Courage Under Fire:

Addressing the Challenges and Opportunities of a Post-Operating Agreement World in Social Housing

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THE CANADIAN HOUSING & RENEWAL ASSOCIATION (CHRA)

The Canadian Housing & Renewal Association (CHRA) is the national voice for the full range of affordable housing and homelessness issues and solutions. Our key pillars are: keeping homes affordable; ending homelessness; renewing our communities; supporting a sustainable housing profession.

www.chra-achru.ca

THE SOCIAL HOUSING SERVICES CORPORATION (SHSC)

The Social Housing Services Corporation is an independent, self-sustaining organization that delivers programs and services to Ontario's social housing sector in conservation management, investments, insurance, bulk purchasing, asset management, social innovation, training and research. With its policy research and networks unit, its investments in research and its housing internship and scholar program, it is one of the biggest contributors to social housing research in Canada.

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EXECUTIVE SUMMARY

The history of social housing in Canada begins in the late 1940s with several one-of-a-kind housing projects, like Regent Park in Toronto. These single projects were followed by a more systemic production of social housing due to the introduction of federal housing programs in the 1960s. This continued into the 1990s, at which point the federal government ended their involvement in providing new operating subsidies to housing providers. Social housing provides rental units where rent is typically geared to the income of tenants (usually 25 or 30 per cent of income). Tenants have low incomes and reflect a range of demographics, including lone-parent families, seniors, singles, persons with disabilities and others.

At the time that these social housing projects were developed, the federal government would enter into an operating agreement with the housing provider. The operating agreement was a contract outlining the subsidies to be provided by the federal government and the obligations of the housing provider as a condition of obtaining the subsidy. These subsidies were given to help housing providers offset the costs of running their buildings while also housing people with low incomes. Each operating agreement stated that subsidies would be provided for a specified number of years; sometimes 35 years, sometimes 50 years. These terms were linked to the mortgages which funded the construction or acquisition of these buildings.

The long-term operating agreements through which providers receive subsidies are now beginning to expire and will continue to do so over the next ten to twenty years. As these operating agreements expire, federal and provincial expenditures will have reduced by over $200 million by 2009 and will grow to more than $1 billion annually by 2019.

As a result of this significant federal investment, Canada's existing social housing stock is a tremendously valuable asset. The federal government spends about $1.7 billion annually on operating subsidies for Canada's roughly 630,000 units of social housing stock. Provinces and municipalities also make substantial capital and operating investments in the buildings as well as in the low- and moderate- income households that live in them.

The unstated link between the end of subsidy and end of mortgage reflected the view that, once the mortgage was paid off, there would be no need for continued government support. However, this assumed that tenant rents would be high enough to pay for ongoing building operating costs (such as utilities and maintenance), as well as needed or future capital and repair costs. Research undertaken to-date by CHRA and SHSC demonstrates that a significant number of housing projects house tenants with very low incomes and do not generate sufficient income to pay for these ongoing and

future costs, and so, the implications of the expiry of social housing operating agreements are significant. Social housing providers may have to increase rents or reduce the number of affordable units to those who most need them. Many housing providers and concerned governments will find this difficult to justify given that almost 13 per cent of Canadians are experiencing core housing need and social housing wait lists are often very long. At the same time, many housing providers are anticipating growth once free of the constraints imposed by the operating agreements. Other opportunities for increasing affordability or providing more housing for low- and moderate- income households may also exist.

At the present time, very little evidence exists in terms of what has happened to providers whose agreements have expired. This is despite the fact that there are many providers from across the country with agreements that have already expired or are close to expiring. There is no compendium of provider activity or central database where information or data on agreement expiration dates or circumstances lives.

This paper intends to go some distance towards understanding what has happened to providers after expiry of their social housing operating agreement, or what other providers are anticipating and planning for with expiry on the horizon. In doing so, this paper seeks to raise awareness of what the road ahead looks like for the social housing sector. It is hoped that this precipitates a more substantive conversation among stakeholders with the view of ensuring the sustainability of housing for low- and moderate- income Canadians.

This paper examines 10 case studies from across Canada. The case studies reflect a diversity of social housing programs and funding arrangements. It also tries to reflect the diversity of social housing providers themselves by including providers of differing sizes, geographic location and organization. The case studies provide a background on the provider, the nature and extent to which they undertook pre-planning activities prior to expiry, what the current situation looks like and what they are expecting the future to hold.

The case studies highlight the following key points:

a. Projects which have high RGI ratios or high capital liabilities are more likely to suffer declines in affordability or be lost altogether.
b. Size clearly matters when it comes to a group's ability to research and plan ahead.
c. Projects which have low RGI ratios and have capital liabilities under control are doing well.
d. Templates developed by CHRA and SHSC to forecast operational viability have not been used.

There are several recommendations coming from these case studies which are a starting point in fostering a national dialogue about what are the most important steps to take next.

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I INTRODUCTION AND METHODOLOGY

The Canadian Housing and Renewal Association has long been a leader in research and a strong advocate with regard to the termination of federal funding for social housing as operating agreements expire. Most recently, following discussion at the 2010 Annual General Meeting in Quebec City, the CHRA Board of Directors in November 2010 adopted the following resolution:

Call for Action to Ensure the Sustainability of the Existing Social Housing Stock

BE IT RESOLVED THAT CHRA advocate to the Government of Canada to collaborate with provincial/territorial and municipal governments, and non-profit housing providers and other housing stakeholders to ensure the viability and sustainability of all social housing stock enshrined within a National Action Plan on housing for Canada;

BE IT FURTHER RESOLVED THAT CHRA recommend to the Government of Canada that any savings which the federal government accrues as a result of the expiration of operating agreements be directed to re-investment in sustainable programs designed to reduce core housing need and homelessness.

The "Background" put together by CHRA in proposing this research paper provides a crisp summary of the issue at hand:

"Canada's existing social housing stock is a tremendously valuable asset and ensuring its viability is considerably less expensive than constructing new affordable housing. The long-term federal social housing operating agreements through which providers receive subsidies are beginning their expiries and will continue to do so at an increasingly rapid rate. We know that some are beginning to expire, with many more to follow suit, mostly in the next 5 years. The implications of the expiry of operating agreements are significant. Research done by Steve Pomeroy in 2006 posited that up to half of all providers may not be viable after expiry of operating agreements. Once agreements expire, if the affordable rents that tenants pay are not sufficient to account for capital and maintenance requirements, providers may have to reduce the number and nature of their affordable units and therefore much-needed affordable housing will be lost. This may be particularly true of the many small providers. However, it may be likewise true that other, particularly larger and more urban providers, will be able to expand their portfolio given the additional leveraging and financing opportunities that may come to bear upon expiry. At the present time, only anecdotal evidence exists in terms of what has happened to providers whose agreements have expired. There are many providers from across the country with agreements expiring at varying times. There is no compendium of provider activity or central database where information on agreement expiration dates or circumstances lives. This research is intended to go some distance towards understanding what has happened to providers after expiry."

So, the intent here is to try to move beyond the theoretical modeling to determine what is actually happening. There are in fact few operating agreements which have expired, at least relative to the total stock. There have been expiries in Public Housing programs, in Urban Native Agreements, and in Section 95 (formerly Section 56.1) Agreements. The examples described here fall under each of these programs, and were also selected so as to reflect different regions, different sizes of provider (single project vs. portfolio manager), different sizes and styles of project, different types of owner/ provider (Provincial / Territorial, Municipal, Aboriginal, Private Non-Profit) and different proportions of rent-geared-to-income units. With this planned diversity in sampling, these case studies cannot truly be said to be ''representative''. However, it is hoped they can be indicative. They tell real stories and show some meaningful patterns, mostly consistent with the theory but with a couple of twists. As such, they can help to inform planning, support and advocacy for the majority of providers still marching to the cliff.

In order to cover as many of the sample bases as possible, the originally planned sample size was increased to include nine providers, with three of those not having had their agreement(s) expire yet, but which have done solid research to plan ahead – something that is definitely NOT common anywhere. All providers were asked about the nature of the research and planning they undertook, and about any analytical tools they might have used. Any relevant reports were requested. Again, the intent here is to point to good practices and tools which others following may be able to use, or which may lend themselves to modification for broader application.

Of the nine providers here, the past or pending agreement expiries in question for six of them are under Section 95. Aside from an underlying policy reason for this choice (described more below), this is also a numbers game. It was the enactment of the 1973 National Housing Act (NHA) and its funding for ''Community Sponsored Housing'' which triggered the first major increase in the number of providers beyond the provincial governments and a smattering of municipal and more grass roots agencies. These agreements, now under NHA Section 27, were mostly for 50 years; with the program running from 1973 to 1978, the bulk of these expiries are some years off. It was the then-Section 56.1 of the NHA, which provided mortgage interest write-downs for projects constructed from 1978 to 1986, which saw a real boom in the number of community-based providers, including municipal non-profit corporations, across the country. Most of the now-Section 95 projects have 35-year Operating Agreements, so the first are expiring in 2013. A small proportion has 25-year Operating Agreements, including those below, so it is these few who are showing the way to many, many providers.

This paper begins with a brief literature review. One name that comes up a couple of times in the review is Focus Consulting Inc and its Principal, Steve Pomeroy, who remains active in research in this area. The author and Steve Pomeroy communicated through the drafting of this paper to ensure any concurrent research would not be duplicative.

II WHAT THE RESEARCH TO DATE TELLS US

It was actually the Canadian Housing and Renewal Association itself which began the national dialogue about expiring operating agreements. In February 2002, CHRA held a national roundtable on the topic, which was the subject of a report assisted by Paul Dowling Consulting. One outcome of the roundtable was a study commissioned by CHRA to describe the magnitude of expiries and to create a template to help providers and managers assess the impacts (*Guaranteeing a Future: The Challenge to Social Housing as Operating Agreements Expire, by Connelly Consulting, Focus Consulting and Dowling Consulting, June 2003*). Few providers or governments rose to the challenge of planning ahead and the template provided saw little use. So, in 2006, CHRA and Social Housing Services Corporation (SHSC) commissioned more in-depth analyses: *Was Chicken Little Right? Case Studies on the Impact of Expiring Social Housing Agreements*, for CHRA by Steve Pomeroy, Focus Consulting Inc in Association with Garry Charles, Allan Gaudreault and Paul Connelly, June 2006; and *Was Chicken Little Right? Ontario Addendum*, for SHSC, by Connelly Consulting Services, September 2006. Both reports applied the template to diverse projects, with the latter using an expanded Ontario sample.

The "*Chicken Little*" reports analysed many specific projects to try to project their post-expiry viability. This necessarily entailed projections of both operating cash flows and capital expenditures, reserves and liabilities. Although the sample itself was not representative, almost one-half of the projects were judged non-viable, one-quarter were judged viable, and just over one-quarter in a "gray" area where they were on shaky ground from either a capital or an operational perspective, but not both. The biggest risk categories were high ratios of rent-geared-to-income (RGI) residents, a real issue with Public Housing and Urban Native housing; and (all things being equal) whether a group is a small, single-project provider, with implications of poor economies of scale and of being unable to spread risk across a larger portfolio.

A 2007 report for the Confédération Québécoise des Coopératives d'Habitation (CQCH), Fin des *Accords D'Exploitation: Défis et Opportunité pour les Coopératives d'Habitation Québécoises*, by Allan Gaudreault, went from the CHRA paper and looked at likely outcomes for Quebec's co-operative housing, noting that by 2010, Québec cooperatives would have more than 900 units with expired agreements. (This high proportion is likely due to the propensity for acquisition / rehabilitation projects in Québec, which have been more likely to have shorter agreements.) It is first noted that capital reserve shortfalls are widespread. Assuming more aggressive repair strategies, forecasts suggest that some 60 percent of co-ops will be operationally viable with only inflationary or very slightly above-inflationary rent increases, while 24 percent will require more sustained "moderate" increases to succeed, and 16 percent will have more serious challenges. The relatively strong position is consistent with the relatively low RGI ratios.

Consistent with the paper referenced below, a survey for the CQCH report found most co-operatives blissfully ignorant of their pending expiries and the need to assess their futures. The lack of preparation and planning was felt likely to lead to a ''progressive departure of low-income households'', notwithstanding this loss may be quite preventable. The report called for preparation of capital replacement plans, operational forecasts, awareness – building, promotion of training tools, staff capacity support, and identification of providers at greatest risk, amongst other recommendations.

A paper from SHSC in February 2010, *Social Housing End Dates – Service Manager Perspectives*, written by the current author, used a case study approach within the unique Ontario realm of all social housing having been transferred to municipal administration. It was clear in talking to these municipal Service Managers that both municipalities and housing providers were generally pre-occupied with day-to-day concerns and with the demands of the federal-provincial social housing renovation program, precluding any focus on looming expiries. Use of the template was negligible. To the extent providers may look to the future, they seldom get past all-too-common projections of capital reserve shortfalls.

Although viability risks for some providers were a concern, the perceived risks with respect to asset retention and affordability were not deemed substantial, at least in relation to the size of the stock. The largest supply of high-ratio RGI housing is publicly owned and it was believed that commitment and opportunities to leverage properties in portfolios would protect this housing. Direct municipal Service Manager contacts with non-profit housing providers convince them that the majority will honour their mandates so long as they are able, even if they are under no obligation to do so. But it was also recognized that some providers are unhappy with current program requirements (more a factor in unilateral ''provincial'' programs than in Section 27 or Section 95). The sense of greater risk in actual outcomes for private non-profit housing than for public housing, was a factor in the bias in this paper in favour of sampling more from Section 95 expiries.

III CHECKING WITH THE PROVIDERS

1. Affordable Housing Societies, British Columbia

Provider and Project Context

Affordable Housing Societies (AHS) is a very large private non-profit housing provider. The CEO advises that AHS owns and manages over 3,100 units, with 14 or 15 projects in the Section 95 program. There have been no expiries yet, with the bulk being six to seven years from now.

Pre-Planning

Given AHS's size and sophistication, they have undertaken long-term operational and capital forecasts, extending through the expiry transition and beyond. On the basis of analysis and projections, AHS has boosted some of its reserve contributions, but has been doing this on a project-by-project basis.

Investments in project maintenance, as well as being geared to long term plans for projects and their sites, are also taking account of land ownership. In the case of buildings on leased lands, these capital investments are not being made, which suggests a separate topic for research. Leaving that aside, AHS's strategic planning takes account of potential site intensification and redevelopment, with plans being formulated for phased redevelopment of some properties. AHS is avoiding "over-investment'' in such instances. Even where strategic disinvestment is the conclusion, AHS is not contemplating property sale, but rather is looking to continued strong land value and appreciation as a driver of asset decisions.

Capital planning is based upon corporate knowledge and experience, using benchmarks for individual component life-cycle projections. From a purely operational perspective, projects have comfortably maintained RGI ratios of about 20%. Economic rents have been held to levels eligible for provincial shelter allowances.

AHS's analysis makes it confident that the corporation will yield significant net benefits as operating agreements expire. The elimination of mortgage payment obligations will more than off-set the associated loss of revenue. AHS anticipates there will be potential to take on more households on an RGI basis through cross-subsidization, although there do not appear to be any formal policies in that regard. They are certainly looking at using the additional positive cash flow to support intensification and redevelopment, which will yield broader social benefits.

2. BC Housing, British Columbia

Provider and Project Context

BC Housing was approached for multiple reasons. As an owner / operator in its own right, its direct experience with expiries was sought. Its knowledge of other providers pointed to other case studies. And as the lead housing agency for a provincial government which has long been pro-active in social housing, its insights were felt to be useful.

BC Housing is likewise very interested and concerned about the end of operating issues from multiple perspectives. As a player in the Federal / Provincial / Territorial Housing Working Group, they want to be able to participate in and enhance effective, collective advocacy, which it is recognized will be supported by good data. As a funder of non-profits and cooperative housing throughout the province, they want to anticipate and support their providers' needs as best they can. As an owner of 7,200 units in their own right, they want to ensure they understand the implications for their own portfolio and plan appropriately.

Pre-Planning

Within its own stock, BC Housing started working on the redevelopment of the Little Mountain housing project, one of the oldest projects in the province once the federal obligations ended. Given their size and sophistication, BC Housing is trying to get ahead of the issues. A major focus has been upon assessment and planning for capital liabilities.

Their asset strategy department has been reviewing all projects, taking a disciplined approach to forecasting financial requirements to support any funding requests that may be necessary. They have standardized condition assessments using the FCI (Facilities Condition Index) approach increasingly common amongst major industry players in North America. Perhaps uniquely in Canada, BC Housing's physical analysis and planning has also been driven by the provincial requirement to become carbon neutral and pay for carbon off-sets, which has prompted detailed reviews of energy performance and initiatives to take advantage of energy conservation funding available. Use of infrastructure funding used for retrofit, heating systems, windows, has had a significant impact on their ability to reduce greenhouse gas emissions (GHGs).

All this was pulled together in a portfolio planning exercise over the last two or three years. A draft portfolio plan has been developed. As part of this, BC Housing is looking to develop a pilot.

Looking at the housing owned by other providers, BC Housing has had some experience from the projects constructed through the 1950s and 1960s through the BC Elderly Citizens Act which provided grants subject to redevelopment or remortgaging being conditional on provincial approval. Some 200 projects have had that condition removed, and when BC Housing checked, it found that over 80% of those providers were still involved in providing affordable housing. A portion of the properties were transferred to health providers, and became care facilities. While comforting, the question remains as to why the remainder walked away. This would have obvious implications for non-profit housing providers under the programs with pending expiries.

BC Housing is working with the British Columbia Non-Profit Housing Association on specific tasks, including currently scoping out research with respect to the end of operating agreements, involving a research component and the development of a toolkit and potential strategies for providers. In proceeding with such research, BC Housing is concerned about the capacity of single-project housing providers. They are also concerned about aging boards.

Further, there is a desire, driven by a sense of fragmentation across the country, that learning from others and avoiding duplication should be a priority.

From a broader public policy perspective, there are some key concerns and objectives:

- It should be absolutely clear to everyone involved, well in advance, exactly when individual agreements will expire.
- It should be clear to all where the greatest risks lie - which programs and projects will be more or less viable.
- Any loss of rent-geared-to-income housing is viewed as negative and there should be strategies in place to preserve and maintain RGI units to the greatest degree possible.
- There should be strong assurances that the non-profit mandate of current housing providers, as reflected in their corporate documents and program objectives, should be protected and maintained beyond the expiry of their agreements to the greatest degree possible.

3. Loggieville, Loggieville, New Brunswick

Provider and Project Context

This 10-unit single storey building in rural New Brunswick consists entirely of small one-bedroom units targeted to single seniors (60 - plus, with some allowance for younger people with health issues). Built with frame construction in a small village, its sponsoring board still has many original members.

The project was funded under Section 95, with a 25-year agreement that expired in 2008. The Section 95 funding was never used to create or target rent-geared-to-income assistance.

Pre-Planning

The Board did not undertake any independent analysis or projections of what might happen upon expiry of its agreement. No technical audit was performed with respect to potential capital requirements. However, in the ongoing absence of RGI households and associated revenue uncertainties, there would not have been any particular triggers to doubt operational viability with mortgage payment obligations disappearing.

Although the Board was and is quite comfortable with their day-to-day resident relation and property management activities, they did recognize that they were entering into uncharted territory and sought advice from their provincial government contacts. One bit of advice, which they adopted, was to increase their rents gradually upon expiry of their agreement; this was presumably to bolster the replacement reserves where their annual contribution of $3,275 across the entire project must be considered low.

What Happened

In addition to advice, and confirmed independently by the author with provincial government staff, the New Brunswick government has been helpful in addressing a key vulnerability of these small providers, by making assistance available through the transition. In the case of Loggieville, the group received $100,000, which was invested in window and roof repairs and other upgrades. As a result of this work, it is reasonable to expect that unsustainable repair needs should not be necessary in the near-to-medium term.

Although there are no RGI households, all rents have been kept low. Even now, they are only $340 per month, plus heat and electricity. The residents themselves are typically in receipt of fixed incomes, but are able to handle these rents. That said, these residents are not able to absorb significant rent increases and Loggieville is holding its increases to about $5 per year. So, with the one-time provincial assistance that was provided, the transition has been relatively seamless to the Board and painless to the residents.

What's in the Future

There is no operational reason why Loggieville should not be able to continue to serve the same population as it always has. Without a more in-depth technical audit, the only potentially significant risk would be a surprise, significant capital expenditure requirement beyond the capacity of existing reserves. With its low revenue, Loggieville's potential for financing such expenditures is likely not great.

4. Métis Urban Housing Corporation / Métis Capital Housing Corporation, Alberta

Provider and Project Context

The Métis Urban Housing Corporation (MUHC) owns and manages hundreds of units in several municipalities in Alberta, under the Urban and Native Housing Program. The Métis Capital Housing Corporation (MCHC) is developing new projects, taking over projects coming out of operating agreements from MUHC, and redeveloping and intensifying existing properties.

MUHC and MCHC share Board members and overhead and, in essence if not in legal fact, have shared properties, achieving scale economies and allowing policy objectives to be achieved through internal partnership arrangements.

MUHC had 880 units, providing predominantly single family housing to more than 3,000 Aboriginal residents. The bulk of its housing came through CMHC foreclosures in the early 1970s, subsequently transferred to MUHC. Many of these units were not in the best locations and not of the best quality to begin with. They were not repaired prior to transfer and they were not transferred with adequately funded replacement reserves. Inevitably, there have been substantial capital liabilities.

Since the first units came out of agreement in 2008, there have been about 140 which have already "left", with a steady, significant stream of expiries in coming years. These units, virtually all single-family homes, have been 100% RGI. The program subsidies have covered about 70% of costs up to the point of expiry.

Pre-Planning

MUHC fits the "worst-case" mould depicted in prior end of operating agreement research: relatively high operating costs per unit, high ongoing capital costs, and high RGI ratios / low revenues. Put simply, the loss of program subsidy far outweighs savings from mortgage discharge.

MUHC has had good planning tools at its disposal, with sophisticated property management software, skilled technical support and a solid project database. Accordingly, MUHC was capable of doing its homework and making the projections, and came to its own gloomy conclusions. A five year analysis was prepared and an action plan developed.

A specific mitigation measure undertaken by MUHC, while homes were still under agreement, was to contract for extensive renovations to ensure extension of building life. Eventually, even that got tougher to do through CMHC, but it has resulted in homes which have been more marketable and more economically manageable over the long term.

Recognizing the challenge, MUHC has tried to make the best of a bad situation. This is where its "sister" company comes in. MUHC's analysis showed that it could neither afford to retain all of its existing properties as they came out of agreement, nor to maintain RGI assistance in those properties it would retain. So it developed a plan to sell approximately

ten units per year as they came off agreement, and to use the proceeds to help renovate and retain the majority of units which have been and will be transferred to MCHC. Those transferred units are to be set at market rent.

What Happened

So far things have gone according to plan. At time of writing, some 27 units had been sold, helping to sustain 110-plus transferred units now held by MCHC, in addition to the units built and acquired directly by MCHC. All retained units are being shifted to "Average Market Rent". With its portfolio, MUHC has been able to transfer residents to other subsidized units but that has become more difficult as the number of units out of agreements climbs and the capacity to absorb within the remaining units diminishes. It appears that some economic evictions may be inevitable.

To this point, renovation costs for the retained units have been allocated to the individual units, and not pooled on a portfolio basis. With the determination of market rents experiencing some volatility, it is not yet clear to MCHC, given that only one year of hard numbers are now on hand, that ongoing rental revenues will in fact be able to carry individual property residual renovation costs.

Consistent with the theoretical projections, there has been a significant impact upon affordability within the MUHC / MCHC stock. All RGI subsidies are disappearing, some units are being lost altogether, and rents in those units which are being retained are being pushed up.

What's in the Future

MUHC / MCHC are to be credited for their planning and their renovation activities to retain as much as housing as possible within their non-profit portfolio. Their longer term forecast suggests that as renovation costs are paid for and financed from ongoing cash flow, rents will stabilize and become more affordable. MCHC is also looking more creatively at the financial leveraging from the units coming off agreement in MUHC to support equity contributions to new MCHC projects, aiming to use Affordable Housing Program funds, and to take advantage of redevelopment and intensification opportunities on existing sites. The best of a bad situation indeed!

5. Metro Vancouver Housing Corporation, British Columbia

Provider and Project Context

With approximately 3,500 units under management in close to 50 complexes in BC's Lower Mainland, Metro Vancouver Housing Corporation (MVHC) is a large municipal housing company providing accommodation to about 10,000 people. Section 95 projects make up 66% of MVHC's stock, with 2,264 units in 31 buildings covered under 33 separate operating agreements (a couple of projects having two agreements each).

BC Housing has been flexible and supportive with MVHC. RGI ratios are set at MVHC's discretion, currently averaging just over 30% in the Section 95 portfolio. In its total portfolio, MVHC was allowed to sell one building which had ongoing challenges, raising money for repairs elsewhere. MVHC was able to buy out of the agreements in its older Section 27 projects. As a result of this flexibility, and with a strong financial position in its Section 95 portfolio, MVHC has effectively cross-subsidized at least four other program projects that generate chronic losses.

No MVHC Section 95 project has yet had its operating agreement expire. The first is coming up in 2015.

Pre-Planning

MVHC has forecast both capital and operating needs and pro-formas for its section 95 projects. Cash flow is projected over ten years. A full reserve fund plan is in place, based upon comprehensive technical audits. MVHC is looking at piloting the use of a proprietary capital planning tool for BC Housing, with potential application elsewhere, but that has not been a factor in analysis and planning to date.

While, as usual, the federal replacement reserve contribution formula is inadequate, MVHC has contributed from its operating surpluses. Still, it is expected that current reserves may be on the shy side, with many 30 year old buildings showing their age.

Notwithstanding a sense of need for increasing capital reserves, MVHC expects to see positive net benefits as agreements expire, with cash flow beginning to improve as mortgages disappear beginning in 2015. It will adjust reserves gradually as required. The corporation anticipates maintaining and even increasing its RGI ratios.

6. Nunavut Housing Corporation, Nunavut

Provider and Project Context

As the Territorial crown agency responsible for social housing in Nunavut, the Nunavut Housing Corporation (NHC) oversees financial and other supports channelled through Local Housing Organizations (LHO) across the Territory, with the 4,000-plus units of public housing under these LHO's representing the vast majority of all social housing in Nunavut. If MUHC is typical of the ''worst case'' projections from end of Operating agreement research to date, NHC's numbers are the worst of the worst.

The author is indebted to a 2007 report by Luigi Zanasi projecting impacts for all three Territorial Housing Corporations, more properly credited in the Bibliography. Of the three Territories, Nunavut has the largest social housing stock and the largest proportion of its rental supply composed of social housing – at about 63%, more than four times the national average. Nunavut has the highest percentage of core housing need – three times the national average.

Nunavut is already spending the highest percentage of its budget on housing – 18 times the national average. The operating deficit per unit is also the highest, a function of high capital and repair costs in conjunction with accelerated property deterioration, high operating and energy costs, completely inadequate reserves, and low incomes (in a predominantly RGI portfolio) translating into low rental revenue.

As if things weren't bad enough, waiting lists are high relative to availability and population growth is the highest relative to any province or Territory.

Pre-Planning

Federal funding, originally tied to project-specific agreements, has already begun to decline pursuant to the Social Housing Agreement between CMHC and Nunavut. In concert with inexorable increases in costs, outpacing increases in revenue, project and portfolio deficits have been and will continue to increase sharply. Zanasi estimates a near-tripling of the Territorial shortfall, from about $57 million in 2005 to almost $155 million in 2037 when the last of the federal funding vanishes.

NHC is a relatively small organization from a staff resource perspective. Its priorities have been logically directed to taking advantage of funding opportunities to meet growing demands through new rental construction and home ownership initiatives. Perhaps the strongest mitigation activity within existing housing has been energy conservation efforts. There does not appear

to be any coordinated attempt to assess capital repair and replacement needs in any detail, which could allow for a deeper understanding of future liabilities or perhaps suggest some approaches to more cost effectively offset those future financial shortfalls.

What Happened

Consistent with Zanasi's projections, NHC staff are indeed seeing shortfalls climb. Both operating costs and property rehabilitation expenses are increasing as expected. However, to date, staff and residents have been isolated from the impacts. Requests have gone to the Territorial cabinet and the shortfalls are being met through increased Territorial payments. There has as yet been no deliberate stinting on repairs or change in rent structures. The Nunavut experience reflects the commitment observed more generally.

What's in the Future

Trying to enhance revenue from low-income residents, which revenue is a relatively small proportion of overall costs in any event, is a dubious prospect. So Nunavut is to be commended for continuing to making sure its social housing fulfills its mandate in spite of the federal withdrawal. But with social housing already representing a disproportionate 13% of Territorial expenditures and the shortfall in this existing stock expected to triple (to say nothing of future costs for housing being built now), it is difficult to imagine such commitment being sustainable. Something, or someone else, will have to give.

7. P.A.M. Gardens Non-Profit Housing Inc., London, Ontario

Provider and Project Context

P.A.M. Gardens (PAM) owns and operates 274 units in projects in various London, Ontario locations. It has two Section 95 projects, one with 40 units, for which the operating agreement expired in June 2010. The second, 30-unit project has a few years left in its agreement. The subject project is a townhouse complex, with 10 two-bedroom and 30 three-bedroom units, all with finished basements, individual laundry, 1 ½ bathrooms and plentiful internal storage. This project was newly constructed at the time of original funding with nothing unusual on hand with PAM staff to suggest why it may have had only a 25-year agreement. Traditionally, the project ran with close to 25% rent-geared-to-income occupancy.

The project was reportedly built to a high quality and has aged well. This is evidenced in the fact that energy bills have been manageable for the tenants,

in spite of their having to pay for electric baseboard heating. The building envelope is said to be quite effective. Overall space and design have long proved attractively marketable. Larger capital needs have been tended to in due course, including roof replacement, with no resulting financial stress. A solid replacement reserve fund was accumulated with contributions (from operating surpluses) higher than the CMHC formula.

Pre-Planning

PAM did not undertake an extensive research and planning exercise leading up to the expiry of this agreement. Their familiarity with the strong operating position and marketing of the project and with its physical condition were such that there were no great anxieties. The President in particular is reported as having good personal experience with building technology and maintenance. However, as has been found in research by the author in other areas, they simply did not know what rules might apply to them through and beyond the expiry of the agreement. Consequently, they contacted municipal staff, staff at the Ontario Ministry of Municipal Affairs and Housing, and the Ontario Non-Profit Housing Association, all of whom confirmed that the project was theirs to do with what they wanted, so long as that was consistent with their corporate articles.

As a portfolio owner/operator, PAM is interested in expansion, presumably to take advantage of greater economies of scale, as well as respond to growing client needs. PAM has therefore established as an objective the construction of 50 to 60 additional non-profit housing units within a couple of years. They have hoped to take advantage of funding through the Federal / Provincial Affordable Housing program (AHP), perhaps a dubious prospect currently, but a reasonable expectation at the time. Knowing how AHP numbers work, PAM has intended to refinance this project to provide equity to support the new construction.

In order to enhance their equity stake, PAM began to decrease the percentage of RGI residents in the project a couple of years prior to expiry. By the time of the expiry, they had only four units remaining rented out on a rent-geared-to-income basis. And the transfer of residents in those four had been scheduled. PAM was able to take advantage of its portfolio to provide transfer opportunities to these current residents.

To further strengthen its financial position prior to expiry of the agreement, in 2009 PAM also converted water billing from bulk arrangements to separate metering / billing.

What Happened

Given not just the research and planning, but the actual shifts in resident composition and the building improvements which took place prior to expiry, the expiry itself was something of a non-event. While individual RGI households were protected through transfers or attrition, there was a loss in the number of RGI households within the "system". Physical upgrades of the property continue, notably with floor replacement to higher quality ceramics and wood finishes, to further improve marketability. Rent increases have been kept to normal level, so there has been no adverse impact upon affordability in that regard. (Current rents are $717 for two bedrooms and $757 for three bedrooms, plus utilities.)

What's in the Future

At time of writing, PAM was waiting to complete its year end statements for its first full year following the expiry of the agreement, to get a better grip on the project's financial position. This would be used to determine what contributions could be made to reserves from operating surpluses, plus analyse the levels required for ongoing reserve contributions and for future rent increases. It can be expected that refinancing, if undertaken, will indeed tap into equity for the corporation, which can be used for other social benefits. However, in the absence of AHP funding, it is not clear whether the specifically intended benefits can be realized or how that equity might otherwise be redeployed.

8. Victoria Park Community Homes Inc., Hamilton, Ontario

Provider and Project Context

Based in Hamilton, but with buildings owned in nearby municipalities and with projects managed on behalf of third parties, Victoria Park Community Homes Inc. (VPCH) has 2,281 units under management, almost 2,000 directly owned, making it Ontario's largest private non-profit housing corporation. The single largest program behind its portfolio is Section 95. Until recently, there were 928 units in 16 projects.

The "Queen's Gate" project consists of 40 three-bedroom townhouses. Unusually, the project is a registered condominium. As with some other Section 95 projects in this sample, this was a CMHC foreclosure and was transferred under Section 95 to the non-profit, with a 25-year, rather than the normal 35-year agreement. Also as normal, it was underfunded in the early years, but its strong fundamental performance has resulted in good renewal and good condition today.

Queen's Gate has been subject to an agreement to house 35% of its families on an RGI basis, using project internal subsidies only (i.e., no separate rent supplements). Even with this high ratio, there have been consistent surpluses. This has been VPCH's first agreement expiry, taking place in September 2010.

Pre-Planning

Confronting looming agreement expiries, but more significantly some seriously underfunded capital liabilities and some operational challenges as well, VPCH recently embarked on a major strategic planning exercise. A template was created to review all projects. Given its program timing, Queen's Gate became a priority.

The review of Queen's Gate contemplated several scenarios:

- Continuation of status quo – surpluses were forecast to increase following expiry, housing at the same RGI ratio and maintaining modest rent increases.
- Sale of the project as a parcel, estimated at $3.5 million.
- Sale of the project by way of individual unit sales, estimated at $5.6 million.
- Refinancing with a low-ratio mortgage – generating $2.7 million in capital, while showing continued, but modest annual operating surpluses (but possibly phasing out RGI over time).
- Refinancing with a high-ratio mortgage – generating $3.1 million in capital, while showing an even larger surplus over time because of lower interest costs with the mortgage insurance (also possibly phasing out RGI over time).
- Transfer of asset to Victoria Park's management company.

The analysis of options was itself complex and thorough. It also drew on related, detailed research. A long-term reserve fund analysis showed the project can maintain its current annual contribution and still maintain a positive fund balance over the next 30 years. A professional appraisal provided sales values under the two options noted.

Consideration of the options was complicated by any sense of hardship to affected residents, as well as of any compromise to broad corporate objectives. At the same time, the threats to the large existing portfolio, and in particular the need for costly and unfunded repairs in some buildings, are very real and could have more far reaching consequences.

What Happened

At time of writing, no final decision had been made with respect to Queen's Gate's fate. It appeared most likely the project would be retained and its value

leveraged to help improve other buildings. Likewise, to enhance its leverage potential, it seemed likely that RGI households would be phased out and rents would be pushed up as much as possible. Staff were leaning to a collateralized loan from Infrastructure Ontario (a lending arm of the Ontario Government), which would possibly avoid insurance, while still yielding a low interest rate, thus generating both cash for other buildings and a decent operating surplus within the project to the benefit of the corporation's bottom line.

What's in the Future

VPCH has completed a quite sophisticated analysis of a Section 95 project about to have (and now having had) its operating agreement expire. Interestingly, the project's fundamentals were such that affordability could have continued as it had been. But the analysis has led to a likely reduction in that specific project's affordability in favour of a more beneficial overall outcome, enhancing the viability of a much larger number of units. Given repair pressures which will persist in other VPCH projects, unless senior government funds for repairs are again forthcoming, VCPH will certainly be looking at opportunities for similar leveraging in future. They will have to look sooner rather than later at policies regarding in-situ residents, and are considering, for instance, a first right of refusal on vacancies for transfer purposes.

9. Villa St André, St André, New Brunswick

Provider and Project Context

This project has a similar history and characteristics to Loggieville, described above. In another rural New Brunswick community, this ten-unit seniors (singles and couples) single storey building was built new, funded by a 25-year Section 95 agreement. That agreement expired in 2007.

Pre-Planning

No special research or forecasting was done in anticipation of the agreement expiry. However, as the date approached, renovations were completed to upgrade the property while subsidies were still flowing.

What Happened

In the transition period, there had been vacancies as a result of the renovation activities, but the project filled afterward. Rents have been kept modest - $340 plus heat, and rent increases have been constrained. This is more because of the resident population, than of economics. The apartments are small. The project draws the elderly who are leaving their farms and have low, fixed incomes. No units have been or are administered as RGI, although one is

currently in receipt of the provincial housing allowance. There just is not much room to move with rents before getting market resistance.

The Board finds itself stretched in making ends meet. There is little left in reserves to take on any further repairs. But it helps to have the local mayor in your corner. In-kind service with some property management chores is provided on occasion, such as snow clearing.

What's in the Future

It may be that Villa St André will continue to get by with the support of its local community, which values the project's ability to retain retiring seniors in the community. But it's not hard to imagine a future capital replacement need being beyond local capacity and the project is just not capable of generating the required funds from rents. The viability of this building, not just its affordability, could well come down to the availability of ad hoc financial support from one or other senior government.

10. Québec – a Few Observations

As noted in the literature review, Québec is a leader in expiries, with many co-operative housing projects already having had their agreements end. However, there were no studies on hand to describe outcomes. And the potential case studies for which contact could be made were simply much too small to be considered representative in any meaningful way. But discussion with government and sector representatives suggest some disconcerting prospects. As the CQCH study cited indicates, most providers should remain viable. However, most are also not getting on with the capital reserve planning found elsewhere to represent substantial risk, regardless of operating strength. And most simply are not doing the planning that could without a huge effort keep them above water, and therefore could well find themselves by default having to reduce their RGI levels to remain viable. In Québec, even a small proportion in theoretical trouble can translate into a large number of lost affordable units.

Québec, together with Alberta and Prince Edward Island, are the only three provinces to not enter into a Social Housing Agreement with CMHC. Much political discussion in Québec is of the opinion that the federal government will not abandon projects once agreements expire. The willingness to see units vanish from the social housing stock in MUHC's Alberta units suggests otherwise. The loss of federal funding in Section 95 private non-profit and co-operative housing units will certainly result in detrimental affordability impacts. The 2042 units in 434 Urban Native projects will definitely be hard hit.

Of even greater concern is a program unique to Québec, the Programme sans but lucratif privé (PSBLP). This program funded approximately 5,500 units between 1986 and 1994, with 40 percent of funding from the Federal

government, 60 percent from the Province. The agreements were of relatively short 25 year duration, and the first are expiring in 2013, with a steady stream until 2020. Almost all projects are quite small, typically indicative of staffing services spread thinly, with concomitant reduced capacity to plan as effectively. Of most concern is that the funding was for 100 percent RGI – a portfolio that will see the theoretical impacts play out convincingly. A potential saving grace in Québec, aside from the fact that the majority of funding for PSBLP is from the Province, is the possibility of subsidy take-up from a dedicated rent supplement program for social housing providers, which could offset original program funding losses. The willingness of the Québec government to allow this tap to be turned on indefinitely remains to be tested.

IV FINDINGS AND CONCLUSIONS

The ready availability of reliable, consolidated data remains a critical research and planning problem. Where there is no Social Housing Agreement (SHA) between the provincial government and CMHC, there is no place to get much of anything, with CMHC unable or unwilling to share information on pending expiries. And since the SHA's provide more information on dollars than on specific projects, one is left to piece things together. Some provinces have at least got lists in place; in Ontario, with administration further devolved to municipalities, there is not even that. Any kind of nation-wide research is a real challenge just to get started.

The predicted patterns are holding up in reality, with some twists. Projects which have high RGI ratios or high capital liabilities are indeed more likely to suffer declines in affordability or be lost altogether. The impacts within the Urban Native Housing Program are quite dramatic and call out for concerted advocacy and financial support. The financial distress of public housing in the north, while not yet manifested in impacts detrimental within the housing itself, must be considered extremely challenging for the Territorial governments. But as predicted, projects which have low RGI ratios and have their capital liabilities under control are doing or will do well, with the potential for enhancing benefits internally or in other ways.

In Provinces and Territories, with or without a Social Housing Agreement, where there has been cost sharing, as in public housing and as with the PSBLP in Québec, there are grounds for cautious optimism that provincial governments will at least maintain their own expenditure levels, even if they will not replace lost CMHC dollars. This will mitigate (but not eliminate) losses in major parts of the social housing stock, but will be of little solace to considerable portions of Section 95 and Urban Native housing.

A striking theme in these case studies is how much size matters.

As anticipated in the research done for SHSC, the small, single providers really do not try to assess the implications of an agreement expiry and plan for that eventuality.

Such analysis fits neither their expertise nor their priorities. They may well work their way through without any huge issues, but even that success may come about from pro active support from provincial or sectoral services. They are at ongoing risk without more in-depth review of their reserve fund adequacy: there is the possibility of some nasty surprises, with little financial flexibility to absorb.

Conversely, larger providers are able to make some semblance of lemonade even where the specific project dynamics are of the lemon variety. They can transfer RGI tenants internally. They can pool operating and capital reserves and liabilities across a portfolio where better-off projects can help the worse-off. And, even when forced to accept the inevitability of having to eliminate RGI units or sell units altogether, they can capture revenues and savings to enhance the affordability and/or viability of their remaining homes, as has MUHC. As with Victoria Park – an example others will surely emulate – they may well opt to sacrifice affordability or ownership of an otherwise quite viable project if there are perceived net benefits to a portfolio struggling in other areas, or as with P.A.M. Gardens, as leverage to expand their portfolio. Those cases suggest affordability impacts could be worse than predicted in looking at just the individual project figures, but the "system" benefits could be understated.

Size clearly matters when it comes to a group's ability to research and plan ahead. It especially matters when it comes to the sophistication of asset planning tools, although there appear to be some efficiencies possible in building and sharing those tools more collaboratively. From a broader perspective, more collaboration on this front would also allow "apples and apples" analysis of prospective capital reserve deficits, of advantage to all in advocacy efforts.

It must be considered a disappointment that the forecasting of operational viability has all been done independently. The templates have not been used by large or small providers. For the larger providers, this is perhaps because their projections can be extrapolated using the solid property management systems which they typically run. And it may well be unrealistic to ever expect a significant proportion of small providers to have the awareness or wherewithal to access and employ such predictive tools. Better awareness-building amongst small providers and promotion of easy-to-use projection models are worth greater consideration, but it will likely prove more effective to gather data and develop such projections in a more centralized way, at least regionally, and furnish providers with the results, together with recommendations for planning and preparation based on the project-specific results.

A specific concern cited by a couple of providers was the prospective loss of "non-profit" status in Canada Revenue Agency rules for HST rebates. CRA allows this rebate when 40 percent or more of revenues are from government finding. If that exemption were still available just prior to expiry of an agreement, it likely would be lost upon expiry, resulting in an additional financial burden impacting adversely upon affordability and ongoing viability. The two providers had not yet received

confirmation in his regard. In Ontario, the Ontario Non-Profit Housing Association, for one, has been advocating for retention of the exemption class based on formal corporate mandate. This should be the subject of more concerted national advocacy.

If being within a larger portfolio is advantageous to projects whose agreements are about to expire, it stands to reason that facilitating mergers between providers would be of value. Short of that, making arrangements to approximate portfolio benefits presents significant financial and social opportunities. Prior to expiry, transfers of RGI residents to suitable units within a larger portfolio to protect the affected residents over a longer term may be possible. If helpful for the transition, it may be possible for the single provider to likewise "transfer" the associated RGI subsidy to the portfolio provider allowing some time for the portfolio to get back down to its target RGI percentage. A portfolio provider may be more likely to have a market applicant waiting list from which it could refer people to a single provider which has never had to plan or market aggressively to market residents. A larger provider may also be able to partner with a single provider in prospective intensification or redevelopment of the latter's property, using leveraging opportunities to greater effect.

A centralized, "systems" approach would be a better determinate for assessing both affordability and the thresholds of operational financial balancing. A systems based approach could shift RGI residents to projects where there's room for additional subsidies to be provided. This approach reduces percentages in projects with high RGI ratios prior to the termination of subsidies. Aside from the data and administrative coordination implied, such an initiative would require a philosophical commitment amongst all the parties involved, but perhaps no more commitment than what led the groups into social housing in the first place.

Finally, no amount of coordination or commitment, shy of new funding, is going to deal with the losses or impacts for many providers which work in isolated areas, or which work with clients whose needs they serve uniquely. These providers represent a significant and irreplaceable component of the nation's social housing.

V RECOMMENDATIONS

These recommendations are not aimed at any specific agency or body. CHRA, though, is well placed to foster a dialogue about what best to promote where, given variations in needs and capacity across the country. The general intent here is to focus on key gaps in anticipating, planning, and working through end-of-funding agreement issues, taking account of those variations. The first recommendation starts from the first conclusions above: there is simply too little known about what is coming, and the building of knowledge has to move from theoretical modelling to the project level. These recommendations, while not necessarily costless, do not entail the provision or

extension of any subsidies, notwithstanding the need for vigorous advocacy on that critical front. Even so, the capacity=building and facilitation activities set out below will require some financial support, however modest, and efforts to ensure that support will be critical to progress.

1. Collect data on operational characteristics of projects regionally or provincially through an order of government or a capable sector association, which would allow forecasting of likely post – agreement expiry operational viability based on key variables, including size and unit make-up and built form and age, composition of provider's portfolio (if any), rent charges and costs and subsidy receipts (by program and source) and a history of same, contributions to working and capital reserves and status of same, information from any existing technical audit / reserve fund study, proportion of RGI vs. market and distribution of same by unit type, expiry date, and some measures of board and property management expertise. Data should be gathered from any centralized reporting that already takes place (which varies by program and jurisdiction) and should be complemented as necessary by simple-to-use templates distributed to providers and followed up with support to facilitate completion by those without the ability to do so. Using pro-forma tools such as the CHRA / Pomeroy template, centralized forecasts should be made for all providers and a ''risk scale'' applied to identify those projects most likely to be at risk of significant rent increases at a minimum, or loss of RGI subsidisation potential, and at the extreme - enforced sale.

2. Advise all providers of the risk scores for their projects. Template action lists should be provided based upon the scores determined, with special reference to the adequacy of existing capital planning and the potential impact of unplanned costs upon those with marginal scores, whose basic operational viability may be satisfactory, but which would be undermined if capital planning has not adequately addressed future repair needs.

3. Continue research and promotion of capital planning tools and facilitate sharing amongst larger providers, to build best practices in prediction. The data from larger providers should be shared and analysed with a view to continuous improvement in forecasting power for smaller providers based upon their own project characteristics.

4. Ask larger providers if they need support in interpreting and extrapolating their risk scores and integrating their capital needs projections, with a view to centralized training support and/or procurement of specialized experts.

5. Re-contact smaller providers to assess progress with action lists supplied. Depending on areas of difficulty, direct support should be made available. Assistance with analysis, planning and procurement can probably be arranged remotely. Challenges with governance capacity will require more hands-on intervention. Simplified technical audit / capital forecast tools should be deployed centrally where it is not done or planned by the providers, with the responsible body acting on behalf of the

provider(s) to cost-effectively obtain repair projections and integrate same with the operational financial projections, acknowledging that this vital aspect of planning is just not going to get done otherwise.

6. Develop and promote simplified low-income resident selection and rent setting models to allow low-income households to be served post - agreement expiry without using what can be seen as costly and cumbersome RGI administration rules and processes.

7. Create an advocacy strategy to encourage providers to increase the number of low-income households they serve post - agreement expiry should their finances permit.

8. Create a "brokerage" and related advocacy strategy based on the risk scores for all providers in a given region, whereby providers who have the financial capacity to take on more low-income households would do so at the same time as providers whose post – agreement expiry viability will not sustain the same level of low-income residents and need to reduce their pre-expiry level through attrition or transfer. This could possibly include a transfer of the RGI subsidy itself if needed by the "receiving" provider prior to the expiry of their own agreement (and projected enhanced finances) and/or not needed by the "donating" provider to add to capital reserves.

9. Undertake a physical review and related advocacy strategy with regard to properties in given regions to determine if there are intensification or redevelopment opportunities on properties owned by smaller providers that would be of interest to portfolio providers, such that a mutually beneficial partnership could be explored, and models for such partnership should be made available centrally.

10. Request the Federal Government to ensure that the non-profit rebate for HST under Canada Revenue Agency rules is extended to non-profit housing providers meeting satisfactory tests with respect to their non-profit mandate and their provision of housing to low-income households, whether on a rent-geared-to income basis or not, regardless of the source of their funding.

VI APPENDICES

1. Interviews and Contacts

Aboriginal Housing Management Association, British Columbia – Andrew Leach

Affordable Housing Societies, British Columbia - Bob Nicklin, CEO

BC Housing, British Columbia –Karen Hemmingson, Director Research and Corporate Planning

Canadian Housing and Renewal Association – Dallas Alderson, Manager, Policy and Programs

Focus Consulting Inc, Ottawa, Ontario – Steve Pomeroy, Principal

Loggieville, Loggieville, New Brunswick – Angela McCormack, Director

Métis Urban Housing Corporation, Métis Capital Housing Corporation, Alberta – Darlene Lennie, Executive Director

Metro Vancouver Housing Corporation, Vancouver, British Columbia – Don Littleford, Manager Regional Housing Department

New Brunswick Non-Profit Housing Association, New Brunswick – Gary Glauser, Interim Executive Director

Nunavut Housing Corporation, Nunavut – Patsy Kuksuk, Vice President

Ontario Ministry of Municipal Affairs and Housing, Ontario

Ontario Non-Profit Housing Association, Ontario – Kevin Bradley, Manager Local Networks and Management Support

P.A.M Gardens Non-Profit Housing Inc., London, Ontario – Almerinda Machado, Manager

Réseau québécois des OSBL d'habitation, Montréal, Québec – François Vermette, Directeur général

Social Housing Services Corporation, Ontario – Margie Carlson, Director, Research and Policy

Victoria Park Community Homes Inc, Hamilton, Ontario – Colin Gage, Executive Director and Veronica Fowler, Manager Finance and Administration

Villa St André, St André, New Brunswick – Lionel Poitras, Director (and Mayor)

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Connelly Consulting Services, in association with Focus Consulting Inc and Dowling Consulting. *Guaranteeing a Future: The Challenge to Social Housing as Operating Agreements Expire.* A report for the Canadian Housing and Renewal Association. June 2003.

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Social Housing Services Corporation. *Social Housing End Dates – Service Manager Perspectives*. February 2010.

Zanasi, Luigi. *Discussion Paper on Expiry of federal funding for Social Housing: Implications for the Territorial Housing Corporations*. A report for Yukon Housing Corporation, Northwest Territories Housing Corporation, and Nunavut Housing Corporation. January 2007.

The following may be of interest in exploring tools and processes used by Housing Providers and others in preparing for or mitigating agreement expiries. As these are not necessarily public documents, it may be necessary to obtain copies or access through the sponsoring organizations.

British Columbia Housing Management Commission. *Good Practises in Public Sector Social Housing – Research Project – Summary of Research Findings*. August 2010.

Métis Urban Housing Corporation. *Site Risk Assessment* [a condition review of properties prior to transfer to MCHC]. Undated.

Victoria Park Management. *Disposition of Queen's Gate*. August 19, 2010.