



BOARD OF DIRECTORS MEETING AGENDA
HEALTHY, SUSTAINABLE COMMUNITIES

Date: Wednesday, February 23, 2022

Time: NDHC Board Meeting at 2:00 PM or directly following the DNSSAB Board meeting

Location: Teleconference via Zoom

Join Zoom Meeting

<https://us06web.zoom.us/j/89603062042?pwd=QVM4SHh0WjRlSVNDZi85TGU0RTc2QT09>

Meeting ID: 896 0306 2042

Passcode: 73481658

One tap mobile

+16475580588,,89603062042#,,,,*73481658# Canada

+16132093054,,89603062042#,,,,*73481658# Canada

Dave Mendicino (Chair), Scott Robertson (Vice Chair), Dean Backer, Jane Dumas, Mark King, Chris Mayne, Dan Roveda, Amanda Smith.

	NDHC BOARD AGENDA
1.0	1.1 Call Meeting to Order – Roll Call 1.2 Declarations of Conflict & Pecuniary Interest 1.3 Opening Remarks by Chair
2.0	Adoption of Agenda MOTION: #2022-01 BE IT RESOLVED that the Agenda for the NDHC Board meeting for be adopted as presented.

NDHC BOARD AGENDA

3.0 Meeting Minutes (December 15, 2021)

MOTION: #2022-02

BE IT RESOLVED, that the minutes of the Board meeting held; December 15, 2021 be approved, as presented.

4.0 DELEGATIONS

Auditor Dean Decaire presents on the Audit Planning Process for NDHC

5.0

CONSENT AGENDA – All items in the consent agenda are voted on collectively. The Chair will call out each item for consideration of discussion. Any item can be singled out for separate vote; then, only the remaining items will be voted on collectively.

MOTION: #2022-03

THAT the Board receives for information, Consent Agenda items 5.1 and 5.2.

5.1 NDHC01-22 Manitou Property - Geotechnical & Geophysical Report – provides an update on geotechnical and geophysical studies performed on property at Manitou/Mulligan Streets.

5.2 NDHC02-22 1040 Brookes Re-zoning Update - provides an update on studies conducted at 1040 Brookes Street as part of a rezoning application.

6.0

MANAGERS REPORTS

6.1 NDHC03-21 Deep Energy Retrofit

MOTION: #2022-04

BE IT RESOLVED, THAT the Nipissing District Housing Corporation (NDHC) Board approve that staff proceed with developing a deep energy retrofit plan for NDHC Board approval.

6.2 Move In-Camera

MOTION: #2022-05

BE IT RESOLVED, THAT the Nipissing District Housing Corporation (NDHC) Board move in-camera at _____ to discuss a matter of negotiation.

6.3 Adjourn In-Camera

MOTION: #2022-06

BE IT RESOLVED, THAT the Nipissing District Housing Corporation (NDHC) Board adjourns in-camera at _____.

NDHC BOARD AGENDA

	<p>6.4 Approve In-Camera</p> <p>MOTION: #2022-07 BE IT RESOLVED, THAT the Nipissing District Housing Corporation (NDHC) Board approves the direction/action agreed to in the in-camera session.</p>
7.0	New Business
8.0	<p>Next Meeting Date and Adjournment</p> <p>MOTION: #2022-08 BE IT RESOLVED, that the meeting of the NDHC Board be adjourned at; _____ PM and that the next meeting will be held at a yet to be determined date.</p>



MINUTES OF PROCEEDINGS

REGULAR BOARD MEETING –Wednesday December 15, 2021 Via Zoom Teleconference

MEMBERS PRESENT:

Councillor Dave Mendicino (Chair)
Councillor Scott Robertson (Vice Chair)
Councillor Mark King
Councillor Dan Roveda
Mayor Dean Backer
Amanda Smith
Councillor Chris Mayne
Mayor Jane Dumas

Call to Order

1.1 Chair Dave Mendicino called the meeting to order at 12:02 P.M. and roll call was taken.

1.2 Declarations of Conflict & Pecuniary Interest – There were no declarations.

1.3 Opening Remarks

The Chair thanked everyone for attending.

2.0 Adoption of Agenda

RESOLUTION #2021-39

MOVED BY: Chris Mayne
SECONDED BY: Dan Roveda

BE IT RESOLVED, that the Agenda for the NDHC Board meeting for December 15, 2021 be adopted as presented.

CARRIED

3.0 Approval of Minutes

Meeting Minutes (October 27, 2021)

RESOLUTION # 2021-40

MOVED BY: Amanda Smith
SECONDED BY: Scott Robertson

BE IT RESOLVED, that the minutes of the Board meeting held; Wednesday, October 27, 2021 be approved, as presented.

CARRIED

4.0 DELEGATIONS – none at this time.

5.0 Consent Agenda – none at this time.

6.0 Managers' Reports

6.1 NDHC16-21 NDHC Operating and Capital Budgets

RESOLUTION #2021-41

MOVED BY: Dan Roveda
SECONDED BY: Scott Robertson

BE IT RESOLVED, THAT the Nipissing District Housing Corporation (NDHC) Board approves the 2022 operating and capital budgets for all phases operated by the Nipissing District Housing Corporation (NDHC) as set out in report NDHC16-21.

Finance Manager Justin Avery presented the 2022 NDHC Budget for approval. There was discussion about the added position of Community Development, and many comments by members supported this.

CARRIED

6.2 NDHC15-21 One (1) Year By-law Review
RESOLUTION #2021-42

MOVED BY: Dean Backer
SECONDED BY: Mac Bain

BE IT RESOLVED THAT the Nipissing District Housing Corporation (NDHC) Board adopts the amendments to NDHC By-law #1 listed in this report; and

THAT all NDHC Board members sign to execute the updated By-law #1; and

THAT the updated By-Law #1 be sent to the District of Nipissing Social Services Administration Board (DNSSAB), as sole shareholder, for approval.

CARRIED

7.0 New Business

There was no new business.

8.0 Meeting Adjournment

RESOLUTION: #2021-43

MOVED BY: Chris Mayne
SECONDED BY: Mark King

BE IT RESOLVED, that the meeting of the NDHC Board be adjourned at 12:23 PM and that the next meeting will be held at a yet to be determined date.

CARRIED

DAVE MENDICINO
CHAIR OF THE BOARD

CATHERINE MATHESON
CHIEF EXECUTIVE OFFICER

Minutes of Proceedings Recorder: Marianne Zadra

Nipissing District Housing Corporation

Audit planning report to the Board of Directors
for the year ended December 31, 2021



To the Board of Directors of Nipissing District Housing Corporation

We are pleased to provide you with this planning report to highlight and explain key issues which we believe to be relevant to the audit of Nipissing District Housing Corporation (the "Organization") financial statements for the year ended December 31, 2021.

The enclosed planning report includes our approach to your audit, the significant risks we have identified and the terms of our engagement. At the year-end meeting, we will provide you with a copy of our draft audit opinion and discuss the nature, extent and results of our audit work. We will also report any significant internal control deficiencies identified during our audit and reconfirm our independence.

Our audit and therefore this report will not necessarily identify all matters that may be of interest to the Board of Directors in fulfilling its responsibilities. This report has been prepared solely for the use of the Board of Directors and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

We look forward to completing our draft audit report opinion and discussing our conclusions with you. In the meantime, please feel free to contact us if you have any questions or concerns.

Yours truly,

BDO Canada LLP

For the year ended December 31, 2021



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For the year ended December 31, 2021



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Audit at a glance

LEAD PARTNER ON YOUR AUDIT	Dean Decaire CPA, CA
	E: ddecaire@bdo.ca
	T: 705-667-0316
START DATE	April 4, 2022
END DATE	May 2022



Your Dedicated BDO Audit Team

Dean Decaire, CPA, CA

T: 705-667-0316
E: ddecaire@bdo.ca

Dean Decaire has over 30 years of audit experience, working with various organizations. This experience allows him/her to address the unique audit and operating needs his clients have.

Dean Decaire will be the Engagement Partner for your assurance services. He will assume ultimate responsibility for the provision of all services, monitoring and controlling costs to ensure you receive quality, effective and value-added service.

Josh Trudeau, CPA, CA

T: 705-492-7340
E: jtrudeau@bdo.ca

Josh Trudeau has over 13 years of audit experience, working with various organizations. This experience allows him/her to address the unique audit and operating needs his clients have.

Josh Trudeau will be the Engagement Manager for your assurance services. He will assume ultimate responsibility for the provision of all services, monitoring and controlling costs to ensure you receive quality, effective and value-added service.

Gwyn Bailey, CPA, CA

T: 705-495-2000
E: gbailey@bdo.ca

Gwyn Bailey has over 10 years of audit experience, working with various organizations.

This experience allows her to address the unique audit and operating needs her clients have. Gwyn Bailey will be the Audit Senior for your assurance services. Gwyn will be responsible for the day-to-day supervision and execution of audit procedures.

Our independence



We have complied with relevant ethical requirements and are not aware of any relationships between Nipissing District Housing Corporation and our Firm that may reasonably be thought to bear on our independence.

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Audit Timeline



For the year ended December 31, 2021



BDO'S DIGITAL AUDIT SUITE

APT Next Gen

We use our APT Next Gen software and documentation tool to save time, streamline processes, and go paperless with your audit.

[LEARN MORE](#)

DISCOVER THE DIGITAL DIFFERENCE



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Auditor's Responsibilities: Financial Statements

We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management, with oversight by those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities. The scope of our work, as confirmed in our engagement letter attached as Appendix A to this letter, is set out below:

Year-End Audit Work

- ▶ Work with management towards the timely issuance of the financial statements, tax returns and consents for offering documents.
- ▶ Prepare (review) applicable tax returns for the year ended December 31, 2021.
- ▶ Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit.
- ▶ Present significant findings to the Board of Directors including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.



We are required to obtain an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the financial statements, to determine whether adequate accounting records have been maintained and to assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.

We are required to report to you in writing about any significant deficiencies in internal control that we have identified during the audit.

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Auditor's Responsibilities: Fraud

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud, by:

- ▶ Identifying and assessing the risks of material misstatement due to fraud;
- ▶ Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- ▶ Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

For the year ended December 31, 2021

Behind the audit report



Learn how we audit your financial statements

[SEE OUR PROCESS](#)

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Auditor's Responsibilities: Fraud

Throughout our planning process, we performed risk assessment procedures and related activities to obtain an understanding of the entity and its environment, including the Organization's internal control, to obtain information for use in identifying the risks of material misstatement due to fraud and made inquiries of management regarding:

- ▶ Management's assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- ▶ Management's process for identifying and responding to the risks of fraud in the Organization, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- ▶ Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in Nipissing District Housing Corporation; and
- ▶ Management's communication, if any, to employees regarding its view on business practices and ethical behavior.

We are not currently aware of any fraud affecting the Organization. If you are aware of any instances of actual, suspected, or alleged fraud, please let us know.



Significant Risks and Planned Responses

We have identified the following significant risks that require special audit consideration. These risks were identified based on our knowledge of the Organization, our experience, and input from management and the Board of Directors. Please review these significant risks and let us know your thoughts on these or any other areas of concern.

Financial statement areas	Risks noted	Audit approach
Management Override of Controls	Management is in a unique position to perpetrate fraud because of management's ability to override controls, potentially leading to a material misstatement of the financial statements.	Identify and select journal entries and other adjustments for testing. Perform a retrospective review of significant accounting estimates. Identify significant unusual transactions that are outside the normal course of operations.
Revenue Recognition Related to Deferred Revenues	Inherent fraud risk related to revenue recognition which could lead to a material misstatement of the financial statements. Risk that deferred revenues are not treated properly which could lead to a material misstatement of the financial statements.	Ensure revenue recognition policy is appropriate, applied consistently, and in line with accounting framework. Review deferred revenue details and associated agreements to ensure proper treatment.
Revenue Recognition Related to Cut-off Risk	Risk that timing of revenue has been manipulated in order to decrease amounts payable at year-end.	All grant revenue will be confirmed with funding agreements to ensure that revenues recorded exist, are complete and are recorded accurately. Ensure revenue recognition policy is appropriate, applied consistently, and in line with accounting framework. Perform testing of disbursements around year-end to ensure they have been accounted for in correct period. Perform testing of adjusting entries made throughout the year.
Rent Revenue	Risk related to rental revenue due to the inherent nature of these payments.	Perform testing on revenue balances based on expected balances using number of units and approved rental amounts. Detailed testing of balances to ensure funds have been properly collected and accounted for. Utilize various fraud testing techniques throughout performance of procedures, incorporating a required level of unpredictability.
Impact of COVID-19 on operations and control environment	In common with many Organizations, COVID-19 has impacted operations as the Board has to continually adjust controls and operations to adapt to Provincial mandates and the rules and regulations of health authorities, this can create the risk that controls and related operations are not being carried out as intended.	Walkthrough and testing of changes to controls that have resulted from COVID-19 protocols. Review and discussions with management and Board of Directors to gain an understanding of changes during the year, along with corroboration of these changes.

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Materiality

We determined preliminary materiality to be \$200,000, based on 2.5% of Expenses.

Misstatements are considered to be material if they could reasonably be expected to influence the decisions of users based on the financial statements.

Our materiality calculation is based on the Organization's preliminary results. If actual results change significantly, we will communicate those changes to the Board of Directors as part of our year-end communication.

We will communicate all corrected and uncorrected misstatements identified during our audit to the Board of Directors, other than those which we determine to be "clearly trivial."

We encourage management to correct any misstatements identified throughout the audit process.

For the year ended December 31, 2021





How we Audit Financial Statements: Our Six-Step Audit Process

IDENTIFY AND ASSESS RISK

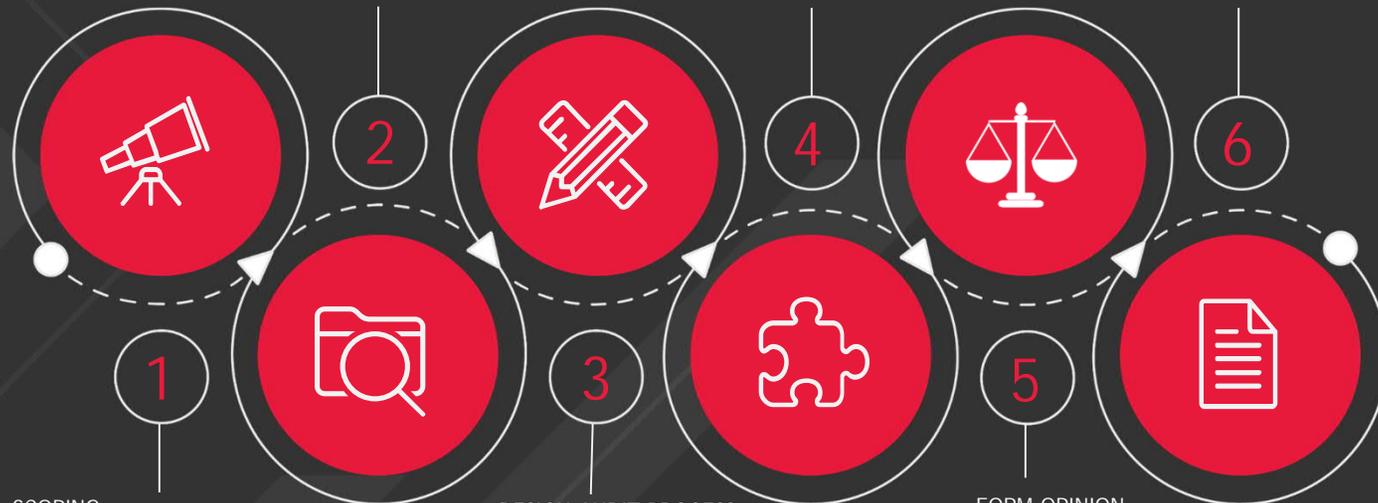
Focus on those areas of financial statements that contain potential material misstatements as a consequence of the risks you face

OBTAIN AUDIT EVIDENCE

Perform audit procedures while maintaining appropriate degree of professional skepticism, to conclude whether or not the financial statements are presented fairly

REPORT

Communicate our opinion and details of matters on which we are required to report



SCOPING

Complete a preliminary review to plan the audit, determine the materiality level, and define the audit scope

DESIGN AUDIT PROCESS

Design an appropriate audit strategy to obtain sufficient assurance and enable us to report on the financial statements

FORM OPINION

Evaluate whether we have enough evidence to conclude that the financial statements are free from material misstatement, and consider the effect of any potential misstatements found

New Standard for Audit Quality



ISQM 1

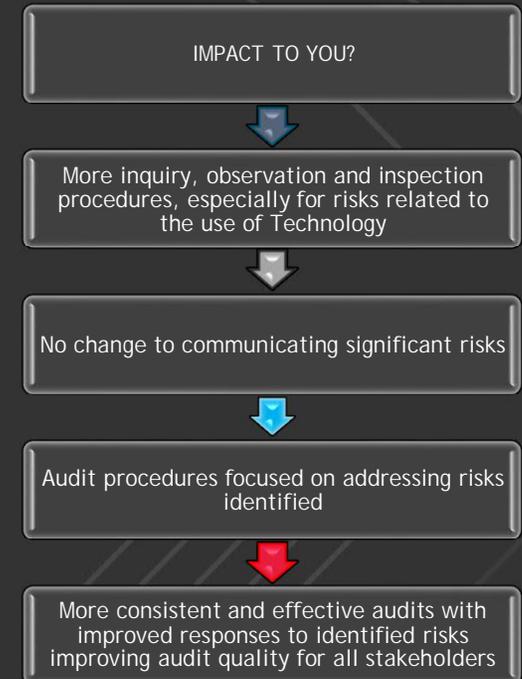
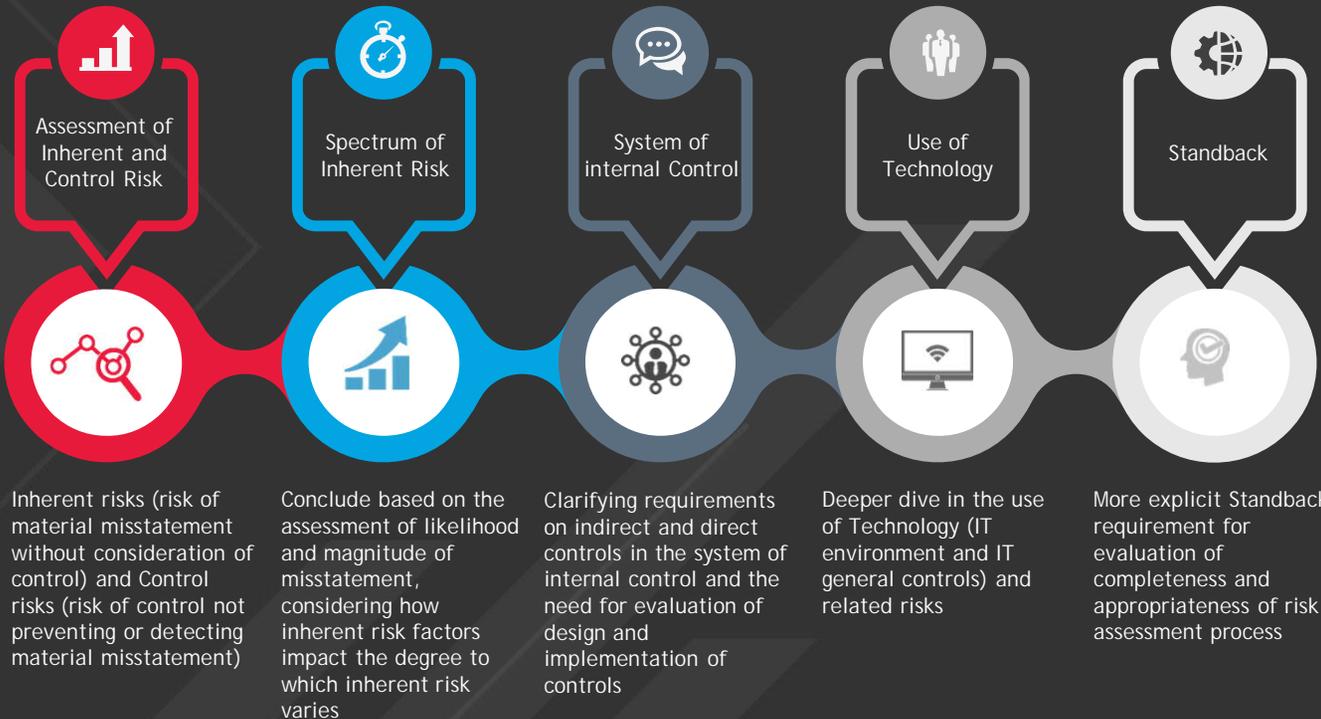
The quality of an audit depends not only on the people conducting it—but also on the systems underpinning it. These new rules up the ante for your audit quality.

[SEE THE STANDARD](#)



Coming Soon: Updates to Our Audit Process

Canadian Auditing Standard 315, *Identifying and Assessing the Risks of Material Misstatement*, was significantly revised with a greater focus on more robust Risk Identification, Assessment and Response procedures. The standard will be effective for periods beginning on or December 15, 2021. The updates described below will impact mainly Steps 1 through 3, of our current six step audit process. Key enhancements include:



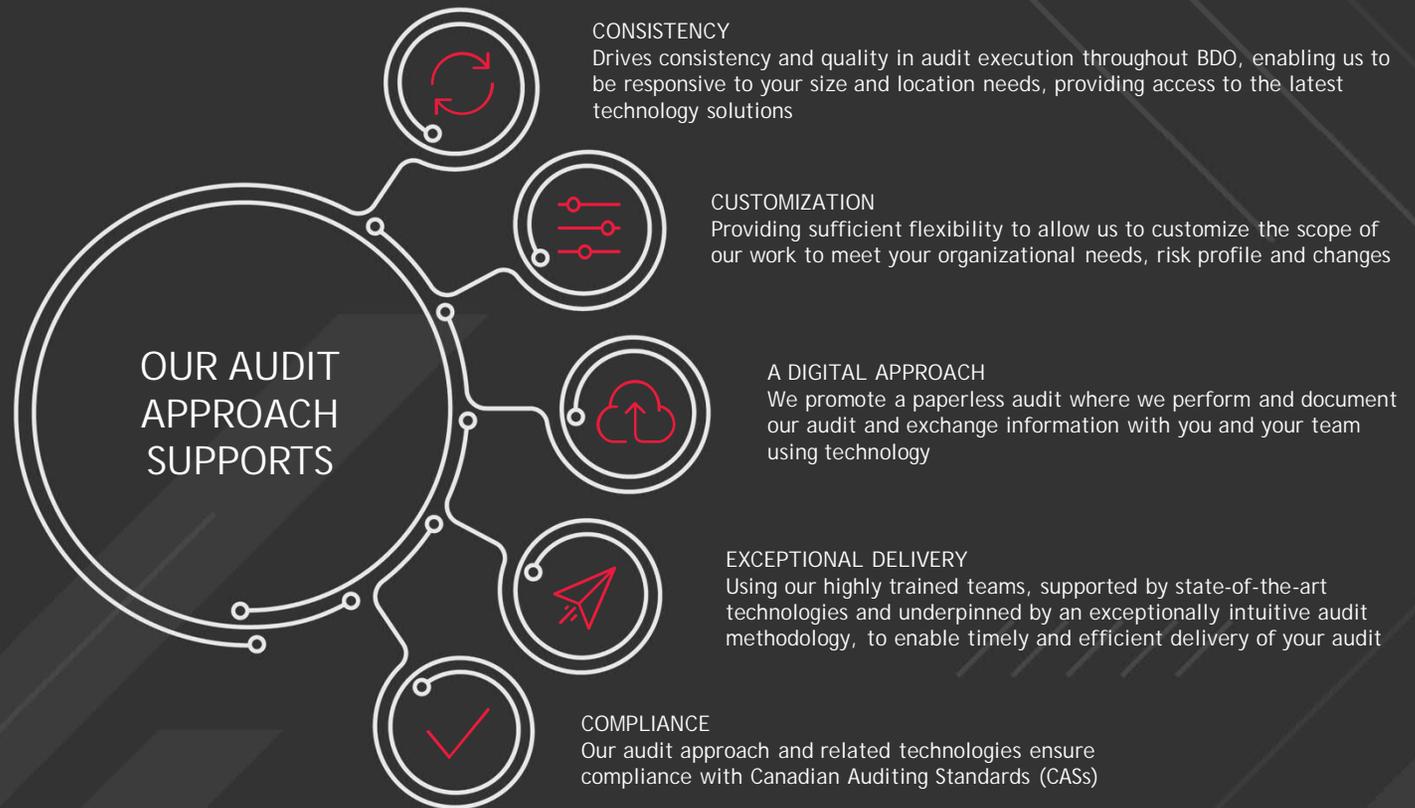
Our Audit Approach: Responsiveness in Action

The cornerstone of each audit engagement is how we deliver our services.

Our firm is deliberately structured to allow one partner to every six staff members. This means easy access to senior staff and the lead partner throughout your audit, as well as a quick turnaround on any questions. It also helps our team gain a better understanding of your organization.

Our audit process differs from the typical audit in our use of in-field reviews, subject to COVID-19 safety protocols. The benefit of these in-field reviews is that final decision-makers are on site ensuring issues are resolved and files closed quickly.

We offer clients the full-service expertise of a national firm. Even more: As part of the global BDO network, we provide seamless and consistent cross-border services to clients with global needs. Yet we maintain a local community focus. The comprehensive range of services we deliver is complemented by a deep industry knowledge gained from nearly 100 years of working within local communities.



BDO's Digital Audit Suite

Our digital audit suite of technologies enables our engagement teams to conduct consistent risk-based audits, both domestically and internationally, with maximum efficiency and minimal disruption to our clients' operations and people.



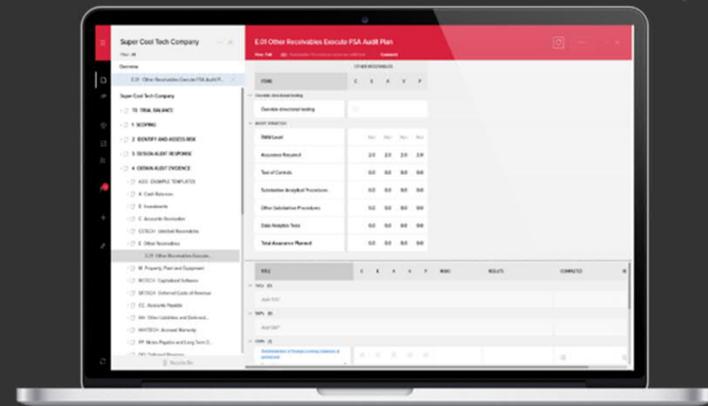
APT Next Gen

Our audit software and documentation tool, APT, is an integral part of our audit methodology. Our professionals engage APT to devise and perform appropriate, risk-based audit procedures and testing based on applicable Canadian Auditing Standards (CASs), as well as to factor in engagement and industry-specific objectives and circumstances.

APT enables us to deliver an audit that fits your organization—whether large or small; complex or basic.

This sophisticated tool also amplifies two key attributes of our audits: consistency and quality. The quality framework that we developed measures our audit performance with hard quality indicators and reflects our indispensable culture for quality. To see our audit quality and consistency in action, look no further than how our teams share best audit practices for continuous improvement.

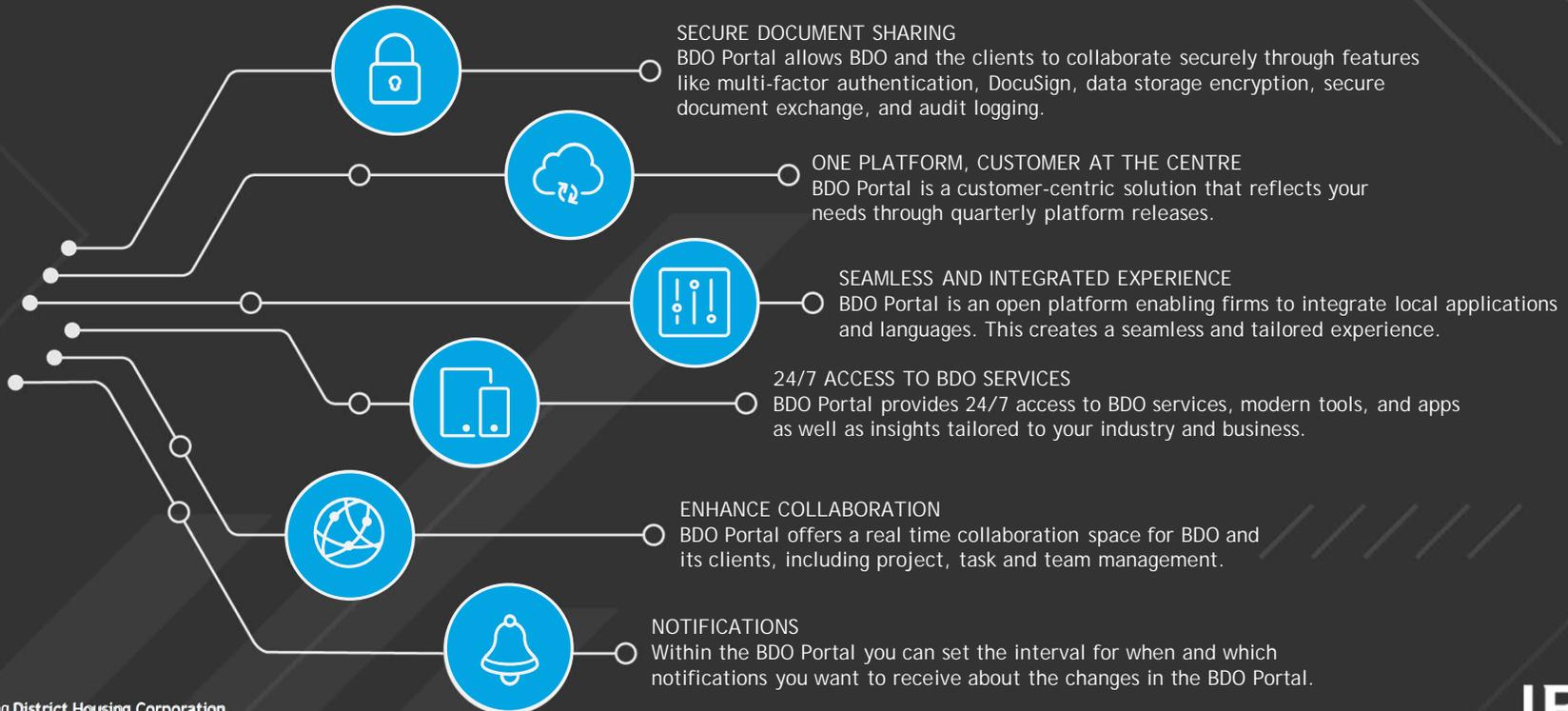
Through a strategic alliance with Microsoft and the introduction of new technology, this global, cloud-based application can now streamline and focus the audit process in even more ways for BDO professionals and their clients.





BDO Portal

BDO Portal transforms and enhances your digital experience with your BDO advisors. Available at any time, Portal enables you to access all services, tools, apps, and information and to collaborate with your advisors in a seamless way through a flexible, appealing, and secure environment.





Recommended Resources

Key changes to financial reporting



When the rules of reporting change, you may need to fine-tune how to present financial statements and govern the organization.

[ACCESS OUR KNOWLEDGE CENTRE](#)

The latest tax pointers



Corporate. Commodity. Transfer pricing. International tax. Government programs. Together they add up to immense differences on the organization's bottom line. Our tax collection keeps you current.

[STAY ON TOP OF TAXES](#)

BDO Canada Sustainability Practice



Whether you're building a recovery plan, scanning new opportunities for growth, or revisiting your response—you'll find something to help you in our library of 100-plus webinars, articles, infographics, and videos.

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Specific to you



We think the resource below may be of interest to the Board of Directors

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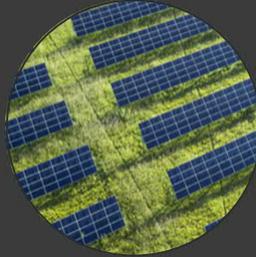
For the year ended December 31, 2021

Spotlight on Sustainability

Transformative world events—an international health crisis, social movements, shareholder and investor values, global supply chains, energy transition, smart cities, and sustainable finance—are transforming Canadian business.

Standards and regulations are rapidly changing to reflect the goals of all of your stakeholders. Organizations, investors, and customers are embracing environmental, social, and governance (ESG) considerations as important measures of success. Non-financial and financial information is becoming more interconnected.

How climate change became a business issue worth reporting



[READ ARTICLE](#)

Why manufacturers should be reviewing their ESG strategy now



[READ ARTICLE](#)

What executives need to do to align ESG with strategy



[READ ARTICLE](#)

5 reasons why businesses should care about ESG



[READ ARTICLE](#)

How does COVID-19 impact the environment?



[READ ARTICLE](#)

BDO Global Sustainability Resource Hub



[EXPLORE NOW](#)

ESG, and the business case for dealing with climate change



[READ ARTICLE](#)

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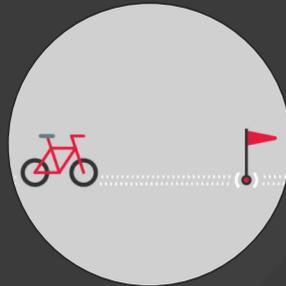
Spotlight on Not-for-profit

Sector insights to shape your organization

Our not-for-profit leaders are thinking about the big questions facing the sector—from fulfilling your mission with limited resources to staying compliant with regulation. Our team combines sector-leading assurance, advisory, and tax expertise to bring you key insights.

For more on these and other key issues facing your business, please reach out to your engagement partner. They will be happy to put you in touch with the BDO professional who can best help you.

Navigating your non-profit



Your strategic roadmap to success

[READ REPORT](#)

Board guide to strategic planning



Building a roadmap for your non-profit

[READ REPORT](#)

The BDO Not-for-Profit Resource Centre



Sector insights at your convenience

[EXPLORE NOW](#)

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For the year ended December 31, 2021



Appendix A: Engagement Letter



Tel: 705-495-2000
Fax: 705-495-2001
Toll-free: 1-800-461-6324
www.bdo.ca

BDO Canada LLP
301-101 McIntyre Street West
North Bay, ON P1B 2Y5
Canada

February 24, 2021

Nipissing District Housing Corporation
c/o District of Nipissing Social Services Administration Board
200 McIntyre Street East
P.O. Box 750
North Bay, Ontario
P1B 8J8

Attention: Catherine Matheson

Dear Ms. Matheson:

We understand that you wish for us to continue as the auditors of Nipissing District Housing Corporation for its fiscal year ended December 31, 2020 and subsequent years.

We are pleased to continue as your auditors subject to the terms and conditions of this Agreement, to which the attached Standard Terms and Conditions form an integral part. The definitions set out in the Standard Terms and Conditions are applicable throughout this Agreement. This Agreement will remain in place and fully effective for future years until varied or replaced by another relevant written agreement.

Dean N. Decaire, CPA, CA will be the Engagement Partner for the audit work we perform for you. The Engagement Partner will call upon other individuals with specialized knowledge to assist in the performance of services.

Our Role as Auditors

We will conduct our audit(s) in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements prepared in accordance with Canadian public sector accounting standards are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by you, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, whether by fraud or error, may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to your preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your internal controls. However, we will communicate to you concerning any significant deficiencies in internal controls relevant to the audit of the financial statements that we have identified during the audit.



We will also communicate matters required by professional standards, to the extent that such matters come to our attention, to you, those charged with governance and/or the board of directors.

Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with Canadian public sector accounting standards.

Our independent auditor's report will be substantially in the form set out in Canadian Auditing Standard (CAS) 700. The form and content of our report may need to be amended in the light of our audit findings. If we are unable to issue or decline to issue an audit report, we will discuss the reasons with you and seek to resolve any differences of view that may exist.

Role of Management and Those Charged with Governance

You acknowledge and understand that you have responsibility for:

- (a) the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards. The audit of the financial statements does not relieve you of your responsibilities;
- (b) such internal controls as you determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- (c) providing us with:
 - access, in a timely manner, to all information of which you are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that we may request for the purpose of the audit;
 - unrestricted access to persons within the entity from whom we determine it is necessary to obtain audit evidence;
 - financial and non-financial information (other information) that will be included in document(s) containing financial statements and our audit report thereon prior to the date of our auditor's report. If it is not possible to provide all the other information prior to the date of our auditor's report, you are responsible for provision of such other information as soon as practicable; and
 - written confirmation concerning representations made to us in connection with the audit. If appropriate and adequate written representations are not provided to us, professional standards require that we disclaim an audit opinion.

Financial Statement Services

We will obtain your approval, if during the course of our engagement we:

- (a) prepare or change a journal entry; or
- (b) prepare or change an account code or a classification for a transaction.

As agreed, we will provide assistance in the preparation of the financial statements.



These services create a threat to our independence. We, therefore, require that the following safeguards be put into place:

- (a) that you create the source data for all accounting entries;
- (b) that you develop any underlying assumptions for the accounting treatment and measurement of entries; and
- (c) that you review and approve the draft financial statements, including the notes to the financial statements.

Tax Services

In addition to the assurance services discussed above, we may be requested by you to prepare corporate tax returns and T1044. The returns will be prepared based upon the information supplied by you. We will not audit, review or otherwise attempt to verify the accuracy or completeness of such information. We will utilize the information you have already provided to our assurance engagement team to the extent that the material is available and relevant to the preparation of the returns. It may be necessary for us to request further information.

Our fee as indicated below is based on the assumption that all information required to prepare any required tax returns is provided on a timely basis. Our fee may need to be adjusted if there is a delay in providing this information to us. To the extent that there are unanticipated tax issues that require additional research to complete the tax return or should additional work be required on BDO's part to accumulate any schedules, information, calculations, etc., necessary to support the information required to be disclosed in the tax returns, additional fees shall be charged at our standard hourly rates based upon the increased time and expenses incurred by BDO personnel. In addition, the fee quoted does not include services related to responding to notices or inquiries from taxing authorities.

Regardless of any tax return preparation services we provide to you, you will remain responsible for filing your tax returns with the appropriate authorities on a timely basis.

Your returns are, of course, subject to review by the taxation authorities. Any items reassessed against you by the taxation authorities are subject to certain rights of appeal. In the event of any tax audit, we will be available to represent you for a mutually agreed upon fee.

We will discuss with you any filing positions which, if taken, have the potential to give rise to a material adverse assessment or reassessment by the taxing authorities. If such an assessment or reassessment occurs, any additional tax that arises will be your responsibility. In addition, we cannot be responsible for interest and penalties assessed against you in connection with your income tax affairs. Therefore, should any interest or penalty be assessed, they shall be your responsibility.

Our audit is conducted primarily to enable us to express an opinion on the financial statements. The audit process is not designed to provide us with a full understanding of your tax situation and in particular, to allow us to determine whether the entity has specific tax compliance issues. We will, however, provide advice on an ongoing basis on general tax matters as requested by you. To the extent that tax services requested by you are not covered by a separate engagement letter, the terms of this Agreement shall apply to the tax services.

Additional Services



We are available to provide a wide range of services beyond those outlined in this Agreement. To the extent that any additional services that we provide to you that are not provided under a separate written engagement agreement, the provisions of this Agreement will apply to the services.

Fee Estimation

The estimated fee for this engagement is as follows:

Audit services:	\$12,000
Tax services:	Nil
Additional services:	Nil

For each future year we will issue a Summary of Services providing details of our Services and fees.

We will notify you on a timely basis if there are any circumstances we encounter which could significantly affect our initial estimate of professional fees. Our fees will be invoiced and payable as follows:

- (\$Nil) prior to commencing annual assurance engagement;
- (\$Nil) interim payment;
- (\$Nil) prior to issuance of assurance report; and
- (\$12,000) within 10 days after issuance of our final invoice along with any additional required final payments.

We reserve the right to suspend our Services if any of our invoices become delinquent. Fees that are not paid within 30 days of an invoice or by a specified payment deadline will be considered delinquent.

Additional information relating to our fees is provided in the Standard Terms and Conditions.

Standard Terms and Conditions

A copy of our Standard Terms and Conditions is attached as Appendix 1. You should ensure that you read and understand them. The Standard Terms and Conditions include clauses that limit our professional liability.

Please sign and return the attached copy of this Agreement to indicate your agreement with it. If you have any questions concerning this Agreement, please contact us before signing it.

It is a pleasure for us to be of service and we look forward to many future years of association with you.



Yours truly,

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Agreement of all the terms and conditions in this Agreement is hereby acknowledged by:

DocuSigned by:
cmath 4/7/2021
7F6E1BB165AA475...
Signature Date

Catherine Matheson CAO
Name (please print) Position

Please carefully review this Agreement, which includes the attached Standard Terms and Conditions, prior to signing it. A complete copy of the signed engagement letter should be returned to us.

cc: Board of Directors





Appendix 1 - Standard Terms and Conditions

1. Overview and Interpretation

1.1 This Agreement sets forth the entire agreement between the parties in relation to Services and it supersedes all prior agreements, negotiations or understandings, whether oral or written, with respect to Services. To the extent that any of the provisions of the accompanying letter conflict with these Standard Terms and Conditions, these Standard Terms and Conditions shall prevail. This Agreement may not be changed, modified or waived in whole or part except by an instrument in writing signed by both parties.

1.2 In this Agreement, the following words and expressions have the meanings set out below:

This Agreement - these Standard Terms and Conditions, the letter to which they are attached, and any supporting schedules or other appendices to the letter, and any Summary of Services letters issued in future years.

Services - the services provided or to be provided under this Agreement

We, us, our, BDO - refer to BDO Canada LLP, a Canadian limited liability partnership organized under the laws of the Province of Ontario

You, your - the party or parties contracting with BDO under this Agreement, including the party's or parties' management and those charged with corporate governance. You and your does not include BDO, its affiliates or BDO Member Firms

BDO Member Firm or Firms - any firm or firms that form part of the international network of independent firms that are members of BDO International Limited

Confidential Information - information that contains identifying features that can be attributed to you or individual personnel

2. BDO Network and Sole Recourse

2.1 BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international network of independent member firms (i.e. BDO Member Firms), each of which is a separate legal entity.

2.2 We may use other BDO Member Firms or subcontractors to provide Services; however, we remain solely responsible for Services. You agree not to bring any claim or action against another BDO Member Firm (or their partners, members, directors, employees or subcontractors) or our subcontractors in respect of any liability relating to the provision of Services.

2.3 You agree that any of our affiliates, subcontractors, and other BDO Member Firms and any subcontractors thereof whom we directly or indirectly involve in providing Services have the right to rely on and enforce Section 2.2 above as if they were a party to this Agreement.

3. Respective Responsibilities

3.1 We will use reasonable efforts to complete, within any agreed-upon time frame, the performance of Services.



- 3.2 You shall be responsible for your personnel's compliance with your obligations under this Agreement. We will not be responsible for any delays or other consequences arising from you not fulfilling your obligations.
4. Working Papers and Deliverables
- 4.1 Ownership – Any documents prepared by us, or for us, in connection with Services belong solely to us.
- 4.2 Oral advice and draft deliverables – You should not rely upon any draft deliverables or oral advice provided by us. Should you wish to rely upon something we have said to you, please let us know and, if possible, we will provide the information that you require in writing.
- 4.3 Translated documents – If you engage us to translate any documents, advice, opinions, reports or other work product of BDO from one language to another, you are responsible for the accuracy of the translation work.
- 4.4 Reliance by Third Parties – Our Services will not be planned or conducted in contemplation of or for the purpose of reliance by any party other than you. Items of possible interest to a third party will not be addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction.
- 4.5 Consent to use the Report – Nothing in this Agreement shall be construed as consent to the use of our report in connection with a continuous disclosure document, a public or private offering document, an annual report or any other document and we expressly do not provide such consent. If you request consent for the use of our report, we will consider, at the relevant time, providing consent and any conditions that we may attach to such consent. Our consent must be in writing.
- 4.6 Consent requests – In order to provide consent, professional standards require that we read the other information in the related document and consider whether such information is materially inconsistent with the related financial statements. Any consent request must be made on a sufficiently timely basis to allow us to consider your identification and resolution of events occurring in the period since the date of our report, and to obtain updated written representation letters. Such procedures will be performed at your cost and will be documented in a separate engagement letter.
5. Confidentiality
- 5.1 We agree to use Confidential Information provided by you only in relation to the Services in connection with which the information is provided and we will not disclose the information, except where required by law, regulation or professional obligation. We may however, give Confidential Information to other BDO Member Firms or other subcontractors assisting us in providing Services. Any party to whom we subcontract work will be required to keep Confidential Information confidential either by professional obligation or contract with us. Any BDO Member Firms or other subcontractors we use will be bound by the same confidentiality obligations.
- 5.2 BDO shall be entitled to include a description of the work we render to or for you in marketing and research materials and disclose such information to third parties, provided that all such information will be made anonymous and not associated with you. Additionally, we may analyze information on an industry or sector basis for internal purposes or to provide industry/sector wide information to our clients or potential clients.



You consent to our using information obtained from you in this way provided that the outputs therefrom will not contain any identifying features that can be attributed to you.

6. Independence
 - 6.1 Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to our clients in the performance of our Services. We will communicate to you any relationships between BDO (including its related entities) and you that, in our professional judgment, may reasonably be thought to bear on our independence.
7. Offers of Employment
 - 7.1 Any discussions that you, or any party acting on your behalf, have with professional personnel of our Firm regarding employment could pose a threat to our independence. Your recruitment of an engagement team member from the current or prior year's engagement may compromise our independence and our ability to render agreed Services to you. Engagement team members may include current and former partners and staff of BDO, other BDO Member Firms and other firms who work under our direction. Therefore, you agree to inform us prior to any such discussions so that you and we can implement appropriate safeguards to maintain our independence.
8. Professional and Regulatory Oversight
 - 8.1 As required by legal, regulatory, or professional authorities (both in Canada and abroad) and by BDO policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional and BDO standards. It is understood that by entering into this Agreement, you provide your consent to us providing our files relating to your engagement to the practice inspectors for the sole purpose of their inspection.
 - 8.2 Certain regulatory bodies may also have the right to conduct investigations of you, including the Services provided by us. To the extent practicable and permitted by law, we will advise you of any such investigation request or order prior to providing our working papers.
 - 8.3 You agree to reimburse us for our time and expenses, including reasonable legal fees, incurred in responding to any investigation that is requested or authorized by you or investigations of you undertaken under government regulation or authority, court order or other legal process.
9. Privacy and Consents
 - 9.1 You agree we will have access to all personal information in your custody that we require to complete our engagement. We may collect, use, transfer, store, or process such information disclosed by you of a personal nature (personal information). Our Services are provided on the understanding that:
 - (a) you have obtained any consents for collection, use and disclosure to us of personal information required under all applicable privacy legislation; and
 - (b) we will hold all personal information in compliance with our Privacy Statement.



10. Electronic Communications

- 10.1 Both parties recognize and accept the security risks associated with email communications, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless you request in writing that we do not communicate by internet email, you assume all responsibility and liability in respect of risk associated with its use.
- 10.2 By signing this Agreement, you provide BDO with express consent to communicate with you and your employees, as applicable, electronically, including sending BDO newsletters, publications, announcements, invitations and other news and alerts that may be of interest to you. You and your employees may withdraw such consent at any time by contacting BDO at www.bdo.ca/unsubscribe.

11. Limitation of Liability

- 11.1 In any dispute, action, claim, demand for losses or damages arising out of the Services performed by BDO pursuant to this Agreement, BDO shall only be liable for its proportionate share of the total liability based on degree of fault as determined by a court of competent jurisdiction or by an independent arbitrator as a result of the dispute resolution procedures, notwithstanding the provisions of any statute or rule of common law which create, or purport to create, joint and several liability.
- 11.2 Our liability shall be restricted to damages of a direct and compensatory nature and shall not include indirect, consequential, aggravated or punitive damages, or damages for loss of profits or expected tax savings, whether or not the likelihood of such loss or damage was contemplated.
- 11.3 You agree that BDO shall in no event be liable to you for any actions, damages, claims, liabilities, costs, expenses, or losses in any way arising out of or relating to the Services performed hereunder for an aggregate amount of more than the higher of:
 - (a) three times the fees paid to BDO by you, in a twelve consecutive month period, for the Services provided pursuant to this Agreement giving rise to the claim; and
 - (b) \$25,000.
- 11.4 No exclusion or limitation on the liability of other responsible persons imposed or agreed at any time shall affect any assessment of our proportionate liability hereunder, nor shall settlement of or difficulty enforcing any claim, or the death, dissolution or insolvency of any such other responsible persons or their ceasing to be liable for the loss or damage or any portion thereof, affect any such assessment.
- 11.5 You agree claims or actions relating to the delivery of Services shall be brought against us alone, and not against any individual. Where our individuals are described as partners, they are acting as one of our members.

12. Indemnity

- 12.1 To the fullest extent permitted by applicable law and professional regulations, you agree to indemnify and hold harmless BDO from and against all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:



- (a) a misrepresentation by a member of your management or board of directors, regardless of whether such person was acting in your interest;
- (b) the Services performed by BDO pursuant to this Agreement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the gross negligence of BDO. In the event that the matter is settled out of court, we will mutually agree on the extent of the indemnification to be provided by you, failing which, the matter may be referred to dispute resolution in accordance with the terms of this Agreement.

13. Alternative Dispute Resolution

- 13.1 Both parties agree that they will first attempt to settle any dispute arising out of or relating to this Agreement or the Services provided hereunder through good faith negotiations.
- 13.2 In the event that the parties are unable to settle or resolve their dispute through negotiation, such dispute shall be subject to mediation pursuant to the National Mediation rules of the ADR Institute of Canada Inc. All disputes remaining unsettled for more than 60 days following the parties first meeting with a mediator or such longer period as the parties mutually agree upon shall be subject to arbitration pursuant to the National Arbitration Rules of the ADR Institute of Canada Inc. Such arbitration shall be final, conclusive and binding upon the parties, and the parties shall have no right of appeal or judicial review of the decision. The parties hereby waive any such right of appeal which may otherwise be provided for in any provincial arbitration statute made applicable under the National Arbitration Rules.

14. Limitation Period

- 14.1 You shall make any claim relating to Services or otherwise under this Agreement no later than one year after you became aware or ought reasonably to have become aware of the facts giving rise to any such claim.
- 14.2 You shall in no event make any claim relating to the Services or otherwise under this Agreement later than four years after the completion of the Services under this Agreement.
- 14.3 To the extent permitted by law, the parties to this Agreement agree that the limitation periods established in this Agreement replace any limitation periods under any limitations act and/or any other applicable legislation and any limitation periods under any limitations act and/or any other applicable legislation shall not alter the limitation periods specified in this Agreement.

15. Québec Personnel

- 15.1 We may sometimes have individual partners and employees performing Services within the Province of Québec who are members of the Ordre des comptables professionnels agréés du Québec. Any such members performing professional services hereunder assumes full personal civil liability arising from the practice of their profession, regardless of their status within our partnership. They may not invoke the liability of our partnership as grounds for excluding or limiting their own liability. The provisions in Sections 11 (Limitation of Liability) and 14 (Limitation Period) shall therefore not apply to limit the personal civil



liability of partners and employees who are members of the Ordre des comptables professionnels agréés du Québec.

16. Termination

16.1 This Agreement applies to Services whenever performed (including before the date of this Agreement).

16.2 You or we may terminate this Agreement at any time upon written notice of such termination to the other party. We will not be liable for any loss, cost or expense arising from such termination. You agree to pay us for all Services performed up to the date of termination, including Services performed, work-in-progress and expenses incurred by us up to and including the effective date of the termination of this Agreement.

17. Fees and Billings

17.1 Our estimated fee is based on an assumed level of quality of your accounting records, the agreed upon level of preparation and assistance from your personnel and adherence to the agreed-upon timetable. Our estimated fee also assumes that your financial statements are in accordance with the applicable financial reporting framework and that there are no significant new or changed accounting policies or issues or internal control or other reporting issues. We will inform you on a timely basis if these factors are not in place.

17.2 Should our assumptions with respect to the quality of your accounting records be incorrect or should the conditions of the records, degree of cooperation, results of audit procedures, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates.

Delays in providing the complete list of agreed upon working papers/schedules to BDO will result in additional fees as follows:

- 1 week delay - additional 10% of estimated fees
- 1 month delay - additional 20% of estimated fees

Should a delay occur, we cannot guarantee completion of our work by your deadline.

17.3 Our professional fees will be based on our billing rates which depend on the means by which and by whom our Services are provided. We also will bill you for our out-of-pocket expenses, our administrative charge (described below), and applicable Goods and Services Sales Tax, Harmonized Sales Tax, Quebec Sales Tax and Provincial Sales Tax.

17.4 Our administrative charge is calculated as a percentage of our professional fee and represents an allocation of estimated costs associated with our technology infrastructure, telephone charges, photocopying and some support staff time costs.

17.5 Our accounts are due when rendered and invoiced amounts are deemed to be earned when paid. BDO may suspend the performance of Services in the event that you fail to pay an invoice when it is due. Interest may be charged at the rate of 12% per annum on all accounts outstanding for more than 30 days.



18. Governing Laws

18.1 The terms of our engagement shall remain operative until amended, terminated, or superseded in writing. They shall be interpreted according to the laws of the province or territory in which BDO's principal Canadian office performing the engagement is located, without regard to such province/territory's rules on conflicts of law.

19. Survival

19.1 The provisions of this Agreement that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement. Any clause that is meant to continue to apply after termination of this Agreement will do so.

20. Force Majeure

20.1 We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

21. Assignment

21.1 No party may assign, transfer or delegate any of the rights or obligations hereunder without the written consent of the other party or parties. BDO may engage independent contractors and BDO Member Firms to assist us in performing the Services in this Agreement without your consent.

22. Severability

22.1 If a court or regulator with proper jurisdiction determines that a provision of this Agreement is invalid, then the provision will be interpreted in a way that is valid under applicable law or regulation. If any provision is invalid, the rest of this Agreement will remain effective.

Version: 202006



BRIEFING NOTE NDHC01-22

For Information or For Approval

Date: February 23, 2022

Purpose: **Manitou Property - Geotechnical & Geophysical Report**

Prepared by: TracyAnn Bethune, Manager of NDHC

Reviewed by: Justin Avery, Manager of Finance

Approved by: Catherine Matheson, Chief Executive Officer

Alignment with Strategic Plan: Healthy, Sustainable Communities

Maximize Impact Remove Barriers Seamless Access Learn & Grow

Report NDHC01-22 provides an update on geotechnical and geophysical studies performed on property at Manitou/Mulligan Streets.

BACKGROUND

The Manitou-Mulligan property was identified as a preferred site option as part of two opportunities for Rapid Housing Initiatives. Funding eligibility requirements for applicants included properly zoned land that could be shovel ready to ensure that successful projects could meet the restrictive development timelines. Subsequently, Englobe was retained to complete a Geotechnical Investigation, which led to the need for a Geophysical Investigation. These studies were also essential as, historically, the site had been prone to settlement and building movement associated with shallow foundations, leading to 18 townhouse units being demolished.

CURRENT STATUS/STEPS TAKEN TO DATE

The geotechnical and geophysical reports were conducted by Englobe. The outcome of the reports concludes that a conventional shallow foundation (i.e. strip footings) would not be feasible at this site due to the drastic changes in elevation of the bedrock along with the

variable weak clay thickness. A deep foundation such as micro-piles embedded into bedrock are recommended, which results in the need for further study on related expenses.

RESOURCES REQUIRED

Prior to development, a study to predict the additional costs associated with the need for a more complex foundation to support a new build will be required. An estimate to complete this study could range between \$7,000 to 15,000 depending on the size of a proposed new development.

RISK IDENTIFICATION AND MITIGATION

Due to the risk associated with potentially excessive differential settlement, and the need for a deep foundation such as micro-piles embedded in bedrock, any new development will cost more to build and those costs should be taken into consideration. However, the fact that this vacant land is owned free and clear by NDHC allows for more access and/or options for prospective building options.

CONCLUSION

While the recommendations from the Geotechnical and Geophysical reports consider this NDHC owned vacant land as a potentially viable building property with the understanding that the requirement for deep foundations will result in increased costs, NDHC staff believe the increased costs could be substantial, and potentially prohibitive.



BRIEFING NOTE NDHC02-22

For Information or For Approval

Date: February 23, 2022
Purpose: 1040 Brookes Re-zoning Update
Prepared by: TracyAnn Bethune, Manager of NDHC
Reviewed by: Justin Avery, Manager of Finance
Approved by: Catherine Matheson, Chief Executive Officer

Alignment with Strategic Plan: Healthy, Sustainable Communities

Maximize Impact Remove Barriers Seamless Access Learn & Grow

Briefing Note NDHC02-22 provides an update on studies conducted at 1040 Brookes Street as part of a rezoning application.

BACKGROUND

On November 3, 2021 the rezoning application was heard at a regular Council meeting. By-Law Number 2021-94 was passed, approving the rezoning of the property to a “Residential Multiple Second Density Zone” and limiting the height of the building to four (4) stories. A Holding Zone was initiated until NDHC sufficiently demonstrates to the satisfaction of the City of North Bay the completion of traffic, acoustic and infrastructure capacity (services) studies.

STEPS TAKEN TO DATE

As part of the procurement process a request for quote was sent out to local qualified firms to bid on the opportunities to provide the following studies:

- Traffic Study to confirm that the existing road network in the area is appropriate to accommodate a potential new build up to 100 new units by way of Traffic Impact Study. This Study was awarded to JD Northcote Engineering Inc.

- Acoustic Study to assess and address all potential noise sources which may impact the new build, such as railways or industrial uses. This study was awarded to HCG Engineering.
- Services Brief (Infrastructure capacity) to identify if the City's sewer and water distribution networks have the capacity to accommodate a potential new build of up to 100 new units. This study was awarded to Triton Engineering Services Limited.

CURRENT STATUS

To date, two of the 3 studies have been completed:

TRAFFIC - JD Northcote Engineering concluded that based on the existing traffic volume on Brookes Street, there is significant excess capacity, and sufficient gaps in traffic for the proposed 41-unit development and/or future 100-unit expansion, therefore entering/exiting from the subject site will not cause any operational or traffic safety issues. Additionally, no transportation infrastructure improvements are recommended and site access will operate efficiently with a full-movement stop and egress.

SERVICES BRIEF -Triton Engineering Services Limited concluded that based on the modelling performed; there is sufficient capacity within the downstream sanitary sewers to convey the expected flows produced by the site under both the proposed 41-unit and/or 100-unit scenarios. Additionally, due to the time of year, hydrant flow testing was not performed, however should be performed to confirm if suitable flow is available on Brookes Street or Hardy Street. Testing should be completed in the spring to finalize this data.

RESOURCES REQUIRED

The acoustics study is underway, and completion has been projected by end of February. This will be the last document to conclude our responsibilities of the rezoning application. Once received, all three studies will need to be shared with the City of North Bay resulting in the approval of the rezoning and the holding zone being removed.

CONCLUSION

To date the studies completed provide NDHC with a reassuring and supportive outcome for future development of up 100 units on the 1040 Brookes Street property, allowing for the final approval of the rezoning application.



BRIEFING NOTE NDHC03-22

For Information or For Approval

Date: February 23, 2022

Purpose: **Approval of NDHC Deep Energy Retrofit Plan**

Prepared by: Donna Mayer, Manager of Project Development

Reviewed by: Justin Avery, Manager of Finance

Approved by: Catherine Matheson, Chief Executive Officer

Alignment with Strategic Plan: Healthy, Sustainable Communities

Maximize Impact Remove Barriers Seamless Access Learn & Grow

RECOMMENDATION:

That the Nipissing District Housing Corporation Board approve that staff proceed with developing a deep energy retrofit plan for NDHC Board approval.

BACKGROUND:

This report seeks approval to have staff develop a plan to explore opportunities to generate savings through deep energy retrofits of the NDHC portfolio. This is consistent with the District of Nipissing Social Services Administration Board's (DNSSAB) Strategic Plan 2022-2042.

The plan will assess the ways and means to implement this new technology, deep energy retrofits, to increase productivity, operating performance and outcome data and measurement, and enhance service delivery.

The anticipated outcomes of plan implementation are a reduction in the total cost of building ownership, improved resident comfort, reduction in energy poverty, decreased green-house gas emissions, and increased operating performance.

This proposal to revitalize public housing is a pro-active approach that will capitalize on the existing program and funding environment and leverage NDHC funds and assets, in accordance with the DNSSAB Homelessness Action Plan 2021.

Current Funding Programs

In order to achieve Canada's energy consumption reduction and greenhouse gas emissions (GHGs) reduction commitments made in the [Paris Agreement](#), the 2015 international treaty to fight climate change signed by 196 countries, the federal government has increased performance expectations in their funding programs in recent years.

It has also increased funding for the creation of sustainable affordable housing, including the revitalization of existing community housing stock. In 2017, the federal government announced Canada's first-ever National Housing Strategy (NHS), a 10-year, \$40 billion plan, to help reduce homelessness and improve the affordability, availability and quality of housing for Canadians in need.

The primary delivery vehicle for this funding is the NHS Co-Investment Fund. This fund provides low-cost loans and/or forgivable loans to develop energy efficient, accessible and socially inclusive housing for affordable housing uses.

In addition, the federal government recently transferred \$1B to the Federation of Canadian Municipalities' Green Municipal Fund (GMF) to assist municipalities with energy efficiency innovations, including \$300M for the new Sustainable Affordable Housing initiative.

In order to access this funding and financing, applicants must demonstrate that their repaired or renewed projects will achieve a minimum 25% reduction in energy use and GHG emissions relative to pre-renewal performance. Applications that exceed the minimum requirements will be prioritized.

Right Timing

Community housing providers in numerous cities in Canada are already implementing deep energy retrofits in their social housing projects. For example, [Ottawa Community Housing](#) recently completed a deep energy retrofit of a four-unit, two-story townhouse block utilizing a panelized prefabrication approach to lower cost and minimize occupant disruption.

The main objective of this Pre-fabricated Exterior Energy Retrofit (PEER) project is to prove the technical and financial feasibility of net-zero energy retrofits for Canada's low-rise affordable housing stock. It is expected this project will result in at least a 55% reduction in building energy use, and will inform the business case for replicating this retrofit approach across other low-rise residential buildings, especially in the community housing sector.

The timing is right for these types of projects due to the convergence of a number of factors:

- availability of funding, financing, and technical resources
- aging condition of the housing stock
- end of operating agreements and mortgages
- rising energy costs
- climate emergency

This convergence is the opportunity for NDHC to accelerate the implementation of much needed capital repairs, improve and extend building performance, while reducing operating costs, energy consumption and GHG emissions.

Portfolio Approach

A plan for the whole NDHC portfolio is proposed because implementing multiple measures, within a building, or across multiple buildings, yields greater savings than a series of one-off retrofits. This delivers better value and opens the door to more funding and financing.

Larger projects create economies of scale and greater purchasing power, justifying the resources and effort needed to develop and pursue them. Upgrading multiple building systems at the same time allows more cost-effective measures, such as lighting measures, to justify less cost-effective yet desirable measures, such as building envelope rehabilitation.

Furthermore, when implementing multiple measures in a project, some measures can create efficiencies that save money when implementing other measures. For instance, upgrading insulation will reduce the heating load in the building, allowing the purchase of a smaller, more affordable boiler.

Completing multiple upgrades also improves the building's performance with respect to energy consumption and GHG emissions, and thereby increases the chance of securing funding.

Planning Principles

The proposed plan will take an evidence-based and client-centred approach to identifying potential deep energy retrofit opportunities within the NDHC portfolio.

The following principles will be applied to the planning process:

- Financial viability
- Maximize available funding and financing
- Seek to implement multiple measures

- Leverage existing capital works plans
- Apply life-cycle costing to both capital and operating costs
- Evaluate the total cost of building ownership
- Minimize occupant disruption
- Build knowledge and capacity of board, staff and residents
- Identify opportunities to influence deep energy retrofits in other community housing and local communities

The principles reflect the requirement to develop a plan that is financially viable and relies largely on federal funding and financing. They strive also to recognize existing capital plans and facility conditions, while introducing a new total cost of building ownership analysis method.

The proposed plan offers the opportunity to create social, environmental and economic value in the community.

CURRENT STATUS/STEPS TAKEN TO DATE:

Staff are currently gathering and sharing information resources to help build internal knowledge, buy-in and capacity.

RESOURCES REQUIRED:

No additional resources are required at this time. Existing staff resources will be utilized to develop the plan. The plan will be founded on available federal funding and financing, as indicated above.

Once developed, the plan will be brought to the Board for approval. At that time, funding requirements will be identified. There may be some projects that require an equity contribution from the Board in order to leverage financing. Land value can be considered as equity.

RISK IDENTIFICATION AND MITIGATION:

There is minimal risk at this stage of planning. There is a risk that implementing some capital repairs scheduled for the near future may impair a project's chance of success in receiving funding. Capital improvements that reduce energy consumption, such as furnace and window replacements, reduce the amount of green house gas emissions that can be saved and counted for achieving the emissions reduction target for funding.

CONCLUSION:

The time is right to consider deep energy retrofits to the NDHC portfolio in order to leverage financing and funding, revitalize the housing stock, and improve operational savings over the life of the buildings.

When implemented, the proposed plan promises to reduce energy costs to both NDHC and the residents who live in community housing. Similarly, improved energy performance will increase home comfort for residents.

The proposed plan will also contribute to Canada's international commitments to reduce greenhouse gas emissions.