



Date: November 22, 2018

Report to: Board of Directors
CityHousing Hamilton Corporation

Submitted by: Tom Hunter
Chief Executive Officer/
Secretary

Prepared by: Tom Hunter, CEO

Subject: **CEO Information Written Update**

1.0 Jamesville Resident Relocation Plans

Staff continue to meet with the remaining residents at Jamesville to determine their interim and permanent relocation plans. At the current time there are 19 families living at Jamesville. Of these 19 families, 14 are scheduled to be moved in December. There are 5 families to be allocated a transfer and determine a move out date.

Once there are no residents living at Jamesville, work will begin on the plan to demolish and secure the site.

2.0 Appliance Replacement 2019 Program

At the Board meeting on September 25, 2018, CHH staff were asked to provide the Board with further information on appliance replacement costs across the portfolios.

Outlined below is the current total number of units where CHH does not provide refrigerators or stoves:

- 1268 Townhouse Units
- 453 Single and Semi-detached Houses

Appliances costs are approximately \$600.00 for a fridge and \$600 for a stove so the total cost for a unit would be approximately \$1200. This would result in the following replacement costs:

• Townhouse Units	\$1,521,600
• Single and Semi-Detached Units	\$ 543,600
Total	\$2,065,200

There would be further costs for the ongoing maintenance of these appliances. In considering the annualized maintenance costs of the appliances currently owned by CHH, it is expected that there would be a further \$20,000 in annualized maintenance costs.

In replacing appliances upon the signing of a new lease, we could anticipate that around 200 fridges and stoves would be replaced in a year. This would result in an annualized cost of \$240,000.

In changing out the appliances with current residents, there needs to be consideration of the lease agreement. Residents would have to agree to receive a new fridge and stove from CHH. RGI units currently receive a \$4.00 reduction in rent because a fridge and stove is not provided. So rent would increase for everyone by \$4.00. Utility costs wouldn't matter because either they're providing the appliances or CHH is providing the appliances and the hydro usage would be consistent. If the resident agrees to the leasing agreement change (which they might because they no longer need to provide a fridge and stove) then CHH could draft up new leases, recalculate rent, and provide new appliances.

If CHH installs at move in, then CHH will have to make sure that we are tracking that the appliances belong to CHH for repairs and that the rent calculation is different from those who have their own fridges and stoves. If the appliances are replaced all at once, but a few residents prefer to have their own fridge and stove, then we would have to track that the appliances are theirs.

Tom Hunter
Chief Executive Officer/Secretary