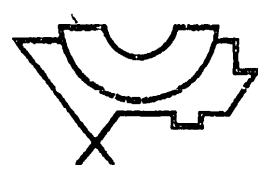


LEGISLATIVE ASSEMBLY OF THE  
NORTHWEST TERRITORIES  
7<sup>TH</sup> COUNCIL, 44<sup>TH</sup> SESSION

TABLED DOCUMENT NO. 15-44

TABLED ON FEBRUARY 3, 1971



# TOWN OF INUVIK

NORTHWEST TERRITORIES  
POST OFFICE BOX 1160  
PHONES: 2607 or 2221  
OFFICE OF THE SECRETARY MANAGER

29 January 1971

Mr. S. M. Hodgson  
Commissioner of the Northwest Territories  
Yellowknife, NWT

Dear Mr. Hodgson:

My resolution the Inuvik Council has requested that a brief concerning our "Northern Ownership Housing" proposal be prepared for presentation to the NWT Council. The essence of this proposal is detailed in the attached memo which was presented to the Inuvik Council. Significant parts of the proposal such as financing under the Territorial Housing Mortgage Program and appropriate house units under the Northern Rental Housing Program are already available. We would like to see a creative synthesis of available programs to facilitate the erection and ownership of more homes by Northerners.

Through the economics of planning, land assembly, and multiple construction we believe that quality Northern housing with local ownership can be provided at a total cost of \$16,000 in Inuvik fully serviced on the utility. The total monthly expense would be \$188 or less after an initial payment of \$1,000 in cash or labour.

The "Northern Ownership Housing" is dependent on the Territorial Housing Mortgage limit being raised to \$1,000 plus \$1,000 forwivable as requested by the NWT Association of Municipalities. We contend that this \$1,000 mortgage is the minimum amount required to provide suitable housing units in the Northwest Territories and in Inuvik in particular. We also request that the interest rate be held at 6% even though the cost of money to the NWT Government might be at a higher rate. The "Northern Ownership Housing" program should be organized by the NWT Department of Local Government and could better be handled by the NWT Housing Corporation when it is organized.

We believe that the costs of this proposal are fully justified because of the very considerable savings offered over the highly subsidized Northern Rental Housing Program and the CMHC Public Housing Program.

We request that the NWT Council consider this "Northern Ownership Housing" proposal and immediately provide for its implementation. The Inuvik Council would like to facilitate at least five "Northern Ownership Housing" units this year. There are suitable lots available in the Inuvik Coop Housing area.

Please contact me if you require additional information.

Sincerely,  
Richard M. Hill  
Mayor

cc: NWT Association of Municipalities

TID # 15.44  
Tablodon  
Feb 3, 1971

Proposal for "Northern Ownership Housing"

1. There is a definite need in the NWT and particularly in Inuvik for government sponsored housing that can be owned by Northern residents. Presently a very high percentage (possibly 90%) of the accommodation in Inuvik is owned by employers, the Federal Government, or the Territorial Government. This situation creates many unnecessary social problems related to a "company town" atmosphere where a person is tied to a job by housing. To provide housing balance, to encourage the construction of additional needed housing units, and to create a private housing market it is proposed that a "Northern Ownership Housing" program be initiated by the NWT government.
2. The Northern ownership housing program would operate comparably to the present Northern rental housing program and would be complimentary to it. The mechanics for operating the Northern ownership housing could be a start on the proposed NWT Housing Corporation.
3. The proposal involves making available the latest model of Northern Rental house available at the bulk purchase price of \$7,500 for Bay River. The financing would be covered by the existing NWT Housing Mortgage which has been requested to be increased to \$4,000 plus \$1,000 forgivable. The anticipated costing would be:

Northern rental house 32'X 24' for Bay River	\$7,500
NTEL Freight Bay River to Inuvik	1,500
Purchase of fully serviced lot	2,500
House foundation-gravel pad	500
Labour	4,000
Total cost of house	16,000

Monthly Expense to Carry \$16,000 House in Inuvik\*

Mortgage Payment \$14,000, 6%, 25 yrs	\$90.21
Utilities-oil, electricity, water	75.00
Taxes-est. \$120 per year	10.00
Insurance-\$100 for 3 yrs	2.79
Total monthly expense	188.00

\*assumes that \$1,000 will be provided by owner in form of cash, mortgage, or labour contribution

4. Northern Rental Housing units in Inuvik receive a considerable operating subsidy amounting to at least \$120 per month per unit since the operating expense is at least \$188 per month and the maximum rental is \$67 per month. The 83 Northern rental units in Inuvik require a total subsidy of at least \$9,960 per month or \$120,000 per year. This subsidy could be reduced considerably by facilitating a Northern Ownership Housing program which would minimize the demand for rental units.
5. To facilitate these proposals for "Northern Ownership Housing" the NWT Government is requested to consider:
  - (a) granting a \$14,000 NWT mortgage at 6% with a \$1,000 second mortgage forgivable at the rate of \$100 per year as long as payments are made regularly.
  - (b) considering the extension of the mortgage period from 25 years to 10 years. This would reduce the monthly mortgage payment on \$14,000 by \$13.18.