Social housing, also known as affordable or accessible housing, encompasses a wide range of housing arrangements, from emergency shelters that address the needs of the poor and homeless through to both market rental units and market sale units that people living on a limited income can afford to access. Table 7.1 provides a brief overview of this continuum (Curran and Wake, 2008, 3). The social economy plays a significant role in the delivery of almost all the non-market housing services included on this continuum. Otherwise put, it is the main delivery mechanism for housing aimed at the most disadvantaged. That role naturally declines as the market economy and the private sector assume responsibility for the provision of housing. Furthermore, problems such as poverty and homelessness are frequently accompanied by issues beyond basic shelter requirements: for example, the need for addictions and mental health services or for income or rental supplements for the working poor. The social economy often has a significant role to play in the delivery of these services as well.

Table 7.1 The affordable housing continuum

<table>
<thead>
<tr>
<th>Housing type</th>
<th>Provider</th>
<th>Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency shelter</td>
<td>Government or other subsidy</td>
<td>Social economy and partners</td>
</tr>
<tr>
<td>Transition housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing type</td>
<td>Provider</td>
<td>Delivery</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>---------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Affordable rental (rent subsidies)</td>
<td>Non-market housing</td>
<td>Social economy, private sector, and partners</td>
</tr>
<tr>
<td>Affordable ownership (limited resale values)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affordable rental</td>
<td>Market housing</td>
<td>Private sector and partners</td>
</tr>
<tr>
<td>Affordable ownership</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Data from Curran and Wake (2008), tables 1 and 2.

A flexible mandate is one of the potential advantages that the social economy brings to the social housing sector. Without the bureaucratic delineations that limit the integration of the various silos of the public sector, or the drive of the private sector to achieve economies of scale by limiting the breadth of their product or service offerings, actors in the social economy are better able to tailor their mandates to address complex social problems like those at the heart of homelessness and poverty. For example, as Nancy Neamtan (2005) points out, many organizations in the social economy aim to employ marginalized citizens to carry out their work. The influence of these organizations therefore extends beyond their primary objective (e.g., to provide social housing) to other social challenges, such as dependence on income-supplement programs. An integrated approach to service delivery not only improves the effectiveness of social programs, but it may also increase the sustainability of non-profit organizations attempting to diversify their funding sources or volunteer base (Marason Management 2004).

Station Pointe Greens

Juanita Marois

Currently in the research and design stage, Station Pointe Greens will be a landmark sustainable high-rise housing development in northeast Edmonton. The ambitious plans include achieving net-zero status (zero net energy consumption and zero carbon emissions) while remaining affordable. The development will consist of ten townhouses and mid- and high-rise apartments. While the overall development will consist of approximately 220 units for both purchase and lease, the creation
of distinct but attached buildings, each with its own co-operative community association (seniors, artists, etc.), will create smaller and friendlier “neighbourhoods.” The objective is to create an urban village that is mixed in terms of income, size, household configuration, housing tenure, and age of residents.

Coupled with the residential component will be over fourteen thousand square feet of commercial and retail space, as well as a day care centre located within the community centre. The design plan allows easy pedestrian access to the open urban spaces beyond its walls, the adjacent Belvedere LRT station and bus terminal, and the centrally located community centre, accessible by both residents of the complex and the surrounding community. Parking for the residential and commercial facilities will be located in an underground parkade.

The Communitas Group, the developer of the Station Pointe Greens project, has cultivated the development of 59 housing projects that provide housing to 2,070 households . . . with their individual capital costs ranging from a low of $300,000 to a high of $20 million. Throughout this time, Communitas has collaborated with a range of housing clients, including continuing housing cooperatives, home ownership cooperatives, mixed tenure cooperatives, community based land trusts, cohousing groups, non-profit companies and societies developing special purpose housing and private developers. Projects have ranged in size from 3 units to 118 units. (The Communitas Group 2015)


SUPPLY AND DEMAND OF AFFORDABLE HOUSING

Housing affordability is driven by issues related to both demand and supply. On the supply side, the housing market focus has, in the last several decades, been on the “boomer” generation. As that demographic group accumulated wealth and moved into the higher-end market, price increases in both land and housing followed close behind. These rising costs, however, have been disproportionate to increases in personal and household income across the broader population. In addition, various attempts by provinces to control rent increases and manage the relationship between landlords and tenants have not successfully addressed the
problem of the growing gap between the real costs of constructing rental housing and the ability of tenants to keep up with rising rents. That gap has generally resulted in a rate of construction of rental units that is too low to adequately meet the demand for affordable housing (Hulchanski 1997).

On the demand side, the size of the population in need of affordable housing options is increasing. According to the Canada Mortgage and Housing Corporation (CMHC), for rent or mortgage payments to be affordable, the cost of housing that is acceptable in terms of condition and size should be less than 30 percent of before-tax household income (Luffman 2006, 16). In British Columbia, between 2000 and 2010, average residential property values increased 133 percent, from $216,989 to $505,178 (BC Stats 2014), while average household incomes increased only 34 percent, from $57,593 to $77,378 (Statistics Canada 2011). The number of households spending more than 30 percent of their income on shelter increased 22 percent, from 425,960 to 519,470 (Statistics Canada 2011). In 2011, approximately 30 percent of households in the province were rental households, and 45.3 percent of these were spending more than 30 percent of their income on shelter costs (Statistics Canada 2011).

A number of other factors have also affected the demand for social housing, including a growing population and an increasing proportion of the overall population in low-income brackets; proportionately more renters than owners; an increasing number of single-person, single-income households; a growing number of seniors; and a rising number of homeless people as a result of various economic, social, and psychological problems. One of the significant factors that impacted homelessness in Canada was the closure of psychiatric hospitals and mental health institutions in the 1970s and 1980s (Sealy and Whitehead 2004). The continuing implications of those closures, along with overall increases in total population and structural changes in the economy means that the number of homeless continues to rise: for example, in Metro Vancouver in 2008, the number of homeless people had increased by 22 percent from the previous count in 2005, and by 137 percent from 2002 (Klein and Copas 2010). In the province as a whole, according to a 2008 study by Simon Fraser University’s Centre for Applied Research in Mental Health and Addictions, the estimated number of individuals with severe addictions and/or mental illness (SAMI) across BC who are inadequately housed and inadequately supported ranges from approximately 17,500 to 35,500, and that between 8,000 and 15,500 individuals with SAMI are absolutely homeless (Patterson et al. 2008, 33, 43).
Until the mid-1990s, the Canadian federal government provided leadership and support for housing for those less able to compete in the housing market. Because of fiscal constraints, that role was downloaded to provinces, many of which subsequently either downloaded the responsibility to municipalities or regions or abandoned it altogether (Schuk 2009.) In British Columbia, some responsibility for social housing has been maintained at the provincial level through BC Housing. The Province of B.C. offers various subsidy programs for clients in need, and supplies housing providers within the social economy with some assistance in the areas of research and capacity-building support, and mortgage assistance. But the Province still relies heavily on the social economy for the provision of shelter: for example, BC Housing’s programs in 2012–13 involved partnerships with some eight hundred housing providers—mostly non-profit societies and housing co-operatives (BC Housing 2013). As of 2010, over 60 percent of subsidized housing units were provided by organizations operating within the social economy, including all emergency shelter programs in the province except those in the City of Vancouver (BC Housing 2010).

More than 98,000 households in about two hundred communities throughout British Columbia were assisted through subsidized housing in 2012–13 (BC Housing 2013, 2). The types of support ranged from emergency shelters and housing for the homeless (11,000 households), to transitional housing and assisted living (18,900 households), to independent social housing (41,000 households), to rent assistance in the private market (27,300 households) (BC Housing 2013, 9). In total, government-assisted housing accounts for about 6 percent of the total housing stock in BC, but this statistic varies across the province. Rates are lower in the North and Interior (4.5% and 4.8%, respectively) and higher on Vancouver Island and in the Lower Mainland (5.4% and 6.7%, respectively,) (BC Housing 2013, 12).

Most of the non-profit housing organizations in the province are members of the BC Non-Profit Housing Association (BCNPHA), and the majority of these organizations are funded at least partially through ongoing operational subsidies from the provincial government (BCNPHA 2009). In addition, there are approximately 261 non-profit housing co-operatives throughout the province, providing more than 14,572 units (CHF BC.) Of that inventory, 2,844 units operate under the Federal Co-operative Housing Program, which requires that a minimum of 30 percent of all units in a housing co-op receive rent supplement. Since 1993, new
housing co-operatives have had to establish themselves within the private market because in that year, public funding for start-up cooperative housing was terminated. This end to subsidies has significantly limited the ability of co-op housing to address affordability needs. The existing co-operative and non-profit organizations simply cannot meet the affordable housing needs in British Columbia; in 2008, BC Housing had over 13,400 applicants on its waitlist (Klein and Copas 2010); and in 2010, there was an average of 3.1 units for every ten low-income seniors (BCNPHA 2010). The BCNPHA (2011, 4) estimates that there are 614 non-profit housing societies that employ 22,115 people across British Columbia and provide over 50,000 housing units. Within that inventory, the overall emphasis is on seniors’ housing and support services (BCNPHA 2010).

The distribution of social housing needs does appear, however, to vary with the regional context. For example, a 2008 inventory of social housing organizations in the Kootenay Columbia region of British Columbia found that of the 103 non-profit housing organizations in the region, 52 percent of the organizations focused on seniors, 22.3 percent on low-income earners, 11 percent on disabled adults, 3 percent on people with mental health issues, 8 percent on transitional housing, and 4 percent on emergency shelters (BC Real Estate Foundation 2008). The total number of units oriented toward seniors represented 79 percent of all social housing units in that region, well above the average reported by the BCNPHA, but this is understandable considering that the Kootenay Development Region has the oldest median age (47.1 years) of any development region in British Columbia (Statistics Canada 2014).

In comparison, a recent research report and survey of social housing providers in the Fraser Valley Regional District found a total of 182 providers serving approximately 28,000 people and employing approximately 12,700 people; these were divided into five groups with the following distribution: group 1 serves the elderly (23%) and persons with disabilities (32%); group 2 serves poor (low-income) families (9%), low-income individuals (5%), women (4%), and children and youth (2%); group 3 provides services related to rehab and recovery (7%), parole/incarceration (5%), and abuse (4%); group 4 serves the homeless (5%); and group 5 serves Aboriginal clients (4%) (Van Wyk and Van Wyk 2011a, 19). This study also found that housing was the exclusive mandate of only 12 percent of existing non-profit housing providers. The remainder offer their clients a variety of services beyond housing, including services related to health (30%); basic needs provision (18%); health services and care (17%); accompaniment for daily tasks (12%); counselling (6%); and referrals, legal, and outreach (5%) (Van Wyk and
Van Wyk 2011a, 18). Even with that supply and those services, an estimated 345 persons were homeless in 2011 (Van Wyk and Van Wyk, 2011b, 16).

Another striking difference between the social housing sectors in the Kootenay Columbia and Fraser Valley regions is the scale of housing service provision by social economy players. In 2004, the Fraser Valley Regional District represented 65 percent of total units in the BCNPHA inventory but 47 percent of total societies, whereas the Kootenay Columbia Region had only 15 percent of total units and 27 percent of total societies (Marason Management 2004, 9). Those differences reflect the different scale of communities, needs, and capacities within the two regions. Furthermore, almost two-thirds of all societies in the non-profit housing sector manage only a single building, 30 percent manage two to five buildings, and only 8 percent manage six or more developments (11). Hence, the sector consists mostly of relatively small enterprises.

The scale of social housing provision appears to be directly related to management capacity and financial sustainability. A study of the financial state of the non-profit housing stock by the BCNPHA (Wenmann 2009) examined four characteristics: urban/rural geography, portfolio size, operating agreement program, and the “segment” to which a society was assigned according to the BCNPHA’s segmentation framework—which was based on the society’s primary mandate and size and the tenant group served.

Of the four characteristics examined, the one most strongly related to financial strength is portfolio size. Buildings operated by societies with larger portfolios are most likely to be characterized as “positive” (47%) compared with buildings operated by both medium (44%) and small societies (18%). The evident strength of buildings within large and medium sized portfolios reflects the fact that more of these buildings have both capital plans and replacement reserve investment strategies in place. In addition, 78% of buildings managed by large societies cover their expenses with their subsidy and rental income compared with 75% of buildings managed by medium sized societies and 66% of buildings managed by small societies.

... Urban buildings are more likely than rural buildings to be characterized as “positive” using the financial strength index largely because fewer rural buildings (27%) have a capital plan compared with their urban counterparts (56%). Fewer of the older federally administered programs can be characterized as “positive” compared with buildings operating within newer bilateral or provincially administered programs. ... Large societies with housing as their primary mandate are one of two segments most likely
to be characterized as “positive”. The segment that groups societies offering health or supportive services to tenants who are most at risk is the other segment faring well according to the financial strength index, possibly because this segment has been a recent priority in terms of provincial funding and programming. (Wennman 2009, 5)

In summary, the social economy is a crucial component of the delivery of support programs related to government housing and of addressing the local and regional affordable-housing needs of communities and regions throughout British Columbia. The regional variations in social housing supply and demand discussed above point to an important advantage of the social economy in delivering social housing services, at least as compared to provincial or federal governments. The decentralized nature of the social economy allows organizations to draw on local knowledge to implement strategies that reflect the specific needs of a community’s population. In fact, governments, as they have progressively transitioned away from direct service provision, have explicitly sought out partnerships with social economy actors under the assumption that organizations with closer community ties could provide a higher quality of service. This approach has been seen by some as an effective use of the strengths of both the public and non-profit sectors (Quarter and Mook, 2010, 15) and criticized by others as simply an effort by governments to save money or as an unfortunate expansion of the political realm into civil society where “the staff of non-profit agencies are the new street-level bureaucrats” (Smith and Lipsky, 1993, 13).

Community Car Shares I

Kailey Cannon

In light of increasing costs associated with car ownership and concern about the environmental impact of vehicle use, carsharing has emerged as a worldwide alternative transportation movement. Western Canada is no exception, and various non-profit co-operative organizations dedicated to carsharing are currently operating in major centres such as Calgary, Vancouver, and Victoria. Western Canada is also home to two of the few carshares in North America operating in a rural region: the Kootenay Carshare Co-op, servicing the communities of Nelson, Fernie, Kaslo, Kimberley, and Revelstoke, and the GO2 Carshare Cooperative, servicing residents of Smithers and the Bulkley Valley. Some carshares
are entirely volunteer run (Calgary Carshare), while others have from six (Kootenay Carshare) to 28 (Vancouver’s Modo) paid employees. Most carshares have a board of directors that meet monthly and vote on strategic decisions. Directors are elected annually by members at annual general meetings. Modo, one of the largest carshares in Canada, has approximately 10889 users who are owner/operators and a fleet of 351 vehicles (as of March 2015). Modo’s fleet includes cars, trucks, minivans and hybrids. Modo now operates in Richmond and Surrey, and just opened with 24 vehicles in Victoria, BC after merging with Victoria Car Share (http://www.modo.coop/blog/report-from-the-board/).

FACTORS IMPACTING THE FUTURE ROLE OF THE SOCIAL ECONOMY

One of the major challenges of non-profit and co-operative organizations in responding to housing needs is access to financial support. The most significant changes in that regard came with the decisions by the federal government to stop financial support for co-operative housing in 1993 and then, in 1996, to download the responsibility for affordable housing to provinces. The end result of progressive cuts in federal transfer payments for social housing was a failure by senior levels of government to provide adequate funding to social assistance programs related to housing (Hulchanski 2005).

How, then, are social economy actors addressing the financial challenges they face in the delivery of affordable housing? New housing co-operatives are now generally market oriented, but co-operatives that were established before 1993 have assets that were acquired with public support and have equity that could be leveraged to free up capital to help build additional affordable housing. However, Carol Murray and Rebecca Pearson (2008) note that leveraging those assets to build additional affordable co-op housing is unlikely to happen because of the significant financial barriers to building new co-operative housing in the current Canadian housing market. In their discussions with co-op housing experts, it became evident that the main barrier to building new affordable co-op housing is not access to financing but the high costs of building new housing. Specifically, even if remortgaging fully amortized housing co-op assets would make some funds available to lend at market interest rates, this would do nothing to decrease the
costs of land, labour, and building materials, the main cost drivers of new housing construction. Building new housing is so expensive that without significant subsidy, the cost to access that housing would be unaffordable. Murray and Pearson (2008, 2) list additional challenges facing co-ops:

The end of their mortgage also spells the end of their operating agreement with Canada Mortgage and Housing Corporation (which has served as a sort of housing co-op “constitution” thus far) and the end of the associated government subsidy for low-income members. Many co-ops are also dealing with deferred maintenance issues, and/or required repairs. . . . As a result of these factors, re-mortgaging may be necessary for subsidy and/or maintenance purposes, leaving little or no room for additional leveraging.

If subsidy-linked remortgaging is not available or is not taken up as a refinancing option, the social housing component of co-operative housing could be reduced. The co-op housing sector has the added challenge of building and maintaining a significant capital asset at a cost that will still allow residents to live affordably.

The most common current vehicle for affordable housing delivery and management is a non-profit corporation or society. The results of a survey of 135 non-profit housing societies undertaken by the BCNPHA generated several key findings relating to the financial stability of these societies (Marason Management 2004). First, few of them share operational services and processes with other societies, although a large number would be willing, under favourable financial circumstances, to consider sharing employed staff, contracted services, and administrative systems. Second, the societies’ limited use of volunteers focuses primarily on the delivery of tenant services and board participation. Finding suitable board members and individuals who could assist with operations is a common problem. Many groups would like to increase the level of volunteerism but face barriers such as locating appropriate volunteers and having limited time and staff resources to train and manage them. These challenges are linked to general trends in volunteerism that include organizations’ concerns around liability and changing expectations among potential volunteers that can be difficult for non-profit entities to meet. These include taking on shorter-term or flexible commitments; volunteering only as a group or as a family; and wanting to use professional skills or to do something that is not in the volunteer’s skillset, which often necessitates training (Volunteer Canada 2013). These expectations do not often align with the need for a long-term volunteer commitment as a board member or as the manager of a housing development from inception through to operation. A third finding of the study was that there are growing concerns, especially given uncertainty about
future funding, regarding the ability of social housing organizations to maintain current maintenance and operation standards. The sector is faced with rising costs in energy, labour, and materials, and as buildings age and systems deteriorate, this challenge will only increase.

Threats to the long-term financial sustainability of non-profit housing entities also seem to revolve around organizational governance and human resources. Only 40 percent of the responding groups in the Marason study produce an annual plan (2004, 26). Societies appear to need guidance in identifying which operational adjustments would benefit them the most and in developing effective implementation strategies for those adjustments. Human resource challenges are common to both the social and market economies: an aging workforce, the need for skills development, and particularly in the social economy, the struggle to offer competitive wages and benefits.

Community Car Shares II

*Kailey Cannon*

Carshares seek to provide a low-cost alternative to car ownership, reduce the number of vehicles on the road, and cut carbon emissions by encouraging sustainable transportation practices. Advocates of the service suggest each car share eliminates 9-13 cars from the road (Modo 2015). Carshares vary from place to place, but the general idea is that people pay a monthly and/or yearly membership fee and, in some cases, a fully refundable damage deposit and are then able to book vehicles for as little as $5.00/hour and $0.25/km. Rates are generally based on distance and time, and include the cost of insurance and gas. Carshares provide an affordable alternative to car ownership, which is, of course, no small investment. Using a carshare rather than owning a car can free up a significant portion of disposable income—approximately $10446 per year (TravelSmart 2015). These savings could be put toward public transit passes, rent or better housing, or household costs, an indication that linking affordable housing and smart transportation could facilitate the collaboration of social economy and sustainability actors in constructing a policy framework to enable social and environmental sustainability.
A number of car cooperatives have a partnership with Scrap-it, the BC branch of the nation-wide Retire Your Ride program, which promotes voluntary early retirement of vehicles by offering a number of sustainability-inspired incentives. Measures are taken to ensure that all “retired rides” are recycled in an ethical manner. In addition to giving recyclers the option of transit passes, a $400 rebate for a new bike, or a credit towards an electric vehicle, participants can receive a credit on membership with a number of car cooperatives (British Columbia Scrap-it Program 2015).


The most significant difficulties facing the social housing sector of the social economy are financial. Societies are willing to consider a wide range of alternatives in their efforts to cope with decreases in subsidies, increases in overall operating costs, and the search for capital for new development. Indeed, the variety of governance and funding options available to non-profit housing providers is another potential strength of the social economy approach to providing social housing. The flexibility to adopt novel approaches to decision making or to access unconventional financial supports allows social economy organizations to be opportunistic, to respond to socio-economic trends, and to experiment with unconventional approaches to service delivery. This concept of experimentation is further developed by Jack Quarter, Laurie Mook, and Ann Armstrong (2009), who assert that the social economy can be viewed as a laboratory where the feasibility of innovative ideas is tested before those ideas are adopted by interests in the private sector. As summarized by Marie Bouchard (2011, 47), “The social economy
plays an important role in solving new social problems with pioneering solutions, especially in the field of public services.”

**STRATEGIES TO STRENGTHEN THE SUSTAINABILITY OF SOCIAL HOUSING**

As part of BALTA’s research on social housing (Svedova, Penfold, and Buczkowska 2009), a literature review was conducted to identify tools and strategies currently in use, primarily in North America and Europe, that could aid in strengthening the environmental and economic sustainability of social housing through improved collaboration among the public, private, and social economy sectors. The following points summarize the key strategies identified, as well as some of the most prominent discussion points found in the associated literature. No particular strategy or approach stood out as being more effective than others; rather, the relative strength of these approaches depends on a particular organization’s circumstances and the specific skills of the individuals undertaking the initiative.

*Contributions from Senior Levels of Government*

Although the role of senior levels of government (federal and provincial) in providing financial support has declined over the past twenty years, it has not been eliminated, with the exception of support for new co-operative housing in Canada. Where senior government programs are available (e.g., CMHC’s Affordable Housing Initiative and BC Housing’s Community Partnership Initiatives), they are a key piece of the financial support puzzle. Without adequate government support, the role of the social economy in social housing provision becomes severely limited. However Van Wyk notes that: “current federal policy, which could be described as inadequate, ad hoc, and piecemeal; the availability of federal resources is also subject to time limits. This approach does not facilitate investing comprehensively, strategically, and over the long term to provide affordable housing.” (2011b, 49)

With this in mind, the organizations at the lowest risk of financial disruption due to changes in government funding programs may be those that provide services that have traditionally been thought of as the public domain. For this reason, social housing organizations with an expanded mandate that includes sectors like education or health may be better able to dependably access government funding sources.

*Contributions from Foundations and Trusts*

And important part of financial sustainability is direct contributions from individuals or businesses or contributions (sometimes including government funds)
aggregated and distributed through community, regional, or province-wide trusts and foundations. In the latter case, funds are usually acquired through a competitive application process and are most relevant to capital projects (e.g., Real Estate Foundation BC, Vancity Community Foundation, Columbia Basin Trust). A recent example from British Columbia is the 2012 partnership between the Government of Canada, the Province of BC and the Columbia Basin Trust. This partnership resulted in a contribution of $10 million over three years to support affordable housing for low- to moderate-income households in the Columbia Basin region. To date, eight societies across the region are working in partnership with BC Housing to develop new affordable rental housing (BC Housing 2012).

**Contributions from Volunteers and Residents**

The use of volunteer labour can take many forms, including sweat equity (e.g., Habitat for Humanity, Self-Help Homeownership Opportunity Program [SHOP—USA]) or maintenance activities to reduce operational costs (e.g., co-op housing). This approach can be used to offset costs in situations where adequate volunteer skills and support are available. Some data suggest that rates of volunteerism may be higher in British Columbia than in other provinces, especially among smaller organizations (Restakis 2006). Given that smaller organizations characterize the social housing sector, these data suggest that social housing organizations in BC have access to a sizable pool of volunteer labour. As discussed above, however, reliance on volunteers presents several challenges for organizations with limited management capacity. It is also important to note that the contributions of volunteers more often than not cannot replace the work of paid staff; these two roles should be thought of as complementary (Handy, Mook, and Quarter 2008).

**Collaboration to Achieve Common Goals**

Many local social housing organizations are members of umbrella associations that offer leadership and support to their members in various forms, including research, training and capacity development, and professional support and advice. The BC Non-Profit Housing Association and the Co-operative Housing Federation of BC are two such organizations: both are active in advocacy, training, capacity development, research, and bulk purchasing. Many authors have found that the capacity of organizations to achieve their objectives is higher among those exhibiting strong partnerships, a benefit that can be attributed to the enhanced amount and diversity of human, social, and financial capital made available through these relationships (e.g., Loza 2004; Sanyal 2006).
Land Acquisition, Building, and Development Approaches

In developing new social housing projects, organizations have found various ways of reducing costs by acquiring land at below-market costs. Examples include surplus government lands, brownfield lands, foreclosure properties, and redevelopment properties. Properties can also be rezoned to higher density: some organizations have used rezoning to develop a portion of the property for market sales and then use the profits to subsidize housing projects on the rest of the property. Partnering with a land trust or municipality to get access to land at a nominal rental rate is also a useful strategy.

Affordable Housing and Community Land Trusts

Juanita Marois and Mike Gismondi

Community land trusts develop affordable housing by separating the two cost elements: the market price of the land and the price of the house itself. By removing the land from the market and placing it in a CLT, “the unearned equity resulting from escalating land values is taken out of the equation, to the benefit of low- and moderate-income households and the broader community. . . . By allowing for individuals to own equity in the housing itself (but not in the land), the incentive to maintain and enhance the quality of the housing is retained” (Lewis and Conaty 2012, 87).

A good North American example is the Irvine Community Land Trust (ICLT). In 2005, the average house price in Irvine, California, was $700,000. At the time, the City was facing the closure of a military base. City Council established a housing task force to address the looming affordable housing challenge. CLTs became the task force’s core strategy, and the ICLT was created to pursue the City’s goal of having 10 percent of the housing stock in Irvine permanently affordable by 2025. The ICLT is supported by affordable housing policies, including a zoning bylaw requiring all new developments to have an affordable housing component, with the option of paying a capital sum in lieu of doing the development on their own. The ICLT then uses this capital to develop and manage both rental and ownership units through ground leases and resale formulas.

The most recent development of the ICLT is the Doria Apartments, with 134 rental units for households earning various income levels—30, 45, and 60 percent of the area median income. Built by a non-profit
Green Construction and Energy Retrofits

Savings can be realized by utilizing financing or capital cost offset programs for energy efficiency or other green initiatives in new or existing developments. This strategy is especially relevant in the current context, given the prominence of emissions reduction and energy security on the political agenda. Since most of the social housing stock in British Columbia is old and in need of repair, significant opportunity exists to implement such cost-saving measures in building construction and maintenance. Of course, social housing organizations face challenges in implementing green building strategies, including inadequate capital reserves to finance projects and a shortage of capacity to assess retrofit options for their suitability to individual developments (Tsenkova and Youssef 2011).

The Light House Sustainable Building Centre

_Celia Lee and Mike Gismondi_

The Light House sustainable building centre was founded in 2005. According to the centre’s website, it is “dedicated to advancing green building and the sustainable infrastructure and economic systems into
which green buildings are intrinsically integrated” (www.sustainable
buildingcentre.com). The centre benefited early on from its network-
ing with other social enterprises and from its partnership with the
Simon Fraser University Centre for Sustainability. Light House’s website
describes the centre as “a not-for-profit company dedicated to advan-
cing green building and the sustainable infrastructure and economic
systems into which green buildings are intrinsically integrated” and out-
tlines its mission as follows:

1. To be an information point of service on green building practices,
policies, and projects as well as green building professionals.
2. To develop and deliver timely and relevant education, training and
outreach that will foster a deeper awareness of and commitment
to sustainable building practices.
3. To support and advance public sector programs and initiatives
through research, development and implementation of tools and
resources applicable to and optimized for construction and real
estate industries.
4. To advocate for and catalyze the sustainable building sector.

Its educational programs, research, white papers, promotion of best
construction practices, and effective networking and advocacy of sus-
tainable building at all three levels of government and among industry
players has helped fuel demand for its fee-based services. Light
House has established itself as “a nationally recognized clearinghouse
. . . for information on green building policy and practices” (The Light
House Building Centre 2015). In July 2014, Light House joined the U.S.

The scale of Light House’s impact is both vertical and horizontal. It
has been strategic in catalyzing changes at the municipal government
level and at the level of provincial building codes, as well as advocating
at national and international forums on building sustainability indica-
tors and life-cycle analysis. At the same time, their work with contractors
and construction trades is unique, and aims at changing construction
management practices and greening the everyday unsustainable build-
ing practices widely accepted by construction trades.

.com/.
Social Enterprise

Some non-profits use social enterprise to generate revenue to support social housing projects. These enterprise activities can also be linked to employment support and skills development for the residents (e.g., Habitat for Humanity and ReStore, Fernwood Neighborhood Resource Group and the Cornerstone Cafe, Atira Women’s Resource Society, and Atira Property Management). However, Van Wyk (2011b) cautions against the expectation that social enterprise strategies can lead to financial independence among social housing providers. These organizations are primarily serving clients with little or no material resources—their ability to generate a profit that can be recycled to cover the expense of operation and growth may therefore be limited. Ray Hudson (2009) also describes tensions that arise when social economy organizations are driven to compete in the mainstream economy, especially when the nature of their enterprising activities is in conflict with the original mandate of the organization.

Vertical and Horizontal Partnerships and Alliances

The nature of the relationship between the social economy and the public and private sectors is dynamic, and no sector can be fully understood independently from another (Quarter, Mook, and Armstrong 2009; Restakis 2006). Partnerships with the private sector and with non-market actors such as municipalities and trusts are an emerging strategy among social economy organizations. Those alliances can range from long-term relationships in which goods and services are exchanged for promotion or fulfillment of ethical plans or policies to partnerships that involve the private sector in development activities directly. For example, in support of Habitat for Humanity, Sleep Country acts as a broker for donated mattresses, and Whirlpool Corporation has donated labour, appliances, and cash. In Red Deer, Alberta, Convent Park, a ninety-five-unit affordable housing development, is the fifth joint venture between P&S Investments, a private development company, and the Canadian Mental Health Association. Anita Van Wyk and Ron Van Wyk (2011a, 26) emphasize the value of cross-sectoral partnerships: “Collaboration involving the social economy, the public sector, and the private sector facilitates community participation, brings about service integration, and bolsters social support, all of which contributes to housing affordability and thus increases housing stability.”
CONCLUSION

While the development of adequate and sustainable social housing in Canada faces major hurdles, the need for such housing is growing, especially with respect to housing for seniors, rent-subsidized housing for low-income earners, transitional housing, and housing for the homeless. Given the current political and economic climate, with continuing fiscal constraints both federally and provincially, it is unlikely that federal or provincial governments will increase their funding of or direct participation in social housing initiatives. Increasingly, the responsibility is shifting to communities and social economy organizations to address social housing needs.

In the BC context, the social economy deals with a number of ongoing challenges related to the increasing demand for social services, such as human resource management, sourcing and effective training and use of volunteers, and organizational development and planning. Additional obstacles faced by social economy housing organizations include maintaining current maintenance and operation standards as costs increase and aggregating capital or acquiring alternative capital assets for new affordable housing development. These challenges tend to be more prevalent in rural areas since social economy actors there are generally smaller in scale, have less capacity, and are more geographically isolated from each other and their umbrella organizations. Responses to these challenges are evolving, but at this point, the responses are isolated to individual cases and are not systemic.

The mandate and scope of a housing organization, and its target group of residents, significantly impact the organization’s approach to financial sustainability. For example, because of specialized client needs, organizations providing supportive housing (e.g., for seniors) may have less capacity for additional revenue-generating activities and more limitations in using approaches involving volunteer resident contributions. Organizations are constrained by the legal and policy contexts of the regions in which they operate, or by the terms of their own charter. In addition, local bylaws may present obstacles by, for example, precluding a social enterprise in an area zoned for residential use. A significant barrier to land development and/or resale is the lack of financing mechanisms available to such organizations to finance their initial purchase. Traditional banks play little or no role in enabling the financing of initiatives, but credit unions are willing to work with individual organizations on solutions to their specific financing needs. In many cases, innovative approaches that have been implemented in terms of financing, infrastructure, or human resource management are the result of the
initiative of one individual in the organization who championed the approach. Without such a champion, these initiatives may not occur. Undertaking innovative approaches often involves significant risk and additional work, as well as significant amounts of unpaid time, all of which has implications both for the organization and for the champion.

Partnerships with public sector actors, such as municipalities in the form of long-term leases of municipally owned land for affordable housing initiatives, are increasingly a part of innovative solutions. However, since alliances between social housing organizations and the private sector are still relatively rare, there is a general lack of experience, resources, and support in terms of managing such partnerships. More research showing how these arrangements work in different contexts could help to fill this gap. That research should include a close examination of the perspective of private sector partners and their challenges in dealing with financing, approvals, and co-management of the design and development process. It should also be noted that the opportunities for partnerships with private developers are often very limited in slow- or no-growth rural areas since few private firms are involved in large-scale development in those areas.

Many of the strategies outlined in the preceding section—such as sharing of services, volunteer management, and land trusts—require a regional-scale response. There are few operating models of regional initiatives related to these solutions in the BC context. Again, research showing how these arrangements work in other jurisdictions could help. Unfortunately, there is an inherent bias in programs and political culture toward “community-based,” rather than regional, affordable housing solutions. This is a particular challenge for smaller rural communities. The umbrella organizations such as the BC Non-Profit Housing Association and the Co-operative Housing Federation do, in part, address the need for a regional response, but they could consider expanding their commitment of resources to address this issue.

A clearer portrait of social economy players in the housing field needs to be developed in Canada. The sector is very diverse in terms of scale, target clients, and range of services offered in addition to housing. According to a study conducted by Canada Mortgage and Housing Corporation (2005), organizations serving high-risk clients are more financially stable, which suggests that “crossover” solutions based on services other than housing may have some potential, but this has not been well investigated. Creating a social enterprise has the potential for a non-profit organization both to generate social impact and to provide an independent source of funding. Establishing and operating an entrepreneurial
venture, however, requires tremendous commitment and capacity that not all organizations possess (Svedova, Penfold, and Buczkowska 2009).

Social Capital Partners recently evaluated the performance of five social enterprises in which they have invested (Social Capital Partners 2004–2008). In financial terms, three of the five organizations evaluated were generating a net loss, one is generating a profit of just over $35,000, and one is generating a profit of over $100,000. This latter organization, Atira Property Management Inc. (APMI), experienced rapid growth: in 2008, six years after its inception, it achieved annual sales of $1 million, but that same year, it generated a net profit of only $35,314. This profit represents only about 2 percent of the parent society’s operating budget. The long-term potential of social enterprises to be an effective means to financial sustainability is not clear; however, the social impact of the enterprises evaluated was undisputed among the individuals interviewed for this study. For example, most of the 230 APMI employees were previously unemployed and lived in Vancouver’s Downtown Eastside (BALTA, 2010).

In spite of the challenges outlined in this chapter, the social economy will continue to be the major delivery agent for affordable social housing in British Columbia into the foreseeable future. Societies; federal, provincial, and local levels of government; and foundations and trusts need to work together to address these challenges if non-profit and co-operative organizations are to continue to play a significant and successful role in providing housing and related services to those in need of them.

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