

Expanding Your Housing Options

Financing for First Nations Communities



Lac Seul First Nation and the Fund - Forging a New Path Together



First Nations Housing Conference

Thunder Bay – February 7 – 9, 2017

Our Vision: Every First Nation family has the opportunity to have a home on their own land in a strong community

The Fund's Vision

Every First Nation family has the opportunity to have a home on their own land in a strong community.



About the Fund

- Non-profit trust launched May 5, 2008
- 9 Trustee positions – 11 staff
- Designed to support market housing arrangements between First Nations and lenders
- \$300 million federal investment - has grown to more than \$340 million
- Almost \$900 million in loan credit leveraged
- More than \$17 million spent on capacity development

...about the Fund

- New tool to create more housing on reserve or settlement lands:
 - Homeownership, Rentals, Renovations
- Respects communal ownership of reserve and settlement lands
- Only First Nations can apply
- Developed with input from AFN, First Nation communities and organizations across Canada

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Financing for First Nations Communities

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How does the Fund support investments?

- *Credit Enhancement*

- 10% backstop for housing loans guaranteed by the First Nation
- Leverage to negotiate with lenders
 - lower interest rates
 - reduced program access fees
 - risk sharing
 - administrative arrangements

- *Capacity Development*

- Products and support to assist the First Nation to meet its goals to implement or expand a home loan program

Three Pillars of Focus

1. Strong Financial Management
2. Good Governance
3. Community Commitment and Demand for Market-Based Housing

Our Success – December 31, 2016

- 223 applications received from First Nations
- 100 applications approved for Credit Enhancement and Capacity Development –close to \$900 Million in credit approved to support an estimated 6,050 loans.
- 74 First Nations approved for Capacity Development only
- 49 First Nations currently participating in the assessment process
- 200 Loans backed by the Fund for newly built homes, home purchases, rental and renovations
 - 26 refinance with home renovations
 - 107 new construction for homeowners
 - 36 purchase for homeowners
 - 23 new construction for rentals/rent-to-own
 - 8 renovations
- 105 First Nations have used capacity development funding for more than 950 initiatives

Expanding Your Housing Options

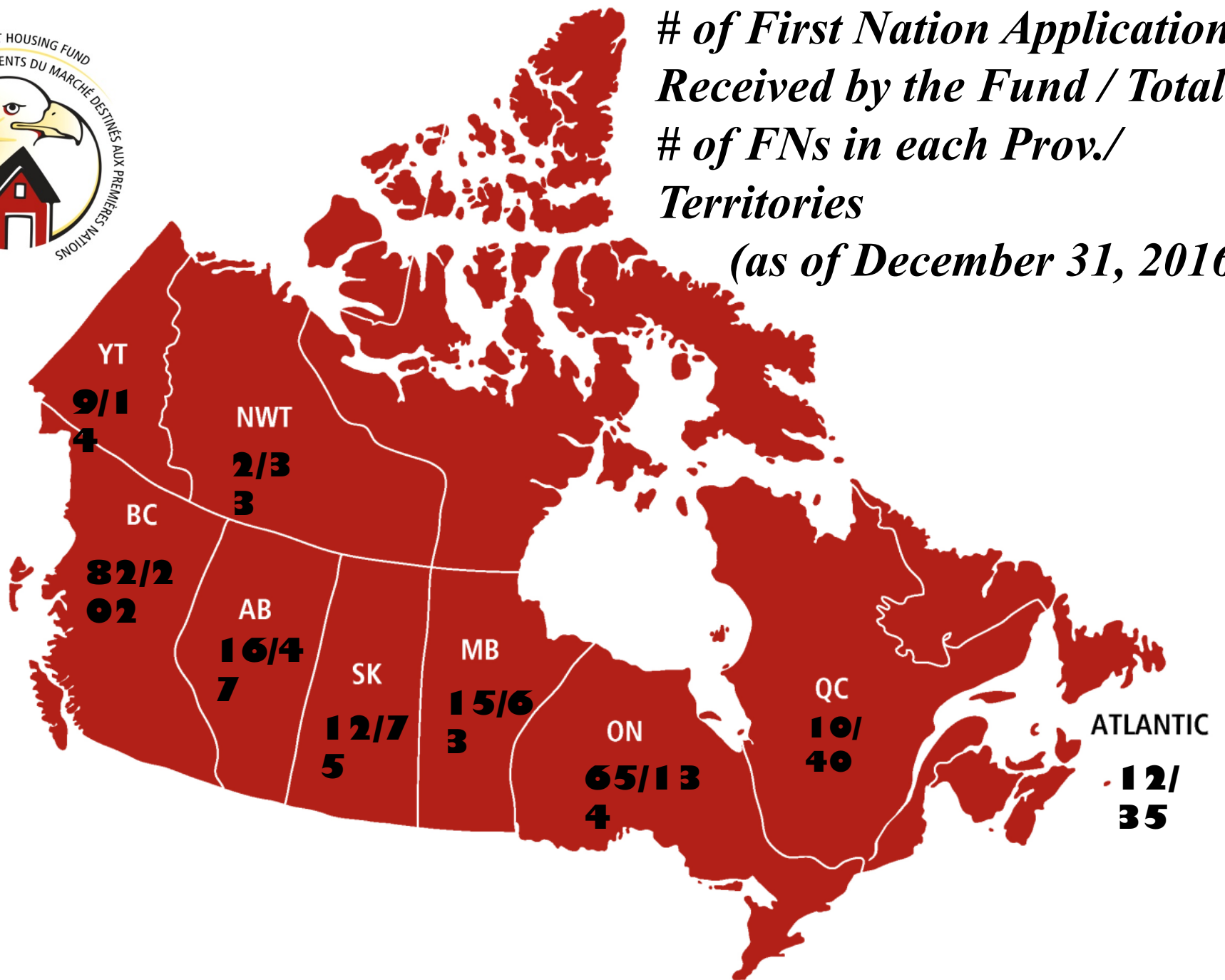
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*# of First Nation Applications
Received by the Fund / Total
of FNs in each Prov./
Territories*

(as of December 31, 2016)



Profile of First Nations approved to date for Credit Enhancement

- Close to \$ 900 million of housing investment over 5 years - 100 First Nations
- Homeownership contemplated in all – plus some with renovations, rentals, elders and foster homes
- Range in population:
 - **25** – less than 500 and **29** – between 501 – 1000
 - **39** – between 1001 – 5000 and **7** - greater than 5000

First Nations announced for Credit Enhancement as of December 8, 2016

- Miawpukek, NF
- Membertou, NS
- Lac La Ronge, SK
- **Batchewana, ON**
- Onion Lake, SK
- **Atikameksheng, ON**
- **Anishnawbek, ON**
- **Whitefish River, ON**
- Champagne & Aishihik, YT
- **Pic River, ON**
- **Lac Seul, ON**
- Waswanipi, QC
- Flying Dust, SK
- Okanagan, BC
- Chisasibi, QC
- Chippewas of **Nawash, ON**
- Simpcw, BC
- **Wikwemikong, ON**
- Siksika, AB
- T'it'q'et, BC
- Eastmain, QC
- Tsawout, BC
- **Sagamok, ON**
- Seabird Island, BC
- Tk'emlups, BC
- **Moose Cree, ON**
- **Serpent River, ON**
- **Curve Lake, ON**
- **Mohawks of the Bay of Quinte, ON**
- Adams Lake, BC
- **Garden River, ON**
- Lower Nicola, BC
- Upper Nicola, BC
- **Hiawatha, ON**
- **M'Chigeeng, ON**
- ʔaq'am (St. Mary's Indian Band), BC
- Neskonlith, BC
- **Nipissing, ON**
- **Mississauga, ON**
- Wemindji, QC
- **Henvey Inlet, ON**
- **Beausoleil, ON**
- **Wahnapitae, ON**
- **Temagami, ON**
- Carcross/Tagish, YT
- Penticton, BC
- Aundeck Omni **Kaning, ON**
- Long Plain, MB
- Skwah, BC
- Fisher River, MB
- **Alderville, ON**
- Lake Cowichan, BC
- Leq'á:mél, BC
- Halalt, BC
- Penelakut, BC
- Nooaitch, BC
- Skeetchestn, BC
- Kwanlin Dün, YT
- Sechelt, BC
- Teslin Tlingit Council, YT
- Tsartlip First Nation, BC
- Tr'ondëk Hwëch'in, YT
- Skidegate, BC
- Quatsino, BC
- Little Shuswap ,BC

Lac Seul First Nation

Forging a New Path Together



TREATY #3 AREA MAP

MANITOBA

ONTARIO

Red Lake

Sagkeeng

Wabauskang

Grassy Narrows

Wabaseemong

Lac Seul First Nation (LSFN) Lac Seul First Nation is located approximately 40 kilometers North West of Sioux Lookout.

- The reserve has a large land base, (66,248 acres of land) which is bounded to the north and east by Lac Seul Lake. The reserve is made up of three (3) communities: Kejick Bay, Whitefish Bay and Frenchman's Head.

- Lac Seul First Nation is one of the largest reserves in the Treaty #3 Anishinaabe Territory in Northwest Ontario

Kenora

Washagamis Bay

Sioux Lookout

Dryden

Iskatewizaagegan No. 39

Shoal Lake No. 40

Northwest Angle No. 33

Northwest Angle No. 37

Buffalo Point

Big Island

Big Grassy

Sioux Narrows

Northwest Angle No. 33

Northwest Angle No. 37

Wabigoon Lake

Upsala

Wabigoon Lake

Wabigoon Lake

Fort Frances

Rainy River First Nation

Couchiching

Seine River

Lac La Croix

U.S.A.

LEGEND

● Treaty 3 First Nation

● City or Town

■ Treaty 3 Land Area

Community

- LSFN has 3,486 registered members
- Approximately 900 registered members live in LSFN
- The main administration is located at Frenchman's Head community.
- Traditional name: Obishikokaang



Economy



- Lac Seul FN is the largest employer for its First Nation members. Includes own police force, health services and elementary school.
- Lac Seul Event Centre boasts a 1,300-seat arena and conference centre.
- LSFN also has a number of individual Band businesses owned by its members that include a gas bar, convenience store, a few construction companies.
- Proud owner of a Tim Horton's franchise in Sioux Lookout

Economy



LAC SEUL
TRAINING CENTRE
OF EXCELLENCE



- ▶ Operates a not-for-profit training centre in the town of Hudson, that focuses on preparing and certifying individuals for a variety of careers in Northwestern Ontario and beyond,
- ▶ Lac Seul Forest has been managed by the Lac Seul First Nation since 2012 (1 million ha). The management of this forest has provided the community with significant training, capacity building and economic development opportunities
- ▶ Has partnerships and agreements in the energy, mining and mineral exploration, forestry and training fields.



LSFN HOUSING

Management and Staffing Structure

- Lac Seul has operated its own Housing Authority since 2002. Ke-nawind Housing Development Authority is an incorporated body guided by 3 board members appointed by Chief and Council.
- Ke-nawind management staff includes David Gordon, Housing Manager and Pauline Lac Seul, Assistant Housing Manager
- Additional housing staff include a Reception/Clerk and five (5) Maintenance Staff.
- The LSFN provides administrative support to the Ke-nawind Housing Authority.



LSFN Housing Programs


The LSFN through the Ke-nawind Housing Authority, offers rental and homeownership programs to eligible members and qualified borrowers of the LSFN as follows:

- CMHC Section 95 Program rental units
- RBC On-Reserve Lending Program
- As of March 2016, LSFN offers a Market Based Housing Program for:
 - The construction, purchase of an existing home, major renovations and refinancing of an existing home
 - A minor renovations loan program for existing homeowners
 - Ke-nawind Housing Authority as a qualified borrower.



LSFN Housing Profile

- Close to 350 homes on reserve that include:
 - 189 Band owned homes that are maintained by the LSFN
 - 146 rental homes managed by the KHA
 - 25 privately owned homes
- Over 100 applications for housing on file
- 5 duplexes completed in 2016
- 3 triplexes to be completed by March 2017
- Tentative approval for 5 new duplexes and 5 three bedroom homes in 2017 / 2018.



Working with the FNMHF to achieve LSFN Housing Goals

- The LSFN identified the need for a broad range of housing goals in working with the Fund :
 - Expanding home ownership options and support individual home ownership
 - Build new rental units, and
 - Renovate current homes
- In December 2013, Chief Clifford Bull stated:
- *“LSFN now has more options for housing to offer our membership. The flexibility we see from this new initiative with the FNMHF is a way to balance many of our outstanding needs in our 3 communities over the next 5 years. Through the Fund’s capacity development support we see more than just the improvement of housing conditions but a positive benefit in the management of all areas of our First Nation.”*



Implementing the Credit Enhancement Process

- LSFN and the Fund executed the Indemnity Agreement November 2013
- A Fund Credit Enhancement (CE) Consultant supported the LSFN as follows:
 - Developing Schedule C to the Indemnity Agreement (CE program parameters)
 - Developing CE policies and procedures
 - Developing CE marketing materials for membership
 - Liaising with lending institution

Our Timeline

21

Mar 2013

- Fund Approval to participate in the CE & CD Programs

Nov 2013

- Agreements signed with the FNMHF

Nov 2013

- CE Specialist assigned to work with LSFN

Feb 2014

- Schedule C finalized & approved by C&C
 - (sets out parameters for LSFN Market Housing Loan Program to negotiate with lenders)

Ke-nawind Booth – Community Trade Show 2014



Community Education Workshops

TAKE CONTROL OF YOUR FINANCES FOR A BETTER TOMORROW

DEBT MANAGEMENT WORKSHOP

TUESDAY, MARCH 8th, 2016 from 6-8pm
Lac Seul Arena, Lac Seul First Nation

YOU WILL LEARN:

- * WHAT IS A GOOD CREDIT SCORE
- * HOW TO CHECK CREDIT SCORE
- * HOW TO REPAIR BAD CREDIT
- * HOW TO BUDGET
- * HOUSING FINANCE

APPROVED

For more information contact
David Gordon at
(807) 582-3882

Lac Seul First Nation 

 **First Nations**
Market Housing Fund



HOME OWNERSHIP AND YOU

INFORMATION SESSION

Learn if you can qualify for a mortgage/loan to build, purchase or renovate a home on Lac Seul First Nation


Tuesday March 8th, 2016 from 6 - 8pm
Lac Seul Arena, Lac Seul First Nation


OUTREACH


One-on-one personal meetings with representatives of First Nations Market Housing Fund. Call housing to make an appointment.

Wednesday March 9th, 2016
from 9am to 3pm

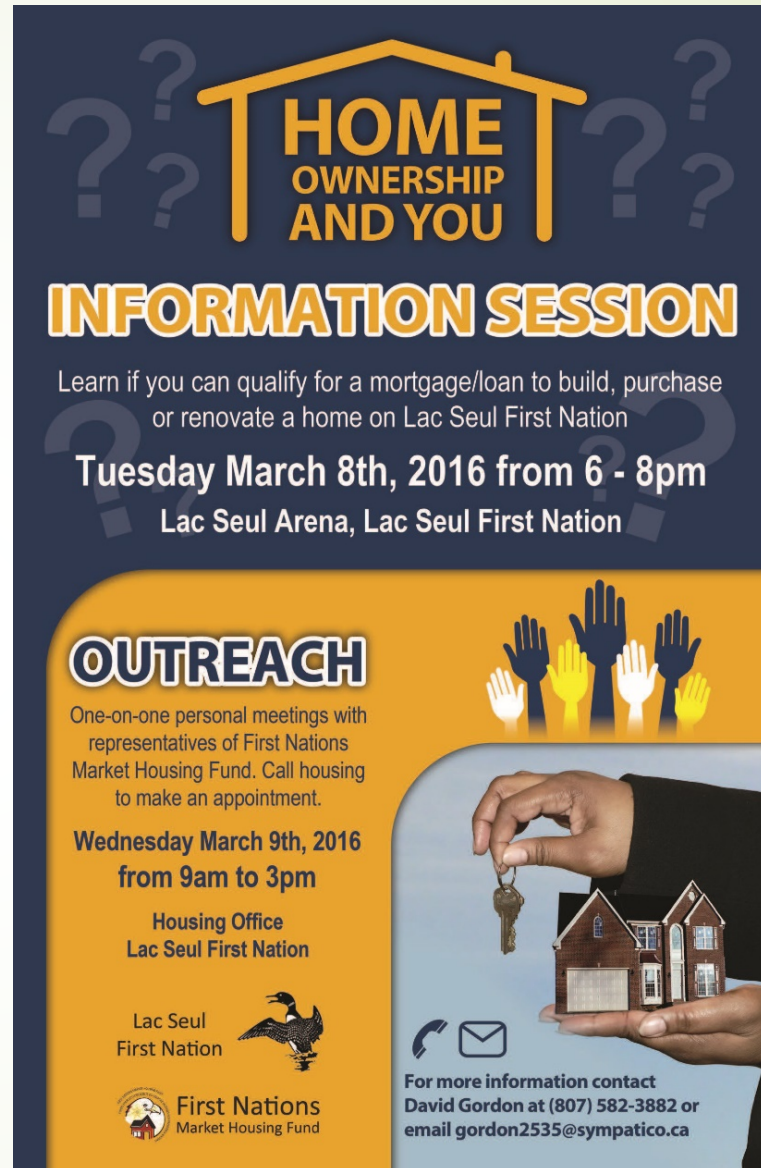
Housing Office
Lac Seul First Nation

Lac Seul First Nation 

 **First Nations**
Market Housing Fund



For more information contact
David Gordon at (807) 582-3882 or
email gordon2535@sympatico.ca



Our Timeline cont'd

Mar 2016

- Community Information Sessions
 - Debt Management
 - Home Ownership

May 2016


- BMO Lender Offer accepted by C&C

Jun 2016

- Market Housing Policies finalized

Jan 2017

- Review Meeting with FNMHF to identify what is needed to ensure effective implementation of the market based housing program



Implementing Capacity Development

Working with the Fund, we identified the following areas to be worked on and included these in the CD Letter of Agreement:

- Housing policies specific to homeownership, renovation loans, refinancing and purchasing of homes
- Financial policies and designation of finance staff to ensure best practices/reduce risk
- Issues relating to rent collection and rental arrears
- Capital Asset Maintenance software training
- Develop of land tenure options and land management system for future market based housing needs.
- Professional Development of Senior Management staff
- Member education and awareness workshops including personal budgeting and understanding home ownership

Our Experience

Key Achievements

- CAFM Designation
- Customized a market based housing program (Schedule C)
- Approved Housing Policies & Security Agreement
- Held Community Education Workshops
- Negotiated and Accepted a Lender Offer
- Orientation to Land Tenure Options
- Broad participation in the development of an Arrears Management Strategy

Key Challenges

- Key Staffing Changes (finance, housing and lands)
- Changes in Chief and Council
- Not addressing all our identified CD needs within the timeframe

Progress Review – continuing work

- ▶ In January 2017, LSFN and the FNMHF reviewed progress to assess where we are at and determine any remaining needs necessary to fully implement and sustain the Credit Enhancement Program.
- ▶ It was agreed that more time was needed to:
 - ▶ Customize financial laws and policies for the First Nation
 - ▶ Complete an arrears management strategy
 - ▶ Address any housing policy gaps with the roll-out of the market housing program
 - ▶ Confirm land tenure and allocation policies of the First Nation
 - ▶ Continued support for certification training specific to housing and lands staff, including asset management training
 - ▶ Continue to provide community education and awareness workshops as needed



Current Status

Credit Enhancement

- Continue working with CE Consultant to finalize and roll out the CE program.
- Have chosen BMO as a lender but looking at other lender options

Capacity Development

- Continue working with the Fund to complete CD needs

What we learned

- ▶ It is a challenge for some to move away from the old way of doing housing to a new approach – it takes time
- ▶ Need to encourage community awareness and buy-in of the new approach
- ▶ Need to spend time in educating members on the benefits and opportunities of homeownership on reserve – one person at time
- ▶ It is important to understand what motivates a person to become a homeowner on reserve - and ensure they understand the benefits such as control of the home and building equity and wealth amongst members



Benefits of working with the Fund

- No fees or charges for their services
- Lac Seul determined our priorities for loans and capacity development
- Available to all First Nations who believe in households paying for their housing, even if they are not yet there
- Supports Lac Seul's goals – beyond housing

FINAL Comments

“Through our partnership with the First Nations Market Housing Fund, Lac Seul First Nation is strengthening our capacity and expanding housing options as we forge a new path together.”



Questions?
Miigwech –Thank You