



CHRA CONGRESS SESSIONS SERIES 2017

Affordable Housing Collaboratives: The Way of the Future



BC Housing

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May 2017

Introduction

Speakers:

Jen Arntfield, Executive Director, Horizon Housing Society (AB)

Kit Hickey, Executive Director, Housing Alternatives Inc. & Rehabitat Inc. (NB)

Sean Gadon, Director, Affordable Housing Office, City of Toronto (ON)

Julie Fadden, President, Chartered Institute of Housing UK & Chief Executive Officer, South Liverpool Homes (UK)

Moderator:

Jill Atkey, Director, Research & Education, BC Non-Profit Housing Association (BC)

Date:

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How might housing collaboratives impact meaningful change in the housing system? This panel will tell you how through lively discussion on initiatives taking place in Canada and the UK. Horizon Housing will share Calgary's Community Housing Affordability Collective's experiences in bringing together representatives across the housing spectrum to bridge gaps and address inefficiencies in the city's housing system. Housing Alternatives Inc. & Rehabitat Inc. will also speak to the process they went through in New Brunswick to achieve economies of scale in the co-operative housing sector, while the City of Toronto will discuss the partnership model of the Open Door Affordable Housing Program and how it is designed to scale up the city's affordable housing efforts. South Liverpool Homes will further share how they have managed significant organizational change and program efficiencies by selling services and expertise externally, while promoting internal staff capacity through a people oriented business approach.

The session will provide an overview by each of the panelists, followed by time for Q&A. Discussion will consider various processes of establishing a housing collaborative, gathering key stakeholders, forming partnerships, funding models, capacity, internal operations and efficiency issues – and the potential impacts of scaling collaboratives on the sustainability of the housing sector.

I. The Community Housing Affordability Collective - From Formation To Action

Jen Arntfield, Executive Director, Horizon Housing Society (AB)

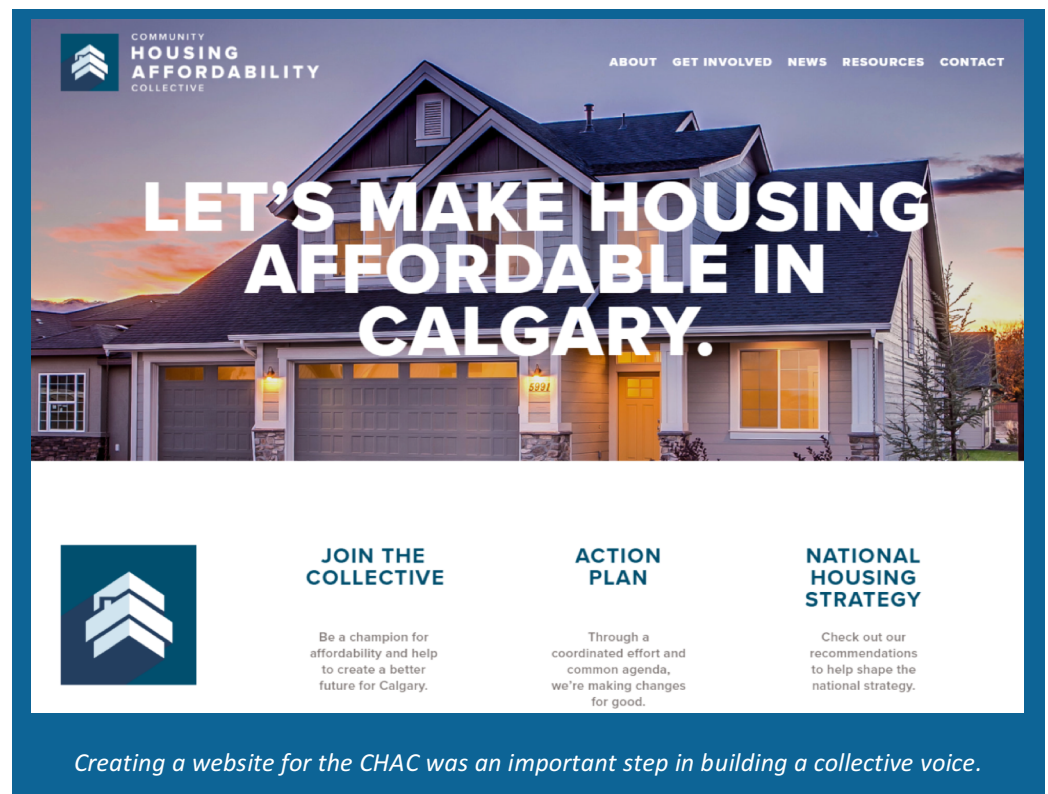
The Community Housing Affordability Collective's (CHAC) goal is to improve housing affordability in Calgary through collaboration and advocacy. The CHAC consists of 23 individual and organization members from across the housing system, including BILD, Attainable Homes, United Way, CMHC, and the municipal and provincial governments. The collective continues to grow.

Where We Started

The CHAC started in 2013 with a report to city council about the lack of affordable housing in Calgary, and associated issues related to work silos, and competition throughout the sector. The report expressed a desire for collaboration and a community-based approach to affordable housing. At the time, there were several strategies in the City which had ended up sitting on shelves. There was a need to keep the conversation about affordable housing going but to shift it. The 2013 report was focused on building a model for how to work together and build partner trust.

City council did not react well to the 2013 housing affordability collective report and it received negative media attention. The report was criticized for not containing anything new, and not being poised to accomplish anything concrete. This was a difficult period for the CHAC who felt there had been a misunderstanding about expectations of the report. The CHAC refocused on the problem, the fact that there were ~3000 homeless people in Calgary, and set about defining what system-wide issues needed addressing.

In 2016 a cross-sector steering committee was formalized giving the CHAC a much needed backbone. A critical step, which with the addition of an organization website, helped the CHAC become the collective voice on affordable housing that it is in Calgary today.



Action

The CHAC does not replace any community or organization initiatives; it strives to align plans and assist in coordination where needed. The CHAC is guided by three high-level action plans:

- Outcome 1 – Integrated Approach to Housing;
- Outcome 2 – Stable and Diverse Housing Mix; and,
- Outcome 3 – Predictable and Sustainable Funding.

Each plan contains objectives, two-year action items, and success measures for two-years out and the long-term. Projects within each plan are led by various CHAC members who report back to the steering committee. Examples for each action plan are provided below.

Outcome 1 – Integrated Approach to Housing

Objective: A centralized entry point improves the time it takes for people to find housing and the accuracy of data on citywide housing need.

Two-Year Action Items	Two-Year Success Measures	Long-Term Success Measures
Provide recommendations for a combined wait list and coordinated intake process, with an associated implementation strategy.	Projected number of applicants served annually by the coordinated intake process.	Percentage of applicants reporting satisfaction with the intake process.

Outcome 2 – Stable and Diverse Housing Mix

Objective: All housing providers and stakeholders work collaboratively to ensure that residents receive housing appropriate to their needs as they evolve, and transition through the housing spectrum where possible.

Two-Year Action Items	Two-Year Success Measures	Long-Term Success Measures
Identify any existing barriers that prevent residents from being appropriately housed, examining the housing system for bottlenecks and gaps.	Number of residents in non-market housing accessing information about alternative housing options.	Number of non-market tenants taking advantage of homeownership programs.

Outcome 3 – Predictable and Sustainable Funding

Objective: Non-market housing providers access new financial products as appropriate to reduce reliance on direct public subsidy and secure diversified, sustainable funding and are better enabled to meet their organizational goals for preservation of existing stock and delivery of new units.

Two-Year Action Items	Two-Year Success Measures	Long-Term Success Measures
Analyze the feasibility of financial innovations for the Calgary housing context, including tools that leverage private capital for non-market housing development or expand access to mortgage credit for low- and moderate- income homebuyers.	Number of participating individuals and/or organizations receiving financial training or technical assistance.	Private capital leveraged for non-market housing construction.

II. Housing Alternatives Inc. – Staying Viable With A Merger

Kit Hickey, Executive Director, Housing Alternatives Inc. & Rehatat Inc. (NB)

Housing Alternatives Inc. is a non-profit resource group mandated to improve the quality of life for those in the low to moderate income group in New Brunswick. Founded in 1981, Housing Alternatives adds to the housing stock and provides housing-related services, such as administration, bookkeeping, and maintenance. Housing Alternatives Inc. consists of ten housing co-operatives, one in St. Stephen and nine in Saint John. The co-op's range in size from small 6 unit to larger 57 unit buildings; in total there are 338 units. The co-operatives were created within neighbourhoods using existing housing stock.

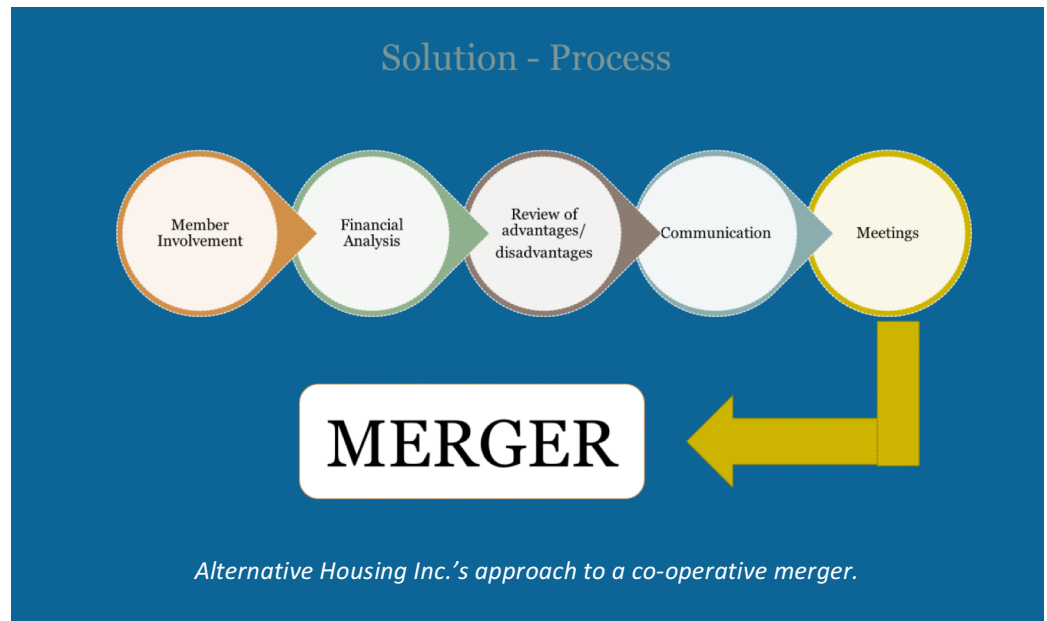
How to Stay Viable?

In 2010 operating agreements were starting to come to an end and there was concern among the co-operatives about how to stay viable. All co-ops were facing similar challenges: financial difficulties, need for major repairs, and low member involvement resulting in weaker governance. In October 2012, Housing Alternatives Inc. members from several co-operatives, and the Co-operative Housing Federation (CHF) of Canada met. A steering committee was formed with representatives from all Saint John co-ops to chart a course forward. After only two steering committee meetings it was decided that a merger was a likely solution in Saint John.

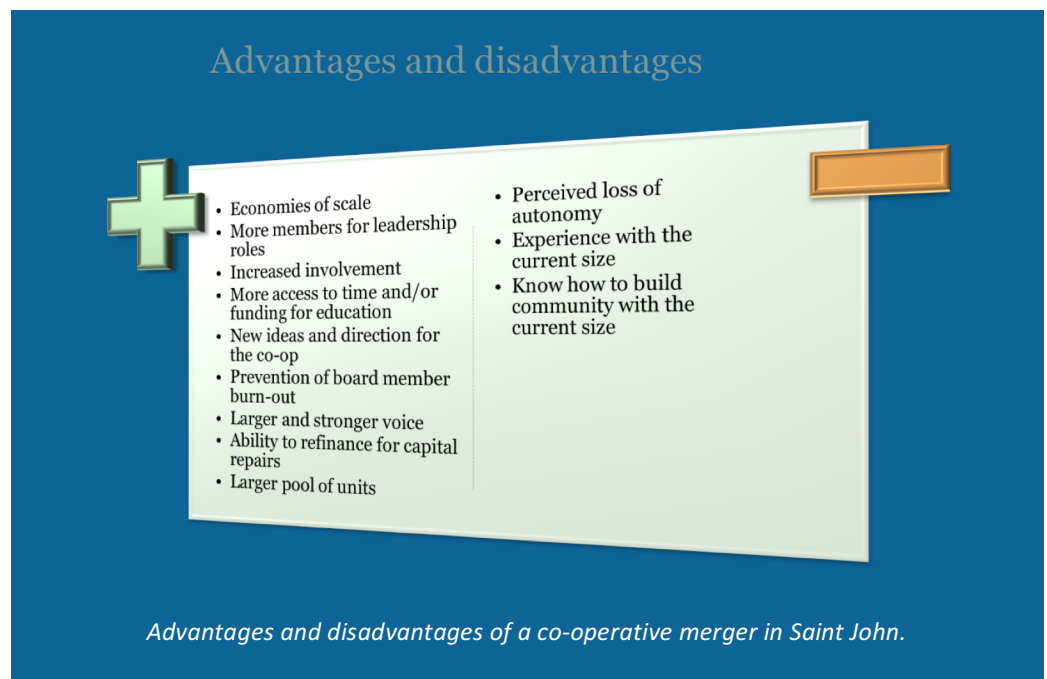


Merger

In April 2014, goals surrounding the merger were set. These included completing a financial analysis of all the participating co-operatives; developing and maintaining a communication plan; discussing the advantages and disadvantages of a merger; reviewing and discussing best practices; and, to meet with stakeholders and develop the merger process.



The financial analysis included market rent comparisons, combined pro-forma operating budgets, a comparison of unit sizes and types, and a replacement reserve forecast. The communication plan involved steering committee members reporting back to their co-operatives at board and membership meetings, which helped build a high level of trust. Other aspects of the communication plan were the inclusion of provincial government officials, and using CHF Canada's social media; these were critical to making the process as smooth as possible.



After analysis of the advantages and disadvantages and a thoughtful process, where all questions could be addressed, eight of nine Saint John co-ops joined the merger. The new group, which formalized in early 2016, is called the Unified Saint John Housing Co-operative. The new co-operative consists of 252 units, overseen by one board of directors.

Financial and governance benefits have stemmed from the merger. Financial benefits were realized quickly and include decreased audit fees, bulk purchasing options, group tendering, decreased risk from vacancies and arrears, and a savings of \$20,000 on insurance alone. A strengthened governance has seen an increased interest in leadership roles, increased overall involvement, and greater access to funding and time for educational opportunities. The Unified Saint John Housing Co-operative also has a larger and stronger voice to take to government, the ability to refinance for capital repairs, and the capacity to explore new possibilities.

Lessons Learned

- Work closely with the Canadian CHF and draw on their experience
- Don't underestimate the importance of member approval
- Open communication and a transparent process are key
- Avoid a structure which embeds previous co-operative identities
- Provide resources to support community building and governance

III. Taking Action and Overcoming Barriers to Collaboration

Sean Gadon, Director, Affordable Housing Office, City of Toronto (ON)

Toronto's Affordable Housing Office was established by City Council in 2005. Their objective is to develop innovative housing solutions for lower-income residents. They work with all levels of government, and the private and non-profit sectors, to develop and maintain affordable rental and ownership housing. The Affordable Housing Office also works with other city divisions to ensure successful use of housing investments and that those investments are aligned with legislation and policy frameworks such as the [Housing Opportunities Toronto: An Affordable Housing Action Plan 2010-2020](#).

Taking Action

Non-profits, mayors, and elected officials, to name a few, have been calling for action on affordable housing for decades. The Provincial and Federal budgets have been built from the ground up by people like us who have forced the issue of affordable housing, and it is finally high on the public agenda. Affordable housing plays a vital role in society and the time to take action is now. Efforts should be scaled up by engaging and empowering communities and finding the right people and those with resources.



There had been a lot of NIMBYism regarding affordable housing in Toronto. Through education about how vital it is to the social, environmental, and economic well-being of our communities, and because it is the humane thing to do, the Affordable Housing Office was able to turn that around. Over the last 5-10 years every affordable-housing-related proposal has been accepted by Council.

Collaborative Best Practices – A Complete Community in Toronto

The revitalization of the Weston/Mount Denis community through creation of a housing and cultural hub is an innovative project which involves a partnership between the Toronto Parking Authority, the Rockport Group, Artscape, and the City. The project was driven by the Rockport Group, a real estate services provider who was an early adopter of urban intensification and strives to make the most out of urban resources. The project took 5 years to put together and involved formation of a steering committee, visioning workshops, and over 50 community events. The dynamic hub will open in 2019 and includes 370 apartment units, six of which are affordable, 26 affordable live/work units for artist led families, 8 200 sq. ft. of space dedicated to arts and cultural, and 12400 sq. ft. of outdoor accessible space for community gatherings and a farmer's market. The building permit for the development only took one year; considerably less time than usual.



Community event for the Weston/Mount Denis community revitalization project

Barriers to Collaboration and How to Overcome Them

It's hard work and challenging to collaborate. Some of the key barriers to collaboration include:

- The difficulty in overcoming the powerful status quo;
- The challenge of an organizations ability to grow and innovate;
- The complexities of understanding and accessing funding sources; and,
- The need for significant investment of time to nurture partnerships and engage communities.

These barriers can be overcome by committing to effective public engagement, and creating a strong vision which is grounded in the needs of the community. Building a business case is the third critical component; affordable housing initiatives must be financially viable to succeed. The fourth element is to develop new collaborations with partners from non-profits, the private sector, communities, and government bodies. Reaching out to people you may not normally interact with will help grow the movement. Finally, having political champions and those who are prepared to roll up their sleeves and work hard is vital.



IV. Building a Top Non-For-Profit

Julie Fadden, President, Chartered Institute of Housing UK & Chief Executive Officer, South Liverpool Homes (UK)

The South Liverpool Homes (SLH) Group is a not-for-profit housing association that manages approximately 3700 homes, primarily in the Speke and Garston regions of Liverpool. The SLH Group is committed to maintaining and creating sustainable communities through projects which regenerate the physical environment, increase safety, and tackle financial exclusion. The Group has worked with numerous organizations including public and private sectors, the Liverpool Youth Service, and City Council. The SLH Group has also partnered with Penny Lane Builders Limited who are responsible for carrying out maintenance and repair services.

Becoming a Top Not-For-Profit Employer

For the past four years, the SLH Group has been voted the Best Not-For-Profit organization to work for, but it wasn't always so. In the last 12 years the organization has turned itself around. Prior to the transformation the SLH Group was enveloped in a 'blame' culture and running a £2.5 million loss. The transition to a more positive work environment started with people. Employees needed to be listened to, an open door policy implemented at the management level enabled this to happen. Management then acted on what they heard. Another key change was to allow for personal growth by providing training opportunities, including leadership training. The addition of a recognition and reward program also helped motivate and empower employees. Staff vote on who receives rewards (which are fiscal).

Key aspects of the SLH Group's approach include having self-belief, being the best at what you do, seizing opportunities, and being clear about objectives. The objectives of the SLH Group are captured by the simple statement, The Every's: Every customer happy, Every place perfect, Every opportunity taken, Every penny counts and Every person positive.



The SLH Group is now turning a profit of £3.5 million and is in a position to sell services to other companies. For example, they have a strong ICT department and provide those services for other companies which results in over £10 million in external business.

Transparent and Inclusive Partnerships

The relationship between the SLH Group and Penny Lane Builders is formed on open accounting. This arrangement has allowed for a long-term relationship and joint venture approach. The open book method reduced risk, improved financial efficiencies, while allowing individual growth of both partners. The SLH Group moves well beyond brick and mortar, it involves people within their local community helping them to build skills and creating opportunities for them.

V. Discussion

Question 1

From floor: What will increasing the membership add to your organization?

Jen - To be putting forward a Calgary voice, which is our vision, we need more players, and to engage the broader community. Also, we want more private sector voices to understand a wider range of perspectives. We have had more collaborative success at the individual project level, having over 30 non-profits working together on some projects. Having more members also creates opportunities to learn from each other. For example, what's working with respect to community engagement, and what's not? Creating more partnerships is also useful. For instance, the addition of a financial literacy organization, brings a new area of knowledge and expertise. Partnerships are born out of round table discussions.

Jill – We do advocacy about rental affordable housing and we had non-profits, private sector landlords, developers, academics, and senior groups, all working together which helped us to see where advocacy needed to be focused. Not everything works for everyone all the time. We therefore accommodate a 'hop in hop off' approach.

Kim – The 'opt in opt out' idea is interesting and something we have discussed in Calgary. We may get to a point where we might not all be able to agree on the best course of action (ex. inclusionary zoning). We hope to be in a space where we have the respect and trust to agree to disagree.

Question 2

From floor: One thing that frustrates me is that many organizations are doing the same thing. There are 42 organizations in Hamilton, for example, that overlap. People aren't sharing back-office knowledge, and we're often competing for the same resources.

Julie – Organizations can and should build bridges with other organizations by sharing, swapping, or selling services. Play to your strengths and concentrate on getting the right people. If there is something you do particularly well, ICT, HR, etc., have a conversation with your peers to see what you can arrange; perhaps they have a strong finance division? Try to minimize the overlap of services.



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