

## Building Assessment Condition and Reserve Studies

Building Condition Audits	\$1,000,000
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Goes to Third Party Contractors.

I made an FOI with the goal of understanding the current state of our building construction since it has been on pause since 2022

I have been told that unless AMERESCO agrees as a Citizen I have no much hope to get a copy of the BAC of 220 Oak Street to understand where are we standing on.. post pandemic times and hyper inflation costs.. that will have a big impact in delivering the list of PRIORITIES that we as Residents put forward will be considered..

The shocking surprise I got out of the FOI is that for 220 Oak Street there are no "Reserve Funds Studies"

### BACKGROUND:

In 2018 TCHC consulted with residents of 220 Oak Street as to what Capital Investments is needed to revitalize the building envelope, with the help of Noah Slater who is working with the City's Housing Secretariat and the Support of the R-Path accessibility Committee. We engaged in conversations with different stakeholders , residents , etc.

Part of the conversation that we had was to promote JOB OPPORTUNITIES for the residents to be involved in the TOWER RENEWAL of 220 Oak Street.

In 2019 The Board approved almost 30 Million Dollars for an Energy Retrofit Capital Investment program with an emphasis in ACCESSIBILITY for our units and common areas.

In 2020 we were provided with the PLAN and was carried on our Regent Park TV : <https://youtu.be/e85JNP6LbBw?si=4zxSOOaxmonxfGWd>

### **The Capital Project , numbers were calculated at PRE PANDEMIC times..**

In 2021, TCHC attempted to start construction beginning with the construction of the HUB SERVICE MODEL for 220 Oak Street , The lawn ground improvements, a Dog Park,  
11 Ebike Lockers spots in the garage with many more spaces for E-bikes and Bikes

that were planned for the additional phases of the construction and a MURAL that is visible from the DVP as you travel north and south.

I will say that roughly TCHC has spend about 10 % of the total project

Since then we have been told that TCHC was seeking a GENERAL CONTRACTOR to carry on with the list of priorities that included "COMMUNITY BENEFITS" for our residents a meeting was held in May that emphasizes the renovations of our building exterior , balconies , windows , heating ,etc.

NO mention of the Basement upgrades and main floor new facilities to enhance the services of Mental HEALTH that are provided by COTA and other agencies as our population is aging dramatically

In another words the allocation of funds in 2019 does not match the POST PANDEMIC labor cost, inflation and other arising costs that will have a severe impact as to what you are able to realistically deliver for the residents who were consulted in 2018.

My biggest concern is the creation of a community benefits framework to hire TCHC residents living at 220 Oak Street with the future General Construction Company..

So here we are in 2024 .. understanding numbers is not my strong ability I had to ask my Girlfriend who is a Property Manager in a COOP to help understand the GAME of NUMBERS proposed in the 2023 FCI REPORT and Budget Envelope Reallocations.

### **2023 Facility Condition Index ("FCI") Report**

Item 9a

July 17, 2024

Building Investment, Finance and Audit Committee

### **Facilities Management Budget Envelope Reallocations to May 31, 2024**

Item 9b

July 17, 2024

Building Investment, Finance and Audit Committee

TCHC currently can complete advanced work due to funding from the National Housing Co-Investment fund, this funding will end in 2027 and, unless additional funding can be obtained, TCHC's capital plan will dramatically decrease to \$160M per year. This means that TCHC will not have the ability to complete multi-year projects and will have significantly less capital to complete demand or planned projects.

A Third party calculate the Facility Condition Index by Ameresco Canada - Third Party Capital Planning auditor

FCI target of 10% by 2027 ( Property Values plays a big game changer she explained to me as to how you reach your FCI calculations )

### **2023 Status Update**

In 2023, TCHC delivered its full \$350M capital budget resulting in a year-end close out FCI of 13.03%. This exceeds both the original 2017 forecast of 14.50% as well as the 2022 year-end reforecast for 2023 of **13.30%**. This improvement can be attributed to several factors including:

1. The 2023 numbers are based on the actual work completed while the 2017 and 2022 numbers were estimated forecasts.
2. In 2023, the Building Condition Assessment ("BCA") process started again resulting in an updated set of needs for the buildings for which BCA's were completed.
3. Estimates for 2023 were that 55% of the capital work completed would be attributable towards FCI however the actual results, as calculated by Ameresco, were 62%.

In 2023, the Building Condition Assessment ("BCA") process started again resulting in an updated set of needs for the buildings for which BCA's were completed.

TCHC continues to closely monitor the impact of inflation and the impact it has on the cost of construction and FCI. Upon completion of the National Co-Investment funding

Consider adjusting policy to increase the Capital Renewal Threshold from \$1.5k to \$10k; enhancing the impact of capital on FCI

*n 2027, TCHC will require additional funding over and above the current amounts to maintain the portfolio in a "fair" state of good repair.*

**A recent study completed by the City of Toronto, suggested that capital repair funding for TCHC should be \$334M (not including funding required to meet Net Zero requirements) per year which further substantiates that TCHC requires significantly more capital funding starting no later than January 1, 2028 than what is currently guaranteed**

#### **BACKLOG:**

From 2017 - 2020, TCHC successfully allocated over 80% of it's Capital Renewal budget to Planned Capital (Backlog).

**Poor (11% to 30%)** *Increased risk of component failure, increased O&M costs, and negative impact on residents*

TCHC (Capital Program)	59	<b>13.49%</b>	19.99%	28.92%
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<i>Table1: Capital Repair Plan – 2017 Forecast vs. Actual FCI Year</i>	<b>Capital Plan</b>	<b>Original 2017 Forecasted FCI</b>	<b>2023 FCI</b>
2017	\$250M	16.20%	16.20%
2018	\$300M	16.40%	15.00%
2019	\$313M	18.20%	15.60%

2020	\$350M	18.40%	15.70%
2021	\$350M	17.60%	13.20%
2022	\$350M	15.90%	12.50%
2023	\$350M	14.50%	13.03%
2024	\$350M	13.10%	13.43%*
2025	\$340M	11.40%	12.35%*
2026	\$336M	10.10%	11.97%*
2027	\$332M	10.10%	11.37%*
2028	\$160M	12.39%*	
2029	\$153M	13.13%*	
2030	\$153M	13.36%*	
2031	\$153M	13.91%*	
2032	\$153M	14.24%*	
2033	\$160M	14.79%*	

HBRP - Holistic Building Retrofit Program	\$20,000,000	\$20,000,000	\$6,000,000	\$26,000,000	\$10,795,985
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