

HOUSING NOVA SCOTIA

Business Plan 2014-2015



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Message from the Minister and CEO of Housing Nova Scotia

It is truly a pleasure to present Housing Nova Scotia's business plan for 2014–2015. It outlines the government's approach to the delivery of innovative strategies aimed at providing more opportunities for Nova Scotians to live in a good home that they can afford, in a healthy, vibrant community that provides the support and services they need.

Research has shown that affordable housing is one of the key contributors to the overall health of people and society. It is the foundation of social inclusion and healthy communities. In fact, our homes shape nearly every aspect of our lives: health, educational achievement, success in the workplace, even the security of our retirement and our dignity in our golden years.

That impact extends to the broader community, too. The right housing choices can mean safer, more sustainable, and more vibrant communities. They enable public services to be more efficient and effective and businesses to be more diverse and prosperous. They help heal social divisions and make our province stronger.

Providing the right housing choices to Nova Scotians is what motivates Housing Nova Scotia employees each and every day. As we move forward, our Agency will deliver those choices on the basis of the Provincial Housing Strategy. It will leverage its authority and financial capacity to invest and support affordable housing development, help low and moderate-income Nova Scotians with their housing needs, and create strategic partnerships with businesses, non-profit groups, and municipalities.

One of our key priorities in 2014–2015 will be to fulfill the government's commitment to invest federal contributions available to the province. This investment is part of our plan to ensure the health and safety of all our tenants. We will also develop a strategic plan to better support the long-term sustainability of housing co-operatives in our portfolio.

Housing Nova Scotia will initiate a number of strategic actions to help low- and moderate-income individuals access home ownership specific to our Bloomfield development project. Through innovative financing options, we can keep the dream of home ownership alive for many Nova Scotians.

For the future, Housing Nova Scotia must look beyond just tenancy management and building new homes. We must also focus on finding ways to provide services that help every Nova Scotian have a safe place to live at a price they can afford. It's all about opening possibilities.



Joanne Bernard
Minister responsible for Housing Nova Scotia



Kevin Malloy
CEO, Housing Nova Scotia

1.0 Mission

To deliver innovative housing strategies that will ensure Nova Scotians can find a home that's right for them and their families, at a price they can afford, in a healthy, vibrant community that provides the services and support they need.

2.0 Planning Context

Despite living in one of the most affordable jurisdictions in North America, too many Nova Scotians find themselves in core housing need or simply unable to afford to build equity through home ownership. Housing costs, both for rental homes and homes for purchase, have increased dramatically. Many homeowners and tenants alike have to divert a significant portion of their disposable income into meeting mortgage and rental payments.

Between rising rents and mortgages and the segregated nature of a lot of social housing, there's a growing strain on our communities. As shown in recent data from the Canada Mortgage and Housing Corporation (CMHC), the private sector is focusing more and more on high-end, exclusive developments that, in some instances, lack street life, public services, and vitality. And many rural communities are seeing their young people leave, while older people need more services with fewer family members to help them.

In 2013, the province released a Housing Strategy that was the result of thoughtful contributions of more than 500 organizations and individuals who participated in an extensive public consultation process. It delivers bold new approaches and sets a new course on how we tackle housing affordability, home ownership, homelessness, and other pressing housing issues.

In the summer of 2013, the former Nova Scotia Housing Development Corporation was renamed Housing Nova Scotia (HNS) to begin this transformation. In 2014–2015, a new Advisory Board will be created to help guide the efforts of the Corporation and have ongoing influence on housing policies from various sectors.

In 2014–2015, Housing Nova Scotia will begin to implement the Provincial Housing Strategy by developing a continuous planning process, which will result in a multi-year business plan. As HNS works toward its goals, this plan will be reviewed annually. This annual business plan outlines the key initiatives of the organization for the current year.

3.0 Strategic Goals and Outcomes

Housing Nova Scotia's strategic direction is guided by the key pillars of the 2013 Provincial Housing Strategy. It moves our province forward in the five key areas:

1. Fostering healthy, vibrant, and diverse communities
2. Ensuring a range of affordable housing options for owners and renters
3. Offering paths to ownership that helps Nova Scotians become homeowners
4. Building partnerships with communities, residents, businesses, non-profit organizations, and local governments
5. Supporting independence, inclusion, and dignity for seniors, people with disabilities, and vulnerable Nova Scotians

More information on the housing strategy can be found here:

http://housingns.ca/sites/default/files/Housing_Strategy.pdf

Through strategic partnerships with private and community sectors, we will deliver innovative ways to support Nova Scotians on low-to-moderate income. These relationships will strengthen our capacity to deliver the housing supply and choice that Nova Scotians demand. Indeed, this innovation has already commenced. Housing Nova Scotia has initiated a review of its governance structure and, in 2014–2015, will create a ministerial Advisory Board to guide its efforts.

4.0 Core Business Areas

In response to the Provincial Housing Strategy, Housing Nova Scotia will extend its areas of involvement well beyond its current delivery of housing services. The new Advisory Board will be responsible for providing input into new client strategies. This will ensure that we are providing the supports and management practices necessary to improve the well-being of our clients.

We will accomplish our mandate through the effective management of:

1. Portfolio Management
 - a. Public housing (property renewal & tenancy management)
 - b. Land acquisition and disposal
2. Housing Development
 - a. Mixed-income, mixed-tenure development
 - b. Neighbourhood Revitalization Initiative

3. Financial Assistance
 - a. Private rental market (rent supplement)
 - b. Home ownership and equity programs
 - c. Home repair and adaptation programs
 - d. Rental housing
 - e. Homelessness initiatives

4. Strategic Partnerships
 - a. Community housing
 - b. Municipalities

5. Supporting Systems
 - a. Policy, research, & monitoring
 - b. Regulation and governance

5.0 Annual Priorities

To deliver on the strategic goals outlined in this plan, Housing Nova Scotia will focus its attention on the following key priorities for 2014-2015:

Increase affordable housing options through innovative approaches

The way we develop our housing, communities, and public spaces underpins the health and well-being of the people who live there, their sense of connection, and the ease with which their needs can be met. It promotes a sense of vibrancy, a place of activity and interest, and a place to meet and be with others.

Creating new neighbourhoods and renewing existing ones to deliver better places to live will improve the overall health and quality of life of Nova Scotians. These places will maximize access to transportation, jobs, education and services and provide a diverse mix of housing that is affordable for people to rent or buy.

In 2014–2015, Housing Nova Scotia will take the following action to increase affordable housing options:

- Obtain a Development Agreement from HRM to allow the construction of phase 1 of the Bloomfield redevelopment project.
- Facilitate or partner with non-profit and private developers to deliver demonstration projects that highlight well-designed, mixed-income, and mixed-use developments in smaller towns.
- Develop a new Neighbourhood Revitalization Initiative.
- Optimize government land resources.

- Identify housing development and home ownership opportunities by working with non-profit organizations, such as Habitat for Humanity, who support homeownership for low and modest income Nova Scotians.

Create home ownership opportunities for low- to modest-income Nova Scotians

Rising costs of construction, in tandem with the tightening of CMHC mortgage rules, make it increasingly harder to buy a home, especially for first-time home buyers.

Using its ability to loan money, the Corporation can play a leadership role in developing innovative financing solutions and lease-to-own opportunities. The provision of home finance through Housing Nova Scotia will generate significant financial benefits to the province as a whole. Benefits include dividend (interests generated from loans) and tax equivalents to the government and reduced dependency of low-income households on public rental housing support. It will also create a new market for financial institutions, since more people will now qualify for a mortgage.

In 2014–2015, Housing Nova Scotia will initiate a number of strategic actions to assist low- and moderate-income Nova Scotians specific to the Bloomfield development, such as:

- providing an equity pathway to home ownership
- introducing innovative financial assistance products aimed at supporting low- and modest-income Nova Scotians buying their own homes
- offering home ownership classes for modest income households interested in buying their first home
- developing a strategic plan to better support the long-term sustainability of housing co-operatives in our portfolio

Preserve our aging social housing stock by leveraging the DFC fund (deferred federal contribution)

Nova Scotia has one of the oldest social housing stocks in the country. Many of our buildings were built in the 1970s and 1980s, and investments are needed to ensure that our tenants live in safe and well-maintained properties. Over the last few years, unspent money received under the Nova Scotia–Canada social housing agreement was put in a deferred federal contribution (DFC) fund.

In 2014–2015, the Corporation will do the following:

- Complete the investment of \$4 million in five key areas: heating upgrades, making our properties more accessible, replacing structural components such as roofing and windows, upgrading sprinkler and fire alarm systems, and replacing flooring.
- Identify areas of greatest needs and present government with more investment opportunities to preserve our stock of social housing.
- Continue our work to revitalize our seniors buildings.

Reduce homelessness and assist the most vulnerable Nova Scotians

For the most vulnerable Nova Scotians – seniors, persons with disabilities, and the homeless – a home can be their safe haven. Housing that can accommodate their needs, and provide them ready access to the support and services that they rely on, allows them to live and age with dignity and independence. The ability to cost-effectively support seniors will become increasingly important as the population ages.

Housing Nova Scotia's commitment to this priority area includes the following:

- Identify opportunities to include supported and accessible units designed directly into housing development.
- Promote affordable housing that meets universal design standards, and explore design options that maintain affordability.
- Invest \$1.5 million in the Senior Citizens Assistance Program (SCAP).
- Take part in the United Way Partnership on Homelessness and Affordable Housing to ensure appropriate responses to homelessness in areas of greatest need in HRM.
- Work with the shelter community, and build on the success of the Housing Support Worker program to develop a Housing First approach that will help break the cycle of homelessness.

Promote strategic partnerships

Real success can only be achieved through a collaborative approach across government, non-profit, and commercial housing providers. Nova Scotians expect Housing Nova Scotia to show leadership and dynamic thinking around new programs and partnership models that would have a sufficient level of flexibility to enable creative community based ideas.

Our goal is to actively seek and develop genuine partnerships that strengthen the capacity of the non-profit providers and support the private sector. In 2014–2015, Housing Nova Scotia will:

- sponsor targeted industry, community, and government initiatives, such as specialized workshops for homebuilders
- develop tools such as density bonusing with a goal to increase density and overall housing affordability
- support a strong non-profit housing sector by taking steps to strengthen relationships and building capacity
- support the development sector in promoting smaller, more-energy-efficient homes as a sustainable way to increase the supply of affordable homes

Develop a new governance model

In order to achieve its goals, Housing Nova Scotia requires a new governance model to transform itself in becoming a social enterprise that will generate significant economic activity, additional revenue streams, and make a significant social impact. Key activities in 2014–2015 will include:

- creating an Advisory Board
- introducing legislative changes to provide authority to the position of Chief Executive Officer
- reviewing governance options and make recommendations to the Minister

6.0 Performance Measures

Fundamentally, Housing Nova Scotia's mission is to improve the quality of life and well-being of Nova Scotians by satisfying the basic human need for shelter. In a broader context, housing that is safe and affordable contributes to a better quality of life.

Housing Nova Scotia will develop a three-year strategic plan with clear and broad accountabilities that articulate the expectations of government, including annual planning and reporting requirements. In collaboration with the new Advisory Board, the Corporation will create a new accountability and performance framework, which could outline new performance expectations associated with tenant and employee satisfaction, financial performance, affordable housing development, and environmental standards.

Through primary data collection and focus groups, Housing Nova Scotia will establish elements that citizens identify as key indicators of improvement in their overall well-being outcomes.

The following performance measures will be used to help track the Corporation's progress toward achieving its strategic goals in 2014–2015:

Key Outcome #1: Fostering Healthy, Vibrant and Diverse Communities

Measure	Data	Target	Trends	2014-2015 Strategic Actions
# homes preserved through major health and safety related repairs.	Base Year: 2011-2012 2,353	2,700	2011-2012: 2,353 2012-2013: 2,575	Deliver funds available under the Canada/Nova Scotia Agreement for Investment in Affordable Housing 2011 – 2014
# of mixed-used, mixed income developments initiated (Greater than 20 units)	New measure starting in 2014-2015	2	--	<ul style="list-style-type: none"> • HRM Bloomfield Redevelopment in Halifax • College Park in Windsor (New raw land development) • Number of affordable housing projects funded under the New Rental Program
# of neighbourhood improvement initiatives started	New measure starting in 2014-2015	2	--	<ul style="list-style-type: none"> • Continue progress Alice Street, Truro • Designate another neighbourhood in 2014-15 and introduce initiatives/pilot projects appropriate for that neighbourhood
# of public housing capital investment initiatives	Base year: 2012-2013 144 Projects completed (\$3.26M)	100 Projects completed (\$4.0M)	2012-2013 144 Projects completed (\$3.26M) 2013-2014 104 projects completed (\$3.1M)	<ul style="list-style-type: none"> • Complete the investment of \$4 million in five key areas which include: heating upgrades, making our properties more accessible, replacing structure components such as roofing and windows, upgrading sprinkler and fire alarm systems, and replacing flooring. • Identify areas of greatest need and develop a multi-year capital improvement plan for the provincially-owned public housing stock.

Key Outcome #2: Ensuring a range of affordable housing options for owners and renters

Measure	Data	Target	Trends	2014-2015 Strategic Actions
# of new units created in mixed-use and mixed-income developments where we have investment. (Greater than 20 units)	New measure starting in 2014-15	40	--	<ul style="list-style-type: none"> • Develop mixed-use and mixed income developments in HRM and in smaller towns • Obtain the necessary development approvals to begin construction of phase 1 of the Bloomfield redevelopment project in HRM • Obtain the necessary planning and subdivision approvals to begin developing phase 1 of College Park in the Town of Windsor • Affordable Housing New Rental Program investments in mixed use /mixed income projects • Develop a new provincial Neighbourhood Revitalization Initiative

Key Outcome #3: Offering paths to home ownership that helps Nova Scotians become homeowners

Measure	Data	Target	Trends	2014-2015 Strategic Actions
# of individuals who complete home ownership classes.	New measure commencing in 2014-15	20	--	<ul style="list-style-type: none"> • Provide an equity pathway to home ownership for social housing tenants • Work with CMHC and Habitat for Humanity to offer home ownership classes to potential home buyers • Develop innovative financial assistance products aimed at supporting low and modest income home owners. • Develop a strategic plan to support the long term sustainability of housing cooperatives in our portfolio

Key Outcome #4: Supporting independence, inclusion and dignity for seniors, people with disabilities and vulnerable Nova Scotians

Measure	Data	Target	Trends	2014-2015 Strategic Actions
# of 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	2011-12 955	1000	2011-12 955 2012-13 994	<ul style="list-style-type: none"> Continue to deliver home repair/adaptation programs targeted to seniors, who are at least 65 years of age and individuals with disabilities.
# of individuals being housed in a supportive environment	New measure starting in 2014-15	50	--	<ul style="list-style-type: none"> Work with HRM United Way Partnership partners to implement a Housing First Model targeted at chronic and episodic users of the emergency shelters in HRM
# of service providers being supported	2011-12 14 non-profit organizations	10 non-profit organizations	2011-12 14 non-profit organizations involving 147 beds/self-contained units 2012-13 9 non-profit organizations involving 280 beds/self-contained units	<ul style="list-style-type: none"> Continue to deliver funds available to assist non-profit service providers that offer housing for victims of domestic violence.

7.0 Budget Context

The following two tables provide information on the Corporation's funding and expenditures.

(\$ thousands)

Housing Nova Scotia Funding			
Funding Source	2013-14 Estimate	2013-14 Forecast	2014-15 Estimate
Revenue from Government Sources	\$106,045	\$104,344	\$105,759
Revenue from Rents	\$52,975	\$53,500	\$54,047
Interest, Revenue from Land Sales and Other Revenue	\$30,380	\$35,317	\$34,445
Total Funding	\$189,400	\$193,161	\$194,250
Housing Nova Scotia Expenditures			
Expenditure Source	2013-14 Estimate	2013-14 Forecast	2014-15 Estimate
Interest on Long Term Debt	\$44,100	\$43,642	\$43,592
Property Management and Operation	\$53,500	\$57,361	\$57,169
Maintenance and Capital Improvements	\$32,500	\$32,586	\$34,771
Housing Renovation and Affordable Housing	\$21,900	\$23,299	\$21,530
Social Housing Subsidies	\$17,100	\$15,773	\$15,388
Depreciation of Investment in Social Housing	\$17,800	\$18,800	\$18,800
Administration Fee and Cost of Land Sold	\$2,500	\$1,500	\$0
Housing Strategy		\$200	\$3,000
Total Expenditures	\$189,400	\$193,161	\$194,250