



VERMILION & DISTRICT HOUSING FOUNDATION

HMB BUSINESS PLAN

2020-2022



April 20 2020

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EXECUTIVE SUMMARY

2021 – 2023 THREE YEAR BUSINESS PLAN

EXECUTIVE SUMMARY

The Vermilion & District Housing Foundation (VDHF) have been providing housing in the Vermilion area for over 60 years.

The purpose of the Foundation is to provide affordable housing to seniors and families in the Town of Vermilion and the County of Vermilion River. On behalf of the Government of Alberta, the Foundation operates Westend Manor, Parkway Manor, Valleyview Manor and Pioneer Haven in Islay (independent living apartments). There are also Community Housing units for low income families in Vermilion. If there are available spaces in our Manors, accommodations have been made for people with disabilities who need affordable housing.

VDHF owns and operates the Vermilion Valley Lodge with Supportive Living (SL3) rooms where seniors live independently with daily restaurant style meals and services such as weekly housekeeping and a daily recreational activity program.

Under the Foundation's portfolio, there are 40 SL3 units where residents receive 24 hour care to provide extra assistance that may be required, including some memory care units. These units are owned by VDHF but operate under a contract Service Agreement with Alberta Health Services.

VDHF manages the following number of units:

Westend Manor	16 units	Vermilion Valley Lodge	86 units
Parkway Manor	31 units	Supportive Living Level 3	40 units
Valley View Manor	15 units	Cottage Units	8 units
Pioneer Haven (Islay)	4 units	Community Housing	10 units

Total: 212 units

VDHF is funded through the following:

- Rental Income
- Lodge Assistance Grant (Lodge, Cottages and SL3 only)
- Alberta Health Services Block Funding (SL3 only)

NEW CONSTRUCTION

VDHF has met with Alberta Seniors and Housing and received the direction and approval to replace the oldest rooms of the Lodge, A, B and C wings (50 rooms) as well as the dining room, kitchen, laundry room, staff room, library and the Home Care room. The A and B wings were opened in 1960 and were in desperate need of replacement.

In July 2016, VDHF completed the hiring of a well-qualified team to help bring the new building together. Tim Cartmell from Lemtra Projects is the owner representative (Project Manager), JMAA is the prime consultant and Jen-Col was brought on as the construction manager.

The Lodge Modernization Project was completed on October 30, 2019 with first resident officially moving in on October 31, 2019. Our current occupancy for the new build in Wing A and Wing B is at capacity. The new residents enjoy a bigger suite, large windows, walk-in shower with wheelchair accessibility, hardwood floor and high ceilings in every suite.

The Town of Vermilion and County of Vermilion River currently don't have a designated Supportive Living Level 4 (SL4) and Supportive Living Level 4 Dementia (SL4D). VDHF is in strategic planning stages to acquire SL4 for our communities so our seniors don't have to move directly to Long Term Care Facilities or move outside of their local communities to facilities in Viking, Wainwright, Lloydminster, Vegreville, Sherwood Park, Edmonton or Camrose. Our goal is to provide SL4 services in our facility by the year 2021.

OPERATING BUDGET DEFICIT

VDHF will realize a deficit operating budget for 2019 and also in 2020 as a result of fewer residents (resulting in a loss of revenue) during the construction years and debenture debt repayments into the year 2037. Reserve funding has been relied on to cover the deficit during 2019.

MANORS AND COMMUNITY HOUSING

The other properties, which are Alberta Government owned and managed by VDHF, are aging and in need of some attention. Pioneer Haven received the new installation of 2 furnaces and 2 hot water tanks on February 11, 2020. Six (6) windows in Pioneer Haven will require the weather stripping to be replaced to prevent wind and water penetration which we plan to have it replace by summer of 2020. Parkway Manor will have carpet replaced in the main hallways, originally projected to be completed in the summer of 2020. Due to the delay in the Government's tendering process, the project is now falling behind schedule and carpet replacement in Parkway Manor will be completed in winter of 2020. Parkway Manor will also require new grading at the west side of the building in order to prevent water from draining toward the building's

foundation. The concrete sidewalks were cracking, uneven and sunken and need to be replaced by summer of 2020. The total cost of these two projects could range from \$20,000 to \$40,000.

We have been able to hire a part time maintenance handyman to assist the facility manager in day to day upkeep with snow removal, summer groundskeeping, painting and suite repairs.

MANAGEMENT

VDHF organization structure broken down into the following categories:

SENIOR MANAGEMENT

Senior Management will be defined as someone with corporate responsibilities for VDHF, and will consist of the following positions:

- Chief Administrative Officer
- Operations Manager – to remain vacant till SL4 facility is obtain
- Financial Officer
- Office Administrator

DEPARTMENT MANAGERS

Department Managers will be defined as someone with specific responsibilities, overseeing a specific department and will consist of the following positions:

- Recreation Director
- Dining Service Manager
- Environmental Service Manager
- Facility Manager – Lodge
- Facility Manager – Government Housing
- Resident Care Manager
- Chef

ACCOUNTABILITY STATEMENT

This 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. It was approved by the Board on April 20, 2020.

PORTFOLIO PROFILE

VDHF manages housing throughout the Town of Vermilion and the surrounding County of Vermilion River.

Within the Town of Vermilion, the Foundation manages:

Three seniors self-contained apartment buildings:

Parkway Manor is a 31 unit, two storey building located at 5319 – 50th Avenue.

Westend Manor is a 16 unit, single storey building located at 5311 – 50th Avenue.

Valleyview Manor is a 15 units, two storey building located at 5103 – 57th Street.

Two single storey fourplex Cottage units are located at 4610 – 53rd Avenue with an accessible walking path to the main Lodge.

Ten community houses, designed to serve low income families, located at 4413 – 4431 50th Avenue. These are ideal units for families with young children due to the close proximity to schools and playgrounds.

Pioneer Haven is a self-contained fourplex, for seniors, located at 4940 – 52 Street in the community of Islay, Alberta.

The Vermilion Valley Lodge, located at 5401 – 46 Street, offers 86 suites of lodging accommodation for the independent living resident.

VDHF manages 20 designated SL3 units and 20 designated SL3D units, partnering with Alberta Health Services for funding. Our Facility is located at 5401 – 46th Street, which is connected to the main Lodge.

Support Services and Residential Care

Families, singles and seniors who live in our self-contained Manors, Community Housing and Cottages are provided with safe and affordable housing. All prospective residents must fill out an application form and a rating criteria is established in accordance with the Alberta Housing Act.

The Vermilion Valley Lodge offers state of the art accommodations for those seniors wanting a place to call home in a vibrant community setting in which to build new friendships and reconnect with old friends. The Lodge offers a laundry room facility for those residents choosing to do their own laundry or they may choose to add personal laundry services and our staff will take care of the laundry for them. The residents are provided with professional restaurant style home cook meals three times a day with after hour snacks. A self-serve coffee machine, snack cooler and a juice machine are available to residents 24 hour a day. The residents living in the Lodge can choose to

have AHS Home Care Services to support their changing health challenges and can choose to remove any of the additional services at any time.

The Lodge also offers a variety of activity programs that the residents can participate in.

VDHF provides 40 beds of supportive living for residents that require additional care with mobility challenges and medication management, as well as any needed assistance with bathing and dressing. We have a strong relationship with Alberta Health Services.

We have 24 hour Health Care Aides with support from Alberta Health Services Case Manager with Registered Nurse Certification and License Practical Nurse Certification to help with ongoing Resident Assessment and creating and updating Resident Care Plans.

The residents in our supportive living environment enjoy three meals a day, with daily housekeeping services and personal laundry services are provided by the housekeeping staff.

We provide daily activity programs designed to promote health and wellness and resident independence with a qualified recreation therapist.

INSTITUTIONAL CONTEXT

VDHF provides the only Lodge and 40 bed SL3 facility within 60+ kilometers, as well as the only senior's self-contained units in the immediate region. We provide lodging accommodations to 94 independent residents with added services such as Home Care. Residents may decide to add more services or remove any service at any time. The Lodge provides three meals per day served in a modern restaurant style dining room atmosphere and guided by professional cooks under the close supervision of our Dining Service Manager and in house Chef. Weekly professional housekeeping services are also provided as well as our in house recreation program designed to promote good health and support resident's independent quality of life.

The Town of Vermilion and the surrounding County of Vermilion River have an immediate need for a 40 bed SL4 facility.

VDHF has a great working relationship with the Town of Vermilion, the County of Vermilion River and Alberta Health Services. VDHF holds memberships with Alberta Senior Communities Housing Association (ASCHA) and Alberta Continuing Care Association (ACCA).

MISSION STATEMENT

VDHF provides affordable and comfortable housing for those in greatest need. Improving the quality of life and quality of care for all residents by promoting an atmosphere of respect, collaboration, sensitivity, caring and support among residents, family members and staff.

MANDATE

VDHF is a housing management body that oversees and operates non-profit community housing, seniors self-contained apartments, lodge facilities and SL3 and SL3D.

VDHF set a strategic direction to acquire SL4 and SL4D, we would like to see this completed and ready by 2021 to be able to support the communities residential care initiatives.

Currently our senior residents being assessed at SL4 are placed right into a Long Term Care Facility, if there is an opening or outside of our community, causing hardship to their families.

PLAN DEVELOPMENT

This 3 year Business Plan was developed by CAO Paul Kim. Input was provided by the Board of Directors, the Senior Management Team and the Department Managers.

We are committed to focus on a Supportive Living Level 4 Facility in order to meet the current and future community demands. Most SL4 facilities in bigger centers, such as Edmonton and surrounding areas, carry a long wait list and often the residents have passed away while waiting to get in.

VDHF plans to turn the current SL3 and SL3D into SL4 and SL4D. It is predicted that there will be less demand for future SL3 residents and Alberta Health Services are having challenges filling our current SL3. Currently we have 3 to 5 empty bed from month to month.

Once VDHF acquires Supportive Living Level 4 the current SL3 will be transition from 40 beds to 18 beds living among the independent residents in the main floor of Wing-B of the Lodge.

ENVIRONMENTAL SCAN

The Alberta Health Services and our residents has identified a need for a SL4 and SL4D facility to serve our current communities. There is high demand for this level of care to support the current and future aging senior population in the surrounding areas. We expect to see a reduction in the current and future demand for SL3, as residents can stay in the Lodge longer.

The Vermilion Valley Lodge has no current wait list, after the opening of the new Wing construction on October 30, 2019. We have moved in the residents internally from the old Wing D and Wing E as well as from our manors self-contained apartment.

We anticipate a drop demand for self-contained apartment and cottage living for the next few years when the long term residents move out of the units and we can expect to see the increase in Seniors citizen want to live in their own home longer by optioning to have additional support from home care services. By the time our seniors is ready to move into our manors apartment they are reaching the ages of 80 years or older and in most cases they are too late for independent apartment living and should be in the Lodge facility.

Census Information for Town of Vermilion (2016)

	#'s	M	F
50-54	260	125	135
65-69	180	85	95
70-74	140	55	85
75-79	145	55	90
80-84	140	60	80
85+	170	55	115

Census Information for County of Vermilion River (2016)

	#'s	M	F
50-54	640	325	315
65-69	425	230	195
70-74	300	155	145
75-79	160	95	65
80-84	95	55	40
85+	70	35	35

GOALS, STRATEGIC PRIORITY INITIATIVES, EXPECTED OUTCOMES AND PERFORMANCE MEASURES

GOAL ONE: To complete the construction of Wing – B, a 36 Suite Residential Room Phase 2 construction project. To complete landscaping items such as trees planting by summer of 2020.

New goal is to acquire Supportive Living Level 4 (SL4) and Supportive Living Level 4 dementia (SL4D)

Strategic Priority Initiatives:

- 1.1. Working with JMAA Architects and Jen-Col Construction
- 1.2. Wing B Phase 2 construction was completed on October 30, 2019
- 1.3. VDHF to meet with our local MLA to discuss next steps in SL4 funding
- 1.4. Letter sent to Alberta Minister of Health

Expected Outcomes:

- 1.1. Rectify all building deficiencies in Phases 1 & 2 and share lessons learned
- 1.2. Moved in first resident on Oct 31, 2019. New addition is fully occupied
- 1.3. AHS Executive told us to wait till the new funding comes into effect
- 1.4. VDHF received letter from Minister of Health to advise us that we are on top of the list for community in need of SL4 facility.

CHALLENGES AND OPPORTUNITIES

Challenges:

1. Work on converting the current 40 bed SL3 into a SL4/SL4D for the community.
2. The new fire separation door was installed between main lobby and House 3 & 4 and the current SL3 facility now meets current B3 building codes for designated “care facility”
3. Require \$500,000 in capital for equipment purchases to support SL4 operations.
4. Require \$2 million in AHS funding for direct care hours for LPNs and Registered Care Aides, 24 hours shifts rotations.

Opportunities:

We have an opportunity to create a pleasing, inviting and comfortable community living experience that promotes and supports our seniors with quality of life and a place to call home.

Our Lodge will be built to meet today's Building Codes and is designed with a hotel style kitchen and inviting dining space that supports today's modern living.

To provide a higher level of care (SL4) for seniors population live in the Town of Vermilion and the County of Vermilion River.

Goal One: [Performance Measures]

Priority Initiative	Performance Measure		2020 Target	2021 Target	2022 Target		
Hire PM & Letter to AHS	complete Phase 2 Construction Project, Oct 30,19		Completed Phase 2 Letter sent to AHS Executive	Acquire SL4 Funding	Complete SL3 residents transition to the lodge		
Management	Start to move in new residents to Phase 2.		Move in Residents in Oct 31,19 Letter sent to local MLA, Minister of Health	Purchase electric beds, hire RCM and Nursing Staff	Operate SL4 facility		

GOAL TWO: To keep the Manors and Community Housing in good repair

Strategic Priority Initiatives:

- 2.1. Keep a regular maintenance schedule
- 2.2. Replace window weather stripping in Pioneer Haven by summer 2020.
- 2.3. Replace hallway carpet in Parkway Manor by winter of 2020.
- 2.4. Replace crack concrete sidewalks and grading issue in Parkway Manor by summer of 2020 as per inspections.

Expected Outcomes:

- 2.1. Well maintained buildings
- 2.2. Keep cold draft from entering living space reduce heating cost

- 2.3. Eliminate tripping hazard contributing to overall resident safety
- 2.4. Eliminating water draining to building foundation and safer sidewalks for all tenants.

CHALLENGES AND OPPORTUNITIES

Challenges:

Our commitment to low income housing for families in our community is one we value. These units are in need of maintenance and continually operate in a deficit situation. VDHF is taking funds from other units to pay for the required maintenance. The utility costs have also risen to such a degree that the subsidized rental income doesn't cover the costs. In 2020 we are starting to struggle with maintaining full occupancy in our manors and cottages.

Our SL3 residents are requiring more care and having to moving on to other communities in Alberta to receive a higher care in SL4/SL4D and long term care facilities due to the fact that the Town of Vermilion currently does not have SL4 facility to support its own community.

Opportunities:

Well maintained buildings are attractive and enticing to seniors and low income families. We must have SL4 facility for the town of Vermilion in order to allow our current seniors population to stay in their community.

Goal Two: [Performance Measures]

Priority Initiative	Performance Measure		2019 Result	2020 Target	2021 Target	2022Target	
Well maintained buildings	Regular preventive maintenance		Residents are happy living in our building	Complete suite renovation in Valleyview Manor	Build strong a relationship with all tenants and through the communities to keep building occupancy full.	Replace all corridor lighting fixtures to modern light fixtures	

FINANCIAL PLAN AND FORECASTS

VDHF is planning to adnominal rental rates increase some rental rates for all of our business portfolios, which will be competitive with the surrounding rental market. This will help offset operational costs for the years 2021 and 2022.

We plan to increase the current staffing salaries, wages and increase the Administration salary to support the future direction of acquiring and operating a SL4. The result of the proposed wage increase is due to hiring additional positions such as Director of Care, License Practical Nurse, Dietitian, Recreation Therapist and Health Care Aides as well as additional positions to cover support services such as dietary, housekeeping and laundry.

There will be additional costs to purchase medical care supplies, equipment and other related costs to support daily residential care, electric beds, bedding supplies, portable lifts, slings, incontinent products and the additional chinaware, cutlery and linens.

The new operational budget also reflects additional weekly cleaning supplies and chemical cost.

Increase cost in office supplies due to large volume of charting, copying and faxing requirements.

The building maintenance cost to maintain the building, pay for material and supplies, including all maintenance service contract agreements are anticipated to increase in the next three years.

CAPITAL PLANNING STRATEGY

The Town of Vermilion and the County of Vermilion River are in need of a SL4 and SL4D to allow our current residents to age in their own community. Currently any senior being assessed to a higher level of care has few options, a Long Term Care Facility, beyond their current level of need, or having to move to Viking, Camrose, Wainwright, Lloydminster, Vegreville or Edmonton, away from family support and loved ones. SL4 facilities are in high demand, which will likely only get worse in the future, and it's common for these facilities to carry a long wait list.

The first strategy was to look into available land, design and construct an entire new SL4 facility, but this method will be a costly one. We would anticipate the cost of new construction for such a facility to reach approximately \$30 Million Dollars. Due to the large financial investment we would like to consider another option, bringing SL4 to our community.

VDHF would like to transition the existing SL3 facility into a SL4 facility. The only added cost for this option would be hiring Care Manager and nursing staff, and equipment purchases (electric hospital beds, portable lifts, etc.). The existing infrastructure meets building code (main kitchen and laundry room) is more than capable of supporting this change. VDHF would like to see this project completed and ready by 2021.

VDHF would like to replace the old carpet in Wings D and E with hardwood flooring by 2023 which give it a modern look and will reduce costs in cleaning and maintaining the facility.

APPENDICES

APPENDIX A - HMB CORPORATE PROFILE

APPENDIX B - PROPERTY PROFILE

APPENDIX C - FINANCIAL BUDGET AND FORECASTS

APPENDIX D - CAPITAL MAINTENANCE AND RENEWAL

APPENDIX E - CAPITAL PRIORITIES

APPENDIX F - SURPLUS PROPERTIES