year capital budget proposal, many of the proposed budget items have been identified in our building condition audit. We have also combined similar work into one budget year to allow more competitive pricing.

### *Financial/Staffing/Legal/Information Technology Considerations*

The net levy requirement for the proposed capital work items is increased in 2015 over 2014 by \$61,292 or 5.5%, although we have tried to keep our requests consistent from year to year in the \$1.1 million range. We have been fortunate to be able to take advantage of rebates on energy conservation programs and anticipate these programs will still be in place in 2015.

Staff have utilized transfers from the housing reserve to balance the levy requirements over the five years of the capital forecast while ensuring we address the physical needs of the buildings and address any safety or potential liability issues, accessibility requirements with our tenants and energy conservation improvements for the building.

### Link to Strategic Goals / Priorities

The Five Year Capital Budget Proposal addresses the goal of community sustainability by continuing to provide housing that is affordable, safe and accessible. It is also part of the capital asset and funding strategy for the County in proposing a sustainable funding strategy for these capital assets. Our public housing portfolio is part of the Housing Strategy for the County of Grey and is a significant asset in our 10 Year Housing and Homelessness strategy.

[Attachment to HDR-SS-09-14 Housing 2015-2019 Draft Five Year Capital Forecast](#)

[Attachment to HDR-SS-09-14 2015 Housing Project Request](#)

Respectfully submitted by,

Rod Wyatt  
Director of Housing