

**Public Launch  
Yellowknife City Hall  
Nov 24, 2011**

**By: Nick Falvo**

**Government-Assisted Housing in  
the Northwest Territories  
and the Role of the Federal Government**

# Project Origins

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- Arlene Haché
- SERNNNoCa
- Dr. Frances Abele

# Consultations

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- Coalition Meetings
- Alternatives North Meetings
- Rotary Club: Feb 2010
- Multiple sets of interviews
- Public Launch of Homelessness Report in May 2011

# Community Visits

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- Lutsel K'e
- Rae
- Dettah

# What Does This Report Do?

1. Synthesizes local knowledge
2. Contrasts and compares
3. Highlights policy challenges

# Topics Covered

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Administration of Housing in NWT

Uniqueness vis-a-vis Rest of Canada

Building Costs

Recent Policy Initiatives

# Geopolitical Factors

- Oil and Natural Gas
- Rising Temperatures
- Longer Navigation Season
- Northwest Passage
- Denmark, Russia

# Historical Factors

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- Relocation by Federal Government
- Housing Used as Incentive
- “Money Trap”
- Subject of Future Research

# Housing Conditions

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Indicators suggest that:

- Housing in Yellowknife is a bit worse than the rest of Canada
- Housing in NWT's small communities is much worse than the rest of Canada

# Housing Conditions (cont'd)

## Households Who Report Living in "Crowded Conditions"

- Canada 2%
- Yellowknife 3%
- Rural NWT 8%

# Housing Conditions (cont'd)

## Households Who Report Living in Units Requiring Major Repairs

- Canada 8%
- Yellowknife 10%
- Rural NWT 22%

# Ongoing Need

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- 400 households on waiting lists for public housing throughout NWT

# Building Costs

- \$150/ft<sup>2</sup> in Hay River, Fort Smith
- \$300/ft<sup>2</sup> on the Arctic Coast
- Typical units built by Housing Corporation are 1,000 ft<sup>2</sup>
  - \$150K - \$300K in capital costs for one new housing unit in NWT

# Utility Costs

Utility costs = Electricity, fuel and water

In NWT, utility costs are more than double the national average (for the average household)

- Canada            \$2,100/yr
- NWT                \$4,300/yr

# Home Ownership Programs

## PATH

- Forgivable Loans
- \$10K - \$125K per household
- To build or purchase
- 100 households apply each year; half are approved

# Home Ownership Programs (con'td)

## HELP

- Rent-to-own; two-year lease
- Pay off arrears and/or build up credit rating
- Bring \$10K in equity into new unit
- New homes built by Housing Corp.
- 200 households apply each year; half get it

# Small-Repairs Programs

- Roughly-half-a-dozen of these
- One-time only approval
- \$11K-\$30K per approved household
- 30-40 approved households per year
- Annual Funding
  - CMHC: \$495 K
  - GNWT: \$150K

# Small-Repairs Programs (cont'd)

## CARE

- Housing Corp's Own Program
- Forgivable Loans to renovate or upgrade home: \$10K-\$90K
- 400-500 households apply each year
- 60% are approved
- \$4 to \$5 million per year (but \$8 million in '09)

# Public Housing

- For low-income households
- 2,250 units in the NWT
- Gov't pays capital and operating costs
- \$15K to \$20K annually in operating costs  
→incl. fuel, power and water
- \$2 million/unit over a 50-year period

# Arrears

## In Government-Assisted Ownership Sector

- 460 outstanding mortgages
- 80-90% of money owed in outstanding arrears “probably not collectible”

# Arrears (cont'd)

## Public Housing Sector

- LHOs collect rent
- Some collect 100% of assessed rent.
- Others collect very little. Two LHO Boards “have made a decision to not pursue people in arrears in any meaningful way.”

# Arrears (cont'd)

## Public Housing Sector (cont'd)

### Collection Rates

Average 90%

During ECE Regime 77%

→2006-2010

# Housing as a %age of Budget

- Average for all Can. provinces and territories 0.7%
- Highest housing-spending prov. (Saskatchewan) 1.4%
- NWT 5.1%

# Housing Spending Per Capita

- Average for all Can. prov's and terr's \$61
- NWT \$1,672

Ergo: NWT spends more than 25X more on housing (per capita) than a typical Canadian province

# Recent Policy Initiatives

## Affordable Housing Initiative (2001 and 2003)

- NWT Share \$10.65 million
- “344 units”
- Absorbed into Housing Corp’s annual capital delivery budget

# Recent Policy Initiatives (cont'd)

## 2005 Federal Budget Deal

- \$300 million for all three terr's combined
- NWT Share: \$50 million  
→matched by GNWT

Ergo: \$100 million →450 "new units"

# Recent Policy Initiatives (cont'd)

## 2005 Federal Budget Deal (cont'd)

- All have been built
- 1/2 were home ownership, 1/2 public housing
- No net increase in number of units

# Recent Policy Initiatives (cont'd)

## 2009 Federal Budget

- \$59 million for social housing in NWT
- Matched by GNWT
- 120 “new units” (public and ownership)
- Some of this will go towards repairs and increased energy efficiency

# Major Policy Challenge

## Declining Federal Funding

- Expires completely in 2038
- Hits NWT harder than most parts of Canada due to: 1) NWT having lots of public units; and 2) NWT having very high utility costs
- More cost effective to repair than rebuild

# Policy Recommendation

- Federal government should reinvest in housing.
- Recent funding announcements have been one-off, short-term announcements.
- It is time for the federal government to start making long-term commitments.

# Dissemination

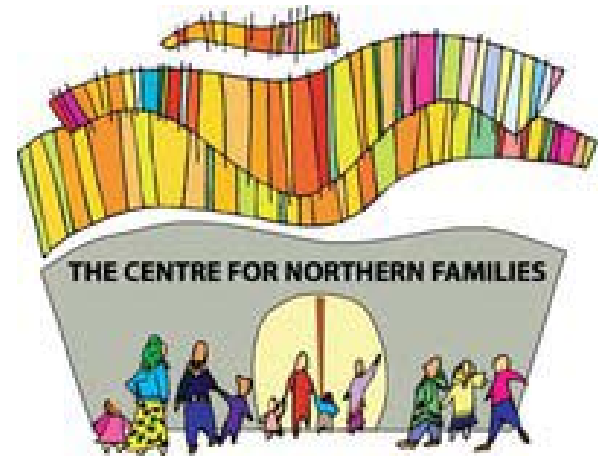
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- *How Ottawa Spends*
- Plain Language Summaries
- URL: [www.homelesshub.ca/nwt](http://www.homelesshub.ca/nwt)

# Dissemination (cont'd)

- Coalition
- Meeting with Minister
- SERNNNoCA Summit

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