

**Affordable Housing Initiative:
Sustainable Management of Housing
by Not-for-profit and Co-operative
Organizations in Response to
Decreasing Government Funding
Programs**

Jana Svedova
Joanna Buczkowska
George Penfold

Objectives

- To gather information on the experiences of not-for profit and co-operative housing organizations that have attempted innovative approaches to achieve financial sustainability
- Use the lessons from their efforts to provide a resource for providers of affordable housing in BC and Alberta.

Methods

- Volunteer and resident contribution
- Cooperation, Collaboration, and Achieving Economies of Scale
- Land Acquisition, Building, and Development Approaches
 - Surplus government lands
 - Brown fields
 - Foreclosure properties
 - Redevelopment properties
 - Density/sales
- Green construction standards
- Social Enterprise
- Partnership
 - Corporate alliance
 - For profit development

Preliminary Findings

- Most representatives of not-for-profit organizations (in particular those that provide supported housing) believe that it is the responsibility of the government and the taxpayer to fund the services they provide.
- The mandate, scope of activities, and target group of residents housed by an organization has significant impact on the types of approaches to financial self sufficiency that are suitable for it to undertake.

- Organizations providing supported housing may have less capacity for additional revenue generating activities, and approaches involving resident contributions
- Organizations are constrained by the legal and policy contexts of the regions they operate in

- Innovative approaches were in most cases the initiative of one individual in an organization, who “championed” the approach.
- Undertaking innovative approaches often required a significant amount of risk and additional work, and significant amounts of unpaid time to the effort.
- Traditional banks played little or no role in enabling the financing of the initiatives. credit unions were willing to work with individual organization to come up with solutions to their specific financing needs.

- A significant barrier to land development/resale is the lack of financing mechanisms for such organizations to finance their initial purchase.
- No particular approach stood out as being more effective than others; rather some approaches are more suitable to an organization based on the particular circumstances of that organization and the capacity and skills of the individuals undertaking the initiative.

◉ *Social Enterprises*

Profits from the operation of social enterprises were not contributing significantly to the budgets of organizations interviewed, however in all cases respondents felt that additional benefits such as capacity building within the organization or achievement of direct social goals were significant

◉ *Partnerships with Private Developers*

Partnerships are often the initiative of the private developers, who often have trouble finding not-for-profit organizations to partner with. Organizations do not have experience with these types of partnerships, and would benefit from resources or support in developing the partnership.

Successful partnerships were based on the motivation of the developer to contribute to the community, and that the developer was not benefitting financially.