

“The Walls Remember”: 2010 Annual Report



The Agency for Co-operative Housing
L'Agence des coopératives d'habitation

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Board of Directors

The Agency's directors come from British Columbia, the Prairies and Ontario. Their familiarity with regional economic conditions, knowledge of government housing programs and thorough understanding of co-operatives of varying kinds enables them to provide informed oversight of the Agency's operations.

[Left to Right] Elain Duvall; Jill Kelly, Vice-President; W. Laird Hunter, Q.C.; Carol Davis; Peter Crawford, Treasurer; Ray Hession, President.



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“The brickwork’s cracked, I see, beside the door...”: Protecting Our Heritage in 2010

“Heritage preservation” is the term used for the protection of properties that reflect a time that has passed or a place that has largely changed. While some Agency clients own properties dating from before the First World War, most housing co-operatives began life less than 30 years ago in new buildings. The term “heritage” would hardly seem to apply.

In a different sense, however, even “new construction” co-operatives qualify as heritage deserving of recognition and protection. They reflect a historic period in the Twentieth Century when, disappointed with the social effects of large-scale public housing developments, governments turned to community-based providers of smaller-scale, mixed-income housing. Co-operative housing is unique among the various approaches undertaken in being collectively owned and controlled. In spite of many difficulties, it remains as the remarkably successful legacy of an earlier era.

When Agency staff came to know their clients, they saw that many boards and members regarded their co-ops as local, if not national, treasures. However, much as they cared, few were putting aside the funds they would need to tend to their buildings over the long term. Some clients were still hampered by the idea that their co-op would save money by having members themselves do all or most of whatever work the property needed. Others found it hard to finalize a plan for capital repairs and replacements.

The Agency responded by setting itself the goal of obtaining real growth in client contribution rates to capital replacement reserves. By the end of 2010, we saw our efforts bearing fruit: the average contribution to reserves had increased by nearly ten per cent over 2009.



Besides putting more into reserves, co-operatives spent in a concerted way on capital repairs and replacements. When the government drew up a plan to support the Canadian economy in the wake of the 2008 financial crisis, our staff encouraged the Agency's clients to apply for funds under the Social Housing Renovation and Retrofit Initiative for essential work to their buildings. In 2010, during the second round of the initiative, the Agency once again assisted CMHC in vetting applications, although we had no role in the allocation of financial contributions to specific clients. Not all clients saw their applications approved, but the exercise served to draw their attention to overdue work, prompting many to use their own funds for capital repairs. Scattered through this report are before and after photographs that illustrate the poor condition of some client properties prior to 2010 and how they look after an appropriate capital investment.

With strong encouragement from the Agency, many co-ops began to review all sources of revenue and ask their members to pay something closer to the market rate. Members are beginning to understand that doing so, and earmarking the extra money for the upkeep of the property, is the key to securing their future.

Another way for co-ops to put more money in their pockets is to reduce vacancy losses. Although it takes some effort, this simple strategy is less painful than a large hike in housing charges. Agency staff helped with specific advice on curb appeal and timely and effective marketing. An obvious but important tactic was to make vacant units as attractive as possible, hiring professionals to paint, redo flooring or replace bathtubs and sinks. Again, fewer vacant units meant more money to invest in the co-op's property.

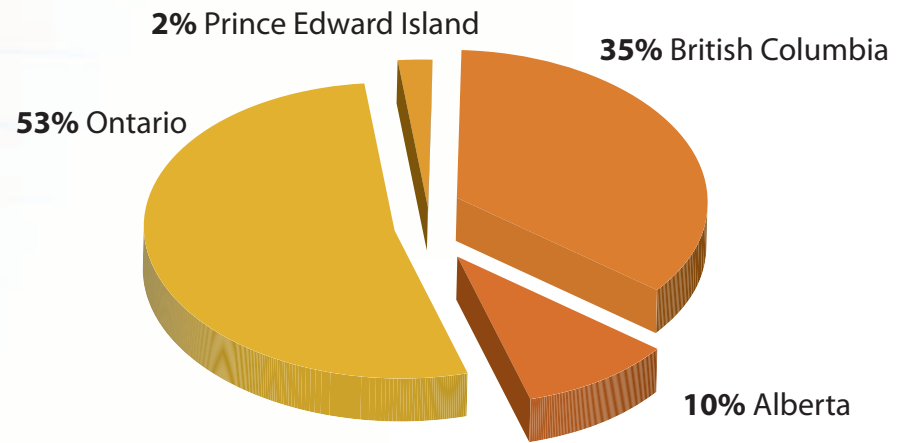
Of course co-operative housing is about much more than buildings, but these are not only a co-op's chief asset, but its reason for existing. Co-op buildings deserve protection, not only for practical and public-policy reasons, but also as part of our nation's unique heritage of housing.



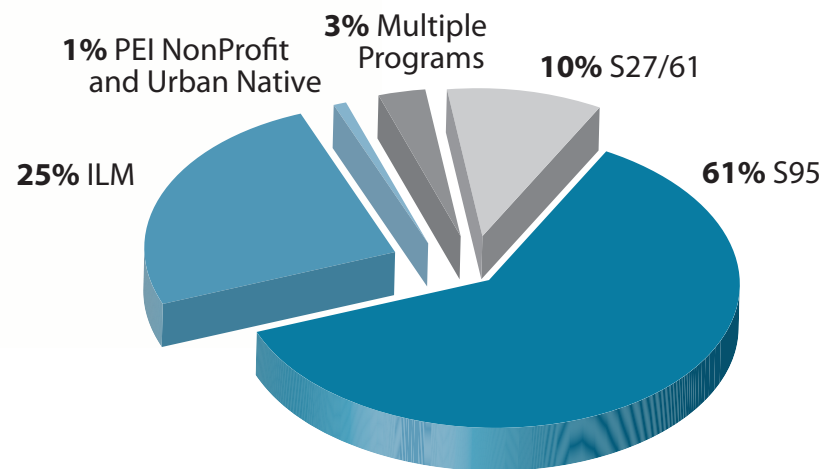
Clients

At the end of 2010, the Agency's client housing co-operatives numbered 533. Their distribution across the provinces and housing programs is illustrated below.

Regional Distribution of Agency Clients



Percentage of Clients under Each Program



“A Lot of Living”: Chief Executive Officer

Writing about an old family home, the Canadian poet Philip Child observed, “This house has seen a lot of living.” After more than 25 years with members in residence, the same can be said of properties belonging to the housing co-operatives the Agency oversees.

Our co-op clients are mature communities, rich in experience and regularly invigorated by the arrival of new members. We often hear about the children of former co-op members returning to their old home to say hello, or of young adults moving from their parents’ co-op home into one of their own. Child’s meditation on the life of a dwelling applies to our clients in full measure:

One of the Agency’s tasks is to work for the preservation of our clients’ buildings in their capacity as the physical surroundings for the intimacies of human life. Our staff lays great stress on the need for housing co-operatives to take care of their properties so that they can go on to shelter future generations. Not only do we press our clients to put aside more to fund capital projects, but our relationship managers are ready to give advice on how to carry them out. The Agency’s technical-services staff arranges building condition assessments for clients that would struggle without our help, and, for those in tight financial circumstances, our front-line staff work with the co-op to ensure that the money is well spent. In 2010 the Agency also played a part in assisting both clients and CMHC in connection with the second round of the Social Housing Renovation and Retrofit Initiative.



— Alexandra Wilson,
Chief Executive Officer

*Room for laughter and room to spread out joy
And look at it, and room for quiet growth...*

*...Room to be born and live one’s love and life in
And room to come to the night’s dark tenderness;
Yes, and room to die in, thinking perhaps
When you lie in bed for the last of all your nights—
Thinking “My children’s children may
Begin their lives where I am ending mine...”*



In addition, for the benefit of co-ops that are operating well, but are unable to fund a large capital project from their reserves, the Agency has begun to develop relationships with commercial lenders. Our role has been to facilitate the borrowing process by helping our clients decide what they can afford to borrow, introducing them to interested financial institutions and advising on the steps in the loan-approval process. Although the number of loans made so far is small, the need is great, and more activity will come in 2011 and throughout the next decade.

Contemplating the life of a dwelling, Child expressed the views of the modernist mid-century when his builder, the mathematical Mr. Hammer, claimed “This house has got too old; I’ll have to tear it down, of course.” The Agency begs to differ.

We believe that, with planning and consistent attention, aging co-op homes can be refurbished, renovated and preserved for the manifold benefit of future lives. This is work worth doing. As Child said in his poem, “A house can light within a child such a candle as by God’s grace shall never be put out.” Especially when it forms part of a housing co-operative. The difficult mission of our relationship managers is to communicate a sense of urgency to the boards and members of those clients who have yet to abandon their belief in keeping housing charges as low as possible. Although our message is often unexpected and not always welcome, our staff know that it must be delivered—if need be, more than once, in different voices and different ways—until it is accepted and acted upon.

Ultimately, the most powerful voices for change may not come from our staff. Still unheard are those of our most successful clients. Many housing co-operatives are managing very well, maintaining their properties with careful attention and enjoying the benefits of life in a matured community. These clients have attitudes and strategies to share with their less accomplished peers through the Agency’s best-practices service, once it is launched.

In the end, however, housing co-operatives are their own masters. Agency staff will advise, warn and facilitate, but our clients must themselves make the hard choices that are needed to secure the future for their members, present and to come.



Financial Highlights

	31 December, 2010	31 December, 2009
ASSETS		
Cash	\$ 1,622,915	\$ 1,565,566
Capital Assets	991,981	1,074,336
Other	149,208	106,464
	<u>2,764,104</u>	<u>2,746,366</u>
LIABILITIES		
	2,107,951	2,023,112
FUND BALANCES		
Operating Reserve	28,745	84,979
Capital Fund	627,408	638,275
	<u>2,764,104</u>	<u>2,746,366</u>
CHANGES IN OPERATING RESERVE		
	2010	2009
Revenue	5,719,182	5,418,948
Operating Expenses	(5,448,732)	(5,163,038)
Transfer to Capital Fund	(326,684)	(311,074)
	<u>\$ (56,234)</u>	<u>\$ (55,164)</u>

The full financial statements, audited by Marcil Lavallée, have been provided to the Co-operative Housing Federation of Canada and Canada Mortgage and Housing Corporation.



Staff

Alexandra Wilson, CEO

Corporate Services

Gail Church, Director, Corporate Services

Stephanie Ballantyne, Senior Administrative Assistant,
Corporate Services

Chris Beggs, Technology and Network Services Administrator

Shannon Crandell, Senior Administrative Assistant (B.C.)

Georges Guimond, Acting Manager, Information Systems

Maggie Keith, Communications Officer

Catriona McCallum, Relationship Manager

Gail McKenzie, Software Quality Assurance Officer

Toby McSween, Senior Administrative Assistant, Prairies

Sirikit Moreau, Senior Administrative Assistant, Finance and
Human Resources

Sergei Pershukovich, Data Administrator

Stan Piechocinski, Senior Software Developer

Chantal Roy, Manager, Service Quality and Training

Laurie Sallis, Senior Administrative Assistant (Ontario/PEI)

Michel St-Denis, Manager, Technical Services

Andy Yang, Intermediate Software Developer

Lending and Default Prevention Services

Greg O'Neill, Manager, Lending and Default Prevention Services

Jennifer Hobbs, Senior Analyst

Operations

Olga Tasci, Director, Operations

Dave Howard, Manager, Operations (Ontario/PEI)

Joanne Mick, Manager, Operations (B.C./Prairies)

Jennifer Brumwell, Relationship Manager

Margaret Callaghan, Relationship Manager

Jean-Marc Carrière, Relationship Manager

Donna Charbonneau, Relationship Manager

Jacqueline Cooper, Relationship Manager

Jane Davidson-Neville, Relationship Manager

Cole Dudley, Relationship Manager

Robin Hillgartner, Relationship Manager

Julie LaPalme, Information Officer

Ken Lawson, AIR Help Desk Officer

Larry Lenske, Financial Officer

David Nagy, Relationship Manager

Shawn Preus, Relationship Manager

Payam Ressalat, Relationship Manager
(parental leave)

Debbie Saidman, Relationship Manager

Francesca Sorace, Relationship Manager

Sandeep Thethy, Relationship Manager

Heather Wesenberg, Relationship Manager

G. Scott Wylie, Relationship Manager

Amanda Yeomans, Relationship Manager
(parental leave replacement)



Mission, Vision, Values

Our Mission

The Agency administers co-operative housing programs, deploying risk-based strategies, superior information management and client-centred service to safeguard the public's investment and help our government and co-operative partners attain their goals.

Our Vision

The Agency aspires to be a superlative administrator of co-operative housing programs, recognized for its leadership by governments across Canada and valued by housing co-operatives as a partner in their success.



Our Values

We hold to these values, which govern our conduct with the general public, our government and co-operative partners, and our employees and other stakeholders.

- **Respect** — We esteem our clients and at all times treat them fairly and with consideration.
- **Transparency** — We promote the open and honest sharing of knowledge and information, while guarding the privacy of individuals.
- **Trust** — We earn the confidence of our co-operative and government partners through exceptional service and consistent performance.
- **Excellence** — We pursue superior results and continuous improvement. Success, for us, is getting the right things done as well as possible.
- **Innovation** — We challenge ourselves constantly to find fresh approaches that will lead to ever-better outcomes for our partners.
- **Co-operation** — We work in concert with our stakeholders to achieve separate but complementary goals.
- **Accountability** — We answer to our government and movement partners for the results we achieve as responsible stewards of the programs entrusted to us.
- **Sustainability** — We look to the future, strengthening our operations, honouring the environment and encouraging our clients to sustain and conserve the properties they hold in common.

Website: www.agency.coop

