



October 7th, 2024

Council Budget Committee
City of Airdrie
400 Main St. S.E.
Airdrie, AB T4B 3C3

His Worship Mayor Peter Brown and Councilors:

RE: Airdrie Housing Limited (AHL) 2025 Budget Request

On behalf of the Board of Directors of AHL I am pleased to provide a 2025-2027 budget requesting \$330,000 in 2025 funding, an increase of 3.18% over what was received in 2024 (\$319,818), and a 19.3% decrease to what had been planned for 2025 (\$403,768) in the 2024-2026 budget submission to Council.

AHL is pleased to advise that the modernization and improvement of East Lake Apartments (formerly Homestay Inn) was completed in late 2023 and the building is now fully occupied. With these thirty-eight (38) units, AHL's purpose built rental portfolio is now comprised of eighty-two (82) units providing affordable housing opportunities for residents and families of Airdrie.

AHL's board directed that business lines of credit associated with the previous acquisition of 12 AHL units were to be paid out in May 2024. There is a direct correlation between this debt and debt servicing savings, coupled with the City's assistance to build the case to the province that the remaining Municipal Block Funding could be invested in paying down the debt associated with the acquisition of East Lake apartments over time, that the 2025 budget request has decreased from what was projected (\$403,768) in the 2024-2026 budget proposal.

Significant percentage increases in the 2025 operating budget to "Other Revenues" and "Operating" expenses recognize \$100,000 AHL's board is budgeting to invest in consulting work required for future project(s), this is a straight in and out for budget purposes. These funds are currently in AHL's reserve accounts and will be capitalized as project(s) are completed.

AHL has been the recipient of an annual municipal grant to assist with its operational costs since its inception, thereby enabling the company to provide affordable housing opportunities that in the absence of such would further strain the City's affordable housing challenges. AHL is grateful for Council's ongoing support and hopeful that Council will continue to support AHL in fulfilling its mission, we look forward to being able to share our progress with you as we continue our journey to provide affordable housing opportunities to residents of Airdrie.

Sincerely,

Dougal Forteath
Managing Director
Airdrie Housing Limited