Lynn Lake Housing Management Study

1987

The Institute of Urban Studies







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LYNN LAKE HOUSING MANAGEMENT STUDY

Prepared By:

Institute of Urban Studies June 1987

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1.0 INTRODUCTION

In December 1986, Manitoba Housing asked the Institute of Urban Studies to undertake an assessment of the housing problems in Lynn Lake and on the basis of this assessment to recommend a housing management structure for the community. The terms of reference for the study are outlined below:

- to assess the nature of housing problems in Lynn Lake.
- 2. to review these housing problems within the overall context of the market situation in Lynn Lake, specifically as it relates to the current and future economic scenario.
- 3. to assess the role that vacant CMHC single family units (taken back under the Mortgage Insurance Program) and CMHC owned apartments might play in any solution to address housing problems. Specific attention will be given to the location, type, size, price and condition of these units and the suitability of these characteristics relative to the size and nature of the housing problem in Lynn Lake.
- 4. to suggest various management options that could be implemented to respond to the housing problems, in Lynn Lake, documenting the advantages and disadvantages of each option and making a recommendation on what is considered the best option under the circumstances.
- 5. to document, in a general fashion, the costs of establishing a management structure.
- 6. to present the information and recommendations related to the above in a report, complete with executive summary and recommendations to Manitoba Housing.

IUS staff spent three days in Lynn Lake in late February interviewing people in the community who could speak with authority and knowledge on housing issues and associated problems. Many of these people work closely with families and individuals who are experiencing housing problems. In addition, interviews were conducted with Canada Mortgage and Housing Corporation (CMHC) and Manitoba Housing staff, Indian and Northern Affairs Canada, members and officials of local native organizations and bands as well as management staff of the local mine. Data required to assess housing problems and review housing management options was also collected.

An assessment of the situation and recommendations based on this assessment are outlined in the following sections of the report. Specific sections deal with an overview of development in Lynn Lake and the relevance of this to current problems, a discussion of the current housing difficulties, an evaluation of vacant CMHC stock, an assessment of services required to support housing initiatives and a review of possible management options.

2.0 EXECUTIVE SUMMARY

The Lynn Lake Housing Management Study provides an assessment of the housing problems in Lynn Lake and on the basis of this assessment recommends a housing management structure for the community.

Economic Prospects in Lynn Lake

The community's economic future is in a state of transition. Future mining prospects are not terribly favourable, although the Farley Lake and Puffy Lake mines may have some impact. There are, however, other avenues available to the community which depend largely on its ability to diversify into tourism or as a distribution centre for that particular area of the North.

The Native Population and Lynn Lake's Economy

The impact of the native population will continue to be an element in Lynn Lake. Housing problems at Pukatawagon combined with the attraction of housing and other services and the rather elusive possibility of jobs ensures that Lynn Lake will remain a focus of native residency and activity. In fact, one of the more feasible alternatives for diversification in Lynn Lake is to expand its role as a native service centre for the Northwest area of the province.

Housing In Lynn Lake

There is still a significant amount of good quality stock in Lynn Lake, but the community is plagued by high vacancy rates, boarded up dwellings and, in many units, a visible state of disrepair.

Housing supply quite clearly exceeds demand. The vacancy rate in private rental units is 39% if moth-balled or units taken out-of-service and off the market are included. The equivalent CMHC rental vacancy rate is 67%. If all rental units are combined, including company owned units, the vacancy rate for the 248 units is 43%. A total of 107 units sit vacant or have been moth-balled. In addition to the vacant rental units, a substantial number of single detached units are also vacant or moth-balled.

In addition to high vacancy rates, the market is also characterized by low re-sale values for owner occupied homes. Even good quality homes often sell for under \$30,000 and average prices for three bedroom units run \$7,000-10,000. Essentially, the market response is the scenario one would expect in a town with an uncertain economic future.

Native Housing Problems

The native families requiring improved housing are large, often extended families, welfare dependent and often headed by a single parent. A large percentage of this population is currently living in one or two bedroom units that are crowded and poorly maintained.

Many native households lack the homemaking skills necessary to properly maintain dwelling units. Often they are not "poor" tenants, but rather, inadequately informed tenants.

Cultural characteristics, such as transiency and kinship ties (which means many households stay with relatives for extended periods of time) create additional housing pressures and further accommodation problems for the native population.

Native access to housing in Lynn Lake is difficult, particularly access to the single family housing that is required by large families. Affordability is only a small part of the problem. Lifestyle characteristics often force native families to accept less than adequate accommodation. Elements of racial discrimination, as well as prudent property management, force native households into one and two bedroom apartment units that are crowded and not suited to the needs of large families.

Non-Native Housing Problems

There are few apparent non-native housing problems. The future may see a limited demand from seniors, and if the economy of the community deteriorates further, unemployed families may face affordability problems. However, non-native housing problems are a low priority at this point.

Housing Services

There are a variety of organizations in Lynn Lake already involved in providing housing and associated services. Agencies such as the Friendship Centre, the Northwest Manitoba Development Corporation, Community Service Groups, such as Health, Social Services, Income Security and AWASIS, the West Lynn Lake Heights High School and the Mathias Colomb Band could offer varying degrees of expertise to any agency involved in implementing housing programs and providing housing management.

Initiatives to date, however, have been <u>ad hoc</u> in nature and largely unco-ordinated. Substantial gaps continue to exist in counselling services, provision of life and homemaking skills and in the availability of housing units. As well, there is no single authority with a mandate to provide and manage housing in Lynn Lake.

Housing Management Options

IUS strongly recommends that a housing agency be established in Lynn Lake to co-ordinate housing services and provide property management. The Institute would also strongly recommend that the agency be spearheaded by the local Friendship Centre, although wide community participation through a Board of Directors, which provides policy direction for the Centre, is essential to the program's success.

While the type of structure is not as important to the success as giving the Friendship Centre the mandate to spearhead the organization, IUS does feel that a Non Profit Housing Group may have a slight advantage and, therefore, it might provide slightly more flexibility than a Local Housing Authority. Section Seven of the report outlines in detail the rationale for choosing the Friendship Centre as the pivotal agency and the reasons why a Non Profit Organization may be more suitable. It should be stressed, however, that a Local Housing Authority with the Friendship Centre playing the lead role could also be a successful structure.

Inventory and Staff Requirements

To respond to the current housing need in the community IUS recommends a social housing portfolio of approximately 30 units. The CMHC units should be evaluated first when purchasing the portfolio and, given the market situation in Lynn Lake, there should be no need to construct new units. Capital costs of approximately \$500,000 should be sufficient to purchase the initial units.

Given the nature and extent of the housing related problems, IUS recommends the Friendship Centre be provided with a staff complement that is high relative to the number of units in the

portfolio. A full time manager and two counsellors, in addition to the Centre's current staff, are recommended. Involvement in the planning necessary to establish the portfolio, plus the problems associated with leasing units, collecting rents, preparing budgets, directing maintenance programs, advising the Board and in general directing the daily operation of the Centre's housing initiative justify a full time manager's position. As well, extensive requirements to provide life and homemaking skills will justify two additional counsellors to address the current unrealistic worker to family ratio. Additional staff will cost in the neighbourhood of \$70,000 per year.

Cost Sharing

Costs associated with purchasing an inventory and staffing should be shared on a 75%, 25% Federal, Provincial basis. Expected provincial costs of establishing an effective housing program in Lynn Lake will be approximately \$120,000 in capital to purchase the inventory and first year staff costs of approximately \$17,000 in addition to the regular costs associated with property management.

Future Requirements

Approximately 30 units should adequately accommodate current housing need in Lynn Lake. However, the establishment of an agency to deliver housing and housing related services may well create its own market. Once it is established and recognized as a community service, other households in Lynn Lake, as well as surrounding communities, may seek the services of the Housing Agency. Future expansion of the portfolio as well as increased staff requirements are a distinct possibility, particularly as Lynn Lake will remain as a focus of native activity in the future.

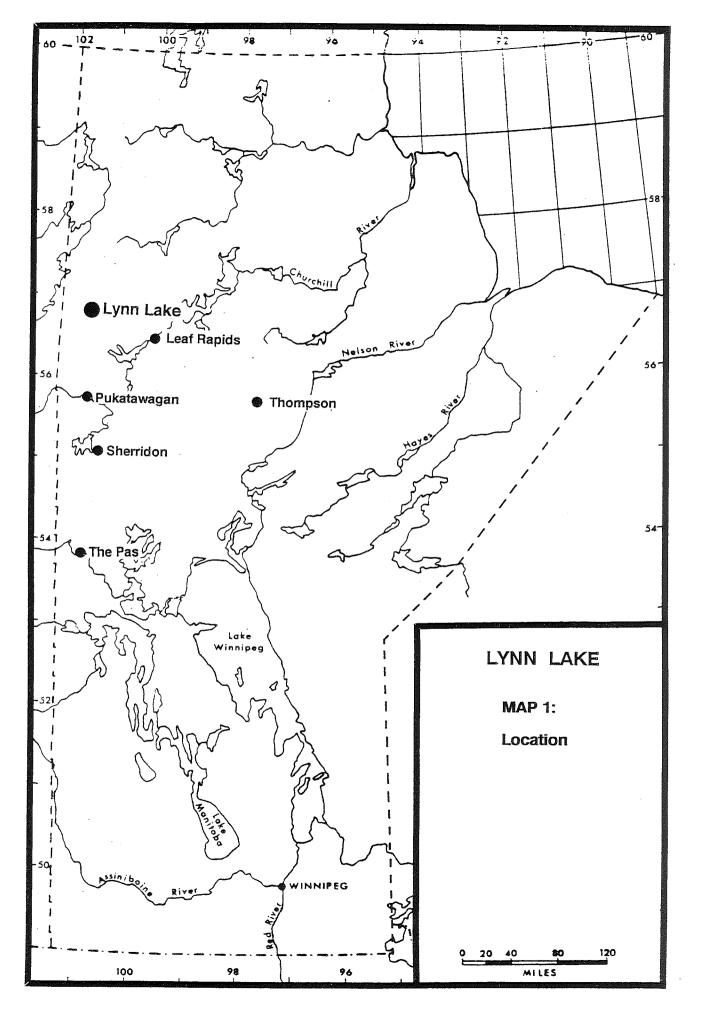
3.0 HISTORICAL OVERVIEW

3.1 Early Growth and Development: The Resource Base

The discovery of the Lynn Lake ore body occurred in the fall of 1941. Although it remained a "well guarded" secret until 1945, the initial find was rich enough to stimulate Sherritt Gordon's interest. With a continuing downward slide of ore production at the Sherridon Mine the Company undertook an extensive prospecting operation in the area. Gradually, equipment was moved from Sherridon to the new mine site and by 1950, the company began re-locating the Sherridon townsite to Lynn Lake (Map 1). By 1952, one hundred and twenty housing units had been moved to Lynn Lake and the mine at Sherridon, 164 miles south of Lynn Lake, was closed.

In 1951, with a population of approximately 500 inhabitants, Lynn Lake was designated a Local Government District. The community reached its peak population of approximately 3,000 in the mid 1970s. The June 1986 population was 1,665, with most the recent estimate of November 1986, published in <u>Business in the Information Age</u>, October/November 1986 establishing the population at 1,450.

Lake Lake's viability, in fact its survival, was and still is dependent upon the continued feasibility of ore production in the area. The original mine provided a basis for the community until 1961 when a second mine, Fox Lake, located twenty eight miles to the south became the backbone of the community. In the spring of 1983, however, the Fox Lake mine experienced the inevitable decline of ore value. The residents of Lynn Lake were informed that their copper-zinc mine would close in 1985 and, in December of 1985, operations at the mine ceased.



3.2 The Economic Perspective

The full impact of the Fox Lake closure was not immediately felt in the community as the Sherritt Gordon company was in the process of developing the MacLellan Gold Mine. This mine picked up much of the slack, although employees working for Sherritt Gordon decreased by almost twenty-five percent. In spite of initial optimism that the MacLellan mine would operate longer than the initial estimate of five years, perhaps ten fifteen or even longer, the Lynn Lake economic picture is one of While the MacLellan mine could remain a viable uncertainty. operation for ten to fifteen years, a more contemporary and realistic appraisal of the situation seems to indicate that four to five years is its maximum duration. An offficial of Sherritt Gordon, in a telephone conversation with IUS staff on February 27, 1987, implied that five years could well be the extent of the operation, as the mine had not lived up to its initial billing and without providing details, indicated the company had encountered a number of problems with the operation.

The mineral potential of the Lynn Lake region offers several alternatives to the MacLellan mine. There is the possibility that Sherritt Gordon will locate another mineral find in the The history of the region and the energy the company has devoted to exploration makes this a very real possibility, but there is no guarantee that Lynn Lake would be the focus of A second, more realistic scenario concerns the the project. potential of recent gold discoveries at both Farley Lake and Farley Lake may have the most impact as it is Puffy Lake. located just twenty miles east of Lynn Lake. The Farley Lake discovery is the co-operative effort of the Hudson Bay Mining and Smelting Company and the Manitoba Mineral Resources Company. There is still some question as to the mine's potential, but it nonetheless provides some hope for future development. consensus of opinion, however, is that Leaf Rapids, rather than

Lynn Lake, will be the recipient of Farley Lake ore. The Ruttan Mine at Leaf Rapids is experiencing a decline in ore value and has a life expectancy of only three years. Because of the provincial government's strong commitment (financially and politically) to the "new town" of Leaf Rapids, it may indeed become the hub of the region's mineral development. There could conceivably be overflow benefits to Lynn Lake but the target community at this point appears to be Leaf Rapids.

A further intangible to the mining future of Lynn Lake is the potential sale of Sherritt Gordon's facilities to the Hudson Bay Mining and Smelting Company (HBM&S). Although Sherritt Gordon has apparently been trying to "dump unproductive assets" for approximately one year, HBM&S has expressed more interest in the Ruttan Mine at Leaf Rapids than the Lynn Lake property. Nonetheless, if a buyer is found for the MacLellan operation, Lynn Lake's future could be remarkably enhanced.

While the mining prospects of the community are not terribly favourable there are other avenues available to the community. Whether in terms of tourism or as a distributional centre, Lynn Lake's future depends on diversification. Indeed the single industry nature of the community begs diversification. town is to survive the "wind down" process it must, in the words of Dennis Young, President of the Canadian Association of Single Industry Towns, make community diversification a "top priority". While there will always be some trade in tourism, the most feasible method of diversification may be for the community to develop the facilities necessary to allow it to capitalize on its location as a distribution centre for the northwest region. this vein and whether it is in terms of government services, retail facilities or the prospects of maintaining a labour pool, Lynn Lake could readily provide the north with a regional centre of some potential.

Although the community's economic future remains in a state of transition, Lynn Lake has come to depend upon government support. In this regard, for example, the Federal Government through the Canadian Job's Strategies' Innovation Program has provided \$4.2 million to the Sherritt Gordon Company for jobs retraining, while the Provincial Government through the Mining Communities Reserve Fund has supplied \$2 million to shore up the faltering local economy. A strong government commitment, despite the rather uncertain future, offers the community a sense of optimism.

3.3 Early Growth and Development: The Native Population

It is important that the native population be considered within this economic scenario. They are very much a part of the Lynn Lake community and the majority of the housing problems under discussion are essentially native housing problems.

The Native population of Manitoba is composed of four tribal units: Saulteaux, Cree, Sioux and Chipewyan. Those settled in the vicinity of Lynn Lake are of either Cree or Chipewyan ancestry with the Cree dominating. Members of both tribes, as well as a number of Metis, have gravitated towards the community. In most instances, the natives have relocated in search of either jobs or services offered in the town. There is, however, also an historical association with the community as a number of native traplines run directly through what is today Lynn Lake.

The Cree population is centred on the reserve of Pukatawagon - approximately eighty miles south of Lynn Lake (Map 1). The band is the Mathias Colomb Band. There is a concentration of Cree at both Granville Lake and South Indian Lake which also impacts on the community of Lynn Lake, but Pukatawagon remains the main Cree settlement. Living conditions in Pukatawagon have a direct bearing on housing problems in Lynn Lake. There are

over 1300 people on the reserve and the population is composed of a number of large families. Over 70% of the population live in families of five or more people, 47% in families of eight or more people. There are 105 housing units on the reserve of which 79 have been assessed by the Band Council as being in poor condition and 34 in need of replacement. In addition, very few of these are designed to accommodate the large families that are so common. Many of the units accommodate two or even three families. New housing starts are projected for 1987 but the supply is not keeping up with demand. Therefore, jobs and services are not the only attractions Lynn Lake has to offer as housing becomes another magnet.

The creation of a new reserve at Hughes Lake by the Mathias Colomb Band may take some of the pressure off Lynn Lake. Led by John Colomb, it is anticipated that approximately thirty Lynn Lake families will relocate to the new reserve when and if it is habitable. Although the reserve has been established as of the fall of 1986, Indian Affairs officials feel that the creation of an operative reserve is a long way off and relocation may not even start until mid 1988.

3.4 Summary

In summary, the economic prospect for Lynn Lake are not terribly favourable. New growth is not a very realistic possibility and the "wind down" process will continue, although it may be tempered by recent developments at Farley and Puffy Lakes. Lynn Lake's future depends on its ability to diversify into other areas. The impact of the native population will continue to grow. Housing pressure at Pukatawagon combined with the attraction of housing and other services and the rather illusive possibility of jobs will ensure that Lynn Lake will remain a focus of native activity. The new reserve at Hughes Lake may result in the movement of a select group of native

families from Lynn Lake, but it is not likely to reduce the overall need for housing and associated services in the community. In fact, one of the more feasible possibilities for diversification in Lynn Lake is to expand its role as a native service centre for the Northwest area of the province.

4.0 HOUSING PROFILE - AN OVERVIEW

Housing conditions in Lynn Lake tend to reflect the economic realities of a mining community in the "wind down" stage. The high vacancy rates, the boarded up dwellings and the fairly visible state of disrepair, of some housing units all provide evidence of economic decline. While there is still a significant amount of good quality housing stock, the overall complexion is one of depreciation.

In the south end, there exists a good cross section of housing stock but interspersed with this stock are seven vacated CMHC single family units, a number of moth-balled privately owned four, six and eight plexes and several empty, privately owned single family homes. Some of the empty units are boarded up, but they generally appear to be of reasonable quality. With the exception of two or three CMHC units which have broken door frames, rotting ceilings and damaged walls, the south end of the townsite appears to give evidence of better quality housing.

In the north end of the community, the condition of the stock is much more problematic. In this section of town, there are three large "moth-balled" apartment complexes, two or three single family dwellings that had been boarded up, but are now occupied by "squatters" and the major source of housing concern in the community, the Woodlands apartment at 638 Gordon Avenue Natives have taken over some of the poorer quality (Map 8.2).vacant units and they have crowded into several apartment units, They have placed pressure on local specifically 638 Gordon. authorities to provide access to good quality vacant unitsparticularly those owned by CMHC. The highly visible nature of the housing problem and the desperate plight of those families in need of adequate housing makes native housing a high priority.

4.1 Market Conditions

Housing stock in Lynn Lake can be divided into three groups. The majority of the stock is privately owned and while most of these are owner occupied, there are also a number of rental units. The Company (Sherritt Gordon) also owns a number of units in the community. Although they are not as numerous as they once were, they are still an integral part of the housing picture. The third group of units are those that, because of mortgage defaults, have been taken back by CMHC under the Mortgage Insurance Fund. Including both multi and single family units, many of these have been moth-balled or have been vacant for an extended period of time - some for as long as seven years.

4.1.1 Private Housing

The number of privately owned, empty buildings is slowly increasing. Although, it is difficult to determine how many privately owned, vacant single detached units there are in the community, a quick survey of such stock suggests a significant number. The private rental market provides a clearer picture of the situation. Figures supplied by CMHC to the end of December 1986 indicated there were 162 private rental units in the community. Of these, 34 had been taken out-of-service (moth-balled), leaving 128 units available on the rental market. The vacancy rate of this stock, when out-of-service units are excluded, is approximately 23%. When out-of-service are included, the rate rises to 39%.

The re-sale value of privately owned housing varies according to location and quality. While there are a variety of units available, the re-sale potential is poor. Three bedroom houses selling for \$7000-10,000 are common place. In very special circumstances, housing may sell for \$25,000-30,000, but examples, such as this, are few and far between. In some cases

houses are sold for lumber, or for relocation to serve as summer cottages or hunting cabins. According to a local bank official, residents with low or no mortgages often accept as little as \$2000-3000 for their homes, particularly if they are committed to leaving the community.

4.1.2 Company Housing

At one time, Sherritt Gordon owned all the housing stock in the community, but over the years it has slowly divested itself of housing responsibilities. The Company inventory now comprises 14 houses, 5 four-plexes and one eight unit apartment. A fuller description is included in Appendix A. Most of the company housing is occupied by company personnel, although apartment units are rented to non company personnel. One of the fourteen houses (a two bedroom unit) is vacant and has been for sale since August 1986, four of the twenty units in the four-plexes and one of the eight apartment units are vacant. The vacancy rate, therefore, is only 14%, much lower than in the private stock.

4.1.3 CMHC Housing Stock

CMHC owns 58 apartment units in three separate projects (see details in Appendix B). Of these 58 units, 28 are moth-balled and 30 are available for rent. Eleven of the 30 units were vacant as of March 1st 1987, for a rate of 37%. If moth-balled units are considered, the vacancy rate climbs to 67%.

In addition to the apartment units, CMHC had 18 single family homes as of March 1st, 1987 (see Map 8.1 and Appendix B for details). Some of these homes had been taken back under the Mortgage Insurance Program as far back as 1980. CMHC are advertising these units via public proposal call and, although, sales are slow, there has been modest interest and a few sales. The number of take-backs under the Mortgage Insurance Program is

also increasing slowly. As a result, the number of units in the CMHC portfolio varies slightly from one month to the next.

4.1.4 Summary of Market Conditions

Housing supply quite clearly exceeds demand. The vacancy rates in private rental units is 39% if out-of-service units are included. The equivalent CMHC rental vacancy rate is 67%. If all rental units are combined, including company owned units, the vacancy rate for the 248 units is 43%. A total of 107 units sit vacant or have been moth-balled. In addition to the vacant rental units, a substantial number of single detached units are also vacant or moth-balled. Combined with high vacancy rates, the market is also characterized by low re-sale values for owner occupied homes. Even very good quality homes often sell for under \$30,000 and average prices for three bedroom units run \$7000-10,000. Essentially, the market response is the scenario one would expect in a town with an uncertain economic future.

5.0 HOUSING PROBLEMS

Housing problems in Lynn Lake are in almost all cases native housing problems. Currently there is little evidence to suggest non-natives face housing difficulties. The following discussion focuses on native needs, however, a short section identifies trends that may result in non-native housing problems in the future.

5.1 Native Housing Problems

Housing, or more specifically the lack of adequate housing, is only one aspect of the problem confronting the native population in Lynn Lake. Described more accurately as a socioeconomic confrontation between two competing cultures, the native housing problem is symptomatic of unemployment, welfare dependency and the general problems associated with the transition to a more urban life style. While housing and housing need is one of the more visible aspects of this experience, it is only a small part of a larger problem.

5.1.1 Characteristics of Native Tenants

Although it is difficult to generalize about the native population, there are certain characteristics (Table 5.1) that are not only common, but have important housing implications. These include:

- . 40% of the households are headed by a single parent
- . the average household size is approximately 5 persons
- there are an average of three children per household, although many households have five or more children

- household heads are generally quite young, the majority in the 20-30 age range
- extended family situations are common with grandparents or grandchildren in the same household as the nuclear family
- approximately 60% of the households are on social assistance of some type, another 24% have trapping income, although for most, this is supplemented at some point during the year with social assistance of one nature or another
- . the average rent currently paid is \$280.00.
- . most households are seeking different accommodation because their current housing is too small, they are staying with relatives or their current units are substandard, i.e., they lack adequate services or are in very poor condition.

In summary, the native population in need of housing assistance often includes large extended families who are welfare dependent, often headed by single parents and who currently live in overcrowded, substandard units. Many are in fact living in one and two bedroom apartment units, several of them in 638 Gordon. They generally require larger better quality units with single detached dwellings being the most appropriate response to their housing needs. This is particularly true given the large, young family complexion of the population. Affordability is, to a large extent, dictated by the housing allowance that is available under welfare.

TABLE 5.1

CHARACTERISTICS OF NATIVE HOUSEHOLDS REQUIRING HOUSING

<u>-</u> 40
40
₹ 0
20
10
20
5
100
- %
7 30
5 28
2 21
17
4
7 100
70
100

TABLE 5.1 (Continued)

6.	SOURCE OF INCOME	_#_	<u></u>
	Social Assistance	14	56
	Trapping	6	24
	Other employment	4	16
	Pension	_1_	_4_
		25	100
7.	CURRENT RENT	#	9,
, .	Under 250	1	8
	250 - 275	8	67
	276 - 300	1	8
	•	T	0
	300 - 325	-	-
	326 - 350	1	8
	350 plus	1_	_8_
		12	100
8.	REASONS FOR REQUESTING HOUSING	#	8
0.	Current home is too small	5	25
		J	23
	Current Home is in poor condition	6	31
	Too expensive	4	19
	Currently staying with relatives	_5_	<u>25</u>
		20	100

SOURCE: Waiting List Applicants Submitted to Manitoba Housing.

NOTE: Information is based on applications from twenty households, but information was not provided for all categories.

In addition to the demographic and economic characteristics that have housing implications, there are a number of social and lifestyle issues that are also important including:

many native households are in the transition process to a more urban society and lack the necessary skills to deal with housing technology, such as proper use and care of electrical furnaces, electric stoves, plumbing, etc. They need skill training in these areas. Often they are not "poor" tenants, just improperly informed tenants

two aspects of native lifestyle, transiency and kinship ties, also create housing related problems. There is less of a commitment to permanent residence and many native households spend indefinite periods of time in Lynn Lake then move on to another location. staying in Lynn Lake strong kinship ties mean they stay with relatives. This, in turn, creates crowding problems and often a party like atmosphere. The visible and frequent misuse of alcohol within this context tends to make a difficult situation even worse. This causes problems for permanent residents and for their neighbours. Therefore, lack of permanency, combined with the associated problems of kinship ties, makes housing the native population even more difficult.

These lifestyle characteristics and a lack of housing management skills are often just as important as financial considerations in precluding native households from obtaining adequate housing. In fact, with the extensive number of out-of-service units, rental payments should not be a prohibitive factor. However, the native household, because of these lifestyle characteristics, is often forced to accept less than adequate accommodation. Elements of racial discrimination, as well as prudent property management, may both play a role in issues that have to be addressed.

5.1.2 Current Housing Circumstances of Native Households

The housing stock available to native households is of a limited nature. There are perhaps three alternatives; multifamily apartment buildings, single family units and the tent village which has been an on-again, off-again endeavour for a number of years. The chance of obtaining a single family dwelling is most remote, so the most likely scenario is an overcrowded and inadequately maintained apartment unit.

The apartment buildings that currently meet the brunt of the native housing need are located in the northwest corner of the They consist of the Woodlands at 638 Gordon townsite (Map 8.1). Avenue, and the Treeline on 644 Hales and 645 Hales Avenue. Woodlands property, which has already been described in some detail, is a twelve-unit building that as of January, 1987 had seven units occupied. Rental rates range from \$284; for a two bedroom to \$268. for a one bedroom to \$226. for the lone bachelor apartment. All the suites with one exception are native occupied. Most of the residents are welfare recipients and while some of the tenants have had a number of part-time positions, the norm seems to be to rely on social services for rental payments. In any case, the Woodlands provides only the most rudimentary form of accommodation and as suggested, offers the most vivid account of urban decay.

The two other structures catering to native housing needs offer a more positive view of the potential for native housing. The Treeline Apartments, as they are described by CMHC officials, consist of a total of 35 units. Of the 35 units, 21 are out-of-service. The remaining 14 units are rented on the same rental scale as the Woodlands block. The quality of the facilities in each block varies from fair in 644 Hales to good in 645 Hales. In many respects, the disparity is due to the work of the superintendent who resides at 645 Hales Avenue. Although,

according to CMHC personnel, it is difficult to get and even harder to maintain support staff, 645 Hales has had the benefit of a sixty year old, native caretaker, for some time.

Native access to single family units in Lynn Lake is almost non-existent. While the Native Friendship Centre has had some success in placing nine families in single family housing, the rather extensive waiting list compiled by the Centre would suggest that the demand far outstrips the supply. All of the single family units occupied by the native population are privately owned and most have been rented to native families only after persistent enquiries from the staff of the Friendship In an effort to provide both comfortable and family oriented housing, the Friendship Centre has accepted the role of a housing administrator. The centre has not only been active in placing families in single family housing, but it has also coordinated the drive for "Family Housing". In conjunction with the work of Welfare Services, the Northwest Manitoba Development Corporation and Awasis, the Friendship Centre has submitted approximately twenty applications to the Manitoba Housing and Renewal Corporation for assistance in the development of a native family housing program. The applications are a good indication of housing need in Lynn Lake and the characteristics of applicants are described in more detail in Section 5.1 and Table 5.1.

The tent village that was apparently established in the mid 1970s, on the periphery of the townsite is still a housing alternative for the native population. Located in the extreme northwest of the community, the tent village has remained a source of contention. At one time the focal point of the native community in Lynn Lake, it has degenerated into more of a meeting place than an actual housing alternative and only provides temporary accommodation to the most transient element of the native population. Nevertheless, it still provides a sense of

community for those in desperate need and in many respects is a symptom of the poor availability of housing within the community.

5.2 Non Native Housing Problems

There may, in a very limited way, be two non-native groups with housing problems in Lynn Lake, that is, beyond the problem of lost equity which affects nearly all households. The two groups are seniors and low income families. The need for seniors housing is difficult to assess, although local officials felt it was a growing demand group. There is a desire on the part of many residents to remain in the community, particularly those residents who followed the Sherritt Gordon move in 1952. These residents have, or are approaching, retirement and many will soon be experiencing problems with home maintenance and upkeep. Their roots are firmly planted in Lynn Lake and in the near future a housing option to accommodate their needs may be necessary.

Housing for non-native low income families is currently not a pressing need. However, with the economic well being of the community still very much in doubt, and the possibility of increased unemployment and reduced incomes, low income housing for non-native families could be required in the future. However, with the current state of affairs, low income housing for both non-native seniors and families should be considered a low priority.

6.0 HOUSING SERVICES

As previously indicated, housing services available to the native population are quite limited. As well, there is no one recognized authority co-ordinating the provision of housing and associated services in the community. What has been provided has been done so on an <u>ad hoc</u> basis. Some efforts have been made to address native housing needs, but these stop-gap-measures have often only accentuated the problems. In this regard, therefore, a partial solution to the housing need problem is a well organized, effective housing agency with the authority and necessary financing to implement a structured housing program.

Before discussing housing management options, it is necessary to review the variety of community organizations and the housing services that they can and do offer. This review is undertaken with two objectives in mind; it indicates what is available and where gaps exist and it also assesses the strengths and weaknesses of the various organizations in view of the role they might play in a housing management structure.

6.1 Agencies Involved and Services Provided

There are approximately seven agencies in Lynn Lake that could potentially assume a role in the housing agency. Included in this number is the Native Friendship Centre, the Northwest Manitoba Development Corporation (N.M.D.C.), the various community service groups, local educators and School Board members, the Mathias Colomb Band Council, the Sherritt Gordon Mining Company and the Local Government District Council. While some of these associations are presently providing for native needs, others are far less responsive and some are even reticent about participating in native oriented issues. The general consensus of opinion within the community, however, suggests that

each group would bring to the housing agency an important perspective that otherwise might find the agency lacking.

6.1.1 The Native Friendship Centre

The Native Friendship Centre is quite clearly the most responsive agency within the community to the needs of the native population. Established in 1975 in an effort to provide "emergency accommodation for Native people moving from reserves and rural areas to Lynn Lake", the Friendship Centre is geared to meeting the needs of natives relocating from Pukatawagon, Brochet, Lac Brochet, Granville Lake, South Indian Lake, Tadoule Lake and Kinasoo. In terms of its overall mandate, the centre outlined three aims and objectives:

- To research and provide programs of a social, cultural and educational nature.
- Liaison between isolated community groups and government departments to provide better community services.
- Based in Lynn Lake, Manitoba, the hostel and centre serves people from many of the surrounding areas. Their needs vary and include seeking employment, medical attention, housing or other services. Programming is geared both towards the urban native situation in Lynn Lake and to serve the needs of those transient or relocating.

Funded in large part by the provincial government, the programs offered by the centre include a family/crisis living area, lifeskills training, alcohol counselling, arts and crafts and hot lunches. In terms of a housing program, the centre defined its role as to "assist clients in obtaining accommodations and maintain liaison between landlords and tenants". It has in this regard been moderately successful, although on the basis of the

family housing waiting list, there is still a substantial segment of the population in need of single family dwelling units.

The centre's management structure is a three tiered Headed by a Board of Directors, the hierarchy includes regular staff members as well as the more temporary The Board of Directors is composed of both native hostel staff. and non-native community members and is governed by Anne Enns. The permanent staff which is responsible to Executive Director, Grace Menard, includes a hostel manager, bookkeeper, secretaryreceptionist, community facilitator and two to three other key personnel involved in a variety of community and counselling The hostel staff is primarily support staff and activities. includes housekeepers, watchmen and maintenance personnel. day to day running of the centre appears to fall squarely on the shoulders of three or four permanent staff members and while committees are in place to handle such important tasks budgeting or policy direction, the centre clearly is run by a few determined workers.

Although there has been some criticism directed at the centre's rather stringent and at times moralistic, rules of behaviour, it would generally appear that the centre's work is well received within the community. Their tireless efforts to offer a level of comfort to newly relocated inhabitants is held in high esteem by both native and non-native alike. Their overall approach to the issues affecting the native population goes far beyond simply providing accommodation as they have readily recognized the problem as a socio economic question. By combining housing programs with life skills training they have attempted to provide the native population with a foundation for urban living. The nutrition programs, the budgeting skills and even the pride of home policy have all helped the native population to adjust to community living.

6.1.2 Northwest Manitoba Development Corporation

The Northwest Manitoba Development Corporation is also an integral part of the native re-adjustment program. Funded under the Canadian Job Strategy's Community Futures Program, Corporation "has been given the primary responsibility for bringing new business to the region". Furnished with \$100,000 as start up capital, the Corporation's mandate includes the economic diversification of Lynn Lake, Leaf Rapids, Pukatawagon, Brochet, Lac Brochet, Granville Lake, South Indian Lake, Tadoule Lake and While not exclusively concerned with the issues of Kinasoo. native housing, the Corporation recognizes the "inter-dependence" of Lynn Lake and the native population and as a result, has promoted the healthy co-existence of both sectors. In this vein, when the N.M.D.C. met for the first time on 16 October 1986 and drafted a five year development plan, the Lynn Lake housing question was very much a part of its "extensive list of 47 Indeed the executive of the N.M.D.C., which included two Lynn Lake representatives and one from Pukatawagon, actually drafted a plea to the Minister of Housing "requesting immediate action on this matter".

The Northwest Manitoba Development Corporation could conceivably play a major role in the organization of a local housing agency. Represented at the executive level by Bob Voisez, Mill Supervisor, Ray McKenzie, General Manager of the Pukatawagon Development Corporation and Abe Enns, resident administrator for the Local Government District, the Lynn Lake-Pukatawagon connection is well established in the Corporation. As many natives relocating to Lynn Lake come from Pukatawagon, this relationship is important in a housing sense. The driving force of the Corporation's field work is Sherry Maga. She is the Program's Research Officer and although her responsibilities are fairly extensive, she has a good grasp of the native housing

problem and has worked closely with the Friendship Centre on native issues.

6.1.3 Community Service Groups

Community service groups or individuals involved in the provision of community services are also likely candidates for a Whether in terms of social workers such as housing agency. Jackie Hayward, childcare workers such as Jennifer Ulvick, hospital personnel or even income security representatives, this group already plays a vital role in servicing the native Of particular importance in this regard is the counselling offered to the native population. training, single mother support groups, dietary counselling or even the possibility of a future Human Resources Opportunity Centre, are all integral aspects of the Lynn Lake socialization program. Although the worker-client ratio is often stretched to the limit, counselling services are an essential ingredient of the native housing program. Its potential however far surpasses its current status and when, or if, counselling is directly tied to a housing program, it would form a vital link in native transition to a more urban society.

6.1.4 The Community School

In a similar vein to the activity of the community service groups, the school plays an important role in the native adjustment process. With a native student population of approximately 18% and rising rapidly, both the teaching staff and the School Board itself, have a certain responsibility to the native population. Indeed, in projecting a gradual climb in the ratio of native to non-native students, Vice-Principal Grant Butler indicated that the school's programming would eventually reflect the increasing native component of the student population. This in a small way has already begun to occur. At

West Lynn Lake Heights, for example, the school now employs a Community Liaison Officer whose responsibilities run the gamut from truant officer to nutrition counsellor. Although the thrust of the schools activity is directed at the children, the home environment has become more and more crucial in its program. This is particularly true where the students scholastic performance is adversely effected by a poor home life. Whether in terms of inadequate diet, sleepless nights or a crowded apartment, the school too has a role to play in ensuring a proper living environment for the native population.

6.1.5 the Mathias Colomb Band

The Mathias Colomb Band council also has a major stake in the native population's well-being. Largely because of the Mathias Colomb element in Lynn Lake, Chief Frank Dumas has expressed an interest in obtaining for the native population the best possible living environment. Part of this concern may also be due to the transient nature of the native community as will as to the overcrowded living conditions at Pukatawagon. Nonetheless, the Band Council's willingness to become involved in alleviating the Lynn Lake native housing problem, could well be a significant foundation for a housing agency. A Pukatawagon-Lynn Lake liaison would provide important support services for the native population as well as perhaps some insight into future policy directions.

6.1.6 Sherritt Gordon Mines

The potential for Sherritt Gordon's participation in the native housing issue is minimal. Although the company maintains several housing units in the community, it is slowly divesting itself of its community commitment. In terms of the native housing issue, company officials have indicated that Sherritt would support a community oriented housing agency, but that the

company itself would have little or no direct involvement in the program. Its most constructive contribution, however, could be in the way of employment opportunities. The need for jobs creation goes hand in hand with the attempt to provide the native population with a sense of community.

6.1.7 The Local Government District

final ingredient in the housing equation is local government. Representatives of the Local Government District (LGD) council as well as the resident administrator, are sympathetic to native housing issues, but not very eager to commit the LGD to involvement in any agency addressing housing Their hesitancy is based largely on financial considerations. The LGD is hesitant to commit itself to what is described as a long term obligation. This sentiment fairly accurately echoes the economic uncertainty of the community and one which has already suffered a substantial decline in the tax Nonetheless, if a housing program is to be successful, it requires at the very minimum, the token support of the Local Government District Council.

6.2 Gaps in Existing Services

6.2.1 Adequate Program Funding

Housing and housing related services that are geared towards the native population are still very much in the formative stage. While the Friendship Centre and the Northwest Manitoba Development Corporation have attempted to provide housing related programs, their ability to do so has been drastically hampered by financial constraints. At present, only a very modest housing program exists in Lynn Lake. This is not the result of a poorly articulated housing need but rather, the lack of funding. If successful programs are to be implemented, they will require

major, long term commitments from the senior levels of government. This includes not just the provision of funding, but also the formulation of policy and the development of the infrastructure capable of program management. The stop-gap measures currently in process must be replaced with permanent programing if the intention is to solve, as opposed to camouflage, the problem.

6.2.2 An Inventory of Suitable Units

After financing, the major gaps in housing services is the availability of housing units. With the vacancy rate settling at around 47%, however, the problem is not so much the lack of units, but the lack of units available to the native population. To adequately address the native housing need, the native population requires access to single family units. Whether this is accomplished through CMHC housing stock or private housing stock, it is essential that the housing disparity be rectified, allowing for equal access to the units. Not only would this provide for the native housing need but it would also be a reasonable response to the realities of the local economy. With the possible depletion of the resource base of the economy and the ever increasing vacancy rate, the native population could provide some financial return on otherwise empty housing units.

6.2.3 Counselling Services

Counselling services is probably the most integral element of a functional housing agency. Housing and housing services are of little practical use unless life skills, homemaking and home maintenance and operation are clearly understood and appreciated. In a limited way, these matters are already included in the mandate of the Friendship Centre, but with only two counsellors for approximately two hundred and ninety-six natives, their effectiveness in establishing a quality training program is

suspect. A more practical counsellor-family ratio and one which was suggested by Friendship Centre staff, might be in the neighbourhood of one counsellor to five families. From a funding point of view, this may not be feasible, but with the problems already encountered by the native population, counselling services must be considered a priority item and the current counsellor family ratio lowered.

6.2.4 Life-Skills

Life-skills training should be provided in an effort to offer the native population the opportunity to familiarize themselves with the urban environment. In this sense life skills training should give the newly re-located native all the tools necessary to cope with the community setting. Whether it is learning the benefits of old age pensions or becoming acquainted with the extra-curricular programs of the school or by simply appreciating what is considered "acceptable" behaviour in the urban environment, life skills training should provide the foundation for the transition to community life.

6.2.5 Homemaking Skills

The teaching of home-making proficiency is more directly related to the issue of creating a housing agency. Included here are skills such as budgeting, shopping, nutrition, meal preparation and cleanliness. Home-making is an important part of both a comfortable home-environment and the interaction of home-life with the community environment. In other words, a well fed, clothed and rested child not only has a better chance of succeeding in school, but also within the community generally.

The "proper" operation and maintenance of a home is an important ingredient in the overall acceptance of the native population within the community. Tasks as simple as cutting

grass, painting fences or repairing broken windows not only help to endear neighbours one to another but they also foster a sense of pride in one's home and reduces future maintenance costs. This too helps to ease the transition into the community and further solidifies the position of the native population as constructive community members.

6.3 Summary

In summary, this discussion indicates there are a variety of organizations in Lynn Lake already involved in providing housing and associated services. These organizations could also bring varying degrees of expertise to any agency involved in implementing housing programs and providing housing management. Initiatives to date, however, have been ad hoc in nature and largely unco-ordinated. Substantial gaps in services exist and a single authority with a mandate to provide and manage housing is required to address housing need in Lynn Lake.

7.0 HOUSING MANAGEMENT OPTIONS

study to this point has discussed the market circumstances and the economic future of Lynn Lake, the housing needs, particularly of the native population in the community, and the various organizations involved in providing housing services as well as gaps in existing services. This provides an adequate basis for recommending an organization with a mandate to implement a structured housing program and handle the necessary property management function. More than property management is involved as it is obvious from the discussion that Lynn Lake does have an adequate inventory of social housing units. Therefore, at least in the initial stages, the organization in question will be very involved in the planning and development of this social housing inventory. The question that remains is what form this organization should take. Three alternatives are a Housing Co-operative, a Local Housing Authority considered: and a Non Profit Organization.

7.1 Housing Co-operative

A local housing co-operative was quickly ruled out for the following reasons:

- . a co-operative suggests substantial tenant involvement in the operation and management of housing projects. A certain level of expertise is required to make such an organization function. This level of expertise would not necessarily be available amongst tenants in Lynn Lake.
- . the households requiring housing are very low income and deep subsidies will be required. The current Cooperative Program operates on an Index Linked Mortgage and units delivered and managed under such a program are not designed for very low

income clients. The subsidies provided are not deep enough.

Although such an approach may be eligible for provincial assistance with respect to establishing a co-operative organization on going funding and management problems could be very problematic. Therefore, the most logical choice is between a Local Housing Authority and a Non Profit Organization and there are advantages and disadvantages of both approaches which have to be clearly documented.

7.2 Local Housing Authority

Community participation is imperative to ensure the success of any housing organization in Lynn Lake. The housing problem is a community problem and there should be community involvement in assessing need, provision of support services, establishment of policies and the purchase and/or design of units. Extensive community involvement will also help encourage a sense of harmony within the community itself, something which is very important given the fact that there is some racial tension in the community. Community participation can play a role in helping to prevent further polarization of the community into two competing racial groups.

A local housing authority, as there are currently structured in Manitoba, suggests participation by a variety of community groups. Therefore, this seems a logical route to go. However, the current Manitoba model also has the lead role in housing authorities being played by the Municipality (in the case of Lynn Lake, the LGD) and in Lynn Lake, the LGD is not keen on accepting such a role because:

. they do not want to make a long term commitment, particularly in a financial sense;

- . they are not as familiar with the native housing problems, nor have they been as involved in trying to address these problems as a variety of other groups in the community;
- . they feel they may not be as adept or in as good a position as others in the community to organize other groups and agencies that could help address the problems.

The LGD's financial concerns, although in part well founded because of falling tax revenues, have no basis in fact. the organization of a Local Housing Authority neither commits the LGD to funding housing programs, nor actually involves it in the property management process. The only commitment is one of staff time for LGD Council members. However, it is true that they are not as familiar with the problems as some other groups, nor are they in as good a position as many groups to organize the necessary expertise and community participation that is required. All things considered, IUS feels quite strongly that the LGD is not the organization best equipped and best placed to provide the necessary leadership. In addition, Housing Authorities are also generally associated with Section 40 or 43 (units are no longer built under Section 43) and not involved in the administration of non profit units. CMHC recently has been raising some concern about Local Housing Authorities being involved in the management of non profit units. Although social housing units could be provided under Section 40 in Lynn lake, an organization should be structured that would also leave open the possibility of using the non profit program. If a Local Housing Authority reduces this flexibility, then another type of organization should be considered.

7.3 Local Non-Profit Housing Group

An organization structured on a non profit basis and spearheaded by the Friendship Centre may well be the best approach. There are a variety of reasons that lend considerable credence to this particular approach including:

- . as previously indicated, the Friendship Centre has a record of achievement and a sound reputation with both the native and non-native groups in Lynn Lake;
- . they are already involved with housing placement and the promotion of harmony between tenants and landlords;
- . they already offer or co-ordinate many of the associated life and homemaking skills programs required in association with housing;
- . they network successfully with many of the other groups that provide services and should be associated with any housing initiative;
- . most of the housing problems are native housing problems and the Friendship Centre, because of its expertise in native issues and its general good rapport with native groups, are best equipped to respond;
- as a native organization, they are better placed to enforce standards on native people that a non-native organization would find difficult to enforce. For example, the Friendship Centre has been promoting a special housing project for those who do not abuse alcohol, so they are separated from households with alcohol problems. CMHC, for example, does not feel it has the mandate to do this. Such action could be construed as a racial and moral issue they feel they cannot address. The Friendship

Centre, however, feels because of its Native background and associations, it can enforce such a policy. This is a policy which IUS feels is important to housing success in the community;

- effectiveness amongst native people, the Friendship Centre has also demonstrated an ability to be an effective administrator of funds. Budgeting skills are already in place. These skills may have to be enhanced and other skills such as property management and maintenance must be incorporated, but a core of effective administrative staff are already in place;
- current management and staff of the Friendship Centre illustrate the strong leadership capabilities that are needed to spearhead such an organization. They also have the sympathy and understanding necessary to deal with native population;
 - Friendship Centre demonstrates the degree of stability and longevity necessary to deal with the problem on a long term basis. Regardless of the future of Lynn Lake, the Native Community in the centre will be a long term feature as will the housing and transition problems of natives moving to, and living in the centre. There will be a role for the Friendship Centre on a long term basis. Other organizations such as the Northwest Development Corporation could spearhead such as a housing organization. However, besides the fact that they are not nearly as familiar with native problems and issues, their longevity depends more on government program mechanics which may change government priorities change;

The Friendship Centre will face difficulties in its task:

- . some of the expertise required is currently not in place and will, either have to be developed or recruited;
- . the Centre's approach to some issues (such as alcohol) is judged to be too moralistic by some natives, so it would be unrealistic to suggest they will not face some difficulties even within the native community;
- . the necessary networking with other groups, in spite of the expertise the Centre has already developed in this area will be difficult and time consuming;
- there will be resistance to the group from certain elements in the community, particularly owners of private rental units. The Friendship Centre already finds it difficult to convince private landlords that they can place "respectable" tenants in private units.

In all, however, IUS feels that the success of a housing organization in Lynn Lake is much more likely if the Friendship Centre plays the lead role.

7.3.1 The Structure

It is not the name, or for that matter, the structure (a Local Housing Authority or a Non Profit Agency) of the organization that is the key to success. The key to success is the organization that spearheads the initiative and is given a mandate to deliver and manage an effective housing program. IUS is recommending a Non Profit Housing Group under the umbrella of the Friendship Centre. However, a Local Housing Authority

spearheaded by the Friendship Centre may also be effective instrument to improve housing conditions.

IUS recommends the Non Profit Organization because it could provide the following advantages:

- other Native Non Profits have been organized in the province. Although they are in larger urban centres, the model is in place, the manuals have been prepared, units have been delivered and managed under such organizations and the wheel would not have to be re-invented in Lynn Lake. The Native Non Profit in Thompson is close at hand and could be used as an example.
- current Native Non Profits in larger urban areas have more flexibility to fund support services, such as homemaking and life skills that are so important in the Lynn Lake context.
- . the housing need is largely a native need and the problems the organization must deal with and the services it must offer are very similar to those that Urban Native Non Profits deals with in the larger urban centres.
- . a Native Non Profit may have a better chance of accessing units under the various programs that have a native target component, i.e., Urban Native and Rural and Native, as well as the regular Private Non Profit program. CMHC also seems to have less concern with non profit organizations managing Section 40 units than local housing authorities managing non profit units.

IUS realizes that Lynn Lake does not qualify for funding under the Urban Native Program because its population is under

2500. In this respect, the Native Non Profit Organization has to be considered "special" in the sense that it does not fit easily into a program structure. However, there is a housing need in Lynn Lake which is largely a native need that has to be addressed regardless of the size of the community or the fact that many of the current program structures are not applicable.

7.3.2 The Board of Directors

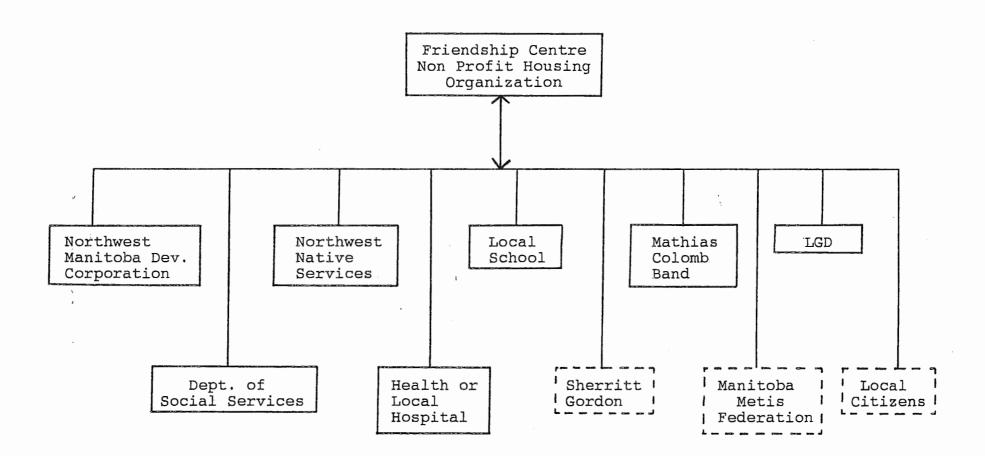
If the Friendship Centre is incorporated as a Non Profit Housing Organization or a Non Profit Housing Organization is set up under the umbrella of the Friendship Centre, it is still important to maintain wide community participation both in principle and practice. The benefits of community participation have already been detailed and emphasized. Community participation and input can be maintained through a Board of Directors and IUS strongly recommends that the Board include a wide variety of groups that are both native and non native in nature. Board members should include representatives from the following agencies:

- the Northwest Manitoba Development Corporation
- Northwest Native Services (AWASIS)
- The local School (Board Member or Teacher)
- the Mathias Colomb Band (representatives from Pukatawagon and Hughes Lake)
- the Local Government District
- Department of Social Services
- Department of Health or Local Hospital Board.

Others might include Sherritt Gordon Mines and the Manitoba Metis Federation, as well as citizens at large, particularly if they have expertise they can bring to the Board. Although the organization will deal mainly with native housing problems, it is important that it be perceived as dealing with community housing

problems both native and non native and in this respect, it is necessary to have the community as a whole (both native and non-native) represented on the Board. There may also be merit in involving the Native Non-Profit in Thompson to provide assistance and expertise in the start up phase of the organization. Working with local CMHC and Manitoba Housing staff, the Thompson group could provide invaluable assistance.

FIGURE 7.1
LYNN LAKE NON PROFIT HOUSING: BOARD OF DIRECTORS



7.3.3 Activities and Staffing of the Housing Agency

To be effective the housing agency must be properly staffed to provide a variety of services. The services required have been discussed in considerable detail and generally they are available in Lynn Lake, but not to the extent they should be and they are not being co-ordinated by any one agency. They are provided by a variety of agencies and the case loads per individual are far too high. The housing agency will require more staff to provide direct services in some areas and to co-ordinate the activities of other agencies in other areas.

If the Friendship Centre spearheads the housing agency, the services it should provide are outlined below.

Tenant Selection and Placement

- tenants for placement in private units and handling the negotiation of leases, as well as resolving problems that occur between tenants and landlords.
- the addition of a Housing Manager assisted by the current staff in consultation with the Board of Directors should handle selection, placement and the other activities associated with maintaining a waiting list, filling vacant units, handling problem tenants, etc.

Maintenance

. the Centre is already involved in ongoing maintenance of its current facilities, but an inventory of housing units will require enhancement in this area. Short term upkeep, as well as long term replacement and improvements have to be addressed.

the addition of a Housing Manager who will oversee daily and annual maintenance requirements and contract out the necessary work should adequately handle these activities.

Financial Controls

- . this includes preparation of budgets, monitoring of expenditures and cost control, rent collection, handling replacement reserves, plus all other accounting procedures required in property management.
- . the Centre already retains the services of an accountant and this service in conjunction with the work of a Housing Manager should be sufficient to maintain adequate financial control.

Counselling

- . beside the Housing Manager, this is the other area where the Centre must have additional staff. The Centre now has two (2) counsellors working with 300-350 people. These people, however, also perform other functions around the Centre. The case load is ridiculously high.
- . given the nature and the extent of problems faced by native families in transition, a case load of one counsellor for every five families is not unrealistic. This ratio was considered necessary and proved successful in earlier work with native families in Leaf Rapids. However, it is unrealistic to expect financing to support an additional ten (10) counsellors, nor would this

many be necessary as other agencies provide some of these services.

- . IUS does, however, strongly recommend the addition of two (2) counsellors to work with the native families teaching both life and homemaking skills. It cannot be emphasized too strongly how important such staff will be in solving native housing problems in Lynn Lake.
- . it should be emphasized that these counsellors will also be involved in co-ordinating the services of other agencies.

Three additional staff are recommended. Approximate costs to acquire these positions are outlined below.

Counsellors (2 x \$21,000)	\$42,000
Housing Manager (1 x \$25,000)	\$25,000
TOTAL	\$67,000
LOTAL	307,000

These costs may be considered "extraordinary" because they are not normal costs associated with establishing a housing agency with an inventory as small as that likely to be the case in Lynn Lake. Although "extraordinary" in nature, these costs can, however, be easily justified.

The rational for hiring additional counsellors has already been discussed in detail, but the situation with respect to the Housing Manager needs further discussion. Housing Managers with local housing authorities in the province are paid on the basis of \$10.00 per unit per month to a maximum of approximately 150 units. Thereafter, they are paid a set salary commensurate with experience, size of portfolio, etc. Using this system, a Housing Manager in Lynn Lake would never have a portfolio of units large enough to justify a full time position and salary. However, the

Institute strongly recommends that the manager be hired on a full time basis. His or her portfolio may always be relatively small, but the problems involved and the work required will be significant and time consuming. His or her role in advising the Board, leasing units, collection of rents, preparing budgets and other financial duties, directing maintenance programs and in general directing the daily operation of the Centre's housing initiative will be extensive. In addition, the manager should be involved in the planning necessary to purchase and or build the Native non profit necessary social housing units required. groups in the province operate with full time managers and some have far fewer than 150 units. The nature and scope of the work in Lynn Lake is similar so a full time manager does not seem unrealistic. This may be another reason in favour of the housing agency in Lynn Lake structuring itself as a non profit.

Other costs associated with property management such as maintenance, accounting costs, general office administration, etc. should be part of the regular property management budget. Staff costs, however, may well be considered extraordinary expenses to respond to the special circumstances in Lynn Lake.

8.0 THE SOCIAL HOUSING INVENTORY

8.1 <u>Introduction</u>

Regardless of the nature of the housing organization that is established in Lynn Lake, to be successful, it must have an inventory of units. At this point, the Friendship Centre is trying to solve housing problems by placing native families in apartments owned by CMHC and single detached units rented by private individuals. The portfolio they are trying to work with does not include enough units, nor are the units they have always the right kind of units.

8.2 The CMHC Portfolio

The CMHC apartments, such as the Woodlands at 638 Gordon which are currently being used, are totally unsuitable for some of the families that occupy them. Large families in one and two bedroom apartment units is not the best situation under any circumstances, but is particularly difficult for native families unaccustomed to an urban life style. More single detached units are needed. The Centre has been able to place a few families in single detached units, but several more units are needed.

The characteristics of the social housing inventory in Lynn Lake can be based, in a general sense, on applications on file from households requesting social housing. Approximately 20 applications have been filed with Manitoba Housing. The Friendship Centre has these 20 plus another eight to ten for a total of 30. Many of these are currently accommodated in apartment units, some of them in the Woodlands at 638 Gordon. All of these requests for housing are legitimate applications from families with a definite need for improved housing conditions. Therefore, based on need, a social housing inventory of up to thirty units is required. This need may well increase

in the future, although, establishment of the Hughes Lake Reserve may eventually draw some families out of Lynn Lake.

Based on the characteristics of the families at least half, or likely closer to 65%, of the families require single detached However, some of the smaller families, and particularly, single parent families with young children could be adequately accommodated in apartment units. Therefore, IUS recommends that approximately half (at least fifteen units) of the social housing inventory consist of single detached units. The remaining units It should be noted that the could be in apartment structures. Friendship Centre expressed a desire to have some apartment units in the portfolio for the smaller, particularly single parent They also felt there would be a need for a few units If future increases in the portfolio are for senior citizens. required, the type of unit should be dictated by need at the time, but there seems little doubt that the increases will have to focus on single detached units.

The CMHC units have been suggested as a possible source of social housing units. Indeed, they seem the logical choice. Many are vacant and they do belong to a public agency in the business of providing social housing. Under consideration are 68 apartment and 18 single detached units that have been taken back on defaults under the Mortgage Insurance Program. apartment units are contained in three projects, the Woodlands, Treeline and Williams (Map 8.1 and Appendix B). The Woodlands at 638 Gordon is a single building, but the other two projects consist of more than one building. The Treeline and Williams projects are apparently in much better shape than the Woodlands which requires extensive repairs, so they may be a better choice in terms of providing units. As the total units in these projects are divided amongst a number of buildings, it will also be easier to purchase buildings consisting of approximately 15 units. Purchasing different buildings also allows some

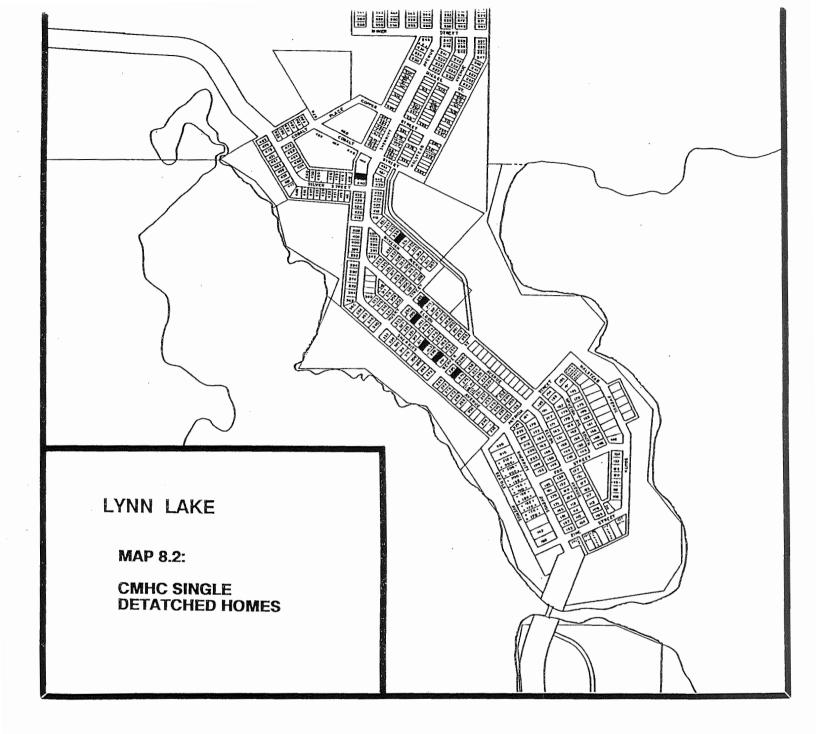
separation of tenants, particularly those with alcohol problems. The final decision on what buildings should be purchased will naturally have to depend on a more complete inspection and appraised by qualified staff.

The eighteen single detached units (Map 8.2) vary in condition from very poor to good. Again, inspections by qualified personnel will have to be undertaken, but a quick assessment by IUS staff suggests at least one-third of the units are beyond repair and many of the rest require fairly extensive upgrading. However, ten to twelve of the units could be used to good advantage as social housing units because:

- . they are well scattered throughout the community, so social problems will not be concentrated;
- . there are several three bedroom units which are desperately required for the larger families; and,
- . single detached, ground orientated units with yard space are much more suitable than the apartments for families with older school age children.

IUS recommends that those units that are in good condition or can be upgraded to an adequate standard for a reasonable price be purchased and form part of the social housing inventory.

Appraisals by qualified staff should be undertaken to determine the costs of obtaining the inventory, but IUS, from its investigation, is able to provide rough cost guidelines. Based on current market prices, purchase of the single detached units should not average more than \$7,000-10,000 per unit. An average of \$8000 should be a reasonable figure. Some reasonable units have sold for less. Negotiations with CMHC should begin as soon as possible to obtain even more reasonable prices, particularly



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as they will be purchased in bulk and CMHC has very few prospective buyers. According to discussions with CMHC staff, the cost of repairs, provision of appliances and generally bringing units up to an acceptable standard may average another \$10,000 per unit. Total costs, therefore, are less than \$20,000 per unit, which is much cheaper than building new single detached units. To provide sufficient single detached units, it may be necessary to purchase units on the private market, but prices should be in the same range. Constructing new unit does not seem a logical option in a centre with so many vacant private units. Also, an agreement might be possible with CMHC to have first right of refusal on any additional units taken back under the Mortgage Insurance Program.

Costs for purchasing apartment units are harder to gauge. Based on the recent sale of a good quality eight-plex for approximately \$30,000, it would appear that \$6,000-8,000 per unit is, if anything, perhaps on the high side. Repair and upgrading costs must also be included which may add additional costs of \$6,000-8,000 per unit for total per unit costs of \$12,000-16,000.

Approximate costs to purchase 30 units are outlined below. Approximately half a million dollars should provide an adequate and suitable inventory to initially respond to housing problems. This estimate may be high depending on the extent of needed repairs and the price that can be negotiated with CMHC.

TABLE 8.1

SOCIAL HOUSING INVENTORY

SINGLE DETACHED UNITS		\$
a) Purchase Price b) Renovation/Repairs	15 x 8000 15x10,000	120,000 150,000 270,000
APARTMENT UNITS		
a) Purchase Price b) Renovation/Repairs	15x7000 15x7000	105,000 105,000 210,000
TOTAL COST OF ACQUIRING INVENTORY		\$480,000

SOURCE: IUS.

8.3 Federal Provincial Cost Sharing

These costs should not be the sole responsibility of the The LGD, because of its rather tenacious Provincial Government. financial situation related to a declining tax base should not be expected to participate but the Federal Government via CMHC should bear a major share of the cost. Cost sharing between the Federal and Provincial Government should be on the same basis as other housing programs in the province (75% Federal and 25% Federal involvement in Lynn Lake should be Provincial). extensive given their commitment to native targeting and the fact that many of the native families are coming from nearby Reserves, particularly Pukatawagon, which is a Federal responsibility. With 75% CMHC funding, provincial costs for extraordinary expenses related to property management requirements plus capital costs of providing an inventory are outlined below.

FUNDING AREA	Federal Share	Provincial Share \$	Total \$
Property Management (Staff costs)	50,250	16,750	67,000
Purchase of Units	360,000	120,000	480,000
TOTAL	410,250	136,750	547,000

Property management costs are subsidy cost that will occur on an annual basis and inflate as wages rise. The provincial share in the first year will be \$16,750. Provincial capital costs to establish an initial inventory will be in the order of \$120,000. These costs, although they must be subject to review by more qualified individuals, are quite reasonable and reflect the current nature of the market in Lynn Lake.

9.0 CONCLUSION

In conclusion, the assessment of the housing situation in Lynn Lake indicates a substantial unmet need. The evidence suggest approximately thirty native families require improved housing. Various initiatives to improve conditions have been undertaken, but there are gaps in existing services and too few adequate units have been made available. In addition, no one organization has a clear mandate to provide units and the associated services, so efforts to date have been largely uncoordinated and as a result less effective than they otherwise might have been.

IUS recommends that a housing agency be established under the direction of the Friendship Centre. The organization can be structured as a Local Housing Authority, although, IUS feels a Non-Profit Organization may provide slightly more flexibility in responding to housing needs. Wide community participation is essential to the organization and the Friendship Centre should be guided in a policy sense by a Board of Directors representing a variety of community groups and agencies, both native and non-native.

To respond to the current housing need in the community, IUS recommends a social housing portfolio of approximately 30 units. The CMHC units should be evaluated first when purchasing the portfolio and, given the market situation in Lynn Lake, there should be no need to construct new units. Capital costs of approximately \$500,000 should be sufficient to purchase the initial units.

Given the nature and extent of the housing related problems, IUS recommends the Friendship Centre be provided with a staff complement that is high relative to the number of units in the portfolio. A full time manager and two counsellors in addition

to the Centre's current staff are recommended. Involvement in the planning necessary to establish the portfolio, plus the problems associated with leasing units, collecting rents, preparing budgets, directing maintenance programs, advising the Board and in general directing the daily operation of the Centre's housing initiative justify a full time manager's position. As well, extensive requirements to provide life and homemaking skills will justify two additional counsellors to address the current unrealistic worker to family ratio. Additional staff will cost in the neighbourhood of \$70,000 per year.

Costs associated with purchasing an inventory and staffing should be shared on a 75%, 25% Federal, Provincial basis. Expected provincial costs of establishing an effective housing program in Lynn Lake will be approximately \$120,000 in capital to purchase the inventory and first year staff costs of approximately \$17,000 in addition to the regular costs associated with property management.

Approximately 30 units should adequately accommodate current housing need in Lynn Lake. However, the establishment of an agency to deliver housing and housing related services may well create its own market. Once it is established and recognized as a community service other households may seek the services of the Housing Agency. Future expansion of the portfolio, as well as increased staff requirements, are a distinct possibility, particularly as Lynn Lake will remain as a focus of native activity in the future.

APPENDIX A: COMPANY OWNED HOUSING

Unit Type	No. of Units	No. of Bedrooms				
		<u>One</u>	Two	Three	Four	<u>Five</u>
Single Detached	14		2	6	5	1
Four Plex	20		5	15		
Apartment	8	8				
TOTAL	42	8	7	21	5	1

SOURCE:

Sherritt Gordon Mines.

APPENDIX B: CMHC OWNED HOUSES

Unit Type	Location	# of Units	# of Bedrooms (rent)			
			Bach	<u>One</u>	Two	<u>Three</u>
Apartment	Woodlands 638 Gordon	12	1 \$226	3 \$268	8 \$284	
Apartment	Treeline 633-654 Hales	35	2 \$226	9 \$268	24 \$284	
Apartment	Williams 278 Sherritt	11		-	7 \$284	4 \$304
Sub Total	-	58	3	12	39	4
Single Detache	d	18		n/a		
TOTAL		76				

SOURCE:

CMHC Thompson Office.

APPENDIX C: LIST OF PEOPLE INTERVIEWED

- 1. Paul Bergen, Teacher, West Lynn Lake Heights High School and President of the Manitoba Teachers Society
- 2. Gordon Brygidyr, Head, Housing Programs, Band Support and Capital Management Division, Indian and Northern Affairs Canada
- 3. Pauline Busch, Community Facilitator, Lynn Lake Friendship Centre Inc.
- 4. Grant Butler, Vice-Principal, West Lynn Lake Heights High School
- 5. Ada Cockerill, Local Housing Administrator, Canada Mortgage and Housing Corporation
- 6. John Colomb, Member of the Mathias Colomb Band and representative of the Hughes Lake Reserve contingent
- 7. Jay Cowan, Minister Responsible for Co-operative Development
- 8. Frank Dumas, Chief, Mathias Colomb Band
- 9. Tom Ellis, Referral Services, Lynn Lake Friendship Centre Inc.
- 10. Abe Enns, Resident Administrator, Local Government District of Lynn Lake
- 11. Anne Enns, President, Board of Directors, Lynn Lake Friendship Centre Inc.
- 12. Ron Fallis, Director of Property Management, Manitoba Department of Housing
- 13. Stan Geddes, Mayor, Lynn Lake
- 14. Peter Goodwin, Vice-President of Operations, SherrGold Inc.
- 15. Jerry Hannon, Office Manager, Canada Mortgage and Housing Corporation, Thompson
- 16. Lloyd MacKay, Office Manager, Indian and Northern Affairs Canada, Thompson
- 17. Sherry Maga, Research Officer, Northwest Development Corporation Program

- 18. Grace Menard, Executive Director, Lynn Lake Friendship Centre Inc.
- 19. Joe Michel, Housing Director, Keewatin Tribal Council, Thompson
- 20. Roy Nichol, Provincial Director, Canada Mortgage and Housing Corporation, Winnipeg
- 21. Joe Norwich, Manager, Human Resources Department, Sherritt Gordon
- 22. Brian Pretrango, Manager, Canadian Imperial Bank of Commerce
- 23. Ron Reader, Federal/Provincial Relations Officer, Canada Mortgage and Housing
- 24. Larry Robinson, Director of Lands, Revenues and Trusts, Indian and Northern Affairs Canada, Winnipeg
- 25. Saul Schubert, Deputy Minister of Housing, Manitoba Department of Housing
- 26. Donna Somack, Property Management, Canada Mortgage and Housing
- 27. Jennifer Ulvik, Awasis Counsellor and Vice-President, of Board of Directors, Lynn Lake Friendship Centre Inc.
- 28. Mildred Wilkie, Editor, The Northern Breeze
- 29. Dennis Young, President, Canadian Association of Single Industry Towns.