

# HEART RIVER HOUSING

Red Willow Lodge – Enhanced Living Addition

## Project assessment



May 2025

# Heart River Housing 101



Heart River Housing is a Housing Management Body(HMB) established by Ministerial Order under the Alberta Housing Act.

Representing 11 municipalities and with over 85 dedicated staff, Heart River Housing provides a variety of housing types that are accessible to low to moderate-income households.

Heart River Housing assists over 900 individuals in 635 owned or operated units and another 265 for Lesser Slave Lake regional Housing.

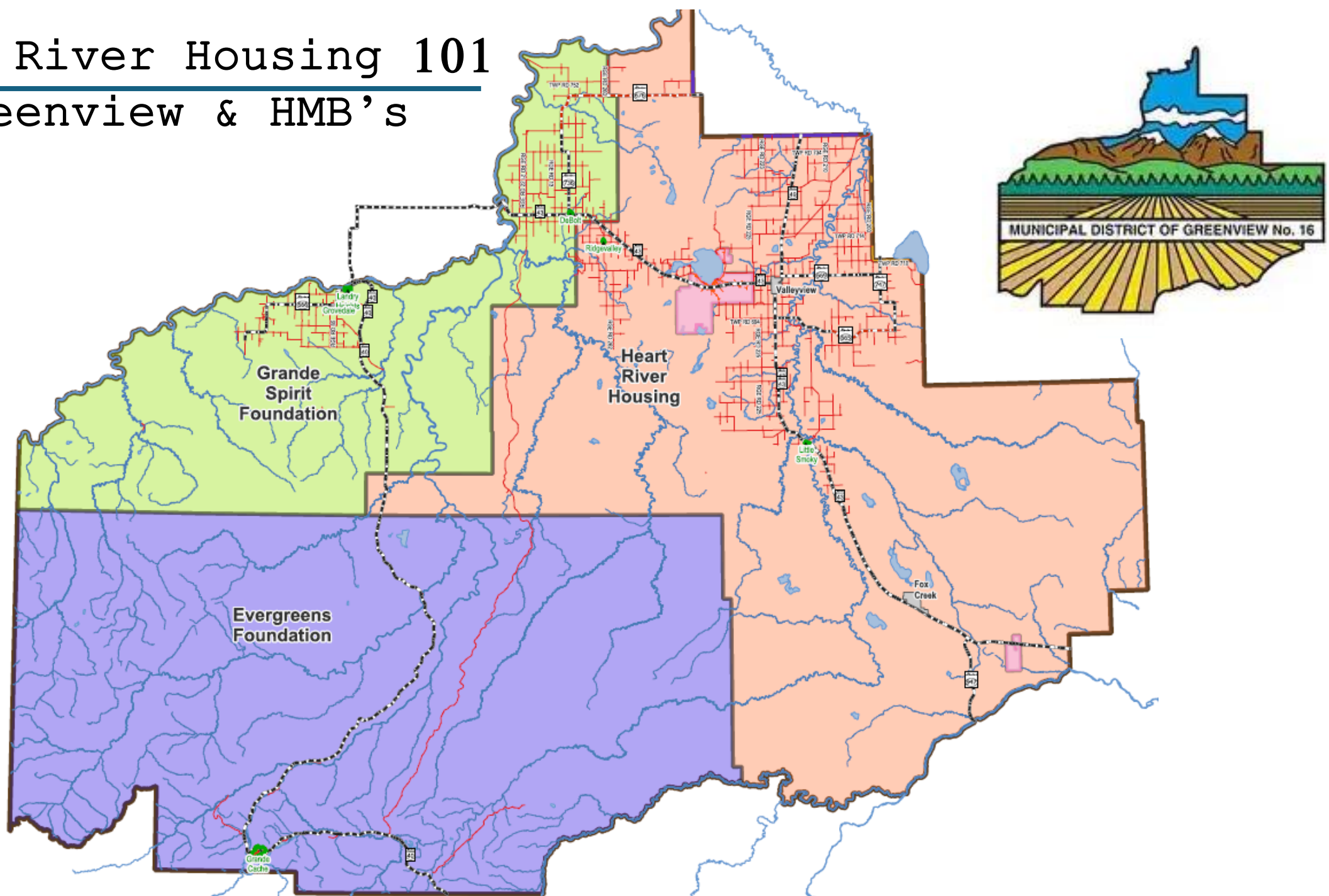
Heart River Housing serves a 38,000 square kilometer region that spans from Kinuso to Girouxville and from Fox Creek to Valleyview, with the Central Office located in High Prairie.

Part of the Heart

# Heart River Housing 101

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## MD Greenview & HMB's



# Heart River Housing 101

## Seniors Housing Options (age 65+)

### SSC – senior self-contained

- 650 sq/ft bachelor suites
- Rent is based on 30% of Income.
- Buildings owned and are deficit-funded by the province
- Individual suites with fridge, stove, and full bathroom.
- Rent includes water, sewer & gas (power is extra)
- Common area

### Lodge

- Average room is 380 sq/ft bachelor suite.
- Service provided: meals, light housekeeping, and recreation.
- Clients must be functionally independent or be able to access assistance.
- Cost HRH approximately \$2,700 / month to operate. HRH operational resources:
  - Rent averages \$1,300/month;
  - LAP \$600/month for incomes < \$31,000.
  - \$400 surcharge if income > \$31,000
  - Municipal requisition, approx. \$800 per unit per month.

### Enhanced lodge

- 1-BR suites 700 sq/ft +/- \$1,200/mo.
- 2-BR suites 900 sq/ft, +/- \$1,500/mo.
- Full kitchen, in-suite washer & dryer,
- All suites are handicap accessible
- Parking, internet, phone, and cable extra
- No income testing or subsidies
- Attached to the lodge, an optional service package is available
- Small profit used as offset for lodge operations.
- Capital requisitions support borrowing costs (low interest through CMHC)

# Demographics

## History

	2011	2016	2021
<b>Valleyview - total population</b>	1761	1873	1675
70 - 74 years	70	70	75
75 - 79 years	65	70	50
80 + years	95	120	135

<b>Fox Creek - Total Population</b>	1969	1971	1635
70 - 74 years	20	40	60
75 - 79 years	15	15	30
80 + years	5	10	30

<b>Sturgeon Lake - total population</b>	1186	1447	1280
70 - 74 years	20	20	55
75 - 79 years	5	20	30
80 + years	10	10	20

<b>MD Greenview - total population</b>	5299	5580	5341
70 - 74 years	180	190	285
75 - 79 years	120	140	150
80 + years	95	90	115

Grande Cache and Grovedale removed from data

## Study Area - Summary

	2011	2016	2021	2011- 2016	2016- 2021
<b>Total Population</b>	10215	10871	9931	6.4%	-8.6%
<b>70 - 74 years</b>	290	320	475	10.3%	48.4%
<b>75 - 79 years</b>	205	245	260	19.5%	6.1%
<b>80 + years</b>	205	230	300	12.2%	30.4%



# Demographics

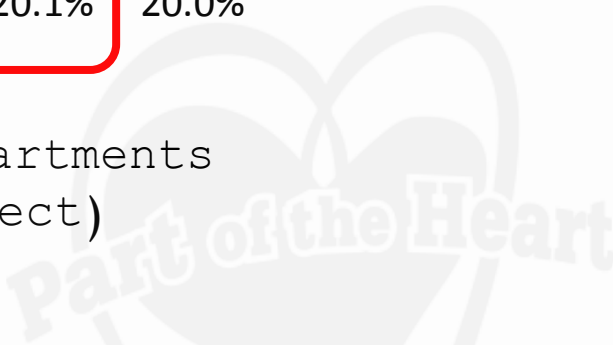
## Forecast Trending

	80+ age category based on age shift	Local Population Estimate*	Age 80+ adjusted to population trend	Age 80+ % of Population	*Study area population growth factor -0.5%
2021	249	9,931	249	2.5%	
2026	367	9,782	361	3.7%	
2031	592	9,635	583	6.0%	
2036	837	9,491	825	8.7%	
2041	1,097	9,348	1080	11.6%	
2046	1,208	9,208	1,190	12.9%	
2051	1,175	9,070	1158	12.8%	

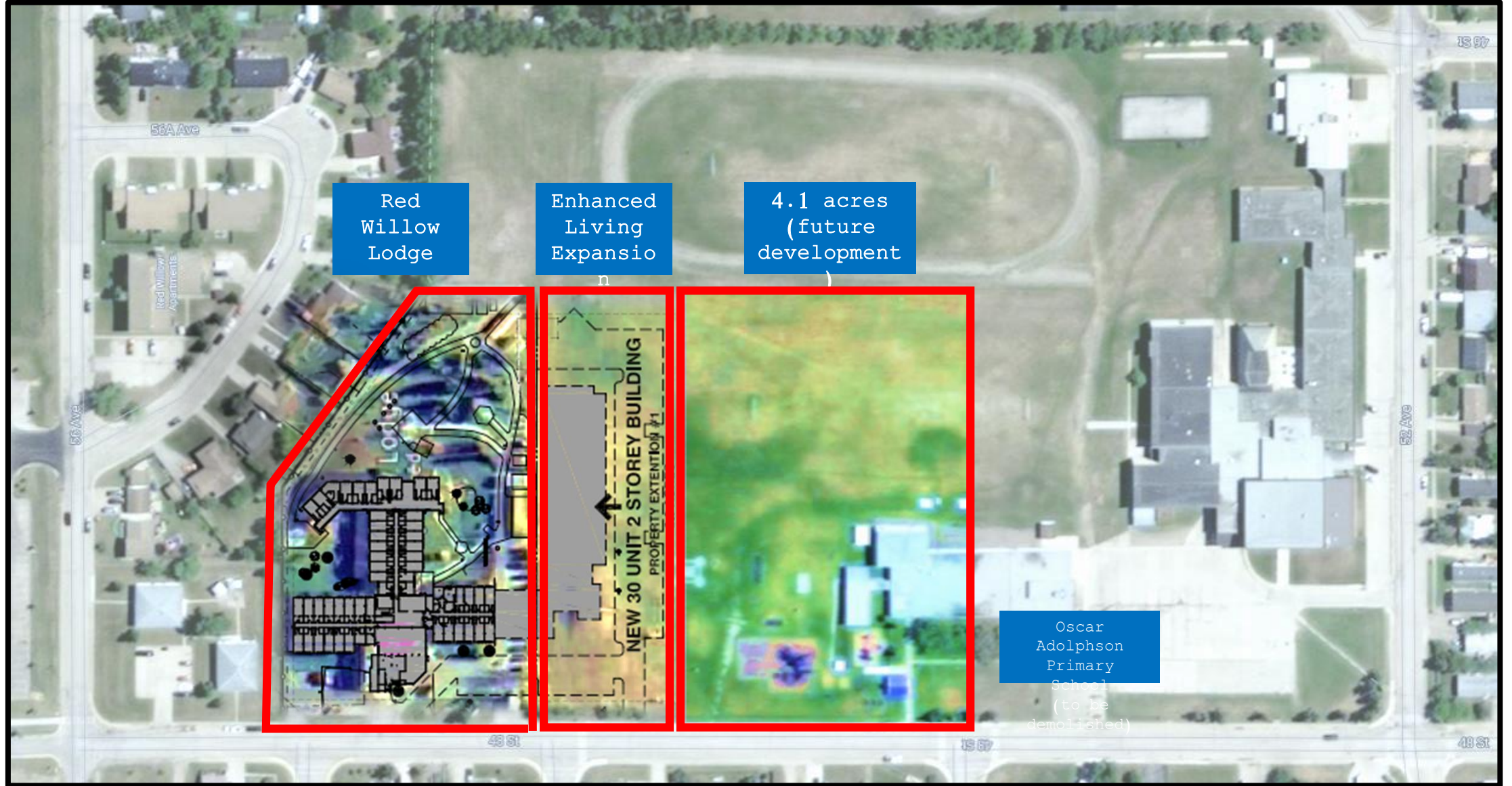
Peak Demand

Red Willow Lodge	Current	+ 5 years	+ 10 years	+ 15 years	+ 20 years	+ 25 years	+ 30 years
Supportive Living Rooms	50	73	117	165	217	239	232
80+ population served	20.1%	20.2%	20.1%	20.0%	20.1%	20.1%	20.0%

Current Wait Lists:      16      Seniors Self Contained Apartments  
   33      Enhanced Lodge (proposed project)  
   34      Existing Lodge

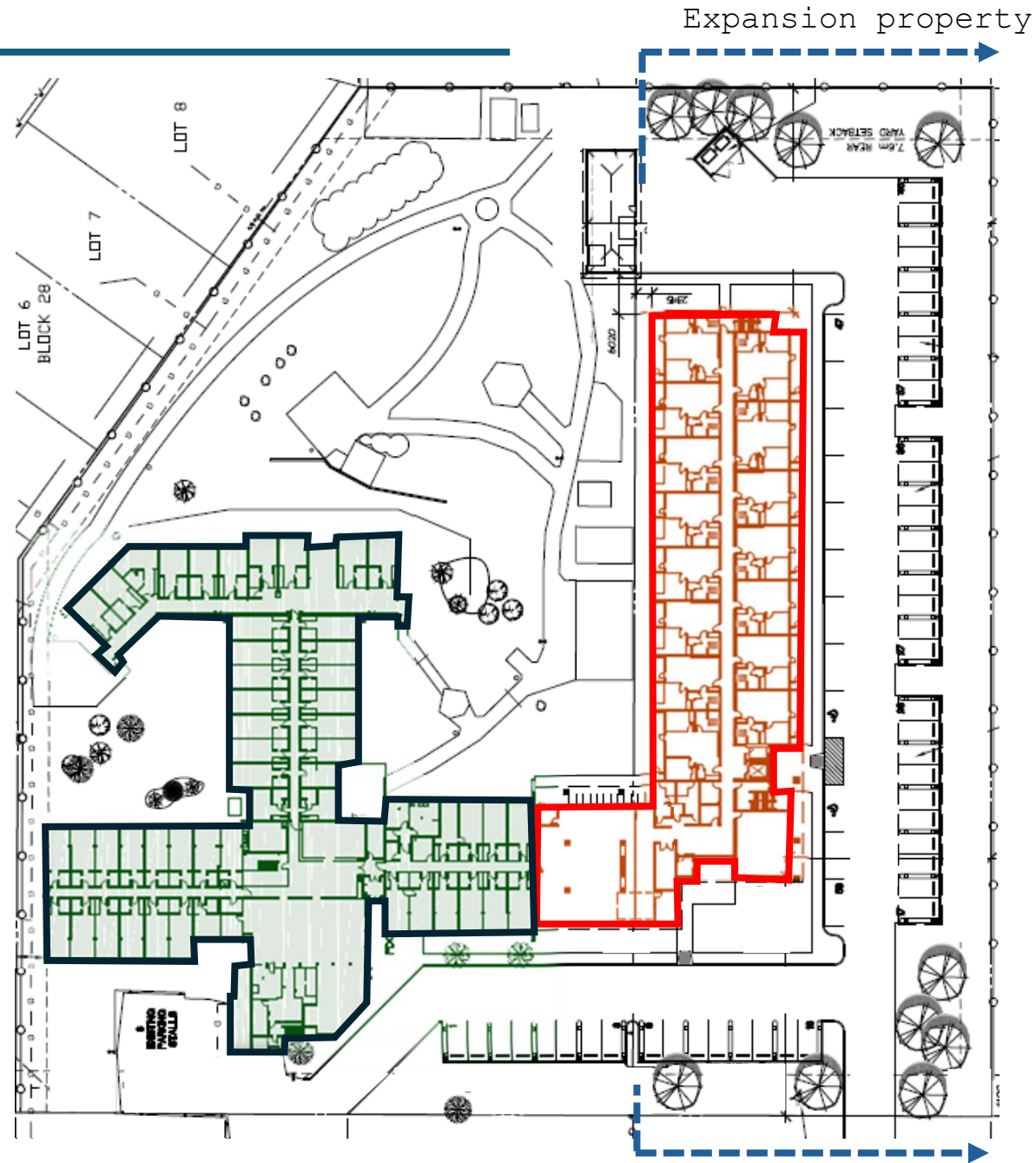


# Land Development Area Plan



# Site Plan

Red  
Willow

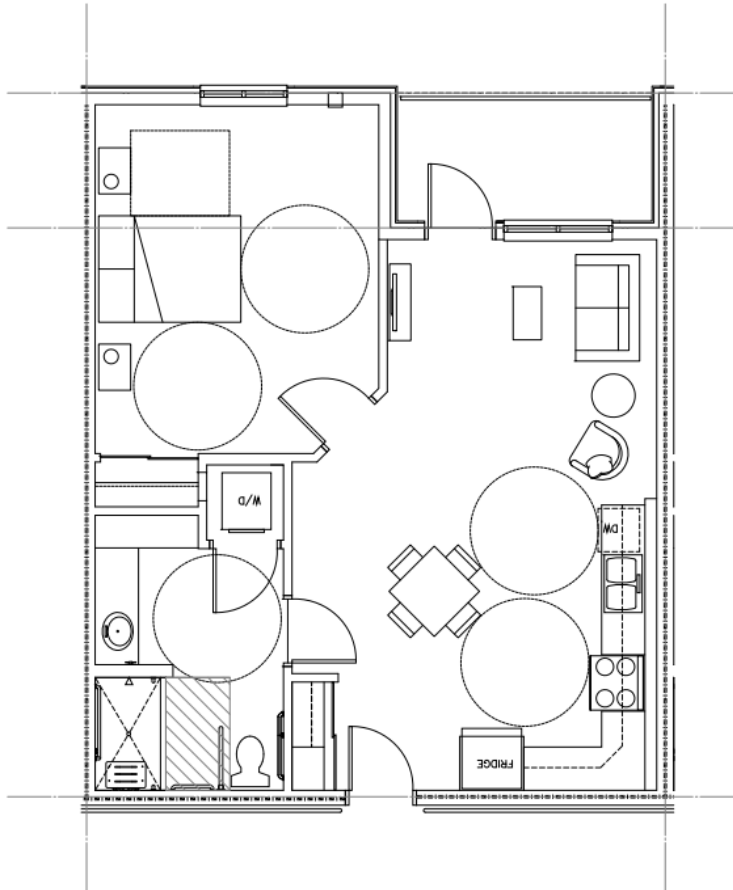


Enhanced  
Living  
Expansio

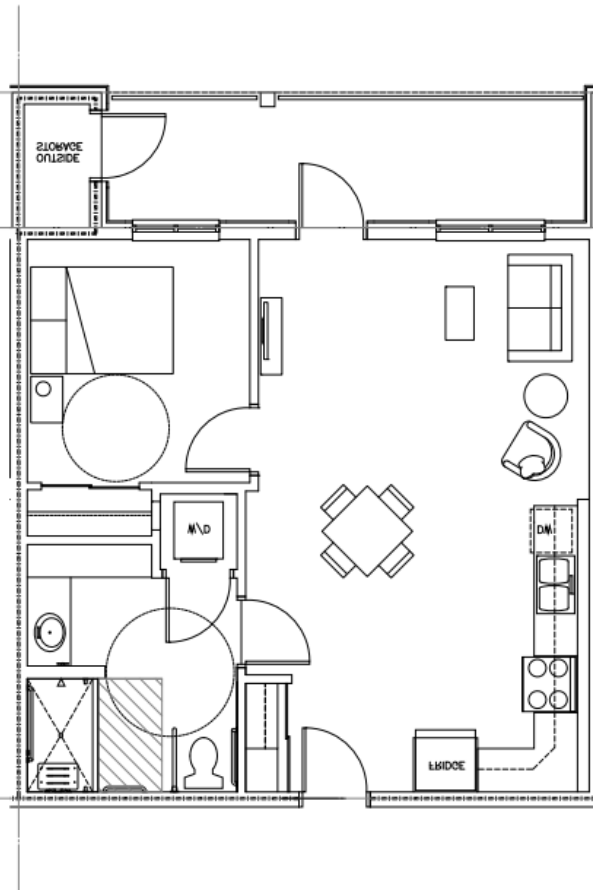


# Typical Unit Layouts

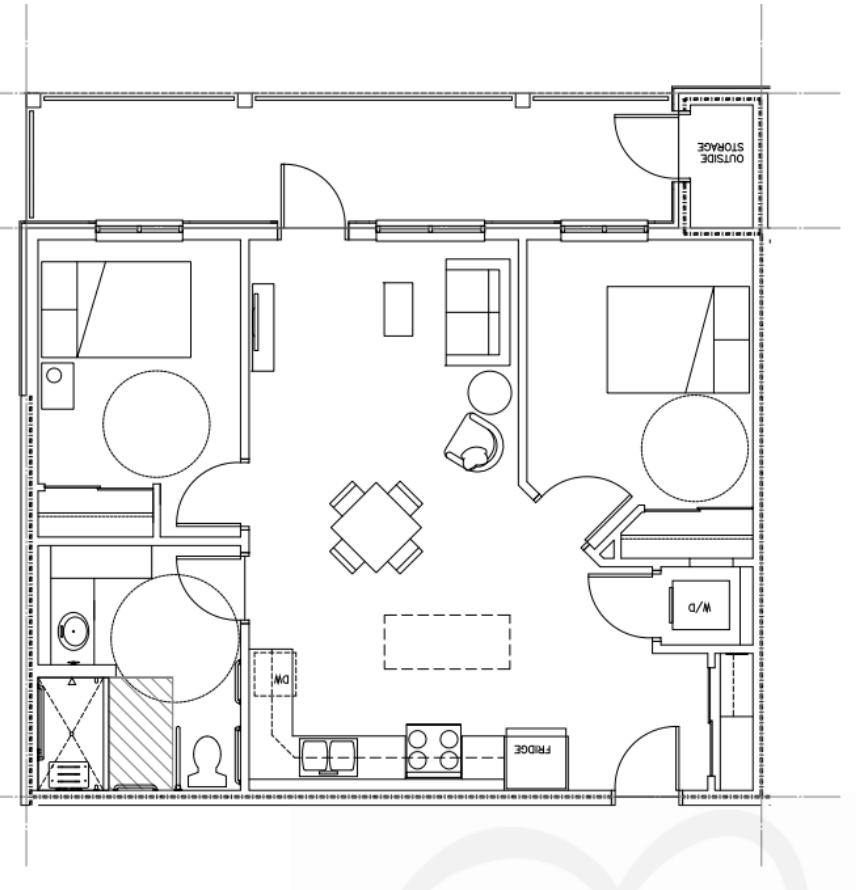
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One Bedroom - HC



One Bedroom



Two Bedroom

# Cost Consultant Estimate – Construction Costs



## EXECUTIVE SUMMARY

**\$19,683,000**  
PROJECT TOTAL

**\$656,088**  
TOTAL /UNIT | 30 SUITE TOTAL

**\$5,666/m<sup>2</sup>**  
TOTAL /m<sup>2</sup>  
**\$526/sf**  
TOTAL /sf | 3,474 m<sup>2</sup>  
37,389 sf  
PROJECT GCA

Building Component	Area (m <sup>2</sup> )	Area (SF)	Total/SF	Total	Units	Total /Unit
Red Willow Lodge Expansion	3,285 m <sup>2</sup>	35,363 sf	418 /sf	\$14,770,729	30	\$492,358
Standalone Garage Building	188 m <sup>2</sup>	2,026 sf	200 /sf	\$405,343		
Site Development	8,029 m <sup>2</sup>	86,427 sf	30 /sf	\$2,556,038		
Pre-contingency Subtotal (GCA)	3,474 m <sup>2</sup>	37,389 sf	\$474 /sf	\$17,732,110	30	\$591,070
Design and Pricing Contingency (7.5%)	3,474 m <sup>2</sup>	37,389 sf	36 /sf	\$1,329,908	30	\$44,330
Design Contingency Subtotal (GCA)	3,474 m <sup>2</sup>	37,389 sf	\$510 /sf	\$19,062,018	30	\$635,401
Escalation Contingency to 1 year (3.5%)	3,474 m <sup>2</sup>	37,389 sf	17 /sf	\$620,624	30	\$20,687
Construction Contingency				EXCLUDED		
Total Construction Cost (GCA)	3,474 m <sup>2</sup>	37,389 sf	\$526 /sf	\$19,682,642	30	\$656,088
GST				EXCLUDED		
Total Construction Cost	3,474 m <sup>2</sup>	37,389 sf	\$526 /sf	\$19,683,000	30	\$656,088

### Inclusions

- Community rooms
- Escalation and pricing contingencies

### Exclusions

- Soft costs
- Construction contingency
- Offsite utilities
- Furniture & Fixtures
- GST (exempt)



# Enhanced Living – 30 Units

Budget		
Hard Costs* (cost estimate)	\$	19,700,000
Soft Costs	\$	1,500,000
Construction Contingency	\$	1,100,000
<small>*includes price escalation and design contingencies **excludes offsite utility costs (if any/unknown) and FFE</small>		
Project Cost**	\$	22,300,000
Per Unit Costs		
(excluding addition of Community spaces developed serving enhanced living and existing lodge @ 20% +/-)		
	\$	595,000

Base Rent		
Unit Type		Monthly Rent
1 BR	675 sq ft	\$ 1200
2 BR	855 sq ft	\$ 1500

Enhanced services / lodge revenue \$300 per unit / mo.

## Financial Testing Assumptions

- 25 YR amortization
- 4.2% interest

OPTION 1	
HRH Capital	\$ 4,000,000
AHPP Contribution	\$ 2,550,000
CMHC Financing	\$ 14,250,000
CMHC Contribution	\$ 1,500,000
Project Cost	\$ 22,300,000

Requisition Impact	\$ 770,000 per yr
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OPTION 2	
HRH Capital	\$ 4,000,000
Upfront Capital	\$ 11,000,000
AHPP Contribution	\$ 2,550,000
CMHC Financing	\$ 4,250,000
CMHC Contribution	\$ 1,500,000
Project Cost	\$ 22,300,000

Requisition Impact	\$ 0 per yr
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Current Annual Requisition = \$1,500,000	600K PVL loan	600,000 Falher Loan	300,000
Earmarked Valleyview	MD Greenview contribution = 53%		

# Enhanced Living – 20 Units

Budget		
Hard Costs* (cost estimate)	\$	16,200,000
Soft Costs	\$	1,350,000
Construction Contingency	\$	800,000
<small>*includes price escalation and design contingencies **excludes offsite utility costs (if any/unknown) and FFE</small>		
Project Cost**	\$	18,350,000
Per Unit Costs (excluding addition of Community spaces developed serving enhanced living and existing lodge @ 20% +/-)		
\$ 730,000 (+23% per unit compared to 30-unit project)		
Base Rent		
Unit Type		Monthly Rent
1 BR	675 sq ft	\$ 1200
2 BR	855 sq ft	\$ 1500
<i>Enhanced services / lodge revenue \$300 per unit / mo.</i>		

## Financial Testing Assumptions

- 25 YR amortization
- 4.2% interest

### OPTION 1

HRH Capital	\$ 4,000,000
AHPP Contribution	\$ 1,700,000
CMHC Financing	\$ 11,650,000
CMHC Contribution	\$ 1,000,000
Project Cost	\$ 18,350,000

Requisition Impact	\$ 640,000 per yr
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### OPTION 2

HRH Capital	\$ 4,000,000
Upfront Capital	\$ 9,500,000
AHPP Contribution	\$ 1,700,000
CMHC Financing	\$ 2,150,000
CMHC Contribution	\$ 1,000,000
Project Cost	\$ 18,350,000

Requisition Impact	\$ 0 per yr
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Current Annual Requisition = \$1,500,000

Earmarked Valleyview

600K PVL loan

600,000 Falher Loan

300,000

MD Greenview contribution = 53%

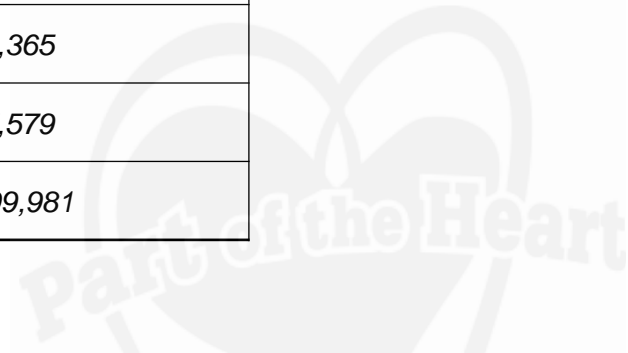
# 2025 Requisitions

MUNICIPALITY	EQUALIZED ASSESSMENT 2025	% of total	Operating	Capital	Total 2025 Requisitions	EQUALIZED ASSESSMENT 2025	% of total
M.D. Greenview #16	5,131,426,234	57.56%	\$949,818	\$863,471	\$1,813,290	5,131,426,234	57.56%
Big Lakes County	1,514,769,846	16.99%	\$280,381	\$254,892	\$535,274	1,514,769,846	16.99%
Northern Sunrise County	649,932,518	7.29%	\$120,301	\$109,365	\$229,666	649,932,518	7.29%
M.D. Smoky River	562,982,806	6.32%	\$104,207	\$94,734	\$198,941	562,982,806	6.32%
Town of Fox Creek	329,205,521	3.69%	\$60,935	\$55,396	\$116,331	329,205,521	3.69%
Town of High Prairie	327,120,700	3.67%	\$60,549	\$55,045	\$115,594	327,120,700	3.67%
Town of Valleyview	231,698,682	2.60%	\$42,887	\$38,988	\$81,875	231,698,682	2.60%
Town of Falher	85,911,904	0.96%	\$15,902	\$14,456	\$30,359	85,911,904	0.96%
Town of McLennan	42,682,441	0.48%	\$7,900	\$7,182	\$15,083	42,682,441	0.48%
Village of Donnelly	22,447,368	0.25%	\$4,155	\$3,777	\$7,932	22,447,368	0.25%
Village of Girouxville	16,003,106	0.18%	\$2,962	\$2,693	\$5,655	16,003,106	0.18%
TOTALS	8,914,181,126	100.00%	1,650,000.00	1,500,000.00	3,150,000.00	8,914,181,126	100.00%

# Equalization History

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MUNICIPALITY	EQUALIZED ASSESSMENT 2025	EQUALIZED ASSESSMENT 2024	EQUALIZED ASSESSMENT 2023
M.D. Greenview #16	5,131,426,234	4,913,846,851	4,455,687,518
Big Lakes County	1,514,769,846	1,404,537,785	1,408,590,333
Northern Sunrise County	649,932,518	646,988,057	621,156,294
M.D. Smoky River	562,982,806	536,743,135	510,540,340
Town of Fox Creek	329,205,521	350,589,944	329,630,690
Town of High Prairie	327,120,700	317,643,086	305,482,624
Town of Valleyview	231,698,682	214,655,125	211,598,226
Town of Falher	85,911,904	83,743,708	86,487,948
Town of McLennan	42,682,441	40,765,097	42,332,064
Village of Donnelly	22,447,368	21,459,246	22,006,365
Village of Girouxville	16,003,106	15,719,385	15,787,579
TOTALS	8,914,181,126	8,546,691,419	8,009,299,981





HEART RIVER HOUSING  
We thank you.