



Community Housing Operating Support
(CHOS)

Proponent Guide



Canada

Proponent Guide

Community Housing Operating Support (CHOS)

Introduction

For Community Housing organizations who demonstrate financial need, Community Housing Operating Support (CHOS) provides time-limited operating subsidies to help meet immediate need. As a condition of this funding, the organization must produce a preliminary Business Plan to demonstrate steps they are taking to develop their business model and achieve financial self-sufficiency after this short-term funding ends and into the future (see Part E of Application Form for further information).

Eligibility

Eligible Applicants are non-profit housing providers, including housing cooperatives, that:

- Have a mandate to provide affordable housing in Nova Scotia to low-income households.
- Are in good standing with Joint Stocks in any Canadian province or territory and authorized to operate in Nova Scotia.
- Can demonstrate a financial need.
- Submit a Business Plan describing initiatives for long term financial stability.

Prioritization and Assessment of Applications

Assessment of applications:

Financial Need: Applicants must demonstrate a budget shortfall, operating deficit or evidence of significant deterioration in their financial position. Applicants may provide documents including audited financial statements and/or pro forma statements to demonstrate financial need. Staff will assess documents provided and may request additional documentation if needed.

Business Plan: Applicants must provide a Business Plan demonstrating how they will improve their financial position to ensure long-term financial stability. We recognize that these plans may be preliminary: applicants are encouraged to submit what they can, and staff can work with them to identify possible ideas and strategies. Where the Plan is not fully developed, DMAH may reserve the right to hold back a portion of the grant conditional on receipt of a more robust Business Plan.

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Applications may be prioritized based on the following criteria:

- Organizations with a robust long-term plan for financial sustainability.
- Organizations that offer deep affordability for low-income households, or seeking to improve housing outcomes for underrepresented, equity-deserving or other at need communities.
- Organizations with potential to achieve increased scale, transformation, or Community Housing sector growth.
- Organizations facing end of long-term subsidy agreements (e.g., CMHC Operating Agreements).
- Organizations who demonstrate readiness to begin projects promptly upon funding.
- Organizations in need of emergency repairs to address health and safety concerns.

To Apply for CHOS

- If your organization is considering CHOS, please reach out to DMAH at CommunityHousing@novascotia.ca with any questions you may have or to discuss the application process.
- To submit your application, carefully read this CHOS Proponent Guide and attachments, which includes Appendix A: CHOS Application Form.
- Please complete, sign and witness this attached CHOS Application Form and submit it to DMAH by:
 - email to CommunityHousing@novascotia.ca.
 - fax to: 902.424.0661
 - regular mail to:
Department of Municipal Affairs and Housing
Attention: Community Housing Group
1505 Barrington Street, 14th Floor
Halifax, NS B3J 3K5
- Use the Applicant Checklist (page 8) to ensure that you have included all necessary documents.
- Applicants will receive acknowledgement of their submission. DMAH staff may request additional documents or information.
- Once the application is finalized, staff will evaluate, and a final decision will be communicated to applicants via email within 4-6 weeks. The number of organizations approved is subject to availability of funds.

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Funding Terms and Conditions

The Terms and Conditions of funding will be described in detail in the Grant Contribution Agreement, which will be signed prior to disbursement of the grant. Key conditions of funding include:

- A minimum of 30% of the organization's units must be offered as affordable units to low-income households with incomes below the Household Income Limits set by DMAH.
- At the end of the fiscal year, the organization will provide a report including Financial Statements, rent rolls, and an updated Business Plan.

Subsidy Calculation

For eligible applicants, subsidies will be calculated by DMAH according to the following formula:

Subsidy = Difference between actual rental revenues and 80% of Average Market Rent for a similar- sized and quality unit in the immediate area

Note: Consideration will be given where an organization presents a business case for a greater level of financial need requiring additional supports. Special priority will be given to applications that serve equity-deserving and/or vulnerable populations and for groups that show potential for growth and transformative impact.

Program Process

- If approved for funding, applicants will be required to sign and return a Grant Contribution Agreement that confirms the applicant's acceptance of the terms and conditions.
- Funds will be released upon review and acceptance of the Grant Contribution Agreement.

APPENDIX A: CHOS Application

Community Housing Operating Support (CHOS)

Part C

Financial Information

Include financial documents to demonstrate financial need. This may include audited financial statements and/or pro forma budget.

Part D

Rent Rolls (if applicable)

Include with this application your most recent rent rolls.

Unit Information		
Unit Size	# of Units	Average Rent
Bachelor		
1 Bedroom		
2 Bedroom		
3 Bedroom		
4 Bedroom		
Total Units		

Rent Inclusions (select all that apply):

- Heat
- Hot Water
- Domestic Electricity
- Parking
- Storage

Part E

Business Plan

Provide the Business Plan as a separate document attached to this application. See below for more details on what this document should contain. We recognize that these plans may be preliminary: applicants are encouraged to submit what they can, and we will work with them to identify possible ideas and strategies.

CHOS is available only to provide short-term funding. In the long-run, organizations will need to develop a Business Plan to achieve financial sustainability on their own. To be successful as a housing provider, community housing organizations need a financially viable plan to cover their operating, maintenance, and future capital costs while continuing to offer a portion of units at affordable rents. This plan should strive to be as self-sufficient as possible, with minimal reliance on ongoing government support.

APPENDIX A: CHOS Application

Community Housing Operating Support (CHOS)

The goal of the CHOS program is to set organizations up for long-term success. To be successful, it is important for organizations to have a long-term plan to cover their ongoing costs. This requires a sound business plan with a focus on financial sustainability and opportunities for growth.

To apply for CHOS, organizations are required to provide a preliminary Business Plan as an attachment. This is an opportunity to tell us about who you are, what resources you currently have, and how you plan to operate into the future. Your plan should include the following:

- Organization Description: What do you do, who do you serve, what is your purpose, and how do you plan to continue?
- Status of current property: Are your properties well maintained, are they well managed, what repairs, if any, are currently necessary?
- Resources and Opportunities: What do you have to work with to help you achieve your goals? (your team, land, expertise, equity, etc.)
- Challenges: What do you find particularly challenging, where are your main obstacles?
- Market Rent Analysis: How do your rents compare to market rents in your area?
- Tenant Selection: How do you fill your units? Who is eligible for your units? How and when do you check incomes?
- Business Model: How will you generate revenue to cover all costs for long-term success?
- Future Growth: What are your goals for the future? What reforms do you plan to ensure financial stability?

To achieve a financially stable and sustainable model, we encourage all organizations to consider reforms, changes, and new initiatives to make your business model as effective as possible. In the current environment, where long-term operating subsidies and rent supplement agreements are ending, community housing organizations face increasing responsibility to ensure their own financial sustainability. Your Business Plan may need to include new steps to achieve a more viable model.

Examples of initiatives for improved viability could include:

- Governance, Operational, and Financial Reviews
- Following a Capital Repair/Asset Management and maintenance Plan
- Rent Model Reform, such as Mixed-Market and Mixed-Income Models
- Amalgamation and Partnerships
- Opportunities for redevelopment and growth
- Additional Income Streams Including Mixed-Use Development
- Energy Efficiency Upgrades

To undertake this work, community housing providers are encouraged to seek other partnerships and sources of funding. In particular, the Community Housing Growth Fund ([Community Housing Growth Fund – CHGF](#)) may be a valuable resource to support some of these initiatives.

APPENDIX A: CHOS Application

Community Housing Operating Support (CHOS)

Timelines: In describing your plans for financial stability, please provide approximate timelines for when you hope to complete this work.

Supporting documentation: Be advised that staff may request additional documentation to support your plan. If this is the case, staff will work with the applicant to obtain any necessary documents.

Please note: where the Business Plan is not fully developed, DMAH may reserve the right to hold back a portion of the grant conditional on receipt of a more robust Business Plan.

Part F

Application Checklist

Before submitting your application, ensure you include the following:

- Completed Application Form
- Business Plan
- Rent Rolls
- Financial Documents (May include Statement of Income, audited Financial Statements, and/or Pro Forma Statement)

Part G

Applicant Declaration and Signature

We declare that a minimum of 30% of the organization's units will be offered as affordable units for the duration of the fiscal year, and that those affordable units will be provided to eligible households (based on the current Household Income Limits) at rental rates below the average market rent for the immediate area.

We have read the Community Housing Operating Support Guide in its entirety including Appendices. We have understood and agree to all the terms and conditions listed therein.

We certify and declare that all the information contained in this application is complete and accurate in every respect to the best of our knowledge. We are aware that the discovery of any false statements made in the application may result in the cancellation of this application and we agree that such action by the Department of Municipal Affairs and Housing (DMAH) will be without penalty or liabilities for damages.

We understand that our application is subject to the Freedom of Information and Protection of Privacy Regulations. We certify that neither the officers nor directors have any actual or potential conflict of interest between our interests and the interests of the Department of Municipal Affairs and Housing under this unsolicited proposal.

We understand that this application does not obligate DMAH to approve funding.

APPENDIX A: CHOS Application

Community Housing Operating Support (CHOS)

We have the authority to sign this application on behalf of the cooperative/non-profit.

On behalf of the Board:

Name (print): _____ Date: _____

Signature: _____

Name (print): _____ Date: _____

Signature: _____

APPENDIX B: Communications Protocol

Community Housing Operating Support (CHOS)

The Communications Protocol applies to all communications activities related to projects funded under the CHOS. Communications activities undertaken by proponents related to the activities funded under the CHOS must be pre-approved by Department of Municipal Affairs and Housing to ensure that Nova Scotians are informed of investments made in Housing and that they receive consistent information about funded projects and their benefits. Proponents will provide at least 15 business days' notice to Department of Municipal Affairs and Housing. If the communications activity is an event, it will take place at a mutually agreed date and location.

Communications activities can be generally defined as, but not limited to, the following:

- Public or media events and/or ceremonies
- News releases
- Reports
- Web and social media products or postings
- Blogs
- News conferences
- Media interviews
- Public notices
- Physical and digital signs
- Publications
- Success stories and vignettes
- Photos, videos, multi-media content
- Advertising

Joint communications or communications activities that relate to the project and are collaboratively developed and approved by CMHC, Department of Municipal Affairs and Housing and, where applicable, the proponent, should not occur without prior knowledge and agreement of all parties. Each of the parties may request joint communications with at least 15 business days' notice.

Media Relations: Proponent will share information within one (1) business day with the Department of Municipal Affairs and Housing should significant media inquiries be received, or emerging media or stakeholder issues arise to a project funded under CHOS.