

**Nunavut
Housing
Corporation**

**Business
Plan**

2004-2005

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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*. As such an agency, the Corporation is at arms-length from the GN, and its operating boundaries are set out in Part IX of the *Financial Administration Act*, the section specifically devoted to public agencies.

The Corporation reports to the Legislative Assembly, Executive Council and Nunavummiut through its President and the Minister responsible for the Nunavut Housing Corporation. This approach allows the Minister to maximize the effectiveness of the Corporation for the present and future benefit of Nunavummiut.

The advantages to a stand-alone Corporation include:

- 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 designated for housing initiatives remain dedicated to housing solutions; and,
- The creation of an entity that is specifically focused on meeting housing challenges and providing housing solutions using a one-window approach.

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 Nunavummiut.

Our Vision

To ensure families and individuals in Nunavut have access to a range of affordable housing options.

Our Principles and Values

The Nunavut Housing Corporation believes in and strives for:

- Placing “human capital” – its employees, Local Housing Organization (LHO) partners, tenants and clients – first when targeting housing solutions for Nunavummiut;
- Recognizing the contribution NHC and LHO staff make to housing in Nunavut and providing them with the proper work environment and tools to enable them to maximize that contribution;
- Making a positive impact on the quality and affordability of housing;
- Quality of advice, assistance and support to LHO's, other client organizations and agencies, and individuals;
- Quality of property management services for Nunavut's Public and Staff Housing Programs;

- Ensuring housing services and support are provided in an equitable manner;
- Use of Inuit Qaujimaqatunqangit in Corporation decision-making;
- Building constructive relationships with other governments, agencies, departments, and both community and Aboriginal organizations.

INUIT QAUJIMAJATUQANGIT

The NHC has taken many forward steps toward an integrated IQ approach to daily business, and plans to expand its efforts in 2004/2005.

Housing Design

The NHC recognizes that for housing units to be appropriate in Nunavut, their designs must support traditional activities and lifeways. In 2004/2005, the NHC will continue to meet with elders and other local stakeholders to identify priority aspects of housing design from an IQ perspective. For example, following up on successful consultations with elders in Arviat, additional meetings are planned with Qikiqtaaluk and Kitikmeot elders in 2004. The NHC will also continue to encourage northern and Nunavut-specific research initiatives and pilot projects as a complement to local input on housing design.

The NHC also recognizes the need for accessible housing designs, and will continue to encourage communities to identify barrier-free unit requirements and other accessibility issues, as well as to provide project assistance whenever possible. In addition, the “Senior’s Four-Plex” design – which features four barrier-free units connected by an interior corridor to facilitate social interaction – will continue to be offered as an option for new public housing construction.

Program Features

The NHC is committed to creating and modifying its programs in accordance with IQ, and in close cooperation with our community partners, the LHO’s. For example, the LHO’s played a key role in reviewing and revising the public housing rent scale to better support families, elders and students. Over the coming year, the feedback of local people will continue to be instrumental in making housing services – including homeownership and staff housing programs – more culturally appropriate. In addition, the NHC will be working with the Canada Mortgage and Housing Corporation to ensure accessible and energy efficient components are included in units built under the upcoming Social Housing in Nunavut Initiative (SHINI).

Corporation Decision-Making

The NHC takes a grassroots approach to the incorporation of IQ in Corporation decision-making. A key example is the Building Connections in Nunavut (BCIN) initiative. Since 2002, the NHC has been working with diverse housing stakeholders, including community members, to gather input on housing issues and to begin to map a long-term strategy for housing in Nunavut. A draft strategy will be taken to communities in 2004 to ensure that local feedback is the foundation of any long-term housing plan. Focus group discussions with elders, community leaders and youth will be held in all 25 communities.

Daily Business

The NHC’s five main offices incorporate IQ into their daily business in diverse, flexible, and locally based ways. This approach will be continued in 2004/2005 as NHC staff work to meet Nunavut’s housing challenges. As a Corporation-wide initiative, the NHC will be building on its already strong record of service provision in the client’s language-of-choice by exploring and

implementing, wherever possible, the Language Services Guidelines issued by the GN Department of Culture, Language, Elders and Youth.

IQ PRIORITIES

Advisory and Administration Priorities (2004-05)

- Complete community consultations on long-term housing priorities, and integrate this feedback into the draft Nunavut Housing Strategy.
- Investigate the creation of an Elder's Advisory Council for Housing. This Council would provide the NHC with short- and long-term guidance and feedback on IQ as it relates to housing in Nunavut.

Public Housing Priorities (2004-05)

- Continue to monitor the implementation of the public housing rent scale to ensure that the improvements identified as priorities in the Minister's Task Force on Housing have been achieved. Task Force recommendations are based on consultations with Nunavummiut.
- Continue to provide capacity-building support to LHO's, the NHC's community partners, as they assist in the delivery of Corporation programs.

Staff Housing Priorities (2004-05)

- Ensure that the development of programming options under the new, comprehensive Staff Housing Policy incorporates IQ through the inclusion of provisions to support families, and of measures to encourage personal and professional development through mobility and tenure options.

Homeownership Priorities (2004-05)

- Develop and implement a maintenance program for senior homeowners.

ENVIRONMENTAL SCAN

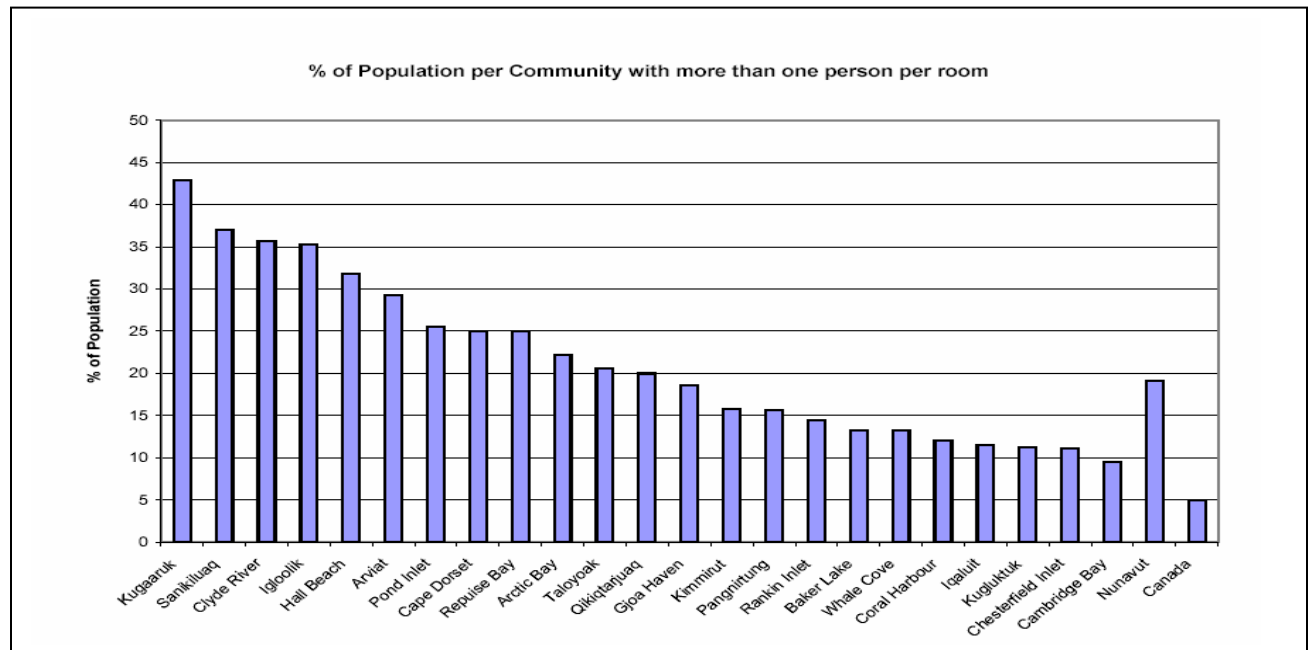
Housing Need “By the Numbers”

By any measure, Nunavut’s housing need is staggering. Public Housing Program waiting lists continually exceed 1,000 families or about 3,800 persons; 3,000 homes are needed now to bring Nunavut on a par with the rest of Canada (or even with its territorial sisters); and, over the next twenty years, a housing infrastructure investment of more than \$1.5 billion is necessary to meet existing and emerging requirements. These acute needs together constitute a severe housing crisis, and indeed, a crisis worsening daily as the population booms and existing stock ages.

Nunavut’s profound housing challenges are situated in a remote, Arctic environment where, for many months of the year, flesh freezes in seconds, not minutes. Absolute homelessness *per force* does not exist in the territory. Instead, Nunavut’s “hidden homeless” sleep in shifts within already overcrowded homes, homes that average less than 1,000 square feet in size and that offer living space cramped by potable water tanks, washers/dryers, furnaces and hot water makers. In a territory that represents more than one-fifth of Canada’s land mass, suitable, adequate living space is a scarce resource rather than a basic right.

Overcrowding – defined within the 2001 Aboriginal Peoples Survey as more than one person per room – affects every community in Nunavut. As shown in Figure 1, half of Nunavut’s 25 communities suffer overcrowding rates of 20% or more. Nunavut, as a territory, experiences 19% crowding compared to the 5% average for the rest of Canada.

Figure 1: Overcrowding Conditions by Community

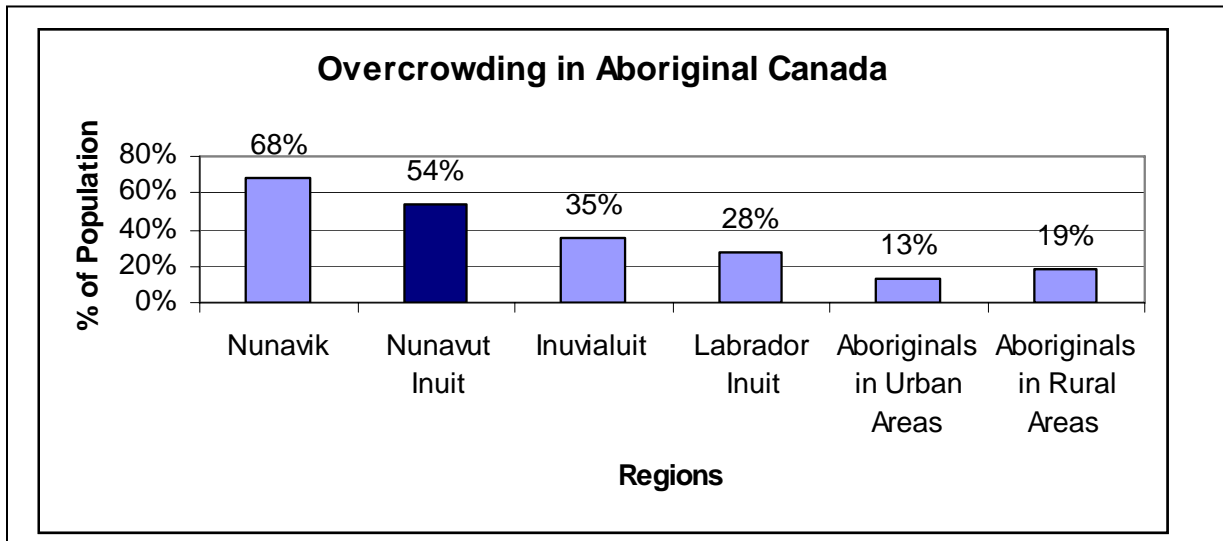


Source: 2001 Aboriginal Peoples Survey, Community Statistics

Note: Statistics were not available for the communities of Grise Fiord and Resolute Bay

Among Canada’s Aboriginal peoples, Inuit in Nunavut experience a 54% rate of overcrowding, second only to Inuit in Nunavik, who experience an overcrowding rate of 68%.

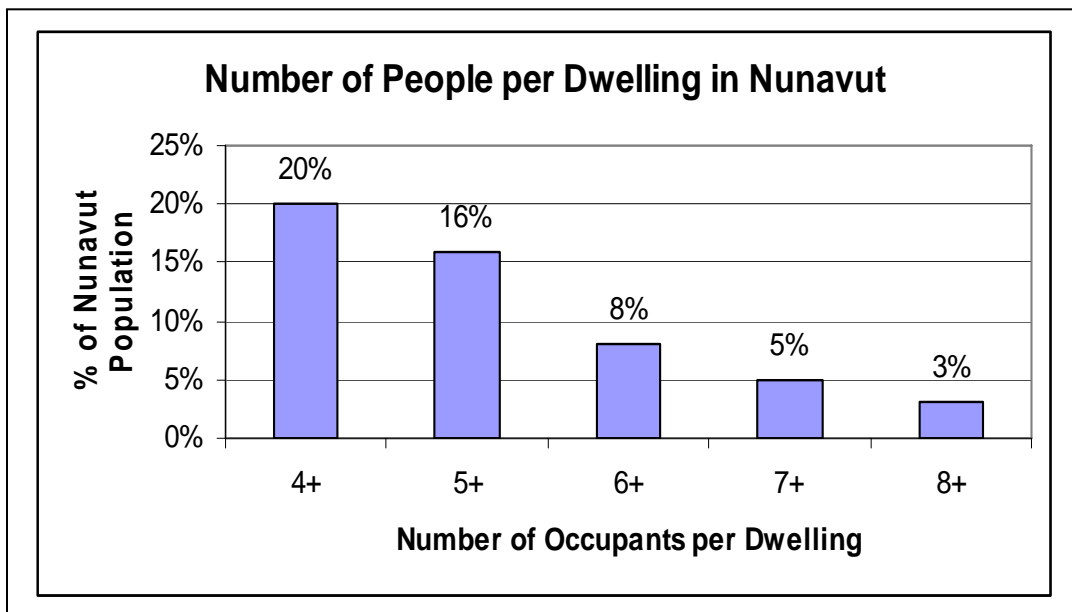
Figure 2: Overcrowding in Canada’s Inuit Regions



Source: 2001 Aboriginal Peoples Survey

The housing crisis in Nunavut affects all tenure types, from public housing and staff housing, to affordable rental housing and homeownership units. Despite the addition of over 300 new public housing units since 2000, the average number of persons per household in these vital units is still 3.8, with some communities averaging over 5 people per dwelling. This is particularly telling when compared to the territorial average of 3.27 people per dwelling and the Canadian average of persons per dwelling of 2.39.

Figure 3: Number of People per Dwelling in Nunavut



Source: Nunavut Household Survey

To understand the human impact of these statistics, local context must be considered. Average number of people per dwelling refers to the number of people in *every* dwelling, from a modest bachelor suite to a large single family dwelling. The stark reality is that over 52% of Nunavut's dwellings have more than four people living in them, and a further 32% have more than five inhabitants (Figure 3). Although statistics do not exist on unit size and overcrowding, anecdotal observations indicate that the homes with the highest numbers of occupants also have the smallest square footage, thus increasing overcrowding pressures. As an added perspective on the overcrowding situation in Nunavut, 1996 Canada Census figures indicated that the percentage of occupied dwellings with more than one person per room in Canada was 1.7%. In Nunavut the average percentage was 25.8%, with some communities as high as 38%.

In addition to severe existing demand, Nunavut also faces the reality of a huge birth rate. 2001 Canada Census information indicates that Nunavut's population increased by 8% between 1996 and 2001, with increases in some communities as high as 22%. The Nunavut Bureau of Statistics predicts the territory's population will rise from current levels of approximately 27,000 to almost 44,000 by the year 2020. Indeed, the City of Iqaluit's general plan predicts that 2,000 new housing units will be needed, in that community alone, over this same twenty-year period.

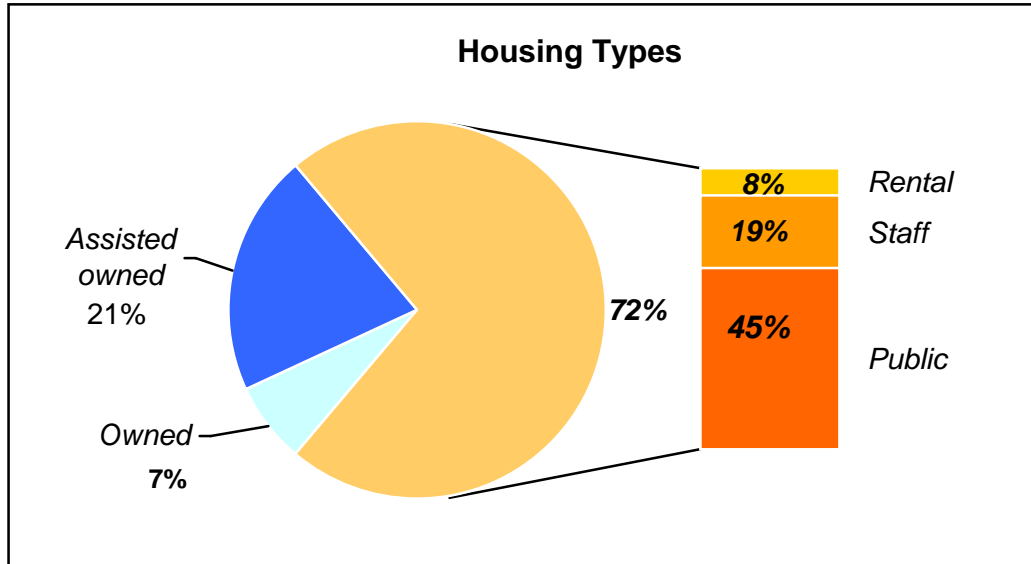
Increasing the number of homes, and improving the condition of existing homes, are crucial steps in beginning to address social problems faced by Nunavut children and families. Inadequate and overcrowded housing can contribute to social and health problems, which in turn can result in higher costs for health care, income support payments, policing and penitentiary services. Therefore, an investment in housing may result in significant reductions in the cost of health services and social assistance as community wellness improves. In addition, by addressing basic shelter, safety and security needs, proper housing will enable people to direct their energies toward education, employment, child-raising, and other important activities.

Dwelling Types

Fully 45% of Nunavut's dwellings are Public Housing Program units, and tenancy in these units is 99% Inuit. In the absence of private affordable rental housing, and given the high costs of independent homeownership, public housing units are home to the majority of Nunavummiut.

Staff Housing from all employers accounts for another 19% of Nunavut's total dwelling count, while a further 21% of units have received some type of homeownership assistance under one or another of the NHC's programs. Only 7% of the dwellings in the territory were purchased privately (Figure 4). When compared to the rest of Canada, Nunavut's mix of dwelling type is notably different. Only 6% of units in the rest of Canada are of the social (public) housing type, whereas homeownership accounts for 70%, and rental, 14%.

Figure 4: Housing Types in Nunavut



Source: Nunavut Household Survey

Housing Costs

According to NHC occupancy statistics, almost 54% of Nunavummiut live in the approximately 3,900 Public Housing Program units maintained by the Corporation. Together, the NHC’s 3,638 owned and 262 rent supplement Public Housing units represent a total public investment of over \$441 million¹ in the public housing stock across the territory.

In addition to unilaterally funding the addition of about 300 new public housing units since its establishment as a Corporation in 2000², the NHC invests about \$10 million annually in capital improvements to units. All evidence suggests that reliance on this source of affordable housing will only increase. Lack of employment and economic development opportunities, for example, contribute to keeping individual and household incomes low. 70% of public housing tenants are either on Income Support or pay only minimum rent, and thus, rental receipts from the Public Housing Program consistently offset only about a tenth of the yearly cost to manage the portfolio. These factors, together with Nunavut’s lack of affordable rental housing, and the costs of private ownership in a harsh, northern environment, mean that subsidized accommodation in the form of public housing will be an ongoing and long-term need for the territory.

A new partnership announced in 2003 with Infrastructure Canada and CMHC will see at least 160 new social housing units constructed in Nunavut communities over 2004/2005 and 2005/2006. This cost-shared capital investment in social housing infrastructure is a step in the right direction, but the need for a major federal intervention into Nunavut’s housing crisis remains.

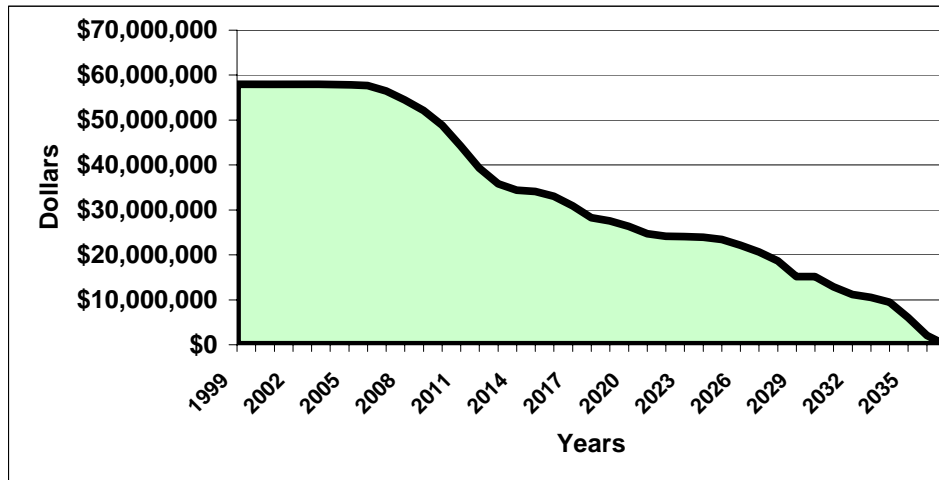
Funding from CMHC for existing social housing inventory is declining and will terminate completely in the year 2037 (Figure 5). More resources need to be dedicated to the operations

¹ NHC 2003 Audited Financial Statements

² Of the approximately 320 new Public Housing units added between 2000 and 2004, the federal government’s capital contribution, through the 2001 Affordable Housing Program, accounted for 26 of the new units.

and maintenance (O&M) of existing public housing, particularly in light of the fact that current block funding is fixed at 1996 levels. As a result, the buying power of these funds is being eroded annually by inflation. Fiscal 2003/2004 was the first year when funding began to decline.

Figure 5: Future CMHC Funding for the Operation of Current Social Housing in Nunavut



Source: Nunavut Housing Corporation

Note: 1996 dollars (no provision for inflation)

Construction costs also contribute to the rapidly increasing housing costs in Nunavut. These costs have risen in excess of 10% per year for the last several years. It is not expected that this trend will drop off in the near future for Nunavut, or indeed, for the North in general.

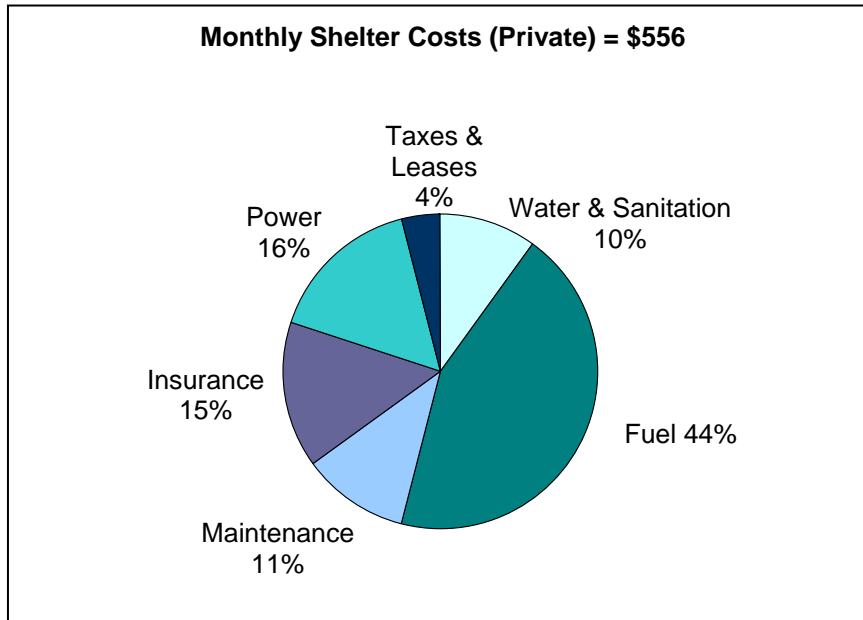
The staff housing stock administered by the NHC includes over 1,100³ units. Of these, approximately 100 are owned by the NHC; the remainder are rent supplement. Over time, the NHC will need to address the composition of this portfolio with a view towards rebalancing its assets. However, forward steps are being taken to increase the range of housing options available to staff; in 2002 and 2003, for example, 157 condominium units were constructed in 10 Nunavut communities through the GN Staff Condominium Program. These units are currently available to staff for purchase, and unsold units are being used as Staff Housing Program rental accommodations to ensure maximum usage of this new capacity.

The NHC is committed to exploring the potential of new and existing homeownership programs to assist people who are ready to gain the advantages of independence from the subsidized Public and Staff Housing Programs. Every new homeowner either frees up a rental unit, either in the Public or Staff Housing pools, or reduces an existing home's occupancy level. Unfortunately, homeownership remains unattainable for most Nunavummiut. Ongoing payments for basic shelter components are very high in Nunavut: on average, it costs \$556 per month for fuel, water, garbage, power, insurance, maintenance and land lease fees (Figure 6). Costs are as high as \$672 in some communities. As these costs rise with inflation and over time, it will become more and more difficult for Nunavummiut to afford the cost of homeownership. As well, rental costs will need to escalate to keep pace with rising shelter costs, possibly pricing any new affordable rental housing out of the reach of most residents. These factors in turn increase

³ NHC Unit Inventory

reliance on the Public and Staff Housing Programs, putting ever-increasing pressure on a society already in crisis.

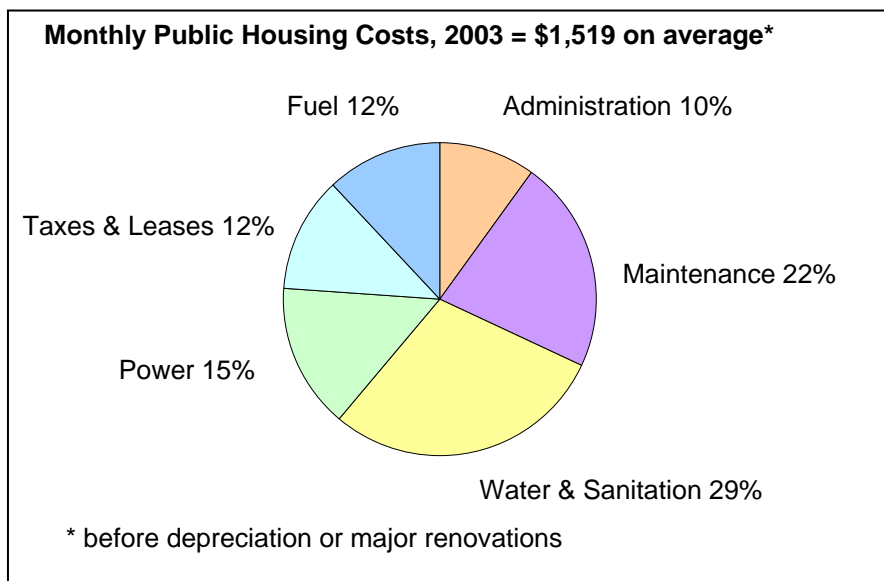
Figure 6: Nunavut Shelter Costs



Source: Nunavut Housing Corporation

Public Housing Program costs, principally because of “hidden subsidies” for power, water/sewerage and garbage, continue to escalate. Although the NHC has received forced growth dollars for newly constructed units, funding for existing units remains constant, pegged at 1996 levels (Figure 7). Additionally, the LHO block funding formula for administration and maintenance has not been adjusted since 1996, either for inflationary pressures or for Nunavut economic realities.

Figure 7: Nunavut Public Housing Costs



Source: Nunavut Housing Corporation

Critical Issues

- An increased supply of public housing units.
- An increased supply of affordable housing for staff, which could be subsidized housing, homeownership and/or increased affordable private rental units.
- Finalization of the policies and programs for staff housing – subsidized housing rent in particular.
- Addressing the funding formula for our community partners, the Local Housing Organizations.
- Finalization of a housing strategy for Nunavut (Building Connections in Nunavut model).
- Creation/modification of existing homeownership programs to ensure that they meet the current and future needs of Nunavummiut.
- Creation of a closer linkage and strategy between health and housing, using the “continuum of care” model with a particular emphasis on homelessness and overcrowding.
- Monitoring and evaluation of the effectiveness and appropriateness of the new rent scale for public housing.
- Ongoing liaison and advocacy efforts with Nunavut Tunngavik Inc.
- Continued implementation of the 15 recommendations from the Minister’s Task Force on Housing.
- Capital construction and the GN Contracting Procedures/NNI Policy.

LINK OF STRATEGIC DIRECTION TO THE BATHURST MANDATE

The NHC is committed to meeting the spirit and intent of Bathurst Mandate principles as it works to improve access to suitable, affordable and appropriate housing options in Nunavut.

Objective One: Healthy Communities

Healthy, self-reliant communities need ways to share their priorities and ideas with government. Maintaining strong communications linkages with housing stakeholders is important to the NHC; for example, through ongoing liaison with local partners, the Corporation is able to make improvements to programs and services in response to community needs. In addition, by providing opportunities for dialogue between national, territorial and community stakeholders, the NHC encourages free-flowing information exchange and partnerships on housing solutions. The NHC also places high priority on advocacy activities undertaken across Canada in a variety of settings; by raising awareness of our housing challenges, the NHC is seeking to increase supply and provide sustainability for housing through a special federal intervention.

Objective Two: Simplicity and Unity

The NHC is committed to increasing the consistency, efficiency and transparency with which the GN's housing programs and services are delivered. The objective of simplicity and unity is achieved through efforts to bring GN housing "under one roof," work that began with the transfer of responsibility for staff housing from Public Works and Services to the NHC in 2002. The "Under One roof" philosophy continues to influence ongoing efforts to consolidate all GN housing services and units, currently managed by a number of different GN departments and agencies, under the NHC. In addition to these activities, the objective of simplicity and unity is met through continuing work on the new public housing rent scale, which was implemented on January 1, 2003. As feedback on this new system – developed in close cooperation with the Local Housing Organizations (LHO) – flows from communities, improvements will be made to ensure that the vital Public Housing Program is delivered fairly, consistently, and transparently.

Objective Three: Self-Reliance

The Bathurst Mandate emphasizes the need for capacity building to enable local people to participate fully in social and economic life. The NHC supports community self-reliance through the incorporation of Nunavummi Nangminiqaqtunik Ikajuuti (NNI), by both the NHC and the LHO's, in all contracts. The NHC consults with our local partners, and reviews historical data, to determine an appropriate percentage of Inuit content for communities. This ongoing process has proven beneficial, with some communities exceeding 95% Inuit content.

Objective Four: Continuing Learning

The NHC recognizes that its staff and its LHO partners are its most important resources. To address professional capacity building, the NHC has established several initiatives to keep continuing learning at the forefront of Corporation priorities. These include a perpetual training fund and a draft Inuit Employment Plan. In addition, the objective of continuing learning is supported among the NHC's clientele through tenant and homeowner manuals, and through the one-to-one counselling that the NHC's District staff offers to help Nunavummiut succeed as homeowners and tenants, to determine their housing choices and to access government programs.

CORE BUSINESS

The programs of the Nunavut Housing Corporation are described, below, within four business areas:

- Advisory and Administrative Services
- Public Housing
- Staff Housing
- Homeownership

Advisory and Administrative Services

Advisory and Administrative services for the NHC are provided by a group of housing professionals. A small team of seventy persons works diligently to make the NHC an action-oriented service delivery agency. Our strength is in our dedication to delivering targeted housing solutions to all audiences: education, training and support to LHO's in the areas of administration, finance, program delivery and technical construction techniques and procedures; homeowner services in the areas of finance, life skills and technical assistance; and, coordination of housing-related lobby efforts on behalf of all Nunavummiut.

Objectives

- To increase coordination of housing policies and procedures in Nunavut
- To add staffing and delivery capacity to the Nunavut Housing Corporation, the LHO's, and Nunavummiut
- To increase the awareness and understanding of housing realities in Nunavut both in the territory and nationally

Programs	Main Estimates (\$000)	2003-04	2004-05
Corporate Governance		349	327
Responsible for managing the Corporation to ensure consistent application of policy, standards and procedure and program delivery throughout Nunavut.			
Corporate Operations		1,500	1,524
Responsible for the administration of corporate policy, strategic planning and communications. Corporate Operations provides support to the Minister, the senior management team, and the regional offices.			
Corporate Policy and Planning		344	356
Accountable for the development and co-ordination of Corporation policies in support of the Nunavut Housing Corporation's Vision, Mission, Mandate, and Goals and Objectives. This function is also responsible and accountable for research, economic and financial planning for the Corporation.			

Corporate Financial Administration 1,090 1,100

Accountable for the complete management of the financial affairs of the Nunavut Housing Corporation, including safeguarding the Corporation’s assets, preparing and issuing financial reports, maintaining internal financial controls, and providing training and advice.

District Program Administration 1,753 1,717

Responsible for managing the delivery of homeownership and housing repair programs, assisting the Local Housing Organizations in the delivery of rental housing programs by monitoring the management/partnership agreements, and providing a high degree of support to the District. Also accountable for the management of the mortgage and homeownership portfolio, which includes financial counseling and training of clients.

District Financial Administration 1,276 1,299

Fulfills a dual function in providing financial support to the District, and in monitoring, evaluating and assisting LHO’s with financial matters.

District Technical Administration 2,162 2,203

Provides support and training to LHO maintenance staff. This function also manages the planning, implementation and administration of all capital construction and modernization and improvement projects. In addition, the provision of technical advice to homeowners supports delivery of the homeownership programs.

Total, Advisory and Administrative Services 8,474 8,526

Priorities (2003-04)

- Continue the Housing Strategy Committee
 - The interdepartmental Housing Strategy Committee continued to meet regularly, providing input into all housing policy.

- Coordinate Staff Housing programs and services “*Under One Roof*”
 - Continued to rationalize GN staff housing and entered into a MOU with the Workers’ Compensation Board for service delivery of their subsidized housing.
 - Received direction from Cabinet to pursue an “*Under One Roof*” implementation plan for fiscal 2004/05 and beyond.

- Coordinated approach to housing policy/framework
 - Involved stakeholders through the Building Connections in Nunavut (BCIN) process and began planning for comprehensive community consultations regarding a housing strategy.

- Actively participate in all discussion groups and conferences that relate to housing in Nunavut
 - Attended many housing related fora, both in Nunavut and Canada-wide through the F/P/T process and our membership in various special interest organizations for housing in Canada

Nunavut Housing Corporation

- Continue to review the NHC Act
 - Reviewed the Act, but determined that changes would be minimal, if at all. The Act will be given a more thorough review as necessary in the future.
- Continue to build the capacity of the NHC
 - Continued to recruit vacant positions and build the capacity of the Corporation.
- Effective management of housing expenditures to maximize positive impacts
 - Reviewed NHC processes and procedures to ensure they were as efficient as possible.
- Participate on committees and working groups and create strategic linkages
- Participate in GN-wide initiatives
- Continue to raise awareness of housing issues
 - Participated on numerous GN committees, working groups and in initiatives to ensure that housing was adequately represented and understood by all stakeholders.

Priorities (2004-05)

- Continue liaison with Nunavut Tunngavik Incorporated to develop a clear, hard-hitting business case for a federal intervention into Nunavut's housing crisis.
- Work closely with the Department of Health and Social Services to: document the linkages between health and housing; support research on these linkages; and, develop joint initiatives to address gaps in the continuum of care.
- Update and expand information gathered in the 2001 Nunavut Household Survey by investigating options for a Nunavut Housing Needs Survey.
- Continue interdepartmental information sharing, strategic planning and dialogue through the Housing Strategy Committee.
- Work with community groups and other stakeholders to develop joint strategies to address homelessness.
- Continue to enhance the capacity of the Corporation through efforts to build a full complement of finance staff in Arviat's Headquarters office, and through ongoing monitoring of the Corporation's draft Inuit Employment Plan.

Public Housing

The NHC accomplishes community-sensitive delivery of the Public Housing Program by providing financial resources, as well as ongoing professional support, to its delivery agents, the twenty-five LHO's. LHO's are responsible for the complete care of the 3,900-unit portfolio, from unit allocations and rental assessments/collections, to maintenance and repairs.

Objectives

- To add staffing and delivery capacity to the Nunavut Housing Corporation, the LHO's, and Nunavummiut;
- To increase the number of adequate, suitable and affordable dwelling units in Nunavut.

Programs	Main Estimates (\$000)	2003-04	2004-05
Leased Units – Rent Supplement		7,003	7,003
262 leased public housing units throughout the territory. Provides an opportunity for the private sector to provide much needed public housing rent supplement units without the capital expenditure required for the construction of new units.			
Administration and Maintenance		22,700	23,053
The Administration and Maintenance component includes such items as salaries and benefits, equipment and supplies to perform both demand and preventative maintenance, travel, and training.			
Utilities		37,366	37,993
Covers the cost of utilities for the Public Housing Program. Utility expenses include power, fuel, water and sewerage, and garbage collection.			
Taxes and Land Leases		1,965	1,993
Covers the cost of taxes and land lease expenses.			
Debt Recovery		28,003	28,003
Remitted to CMHC to pay down the debt on the public housing portfolio, which is about \$196 million as at March 31, 2003.			
Rental Revenue		(5,815)	(5,815)
LHO's assess public housing rents and are responsible for their collection. Revenues collected are discounted 3% as an allowance for bad debt. The remainder is used to offset the cost of administering the Public Housing Program.			
Other Revenue		(56,175)	(56,113)
CMHC contributions for Social Housing and own source revenue.			
Total, Public Housing		35,047	36,117

Priorities (2003-04)

- Continue to build capacity at the community level – LHO's;
- The NHC continued to focus on LHO-specific capacity-building initiatives, including on-site training. The NHC also supported those LHO's that elected to take on additional responsibilities under their maintenance management agreements with the Corporation.

- Lobby federal government for more housing dollars;
 - The NHC succeeded in obtaining an agreement in principle from Infrastructure Canada for a cost-shared, capital investment into public (social) housing for Nunavut. This investment, delivered under the “Social Housing in Nunavut Initiative” (SHINI), will see at least 160 new public housing units constructed in Nunavut communities over 2004/05 and 2005/06.

- Continue implementation of Minister’s Task Force on Housing’s recommendations;
 - In close cooperation with the LHO’s, the NHC continued to monitor the implementation of the new public housing rent scale to ensure that it was meeting the needs of Nunavummiut and Recommendations 7 and 8 of the Task Force.

 - The NHC began to explore options to better support senior homeowners in response to Recommendation 10 of the Task Force.

 - The NHC continued dialogue activities through the Building Connections in Nunavut initiative, addressing Recommendation 15, and began Nunavut-wide community consultations on long-term housing priorities in direct response to Recommendation 3.

- Renovate and revitalize the current housing stock through targeted Modernization and Improvement programs.
 - Modernization and Improvement projects were undertaken in all Nunavut communities, ensuring a longer life for vital public housing units.

Priorities (2004-05)

- Work with federal counterparts to design and deliver an action plan for the implementation of the SHINI initiative.
- Revisit the LHO funding formula with a view toward providing a fair and adequate level of funding for these important community partners.

Staff Housing

Through the Staff Housing Program, the NHC provides rental and homeowner units to GN staff, as well as a range of housing-related programs and services to support eligible staff. Currently, over 90% of staff housing stock is in the form of leased units, tying up the lion’s share of the budget. Significant policy and procedural work will continue over the next five years as we investigate, revise and refresh virtually all areas of staff housing.

Objective

- To increase the number of adequate, suitable and affordable staff dwelling units in Nunavut.

Programs	Main Estimates (\$000)	2003-04	2004-05
Operations		5,199	3,547
Provides the day-to-day operations for the Staff Housing Program in a decentralized environment.			
Leases for Staff Housing Rental Units		28,589	30,981
Representing 90% of the portfolio, provides about 1,100 rental units.			
Total, Staff Housing		33,788	34,528

Priorities (2003-04)

- Increase the Staff Housing and affordable rental and homeownership housing portfolio;
 - Construction was completed on all 157 condominium units under the GN Staff Condominium Program, and promotion and marketing of the program continued.
 - Pending the sale of units in communities outside of Iqaluit, and per Cabinet direction, the NHC began to utilize vacant condominium units as staff housing rental stock.
- Renovate and revitalize the current housing stock through targeted Modernization and Improvement programs.
 - The NHC is currently finalizing its Modernization and Improvement requirements and will bring forward a plan to address the ongoing revitalization of its owned staff housing units during fiscal 2004/05.

Priorities (2004-05)

- Proceed with detailed research and planning on key themes identified as part of the expanded “Under One Roof” initiative.
- Continue to develop a comprehensive Staff Housing Policy.
- Report to the Financial Management Board (FMB) quarterly on condominium sales and advise the Board on how the receipts are to be used.
- Prepare a staff housing development and funding strategy by March 30, 2004 for consideration by the FMB.

Homeownership

Through its Homeownership Programs and Corporation financing options, the NHC assists residents who can afford the costs of homeownership 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.

Objective

- To support new homeowners through downpayment assistance, and to support existing homeowners through funding for vital home repair and renovation projects.

Programs

Appropriations shown in 2004-05 Capital Estimates

Nunavut Downpayment Assistance Program

Provides a grant to be used for a downpayment towards bank financing: \$15,000 for the purchase of an existing unit, \$25,000 for the construction of a new unit.

Emergency Repair Program

Provides financial help of up to \$15,000 to clients in existing private homes to undertake emergency repairs.

Nunavut Home Renovation Program

Provides financial help of up to \$33,750 to clients in existing private homes to undertake renovations.

Senior Renovation Program

Provides financial help of up to \$15,000 plus freight to seniors who own their homes to undertake renovations.

Tenant-to-Owner Program

Allows tenants who are able to assume the responsibility of homeownership to purchase their public housing unit. The NHC will replace units sold under this program within three years.

GN Staff Condominium Program

Creates a supply of affordable staff accommodations and offers homeownership opportunities to GN staff who are able to assume the responsibility of homeownership. Also provides assistance in the administration of Condominium Corporations.

Priorities (2003-04)

- To increase the number of adequate, suitable and affordable dwelling units in Nunavut.

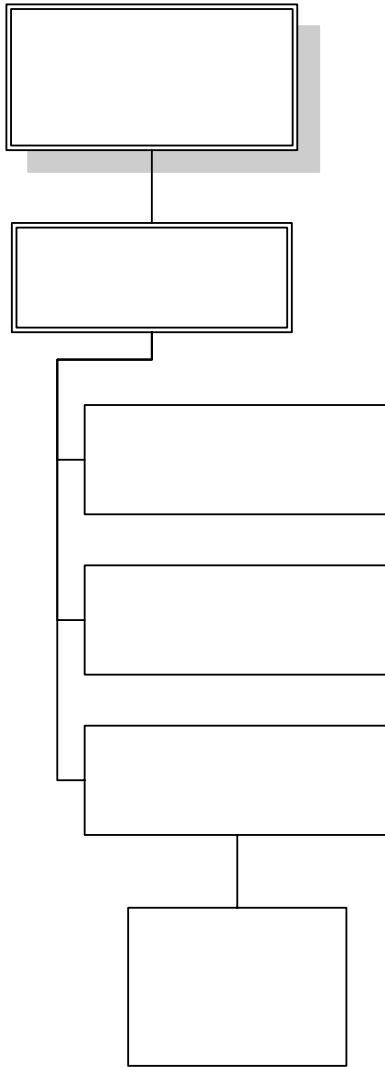
- The NHC continued to deliver its suite of home repair and downpayment assistance programs to all Nunavut communities. In particular, families saw increased access to the Nunavut Downpayment Assistance Program through the introduction of income limit adjustments for people with larger households.

Priorities (2004-05)

- To revisit all home repair programs with a view toward adjusting program features to better meet the needs of Nunavummiut.
- To survey the potential homeownership client base and develop new programs to expand homeownership options for Nunavummiut.

Appendix A – Organizational Structure and Budget

Part 1 – Organizational Structure



Minister

President

Appendix A

Part 2 – 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.

District Offices

Delivery of services and support to communities in programs and services is managed through the Corporation's District Offices. District Offices set regional priorities and work with LHO's 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 District Office is responsible for ensuring 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 (LHO's)

The Corporation is partnered at the community level with LHO's. LHO staff perform most of the day-to-day duties associated with program delivery to individuals and families. Most LHO's 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 LHO's are based on operating or partnership agreements. Under the Public Housing Program, duties include allocation of housing to community residents according to need. As well, LHO's provide related administrative and maintenance services. Several LHO's also have responsibility for parts or all of the home repair and

homeownership 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 \$196 million for outstanding mortgages in the social housing portfolio. These mortgages will be paid out by 2037, at which time the NHC will neither be indebted to nor receive funding from CMHC under the Social Housing Agreement.

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.*

The Corporation invests surplus funds in the short term money market to generate a reasonable return and to ensure a high level of liquidity to meet daily operating requirements.

Appendix A

Part 3 – Financial Summary

Branch	2003 - 2004 Main Estimates		2004 - 2005 Main Estimates	
	\$000	PYs	\$000	PYs
Headquarters				
Salary	2,237	24	2,274	24
Grants & Contributions	-		-	
Other O&M	1,149		1,149	
Subtotal	3,386		3,423	
Debt Repayment				
Salary	-	-	-	-
Grants & Contributions	-		-	
Other O&M (includes CMHC contributions*)	28,003		28,003	
Subtotal	28,003		28,003	
District Offices				
Salary	3,643	40	3,656	40
Grants & Contributions	-		-	
Other O&M	1,447		1,447	
Subtotal	5,090		5,103	
Affordable Housing				
Salary	499	6	489	6
Grants & Contributions (includes CMHC contributions*)	63,219		64,227	
Other O&M	33,287		34,039	
Subtotal	97,005		98,755	
Total, funded	133,484		135,284	
* Less CMHC contributions	56,175		56,113	
Total, GN-funded	77,309	70	79,171	70

Appendix B – Bathurst Mandate Status Report

<p>1.1 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</p>	<p>PUBLIC DIALOGUE</p> <ul style="list-style-type: none"> ▪ The NHC works closely with its community partners, the 25 Local Housing Organizations (LHO). By liaising daily, to exchange vital information about local needs and priorities. ▪ The NHC encourages dialogue on housing challenges and cooperative solutions through the Building Connections in Nunavut (BCIN) initiative. Since 2002, BCIN has offered stakeholders multiple venues to discuss important housing issues and identify sustainable ways to meet housing shortfalls. Consultations on a long-term Nunavut housing strategy are currently being held in all 25 Nunavut communities (spring, 2004). ▪ The NHC raises awareness of Nunavut’s housing crisis through participation on various pan-Canadian committees, and through presentations at national and international housing conferences. The NHC’s efforts to lobby for a federal intervention to address Nunavut’s housing crisis are ongoing. <p>ADDRESSING HOUSING SHORTFALLS</p> <ul style="list-style-type: none"> ▪ The NHC has built over 300 new public housing units between 2000 and 2004. ▪ In 2002, the NHC signed and delivered the Canada Mortgage and Housing Corporation’s (CMHC) Affordable Housing Program, with a value of \$4.96 million (equal to approximately 26 units).
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	<ul style="list-style-type: none">▪ In 2003, the NHC agreed to cost-share the Social Housing in Nunavut Initiative (SHINI) with the federal government. Through this one-time capital program, approximately 80 new public housing units will be built in both fiscal year 2004/05, and fiscal year 2005/06.▪ The NHC reinvests in its existing public housing stock through Modernization and Improvement projects, which represent an annual capital contribution of about \$10 million.▪ When feasible, the NHC invests in pilot affordable housing initiatives that are community-driven and involve multiple stakeholders. For example, the Baker Lake Seniors' Four-Plex, completed in 2002, was the result of inter-agency cooperation between the Hamlet of Baker Lake, the NHC and CMHC.▪ The NHC continues to promote the GN Staff Condominium Program, through which 157 new affordable units have been constructed in ten Nunavut communities. Pending sale, and where appropriate, many of these affordable homeownership units will be used as staff housing rental units.▪ To expand the range of housing options available to public housing tenants, the NHC introduced the Tenant-to-Owner Program (TOP) in 2002. This program enables tenants who are ready for homeownership to purchase "their" unit. The NHC will replace units sold under this program within three years, thus refreshing current stock.▪ To support low-income homeowners in Nunavut, the NHC has revamped its homeowner repair programs to ensure assistance is representative of the cost
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	<p>of home maintenance in Nunavut, while remaining within CMHC guidelines for cost-sharing under the federal Residential Rehabilitation Assistance Programs (RRAP).</p> <ul style="list-style-type: none"> ▪ In 2001/2002, the NHC created a one-time fuel rebate for homeowners. Those households that were paying for their own home heating fuel, and that had low to moderate incomes, were eligible for a cheque in the amount of \$450. Over 1,360 households received this rebate cheque. ▪ The NHC has increased access to its Nunavut Downpayment Assistance Program (NDAP) by enabling more people to qualify through family size income adjustments, introduced in 2003. In addition, the assistance amount for new construction was increased from \$15,000 to \$25,000 to stimulate the creation of new capacity.
<p>1.5.1 Work with communities to: create within each department of the Government of Nunavut the ability to support community capacity building</p>	<ul style="list-style-type: none"> ▪ The NHC maintains ongoing partnership agreements with the LHO's for the maintenance and administration of NHC housing portfolios in communities. These partnerships are ongoing and enable the NHC to transfer more responsibility as and when LHO's indicate interest in expanded functions. For example, the NHC encourages LHO's to administer capital projects at the community level. ▪ In 2002, the NHC requested and secured an increase in Technical and Program staffing in the Qikiqtaaluk District. These four additional front-line staff members (two of whom are beneficiary trainees) are doing much to support the development of LHO capacity by offering training and advisory services to LHO's on-site.

<p>2.1 Remove, consolidate or integrate un-needed government structures</p>	<ul style="list-style-type: none"> ▪ On April 1, 2002, responsibility for GN staff housing was transferred from the Department of Public Works and Services to the NHC. This transfer, referred to as the “Under One Roof” initiative, brought both key housing streams under the jurisdiction of the NHC, improving administrative efficiency and increasing consistency between programs. ▪ In keeping with the “Under One Roof” philosophy, the NHC is continuing to work toward consolidating all GN housing services and units, currently managed by a number of GN agencies and departments, under the NHC. ▪ The NHC has revised the repayment scale for Corporation-held mortgages to make payment amounts more reflective of the cost of homeownership in Nunavut, and to increase consistency with the public housing rent scale. ▪ The NHC is in the process of assuming responsibility for financial functions currently contracted out to the Northwest Territories Housing Corporation. This transfer process has been carefully planned to ensure that staff receive thorough training and that all necessary technologies and systems are established and tested. The transfer will result in streamlined financial operations for the NHC.
<p>2.4 Write and maintain simple and understandable policies for every government department</p>	<ul style="list-style-type: none"> ▪ In late 2003, the first phase of a new, comprehensive Staff Housing Policy was introduced. “Phase I” included guidelines for allocations, eligibility and the assessment of tenant damages. In 2004, further work will be done to develop new and comprehensive options under “Phase II” of this policy. ▪ A new public housing rent scale was implemented in 2003 in close

	<p>consultation with the LHO's. This rent scale was developed over two years with the assistance of our local partners, and will be subject to ongoing monitoring and review. The new scale addresses key recommendations made by the Minister's Task Force on Housing, including making the system more fair and easier to understand.</p>
<p>4.8 View every element of the government budget as a potential training budget</p>	<ul style="list-style-type: none"> ▪ The NHC has created a perpetual \$286,000 training fund for Corporation staff and LHO staff and Board members. ▪ The NHC accesses the expertise of volunteers who work for the Canadian Executive Service Organization (CESO), a non-profit group that sends experienced professionals from diverse backgrounds to assist in capacity-building initiatives world-wide. This cost-effective source of training and professional development has been utilized for such initiatives as BCIN.
<p>4.14 Put into place strategies to develop Nunavummiut in every profession as part of a resident work force</p>	<ul style="list-style-type: none"> ▪ Both the NHC and the LHO's incorporate Nunavummi Nangminiqagtunik Ikajuuti (NNI) in all contracts. The NHC consults with communities, in addition to reviewing historical data, in order to determine an appropriate percentage of Inuit content for each community. This process has proven beneficial, with some communities exceeding 95% Inuit content, and is considered ongoing. ▪ An internal NHC working group has drafted an Inuit Employment Plan (IEP) that takes into consideration both Corporation and LHO staff. The Corporation is dedicated to the hiring and training of Article 23 beneficiaries, and to providing these individuals with advancement opportunities within the organization. The draft IEP will be monitored on an ongoing basis.