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P.O. Box 1000, Station 1400,

Honorable Lorne Kusugak Minister Responsible for the Nunavut Housing Corporation P.O. Box 2410 Iqaluit, NU X0A 0H0

January 23, 2024

RE: Response to Nunavut Housing Corporation Letter of Expectation 2023-24

Dear Minister Kusugak,

I am writing you in response to your Letter of Expectation dated October 5, 2023. Please find herein my response to Nunavut Housing Corporation's (NHC) Letter of Expectation 2023-24.

Meeting the Expectations of Katujjiluta

The NHC's 2023-24 Business Plan and budget outline several important priorities for the corporation, many of which align with the Government of Nunavut's (GN) Katujjiluta Mandate, and should be implemented strategically, with the overall well-being of Nunavummiut in mind.

NHC launched Nunavut 3000 (NU3000) in October 2022. This Strategy represents a new approach to addressing Nunavut's housing supply and supporting the private sector construction in the territory. Since the launch, NHC has developed strategic partnerships, invited Nunavummiut from across the territory to contribute their ideas for improvement and innovation, conducted a housing forum, and developed new and redesigned housing policies and programs.

NHC continues to work with Government of Nunavut's (GN) departments to fulfil important priorities such as developing new pathways for trades training, reviewing, and improving the delivery of the GN Staff Housing Program, and supporting staff renting in the private market through the Household Allowance Program. I, together with the

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Executive team, look forward to working collaboratively on the important Katujjiluta mandate priorities.

Expanding the Housing Continuum

NU3000 is a strategic vision to increase the housing supply in Nunavut by 3,000 units to address Nunavut's limited housing options. The goal of the multi-year, multi-faceted plan is to reduce critical gaps in Nunavut's housing continuum and improve the range of affordable housing options available to Nunavummiut. The Strategy provides a guiding framework for NHC, its partners and stakeholders in Nunavut's housing industry. It is only through shared investment and collective responsibility that we can adequately address the complex issues related to expanding the housing options.

Partnership with Nunavut Construction Corporation Development Limited

The Strategic Partnership with Nunavut Construction Corporation Development Limited (NCCD) is expected to help reduce construction costs by allowing for economies of scale and through commitment to finding efficiencies in the current delivery model. The long-term nature of the partnership also provides enhanced opportunities for local training and employment associated with housing construction and pursuant to the Partnership Agreement. The NHC and NCCD partnership saw 150 units started in the 2024 construction season. I look forward to seeing the completion of these units and providing you with an update on this much needed construction.

I was also pleased to see the installation of 22 modular units in communities across Nunavut and look forward to seeing NHC pursue further modular initiatives.

Land Development Readiness and Planning

In Fall 2023, NHC led a community tour with land planning expertise and construction survey specialists. The purpose of this tour was to determine feasible land to build on and determine what is needed to access new land for future builds to accommodate the significant influx of units planned under the Nunavut 3000 Strategy. NHC will continue to work very closely with Department of Community and Government Services (CGS),

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Hamlets and Nunavut Tunngavik Incorporation (NTI) to identify initiatives to accelerate the supply of housing.

I am also pleased to see NHC's funding request to Canadian Mortgage and Housing Corporation (CMHC) has been approved for the Lands for Homes (L4H) Information Solution. This next phase of L4H will help address the information-related gaps which impact the supply and selection of appropriate land needed to accommodate the accelerated supply of housing in Nunavut's 25 communities.

Needs and Demand Study

The Needs and Demand study was undertaken as an inter-departmental effort to help link housing construction to the programming needs of departmental clients. This study represented the key deliverable of the Purpose-Built Housing Working Group. The final Needs and Demand Study has been shared with the Department of Family Services (DFS), Health, Justice, and NTI. It will also be made available on NHC's website in 2024. Building upon that progress and to support the development and implementation of the Nunavut 3000 Strategy, NHC and DFS, are working with Health and Justice to create a new Supported Housing Working Group to replace the Purpose-Built Housing Working Group. This new working group would align with new housing policies, including NHC's capital investment plans.

The intended purpose of Supportive Housing Working Group remains removing housing barriers for shared clients and coordinating the engagement of stakeholders to access needs specific housing options.

Homeownership Programs

NHC is developing a suite of new and redesigned programs, including the Nunavut Homeowner Assistance Program (N-HAP), and various other new and redesigned homeownership programs. Through program renewal, NHC will also work to make housing programs easier for Nunavummiut to access.

NHC is planning to introduce the Homeownership Support Policy. The goal of this Policy is to provide Nunavut's homeowners with an increased range of options and incentives in the form of financial support and counselling for purchasing or building their own



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home. In addition, NHC will look for opportunities to expand the public housing tenant engagement program to offer similar educational content to homeowners.

Nunavut Affordable Housing Supply Incentive

In 2024, the NHC looks forward to launching the Nunavut Affordable Housing Supply Incentive (NAHSI). This affordable housing capital co-investment program is designed to align with the government's goal of creating or maintaining affordable and transitional housing units and expanding the housing continuum in Nunavut.

Condo Program

I am pleased with the diligent work NHC's new management has undertaken in 2023-24 to address the issues with the GN Staff Condo Program. This has included implementing the necessary improvements to the legal, administrative, and financial management aspects of the current program to ensure transparency and accountability.

Inuit Employment Plan

The Corporation has been working toward filling its vacancies and meeting the Inuit Employment Plan requirements. The NHC is committed to Inuit Employment priorities including our plan to hire eight (8) Inuit staff over the next fiscal year, while retaining existing staff, for a total of 50 Inuit employees. As part of this plan, NHC will work to secure interested individuals who are qualified or willing to enter developmental opportunities.

NHC continues to work closely with the Department of Human Resources to implement its Inuit Employment Plan goals and actions to increase the Inuit employment and employee development. NHC will continue to take advantage of recruitment and employee development initiatives to increase Inuit employment.





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National Housing Strategy

NHC will continue to enhance their important relationship with Canada Mortgage and Housing Corporation (CMHC) and raise awareness of the realities of housing in Nunavut. NHC continues to work with the Department of Family Services on the Canada Housing Benefit, as part of the National Housing Strategy.

NHC will continue to engage its northern partners such as NTI, in efforts to pursue increased investments in housing from our federal partners to support the targets identified for new housing units and explore further opportunities for partnerships with CMHC.

Public Transparency and Communications

NHC remains committed to developing effective communication strategies for its programs and services. NHC will continue to work towards completing a comprehensive communications strategy for both internal and external structures. I look forward to sharing this strategy with you.

As part of NHC's commitment to improving transparency and accessibility, they are launching an updated website in 2024. This will allow the public to better access to NHC program information, applications, policies, and procedures.

Adoption of New Accounting Standards

The new Asset Retirement Obligations standard requires management to determine the impact on its consolidated financial statements for fiscal years ended March 31, 2022, and March 31, 2023. We are pleased to report that NHC met the reporting requirements within the corporation's statutory deadline for FY 2022-23.

Accountability and Financial Management Reporting Expectations for 2023-24

Central Accountability Committee and Territorial Corporations Committee



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NHC also continues to report to Central Accountability Committee (CAC). CAC is accountable for providing an oversight function to the GN and crown corporations to ensure that financial and non-financial accountability.

In 2023-24, NHC continues to be a member of the Territorial Corporations Committee. The Committee allows the opportunity for collaboration with Nunavut's other Territorial Corporations, and members can work collectively to meet their statutory reporting requirements.

I look forward to the NHC's continued participation in these committees and fostering a positive working relationship.

Accountability and Financial Management Reporting

The NHC remains dedicated to the highest standards of accountability and transparency, and this includes tabling in the Legislative Assembly of the following documents:

- The Corporation's Annual Business Plan
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by the corporation.
- o Formal response to letters of expectation, letters of instruction and Ministerial directives.
- o NHC will ensure that quarterly variance reports are reviewed by the Board of Directors and submitted to the CAC in a timely manner.

The NHC Board of Directors works closely with the President CEO and the Vice President of Finance to ensure all financial resources are managed within the GN accounting requirements. Furthermore, the Vice President of Finance works closely with the Office of the Auditor General's audit to coordinate the annual financial audit.



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NHC remains committed to our reporting responsibilities as required by the Department of Finance. I along NHC's executive team, remain available should you have any questions.

Sincerely,

John Apt

Chairperson, Nunavut Housing Corporation

CC: Eiryn Devereaux, President & CEO, Nunavut Housing Corporation Dan Young, A/Deputy Minister, Department of Finance