



Evaluation of the Affordable Housing Innovation Fund

Evaluation Services, Audit and Evaluation
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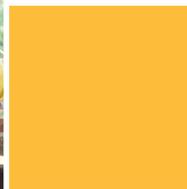




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AFFORDABLE HOUSING INNOVATION FUND: OVERVIEW OF THE EVALUATION

This report presents the results of the evaluation of the Affordable Housing Innovation Fund (AHIF). The evaluation was undertaken by CMHC's Evaluation Services as part of the Five-year Evaluation Plan 2018-2022. This report presents the evaluation findings on program relevance and effectiveness, as well as economy and efficiency. The purpose of the evaluation is to provide reliable and credible best practices and lessons learned in order to inform future policy directions.

The scope of the evaluation is from September 2016 to May 2019

Overall, the evaluation found:

1. The program appears to be on track to deliver on its outcomes. Achievement of outcomes are generally due in line with the sunset of program funding as of March 31, 2021, or are due for March 31, 2025 to account for the understanding that the construction of units takes time to complete. Therefore, the evaluation focused on reviewing the extent to which the program has effectively made progress towards the achievement of expected outcomes. For outcomes that are currently identified by the evaluation as being either below target, or for which achievement is yet to be determined, achievement of these outcomes generally will not be able to be assessed in totality until after units are completed.

2. The evaluation identified the following key lessons learned:

- Client satisfaction with the program increased when applicants had direct interactions with CMHC personnel.
- The application process between negotiation and approval of Letter of Agreement (LOA) has potential to be more efficient.
- Building techniques and funding models should be recognized as distinct within the application process.

3. The evaluation identified the following best practices:

- Most international federally-driven housing innovation programs are oriented towards providing loans.
- Almost all offer one type of financing option.
- Almost all targeted one or two types of applicants.

Note: Findings on program delivery are predominately based on applications submitted prior to the application process re-design in 2018, and as such, have been used to identify program lessons learned.

PROGRAM DESCRIPTION

The Affordable Housing Innovation Fund (AHIF) is a **\$200 million fund** that encourages new funding models and innovative building techniques in the affordable housing sector. The AHIF provides funding for innovative ideas and approaches that will support the evolution of the affordable housing sector. Starting in 2016-2017, the AHIF is expected to help create up to 4,000 new affordable units over five years to reduce the reliance on long-term government subsidies.

The Innovation Fund supports the development and testing of building techniques and new funding models by developers, non-profit providers and municipalities. It is intended to help spur innovation in the affordable rental housing sector and encourage the development of new models and approaches.

Specifically, the Innovation Fund is intended to:

1. test building techniques;
2. test funding models;
3. facilitate partnerships; and
4. reduce the costs of constructing and operating rental housing and enhance its energy performance.

In February 2018, the Innovation Fund underwent a redesign and program guidelines were changed in three material ways:

- to allow projects based on homeownership,
- to allow projects based on renovation and retrofits, and
- to allow projects that need a level of government subsidy to remain viable and sustainable.

Under the changes, projects will now be benchmarked against the most recent National Energy Code of Canada for Buildings (2015) to assess their environmental efficiencies. Through the redesign process, the revised guidelines also included changes to the method of processing applications, specifically, applications are reviewed by the i3 Committee earlier in the process.

EVALUATION METHODOLOGY

Methodology

The methodological approach for this evaluation is a mixed method approach including:

- Review of key background documents, program documents and program data;
- Literature reviews
- Interviews with successful applicants
- Two discrete online surveys targeting applicants and CMHC specialists
- Benchmarking comparison of other similar innovative housing programs by other countries

Data collection activities were carried out between October 2018 and May 2019.

The two discrete surveys were carried out between October and November 2018. There were 36 respondents to the applicant survey out of a sample of 140 applicants. Applicants included those whose projects had been approved (6%), under review (17%), declined (47%), withdrawn (28%), or on hold (3%). 86% of applicant respondents applied under the old application design and 14% of applicant respondents applied under the new application design. Further, there was no statistically significant difference between the respondents to enable the evaluation to draw a conclusion on the difference between the processes.

For the CMHC specialists survey, there were 17 respondents out of a sample of 31 specialists. The surveys included both open and closed ended questions. A thematic analysis was conducted on participant responses to the closed ended questions.

Interviews for this evaluation took place in May 2019. Eleven interviews were conducted out of a sample of eleven. This included all projects that have been successfully approved by the fund, with signed LOAs, as of March 31, 2019. Further, all successful applicants applied to the fund prior to January 1 2018 and therefore applied under the old application process. Information gathered from the interviews were used to support findings for program effectiveness and program design and delivery.

Note: The scale to summarize survey and interview data is below. The qualitative equivalent will be used throughout the report.

Scale to Summarize Quantitative Data

Percentage of Respondents	Qualitative Equivalent
1	One
<10%	Some
11-44%	Several
45-54%	About Half
55-74%	Many
75-99%	Almost All
100%	All



EVALUATION LIMITATIONS

Limitations	Impact	Mitigation Strategy
There was limited ability to evaluate the impacts of the 2018 redesign as no successful applicants with signed LOAs had been through the new process, and a limited number of applicant survey respondents had gone through this process.	Cannot assess the economy and efficiency of the new process.	The evaluation focused the analysis of best practices and lessons learned on specific design and delivery features and perceptions of CMHC personnel and applicants.
The evaluation found that there were inconsistencies across sources of program data and documentation.	There is potential that the results of the analysis of program data is not reliable.	Triangulated program data with other sources of evidence available and worked closely with the program team to identify the best sources of evidence.
The evaluation was limited in its ability to conclude on the extent that outcomes had been achieved, as the evaluation was conducted while funding remained ongoing and units remained under development.	Cannot fully conclude on the extent to which outcomes have been achieved.	Evaluated the extent to which the program is on track to achieve outcomes to date.
The evaluation had a high dependence on interviews.	Evaluation evidence could be opinion-based and thus subjective.	Triangulated with program data and documentation where possible.
There was a lower than expected response rate on surveys.	It is possible that conclusions could be drawn that do not accurately reflect the broader population.	Triangulated with program data, documentation, and interviews where possible.



EVALUATION RECOMMENDATIONS

Recommendation	Associated Finding
<p>1. CMHC should consider reviewing and revising program outcomes to align with the expanded scope of the program.</p>	<p>EQ3* – Finding 3: Program outcomes have not consistently been updated to align with the expanded scope of AHIF per Budget 2018. As of 2018, the program expanded in scope from the provision of funding exclusively for the creation of new affordable rental housing units to include funding for existing affordable rental housing, affordable homeownership and certain housing types (e.g. community housing, shelters), including for repair and retrofitting. As such, outcomes and indicators established in 2016 that relate specifically to the supply of rental affordable housing may not accurately reflect the expanded scope and program objectives per the 2018 update.</p>
<p>2. AHIF should consider reviewing and revising data collection to ensure consistent monitoring on achievement of outcomes.</p>	<p>EQ3 – Finding 4: Program outcomes are not consistently monitored. It was identified through the evaluation that there are no confirmed operational definitions for indicators associated with the program outcomes. For example, there is no consistent definition for partnerships. This may have impacted the ability of the program to identify and collect program data which would have supported the monitoring of program outcomes.</p>
<p>3. CMHC should ensure that application processes have the structure required to support the wide variety of innovative projects.</p>	<p>EQ4 – Finding 3: The process was perceived to be rigid for a program targeting innovation. Applicant survey respondents and interviews with successful applicants indicated that greater clarity of the criteria could have eased their experience with the application process. Interviewees from financial institutions suggested their proposed projects be recognized as different from projects of developers.</p>
<p>4. In the future, CMHC should consider ensuring that applications focus on information relevant to informing eligibility.</p>	<p>EQ5 – Finding 1: Effective practice would be to have application forms focused on information used for decision-making. A behavioural impact analysis looked at whether successful applicants received the funding type they requested, and whether this impacted their satisfaction. The analysis found that in the case of AHIF, the type of funding received was not found to influence the level of satisfaction applicants had with the program. However the analysis identified that effective practice to manage the behavioural impact of choice would be to ensure consistency in the degree of choice for applicants, as a lack of clarity for applicants in regards to the degree of decision-making influence they have may impact satisfaction.</p>
<p>5. In the future, CMHC should consider exploring the value of offering one funding type per program.</p>	<p>EQ5 – Finding 2: Most international federally-driven housing innovation programs reviewed were oriented towards providing loans. Further, the documents review identified some programs implementing a revolving loan fund, which demonstrated promising outcomes (including program sustainability). This is similar to the purpose for the AHIF, to be revolving in nature, as identified in the program guidelines.</p> <p>EQ5 – Finding 3: Almost all international federally-driven housing innovation programs reviewed offered one type of financing option (e.g. a loan or a grant or an alternative incentive) rather than administering multiple types of funding in the same program. This reduces the complexity of the application process for a given program, and can impact the expectations of applicants.</p>

*EQ = Evaluation Question, see Appendix A for details

AHIF RELEVANCE

EQ1 – Finding 1: There is a continued need for a program that encourages new funding models and innovative building techniques in the affordable housing sector.

From high house prices, low vacancy rates in many urban markets, long waiting lists for social housing, and unique needs in the North there is a significant need to increase the supply of affordable housing in Canada.

It has been estimated that the total capital needed to build new or repair existing affordable housing in Canada will require \$77 to \$121 billion over the next ten years, which outstrips government's capacity to fully subsidize. Traditionally, government assistance to increase affordable housing has come in the form of loans or contributions to housing providers who in turn build new housing projects. New approaches are needed to fully address housing need.

Emerging funding models for affordable housing include housing bonds/bond aggregators, pay for success models/impact investing, co-ownership and revolving funds. Examples of emerging innovative building techniques include project/neighbourhood designs such as co-housing, tiny houses, micro apartments, multi-generational housing as well as construction designs such as prefabricated and modular housing, passive and NetZero housing. However, in order to explore whether emerging approaches will work, there is a need to have the opportunity to pilot and test them and knowledge share successes and lessons learned.

EQ2 – Finding 2: The Affordable Housing Innovation Fund is strongly aligned with federal strategic priorities and the National Housing Strategy.

The federal government is creating an environment to enable innovation. For example, each federal department must devote a fixed percentage of program funds to experiment with new approaches. As well, in 2017, the Government created *Impact Canada*, a whole-of-government initiative to accelerate the use of innovative and experimental approaches. While as a crown corporation, CMHC is not required to comply with the requirement to devote a fixed percentage to experimentation, the Affordable Housing Innovation Fund supports the Government's strategic direction.

AHIF was launched two years before the National Housing Strategy, but it is aligned with the NHS's goal to increase partnerships and encourage innovative approaches in order to address housing need. CMHC has consistently articulated in its strategic documents that it supports experimentation with new housing ideas. Actions such as creating an 'Innovation Index' and having a higher risk appetite for innovation, further demonstrates AHIF's alignment with CMHC's plans and priorities.

Close to half of CMHC Specialists and 75% of AHIF program applicant respondents agreed that there is a need for a program like AHIF.



OVERVIEW: AHIF EFFECTIVENESS

As the program nears sunset in 2020-21, the evaluation looked at *to what extent has the program effectively made progress towards the achievement of expected outcomes* through the use of two analyses:

1. Impact Assessment (the impacts of the program)

The impact assessment utilized program documentation as well as interviews with successful applicants. The purpose of this impact assessment was to determine the impact of funded projects in comparison to a scenario where the project did not receive funding through the AHIF. Per discussions with internal CMHC stakeholders, it was determined that the factors to be assessed in this impact analysis were those that align with high level program objectives.

The following factors were examined:

- The extent to which the project has been de-risked;
- The extent to which the project contributes to the supply of affordable housing, as set by standards and targets outlined in the agreement for the project;
- The extent to which there is a knowledge transfer of innovative solutions (specifically, that the project can be replicated by other developers);
- The extent to which the project is energy efficient, as set by standards and targets outlined in the agreement for the project;
- The extent to which the project addresses the needs of vulnerable populations as outlined in the agreement of the project;
- The extent to which the project creates units that are accessible, as outlined in the agreement.

EQ3 – Finding 1: Overall this impact assessment has found that AHIF has increased the supply of affordable housing, permitted knowledge transfer, improved energy efficiency of funded projects, provided benefits to vulnerable populations, increased the supply of accessible units, and ensured adequate access to public housing for projects.



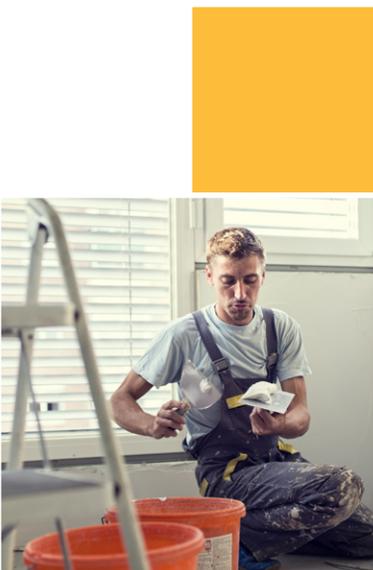
2. Analysis of Achievement of Expected Outcomes

AHIF expected outcomes were first developed as a result of Budget 2016, with various targets being set for the program at this time. Under Budget 2018, the AHIF expanded in scope from the provision of funding exclusively for creation of new affordable rental housing units to include funding for existing affordable rental housing, affordable homeownership and certain housing types (e.g. community housing, shelters), including for repair and retrofitting, as the intent was for the program to better align with the scope of the newly developed National Housing Strategy. As such, minor adjustments were made to program outcomes, though the majority have remained as committed under Budget 2016. The purpose of this section was to assess the extent to which the program is achieving these expected outcomes as at March 31, 2019. The assessment utilized a triangulation of available information including analysis of program data, associated program documentation, and results obtained through interviews with successful applicants.

EQ3 – Finding 2: Overall, the program appears to be on track to deliver on its outcomes. Achievement of outcomes are generally due in line with the sunset of program funding as of March 31, 2021, or are due for March 31, 2025 to account for the understanding that the construction of units takes time to complete. Therefore, the evaluation focused on reviewing the extent to which the program has effectively made progress towards the achievement of expected outcomes. For outcomes that are currently identified by the evaluation as being either below target, or for which achievement is yet to be determined, achievement of these outcomes generally will not be able to be assessed in totality until after units are completed.

EQ3 – Finding 3: Program outcomes have not consistently been updated to align with the expanded scope of AHIF per Budget 2018. As of 2018, the program expanded in scope from the provision of funding exclusively for the creation of new affordable rental housing units to include funding for existing affordable rental housing, affordable homeownership and certain housing types (e.g. community housing, shelters), including for repair and retrofitting. As such, outcomes and indicators established in 2016 that relate specifically to the supply of rental affordable housing may not accurately reflect the expanded scope and program objectives per the 2018 update.

EQ3 – Finding 4: Program outcomes are not consistently monitored. It was identified through the evaluation that there are no confirmed operational definitions for indicators associated with the program outcomes. For example, there is no consistent definition for partnerships. This may have impacted the ability of the program to identify and collect program data which would have supported the monitoring of program outcomes.



AHIF EFFECTIVENESS: IMPACT ASSESSMENT

1a Extent of De-Risking

For many projects with agreements, AHIF funding helped to de-risk the projects.

AHIF funding reduced financial risk of projects and added credibility for dealings with potential partners: Many of the recipients indicated that AHIF funding helped to reduce financial risk, as it either made the project more viable overall or it added a degree of credibility to their project. This added credibility allowed projects to be in a better position to negotiate with other potential funding partners. Having oversight of the planned project by a well-respected federal organization like CMHC served as a kind of “seal of quality” for the funding recipients when dealing with other potential funding partners.

AHIF funding conditions impacted developers’ decisions to pursue higher standards: AHIF funding required specific standards and targets be met. This incentivized a few projects to pursue higher standards (e.g. meeting the triple bottom line; economic, social and environmental) for their developments.

AHIF funding has reduced the cost of funds, resulting in lower rents: A few recipients noted that AHIF funding reduced the financial costs of their project and its continuing financial costs (interest on loans). These reductions in costs contributed to an overall reduction in operational costs. Such savings are passed down to the tenants in the form of lower rents.

1b Supply of Affordable Housing

AHIF funding has increased the supply of affordable housing: All successful applicants are in the process of building or have already built (or provided financing to allow the building of) approximately 2,968 affordable housing units. This estimate includes only units that successful applicants explicitly stated were built or were on track to being built.

There is a risk that some projects may not meet targets in the planned timeframe: While almost all successful applicant interviewees have either met or are on track to meet the requirements outlined in their Letter of Intent (LOI) or LOAs with regards to the supply of affordable housing, some respondents have noted that it may be difficult to meet their targets regarding the number of units within the specified timeframe, either due to delays related to receiving AHIF funding or because of what they now perceive as a challenging timeframe set out initially in the LOI, LOAs, or amendments to these agreements. Two projects indicated they have additional targets of 1,720 and 1,400 units respectively, but these may be completed in a timeframe that is longer than the one specified in their agreements.

1c Knowledge Transfer

Many recipients confirmed that they were transferring knowledge about their projects: Many successful AHIF applicants have been sharing their work at local and national conferences, with the goal of transferring their knowledge to other service providers in other areas of the country.

There are challenges regarding replication of aspects of these projects: It is to be noted that there are challenges associated with trying to replicate these models, particularly around funding. Some successful applicants stated that their projects were only able to receive AHIF funding because they had the support of other funding partners who had believed in the viability of their projects. They noted that there is typically limited funding available for research and development aspects of a housing project. Without initial funding and support from other investors, it may be difficult for other organizations to replicate an AHIF project. Since AHIF was a rather unique funding vehicle, it may be difficult for organizations in the affordable housing sector to secure access to another fund similar to the AHIF.

1d Energy Efficiency

AHIF funding has improved energy efficiency in these projects: These LOAs contain a condition regarding meeting or exceeding energy targets. All successful applicants are either meeting or on track to meet the energy efficiency requirements outlined in their respective LOI or LOAs. All projects have reduced energy consumption and greenhouse gas emissions by 10%-100%. Four projects have received a relevant building certification for energy efficiency (e.g. Novo-Climat 2.0, Passive House certification, etc.).

Projects are generally more energy efficient due to the receipt of AHIF funding: Many interviewees noted that there are increased costs associated with achieving increased energy efficiency. For example, projects may require more expensive equipment, and building materials and labour costs may be higher. Some recipients pointed out that they would not have pursued these efficiencies to the same extent without AHIF funding.



1e Vulnerable Populations

Projects are benefitting vulnerable populations in their local jurisdictions: All interviewees indicated that their projects are providing vulnerable populations with more access to affordable housing. These vulnerable populations include homeless people, disabled individuals, Indigenous peoples, senior citizens, single-parent families, low-income families, LGBTQ+ individuals, women, and students. A majority of units that are currently being rented are being provided to tenants at rates below the Average Market Rent (AMR) in their jurisdiction. Some projects are also providing units at provincial income assistance rates. Interviewees spoke about the units being available to vulnerable populations. Many did not provide precision regarding the specific vulnerable populations that were obtaining tenancy.

1f Accessible Units

Projects are providing housing units that meet local accessibility standards: All successful applicants were required to meet a certain target of accessible units in their developments, as outlined in their respective LOI or LOAs. All interviewees indicated that their projects met these targets, and that units were constructed to accommodate individuals with disabilities. This included installing items such as ramps, lifts, and modified kitchens and bathrooms. Housing units have adequate access to public transit. All projects indicated that their respective developments were built in locations with adequate access to public transit (either a bus stop or a subway stop).

AHIF EFFECTIVENESS: ANALYSIS OF ACHIEVEMENT OF EXPECTED OUTCOMES

Summary of Short Term Outcomes

Outcome

New partnerships are created between housing providers and stakeholders

Indicator

Percent of applications who have non-federal partners

Target 75%

Actual 83%

Description

Exceeds target. Per discussions with CMHC Policy and the AHIF Program Team, as of March 31, 2019 the program was in the process of defining a “partner” for future measurement. As such, the evaluation utilized consultations to determine a conservative definition for this evaluation in order to approximate the percent of applications with non-federal partners. The evaluation team looked at projects with signed LOAs and projects with signed LOIs, defining a partner as a project which has funding or in-kind funding from an entity outside of themselves, their parent, or subsidiaries that is not a federal entity. This estimation utilized various sources of program data and documentation triangulated against publicly available data where possible in order to develop an estimation of projects with partners. Utilizing this definition, it is demonstrated that the program is on track to exceed this target.

Outcome

Innovative solutions for purpose built rental housing are developed by housing providers

Indicator

Number of applications received

Target >150 **Actual** 165

Description

Exceeds target. As at March 31, 2019 the program exceeded its target for 150 applications received. The evaluation utilized program data to develop a conservative estimate for the number of applications received. The calculation excluded applications that had been cancelled as well as those currently within the draft stages, as these applications are considered to be not formally submitted. As such, it is anticipated that the program will continue to exceed the stated target for this outcome.

Outcome

Development and knowledge creation of environmental design, monitoring, and application within new purpose-built rental housing encouraged

Indicator

Percent of applications received which achieve above the minimum resource efficiency requirements

Target 75%

Actual 67%

Description

Below target. The original design of AHIF under Budget 2016 set an expectation for projects to achieve a minimum 10% decrease in energy intensity and GHG emissions relative to similar projects constructed to building code requirements of their respective jurisdictions. However, in 2018 this was adjusted so that environmental efficiency benchmarking would be relative to the most recent National Energy Code of Canada for Buildings (currently 2015). The evaluation reviewed program data and documentation, as well as available research, on projects with signed LOAs and projects with signed LOIs in order to estimate the total percentage of projects that were above the standards applicable at the time their LOI was approved. Of projects, the evaluation found that 67% had set targets that exceeded the minimum environmental efficiency standards and the remaining 33% set targets that met standards. These targets were set based on energy modelling, and therefore time will be required in order to identify whether projects achieve their targets. However, a research report on a built project has estimated that the true efficiency of the built unit was 6% from their initial target; indicating that the set targets may indeed have some potential correlation with what may be demonstrated by built projects in the future.

Summary of Medium Term Outcomes 2019-2021

Outcome

The Fund facilitates an increase in housing options for low and middle income households

Indicator

% of 4,000 of units under development and/or completed

Target 2018-2019: 75%

Actual 74%

Description

Below target. The evaluation conducted interviews with all successful applicants of the AHIF. As part of these interviews, interviewees were asked to identify the number of units under development and/or completed. This information was then correlated against the LOAs, for those agreements with unit commitments included. The evaluation found that successful applicants reported that 74% of 4,000 units were under development and/or completed as of March 31, 2019, only slightly below the target set for the 2018-2019 period. The successful applicants further identified that they had additional future targets which, when in development, would provide AHIF with at least 145% of 4,000 units under development and/or completed. This would exceed the target of 100% for 2021, though two proponents noted that they may have difficulty bringing some units through to completion within the timeframe for March 31, 2021.

Outcome

Greater involvement of the private sector in affordable rental housing projects

Indicator

Percent increase of affordable rental units which are under the prevue of private-sector led housing developments

Target TBD

Actual TBD

Description

To be determined. Per discussions with CMHC Policy and the AHIF Program Team, at this time, CMHC does not have the established baseline necessary to measure this indicator. Work is ongoing that will make use of Statistics Canada data and CMHC administrative data to measure this indicator in the future. As such, the evaluation has utilized existing program data on projects with signed LOIs and LOAs, as well as the results of interviews with successful applicants to approximate the number of affordable rental units which are under the prevue of private-sector led housing developments. Of projects that are considered to be for-profit organizations, it is estimated that 398 affordable rental units are under development and/or completed. Note that projects with funding models were excluded as it could not be reliably established whether sub-projects were led by private-sector housing developers.

Outcome

The Fund demonstrates the viability of purpose-built rental housing which includes resource efficiencies

Indicator

Percentage of proponents who were able to successfully achieve, within 10%, resource and energy targets that were set out within their proposal

Target 80%

Actual 100%

Description

Exceeds target. The evaluation utilized program documentation as well as the results of interviews with successful applicants to determine that 100% of projects with LOAs are on track to successfully achieve, within 10%, resource and energy efficiency targets as set out within their proposal. Though it cannot be determined whether proponents have been successful until after all project units are built, the current information infers that the program is on track to exceeding it's target for 2021.

Outcome

Fund models are viable, market-tested, and contribute to the construction of new affordable rental units

Indicator

Percentage of models which were approved and were successfully brought to construction

Target 90% of 4,000

Actual 75%

Description

Below target. The evaluation utilized interviews with successful applicants to obtain updated information on projects and their models which were approved and were successfully brought to construction. In addition, the evaluation included the projects with LOI's as they contain models which would be likely to come to approval through the LOA process. Of these projects, it was found that 75% of them currently have models that are under development or completed, therefore successfully brought to a construction phase. Further, it was identified that these projects have **committed to build more than 6000 units, as such, though the target has not been reached as of March 31, 2019** the program appears to be on track to delivering on 4,000 units by 2021 despite two proponents noting that they may have difficulty bringing some units through completion within the timeframe for March 31, 2021.

Outcome

The Fund's purpose-built rental projects contribute to the creation of socially inclusive communities

Indicator

Percentage increase in the number of affordable units in a community before and after a project

Target TBD

Actual TBD

Description

To be determined. Per discussions with CMHC Policy and the AHIF Program Team, at this time, CMHC does not have the established baseline necessary to measure this indicator. Work is ongoing that will make use of Statistics Canada data and CMHC administrative data that will allow us to measure this indicator in the future. As the construction of units takes time to complete and units must be built to inform this indicator, we expect this indicator be fully measured 2-3 years after the sunset of the program.

Summary of Long Term Outcomes 2020-2025

Outcome

Greenhouse gas emission from the housing sector are reduced

Indicator

percentage decrease of the average carbon emissions as compared between Innovation Fund projects and other projects built at similar times within similar jurisdictions

Target 10%

Actual TBD

Description

To be determined. Per discussions with CMHC Policy and the AHIF Program Team, at this time, CMHC does not have the established baseline necessary to measure this indicator. Work is ongoing that will make use of Statistics Canada data and CMHC administrative data that will allow us to measure this indicator in the future. As the construction of units takes time to complete and units must be built to inform this indicator, we expect this indicator be fully measured 2-3 years after the sunset of the program.

Outcome

Access to affordable rental housing is increased

Indicator

Increased number of affordable rental units

Target 4,000

Actual 1,361

Description

Below target. As part of the evaluation's interviews with successful applicants, interviewees were asked to provide an update on the extent to which the project contributes to the supply of affordable housing. It was identified that at least 1,361 affordable rental units had been built, though the evaluation found that successful applicants and those with signed LOIs have either committed to or are in development of at least an additional 4,872 affordable rental units as of the close of the evaluation; which on completion would place the program above target. Further, it should be identified that as of 2018 AHIF expanded in scope from the provision of funding exclusively for creation of new affordable rental housing units to include funding for existing affordable rental housing, affordable homeownership and certain housing types (e.g. community housing, shelters), including for repair and retrofitting. As such, this outcome and the associated indicator and target, which were established in 2016, may benefit from revision in order to align with the updated scope of the program.

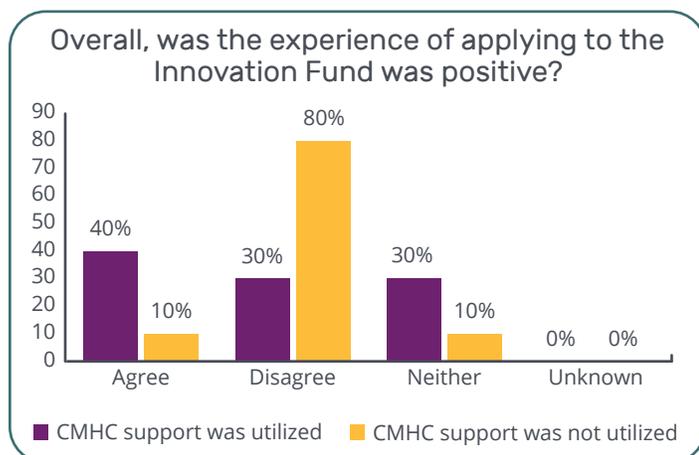
<p>Outcome Efficiency of federal investments is maximized</p> <p>Indicator Decrease in the average federal investment (dollar amount) per affordable rental unit</p> <p>Target TBD</p> <p>Actual TBD</p>	<p>Description To be determined. Per discussions with CMHC Policy and the AHIF Program Team, at this time, CMHC does not have the established baseline necessary to measure this indicator. Work is ongoing that will make use of statistics Canada data and CMHC administrative data that will allow us to measure this indicator in the future. As the construction of units takes time to complete and units must be built to inform this indicator, we expect this indicator be fully measured 2-3 years after the sunset of the program.</p> <p>In order to conduct preliminary analysis for this indicator, the evaluation utilized available program data on dollar investments on approved projects and cross referenced this against the total number of units obtained through interviews with successful applicants. The evaluation found that the average investment of AHIF was approximately \$11,998 per unit. Further, the evaluation found that AHIF investments in financial model projects were more than twice as cost effective when assessed against per unit investments in direct builds.</p>
<p>Outcome Models contribute to increased development of purpose-built affordable rental housing without the need of ongoing-government subsidies</p> <p>Indicator Percent of models which remain viable after the 10 year affordability mark</p> <p>Target 80%</p> <p>Actual N/A</p>	<p>Description Not applicable. It should be noted that this outcome is no longer a requirement as of 2018, as it was noted that some projects may not fully eliminate ongoing government support. As such, the evaluation looked at an expectation set within the program's approved 2018 guidelines that projects be able to maintain affordability of the designated units for a period of at least 10 years. To support this analysis, the evaluation reviewed existing program data and documentation, including application and commitment data, in order to identify the debt coverage ratio (DCR) expected for projects approved as of March 31, 2019. The DCR serves as one indicator of viability and sustainability, as it indicates the level of cash flow an applicant expects to generate to cover it's operating expenses plus debt payments. The evaluation utilized the DCR to approximate the extent to which the projects may be expected to maintain affordability of units. The average DCR for the successful applicants under AHIF was 1.65, where the minimum was 1.15 and the maximum was 2.92. This DCR rate is well above the minimum DCR requirements for other NHS programs, which can have residential minimums set at a DCR of 1.1 and non-residentials set at a DCR of 1.4. With a minimum DCR of 1.15, it can be anticipated that should successful applicants maintain these DCRs at approximately consistent levels over the 10 year period, the projects should have a sustainable level of debt coverage which should enable them to maintain the affordability of designated units.</p>

AHIF ECONOMY AND EFFICIENCY: DELIVERY

EQ4 – Finding 1: Applicant’s satisfaction with the program increased when provided with direct interactions with CMHC Staff.

The current program guidelines state that responsibility for client relationships is the IF consultant. The IF consultant is responsible for client relationships and is to be the key contact for all innovation fund inquires. The IF consultant is external to CMHC. This being said applicant survey respondents appeared to have increased positive experience with the Innovation Fund when they had CMHC direct support.

- Applicant survey respondents were asked to agree or disagree with the statement “Overall, the experience of applying to the Innovation Fund was positive.” For those respondents that reported having utilized CMHC support, regardless of whether their application was successful or not, the most frequent response was one of agreement with the statement. Conversely, for those respondents that reported as not having used CMHC support, almost all disagreed with the statement.
- Of those applicant survey respondents who received CMHC support with their application process, almost all agreed that the CMHC specialist assisting them “was generally helpful in supporting our application to the Innovation Fund.” Further, several respondents who completed the applicant survey stated that they appreciated having knowledgeable CMHC staff assist with their applications and almost all successful applicants interviewed stated that they appreciated CMHC’s support through the AHIF process.



EQ4 – Finding 2: There are opportunities for the process to be more timely and cost effective for clients.

Various aspects of the application process were identified by applicant survey respondents, as well as successful applicant interviewees, as having worked quite well. Some examples of activities that were identified as working well included:

1. Online Application Portal

- Regardless of whether an applicant survey respondent received CMHC support with their application process, the most frequent response to the statement “it was easy to find the Innovation Fund online application portal” was one of agreement. Further, about half of all applicant survey respondents agreed with the statement “The Innovation Fund website is user friendly and easy to navigate”.
- When asked to respond to the statement “the process of completing the online application for the Innovation Fund was straightforward” several applicant survey respondents agreed with the statement.

2. i3 Committee

- The i3 Committee is a national panel comprised of representatives from the federal government and leaders from sectors including financial, lending, academia and innovation. This committee challenges and makes prioritization recommendations to CMHC on projects based on the innovations being proposed within applications.
- Many successful applicants stated that the i3 Committee worked well as part of the AHIF process. Interviewees noted that appropriate independent and knowledgeable individuals sat on the panel and were able to understand the successful applicants’ projects at a conceptual level.

Both applicant survey respondents and successful applicant interviewees indicated that they experienced some difficulties during the application and approval processes, with the majority of respondents having gone through the old process prior to the process redesign of January 2018. These respondents provided their feedback and suggestions as follows:

1. Application process

- Several of the applicant survey respondents stated that they felt the initial application processing times are too long and costly. Of these respondents, both private and non-profit identified that they considered costs related to proving innovation, in order to meet program requirements, to be costly.
- Several additional applicant survey respondents noted that they perceived the application required too much information up front, especially before knowing whether the application will be successful.
- It should be considered that the AHIF underwent changes to their process in January of 2018, solidifying their revised guidelines as of February of the same year. As part of these changes, full documentation analysis and associated documentation requirements were moved from the beginning of the process to take place going forward after presentation to the i3 Committee, where the decision would be made as to whether the application would be successful in moving forward for approval.
- Of the applicant survey respondents who identified that they felt the application processing times are too long and costly, 67% had participated in the initial process while 33% participated in the revised process per 2018.

2. Negotiation and approval process

- All successful applicant interviewees stated that the amount of time required to navigate through AHIF's negotiation and approval process was considered quite long.
- A review of program data has shown that of those projects that have an executed LOA and that have been provided with advancement of

funds, the average time from first application to advancement of funds was around a year and a half, with a minimum process duration from first application to advancement of three months and a maximum duration of just over two years.

- While the majority of the successful applicants indicated that the i3 Committee did not pose any problems to them during the process, all interviewees perceived that there were long delays, following the recommendation of the i3 Committee, to negotiate a LOA with CMHC. All interviewees noted that for successful applicants, CMHC and the successful applicant required time to consider and make provision for the unique features of each project and each LOA. Based on the review of documentation, the timeframe for transitioning from an LOI to an LOA took anywhere between one month and 11 months to finalize.
- Interviewees with relatively small projects noted that this delay caused significant additional challenges for their projects.
- Some interviewees suggested that CMHC should consider the size of the project and aim to reduce administrative burden related to the application, approval, and negotiation of LOAs for the smaller projects.

3. Receipt of funds

- There were several successful applicants who experienced delays in receiving their funding. Some of these began the construction phase of their developments before receiving any AHIF money.
- Several interviewees noted that their organizations have worked with CMHC for more than a year to meet the administrative requirements of the AHIF. One applicant had not met the required conditions for the funds to be disbursed and noted that they were working with CMHC to find a way forward.
- Overall, it was suggested that the AHIF process be simplified and streamlined, in particular, for the more modest projects in terms of AHIF funding. Streamlining could reduce the administrative burden and make it easier for organizations to receive their funding in a timely manner.

EQ4 – Finding 3: The process was perceived to be rigid for a program targeting innovation

1. Applicant survey respondents and successful applicant interviewees indicated that greater clarity of the criteria could have eased their experience with the application process.

- Applicant survey respondents were asked to identify their level of agreement with the statement “Overall, the application review process was clear.” The most frequent response was disagreement with the statement, however, those that reported they agree, don’t know, or remain neutral were within almost 10 percent of each other. Many CMHC specialist survey respondents disagreed with the statement “the selection criteria for projects are clear” and about half stated that they disagreed with the statement “it is clear how the Innovation Fund is defining an innovative project.” One CMHC specialist explained that the greatest challenge they face when providing support to potential applicants is that “applicants need to be provided with some overall knowledge of the type of innovation that has already been funded, so they know right away if their program is no longer innovative.” In light of this, several CMHC specialists stated that to provide context for potential applicants, successful projects should be announced right away as examples of projects that successfully meet the criteria.
- Additionally, almost half of applicant respondents who completed the survey felt the application and approval process was difficult, confusing, and wanted more consistent communication throughout the process. For example, one respondent noted “during our process we were asked to rewrite our proposal constantly, and each time we resubmitted changes given the criteria, the criteria changed, it felt like fighting from behind.”
- Several applicant respondents who completed the survey noted that the criteria for the fund was not clear and more detailed information on the criteria was needed. Specifically, several applicants survey respondents noted the criteria

for the fund was rigid and should be changed to be more flexible. These findings were echoed by findings from the interviews with successful applicants, where interviewees voiced that they felt the AHIF program should be more flexible and encourage collaboration with successful applicants.

2. Interviews with successful applicants from financial institutions suggested their proposed projects be recognized as different from projects of developers.

- The proposals from these institutions were related to providing innovative financing for affordable housing. These were viewed as being significantly different from the proposals for innovative affordable housing developments that were advanced by the other successful applicants. They noted that the criteria outlined in their LOAs do not necessarily suit projects such as a low-cost financing vehicle or the services of a lending institution (non-traditional housing projects).
- These interviewees reported challenges of communication, misunderstandings, and delays in their discussions with CMHC personnel. Interviewees perceived CMHC officials as experienced and knowledgeable about affordable housing development projects, but less so with regard to financial markets or financial issues related to innovative financing for affordable housing. These projects with financial institutions (rather than developers) stated that CMHC and the AHIF should be more streamlined when developing criteria for potential projects. They further suggested an increase in collaboration between CMHC and the projects in order for CMHC to gain a better understanding of how best to provide support, as well as to avoid any potential miscommunication.
- Interviewees suggested that CMHC personnel should have specialized knowledge and experience with the two distinct approaches to review such proposals and negotiate the LOAs, as both types of project are important to increase the supply of affordable housing.

OVERVIEW: AHIF ECONOMY AND EFFICIENCY – DESIGN

This evaluation undertook a review of key design features of the Affordable Housing Innovation Fund. Findings on program design were generated from two distinct approaches; A Behavioural Impact analysis to examine client satisfaction with the application and approval process, and, an International Benchmarking exercise to yield best practices and lessons learned from other federally driven innovation housing programs. These two approaches are described in more detail below.

1. Behavioural Impact Analysis:

This task assessed the impact of providing a choice regarding the type of funding during the application process on the long-term satisfaction of successful applicants. This assessment included a review of relevant published articles in the fields of behavioural economics and psychology in conjunction with interviews with successful applicants to consider:

- whether the recipient received the type of funding that they requested in the application, and
- whether this impacted client satisfaction of recipients of AHIF funding.

EQ5 – Finding 1: *Effective practice would be to have application forms focused on information used for decision-making.* A behavioural impact analysis found that in the case of AHIF, the type of funding received was not found to influence the level of satisfaction applicants had with the program. However the analysis identified that effective practice to manage the behavioural impact of choice would be to ensure consistency in the degree of choice for applicants, as a lack of clarity for applicants in regards to the degree of decision-making influence they have may impact satisfaction.

2. International Benchmarking Exercise:

The purpose of the benchmarking exercise was to compare the current design of the AHIF to alternative design approaches to determine if there are other feasible options for CMHC to improve the design of the initiative. AHIF was compared with other similar programs in New Zealand (NZ), Australia (AU),

United Kingdom (UK) and United States (US) using a review of relevant literature, and public information about these programs. Overall, it was found that, the amount of government funding committed to each program varied across initiatives and countries as well as funding provided to individual applicants (financing was often based on project scale). Most programs benefited low to moderate income individuals (however, the definitions for low to moderate income varied across countries). Based on the lessons learned from this benchmarking exercise the following four findings were derived.

EQ5 – Finding 2: Most international federally-driven housing innovation programs reviewed were oriented towards providing loans. Further, the documents review identified some programs implementing a revolving loan fund, which demonstrated promising outcomes, including program sustainability. This is similar to the purpose for the AHIF to be revolving in nature, as identified in the program guidelines.

EQ5 – Finding 3: Almost all international federally-driven housing innovation programs reviewed offered one type of financing option (e.g. a loan or a grant or an alternative incentive) rather than administering multiple types of funding in the same program. This reduces the complexity of the application process for a given program, and can impact the expectations of applicants.

EQ5 – Finding 4: The findings were mixed in regards to competing for funding. That is, some international federally-driven housing innovation programs provided a specific type and amount of funding, if applicants met the eligibility criteria. Other such programs implemented an open competition, with an assessment process that included a peer review committee (similar to the independent expert panel used by AHIF).

EQ5 – Finding 5: Almost all of the international federally-driven housing innovation programs targeted one or two types of applicants in their programs (e.g. developers, community housing organizations (not-for-profit), or first time homeowners etc.).

AHIF DESIGN: BEHAVIOURAL IMPACT ANALYSIS

Part of the current design of the AHIF application process includes asking applicants to indicate the type of funding they wish to receive. The CMHC internal application review process assesses a range of factors to make a determination with regard to the funding type. The funding type requested by the applicant during the application process is not considered in this internal CMHC application scoring process. As previously described, this behavioural impact

analysis examined two key factors in relevant behavioural economic literature. The first factor examined the importance of application question design and the second factor reviewed the level of applicant satisfaction in relation to selection choice within the application. These factors were then compared to the experiences of all successful applicants. Provided below is a more detailed description of the two factors.

FACTOR 1: Importance of Application Questions

The science of designing information-gathering instruments (including questionnaires, surveys, application forms and interview guides) is a well-documented topic in the literature. Researchers Jenkins and Dillman (1998) developed a set of overarching principles to guide the design of information-gathering instruments. These were organized into two main groups: navigational guides and information organization. Navigational guides help the reader follow a predetermined path when completing an application or questionnaire. Information organization emphasizes the importance of wording and sequence to allow readers to easily and effectively process the questions. It is clear that organizations need to carefully design these instruments with the end user in mind. Scholars explain that there is a complex relationship between questions that appear on information-gathering instruments and the quality of the resulting data. Accordingly, when creating such tools, it is important to focus on key features of a question such as tone, structure, relevance and context, among other elements. Moreover, studies have shown that poorly-worded questions can impact the information gathered and, consequently, increase the difficulty in drawing valid conclusions overall. These question elements, if utilized inappropriately, can lead to several unfavorable outcomes, such as inconsistent, biased or irrelevant data. Researchers explain that when designing information-gathering instruments one needs to ensure that respondents do not perceive any of the material as irrelevant. From the respondent's perspective, there is a presupposition that all materials stemming from the information-gathering instrument are relevant to the application. This suggests that when reviewing the details provided by an applicant, all information should be considered.

FACTOR 2: Giving Choice to Applicants and Impact on Satisfaction Level

When reviewing literature on choices, researchers often reference the term “nudging”. Nudging is “an application of insights from behavioral economics in order to influence decisions.” Academics explain that “in order to conceive of a possible “nudge” one must be aware of which bias people are subject to in a given situation and how such a bias will influence decision-making... most real world choice architects need to make substantial interpretations about how the introduction of nudges will impact the ways in which people perceive the meaningfulness of their decision situations”. In the case of the AHIF application, it is important to realize that asking the applicant their preferred type of funding may be considered as a nudge and can impact their decision-making. If the relevance of this information is unclear to the applicant (whether they believe that indicating their preferred type of funding will affect CMHC’s final decision or not), this can impact the applicant’s satisfaction levels, as further described below. Empirical research has shown that program applicants enjoy higher levels of satisfaction when given the opportunity to make a choice regarding program-specific details, such as funding/financing options. Furthermore, empirical studies have provided evidence that satisfaction increases when choice is provided at time of enrollment, rather than at point of service. With regard to the items examined in this evaluation module, this suggests that by asking applicants for a funding preference, but then disregarding their input during the funding allocation decision, this can reduce applicant satisfaction and consequently have possible adverse effects on project effectiveness. Finally, the literature highlighted that when individuals are lacking sufficient information, do not have the necessary experience, or are missing adequate feedback, they tend to defer to an “automatic” rather than “reflective” mode of thinking. As such, it is important to ensure that respondents are aware of the impacts of their decision when offered a choice so they can reflect on their selection before submitting a response.

Comparison to Experience of Successful Applicants

In the case of the AHIF almost all interviewees received the exact funding type that they requested. The types of LOAs varied between recipients, ranging from interest-free loans, to contributions, to loans that are only repayable if certain targets are not met. Overall, these recipients were quite satisfied with the type of funding they received, as it matched the type of funding that was initially requested in their application. Since the “funding type” request matched what almost all had received, interviewees did not focus on the type of funding received as a significant factor that influenced their level of satisfaction.

Although there is currently a high level of satisfaction identified among successful applicants of the AHIF, the literature consulted for this evaluation module indicates that it is an effective practice to keep an application form focused only on information that is used to determine eligibility for the various types of

available funding and the funding amount. If information is requested, there is a reasonable expectation by applicants that each piece of information they provide will be considered by the funder.

Overall, the importance of question design methodology was found to be critical to ensure relevance to applicants. Accordingly, when designing information-gathering instruments, ensuring that question elements (tone, wording, context, etc.) are considered as well as evaluating the usefulness of information being gathered are effective practices noted within the academic literature.

The literature consulted for this evaluation module indicates that it is an effective practice to keep an application form focused only on information that is used to determine eligibility for the various types of available funding and the funding amount. If information is requested, there is a reasonable expectation by applicants that each piece of information they provide will be considered by the funder.

AHIF DESIGN: INTERNATIONAL BENCHMARKING

The AHIF program was benchmarked against comparable international programs across four countries (UK, AU, US, and NZ). The evaluation team identified innovative practices and lessons learned that CMHC could leverage to identify potential feasible options to improve the design of future programs like AHIF.

The evaluation team completed an independent scan of comparable innovative housing programs similar to AHIF across four countries (AU, US, NZ and UK).

This scan of the international social and affordable housing landscape highlighted a number of specific actions and initiatives that are currently underway and are encouraging growth within the sector. Below is a comparison of key design features from each respective country as compared to the CMHC's AHIF. Additional information on the comparison of these programs to CMHC Innovation Fund are outlined below.

COMPARISON TO AUSTRALIA

Of the programs included in this study, several encompassed design features that were comparable to AHIF. For example, although financial support was most oriented towards low interest loans across programs, some programs offered innovative financing arrangements including minority home ownership (e.g. SharedStart Loans - *State Government contributes up to 30 percent towards your mortgage or the Land Rent Scheme - pay two percent of the land value as a rent payment*). Unlike AHIF, most programs did not offer more than one type of financing product to applicants (a loan or a grant for example).

A few programs implemented a competitive process, which encouraged project innovation (e.g. Better Places Stronger Communities) while the majority included an application but were not competitive in nature (i.e. had set eligibility criteria to pass and a funding envelope cap). Most non-competitive programs were targeting homeowners or renters directly (e.g. Home Build Access, Head Leasing initiative). All the programs reviewed in Australia had dedicated government funding up to a set amount (rather than revolving funding). The majority of programs reviewed were targeting low to moderate-income individuals. A few programs targeted specific vulnerable groups including aboriginal families (e.g. The Transitional Housing Program in the East Kimberley), individuals with disabilities (e.g. Real Housing for Growth) or for key workers in regional locations (e.g. Subsidized rental housing programming).

Similar to the AHIF the amount of funding provided to applicants was often proportional to the size of the project being proposed. Similarly the amount of dedicated funding varied widely by program.

An Australia Best Practice: Financial incentives are offered to the business sector and community organisations, to build and rent dwellings to low and moderate income households, at a rate that is at least 20 percent below market value rent.

COMPARISON TO NEW ZEALAND

Similar to the other countries included in this benchmarking exercise, eligible applicants for the NZ programming reviewed included a mixture of developers, community housing organizations, and individual homeowners for example. One program called the Affordable Equity Programme (similar to the AU program - SharedStart *Loans and to the equity financing option offered through AHIF*) targets first-time homeowners who meet income thresholds and require assistance breaking into the housing market. The evaluation team also found that New Zealand has state-led initiatives where industry partners are engaged and asked to provide innovative building methods and materials in exchange for contracts rather than loans or grants. Of the programs reviewed in NZ tended to offer only one type of financing option, which was a mixture of incentives, contracts, loans and lease payment options. Further, there was no clear orientation towards one type of financing option across programming. The programs also tended to target low-income individuals (with the exception of one program, which targeted homeless individuals with complex needs – The *Housing First* program). Similar to the AHIF the amount of funding provided to applicants was often proportional to the size of the project being proposed.

A New Zealand's Best Practice: Housing New Zealand reduces/removes risks related to time, cost and uncertainty from redevelopment work by contracting with supply and construction partners for a particular price and capacity over time, rather than on a project-to-project basis.

COMPARISON TO UNITED STATES

Similar to AHIF, eligible applicants for the US programming reviewed included municipalities, private sector developers and builders, and non-profit housing providers (as well as community housing organizations). Although it was found that some programs offer funding to multiple applicants (e.g. AHIF Staff will accept and consider proposals from *non-profit or for-profit applicants*) the majority of programs limit their eligibility to specific target groups, for example:

- **Community Development Block Grant Programs:** Provide grants directly to *local governments*
- **Self-Help Homeownership Opportunity Program:** Provides grants to *low-income homebuyers*
- **Housing Preservation and Development (HPD) Neighborhood Construction Program (NCP):** In order to be eligible for HPD-issued Capital funds, it is required that a borrower be a *Housing Development Fund Corporation*.

Much like the AHIF program, most programs in the US implemented a competitive process to access funding which often included a review panel or committee to make a final decision on successful applications (e.g. Section 108 Loan Guarantee Program; Colorado revolving affordable housing loan fund (RAHLF); HPD New Construction Finance).

Of the programs reviewed, more than half were oriented towards offering loans (a few offered grants or incentives). Programs (unlike AHIF) tended to offer only one type of financing option in their program (e.g. a grant, a loan or an incentive). Unlike AU, there appears to be no programs targeting one particular vulnerable group but most affordable housing programs targeted low-income individuals.

A United States Best Practice: The Housing Preservation Grant (HPG) program provides funds to renovate and rehabilitate homes and housing units for very low or low-income residents.

COMPARISON TO UNITED KINGDOM

The United Kingdom programs reviewed included a mixture of grants, loans and incentives. Similar to the other countries reviewed, the ultimate target audience benefiting from the program were low income individuals. The granting programs were targeting developers, approved providers and/or individuals requiring support. Many of the programs were funded through the Mayor of London's new affordable homes funding program which had branding requirements: *"In line with previous programmes, providers will be obliged to adhere to the Mayor's communications and branding requirements. These will include the need to display Mayor of London and/or Homes for Londoners hoardings as specified by the GLA and relevant Government branding on all development sites funded by this programme."* Although it does not appear as though AHIF has this requirement, it is noted that another program in the US which request applicants to market materials through their program (e.g. Housing Preservation and Development (HPD) Neighborhood Construction Program (NCP) where all projects must be marketed according to HPD marketing guidelines).

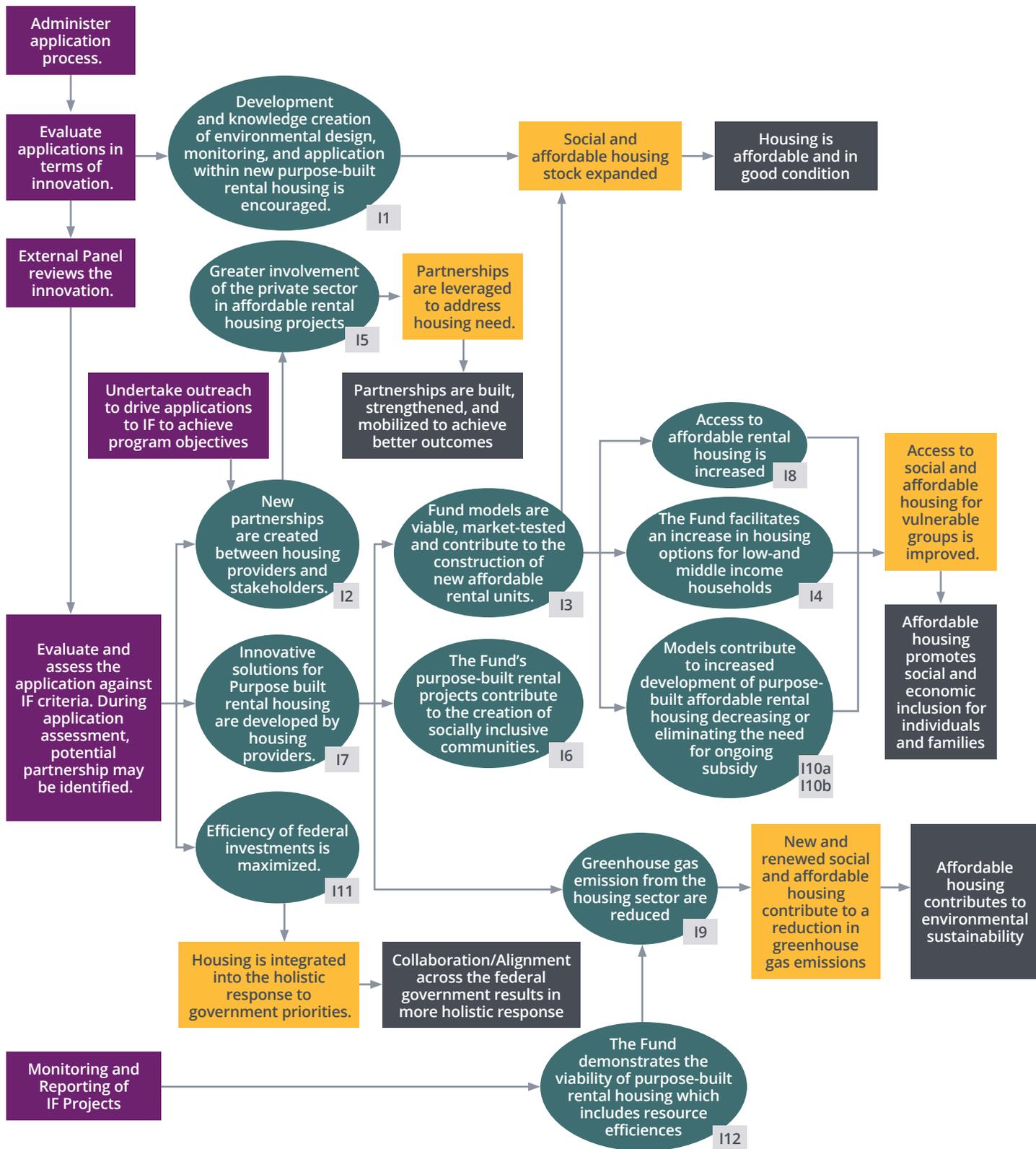
A United Kingdom Best Practice: The Greater London Authority (GLA) will fund a small number of projects at negotiated grant rates when funding supported housing projects.



ANNEX A: EVALUATION MATRIX

Evaluation Themes	Evaluation Question	Indicators
Relevance	EQ1: Is there a continued need for a program that encourages new funding models and innovative building techniques in the affordable housing sector?	<p>Evidence regarding the need for increased supply of affordable housing in Canada</p> <hr/> <p>Evidence regarding nature and extent of need for innovative approaches to funding models in the affordable housing sector</p> <hr/> <p>Evidence regarding nature and extent of need for innovative building techniques in the affordable housing sector</p> <hr/> <p>Evidence regarding the need to de-risk innovations</p> <hr/> <p>Evidence regarding the need to transfer knowledge on innovations</p> <hr/> <p>Perceptions in regards to the need for such a program</p>
	EQ2: To what extent is the current and planned program consistent with federal government and CMHC priorities?	<p>Alignment of the program with federal government strategic directions</p> <p>Alignment of the program with the National Housing Strategy, as delivered by CMHC</p> <p>Alignment of the program with or inclusion of intended program objectives in CMHC corporate plans or priorities</p>
Effectiveness	EQ3: To what extent has the program effectively made progress towards the achievement of expected outcomes?	<p>Perceptions in regards to the extent to which this program is likely to contribute to an increased supply of affordable housing</p> <hr/> <p>Evidence on the extent to which program outcomes are being achieved</p>
Economy and Efficiency	EQ4: To what extent has the Innovation Fund been delivered in an economic and efficient manner?	<p>Perceptions in regards to the application process</p> <hr/> <p>Evidence of economy and efficiency within the application process</p> <hr/> <p>Perceptions in regards to the application review process</p> <hr/> <p>Evidence of economy and efficiency within the application review process</p>
	EQ5: To what extent has the Innovation Fund been designed in an economic and efficient manner?	<p>Perceptions in regards to innovation criteria</p> <hr/> <p>Evidence of selected design features against relevant literature</p> <hr/> <p>Perceptions in regards to selected design features</p> <hr/> <p>Evidence of key design features against industry and international comparable</p>

ANNEX B: LOGIC MODEL



ANNEX B: LOGIC MODEL

I1

Percent of applications received which achieve above the minimum resource efficiency requirements.

I2

Percent of applications who have non-federal partners

I3

Percentage of models which were approved and were successfully brought to construction

I4

% of 4000 of units under development and/or completed

I5

Percent increase of affordable rental units which are under the prevue of private-sector led housing developments,

I6

Percent increase of affordable rental units which are under the prevue of private-sector led housing developments,

I7

Number of applications recieved

I8

Increased number of affordable rental units

I9

Percentage decrease of the aberage carbon emissions as compared between Innovation Fund projects and other projects built at similar times within similar jurisdictions.

I10a

Percent of models which remain viable after the 10 year affordability mark.

I10b

Percent of models which are able to offer affordable rentl units without the need for ongoing goverment subsidies after the 10 year mark.

I1

Percent of applications receieved which achieve above the minimum resource efficiency requirements.

I12

Percentage of proponents who were able to successfully achieve, within 10%, resource and energy efficiency targets that were set out within their proposal.

