

CEO Executive Summary

Silvera for Seniors Business Plan 2017 - 2021

At Silvera for Seniors, we conduct an annual planning cycle beginning with the strategic planning work at our board level. From there, we determine/review our business goals and management sets annual priorities.

Annual priorities and clear actions guide the activities of staff over the next year. Silvera has worked hard to establish an annual cycle of planning between the board and management that mutually supports and drives each other.

Silvera has spent a number of years building foundational Service Models, setting organizational values, and building capacity in our staff by heavily investing in learning and development. We have successfully met regulated legislative compliance standards and significantly improved our systems and processes, and although there is more to do, we have made great progress. We have established excellent relations with our stakeholders, including funders, donors, and community partners. We have outlined our capital plans, re-zoned land, conducted market studies and begun the work to leverage our land. The capital development opportunity is much larger and more complex than simply constructing buildings, as our sites lend themselves to build communities with a mixed use and integrated population. We aim to provide a place where people can age in community, while at the same time strengthening ourselves as a non-profit organization. The challenge is to build in ways that not only help to meet our mandate, but also to leverage the land we currently own and to build in areas of our city where the demand is high.

We continue to make sure our board governance is strong and has the right skills and reporting for appropriate oversight. Silvera is committed to grow as an organization by increasing our housing options and our services. Through the many recent changes in government, we have worked hard to nurture positive relations with government administration and political leaders.

Silvera is reaffirming our plan making sure we harness all efforts including external partners to achieve our business priorities. We have a clear vision to ensure all we do is rooted in a philosophy of service. We are committed to our core business, to create homes where our residents have the right services that support their independence and dignity in order that they can age in community. We work hard to be highly efficient and nimble as an organization, and to have the right team in place to deliver on our plan. We are leveraging not only our land as we build more housing, but are working to influence our government(s) to leverage all the provincially owned buildings/communities for the highest and best use. One of our biggest challenges is the continued operation of outdated provincially-owned buildings that run operational deficits and thereby hinder our ability to progress our business and meet the growing and evolving needs of seniors in Calgary. Our goal is to repurpose these lodges to meet a unique housing service need until such time as they can be rebuilt or leveraged within the portfolio.

As a long-standing and successful senior's organization, it is clear to us that seniors support services need to be reformed as well as needing more affordable housing built. We must change how we are funded so we can respond to the demand and the complexity of our ageing population and to manage the growing cost of operating our communities. We will continue to nurture relationships and the right partnerships to walk alongside us to deliver on our vision.

Our plan outlines our priorities for the next three plus years and outlines a long-term capital strategy. This includes building new communities, repurposing and refurbishing old lodges, potentially selling or leveraging buildings and land owned by government, negotiating appropriate funding for operational costs, growing services, nurturing service partnerships that can offer extended life in old lodges, and, perhaps most importantly, securing an appropriate provincial/municipal funding arrangement. Governments will need to continue to support senior's affordable housing if we are to offer affordable rents. That is why we are here.

It is still important for Silvera to achieve our goal to become financially more self-reliant but it will require key changes along the journey. In order to address lodges running at a deficit, the provincial government needs to make the decision to support the optimization and/or repurposing of the old lodges. Providing a new service(s) within repurposed lodges will help to reduce deficits and meet unique population needs. These new operations within the repurposed lodges we expect to still fit within the Lodge program, thus City funding agreements need to reflect their full support to all lodges.

Silvera's key objective in this business plan is to focus on sustainable funding, which means renegotiating agreements with the City and the Province. As seniors live longer and yet continue to live on fixed incomes, the need for affordable housing remains high. This increase in our ageing populations means the demand far exceeds the supply and current seniors housing buildings are surpassing their life cycle use. This plan identifies how Silvera will leverage its own land to begin building to meet the increased need for affordable seniors housing and integrated communities, but also to meet the need to increase services. As a sector we need to be properly resourced to support the changing needs of seniors living in Independent Living (self-contained) and Supportive Living environments. Seniors' needs are increasingly complex and there is an urgent need for the Government's Ministry of Health to help Alberta Health Services and thus Homecare to more effectively respond to support seniors ageing in these environments.

Our plan assumes that government will invest or support capital development costs. It assumes government is also ready to leverage existing buildings, which includes refurbishing, repurposing, rebuilding and retrofitting. It assumes that funding to maintain buildings and update ageing buildings will be built into annual plans and funding budgets. It assumes full endorsement of a mixed rent revenue model, rather than limiting Silvera to a Rent-Geared-to-Income revenue model only. It assumes immediate support to negotiate a stable funding agreement with the municipality. It clearly assumes all options to improve and update funding models will be able to be discussed and furthered in order that seniors can be housed. If this is not done, Silvera's operations cannot subsidize government deficits, it is simply not financially sustainable. Lastly, it assumes that we will recognize that without quality staff none of this work is possible. This demands an ongoing recognition that the workforce is our greatest

asset, and we must continue to invest in staff development and fair wages. Silvera for Seniors is Alberta's second largest senior's affordable housing provider with a strong reputation and business acumen, we are a high performance operation. We are an excellent investment and need to be supported by our government funders as a partner in the delivery of vital services in our city.

Silvera is committed to deliver on the mandate to serve low-income seniors, however we need to do so in a way that is financially sustainable now and in the future. The cost of housing seniors is only going to increase and we need to manage that by making decisions that strengthen the sector.

Our plan has many capital priorities, all of which need to be advanced in a timely manner. We have many years of development and transitions to bring our long-term vision for capital development and service advancements to fruition.

To move our plan forward, we need help. We absolutely need funding support. We also need to see our Municipality act in a nimble and efficient manner during the approval processes.

Through this period as we progress on our capital plans, we must have appropriate funding until new revenue streams can be established with more units. These new units will implement a blend of near market, affordable and rent-geared-to-income rent models and we will also develop and implement new revenue generating and/or social enterprise opportunities.

We need the City to partner with us to build where senior market demands are, which means the City could offer land opportunities. The Province and City are absolutely vital active partners in finding solutions, as we can't do both. It is impossible for Silvera to grow and build more housing while at the same time absorb significant additional costs, such as those resulting from new policy changes (e.g., increased minimum wage, property tax, carbon levy and utilities costs). We are not arguing that these are inappropriate, however, without new ways to fund these additional expenses it will simply force Silvera to close provincial lodges and displace residents into hospital or homelessness in order to cut off deficits which are debilitating the operation that operates on razor-thin budgets presently. Silvera has always been prudent, resourceful and resilient, but with increasing costs we find ourselves in a new reality. To address this, we continue to refine our plan to respond to the evolving environment and at the same time keep advancing our bold vision.

With the change in government —both provincial and federal—and hearing recent announcements about capital investment being a priority, we see an opportunity to accelerate our plans. While there are challenges to our current economy, it also offers opportunity.

We want to ensure we are able to secure funding for our capital development opportunities, both on our Glamorgan (Elbow Valley) site but also our Bridgeland site. As we advance our capital developments, we want to also activate the plan to refurbish and/or repurpose the old provincially-owned lodges. In doing so, we will reduce the continued operational deficits that these old lodges create, which have long been blocking opportunities for Silvera to grow. We want to take advantage of potentially reduced costs in construction during the downturn and build the best and most economical communities. We want to acquire land to build in the Northwest and Southwest of Calgary. We want to create job opportunities,

especially during tough economic times. We want to take advantage of funding at all levels of government and the competitive pricing environment to close the infrastructure gap by investing in replacing aging infrastructure.

As we continue to execute our capital development plan, we must also meet the needs of our residents by strengthening our services. We will continue to invest and foster an empowered workforce and adapt and change. For Calgarians, we will make every effort to remain worthy of this trust—as a preferred place to call home, as an employer of choice, and as an important organization to invest in from the perspective of our funders and donors and the broader community. We will respond to the needs and the demands for service and we will be ready for the future.

We are not alone. We know that our municipal and provincial governments share the same goal—to ensure Calgary has affordable housing for seniors. The City of Calgary embraces a Poverty Reduction Plan and an Age-Friendly Strategy, while the Province has shown commitment in the newly drafted Provincial Housing Plan with a clear message they want to invest in seniors housing.

The challenges Silvera faces are not dissimilar from those of others in our sector, operating aging provincially-owned buildings and increasing costs to operate, and limited funding. What is unique to Silvera in Calgary is the challenge of the funding relationship between the Province and the City of Calgary and the impact it has on Silvera, and ultimately on the lodge residents who call Silvera home.

Respectfully,

Arlene Adamson

CEO, Silvera for Seniors