

# Manitoba Housing and Community Development

**Annual Report  
2015 – 2016**



The Manitoba Housing and Renewal Corporation  
General Inquiries:

2<sup>nd</sup> Floor-352 Donald Street Winnipeg, MB R3B 2H8

Phone: 204-945-4663

Manitoba Toll Free: 1-800-661-4663

Fax: 204-945-2013

Email: [housing@gov.mb.ca](mailto:housing@gov.mb.ca)

This publication is available at:

<http://www.gov.mb.ca/finance/publications/annual.html>

**This publication is available in alternate format upon request.**

For alternate format requests, please contact Accessibility Coordinator,  
Liz Jonasson at 204-945-4755.



---

MINISTER OF FAMILIES

Room 357  
Legislative Building  
Winnipeg, Manitoba, CANADA  
R3C 0V8

September 2016

Her Honour the Honourable Janice Filmon, C.M., O.M.  
Lieutenant Governor of Manitoba  
Room 235, Legislative Building  
Winnipeg, Manitoba  
R3C 0V8

May It Please Your Honour:

I have the pleasure of presenting the Annual Report of the Department of Housing and Community Development for the Province of Manitoba for the year 2015/16.

Respectfully submitted,

**“Original Signed By Scott Fielding”**

Scott Fielding







---

MINISTRE DES FAMILLES

Bureau 357  
Palais législatif  
Winnipeg (Manitoba) CANADA  
R3C 0V8

Septembre 2016

L'honorable Janice Filmon, C.M., O.M.  
Lieutenante-gouverneure du Manitoba  
Palais législatif, bureau 235  
Winnipeg (Manitoba)  
R3C 0V8

Madame Lieutenante-gouverneure,

J'ai le privilège de vous présenter le rapport annuel du ministère du Logement et du Développement communautaire de la Province du Manitoba pour l'exercice 2015-2016.

Le tout respectueusement soumis.

**"Original singé par Scott Fielding"**

Scott Fielding







Deputy Minister of Sport, Culture and Heritage  
Legislative Building, Winnipeg, Manitoba, Canada, R3C 0V8  
[www.manitoba.ca](http://www.manitoba.ca)

September, 2016

Honourable Scott Fielding  
Minister of Families

Minister:

I have the honour of presenting to you the Annual Report for the Department of Housing and Community Development for the fiscal year ending March 31, 2016.

During 2015/16 the Department worked with its partners on a range of initiatives, with the purpose of enabling positive growth in communities by providing quality housing and supporting locally-identified priorities for development. The Department's 2015/16 activity highlights and new initiatives are shared in the Preface section of this report.

It is my pleasure to thank the Department's employees for their commitment and dedication in making these achievements possible.

Respectfully Submitted,

**"Original Signed By Mala Sachdeva"**

Mala Sachdeva  
Deputy Minister  
Housing and Community Development (September 2015 – May 2016)  
Sport, Culture and Heritage (May 2016 – present)







Sous-ministre du Sport, de la Culture et du Patrimoine  
Palais législatif, Winnipeg (Manitoba) Canada R3C 0V8  
[www.manitoba.ca](http://www.manitoba.ca)

Septembre 2016

Monsieur Scott Fielding  
Ministre des Familles

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère du Logement et du Développement communautaire pour l'exercice terminé le 31 mars 2016.

En 2015-2016, le ministère a travaillé avec ses partenaires sur différentes initiatives dans le but de favoriser la croissance positive dans les collectivités en offrant des logements de qualité et en appuyant les priorités de développement repérées à l'échelle locale. Les nouvelles initiatives et les points saillants des activités du ministère lors de l'exercice de 2015-2016 sont présentés dans la préface du présent rapport.

C'est avec plaisir que je remercie les employés du ministère de leur engagement et de leur dévouement, qui ont permis ces réussites importantes.

Le tout respectueusement soumis.

**“Original singé par Mala Sachdeva”**

Mala Sachdeva  
Sous-ministre  
Logement et Développement communautaire (septembre 2015 à mai 2016)  
Sport, Culture et Patrimoine (mai 2016 à aujourd’hui)



## **Table of Contents**

Title	Page
<b>Minister's Letter of Transmittal</b>	1
<b>Deputy Minister's Letter of Transmittal</b>	5
<b>Preface</b>	10
Introduction	10
Report Structure	10
Vision, Mission, Guiding Principles and Goals	10
Overview	11
Organization Chart as at March 31, 2016	13
Highlights and New Initiatives	14
<b>Préface</b>	16
Introduction	16
Structure du Rapport	16
Vision, Mission, Principes Directeurs et Objectifs	16
Aperçu	18
Organigramme du ministère du Logement et du Développement communautaire	20
Faits Saillants et Nouvelles Initiatives	21
<b>Administration</b>	23
Minister's Salary	23
Executive Support	23
Support Services	24
<b>The Manitoba Housing and Renewal Corporation</b>	25
Social Housing Management	27
Asset Management	32
Northern Housing Operations	34
Land Development	35
Housing Delivery	37
<b>Community Development and Strategic Initiatives Division</b>	39
Community and Cooperative Development	40
Strategic Initiatives	47
Community Relations	49
<b>Corporate Services Division</b>	51
Financial Services	51
Information Technology Services	52
Corporate Compliance and Risk Management	53

<b>Costs Related to Capital Assets</b>	55
<b>Financial Information</b>	56
Five-Year Expenditure and Staffing Summary Table	56
Reconciliation Statement	57
Expenditure Summary Tables	58
<b>Appendices</b>	
Appendix 1 Sustainable Development	62
Appendix 2 Cooperative Housing Strategy	64
Appendix 3 Performance Indicators	67
Appendix 4 <i>The Public Interest Disclosure (Whistleblower Protection) Act</i>	77
Appendix 5 The Manitoba Housing and Renewal Corporation – Financial Statements	78

# PREFACE

## INTRODUCTION

The Department of Housing and Community Development was established by Order in Council No. 348/2009 on November 3, 2009<sup>1</sup>.

## REPORT STRUCTURE

The Annual Report is organized in accordance with the Department of Housing and Community Development appropriation structure as set out in the Estimates of Expenditures of the Province of Manitoba for the fiscal year ending March 31, 2016. The report includes information at the Main-Appropriation and Sub-Appropriation levels related to the Department's objectives, actual results, financial performance and variances. A five-year adjusted historical table of staffing and expenditures is provided. In addition, expenditure and revenue variance explanations are provided.

## VISION, MISSION, GUIDING PRINCIPLES AND GOALS

The Department of Housing and Community Development has operated under the strategic direction set forth in its *Strategy and Policy Framework 2011*. This document established a Vision, Mission and Guiding Principles for the Department and the overall goals that direct the Department's activities.

**VISION:** Strong, healthy and sustainable communities where individuals and families thrive.

**MISSION:** In partnership with Manitobans, the Department supports the positive growth of communities across the Province by providing quality housing and supporting community development.

The Department is responsible for a comprehensive range of housing and community development services and financial assistance programs. Some are delivered directly by the Department, while others are provided in partnership with a variety of private non-profit and community-based organizations. By working together with community partners, the Department builds communities and revitalizes neighbourhoods while engaging residents in the process.

Through the activities of the Crown Corporation The Manitoba Housing and Renewal Corporation (MHRC), the Department strives to enhance the quality of life of Manitobans by providing access to safe and affordable housing in communities across Manitoba, particularly for those of low and moderate income or those with specialized needs. It is also the role of MHRC to ensure an adequate supply of housing, maintain and improve the condition of the existing housing stock, and stimulate and influence the activities of the housing market to the benefit of Manitobans.

---

<sup>1</sup> The Department of Housing and Community Development was disestablished on May 3, 2016 by Order in Council No. 190/2016. By the same Order in Council:

- the duties and functions of the former Department of Housing and Community Development that relate to Housing were transferred to the Department of Families; and
- the duties and functions that relate to Cooperative Development were transferred to the Department of Growth, Enterprise and Trade; and
- the duties and functions that relate to Community Development were transferred to the Department of Indigenous and Municipal Relations.

## **Guiding Principles**

- **Housing and community development issues are interrelated with health, education and social and economic well-being.** Housing and Community Development works with other provincial departments and agencies to develop and deliver appropriate policies and programs.
- **Investment is maximized through efficient and effective use of resources.** Housing and Community Development makes the most of its resources by coordinating housing and community development programs and services with other public policy areas.
- **Increase independence and self-reliance of people and their communities.** Provincial housing and community development initiatives help local people meet local needs and support the development of individual and community capacity.
- **Partnerships strengthen the housing environment and our communities.** Governments, community groups, Aboriginal organizations, the private sector and all citizens must work together to build communities and support the housing market to function effectively.
- **Housing and healthy communities are a shared responsibility.** Individuals, communities, the private and non-profit sectors and all levels of government are responsible for good housing outcomes and healthy communities.
- **Housing and community development activities strive to promote social inclusion.** Citizens are encouraged to help address local issues that affect their lives. The Department supports their efforts to increase economic and social independence, personal accountability, individual choice and the equitable development of Manitoba communities. Housing and Community Development activities promote well-being and human dignity, provide local employment, develop local skills and knowledge, and encourage local ownership and decision-making, whenever possible.
- **Strong communities have a range of housing options and community development activities that foster economic, social and environmental goals.** A variety of tools are needed to respond successfully to the changing circumstances of residents and communities.

## **Goals**

- Promote and support community development
- Build greater community capacity
- Sustain existing social and affordable housing stock
- Address affordability and increase supply of quality affordable housing
- Enhance client opportunities and services
- Build capacity of Housing and Community Development

## **OVERVIEW**

The Department of Housing and Community Development consists of the Crown Corporation, The Manitoba Housing and Renewal Corporation (MHRC), and two distinct program delivery and support service divisions: Community Development and Strategic Initiatives, and Corporate Services.

MHRC owns all provincial housing assets and is responsible for the delivery of social and affordable rental housing programs; renovation and repair programs; homeownership programs; and enabling provision of emergency shelter services. MHRC is an approved lender under *The National Housing Act*. MHRC also manages and develops land held in its land inventory.

MHRC's program and service delivery is accomplished primarily through its operating branch areas: Social Housing Management (which includes Property Services, Tenant and Agency Services, Security, and Portfolio Management), Asset Management, Northern Housing Operations and Housing Delivery and Land Development.

The Community Development and Strategic Initiatives Division includes the Community and Cooperative Development branch, which is responsible for delivering the Community Places Program, Neighbourhoods Alive!, and Cooperative Development Services. These programs assist communities in providing sustainable recreational, social and wellness benefits; support and strengthen local economic and community development; and maintain and encourage new cooperative development opportunities. The Division also includes two other branch areas, Strategic Initiatives and Community Relations, responsible for providing policy and program advice and a broad range of executive, managerial and operational supports to the Department and MHRC.

The Corporate Services Division comprises three branch areas: Financial Services, Information Technology Services, and Corporate Compliance and Risk Management. These provide comprehensive central support to the Department and MHRC, including direction and support for financial planning, financial reporting, financial evaluations and protection of corporate assets, information technology planning, training and development, legal support services, and risk management.

The Department's programs and services are budgeted under four main appropriations: Administration; Housing; Community Development; and Costs Related to Capital Assets.

## **The Statutory Responsibilities of the Minister of Housing and Community Development are as follows:**

*The Community Renewal Act;*  
*The Co-operative Associations Loans and Loans Guarantee Act;*  
*The Cooperative Housing Strategy Act;*  
*The Cooperative Promotion Trust Act;*  
*The Elderly and Infirm Persons' Housing Act (with respect to elderly persons' housing units as defined in the Act);*  
*The Housing and Renewal Corporation Act [except Clause 44(k) and The RentAid Regulation (MR. 148/2006)]; and*  
*The Income Tax Act [sections 7.13 to 7.16 and 10.6].*

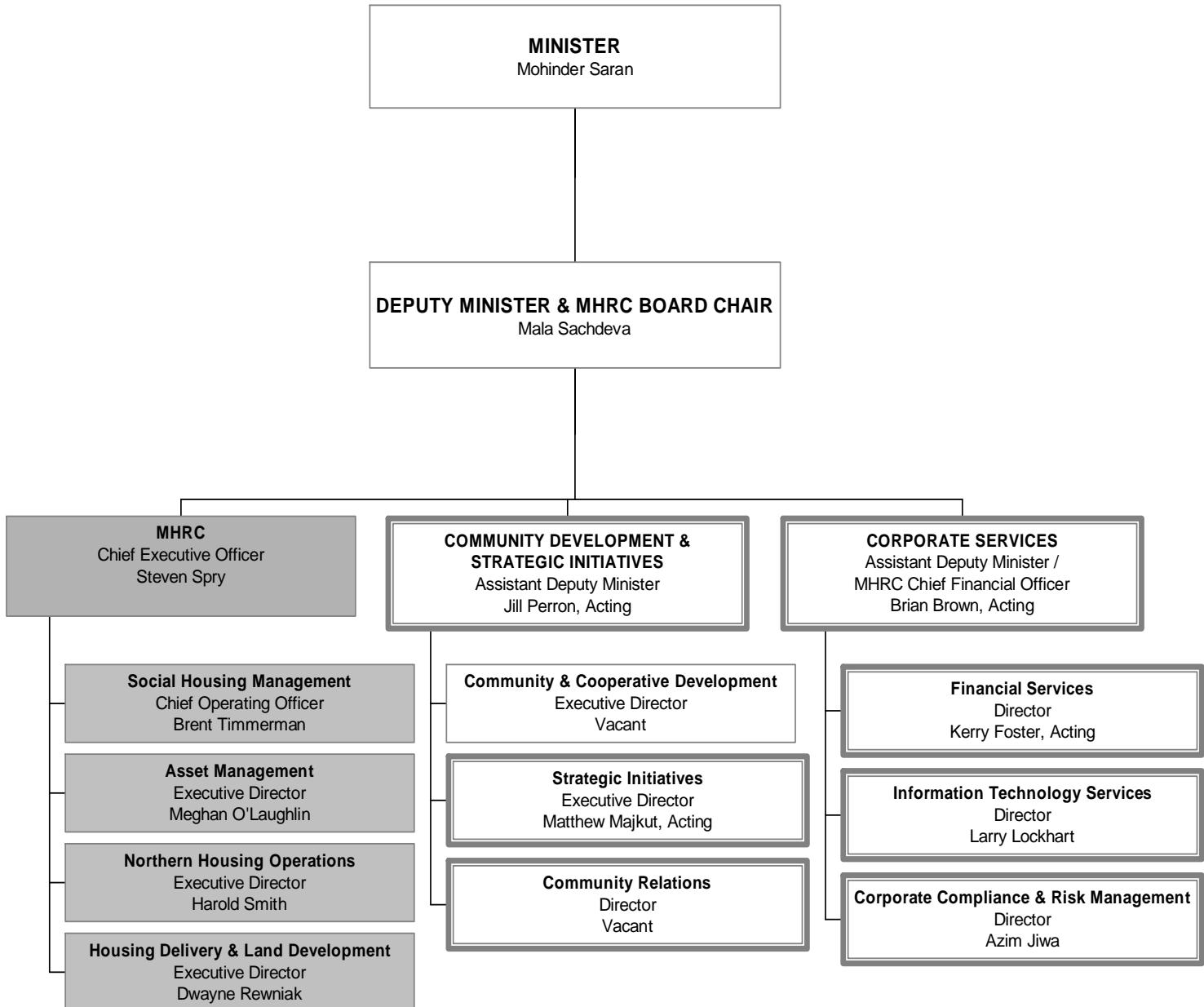
*The Community Renewal Act, The Cooperative Housing Strategy Act, and The Housing and Renewal Corporation Act require the Minister responsible to report annually to the Legislature. These requirements for 2015/16 are met by this Annual Report.*

*The Co-operative Associations Loans and Loans Guarantee Act and The Cooperative Promotion Trust Act also require the Minister responsible to report annually to the Legislature. The Annual Reports for the Co-operative Loans and Loans Guarantee Board and Cooperative Promotion Board are produced separately from the Department of Housing and Community Development Annual Report. These Annual Reports include: a Board membership list, an overview of the respective legislation, activities of the Board, financial statements, and the Auditors' report. The Co-operative Loans and Loans Guarantee Board Annual Report 2015/16 and The Cooperative Promotion Board Annual Report 2015/16 are available online at <http://www.gov.mb.ca/finance/publications/annual.html>.*

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

## ORGANIZATION CHART

*2015-2016,  
at March 31, 2016*



- Responsibilities in the Department
- Responsibilities in the Crown Corporation
- Responsibilities in the Department and Crown Corporation

## HIGHLIGHTS AND NEW INITIATIVES

The Department of Housing and Community Development made significant progress toward achieving its goals in 2015/16. Highlights and new initiatives are provided here. Additional accomplishments specific to branch areas are available in the respective sections of this report.

MHRC rose to the challenge of supporting the influx of Syrian refugees in Manitoba in 2015/16, working as part of a cross-department team to increase the availability of affordable housing and support the transition of Syrian and other refugees from temporary to permanent accommodations. MHRC secured two properties for temporary accommodations, and working together with settlement agencies, played a key role in coordinating temporary homes for refugees upon arrival. Furthermore, MHRC allocated rent subsidy assistance for up to 400 households to obtain permanent housing.

Substantial improvements to MHRC buildings continued in 2015/16, improving and preserving the quality, functionality and long-term viability of the provincially-owned housing stock. An investment of \$120.0 million in modernization and improvement projects illustrates MHRC's efforts to contribute to community revitalization and improve the environmental footprint through green and energy efficiency upgrades. Economic activity is generated by this capital spending, and an acceptable standard of living for tenants is maintained.

The conversion of the MHRC-owned building at 555 Ellice into a Social Housing Assisted Living (SHAL) facility neared completion in 2015/16, with tenanting expected to commence fall 2016. Comprising 118 units this project fills a service gap for low-income seniors who wish to live independently while receiving assisted living services such as meals and light housekeeping.

MHRC also made significant investments in new social and affordable housing delivery for low- to moderate-income households, primarily through partnerships with private and non-profit housing operators. This included the 2015/16 completion of Dial A Life Phase 3 which added 24 affordable housing units dedicated to Indigenous families with loved ones undergoing long-term medical treatment in Winnipeg. As well, the completion of West View Estates in Minnedosa provides additional new, affordable housing options in rural Manitoba.

Live Downtown, a partnership between the City of Winnipeg and the Manitoba Government, supports the goal of increasing and diversifying the population of downtown Winnipeg through leveraging private investment to increase the supply of affordable rental housing. Two Live Downtown projects proceeded in 2015/16 and a second call for proposals was announced. The selected projects represent approximately 99 units (11 affordable), and the redevelopment of one surface parking lot.

The Department's Neighbourhoods Alive! (NA!) program continued to support community-driven revitalization efforts. In 2015/16, the Department allocated over \$4.8 million to 182 projects through NA!. Local residents and other stakeholders plan and implement these projects, in response to locally-identified priorities. Notably, NA! was recognized nationally as a finalist for the 2015 Institute of Public Administration Canada (IPAC) Award for Innovative Management.

The Department's Community Places Program (CPP) approved 216 grants totaling \$3.0 million in 2015/16, benefitting organizations across the province. Projects that received funding included recreational, childcare and cultural facilities as well as parks, playgrounds, museums, libraries, community resources centres and facilities for people with disabilities. Technical consultation services through the CPP were provided to assist proponents in the planning and development of facility projects.

The year 2015/16 marked the final year of the three-year CPP - North program. Through this allocation, 21 projects were approved for \$666,463 in grants which supported \$1.8 million in total project costs. These activities assist northern and remote communities build and upgrade recreational and wellness facilities.

The Department supported Manitoba's cooperative sector in 2015/16, providing \$200,000 in funding to initiatives such as the Chair in Cooperative Enterprises within the Faculty of Business and Economics at the University of Winnipeg, and a Youth Mobilizer project to engage young Manitobans in cooperative values, principles and practical work experience.

The Department continued working to improve its services and internal processes in 2015/16 by engaging in several key business transformation initiatives. This includes the upgrade of core business systems and establishing standard operating procedures for the Social Housing Rental Program that are aligned with client-focused policies. As well, Lean management continued as a key area of focus throughout the Department, capturing employee's ideas on how to refine day-to-day processes while ensuring excellence in customer service and program delivery.

# PRÉFACE

## INTRODUCTION

Le ministère du Logement et du Développement communautaire (le « Ministère ») a été établi en vertu du décret n° 348/2009 le 3 novembre 2009<sup>2</sup>.

## STRUCTURE DU RAPPORT

Le rapport annuel est présenté en conformité avec la structure des crédits établie dans le Budget des dépenses de la Province du Manitoba pour l'exercice se terminant le 31 mars 2016. Le rapport comprend des renseignements sur les affectations budgétaires principales et les affectations budgétaires de moindre importance du Ministère relativement à ses objectifs, ses résultats réels, son rendement et ses écarts financiers. Il comprend également un tableau historique rajusté sur cinq ans de la dotation en personnel et des dépenses du Ministère. De plus, des explications des écarts entre les recettes et les dépenses sont offertes.

## VISION, MISSION, PRINCIPES DIRECTEURS ET OBJECTIFS

Les activités du ministère du Logement et du Développement communautaire ont été guidées par l'orientation stratégique présentée dans le document *Strategy and Policy Framework 2011* (cadre stratégique 2011). Le document présentait les énoncés de vision et de mission, les principes directeurs du Ministère, ainsi que les objectifs d'ensemble qui orientaient ses activités.

**VISION** : Des collectivités fortes, saines et durables où les particuliers et les familles prospèrent.

**MISSION** : En partenariat avec les Manitobains, le Ministère soutient la croissance positive des collectivités dans l'ensemble de la province en offrant des logements de qualité et en appuyant le développement communautaire.

Le Ministère est responsable d'un large éventail de services de logement et de développement communautaire et de programmes d'aide financière. Certains services et programmes sont offerts directement par le Ministère, tandis que d'autres sont offerts en partenariat avec une variété d'organismes privés et communautaires sans but lucratif. En collaborant avec des partenaires communautaires, le Ministère renforce les collectivités et revitalise des quartiers, tout en engageant les résidents à participer au processus.

Par le biais des activités de la Société d'habitation et de rénovation du Manitoba (SHRM), une société d'État, le Ministère s'efforce de rehausser la qualité de vie de la population en offrant un accès à des

---

<sup>2</sup> Le ministère du Logement et du Développement communautaire a été aboli le 3 mai 2016 en vertu du décret n° 190/2016. Aux termes du même décret, les modifications suivantes ont été apportées:

- les responsabilités et les fonctions de l'ancien ministère du Logement et du Développement communautaire qui ont trait au logement ont été transférées au ministère des Familles;
- les responsabilités et fonctions qui ont trait au développement des coopératives ont été transférées au ministère de la Croissance, de l'Entreprise et du Commerce;
- les responsabilités et fonctions qui ont trait au développement communautaire ont été transférées au ministère des Relations avec les Autochtones et les municipalités.

logements sécuritaires et abordables dans les collectivités de l'ensemble de la province, en particulier pour les personnes dont le revenu est faible ou modeste ou qui ont des besoins particuliers. C'est également le rôle de la SHRM de maintenir un approvisionnement adéquat de logements, de faire durer et d'améliorer l'état des logements sociaux existants et de stimuler et d'influencer les activités du marché de l'habitation à l'avantage de l'ensemble des Manitobains.

## Principes directeurs

- **Les problèmes de logement et de développement communautaire sont étroitement liés à la santé, à l'éducation et au bien-être social et économique.** Le Ministère collabore avec les autres ministères et organismes du gouvernement provincial pour élaborer et mettre en œuvre des politiques et des programmes appropriés.
- **Les investissements sont maximisés grâce à l'utilisation efficiente et efficace des ressources.** Le Ministère tire le meilleur parti possible de ses ressources en coordonnant les programmes et les services de logement et de développement communautaire avec d'autres secteurs d'intérêt publics.
- **L'accroissement de l'indépendance et de l'autonomie des personnes et de leurs collectivités.** Les initiatives provinciales en matière de logement et de développement communautaire aident les collectivités locales à répondre aux besoins locaux et à soutenir le développement des capacités individuelles et communautaires.
- **Les partenariats renforcent les milieux d'habitation et nos collectivités.** Les gouvernements, les groupes communautaires, les organisations autochtones, le secteur privé et toute la population doivent collaborer pour bâtir des collectivités et soutenir le marché de l'habitation afin de fonctionner efficacement.
- **Le logement dans des collectivités saines est une responsabilité partagée.** Les particuliers, les collectivités, le secteur privé, les organismes sans but lucratif et tous les ordres de gouvernement sont responsables des résultats en matière de logement sain et de santé de la collectivité.
- **Les activités relatives au logement et au développement communautaire s'efforcent de promouvoir l'inclusion sociale.** On encourage les résidents à participer au traitement des questions locales qui touchent leur vie. Le Ministère soutient leurs efforts d'accroissement de l'autonomie économique et sociale, de la responsabilisation personnelle, du choix individuel et du développement équitable des collectivités manitobaines. Les activités du Ministère font la promotion du bien-être et de la dignité humaine, créent des emplois locaux, développent les compétences et les connaissances locales et encouragent, dans la mesure du possible, la propriété et la prise de décision locales.
- **Les collectivités fortes ont diverses options d'habitation et activités de développement communautaire qui favorisent la réalisation des buts économiques, sociaux et environnementaux.** Il est nécessaire d'utiliser une variété d'outils pour réagir avec succès à l'évolution des circonstances des résidents et des collectivités.

## **Objectifs**

- Promouvoir et soutenir le développement communautaire.
- Développer les capacités communautaires.
- Préserver le parc existant de logements sociaux et abordables.
- Améliorer l'abordabilité et augmenter le nombre de logements abordables de qualité.
- Améliorer les possibilités et les services offerts aux clients.
- Renforcer les capacités de Logement et Développement communautaire Manitoba.

## **APERÇU**

Le ministère du Logement et du Développement communautaire regroupe une société d'État, la Société d'habitation et de rénovation du Manitoba (SHRM), et deux divisions distinctes de mise en œuvre de programmes et de services de soutien, la Division du développement communautaire et des initiatives stratégiques et la Division des services ministériels.

La SHRM est propriétaire de l'ensemble du parc provincial de logements et elle est responsable de l'offre de programmes de logements locatifs sociaux et abordables, de programmes de rénovation et de réparation et de programmes d'accès à la propriété. Elle est aussi responsable de la disposition habilitante pour les services aux refuges d'urgence. La SHRM est un prêteur autorisé en vertu de la *Loi nationale de l'habitation* et elle gère et aménage ses fonds de terre en réserve.

La SHRM offre ses programmes et ses services principalement par le biais de ses directions opérationnelles : Gestion des logements sociaux (qui comprend les Services aux immeubles, les Services aux locataires et agences, les Services de sécurité, et les Services de gestion de portefeuille), Gestion des actifs, Activités relatives au logement dans le Nord, Aménagement des terrains et Prestation des programmes de logement.

La Division du développement communautaire et des initiatives stratégiques comprend la Direction du développement coopératif et communautaire, qui est responsable de la mise en œuvre du programme Place aux communautés, de l'initiative Quartiers vivants et de la Section du développement des coopératives. Ces programmes aident les collectivités en leur offrant des avantages durables en matière de loisirs, de mieux-être et de vie sociale, soutiennent et renforcent le développement économique et communautaire local, et soutiennent et favorisent les nouvelles possibilités de développement coopératif. La Division comprend aussi deux autres directions, Initiatives stratégiques et Relations communautaires, qui sont responsables d'offrir au Ministère et à la SHRM des conseils d'orientation stratégiques et de programmation, ainsi qu'un large éventail de mesures de soutien opérationnel, de soutien à la haute direction et de soutien de la gestion.

La Division des services ministériels comprend trois directions : Services financiers, Technologies de l'information et Conformité et gestion des risques. Les directions offrent un soutien central complet au Ministère et à la SHRM, y compris une orientation et un soutien à la planification financière, à la communication de l'information financière, aux évaluations financières et à la protection des actifs du Ministère, à la planification des technologies de l'information, à la formation et au perfectionnement professionnel, aux services de soutien juridique et à la gestion des risques.

Le budget des programmes et des services du Ministère comprend quatre postes budgétaires principaux : administration, logement, développement communautaire et coûts liés aux immobilisations.

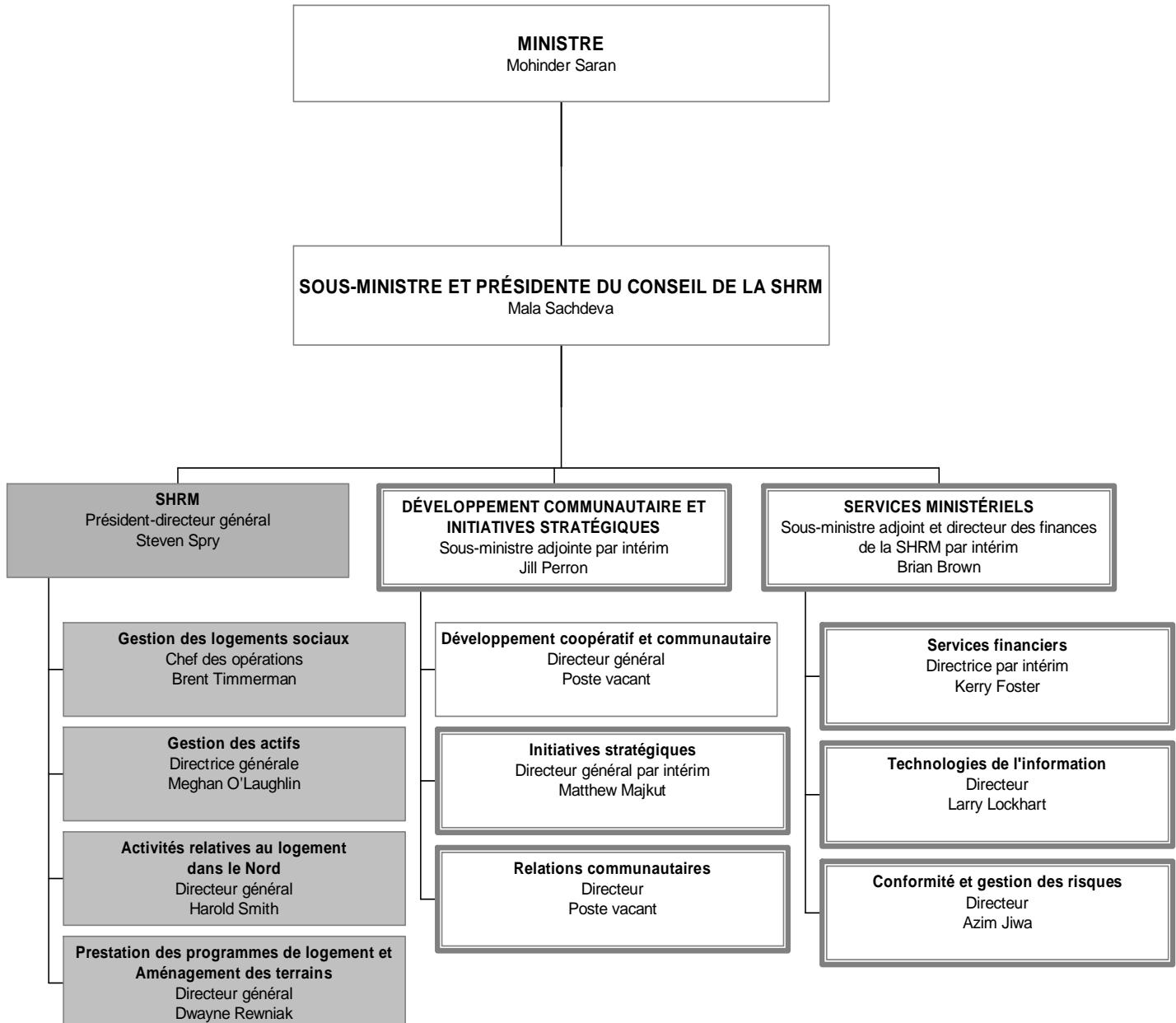
**Les responsabilités législatives du ministre du Logement et du Développement communautaire visent les lois suivantes :**

*Loi sur la revalorisation des collectivités;*  
*Loi sur les prêts et la garantie de prêts aux coopératives;*  
*Loi sur la stratégie en matière d'habitation coopérative;*  
*Loi sur le fonds en fiducie de promotion de la coopération;*  
*Loi sur le logement des infirmes et des personnes âgées* (en ce qui concerne les logements pour personnes âgées, tels que définis dans la *Loi*);  
*Loi sur la Société d'habitation et de rénovation* (à l'exception du paragraphe 44(k) et du *Règlement sur les prestations de logement du Manitoba* (RM 148/2006));  
*Loi de l'impôt sur le revenu* (paragraphes 7.13 à 7.16 et 10.6).

La *Loi sur la revalorisation des collectivités*, la *Loi sur la stratégie en matière d'habitation coopérative* et la *Loi sur la Société d'habitation et de rénovation* exigent que le ministre responsable soumette un rapport annuel à l'Assemblée législative. Pour l'exercice 2015-2016, ces exigences sont satisfaites par le présent rapport annuel.

La *Loi sur les prêts et la garantie de prêts aux coopératives* et la *Loi sur le fonds en fiducie de promotion de la coopération* exigent également que le ministre soumette un rapport annuel à l'Assemblée législative. Les rapports annuels du Conseil des prêts et la garantie de prêts aux coopératives et du Conseil de promotion de la coopération sont produit séparément du rapport annuel du ministère du Logement et du Développement communautaire. Ces rapports annuels comprennent une liste des membres du Conseil, un aperçu des mesures législatives, une description des activités du Conseil, des états financiers et le rapport d'un auditeur indépendant. Le rapport de l'exercice 2015-2016 du Conseil des prêts et la garantie de prêts aux coopératives et du Conseil de promotion de la coopération sont offert en ligne sur le site <http://www.gov.mb.ca/finance/publications/annual.html>.

**ORGANIGRAMME DU MINISTÈRE DU LOGEMENT ET  
DU DÉVELOPPEMENT COMMUNAUTAIRE**  
**EN 2015-2016 (AU 31 MARS 2016)**



- Responsabilités au sein du Ministère
- Responsabilités au sein de la société d'État
- Responsabilités au sein du Ministère et de la société d'État

## FAITS SAILLANTS ET NOUVELLES INITIATIVES

Le ministère du Logement et du Développement communautaire (le « Ministère ») a fait des progrès importants dans la poursuite de ses objectifs en 2015-2016. La présente section du rapport annuel présente les faits saillants et les nouvelles initiatives de ses activités. Des réalisations supplémentaires particulières aux diverses directions sont présentées dans des sections particulières du rapport.

La Société d'habitation et de rénovation du Manitoba (SHRM) a relevé le défi de soutenir l'afflux de réfugiés syriens au Manitoba en 2015-2016 en travaillant au sein d'une équipe interministérielle à accroître la disponibilité de logements abordables et à soutenir la transition des réfugiés syriens et autres d'un logement temporaire vers un logement permanent. La SHRM a mis la main sur deux propriétés pour offrir des logements temporaires et, en collaborant avec des organismes d'aide à l'établissement, elle a joué un rôle clé dans la coordination des logements temporaires pour les réfugiés au moment de leur arrivée au Manitoba. De plus, la SHRM a offert des subventions au logement à près de 400 ménages pour leur permettre d'obtenir des logements permanents.

L'amélioration importante des immeubles de la SHRM s'est poursuivie en 2015-2016 en vue de rehausser et de conserver la qualité, la fonctionnalité et la viabilité à long terme du parc de logements dont le gouvernement est propriétaire. Un investissement de 120 millions de dollars (M\$) dans des projets de modernisation et d'amélioration illustre les efforts de la SHRM pour contribuer à la revitalisation des collectivités et réduire l'empreinte écologique par le biais d'améliorations « vertes » et éconergétiques. Ces dépenses en capital génèrent une activité économique et permettent de maintenir un niveau de vie acceptable pour les locataires.

La conversion de l'immeuble situé au 555 de l'avenue Ellice, une propriété de la SHRM, en résidence assistée contenant des logements sociaux a été presque terminée en 2015-2016 et on s'attend à commencer à y recevoir des locataires à l'automne 2016. Visant 118 logements, le projet comble un écart de service pour les personnes âgées à faible revenu qui souhaitent vivre de manière indépendante tout en bénéficiant de services d'aide à la vie autonome tels que la préparation des repas et les travaux ménagers légers.

La SHRM a aussi fait des investissements importants dans l'offre de nouveaux logements sociaux et abordables pour les ménages à faible et moyen revenu, principalement par le biais de partenariats avec des exploitants de logements du secteur privé et du secteur non lucratif. Une des activités visait le parachèvement en 2015-2016 de la troisième phase du complexe résidentiel Dial-A-Life qui a ajouté 24 logements pour les familles autochtones dont les êtres chers reçoivent des traitements médicaux à long terme à Winnipeg. De plus, le parachèvement du projet West View Estates à Minnedosa offre de nouvelles options supplémentaires en matière de logement abordable dans une région rurale du Manitoba.

Le programme Live Downtown, un partenariat de la Ville de Winnipeg et du gouvernement manitobain, soutient l'objectif d'accroître et de diversifier la population du centre-ville de Winnipeg en misant sur les investissements privés pour augmenter l'offre de logements locatifs abordables. Deux projets du programme ont été mis en œuvre en 2015-2016 et on a annoncé un deuxième appel de propositions. Les projets sélectionnés représentent environ 99 logements, dont onze sont des logements abordables, et le réaménagement d'un parc de stationnement en surface.

L'initiative Quartiers vivants du Ministère a continué de soutenir les efforts de revitalisation communautaires. En 2015-2016, le Ministère a alloué plus de 4,8 M\$ à 182 projets dans le cadre de l'initiative. Ce sont les résidents locaux et d'autres parties intéressées qui planifient et mettent en œuvre ces projets pour donner suite aux priorités définies localement. L'initiative Quartiers vivants a notamment été reconnue sur le plan national en devenant finaliste du Prix IAPC pour gestion innovatrice de 2015 de l'Institut d'administration publique du Canada.

Le programme Place aux communautés du Ministère a approuvé 216 subventions en 2015-2016 pour accorder un financement de 3 M\$ à divers organismes de toutes les régions de la province. Les projets qui ont bénéficié d'un financement comprennent des installations de loisirs, des garderies et des installations culturelles, ainsi que des parcs, des terrains de jeux, des musées, des bibliothèques, des centres de ressources communautaires et des installations pour personnes handicapées. Le programme a également offert des services de consultation technique qui ont aidé les promoteurs à planifier et à élaborer leurs projets d'installations.

L'exercice 2015-2016 a marqué la dernière année du programme triennal Place aux communautés – Nord. Dans le cadre du programme, 21 projets approuvés ont reçu des subventions de 666 463 \$ qui ont soutenu un montant total de 1,8 M\$ en coûts. Ces projets ont aidé les collectivités nordiques et éloignées à construire et à améliorer des installations de loisirs et de mieux-être.

Le Ministère a soutenu le secteur des coopératives au Manitoba pendant l'exercice 2015-2016 en accordant 200 000 \$ pour financer des initiatives telles que la chaire en entreprises coopératives de la faculté de commerce et d'économie de l'Université de Winnipeg et un projet Youth Mobilizer (mobilisation des jeunes) qui vise à former des jeunes Manitobains aux valeurs et aux principes de la coopération et à leur offrir une expérience de travail pratique.

Le Ministère a poursuivi l'amélioration de ses services et de ses processus internes en 2015-2016 en mettant en œuvre plusieurs initiatives clés de transformation opérationnelle. Ces dernières comprenaient la mise à niveau des systèmes administratifs principaux et l'établissement de procédures opérationnelles normalisées pour le Programme de location de logements sociaux qui soient harmonisées avec les politiques axées sur la clientèle. De plus, la gestion allégée est demeurée un secteur d'intervention privilégié au sein du Ministère, où on a recueilli les idées des employés sur le perfectionnement des processus quotidiens tout en assurant l'excellence du service à la clientèle et de la mise en œuvre des programmes.

# ADMINISTRATION

Provides for the executive management, planning, support and control of departmental policies and programs, including The Manitoba Housing and Renewal Corporation.

## MINISTER'S SALARY

### **Objectives**

- To provide overall policy direction and central support services for the Department.

### **Responsibilities**

- Provides leadership for meeting departmental goals and objectives.
- Provides overall policy direction to the Department pertaining to program and financial matters.
- Provides for the executive management, planning, support and administration of departmental policies and programs.

#### **30-1A Minister's Salary**

Expenditures by Sub-Appropriation	Actual 2015/16 \$000	FTE	Estimate 2015/16 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	36	1.00	37	(1)	

## EXECUTIVE SUPPORT

Executive Support includes the offices of the Minister and the Deputy Minister.

### **Objectives**

- To advise the Minister on all policy and program matters related to the Department, including The Manitoba Housing and Renewal Corporation.
- To manage the activities of the Department, including The Manitoba Housing and Renewal Corporation.

### **Responsibilities**

- Interprets and implements government policy through the delivery of programs.
- Ensures effective and efficient management of programs.
- Safeguards the public interest through implementation of legislation and regulations.

- Ensures effective development and management of human resources.
- Provides leadership and advice to the Minister on policy development and resolution of policy issues.

### **30-1B Executive Support**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2015/16 \$000</b>	<b>FTE</b>	<b>Estimate 2015/16 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits *	944	9.00	785	159	1.
Total Other Expenditures	82		80	2	

\* The 2015/16 Estimate reflects amounts as displayed in the printed Main Estimates on behalf of the Department of Housing and Community Development as well as an allocation from Enabling Appropriations required for retirement payouts - \$112.

1. The over expenditure in Executive Support Salaries reflects unbudgeted retirement payouts that occurred during 2015/16.

## **SUPPORT SERVICES**

### **Objectives**

- To provide policy direction for the activities of the Department, including The Manitoba Housing and Renewal Corporation.
- To provide a broad range of operational and administrative support services to the operating divisions.

### **Responsibilities**

- Provides direction on financial and administrative policies and operational procedures and practices to divisional staff.
- Provides project management supports for the planning and implementation of integrated initiatives across the Department.

### **30-1C Support Services**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2015/16 \$000</b>	<b>FTE</b>	<b>Estimate 2015/16 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	567	8.00	719	(152)	1.
Total Other Expenditures	33		53	(20)	2.

1. The under expenditure in Support Services Salaries reflects position vacancies.

2. The under expenditure in Support Services Other Expenditures reflects staffing vacancies that reduced costs.

## THE MANITOBA HOUSING AND RENEWAL CORPORATION

The Manitoba Housing and Renewal Corporation is a Crown Corporation created by statute (*The Housing and Renewal Corporation Act*) in 1967, under which the legal name of the corporation is The Manitoba Housing and Renewal Corporation (MHRC). The Corporation operates under the business name of Manitoba Housing.

MHRC is mandated under *The Housing and Renewal Corporation Act* and is governed by a Board of Directors appointed by the Lieutenant Governor in Council, with policy direction provided by government. The Deputy Minister of Housing and Community Development serves as Chair of the Board of Directors. The Board meets at least quarterly to fulfill the legal and financial obligations of MHRC and to consider and approve specific policy-related items. During 2015/16, the Board met thirteen (13) times.

*The Housing and Renewal Corporation Act* provides MHRC with a mandate to:

- a) enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly to those persons of low- to moderate-incomes or those with specialized needs;
- b) maintain and improve the condition of existing housing stock;
- c) ensure that there is an adequate supply of housing stock in Manitoba; and
- d) stimulate the activities of the housing market to the benefit of Manitobans as a whole.

In fulfilling its mandate, MHRC has the capacity to engage in many activities including: constructing and developing new and affordable housing; rehabilitating existing housing in areas of need; acquiring, disposing of and repurposing land and/or buildings; making grants and loans; managing finances, including the investment and borrowing of funds and the provision of loan guarantees; creating and overseeing the operations of local housing authorities; and entering into intergovernmental agreements for renewal schemes and renewal projects for which provision is made under *The National Housing Act*.

MHRC's corporate structure is divided into branches based on functional areas. The operations branch areas are as follows:

- Social Housing Management;
- Asset Management;
- Northern Housing Operations;
- Housing Delivery and Land Development.

Manitoba Housing provides housing assistance to approximately 35,100 households through various programs.

Within the housing portfolio, Manitoba Housing owns approximately 18,200 housing units (and 10 emergency shelters for victims of violence), of which 14,200 units are directly managed by the Corporation. The remaining 4,000 units that are owned by MHRC are managed by non-profit/cooperative sponsor groups or property management agencies.

Manitoba Housing also provides subsidy and support to private, non-profit and cooperative housing operators who own and manage a further 16,900 units, enabling families and individuals to meet their housing needs in communities across the province (including over 4,300 persons in personal care home or specialized program beds).

MHRC manages and develops land held in its land inventory. In 2015/16, MHRC held approximately 761 acres in its land inventory, of which 632 acres are located in the Winnipeg Census Metropolitan Area and 129 acres are in rural Manitoba.

## **30-2 Manitoba Housing and Renewal Corporation**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2015/16 \$000</b>	<b>FTE</b>	<b>Estimate 2015/16 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Transfer Payments to MHRC	77,490		77,371	119	1.
Portable Housing Benefit and Emergency Shelter Assistance	<u>3,484</u>		<u>3,603</u>	<u>(119)</u>	
<b>Total MHRC</b>	<b>80,974</b>		<b>80,974</b>	-	

1. The actual results in support of these operations are found in the MHRC Statement of Operations of the MHRC Financial Statements (see Appendix 5).

A complete overview of the activities of MHRC is outlined in the narrative segments of its operational and support/services branches, following this section.

### **Long-Term Strategy**

The Department's strategic direction is set forth in *Strong Communities: An Action Plan*, comprising a vision, mission, guiding principles, and long-term goals. Its role is to promote community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. The Department's community development approach encourages community collaboration and local decision-making. Housing is integral to developing strong communities, and the Department strives to safeguard an adequate supply of safe and affordable housing across Manitoba, particularly for those of low and moderate income or those with specialized needs.

Housing is central to the lives of individuals and families and the Department works in partnership with other provincial departments, other levels of government and numerous partners in the community to provide access to a range of affordable housing options with appropriate supports for individuals who face multiple barriers to accessing housing. This includes collaboration with community partners in developing responses to homelessness. It is also the Department's role to sustain and improve the condition of existing social housing and stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

In addition to working toward the long-term goals of *Strong Communities: An Action Plan*, the Department aligns its activities to support other key Government policy direction strongly related to housing, such as the Aging in Place / Advancing Continuing Care Blueprint Implementation Plan and Manitoba's Poverty Reduction Strategy.

### **Aging in Place / Advancing Continuing Care Blueprint Implementation Plan**

**Manitoba Health's Advancing Continuing Care Blueprint Implementation Plan** promotes community-based housing with supports for seniors so they can remain in their own communities and 'age in place'. The strategy focuses on affordable options with supports as alternatives to early and inappropriate placement in a personal care home.

**The Advancing Continuing Care Blueprint Implementation Plan** includes three community support models:

- *Supports to Seniors in Group Living:* Housing with enhanced services that promote personal health and independence. This model is developed in congregate settings such as apartment buildings for seniors.

- *Supportive Housing:* Housing with personal support services and homemaking in congregate residential settings. This model is primarily for frail and/or cognitively impaired elderly people who can no longer manage in their own home.
- *Specialized Supports:* Models of community specialized services for individuals with exceptional health challenges and complex care situations.

MHRC aligns with the Aging in Place Strategy by providing 61 direct-managed social housing units in Dauphin, Neepawa, The Pas and Winnipeg, in addition to 104 units within the sponsor-managed portfolio, for supportive housing. MHRC provided funding to housing projects in Oakbank (completed) and in Riverton (under construction in 2015/16) with a supportive housing component. In collaboration with regional health authorities, MHRC assists Supports to Seniors in Group Living programs in 20 buildings that are owned and directly managed by MHRC, through providing office space, storage and use of common areas for activities.

### **Manitoba's Poverty Reduction and Social Inclusion Strategy**

All Aboard: Manitoba's Poverty Reduction and Social Inclusion Strategy was launched in May 2009 as a means for the Government to move forward in a focused, strategic manner on poverty reduction. The strategy is structured around four pillars: Safe, affordable housing in supportive communities; Education, jobs and income support; Strong, healthy families; and Accessible, coordinated services. Housing activity is an integral component to supporting this strategy.

Housing and Community Development supports this strategy by:

- Aligning the Department's activities with cross-departmental initiatives, such as those that relate to the social determinants of health;
- Participating in cross-departmental collaboration to reduce poverty and increase social inclusion; and
- Addressing housing affordability, increasing and maintaining the supply of affordable housing, and providing housing options for target groups including those in poverty.

Housing and Community Development supports activities that increase economic independence, build social networks, and encourage participation in community life.

## **SOCIAL HOUSING MANAGEMENT**

### **Objectives**

- To provide safe, affordable, quality housing for low- to moderate-income Manitobans and support community organizations and activities that provide the same service.

### **Responsibilities**

- Delivers the Social and Affordable Housing Rental Programs.
- Manages approximately 14,200 units of social housing including ten emergency crisis shelters for victims of domestic violence.
- Provides subsidy and support to approximately 20,900 housing units operated by cooperatives, non-profit, Urban Native and sponsored organizations.
- Fosters tenant engagement through tenant associations and advisory committees, tenant community and resource centres, and tenant forums; Tenant Services Coordinators support successful tenancies and sustainable social housing programs.

- Provides funding for emergency shelters and homelessness programs.
- In accordance with *The Elderly and Infirm Persons' Housing Act*, administers renewal licenses for all elderly housing projects to ensure they continue to meet the eligibility criteria for licensing under the Act.

## **Activities/Highlights in 2015/16**

The branch areas of Social Housing Management are: Property Services; Tenant and Agency Services; Security; and Portfolio Management. In 2015/16, the Social Housing Management branch areas undertook the following activities:

### **Property Services**

The core activity of Property Services is to deliver the Social and Affordable Housing Rental Programs within the province's direct-managed housing portfolio. The Property Services branch is divided into six regions in Manitoba<sup>3</sup>; each is responsible for leasing, maintenance and tenant services in the region. The branch also works with tenants who require additional support to achieve successful tenancies.

In 2015/16, Property Services continued its work with tenants, contractors and the Asset Management branch of MHRC to revitalize properties across the province. Property Services continued to deliver the Social Housing Rental Program through core property management activities while focusing on improvements to customer service and the experience of both tenants and the broader community. Property Services staff responded to over 86,500 requests for maintenance and tenant-related issues in 2015/16.

Manitoba Housing's direct-managed property 555 Ellice Avenue has been converted to a Social Housing Assisted Living (SHAL) program to allow low-income seniors to live independently and help prevent premature placement into Personal Care Homes. In 2015/16 this project was in its final construction stages, with tenanting expected in fall of 2016. Services include meals, recreational programming, housekeeping, and laundry.

In response to the 2015 launch of the Manitoba Social Enterprise Strategy, MHRC developed the Social Enterprise Initiative, encouraging social enterprise contractors to participate in procurement opportunities. The value of social enterprise procurement for 2015/16 was \$6.6 million. These procurement opportunities supported more than 250 individuals who face significant barriers to employment. Those involved received skills training in trades such as carpentry, painting and plumbing. These skills help to improve future employment prospects of the participants, who have also demonstrated increased confidence and improved social outcomes in a variety of areas.

To better serve those accessing Social and Affordable Housing Rental Programs, Property Services and Portfolio Management engaged in opportunities to review and improve internal operational processes and streamline business practices in 2015/16. Frontline staff were actively involved in the exercises, resulting in several improvements. For example, a revised standard operating procedure was created for processing rent supplement applications within Portfolio Management, resulting in improved total cycle time for applications to the program.

Social Housing Management is committed to ensuring Manitoba Housing has client-focused policies and procedures that create consistency and clarity for applicants, tenants and staff and support equitable and efficient delivery of the Social Housing Rental Program. Manitoba Housing is developing a modern and

---

<sup>3</sup> Northern Housing Operations delivers Property Services in the Northern Region. In total, there are seven Property Services regions in Manitoba.

sustainable information technology system to support these client-focused policies and procedures and improve service delivery.

### Tenant and Agency Services

The Tenant and Agency Services branch fosters healthy communities, sustainable social housing programs and stable, successful tenancies through tenant engagement, outreach and specialized services to individuals and families based upon their housing needs.

Tenant and Agency Services works with tenant groups, resource centres and other social service organizations to promote successful tenancies. The branch also works with 42 community based programs to provide referral assistance and case management support for vulnerable individuals to access social housing. In 2015/16, the branch provided funding and capacity development to 22 tenant groups and 11 resource centres. The tenant groups promote community engagement and social activities amongst tenants and the resource centres provide support services and personal development programs that promote independence and successful tenancies.

The Food Services Program provides tenants with healthy meals at a reasonable price. Food Services operates seven days a week and prepares approximately 600 meals daily. Meals are low cost for tenants as the service is partially subsidized by MHRC and regional health authorities. In 2015/16, the program offered meal programs at 16 locations in Winnipeg and two in Brandon.

Tenant and Agency Services worked with 23 agencies that provide homelessness programming and also supported ongoing initiatives to provide housing opportunities and services for individuals who are, or are at risk of becoming, homeless. Financial and program support was provided in the following areas:

- Emergency Homeless Shelters (funding and capacity development)
- Outreach (Homeless Outreach Mentors, Project Breakaway)
- Housing with Services (Portable Housing Benefit, Community Wellness Initiative, The Bell Hotel, Community Housing with Supports, Project Northern Doorway, and Resource Assistance for Youth's Emergency Shelter and Transition Program)
- Housing First rent subsidies and building services
- End Homelessness Winnipeg (a newly established organization created to address the complex issue of homelessness in Winnipeg through a collaborative, multi-sectoral approach)

#### *Portable Housing Benefit*

The Portable Housing Benefit (PHB) helps to address homelessness by providing a rent supplement of up to \$200 per month, combined with housing supports, to maintain stable tenancies for low-income Manitobans with a mental health disability receiving Employment Income Assistance (EIA). Recipients must be experiencing an unstable housing situation that is interfering with their progress in recovery and/or positive participation in community life. This rent supplement is portable, as it is attached to the individual rather than to a housing unit. The PHB is delivered by mental health community partners, who are funded to provide these supports. The following table provides program information for the past three years:

Fiscal Year	Number of Recipients as at March 31	Average Monthly Benefit Paid \$	Expenditures (\$000)			
			Benefits	Housing Supports	Other	Total
2013/14	573	187	1,115	605	0	1,720
2014/15	586	188	1,170	605	0	1,775
2015/16	522	189	1,222	605	0	1,827

## **Security**

The Security and the Integrated Pest Management Group (IPMG) branches were combined in 2015/16. Security is responsible for the safety of staff, tenants, contractors, and visitors to MHRC's direct managed properties, and the protection of MHRC-owned assets. Security officers attended almost 16,000 calls for service within the fiscal year.

The branch operates the Housing Communications Centre (HCC) which serves as the primary contact for maintenance and security issues. In 2015/16 the branch continued to improve its call response times and handled more than 125,000 phone calls. Security offers an important support and touch-point for Manitoba Housing tenants that may not interact with Manitoba Housing staff in other ways. New security camera systems are in place within 28 MHRC properties; these can be live-monitored within the HCC and by Security Officers, allowing for better interaction when resolving security concerns.

Training continues to be provided to the branch's mobile security officers as a means to increase MHRC's capacity and responsiveness in resolving common maintenance calls. Their role provides opportunities for positive engagement between tenants and Manitoba Housing staff and work included the installation of a restricted key system, which is now in more than 40% of Manitoba Housing units. The use of community forces and security officers to complete the work (as opposed to contracting out the work) has reduced wait times for tenants and has been cost-effective.

The IPMG is responsible for pesticide treatments, quality control and developing new treatment methods to address bed bugs and other pests in the housing portfolio. Within 2015/16, the IPMG focused on refining techniques and improving processes in order to work towards a pest-free environment. The IPMG initiated improved tenant communication and engagement on bed bug issues, resulting in significant increase in tenants accepting treatments and a measurable decline in units with live bed bug activity.

## **Portfolio Management**

Portfolio Management assists non-profit and cooperative housing organizations to achieve program objectives, build administrative and governance capacity, and comply with project operating agreements.

In 2015/16, Portfolio Management conducted 20 operational reviews with non-profit housing operators to ensure compliance with the project operating agreement (POA) they hold with government. Portfolio Management also undertook additional assessments to determine how tenants and non-profit housing providers are affected by the ongoing expiry of POAs. Evaluations are taking place with housing operators to determine what funding needs may be required upon expiry, in order to continue to provide assistance to low- to moderate-income households. The branch also hosted capacity building workshops with housing partners.

Portfolio Management continued its dual focus on building partnerships and ensuring compliance. All programs within the branch benefitted from a growing emphasis on improving internal processes, identifying and acting on opportunities to put the needs of customers first.

## *Rent Supplement Programs*

Rent Supplement Programs are designed to assist low- to moderate-income family and senior households access affordable rental accommodations in the housing market. The Manitoba Government entered into agreements with private landlords, non-profit and cooperative housing projects to deliver both the Social and Affordable Rent Supplement Programs, so that eligible households are provided a rental benefit based upon their income.

There are different income eligibility requirements for each Rent Supplement Program. It is intended that a low-income household will transition from the Social to the Affordable Rent Supplement Program as its total household income (before taxes) increases. Ideally, when a household can afford private market

rental/housing charges, they will transfer to the private market, freeing-up the housing unit for another low-income household.

The number of affordable rent supplements offered by Manitoba Housing increased substantially in 2015/16 with the completion of two construction projects with units designated for the Affordable Rent Supplement Program: Dugald Estates in Dugald and The Gardens on Tenth in Altona.

In 2015/16, the Rent Supplement Programs improved internal processes and reduced the amount of time it takes to process a rent supplement application, improving customer service and program delivery.

Manitoba Housing is working as part of the Manitoba Government's Refugee Resettlement Coordination committee to assist settlement agencies and support the transition of Syrian and other refugees to successful, safe and rewarding lives in Manitoba. In 2015/16, to support the settlement process, Manitoba Housing allocated rent subsidy assistance for up to 400 households to obtain permanent housing.

The following tables provide program information for the past three years:

<b>Social Rent Supplement Program</b>			
<b>Fiscal Year</b>	<b>Eligible Units Subsidized as at March 31</b>	<b>Average Monthly Supplement Paid \$</b>	<b>Expenditures Total \$000</b>
2013/14	1,612	329	6,182
2014/15	1,826	330	7,217
2015/16	2,176	350	8,533

<b>Affordable Rent Supplement Program</b>			
<b>Fiscal Year</b>	<b>Eligible Units Subsidized as at March 31</b>	<b>Average Monthly Supplement Paid \$</b>	<b>Expenditures Total \$000</b>
2013/14	9	291	31
2014/15	9	291	31
2015/16	52	510	204

#### *Complementary Assistance Program*

Grant assistance to housing cooperatives is provided under the Complementary Assistance Program to lower housing charges for income-tested occupants. Applicants must meet income eligibility criteria, and cooperatives submit monthly statements to claim assistance on behalf of eligible clients.

While the program is closed to new applicants, assistance continues to be provided to cooperatives under previous commitments. In 2015/16, 29 households in six cooperatives were provided subsidies through the Complementary Assistance Program at a total cost of \$97,538. The following table provides program information for the past three years:

Fiscal Year	No. of Co-ops at Year End	No. of Recipients at Year End	Expenditures Total \$000
2013/14	6	32	94
2014/15	6	32	89
2015/16	6	29	98

#### *School Tax Assistance for Tenants 55 Plus*

The School Tax Assistance for Tenants 55 Plus program provides an annual grant of up to \$175 to low-income tenants aged 55 years or older, to offset the school tax portion of rental costs. The grant is payable once a year. Applications submitted during 2015 relate to rents paid during the 2014 calendar year. This program is provided for financially by MHRC but was delivered by the Department of Family Services, Provincial Services, on behalf of the Department of Finance (program expenditures are recovered from the Department of Finance).

Applicants must meet eligibility criteria. Tenants aged 55 years or older whose net income is less than \$23,800 and who rented their principal residence in the private rental market during the previous calendar year are generally eligible. Pensioners who were eligible but did not receive their rebate during previous years can apply for benefits retroactively for up to four years. Tenants living in non-profit housing for the elderly or in projects licensed under *The Elderly and Infirm Persons' Housing Act* do not qualify for benefits under this program, as rents in these units do not include school tax costs.

In 2015/16, 977 benefit payments were issued (including retroactive/partial year benefits) representing an expenditure of \$99,708. The following table provides program information for the past three years:

Fiscal Year	Total Applications Received	Total No of Recipients	Average Annual Benefit Paid \$	Expenditures Total* \$000
2013/14	1,635	1,496	91	145
2014/15	1,015	927	89	92
2015/16	1,116	977	94	100

\* Includes multiple rebates for retroactive benefits and applications received in the previous fiscal year and paid in the current fiscal year.

## ASSET MANAGEMENT

### **Objective**

- To deliver best value and consistent quality projects in the building of new housing, and in the upgrades and revitalization of the existing social housing stock.

## **Responsibilities**

- Provides project management and professional services in the delivery of major capital initiatives.
- Invests in the renovation of the social housing portfolio to improve and upgrade the condition of social housing and contribute to community revitalization.

## **Activities/Highlights in 2015/16**

Asset Management is committed to improving the quality of the social housing portfolio and contributing to community revitalization efforts. In 2015/16, Asset Management continued to deliver on one of the largest capital commitments in the history of the social housing program in Manitoba. Asset Management identified four areas of need and developed programs to address them: deep refresh, exterior retrofit, interior refresh, and common area programs improved the quality of life for tenants, preserved and enhanced the buildings, created employment and contributed to community revitalization.

For some tenants, these investments are the first major upgrades to their homes in many years. These programs are vital for ensuring continued delivery of social housing programs for low-income Manitobans. Investment in this portfolio also provides a significant stimulus to Manitoba's renovation industry, which is a driver of economic activity. By partnering with non-profit community organizations that provide training opportunities for low-income individuals, MHRC is also assisting community members to develop skills and contribute to the revitalization of social housing.

In 2015/16, just over \$120 million in capital was disbursed for the Modernization and Improvement Program delivered by Asset Management. Deep refresh projects included complete interior refresh of new flooring, paint, cabinets, plumbing and electrical upgrades to energy-efficient fixtures, appliances, mechanical and electrical upgrades, fire and life safety upgrades, exterior envelope/insulation upgrades and site improvements. In 2015/16, there were a total of 14 deep refresh projects underway in Brandon, Carman, McCreary, The Pas, Beausejour and Winnipeg, affecting 672 units.

The Modernization and Improvement Program includes site improvements; exterior retrofits such as roofs, windows, siding; crawlspace, basement, and attic upgrades; refurbishment of interior units and common spaces; mechanical and electrical system upgrades; and fire and life safety equipment upgrades including elevator and fire protection systems. The 2015/16 Modernization and Improvement Program expenditures of \$120 million are provided by community in the table on the next page.

Asset Management allocated \$3.2 million to unit renovations and improvements completed between tenant occupancies in 2015/16. This work was undertaken by the Property Services branch using a combination of general contractors and social enterprise.

2015/16 Modernization and Improvements  
Expenditures by Community

COMMUNITY	ACTUAL \$	COMMUNITY	ACTUAL \$	COMMUNITY	ACTUAL \$	COMMUNITY	ACTUAL \$
Alonsa	79,476.42	Dauphin	926,638.66	Mallard	652,439.53	Sprague	18,151.85
Altona	612,877.51	Dawson Bay	44,593.64	McCreary	63,730.69	St. George	2,801,247.00
Amaranth	44,715.30	Duck Bay	947,063.29	Minnedosa	267,984.38	St. Laurent	80,349.02
Arborg	501,529.60	Elkhorn	37,163.36	Moose Lake	1,850,834.72	St. Lazare	171,026.25
Ashern	48,914.30	Emerson	103,036.34	Morden	573,966.77	St. Pierre Jolys	44,460.00
Bacon Ridge	195,261.68	Erickson	88,296.00	Morris	342,360.07	Starbuck	120,040.23
Barrows	242,642.40	Ethelbert	39,962.00	Nelson House	1,161,255.25	Ste. Rose du Lac	97,396.26
Beausejour	239,042.99	Fisher Branch	26,873.60	Niverville	4,994.87	Steinbach	320,742.64
Benito	61,292.92	Flin Flon	3,351,876.75	Novra	51,656.80	Swan River	1,857,173.60
Berens River	87,522.45	Garson	857,236.91	Oak Point	29,877.74	Teulon	113,221.68
Big Eddy	12,714.00	Gilbert Plains	51,168.00	Plum Coulee	539,817.10	The Pas	3,641,245.64
Birch River	66,040.00	Gimli	341,718.88	Plumas	278,206.24	Thompson	447,153.25
Birds Hill	192,604.42	Gladstone	79,045.90	Portage	2,587,645.18	Umperville	33,571.20
Birtle	10,221.12	Grunthal	102,469.04	Richer	31,085.60	Vassar	110,926.80
Boissevain	64,420.72	Gunton	35,880.00	Riverton	40,487.20	Virden	74,167.76
Bowsman	316,332.12	Ile des Chenes	128,205.01	Roblin	342,158.48	Vita	20,643.18
Brandon	6,198,234.19	La Broquerie	75,400.00	Rock Ridge	430,381.24	Wawanesa	51,792.00
Brochet	1,580,405.89	Lac du Bonnet	487,045.40	Rorketon	33,001.28	Westbourne	28,388.26
Carman	808,389.48	Langruth	13,475.70	Russell	1,353,088.86	Winkler	119,102.16
Churchill	3,684,420.45	Leaf Rapids	24,576.47	Sandy Lake	22,672.00	Winnipeg	71,568,176.46
Clearwater	44,470.40	Letellier	35,719.84	Selkirk	1,048,295.43	Winnipeg Beach	107,260.40
Cormorant	1,055,416.22	Lorette	164,966.96	Souris	487,023.52	Woodridge	25,480.00
Cranberry Portage	958,066.45	Mafeking	312,395.20	South Indian Lake	553,468.57	Young's Point	213,101.20
Cross Lake	19,968.00						
						TOTAL M&I	120,211,034

## NORTHERN HOUSING OPERATIONS

### Objectives

- To coordinate the management of existing social housing, and to increase the quantity of new, affordable housing in northern Manitoba.
- To consolidate reporting responsibility for all northern housing activity for MHRC into a single, northern management structure.
- To enhance the role of community-based organizations in the management of housing and in the delivery of other MHRC programs.
- To support and encourage community-driven revitalization efforts in designated northern neighbourhoods, including housing and physical improvements; employment and training; education and recreation; and safety and crime prevention through the Neighbourhoods Alive! program.

- To deliver the programs, services and supports of Housing and Community Development to Manitoba's northern communities in a manner that respects the cultural, geographic and economic diversity of the region.

## **Responsibilities**

- The delivery and administration of the Social and Affordable Housing Rental Programs pertaining to the northern direct-managed portfolio; capital planning; and Housing Delivery programming in northern Manitoba, including repair and renovation programs.

## **Activities/Highlights in 2015/16**

Northern Housing Operations delivers the Social and Affordable Housing Rental Program through MHRC's direct managed portfolio in the Northern Region.

In 2015/16, Northern Housing Operations continued the renovation and rehabilitation of the northern housing portfolio which included 44 full unit refreshes, the majority in small northern communities and primarily single-detached family units. Northern Housing Operations also completed the renovation of an existing 30 unit senior's building in The Pas, adding a new 15 unit wing. In Flin Flon, a significant renovation of the Aspen Grove property began (40 family units). A 24 unit family housing development is under construction in Thompson with anticipated completion in fall, 2016.

Northern Housing Operations continues to work with local and community organizations in housing development initiatives. The joint partnership with the Frontier Collegiate Institute's Northern Technical Centre (NTC) in Cranberry Portage, and the Apprenticeship branch of Jobs and the Economy has grown from a one-time commitment to build two ready-to-move (RTM) units in 2014, to a new, 4-year agreement. In 2015/16, students of the NTC built two new units. They also recently completed a large addition to an existing home in Moose Lake, and are planning for two new RTMs. A second agreement with the NTC has been signed, providing further opportunities to train students while renovating existing northern housing owned by MHRC. The program participants have benefitted from thousands of hands-on learning hours which apply toward their apprenticeship designation, as well as skill development in work-related areas such as first aid, safe handling of hazardous materials and résumé building.

Northern Housing Operations supports the Tenant Homeownership Stream of the Rural Homeownership Program, where Manitoba Housing tenants with low to moderate incomes are provided an opportunity to purchase their current rental home. To be eligible, tenants must qualify for a mortgage. The sale price of the home reflects fair value and MHRC provides financial and other forms of assistance for qualified households. As at March 31, 2016, a cumulative total of 13 properties were sold through the Tenant Homeownership Stream of the program, two of which were sold in 2015/16.

## **LAND DEVELOPMENT**

### **Objectives**

- To provide a land management framework to guide the actions of MHRC's land holdings and major land development projects in the Province.

### **Responsibilities**

- The acquisition, use and disposition of land for housing development and ensuring that all land development projects are consistent with the housing development priorities of the Manitoba Government.

- Delivers the Vacant Rural Homeownership Stream of the Rural Homeownership Program.
- The Land Development portfolio encompassing MHRC's existing land holdings and all major land development projects, including the development of the Bridgwater Neighbourhood, a 1,400 acre land parcel in southwest Winnipeg.

## **Activities/Highlights in 2015/16**

A primary activity of Land Development is the ongoing, multi-year development of the Bridgwater Neighbourhood in Winnipeg. It features preserved natural open space, mature forest and lakes, over thirty kilometers of dedicated park trails, and several kilometers of sidewalks, and children's play areas. Architectural guidelines ensure a variety of house designs throughout the neighbourhood and recessed garages prevent garage-dominated streets. This creates a more neighbourhood-friendly streetscape.

Bridgwater Forest is fully serviced and will consist of 1,113 single-family homes and 600 multi-family dwellings upon completion; it is expected to be fully occupied by 2017. MHRC is proceeding with the development of two additional residential neighbourhoods, Bridgwater Lakes and Bridgwater Trails, and a Town Centre called Bridgwater Centre.

Bridgwater Lakes will contain 1,194 single-family homes, with approximately 50 per cent of the lots being engineered to allow for visitable housing (i.e. no step front entry, wide doorways and hallways and a wheelchair accessible bathroom on the main floor). The neighbourhood will build on the architectural guidelines established for Bridgwater Forest, to ensure a variety of housing types and traditional architectural sensibilities. At March 31, 2016, 867 lots had sold in the neighbourhood, and all 1,194 single-family lots are fully serviced.

Bridgwater Trails will contain approximately 1,200 single family lots and over 1,000 units of multi-family housing. In 2015/16, servicing of phase three was completed and the servicing for phases four and five was underway.

Bridgwater Centre will include a mix of residential, commercial and other business uses in a dense urban environment. MHRC has sold 19 of the 31 land parcels in Bridgwater Centre. Construction has begun on the low density multi-family parcels. The first commercial project, Red River Co-op, opened in spring 2015; a second commercial project, Save on Foods, is slated to open late 2016. Bridgwater Centre will also promote walkability through connecting pathways and green space.

The Manitoba Government committed to supporting the construction of new market rental housing units to be developed on MHRC-owned suburban land in Winnipeg. In January 2016, MHRC released a request for proposals for the purchase and development of five multi-family sites on this land. The sites would be developed with the condition that they remain rental housing for a minimum of 10 years. Also, a minimum of 20 per cent of the new units must be affordable rental housing, meaning the rents will be set at or below the applicable affordable rental rate. Land Development anticipates awarding the successful proponents in fall 2016.

Proceeds from land sales in suburban developments are deposited into the Housing Development and Rehabilitation Fund (HDRF) and reinvested in areas of need within the same municipality as they are earned. In fiscal year 2015/16, \$9.0 million in Bridgwater proceeds were deposited into HDRF.

Land Development also delivers the Rural Homeownership Program. The sale price of each home is based on an assessment of the fair value of the home as determined by MHRC. This program provides financial assistance for low- to moderate-income families to purchase single and semi-detached homes in selected rural communities at fair market value. As at March 31, 2016, a cumulative total of 54 properties were sold under the Vacant Rural Homeownership Stream, eight of which were sold in 2015/16. In total,

67 properties have been sold under the Tenant and Vacant Rural Homeownership Streams of the program.

## HOUSING DELIVERY

### Objectives

- To deliver projects, programs and initiatives for MHRC related to increasing the supply of affordable and social housing and to sustaining Manitoba's existing housing stock.

### Responsibilities

- Delivers and administers housing programs that target the creation of additional rental and cooperative housing in Manitoba.
- Delivers and administers housing programs that target the repair and renovation of Manitoba's existing housing stock.
- Delivers and administers housing programs that target the creation of homeownership opportunities in Manitoba.
- Delivers and administers other complementary housing programs/initiatives that support Housing Delivery's objectives.

### Activities/Highlights in 2015/16

#### New Housing Supply

Housing Delivery continued to advance the development of new rental and cooperative housing through partnerships with private, non-profit and cooperative housing providers. In 2015/16, construction was completed on 55 social and 53 affordable housing units for a total of 108 new units throughout the province (27 in Winnipeg and 81 in rural and northern regions). An additional 188 new units were initiated in 2015/16, including 83 in Winnipeg and 105 in rural and northern regions. Among the projects that began construction in 2015/16 were those selected through a Request for Proposals (February 2014) for the development of affordable seniors housing in Winnipeg, Russell, Dominion City, and Steinbach.

Housing Delivery also released two Requests for Expressions of Interest in 2015/16 for new rental housing supply representing 185 potential units, one targeting housing for vulnerable Manitobans and the other targeting the development of new family housing.

Housing Delivery continued to deliver the Secondary Suites Program in 2015/16. This program was launched in June 2010 to help increase the supply of quality, affordable housing in Manitoba. As at March 31, 2016, \$1.3 million has been committed to assist in the construction of 41 secondary suites throughout the province, of which 21 are in Winnipeg and 20 are in rural and northern regions.

Administration of the Rental Housing Construction Tax Credit, a financial incentive offered to private and non-profit housing developers (including non-profit cooperatives) constructing new rental housing, continued in 2015/16. Four tax credit certificates valued at \$1.2 million were issued in 2015/16, leveraging 118 new housing units of which a minimum of 13 are affordable housing units. Since the tax credit became available in 2013/14, Housing Delivery has processed applications representing 370 affordable units and approximately \$6.8 million in potential tax credit dollars.

## **Repair/Renovation and Homeowner Program Delivery**

In 2015/16, Housing Delivery continued to deliver its suite of repair and renovation programs for homeowners and landlords including the Manitoba Emergency Repair Program for Homeowners, the Homeowner Renovation Assistance Program, the Rental Housing Improvement Program, the Residential Adaptations for Disabilities Program, and the Shelter Enhancement Program.

Housing Delivery launched the Rooming House Assistance Program in 2015/16. The program provides financial assistance to private owners of rooming houses to repair or rehabilitate their property. Four rooming house properties were selected through a call for applications. In total, approximately \$800,000 in financial assistance was committed to improve 45 bed units through this call for applications.

During 2015/16, the total budget committed for repair and renovation programming was \$4.9 million. The table below provides details on funding commitments by program type:

### **Repair and Renovation Program Funding Commitments 2015/16**

<b>Program</b>	<b>Total Funding (\$)</b>	<b>Units</b>
Emergency Programming	235,000	54
Disability Programming	800,000	58
Homeowner Programming	2,589,018	165
Rental Programming	1,175,982	62
Shelter Enhancement Program	100,000	43
<b>Total</b>	<b>\$4,900,000</b>	<b>382</b>

## **Investment in Affordable Housing (IAH) Agreement**

In July 2011, Manitoba signed the Investment in Affordable Housing (IAH) agreement with the Government of Canada for the years 2011-2014. In 2014/15, the governments of Canada and Manitoba announced a five year extension to the IAH agreement. The joint investment provides an additional \$103.5 million to support affordable and social housing programming. Over the course of this agreement, the two levels of government will each contribute \$51.75 million in funding to improve the living conditions of households in need through access to affordable housing that is sound, suitable, and sustainable.

Two full years of the delivery under the IAH agreement extension have been completed with project commitments totaling \$35.4 million in housing assistance for nearly 2,300 households. IAH funding is designated for new housing supply and repair/renovation programs, as well as Rent Supplement assistance, and is being used to support many of the initiatives listed above.

# COMMUNITY DEVELOPMENT AND STRATEGIC INITIATIVES DIVISION

## Divisional Goals

- To coordinate and deliver programming that both assists communities to provide sustainable recreational, social, community and cooperative development opportunities as well as supporting neighbourhood revitalization efforts.
- To provide quality support for informed government decision-making related to housing and community development.
- To develop innovative public policy and programs, reliable and progressive research, evaluation and information management.
- To provide internal communications to staff and assist in providing support and direction for external communication to key stakeholders including tenants and community groups.

## Divisional Responsibilities

- Contributes to the general well-being of Manitoba communities by assisting non-profit organizations to undertake facility projects that provide long-term recreational and social benefits for the general community.
- Provides guidance and financial support to the voluntary sector.
- Coordinates and/or delivers programming under the Neighbourhoods Alive! initiative, a long-term, comprehensive, community-based approach to provide residents and other stakeholders with the tools they need to rebuild vulnerable urban neighbourhoods in Manitoba.
- Provides leadership within government to develop, implement and evaluate policies and programs to promote the growth of the cooperative sector in order to meet local economic development and service needs.
- Provides strategic policy support for the Department's plans and programs, increasing awareness of housing issues and research, and enhancing community capacity through collaboration with stakeholders.
- Provides internal and external communications on departmental goals and activities. Coordinates events and the production of material in support of departmental activities.

These responsibilities are accomplished through the Division's three Branches: Community and Cooperative Development; Strategic Initiatives; and Community Relations.

## COMMUNITY AND COOPERATIVE DEVELOPMENT

The Community and Cooperative Development Branch coordinates and delivers programming that assists communities to provide sustainable recreational, social and cooperative development opportunities. This includes promoting and supporting cooperatives that assist communities to independently meet some of their social, economic and cultural needs through democratically controlled enterprises.

The branch also acts as a centralized source of departmental information, funding assistance for local initiatives and as a referral mechanism to support the non-profit and voluntary sectors. These objectives are accomplished through the branch's main programs:

- Community Assistance;
- Community Places Program;
- Neighbourhoods Alive! and
- Cooperative Development Services.

Additionally, the Community and Cooperative Development Branch supports the Department's overall program and policy development on issues relating to community and cooperative development.

### Community Assistance

#### **Objectives**

- To provide guidance and continued support to the voluntary sector.

#### **Responsibilities**

- Assists non-profit community-based groups to enhance their communities by providing grant funding assistance for local initiatives.
- Provides financial support and strategic advice to the Manitoba Community Services Council.

#### **Activities/Highlights in 2015/16**

In 2015/16 Community Assistance provided over \$1.7 million in funding to the Manitoba Community Services Council, whose mandate is to provide grant support to non-profit, volunteer recreation, community service, social service, and health-related organizations in Manitoba.

### **30-3A Community Assistance**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2015/16 \$000</b>	<b>FTE</b>	<b>Estimate 2015/16 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	565	8.00	604	(39)	
Total Other Expenditures	67		77	(10)	
Total Grant Assistance	1,704		1,704	-	
Total Community Places Capital Grants	3,465		3,465	-	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(656)		(1,500)	844	
Less: Recoverable from Building Manitoba Fund	(2,809)		(1,965)	(844)	

### **Community Places Program**

#### **Objectives**

- To contribute to the general well-being of Manitoba communities by helping local non-profit organizations to undertake facility projects that provide long-term recreational and social benefits.

#### **Responsibilities**

- Provides capital grants and technical consultation services to assist organizations throughout Manitoba with projects involving the construction, upgrading, expansion and/or acquisition of sustainable facilities.
  - Community groups can apply to the program for a grant which will assist with construction costs including material, labour and equipment for up to 50 per cent of the first \$15,000 and up to one-third over that amount, to a maximum of \$50,000.
  - Projects that received funding in 2015/16 included recreational facilities, parks, libraries, cultural facilities, community resource centres and facilities for people with disabilities.

#### **Activities/Highlights in 2015/16**

Fiscal year 2015/16 represented the Community Places Program's (CPP) 29<sup>th</sup> year of operation. In 2015/16, 216 applications were approved for grant assistance of \$3.0 million. The local contributions to approved projects totaled \$15.6 million. Technical consultation services were provided to assist community groups in the planning and development of facility projects. Consultations included: design advice, information on regulatory requirements, and assistance with the tendering and building trade contract process.

The three-year Community Places Program – North (CPPN) was completed. It assisted northern and remote communities build and upgrade recreational and wellness facilities. In 2015/16, 21 projects were approved for a total of \$666,463 in grants which leveraged \$1.8 million in total project costs.

In 2015/16, the CPP, along with the Department of Children and Youth Opportunities Regional Service partners, provided on-site consultations to over 400 clients, providing project planning advice to improve the quality, economy and sustainability of projects.

In addition to CPP on-site work, program staff organized and facilitated twelve workshops where over 250 volunteers and employees of non-profit organizations learned how to improve their project planning and grant applications.

CPP supports implementation of Manitoba's Green Building Policy (MGBP) and Manitoba's sustainable development goals by advising and guiding community organizations through the Green Building process and the provision of information on best practices in green building and design.

## Neighbourhoods Alive!

### Objectives

- To support the community-driven neighbourhood revitalization efforts of 13 designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park, North Point Douglas, St. John's, Dufferin, Centennial, West Alexander, North Portage, Chalmers, Daniel McIntyre and St. Matthews), and seven designated urban centres in the province (Brandon, Thompson, Dauphin, Flin Flon, Portage la Prairie, Selkirk and The Pas) through an interdepartmental initiative.
- To support neighbourhood revitalization efforts in the selected urban and rural centres.
- To strengthen community capacity for social and economic development, including: employment and training; education and recreation; safety and crime prevention; and housing and physical improvements.

### Responsibilities

- Provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff are responsible for the overall coordination of the initiative, including direct implementation of the following NA! programs:
  - *Neighbourhood Renewal Fund*: supports a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assist neighbourhood capacity building, stability, economic development and well-being.
  - *Community Initiatives*: supports projects that have a broad effect on Winnipeg's inner city or targeted specific groups across the inner city.
  - *Neighbourhood Development Assistance*: provides long-term core operating support for Neighbourhood Renewal Corporations that coordinate and implement community economic development within NA! designated neighbourhoods.
- Supports the *Community Youth Recreation Program*, which increases access to, or options for, youth recreation programming in seven designated communities outside Winnipeg. These projects were developed and are delivered by the Department of Children and Youth Opportunities, in partnership with community organizations and educational institutions.
- Five other NA! programs: *Neighbourhood Housing Assistance, Urban Arts Centres, Training Initiatives, Lighthouse, and School Resource Officers* were funded and delivered by: Housing and Community Development's Housing Delivery Branch; the Department of Tourism, Culture, Heritage, Sport and Consumer Protection; the Department of Jobs and the Economy; the Department of Children and Youth Opportunities; and the Department of Municipal Government, respectively.

**Neighbourhood Housing Assistance Program Funding**  
**Winnipeg and Rural**  
**November 2000 to March 31, 2016**

Neighbourhood/Community	NHA Cumulative Commitments since 2000*
Lord Selkirk Park	\$408,200
Point Douglas	\$1,178,831
Spence	\$2,446,731
West Broadway	\$1,847,145
William Whyte	\$2,191,603
Centennial	\$528,139
Daniel McIntyre	\$699,403
Dufferin	\$298,200
St. John's	\$541,770
St. Matthews	\$686,297
West Alexander	\$230,585
Central Park	\$23,500
Chalmers	\$23,500
Brandon	\$3,266,007
Thompson	\$861,686
Dauphin	\$145,500
Selkirk	\$204,712
The Pas	\$231,254
Flin Flon	\$205,500
Portage La Prairie	\$245,500
<b>TOTAL</b>	<b>\$16,264,063</b>

\* The program funding totals do not include program administration fees

### **30-3B Neighbourhoods Alive!**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2015/16 \$000</b>	<b>FTE</b>	<b>Estimate 2015/16 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	572	8.00	664	(92)	
Total Other Expenditures	70		121	(51)	
Total Neighbourhood Support	4,902		5,177	(275)*	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)		(2,442)	-	

\* Neighbourhoods Alive! had budgeted for an expansion in 2015/16 which did not go forward.

### **Activities/Highlights in 2015/16**

The Neighbourhoods Alive! program supports and encourages community-driven revitalization. Local residents and other community stakeholders plan and implement community-based projects that respond to locally identified priorities. In 2015/16, the Department allocated \$4.8 million in total, with \$2.9 million to 164 projects under the Neighbourhood Renewal Fund and Community Initiatives. This funding provided continued support to 61 projects under Manitoba's Non Profit Organization (Reducing Red Tape) Strategy, and 103 new projects. Core funding support of \$1.9 million was provided to 13 Neighbourhood Renewal Corporations through Neighbourhood Development Assistance.

Neighborhoods Alive! also administered seven projects (\$1.0 million funding provided by Department of Children and Youth Opportunities) under Community Youth Recreation.

In 2015/16, Department staff provided support to proponents, community organizations, and Neighbourhood Renewal Corporations through face-to-face meetings and distance consultations to strengthen project planning and improve the quality and sustainability of projects.

In a continued effort to better serve those accessing the programs, an exercise examining the funding intake process was undertaken in 2015/16, determining efficiencies and ways to improve program delivery for community partners. Program staff are integrating the results of this exercise and improving internal processes.

Neighborhoods Alive! was recognized nationally as a finalist for the 2015 Institute of Public Administration Canada (IPAC) Award for Innovative Management. This recognition was provided to the NA! program as 'an acknowledgment of the new paradigm in community development for Manitoba it has represented since its inception in 2000'.

## Cooperative Development Services

### Objectives

- To provide information, advisory services and assistance respecting the formation and operation of cooperatives in the province.
- To develop, implement and evaluate policies and programs that promote the sustainability of the cooperative model.
- To encourage the formation of new cooperatives.
- To maintain existing cooperatives.

### Responsibilities

- Provide information and advice on the incorporation of new and existing cooperatives.
- Assist emerging cooperatives in their development and facilitate linkages to other community economic development organizations.
- Assist cooperative organizations with regulation requirements.
- Enhance and develop cooperatives and the cooperative support sector by providing technical assistance, training, financing, grants, program supports and advice.
- Research prospective cooperative models and their relation and adaptation to the Manitoba environment.
- Provide support for The Co-operative Loans and Loans Guarantee Board, The Cooperative Promotion Board, and the Cooperative Community Strategy Steering Committee and working groups.
- Provide funding for the Cooperative Assistance Fund in support of environmentally sustainable initiatives, infrastructure and capital costs.

### 30-3C Cooperative Development Services

Expenditures by Sub-Appropriation	Actual 2015/16 \$000	FTE	Estimate 2015/16 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	273	3.00	283	(10)	
Total Other Expenditures	259		304	(45)	
Less: Recoverable from Rural Economic Development Initiatives	(176)		(180)	4	

## **Activities/Highlights in 2015/16**

In 2015/16, there were 11 new cooperatives incorporated.

Cooperative Development Services provides administrative support to The Cooperative Promotion Board and The Co-operative Loans and Loans Guarantee Board. These entities operate under separate boards of directors.

The Cooperative Promotion Board provides grants for enhancing youth interest in co-ops and encouraging co-op education among co-op board members and employees related to cooperative organizations; develops and promotes cooperative organizations; and promotes community development in rural Manitoba. Complete information can be obtained in the 2015/16 Annual Report of The Cooperative Promotion Board that is produced separate to the Housing and Community Development Annual Report.

The Co-operative Loans and Loans Guarantee Board provides loans and loan guarantees to cooperatives to ensure access to financial services necessary for their development. Complete information about its members, mandate, activities and financial responsibilities can be obtained in the 2015/16 Annual Report of The Cooperative Loans and Loans Guarantee Board that is also produced separate to the Housing and Community Development Annual Report.

The Cooperative Assistance Fund provided new and existing cooperatives with up to \$2,000 to assist with environmentally sustainable initiatives, infrastructure and capital costs. In 2015/16, 18 cooperatives were approved for grants.

Through a Memorandum of Understanding signed May 12, 2015 by the Manitoba Cooperative Association (MCA) and the Conseil de développement économique des municipalités bilingues du Manitoba (CDEM), the Province of Manitoba renewed their partnership and commitment to the Manitoba Cooperative Community Strategy (CCS), entering into the second five-year period of the strategy (Phase Two). Under the leadership of a steering committee, three working groups focus on developing and implementing action plans and securing commitments from other groups and organizations.

The Phase Two Strategic Plan was developed through stakeholder consultations. The overarching goals are:

- To build upon and to fully realize the benefits achieved during the first phase of the strategy.
- To engage the cooperative community more fully in all aspects of the strategy.
- To secure the resources (human and financial) required to sustain and grow the work.

In 2015/16, funding and support were provided for the Cooperative Community Strategy to undertake the following events, initiatives and projects:

- Funding for a Project Manager of the Cooperative Community Strategy continued. The Project Manager coordinated the activities of the Strategy Steering Committee and the three Strategy Working Groups.
- Funding was provided to support the Chair in Cooperative Enterprises, Faculty of Business and Economics, University of Winnipeg. The Chair helps to develop and deliver co-operative education to students and the general public and also serves as a liaison between the University, co-operative community and general public.
- Funding was also provided to a variety of projects aimed to enhance the knowledge of, and participation in, cooperatives in Manitoba. This included the Co-op Youth Initiatives Mobilizer Position that coordinated student co-op programs, and the Co-op 101 Audio Recordings project that promotes the co-op model through radio shows and podcasts.

## STRATEGIC INITIATIVES

### **Objectives**

- To design innovative housing policies and programs which are responsive to the housing needs of Manitobans.
- To coordinate and support planning and policy development in a manner consistent with the Department's long-term strategy.
- To develop knowledge and awareness of housing and community development trends, policies and practices.
- To enhance community capacity by collaborating with internal and external housing and community development stakeholders.

### **Responsibilities**

- Undertake the Department's strategic planning activities and provide ongoing corporate support to executive management.
- Conduct research, market analyses, forecasting and statistical services to support and inform strategic and operational decisions of the Department.
- Undertake performance reporting, business strategy development, governance and accountability processes.
- Monitor and evaluate programs and make recommendations to better meet the objectives of the Department.
- Develop policies and programs aligned with the Department's strategic framework, and support their implementation.
- Participate in federal-provincial-territorial (FPT) working groups responsible for the development of strategic initiatives, including affordable housing in urban centres, rural and remote non-market communities, and supportive housing.
- Coordinate the preparation of statistical data for federal reporting requirements between Canada and Manitoba.
- Participate in inter-governmental, -departmental and -sectoral discussions related to housing and community development issues.

### **Activities/Highlights in 2015/16**

In 2015/16, Strategic Initiatives provided lead support to the Rooming House Task Force which included the City of Winnipeg and key community stakeholders. Task Force members worked collaboratively to identify rooming house challenges that informed the development of the *Provincial Rooming House Action Plan*. The creation and launch of a Rooming House Workshop Series and the Rooming House Assistance Program stemmed from the Action Plan. Strategic Initiatives also represented the Province on the City of Winnipeg's Fort Richmond-University Heights Rental Housing Task Force.

In partnership with the Department of Municipal Government and the City of Winnipeg, Strategic Initiatives continued to work collaboratively on Live Downtown. The program was launched in December

2014 and is a progressive grant program to incent the construction of downtown rental housing. The objectives are to increase downtown density, facilitate use of surface parking lots, and increase the number of rental units for a broader range of income levels. Since its launch, two approved projects have proceeded. The second request for proposals was announced in January 2016; five proposals were received.

In 2015/16, Strategic Initiatives consulted with stakeholders to develop and coordinate the release of the *Cooperative Housing Strategy* for Manitoba, required by *The Cooperative Housing Strategy Act*. Further activity reporting for the Strategy can be found in Appendix 2.

The Strategic Initiatives and Property Services branches jointly modernized the Social Housing Rental Program to reduce barriers to program access and promote successful outcomes for Manitoba Housing Tenants. Phased implementation of the new policies commenced in 2015/16 and is focused on Manitoba Housing-owned buildings.

Strategic Initiatives continued its collaborative efforts with FPT colleagues to enhance the collective understanding of housing issues through the exchange of best practices and by exploring practical and emerging ways to help households meet their housing needs. Key areas of collaboration include identifying administrative flexibilities within existing FPT agreements and exploring emerging financial tools to support affordable housing development and regeneration. This collaboration has contributed to increased FPT engagement.

Strategic Initiatives supports various community partners and initiatives aimed at reducing homelessness throughout Manitoba. This includes supporting the newly formed End Homelessness Winnipeg as the coordinating entity to implement Winnipeg's long-term plan to end homelessness. Strategic Initiatives also supports the Winnipeg Plan to End Youth Homelessness, participating on the steering committee to guide the development of a plan that will reflect the unique issues faced by youth experiencing homelessness. In addition, Strategic Initiatives has non-voting representation on the five Homelessness Partnering Strategy Community Advisory Boards (Winnipeg, Brandon, Rural and Remote, Aboriginal, Thompson), facilitating communication and coordination of federal and provincial initiatives that address homelessness.

Strategic Initiatives facilitated the establishment of a partnership with Resource Assistance for Youth (RaY) to support the Emergency Shelter and Transition program (REST) that provides 15 Manitoba Housing units and supports to homeless youth. Strategic Initiatives has also partnered with RaY in the development of the Safe Suites and Residential Optional Occupancy Transitional Suites (ROOTS) pilots that provide alternates to hotel placements for youth in care of Child and Family Services. Safe Suites offer access to a 24-hour emergency shelter and the ROOTS program provides a safe, supportive, and developmentally appropriate longer-term housing.

Strategic Initiatives undertook market analyses of many communities throughout Manitoba, which supported decision-making with respect to the construction of new housing supply and the prioritization of major projects. In addition, to strengthen the policy and program development capacity of the Department, Strategic Initiatives engaged three research proponents in 2015/16 to perform studies on financing co-operatives, housing in the secondary market and housing best practices for vulnerable tenants.

## COMMUNITY RELATIONS

### **Objectives**

- To promote awareness and understanding of Department programs and initiatives.
- To build and continuously improve stakeholder and community relations.
- To promote, manage and administer the *BUILDINGFoundations* Bursary Fund.
- To help achieve departmental goals and meet priorities by providing communications and community engagement advice and support, in addition to program development and implementation.
- To better serve clients and tenants through engagement and relationship building programs and activities.
- To raise awareness about the mandates of the Manitoba Government's French Language Services Secretariat and the Disabilities Issues Office and provide appropriate service to those organizations.
- To develop and deliver internal communications on programs and initiatives.

### **Responsibilities**

- Act as a liaison with the Disabilities Issues Office and work jointly to promote awareness about the needs and issues of the disability community.
- Facilitate French translation work with the French Language Services Secretariat to provide French communication in designated French language areas and to French speaking clients and stakeholders.
- Work in partnership with the Winnipeg Foundation to promote, sustain and grow the *BUILDINGFoundations* Bursary Program and recognize achievements of the recipients at an annual celebration event.
- Continuously maintain and improve the Department's Internet site so that it can serve as a convenient source of information about programs and communities.
- Develop and coordinate community and stakeholder outreach programs and activities that increase understanding and dialogue in communities where Manitoba Housing is undertaking major initiatives and promoting good relationships with tenants, neighbours and stakeholders.
- Support and facilitate the development of information materials and activities to raise awareness and understanding of major initiatives.

### **Activities/Highlights in 2015/16**

In 2015/16, ongoing outreach activities helped support tenant, neighbourhood and community stakeholder engagement by providing program information directly to stakeholders, signage, coordinating newspaper advertisements and Manitoba Housing announcements, and posting information on the Manitoba Housing website.

Community Relations continued to work with the Disabilities Issues Office to better understand the needs of, and to provide better access and services to, the disability community by implementing "Active Offer" signs at public locations, providing training opportunities for staff related to the *Manitoba Policy on Access to Government Publications, Events, and Services* and formulating a preliminary strategy for implementing the Customer Service Standard of the Accessibility for Manitobans Act.

The branch also coordinated the awarding of nine BUILDING*Foundations* bursaries to students associated with MHRC, and celebrated their achievement at an awards ceremony.

The branch continued to facilitate the Department's French translation services, to better serve French speaking clients and stakeholders, per the Manitoba Government's and the Department's goal of enhancing client opportunities and services. To better inform the Francophone community in general, more than 20,000 words including 10 web pages were translated and added to the Department's French language website.

Visitors to the Department's internet site increased by almost 10 per cent in 2015/16. The Community Relations branch continued to develop and organize this public site with enhanced navigation aids added to each page, as it is an important source of information about the Department's range of activities.

The Community Relations branch also continued to promote successful change management and employee engagement in the Department's Business Transformation Initiatives, leadership team meetings and other activities, through a variety of internal communications tools and products.

# CORPORATE SERVICES DIVISION

## **Divisional Goal**

To provide leadership, coordination and support to the Department in the areas of: financial management and reporting, financial services, information technology services, legal services and risk management.

## **Divisional Responsibilities**

To provide expert advice and centralized services in the areas of: financial management, fiscal planning, financial analysis and financial reporting; comptrrollership planning and review; information technology planning and support; financial and administrative standards and policies; corporate legal; and enterprise risk management. This is accomplished through the Division's three service lines: Financial Services; Information Technology Services; and Corporate Compliance and Risk Management.

## FINANCIAL SERVICES

### **Objectives**

- To ensure the corporate comptrrollership function is appropriately maintained to meet the needs of the Department and MHRC for financial control, accountability, reporting and to safeguard and protect financial and physical assets.
- To provide comprehensive financial management, financial analysis and reporting, and financial services to MHRC operations and departmental branches, including direction and support in financial planning, financial evaluations and protection of corporate assets, reporting control policies, processes and procedures.

### **Responsibilities**

- Plans, organizes and evaluates corporate accounting and financial management activities including financial reporting, expenditure and revenue processing, appropriation control, and cost-shared reporting.
- Establishes and provides advice on corporate financial management policies, procedures and practices.
- Advises executive management on emerging financial and program management issues.
- Coordinates and supports the development of the corporate Estimates of Expenditures for the Department, including the MHRC.
- Coordinates, monitors and reports on the corporate entities of the Department and the MHRC, which include the direct and sponsor-managed portfolio owned by MHRC as well as the privately-owned and operated portfolio.
- Administers the loan and mortgage portfolio.
- Supports management through the provision of analytical, consultative and evaluative advice on new departmental and corporate programs, financial proposals and ongoing operations.

## **Activities/Highlights in 2015/16**

In 2015/16, Financial Services prepared the departmental Estimates of Expenditure request, detailed budget, and various monthly, quarterly and annual financial reports with a primary focus on the complex and diverse Crown Corporation, MHRC.

In addition to the financial statements for MHRC, Financial Services prepared financial statements for the Cooperative Promotion Board and the Co-operative Loans and Loans Guarantee Board. The three statements were audited by the Office of the Auditor General and the Department received an unqualified audit opinion for each entity.

Financial Services provided analytical support for all program areas of the Department with respect to budgeting, financial reporting and management. The branch also continued to review, improve and streamline departmental financial and administrative procedures in order to enable more effective program delivery.

In 2015/16, Financial Services participated in the design of a modern and sustainable information technology system which MHRC is developing for the effective and efficient delivery of social housing programs for recipients and tenants. Financial Services made key contributions to ensure financial business requirements are met and corporate comptrollership function is maintained during the transition, implementation and on-going use of the new system.

Financial Services continued to expand the use of direct deposit and electronic payments, improved financial reporting and monitoring, and ensured control and accountability systems were in place while reducing costs within the branch.

## **INFORMATION TECHNOLOGY SERVICES**

### **Objectives**

- To provide information technology leadership, management and support to MHRC.
- To ensure effective delivery of the organization's programs and activities including business application supports.
- To promote and support planning, oversight, implementation and project management of all information technology within the organization.
- To facilitate employee training and development opportunities.

### **Responsibilities**

- Provides information technology planning, information systems analysis, project management services, implementation, oversight, ongoing support, training and technical expertise in the design, development and maintenance of computer systems in support of the organization's programs and services.
- Provides effective, efficient and appropriate approaches for the Department's organizational system, providing action plans and advice to achieve enhanced results.
- Empowers staff through training, skill and knowledge development opportunities.

## **Activities/Highlights in 2015/16**

In 2015/16, Information Technology Services (ITS) continued to maximize the potential of SharePoint by maintaining existing applications, and providing technology support and training for all corporate SharePoint environments. More than 100 in-house SharePoint training sessions were delivered to staff ranging from beginner to advanced levels.

MHRC is implementing a modern and sustainable information technology system to support client-focused policies and procedures and enable effective and efficient delivery of social housing programs for program recipients. The new solution will replace two of MHRC's legacy systems used for tenant management and property maintenance. With implementation scheduled for late 2017/18, MHRC is positioned to significantly improve the technology that supports its core business process. In 2015/16, ITS continued to be a major contributor to business requirements, solution design, and transitional support for the project. ITS delivered a number of Information Portals and SharePoint solutions to address business requirements for major business transformation initiatives and process improvement initiatives undertaken by MHRC. These collaborative tools continue to be designed to both improve planning, tracking, reporting and to streamline the business processes between various branches.

The ITS branch's dedication to safety and security improvements included continued network support for the Security Branch in 2015/16. In cooperation with the Manitoba Government's Business Transformation and Technology, MHRC provides video surveillance, card access, intercom, and life safety equipment systems to improve the safety of clients and staff.

ITS continued to develop and deliver in-house training courses with an emphasis on Property Management, Project Management, Tenant Services, and Health and Safety training. The Branch collaborated with a number of outside agencies and private sector groups to ensure staff had access to a diverse portfolio of training opportunities. Our multi-purpose training room and computer lab continue to be widely utilized. More than 1,140 training opportunities were delivered throughout the Province in 2015/16.

## **CORPORATE COMPLIANCE AND RISK MANAGEMENT**

### **Objectives**

- To meet legal requirements and support services to MHRC, including the drafting of proposed legislation, regulations, Orders in Council, all real property related documents and other legal documents.
- To provide leadership and coordination of information management activities, including applications received under *The Freedom of Information and Protection of Privacy Act*.
- To support, coordinate and provide advice on an active enterprise risk management process in the organization.
- To work with individual business areas to promote and incorporate an active enterprise risk management culture.
- To manage business continuity planning and coordinate an MHRC-wide response to hazards.

### **Responsibilities**

- Manages all legal support services for MHRC. This includes: administering the legal component related to land holdings and land sub-division processes; developing and coordinating all legal

agreements and contracts of MHRC; and liaising with the Legal Services Branch, Department of Justice.

- Coordinates responses related to requests for access to information under *The Freedom of Information and Protection of Privacy Act* and *The Personal Health Information Act*.
- Reviews existing legislation and regulations and makes recommendations on amendments.
- Reviews privacy issues and provides direction on policy to ensure the protection of privacy.
- Continuously improves the Department's Risk Framework. This includes risk consultation, identification/mitigation, monitoring and reporting to the MHRC Board, senior management and individual business areas of the organization.
- Manages business continuity planning by establishing a cyclical process of reviewing, updating, storing, creating awareness and testing the Department's business interruption plans.
- Coordinates business continuity events which include briefing senior officials, supporting field staff and liaising with internal and external organizations.

### **Activities/Highlights in 2015/16**

The Branch is leading the implementation of the key elements of MHRC's new policies and procedures for the protection of privacy at the operational level in order to ensure that the organization is substantially compliant.

Tabletop exercises were completed to test the effectiveness of business continuity plans for the Department's critical functions in all regions of the Province. The findings from these exercises continue to support the constant improvement of the Department's business continuity plans.

The Branch participated in and reported on various MHRC internal audits throughout the year as performed by Internal Audit and Consulting Services.

## COSTS RELATED TO CAPITAL ASSETS

The Department expended the annual amortization cost of all completed assets based on the useful life of each asset. The amortization expense also included the portion of corporate information technology projects attributable to the Department.

### **30-4 Costs Related to Capital Assets**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2015/16 \$000</b>	<b>FTE</b>	<b>Estimate 2015/16 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
(a) Amortization Expense	112		112	-	
(b) Interest Expense	23		24	(1)	

The in-year cost of acquiring departmental capital assets or assets under construction is provided through Part B – Capital Investment for which amortization and interest expense is reflected as a departmental operating expense.

## FINANCIAL INFORMATION

### FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY TABLE

**Department of Housing and Community Development**

#### Five-Year Expenditure and Staffing Summary by Appropriation

**(\$000's)**

For the years ended March 31, 2012 - March 31, 2016

Actual/Adjusted Expenditures*											
		2011/12		2012/13		2013/14		2014/15		2015/16	
		FTE	\$								
30-1	Administration	17.00	1,444	18.00	1,492	18.00	1,622	18.00	1,522	18.00	1,662
30-2	Housing		66,831		66,734		70,615		70,740		80,974
30-3	Community Development	19.00	11,586	19.00	6,713	19.00	6,054	19.00	6,313	19.00	5,794
30-4	Costs Related to Capital Assets		159		153		147		141		135
<b>Total Housing and Community Development</b>		36.00	80,020	37.00	75,092	37.00	78,438	37.00	78,716	37.00	88,565

\* Adjusted figures reflect historical data on a comparable basis in those appropriations affected by a reorganization during the years under review.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT****RECONCILIATION STATEMENT**

DETAILS	2015/16 ESTIMATES \$000
2015/16 Main Estimates	88,984
Allocation of Funds from: - Enabling Appropriations *	112
2015/16 Estimates – Housing and Community Development	89,096

\* Unbudgeted retirement payouts that occurred during 2015/16.

## EXPENDITURE SUMMARY TABLE

### Department of Housing and Community Development

#### Expenditure Summary

(\$000's)

For the fiscal year ended March 31, 2016 with comparative figures for the previous year

Estimate		Actual	Actual*	Increase/ (Decrease)	Expl.
2015/16	Appropriation	2015/16	2014/15	(Decrease)	No.
	<b>30-1 Administration</b>				
\$37	(a) Minister's Salary	\$36	\$30	\$6	
	(b) Executive Support				
785	Salaries and Employee Benefits **	944	690	254	1.
80	Other Expenditures	82	66	16	
	(c) Support Services				
719	Salaries and Employee Benefits	567	655	(88)	2.
53	Other Expenditures	33	46	(13)	
<b>\$1,674</b>	<b>Total 30-1</b>	<b>\$1,662</b>	<b>\$1,487</b>	<b>\$175</b>	

#### NOTES:

\* The 2014/15 data has been reorganized to reflect the 2015/16 appropriation structure.

\*\* The 2015/16 Estimate reflects amounts as displayed in the printed Main Estimates on behalf of the Department of Housing and Community Development as well as allocations from Enabling Appropriations required for unbudgeted retirement payouts that occurred during 2015/16 - \$112.

**Department of Housing and Community Development**

**Expenditure Summary**

**(\$000's)**

For the fiscal year ended March 31, 2016 with comparative figures for the previous year

<b>Estimate</b>		<b>Appropriation</b>	<b>Actual</b>	<b>Actual<sup>*</sup></b>	<b>Increase/</b>	<b>Expl.</b>
			<b>2015/16</b>	<b>2014/15</b>	<b>(Decrease)</b>	<b>No.</b>
		<b>30-2 Housing</b>				
		The Manitoba Housing and Renewal Corporation				
\$77,371	(a)	Transfer Payments	\$77,490	\$67,297	\$10,193	3.
3,603	(b)	Portable Housing Benefit and Emergency Shelter Assistance	3,484	3,432	52	
<b>\$80,974</b>		<b>Total 30-2</b>	<b>\$80,974</b>	<b>\$70,729</b>	<b>\$10,245</b>	

**NOTES:**

\* The 2014/15 data has been reorganized to reflect the 2015/16 appropriation structure.

**Department of Housing and Community Development**

**Expenditure Summary**

**(\$000's)**

For the fiscal year ended March 31, 2016 with comparative figures for the previous year

<b>Estimate</b>		<b>Appropriation</b>	<b>Actual</b>	<b>Actual *</b>	<b>Increase/</b>	<b>Expl.</b>
			<b>2015/16</b>	<b>2014/15</b>	<b>(Decrease)</b>	<b>No.</b>
		<b>30-3 Community Development</b>				
	(a)	Community Assistance				
\$604		Salaries and Employee Benefits	\$565	\$625	(\$60)	
77		Other Expenditures	67	74	(7)	
1,704		Grant Assistance	1,704	1,704	-	
3,465		Community Places Capital Grants	3,465	3,465	-	
		Less: Recoverable from Urban and Rural Economic Development Initiatives	(656)	(1,500)	844	
(1,500)		Less: Recoverable from Building Manitoba Fund	(2,809)	(1,965)	(844)	
	(b)	Neighbourhoods Alive!				
664		Salaries and Employee Benefits	572	692	(120)	4.
121		Other Expenditures	70	87	(17)	
5,177		Neighbourhood Support	4,902	5,246	(344)	5.
(2,442)		Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)	(2,442)	-	
	(c)	Cooperative Development				
283		Salaries and Employee Benefits	273	290	(17)	
304		Other Expenditures	259	262	(3)	
(180)		Less: Recoverable from Rural Economic Development Initiatives	(176)	(185)	9	
<b>\$6,312</b>		<b>Total 30-3</b>	<b>\$5,794</b>	<b>\$6,353</b>	<b>(\$559)</b>	

**NOTES:**

\* The 2014/15 data has been reorganized to reflect the 2015/16 appropriation structure.

**Department of Housing and Community Development****Expenditure Summary**

(\$000's)

For the fiscal year ended March 31, 2016 with comparative figures for the previous year

<b>Estimate</b>		<b>Actual</b>	<b>Actual<sup>*</sup></b>	<b>Increase/</b>	<b>Expl.</b>
<b>2015/16</b>	<b>Appropriation</b>	<b>2015/16</b>	<b>2014/15</b>	<b>(Decrease)</b>	<b>No.</b>
\$136	30-4 Costs Related to Capital Assets	\$135	\$141	(\$6)	
<b>\$89,096</b>	<b>Total Housing and Community Development</b>	<b>\$88,565</b>	<b>\$78,710</b>	<b>\$9,855</b>	

1. The variance is due to unbudgeted retirement payouts that occurred during 2015/16.
2. The variance is due to position vacancies in 2015/16.
3. The variance is due to an increased draw of funds as planned for the 2015/16 Estimates.
4. The variance is due to salary and employee benefits for the Localized Improvement Fund for Tomorrow which expired March 31, 2015.
5. The variance is due to grant expenditures for the Localized Improvement Fund for Tomorrow which expired March 31, 2015.

**NOTES:**

\* The 2014/15 data has been reorganized to reflect the 2015/16 appropriation structure.

# APPENDIX 1 SUSTAINABLE DEVELOPMENT ACTIVITIES AND ACCOMPLISHMENTS

Under Section 12(1)(c) of *The Sustainable Development Act* (the Act), Provincial departments are required to report annually on how sustainable development principles have been incorporated into their activities.

The overall goal of sustainable development is to meet the needs of the present population without compromising the ability of future generations to meet their own needs. The Act sets out principles for departments to follow when integrating consideration for the environment, human health, and social well-being into their operations.

The following is a summary of progress made toward integrating the principles and guidelines of sustainable development into the programs and activities of the Department.

## **Sustainable Living and Healthy Communities**

In partnership with Manitoba Infrastructure and Transportation and Manitoba Hydro, MHRC continues to work on finalizing *The Residential Green Building and Major Renovation Guidelines* which will complement the existing Green Building Policy for Non-Residential Projects funded by the Government of Manitoba (April 2007). In 2015/16, the Department continued piloting the Guidelines on select construction projects to help evaluate the effective integration of the requirements into Manitoba Housing's processes and procedures.

These Guidelines develop higher green building and renovation standards and outline specific practices that must be considered for projects supported by MHRC. They will also help MHRC to focus on collecting energy data that will allow for the accurate monitoring of utility usage, highlighting both high consumption rates and also the energy savings realized through renovation initiatives.

Since 2014, MHRC has implemented a testing program to monitor the levels of Radon in government housing; Phase one testing was completed in 2014/15 and Phase two commenced in 2015/16. A total of 139 dwellings have been tested and 172 tests are pending lab results. The results from these tests will be used to determine geographic hot spots for radon, develop a process to mitigate dwellings, and estimate future test sites and mitigation costs.

The Community Places Program (CPP) supports the implementation of Manitoba's Green Building Policy and sustainable development goals. In 2015/16, CPP approved \$3.0 million in capital grants for 216 projects across Manitoba and assisted over 400 community groups with 700 on-site consultations providing project planning advice to improve the quality, economy, and sustainability of community projects. The Community Places Program – North (CPPN) also helps northern and remote communities build and upgrade recreational and wellness facilities. In 2015/16, 21 community projects were approved by CPPN, for a total of \$666,463. Applications received by CPP and CPPN are evaluated for their environmental sustainability and community sustainable development benefit.

Under the Sustainable Communities strategic priority, the Neighbourhoods Alive! initiative promotes the revitalization of urban communities by supporting community initiatives that contribute to community and inner city renewal, build community capacity, enhance knowledge and skills, support environmental initiatives and foster sustainable economic development.

Co-ops throughout the Province have been recognized for their ability to meet both social and economic goals and contribute to a social economy. Housing and Community Development supports cooperatives through a variety of methods, including Cooperative Development Services and the Cooperative Assistance Fund. In 2015/16, the Cooperative Assistance Fund supported 18 cooperatives. Grants were

approved to assist with environmentally sustainable initiatives, infrastructure, community sustainability, housing cooperative upgrades, sustainable food initiatives and agriculture.

MHRC's development of the Bridgewater neighbourhood focuses on housing diversity, higher density, walkability and increased green space, including the preservation of fully mature forests running throughout the Bridgewater Forest neighbourhood. Bridgewater Forest will encompass almost 375 acres, with about 70 acres dedicated to forest and open space. New homes in Bridgewater can be built with geothermal heating and cooling systems in order to reduce greenhouse gas emissions and the streets have been oriented to maximize passive solar energy. These are just a few examples of the neighbourhood's environmentally-friendly design and the measures taken to lower its environmental footprint.

## **Education for Sustainability**

The Department uses the Waste Stream Services recycling program in most of its offices province-wide. The program includes use of mini-bins for desk side refuse; desk side blue bins for non-confidential paper; central bins for aluminum, plastic, and non-confidential paper; and Government Records Boxes for destruction of confidential paper.

Social Housing Management continues to encourage tenants to recycle and the Asset Management Branch promotes recycling in major renovation projects, where possible, by contracting with organizations that recycle major appliances and other materials.

The Department participated in the annual Commuter Challenge, an initiative that encourages staff to contribute to a greener province by using cleaner, healthier ways to commute. Staff were encouraged to help reduce gas emissions through cycling, walking, rollerblading, taking the bus or car pooling.

## **Integrating the Economy and the Environment**

MHRC, in partnership with Manitoba Innovation, Energy and Mines (IEM) and Manitoba Hydro, has adopted a *Sustainable Development Action Plan*, which ensures that investments in housing infrastructure proceed in an environmentally responsible manner and that employment and training opportunities through partnerships with social enterprises are promoted.

Under the Manitoba Hydro Power Smart Program, projects on the Department's capital plan are being designed in accordance with the National Energy Code and Power Smart guidelines. Various rebate and incentive programs are consistently being utilized at the initial stages of project planning to support the most cost effective solution for a specific application.

Asset Management is exploring sustainable housing options such as prefabricated, modular construction technology targeted for in-fill housing and remote communities. This technology provides reduced construction schedules and a high quality product to residents in terms of durability and efficiency and offers a decreased environmental footprint by reducing material waste and equipment requirements on the construction site.

Asset Management's Professional Services Unit has undertaken several energy management activities such as the use of products that meet energy codes, blow door testing to check for air leakage and power usage testing through energy audits on buildings. The branch has also obtained formal certification in energy management for some staff.

## APPENDIX 2 COOPERATIVE HOUSING STRATEGY ACTIVITY REPORTING

In 2015/16, the Department released the *Cooperative Housing Strategy*. It builds on the Manitoba Government's ongoing activities to support, develop and strengthen cooperatives and sets a course for the continued growth of the co-operative housing sector.

The *Cooperative Housing Strategy* sets forth a vision that, as cooperative housing becomes widely known and accepted as viable housing option, and a greater variety of cooperative housing financial models are established, more individuals and families will choose to live cooperatively in Manitoba.

*The Cooperative Housing Strategy Act* was enacted in June 2014 and commits the Manitoba Government to having a cooperative housing strategy that promotes, stimulates and sustains cooperative housing in Manitoba. The following provides a description of key activities in support of the Cooperative Housing Strategy Act for the year 2015/16.

### **Goal #1: Foster a supportive policy, legislative, program, funding, and financing environment for housing cooperatives**

- For housing cooperatives to start-up, grow and thrive, co-op friendly government supports, financing options and other tools should be in place in Manitoba.

#### **Objectives**

- Develop a more coordinated and strategic approach to cooperative housing activities in Manitoba.
- Improve opportunities for equity to flow to housing cooperatives.
- Assist housing cooperatives affected by expiring operating agreements to continue serving low- and moderate-income households.

#### **Key activities undertaken in relation to Goal 1**

- The Department established an Internal Advisory Committee to improve coordination and collaboration on co-op housing issues, to transition co-op and other projects from planning and construction phases to operating, and to provide a link between activities of the co-op housing sector and various branches of Manitoba Housing.
- The Department has funded a research project to analyze best practices and cost-effective tools across jurisdictions to promote sustainable, affordable, cooperative housing projects, using a variety of non-profit, limited and full-equity models.
- The Department has promoted the Rental Housing Construction Tax Credit to co-op housing developers through various channels, including calls for affordable rental housing development, email newsletters highlighting development opportunities, and information provided as part of the capital funding inquiry process.
- The Department has engaged housing cooperatives facing project operating agreement expiry over the next two years, to provide financial and market analysis, cash flow projections (including renovation loans if appropriate), and advise on appropriate rental rates. A Manitoba Housing subject matter expert in capital planning has been assigned to provide assistance to these organizations.

- The Department also provided ongoing financial support to individual cooperatives through Project Operating Agreements (POAs) and/or rent supplement agreements. These agreements allowed cooperatives to offer members subsidized rents at a rent-gearied-to-income rate or a fixed-rent at or below median market rents. In 2015/16, HCD supported 2,399 units of co-op housing with \$7.2 million in POA subsidies and rent supplement funding (419 units).
- In 2015/16, the Co-operative Loans and Loans Guarantee Board (CLLGB) approved a loan guarantee extension to assist a seniors' non-profit housing co-op.

### **Goal #2: Develop greater awareness and understanding of cooperative housing models**

- Manitobans need more information about the benefits of cooperative living. Further, housing co-ops need to acquire stronger differentiation from non-profit and public housing providers in order to develop a stronger presence within the housing spectrum.

#### **Objectives**

- Communicate "the cooperative advantage," and how the cooperative model is different from other forms of housing tenure.
- Promote the full range of equity options that are possible within the cooperative housing model.
- Target communities and groups looking to improve housing options with information about the unique benefits offered by the cooperative model.

#### **Key activities undertaken in relation to Goal 2**

- The Cooperative Promotion Board supported *The Pride of Ownership - The Power of Partnership* video, which showcases the experiences of successful housing cooperatives in Manitoba and provides contact information for the Department's Cooperative Development Services. The video is available on the Manitoba Government's website and YouTube channel.
- The Cooperative Promotion Board supported *A Guide to Starting Cooperative Housing in Manitoba*. The guide, released in 2015/16 provides useful information about how housing co-ops are structured and operated, steps to take for starting a co-op, and profiles of successful co-ops in Manitoba.
- Department staff circulated information about cooperative housing, *The Pride of Ownership - The Power of Partnership* and *A Guide to Starting Cooperative Housing in Manitoba* through an email campaign targeting key community stakeholders across Manitoba.
- Department staff delivered presentations about housing cooperatives including the "cooperative advantage." Manitoba Government supports and resources for cooperatives, and information about the *Cooperative Housing Strategy* to a number of audiences, including Neighbourhood Renewal Corporations, Community Futures Manitoba economic development officers, and public meetings in Manitoba communities.

### **Goal #3: Improve infrastructure, services and capacity building opportunities for housing cooperatives**

- The Department offers a wide variety of services to new and existing housing co-ops. Cooperatives in Manitoba are also privy to a robust and active provincial and national network of cooperative support organizations. As cooperative housing becomes more widely known among Manitobans, associated services and infrastructure will need to reflect these changes.

#### **Objectives**

- Improve access to education and training opportunities for members of housing co-ops.
- Support continued development of the informational networks, research and resources of the co-op housing sector.

#### **Key activities undertaken in relation to Goal 3**

- The Department financially supported and participated in the Cooperative Housing in Manitoba Development Symposium. The Symposium is an annual learning event that brings together various cooperative housing community stakeholders including co-op members, co-op developers and other professionals.
- The Department continued supporting housing co-operatives in Manitoba Housing portfolio in capacity building, training, and education by re-signing the *Memorandum of Understanding with Co-operative Housing Federation of Canada*. The purpose the Memorandum is to work in partnership to promote a long-term, healthy and soundly managed cooperative housing sector.

## **APPENDIX 3 PERFORMANCE INDICATORS**

### **HOUSING AND COMMUNITY DEVELOPMENT Performance Measurement**

The following section provides information on key performance measures for the Department for the 2015/16 reporting year.

Performance Measures are based on specific targets that were outlined in the 2009 HOME Works! Housing Strategy and Policy Framework and Two-Year Investment Plan (2009/10 - 2010/11). The Department continued to use the same key indicators to measure performance as HOME Works! transitioned into Housing and Community Development's *Strong Communities: An Action Plan*. These outline the goals that guide the Department's operations.

Performance indicators in departmental Annual Reports are intended to complement financial results and provide Manitobans with meaningful and useful information about government activities, and their effect on the province and its citizens.

For more information on performance reporting and the Manitoba government, visit [www.manitoba.ca/finance/publications/performance.html](http://www.manitoba.ca/finance/publications/performance.html).

<b>Sustaining the Existing Housing Stock</b>					
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Sustaining and improving existing social and affordable housing.</b>	Number of social housing units renovated and improved within the provincial portfolio.	Maintains housing stock, improved quality of units and more efficient use of portfolio.	2009/10 - targets of 13,500 social housing units renovated by the end of 2010/11.  Commitment exceeded - 17,887 total units renovated from April 1, 2009 to March 31, 2011.	Total units renovated from April 1, 2015 to March 31, 2016: 1,017.  Total units that benefitted from major renovations from April 1, 2015 to March 31, 2016: 4,198	Increasing number of households within the portfolio benefit from major renovations and/or building improvements.
<b>Comments/Recent Actions/Report Links</b>					
<p>The 2009 HOME Works! Two-Year Investment Plan committed to affect 13,500 households with major renovations (deep refresh programs) and/or building improvements by the end of 2010/11. Housing and Community Development surpassed the two-year target: at March 31, 2011, 17,887 units had been affected with major renovations.</p> <p>In 2015/16, a further 1,017 units were renovated and 4,198 units benefitted from major renovations to properties.</p>					

<b>Housing Affordability</b>					
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Improving housing affordability through social housing.</b>	Social housing	Assists in affordability and increases the supply of affordable housing stock within the private market.	2013/14 - 500 new social housing units by 2015/16.	Total new social housing units committed in 2015/16: 51.	New social housing units added to housing supply.
	Portable Housing Benefit		193 (2009/10)	Portable Housing Benefit served 538 recipients in 2015/16.	Portable Housing Benefit expanded province-wide as of January 2010. Number of persons benefiting from PHB is increasing.
<b>Comments/Recent Actions/Report Links</b>					
<p>Budget 2013 included a commitment to add 500 new social housing units over three years (2013/14-2015/16). During this three year period, 187 new social housing units were committed.</p> <p>The Portable Housing Benefit (PHB) provides a rent supplement of up to \$200 per month, accompanied by housing support services (staffing component), to low-income individuals with mental health issues who require additional assistance to find safe, adequate and stable housing. Participants must have an unstable housing situation that is interfering with their progress in recovery and positive participation in community life. The PHB is portable (attached to the individual rather than to a housing unit) and originally began in Winnipeg, Brandon and Thompson and is now available to eligible participants province-wide. In 2015/16, the PHB assisted 538 recipients, a 179 per cent change in the number of participants compared to the baseline year 2009/10. These households benefit from an investment of \$1.8 million.</p>					

<b>Increasing Supply of Affordable Housing</b>					
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Increasing supply of affordable and social housing stock.</b>	New Affordable and Social housing units	Increased supply of housing stock.	2013/14 - 500 new affordable housing units by 2015/16.	Total new affordable units committed in 2015/16: 104.	The housing supply offers more affordable units available for rent.
	New homeownership opportunities	Assists low- and moderate-income individuals to access affordable housing and helps to revitalize communities.	2009/10 - 132 new homeownership opportunities created by March 31, 2012.	Total new homeownership opportunities created in 2015/16: 10.	The housing supply offers more affordable units available for purchase.
<b>Comments/Recent Actions/Report Links</b>					
<p>Budget 2013 included a commitment to add 500 new affordable housing units over three years (2013/14-2015/16). During this three year period, 294 new affordable housing units were committed.</p> <p>MHRC's Rural Homeownership Program provides financial assistance for low- to moderate-income families to purchase single and semi-detached homes in selected rural communities at fair market value. At March 31, 2016, a cumulative total of 67 properties had been sold under this program.</p>					

<b>Maintaining Supply of Housing</b>					
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?	What is the trend over time? Performance measure
Performance measure	Components of the measure				
<b>Maintaining supply of existing housing stock in the private market.</b>	Renovated housing units.	Improved housing stock.	2009/10 - target of 800 private units renovated by the end of 2010/11.  Commitment met and exceeded - 865 units renovated from April 1, 2009 to March 31, 2011.	Total households provided renovation assistance for privately owned housing in 2015/16: 339.	Maintaining supply of existing housing stock in the private market.
<b>Comments/Recent Actions/Report Links</b>					
<p>The 2009 HOME Works! Two-Year Investment Plan committed to providing renovation assistance to 800 privately owned households. The two-year target was exceeded, with 865 private households receiving renovation assistance as at March 31, 2011.</p> <p>At March 31, 2016, a cumulative total of 1,879 households had received commitments for financial assistance with renovations for privately owned housing since 2009/10.</p>					

<b>New Supportive Housing Options for Seniors</b>				
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?
Performance measure	Components of the measure			What is the trend over time?
<b>New supportive housing options for seniors.</b>	New housing options with supports created or renovated to support seniors.	Helps seniors who require 24 hour support and supervision to remain within their community. Delays or prevents premature placements in personal care homes.	2006 - 0 units	0 new units of supportive housing added to MHRC portfolio in 2015/16.  Seniors are able to remain in their communities due to receiving extra supports.
<b>Comments/Recent Actions/Report Links</b>				
<p>In alignment with Manitoba's Aging in Place strategy introduced in 2006, MHRC provides supportive housing throughout the province. These feature services and 24-hour supports to assist seniors on limited incomes to live independently in the community. As at March 31, 2016, there were 142 units of supportive housing in MHRC's portfolio (direct- and sponsor-managed). In addition MHRC provides rent supplements to 35 units of supportive housing in the private rental market annually. These are not included in this baseline measurement.</p> <p>There were no new supportive housing units completed in 2015/16, however, nine supportive housing units began construction in 2015/16 at Icelandic River Lodge, located in Riverton.</p>				

<b>Community Development</b>					
<b>What is being measured and using what indicator?</b>		<b>Why is it important to measure this?</b>	<b>What is the starting baseline measurement?</b>	<b>What is the 2015/16 result or most recent available data?</b>	<b>What is the trend over time? Performance measure</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
<b>Supporting community-led revitalization efforts in selected distressed neighbourhoods and communities in Manitoba.</b>	Number and type of Neighbourhoods Alive! (NA!) projects that are funded.	NA! provides community-based organizations with funding to initiate local community economic development projects and leverage additional funds to support long-term revitalization.	2009/10 - \$5 million for 111 projects	In 2015/16, the Department committed over \$4.8 million in NA! funding for 185 community projects.	Supporting community-led revitalization efforts in selected distressed neighbourhoods and communities in Manitoba.
	Proceeds from land sales in suburban developments reinvested towards revitalizing areas of need through the Housing Development and Rehabilitation Fund.		\$7.3 million invested as of March 31, 2011 in housing projects to revitalize Winnipeg neighbourhoods in need.	\$53.6 million invested as of March 31, 2016 in housing projects to revitalize Winnipeg neighbourhoods in need.	
<b>Comments/Recent Actions/Report Links</b>					
Since 2000 NA! has committed \$80,314,872 for 1,586 projects in seven program categories. The seven funding programs are: Neighbourhood Renewal Fund (\$39,218,767); Neighbourhood Development Assistance (\$27,493,051); Training Initiatives (\$7,192,399); Community Initiatives (\$4,116,986); Localized Improvement Fund for Tomorrow (\$1,396,757); School Resource Officer (\$264,515); and Community Youth Recreation (\$632,397).					

<b>Community Development</b>					
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?	What is the trend over time? Performance measure
Performance measure	Components of the measure				
<b>Investing in communities through capital projects for recreational and wellness benefits and supporting community organizations.</b>	Number of Community Places Program (CPP) grants given and number of community groups assisted by providing face-to-face and on-site consultations.	Assists in providing sustainable recreation and wellness benefits to Manitoba communities.	In 2010/11, CPP approved \$4.5 million in grants for 297 applications and assisted over 470 community groups by providing over 750 on-site consultations.	In 2015/16, \$3 million in CPP capital grants approved for 216 applications. Assisted over 400 community groups by providing over 700 on-site consultations.  In 2015/16, \$666,463 in CPP – North capital grants approved for 21 applications. Assisted over 30 community groups.	Investing in communities through capital projects for recreational and wellness benefits and supporting community organizations.
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance indicator is being measured starting from April 1, 2010. The Department continues to provide grants and programming that assists communities to provide sustainable recreational, wellness, social and cooperative development opportunities that support both the non-profit and voluntary sectors.</p> <p>In 2015/16, the Community Places Program (CPP) funded community projects with an average grant of \$13,948, with an average project value of \$72,321, and continues to provide project planning advice to improve the quality, economy, and sustainability of community projects. In 2015/16, \$3.0 million in CPP grants leveraged \$15.6 million in total project costs.</p> <p>In 2015/16, the Community Places Program – North (CPPN) funded 21 community projects with an average capital grant of \$31,736 and an average project value of \$86,202. \$666,463 in CPPN grants leveraged \$1.8 million in total project costs.</p> <p>Since 2010/11 CPP has funded 1,636 community projects with a 5-year average capital grant amount of \$14,366 and an average project value of \$122,411.</p>					

<b>Cooperative Development</b>					
What is being measured and using what indicator?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?	What is the trend over time? Performance measure
Performance measure	Components of the measure				
<b>Assisting cooperative development in Manitoba.</b>	The number of cooperatives assisted in formation and development.	Builds community capacity and sustainability.	In 2009/10, the Cooperative Promotion Board (CPB) approved 6 grants valued at \$18,725.  17 new cooperatives were incorporated in 2009/10.	In 2015/16, the CPB approved 8 grants valued at \$18,700.  11 new cooperatives were incorporated in 2015/16.	Assisting cooperative development in Manitoba through 54 grants since 2009/10 valued at \$153,491.  83 new cooperatives incorporated since 2009/10.
<b>Comments/Recent Actions/Report Links</b>					
This performance indicator is being measured starting from April 1, 2009. The Cooperative Promotion Board (CPB) distributes grants in support of the development, education, research and promotion of cooperatives.					

### Impact of MHRC Program Activity on Provincial Rate of Core Housing Need

What is being measured?		Why is it important to measure this?	What is the starting baseline measurement?	What is the 2015/16 result or most recent available data?*	What is the trend over time?
Performance measure	Components of the measure				
<b>Households in core housing need<sup>4</sup>.</b>	Per cent of households in core housing need <sup>5</sup> .	Core housing need provides an estimate of the number of households not living in and unable to access acceptable housing.	<b>All households</b> 14.7% (1996)  <b>Lone parents</b> 36.2% (1996)  <b>Aboriginal</b> 34.0% (1996)  <b>Seniors</b> 16.3% (1996)	<b>All households</b> 10.3% (2011)  <b>Lone parents</b> 26.1% (2011)  <b>Aboriginal</b> 18.6 (2011)  <b>Seniors</b> 9.5% (2011)	Over the past decade, the incidence rate of core housing need has declined in Manitoba from 11.6% in 2001, to 11.3% in 2006, to 10.3% in 2011.  There were large decreases for lone parents, aboriginal and senior households.  Manitoba's core housing need rate was below the national average of 12.5%.

### Comments/Recent Actions/Report Links

Between March 1, 2009 and March 31, 2014, construction was completed, underway or committed for 1,515 new rental or cooperative housing units through the 2009 HOMEWorks! Strategy and related 1,500 unit commitment.

Budget 2013 included a commitment to add 500 new social and 500 new affordable housing units over three years (2013/14-2015/16). During this three year period, 187 new social housing units and 294 new affordable units were committed, for a total of 481 units.

Housing programs, such as the Rental Housing Improvement Program, aim to address privately-owned low-income housing in need of repair. In 2015/16, \$4.6 million was committed under Homeowner Renovation Assistance, Rental Housing Improvement and Residential Adaptations for Disabilities Programs to repair 285 owned or rented units, an increase in units of 7 per cent compared to 2001/02 (266 units).

\* 2016 data is anticipated to be released by Statistics Canada in 2018

---

<sup>4</sup> Core housing need refers to those individuals who reside in housing that is either in need of major repair, does not have enough bedrooms for the size and makeup of the household, or costs 30 per cent or more of their total income, and who are unable to rent an alternative housing unit that meets these standards without paying 30 per cent or more of their income.

<sup>5</sup> Source: Canada Mortgage and Housing Corporation.

## APPENDIX 4 THE PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

*The Public Interest Disclosure (Whistleblower Protection) Act* came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens their protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counselling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a Department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by Manitoba Housing and Community Development for fiscal year 2015/16:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2015/16
<b>The number of disclosures received, and the number acted on and not acted on.</b> <i>Subsection 18(2)(a)</i>	<b>NIL</b>
<b>The number of investigations commenced as a result of a disclosure.</b> <i>Subsection 18(2)(b)</i>	<b>NIL</b>
<b>In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken.</b> <i>Subsection 18(2)(c)</i>	<b>NIL</b>

## **APPENDIX 5**

**The Manitoba Housing and Renewal Corporation  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDING  
MARCH 31, 2016**



## Independent Auditor's Report

To the Legislative Assembly of Manitoba

To the Board of Directors of The Manitoba Housing and Renewal Corporation

We have audited the accompanying financial statements of The Manitoba Housing and Renewal Corporation, which comprise of the statement of financial position as at March 31, 2016, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Manitoba Housing and Renewal Corporation as at March 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "Office of the Auditor General".

Office of the Auditor General

August 10, 2016

Winnipeg, Manitoba

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

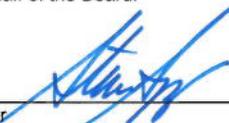
## Statement of Financial Position

Year ended March 31, 2016, with comparative figures for 2015

	2016	2015
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (note 3)	\$ 54,384,596	\$ 73,808,952
Accounts receivable (note 4)	24,942,399	27,212,281
Prepaid expenses	1,382,947	4,599,294
<u>Current portion of loans and mortgages receivable (note 5)</u>	<u>8,272,007</u>	<u>7,985,777</u>
	88,981,949	113,606,304
Other long-term receivables (note 4)	23,367,512	28,417,023
Loans and mortgages receivable (note 5)	103,188,002	104,847,443
Land inventory (note 6)	74,225,685	70,735,423
<u>Capital assets (note 8)</u>	<u>742,993,713</u>	<u>620,980,590</u>
	\$ 1,032,756,861	\$ 938,586,783
<b>Liabilities, Deferred Contributions and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 57,016,730	\$ 52,705,949
<u>Current portion of long-term debt (note 9)</u>	<u>52,115,475</u>	<u>43,914,736</u>
	109,132,205	96,620,685
Long-term debt (note 9)	1,022,929,099	914,035,278
Other long-term liabilities (note 10)	14,680,263	15,214,885
Deferred revenue (note 11)	11,527,071	11,220,235
Deferred contributions: (note 12)		
Expenses of future periods	8,230,684	8,193,444
Capital assets	20,177,478	19,813,934
Funds held for third party expenses	8,571,853	13,080,444
<u>Housing Development and Rehabilitation Fund</u>	<u>734,208</u>	<u>11,394,471</u>
	37,714,223	52,482,293
Net assets:		
Unrestricted	(163,226,000)	(150,986,593)
Commitments (note 25)		
Contingencies (note 24)		
Guarantees (note 26)		
	\$ 1,032,756,861	\$ 938,586,783

See accompanying notes to financial statements

On behalf of the Board:

  
Director

  
Director

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Statement of Operations

Year ended March 31, 2016, with comparative figures for 2015

	2016	2015
<b>Revenue:</b>		
Grants from the Province of Manitoba (note 13)	\$ 80,129,455	\$ 70,859,367
Contributed services (note 14)	2,360,800	2,487,000
Rental revenue (note 15)	79,694,089	77,721,640
Other government contributions (note 16)	61,897,090	65,327,617
Housing Development and Rehabilitation Fund (note 12)	19,734,766	38,163,064
Recoveries related to advance agreement (note 17)	1,943,423	1,293,872
<u>Amortization of deferred contributions (note 12)</u>	<u>925,878</u>	<u>622,928</u>
	246,685,501	256,475,488
<b>Interest:</b>		
Loans and mortgages	9,478,927	10,072,236
Bank and other	261,320	195,466
	9,740,247	10,267,702
<b>Sales of land:</b>		
Waverley West (note 12)	30,919,335	28,884,716
<u>Other land holdings</u>	<u>1,926,000</u>	<u>2,255,654</u>
	32,845,335	31,140,370
<b>Gain on disposal of capital assets</b>	<b>2,493,865</b>	<b>1,400,318</b>
<b>Other</b>	<b>1,337,318</b>	<b>1,345,114</b>
<b>Total revenue</b>	<b>293,102,266</b>	<b>300,628,992</b>
<b>Expenses:</b>		
Housing operations - excluding amortization and interest (note 15)	129,466,928	129,845,306
Housing operations amortization (note 15)	35,826,507	27,007,136
Housing operations interest (note 15)	31,059,789	27,776,303
Rental subsidies (note 18)	38,816,894	37,751,093
Grants and subsidies (note 19)	5,056,892	5,238,779
Interest expense	10,730,325	11,476,109
Administrative services	4,380,700	4,886,700
Provision for loss and write downs	15,450	55,080
Cost of land sales - joint venture (note 7)	143,248	1,016
Cost of land sales - Waverley West (note 12)	30,919,335	28,884,716
Cost of land sales - other land holdings	483,262	30,366
Housing program supports (note 20)	16,708,380	17,312,810
Pension (note 21)	(944,252)	36,506
Expenses related to advance agreement (note 17)	1,943,423	1,293,872
Other amortization	177,378	177,378
<u>Other</u>	<u>557,414</u>	<u>623,624</u>
	305,341,673	292,396,794
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (12,239,407)</b>	<b>\$ 8,232,198</b>

See accompanying notes to financial statements

# **THE MANITOBA HOUSING AND RENEWAL CORPORATION**

## **Statement of Changes in Net Assets**

**Year ended March 31, 2016, with comparative figures for 2015**

	<b>2016</b>	<b>2015</b>
Net assets, beginning of year	\$ (150,986,593)	\$ (159,218,791)
Excess (deficiency) of revenue over expenses	(12,239,407)	8,232,198
<b>Net assets, end of year</b>	<b>\$ (163,226,000)</b>	<b>\$ (150,986,593)</b>

See accompanying notes to financial statements

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Statement of Cash Flows

**Year ended March 31, 2016, with comparative figures for 2015**

	<b>2016</b>	<b>2015</b>
<b>Operating activities:</b>		
Excess (deficiency) of revenue over expenses	\$ (12,239,407)	\$ 8,232,198
Non-cash changes in operations:		
Amortization of capital assets	35,826,507	27,007,136
Amortization of other capital assets	177,378	177,378
Amortization of deferred contributions related to capital assets	(925,878)	(622,928)
Provision for loss and write downs	15,450	55,080
Gain on disposal of capital assets	(2,493,865)	(1,400,318)
Change in non-cash working capital:		
Accounts receivable	2,269,882	(2,720,265)
Prepaid expenses	3,216,347	(394,229)
Other long-term receivables	5,049,511	(5,434,389)
Land inventory	(3,490,262)	(2,537,010)
Accounts payable and accrued liabilities	4,310,781	(10,306,537)
Other long-term liabilities	(534,622)	328,462
Net increase/(decrease) in deferred revenue	306,837	(2,166,398)
Net increase/(decrease) in deferred contributions related to expenses of future periods	37,240	(1,292,672)
Net increase/(decrease) in deferred contributions related to Housing Development and Rehabilitation Fund	(10,660,263)	(7,350,383)
Net increase/(decrease) in deferred contributions related to funds held for third party expenses	(4,508,592)	(9,563,853)
	16,357,044	(7,988,728)
<b>Capital activities:</b>		
Net increase in deferred contributions related to capital assets	1,289,422	5,549,321
Proceeds from disposal of land	-	74,400
Proceeds from disposal of capital assets	8,711,241	2,008,390
Purchase of capital assets	(164,234,384)	(120,392,831)
	(154,233,721)	(112,760,720)
<b>Investing activities:</b>		
Additions to loans and mortgages receivable	(7,014,913)	(2,463,472)
Proceeds from repayment of loans and mortgages receivable	8,372,674	9,780,412
	1,357,761	7,316,940
<b>Financing activities:</b>		
Repayment of long-term debt	(225,680,569)	(195,170,700)
Proceeds from long-term debt	342,775,129	286,662,285
	117,094,560	91,491,585
Net decrease in cash	(19,424,356)	(21,940,923)
Cash and cash equivalents, beginning of year	73,808,952	95,749,875
Cash and cash equivalents, end of year	\$ 54,384,596	\$ 73,808,952

See accompanying notes to financial statements

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 1. General

The Manitoba Housing and Renewal Corporation (MHRC) operates under the authority of The Housing and Renewal Corporation Act, being Chapter H 160 Revised Statutes of Manitoba 1987. The purposes and objectives of the Act are:

- a) to ensure that there is an adequate supply of housing stock in Manitoba;
- b) to enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of low and moderate income and those with specialized needs;
- c) to maintain and improve the condition of existing housing stock; and
- d) to stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

MHRC is under the management and control of a Board of Directors appointed by the Lieutenant Governor in Council. The board shall consist of not fewer than five members and not more than 13 members and the Lieutenant Governor in Council may designate one of the members of the board as chairperson and one member as vice-chairperson.

MHRC is economically dependent on the Government of the Province of Manitoba.

### 2. Significant accounting policies

#### a) Basis of presentation

These financial statements are prepared in accordance with Canadian public sector accounting standards including PS 4200 series for government not-for-profit organizations.

#### b) Revenue recognition

MHRC follows the deferral method of accounting for contributions. Under the deferral method of accounting for contributions, restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental revenue is recognized in the fiscal period during which the service is provided.

Land sales are recognized in the period in which the ownership is transferred, except for the profit component associated with land development revenue. Land development profits are restricted in use by Legislation and therefore revenue recognition is deferred until the profits are used to support eligible expenditures (note 12).

Interest is recognized on an accrual basis in the fiscal period in which it is earned.

#### c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and highly liquid trust deposits with the Province of Manitoba that are convertible to cash within three months or less.

#### d) Financial instruments

Financial instruments are recorded at fair value or exchange amount on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost using the effective interest method, unless management has elected to carry a group of financial instruments at fair value in accordance with its risk management or investment strategy. MHRC has not elected to carry any such group of financial instruments at fair value.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the effective interest method.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 2. Significant accounting policies (continued)

#### e) Loans and mortgages receivable

MHRC maintains an allowance for loan impairment, which reduces the carrying value of loans and mortgages receivable to their estimated realizable amounts. Depending on the program under which the loan or mortgage is made, estimated realizable amounts are determined with reference to MHRC's historical loss experience on similar loans or the appraised value of the project financed by the loan or mortgage.

Specific allowances are established for individual loans and mortgages for which the estimated realizable amount is less than the carrying value. MHRC does not provide an additional non-specific, general provision for loan impairment. MHRC's Board of Directors has approved a policy which defines whether an individual mortgage or loan balance is to be considered impaired based on the time period that it has been in arrears.

Loan forgiveness for forgivable loans is approved in accordance with the terms of the loan agreements. MHRC records an asset valuation allowance equal to the amount of the loan at the time the loan is granted. As forgiveness conditions are met by the borrower, MHRC records the annual forgiveness by reducing both the forgivable loan and the accompanying valuation allowance. Any Federal Government contributions towards forgivable loans are recorded as revenue as loans are disbursed.

#### f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Construction in progress is transferred to the appropriate capital asset category when the project is completed and the asset is placed in service at which time, amortization commences. Cost includes direct construction costs, land acquisition costs and interest and other related carrying charges incurred during the period of construction. Repairs and maintenance costs are charged to expense. Betterments which extend or improve the life of an asset are capitalized. When a capital asset no longer contributes to MHRC's ability to provide services, its carrying amount is written down to its residual value. Amortization is provided on a straight-line basis at the following rates:

Asset	Rate
Buildings	25 and 40 years
Building improvements	15 years
Leasehold improvements	Over the lease term
Computer - major application	15 years
Computer software - other	4 years
Computer system - hardware	4 years
Furniture and equipment	8 years

#### g) Land inventory

Land under development includes the value of land and all costs directly related to the land improvement. Development costs include, but are not limited to, site preparation, architectural, engineering, surveying, fencing, landscaping and infrastructure for electrical, roads and underground works.

Land held for future development or sale is valued at the lower of cost or appraised value adjusted for estimated disposition costs. Cost includes the original purchase price and related acquisition costs.

#### h) Interest in joint ventures

The interest in joint venture is recognized using the proportionate consolidation method. Proportionate consolidation is a method of accounting and reporting whereby MHRC's pro-rata share of each of the assets, liabilities, revenues and expenses of the joint venture is combined on a line by line basis with similar items in MHRC's financial statements.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 2. Significant accounting policies (continued)

#### i) Employee future benefits

MHRC accrues its obligations under the defined benefit plans as the employees render the services necessary to earn the pension, severance, compensated absences and other retirement benefits. The actuarial determination of the accrued benefit obligations for pensions and other retirement benefits uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors).

Actuarial gains/(losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets, if applicable, for that period. Actuarial gains/(losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains/(losses) are amortized over the expected average remaining service life (EARSL) of active employees. The average remaining service period of the active employees covered by the pension plan is 11 years (2015 - 11 years).

Past service costs arising from plan amendments are recognized immediately in the period the plan amendments occur.

Current service contributions for Direct Managed employees are recognized as operating expenses.

#### j) Contributed services

Under an agreement entered into between MHRC and the Province of Manitoba in 1984, the Departments of the Province of Manitoba provide administrative services to MHRC at no cost. The value of these contributed and administrative services is recorded as revenue and expenses.

#### k) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets, accounts receivable, loans and mortgages receivable, accrued liabilities, and other long-term liabilities. Actual results could differ from those estimates.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 3. Cash and cash equivalents

	2016	2015
On deposit with the Minister of Finance:		
Trust deposits	\$ -	\$ 12,899,271
Risk Reserve related to Social Housing Agreement	- 8,193,444	
	- 21,092,715	
Bank	46,146,287	52,708,312
Risk Reserve related to Social Housing Agreement	8,230,684	-
Petty cash	7,625	7,925
	<hr/> \$ 54,384,596	<hr/> \$ 73,808,952

### 4. Accounts receivable

	2016	2015
Current accounts receivable:		
Canada Mortgage and Housing Corporation	\$ 7,173,594	\$ 11,214,745
Government of the Province of Manitoba and its agencies	1,375,028	683,041
Rent receivables - net of allowance of \$7,098,709 (2015 - \$6,478,104)	3,078,077	2,829,217
Accrued interest on loans and mortgages receivable	244,757	228,844
City of Winnipeg	820,436	833,753
Other - net of allowance of \$16,213 (2015 - \$10,885)	12,250,507	11,422,681
	<hr/> \$ 24,942,399	<hr/> \$ 27,212,281
	2016	2015
Other long-term receivables:		
Government of the Province of Manitoba:		
Pension recoverable (note 21)	\$ 8,713,241	\$ 9,657,492
Severance benefits (note 22)	1,446,105	1,446,105
	10,159,346	11,103,597
Securities for Waverley West installation of services - City of Winnipeg	10,200,008	14,307,693
Other long-term receivables	3,008,158	3,005,733
	<hr/> \$ 23,367,512	<hr/> \$ 28,417,023

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 5. Loans and mortgages receivable

#### a) Composition of loans and mortgages receivable

	2016	2015
Federal/Provincial Housing Programs:		
Private Non-Profit Housing	\$ 68,527,912	\$ 73,329,047
Rural and Native Housing	207,728	318,655
Urban Native Housing	10,295,304	11,584,646
	<u>79,030,944</u>	<u>85,232,348</u>
Market Rental Programs:		
Co-operative HomeStart	4,907,510	5,186,288
Co-operative Index Linked	1,763,876	2,536,533
	<u>6,671,386</u>	<u>7,722,821</u>
Other Programs:		
Community Residences	1,303,691	1,469,171
Homeowner Rehabilitation	26,012	36,393
Affordable Rental Housing	17,983,636	15,300,782
Other	9,384,633	6,023,076
	<u>28,697,972</u>	<u>22,829,422</u>
Less - allowance for loan impairment	114,400,302	115,784,591
	<u>(2,940,293)</u>	<u>(2,951,371)</u>
Subtotal repayable loans and mortgages receivable	111,460,009	112,833,220
Forgivable loans	255,685,314	241,561,364
	<u>367,145,323</u>	<u>354,394,584</u>
Less - forgivable loans asset valuation allowance	(255,685,314)	(241,561,364)
Loans and mortgages receivable	<u>\$ 111,460,009</u>	<u>\$ 112,833,220</u>
Current portion of loans and mortgages receivable	\$ 8,272,007	\$ 7,985,777
Long-term portion of loans and mortgages receivable	103,188,002	104,847,443
Loans and mortgages receivable	<u>\$ 111,460,009</u>	<u>\$ 112,833,220</u>

Loans and mortgages receivable bear interest at various rates between 0% and 14.25% (2015 - 0% and 14.25%) with maturities at various dates to 2053.

The loans and mortgages receivable for Federal/Provincial Housing Programs, Market Rental Programs, Community Residences and Affordable Rental Housing are secured by a mortgage on the underlying property.

Principal repayments on the loans and mortgages maturing in the next five years are estimated as follows:

2017	\$ 8,272,007
2018	8,268,170
2019	8,452,442
2020	8,721,773
2021	9,176,091
Thereafter	<u>71,509,819</u>
	<u>\$ 114,400,302</u>

#### b) Allowance for loan impairment

The allowance for loan impairment is comprised of the following specific provisions:

	2016	2015
Other programs	\$ 2,940,293	\$ 2,951,371
	<u>\$ 2,940,293</u>	<u>\$ 2,951,371</u>

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 6. Land inventory

	2016	2015
Land under development	\$ 73,462,272	\$ 69,512,010
Future development or sale	763,413	1,223,413
	<b>\$ 74,225,685</b>	<b>\$ 70,735,423</b>

### 7. Joint venture

MHRC contributed 179 acres of land, at appraised value, to a joint venture with Ladco Company Limited on May 11, 1989. The joint venture activities include the servicing, development and sale of approximately 476 acres of land in the City of Winnipeg, Manitoba.

Joint venture profits are recorded to deferred contributions - Housing Development and Rehabilitation Fund (HDRF) until such time as the profits are required for applicable expenditures (note 12). If the joint venture has a loss in a fiscal year, MHRC will recognize revenue from deferred contributions - HDRF to offset the loss. For fiscal 2016, MHRC recognized revenue of \$143,248 (2015 - \$1,016) from deferred contributions - HDRF to offset the loss from the joint venture.

The following is a summary of MHRC's pro rata share at 37.6% of the assets, liabilities, revenues and expenses of the Ladco Company Limited joint venture.

	2016	2015
Current assets:		
Cash	\$ 776,871	\$ 609,301
Prepaid expenses	5,140	6,133
Accounts receivable from land sales	108	44,709
	<b>782,119</b>	<b>660,143</b>
Long-term assets:		
Development costs to complete	(335,335)	(69,537)
	<b>\$ 446,784</b>	<b>\$ 590,606</b>

Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,299	\$ 2,873
Net assets	444,485	587,733
	<b>\$ 446,784</b>	<b>\$ 590,606</b>

	2016	2015
Sales of land	\$ -	\$ -
Cost of land sales	141,938	-
Gross margin	(141,938)	-
Expenses	1,310	1,016
Excess (deficiency) of revenue over expenses	<b>\$ (143,248)</b>	<b>\$ (1,016)</b>

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 8. Capital assets

	2016	2015
Land	\$ 32,041,809	\$ 31,010,702
Buildings and improvements	1,013,778,916	942,887,139
Less - accumulated amortization	(477,088,296)	(444,281,272)
Buildings - net book value	536,690,620	498,605,867
Under construction	168,113,748	86,512,786
<b>Total land and buildings</b>	<b>736,846,177</b>	<b>616,129,355</b>
Other assets	8,462,507	6,868,032
Less - accumulated amortization	(2,314,971)	(2,016,797)
Other assets - net book value	6,147,536	4,851,235
<b>Net book value</b>	<b>\$ 742,993,713</b>	<b>\$ 620,980,590</b>

MHRC has capitalized \$2,432,466 (2015 - \$2,328,074) of interest during 2016 to construction in progress.

### 9. Long-term debt

	2016	2015
Government of the Province of Manitoba:		
Advances, interest only payments until construction is complete, at which point it is converted into long-term advances. The interest rate as at March 31, 2016 was 1.95% (2015 - 2.10%).	\$ 304,071,170	\$ 293,684,580
Long-term advances, at interest rates from 2.625% to 13.375% (2015 - 2.625% to 13.375%) maturing at various dates to 2055 and requiring annual principal and interest payments of \$75,903,607 (2015 - \$65,501,689).	666,113,775	551,601,578
Canada Mortgage and Housing Corporation:		
Long-term advances, at interest rates from 5.670% to 8.0% (2015 - 5.675% to 8.0%) maturing at various dates to 2030 and requiring annual principal and interest payments of \$14,449,688 (2015 - \$14,449,688).	104,477,829	112,262,605
Mortgages payable (assumed on property acquisitions), at an interest rate of 10.5% (2015 - 10.5%) maturing at various dates to 2028 and requiring annual principal and interest payments of \$50,337 (2015 - \$50,337).	381,800	401,251
	<b>\$ 1,075,044,574</b>	<b>\$ 957,950,014</b>
Current portion of long-term debt	\$ 52,115,475	\$ 43,914,736
Long-term debt	1,022,929,099	914,035,278
	<b>\$ 1,075,044,574</b>	<b>\$ 957,950,014</b>

Principal repayments on the long-term debt, excluding unfixed term advances of \$304,071,170 are estimated as follows:

2017	52,115,475
2018	51,859,994
2019	51,807,624
2020	54,553,240
2021	58,043,244
Thereafter	<u>502,593,827</u>
	<u>\$ 770,973,404</u>

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 10. Other long-term liabilities

	2016	2015
Pension liability (note 21)	\$ 8,713,241	\$ 9,657,492
Severance liability (note 22)	5,219,853	4,857,460
Sick leave liability	747,169	699,933
	<hr/>	<hr/>
	\$ 14,680,263	\$ 15,214,885

### 11. Deferred revenue

	2016	2015
Tenant prepaid rent	\$ 2,475,829	\$ 2,563,379
Prepaid land lease	36,282	37,821
Lot options - land under development	6,013,960	8,389,635
Deposit for future sales	3,001,000	229,400
	<hr/>	<hr/>
	\$ 11,527,071	\$ 11,220,235

### 12. Deferred contributions

#### a) Expenses of future periods

Deferred contributions related to expenses of future periods represent restricted funding received under various agreements primarily to mitigate future operating risks.

	2016	2015
Balance, beginning of year	\$ 8,193,444	\$ 9,486,116
Adjustment to third party equity accounts	-	(309,379)
Amount reclassified from accounts payable and accrued liabilities	3,444	2,802
Amount (disbursed)/recovered from loans and mortgages receivable	33,796	(986,095)
	<hr/>	<hr/>
Balance, end of year	\$ 8,230,684	\$ 8,193,444

#### b) Capital assets

Deferred contributions related to capital assets represent the unamortized amount of grants and other contributions received for the construction and rehabilitation of capital assets.

	2016	2015
Balance, beginning of year	\$ 19,813,934	\$ 14,887,541
Contributions received	1,289,422	5,549,321
Amount amortized to revenue in the year	(925,878)	(622,928)
	<hr/>	<hr/>
Balance, end of year	\$ 20,177,478	\$ 19,813,934

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 12. Deferred contributions (continued)

#### c) Funds held for third party expenses

Deferred contributions related to funds held for third party expenses represents restricted funding received under three agreements with the Federal government. They consist of the Investment in Affordable Housing (IAH), Affordable Housing Initiative (AHI) agreements and the advance agreement for Dauphin River First Nation (DRFN). The balances as of March 31, 2016 for IAH was \$8,566,853 (2015 - \$10,665,552), AHI was \$5,000 (2015 - \$1,707,650) and DRFN was nil (2015 - \$707,242).

	2016	2015
Balance, beginning of year	\$ 13,080,444	\$ 22,644,297
Contributions received	9,764,151	9,764,151
Interest earned	-	(191,525)
Commitment paid	(14,272,742)	(19,136,479)
 Balance, end of year	 \$ 8,571,853	 \$ 13,080,444

#### d) Housing Development and Rehabilitation Fund

On November 8, 2007, The Housing and Renewal Corporation Amendment Act provided for the establishment of a fund known as the "Housing Development and Rehabilitation Fund".

The fund is to be credited with suburban land development profits realized by MHRC in respect of land owned and developed by it or by a partnership or joint venture in which MHRC is or was a participant. The gross proceeds from land development was \$39,886,400 (2015 - \$59,521,602) and the cost of land sales was \$30,919,335 (2015 - \$28,884,716) during the year ended March 31, 2016. Interest earned on the amounts is to be credited to the fund. The fund may be used to provide support for housing projects in areas of need within a municipality in which MHRC realized profits, including the development of new housing or the rehabilitation, repair and maintenance of existing housing.

All costs allocated to the portions of land sold in a land development project are deducted from the gross proceeds realized from sale of those portions of land in order to determine land development profits. MHRC uses the net yield method to allocate costs to the individual portions which are sold as part of a land development project. Common costs for the development project are allocated to portions which are sold based on acreage, and the cost allocation includes both an allocation of actual land development costs incurred as well as an allocation of costs which are required to complete those portions of the land which are reported as sold.

	2016	2015
Balance, beginning of year	\$ 11,394,471	\$ 18,744,854
Land development profits	8,967,065	30,636,886
Interest earned	107,438	175,795
Current year disbursements	(19,734,766)	(38,163,064)
 Balance, end of year	 \$ 734,208	 \$ 11,394,471

### 13. Grants from the Province of Manitoba

	2016	2015
Department of Housing and Community Development:		
MHRC operating programs	\$ 63,097,816	\$ 52,239,220
MHRC administration	14,392,121	15,059,780
Grants and subsidies	3,484,063	3,432,473
	80,974,000	70,731,473
Grants recovered from the Department of Finance:		
School Tax Assistance for Tenants 55 Plus Program	99,706	91,388
Change to pension obligation (note 21)	(944,251)	36,506
	(844,545)	127,894
	 \$ 80,129,455	 \$ 70,859,367

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 14. Contributed services

	2016	2015
Administrative services provided by Departments of the Province of Manitoba were allocated as follows:		
Included in Statement of Operations, administrative services	\$ 905,100	\$ 1,058,700
Included in administrative expenses in note 15, direct managed housing operations	1,158,600	1,141,800
Included in administrative expenses in note 15, sponsor managed housing operations	28,700	30,900
Included in rental subsidies, note 18	137,700	142,200
Included in Statement of Operations, housing program supports, note 20	130,700	113,400
	<hr/> \$ 2,360,800	<hr/> \$ 2,487,000

### 15. Housing operations

The management and operation of all MHRC owned social housing projects are direct managed and sponsor managed. The operating results are as follows:

	2016			2015		
	Direct Managed	Sponsor Managed	Total	Direct Managed	Sponsor Managed	Total
<b>Revenue:</b>						
Rental revenue	\$ 60,443,441	\$ 19,250,648	\$ 79,694,089	\$ 59,561,172	\$ 18,160,468	\$ 77,721,640
<b>Expenses:</b>						
Administrative (note 14)	38,681,732	4,088,594	42,770,326	38,641,961	3,332,207	41,974,168
Property operating	54,661,674	15,029,526	69,691,200	56,006,831	14,983,843	70,990,674
Grants in lieu of taxes	14,065,452	2,939,950	17,005,402	14,131,364	2,749,100	16,880,464
Amortization	27,273,328	8,553,179	35,826,507	20,312,100	6,695,036	27,007,136
Interest	23,712,730	7,347,059	31,059,789	22,328,802	5,447,501	27,776,303
	158,394,916	37,958,308	196,353,224	151,421,058	33,207,687	184,628,745
<b>Operating loss</b>	<b>\$ 97,951,475</b>	<b>\$ 18,707,660</b>	<b>\$ 116,659,135</b>	<b>\$ 91,859,886</b>	<b>\$ 15,047,219</b>	<b>\$ 106,907,105</b>

### 16. Other government contributions

Pursuant to the Social Housing Agreement executed by MHRC and CMHC, CMHC will pay pre-established annual contributions to MHRC for individual housing projects over the remainder of the CMHC subsidy commitment period. The Agreement took effect October 1, 1998 and has a funding expiration date of August 31, 2031.

	2016	2015
Federal contributions	\$ 61,272,737	\$ 64,634,961
Municipal contributions	624,353	692,656
	<hr/> \$ 61,897,090	<hr/> \$ 65,327,617

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 17. Advance agreement

During 2014, the agreement with Little Saskatchewan First Nation was terminated and unexpended funds were returned to MHRC in March 2014. The fund balance is reported as Funds held for third party expenses under Deferred Contributions (Note 12).

MHRC, on behalf of the Province, entered into an Advance Agreement with Dauphin River First Nation and the Government of Canada for the acquisition and installation of 47 homes at Dauphin River First Nation. The funds refunded from the cancelled Little Saskatchewan First Nation agreement referred to in Note 12 were applied to the new agreement with Dauphin River First Nation.

In 2016, MHRC moved 41 homes to Dauphin River First Nation with \$1,943,423 (2015 - \$1,293,872) of costs incurred under the Advance Agreement with a recovery from deferred contributions, funds held for third party expense of \$707,242 and the balance of \$1,236,181 recovered from the Province of Manitoba.

### 18. Rental subsidies

Rental subsidies are provided in accordance with project operating agreements with third parties which establish the basis of eligibility for subsidy assistance. The net rental subsidies required by these organizations are as follows:

	2016	2015
Not-for-Profit Housing	\$ 25,418,765	\$ 26,097,305
Co-operative Housing	3,947,803	3,898,102
Private Landlords	9,450,326	7,755,686
	<hr/> \$ 38,816,894	<hr/> \$ 37,751,093

### 19. Grants and subsidies

	2016	2015
Portable Housing Benefit	\$ 1,827,111	\$ 1,775,521
Emergency Shelter Assistance	1,656,952	1,656,952
School Tax Assistance for Tenants 55 Plus	99,708	91,388
Elderly & Infirm Persons Housing	143,973	143,973
Co-op HomeStart	97,538	88,785
Homeless Strategy	1,231,610	1,482,160
	<hr/> \$ 5,056,892	<hr/> \$ 5,238,779

### 20. Housing program supports

	2016	2015
Forgivable loans	\$ 14,238,988	\$ 14,747,666
Administration and delivery agent fees	2,469,392	2,565,144
	<hr/> \$ 16,708,380	<hr/> \$ 17,312,810

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 21. Pension obligations

Employees of MHRC and Direct Managed employees are eligible for pensions under the Manitoba Civil Service Superannuation Fund (Superannuation Fund). This pension plan is a defined benefit plan. The extrapolation of the most recent actuarial valuation of the Superannuation Fund at December 31, 2015 reported the Superannuation Fund had a deficiency of net assets over actuarial value of pension obligations of \$3.9 billion. For Direct Managed employees, MHRC is required to contribute an amount approximately equal to the employees' contribution to the Superannuation Fund for current services. Such payments are charged to housing operations as incurred and MHRC has no further liability associated with the annual cost of pension benefits earned by Direct Managed employees. Pension expense recorded for Direct Managed employees for the year ended March 31, 2016 was \$1,716,236 (2015 - \$1,583,179).

MHRC has a liability associated with the annual cost of pension benefits earned by employees of MHRC. This liability is determined by an actuarial valuation each year based on data provided by MHRC with the balance for the intervening year being estimated by a formula provided by the actuary. The most recent valuation was completed at March 31, 2016.

	2016	2015
Pension liability per actuarial valuation:		
Balance at beginning of year	\$ 9,958,606	\$ 9,497,120
Interest cost on benefit obligations	597,517	617,313
Current service costs	641,039	655,873
Benefits paid	(2,209,157)	(1,225,419)
Experience loss (amortized over EARSL)	182,073	413,719
Balance at end of year	9,170,078	9,958,606
Unamortized actuarial loss	(456,837)	(301,114)
Pension liability balance at end of year	\$ 8,713,241	\$ 9,657,492

At March 31, 2016, the unamortized actuarial (gain)/loss to be recognized in future periods are as follows:

	2016	2015
Unamortized actuarial gain/(loss):		
Balance at beginning of year	\$ (301,114)	\$ 123,866
In year loss amortized over EARSL - 2016 - 11 years (2015 - 11 years)	(182,073)	(413,719)
Amortization of actuarial (gain)/loss	26,350	(11,261)
Balance at end of year	\$ (456,837)	\$ (301,114)

	2016	2015
Change to pension obligation:		
Interest cost on benefit obligations	\$ 597,517	\$ 617,313
Current service costs	641,039	655,873
Benefits paid	(2,209,157)	(1,225,419)
Amortization of actuarial (gain)/loss	26,350	(11,261)
Change to pension obligation	\$ (944,251)	\$ 36,506

The above liability is in respect of active employees only and does not reflect any liability with respect to retired or former employees. The key actuarial assumptions were a rate of return of 6.0% (2015 - 6.0%), 2.0% inflation (2015 - 2.0%), general salary rate increases of 2.75%, excluding the 1.0% service and merit increases (2015 - 2.75%) and post retirement indexing at 2/3 of the inflation rate. The projected benefit method was used and the liability has been calculated as at March 31, 2016 by the actuary.

The Province of Manitoba has accepted responsibility for funding MHRC's liability and related expense which includes an interest component. Therefore, MHRC has recorded a receivable from the Province of Manitoba equal to the estimated value of its actuarially determined pension liability of \$8,713,241 as of March 31, 2016 (2015 - \$9,657,492) and has recorded a decrease in revenue for fiscal 2016 equal to the related pension liability decrease of \$944,252 (2015 - \$36,506 increase). The Province of Manitoba makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 22. Severance

#### a) Severance pay liability

Effective April 1, 1998, MHRC commenced recording the estimated liability for accumulated severance pay benefits for its Direct Managed employees. The amount of this estimated liability is determined and recorded annually using the method of calculation set by the Province of Manitoba.

Severance pay, at the Direct Managed employee's date of retirement, will be determined by multiplying the eligible employee's years of service by the employee's weekly salary (to a maximum compensation of 22 weeks). Eligibility will require that the employee has achieved a minimum of ten years of service and that the employee is retiring from MHRC.

Severance pay, at the Former Department of Family Services and Housing employee's date of retirement, will be determined by multiplying the eligible employee's years of service by the employee's weekly salary (to a maximum compensation of 23 weeks). Eligibility will require that the employee has achieved a minimum of nine years of service and that the employee is retiring from MHRC.

An actuarial report was completed for the severance pay liability as at March 31, 2016. MHRC's actuarially determined liability relating to the Direct Managed employees as at March 31, 2016 was \$3,512,458 (2015 - \$3,364,228). The report provides a formula to update the liability on an annual basis.

MHRC recorded a severance liability as at April 1, 2003 in the amount of \$569,000 associated with the severance benefits earned by the former Department of Family Services and Housing employees who were transferred to MHRC on February 8, 2003. The amount of this estimated liability is determined and recorded annually using a method of calculation set by the Province of Manitoba.

An actuarial report was completed for the severance pay liability as at March 31, 2016. MHRC's actuarially determined liability relating to the former Department of Family Services and Housing employees as at March 31, 2016 was \$1,192,049 (2015 - \$1,255,040). The report provides a formula to update the liability on an annual basis.

	2016	2015
Severance liability per actuarial valuation:		
Direct Managed employees:		
Balance at beginning of year	\$ 3,364,228	\$ 3,288,228
Interest cost on benefit obligations	201,854	213,735
Current service costs	284,430	292,972
Benefits paid	(144,261)	(286,027)
Experience gain (amortized over EARSL)	(193,793)	(144,680)
Balance at end of year	3,512,458	3,364,228
Former Department of Family Services and Housing employees:		
Balance at beginning of year	1,255,040	1,252,711
Interest cost on benefit obligations	75,302	81,426
Current service costs	75,100	85,987
Benefits paid	(107,233)	(120,750)
Experience gain (amortized over EARSL)	(106,160)	(44,334)
Balance at end of year	1,192,049	1,255,040
Unamortized actuarial gain	515,346	238,192
Severance liability balance at end of year	\$ 5,219,853	\$ 4,857,460

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 22. Severance (continued)

At March 31, 2016, the unamortized actuarial (gain)/loss to be recognized in future periods are as follows:

	2016	2015
Unamortized actuarial gain/(loss):		
Direct Managed employees:		
Balance at beginning of year	\$ 89,154	\$ (61,696)
In year gain amortized over EARSL - 2016 - 10 years (2015 - 10 years)	193,793	144,680
Amortization of actuarial (gain)/loss	(8,298)	6,170
Direct Managed employees balance at end of year	274,649	89,154
Former Department of Family Services and Housing employees:		
Balance at beginning of year	149,038	115,174
In year gain amortized over EARSL - 2016 - 11 years (2015 - 11 years)	106,159	44,334
Amortization of actuarial gain	(14,500)	(10,470)
Former Department of Family Services and Housing employees balance at end of year	240,697	149,038
Balance at end of year	\$ 515,346	\$ 238,192
	2016	2015
Change to severance obligation:		
Direct Managed employees:		
Interest cost on benefit obligations	\$ 201,854	\$ 213,735
Current service costs	284,430	292,972
Benefits paid	(144,261)	(286,027)
Amortization of actuarial (gain)/loss	(8,298)	6,170
	333,725	226,850
Former Department of Family Services and Housing employees:		
Interest cost on benefit obligations	75,302	81,426
Current service costs	75,100	85,987
Benefits paid	(107,233)	(120,750)
Amortization of actuarial gain	(14,500)	(10,470)
	28,669	36,193
Change to severance obligation	\$ 362,394	\$ 263,043

The key actuarial assumptions were a rate of return of 6.0% (2015 - 6.0%), 2.0% inflation (2015 - 2.0%), and general salary rate increases of 2.75%, excluding the 1.0% service and merit increases (2015 - 2.75%). The projected benefit method was used and the liability has been calculated as at March 31, 2016 by the actuary.

#### b) Severance pay receivable

The Province of Manitoba has accepted responsibility for the severance pay benefits accumulated to March 31, 1998 by MHRC's employees. Accordingly, MHRC recorded effective April 1, 1998, a receivable of \$877,105 from the Province of Manitoba, which was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at March 31, 1998. Subsequent to March 31, 1998, the Province provides annual grant funding for severance expense. As a result the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

The amount recorded as a receivable from the Province for severance pay of \$569,000 for former Department of Family Services and Housing employees was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at April 1, 2003. Subsequent to April 1, 2003, the Province provides annual grant funding for severance expense. As a result the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 23. Financial instruments and financial risk management

Financial instruments comprise the majority of MHRC assets and liabilities. MHRC risk management policies are designed to: identify and analyze risk, set appropriate risk limits and controls, and monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Board of Directors approves these policies and management is responsible for ensuring that the policies are properly carried out. The Board of Directors receives confirmation that the risks are being appropriately managed through regular reporting, third party compliance reporting and by reviews conducted by MHRC.

MHRC is exposed to credit, interest, and liquidity risks in respect of its use of financial instruments.

#### a) Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The financial instruments that potentially subject MHRC to credit risk consist principally of accounts receivable, loans and mortgages receivable and guarantees on loans.

MHRC's maximum possible exposure to credit risk is as follows:

	2016	2015
On deposit with the Minister of Finance (note 3)	\$ -	\$ 21,092,715
Accounts receivable (note 4)	48,309,911	55,629,304
Loans and mortgage receivable (note 5)	111,460,009	112,833,220
Loan guarantees (note 26)	9,557,125	9,591,768
	<hr/> <b>\$ 169,327,045</b>	<hr/> <b>\$ 199,147,007</b>

MHRC establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on MHRC's estimates and assumptions regarding customer analysis, historical payment trends and statutes of limitations. These factors are considered when determining whether past due accounts are allowed for or written off.

The change in the allowance for doubtful accounts during the year was as follows:

	2016	2015
Balance, beginning of the year	\$ 6,488,989	\$ 6,669,530
Provision for receivable impairment	875,342	236,023
Amounts written off	(249,409)	(416,564)
<hr/> Balance, end of the year	<hr/> <b>\$ 7,114,922</b>	<hr/> <b>\$ 6,488,989</b>

As at March 31, 2016, \$3,734,919 (2015 - \$4,450,954) of accounts receivable and nil (2015 - nil) of loans and mortgages receivable were past due, but not impaired.

#### Accounts receivable

The accounts receivable partially consists of \$7,173,594 (2015 - \$11,214,745) due from Canada Mortgage and Housing Corporation, \$11,534,374 (2015 - \$11,786,638) from the Province of Manitoba and \$11,020,444 (2015 - \$15,141,446) from the City of Winnipeg.

#### Loans and mortgage receivable

Impairment provisions are provided for losses that have been estimated as of the Statement of Financial Position date. Management of credit risk is an integral part of MHRC's activities with careful monitoring and appropriate remedial actions being taken. To mitigate credit risk, loans and mortgage receivable are mostly secured by registering a mortgage on title of the applicable property.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 23. Financial instruments and financial risk management (continued)

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The interest rate exposure relates to on deposit with the Minister of Finance, loans and mortgages receivable, and long-term debt.

##### Loans and mortgage receivable/loans from the Province of Manitoba

MHRC borrows funds for lending operations from the Province of Manitoba at fixed rates and normally lends those funds to clients at a reasonable percentage above the associated borrowing rate. For long-term advances that have fixed interest rates for the full term of the advance, MHRC only offers fixed interest rate loans to its clients. Due to this corresponding arrangement, MHRC does not incur significant interest rate risk. However, some interest rate risk may result due to MHRC's lending policy of allowing prepayment of loans without penalty, given that MHRC does not have the offsetting ability to prepay the associated advances from the Province of Manitoba without penalty. MHRC mitigates this risk by closely matching the cash flow from client loan payments, including estimated annual prepayments, to the cash flow required to repay advances from the Province of Manitoba.

In addition, MHRC's advance from the Province of Manitoba have variable interest rates which expose MHRC to cash flow interest rate risk. At March 31, 2016, had prevailing interest rates increased or decreased by 1%, the estimated impact on interest expense would be approximately \$3,040,712 (2015 - \$2,936,846).

#### c) Liquidity risk

Liquidity risk relates to MHRC's ability to access sufficient funds to meet its financial commitments.

Advances from the Province of Manitoba have a direct correlation to the loans receivable as the funds borrowed are directly lent to MHRC clients. Funding is provided by the Province of Manitoba for the full amount of loans that are written off. Subsequently, MHRC has minimal liquidity risk on its lending portfolio in respect of advances from the Province of Manitoba.

### 24. Contingencies

MHRC is involved in legal proceedings arising in the normal course of business, the outcome of which cannot be predicted at this time. In the opinion of management, the disposition of these cases will not materially affect the financial position of MHRC. Any settlement will be recognized in the year the settlement occurs.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2016

---

### 25. Commitments

MHRC has the following commitments as at March 31, 2016:

Capital assets:

a) Housing project enhancements and new construction	\$ 146,187,447
b) Third party repair, renovation and new construction	\$ 20,579,865

Public housing operations:

As a result of the Social Housing Agreement dated September 3, 1998, MHRC is fully responsible for the funding commitments of all Social Housing Projects in Manitoba. These commitments will expire on a staggered basis over the period ending 2031, concurrent with the Social Housing Agreement funding expiration date of August 31, 2031. An estimate of these commitments for each of the next five years is as follows:

2017	\$ 119,081,100
2018	132,808,800
2019	143,417,900
2020	155,101,600
2021	164,182,500

### 26. Guarantees

MHRC has guaranteed the repayment of mortgages and has issued letters of credit which guarantee the terms and conditions of land development agreements and construction contracts. The total authorized for MHRC is \$20,000,000. The outstanding guarantees are as follows:

	2016	2015
Waverley West Letters of Credit	\$ 9,552,496	\$ 9,583,696
Mobile Home Loan Guarantee Program	4,629	8,072
	<hr/> \$ 9,557,125	<hr/> \$ 9,591,768

### 27. Related party transactions

MHRC is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. MHRC enters into transactions with these entities in the normal course of business. These transactions are recorded at the exchange amount.

### 28. Comparative figures

Certain comparative figures in the financial statements have been restated to conform with the presentation of the current year.