



Network looks to tap into philanthropy to boost funding for affordable housing

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Covenant House Toronto CEO Mark Aston, left, and Partners for Affordable Housing founder and CEO Jolene Livingston in Toronto. Partners is the latest attempt by a range of organizations to try and unlock more

funding for affordable housing.

SAMMY KOGAN/THE GLOBE AND MAIL

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In 2021, after the Swedish private equity giant Nordic Capital acquired RLDatix, a Toronto-based health care tech firm, Sarah Paul and her husband Cary Lavine, one of the company's early finance partners, both quit their jobs and set up a family foundation, endowing it with \$6-million. They decided to focus on community giving. Ms. Paul, who has a background in public policy and an interest in climate change, identified affordable housing as one potential channel for their philanthropy.

She did some research and came across Resolve, a Calgary-based partnership involving developers, philanthropists, non-profits and all three orders of government. Between 2012 and 2018, it raised \$75-million in private donations and leveraged another \$200-million in public dollars to construct 21 new affordable housing projects with about 2,000 units, mainly for homeless individuals and low-income seniors.

"I read about [Resolve], and I said, 'Okay, this exists in Toronto, right?' I tried to network in Toronto, but I couldn't find anything." While talking up the Calgary initiative at philanthropic conferences, Ms. Paul met Jolene Livingston, a Calgary fundraising executive who was familiar with the Resolve campaign. They embarked on an effort to scale that Calgary model nationally, so local philanthropists could easily contribute to a range of affordable housing projects, either in the form of capital contributions or support for programs, like rent stabilization.

As prices soar, even middle-class families are turning to charities for housing help

The result, launching this month, is Partners for Affordable Housing, which aims to fill a void. Housing non-profits, as Ms. Livingston says, "don't have

fundraising resources within their teams.” Her goal is ambitious: She expects to be raising \$200-million a year within a decade, and also hopes to attract government funding as well as “impact investors,” funders who direct their capital to specific causes – like low-income housing – with the expectation of a return. Donors can consult [a directory of projects](#) from across Canada and select how they’d like to contribute.

Partners is merely the latest attempt by a range of organizations to unlock more funding for affordable housing beyond traditional channels, such as government financing and development charges.

Four years ago, during an outpouring of ESG-based corporate activism, Bank of Montreal and Bank of Nova Scotia both established affordable housing investment funds totalling \$22-billion, through partnerships with Canada Mortgage and Housing Corp. (The details on what happened with those commitments are scant.)

Toronto developer Kingsett in 2020 set up a \$180-million [affordable housing impact fund](#), which has invested in Greater Toronto projects such as Etobicoke’s [Valhalla Village](#), all of which include a mix of market and below-market units.

This month, the City of Toronto has also selected the [Neighbourhood Land Trust](#) to lease and develop the west block of the Parkdale Hub, with 175 purpose-built rental homes, including 88 permanently affordable, nine rental replacement and 78 rent-controlled units using a not-for-profit model involving municipal land and a partnership with St. Clare’s, a housing provider.

Federal budget falls short on housing affordability, experts say

As well, WoodGreen and BILD, the developer lobby group, began pitching another tactic – a so-called “revolving fund,” to be seeded by the Ontario government. It would lend money to cover up-front soft costs for proposed mixed-income housing projects, worth about 5 to 10 per cent of the overall expense, with the fund replenished as the mortgages are paid off so it can continue to underwrite new ones. “The notion of building buildings that have a

portfolio of different incomes is probably more attractive as a social outcome,” says Mwarigha (who uses a single name), WoodGreen’s vice-president of housing services. “But it’s also more attractive as a financial model because we would be able to stack private capital, philanthropic capital and government funding so that we produce a mixed-income building.”

Housing-oriented philanthropy has always been a tough slog. According to Imagine Canada, the philanthropic sector’s advocacy arm, only about 2 per cent of all giving in Canada goes to a category known as “development and housing,” while health and education together bring in 75 per cent of all donations annually. Affordable housing “[has] not been an area of emphasis for donors,” Imagine chief executive officer Bruce MacDonald says, noting that many charities that provide social services also offer various types of housing.

A case in point: Covenant House, which offers a range of programs and supports for young people living on the street. According to executive director Mark Aston, the organization gets about 30 per cent of its funding from government and the rest from donations. It recently worked with Partners to secure a directed \$900,000 contribution. The money will provide rent supplements for transitional housing for homeless youth, using bachelor or one-bedroom apartments donated by Daniels Corp. and other not-for-profits. “Obviously, government does some of that through rent supplements and housing allowances and so forth,” Mr. Aston says, “but there simply aren’t enough. There’s a huge gap there.”

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Mitchell Cohen, Daniels’ CEO, connected with Ms. Livingston two years ago, and has been talking up Partners in Toronto philanthropic and development circles. In his view, stable housing prevents social crises arising from chronic homelessness, including overuse of already-overcrowded health care institutions. “Housing is health,” he says. “That is the mission of Partners, and that’s why I’m helping them to connect those dots. I believe it’s a simple argument, and the people I’m talking to are getting it.”

Less clear is how or whether a non-profit like Partners will be able to mobilize philanthropic funding for large-scale capital projects, such as new low-income housing apartment complexes. Even modest projects cost millions and involve complex approvals.

For now, Ms. Livingston predicts that Partners will be able to play a role by closing financial gaps and leveraging other sources of funding, as happened in Calgary with Resolve.

“When you talk to housing providers, they need about a million dollars for preconstruction, right? We don’t have specific targets set yet because we’re still learning on the fly a little bit. But our primary focus will be getting projects to market that already have strong viability and momentum, while also focusing on tenant stability, because you can make a smaller amount go a long way with tenant stability funds.”

Editor’s note: A previous version of this article incorrectly stated that Jolene Livingston ran the Resolve campaign. She was familiar with the campaign in Calgary before embarking on an effort with Sarah Paul to scale that Calgary model nationally.

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