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PROGRAMS OF THE NORTHWEST  
TERRITORIES HOUSING CORPORATION

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**PROGRAMS OF THE  
NORTHWEST TERRITORIES  
HOUSING CORPORATION**



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## **PROGRAMS OF THE NORTHWEST TERRITORIES HOUSING CORPORATION**

The programs offered by the Northwest Territories Housing Corporation are designed to assist households to acquire and maintain housing that is adequate, suitable and affordable. The programs provide assistance in accordance with a household's need. Need may also be defined in terms of being able to access adequate financing, or the need for special accommodation because of a physical disability or social/emotional condition.

The programs of the Northwest Territories Housing Corporation fall into two main categories; Assisted Rental Programs and **Homeownership** Programs.

### **ASSISTED RENTAL PROGRAMS**

The Assisted Rental programs provide rental accommodation to households in need at subsidized rental rates which are geared to income. The Corporation **currently** occupies over 5,500 units, some of which were inherited from earlier Federal and Territorial Programs (Northern Rentals), some built in partnership with Canada Mortgage and Housing Corporation (Public Housing), some leased from the private sector (**Rent** Supplement Program), and some designated specifically for Senior Citizens (Senior Citizens' Accommodation). The operation of this housing is done by local community Housing Associations or Authorities through operating agreements and financial contributions.

Since the operation of such a large housing portfolio requires special attention to physical **property** management, there are several programs designed to provide assistance with major repairs and replacements of rental inventory.

The Modernization and Improvement Program provides additional contributions to Housing Associations/Authorities for major repairs and equipment replacement.

The Fire Damage Repair/Replacement Program provides funding for units damaged by fire.

The Weber Retrofit Program provides major repairs and upgrading to early public housing units (**Weber** units) which do not meet current standards.

Housing Associations and Authorities also require certain facilities to carry out their business of managing the rental housing inventory. Tools, shop equipment, office furnishings and equipment and vehicles are provided through the Housing Association/Authority Mobile Equipment Program. Warehouse, workshop, office and meeting space are provided through the Warehouse and Office Program. A list of the Assisted Rental Programs is provided below.

#### Program

Public Housing Program (Rent Supplement Program)  
Modernization & Improvement Program  
Fire Damage Repair/Replacement Rental Units Program  
Weber **Retrofit** Program  
Housing Association/Authority Mobile Equipment Program  
Housing Association/Authority Warehouse and Office Program

### **HOMEOWNERSHIP PROGRAMS**

Families who can afford the operating expenses of a home may receive **assistance** through one of the Corporation's Homeownership Programs. Assistance is available to acquire a new home or make repairs to an existing family residence.

Under the Owner Build Program, clients are encouraged to participate in the construction of their own home to reduce the capital cost of the house and to reduce the percentage the client repays each month to the Corporation. The Lease to Purchase Program allows families who are unable or do not wish to contribute **labour** to build a house, an opportunity to become homeowners.

For clients who have been able to obtain private mortgage financing, the Corporation will provide the opportunity to purchase a **Homeownership** material package. The Corporation will contract to purchase and transport the material package to the client's community and collect back the package cost **from** the client. The Interim Financing Program is also available to these clients to provide bridge financing while the home is under construction.

The older, Northern Rental houses may also be purchased by Public Housing tenants, who may apply up to one-third of their rent toward the sale price.

Repairs are expensive in the Northwest Territories, but assistance to families who own their own homes is available through the Home Improvement Program and the Senior Citizens Home Repair Program. A list of the Corporation's Homeownership Programs is provided below.

**Program:**

Lease to Purchase Program  
Owner Build Program  
Alternative Housing Program  
Maintenance Program & Subsidy  
Sale of **Homeownership** Material Packages  
Interim Financing Program  
Senior Citizens Home Repair Program  
Home Improvement Program  
Information & Counseling Service  
Direct Lending  
Forgivable Loans Above **CNIT**

## **PUBLIC HOUSING PROGRAM**

### **Program Objective**

To provide subsidized rental housing to individuals or families in Core Housing Need. Public Housing includes units for families, single persons and Senior Citizens.

### **Program Overview**

The Northwest Territories Housing Corporation, like other Provincial Housing Corporations, provides subsidized public housing units under the National Housing Act (NHA). The first public housing projects in the Northwest Territories (NWT) were built in 1969 in several Northern communities.

Public Housing is supplied through:

- New Construction
- Rent Supplement
- Rehabilitation of existing Northern Rental Units
- Acquisition of existing units.

Units are turned over to the local housing organizations to operate under a Management Agreement with the Corporation. The rent for **public housing units** is based on the NWT Housing Corporation's rent-to-income scale.

The operation of existing units provided under this program is cost-shared with Canada Mortgage and Housing Corporation (**CMHC**) as follows:

Units built prior to 1978	50% CMHC - 50% <b>NWT</b> Housing Corporation
Units built in 1978 or later	75% CMHC -25% <b>NWT</b> Housing Corporation
Rent Supplement Units	75% CMHC -25% <b>NWT</b> Housing Corporation
Northern Rental Units	100 % <b>NWT</b> Housing Corporation

For 1994/95 and beyond, all new public housing units must be unilaterally funded by the GNWT (both Capital construction and ongoing **O&M**).



### **Levels of Service**

This program is available to residents of the NWT who are unable to acquire adequate or suitable shelter without spending more than 25% of their gross household income on housing, and who do not already own a home.

Applications for public housing may be made to any Housing Association/Authority.

Under the Rent Supplement Program, the Housing Corporation and a landlord (a private individual) sign a lease agreement to make available a designated number of housing units to households in need.

Households occupying units acquired under the Rent Supplement Program pay rent to the local Housing Association/Authority according to their income in a manner consistent with the Public Housing Program. The Corporation, through the local Association/Authority, pays the full lease amount for the units to the landlord.

## MODERNIZATION AND IMPROVEMENT PROGRAM

### Program Objectives

- a) To provide improvements and additions to **rental** housing units.
- b) To modernize the rental housing stock to produce a better standard of housing and to meet the requirements of the Building Code.
- c) To fund projects not normally covered within the regular Housing Association/Authority Operation and Maintenance funds.

### Program Overview

The Modernization and Improvement Program is intended to modernize and improve the Corporation's housing stock. Although the ordinary and preventative maintenance program play a major role in maintaining the houses in good repair, major replacements and improvements must be carried out which are beyond the parameters of the regular maintenance programs.

Such items include the replacement of major appliances, heating systems and roofs. The upgrading of electrical systems, insulation and structural defects are also considered part of this program.

In 1994/95 this program will continue to be cost-shared as follows:

Public Housing Units built prior to 1978	50% CMHC - 50% NWT Housing Corporation
Public Housing Units built in 1978 or later	75% CMHC - 25% NWT Housing Corporation
Northern Rental Units	100% NWT Housing Corporation

**Levels of Service**

Projects to be funded under this program are identified by local Housing Associations/Authorities, Corporation District Offices or Sub-offices. Projects are then prioritized on a Territorial-wide basis, based upon the unit's condition, up to the level of available funding.

## **WEBER RETROFIT PROGRAM**

### **Program Objective**

To provide funding for repair and upgrading of Weber Public Housing units in order to bring them to suitable living standards.

### **Program Overview**

The NWT Housing Corporation owns 745 Weber Public Housing units that were built in many communities in the NWT in the 1970's. These units are in varying degrees of deterioration and disrepair; however, they are in good enough shape to restore.

The **Weber** units have a lot of problems. These problems stem from a design unsuited to the Arctic environment and inadequate inspection and control during unit construction due to insufficient field staff in the early years.

At the time of construction, the Weber unit was reasonably priced and the panel-type design made for easy construction with a minimum of technical skill. Most of the units were placed on gravel with wood pads and wedge foundations for easy levelling.

Energy conservation was not considered in the designing of the unit. Only three inches of insulation were provided in the roof and walls. One of the major problems of the **Weber** unit is snow and condensation in the attic which has been solved.

For 1994/95, the program continues to be cost-shared 50% CMHC and 50% NWT Housing Corporation.

### **Levels of Service**

Projects to be funded under this program are identified by local Housing Associations/Authorities which have **Weber** Public Housing units in their inventories. Projects are then prioritized on a Territories-wide basis up to the level of available funding.

## **FIRE DAMAGE REPAIR/REPLACEMENT RENTAL UNITS**

### **Program Objective**

To provide funding for repair or replacement of rental housing units that are damaged by fire.

### **Program Overview**

The budget for this program is established to repair or replace units damaged by fire. For multi-unit dwellings, the Housing Corporation is covered under a blanket insurance policy bought by the Government of the Northwest Territories for its own buildings.

This program is cost-shared with CMHC on the following bases:

Units built in 1978 or later	75% CMHC -25% NWT Housing Corporation
Units built prior to 1978	50% CMHC - 50% NWT Housing Corporation

### **Levels of Service**

Applies to any community which has an inventory of public housing units.

Requests for replacement units are made through the Corporation District or Sub-offices.

## **MOBILE EQUIPMENT PROGRAM**

### **Program Objective**

**To provide mobile equipment for Housing Associations/Authorities.**

### **Program Overview**

Prior to 1982, Housing Associations/Authorities operated without basic equipment. The limited amount they had was either written-off equipment given to them by the Department of Public Works or purchased through their O&M finds.

In order for Housing Associations/Authorities to manage, maintain and protect the assets of the Housing Corporation, it is essential they have the necessary mobile equipment.

This program continues to be cost-shared approximately 50/50 with CMHC. CMHC'S share is accounted for under O&M and not Capital.

### **Levels of Service**

This program is available to all Housing Associations/Authorities. Applications are made through Corporation District and Sub-offices.

## WAREHOUSES

### **Program Objective**

To provide Housing Associations/Authorities with secure warehouse facilities which also include workshop, office and storage areas.

### **Program Overview**

For many years, Housing Associations/Authorities used old Northern Territorial Rental units that were written-off from the Rental Program for their warehouses, offices and workshops.

With the increase of the housing inventory and the capital improvement work in many communities, facilities are required to protect building materials from loss due to misuse, pilferage and weathering. Protection is required for the annual resupply of maintenance and repair material and for major rehabilitation and emergency repair projects. Housing Associations/Authorities also need adequate facilities for maintenance workshops and administrative offices for their daily operations.

The program is 100% unilaterally funded by the NWT Housing Corporation.

### **Levels of Service**

All Housing Associations/Authorities are eligible for this program. Applications can be made through any District or Sub-office of the Corporation.

## ALTERNATIVE HOUSING PROGRAM

### Program Objective

A significant number of households in the NWT are encountering unique housing problems which can not be solved by the Homeownership or Public Housing Programs. Many people lead a very independent traditional lifestyle. The objective of the Alternative Housing Program is to assist households with unique housing problems to obtain modest, simply constructed shelter where existing housing programs do not meet their housing needs.

### Program Overview

Household incomes for many families across the NWT are very low due to the lack of conventional employment opportunities in smaller communities and the pursuit of traditional lifestyles. The need has been identified for housing units to be constructed which are affordable to operate and designed to be compatible with the resident's traditional lifestyle.

The NWT Housing Corporation recognizes that while its Homeownership and Public Housing Programs are popular, they do not solve unique housing problems experienced by some families. These problems include, but are not limited to:

many households lack the physical and financial capability to build their own home, even with **homeownership** assistance;

a number of communities in the western region of the **NWT** do not have public housing, therefore, this form of housing assistance is not an option for many households; or

where public housing is available, many households have difficulty adapting to living in public housing or refuse to participate in the program as it is perceived by many households as limiting their self reliance and independence.



The Alternative Housing Program is a practical, innovative and inexpensive approach in providing basic, modest shelter. The program was approved by Cabinet in early summer of 1992 and could only be offered in the Western Arctic in 1992/93, due to its late introduction, which missed sealift deadlines. The program is available in the East in 1993/94.

The Alternative Housing Program continues to be funded by the NWT Housing Corporation unilaterally.

### **Levels of Service**

The assistance the household receives from the Corporation comes in the form of a forgivable grant. The grant is used to construct a basic one or two bedroom house, normally without conventional heating, plumbing and sanitation systems. To keep utility costs to operate the unit to a minimum, the unit generally has neither pressurized water systems nor forced air furnaces. Instead, water tanks, basic sewage systems and wood stoves or oil-fired space heaters are installed in the unit. Applications may be made through any Corporation District or Sub-office\

## HOMEOWNERSHIP PROGRAMS \*

### Program Objective

To expand the NWT Housing Corporation's portfolio of Homeownership Programs, to provide assistance to a broader range of households in the NWT.

**\* Note: These programs were formerly called "Access to HomeOwnership Programs"**

### Program Overview

In 1992, the NWT Housing Corporation introduced a new Lease to Purchase and an Owner-Build Program to replace the **Homeownership** Assistance Program (HAP) and to be able to serve a broader range of residents who want homeownership.

The Lease to Purchase **Program** will allow clients who are unable to provide labour to build the unit to become homeowners by leasing the unit for a minimum of two (2) years, then purchasing the unit and repaying the cost according to their income. This option will be especially beneficial for seniors, the physically handicapped and lower income clients.

An expanded Owner-Build Program will provide increased flexibility to clients who wish to participate in the building of the unit.

Both programs introduce the concept of repayment based on a repayment scale related to the client's ability to pay. The scale will set basic payments between 25% to 30% of income so that clients with lower incomes will have very low payments (\$32/month) while those clients with the ability to pay the full costs of construction and O&M will be required to pay the full costs of the unit.

The introduction of repayment geared to income provides assistance which is related to need. It is more cost effective and eliminates the harsh cut-off of higher income households that was a problem with HAP. It is also consistent with the Corporation's objective of providing assistance in accordance with need.

To support clients in lower income brackets, the Corporation will introduce a Maintenance Subsidy Program for the Lease to Purchase and Owner-Build Programs. This will ensure required maintenance is performed without creating a financial problem for the client.

As well, all clients in the Lease to Purchase and Owner-Build Programs will receive maintenance inspections during the repayment period to assist them in identifying problems and undertaking adequate maintenance.

For the delivery of this program in 1993/94, all units will be 100% unilaterally funded by the NWT Housing Corporation and all units will be unilaterally funded in future years.

### Levels of Service

#### 1) Lease to Purchase Program

The client leases a new house for a minimum of **two** (2) years and then can purchase the house. The assistance the client receives comes in the form of a loan. The loan is used by the client to purchase a house from the NWT Housing Corporation. Loan repayment is based on a graduated repayment scale according to income over a fifteen (15) year period. The actual lease/loan payment plus interest is subsidized by the NWT Housing Corporation to a level where payments plus operating and maintenance costs do not exceed 30% of the client's household income. Application can be made through all Corporation District and Sub-offices.

#### 2) Owner-Build Program

The assistance the client receives comes in the form of a loan. The loan is used by the client to purchase a house from the NWT Housing Corporation. The client is required to contribute a minimum of 20 % of the sweat equity required in the construction of their home. The client may choose which construction tasks they want to do and which ones they want done for them. Loan repayment is based on a graduated repayment scale according to income over a fifteen (15) year period. The actual loan payment plus interest is subsidized by the NWT Housing Corporation to a level where payments plus operating and maintenance costs do not exceed 30% of the client's household income. The amount of sweat equity

contributed by the client is applied as a credit to reduce the amount of loan repayment. Applications may be made through any Corporation District or Sub-office.

3) **Maintenance Subsidy Program**

The Corporation will provide **annual** maintenance reviews on all Lease to Purchase and Owner-Build units and will give clients a written inspection report. Clients will be counseled on what maintenance must be done and how to get it completed.

Clients will be required to do any maintenance tasks which, if neglected, will threaten the future life of the unit. Examples include: **levelling** of the unit, maintenance of the heating and mechanical systems and electrical repairs. Low income clients will receive a subsidy for maintenance in the form of a rebate which will cover regular maintenance items. The amount of the subsidy will be based on the client's income and will be determined during each regular income review process.

4) **Sale of Homeownership Material Packages**

The Corporation transports and expedites a complete Arctic Housing Package to the client's home community. A choice of house designs are available **from** the Corporation's Homeownership **Catalogue**. Clients participating in this program benefit from the Corporation's expertise in transporting and expediting materials to the North. The client must secure financing for the entire cost of the Homeownership Material Package plus **freight** and applicable tax prior to the Corporation ordering the material. Application can be made through any Corporation District or Sub-office.

5) **Interim Financing Program**

Interim financing up to **85%** of the principal amount of an approved first mortgage is available to homeowners/builders. Interest on the loan is set at 2% higher than the National Housing Act (NHA), Section 58 rate for a five year term mortgage at the time of approval. The client is required to secure the loan by assignment of 100% of the approved first mortgage to the Corporation. Applications may be made through all Corporation District and Sub-offices.

6) **Client Counseling**

Clients interested in any of the Corporation's programs, receive counseling on a range of topics. These include:

- . Matching their **particular** needs to the appropriate Corporation program
- . Assessing and determining a client's housing needs
- Assessing and determining affordability
- . Getting a mortgage and other financing
- . Choosing a **lot**
- Constructing a home
- . preparing a contract
- . Insuring a home
- . Operating & maintaining a home
- . **NWT Housing Corporation/CMHC Homeownership Programs**

## **HOME IMPROVEMENT PROGRAM**

### **Program Objective**

To assist private ownership households who own and occupy existing sub-standard housing, to repair, rehabilitate or improve (add to) their dwellings and bring them to a minimum level of health and safety.

### **Program Overview**

In an effort to support and enhance homeownership in the NWT, funding is made available to assist homeowners in upgrading or expanding their present accommodation.

It is also much cheaper to assist homeowners to repair or expand their homes than to provide assistance to build a new home.

The Home Improvement Program (**HIP**) provides assistance to homeowners in the form of a loan, which maybe partially or totally forgiven. The loan is to be used to make repairs to inadequate homes that will extend the **useful** life of the house for up to twenty (20) years. Priority is given to areas of health and safety, and repairs are made to Canadian Building Code Standards.

Overcrowded dwellings are also considered, whereby additional space can be added.

This program is 100% unilaterally funded by the NWT Housing Corporation.

### **Levels of Assistance**

The program is available to homeowners who are in need and who have lived in the NWT for five (5) years. The program provides assistance in the form of a loan and repayments are based upon income level and housing costs, as is the case in the Corporation's other Homeownership Programs. Applications may be made through any Corporation District or Sub-office.

## **SENIOR CITIZENS HOME REPAIR PROGRAM**

### **Program Objective**

To provide assistance to Senior Citizens who live in their own homes, to perform repairs and to make improvements so that they can continue to live in their homes and are not forced to move into public housing.

### **Program Overview**

**The Senior Citizens Home Repair Program** will provide financial assistance to approved applicants (Senior Citizens) who own their own homes in any community in the NWT, for performing repairs and improvements.

Approved applicants receive assistance in the form of only one grant per household, not exceeding \$7,500., for the purchase of materials and **labour**. Freight costs are paid by the Corporation over and above the \$7,500. grant.

Approved applicants must possess title or proof of ownership, must be sixty (60) year of age or older and must have resided in the **NWT** for at least five (5) years.

Allocation of the budget to Districts is based on the number of applicants. Applicants are approved on a "greatest need" basis.

This program is 100% unilaterally funded by the NWT Housing Corporation.

### **Levels of Service**

The contribution is made by way of a grant up to a maximum of \$7,500. The program is available to homeowners sixty (60) years of age or older who have resided in the **NWT** for at least five (5) years. Applications can be made through any Corporation District or Sub-office.

## **DIRECT LENDING PROGRAM**

### **Program Objective**

To assist clients to obtain financing when they have difficulty in accessing or are unable to obtain financing from the private lending sector due to land tenure.

### **Program Overview**

The Direct Lending Program enables clients to obtain mortgage loans through the NWT Housing Corporation, in certain situations, if private lender financing is not available.

To be eligible for assistance, clients must have sufficient income to repay the loan but must be unable to obtain financing from a bank or Canada Mortgage and Housing Corporation because the client does not have adequate land title to obtain a loan.

Clients who can not obtain financing due to poor credit ratings or lack of a downpayment are not eligible for Direct Lending.

Loans will be made at market interest rates and will require a minimum of 5 % downpayment.

The Corporation may make a mortgage loan to assist:

in the construction of a new single detached or semi-detached house where the client intends to own and occupy the property; or

in the purchase and/or improvement and/or refinancing of existing single family dwellings or one unit of semi-detached for occupancy by the applicant.

The homeowners are responsible for all operating and maintenance costs during and after construction.

In addition, clients who are having difficulty obtaining bank financing because of the remote location of their community, may also receive assistance from Housing Corporation staff to understand mortgage loans and to act as a liaison between the client and the bank.



## HOMEOWNERS FORGIVABLE LOAN ABOVE CNIT

### Program Objectives

To provide Homeownership Forgivable Loans for the purpose of assisting homeowners who build their first home and households who build a home to replace one which is inadequate and beyond economic repair.

### Program Overview

In 1992, the Corporation introduced this new **Homeownership** Forgivable Loan to try to assist more Northwest Territories (NWT) residents to become homeowners. This loan enables clients to lower their mortgage amount and monthly payments or assist them with other housing expenses such as utilities and property taxes.

Loans range from \$500.00-\$20,000.00 based on the person's income and the community in which they reside.

Loans are only available to applicants who are building a house with a construction cost under the Maximum Unit Price which is established by the NWT Housing Corporation and reflects the cost of a modest home in the community.

Applicants may have an approved mortgage from a bank or from the Corporation through the Direct Lending Program. Clients may be conditionally approved pending mortgage approval. The loan will be paid to clients building their own unit at the time of the first mortgage advance.

Loans will be available to eligible applicants each year to the level of the program budget for that year. If there are more applicants than available funding, unapproved eligible applicants will be served during the next budget year.

The program is available in all Northwest Territories communities except for the four "market communities" of **Yellowknife**, Hay River, Fort Smith and **Inuvik**.

Clients who receive assistance under the Lease to Purchase, Owner-Build, and Alternative Housing Programs are not eligible for a loan under this program.

The program is 100% unilaterally funded by the **NWT** Housing Corporation.