

**Nunavut
Housing
Corporation**

**Business
Plan**

2001-2002

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INTRODUCTION

The Nunavut Housing Corporation (the Corporation) is a Public Agency of the Government of Nunavut (GN), created through the Nunavut Legislature by the *Nunavut Housing Corporation Act*. The corporation is not divorced from the GN, rather it is an arms-length organization, with its operating boundaries set out in Part IX of the *Financial Administration Act*; which is the section of the Act specifically devoted to Public Agencies.

The Corporation reports to the Legislative Assembly, Executive Committee and Nunavummiut through its President and the Minister responsible for the Nunavut Housing Corporation. In general the Corporation acts much like a regular government department, but there are important differences. These differences make the Corporation unique, but they allow the Minister to maximize the effectiveness of the Corporation for the present and future benefit of Nunavummiut.

The four main advantages to a stand-alone Corporation are:

- ◆ The ability to enter into funding partnerships with others, principally the Canada Mortgage and Housing Corporation (CMHC), outside of the GN's financial structure. This means that Nunavut's transfer payments from the Federal Government are not affected by the funding the Corporation receives.
- ◆ The ability to carry over funds from one year to the next ensuring that funds from all sources that are designated for housing initiatives remain dedicated to housing solutions.
- ◆ The stewardship of funds in the Capital and Operating and Maintenance pools, allowing the Corporation to maximize the impact of housing initiatives and meet the housing needs of Nunavummiut.
- ◆ The creation of a stand-alone Nunavut Housing Corporation to allow the Corporation to maximize the use of the tools we have been given and to develop future housing and housing related services to Nunavummiut.

The Corporation's mission is:

To provide opportunities for all residents of Nunavut to have homes that support a healthy, secure, independent and dignified lifestyle through working with our communities to allow them to assume the role of providing housing to Nunavummiut.

The staff of the Corporation, from summer students to the President and the Minister is absolutely committed to realizing the mission and goals of the Corporation. During fiscal 2000/2001 that commitment has been enhanced significantly through three major initiatives of the GN:

- ◆ The *Bathurst Mandate* which committed the GN to *Open and maintain a public dialogue on housing issues, while developing and implementing immediate and long-term plans to respond to housing shortfalls as **one of the two primary commitments** (emphasis added) of this government's mandate.*
- ◆ The principle of Inuit Qaujimmajatuqangit (IQ), which will provide the context in which we develop an open, responsible and accountable Corporation. IQ will assist us in developing programs and services that are fair, understandable and easy to access.
- ◆ The creation of the Nunavut Task Force on Housing, which through its fifteen recommendations, coupled with our Bathurst Mandate responsibilities and the use of IQ in all we do will serve as a template for our Corporation for the foreseeable future.

CORE BUSINESS

The Nunavut Housing Corporation is responsible for:

- ◆ its impact on quality and affordability of housing;
 - ◆ quality of advice, assistance and support to Local Housing Organizations (LHO) and other client organizations and agencies;
 - ◆ quality of property management services for Nunavut public housing;
 - ◆ ensuring housing services and support are provided in an equitable manner;
 - ◆ improving the public image of the Nunavut Housing Corporation;
 - ◆ the dissemination of information on best practices in the operation and construction of Northern housing;
 - ◆ use of Inuit Qaujimmajatuqangit in the Corporation's decision making;
 - ◆ building constructive relationships with the other governments, agencies, departments and both community and Aboriginal organizations;
 - ◆ operating in an effective, efficient and economical manner.
-

Functions

The Corporation operates in two main business areas:

Public Housing:

The Corporation provides financial, administrative, maintenance, construction and repair support, and training to communities in order that LHOs can provide subsidized rental housing to residents in need. Currently, communities offer Public Housing programs and operate units.

Home Ownership:

Through its Home Ownership and financing programs, the Corporation assists residents who can afford the costs of Home Ownership to secure and maintain their own housing. The Corporation can also provide short term guarantees for interim financing. As well, client-counseling services are provided to homeowners. These services include, but are not limited to consultations regarding new construction/renovation, bank financing, home budgeting and energy conservation in the home.

ENVIRONMENTAL SCAN

The Corporation has continued to monitor and study critical housing issues in Nunavut in order to ensure that programs and services are responsive, effective and efficient. The critical issues in the following section were identified through the environmental scan process.

Introduction

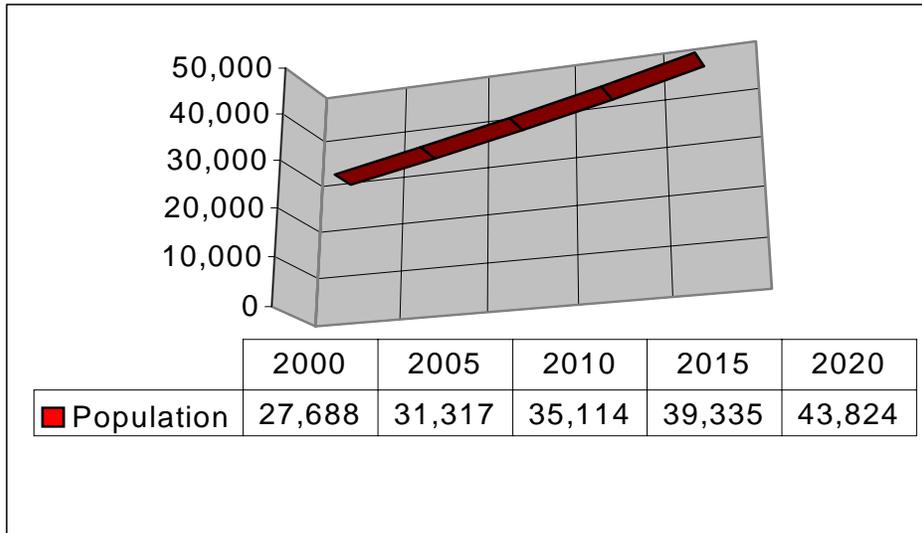
The waiting list in August, 2000 shows that about 1,100¹ families in Nunavut are waiting for some form of housing assistance. Additionally, with 2,579² youth between the ages of fourteen and eighteen, the potential demand for housing will increase by about 260 homes **per year** over the next five years. The total withdrawal of federal funding for new social housing has put a severe strain on the government's ability to meet the housing needs of Nunavummiut.

With the population projected to increase at an average of 12% between the years 2000 and 2005 (Figure 1), the demand for additional housing units will continue to increase for the foreseeable future.

¹ LHO waiting lists, August, 2000

² 1999 Nunavut Labour Force Survey

Figure 1
Projected population growth in Nunavut 2000 to 2020



Source: Government of Nunavut

- ◆ Increasing the number of homes and improving the condition of existing homes helps this government begin to address the other important social problems which children and families face.
- ◆ Providing people with proper housing addresses their basic shelter, safety and security needs so that more of their focus can be directed to other social issues.
- ◆ Inadequate and overcrowded housing contributes to social and health problems, such as major diseases, marriage breakdown, alcoholism and child and spousal abuse.
- ◆ The financial results can be measured in terms of higher costs of health care, income support payments, policing and penitentiary service. Solving the housing problems of Nunavummiut could reduce the cost of health services and social assistance by improving social and health standards.
- ◆ As long as housing problems exist for Nunavummiut, communities will not be able to achieve wellness.

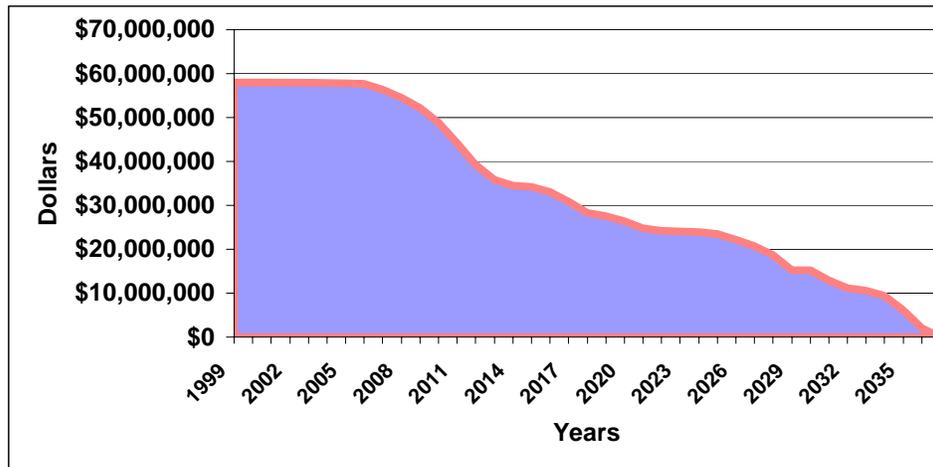
Critical Issues

External

The critical issues in housing that must be addressed are:

- ◆ Funding from CMHC for existing social housing inventory is declining and will terminate completely in the year 2037 (Figure 2). More resources need to be dedicated to the O&M of the existing public housing inventory. This is especially true in light of the block funding being fixed at 1996 levels. Owing to this, the buying power of these funds is being eroded on a yearly basis by inflation.

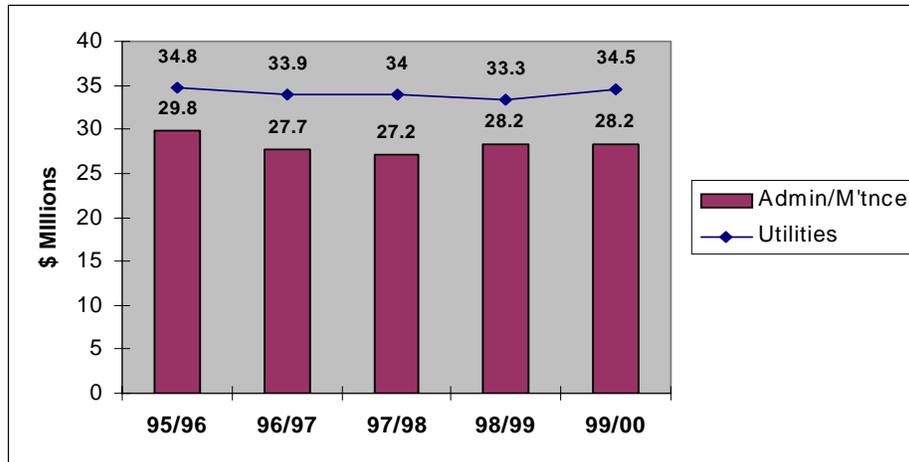
Figure 2
Future CMHC Funding for the Operation of Current Social Housing in Nunavut
 Note: 1996 dollars (no provision for inflation)



Source: Nunavut Housing Corporation

- ◆ High cost of utilities (water, power, fuel) is consuming a greater share of the Corporation's resources (Figure 3).

Figure 3
NHC LHO summary of operating costs 1995/96 to 1999/2000



Source: NWTHC/NHC Audited Financial Statements

- ◆ Lack of employment and economic development opportunities has contributed to keeping individual and household incomes low, making it difficult for people to help themselves meet their own housing needs. Almost 60%³ of Nunavummiut live in public housing.
- ◆ The Corporation maintains some 3,586⁴ public housing units across Nunavut. There are 3357⁵ owned and 229⁶ Rent Supplement units, representing a total public investment of over \$360.8 Million⁷ in the social housing stock across the territory.
- ◆ In 1996 the NWTHC conducted a needs survey for social housing in the then combined Territory. This information will be updated as part of the upcoming 2000 Nunavut Household Survey. Regardless, the information from the 1996 survey remains contemporary for business planning purposes understating, if anything, the social housing need in Nunavut.

³ NHC occupancy statistics

⁴ NHC Unit Inventory

⁵ *ibid.*

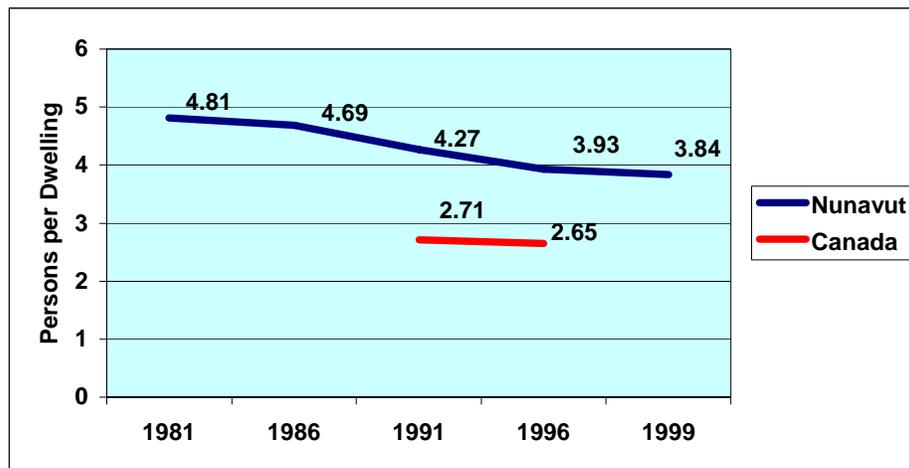
⁶ *ibid.*

⁷ NHC 2000 Audited Financial Statements

1996 Housing demand factors⁸:

- In 1996, 59% of the total Nunavut population lived in public housing.
 - Over 99% of tenants in public housing in the territory are aboriginal.
 - Over 96% of Nunavut households in core need are aboriginal.
 - Over 60% of public housing tenants pay minimum rent.
- ◆ Changing values, expectations, availability of shelter options, and household incomes shape both the demand and supply of housing. In Nunavut, one-person households comprised 15.5% of all households in 1996. This compares to 12% in 1986. Two person households increased from 11.3% to 16.4% over the same time period. Larger households, with 6 or more persons, declined from 32.1% in 1986 to 22.5% in 1996⁹ (Figure 4).

Figure 4
Average Number of Persons per Dwelling, 1981 to 1999



Source: NWT HC

- ◆ Home Ownership potential gauges the type, style and amount of assistance the Corporation should be offering to assist Nunavummiut in becoming homeowners. Every new homeowner either frees up a rental unit, whether it is in the social housing pool or GN Staff Housing or reduces a home's occupancy level.

With the success of the Corporation's various Home Ownership programs over the last ten years, the pool of possible homeowners has now shifted from social housing clients to private renters and GN employees.

⁸ 1996 NWT HC Needs Survey

⁹ *ibid.*

Internal

- ◆ The Corporation's most valuable resource - our people - has experienced, and continues to experience, tremendous organizational changes. The creation of Nunavut has resulted in a significant loss of experienced and knowledgeable staff across all sectors of the Corporation. The movement of housing responsibility from CGHT to PW&S and then to a stand alone Corporation continues to delay the staffing and development of the Corporation.

- ◆ An outgrowth of the Bathurst Mandate's priority on housing challenges and solutions is the Housing Strategy Committee. Chaired by Corporation personnel, this Director-level Committee coordinates all GN departments with a connection to housing. The Housing Strategy Committee is expected to be a standing committee, which will continue to serve as a coordinating body and sounding board for all housing challenges in Nunavut.

Based on the results of the environmental scan, assessment of critical issues facing the Nunavut Government and the Nunavut Housing Corporation, and in the context of the broad goals of the Nunavut Government, the Nunavut Housing Corporation has developed appropriate goals and strategies to respond to the emerging housing challenges and opportunities.

GOALS, STRATEGIES and TARGETS

The Corporation is fortunate to have three comprehensive cornerstones upon which to base its goals, strategies and targets for fiscal 2001/2002:

- ◆ The Bathurst Mandate
- ◆ Inuit Qaujimmajatuqangit (IQ)
- ◆ The Housing Task Force recommendations

A commitment to new organizational values

- “Renewal” – A Commitment to New Organizational Values
 - Stand-alone Nunavut Housing Corporation
 - The Housing Corporation Act
 - Community consultations
 - Integrating IQ into Corporation policies and guidelines
 - Housing needs assessment
 - Education campaign
- Housing Corporation Business
 - Rent Scale
 - Rent charged to Income Support Recipients
 - Revision to Home Ownership Program
 - Senior’s and Specialized Housing Issues
 - Housing Design
- Inflated Cost of Housing Programs in Nunavut
 - Land Leases
 - The hidden Subsidies
- Leveraging Dollars and Building Community Capacity
 - The Local Housing Program
 - Exploring partnerships

This base is remarkable, and will be the stable foundation upon which we build the new Corporation. Corporation Staff however, from the Minister and President to the summer student will not forget our mission:

To provide opportunities for all residents of Nunavut to have homes that support a healthy, secure, independent and dignified lifestyle through working with our communities to allow them to assume the role of providing housing to their residents.

GOAL	BATHURST MANDATE CONNECTION	STRATEGY	TARGET
1) “Renewal” to commit to the creation of a new Housing Corporation that is sensitive to the needs of Nunavummiut and provides opportunities for all residents of Nunavut to have homes that support a healthy, secure, independent and dignified lifestyle.	Themes 1.1; 1.51; 2.1; 2.4; 4.8; 4.14	a) Continue building capacity in the Corporation, concentrating on completing the staffing process by hiring and then providing them the tools necessary to do the job.	Hire all Headquarters and District Staff by July, 2001
		b) Review of the Nunavut Housing Corporation Act.	Review Started by June 2001
		c) Consult with communities on a regular basis to ensure concerns are addressed when making revisions to housing programs.	Ongoing
		d) Continue our IQ approach to the training and maturing of all staff members and partners to achieve a strong, effective Corporation.	Ongoing
		e) Collect housing data to shape housing strategy.	Start June 2001. Information updates quarterly
		f) Continue awareness (PR) campaign to inform tenants and the general public about housing and housing related programs.	Ongoing

GOAL	BATHURST MANDATE CONNECTION	STRATEGY	TARGET
2) To conduct Corporation business so as to maximize the use of scarce dollars while maximizing the return to Nunavummiut.	1.5.1; 2.1; 2.4; 4.8; 4.14	a) Review and refine social housing rent scale using data collected from the Needs survey and in-house sources, in consultation with all stakeholders.	2 nd stage review complete by September 2001
		b) Continue liaison with Income Support to rationalize rents charged.	2 nd stage review by September, 2001
		c) Review and refine the Home Ownership Programs and delivery using data collected from the Needs survey and in-house sources, in consultation with all stakeholders.	2 nd stage review complete by September 2001
		d) Implement new partnerships in the delivery of social housing programs.	Programs to be in place by April , 2001
		e) Study, review and implement Senior's and Specialized Housing issues using data collected from the Needs survey and in-house sources, in consultation with all stakeholders.	2 nd stage review complete by September, 2001
		f) Investigate new methods of housing design for Nunavut, concentrating on an IQ approach at the community level.	Consultations complete and data compiled by December 2001.
		g) Continue to supply additional new, and maintain our stock of, social housing units.	Construction complete by December, 2001

GOAL	BATHURST MANDATE CONNECTION	STRATEGY	TARGET
3) To continue the rapport built with departments through the Housing Strategy Committee to further the advancement of housing in Nunavut.	1.1; 2.1	1. Continued dialogue on land leases and utility rates at the GN level to ensure the maximum use of scarce dollars.	Ongoing
		2. Continue to use the Housing Strategy Committee as the vehicle to bring a coordinated, interdepartmental, approach to housing challenges.	Ongoing
4) Continue working towards innovative solutions to capacity building at the community level.	1.1; 1.5.1; 2.1; 2.4; 4.8	a) Continue to build capacity and empower communities through their delivery of housing programs.	Ongoing
		b) Explore partnerships with community organizations and the private sector to look at cost effective and viable solutions to addressing the housing shortage.	Ongoing

APPENDICIES

Appendix A:	Bathurst Mandate Status Report
Appendix B:	Departmental Roles
Appendix C:	Organizational chart
Appendix D:	Human Resources Strategy
Appendix E:	Financial Summary

APPENDIX A Bathurst Mandate Status Reoprt

The following table represents the overining Bathurst Mandate objectives for the Nunavut Housing Corporation over the next five years. These objectives are fully incorporated into the Corporations Strategies which are an integral part of this Business Plan.

Lead Dept.	Bathurst Mandate 5 Year Objectives	Theme #	Other Depts.	Actions To Date & In Progress (Action-MM/YY)
NHC	<i>Open and maintain a public dialogue on housing issues, while developing and implementing immediate and long-term plans to respond to housing shortfalls as one of the two primary commitments of this government's mandate</i>	1.1		Task Force on Housing (09/99) Ongoing discussions with LHO's The construction of 100 Public Housing Units Set up NHC outside of Dept. to focus on housing
NHC	<i>*Work with communities to: create within each department of the Government of Nunavut the ability to support community capacity building</i>	1.5.1	CGT, All	Support & development of Local Housing Organizations in each community Encourage community involvement in the construction process
NHC	<i>*Remove, consolidate or integrate un-needed government structures</i>	2.1	All	Ongoing
NHC	<i>*Write and maintain simple and understandable policies for every government department</i>	2.4	All	Ongoing
NHC	<i>*View every element of the government budget as a potential training budget</i>	4.8	All	Include NNI in contracts LHO's hire and train local employees
NHC	<i>*Put into place strategies to develop Nunavummiut in every profession as part of a resident work force</i>	4.14	Education, All	Hire Nunavummiut to work at all levels of the organization

APPENDIX #B

Departmental Roles

Corporate Summary

Directorate

The Executive is responsible for managing the Corporation to ensure consistent application of policy, standards and procedure and program delivery throughout Nunavut. It also oversees the development of long-range plans, policies, and operational guidelines on Corporate matters for the Minister responsible for the Nunavut Housing Corporation and for the Executive Council (Cabinet). As well, it ensures that programs are delivered according to the Corporation's funding agreement with Canada Mortgage and Housing Corporation (CMHC).

Corporate Headquarters

Corporate Headquarters is responsible for the development of corporate policy, strategic planning and communications. Corporate headquarters provides support to the Minister, the Corporate Executive and to the regional offices. It coordinates the preparation, monitoring and reporting of the Corporate O&M and capital budgets, administers the loan portfolio and provides accounting and treasury services. It provides support to the regions in the areas of programs, contracting, project management, design and maintenance.

Regional Offices

Delivery of services and support to communities in programs and services is managed through the Corporation's Regional Offices. Regional Offices set regional priorities and work with LHOs and individual clients to ensure programs are being delivered to appropriate standards through monitoring and assessment. They also carry out the delivery of services when not undertaken by the local community. The Regional Office is responsible to ensure the construction program is successful in their region. They are also responsible for developing a positive relationship with other government departments and agencies.

Local Housing Organizations (LHOs)

The Corporation is partnered at the community level with LHOs. Most of the day-to-day duties associated with program delivery to individuals and families are done by LHO staff. Most LHOs are formed as independent organizations under the *Societies Act* (Housing Associations). The Iqaluit Housing Authority is

formed under the Nunavut Housing Corporation Act. Some communities include the housing function within the municipality.

Relationships with the LHOs are based on operating or partnership agreements. Under the Rental Housing Program, duties include allocation of housing to community residents according to need. As well, LHOs provide the administration and maintenance services for the rental program. Several LHOs also have responsibility for parts or all of the home repair and Home Ownership programs. The partnership between the corporation and the LHO is based on a cooperative investment of resources (time, funding, materials and support).

Amortization

The Corporation owes CMHC approximately \$215,000,000.00 for loans to build social housing.

Investment Strategy

Information on the investment activity of the corporation is required in the Corporate Business Plan to comply with subsection 91(2) of the *Financial Administration Act*.

The types of investments the Corporation is restricted to are those specified in subsection 81(1) of the *Financial Administration Act* which states:

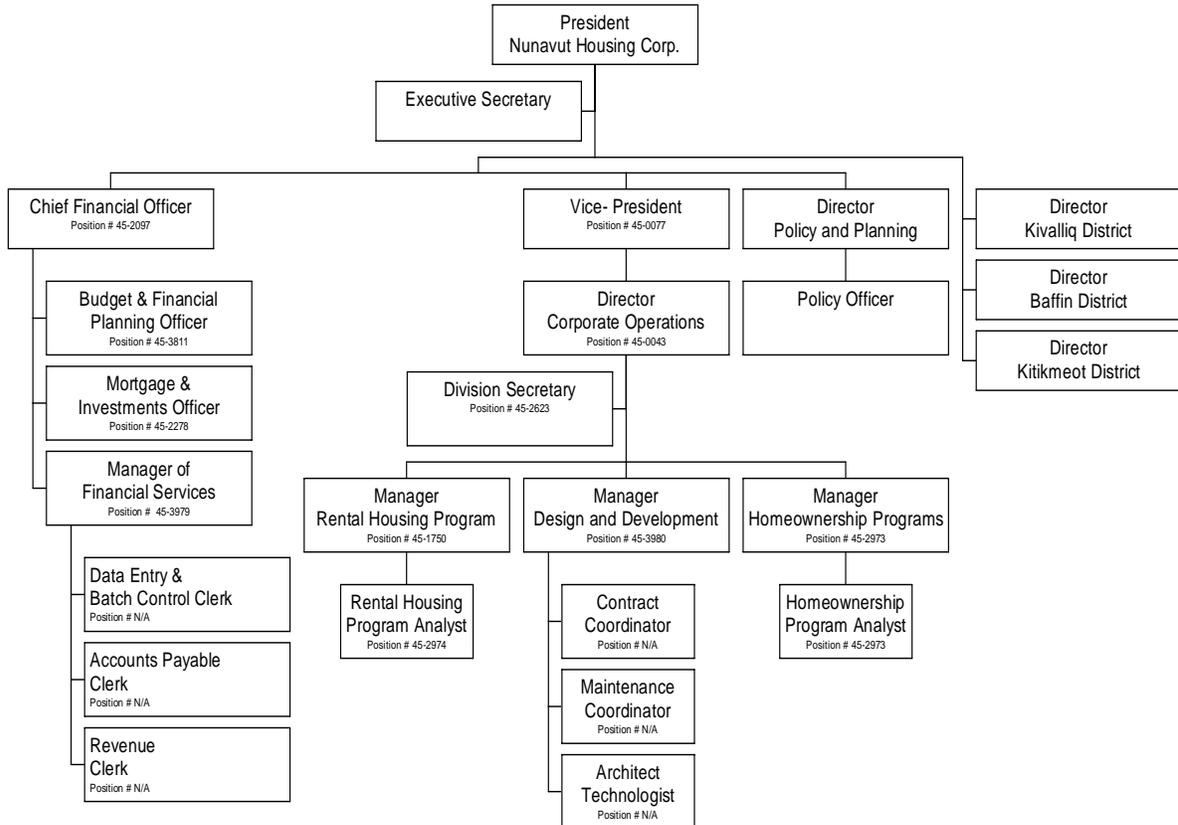
A public agency may invest money belonging to the public agency:

- a. in certificates of deposit, deposit receipts, notes or other evidences of indebtedness given by a bank in consideration of deposits made with the bank;
- b. In securities where repayment principal and interest is unconditionally guaranteed by a bank.

Investments are determined through cash management procedures ensuring surplus funds are invested in those forms of security which pay the highest level of interest while maintaining an adequate level of cash on hand to meet daily operating procedures.

APPENDIX C Organizational Chart

Nunavut Housing Corporation Organization Chart (Headquarters Structure)



APPENDIX D

Human Resources Strategy

1. Current staffing levels

The Nunavut Housing Corporation has a staffing allotment of 58, with 4 Executive members, 18 headquarters and 36 Regional personnel. Currently 39 or 67% of the positions are filled. Of these 18, or 46% are Inuit employees.

2. Current situation

In April 2000 the Corporation's was reborn as a Stand-alone Corporation, with its headquarters in Arviat and a small Executive group in Iqaluit. The three Regional offices were essentially returned to their former characteristics, although the Baffin Region was down sized considerably and slated to move from Iqaluit to Cape Dorset.

Since that time, personnel have been delivering housing programs and proving housing solutions to Nunavummiut while building the capacity of the Corporation up from the original person-year count of 42 to the new, populated, figure of 58. Hiring locally, and utilizing the GN's hiring policies, the Corporation is slowly building the team of housing professionals that will guarantee the success of housing in Nunavut for the foreseeable future.

3. Our Long term commitment to housing people

Housing staff are employees like anyone else, but we are building a team, or rather an extended family, that also includes our LHO personnel. This is especially true regarding an Human Resource Strategy. By and large, Corporation personnel have a high level of training and expertise, due to the positions they fill and the sleek organizational structure of the Corporation. Entry-level positions in housing are found at the LHO level (senior levels too). With this in mind the Corporation:

- ◆ Will maximize its Inuit employment by hiring and training (as necessary) Nunavummiut at the local level for Corporation and LHO positions.
- ◆ Foster growth and training in our LHOs so individuals can, over time and in their own fashion become qualified for Corporation responsibilities while not jeopardizing the operation of the LHO.
- ◆ Offer current employees educational opportunities during and outside of the workday, especially in the area of Professional Development.
- ◆ Develop and implement a decentralized staffing and attendant training plans for the relocation of our Iqaluit Office to Cape Dorset.

APPENDIX E

Table A-1

**Nunavut Housing Corporation
Financial Summary - Total Expenditures and Positions**

Branch		2000 - 2001 Main Estimates (\$000)	2001 - 2002 Business Plan (\$000)
Headquarters	\$000's	30,125	30,935
	Positions	11.0	22.0
Local Housing Organizations	\$000's	59,235	61,566
District Housing Offices			
Qikiqtaaluk District	\$000's	1,384	1,782
	Positions	12.0	14.0
Kivalliq District	\$000's	975	1,309
	Positions	9.0	11.0
Kitikmeot District	\$000's	946	1,249
	Positions	9.0	11.0
Total District Housing Offices	\$000's	3,305	4,340
	Positions	30.0	36.0
Total Department*	\$000's	92,665	96,841
	Approved Positions	41.0	58.0

*Includes funding from CMHC and other sources.

Table A-2

**Nunavut Housing Corporation
Financial Summary - Category of Expenditures**

Branch		2000 - 2001 Main Estimates (\$000)	2001 - 2002 Business Plan (\$000)
Headquarters 22 FTE's	Salary	957	1,850
	Grants & Contributions		
	O&M*	29,168	29,085
	Sub Total	30,125	30,935
Local Housing Organizations Contributions	Salary		
	Grants & Contributions	59,235	61,566
	O&M		
	Sub Total	59,235	61,566
District Housing Offices Qikiqtaaluk: Cape Dorset <Iqaluit> 14 FTE's Kitikmeot: Cambridge Bay 11 FTE's Kivalliq: Arviat: 11 FTE's	Salary	2,128	2,979
	Grants & Contributions		
	O&M	1,177	1,361
	Sub Total	3,305	4,340
Total Department 58 FTE's	Salary	3,085	4,829
	Grants & Contributions	59,235	61,566
	O&M	30,345	30,446
	Total	92,665	96,841

*Includes \$28,003,000 for debt repayment.