



CANADA MORTGAGE AND HOUSING CORPORATION

BUILDING YOUR TEAM

A new affordable housing development is the result of the vision and hard work of many people: staff, municipal employees, community partners, funders, volunteers and development professionals. Building partnerships and developing a strong team with diverse skills and experience, will enable you to accomplish more than you might on your own.

Housing partnerships have become increasingly common over the past decade as one way to enhance limited resources and achieve the strategic objective of developing housing that is affordable and accessible.

This fact sheet outlines the steps required in building a successful partnership for those interested in developing housing for affordable rental or homeownership.

Considerations

Before you begin the process of building a housing partnership, you need to be very clear about your housing objectives: what are the housing gaps in your community, who is your target group, and how to best address the need; are the gaps due to a lack of housing supply; affordability; or condition of existing housing? Is your target group families; seniors; people with disabilities; or a combination of groups? Are support services needed to ensure successful tenancies? Is the lack affordable rental, affordable homeownership, or both? To determine the answers to these questions, you may need to complete a housing needs assessment. Refer to the CMHC fact sheet, *Assessing Housing Need and Demand*, for information on conducting an assessment.

Once you have determined your housing objectives, it is time to begin exploring partnerships.

Step 1: The Internal Planning Process

Partnerships are defined as relationships between two or more parties that work together on common or complementary goals. Characteristics of a partnership include joint investment of resources; shared liability; shared benefit; and shared authority and responsibility.¹

Through your internal planning process, you will identify your organizational strengths—those resources, skills and experience that you can bring to a partnership. You will also identify your gaps—those needed resources, skills and experience that suitable partners can supply. For example, a proposal to develop supportive housing for people with mental illnesses might require:

- A non-profit housing society with experience in developing and managing affordable housing;
- A community agency experienced in providing services to people with mental illness; and
- A private sector developer who is experienced in land development and construction.

¹ The Development Exchange (February 4, 2004). City of Toronto and ONPHA. www.onpha.on.ca

When contemplating a partnership, you need to remember that while effective partnerships balance the interests of the partners, each prospective partner is responsible for coming to the table with its own foundation in place, ready to represent its own interests. A partnership should never negate your fundamental vision, mission, or core values, which drive your operational goals and objectives.

Suggested Activities

- Hold a strategic planning session with board members, if applicable, and/or key staff to address these key areas:
 - Review mission, vision and core values.
 - Review operational and governance policies and procedures.
 - Review or develop your housing goals and objectives.
 - Review your existing program agreements, if applicable, for possible restrictions on partnering.
 - Complete a “gap” analysis of your resources.

Step 2: Understanding Partnerships

Partnerships are formed for a myriad of reasons, such as: sharing staff, office space and other resources; providing services, such as recreation, nursing, life skills or meals; bulk purchasing goods and services; operating a social

enterprise; leveraging fundraising opportunities; etc. Partnerships can range from short-term collaborations to achieve specific goals or events, such as a fundraising gala, to long-term alliances to provide ongoing services or programs, for example, partnering with a chiroprapist to provide foot care to fragile seniors in supportive housing.

Potential partners may be affinity-based, for example, two housing providers or a housing provider and social service agency; or they may be business-based, such as a housing provider and a land developer. Partnerships can be short-term, for example, for a fundraising campaign, or long-term, for the provision of support services in a seniors’ building. You can find potential partners in the public sector, non-profit sector, and/or private sector, for example:

Public Sector Municipal (local and regional) governments; provincial government; federal government.

Non-Profit Sector Charitable foundations; non-profit rental and co-op housing organizations and advocates; fraternal or service organizations; community service agencies, faith-based organizations.

Private Sector Developers and builders; financial institutions; suppliers; chambers of commerce; architects, development consultants.

Successful partnerships are built on trust, understanding, and the ability to achieve some individual goals or benefits by working together. The keys to building effective partnerships involve each potential partner managing

its organizational risks and understanding its real “wants” and “needs” in order to balance the interests of the partners.

Successful partnerships achieve common goals; maximize resources; leverage investment; facilitate fundraising or innovative financial mechanisms; minimize risks; enhance the credibility of the participating organizations; provide enhanced supports to their client groups; and/or actualize projects that meet community needs. Successful partnerships are frequently described as “win-win” situations. Role sharing, levels of risk, financial and other resources, and investment do not have to be *equal*, but do have to be *equitable*, to achieve an effective partnership.

The partners’ corporate values need to be compatible, but not necessarily identical. Their respective corporate goals need to be clearly understood to develop and maintain a successful partnership. Those goals can be different but should not be conflicting.

Good communication among participants is essential. Viewpoints, issues and concerns need to be expressed openly and honestly. Hidden agendas hinder the process. Open, honest communication builds trust and respect among partners, which are critical to the long-term success of a partnership. Both are factors that are earned over time as the partners work together.

Differences are not fatal. While agreement in all things may not be possible, attaining a level of mutual understanding is the more important

goal. Partners that are committed to the values of the prospective outcome will work together to overcome issues and meet each other's needs. Effective and lasting partnerships exist best in an environment where the partners recognize and respect the other's role and contribution.

Successful partnerships most often have a strong leader who plays a central role in maintaining relationships and building trust and respect among the players. The leadership role is not a function of the size, money or resource commitments or the organization—it is likely more reflective of the leader's commitment to the need for and value of the prospective partnership. The leader ensures that everyone is involved in the process and dealt with fairly.

Suggested Activities

- Identify areas where partnering would strengthen your housing objectives.
- Brainstorm criteria for your ideal partner(s), for example, complementary knowledge and experience, financial resources, available land, etc.
- List the potential partners—government agencies, individuals, community organizations, and businesses—that fit your criteria.
- Develop a business plan that will “sell” your organization to your potential partner(s).
- Meet with your prospective partner(s) to explore areas of mutual benefit.

Step 3: Building the Partnership

To build an effective partnership you must now begin to work with your identified partner(s) to negotiate partnership goals and objectives that will balance both your interests. Develop clear understandings about the nature of the partnership (for example, scope and complexity); time frame; required human and financial resources; management of the partnership; and legal liabilities. In the final stages you may have to negotiate some adjustments. Building the partnership is the longest part of the partnership development process. This step takes time and commitment by all the players.

Suggested Activities

- Learn about each partner's mission, vision, core values, organizational goals and objectives.
- Learn about each partner's organizational structure and culture, for example, how decisions are made.
- Develop partnership mission, vision and values statements.
- Develop mutually agreed upon goals and objectives for the partnership.
- Identify each partner's roles and responsibilities for the partnership.
- Negotiate collaborative solutions to outstanding issues.
- If any outstanding issues remain, decide whether it is a “make or break” issue.

Step 4: Write a Partnership Agreement

Given the financial magnitude and program complexity of partnerships involving housing, a written partnership agreement is essential. The agreement spells out clearly the agreements reached by the partners, and in the event of a conflict, provides clarification of the partnership components. The written agreement should be detailed enough that it serves as a blueprint to the partners. It is important for all partners to seek professional advice—legal and financial—before entering a formal partnership arrangement.

A typical partnership agreement² contains:

- A statement of purpose (scope and relationship) for the partnership.
- The goals and objectives (outcomes) for the partnership.
- The length of time of the agreement, and how it will be evaluated and renewed.
- The respective roles and responsibilities of each partner.
- The partners' resource commitments, for example, staff, facility, or in-kind.
- The partners' financial commitments (this section could include a budget).
- The structures and reporting relationships for staff who operate within programs or operations covered by the partnership, including any changes to the governance responsibilities or structures of the organizations produced by the partnership.

² Adapted from Ferronato, Sherry and Perryman, Gavin (2004). *Working Together*

- Policies regarding annual program evaluation, accountability, risk management and conflict resolution for areas covered by the partnership.
- Details concerning any legal entities created to serve the partnership.
- A decision-making process, for example, majority rule, or consensus.
- A dispute resolution process.
- A termination of partnership process.

Suggested Activities

- Seek financial and legal advice before entering a formal partnership arrangement.
- Write a partnership agreement.
- Establish a regular review/evaluation process.

Conclusion

Operating in a successful partnership allows each partner to utilize its resources and talents most effectively. Forming and maintaining a partnership takes much thought, preparation, and hard work; however, the benefits can be huge. Communicate regularly. Modify your partnership as necessary. Celebrate your successes.

Further Resources

Strategic Planning, http://www.managementhelp.org/plan_dec/str_plan/str_plan.htm

Affordable Housing Solutions: Fifteen Successful Projects. CMHC Research Highlight, Social-economic Series 84. June 2001. www.cmhc-schl.gc.ca/odpub/pdf/62500.pdf

Building Effective Partnerships. BC Non-Profit Housing Association. 2006. <http://www.bcnpha.ca/admin/fileupload/PGWeb07.pdf>

Models for Sustainable Partnerships between Housing Providers and Community Agencies to Address Homelessness, www.bcnpha.ca/admin/fileupload/MODELSweb.pdf

Partnership Options and What Makes Them Work, www.onpha.on.ca/affordable_housing_initiatives/dev_resources/doc/partnership.pdf

Collaboration and Partnering, www.vskn.ca/commune/comm_collab.htm

Various case studies, CMHC, www.cmhc-schl.gc.ca

Partnership Tools, for example, partnership agreements, www.lgpartnerships.com/resources/tools.asp

Ferronato, Sherry and Perryman, Gavin (2004). *Working Together*. <http://wt.bbbsc.ca/workingtogetherwebsite/wwwEnglish/html/home.shtml>