

NUNAVUT HOUSING CORPORATION



Seniors and Persons with Disabilities Housing Options Program

(SPDHOP)

Cabinet Approved

(October 2015)

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OBJECTIVE

To provide senior citizens and persons with disabilities who own and occupy their own home in Nunavut with alternative housing options.

SUMMARY

- The NHC recognizes that senior citizens and persons with disabilities who own their own homes in Nunavut face many challenges. These challenges include:
 - Insufficient financial resources to afford the ongoing and rising cost of operating and maintaining a home
 - Decreased physical and/or psychological capacity to operate and maintain a home
 - Lack of suitable housing options such as barrier-free designs.
- Many seniors and persons with disabilities can no longer meet the obligations and responsibilities that come with homeownership.
- This policy allows senior citizens and persons with disabilities priority access to the NHC Public Housing Program upon the transfer or sale of their existing home.

ENABLING LEGISLATION

Nunavut Housing Corporation Act, Section 10 (General Powers)

ELIGIBLE CLIENTS

- One of the homeowners must be 60 years of age or over, or a recipient of a Disability Benefit.
- The client(s) must demonstrate to the NHC that they have insufficient financial resources to afford the ongoing and rising cost of operating and maintaining their home. As part of the applicant evaluation, the NHC will rely on the Verification of Income (VOI) guidelines and standard affordability analysis practices.
- The client(s) must possess title (or leasehold title) to the property.

ELIGIBLE UNITS

- All units must be located within municipal boundaries in Nunavut.

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- Client(s) must be living in the unit as their principal residence. In extenuating circumstances, the principal residency requirement may be waived by the Corporate Executive Committee.

CONTRIBUTION

- The NHC provides the following assistance to senior citizens and persons with disabilities who are experiencing difficulties with homeownership:
 - The NHC will provide one-on-one counseling sessions with client(s) to review the options that are available to them, and will provide assistance in relation to whichever option they choose.
 - If the client(s) wishes to sell their home but there are no interested qualified purchasers, the NHC may consider purchasing the home (Corporate Executive Committee approval required).
 - The NHC will ensure that the client(s) is placed on a priority waiting list for the next available, suitable public housing unit. Clients exercising this option will be allowed to remain in their units until a suitable public housing unit is available.
 - If the unit purchased by the NHC is to be used for public housing purposes, the client(s) may be permitted to remain in the unit if they are not overhoused and with the approval of the LHO Board and NHC Corporate Executive Committee.

CLIENT COUNSELING

Available options must be thoroughly explained to potential clients. The client(s) should be advised that they may wish to seek outside counsel or legal advice to ensure that their best interests are protected.

- NHC or LHO staff shall assist clients in accessing independent legal counsel.
- Clients currently living in a unit that was previously purchased as part of the Tenant to Owner Program (TOP) will require the approval of the Corporate Executive Committee in order to participate in the SPDHOP.

HOUSING OPTIONS

Option 1: ***Clients Transfer Ownership of the Home to a Designated Transferee***

- For many seniors and persons with disabilities, transferring ownership of the home to someone else in the community (i.e.

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another family member) capable of assuming the responsibility of homeownership may be a desirable option.

- In order to use this option, the transferee must be on the community needs list or occupy a public housing unit in Nunavut at the time of the transfer, and must vacate that unit following the transfer. Transfers in which the transferee's public housing unit will not be vacated by all persons occupying the unit will only be permitted with the approval of the LHO Board.
- The transferee must meet the following criteria in order for client(s) to be eligible for this option:
 - The transferee must be at least 19 years of age.
 - The transferee's income must fall below the NHC's Adjusted Income Eligibility Threshold, as determined by the Homeownership Program Income Eligibility (HPIE) limits as specified in the Verification of Income (VOI) guidelines.
 - The transferee(s) must have sufficient income to own and operate the home. Applicant(s) with a Gross Debt Service (GDS) ratio of more than 32 per cent and a Total Debt Service (TDS) ratio of more than 40 per cent are not eligible for the program, unless approved by the Corporate Executive Committee.
 - Transferees will be subject to a borrower risk assessment. This assessment may include a review of such factors as the transferee's credit and employment history, income stability, and net worth, as well as the transferee's previous payment history with the NHC.
 - Transferees with rental or mortgage arrears with any Local Housing Organization in Nunavut or with the NHC, or have otherwise caused a loss to the NHC, cannot use this option until those arrears or losses are paid in full.
 - The transferee(s) must not currently own residential property or have owned residential property in the past five years. However, in extenuating circumstances, and with the approval of the Corporate Executive Committee, this condition may be waived.
- Once the legal documentation has been signed, the LHO will place the client(s) on a priority waiting list for a public housing

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unit, which will allow them to receive priority consideration ahead of other priority applicants, including seniors and persons with disabilities who are not participating in this program. When a suitable unit becomes available, the client(s) can move to that unit. The client(s) may remain in the home until a suitable public housing unit is available.

Option 2: *Clients Offer the Home for Sale*

- If transferring ownership is not suitable or desirable, the client(s) can sell their home to NHC to access the program
- The NHC will consider purchasing the house subject to an inspection to verify its condition and suitability. If suitable, and if approved by the NHC's Corporate Executive Committee, the NHC will offer to purchase the house at a sale price determined by the NHC.
- A Corporate Executive Committee decision paper is required for all purchases recommended by District Offices. The decision paper is to include:
 - Background and analysis of the client's housing situation, including an affordability analysis.
 - Details on the unit to be purchased (i.e. legal description, year built, size, number of bedrooms, special features, summary of repairs required and cost estimates, encumbrances, land tenure, etc.).
 - Summary of client counseling.
 - Suitability of the unit for other purposes (i.e. public housing, GN staff housing, etc.).
 - LHO recommendation if the house is proposed for public housing.
 - Estimated value of the unit, purchase price, and capital funding required. Capital funding would be comprised of the purchase price less any outstanding NHC mortgage balance (and arrears) and include provision for Modernization and Improvements to bring the unit up to a reasonable condition.