

# **GRTs in Quebec: a unique model for non-profit housing delivery**

**The documentation of Group of Technical Resources (GRT) Model in Quebec, exploring the adaption of the third sector social affordable housing delivery model in housing policy transition**

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# Introduction

Technical Resource Groups (Groupes de Ressources techniques, hereafter GRT) model in Quebec presents a way to help the housing crisis through the third sector. In the past decades, this unique housing intermediary-organization system has successfully provided affordable units to the public and created housing cooperatives with self-governance autonomy. With the public sector's support, GRTs have completed considerable amounts of third sector-led social affordable housing projects. However, governmental resources are not always present because of the shifting housing policy. Now, the model is facing new challenges.

GRTs emerged in the 1960s and 70s along with all other social movements. Activists of architects and urban planners came together and fought for housing rights for the local community. The civil social organizations, includes the GRTs became more important as the growth in their professionalism and recognition by the provincial government. The community-based groups were institutionalized, entering sub-contracting relationships with the provincial government (Henaway et al., 2021, p. 34), and their service was formalized into the government's program. With the secured funding resources from the Quebec government, GRTs have involved in more than half of the community housing creation in the province through new construction of mid-rise multi-unit buildings and renovation of existing community housing. However, the successful model is now under threat due to the withdrawal of the AccèsLogis program, the main provincial housing program which delegates most resources to the third sector housing sector, by the current provincial government. Whether the GRT model can still work and deliver sufficient social affordable housing has been questioned. Currently, GRTs are exploring new paths and stable models for the development of decommodified housing which entails the organizational transformation, new financial strategies, and diversification of services. This research project conducts interviews with professionals involved in the GRT system and contextualize the transitional moment in the Canadian context. The objective is to document the model and process of housing production of the GRTs, which are not well known outside Quebec, with the hope for an alternative response to housing crisis derived from the result.

This research documents the GRT model, the institutionalized resource group system in the third sector housing development in Quebec. It begins with a brief overview of the history and types of nonequity housing in Canada and how it is continued in Quebec. The finding section details the current GRT model, the challenge, and how they answer the challenge with the comparison with the non-profit developers outside Quebec based on the data collected through the eight in-depth interviews with the stakeholders in the model. The report concludes with discussions about the challenge and future of the resource group system derived from the third sector housing development model.

# Literature Review

## The nonequity housing in Canada

The nonequity housing, also interchangeable as decommodified housing, refers to housing produced for the use value rather than for the exchange value as a profitable commodity. The key feature of nonequity housing units in Canada is that the land and units are permanently removed from the private market (Dreier & Hulchanski, 1993, p. 53). In other words, they cannot be resold or privatized. Tenants pay a reasonable rent for a secure and decent tenure situation. When they leave, the unit is passed on to the next user rather than being sold. The units are usually owned by housing agencies of the government and non-profit organizations, operating housing buildings with mandates for social purposes (Sousa & Quarter, 2010, p. 591-592; Carter, 1997, p. 625).

There are four main models in Canada's nonequity housing sector: public, private non-profit, municipal non-profit, and cooperative (Sousa & Quarter, 2010, p. 592). Public housing is the initial model of nonequity housing and soon ceased in the early 70s, in the forms of large-scale high-rises taking part in major urban renewal projects. In the model, government and its agency are the leading actors in construction and management. It was criticized for the costly over-bureaucratic management and stigmatization of the tenants (Vaillancourt et al., 2001, p.9). The latter three housing models, featuring the partnership with the third sector, are the alternatives to replace the public housing model.

This group of municipal non-profit, private non-profit, and cooperative housing is often referred to as social housing since they are socially assisted, and they successfully housed a broader social and income mix population than that of the public housing projects (Dreier & Hulchanski 1993, p. 52). Municipal non-profit and private non-profit are both under non-profit housing, distinguished by their sponsors. The municipal non-profit housing owned by the city's housing authorities has appointed board directors and members and a bigger scale of 100-1,000 units. The second type of non-profit housing, private non-profit is owned and operated by private non-profit groups such as faith-based groups, seniors' organizations, unions, ethnocultural groups, etc. (Dreier & Hulchanski, 1993, p.54; Sousa & Quarter, 2010, p.598). They create smaller-scale buildings, usually less than 100 units, for tenants with specific needs by specializing in transitional housing or supporting housing, for example.

Cooperative housing is the most innovative model introduced by the new social housing program of the federal government in 1973, considered as an alternative to conventional homeownership for low- and moderate-income households (Dreier & Hulchanski, 1993, p.56). Cooperatives are owned and managed by the members on a relatively small scale, by less than 100 units, and fit well in the local neighbourhood. Residents are also coop members that highly engaged in the member-controlled communities. Units cannot be sold or passed on to the private market. When residents move out, another household on the waitlist will move in. In contrast with the other two models of social housing targeting mainly the low-income group, coop housing has

successfully housed residents with an income mix, in which they manage to coordinate subsidized and unsubsidized units through the member board-conducted selection process (Sousa & Quarter, 2010, p. 596). The social housing models presented a great success for the third sector as actors in the affordable housing delivery.

## **The brief history of the nonequity housing of Canada**

The housing policy in Canada is dynamic with different intergovernmental involvement. In the nonequity housing sector, especially since 1940, there were three major transitions in the housing system regarding the federal government housing policy.

### First transition: the starting of government involvement (the 1940s to 1973)

The first transition followed World War II. Since the postwar time, the federal government has started becoming an active player in launching new housing construction to stimulate the economy and deliver housing units for people with no access to adequate housing (Carter, 1997, p.597). The primary nonequity housing model was rental public housing, which was provided, owned, and administrated by the government and its agencies through the Public Housing Program (Sousa & Quarter, 2010, p.592). The main financing was directly provided by the federal housing agency, CMHC (Canada Mortgage and Housing Corporation), with a 10 to 25% capital contribution from the provincial governments (Carter, 1997, p. 597). Tenants pay rent based on their income, and the operation was supported by the operation subsidy by the public sector. By the mid-70s, the public housing model had been replaced. The stock of this type of housing was about 200,000 units, which is about 2 percent of Canada's housing stock in the early 2000s (Hulchanski, 2006, p. 223-224).

The large-scale high-rises model was criticized due to the heavy financial burden and stigmatization of the residents (Dreier & Hulchanski, 1993, p. 44; Vaillancourt et al., 2001, p. 9). The programs were phased out in the early 70s, and the political will shifted away from the model. That leads to the second transition: a reorientation of the housing system toward the third sector (Dreier & Hulchanski, 1993, p51).

### Second transition: the introduction and fostering of the third sector (1973-1995)

The 1973 amendment to the Nation Housing Act introduced new social housing programs for public, private, and cooperative non-profit housing (Dreier & Hulchanski, 1993; Cater, 1997; Vaillancourt et al., 2001, p. 9). The change impacted the system profoundly by fostering the development of the third sector to be the primary vehicle in the following decade for social housing delivery (Cater, 1997, p.597). The new program encouraged a new form of socially mixed nonequity housing through community-based and municipal non-profit organizations. It provided a long-term government mortgage covering all capital costs of a project with an 8 percent interest rate, which is slightly lower than the market interest rate then (Dreier &

Hulchanski, 1993, p. 52; Carter, 1997, p.597). Additionally, only 90% of the mortgage is repayable, with the rest 10% as a grant.

The program created three types of organizations that own and manage the property: the municipal non-profit, a housing agency established by the local government, the private non-profit established by non-profit organizations, and the housing cooperative created by the resident members, as mentioned in the previous section. These community housing projects feature small-scale, usually less than 100-unit, and infilling development well-fitted in the local neighbourhood (Sousa & Quarter, 2010, p. 596-597). It also achieved socially mixing within the building and the neighbourhood. The new programs successfully provided flexible housing development tools for the local community to deliver the housing that best suit the local needs and special needs in terms of spatial feature and governance structure (Dreier & Hulchanski, 1993, p. 54, 59). At the end of 1993, the year when the program funding ended, about 447,000 units non-profit and coop housing units being built (Carter, 1997, p. 601)

The model impacted the housing system in 3 aspects. The program successfully contributed to the housing stock with permanent, good-quality community assets that will never return to the private market. Secondly, the program allows the municipality to access the federal funding that helps the local government to play a more significant role in the housing system, creating the municipal housing corporation that plays the roles of owner and manager. Lastly, the past two decades have witnessed the increasing competence of the third sector through the fostering of the program (Dreier & Hulchanski, 1993, p. 52; Carter, 1997, p. 597). Without the stability and support of the program, the community-based housing development cannot emerge and mature. The staffing and organizational infrastructure are built throughout the process, which is what allows the non-profit sector to become a real player in the community development business (Dreier & Hulchanski, 1993, p.72).

It is worth noting that the model also allows the emergence of intermediary resource groups, playing the role of development consultant in support of development, management, and financing. An accompaniment approach, aiming “to help develop communities, not just the housing project,” seemed to be developed. The evaluation paper of the cooperative housing program of CMHC stated that the community-based resources group has effective involvement in housing coop development and management and still providing development services for over a year after the project (Dreier & Hulchanski, 1993, p. 56).

However, despite the fruitful outcome, the programs confronted spending restraints since 1986, and the funding was incrementally decreased (Carter, 1997, p. 603). As the funding and resource declined, some non-profits chose to specialize in only property management and give up the development component. On the other hand, other non-profit organizations tried to find new partnerships and sources of funding to continue the role of non-profit developer (Carter, 1997, p. 626).

Third transition: the ending of federal intervention (after the 1990s)



Funding from the federal government was cut drastically in the 1980s with the deficit reduction initiative. The third transition happened in the mid- 1990s when the Canadian government reconsidered its role in providing nonequity housing (Sousa & Quarter, 2010, p. 600). In 1993, the federal government ended its 50 years of direct involvement in administering social housing programs and withdrew itself from the direct financing by devolving the responsibility to the provinces by 1996 (Hulchanski, 2006, p. 230; Carter, 1997, p. 603; Sousa & Quarter, 2010, p. 600). Since then, the provinces have supposedly become the leading player in the housing system; however, provinces have answered the challenge differently. Province, such as Ontario, devolved the primary responsibility for nonequity housing again to its municipalities in the early 2000s (Sousa & Quarter, 2010, p. 600); whereas Quebec was one of the two provinces that continued the nonequity housing development without federal resources since it is more cost-effective to develop community housing than the public housing approach (Carter, 1997, p. 618; Gleason, 2021, p. 4)

Seeing the governmental assistance has ended in the third transition, some of the organizations in the third sector still continued to contribute to the social housing development; examples can be found across Canada. The key to the alternative models lies in the diverse funding resources. The cases brought up by Carter (1997, p. 626) sought resources from fundraising, private mortgage, pension loans, donation, equity contributions from the member, etc.

The third sector involvement has been the most important and unique period in the nonequity housing development history of Canada, with the peak support from the federal assistance fell in this period in the 1980s (Dreier & Hulchanski, 1993, p. 46). The community-based organizations play the effective role of the intermediary. They are connected with the community volunteer, access the private capital to support the project, and help to build comprehensive housing by linking it to other local services, such as housing registries, shelters for women and children and transitional housing. The third sector, with its local connection, is also the key to better understanding issues and needs in housing on a localized scale, which also allows them to play the advocacy role for the solution for the housing issues. Moreover, some community-based organizations have also developed professionals in property development, construction and project management, and service coordination (Carter, 1997, p. 625-626), which would later become a foundation for them to evolve into the profession of non-profit developers.

### **The continuing of third sector housing development in Quebec**

During the time of cooperative non-profit housing development peak with the federal government involvement, Quebec, unlike the rest of the provinces emphasizing new developments, adopted a purchase-and-conversion method, which acquired and renovated existing buildings as an additional stock of social housing (Ryan, 2021, p. 190; Vaillancourt et al. 2001, P. 13).

Later after the third transition in the mid- 90s, following the context and to continue the delivery of nonequity units, one of the clear focuses of Quebec is providing additional affordable housing units as a part of the broader neighbourhood revitalization initiative (Carter, 1997, p. 622). Through the program, individual owners, landlords, and cooperative and non-profit sponsors are encouraged to the existing residential building renovation and improvement and non-residential building conversion (Carter, 1997, p. 622). Programs such as PSBLP and AccèsLogis have been continuing to support the third sector housing development. (Vaillancourt et al., 2001, p.16; Gleason, 2021, p. 4). With consistent support, more than 1,100 current active coops housing exist in Quebec, which is more than half of all housing coops in Canada (Ryan, 2021, p. 188)

Even though the creation of social housing seems to rely heavily on federal funds, as identified by Gleason as the third arc of decommodified housing history in Quebec (2021, p. 4-5), the effort from the province was not in vain. Instead of contributing to new unit creations, the continuation of Quebec provincial plays an important role in the fostering of the social intermediaries, such as local resources groups and federative groups, to further support and maintain the community housing stock stable. As mentioned by Dreier & Hulchanski (1993, p. 72), it is impossible to see the existing and mature of the third sector housing development groups if housing policy and programs frequently change. With the continuous support from the Quebec government, they were able to build the capacity in community property development and become a real payer of it. They further facilitated the evolution of public policies evolving towards the civil society through the consultation and partnership as the representative of the mature third sector groups (Bouchard, 2006, p. 154). Social intermediaries, such as GRT (Technical Resource Groups), are strengthened and thrived in this context.

In sum, the nonequity housing policy is dynamic with three major transitions exist: the step-in of the federal government to the shifted focus to the introduction of third-sector involvement, and to the withdrawal of the federal resources. Now we are in the fourth transition, with the reintroduction of federal intervention such as the National Housing Strategies implemented in 2019. The shift also triggered the change in different levels of government, the shifting in Quebec's provincial social affordable housing development structure. This research will investigate the "fourth transition" at the level of provincial Quebec and how the stakeholders, especially the non-profit developer groups, adapt to the change.

# Research Method

## Procedure and design

The research uses a qualitative approach, with policy and historical review, interviews, and written questionnaires. To understand what facilitated the success of the GRT model, I conducted a document analysis covering housing policy and its transitions, websites and materials produced by the organizations, and a literature review on related topics.

Interviews and questionnaires help structure GRT model frameworks in Quebec by the comparison with non-profit developer models in outside Quebec. More specifically, the method involves in-depth semi-structured interviews with people in GRTs, architecture, related professionals, government officials and non-profit developers outside Quebec (see Appendix for the semi-structure interview question list). In addition, to cross the language barrier, a bilingual questionnaire is provided to non-English participants. The Snowball sampling method is used for the interviewee recruitment, and contact information is obtained through the previous interviewees. Due to the timeline and scale of the project, the research focuses on only GRTs in Montreal. The similarities in local context in housing and municipal policy facilitates the comparison studies.

## Data analysis

The data analysis had three primary steps. First, to determine the structure of the research, the responses of the eight interviewees are transcribed and summarized according to the role of the stakeholder involved. The roles include non-profit developers in Quebec and outside Quebec, related professionals such as architects and building managers, and representatives of the public sector. The main themes of the responses are categorized in the second step, and the third step is to compare the responses under the same themes for further comparison of the perspective of different stakeholders in the same model.

# Findings

## A: What is GRT

GRTs, Technical Resource Groups (Groupes de Ressources Techniques, hereafter GRT), unique non-profit organizations in Quebec, specialize in not-for-profit real estate development with public resources for community-owned assets, including but not limited to social affordable housing, community centre, commercial space. GRT's formation has been impacted by the strength of civil society and the unique political context in Quebec. GRTs started from the grassroots mobilization for housing justice in the 70s. At least in Montreal, the GRTs were created by architecture and urban planning students from McGill University and UdeM (Université de Montréal) (01, 03, see Appendix 2 for interviewee list). Besides the vibrant third party, the provincial government has been a big player in support of the "national wide movement for the province's solidarity (02)", which leads to the institutionalizing and shifting roles of the GRTs (02).

GRTs act as developers with a special mandate, which is to build and maintain social affordable housing for people in need (02) and remove the property from the private market to the social market (05). To achieve the goal, GRTs need to understand how to connect sufficient financing resources to the organizations that want to build housing and support them throughout the development process, from concept development and construction to long-term operation. To fulfill the mandate as a non-profit developer, GRT assists in need identification, viability study, social affordable property acquisition and renovation, and empowerment training in property management for non-profit organizations and housing coops (05).

GRTs become necessary intermediary players in the delivery of community housing in Quebec between the government and the community organizations. With their expertise in real estate development, GRTs play the role of community developers, a profession that typical community organizations have no capacity to do on their own (03). GRTs also act as mediators and guardians in the social affordable housing development with a governmental program (08). They are the important information port among the government, the professionals, and the program demanders. Their existence and supporting strengthen the housing coops market in Quebec, which possesses more than half of the coop housing stock across Canada (Ryan, 2021, p. 188).

GRTs are described as consultants, partners, companions, and guards from different stakeholders involved in the development process in different interviews. Some GRTs see themselves as consultants to guide and steer the project demanders throughout the whole project, providing information for the groups to make better decisions and securing the project goes well eventually. Other GRTs describe their relationship with the clients as a partnership, maximizing the level of participation and helping them gain autonomy for long-term self-governance. The public sector considers the GRTs as a guard and essential communication node of the social affordable housing development projects. As an important player in the decommodified housing developments in Quebec, the GRTs work in a niche position with a multi-faceted contribution in this realm.

## **B: The development process**

This section details the development process of the GRT system. It covers the organization structure, which corresponds to GRTs' expertise and the project process, the types of projects and clients, and the process per se. The necessary facets of community real estate development include community-engaged project development, training in governance, participatory design process, and renovation projects.

### **Organization structure**

The development manager and project manager are two important roles in the GRT organization, and almost all GRTs operate in this structure (01). The roles and job responsibilities provide a good overview of the GRT system. The job split between the two roles corresponds to the predevelopment and construction phases. The development manager is the person who the group first contact with (01). To kick off the project, the development manager works in a community-engaged approach on legal group creation and registration, need identification, viability study, and all other predevelopment works, including land acquisition, funding application and professional reach out. When the predevelopment stage is completed, the project will be handed over to the project manager for the construction stage.

Taking over the project from the development manager, the project manager is responsible for the following construction phase. The project manager keeps the construction process on track regarding budget management and client satisfaction (02). Project managers deal with the contingencies in the construction phase, such as unexpected soil contamination, labour and material shortage, and so on. The in-time communication with the client and providing information and suggestion to help the clients make good decisions are the main tasks of the GRTs in this stage. A complete GRT also has other subsections like administration, architecture, training, etc., but administration and development departments are most common.

### **Types of projects and clients**

Types of projects and clients impact the development process. Two typical types of GRTs' community real estate development are new-build construction and renovation projects. The new-build construction projects include more steps and usually go through development managers, project managers and other supporting consultants in design and governance. In contrast, renovation projects are mainly handled by the project manager solely. The project manager helps to identify the issue, evaluate the financial capacity of the group, and go through the construction process. Renovation projects have grown in high demand in the past few years, and a section details the reason for the growth in demand, the renovation process and types will follow.

GRT's clients can be citizens, non-profit organizations, and the public sector, with which GRTs create different project outcomes, including housing coops, housing for clientele with special needs and housing-related policy research. Citizens aiming for housing coops can reach out to

the GRTs and start their projects from scratch (01). Since they are newly formed citizen groups, the legal process of group creation and self-governance training will be additional steps in these projects. Non-profit organizations usually have better organization management and a clearer serving clientele, such as homeless groups, drug addicted people, physically challenged groups and women and kids at risk. With the specialized knowledge of the client's needs and expertise in community property development, they can deliver suites customized to the target groups. Public sectors sometimes work closely with the GRTs when they consult them for housing policy or bid on special housing development projects.

## **The project processes**

### **New construction projects**

Newly built projects involved more tasks in the pre-construction phase, including need identification, feasibility study, and strategic funding security.

As noted above, due to client differences, the citizens without an established group have to go through the group registry process to create a legal entity to qualify for governmental resources. The group creation is a required legal registration procedure but also facilitates the process of community building in the group (06), which is the beginning of self-governance even before the construction phase. Through the brainstorming of a charter of value, coop name, logo design and internal policy of the group, the members of the housing coop develop their capacity for decision making and build up the connection within the group. From experience shared by the member of Coop: Les Toits Partagés, meetings and workshops are held for them for the initiative tasks as a newly created group. GRTs support the group creation with consultants with legal background (01), and the tax and fees for the registration process will be covered by the government program but conducted by the GRTs.

Decision-making mechanisms are similar in structure but still different between coops and non-profit organizations. They both have a board representing the whole organization and a layered structure for represented participation. In the coop, boards are formed by the residents. GRTs work with the board that represents their members, and the board consults the members for consensus in advance. It is easier to work with representatives than with all the coop members. On the other hand, with a better-operating structure, non-profit organizations often have project managers who are the direct contact with the GRT and are in charge of the project. The manager can make decisions to a certain degree but still need to go through the operating board for the final decision.

After a group has been legally created or an existing group reaches out to the GRTs, it goes into the next phase of the feasibility study. Groups come up with ideas on their own and conceptualize the thoughts with GRT to develop the details of the project. GRTs help to identify the need and design scenarios as the input of the viability study. Housing coops discuss the type and size of the units they need and ideas for common and public spaces for the initial plan. Interestingly, in the projects with non-profit organizations, residents are not necessarily represented in the project

process unless specific workshops are held. Most need analysis of this kind would be based on the experience and expertise of the non-profit organizations. For example, social workers in non-profit organizations provide better insights into what types of units are best for homeless or rehabilitation groups. Special needs and customized spatial design are necessary information inputs for the financial modelling, for that they are the key details for the feasibility study.

The financial structure of social affordable housing developments is usually layered, with funding from multiple levels of government and programs. GRT works in a similar approach, but the Quebec provincial program AccèsLogis had always been the sole or main one in the stack of funding resources until recent five years (01,02). GRTs are usually specialized in programs in Quebec but are also able to work with the multi-layered structure and strategically allocate the resources considering the criteria of each program and the timeline of the construction.

Working with public resources can be risky since the project often involves several programs with different requirements, some of which are strict (01). The change due to failing to match the programs' requirements would cost more and impact the viability of the project in general. For example, most federal programs require universal accessibility, which leads to higher costs in construction and more architecture professionals' involvement in the design process. Another example is AccèsLogis, the main provincial program in Quebec, which has strict requirements for physical design. Some GRTs prefer architects to be on board in the early stage to work on the building code regulated in the program. With all the criteria fulfilled, a project can be carried on smoothly.

Land and property acquisition is the key to real estate development and social affordable housing development. The property pool for non-profit developers like GRTs has no big difference from private developers. They compete in the same market and provide the offer of purchase to the property owner. Some GRTs also work with real estate agents or use property selling websites, like Centris, to find opportunities to develop new properties and remove them from the private market to the social affordable market. The close relationship GRT has with the local neighbourhood community helps the land acquisition as well. The neighbourhood council and residents would provide and present up-to-date local information to them by simply sending a photo and an address (07). Besides the private market approach, GRTs have more opportunities to work on public property, which could be an RFP (request for proposal) from local municipalities involving the land donation since their projects usually represent more public interest. Some clients would come up to the GRTs with their own properties.

Similar to typical construction developments, GRTs also deal with administrative applications, including funding applications, permit obtaining, zoning amendments if needed, etc. After the pre-construction preparation, in the construction phase, GRTs work closely with their clients. As a crucial information port, GRTs keep the construction on track in terms of budget and timeline and make sure the clients, non-profit organizations, or the coop members, are clear about the project progress and aware of the many changes that have been made. The risks in this stage usually result from some unexpected surprises.

Training is also a unique but small component of the GRT's service (02). The training is limited to general governance, such as running a board of a coop or non-profit organization, to ensure the future stable operation of the group. The coop recruitment of tenants exemplifies the process and how GRTs position themselves in the partnership. The recruitment starts at the last 30% or 25% of the construction phase. Usually, the coops have a member selection board constituted of four to seven people of the initial members. They are responsible for creating a set of member selection criteria and conducting interviews with the applicants. GRTs guide the group through the process, ensuring the group understands the basic legal requirements and giving tools and advice tailored for the specific coop to make good decisions (02). Good governance, management transparency, and members' participation in decision-making are encouraged so that the coops can become responsibly organized independent organizations. GRTs are fully aware of the goal of autonomous self-governance of the groups, as well as they don't run the buildings once it is handed to the client, so they don't make any final decision for the clients, even though that would be faster (02). Non-profit organizations, especially well-established ones, also have recruitment needs, but the process is relatively straightforward since the clientele for them is clear and complies with the groups' mandate. So, based on the types of clients and their capacity, GRT provides different guidance in the process.

Social affordable housing projects built by GRT are not just about delivering the units but also ensuring the stability of building operation. After the construction and tenants' occupancy, GRTs are responsible for follow-ups and check-ins. The time depends on how experienced the organizations are (05). For those experienced non-profit organizations, training can be finished almost at the same time as the construction completed, while the new housing coop with less experience can take up to five years, the longest (05). In the first year, also called the guaranteed year, GRTs ensure the building is well built and maintained, just like the guaranteed year for the product. In the later years, GRTs check in on the clients every year to ensure the coop operates independently and autonomously, such as managing the finance in the coop, is stable and making money (01). If the group needs help, GRT will refer them and hire professionals to be on board. GRTs' training and follow-ups during and after the construction, help to keep the group stable and ensure the result of the projects, so GRT had long been allied with and trusted by the Quebec government and its municipalities.

Getting through the procedure above, a solid good housing project of GRTs typically takes 3-5 years, from initial concept to giving the keys to the clients (02). The time depends on the complexity and scale of the project. For example, a 16-unit project with a smooth administrative process of funding and permits as well as professionals working well together would typically take three years (05). Bigger and more complicated projects sometimes take up to 10 years to complete. [Coop Mil](#) (coopérative milieu de l'île), a 91-unit apartment building in Outremont on the new campus of the University of Montreal conducted by the GRT Atelier Habitation Montreal, is an example of a bigger-scale project which takes about four years in the pre-construction. In the timeline, land acquisition usually takes the longest time due to the scarcity of land in Montreal and the negotiation throughout the process.

### **Design component: role of the professionals**



Social affordable housing development through GRT is relatively more democratic and participatory than housing projects done by private developers. The democratic components are represented in building community capacity for decision-making and self-governance, whereas the participatory components deal with the design of the project. In the design phase, GRT always accompanies the clients in the workshop, and architects can also be on board, at least for PIVOT: architecture cooperative. They prefer to be engaged in the early stage, facilitating the participatory design process (03). However, not every GRT project has architects involved in this stage; instead, they can choose to do it internally.

From the architect's perspective, the participatory design focuses on vision instead of actual design (03). They work with the users on the vision by setting the priority of how the space is organized and the qualities of the space that relate to the bigger visions. The architect's job is to translate the vision down to the actual building and space design. Through the back-and-forth discussion and regular check-in with the clients, they can keep the users engaged by having their comments to improve the design. There would be two to five initial workshops working on the high-level vision.

Since most people have less experience manipulating the space, in terms of technic in participatory design, the architect from the PIVOT architecture cooperative says, "we work on the relationship with the space before with the actual design." A lot of work is done independently from the space itself, such as looking at the relationships between different use, fulfilling specific visions for the need for natural light, what the site is close to and what the conflicts or synergy are. The concepts can be developed before the detailed design of the building is in place. The actual architectural work will still be done by the architects who translate the concept and put the vision down into the building shape (03).

The role of good professionals in participatory design, according to the architect from PIVOT, "is asking good questions." The design process is a procedure of adapting, and the professionals choose what questions they should ask, which also depends on how the professionals approach the projects, such as approaching from the site, internal organization, or a clear set-up vision. Moreover, good questions also refer to the understanding and complying with regulatory limitations, which require expertise in the familiarity with governmental programs and the identification of to what degree participatory design can play in. For example, the architect mentions that they are careful in the questions they ask when working with AccèsLogis projects. Things like the number of entrances and the size of units have been regulated and have no possibility to change.

Challenges in participatory design are mainly about recruiting proper participants. The future tenants and users of the community space should be ideally involved in the design process; however, in the case of social affordable housing, it is a tricky balance to invite participants but cannot promise them to get in. In this regard, recruitment for participants for community space workshops is easier. PIVOT architecture cooperative, for example, has worked on a community space project with a non-profit organization, where they were able to do the workshops with the daily users of the space. However, because of the high change-over of the users, the organization

usually has the final call of the design instead of the users, considering the management procedure in practice. In the same workshop held by PIVOT architecture cooperative with the non-profit organization, a participant suggested having a user committee for future decision-making and management of the community space. The architects thought that could be an innovative and interesting way of running the space, but the organization ended up turning down the proposal since it is hardly manageable. One of the organization's concerns is the challenge in organizing users' attendance at such a high change-over rate. Depending on the projects, the organizations, and their openness, the participants and the engagement level of the participatory procedure vary. Considering the above challenges, the architect says they would always make sure at least they talk to the people who are directly working with the potential tenants if it is not possible to work with the users in the projects with non-profit organizations.

### **Renovation projects**

Though new construction projects are currently the main types of work of GRT, renovation projects for social affordable housing have been growing in demand in the past five years (05). The main reason for the growth is that many coop buildings need major renovation (02). A lot of social housing in Quebec was started in the 70s or 80s, and they were either built or acquired and renovated at that time when the federal government invested resources into housing coop formatting. After about 40 years, the houses built in this wave of housing coop creation need major renovations. GRTs are the key roles providing the professional support they need. In addition to the needs, after 30 to 40 years, housing coops now have the financial capacity to take out another mortgage for renovation.

Renovation projects are potential opportunities since they do not have to rely on government funding, at least the primary source of financing is not from the government programs. Thus, whether there is a political will is less important (02). The financing of renovation projects is usually a combination of loans as the main part and grants from the federal government or the city as a helping hand (02). By contrast, new construction projects financed by AccèsLogis, are subject to political will change because AccèsLogis is their sole or main funder. Similarly, renovation projects are also challenged by the rising construction cost. GRT has to strike a balance between the cost of the construction in the private market and the financial capacity of the group. Projects dealing with the base living quality of the building, including things like the foundation, the roof, the structure, and the electrical system, would be prioritized.

Conversion is another type of renovation category with high potential, in which GRT transform the use or non-residential building or transfer the residential units into the social housing stock. Groupe CDH, a GRT based in Montreal, has done projects in church hall transformation into a 24-unit residential building and renovation of a bad-shape residential building. With the social interest, GRTs has the advantage of obtaining zoning amendment for these types of cases over private developers. Though it is still much less than projects for new construction, the alternative approach in the renovation helps to maintain the social affordable housing we already have, in addition to new construction that continues to deliver new social affordable units.

## C: Among the GRTs

GRTs' territorial distribution can be traced back to the creation of GRTs. GRTs were created by "committee logement (housing committee)," which is the entity fighting for tenants' rights and set under specific boroughs (05). The attaching under local administration gave a basic territorial structure of GRTs in Quebec. Each region typically has only one GRT, but in some specific areas, there are more than one GRT in the administration, such as Montreal has four GRTs, and there are two in Laval (01). Coexisting in the same region leads to competing but cooperative relationships among the GRTs.

Coexisting GRTs in one area are not common, and the four GRTs in Montreal exemplify the relationships among GRTs well. They sometimes compete for the same client but cooperate in information, opportunity, and resource sharing. "GRTs are almost kind of competitors, but sometimes they work together cause they're all working in the same direction," commented a member from the City of Montreal (8). From the perspective of their client, GRT provides similar services with slightly different approaches, so they get to choose among them. Some community groups would meet more than one GRT and choose among them based on the offers they provide.

The seemingly competitive process has always been friendly (01) and more like a splitting work together. Since from the perspective of sharing resources, they work mainly on AccèsLogis projects, relying on the same public resources of public housing. There is no interest in raising a bidding war that can only lead to the raising of price. Avoiding meaningless competition with mutual respect is how they collaborate with each other. The territory structure still applies among GRTs in Montreal, but it is not absolute. Each of them bases in a specific neighbourhood, participating in local neighbourhood committees and building local partnerships. However, sometimes they work in the same area. Usually, two GRTs would be in the same region (07). When the GRTs get a project in an area that is not where they conventionally work, they will discuss the GRTs based there. For example, GRT, which proposes developments in Plateau Mont-royal, would talk to Atelier Habitation Montreal, whereas GRT, that conducting projects in Sud-Ouest, would inform Bâtir son Quartier.

Moreover, the openness in information sharing and negotiation help the GRTs to efficiently share the public resources without wasting from competition or arguments over resource distribution. Monthly meetings among the four GRTs open continuous communication among the GRTs in Montreal. The manager from Groupe CDH mentions that GRTs usually would not make offers of purchase again on a property that other GRTs have been working on. Also, the representative from ROMEL added that since they all work with the same program with limited resources, they are aware of not taking away the resources from each other.

Another reason GRTs might need to work across areas is due to the different capacities of each group, and they are not all equal players. Some GRTs off Montreal Island have less capacity to do projects on a bigger scale due to either limited labour or access to resources. When the local GRT in the region has insufficient resources, they would recommend the client to seek bigger GRTs' help, such as those in Montreal, added by the development manager from ROMEL. Another

example mentioned by the original member in Coop: Les Toits Partagés is the strong impression of how GRT splitting the work and collaborating with each other. The negotiation and communication among GRTs and Verdun borough facilitated the process in four public parking lot redevelopments proposed by the borough for better social purposes. The coop member also mentions that as soon as the parking lots were available, the conversation kicked off, and then each GRT had a priority on one of the sites. Hence, the distribution of the workload could allocate multiple GRT's workforces which scales down the project for better flexibility and feasibility.

## **GRTs in Montreal**

Four GRTs are based in Montreal, and at the time of finishing data collecting, I managed to organize interviews with only three of the GRTs: Groupe CDH, Atelier Habitation Montreal and ROMEL. The following section focuses on individual GRTs in Montreal.

### **Groupe CDH**

Groupe CDH, established in 1976, has completed more than 6,000 units and 220 projects of social affordable housing with housing coops and non-profit organizations in Montreal. The group bases in areas of Ville-Marie, NDG (Notre-Dame-de-Grâce) and Côte-des-Neiges. The managers in Groupe CDH have a strong involvement in the local community through regular joining in the NDG community council (tableau Quartier) and participating in Montreal planning consultations.

One thing that sets Groupe CDH apart from other GRTs is that it has an in-house architecture team, though it will soon be gone. Social housing development with public resources is more complicated than a typical housing development, but the GRT managers with social affordable housing development might have less knowledge in housing design and construction. The divisions in Groupe CDH help each other. The development manager in Groupe CDH says, whenever he has questions about constructions and designs, he can just walk up to and consult with the architect across from the office, which is conducive to the efficiency and accuracy of the feasibility study. In Groupe CDH, the client would be recommended to work with their architecture division for the later design and construction phase, but it is not mandatory. However, the department will soon be closed since the funder of Groupe CDH, who is also an architecture student at McGill then and has been working as the leading architect in Groupe CDH, will retire soon.

Housing coops and non-profit organizations are the main clients of Groupe CDH. They help to establish new citizen groups or expand and renovate the housing of existing organizations. Mission Old brewery, a non-profit organization, assisting homeless groups in Montreal, is one of the recurring clients of Groupe CDH. Local municipalities can sometimes be their clients as well, helping to conduct public housing projects through tender.

Groupe CDH positions themselves as a non-profit consulting firm and sometimes educators, and the clients are still in charge of the project. The clients are the experts on how the building can be managed and what they need. Whereas GRTs are the experts, based on their experience, help

them to formulate the proposal and counsel. Also, GRT shares much knowledge in the project, so they are educators in some way, added by the manager in Groupe CDH.

According to the experience shared by the member of Coop: Les Toits Partagés, working with Groupe CDH, they always feel their involvement in the process and being open and supportive. The member mentions that the manager who worked with them does not play the leading role but provides alternatives and advice. In the first two workshops, Groupe CDH offers basic knowledge regarding bylaws and zoning regulations that helps the group create the proposal and still complying the current regulation. For example, through the workshop, the members understand the number of floors and units that can fit on the site and the impact on the open space and streets. With the knowledge given by the GRT, they have a solid ground to start brainstorming for their project.

Another important role that Groupe CDH plays in that project is that they try to keep a group on track and stay positive even during a discouraging situation. The proposal of Coop: Les Toits Partagés has never been built since the decreasing budget of the provincial program and high demand leading to a long waiting list. The manager from Groupe CDH was honest that almost 1,000 units are still waiting in the pipeline (06). The transparent and practical approach at the very beginning adopted by Groupe CDH earned the client's trust. The interviewed member says the people from the housing coop are, therefore, being quite transparent in voicing frustration and concerns about the situation. On the other side, the manager in Groupe CDH also provides a similar take by saying that they don't sell fake dreams and are always being practical and honest about the clients' projects (01).

### **Atelier Habitation Montreal (AHM)**

Atelier Habitation Montreal (hereafter AHM) has been working in social affordable housing since 1978, working with housing coops and non-profit organizations to develop community-own space (05). AHM is based in Plateau Mont-Royal but has been working in almost all boroughs in Montreal except for Sud-Ouest. Their mandate is to deliver more social affordable housing and remove more property from the private market to the social housing market.

AHM stands out as playing the role of supporter with real estate expertise for their clients and is deeply involved in each stage of implementation, adapting a partnership approach. Training and empowerment for the groups' self-governance and autonomy are their essential services, as they seek to provide all the tools the groups need for long-term independent management.

Bank of need is an interesting approach mentioned by the manager from AHM, through which they play the role that helps to match the need and property with potential. AHM builds up a bank of needs when people come up with their rough concept of the proposal for either new development or renovation. For example, some groups would reach out to them, specifying the location of their proposal, i.e., which borough they want to develop in, the size of the building and other specific needs. Organizations that work for the homeless population would have special needs for buildings with smaller units, considering the financial capacity of the homeless

group. The criteria of the proposal are noted by AMH and added to their bank of need, and they will try to find properties which best match the needs.

Properties are mainly found in the private market on the website or in the neighbourhood. AHM checks real estate platforms, such as Centris, where the properties for sale in Quebec and Montreal are listed. They sometimes make an offer of purchase if they find properties with good potential in the neighbourhood, considering the financial viabilities of the site. After the offer is accepted, AHM will match the property with the proposals in the bank of need and reach out to the clients who might be good fits. If the group accepts the property, AHM will accompany the group and develop the project in more detail. On the other hand, if they do not take the offer or there is no opportunity to present at the time, AHM will keep searching and stay in touch with the clients. The searching could take months or sometimes years, depending on the need and flexibility of the group.

### **ROMEL**

Founded in 1984, ROMEL is based in Cote-des-Neiges, but they work in Montreal, Ville Saint-Laurent, Montreal Nord, and many places in the metropolitan Montreal (CMM). ROMEL also shares the same mandates as general GRTs in “promoting social inclusion and reducing inequalities through the provision of quality, affordable housing for low- and moderate-income households.”

One of the strengths of ROMEL is its diversity in the organization and the accessibility of their service, even though they are in a French-dominant territory. ROMEL has been working with diverse ethnic groups, including Arabic, Philippine, and Latin American communities, and representing and serving the interest of immigrants and refugees. Interestingly, in ROMEL, the non-white workers in ROMEL are more than the local francophone workers added by the development manager. Moreover, among the websites of the four GRTs, ROMEL has an English page for the non-French speaking population’s viewing, which can lead to easier and better access to housing resources for the non-French speaking groups.

ROMEL emphasizes the GRT’s role as an intermediary among project demanders, the public sector, building contractors and other professionals, and they understand the interest of each group involved. They adopt a practical approach for housing delivery, and that is to work closely with the private developers by playing the role of communicator and negotiator in the inclusionary development projects (07). To facilitate the development process, ROMEL, with its strong connection with the local community, helps to gain the local social acceptability for the project. They communicate with the communities that might be impacted by the proposed development. Moreover, a better understanding of zoning regulations and housing programs allows ROMEL to play the negotiator between the promoter and the city. They are good at permit application, amendments and evaluating the impacts on the surroundings. By doing so, ROMEL helps stakeholders to find common ground and a better way to achieve every group’s goal added by the development manager.

ROMEL's practical approach also can be seen in its management strategy, which emphasizes its organizational growth and efficiency in operation. The manager said they are "non-profit organizations that think and do things the same way as private firms (07)." Within the organization, they have a new growth plan to strategically expand the organization by creating new departments and specializing in people's work. Being realistic is another feature of theirs, which is why they usually work well with private developers and believe there are more opportunities in the private sector. The manager points out that a problem with non-profit organizations is inefficiency in operation. Without realistically allocating time and labour, some GRTs have difficulties sustaining themselves financially. For ROMEL, staying connected and building trust with local communities seem to be still part of the essential work but not prioritized for the higher potential they see in the private developers. ROMEL, therefore, represents a different type of GRT from the other three GRTs in Montreal, a non-profit developer adopting a private developer approach. The difference also impacts how the GRT adapts to the current challenges in Quebec's social affordable housing.

## **D: Framing the current Issue and Adaptation of GRTs**

### **The Current Challenge**

The time I started the research happened to be a transitional moment for GRT and the social affordable housing development model in Quebec. The primary housing development approach in the province has been less funded by the provincial government, and new models and approaches are being explored.

For almost two decades, AccèsLogis had been the main and only social affordable housing development connected through GRT (02). However, the program has been greatly reduced and is planned to be replaced by the new provincial program [PHAQ](#) (Programme d'habitation abordable Québec). New resources and different mechanisms are being explored to adapt to the current challenge, such as accessing housing programs from the federal government and municipalities or resources from the private sector, such as the diverse metropolis bylaw ([Métropole mixte](#)). In the past year, there has been no more unit funded by AccèsLogis, and projects are mostly on hold (01). On the other hand, the recent cessation of funding support from the provincial government spurs the transition and diversifies the type of GRT. Moving on from the AccèsLogis model, the GRTs develop their new adaptation strategies.

This section will cover the funding system and programs, changes in the financial strategy and the adaptations of the GRTs. The manager in Groupe CDH also reminds us that it could be too early to say the outcome, and the result of the transition might take another 3 to 5 years to observe.

### **Funding system and the programs**

Provincial program: AccèsLogis (1997-2022)

AccèsLogis has been implemented since 1997 and has successfully encouraged social-mix residential patterns in the city. The program was created by Quebec provincial government to continue to fund social affordable housing since the funding from the federal government stopped in 1995 (05). The provincial government at that time decided to step in and become one of the big players in Quebec's social housing development. However, the government has stopped funding new units since 2020, and after the approved units are finished in the next few years, the program will be completely replaced by the new provincial housing program, PHAQ. The rough financial structure of the AccèsLogis is: 50% of the budget is from the provincial government, 15% from the city where the project is going to be developed, and 35% comes from the group that could be a mortgage (05).

GRT was involved in creating AccèsLogis, and they are the main intermediary and guard of the program. All the program demanders have to be accompanied by GRT to be eligible for the governmental resources. People, no matter housing coops or non-profit organizations, apply through the GRTs and are required to be accompanied by them. GRT will help and support the clients throughout the whole project process, as described in the previous section. From the perspective of the government, GRT is acting as the guard of public funding, selecting projects with high potential, and securing the quality of the project results (01). GRT system is seen as a security measure for the government.

The growth and stabilization of GRT lie in AccèsLogis. The mandatory accompany is the key to GRT's self-perpetuating mechanism, with which they have also grown stronger (01). However, the primary mechanism also makes GRT sensitive to political will change because they rely heavily on the revenue through AccèsLogis projects. Without the government's investment in the specific housing program, many GRTs have to close. The manager in Groupe CDH mentions that the precedent of Groupe CDH was a merging of multiple GRTs a few years ago because of another disinvestment from the government then.

AccèsLogis is a fully integrated and powerful program because it is a one-fits-all package for social affordable housing development. The program covers all stages of real estate development, including pre-development, land acquisition, and construction and is even combined with the rent supplement programs for long-term stabilization. The program was designed differently from programs elsewhere in Canada, which non-profit developers still need to work similarly to private developers in terms of securing money for different phases of the development (01). Furthermore, AccèsLogis also allows the creation of more housing coops and community-owned housing developed from scratch. With AccèsLogis, people can start a housing coop with no upfront money or property (01). Creating new housing coops will be more difficult without programs similar to AccèsLogis. The advantages of AccèsLogis have long been appreciated for the simplified process and easier access for the public, but the seemed perfect program also has been criticized.

AccèsLogis has strict regulations for the spatial criteria in the guidebook, which is more like a rule book for professionals working with AccèsLogis projects (03). The size of the units, for example, is predetermined. Much time and effort are put into conforming to the regulation because the



lot has a shape which sometimes does not add up to the exact square meter in the guide. The adjustment and negotiation to be approved could increase the construction cost (03).

Another criticism is that the program is highly bureaucratized. An example shared by the interviewee is a project for the deaf community next to a highway. According to the guidebook, developments next to the highway should conduct acoustical testing for the sound effects. Those tests are most pertinent on typical occasions, but in this case, the architect the money was poorly spent on the bureaucratic procedure (03). There is no flexibility to customize the project to better fit the groups' needs. On the other hand, bureaucratization is demonstrated in that the regulation is not airtight depending on who the bureaucrats are. Another project mentioned by the interviewee for people recovering from addictions was successfully passed with the unit half size smaller than a standard studio from AccèsLogis. The project was extremely challenging because it is a small and contaminated lot, but they ended up managing to obtain the approval and build a dense little building.

Some other suggestions were raised by the interviewees, and changes and adjustments could have been made to facilitate the housing development. The funding gap of AccèsLogis has not been addressed in the past ten years. The resource put in by the provincial government does not reflect the growing demand and the increasing cost of building a project through the years (05). Currently, the cessation of the program and the changing in social, affordable housing approach at the government level even exacerbate the issue. Furthermore, delays in approvals have been brought up by several interviewees. Better mutual trust could be built to avoid triple-checking and resource waste due to delayed schedules. Even though the AccèsLogis program is not perfect, it has successfully delivered housing units and created new housing coops.

#### Provincial new program: Programme d'habitation abordable Québec (PHAQ ; 2022-)

At the time the interview was conducted (2021 winter), the government announced the new social affordable housing program: PHAQ, which will replace the AccèsLogis program. Details and amendments were released gradually in the first half year of 2022. The main goals are similar to AccèsLogis, aiming to increase the affordable and suitable housing stock and support and optimize residential construction practices. The financial and administrative structures are similar too. To get the subsidy, PHAQ and AccèsLogis need approvals from both city and provincial levels. In other words, with only approval from the provincial government, the project is not qualified for the subsidy, and municipalities must contribute financially or other ways of supporting the projects. The roles of government in both programs are not changed much.

The multilayered structure has always kept different-level government and GRTs, which represent the communities on the ground, in the loop. However, the new program, PHAQ, cancels the requirement of GRT's accompany. The change tremendously impacts the social housing model, which had always been with GRT's involvement, and GRTs seem to lose their unique role in the housing development loop. Without the requirement, GRT's service will be less accessible due to the externalization of the service cost from the subsidy, which used to be part of the AccèsLogis package. Moreover, PHAQ opens the applicant eligibility to entities conducting

real estate development related, including housing offices, non-profit organizations, coops, and private sector companies. Opening to the private developers will lead to GRT's competition in the private market. Some of them are not competitive and have less capacity to conduct projects other than the AccèsLogis project. The manager from ROMEL says that seeing the change, we might lose some of the GRTs if they do not have adaptation capacity (07).

Though the interviewee from the city adds that, even without the requirement, some PHAQ projects are still accompanied by GRT (08). Yet, most of the interviewees in GRT and related fields showed a pessimistic attitude towards the stability and continuation of GRTs. Most of them have gradually adjusted their operation strategies and sought alternative development models and funding resources.

#### Federal programs: [National Housing Strategies](#)

Funding and resources for housing have been shifting at different levels of government. In the pre- AccèsLogis time, the federal government was a big player in housing policy nationwide before 1995, and that was the important wave of the housing coop creation (05). When the federal government gradually phased out, disinvested in housing, and adopted a more conservative approach to the housing crisis solution in the 90s, the Quebec government took over the role and created AccèsLogis to continue the social affordable housing delivery. Until recently, the federal government again steps in the housing policy with the National Housing Strategies, and federal resources have become relatively important in recent years. They are one of the alternatives to GRT's adaptation options. The housing solutions from the federal government include seed funding for the predevelopment stage, co-investment fund, innovative fund, and rapid housing initiative, covering different stages of real estate development and coming in the forms of either loans or grants. The Canada Mortgage and Housing Corporation, CMHC, the federal housing agency, also provides mortgages as another financial option for housing developers.

One of the main differences is the program framework in three aspects: the logic, timeline, and financial structure of the subsidy. First, federal programs are more competitive and like a competition (01) from the perspective of an interviewee working in the GRT model. Proposals are submitted during the specific open time (05), and subsidy receivers are selected from the pool of applications depending on which project gets better scores, given the feasibility, affordability, green efficiency, social purpose, and other aspects of a residential project. On the other hand, AccèsLogis seems less competitive in the process because it takes in proposals on a rolling basis (05). Proposals are analyzed by public sectors (01). Projects that fail to be approved do not feel inferior to other projects but fail to meet a certain standard.

In contrast, projects that obtained approvals will be listed in the waiting pipeline for the funding allocation. Moreover, compared with the fixed application time, a rolling basis also allows more flexible and easier access to the people and organizations who intend to build affordable social housing. GRT used to work on AccèsLogis projects and has to adjust their working schedule to meet the project timeline of the federal programs.

Additionally, the financial structures in the programs are designed differently. Unlike a fully integrated housing solution package, like AccèsLogis, the federal programs are separated in each development stage. In other words, the program demander must develop knowledge in combining funding sources to make a non-profit housing project viable (01, 08), which becomes a challenge for GRTs in Quebec that has worked on AccèsLogis projects.

The stage-separated financial structure raises the concern of insufficient support in deep affordability. In the CMHC programs, there are no funds for the rent supplement program or operation subsidy (04), while the AccèsLogis program has two subsidies for both construction and rent supplement programs in the bundle (05). Funds for the stabilization stage are always guaranteed. The manager from AHM adds that, even though with the federal programs, it is possible to get higher grants to subsidize the construction, it does not guarantee long-term affordability for the tenants. Without the guaranteed rent supplement programs, such as rent-geared-to-income subsidy, affordability cannot be perpetuated. Tenants need to pay more rent than that funded with AccèsLogis. In AccèsLogis, roughly 65% of the budget of the project comes from provincial and municipal government for the construction phase (05), and meanwhile, rent supplement programs are required for the group to apply for their residents if qualified. Whereas due to the separation in financial structure, non-profit developers working on federal housing projects must also consider the mid-term equity for the long-term operation of the building and deep affordability for the tenants.

Comparing the federal housing programs and the old provincial AccèsLogis, they have a slightly different level of affordability by definition. Regarding the deeply affordable timeline, the former requires the timeline to be at least 20 years, whereas the latter asked for 35 years (05). Also, the guaranteed affordability in terms of rent-to-income ratio, with the CMHC project, the maximum rent is 30% of the tenant's income; however, the rent with AccèsLogis is 25%, slightly lower than the regulation of the federal programs.

Given the differences in programs framework and the current hot housing market, citizens would have less access to the social affordable housing development resources compared to organizations and private firms. The public who intends to establish housing coops will find it hard with the federal funding if they come up to the non-profit developers without cash down or property. Helping people to start housing coops from scratch might no longer be feasible. Clientele for GRT has been changing (07), and organizations, existing housing coops, and private developers are the main clients.

### The role of Municipality

In terms of funding programs, federal and provincial governments are more significant stakeholders and funders, and the role of municipalities is the co-funder of either federal or provincial programs and the guardian of the housing program at the city level. The city plays the role of co-funder in the layered financial structure. Currently, GRT has been working with the 4 programs: federal programs, two provincial programs, and one municipal program (08). Some of GRT's federal projects are not necessarily to go through the city unless they need additional

funding (08). In the programs such as AccèsLogis and PHAQ, the city is required to contribute financially or provide approval. Other than these three programs, the fourth GRT working with is AccèsLogis Montreal, the city's own program that funds the projects not eligible for provincial AccèsLogis but corresponds to the city's objectives. Most of the time, at the municipal level, cities also need to adapt to the changes in the provincial and federal housing policy. Nonetheless, even though not all GRT's projects go through the city, the city and GRT work closely in the application process, such as obtaining construction permits.

## **Adaptions of the GRTs**

The change in housing programs poses a significant challenge to the GRTs. Diversification of resources and services and innovation in integrating potential funding seems to be the key to adapting the transitional point of GRT and social affordable housing development in Quebec. Moving on from AccèsLogis, GRTs have to build a new housing development model and business model to survive. We can see examples of them being more agile and trying more experimental projects. GRTs in Montreal have developed different adaptation strategies; through the interview, we can see the GRTs differentiate and develop their individual character.

### **Groupe CDH**

Groupe CDH focuses on adapting to the changes in partnership and finding an innovative model for affordable housing. They mention being nimble in terms of resources, partners, and approaches. Working mainly on AccèsLogis projects, Groupe CDH has long mostly worked with the public sector. Now to diversify the funding sources, they are open to working with various partners, such as the private sector (02).

As mentioned by the manager from Groupe CDH, an innovative approach adapted now is a cohabitant housing model. It is a project built by Groupe CDH's, collaborating with the organization [Village Urbain](#). The co-housing model is a great opportunity as an alternative approach for GRT since many groups are interested in this residential model but have no expertise in real estate development. They need support from professional groups like GRTs (03). Moreover, it is promising that it is a model that hasn't been fully explored. More specifically, the co-housing model has a different financial model from the typical social affordable housing rental model because the housing is for sale but capped the price for perpetuated affordability (01). The relationship between GRT and the co-housing group can be interesting and beneficial for each other in filling the professional gap and sharing the same goal of delivering social affordable community housing.

### **Atelier Habitation Montreal (AHM)**

AHM adopts a strategy like non-profit developers outside Quebec, which rely more on federal funding programs with the exploration of all other possible funding sources. Having long worked

and specialized in provincial projects, AHM must develop knowledge to compile more complicated financial resources and change in working and business models to adapt to different program frameworks. Meanwhile, AHM diversified the service, focusing not only on housing projects but on community centres and other community-owned spaces. The manager says that they have started working on non-housing projects since 2020 when AccèsLogis has not been funded well.

An interesting case shared by the manager is an artistic space renovation project, working with Montreal's local artist community and the culture department in the city of Montreal. AHM managed to help an all-women artistic group, Coop Maddam, to renovate a place with seven units which accommodate 12 members and set up permanent, stable spaces for artists' workshops with the city's funding (03, 05). The project demonstrates opportunities in non-residential but community-owned property, and the process also entails the real estate expertise of the GRT. In a similar vein, in another project with the culture department in the city of Montreal, the support program for the support program for [Development of Collective Cultural Property Projects](#), the eight winners of the program will be accompanied by one of the 4 GRTs in Montreal. An inside story mentioned by the interviewee from the housing department in the City of Montreal is that they suggested the idea of working with the GRTs to the culture department (08). Just as the housing projects in the housing department, the renovation and acquisition of cultural property are also building non-profit spaces for the social purpose by city's subsidy. GRTs are great partners in non-profit development with their expertise in purchase offers, renovation, and all other administrative details a public-resource-funded project might entail.

## **ROMEL**

On the other hand, ROMEL takes an approach leaning toward the private sectors, seeing the opportunities brought by the inclusionary zoning bylaws. ROMEL works in partnership with private developers to find a better way to implement the required social affordable housing in the development projects (07). Playing the role of intermediary, they believed that they could facilitate the new developments in the aspects of gaining local and social acceptance and understanding of how to work with public sectors. Thus, they can deliver new affordable units to the public in need. Also, adaptiveness and creativity are the strategies of ROMEL, and they are strengthening their capacity and applying their expertise to different kinds of projects, such as office building, kindergarten, etc.

Internal organization management is another feature emphasized by the manager from ROMEL. They act more like a private firm and have to be efficient and careful about allocating time and limited resources. Compared to other GRTs, ROMEL is practical in setting a boundary in the community reach-out and sometimes having to say no to the community group. Some GRTs might not be able to survive in this policy shift since it is hard to change the internal culture of wanting to help, which is shared by most of the GRTs. However, without the secured resources from AccèsLogis, the inefficiency in operation could make the GRT closed.

## **E: Opportunities and Challenges as GRT**

### **The Opportunities of GRT**

GRT provides the essential and niche piece of community property development for other non-profit organizations and potential housing coops. While other organizations have their mandate and strengths in, for example, Indigenous people or homeless groups, they usually have no capacity to implement the development themselves. GRT fills the gap and plays the role of community developers, practicing skills in property acquisition, finance strategy planning, self-governance training, etc. The development provided by GRT is also customized to suit the client's needs based on the organization's expertise. For example, Mission old brewery, a non-profit organization helping the homeless population in Montreal, has been working with Groupe CDH to provide housing for their clients (01). The development cannot be done without each side's expertise. In other words, while the building is built with GRTs' work in property development, the workers in the organization, like the project managers and social workers, are the ones who help to identify how the building is built that can better fit the need of users. Specific need for homeless groups, for instance, is that smaller units are favoured since the rent will be relatively affordable for the clientele. By the same token, a woman-supporting group on the south shore with expertise in supporting the job training and had no knowledge to develop land they owned next to their building (07). They decided to work with ROMEL to better understand the zoning regulation and feasibility analysis.

The specialization in working with governmental financing programs sets the community non-profit developer, like GRT, aside from the regular developers. They know well the layered financing structure of housing development, and they are familiar with dealing with the bureaucracy. As shared by the staff in the City of Montreal, GRTs are always a huge mediator, and they collaborate closely with the city along the way in the project (08). Feedback and negotiations go through GRTs, which are the hub of negotiation and communication, giving feedback and facilitating the project's progress.

Another strength of GRT is their strong local connection and involvement, which allows them to play a crucial and niche role between the local and the public sector (08). From the city's perspective, GRT fills the gap between the city and those localized groups, so the city can know what happens in the local. Especially in the community housing projects, with the local connection, GRTs build trust with the community and will be informed when there are new opportunities that show up. For instance, part of the essential work for Groupe CDH is regular local community outreach. It has been an efficient way for GRTs to find opportunities to develop, recruit potential clients, and promote social housing in the neighbourhood. Groupe CDH participates in the monthly meeting of some community tables (tablet Quartier, a community council in almost every neighbourhood in Montreal) (01). Since the community groups would get together, the meeting is a great occasion for information exchange. GRTs can promote social housing by explaining how the GRT build them, whereas the community groups would present opportunities and introduce the groups that need GRT's professional support to Groupe CDH. Moreover, GRT also contributes to local planning and public policy. They help advocate for the

local neighbourhood's needs and promote social affordable housing as their mandate has been through involvement in public consultations and memoirs.

The reorganization and reputation of GRTs allow them to easily gain local acceptance than private developers, which could become leverage for some GRTs to negotiate with the private sectors. In the case of ROMEL, they play a role of a trustworthy partner and consultant with their local community groups. Whenever a new development proposal comes up, seeing ROMEL involved in the project, the groups are more open to communicating. That is not easy for private developers to do alone since they might have no time and resources to get involved in local communities (01). To sum up, local connection and involvement is a unique feature of the GRTs, which allows them to obtain a niche position in real estate development between the public and private sectors and those localized groups.

Lastly, a special value of GRT that makes them irreplaceable is that they help to strengthen civil society through the empowerment of organizations and housing groups for their capacity in self-governance and long-term management. GRT has specialized skills in financially and technically starting and running a housing coop. Without the GRTs, it is impossible for many housing coops to exist in Quebec, and they have found and supported many housing coops in the past two decades. Financially speaking, GRTs initially help to connect the financing programs that best fit the groups in need of housing. The most important part is that they consider the long-term stabilization of the group when it comes to the financial feasibility analysis, striking a balance between affordability and viability and following closely to check if the group is operating on track with the whole skill set for running a housing coop provided by the GRTs (03).

With the help of GRT, housing coops can be vital and stable little entities in society, bringing energy and mobility to the third sector. Living in a housing coop not only allows people to develop new competencies in leadership, project management, and decision-making skills, and there are always opportunities to learn (02). It also allows people to contribute the skills you have for managing the organization better. The experience shared by a member of Coop: Les Toits Partagés is that he does not worry much about the management of the building because members of the group have strong skills in accounting and management. Some members are good at dealing with contractors since they have lived in other coops (06). The environment of housing coops allows people to be better engaged in their community.

The support of the organization and housing coops from GRT differentiates them from other non-profit developers since non-profit developers do not always have the capacity to stabilize in long-term management. Instead of accompanying and training until the group themselves, like the approach of GRT, non-profit developers outside Quebec would externalize this part of the work to other partners specializing in building management since they only specialize in property development but not in management (04). They later connect the groups with the organizations providing the training and help they need. On the other hand, the model of GRT is only possible with the sponsor of provincial programs like AccèsLogis; the training, accompany and annual checking-in are required in the contract and covered in the project package. However, after the defunding of AccèsLogis, how GRT can maintain the service in the adjusted model is still unclear.

## The Challenges of GRT

First, the main challenge of GRT is the delayed and slow procedure in the project. Working with governmental programs can sometimes be hard to keep the pace in the real estate development market. As mentioned in the previous section, three to five years is a general expectation for a project with a good solid plan (02). It is common for projects to take more than five years. The long timeline makes GRT inferior in land acquisition, especially when they need to compete in the private market. Six to seven months at least is the time they would need to wait to receive the grant for land purchase, and up to nine months is a normal waiting time. To secure the land, they need to be the highest bid and pay more, so the seller might want to wait for them (05). In this case, GRTs cannot compete with private developers since GRTs work with public funding. Instead of having liquid cash in hand, which is usually the case for private developers, it takes time to go through the bureaucracy to obtain approval.

Moreover, in the case of working with the public fund, the slow procedure of governmental programs could add risk and drive up the development cost since the price and cost of the project become unpredictable. For example, a project takes five years to build, and the price the developer gets at the beginning might not be the same as the price at the end. The situation almost reached the limit pre-COVID and has been even more challenging and exacerbated during COVID (07). The price of materials and labours cost has been significantly increased. The wages of construction workers, for example, could go up by 20 to 30% annually (07). What's worse, in the time of COVID, the shortage of professional labours like carpenters and shortage in materials like brick and cement also increased the risk of all the real estate developments due to the unpredictability of the cost.

Second, real estate developers are all risk-averse, and GRT is even more vulnerable than for-profit developers. Because of the business model of the GRT, they only get paid if the project happens, making revenue from a percentage of the construction cost. In other words, if the project never begins building, no matter how much time GRT worked on the project, they will not get paid. This model maintains the service accessible and inclusive to anyone in need; however, in order to just not lose money, GRT has to be extremely careful in project selection and strive to make them balanced. GRTs are more vulnerable than private developers because they are not looking for profit and have fewer assets or liquid cash, allowing them to be a little more risk resistant.

Other than organizational risk management, another GRT's challenge is the projects themselves. Social affordable housing is always more challenging than market-rate housing because the clients have less capacity to make revenue. With the same debt from the project, for example, the clients of social affordable housing have less money to start with and have less capacity to pay back the loans over the long term since they have to keep the affordability and can only charge less than market-rate units (01, 02). The situation is always challenging for GRT to make sure the clients will not lose money, will be able to make revenue to cover the debt, and, at the same time, keep the units affordable.



Current housing policy shifting also poses a great challenge to GRT. GRTs have become less flexible due to the long over-reliance on a single program. About 20 years ago, 90% of GRTs' income came from AccèsLogis, and the conversion of over-reliance on the program and the need for a diversified path have always been conversations (05, 03). However, it has not become a real crisis like now (05). They have dealt with the layered funding structure but always with AccèsLogis as the main leading framework, but now the strategic financial skills have been greatly needed. Finding suitable new approaches for each of the GRT organizations and developing a stable model on their own are the two main topics for them.

On top of the policy shifting, the housing environment on a bigger scale also has been tougher for GRTs to deliver housing units than before, no matter in the pre-COVID times or because of the pandemic. The land scarcity and high acquisition cost in Montreal make it harder to develop new units (02) compared to the time back in the 70s and 80s when GRT had become well known. Lands were more and cheaper. Seeing the situation, the manager adds that now they might go somewhere off the island where there are cheaper and with more opportunities. Additionally, similar issues continue, but COVID made them more pronounced (02). For example, to deal with an unexpected issue in a \$4-8 million project, we might need \$100,000 to fix in the regular time; however, during COVID, the adjustment could be four times more costly, about \$400,000 (02). High demand and less supply in material and labour drove the cost up, and the delays increased the risk of the developments. The COVID challenges seem to continue with just gradual recovery, and GRTs still need to fight against the high cost and low viability for the delivery of social affordable housing.

## **F: Non-profit developers outside QC: A comparative perspective**

Non-profit developer models exist in places outside Quebec, but the Quebec GRT model is unique because it is a province-wise ecosystem (01). Wherever in the province, there is a GRT. The structure was well-established since it has been supported by the provincial government. The government offered funds to create GRTs in the 70s, with which GRTs are possible to kick off. The booster in the beginning is the key to replicating the model because, in the non-profit developer model, it does not make money out of it quickly at first (01).

Similar work has been done by other non-profit developer organizations in the rest of Canada, the U.S, France, Mexico, and so on. They developed different financing strategies to adapt to the local context of funding resources and types of local properties (02).

## **The GRT model in Mexico City**

A similar model exists in Mexico City as well. A group of professionals came together after the big earthquake in Mexico City in 1984, and there were four parties at the time when the interviewee from PIVOT architecture cooperative worked there with the group, [Casa y Ciudad, A.C](#) (03). Working with the local community, the parties offer the same kind of accompaniment and professional services as GRTs with government funding. The difference between the two models is the level of engagement in daily work. Members of GRT in Mexico are on the

construction site almost every day for site supervision for the quality control. Sharing by the same architect, it is interesting to find that, in the model, the transition of female character stands out from the role of urban squatter to the managing of daily works like the site supervision, committee organizing, and all the works of being a contractor.

The model in Mexico City has the same tension between the government as the GRT model has in Quebec. They are funded by the government but making demands on the government, like mobilizing against the public sector at the same time (03). GRT was also in a similar situation, for that, they work on the governmental programs and work closely, especially with the municipalities, but they also have a grassroots community background, advocating for affordable housing and tenant's right. However, 20 years after the GRTs' emergence, the Association des Groupes de Ressources Techniques du Québec, AGRTQ, was created as a GRTs' mobilizing agent, which represents a network of GRT and advocates for the improvement and implementation of financial tools and public policy to promote community housing ([AGRTQ website](#)). As we can see, the two models in the different countries have many similarities, but the Quebec GRT model shows a well-structured system covering the whole provincial territory.

### **The non-profit developers in Canada: New Commons Development as an example**

Organizations, such as New Commons Development (hereafter, NCD), practicing similar professions, have existed outside Quebec, sharing similar mandates and goals as the GRTs in delivering affordable housing units. NCD focuses on developing community-owned assets in the forms of residential, non-residential, a mix of community-shared space or retail, where a project to be owned and operated by non-profit organizations and coops (04). NCD is based in British Columbia and Ontario but working across Canada with many development projects in BC and ON, a few investments in Manitoba and a new project in Nova Scotia but less in QC. Working in different jurisdictions can be a challenge, and NCD has been agile in adaptative to different frameworks with local support. NCD would reach out to local planners for insights on policy interpretation and the local public sector with the guidance on the planning policy framework, added by the senior analyst from NCD (04).

The clientele of NCD is similar to that of the GRT. Typical partners are non-profits and coops who already own and operate housing and intend to expand the property. They also work with faith-based organizations that might have a property and look for a way to redevelopment and municipalities as well as some governmental groups that have underutilized land. NCD responded to the request for proposal (RFP) put out by the organizations asking for professional support. Compared with the GRT model, one difference is that NCD has not been involved in new housing coop creation. Most of the clients, no matter non-profit or coop, already have their property, and they were established back in the 70s and 80s, the time when the government was investing in cooperative creation. Part of the reason is that the high cost of land acquisition makes coop formatting difficult.

NCD has long been trying to access all possible kinds of funding resources. Typical sources they consider are government funding programs, non-profit resources, private impact equity

investment, and private patient loans. In the governmental resources, typically, NCD access mainly federal CMHC programs for pre-construction and construction stages. Unlike the case in Quebec with GRT, where social affordable housing has been supported by the provincial government, Ontario and many other provinces are not much involved. There are not many opportunities at the provincial level, unless they work on the projects in BC with the provincial housing agency, BC Housing (04). The non-profit resource is like the Federation of Canadian Municipalities (FCM). Private impact equity and patient loans are resources from lenders in the Canadian ecosystem which aim to support affordable housing projects. Since it is a repayable loan, NCD needs to consider if the timeline fits in the cash flow and schedule of the project. There are also other resources that support specific goals, such as accessibility promotion and better energy efficiency. NCD can access them based on the circumstances of each project.

Projects of NCD usually have a mix of resources (04). Different projects use a variety of resources based on each case. Take the project in the City of Kingston shared by the interviewee from NCD as an example. The project was able to access the funding from CMHC's several programs for the pre-construction and construction stage at the federal level, grants from the City of Kingston with the partnership with them, and the FCM's funding program for the accessibility features specified in this project. The project also demonstrates an approach of partnership and collaboration among different parties and how NCD manages to compile multiple funding sources to make the project viable. In this project, the key piece in the financial strategy is the land donation from the city since the city owns the lot next to where the coop is. The coop was seeking an opportunity to expand their property for its members to age in place since the old coop housing built in the early 80s, which is the typical townhouse with bigger family units and stairs, might soon not best suit for senior population due to the lack of accessibility. The partnership of the coop group, NCD, Cooperative Housing Federation of Canada, and the City of Kingston allows the project to happen.

NCD has a similar revenue model as GRT in that they only get paid after the construction happens. In other words, they are not charging anything in the pre-development stage, which can sometimes take up to 2 years. In this stage, they call it in an at-risk partner. The way for risk management is the careful selection of the project in the early-stage feasibility study. From the perspective of NCD, they are looking for a feasible project that meets the goals of the organization. If the project is not viable, the client and NCD both walk away.

One significant difference between NCD and GRT is that NCD raises funds, which adds to the capacity of NCD and the company. They have two pools of capital, one for internal operation and the other for equity investment to help development projects get through the pre-development phase. The working capital pool allows NCD to continue the daily operation till some of their projects hit the construction stage, and with the fee earned in the construction of the project, they can carry on the operation. With more projects in the pipeline, eventually, it will support the stable operation over time. The funds are an investment that needs to be paid back in investment with an additional extra increase. Other than raising funds, NCD sometimes provides early-stage consultation service that charges a small fee for little extra cash flow to keep going. However, it is still challenging because it takes such a long time to get to the construction stage.

The second pool is the New Market Fund, which is the impact investing arm of the company, investing in projects that have an equity gap. Those projects are patient, being repaid in 10 years with an increase at a relatively low-interest rate. In addition to the new development opportunities, New Market Fund is also looking at the acquisition of rental properties to transfer the units into the non-profit housing sector, especially those units rented at below-market rent but owned privately. Seeing that the loss of below-market rental units is faster than that can be built, the organization adopts an approach to protect existing affordable units to stay affordable perpetually. The fund pool NCD raised increases the capacity to create new tools and approaches to help the non-profit housing sector. The repaid funds can be invested again in other development or acquisition projects, revolving in the ecosystem of social affordable housing.

Non-profit developers have different models and capacities developed under different policy frameworks. Under the policy framework like Quebec, the provincial government is a bigger player and provides much infrastructure for non-profit affordable housing development (04), such as budgets and policy tools. Working in the system, non-profit developers like GRT are well-supported and equipped with tools to facilitate the programs, and they can develop more supporting capacities in the long term other than development, such as housing coop creation, building management, training, and annual following-ups. However, working on the institutionalized path created by the government with secured funds, non-profit organizations might become less flexible over time. The over-reliance and specialization in the specific program make them fragile and prone to the impact of political will shifting, which undermines the autonomy and independence of a non-profit organization in the third sector.

Whereas, in the case of non-profit developers outside Quebec, working with a provincial government less involved in the housing policy, their housing development model differs from the GRT model in that they need to explore the way to fulfill their mandate while also being self-sufficient. Without a planned path and secured funding, they have been agile and innovative in the layered financing structure and have a strong impetus to keep the efficiency in their work. They have the capacity to specialize specifically in the development and have fewer capacities in long-term operation supporting themselves, compared to the GRT model. Instead, they would connect the housing group with other partners of NCD who specialize in building management, for instance, who can do the management for the group or provide training to them. Unlike the GRT model, one group serves all along the process, NCD carries out the project in an approach of collaboration of other community partners with different expertise for better efficiency. Moreover, in the model in which the provincial government is a smaller player in the housing policy, the need for self-sufficiency for the non-profit developers also becomes an impetus and motivation for them to operate efficiently, in careful selections of projects and push through the process faster.

The non-profit model like NCD has been a needed model in many provinces (04), which plays the role of filling the knowledge gap of financing strategies of non-profit housing. Quebec was the exception since it has a well-structured GRT system. However, with the withdrawal of AccèsLogis, the NCD model might also be more needed in Quebec to facilitate the transition of GRT in terms of financing strategies and self-sufficiency.

# Discussion and Conclusion

## Discussion and Conclusion

### How independent is GRT?

There is a discussion on how independent GRTs are. The answer depends on answering the question from which perspectives. From the organization status, GRTs are independent non-profit organizations (NGO, OBSL) that work mainly on community real estate development projects with local community groups. However, financially speaking, GRTs are seemingly independent. GRTs' stabilization relies on governmental resources. Until recently, they still have a direct grant from the provincial government, which constitutes about a 3-10% of their annual income (05). From the perspective of the other part of the revenue model, GRTs seem independent since they are paid from an honour fee by the community organization; however, it is still a government subsidy of the housing program. In other words, financially, GRT still indirectly depends on government programs.

In a similar vein, at the municipal level, the city cannot directly fund GRT either unless they apply for projects through a transparent bidding procedure (08). Subsidy from the city goes to the organizations, who are the one contracts with the GRTs, so as to how the funds are paid to the GRTs. It is true that since the government does not fund the GRTs directly, GRTs seem to operate independently from the public sector. However, the funding for the GRT through the development project is secured in the structure of the AccèsLogis program, and the accompaniment is required in the project receivers' contract. Therefore, under any circumstances, part of the subsidy will go to the GRTs. The GRT model still indirectly relies on the public resources.

### How do we need the governmental involvement in creation and support of non-profit developers?

Starting from grass root groups, GRTs would not be able to be stabilized without the provincial government's support. The support was a necessary booster in the early stage since it is relatively challenging for the model of non-profit developers to become self-sufficient at the beginning, as mentioned by the manager from Groupe CDH (01). The continuous funding, in addition to the stabilization booster, also allows the system to be accessible and develop into a province-wide system. The accessibility is demonstrated in that the GRT system covers widely in Quebec, so people in rural Quebec can have easy access to the housing resource as residents in Montreal and Quebec City. Moreover, GRT's service is also financially accessible because it is free of charge in the pre-construction stage. The support from the Quebec government relieves part of the financial stress of GRT and thus increases the capacity of GRTs to be less selective and more inclusive in project selection.

However, the system does not work perfectly in practice. The secured funding and continuous support can adversely undermine the independence and autonomy of the GRTs. The over-reliance and specialization on a single resource has made some of the GRTs clumsy in adapting

to the shifting housing policy. Some interviewees mentioned a couple of times that the complexity in the layered structure of the housing financial model is more complicated and challenging than the AccèsLogis programs. The specialization in single program has constrained the GRT groups in developing a nimbler financial strategy for long until the recent crisis of the cessation of the program. Furthermore, GRTs have developed into players with different capacities because of the local context differences. The smaller players exist due to poor and inefficient organizational management skills or fewer opportunities in the local region, comparing to the central area where the GRTs evolve into bigger players since there is more opportunities for development and capacities of the local communities. Though the system fully covers the whole region, big players and small players can have a big difference in their ability to actual delivery housing units.

As we see in the case of GRT, the involvement of the government is necessary for supporting non-profit development organizations for stabilization and building up capacities. However, to what degree would the involvement not undermine the autonomy and independence of the group? The key to proper support might lie in preventing over-reliance and the single-path solution and continuously cultivating the ability and sustaining the motivation to be self-sufficient.

#### How will the model change after the shifting policy?

Among the GRTs, as the resource structure changed, the collaboration dynamics would change from sharing and collaborating to completing. In the AccèsLogis time, GRTs worked with a secured portion and could see the resource pool only shared among the GRTs, so they worked together, understanding that competition would not bring any extra benefits. By contrast, now, the pool is open to all, including the private sector. Without guaranteed funding, GRTs have to compete to survive. Some interviewees mention some GRTs might close. In this case, the GRT system might not be able to cover the whole area. The gap area will eventually become a gap without resources in place, or a more capable organization might bridge the gap and replace the local GRT.

Within a GRT, the housing development strategy and business model need to adapt to the situation, and the change has been in progress, as shown in the section “Adaptions of GRT.” The changes in the strategies model could lead to the diversification of GRT, where they took approaches as non-profit developers outside Quebec, private developers, or with their own innovation model. GRTs would specialize themselves in different stages of non-profit housing development, similar to NCD, only specializing in financial strategies and construction. Work might be split up among GRTs and other supporting organizations that are good at building management, self-governance training and so on. Moreover, to be self-sufficient, efficiency might be prioritized; thus, a higher standard of project selection would result in the loss of inclusiveness for the service. Namely, projects with lower potential could be given up. Due to the limited capacity, less time and effort can be put into accompaniments for project improvement.

Some special impact of GRT would not exist anymore. The local connection might be harder to build since they might not base locally anymore. Non-profit developers would travel around for

more opportunities and have less time capacity for them to stay locally connected. Instead, new collaboration models can work like NCD, cooperating with local public sectors and consulting local planning partners. Another significant difference is that it would be difficult to create housing coops through current programs. Thus, autonomy cultivation of community housing group might not be the prioritized concern of a GRT, and the impact on strengthening civil society could be overlooked or externalized. These are possible impacts due to the current shifting housing policy. However, the interviewee also reminds us that housing policy change is dynamic, it is too early to say what is the outcome of the changing, but we can soon see the result in 2 to 3 years (02, 03).

#### Do we need non-profit developer model?

The non-profit developer group is the key piece to deliver community housing in the current policy framework. They bridge the gap in the professional knowledge in property development since typical community organizations might not have the capacity of their own (03). “There are many small pieces of things along the way that might be too difficult for the groups to carry on if they do not have professional partners.” adds by one of the interviewees (04). The financing strategy and the design along with regulatory details, for example, can be overwhelming for groups.

The private developer could be an alternative partner who possesses the expertise needed in the development, but non-profit developers are unique in that they take a partnership approach. Non-profit developers are involved in the project from a very early stage until the building is well operated or even with annual checking in till the groups gain full self-governance, in the case of GRT. Also, non-profit developers are always in the loop in each stage of the development and facilitate the participation of the group in their own project (06). On the other hand, private developers with their own mandate, looking for profit, services of theirs might be financially less accessible, and the model and approach adopted by the non-profit developer could be impractical from their perspective. Also, clients would neither have opportunities to be involved in the decision-making process nor can they develop the capacity for long-term stabilization of their property.

Though the non-profit developer model is necessary and much needed, in terms of filling the gap of community property development, there are some constraints on it that need to be supported. The time-consuming and delays due to working with funding from the public sector in the risky and fast-paced real estate market leads to innate constraint of the non-profit developer, making them prone to risk and less competitive. From the initial submission to gain the site plan approval and permits of rezoning, building and construction, for instance, it can take six months up to 2 years in a case with the City of Toronto (04), not including the early-stage consulting which takes about another two months to a year. Even with conditional and procedure differences in a different jurisdiction, in the City of Montreal, it is also an incremental process taking up to years (08) from an initial submission and the primary approval (*approbation primaire*) through the second stage of conditional engagement (*engagement conditionnel*) for further environmental analysis and more detailed architecture plan to make sure the correspondent to the program

criteria to the last phase for the final commitment (*engagement définitif*). On top of the fact that non-profit developers only be paid after the construction kicks off, it has always been challenging for them to get through the long pre-construction procedure. Plus, to deal with the delay in cash down, GRTs have to pay more to the property seller to compete with other buyers who have more liquid equity. To better support and facilitate the development, it will be helpful with faster planning approval to shorten the timeline of the project. Also, a better funding system filling the equity gaps will take some stress off the non-profit developers, so they can have more time and resources to explore more opportunities with communities with less capacity.

While the non-profit developer model will be needed more, will the GRT model, specifically, also be much needed as well? An interesting perspective brought up by the interviewee from the City of Montreal, GRT will still have a role to play in the housing development since, without the one-fit-for-all package program like AccèsLogis, more organizations will need support in finance strategy, which is also an expertise of GRT. It is true that the expertise will be more needed; however, it is still a crisis and challenge for the GRT system because the competing pool is bigger and more competitive, and, without the requirement of accompaniment, the secured share will not exist anymore. Organizations do not necessarily have to be GRT to access the affordable housing development resources in Quebec. Thus, the GRT's expertise will be needed, but the role will no longer be the same.

#### What is meaningful public participation in community property development?

It is worth to first look into what is a meaningful participation process. The fully open engagement in participatory design is ideal but not practical. A meaningful process needs the professionals to steer the course and has limitation in engagement. Especially in spatial planning, there are constraints and conditions that cannot be neglected or compromised. Without professionals' help, a fully open participatory workshop can create outcome that have to be undo later by the professionals. An example shared by the architect from PIVOT, is how they unravel proposals that comes up by the communities' own, that without considering conditions like where kitchen equipment should and can go while they talked about the installation of a café corner in a former church.

Providing a tailored and proper path for meaningful participation in designing participatory process is a professional skill. One of the tips is that the participation level depends on the role of the group. In community housing projects, the engagement of coop members can be early and detailed like going down to actual design, while the engagement with organizations tends to be more high-level, brainstorming ideas like the types of unit mix and size, public and common space, and whether they need a computer lab or daycare (04). Understanding the limitation and level of engagement also allows the professionals guiding the workshop properly and efficiently with right questions. For instance, AccèsLogis projects have less flexibility in spatial planning due to the strict regulations, but architects can still work in a participatory approach with the communities by setting a clear boundary of what can actually do and what cannot by asking good questions within the window (03).



However, in most groups, to apply the participatory approach to the fast-paced real estate market, it usually jeopardized the direct engagement of the participants. The representative board structure in the organization is a common way in practice to simplify and shorten the long process since real estate development project that is usually fast and risky. Instead of working with all members in either bigger housing coops or organizations, a board is created to represent the members. However, in the case where it is a smaller coop, the GRT can still do the workshop with all members.

### What are the current challenges in social affordable housing from the perspective of non-profit developer?

Some issues are raised during the interviews with the interviewees working in the non-profit housing field. Housing policy is always sensitive to political will, whether the government plays a big or small players matters. Under different frameworks, how the agencies can maintain agile and develop strategies in adaptations and how government can provide support but still encourage independence are relatively important, especially in the current transition of the GRT system and Quebec's social affordable housing model.

Another concern is the lack of deep affordability support with the current federal programs, pointed out by both interviewees from AHM and NCD. The actual long-term support to be deeply affordable such as the rent supplement program, is still a missing piece. Units are just guaranteed with a specific time span of affordability but maintaining the affordable price with a striking balance in operation can be challenging. Mid-term equity support resources can be helpful for long-term stabilization, but currently, they are mostly from private or non-profit organizations.

### **Conclusion**

To conclude, the research documents one of the main social housing development models-- Group of technical resources, GRT, in Quebec and its current transitions through interviews with the frontline workers involved in the system. The model has successfully delivered social housing units through the provincial housing program AccèsLogis. However, with the cessation of the program, the model is also at a transitional point. Through the experience sharing in non-profit housing development in practice, we can see how they used to work in the model and how each of the GRTs adjusted their model to adapt to the change.

Positioning the "fourth transition" in the longer housing policy history, shifting in housing policy programs is common. With the achievements in nonequity housing delivery by the third sector's involvement, a robust civil society can build up the capacity and maintain assets in supporting the affordable housing delivery to help with the housing crisis. Therefore, even though shifting is common, the government should always be consistent in supporting and encouraging the involvement of the civil society to accumulate the capacity in the third sector, in addition to essential support in bridging equity funding gaps, like the beginning booster. A faster administrative process with mutual trust with the community partner can efficiently shorten the construction timeline and relief some stress on the community-based non-profit developers. On

the other hand, the third sector had witnessed previous transitions in the housing policy system. The experience in reorientation and restructuring themselves to adaption has accumulated and proved to be possible. As the fourth transition is in progress, the adjusted GRT model can eventually survive. However, how the capacities in the resources group change and how they will interact with the private sectors will need to be explored in future research. This research delves into the resilient third sector housing development model in resist of the contemporary capitalist housing economies by the continuous delivery of decommidified housing and tackling the challenges in the current housing market.

### **Limitation**

Due to the capacity and timeline of this research project, only the data of 3 GRTs in Montreal are collected. Insights from other GRTs off Montreal Island and elsewhere in Quebec are worth exploring since they are working in the same system but in a different context in terms of local municipality policy and the intensity of the private real estate market. Additionally, it would also be interesting to bring perspective to private developers for the big player they have been in real estate development.

Also, because of the language barrier, the nuance of expression and opportunities in exchange for local experience might be overlooked. Though the option of written replies in French was provided, none of the interviewees chose to do with it. Further research could be conducted in the familiar language of the interviewee, French, in this case, to increase the willingness of the local community's participate and explore the topic in depth with the francophone communities.

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# Appendix

## 1. Semi-structure interview question list

### (A) GRT

1. What is your role in the organization and how you came to be there?
2. What are the types of projects of your organization? Is it only for community housing and community space?
3. Who are the clients? (Housing Cooperatives? NPOs? municipal housing offices?)
4. Can you give me an example project to exemplify the process that how a project is carried out? How long does it usually take to finish a project on average?
5. What areas is your organization mainly work in? Any overlap with other GRT? How did you solve the conflict in overlapping, if has happened?
6. Do you also do community outreach in the area your organization usually works in? For example, joining a community table in the area or any other ways for local information-sourcing?
7. What are the main funding resources your organization usually considering? (Governmental level, specific program, etc.)
8. How do you usually find the potential site for housing development?
9. Do you sometimes have to compete with private developers? If so, at which stages of the development process? Do you have any examples in mind?
10. Does your organization have Co-op empowerment training? What are the exact trainings you provide? Are they mandatory? Are there follow-ups after the project is finished?
11. What is your organization's strategy when facing the housing policy and political will shifting? Such as the situation that AccèsLogis is less/ no longer refunded. Any example that can elaborate the strategy?
12. COVID and current challenge: ever since covid, the cost of construction, including material, labour and so on, has drastically increased. Is there any way/ strategy to keep housing affordable when facing extremely high costs?
13. What is your recommendation on keeping GRT more independent and adaptive to policy changes?
14. What are your organization's strengths and specificity comparing to the other GRTs?
15. What do you think are the main challenges in community/ affordable housing development? Do you feel optimistic about solving the housing crisis with the GRT model?

(B) GRT--FR: for Batir son Quartier

1. Pourriez-vous me parler de votre rôle dans l'organisation et de la façon dont vous y êtes arrivé ?
2. Quels sont les types de projets de votre organisation ? S'agit-il uniquement de logements et d'espaces communautaires ?
3. Qui sont les clients ? (Coopératives d'habitation ? OSBL ? offices municipaux du logement ?)
4. Pouvez-vous me donner un exemple de projet pour illustrer le processus de réalisation d'un projet ? Combien de temps faut-il en moyenne pour terminer un projet ?
5. Dans quels secteurs Batir son Quartier travaille-t-il principalement ? D'autres GRT à Montréal travaillent-ils dans les mêmes secteurs, et cela donne-t-il lieu à des conflits? Si oui, comment résolvez-vous ces conflits?
6. Faites-vous également de la sensibilisation communautaire dans le secteur où Batir son Quartier travaille habituellement ? Par exemple, en vous joignant à une table communautaire dans le quartier ou en utilisant d'autres moyens pour obtenir des informations locales ?
7. Quelles sont les principales sources de financement que Batir son Quartier envisage habituellement ? (niveau gouvernemental, programme spécifique, etc.)
8. Comment trouvez-vous habituellement le site potentiel pour le développement de logements ?
9. Devez-vous parfois entrer en concurrence avec des promoteurs privés ? Si oui, à quelles étapes du processus de développement ? Avez-vous des exemples en tête ?
10. Batir son Quartier propose-t-il des formations sur l'autonomisation des coopératives ? Quelles sont les formations exactes que vous offrez ? Sont-elles obligatoires ? Y a-t-il un suivi après la fin du projet ?
11. Quelle est la stratégie de Batir son Quartier face à l'évolution de la politique du logement et de la volonté politique ? Par exemple, la situation où AccèsLogis est moins/plus remboursé. Y a-t-il un exemple qui pourrait expliquer la stratégie ?
12. COVID et le défi actuel : depuis le début de l'épidémie de COVID, le coût de la construction, y compris les matériaux, la main-d'œuvre, etc, a considérablement augmenté. Existe-t-il un moyen ou une stratégie pour que les logements restent abordables lorsque les coûts sont extrêmement élevés ?
13. Quelle est votre recommandation pour que les GRT restent plus indépendants et s'adaptent aux changements de politique ?
14. Quelle est la force et la spécificité de Batir son Quartier par rapport aux autres GRT de Montréal ?

15. Selon vous, quels sont les principaux défis en matière de développement de logements communautaires/abordables ? Êtes-vous optimiste quant à la possibilité de résoudre la crise du logement avec le modèle des GRT ?

(C) Public sector: for City of Montreal

1. Could you tell me about your role in the city's housing development?  
Do you work on projects with GRT's involvement?
2. What kind of projects are they? Only social housing, housing study? What are the specific ways the GRTs cooperate with the city?
3. Could you give me example projects to exemplify the process that how a project is carried out?
4. Does the city work with all four GRTs on the island or even other GRT in CMM?  
Any project that is in progress now?
5. What is the municipality's role while public resources in housing are shifting, e.g., AccèsLogis' cessation? What kind of policy tools are provided?
6. COVID impacts: what challenges in providing affordable housing did the city find during the time of COVID?
7. What is your/ the city's recommendation on keeping GRT more independent and adaptive to policy shifting?
8. What do you think is the main challenge in community/ affordable housing development from a city perspective? Do you feel optimistic to solve the housing crisis with the GRT model?

(D) Housing Coop member

1. Can you tell me who you are? What job are you working?
2. Where are you living now?
3. Which GRT you are working with now?  
How did you know about the GRT service?
4. Did you started the COOP from scratch?  
What is your Coop's name? was it created with GRT's help?
5. how many people are in the COOP? Who are the members? How do you know them?
6. Where is the location your coop will be?  
Have you thought of working with other GRTs in Montreal? How did you choose it?

7. What stage is your project at now? Is it gonna be new construction? Or buildings to be renovated?  
Can you tell me how was the cooperation process was like?
8. How are the meeting usually be like? Who needs to attend? All members?  
How to make decision? Majority decided?
9. in terms of need and design, how do your coop and CDH make decision? Brainstorming? Workshop?
10. Do you know how your project is gonna be funded? How long is it gonna take until you move in?
11. training and future management:  
What skills do you expect for running a COOP  
Have you had any training form GRT?  
Do you think you'll feel confident to run a COOP after trained by them?
12. Why do you think of starting a new coop? instead of joining an existing coop? any barrier?
13. Any challenge thing happened when you seeking for GRT's help? (Information accessibility?  
language)
14. has housing affordability always been an issue to you? How?
15. What do you think about the experience working with GRT? from a public client perspective and  
from a professional in Architecture perspective?

## 2. Interviewee list

	Sector	Title	Organization
1	GRT	Development manager	Groupe CDH
2	GRT	Project manager	Groupe CDH
3	Architect	Architect/ co-funder	PIVOT: architecture cooperative
4	Non-profit developer Outside Quebec	Development Analyst	New Commons Development
5	GRT	Development manager	Atelier Habitation Montreal
6	COOP	Founder	Coop: Les Toits Partagés
7	GRT	Development manager	ROMEL
8	Public Sector	Housing Development Advisor	City of Montreal: Housing department