

**AFFORDABLE HOUSING & HOME OWNERSHIP:  
Business Case Development for the Saskatoon Market**

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## **1.0 EXECUTIVE SUMMARY**

*“Aboriginal people tend to live in housing that is cheaper and of poorer quality, but they are three times more likely than other Canadians to be unable to afford it.”*

Indian and Northern Affairs Canada

The housing crisis facing First Nations and Métis people throughout Canada is not a new concern. With all levels of government reviewing housing policy, it is an issue that is becoming more prevalent as more and more people struggle to access quality, affordable housing in urban centers.

Saskatchewan is far from exempt from the challenges of affordable housing, especially within the growing First Nations and Métis communities. As more and more First Nations and Métis people migrate to urban centers, it creates a strain on the available existing housing. Governments and communities are struggling to create or renovate existing affordable housing but there is still a housing crisis being experienced by First Nations and Métis people. The effects of inadequate housing go beyond the absence of a proper roof over people's heads. Numerous social factors are negatively impacted including effects on stability and self confidence.

Housing conditions are often seen as a means of measuring the overall well being and health of a community. The current conditions being experienced by the First Nations and Métis people in Saskatoon are a poor reflection of the quality of life that should be available to all people. By addressing affordable housing and home ownership, it is hoped that a strong foundation can be created for real opportunities for those who stand to benefit the most.

While much has been done to research the current situation of housing in Saskatoon, it is time to put action to the numerous recommendations that abound from academic studies. Housing does much more for communities and families than provide shelter. It contributes to the revitalization and renewal of communities and families while creating pride in people and the place they call home.

The timing and opportunity to develop programs and housing targeted at the affordable housing market has never been better. Low interest rates, an increasing First Nations and Métis population entering the work force, rural migration and growing partnerships all contribute to positive steps towards affordable housing. This paper outlines the background, research methodology that comprised the development of industry partnerships, trades training opportunities, home ownership and business case development. It concludes with recommendations relating to community based approaches and areas for policy change. It is hoped that the information provided here can work towards solving the housing crisis facing urban First Nations and Métis people.

## **2.0 INTRODUCTION**

The Saskatoon & Region Home Builders' Association (the Association) submitted a successful application to Bridges & Foundations: CURA in June of 2004 to engage an intern for a five month period. As a community based organization already partnering with Bridges & Foundation: CURA, the intern was brought on to further the mandate, goals and accomplishments of the preexisting agreements.

The intern hired was Erin Foss, a fourth year student in the College of Commerce at the University of Saskatchewan. The internship allowed Ms. Foss to gain practical experience by applying academic knowledge to the community while helping to realize the goals of Bridges & Foundations and the residential construction industry.

The duties of the intern, in working with the Association, were to further the foundations established by the Bridges & Foundation initiative with the ultimate goal to develop and implement sustainable partnerships, sound business opportunities, identify the potential for housing projects and numerous career opportunities for First Nations and Métis people.

The focus of the research was segmented into three areas:

### **2.1 INDUSTRY PARTNERSHIPS**

Industry partnership centered on the exploration and formation of working partnerships between the industry, municipal government planners as well as Aboriginal governments and business leaders. The result of these sustainable partnerships was to identify actual business opportunities and job creation.

### **2.2 TRADES TRAINING**

The Trades Training segment was to focus on enhancing industry collaboration with First Nations and Métis business leaders to encourage entrepreneurship, business development, ownership and succession into residential construction enterprises.

### **2.3 HOME OWNERSHIP**

The research was to begin with a review and analysis of the programs available for homeownership, new home construction and renovations to assist First Nations and Métis people. The programs available were then analyzed for utilization and what was demanded in the market.

The knowledge gained in these key areas was then to be applied to generate potential business cases and feasibility studies. The identification of actual need and business opportunities in the areas of homebuilding and renovations would serve as the basis for the analysis.

## **3.0 BACKGROUND**

In understanding the opportunities available to the residential construction industry and those demanded by the First Nations and Métis communities, stakeholders can work together to create business plans for the greatest benefit of all involved.

In order to understand and appreciate what is demanded by the market in Saskatoon, research regarding the demographic composition of the city as a whole as well as the labour force was conducted. Attention was placed on the current housing situation facing Saskatoon's First Nations and Métis populations.

### **3.1 TERMINOLOGY USED**

A distinction must be made between affordable housing and social housing. The research highlighted in this report addresses affordable housing. Social housing is defined as “subsidized housing targeted to low income households who would otherwise not be able to afford safe, secure shelter”<sup>1</sup>. The key difference between social and affordable housing is the level of income that is targeted and the degree of ability to access in the private market. Affordable housing focuses on individuals with low to moderate incomes who have difficulty accessing housing in the private market, not just shelter in general.

The three indicators of adequacy, suitability and affordability are considered to be the three major measurements of housing need<sup>2</sup>. The definition of affordability is the ratio of housing cost to household income<sup>3</sup>. Housing adequacy refers to the physical quality of the housing unit, including structural soundness and state of repair<sup>4</sup>. Housing suitability is the degree of crowding, considered more than one person per room or more than two people per bedroom<sup>5</sup>. When an individual or families housing does not meet with today's standards of adequacy, suitability and affordability they are considered to be ‘in core need’<sup>6</sup>.

### **3.2 LABOUR SHORTAGE & DEMOGRAPHIC TRENDS**

The residential construction industry has been challenged with chronic shortages of skilled labour. Labour shortages are not easily measured. The first indicator is typically employers experiencing challenges in recruitment. The issue is generally not the number

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<sup>1</sup> Saskatchewan Indian Institute of Technologies. Urban First Nations People Without Home in Saskatchewan: Final Report. Saskatchewan Indian Institute of Technologies, 2000, 11.

<sup>2</sup> Jennifer W.L. Chu. Urban Native Housing: Problems, Policies, Programs and Prospects. Ann Arbor: UMI Dissertation Services, 1991, 46.

<sup>3</sup> Ibid, 46.

<sup>4</sup> Ibid, 46.

<sup>5</sup> Ibid, 46.

<sup>6</sup> Canada, Indian and Northern Affairs Canada, Royal Commission on Aboriginal People: Gathering Strength: Housing. Volume 3. Online. [http://wwwainc-inacgcchrcapsgsi36\\_e.html](http://wwwainc-inacgcchrcapsgsi36_e.html) (Retrieved 12 August 2004).

of applicants but the skills available. New technology, building systems and materials create skill gaps between those with experience and those attempting to enter the industry<sup>7</sup>.

This situation is only set to escalate as a large percentage of trades and residential construction professionals are nearing retirement age. With nearly 58% of Saskatoon's population reaching retirement age in the next ten to fifteen years and only 40% of the population to replace them<sup>8</sup>, positive steps must be taken in the interests of housing and sustainability of the industry. This trend is also noted in studies performed by SaskTrends Monitor, which is reporting at least 50,000 and possibly 100,000 extra people will be leaving the Saskatchewan labour force over the next ten to fifteen years.

A demographic trend that complements the decreasing labour force is the growth in the First Nations and Métis population. According to SaskTrends Monitor, over the next ten to fifteen years 30,000 to 40,000 young First Nations and Métis people will be entering the labour force age group.

### **3.3 NEIGHBORHOOD COMPOSITIONS & HOUSING PRICES**

The current focus of the market is to build for high end empty nesters rather than affordable homes for families. While this is a response to demand, there is a segment of the market that is not being catered to. This relatively ignored segment of the market is the affordable housing segment. The Saskatoon Housing Initiatives Partnership (SHIP) sees affordable housing as part of a continuum. Based on this continuum, an income level of \$39,500 is seen as the point of access to market housing options. There is a definite shortage of available housing in this bracket as 42.3% of Aboriginal renters in Saskatoon are in core need of housing, 45% of all Métis people in Saskatoon are in core need and 78% of Aboriginal lone parent families are in core need<sup>9</sup>. In Saskatoon, the average home price in 2003 was \$124,622 and only 28.5% of home sales were affordable to households earning less than \$39,500<sup>10</sup>.

The segment of affordable housing faces more challenges beyond a lack of availability. Based on findings from the Saskatoon & Region Home Builders' Association Community Housing & Design Forum held on February 12, 2004, these challenges include (but are not limited to):

- A discrepancy between what budgets can accommodate versus space requirements.

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<sup>7</sup> Construction Sector Council. "The Industry." <http://www.csc-ca.org/english/industry.html> (Retrieved 18 June 2004)

<sup>8</sup> Statistics Canada: "Population" <http://www.statcan.ca/english/Pgdb/popula.htm> (Retrieved 17 June 2004)

<sup>9</sup> Saskatchewan Housing Initiatives Partnership. "Housing Investment Fund." <http://www.shipweb.org/hif.html> (Retrieved 2 August 2004).

<sup>10</sup> Ibid.

- Individuals getting off to an improper start as they enter into housing that is in poor condition and in areas susceptible to a high rate of gang activity.
- A high rate of poverty among many individuals.
- Unstable living conditions.

While there is a limited amount of housing available within the affordability segment, the quality of what is available must be accounted for. Often houses that are selling for lower prices are older and in need of repairs as well as being less energy efficient.

The timing and opportunity to develop programs and housing targeted at the affordable housing market has never been better. Low interest rates, an increasing First Nations and Métis population entering the work force, rural migration and growing partnerships all contribute to positive steps towards affordable housing.

### **3.4 URBAN ABORIGINAL HOUSING**

Housing conditions must be addressed within the First Nations and Métis populations as 65% of on-reserve and 49% of off-reserve Aboriginal people are living in substandard housing<sup>11</sup>.

Affordable housing is required within the First Nations and Métis population especially within the areas of student and senior housing. A lack of quality, affordable housing available to students can serve as a barrier to attending school and pursuing further education. It also creates instability in individuals and families as many are often forced to move numerous times within a limited time frame.

## **4.0 RESEARCH METHODOLOGY**

The focus of the research and business plan development was to increase the availability of affordable housing and home ownership for First Nations and Métis people in Saskatoon. This was to be accomplished by focusing on the areas of industry partnerships, trades training and home ownership.

In being aware of the opportunities available to assist the First Nations and Métis people, the residential construction industry can build products that are relevant and demanded by the target market. This will benefit the First Nations and Métis people as there will be increased availability of the housing that is required for their communities.

Primary and secondary sources were utilized to obtain relevant data for background information, current market conditions and the impact of socioeconomic and cultural factors.

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<sup>11</sup> Anderson, R. (2002). Entrepreneurship and Aboriginal Canadians: A Case Study in Economic Development. *Journal of Developmental Entrepreneurship*, 7(1), 45-65.

Secondary sources were utilized to determine the current affordable housing situation in Saskatoon. A literature review was conducted in order to determine the resources and programs in place to assist in the creation and upkeep of affordable housing in Saskatoon.

Secondary sources were also the primary mechanism to review research on the cultural contributors and barriers facing First Nations and Métis people. The research collected originated from internet sources, the University of Saskatchewan library and resources in the Saskatoon & Region Home Builders Association research library.

#### **4.1 RESEARCH FRAMEWORK**

To begin the research, the functions of housing in society were examined. This provided a broad picture of the far reaching effects that housing has in a community. Also researched was the definition of affordability and the housing indicators of adequacy and suitability as they relate to the definition of core need.

The specific effects on Saskatoon were investigated next. This included a review of the housing stock currently available in Saskatoon, neighborhood profile comparison and analysis of the demographic trends being experienced in the city.

The housing programs available to First Nations and Métis people were the final area of analysis. A summary of the programs available to assist in home ownership, renovations and new home construction was developed. This information was then cross compared in order to determine areas that were lacking.

All information gathered was then used to identify actual needs and business opportunities in terms of home building and renovations and the potential development for business cases and feasibility studies. This included the analysis of areas of deficiency and possible means of addressing those areas.

#### **4.2 LITERATURE REVIEW**

In order to gather the majority of information and to serve as a background for informed analysis, a literature review was conducted. The literature review was completed through numerous mediums. This included local, provincial and national sources from community organizations, private entities and all levels of government. Interviews and meetings with key individuals from various governments and community organizations responsible for the delivery of affordable housing programs also served as a method of information gathering. Other research projects of Bridges & Foundations served as up to date and community based sources of information.

## **5.0 ANALYSIS OF RESULTS**

The following section outlines the results in the areas of industry partnerships, trades training initiatives, home ownership and business case development.

### **5.1 INDUSTRY PARTNERSHIPS**

A partnership is broadly defined as a “voluntary collaboration between two or more organizations to achieve clearly identifiable goals”<sup>12</sup>. The collaboration of public and private organizations can be used to develop mutually beneficial outcomes from both a business perspective as well as from the standpoint of individuals in need of quality affordable housing. No partnership can exist without the sharing of risk, responsibility, accountability and benefits<sup>13</sup>.

Culturally inclusive partnerships need to be developed and continued in order to have the greatest success in developing effective affordable housing solutions for First Nations and Métis people in the city of Saskatoon. Partnerships combined with the development of business cases will provide concrete plans that can make the creation of affordable housing units a reality.

This initiative is consistent to objectives of Bridges & Foundations: CURA to “build culturally supportive communities through cross cultural partnerships”<sup>14</sup>. These partnerships can include but are not limited to existing housing developments, government, private business, the Saskatchewan Indian Institute of Technologies, Saskatoon & Region Home Builders’ Association, Central Urban Métis Federation Inc., and the Saskatoon Tribal Council.

Many of the partnerships developed involve non profit organizations. Non-profit organizations bring a wealth of resources to a partnership as well as knowledge and access to geographic community or target groups, they are also often seen by the public as trust worthy sources of authority on certain issues<sup>15</sup>.

It is also important in the development of the business cases to ensure that the voices of private business and the First Nations and Métis communities are heard. In establishing open communication, it is more probable for all involved, to achieve a mutually beneficial result.

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<sup>12</sup> Torjman, Sherri. (1998). Partnerships: The Good, The Bad and The Uncertain. *Caledon Institute of Social Policy*.

<sup>13</sup> Ibid.

<sup>14</sup> Bridges & Foundations: CURA. “Background Information on Bridges & Foundations: CURA” <http://www.bridgesandfoundations.usask.ca> (Retrieved 5 July 2004)

<sup>15</sup> Torjman, Sherri. (1998). Partnerships: The Good, The Bad and The Uncertain. *Caledon Institute of Social Policy*.

It must be remembered that the formation of partnerships cannot stand as an end in themselves as they must be utilized to achieve a certain goal. The development of a partnership requires a significant investment of time and resources. The resources contributed by stakeholders represent far more than money, as they can include contributions of staff and volunteer time, information, knowledge and expertise, contacts and networks, space and equipment and other in kind resources. The use of partnerships and the unique resources each organization brings to the table can ultimately result in a more comprehensive and holistic solution with a more efficient use of resources.

## 5.2 TRADES TRAINING

The emphasis in the residential construction industry on small business results in a reliance in entrepreneurship and business development. While much of the residential construction industry is built on small business, it is estimated that approximately two thirds of all start-up businesses fail within the first five years<sup>16</sup>. An effective means to reduce small business failure is to provide training and education of entrepreneurs to provide better management skills. Important management skills include strategic planning, marketing, cash management, networking, negotiation and general management skills.

Entrepreneurial skills must be fostered within First Nations and Métis people as “business development is the centerpiece of the Aboriginal approach to economic development”<sup>17</sup>. Economic development is a necessity not only for continuation of the residential construction industry but also to improve the socioeconomic circumstances of First Nations and Métis people.

According to Statistics Canada’s 2001 Community Profiles, the general unemployment rate in Saskatoon was 6.7% while the unemployment rate among Aboriginal people was 22.3%. Large disparities were also found in earnings as the average income in Saskatoon was \$39,439 while among Aboriginal people it was \$12,437. According to the Royal Commission on Aboriginal People’s 1996 report, if current levels of unemployment and social assistance collection continue, the cost to all Canadians will be approximately \$11 billion per year by 2016. This does not account for the ongoing human costs being experienced by First Nations and Métis people.

To help address this misperception, the Saskatoon & Region Home Builders’ Association created the Industry Integration Project. The Industry Integration Project is focused on increasing the public’s perception of the residential construction industry and careers in the trades. The project will establish a means which First Nations and Métis people, as well as all youth in Saskatchewan, can access training and employment opportunities.

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<sup>16</sup> Ibrahim A.B., & Soufani, K. (2002). Entrepreneurship education and training in Canada: a critical assessment. *Education & Training*, 44 (8/9), 421-430.

<sup>17</sup> Anderson, R. (2002). Entrepreneurship and Aboriginal Canadians: A Case Study in Economic Development. *Journal of Developmental Entrepreneurship*, 7(1), 45-65.

The project will provide the resources needed for these individuals to gain the training and job skills needed to build a career in the residential construction industry.

The Industry Integration Project has also included the appointment of an Industry Development Coordinator. This position will focus on industry development and promotion by concentrating on the coordination of relationships between industry, the education system, students and parents. The Industry Development Coordinator will also work closely with Construction Careers Saskatoon and the Saskatchewan Indian Institute of Technologies to create opportunities and place First Nations and Métis people in positions in the residential construction industry.

### **5.3 HOME OWNERSHIP**

The benefits of homeownership go far beyond just owning a home and building equity. Housing should also be viewed in a social context that offers numerous benefits. Homeownership encourages people to both maintain their investment and creates a sense of ownership for the neighborhood. Home ownership helps develop a sense of community and can increase stability in a person's life.

The benefits of homeownership are explained in greater detail throughout the following section.

### **5.4 BUSINESS PLAN OUTLINE**

#### **5.4 A THE INITIATIVE**

The focus of the business plan is to increase the availability of affordable housing and home ownership for First Nations and Métis people in Saskatoon. To determine what is considered affordable housing, one must look at "the difference between household incomes and the costs of adequate, suitable housing"<sup>18</sup>. Affordable housing is considered to be "lower cost housing supplied to lower to moderate income households. These households often have difficulty accessing adequate, affordable housing in the traditional private market"<sup>19</sup> The typical standard of affordability is considered to be 30% of household income<sup>20</sup>.

If the 30% standard is taken in the context of a single parent making approximately minimum wage, their gross monthly income would be \$1064.00. This would mean that \$320.00 a month would go towards housing. The average rent in Saskatoon is \$520.00<sup>21</sup>.

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<sup>18</sup> Canada, Indian and Northern Affairs Canada, Royal Commission on Aboriginal People: Gathering Strength: Housing. Volume 3. Online. [http://www.ainc-inac.gc.ca/ch/rcap/sg/si36\\_e.html](http://www.ainc-inac.gc.ca/ch/rcap/sg/si36_e.html) (Retrieved 12 August 2004).

<sup>19</sup> Saskatchewan Indian Institute of Technologies. Urban First Nations People Without Home in Saskatchewan: Final Report. Saskatchewan Indian Institute of Technologies, 2000, 10.

<sup>20</sup> Canada Mortgage and Housing Corporation, "Special Studies on 1996 Census Data: Changes in Canadian Housing Condition, 1991-96", Research Highlights: Socio Economic Series, 55-5.

<sup>21</sup> Canada Mortgage and Housing Corporation, Rental Market Report: Saskatoon 2003.

This is broken down to include: \$371.00 for a bachelor suite, \$469.00 for a one bedroom, \$576.00 for a two bedroom and \$635.00 for a three bedroom<sup>22</sup>. When compared to the affordable level of \$320.00, even a bachelor suite is too expensive. This does not begin to account for adequacy and highlights one of the numerous dangers that result from a minimal supply of affordable housing. When people are forced to spend a greater percentage of their already scarce resources on housing, it shifts that money away from other areas such as food, clothing and child care.

Despite the province currently providing housing to 32,000 low to modest income households whose needs cannot be met through the private market, there are still 56,000 households in Saskatchewan who do not have access to quality affordable housing<sup>23</sup>. These numbers are not broken down to reflect how many First Nation and Métis people are utilizing this service but general market indicators reflect the demand by this demographic. Aboriginal people tend to live in housing that is cheaper and of poorer quality, but they are three times more likely than other Canadians to be unable to afford it<sup>24</sup>.

First Nations and Métis people face additional barriers to housing beyond financial constraints. These barriers include discrimination by landlords, opposition from neighbors, and a lack of education concerning rights, responsibility and available resources. Discrimination appears to be a prevalent barrier facing First Nations and Métis people; with one source stating that “it is no exaggeration to say that the Aboriginal people of Canada are the most discriminated against in Canadian society and many of the incidents of discrimination against Natives are housing-related”<sup>25</sup>. Examples of discrimination encountered range from a lack of appreciation for First Nations family customs, physical and verbal harassment, bias against First Nations tenants and delay to repair and the return of damage deposits<sup>26</sup>. It must be noted that the resource consulted for this information does not provide any context for these statements but discrimination should not be tolerated in any situation.

Housing is an issue that is primarily the responsibility of provincial and municipal governments but is complicated by the federal government also having some level of responsibility, depending on the situation. To the people who are forced to deal with inadequate housing on a daily basis, jurisdiction is not a concern. It is irrelevant to people in need how many studies have been commissioned, how many reports have been written, how many resources have been allocated or how much everyone understands there is a problem. What they care about is results. It is important to acknowledge that

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<sup>22</sup> Ibid.

<sup>23</sup> Government of Saskatchewan. Saskatchewan Municipal Affairs and Housing: Annual Report 2001-2002. Online. [http://www.graa.gov.sk.ca/annreports/MAH\\_Annual.pdf](http://www.graa.gov.sk.ca/annreports/MAH_Annual.pdf) (Retrieved 10 August 2004), 6.

<sup>24</sup> Canada, Indian and Northern Affairs Canada, Royal Commission on Aboriginal People: Gathering Strength: Housing. Volume 3. Online. [http://www.ainc-inac.gc.ca/ch/rcap/sg/si36\\_e.html](http://www.ainc-inac.gc.ca/ch/rcap/sg/si36_e.html) (Retrieved 12 August 2004).

<sup>25</sup> Jennifer W.L. Chu. Urban Native Housing: Problems, Policies, Programs and Prospects. Ann Arbor: UMI Dissertation Services, 1991, 76.

<sup>26</sup> Ibid, 78-79.

the problem will not be corrected overnight, but there must be some tangible results in order to progress forward.

#### **5.4 B TARGET AUDIENCE**

The affordable housing will target First Nations and Métis people living in the Saskatoon area who are without adequate housing. To determine who is without adequate housing the definition of affordable housing outlined above will be used. The concept of homelessness will also be accounted for. The Saskatchewan Indian Institute of Technologies report entitled *Urban First Nations People Without Homes in Saskatchewan* sees homelessness as encompassing:

Those individuals who are visibly or absolutely homeless (i.e. may live outdoors); those who are hidden homeless because they are situationally, temporarily homeless (i.e. may have left a dangerous or traumatic situation, may have recently moved from one location or community to another – in both cases rely on services of an emergency shelter or hostel); and, those that are at-risk of becoming homeless (i.e. live in overcrowded housing, inadequate housing, unsafe housing, unaffordable housing)<sup>27</sup>.

The business plans will focus on those individuals who are at risk of becoming homeless and assist them in making home ownership more of an option. This will be accomplished through increasing the number of affordable housing units available in Saskatoon and assisting in financing mechanisms to reduce the barriers encountered in accessing homeownership through the traditional private market channels.

Home ownership is often not an option for many First Nations and Métis people as many are struggling to even find adequate rental accommodations that are affordable. From 1996 to 2001, Saskatoon saw a 25% increase in its First Nations and Métis populations. The Aboriginal population in Saskatoon is quite young as the median age of the population is 20.8<sup>28</sup>. First Nations households tend to be larger than the general population with the most common type of household being a single parent family headed by a female<sup>29</sup>.

The First Nations population is also very mobile as “approximately 75% of the population is mobile, especially in the 15 to 24 age group”<sup>30</sup>. On average respondents moved every eighteen months, with families of three members or more changing their dwelling every twenty-five months<sup>31</sup>.

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<sup>27</sup> Saskatchewan Indian Institute of Technologies. Urban First Nations People Without Home in Saskatchewan: Final Report. Saskatchewan Indian Institute of Technologies, 2000, 7.

<sup>28</sup> Statistics Canada, “Aboriginal Population Profile – Saskatoon”. Online.

<http://www12.statcan.ca/english/profile01ab/PlaceSearchForm1.cfm> (Retrieved 3 August 2004).

<sup>29</sup> Jennifer W.L. Chu. Urban Native Housing: Problems, Policies, Programs and Prospects. Ann Arbor: UMI Dissertation Services, 1991, 10.

<sup>30</sup> Saskatchewan Indian Institute of Technologies. Urban First Nations People Without Home in Saskatchewan: Final Report. Saskatchewan Indian Institute of Technologies, 2000, 5.

<sup>31</sup> Ibid, 8.

Mobility is considered the migration between urban and rural communities as well as movement within the communities. The reasons for the high rate of mobility vary with some being voluntary and others being forced to leave due to unhealthy situations and poor housing conditions. It is hoped that an increase in quality affordable housing in Saskatoon will help to reduce mobility among this population, resulting in greater stability for families and the ability to live in a place they are proud to call home.

While there appears to be little information available on First Nations or Métis first time home buyers, the average age of a first time homebuyer is approximately 36.2 years<sup>32</sup>. The information is not specific to Saskatoon or Saskatchewan and may be much lower due to recent changes to down payment requirements and lower mortgage rates.

The average price of a home in Saskatoon varies drastically between neighborhoods. The average selling price of a home in Saskatoon is \$126,514<sup>33</sup>. To compare the ends of the spectrum; the neighborhoods with the lowest average house price included Riversdale, Pleasant Hill and King George which range respectively from \$53,130 to \$59,542<sup>34</sup>. The neighborhoods with the highest average house price are Lakeridge, Arbor Creek and Briarwood ranging respectively from \$178,131 to \$225,624<sup>35</sup>. When the compositions of these neighborhoods are compared, the houses in Arbor Creek, Briarwood and Lakeridge are typically newer with the residents having a higher level of education and higher incomes than those in the lower range<sup>36</sup>.

The other market that the business plan must target is private business. Private business has the capacity of resources to create the affordable housing units. This includes private developers and financial institutions to begin to build the partnership necessary to have the resources in place.

All levels of government must also be included. While government assistance will not be solely relied upon it will be utilized, when available, to help decrease pressure on potential home owners. Municipal governments are also important in order to access land and other infrastructure necessary to build housing units.

#### **5.4 C EXISTING HOUSING MARKET & SERVICE CONTINUUM**

Outlined below is a brief overview of programs offered at the federal, provincial and municipal government levels as well as programs provided by community organizations in Saskatoon. The information provided in this section is not an exhaustive account of the assistance that is available, outlining the programs that have been deemed the most

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<sup>32</sup> Canada Mortgage and Housing Corporation, Housing Facts, Volume 5, Issue 5, 8 May, 2003.

<sup>33</sup> City of Saskatoon, “City Planning Department Neighborhood Profiles”. Online.

[http://www.city.saskatoon.sk.ca/org/city\\_planning/index.asp](http://www.city.saskatoon.sk.ca/org/city_planning/index.asp) (Retrieved 3 August 2004).

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

<sup>36</sup> Ibid.

relevant to business case development in Saskatoon. The section concludes with a brief outline of the current rental market in Saskatoon.

## FEDERAL GOVERNMENT CONTRIBUTIONS

The federal government, in recognizing the affordable housing crisis facing Canadians, signed agreements with all the provinces and territories. Fiscal contributions include:

\$1 billion in funding to create new affordable housing...[and] federal investments of \$384 million in renovation assistance to preserve and make better use of existing affordable housing stock, particularly in urban and core areas. This is in addition to the \$2 billion invested annually to support some 639,000 housing units. The Government of Canada's commitment to affordable housing is significant<sup>37</sup>.

The federal government has also made contributions beyond financial investments. The creation of the Affordability and Choice Today (ACT) initiative brought together the Federation of Canadian Municipalities, the Canadian Home Builders' Association and the Canadian Housing and Renewal Association<sup>38</sup>. The purpose of ACT is to provide a vehicle to share solutions on creating sustainable communities, preserving neighborhood character and about making more housing choices available<sup>39</sup>.

A case study commissioned by Affordability and Choice Today (ACT) addresses the need to enhance the acceptance of affordable housing and the role it plays in the community. The case study outlines the need to create a public education package to "provide people with the information they need to capably and objectively evaluate affordable housing proposals and their potential impact on the community"<sup>40</sup>. The downside to this case study is that it is not specific to the Saskatoon or prairie market and does not address cultural sensitivity issues.

When many people think of affordable housing projects, concerns regarding property values, parking, traffic, noise and safety all come to mind. Information is needed to help dispel public misconceptions about affordable housing, increase an understanding of what affordable housing is, why it exists and who lives there. This in turn will increase acceptance of affordable housing units, encourage municipalities to consider changing the regulatory environment and enable the development industry to pursue innovative approaches to affordable housing<sup>41</sup>.

These contributions are all in addition to the numerous programs and supports provided by Canada Mortgage and Housing Corporation which are discussed below.

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<sup>37</sup> Honourable Andy Scott, "Speaking Notes" (Presentation at the 61<sup>st</sup> Annual Conference of the Canadian Home Builders' Association 2004, February 23, 2004, Banff, Alberta).

<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> Affordability and Choice Today ~ Case Study Project. Community Support for Affordable Housing: A Public Education Package. Ottawa: Energy Pathways Inc., 1994, i.

<sup>41</sup> Ibid, i.

## **Canada Mortgage and Housing Corporation**

Canada Mortgage and Housing Corporation (CMHC) offers a variety of programs to assist individuals in achieving home ownership and assisting in solving the housing crisis facing Canadians. While CMHC offers numerous other programs, outlined below is a brief overview of the programs which could be utilized for additional funding in the business case development initiative.

### **Proposal Development Funding (PDF)**

Proposal Development Funding is a fund to help with up-front expenses incurred during the development of an affordable housing development proposal. Loans of up to \$100,000 can be used for a variety of purposes to carry out the necessary activities to bring their proposal to a point where they can apply for mortgage financing. Such activities might include environmental site assessments, professional fees and cost estimates. Only the principal of the loan is to be repaid, and if the project proceeds, it is repaid out of the project's capital financing.

### **Aboriginal Capacity Development**

Aboriginal Capacity Development facilitates the acquisition of tools for First Nations people to work towards self-sufficiency in housing. Training sessions for such things as property management planning and home maintenance, Inspector training, healthy housing projects development, and Aboriginal youth career fairs are held. CMHC, the Department of Indian Affairs and Northern Development and First Nations groups participate annually in the development of On-Reserve Capacity Building priorities and may focus on training, research projects and community planning and development.

### **Bringing Home Ownership Within Reach**

CMHC provides Mortgage Loan Insurance in order to reduce the down payment required for a home. If less than 25% of the purchase price is put down, Mortgage Loan Insurance is required to protect the lender against default on the payments. This program has made home ownership possible for millions of Canadians.

## **PROVINCIAL GOVERNMENT**

### **Saskatchewan Housing Corporation**

As of January, 2004, Saskatchewan Housing Corporation (SHC) maintained approximately 30,400 social housing units in 345 communities around the province. 18,400 of these are directly administered by SHC and targeted at low-income seniors and families. 11,100 units are for special needs and low to moderate income families; they are administered through agreements with non-profit groups and co-operatives, and the other 900 are administered directly by SHC.

Recent announcements by SHC appear to be moving the organization away from long term funding commitments and more towards building independence and self sufficiency for the clients. This is to be accomplished through the province wide creation of 2000 new homeownership and rental units while repairing and increasing energy efficiency to existing homes<sup>42</sup>. SHC is also focusing on converting family social housing units into home ownership while disposing of marginal social housing units<sup>43</sup>.

While this means greater options for low to moderate income families in Saskatoon, the challenge will be in finding the land to build the units and the builders to choose to put their scarce resources behind these projects. The other challenge is in ensuring that the families chosen to enter into homeownership from rental housing are prepared for homeownership, thus increasing their chances of success.

### **HomeFirst**

HomeFirst is a strategy of the Government of Saskatchewan regarding housing. It is a collection of programs that will result in housing supplements for special needs groups as well as increased home ownership by directly targeting low to medium income families.

### **Neighborhood Home Ownership Program**

The Neighborhood Home Ownership Program provides financial assistance to homeowner co-operatives for the down payment on a home. The home must be located in an inner city area or a core neighborhood in a major Saskatchewan urban centre. Co-operatives share knowledge and resources in the hopes of achieving the goal of home ownership for its members.

### **Encouraging Community Housing Options**

Encouraging Community Housing Options provides financial assistance for non-profit and private corporations, municipalities and co-operatives to determine the feasibility of developing and investing in housing projects in communities where affordable housing is not available. Grants are available to eligible applicants who are interested in developing affordable housing for low to medium income families.

This program may be applicable to Saskatoon depending on the definition of the availability of affordable housing in Saskatoon. It is also important to ensure that the potential housing developments under this program can have the ultimate goal of home ownership and self sufficiency.

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<sup>42</sup> Presentation by Darrell Jones, President, Saskatchewan Housing Corporation. General Meeting of the Saskatoon & Region Home Builders' Association, November 2, 2004.

<sup>43</sup> Ibid.

## CENTENARY AFFORDABLE HOUSING PROGRAM

The Centenary Affordable Housing Program (CAHP) allows for the development of affordable housing for low to medium income families that will be available at or below market prices.

In June 2003, \$3.2 million was received for four housing projects in Saskatoon through CAHP. The 2003 annual report of SHC notes that CAHP will receive \$45.8 Million over the next five years (starting in 2003) from SHC, CMHC, municipalities and other sources. Currently, 400 new homes have been given final funding under the CAHP Program, and the plan is to deliver approximately 2,000 units by 2008.

While CAHP provides necessary funding towards affordable housing in Saskatoon, it qualifies a very narrow segment of the population. This has resulted in very little uptake of the program. As discussed under the Saskatoon Initiatives section, steps are being taken to improve the delivery system and qualifications for funding.

## SASKATOON INITIATIVES

Within the City of Saskatoon there are numerous programs in place to assist urban First Nations and Métis people access affordable housing. The Saskatoon Tribal Council (STC) operates Cress Housing which oversees 225 rent geared to income units targeted but not exclusive to Aboriginal households<sup>44</sup>. STC has also hired a Housing Coordinator to develop housing solutions for urban Aboriginals.

SaskNative Rentals was created based on concern about the lack of housing in the Métis community<sup>45</sup>. The organization now operates 290 units of rent geared to income housing throughout Saskatoon<sup>46</sup>.

Camponi Trust has 73 affordable homes in a mix of detached and semi-detached houses<sup>47</sup>.

The Affordable New Home Development Foundation (the Foundation) is a non-profit organization that identifies and supports individuals and families that are working towards becoming homeowners but have been unable to access the traditional housing market<sup>48</sup>. “The Foundation works with builders, land developers, governments and others to reduce the cost of new homes and develop alternative forms of home ownership”<sup>49</sup>. The Foundation is of particular interest for the business case development

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<sup>44</sup> City of Saskatoon. [Saskatoon Community Plan for Homelessness and Housing](#). May, 2001. Online. [http://saskatoon.ca/org/city\\_planning/affordable\\_housing/resources/saskatoon\\_community\\_plan.pdf](http://saskatoon.ca/org/city_planning/affordable_housing/resources/saskatoon_community_plan.pdf) (Retrieved 23 July 2004).

<sup>45</sup> Ibid.

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> Affordable New Home Development Foundation. “Information Package” (information distributed to participants in the Affordable New Home Development Foundation, dated 26 February 2004).

<sup>49</sup> Ibid.

as it focuses on home ownership and assisting individuals by providing education and savings programs. The Foundation is also important as it assists people in purchasing high quality, modest, affordable new homes that are certified by third party warranty<sup>50</sup>.

On October 29, 2004, the Affordable New Home Development Foundation, in partnership with the Centenary Affordable Housing Program, Canada Mortgage and Housing Corporation, the City of Saskatoon and Saskatchewan Housing Corporation announced the creation of fifty new affordable homes to be built in Saskatoon. Each of the prospective new homeowners will participate in the ‘Building for Home Ownership’ activities administered by the Foundation. As quoted by Ralph Goodale, Minister of Finance; “This is about people and community building. It’s about helping 50 Saskatoon families live in their own homes. This is about restoring pride and dignity in people”<sup>51</sup>. The announcement of the 50 new affordable homes also has positive impacts on local job creation, the residential construction industry and the entire community of Saskatoon.

The City of Saskatoon has made a strong commitment to housing, undertaking a variety of initiatives including a full time Housing Facilitator working in the City Planning Branch, a Social Housing Advisory Committee, an Affordable Housing Reserve dedicated to providing funding for housing initiatives, Downtown Housing and Revitalization Action Plan, a housing database and indicator system, enforcement of housing quality standards and the amendment of zoning bylaws to allow for secondary suites in all residential areas of the city<sup>52</sup>.

### **BUSINESS INITIATIVES COMMITTEE**

The Saskatoon & Region Home Builders’ Association created the Business Initiatives Committee. The mandate of this committee is ‘To create appropriate and affordable housing opportunities relevant to the needs of the community’. By bringing together key stakeholders from the industry, financial institutions, governments and members of community based organizations it is hoped that the committee can improve housing affordability in Saskatoon.

The purpose of the Business Initiatives Committee’s initial meeting on September 16, 2004 was to review the current affordable housing stock in Saskatoon, the demand for housing and the opportunities to renovate existing units. The Committee also reviewed the stakeholders that should be present in order to represent the interests of all individuals affected by affordable housing in Saskatoon.

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<sup>50</sup> Ibid.

<sup>51</sup> News Release. “50 New Affordable Homes to be Built in Saskatoon”. October 29, 2004.

<sup>52</sup> City of Saskatoon. Saskatoon Community Plan for Homelessness and Housing. May, 2001. Online. [http://saskatoon.ca/org/city\\_planning/affordable\\_housing/resources/saskatoon\\_community\\_plan.pdf](http://saskatoon.ca/org/city_planning/affordable_housing/resources/saskatoon_community_plan.pdf) (Retrieved 23 July 2004).

## **Participants**

Currently the Committee is comprised of representatives from Saskatoon Housing Authority, the Affordable New Home Development Foundation, Saskatoon Housing Initiatives Partnership, North Ridge Development Corporation, Saskatchewan Housing Corporation, and Saskatoon Credit Union.

Steps are in the process of being taken to engage the participation of the Saskatoon Tribal Council (STC). A presentation was made to the STC Management Committee on October 19, 2004. This presentation focused on outlining the need for input from STC regarding the committee's ability to create housing relevant to the needs of First Nation communities. A follow up letter has been sent and it is hoped that a representative from STC will participate in upcoming meetings.

## **On-Going Initiatives**

As a result of subsequent meetings held on September 28<sup>th</sup>, October 12<sup>th</sup> and November 3<sup>rd</sup> the Committee is moving towards addressing the gap between the funding provided under the Centenary Affordable Housing Program, the capacity of the families and the average price of a home in Saskatoon. This initiative takes into account adequacy and suitability as it acknowledges the need for families to have adequate space for children and extended families members.

The Committee also identified a large barrier to affordable housing development as a reputation of government bureaucracy impeding on profits and disrupting already narrow profit margins. In delaying timelines and creating additional administrative barriers, it has made much of the residential construction industry wary of entering such projects with the provincial government. This creates problems for the government in reaching their goal of 600 affordable housing units in Saskatoon<sup>53</sup> as they need the participation of the industry to build the units.

In order to begin to improve relations between the provincial government and the residential construction industry, Darrell Jones, President of Saskatchewan Housing Corporation, made a presentation to the membership of the Saskatoon & Region Home Builders' Association at their monthly General Meeting in November. Mr. Jones' presentation outlined the opportunities for the residential construction industry both in new home construction and renovations. He also acknowledged the need for businesses to make money and that the government was there to assist the industry in creating these units. The message was well received by the members of the Association but many are still apprehensive to enter into the tenders.

The final area of concern for the Committee is serviced land availability and price. It is difficult to create affordable housing units if there is no land available or it is so expensive it makes the units unaffordable before they are even built. This is a concern

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<sup>53</sup> Business Initiatives Committee minutes, October 12, 2004.

for the residential construction industry as a whole and greatly effects housing affordability.

To address the issue of land availability, the Forum for Growth was held on September 22, 2004. This meeting was attended by the Mayor of Saskatoon, the majority of City Councilors and key individuals from the residential construction industry. It provided an atmosphere of open discussion between those in attendance and is being followed up by the Mayor's Breakfast, scheduled for November 26<sup>th</sup>, 2004. It is the intent of these meetings to improve relations with the City of Saskatoon and increase their understanding of the needs of the industry to continue to increase the quality and quantity of housing in Saskatoon.

## CURRENT RENTAL MARKET IN SASKATOON

According to Canada Mortgage and Housing Corporations 2000 Rental Market Survey vacancy rates in Saskatoon are increasing but so is the average rent<sup>54</sup>. This effect is due to the movement of existing tenants to homeownership and increasing utility costs. "Saskatoon's six core neighborhoods, Riversdale, Holiday Park, King George, Pleasant Hill, Westmount and City Park have a large percentage of rental properties. Out of 8,130 units, more than 5,000 are rental units. In Pleasant Hill alone there are 1,530 rental units"<sup>55</sup>.

The rental housing units in these core neighborhoods are typically built in the period between 1970 and 1979 resulting in relatively high operating costs<sup>56</sup>. The difficulty with these properties is that the household incomes in these area are relatively low, making it difficult for landlords to collect the level of rent necessary to operate and maintain the units<sup>57</sup>. This contributes to property deterioration, high vacancy levels and lower gross revenues<sup>58</sup>. This creates a paradox as the new rental units are typically built in areas with higher incomes but cost less to operate. These units typically still charge higher rents due to the income available of those living in the neighborhood and the draw of living in a newer building. The overall rental market in Saskatoon is that "at the most affordable level, there is still an inadequate supply of units"<sup>59</sup>.

### 5.4 D SIZE AND SCALE OF PROJECT

Saskatoon is growing, with young First Nations and Métis people being one of the fastest growing demographics within the population<sup>60</sup>. This growth, combined with a continued

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<sup>54</sup> Canada Mortgage and Housing Corporation, Rental Market Report: Saskatoon 2003.

<sup>55</sup> Unknown, "Aboriginal Tenants Find Housing Conditions No Better in Cities", Eagle Feather News. September 2001. Online. <http://www.eaglefeathernews.com/sept2001/articles.html> (Retrieved 25 August 2004).

<sup>56</sup> Canada Mortgage and Housing Corporation, Rental Market Report: Saskatoon 2003.

<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

<sup>59</sup> Ibid.

<sup>60</sup> Statistics Canada, "Aboriginal Population Profile – Saskatoon". Online.

<http://www12.statcan.ca/english/profile01ab/PlaceSearchForm1.cfm> (Retrieved 3 August 2004).

trend towards urbanization, puts stress on the housing system. As the demand for housing increases, it puts upward pressure on rent, resulting in rent levels that are often out of the reach of families in need<sup>61</sup>. Currently, “a gap exists between the number of people needing affordable housing and available social and affordable housing”<sup>62</sup>. As a result of the lack of affordable housing, many households and families are forced to live under one roof. Not only does overcrowding reduce the lifespan of the house, it also worsens social problems in communities such as poor health conditions and family tensions and violence<sup>63</sup>.

In 2001, Canada Mortgage and Housing Corporation identified 1.7 million Canadian households struggling with affordability problems<sup>64</sup>. New affordable housing must be created to continue to reduce the number of families struggling to attain quality affordable housing. The Saskatchewan Housing Corporation estimates that 1500 additional housing units are needed to meet the current demand for housing in Saskatoon, requiring up to \$135 million of financing and investment<sup>65</sup>.

#### **5.4 E ATTRACTING RESIDENTS**

Given the demand for affordable housing in Saskatoon, attracting residents to new units is not expected to be a problem. Care will also be taken to ensure that relevant and culturally supportive units will be constructed based on input received from the First Nations and Métis organizations. Extra effort will also be made to identify the best candidates who are prepared to become home owners.

When First Nations and Métis people move to urban centers, the majority of people received help from friends or relatives in the first months<sup>66</sup>. With an increase in high quality and affordable housing units, it should create an easier transition period for those moving to urban centers and those who are currently trying to access affordable housing in Saskatoon.

#### **5.4 F FUNDING REQUIRED**

The primary purpose is to increase the availability of quality affordable housing in Saskatoon. While government assistance will be utilized where available, a variety of financing mechanisms are being explored.

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<sup>61</sup> Saskatchewan Indian Institute of Technologies. Urban First Nations People Without Home in Saskatchewan: Final Report. Saskatchewan Indian Institute of Technologies, 2000, 11.

<sup>62</sup> Ibid, 11.

<sup>63</sup> Ibid, 8.

<sup>64</sup> Canadian Home Builders' Association, “Building Homes and Communities for Canadians, Now and In the Future” (Background information for a Statement by the Canadian Home Builders' Association for Members of the 38<sup>th</sup> Parliament of Canada, July 4, 2004).

<sup>65</sup> Saskatchewan Housing Initiatives Partnership. “Housing Investment Fund.” Online. <http://www.shipweb.org/hif.html> (Retrieved 2 August 2004).

<sup>66</sup> Jennifer W.L. Chu. Urban Native Housing: Problems, Policies, Programs and Prospects. Ann Arbor: UMI Dissertation Services, 1991, 8.

The framework established by the Affordable New Home Development Foundation is of particular importance. The use of land trusts, the Centenary Affordable Housing Program, cooperatives, and sweat equity are all of interest.

An innovative funding mechanism identified through the Business Initiatives Committee is the creation of a Housing Trust. The funding for the Housing Trust could be comprised of government funds, private donations and/or public or private investments. This trust could be used to fill in the gap between the funding provided by the Centenary Affordable Housing Program, the cost of an adequate and suitable house in Saskatoon and the income of the family.

## **6.0 RECOMMENDATIONS**

The following recommendations are generated based on the research and analysis conducted over the span of the internship. It has been divided into Community Based Approaches and Policy Recommendations. The recommendation were not organized based on industry partnerships, trades training and home ownership as each of the goals are very interrelated and are applicable within each objective.

### **6.1 COMMUNITY BASED APPROACHES**

#### **EARLY INTERVENTION**

The mindset of children and parents must change, in order to alter the negative misperceptions of a career in the trades. The numerous opportunities within the residential construction industry must be promoted in order for young people, and their parents, to feel excited about pursuing careers in the trades. The opportunities for small business ownership and entrepreneurship must also be promoted so that individuals begin to think long term and embrace all available opportunities.

Stability within children's lives must also be improved so they can gain the necessary education and understand the importance of post secondary schooling. Housing is directly related to creating this stability as proper housing will mean families will not have to frequently change residences, thus allowing children to remain at the same schools.

#### **EDUCATION**

##### **Affordable Housing**

An education package should be developed to provide information to the general public regarding affordable housing and the need for it within Saskatoon. The package should outline the numerous benefits, beyond providing shelter for a family, that appropriate and adequate housing provides. This will help increase the acceptance of affordable housing within the community. The educational information must also focus on the fact that affordable housing must exist throughout the community, not within clustered income groups. This will help overcome the 'not in my backyard' mentality while the

information provided should also overcome some misperceptions about the effects to surrounding neighborhoods.

### **Demystifying the Process**

It is expected that mentorship and education programs would help to demystify homeownership for many, as well as help individuals get on track to purchasing their first home. Education on mortgages and the services that are available will help many individuals realize that home ownership is within their reach. There is a lack of consumer knowledge about home buying and this can turn it into a daunting task for families and individuals. Education programs would be helpful to individuals as they move from a reserve to the city. These types of programs could inform people of the initiatives that are available in homeownership as well as provide general knowledge of rental expectations.

### **MENTORSHIP**

Mentorship is an important step in increasing an individual's chance of success of staying in a home after it has been purchased. In being able to turn to a respected member of the First Nations and/or Métis community for advice, many more families would feel comfortable and confident in their knowledge and ability.

The concept of mentorship also transfers to careers in the residential construction leading to entrepreneurship and business ownership. To have a positive role model and a support system in place from the First Nations and Métis communities, many First Nations and Métis people would be more willing to begin business ventures or to remain in a skilled trade. To be able to share experiences and have a reliable resource to turn to, many people would feel less alone and not afraid to ask questions. This, in turn, will build confidence and increase the knowledge necessary to succeed.

## **6.2 POLICY RECOMMENDATIONS**

### **DECREASING THE GAP**

The Saskatoon & Region Home Builders' Association Business Initiatives Committee is continuing to work with the Provincial government, through Saskatchewan Housing Corporation, to increase the number of people who can qualify for assistance under the Centenary Affordable Housing Program (CAHP). By increasing the number of people who can qualify for funding, the market of individuals who can access homeownership will increase.

The creation of a Housing Trust should also be further pursued to compliment the increased number of individuals to access funding through CAHP. By having mechanisms in place that can be modified to specific situations, the programs become relevant to those who require the assistance.

## **TRUST IN BUSINESS**

The Provincial government must continue to work to make the process of building affordable housing units attractive to the private sector. In order to reach the goal of 600 affordable housing units in Saskatoon, the private sector's expertise and resources must be utilized.

It is also important that the government ensure professional home builders are used in the creation of the units. High quality, energy efficient homes must be built in order to ensure that those living in the units have safe environments to call home. Energy efficiency is also important in keeping housing affordable through increasing utility costs.

The creation of additional housing units will also create jobs and economic growth throughout Saskatoon. In a recent presentation to the membership of the Saskatoon & Region Home Builders' Associations, Darrell Jones noted that the provincial wide effects of the government's commitment is \$200 million in public investment over five years, \$300 million in construction and renovation activity and 3,100 person years of employment. These numbers only consider direct impact and do not account for subsidiary industries or other numerous spillover effects.

## **SERVICED LAND AVAILABILITY**

Work must continue with the City of Saskatoon to increase the amount of reasonably priced, available serviced lots. Housing cannot become more affordable if individuals cannot afford to purchase a lot, let alone build a home on it. Negotiations should also continue to establish a rate for land, specific to non-profit groups and the creation of affordable housing units. The land that does become available should be dispersed throughout the city, avoiding the clustering of income groups.

## **7.0 CONCLUSION**

Affordable housing is an ongoing and ever increasing concern for the people of Saskatoon. It directly impacts the First Nations and Métis communities as they experience extreme difficulty in accessing affordable and appropriate housing for their needs. As solutions are sought to address these challenges, the First Nations and Métis communities must have input in the design. No one understands the challenges that are experienced better than those who experience them first hand. The solution cannot be a top down approach. In order to move forward in a constructive and respective manner, trust and partnerships must continue to be built.

The Bridges & Foundations:CURA project focuses on building partnerships. While much has been accomplished in these areas, the work will never be completed. A successful partnership is never stagnant and must always be nurtured in order to continue to move forward.