



North Peace Housing Foundation

6780 – 103rd Avenue, Peace River, Alberta T8S 0B6

Tel: (780) 624-2055 Fax: (780) 624-2065

Email: tammy.menssa@nphf.ca

To: The Board of Directors

From: Tammy Menssa, Executive Director

Re: Affordable Housing Asset Management Framework: 2024/25 Potential Asset Transfers

Date: May 22, 2024

On September 23, 2022, Alberta Seniors, Community and Social Services (SCSS), released the [Affordable Housing Asset Management Framework](#) as a companion document to [Stronger Foundations: Alberta's 10-year strategy to improve and expand affordable housing](#). *“The framework is the blueprint that ensures the Alberta Social Housing Corporation’s (ASHC’s) real estate assets are managed in a way that will expand and improve affordable housing. This will enable more Albertans in need to have access to suitable housing options.”*

Pillar 1 of the Framework is to transfer ASHC-owned real estate assets ownership to a local housing operator or municipality, where there is the capacity to own, operate, and leverage the equity in the property, under an agreement for the number and type of affordable housing units to be maintained over a set timeframe.

The focus is on properties with low net book value, and those that are suitable for redevelopment as mixed-income and/or mixed-use properties. Through their Business Plan submission, operators will be able to recommend assets for transfer as a standalone opportunity or as part of a broader redevelopment. Opportunities to transition to mixed-income can occur gradually as tenants vacate units or when a redevelopment or expansion project is complete.

Operating surplus and leveraged equity enable the operator to maintain or renew the property, expand, or redevelop the property, or to invest in new projects to increase the number of affordable housing units available, especially in communities where need is increasing.

Where assets are meeting community need and are in fair to good condition, ASHC will consider if there are opportunities for operational efficiencies through the transfer of asset ownership. As outlined in the Framework, potential parameters of a transfer agreement would include that:

- The operation of the building would continue with no or minimal disruption to tenants.
- The preferred method of transfer may be by Nominal Sum Disposition.
- Transferred properties must continue to operate as affordable housing over a set timeframe (i.e., minimum of 20 years). An Option to Purchase Agreement would be registered on title.
- A Maintenance Reserve Grant calculated based on building condition assessment and number of units.

- The Social and Affordable Housing Accommodation Exemption Regulation enables the continuation of property tax exemption for former ASHC properties that transfer ownership and continue to be used for the purposes of social or affordable housing accommodation.

On September 28, 2022, the Foundation was contacted by the Executive Director, Housing Capital Programs, with a preliminary list of assets identified for potential transfer in the initial two years of implementing the Framework.

In Year 1 (2022/23), two single family detached dwellings, along with a Capital Maintenance Reserve for each unit, were transferred to the Foundation effective March of 2023. The Year 2 (2023/24) list of assets originally presented to the Foundation were not discussed further or offered as a transfer; however, the building condition inspections were completed, and the Foundation received the reports.

On April 26, 2024, the Foundation received an email from Alberta Seniors, Community and Social Services (ASCSS) stating that they were once again interested in engaging in asset transfer discussions for the 2024/25 government fiscal year. Assets being considered for potential transfer were identified from our 2024 Business Plan update submission (Appendix F) and alignment to the Affordable Housing Asset Management Framework.

The attached list for the 2024/25 government fiscal year was developed as a starting point for discussion. The Foundation has been asked to consider this list as a starting point for collaboration and does not, in any way, constitute a formal offer or agreement to transfer. Each transfer will be carefully considered to ensure the government and the Foundation mutually agree upon the outcome and related agreements.

I have had preliminary discussions with the Manager, Real Estate Asset Portfolio, Capital Planning and Reporting, Housing Capital Programs Branch, regarding the potential asset transfers to ensure a collaborative approach in moving forward with the province's Real Estate Strategy.

The building condition assessments for the approved list have been scheduled for July of this year. We hope to have the transfer documents and Maintenance Reserve information to present to the Board for consideration by fall of 2024.

Recommendation:

Accept as information.

Thank you,



Tammy Menssa
Executive Director

Affordable Housing Asset Management Framework: 2024/25 Potential Asset Transfers

Organization: North Peace Housing Foundation

Project Number	Project Name	Address	Municipality	Plan	Block	Lot	Program
124227223013	Grimshaw R&N 3	5422 - 51 Street	Berwyn	7821034	8	11	Community Housing
		4330 - 54 Street	Grimshaw	7822717	10	33	
		4302 - 53 Street	Grimshaw	7822717	11	25	
		4409 - 53 Street	Grimshaw	7822717	10	14	
		4310 - 54 Street	Grimshaw	7822717	10	28	
		4210 - 53 Street	Grimshaw	7822717	11	26	
124227312295	Grimshaw 2 (FCLS)	4410 - 53 Street	Grimshaw	7822717	11	14	Community Housing
		4422 - 52 Street	Grimshaw	8021627	11	73	
		4212 - 52 Street	Grimshaw	8021627	11	78	
		4213 - 52 Street	Grimshaw	8021627	12	4	
		4214 - 52 Street	Grimshaw	8021627	11	77	
		4215 - 52 Street	Grimshaw	8021627	12	3	
		4410 - 55 Street	Grimshaw	8022843	8	66	
		4412 - 55 Street	Grimshaw	8022843	8	67	
		4420 - 52 Street	Grimshaw	8021627	11	74	
		4504 - 55 Street	Grimshaw	8022843	8	69	
		4506 - 55 Street	Grimshaw	8022843	8	70	
		4510 - 55 Street	Grimshaw	8022843	8	72	
		4514 - 55 Street	Grimshaw	8022843	8	74	
125427312877	Manning 1	A&B, 407 - 1st Street NE	Manning	3593NY	1	11	Community Housing
		A&B, 405 - 1st Street NE	Manning	3593NY	1	10	
		A&B, 403 - 1st Street NE	Manning	3593NY	1	9	
		A&B, 401 - 1st Street NE	Manning	3593NY	1	8	
		A&B, 406 - 2nd Street NE	Manning	3593NY	1	16	
		A&B, 408 - 2nd Street NE	Manning	3593NY	1	15	
		A&B, 410 - 2nd Street NE	Manning	3593NY	1	14	
		400 - 2nd Street NE	Manning	3593NY	1	17	Land only

This list is only a starting point for collaboration between the government and housing provider and does not constitute a formal offer or agreement to transfer.