

Gignul Non-Profit Housing Corporation

President's Report 30th Annual General Meeting November 21, 2016

Welcome to the Board, staff and members of the Gignul Non-Profit Housing Corporation.

I would like to express my appreciation for the directors, staff, and interested people who have taken the time out of their busy lives to attend Gignul's Annual General Meeting (AGM). It may seem like a small thing, but attendance, and participation in helping to meet Gignul's corporate obligations goes a long way in helping to further the housing needs of Aboriginal people in Ottawa.

In my report last year, I focused on our 17 projects, and the related 162 rent geared to income units. In the day to day board meetings we sometimes lose sight of the status of our projects. Let's quickly revisit where our projects stand. The term of the operating agreement for Project 1 ends in 2021, five years from now. In contrast, the term of the operating agreement for Project 17 is quite a bit longer. It ends in 12 years in the year 2028. The other projects fall at varying levels between these examples. More detail on our projects follows later.

From time to time, representatives of the real estate industry have expressed interest in one or more of our properties. You may have asked yourself, if interest developed into an actual offer would we sell. In the latest instance, interest was expressed in purchasing our property at 122/124 Genest Street. The enquiry was short lived because, as we know, our housing subsidy is tied to an Operating Agreement. The operating agreements do not easily permit the sale of properties within the lifetime of the agreement.

In the case of this enquiry, the agreement for our units on Genest Street will not expire until 2022. We are in the process of developing a lobbying position to the provincial and federal government officials to change the criteria in the agreements. Our goal is to have more flexibility, primarily to be able to make a more timely business decision on opportunities that the market offers.

In our response, we expressed interest in being advised of the potential market value. Unfortunately, we did not get a response.

This year, I would like to increase the focus on our staff. As an organization we have been fortunate to enjoy the loyalty of long term staff in key positions. Marc Maracle who has served in the position of Executive Director since 2004. Delores Peltier who joined Gignul in October 1997 and now works as a Tenant

Relations Officer. Our Finance Officer Jerry Rakus who has held the position since 2005. Also in 2005, Eve Louttit, accepted the position as receptionist and has been with us ever since.

These are the staff that is very much the face of Gignul to both our tenants, and to our government partners.

Last year a little uncertainty was experienced in terms of staff turnover, primarily in the repairs and maintenance area. Also last year, it was acknowledged that our financial officer, Jerry Rakus had become somewhat overextended in monitoring, tracking and keeping himself ahead of demands related to our finances. We set an objective for ourselves to fill the empty positions in repairs and maintenance. Today, we count ourselves fortunate to have Ken Fraser heading up the Maintenance position. He is ably assisted by Gord Serrurier, Noah Adams and Greg Guerin.

We also created a new position filled by Susan Howard to assist Jerry. Left alone to focus on core responsibilities, Jerry is making significant headway in integrating a little more work life balance into his days with Gignul. I have a quote about work life balance I think is appropriate for us today. The quote belongs to Simon Sinek an author who teaches leaders and organizations how to inspire. The quote is:

**“Working hard for something we don’t care about is called stress:
Working hard for something we love is called passion.”**

The Board

The composition of the Board has been steady over the past year. As always, we continue to seek interested community members for membership in the Association, and ultimately, for consideration on a Board Committee or on the Board when a space becomes available.

Chad Kicknosoway, who has established his eligibility for the Board, has agreed to help out by volunteering as our representative on the Community Relations Committee. We are fortunate to have people like Chad interested in helping out.

Let's turn our attention to the state of affairs of Gignul Non-Profit Housing. We can start with our finances.

Financial Overview

- In 2015 we had an excess of revenues over expenditures of \$30,000.
- In 2014 we had an excess of expenditures over revenue of \$53,400.
- From another perspective, in 2015 the actual manageable spending exceeded the budgeted manageable spending by \$27,833.
- Overall budget of \$2.22 Million in 2014 and **\$2.18 Million in 2015.**

Repairs and Maintenance:

- Spending for repairs and maintenance in 2015 was **\$42,252 lower** than the spending in 2014.
- For **2015 Gignul spent \$503,717** in repairs and maintenance, or approximately **33%** of the total actual manageable spending amount.
- **Actual repairs and maintenance spending was less than budgeted spending by \$81,247.**
- Included in the spending of \$503,717 was approximately \$114,000 for building /unit repairs, etc. by outside contractors.

Hydro and Heat:

- Spending in 2015 was \$346,076 while spending in 2014 was \$326,832.

Water:

- Spending in 2015 was \$120,855 while spending in 2014 was \$99,816.

Capital Replacement Expenditures:

- **Spent \$76,441 in 2015; spent \$99,062 in 2014.**

I would also like to acknowledge the receipt of Social Housing Improvement Program (SHIP) funding from the Ministry of Housing and administered through the Housing Branch of the City of Ottawa. We received an allocation of \$208,170. This amount is based on the 162 units that we have under the Rent-Geared-to-Income component of our portfolio. This funding will be used to cover the costs of major roof repairs, foundation work, an oil-to-gas heating system conversion and to replace a significant amount of windows in properties over 50 years of age.

Special Activities

End of Operating Agreements

This biggest threat to Gignul is the End of Operating Agreements (EOA). This affects 162 units of rent-geared-to-income that are encompassed in 17 operating agreements. The first agreement expires in 2021. There are 16 units in Project 1. The remaining 16 agreements will expire by 2028. These 35 year agreements, when they were negotiated, seemed like a long time. That "long time" is now fast coming to an end. We are more than just vulnerable; if changes are not forthcoming soon we will first face a shortfall followed by a viability problem. If additional revenues are not secured, we are heading into bankruptcy or insolvency. We do have options. As communicated last year, the time is now to start making preparations to address the implications of EOA.

We have recently commissioned background research on our Operating Agreements. This research allows us to better understand the content, responsibilities and implications of those agreements and our relationships with the province and municipality. Every effort must be made to mitigate our

exposure as EOA comes into play. In response, we are actively advocating at the municipal, provincial and federal levels of government. The individual operations and properties are all under a magnifying glass. A range of options are being explored including development opportunities through new builds, renovation, re-development and potential sale. The creation of new capacities and revenue streams form an important part of the possibilities under consideration.

Much of these discussions have been initiated at Board meetings and previous strategic planning sessions; however, we are now at a place where there is a need to further these discussions and update our strategic plan going forward. I look forward to working with Board and staff to convene a strategic planning meeting in the 2017 operational year.

Ottawa Aboriginal Coalition

Gignul Housing is a member of the Ottawa Aboriginal Coalition (OAC), which is currently comprised of 10 Aboriginal service providers. The OAC was initially formed around the issue of homelessness in 2001. Over the years the OAC has provided community leadership around homelessness, a crisis of service provision to the Aboriginal community, a lack of inclusion under the City's Official Plan, coordination of services in the evacuation of Kashechewan and King Fisher Lake, formal recognition of Aboriginal contributions regarding National Aboriginal Day celebrations in the nation's capital, and lastly, joint presentations regarding the municipal-Aboriginal relationship.

In 2007, Ottawa was designated under the Urban Aboriginal Strategy (UAS) and has received capacity building funding that provides resources to meet regularly, advocate around specific Aboriginal issues with our voice and to develop relationships, build a network of like-minded interests and identify opportunities that build community capacity. Additionally, the UAS resources provides for an annual community forum. Our Executive Director continues in the role of Chair of the OAC.

Currently, the UAS is under a policy review with a view to revising how the UAS is constructed and delivered. The OAC has presented its position to INAC officials in a formal community consultation session in early July. There was a series of community meetings across Canada during the summer regarding the UAS. A Cabinet submission is contemplated that would take effect as part of the 2017-18 fiscal year.

Aboriginal Working Committee

The Aboriginal Working Committee (AWC) builds on the work of the OAC. This relationship focuses on the City of Ottawa. Membership on the AWC is the OAC, City of Ottawa departments serving Aboriginal clientele, Ottawa Police Services, Champlain Local Integrated Health Network, United Way of Ottawa, Ottawa Carleton District School Board and the Ottawa Catholic School Board.

The AWC aligns its work with the priorities of the OAC and has developed a results-based accountability framework to better measure progress across several priority areas such as health, education, housing and employment. The AWC is co-chaired by the Deputy City Manager and the Chair of the OAC. The AWC is currently working with community elders and traditional people through the OAC to initiate a municipal response to the Truth and Reconciliation Report and the Calls to Action that pertain to municipal responsibility.

Urban Aboriginal Strategy

As noted above under the Ottawa Aboriginal Coalition, the Urban Aboriginal Strategy (UAS) is currently under a policy review. The UAS was initially conceived as the federal government's response to the Royal Commission on Aboriginal Peoples (RCAP) and formally launched under the Gathering Strength Agenda. Originally the UAS identified eight (8) cities with large urban Aboriginal populations and was intended to deal with the unique circumstances that urban Aboriginal communities were encountering in these cities. In 2006, the government added four (4) more urban communities and Ottawa was added in 2007. By 2012, Montreal and Halifax were included, bringing to 15 cities formally designated under the UAS.

In 2014, the federal government decided to consolidate a number of urban-based programs under the umbrella of the "UAS" and have rolled out the new UAS primarily through the infrastructure of Friendship Centres and administered through the National Association of Friendship Centres and their seven Provincial/Territorial Associations. In Ontario, Aboriginal Affairs and Northern Development Canada, now Indigenous and Northern Affairs Canada, has maintained a funding relationship with the three cities previously recognized under the UAS (Toronto, Thunder Bay and Ottawa). The department also continues to support other urban communities that had been supported under the UAS (i.e. Vancouver and Winnipeg).

We are hopeful that the policy review will result in a more formal recognition and specific inclusion of coalition arrangements like the OAC. We have advocated for coalition arrangements to be included as a specific component under a newly conceived UAS. At our session with federal officials, a City of Ottawa representative and the Federation of Canadian Municipalities (FCM) attended with us.

Affiliates

Ontario Non-Profit Housing Association (ONPHA)

Gignul Housing has been an active member in ONPHA for the past 8 years. We joined ONPHA (the largest non-profit housing association in Canada) when the provincial Aboriginal housing body – Native Home Providers of Ontario was not

sustainable. Our membership provides access to wide body of housing information, training, advocacy and networking. Our Executive Director served on the ONPHA Board for three years and currently co-chairs the Aboriginal Advisory Committee of ONPHA. There are approximately 36 Aboriginal housing members to ONPHA in Ontario. We have recently participated on a working group with Ministry of Housing on developing an Indigenous Housing Strategy as part of the province's Long Term Affordable Housing Strategy. The provincial Housing Minister, Chris Ballard, recently tabled a paper produced from our working group to federal Minister Duclos as part of a Federal/Provincial/Territorial Housing Ministers meeting.

Canadian Housing Renewal Association (CHRA)

Gignul Housing joined the CHRA in 2013 when the national Aboriginal housing body could not sustain operations. CHRA is a national housing body and has provided for an Aboriginal representative on its Board and in 2013 initiated an Aboriginal Caucus, similar to the arrangement at ONPHA. Gignul delegates have actively supported the creation and promotion of the Aboriginal Caucus to other Aboriginal housing providers throughout Canada and continue to be part of the organizing committee that oversees the development of a specific day dedicated to Aboriginal housing issues during the annual CHRA congress.

A working group of the Aboriginal Caucus has worked with CHRA officials to develop a formal submission to CMHC as part of the national consultation process to develop a National Housing Strategy (NHS). We are calling for the creation of an Indigenous Housing component of the NHS.

In closing, I would like to express appreciation for all of the work accomplished by the Board and staff over the past year. I look forward to new success stories in Aboriginal housing.

-30-

Current Board Composition:

Brian Bedwell, President

Richard Martin, Director

Fred Gloade, Vice-President

Barbara Craig, Director

Jo McQuarrie, Secretary-Treasurer

Angela Slaughter, Director

Karen Konwawihon Jacobs-Williams,
Director