

NORTH PEACE HOUSING FOUNDATION



Everyone Has a Place to Call Home



Business Plan

2023-2025

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EXECUTIVE SUMMARY

The North Peace Housing Foundation (NPHF) is a management body established by Ministerial Order under the Alberta Housing Act to provide adequate and suitable housing in a variety of housing types that are accessible to low-income households in need.

Our organizational culture drives how we conduct ourselves in carrying out our Business Plan and in the delivery of our programs to seniors, individuals, and families of the region. Our Vision, Mission, and Values guide us as we strive to achieve the organizational goals and fulfill our mandate.

Our Vision:

Everyone has a place to call home.

Our Mission:

To deliver quality, affordable, and supportive housing in healthy, safe, and inclusive communities.

Our Values:

Honesty & Integrity

Always demonstrate strong ethical & moral principles with clients, co-workers, colleagues, and the public.

Compassion & Respect

Consider and support the unique circumstances of our co-workers and our clients.

Accountability & Excellence

Achieve and maintain high standards of stewardship and fiscal responsibility.

Collaboration & Teamwork

Develop partnerships and relationships to achieve operational excellence.

Innovation & Empowerment

Encourage and reward creativity, welcoming ideas and acknowledging participants in this process.

On April 11, 1960, through the signature of the lieutenant governor in council, the North Peace Foundation was born. A provincial government initiative to construct fifty retirement homes for seniors brought the first lodge to this area in Berwyn. Through an agreement of 12 municipalities, the Foundation was established to oversee the operation of the Autumn Lodge. This inter-municipal co-operation, key to the success of the Foundation, is something that still exists today.

Over the last 60 years, the Foundation has taken on many challenges including consolidating 7 housing agencies in the North Peace in 1995, incorporating as North Peace Housing Foundation, entering new service areas, overseeing the construction and management of new apartment buildings for seniors, taking on the management of homes for low-to-moderate income families, additional seniors' apartment units, as well as rent assistance programs on behalf of the province.

The Foundation currently manages a portfolio of senior and family housing units throughout the region totaling over 600 units.

Operating as a non-profit housing provider, North Peace Housing Foundation strives to maintain affordable rental rates for senior clients and ensure that those of modest income have access to safe, inclusive, affordable, and well-maintained housing.

Over the next 3-5 years, the Foundation will be guided by the following strategic priorities:

- Demonstrate Operational Excellence
- Innovative and Sustainable Funding Models
- Develop and Foster Strong Partnerships and Connections
- Capital Projects and Maintenance
- Organizational Branding
- COVID-19 Recovery

The North Peace Housing Foundation is very proud of its knowledgeable and experienced staff, who regularly go above and beyond to provide the level of care and attention that our tenants and residents expect and deserve. The dedication and compassion that was extended to residents and families alike throughout the pandemic has been admirable and appreciated.

An assessment of the organizational structure, with a focus on succession planning to protect the resiliency of the Foundation will be essential in the upcoming years, as retirements of long-tenured employees are approaching.

Consistency across the Foundation has been a primary focus over the last year. A review of lodge and social housing operations has been undertaken to find efficiencies

and cost saving opportunities, as well as create improved processes and standard operating procedures.

Adherence to legislative requirements and industry standards is evidenced by our Certificate of Recognition (COR) Health and Safety program through the Continuing Care Safety Association, as well as our Supportive Living Accommodations Standards Licenses in our 4 seniors lodges through Alberta Health, Compliance and Monitoring branch.

In consideration of current economic realities and acknowledging that these shared challenges are also facing contributors to our regional tax base, NPHF will actively explore other potentially innovative sources of revenue and focus on financially sustainable development opportunities.

In 2022, a regional needs assessment is a priority project that will review both the senior and family housing needs within the Foundation's geographical boundaries. The Foundation hopes to work in conjunction with its member municipalities on the assessment to provide all stakeholders, including the Government of Alberta, with relevant information required for future planning and to support proposed projects.

Actively maintaining and strengthening partnerships with municipalities, community stakeholders and agencies to better serve our existing and future clients is an ongoing pursuit of the Foundation.

Building on the already successful relationships with Alberta Health and Alberta Health Services (AHS) will be critical as we expand into higher level care, with a 16-unit designated supportive living (DSL) wing in the Del Air Lodge in Manning, due to open in the fall of 2023.

Much of the Foundation's housing portfolio was built prior to, or in the 1980's, and requires significant ongoing maintenance and upgrades. Substantial capital maintenance and renewal funding is being requested to allow the Foundation to address life and safety issues, as well as improve the condition and curb appeal of its portfolio, significantly enhancing the marketability of available housing in the communities served.

NPHF will continue to advocate for the re-development of their senior supportive housing portfolio to accommodate seniors with higher care needs, allowing the Foundation to serve a larger segment of the senior population, as well as providing seniors with the ability to age in community, without having to leave their support network. With the construction of the DSL wing of the Del-Air Lodge in Manning underway, the focus will now turn to the 35-unit, DSL addition to the Harvest Lodge in Fairview.

The re-development strategy allows the Foundation to optimize the use of assets to serve the changing needs of seniors, and design or re-design facilities to match expectations; for instance, addressing the inadequate size of the older lodge units by combining 2 or 3 existing units into 1-bedroom suites, as proposed at the Del-Air and Heritage Tower Lodge.

The Foundation will continue to adjust the Social Housing portfolio to create a mixed income model resulting in a more sustainable housing program. This will be accomplished through a series of dispositions and re-developments, and re-profiling a number of properties from social housing to market rate or near-market rate units, thereby improving revenue and increasing cash flow to reinvest in the social housing portfolio. Housing units will be better maintained, will have improved curb appeal to attract tenancies, and will result in an improved public image for the Foundation and for the programs we support.

In 2019, the province transferred title of 15 surplus single-family homes to the Foundation. 8 of the 15 properties have sold, with 5 still available for sale; the remaining 2 properties in Fairview will be developed into seniors affordable housing with the proceeds from the property sales, and any shortfall being supplemented with provincial funding, if approved.

Enhancing the perception of the Foundation in the public will be a focus in the upcoming months and years in an effort to respond to circumstances brought on by the global pandemic. Promotional and communication efforts highlighting the benefits, safety, and security of lodge living as well as telling our good story through the use of resident and tenant testimonials and videos will be key in this effort.

The overarching themes of the Foundation's Business Plan are in line with *Stronger Foundations: Alberta's 10-year strategy to improve and expand affordable housing* to meet the needs of Albertans with low income. By working with the province, our municipal partners and community organizations to better meet the needs of our clients, we can fulfil our mission:

To deliver quality, affordable, and supportive housing in healthy, safe, and inclusive communities.

ACCOUNTABILITY STATEMENT

“The Business Plan was prepared under the Board’s direction in accordance with legislation and associated ministerial guidelines, and in consideration of all policy decisions and material, economic, or fiscal implications of which the Board is aware.”
Approved by the Board on July 6, 2022, Motion # 48.07.22

PORTFOLIO PROFILE

The North Peace Housing Foundation is a management body created by Ministerial Order H: 062/95 (Exhibit 1) under Section 5 of the Alberta Housing Act, effective April 1, 1995. The North Peace Housing Foundation is considered a corporation as outlined under Section 6 of the Alberta Housing Act.

Basic Description of Business

The function of the North Peace Housing Foundation is to provide sufficient and adequate accommodation in a variety of housing types, targeted to low and moderate-income seniors and families in need.

Products and Services

North Peace Housing Foundation provides the following housing services:

- **Supportive Living Accommodation**

Basic room and board accommodation, supplemented with housekeeping, laundry, and recreation services. NPHF owns and operates one, 66-unit Lodge and manages 3 provincially owned lodges, totaling 158 units. An additional 16 Designated Supportive Living units are currently under construction and due to open in late 2023.

- **Senior Apartment Accommodation**

130 one-bedroom apartments specifically designed for seniors are managed by the Foundation on behalf of the province.

- **Seniors Affordable Housing Program**

Owned and operated by NPHF, Garden Court is a 63-unit mixed income, 55+ apartment complex in the Town of Peace River.

- **Community Housing Program**

The Foundation manages 148 single family residential dwellings, duplex, and townhouse style residential dwellings ranging from 2 to 4 bedrooms on behalf of the province.

- **Sustainable Remote Housing Initiative**

Single family residential 3-bedroom dwellings that are intended for sale to the tenants. The Foundation currently owns 6 Sustainable Remote Housing units in the Hamlet of Cadotte Lake.

- **Rent Assistance Benefit**

Rental subsidies available to tenants in private rental properties where rental rates exceed 30% of household income. The number of individuals that are serviced under this program is budget based and, therefore, dependent on the rent amounts

and income levels of the approved applicants. The Foundation currently administers \$206,000 per year through the provincially funded program.

INSTITUTIONAL CONTEXT

Subsequent to the Foundation's original charter dated 1960 and Ministerial Order H: 062/95 and pursuant to the current Ministerial Order No. H: 007/21 dated June 8, 2021, North Peace Housing Foundation is established as a Housing Management Body responsible for the provision of supportive and social housing programs within the geographical boundaries of the twelve member municipalities of North Peace Housing Foundation.

According to the Alberta Housing Act, and the regulations that accompany the Act, North Peace Housing Foundation operates 4 Senior Citizens' Lodges, Garden Court Affordable Seniors Apartments, and by Agreement with the Province of Alberta (Alberta Seniors & Housing), manages 11 Seniors' Self-Contained Apartment projects, plus the region's Community Housing, Sustainable Remote Housing, and Rent Assistant Benefit (RAB) programs.

THE BOARD OF DIRECTORS

The North Peace Housing Foundation Board of Directors is the governing body of the Foundation. It is comprised of 12 Directors each appointed by their respective council of a participating municipality. Council appointments to the Board are made for a term of not less than 12 calendar months.

NPHF's Board of Directors is not a Committee of Council, unlike other Committees of Council, which are created and/or authorized under the Municipal Government Act. The Board of Directors of North Peace Housing Foundation is created and authorized under the Alberta Housing Act.

PARTICIPATING MUNICIPALITIES

Clear Hills County	Town of Grimshaw
County of Northern Lights	Town of Manning
Northern Sunrise County	Town of Peace River
Municipal District of Fairview #136	Village of Berwyn
Municipal District of Peace #135	Village of Hines Creek
Town of Fairview	Village of Nampa

Other Key Stakeholders and Associated Organizations

- Alberta Seniors and Housing
- Alberta Health Services
 - Home Care
 - Public Health
- Alberta Health (Compliance and Monitoring Branch)
- Alberta Seniors and Community Housing Association (ASCHA)

- Alberta Public Housing Administrators Association (APHAA)
- FCSS
- Sagitawa Friendship Centre
- Peace River Regional Women's Shelter
- Crossroads Resource Centre and Women's Shelter
- AISH
- Alberta Supports
- Rotary Club of Peace River
 - Peace River Rotary House Society
- WCB
- Continuing Care Safety Association (CCSA)
- Heart River Housing
- Grande Spirit Foundation
- Evergreen Foundation
- Lac St. Anne Foundation
- Boreal Foundation
- Heartland Housing
- RMA
- Alberta Municipalities

PLAN DEVELOPMENT

As stated in Board Governance Policy 3.6 *Annual Strategic Planning Meeting*, the North Peace Housing Foundation Board of Directors believes that long-range strategic planning is a core function of its governance and leadership. The Strategic Plan provides the overall direction to the Foundation in developing the Business Plan.

Reviewed annually in April, and externally facilitated, the development of the Strategic Plan is carried out by the Board as a whole with support from the Senior Management team. The annual review allows for consideration of changes in the organization's current state and operational environment, in addition to emerging challenges. The resulting 2022-2027 Strategic Plan can be seen in Exhibit 4.

On November 1, 2021, the province announced the Stronger Foundations: *Alberta's 10-year plan to improve and expand affordable housing*. One of the key action areas and objectives is to increase capacity, planning and governance by enabling collaboration and local decision-making, and provide more flexibility and capacity to meet local needs. Applicable actions of the strategy are:

Action 3.1: Co-ordinate planning with municipalities, regions, First Nation governments and Métis organizations and local housing providers.

Action 3.2: Encourage regional/municipal needs assessments to inform GOA and community planning.

The Foundation will be taking the lead on a regional needs assessment with the goal of providing stakeholders with a decision-making tool to guide future affordable housing projects in the region. Until that information is available, NPHF's 2017 Seniors Affordable Housing Needs Assessment continues to be used as a basis for many of the forward-looking statements contained within this document.

Consultations have been ongoing between AHS and NPHF regarding any healthcare-related deficiencies in our area. Conversations are encouraged between AHS and NPHF team members, at all levels. Our mutual goal is the health and safety of our residents, including the most appropriate levels of care and supports for the seniors in our region.

Additional items used in the development of this plan include:

- NPHF SWOT Analysis
- Stronger Foundations: *Alberta's 10-year plan to improve and expand affordable housing*
- Ministry Business Plan, Seniors and Housing
- Seniors' Community Profile
- 2017 Seniors Needs Assessment

- 2021 Apartment Vacancy and Rental Cost Survey
- Harvest Lodge Development Design
- Westview Development Design

The 2023-2025 Business Plan has been presented to the Foundation's Board of Directors and approved before submitting to Alberta Seniors and Housing.

ENVIRONMENTAL SCAN

Provincial and Regional Demographics

- Positive population growth is expected in most areas of the province with an average annual growth rate of 1.4% projected over the next 26 years.
- From a regional perspective, all but 2 member municipalities saw a decrease in their population growth since 2016, for an average decrease of 4.6%.
- Both international and interprovincial migration has been negatively affected by the COVID-19 pandemic, both due to economic pressures and travel restrictions, but has started, and is expected, to continue to recover.
- With the evolution away from small family farms to large corporate farms, small rural communities struggle to remain viable. Population declines in some areas have had a devastating effect on small towns and villages.
- Growth is expected to be concentrated in larger urban centres
- Natural increase (birth minus deaths) is expected to have a positive impact on Alberta's growth, as most net migrants are expected to be young adults in child-bearing ages.
- Albertans are expected to live longer on average to 85 years of age by 2046. When assessing the demand for the need for health care, assisted living and seniors housing, it is important to look at the population of those 80 years and older. This age cohort is expected to increase from just over 3% in 2020 to over 7% by 2046.
- A significant factor that continues to drive North Peace Housing Foundation's decision-making is the aging of the population. Regionally, this older cohort is projected to more than double in the next twenty years. Provincially, by 2046, almost 1 in 5 Albertans is projected to be aged 65 and older.
- In 2021, 14.8% of Albertans were aged 65 and over, an increase of 25.8% since 2016.
- With the population of seniors expected to increase and the ever-increasing preference of seniors to stay in their homes and communities, Alberta is expected to see a significant increase in the demand for a range of seniors' accommodations in the foreseeable future.

Current Pressures/Trends

- The provincial unemployment rate for January to May 2022 was down 3.1% over 2021, from 9.4% to 6.3%.
- Reduced lending rates in the early days of the pandemic have contributed to rising inflation which has led the Bank of Canada to raise interest rates; several more rate increases are planned in the upcoming months.

- The cost of living is at its highest rate in 30 years and will likely move even higher before beginning to ease.
 - Elevated gas prices jumped following Russia's invasion of Ukraine, while natural gas and electricity retreated from seasonal highs.
 - Food prices continue to grow steadily.
- The results from CMHC's 2021 Seniors' Housing Survey showed that vacancy rates in seniors' residences were on the rise in all provinces except Newfoundland and Labrador, with the overall vacancy rate for standard spaces growing by 7.0 percentage points. In comparison, Alberta's vacancy rate grew by 26.8%. The weak demand could be the reluctance of households to move into seniors' residences during the COVID-19 pandemic. The Foundation has not been immune from this trend.
- The rooms available in the Foundation's older lodges do not conform to the standards of today's seniors, adding to vacancy and revenue issues.
- In some of the Foundation's service areas, seniors requiring higher level care are forced to find care options in an alternate community or wait placement from an acute care bed, resulting in seniors having to leave their support network and, in some cases, couples being separated.
- In instances where long-term and acute care beds are full, higher-level care residents are kept at the lodge, with additional supports from Home Care in place. This adds to the difficulty in marketing the building to the younger, more independent senior.
- As community members living in more remote areas age in place, the need to provide supports, like housing, increase as mobility and health decline in the senior population. The Foundation will continue to monitor these trends and attempt to find ways to assist seniors of these more remote areas to maintain their connections to their family and other support networks in their community.
- The Foundation relies on applications, wait list information, and data on the number of market rate renters in our Social Housing properties to give an indication of what the current demand is, but does little to project future need.
- According to the Province of Alberta's 2021 Apartment Vacancy and Rental Cost Survey (for municipalities with populations between 1,000 and 9,999), of the 3 out of 12 member municipalities surveyed, Grimshaw, Fairview and Peace River all saw their private market rental vacancy rates decrease by 5.2%, 1.6%, and 1.3%, respectively.
- Overall, private market vacancies increased in buildings older than 5 years and in high rises. Vacancies decreased substantially for store-tops and row houses.
- Private market rental rates increased slightly across all unit types (bachelor, 1, 2, 3 and 4+ bedroom(s)) over the last year, which continues the trend over the past 10 years. The largest increase was seen in the 3-bedroom units. The most common private market unit type was 2-bedroom units.

- The Foundation's Social Housing portfolio continues to age. The pace at which capital maintenance projects are being approved needs to be accelerated as the age and appearance of the buildings, now over 40 years old, becomes a detriment in marketing our housing units to potential clients.
- Building exteriors require upgrades or repairs to keep the properties appealing to the public and to protect the building envelope from damage.
- The escalating cost of materials has added budget pressures when maintaining an aging supply of government-owned units.
- A strong public housing presence provides our tenants employed in lower-paying retail or hospitality sector jobs with a quality, affordable alternative, otherwise, these households can often pay more than 50% of their income for decent, well-maintained housing.
- Physically disabled individuals have been served primarily through the Rent Assistance Benefit (RAB), typically in one-bedroom apartments. The Foundation believes RAB is an excellent housing program in instances where we do not have appropriate housing available to eligible applicants. The Foundation hopes to receive additional funding to assist the individuals on our waitlist.

GOALS, STRATEGIC PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

The Ministry of Seniors and Housing outcomes as outlined in their 2022-2025 Business Plan are:

1. Seniors have access to programs, services, and supports that help them live safely and independently in their chosen communities.
2. Albertans have access to appropriate housing and integrated housing supports.

The Foundation's ongoing priorities are aligned with the Ministry of Seniors and Housing as presented below:

Clients

Goals/Objectives

- Simplify the process of finding affordable housing in the Foundation's region.
- Strengthen partnerships with municipalities, community stakeholders, and agencies to better serve our existing and future clients.
- Work with other Housing Management Bodies, Alberta Health, AHS, and related associations to develop relevant standards and efficiencies.
- Plan and deliver recreation programs that support aging well.

Strategic Priority Initiative

- Streamline the on-line application intake process to be more efficient and accessible to the clients we serve.
- Hire a Tenant Services Worker to collaborate with all stakeholders to provide integrated supports.
- Promote volunteerism in our facilities to further enrich the lives of seniors.
- Enhance the existing recreation programming in our facilities to promote physical and mental wellness, contributing to a better quality of life.

Expected Outcomes and Performance Measures

- Increased occupancy across all programs.
- Increased successful tenancies.
- Reduced costs attributed to arrears and damages.
- Increased number of volunteers.
- Increased satisfaction scores in both resident and tenant surveys.

Facilities/Properties

Goals/Objectives

- Addition of higher-level care units to the existing Harvest Lodge.

- Support the Del-Air Lodge re-development project.
- Plan the future of Del-Air west wing units.
- Investigate the reconfiguration and modernization of lodge units into suites.
- Revisit the vision of the Westview development in Peace River.
- Work with the Province in prioritizing the maintenance of aging assets.
- Secure a maintenance shop.
- Provide internet services and Wi-Fi to all NPHF Lodge residents.

Strategic Priority Initiative

- Advocate for the approval of capital development and maintenance projects to increase the number of units and/or optimize the affordable housing portfolio owned by the Alberta Social Housing Corporation.
 - The 35-unit addition to the Harvest Lodge Capital Priority update has been submitted in Appendix E.
 - Funding for the reconfiguration of Del-Air Lodge's 226 square foot rooms with half-baths, into 1-bedroom units that are more spacious and desirable has been requested. The Foundation is looking to use the same design with the smaller units at Heritage Tower Lodge.
 - Appendix D – Capital Maintenance and Renewal provides a prioritized list of maintenance concerns, with the highest priorities being the replacement of the existing mechanical systems at the Del-Air Lodge and the replacement of the original boiler system at Heritage Tower Lodge.
- Take the lead on the regional Needs Assessment to determine priority areas to address the needs of the growing senior's population.
- Survey the public to ensure that the current vision of the Westview development is still relevant; results will help to determine future design requirements.
- Investigate leasing shop space to enhance and optimize maintenance operations.
- Explore internet and Wi-Fi solutions for areas that offer limited bandwidth and cannot currently access fibre optic infrastructure.

Expected Outcomes and Performance Measures

- Added capacity to the Fairview area, in partnership with Alberta Health and AHS.
- Increased occupancy at the existing Del-Air and Heritage Tower Lodge.
- Effective use of existing space.
- Increased revenue and resident satisfaction.
- Internet and Wi-Fi services available to all NPHF Lodge residents.

Financial Goals/Objectives

Goals/Objectives

- Develop potentially innovative sources of revenue.

- Identify sustainable development opportunities on Foundation-owned land and with existing properties, including mixed-income and mixed-use models.
- Investigate potential fundraising opportunities.

Strategic Priority Initiative

- Utilize alternate sources of funding including partnerships, federal funding, etc.
- Advocate for the Foundation's high priority asset transfer requests to further support our mixed income strategy providing the opportunity to offset subsidized units with market or near market rents (See Appendix F).
- Apply for charitable status.

Expected Outcomes and Performance Measures

- Increased affordable housing options for seniors.
- Improved Social Housing operating budget.
- Increased lodge reserves to fund future development projects.
- Available funds for special projects, enhancing the quality of life for seniors and families.

Operational Excellence

Goals/Objectives

- Assess organizational structure and management succession.
- Review standard operating procedures.

Strategic Priority Initiatives

- Hire a Manager of Human Resources to work closely with all management and staff to advise, mentor, coach, support, and lead HR programs that align with the values and strategic direction of NPHF.
- Continue to review lodge operations at all levels and across all facilities to determine efficiencies and areas for improvement.

Expected Outcomes and Performance Measures

- Improved employee recruitment and retention, performance development, positive workplace relations and legislative compliance.
- Increased learning and development opportunities.
- Standardized operating procedures at all levels of the organization (longer term).
- Improved compliance and audit scores.
- Improved resiliency of the organization.

Organizational Branding

Goals/Objectives

- Enhance the perception of the Foundation by the public through social media and public events.
- Prioritize curb appeal of properties.
- Develop and maintain consistency across the Foundation in all areas.

Strategic Priority Initiatives

- Develop a comprehensive and long-term communication and marketing strategy.
- Allocate budget dollars to grounds, landscaping, and exterior beautification.
- Expand on existing promotional videos to include more staff, tenant, and resident testimonials.

Expected Outcomes and Performance Measures

- Increased occupancy in both the Lodge and Social Housing programs.
- Increased positive following on social media.

COVID-19 Recovery

Goals/Objectives

- Respond to circumstances brought on by the global pandemic.
- Focus promotional and communication efforts on the benefits of lodge living.

Strategic Priority Initiatives

- Develop a comprehensive and long-term communication and marketing strategy.
- Promote the Foundation's Group Benefits and Wellness program, including the Employee Assistance Program.
- Act as the liaison between community organizations and our clients to ensure access to programs and services designed to protect their health and wellbeing.

Expected Outcomes and Performance Measures

- Increased occupancy rates.
- Increased successful tenancies and reduced bad debts.
- A healthier workforce with less time away from work due to illness.

FINANCIAL PLAN AND FORECASTS

- NPHF is in a strong cash flow position.
- The Foundations Debt/Equity ratio has been trending downward since 2017.
- Ensuring that the integrity of the balance sheet is maintained is a priority.
- Reserves that were built up over the years have been used to either directly fund new land and building development, or in the case of the Garden Court Apartments, to be loaned to the project and returned to Lodge reserves over an expected course of 20-years. Additional funding was borrowed from the reserves in 2021, to repay higher interest debts.
- The sale of a portion of the land to Northern Sunrise County for the construction of the Peace River medical clinic allowed NPHF to recover some of the infrastructure costs that were invested as part of the Westview development area.
- Continued provincial and municipal funding will help to ensure we are able to fulfil our mandate.
- 2022 Annual Income Reviews have shown moderate improvement.
- Requesting additional Human Resources dollars for the hiring of a tenant support worker to coordinate an eviction prevention program, with the goal of reducing the number of failed tenancies and associated costs.
- Requesting additional Human Resources dollars to hire more maintenance staff.
- Cost pressures affecting budget projections include:
 - Persistent vacancies in the Lodge and Community Housing portfolios have resulted in reduced potential revenue.
 - The escalating cost of utilities, fuel, and materials has negatively affected our operating budget.
 - Delayed Capital Maintenance funding has resulted in a backlog of maintenance issues. When these issues become critical, the work is done through our regular operating maintenance budget, affecting our ability to complete other necessary work.
 - Aging infrastructure has led to inspection deficiencies requiring upgrades/repairs.
 - Current budget pressures do not allow for a tenant support position to assist with high-risk tenancies and eviction prevention.
 - Several unforeseen, yet necessary evictions at the end of 2021, negatively impacted our 2022 budget. The arrears and damages due to evictions totaled over \$74,000 in 2021.
 - Inflationary pressures are affecting all areas of our operations.

CAPITAL PLANNING STRATEGY

1. Harvest Lodge Expansion

NPHF's top capital development priority for the upcoming 3-year period is to expand the supply of supportive living units at the Harvest Lodge in Fairview, by constructing a 35-suite designated supportive living addition and working with AHS to bring higher care services to the seniors of the Fairview area.

Increasing the care component for clients to extend the length of stay is a key overarching strategy in re-modelling our supportive living program. This not only reduces the need for seniors to move multiple times as they move along the continuum of care but will help avoid the need to transfer to a community away from family and established support networks. Additionally, it reduces vacancies as the lodge program is able to provide services to a wider segment of seniors.

Creating scale within the portfolio allows for the building of suite features and amenities that the seniors of today and tomorrow are looking for, including expanded suite sizes with a separation of living area and bedroom.

This \$15.1 million-dollar project has full support of the Board of Directors and has been previously submitted to the province as a Capital project. The goal is to partner with the province, Alberta Health, and AHS in a manner similar to the Del-Air Lodge redevelopment project that is due to open in late 2023.

Please see Exhibit 2 for the Harvest Lodge addition design.

2. Creating a Mixed-Income Model

NPHF must also address the growing sustainability of the Community Housing portfolio. A combination of stagnant, or in many cases declining revenue, and insufficient capital and operating maintenance funding has created deep maintenance deficits in many of the properties.

The Foundation has redesigned the family housing portfolio to introduce a mixed income model to create a more sustainable approach to housing low-income families. It has involved designating a portion of the properties to be rented at market or near market rates to fill vacancies in the region and boost revenues to provide additional resources to maintain the portfolio more effectively as a whole.

The Foundation has addressed the over-supply dilemma through a redesign of 9 existing Community Housing units to accommodate seniors in an affordable independent living option. The seniors are willing to pay near market rates, which bring the deficits from that area down. The Foundation provides maintenance services, snow removal and lawn care, so there is minimal ongoing maintenance on their part.

In addition, the Foundation has designated surplus single family detached dwellings for market based rental rates to create a balanced mixed income model for the portfolio, improving occupancy and sustainability of the program.

NPHF is requesting that the units designated as seniors affordable and market be transferred to the Foundation as outlined in Appendix F.

3. Seniors Affordable Development

In 2019, the Province of Alberta transferred title of 15 surplus Community Housing units to the Foundation, the proceeds of any sales being used solely for the purpose of providing affordable housing accommodations.

Two of the 15 surplus units in the Town of Fairview have been slated for redevelopment into mixed income, seniors' affordable housing. Funding for the project will come from sale proceeds, with project deficits being requested as a capital priority or through alternate financing.

The upcoming needs assessment will confirm the number of units required in the Fairview area, guiding the future development.

4. Westview Development

In 2010, the Foundation acquired a piece of land on the west side of the Town of Peace River to develop a project that incorporated all levels of seniors housing with health services on the same land. The objective of this plan was to create a senior living campus where all inhabitants of the area have close access to support and health services (Exhibit 3).

In 2014, North Peace Housing completed the development of the first phase of the project, Garden Court Seniors Affordable Apartments. The 63-unit apartment building, with one- and two-bedroom units for individuals aged 55+, is made up of 45 affordable units and 18 market units, based on the Foundation's goal of introducing a mixed income model to create sustainability within the portfolio.

Phase two of the project includes a development for independent seniors on the site. Community input is being collected to better understand the wants and needs of interested seniors.

The Foundation is currently exploring alternate sources of funding and partnership opportunities.

EXHIBITS

EXHIBIT 1 - MINISTERIAL ORDER H: 062/95

EXHIBIT 2 - HARVEST LODGE EXPANSION EXHIBIT

EXHIBIT 3 – WESTVIEW AREA DEVELOPMENT EXHIBIT

EXHIBIT 4 – 2022-2027 STRATEGIC PLAN

EXHIBIT 5 – 2017 SENIORS AFFORDABLE HOUSING NEEDS ASSESSMENT

APPENDICES

APPENDIX A - HMB CORPORATE PROFILE

APPENDIX B - PORTFOLIO PROFILE

APPENDIX C - FINANCIAL BUDGET AND FORECASTS

APPENDIX D - CAPITAL MAINTENANCE AND RENEWAL

APPENDIX E - CAPITAL PRIORITIES

APPENDIX F – ASSET MANAGEMENT

APPENDIX G – CAPITAL ASSET QUESTIONNAIRE