

INFORMATION REPORT

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	January 23, 2017
SUBJECT/REPORT NO:	Wesley Community Homes Incorporated (CES14046(a)) (Ward 2)
WARD(S) AFFECTED:	Ward 2
PREPARED BY:	Kim Ryan (905) 546-2424 Ext. 6285 Adam Sweedland (905) 546-2424 Ext. 1782
SUBMITTED BY:	Julie Western Set Director, Housing Services Division Community & Emergency Services Department
SIGNATURE:	

Council Direction:

Not Applicable

Information:

On September 8, 2014, Housing Services Division staff informed the Emergency & Community Services Committee that circumstances at Wesley Community Homes Inc. (Wesley) had triggered events under the *Housing Services Act, 2011* (HSA) and, as such, Wesley met the definition of a “project in difficulty” (Report CES14046).

The triggering event for the management of Wesley was that “*in the opinion of the Service Manager, the housing provider has failed to operate a designated project properly*” (subsection 83.11 of the HSA). Specifically,

- On October 8 and 9, 2013, the Housing Services Division conducted an Operational Review of Wesley Community Homes to assess Wesley’s ability to meet its obligations under the HSA and to ensure the long term viability of the social housing project;
- The Operational Review resulted with 25 directions and 20 recommendations identified that required the Board of Directors’ response and action that had not been addressed by September, 2014. These included:
 - Failure to maintain its housing project in an adequate state of repair and lack of maintaining the condition of the property;

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

- Failure to complete annual financial statements and other financial documentation;
- Failure to promote independent-mindedness and allow the votes of the Board members to be unduly influenced;
- Not addressing prolonged Board vacancies; and,
- A lack of orientation/training for new and current Board members.

As a result of these factors, the City, as Service Manager, notified the (then) Ministry of Municipal Affairs and Housing and exercised appropriate remedies under the HSA. Specifically, the City:

1. Appointed Good Shepherd Non-Profit Homes Inc. ("Good Shepherd") to be an Operational Advisor to Wesley; and,
2. Worked with Wesley's Board of Directors to deliver proper governance training consistent with the best practices for social housing providers.

As the Operational Advisor, Good Shepherd, agreed to work collaboratively with Wesley's Board of Directors and its Property Manager to improve the operations of the housing project. The Service Agreement with Good Shepherd was for a term of two years, commencing December 1, 2014. Remuneration of the Agreement was deducted from the monthly subsidy allocation of Wesley and re-directed to Good Shepherd. The Service Agreement with the Good Shepherd expired on November 30, 2016 and Wesley has fulfilled requirements and has resumed governance over its operations.

Below is a summary of the main accomplishments of Wesley and the Good Shepherd:

- Good Shepherd provided a Property Manager to oversee the day-to-day operations of the housing project.
- Record keeping and internal controls were updated or implemented with more adequate and suitable software, filing systems and an archiving system.
- Efforts to improve tenant engagement were initiated, and included cooking classes, coffee hours, walking tours, movie nights, annual BBQ, 20th Anniversary celebrations.
- Tenant arrears declined from over \$25K in December 2014 to only \$534 as of September 2016.
- Unsafe playground equipment was removed and resident children were able to provide input into the replacement of the equipment.
- Tenants have received new appliances.

- The roof and other aging infrastructure are being replaced, in accordance with the completed Building Condition Assessment.
- Three houses were renovated and converted from shared accommodations to large single family homes. These homes were then rented to a refugee family from Syria and two other large families from shelters in accordance with Wesley's "hard to house" mandate.
- The Board hired consultants to assist with Board training, orientation and developing a new vision, mission and strategic plan.
- The Board commissioned a consultant to complete a tenant's needs assessment in order to make more informed choices in supporting tenant's needs and programming, including programming to promote aging in place.
- The Board and Property Manager also worked with Wesley Urban Ministries and the Hamilton Police Department to complete a safety audit.
- The Board completed a thorough, fair and open competitive process to hire a property management company. Good Shepherd was the successful proponent.

Wesley and Good Shepherd have successfully completed the requirements of the two-year Service Plan and have worked collaboratively with the City of Hamilton to significantly improve Wesley's operations and the conditions of its homes for its tenants. The City, as Service Manager, has advised the Ministry of Housing that, in its opinion, Wesley no longer meets the definition of a "project-in-difficulty".