



VERMILION & DISTRICT HOUSING FOUNDATION

HMB BUSINESS PLAN

2020-2022

Alberta  Seniors and Housing

April 2019

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EXECUTIVE SUMMARY

2020 – 2022 THREE YEAR BUSINESS PLAN

EXECUTIVE SUMMARY

The Vermilion & District Housing Foundation (VDHF) have been providing housing in the Vermilion area for 59 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 - SL3D 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	84 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: 208 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.

JMAA provided 3 options for the new construction. VDHF Board of Directors selected a phased approach, which allows us to maintain housing for the residents on site during construction. The Phase 1 construction of residential suite Wing A, kitchen facility, dining room, multi-purpose activity room, Home Care office, Chapel, puzzle room and staff lounge were completed and residents began moving in the first week of August 2018. There will be 36 residential suites in Phase 2, expected to be completed by the middle of September 2019. The SL3 beds were untouched.

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 are 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 2020.

OPERATING BUDGET DEFICIT

VDHF will realize a deficit operating budget in 2019 and 2020 as a result of fewer residents and debenture debt repayment during the construction years. Reserve funding will be relied on to cover the deficit during 2019. Requisitions may have to happen in 2020 to cover construction project delays and rising cost.

MANORS AND COMMUNITY HOUSING

The other properties, which are Alberta Government owned and managed by VDHF, are aging and in need of some attention. Half of the windows were replaced in Pioneer Haven and the roof was re-shingled. 6 windows in Pioneer Haven will require the weather stripping to be replaced to prevent wind and water penetration. Parkway Manor will have carpet replaced in the main hallways, to be completed in the summer of 2019.

There is a need to increase the operational budgets of the Manors to hire extra staffing to help the Facility Manager with snow removal. This is necessary to cover vacation and deal with the increased workload.

We want to look into getting a proper smoking shed or building more sidewalks to get the tenants living in the Manors safely to the designated smoking areas.

MANAGEMENT

VDHF has a new 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
- Financial Officer
- Operations Manager
- 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
- Food Service Manager
- Environmental Service Manager
- Facility Manager
- Resident Care Manager (Future SL4) – Clinical background

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 June 20, 2019.

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 84 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 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 84 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 Food Service Manager, with Red Seal Certification and Hospitality excellence. 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 2020-2021 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.

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 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 a small wait list, with approximately 36 people which will be accommodated with the opening of Phase 2 (36 beds).

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 see the increase in a younger population moving into the Town of Vermilion.

Census Information for Town of Vermilion (2016)

	#'s	M	F
50-54	260	125	135
65-69	185	85	95
70-74	140	55	85
75-79	140	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	165	95	65
80-84	100	55	40
85+	75	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.

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

Strategic Priority Initiatives:

- 1.1. Working with JMA Architects and Jen-Col Construction
- 1.2. Working with Lemtra Projects as Owner Representative for VDHF
- 1.3. Work in collaboration with the Board and Facility Manager
- 1.4. Accomplish construction in set timelines

Expected Outcomes:

- 1.1. Work out and rectify all building deficiencies
- 1.2. Monitor and control project cost overrun
- 1.3. Phase 2 construction project to be completed by the middle of September 2019
- 1.4. Move residents into Phase 2 by the end of September 2019
- 1.5. Make the transition to move SL3 residents into the Lodge by November 2019

CHALLENGES AND OPPORTUNITIES

Challenges:

1. The budget and time delay for the modernization of the lodge has been challenging to complete everything that is required. Demolition costs and re-routing utilities are quite expensive and are adding into the cost of the new build. Estimated cost at completion is \$14.12 million, which is in excess of the current project budget of \$13,522,500.

The project is currently over budget by \$700,000 due to the extra cost of mediation and extreme weather in January 2019.

The project ran into a delay due to a framing error; the walls were being constructed at 1.5 inches higher than the existing floor on the completed Phase 1 Wing-A. The wall

framing had to be fixed and therefore caused delays in the scheduled time to begin the framing work and the installation of the walls on second story of Phase 2.

2. Work on converting the current 40 bed SL3 into a SL4 and SL4D for the community.

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 more complex care for our senior population living in the Town of Vermilion and the County of Vermilion River.

Goal One: [Performance Measures]

Priority Initiative	Performance Measure	2018 Target	2019 Target	2020 Target	2021 Target	2022 Target
Hire PM & Architect	Complete Phase 2 Construction Project	Completed Phase 1	Construct Phase 2 Project	Complete SL3 residents transition to the lodge	Obtain SL4 Funding from AHS	Maintain Normal Lodge Operations
Construction Manager	Start to move in new residents to Phase 2.	Move in Residents in August 2018	Completed Phase 2 by middle of September 2019	Finalize SL4 Facility building code reclassification	Restructure and hire LPNs	

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 6 window weather stripping in Pioneer Haven to keep buildings air tight and prevent heat loss during winter month
- 2.3. Invest surplus revenue into building upgrades – as approved
- 2.4. Hire additional maintenance personnel to help with snow removal

Expected Outcomes:

- 2.1. Well maintained buildings

- 2.2. Affordable housing options for seniors and low income families
- 2.3. Nice buildings that seniors and low income families want to live in
- 2.4. Keep outdoor environment safe at all times

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 the deficit situation. VDHF is taking funds from other units to pay for the required maintenance. The utility costs have also risen to a degree that subsidized rent doesn't cover the costs. You will note in our financial statements that these units are in a growing deficit.

Opportunities:

Well maintained buildings are attractive and enticing to seniors and low income families. We plan to keep the occupancy rates high.

Goal Two: [Performance Measures]

Priority Initiative	Performance Measure		2018 Result	2019 Target	2020 Target	2021 Target	2022 Target
Well maintained buildings	Regular preventive maintenance		Residents are happy living in our building	Complete all window weather stripping in Valleyview Manor	Build strong a relationship with all tenants and through the communities to keep building occupancy at full capacity.	Replace all corridor lighting fixtures to modern light fixtures	Replacing Old kitchen cabinets and continue to replace carpet with hard surface flooring
				Provide Designated Smoking areas for Tenants			

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 2020, 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 nursing staff, room modifications 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 2020-2021.

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