



Westwinds
Communities

BUSINESS PLAN 2018-2020

Westwinds Communities

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TABLE OF CONTENTS

Topic	Page
Table of Contents	1
Executive Summary	2
Corporate Profile	3
Strategic Priority Initiatives and Performance Measurers	4
Capital Development	10
Appendices	12
1. Organization & Portfolio Overview, Demographics and Waitlist	13
2. Environment Scan and Situational Analysis	16
3. Market Analysis	21
4. Financial Plan and Forecasts	25
5. 2011-2016 Strategic Plan Outcome	26
6. Definitions	31

EXECUTIVE SUMMARY

Westwinds Communities 2018-2020 Business Plan is based on the 2017-2021 Strategic Plan which embodies strengthening the organization and its services while exploring options to meet community need and provide education. While Westwinds has rallied from two devastating disasters, the organization is positioned to benefit from significant improvements in infrastructure, increased market relevancy and a reduction in operating costs for its High River properties.

Our primary focus remains with our key stakeholders in maintaining strong relationships, an open dialogue and regular communication to support qualified seniors, families and individuals in accessing our services. In this business plan, we will also increase community opportunities to enhance landlord tenant relationships, eradicate social housing stereotypes, enhance our stakeholder knowledge of innovative affordable housing options for our communities and continue to explore partnership options.

Westwinds Communities remains fiscally responsible and accountable in ensuring our grants and operating dollars are used effectively. As a result, we will continue to ensure sound financial management and explore mechanisms for increased operational sustainability and capital development.

Westwinds Communities will continue to strategically enhance its services based on need, viability and opportunity. To this end, Westwinds will encourage growth by leveraging resources to secure land for future affordable housing in Okotoks, capital growth with interested local municipalities and enhancing the long term viability of High Country Lodge.

By the end of 2020, Westwinds Communities transformation to an innovative housing organization providing choice and options for our clients and stakeholders will be well underway.

CORPORATE PROFILE

Guiding Principles

Mission Statement

The Westwinds Communities provides safe and affordable housing opportunities and services, not provided by the marketplace, in urban and rural communities.

Vision Statement

The Westwinds Communities will be an industry leader providing quality and affordable lodge care and public housing, ensuring safety, dignity and choices for our clients.

Values

- ❖ We value and respect the independence of our clients.
- ❖ We value quality customer service.
- ❖ We value a safe supportive work environment where we embrace initiative and creativity.
- ❖ We value accountability; being fiscally responsible to our clients and stakeholders.
- ❖ We value professionalism; demonstrating integrity at all times with clients, colleagues and the public.
- ❖ We value innovation; exploring new and creative opportunities to develop efficient and effective programs and services in response to changing lifestyles.

Overview

The Westwinds Communities Board of Directors is the governing body of the Westwinds. It is comprised of ten Directors, six are appointed by and represent the Council of a participating Municipality, one Municipality appointed Member at Large and three Members-at-Large appointed by the Board. The Westwinds Communities' members are the MD of Foothills #41, Town of Black Diamond, Town of High River, Village of Longview, Town of Okotoks and Town of Turner Valley.

Westwinds Communities is established by a Ministerial Order (MO) and is governed by the Alberta Housing Act and its Regulations. In accordance with the Act and by Agreement of the Participating Partner Municipalities, Westwinds Communities operates four Seniors Supportive Living Communities (Lodges) which is legislated by Alberta Seniors and Community Supports. By Agreement (through the MO) with the Province of Alberta (Alberta Seniors and Housing), manages seven Seniors' Independent Living Communities (Self Contained Apartment Buildings) plus, the Region's: Community Housing and Private Landlord Rent Supplement programs.

The Westwinds Communities owns High Country Lodge and Medicine Tree Manor in addition to nine social housing units and the twenty-one affordable housing units. In June 2016, Westwinds Communities changed its legal name from Foothills Foundation to Westwinds Communities. In October 2017, Medicine Tree Manor re-opened following a four year closure.

The 2018-2020 business plan is developed based on the creation of a the 2017-2021 Strategic Plan for Westwinds Communities in spring 2017 following a Board of Directors retreat in April 2017. The plan integrates previous Westwinds Communities business plan plans and the updated demographic analysis compiled by IBI Group in March 2017.

STRATEGIC PRIORITY INITIATIVES AND PERFORMANCE MEASURES
1. Plan for Targeted Growth

Objective: Ensure sound planning models to position the organization capitalize on viable business opportunities and targeted growth.

Initiatives:

1.1. Investigate alternative methods of funding for operational sustainability and capital development.

Initiative	Timeline & Key Lead	Performance Measures
1. Advocating to the province for adequate operational and capital funding. a. Advocate for financing through the municipal finance corporation.	2018-2020 Board of Directors	<ul style="list-style-type: none"> ➤ 5% increase in Lodge Assistance Grant. ➤ Annual capital budgets for lodge and social housing. ➤ Capital financing available through Alberta Finance Corporation. ➤ Well maintained properties. ➤ Adequate operational budget.
2. Complete capital grant funding projects.	2017-2020 Maintenance Manager	<ul style="list-style-type: none"> ➤ Complete projects on time and on budget. ➤ Secure \$250,000 per year in capital improvements for social housing program. ➤ Secure \$250,000 per year in capital improvement for supportive living program. ➤ Well maintained properties.
3. Fund development initiatives. Options include: a. Millennium Park (High River) redevelopment b. Sandstone Lodge dining room expansion c. High Country Lodge renovation d. Outdoor exercise equipment e. Family housing education programs f. Independent living active living opportunities g. Independent living common area refurbishment	2018-2021 Board of Directors and Management Team	<ul style="list-style-type: none"> ➤ Reasonable and achievable fund development initiatives. ➤ Apply for grants and or pro-bono services. ➤ Successful casino events (2018, 2020).

Initiative	Timeline & Key Lead	Performance Measures
4. Partnerships with local agencies/private operators to increase viable options for new initiatives.	2018 Chief Administrative Officer	<ul style="list-style-type: none"> ➤ Projects that support measurable community needs. ➤ Alignment of partnership project goals. ➤ Viable projects.
5. Social Enterprise - Procurement of WWC services	2018 & on going Chief Administrative Officer	<ul style="list-style-type: none"> ➤ Enhanced service opportunities for clients. ➤ Generate new income. ➤ Successful contract of Westwinds Communities services.

1.2. Ensure long term viability of new capital and operating initiatives (green technology, financially sustainable).

Initiative	Timeline & Key Lead	Performance Measures
1. Secure capital funding. a. Investigate CMHC funding, Calgary Real Estate Association, provincial energy efficient grants.	2018-2019 Chief Administrative Officer & Maintenance Manager	<ul style="list-style-type: none"> ➤ Secure \$100,000 in grants. ➤ Improve operational efficiency. ➤ Reduce utility and maintenance expenses.
2. Implement Resource Support for Social Housing Program (new Alberta Housing Act regulations).	2018 Chief Administrative Officer & Program Managers	<ul style="list-style-type: none"> ➤ 30% reduction in eviction notices. ➤ 50% reduction in tenant warnings. ➤ Successful transition of tenants to market and or affordable housing. ➤ Improved tenant satisfaction with Westwinds Communities. ➤ Improved community perception of Westwinds Communities.
3. Review affordable housing program income testing scope to reflect a transition between social and market income rates. a. Communicate new program scope to community partners.	2018 Chief Administrative Officer	<ul style="list-style-type: none"> ➤ Seek an alternate to CNIT as program income cap. Replacement with industry accepted alternative. ➤ Approval by funding Partners of new client income scope. ➤ Increase waitlist for affordable housing. ➤ 25% reduction in re-rental time over 2016 statistics.

1.3. Develop options to increase long term viability at High Country Lodge for a range of supported living options.

Initiative	Timeline & Key Lead	Performance Measures
1. Viable options for 1-2 bedroom units, combining units and adding recreation amenities.	2019 Strategic Planning Committee	<ul style="list-style-type: none"> ➤ Long term viability. ➤ Viable financial leveraging.
2. Provide Ministry of Seniors and Housing proposal for lodge renovation and expansion.	2019 Strategic Planning Committee	<ul style="list-style-type: none"> ➤ 100% Grant funding. ➤ Successful advocacy with Minister and MLA's.

1.4. Develop partnership options with local municipalities, agencies and community groups to increase the supply of affordable senior's independent living throughout the Foothills Region up to 50 units. *(Note: properties may have to be a minimum size in new communities to make operations viable)*

Initiative	Timeline & Key Lead	Performance Measures
1. RFP for partnership for project development for a minimum 10 units.	2018-2019	<ul style="list-style-type: none"> ➤ Municipal participation and engagement. ➤ Financially viable projects developed. ➤ Full occupancy.
2. Select up to 4 projects for development by 2023.	2019-2023	<ul style="list-style-type: none"> ➤ Reduced waitlist for senior's independent living. ➤ Viable operations of new projects. ➤ Diversity of housing options. ➤ Portfolio diversified to reflect affordable housing options for seniors.
3. Investigate alternative housing methods for development.		<ul style="list-style-type: none"> ➤ Explore green technologies, manufactured homes. ➤ New housing incorporates all elements of LEED Silver program.

1.5. Develop 20-30 units of affordable housing in Okotoks for families and non-senior households.

Initiative	Timeline & Key Lead	Performance Measures
1. Secure land and capital funding.	2018-2021	<ul style="list-style-type: none"> ➤ Secure CHMC Seed funding. ➤ Sell existing Westwinds owned social housing for a minimum of \$2M. ➤ Secure a capital provincial grant for 50% of project costs. ➤ Secure project financing through the Municipal Finance Corporation.

Initiative	Timeline & Key Lead	Performance Measures
2. Develop a minimum 20-30 units of affordable housing. a. Project may integrate rental market housing.	2018-2019	<ul style="list-style-type: none"> ➤ Design scope that minimizes NIMBY/ increases community acceptance of project. ➤ New housing incorporates all elements of LEED Silver program.
3. Partner with community agencies in the delivery of program to maintain housing for at risk households.	2021	<ul style="list-style-type: none"> ➤ Reduced turnover by 25% (over 2016 average turnover in Okotoks). ➤ Increased tenancy over current average in Okotoks.

2. Invest for Success, Cooperative Partners

Objective: Maintain and enhance communication with key stakeholders. Promote a broad based understanding of the affordable housing sector including municipal opportunities, community investment, best practices and partnerships.

Initiatives:

2.1. Maintain strong communication and working relationships with key community and provincial stakeholders.

Initiative	Timeline & Key Lead	Performance Measures
1. Develop key messages and storytelling to share Westwinds program demands, challenges and needs.	2019 Board of Directors	<ul style="list-style-type: none"> ➤ Improved community understanding of Westwinds program and services, areas of need. ➤ Increased community awareness.
2. Advocate with municipalities to develop solutions to meet growing community need for affordable housing.	2019 Board of Directors	<ul style="list-style-type: none"> ➤ Increased municipal council awareness. ➤ Increased viability of affordable housing in local municipalities due to adoption of municipal initiatives. ➤ Bylaw amendments with communities for inclusionary zoning for affordable housing.
3. Ensure visibility and accountability of Westwinds initiatives and municipal funding. a. Annual community report. b. Social media strategies.	2019 & on going Board of Directors and Chief Administrative Officer	<ul style="list-style-type: none"> ➤ Increased visibility <ul style="list-style-type: none"> ○ Annual community report. ○ Annual press release on community need. ○ Annual tax payer information booklet. ○ Municipal appointees letter of skills request. ○ Development of two to three new communication initiatives to increase organizational awareness.

2.2. Expand partnerships to increase community housing options and provide community housing education.

Initiative	Timeline & Key Lead	Performance Measures
1. Determine priority opportunities to provide ready to rent program in the Foothills region. <ol style="list-style-type: none"> Secure a partnership opportunity to provide ready to rent program annually. Ensure client ease of access to Ready to Rent program (e.g. child care, meal) 	2018-2019	<ul style="list-style-type: none"> ➤ Determined program delivery options. ➤ Financially viable program. ➤ Accessible program for clients. ➤ Measurable need. ➤ Valued community service.

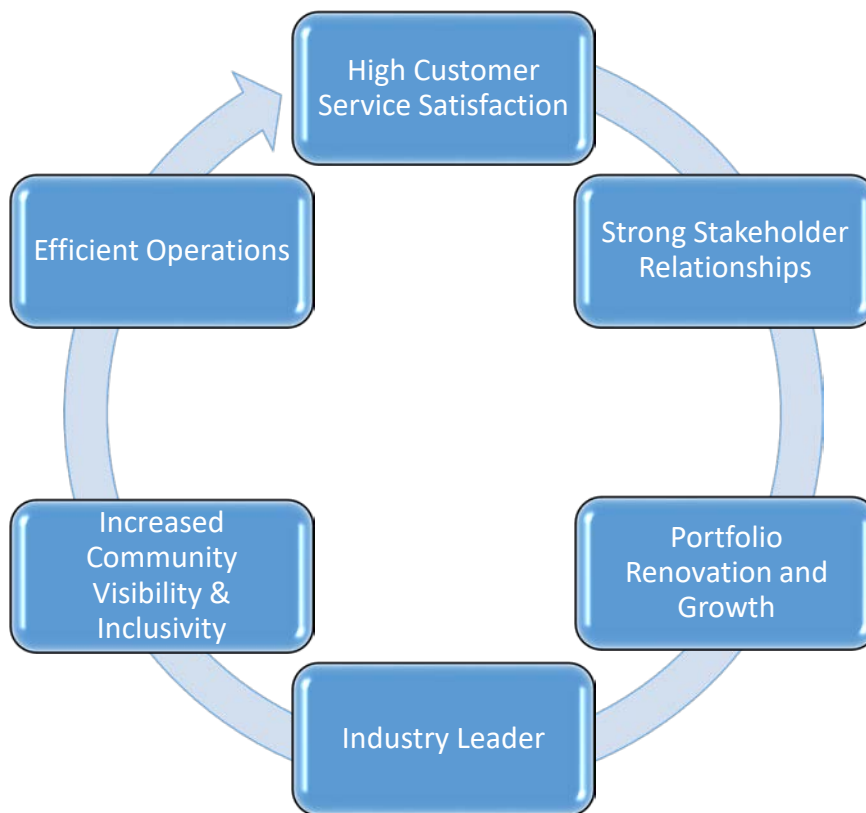
2.3. Develop an industry leadership role with respect to best practices and innovation (Yardi, CTR pilot, technological innovations).

Initiative	Timeline & Key Lead	Performance Measures
1. Evaluate the effectiveness of the Coal Trail Residences market and affordable housing mix.	2019	<ul style="list-style-type: none"> ➤ Education for industry on mixed market housing including lessons learned.
2. Complete Yardi implementation and roll out to include Payscan, asset management, inventory control, capital development and purchasing.	2017-2020	<ul style="list-style-type: none"> ➤ Streamlined operational processes. ➤ Efficient client transition from application to admission. ➤ Reduced errors in program administration. ➤ Efficiencies gained in property management processes. ➤ Efficiencies gained in operating and financial processes due to system integration. ➤ Up to date inventory management system. ➤ Improved tenancy charges.
3. Integrate a Human Resource Information System into Westwinds operations.	2019-2020	<ul style="list-style-type: none"> ➤ Complete evaluation of HR systems options. ➤ Purchase, implement and evaluate effectiveness of the HR information system

2.4. Foster inclusivity in Foothills region communities. (Provide planners with more information, One/one meeting with planning committee, education on NIMBY)

Initiative	Timeline & Key Lead	Performance Measures
2. Advocate for additional community needs and innovative development practices for affordable housing	2018-2020	<ul style="list-style-type: none"> ➤ Improved community awareness of the need for affordable housing. ➤ Bylaw amendments with communities for inclusionary zoning for affordable housing. ➤ Acknowledged community need by municipality.
3. Host an affordable housing strategy information or best practices session	2020	<ul style="list-style-type: none"> ➤ Attendance by municipalities. ➤ Better community understanding of affordable housing. ➤ Municipal adoption of affordable housing strategies relevant to their communities.

Performance Indicators:



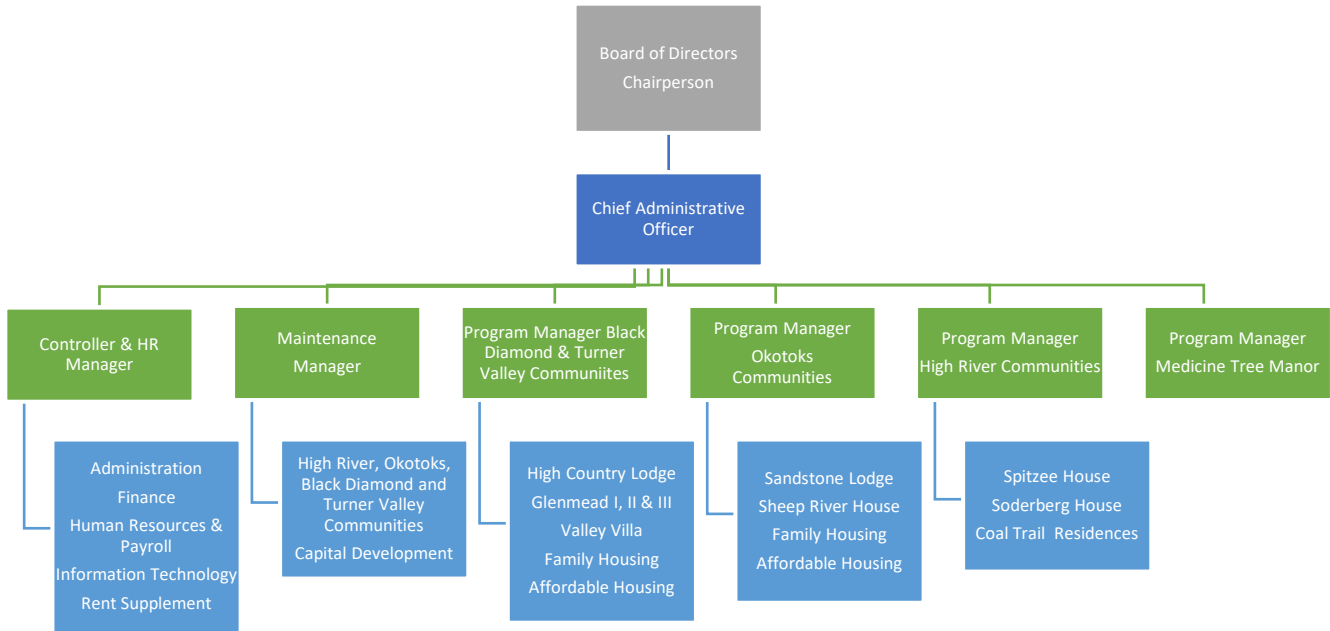
CAPITAL DEVELOPMENT – Summary

Year	Project	Budget	Funding Mechanism
2018	Supportive Living Annual Capital grant funding – various: <ol style="list-style-type: none"> Sandstone Lodge Dining Room/Kitchen Expansion and grounds renovation High Country Lodge Lighting upgrade, therapeutic spa room renovation, parking lot resurfacing and pathway upgrades, and millwork replacement Medicine Tree Manor millennium park lighting and pathway replacement 	\$0.4M	Westwinds Communities
2018	Social Housing Annual Capital grant funding – various: <ol style="list-style-type: none"> Glen Mead I & III, window replacement, hot water tanks, and Glen Mead II, parking lot resurfacing Community Housing and Spitzee House both have exterior security and exterior painting Valley Villa furnaces and hot water tanks Soderberg House parking lot resurfacing Sheep River House – hot water tank replacement, lighting upgrades and common area flooring 	\$0.253M	Government of Alberta
2018-2021	Okotoks Affordable Housing Project <ol style="list-style-type: none"> Minimum 20 units affordable housing 	\$10.98M	Westwinds Communities, Government of Alberta and financing
2019-2021	High Country Lodge Building renovation <ol style="list-style-type: none"> Suite renovation to accommodate barrier free and larger suites. Recreation amenities 	\$4.66M	Westwinds Communities, Government of Alberta and financing
2019-2023	Develop 50 units of seniors independent living within the MD of Foothills	\$11.6M	Westwinds Communities, Municipalities, partnerships, Government of Alberta and financing
2019	Supportive Living Annual Capital grant funding – various: <ol style="list-style-type: none"> High Country Lodge: Interior and exterior lighting upgrade, pathway into town, and sidewalks Sandstone Lodge: Kitchen make-up air unit, interior lighting, parking lot resurfacing, and window replacement 	\$0.2075M	Westwinds Communities

Year	Project	Budget	Funding Mechanism
2019	Social Housing Annual Capital grant funding – various: <ol style="list-style-type: none"> 1. Spitzee House: Interior door hardware and sidewalk replacement 2. Soderberg House: Sidewalk replacement and ceiling fans in units 3. Glen Mead I: Window replacement, parking lot resurfacing, pathway into town, and corridor make-up air unit 4. Glen Mead II: Furnace/Hot water tank, pathway into town and building exhaust system 5. Glen Mead III: Window replacement, interior lighting and pathway into town 6. Valley Villa: Eaves/downspouts 7. Sheep River House: Hot water tank, stairwell flooring and lighting 8. Community Housing: Painting exterior stucco, siding replacement, sidewalk and front stair replacement 	\$0.2765M	Government of Alberta
2020	Supportive Living Annual Capital grant funding – various: <ol style="list-style-type: none"> 1. High Country Lodge: garbage enclosure, corridor handrails and replace eaves/downspouts 2. Sandstone Lodge: Interior lighting, windows, change door hardware to electronic locks and front entrance sidewalk 3. Medicine Tree Manor: Park landscaping and maintenance free furniture 	\$0.258M	Westwinds Communities
2020	Social Housing Annual Capital grant funding – various: <ol style="list-style-type: none"> 1. Spitzee House: Hot water tank replacement and relocation of garage 2. Soderberg House: Hot water tank replacement and garbage enclosure 3. Glen Mead I: Common area flooring and furnace replacements 4. Glen Mead II: Furnace and hot water tanks and sidewalks 5. Glen Mead III: Parking lot resurfacing 6. Valley Villa: Front porches maintenance free 7. Sheep River House: Corridor make-up air unit and domestic/hot water shut-off risers 8. Community Housing Okotoks: Painting exterior stucco siding replacement, sidewalk and front stair replacement 9. Community Housing Turner Valley & Black Diamond: Window and patio door replacement 	\$0.257M	Government of Alberta

APPENDICES

1. ORGANIZATIONAL & PORTFOLIO OVERVIEW



Portfolio	Lodge	Management Body			Affordable
Program	<u>Supportive Housing</u> Accommodation and support services for seniors who do not require a health care centre. Services include private rental of studio accommodation, a safe and accessible environment, meals and snacks, housekeeping, social and recreational activities, 24 hour non-medical monitoring, emergency response, basic living services and access to personal care.	<u>Independent Living</u> Self-contained rental units for seniors who are functionally independent. Each unit has its own living space, bathroom and kitchen facilities. The Foundation provides property management to these Communities.	<u>Family Housing</u> Affordable rental accommodation to low and moderate income families, senior citizens, the physically challenged, and others who are unable to obtain adequate and affordable housing in the private sector.	<u>Rent Supplement</u> Assists households in need to obtain affordable and suitable rental accommodation by subsidizing rents in approved private sector rental accommodation.	<u>Affordable Housing</u> Rental accommodation to working families and those with special needs at a rate of not less than 10% below current market rent within the respective community.
Annual Budget	\$5.5M	\$950K			\$954,000
Operational Funders	Municipalities within the MD of Foothills (33%) & Alberta Seniors & Housing (14%)	Alberta Seniors & Housing			None
Ownership: Westwinds Communities (book value)	Medicine Tree Manor I & II –100 (\$20M) High Country Lodge – 41(\$0.88M)		Okotoks – 7 Black Diamond – 1 Turner Valley – 1 (\$0.88M)		Okotoks – 9 Black Diamond – 6 Turner Valley – 7 (\$4.76M)
Ownership: Alberta Social Housing Corporation	Sandstone Lodge – 46	Soderberg House – 20 Spitsee House – 30 Glen mead Park – 40 Sheep River House - 24 Valley Villa - 4	Okotoks – 12 3 four-plexes		
Households Served - Monthly	87 (187 units operable in 2017)	118	21	170 households	22

Coal Trail Residences - Property Management contract
 62 units (Mix: 1 @12 units, 2@42 units and 3 @12 units), Owned by ASHC (province), Annual Revenue: \$760K

Portfolio Demographics- September 2017

Number of Program Occupants:	Child	Adult	Senior	Total
Seniors Supportive Living			86	86
Seniors Independent Living		9	111	120
Community Housing	35	22	0	57
Private Landlord Rent Supplement	14	10	2	26
Direct to Tenant Rent Supplement	185	156	20	361
Affordable Housing	36	25	0	61
TOTAL	270	222	219	711

Wait List Profile
Supportive Living

Supportive Living applicants generally reflect increased dementia putting them at risk living alone, deteriorating chronic health conditions and or hospitalization which results in placement. Supportive living applicants generally live or have lived in the area and currently 63% of applicants reside in the MD of Foothills, 25% from Calgary, 6% from other communities in Alberta and 6% from out of province. 31% of waitlisted seniors are couples. First choice facility on the waitlist is 50% Sandstone Lodge and 50% High Country Lodge. Medicine Tree Manor currently has 90 seniors moving into the lodge (100 suite building) by the end of November 2017.

Independent Living

Independent living applicants generally live or have lived in the area and currently 66% of applicants reside in the MD of Foothills, 10% from Calgary, 12% surrounding municipalities (within a 45-minute drive) and 12% from other communities. Seniors are moving into our housing strictly for economic reasons.

Community Housing

The Community Housing waitlist has stabilized in the past year. 89% of the waitlist are single moms with dependents of which 32% are employed and 36% are on income supports. The waitlist has remained stable at 69 applicants but has experienced turnover households have left Okotoks to seek affordable housing options.

Affordable Housing

The Affordable Housing waitlist currently has 6 applicants. Management observes that the market segment for affordable housing is very narrow due to CNIT threshold, work requirements and ability to afford rent for a single family home. Most application household demographics are comprised of couples with children. All have at least one adult that is employed. The affordability of Okotoks presents a material issue as the CNIT in Okotoks is too low, and municipal and Westwinds efforts to request a parallel to Calgary have not received adequate consideration due to the economic climate in the community. Average private market rental rates for similar Westwinds product in Okotoks ranges from \$1700-2200 per month.

2. ENVIRONMENTAL SCAN AND SITUATIONAL ANALYSIS

Organizational Strengths

Client Service

- High satisfaction with Westwinds services with a eighty-seven percent satisfaction rating of agree or strongly agree in the supportive living program, one hundred percent satisfaction rating of agree or strongly agree in community/affordable housing and ninety-five percent satisfaction rating of agree or strongly agree in the independent living program (spring 2017). The results are consistent with the 2015 survey.
- Westwinds has a depth of knowledge and insight into the client population. Westwinds' employees are an excellent source of anecdotal information about Residents particularly in the supportive and independent living programs.
- Westwinds continues to experience demand for its products and services (stable waitlists).
- The only provider of subsidized seniors housing in the MD of Foothills.
- Westwinds provides a diversified portfolio (location, unit size & amenities) for various community groups (senior's, individuals, families) at differing income points.
- Strong demand for Okotoks community housing –69 households.
- Strong demand for Black Diamond, Turner Valley and High River senior's independent living.
- Strong demand for rent supplement program.
- Direct assistance for seniors to access government income and support programs.
- Extended community services – meals on wheels (Okotoks) and internally meals for independent living seniors.
- The Westwinds Communities remains highly responsive to the Ministry of Seniors and Housing as demonstrated in our ability to property manage Coal Trail Residences.
- Interest in Medicine Tree Manor after a four year closure.

Human Resources

- 97% of employees indicated they are satisfied or very satisfied with their employment with the Westwinds Communities (Fall 2015).
- Stable strong board with strong governance structure and good succession planning.
- Westwinds has a stable, informed and cohesive management team.
- Stable employee component that is committed, caring and compassionate.
- Wide diversity of employee demographics.
- Initiatives that support options for employee to choose Westwinds as an employer including a competitive compensation, length of service program, RRSP program, recognition program, certified health and safety program and performance recognition.
- Employees are better informed about Westwinds activities and programs.
- Strong certified health and safety program with extensive employee professional development.
- Management active participation in the provincial housing sector.

Public Relations

- New name – refreshed recognition. Strong recognition of the lodges in the community.
- Active engagement with local municipalities – strong sense of community engagement

through seniors supportive living with local organizations and resident interaction.

- Westwinds has strong support by its supporting municipalities for the senior's supportive living program.
- Westwinds has grown the social/affordable housing portfolio by 62 units to property manage in High River.
- Improved community exposure (better utilization of media – print and radio) particularly in High River due to Medicine Tree Manor reconstruction.

Governance

- 100% of the board reported they work well together (Sept 2017) and were most proud of the following achievements in 2017:
 - Rebuilding Medicine Tree Manor including negotiating and settling insurance.
 - New strategic plan
 - Plan to transition Coal Trail Residences to affordable housing.
- Strong Board of Directors functionality and commitment (especially following municipal elections)

Infrastructure/Operations

- Long term certification for accommodation standards and health and safety.
- Quality home cooked meals in the supportive living program providing variety and choice (2 dinner entrees, open breakfast).
- No or low cost fundraising actively occurring at supportive living sites.
- Standardization of services almost complete at supportive living sites.
- Strong recycling program.
- New Medicine Tree Manor, renovated administrative office, Soderberg House and Spitzee House – reducing annual operating and capital costs.
- Resolution of Medicine Tree Manor fire insurance.
- Five-year plan for capital improvements to all sites.
- Established performance objective – annual governance survey, employee and tenant surveys completed every second year, regular interaction with local municipal councils.
- New property management software (property management, maintenance and accounting) in place for live implementation November 2017.
- Stabilized operational structure in human resources, maintenance, finance and program operations.

Financial

- Established reserve structure in place.
- Repayment of lodge debt completed for Medicine Tree Manor II (circa 1996) and Sandstone Lodge expansion (circa 2002) as of April 1, 2017. Only financing in place is associated with Medicine Tree Manor ~\$3M.
- Flood insurance claims primarily complete.

Organizational Weaknesses

Supportive Living Program:

- 30% of Residents exhibit mild to moderate dementia. The general observation is that Residents that are now being housed in supportive living sites that would have been long-term care. Consequently, Westwinds occasionally houses seniors who require a higher level of care than operations and facility permit. Currently 9 (6.5%) seniors awaiting placement in a higher level of care.
- Resident turnover is 23% for 2017 (9 months), which remains consistently high as seniors enter the program later and stay for a shorter duration. Westwinds is experiencing increases in seniors moving onto to hospice/assisted living/long term care or residents pass away. Reflects a strong Home Care program and good community support.
- Both Sandstone and High Country Lodges are encountering periodic to routine vacancies for the larger units (studios in Black Diamond and studios and one bedrooms in Okotoks).
- Medicine Tree Manor is currently commissioned with 53 occupants (10/2017) and full occupancy projected by January 2018.

Facilities

- Supportive living building design does not meet current design standards (except Medicine Tree Manor's 67 units).
- Sandstone and High Country Lodges have only one staff member on a night which is an evacuation concern in non-peak operating hours.

Affordable Housing

- Limited demand for affordable housing unless it is matched with rent supplement funding.
- No current mechanism outside of CNIT to evaluate income. The CNIT affordability is proving to be too narrow.

Human Resources

- 40% of Westwinds employees have less than six months service in part due to commissioning Medicine Tree Manor, retirements and general turnover.
- Lack of work place diversity as workforce is female (87% which is stable over the last year).
- Financial capacity to maintain wages ahead of increasing minimum wage rates.
- In some departments/sites slow to react to change or change resistance.
- Limited labour market for WWC positions. Increasingly challenged to find best medium to locate employees in the labour market.
- WCB rates still remain high based on experience rating relating to one employee from 2014.
- Small casual pool of employees.
- Lack of a human resource integrated information system.

Operations

- No integrated property management software. Currently accounting and maintenance software in place.
- Expenses outpacing our ability to increase revenue with respect to inflation.
- Limited resources available for capacity building.
- All operational processes are in flux with the implementation of Yardi.

Leadership

- Management resources are limited to addressing only a few emerging opportunities at a given time.
- Limited advocacy platform.
- Turnover of Program Managers in the next five years.

Opportunities

Clients

- Extraordinary growth for senior's independent living of 271 subsidized new housing units are needed in the Foothills Region by 2021 and an additional 1900 for market senior's independent living.
- High need for Okotoks family social housing as waitlist is consistently three times the portfolio.
- Need for supportive living decreases by 150 units by 2021.
- Strong demographic and waiting list demand for social housing which can be extrapolated to affordable housing when subsidies are used.
- More wealthy seniors, more poor seniors.
- Aging demographic – on set of baby boom population
- People are working longer to maintain quality of life.
- Community growth increasing/maintaining demand for all programs (turnover an issue in supportive living).

Programs and Services

Enhanced service options in housing programs including:

- Supportive Living – cable TV and personal services
- Independent Living – cable TV
- Dementia program
- Asset reprofiling of 8 owned community housing units to increase community housing or affordable housing inventory – business plan proposal to divest assets. One asset sold February 2017.
- 5-year projection: Community housing demand for Okotoks 37 – units
- 5 year projection: Affordable housing expansion in Okotoks (1-2 bedrooms) – 5-10 units. High River needs satisfied.
- 3 year projection: Rent Supplement: 2% growth annually over five years (all communities currently served). Serving up to 170 clients monthly with a small wait list.
- Services to support aging in place (additional home care, specialized meals, supplementary monitoring).
- Increase community profile and partnerships – educate service providers and community.
- Partner with municipalities with zoned developed land for additional housing.
- Introduction of reduced rates for utility services including cable. Currently implemented at Coal Trail Residences, High Country Lodge and Medicine Tree Manor.
- Cost recovery operation on laundry services with lease of coin operated commercial laundry machines for senior's independent living. Implemented at Spitzee House in September 2014 and Medicine Tree Manor in 2017. Potential to implement at other sites.
- Partner with municipalities on building infrastructure projects to include a housing component.
- Continued increase in green technology and utilization of green elements in building and

retrofits. Current provincial capital grants recognize the importance of green building technologies. For example pre-wiring Medicine Tree Manor for solar technology and installation of LED lights in all sites as budgets permit.

- Private public partnerships.

Financial and Capital

Grants:

- Provincial capital grants for 2017 total \$937,000 (supportive living and social housing).
- Calgary Foundation, Horizons, FCSS, lottery grants.
- Reduced financing rates to be secured from the Alberta Social Housing Corporation (appears stalled).
- Implementation of sprinkler system retrofit expected in senior's independent living in 2018/19.
- Energy audits and rebate programs.

Operations

- Integrated property management and accounting software.

Agency partnerships.

Risk Management/Threats

Financial

- Continued or increased turnover of tenants in the supportive living program.
- Cost of living.
- Financial pressure on municipalities to keep taxes modest regardless of entity requiring an increase.
- Economic restrictions. Currently government and not for profit sector face on going funding restrictions/reductions. Alberta's economy remains suppressed.

Public Relations

- Implications of implementing any changes in new Housing Act Regulations without financial support from the province on a timely basis.
- Increasing requisition funding perception by the local municipalities and community members.
- Continued downloading to municipalities – could result in financial pressure on Westwinds.
- Governments operating in a deficit mode and reducing expenditures and potentially support and resources to Westwinds.
- Continued Government withdrawal and or downloading of services and programs for social housing.
- Social media slander.

Competition

- Currently most supportive living site has indirect competition in each community (Heartland – Rivera in Okotoks, Abbeyfield House and Sunrise Village – High River). Rental Rates for the competition start at \$1,600/month and range in size from 150 sq. ft. to 800 sq. ft.

similar amenities and services to Westwinds' Lodges.

Operations

- Competition for limited labour resources.
- Erosion of employee wages with significant increases in minimum wages putting financial pressure on Westwinds to maintain wages with similar parity throughout the organization.
- Impact of increased prevalence of superbugs on client population.

3. MARKET ANALYSIS

Overview

- The current state of the Alberta economy is characterized by modest recovery from a recession but unemployment is expected to remain at 8%
- Poverty rate indicators have been slow to show significant improvement in the last three years. Based on past post-recession recoveries it may take as long as a decade for poverty levels to return to pre-recession levels.
- Low-income households financial vulnerability is largely due to overextension of credit (low-income households have the highest debt to disposable income rate of 180%).
- Although affordability in home ownership has improved in Alberta, it remains out of reach for low and even some moderate-income households.

Westwinds Communities Seniors Service Area Demand Projections - IBI Group, March 2017

Support Level	2016 Estimated Population 75+: 3,769			2021 Projected Population 75+: 5,022			2027 Projected Population 75+: 6,940			
	Observed Inventory	Expected Inventory	Inventory Deficiency or (Excess Capacity)	Projected Demand	5 Year Increase from 2015 Expected Inventory	Projected Unmet Demand (Excess Capacity)	Projected Demand	5 Year Increase from 2020 Projected Demand	10 Year Increase from 2015 Expected Inventory	Projected Unmet Demand (Excess Capacity)
Independent Housing / Other	2,732			3,340			4,616			
Subsidized Self-Contained	126	307	181	410	102	284	566	156	259	440
Seniors' Community Living										
Supportive Level 1/2	459	455	(4)	606	151	147	837	231	382	378
Continuing Care										
Supportive Living Level 3	44	67	23	90	22	46	124	34	57	80
Supportive Living Level 4	240	115	(125)	153	38	(87)	211	58	96	(29)
Supportive Living Level 4 Dementia	88	53	(35)	70	18	(18)	97	27	44	9
Long-term Care	80	266	186	354	88	274	489	135	223	409
Subtotal Continuing Care	452	500	48	667	166	215	921	255	421	469
Total Seniors' Community Living	911	955	44	1,272	317	361	1,758	486	803	847

- A surplus is indicated as a negative number in red (1)
- Estimated and projected population of seniors based on AHS projections, ages 75+, adjusted for catchment area.
- Expected inventory and projected demand based on current provincial incidence rates for each type
- Actual distribution of supportive living levels 3, 4, and 4D may vary, the distribution indicated is based on current inventory.
- Projected unmet demand assumed no additional facilities built in catchment area

Seniors

- Alberta's population, like the rest of Canada, is aging. As of March 2011, there were about 410,000 seniors in Alberta but by 2031, when the last of the baby boomers reach 65 years of age, it is projected that there will be more than 923,000 seniors - meaning about one in five Albertans will be a senior. It will fundamentally affect the labour force, financial system including investments and pensions; the housing sector; the demand for health services and supports; the need for community based supports and services; and the ways that businesses, not for profits, governments and other organizations interact with society.
- The needs and circumstances of seniors are changing as they age. Formal levels of education are increasing, incomes of seniors have been rising steadily over time, Albertans are remaining in the workforce longer and there is a continued in migration of seniors into Alberta.
- The baby boomer population is entering its senior years and will remain healthier and mobile that previous seniors populations meaning their age related housing transitions will likely be delayed. In a recent survey, 85% of those 55 and over said they planned to remain in their present home for as long as possible.
- In general, the portion of seniors in the general population will increase the fastest in communities of lower population growth, which may be least equipped to meet rising demands for services. Younger seniors (65-74), generally in better health than older seniors, are more likely to move to rural areas that often offer cheaper housing and lower crime rates. In contrast, older seniors (75 and over) are more likely to stay where they are or move to an urban centre.
- When health deteriorates, and acts as a catalyst for a more, seniors tend to move into residential situations that combine personal space with personal health care. The proportion of seniors that enter supportive living Communities (in addition to Long-term care) rises steadily with age to 13% of those 75 and older. Demand is anticipated to increase for a range of independent living housing types that can be adapted and encourage aging in place. Due to the sheer size of the baby boomer cohort, demand for the full range of housing supports will likely increase.
- Since most seniors have fixed incomes, they will be more sensitive to increasing housing costs, which may necessitate a new type of housing support. The private sector will be encouraged to respond to changing housing needs and demand of seniors by offering a variety of housing options and products from which seniors can choose.
- Seniors who lack the financial resources to meet their basic needs, choices will be more limited. The Alberta government will need to collaborate with its partners to support the development of a sufficient supply of affordable housing and supportive living units for seniors most in need, especially in rural and remote areas, where options are often limited.
- The prevalence of one complex health condition for seniors, dementia will double in Alberta by 2038, if there are no significant new scientific discoveries or interventions. This will have considerable implications for the province's continuing care system. In addition, statistics shows 20% of Canadian seniors current have some form of mental illness (primarily depression).
- Top resident unmet needs in supportive living settings are access to professional services and home care, health and personal care services, equipment and staffing at appropriate level to meet care needs.
- Top tenant unmet needs in independent living settings include health and personal care services, mental health support services, housekeeping and meal services and the availability of transportation services.
- Top barriers and challenges being faced by seniors housing operators include increasing complex care needs, increasing staffing requirements (qualifications and scope), demands on building and infrastructure, increasing technological demands, increasing collaboration and

communication needs, and increasing demands on available funding.

- CMHC recently reported vacancies in seniors housing residences (provide at least one meal per day) provincially had a 9.2% vacancy rate with an average 2016 monthly rent of \$2,992 (\$70 higher than 2015). 7% of Alberta supportive living sites have rent under \$1,500 per month, 18% range from \$1,500-\$1,999 and 18% range from \$2,000-\$2,499 with 57% of the Alberta marketplace with rents over \$2,500. Westwinds average rents are in the lowest range.

Government Trends

Provincial

- Budget and capital restrictions are expected to continue.
- The lack of sprinkler systems in the independent living portfolio has become known as key government criteria.
- A clear line of communication on resident/tenant health continues to be an issue between lodges and Alberta Health Services (AHS).

Federal

- The Canadian economy while not as strong as the US remains active with the strongest growth projected in Alberta for 2017. Alberta will be impacted by modest recovery in the oil & gas and energy sectors which are expected to be offset with increased tourism and farming prospects due to a weaker loonie and stronger wheat and cattle prices.

Definition

Age Friendly: The Age-friendly Environments Programme is an international effort by World Health Organization to address the environmental and social factors that contribute to active and healthy ageing in societies. An Age-friendly Community is an inclusive and accessible environment that promotes active ageing. Example: wider sidewalks, barrier free design standards for all public spaces, etc...

Sources

Government of Alberta, Housing and Urban Affairs, 2015 Environmental Scan, May 2015

Seniors Living and Continuing Care System, June 2011 ASCHA, Seniors Living Transition Planning Guide Framework, July 2011

CMHC, Housing Market Information, Seniors Housing Report, 2016 CMHC, Rental Market Report, 2016

Westwinds Communities Supportive Needs Assessment, May 2013 Foothills Region Homeless Assessment, 2013

4. FINANCIAL PLAN AND FORECASTS

Revenue	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast
Rent	3,549,323	5,370,068	5,477,469	5,587,019
Resident Services	156,920	221,032	225,453	229,961
Non-Resident Services	211,541	30,148	30,751	31,378
Other Revenue	3,410,180	2,105,853	2,128,058	2,156,829
ASHC - LAP grant (Lodge Only)	329,121	561,604	567,220	572,892
Municipal Requisition (Lodge Only)	1,976,760	1,976,760	1,976,760	1,996,528
Total Revenue	9,633,845	10,265,465	10,405,711	10,574,607
Expenses				
Human Resources	3,505,973	4,539,468	4,630,257	4,722,862
Operating	1,242,805	1,236,992	1,261,732	1,286,966
Food (Lodge Only)	356,798	654,160	667,243	680,588
Operating Maintenance	666,740	724,019	738,500	753,270
Utilities	777,392	928,394	941,170	959,281
Taxes and Land Leases	71,530	76,629	77,592	78,856
Administration	502,207	522,196	532,640	543,292
Charitable Costs	2,600	-	-	-
Interest costs	161,644	146,483	152,193	152,593
Other	729,800	-	-	-
Amortization	477,228	1,030,575	1,015,848	1,015,848
Total Expenses	8,494,717	9,858,916	10,017,175	10,193,556
Net Excess (Deficiency) of Revenue over Expenses from Operations	1,139,128	406,549	388,536	381,051

5. 2011 – 2016 STRATEGIC PLAN OUTCOME

Summary

Westwinds Communities operates in growing communities facing increasing demand for affordable social housing, in an industry that is committed to providing person centered choices housing and services options.

Westwinds initiatives for the past six years has resulted in long term planning, consistent quality service, organizational stabilization, recovery following the Southern Alberta flood, enhanced services and positioning for program growth. At the end of 2016, Westwinds is better positioned to provide choices and option to our seniors, families and individuals through our housing and hospitality services.

Our governance, tenant and employee evaluations confirm our organization is meeting or exceeding service expectations. Our municipal and provincial stakeholders recognize and support our community initiatives. Westwinds remain an active community agency providing tremendous resources to our communities.

As Westwinds Communities moves into its next strategic planning cycle the organization should again re-evaluate its seniors programs for aging in place strategy as our industry, demographics and customers evolve. Westwinds could also continue to explore long term planning based on new growth projections for our growing communities. Westwinds continues to capitalize on its improved organizational structure and over the next year will complete its key operational enhancements which will position our infrastructure as an industry leader and pave the way for future growth.



Key Projects

Corporate	<ul style="list-style-type: none"> • 2011-2014 Business Plan • 2015-2017 Business Plan • Seniors needs assessment 2013 • Rebranding including website
Governance	<ul style="list-style-type: none"> • Annual Board goals, evaluations and findings report. • Creation of board policies (2012, 2016) and bylaw updates.
Human Resources	<ul style="list-style-type: none"> • Employee assistance program, RRSP program, benefit review resulting in savings, Above & Beyond program, bonus program • Newsletters and employee handbooks • ADP payroll migration from manual system. • Employee surveys 2011, 2013, 2015.

Customer Service

- Successful Tenant evaluations 2011, 2013, 2015.
- Handbooks for all programs, revisions to waste management.
- Expanded supportive living menu and flexible breakfast time, community resource program for seniors.
- In suite washers and dryers in community housing.
- Internet, cable and coin operated laundry – select communities.
- Recycling program in Okotoks (all properties) and all lodges.
- Partnership with Rowan House.
- Auto-withdrawal service for rental payment.
- Discontinue Lodge damage deposits.

Operations

- New health and safety manual. 1 year PIR program. Significant resource commitment to health and safety.
- Maintenance care software implemented.
- Policy redevelopment 70% complete.
- Routine financial reporting including benchmark statement development.
- Utility contracts.
- Business continuity plan.
- Annual suite and unit inspections.
- 98% routine work orders in 48 hours.
- On line banking.
- Long term financing (upon renewal). Completion of Sandstone and Westwinds Lodges financing in 2017.

Capital Development

- Rebuilding and commissioning of Medicine Tree Manor I & II.
- Restoration of Spitzee and Soderberg House following 2013 flood.
- Sandstone Lodge dining room, lounge, offices, entry, recreation room and hallway upgrading. New common area furnishings.
- High Country Lodge dining room, common area and hallway upgrades. New common area and resident room furnishings.
- Upgrades to community housing flooring, painting, appliances, kitchens (select), exteriors (select), landscaping (select).
- Construction and operation of 7 affordable housing units in Turner Valley and acquisition of 3 affordable housing units in Okotoks.
- Seniors independent living building envelope upgrades – all sites.
- Government grants exceeding \$5.5M for capital redevelopment, building envelope, lodge renewal, furnishings.
- Sale of social housing unit to facilitate readiness for land acquisition in Okotoks for a new affordable housing project.

1) GOAL ONE: Planning

Objective: Ensure sound planning models to position the organization capitalize on viable business opportunities and targeted growth.

- a) Conduct a Foothills Community wide long term needs assessment for social, affordable and supportive living accommodation and support services for low and moderate income households
Outcome: Completed, housing assessment used to project future growth targets. 2017 Study complete and updated for the senior's portfolio.
- b) Ensure strong communication and working relationships with key community and provincial stakeholders.
Outcome: Strong community and provincial relationship as demonstrated with community presentations and material, and excellent working relationship during flood recovery in High River and fire reconstruction support of Medicine Tree Manor.
- c) Position organization as an innovative corporate service leader positioned for industry growth opportunities.
Outcome: Partially complete. Westwinds Communities is better positioned for growth opportunities following the recommissioning of Medicine Tree Manor. Westwinds has implemented services which have enhanced options for our supportive living seniors (for example menu options, supplementary services, resource support for government programs) and ensured infrastructure and resources are positioned to optimize operational resources.
Westwinds enhanced its commitment to the industry through its participation on various industry associations and government initiatives.

2) GOAL TWO: Organizational Enhancements

Objective: Ensure organization utilizes best practices to ensure efficient operation, sound governance and optimum operation of assets and financial resources.

- a) Adopt best practices in governance.
Outcome: Completed in 2012 and updated in 2016. The Board of Directors function as a governance board within the parameters of the Alberta Housing Act. The Board has adopted strong planning and evaluation framework in addition to an effective recruitment and communication strategy.
- b) Standardize operations in all programs.
Outcome: Partially complete. Significant work has been invested in ensuring consistent operations as realized in three year licenses for Westwinds Supportive Living communities, strong health and safety program, consistent reporting, standardized policy manual, routine financial audit and strong program evaluation. Management continues to work on implementing an integrated software program.
- c) Develop mechanisms that ensure sound financial management and capital sustainability.

Outcome: Complete in supportive living and affordable housing. The supportive living portfolio is currently evolving following the fire to Medicine Tree Manor.

- d) Position the organization for improved community recognition and visibility.
Outcome: Organizational rebranding including redevelopment of all communication and marketing material.

3) GOAL THREE: Enhancing Services

Objective: Provide accessible, affordable services that meet low and moderate income seniors, families and individuals needs and align with provincial operating frameworks.

- a) Determine the best and highest use of Westwinds Communities assets.
Outcome: Complete. Asset evaluation complete and on-going. Board approved plan for asset reutilization and rejuvenation in progress as financial resources permit. Our housing is better positioned to be welcoming homes for our tenants.
- b) Determine the extent to which the Westwinds Communities will develop aging in place services.
Outcome: Initial evaluation completed. Re-evaluating this option for the Black Diamond/Turner Valley communities based on long term declining interest for the lodge and community need.
- c) Enhance services and programs to generate additional revenue.
Outcome: Service review completed and feasible options implemented. Additional services proceeding with re-opening of Medicine Tree Manor.

4) GOAL FOUR: Program Growth

Objective: Develop plan and operate viable, market relevant housing in all communities within the Foothills Communities.

- a) Develop expansion priorities based on Foothills Community needs assessment that ensure long term viability.
Outcome: Completed. Priority is affordable housing in Okotoks for seniors, individuals and families.
- b) Develop and implement a fund development strategy to identify new sources of funds for new projects. (2015-2016)
Outcome: Incomplete. Westwinds Communities has successfully secured supportive living grants (Westwinds owned properties) totaling in excess of \$5.5M during the strategic plan cycle primarily through government grant program and direct liaison with the Ministry of Seniors and Housing.
- c) Secure title to Sandstone Lodge.
Outcome: Incomplete as the Ministry of Seniors and Housing is not transferring assets to Management bodies. Political timing for this endeavour will remain crucial.

6. DEFINITIONS

Term	Definition
Supportive Housing	It is defined as a way of providing housing to frail seniors who do not require the services of a long term care facility. It would provide private living accommodation, a safe and barrier-free environment, 24 hour monitoring and emergency response, options for meals, housekeeping, transportation, social and recreational activities and some basic living services and personal care as required. The housing may be self-contained or shared, owned or rental.
Assisted Living	There are several assisted living models. Typically, supportive living with a higher level of personal and health care services is viewed as assisted living. It is a residential long-term care alternative that involves the managed delivery of prescribed health and personal services within a residential environment. It is defined as a combination of housing.
Independent Living (self-contained)	The apartments are rental units that are generally designed for seniors who are functionally independent. Each unit has its own bathroom and kitchen facilities.
Senior Citizens Lodges (a component of the supportive living spectrum)	Senior Citizens Lodges are designed to provide room and board for seniors who are functionally independent or functionally independent with the assistance of community based services. Core services provided within lodges include basic room furnishings, meals, housekeeping services, linen services, building security, 24-hour non-medical staffing and life enrichment services.
Rent Supplement	Is a program supporting the Senior residing in private accommodation and paying an affordable rental amount. The difference between the market rent in the private accommodation and the affordable rent is supplemented by an external source usually the Province. Program admission is also based on need.
Community Housing, Family Housing, Rural and Native Housing also includes Independent living	The Community Housing Program provides subsidized rental housing to low-income families, senior citizens, and individuals with special needs who cannot afford private sector accommodation. Applicants whose income falls below local income limits are eligible to apply (Core Need Income Threshold) . Management and tenant selection is delegated to the local housing operators. Applicants are given priority based on need, as determined by income, assets, and current housing condition. A tenant's rent, which includes heat, water and sewer expenses, is based on 30 percent of a household's adjusted income. The tenant is responsible for electricity, telephone and cable television, as well as any additional services they may request (i.e. parking).
Affordable Housing	The Affordable Housing Program provides subsidized rental housing to low to moderate income families and individuals with special needs who cannot afford private sector accommodation. Applicants whose income falls below local income limits are eligible to apply (Core Need Income Threshold) . Management and tenant selection is delegated to the local housing operators. Applicants are given priority based on need, as determined by income, assets, and current housing condition. A tenant's rent, is based on being 10% below market rent for a similar unit in the community. Tenants are eligible to participate in the program for two years.
ASCHA	The Alberta Senior Citizens Housing Association – Westwinds Communities is a long term member.