

RESEARCH REPORT

Distinct Housing Needs Series



Case Study Research on Social Housing Redevelopment and Regeneration



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CASE STUDY RESEARCH ON SOCIAL HOUSING REDEVELOPMENT AND REGENERATION

PART A: OVERVIEW

October 2011

Prepared for Canada Mortgage and Housing Corporation (CMHC)

Submitted by:
SPR Associates Inc.

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Executive Summary

Background on this research study

This report summarizes findings of a research study on the regeneration and redevelopment of social and affordable housing in Canada. The research, commissioned by Canada Mortgage and Housing Corporation (CMHC), was undertaken in 2010 and the final report was completed in 2011.

The study investigated approaches used in regeneration and redevelopment (R-R) and identified lessons learned in past projects. The research included literature and document reviews, an on-line survey of the housing sector, and detailed case studies of 8 housing redevelopment projects that included interviews with housing agencies involved in the redevelopments.

Definition of Redevelopment and Regeneration for purposes of this research

For the purpose of this research, Redevelopment-Regeneration (R-R) of existing social and affordable housing was defined as:

- Major changes in housing projects to renew lost vitality and offset economic decline, social and economic change, and physical and environmental dereliction.

Based on a background literature review and a national on-line survey of housing and other organizations, 8 case studies were selected in consultation with CMHC. The 8 case studies included small and large public, non-profit and other projects redeveloped from the 1990s to 2010.

¹ The short-form 'R-R' is used in the reports for brevity.

Key Findings of the 8 Case Studies:

Redevelopment of social housing in Canada has varied in scale and taken many different forms. In the case studies examined, methods used to plan, implement and finance the projects have also varied, and they have resulted in a wide range of positive outcomes and lessons learned.

- The *three main drivers* for R-R included:
 - deteriorated physical condition of the buildings and outdated design or layout;
 - concerns about social conditions or problems in existing social housing; and,
 - changing needs of existing tenants or of those on waiting lists.
- *The objectives of R-R all aimed* to improve the physical housing conditions and preserve affordable housing, however the ‘renewal’ of housing projects and their “communities” and sometimes of broader areas or neighbourhoods was also a key feature of many projects.
- *Methods of planning for and implementing the R-R efforts* involved partnerships between social housing providers and private developers, and some were phased over a number of years to minimize disruption to the lives of existing tenants and to maintain the community fabric.
- *Tenant and community interests* were addressed through extensive consultations with the tenants and active involvement of tenants in decision making in some projects. For example, in one case, a special task force was created and tenant associations were involved, and in another case, a community charette was conducted. Nearly all projects examined involved relocation of residents requiring staffing to coordinate tenant relations during the R-R process.
- *The costs and financing models for R-R* depended on the scale, objectives, and funding opportunities. R-R was costly whether new construction or major renovation, and the additional costs of demolition and tenant relocation were considerable. Many sources of financing were involved, and the release of existing equity from land value was required in some projects to make the redevelopment feasible. However, it was noted that ‘free land’ by itself was not sufficient to produce affordable housing for lower-income residents.
- *Redevelopment produced* a wide range of positive physical, social, and economic outcomes including:
 - Major improvements in the physical quality of housing and the living environment including, improved physical condition of the units, energy conservation features contributing to savings in operating costs and environmental benefits, and more physically accessible housing for seniors and persons with disabilities.
 - Improved housing affordability for most tenants through financial assistance for redevelopment and, in some cases, through additional subsidies (such as rent supplements or housing allowances).
 - Increased social diversity and income mix of the residents before and after R-R, sometimes with the addition of market rent units or private ownership condominiums. More mixed household types (such as varied age groups, households with and without children, ethnicity, and so on) and people with a range of income levels and income sources contribute to more diverse communities that better reflect contemporary urban socio-economic profiles.

Key Lessons Learned from R-R Projects: The overall lesson learned from the eight case studies was that the housing agencies and local communities involved had a strong capacity to successfully plan and carry out redevelopment-regeneration of social housing, despite the challenges involved. A large range of specific lessons learned were identified in the case studies. Some of the key types of lessons included:

■ **Assessment and Planning for redevelopment:** Factors to be considered include:

- the benefits and costs of renovating all or some of the units versus the costs of new construction, against the intended goals such as retaining the stock of social housing;
- tenant/community preferences versus project objectives (e.g. desire to preserve existing housing versus higher density on the housing site);
- determining whether to preserve or renew communities;
- whether and how to avoid, or reduce the impact of, dislocating tenants; and
- whether to phase in redevelopment efforts. While phasing redevelopment was recognized by those interviewed for the case studies as having some advantages (for practical and financial reasons), phased redevelopment lengthens the R-R process.

■ **Development approaches:** The methods of undertaking redevelopment depended on financing sources and the need for involvement of a public entity or private developer. Partnership with a private developer was shown to be advantageous in one case to carry development costs and raise capital to add more units. In another

case, the role of Canada Lands Company (CLC), a federal crown corporation, as the lead developer was key to the success of the redevelopment as it provided access to funding. Partnership with a private construction firm was found to provide equity to off-set costs.

■ **Consultation processes:** Consultations with tenants and the surrounding community were important in redevelopment efforts and various approaches were used. Active engagement of tenants was seen as a key to success for some redevelopments. For one large project, a community-based task force model and the involvement of a community engagement consultant were seen as key to overcoming tenant resistance. For the smaller projects, meetings with tenants regarding the plans for redevelopment helped shape these projects. The key lesson learned for the agencies involved in the redevelopment efforts was that consultation takes time; however, the agencies felt that it was well-worth the time and resources involved.

■ **Financial and other resources:** The case studies all faced the challenge of the costs involved with the redevelopment efforts and financing. A feasible financial plan was required from the outset. Having 'free' land helped, but was not enough to cover the high costs of redevelopment. Sufficient human resources, such as staff in housing agencies, were required to manage both the physical work and tenant relations. The R-R projects examined involved private partners or a combination of government funding and loans from a variety of programs, which required close working partnerships or collaboration among multiple levels of government.

- **Relocating tenants:** All of the R-R projects examined involved tenant relocation, which was generally seen as successful despite lengthening the redevelopment process by up to a year or more. The public and non-profit housing agencies involved in the case studies either had housing in other locations or vacant units on the R-R site that could temporarily house displaced tenants. Phasing the redevelopment work allowed tenants to stay within the community. (Redeveloping an entire site at the same time requires tenant relocation for a number of years.) The time, staffing and financial costs involved with tenant relocation prior to redevelopment are considerable and higher than relocating tenants back after redevelopment.

Conclusions and Recommendations: *The over-riding conclusion from the case study research was that all of the R-R projects examined were successful in that the affordable housing supply was sustained or, in many cases, increased. In addition, housing sites/communities and sometimes broader communities (neighborhoods or areas) were renewed such as providing housing suitable for a wider range of families and individuals than were living in the housing before redevelopment.* These findings suggest the potential for other housing agencies to renew and revitalize social and affordable housing in Canada. Four specific conclusions of the case study findings include:

- **Many different redevelopment approaches** are viable, with a variety of lead developers (provincial or municipal government agencies, non-profits or other public organizations). R-R can involve a single government agency or ‘partnerships’, including public/private and non-profit/private partnerships. The approach selected relates to the specific conditions for each project and is closely tied to the financial structure for redevelopment.

- **R-R work involves two parallel and coordinated components:** physical redevelopment and tenant relations. These two components are usually managed by different units or branches within the organization undertaking the R-R and require different skills and expertise to be successful. All R-R involves some disruption in the lives of existing tenants and most R-R requires relocation of tenants, often more than once. Various methods have been successful in minimizing the negative impacts of tenant relocation such as phasing the redevelopment work so that tenants may stay within their communities during and after redevelopment or giving tenants ‘choices’ including the ‘right to return’ after demolition and reconstruction.
- **All R-R work is complex, time-consuming and costly** in terms of planning, implementation, and financial and human resources involved, not only for large scale redevelopments but also for smaller projects with a small number of housing units. R-R projects can typically take two or more years for the planning phase as well as three or more years for the construction (redevelopment) phase. While phasing R-R work over an extended period of 5 to 10 years can have benefits such as reducing the relocation of existing tenants and spreading the costs over a number of years, it can also increase the complexity of the project and, in some instances, the costs. Agencies undertaking R-R work require additional staff resources to manage physical redevelopment as well as the tenant relations and community development work involved.

- **Financial arrangements for R-R of existing social or affordable housing have been varied and at times quite complex.** Having adequate financing from the outset is a key to successful completion of the work. Strategies have included raising equity by selling parts of non-profit or publicly-owned sites (or assets) to private interests, land lease agreements with non-profit co-operatives, tendering the sale of a portion of sites to non-profit housing developers and partnerships with private developers for condominium housing involving profit sharing. Some R-R work has been achieved with financing under existing social housing agreements and funding available recently through the Canada Economic Action Plan. However, in the absence of additional capital financing from the federal and/or provincial governments, it seems likely that further R-R work will need to be financed through equity release and private capital.

Recommendations that emerged from the case study research relate to improved information sharing and understanding of redevelopment projects, including: improved benchmarking, monitoring and research on impacts of R-R projects (e.g. monitoring the impact on broader communities/neighbourhoods, as well as on the housing); development of a handbook on R-R for housing agencies; and a national conference or workshop on R-R.

I. Introduction

I.1 Overview of the Research Study on Redevelopment-Regeneration

This report summarizes findings of a research study on the regeneration and redevelopment of social and affordable housing in Canada. The research, commissioned by Canada Mortgage and Housing Corporation (CMHC), was undertaken in 2010 and the final report was completed in 2011.

The study investigated approaches used in redevelopment and regeneration (R-R)² and identified lessons learned in past projects. The research included literature and document reviews, an on-line survey of the housing sector, and detailed case studies of 8 housing redevelopment projects that included interviews with housing agencies involved in the redevelopments.

The redevelopment of social housing in Canada has varied in scale and taken different forms. A review of existing literature found that, prior to the 1990s, the main focus of social housing improvements in Canada involved renovation of units and changes to project design. Social housing improvements also included efforts to modernize outdated units, infrastructure and amenities, and to address physical, social and management issues.

Since the 1990s, three main types of redevelopment have been identified in the literature including: 1) large-scale redevelopment (e.g. intensification of site use and diversification of housing types and tenures); 2) small-scale redevelopment such as purchase and renovation of older homes; and

3) large-scale revitalization plans for large public housing projects.

Although there are some large social housing projects with as many as 200 housing units or more, over 95% of social housing in Canada is in smaller projects.

Nine research questions were examined in the study:

1. What was/were the driver(s) for the R-R?
2. What were the objectives of the R-R?
3. How was the R-R planned and implemented?
4. How were tenant and community interests addressed?
5. What were the associated costs?
6. How was the R-R financed (types and sources of funds)?
7. What were the physical, social, environmental and economic outcomes?
8. To what extent were the R-R objectives achieved?
9. What were the lessons learned from the R-R?

This report summarizes the findings on the 9 research questions³, and also notes some collateral issues, such as impacts of new technologies. The eight detailed case studies are included in a separate technical report, with short summaries here in Section 3.4.

² The short-form 'R-R' is used in this report and also in the technical reports for brevity.

³ The research study examined 9 research questions: (1) What was/were the driver(s) for the R-R? (2) What were the objectives of the R-R? (3) How was the R-R planned and implemented? (4) How were tenant and community interests addressed? (5) What were the associated costs? (6) How was the R-R financed (types and sources of funds)? (7) What were the physical, social, environmental and economic outcomes? (8) To what extent were the R-R objectives achieved? (9) What were the lessons learned from the R-R?

1.2 Scope of the Research and Definitions of Key Terms

The terms ‘redevelopment-regeneration’ and ‘social and affordable housing’ had to be defined in the early stages of the research. Reviews of past studies found that definitions of redevelopment and regeneration vary widely. While there is agreement that these concepts involve more than housing repair and renovation, no standard definition was identified in literature on US, UK and Canadian examples.⁴

For purposes of the current research, a definition was developed based on the concept of ‘lost vitality’ related to economic, social, physical and environmental deterioration.⁵

Redevelopment-Regeneration *of existing social and affordable housing* was defined as major changes in housing projects to renew lost vitality and offset economic decline, social and economic change, and physical and environmental dereliction. Regeneration represents a broad planning response to these problems, seeking to promote greater prosperity, wider social inclusion, and an enhanced quality of life for local communities. Changes include more than just repair or maintenance of buildings and may involve creating new buildings, major renovations of existing buildings with or without changes in site design and layout, moving buildings, changing social and/or income mixes of residents and tenure types, and intensifying site use with or without participation of private developers to create market housing.

The scope of ‘social and affordable housing’ also had to be defined for the purpose of this research. Over several decades, Canada has had a large number of federal and provincial government programs for social and affordable housing that may be owned by municipal or private non-profits, co-operatives, provincial or local housing agencies, Urban Native groups or private landlords. The housing may serve families, seniors, and various types of supportive housing needs. Although there are some large developments with over 200 housing units, over 95% of social housing in Canada is in smaller projects. Therefore, this research study aimed to cover a wide range of R-R examples rather than focusing only on larger, better-known projects in the public sector. The scope of this R-R study was defined to include all sizes of projects for families, seniors and other households and all forms of ownership or management of the housing as follows:

A social or affordable housing project was defined as a set of buildings or housing units which have received some form of financial assistance from government housing programs. The building(s) may be owned and managed by public, non-profit, co-operative or private agencies including public housing, public and private non-profit housing, housing co-operatives, limited dividend rental housing projects and Urban Native housing.

The time frame for R-R projects to be included also had to be defined for the study. Given that the 9 research questions included assessment of the impacts of R-R, the study had to focus on projects where R-R work had been completed.

⁴ Terms have also included: ‘renewal’, ‘revitalization’, and ‘modernization’. ‘See SPR Associates Inc., Background Literature Scan of R-R Projects, Background Report to CMHC, March 10, 2010.

⁵ Based on Smith, 2006:269. See SPR Associates Inc., Background Literature Scan of R-R Projects, Background Report to CMHC, March 10, 2010.

The literature review found that the planning and implementation of R-R are often lengthy processes and that, in many cases, the work may be phased over several years. Therefore, it was possible to include projects where some phases of planned work had been completed. Another consideration was whether or not to include examples of projects completed in the 1990s as well as more recent examples. Inclusion of earlier examples provided the opportunity to examine longer term outcomes and sustainability of changes resulting from R-R. Therefore, it was decided to include a mix of projects from the 1990s up to those that have been completed in 2010 or are still ongoing.

I.3 Outline of This Report

Section 2 of this report includes highlights of recent redevelopment efforts in Canada, the on-line survey used to identify R-R case studies, and the case study methods. Section 3 provides an overview of the 8 R-R case studies. Section 4 presents the overall findings on the 9 research questions and lessons learned are summarized in Section 5. The conclusions and implications for future research are provided in Section 6.

2. Summary of the Literature Review, Survey and Case Study Methods

This section provides an overview of recent redevelopment efforts in Canada (based on a literature review), survey research conducted to identify R-R projects and the methods used for in-depth case studies.

2.1 Recent Redevelopment Efforts in Canada

Review of existing literature found that, prior to the 1990s, the main focus of social housing improvements in Canada involved ‘renovation’ of units, changes to project design, and efforts to up-date or ‘modernize’ outdated units, infrastructure and amenities to address physical, social, and management difficulties. These were made without large-scale redevelopment of the sites or changes in the social mix of the housing.

Since the 1990s, three main types of R-R have been identified in the literature:

1. In the 1990s, the first major redevelopment of social housing in Canada began with two projects originally built as veteran’s housing (Strathcona Heights in Ottawa and Benny Farm in Montreal). In these cases, the building forms had become functionally obsolete and were not readily adaptable to the changing needs of the residents suggesting the need for demolition and reconstruction. Initial plans for sale of these valuable sites for private redevelopment were revised to retain social and affordable housing. In both cases, large-scale redevelopment have included changes of ownership of the sites, intensification of site use with increased numbers of units, and diversification of housing types and tenures (including the addition of non-profit and co-operative housing). The resulting

redevelopments involved community planning processes and, according to the literature examined, were highly successful.

2. Smaller-scale redevelopments have included: the ‘conversion’ of a former public housing to co-operative housing; the development of small-scale, community-based, non-profit housing; and community-led neighbourhood renewal projects involving the purchase and renovation of older homes and sale to lower income residents. These types of community-based models frequently involved community development strategies that included skills, training, and capacity development.
3. Since 2000, Canada has seen the rise of large-scale ‘revitalization’ plans for a number of major public housing projects. This ‘revitalization’ concept has been adopted by the City of Toronto Community Housing Corporation (TCHC), which operates the largest stock of public housing in Canada. The concept involves planned redevelopment of sites with large public housing projects, demolition and reconstruction of existing buildings, and the integration of additional, private market housing. Recent reports indicate that TCHC currently has plans for 15 sites within Toronto following the first project (Don Mount Court) as well as the first phase of its Regent Park project. The planning approach includes a commitment to residents that they will have the ‘right to return’ to their communities after redevelopment. A key part of the revitalization strategy is to produce more socially- and income-mixed communities through the addition of market rental or condominium housing, thereby increasing the social integration of the sites within the

surrounding neighbourhoods. This strategy is pursued through a public-private partnership model that ‘leverages’ private financing using the considerable asset value of the sites to offset the public costs of redevelopment. A similar model has recently been applied to the revitalization plan for Vancouver’s Little Mountain public housing project. The model is particularly applicable to larger sites in prime locations of major cities where there are opportunities to increase densities, while also adding private market housing.

Some similarities exist between the emerging Canadian ‘revitalization’ model and the US HOPE VI⁶ redevelopment model such as: the demolition and reconstruction approach, use of public-private partnerships, leveraging of private capital, and improved integration of former ‘project’ sites within the surrounding communities. However, there are also some distinct differences. Evaluations of HOPE VI projects have been critical of the resulting large net loss of units and displacement of previous low-income residents as a result of the stated policy to de-concentrate the poor and develop mixed-income housing. In the Canadian examples thus far, commitments have been made to replace (and not reduce) the numbers of social housing units for lower income residents after redevelopment, and former tenants have the option to return to their communities after redevelopment. Thus, the US experience might not be germane to assessing outcomes of redevelopments in Canada.

At the same time, it is unclear to what extent the Canadian ‘revitalization’ model from the largest urban centres may be applicable to public housing projects in other Canadian cities and smaller towns, since revitalization depends on the ability to intensify site use and integrate private market housing. In the case of public housing, there are currently about 200,000 public housing units in 4,800 projects operated by over 1,000 local housing authorities across Canada. According to the 1990 CMHC evaluation of public housing, less than 4% (148) of projects have more than 200 units, one-third of units were built in cities with a population of less than 30,000, and most of these projects were small (less than 15 units). In addition, Canada has over 236,000 units of non-profit rental housing and over 65,000 units of co-operative housing⁷ (some of which includes a mix of lower-income and moderate-income residents who pay rents at or closer to market levels) as well as housing built under the Urban Native Housing Program and the Rural and Native Housing programs. Most of the non-profit and co-operative housing projects are smaller projects on smaller sites than public housing and close to 50% of non-profit housing tenants are seniors. Non-profits and co-operatives are owned and operated by incorporated housing providers, many of which have limited access to capital funding required for large-scale redevelopment.

The implication from the literature review for the current research study of R-R projects was that a range of redevelopment models needed to be considered to ensure that the study provided broadly applicable findings to all types of social and affordable housing in Canada.

⁶ In the late 1990s, the US Department of Housing and Urban Development funded a large scale effort known as HOPE VI intended to redevelop dozens of the most ‘severely distressed’ public housing projects.

⁷ Based on data from the 1999 Evaluation of Urban Social Housing Programs and the 2003 Co-operative Housing Programs Evaluation. Non-profit housing in Canada includes both private non-profits owned by individually incorporated housing providers and public non-profits (including both municipal and provincial housing corporations).

2.2 National Survey Results

Although a few past R-R projects had been identified in the Literature Review there was no comprehensive list of such projects from which to select examples for the case studies. Therefore, the research included an on-line survey of groups and individuals involved in the social and affordable housing sector to identify appropriate projects. The survey was intended to obtain responses from all provinces and territories, and from a variety of stakeholders involved in social and affordable housing. Survey questions asked respondents to (i) identify R-R projects which were completed, those still in progress, and others in the planning stage, and (ii) to identify an ‘exemplary’ project that could provide important lessons learned for other R-R projects in the future.

Highlights of the National Survey: Some 285 organization representatives or individual professionals responded to the survey. They identified 128 projects as exemplary, a few of which were duplicates. Of the 128, 82 were reported to be completed or expected to be completed within 6 months.

- Many organizations appeared to be highly engaged by the R-R survey, particularly cooperatives and non-profits. Municipalities also appeared to see the importance of this type of study and many provided nominations of “exemplary” projects. Many other organizations indicated that new R-R projects were either in progress, were much needed, or on the agenda for future work.
- Projects were nominated for all provinces and territories except for Nunavut.⁸ Projects included a wide range of housing types.

Of the 82 completed or nearly completed R-R projects, 17 projects served families, 14 projects served seniors, 15 projects served households with special needs, and the remaining 36 projects served multiple groups. Of the 82 R-R projects, 36 involved public housing, 49 involved co-operative housing, and 20 involved private market housing.

- Projects appeared to include two major categories: larger projects involving broader planning issues, and smaller ones often focused on particular groups such as seniors.

Nominated R-R projects were sorted into groups and a preliminary short-list of potential case study examples was identified in consultation with CMHC. Follow-up telephone screening was carried out to verify that the projects met the criteria for the study, to assess the availability of information on the R-R work, and to determine if the housing provider was willing to participate in the case studies. It is noted that housing providers contacted were extremely supportive and keen to have their projects included. Based on the scope of this research, eight R-R projects were selected for case study.

Eight R-R projects were selected in consultation with CMHC to illustrate lessons learned from R-R on a variety of housing types, scale of R-R (extent of changes), and community size (larger and smaller communities) across Canada. The R-R projects selected for case study included:

- redevelopment of older public housing projects (large and small) and in some cases redevelopment of entire neighborhoods;

⁸ See Technical Report on the National On-Line Survey for the R-R Research Study, SPR Associates Inc., 2010.

- various forms of financing, partnerships, mixing of housing types, and other interesting approaches such as relocating (smaller) buildings; and
- projects involving a wide range of challenges in planning and implementation that in some instances had occurred in phases over many years.

2.3 Case Study Methods

The case studies used a qualitative methodology including telephone interviews (with at least 2-3 key informants interviewed for each case) and review of documents available, usually from public sources or from the housing agency.

Over 30 telephone Interviews were completed for the case studies including:

- the organizations responsible for the R-R (generally the housing provider or organization that undertook the work);
- external consultants who had carried out some of the work; and,
- knowledgeable external individuals from other organizations that were not directly responsible for the housing redevelopment.

In some instances, group interviews were conducted with more than one person from

an organization. Interviews were generally at least about one hour in length. However several were much lengthier (up to 2 hours in length) because of the scope and complexity of the questions and the redevelopment. Follow-up calls and e-mails were sent to some interviewees to clarify information from other interviews and to gather additional statistical or other data.

Available documents on the R-R work:

The documents reviewed and useful website sources are listed at the end of each case study report. One important lesson learned from the research itself is that, with notable exceptions,⁹ the history of planning and implementation of R-R projects is generally not compiled into reports. Instead, there are large volumes of planning, financial, and technical contract documents retained by the agency undertaking the project. Redevolutions involve lengthy and complex planning processes over numerous years with successive versions of detailed master plans and even after a master plan has been approved, most people interviewed noted that the details of the plans had been amended during the implementation. Similarly, financial data on completed costs and financial records were not publicly available on any of the case studies.¹⁰ Persons interviewed were able to consult their own records and to provide some information verbally in most cases.

⁹ One exception in the case studies was the Strathcona Heights redevelopment in Ottawa where reports were published on the results of the project.

¹⁰ Internal financial records are usually in formats for accounting on the financing for each phase or by building within a large development. In cases where various forms of government program financing were used separate financial records are kept for each type of financing or building as required under the program financing agreements. In addition, all technical documents would be available for public tendering of work and multiple contracts for demolition, moving services for tenants, construction of specific buildings, landscaping/exterior work on the site, exterior work on building envelopes, interior work on buildings, construction of common facilities/service areas, and so on. With multiple contracts already completed on all of this redevelopment work, the researchers did not request these documents in this study.

Future studies of R-R projects may need to consider how best to harness the wealth of information available from the agencies involved.

Structure of the Case Study Reports: The goal of the study was to provide a short report on each case study based on review of documents and a small number of key informant interviews, to identify lessons learned for the information of Canadian housing stakeholders. Each case study report has 3 main sections:

A. Background Information: An overview of the type of housing, the R-R work involved, and the key changes.

B. Key Findings on 9 Research Questions: This section is intended to summarize the views of the key informants interviewed and relevant information from documents for each case study.

C. Summary Assessment of R-R: Analysis of the information compiled for each case study to provide the researchers' assessment of the implications of the case study for the overall research project.

The sources of information are identified at the end of each of the detailed case study report.

The 8 case studies include a wide diversity to R-R activities with large variations in the complexity of the R-R work. However, the case study reports seek to present a balanced view across the case studies within a standard format.

These short case study reports present the highlights of each R-R case related to the 9 research questions.

As a means of validating the findings, the draft case study reports were sent to the respective key informants for review and the reports were revised to respond to the feedback. Additional comments on the reports were received from CMHC and from provincial housing agencies, and this feedback was also addressed.

3. Summary of Key Characteristics of Eight R-R Case Studies

This section presents background information on the 8 R-R case studies including the types of agencies involved, time frames for planning and implementation, and the types of case study projects included. Short summaries

of the 8 case studies are provided to illustrate the range of redevelopment involved. Display 1 (next page) summarizes the types of agencies involved and the timelines for planning and implementing the R-R projects.

Display 1: Summary of 8 Case Study R-R Projects Lead Agencies, Other Agencies Involved and Timelines					
R-R Case Studies Name , Location and Lead Agency	Timelines of R-R		Other Gov'ts/ Agencies Involved in R-R	Developers/ Partners In R-R	Owner(s) after R-R
	Planning	Implementation			
Crestview, Phases 1 & 2 Corner Brook, Newfoundland <i>Newfoundland and Labrador Housing (NL Housing)</i>	2006-2007	2008-2010	None	None	NL Housing
Perrault Place, Happy Valley-Goose Bay, Labrador <i>Newfoundland and Labrador Housing (NL Housing)</i>	2006-2007	2008-2010	None	None	NL Housing
Benny Farm, Montreal, Quebec <i>Canada Lands Company (CLC)</i>	2002-2004	2005-2010	City of Montreal	Non-profits, co-ops, SHDM* Private condo developers	Benny Farm Land Condominium, OMHM*, Non-profits, Co-ops, Condo owners
Strathcona Heights, Ottawa City Living (City of Ottawa Non-Profit Housing Corp.)	1987-1988	1989-1995	CMHC OMMAH* City of Ottawa	Co-ops	Ottawa Community Housing, 2 housing co-ops
Regent Park Phase I, Toronto, Ontario <i>Toronto Community Housing</i>	2000-2002	2005-2010	City of Toronto	The Daniels Corporation of Toronto	Toronto Community Housing, Daniels Corp/ private condo owners
Flora Place, Winnipeg, Manitoba <i>Winnipeg Housing Renewal Corporation (WHRC)</i>	2004-2005	2006-2007	CMHC MHRC City of Winnipeg	None	WHRC
Canora Park Place, Canora, Saskatchewan <i>Saskatchewan Housing Corporation (SHC), Canora Housing Authority (CHA)</i>	1996	1996-1997	None	None	SHC
Lions View, Vancouver, BC <i>Housing Federation of BC (HFBC)</i>	1987-1989	1989-1995	None	Van Maren Construction of Vancouver	HFBC Private condo owners

* Notes:

OMHM (Office municipal d'habitation de Montreal)
SHDM (Société d'habitation et de développement de Montreal)
OMMAH (Ontario Ministry of Municipal Affairs and Housing)

CMHC (Canada Mortgage and Housing Corporation)
MHRC (Manitoba Housing Renewal Corporation)

3.1 Agencies Involved in the 8 R-R Case Study Projects

The 8 R-R projects were undertaken by a range of agencies. The *lead agencies*, responsible for planning and implementing redevelopment, included a mix of public sector and non-profit organizations, most of which were housing agencies, namely:

- non-profit housing providers (Lions View in Vancouver and Flora Place in Winnipeg);
- provincial housing agencies (Perrault Place and Crestview in Newfoundland and Canora Park Place in Saskatchewan);
- municipal housing agencies (Strathcona Heights in Ottawa and Regent Park in Toronto); and,
- Benny Farm in Montreal differed from the other case studies in that the redevelopment was undertaken by the Canada Lands Company (CLC), a federal crown corporation, rather than by a housing provider agency.

In most cases, the lead agencies were those organizations who ‘owned’ the original housing project. However, in the cases of Strathcona Heights, Benny Farm and Flora Place, ownership of the sites was transferred to the lead agencies from the original owner prior to redevelopment. Except for Canora Park Place (which was partially relocated to a new site), the other cases involved redevelopment on the original site.

As well as the *lead agencies*, many other organizations were directly involved in most of the projects as follows:

- 2 projects involved partnerships for redevelopment with private companies (Regent Park and Lions View);
- 2 involved housing developments on parts of the site by private non-profits or housing co-operatives (Strathcona Heights and Benny Farm);
- CMHC and the provincial housing corporations were involved in 2 of the projects (Strathcona Heights and Flora Place). Most of the projects involved funding from provincial housing and/or other programs and some involved federal or federal/provincial housing program assistance.
- Municipalities were involved in all the projects for planning approvals and infrastructure changes. In large, complex cases such as Regent Park, many departments of the City of Toronto were involved and a special committee was established to coordinate municipal approvals. In the case of Canora Park Place, the Town of Canora provided the land for the new location of the housing. In large site redevelopments such as Strathcona, Benny Farm and Regent Park, municipalities were directly involved because of changes to streets, parks or other municipal infrastructure. All of the projects also involved working closely with public utilities. Some municipalities (such as Montreal, Winnipeg and Toronto) also contributed to the development of new housing through their housing programs financing.

Therefore, these case studies illustrate the coordinated efforts of several levels of government and collaborative work with third sector and private housing providers.

3.2 Time Frames for Planning and Implementing the 8 R-R Projects

Display 1 shows the overall time frames for the 8 case study projects. Establishing the ‘starting dates’ for R-R projects is sometimes challenging because there may be long periods of discussion and negotiation about the future of the sites before formal ‘planning’ is launched. The starting dates for ‘planning’ shown in Display 1 represent the beginning of the formal master planning¹¹ leading to the plan for the project that was implemented. In some cases, such as Benny Farm and Strathcona Heights, there had been earlier efforts to develop plans that did not proceed. The end date for the planning stage was defined as the date of municipal approval of the plan. In two cases, Crestview and Regent Park, the dates shown for implementation refer only to the phases of work completed as of 2010, although subsequent phases have been planned.

The 8 case studies include two R-R projects dating back to the late 1980s, Lions View and Strathcona Heights. Canora Park Place was redeveloped in the 1990s. The remaining case study projects were planned and implemented after 2000. The key points on time frames to note from the 8 case studies are as follows:

- Planning phases, including the consultation processes, generally averaged about 2 years up to the municipal approvals required to begin redevelopment.
- Implementation phases ranged from 2 -3 years for smaller projects such as Perrault Place, Canora Park Place and

Flora Place, and up to 5-6 years for larger projects such as Strathcona Heights, Benny Farm, Lions View and Regent Park Phase 1.

- The implementation phase included the ‘relocation’ of existing tenants to other housing on or off the site before the redevelopment work could begin. The length of the implementation phase was increased in many cases because the work was generally carried out in ‘phases’, often to minimize disruption to the lives of existing tenants.

The findings from the 8 case studies indicate that R-R is a lengthy process, generally taking between 4 years for smaller projects and 8 years or more to complete larger projects. ‘Phasing’ implementation can add more time to complete the redevelopment but has been used in some cases to avoid dislocation of existing tenants from the site. All of the R-R case studies involved relocation of tenants from their units to other units during the R-R work and, in most cases, relocation of many tenants back to units after completion. Tenant relocation represents a considerable workload and added expense for the housing agencies involved in R-R, and affects the lives of families and individuals that are subject to relocation.

3.3 Types of Redevelopment-Regeneration (R-R) Projects

The 8 case studies included public and non-profit housing originally built for families or seniors from the 1950s to 1970s. Three of the case studies (Strathcona Heights, Benny Farm and Flora Place) involved veterans’ housing

¹¹ ‘Formal planning’ was defined as the starting date when staff or consultants began to develop a master plan and/or when consultation processes were launched with the residents and/or the neighbouring community.

built after World War II to accommodate the large demand for family housing at that time. These were the oldest projects in the 8 case studies, followed by Regent Park which was built in the late 1940s and early 1950s. The case studies included small, medium and larger projects, as well as varying scales of redevelopment. For example:

- Small R-R projects included Perrault Place (with 24 units after R-R) and Flora Place and Canora Park Place which both had 28 units after R-R. At the other end of the spectrum, Phase 1 of Regent Park involved the rebuilding of over 400 of social housing units and the addition of 700 units of affordable and condominium housing; and Benny Farm had nearly 800 units after redevelopment.
- While some R-R projects involved a reduction in the number of units, several projects involved an increase in the number of units and site density including Regent Park, Benny Farm, Lions View and Strathcona Heights. Crestview and Flora Place were redeveloped without a change in the number of units.
- Three R-R projects (Regent Park, Benny Farm and Lions View) added private 'market' housing to the site while Benny Farm and Strathcona Heights added non-profit and co-op housing.

Therefore, these 8 case studies covered a range of social and other types of housing as well as a wide range of redevelopment approaches. Details of the unit types and numbers as well as the changes after R-R are included in each of the case study reports.

3.4 Summary Descriptions of the 8 Case Study Projects

Case Study #1: Crestview, Corner Brook, Newfoundland: Built in 1968, Crestview (originally named Dunfield Park) consisted of 200 units of family public housing. It was located in the City of Corner Brook, with mostly 3, 4 and 5-bedroom units, to accommodate larger families. The units were housed in 20 buildings (mostly row housing, with some stacked apartments) over a large site that also included a community centre. Over time, the buildings required substantial upgrading and repair, and the larger family units were no longer suited to the changing demographics of smaller family sizes and increasingly elderly tenants.

By 2006, when planning for R-R began, NL Housing had identified a number of plans to upgrade and repair housing, improve energy efficiency, and improve accessibility to accommodate the growing numbers of seniors that were living on the site. Four buildings with a total of 36 units were renovated by 2010. Two of the buildings were for families and two were for seniors.

At the time of this study in 2010, the Crestview revitalization was only partly complete. Although it was too soon to assess final results, early signs were positive. As a result of R-R, NL Housing reported that the project was seen to be a more desirable location for people to live, with more people wanting to move into the area, suggesting that the improvements changed the image of the entire neighbourhood. R-R was continuing in 2010, with an additional 24 units planned for the next phase in 2011.

Key results included major renovations that improved the quality of housing for tenants and improved building exteriors that transformed the image of the housing site to one where people want to live.

Case Study #2: Perrault Place, Happy Valley Goose Bay, Labrador: Perrault Place is one of a number of revitalizations of older public housing undertaken by NL Housing in communities across the Province as part of its longer-term strategy to revitalize older social housing.

Perrault Place was built in the 1970s with 48-units of family public housing in 6 row buildings with 8 units each. The units were a mix of 3- and 4-bedroom rental (rent geared-to-income (RGI)) units serving lower-income families.

Planning of the R-R work began in 2006. Demolition reduced the number of units from 48 to 24 units, allowed for driveways and patios, and created a more attractive, less congested residential neighbourhood. The R-R work was completed in 2010.

Key results included improved appearance and more attractive image with lower density and reduced vacancies. Although the number of units was reduced, the housing remained affordable for lower-income tenants.

Case Study #3: Benny Farm, Montreal, Quebec: Benny Farm was built in 1947 for WWII veterans and their families close to downtown Montréal. It included 384 units in low-rise, walk-up apartment buildings for young families on an 18 acre site.

By the 1990s the units were in need of major repairs and were less suited to the smaller households and seniors who resided there. Plans were prepared for redevelopment to create 1,200 units of high density, market priced housing. But after two new buildings were constructed (with 91 seniors units), redevelopment was halted due to vocal opposition from residents of Benny Farm to the demolition of existing housing. In 1999, CMHC transferred ownership of the site to Canada Lands Corporation (CLC). Under CLC, controversy¹² continued over issues such as the mix of market and social housing, density, renovation versus demolition, and provision for the remaining veterans. Following extensive consultations, a revised plan was approved by the City in 2004.

CLC began the redevelopment work in 2005. Benny Farm required major renovations to about 35% of the existing housing plus demolition and reconstruction of housing on the rest of the site by third sector and private developers. In 2008, these units were sold by CLC to the City of Montréal housing agency which administers all public housing in the City, and the R-R work was all completed by 2010. Upon completion of R-R, there were 797 housing units: 237 units for the ‘veterans’, 228 social (non-profit and co-operative) housing units, and 332 ‘private’ home-ownership (condo) units for moderate income and first-time buyers (some with financial assistance from municipal/provincial programs).

This project has been deemed an extremely successful redevelopment.

¹² Two separate groups of Benny Farm residents (the ‘veterans’) had opposing views on what should be done and residents of the surrounding neighbourhood were opposed to large-scale (high density) redevelopment of public housing on the site.

Key results of the R-R of Benny Farm included the creation of additional housing and a diversified neighbourhood with a mix of housing types, and household tenures and incomes. As well as providing improved quality of housing that was affordable for lower-income veterans and others, the addition of condominiums provided access to ownership for moderate income households close to downtown.

Case Study #4: Strathcona Heights, Ottawa, Ontario: Strathcona Heights was built in 1948 for WWII veterans in the Sandy Hill neighbourhood close to downtown Ottawa. The original project was comprised of 404 units, in low-rise, walk-up apartment buildings, designed for young families, on a large 9.3 hectare site on the Rideau River, in Ottawa. The site consisted of 62 buildings grouped into 22 blocks of 1 to 4 buildings with 261 two-bedroom and 143 three-bedroom units.

The R-R plan, led by City Living Ottawa, began in 1987 and called for renovating about half of the units and demolishing and replacing the remainder. By 1995, when the redevelopment was completed, 54 of the 440 original units were renovated, and 689 new units had been built, increasing the number of social housing units from 404 in 1988 to 743 (84% increase) including 160 units in two new housing co-operatives.

Key results for Strathcona included a large increase in the number of non-profit housing units and a mix of unit types (with 1-bedroom units to meet the needs of senior and single residents) as well as the creation of 2 housing co-operatives leading to a more mixed community.

Case Study #5: Regent Park Phase 1, Toronto, Ontario: The Regent Park Revitalization is an R-R project of Toronto Community Housing, the second and largest of 15 ‘revitalizations’ planned for its housing portfolio, and the largest R-R project undertaken in Canada. The overall plan called for a 6-phase, 12 to 15 year revitalization process estimated to cost \$1 billion.

Regent Park was the first public housing built in Canada. The 69 acre site just east of downtown Toronto included Regent Park North (built in 1947) and Regent Park South (built in 1954). It included 2,083 units of walk-up apartments and row houses for over 7,500 people, with few through streets that set the housing apart from the surrounding neighbourhood. By the 1980s, aging buildings needing repairs and increasing social problems led to proposals for improvements.

Plans for a complete redevelopment of the site were approved in 2002, and Phase 1 began in 2005. The plan for Phase 1 called for demolition of all 2,083 social housing units and rebuilding over 5,000 units on the site, which were expected to house over 12,000 people. As well as densification, the plan called for diversifying the income and social mix by building private market housing as well as replacing the same number of social housing units and adding some 700 units of affordable housing. The plan involved a new site layout with through streets to open up the area.

In 2002, Toronto Community Housing established a subsidiary to oversee site redevelopment and entered into a partnership with the Daniels Corporation to undertake all of the demolition and construction. Toronto Community Housing was responsible for tenant

relocation (that is, for findings suitable units for Regent Park tenants in other Toronto Community Housing units elsewhere in Toronto) and for leasing of the new rental units at Regent Park after construction. The Daniels Corporation was responsible for sale of the private market condo units. Phase 1 replaced 418 social housing units with more than 900 new residential units (rental and market condominium) plus new commercial space. More than 400 households (about 1,160 people) were relocated for Phase 1, mostly to other Toronto Community Housing, with a right to return to the new units upon Phase 1 completion. All moving and relocation costs were paid by Toronto Community Housing. In 2009, tenants began moving back to new Phase 1 rental units. At the time of this study in 2010, this R-R project was still being completed.

Today, the new units are occupied by a mix of lower-income tenants in rental units and private owners in the condominiums, some of whom are first-time home-buyers. The first market condominium sold quickly, and marketing of the second condominium was underway in 2010.

Key results included an increase in the number of residential units to reflect a typical downtown density and built form. It also created a greater income and social mix as well as a greater diversity of housing with the inclusion of private, condominium ownership, thereby changing the profile of the community.

Case Study #6: Flora Place, Winnipeg, Manitoba: Flora Place was an R-R project of the *Winnipeg Housing Rehabilitation Corporation (WHRC)*. It was originally constructed in 1947 as temporary housing for WWII veterans in the North End of Winnipeg. The 100 small (425 square foot)

2-bedroom units were on a 5+ acre site accessed via a gravel road, surrounded by open ditches. The land was owned by the City and was part of the Exhibition Grounds. The units lacked permanent foundations, as it had been expected that the units would be occupied only for a short time and then that the buildings would be demolished. However, over the years, as some of the veterans left, the units were rented to other households at very modest rents, and the housing became “permanent”. In the late 1990’s, 70 of the units were condemned and demolished.

In 2004, the City asked WHRC to take over redevelopment planning of the remaining 28 units. Most of the tenants were elderly, and despite the poor condition of the housing, most residents did not want to move. R-R plans began in 2004 when the remaining 28 units on the site and redevelopment of a small part of the original site that was transferred from the City to WHRC for \$1. The rest of the site (where houses had previously been demolished) had become a city park.

In 2006, WHRC undertook the demolition and reconstruction of 28 new housing units. Larger unit sizes were added to encourage families to move into the project, to increase the social mix. The new rental units (all row townhouses) included 18 one-bedroom units, 6 two-bedroom units, and 4 three-bedroom units, in a cul-de-sac layout. Four of the new units were designed to be currently fully accessible for persons with physical disabilities, and the other 24 units were designed to visitability standards for access by persons with physical mobility challenges (i.e., larger bathrooms and wider doorways with low profile thresholds).

The R-R work was completed in 2007. Tenants who wished to stay in this location were re-housed in the new units, while the other units were rented to applicants from the WHRC waiting list.

Provincial rent supplements were available for 16 of the units, while tenants in the remaining 12 units paid median market rents. The redeveloped Flora Place won a CMHC Housing Award in 2008 as a best practice in affordable housing.

Key results of the R-R included attractive building and unit designs that maximized accessibility and housing affordability for seniors while increasing the mix of unit types to include families and different income levels.

Case Study #7: Canora Park Place, Canora, Saskatchewan: The Canora Park Place R-R involved *relocating a number of buildings* from an existing seniors public housing site called ‘Golden Age Centre’ from the outskirts of Canora, Saskatchewan (pop 2,400) to a more central location. The original housing was built in the 1970’s and consisted of 40 units of seniors’ public housing in 20 semi-detached one-storey buildings. Originally, most of the tenants were in the 65-75 age-group, owned vehicles and were able to drive.

By the 1990’s, the local housing authority experienced difficulty filling vacancies because of the location of the housing and distance from amenities. With ‘aging-in-place’ of the tenants who had been living in the housing for some years, many of the tenants were 85-95 years of age and required greater social supports and assistance. For example, assistance was needed to drive seniors into town as there were no alternate means of transportation such as taxi service in The Town of Canora.

In 1996, an R-R process began, when the Canora Housing Authority (CHA) met with the tenants to discuss the pros and cons of

moving all of the housing to a more central location and linking the buildings to create a common area for social/recreational activities. The majority of tenants indicated that they would like to move, while some tenants indicated their desire to stay in the same location. As a result, CHA and SHC developed a plan to move 13 buildings (totaling 26 units) and keep 7 buildings (totaling 14 units) on the original site.

The Town of Canora donated the site downtown in exchange for the original site. The work was completed on schedule in October 1997, with a portion of the residents relocated to the new “in town” site, and some tenants remaining in 14 units in 7 buildings at the original, more rural, site.

Key results included reduced social isolation for the older seniors by moving housing to a more central location closer to amenities and providing activities within the housing complex. By keeping some units on the original site, seniors were offered a choice of locations to meet their own preferences.

Case Study #8: Lions View, Vancouver, British Columbia: This non-profit seniors’ complex, was developed by HFBC Housing Foundation between 1952 and 1960 on a 3-acre site purchased with funds donated by the Vancouver Lions Clubs. Original construction was assisted by a grant from the Province of British Columbia and a 40 year fixed rate mortgage from CMHC. The 91 units in 14 two-storey, walk-up row and 4-plex structures housed about 100 seniors. Units were small, many of them bachelor units. There were no modifications for persons with physical mobility disabilities.

Planning for the R-R work began in 1987, and implementation was carried out through a partnership between HFBC and a private developer. The R-R project increased density by adding 35 more units of social housing and 48 private condo units, thereby increasing the total number of units on the site from 91 to 174. In addition to increasing the total number of housing units, the new units were more spacious (1-bedrooms rather than bachelors) and the buildings were more accessible (with elevators), and thus better suited for seniors with physical mobility difficulties.

A unique feature of the project was that finances drawn from the original land allowed the redevelopment to proceed with no public funding and a surplus for use in other affordable housing. The R-R work was completed in 1995.

Key results included increased number of non-profit units and addition of condominium units that increased the mix in household incomes and tenures. The third rental building that was added without government financing generated revenue for other non-profit housing in Vancouver.

4. Case Study Findings on the Research Questions

This section summarizes the overall research findings from the 8 case studies based on the research questions. Some related research questions are combined in the following summary. Findings from individual cases are included in the detailed case study report.

4.1 What were the Drivers and Objectives of R-R?

Redevelopment of social housing in Canada has varied in scale and taken many different forms. Three main drivers for R-R were identified from these case studies, namely:

- deteriorated physical conditions of the buildings and outdated design or layout were common to all case studies. Flora Place illustrated obsolescence of housing originally intended as temporary housing for veterans;
- concerns about social conditions or problems in existing social housing were key concerns in larger projects such as Regent Park and Crestview; and,
- changing needs of existing tenants or the people on waiting lists (such as for smaller families in Crestview due to changing demographics). Benny Farm, Lions View and Strathcona Heights involved aging seniors who needed more accessible housing, and in Canora the concern was to reduce social isolation for seniors.

The objectives of R-R depended on the original problems but all aimed to improve the physical housing conditions and to preserve affordable housing. Providing more suitable housing for seniors was a key objective in Lions View, Canora Park Place and Benny Farm. ‘Renewal’ of the housing community and improving the neighbourhood mix has also been a key feature

of many of the examples studied such as Strathcona Heights. Some such as Crestview focused on changing the image of the housing. However, government policies and the ability to fund R-R were often key factors in decisions about objectives and the scope of the work undertaken.

4.2 How was the R-R Planned and Implemented?

Planning for R-R projects in most cases involved consultants to prepare master plans for municipal planning approvals. Some type of tenant involvement or consultations was generally undertaken during the planning phase. However, the extent and type of consultation varied as outlined in the following section. The processes for implementation were quite variable depending on the scale of the project. Two projects (Lions View and Regent Park) involved partnerships with private developers that were responsible for implementing the plan, and in Benny Farm, CLC was responsible for managing the work. In other projects, R-R was implemented by staff of the housing agencies involved usually through public tendering and management of contract work. In all cases, housing agency staff was responsible for the tenant relocation work required during implementation. Several projects were implemented in phases. For example, in Strathcona Heights buildings were demolished and added in phases so that tenants could be relocated on-site. Smaller projects have also taken numerous years to plan and complete, because of lengthy planning approvals processes or because of the involvement of multiple levels or branches of government such as in Flora Place. In Crestview, work was phased in order to space out and manage the financial and technical resources required.

4.3 How were Tenant and Community Interests Addressed?

Tenant and community interests were addressed in a number of ways. Many of the projects involved extensive consultations with the tenants and the surrounding community to develop the master plan for redevelopment. In Strathcona Heights, tenants were actively engaged through regular meetings and made decisions about the options during the planning and throughout the implementation process. In other projects, a special task force was created to make decisions about the redevelopment options or tenant associations were consulted on the plans, such as in Canora Park Place. Community consultation, which has become a norm or requirement for planning in many locations, involved a community charette for the Crestview redevelopment, while others involved regular meetings with tenant associations and residents from the surrounding area. Several projects involved experts in community consultation and engagement who not only facilitated meetings but also met one-on-one with tenants to address their concerns. Consultation during planning for R-R is an on-going process to develop master plans for redevelopment before these go forward to local government for approval. As well, it is not uncommon for 'approved' master plans to be revised as implementation proceeds and unforeseen circumstances arise. Therefore, there is a need for on-going communication with tenants during the implementation phase when changes have to be made to the plans. Flora Place used a website to keep people informed during the redevelopment.

Additionally, all of the projects involved relocation of tenants for some time. Some housing agencies engaged in extensive efforts to relocate and/or to aid return of residents to their communities which required dedicated and sometimes extensive staff resources. Tenant relocation often involved providing practical assistance to help people move (such as packing their belongings) as well as financial help to cover the costs of moving and scheduling professional moving companies. The technical (building) side of redevelopment had to be coordinated with the tenant relations work and, where projects were completed in phases, some tenants moved several times on the site during the implementation of R-R rather than leaving the community.

4.4 What were the Costs and Methods of Financing?

The costs and financing models for R-R depended on scale, objectives, and funding opportunities. In a few cases examined, deteriorating housing conditions had made the housing costly to maintain while in other cases R-R was undertaken to respond to vacancy problems in existing housing because units were not suitable for households or the projects had a poor social image. In these cases, R-R has the potential to improve the sustainability of the housing. However, R-R was very costly whether new construction or major renovation, and the additional costs of demolition and tenant relocation were considerable. Therefore, even with higher revenues from lower vacancies and reduced operating costs, the financial viability of projects after R-R is not necessarily improved in the short-term.

Many sources of financing were involved, and release of existing equity from land value was used in Regent Park and Lions View to make the redevelopment feasible. One interviewee noted that ‘free land’ by itself was not sufficient to produce housing that is affordable to lower-income residents without some form of program funding. Many of the projects involved financial assistance under programs funded by federal, provincial and/or municipal governments. Funding from the Canada Economic Action Plan assisted in financing for R-R of Crestview. Housing developments in Benny Farm received financial support under provincial programs, and assistance for first-time home-buyers was provided under municipal and provincial programs. Provincial housing allowances helped to improve affordability of the new housing in Flora Place and Lions View.

4.5 What were the Outcomes? Were Objectives Achieved?

Redevelopment of these projects produced a wide range of positive physical, social, and economic outcomes.

- **Physical condition:** The R-R case study projects resulted in major improvements in the physical quality of housing and the living environment, in some cases in the broader communities of the projects including surrounding neighborhoods.
- **Desirability of location:** Creation of more attractive communities not only improved the poor image of projects but also made them more desirable to others thereby reducing past vacancy problems.
- **Energy efficiency:** Improvements in the energy conservation features of buildings resulted in savings in operating costs and environmental benefits.
- **Accessibility:** Most projects included the addition of more physically accessible housing for seniors and persons with disabilities. Flora Place included fully accessible units and ‘visitability’ standards for all other units to create more flexibility for adaptation over time.
- **Affordability:** Affordability of resulting housing was achieved through financial assistance for redevelopment and, in some cases, through additional subsidies (such as rent supplements or housing allowances). Redevolutions generally did not reduce the number of social housing units and some projects such as Strathcona Heights, Benny Farm and Lions View increased the number of units. Rents for lower income tenants were affordable and based on rental scales used in other projects.
- **Diversity:** Many case studies involved increases in the social diversity (such as age groups, types of households, ethnicity and so on) and income mix of the residents before and after R-R, sometimes with the addition of market rent units or private ownership condominiums. Several examples resulted in a wider range of housing tenures with the addition of co-operatives or condominium home-ownership.
- **Innovation:** Several projects including Benny Farm and Strathcona Heights incorporated innovative energy projects although these took longer to implement than expected.
- **Objectives Achieved:** R-R projects achieved their objectives in all of the projects examined, although sometimes over a longer time period than planned and modifications were often made to initial plans.

5. Lessons Learned from R-R Case Studies

Many lessons learned were identified by those interviewed in the case studies and these are detailed in the individual case study reports. These lessons were wide ranging, from detailed operational factors to broad policy levels. The most common types of lessons learned related to planning, financing, and implementation or delivery issues. Although every case of R-R was unique, there were some common challenges and lessons learned. (See Display 2, next page)

Lessons learned have been grouped into the following categories:

- **Planning for redevelopment:** Several important factors need to be considered in deciding on approaches to R-R. In revitalization of projects in Perrault Place and Crestview, the benefits and costs of renovating all or some of the units had to be weighed against the costs of new construction (which were high in Newfoundland and Labrador) and the overall goal of retaining the stock of social housing. Tenant desires to preserve existing housing were important in Strathcona Heights and Benny Farm and had to be balanced with numerous other factors. Some of these included the objectives of rebuilding to higher densities on these sites while preserving or renewing communities and avoiding the dislocation of tenants.

In Canora Park Place phasing was seen as successful in minimizing disruption of the lives of their elderly tenant population by allowing people to stay at their original location until the newly developed site was ready for occupancy. Phasing of redevelopment and financial advantages such as allowing tenants to remain in their communities (rather than leaving the site) and spreading the costs of redevelopment over multiple fiscal years. However, phasing

can lead to a long redevelopment process (as in Crestview).

- **Development approaches:** The methods of undertaking redevelopment involved considerations about the means of financing the work and the need for involvement of a ‘public’ or private developer. In Lions View, partnership with a developer was especially advantageous for the non-profit because of the developer’s willingness to carry development costs to launch the project as well as the benefits of raising capital to add more non-profit units on the site without government financing.

In Benny Farm, the role of CLC, a federal crown corporation, as the lead developer was key to the success of the redevelopment because it could provide access to funding to cover site redevelopment. In Regent Park, partnership with the Daniels Corporation as the private construction firm for the entire development facilitated the project as well as provided equity to off-set the costs.

- **Consultation processes:** Intensive consultation and engagement of tenants was seen as a key to the success of the Strathcona Heights redevelopment. In Benny Farm a community-based Task Force model and involvement of a community engagement consultant were seen as key to overcoming resistance to the redevelopment.

In smaller projects such as Canora Park Place and Flora Place meetings with tenants to consult them about their wishes helped to shape the plans and accommodate what the people wanted for their housing and community. The key lesson learned was that consultation takes time, but that the agencies involved felt that it was well-worth the time and resources involved.

Display 2: Summary of Lessons Learned in 8 R-R Case Studies

R-R Project	Key Lessons Learned
Crestview	<ul style="list-style-type: none"> ■ Revitalization changes the image of older public housing ■ Major renovation extends building life ■ Major renovation was costly but more economical than new construction in this case ■ Phased revitalization is a long process and lengthens the wait for tenants in units that are slated for renovation in a later phase ■ Diversifying social mix in later phases can be challenging to ensuring that previous tenants can return while adding new households from the social housing wait list ■ Tenant relocation is a complex process that can delay R-R and increase costs
Perrault Place	<ul style="list-style-type: none"> ■ R-R is resource intensive both in financial and human resources, and requires realistic scheduling of work ■ R-R of older stock can be beneficial but needs to be weighed against costs
Benny Farm	<ul style="list-style-type: none"> ■ R-R created diversified housing form, tenure and social mix ■ Combined use of public developer with tendering to social and private housing developers helped cover R-R costs without equity release ■ Engaging residents and wider community is critical for successful plan
Strathcona Heights	<ul style="list-style-type: none"> ■ Staff, consultant expertise and political support is essential for successful R-R ■ Intensive community consultation/involvement was key to preserving community ■ Financing arrangements for large multi-year projects need to be in place at the outset ■ Comprehensive redevelopment preserved social housing without sale of assets
Regent Park	<ul style="list-style-type: none"> ■ R-R requires both a social plan (tenant consultation and relocation) and a building plan, and time frames may be different ■ Doubling density and increasing diversity involved relocation of hundreds of tenants more than once ■ Opportunities for creating partnerships need to be considered ■ Promises to tenants about their rights to return should be made carefully and may be difficult to implement ■ Need to raise awareness about public and private rights, and nature of assets in financing R-R to offset costs
Flora Place	<ul style="list-style-type: none"> ■ R-R created attractive housing, enhanced strong sense of community, and increased social mix of household types and age groups ■ Close working partnerships between the non-profit and City was a key to success ■ Financial costs of new development are high even with 'free' land ■ Improved accessibility and visitability standards to accommodate changing needs
Canora Park	<ul style="list-style-type: none"> ■ Moving buildings can adapt existing social housing to meet changing needs (such as reduced isolation, proximity to services and increased social supports) without demolition ■ Created choices to meet seniors' preferences and reduce social isolation ■ Agreement was needed from the municipality and the residents of the Town was needed to 'relocate' buildings to a new site ■ Phasing R-R reduces disruption of tenants' lives
Lions View	<ul style="list-style-type: none"> ■ R-R for non-profit housing succeeded with innovative financing model to leverage equity and partnership with experienced developer who provided critical development expertise ■ Financing of up-front costs by developer resulted in an additional new rental building without housing capital subsidies ■ Longer term benefit of generating revenue to develop more self-financed non-profit housing

- **Financial and other resources:** Financial concerns were a challenge for all of the R-R case studies examined. Some of the key lessons learned were the need to ensure there was adequate financing to complete the work before redevelopment was launched as in Strathcona Heights, and that ‘free’ land was not enough to cover the high cost of redevelopment as noted in Flora Place.

Many of the projects also demonstrated the importance of having sufficient human resources (such as staff in housing agencies) to manage both the physical work and the tenant relations aspects. In Regent Park, the need for both a social and a building plan was noted as was the fact that the time frames for these two aspects needed to be synchronized. With respect to financing, projects involving private partners (such as Lions View and Regent Park) were seen as having established a feasible financial plan for redevelopment from the outset, while the involvement of CLC as the developer in Benny Farm provided the necessary access to development capital throughout the site redevelopment. Other projects used combinations of government and housing financing from a variety of programs to enable redevelopment to proceed. This approach often involved close working partnerships or collaboration among multiple levels of government.

- **Relocating tenants:** All of the projects involved relocations of existing tenants. While relocation processes were generally seen as being successful, the key lesson learned was that this tended to lengthen the redevelopment process by up to a year or more

before redevelopment work could begin. Even though most of the public and non-profit housing agencies involved had portfolios of other housing that could be used to accommodate displaced tenants, they all had to follow formal processes of notifying tenants of the move, work with them to find suitable accommodations elsewhere, and help them make the move.

Projects such as Flora Place provided assistance to help the elderly tenants pack and move. Projects with vacant units on the site (such as Perrault Place and Canora Park Place) were able to relocate tenants temporarily on-site, and in Strathcona Heights, phasing of the work allowed for tenants to stay within the community as each building was built. Benny Farm used a similar phased approach by developing a new building to accommodate veterans first so that they did not have to move away from their community.

Regent Park’s approach was different in that the entire site for Phase 1 was redeveloped at the same time, necessitating relocation of all existing tenants off site for a number of years. The time, staffing and costs involved in the initial relocation were reportedly considerable and higher than those involved in relocating tenants back after rebuilding was completed. Experience in other projects such as Strathcona Heights has shown that very few people left the original community since they were able to stay during redevelopment, whereas in Lions View tenants re-housed in other projects were less likely to make the move back to their previous location after completion of the R-R.

- **Renewing communities and balancing change:** Many of these projects involved diversification of the social and income mix and some also included changes in tenure options. Others such as Canora Park Place, Benny Farm and Strathcona Heights were addressing the changing needs of the existing tenant groups and were able to accommodate and give priority to these in the redevelopment.

In most cases, changes were achieved without reductions in the supply of affordable housing, and tight-knit communities prior to redevelopment in Flora Place, Strathcona Heights and Benny Farm were enhanced in various ways. The key lesson learned was the importance of preserving and building on the strengths of communities while at the same time balancing the need for change.

- **Using new technologies for sustainability:** Some redevelopments examined in the case studies incorporated innovative features such as new technologies for renewable energy (including solar and geo-thermal)

and LEED design. Generally, the objectives were to produce more sustainable residential environments, to lower energy costs to consumers, and/or to reduce the size of the ecological footprint. Some technologies, designs and materials have been available for some time and widely-used in residential building, whereas others are emerging or more innovative. Some of the case studies revealed that there were delays and difficulties arising from the use of some new technologies in the redevelopments that resulted in higher than anticipated costs and lengthened timelines to complete redevelopment. Persons interviewed suggested that follow-up is needed for several years in order to assess the results of the new technologies as not all of the efforts produce the desired results of sustainable innovation.

The key lesson learned from these case studies is that, with sufficient financial resources, housing agencies and local communities have the capacity to plan and overcome challenges to successfully carry out R-R efforts.

6. Conclusions and Recommendations

6.1 Conclusions from Case Studies

These case studies illustrate successful examples of social housing redevelopment-regeneration. Affordable housing was sustained, housing supply was increased in most cases, and communities were renewed, particularly as regards the specific projects, and sometimes in neighbouring areas. The cases studied demonstrate that there is great potential for other housing agencies to renew and revitalize social and affordable housing in Canada, especially as the social and affordable housing stock ages.

Four specific conclusions emerged from this study of 8 R-R cases.

- **Many different redevelopment approaches** were seen to be viable, with a variety of lead developers (provincial or municipal government agencies, non-profits or other public organizations). In some cases, R-R was undertaken by a single government agency whereas others involved forms of ‘partnerships’ (including public/private and non-profit/private partnerships). The approach used relates to the specific conditions for each project and is closely tied to the financial structure for redevelopment.
- **R-R work involves two parallel and coordinated components**, namely physical redevelopment and tenant relations. These two components are usually managed by different units or branches within the organization undertaking the R-R. They require different skills and expertise to be successful.

All R-R involves some disruption in the lives of existing tenants and most R-R requires relocation of tenants (often more than once). Various methods have been successful in minimizing the negative impacts on tenants. For example, phasing R-R work can provide opportunities for tenants to stay within their communities during and after redevelopment. Giving tenants ‘choices’ has been a common theme, including the ‘right to return’ after demolition and reconstruction. When carefully planned and managed, providing choices to tenants (such as moving back to completed units and which units they prefer) appears to have contributed to the renewal of communities as well as buildings.

- **All R-R work is complex, time-consuming and costly** in financial and human resources, not only for large scale redevelopments but also for projects with a smaller number of housing units. R-R projects can typically take two or more years for the planning phase as well as three or more years for the construction (development) phase.

Phasing R-R work over an extended period of 5 to 10 years can be beneficial such as reducing the displacement of existing tenants and spreading the costs over a number of years. However, it can also increase the complexities (such as multiple moves for tenants, phasing contracts and construction work on infrastructure, utilities and amenities, managing short-term vacancies in buildings on the site, and so on) and in some instances may result in higher costs.

Where demolition and reconstruction are involved, the costs of demolition tend to be quite high, often because of removal of asbestos and or other hazardous materials. Furthermore, demolition requires the relocation of existing tenants. The costs of relocation can be substantial and are generally covered by the housing agency responsible for the R-R. Therefore, there are additional costs in redevelopment of public sector housing that may not be associated with private redevelopment. Furthermore, agencies involved in R-R work require additional staff resources to manage physical redevelopment and the tenant and community involvement.

- **Financial arrangements for R-R of existing social or affordable housing have been varied and at times quite complex.** Having adequate financing from the outset is key to successful completion of the work.

Even though existing social housing has the benefit of land which can be “reused” for the redevelopment of housing it is clear that having ‘free’ land is not sufficient to provide new or substantially renovated housing that is affordable to lower and moderate income households. In the absence of senior government programs for new social housing development, public and non-profit organizations had to develop creative financing models to undertake R-R and continue providing affordable housing.

One strategy has been to raise equity by selling parts of non-profit or publicly-owned sites (or assets) to private interests to finance redevelopment. Various models have emerged including land lease agreements with non-profit co-operatives, tendering the sale of parts of sites to non-profit housing developers,

and partnerships with private developers for condominium housing involving profit sharing.

Some R-R work for public housing redevelopments has been achieved with financing under existing social housing agreements as well as the additional funding available recently through the Canada’s Economic Action Plan.

6.2 Areas for Further Research

The case studies identified a number of areas for further research to share information and improve knowledge about redevelopment:

- *Improved information sharing about R-R:* most projects are not well-documented and not well-known outside of their local areas. One suggestion was for a national seminar to be held on redevelopment and regeneration to share experiences and lessons learned.
- *Production of a manual on R-R could assist other housing providers:* many R-R projects have been undertaken in Canada and many more will need to be completed in the coming years as the housing stock continues to age. A ‘how-to’ manual could be very helpful to social housing providers across Canada as they undertake redevelopment efforts for the first time.
- *The relationship of technological innovations to R-R and associated challenges and costs requires further investigation:* in several of the cases, there were pressures to add energy-related ‘innovations’ into the redesigned housing. It was reported that these types of innovations created numerous additional difficulties in carrying out the R-R work which was already very complex without using new technologies. Using housing

redevelopments to test out new or untried technologies also adds to R-R costs and to the time taken to complete the R-R work. Their cost-effectiveness in R-R needs to be better understood.

- *Financing models for R-R vary, are complex, and there is insufficient information available on costs and sources of funding:* regardless of whether R-R is undertaken in partnership with a private developer, the costs to the public sector of R-R requires further research. Treatment of the 'land value' from the original sites varies and may or may not be capitalized into the new housing financing structure. Multiple sources of public sector and private financing are often involved in various aspects of the redevelopment, including financing for both the housing and other major, related costs (such as for infrastructure and amenities). Furthermore, administrative and management costs to participating agencies involved are not tracked or charged to the final project costs. This information is essential to assessing the full cost of R-R or the cost to the public sector.
- *Implementation models for R-R involve a mix of public and private roles; strategies and benefits need to be better understood:* private sector firms are heavily involved in the planning for R-R and for carrying out the 'work' including demolition, moving tenants, construction and/or renovation, moving structures, infrastructure replacement, etc. While some R-R has involved the use of a 'general contractor/developer', other cases involved the housing provider as general contractor. In all of the case studies, tendering and contract management was the responsibility of the housing provider organization. However, redevelopment is about people as well as buildings. Therefore,

the housing providers are also responsible for the tenant relations aspects of the redevelopment, and tenant relocation is a major task involving considerable time and resources. These two parallel streams of technical operations of redevelopment versus tenant relations activities require specialized expertise, and are often carried out by separate groups or branches within the organization. In larger-scale R-R, new 'units' and/or management groups have been established to oversee and facilitate the R-R processes, whereas in smaller R-R projects the work is usually carried out by existing staff and divisions. Further study could be carried out to assess in more depth the different models of overseeing R-R, particularly the role of partnerships with private developers.

Longer term studies are needed to assess the outcomes and to document changes and lessons learned from redevelopment efforts over time: while most organizations have put in place some method for assessing the post-R-R satisfaction of tenants, there is very little data on either initial physical conditions (of projects and surrounding areas) or longer-term outcomes in terms of the social or economic effects of redevelopment. Having formal 'baseline' studies would be useful to better assess the impacts of redevelopment. While certain research has been carried out or is underway, most R-R projects have not been fully documented. Regent Park is an exception in that considerable research, including longitudinal studies, has been launched.

Well-designed studies are required particularly to investigate the impacts on social and community relations and quality of life generally in projects and communities, following R-R.

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**CASE STUDY RESEARCH ON
SOCIAL HOUSING REDEVELOPMENT
AND REGENERATION**

PART B: EIGHT CASE STUDY REPORTS

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Overview

Introduction: This report provides an in-depth description of eight individual case study reports which were conducted as part of a broader study of Redevelopment-Regeneration (R-R) of Social and Affordable Housing in Canada. These case studies are also summarized in an overview report, which is provided separately. In addition to case studies, the research included a national survey of R-R projects.

A Focus on Lessons Learned: The case study reports are focused on lessons learned and do not provide detailed financial analyses, site plans or architectural analyses.

The case study reports within vary from 10 to 20 pages in length, depending on the complexity of the projects.

Case Study #1:

Crestview (Phases I & 2)¹³ (Corner Brook, Newfoundland) Newfoundland and Labrador Housing (NL Housing)

Rationale for this case study: The Crestview Revitalization of Dunfield Park was selected as an example of an older, large, provincial public housing project in need of revitalization in order to adapt to today's housing needs. It may be useful for housing providers who have large social housing projects in markets or situations with limited potential for private market participation to offset the costs of redevelopment. For purposes of this report, the original housing is referred to as 'Dunfield Park', and the case is referred to as the 'Crestview' redevelopment.

Acknowledgements: The researchers and CMHC wish to thank and acknowledge the assistance of staff of Newfoundland-Labrador Housing in the Corner Brook and St. John's offices.

Note: This case study covers Phases 1 & 2 of the Crestview Revitalization.



¹³ NL Housing refers to this as the 'Crestview' revitalization after a major street on the site. The project was formerly called Dunfield Park.

A. Crestview: Background Information and Summary

Crestview (previously Dunfield Park) is one of a number of revitalizations of older public housing being undertaken by NL Housing in communities across the Province as part of its longer-term strategy for social housing.¹⁴ The key organization involved was *Newfoundland Labrador Housing* (NL Housing).

The Original Housing, Before R-R	<p>Built in 1968, Dunfield Park originally consisted of 200 units of low-income family public housing, located in the City of Corner Brook.¹⁵ At the time, it was the largest development in the western region of the Province, with mostly 3, 4 and 5-bedroom units, to accommodate larger families. The units were housed in 20 buildings (mostly row housing, with some stacked apartments) over a large site that also included the Community Centre building which is owned by NL Housing. Schools, retail and medical facilities were available, off-site.</p> <p>By 2006, when planning for revitalization began, NL Housing had identified a number of social and physical issues.¹⁶ Buildings required substantial upgrading and repair, improvements to increase energy efficiency, and improved accessibility to accommodate the growing numbers of seniors now living on the site as a result of aging in place. In addition, changing demographics (smaller family sizes) made the units less suited to today's housing needs and the layout of the site, with only one public street, limited vehicular access.</p> <p>In March 2007, NL Housing issued an RFP for the revitalization plan and hired an external consultant (AE Consulting of St. John's) to prepare a plan which would include a community consultation process. The final NL Housing plan called for revitalization work to improve existing housing without demolition and no new construction to be completed for all 200 units in phases (one or more buildings at a time) over a period of 10 years depending on budgets available.</p>
Time Frame of R-R	<p>Planning: 2006 – 2007 (about one year)</p> <p>Implementation of Phases 1 & 2: 2008 – 2010 (about 2 years)</p> <p>(Implementation of remaining phases (174 units) over 8 years (contingent on budget levels)</p>
R-R Work Undertaken (Phases 1 & 2)	<p>Major renovation work began in 2008. Phase 1 included 2 buildings with 18 units. Phase 2 included 2 buildings with 18 units. Therefore, 4 buildings with a total of 36 units were completed by 2010. Two of the buildings were for families and two were for seniors. An additional 24 units are planned for the next phase in 2011. Due to the nature of the work involved (both interior and exterior), residents were relocated from the 4 buildings undergoing work to other housing on-site or in other NL Housing units. The upgraded units were re-occupied once each building had been completed. NL Housing has established protocols for the selection of residents, to foster more of a social mix of RGI tenants.</p>
After R-R (Phases 1 & 2)	<p>The Crestview revitalization is part-way through the process. Although it is too soon to assess final results, early signs are positive. The entire development is going through a transformation, making this a desirable location for people to live. NL Housing has found people wanting to move into the area, suggesting that improvements are changing the image of the entire neighbourhood. Tenants in other buildings on the site are also keen to see their housing improved.</p>
Key Changes	<ul style="list-style-type: none"> ■ Revitalization of the neighbourhood is removing the stigma and improving the quality of the environment for lower-income residents, with Phases 1 and 2 of work completed. ■ Renovation of units and buildings has substantially improved the quality of housing for tenants.

¹⁴ In 2005/06, NL Housing developed a phased approach for improvements in social housing around the Province that had been constructed in a similar time period including Corner Brook, Stephenville, St. John's and others. The Province has made additional capital funding available for upgrading social housing.

¹⁵ According to the 2006 Census, the population of Corner Brook was 26,623 in 2006.

¹⁶ See: RFP for Revitalization Study, Dunfield Park, NL Housing, March 2007.

B. Key Findings

B.1 Reason(s) for R-R

The main reason for the Crestview revitalization was to improve the housing and the overall neighbourhood environment. The housing was built over 40 years ago and, although structurally sound, required substantial physical renovation, both interior and exterior. The original site layout, with numerous buildings and only one thru street provided limited access to the individual housing units and for emergency vehicles. There had been increasing social problems in the area, and the stigma of living in social housing was a continuing concern. Furthermore, demographic changes (declining family sizes and increasing numbers of elderly tenants living in the housing) meant that the housing itself was not meeting the current needs of residents.

B.2 Objective(s) of R-R

The objectives of the revitalization were identified in NL Housing terms of reference,¹⁷ issued in March, 2007:

- Making Dunfield Park a safe environment to live in;
- Removing the negative stigma attached to the neighbourhood;¹⁸ and
- Improving access for services and emergency vehicles.

The RFP also noted that “the social issues in the neighbourhood were exacerbated by the high population density in Dunfield Park, and therefore a key requirement is to reduce the population density in a planned approach.”

Given that there were already concerns with the density and congestion, no proposals were brought forward to increase the number of units on the site.

B.3 Planning/ Implementation¹⁹

Planning: NL Housing had identified Dunfield Park as a revitalization site in 2006 for the reasons stated above. In March 2007, NL Housing issued a request for proposals to conduct a public consultation process and to prepare a redevelopment plan. The firm of AE Consulting of St. John’s was awarded the contract to prepare a master plan. The planning process (which included a planning charrette) took approximately one year to complete.

The consultants conducted a planning charrette²⁰ in Corner Brook with a wide range of stakeholders in the community, including: residents, the tenants’ association, housing staff, the municipality, special interest groups, local businesses, police and fire departments, environmental/recreation groups, and the Community Centre as well as its Board of Directors. During the charrette, participants were invited to express their vision for the area and the improvements that they would

¹⁷ RFP for Revitalization Study Dunfield Park, NL Housing, March 2007, page 5.

¹⁸ NL Housing uses the term ‘neighbourhood’ to refer to areas of public housing.

¹⁹ Responsibilities for revitalizations in NL Housing are shared by the Engineering Department of the head office in St. John’s and one of the 7 Regional Offices in the Province. NL Housing staff in the two offices involved work together to coordinate all aspects of the work. Generally speaking, the Engineering Department is responsible for tendering and managing contracts for the technical work, while the Regional Office involved is responsible for tenant relations (including relocations and leasing of units).

²⁰ ‘Charettes’ are employed in planning as a technique for consultation with all stakeholders. There are various types, but generally involve intensive meetings within some defined time limit to obtain ideas from a variety of perspectives and feedback on alternative solutions to build consensus on a plan.

like to see. The resulting master plan was very comprehensive and ambitious, including additional facilities on-site (such as a medical centre and shopping centre) with an estimated total cost of over \$20M, over 6 years.

The consultants' master plan was considerably more ambitious than the budget available (which had been estimated at \$8M), and involved demolition and new construction. Therefore, NL Housing conducted its own follow-up consultation with residents and staff to identify priorities and develop a more realistic plan for the area. This second phase of consultation found that residents were most interested in having more up-to-date kitchens and new bathrooms, and having their neighbourhood look 'better,' so they could be proud of their homes. Some of the existing units did not have cupboards in the kitchens (only shelving), and some had no showers in the bathrooms. Residents were also concerned about crime, and the police and fire departments wanted to have better access into the area.

NL Housing's main concerns were to sustain and upgrade the buildings, increase energy efficiency, make the units more physically accessible for older tenants, reduce the number of bedrooms in the larger units, and improve the image of the neighbourhood. It was also noted that, due to the scale of the work required, it might need to be completed over a series of 'phases,' over a longer time period, depending on funding available.

The final NL Housing plan called for revitalization work to improve the existing housing without demolition and no new construction to be completed for all 200 units in phases (one or more buildings at a time) over a period of 10 years depending on budgets available. The revitalization work began in 2008.

Implementation: Buildings on the site were allocated into phases, so that one or more buildings could be renovated each year. The first two phases with a total of 4 buildings and 36 units have been completed and units are now occupied. In each phase, one of the buildings was retained as family housing and the other was for seniors. No new housing units were constructed.

There are two inter-related components in all revitalization work, namely, the technical or physical work itself and tenant relations. These two components were carried out in parallel and were managed by different branches of NL Housing working in close collaboration. Tendering and management of construction contracts was undertaken through the Engineering Department of NL Housing in St. John's while the on-site work with tenants was undertaken through the NL Housing Regional Office in Corner Brook.

The construction work for Phases 1 and 2 was completed on-schedule and within budget, without major delays or cost overruns.

Construction tenders in the first two phases included all of the interior and exterior work for the specific buildings to be revitalized. Interior work involved gutting the units and replacing the kitchens and bathrooms, moving laundry facilities from the basement to the main floor in each unit, replacing flooring, etc. As well, the number of bedrooms was reduced in several of the units, and building envelope work included new windows, doors, roofing, siding and landscaping. Another important component was upgrading safety in the 10-unit apartment buildings. Improvements were made to the fire alarm system and fire separations. Staff interviewed noted that the aim was to produce high quality units that would be as good as newly built units.

Staff interviewed also noted that NL Housing has considerable experience with tendering processes and has always employed various strategies to make them cost-effective, such as: spreading out the work and entering into contracts during the winter when contractors are less busy, putting out tenders in the winter to begin in the spring, and avoiding launching major work at the busiest seasons. Tenders for the work obtained good bids and contracts were awarded without any re-tendering.

The unit costs of renovations to-date have been considerable and increasing over the past few years²¹ (see Section B.5, below). Although renovation remains lower-cost than new construction, the subsequent phases of work on the remaining buildings and units may have to be spread out over a longer time period than initially anticipated, due to financial constraints (possibly one or two buildings a year over 10 years, rather than the original 6-year time-frame). Given the commitment made to all the residents to complete the work, staff noted the importance of work continuing on-site, even if the pace of the work has to be somewhat slower. The other option (that is, to demolish (and not replace units) rather than refurbishing units) is being avoided, due to concerns about the length of waiting lists and the goal of maintaining the size of the existing portfolio.²² The costs of demolishing and replacing units through new construction

are prohibitively high and there are no programs to fund the capital costs of new social housing.

As this case study was being completed (May 2010), staff reported a planned change in strategy for the subsequent phases of the Crestview revitalization in order to reduce costs and enable the work to proceed. NL Housing has determined that work can be completed without having to relocate residents (that is, the work will be carried out while tenants remain in their units). The revised approach includes:

- Tendering only the exterior work on the building envelopes to outside contractors. (Exterior work would have to be completed during the summer construction season.)
- Undertaking more modest internal work (mostly kitchens and bathrooms, and only replacing other elements, such as flooring, if required), and carrying out interior work during the slower, winter months. NL Housing intends to carry out the interior work with its own staff who are more accustomed to carrying out work in units occupied by tenants.

Therefore, the 'go-forward' decision is not to move existing residents during the next phases of the revitalization. This change in approach addresses some of the issues outlined in the following section.

²¹ Over the past several years, NL Housing has been faced with rising costs for revitalization projects related to the strong economy and demand for labour in the Province which is affecting all sectors. The available labour pool and the large volume of construction activity (some of it related to economic stimulus spending) have driven up prices and made it difficult to obtain competitive bids for NL Housing work. At the same time, the costs of new residential construction have skyrocketed to \$175/square foot, virtually doubling in the past few years.

²² Persons interviewed noted that NL Housing has placed a moratorium on demolitions/loss of units in its revitalizations. Demolition and new construction to replace units has been used to a limited extent because of the high costs and lack of program funding for new social housing.

The tenants relations component of major revitalization work was facilitated by two factors: (1) NL Housing Regional Offices have two types of staff - Tenant Relations Officers (Social Workers) and Housing Administration Officers - who work on a regular basis with tenants in the housing; and (2) Community Centres in NL Housing developments provide a wide range of services and programs for tenants. These Community Centres are owned and operated by NLHC and receive funding from NL Housing for a director and to cover maintenance, repairs, heating, and other operating expenses. They are operated by independent Boards of Directors. Community Centres not only provide places for people to meet but they also obtain program funding from a wide range of federal, provincial, and local sources for community development programming (including education, health, training, recreation, and social activities). The valuable contribution of these Community Centres to people in the neighbourhood was noted during the case study interviews. Furthermore, the Community Centres relate to the overall Provincial Poverty Reduction Strategy (as noted below in Section B.7).

In the first two phases, there was extensive interior work on units, as well as building envelope work. Given the work involved, the approach for the first two phases was to move all of the residents to other units during construction. The relocation process was carefully planned and involved NL Housing staff meeting individually with residents to determine where they would like to move and determine which units were available that could meet their needs. The one-on-one personal approach involved staff going to residents' homes to discuss what they wanted and continuing to meet with them throughout the moving process.

NL Housing paid the cost of moving residents and provided assistance throughout the process. NL Housing did not use "eviction" notices or legal processes when asking tenants to move. Some residents were relocated to vacant units in Crestview, while others moved to other NL Housing units that became available in the area.

Those interviewed indicated that the 'knocking on doors' approach for the relocation process worked really well. However, the tenant relocation process involved considerable time and staff resources. Effects of the relocation approach not only affected residents but also delayed start-up of the construction work until the buildings were vacant. With the time required to vacate a building and complete all the construction work, the units being renovated were 'empty' for up to one year. This represents both a loss of capacity in the portfolio and a loss of rental revenues. There were also impacts felt (e.g. other applicants on the waiting list). Available vacancies in other housing needed to be reserved for relocating Crestview residents and, as a result, applicants for these units had to wait longer. This is a concern for NL Housing given a waiting list in the Province as a whole of over 1,000 households, and low rental vacancy rates in many centres.

- As construction work was completed on 4 buildings in the first two phases, units were rented out. For senior's buildings, seniors (and persons with health issues) were moved into more accessible units (without stairs and with laundry facilities). These were smaller units, thus freeing up units with more bedrooms for families. Most of the seniors moving into the units came from the waiting list (i.e., they were not previous residents of Dunfield Park).

- NL Housing considered a number of factors when allocating the revitalized units: preference was given to long-term residents, to residents with positive past rental relations with the housing agency; and individuals with special needs.
- For ‘family’ units, NL Housing sought to create a more diversified social mix of residents, to include both working families and those receiving social assistance in order to avoid a concentration of people on income support and persons with more complex housing needs.
- Since the family units were the larger 3 and 4-bedroom units, matching household size to unit size was a concern. The rule of thumb adopted was that no household should have more than one ‘extra’ bedroom than the household size required.²³

Interviewees indicated that about one-third of the residents moving back into completed units had been previous residents and the balance were applicants from the waiting list. Some of the previous residents who were offered a new unit opted not to move back to Crestview for various reasons.²⁴ Those residing in other buildings at Crestview scheduled for renovation were not offered renovated units because of the goal of creating a more diversified social mix.

Persons interviewed noted that, before revitalization began 2 years ago most residents wanted to *move away* from Crestview and did not want to move into the area. Now, 2 years later, most residents want to stay until their

units are renovated, and the NL Housing has applicants coming to them to ask if they can move into the area.

B.4 Tenant and Community Interests

The consensus among staff interviewed is that tenant concerns were addressed in the revitalization of the buildings. In the first two phases of the work, buildings were completely refurbished, inside and out, and the existing and new tenants who moved in were very pleased with the renovated units.

Before the revitalization began, tenants had expressed concerns such as: whether it would cost them anything; would they be able to move back into the new units; and whether there was a commitment from NL Housing to improve and change the neighbourhood. There was some initial mistrust because some residents felt that they had heard about improvements in the past and they were not sure that they should believe it now. NL Housing worked to address these concerns through its ongoing involvement and engagement of tenants during the planning process.

Since the Crestview area has always been somewhat isolated from the surrounding neighbourhoods and there was historically little through traffic due to the layout, there appears to have been few issues about the revitalization raised by the nearby residents. The main concerns seemed to be from emergency services and the difficulties of access into the area.

²³ Before revitalization, there were only 16 one-bedroom units in Dunfield Park and most of the people on the waiting list of 210 households in the Corner Brook area required 1- or 2-bedroom units.

²⁴ Reasons noted during interviews were as follows: some had moved from Corner Brook to other nearby communities; some were settled in their other units and did not want to move again.

B.5 R-R Costs

The cost of the Crestview revitalization to-date totals \$3.5M, including:

- \$500,000 for the planning consultants' contract; and
- \$3M in construction costs for Phase 1 and Phase 2 (2008/09 and 2009/10), for 36 units.

Excluding the planning consulting costs, the average unit construction costs (for renovations) was close to \$83,000 (ranging from \$70,600 - \$79,237 (for units in the two 10-unit apartment buildings) to \$90,000-101,700 (for units in the two 8-unit buildings). The average total cost/unit (including planning fees) was close to \$97,000.

The budget for Phase 3 (2010/11) has been set at \$2.3M for 3 buildings with 24 units.

These figures do not include the costs of tenant relocation (which are paid by NL Housing) and the internal NL Housing staff costs for tendering, managing construction contracts, tenant relations, and administration. Revenue losses for vacant units (averaging about one year) are not considered in these cost figures.

There are additional costs associated with renovation work on the Community Centre (owned by NL Housing). Although the initial tender for the work was cancelled, work is progressing in stages.

As noted earlier, the extent of work may be scaled back in subsequent phases and carried out without moving tenants from their units. The scale and pace of renovations will depend on the financial resources available.

B.6 Financing

Crestview is one of many revitalizations of public housing that have been financed from an increased Provincial budget for modernization and improvement over and above the regular budget for repairs and maintenance in the social housing budget²⁵. The Provincial Government is strongly committed to improving its social housing stock as part of its strategy for social housing, and has tripled its financial allocation to NL Housing for this work. Some additional federal financing became available under the economic stimulus funding under Canada's Economic Action Plan introduced in the 2009 federal Budget which has enabled additional work to be undertaken in some revitalizations including Crestview.

To-date, there were two main sources of financing for the Crestview revitalization:

- In 2008—the first year of work on Phase 1—funding came from the NL Housing budget for modernization and improvement.
- For the period 2009-2011, the main source of financing was the federal economic stimulus package. Under this program, the maximum per unit amount was \$75,000 per unit. The Province provided 'top-up' funding of \$15-25,000 per unit to complete additional work in this revitalization.

²⁵ Social housing in the Province is cost-shared under the Federal-Provincial Social Housing Agreement. The federal dollar contribution under this Agreement is capped, but the Province is able to reinvest any 'savings' generated to improve social housing.

Availability of federal funding under the Canada Economic Action Plan introduced in the 2009 federal Budget was an unexpected boon, enabling more extensive work to be completed on the housing units (both interior and exterior work). However, staff expressed concerns about the availability of financing when the federal funding expires in 2011.

There were no costs to or financing from the municipality so far. There was no private financing or mortgage borrowing involved.

B.7 Outcomes/Results of R-R

As noted earlier, Crestview is one of numerous revitalizations of older public housing being undertaken in communities across the Province by NL Housing as part of a phased plan adopted in 2006 to improve this housing portfolio. As part of its strategy, the Provincial Government has tripled its financial allocation to NL Housing in recent years to achieve these improvements. Many of these funding initiatives for NL Housing have been approved in the context of the Province's Poverty Reduction Strategy²⁶. In particular, funding for Community Centres in NL Housing neighbourhoods enhances the involvement of more resource agencies to provide enrichment programming.

While it is too soon to assess all of the results of the Crestview revitalization, persons interviewed noted considerable improvements already, since completion of the first two phases.

Physical:

- Substantial physical improvements have been made in the buildings and units renovated to-date, equivalent to the quality of newly-built units, both inside and outside.

Social:

- Improvements to-date in Crestview have already resulted in some important social improvements in terms of attractiveness of the area as a place to live. People now want to stay and other people want to move into the area. Tenants are reportedly very happy with the improved units and changes in the area. Other tenants are eagerly asking when their housing renovations can be undertaken.
- Tenants seem to take more pride in their housing and there is less vandalism and property damage generally.
- In the completed buildings, there is a greater social diversity and mix of tenants. To-date, staff reported that there have been no tensions between the previous tenants and the new tenants moving into the area.
- It was reported in interviews with HL Housing staff that the police in Corner Brook have seen a marked drop in calls to deal with problems in the area.
- The tenants who moved into the renovated units in Phases 1 and 2 included a mix of previous tenants and applicants from the waiting list for social housing in the area. About one-third of residents in the renovated units were previous tenants in these units. This may have reduced waiting time for other applicants on the waiting list in the area.

²⁶ For more information see: <http://www.hrle.gov.nl.ca/hrle/poverty/index.html> and <http://www.aes.gov.nl.ca/poverty/index.html>

Environmental:

- The renovated units have improved energy efficiency and reduced heating costs. While there is a mix of circumstances, tenants are generally responsible for their own heating expenses. However, they receive substantial heat subsidies. Therefore, reduced heating costs lower the heat subsidy costs to NL Housing.

Economic/Financial:

- The per-unit costs of renovation work to-date have been high because of the extensive interior and exterior work required.
- Costs were financed through regular and special Provincial budget allocations for revitalization plus additional federal funding under Canada's Economic Action Plan for 2009 to 2011. However, with rising construction costs, future work may have to be phased in over a longer period due to financial constraints.
- Rents remained affordable as they continued to be based on the rent-geared-to-income scale as in all NL Housing. There were no rent increases for tenants in the units after RR and rental payments in these units are the same as in other NL Housing for tenants with the same incomes.
- R-R work contributed to local economic activity.

Other unexpected outcomes:

- No unexpected outcomes were noted in the case study.

B.8 Achievement of Objectives

The objectives of the Phase 1 and 2 revitalization have been achieved and have contributed to the overall objectives of the plan. From the information available, it appears that improvements to the image of the housing are already having effects after the first two years.

B.9 Lessons Learned

The key lesson learned from the early phases of the Crestview revitalization is that the housing and image of the neighbourhood can be turned around in as little as 2 years, given a sufficient investment of financing and internal resources to manage the process. NL Housing has learned many valuable lessons along the way and is applying these in this and other revitalizations:

- **Planning** for major revitalization requires involvement and engagement of existing tenants from the initial stages, through to the final plans. However, community involvement in the planning process needs to be carefully designed to avoid creating expectations that may not be attainable within financial and other constraints. Timing and scheduling need to be realistic.
- **Tenant relocation** during revitalization is costly, in terms of time and staff resources required. Having local staff to assist tenants with choices and moving decisions one-to-one is essential for a successful process. Moving all existing tenants out of buildings prior to work beginning can take months. It also involves using up vacancies in other social housing which increases the waiting time for other applicants. With less extensive internal renovation work, it is hoped that the next phases of the revitalization process can proceed without having to relocate tenants.

- **Adequate internal staffing is essential to plan, implement and manage major revitalizations.** All aspects of revitalizations are labour intensive for the housing agency involved. Adding staff resources (rather than adding to the workload of existing staff) is essential for effective management.
- **Costs of major renovations** are high and can be expected to increase over a phased project, although still lower than new construction costs in this area. The high cost is related to the extent and quality of interior work undertaken, in some cases, including reconfiguration and improving accessibility for an aging clientele.
- **‘Reconfiguring’ older buildings** (to reduce numbers of bedrooms or improve accessibility) is challenging. Given its portfolio and changing needs for smaller units, NL Housing is conducting a pilot elsewhere to assess the cost of converting large units into smaller units that would better meet the current demand profile (including for smaller families such as single parents with one or two children).
- **Strategic tendering can help to reduce costs.** In a buoyant market, it can be difficult to get competitive bids for construction work. Planning the timing of tendering over the year and re-tendering can reduce overall costs.
- **Financing is a key factor in the pace and scale of revitalization.** Without specialized financing programs to fund the costs, phasing the work in relation to available financing prolongs the revitalization process over many years. Flexibility and staffing levels to adjust to financing opportunities can help create a smoother implementation and completion of plans.

- **Expecting the unexpected is a good rule of thumb.** In older housing sites built 40-50 ago, many unexpected issues can arise. These can include environmental issues, some of which are known (e.g. asbestos). Others related to old heating systems (such as underground oil storage tanks) or related contamination, can add large clean-up costs to the budget.

C. Summary Assessment

While it is too soon to assess the full outcomes of the revitalization, results to-date point to positive improvements in the housing and living environment of Dunfield Park. Some considerations for other revitalizations include:

- **Phased revitalization is a lengthy process for all involved.** In some cases, phasing has been used effectively as a means of minimizing displacement of existing tenants. However, in this case, phasing was related more to the availability of financing. Existing tenants were still displaced and many of them have not returned to the neighbourhood. With more phases yet to come (potentially over several years), other pre-existing residents are still awaiting improvement in their housing conditions.
- **Using phasing as a means of creating more diverse social mix creates challenges for later phases.** Implementing social mix on a building-by-building basis may have some merit if the objective is to create a consistently uniform and positive image for the whole area. If the ultimate goal is diversification of the tenant profile for the housing as a whole, it is difficult to ensure that all prior tenants have the opportunity to return to the housing. If subsequent phases are carried out without relocating tenants

(that is, while the existing tenants remain in their units), opportunities to create a more diverse social mix will need to be addressed through regular tenant turnover and selection of people from the waiting list.

- **Tenant relocation is a complex process and can delay the completion of work and increase costs.** A well-staffed and well-designed relocation process can clearly be achieved by working closely with tenants. However, this seems to be adding about 6 months to the process of building renovation before the units are available for new tenants. Carrying out work without relocating tenants may, however, create other issues for scheduling of renovations as well as inconveniences for the tenants themselves.
- **Financial costs of major renovations are considerable.** While renovation costs may be lower than new construction costs, the benefits need to be weighed against the expected building life. At the same time, when no capital financing is available to build new social housing, improvements to older stock need to be made at some point to avoid further deterioration and loss of affordable housing

Sources:

A Social Housing Plan for Newfoundland and Labrador – Secure Foundations, NLHC, August 2009.

Budget 2009: Building on Our Strong Foundations, Government of Newfoundland and Labrador, 2009.

www.nlhc.nl.ca

<http://www.hrle.gov.nl.ca/hrle/poverty/index.html>

<http://www.aes.gov.nl.ca/poverty/index.html>

Interviews conducted with NL Housing staff in the St. John's and Regional offices.

Case Study #2:

**Perrault Place
(Happy Valley-Goose Bay,
Newfoundland and Labrador)
Newfoundland Labrador Housing
(NL Housing)²⁷**

Rationale for this case study: Perrault Place was selected as an example of smaller scale R-R in a non-urban, more remote location where older social housing stock needs to be revitalized and adapted to address changing housing needs. Its experience may be useful for other housing providers who are addressing needs in other small or northern communities.

Acknowledgements: The researchers and CMHC wish to thank and acknowledge the assistance of the staff of the NL Housing in the Labrador Regional Office and St. John's head office.

²⁷ NL Housing is the provincial housing corporation for the Province of Newfoundland & Labrador.

A. Perrault Place: Background Information and Summary	
<p>Perrault Place, in Happy Valley Goose Bay, is one of many revitalizations of older public housing being undertaken by NL Housing in communities across the Province as part of its longer-term strategy to revitalize older social housing.²⁸ The <i>Key Organization Involved</i> was Newfoundland Labrador Housing (NL Housing)</p>	
Original Housing Before R-R	<p>Perrault Place was built in the 1970s with 48-units of family public housing in 6 row buildings with 8 units each. The units were a mix of 3- and 4-bedroom rental (rent geared-to-income (RGI)) units serving lower-income families, and there was a neighbourhood centre on the site.²⁹ Happy Valley Goose Bay is a small community with about 7,500 people in 2010.</p>
Time Frames of R-R	<p>Planning: 2006 – 2007 (less than one year)</p> <p>Implementation: 2008 – 2010 (about 3 years)</p>
R-R Plan and Work Undertaken	<p>In 2006, NL Housing developed a plan for revitalization of this housing on its existing site. The objectives of the R-R initiative were to better match the demand by local residents and people moving into the area, and to improve the housing layout and appearance. Demolition reduced the number of units from 48 to 24 units and allowed for adding individual driveways and patios that had not been there before for the remaining units. There was no reconfiguration of space within units, so that the 'size' of units and number of bedrooms remained unchanged and Perrault Place continued to serve families.</p> <p>In 2008, work began to replace roofing, siding, doors, and windows, updating of ventilation and electrical systems, upgrading of insulation replacement of sidewalks, steps, driveways, and walkways. The work was undertaken by two construction firms, one from St. John's and the other from Happy Valley Goose Bay.</p>
After R-R	<p>R-R work improved the outside physical appearance of the housing, building conditions, and energy efficiency. Re-design of the site layout opened up the area to add driveways, patios, and access roads.</p>
Key Changes	<ul style="list-style-type: none"> ■ Created a more attractive residential neighbourhood and less congested family housing; ■ Reduced number of units, and lower density; ■ Fewer vacancies and lower turnover. <p>Final outside work for driveways, patios, and landscaping (that was not completed before the end of the construction season in 2009) was completed in 2010.</p>

²⁸ In 2006, NL Housing developed a phased approach for improvements in other social housing in the Province that had been constructed in all parts of the Province in the '70s.

²⁹ Public housing serves the general population and there is a separate Aboriginal Housing Program providing housing for Aboriginal households in this community.

B. Key Findings on the Research Questions³⁰

B.1 Reason(s) for R-R

The Perrault Place R-R was undertaken to upgrade the appearance of this housing, give it a ‘facelift’, reduce ‘congestion’, and make it a more attractive ‘neighbourhood’.³¹ The original housing development was described as ‘very crowded’, with buildings being very close together with no driveways for the units or private outdoor spaces. With the poor image of the housing, NL Housing had had difficulty filling the 48 three- and four-bedroom units which resulted in long-term vacancies. The waiting list in this area was modest with most of the demand for NL Housing coming from migration from coastal Labrador to Happy Valley Goose Bay for job searching or to be closer to medical facilities. The original design of the housing had not included driveways for the units or any private outdoor spaces for the units, and the general appearance of the buildings was no longer attractive for families. Tenants had voiced their concerns locally, requesting that NL Housing improve the housing. Deterioration of building conditions, the ongoing maintenance costs, and vacancies placed a burden on operating budgets.

B.2 Objective(s) of R-R

The objectives of the R-R were to reduce ‘congestion’, improve access, and to improve the appearance of the housing. Redesign of the layout was coupled with replacement of building envelope features (roofs, windows, siding, and doors) to improve the appearance of the housing as well as to improve energy efficiency in order to reduce operating costs.

There were no changes planned in the sizes of units themselves or in the target group. The housing development was intended to continue as lower-income, family housing with no change in the social or income mix of tenants in the housing. The main purpose was to improve the area by reducing the crowding of buildings on the site and making it a more attractive ‘neighbourhood’. The units removed were not replaced elsewhere in the community. The initiative for the revitalization came from NL Housing as part of its broader strategy to revitalize older public housing, and the types of changes proposed were developed by NL Housing staff.

B.3 Planning and Implementation

Perrault Place and the later case study of Crestview are part of a provincial strategy to revitalize older social housing. These revitalizations are being undertaken by NL Housing with additional financing from the Provincial budget.

Responsibilities for revitalizations in NL Housing are shared by the Engineering Department of the head office in St. John’s and one of the 7 Regional Offices in the Province. NL Housing staff in the two offices involved work together to coordinate all aspects of the work. Generally speaking, the Engineering Department is responsible for tendering and managing contracts for the technical work, while the Regional Office involved is responsible for tenant relations (including relocations and leasing of units). The Regional Office in Happy Valley Goose Bay is responsible for NL Housing operations in Labrador.

³⁰ This section is intended to summarize the views of the 2-3 key informants interviewed. There were no documents available for the case study.

³¹ Terms shown in ‘quotation’ marks are wording used by those interviewed. NL Housing uses the term ‘neighbourhood’ to refer to its individual public housing developments.

Planning for redesign of the housing development was undertaken through the Engineering Department of NL Housing at the head office in St. John's with site plans developed by an outside consultant. The Regional staff in Happy Valley Goose Bay met with the tenant association to discuss plans for demolition of the 3 buildings with 24 units that were in the worst physical condition and improving access to their dwellings by adding driveways and parking for their vehicles. It was noted in interviews that, in its revitalization work, NL Housing has generally found tenants supportive of demolition to make housing less congested. However, in this case, tenants expressed some concerns about the removal of units, and it was noted that some feared they might lose their neighbourhood centre if there were fewer units.³² People living in units slated for demolition were offered vacant units in the Perrault Place or in other NL Housing units, but some moved reluctantly.

Implementation of the work was managed by the NL Housing head office in St. John's.³³ All tendering documents (with the exception of the site works tender) were prepared by the NL Housing Engineering Department. The Engineering Department also managed the contracts for the demolition and renovation work in this case. Inspections during the work were carried out by Regional office staff (with milestone inspections carried out by the Engineering Department). The Regional NL Housing office was responsible for relocation of existing tenants mostly to other vacant units on the site or to other units owned

by the NL Housing. However, because of available vacant units within Perrault Place, it was possible to minimize displacement of existing tenants. Tenants who move during renovation work usually receive financial assistance from NL Housing for their moving expenses.

There were 3 main phases in the work: demolition, renovation of remaining units, and site landscaping and driveways. There were 2 tenders for demolition work that required hazardous materials testing because of asbestos and other hazards in the buildings. There was no major work required to on-site servicing (water, sewer, and utilities).

Following tendering, two construction contracts were awarded: Newfoundland Roofing Limited of St. John's and Churchill Construction Limited of Happy Valley Goose Bay. Firms from the Island often undertake a variety of contracts in Labrador and can combine work on various construction jobs in the area. Renovation work involved replacing roofing, siding, doors and windows, replacement of concrete walkways and steps as well as interior work to upgrade ventilation and exhaust systems, insulation upgrade, electrical and smoke detector systems. A 'patio' area was also added to each unit for BBQs, bicycles, and other items.

The central parking area was 'replaced' and driveways were added to each of the units so that tenants could have improved access to their dwellings and have a place to park their vehicles.

³² "Community centres" in NL Housing developments are owned by NL Housing and receive core operating funding from NL Housing. They apply for other government programs and run enrichment programs for local tenants, and relate to the Province's Poverty Reduction Strategy (see Dunfield Park/Crestview Case Study for more information). The neighbourhood centre in Perrault Place is operated in units owned by NL Housing with some limited funding and has continued to operate after the revitalization.

³³ NL Housing may contract out work on architectural, design and engineering specifications depending on the extent of work involved in specific revitalization projects.

‘Common areas’ (such as parking lots) were not well cared for and sometimes became gathering places for disruptive activities that lead to safety and security concerns.

The demolition was started in 2007 and renovation work was scheduled to take about two years (i.e. the 2008 and 2009 building seasons). It has been completed on-schedule, except for outdoor work on landscaping and driveways. NL Housing staff said that there were no unusual hold-ups or delays during the work. The final phase (work on landscaping and driveways) was to be completed in the 2010 construction season.

B.4 Tenant and Community Interests

The NL Housing was fully responsible for planning and managing the R-R work in Perrault Place.

At the time of this report, the NL Housing Regional office had a Tenant Relations Officer (who worked with tenants in this and other NL Housing neighbourhoods in the Region). However, previously, this position had been vacant for several years before the work at Perrault Place. The local Housing Administration Officer was responsible for assisting with all tenant moves and issues during the demolition and renovation work.

Removal (i.e., demolition) of selected buildings and renovations to other units is a major undertaking in any existing housing where tenants continue to live ‘on-site’, and some disruption to tenants’ lives can be expected. When tenants had concerns during the work at Perrault Place, they contacted the housing officer that they dealt with regularly, and she worked to resolve the problem. One example

reported had to do with construction work beginning ‘too early’ in the day. The housing staff had to contact the construction company to remind them of the local ‘noise by-law’ that states what time they could begin work, and the problem was resolved.

There has been a tenant association in Perrault Place for some time, and there was one meeting of NL Housing staff with tenants before the work began. With the small number of families living on the site before, during, and after the work, the ‘consultation’ processes tended to be informal, and through one-on-one conversations, calls to the housing office, or people passing on information by word of mouth. There is also a neighbourhood centre on the site that runs a breakfast program and it provides a way for residents to meet each other regularly. NL Housing addressed tenants’ concerns as they arose through regular contact with the tenants.

NL Housing staff reported that tenants were very pleased with the changes being made such as having driveways for their vehicles at their units, some backyard patio space, and the more attractive appearance of their housing. Some tenants were reportedly looking forward to completion of the landscaping, and plan to plant trees and flowers outside their homes. The NL Housing staff interviewed felt that improvements have already helped to increase the pride of the tenants in their homes.

B.5 R-R Costs

The total cost for demolition and renovation contracts was about \$1.13M. This included: \$171,000 for demolition and \$960,000 for the renovation contracts. The average total cost per renovated unit was about \$47,000 (including the cost of demolitions).

The average renovation cost was just over \$40,000 per unit (excluding the demolition cost).³⁴ In interviews it was noted that, according to cost analysis by NL Housing, the costs of renovation were lower than the costs of new construction in the Province which have risen considerably in recent years.

There were also some additional costs to NL Housing associated with their staff time (for tendering, management of work, plus staff time in the Regional office to work with tenants on relocations and questions during the work). These types of staff costs were covered under existing NL Housing operating budgets, and were not included in the dollar figures above. It was noted in interviews that no additional staff were hired to carry out this and other revitalization work.

The R-R project manager interviewed said that the contracting work was completed within budget without cost overruns. There were no direct capital costs to the municipality as no major infrastructure work was undertaken.

B.6 Financing

The Perrault Place R-R work was financed from the NL Housing budget for its public housing portfolio without additional financing from any other programs.³⁵ The financing for public

housing is provided in part from the federal government through CMHC under ongoing, cost-sharing agreements.³⁶ Therefore, the sources of financing included both provincial and federal housing investments.

There were no grants or mortgages associated with the R-R financing, no private financing involved and no municipal financing for infrastructure upgrades.

B.7 Outcomes/Results of R-R

As noted earlier, Perrault Place is one of numerous revitalizations of older public housing being undertaken in communities across the Province by NL Housing as part of a phased plan adopted in 2006 to improve this housing portfolio. As part of its strategy, the Provincial Government has tripled its financial allocation to NL Housing in recent years to achieve these improvements. Many of these funding initiatives for NL Housing have been approved in the context of the Province's Poverty Reduction Strategy.³⁷ In particular, funding for Community Centres in NL Housing neighbourhoods enhances the involvement of more resource agencies to provide enrichment programming.

According to people interviewed, the outcomes of work in Perrault Place were all perceived as positive and all the key players (including the

³⁴ For comparison purposes, under the federal RRAP for rental renovations in northern locations the maximum assistance/fully forgivable loan in 2010 was \$28,000 per unit. However, public housing projects are not eligible for this federal program.

³⁵ Some other NL Housing revitalizations have been funded in part through funding from the Government of Canada economic stimulus funding in 2009-2011 (Canada's Economic Action Plan).

³⁶ Ongoing subsidy financing for public housing is cost-shared by the provincial and federal governments. Cost-sharing ratios varied under different programs. Under the current F/P Social Housing Agreements, there is a capped ('fixed') federal contribution for the portfolio of public housing units until such time as mortgages are paid in full after which the federal subsidy contribution is no longer payable.

³⁷ For more information see: <http://www.hrle.gov.nl.ca/hrle/poverty/index.html> and <http://www.aes.gov.nl.ca/poverty/index.html>

municipality) are happy with the results. When the work was completed, the Regional NL Housing Office received a letter from the Mayor of Happy Valley Goose Bay complementing it on the results of the work. He noted that the Town was very pleased with the positive changes in the 'neighbourhood' with less 'congestion' and the greatly improved appearance of the housing.

The most visible impacts of R-R were the changes to the physical conditions and attractiveness of the housing. The NL Housing staff interviewed stated that the improved 'image' of the housing as a 'neighbourhood' has made this a more appealing place to live. In addition, they noted that tenants seem to have increased 'pride' in their homes.

Physical:

- Reducing the density of the 'neighbourhood' has reduced 'congestion' on the site with more open space and improved access for vehicles (driveways).
- Building envelopes have been substantially improved.
- The exterior physical appearance of the buildings and the site were improved.

Social:

- Phasing the demolition and tenant relocation allowed people to stay on-site minimizing disruption.
- After the work was completed there was a mix of previous tenants and some new people (from the waiting list) who moved in. Some of the previous tenants had become settled in other NL Housing or other units and did not want to return. The proportion of previous tenants in the housing today was not known.

- People were reported to be taking more 'pride' in their units by, for example, planting flowers outside, and planning gardens once the landscaping is complete.
- Fewer vacancies and lower turnover were positive conditions for making this a stronger community.
- Families and children were reportedly more satisfied with their housing.
- More attractive 'neighbourhood' has made other people like going there more than they did in the past and the housing has a better image in the community.

Environmental:

- New doors and windows have improved energy efficiency.
- Demolition of some units resulted in debris which contributed to landfill.
- Older units had hazardous materials (such as asbestos) which required proper disposal. Removal of hazardous materials from homes helped to create healthier indoor environments.

Economic/Financial:

- Reduced operating and maintenance costs lowered the overall subsidy costs for this housing and made the housing more economically sustainable.
- Reduced vacancies and savings on operating vacant units (that were demolished) lowered expenditures. Lower turnover of units also reduced administrative costs for filling vacant units and contributed to lower overall subsidy costs.

- Rents remained affordable as they continued to be based on the rent-geared-to-income scale as in all NL Housing. There were no rent increases for tenants in the units after RR and rental payments in these units are the same as in other NL Housing for tenants with the same incomes.
- The impact on rental revenues (because of the reduction in units) was minimal because of the vacancies in the housing before R-R.
- R-R work contributed to local economic activity.

With the final landscaping being completed in the 2010 construction season, it may be too soon to assess the full outcomes of the work and see the impact on community pride generally.

There were no unexpected outcomes identified. While the demolition resulted in ‘loss’ of some social housing units in this community, NL Housing had had vacancies in its Perrault Place housing for some time, and the waiting list was reportedly not high. Therefore, reducing the number of units has had minimal impact on the waiting list according to NL Housing. Clearly, vacancies in this remote part of the Province could not assist in reducing waiting lists in other locations.³⁸

B.8 Achievement of Objectives

The work at Perrault Place was reported to have gone well and achieved its objectives in terms of:

- improving the layout/design and appearance of the housing by reducing the total number of units and vacancy levels;
- upgrading the building envelopes of remaining buildings;
- maintaining full-occupancy (reducing vacancies) in the units; and
- being completed within the expected time frame and budget.

B.9 Lessons Learned

Key lessons learned in the interviewees are presented below:

- **Internal staff resources required to plan and manage R-R** are considerable and extra staff are required, especially in larger scale revitalizations. No additional staff were hired at head office and in the Regional Office for this revitalization, so existing staff were able to manage R-R along with their existing workloads.³⁹
- **Availability of sufficient financial resources in annual budgets** is important once work is planned and has begun. Until recently, available funding was used to maintain existing properties. The timing of revitalization work was related to the availability of funding each year.

³⁸ In 2010, NL Housing placed a moratorium on demolition of social housing units in other revitalizations to protect the supply of units. In the Province as a whole there was a waiting list with about 1,000 applicants for social housing in 2009. With demographic changes, most of the applicants require smaller (1- and 2-bedroom units) as shown in the 2009 provincial Social Housing Plan whereas a large part of the NL Housing portfolio is larger, family units. To address the match between unit sizes and household sizes, NL Housing is currently undertaking some pilot ‘reconfiguration’ conversions to assess the cost of changing large units into two smaller units as an alternative.

³⁹ Existing workloads for Regional Office staff include regular operation and maintenance of all units in their portfolios, tenant placements and leases for regular turnover, rent collection, payment of expenses, etc.

- **Scheduling of the work needs to be realistic** and take account of factors such as the weather that affects the length of the building season, especially for major outsidework. Construction in the North presents additional constraints in that there is a shorter construction season.
- **Having a ‘Tenant Relations Officer’ in place earlier** could have helped relations with the tenants during the revitalization process. This is one thing that might have been done differently in the Perrault Place R-R.

C. Summary Assessment⁴⁰

Renewal of older stock produces benefits:

Revitalization is not about ‘preserving’ an old, out-dated design, such as is typically found in older public housing. Rather, it is about creating new design features that are more suitable for current household needs and activities.

Perrault Place was part of NL Housing’s plan to renew older public housing by giving the housing a ‘facelift’ and improving the residential environment for its tenants. The approach shows how to take older, run-down and under-utilized social housing and refurbish it without demolishing the entire site. It also demonstrates that these changes can be achieved at a relatively modest cost, and at a lower cost than rebuilding new social housing. Improvements directly benefit tenants and the ‘neighbourhood’ image, making the housing a more attractive place to live. In this

case the regeneration was cheaper to complete on a per unit basis than new construction while retaining some of the older social housing stock. As well, the resultant operating costs are lower for the housing provider (because of lower heating costs and maintenance expenditures) which may make the units more financially sustainable over time.

Originally, family public housing was built with few ‘amenities’ such as no yards, outdoor space, or driveways for vehicles. At the time, perhaps, fewer people living in public housing had cars, whereas now most people have vehicles and need somewhere to put them. Lack of private outdoor space can create problems between tenants. With the original design layout it becomes difficult to improve access and amenities without ‘removing’ some units.

Benefits of demolition need to be weighed against the ‘costs’: With old, deteriorating buildings there is an opportunity through planned ‘removal/demolition’ of selected units to create more open space, better access, and appearance of less congestion. The result is reduced density which is the opposite to what is happening with urban sites where the trend is to add more units for more efficient use of land related to higher land costs. Therefore, the lessons learned in this case may be especially relevant for smaller communities and perhaps less relevant in large urban centres. The financial costs of ‘demolition’ add to the total R-R costs. There are also costs in the disruption of tenants’ lives when they are moved more than once during the R-R.

⁴⁰ This section is intended to provide the researchers’ assessment of the implications of the case study for overall lessons learned.

R-R is resource intensive both in terms of financing and human resource requirements for housing agencies. Adequate annual financing needs to be assured when R-R is planned and launched (especially when it is phased over several years). Once the process begins and tenants are moved, there are expectations of the work being completed within some reasonable time period. Existing staff (with workloads for ongoing administration of social housing stock) can easily become overloaded with additional responsibilities for R-R work over several years. Having teams of some staff dedicated to R-R work could be beneficial and they could share their expertise. Staff for tenant relations work is important to deal with the 'human' side of R-R. As well, the expert technical resources related to engineering and construction are essential. Good communications with existing tenants is important for success even for smaller R-R undertakings.

Sources:

A Social Housing Plan for Newfoundland and Labrador – Secure Foundations, NL Housing, August 2009.

Budget 2009: Building on Our Strong Foundations, Government of Newfoundland and Labrador, 2009. (Provincial Govt. committed \$23.6M for social housing renovations and energy retrofits, social housing for low income seniors and homeless groups.)

www.nlh.ca/newsrel/release_08/Aug22.html

<http://www.hrle.gov.nl.ca/hrle/poverty/index.html>

<http://www.aes.gov.nl.ca/poverty/index.html>

Interviews conducted for the case study.

Case Study #3

Benny Farm (Montréal, Québec)

Rationale for this case study:

Benny Farm in Montréal was selected as an example of large-scale redevelopment of an inner-city social housing site that involved numerous housing providers in demolishing and rebuilding a diverse and mixed community. The Benny Farm experience may be useful for other housing providers addressing redevelopment of large sites to increase the supply and mix of housing to better meet changing needs.



Focus of the case study: Discussions about the redevelopment of Benny Farm spanned two decades. This case study focused on the period from 2002 to 2010 during which time Canada Land Company (CLC) worked with the Benny Farm Task Force to develop and implement a new Master Plan for the site.

Acknowledgements: The researchers and CMHC wish to thank and acknowledge the assistance of Canada Lands Company

(CLC), consultants who worked on the plan, and the City of Montreal. Background information was available from the CLC Benny Farm website and other websites, numerous publications and a video on the plan. Information related to the research questions is summarized below, but readers are referred to these sources (listed at the end of the case study) for the detailed history of Benny Farm.

A. Benny Farm: Background Information and Summary

Benny Farm was originally constructed after WW II and discussions regarding redevelopment began in 1991. In 1999, CMHC transferred ownership to Canada Lands Company (CLC). Following an intensive consultation and planning process, a detailed plan was approved in 2004. The redevelopment was completed by CLC over the following five years.

Key Organization Involved: Canada Lands Company was the lead developer.

Individual rental, co-operative and ownership housing units were created by a range of social and private housing providers

Original Housing and Before R-R	<p>Benny Farm was built in 1947 for WWII veterans and their families in the Notre-Dame-de-Grace (NDG) neighbourhood close to downtown Montréal. It pre-dated the public housing programs, but the ownership and administration of the financing were transferred to CMHC after CMHC was created. Benny Farm included 384 units in many low-rise, walk-up apartment buildings for young families on an 18 acre site. By the 1970s CMHC had opened up the housing to non-veterans to fill the units. However, all residents continued to be called 'vets'. By the 1990s, the units were in need of major repairs and they were less suited to the smaller households and seniors who made up the community. CMHC developed plans for redevelopment and obtained zoning approval to create 1,200 units of high density, market priced housing. Redevelopment was halted due to continuing and vocal opposition to the demolition of the existing housing from the residents including about 200 of the original 'vets' and their family members.</p> <p>In 1999, CMHC transferred ownership of the entire site to CLC⁴¹. Controversy over a wide range of issues continued. There were deeply entrenched and conflicting opinions among residents of Benny Farm and in the surrounding area about issues such as the mix of market and social housing, density, renovation versus demolition, and provision for veterans still living in the area. CLC recognized the need to develop a consensus about redevelopment objectives before proceeding, so it launched a consultation process with the community.</p> <p>In 2002, a special Task Force was created and a consultation expert was hired. Following intensive work with the community, a revised plan was developed and approved by the City in 2004. In 2005, CLC launched the complex redevelopment which was completed over the following 5 years.</p>
Time Frames	<p>Planning (CLC): 2002 – 2004 (about 2 years)</p> <p>Implementation: 2005 – 2010 (about 5 years)</p>
R-R Work Undertaken	<p>Benny Farm was redeveloped over 5 years through a combination of major renovation of 35% of the existing housing plus demolition and reconstruction of housing on the rest of the site by third sector and private developers.</p>

⁴¹ CLC is a federal Crown Corporation that serves as the development company for federally-owned lands. Its operations are financed through its activities without subsidies from the Government of Canada.

A. Benny Farm: Background Information and Summary (Cont'd)	
R-R Work (cont'd)	<p>To implement the plan, CLC issued proposal calls for the sale of parcels of land and development of non-profit rental, co-operative, and home-ownership (condo) housing units. Individual buildings were constructed or renovated in phases by the successful housing providers/developers who were also responsible for renting or sale of the units created.</p> <p>Along with the housing work itself, a second major component of the plan involved the common areas including the community garden, walkways, landscaping, and open space. The community garden was a highly-valued, central feature of Benny Farm, and residents fought vehemently to have this space preserved and enhanced in the redevelopment. The renewed community garden has remained under the control and management of the original residents. Implementation of landscaping and walkways was managed by CLC. Another objective of the plan was to open up and better link the Benny Farm site with the surrounding community of NDG with improved access and walkways through Benny Farm.</p> <p>In the plan, part of the site was dedicated for development of community health and recreation facilities. The City of Montréal purchased this area and currently has plans to construct a library. This is the only section of the original site owned by the City of Montréal itself. There was no provision in the plan to add commercial or retail space on the site.</p> <p>The redevelopment was completed over a period of 5 years. CLC was responsible for management of the property until 2008 when management was transferred to a syndicate of the owners called a horizontal condominium association.</p>
After R-R	<p>In 2010, about 797 households with an estimated 2,000 people live in the Benny Farm area -- more than double the number who lived there in 2005. The social and income mix of residents is diversified, with all types of households (families, seniors, and persons with disabilities), a mix of lower- and moderate-income residents, and a mix of tenures. The population is also more ethnically and linguistically mixed than before the redevelopment. Today, 28% of units are affordable social and community housing (3 non-profits and 2 co-operatives), 42% are affordable home-ownership units (for moderate income and first-time buyers, some with financial assistance from municipal/provincial programs), and 30% are rental units including housing for veterans families sold in 2008 by CLC to the City of Montreal Municipal Housing Office which operates all public housing in the City.</p> <p>By involving private sector and third sector (non-profit and cooperative) partners, the redevelopment avoided creating a large-scale 'public' housing development.</p>
Key Changes	<p>Two key changes were:</p> <ul style="list-style-type: none"> ■ Creation of a diverse mixed community with all types of households and a combination of low and moderate incomes. Diversification of tenures, and especially the inclusion of home-ownership housing was seen as providing opportunities for moderate income families to afford to buy homes in the central area of Montréal. ■ Densification of this valuable site for a mix of affordable social housing and home-ownership rather than private sector redevelopment with higher priced housing.

B. Key Findings on the Research Questions

B.1 Reason(s) for R-R

After 50 years, the housing in Benny Farm was in poor condition and needed to be improved or replaced. Since there were only 384 units on a large site there were opportunities to increase the density and create more modern housing. However, the form of the redevelopment became a contentious issue.

The impetus for the Benny Farm redevelopment was that in the 1990s CMHC ended its direct management of the housing and proposed to sell the entire site for higher density, private development. The proposal, which had zoning approval, would have involved demolition and rebuilding 1,200 units of high density, market housing. The first step involved construction of two new rental buildings with 91 units of accessible, seniors' housing that were completed in 1997 and older Benny Farm residents relocated into these units.⁴² However, the demolition of existing units was halted due to vocal opposition from residents.

CMHC transferred ownership of the site to CLC in 1999. CLC undertook discussions with various local organizations grouped together in the Benny Farm Round Table, a local consultation committee. CLC completed construction of two more new rental buildings for veterans and other existing residents in 1999 bringing the total number of new units up to 247.⁴³ As existing Benny Farm residents moved into the new units, the existing units

were boarded up and remained vacant pending decisions about renovation or demolition.⁴⁴

In April 2001 the Fonds Foncier Communautaire Benny Farm (FFCBF), an organization that emerged from the work of the Benny Farm Round Table, signed a 6-month protocol agreement with CLC to acquire the site. The FFCBF proposed a residential and social development based on a land trust model and keeping all the original buildings. This proposal led to renewed debate in the community. In October 2001, CLC decided not to extend the agreement with FFCBF but to put forward a new redevelopment plan and act as principal developer on the project.

In 2002, CLC announced the creation of a special Task Force to begin planning again. By this time, many of the original 64 buildings were empty (since many residents had moved to the newly constructed buildings), and there were problems with squatters, vandalism and fire hazards. Therefore, 'doing nothing' was not an option at this time. A major continuing issue was the feasibility of renovating the original buildings.

The following sections of this case study focus on the post-2002 planning and implementation period. Two years of intensive engagement of the community and residents followed to decide what to do with the existing housing. A compromise was finally reached in the Master Plan that was approved in 2004. It provided for keeping and renovating about 35% of the existing units, and rebuilding additional affordable housing for a mix of households and tenures. The 5-year redevelopment was completed in 2010.

⁴² See: Silver (2008), page 6.

⁴³ These new buildings were later transferred to the City of Montreal municipal housing office which administers all public housing units in Montreal.

⁴⁴ See: City Noise (2006).

B.2 Objective(s) of R-R

The objectives of the 2004 Master Plan were:

- to increase the number of affordable housing units in a valuable central location, intensifying use of the site;
- to provide more suitable housing for the existing tenants who included some of the original veterans, their widows and their family members as well as other tenants who were elderly and required more accessible housing;
- to create a diverse income and social mix including families, seniors, and people with special needs; and
- to create different unit types and tenure choices including affordable home-ownership for moderate income families.

One goal of the plan was to put back diversity into a family neighbourhood of the City by making Benny Farm more similar to the wider community. The target was for a mix of about 40% public and 60% private housing rather than a predominantly lower-income community.

The new master plan called for CLC to develop the site and sell parcels of land to non-profit, co-operative and private housing providers that would develop affordable housing for lower and moderate income households. CLC was responsible for managing the overall development and for the common open space, landscaping and the community garden. A part of the site was designated for new community facilities and this area was purchased by the City of Montréal.

B.3 Planning/ Implementation

The Benny Farm Task Force: Given the lack of agreement on any of the previous plans, CLC announced in 2002 that it would begin the planning process again. It retained the services of a bilingual community facilitator to work with the existing residents and residents from the neighbouring Notre-Dame-de-Grace (NDG) to build a consensus on a new Master Plan. Working with CLC, the facilitator met with people from the community to identify members for a broadly-based Task Force.

The 12 member Task Force included people from various sectors of the community although they were not chosen to ‘represent’ specific groups or organizations. With the long history and uncertainty about the future of the Benny Farm site, leaders of some groups had entrenched positions on certain issues and thus, may not have been considered for the Task Force. According to the Task Force Final Report and people interviewed for this case study, the facilitator and CLC staff carried out in-depth interviews with people to select members for the Task Force who would be able to work together and compromise to come up with a consensus on the plan.

The most important criteria for Task Force membership were: the ability to ‘compromise’ (i.e., a willingness to change their minds), the ability to work in a group and discuss issues objectively, and having a range of ages and backgrounds. Members included the facilitator and a senior CLC representative, and meetings involved discussions to reach a consensus.

Therefore, even though CLC had the final responsibility for decisions, people interviewed noted that the Task Force had the 'de facto' decision-making authority because CLC was part of the discussions. The Task Force size (with 12 members) and composition was seen by people interviewed to have been a good structure. The members were selected in a purposeful way by interviewing them before they were invited to join the Task Force. This process is quite different from inviting organizations to 'nominate' people to take part in the group.

Another feature of the Task Force process was that in the early stages members were asked not to broadcast details of what was being discussed until decisions had been reached in case things changed. Although some members had concerns about this, it seems to have worked well.

The key elements that people felt contributed to the success of the Task Force were patience and consistent membership. Even though there were many contentious issues the Task Force completed its work on the plan efficiently. With CLC having the lead role, there was limited involvement of the various levels of government in this phase. For example, aside from planning approvals, the City of Montréal was not directly involved in the redevelopment planning because this was a federally-owned site. However, City politicians (including the Mayor of Montréal) were anxious for redevelopment to proceed.

Planning Processes: As stated in its Final Report (2008), the mandate of the Task Force was to establish objectives for the redevelopment, advise CLC on the issues to be considered, and advise on the appropriateness of plans for zoning and subdivision approval. Initially the Task Force was expected to complete its mandate in about 3 months.

Once initial objectives were established, 4 architectural firms were invited to propose designs for the master plan for the site. Their 4 proposals were presented at a community meeting in October 2002. The Task Force selected one of the proposals and provided recommendations for modifications. The revised plan was submitted to the City of Montreal for approval in February 2003.

After public consultations, and two days of hearings, the plan was approved. Zoning and subdivision approvals by the City of Montréal were completed in February 2004. The Task Force continued to meet regularly throughout the municipal approvals process, acting as intermediaries between the community, CLC and as advocates for the plan with city officials and politicians. Therefore, the Task Force continued to function as a voice for the community during redevelopment for 4 more years until its last meeting in June 2008, a total of almost 6 years without a change in membership.

The Task Force received a national award for urban leadership from the Canadian Urban Institute recognizing its contribution in the revitalization and renewal of cities, and its promotion of attitude change, public participation, and transformation of the urban landscape.

There was agreement among the people interviewed for this case study that the success of the planning process was due to the intensive work of the facilitator, CLC and the Task Force with the existing residents of Benny Farm. This work combined the full spectrum of consultation methods and inclusive processes with both the Benny Farm residents and people from the surrounding community. Key activities included:

- The facilitator visited existing tenants in their homes for conversations about their concerns (so-called ‘kitchen chats’). This included meeting with people individually and in small groups of neighbours before the Task Force was even established and throughout the planning.
- Frequent meetings were held with the ‘veterans’ and their family members during the planning process to listen to their concerns and ideas about what they wanted for their community.
- Concerns and ideas were addressed and incorporated into the plans developed by professionals including a landscape architect (who was responsible for open space planning) as well as the architects working on building design and site planning options.
- Regular communications were maintained between the Task Force and the tenants as well as nearby residents in formal ‘press releases’. There was so much media interest in what was happening that there needed to be carefully worded information releases throughout the process. A special Benny Farm website was maintained throughout the redevelopment to provide progress updates.
- The Task Force held public meetings to discuss the proposals from a range of architects rather than having only one firm. At public meetings, people were invited to give their written feedback on comments forms to gauge the opinions on proposals.

Implementation: Following its approval by the City of Montréal, the Master Plan was implemented by CLC through a public tendering process. CLC prepared all the tender documents and managed the tenders. Tender documents included selection criteria for the types of housing and high points were given to proposals for affordable housing.

Proposal calls were open to all interested non-profits, co-operatives and private sector groups to submit plans to build or renovate housing.

As a result of public tendering, proposals from four non-profits, two co-operatives, and private developers were accepted and they purchased parcels of the site for their housing developments. The Société d’habitation et de développement de Montréal (SHDM), the City’s development arm, was responsible for building about half of the home-ownership units that were eligible for financial assistance under City of Montréal programs. Three separate projects were completed and included financial assistance to eligible home-buyers for down-payments or to builders to reduce construction costs. The main emphasis of these programs was to make housing affordable to first-time home-buyers, thus to increase home-ownership for families in the City.

Before any of the work could proceed, the first step was to construct new rental housing in one corner of the site to re-house existing residents. Once these residents had been relocated, CLC was responsible for the demolition of those buildings that were not to be retained and renovated. Both demolition and renovation were made more challenging and costly because of removal of asbestos from the old buildings. The renovation projects were also more time-consuming and costly than expected because of the goal to re-use some of the old building materials.

One of the most innovative features in the development was the initiative by one of the housing co-operatives (Cooperative d’habitation ZOO) to pilot a geothermal energy and heating system. A separate green energy co-op (Energie Verte Benny Farm) was formed to operate and manage this initiative. As a result of initiatives by the co-ops, energy efficiencies were also incorporated into other

buildings. These included: solar energy, green roofs, and natural ventilation.⁴⁵ As the Task Force Final Report (2004) notes, implementation of these types of innovations proved more difficult than anticipated, especially as the co-operatives had limited financial resources to deal with unexpected costs which caused problems for tenants and other developers using more proven sustainable elements in their buildings.

As the rebuilding process proceeded, CLC also had to undertake construction of underground parking and common parking areas to meet City parking requirements. City bylaws had initially required that parking be provided adjacent to each of the buildings but this was found to be incompatible with the site plan and the desire to maintain open space areas and green space. Therefore, exemptions to the bylaws had to be approved. The redevelopment of the community garden, walkways, and all common areas was undertaken by CLC as the housing developments progressed.

Under the plan, CLC established the Benny Farm Land Condominium (called a 'horizontal condominium') to manage all of the lands held in common and to ensure a standard level of maintenance. The Condominium was managed by representatives of each of the new landowners, with voting rights and financial obligations based on the size of their land holdings. The responsibilities of each developer were detailed in the agreement at the time of the land sales. In 2008, responsibility for overall management of the property was transferred to this syndicate of owners. Even after CLC was no longer the major land holder, the CLC representative was elected

president of the Condominium, and was able to ensure that it functioned. As building proceeded, the developers on the site took an increasing leadership role.

One part of the approved plan did not proceed as expected. The City of Montréal had purchased a part of the site for two community facilities: a health and social services centre and a recreation and community centre. These were intended to provide unifying features in the new Benny Farm and bring together the tightly-knit, homogeneous veterans' group with the more diverse new residents. However, the City did not proceed with these facilities and is now proposing to use the land for a new municipal library. A community health clinic is proposed on nearby land (off-site) owned by the Province of Quebec. Construction is expected to begin shortly and to be completed by the end of 2011. Currently, the only unifying community feature on the Benny Farm site is the community garden. There are no plans for any other services on the site.

For more details on the challenges and achievements related to implementing this large redevelopment plan, interested readers are referred to the Task Force Final Report (2008) referenced at the end of this case study.

B.4 Tenant and Community Interests

The interests of existing residents and the surrounding community of NDG were clearly of paramount importance in the redevelopment of Benny Farm. Opposition to previous plans had stalled redevelopment for more than a decade before CLC took over the site.

⁴⁵ Energie Verte Benny Farm and L'OEUF, the firm responsible for the greening of Benny Farm, won the Holcim award as the top project in North America and the Bronze Medal in Holcim's international competition.

Therefore, it was a tribute to CLC that a plan was finally approved in 2004.

Persons interviewed for this case study gave special credit to the facilitator and the Task Force members for their abilities to work through all the compromises that went into the final Master Plan.

As the Task Force Final Report in 2008 noted, there was controversy on many issues including the mix of affordable and market housing, the density, the renovation or demolition of the existing buildings, the provisions for veterans still living there, and the addition of more services. People interviewed said that the most difficult issue to resolve was how much of the older housing could be ‘saved’ and how this would affect the addition of new housing on the site.

The existing Benny Farm tenants (including original veterans, their families, and other long time residents) had a strong sense of community and concerns about being able to remain in their community. They had a strong attachment to the community garden that had always been a focal point, and a desire to preserve the distinct ‘heritage’ of the community. As persons interviewed noted, the existing tenants did not see themselves as being in public housing and were not keen on having social housing in their community. Further, many of them felt that the housing was so inadequate that it could not be renovated.

Residents in the surrounding neighbourhood of NDG had concerns about a higher density redevelopment and fears of a large-scale public or social housing development. Many people outside Benny Farm felt that all of the existing housing should be renovated. The usual fears of the impact on property values were expressed, as well as concerns about the disruption that years of construction would cause in their lives. It was

noted by persons interviewed that some property owners sold their properties and moved elsewhere because of these types of concerns. However, they noted that once the Master Plan was developed these types of fears subsided.

The Master Plan could not and did not give everyone what they would have liked. For example, many veterans (that is, existing tenants) felt that the existing buildings were too inadequate to be saved and should be replaced whereas nearby residents in NDG wanted to save everything. In the end about 35% (134 of the 384) existing units were kept and renovated. However, it was impossible to save all the buildings and achieve a higher density, so in the end other objectives determined what could be done to include more units.

The long and detailed discussions, plus community events on the site had helped to bring people together, and the Plan gave special recognition to the ‘veterans’ as part of the community. It was very detailed, such as showing where trees would be planted, and there was considerable open space including an improved community garden. People interviewed felt that the redevelopment was a success because everything was done as it had been set out in the plan, and CLC ensured that everything was done to a high quality. All of the design criteria were consistently enforced by CLC with all the housing developers building on the site.

In retrospect, some of the compromises reached to address concerns may seem less than ideal. The strong desire to retain some of the original buildings led to extensive renovation efforts, even to the ‘recycling’ of building materials. Persons interviewed also noted that trying to introduce too many innovations into one redevelopment can create challenges.

One interesting approach to address the ‘heritage’ issue was the formation of a special project in partnership with two museums in Montréal. Veterans’ families compiled memorabilia and photographs to capture the history of Benny Farm and create a display about that time in Montréal’s history. They had plans to put this on permanent display in a community centre so that newcomers to the area could learn more about its past. In a CLC video on the Benny Farm Task Force, Jim Lynes of CLC noted the value of recognizing heritage in redevelopments and that he felt it was something to be considered in other similar developments.

B.5 Costs

Persons interviewed for the case study noted that the financial arrangements for the Benny Farm redevelopment were very complex. A general overview is provided below for this report.

When the site was transferred from CMHC to CLC in 1999, the terms of the agreement included a provision that, if CLC incurred a deficit from the redevelopment, CMHC would cover the deficit with subsidies from the federal government. Such a condition was necessary because CLC, as a Crown corporation, is required under its mandate to cover the operational costs from development revenues (that is, to operate on a break-even basis).⁴⁶ CLC does not receive any direct subsidies from the federal government. CLC is empowered to borrow financing in the capital market to cover its larger projects if required (that is, when the projects cannot be financed internally from CLC’s operational revenues). When CLC finances projects by borrowing, the cost of this

private financing as well as the capital amounts must be repaid through revenues generated by the project.

Development Costs: In Benny Farm, CLC acted as the site developer but did not undertake the development of individual housing projects. Therefore, the capital costs included two completely separate components:

1. Redevelopment costs for the site as a whole were covered mostly by CLC as the developer (although there were also some capital costs for infrastructure paid by the City of Montréal). As the developer, CLC financed all the up-front planning, rezoning, demolition, and site costs, as well as undertaking all the public tendering for sale of parcels of land. The CLC capital costs were recovered by sale of individual parcels of the land to the non-profit, co-op, and private housing developers. The City of Montréal purchased one parcel of land for two community facilities. The balance of the site was retained as common areas, including the community garden, walkways and open areas. CLC was responsible for the management of the site as a whole until 2008 after which management was transferred to a syndicate of owners.
2. Capital costs for the housing constructed or renovated were financed by the numerous housing provider groups. These housing developers purchased parcels of land from CLC and arranged financing for their housing projects to cover the costs of planning, land, construction or renovation, site servicing and other development costs.

⁴⁶ CLC is permitted to make a ‘profit’ on its individual development projects and to retain the earnings to finance other development projects. However, it must finance its internal operating costs through the net earnings from its projects. In the event that CLC generates an overall net profit over time, surpluses are paid back to the Government of Canada.

Based on information obtained during interviews, the capital costs for redevelopment of the site only (excluding costs for renovation or new construction of the housing developed) were in the area of \$26M, including:

- \$2M for planning (architects, consultants, facilitator, rezoning, etc.);
- \$2M for demolition of existing buildings on the site (which included removal of asbestos);
- \$1.5M for construction of a new public street at the edge of the site. (The City of Montréal covered one-third of this cost (\$0.5M) and CLC covered \$1M);
- \$0.5M for landscaping, pathways, and improvements to common areas; and
- \$20M to cover maintenance and taxes for the housing transferred to CLC (pro-rated at \$2M per year for 10 years).

Site servicing costs were charged back to each of the individual housing developments. Persons interviewed noted that CLC broke-even on the overall development costs through public tendering and sales of parcels of land.

Capital costs to the City of Montréal included the infrastructure costs for the public street plus the cost of purchasing an area of the site for two future community facilities. This area is now slated for developing a public library.

Housing development costs: The capital costs of housing developments on the site are difficult to estimate because they were financed by the individual non-profit groups, co-operatives, and private developers who purchased land from CLC. The total capital costs for the housing developers to build or substantially renovate included the cost of land purchased from CLC and site servicing costs.

B.6 Financing

As outlined above, CLC covered all of the financing costs to develop the site. CLC also has ongoing involvement with the overall site management. There continues to be ‘joint ownership’ of all the common land, and surface and underground parking on the site. Persons interviewed noted that there are legal arrangements in place regarding the overall site ownership.

Financing for the housing developments included financing for the land purchased from CLC through the public tenders. Most of the financing was from private lenders; however there were also various housing programs with provincial and/or municipal funding that provided financial support that contributed to affordable housing in the redevelopment:

- Social and community housing was developed by six non-profit and co-operative housing groups with provincial and municipal funding under the Quebec Acces Logis Program.
- In the rental building for veterans’ families and other tenants, rent supplements are available to make units affordable for low-income households.
- The home-ownership development was undertaken by a combination of private and municipal developers, and the individual condo units were sold to purchasers who arranged their own mortgage financing. Two of the condominium projects (with 156 units) were built by private developers without government financial assistance for moderate and middle income families. The City’s developer (Société d’habitation et de développement de Montréal (SHDM)) built 175 home-ownership units for low to middle income families. In one project, qualified

purchasers (e.g. first-time buyers with moderate incomes) were eligible for grants under the City's home-ownership programs. In another, experimental program subsidies were provided to the private builder to reduce the price of the units. First-time low and middle-income home-buyers are eligible for financial assistance under the Renovation Quebec Program (cost-shared 50:50 between the Province and the City of Montreal).

Financial arrangements were made more complex by the fact that some of the housing had 'changed hands' since it was built. In 2007, the Office municipal d'habitation de Montréal (OMHM) purchased the 'veterans' housing (consisting of 4 buildings and 237 units) from CLC. These buildings had been constructed by CMHC and CLC in 1997 and 2000. OMHM is the municipal housing authority which operates all of the public housing in the City of Montréal.

A substantial contribution of housing subsidies and assistance under provincial and municipal housing programs was used to create affordable housing in the redevelopment.

B.7 Outcomes/Results of R-R

Complete redevelopment of an entire site and creating a mixed residential community of affordable rental, co-operative and ownership housing close to downtown Montréal, as well as almost doubling the supply of housing are significant achievements.

Dealing with a long history of discord and conflicting objectives was a huge challenge, and achieving a compromise under these conditions was a substantial success given all the groups involved. As well, the revitalization of an inner-city area for affordable housing created a long-term benefit to the City of Montréal, its residents, and especially for NDG.

Some key highlights of the results were as follows:

Physical

- A total of 797 new and renovated units were provided by the Benny Farm redevelopment, more than doubling the original number of 384 housing units.
- The housing built conformed to a consistent set of design and quality standards that were rigorously applied by CLC with all the housing developers.
- Housing was developed by a diverse group of housing providers including 4 non-profits, two co-operatives, the SHDM, and private developers. The built form was diversified along with a tenure mix of rental, co-operative and ownership units. As shown in the table below, 28% of the units are in social and community housing (including 70 units of co-operative housing), 42% of the units are home-ownership (including 156 units with no government assistance), and 30% in subsidized rental for the previous tenants.

BENNY FARM – Project Types and Units		
Type of project Social and community housing	Comments Provincial / Municipal Funding	Number of units
Résidence Projet Chance 2	young single mothers	23
Coopérative d'habitation ZOO	families	46
Coopérative d'habitation Benny Farm	families	24
Les Maisons Transitionnelles 03	young single mothers	29
Chez Soi Notre-Dame-de Grâce	seniors	91
Tango	physically handicapped	15
Sub-total		228
Home Ownership		
Square Benny	private affordable housing - no government assistance	120
Prince of Wales	private affordable housing - no government assistance	36
Trilogis Monkland - SHDM	Renovation Québec Program* - new construction for low to middle income first time buyers	98
SHDM/Habitations com. NDG	Renovation Québec Program - new construction for low to middle income first time buyers	24
SHDM/Habitations com. NDG	Renovation Québec Program - renovation for low to middle income first time buyers	24
SHDM/Habitations com. NDG	Renovation Québec Program - renovation for low to middle income first time buyers	30
Sub-total		332
Rental		
Buildings purchased from CMHC by the Municipal Housing Office	veterans families and rental - rent supplements	237
SUMMARY	TOTAL	797
	Social and community housing	28%
	Properties for first-time buyers	42%
	Rental	30%

Source: City of Montréal, May 31, 2010.

Notes: It is estimated that about 2,000 people will be living on the site once all the projects have been completed.

* Renovation Québec Program is funded 50% by the City of Montreal and 50% by the Provincial Government.

Social

- The social and income mix of Benny Farm was diversified by the redevelopment. All types of households and a range of income groups were able to find more affordable housing within the mix of tenures (42% ownership, 9% co-operative housing and 49% rental). The mix of rental housing for the “vets”, social housing groups and lower to moderate income families who could afford the home-ownership units was a unique aspect of this redevelopment.
- 42% of the units provide affordable home-ownership choices in the City for lower to middle income families. More than half of these units are for first-time, low and moderate-income home-buyers who are eligible for financial assistance under the Renovation Quebec Program (cost-shared 50:50 between the Province and the City of Montreal).
- The six social and community housing developments assisted through Quebec’s Access Logis Program serve various lower-income clienteles including young single mothers, seniors and people with physical disabilities and the housing co-ops serve families.
- The income mix of households is difficult to estimate with available data. Roughly over 50% of the units (the assisted social and rental housing) are targeted to lower-income seniors, families and individuals. The two housing co-operatives provide a mix of lower income households and those paying market rates. The private (non-subsidized home-ownership) units that make up about 21% of the total units serve moderate to middle income groups, and the remaining 21% are (assisted) home-ownership units that are affordable for moderate income families with annual incomes up to \$75,000. Therefore, the overall income mix appears to be over 50% lower income, up to 30% moderate income, and 20% middle income households.
- There has also been an immediate effect from the redevelopment on the provision of more supportive housing for special groups, and accessible housing for persons with physical disabilities. One of the social housing developments, Chez Soi NDG with 91 units, provides flexible supportive housing for seniors. Tango is a development for people with physical disabilities, and two others serve young single mothers.
- There have been other changes in the composition of the residents. Whereas the majority of the original residents were Anglophone, new families moving into the area have been mainly Francophone and include persons from various ethnic groups who reflect the ethnic diversity on the City. For example, in one project, more than half the residents are families of South Asian origin.
- The redevelopment achieved the goal of meeting the needs of the original tenants, and especially the veterans. Over 60% of the original tenants had been relocated to new buildings constructed on the site prior to 2001. Therefore, no major relocation of tenants was required to allow for demolition and new construction after 2005. As of 2010, it was estimated by people interviewed that about 50% to 70% of the ‘vets’ living in Benny Farm when the CLC redevelopment began in 2005 remain in the redeveloped area today. In the interim, some of the older residents have died or moved to residential care facilities as they required more assistance.

- One aspect of the plan was a deliberate design for better integration into the neighbourhood. The layout of the plan was designed to place the ‘affordable’ moderate income housing around the perimeter of the site while the social housing was situated within the site. This design was intended to create a better transition with the surrounding neighbourhoods and deal with some of the concerns about a ‘large-scale’ social housing project. According to people interviewed this strategy was very successful.
- The neighbourhood effects of the redevelopment are yet to be assessed. To-date, according to those interviewed, there have been no initial effects on the surrounding neighbourhood. It was reported that City studies of changes in property values in other developments have found no negative effects, and there appear to be no immediate effects in terms of gentrification in the surrounding areas of NDG. (The longer-term effects would need to be investigated over time.)
- The community-building aspects of the Master Plan have been slow to materialize. The City of Montréal did not complete the planned community centre and the health centre on the site it purchased from CLC, and is currently (2010) proposing to build a library. Currently, the only common facility is the community garden which is managed by a separate group formed by the original residents.
- CLC is still involved in the overall site management as a member of the syndicate of owners that are responsible for the common areas owned by the Condominium.

Environmental

- Energy conservation was a key feature of this redevelopment. New energy efficient housing was developed and special green features were added including use of geothermal and solar energy. Created in 2005, Energie Verte Benny Farm (EVBF) is a non-profit, community-owned energy services company that produces, provides and promotes renewable energy and green buildings. In 2006, EVBF received a \$3.9M grant from the \$500M federal government Green Municipality Fund (of Natural Resources Canada) to support its work. It provides green energy for several social housing projects in Benny Farm including the Project Z.O.O. (Zone of Opportunity) and Chez Soi, which earned silver and gold LEED ratings respectively. EVBF received two international awards for its work at Benny Farm.
- The design for Project Z.O.O. cop-operative was a mix of renovated and new units. It involved the recycling of existing building materials (such as bricks and wooden floors) and reuse of the existing structure to reduce the environmental impact. According to EVBF’s website, use of green energy, along with grey water recycling and green building services results in homes that consume 70% less energy than the National Building Code standard.
- The SHDM Monkland condominium project was equipped with a geothermal heating system, an innovation made possible by a \$140,000 investment by Gaz Métropolitain.⁴⁷
- Densification and more efficient use of the site for housing helped to ease the demand for housing in other areas.

⁴⁷ See: SHDM Press Release, April 16, 2008 (www.shsm.org).

Economic/Financial

- The City of Montréal has accommodated needs for more affordable housing by the increase in the supply of social and affordable housing in Benny Farm. Thirty percent of the housing units (the rental housing operated by the Municipal Housing Office for lower-income veterans' families and others) are eligible for rent supplements to make rents affordable. The social and community housing provided by 2 co-operatives and 3 non-profit groups received financial assistance from the Province and the City. The co-operatives serve families with a 50:50 mix of rent supplement and market housing, and the non-profits provide subsidized housing for specialized target groups (including young single mothers, seniors, and persons with physical disabilities).⁴⁸ Although the impact of this expansion of housing is difficult to assess, it is clear that more of the people on the waiting list for social housing have been reached, and that others who required some assistance were able to buy their first homes.
 - There is a mix of social (RGI) housing and affordable (market rent and home-ownership) housing. Housing for the veterans is predominantly RGI housing with rent supplements so that the housing is still affordable for former residents of Benny Farm and other tenants from the social housing waiting list. The non-profit rental housing services special needs groups and all of the units are subsidized.
- The two co-operatives provide family housing units with a 50:50 mix of rent supplement and market housing.
- The home-ownership units are about a 50:50 mix of assisted and market (non-assisted) units. There were considerable differences in purchase prices and affordability of the two types of condominiums. For example, in the assisted, Trigolis Monkland project, prices ranged from \$90,000 (for a 1-bedroom unit) to \$155,000 (for a 4-bedroom unit) after 10% purchase credits and subsidies.⁴⁹ In the private condominiums in Square Benny (built by Développement McGill), 1-bedroom units sold for \$175,000 - \$207,490, and 3-bedroom units were priced from \$356,000 - \$384,000.⁵⁰
 - New and more energy efficient housing has resulted in lower heating, utility and maintenance costs for all types of housing developed and for residents living at Benny Farm.
 - Although not identified in interviews or background sources reviewed, it seems likely that there were also broader economic benefits in terms of employment and economic activity beyond Benny Farm itself. However, these have yet to be assessed.
 - There were infrastructure upgrades such as roads and community facilities associated with this redevelopment. There were some costs to the City associated with these improvements.

⁴⁸ See: Annex A for detailed information on these groups.

⁴⁹ See: www.shdm.org. The 10% purchase credit was funded by the Acces Condos Program.

⁵⁰ See: <http://montreal.backpage.com/HomesForSale/131190-square-benny-phase-1and2-condo>.

Other unexpected outcomes

There were a wide range of unanticipated benefits as a result of this redevelopment, such as: the involvement of existing residents in creating an ‘archive’ of the history of Benny Farm; the continuous involvement of a group of community members as part of the Task Force in both the planning and implementation processes; impacts on local planning regulations on issues such as parking regulations (a change in building specific parking requirements that would not have worked in the site plan to an ‘area’ parking requirement); and many detailed variations in the concepts of the building design and development processes. Some interviewees also suggested that the experience in Benny Farm has affected how the City manages residential development. For example, the City now requires developers to consult with local residents early in the development process.

Given that the redevelopment of Benny Farm is fairly recent, it is difficult to assess the longer term effects. However, people interviewed for this case study have identified ways in which lessons learned from the Benny Farm redevelopment are being applied in other developments being undertaken by CLC, the consultants involved, and the City of Montréal itself. For example, the City of Montréal is involved in redevelopments in other older social housing in other parts of the City. Those interviewed indicated that much of what was learned from Benny Farm is assisting in the ongoing revitalization of other housing.

All of these effects and outcomes will need to be assessed over the coming years as the new community of Benny Farm evolves.

B.8 Achieving Objectives

The objectives of the Master Plan were achieved. According to people interviewed for this case study the redevelopment succeeded in:

- Creating a diverse, mixed community with a range of household types from families to seniors and including housing for persons with special needs;
- Providing affordable housing for a range of lower and moderate income groups;
- Developing a mix of rental and home-ownership units in a valuable and desirable inner-city location;
- Opening up the community with open space and walkways that connect this area with the surrounding neighbourhood;
- Maintaining high quality in all the details required for all the housing developed as proposed in the plan; and
- The results have produced a revitalized community in an excellent location with nearby amenities and services.

It was suggested that one of the keys to success was having CLC oversee the redevelopment as an independent body rather than the City. As such, it was CLC telling all parties involved with the redevelopment of Benny Farm that they had to follow the plan.

The redevelopment has met the objective of maintaining and expanding affordable housing as opposed to seeing the area being transformed solely into an area of market condominiums for higher income households.

B.9 Lessons Learned

The consensus of opinion is that the Benny Farm redevelopment was successful from a wide range of perspectives. The Task Force Final Report (2008) itself included 13 lessons learned. Key lessons learned highlighted in interviews for this case study were as follows:

Consultation Processes

- **Participation and consultation is not an activity it is a process.** The process used in Benny Farm was successful because it was designed to fit the situation at that time. A process that works in one situation may not apply in other situations – it has to be customized to fit the local reality. There is no one framework that will be suitable in every case because all developments are different.
- **Consultation can be a creative and positive process:** Cities tend to use arbitration as part of a formal process but this is not consultation. Consultation takes time and money as well as full co-operation. However, the results are well worth the effort. In Benny Farm, open planning with the community was very successful to combat NIMBY⁵¹, and people's fears subsided once the plan was developed. This required a lot of events as well as face to face meetings with people.

- **Inclusive consultation gives everyone a voice at the same level.** Be careful when giving a lot of responsibility to community groups that may represent special interests. Not all the results will be positive because community groups are not always fully inclusive. The goal should be to get people involved, to have everyone at the table, and to be fully inclusive.
- **Be prepared to compromise** – everyone has to compromise to be successful. Complex, large-scale redevelopments like Benny Farm involve multiple and often conflicting objectives. In the case of Benny Farm, CLC as the developer had to work with the community until it reached a consensus on the compromises needed for a realistic plan.

Implementation of the Plan

- **Too much innovation in one project can jeopardize the plans.** It is important to focus on the objectives of the redevelopment and achieving those as planned. When innovations (such as with new technologies) are tried, there needs to be follow-up done to assess the results since not all measures produce sustainable innovation.
- **Flexibility on the design is important.** Architects need to be open-minded about the design, willing to make changes that respond to concerns, and to make it work for the people in the community.

⁵¹ NIMBY is the "Not-In-My-Backyard" syndrome.

- **Have clear objectives at the beginning and implement the final plan,** so that people's expectations are met. The Benny Farm Master Plan was very detailed, even down to where trees would be planted. CLC was able to ensure that all aspects of the plan were carried out as promised and that expectations were met.
- **Do everything to the highest quality possible:** In Benny Farm, CLC provided the oversight on all housing developments to ensure that standards were consistently followed by the developers. Where there are multiple developers on one site, it is especially important to have someone responsible for the overall 'image' and look of the housing produced. Having an independent body like CLC managing this work was seen as easier than having the City dealing with social and private housing developers.

C. Summary Assessment

Benny Farm is an excellent example of larger site redevelopment for social and affordable housing in the inner city of a large metropolitan area.

Some of the key points to be noted from this case study are as follows:

- Creating diversity of housing forms, tenure and social mix was achieved in the Benny Farm redevelopment. The scope of the redevelopment was much broader than the specific site since the goal was to make this area more integrated with the surrounding neighbourhood. It achieved a diverse community redevelopment that goes beyond the traditional income mix of social housing. There will be ongoing interest in assessing the longer-term results for inner-city housing and community redevelopment.
- The planning and development methods used in Benny Farm were different from other redevelopments in that it involved a quasi-public development company (CLC) as the overall site developer rather than a particular public or non-profit sector housing agency. Tendering to a range of housing providers is also a somewhat different model from the 'partnerships' of public/private agencies used in some other case studies in this research. It demonstrated a method of involvement with a number of social and private housing providers within the framework of an approved Master Plan developed with the existing community.
- Financial arrangements for this redevelopment were also unique given the involvement of CLC as the site developer. Whereas other examples have involved a public housing sector (provincial or municipal housing agency) as the lead developer, this example illustrates how public tendering with multiple social and private housing developers generated revenues to pay off development costs while achieving the overall objectives of one coordinated master plan.
- The public consultation mechanism used in this example was also different from other examples of community engagement that focused on the previous residents and the wider community.

Sources:

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www.bennyfarm.org (The website was scheduled to be closed down in June 2010. Materials are accessible from archived material through a link on this website.)

Interviews conducted for this case study with CLC, consultants and City of Montréal.

Case Study #4

Strathcona Heights (Ottawa, Ontario) Ottawa Community Housing Corporation (OCH)

Rationale for this case study:

Strathcona Heights was selected as an example of large-scale revitalization of an inner-city social housing site involving demolition of old social housing and rebuilding to higher densities. Its experience may be useful for other housing providers planning to address the redevelopment of large sites owned by municipal housing corporations, and thus to increase the supply and diversity of social housing stock and better meet changing housing needs.

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and others from the community who provided valuable information for this case study. The City of Ottawa's two excellent reports on the Strathcona Heights redevelopment⁵² were, in particular, very helpful. Information related to the research questions is summarized on the following pages, but readers are referred to these documents for the detailed history of the redevelopment.

⁵² See references listed at the end of this case study.

A. Strathcona Heights: Background Information and Summary	
Key Organization Involved: Ottawa Community Housing (OCH) (formerly City Living)	
Original Housing and Before R-R	<p>Strathcona Heights was built in 1948 for WWII veterans in the Sandy Hill neighbourhood close to downtown Ottawa. Predating public housing programs which began in 1949, ownership and administration of the housing were transferred to CMHC after CMHC was created. The original project was comprised of 404 units, in low-rise, walk-up apartment buildings, designed for young families, on a large 9.3 hectare site on the Rideau River, in Ottawa.</p> <p>In 1982, the site consisted of 62 buildings grouped into 22 blocks of 1-4 buildings with 261 two-bedroom and 143 three-bedroom units. More than half the units (58%) were occupied by households with 1-2 residents; roughly one-third of households were single-parent families; and 26% were WWII veterans. 60% of residents were low-income, with 17% receiving RGI subsidies and another 37% who qualified for RGI social housing assistance. At the time, rents were 25-30% lower than for private rental housing in Ottawa (\$239-268 for 2-bedroom units and \$274-301 for 3-bedroom units in Strathcona Heights).</p>
Time Frames	<p>Planning: 1987 – 1988 (about 1 1/2 years)</p> <p>Implementation: 1988 – 1995 (about 6 years)</p>
R-R Plan and Work Undertaken	<p>In 1982, CMHC announced its intention to sell the site for private redevelopment. Resistance from existing tenants and local desires to retain the site for social housing led to the sale of the site to City Living⁵³ (which later became Ottawa Community Housing (OCH)) for \$1.8 million. City Living purchased the property with financial assistance under the federal non-profit housing program (NHA Section 56.1).</p> <p>At the time of sale, the property was running a deficit. CMHC agreed to continue existing rent subsidies for one more year (a total of \$70,000). City Living established an internal subsidy program under which tenants paid RGI rents if they could not afford the standard rents. In 1984, a Tripartite Agreement was signed by the City of Ottawa, CMHC and the Ontario Ministry of Municipal Affairs and Housing guaranteeing funding for the Strathcona redevelopment.</p> <p>City Living officially launched planning for the redevelopment in January 1987 and the master plan was approved by Ottawa City Council in May 1988. The plan called for renovating about half of the units and demolishing and replacing the remaining half. A pilot renovation of 12 units was completed in 1988-89 and renovation of another 48 units in 1992 included conversion of small 3-bedroom units (750 square feet) to 2-bedroom units. Renovation costs averaged over \$47,000 a unit, and the renovation approach limited the options for intensification and creating the mix of unit sizes required. Therefore, the plan was revised to allow for demolition and reconstruction of other existing units.</p> <p>The redevelopment proceeded in 5 phases over 6 years. It was completed in 1995. 54 of the 440 original units were renovated, and 689 new units were built, increasing the number of social housing units from 404 in 1988 to 743 (84% increase) including 160 units in two new housing co-operatives. New buildings include a mix of 4- and 6-storey apartments and townhouses. In a 1994 report, City Living described Strathcona Heights as a 'community renewed', and another author called it 'a model for regeneration'.</p>

⁵³ Ottawa Community Housing (OCH) was formed in 2002 -- a result of the amalgamation of City Living and the Ottawa Housing Corporation. City Living was the organization responsible at the time of the Strathcona Heights planning and redevelopment. The City of Ottawa is the sole shareholder of OCH. OCH and its Board of Directors operate at arms length from the City. OCH is the largest social housing provider in Ottawa and the second largest in Ontario.

A. Strathcona Heights: Background Information and Summary (Cont'd)	
After R-R	Today, 743 households with over 1,700 people live in Strathcona Heights, nearly 3 times as many people compared with 1988. The social mix of residents was diversified with the variety of 1- 4-bedroom units developed and includes all types of households (families, seniors, singles, couples and persons with disabilities). There is a mix of tenures with two housing co-operatives (22% of the units) and the non-profit rental housing (78% of units) operated by OCH. The entire site was retained in public ownership with 75 year leases for the land occupied by the 2 housing co-ops, and no part of the site was sold for private housing. There is a mix of lower- and moderate-income residents with rental subsidies available for eligible tenants in about 90% of the OCH units and a mix of RGI and market rent units in the 2 co-ops.
Key Changes	<ul style="list-style-type: none"> ■ Comprehensive revitalization, densification of site use, addition of social housing units. ■ Mix of lower and moderate income households, all types of households (seniors, families, singles and people with physical disabilities), and mix of rental and cooperative tenures. ■ Preservation of this social housing site close to the downtown protected the stock of affordable housing in the City and prevented a shift to more costly, private market housing. ■ Redevelopment as social housing without 'selling-off' parts of the site to private developers.

B. Key Findings on Research Questions

B.1 Reason(s) for R-R

In the early 1980's, Strathcona Heights was seen as a development that had served its original purpose (to house families of veterans after the Second World War) and was "out of tune with the housing needs and priorities of a changing city" (City Living, 1994:1). The 2- and 3-bedroom units were occupied mainly by seniors in buildings with no elevators and in units that had no special features to meet the needs of the aging tenants. The buildings and units also required major renovations to improve the physical condition of the housing. Thus, the *initial reason for the R-R work was to deal with the declining usefulness of the housing in its existing form.*

The impetus for the redevelopment was that CMHC was no longer going to manage the site and planned to sell the site. Concerns arose over the potential future of the site such as demolition and rebuilding with more 'upscale' market housing, which would have displaced the then in-place lower-income residents. There was strong resistance

to the private sale of the site from existing tenants, and the City wanted to 'preserve' the social housing and the community. Therefore, the main reasons for the redevelopment were to preserve and enhance this social housing community by renovating out-of-date units and adding other units on the site to better meet contemporary housing needs and priorities.

B.2 Objective(s) of Project

According to the City Report, when City Living purchased the property in 1982 its intention was to run it "as is" for 2 years and then draft a program of redevelopment and renovation. City Living outlined the following objectives, to:

- Retain the project in public ownership to preserve social housing and better match it to needs and priorities;
- Keep rents at levels affordable to low and moderate income households;
- Improve the units inside and out as well as the landscaping; and
- Buy and manage the project at low cost to the City of Ottawa and City Living.

The City of Ottawa launched negotiations with the federal and provincial governments to ensure that sufficient housing funding would be available to carry out comprehensive redevelopment. In 1984, a Tripartite Agreement was signed by the City of Ottawa, CMHC and the Ontario Ministry of Municipal Affairs and Housing, guaranteeing funding for redevelopment of the site. Following this, a planning process was launched with the tenants' association to develop plans to 'renew' the community of Strathcona Heights. A central principle in the redevelopment was to give first priority for housing to existing tenants and to engage them in the planning process.

Key features of the comprehensive Master Plan approved by City Council in 1988 were:

- to increase the number of social housing units in a valuable central location thereby intensifying use of the site;
- to keep and foster the strong, existing sense of community and to better connect the housing with the surrounding Sandy Hill neighbourhood;
- to create more income and social mix by diversifying the mix of households to include families, seniors, and people with special needs, to create different unit types and tenure choices, and to foster a mix of income ranges; and
- to provide units more suitable for older, existing residents and add some modified units to improve accessibility for aging veterans and their family members who, as long term residents, had made this their home.

All of these objectives had to be pursued within sound financial and property management principles established by the City so that the

housing would be sustainable and economically viable over the longer term as part of the City's social housing stock.

B.3 Planning/ Implementation

The tenant engagement and consultation processes used in the Strathcona Heights redevelopment have been recognized in reports as a notable achievement and a key to its success.

Both the planning and implementation processes were carefully phased to actively involve existing tenants and the surrounding neighbourhood. Steps included:

- a three-phase planning process (16 months – Jan 1987 to May 1988); and
- a five-phase implementation stage (5 years – 1988 to 1993).

Initial Planning: January 1987- May 1988

Originally City Living had intended to plan the Strathcona redevelopment in-house. Both City Living and the City recognized that redevelopment would be a sensitive topic. Ottawa had 20 years of experience with neighbourhood planning and a lot of it had been contentious. Memories of controversial urban renewal in 'Lower Town West' and other areas and the lack of 'consultation' lingered. Tenants feared that the same process was happening again and that they would lose their homes. Furthermore, the surrounding neighbourhood had a strong resident group (Action Sandy Hill) that had been actively involved in previous city planning efforts. The political environment had also changed in Ottawa in the late 1970's with the election of councilors who supported community involvement in planning processes.

Given the scale of the project, City Living took the following steps:

- appointed a staff member to coordinate the project;
- hired a public participation officer who worked in an on-site office;
- engaged a consultant (Barry Padolsky Architect Ltd. of Ottawa) to produce the redevelopment plan; and
- set up a City corporate management team (including members of city departments, representatives from the Regional Municipality of Ottawa-Carleton, the local office of the Ontario Ministry of Housing, and the Strathcona Heights Tenants' Association).

Three Planning Phases:

- **Phase 1: Jan 1987 – April 1987:** Examined conditions in Strathcona and the surrounding area. Report to Council in April recommended development objectives.
- **Phase 2: April – July 1987:** The consultant reviewed 10 development options with the City's team, tenants, local residents and interest groups. The options were presented to the public in June 1987 at 3 open house meetings. The consultant then drew up 7 options and a preferred option based on views of all parties. It was presented in a second series of open houses in the summer of 1987.
- **Phase 3: July 1987 – May 1988:** The Phase III Master Plan, with 49 recommendations for redevelopment of the Strathcona site and 11 recommendations for the Sandy Hill area was approved by City Council on May 18, 1988.

The planning process itself was unique because it was a 'bottom-up' approach that was to a large degree led and controlled by the existing tenants themselves with the consultants acting as 'facilitators' to explain options. This approach dealt with the main issues for the tenants especially the lack of trust, fears that they would not be listened to, and uncertainty about the City's promise that they would be able to stay in their community. Giving the tenants control of the process meant entrusting them with a wide range of options and allowing them to make decisions.

In interviews it was noted that tenants made smart choices for options in the community's best interests. Although lacking formal planning training, tenants put in many hours of volunteer time to help develop a plan for their community, and they were able to create a dialogue with the Action Sandy Hill association. Through the second and third phases of the planning process many items were dropped off the table as tenants made difficult choices about what was needed in their community. For example, one option included underground parking to create more green space which tenants were keen to achieve. However, when costing for this option was presented, tenants chose the more affordable option with surface parking. There was strong support for the tenants' group from the local ward councilor and her contribution is recognized in the City's report on the renewal of Strathcona Heights.

The proof of the success of this process was when the Master Plan was presented to City Council with no objections from the tenants' association or from the Action Sandy Hill association. This was notable given that the plan called for virtually doubling the densities of social housing on the site. The Master Plan was approved in May 1988 and there were no Ontario Municipal Board

(OMB) appeals. Major credit for the success of this process went to the planning consultants who worked with tenants and residents to help them create the plan. Once the plan was approved the redevelopment work forged ahead. No-one revisited decisions because it was accepted that this was ‘a people’s plan’. Tenants had participated in making choices for the future shape of their community. It was noted in interviews that having funding from CMHC’s housing program helped City Living to undertake proper tenant engagement in the planning process. Although the process was somewhat longer than originally been expected (close to 17 months instead of 8 months), the City Report itself notes that ‘it was worth every minute and every penny’.

Implementation: 5 Phases: May 1988 - 1993

After City Living purchased Strathcona Heights, the initial intention was to keep and ‘rehabilitate’ about half the units, and replace the remaining units with newly constructed buildings. After a renovation pilot in 1988 and the first renovation phase in 1992/93 revealed the high costs of renovations to units (about \$47,000/unit), the plan was revised to allow for demolition and replacement of the rest of the social housing units plus to increase the total number of units on the site.

The Master Plan was implemented in 5 phases (involving construction of the various buildings) over six years⁵⁴ This time period was required to meet the objectives of minimizing displacement of tenants and keeping the number of moves to

one or two for most tenants. The phasing of the building types from 1989 to 1995 (by date of completion) was as follows:

- 1989 Silver Heights new seniors apartment building and Pilot Renovations
- 1990 and 1994 Townhouses and Stacked Townhouses
- 1991, 1992 and 1994 new apartment buildings
- 1991 Co-op Voisins
- 1993 Renovation of existing apartment buildings
- 1995 Conservation Co-op

The first priority was to build a new building for the seniors (the long-term residents of the community) so that they would only have to move once. To this end, the Silver Heights apartment building with 81 units for seniors was built first in 1989 on a former parking lot. As seniors moved into this building, the units they vacated were used to relocate other tenants from the next buildings scheduled for demolition. The phasing of demolition and new construction in this way allowed for most people to move to other units on the site.

Managing tenant relocations involved a lot of work for the staff of City Living. Under provincial law, City Living was required to give 120 days notice to existing tenants to move out of their units. Formal eviction notices were sent to tenants, tenants’ applications for moving assistance had to be processed, and new leases completed. For their part, tenants had to

⁵⁴ Details on the 5 phases are included in ‘Strathcona Heights, A Community Renewed’, City Living, 1994, p.6.

choose from the new housing units as they became available. A point system based on length of residency was established for tenants to select new units, and the 1994 evaluation report noted that this worked well with few disagreements. Having a 'choice' was seen as an important factor in the high satisfaction among tenants. City Living also had to manage short-term vacancies in the building scheduled for demolition and tried to minimize loss of rental revenues by using short-term (120 day) leases with other tenants or students from the nearby Ottawa University.

The 1994 evaluation report noted that both City Living staff and tenants felt the relocation processes worked well. Each household received a standard \$300 towards moving expenses each time they moved. It was estimated that actual moving costs ranged from \$150 to \$600. The City report states that City Living spent a total of \$78,000 to help offset moving expenses. In a survey conducted for the City evaluation report, 77% of tenants said this amount was fair compensation for their expenses.

As noted in the City report, City Living maintained an office and staff on the site throughout the redevelopment 'to hear and deal with residents' concerns... as a result it became their project.' About 400 tenants moved once or twice during redevelopment, arranging and carrying out their own moves. The evaluation report noted that tenant turnover actually declined during the redevelopment and no more than a dozen of the 400 existing tenants left Strathcona Heights during the entire process.

Operational lessons learned throughout this redevelopment were detailed in the 1994 evaluation report. The report contains more than 50 lessons learned. The Executive

Summary lists 4 items under the heading of 'Things to do differently', and 11 items under the heading of 'Things that worked well. The 4 items to 'do differently' were:

- Hire a project manager at a senior staff levels early in the process.
- Have a plan that is flexible so that adjustments can be made without having to revisit the entire plan.
- Assess how much time on-site and other staff can spare and hire new staff, or set up a dedicated redevelopment team without other responsibilities.
- Ensure that offers of new housing and refusals by tenants are all in writing.

Among the many things that worked well, the report identified: investing the time and energy required to develop the plan, maximizing use of non-housing programs to complete other improvements, opening an on-site office with one person in charge to handle inquiries, consult the community early so that they can contribute ideas (not just react to proposals), consult with tenants directly, explain to tenants ahead of time that their rents and utilities may increase, and carry-out site servicing over a short time period to minimize community disruption.

One key initial decision was to change the Master Plan and carry out all site servicing in the first year of redevelopment rather than as each parcel was redeveloped. This reduced costs, was more practical from an engineering point of view, and gave tenants paved roads and relatively clean surroundings once the site servicing was done. Changes in surrounding roads and community recreation areas (including Dutchy's Hole Park) improved integration of the site as a whole as well as the housing itself.

The redevelopment process reportedly went smoothly and was completed on-schedule except for the second housing co-operative (Conservation Co-operative) that was not completed until 1995. As noted in the 1994 City Report, the design process for this co-operative had taken longer because of the objectives of creating an energy-efficient and environmentally friendly building to reduce monthly energy costs. The co-op was funded by the Ontario Ministry of Housing and was built within strict social housing guidelines and budget limits. The final design included a wide range of innovative features to reduce heat loss, maximize solar energy gains, heat recovery ventilation, as well as use of recycled materials and measures to reduce waste including grey water recycling. The performance of the building was assessed in 2000 after 5 years of operations in a CMHC-funded study.⁵⁵

The Strathcona Tenants Association continued to be actively engaged throughout the 6-year redevelopment process. Improvements to the housing and the area created widespread satisfaction with the redevelopment among tenants and local residents and was seen as strengthening the community by bringing people together.

B.4 Tenant and Community Interests

The interests of both existing tenants and the wider community were given high priority in this redevelopment. As noted above, the City of Ottawa had had years of experience in neighbourhood planning and consultation processes that were useful in carrying out this city-sponsored redevelopment. There was also strong support from City Council for involvement of residents to ensure that their needs were met.

Existing tenants had a wide range of concerns including a strong desire to remain in their community. Fears of being forced to move or displaced and not being able to return were particularly major concerns. According to the 1994 City report, key tenants' priorities included:

- Preserving community identity;
- Giving all tenants the right to stay in the area;
- Giving priority to veterans and senior residents;
- Minimizing the number of moves;
- Minimizing rent increases;
- Preserving/renovating as much housing as possible; and
- Involving the tenants and neighbours through public participation.

Involving tenants in the planning process was a guiding principle adopted by City Living. The housing was kept occupied throughout the redevelopment and City Living managed the relocation process with almost 400 households moving only once or twice during the 5 years of redevelopment.

Residents in the surrounding area of Sandy Hill were concerned about the potential impact of redevelopment on the nearby neighbourhood. Some main concerns included: higher density, more social housing on the site, lower income people, and more congestion and traffic. Property owners had the usual concerns about the effects of the redevelopment on property values. However, involvement of area residents in numerous public meetings

⁵⁵ For more details on the design features see references to results of the CMHC study listed in Sources.

as well as meetings with both Action Sandy Hill and the Strathcona Heights Tenants Association helped to ensure the plan addressed concerns. The fact that there were no resident objections to the Master Plan when it went to City Council indicates that the processes of involving residents from the surrounding area in public meetings and meetings with the tenant association were successful in addressing neighbours concerns. People interviewed for the case study indicated that involving the people affected from the very start, listening to their concerns, and acting on their views aided the overall process greatly.

B.5 Costs

The cost of the 1982 purchase of the existing property from CMHC was \$1,819,136 (\$4,500 per unit in 1982\$). City Living financed the entire cost with a mortgage from a private lender and federal financial assistance under NHA Section 56.1 to reduce the mortgage interest rate to effective 2% over 35 years. The purchase price for the site was within the estimated market value supplied by an independent appraiser hired by City. At that time there was no additional CMHC funding for subsidies.

Costs were affected by certain conditions included in the agreement of purchase. Under the terms of the City of Ottawa/CMHC agreement of purchase, City Living was to provide the following for 5 years to the veterans, their dependents, and survivors:

- security of tenure
- rents at low-end of market rents as determined by CMHC for Non-Profit Program
- first right to benefit from any subsidy or RGI program if they qualified. CMHC agreed to continue paying rent subsidies for one year to tenants already receiving them (a cost to CMHC of \$70,000 for one year).

Capital costs for the housing developed in Strathcona Heights are shown below. The costs are as of the year of construction over the period from 1988 to 2005. Capital costs include building costs, fees (municipal charges) and a 'cost of land'. The cost of land was estimated at 12% of the Maximum Unit Price for each residential construction project and charged to individual residential building. (The total cost of land included the appraised value of the property and costs of improvements (carrying costs, site servicing, on-site parking, relocation of tenants, project administration, etc.)).⁵⁶

- The capital cost for 81 1- and 2-bedroom units in the new OCH Silver Heights in 1988/89 was \$5.2M (an average of \$64,347/unit).⁵⁷
- Excluding the Silver Heights building, the total capital cost for 502 units in the other new OCH buildings was approximately \$29M (an average of \$58,181/unit). The average unit cost varies among buildings depending on the unit size mix.
- The capital cost for the 54 renovated OCH units was approximately \$2.58M (an average of \$47,703/unit).
- The capital cost for Conservation Co-op with 84 new units in 1995 was \$5.95M. The final cost was \$60/square foot, and the average unit cost was \$70,833 for mostly 2- and 3-bedroom units.

⁵⁶ See: City Evaluation Report, 1994, pp.36-37. The cost of land allocated to each building is shown in this report.

⁵⁷ See: City Evaluation Report, 1994, Appendix D-1.

- The capital cost for Co-op Visine with 76 new units in 1991 was not available. It was funded under the same provincial program (Homes Now) as Conservation Co-op and subject to the same unit price guidelines. However the cost of land allocated to this co-op was lower. Therefore, the capital cost was estimated at about \$5M.

Based on these data, the total capital cost for the 743 units built or renovated from 1988 to 2005 was about \$48M (an average of \$64,600/unit).

B.6 Financing

When the property was purchased in 1982 federal financial assistance under NP Section 56.1 (NHA) provided a yearly subsidy from CMHC not to exceed \$157,063 (to reduce interest costs on the 35-year mortgage). Initially, there was no provincial financing. At the same time, the financial situation of the existing housing was a financial drain on the City as there was an operating deficit and more money was required for upkeep.

City Living covered most of the redevelopment costs by tapping into various provincially-administered programs that were funded from either or both provincial and federal budgets. Depending on the funding source, municipal cost-sharing was required under some of these programs. It should be noted that Ottawa Community Housing is still managing the financing under the various funding envelopes used for various parts of the redevelopment.

There were 3 main sources of financing for the housing developed:

1. The major source of financing for housing was joint Federal/Provincial (F/P) funding under the F/P Non-Profit Program to construct 402 new OCH apartments/

townhouses and stacked townhouse units and to renovate 54 apartments. City Living had used non-profit housing program funding for renovation of some units in Phase 1 because at that time the federal renovation funds under the Residential Rehabilitation Assistance Program (RRAP) were available to Non-Profit Housing Corporations.

2. The Ontario Homes Now Program funded 46 OCH stacked townhouses and the 2 co-ops (76 units in Co-op Voisine completed in 1991, and for 84 units in Conservation Co-op completed in 1995).
3. The Provincial Project 3600 program to support non-profit, community-based housing paid for construction of the new 81-unit OCH seniors building (Silver Heights).

The City of Ottawa and City Living were also successful in leveraging other (non-housing) funding for infrastructure work. Cost-shared Provincial/Municipal (P/M) funding was used for improvements to roads (the Lees Avenue realignment) and recreation areas (parks) in the area. The City contributed money from its own capital budgets (infrastructure and parks and recreation) for its share of these expenses. Although most of these funding sources required P/M cost-sharing, the provincial dollars were grants, that is, not repayable. Provincial funding included:

- The Ontario Ministry of Municipal Affairs and Housing shared the estimated \$2.2M cost of road realignment (Lees Avenue) on a 50/50 basis with the City to improve the quality of the residential environment by reducing traffic.
- The Ontario PRIDE Program (Provincial Program for Renewal, Improvement, Development and Economic Revitalization) was available when the City designated

Strathcona Heights as a Community Improvement Project Area which included Strathcona Height and Dutchy's Hole Park. Two grants were received: \$1M in 1988 for work within the Strathcona Heights area; and, in \$0.8M in 1990 for other projects.

Since City Living did not sell off any part of the site for private development, no equity was raised from this source. However, the City signed 75-year leases for the sites of the 2 housing co-ops. The co-ops also contributed a pro-rated share of the costs of roads and parks on the site which are owned by OCH.

Financing of Common Costs: the Common Cost Capital Account: When redevelopment began, the costs of improvements to the property (carrying costs, site servicing, on-site parking, relocation of tenants, and project administration) as well as the value of the existing property were accumulated into a single capital account. Each individual residential construction project was charged a separate 'cost of land' out of the Common Cost account, estimated at 12% of the Maximum Unit Prices (MUPs) under the Non-Profit Housing Program for the project. The Common Cost account allowed City Living to pay for any necessary improvements to the site and to finance the renovation of 6 apartments. All funds remaining at the end of redevelopment were transferred to a Strathcona Heights replacement reserve account to pay for future repairs to the common facilities on the property owned by City Living (e.g. private roadways, recreation areas, etc.). As owner of the site, City Living and subsequently OCH have been financially responsible for the maintenance and repair of all the public spaces including roadways that were not dedicated as City-owned streets. The subsequent disbursement of funds from the Common Cost account required approval of the Board of Directors.

The financing of such a large-scale redevelopment spread over many years was necessarily complex. It should be noted that all dollar figures above are in current dollars for the years of expenditures. It would be challenging to estimate the costs in today's dollars.

B.7 Outcomes/ Results

The outcomes and results of the Strathcona redevelopment were wide ranging for the tenants and the community. This section highlights some of the key points.

Physical

The immediate physical impact of the redevelopment was to create 743 units of newly constructed and renovated housing, an 84% increase in the number of units on the site. Redevelopment not only improved the housing quality and increased the supply, but it also provided a variety of building forms and unit sizes. The tables below summarize the mix of unit types (before and after redevelopment) and the types of rental and co-operative housing developed.

Strathcona Heights: Units before and after redevelopment				
Unit sizes	Before R-R (1988)		After R-R (1995-2010)*	
	# Units	%	# Units	%
1-bedroom	0	0	224	30.1
2-bedroom	261	64.6	354	47.7
3-bedroom	143	35.4	133	17.9
4-bedroom	0	0	32	4.3
Total	404	100	743	100

* Includes OCH rental units and 2 housing co-ops.

Prior to redevelopment completed in 1995, the housing included only 261 two-bedroom units and 143 three-bedroom units. After redevelopment, 224 one-bedroom units were created, plus 354 two-bedroom and 133 three-bedroom units, and an additional 32 four-bedroom units. The variety of unit sizes had immediate impacts on the mix of household types that could be housed on the site.

The new buildings were a mix of 4 and 6-storey apartment buildings and townhouses/stacked townhouses. The 54 renovated units were in 9 existing 3-storey walkup apartment buildings. The OCH housing included the seniors'

apartments in Silver Heights, family housing in townhouses and the renovated units, and the new apartments that had a mix of unit sizes for families, single people and seniors. The two co-ops also included a range of unit sizes to accommodate a mix of families, singles and couples.

The variety of building designs and appearances contributes to the attractiveness and desirability of the redeveloped housing. A number of different architects were responsible for different phases of the development and buildings which created more diversity from the architectural perspective.

Strathcona Heights: Housing Types and Housing Providers			
Housing Providers (new/renovated)	# units	Building types	Client types
Ottawa Community Housing (Rental)			
1. Silver Heights (new)	81 units	4-storey apt. building	Seniors
2. Strathcona Heights Apartments (new)	266 units	Four 6-storey buildings	Mixed (singles, seniors, families)
3. Strathcona Heights Renovated Apts.	54 units	Walkup apts. in 9 3-storey buildings	Families
4. Strathcona Heights Townhouses (new)	182 units	Stacked townhouses	Families
Co-op Voisins (Co-operative housing)			
New	76 units	6-storey apt. building	Families + singles & couples
Conservation Co-op (Co-operative housing)			
New	84 units	4-storey apt. building	Families + singles & couples
Total	743		

As shown above, the 84% increase in units on the site was achieved without addition of high rise apartment buildings. With the addition of more family units there was an even larger increase in the numbers of people living in Strathcona Heights. In 1988, most of the tenants were 1 and 2 person households, whereas households today average 2.5 persons and there are over three times as many people (over 1,700) living at Strathcona, including more than 500 children and youth (under age 18). Additional outdoor recreation spaces and parks were created to accommodate the changing demographics.

Another key change in the redevelopment was to create a tenure mix of OCH rental units and co-operative housing (with 22% of the total units in the 2 co-ops). Whereas subsidies are available for most of the OCH units (about 90%), the co-ops have a mix of RGI and market rent units that contributes to a broader income mix.

As well as the new housing, the whole site was also improved with new streets, walkways, landscaping, and upgraded park areas on-site as well as the nearby Dutchy's Hole Park.

Social

Increased variety of housing types and unit sizes created a broader social mix of household types from single persons to young families and seniors, making the new community more diverse and inclusive than the pre-existing community. About 5% of the 743 units are wheelchair accessible for people with physical disabilities. Staff interviewed noted that there are fewer social problems in Strathcona Heights compared with other City Living housing with fewer police calls to deal with incidents.

Having a variety of unit sizes and types has another positive effect. It allows for households to move to other units within the existing community when their household sizes or demographics change. This contributes to overall community stability and more household stability as people do not have to leave the community when their housing needs change.

The effect of the phased approach was that very few former residents left the site during redevelopment. Previous tenants were given first priority for the new social housing, and had a choice of which units they wanted. Persons interviewed noted that giving people choices was very important to fulfill the promises to the original tenants. As a result, the strong community spirit was strengthened and renewed in the housing development. In 2010, fifteen years after the redevelopment, OCH estimates that there are still about 92 of the original (1988) tenants living at Strathcona. This represents about 22% of the original residents which is quite high considering the older age profile of tenants at the time of redevelopment (and that many would have died in the interim). Most of these are people well into their 80s who had been long-time residents.

The addition of 2 housing co-operatives provided a tenure choice for a wider mix of income groups.

The large (84%) increase in the number of units on the site allowed City Living to offer housing to more households from the social housing waiting list. City Living hired a community development officer in 1993 to help with the integration of the new

households moving into the area. Persons interviewed mentioned that Strathcona is a highly desirable location for people on the waiting list and that there is strong demand for units as they become available. Staff indicated that Strathcona Heights is such a desirable place to live that households able to pay market rent have made rental inquiries.

In recent years there have been an increasing number of newcomers with a range of ethnic backgrounds moving into Strathcona Heights. Therefore, the community has become more mixed like other housing in Ottawa.

Two areas that could have been more successful were: in adding more mixed uses on the site (no retail and commercial spaces were added on the site although there are retail amenities in the surrounding neighbourhood), and in creating more integration of the site with the surrounding area.

Environmental

The new housing is more energy efficient than the previous housing. Outdated boilers and heating systems were removed and replaced with more efficient heating systems throughout the site. As well, individual metering of units throughout the community promotes energy efficiency with residents being responsible for heating costs.

As outlined above, the Conservation Co-op was designed to maximize energy efficiency and reduce energy costs, as well as to reduce waste and promote recycling.

Economic/Financial

Although the capital costs of the new development were considerable, most of these were financed with assistance under housing and other programs. The increased rental revenue generated enables OCH to cover operating expenses and pay down the mortgage debt. Operating expenses are lower in the new units than they were in the old units because they are more energy efficient and require less maintenance.

There were some capital costs to the City for upgraded infrastructure and recreation areas.

City Living minimized revenue losses from vacant units in buildings scheduled for redevelopment by using short term rentals (mainly to existing tenants and students). Short-term tenants signed 4-month leases that were accompanied by eviction notices that met the legal requirement for 120 days notice. However, preparing the vacated units and supervising moves increased the maintenance team's work. Although some revenues were generated, short-term rentals were not necessarily cost-efficient according to the City report.

Rents remained affordable after redevelopment with most of the tenants living in the OCH rental units (about 90%) paying rents based on their incomes. The co-operative housing developed includes a mix of RGI (subsidized) units and units where moderate income households pay the equivalent of market rents. For example, monthly market housing charges in Co-op Voisine in 2009 were \$720/month for 1-bedroom units, \$876/month for 2-bedroom units and \$963/month for 3 bedroom units.

Unexpected outcomes

No unexpected outcomes were identified in the case study.

B.8 Achieving Objectives

Based on the reports and the interviews completed for this case study it is evident that the redevelopment achieved its objectives. A key objective was the engagement of tenants throughout the planning and implementation process and this was achieved by working with tenants over a seven year period. The site was redeveloped to preserve and increase social housing while increasing social and income mix and the population.

The objectives were achieved without displacing existing tenants from the area and maintaining a strong community identity. Persons interviewed noted that a key factor was that City Living took the time needed to ensure success.

B.9 Lessons Learned

Many lessons were learned in the planning and redevelopment of Strathcona Heights. Detailed, operational lessons learned were outlined in Section B.3 above. The information below highlights some of the broader strategic and policy level lessons learned about large-scale redevelopment and intensification of social housing sites. Key lessons learned highlighted in interviews for this case study were as follows:

- **Funding is key - ‘One needs enough money and senior levels of government need to be at the table with serious and deep enough assistance to reach those in need.’** In Strathcona Heights, the

increased supply of much improved social housing was made possible by funding commitments from the two senior levels of government and the City. Having the Tripartite Agreement in place before launching the redevelopment was a key to successful completion. This financial partnership among all 3 levels of government succeeded because of various housing programs and funding sources. OCH was also successful in leveraging funding from non-housing Ontario programs for improvements to the local neighbourhood such as PRIDE. As well, the terms of funding (for example, limits on the eligible capital costs for units (i.e., MUPs⁵⁸) imposed some constraints on the quality of housing developed. Another lesson is that financial assistance needs to be deep enough to reach lower income groups – *otherwise the redeveloped housing will not be affordable and will result in displacement of people in the greatest need.*

- **Tenant engagement and participation are also essential - the existing residents came first and ‘renewing the community’ was a guiding principle in the Strathcona redevelopment.** Large-scale redevelopment of neighbourhoods faces the risk of damaging the existing fabric of communities. The legacy of negative experiences with ‘clearance and redevelopment’ in urban renewal projects during the 1960s and 1970s is embedded in the collective psyche of many urban communities. Projects involving substantial increases in density and new designs raise other concerns such as the increased concentration of lower

⁵⁸ The purpose of Maximum Unit Prices (MUPs) in the non-profit program was to ensure development of modest affordable housing units. However, the price limits placed constraints on the durability of materials and finishes that could be used in construction.

income households and how the new tenants moving into the area will be integrated with the existing community. The Strathcona redevelopment encountered all these concerns and addressed them head-on in the planning and phasing of the redevelopment. Highly successful tenant involvement and public consultation to develop the Master Plan aided the success of this R-R – as seen in the resulting high level of consensus on major decisions.

- **The careful phasing of the demolition and construction to avoid displacing tenants meant that few people had to leave the community** – despite the fact that some moved twice during the work. Today, more than a decade later, and despite turnover and changes in community membership, OCH considers Strathcona to be one of the more successful residential communities in its portfolio of 15,000 social housing units. It is considered to be a desirable place to live, has lower turnover in its tenants, and fewer safety problems and property management issues than other projects.
- The enduring nature of the community identity and attachment is a tribute to the success of the redevelopment processes used. In 2010, 15 years after the redevelopment, OCH reports that 92 of the original 404 tenants before redevelopment (23%) still reside in Strathcona Heights. Many of these tenants are well into their 80's and have lived here for many years.
- **Although the planning process took longer than expected, all phases of the implementation were completed on schedule within 5 years.** It was noted that it could have been done faster (if all the homes had been demolished and rebuilt

at the same time). However, that would have meant wholesale displacement of tenants and tearing the community apart. As people interviewed suggested, if it takes longer that's not a bad thing.

Lessons from the successes of Strathcona's redevelopment in the mid-1990s have since been used by OCH in other projects as well as shared with and passed on to others. For example, after the Master Plan was approved in 1988, the consultant involved provided a day-long workshop to CMHC on the methods used, and he also went to Montreal to speak to the Benny Farm residents association. Officials from Toronto Community Housing went to OCH to learn details about the tenant engagement processes used and incorporated the lessons into the Regent Park planning approach.

Those interviewed had the following suggestions about how things could be improved in any future redevelopments:

- Larger capital investment in the housing would help to produce high quality, durable housing. Budgets (on a per unit basis) were tight in Strathcona because of the maximum unit prices allowable under the program funding guidelines.
- Infrastructure costs such as for roadways involve not only capital funding for redevelopment but also ongoing maintenance and capital repair budgets. These need to be funded through appropriate levels of government. Through streets within the Strathcona site are designated as private roadways and are owned and operated by OCH. Where private roadways on a redeveloped site such as in Strathcona Heights are used for public transit they benefit the entire community,

and long-term sustainable funding for such infrastructure needs to be made available to the housing agency responsible for their maintenance and repair. Alternatively, these private roads would need to be dedicated as public (municipal) streets during the redevelopment.

- Consider ways to make the whole site more energy sustainable.
- Integrate community development approaches for education, training, employment, etc., so as to help people in poverty improve their lives.
- Create more partnerships with social agencies and community services other than housing. Consider opportunities for mixed uses such as commercial and retail uses on the site to provide more choices to residents.
- After a lot of tenant engagement for a decade or more, it may be that the positive effects of community renewal are less well-known today than among previous tenants. There have been some changes in leadership (in the Tenant Association) and more newcomers to Canada have moved into the community. These new groups are changing the ethnic mix, and it would be useful to consider how new groups think about involvement in their housing. Sustainable community leadership will be important as Strathcona Heights continues to change in the future.

C. Summary Assessment

Strathcona Heights is an example of large-site redevelopment without private partnerships or selling off parts of the site. The redevelopment was made possible by the availability of senior government housing financing at that time and because of a large under-utilized site that enabled

additional units to make the economics work. Some key observations of the researchers based on this case study are presented below.

Staff resources, consultant expertise, and political support essential to achieve successful redevelopment. The City Living and City of Ottawa staff contributed significant staff resources for this development over many years. Additional staff resources to co-ordinate redevelopment from the beginning and throughout the process are important in a large scale redevelopment. Specialized community engagement expertise is key to a process with intensive involvement of tenants and area residents. Political support (from Council and local representatives) was also important to achievement of the results. Having an on-site office where tenants can come and talk about their concerns is important.

Intensive community consultation/ involvement was key and was possible because it was well-funded by the Province and Federal Government. The community planning approaches in Strathcona have become a model for other projects. Toronto Community Housing staff went to City Living to get all background documents and information about tenant involvement when they began planning Regent Park, suggesting that Toronto built on the Ottawa model. Also, international counterparts (other municipal non-profits) have come to Strathcona to learn about community revitalization for their projects.

Financial arrangements for large projects are complex and adequate funding is required for all aspects of the redevelopment over many years. Having agreed-upon financing for the whole redevelopment is a definite asset to ensure that the work can be completed as planned to meet the objectives.

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Case Study #5:

Regent Park, Phase I (Toronto, Ontario) Toronto Community Housing Corporation (TCHC)

Scope and rationale for this case study:

Regent Park Phase 1 is part of the largest, most comprehensive redevelopment of a social housing site in Canada. It involves the remaking of a community with over 60 years of history and over 2,000 housing units on a 69 acre site. About 3,000 housing units will be added over a 15 year time period to create a new community of over 5,000 units of social and private market housing.

Since Phase 1 is nearing completion in 2010, this case study focuses mainly on this first phase. Further phases will be completed over the next decade and thus, the full impacts will only be known thereafter. While Regent Park is a large site undergoing large-scale revitalization,

findings from Phase 1 including lessons learned may help inform other housing providers.

Focus of the Case Study: Given the complexity of this revitalization, this case study focused on the specific topics of tenant relocation and community development. Only general attention is given to physical, urban planning and financial issues. Readers are directed to a number of sources at the end of the report, which address other development issues.

Acknowledgements: The researchers and CMHC wish to thank and acknowledge the assistance of the Toronto Community Housing in this case study. Information on the overall revitalization was drawn from publicly available reports and documents from websites (see references and sources at the end of this case study). Interviews conducted for this case study focused on the selected topics, namely, tenant relocation and community development.



A. Regent Park: Background Information and Summary

The Regent Park Revitalization was the second and largest of 15 'revitalizations' planned by Toronto Community Housing for its housing portfolio. The plan called for a phased, 12-15 year revitalization process estimated to cost \$1 billion. Phase 1 of the Regent Park Revitalization was launched in 2005 and is nearing completion in 2010. Phase 2 was launched in 2009.

Key Organization Involved: Toronto Community Housing

Original Housing Before R-R	Regent Park was the first public housing built in Canada. The 69 acre site in the eastern part of downtown Toronto included Regent Park North (built in 1947) and Regent Park South (built in 1954). It included 2,083 units of walk-up apartments and row houses for lower-income households. By 2002, Regent Park was home to over 7,500 people of diverse ethnicity reflecting the changing population of the City of Toronto.
Time Frames	Planning: 2000 – 2002 (about 2 years) Implementation (Phase 1): 2005 – 2010 (about 5 years) (Plans for 4 more phases are planned to be implemented over the next 10-12 years.)
R-R Plan and Work Undertaken	<p>The Regent Park Revitalization Plan approved in 2002 called for demolition of all 2,083 social housing units and rebuilding over 5,000 units on the site, which were expected to house over 12,000 people. As well as densification, the plan called for diversifying the income and social mix by building private market housing as well as replacing the same number of social housing units and adding some 700 units of affordable housing. The new site layout included through streets to open up the area.</p> <p>In 2006, Toronto Community Housing entered into a partnership with The Daniels Corporation to undertake all the demolition and construction (including the rental housing, condominiums, roads and servicing, and commercial spaces). Toronto Community Housing was responsible for tenant relocation to allow demolition to proceed and for leasing of rental units after construction. The Daniels Corporation was responsible for sale of the private market condo units.</p> <p>Phase I involved replacement of 418 social housing units with more than 900 new residential units (rental and market condominium) plus new commercial space. More than 400 households (about 1,160 people) were relocated for Phase I, mostly to other Toronto Community Housing units around the City, and these tenants had the right to return to the new units on completion. All moving and relocation costs were paid by Toronto Community Housing. Community-based agencies and organizations that were located within each phase were also relocated. In 2009, tenants began moving back to new Phase I rental units as well as the other new buildings constructed in conjunction with the Revitalization Initiative. Tenant relocation was a major undertaking as it involved people choosing where they would relocate when they moved out as well as choosing new units on their return.</p>

A. Regent Park: Background Information and Summary (cont'd)	
After R-R	<p>Overview: The new units are occupied by a mix of lower-income tenants in Toronto Community Housing rental units and private owners in the condominiums, some of whom are first-time home-buyers. The first market condominium building sold quickly, and marketing of the second condominium building is underway in 2010.</p> <p>Phase I included some units outside of the original site in new buildings on Adelaide, Carleton, and Richmond Streets in the vicinity of Regent Park. These new buildings are described as being outside of the Regent Park 'footprint', that is the original site. Returning tenants had the option of moving into these new buildings. As Phase I was being completed, work for Phase 2 was launched and Toronto Community Housing began moving people out of the next buildings to be demolished.</p>
Key Changes	<ul style="list-style-type: none"> ■ Increasing the number of residential units to reflect a typical downtown density and built form. ■ A greater income and social mix as well as the diversity of rental social housing with private, condominium ownership has changed the profile of the community.

B. Key Findings on Research Questions⁵⁹

B.1 Reason(s) for R-R

Discussions about improving the housing and residential environment of Regent Park have been ongoing since the 1980's. The first buildings were constructed in the 1940's and deterioration and functional obsolescence placed heavy financial burdens on the public agencies responsible for operating the over 2,000 units of public housing⁶⁰ within the Regent Park footprint. The housing agencies were also responsible for the large operating costs for the existing roads and grounds on the site. There were increasing social problems in the community related to crime and sense of community safety, in part related to the design of the community. Various proposals were made for rehabilitation, redesign or renewal of parts of the site but



⁵⁹ This section is intended to summarize information from background documents and the views of the 2-3 key informants interviewed.

⁶⁰ The term 'public housing' was used to describe the original housing as it relates to programs in the National Housing Act (NHA) in the 1950's and 1960's. In the 1970's, CMHC adopted the term 'social housing' to encompass various forms of government subsidized housing including public, non-profit, and co-operative housing, rent supplements, and urban native housing. See Glossary of Terms (Annex A) for details.

none of these proceeded. Efforts to address community issues through a wide range of community services and tenant involvement initiatives had not improved social conditions.

The Government of Canada announced in 1996 that it would offer provinces and territories the opportunity to assume the management of existing off-reserve federal social housing. This was carried out through the signing of Social Housing Agreements. Ontario signed a Social Housing Agreement in 1999. With Local Services Realignment, responsibility for public housing was devolved from the Province of Ontario to the municipalities under the Social Housing Reform Act in 2000. The City of Toronto assumed administrative and funding responsibility for three municipal housing providers which subsequently amalgamated and became Toronto Community Housing Corporation, with responsibility for 58,500 units of public and non-profit housing in the City (a \$6 billion portfolio), including Regent Park.

Toronto Community Housing developed a strategy entitled Investing in Buildings which aims to revitalize its portfolio into mixed-income communities by leveraging its asset base to create new social/affordable housing and new market housing with public/private partnerships. The first revitalization was Don Mount Court (renamed Rivertowne), and Phase 1 of Regent Park is the second revitalization, with another 13 revitalizations planned in coming years. This approach has been described as entrepreneurial in that it relies on partnerships with the private sector to redevelop prime real estate such as Regent Park near downtown Toronto.

Toronto Community Housing launched a planning process for 'revitalizing' Regent Park. Proposals for a comprehensive redevelopment of the site were to be implemented in phases over 10-12 years.⁶¹ Plans called for demolition of the existing public housing, replacement of over 2,000 social housing units, the addition of 3,000 market (condominium) units, and the construction of up to 700 additional units of affordable housing. The replacement housing and new affordable rental housing would be built on the Regent Park site as well as nearby in the east downtown.

From the outset, Toronto Community Housing identified the need for funding from other levels of government to support the revitalization. It worked with all three levels of government and responded to funding programs and opportunities as they became available. In addition to a range of funding mechanisms, the overall financial plan reflects a strong entrepreneurial approach that is supported by a combination of profits from sale of condominiums and leasing commercial space, anticipated operational savings, and conventional financing.

Therefore, the two underlying principles for the redevelopment plan were: (1) to transform the existing low-income community into a socially-mixed community; and (2) to generate revenues to offset the costs of replacing the public housing.

B.2 Objective(s) of R-R

The objectives for the Regent Park revitalization plan were complex and multi-faceted. In order to achieve any revitalization, the goal was to carry

⁶¹ Plans were subsequently revised to phase redevelopment over 12-15 years.

out the plan through a public-private partnership model. Therefore, a primary objective was to create and manage a partnership arrangement with a private developer that would participate financially in the redevelopment.

Broadly speaking, there were two sets of related objectives (sometimes described as planning for buildings and planning for people):

Physical environment: Rebuilding of housing and infrastructure to:

1. Remove all the existing housing and rebuild the same number of new public housing units (i.e., not to reduce the number of units) which will deliver a range of affordability.
2. Increase the density of housing on this valuable downtown site by introducing market housing units into the community.
3. Re-designing the community to make it more open to and integrated with the surrounding residential areas.

Social and community development:

Re-shaping the community to:

1. Create a socially mixed and income mixed community (roughly a 40/60 mix of social/market housing).
2. Diversify the housing types and tenures with a variety of high-rise, medium-rise, and stacked townhouses, and to apply the same level of architectural quality to both the market and rental housing.

3. Improve community facilities and amenities in the area and to support and facilitate programs such as local employment to ensure the redevelopment benefits residents.

Two points are worth noting concerning the new Toronto Community Housing to be developed:

- Not all of the replacement housing units were to be on the original 69-acre 'footprint' of Regent Park. Toronto Community Housing developed additional buildings in the nearby area which are considered to be part of the 'replacement.' Returning tenants have the right to return to these units off the 'footprint' or to units on the 'footprint'.
- Some of Toronto Community Housing's new buildings were to be a mix of social (RGI) and affordable/market rent units. Therefore, while all the RGI units were to be replaced, the construction program also included affordable rental units. However, as part of the relocation program, all returning tenants retained their eligibility for an RGI subsidy unit.

Guiding Principles: An extensive consultation process was undertaken with tenants living in Regent Park to shape the vision and approaches that would support households through the relocation process. The processes were underpinned by the principle that all relocated tenants have a "right to return". The consultation process resulted in a range of commitments between Toronto Community Housing and the tenants. These commitments are included in detailed documents.⁶²

⁶² Detailed agreements, policies and processes set out requirements and guidelines, ways to appeal decisions, and provide for access to free third party legal advice for the tenants. In addition, the Social Housing Reform Act is the legislative framework that guides the relocation process.

It was recognized that redevelopment would directly and significantly disrupt the lives of about 2,000 Regent Park households over many years.⁶³ The intent was to create fair, transparent, and equitable processes for all the households that would have to move before the housing could be demolished as well as for managing the process for tenants returning to the new housing:

- The process articulated in the Comprehensive Tenant Agreement approved by the City of Toronto stipulated that tenants had to be given adequate time to leave their homes and that they be able to choose where they wanted to go. Toronto Community Housing was required to work with the tenants to find them other accommodation within its large portfolio of units and allow tenants to choose which area of the City they preferred. The City also required that termination (eviction⁶⁴) notices must give the tenants 5 months to participate in the selection and moving process.
- The process required that all moves should be made at no cost to the tenants, i.e., that Toronto Community Housing would assume the moving costs and any other related costs such as for reconnection fees for utilities.
- Existing tenants were guaranteed the 'right to return' to the community if they chose to move back after redevelopment. Since the redevelopment was 'phased', tenants had

the option to 'defer' moving back to a later phase (i.e., they did not have to accept the first offer of a new unit in their phase of the redevelopment).

- Rather than Toronto Community Housing 'allocating units' to families, tenants were to be given a 'choice' of units on their return to the community. Toronto Community Housing had to develop processes for how tenants would choose their units when they returned.

Along with the above principles designed to protect tenants, there were also issues with respect to the 'community' as a whole. Being such a large area, there were various existing facilities, services and amenities on the site as well as community organizations and facilities in the wider community that provided social supports to Regent Park residents. Toronto Community Housing had to work with community organizations (such as the Christian Resources Centre, Dixon Hall, the Centre for Community Learning, the Salvation Army, and others).⁶⁵

Consideration was given to how the redevelopment would impact the large number of agencies involved. These aspects of the redevelopment were addressed in a Social Development Plan for the revitalization that included 75 recommendations in 3 broad areas: social cohesion, community services and facilities, and employment. Readers are referred to Social Development Plan for more detail.

⁶³ It was also recognized that there would be wider impacts on surrounding areas and on community agencies located off the site that served residents of Regent Park. Toronto Community Housing also worked closely with local groups and agencies off the immediate redevelopment site.

⁶⁴ Tenant relocation processes were also required to follow legal requirements under provincial residential tenancies legislation.

⁶⁵ See Section B.3, discussion on Community Development, for more details.

B.3 Planning and Implementation

Beginning in 2002, coordinating the physical, social and community planning and implementation in Phase 1 has been a major undertaking. Key elements have included:

- Toronto Community Housing is the owner of the lands and master developer. It is leading the master planning process and implementation of the development process.
- Toronto Community Housing entered into a public/private partnership with The Daniels Corporation for the construction and sale of the market condominiums as well as to be the builder of the rental housing, roads, and underground services.
- Toronto Community Housing is working in partnership with numerous stakeholders in a diverse range of associated community development initiatives. These stakeholders include: the City of Toronto, community-based non-profit agencies, and the residents' association, Regent Park Neighbourhood Initiative.
- The City of Toronto established a new staff group called the Revitalization Secretariat to improve communication, decision-making and coordination among City departments in relation to Revitalization activities. This Secretariat also took a lead role in the Social Development Plan and worked closely with local agencies and service organizations as well as Toronto Community Housing. Monthly meetings of a 12-20 member project management team with members from affected City departments helps to coordinate the City's staff involved in the redevelopment.

Planning: Launched in 2002, the multi-stage community engagement process was a major task involving meetings and discussions on-site with tenants, social services agencies and organizations, residents and organizations from the east downtown area, and other stakeholders. The City and Toronto Community Housing worked closely with the tenant association and tenants were actively involved in reviewing all of the proposals and plans for the redevelopment. This intensive involvement process was required to build community support and to articulate a comprehensive plan and guiding principles.⁶⁶

Implementation - Phase 1: For Phase 1, demolition of 418 units began in early 2006 and reconstruction was completed in 2010. For Phase 1, Toronto Community Housing entered into a partnership with The Daniels Corporation for the construction of 340 Toronto Community Housing rental units and 590 private condominium units as well as for commercial spaces and a day care centre. The Daniels Corporation was responsible for marketing the first condominium project (One Cole) which was quickly sold out, and the second condominium project was being marketed in 2010. Funding for the reconstruction of units and for down-payment assistance for the purchase of market condominiums was provided in part by the federal and provincial governments under the Canada-Ontario Affordable Housing Program.

The first part of Phase 2 (involving relocating of 55 households) began in 2007 to allow demolition of an apartment building to make way for a new indoor pool. The majority of the 390 households to be relocated for Phase 2 moved in 2010. The community centre (which

⁶⁶ This topic is not examined in detail in this case study. Readers are referred to planning documents cited in the references for more details.

has so far remained on the original site⁶⁷) was originally scheduled to be replaced in a later phase. However, building of the new community centre, a new large central park and a pool have now been advanced into Phase 2. As well as improving community amenities for Regent Park residents, it is also an investment for the east downtown as Regent Park evolves into a mixed-income neighbourhood.

Tenant Relocation Before Demolition: Making Way for the Bulldozers:

The first step in Phase 1 was to move tenants out of the 418 units which were to be demolished. This involved the relocation of more than 1,200 people.⁶⁸

Tenant relocation in Regent Park was described in interviews as the largest relocation of people in the City's history. Outside of natural disasters, this is probably the largest relocation of people in peacetime in Canada. Moving this many people has been time-consuming and lengthy, very labour intensive, and costly.

Some of the relocated tenants were housed in vacant units elsewhere in Regent Park since Toronto Community Housing had held these units to accommodate some of the moves. It might be expected that Toronto Community Housing would have an advantage (with its large portfolio of units in the City) when it came to relocating people from Regent Park. However, persons interviewed said this was more of a problem because it gave people many choices and made it harder for them to decide where they wanted to

move. Also, many tenants wanted to stay downtown (near to schools, community agencies, friends etc.) and there were only so many units available. In effect, the relocated families and individuals were absorbed within the normal turnover of units in other buildings. With a long waiting list for large units, it was difficult to satisfy every family's needs and preferences.

Tenants who left Regent Park had the option of moving to other Toronto Community Housing units or of moving to other (private) housing. Interviewees noted that about 14% of departing tenants left the Toronto Community Housing system. These tenants forfeited their right to return to the new housing. While some found housing that better met their preferences, others were no longer eligible for RGI subsidies. However, if these households were to become eligible for RGI housing in the future (such as if their incomes go down), they would be eligible to reapply for a subsidized unit.

Toronto Community Housing had to develop some *fair allocation method* for how tenants would be able to choose specific units upon their return. The initial model used when Phase 1 tenants moved out of their units was a "first come, first serve" method. Tenants lined up in person to be the first ones picking a unit. This caused some chaos and the system was not seen as fair for people who could not attend (such as the elderly, people with small children, or those who were working). Therefore, a process was established for tenants to get a priority number for choosing a temporary location when moving out and choosing a new unit on their return.

⁶⁷ When the master plan was approved in 2005, there were no funds available to improve or rebuild the existing community centre. Since that time, the City of Toronto has committed to rebuilding the community centre in a different location within Phase 2.

⁶⁸ Several videos and photographs of the 'Tearing Down of Regent Park' are available on the Toronto Community Housing website.

Several refinements were later made to this process:

- Before Phase 2 relocations began in 2007, a focus group was held and tenants suggested a random drawing of numbers. This ‘random selection draw’ (where the names of all households would be placed in a drum and the names would be taken out one by one randomly) could be done at an information night so that each family could witness the draw and ask questions about the process.
- It was seen as fair to have a first draw when households of a phase would be moving out and a second random draw when the households would be returning to a new unit. This would avoid a household being last in both processes.
- Another factor was that Toronto Community Housing was required under provincial regulations in the Social Housing Reform Act to ‘right-size’ households to units (that is, the number of bedrooms a household could qualify for corresponded with the number of people in the households). With a 4-5 year turnaround time between moving out and moving back, sizes of households could increase or decrease and thus, unit size needs could change.

Tenant Relocation After Construction: Selecting Units and Moving Back: Staff interviewed described the relocation of tenants back to Regent Park as easier than moving the tenants out. In part, this was because of the wide range of choices available in the large Toronto Community Housing portfolio when tenants left Regent Park.

Tenants had several choices during the relocation back to Regent Park:

1. Not moving back at all (e.g. give up their right to return, and remaining in other Toronto Community Housing units);

2. Moving back now;

3. Not moving back now, but retaining their right to move back at a later time.

Moving back after being ‘relocated’ elsewhere for 3-4 years was a hard decision for some tenants. As noted in interviews, people sometimes became settled in their other units or liked them better than the new ones (such as townhouses with basements and more space than the new stacked townhouse units), and others did not want the disruption in their family’s lives (moving children’s schools, or moving away from family or friends or jobs). It was originally anticipated that some people would not want to move again and that others might not want to move back at the time the new units were ready. However, there was no way to determine these numbers ahead of time.

Six months before the formal relocation back to Regent Park began, Toronto Community Housing issued the “Relocation and Return Newsletter” to the Phase 1 tenants to provide information about the process, the buildings, their right to return, and the status of the construction. When the Phase 1 buildings were nearing completion (in May 2009), Phase 1 tenants were contacted by registered letters and follow-up calls to determine whether they wished to return. Staff interviewed reported that 73% of tenants responded to this contact. Of these, about 20% decided to defer moving until a later date (i.e., to a later phase of the redevelopment). As subsequent phases are completed in the future, the intention is that relocated tenants from each phase will be given first priority for new units in that phase. After that, if units are still available, the units could be offered to other Regent Park tenants.

Once people had decided they wanted to return, the process of matching up tenants to unit sizes

and specific units began. Staff had to confirm the unit sizes required and then sort the priority lists of preferences that tenants had pre-selected.⁶⁹

Choosing new units based on ‘floor plans’ was difficult for tenants: According to staff interviewed, the most difficult part of the moving back process was helping people to choose the unit they wanted. Many tenants had difficulty reading ‘floor plan’ diagrams of new units. There were 40 different floor plans for Phase 1 units, and there were no ‘model’ units to show people. To meet this need, Toronto Community Housing’s Public Affairs division created a ‘guide’ to reading floor plans that proved to be very helpful.⁷⁰ In addition to the RGI units, there were affordable, one- and two-bedroom rental units available.

The selection of units was made more complex because there were some units available outside Regent Park in new Toronto Community Housing rental buildings on Adelaide, Carleton, and Richmond Streets. Staff noted that some people felt very strongly about moving back to the ‘*footprint*’, whereas others preferred the new locations.

In the phased plan, the intention was that the return process and the relocation process would be tightly coordinated in order to expedite the subsequent phase of construction. However, with work for Phase 2 being advanced because of available financing, there were some overlaps in the Phase 1 tenant move-out and Phase 2 tenant return processes. With the deferral rate among Phase 1 tenants, there were some new Phase 1 units made available to the Phase 2 tenants who had to relocate.

The Swap Board: Even though most tenants were able to get one of their choice units, some people changed their minds after the units were allocated. Toronto Community Housing created a Swap Board where people could post what they had and what they were looking for to see if anyone wanted to trade. Persons interviewed said that there was not one ‘swap’ that resulted from this process because tenants had usually obtained what they wanted in the first place.

As Regent Park tenants were a highly diverse population speaking many languages. The provision of information and services in multiple languages was essential for the Regent Park relocation process. The relocation group at Toronto Community Housing was fortunate to have staff who could communicate in various languages. Most of the communications were translated into 8 languages.⁷¹ Since Toronto Community Housing had information in its tenant records about the language of its tenants, it was able to determine which language versions people needed for communications and for one-to-one meetings with tenants. Translation services were available for tenants with different language needs. Although tenants often brought English-speaking family members or children with them and many understood English, it was seen as being highly beneficial to be able to address tenants’ questions in their first language if requested by tenants.

⁶⁹ Where more than one person chose the same unit, the person with the higher priority number was allocated their first preference, until all the matches were made.

⁷⁰ Confusion was also created by the difference between unit numbers (assigned on building plans) and final unit address numbers when buildings were completed. Staff had to explain why their ‘unit’ numbers were different from the ones they had selected on the plans.

⁷¹ TCHC has a list of approved translators who can provide assistance in these and other languages spoken by smaller proportions of the tenants.

Toronto Community Housing's Relocation

Database System: Managing the relocation of hundreds of households was a complex process. The moving process itself took months rather than weeks and the gap of several years between the first relocation and the return process meant that staff had to keep track of tenants during this time. Giving people time to finalize decisions about if and when to move as well as choices about where to move also increased the staff time needed to assist tenants.

The Toronto Community Housing Relocation Unit had created a specialized, computerized database to manage the moved and matching of tenants to units. However, staff found that it needed a lot of refinements as people's options multiplied. For example, with 'deferrals' among Phase 1 tenants, these people will need to be tracked for possible choices in later phases. However, the operating rule of thumb is that the priority goes from the earliest phase to the latest phase. Therefore, tenants from Phase 1 will be given priority over Phase 2 tenants and have the first right to move back into Phase 2 buildings. As a result, the relocation database has been expanded to track all the options.

Toronto Community Housing Managed the Moving Processes: All the costs of tenant moves out of and back to Regent Park were paid by Toronto Community Housing so that the tenants did not have to pay any of these costs. Toronto Community Housing contracted with a moving company to provide moving services and paid the moving company directly. The moving company provided all the packing materials, and housing staff provided help with packing for elderly or disabled tenants in need of assistance. The tenants relocating to housing outside of the Toronto Community Housing portfolio were offered the

same benefits (i.e., moving services provided or reimbursement for moving expenses, change of addresses and reconnection fees reimbursed).

Tenants began moving into the new units in May 2009. Moving 381 households into the new units took some time. This was especially true in the case of the high-rise buildings with one service elevator, as only 2 moves could be scheduled in any one day (and sometimes a move was cancelled and had to be rescheduled).

For the Regent Park tenants who moved out to make way for the redevelopment, moving back was the final step. This was seen by staff as the last and most memorable part of the entire process for tenants, and as part of community rebuilding. Toronto Community Housing had taken special steps to make this a positive experience, including welcome packages to families in their units when they moved in. This was done as a special 'thank you' to these families whose lives had been so directly affected by the redevelopment for over 4 years.

Community Development and the Social

Development Plan: Along with its responsibilities for managing the tenant relocation process, Toronto Community Housing was also responsible for community development. It had worked (and, at the time of this report, continued to work) closely with a range of tenant groups and other community-based organizations to support community development initiatives. This process involved liaison with a large number of agencies, community organizations and groups that provided services or programs within Regent Park and in the broader community. Some of the larger organizations involved included:

- Organizations pre-dating Regent Park, such as Dixon Hall (a multi-service agency located off the site), which had worked in the community for 80 years.

- The Christian Resource Centre (located on-site in a revitalized church) played a key role in getting the revitalization off the ground. The Christian Resource Centre had plans to rebuild its own site and, at the time of this report, had raised \$19M for its rebuilding of which \$6M was received from the Canada-Ontario Affordable Housing Program.
- Salvation Army, River Street Mission, helped support family relocations.
- The Centre for Community Learning, which operates adult learning and literacy.

These and many other smaller organizations play important roles in the community. Working closely with them as well as various City of Toronto departments involved in programs and services involved liaising and coordinating redevelopment to minimize impacts on their services and clients.

Services: A key issue for tenants and agencies was the continuity of services and/or replacement of facilities through the R-R process. Toronto Community Housing worked closely with the City of Toronto which had committed capital funds to build (or rebuild) a number of amenities and had undertaken to schedule planning and budgeting to match the redevelopment. The City made a commitment to replace amenities on the site which meant that city departments needed to schedule their planning and budgeting, to match the redevelopment. A basic operating principle adopted was that the *new facilities and services should be up and running before the old ones were removed*. Some examples of planning for facilities and

services included the community centre, the swimming pool, schools, and the community health centre.

Regent Park Community Centre. Tenants were keen to see a new community centre built in Phase 1 but plans called for its construction at a later phase with new programming and child care space, employment services, and new meeting space. At the time of this report, plans had been recently revised to move up the new community centre (along with a planned park and pool) into Phase 2. Once the new community centre was completed in Phase 2, the existing centre would be demolished to make way for new rental housing.

- **Location of a new swimming pool:** During the planning phase, the Toronto District School Board (TDSB) had plans to add a pool in a nearby elementary school and this would have served residents at Regent Park. In 2009, the TDSB announced a change in priorities concerning swimming pools in its schools – the Board had made a decision to close existing pools and ‘get out of the swimming pool business.’⁷² As a result, plans for the indoor pool were added into the planned central park area in Phase 2. Additional funds were provided to enlarge the facility as a significant amenity for Regent Park and the east downtown area.
- **Working with TDSB on school planning:** In addition to changing the student population with tenant relocation, one of 4 old elementary schools in Regent Park was to be closed for one year in order to retrofit the building. Arrangements would have to be made to ‘relocate’ students to other schools for a year while this work

⁷² Besides the financial costs (and budget concerns at TDSB), there had been safety and liability issues with school pools which led to this decision.

would be carried out. Children in primary grades (K-5) would go to a school across the street, and the older grades (6-8) would attend a school a few blocks away. Careful planning would be needed to ensure that parents and children would have time to adjust to these changes, and the schools involved would need to plan to accommodate the extra enrolment.⁷³

■ **Regent Park Community Health Centre:**⁷⁴

Regent Park residents have been able to access programs such as prenatal care, early childhood programs (Better Beginnings), and programs like Pathways to Education for their children through the Community Health Centre (CHC) located on-site. Pathways to Education is an award winning initiative developed at the Regent Park Community Health Centre. Results include dramatic reductions in dropout rates so that over 75% of youth graduate from high school, there is a 90% acceptance rate for graduate applying to colleges and universities, and more than twice the proportion of youth now attend post-secondary institutions. In 2007, the Ministry of Health announced the expansion of this program to CHCs in Rexdale and Lawrence Heights. The Pathways program mobilizes parents to play an active role in their children's education, provides practical solutions such as bus tickets, and presents a \$2,000 bursary for children who complete 4 years of high school to help pay for post-secondary education. This financial assistance is invaluable for children from lower-income families to achieve higher

education. There are questions about what would happen when families would have to move away from Regent Park such as where they could enroll their children in this type of program. As well, there are questions about eligibility of 'new' residents for this type of program, and especially for those new residents with higher incomes. Agencies have to determine whether or not they need to revise program eligibility guidelines, and if their services will be available to family members in the new 'market' units added to the site.

Social Development Plan: Toronto

Community Housing anticipated the broad scope of community development work involved and a Social Development Plan was developed. This Plan was a comprehensive document (181 pages with 75 recommendations). Many of the recommendations were statements of principles rather than 'actions' or targets, and it was not clear how to measure success (and report back to Toronto City Council). During interviews, it was indicated that the Plan was adopted by the Toronto Community Housing Board of Directors and that some agencies had taken this Plan to their own Boards but were not bound by the Plan. While the Plan states, for example, that social inclusion should be part of everyone's mandate, it is not clear what this means for the overall community service infrastructure. The strategy has been to work one-on-one with agencies, but there are varying capacities among the agencies to deal with such wide-ranging goals.

⁷³ At one point, there were discussions with TDSB about building a high school on the site, however, TDSB believes that there are enough older high schools in the area.

⁷⁴ Community health centres are funded by the Ontario Ministry of Health to provide a wide range of services to promote healthy communities and well-being based on a social determinants of health model. They deal with issues of poverty, homelessness, education, services for immigrants and other groups who face difficulties accessing primary health services. See: Ontario's Community Health Centres Every One Matters, March 2008, Page 22.

The “emerging community”: As Phase 1 was being completed at the time of this report, the Regent Park community had begun transformed with a mix of former and new residents living in an area more inter-connected with surrounding neighbourhoods. Revitalization is also having an impact beyond the original footprint and affects businesses and organizations in a wider area. Some trends include:

- A number of initiatives concerned with the arts, culture and heritage of Regent Park seek to capture the history of the area including groups and projects such as: the new Regent Park Arts and Cultural Centre, Regent Park Cabbagetown Museum, the Centre for Learning, Regent Park Focus Youth Media Arts Centre, women involved in the community centre, ethnic associations that have had many different experiences, etc.
- Cultural patterns also continue to evolve. For example, there is a large Muslim community covering many different groups with an interest in ‘building’ a Mosque. However, no land or other resources have been made available to support places of worship in the Revitalization plan.
- The Regent Park neighbourhood association, a strong organization with financial support, takes the lead in planning events and festivals in the community, and has been involved in planning for a park and pool. It has taken the initiative in inviting new people to become involved in activities and community organizations, but there are questions about how the new condo homeowners might become involved and “fit in.” At first, there was a tendency to view

the higher income people as having more resources or being helpful to raise money. However, it was noted in interviews that the condo purchasers are a diverse group, have just recently made the down-payments for their units, and are just starting to get to know the neighbourhood. Some of them have become involved in discussions about the new park and seem to have the same interests as the longer-time residents. The condo owners have only just started to get together and some have reportedly asked about how they could become more involved.

- There are ongoing questions regarding the status of the community gardens on the site. Options have been considered (such as adding balcony and rooftop gardens). However, there is strong interest in retaining allotment gardens on site.

Changing Role of the Housing Agency: One interesting observation about redefining the sense of community has to do with the all-encompassing, historic, landlord role of Toronto Community Housing (and other agencies before it) in Regent Park. As the community is rebuilt physically, Toronto Community Housing will have less direct control and responsibility for what is happening in the area. For a long time, the housing agency was ‘all powerful’ and residents were accustomed to coming to the housing officers with all their concerns. As the plan progresses, responsibilities are changing. Even simple matters such as snow-clearing in winter will change as more public streets are created and these, and other areas, become the City’s responsibility.⁷⁵ In other words, the housing corporation will not be responsible for everything anymore, and this

⁷⁵ The new park will be the responsibility of the City’s recreation department (rather than all common areas being a TCHC responsibility).

will mean a shift in the relationships between Toronto Community Housing, residents, and agencies. Learning that they cannot come to Toronto Community Housing for everything will gradually become part of the new reality. Essentially, the neighbourhood would begin to function like a typical neighbourhood in the rest of Toronto.

B.4 Tenant and Community Interests

For more than a decade before the R-R plan was developed and before Toronto Community Housing was created, tenants had been advocating for something to be done about the housing conditions at Regent Park. Concerns included: the isolation of the housing (that is, that it was cut-off from the surrounding area), the wide-ranging safety and social issues in the area, the lack of economic opportunities for residents, and the stigma attached to the location. Aging buildings and high maintenance costs placed a drain on operating budgets as the rental revenues were more or less 'fixed' based on the RGI rent scale. So there was a consensus on the need for change.

B.5 R-R Costs

Capital costs for what may be a 10 to 15 year redevelopment include: housing construction costs, major costs for demolition, infrastructure and servicing, and relocation expenses. In its plans in 2002, Toronto Community Housing estimated that replacement of all the RGI units would cost around \$450 million. Of this, it was estimated that demolition and reconstruction would account for 75% of the costs, infrastructure (new roads, parks, hydro and sewers) 13%, construction financing 10%, and relocation 2%. Capital costs for private market housing were not estimated at that time.

The overall capital costs and relocation costs for the Regent Park Phase 1 redevelopment were not available at the time of this case study. However, the relocation paid by Toronto Community Housing was considerable. For the moves paid directly by Toronto Community Housing, staff estimated the average cost/household paid to the moving company as being \$2,500-\$3,000 including all connection fees. This does not include the Toronto Community Housing staff and administration expenses. The Toronto Community Housing staff moving team was estimated to spend 6-12 hours per household relocated. It was noted that the costs were larger because there were many large families in 5 bedroom units that had to be relocated. Phase 1 tenants who moved to non-Toronto Community Housing units received a flat fee on moving out. This was originally \$500 per household later increased to \$549 per household.

B.6 Financing

When plans for the Regent Park redevelopment were initiated, there was no central government program to fund the costs. Therefore, the model for the R-R was based on carrying it out without government funding and creating partnerships and funding opportunities that could finance the costs. City Council approved this vision of proceeding without financial backing, and the senior officials at Toronto Community Housing Corporation supported the idea of proceeding as they felt that the Corporation had the financial strength to support the up-front costs. In the early stages, one of the key roles of the development staff was to create and manage the partnership process and knit together the range of funding required.

The financial structure for the redevelopment is complex and includes various sources and types of financing. Planning documents indicated that 90% of the financing for the construction of the new social housing would be from a number of sources, namely:

- Reinvestment of operating savings from Toronto Community Housing's operations. (Under the Federal/Provincial agreement, the province and the municipality were allowed to retain these surpluses for reinvestment in social housing.)
- Reallocation of the capital repair funds to new construction.
- Funds from the sale or lease of lands.
- A Toronto Community Housing equity contribution of \$30 million.
- Long-term debt financing.
- Under the Canada-Ontario Affordable Housing program, funding was received from the provincial and federal government for the construction or replacement units on and off the Regent Park footprint. Down-payment assistance was also provided for eligible purchasers in the market condominium units.

Toronto Community Housing is empowered to issue bonds to raise private capital financing. In addition, some of the new housing constructed in Phase 1 subsequently involved capital funding provided by the federal and provincial governments under the Affordable Housing Initiative.

Private financing was used for the development of the private condominiums. The financing was to be repaid through the sale of the condos, and there was an asymmetrical profit split agreement established between Toronto Community Housing and the private developer

on profits from the sales. When the redevelopment began it was not possible to obtain an appraised market value for the land in Regent Park. Thus, a decision was made to wait and see what the market would bear in terms of selling prices. The first condo building has now been completely sold and the developer is marketing the second condo development. The outstanding location, close to downtown has been a major asset in marketing these condos. Toronto Community Housing received revenues from the sale of the condominiums to offset other development costs.

Toronto Community Housing also has other income streams from commercial leasing and from rental revenues on its housing. Together with the revenues from the sale of condos, these revenue sources are used to support the debt financing used.

Many City departments have been impacted by the R-R work. In the early stages, there were numerous small meetings among the various departments affected. However, this process has evolved and the City of Toronto has established a revitalization secretariat that takes the lead on coordinating all the City departments. Part of the function of this group is to assist and support City departments in coordinating all municipal planning, finance and approvals processes required during the R-R, to ensure that any City Council approvals are obtained to meet development schedules.

B.7 Outcomes/ Results of R-R

The most obvious outcomes of Phase 1 are that new housing was constructed, the deteriorated buildings demolished, that residents have been relocated into the new units, and that there is a mix of social and private condominium housing on the site.

Toronto Community Housing staff interviewed reported a high level of satisfaction among the tenants who have moved back to Regent Park. People attribute the high satisfaction rate to the fact that people were able to choose the unit they wanted. Once the tenants relocated back in the new units, they were transferred from the special 'relocation' staff group to the regular operations of Toronto Community Housing. Therefore, if peoples' needs change (for example, if their family size grows and they need a larger unit) then the changes would be made through regular processes. Tenants were entitled to only one move to a 'new' unit at Regent Park.

At the time of this report, the social and income mix of people in the new units from Phase 1 had greatly increased. Persons interviewed were asked about how relations were going with the new condominium owners who had purchased units. Those interviewed indicated that there had been a 'meet your neighbour' night among the condominium owners and some of the owners had asked about how to get involved with the community in Regent Park.

At the time of this report, the impacts of the new mixed community were only just beginning to develop as former tenants moved back and new people moved into the area. Both groups appeared to be looking for ways to relate to each other, and this will take some time to unfold.

Yet there were early indications that people's lives had greatly changed with the new housing. Staff noted that they saw children playing together in the common areas without their parents around because it was safer. The completion of Phase I had changed the way that people lived in the housing. As well, there had already been major impacts for community organizations and groups that had to consider how to adapt

the services and programs they provided to a changing population.

B.8 Achievement of Objectives

The objective of demolishing and rebuilding Phase 1 of Regent Park was achieved.

The Phase 1 demolition began in 2005 after the tenants were relocated. Construction of the new Toronto Community Housing buildings and the private market condos was completed in 2010.

In Phase 1, the stated objective of creating a mix of social and market housing was achieved and the tenants who chose to move back into the new units were successfully relocated. At the same time, the private condo development were well-absorbed by the market and real estate prices have held up to-date. Therefore, there was a strong mix of income groups as well as renters and owners that moved onto the site. Phase 2 of the redevelopment proceeded with positive adjustments to timing of planned community facilities.

Much has been learned during Phase 1 that could allow for ongoing streamlining of the processes for later phases.

B.9 Lessons Learned

The lessons learned in the overall planning and implementation of the Phase 1 redevelopment are summarized as follows.

An over-riding lesson learned in Phase 1 was that the vision of redeveloping social and affordable housing through a strong public/private partnership model could be realized. The keys to success of this model were seen as the ability to create and manage the partnership with a private developer, aided by Toronto Community Housing's financial strength to deal with the up-front costs.

The following relate to the specific aspects of Phase 1 that the research team reviewed, namely, community development and tenant relocation.

A. Community Development: It goes without saying that large-scale R-R over 10-15 years has wide-ranging implications. A key lesson learned is that community development work needs to be ongoing from the early planning stage and throughout the R-R process.

Community involvement and leadership are needed from the start: It is essential to bring all the people (residents, community organizations and service providers) to the table early on in the planning process to create a sense of leadership from the community in all the aspects of R-R. People need to understand how it will work. In the early stages this may mean explaining to people why they are there and why it is important for them to be there. The roles and responsibilities of all the parties need to be clearly understood. In Regent Phase 1, Toronto Community Housing was the lead agency but it required wide community engagement. Many other community agencies were impacted by the R-R and needed to take ownership in determining how their services would be affected. It was noted in interviews that roles can vary among revitalization sites depending on the community and other organizations may play leadership or partnership roles along with the housing agency.

Social planning must parallel the physical redevelopment: A Social Development Plan was developed and Toronto Community Housing has been actively involved in community development work with community organizations that have been impacted by R-R. The responsibilities of the government and community agencies involved need to be clearly defined.

Flexible phasing for community services helps to adapt to changes: With a long-term, phased redevelopment such as Regent Park, the provision of community services and amenities may have to be adjusted as circumstances change or needs to become clearer during the process. Plans for certain amenities and services for residents outside of the site or to be developed by other organizations may change over time. Having the ability to advance provision of on-site services and amenities to an earlier phase than originally planned can help support ongoing community development goals.

Phased R-R of pre-existing housing results in long wait times for tenants: With such a lengthy redevelopment plan over ten years, the older housing still needs to be maintained but it may not be economical to do major capital replacements. However, tenants waiting for relocation to later phases of the R-R can be expected to experience some frustration when relocation could take place 8 years into the future. Phasing can be used to relocate some tenants on-site from the next buildings scheduled for demolition. However, the ability to do this depends on how many of the previous phase tenants choose to return when buildings are completed. In the case of Regent Park Phase 1, some of the Phase 1 tenants decided not to return (surrendering their 'right to return' to a later phase) and some relocated outside of the Toronto Community Housing portfolio (and therefore did not have the 'right to return'). Thus, some of the Phase 1 units were available for tenants being relocated from Phase 2. This has added advantages in that these tenants only have to move once, reducing disruption in their lives and relocation costs for Toronto Community Housing.

B. Tenant Relocation Processes: The overall lesson learned is that tenant relocation out of their existing housing to other housing and then back to new housing is a lengthy, complex, and administratively time-consuming process, even with a special staff team working on relocation. This complexity is increased in a phased redevelopment plan.

Phasing redevelopment also provides flexibility to adjust the mix of unit types: When there is a relocation agreement with tenants in place, tenants have a ‘right to return’ to a suitable unit when the buildings are completed. With the length of time involved in the rebuilding, tenants are typically relocating for 3-4 years. During that time household composition can change (that is, it may increase or decrease with added children or the loss of some members of the household). Therefore, when the time comes for them to relocate to the new units, they may need (and qualify) for a different sized unit. When Phase 1 was planned it was not possible to know in advance how many of the previous tenants would actually return. The resulting mix of household sizes in the Phase 1 completed units does not necessarily match the planned mix. When planning is done by phases there is the opportunity to change the unit size mix in later phases to better meet the mix of units required (subject to the right-sizing guidelines) by the tenant households moving into the new units.

Having a good database in place to track relocations is essential: Relocating tenants from their original housing to other units and then back to the new units is a very complex and costly process. Toronto Community Housing was fortunate in having designed a computerized system to track this process before relocations began.

However, relocation is very complicated in practice and any such system needs to be able to deal with many exceptions that come up along the way. For example, Phase 1 tenants who deferred the right to return to a subsequent phase needed to be tracked for later moves; and some tenants from Phase 1 that were relocated to other units on site are now scheduled for demolition in Phase 2. Therefore, some tenants are required to move a second time because of changes in scheduling for developing key community amenities (the central park, community centre, and new indoor pool). From the tenant relocation perspective, changes to the development phasing plan make tenant relocation scheduling more complex.

C. Summary Assessment⁷⁶

The redevelopment of Regent Park to-date (Phase 1) achieved the first milestone with the return of tenants and the sale of the first market condo units. Toronto Community Housing succeeded in relocating hundreds of tenants not only once but twice over a 4 year period, and, according to information from staff, the tenants were very satisfied with their new housing.

A range of other topics emerged from this case study that may have implications for large scale redevelopments, including:

- **Opportunities for creating partnerships with a real sense of shared responsibility need to be considered:** In this case, there were shared responsibilities among the City of Toronto, Toronto Community Housing, and the private developer. There were agreements and processes that were approved by Toronto City Council to guide how Toronto Community Housing would carry

⁷⁶ This section is intended to provide the researchers’ assessment of the implications of the case study for the overall research project.

out the overall vision and fulfill the revitalization plan. Toronto Community Housing also reached out to a range of agencies and organizations to be part of the process. The roles and responsibilities of community organizations need to be considered where their operations and services are impacted by the Responsibilities may be structured in various ways but ultimately the City bears the primary duty to fulfill obligations to the public at large.

- **Promises should be made carefully and clearly defined:** At some point, there will need to be an assessment of the Regent Park Revitalization to determine if Toronto Community Housing and the City of Toronto did what they said they would do and fulfilled the bargain with the tenants and the public. One thing to be aware of is to ensure that the promises made during the planning and implementation can be fulfilled.
- **Phasing large-scale redevelopment over a number of years can create opportunities and challenges:** Having a multi-phase plan can provide an opportunity to make adjustments based on lessons learned if there is some flexibility in the overall vision and targets. However, there are many constraints affecting redevelopment. In the case of Regent Park and the Province of Ontario generally, the responsible housing agency must operate within the legislative framework of the provincial Social Housing Reform Act (SHRA). Among other things, the SHRA governs how tenants are to be selected from centralized waiting lists for available social housing units and the unit size requirements are prescribed under the so-called 'right-sizing' principle. In redevelopments, matching up tenant households when they are relocated

before and after redevelopment can become even more challenging when household sizes and compositions change during the time when tenants are located elsewhere. With the 'right to return' and the option for affected tenants to defer this right to later phases, it may be even more difficult to ensure that there will be the right combinations of unit sizes to fulfill all these conditions. With multiple phases, there could be opportunities to make adjustments in the unit mix in later phases to address the requirement, provided that there is flexibility in the plan. In the case of Regent Park it was noted that Toronto Community Housing is required to replace all of the units according to the unit type demolished. With any redevelopment over 10 or more years there could be a need for some flexibility to later phases.

- **There are questions about public and private rights and the nature of R-R assets:** Where public sector agencies undertake redevelopment, they are involved in rebuilding a public asset with long-term implications. Balancing public and individual rights is challenging. There were clear principles identified for the Regent Park Revitalization, and it is important to define these at the outset. Protection of tenant rights during redevelopment has been a key principle in many re-developments. However, providing for choices of where people move, when they move, and how they choose their units is time-consuming and costly in terms of the staffing requirements to assist tenants with these decisions and to manage the process. In addition, with the new mix of rental and privately-owned condominiums in Regent Park, there will be a need to accommodate the interests of both tenants and owners with respect to future phases of the redevelopment.

- **Redevelopment requires both a social and a building plan and time frames may be different:** A physical, building plan has a well-defined beginning and end, whereas a social plan will take longer to be implemented. As people move into new housing at Regent Park they will have to adjust to changes and to a mixed community, which will take some time. This implies that social and community development planning are longer term and likely to extend beyond the physical re-building period.
- **Redevelopment can change the roles of housing agencies:** When redevelopment involves changes in ownership and responsibilities for spaces and amenities within a site this can lead to shifts in the roles of housing agencies with respect to the tenants. The municipality or other agencies may take over responsibilities from the housing agency for infrastructure, recreation areas, or facilities on the site. Learning that tenants cannot go to the housing agency for everything (as they did in the past) will gradually become part of the new reality. As this transition occurs, the new community would begin to function more like other neighbourhoods in the city.

There have been many studies about the history of Regent Park and there are ongoing research studies about the impacts of the Regent Park R-R. It will be many years before its effects can be fully assessed, however, many of the lessons noted above will be valuable to communities and agencies not only in Ontario but also for others seeking effective models for redevelopment of social housing.

Sources:

A large volume of information on the Regent Park Revitalization is available on website of the City of Toronto, Toronto Community Housing, and Regent Park websites. Only a few of the key source documents used for this case study are listed below.

www.regentpark.ca

www.toronto.ca/revitalization/regent_park

www.torontohousing.ca/revitalization

Regent Park Social Development Plan Executive Summary, Toronto Community Housing, September 2007 (available with the full report and related documents at: www.toronto.ca/revitalization/regent_park).

Gary P. King, *Rehabilitation of Public Housing: Regent Park North*, Ryerson Polytechnical Institute, May 1985.

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Regent Park Revitalization Study: Summary Report on Action Plan and Implementation Strategy, City of Toronto Planning Department, April 2003.

Regent Park: A place to call home, Toronto
Community Housing (www.regentpark.ca)

Regent Park Revitalization Strategy for the
Provision of Community Facilities, City of
Toronto Planning Department, August 2005.

“Investing in Buildings”, Toronto Community
Housing, 2007.

**Interviews with staff of Toronto
Community Housing.**

Case Study #6

Flora Place (Winnipeg, Manitoba) Winnipeg Housing Rehabilitation Corporation (WHRC)⁷⁷

Rationale for this case study: Flora Place was selected as an example of R-R where older social housing stock was demolished and replaced by new housing for seniors on a portion of the

original site. The new housing was designed to be more accessible and adaptable to the changing needs of the population today.

Acknowledgements: The researchers and CMHC wish to thank and acknowledge the assistance of staff of the WHRC and other agencies in Winnipeg.



⁷⁷ The WHRC was established in 1977 by the City of Winnipeg as an arms-length organization to develop and manage affordable housing. It became a registered non-profit corporation separate from the City, although the City appoints its Board of Directors, which includes two City councillors. The corporation currently owns and manages approximately 1,000 housing units.

A. Flora Place: Background Information and Summary

Key Organization Involved: Winnipeg Housing Rehabilitation Corporation (WHRC)

Original Housing and Before R-R	<p>Flora Place was originally constructed in 1947 as 100 units of temporary housing for WWII veterans in the North End of Winnipeg. The small, 425 square foot, 2-bedroom units were located on over a 5-acre site with access via a gravel road, surrounded by open ditches. The land was owned by the City (and was actually part of the Exhibition Grounds). Since the housing was designed as temporary housing, the units lacked permanent foundations. It had been expected that the units would be occupied by veterans who would stay there a short time and then move on to better housing, at which point the buildings would be demolished. However, over the years, as some of the veterans left, the units were rented to other households at very modest rents.</p> <p>Many different levels of government were involved over the years. In the 1999/2000's, 72 of the units were condemned and demolished. In 2004, the City asked WHRC to take over redevelopment planning of the remaining 28 units. Most of the tenants were elderly. Despite poor housing conditions, there was a strong sense of community and tenants did not want to move.</p>
Time Frames	<p>Planning : (WHRC) 2004 – 2005 (about 2 years)</p> <p>Implementation: 2006 – 2007 (less than 2 years)</p>
R-R Plan and Work Undertaken	<p>R-R plans involved demolition of the remaining 28 units on the site and redevelopment of a small part of the original site that was transferred from the City to WHRC for \$1. The rest of the site (where houses had previously been demolished) was already developed as Tommy Prince Park.</p> <p>WHRC undertook the demolition and reconstruction of 28 new housing units. Work began in 2006 and was completed in 2007. The new rental units include 18 one-bedroom units, 6 two-bedroom units, and 4 three-bedroom units, in a cul-de-sac layout. Larger unit sizes were added to encourage families to move into some of the units, thereby increasing the overall social mix. The new housing consists of one-storey townhouse/ row units, with large fenced yards. Four of the new units were designed to be currently fully accessible for persons with physical disabilities, and the other 24 units were designed to visitability standards⁷⁸ for access by persons with physical mobility challenges (i.e., larger bathrooms and wider doorways with low profile thresholds). Tenants who wished to stay in this location were re-housed in the new units, while the other units were rented to applicants from the WHRC waiting list. In 2008, the Flora Place design won a CMHC Housing Award which recognized housing initiatives that have contributed to improving the affordability of housing in Canada.</p>
After R-R	<p>Overview: Redevelopment has significantly improved the neighbourhood with attractive, low-density housing. Design around a 'courtyard' makes it much easier for residents to keep an eye on who is in the area. Rents are higher in the new units, however, provincial rent supplements are available for 16 of the units, based on the RGI scale. Tenants in the remaining 12 units pay median market rents set by WHRC, which allows for more of an income-mix.</p>
Key Changes	<ul style="list-style-type: none"> ■ the housing is more accessible and adaptable for persons with physical disabilities; ■ the new, more attractive housing has improved the appearance of the neighbourhood; and, ■ there is an increased social and income mix of tenants (57:43 ratio of RGI:market rent units).

⁷⁸ See: CMHC Research Highlight Socio-Economic Series 08-011, Understanding the Status of Visitability in Canada, May 2008. This report described visitable housing as the design of houses with no step-entrances, wider doors, and a bathroom on the main floor.

B. Key Findings on the Research Questions⁷⁹

B.1 Reason(s) for R-R

The primary reason for the redevelopment of Flora Place was that the existing wartime housing had deteriorated to the point where it was not sustainable and could not be made habitable. With gravel roads and open ditches, the site was undeveloped and had become a magnet for abandoned vehicles and various kinds of illegal activities, which resulted in a negative social environment.

Underlying the need for something to be done to improve the area, there were years of uncertainty regarding the future of the housing. While the City owned the land, management of the housing had been transferred among all three levels of government over the years. CMHC had managed the housing until the 1980's when management was transferred to the Province under a 30-year agreement. At one time, the Province had transferred the housing to the City of Winnipeg, but the City then gave it to the Provincial housing agency (Manitoba Housing and Renewal Corporation (MHRC), which managed the housing for a decade. During that time, 70 of the units were condemned and demolished and some repairs were made to the remaining housing. By the 1990's, tenants had concerns about losing their homes and raised their concerns at a political level. As a result, the Provincial Minister responsible for housing promised that no one would be forced out of their home and the option of demolishing the remaining units and re-housing tenants elsewhere in the City was no longer feasible.

Flora Place is located in the North End of Winnipeg where there have been efforts to revitalize housing and address social issues since the 1980s involving various community groups and all levels of government. In the early 1990's, the City approached the North End Housing Project (a community non-profit organization) to look at options for Flora Place and a number of studies were subsequently undertaken. Besides the physical obsolescence of the structures, there were social problems with crime and drugs in the area which also needed to be addressed. A proposal to redevelop the area to single family homes with a regular street system was not accepted due to the high cost.

Persons interviewed for this case study noted that the plan was not suited to the lower-income households living in the existing housing, and neighbours in the surrounding area were resistant to low-income housing. The North End Housing Project group decided that it would be involved in the redevelopment and, in 2004, the City asked the Winnipeg Housing Rehabilitation Corporation (WHRC) to take over the redevelopment.

B.2 Objective(s) of R-R

When WHRC became involved in 2004, planning for the area once again started up. By this time, there were financial constraints, based on funding available from the Province and the City.

With the strong sense of community and the desires of residents to remain in the area, the City's main objectives were to preserve the small community and provide stability for the mostly older residents.

⁷⁹ This section is intended to summarize the views of the 2-3 key informants interviewed and documents reviewed.

Following consultation with Flora Place tenants and neighbouring residents, WHRC developed a plan, based on the following objectives:

- To create low-rise rental housing which would serve a range of household types (including families, seniors and persons with physical disabilities), and promote a more socially-mixed community.
- To make all of the housing 'visitabile' by people with physical mobility challenges and to provide some fully accessible units. The proposed units all had low-profile thresholds, wider doorways and bathrooms on ground level.
- To retain open spaces and allow for fenced-in, private backyards.
- To improve security and reduce through traffic in the area by using a courtyard-type (cluster) design layout, which did not require through streets.
- To create a more income-mixed community with some subsidized (RGI) units and some market rent units.

Flora Place tenants were actively consulted during the planning process, and a commitment was made to work with the existing tenants throughout the redevelopment. As well, the development was based on the principles of avoiding displacement of tenants from the site and ensuring that they had the right to return to the housing after it was completed.

B.3 Planning and Implementation

Planning: When planning for the site was re-initiated in 2004, there was considerable uncertainty and confusion about the future

of the area. A consultation process was launched to involve residents in the planning process. The 28 Flora Place tenants had established a resident association and, over the next two years, City staff and WHRC held a series of meetings with residents at the nearby community centre to discuss options and plans. It was recognized that the community needed to have a 'voice' in the new development, especially given the long years of uncertainty. Public meetings were also held with neighbours from the areas to the north and east of the site to address their concerns.⁸⁰

WHRC retained the services of an architectural firm (Prairie Architects) to develop options for the design. The main issue was the form of the housing. The tenants expressed their desire for single, detached units because they felt that this had been promised before. The first step for WHRC was to convince them that a single family design was not feasible. Residents in the surrounding neighbourhoods were opposed to any type of high rise design that would overlook their properties. The architects were advised by the City of the proposed budget limit and they prepared various concepts for the layout which included clusters of row units and multi-storey designs. One design issue was whether or not to include 'streets' throughout the site. There had been no 'official' streets in the past and it was thought that re-designing the street layout would increase costs substantially. In the end, the solution adopted an inward-looking design, whereby the central area was treated as a 'parking lot' rather than a through street. This design also reinforced the integrity of Flora Place as a small, independent community where neighbours looked out for one another.

⁸⁰ According to persons interviewed, only one neighbour voiced a concern regarding the final design.

Ongoing consultation with existing tenants and nearby neighbours helped to build a consensus around the final design. Persons interviewed noted that the strong community was good to work with, and there was also support from the local and provincial political representatives that helped the process. Staff at both the City and WHRC were always available to answer people's questions and concerns, and the WHRC posted monthly newsletters on its website to inform people about what was happening. WHRC worked closely with the Flora Place Tenants Association Inc., holding monthly meetings. All of these factors helped to reduce the uncertainty and stress about the redevelopment among the existing tenants and residents of the nearby area.

Implementation: WHRC was responsible for managing both the construction work and tenant relations for the redevelopment.

The initial design work was followed by a rezoning application to subdivide the site for the new buildings. WHRC was able to use some of the previous work undertaken (such as the environmental assessment), demographic studies, and site planning information. However, WHRC had to cover all the start-up costs. This was made possible by a \$2M line of credit, guaranteed by the City of Winnipeg. The costs charged against this line of credit were repaid once the construction financing was in place.

WHRC was responsible for tendering all the design and construction work for redevelopment, and for overall construction management. Tenders were carried out for the architectural work, the demolitions, and the new construction work. Management of the construction work was a large task and many decisions had to be made on-site on a day-to-day basis. By all accounts, construction went well and was completed on-schedule with no major delays.

During interviews for this case study, it was noted the results of some of the tenders yielded bids which were significantly higher than budgeted costs. Therefore, considerable effort was involved in scaling down some of the work.

Tenant relocation is the first step in all redevelopments involving demolition. In Flora Place, there were 27 occupied units when redevelopment began. A few of the tenants decided not to stay during the redevelopment and they moved to other housing. The remaining 22 tenants decided to stay during the construction work. With the layout of the old buildings in an 'L' shape, the construction was planned in two phases. Some tenants were relocated to the other WHRC buildings so that some buildings could be demolished on part of the site and construction began.

Once construction of the first phase was completed, tenants were moved into the new units and the remaining dwellings were demolished. Given the elderly population, a few tenants died during the redevelopment process and, in the end, 16 of the original tenants remained in the new housing. WHRC was responsible for managing the relocation process, hired and paid for a moving company, delivered boxes to help tenants pack and generally provided whatever help was needed. WHRC had specific support staff to help with the moves; for example, a 'tenant resource coordinator' was hired, a social worker was available from the City for residents to express their concerns, and community care workers were also available to help people prepare for their moves. The WHRC website also provided helpful suggestions about planning and packing for the move.

WHRC managed the 'moving-in' process which involved tenants deciding which units to move into. In part, this depended on the number of

people in the household. During interviews for this research it was noted that, in two cases, elderly tenants who needed assistance to live on their own, in fact lived with their adult children. These tenants would be moved to 2-bedroom units which were well-designed in terms of privacy, by having the two bedrooms separated by a bathroom or storage area (so that they were not next door to each other). This feature has turned out to be very popular for seniors who share their units with a family member. The new units were also larger than the original housing (600 square feet versus 425 square feet), not including the porch area. For existing tenants who had lived together for many years, there were naturally some people who wanted to live next door to each other. After an initial 'lottery' system for the new units, existing tenants could 'trade' with others if they preferred a different unit (or neighbour).

Other improvements in the area: Safety and security were also concerns for people living in Flora Place. The City took steps to address problems of illicit activities in Tommy Prince Park – a linear park to the west of the redevelopment site that was created when the other 70 units were demolished. Lighting was installed along pathways and police took steps to improve the safety of the area. The redesign for Flora Place also included a gateway opening into Tommy Price Park so that residents could walk into this area. However, provision was made to allow this to be 'locked' by the residents to prevent people coming into their community. Another recreation area to the south of the site had created some problems and it was eventually closed down to prevent it from being used as a gathering place. Design of Flora Place with inward-looking units and a central courtyard/street area also enabled the residents to keep their eyes on the street and improve their general sense of security and well-being.

B.4 Tenant and Community Interests

When WHRC took over the redevelopment, the existing tenants had already expressed their concerns and interests in previous planning processes. Surveys of tenants revealed that the main concerns were: being able to remain in their existing community and maintain their independence, by living in their own homes. Keeping the neighbourhood and the community together was also a high priority. According to persons interviewed for this case study, tenants also had specific interests in the types of housing they would like, including: a desire for single family homes, fenced yards for gardens, and the freedom to have pets in the new housing (which they had in their existing homes). During the meetings, tenants were asked if they wanted to have a 'common room' in their new housing, however, this was not a priority for them since there was already a seniors' centre nearby next to the site.

The City's main concern was to maintain the community aspect of the housing – a place where people knew each other and looked out for each other. The City also wanted to address other upgrades in the nearby Tommy Price Park and other recreation facilities on the site which were creating problems in the neighbourhood.

Residents in the surrounding community were very pleased to see improvements being made on the site, but they did have concerns about two main issues: (1) there was resistance to any kind of multi-storey or high-rise development which might have overlooked their properties; and (2) they had concerns about a concentration of low-income tenants that might be similar to public housing.

WHRC and the architects working on the designs paid special attention to the concerns voiced by the residents. Within the housing itself, the

architects proposed adding porches to the units. This feature has proved very successful and provides a place for tenants to socialize informally or simply sit outside and see what is happening. WHRC decided to add a common laundry facility for all the housing rather than individual laundry facilities in the units. This building also has a small lounge area that can be used for small gatherings. The central laundry has proved to be very popular with the home care service workers who come to assist the older tenants. The previous tenants were allowed to keep their pets and tiled floors in the units (rather than carpets) made it easier to keep the units clean. The tiled floors also made it easier for people with mobility challenges to move around in their units.

In the final design, although the tenants did not get their wish for single family homes, most of their other requests were met with new units that were larger than their previous homes. According to those interviewed, the tenants, area residents and the City were all very pleased with the new development, and it has been used as a model of very good development that turned out really well.

B.5 R-R Costs

As noted above, there was no capital cost for the land as the City already owned the land and had transferred it to WHRC for \$1. However, there were some site costs in order to prepare the land for redevelopment, given some pre-existing conditions.

The total cost of the redevelopment was \$3.5M, comprised of: design (architectural costs and rezoning); demolition; construction costs (\$3M); and tenant relocation costs (about \$20,000). The costs of demolitions covered asbestos

removal which was mostly for external tiles which had to be removed by hand before the buildings could be demolished.

The original bid for the construction contract was \$2.8M and the final construction costs were about \$3M. With the average unit size of 600 square feet, the average construction cost was \$165/square foot.

The total average capital cost for 28 units was \$125,000 per unit (in 2006/07 dollars).

B.6 Financing

According to persons interviewed for this case study, there were 3 main sources of funding for the redevelopment:

1. \$2.24M from the Federal/Provincial Affordable Housing Initiative;
2. \$430,000 from the City of Winnipeg; and
3. \$840,000 in private mortgage financing.

The City of Winnipeg's financial contribution covered the costs of demolition (\$67,000) and a dollar amount per unit. In addition, the City contributed the land value estimated at \$200,000. According to City staff interviewed, this was the largest housing development in financial terms that the City had been involved with up to that time.

As noted above, the initial start-up costs as well as tenant relocation costs (estimated by WHRC at less than \$20,000) that had been paid for by WHRC from its line of credit were repaid from the financing once the housing had been developed (thus, these costs were capitalized into the overall financing).

In addition, MHRC provided Provincial rent supplements to cover the rent subsidies for eligible lower-income tenants paying rents based on their incomes (RGI rents). In 2010, staff of WHRC interviewed noted that 16 of the 28 units are receiving rent supplements and the remaining 12 units have affordable rents set at the approved market rents under the terms of the federal-provincial housing financing. As far as the WHRC staff interviewed was aware, none of the tenants in Flora Place were receiving rental assistance under the Provincial Shelter Aid For Elderly Renters (SAFER) program in 2010.

B.7 Outcomes/ Results of R-R

The overall results from the redevelopment of Flora Place have been very positive for the occupants and the area as a whole.

Physical

- The new units are larger than the original units and clearly provide a much higher standard of housing.
- The new layout of the buildings helps improve the already strong sense of community, as people can now see who is coming into their community.

Social

- Tenants have their own units and fenced back yard space that provides for their independence and privacy. However, they also have front porches overlooking the parking area and street where they can socialize with their neighbours, so that they are not isolated.
- The neighbourhood area has been greatly improved with removal of the old buildings and the new units added. As well, there have been improvements to the site around the homes.

- The addition of 4 fully-accessible units has provided housing for people with physical mobility challenges. Furthermore, the entire development meets visitability standards for access, and the rest of the units were built with larger doorways and bathrooms to make them adaptable if needed at a later date. With the predominantly older tenant profile, these changes enable people to remain in their community as long as possible.
- Even the internal layout of the 2-bedroom units has allowed for older tenants to share their units with another person (such as a family member) who can assist them to remain independent.
- The unit mix was modified to accommodate a range of households from singles to small families and help create a more varied age and household mix.
- The new units include a mix of income groups with 57% RGI units for lower income tenants and 43% affordable market rent units for moderate income tenants in 2010. The actual income mix at any point in time is a function of the incomes of the tenant households which determine eligibility for Provincial rent supplements.

Environmental

- There were no environmental factors identified. Although the new units are rows (as opposed to detached buildings) this site is still low-density for an inner city neighbourhood.
- The new units are more energy efficient, with lower heating costs than the previous units.

Economic/Financial

- The financial arrangements (combining capital financing from the AHI and Provincial rent supplements for the RGI units) created a mixed rent profile that is affordable for both low and moderate income tenants. Approved market rents were determined based on the AHI capital financing, and additional rent supplements were made available to pay the difference between the market rents and the rents paid by eligible tenants based on the RGI scale.
- Having the land donated by the City made the development economically feasible.
- Provincial rent supplements were provided to make the housing affordable for lower-income tenants based on the RGI scale. However, it is noted that the former rents (for the old units) were very low (less than \$200 per month) and had not been increased for some time because of the condition of the housing. Therefore, when tenants moved into the new units, they did experience rent increases of \$100 or more per month. Tenants were made aware of this before redevelopment and most were more than willing to pay more for the greatly improved housing. The market rents (which are typically \$750 per month for a 3-bedroom unit including utilities) are considered to be very reasonable for this central location.

There were no unexpected outcomes identified.

B.8 Achievement of Objectives

It is rare in redevelopments to achieve all of the original objectives. However, persons interviewed felt that this was one of those rare cases where everything was achieved, without having to make too many compromises.

Flora Place was redesigned to meet the objectives of providing new, well-designed housing that could better meet the needs of the tenants now and into the future. As well, the increased variety of units helped to diversify the social and income mix of tenants while at the same time adding more accessible units and making the entire complex accessible for visitors with mobility problems. Perhaps the most notable achievement was completing the redevelopment in a way that preserved the bonds among the tenants and the strong community spirit.

B.9 Lessons Learned

Key lessons learned, as identified by the interviewees, are noted below:

- **Involving the tenants and the community (and keeping them involved) was a key to the success of this redevelopment.** Using every possible media and mechanisms to keep people informed is essential for good communications: meet regularly, go to the site to visit them, talk to them on the phone, and put updates out on what is happening. Initially gaining the trust of residents was even more important because of the long history and confusion about what was happening. In the end, the non-profit, the City, politicians and the community worked well together.
- **Managing all the construction and dealing with on-site decisions is demanding on staff time.** Having WHRC staff more involved on-site while the work was being done would have been desirable rather than leaving decisions to the architects and the construction company.
- **Financially the project was well-supported by all levels of government.** Financing for the initial start-up costs was made possible in this case because of the line of credit available to WHRC with the City's

guarantee. Many community non-profits are not as fortunate to have the financial means to cover the large up-front costs. The City also donated the land which made the development more financially feasible. Having provincial rent supplements made a portion of the units affordable for low-income tenants.

- **Working with 3 levels of government is difficult and involves many delays.** It is difficult to know when to apply pressure and when to be more patient while awaiting government approvals. Delays can add to the costs involved. Having the support of the City and its departments was very helpful throughout the process.

C. Summary Assessment⁸¹

After the long history of uncertainty regarding the future of housing on this site, the success of the redevelopment for the tenants and the community is especially noteworthy. This re-development enhanced the strength of the existing community to ensure that it would continue after the redevelopment. Flora Place was an identifiable neighbourhood that was connected to the North End area of Winnipeg that has had a strong history of community initiatives. Some of the key factors that appear to have contributed to the success include:

- The redevelopment included a well-designed process to work with the existing tenants who had a very strong sense of community. This case study illustrates how to work with, and enhance the strength of a community throughout the redevelopment process.
- Close working partnerships among WHRC and the City through the planning and redevelopment process created a feasible

design that met most of the wishes of the residents.

- The financial costs of producing new affordable housing are high. Even with the benefit of 'free' land for the redevelopment, considerable financial contributions were required from all levels of government to make the redevelopment viable as a mixed-income community with affordable housing. There were some additional costs (such as demolition and tenant relocation) which would be associated with similar types of redevelopment involving existing housing. However, these costs on this site were relatively modest in comparison to the costs of new construction for 600 square-foot units.
- Although additional design features (or fully accessible units and 'visitability') for all of the units added to the per-unit costs, the benefits are considerable in terms of meeting the needs of the elderly tenants and enabling them to remain independent and stay in their own homes.

Sources:

CMHC Backgrounder 66017 Project Profile
Flora Place, October 20, 2008.

Karl Schultz and David Dessens, "Flora Place, Winnipeg: Integrating the public and community sectors in a place-based approach to affordable housing." Manitoba Practicing Planner, Case and Point 2007. (www.mppi.mb.ca/documents/caseinpoint/2007/KS-caseinpoint.pdf)

www.whrc.ca

Interviews with staff of MHRC and municipal officials.

⁸¹ This section is intended provide the researchers' assessments of the implications of the case study for the overall research project.

Case Study #7:

Canora Park Place (Canora, Saskatchewan) Saskatchewan Housing Corporation (SHC)

Rationale for this case study: Canora Park Place was selected as an example of smaller scale R-R in a small community where older social housing stock was adapted to address the changing housing needs of seniors by relocating housing to a more

central location and adding a new common area for activities. This experience may be useful for housing providers in addressing social housing needs in smaller communities.

Acknowledgements: The researchers and CMHC wish to thank and acknowledge the assistance of the staff of the Canora Housing Authority (CHA) and Saskatchewan Housing Corporation.



A. Canora Park: Background Information and Summary

Canora Park Place was created by relocating a number of buildings from an existing seniors' public housing site called 'Golden Age Centre' from the outskirts of Canora, Saskatchewan to a more central location. Some original buildings remain at the original site and continue to be operated as 'Golden Age Centre.'

Key Organizations Involved: Saskatchewan Housing Corporation (SHC) and Canora Housing Authority (CHA)

Original Housing Before R-R	<p>The original housing was built in the 1970's and consisted of 40 units for seniors' public housing in 20 semi-detached buildings. The one-storey buildings had units with front and rear entrances as originally designed by CMHC. This style of building required a large amount of land and it was built on the outskirts of town which was seen as suiting the needs of people moving into town from farms in the surrounding area. Originally, most of the tenants were in the 65-75 age group and most owned vehicles and were able to drive.</p> <p>By the 1990's, the local housing authority was experiencing difficulties filling vacancies because of the location of the housing and its distance from amenities. With 'aging-in-place' of the tenants who had been living in the housing for some years, many of the tenants were in the 85-95 age group and required greater social supports as well as help from friends or family, for example, to drive them into town (as there is no taxi service in Canora).</p> <p>Canora has a population of less than 2,400 people, with a strong Ukrainian heritage</p>
Time Frames	<p>Planning: 1996 (less than one year)</p> <p>Implementation: 1996 - 1997 (about one year)</p>
R-R Plan and Work Undertaken	<p>In 1996, the Canora Housing Authority (CHA) met with the tenants to discuss the pros and cons of moving all of the housing to a more central location and linking the buildings to create a common area for social/recreation activities. The majority indicated that they would like to move, but some preferred to stay in the original area.</p> <p>As a result, CHA and SHC developed a plan to move 13 buildings (totaling 26 units) and keep 7 buildings (totaling 14 units) on the original site. The Town of Canora donated the site downtown in exchange for the original site. To undertake the construction, SHC managed the work in conjunction with Westridge Construction of Regina. Work began in October 1996. In Phase 1, seven buildings were moved and linked with a corridor to the newly constructed common area. In Phase 2, six additional buildings were moved and linked to the new common area. CHA managed the tenant relocation. By phasing the work, tenants were temporarily relocated into vacant units that were to remain at the original site. The work was completed on schedule in October 1997.</p>
After R-R	<p>The design of the new site (prepared by architect Dave Edwards of Regina) was an 'L' shape with East and South wings joined to the central common area by corridors. The common area includes a kitchen, equipped with major appliances and a lounge with tables and chairs, purchased by the CHA. After residents were relocated, they formed a tenant association and carried out their own fundraising to buy dishes, a TV and DVD player, shuffle board and games for the centre. Regular activities at the centre are coordinated by the CHA with a part-time social coordinator.</p> <p>The 7 buildings (14 units) remaining at the Golden Age Centre site continue to house seniors who prefer to live in a more rural location.</p>
Key Changes	<ul style="list-style-type: none"> ■ CHA and SHC have created housing with amenity space for an aging senior clientele in a central location, while retaining some of the units for residents who wanted to remain at the more rural location. ■ The redevelopment gave seniors the option to reduce their social isolation and to improve their overall quality of life.

B. Key Findings on Research Questions⁸²

B.1 Reason(s) for R-R

The original housing was located on the outskirts of the Town of Canora as stand-alone units without any services for people in the 65 to 75 age group. Most of the residents had moved into the housing from farms in the surrounding area and many had their own transportation at the time, and preferred a more country-like setting. Canora, a town with less than 2,400 people, serves as a rural service centre with a hospital and a long-term care facility.

With aging-in-place, many of the tenants were in their 80's and 90's by 1996, and were becoming more isolated. Many tenants depended on others for transportation into town because there was no taxi service in town or because they did not have cars (or were no longer able to drive). There was no mail delivery to the houses (people had to go to the post office to pick up mail) and the grocery store was about 14 blocks from the site. As well, there was no common area for social or recreation activities at the original location and no tenant association. Community facilities, the hospital and health services, and churches were all in the central area of town. Therefore, limited social supports existed to meet the changing needs and concerns of the aging tenants, and there was growing social isolation. The Canora Housing Authority (CHA) which operates the housing had experienced increasing difficulties renting units in this location and, by 1996, the vacancy rate had reached 20%.

With the existing layout of the housing, it was difficult to connect the buildings and add a central common area. Therefore, the Canora Park Place redevelopment was undertaken to improve the quality of life of an aging older client group by creating housing with increased social supports, located in a central location, closer to stores, services and other amenities. Moving some of the existing buildings to the new site made it possible to link the buildings with corridors to a new common area for social and recreation activities. However, some of the existing tenants said they preferred the original more rural location and some buildings were left on that site to accommodate their needs thereby increasing choices for seniors in the Town.

B.2 Objective(s) of R-R

The main objective was to improve the housing, mainly by moving its location to better meet the changing needs of aging older residents. The goal was to change the layout of buildings in order to link up the units to a new central common area with facilities for services and social activities. Moving some of the housing to a more central location closer to amenities was desirable to address transportation difficulties in this small community and to help reduce the social isolation of tenants in the original location. However, it was also recognized that some tenants liked the quiet of the original location and, as a result, some of the buildings were retained on that site to provide a choice for the tenants. A secondary objective was to address under-utilization of the units, reduce the vacancy rate and improve the financial viability of operating the housing.

⁸² This section is intended to summarize the views of the 2-3 key informants interviewed. There were no documents available for the case study.

Canora Park Place was one of several similar redevelopments undertaken in Saskatchewan communities in the 1990s that involved moving existing seniors housing units to new locations to address changing needs. More recently, SHC has undertaken other redevelopments that involve moving existing housing units to northern communities to address the housing needs for single people. Therefore, Saskatchewan has had considerable experience with moving existing buildings to adapt housing to changing needs.

B.3 Planning and Implementation

The redevelopment was planned and implemented by the Saskatchewan Housing Corporation (SHC) working in partnership with the CHA on different aspects of the work. CHA is the local municipal housing authority, a separate legal entity from the Town of Canora with its own Board of Directors and staff. It works directly with the tenants, carries out the leasing of units, collection of rents, and regular maintenance of the housing. SHC is the provincial government housing agency responsible for all social housing policy and programs in the Province, including overall financing, development and management of the public housing portfolio. The housing is owned by the Province through SHC while CHA is the property manager. There are well-established working partnerships between SHC, its regional offices and the local housing authorities.

In line with these shared roles, the CHA was responsible for the tenant relations aspects of the Canora Park Place redevelopment while SHC was responsible for financing, tendering and overall management of the construction.

Planning: When planning began there was no tenant association in the Golden Age Centre housing. In February 1996, CHA staff met

with the tenants to explain the pros and cons of moving the housing closer to town. It appeared that there were more positives than negatives, and the only negative seen by the tenants was that the washers and dryers in the units would not be available after the buildings were moved (the proposal being to have a common laundry area). The units were to remain the same size, although the buildings would be closer together. CHA conducted a survey to find out how many of the tenants wanted to move, and the majority (14 of the 27 tenants) said 'Yes'. However, 10 tenants said 'No' and 3 said 'Maybe'. Five tenants were not present and 8 of the 40 units were vacant at the time.

Based on the tenants' views, the CHA and SHC decided to relocate some of the units and leave some of the buildings at the original site to give seniors a choice of locations. The design for the new site with two wings of units in an 'L-shape' layout linked to a newly-built common area was prepared by architect Dave Edwards of Regina. The plan called for moving 13 of the semi-detached houses (totaling 26 units) to the new site and leaving 7 buildings (totaling 14 units) at the original site.

The next step was to find a site close to town. SHC negotiated an agreement to use land owned by the Town that was being used as a downtown park. The Town donated the land in exchange for a transfer of ownership of the original site to the Town. Therefore, there were no costs for land at the new site. This arrangement was agreeable to all parties because the Town of Canora had provided the land for the original site when the housing was first built as its contribution. The municipality contributed 5% of the costs of the original housing with 20% from the province and 75% from the federal government.

Implementation: Responsibility for carrying out the work was shared by CHA and SHC. CHA was responsible for tenant relations and relocation, while SHC was responsible for tendering and managing the construction contracts. These two aspects of the R-R work were carried out in parallel:

- **CHA Tenant Relocation:** The first step was to move the residents out of the buildings that were to be moved. They were moved into other vacant units on the original site that were to remain at that site. CHA hired a moving company to come into the seniors' homes, pack their belongings, and set up all of the seniors' belongings in the same way at the new unit. SHC covered the full cost of moving, which averaged about \$1,500-1,700 per tenant.
- Since the work was to be carried out in 2 phases, the CHA was fortunate to have enough vacant units to accommodate the existing tenants during the relocation process.
- Given the age of the tenants, the CHA was particularly focused on making the move as easy as possible for the seniors. One example given by people interviewed for the case study was to try and match up the seniors to the same 'type' of unit where they had lived. With the semi-detached units involved, this meant that they tried to give people 'right' or 'left' units so that the layout would be the same, in order to avoid confusion (otherwise everything would be 'backwards' to the tenants). This may seem like a small point, especially as the tenants would only be in the housing temporarily. However, many of the tenants had been in their housing for many years and having to adjust to a different room and furniture layout was deemed to be stressful (and potentially hazardous).

Following completion of the building moves, CHA was responsible for relocating the tenants who wished to move into the units. All of the relocated buildings were completely painted and redecorated after the move, so it was not possible for tenants to tell if they were in exactly the same unit as before. Therefore, it was not necessary to try to relocate tenants in their 'original' units after the move.

No additional staff was hired at CHA to undertake the work for this redevelopment.

SHC tendering and the construction

work: The tendering process for construction proceeded at the same time as the tenants moves. The contract was awarded to Westridge Construction of Regina, for a bid price of \$1,139,000. Westridge as the general contractor was responsible for sub-contracting the building relocations, all construction work, and capping off the utilities at the original site and installations of services at the new site. Staff interviewed said that having a general contractor worked very well and went very smoothly. The benefit of using a general contractor is that one party is responsible for the site rather than multiple parties. The physical moving of the buildings was simplified somewhat because the buildings did not have basements -- only crawl spaces under the structures. This also meant that minimal work was needed to restore the original site after the buildings were removed. Moving and converting the buildings on the new site was completed in 2 phases, corresponding to the 2 wings of the new layout:

- **Phase 1** began in October 1996 and was completed in April 1997. It included moving 7 buildings (with 14 units) from the original site to the new site for the East Wing and new construction of the common central area on the new site. Preparation of the Phase 2 buildings for their move was also completed during Phase 1 as it was more efficient to do all of this work at the same time. (This involved installation of grade beams under the structures to enable them to be moved.)
- **Phase 2**, which began in April 1997 and was completed in October 1997, included moving 6 buildings (with 12 units) for the South Wing to the new site.

Once the semi-detached buildings were relocated, they were converted so as to link them together as an apartment complex joined to the common area by means of an enclosed, internal corridor. The exteriors of the buildings were completely re-done with new windows, roof trusses, air handling systems, and new stucco to create a new, unified appearance. The interiors of the units were repainted, new kitchen cupboards were installed, flooring was replaced as needed, and some windows were removed as units were now looking out onto the enclosed corridor.

As the 14 units in Phase 1 in April 1997 were completed, CHA began relocating the tenants who had indicated that they wanted to move to the new location. When the 12 units in Phase 2 were completed in October 1997, the CHA asked the other tenants (who had been undecided or had not been present at the meeting) if they would like to move. The remaining units were filled with applicants from the waiting list.

The official ‘opening’ for the new Canora Park Place was held on October 23, 1997. All the work had been completed on-schedule and went smoothly with no delays or surprises.

At the time of the case study (May 2010) the CHA reported that all of the units at the new site (Canora Park Place) and at the original site (Golden Age Centre) were fully occupied and there were no vacancies. According to the CHA, the turnover rate at Canora Park Place is about 4 units per year which is related to declining health, people moving to care facilities, and death. Currently, the units are full all the time and there is a waiting list of 17-18 people for seniors units in Canora.

The redevelopment was completed in less than two years from the beginning of the planning phase to the end of construction. This represents a considerable achievement, given that it involved moving both buildings and people from one site to another as well as adding a common area at the new site. In addition, the people involved were of advanced years (many in their 80’s and 90’s) and some of them had to move twice during the entire process. The success has to be attributed to the excellent working partnership between the local CHA staff and SHC SE Regional Operations in Yorkton. Having an experienced architect and general contractor (Westridge Construction) also greatly helped with the coordination of building relocation and construction.

- **Canora Park Place after the moves:** Since the moves, residents of Canora Park Place live in a residential area within a few blocks walking distance from the downtown shops, and close to the curling rink and skating rink. The community was reported to be very pleased with the results of the redevelopment. Tenants are now able to walk down to the common

area in all types of weather without having to go outside when they want to socialize. In addition to the improved location, there have been significant benefits from the increased social activities and involvement of residents, such as:

- After the moves, the tenants formed a Tenant Association enabling them to receive some provincial government funding for activities in their common area. This funding is provided on a per unit basis (\$24/unit/year) so that they now have \$624 annually for activities.
- Having a Tenant Association enabled CHA to provide funding (\$5,200 per year) to pay for a part-time social coordinator. The coordinator works flexible hours and organizes activities such as exercising classes, brings in entertainment, and helps the Tenant Association to put on bingo's twice a week, and arranges special events and pot luck suppers (including Ukrainian dinners). There are monthly meals and church services, and tenants play cards in the evenings, which is especially important in the winter months.
- The Tenant Association has brought the residents together to carry out their own fundraising events such as bingo's to purchase dishes, silverware and equipment for the kitchen to add to items that were donated. They have purchased items for the lounge (a TV and DVD, shuffleboard and games). Having the Tenant Association has given the tenants a sense of community and ownership in their new location. Participation in all of these activities is entirely voluntary and most people are involved.

These types of changes in social interaction and activities have reduced the isolation of seniors while they are still living independently in their own units.

Meanwhile, CHA continues to operate and maintain the remaining buildings at the original site of Golden Age Centre which was transferred to the Town of Canora. There is a common building that can be used by the tenants. There is no Tenant Association, but it was reported that tenants socialize on a one-to-one basis such as having coffee with their neighbours. It was reported that there were few changes or social impacts in this area after other buildings were moved to Canora Park Place.

B.4 Tenant and Community Interests

At the initial meeting with tenants in 1996, a majority were interested in moving to a more convenient location and having access to more social activities. After the move, the involvement of tenants in the tenant association has resulted in fundraising to enrich their common area and there are indications that the housing and new activities are meeting their needs.

There was reportedly considerable support from the broader community for the redevelopment to improve the lives of its seniors. One community resident was concerned about the 'loss' of the Town park and organized a petition to keep the park. However, according to those interviewed, 99% of the community residents supported the redevelopment.

B.5 R-R Costs

The original bid for the contract to relocate the buildings, construct the new common area, connecting services, and work on the buildings totaled \$1.139M. The final cost was estimated at \$1.262M in 1997 dollars, roughly a 10% increase.

The difference was accounted for by work added on for bedroom windows and adding screen doors to units after the buildings were moved. These items had not been included in the original contract. Based on the 26 units moved this represents an average cost of about \$48,000 per unit. Most of this cost was associated with moving the buildings and adding the new common area with modest work being done to renovate the units themselves.

There were some additional costs including the tenant moving costs of about \$1,500 per tenants which were paid by the SHC. There were also internal staffing costs at the CHA and SHC for carrying out the work. There were regular monthly meetings with the architect and the CHA Board during the work. However, it is difficult to estimate these internal costs.

There was no cost to purchase land at the new site since this was donated by the Town of Canora in exchange for the original site. Both the CHA Board of Directors and the municipal council approved this exchange of land ownership. There were no direct costs to the municipality for the redevelopment work although it cost-shares the ongoing operating subsidies for all social housing. Since there were already vacancies in the original housing, there were no net additional losses from rental revenues associated with units being vacant during the work. Furthermore, tenant relocations did not increase waiting times for applicants on the waiting list because tenants were not relocated into other social housing off-site.

B.6 Financing

The \$1.2M costs of the renovations for Canora Park Place were funded by SHC as part of its regular funding for social housing under the Federal/Provincial Social Housing Agreement. There was no new money or special program for the redevelopment.

Although the cost of moving buildings is high, persons interviewed noted that these redevelopments were funded based on a SHC guideline that the costs should be no more than 75% of the cost of new construction. About six similar 'relocation' redevelopments were carried out in communities where there were opportunities to relocate units to meet changing housing needs. Generally, these involved moving buildings from an outlying location to a more central site.

B.7 Outcomes/Results of R-R

The overall results of the relocation to Canora Park Place have been very positive for its senior tenants, reducing their social isolation and improving their quality of life.

Physical:

- The new layout of buildings and addition of a common area accessible by an internal corridor have made it much easier for seniors to get together outside their units.
- The new central location is more accessible for seniors to use local amenities.

Social:

- As many tenants are in their 80's and 90's, the redevelopment has increased social activities for seniors reducing their social isolation. The large majority of seniors are involved in activities in the common area. Persons interviewed said that only a few seniors do not like socializing. The new central location is also close to shops and amenities in the downtown area.
- Families of seniors in Canora Park Place have also expressed their satisfaction with the changes.

- By leaving some buildings at the original site, it was possible to provide more choice of location and lifestyle for seniors who may prefer the quieter setting with less social activity.

Environmental:

- There were no environmental factors identified. However, avoiding demolition of older units reduces the amount of waste and demand for new building materials. This is more environmentally sound, especially when existing structures have some remaining useful life.
- The new site layout is a much more efficient use of land as the buildings are closer together.

Economic/Financial:

- Reduced vacancies and losses on empty units have reduced operating costs for both the relocated units and the original units at the old site.
- Tenant rents are based on a graduated RGI scale up to 30% with a current maximum monthly rent for 1- or 2-bedroom units of \$507/month in Canora Park Place. The tenant rents stayed at the same rent level as in their former units. The CHA has added one new charge in the new location -- a flat rate monthly change for utilities of \$38.00. In the previous units, there were individual meters. CHA covers the costs for heat (natural gas) and water, grass-cutting and snow removal. CHA is charged a garbage fee by the Town of \$8 per month per unit which is passed on to the tenants, and there is a \$5/month parking fee for tenants who have their own vehicles. Therefore, there was a small increase in monthly payments of \$8-\$13 for these charges.

No unexpected outcomes were identified.

B.8 Achievement of Objectives

The work at Canora Park Place was reported to have achieved all of the R-R objectives in terms of:

- Moving the housing to a more central and less isolated location;
- Re-designing the layout of the units to link them to a new common area;
- Meeting the needs of an aging clientele by increasing access to social and other activities in the housing complex;
- Eliminating vacancies in the units and maintaining full occupancy on both sites; and
- Being completed within the expected time frame and close to the original budget.

B.9 Lessons Learned

Key lessons learned, identified by the interviewees, were:

- **Social housing may need to be adapted** as seniors get older. However, there is no one solution that fits all preferences. As noted in this case study, some of the seniors did not want to move into a more apartment life-style and they had the option to stay in their existing housing.
- **Remember that tenants are being affected.** Meet with tenants to find out what they want and to explain exactly what is being done. Do everything possible to make the seniors happy during the process.
- **Have one general contractor** to manage all of the work. This is seen as the best approach.
- **Have regular meetings** with the architect and contractor as the work proceeds to answer detailed questions that come up on-site.
- **Having support from the Town** and local residents makes everything go more smoothly.

Similar types of redevelopment were undertaken in several other communities (including Melville and Bruno) around the same time. When asked if the CHA would do it again, the answer was ‘yes, if we had the money’! In interviews with staff of SHC it was noted that, although several similar ‘relocations’ were undertaken some years ago, there are no plans for additional similar redevelopments at this time.

- It was noted that there were some specific conditions that made this approach feasible including the actual style/design layout of the buildings that made it easy to reconfigure these on a new site. Although this works, SHC has only undertaken a few redevelopments like this as most of the semi-detached designs cannot be assembled into apartments because of the location of exterior doors and bedroom windows.

In the past few years, SHC has been undertaking other building ‘relocation’ developments involving taking under-utilized seniors buildings to smaller northern communities, to provide much needed accommodation for single persons.

C. Summary Assessment⁸³

There were many interesting aspects in this redevelopment, including the following:

- The case study demonstrates a way to adapt and reconfigure existing social housing to better meet the changing needs of its tenants without demolishing and rebuilding new. This is especially relevant when there are no programs or funding for constructing new social housing.
- While the cost of using existing structures may be lower than the cost of new construction, the cost-effectiveness of moving and reconfiguring existing buildings needs to be considered in light of the expected life of building systems in older buildings.
- Planning for the location of seniors’ housing needs to take account of both current needs and potential future needs related to aging in place. Proximity to amenities such as social and community services and the availability of transportation contribute to continued quality of life for seniors living independently as they become older.
- It is also interesting in that it illustrates the diversity of seniors’ preferences about where they want to live and the types of social activities they require. This indicates that there is no ‘one-size-fits-all’ solution. Despite what might appear to be isolation and transportation difficulties, some still appear to prefer a quieter setting. Therefore, it is especially important to meet with tenants to find out what they want before beginning a major relocation effort that affects their lives. This case study demonstrates how the housing provider was able to respond to the different needs and wishes of its tenants by giving them a choice of where they lived.
- Having the full support of the local community and the municipality provided opportunities to find new locations without added costs. This can make it more financially feasible to complete ‘relocation’ developments. Even though physically moving buildings is expensive, it is also expensive to demolish existing buildings. Therefore,

⁸³ This section is intended provide the researchers’ assessment of the implications of the case study in relation to the overall R-R research project.

a full economic costing of options for any proposed redevelopment needs to be considered.

- ‘Relocation’ of housing, like demolition or major renovation, involves disruption of tenants’ lives and tenant relocation. The case study showed how phasing the work helped to minimize the dislocation of tenants from the original site and the number of moves people had to make.
- The tenant relocation aspects of the work require a considerable investment of staff time to help the tenants through the process – especially when tenants are much older as in this case. It is not simply a matter of paying tenants a ‘flat fee’ to move.

Sources:

No planning or financial documents were available for this case study.

Interviews were conducted with staff of Canora Housing Authority and Saskatchewan Housing Corporation.

Case Study #8:

Lions View (Vancouver, BC) HFBC Housing Foundation

Rationale for this case study: Lions View was selected as an example of R-R for an older private non-profit, seniors' complex on a large site that allowed for densification and public-private partnership to replace social housing stock and provide additional units.

Its experience may be useful for other housing providers addressing changing needs and wishing to increase the stock of social housing without public funding.

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A. Lions View: Background Information and Summary	
<i>Lions View: Key Organization Involved: HFBC Housing Foundation</i>	
Original Housing and Before R-R	<p>Lions View, a non-profit seniors' complex, was the first housing developed by HFBC, a non-profit housing society. Built between 1952 and 1960 on a large 3-acre site purchased with funds donated by the Lions Clubs, construction assisted by a grant from the Province of BC under the Elderly Citizens Construction Aid Act and a 40 year fixed rate mortgage from CMHC under Section 15 of the NHA.⁸⁴ The City of Vancouver granted a property tax exemption. All these resources combined to make rents affordable without any ongoing operating subsidies from governments. The 91 units in 14 two-storey, walk-up row and 4-plex structures housed about 100 seniors. Units were small, many of them bachelor units, and there were no modifications for persons with physical mobility disabilities.</p> <p>By the late 1980s, HFBC faced increasing costs to upgrade existing units and the need to make them more accessible for seniors. With no money to hire professionals, HFBC tried to find ways to get development plans done by volunteers. After many redevelopment design plans done (on a voluntary basis by students in the UBC School of Architecture and other volunteers) failed to produce a plan that was acceptable to the City of Vancouver and the neighbourhood, Terra Housing Consultants Ltd. of Vancouver was engaged and worked with the society to reach the successful redevelopment plans in 1989.</p>
Time Frames	<p>Planning: 1987 – 1989 (about 2 years)</p> <p>Implementation: 1989 – 1995 (about 5 years)</p>
R-R Work Undertaken	<p>Renovation of existing buildings was not economic, and the large site allowed for increasing density by adding 35 more units of social housing and 48 private condo units, increasing the total number of units on the site from 91 to 174. Work began in 1989 and was completed over 5 years in 1995.</p> <p>With financing assistance from the BC non-profit housing program, phases 1 and 2 included demolition of all existing buildings and replacement of all the existing 91 units with 92 new units in low-rise apartment buildings that were more accessible for seniors. Phase 3 involved the construction of 34 additional units of affordable rental housing for seniors without government capital financing assistance. In addition, 48 private condo units were constructed and sold by the developer partner.</p> <p>HFBC entered into a partnership with the developer (Van Maren Construction) for sale of part of the site for private market condominium units for seniors with more retirement income sources. Proceeds of about \$2M from the sale of land and a 50:50 profit-sharing agreement on the sale of condo units with the developer generated revenue for HFBC to finance the additional 34 units of rental housing in the 3rd building for low-income seniors who receive rental assistance under the provincial SAFER program.</p>

⁸⁴ Section 15 of the National Housing Act (NHA) predated the 1973 Non-Profit Housing Program. Section 15 provided long-term mortgages for both non-profit and private rental housing. Non-profits were required to contribute 10% equity (generally in the form of the land), and provided long-term mortgages for the remaining 90% over 40 years at 8% interest rates, with operating agreements requiring rents to be set at 'economic' or break-even rents for the term of the agreements. Private rental housing financed under Section 15 was eligible for 100% mortgages and subject to rental agreements for 15 years.

A. Lions View: Background Information and Overview (cont'd)	
After R-R	<p>As a result of the HFBC-developer partnership, redevelopment increased social housing (35 more units⁸⁵) at no cost to government, as well as replacing all the old units, and adding new market condo units for seniors. The new housing was more accessible for seniors with mobility difficulties, and the income mix was diversified.</p> <p>Furthermore, proceeds from the third rental building (financed without capital subsidies) have created a HFBC New Sites Development Fund. Since 1995, this Fund has enabled HFBC to purchase 5 other buildings in Vancouver for non-profit housing.</p>
Key Changes	<ul style="list-style-type: none"> ■ New construction replaced 91 with 92 new units and an additional 34-unit rental building for low-income seniors, a 38% increase in social housing for lower-income seniors. ■ Units are more spacious (1-bedrooms rather than bachelors), buildings are more accessible (with elevators), and designed for seniors with physical mobility difficulties. ■ More intensified use of a valuable site, diversification and additional income mix with 48 private condominium units.

B. Key Findings on Research Questions

B.1 Reason(s) for R-R

By the late 1980s, Lions View's buildings were in need of major repairs. As well, the walk-up housing did not suit the needs of seniors with mobility problems. The costs of renovations would have been very high, and HFBC decided to redevelop the site it owned with completely new housing for seniors at a higher density that better utilized the large site.

B.2 Objective(s)

The main objective of the redevelopment was to replace the existing but out of date affordable rental housing for seniors at Lions View with new buildings that were more accessible for tenants with physical mobility challenges. At that time, government funding was available under the Homes BC program to finance new construction. HFBC

also had the objective of increasing the total number of units by leveraging their equity in the site. This allowed HFBC to raise financing for additional housing units for seniors without any government capital financing assistance. The affordability of these privately financed units was increased because of the housing allowances available for seniors in private rental housing under the provincial Shelter Allowances For Elderly Renters (SAFER) program.

B.3 Planning/ Implementation

As a non-profit housing provider HFBC lacked funding for the initial phases of redevelopment. HFBC (like other non-profit housing providers with financing from the NHA Section 15 program) was required to charge break-even rents for the 40-year term of their operating agreements with CMHC. Therefore, it had not been possible for HFBC to generate a 'surplus' to cover future large capital expenditures or redevelopment costs.

⁸⁵ These 35 units include the 34 units in the third building plus one additional unit in the two buildings that replaced the original units.

Further, there was an existing mortgage and operating agreement for Lions View with CMHC when HFBC began planning for the redevelopment. This existing mortgage had to be repaid and discharged before redevelopment could begin. HFBC had also estimated that it would cost about \$300,000 in up-front development costs to get through rezoning approvals with the City of Vancouver. At that time, there was no program available for start-up funding to bridge finance the redevelopment. It was noted in interviews that, even where start-up funding is available, the restrictions and reporting required can lead to delays and increase the risk of the development not proceeding.

To launch the planning phase, HFBC took the following steps:

- HFBC enlisted the help of Terra Housing Consultants Ltd. (a firm with considerable housing development expertise) as consultants to put together the overall concept for the redevelopment. The firm worked on a contingency basis whereby it would only be paid if the development proceeded. Working with the HFBC Board of Directors, this firm developed the design plan for Lions View to meet the Board's objectives. Its role included identifying 5 potential teams of developers-architects that had previous experience working with non-profit housing providers. Those interviewed for this case study noted the importance of working with developers that are knowledgeable about non-profit housing societies and how they work within a framework which is different from the private sector.
- The development committee of the Board of Directors conducted interviews with these 5 teams to determine which developer might be able to cover the up-front costs.

Three of the teams interviewed were not in a financial position to cover these costs on behalf of HFBC, one team said it might be possible, and one team reportedly said 'No problem'. This firm was Van Maren Construction of Vancouver.

- HFBC entered into a partnership agreement with Van Maren Construction for the entire redevelopment, and launched the site planning and rezoning application process.

This method of entering into contracts with private firms is different from standard public tendering methods for site development and construction contracts. Persons interviewed for this case study noted that non-profits are in a better position than government agencies to establish partnerships with developers because they do not have to use 'public tendering' processes.

The partnership agreement between HFBC and the private developer for this redevelopment had several interesting features that increased the feasibility of redevelopment. Not only did the private firm bridge finance all the up-front costs (such as architectural drawings, rezoning applications, environmental studies, and so on), but it also entered into a fixed price ('design-build') contract for construction profits at 6% (with no extras) on all the new construction planned for the site. Furthermore, the arrangement included the sale of a land parcel of the site for private condominium development and a 50:50 profit-sharing agreement from the sale of the condominium units. HFBC received about \$1.4M from the sale of the land and an additional \$600,000 from the profits from sale of the condo units, for a total of \$2M paid by the developer. These proceeds financed a major portion of the costs for the third new

rental building on the site owned by HFBC and enabled HFBC to achieve its objective of increasing the number of affordable housing units on the site.

HFBC faced numerous challenges in the early planning phase. Lions View was the first of the older non-profits to undergo a full-scale redevelopment. Before it could proceed, HFBC had to make arrangements to repay full balance of the existing mortgage. In addition, there was a covenant on the site related to a provincial grant for the original housing, and this covenant had to be removed from the title which required a change in provincial legislation. The City of Vancouver had approved additional density on the site because there was a slope at the centre that could accommodate higher density without major impacts on the surrounding single family neighbourhood. However, as HFBC noted, there were delays in obtaining a development permit from the City of Vancouver because the permit could not be issued until the existing buildings were vacant, and people could not be asked to vacate (under the Residential Tenancies Act) until a development permit was issued. Staff and consultants involved in the Lions View redevelopment noted that there were numerous delays and that these posed challenges.

While these issues were still being resolved, the developer began construction on Phase 1. For the developer this represented a considerable investment and risk before all the approvals have been obtained, and it was estimated by persons interviewed that the developer had already invested over \$1.6M dollars in the redevelopment at one point before approvals were in place. However, as those interviewed noted, this was a wise decision in retrospect and it was fortunate that pre-sales

of the 48 condo units were completed before a downturn in the Vancouver condo market which assured more shared revenue for HFBC.

The redevelopment of the HFBC's housing at Lions View involved three phases and the following key steps:

- HFBC submitted a successful application to a BC Housing proposal call (under the Homes BC program for new non-profit rental housing) for its first building with 45 units of non-profit housing.
- A second HFBC application was submitted to BC Housing under the Homes BC program for its second building with 47 units and was successful because it had a 'ready to go' proposal for building non-profit housing.
- Existing tenants had to move to allow for demolition of existing buildings. Existing tenants were able to move to other units on the site at Lions View, to other HFBC housing in Vancouver, or to British Columbia Housing Management Commission (BCHMC)⁸⁶ units.
- Construction of the two new HFBC buildings replaced the original 91 units with 92 units.
- Construction of the third building using the HFBC equity and with a private mortgage for the balance from Scotiabank (BNS). There were 34 units (28 one-bedroom and 6 two-bedroom units) constructed.

Work was phased over several years among the 14 original buildings on the site. Demolition began with one corner of the site and tenants were moved to other units on-site or to other

⁸⁶ BCHMC is the provincial government agency that manages rent-geared-to-income social housing.

HFBC housing or BC Housing Management Commission (public housing) units. When the first 45 unit building was completed, all tenants remaining in the old buildings on-site were moved directly into the new building. As vacancies arose in other buildings during the development process, these units were left vacant to minimize the disruption to tenants. By phasing the demolition and reconstruction work, HFBC was able to minimize the number of moves for tenants. Construction of all the new non-profit housing was completed in 1995.

Persons interviewed attributed successful completion of redevelopment to the consultants (Terra Housing Consultants Ltd.) and the partnership with the construction/developer (Van Maren Construction). HFBC itself has had considerable previous experience with housing developments including building 10 housing developments between 1952 and 1977 and another 9 housing developments between 1989 and 2001 as well as purchasing other buildings. However, it was noted that, because things change so fast in this sector, it would not undertake such a large-scale redevelopment without an expert developer and development consultant. The Board members of HFBC provided tremendous support during redevelopment but support from municipal politicians was difficult to sustain because development was phased over several years and there were changes in the individuals serving as political representatives. The redevelopment process was long and complex, and the persons interviewed said that they were very fortunate to have a lot of luck along the way to make all this work.

B.4 Tenant and Community Interests

HFBC kept the existing residents of Lions View informed about the redevelopment throughout the planning and redevelopment process. This

was especially important given that all the residents had to move and HFBC sought to minimize the impact on their tenants. However, there was no tenants' association and HFBC did not conduct a formal consultation process with meetings of the existing tenants. Those interviewed noted that there was limited scope for tenant input on the redevelopment plans since so many of the key decisions were prescribed through BC Housing funding and construction guidelines as well as city by-laws and fire regulations. Furthermore, there was no budget available for meaningful tenant involvement.

Redevelopment of Lions View encountered little resistance from community residents in the surrounding single family neighbourhood. The community was made aware of plans for the site during the rezoning application process at a public meeting. Their main concern had been that it should remain a seniors' housing development. Since HFBC had no plans to include families in the new proposed housing, there was no community opposition to the rezoning.

B.5 Costs

The costs of the Lions View redevelopment in the 1989-1995 period may be difficult to estimate in 2010 or any constant dollar. Persons interviewed estimated that the construction cost at that time for one-bedroom units in the three HFBC buildings averaged about \$120,000 per unit over the five year period. Therefore, with a total of 126 HFBC units (92 + 34 units), the total construction costs in 1989-1995 would have exceeded \$15M, plus the up-front development costs of over \$300,000.

There are, however, some elements of the costs that are worth noting:

- There were no land purchase costs for the new HFBC housing developed because the site was owned by HFBC and donated. Site servicing and infrastructure costs were included in the redevelopment costs.
- All of the up-front, pre-development costs as well as demolition costs to remove pre-existing buildings were eventually capitalized into the mortgages for the buildings constructed for HFBC.
- For buildings 1 and 2, the per unit capital costs were subject to limits set under the Homes BC non-profit housing financing program.
- Construction profits for all buildings were fixed at 6% under the partnership agreement between HFBC and Van Maren Construction.
- For the third rental building with 34 units, HFBC invested \$2M from its equity and had a private mortgage for \$1.5M. HFBC saved on the cost of mortgage insurance for this mortgage since the bank did not require insurance for the low ratio mortgage.
- The remaining \$11M (for buildings 1 and 2) were financed under the Home BC Non-profit Housing Program with 100% mortgages and those units will receive federal and provincial subsidies for 35 years (the amortization term of the mortgages).

In addition to the 126 new non-profit housing units built on the site, there was also 'private' development of 48 new condo units on the portion of the site sold to Van Maren Construction. This represents a total of 174 units built on the site,

28% of which were for private market sale. The sale prices of the condos (and the resulting profits) benefitted from the healthy real estate market at the time of the development. The developer paid about \$1.4M for the land cost and generated an overall profit of \$1.2M on the sale of the condo units of which 50% was paid to HFBC. The purchase price of the land for these privately-owned units was factored into the sale prices of the condo units. The developer also earned profits (a fixed 6% of the construction costs) from the construction of all new units in the redevelopment of Lions View.

It should be noted that all final costs and financial records were subject to the final audit process required by the Canada Revenue Agency.

B.6 Financing

Each of the 3 new HFBC rental buildings constructed at Lions View had their own mortgages. The first two new buildings were financed under the Homes BC program for non-profit housing with 100% mortgages and federal and provincial subsidies to reduce the rents to 30% of tenants' incomes. After 16 years, subsidies on these two buildings have declined to a total of about \$130,000/year and continue to decline. These small subsidies are partly due to declining mortgage interest rates and the fact that the HFBC Housing Foundation owned the land.

Pre-sales of condo units generated revenue to offset financing costs during this development.

The third rental building with 34 units was financed with the monies paid by the developer to HFBC (\$2M) and a private mortgage from the Bank of Nova Scotia (Scotiabank) for \$1.5M:

- BNS offered the mortgage at ½% below market interest rates and reduced mortgage application fees.

- Since there was no government capital funding associated with this building, there was no operating agreement with CMHC or the Province. Thus, HFBC had the flexibility to set rent levels at lower end of market to cover its operating costs and to generate an annual 'surplus' of about \$500,000 annually. These revenues have been contributed to the HFBC New Sites/ Redevelopment Fund for the purchase of 5 other rental properties (with 110 units) in Vancouver that are being converted to affordable non-profit rental housing for seniors without government housing financing.

The success of the financial model for building 3 at Lions View hinged on the availability of the provincial SAFER program that helped to make the rents more affordable for lower-income seniors in this building.

The Lions View financing model demonstrated with building 3 how to develop non-profit rental housing in a way that is self-sustaining, without government capital financing for housing. Over time it can lead to longer-term growth of a viable non-profit rental sector to increase the supply of affordable housing. Furthermore, the equity accumulated (in terms of land and property) remains under non-profit ownership and can be used for future housing development and redevelopment.

B.7 Outcomes/ Results of R-R

HFBC created a model for the first non-profit housing redevelopment in Canada. It was a highly successful model that used community-owned equity to renew and expand the supply of affordable housing as well as generating revenues for additional non-profit housing that is being converted to below-market rental units.

Non-profit ownership of land was seen by HFBC as the key to a vision for a self-sustaining non-profit housing sector.

Physical Results:

- All of the original (out-dated) housing was replaced with new, larger, affordable, and more physically accessible units for seniors.
- Additional rental units were constructed to increase the supply of affordable housing.
- Additional condo units were constructed to provide more ownership housing for retirees.

Social Results:

- Redevelopment improved the housing and living conditions for seniors including those with declining physical mobility. Such improvements have contributed to maintaining seniors' independent living in the community, reducing the need for seniors to move into more accessible housing or care facilities.
- Redevelopment also increased the size of units for most tenants from mostly bachelor units (in the old buildings) to one-bedroom units (in the new buildings). HFBC reported that the larger units improved the housing satisfaction and quality of life for the tenants.
- The subsidized non-profit housing (new buildings 1 and 2 have 35-year subsidies) has provided and continues to provide affordable rents charged at 30% of tenant incomes. Rental units in building 3 are affordable for low-income seniors because they are eligible for the provincial SAFER allowances to reduce their rent/income ratios based on 30%. Therefore, all tenants have affordable rents that are well below the market rents for similar accommodation in Vancouver.

- While rents meet standard social housing definitions of affordability, tenants did experience rent increases after the redevelopment. Before redevelopment tenants typically paid 15-20% of their incomes in rent because of the financing arrangements in the previous program (i.e., the rents were capped at break-even rents under the operating agreement with CMHC and HFBC was not allowed to increase the rents). Therefore, tenants moving into the new buildings experienced an increase in rents after redevelopment, which was explained to tenants as being a result of the change in financing. The change in rents was simply a function of the different financing agreements under the two government programs. Rents charged in the new Lions View buildings were on a par with the 30% of income standard charged in BCMHC units (as well as in other social housing elsewhere). Therefore, tenants who had relocated into BCHMC units during redevelopment would have been paying these higher rents.
- The income mix of residents in Lions View was changed as a result of the partnership with the development company and addition of private condominium units on the site. These units are owned and the purchasers have higher incomes and/or more retirement income sources than tenants in HFBC's rental units.
- All of the Lions View tenants had to move out during the redevelopment. By phasing the work, some were moved to other units on-site, and others moved to other HFBC housing in the city or to BCHMC housing. Tenants' relocation decisions were affected by various factors including ownership of 'pets'. This was important, because pets

were allowed in Lions View and BCHMC but not in other HFBC housing. HFBC estimated that about 50% of the seniors who stayed on-site during the 5 year redevelopment moved into the new units. However, some previous tenants had died or moved into care facilities by the time it was completed. Of those tenants who moved off-site (to BCHMC or other HFBC units), only one returned to a new unit. Tenants who did not return to the site had become settled and did not want to move again.

Environmental Results:

- Intensification of the site use increased the overall housing supply in a large urban centre where available land for housing development is scarce.

Economic/Financial Results:

- HFBC retained and expanded the supply of affordable rental housing for seniors with the Lions View redevelopment. The redevelopment was made possible by use of existing equity at Lions View owned by the non-profit corporation through a profit-sharing agreement with a private developer. Government housing subsidies were used to replace existing rental units, and private mortgage financing covered part of the costs of the additional units.
- The availability of housing allowances for seniors in non-subsidized units made the units more affordable to lower-income seniors.
- The redevelopment had broader outcomes in generating an ongoing revenue stream for reinvestment in other affordable housing in the local market at no additional cost to government.

B.8 Other Unexpected Outcomes

No unexpected outcomes were identified.

B.9 Achieving Objectives

HFBC achieved all of its objectives in the redevelopment of Lions View. All of the previous housing was replaced (91 units were replaced by 92 units in the two rental buildings) and an additional 34 units of affordable rental housing were provided for seniors.

B.10 Lessons Learned

From HFBC's perspective the key lessons learned were as follows:

- **Non-profit housing was a good investment in the 1950s, and was still a good investment in the 1990's. It has provided housing for over 50 years, and will benefit tax-payers into the future.** This illustrates a way in which non-profits can create new units of affordable rental housing without government capital financing assistance. Housing and equity in the non-profit sector are community-owned assets that are more secure than government or privately-owned housing because under the laws governing non-profits they are not allowed to sell off assets. Such potential for sustainable non-profit housing over time needs more recognition.
- **Equity from land is not enough for non-profits to rebuild affordable housing.** Non-profits need additional equity (from sale of part of their sites) and/or capital from surplus revenues of their operations. Non-profits are not able to create capital surpluses from subsidized projects (because of the terms of their corporate status and agreements with government) and therefore require more subsidies in the initial years after redevelopment. HFBC developed non-subsidized housing by using some of its own equity and private mortgage financing. With this part of its portfolio, HFBC has been able to create a fund and purchase other housing units, expanding its portfolio of affordable, non-profit housing even further.
- **Non-profits have options for redevelopment and more flexibility than government agencies.** This further demonstrates that governments do not always need to be involved to create additional affordable housing, and non-profits are able to undertake things in different ways from government.
- **Many obstacles are to be expected in redevelopment work because it is a complex process.** HFBC experienced many delays and difficulties in the redevelopment of Lions View, and the planning and implementation work took over six years to complete.
- **Delays increase risk and hinder these types of innovative redevelopments.** Working with multiple levels of government and delays in decisions create more risk to manage in redevelopment. One of the reasons for the success of Lions View was the ability of the HFBC partnership with the developer to move ahead without delays that would have jeopardized the whole redevelopment.
- **The key success factors in Lions View were the assistance of the consultant (Terra Consulting Ltd.) and the partnership with the developer (Van Maren Construction).** An experienced developer that understands how to work with non-profits is critical to achieve such projects. Having a developer 'with deep

pockets' was essential to get this redevelopment off the ground!⁸⁷

C. Summary Assessment

Redevelopment of Lions View private non-profit rental housing was a challenging undertaking. It succeeded in large part because of the innovative financing model which leveraged equity owned by the non-profit (HFBC) and through its partnership with an experienced developer. This case study illustrated approaches to address two major obstacles in launching such re-developments:

1. **Financing** for up-front costs to obtain all the approvals for redevelopment is challenging given that non-profits are not able to accumulate 'surpluses' for redevelopment and there are currently no start-up funding programs to cover these costs. Current government programs for affordable housing are designed for new housing development rather than for redevelopment and these programs are not specifically geared toward non-profit housing or for long-term housing subsidies. Even though non-profits have opportunities to leverage their assets (that is, the land or property they own) to offset part of the redevelopment costs, accessing this equity can be challenging when there are existing mortgages, liens or other covenants. A non-profit/private sector developer partnership such as was developed for Lions View is an innovative model that can help to overcome these difficulties. In the overall financial structure, HFBC's model for the third rental building was successful because

of the equity from land sale and profit sharing as well as the availability of housing allowances for seniors in British Columbia (SAFER) that reduced rents for tenants to affordable levels from the beginning. Without the SAFER program the rental building was financially viable but rents would have been closer to market rates initially and then reduced over time as the mortgage was paid down. Similar programs are not widely available in Canada, so non-profits in other jurisdictions may require more of their own equity without which they would have to rent units at closer to market rates for the first few years.

2. **Development expertise** is, if anything even more important in redevelopments than in the building of 'new' projects. Redevelopments that necessitate lengthy rezoning approvals and phased relocation of existing tenants on a site can mean that redevelopment is spread over many years. These processes can be lengthy and add to the costs for any developers involved. Thus, the choice of a developer who has experience in the non-profit sector is an important asset. A private component in any redevelopment may be a necessary incentive to reduce the risks and improve the profitability for a developer partner in other projects.

The longer term benefits of similar redevelopment of affordable housing in the non-profit sector could be considerable. Not only are housing and land assets a community-owned resource (rather than a private or government sector asset) but the

⁸⁷ Persons interviewed used the phrase 'deep pockets' to describe the ability of its developer partner to help with development costs. Another term that is sometimes used is 'patient capital'. Patient capital is another name for long-term capital whereby an investor or backer is willing to make an investment with no expectation of an immediate profit (i.e., defers any return for an extended period of time).

portfolio of affordable non-profit housing can be increased without long-term government/public investments. This greater sustainability of non-profit housing over the longer term is a valuable alternative at a time when publicly-funded social housing development is a scarce commodity.

Sources:

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www.housingfoundation.ca/projects/lionsview.html

Interviews with HFBC and consultants.

Visit our website at www.cmhc.ca

