



SERPENT RIVER FIRST NATION

Strategic Plan for Housing 2022

Sustainable Housing Strategy

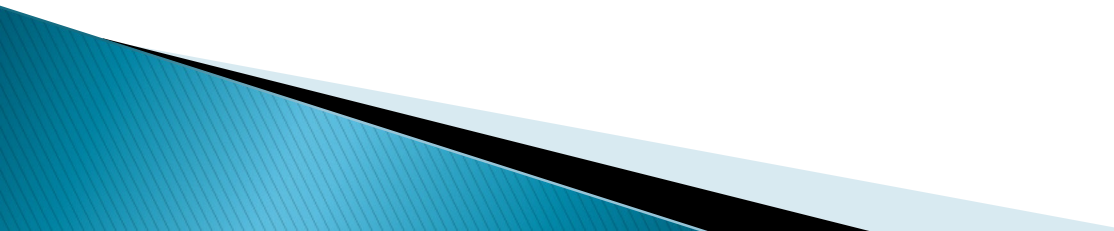
Sustainable Housing by definition means a housing program with lower life-cycle costs, better reliability, less maintenance, and sufficient revenues to cover operating cost – no need for other Serpent River funds or band contribution.

This will require:

1. A Rental regime with little or no arrears
2. Decrease dependence of members on Serpent River to provide maintenance & renovations –shift more responsibility to members

Implementing a Sustainable Housing Strategy

Serpent River will develop a three-stage approach:

1. Consult, inform and educate the message of the cost of housing and promote sustainable housing. - Community engagement, and information sessions;
 2. Implement and enforce sustainable housing approach (housing policy); and
 3. Continue to monitor stage 2 and make adjustments.
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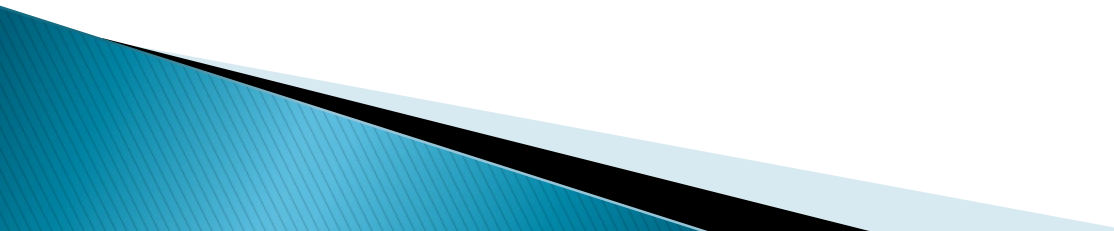
Setting Goals and Targets

1. Arrears Management / Rental Regime
 2. Repairs & Maintenance
 3. Renovations
 4. New Housing
 5. Quality Control
 6. Communication and Tenant Relations
 7. Capacity Development
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Arrears Strategy

- ▶ *GOAL: Reduce historical Arrears by 50% over the next five (5) years and develop a strategy to ensure arrears are dealt with immediately to prevent high balances in the future.*

Developing Rental Arrears Strategy

- ▶ The goal of an arrears strategy is to identify possible solutions in dealing with historical arrears that meet the following objectives:
 1. Fair to all tenants;
 2. Accountable and transparent in the process;
 3. Present viable options that are accepted by the community and workable for the members; and
 4. Ensure this builds a foundation for a sustainable housing program.
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Arrears Management

- 1) Adopt a new Housing Policy;
- 2) Make rental payments convenient as possible including Pre-authorized Chequing, ETransfer, set up easy payment with bank




Arrears Analysis
As at March 31, 2022

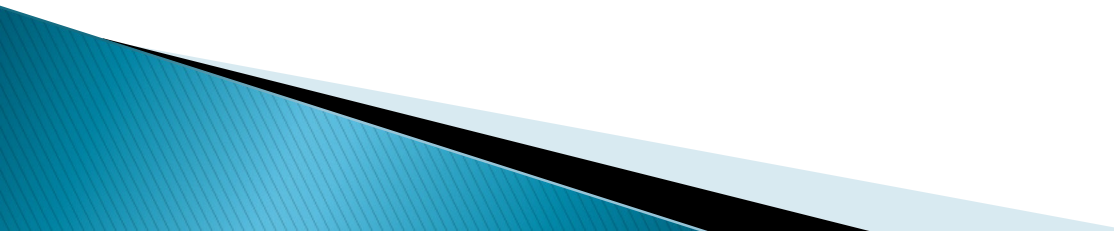
Total Arrears			\$ 914,760
		Accounts not in Arrears	18
		Accounts in Arrears	157
		Total Housing Accounts	175
		Percentage of Accounts in Arrears	90%
		Mortgage Amortized Still in Arrears	81
		Average Arrears Amount	\$5,826

	Arrears Breakdown	# of Accts	%
	Over \$50,000	1	0.64%
	\$25,000 to \$49,999	3	1.91%
	\$15,000 to \$24,999	7	4.46%
	\$10,000 to \$14,999	15	9.55%
	\$5,000 to \$9,999	24	15.29%
	Under \$4,999	107	68.15%
	Accounts in Arrears	157	
	Estimated Arrears Rate of Active Accts	26%	

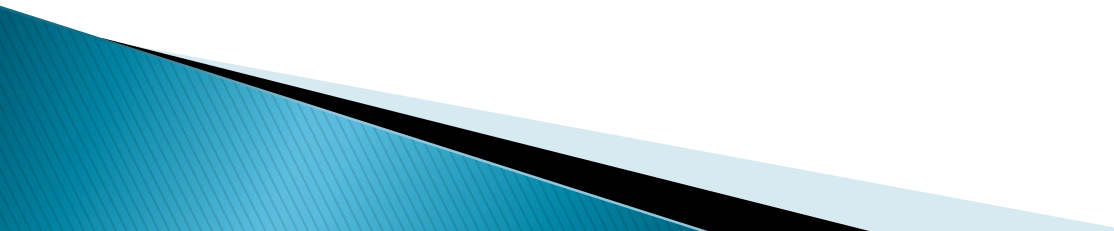
Some Possible Reason for Arrears

- Financial department is short staff – cannot enforce housing policy;
 - Manual system for tracking arrears – not timely;
 - Confusion about tenure of the home (who owns it);
 - Dissatisfied with the condition of the home;
 - Other financial priorities or social issues impact their ability to accept their housing responsibilities;
 - Inconsistent policy enforcement;
 - No financial planning, as housing does not receive a general ledger or do budgets; and
 - No idea what funds are coming in or whether the program is in deficit;
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Arrears Options

1. Require full payment of arrears – units remain rentals until arrears are paid
 2. Increase term of tenancy agreement to collect arrears over this extended term.
 3. Tenant obtains loan to pay arrears.
 4. Straight transfer of units to tenants regardless of arrears when mortgages are paid off.
 5. Straight transfer of units to tenants regardless of arrears and provide \$10,000 in renovations to tenants in good standing.
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Arrears Options

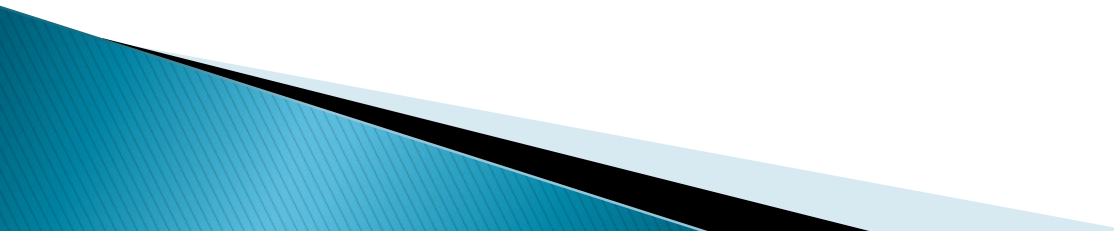
6. Compromise – negotiate sweat equity in homes (if tenants have made improvements) and deduct from arrears plus provide \$10,000 in renovations to tenants in good standing.
 7. Tenant pays 50% and SRFN forgives 50%.
 8. Obtain judgement in small claims court.
 9. Report arrears to collection agency.
 10. Negotiate a fixed amount for each account.
 11. Offer Discounts for lump sum payments.
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Rental Regime

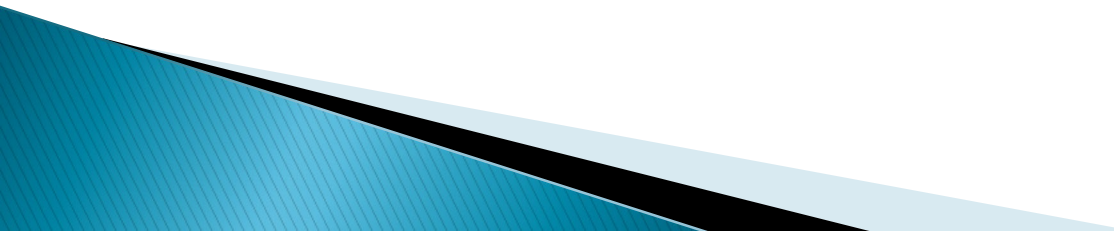
- ▶ *GOAL: Serpent River believes in early intervention in cases of non-payment of rent and assistance to the tenants to make full recovery.*

Rental Regime

Steps in building a rental regime:

- Review of the default management section of lease agreement with each tenant;
 - Personal budgeting workshop;
 - Enforcement of housing policy – early intervention;
 - Affordability analysis of tenants – during selection process; and
 - Tenant counselling should be provided to work with tenants struggling to pay rent or tenants with addictions
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Rental Regime

- Lease Agreements will be year to year so that a clause stating that anybody in arrears at the time of renewal will not be eligible to sign a new lease agreement and therefore subject to eviction. The exception to the clause would be members who sign a repayment agreement.
 - Implement new Housing Policy
 - Alternative governance structure for housing
 - Automate account receivable
 - Increase rents to keep up with inflation
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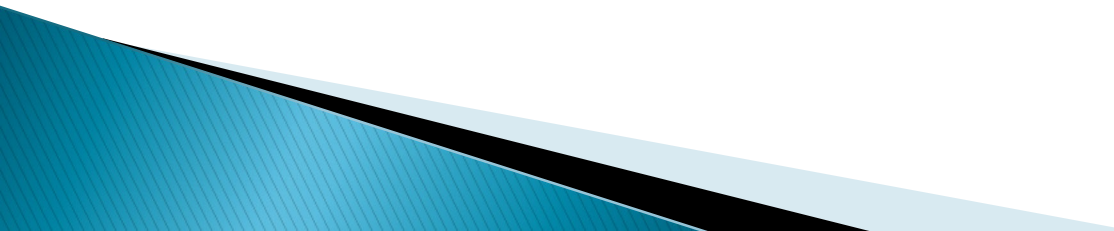
Repairs & Maintenance

- ▶ *Goal: Serpent River will adopt a strategy to extend the useful life of the existing and future housing stock so that band-owned residences will last over 40 years. SFN will provide and maintain the residence in a reasonable state of repair, suitable for occupation by a member. The member must take the necessary steps to repair damages to the housing unit caused by actions or neglect of the tenant on the housing unit.*

Repairs & Maintenance


- ▶ Review tenant responsibilities during signing of rental agreement
- ▶ Move-in inspection – provide mini maintenance workshop
- ▶ Enforce new Housing Policy
 - Tenant related damage
 - Annual inspection and development of maintenance plan

Repairs & Maintenance

1. Tendering supply and service contracts;
 2. Benefiting for economies of scale (i.e. tender out 5 roofs instead of 1);
 3. Standardization of fixtures/equipment/appliances;
 4. Doing preventive maintenance;
 5. Performing responsible postponement (temporary repairs to buy time – if you lack the funds); and
 6. Requiring tenants to do some basic maintenance.
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Band Rentals (non-CMHC)

Revenue Sources for Maintenance for Band Rentals

1. CMHC Residential Rehabilitation Assistance Program (RRAP)
 2. Indigenous Services Canada (ISC) Funding
 3. Rent
 4. Shelter Allowance
 5. CMHC Home Adaptations for seniors' Independence (HASI) –
 6. Own Source Revenue
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Renovations Private owned Homes

- ▶ *GOAL: In keeping in line with the Sustained Housing Approach, programs and services will be developed to encourage homeowners to renovate their own homes.*

Renovations Private owned Homes

In keeping in line with the Sustained Housing Approach, programs and services should be developed to encourage homeowners to renovate their own homes.

1. CMHC / ISC Programs
 2. Bank Lending Programs
 3. First Nations Market Housing Program
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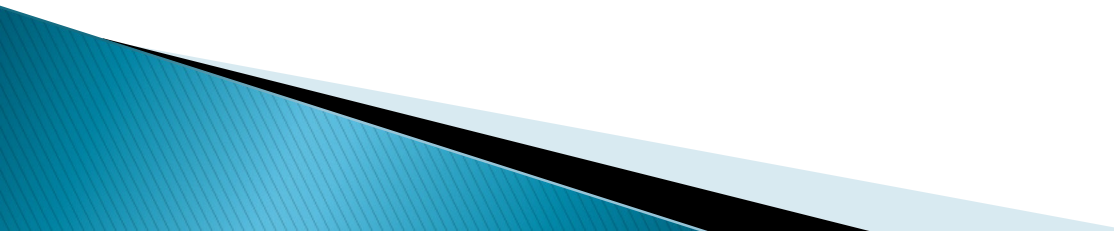
New Housing

Serpent River First Nation					
Housing Density					
			Housing		
		Current	Required	Surplus /	Waiting
	**Population	Housing	for 3.0	Deficit	List
2022	367	157	122	35	27
2023	371	157	124	33	27
2024	374	157	125	32	27
2025	378	157	126	31	27
2026	382	157	127	30	27
2027	386	157	129	28	27
2028	390	157	130	27	27
2029	393	157	131	26	27
2030	397	157	132	25	27
2031	401	157	134	23	27
2032	405	157	135	22	27
2033	409	157	136	21	27
* 1% population increase					
**First Nations Profile Stats Canada July 2022					

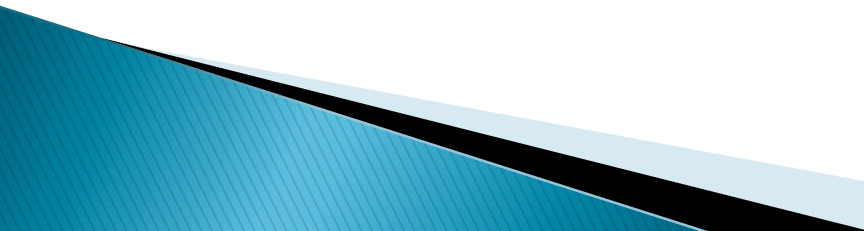
New Housing

- ▶ *Goal: In order to provide more housing options to members, Serpent River will develop new housing for rentals and programs to encourage homeownership. In keeping in line with the sustainable housing approach, a homeownership program will be developed for members who can afford to build their own homes.*

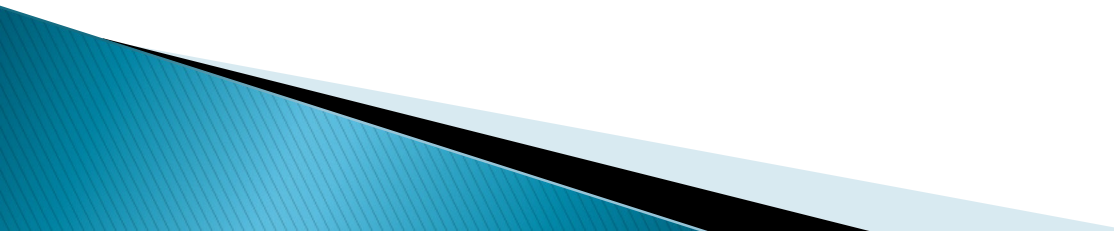
New Construction

1. Rental – CMHC Section 95
 2. Rent to Own (non-CMHC)
 3. First Nations Market Housing Program
 4. Bank Lending Program
 5. Section 10 Ministerial Guarantee Program
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New Construction

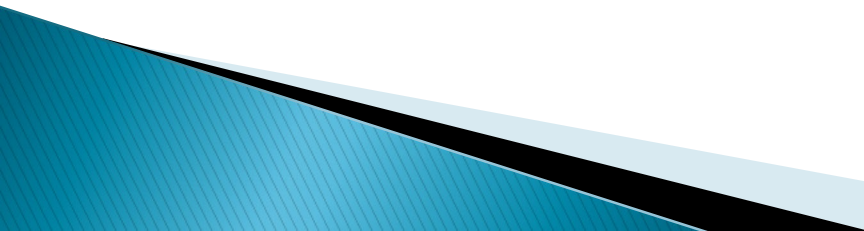
- ▶ CMHC Section 95 Program
 - ▶ Subsidy and low interest loan provided by CMHC
 - ▶ Subsidy up to 25 years – provides an option for affordable rent
 - ▶ Secured through Ministerial Guarantee
 - ▶ **Rehab existing Band rentals to address overcrowding**
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New Construction – Rent to Own

- ▶ Rent to Own program
 - ▶ Serpent River will need to contribute equity to keep rents low and affordable
 - ▶ Homeownership option for members who cannot qualify for a mortgage on their own.
 - ▶ Already included in existing housing policy
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Tiny Homes

Some First Nations and cities that are experiencing a crisis in housing are turning to Tiny Homes to address this situation.

1. Homes vary from 350 sq. ft to 500 sq. ft
 2. Address a current segment of the population that is not being served – singles and homeless.
 3. As much 3 or 4 units could possibly be located on a single lot with full service.
 4. The price of the homes would vary from \$50 K to \$90 K per unit making the rent very affordable.
 5. The rents could be as low as \$300 – depending on the financing used to build or buy these units.
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Tiny Homes

Tiny Homes Analysis					
Cost per unit	\$50,000				
Number of Units	4				
Total Financing Required	\$200,000				
25 Year Mortgage - 4%	\$1,056				
Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Rent \$350 Unit)	16,800	16,800	16,800	16,800	16,800
Expenditures					
Insurance (600 / unit)	2,400	2,400	2,400	2,400	2,400
Mortgage	12,672	12,672	12,672	12,672	12,672
Maintenance (300/unit)	1,200	1,200	1,200	1,200	1,200
Total Cost	16,272	16,272	16,272	16,272	16,272
Balance	528	528	528	528	528

Homeownership Programs

Serpent River will need to develop homeownership policies to include the following:

1. First Nations Market Housing Fund – Guarantee loans with Serpent River
2. Bank Lending Program – Serpent River set up credit facility with local Bank for members to access
3. Section 10 Ministerial Guarantee ISC

Quality Control

- ▶ *GOAL: In order to ensure quality control, Serpent River will need to develop some strategies to ensure homes are not only built to code, but to ensure workmanship and that only quality materials are used.*

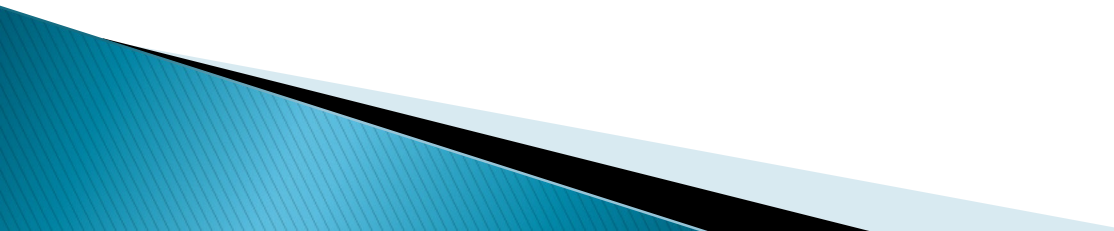
Quality Control

- ▶ Material List
 - ▶ Building By-Laws
 - ▶ Inspections
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Communication Strategy

- ▶ *GOAL: Develop a communications strategy to keep tenants/members informed of the housing programs available and their responsibilities.*

Communication Strategy

- ▶ Housing Newsletter / Social Media
 - ▶ Incentive Programs
 - ▶ Tenant Statements
 - ▶ Homeownership and Personal Finance Workshops
 - ▶ Tenant Handbook / Maintenance brochure
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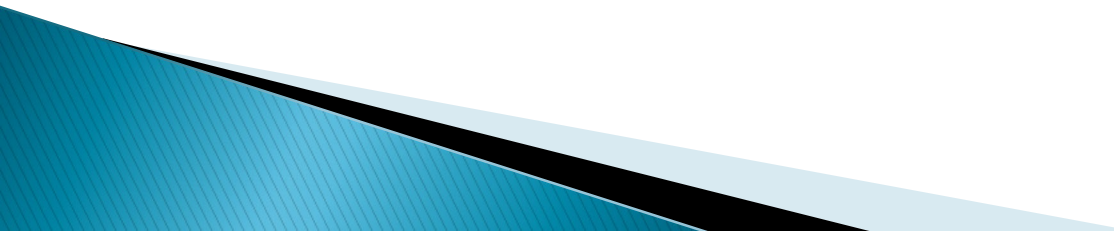
Capacity Building

- ▶ *Goal: Skills development and on-going training of staff will be prioritized in order to better serve members.*

Capacity Building

- ▶ The following training should benefit Serpent River staff:
 - Housing Policy
 - Charging and Collecting Rent
 - Mold remediation
 - Indoor Air Quality
 - Section 95 Financial Management
 - Home and Property Maintenance Planning

Five Year Plan

- ▶ Some of the main constraints and assumptions in the development of this strategic plan include:
 - Availability of Lots 8
 - Staff required to implement Strategic Plan
 - Funding
 - First Nation Equity
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Questions

