

2018 ANNUAL REPORT



CORPORATE REPORT ON STRATEGIC PERFORMANCE AND ORGANIZATIONAL HIGHLIGHTS

**Building Stronger
Communities Together**





Councillor Mathieu Fleury

Chair of the OCHC Board

I am pleased to submit Ottawa Community Housing Corporation's 2018 Annual Report to the Shareholder. The report summarizes the corporation's strategic performance and highlights achievements from 2018.

The ability to access safe and affordable housing is recognized as a key determinant of individual health and is also an indicator of the general livability of our city. The City of Ottawa, like major cities across the country, is witnessing a growing need for safe and affordable housing. It is imperative that we work together, across all levels of government and civil society, to meet this challenge.

Ottawa Community Housing continues to be fully engaged with the City of Ottawa, our partners and all stakeholders, working together to provide input on public policy and offer innovative approaches and action plans aimed at increasing the availability of, and access to affordable housing. Together we aim to provide evidence-based solutions to the housing challenges so many in our society face.

Ottawa Community Housing is poised for future developments under the record amount of investment for new housing from the City of Ottawa, the National Housing Strategy, the Community Housing Renewal Strategy and other funding investment opportunities – ready to leverage the expertise of our team and forge ahead with the Portfolio Renewal Strategy.

Ottawa Community Housing has also positioned itself to play an important role in future housing development in our city. In 2018, the corporation strengthened its portfolio development plans for key properties in the city. It also completed two construction projects in the Carlington and Ashgrove communities that have added 56 much-needed affordable homes in the urban area. Ottawa Community Housing is ready to redevelop and build new affordable housing.

The report documents other successes related to improving the delivery of quality service to tenants – particularly noteworthy is the completion of more than \$40 million of capital work projects on existing tenant homes, a record high investment for Ottawa Community Housing.

“ *OCHC is ready to leverage the expertise of our team and forge ahead with the Portfolio Renewal Strategy.* ”

I want to acknowledge the Board of Directors, the Board committees and senior staff for their governance contributions in 2018. With a very active strategic agenda, they have worked together to ensure that governance was fiducial, strategic, engaged and decisive. For the second year in a row, the Governance Professionals of Canada has recognized Ottawa Community Housing for its governance excellence. All of this is made possible by the many dedicated and professional staff members who make up the corporation, to whom we are all grateful.

Stéphane Giguère

Chief Operating Officer of OCHC

At Ottawa Community Housing Corporation, 2018 was a year of change and an opportunity to refresh our mandate and direction. Following provincial and municipal elections, we welcomed new board members. The dedicated engagement and perceptive contributions of our Board of Directors and Committee members are at the heart of our governance and impact in Ottawa.

Strong governance in 2018 has reinforced a consistent cultural theme of continuous improvement and accountability- seeking operational efficiencies and effectiveness throughout our business processes. An example of this is an enhanced application of Lean methodologies to move us to an ever-improving workflow with less waste and improved outcomes including better services to tenants.

As a community housing provider, we are striving to advance a business approach that is fiscally responsible while strengthening the social purpose of the corporation. To achieve our goals, we reach out to our partners, to staff and to tenants, inviting them into consultations, deliberations and activities, giving voice and increasing pride of place. As we move into 2019, we will further increase collaboration with our partners in the housing sector as we all work toward a renewed mandate with our shareholder, the City of Ottawa.

As the fourth largest community housing provider in Canada, OCHC plays a leadership role with a responsibility to advance and innovate policy and action to increase and improve safe and affordable housing in our country. This report documents key business stories from 2018, identifies how key performance measures were met, and lists the awards bestowed on the corporation which include recognitions from within the housing sector and by professional associations in multiple areas.



While it is a tremendous honour to be recognized by peers and other organizations, our focus remains on our core purpose. We are committed to providing safe and affordable homes in Ottawa and to building positive tenant experiences that lead to stable and successful tenancies.

I am proud to present this report summarizing our accomplishments in 2018, the third year of our 10-Year Strategic Plan. We continue to strengthen our capacity to measure results across our four strategic goals; the report provides valuable data to better understand and illustrate our performance, as a housing provider and as a leader in the sector.

What makes OCHC a leader are the people – staff, volunteers and tenants. Each achievement highlighted in this report was possible because of the remarkable efforts of tenant leaders, employees, community partners, community volunteers and our governance leadership team. We are grateful for all their ongoing contributions to making community housing in Ottawa a success.

“ *What makes OCHC a leader are the people – staff, volunteers and tenants.* ”

2019 BOARD OF DIRECTORS

- Mayor Jim Watson (since December 2015)
- Councillor Mathieu Fleury (since December 2015)
- Councillor Catherine McKenney (since December 2015)
- Councillor Theresa Kavanagh (since December 2018)
- Councillor Scott Moffatt (since December 2018)
- Councillor Rawlson King (since April 2019)
- Dan Doré (since May 2014)
- Claude Lloyd (since May 2014)
- Ferenaz Raheem (since February 2017)
- Ben Sorensen (since February 2017)
- Nina Beck (since February 2018)
- Paul Fortin (since February 2018)
- Rebecca Hickey (since June 2018)

Special thanks to outgoing Board members

- Former Councillor Mark Taylor (December 2014 - November 2018)
- Former Councillor Jody Mitic (December 2014 - November 2018)
- Carole Ladouceur (December 2014 - January 2018)
- Cathy Jordan (June 2015 - November 2018)
- Nicole St-Louis (June 2015 - January 2018)



Mayor
Jim Watson
Director



Councillor
Mathieu Fleury
Chair



Councillor
Rawlson King
Ex-Officio Director



Councillor
Catherine McKenney
Director



Councillor
Scott Moffatt
Director



Councillor
Theresa Kavanagh
Director



Councillor
Mark Taylor
Director



Councillor
Jody Mitic
Director



Ferenaz Raheem
Corporate Secretary



Nicole St-Louis
Director



Ben Sorensen
Director



Rebecca Hickey
Director



Claude Lloyd
Director



Dan Doré
Vice-Chair and
Treasurer



Nina Beck
Director



Cathy Jordan
Director



Paul-Émile Fortin
Director
Tenant Representative

VISION

To be a leader in providing safe and affordable homes to enable OCH tenants to fully participate in the socio-economic opportunities of the City.

MISSION

As a leader in the delivery of quality, affordable housing, OCH collaborates with others to develop safe and healthy communities.

GOALS

Nurture healthy, safe and inclusive communities



Deliver quality services to every tenant, every home

Innovate to meet housing and financial needs



Foster an organizational culture of leadership, accountability and continuous improvement

VALUES

Collaboration | Accountability | Respect | Excellence

OCHC TENANTS



Approx. **32,000** TENANTS



\$17,000 Annual Average Household Income

PORTFOLIO



Approx. **15,000** OCHC homes
49 years Average age of buildings
2018 Most recent construction
Portfolio valued over **\$2.4 billion**

BUDGET HIGHLIGHTS



BUDGET EXPENDITURE
\$177 MILLION



REVENUES
\$143.7 MILLION
TENANT RENT
\$67.4 MILLION

NURTURE HEALTHY, SAFE AND INCLUSIVE COMMUNITIES



KEY ELEMENTS

- Housing is a key determinant of health
- Positive social environments are critical to successful tenancies
- Tenants must feel safe, proud and part of the broader community
- OCHC relies on effective partnerships to build communities
- Partners play a vital role in OCHC's need to balance resources with growing tenant needs
- Working with partners improves services to tenants

Most OCHC tenants live within Ottawa's greenbelt in homes clustered as townhome complexes and apartments that integrate with broader neighbourhoods.

The people who make up OCHC communities come from many backgrounds and life experiences. What is common is that these people face financial struggles in finding a healthy and safe place to call home. OCHC provides a range of housing solutions based on the requirements of tenants.

Clients include single-parent families, adults with disabilities, families, senior citizens on fixed income and new arrivals to Canada. For many tenants, OCHC plays a critical role as a liaison to other support services to help establish and maintain successful tenancies.

INTRODUCTION OF THE COMMUNITY INDEX OF ENGAGEMENT LEVELS

In 2018, OCHC initiated and completed the design and implementation of a standardized tool called the *Community Index of Engagement Levels* (CIEL). CIEL is based on 14 community engagement factors that assess the engagement levels within a community.

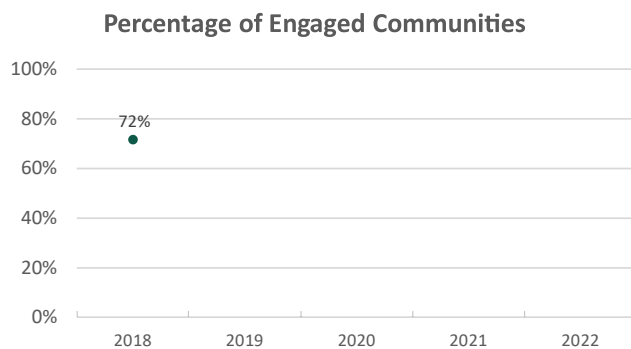
OCHC applied CIEL to more than 100 communities and identified that 72% of communities had positive levels of engagement.

Engaged tenants were gathering regularly and participating in community discussions and activities that were playing an important role in shaping their communities.

More than one third of OCHC communities showed heightened levels of engagement where tenants significantly took the lead to build and sustain community engagement. These higher levels of engagement generally occurred in senior communities and communities that had larger

concentrations of tenants.

The initial CIEL results establish a corporate baseline for annual monitoring and evaluation of engagement levels. OCHC is using the 2018 results to increase its understanding of community dynamics and to focus community development plans in 2019.



OCHC was honoured not once but twice in 2018 for supporting and encouraging people to volunteer in their communities. Both awards recognize how OCHC has built a successful, thriving corporate volunteer program through highly effective volunteer management principles and practices.

JUNE CALLWOOD OUTSTANDING ACHIEVEMENT AWARD FOR VOLUNTEERISM

Excellence in Volunteer Management, Presented by the Ministry of Citizenship and Immigration

VOSCARS OUTSTANDING VOLUNTEER PROGRAM AWARD

Presented by Volunteer Ottawa

NURTURE HEALTHY, SAFE AND INCLUSIVE COMMUNITIES

STRONG RESULTS FOR VOLUNTEER PROGRAM

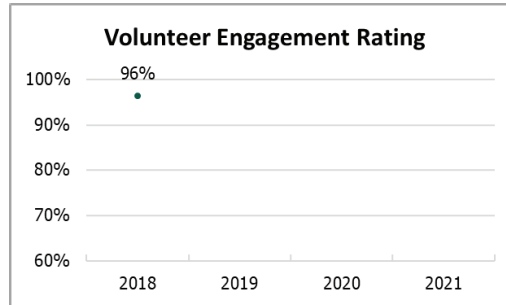
Now in its seventh year, the OCHC Volunteer Engagement Program (VEP) plays a vital role in building OCHC communities. The program brings together volunteers from Ottawa businesses, corporate sponsors, OCHC employees and individual supporters who give their time to help with maintenance and beautification projects in OCHC communities. There were 50 volunteer projects completed in 2018, engaging 1,200 volunteers. Additionally, OCHC received \$30,000 in corporate donations to invest in volunteer projects.

In 2018, OCHC developed and implemented a volunteer survey to obtain feedback from volunteers on their engagement experience. There was an exceptionally

positive rating at 96%. Participants emphasized that the volunteer experience gave them a sense of accomplishment, both through the direct interactions they had with tenants and from seeing the immediate results of their efforts in the community.

Another indicator of volunteer commitment was the high volunteer return rate of 84%.

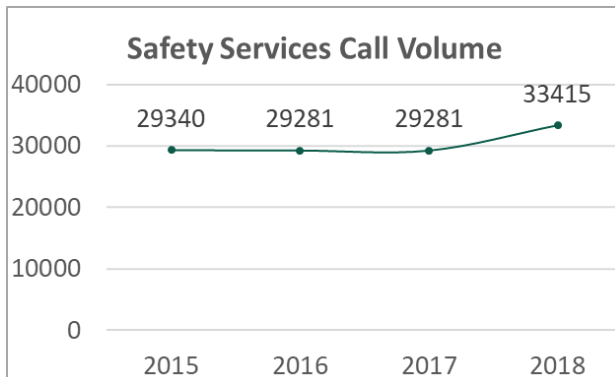
In 2019, as part of OCHC efforts to build tenant leadership capacity, the VEP will work to further engage tenants in selecting and supporting volunteer projects in their communities.



FOCUS ON SAFETY IN OCHC COMMUNITIES

In 2018, the Board of Directors approved OCHC's first Community Safety Policy. The policy builds on the existing OCHC safety framework and acknowledges the expanding commitment from OCHC to foster safe communities for tenants, both through critical safety partnerships and in the implementation of safety-oriented programs and services.

The policy recognizes the critical role of OCHC's uniformed Community Safety Services team while emphasizing that safety in communities takes many forms; and relies on employees, tenants and visitors to contribute to a safe community.



In 2018, there was a 5% increase in safety service demands. The nature of safety requests was similar to previous years, where the most common requests related to noise, parking issues and general assistance requests from tenants.

The increase in overall call volume did have a minor impact on Community Safety Service capacity to undertake proactive patrols and attend community events. Joint patrols with the Ottawa Police Service increased by 32% and reflects the continuation of a close working relationship.



COMMUNITY SAFETY SERVICES DELIVERS AROUND THE CLOCK SERVICES

In 2018, Community Safety Services (CSS) moved to 24/7 service delivery by adding morning coverage.

The expanded service increases continuity between CSS and other frontline staff, such as maintenance and tenancy support staff, which helps deliver better services to all tenants.

NURTURE HEALTHY, SAFE AND INCLUSIVE COMMUNITIES

STRENGTHENING THE USE OF SECURITY CAMERAS

In 2018, OCHC implemented a procedure to standardize and centralize the use of closed-circuit television (CCTV) in its buildings and communities as part of an overall community safety approach. This need was identified during an OCHC pilot program to test outdoor use of cameras in OCHC communities in 2016. One key finding during the pilot was that the business processes related to the approval, management and control of CCTV needed strengthening.

The procedure establishes direction that respects privacy while ensuring that OCHC effectively integrates camera equipment and systems into its safety practices.

Tenant groups were consulted on the procedure. Tenants indicated a high level of comfort in having CCTV in communities and buildings. They also reported that CCTV increased their feeling of safety as they believed that cameras could be effective as a way to deter crime or at least to record evidence when required.

OCHC will closely monitor the impacts of the procedure and report on results in January 2020.



JIM COPELAND AWARD

Presented by the Ontario Municipal Fire Prevention Officers Association

Rob Clark, OCHC's building systems coordinator, was honoured for his work on a fire prevention education campaign for multi-residential landlords. This award recognizes significant contributions to the prevention of fire and the public education of life safety in the community.

FIRE LIFE SAFETY

OCHC continued to make significant investments in a comprehensive Fire Life Safety Program to ensure that the portfolio meets provincial standards for safety.

OCHC invested \$3M in the Fire Life Safety Program in 2018. This includes upgrades and retrofits to doors, fire panels, fire equipment and systems. OCHC also has implemented regular inspections and testing in compliance with the Ontario Fire Code for critical building systems.

In addition to investments in infrastructure, OCHC continues to educate and create awareness to promote fire prevention with tenants.

NEW COMMUNITY PARKING SERVICES

In response to the high volume of parking-related complaints over the years, OCHC launched a parking pilot using an external parking agency in early 2018. The goal of the pilot was to improve parking services to tenants and their guests by ensuring parking spaces were properly used. OCHC phased in the pilot and began with registration and monitoring of visitor parking.

The pilot introduced license plate recognition technology that aids the parking agency to monitor unauthorized parking. It also established an hourly parking fee in OCHC communities for visitors providing additional control in the management of visitor parking spaces.

While the parking fees are minimal (\$1 per hour following a free, three-hour period), any parking revenue generated will fund parking management costs and repair and upkeep of OCHC parking lots.

In 2019, OCHC will expand monitored parking services for tenants who use OCHC parking to ensure authorized use.



TENANT PERCEPTION OF SAFETY

The perception of feeling safe can be as significant as the actual occurrences of incidents and disruptive events.

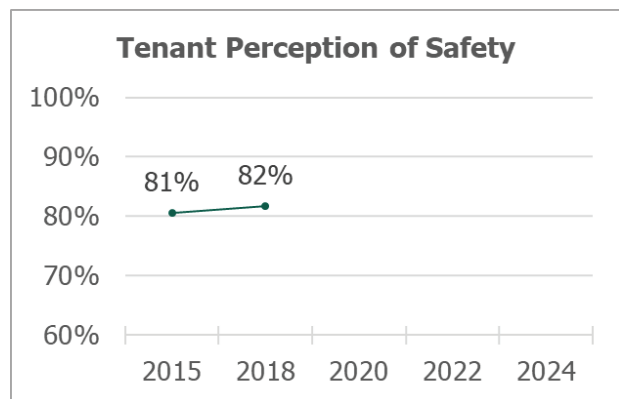
OCHC obtained feedback on how safe tenants feel in their homes and within their community as part of the standardized 2018 Tenant Satisfaction Survey.

This is the second time that OCHC has surveyed tenants on their perception of safety. In both surveys, more than 80% of tenants reported feeling safe in their homes and communities.

Tenants who reported not feeling safe frequently related their concerns about people on OCHC property who they believed to be aggressive or suspicious, or in relation to alcohol or drugs.

Single parent households reported feeling the most unsafe. Statistically, single-parent households are most likely to be led by women. In many instances, these tenants were priority placements who were fleeing domestic violence when they became tenants of OCHC.

In 2018, OCHC has taken some actions to build its capacity to monitor and respond to community safety, including the expansion to 24-hour safety service delivery and investments in CCTV./



Survey



In June 2018, OCHC completed its second Partnership Survey. The biennial survey was introduced in 2016 to obtain feedback from the community organizations that support tenants, promote successful tenancies and engage with OCHC on a regular basis.

2018 PARTNERSHIP SATISFACTION SURVEY

80 Partners

contribute significantly to the OCHC mandate.

80% Satisfaction

the satisfaction rating by partners - consistent with the last survey.

2016 First Survey

introduce to measure the satisfaction level of OCHC's partners

The survey provides important feedback from more than 80 partner organizations who contribute significantly to the OCHC mandate. Many partners have a daily presence in OCHC communities based on the mental health, safety or other support services they provide to tenants.

Consistent with the first survey, the 2018 survey rated partner satisfaction at 80%. Partners reported relationships that continued to be collaborative, respectful and focused on delivering quality results.

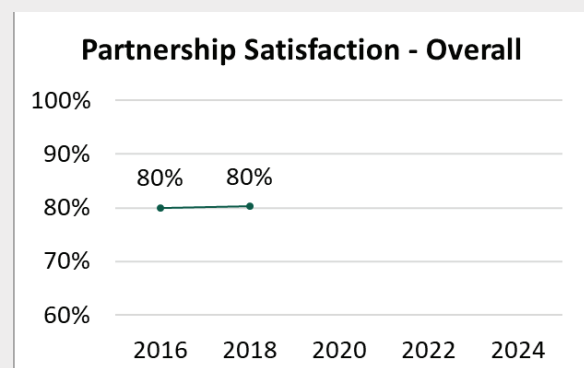
The survey also identified opportunities to strengthen communication and some business protocols

TENANT LEADERSHIP THROUGH COMMUNITY CAPITAL PROJECTS

The OCHC Community Capital Fund (CCF) has been in place for several years. It supports the overall goals of engaging tenants and building stronger communities through a process that involves tenants in the creation of business cases in order to receive funding for community-level projects.

With the help of Community Development staff, tenants create an application for funding, then go before the Community Capital Fund Selection Committee - which also includes tenant and staff representation - to present their business case.

between organizations. OCHC is incorporating survey feedback in its 2019 corporate work plans.



In total, the selection committee approved 38 projects in 2018 and granted \$109,100 in funding. The process has evolved over time and has grown to encompass some larger-scale projects, such as renovations to community spaces. In 2018, the CCF funded two major projects focused on community lounge and kitchen renovations in apartment buildings.

NURTURE HEALTHY, SAFE AND INCLUSIVE COMMUNITIES

RESPONDING TO CANNABIS LEGISLATION

Early in 2018, OCHC established a Cannabis Implementation Working Group that collaborated with representatives from the City of Ottawa and Ottawa Public Health to assess corporate readiness for the federal legalization of cannabis in October 2018. The group confirmed that OCHC was prepared, given the introduction of the 2014 No-Smoking Policy. A critical aspect of the 2014 policy was the introduction of a revised tenant lease with a no-smoking clause for all new tenants that included cannabis.

At the time of cannabis legalization, approximately 42% of tenant households had a revised lease prohibiting smoking in all forms.

OCHC developed and implemented an action plan in 2018 to augment the policy. It included:

- revising corporate standards to staff with direction on substance use, including cannabis
- coaching for staff on responding to questions and complaints about cannabis use
- completing a Good-to-Know communication campaign to

staff and tenants

- producing a Good-to-Know brochure for tenants to clarify rules around smoking and cultivating cannabis

OCHC has been monitoring complaints and incidents related to cannabis. As of December 2018, there have been no significant issues identified with the legalization of cannabis.

OCHC MAKING BREAKTHROUGHS IN SOCIAL ENTERPRISE

OCHC continued to partner with help-based organizations to generate, develop and support business initiatives that leverage social enterprise opportunities. Given OCHC's social purpose, the corporation is committed to being a catalyst for social entrepreneurs who seek to market their goods and services.

OCHC has a policy commitment to procure through social enterprises when this is possible. More than \$350,000 of services were procured through social enterprises in 2018. Critical social enterprise business relationships include the Causeway Work Centre (Good Nature Groundskeeping), the Centre for Social Enterprise Development and the Somali Centre for Family Services.

In February 2018, a new social enterprise called the Mac Manor Bistro was introduced at one of OCHC's downtown apartment buildings as a result of a collaboration with Algonquin College, Options Bytown and the Lowertown Community Resource Centre. The bistro created real hospitality work experiences for Algonquin College students. The bistro served locally grown, affordable and healthy food meals to OCHC tenants and visitors at an affordable price. Three cohorts of students completed their training at the bistro as part of this pilot program in 2018.



BEST OTTAWA BUSINESS AWARD FOR SOCIAL ENTERPRISE

Presented by the Ottawa Board of Trade and Ottawa Business Journal

OCHC was recognized in 2018 for its efforts to enable OCHC tenants to fully participate in the socio-economic opportunities of the City through several noteworthy social entrepreneurship initiatives.

The Ottawa Community Housing Foundation supports OCHC in nurturing safe and healthy communities through its commitment to helping tenants achieve personal success through education, employment and community engagement.

Ottawa Community Housing Foundation has raised close to \$3M in the last 3 years.

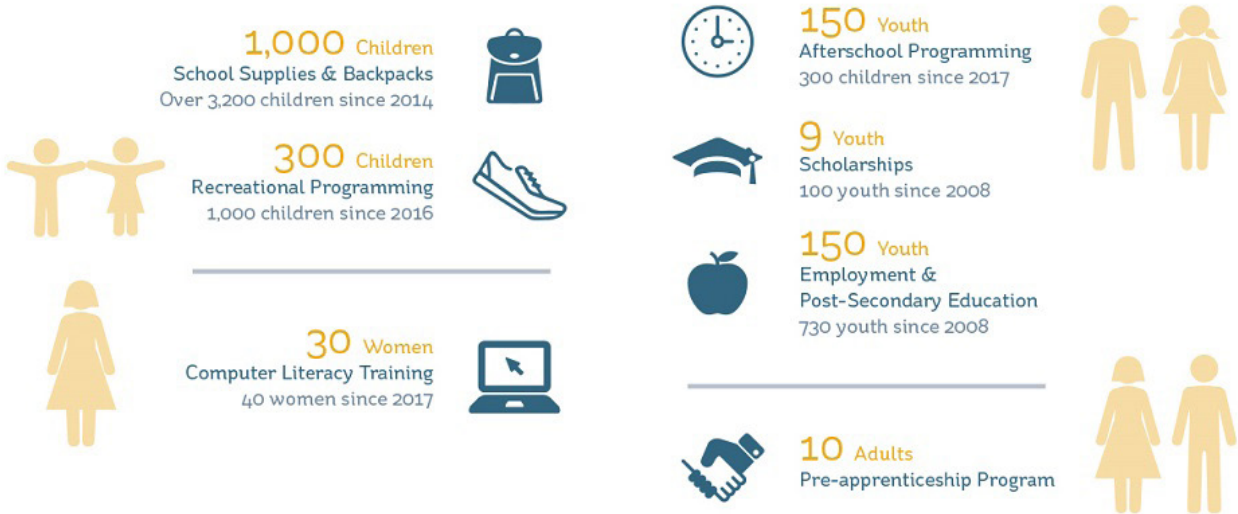


OCH FOUNDATION
for healthy communities

2018 HIGHLIGHTS

The OCH Foundation is committed to identifying and alleviating the social needs of tenants living in Ottawa Community Housing. It helps families, youth, children and seniors achieve personal success with a focus on education, employment and community engagement.

1,649 People helped, via Employment, Education, Training and Resources



DELIVER QUALITY SERVICES TO EVERY TENANT, EVERY HOME



KEY ELEMENTS

- Focus resources on providing quality and responsive services to tenants
- Smart, diligent and lean customer-centred business model
- Strengthen understanding of client needs
- Growing needs for supports to address increasing complexity of vulnerable populations in housing
- Deploy new technology solutions to streamline and modernize service delivery

Approximately 32,000 people live in OCHC communities. OCHC recognizes that a positive tenant experience is critical to meeting its mandate.

OCHC has continued to build its service model to ensure that quality services are provided to tenants related to lease and rental coordination, safety, home maintenance and pest treatment services.

Significant investments have also been made to provide easier, more accessible options for tenants through an expanded call centre model and greater access to low cost internet services through local providers.

TENANT PERCEPTION OF SERVICES

OCHC delivers five primary services to tenants:

- home maintenance services
- pest treatment services
- community safety services
- lease and rental coordination
- support and referral services

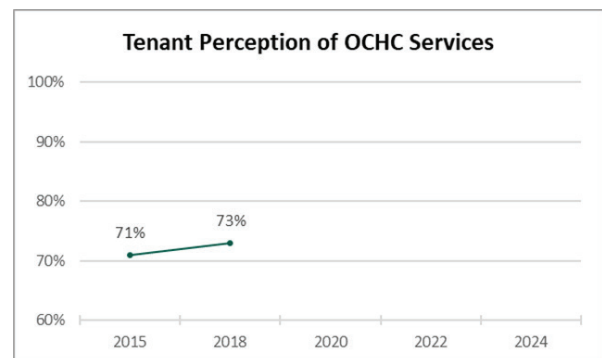
OCHC is committed to delivering these services on time, with quality and in a respectful manner.

In its efforts to understand tenant satisfaction with OCHC services, OCHC contracted EKOS Research to conduct a standardized tenant survey in 2018. It also engaged Focus Consulting, a housing policy research firm to interpret survey results and to compare service performance and tenant feedback. They used the last survey conducted in 2015 as a baseline to measure improvements and areas where OCHC should focus its resources.

While the 2018 survey results were encouraging, they also provide guidance for continuous improvement. The overall level of tenant satisfaction was 73%: an increase of 2% from the 2015 results.

Tenants reported that their service experiences were largely positive and consistently respectful. There were also significant gains as far as the feedback on satisfaction levels with the one-stop call service called OneNumber. This integrated call centre model introduced in 2017 provides tenants with 24-hour, in-person contact. The single phone number (613-731-1182) also allows tenants to reach any OCHC staff, departments or services and more importantly request and initiate most tenant services.

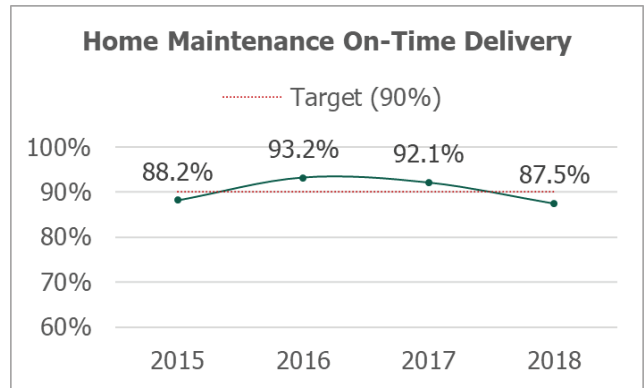
Another finding from the survey was that tenants were looking for added quality in the home maintenance services that OCHC delivered. In 2019, OCHC will be introducing a new business model to deliver maintenance services that realigns aspects of maintenance business processes and organizational structure. The primary objectives of the initiative will seek continuous improvements by strengthening on-time service delivery and increasing tenant satisfaction with the quality of repair work.



HOME MAINTENANCE SERVICES

Of the services that OCHC provides, tenants seek home maintenance services more than any other service category. In 2018, there were more than 63,000 requests from tenants for home maintenance. Typical service requests relate to dripping taps, blocked toilets, damaged windows and heating problems. Once received, tenant service requests are prioritized, assigned and monitored through a housing management IT system.

In 2018, OCHC delivered on-time maintenance services at a performance level of 87.5%. This is 2.5% below the performance target, and is slightly lower than the performance levels achieved in 2016 and 2017.



Reduced performance in 2018 was influenced by OCHC modifying the maintenance service business processes, and how work is assigned to maintenance workers.

Performance was also affected by OCHC’s response to the September 2018 tornado and city-wide power outage had a significant impact on the delivery of regular maintenance services for several days.

INTEGRATED PEST MANAGEMENT

Pest management poses a considerable challenge across North America. Incidences have grown considerably over the last 30 years. A major contributing factor is the elimination of commercial and residential pesticides and an increase in restrictions for the use of pesticides. Pests can be found in many private and public settings, such as hotels, hospitals and other public facilities.

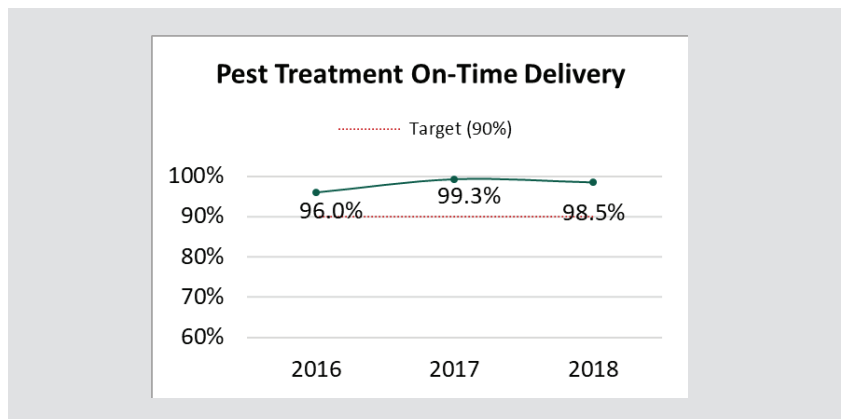
The objective of the OCHC Integrated Pest Management (IPM) model is to reduce instances of bedbugs, cockroaches, ants and other crawling insects within the portfolio. All other pests including rodents and wildlife are treated through a third party pest control operator. The model relies on a team of employees who use a coordinated approach to monitor for pest activity, educate tenants on prevention, prepare homes for treatment, and safely treat for crawling insects. OCHC is continuing to evaluate the extent

of pest issues in its buildings through its monitoring program, and analysis of complaint and treatment volumes.

Through 2018, OCHC had on average approximately 15% of tenant homes in active pest treatment. OCHC completed more than 25,500 pest related work orders in 2018. These work orders include proactive and client-initiated inspections, initial treatments and follow-up visits as required to assist tenants

in dealing with pest issues. Treatment is labour-intensive and takes a minimum of four home visits to complete a treatment cycle.

OCHC has adopted industry service standards for the timely treatment of pests. In 2018, OCHC maintained an on-time response rate of 98.5%. This is a strong level of service delivery.



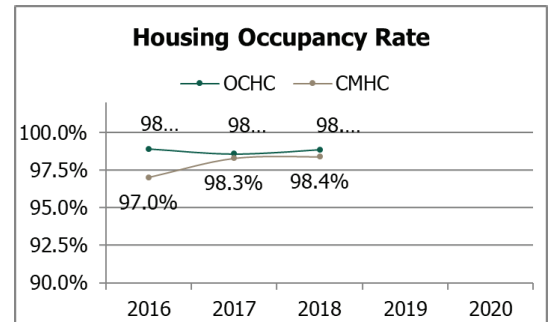
HOUSING OCCUPANCY RATE

A key measure of success in delivering quality service is OCHC's occupancy rate. This is the percentage of homes occupied by tenants. Given the greater need for affordable housing in Ottawa, maximizing the use of OCHC housing is a critical commitment.

Throughout 2018, OCHC maintained an occupancy rate of 98.9%. This is a continuation of several years where OCHC has ensured that available homes in the portfolio were occupied.

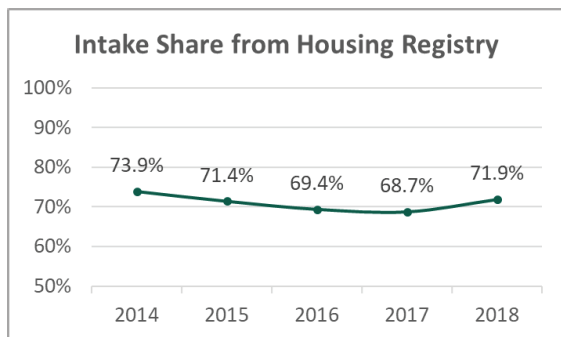
OCHC's results compare favourably when contrasted to rental levels in Ottawa. The Canada Mortgage and Housing Corporation reports a continuing tight rental market in Ottawa. Overall, prospective renters across the City can anticipate challenges in finding a home to rent due to limited availability.

OCHC is committed to maintaining a high level of occupancy. While OCHC closely monitors and adjusts how it can expedite tenant turnover, it is undertaking a Lean process review to seek improvement. In 2018 it has reviewed unit preparation and tenant placement business processes to identify possible efficiencies so that vacancy periods between tenancies remain low.



SERVING RESIDENTS OF OTTAWA IN NEED

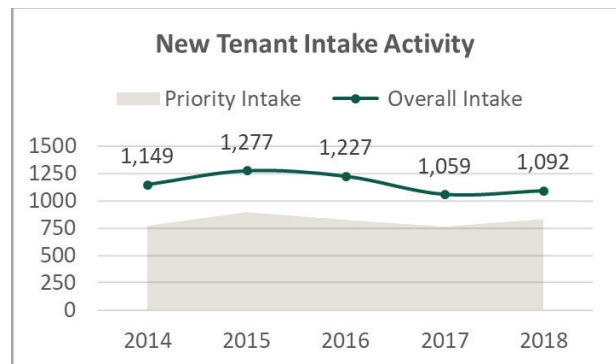
OCHC continued to be the principal provider of community housing services with approximately two-thirds of the total housing placements in Ottawa.



The Social Housing Registry of Ottawa manages the application process and works with over 50 housing providers to coordinate placements for people in need of community housing across the city.

Based on data supplied by the Registry, the OCHC intake share of new tenants for 2018 was 71.9%. This is an increase of more than 3% from 2017.

In more specific terms, OCHC welcomed 1,092 new tenants in 2018 from the waiting list. This is slightly higher than the intake level in 2017 (an increase of 33 households).



The Ottawa Social Housing Registry applies provincial and municipal priority criteria to determine the order of applicants for consideration.

In 2018, 76% of new tenants at OCHC had priority status.

In general, this group of tenants may require additional services and support to maintain a successful tenancy; Priority status examples are homelessness or fleeing domestic violence.

DELIVER QUALITY SERVICES TO EVERY TENANT, EVERY HOME

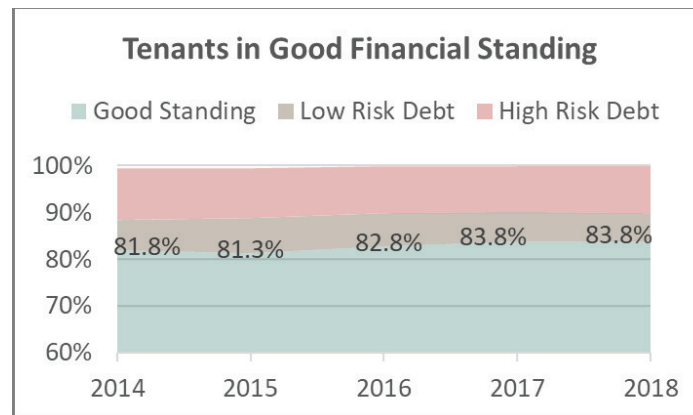
TENANTS IN GOOD FINANCIAL STANDING

In 2018, OCHC implemented the first phase of its Tenant Financial Responsibility Policy. The policy was developed in 2017 to emphasize preventative support, early intervention and personal contact with tenants. While the average tenant household income is approximately \$17,000 per year, the policy aims at helping tenants reduce rent debt and keeping them in good financial standing with OCHC.

There has been incremental growth in the percentage of tenants who are in good financial standing since the policy was established. For two consecutive years, 83.8% of tenants have fully paid rent and rent-related charges. This is a 2.4% increase from the lowest level of rent payment compliance in 2015.

While OCHC has introduced new business practices to identify rent arrears and to make early contacts with tenants to resolve debt problems, 16% of tenants did not make full rent payments. Of those who carried rent arrears, 10% have accumulated levels of debt that present high risk for nonpayment.

OCHC has committed to working with these tenants to exercise reasonable and legal options to resolve debt while keeping them housed.



National Capital Region's Top Employers 2018

Presented by Mediacorp Canada Inc.

OCHC was named among top local employers that offer exceptional workplaces for their employees. This award is based on progressive and forward-thinking programs relating to the physical workplace, work atmosphere and social, health, financial and family benefits, vacation and time off, employee communications, performance management, training and skills development, and community involvement.

INNOVATE TO MEET HOUSING AND FINANCIAL NEEDS



KEY ELEMENTS

- Meeting housing needs with fiscal constraints
- Pursuing innovative solutions and alternative partnerships
- Extracting and leveraging portfolio value
- Renewing an aging portfolio
- Future capital investment.

The housing stock of OCHC continues to age. Buildings are on average 49 years old, and OCHC continues to invest to ensure that homes are maintained in a good state of repair.

A 10-Year Renewal Strategy is being implemented to guide OCHC to leverage the value of OCHC assets, to address capital investment shortfalls and to plan for future divestitures, acquisitions and the new construction of affordable housing.

NATIONAL HOUSING STRATEGY TAKES SHAPE

In November 2017, the Canadian government announced a strengthened national position on housing through the National Housing Strategy. The strategy has several components and overall it commits \$40 billion to housing investments over the next ten years. Most funding is earmarked for housing repair and new construction, and calls for financial commitments at other levels of government. OCHC was active within the sector during the consultation stages of the strategy.

In April 2018, the Province of Ontario announced a bilateral agreement with the federal government in support of the NHS. This 10-year agreement established \$4.2 billion of funding for provincial housing needs.

These developments are encouraging. Like most housing providers, OCHC faces significant financial challenges in delivering on its repairs and maintenance program (Capital Works Program) and managing deferred maintenance. Numerous development projects are also positioned to advance, conditional on securing the appropriate level of support and partnership, including funding.

GLADSTONE VILLAGE – A BIG CONCEPT

Gladstone Village is a key development site identified in OCHC's Portfolio Renewal Strategy. OCHC acquired this 7.26-acre site in 2017.

The property is centrally located at 933 Gladstone Avenue at Preston Street. The site proposes to offer an inclusive and vibrant community hub comprised of mixed-income housing, retail, commercial and green spaces, as well as a French language public school.

In 2018, the corporation continued working with the City and the school board on due diligence work. In 2018, it was estimated that construction could not begin until 2020 in order to champion planning efforts successfully.

The City is also preparing to initiate staging work for the future Gladstone light rail station that is anticipated to open for ridership in 2022.



ROCHESTER HEIGHTS SITE PLAN APPROVAL

As part of the Portfolio Renewal Strategy to enable OCHC to meet housing needs and provide homes for the future, the corporation is redeveloping Rochester Heights over the coming decade. This historic community of 103 townhomes has reached the end of its service life. In Phase 1 of the project, 26 homes on the northeast corner of Gladstone and Rochester were removed in the summer of 2018, to be replaced with a new development.

The rehousing team worked with tenants to ensure that those requiring a new home were provided support and alternate housing options within OCHC's portfolio. The Rochester Heights Phase 1 redevelopment project was awarded \$18.5 million in funds from Action Ottawa, a program set up to distribute funds from the shared federal-provincial Investment in Affordable Housing Program's capital funding. Currently, the corporation aims to achieve substantial completion of the project by spring of 2021.

ASHGROVE COMMUNITY EXPANSION

The Ashgrove expansion exemplifies key goals of the renewal strategy by adding 16 new homes to the existing community.

The construction of the 7 two-storey townhomes and 3 triplexes meet two objectives: providing families with access to affordable housing and offering the best possible services to those new tenants, as some homes are barrier-free and designed for those with mobility issues or visual impairments.

The townhome portion of the expansion was completed in December 2018. The triplexes are expected to be completed in the spring of 2019.

The \$5 million project received \$2.4 million in funds under the Investment in Affordable Housing Program – a joint federal, provincial and municipal initiative aimed at increasing access to affordable housing. OCHC invested \$2.6 million.

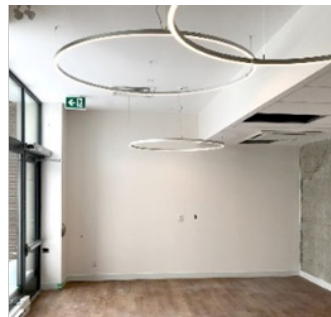
Families began to move into the townhomes in the first quarter of 2019.



CARLINGTON COMMUNITY

At the close of 2018, a mixed-use, residential building adjoining the Carlington Community Health Centre was nearing completion.

OCHC collaborated with CCHC to create 42 new homes for seniors and add space for CCHC to better meet their mandate. The ground floor of the new building will house CCHC's medical clinic and corporate offices, freeing up much-needed programming space in the centre's main building. The seniors' apartments are located on the top three floors. The new build includes 12 barrier-free and 30 visitable homes.



Started in the spring of 2017, the project cost was estimated at \$18 million. Funding of \$4.6 million was provided through the Investment in Affordable Housing Program while OCHC funded an additional \$5.1 million. CCHC contributed \$3.3 million for their portion of the building. They will invest a further \$5 million to fit up the clinic in 2019-2020.

The goal of this collaborative model is to provide on-site access to a wide range of medical and support services – and delay the need for seniors to enter a long-term care facility.

Other design features in the building:

- The building envelope and mechanical systems were designed to Passive House standards for high performance and passive solar design, to minimize operating energy costs while minimizing the carbon footprint.

- High-efficiency plumbing and electrical fixtures have been installed to reduce utility consumption.
- Each residential floor has common amenity space, providing meeting, laundry, kitchenette and social space for tenants.
- The design incorporates best practices for seniors and makes accessibility a priority.
- A common gathering space is on the main floor, and shared with CCHC for events.

During construction, 85% of the construction waste was diverted from landfill. Completion of the health clinic is targeted for the spring of 2020.

KEEPING HOMES IN GOOD CONDITION THROUGH CAPITAL REPAIR

In 2018, OCHC continued to make critical capital investments across the portfolio. The core Capital Works Program was composed of 104 major construction projects with an overall value of \$14 million. Capital works is an ongoing and significant investment given that OCHC buildings are aging, and increasingly investments are needed to keep the portfolio in good condition. The Capital Works Program makes for a large portion of the overall OCHC Capital Investment Program.

The Capital Works Program, coupled with the additional funded initiatives, focused on infrastructure repair of OCHC properties including roofing, paving, building system replacements, elevator upgrades, fire safety system renewals, cladding and restoration, mechanical system upgrades and building envelope improvements.

Above the Capital Works Program investment of \$14 million initially budgeted, OCHC has been completing supplemental capital projects work; these initiatives come from funding sources awarded through the federal and provincial governments for repairs and

improvements aimed to support Ontario's climate change strategy and other government priorities. Also known by the acronyms SHIP, SHARP and SHAIP, the funding received have been driving many repairs and improvements projects in 2018.

98% of the budget for the core Capital Works Program had been committed by the end of 2018. OCHC's focus in 2017 and 2018 was on completing works funded through supplementary provincial programs, given that funding for these programs was time sensitive and needed to be completed according to strict government timelines.

SHARED SERVICES MODEL FOR HOUSING SERVICES

The Ottawa Social Housing Network (OSHN) is a voluntary network of 60 housing providers in Ottawa. It is coordinated through the Ottawa Social Housing Registry and its primary focus is on housing education and networking. OCHC has been an active contributor to the network.

In 2018, OSHN advanced a project to determine the feasibility of establishing formal sharing of housing services. OSHN produced a report in November 2018 that identified that there was a sufficient level of interest in examining a shared services pilot among Ottawa housing providers. Preliminary planning is underway to conduct the pilot with select operational services in 2019.

ADVANCING OCHC'S GREEN STRATEGY

OCHC is committed to environmentally friendly and sustainable practices. Through the Eco2Plan, the corporation continues to seek ways to innovate and transform operations and improve buildings.

OCHC retrofits buildings and upgrades equipment across the portfolio to reduce its carbon footprint. In addition to cost savings on utilities, improvements that reduced natural gas consumption have garnered a grant from Enbridge Gas Inc.

In addition to retrofitting existing properties, OCHC is paving the way for a more sustainable future with a mix of initiatives such as solar panel installations and waste diversion programs. More importantly, OCHC takes into account sustainability into new constructions – such as the Carlington Community, which is the corporation's first-ever Passive House certified building – the gold standard for sustainable construction.

FINANCIAL STEWARDSHIP

In compliance with the Ontario Business Corporations Act, Ernst and Young, the appointed auditors for OCHC completed an audit of financial statements for the period January 1, 2018 to December 31, 2018. OCHC has independently submitted the audit results to the Shareholder and Service Manager.

There were indicators of strong financial performance in 2018 contained in the auditor's report. They are as follows:

01. 2018 Financial Statements

An unqualified audit opinion confirming the 2018 financial statements are fair, accurate and consistent.

02. Reserves

OCHC ended the year with a funds balance increase of 1% and sufficient reserves to support strategic goals and OCHC's Portfolio Renewal Strategy to enable the maintenance of housing over the long term.

03. Operating Reserve

OCHC achieved a healthy financial outcome, which allowed a contribution to the Operating Reserve.

FOSTER AN ORGANIZATIONAL CULTURE OF LEADERSHIP, ACCOUNTABILITY AND CONTINUOUS IMPROVEMENT



KEY ELEMENTS

- Strategic focus and effective governance
- Business intelligence and results-based management
- Building organizational culture
 - Human resources management
 - Changing profile of the modern worker and the work environment
- Leveraging technology
- Lean and effective business processes
- Ensuring effective media and public relations

In 2018, OCHC completed its third year of operations under its current 10-year strategic plan.

The strategic plan looks to use stronger governance, management systems and innovation to ensure that OCHC is able to build and maintain the housing portfolio, deliver quality tenant services and support healthy communities.

Investing in the organization's culture, employees and technology are critical elements of the strategy.

OCHC recognizes that it is part of a large housing ecosystem and that it must learn, share and partner to build capacity and play a leadership role in this critical work.

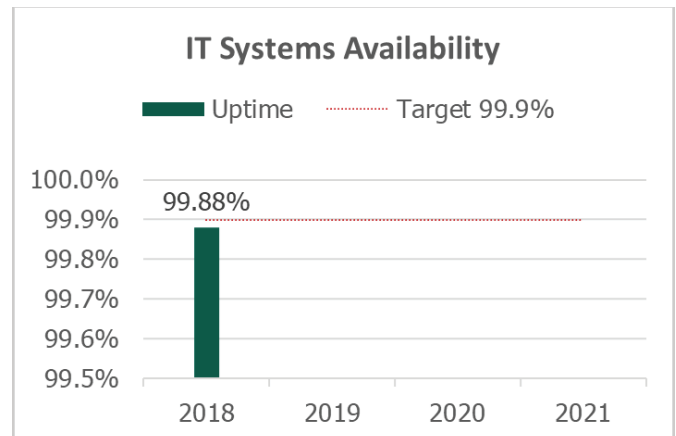
NETWORK AVAILABILITY AND CYBER SECURITY

OCHC continued to advance its digital strategy by completing critical work to strengthen network reliability and security. In 2018, the goals were to improve cyber security mitigation, detection and response to evolving IT security threats.

OCHC maintained IT systems availability at 99.88% in 2018. This level of performance is slightly below the set target.

There were brief periods of unscheduled system outages through the year, caused by on-premise IT network infrastructure issues and extreme weather conditions. These incidents were successfully resolved.

OCHC experienced a growing number of cyber security threats related to phishing attempts, resulting in eight firewall breaches in 2018. These breaches had a minor impact on isolated users. They had no bearing on overall system performance, and OCHC quickly resolved these situations.



HIGHLIGHTS OF IT NETWORK INVESTMENTS IN 2018

- Upgraded firewall and anti-virus software to protect the OCHC network
- Improved network monitoring, connectivity and security
- Strengthened corporate business reporting on IT systems
- Delivered IT security training and awareness campaign to OCHC staff
- Installed Wi-Fi connection networks in some lounges

FOSTER AN ORGANIZATIONAL CULTURE OF LEADERSHIP, ACCOUNTABILITY AND CONTINUOUS IMPROVEMENT

GOVERNANCE EFFECTIVENESS

OCHC has used a standardized reporting approach to assess governance performance since 2016. It includes regular monitoring of governance processes and an annual governance survey.

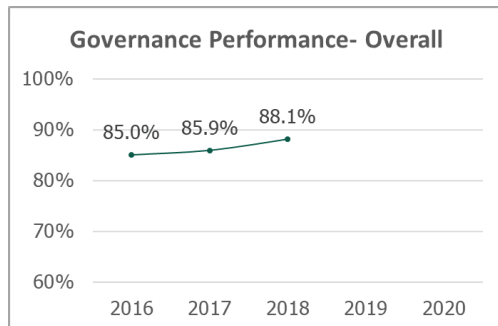
The aggregate governance performance rating for 2018 was 88.1%. This is a 2.2% increase in governance effectiveness compared

to the previous year. There have been three consecutive years of strong governance performance with incremental growth in specific performance areas.

In 2019, OCHC will use the governance evaluation results to continue to invest in governance practices. There will be specific attention given to mid-range governance planning and increasing strategic analysis in governance reports.

Good governance is a team effort and one highlight of the governance evaluation is the high degree of professional trust and effective working dynamics that exist among the OCHC staff and the volunteer members of the Board and committees.

The Board volunteers have made a significant leadership contribution. They participated in meetings, strategic sessions, governance learning and community events where their array of experiences as community champions, business leaders and public officials has offered valuable leadership and enriched OCHC governance.



BEST APPROACH TO ACHIEVING EFFECTIVE BOARD AND COMMITTEE OPERATIONS

Shortlisted, Governance Professionals of Canada

OCHC was very proud to be shortlisted among some of the nation's leading financial services and insurance companies for seeking excellence in governance, as demonstrated through best practices that build and sustain shareholder and stakeholder value.

CONTRIBUTING ACROSS THE BROADER HOUSING SECTOR

OCHC maintained a strong presence in the housing sector in 2018. It continued making contributions across all significant sector housing organizations, including the International Housing Partnership, the Canadian Housing Renewal Association, Housing Partnership Canada, Housing Services Corporation, Ottawa Social Housing Network, Alliance to End Homelessness Ottawa, Ontario Non-Profit Housing Association, Canada Mortgage and Housing Corporation, and the Local Housing Corporations Forum. The senior leadership team sat on the Boards of most affordable housing bodies at the municipal, provincial and federal levels.

OCHC has continued to strengthen its network of individual housing providers as well. In 2018, OCHC organized, facilitated or played a key role in several events with housing organizations to discuss housing

strategies and compare ideas and practices. Contacts included Housing New Zealand, York Region Housing, British Columbia Housing, Capital Region Housing (Edmonton), Calgary Housing Company and the Alberta Ministry of Community and Social Services.

In 2018, the University of Ottawa applied to establish a Collaborative Housing Research Network with OCHC as a leading partner in the application. This proposed network, if approved, would be a federally-sponsored initiative through the Social Sciences and Humanities Research Council and Canadian Mortgage and Housing Corporation to support Canada's National Housing Strategy objectives. The network's objective would be to enable and coordinate public policy research by the network's 47 public, private and not-for-profit members across Canada.

FOSTER AN ORGANIZATIONAL CULTURE OF LEADERSHIP, ACCOUNTABILITY AND CONTINUOUS IMPROVEMENT

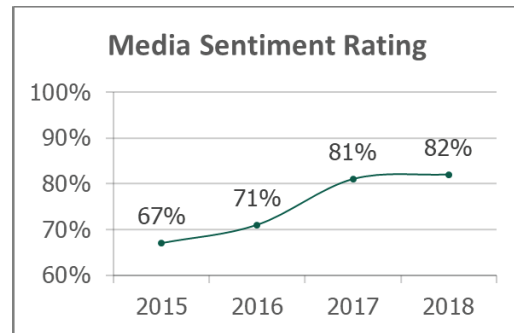
MEDIA SENTIMENT

OCHC continued to monitor media activity and sentiment from traditional and social media sources to identify and respond to corporate risk. OCHC also maintained its outreach efforts to connect with the media and promote key initiatives such as community partnerships and asset renewal projects.

Media tone in 2018 was positive at 82%. This is the highest sentiment rating to date.

The majority of media attention focused on tenant

and communities occurrences such as major infrastructure projects, community partnerships, fires in buildings, volunteer events and security and safety related instances.



OCHCONNECT AND A MODERN RECORDS MANAGEMENT APPROACH

The OCHC intranet site, OCHConnect, has been in place since April 2017. It provides employees with a work hub where they can access a broad range of information and services such as IT systems, corporate policy and procedures, forms and templates, announcements and newsletters, contact lists, health and safety information, job postings and even classified ads. Employees are increasingly using OCHConnect as their main source for corporate information. In 2018, daily use by employees grew from 25% to 67%. OCHC monitored the user experience and modified and adjusted the site based on employee feedback and usage

patterns. While OCHConnect will continue to evolve, the site has achieved its overall objective of giving employees a centralized location to support the work they do.

A critical feature of OCHConnect is providing employees with access to corporate records and the documentation to do their work. OCHC continued to implement a new corporate records system using SharePoint technology to create a modern, effective and sustainable approach to document management. OCHC added departmental users in 2018 and reached 88% of employees who have access to SharePoint libraries that allow them to share, search,

collaborate, protect and manage corporate information. OCHC has been phasing in SharePoint by department, given the level of effort required to make the transition.

One of SharePoint's strengths is its ability to support user groups more effectively to work together through its collaboration features. In 2018, OCHC had 102 workgroups using collaboration sites to share and advance inter-departmental projects and initiatives. OCHC successfully used the collaboration feature to assist in real-time emergency communication and management in response to the September 2018 tornado and power outage.

EMPLOYEE HEALTH AND SAFETY

OCHC continued to promote a safe workplace in 2018. A safety advisor was hired to support OCHC's Health and Safety policy, and several new initiatives were identified and advanced to enhance a safety culture with a focus on internal process improvement and the development of safe work practices.

The Joint Health and Safety Committee met regularly, and members received relevant training and certification. Training was provided to employees in areas such as harassment awareness and prevention, first aid, mental health first aid, heat stress, safety awareness, WHMIS, electrical safety, asbestos safety, fire life safety and fall protection.

FOSTER AN ORGANIZATIONAL CULTURE OF LEADERSHIP, ACCOUNTABILITY AND CONTINUOUS IMPROVEMENT

UNDERSTANDING AND SHAPING ORGANIZATIONAL CULTURE

In 2018, OCHC continued with its organizational culture consultations. This included team visits, focus groups, lunch sessions and management meetings to explore how employees perceive corporate values and how work experiences affect employee satisfaction and engagement. Consultations included the development of the culture statement.

We are proud because every day we make a difference.

We work as if it was our own community

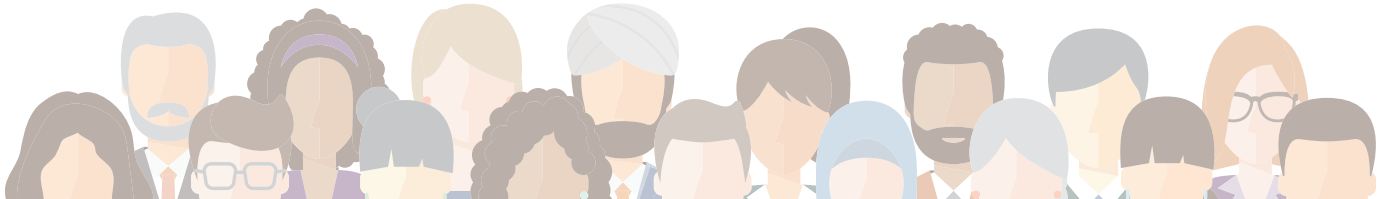
By communicating with respect, working together, focusing on quality and taking ownership. in what we do and why we do it.

We strive towards the future

By continually trying to improve what we do and learning from when we excel and when we could do better.

We make every moment count

By engaging in decision-making, sharing our creativity and celebrating each other's contributions and successes.



From the employee culture discussions, specific action plans and management commitments were made to promote a sustainable positive and engaging workplace.

A critical component of the culture work was the introduction of the OCHC core and leadership competencies. OCHC finalized the competencies in early 2018 and has been integrating them into people management functions.

OCHC used the competencies as part of a full redesign of the Performance Management Program that emphasizes employee development and competency coaching. Managers completed a series of learning sessions to explore and practice setting goals, giving feedback and assessing employee performance using the OCHC competency model. OCHC also developed and implemented a competency performance management automated tool that assists managers and employees in the coaching relationship and supports the new program elements.



LIFETIME OF SERVICE AWARD

Presented by the Ontario Non-Profit Housing Association

Long-time employee and Director **Denis Michel** was recognized for dedicating his career and talents to the non-profit housing sector. Denis retired in June 2018 after more than 30 years with OCHC and one of its former entities, the Ottawa Carleton Regional Housing Authority.