

TRANSFER OF AFFORDABLE HOUSING CONDITIONAL GRANT AGREEMENT FROM CALGARY HOMELESS FOUNDATION TO HOMESPACE SOCIETY

EXECUTIVE SUMMARY

Council direction is required to proceed with reassigning the Affordable Housing Conditional Grant Funding Agreement (2009) with the Calgary Homeless Foundation (CHF) to HomeSpace Society (previously known as the Calgary Community Land Trust Society). Calgary Community Land Trust (CCLT) was created and registered in 2003 by Calgary Homeless Foundation as a separate entity with the goal to support CHF's mission to end homelessness through real estate acquisitions and development. To accelerate and expedite the build-out of affordable housing, CHF made the decision in June 2016 to separate HomeSpace Society as an independent, non-market housing entity. As the conditions of this agreement were fulfilled by CHF, there are no financial implications regarding the transfer— HomeSpace will only be required to complete annual reporting to confirm compliance with the original grant agreement.

ADMINISTRATION RECOMMENDATION(S)

That the Land and Asset Strategy Committee recommend that Council direct Administration to proceed with reassigning the Conditional Grant Funding Agreement with Calgary Homeless Foundation to HomeSpace Society.

RECOMMENDATION OF THE LAND AND ASSET STRATEGY COMMITTEE, DATED 2016 NOVEMBER 17:

That Council approve the Administration Recommendation contained in Report LAS2016-141.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2008 November 03, Council adopted Report LAS2008-167, 2008 Provincial Affordable Housing Grant Funding (GS). As a result, on 2009 May 04, The City of Calgary signed the Affordable Housing Conditional Grant Funding Agreement (2009) to provide \$5.96 million to the Calgary Homeless Foundation to construct new affordable housing units or purchase existing housing units. The Agreement expires 2029 May 04. A copy of the minutes of LAS2008-167 are included in Attachment 1.

BACKGROUND

In 2009 May, The City of Calgary signed the Affordable Housing Conditional Grant Funding Agreement with the Calgary Homeless Foundation (CHF). This agreement funded the delivery of five properties through acquisitions or renovations in Sunalta, Acadia, Bridgeland, Ophelia and Cliff Bungalow. Since delivery of these properties, CHF has been meeting the grant conditions through annual reporting to Administration.

At CHF's Annual General Meeting on 2016 June 27, it was announced that CHF would be formally moving its entire housing portfolio and housing expertise to HomeSpace Society (previously known as the Calgary Community Land Trust Society). Calgary Community Land Trust Society was initially established in 2003, and incorporated into CHF as a separate and distinct legal entity, with two separate Boards, but with common membership between the Boards. In 2016 September, CHF formally separated the real estate portfolio from the rest of its operations in an effort to streamline operations and to better meet the goals of CHF's Updated

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Plan to End Homelessness (2015). HomeSpace Society and CHF remain strategically aligned, where HomeSpace focuses on delivering housing, operations and the development aspects of ending homelessness, while CHF continues to provide system planning and funding to the homeless-serving sector. HomeSpace is a fully independent organization with its own Board, management, staff and offices which oversee a \$60+ million dollar portfolio of 422 units of housing in over 20 buildings throughout Calgary.

Given this, CHF has requested that The City reassign the Affordable Housing Conditional Grant Funding Agreement (2009) to HomeSpace Society for the completion of annual reporting requirements. As the original agreement approved by Council was drafted as “non-transferable”, Administration is requesting Council’s approval for this new agreement. The term of the agreement is 20 years, and requires annual reporting back to Administration for the remaining 13 years.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Stakeholder Engagement, Research and Communication

The Calgary Homeless Foundation and HomeSpace Society have engaged with Administration to discuss how this organizational transition will enable both parties to better meet their mandates, as well as the goals identified in Calgary’s Updated Plan to End Homelessness (2015).

Administration has worked with The City’s Law department to determine the correct process for the transfer of the Affordable Housing Conditional Grant Agreement (2009) to HomeSpace. Law has also assessed and determined that the transfer will not impact the original terms of the agreement.

Strategic Alignment

The Corporate Affordable Housing Strategy (2016) identifies the need to make affordable housing a Council priority and meet affordable housing objectives by seeking out creative solutions through collaboration and experience in service delivery.

The transfer of the Affordable Housing Conditional Grant Funding Agreement (2009) from Calgary Homeless Foundation to HomeSpace Society supports the strategic direction and initiatives identified in the Corporate Affordable Housing Strategy:

- Strategic Direction #6: Improve the housing system.

Social, Environmental, Economic (External)

Social

The transfer of the Affordable Housing Conditional Grant Agreement (2009) from Calgary Homeless Foundation to HomeSpace Society aligns with The City of Calgary’s support and response to Calgary’s Updated Plan to End Homelessness (2015). It also supports CHF and HomeSpace Society to more efficiently achieve their mandates to end homelessness and create affordable housing.

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Environmental

There will be no additional environmental impacts as a result of the transfer of this agreement.

Economic (External)

There will be no additional economic impacts as a result of the transfer of this agreement.

Financial Capacity

Current and Future Operating Budget:

No current and future operating budget required.

Current and Future Capital Budget:

As per the original terms of the Affordable Housing Conditional Grant Agreement (2009), the capital budget was spent in 2009. Annual reporting is being completed as outlined by the agreement.

Risk Assessment

To date, The City has partnered—and is planning to foster future partnerships—with HomeSpace Society and CHF on a number of initiatives and projects. The recently approved Corporate Affordable Housing Strategy (2016) acknowledges the importance of supporting non-profit housing providers in the community. Furthermore, the relationships with non-profit housing providers such as CHF and HomeSpace are valuable to Administration for the development of strategy and policy. If Council does not approve transfer of the Affordable Housing Conditional Grant Funding Agreement (2009) from CHF to HomeSpace, it could put these valuable working relationships at risk. Additionally, it may hinder these organizations from delivering on their mandates and goals by increasing the administrative burden on already stretched non-profit organizations.

The transfer of the agreement to HomeSpace Society also ensures that the properties funded by the agreement will be operated as previously agreed upon, and that annual reporting will continue as required. Administration has reviewed information from CHF's Annual General Meeting when the announcement was initially made, completed corporate searches on CHF and HomeSpace, and met with administration from both organizations to better understand the decision. As the mandate of HomeSpace is to house homeless Calgarians and the units are already in operation, Administration perceives no risk that the agreement will not continue to be upheld.

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REASON(S) FOR RECOMMENDATION(S):

Council approval to reassign the Affordable Housing Conditional Grant Funding Agreement (2009) from Calgary Homeless Foundation to HomeSpace Society will continue to provide The City support to these organizations in meeting the goals identified in Calgary's Updated Plan to End Homelessness (2015).

ATTACHMENT(S)

1. **Revised** LAS2008-167, 2008 Provincial Affordable Housing Grant Funding (GS) Minutes