Urban Aboriginal Economic Development National Network

Background Brief:

Aboriginal Business and Community Development Centre: Neighborhood in a Building

Condensed from source documents by Julia Schwamborn, MA
UNBC Community Development Institute

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Title: Aboriginal Business and Community Development Centre – Neighborhood in a Building

Author: Julia Schwamborn, UNBC Community Development Institute

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About the Urban Aboriginal Economic Development Network: The Urban Aboriginal Economic Development National Network is an open and inclusive multi-stakeholder network of researchers and practitioners working in urban Aboriginal and Métis communities. This includes organizations, universities, federal/provincial/municipal and Aboriginal governments, private industry, community groups, and NGO's. The network's focus is on mobilizing economic development knowledge and strengthening organizational capacity.

This paper can be found on the network website: http://abdc.bc.ca/uaed

The Aboriginal Business and Community Development Centre (ABDC) in Prince George, BC is a results oriented team of professionals, working together in unity to provide a full spectrum of culturally, client sensitive, business and economic development services to assist Aboriginal individuals, organizations and communities to achieve 'their' full potential.

The ABDC has identified a strong housing demand in the Aboriginal community of Prince George. Housing needs are especially prevalent among Elders, single parents, low-income households, special needs individuals requiring supervision and/or care, students, and temporary residents such as visitors seeking medical treatment. The statistically lower income situation for Aboriginal people in comparison to the non-Aboriginal population puts them at a higher risk of inadequate, sub-standard housing and homelessness. Children in such households are often raised under strained circumstances due to transient housing, frequent moving, overcrowded accommodation, and neighborhoods with high crime rates.

Community

Traditionally, Aboriginal strength lies in their communities. The culturally entrenched collective, a concept of working together and assisting each other, is part of the Aboriginal identity and heritage. In urban settings, however, this traditional collective is often lost. Urban Aboriginals become individuals and lose their collectivity through physical distance from their communities and a lack of urban community organization. ABDC has developed a concept to reintroduce and revive a sense of community among urban Aboriginals. The idea is to create a *Neighborhood in a Building*. The building will house a certain mix of people to ensure a balanced neighborhood in which members are able to support and complement each other. For example, Elders could babysit single parents' children, enabling those to seek employment. These parents in turn could run errands for the Elders and lend assistance where needed in their everyday lives.

The reciprocity concept could be more abstract or indirect as well. For example, a resident could offer help in the community kitchen and, through a chit system, be rewarded with food or other goods or services as needed.

The Building

The building for the *Neighborhood in a Building* has to be built for its specific purpose and has to reflect that purpose in its layout and structure. ABDC proposes an open space concept that allows for a maximum of interaction. Few walls within apartments for togetherness, extensive use of daylight, and common areas on each floor are some of the features that would support and foster the community feeling within the building. The housing units within the buildings will have predetermined use according to a development plan that aims at optimizing the neighborhood composition.

Roughly 80% of the building will be residential units for Elders, single parents, low-income individuals and families, and short-term residents. Of the residential portion, approximately 10%

are planned to be pod style student housing, 10% pod style hostel units, 5% pod style special needs accommodation with supervision and care arrangements; about 10% are assigned to Elders, 16% to low-income residents, 12% to single parents, 12% to a patient lodge for visitors seeking medical treatment, and 25% are designed to be market-based housing.

Another roughly 10% of the building is to be used for common services including daycare facilities, community kitchens, and common areas. The last 10% comprise retail space and program-related office space. The concept also envisions adequate parking space for residents and users of the building and landscaping that allows outside activities and a pleasant area for residents and visitors to spend time in.

Partnerships

The ABDC has initiated partnerships to support and assist them with the *Neighborhood in a Building* project. Agreements in principle with Lu'ma Native Housing Society and the Prince George and District Elizabeth Fry Society are in place. Both agencies have extensive experience with housing development, management, and operation and have agreed to assist ABDC. Lu'ma Native Housing Society, previously known as the Vancouver Indian Centre Housing Society, has had great success with an affordable housing and patient's lodge in Vancouver and will lend support and feedback, and share best practices. The Elizabeth Fry Society has extensive experience with affordable housing projects and has assured its support through management expertise and training.

Another possible partner is the College of New Caledonia, which has indicated an interest in contributing finances towards the student housing units. AimHi, an organization supporting community members with special needs, has also expressed willingness to contribute and to work with ABDC in developing and realizing the special needs housing units.

Financial Sustainability

ABDC has included a detailed financial plan in its *Neighborhood in a Building* concept paper. In order to be feasible and truly offer new opportunities and solutions to the urban Aboriginal community of Prince George, the project has to sustain itself.

Some rounded cost estimations show the scale of the project: The land will be donated, and only legal costs have to be counted into the budget; building costs are estimated at around $9million; design and engineering expenses will be approximately $600,000; municipal costs, e.g. permits, are expected to be around $77,000; insurance and legal fees are proposed at $415,000. This leaves the total project realization costs at almost $11million.

The ABDC concept then looks at expected revenue and ongoing operating costs: Rent from residential housing units will be approximately $35,000 per month; rent from retail and office space totals around $5,000 per month; operating expenses, including maintenance personnel, are estimated at around $15,000. A mortgage over the full amount of $11million with a 35 year

amortization and 4.5% interest rate would mean a monthly mortgage payment of approximately $52,000. The expected revenue would not suffice to cover this mortgage. Another possible scenario is that, of the $11million total project cost, $6million are covered by grants. A mortgage over the remaining $5million and under the same conditions as described above, would translate to a monthly mortgage payment of close to $24,000. In this case, revenue from rent would cover ongoing operating and monthly mortgage costs, and the project would be financially sustainable from the beginning.

Neighborhood in a Building and UAED

The *Neighborhood in a Building* concept addresses various urban Aboriginal issues. One of them is housing. Providing adequate housing for those members of the urban Aboriginal community who find themselves in less than ideal socioeconomic situations, will help them avoid the typical trap of low-income individuals and families. Low-income housing provisions are usually in bad neighborhoods with negative influences, and people are unable to move up once they are living in these conditions and are exposed to housing problems and negative or even criminal influences. The ABDC concept deals with these issues in an innovative way, remembering and relying on traditional values and ways. The residential units cater to low-income residents and others who are at a disadvantage in the housing market. The solutions come from the traditional concept of community and mutual support within a community.

A *Neighborhood in a Building* also has a very strong economic component. Given the right combination of circumstances, in this case partnerships, grants, and available land, such a project can be financially sustainable. It therefore offers business opportunities for residential property management. ABDC aims to manage the property through its own Eagle Spirit Property Management Company. This enables them to run a feasible business and ensure that it is a social enterprise that benefits the community in more than one way. Not only is the housing beneficial to community members, the business aspect also allows for education and training opportunities, for example in janitorial, maintenance, or administrative positions. ABDC emphasizes that, ideally, there will be a high turnover rate in employees of the property management company, with the exception of management positions, so as to provide training for as many urban Aboriginal community members as possible and prepare them for other employment opportunities. In addition, the community structure of the housing will be supportive of single parents, who will be enabled to pursue employment, and it will provide stability to low-income families and individuals, which has potential to enable them to better their situation.

Contact Information

Website:
www.abdc.bc.ca

Email:
abdc@abdc.bc.ca

Address:
3845 15th Avenue
Prince George, BC V2N 1A4
Phone: (250) 562 6325
Fax: (250) 562 6326

List of Helpful Links

AimHi: Prince George Association for Community Living. Accessed May 10, 2010. http://www.aimhi.ca/

College of New Caledonia. Accessed May 10, 2010. http://cnc.bc.ca/

Lu'ma Native Housing Society. Accessed May 10, 2010. http://www.lnhs.ca/

Prince George and District Elizabeth Fry Society. Accessed May 10, 2010. http://www.pgefry.bc.ca/