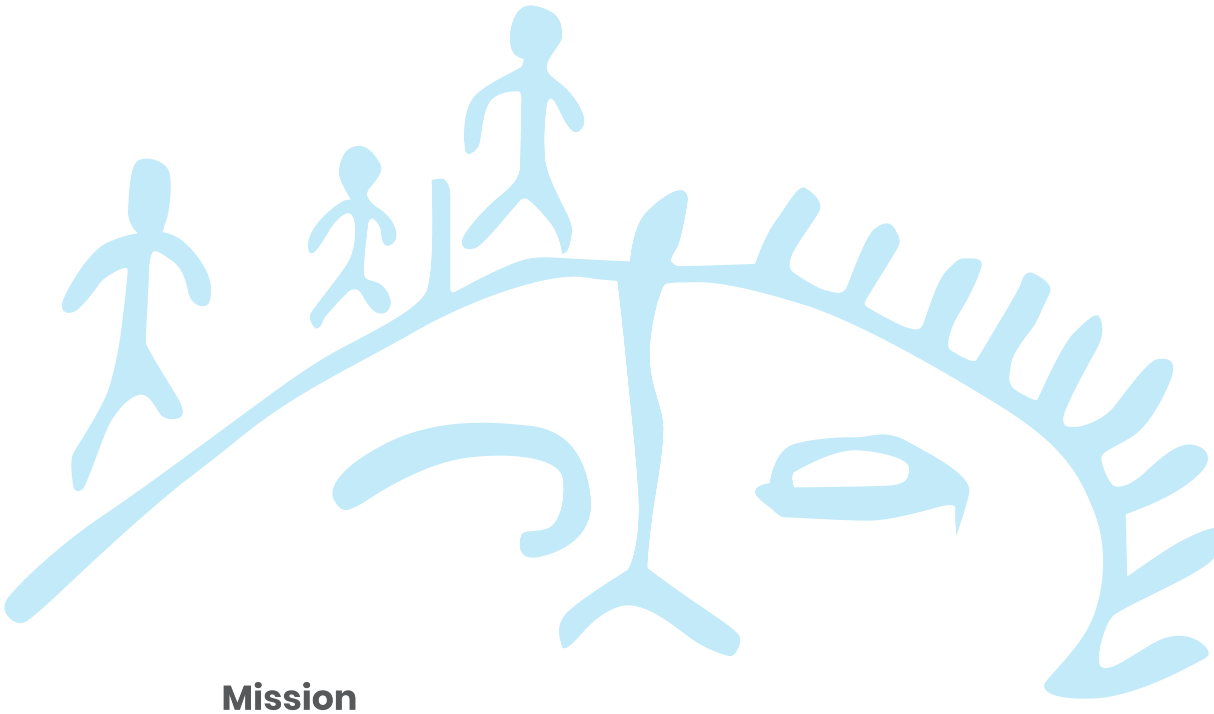
Housing
Resources Service
Serving Nlaka'pamux, Secwépemc and Upper Nicola Territories

Summary Business Plan For Housing Resources Service

November 2021



Mission

The Housing Resources Service Steering Committee is committed to providing strategic direction and oversight to the development and delivery of an effective HRS model that supports Communities with a range of services along the housing continuum. The Communities within the HRS service area are those among the Secwépemc, Nlaka'pamux and Upper Nicola Nations.

Vision

The HRS remains relevant and accessible to the Communities of the Nations. The Communities can access the suite of services as they determine to achieve their respective goals for providing safe, healthy and affordable housing choices to their members.

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Executive Summary

First Nations share the same vision, which is for them to have:

- Quality & affordable Housing;
- Healthy communities;
- Increased independence.

Volumes of National and Provincial reports ranging from senate committees to community engagements consistently reiterate the need for on-reserve housing managers to have easy access to relevant resources and services: tools and partnerships that fuel the implementation of their respective community housing visions.

ANTCO's extensive meetings with communities and housing managers has informed the development and early implementation of a framework for an on-reserve housing support organization that addresses the specific capacity building challenges of southern interior First Nations. This broad-based housing support model is called the Housing Resources Service (HRS). The HRS will embody the best of what it means to collaborate through: synergies, economies of scale, cooperation, networking and sharing. The goal is to . . . "do with, not do for" . . . and, to be courageous in finding creative solutions.

The service area for the HRS is comprised of 33 First Nations within the southern interior of British Columbia. (See Appendix B: HRS Service Area Map)

Taking shape, the HRS is an organization that is:

- Membership driven;
- Comprised of a Steering Committee of member nation representatives to provide guidance;
- Striving for financial sustainability – thereby reducing dependency;
- Committed to providing access to services for all communities regardless of size, remoteness or financial strength;
- Free of political influence;
- Flexible, adjusting the mix of services to match the expressed needs of members;
- A channel for sharing, our foundational value.

The recent launch of the HRS website is a result of engagement with First Nations and the HRS Steering Committee **(housingresources.ca)**

Guiding Principles identified for the HRS are:

1. Respect the jurisdiction of the tribal groups;
2. Ensure funding for HRS does not affect funding for First Nations' housing;
3. Client-centered service delivery;
4. Transportable model for other regions of BC and Canada;
5. Collaboration with partners relevant to the Nations of the HRS service area.

HRS services fall broadly into two streams:

1. Support services, access to resource material and best practices and technical support with;
2. Support for communities to access funding and/or financing.

Within each category there are a number of specific products and advisory services which will be continually updated and adjusted based on the needs of the member communities.

Our financial model is based on the assumption that during the pilot period of 2-5 years, there will be annual reporting to measure results, confirm value and achieve operational excellence; all supporting the common vision to "reduce dependency."

Financial risk is mitigated by having low startup costs and mostly variable costs from Year 2 onward, and use of third party contractors to ensure cost controls, accountability and optimize flexibility.

Our financial projections do not specifically quantify community savings or economic multiplier effects, or measure the return on investment for ISC, however both direct and indirect socio-economic benefits will certainly manifest substantially through improved housing, such as:

- Rent collection regimes that reduce debt burdens on councils (and communities)
- Improved condition of housing assets;
- Reduced homelessness;
- Improved comfort for families and children that directly improves health and education of individuals;
- Incentives and know-how for aggregating housing projects that allow cost efficiencies, quality controls, skills development/employment and contracting for First Nations;
- Creation of alternatives to dependency on social housing.

Federal and Provincial governments, ISC, the HRS and First Nations want the same things: quality housing, affordable housing, healthy communities and less dependency on government. The HRS is a model aligned with these common interests.

SECTION 1:

Introduction and Background

1.1 Introduction

All Nations Trust Company (ANTCO) has been involved with First Nations on-reserve housing for decades, largely through direct mortgage lending and administration of CMHC's on-reserve portfolio. Former ANTCO CEO Ruth Williams likewise has a history of working towards improving on-reserve and off-reserve housing conditions that dates back 30 years. Along with researchers, bureaucrats, housing managers and First Nations leaders, Ruth has noticed some things. Two stand out. One is that the terms most often used to characterize on-reserve housing are almost universally negative: underfunded to support housing management, overcrowded, financially unsustainable and unhealthy. Secondly, the issues that plague on-reserve housing are essentially chronic, remarkably similar across Canada, and stubbornly resistant to solutions.

In 2017 ANTCO began to explore the concept of a First Nations Housing Resources Service (HRS) organization, a place where members will be able to access a broad range of resources and skills for just about anything related to on-reserve housing. This HRS will be a compendium of models and best practices found elsewhere, but tailored to meet the specific needs of the First Nations who choose to become members. In addition to providing specific services, the HRS will embody the best of what it means to collaborate: synergies, economies of scale, cooperation, networking and sharing.

Guiding the work of the HRS will be five principles:

1. Respect for tribal jurisdictions;
2. Not seeking reaccepting funding if it may result in less funding for any of its member First Nations;
3. Uncompromisingly client-centered. Programs and term of access to resources must fit each community's need; communities should not have to adjust their plans to fit rigid program criteria;

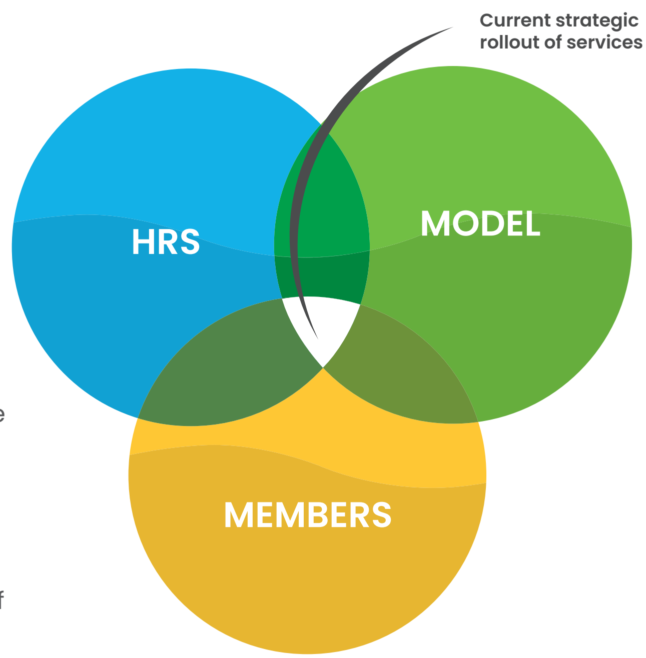
4. Top of mind in developing and providing this model is the ability to transfer the model to other communities and regions across Canada;
5. Collaboration with partners relevant to the Nations of the HRS service area. Collaboration leverages the power of sharing, creates synergies and multiplies results.

Representatives from six First Nation communities and one Tribal Council comprise an informal steering committee, meeting nearly monthly to exchange ideas, participate in planning and maintain momentum.

1.2 Scope of Work

This Business Plan document sets out the optimal structure of a First Nations Housing Resources Service (HRS). The Plan describes the proposed model, identifies membership in the HRS (current and expected), articulates a strategic rollout of services, and estimates total costs.

A separate initiative to address the financial challenges associated with community housing (Access to Financing) is underway concurrent with development of the HRS, but is outside the scope of this Plan.



1.3 On-Reserve Housing in Canada

On-reserve housing issues in British Columbia and Canada have been well chronicled over the years; we make the assumption that there is consensus that the current regime is not working well. However, just to "set the table", we offer a few statistics for British Columbia:

- Half of all houses on reserve (nationwide) are in need of major repair.
- One-third (203) of all reserves in Canada are in British Columbia.
- A 2017 study conducted by ISC noted that BC and Manitoba consistently rank among the lowest in terms of percentage of on-reserve homes deemed to be adequate. The numbers for BC actually worsened in the 2005-2014 period. (Evaluation of On-Reserve Housing, January 2017).

- In British Columbia a number of First Nations are dealing with the damage and what will turn out to be the long term legacy of recent wildfires and floods: major loss of homes, grazing lands and merchantable timber, and lengthy delays in "building back better" due to land tenure issues (Band-owed homes or individual-owned homes on CP lands).

The HRS and its stakeholders are in pursuit of the same goals: an adequate and well managed supply of quality housing in every reserve community, affordable to most through either tenancy or ownership programs.

1.4 Building Healthy Communities

Literature reviews, case studies, program delivery reporting and external analyses are consistent in identifying four elements across a range of locations, demographics and socio-economic conditions that are common to effective housing programs.

These are: governance, capacity, engagement and affordability.

GOVERNANCE: Structures and processes that are appropriate for the current and forecast housing stock, and which remain stable and consistent over time. These structures include policies, procedures and by-laws.

CAPACITY: The ability of administrations to: effectively deliver services that address community needs including repair and maintenance, renovations, new construction and ownership/rental regimes; manage the current rental regime including chronic arrears; develop housing forecasts that reflect community needs and plans; access capital that aligns with community housing forecasts; and undertake effective land management.

ENGAGEMENT: The endorsement by citizens of plans and policies designed to address housing issues, and the empowerment of citizens (membership) and their leadership to realize their path to self-determination.

AFFORDABILITY: Housing that meets demographic needs and creates financially viable assets. Access to funding and financing for infrastructure development; establishing an adequate pool of capital to meet the equity/mortgage requirements of traditional lenders.

1.5 The Federal Government's On-Reserve Housing Strategy

Broadly speaking, the federal government has expressed a commitment to transfer control of community infrastructure, including housing, to Aboriginal communities. Government is also pledging a "distinctions based" approach, in which the handoff of control is customized based upon whether a community is First Nation, Inuit or Métis, and then customized further based upon the circumstances and needs of the specific community.

We should add to this that transferring control can be done at a tribal level recognizing the jurisdictional rights of First Nations.

Government is also pledging substantive investment in critical community infrastructure such as housing, and recognizes that bona fide control must also include new investment that supports operation and maintenance of the infrastructure. This approach is part of the federal government's expressed desire to forge new fiscal and economic relationships with Aboriginal people.

The HRS can serve as a platform for a distinct grouping of First Nations to share knowledge and leverage resources, leading to reduced dependency and assuming greater control over their housing.

SECTION 2:

The Need For A Housing Resources Service

2.1 Working Together to Solve Common Challenges

It makes little sense for First Nation communities to pursue excellence in housing individually when there are so many shared challenges and so much common ground to be tilled.

Community housing managers express a wide range of challenges, converging to a number of common issues:

- The burden of administration and demands from regulators and governing bodies, often leading to burnout;
- A divide between housing administration and governance (Council);
- Inconsistent communication between Band members, administration and council;
- Lack of effective policies and templates; continuous reinventing;
- Lack of "how-to" and reference guides that can support new employees;
- Lack of time and capacity to plan and to apply for funding;
- Timely access to asset management and project oversight support;
- Inefficient housing management administration systems, including technology;
- Economic leakage: dollars and human resources leaving the community;
- A desire to partner with First Nations Health Authority to meet the needs of the elderly, most of whom would prefer to "age in place";
- Access by the First Nation to financial capital on affordable and sustainable terms, for the purpose of financing home purchases, construction and major renovations.

SECTION 3:

The Organizational Model

3.1 Membership

- Current steering committee membership is comprised of representatives from six southern interior First Nations and a tribal council. See Appendix A for details.
- Total potential membership from the service area is 33 First Nation communities. See Appendix A for a full list.
- The final model at the end of the pilot period may be transportable and scaleable for other tribal groups in BC and across Canada.

3.2 Organization and Operations

All Nations Trust Company (ANTCO) will manage the HRS through a comprehensive contribution agreement with Indigeneous Services Canada that provides multi-year funding and articulates roles and responsibilities, fiduciary duties, liabilities and reporting. Collectively these 33 First Nations own 54% of ANTCO's common shares. In addition, there are 93 individual shareholders in the HRS service area who are members of the service area communities. ANTCO and the First Nations within the HRS service area have been partners in successes for many years and we expect the work of the HRS to strengthen this common bond. There is strong and substantive ownership of ANTCO within the HRS service area; and strong support of the HRS steering committee by these same shareholders.

- Services, governance and strategy will be driven by membership.
- HRS will not duplicate services that are available from other organizations. Rather, HRS will collaborate with other agencies in an effort to facilitate access to all services.

- HRS will conduct an operation which is decentralized, makes strong use of technology and uses third party contractors in order to stay flexible and control costs.
- A contracted general manager will oversee operations and manage contracted resources.
- ANTCO has the capacity, track record and legal structure to provide trust services for approved community projects, providing detailed construction costing and internal controls for fund investment, management and disbursements.

The HRS model is nimble and flexible, and able to move at the pace established by the communities.

SECTION 4:

The Services Model

4.1 Overview: The Services in Brief

A key pillar of the HRS plan for reducing financial dependence on ISC is to provide quality services to members at competitive rates. A roster of qualified and vetted contractors will be centrally managed by the HRS.

Based on inputs from the First Nations' housing representatives and continual guidance of the Steering Committee the HRS will offer a comprehensive suite of resource material and services. This collaboration to date has led to the recent pilot launch of the HRS website (housingresources.ca).

This will permit each community to establish a set of desired outcomes, based on their community housing needs and adopted strategy, and then select the services that provide the path to achieving those outcomes. Outcomes will also vary for each community depending on their current conditions (starting point), needs and objectives.

Resources and services will be available to members through online formats and in-person when possible.

HRS services fall broadly into two streams: 1) Support services and technical support; and 2) Access to funding and to financing. Each stream then divides into two sub-streams for a total of four categories of support services:

1. A(a) Housing Support Services
2. A(b) Access to Technical Support
3. B(a) Tools to Support Home Ownership
4. B(b) Rental and/or Social Housing

Within each category there are a number of specific resource materials and advisory services which will be rolled out over a two-year period. The order was established based upon a consideration of:

- The greatest impact in relation to the cost of delivery (i.e. cost/benefit).
- The greatest take-up, i.e. strong demand.
- Prerequisites for other services, e.g. home ownership policy must be developed before home ownership financing support can be offered.

Below is an overview of the suite of services available through the HRS:

A. Support Resources, Service & Access to Technical Support

a. Housing Support Services

i. Advisory Services

ii. Online Resource Library and best practices

iii. Housing Policy Templates

iv. Professional Development (Webinars, Courses)

v. Leveraging Purchasing Power (Year 2)

vi. Housing Software (Year 2)

b. Access to Technical Support

i. Project Management

ii. Property Management

iii. Roster of Resources to support Housing Management

iv. Training for Housing Managers (Year 2)

v. Home Occupant Training (Year 2)

vi. Risk Management and Insurance (Year 2)

B. Support for Access to Funding and Financing

a. Tools to Support Home Ownership

i. Support Governance of Housing Projects including policy templates & documents.

ii. Advisory Services to First Nations in Development of Policies and agreements for rentals, options to purchase or other forms of housing tenancy and ownership. (Year 2)

b. Rental and/or Social Housing

i. Provide up-to-date information on funding programs for housing, and guide applicants through the planning & application process.

ii. Provide one-on-one project specific support; leverage resources with multiple First Nations to bundle projects for efficiency. (Year 2)

SECTION 5:

The Financial Model

5.1 Introduction

ANTCO proposes a two-to-five year pilot period for the Housing Resources Service organization. The pilot period will establish proof of the concept, optimize operations, build networks and partnerships, and develop revenue streams. Like all startup organizations, expenses will initially run ahead of revenues and the HRS will require funding support through a contribution agreement with ISC.

HRS will develop a roster of resources that is able to meet the housing needs of all communities. In this way HRS will support capacity building for communities to manage their housing stock, physically and financially.

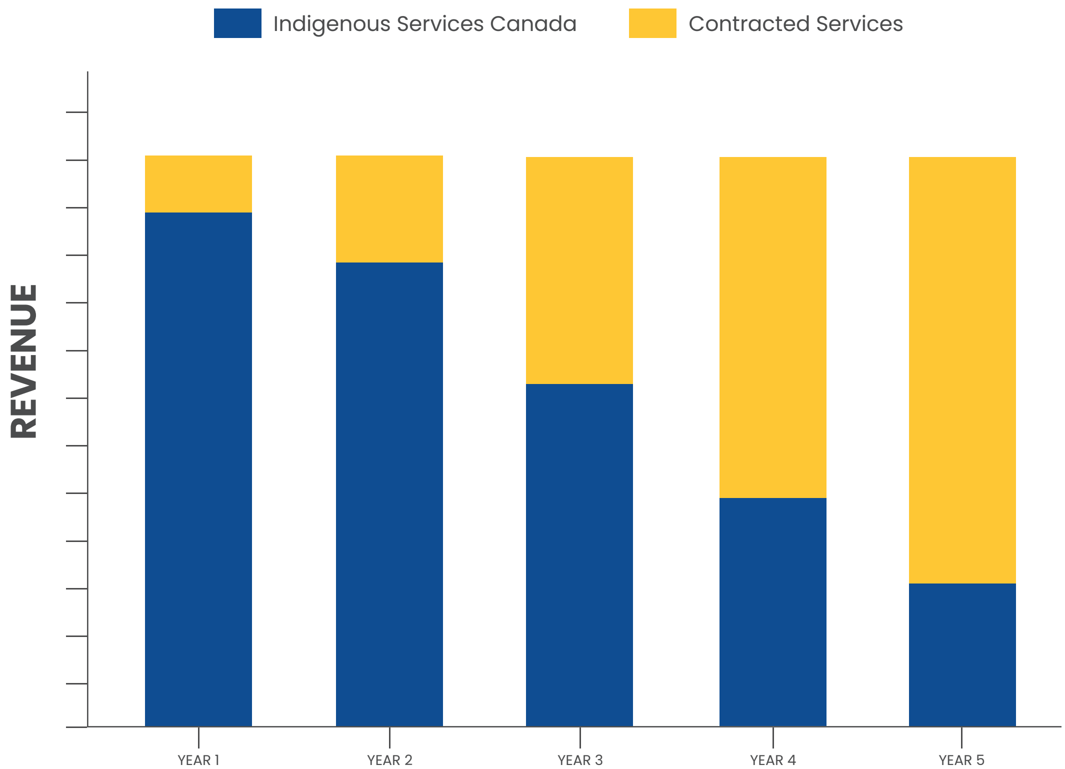
As the HRS evolves the expectation is that many communities will purchase services directly from or through HRS. Potential revenue sources include project management, construction management, contract management and delivering contracted services on behalf of third parties such as ISC, CMHC or the First Nations Market Housing Fund.

Although there will be indisputable savings and benefits to First Nations with improved housing operations, returns on program funding investments will also be realized. At this time it is not possible to accurately quantify these savings and revenues however the multiplier effects can be considered for future measures of progress.

5.2 Assumptions

- Financial dependency on ISC will reduce during the pilot period.
- An administrative agreement with ANTCO will cover contract management, accounting, bookkeeping, banking, meeting space, video/teleconference facilities, photocopying and mail service, and a contract manager. Estimated at $7,000/mo.

- Professional services including technical support or legal review services as needed to ensure quality service and products.
- Annual meeting cost based on actual costs incurred by HRS.



5.3 Startup Costs

Many substantive costs with regard to planning, strategy and website development have already been incurred, and capital costs will be minimal due to the decentralized nature of operations.

SECTION 6:

Outcomes

The HRS will focus on substantive results on a consistent basis, providing value for its members and opening opportunities to generate revenues sufficient to offset the cost of operations and service delivery.

6.1 Short Term (1–2 years)

- Improved planning competencies, resulting in efficient deployment of resources and financial savings.
- Proactive approach to housing inspections and repair/maintenance programs.
- Policy development will assist housing staff in the performance of their duties, leading to reduced stress, greater job satisfaction and less employee turnover (leading to more seasoned, competent staff and financial savings from reduced hiring and training costs).
- Instant access to online resources creates work efficiencies by putting knowledge into the hands of the right people, and aids in professional development.
- Improved ability to manage capital projects and related cash flows.

6.2 Medium Term (2–4 years)

- Improved data collection and reporting, which will enable accurate tracking of key metrics, quicker response to issues and timely reporting to management, council and funding agencies.
- Greater consistency in new construction quality and improved housing conditions through timely repairs and proactive maintenance schedules.
- Gradual reduction in housing wait lists.

- Community housing and infrastructure plans that reflect community needs and goals. Nations will no longer feel they have to reshape their plans to fit funding program goals and criteria.

6.3 Longer Term (5 years)

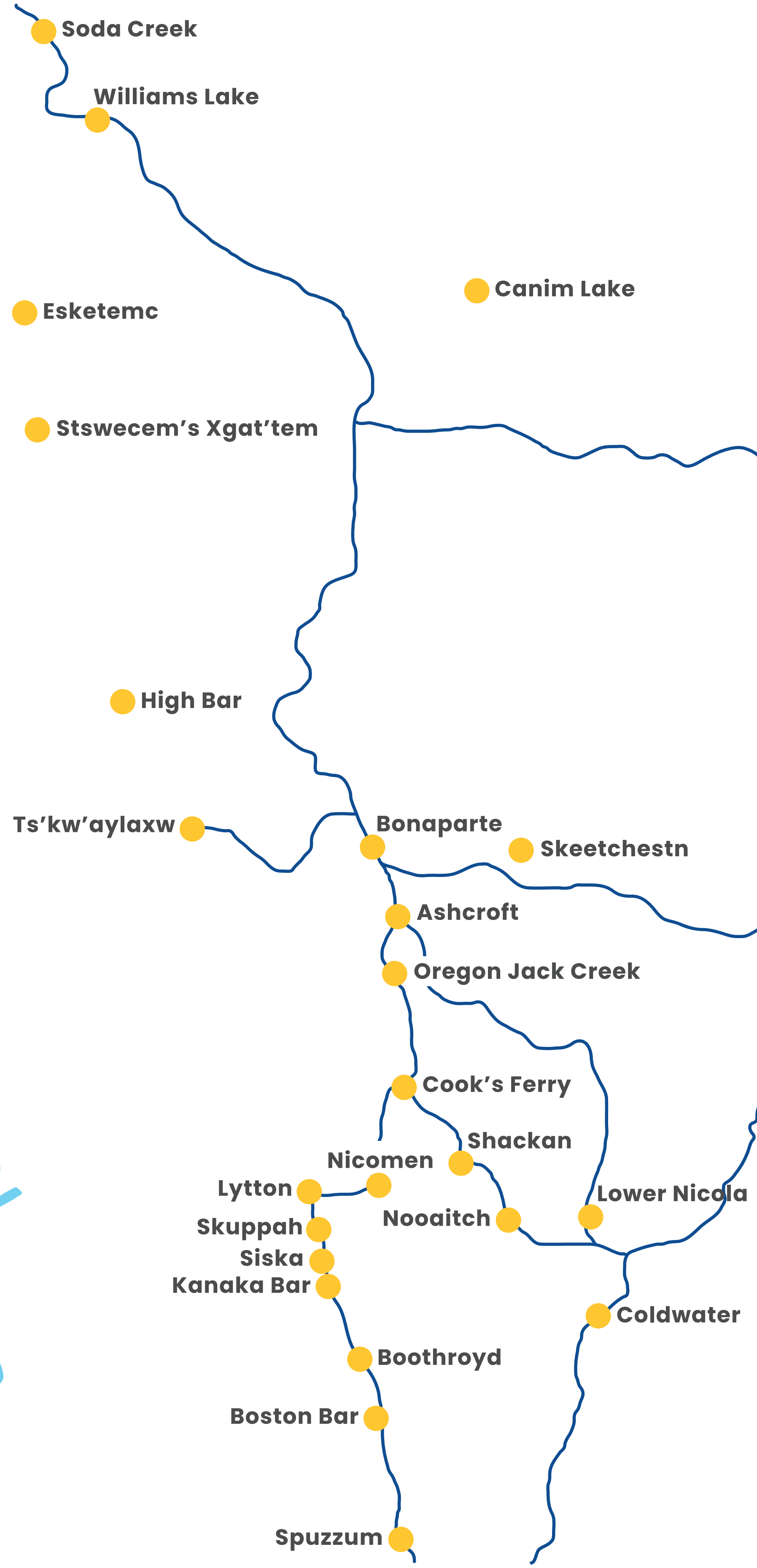
- Housing departments in member Nations become high-performing professional property managers.
- Easing of on-reserve housing shortages.
- Healthier communities by eliminating overcrowding and enabling healthy home environments.
- The housing stock becomes a profit center or at least break-even for more communities.

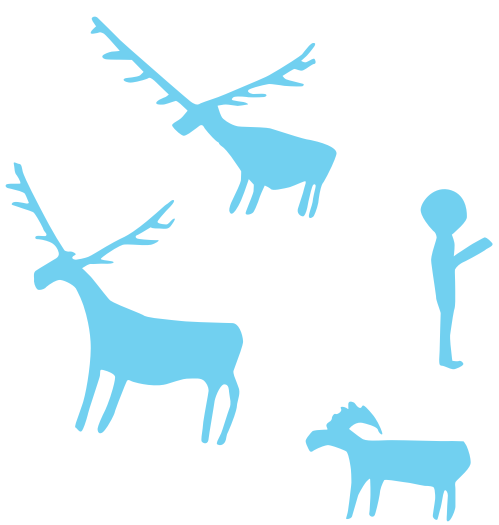
Appendix A: Communities within the HRS service area.

The following communities fall within the service area of the Housing Resources Service. They are all Nlaka'pamux, Secwépemc or Upper Nicola communities.

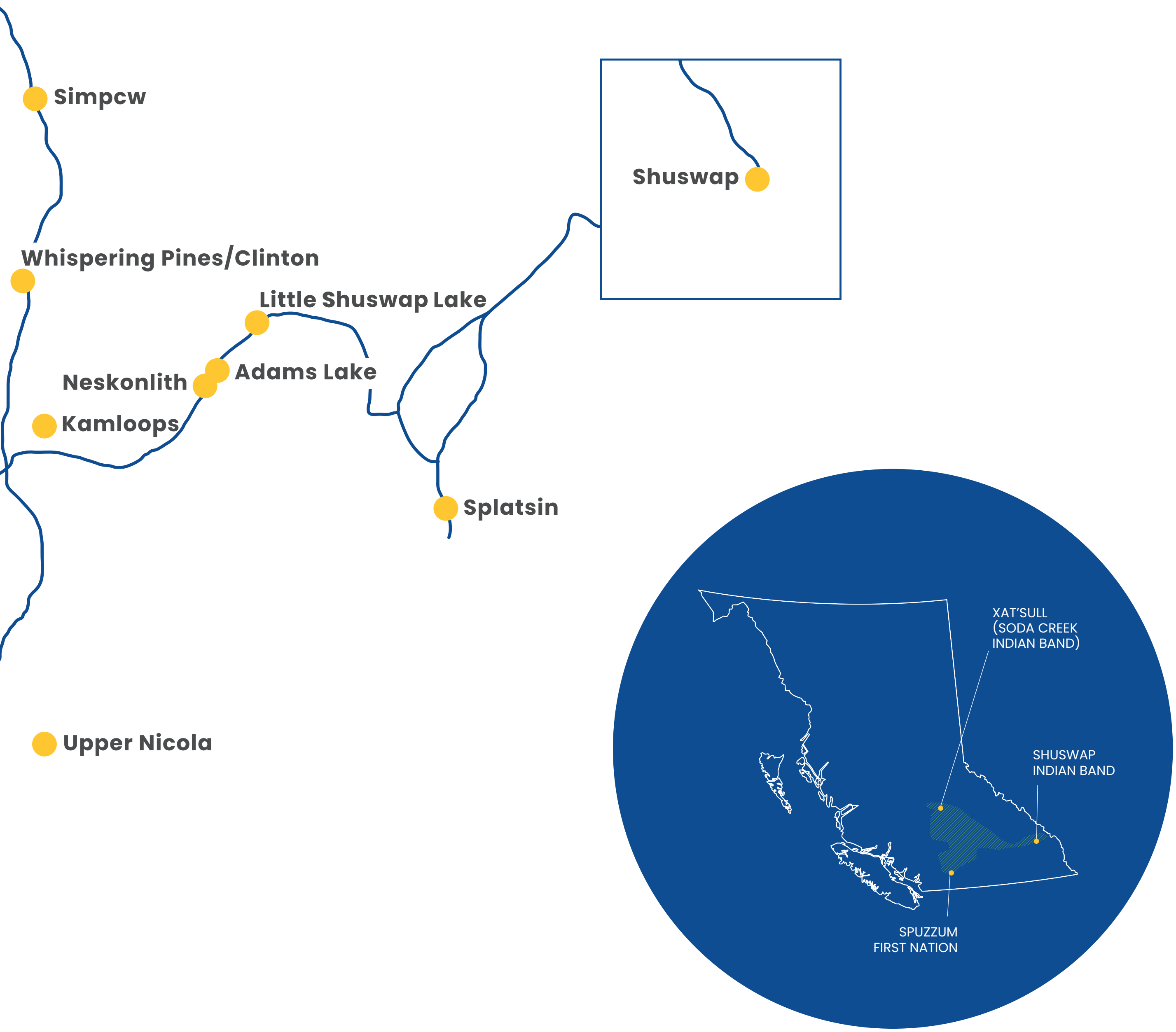
1.	Adams Lake Indian Band	18.	Shackan Indian Band*
2.	Ashcroft Indian Band	19.	Shuswap Indian Band
3.	Bonaparte Indian Band	20.	Simpcw First Nation*
4.	Boothroyd Indian Band	21.	Siska Indian Band
5.	Boston Bar First Nation	22.	Skeetchestn Indian Band
6.	C'eletkwmx (Coldwater Indian Band)*	23.	Skuppah Indian Band
7.	Cook's Ferry Indian Band	24.	Splatsin
8.	Esk'etemc	25.	Spuzzum First Nation
9.	High Bar First Nation	26.	Stswecem'c Xgat'tem First Nation (Canoe / Dog Creek)
10.	T'eqt''aqtn'mux (Kanaka Bar Indian Band)*	27.	T'exelc (Williams Lake First Nation)
11.	Little Shuswap Lake Band*	28.	Tk'emlúps te Secwépemc
12.	Lower Nicola Indian Band	29.	Ts'kw'aylaxw First Nation (Pavilion Indian Band)
13.	Tl'kemtsin (Lytton First Nation)	30.	Tsq'escenemc (Canim Lake Band)
14.	Neskonlith Indian Band*	31.	Upper Nicola Band
15.	Nicomen Indian Band	32.	Whispering Pines / Clinton Indian Band
16.	Nooaitch Indian Band	33.	Xatśūll First Nation (Soda Creek)
17.	Oregon Jack Creek Band		

*Note: * denotes Steering Committee member.*


Soda Creek
Williams Lake
Canim Lake
Esketemc
Stswecem's Xgat'tem
High Bar
Ts'kw'aylaxw
Bonaparte
Skeetchestn
Ashcroft
Oregon Jack Creek
Cook's Ferry
Shackan
Nicomen
Lytton
Nooaitch
Lower Nicola
Skuppah
Siska
Kanaka Bar
Coldwater
Boothroyd
Boston Bar
Spuzzum



Appendix B: HRS Service Area Map



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