

October 1, 2020

Ms. Tammy Menssa
Chief Administrative Officer
North Peace Housing Foundation
6780 103 Ave
Peace River, Alberta T8S 0B6

Dear Ms. Menssa:

Subject: 2020 Rent Supplement Budget and Program Update

We are providing you with your 2020 Rent Supplement Budget as well as a status update on the re-designed rent supplement program.

As you are aware, our budget target for the Rent Supplement Program was reduced by \$11 million for 2020/21. In an effort to meet this target reduction, HMBs were directed to stop accepting new rent supplement applications and to not fill vacant designations as tenants leave the program. We ask that you continue to maintain this current direction until the implementation of the re-designed rent supplement program.

As of September 2020, HMBs have been provided monthly grant funding based upon your 2019 budgets while the department worked towards finalizing approved budgets. During this time, natural attrition occurring within the program has seen the number of households in the program decreasing by approximately 10% resulting in HMBs holding surplus funds exceeding the current monthly tenant subsidy requirements for DTRS and PLRS. We ask that HMBs draw down these surpluses, as needed, to fulfill current needs in their portfolio.

In addition to the current direction, we are providing you with the following rent supplement and updates as follows:

- Your 2020 Rent Supplement Budget is **\$197,000**
 - Payments of **\$13,165** for Oct, Nov and Dec will be processed within the first week of each month.
- We understand there will be budget shortfalls given the timing of your budgets and the current direction. In order to meet your current program requirements, HMBs may:
 - Use surplus rent supplement funds that you currently hold from prior grant payments; and
 - Draw down your rent supplement advance / reserves. You must inform your Housing Advisor prior to the use of your reserves. We will be requesting information on amounts used as of December 31, 2020.

- The implementation of the re-designed rent supplement program has been deferred to April 1, 2021. More details will be communicated to you shortly.
- Leases for current tenants who remain eligible for the program can be renewed until the end of March 31, 2021.

If you have any questions or concerns regarding your budget or the above direction, please contact your Housing Advisor. Thank you for your continued work in providing housing Albertans in need and your patience as we review the affordable housing system.

Yours truly,



Philip Henke, CPA, CGA
Director
HMB Operations and Compliance

Cc: Dora Fitz, Housing Advisor
Hazel Reintjes, Board Chair