



# Five partnering tips to deliver more affordable housing in Canada

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One of the biggest opportunities for housing providers in the Strategy is the National Housing Co-Investment Fund – a \$4.7 billion contribution by the Federal Government with the aim of creating 60,000 new units of housing across Canada.

The central feature of this Fund is the need for partnerships.

And while the Strategy notes that Federal funding must be supplemented with investments from another order by Government, it doesn't provide any further guidance to the reader.

With this in mind, it's time to be innovate. Let's try to leverage more from the Fund by bringing different parties together – one of the global directions in the provision of human and social services – with new contracting and partnership arrangements that do away with program, sector, system, and business boundaries.

While most organizations know their sector pretty well, often new opportunities, such as the co-investment fund, require new participants to be involved, and existing relationships and partnerships will need to be re-evaluated. If 2018 needs to be about creating innovative partnerships,



then here are my top five commonsense tips for partnering across sectors and with large capital institutions based on transactions I was involved in while working in the social and affordable housing sector in Australia.

## 1. It's all about the why

Why would you partner with a particular group? Find a partner who shares your objectives, where the outcome will be mutually-beneficial, and where you'd be happy working with them on multiple projects. You want a partner who can deliver on quality and enhance your organization's reputation, capacity, and capability – especially those from different sectors and industries. Don't go for the easiest or the most convenient in the short-term – take a longer view and find the best partner(s) for the long-term.

## 2. Background, background and more background

If you're choosing a partner (or if a partner chooses you), incorporate background checks, even just by starting with rudimentary checks on websites or by Googling newspaper articles, and researching key members of the Executive team. You need to know who you are getting into bed with (metaphorically speaking). And let them know you are doing background checks – it shows you are serious.

## 3. Don't think twice – pay for good advice

Independent third-party advice is critical, be it legal for the contracts/MOUs/partnership agreements, financial for the costs/investments, or just using a third party for a quick sense check. Don't be afraid to pay for quality advice because the cheapest is not always the best – quality advice can save you cost and time in the long-run if, and when, the proverbial "hits the fan".

#### 4. For an effective partnership, capacity is king

Any partnership needs to deliver mutual benefits. While working in the social and affordable housing sector in Australia, one of the benefits of working with infrastructure funds, equity funds, and debt providers on large scale transactions was the capacity and capability increases we realized. It raised the level of conversations, highlighted the “art of the possible”, and took the organization into new and exciting ventures. For a partnership to be truly effective, knowledge sharing, capacity building, and lifting capability are essential – and this should run both ways.

#### 5. Think differently and consider all options

Don’t just think about partnering with one group – think multiple and cross-sectorial, across geographies, and with organizations that you may never have considered as a housing partner. For example, if you’re wanting to build a mixed development with supportive housing, include a service provider (or providers) or research institutions to

highlight the effectiveness of your unique concept, and turn to specialist developers/builders, innovative financing partners including pension funds, and municipal governments with a track record of not being risk averse. Sure, this will raise the complexity levels but if you truly want to make a difference, push the boundaries and do something different - think about different partners, different partnering arrangements, and a different way of thinking.

Most importantly – and this runs through the entire process of developing rock-solid partnerships – is communication. It pays to avoid ambiguity and to not be afraid to ask for clarification on any point, saving heartache (and cost) down the track.

With 2018 upon us and the dawning of an exciting new strategy, now is the time to start thinking about what you can do to maximize your opportunities from the National Housing Co-Investment Fund. Importantly, good luck and think BIG!

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