

## Frequently Asked Questions (FAQs)

The following answers to frequently asked questions about the Community Housing Capacity Building Program (CHCBP) will support the development of your application.

### 1. What is “capacity building”?

Capacity building is the process by which organizations obtain, build-on and retain skills, knowledge, tools, equipment and other resources needed to effectively fulfill the organizations mandate or to a greater capacity (e.g. larger scale, larger impact, more sustainable/resilient, etc.).

CHCBP funding will enhance your organization’s ability to create business plans, assess building conditions, develop governance structure and conduct operational reviews and, in doing so, support the long-term transformation and sustainability of the sector.

### 2. Why should my community housing organization be interested in capacity building?

Many non-profit and co-op housing providers are facing financial and operational challenges, which in some cases are directly related to the expiration of federal subsidies formerly provided through operating agreements under the Social Housing Agreement (SHA). For operators with a high percentage of rent-geared-to-income (RGI) tenants—e.g. rental rates set at 30% of tenant income—establishing a viable rent structure can be challenging, especially when federal subsidies expire.

To help community housing organizations with expiring SHA units keep rents at affordable levels and improve capacity and long-term sustainability, Housing Nova Scotia has developed a grant program to help build organizational capacity. By undertaking capacity building activities through the CHCBP, community housing sector organizations can:

- Improve operating sustainability
- Improve asset management planning
- Improve decision-making and governance capacity
- Ensure that units with expiring SHA can be maintained and rents are kept at affordable rates
- Help grow the sector through the creation of new RGI units
- Identify partnerships and opportunities to leverage external, federal funding to further advance organizational goals

### 3. Who should apply for this program?

Eligible applicants for CHCBP funding include co-operative and non-profit housing providers seeking to build capacity in their respective organizations.

Under the 10-year bilateral agreement with CMHC, Housing Nova Scotia has committed to ensure the number of units counted in the social housing baseline continue to be offered to clients in core housing need.<sup>1</sup> To that end, Housing Nova Scotia will give preference to applications submitted by housing

---

<sup>1</sup> To access the bilateral agreement between Nova Scotia (Housing Nova Scotia) and the Canada Mortgage and Housing Corporation under the National Housing Strategy, [click here](#).

providers according to the date in which social housing units expire under the SHA. For example, organizations with units expiring under the SHA in the 2019-20 fiscal year (April 1, 2019 to March 31, 2020) will be given priority. Organizations that submit applications with units expiring under the SHA in subsequent years will also receive extra points. Finally, organizations with units that have already expired under the SHA Agreement and/or those with the potential to partner with the province to help grow the community housing portfolio in the province will also be considered.

#### 4. What is Community Housing and Social Housing?

**Community Housing** is a term in the bilateral agreement between the Canada Mortgage and Housing Corporation (CMHC) and Housing Nova Scotia that means community-based housing owned and operated by non-profit housing corporations and housing co-operatives or owned by the province; it also includes social housing.

**Social Housing** is a term in the bilateral agreement that means public housing and community housing units funded through the SHA as of March 31, 2019.

#### 5. We don't have any SHA units. Can we still access funding?

Yes, depending on the availability of funding—organizations with units that have already expired under the SHA and/or those with applications to the CHCBP with the organizational capacity and potential to help grow the community housing portfolio in Nova Scotia will be considered for CHCBP funding. Priority will be given to organization with SHA units.

#### 6. How do I apply for the CHCBP?

Information on how to apply for funding is available in the program guidelines:

To receive a copy of the application form please email [communityhousinggrants@novascotia.ca](mailto:communityhousinggrants@novascotia.ca).

Eligible organizations must submit completed application forms in PDF format via email with "Community Housing Capacity Building Program 2020/21" in the subject line to [communityhousinggrants@novascotia.ca](mailto:communityhousinggrants@novascotia.ca) by December 16, 2020, at 4:30 pm.

Applicants will receive acknowledgement of proposal submission via email.

#### 7. We want to hire additional staff to help undertake new projects. Can we use funding for this purpose?

Funding available under the CHCBP is not eligible for wages, operations, or to address budgetary deficit. Eligible and ineligible project costs are outlined in the CHCBP Program Guide (<https://housing.novascotia.ca/>).

#### 8. What are the conditions attached to the funding? Will we need to keep rent at a specific level for a pre-determined period of time?

Selected proponents will be required to demonstrate through accountability and financial reporting that funding was used to complete deliverables and achieve expected outcomes of the approved project. Accountability and financial reporting must also include information on how your organization has worked to protect housing affordability for households in core housing need and leverage external, federal funding to support organizational goals.

## **9. How long will it take before we can find out if our proposal has been accepted?**

Applications are to be submitted by 4:30 pm on Wednesday December 16, 2020. Housing Nova Scotia will be starting their review of the applications once all applications have been received and we will be in communications with applicants by mid-January 2021.

## **10. Can our property manager or consultant apply on behalf of my organization?**

You may have a third-party submit the application on your behalf, but the contribution agreement must be signed by an official representative of the organization receiving the funds.

## **11. A key CHCBP priority and outcome is for community housing organizations to apply for and leverage external, federal funding through the National Housing Strategy (NHS); what other funding is available to organizations as part of the NHS?**

There are several funding sources community housing providers can access under the NHS:

The Community Housing Transformation Centre and Sector Transformation Fund provides technical assistance and tools to help increase capacity of community housing providers and financial resources to support community housing providers that are exploring new and more efficient business models:

<https://www.cmhc-schl.gc.ca/en/nhs/community-housing-transformation-centre-and-sector-transformation-fund>

The Preservation Fund is also related to supporting capacity building among community housing providers: <https://www.cmhc-schl.gc.ca/en/developing-and-renovating/funding-opportunities/preservation-funding>

The CMHC Solutions Lab is a funding stream to support development of solutions to help solve complex housing problems : <https://www.cmhc-schl.gc.ca/en/nhs/solution-labs>

There are several additional options for undertaking research related to housing (if you follow this link, there is a webinar that describes them): <https://www.cmhc-schl.gc.ca/en/nhs/guidepage-strategy/about-the-initiatives?guide=INNOVATION>

These are programs related to creating new housing supply: <https://www.cmhc-schl.gc.ca/en/nhs/guidepage-strategy/about-the-initiatives?guide=CREATE%20NEW%20HOUSING%20SUPPLY>

## What is a Building Condition Assessment (BCA)?

A Building Condition Assessment (BCA) is a report that evaluates the condition of each property within an organization's portfolio. It includes a review on a building's envelope, structural foundation, superstructure, electrical and mechanical systems, including heating and cooling as well as interior finishes and fixtures. A BCA may also include the exterior elements of the property including site grading and drainage, condition of walkways, roadways and servicing infrastructure and lighting.

A Building Condition Assessment may also include:

- Structural Engineer Report: A report on the structural soundness of a building's weight bearing components such as foundation, framing, posts, beams, trusses, and or columns.
- Environmental Report: A report, audit, study, assessment that details the actual or potential impact on business as it relates to Environmental Laws, including any proposed or expected change in or addition to Environmental laws. Issue of noncompliance or potential noncompliance with, as well as with actual or potential liability and associated costs are addressed in such a report.
- Electrical Report: A report produced by a qualified electrician detailing the state of the building's electrical components and defects relative to the latest issue of the Canadian Electrical Code.
- Energy Efficiency Report: An Assessment by a certified advisor examining insulation levels, air leakage and mechanical systems of a building. The energy performance of the building is rated. This report can serve as a roadmap for prioritized efficiency upgrades to save energy and potentially money

## What is an Asset Management Plan?

Based on information provided through a Building Condition Assessment (BCA), an Asset Management Plan helps an organization make effective decisions about operation, maintenance, renewal, replacement, expansion and disposal of its properties. An Asset Management Plan typically includes the following elements:

- Recommended capital repair allocations and development of an annual maintenance plan to inform budgeting
- Identification of opportunities to reduce operating costs such as increasing energy efficiency
- Accessibility improvements to support aging-in-place
- Identifying redevelopment opportunities of sites in the portfolio including possible additional new revenue that could be generated
- Identifying divestiture candidates and a disposal plan
- Development of a Reserve Fund establish a reserve fund to enable properties to be maintained.

## What is Portfolio Review?:

A portfolio review assesses the current state of an organization's portfolio and identifies options for improving the organization's sustainability within the context of the rental market and affordable housing supply. A portfolio review should include, at minimum:

- Analysis of property data, including unit condition, existing zoning, operating cost, market value, rental rates, etc.
- Investment required for any required repair/renewal based on a completed Building Condition Assessment
- Evaluation of sites for potential divestiture or re-development
- Financial analysis
- Identification of opportunities for introduction of mixed-market models.

## What is a Governance Structure/operational Reviews?

In an evolving housing environment where all Social Housing providers must innovate and adjust their operating models, leadership, governance, culture, and expertise are critical to supporting successful transition. Governance and operational reviews assist organizations to assess the effectiveness of their current governance and operational structure. These reviews typically including the following elements:

- Review of existing governance model, including identification of challenges and opportunities.
- Review of existing operational framework and identification of opportunities to improve financial sustainability through new models, such as merging traditional social service functions with revenue-generating activities; cost efficiency measures; innovation and new enterprise; leveraging asset equity to generate funds for new development or intensification; and diversification into mixed-market rental structures.
- Gap analysis of the skills and competencies of existing staff and elected board members compared to those needed to support modernization and transformation such as contract management, asset renewal and development, market management strategies, development financing and financial planning.
- Review of board policies and procedures.

## What is a Business Plan?

Based on information provided through completed Building Condition Assessments, Portfolio Reviews, Asset Management Plan and operational/governance reviews, a Business Plan describes the strategies that an organization will undertake over a multi-year period to address the identified asset and organizational targets.

## How can I leverage these activities to build long term capacity and growth?

Achieving a better understand of your organization and its challenges will better position those entrusted with its management to fulfill the mandate of the business in the short and long term. These activities will provide a blue print for decision making my highlighted areas of concerns which will in turn



# Community Housing Capacity Building Program

Program Guidelines, 2021-2022

Department of Municipal Affairs and Housing

increase the capacity of the organization to preserve and sustain existing housing stock; identify, maintain and expand strategic relationships, and identify funding sources; potentially increase the housing stock of the organization and there increase access to affordable housing; and ensure the organizations is well positioned to meet emerging challenges.