Blueprint for Action on Housing **Removing Barriers to the Supply of Housing Discussion Primer** Nunavut Housing Corporation





Purpose of the Engagement Sessions

The Nunavut Housing Corporation (NHC) is working towards the development of a Blueprint for Action on Housing (BPAOH), in order to follow through with the Government of Nunavut's (GN) commitment in the 2013 GN Long Term Comprehensive Housing and Homelessness Strategy ("Strategy") to respond to Nunavut's housing crisis.

The BPAOH will be an action plan that takes a GN-wide perspective on the issues, solutions, and future actions required to address housing challenges in Nunavut. The BPAOH will be informed by a series of inter-departmental engagement sessions in May and June of 2016.

The engagement sessions will be structured according to the four main goals outlined in the Strategy, as well as the key issues that characterize each of these goals. With a focus on the key issues, the engagement sessions will identify root causes, brainstorm potential solutions, and develop specific action items for inclusion in the BPAOH.

The four goals of the Strategy are:

- 1. Removing Barriers to the Supply of Housing
- 2. Reducing the Costs of Housing
- 3. Defining Housing Demand Factors
- 4. Increasing Investment in Housing

The purpose of this topic summary is to introduce the goal, **Removing Barriers to the Supply of Housing**, and its associated key issues.

Removing Barriers to Housing Supply

The Strategy recognized that there are many barriers to the provision of housing in Nunavut. New housing construction is dependent on the availability of developed land.

However, the high cost of developing land and the infrastructure necessary to support it, prevents proactive lot development and neighbourhood planning in most communities.

Greater collaboration within the GN, and between the GN and community governments, is required to coordinate land development.

In addition to the high costs associated with developing land, the perceived risk in developing housing in the North, in part related to construction costs and climate, has limited the development of a strong private market.

The GN must ensure land availability and construction incentives by creating incentive policies that stimulate construction, and help grow the private market.

GN capital funding is spread across a variety of service areas based on need and political mandates. Departments and agencies must compete for the same resources each year when seeking to develop or maintain capital infrastructure. The GN needs to find opportunities for internal collaboration to maximize existing resources for alleviating pressures to housing.

Topics For Discussion

Barriers to Nunavut's Housing Supply can be addressed by greater interdepartmental and intergovernmental coordination of land development, community infrastructure projects, capital planning, and housing construction.

The following two topics will be focused on during GN departmental engagement sessions:

Key Issue: Land Development

There are many logistical and financial challenges to land development and neighbourhood planning in Nunavut. Greater collaboration within government is required to establish a mutual understanding of the current roadblocks to land development, priority issues, and to identify potential solutions to address them.

Creating policies that promote land availability, strengthen municipal capacity, coordinate strategic and community planning, and develop effective private market incentives are fundamental to reducing barriers to housing supply.

Additional issues and ideas to consider include:

- How can coordination between CGS, NHC, and municipalities be improved in relation to the creation and implementation of community plans?
- How can the GN strengthen municipal capacity in land planning, logistics and finances?
- How can the GN promote the development of more mixed tenures?
- How can the GN foster better planning for more strategic development of neighbourhoods?

Key Issue: Capital Planning/Infrastructure Coordination

Increased collaboration among departments and agencies, rather than competition for the distribution of GN resources, will provide a more efficient approach in the prioritization of government spending. By coordinating community infrastructure projects, land development, capital planning processes, and housing construction, the **impact of the GN's limited capital funds can be increased** and more opportunities for new housing created.

A key component of this will be to understand the current system of prioritizing capital, as well as departmental needs and planning processes, to begin to establish a strategic direction to guide capital infrastructure development over the short and the long-term.

Additional questions to consider include:

- Can the current system of prioritizing capital be improved upon? What factors should be considered in the mapping of the GN's current capital planning process?
- Are there opportunities for better coordination between O&M and Capital? And, is there a way to incentivise O&M cost savings by providing an opportunity for reinvestment in capital?
- How can we better prepare for large influxes of federal capital?
- Should community infrastructure be included in federal capital for housing?
- Can we better utilize government assets by increasing flexibility in repurposing of assets?
- Is there a need to create a space for discussion of cross-departmental capital projects?
- Would a modeling formula that demonstrates the ration of needed infrastructure for new housing construction be feasible/useful?

Background / Substantiation

Nunavut faces many barriers to the supply of housing. Spread out across a vast geographic area, 25 communities compete for the same resources and infrastructure. The GN, the largest contributor to Nunavut's economy, depends heavily on the support of the federal government to fulfil its obligations to Nunavummiut.

Although it has been available, federal funding has not been sufficient to address the systemic socio-economic issues facing the territory. Land availability and the infrastructure necessary to support housing development currently dictate the rate at which new housing construction can occur.

Realistic solutions to Nunavut's housing challenges require considerable financial investment and the collaboration of multiple partners, including the federal government, Inuit organizations, non-government organizations and the private sector. Within the GN, responding to the housing crisis may require a restructuring of government's capital spending. An enhanced approach to capital planning that coordinates infrastructure needs, including land development, is required to move forward.

Private-sector development is critical to the long-term growth and sustainability of Nunavut's communities. However, Nunavut's growth is constrained by a serious shortage of transportation, telecommunications and municipal infrastructure – the foundation of healthy, sustainable communities. A coordinated approach by government to meet the infrastructure needs of communities will also contribute to the development of the private-sector housing market.

Responding to a challenge as complex as Nunavut's housing crisis will require a collaborative, whole-of-government approach. Addressing Nunavut's housing crisis will bring remarkable benefits in the form of economic and social development, and will contribute to poverty reduction, healthy families, food security, improved education rates, enhancing public and preventative health care, and strengthening the economy and develop the territory's infrastructure.

Current Situation

Nunavut's housing crisis is a complex challenge that touches all aspects of GN service delivery. The purpose of this section is to provide a summary of current and future departmental actions and priorities that are either directly, or indirectly linked to the Strategy goal of **Removing Barriers to the Supply of Housing** and associated key topics of land development and capital planning/infrastructure coordination.

It is hoped that by drawing connections between ongoing department priorities and housing issues at hand, departments can begin to collaborate on more innovative and efficient approaches to prioritizing government spending.

Information has been drawn from pre-engagement interviews with departments, and from a review of current departmental business plans (2016-19), and is intended to act as a starting point for more focussed discussion during the engagement sessions.

Pre-engagement Interviews

- Lot development is a major barrier to the provision of social housing, and to the development of a private market.
- There is a need to adopt a whole of government approach to planning Nunavut's infrastructure needs. The Department of **Community and Government Services** (CGS) is currently developing a 20 year plan for GN infrastructure requirements, how can we build off this initiative?
- NHC building designs have the potential to respond to other GN priorities (ex. mixed-use buildings, group homes, etc.). Can capital planning and funding be coordinated to enable this?
- The Department of **Environment** is developing permafrost hazard maps that can be used to inform infrastructure development and planning.
- Upcoming land referendum (May 9th) may impact NHC service delivery and other department's resources and capacity.

Business Plan Priorities (2016-19)

- CGS, Planning and Lands, is preparing for a land plebiscite in each municipality to revisit Nunavut's land ownership and administration structure.
- The Department of Justice plays an administrative role in land development by maintaining and updating the land registry. The Legal Registries division has processed incoming registrations regarding the transfers of NLCA Article 14 CGS surveyed lands into Land Titles records. CGS is continuing to update the list of unsurveyed lands and to monitor the development of the proposed municipal land plebiscites.
- The CGS Infrastructure branch has been revising the Capital Planning Process Manual and client guide. Further refinement of the capital planning process will identify long-term strategic priorities for infrastructure investment.
- The CGS Community Infrastructure division is planning for sustainable community growth and improving infrastructure design to make more effective use of limited capital resources.
- Working with Community Infrastructure, the Nunavut Community Infrastructure Advisory Committee (NCIAC) develops Integrated Community Infrastructure Sustainability Plans (ICSP) to create and measure long-term goals for infrastructure development in each community. The first ICSPs were created in 2010 and can be updated by each community through an online webtool: www.buildingnunavut.com.
- The **Department of Finance** has developed a standardized budget and variance reporting system for all GN departments to use in their budget forecasting, reporting, and five-year Capital Plan.
- The Qulliq Energy Corporation (QEC) has prioritized the development of a longterm capital planning document (40-year horizon) identifying major capital projects. QEC will work with Hamlets and the GN to identify land for construction of energy infrastructure and is also investigating the feasibility of hydroelectric development in Iqaluit.

The Nunavut Transportation Strategy – Ingirrasiliqta – notes that efficiencies in transportation can be achieved with the construction of roads, deep water ports, as well as harbours for shipping goods. This has implications for housing as Nunavut lacks a connected road network, and Nunavut's housing materials are shipped to communities by barge.

Investments to connect Nunavut to Canada's National Highway System would bring increased economic growth and trading opportunities to the territory, along with implications for increased employment, and infrastructure development.