



## ABORIGINAL HOUSING MANAGEMENT ASSOCIATION

# CEO Report | March 2010

*AHMA is committed to communicating with stakeholders. This monthly e-bulletin from our CEO will update you on AHMA's latest activities.*



**Andrew Leach, MBA**

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## THE END OF AN ERA: MORTGAGES & SUBSIDIES TO EXPIRE

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Next month, Dawson Creek Native Housing Society's operating agreement expires and subsidy will end. Soon after, Fort St. John Native Housing Society's does too. And many of our other Aboriginal housing societies will face the same issue in the coming years.

The **impact on operations is immense**: the money Aboriginal housing providers use to pay for staff salaries and building maintenance will no longer be available. From our research, we've learned that housing providers basically have three choices to stay solvent and continue providing social housing in a post-subsidy environment: liquidate assets, generate revenues and lower expenses.

### Ideal state

Larger societies with well funded reserves, well maintained buildings, and a mix of tenants—with some paying more for rent—are in stronger shape to handle post-subsidy operations. But the transition will be tougher for smaller, remote societies, and many of our members fall in this group.

AHMA's goal is to help members achieve an ideal state to make the transition. We see regional and national efforts to lobby government for policy change to reallocate some subsidy savings back into social housing. But short of receiving any new funding from government, frontline housing providers need practical tools to prepare for the expiry of subsidy to:

- **Maximize reserve funding** for capital repairs
- Streamline staffing where possible
- Examine waitlists to **shift to a more sustainable tenant mix**, so some units are allocated to people who can afford to pay more of the market rent, rather than full subsidy for all units

### AHMA's actions

AHMA worked with BC Housing to seek interim funding for Dawson Creek Native Housing, but funds were not available in the current economic climate. So we met with DCNHS Board and staff in mid-March to develop a plan for dealing with the loss of subsidy, and will return to help staff implement some changes.

In addition, we will **help our members plan ahead for post-expiry operations** by:

- Producing a fact sheet for boards outlining the choices and decisions you face
  - Preparing a guide for society staff who will implement the board's decisions, with information on how other societies have successfully made the transition
  - Meeting with members to facilitate a post-expiry plan, during the operational review years before expiry, whenever possible
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## DEVOLUTION'S A DONE DEAL

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We're excited to report that the **remaining member files are en route to us** from BC Housing. AHMA has fulfilled our promise of becoming the provincial authority for off-reserve Aboriginal social housing! I plan to head out on a road trip to visit as many of our member societies as possible, to ensure the transfer goes smoothly and we have an opportunity to address any issues you face.

Now that AHMA has achieved this milestone, we want to **expand support for our members**, and will connect with you in the next six months to discuss what kind of capacity building and advocacy support you need from us.

## OUR NEXT TARGET: RURAL NATIVE HOUSING

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With all of our members' housing under the AHMA umbrella, we're eager to begin managing some additional assets, and have **turned our sights to Rural Native Housing**. BC Housing currently oversees about \$100 million of RNH, transferred to the province by CMHC.

On March 15, AHMA Vice President Mike Mearns and I met with BC Housing CEO Shayne Ramsey and VP of Operations Margaret McNeil to give them an update on devolution and present our case for taking on the RNH stock.

This housing will be challenging to manage because it's in scattered, remote locations, with limited demand for some rental units. Some stock is old, in poor condition, and needs extensive renovations. Nevertheless, our aim is for AHMA to oversee these units, which **hold promise for piloting Aboriginal home ownership**. We'll work with BC Housing to analyze the current state of this housing stock, and will research the best approach for managing the portfolio.

## JOIN US: WE WELCOME NEW MEMBERS

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We're pleased that new groups are coming onboard and others are inquiring about AHMA membership. We're always ready to meet with your society or make a presentation to your Board, and have **a new member package to share information** on how AHMA can support you. Call us anytime. We welcome new and former members, especially groups delivering Aboriginal housing.

## PLANNING AN INTERNATIONAL EXCHANGE

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AHMA is beginning to work on some exciting ideas to promote networking among indigenous housing providers around the world, including:

- An international indigenous housing conference in Vancouver in 2012, and we will seek government and industry support to organize the event
- Travel exchanges among indigenous housing providers to share expertise and learn from each other's experiences

Stay tuned. We'll keep you posted.