



North Peace Housing Foundation

6780 – 103rd Avenue, Peace River, Alberta T8S 0B6
Tel (780) 624-2055 Fax: (780) 624-2065
Email: tammy.menssa@nphf.ca

To: The Board of Directors
From: Tammy Menssa, Executive Director
Date: November 5, 2020
Re: 2021 Seniors Affordable Housing Rate Schedule

In February 2009, the Foundation entered into the Affordable Housing Program Conditional Grant Funding Agreement with the Government of Alberta to receive a capital grant to provide an affordable housing option in the Peace region. The original agreement stated that we were required to receive the Minister's approval to change rental rates from the original Schedule B of the agreement.

On February 8, 2019, North Peace Housing received a directive from Alberta Seniors and Housing stating that the Ministry of Seniors and Housing was permitting Grant recipients to change Project Rents (units funded by the program) without notice to or approval from the Minister. However, recipients were still required to continue to maintain Project Rents below market rental rates by at least the percentage specified in the Conditional Grant Funding Agreement, that being 10% below market in the Foundations case.

The "Average Market Rent" means the average rent rate for the area where the project is located, determined on an annual basis by the Minister. The Minister determines average market rent for the rural communities included in the Alberta Apartment Vacancy and Rental Cost Survey which is published annually by the Government of Alberta. The last published survey is dated 2018.

In the past, the Foundation has presented the Board with a rate schedule, with several income ranges and a corresponding rental rate. We are proposing that the rate for the 44 affordable units at Garden Court be set at \$815.00, which is 10% below the market rate for a 1-bedroom unit in Peace River listed in the 2018 Apartment Vacancy and Rental Cost Survey. I would like to note that the 2020 Core Need Income Thresholds set by the province and CMHC is at 2018 levels.

Additionally, we are proposing that the one- and two-bedroom market rates remain consistent to 2020 levels.

Finally, we propose that the change, although effective on January 1, 2021, would only apply to new tenants moving into Garden Court on, or after that date, and to the existing tenants who are living in non-market units, but paying rates above the affordable rate. They will have their rents adjusted accordingly.

The individuals currently set at a rate lower than the affordable rate, will have their rents reassessed annually and may see increases, but will be given proper notice, as per the Residential Tenancies Act.

Recommendation

Approve the 2021 Seniors Affordable Housing Rate Schedule as presented.

Thank you,



Tammy Menssa
Executive Director

NORTH PEACE HOUSING FOUNDATION			
Seniors Affordable Housing Rate Schedule			
2021			
	Allotment	Rate	Monthly Revenue
Affordable Units (below market)	44	\$815.00	\$37,400.00
One Bedroom Market	9	\$975.00	\$8,775.00
Two Bedroom Market	10	\$1,150.00	\$11,500.00
Total Monthly Revenue			\$57,675.00
Total Annual Revenue			\$692,100.00