



NORTHWEST TERRITORIES
HOUSING CORPORATION



Building for the Future

Northern Solutions for Northern Housing

**A Strategic Framework for
Housing in the Northwest Territories**

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Northwest Territories Housing Corporation
April 2012

Minister's Message

On behalf of the NWT Housing Corporation, I am pleased to introduce *Building for the Future*. This strategic plan is the result of the Shelter Policy Review which was a broad based examination of housing in the Northwest Territories and was intended to provide a long-term strategic framework for housing.

The Shelter Policy Review included broad-based engagement with Northerners on housing and I want to thank everyone that provided their input through this review. The participation of so many residents is appreciated and I know there were many good discussions and views provided on how housing in the Northwest Territories could be improved. Other components of the Shelter Policy Review included an independent evaluation of the existing homeownership programs, a rent scale review for the public housing program, an analysis of other elements of the housing continuum, and a review of best practices elsewhere.

Improving housing conditions is one of the key priorities of the 17th Legislative Assembly, and completing and implementing the Shelter Policy Review was identified as a key component of advancing this priority. This strategic plan includes a number of specific strategic priorities and actions that will guide the GNWT approach to housing over the next number of years.

Our approach builds on the initiatives and investments made in recent years to improve housing. It recognizes the differences between market and non-market communities and works to strengthen self-reliance and support residents to meet their own shelter needs. Our approach examines all aspects of housing and identifies priorities and actions across the housing continuum.

The strategic priorities and actions identified in *Building for the Future* will take some time to implement. However, through working with residents and other stakeholders I believe this plan will help us advance our priority to improve housing conditions for our residents, while meeting the challenges related to housing in the Northwest Territories.



A handwritten signature in dark ink, appearing to read "Robert C. McLeod".

Robert C. McLeod
Minister Responsible for
the Northwest Territories Housing Corporation

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BUILDING FOR THE FUTURE

Northern Solutions for Northern Housing

A. Introduction

There is little question about the central role that housing plays in the life of territorial residents and families. A person's home is often the foundation for their own and their family's lives. For residents of the Northwest Territories:

- their home should be where family members and friends gather, it should provide children a safe and secure place to grow and learn, and it should be a source of pride, accomplishment and memories for the occupants;
- their home should be a safe environment that contributes to the health and well-being of all the household's members, it should be in good condition, and be the right size for the occupants; and
- housing should be affordable as it is one of each individual's main responsibilities in providing for themselves and their family, and should be one of the primary considerations in setting their personal or family budget.

In too many cases, this characterization of housing is not the reality for territorial residents. Housing in the Northwest Territories presents unique challenges given our climate and remoteness of some communities. The NWT has an estimated 43,000 residents occupying about 14,500 households, spread across 33 communities and 1.2 million km² of land mass. Moreover some 24% of these dwellings are in





27 small remote communities with high cost of living, limited economic activity and employment opportunities, and almost no private housing market.

Government over the past several decades has played a critical role in supporting housing in the Northwest Territories. The Government of the Northwest Territories (GNWT), primarily through the NWT Housing Corporation, but also through

activities of other departments and agencies, has undertaken a wide variety of programs and services to support housing for territorial residents. In spite of these efforts, housing problems continue.

This strategic framework is the outcome of a broad-based shelter policy review that examined housing conditions and current challenges related to housing in the Northwest Territories, the current GNWT approach to programs and services, and potential strategic actions that would support the overall goal of improving housing conditions in the Northwest Territories.

The Shelter Policy Review included a variety of components including widespread engagement with territorial residents and stakeholder groups, an analysis of housing conditions and current programs and services along the housing continuum, an evaluation of the Housing Choices suite of homeownership programs offered through the NWT Housing Corporation to assess their overall effectiveness and efficiency, and a review of the rent scales currently charged to public housing tenants.

The 17th Legislative Assembly has identified the following vision for the Northwest Territories.

Strong individuals, families and communities sharing the benefits and responsibilities of a unified, environmentally sustainable and prosperous Northwest Territories

There is little question of the role that housing plays in achieving this vision. The 17th Legislative Assembly identified addressing housing needs as one of its five priorities for action. Specifically, the 17th Legislative Assembly has identified the following priority:

Address housing needs by completing and implementing the Shelter Policy Review including fair and sustainable public housing rent scales, selling our public housing stock where this makes sense, and putting higher density housing units in small communities.

This strategic framework is a forward looking document that provides the basis for further strategic activities that support the priorities of the 17th Legislative Assembly and the overall vision for the Northwest Territories. The framework will provide guidance on housing related activities over the next several years, but also contains specific strategic activities to improve overall housing.

B. NWT Housing Conditions



There are approximately 14,500 households in the Northwest Territories. About 11,000 of these households are in six market communities (Yellowknife, Inuvik, Hay River, Fort Smith, Fort Simpson and Norman Wells) and the remaining 3,500 dwellings are spread across 27 smaller non-market communities. There are considerable differences in housing conditions and in other demographic, social and economic indicators between the market and non-market communities.

In market communities, homeownership is about 54% of all units and more than 68% of homeowners have a mortgage payment on their house. Approximately 49% of all units in non-market communities are owned by a resident. In non-market communities, 32% of homeowners have a mortgage payment. The rental market also varies considerably between market and non-market communities. About 19% of rental units in market

communities are public housing units, compared with 71% of the rentals in non-market communities.¹

In market communities, single detached houses comprise about 59% of all housing units compared with 83% of units in non-market communities.

The percentage of households in core need (households with a housing problem and income below the core need income threshold) stands at 12% in market communities and 42% in non-market communities.

¹ A more detailed profile of housing and other socio-economic conditions is available on the NWT Housing Corporation website at <http://nwthc.gov.nt.ca/>

For non-market communities, adequacy problems (or households in need of major repairs) are the most common type of housing problem at 40% of households. Housing quality issues occur more frequently in privately owned dwellings compared to rental units. Other housing problems in non-market communities included some 17% of households having suitability (or overcrowding) problems and 14% having affordability problems. In market communities, affordability is the most common problem at 14% of households, followed by adequacy at 10% and suitability at 5%.

Other variables also show differences between market and non-market communities. For example the employment rate in market communities is 76%, compared with 42% in non-market communities. Median household income is approximately \$119,000 in market communities, compared with \$49,000 in non-market communities.

C. Government Activities to Address Housing Challenges



As noted, there is a long history of government involvement in helping residents to meet their housing needs. Within the GNWT, the NWT Housing Corporation, which is a Crown corporation, plays the lead role in activities related to housing.

The NWT Housing Corporation's mission is to provide access to adequate, suitable and affordable housing.

Through the provision of housing programs and services, the NWT Housing Corporation contributes to the health and education of NWT residents and to the development of sustainable, vibrant and safe communities.

The NWT Housing Corporation's goals are to:

- Increase the supply of adequate, suitable and affordable housing in communities to address the housing needs of NWT residents;
- Acquire and plan for sufficient land for the purpose of providing affordable housing;
- Provide homeownership and rental programs and services that are effective and appropriate;
- Enhance the long term sustainability and energy efficiency of housing in the NWT, and;
- Promote personal responsibility and accountability for housing through community based training and support.

The NWT Housing Corporation offers a variety of programs and services to support territorial residents in meeting their housing needs.

The largest program of the NWT Housing Corporation is the Public Housing Program. The NWT Housing Corporation owns and operates about 2,400 public housing units and administration of the Public Housing Program is primarily through Local Housing Organizations (LHOs). The LHOs are the community delivery

agents for the NWTHC and there are currently 23 LHOs operating in the NWT. For each LHO, a board is established which plays a key role in the delivery of the program at the community level. The primary role of the LHOs is to manage and administer the Public Housing Program in their respective communities (a property management function) although in recent years LHOs have also provided property management for other NWT Housing Corporation assets at a community level. Each LHO carries out their duties in accordance with the terms outlined in the partnership agreement between the NWT Housing Corporation and the LHO and are guided by the NWT Housing Corporation's policies and procedures.



The **Housing Choices** programs consist of four NWT Housing Corporation homeownership programs, which offer flexible delivery options that are accessible to NWT residents. Housing Choices also uses education and counselling to assist residents in becoming self-reliant and successful homeowners.

STEP (Solutions to Educate People) - provides clients with counselling and educates people on acquiring the skills needed to be successful homeowners. STEP consists of four modules related to budgeting, banking and credit, steps and issues associated with a home purchase, and home maintenance and repair.

HELP (Homeownership Entry Level Program) - is intended for prospective first-time homebuyers and provides an opportunity for persons not able to secure mortgage financing, or who are unsure of their abilities as homeowners, to assume the responsibilities of homeownership before purchasing a home. Tenants have an opportunity to purchase the unit after leasing it from the NWTHC.

PATH (Providing Assistance for Territorial Homeownership) - provides homeownership assistance of up to \$125,000 to NWT residents. Under this program, any difference between the assistance provided and the purchase price would normally be financed through a bank.

CARE (Contributing Assistance for Repairs and Enhancements) - is the primary repair program and includes a major repair component with assistance levels ranging from \$10,000 to \$90,000 and a preventative maintenance component with funding up to \$2,000 annually.

In 2011-12, total expenditures by the NWT Housing Corporation are expected to be \$112.6 million. The GNWT contributes \$61.2 million of this total, the Canada Mortgage and Housing Corporation (CMHC) provides \$27.1 million on behalf of the federal government, \$11.6 million is obtained through rent, leases, sales and other own source revenues, and \$13.0 million is amortization (non-cash) of the NWT Housing Corporation housing stock.

Activity	Description	2011-12 Budget
Operating Public Housing Units	Operating expenses for 2,400 public housing units operated through LHOs.	\$41.0 million
Replacement of Public Housing Units	Investments to replace older public housing units as they become beyond economic repair	\$7.1 million
New Homeownership Units	Units are constructed and made available to residents for purchase	\$1.6 million
Public Housing Repair & Support for Homeownership Repair	Includes retrofits and repairs on public housing units to extend their economic life and support provided to homeowners to assist in repairs	\$18.4 million
Operating Supported Lease and Market Rentals	Operating costs for supported lease and market rentals owned by the NWTHC. This is offset by rent and lease payments.	\$1.9 million
Support for Housing Projects Operated by Community Based Non-Profit Groups	Funding for groups operating low cost rental, transitional or emergency housing projects	\$3.5 million
Amortization and Principal & Interest on Loans	Debt repayment for public housing stock (offset by transfer from CMHC) and amortization of existing capital assets	\$22.0 million

The remaining \$17.3 million in operating costs for 2011-12 is related to overall operating costs for the NWT Housing Corporation for staff and for other expenses, like materials and supplies, computers, travel and office leases.

Other GNWT departments also have a role in shelter programs and policies. Some departments are directly involved in programs and services that relate to housing. While these programs may have a broader purpose, provision of adequate, suitable and affordable shelter is a part of them.

- Health and Social Services (HSS) provides supports for assisted and supported living for seniors and persons with disabilities. HSS has also supported programming related to emergency shelters and homelessness.
- Education, Culture and Employment (ECE) is responsible for income security programs including Income Assistance and Seniors Home Heating Subsidy. ECE is also involved in supporting shelters and emergency service providers.
- Municipal and Community Affairs (MACA) offers property tax rebates to eligible residents. MACA also supports housing through transfer of land, land planning and development and provision of municipal services through community governments.
- Justice is responsible for the *NWT Residential Tenancy Act*.

Community Governments

Community governments play an important role in housing. Communities have responsibilities related to land planning and development and it is critical that the NWT Housing Corporation work with the community governments to ensure an adequate supply of land is available for housing development. Community governments also provide utility services like water and sewer and set municipal tax rates which can also have an impact on the overall cost of shelter.

Canada Mortgage and Housing Corporation (CMHC)

As noted, CMHC provides significant funding to the NWT Housing Corporation for operating social housing in the Northwest Territories. As described below, the funding from the federal government through CMHC is declining each year and will be reduced to zero by 2038. This creates a significant challenge for the on-going sustainability of social housing in the Northwest Territories.



In recent years, the federal government has provided significant one-time capital investment in housing in the Northwest Territories. In total, the federal government and the NWT Housing Corporation invested more than \$200 million in the territorial housing stock between 2006-07 and 2010-11.

D. Challenges

There are a number of challenges related to housing in the Northwest Territories described below. These are not intended as an exhaustive listing, but some of the critical elements that need to be considered as part of this strategic framework.

Approach in Market and Non-Market Communities

Probably the most noticeable component of housing and consideration of housing programs is the difference between market and emerging market communities and non-market communities. The type and tenure of housing, the level of housing problems, the involvement of government in the housing sector, and the economic, social and demographic characteristics are all significantly different between market and non-market communities in the Northwest Territories.

These differences should not be ignored in the strategic priorities and actions undertaken by the GNWT related to housing.

Dependency

A common theme discussed during discussions on the Shelter Policy Review was the issue of dependence on government and the importance of supporting people to be self-reliant. The design of housing supports needs to be done in a manner that does not create barriers or disincentives for individuals to improve their individual well-being or the well-being of their family.



Many feel that the current approach to the public housing rent scales creates a disincentive to work. This is primarily related to the treatment of certain types of income, the change in rent as income increases, and the maximum rents charged for public housing units.

Another area where a level of dependency is apparent is related to repairs and preventative maintenance of homeownership units in non-market communities. Housing quality is the most common problem in territorial households and this is particularly apparent for homeowners in non-market communities. Maintaining your home is an important responsibility of any homeowner. While there are a variety of reasons why there continues to be issues with quality in homeownership in non-market communities, requests for programs and support by residents makes it clear that there is too often a sense of dependence on government to support maintenance and repairs.

Role of Homeownership

Homeownership may not be the objective of all NWT residents, but in many cases residents see homeownership as an important part of self-reliance and reduced dependence on government.



Many people want to have their own homes that they can take pride in and have the freedom to change and renovate as their family grows or their circumstances change. The reality is that homeownership is an area where there are significant differences between market and non-market communities.

In market communities, residents often invest in their home as a place to live and potentially raise a family, but also with the intention of seeing that investment grow through time. Market forces related to supply and demand are some of the factors of the eventual outcome from the investment. These market forces are impacted by a number of other factors including

economic conditions, availability of units within the market, and the cost of borrowing.

In smaller non-market NWT communities the reality of homeownership can be quite different. The expectations of residents in these communities, where there is a very limited ownership market, in relation to the ability for their home to grow in value is much different from larger, market communities. Gaining a return on an individual's investment in a house is much less likely and therefore motivation to move into homeownership from a rental environment is also less likely.

Additionally, the cost of homeownership in comparison to rental units is often significant, particularly for residents in public housing, even where they have an above average household income. With mortgage payments, utility costs, and other expenses related to maintaining their own home, the benefits of owning their home in non-market NWT communities are too often seen as outweighed by the risks given the limited resale opportunities.

Shelter Cost Variations by Tenure

There are significant variations in the cost of shelter in market and non-market communities by tenure. Some of these differences are related to the type of housing support being provided by government. Specifically, the median shelter cost for public housing clients is \$127 per month, the median cost for private market rentals is \$1,410 per month, \$800 per month for homeowners without a mortgage and \$2,163 for homeowners with a mortgage.

The low monthly shelter costs for public housing units relates primarily to the current approach to the rent scales. With operating costs of approximately \$1,400 per month for each public housing unit, government is subsidizing clients in each public housing unit by more than \$15,000 per year on average.

As noted, the substantial difference between shelter costs by tenure contributes to the barrier for residents to move from public housing to homeownership. Further, for lower income households there are significant affordability challenges if they are unable to access public housing.

Housing Supply

There are a number of elements to the issue of housing supply. In some cases, like Yellowknife, a lack of housing supply contributes to low vacancy rates and challenges related to affordable housing for lower income residents. In other market communities, too much supply can relate to weak resale markets and large



numbers of vacant units available which can drive down housing prices. In non-market communities housing shortages are reflected in waiting lists for public housing and a lack of rental housing for teachers, nurses and other employees that deliver critical services to community residents.

The lack of housing for staff that deliver critical services in non-market communities is often cited as a concern relating to recruitment and retention of professionals and a contributor to poor education and health indicators.

Affordability, Homelessness and the Hard to House

Issues of homelessness, affordability and the hard to house are becoming increasingly significant in many NWT communities. Often the challenges related to these residents reach well beyond housing and include social, education and justice issues. The need for cross-government coordination and policy coherence is clear.



The response to the homelessness issue varies considerably across communities. In some larger communities there are emergency shelters, day programs, and transition housing that help individuals living in these circumstances. In many cases, these facilities are operated by non-government organizations

(NGOs) with support from government. NGOs often report that the demand for housing and other services to support homeless and under-housed individuals is well beyond the available resources. In many smaller NWT communities services to support homeless or under-housed individuals are very limited or do not exist.

Challenges also exist as people move from shelters or transition housing into other types of housing. Affordability issues are often significant if they move to a market rental, and waiting lists can be considerable for public housing.

Declining CMHC Funding

An extremely significant issue facing the NWT Housing Corporation is the declining Canada Mortgage and Housing Corporation (CMHC) funding for social housing. In the 1990's the federal government decided to get out of social housing in Canada and entered into arrangements where ownership of the social housing stock would be transferred to the provinces and territories. The federal government provides funding to pay any outstanding debt on these units and agreed to fund operations and maintenance for these units, although the amount would decline until it reached zero in 2038-39.

In 2011-12 CMHC funding for social housing included \$7.6 million for debt repayment and \$17.6 million for operating social housing. Without a change in the federal approach to funding social housing, decisions will need to be made to ensure a sustainable approach to operating social housing.

E. Strategic Framework for Housing

The provision of shelter is pivotal to the long-term well-being of NWT residents and communities. The government's vision speaks of strong individuals, families and communities sharing benefits and responsibilities. This must be the basis for future strategic direction and actions related to shelter in the Northwest Territories.

Within the context of the current programs and services provided to support housing in the Northwest Territories and the challenges outlined in the previous section, *Building for the Future* provides an overarching framework for strategic priorities and actions for the GNWT and the NWT Housing Corporation. This strategic framework is intended to guide activities over the next several years. Financial realities and system capacity mean that not all actions will take place immediately, but the priorities and actions described below will provide the focus of activity for the NWT Housing Corporation.

The following principles are guiding the strategic framework and the supporting actions. The NWT Housing Corporation will approach improvements in housing programs and services in a manner that:

- Builds on the success and progress over the past several years.
- Strengthens self-reliance and support for residents to meet their own shelter needs.



- Recognizes the differences related to housing between non-market and market communities in designing Northern solutions.
- Supports community sustainability by decreasing the differences in the cost of shelter between non-market communities.
- Improves fairness in the level of support across the housing continuum.
- Enhances the benefit associated with homeownership in non-market communities.
- Positions the GNWT to better be able to meet the challenge of reduced federal funding for social housing in the future.

Many positive changes have taken place in recent years related to housing programs and services. The introduction of the Housing Choices suite of homeownership programs in 2007 marked a significant change and these programs need to be supported and strengthened. In addition, more than \$200 million has been invested in housing infrastructure over the past five years largely due to the investments by the federal government under the Northern Housing Trust and Canada's Economic Action Plan, which were matched by the GNWT. These investments led to over 500 new units being constructed and additional investment in repairs.

Self-reliance and supporting residents in meeting their own shelter needs is a critical component of housing supports provided by the GNWT. The strategic priorities and actions need to be designed in a manner that supports this principle. Strategic actions to improve housing also need to recognize the differences between our market and non-market communities. One size cannot fit all and the strategic priorities and related actions need to recognize the important role of housing in challenges related to cost of living, reducing poverty, and supporting employment and economic development in our rural and remote communities.



As government, housing policies and programs need to be designed in a way that supports the overall vision and goals. While the approach to supporting shelter needs cannot ignore those most in need, it also must support those residents who are trying to improve their overall well-being. Too often the approach to programs and services has created dependency on government and real and perceived barriers to individuals improving their own well-being, and has all too often led to residents not necessarily acting as partners with government to meet their shelter needs.



As noted, the strategic priorities and actions described in *Building for the Future* represent a significant change in housing programs and services. It will take some time to implement the actions, to see changes in how people view housing and the role of the NWT Housing Corporation, and to see the improvements in housing conditions in the Northwest Territories that residents want to see.

F. Strategic Priorities and Actions

Strategic Priority 1 - Strengthening Public Housing

A key message that emerged during the engagement process for the Shelter Policy Review was the strong desire for changes to the rent scales, which determine the amount of subsidy provided to public housing tenants and the amount paid by the tenant. The current rent scales are viewed as a major contributor to creating dependency on government and providing a disincentive to work for territorial residents who reside in public housing.

The current rent scales are based on a relatively complicated model of rent geared to income of all residents of a public housing unit, with a variety of adjustments made for source of income, household size and number of residents and cost of living. The result is a wide variety of subsidy being provided and rent being charged, even for households with similar overall income levels.

Action: Develop and implement a new public housing rent scale

- Public housing rent scale should be simple, more predictable and fair.
- Rent should be geared to income, but should be designed to address the disincentive to work and not create barriers for people improving their well-being.
- Public housing clients should have greater responsibility for utilities and energy efficiency should be encouraged.
- Rent scales should be adjusted at regular intervals to reflect inflationary impacts.

The second area related to strengthening public housing is the continuing need to address quality issues and modernize the public housing stock. The federal government made the decision in the early 1990's to stop investing in new social housing and to transfer ownership and operating responsibilities for existing public housing to the provincial and territorial governments. As a result of this approach, there had been no on-going investment by the federal government in new or replacement public housing stock. As a result, the quality of the existing public stock within the Northwest Territories has been under significant pressure as units age.

Recent one-time investments by the federal government and the GNWT have allowed the NWT Housing Corporation to upgrade, improve energy efficiency and replace some of the existing public housing stock. This approach needs to continue to help control operating expenditures for the



Public Housing Program and to ensure tenants have good quality shelter. By continuing to modernize the stock, the NWT Housing Corporation will be able to control operating costs by improving energy efficiency of existing units, respond to changing community needs, and support the priorities of the 17th Legislative Assembly of increased use of multi-family units within the public housing portfolio.

Action: Continue to address quality issues and modernize the public housing stock

- Capital investments should focus on maximizing the useful life of the existing public housing stock, including investing in energy efficiency.
- Public housing stock, when existing units are no longer viable, should be replaced with multi-family units whenever possible, consistent with the priority of the 17th Legislative Assembly.

Strategic Priority 2 - Improving Homeownership Supports

Homeownership plays an important role in achieving the overall objectives for housing. There are, however, some important realities related to homeownership in the Northwest Territories. As has been noted there are significant differences between market and non-market communities in terms the nature of homeownership, the expected risks and rewards associated with homeownership, and the role of the NWT Housing Corporation in supporting homeownership.

However, even with these realities, during the engagement process for the Shelter Policy Review it was apparent that many residents see homeownership as an important part of self-reliance and reduced dependence on government. Many people want to have their own homes that they can take pride in and have the freedom to change and renovate as their family grows or their circumstances change.

Action: Strengthen homeownership support programs to increase the benefits of homeownership, particularly in non-market communities

- Program design should support community sustainability and reflect cost of living in non-market communities.
- Changes should expand the pool of potential clients, while ensuring support focuses on those with good chance of success as homeowners.

A second area of homeownership support that needs to be examined is related to repairs. Housing quality is the most common problem in territorial households and this is particularly apparent for homeowners in non-market communities. As previously noted, dependence on government support is one factor that contributes to the high level poor quality housing, but other issues impacting the quality of housing include the high cost and availability of goods and services that are needed to complete preventative maintenance and repairs, in addition to homeowners not having adequate

financial management skills or the necessary skills to complete maintenance and repairs on their home.

The CARE program is currently the primary repair program of the NWT Housing Corporation. This program has two main components. The first is a major repair component, where residents can apply for support for major repairs and retrofits, which is linked to household income and the estimated cost of the repairs. The second component is for preventative maintenance activities. In each of these cases, support is provided in the form of a forgivable loan with the period of forgiveness tied to the amount of the repairs.



Action: Expand availability and target repair programs to help homeowners address high rates of adequacy problems

- Revise the approach to repair programs to support homeowners in fulfilling their responsibilities for maintaining their own home.
- Develop and implement approaches that ensure support reflects capacity, cost of living and other factors that exist between NWT communities.
- Introduce a new emergency repair program designed to be a partnership between residents and the NWT Housing Corporation to ensure effective response to emergencies that impact the health and safety of residents.
- Develop and implement an approach that increases access and reduces the administrative burden related to repairs associated with preventative maintenance.

Strategic Priority 3 - Increasing Housing Options in Non-Market Communities

The availability and adequacy of housing in non-market communities has been identified as a major barrier to service delivery in smaller NWT communities. Without access to adequate, suitable and

affordable housing it is a challenge for the GNWT and other governments to recruit and retain staff that deliver education, health, and other services.

The GNWT, through the NWT Housing Corporation, has attempted to provide incentive for developers to offer more market rental opportunities in smaller NWT communities. These efforts have had modest success as many private developers see the limited economies of scale and high operating costs in non-market communities as a barrier to operating market rental units.



Action: Increase the availability of housing for rent in non-market and emerging communities

- Develop additional multi-family rental properties in non-market and emerging market communities.
- Focus on communities with high demand for housing for teachers, nurses and other GNWT staff, although units will also be available for rent by any resident including staff of the federal, community or Aboriginal governments.
- Implementation could include partnerships with developers or the NWT Housing Corporation developing and operating these units as part of their market housing portfolio.

Strategic Priority 4: Improving Housing Services

As noted, there are a variety of views within the Northwest Territories associated with the role of the resident and the role of government in supporting each individual's housing needs. Through the Shelter Policy Review's engagement process it was apparent that residents had a wide variety of knowledge and skills in activities associated with financial management and budgeting associated with housing. There was also different levels of knowledge and skill in regards to maintenance and repair activities that could be completed by residents. There was limited awareness of existing NWT Housing Corporation programs and services and the role and responsibilities of various stakeholders in housing.

Action: Improve overall awareness, skills, and opportunities for residents to support their own shelter needs

- Enhance access to programs that offer education and training on home maintenance and repairs and on budgeting and other shelter issues.
- Improve communication activities to increase awareness among residents of the role and programs of the NWT Housing Corporation.
- Examine options for improving access to housing materials and supplies available to residents in non-market communities.
- Develop options related to providing housing assessments for homeowners in non-market communities to support better involvement of residents in their shelter needs.
- Pilot a program to provide opportunities for residents to reduce arrears while supporting community or other shelter needs.

Local Housing Organizations (LHOs) are the community delivery agents for the NWT Housing Corporation's Public Housing Program. The activities and the relationship between the NWT Housing Corporation and each LHO are guided by the terms outlined in partnership and service agreements. Generally, the LHOs have authority to make decisions based on the NWT Housing Corporation's established policies and procedures and their operations must operate within the *Northwest Territories Housing Corporation Act*, *Financial Administration Act Part IX*, *Residential Tenancies Act*, *the Societies Act*, and their own by-laws. The LHOs, in many cases, also provide property management services for market rental and supported lease units operated within the community by the NWT Housing Corporation.



Delivery of homeownership and repair programs are mainly administered through five district offices within the NWT Housing Corporation. District staff travel to each community to plan and manage capital projects and to undertake intake activities for homeownership and repair programs.

This division of responsibilities creates some challenges. Residents wanting to

access homeownership or repair services in rural and remote communities often have to rely on occasional visits by NWT Housing Corporation staff or remote contact to access services. Limited efficiencies are able to be achieved in procurement, project management, finance and administration or case management.

Action: Ensure delivery of housing services are seamless and delivered effectively and efficiently

- Undertake a broad based examination of roles and responsibilities in program delivery in communities.
- Ensure delivery of housing programs are organized in a way that supports residents in meeting their housing needs.
- Review relationship between the NWT Housing Corporation and Local Housing Organizations to ensure appropriate training and other supports, accountability provisions, and funding model.

Strategic Priority 5: Strengthening the Approach to Homelessness and Transition Housing

Homelessness is a challenging issue within the Northwest Territories. In some cases homeless individuals spend much of their time on the streets and occasionally access services through emergency shelters or hospitals and health centers. In other cases, homelessness relates to individuals without a regular dwelling who often move between the households of family members or friends and often have other barriers that make obtaining their own home challenging. In still other cases, there are individuals who are at risk of homelessness and live in transition housing that is intended to give them temporary supports until they are able to get more permanent housing.

In each of these cases, the individuals are often either accessing supports or in need of supports from multiple departments or agencies within the GNWT. Some may be in need of supports to deal with addictions or other issues, others may need employment and life skills supports and training. Some may be clients of income support, and others may need supports and services related to family or other types of violence.

The approach to housing residents in these circumstances varies across the Northwest Territories.



Non-government organizations in larger communities are provided support to operate and provide other programs and services in emergency shelters and transition housing. In smaller communities, there are much more limited formal programs that provide housing for individuals facing homelessness, although some support is provided to groups providing other kinds of support to homeless individuals (e.g. emergency meal programs).

Homelessness, and those at risk of homelessness, was identified as an increasingly significant issue during the

engagement on the Shelter Policy Review. Demand for these types of services is high and seen as increasing across territorial communities. It was often noted that the housing and shelter support provided to the homeless or those at risk of homelessness need to align with other supports that these individuals may need to access.

Action: Ensure there is coherence and balance in the GNWT approach to homelessness and support for transition housing

- Work to achieve a more integrated case management approach across departments dealing with homelessness.
- Ensure consistency in the approach to transition housing and emergency shelters and improve coordination within the GNWT for funding organizations that provide these services.
- Develop approaches for a more balanced approach to homelessness services and transition housing in communities outside of Yellowknife.
- Formalize a contribution from the GNWT to Betty House in Yellowknife.
- Examine options to strengthen supports for housing and shelter services associated with the homeless and those at risk of homelessness.

Strategic Priority 6: Addressing Housing Challenges for the Working Poor

A significant area of core housing need in the Northwest Territories is for lower income households living in market rentals. Overall there are more than 4,600 market rentals in the Northwest Territories

and median rent is estimated to be \$1,410 per month. By comparison currently the median rent for public housing units is \$32. For households with less than \$60,000 in annual income the high market rents can create significant affordability challenges. Some 65% of households with less than \$60,000 annual income and living in market rentals are spending greater than 30% of their income on shelter.

In many cases, lower income households living in market rentals with affordability problems have recently arrived in the community, are lone parent families, or are students or young people that have recently completed their education. Often at least one household member is working, but the overall household income is not enough that their shelter is affordable given the market rent.

Action: Address affordability challenges for lower income households in market rentals

- Develop and implement a new rent supplement program that would target low income households in market rentals.
- Ensure that the program is designed to support a transition into market housing and does not create on-going dependency.

Strategic Priority 7: Developing Infrastructure Solutions Based on Individual and Community Needs

The approach to infrastructure is a critical component to achieving the mission and the goals of the NWT Housing Corporation and advancing the overall strategic actions described in this strategic framework for housing.



The NWT Housing Corporation plays a significant role in infrastructure development within non-market communities. The housing units that are developed need to reflect individual and community needs. The 17th Legislative Assembly has identified the need to move towards more multi-family units and this is priority within the NWT Housing Corporation for the public housing

portfolio. The multi-family approach is an important part of managing the cost of operations for the public housing program, which is critical given the declining funding from CMHC for operating public housing.

The approach to designing homeownership units is also an important factor in enhancing the role of homeownership within NWT communities and creating shelter that is affordable and is a source of pride and accomplishment for territorial residents.

Developing housing infrastructure also provides important employment and business opportunities within the Northwest Territories. The approach to delivering housing infrastructure needs to balance the importance of supporting Northern businesses with ensuring a cost effective approach to housing programs. Developing housing infrastructure also provides important training and education opportunities, particularly in smaller NWT communities.

Action: Ensure an effective approach to infrastructure that supports the overall policy objectives related to shelter

- Support homeownership by ensuring the design of NWT Housing Corporation units reflect Northern needs while still controlling costs.
- Provide homeowners with more input into the design of their dwelling.
- Develop approaches to support housing for Seniors and aging in place.
- Undertake initiatives that support training and education opportunities during the development of housing infrastructure.
- Recognize the role of housing infrastructure in supporting economic development and business opportunities.
- Support actions that ensure there is an adequate supply of lands to support housing infrastructure.

Strategic Priority 8: Addressing the Declining Federal Funding

As noted earlier, funding from the federal government through CMHC for social housing has been declining over the last several years. In 2011-12, CMHC provided \$7.6 million for debt repayment and \$17.6 million for operating social housing. These values will decline to zero by 2038-39. The

declining funding for operating social housing that is occurring each year, means that there is increasing pressure to change the approach to the public housing program to offset these declines. The impact of this declining funding is made worse by inflationary pressures that drive the cost of operations of public housing even higher.

Without a change in the federal approach to funding the operations and maintenance of social housing, further actions will be needed to find a sustainable approach to operating social housing in light of the annual declines in federal funding.

Many of the strategic actions described within this framework will help to position the NWT Housing Corporation to be able to respond to the declining funding in coming years. However, the impact of changes to public housing rent scales and changing the approach to homeownership may take some years to yield results. This is likely to mean that some investment by the GNWT will be required to offset the declines in CMHC funding over the next several years. The NWT Housing Corporation will also need to undertake additional actions that will ensure it is in a position to mitigate the impact of the declining federal funding. It will also be critical during this period that work continues with the federal government and with other provinces and territories (who are facing similar funding reductions) to develop a sustainable approach to funding the operations of social housing.

Action: Develop approaches that will provide for an adequate and stable level of funding for the delivery of the public housing program

- Work with the federal government and other provinces and territories to develop a sustainable approach to funding social housing.
- Investments will be required to offset the reduced funding in the short-term.
- Reduce operating costs through multi-family construction, energy efficient upgrades.
- If required, steps may be needed to reduce public housing stock.
- Increase revenues from other sources like the market rental program.

G. Evaluating, Measuring and Reporting Progress

Building for the Future provides an overall strategic framework for housing in the Northwest Territories. It is expected that implementation of the strategic actions will take a number of years and

monitoring and evaluating the impact of the strategic actions will be critical.

An evaluation framework, along with measures, will be developed and reported on as each strategic action is implemented. These evaluation frameworks will help with the assessment of the impact of the actions and will help guide any changes that may be required to the strategic actions.



In addition to evaluating specific actions that will be initiated as part of the strategic plan, the GNWT and the NWT Housing Corporation need to continue to complete appropriate data gathering on the housing sector within the Northwest Territories. The *NWT Community Survey*, including the housing needs component, is completed every five years by the GNWT and is an important source of describing housing conditions in NWT communities. This survey and the national Census provide important information every few years that helps maintain a current overview of housing in the Northwest Territories, but also provides a better understanding of trends over time.

Consideration should also be given to completing more detailed research efforts to better understand elements of housing issues in the Northwest Territories. These more detailed research projects would provide valuable insight and a more detailed understanding of specific housing issues.

The strategic priorities and actions described in *Building for the Future* will form the basis of initiatives undertaken by the NWT Housing Corporation in the coming years. An annual report will be published that will outline progress on implementation of the strategic priorities and actions described in the strategic plan and report on overall housing conditions in the Northwest Territories. Measures that will be included in the annual report for each area of the housing continuum are described below. Specific indicators related to each measure will be developed for inclusion in the annual report.

Component of the Housing Continuum	Measure
Homelessness and Transition Housing	• Availability of Services
Public Housing	• Effective Operations • Managing Tenant Relations • Condition of Public Housing • Investing in the Public Housing Stock
Market Rentals	• Availability of Units in Non-Market Communities • Crowding, Affordability and Quality Issues in Market Rentals • Management of NWT HC Rental Units
Homeownership Supports	• Crowding, Affordability and Quality Issues in Homeownership • Supports for Homeownership • Improving Housing Quality

H. Conclusion

Housing is a critical part of everyone's life. The GNWT, through the NWT Housing Corporation, plays an important role in housing particularly in non-market communities. *Building for the Future* provides an overall framework for strengthening and improving the supports for housing that will help many Northerners improve their housing situation and will support the overall government vision and goals.

This framework is built on the advice and input of Northerners that was provided during the Shelter Policy Review. Residents want to see affordable, adequate and suitable housing in all communities in the Northwest Territories. They want the NWT Housing Corporation and the Government of the Northwest Territories to work in partnership with residents where appropriate and to support housing in a way that is fair, sustainable, and does not perpetuate dependency on government.

Thank you to all those residents that provided their input during the Shelter Policy Review.

Building for the Future

Summary of Strategic Priorities and Actions

Strengthening Public Housing

- Develop and implement a new public housing rent scale
- Continue to address quality issues and modernize the public housing stock

Improving Homeownership Supports

- Strengthen homeownership support programs to increase the benefits of homeownership, particularly in non-market communities.
- Expand availability and target repair programs to help homeowners address high rates of adequacy problems.

Increasing Housing Options in Non-Market Communities

- Increase the availability of housing for rent in non-market and emerging communities

Improving Housing Services

- Improve overall awareness, skills, and opportunities for residents to support their own shelter needs.
- Ensure delivery of housing services are seamless and delivered effectively and efficiently.

Strengthening the Approach to Homelessness and Transition Housing

- Ensure there is coherence and balance in the GNWT approach to homelessness and support for transition housing.

Addressing Housing Challenges for the Working Poor

- Address affordability challenges for lower income households in market rentals.

Developing Infrastructure Solutions Based on Individual and Community Needs

- Ensure an effective approach to infrastructure that supports the overall policy objectives related to shelter.

Addressing the Declining Federal Funding

- Develop approaches that will provide for an adequate and stable level of funding for the delivery of the public housing program.



For more information on Building for the Future and the Northwest Territories Housing Corporation's housing programs and services visit www.nwthc.gov.nt.ca.