



BC Housing

# **OFF-RESERVE ABORIGINAL HOUSING INITIATIVE**

**Province-wide  
Call for Expressions of Interest**

**March 2007**

**AHMA**

**BC HOUSING**

**Expressions of Interest  
AHI-EOI-#01**

March 02, 2007

**Closing Date and Time:**

Proposals must be received by **2:00 p.m.** Pacific Savings Time on  
**Thursday, April 26, 2007**

**Closing Location:**

BC Housing  
Attention: Assistant Manager, Program Analysis  
EOI for *Aboriginal Housing Initiative* AHI-EOI-#01  
Suite 601 - 4555 Kingsway  
Burnaby BC V5H 4V8

**Contact:**

Karen Hemmingson

Telephone number: 604-529-2233  
Fax number: 604-439-4726  
E-mail: [khemmingson@bchousing.org](mailto:khemmingson@bchousing.org)

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## I. INTRODUCTION

The *Aboriginal Housing Initiative* (AHI) is intended to assist in providing stable, affordable and good quality housing to improve the lives of Aboriginal individuals and families living off-reserve. The Government of Canada has established a one-time Off-Reserve Aboriginal Housing Trust of \$50.9 million to provide supplementary funding to provincial governments to assist them in addressing short-term housing needs for Aboriginals living off-reserve, according to their respective needs and priorities.

As a provincial housing initiative under the provincial Housing Strategy, *Housing Matters BC*, the AHI is a new housing program delivered through BC Housing, in partnership with the Aboriginal Housing Management Association (AHMA). AHMA is participating in this Expression of Interest (EOI) process through sharing their research and information in their study “Closing the Gap”, which identifies community housing priorities in some of the Aboriginal communities in the province. The “Closing the Gap” study will be available on the BC Housing website after March 1, 2007. The study identified 4 priority areas:

- Emergency housing;
- Short-term housing, particularly for students, youth leaving foster care, singles, and people needing to stay in urban areas for medical treatment, and transition housing for people seeking more independence;
- Housing with long-term supports for those suffering from FASD or mental illness and frail elders/seniors; and,
- Affordable family and elders' housing.

AHMA has also been involved establishing evaluation criteria for reviewing potential projects, and AHMA staff members will be involved in the evaluation process.

### 1. Objectives

Increasing the overall supply of safe, affordable housing for Aboriginal individuals and families living off-reserve is a provincial priority. The other important objective is to target projects that respond to community priorities and gaps in the continuum of housing for Aboriginal people living off-reserve. This full spectrum of housing includes emergency shelters, housing for women and children fleeing abuse, and youth and elder housing.

Other objectives which are incorporated into AHI are to:

- engage communities and respond to local needs;
- ensure a regional distribution of funding;
- increase capacity for smaller Societies to develop proposals and build projects;
- increase partnership opportunities to develop housing; and
- seek cross-government integration and innovation in service delivery.

## 2. Call for Expressions Of Interest

With the *Aboriginal Housing Initiative* funding announced, new units will be developed across the province. Priority will be given to projects that have operational funding partners in place or have identified community partnerships.

The purpose of this document is to invite Non-profit Societies to submit an Expression Of Interest (the "EOI submission") to develop housing (the "Project"). The information below is provided to help Societies and their community partners understand the opportunities presented by the new funding and to help them make an EOI submission that meets Aboriginal Housing Initiative requirements.

EOI submissions must be received by 2:00 p.m. Pacific Standard Time, Thursday April 26, 2007 to the following:

BC Housing  
Attention: Assistant Manager, Program Analysis  
EOI for *Aboriginal Housing Initiative*  
Ste. 600 - 4555 Kingsway  
Burnaby, BC V5H 4V8

**Four copies of each submission must be submitted**, three bound and one in unbound form to facilitate easy reproduction. All four copies should be submitted in one package clearly addressed. See **Section IV. Mandatory EOI Requirements** below.

## II. ABORIGINAL HOUSING INITIATIVE DESCRIPTION

### Expected Uses of Off-Reserve Aboriginal Housing Trust Funds

It is recognized that immediate action needs to be taken to increase the availability of housing for Aboriginal Canadians living off-reserve. It is intended that these trust funds will be made available to projects that contribute to increasing safe, adequate, and affordable housing units across the province specifically for Aboriginal individuals and families living off-reserve.

This is a grant program, where the grant funding is intended to cover capital and development costs related to the development of a project. Any operating shortfall, including staffing costs for supportive projects, should be funded from other sources.

Initiatives can be targeted to specific provincial Aboriginal needs and priorities, which may include:

- emergency shelter, transitional and supportive housing;
- longer term rental housing, with adequate supports;
- larger unit family housing;
- innovative projects, such as group housing for youth and elders; and
- enhanced home ownership opportunities.

If supportive housing is proposed, a clear plan is required for appropriate support services provided on or off site. Support services can be made available to tenants by facilitating access to existing community resources or through operating or financial partnerships which create new support resources.

Project delivery may involve the following:

- new construction;
- renovation of existing housing, or
- acquisition of existing residential or non-residential buildings (for conversion).

An example of this includes:

the purchase of an existing building, where the grant provides the capital costs, and either

- the project operates with tenant revenues, or
- the project has secured operating dollars from other funding partners.

### 1. Tenant Profile

The tenant profile for AHI projects is Aboriginal Canadians who are in need of off-reserve housing. The term *Aboriginal* includes Status and Non-status Indians, Métis and Inuit. The target population is Aboriginal people or families with low-incomes, or who are in Core Need.

### 2. Eligible Organizations

Aboriginal organizations are eligible to apply for funding as long as they are Non-profit Societies that:

- have housing as a purpose in their Constitution and Bylaws;
- have a mandate to serve Aboriginal people; and
- the majority of board members are Aboriginal.

### 3. Proposals Previously Submitted

A number of Non-profit Societies have been working on proposals to address the needs in their communities in anticipation of the funding. Many of them have identified their efforts to AHMA and BC Housing. All previously submitted projects eligible projects will be vetted through this EOI. If you wish to revise or update a previously submitted proposal, please submit the revision to:

BC Housing  
Attention: Karen Hemmingson  
Assistant Manager, Program Analysis  
**Revision: EOI for *Aboriginal Housing Initiative* AHI-EOI-#01**  
Suite 601 - 4555 Kingsway  
Burnaby BC V5H 4V8

Telephone number: 604-529-2233  
Fax number: 604-439-4726  
E-mail: [khemmingson@bchousing.org](mailto:khemmingson@bchousing.org)

#### Future Projects:

These potential submissions do not preclude other Projects being considered. AHMA and BC Housing are interested in learning about all potential Projects with a view to supporting as many as possible now as well as identifying good opportunities for the future. In the event that potential projects do not meet the criteria for funding at this time, they may be eligible for Project Development Funding (PDF). The PDF funding will enable proponents to further refine their proposals in preparation for future funding opportunities.

#### 4. Evaluation and Selection

EOI submissions will be evaluated by BC Housing using the Evaluation Criteria, based on the information in the EOI submission corroborated as required and, potentially, through an interview with Society representatives.

Those Societies demonstrating in their EOI Submissions the best potential for success will be given Provisional Project Approval (“PPA”) and asked to fully develop their proposals within a fixed timeframe. In the interest of achieving a reasonable distribution across the province, BC Housing reserves the right to limit the number of Projects which receive a PPA in any region. When the conditions of the PPA have been met, projects will be eligible for Final Project Commitment.

The selection criteria are outlined in **Appendix E: Evaluation Criteria**.

Societies with submissions that are not selected yet show significant promise may be encouraged and assisted to continue work on their Projects for future consideration.

#### 5. Assistance Available

This is a grant program, where the grant is intended to cover hard and soft capital costs related to the development of a project. Any operating shortfall, including staffing costs for supportive projects, should be funded from other sources. See **Appendix B: Operating Budget Guidelines**.

Tenants will have a variety of income sources, and will pay a monthly rent to contribute to the project’s revenues. The Society’s housing expenses will comprise operating costs for property management, building maintenance, insurance, taxes, and utilities.

In order to maximize the benefit of the available funding, projects that do not require a one hundred percent 100 capital grant will be given priority. For projects capable of carrying a mortgage, BC Housing can provide the following assistance:

- interim financing during construction at a preferential interest rate;
- mortgage insurance at a nominal cost through an agreement with Canada Mortgage and Housing Corporation; and
- placement of the takeout mortgage upon construction completion with a private lender at rates which reflect the scale of BC Housing’s regular activity in the lending market.

## 6. Security for AHI Assistance

Depending on the type of project, in return for its assistance, BC Housing will typically require the following security registered on title:

- a Forgivable Mortgage in favour of BC Housing, securing the forgivable grant;
- a Section 219 Restrictive Covenant and Option To Purchase giving BC Housing the right to buy the Project if the Society changes the use without the agreement of BC Housing;
- an Operating Agreement with BC Housing; and
- for projects that require a mortgage, execution and registration of BC Housing's standard security package.

Particular security will vary from project to project. Because of BC Housing's security requirements, the Society must have a mortgageable interest in the property free and clear of any encumbrances or title defects which would prevent or invalidate any of the above.

For reference and information, an example of BC Housing's standard Section 219 Covenant and Option To Purchase can be viewed at:

[www.bchousing.org/programs/homelessness/guidelines](http://www.bchousing.org/programs/homelessness/guidelines)

## 7. Community Equity

The Society and its community partners are encouraged to contribute to the Project's capital budget and operating costs. Preference will be given to Societies that come forward with confirmed community partnerships in place.

This Society/community equity may take various forms including:

- land provided at no cost to the Project, contributed by the Society directly or from a third party, such as a municipality or foundation;
- relief from municipal development levies or off-site services charges;
- cash equity raised by the Society through direct fund-raising or conditional grants from private donors or foundations; and
- the net value of the base building in a renovation/conversion Project.

Operating economies or contributions toward cost reductions could include:

- exemption from property taxes; and
- direct fund-raising annually from private donors.

## 8. Services Delivery Partnerships

One of the objectives of AHI is to encourage cross-government integration and innovation in service delivery. From a practical standpoint, AHI funding is capital funding, and projects may require on-going support from other funding partners for operating dollars. Where proposals include support services to tenants in some way, the funding commitments for these services must be secured before Final Project Commitment.

Partnerships / service delivery innovations which would benefit AHI Projects include:

- new housing whose tenants will have access to appropriate existing support services (either on- or off-site) facilitated through a formal arrangement between the proponent Society and one or more other service delivery agencies; and
- new housing resulting from AHI funding complemented with a new commitment of funding from a confirmed source for services specifically for the tenants of the Project.

An EOI submission must outline the services and the delivery strategy (including funding) which the Society believes necessary for its intended tenants. The onus is on the Society to develop a realistic and stable service delivery plan and confirmation of the necessary funding will be an evaluation criterion.

### III. FUNDING ALLOCATION PROCESS

The allocation process has three formal stages:

- 1. Expression of Interest Stage (EOI).** In response to the Call for Expressions Of Interest, interested Societies develop their EOI submissions in accordance with the requirements outlined in this document.

BC Housing will evaluate the EOI Submissions received. AHMA staff will continue to be involved in the review process. Societies with the most promising submissions will be recommended for Provisional Project Approval (“PPA”). Once they have been given PPA, they will be asked to develop their proposals fully. The terms of the PPA will be set out in an agreement specifying what the Society must do to achieve final approval.

- 2. Proposal Development Stage.** The Societies which have been given PPA must achieve the PPA conditions within a set timeline. Typically, this will involve securing all municipal approvals, completing building plans (new construction or renovation), confirming capital costs, agreeing to an operating budget, and completing a service delivery plan.
- 3. Project Commitment Stage.** BC Housing and AHMA staff will work with the Society throughout the proposal development stage as it works through its PPA conditions. The goal is to confirm that the potential in the EOI submissions has been realized with respect to the quality, schedule and cost of both the housing and support service delivery plan. If the Society has a service delivery funding partner, that party will also have to reconfirm its support at this time.

When all PPA conditions have been met, BC Housing makes the formal decision to commit funding to complete the Project and enters into the necessary agreements with the Society. Upon that decision and the execution of the necessary agreements, the Project can begin construction.

## 1. Expression of Interest Submissions

The objective of the EOI is to elicit basic information about each Society and its Project to provide a sufficient basis for determining probable success.

The information sought for evaluation purposes falls into the following categories.

- the Society's capacity (governance and experience);
- the operating plan and any support services in relation to the target population; and
- the project development schedule and plan.

The EOI Submission format below is intended to elicit from Societies information which demonstrates their preparedness and highlights factors which tend to indicate the success of their Projects. EOI Submissions must follow the order specified in the Submission Format.

## 2. Proposal Development Stage

Once a Society has been given a PPA, BC Housing will make available sufficient Proposal Development Funding ("PDF") to help Societies pay their direct expenses to fully develop their submission. Typical expenses include the following:

- project management fees up to construction or renovation start;
- design fees when the consultants are retained directly by the Society;
- Society legal fees;
- environmental and geo-technical reports when the Society controls the site; and
- such other costs as are agreed to and approved by BC Housing.

## 3. Design Considerations

Special design features will be considered depending on the tenant group being accommodated. For example, where the tenant profile includes families (e.g. women and their children fleeing abuse or otherwise at risk), additional security may be required. Other cultural factors may be considered, such as larger units to accommodate extended families, or two-bedroom elders housing where the additional bedroom is intended for a family caregiver.

Societies should consider the following in their project design:

- Every Project must begin occupancy at a reasonable physical standard. Significant unanticipated capital improvements cannot be funded from annual maintenance budgets.
- Needs change within communities over the years. Project design should facilitate adaptation to other housing uses (for example, from supportive housing to independent rental housing.)
- Because assistance flows over the life of the Operating Agreement, attention should be paid to longer term operating costs as well as initial capital costs.

- Conversion of older buildings may be more expensive than anticipated, particularly if the removal of hazardous materials (asbestos) or building code upgrades become necessary.

Those Societies which want to include special features beyond what is essential to serve the tenants will be expected to assume the extra costs – capital and operating - to the Project.

For reference and information only, if you are interested in reviewing Design Guidelines for BC Housing projects, the *Design Guidelines and Construction Standards* for the most recent Provincial Homelessness Initiative are available on BC Housing's website at:

[www.bchousing.org/programs/homelessness/guidelines](http://www.bchousing.org/programs/homelessness/guidelines)

These guidelines are for reference and information only, as BC Housing acknowledges projects may require unique design features to respond to needs of residents.

#### IV. MANDATORY EOI REQUIREMENTS

All EOI submissions must meet the following requirements:

1. The proponent must be a Non-profit Society (individually or working in partnership).
2. The submission package must be received by the deadline at the address below:

2:00 p.m. Pacific Standard Time, Thursday, April 26, 2007

BC Housing  
Attention: Assistant Manager, Program Analysis  
EOI for *Aboriginal Housing Initiative* AHI-EOI-#01  
601 – 4555 Kingsway  
Burnaby BC V5H 4V8

4. The submission package must include four copies of the submission – three bound and one in a loose form for easy copying.
5. Two sets of drawings must be submitted (if drawings are part of the submission).
6. The submission must follow the order outlined in the EOI Submission Format. When using a format contained in an appendix, insert it where it should be in the text, not as an appendix.
7. The submission must contain a Letter of Committal in the form provided and executed by a person able to commit the Society.

**Note:** BC Housing reserves the right at its sole discretion to cancel this EOI and not to award a PPA to any of the Societies which respond. Societies are solely responsible for their own costs and expenses in preparing and presenting their submissions and for subsequent negotiations with BC Housing, if any. BC Housing is not liable to pay such costs and expenses nor to reimburse or compensate a Society under any circumstances.

## V. QUESTIONS AND ADDITIONAL INFORMATION

Questions of clarification should be submitted in writing and directed to Karen Hemmingson, Assistant Manager, Program Analysis, by e-mail to [khemmingson@bchousing.org](mailto:khemmingson@bchousing.org) or by facsimile to 604-439-4726. Questions and answers will be posted weekly to the *Aboriginal Housing Initiative* web page at:

[www.bchousing.org/programs/proposals/bc\\_wide](http://www.bchousing.org/programs/proposals/bc_wide)