

About Canada's Affordable Housing Crisis

By Ainsley Chapman Executive Director of Evangel Hall Mission. Originally published in *The Presbyterian Connection*, Spring 2023.

One of the most commonly asked questions I have addressed in the past year is: “We see so much homelessness in our community—how can we help?” To understand how we can help, it’s important to first understand a bit about how we try to move people who are homeless out of shelters and into housing. One way to visualize housing is on a continuum—the way that the Canadian Mortgage and Housing Corporation has done. In this visual, you can picture a community with a range of different types of housing.

Emergency Shelter: Someone might stay here anywhere from a few nights to a few months. There might be food and some supports, but that isn’t guaranteed.

Transitional Housing: This housing is designed to be short-term and often includes programs to teach life skills to tenants to help them learn how to live independently. For instance, they might learn to shop for food, cook and pay bills. There may be programs to help with mental health and addictions support. Usually within a year, they are ready—and they are expected to move into more permanent housing, such as Supportive Housing, Community Housing or Affordable Housing.

Supportive Housing: This type of housing comes with many supports—it could include meal service, personal support workers, cleaning staff, and even nursing and some medical care. These extra supports help someone live independently if they have mobility issues, serious mental health concerns or medical needs, and are offered directly by the building.

Supported Housing: This housing is subsidized and considered independent living, but has staff during the daytime to help with advocacy, information and referral to help get tenants qualified for other types of supports. They may help with life skills such as communication and conflict resolution with neighbours, and helping tenants understand their legal obligations such as paying rent on time and maintaining their unit.

Community Housing: Sometimes called Social Housing, Social Housing, or Subsidized Housing, these are homes where tenants only pay a very small amount of rent. They need to be able to live independently, but often will qualify for community services, who come to their home to provide meals, cleaning, and personal or nursing care.

Affordable Housing: Your housing is affordable if you pay less than 30% of your before-tax income. This could be through renting, or through a rent-to-own or an affordable home ownership program.

Market Housing: Housing sale prices and rents are decided by the building’s owners at any price they want.

In a healthy community, someone who is homeless or in an emergency shelter, can move along the continuum over time, and find themselves in a permanent home. Let’s take “Gerry” as an example. Gerry finds himself in an emergency shelter—he should be able to eventually move into permanent housing in a few weeks or months. If he needs a lot of supports, it might be supportive housing, or if he can live independently, he could move into community housing. If he has a job he might even be able to move into an apartment that he can afford, and eventually, he might get married and he and his wife might qualify for an affordable home ownership program. Every time Gerry moves along the continuum, it opens up a place for someone else behind him. This is called “Housing Flow.”

In communities across Canada, there isn’t enough affordable housing for people like Gerry to move to. In fact, there’s not enough community housing or supportive housing, either. So instead of staying in a shelter for a few weeks or months, Gerry spends years in a shelter. The people who are supposed to stay for less than a year in transitional housing don’t have anywhere to go, either. People who have mobility devices are

living in apartments not designed for them to move about safely or freely. People who need extra supports are struggling in apartments they can't clean, and don't have a way to make themselves meals. The system gets stuck, and there is no more "Housing Flow."

So what can be done? We need to open up that system and build more housing. We need to build lots of it, and we need to build all kinds of different housing. The more types of housing a community has, the more ways we can lift people up out of poverty, so that they can live in dignity, in a place where they are proud to call home.

[A Presbyterian response to the housing crisis](#)

Churches have always sought to provide care and sanctuary for those in need. Before Canada had a social safety net, Presbyterians understood that everyone was deserving of food, shelter, love and dignity, and opened their doors to those in need. And when it became clear that food and clothing weren't enough, Presbyterians started to build. They built housing through Presbyterian missions like Evangel Hall in Toronto, which provides 130 subsidized apartments with supports to people who come from the shelter system. Presbyterians built housing on church land as a way to create affordable places for people to live, while generating revenue to help sustain their congregation. They built housing for seniors, housing for families, housing for people of all incomes.

With the impact of the pandemic, inflation and the costs of repairs, many congregations are looking at their properties and considering their options. We have the opportunity to build again, and change the course of the housing crisis in Canada.

Governments at all levels are creating incentives to help make building financially affordable. Most building projects involve a mix of market rent—high (monthly revenue to pay for the mortgage) and affordable (to create housing for low-income and middle-income tenants). Designing planning and accessing capital to build new housing is easier than it has ever been, and more churches and charities are taking on building projects than we've seen in many decades. There are more nonprofit developers—charities and nonprofits with project managers—who are putting the interests of the church and the community first.

So how does one begin to imagine what a project could look like? Here are some questions to start with:

What can be done on our land? Local zoning rules heritage status and land size will shape how high and wide a building can be and that can decide what type of project is best for that site and whether development is affordable. Some properties might be perfect for low-rise, affordable home ownership (think condos and townhouses), others might be great for 60–100 apartments at 5, 6 or 7 stories. Churches can get high-level feasibility assessments done quickly and for a reasonable cost.

What does the neighbourhood need? What can it offer? If a location is close to health centres, pharmacies and groceries, it might be a great fit for seniors' housing. If the area is lacking in community space for dance and music classes, sports and fitness and events, there might be political support and additional funding to build recreational facilities that can be used by the community. Some communities have a shortage of places for families to live, and need 2–3 bedroom apartments.

What does the congregation need? What can it manage? How much space for the sanctuary and offices is necessary and can it be made multi-purpose? Renting out community and event space can require event planning and business management skills; managing tenants requires property management and other skills. Would the congregation want to manage it internally or outsource it? Or perhaps it wants to partner with a charity to manage and support tenants.

What kind of legacy does the congregation want to leave? Creating affordable housing—whether it be places to rent or to own whether it be for seniors or for families—will prevent and reduce homelessness.



THE HOUSING CONTINUUM

HOMELESSNESS	EMERGENCY SHELTER	TRANSITIONAL HOUSING	RESIDENTIAL, MENTAL HEALTH AND TERTIARY CARE FACILITIES	SUPPORTIVE HOUSING	SUPPORTED HOUSING	SOCIAL AND NON-PROFIT HOUSING	AFFORDABLE HOUSING
Sleeping outdoors or hidden homelessness "couch surfing"	Overnight or 24 hour shelter	Short stay housing with the goal of finding permanent housing	Clients needing 24 hour care or high levels of medical support and clinical staff	A range of support services are on-site	Limited supports on-site, focused on information & referral, system navigation and advocacy. Rent is heavily subsidized.	Minimal or no supports on-site. Rent is heavily subsidized.	No supports. Rent is capped at an affordable rate, which is calculated as either the average or the median of market rent for the area.

Supporting congregations considering development and housing options

By Ainsley Chapman. Originally published in EHM's Online News, November 2024.

The Presbyterian Church in Canada and Evangel Hall Mission are pleased to announce an exciting collaboration. Executive Director of Evangel Hall Mission, Ainsley Chapman, has been engaged as a resource to the Presbyterian Church in Canada to support congregations as they consider the future use of their land and buildings. This work may also contribute to a vision to address Canada's housing crisis.

Recognizing the challenges housing insecurity brings to the health and security of communities, Presbyterians have long been concerned with providing housing for vulnerable populations. Since the 1960s, some churches have incorporated affordable housing into their ministry. Recent congregational projects have included building carbon-neutral housing to serve immigrants and refugees and housing for seniors. Evangel Hall, a mission of the Presbytery of East Toronto, has served the needs of people who are unhoused since 1913, providing food, shelter, spiritual care, and permanent housing to over 160 tenants across two apartment buildings.

A recognized and award-winning housing leader within the Toronto, Ainsley will share the expertise and experience learned from Evangel Hall Mission's extensive work with the social housing community and government, helping congregations navigate development processes across Canada. Ainsley will be working closely with Karen Plater, Associate Secretary for Stewardship of the PCC in doing this work, as the is committed to providing tools, financial resources, and staff to support to move this work forward.

Presbyterians take seriously the stewardship of the land and buildings we are blessed with so that they can serve God's mission. Together, the national office and Evangel Hall Mission look forward to working with congregations and presbyteries as they ask how their properties can best serve their communities in the future. Some of the questions congregations and presbyteries have already been asking include:

- How could a development help our congregation participate in God's mission?
- What would be the responsibilities and scope of work for volunteers?
- What kind of expertise might we need?
- How could our building/property help the housing crisis in our community?
- How else could our building serve the community?
- Who in our community should we be talking to? When should we be talking to them?
- How could a feasibility study help? Who conducts them?
- What questions do we need to ask developers? Lawyers? Government?
- How is all of this work funded, from feasibility studies to completion?
- We are running out of time, money, and/or volunteers. Is it too late to consider a project?
- A developer told us we need to decide really quickly. Can we set our own timeline to decide?

We recognize that this is a cutting-edge ministry. There is no cookie-cutter or one-size-fits-all solution to the matter of building use or affordable housing. The PCC and EHM are committed to working alongside congregations and presbyteries who would like to explore the options available, so lessons can be shared and best practices created as we navigate this critical work together.

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Reimagining Church Properties

By Karen Plater, Stewardship, and Betty Kupeian, Presbyterian Church Building Corporation. Originally published in The Presbyterian Connection Fall 2023.



For two days at the end of April 2023, Betty Kupeian, Chief Operating Officer of the Presbyterian Church Building Corporation (PCBC); Ainsley Chapman, Executive Director, Evangel Hall; Karen Plater, Associate Secretary, Stewardship, The Presbyterian Church in Canada; and the Rev. Dr. Tim Dickau, Missional Leadership Certificate Program, St. Andrew's Hall, B.C., joined a group of 30 people from across the country to reflect on how the use of church buildings and properties may be reimagined. The group was composed of urban planners, architects, denominational leaders, Indigenous Elders and non-profit housing developers from Presbyterian, United, Anglican, Christian Reformed, Baptist, Missionary Alliance and Pentecostal traditions.

Karen, Betty and Ainsley are part of a team that has been working together for the past three years to evaluate resources and agencies that have the potential to best support congregations and presbyteries as they discern best practices in the stewardship of the church buildings and properties under their care. The team includes staff and volunteers from the Life and Mission, General Assembly Office, Church Architecture Committee, Financial Services, PCBC and ministries working in affordable housing (Evangel Hall). If you are interested in participating in this conversation, please contact Karen Plater at kplater@presbyterian.ca. Watch for new resources and webinars on this subject coming this fall.

Fourteen Presbyterian congregations closed this past year. Beginnings and endings have long been a part of the history of the church. There is always something sad when a congregation's ministry ends. Our church history, however, is steeped in the tradition of being reformed and always reforming. This tradition was reflected in several reports to General Assembly highlighting congregational ministries that have adapted to their context while adopting fresh ways to share the good news by meeting community needs in changing times.

No one can deny that the church in Canada is going through a period of significant decline, where congregational closings exceed openings. We are not alone in these observations. At the end of April 2023, an ecumenical group of people concerned with these closings gathered to see where God is at work today and to uncover possibilities for continuing God's mission in light of these challenges.

We are aware that in the past 10 years over 4,500 congregations across all denominations have closed. We have seen church properties sold to private individuals, businesses and developers, to be turned into private homes, condos, pubs, stores, cafés, galleries and theatres. We have also seen the rapidly rising real estate values—in both the rental and ownership markets—which are resulting in an affordable-housing crisis across Canada and a loss of affordable spaces for community gatherings and programs serving acute and chronic social needs. We are also increasingly aware of the critical role played by land and churches in our colonial history.

Through table discussions, presentations and dialogues this ecumenical group explored several ideas to respond to our rapidly changing context. Ideas included using/converting congregational buildings/properties into spaces for affordable housing (subsidized apartments, rent geared to income, etc.), supported housing (for seniors or people with disabilities), community hubs, social enterprise spaces and other creative uses, all with a focus on environmental stewardship. Case studies were shared about

congregations that have developed parking lots into a mixed social and affordable housing project, and others that have become community hubs (including space for community worship), and how others are using their properties to serve in healing and reconciliation.

We have heard that a cost accompanies these visions. The decision may be not to sell properties/buildings to the highest bidder, or not to sell them at all. (Proceeds of building and property sales are folded back into mission and ministry.) If the priority is affordable housing, such a project may impinge on the income needed to support a congregation's ministry. Building to the highest environmental standards is more expensive than traditional means.

Indeed, these costs are borne by the congregation (if it is continuing on), the presbytery and the denomination. And yet, we are conscious that we are called to be good stewards of the properties and historic buildings we are given. And so we are seeking to discern how these assets may best serve the mission that God is already affecting in our world. In this regard, we were also challenged by Indigenous people who were present to consider and explore the role of land and buildings in healing and reconciliation with Indigenous peoples—and how to ensure that Indigenous needs, ideas and opinions are reflected in our decisions.

While recognizing that these are challenging discussions, we felt that we should risk the conversation as we stand firm in commitment to live our faith in action. The dialogue started at this conference continues to provide discussion points that support conversation at all levels of the PCC.

Faith Based Housing and Redevelopment at the Ontario Non-profit Housing Association Provincial Conference

By Ainsley Chapman, Evangel Hall Mission Executive Director, Originally published in EHM's Online News, November 2023.

Every year in October, the Ontario Non-profit Housing Association (ONPHA) hosts a provincial conference that brings together people to learn and share about everything from building, growing, to managing housing. Two major themes came out this year – the first looked at the struggles of small housing providers, and the second was at the challenges that faith-based communities face when trying to build new housing.



Some of the panelists at the ONPHA conference, including Betty Kupein from the PCC National Office, and Ainsley Chapman from EHM

Some of the issues that were raised throughout the conference include:

Small housing providers aren't sustainable and are rapidly exploring mergers and amalgamations

- During the 1990s, there was a lot of building of small apartments with affordable and subsidised housing – driven primarily by faith-based groups on church-owned land.
- Congregations all over the province have shared that they are struggling both with finding the volunteers required to oversee the buildings, and with the finances to manage the buildings. Some churches have even reported not being able to get board quorum in order to make decisions.
- With financial support from the City of Toronto, small housing providers have started merging, and the sector is expecting that we will be seeing a lot more in the coming years.

Churches are reporting difficulty making decisions about their future

- Churches that are interested in building are often struggling with having enough volunteers to start exploring their options, leaving many of them at risk for making a quick deal with a developer.
- Congregations are finding that grief and difficulty accepting change is a barrier for many members to imagine a new future, and this contributes to delays in planning and decision making about church land.
- Churches can start designing great projects, and then a change in church leadership, or church policy, can stall or cancel the project.
- Churches are overwhelmed by the planning and development process. But they don't just need more information and education, they need hand holding and access to experts they can trust to help them through the process.

Misunderstanding of affordable housing

Some church members are reluctant to look at including subsidized housing in building projects, because of a misunderstanding of social housing and what it would mean. More information is needed for churches about all the different types of housing that can be built, and the different types of services and tenants that can be included. For example, EHM has a number of very independent families and seniors living in our downtown residences who desperately want to move to a quiet, residential area – it only issue they're facing is the lack of affordable apartments.

The state of the housing crisis has all levels of government looking at increasing options

- Inflation in materials and construction costs, combined with interest rates, are making it difficult to design viable plans. A number of housing projects planned before the interest hikes have been put on pause because of the impact on the cost to borrow funds.
- All levels of government are scrambling to remove barriers, with a (slow) rollout of announcements of new building incentive programs, and changes to city planning and height/building restrictions to make social housing building faster and more cost-effective.

While redevelopment conditions are difficult now, many in the sector are optimistic that continued pressure on all levels of government will start speeding up new programs to help churches build. If governments are going to continue to ask faith based landowners to unlock their lands for housing developments, they need to make it easier. Simply put, more help is needed to reduce planning time and building costs to truly unlock faith-based land for housing.

More Than Just Housing, We Need to Build Community

By Ainsley Chapman, Executive Director, Evangel Hall Mission. Originally published in The Presbyterian Connection, Fall 2023.

As more and more church properties are being sold to developers and private owners for housing or businesses, churches across the country in big cities and in small rural communities and of all denominations, have started important conversations about the future of their church land and buildings. One of those conversations is the potential of redeveloping church land to help provide affordable housing to help slow the housing crisis, even if it means there are fewer financial resources made from the property.

This is an exciting time to be dreaming and planning for the future of our neighbourhoods and considering the legacy we want our congregations to leave in the years to come. As we dream of what might happen with these important church resources, we want to be sure that we are investing in community.

Throughout history, churches have helped build community, not only by offering outreach ministries and services to vulnerable people themselves, but also by offering physical spaces for free and/or at affordable costs for other agencies offering activities vital to a community's health. Affordable spaces are needed by local community groups and public health agencies to provide programs like addiction treatment and support groups, grief groups, vaccination clinics, food banks and health education programs. These are places where daycares can offer affordable and safe care close to home. They are places where newcomers can take English classes and kids can access after-school tutoring. They are spaces that can be rented at affordable rates to small business owners who offer classes in music, dance, yoga and fitness, who rent our kitchens for community cooking and nutrition activities, or even to make food that they sell to cafés or affordable meal programs. They are places where we can encourage everyone to vote by offering polling sites close to home.

In any redevelopment plans for a church property, whether for housing-for-profit or building affordable housing, we need to consider what the community loses, if those affordable and accessible spaces are lost.

The push to build as much as we can, as quickly as we can, fuelled in part by developers maximizing profits, means that as community spaces have been converted to houses, condos or rental units, communities have been losing affordable community spaces at a rapid pace. Places renting spaces for charities' daycares and other community-centred programs are being evicted and replacement space is becoming harder to find. Groups such as Alcoholics Anonymous and agencies that offer health education are finding they must secure space further and further away from the people they are serving. It's not only charities: small business owners are struggling to find affordable spaces to build their enterprises, and risk losing all they've worked to build. Many of these businesses are owned by women who built their companies around the flexibility it offers to them as caregivers, or who are working to meet niche needs in the community.

As we dream of a new future for our communities, we also need to consider spaces we have lost in the community in the last decade. What do we risk losing when new development projects don't include spaces that can be used by the community? Governments and private developers can put up four walls and a roof, but it takes vision, spirit, imagination, bravery, humility, partnerships and heart to build a community. While affordable homes are needed, community spaces where healing and connections are made also must be considered. Community spaces build strong communities, and strong communities prevent homelessness. And building in a way that creates and strengthens community is what is going to create a powerful legacy that will last for generations.



Horatio came to Canada as a refugee, only to end up in a shelter. He moved into EHM's Adelaide St Residence, was joined by his wife, and now has two healthy children

When Grief Prevents Imagining a New Future

By the Rev. Bob Smith, retired minister, Evangel Hall Mission Board of Directors. Originally published in The Presbyterian Connection, Fall 2023.

It is bound to come up quickly in the conversation at any gathering of church folk, whether in a formal setting of a Session or presbytery meeting, or maybe just a coffee shop: how ill-equipped we feel to find a new role for the church in the rapidly changing environment of our world. We face declining numbers of people coming to church and a changing community in which we minister. We have questions of financial viability, and perhaps a building that may or may not effectively serve our congregation's needs, let alone the community around us. Many of us have seen once robust and active congregations reduced to the point where their future existence is threatened, in the short span of our lifetimes.



Portland Place, Presbyterian-built housing in Toronto

Congregations are faced with difficult questions, as they often have been. Where is God calling us? What is the work for which the Holy Spirit is equipping us today? What are the most pressing needs in the community around us, and how might we respond to them in faith? It takes courage to address them but these conversations will help us to reshape and refine our ministry and what we offer to the community beyond us.

This process takes courage because it brings change and will perhaps take us in fundamentally new directions. We can no longer do things the way we have always done things. A reframed future brings us face to face with folk who are different. Our routines have to change, spaces will be shared and resources will be redirected. Even our buildings have to be re-evaluated as we look for a new vision for our future. What do we need to let go of to make the ministry to which God is calling us both useful and sustainable?

Change is difficult. Significant change involves grief. Grief is a natural reaction to losing something that we have loved and cherished, and we need to acknowledge that grief, but we can't let grief prevent us from stepping out in new directions. The pain of what we leave behind can in fact be a sacred thing. When we honour the work and faithfulness of those in the past, and lift up and celebrate their accomplishments, they become a foundation on which we can build a work of faith relevant for today that will continue even beyond us. And as we are inspired by the vision, courage and hard work that drove them, we can give ourselves to the new journey that lies before us as we seek to build a ministry of presence in our communities.

Letting go of things from our past—whether traditions, expressions of worship and even our buildings—is not a failure, but rather a recognition that our needs have changed in response to the world around us. What has not changed is our calling to be faithful to the God who calls us to be a community of faith together and to declare to the community around us the good news of God's love.

What Does It Mean to be Stewards of Our Land?

By the Rev. Rebecca Jess, Armour Heights Presbyterian Church, and Vice President, Evangel Hall Mission Board of Directors. Originally published in The Presbyterian Connection, Fall 2023.

Land is important in the Bible. We hear a lot about it in the earliest books: promises from God around land, Israelites seeking land, the releasing of land at Jubilee, to name a few. Land is important. Land sustains, nurtures and grows us.

Land is what we live upon. It's where you take root. Raise children. Source food. Build community. Set up places of worship, education and health care.

Home is an equally important concept. Home can and should be a place of comfort, a place of safety, a place to eat and rest and reflect. It's a place where family and friends are intended to care for and nurture one another. Unfortunately, while Canada is seen as a land of plenty, having a stable home isn't a reality for too many. Instead of solving the challenges of homelessness, it seems to be a growing problem in communities today.

Presbyterian churches across the country are big landholders. And as the landscape across our denomination is shifting and changing questions around the buildings and the land that we hold are growing. As congregations begin to wonder about what to do with their land and buildings especially when congregations have to find creative ways to stay open, it is also time to consider how those buildings connect to creating homes.

Churches are spiritual homes to many of us: welcoming places where we are safe to wonder and question, where we hold a sense of belonging, where we know love. While we don't need physical church buildings in order to house our spiritual needs, we tend to hold a strong emotional connection to them because they provided places for growth, belonging, love and spiritual journeys to happen.

So what happens when our congregations' physical spaces become more than we need?

It can be hard to imagine a new reality when the physical spaces (land and buildings) that have been spiritual homes no longer exist in the way we know them. How can we view the land our churches sit on as a part of God's vision for society? How should we steward it so we create homes and community spaces so that others can safely experience God's abundance and joy?

Across the country we are experiencing a homelessness crisis. Thousands of people are without homes or are stuck in transitional housing because there aren't affordable market housing options. We need affordable housing that people can call home. What if more congregations thought about also becoming places that offered shelter space, transitional housing, low income or market housing for individuals, seniors, families, refugees those with disabilities?

Jesus tells us that the greatest commandment is to love God and neighbour as oneself.

If we value an affordable, comfortable and welcoming home in a good, safe neighbourhood, we should also want that for others. We have many neighbours who need that kind of warmth, safety and long-term security, so what are we doing to love them?

The blind, the lame, the sick, the thirsty, the desperate, the lonely—Jesus challenged them to believe what felt impossible. Are we willing to do what it takes to help all people find a home, even when it feels like an impossible task? Are we ready to think creatively and faithfully around the future of our land and buildings? With prayer and a renewed sense of God's vision, I pray that we can all find ourselves welcomed home with open arms.



Doris is one of the growing number of seniors who are being left without housing options. She found permanent housing with Aging in Place supports in the Presbyterian-built Adelaide St Residence in Toronto.

Stronger Together: How Housing Providers are Using Mergers and Amalgamations to Save Money and Improve Quality of Life for Tenants

By Ainsley Chapman. Originally published in EHM's Online News, November 2024.

This year, EHM's Executive Director, Ainsley Chapman, was a panelist at the Ontario Non-profit Housing Association's annual provincial conference. In the session titled "Dating, Cohabiting and Marriage: The Three Stages of Amalgamation", Ainsley Chapman shared learnings from EHM's amalgamation with Portland Place.

Why are amalgamations being discussed so often?

During the 1990s, governments were investing heavily in housing – giving grants and mortgages to agencies large and small, and to communities of faith, to build mixed income housing. Government funding was easy to get, land was ample, the cost of labour and materials was cheap, and volunteers had determination and vision to see it through. What was inspiring about that era was that so many of these projects were conceived by every-day people in church basements, living rooms, and tiny, shared offices. We didn't really know what we were doing – we just knew it HAD to be done. So, we did it. We built big. We built fast. We built well.

Three decades later, we are standing face to face with the ravages of time. Aging buildings are facing major systems failures, costly upgrades, and so many are using heating and cooling systems that are driving up costs and threatening the climate. The tenants who need housing today are becoming more complex – aging and mental health issues mean more support is needed to help them live independently. No longer can boards simply sign off on an annual budget and delegate the building's management to a property management firm or small team of staff. Our modern housing economy means that a small operation just cannot sustain itself – but it is not for a lack of care, or lack of trying

Three things start to happen. A once bright and well cared for building starts to get shabby and a backlog of repairs builds up. Tenants start to lose their independence as they age, or new tenants coming into the affordable units are bringing more complex mental health issues, and the overall quality of life of tenants' declines. Finally, an exhausted volunteer board and burnt-out staff team is down to a skeleton crew, doing the work of many. Expenses – and risk, grow. This small business model just can't survive in our modern economy.

Why leave the single life?

Mergers and amalgamations are one strategy that exhausted boards have been using to improve the quality of life of tenants and catch up on the repairs and upgrades so badly needed. It's a way to find economies of scale, reduce back-end costs, and tap into new staff roles a small agency could never afford. And why the relationship analogy? Because moving through an amalgamation is just like moving through a new relationship.

Dating

The panel talked about how finding an amalgamation partner is a lot like finding a love partner. It requires knowing yourself – Who are you? What makes you special? What do you value? What are your goals? Then you can start meeting people and getting to know them. You want someone who will appreciate you for who and what you are. What does board and staff culture look like? What are your must haves? What are nice to haves? This stage is about talking to different people and getting to know each other. And when seeking a merger partner, it can literally mean starting with a meeting over coffee. No commitment needed! Some agencies do this themselves, while others like to bring in a "dating coach" or facilitator who can help ask questions.

Getting Engaged

So, your dating period is going well. Congratulations! You've told people you're talking but there's nothing locked in. But taking the next step means you need to find out if you are truly compatible. This is the period where both agencies do their due diligence. You look at each other's finances and ask questions about how the other makes decisions about spending money. You meet your future in-laws – what will the new board look like and who will be on it? Whose name stays on the building? What happens when you blend your families? Employees from one organization may need a bump in pay or access to new benefits. Is there going to be duplication in roles? If you're merging because of financial issues, there may need to be staff reductions. What is your philosophy around severance? This is when you can bring in experts to help – HR Consultants to look at contracts and severance costs; Accountants to figure out how to blend your accounting structure; Lawyers to recommend the pros and cons of how to set up the legal framework.

This is also when you start mapping the costs. What are the one-time costs required to negotiate and complete the merger? What are the costs to do immediate/urgent capital repairs? What does your annual operating budget look like? Is your municipality/service manager willing to help fund these one-time merger related costs? Hint – they often have a budget to help with this, because if a merger will strengthen an organization, it saves them money in the long run. For EHM's amalgamation with Portland Place, the City of Toronto funded 100% of the amalgamation costs and helped with most of the urgent capital repair costs. The philosophy was that they wanted to remove all the barriers and risks to EHM. They will usually ask you for an LOI to show you're committed before releasing funds.

Getting to the Happily Ever After

You've agreed to all the terms and ready to start signing documents! It's important to have a communications plan (you can hire people to do that for you too!), for partners, funders, vendors, and staff. And like marriage, not everything will go as expected. You will find surprises, there will be misunderstandings, and you will realize that some of your early dating days were a little too rose colored. But like any relationship, if you bring honesty, an openness to listen, a willingness to be collaborative, you can work together to bring a building back to life and honor the legacy of its original visionaries.

Questions about Mergers and Amalgamations?

Ainsley will be happy to answer all your merger and amalgamation questions, and can put you in touch with other colleagues who had their own experience. Contact Ainsley at ainsley.chapman@evangelhall.ca or 416-504-3563 ext. 227

The full panelists include:

- Suzanne Le – Executive Director, Multifaith Housing Initiative
- Rebecca Roy – Executive Director, Satellite Community Homes
- Manal Sayid – Facilitator, Sayid Consulting

Moving through a Merger Process

Originally published in EHM's Online News, November 2023.

EHM's Senior Director of Programs and Client Care recently won an award for her leadership during a 2021 merger between EHM and Portland Place, a small, 45 unit housing provider. Jennifer was recognized in particular for how she engaged staff and clients throughout the whole process. We sat down with Jennifer to hear more behind her strategy.

What motivated EHM and Portland Place to merge?

It's become really hard for small housing providers to succeed in the current climate. It certainly wasn't easy to build housing like Portland Place in the 1990s, but a lot has changed since then. Portland Place is aging and it just needed a lot more maintenance and upkeep than it used to. Building supplies and utilities have been skyrocketing. Property standards have become more complex. Tenancies are also looking different. Tenants are aging and need more supports for their physical and mental health, but there are fewer and fewer places for them to go once they need more advanced care. We spend a lot of time supporting tenants to "Age in Place", but that requires a lot of advocacy and navigating complex systems.

Simply put, managing social housing is just more difficult, costs more money, and is too much to be run with a skeleton staff and volunteers, no matter how skilled they are. The former Portland Place Board of Directors was putting in hundreds of volunteer hours trying to keep things running, and it still wasn't enough. We saw so many things we could do in a way that was more cost-effective, and in less time. And more importantly, we could extend our social and spiritual care programs to tenants to help break isolation. When the Boards met to talk about it, it just made sense.

How did the two organizations decide that this was a good fit?

That's such a great question because that's when a lot of mergers run into conflict and get stuck. Something small housing providers like Portland Place pride themselves on, is the personal touch that a smaller or medium sized provider can give. They don't want tenants to become a unit number, and they also don't want tenants to be pushed out if they start to struggle with their rent.

We listened to the board and staff of Portland Place and saw how much they cared, and how much they invested in helping tenants be successful, even when tenants hit rough patches financially, or maybe experienced health issues that kept them from maintaining their tenant obligations. The visionaries behind Portland Place created it to be a "Forever Home", and wanted to make sure tenants could live there as long as they possibly could. They also worked hard to create a sense of community and "found-family" among tenants. So we tried to show the board and staff that we heard these messages, and gave examples of how we would honor this vision – and more.

What was the biggest challenge that you faced during the merger?

COVID was really hard on staff and tenants. The mental health of tenants had declined a lot, and a many were struggling with keeping their homes free of garbage and pests. We discovered that a lot of community supports that used to go into tenants' apartments to help them with cleaning and cooking, had stopped during COVID. Some tenants had stopped seeing their health care providers. We assessed the tenants in most distress and built a plan for each one. For some, we advocated to get them into long-term care. For others, we were able to advocate to get their Personal Support Workers and cleaners back into their apartments, and reconnected them with their doctors. But this work took hundreds of hours. A group of volunteers and a small staff team would never have been able to do that.

What did you do to make the transition smooth for tenants?

We really listened to tenants. What was important to them? What are they worried about? We tackled the problems that they identified first and that built a lot of trust. We also understood that change is hard, so we communicated a lot. We would let tenants know when a change was coming well ahead of time, explained why it was needed, and how it would lead to something positive. We gave them time to process it, and time to talk to staff and management about their hopes and fears.

You mention in your award video that you engaged staff – can you tell us more about that?

Change is hard on staff as well, even if it's positive. It's hard to start doing something differently when you've been doing it one way for a long time. It's really important to give staff the chance to help plan the rollout of a new program or policy. We would give them the opportunity to understand and process new programs and come up with their own ideas for how to roll it out. They also knew which tenants would struggle a bit more, and they would reach out and support them through it. The mental health of staff has always been a priority, and a lot of the changes we put in place gave them relief and space to breathe. Our goal was to release staff of the responsibility of taking work home with them. Work life balance is a core value of EHM, and is something really positive we could offer Portland Place staff with a merger.

What advice would you give to agencies considering a merger?

Mergers was a theme throughout the entire ONPHA conference. Small housing providers built in the 90s are experiencing the same things all over the province – there are fewer volunteers to sit on boards, volunteers are exhausted, the work is getting more complicated and at the end of the day, it's just too expensive. If your agency is struggling it's not because the staff aren't skilled or because the volunteers aren't putting enough hours in, it's just because the economics don't work anymore. Considering a merger is the leadership and vision that is needed right now for a lot of agencies. And I think we have shown that it is possible for a merger to balance the books AND keep the sense of community and personal touch that make small agencies so caring and powerful.