

Crown Corporation

B u s i n e s s P l a n s

for the fiscal year 2015–2016

Housing Nova Scotia

Business Plan 2015–2016

Contents

Message from the Minister and the CEO

Mission

Vision

Structure and Organization

Provincial Housing Strategy

Legislated Mandate

Core Business Areas

Planning Context

Government Priorities

Priorities for 2015–2016

Budget Context

Outcomes and Performance Measures

Message from the Minister and CEO of Housing Nova Scotia

In the past year, more Nova Scotians have accessed safe, affordable housing. We made significant upgrades to family and seniors' housing; more Nova Scotians have accessed affordable rental housing through increased investments in this area and more partnerships with private landlords; we organized the first annual affordable home ownership conference; and we appointed members to the advisory board for Housing Nova Scotia.

We are also very proud of the important role we have played in our community through our valued partnerships. By partnering with organizations like the United Way, Habitat for Humanity, shelter operators, Canadian Mental Health Association, the Nova Scotia Home Builders Association, and the Investment Property Owners Association of Nova Scotia, we were able to explore our shared understanding of what affordable housing and homelessness truly represents. This furthered our belief that the issues surrounding affordable housing and homelessness can only be addressed if all levels of government and the private and non-profit sectors work together.

Throughout the 2015–2016 year, Housing Nova Scotia will continue to build upon the solid foundation we've worked hard to build. This document summarizes strategic priorities for the year ahead and carefully outlines ways in which we plan to achieve them. Key areas of focus include continuing to explore opportunities for targeted neighbourhood revitalization; preserving the existing supply of affordable housing and creating new affordable housing units; finalizing and implementing a provincial Co-operative Housing Strategy; and establishing new program options for affordable home ownership.

For as much as we've accomplished, there is still more to do. And we can ensure our success by continuing to work together. We look forward to the ongoing collaborative efforts with our partners, as well as communities across the province, for the benefit of all Nova Scotians.

Sincerely,

Joanne Bernard
Minister responsible for Housing Nova Scotia

Dan Troke
CEO, Housing Nova Scotia

Mission

To deliver innovative housing strategies that contribute to the overall health and well-being of Nova Scotians and the sustainable development of the province.

Vision

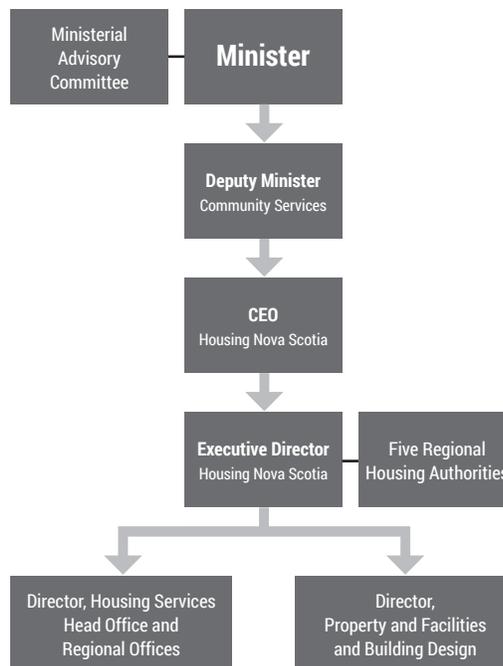
That all Nova Scotians live in a home that's right for them, at a price they can afford, in a healthy, vibrant, and diverse community that offers the services, supports, and opportunities they need.

Structure and Organization

Housing Nova Scotia was created in August 2013 in follow-up to the May 2013 release of the provincial housing strategy, *Building Community and Affordability for Nova Scotia Families: A Housing Strategy for Nova Scotia*¹. The organization was formerly known as the Nova Scotia Housing Development Corporation.

The figure below shows Housing Nova Scotia's current governance structure and its ongoing relationship within the Department of Community Services. In May 2014, the minister appointed the first advisory committee for Housing Nova Scotia. Its membership includes public housing tenant representatives as well as representation from academia and both the private and non-profit sectors. With this broad representation,

the advisory committee allows for new and more participatory relationships with our clients and stakeholders.



Provincial Housing Strategy

Key Pillars and Strategic Goals

Housing Nova Scotia's strategic direction is guided by the key pillars of the provincial housing strategy, which will move the province forward in five key areas:

- Fostering healthy, vibrant, and diverse communities
- Ensuring a range of affordable housing options for owners and renters
- Offering paths to ownership that help Nova Scotians become homeowners

¹ http://housing.novascotia.ca/sites/default/files/Housing_Strategy.pdf

- Building partnerships with communities, residents, businesses, non-profit organizations, and local governments
- Supporting independence, inclusion, and dignity for seniors, people with disabilities, and vulnerable Nova Scotians
- To plan, design, build, own, maintain, manage, and operate housing projects
- To construct, acquire, renovate, and maintain housing of all types, and to sell, lease, or otherwise dispose of such housing

Based on these key areas of focus, Housing Nova Scotia has identified the following four strategic goals:

1. Healthy, vibrant, diverse communities
2. Safe, affordable homes at every stage of life
3. More Nova Scotians can become homeowners
4. More housing choices for seniors, persons with disabilities, and the homeless

These goals, together with our Mission, set out our future direction and will shape our long-term planning to guide implementation of the housing strategy.

Housing Nova Scotia has also identified two key strategic drivers: success through strategic partnerships and being a client-focused organization. These drivers will play a critical role in all of our operations and contribute to the successful achievement of our strategic goals.

Legislated Mandate

Housing Nova Scotia's mandate is defined under the Housing Nova Scotia Act and the Housing Act. It can be summarized as follows:

- To establish housing projects and construct housing accommodation of all types for sale or rent
- To improve the quality of housing and the quality of amenities related to housing
- To promote, construct, and provide more adequate and improved housing for low-income households
- To plan, design, build, own, maintain, manage, and operate housing projects
- To construct, acquire, renovate, and maintain housing of all types, and to sell, lease, or otherwise dispose of such housing

Core Business Areas

The following core business areas support Housing Nova Scotia in fulfilling its mandate and delivering on its strategic goals and priorities:

- Portfolio management
 - Overseeing the operations of housing authorities who manage the provincially owned public housing portfolio, including the provision of technical services
 - Overseeing the operations of the co-operative and non-profit housing portfolio
 - Overseeing remaining social housing portfolios (urban native and rural and native housing)
 - Asset and risk management
- Acquisition and disposal of real estate
- Land development – designing and constructing housing projects including mixed-income, mixed tenure developments

- Program delivery – designing and delivering a range of housing programs and services including social housing, affordable housing, development of new housing, home repair, renovation and adaptation, programs for home owners, landlords, seniors and persons with disabilities, home ownerships options, and support for homeless individuals and individuals at risk of homelessness

Planning Context

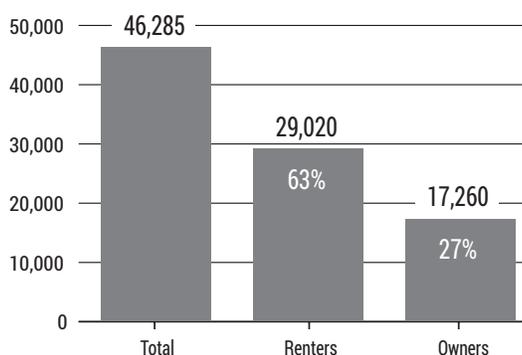
Our external environment presents a number of drivers and challenges that contribute to, and directly influence, Housing Nova Scotia’s strategic direction. These factors must be key considerations in the design and delivery of current and future programming and, in some cases, will require innovative solutions to help address the challenges that they present.

Declining federal government contributions for social housing – In 1997, the province entered into the Canada–Nova Scotia Social Housing Agreement. Under the agreement, Nova Scotia assumed responsibility for administering the federal government’s social housing programs. The agreement also set out declining annual federal subsidies, which will reach zero in 2034.

Demographic shifts – Nova Scotia’s population is aging. We also have high rates of disability, an increasing number of one- and two-person households, and outward migration to other provinces and from rural to more urban areas of Nova Scotia. All of these factors require focused attention to ensure that Housing Nova Scotia’s programs and housing stock are designed and funded to best meet the current and future needs driven by these shifting demographics.

Core housing need – In 2014, Statistics Canada and the Canada Mortgage and Housing Corporation released the 2011 Core Housing Need data, based on the 2011 National Household Survey². In 2011, 12.5 per cent (46,285) of households in Nova Scotia were in core housing need³. Of the 46,285 households in core housing need, 63 per cent were renters and 27 per cent were homeowners.

2011 Nova Scotia Core Housing Need by Tenure (number of households)



Aging housing stock – Approximately 30 per cent of the homes in Nova Scotia were built before 1961. Older homes are more costly to maintain. This will continue to have an impact on how far Housing Nova Scotia’s program funding can stretch to help low-income households with needed upgrades and repairs to their homes.

It is also important to note that the creation of new affordable housing options is an element of Housing Nova Scotia’s operations that is long term by its nature. It is a process that

²This survey replaced the long-form census used in previous census counts, and because the data collection methods used are different, the 2011 core housing need data cannot be compared to previous data.

³A household is in core housing need when its housing falls below housing adequacy, suitability, and affordability standards *and* when the household would have to spend 30% or more of its before-tax income to access housing that meets all three of these housing standards.

may rely on partnerships with developers, specialized private sector service providers, not-for-profit organizations, community representatives, and other key stakeholders. It also depends on factors including funding availability and market conditions. As a result, many of the projects in which Housing Nova Scotia plays either a lead or supporting role span multiple years before new affordable housing comes on stream.

Government Priorities

Housing Nova Scotia's strategic direction aligns with the four key priorities identified by government: fiscal sustainability, the economy, demographics and people, and education and skills. The descriptions of each of our Housing Nova Scotia 2015–2016 priorities (outlined below) demonstrate these linkages.

Priorities for 2015–2016

Strategic Goals:
Healthy, vibrant, diverse communities.
More housing choices for seniors, persons with disabilities, and the homeless.

- 1. Invest the funds available under the CMHC–Nova Scotia Agreement for Investment in Affordable Housing (IAH) 2014–2019 in preserving the existing supply of affordable housing and creating new affordable rental housing units.**

This involves the ongoing funding and delivery of our home repair and adaptation programs to help low-income households – including families, seniors, individuals, and persons with disabilities – better access affordable, healthier and safer homes.

- 2. Continue to explore opportunities for targeted neighbourhood revitalization in communities throughout Nova Scotia.**

This priority focuses on developing neighbourhood improvement initiatives to support the repair and upgrade of existing homes and structures and/or the building of new affordable housing through residential in-fill construction. In 2013, the Alice Street area in Truro was the first designated Neighbourhood Improvement Area in the province. Housing Nova Scotia is working to identify other neighbourhoods for designation in which targeted programs to support revitalization can be established.

Each of these two priorities aligns with government's demographics and people priority and its focus on enhancing communities and social well-being. Priority 1 supports government's fiscal sustainability priority through the leveraging of federal funds available through the IAH agreement. In addition, both priorities support the creation of job opportunities for skilled tradespeople throughout the province.

Strategic Goals:

Safe, affordable homes at every stage of life.

More housing choices for seniors, persons with disabilities, and the homeless.

3. Preserve and expand our social housing stock through ongoing strategic investments from Deferred Federal Contribution funds under the Social Housing Agreement.

Ongoing activity in 2015–2016, in follow-up to \$52 million in funding announcements made in 2014–2015, includes the following:

- Upgrading the province’s existing family and seniors’ aging public housing stock. Investments are targeting heating upgrades, making our properties more accessible, replacing structural components such as roofing and windows, upgrading sprinkler and fire alarm systems, and replacing flooring.
- Retrofitting co-operative housing stock to maintain its long-term viability through necessary structural, electrical, plumbing, and heating element repairs, and modifications for accessibility.
- Establishing more rent supplement units across the province to address and target those areas with the greatest need for affordable housing. Tenants for these new units will come from households on public housing wait lists.

4. Finalize and implement a provincial Co-operative Housing Strategy.

This strategy will focus on positioning the existing co-operative housing projects so that they remain a viable and sustainable housing option once the subsidies they receive under the 1997 Social Housing Agreement expire. Work under this strategy will include improvements to the physical condition of the co-operative housing stock and implementation of tools to help strengthen co-operative board management and fiscal viability, which will be funded through the Deferred Federal Contribution investment announced in 2014–2015.

These two priorities align with government’s priority of fiscal sustainability through Housing Nova Scotia’s strategic investment of the funds made available under the Social Housing Agreement and plans that are under development to help address the decreasing federal subsidies under this agreement. These priorities also support government’s economy and education and skills priorities through the creation of job opportunities for skilled tradespeople as well as partnerships with the private sector, including landlords in the provision of rent supplement units.

**Strategic Goal:
More Nova Scotians can
become homeowners.**

**5. Establish new program options for
affordable home ownership**

To help create pathways for more low- to moderate-income Nova Scotians to enter into home ownership, Housing Nova Scotia is developing new program options that will help support affordable home ownership.

This priority aligns with government's demographics and people priority through opportunities to retain youth and otherwise help to minimize out-migration by making home ownership a more affordable option here in Nova Scotia. This priority will also help enhance communities and social well-being and support low- to moderate-income Nova Scotians in gaining a more stable financial footing through access to opportunities to enter the housing market and build equity.

Budget Context

	Estimate 2014–15 (\$000)	Forecast 2014–15 (\$) (\$000)	Estimate 2015–16 (\$) (\$000)
Funding Source			
Revenue from Government Sources	105,759	108,526	113,153
Revenue from Rents	54,047	54,047	57,521
Interest, Revenue from Land Sales, and other Revenue	34,445	34,445	36,405
Total Funding	194,250	197,018	207,079
Expenditure Source			
Interest on Long-term Debt	43,592	43,592	42,778
Property Management and Operation	57,169	57,169	60,425
Maintenance and Capital Improvements	34,771	40,171	37,771
Housing Renovation and Affordable Housing	21,530	21,530	22,810
Social Housing Subsidies	15,388	15,156	20,295
Depreciation of Investment in Social Housing	18,800	18,800	21,000
Housing Strategy	3,000	600	2,000
Total Expenditures	194,250	197,018	207,079

Outcomes and Performance Measures

Strategic Goal 1 *Healthy, vibrant, diverse communities*

Measures	Data	Target	Trends	2015–16 Strategic Actions
# of households assisted through major health and safety-related repairs, and number of affordable units created	Base Year: 2011–12: 1,201	Maintain or increase	2011–12: 1,201 2012–13: 1,229 2013–14: 1,110 2014–15: 1,122 as of Jan 31, 2015	Deliver province's home repair/adaptation programs. This includes both programs funded under the CMHC–Nova Scotia Agreement for Investment in Affordable Housing 2015–19 and those funded solely by the province.
# of neighbourhood improvement initiatives	Base year: 2014–15: 1 initiative	2 neighbourhood initiatives designated	2014–15: 1 initiative	Alice Street, Truro, designated neighbourhood. – Extend delivery of Spruce-Up program, implemented in 2014, to spring 2015 and review this demonstration project. Designate another neighbourhood and introduce projects/programs appropriate for the needs of that neighbourhood.
# of public housing capital investment initiatives	Base year: 2012–13: 144 projects completed (\$3.26 million)	100 projects completed (\$4.0 million)	2012–13: 144 projects completed (\$3.26 million) 2013–14: 104 projects completed (\$3.1 million) 2014–15: 400 projects completed (\$9 million)	Continue to invest funds from the Deferred Federal Contribution (DFC) targeting upgrading the provincially owned family and seniors public housing stock.

Strategic Goal 2 *Safe, affordable homes at every stage of life*

Measures	Data	Target	Trends	2015–16 Strategic Actions
% of co-operative housing organizations that achieve a ranking of Level I or High Level II based on an annual assessment of their financial, democratic, and physical condition	Base year 2014–15: 47%	52% of co-operative housing organizations	2014–15: 47%	Invest \$8 million of the DFC funds in upgrading the existing co-operative housing portfolio over the next 3 years. Investigate a new ranking model to determine long-term viability of the co-operative housing organizations.

Strategic Goal 3 *More Nova Scotians can become homeowners*

Measure	Data	Target	Trends	2015–16 Strategic Actions
# of prospective home ownership program participants who complete home ownership classes	New measure expected to be established in 2015–16		N/A	Obtain necessary approvals to implement affordable home ownership program options aimed at helping low- to moderate-income households enter into home ownership. Eligible prospective homeowners who are interested in participating in the affordable home ownership program options will be required to attend home ownership classes.
# of approved home ownership program applicants	New measure expected to be established in 2015–16		N/A	Work with CMHC and Habitat for Humanity to develop home ownership classes based on their successful education programs for prospective home owners.

Strategic Goal 4 *More housing choices for seniors, persons with disabilities, and the homeless*

Measures	Data	Target	Trends	2015–16 Strategic Actions
# of households with seniors or persons with disabilities helped by health and safety-related repairs or home adaptations that will enable them to continue to live independently in their own homes and communities ⁴	Base Year: 2011–12: 955	Maintain or increase	2011–12: 1,006 2012–13: 1,027 2013–14: 1,147 2014–15: 1,017 as of Jan 31, 2015	Continue to deliver the province's home repair/adaptation programs targeting seniors, who are at least 65 years of age, and individuals with disabilities. The key programs HASI, RRAP for Disabled Individuals, and the Senior Citizens Assistance Program are cost-shared with the federal government under the CMHC–Nova Scotia IAH Agreement.
# of self-contained dwelling units provided in conjunction with access to ongoing support services ⁴	Base year: 2013–14: 54	2014–15: Maintain or Increase	2013–14: 54 2014–15: To be compiled at fiscal year end	Continue to invest in the Housing Support Worker Program in the Metro Halifax area. Invest funds available under the CMHC–Nova Scotia IAH Agreement to provide rent supplement units to help transition frequent users of emergency shelters or those at risk of homelessness to more permanent housing options. Continue to support the Housing First approach through ongoing participation on the United Way Halifax's Housing and Homelessness Partnership.

⁴ This is a measure that Housing Nova Scotia is required to report on annually under the terms of the CMHC–Nova Scotia Agreement for Investment in Affordable Housing 2014–19. (See Housing Nova Scotia's 2013–14 report to CMHC at http://housing.novascotia.ca/sites/default/files/Investment_Lin_Affordable_Housing_2011-14%20Year%203.pdf.)