



**Pioneer  
Housing  
Foundation**

## **Business Plan 2012**



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# Table of Contents

<b>Organization</b>	<b>3</b>
<b>Demographics</b>	<b>3</b>
<b>Community Housing</b>	<b>4</b>
<b>Facility Plans/Challenges</b>	<b>4</b>
<b>Human Resources</b>	<b>6</b>
<b>Communications/Marketing</b>	<b>6</b>
<b>Partnerships</b>	<b>7</b>
<b>Financial Plan</b>	<b>7</b>

**Attachments**

2011 Pioneer Housing Foundation Strategic Plan

## Organization

Pioneer Housing Foundation developed a Strategic Plan in the first half of 2010. That Plan was updated in February 2011 and is attached for information.

This Business Plan outlines the initiatives that will be undertaken in 2012 to meet the goals identified in the Strategic Plan.

## Demographics

A Seniors Housing Needs Assessment for Strathcona County was completed for Pioneer Housing Foundation by Parioplan in August of 2011. A copy of the Needs Assessment is available on our web site.

The needs assessment makes the following recommendations:

1. In order to meet the anticipated future demand for seniors housing in Strathcona County, the Pioneer Housing Foundation should continue to develop subsidized seniors housing in five year intervals as shown in Table 18 below:

**Table 1: Additional Subsidized Seniors Housing Needed in Strathcona County, 2011 - 2026**

<b>Additional Units Required by Year (Subsidized units only)</b>	<b>Self Contained Units</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>2011 - 2016 Housing Need (10,395 Seniors)</b>	28	15	46	89
<b>2017 - 2021 Housing Need (13,228 Seniors)</b>	37	21	61	119
<b>2022 - 2026 Housing Need (16, 188 Seniors)</b>	39	22	64	125
<b>Total</b>	<b>104</b>	<b>58</b>	<b>171</b>	<b>333</b>

*Note: Level 3 and Level 4 units in the County have traditionally been developed by the non-subsidized market and that trend is expected to continue.*

2. Based on the composition of seniors living in individual households versus couple households, new seniors self-contained units and Levels 1 and 2 supportive units should be developed in accordance with the following ratios:
  - 25% of all units be developed as bachelor/studio units
  - 37.5% of all units be developed as 1 bedroom units
  - 37.5% of all units be developed as 2 bedroom units

3. The Pioneer Housing Foundation should approach Strathcona County Council for assistance in securing a 2.4 ha (6.0 ac) parcel for development of the additional seniors housing needed to meet the anticipated demand for seniors' subsidized housing between 2012 and 2026.

Pioneer Housing Foundation will be requesting that the Strathcona County Council designate a site for a future seniors' housing development.

## **Community Housing**

Pioneer Housing Foundation expects to receive a development permit by the end of October 2011 to construct a 69 unit community housing project on the Silver Birch lands. The construction phase will be 14 months with an estimated occupancy date of January 2013.

A list of persons interested in occupancy has been started and already includes about 20 names. PHF does not anticipate any difficulty in obtaining full occupancy.

It is Pioneer Housing's intention that all Affordable Housing projects, which include Silver Birch Manor and Silver Birch Court, have balanced budgets including debt retirement and replacement reserves.

## **Facility Plans/Challenges**

Pioneer Housing Foundation's existing facilities require improvements.

### **Clover Bar Lodge**

A feasibility study has completed a review of the feasibility of upgrading Clover Bar lodge while it remains occupied.

The study determined that a 30 unit addition could be constructed on the west side of the property connecting to the west end of the newer west wing. This would allow residents to be moved from the oldest part of the building to the new addition and continue operating during demolition of the old lodge. A second addition would be built on the site of the old lodge to increase the capacity of the lodge to 120 rooms. This would help to meet the needs identified in the Seniors Housing Needs Assessment and to make the Clover Bar Lodge more cost efficient.

A more detailed design is proceeding. The Board wants to be ready for any possibility of a provincial funding program for lodge replacement.

The capital plan for upgrading Clover Bar Lodge will be part of the 2013 Business Plan.

### Silver Birch Place

The expansion of Silver Birch Lodge was completed in August of 2012. There are no plans for additional work at this time, however the site has space for a 30 room addition that could be constructed in 2014 or 2015 to increase the number of lodge rooms to meet the needs identified in the Seniors Housing Needs Assessment.

### Apartment Operations

Pioneer Housing Foundation manages three apartment buildings for the province. These buildings, Lakeside Legion Manor, Apple Blossom Manor and Josephburg Homestead Place, are owned by the Province and their annual budget is approved by the Province. PHF annually submits a budget for approval identifying and needed upgrades or improvements.

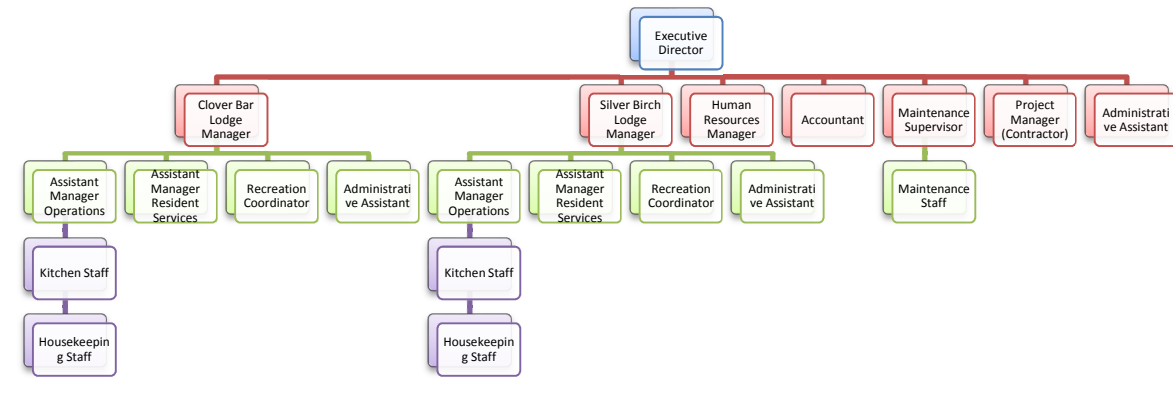
The Province has received a significant level of funding from the Federal government under the Federal Renovation Grant program to do major upgrades to Seniors Self Contained buildings across the province. Long awaited work including window replacement, roof replacement and mechanical system upgrade were done in 2010 and 2011.

For several years PHF offices have been located at Lakeside Legion Manor. With the completion of the expansion at Silver Birch the corporate offices were moved to Silver Birch. The two apartments used for the office were returned to rental units.

## Human Resources

The management structure has changed at PHF over the last two years as a result of the expansion of Silver Birch, the move of the corporate office to Silver Birch and the delegation of more responsibility to the site managers.

### **Pioneer Housing Foundation Organizational Chart 2012**



### Wages & Benefits:

Pioneer Housing Foundation has kept pace with inflation with their wage increases for the last few years and will provide a 3% increase January 1<sup>st</sup> 2012 to continue to provide competitive salaries and attract competent employees.

Pioneer Housing Foundation will also be adding a pension plan through the Local Authorities Board to the staff benefits. The employees strongly supported adding a pension plan.

The cost of the additional employees needed to operate the expanded space at Silver Birch, the 3% increase and the pension plan has resulted in a significant increase in the wage budget. That increase is covered by additional revenue with only a 5% increase in the requisition.

## Communications & Marketing

The moving of the corporate office and the expansion into affordable apartments for seniors and non seniors has created a need for PHF to look at all communications and marketing materials.

The web site and all brochures will be redesigned to reflect the change in focus and the new vision, mission and values.

## Partnerships

Pioneer Housing Foundation is working with Fort Saskatchewan Foundation and with Strathcona County and the City of Fort Saskatchewan to determine if there are opportunities for cooperation.

A consultant was hired to review the governance of the two foundations and recommend how consolidation might be done. The consultant's report was received in the fall of 2011 and will be discussed over the winter with possible implementation in the spring of 2012.

If some level of consolidation occurs, then Pioneer Housing will adjust the business plan to reflect the expansion.

## Financial Plan

Pioneer Housing Foundation is requesting a modest increase of 5% in the requisition. This increase will allow us to maintain the current level of services.

### **Pioneer Housing Foundation 2012 Budget**

<b>Revenue</b>	<b>2011 Budget</b>	<b>2012 Budget</b>	<b>Variance</b>	<b>Comments</b>
Operating	3,207,935	3,378,380	170,445	Increase of \$25 per room
Management Fees	202,000	219,000	17,000	
Requisition Operating	843,569	885,747	42,178	5% increase
Requisition Capital	988,954	988,954	0	
LAP Grant	541,660	546,683	5,023	
Other Grants	14,000	32,800	18,800	
<b>Total Revenue</b>	<b>5,798,118</b>	<b>6,051,564</b>	<b>253,446</b>	

Expenditures				
Property tax		30,000	30,000	SBM
Utilities	398,000	408,000	10,000	
Operating	676,673	713,870	37,197	
Maintenance	410,283	457,700	47,417	
Wages & Benefits	2,902,000	3,351,410	449,410	3% plus LAPP
Administration	210,845	199,800	(11,045)	
Interest on Debt	623,400	604,338	(19,062)	
<b>Total Expense</b>	<b>5,221,201</b>	<b>5,765,118</b>	<b>543,917</b>	

Operating Income	576,917	286,446	(290,471)	
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