

**Proceedings of
A Housing Meeting
Held in Montreal
On April 18 – 20, 2006**

A meeting was organized in conjunction with the Assembly of First Nations of Quebec and Labrador (AFNQL), the Department of Indian Affairs and Northern Development (DIAND), and the Canada Mortgage and Housing Corporation (CMHC), as an information session for the participants and to initiate a discussion on the key regional stakes in the housing area.

Chief Jean-Charles Piétacho of the Ekuanitshit community proceeded to the opening and closing prayers. Ms Michèle Rouleau acted as facilitator during the three-day (3) meeting which was held at Hôtel Maritime Plaza.

Day 1 – Tuesday, April 18, P.M.

Opening Remarks

Claude Picard, executive director of the AFNQL, Sylvain Lasnier, Director of CMHC's First Nations Housing Center, Quebec region and Jacques Giroux, Director of Funding Services, DIAND Quebec, greeted the participants with welcoming remarks.

Claude Picard underlines the crucial role of housing in the society and the enormous needs faced by the communities of the First Nations of Quebec and Labrador in this area, which are nearing 9 000 units. His suggestion is to view this reality as a challenge rather than a problem. He brings to mind that one of AFNQL's roles consists in gathering the interveners and expertise to work towards common goals.

Sylvain Lasnier conveys the will of the CMHC to work with the First Nations on the suggestions put forward in improving the housing situation. In his opinion, it is a partnership that is taking on an even greater importance considering the uncertainty that prevails about the agreement concluded in Kelowna, in November 2005.

Jacques Giroux emphasizes the importance of having this large number of participants to the meeting and refers to the initiative of collaboration, which is gaining more and more strength, particularly with the recent creation of the Tripartite Housing Steering Committee. He favors the idea of doing an update on the new housing initiative and of disseminating the information on success stories in housing.

National Political Context and Recent Developments in Housing

Mark Brooks, Interim Director of community development at Ottawa's DIAND office presents the ministerial approach. The participants are handed out a document called "*Creating First Nations Housing Opportunities*".

The aspect of housing in the private sector is an integral part of the platform put forward by Ottawa's newly elected political party. The private alternative promotes the development of equity and personal assets with the individual. The need for social housing might be known globally, yet everything leads to believe that the department intends to put a major emphasis



on the development of the real estate market within First Nations communities over the next years.

According to DIAND, the paths to be explored, aside from the real estate market, are: alternatives to the usual methods of land tenure, which allow going beyond the ownership certificates without necessarily amending the Law, alternative methods of financing putting to use the financial institutions and governance structures that are adapted to the needs. Special projects achieved over the past years bear witness to these new directions in prospect.

Deborah Taylor, Director of aboriginal housing at Ottawa's CMHC headquarters, summarizes in three (3) points the current context of the crown corporation's viewpoint. The participants are handed out a document called "*Building Communities Together*".

Current situation: since the new government has not yet confirmed how the expectations created by the announcements which followed the First Ministers Meeting (Kelowna) will be met, the current directive intends to maximize the number of housing units with the budgets currently available, including the new funds announced in 2005. She underlines that 250 units, out of the additional budget, pursuant to the program of article 95, have been allocated to the Quebec region for a two-year (2) period. The results of the first year of the new initiative are currently under compilation.

New approaches: The CMHC advocates an increased participation of the First Nations in all housing spheres. It supports organizations such as the National Building Officers Association and the Housing Managers Association. Training is an area where a lot of efforts are invested, especially in preparing the Aboriginal trainers. According to the CMHC, the new loan insurance program, the creation of aboriginal housing organizations and training in specialized trades are practical solutions to meet the needs. On the other hand, the CMHC acknowledges the advantages of long term planning: in 2005, the budgets were announced for a two-year (2) period and CMHC intends to shepherd the First Nations in the planning of long-term quality housing.

Capacity building strategies: To CMHC, it is essential that the First Nations take over the responsibility of housing. This take-over must be reflected at all levels: in planning, management, construction, repairs and maintenance. The crown corporation is determined to work in line with this direction and in collaboration with the communities, by providing the necessary support, particularly in regards to the local capacity building initiatives.

Earl Commanda, Director of housing and infrastructure at the Assembly of First Nations (AFN) in Ottawa, hands out a document called: "*Developing a comprehensive National Regional Housing implementation Plan for First Nations*". This document introduces the vision of AFN. Mr. Commanda draws attention on the following points during his presentation:

The survey on housing needs, which was achieved by the AFNQL in 2003, is relevant. The AFN incited the other regions to develop a similar project. So far, it has not been particularly successful. However, we are in a position to estimate that we are short of approximately 80 000 housing units, nationally speaking.

The government is listening, but the dollars are certainly not there to meet the needs.

The government has a fiduciary obligation. The AFN wants the government to provide the First Nations with the necessary means in order to meet their needs.



The agreement concluded in Kelowna in November 2005, foresees the injection of \$1,6 billion in First Nations housing and infrastructures. A change of government has since taken place.

It is important to build capacities within communities. The funds set aside for this purpose are insufficient.

The AFN will continue to pressure the ministers in 2006, in an effort to influence the newly elected Cabinet.

The discussions which followed relate to several points, including among others: the state of uncertainty about the commitments made in Kelowna until the 2006 federal budget is tabled; the financial concerns associated with the approach of the comprehensive community planning, as proposed by DIAND; and the definition of "social housing".

AFNQL National Activities

The Chief of the Eagle Village First Nation, Lance Haymond, is the spear header of the housing portfolio at the AFNQL. He summarizes the AFNQL activities at the national level. He hands out to the participants a document called: *"Federal Government Wants to Get off the Hook for Full Investment in Housing"*. Here is a summary of his speech.

To begin with, Chief Haymond offers an update on the key events of AFNQL's activities and its outcomes at the national level.

The AFNQL, supported by its report on housing needs, played a key role at the national level in having new sums added to the federal budget for the use of First Nations housing. Its pleas, lobbying and collaboration efforts with the AFN, surely have a lot to do with the additional investments announced in 2005 (\$295 M), and with the additional commitments reflected in Bill C-48 and at the First Ministers' Meeting in Kelowna.

The AFNQL did not partake in the Kelowna meeting for the good reason that the process presented a serious danger for the rights and interests of the First Nations (wrong priorities, pan-aboriginal approach). The fact remains that it is still claiming its fair share of any new sums allocated to housing stemming from commitments made in Kelowna or elsewhere.

Chief Haymond then turns towards the activities of the AFNQL within the circle of the AFN.

The AFNQL has always been a loyal partisan and a fully-fledged participant of activities at the national level. The use of the AFNQL housing report by the AFN to extrapolate the needs of other regions, along with the joint lobbying efforts which have a lot to do with the 2005 federal commitments in First Nations housing, testify to the collaboration between the two (2) organizations.

Other examples provide a less positive aspect, such as the National Housing Authority, which has not been validated by the Chiefs in Assembly, and the support of a funding allocation formula, which puts the Quebec region at a disadvantage.

The recent offer of collaboration and support made by the AFN is welcome by the AFNQL. The AFN seems sensitive to the concerns raised about the funding allocation and offers its support as to a revision that could originate from the AFNQL.

The Chief concludes by placing the current housing situation within the context of the new minority Conservative Government:

The aboriginal issues are not part of the five (5) key priorities of the federal government. This government did not commit towards the new sums announced in Kelowna (\$1,6 MM). We are not even sure that the 700 million \$ which are to be earmarked for aboriginal housing pursuant to Bill C-48 (July 2005) will in fact be allocated.

Within this context, it is important to pursue the lobbying efforts. Moreover, the Political Accord on governing authority signed on May 31, 2005 by the AFN and the federal government must be perceived as a useful tool for the promotion of dialogue on the housing issue.

First Nations' Housing Authorities

Dan Gaspé, a consultant with the AFNQL, hands out to the participants a document titled "*Jurisdiction and Governance in Housing*". Here are the key elements of his presentation.

Jurisdiction and governance refer to the adoption of laws and regulations, to the development of standards and policies, to accountability measures, to the creation of local or regional organizations that are accountable to the government, the Nation and ultimately to the people. Ideally, no construction should be undertaken until these elements are in place.

The First Nations must begin developing models and options of rules and regulations. An opportunity is now available considering that the DIAND attaches a lot of importance to comprehensive community plans.

If the First Nations are serious about jurisdiction and governance in the housing area, they would be well advised seeking and developing models, otherwise, they run the risk of being subject to models that are based on an authority which is not under the control of elected Councils.

Day 2 – Wednesday April 19 A.M. & P.M.

Housing Initiative– Results and Projections

Francine Charbonneau, Head adviser, Aboriginal housing, at CMHC's Regional Office, and Mathieu Mellon, Policy analyst for DIAND in Quebec City, make a joint presentation on the new Housing Initiative and the construction in communities. The participants are handed out a document titled "*Housing on-Reserve in Quebec Region, 2005-2008*".

After bringing to mind the existing programs, the key elements of the new initiative announced within the scope of the 2005 federal budget are outlined: an investment of \$295 M aimed at stabilizing the situation of on-reserve housing throughout Canada. The approach is based on expression of interest and comes with specific targets to be achieved.

The figures presented with regards to the housing activity indicate among other things that the new housing funds increase the rate of construction, which is currently more or less



275 units a year, to 514 units on average during two fiscal years. This figure takes into account those units that came from regions that are in surplus.

It is underlined that the national formula of funding allocation puts the Quebec region at a disadvantage, and the Regional Housing Liaison Committee, which was clearly mandated at the June 2005 meeting in Lac Delage, chose a regional sharing out of 36% (under agreement Crees and Naskapis) – 64% (not under agreement).

Mechanisms are in place to maximize the access to funding (new budget designing, admissible works, Ministerial guarantees). However, the funds cannot be combined (for example, the new DIAND construction funds cannot be used as down payments for article 95).

The revised allocation for 2006-2007 will be confirmed to the First Nations shortly, so that construction activities may resume in May.

The questions raised various concerns such as: the real costs for servicing lots vs the funding formula, the slowdown in construction in communities that are under a recovery plan, the absence of a program to remedy the contamination of houses, the formula of regional sharing-out (36% - 64%), the cost increase of technology-related constructions aiming at reducing energy use, and promises which the federal government failed to honor.

National and Regional Housing Allocations Formula

Guy Latouche, a consultant for the AFNQL, presents the formula used in the sharing out-of the new housing funds between the regions. This formula is now even used in the sharing-out of regular budgets in CMHC's programs. He hands out to the participants a document called: "*National Housing Budget Allocation Model (2005)*".

The formula affects directly or indirectly four (4) of the five (5) programs of the new initiative. The only program, which is not affected, is DIAND's program of new constructions (\$25 000 /unit).

The approach is now based on core housing needs. The quality, the size of the house, and the family income are the parameters used to determine the need. Canada's 2001 Census is the source of reference. Previously, the sharing-out was based on the regions' weighted index population.

The new method entails a drop of 40% from the regular budgets of programs under article 95 and RRAP, which is reserved for Quebec. This means that Quebec has a proportion of households who live under the standards of quality, size, and income, which is lower than its demographic weight in relation to the other regions.

The participants are worried by the drop in the budgetary proportion in Quebec. Dan Gaspé underlines that DIAND's headquarters threw a line at AFN offering them a chance to propose new methods of funding allocation for the future.

Guy Latouche then dwells on the regional funding allocation. The participants are handed out a document called "*Regional Allocation Model for Section 95 Budget*". This document is a summary of a report prepared at the request of the Regional Liaison Housing Committee, in 2002.

The budget of article 95 is currently distributed among the First Nations of Quebec, based on a method which includes two components: first, a distribution formula for those who are not under agreement and those who are under agreement (Crees and Naskapis); secondly, a funding allocation between those who are not under agreement. Up until 2005, the first component was allocating shares of 53% and 47% respectively to the First Nations who are not under agreement and to those who are under agreement.

In June 2005, the Regional Liaison Housing Committee, which was mandated at the Lac Delage tripartite meeting to determine the method of distribution of funds from the new initiative, chose the formula currently in use to share out the funds among the two (2) main groups of First Nations, keeping in mind the updated basic data. Instead, this method allocates respective parts of 64% and 36% to the First Nations who are not under agreement and to the First Nations who are under agreement.

Several allocation models are assessed in the 2002 report: models that are based on data, which are updated either solely on needs, or on performance criteria, etc. No definite decision was made on that matter. Certain facts remain however. The program of article 95, being one of housing assistance, the model should include one or several socio-economic factors. All First Nations should have the opportunity to take advantage of it. The promotion of good practices is also a path worth exploring.

The drop they are suffering is a definite concern for the representatives of the Cree Nation. They suggest a continuation of discussions at a subsequent meeting.

Regional Structures and Operating Procedure in Housing

Guy Latouche presents the region's new terms of reference in housing. The participants are handed out a document titled "*Regional Operating Procedure in Housing*".

The current operating mode does not reflect all the importance that the Chiefs grant to housing. The information is not disseminated properly and the decision-making in relation to the allocation of certain budgets raises numerous questions:

The AFNQL has two (2) specific objectives on this matter:

- the information pertaining to housing must be disseminated and must reach the communities;
- the Chiefs are the ones who must make the decisions.

Four very specific means are implemented in the new terms of reference:

- 1- Creation of a housing adviser position at the AFNQL Secretariat;
- 2- Establishment of a permanent Tripartite Steering Committee and definition of its mandate;
- 3- Creation of sub-committees or working groups, if required;
- 4- Assembly of all housing interveners, at least once a year.

The discussion revolves around the role of the new Tripartite Steering Committee. Jacques Giroux emphasizes the fact that the interventions of the three (3) partners must be better coordinated. The demarcation between social housing and the access to property might be a

challenge for the Committee. The possibility of a “National Housing Authority” is a motive for questioning. Rémy Bastien underlines the contribution of the Regional Liaison Housing Committee over the years and throws the idea of a comprehensive plan over a ten-year (10) period to catch up on the losses in housing!

Regional Housing Needs Update

Guy Latouche gives a presentation on the update of the regional housing needs. He hands out to the participants a summary of a report called: “*The Housing Needs of the First Nations of Quebec and Labrador*”.

The production of the first version of the report on needs in 2000, and the improvements that were brought on in 2003, allowed the Chiefs to be well documented in the initiating of an awareness and pressure campaign (lobbying) with the regional and national authorities who are involved in First Nations housing.

The report describes a crisis situation: overcrowded homes, dwellings in appalling conditions, houses contaminated with mold, a young population which is growing at a fast pace, inadequate sheltering capacity, etc. Among other things, an additional 7 000 housing units would be required, 4 500 units need renovations, 1 600 units need to be decontaminated and 5 400 lots need to be serviced with infrastructures in order to meet the housing needs of the First Nations of Quebec and Labrador: an investment of \$1 billion. These figures are based on data collected in 2000. It is estimated that the updated needs now amount to some 9 000 housing units, due to the loss of housing units which accumulates from year to year.

Housing is an area that is under-funded, while its needs are significant and growing. The tendency seems to anticipate a deterioration of the housing conditions among the First Nations communities. Several consequences are linked to this situation (social problems, etc.). To the Chiefs, this situation is unbearable.

The updating process of the report has been initiated. The Chiefs intend to pursue their undertakings in order to force the federal government to fulfill its obligations in the area of First Nations housing.

On the other hand, the future AFNQL Housing Adviser will be responsible among other things, to create a pertinent data bank on First Nations housing.

The comments voiced on that matter validate the initiative of the AFNQL.

Day 3 – Thursday April 20 A.M.

Best Practices of On-Reserve Housing

Patricia Duchesne, Finance Director for the Mashteuiatsh community, presents the access to property program, as hosted by the *Conseil des Montagnais du Lac-Saint-Jean*. The participants are handed out a document titled “*Housing Assistance Program, 2006-2007*”.

The program provides a financial support, which varies according to the family income, to those who wish to carry out a housing project. The interest-free loan is of \$24 000 and the



maximum subsidy is of \$16 000. Established in 1977, the program was awarded a prize of excellency from the CMHC in 1994 and has enabled some 155 families or so to acquire a property.

There are no arrears in the payment of sums due to Council, because the criteria in place help to select the beneficiaries who are able to meet the obligations associated to the program.

The Council's programs are currently under revision. The latter functions well and should be maintained, possibly with some improvements, because it meets the current needs.

Rémy Bastien, Director General of Innu Takuaihan Uashat mak Mani-Utenam presents a program of access to property aiming essentially at a clientele with an average income or which is seasonally employed. He hands out to the participants a document titled: "*Innu Manikatishu Program*".

The program provides financing and enables the access to property to people, whom, otherwise, could hardly get to it. Various criteria are applied, namely the obligation to come up with a personal contribution of \$3 000. The beneficiary deals directly with the bank and the Council provides the guarantee. The financial assistance includes a subsidy of \$20 000 and an interest-free loan of \$6 000. A maximum loan of \$35 000 at a bank and the personal contribution of the individual completes the financing of the project, which also has the opportunity to get funding from the Employment Development Assistance Programs. Habitually, the rent is set at \$350 per month.

The Council has some requirements in regards to sub-contractors and suppliers in link with local economic development. The client is responsible for the insurance and maintenance aspects.

The amortization period is habitually of 12 or 13 years. Subsequently, a certificate of ownership of the house only is issued to the beneficiary. Some forty units or so were built under this program over its past three years of existence.

Lance Haymond, Chief of the Eagle Village First Nation, concludes the session on the success stories by sharing the experience lived by his community in regards to rental collection. The Chief proves that any First Nation could be faced with serious problems and still be able to correct the situation.

Initially, the First Nation of Eagle Village operated with the concept of "free housing". The community's indebtedness became major.

Changes in the local political orientations gave rise to a take-over by the community itself. The occupants of the houses reimbursed their debts. The community endowed itself with a clear housing policy, particularly in the area of rental collection. The key? The Council is steered by a strong will and supports the employees responsible to implement its policies!

The First Nation saw its population double following the enforcement of Bill C-31. Also, close to 120 members from another Nation wish to adhere to the membership of the community. In the meantime, more than 80 families of Eagle Village are waiting for a house. Within this context, the community is definitely geared towards good planning, establishment of policies and most of all, towards the political will, which is perceived locally as a guarantee of positive community development.



Alternatives to Ministerial Loan Guarantees in Housing Financing

Consultant Ricky Fontaine, (RSF Consulting Services) presents a new method of funding for housing without a guaranteed loan from DIAND. He hands out to the participants a document called "*Social Housing – A New Option*".

The approach allows the development of a new method of financing the construction and renovation of houses. It is an approach that comes as a complement to DIAND and CMHC's programs. The Council negotiates an agreement with a bank, which is aimed at facilitating the access to bank credit for its members and whose debt/income ratio is reasonable. A minimal personal contribution of 2,5% of the project value is required (possibly the Council's subsidy). The Council provides a loan guarantee.

It is advisable to set limits to the amount of the loan, because in the case of a default of payment, the high monthly installments would make it difficult to find potential occupants who would have the necessary means to assume the financial obligations linked to the house. It should be noted that whenever the obligations are not met, it is the credit file of the individual that is affected, and not that of the Council.

All banks should be interested by such an approach. It's interesting, while being matched with high standard conditions. Those First Nations who would like to adhere to this approach should first of all have maintained a healthy financial situation and have a housing policy that has been running really well.

The discussion revolves around points of similarity, complementarity and distinction in relation to the more conventional approach of the Ministerial loans.

Closing Remarks

To conclude the meeting, Claude Picard (AFNQL) brings to mind the two objectives of the Chiefs in relation to the new method of operation. He expects the new Housing Adviser to play a crucial role in the dissemination of information. He also refers to a third objective which consists in catching up on the losses in housing. Lobbying efforts must be pursued in order for the file to progress, because as it is, the current situation is unacceptable.

Sylvain Lasnier (CMHC) mentions that the meeting was an opportunity to become aware of the regional stakes. Jacques Giroux underlines the importance of having a common strategy. Both support the idea put forward by Rémy Bastien to the effect that the region must endow itself with a long-term plan in order to catch up on the losses in housing.

Guy Latouche
May 19, 2006



Appendix to the Proceedings

List of Participants (inscriptions)

<u>ORGANIZATION</u>	<u>PARTICIPANT</u>
Abitibiwinni	John Mowatt Harry McDougall
AFNQL	Diane McGregor Claude Picard Dan Gaspé Guy Latouche
Algonquin Anishinabeg Nation	Norm Odjick
Betsiamites	Gérald Hervieux Sylvie Vollant
Betsiamites	Véronick Bacon
Chisasibi	Louie Kanatewat Leonard House
Conseil de la Nation Atikamekw	Stéphane Boudreau
Cree Regional Authority (CRA)	Emmet MacLeod Billy Diamond Anna Fiocco (consultant)
Eagle Village	Lance Haymond Tanya McKenzie
Ekuanitshit	Jean-Charles Piétacho Adéline Basile
Essipit	Didier Ross Dominique Roussel
Gesgapegiag	John Martin Suzanne Gideon
Gesgapegiag	Charlie Caplan
Gespeg	Claude Jeannotte
Gestion RSF	Ricky Fontaine
Grand Conseil Waban-Aki	Denis Bernard



ORGANIZATION

PARTICIPANT

IDDPNQL

Serge Goupil-Ashini

Kahnawake

Mike O'Brien
Iris Jacobs
Peggy Mayo
Arlene Jacobs

Kanesatake

John Canatonquin

Kitcisakik

Doris Papatie
Augustin Penosway

Kitigan-Zibi

Gilbert Buckshot
Marianne Buckshot

La Romaine

Sylvestre Mullen
Normand Bellefleur
Georges Bacon

Lac Simon

Dave Papatie
Moses Pien

Listuguj

Manfred Metallic
Gordon Isaac

Long Point

Fernand Wabie

MAINC

Natalie Gélinas
Mathieu Mellon
Jacques Giroux
André Dansereau

Mamit Innuat

Rachel Malec
Marcel Lehoux

Mamuitun

Gilbert Hamel

Mashteuiatsh

Patricia Duchesne
Luc Connolly

Matimekush

Thaddée André
Barbara Vachon

Mistassini

Roderick Petawabano

Naskapi

John Mameamskum
Robert Swappie
Coco Calderhead (consultant)



ORGANIZATION

PARTICIPANT

Natashquan

Gaston Kaltush
Alain Wapistan
Francis Ishpatao
Thérèse Courtois

Manawan

Jean Marc Flamand
Angèle Petiquay

Odanak

Daniel Nolet
Isabelle Genest

Opiticiwan

Christian Awashish

Ouje Bougoumou

Alan Gull

Pakua Shipu

Nicole Lalo
Marie Mark

SCHL

Francine Charbonneau
Jean Rattelle
Sylvain Lasnier
Deborah Taylor
Karen Bolt

Timiskaming

Suzanne King
Rita May Stanger

Uashat mak Mani-Utenam

Rémy Bastien
Albert Vollant

Waskaganish

Susan Moses
Emily Hester

Waswanipi

Clarence Miniquaken
Flora Gull

Wemindji

Sara Hughboy

Whapmagoostui

Roger Sandy