



London & Middlesex Housing Corporation

Société De Logement London & Middlesex

STRATEGIC PRIORITIES AND POLICY COMMITTEE (SPPC) OF THE CITY OF LONDON

**State of the Public Housing Assets
May 15th, 2017**

PRESENTATION Outline

Questions & Answers

Outcomes & Recap

Moving Forward

Response to Date



Introduction

Why Are We Here

FCA Requirement

Current State & Need

Introduction

Why Are We Here

FCA Requirement

Current State & Need

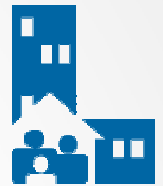
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INTRODUCTION, Board Chair & CEO



Presenters Michael Buzzelli, Board Chair
Josh Browne, CEO

LMHC Board of Directors

Vance Blackmore, Mayor Southwest Middlesex
Sarah Campbell
Darren Chapman
Larry Ducharme
Marci Easton, Vice Chair
Anna Hopkins, City Councilor
Sean Quigley

LMHC Senior Leadership Team

Andrea Mackenzie,
Director Tenant Administration
Paul Roszell,
Director Assets & Property Services
Andrea Topham,
Director of Corporate Services

Introduction

Why Are We Here

FCA Requirement

Current State & Need

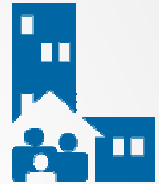
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WHY ARE We Here



1. Informed Relationship with the Shareholder
2. Provide Critical Information Regarding an Emerging Issue
3. Not a Request for Funding



FACILITY CONDITION ASSESSMENT Requirement



1. Historical Context and Background
2. What is the VFA Report
3. Why was the Study Authorized



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CURRENT State & Need

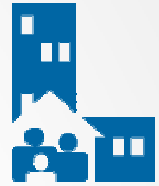


Table 1 - Facility Condition Assessment Summary

Buildings Assessed (3 County; 14 Highrise; 8 Townhouse/Semi-detached)	154 Assets (25 Sites)
Total Asset Area (SF)	2,885,673
Current Replacement Value (CRV)	\$621.3m
Average Asset Age	46 Years
Average Asset 2 Year FCI	0.09 (9%)
Condition Range	"Good"
2 Year FCI Renewal Cost	\$56.8 M
Average Requirement Index (RI):	0.36 (36%)
Total Requirement Cost	\$223.8 M



CURRENT State & Need

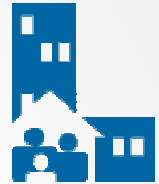


Table 2 - LMHC Funding Chart Scenarios with impact on Facility Condition Index (FCI) compared over 20 years

Funding Scenario	Total Applied Funding	Average per Year	Annual Cost per SF	% of Current Replacement Value (CRV)	Ending FCI
(1) Maintain FCI	\$467.5 M	\$23.4 M	\$8.10	0.038 (3.8%)	0.09 (9%)
(2) Target (Specific FCI)	\$270.6 M	\$13.5 M	\$4.69	0.022 (2.2%)	0.40 (40%)
(3) Extrapolate (Specific) Funding	\$44.2 M	\$2.2 M	\$0.77	0.004 (0.4 %)	0.75 (75%)

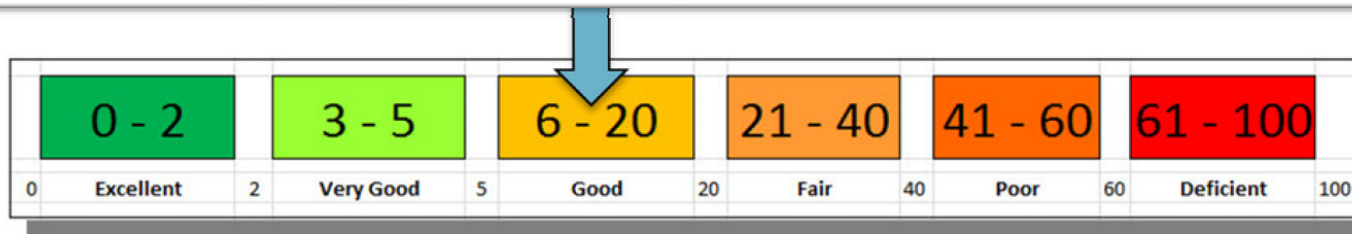
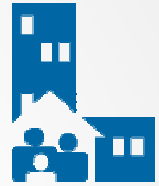


Figure 2: LMHC Campus Average FCI Asset Condition Scale (2-Year)

RESPONSE To Date

1. New Leadership
2. New Strategic Plan
3. Implementation of a New Asset Management Software



Reporting Currency: CAD
Adjustment Factor: 0%

Housing Provider Name: London & Middlesex Housing Corporation
Property Name: Hale

Asset	Number	Age	Use	Size	Replacement Value	Cost/Unit	FCA
Asset Type: Building	4250	46	Housing - Apartments	81,338	27,262		
Asset Type: Site Development							
Asset Type: Site Construction							

FCA	RI Cost	Asset Primary RI	Photos
0.11	13,617,160	0.50	
0.11	13,617,160	0.50	
0.04	1,042	0.50	
0.05	1,042	0.50	
0.05	1,042	0.50	
0.05	1,042	0.50	
0.05	1,042	0.50	

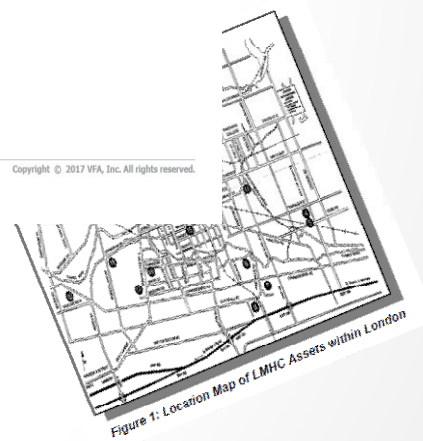


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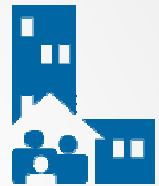
Software Training [Classroom and online options](#)

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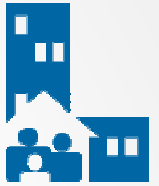


MOVING Forward

1. Development of an Asset Management Strategy
2. Work in Collaboration with Civic Administration to Develop Funding Investment Opportunities
3. Create MOU with Housing Services and Housing Development Corporation to Advance Regeneration Activities and Build New Affordable Housing



OUTCOMES & Recap



1. Capital Needs are Now Better Quantified – Development of a Long Term Asset Management Plan
2. Collaboration, Innovation and Flexibility are Required to Solve the Problem – LMHC cannot do this alone
3. Informed Relationship – Trust and Credibility
4. Emerging Critical Issue – State of Public Housing Assets
5. Not a Funding Request – May require an Incremental Adjustment to LMHC’s annual capital funding in 2018 and 2019

QUESTIONS & Answers



Thank You!

Role of the CEO

Poverty

Homelessness

Affordable Housing

Environment

LMHC's Role

Challenges

Opportunities

Outcomes

Q&A