

Housing Funding

Advancing an Urban, Rural and Northern Indigenous Housing Strategy requires an understanding of the housing needs of Indigenous households living in these areas. Reports published by national and regional Indigenous organizations, House of Commons Committees, and non-governmental housing organizations provide important insight into these existing needs.

This paper provides a “snapshot” of some of the needs and recommendations related to housing funding from multiple reports, but it should not be considered a comprehensive summary. It is one of three theme papers on urban, rural and northern Indigenous housing. The other two papers on housing needs and access to housing provide additional context for funding challenges and funding needs presented here.

Current funding programs

An overview of current federal spending and funding commitments for Indigenous housing and for addressing homelessness is provided in the Parliamentary Budget Officer’s 2021 report and the report on Indigenous Housing of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities [HUMA], 2021). This includes a summary of CMHC’s Indigenous Housing Programs and non-targeted programs, and funding for Indigenous housing administered by other levels of government.

The Parliamentary Budget Officer’s report indicates that federal funding for Indigenous housing and homelessness totals \$838 million per year across all programs and transfers (Office of the Parliamentary Budget Officer [PBO], 2021). It is estimated that the affordability gap for Indigenous households in core housing need in urban, rural and northern areas is an average of \$5,000 per household annually. When aggregated nationally, this gap totals approximately \$636 million each year (PBO, 2021).

The main policies used to promote housing affordability for Indigenous households and other populations with high rates of housing need include rent subsidies for households, rent supplements paid to landlords, capital funding for new housing, and operating subsidies for existing social housing (PBO, 2021).

Challenges accessing and utilizing existing funding

Several reports identified challenges experienced by Indigenous housing providers and organizations working to meet the needs of urban, rural and northern Indigenous households.

Differing program requirements

A “patchwork” of funding programming across multiple levels of government can create confusion for Indigenous housing providers in part due to variation in application and program delivery requirements (Brant & Irwin-Gibson, 2019; HUMA, 2021). Providers also indicate that, in funding approaches where funds are transferred across levels of government, administrative costs at each level reduce the funds available for housing (Brant & Irwin-Gibson, 2019).

Short-term funding

The short-term nature of federal funding has been identified as insufficient, given the extent of housing need in urban, rural, and northern areas (HUMA, 2021). Short funding timelines have been determined to create uncertainty for housing providers and inhibit proactive long-term planning (HUMA, 2021).

Rigid requirements

Funding programs that have inflexible requirements can create difficulties for projects in certain contexts. For example, single-year timelines for some funding programs are not well aligned with housing development projects in the North that require multi-year timelines due to short construction and shipping seasons (HUMA, 2021). Indigenous housing providers have indicated that more flexible funding is needed to adopt best business practices and meet the needs of the population groups they support (HUMA, 2021; Brant & Irwin-Gibson, 2019).

Competitive funding programs

Competitive funding programs pose barriers for Indigenous housing providers because they often require time-consuming applications and interfere with partnership development. Competitive processes can also disadvantage organizations with less capacity or experience submitting funding applications and may result in funding not reaching those who need it most (Brant & Irwin-Gibson, 2019; Congress of Aboriginal Peoples [CAP], 2020; HUMA, 2021). This is particularly true for small northern communities where housing need is high but capacity for proposal development is limited (HUMA, 2021).

Housing funding needs

While Indigenous Peoples and organizations are best positioned to identify their housing needs and the solutions to their housing challenges, Indigenous organizations may not have adequate funding to implement these solutions (HUMA, 2021).

Across reports, there have been many funding needs identified to better support Indigenous Peoples living in urban, rural and northern areas. Key areas recommended for current and future funding include the following:

- *New housing stock* to address housing needs of urban, rural and northern Indigenous communities across the continuum, including supportive housing and permanent supportive housing (Aboriginal Housing Management

Association [AHMA], 2022; Brant & Irwin-Gibson, 2019; National Housing Council [NHC], 2022; Pomeroy, 2020). It has been estimated that 73,000 new housing units are required to address core housing need among urban, rural and northern Indigenous households (Canadian Housing and Renewal Association [CHRA] Indigenous Caucus, 2020).

- *Pre-development and accelerator funding* to help organizations access funding for housing development (NHC, 2022).
- *Renovations and repairs to existing stock* (energy efficiency, accessibility, cultural appropriateness) (NHC, 2022; Standing Committee on Indigenous and Northern Affairs [INAN], 2022).
- *Ongoing maintenance and repairs* for existing affordable housing (NHC, 2022).
- *Rent/affordability assistance* for Indigenous households in urban, rural and northern areas (AHMA, 2022; Brant & Irwin-Gibson, 2019).
- *Funding for Indigenous housing providers to recruit, train, and retain staff* (AHMA, 2022; Brant & Irwin-Gibson, 2019).
- *Wrap-around support services* for Indigenous households seeking support and the capital requirements necessary to support these services (e.g., healing spaces) (Brant & Irwin-Gibson, 2019; CHRA Indigenous Caucus, 2020; HUMA, 2021).
- *New programs* to help Indigenous households move along the housing continuum and to support affordable homeownership (AHMA, 2022; Ontario Non-Profit Housing Association [ONPHA], 2020; INAN, 2022).

Summary of proposed directions across reports for funding and fund administration

Across reports, there have been several estimations or directions proposed regarding the level of funding that is required to address urban, rural and northern Indigenous housing needs; how funding could be designed; and who might administer funding.

Housing funding estimates

The National Housing Council has summarized their own cost estimates for addressing core housing need among urban, rural and northern Indigenous households as well as the cost estimates put forth by other organizations (NHC, 2022). These include:

- National Housing Council Consultant's Report: \$5.6 billion per year for 10 years
- Parliamentary Budget Officer Report: \$2.4 billion – \$27.6 billion (total – not presented per year)
- Canadian Housing Renewal Association: \$2.5 billion per year for 10 years
- Updated CMHC Data Calculation: \$4.3 billion per year for 10 years

Some reports indicate that investing in affordable Indigenous housing creates benefits in addition to meeting housing need – such as the creation of new jobs and substantial savings across public systems – which outweigh the costs (ONPHA, 2020; HUMA, 2021). Calculations by AHMA in British Columbia indicate that for every dollar invested in Indigenous housing per year, there is a social return on investment of \$7.40 (AHMA, 2022).

Recommended changes to current funding/approaches

Many reports included recommendations on how to address some of the challenges that Indigenous housing providers have identified in accessing and utilizing existing funding programs. Recommendations include:

- ensuring new funding programs are developed and led by urban, rural and northern Indigenous housing providers (AHMA, 2022);
- taking steps to ensure that funding programs meet the needs of Indigenous organizations/communities and are accessible to them (HUMA, 2021; INAN, 2022), such as by moving away from competitive funding processes (CAP, 2020);
- providing longer-term, stable, and predictable funding (INAN, 2022; HUMA, 2021) delivered directly to Indigenous governments, organizations, or service providers where appropriate (HUMA, 2021);
- investing in capacity building for housing providers to increase their ability to hire, train, and retain qualified staff and to provide educational programs and development opportunities to staff (Brant & Irwin-Gibson, 2019; INAN, 2022); and

- increasing the flexibility of funding. This is viewed as a way to ensure Indigenous housing providers can adapt to incorporate best business practices and meet the housing and support needs of urban, rural and northern Indigenous households in culturally relevant ways (Brant & Irwin-Gibson, 2019; HUMA, 2021).

Proposed development of a national Indigenous housing centre

To advance reconciliation, several reports included the recommendation that Indigenous Peoples should have control over designing, delivering, and managing Indigenous housing (e.g. Brant & Irwin-Gibson, 2019; HUMA, 2021; NHC, 2022). The need for Federal funding for the co-development of an Indigenous-led national urban, rural and northern housing body or centre has been identified (Brant & Irwin-Gibson, 2019, CHRA Indigenous Caucus, 2018; NHC, 2022).

This centre is envisioned as a governance structure that would be developed and aligned with the “for Indigenous, by Indigenous” principle and could receive, manage and deliver funding for urban, rural and northern Indigenous housing and possibly funding to address homelessness (Brant & Irwin-Gibson, 2019; CHRA Indigenous Caucus, 2020; NHC, 2022). To respond to regional differences, it has been proposed that a national centre would collaborate and partner with regional Indigenous housing service delivery organizations (CHRA Indigenous Caucus, 2018). The centre could also facilitate connections with other systems, such as health care or justice, and collaborate with Indigenous serving agencies (e.g. friendship centres, mental health and addiction agencies) to deliver housing with wrap-around support services (CHRA Indigenous Caucus, 2018). Additional proposed activities for this centre include sharing best practices, supporting capacity building for Indigenous housing providers, and engaging in data collection, research, and evaluation of urban, rural and northern Indigenous housing programs (Brant & Irwin-Gibson, 2019; CHRA Indigenous Caucus, 2018). It has also been proposed that the centre manage an Indigenous Housing Trust that would provide low-interest loans and grants to support Indigenous housing (CHRA Indigenous Caucus, 2018).

Sources

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