

Manitoba Housing and  
Community Development

Annual Report  
2009 – 2010





---

**MINISTER  
OF HOUSING AND COMMUNITY  
DEVELOPMENT**

Room 358  
Legislative Building  
Winnipeg, Manitoba R3C 0V8  
CANADA

September 2010

His Honour the Honourable Philip S. Lee, 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 2009/10.

Respectfully submitted,

**Original signed by**

Kerri-Irvin Ross





---

**MINISTRE DE LOGEMENT ET  
DÉVELOPPEMENT COMMUNAUTAIRE**

Bureau 358  
Palais législatif  
Winnipeg (Manitoba) R3C 0V8  
CANADA

Septembre 2010

Son Honneur l'honorable Philip S. Lee, C.M., O.M.  
Lieutenant-gouverneur du Manitoba  
Palais législatif, bureau 235  
Winnipeg (Manitoba)  
R3C 0V8

Monsieur le Lieutenant-Gouverneur,

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 2009-2010.

Veillez agréer, Monsieur le Lieutenant-Gouverneur, l'expression de mes sentiments les plus respectueux.

**Original signed by**

Kerri-Irvin Ross





Deputy Minister of Housing and Community Development  
Legislative Building, Winnipeg, Manitoba, CANADA, R3C 0V8  
[www.manitoba.ca](http://www.manitoba.ca)

September 2010

The Honourable Kerri Irvin-Ross  
Minister of Housing and Community Development  
358 Legislative Building

Dear Madam:

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, 2010. This report highlights major achievements as we move toward fulfilling departmental priorities.

The creation of the new Department of Housing and Community Development in November 2009 has presented a promising opportunity to work towards strengthening our communities and enabling them to reach their full potential. Through this new department, we are in a stronger position to work towards integrating housing initiatives with other social, economic and community development policies and programs. Homes do not exist in isolation from their communities and the integration of housing and community development will help to broaden our mandate and strengthen efforts to create and sustain healthy communities for Manitobans.

Manitoba Housing continues with its organizational transformation including the creation of the Northern Region of Housing and Community Development, providing a new regional approach to the delivery and management of public housing for Northern Manitoba. The creation of the Northern Region elevates the priority of management and delivery of social housing and community development throughout the north. The new model of housing management in the north is improving coordination and sharing of experiences and resources at the local and regional levels and enhancing accountability to clients and communities.

HOMEWorks!, our Long-Term Housing Strategy and Policy Framework, was announced in 2009/10. HOMEWorks! is supported by an unprecedented two-year investment Plan and partnership between the provincial and federal governments through initiatives such as the Canada Economic Action Plan. These investments are being made to upgrade the existing social housing stock and support community-driven construction and renovation initiatives that help create more and better affordable housing where it is needed the most, while building more vibrant communities across the province.



**Manitoba**  
spirited energy

Addressing the critical need for safe, suitable and affordable rental housing is one of the primary goals of HOME Works! In November 2009, the Manitoba government made a commitment to provide 1,500 units of social housing across the province within five years. We will realize this commitment by providing 600 new rental units and support 600 households with rent-geared to income assistance by March 31, 2011. This represents the first two years of the five-year commitment.

Our Homeless Strategy is also helping to strengthen our commitment to providing more social housing in Manitoba. Announced in May 2009, the Homeless Strategy with a Focus on Mental Health Housing will provide a range of affordable housing with appropriate housing, health and social supports for individuals with mental health and homelessness issues. The Homeless Strategy includes ten initiatives that fall under four components: emergency shelters; outreach; housing with services; and prevention. In 2009/10, developments included the expansion of the Portable Housing Benefit to all regions of Manitoba, the expansion and enhancement of the Community Wellness Initiative and the funding of case management services for Project Breakaway.

During 2009/10, the Department continued to undertake initiatives that integrate community development and housing activities to promote the social and economic well-being of our tenants. Construction and renovation upgrades to direct-managed housing projects involved training and employing individuals who live in these housing projects. These training and employment opportunities help contribute to the capacity of individuals and instil pride within our communities.

Manitoba Housing is also committed to ensuring that investments in housing infrastructure proceed in an environmentally-responsible manner and promote employment and training opportunities through partnerships with social enterprises. The Department initiated plans and programs for improving energy and water efficiency in residential buildings on an ongoing basis. In collaboration with other partners, we have developed a Sustainable Development Action Plan that will include public housing green initiatives, a water and energy efficiency program, a Residential Green Building Policy, and the assessment of geothermal heating systems for Manitoba Housing direct builds.

The revitalization of neighbourhoods and housing in areas of need such as Winnipeg's inner city remains a priority for the Department. The Housing Development and Rehabilitation Fund was created to reinvest proceeds from our suburban land development initiatives into housing activities or programs in areas of identified need. We also support and encourage community-driven revitalization efforts through the Neighbourhoods Alive! initiative. In 2009/10, Neighbourhoods Alive! supported the creation of five new Neighbourhood Renewal Corporations to coordinate revitalization efforts in The Pas, Flin Flon, Portage la Prairie, Dauphin and Selkirk. These community organizations support a community-led model of local planning, project delivery and resident engagement through community economic development.

Through the Community Places Program, we continued to respond to the needs of Manitobans by providing funding to 306 neighbourhood construction projects in communities across the province. These grants help strengthen Manitoba's recreation and wellness infrastructure. By assisting local groups and municipalities to realize their own priorities, this funding improves facilities and ensures that Manitobans continue to enjoy community events and recreation in their neighbourhoods.

The Department recognizes that volunteer and non-profit organizations contribute to the social and economic well-being of Manitobans and we continued to provide guidance and support to the voluntary sector in their activities. We remain committed to working together to find ways to strengthen the relationship between this sector and government. In 2009/10, the Department provided over \$5 million in funding assistance to the Manitoba Community Services Council and the United Way of Manitoba to assist volunteer organizations in meeting needs within the community and enhancing the capacity of the voluntary sector.

In November 2009, Manitoba signed a memorandum of understanding with the Manitoba Co-operative Association and the Conseil de développement économique des municipalités bilingues du Manitoba to launch the new Manitoba Cooperative Strategy. Under this strategy, the Department will implement initiatives that support the development and ongoing maintenance of Manitoba's cooperative community over the longer term.

Housing plays a pivotal role in the Province's ALLAboard poverty-reduction strategy, announced in May 2009. The first of four priorities of ALLAboard is to create more affordable housing in supportive communities for Manitobans. This will be accomplished through our *HOME Works!* strategy, the Homeless Strategy, more Lighthouses; a SafetyAid expansion for low-income seniors and the expanded Neighbourhoods Alive! program.

These highlights provide a glimpse of the breadth of work undertaken by Manitoba Housing and Community Development in 2009/10. We look forward to continuing to build on existing initiatives, increasing the supply of social and affordable housing, supporting community development and revitalization, and coordinating housing and social services to meet the housing needs of Manitobans.

Respectfully submitted,

**Original signed by**

Joy Cramer



Sous-ministre, Logement et Développement communautaire  
Palais législatif, Winnipeg (Manitoba) R3C 0V8, CANADA  
[www.manitoba.ca](http://www.manitoba.ca)

Septembre 2010

Madame Kerri Irvin-Ross  
Ministre du Logement et du Développement communautaire  
Palais législatif, bureau 358

Madame la 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 2010. Ce rapport met en évidence nos principales réalisations en vue de respecter les priorités du ministère.

La création du ministère du Logement et du Développement communautaire, en novembre 2009, a offert une occasion prometteuse de travailler en vue de renforcer nos communautés et de leur permettre d'atteindre le meilleur niveau de développement possible. Grâce à ce nouveau ministère, nous sommes mieux placés pour œuvrer à l'intégration des initiatives de logement avec d'autres programmes et politiques dans les domaines social, économique et du développement communautaire. Les maisons ne sont pas isolées de leurs communautés. L'intégration du logement et du développement communautaire contribuera à élargir notre mandat et à accroître les efforts visant à créer et à maintenir des communautés saines pour les Manitobaines et Manitobains.

Logement Manitoba poursuit son plan de réaménagement organisationnel qui comprend la création d'une région du Nord, initiative qui permet à Logement et Développement communautaire Manitoba de rehausser la priorité accordée à la prestation et à la gestion des services de logement social et de développement communautaire dans tout le nord du Manitoba et d'adopter une nouvelle approche régionale dans ce domaine. Le nouveau modèle de gestion du logement public dans le nord améliore la coordination et l'échange d'expériences et de ressources aux niveaux local et régional, tout en renforçant la reddition de comptes envers les clients et les collectivités.

FoyersClés, notre cadre stratégique à long terme sur le logement, a été annoncé pendant l'exercice 2009-2010. Il est appuyé par un plan d'investissement de deux ans et un partenariat entre les gouvernements fédéral et provincial. Ce plan et ce partenariat sont sans précédent et se traduisent par des initiatives telles que le Plan d'action économique du Canada. Cet investissement vise à moderniser le parc de logements sociaux existant et à appuyer des initiatives communautaires de construction et de rénovation. Il en résultera une offre accrue de logements abordables et de meilleure qualité, là où le besoin s'en fait le plus sentir, et des collectivités encore plus dynamiques dans toute la province.



Répondre à la demande urgente de logements locatifs sûrs, appropriés et abordables est l'un des principaux objectifs de FoyersClés. En novembre 2009, le gouvernement du Manitoba s'est engagé à fournir 1 500 unités de logement social à l'échelle de la province sur une période de cinq ans. Au cours des deux premières années, soit d'ici le 31 mars 2011, nous concrétiserons cet engagement en fournissant 600 nouvelles unités locatives et en appuyant 600 foyers grâce au dispositif du loyer proportionné au revenu.

Notre stratégie de lutte contre le sans-abrisme contribue également à renforcer notre détermination à offrir davantage de logements sociaux au Manitoba. Annoncée en mai 2009, la Stratégie contre le sans-abrisme axée sur le logement pour les personnes itinérantes ayant des problèmes de santé mentale fournira à ces dernières une large gamme de logements abordables ainsi que des soutiens appropriés dans les domaines sanitaire, social et du logement. La stratégie de lutte contre le sans-abrisme comprend dix initiatives qui se répartissent entre quatre volets : refuges d'urgence, intervention auprès des sans-abri, logements avec services et prévention. Parmi les actions réalisées au cours de l'exercice 2009-2010, mentionnons l'extension de l'allocation-logement transférable à toutes les régions du Manitoba, le développement et l'amélioration de l'Initiative pour le mieux-être communautaire, et le financement des services de gestion des cas pour le projet Breakaway.

Au cours de l'exercice 2009-2010, le ministère a continué d'entreprendre des initiatives qui intègrent le développement communautaire avec les activités dans le domaine du logement, afin de favoriser le bien-être social et économique de nos locataires. Dans le cadre de travaux de construction et de rénovation de logements sociaux, on a formé et employé des personnes vivant dans ces logements. Ces occasions de formation et d'emploi contribuent à renforcer les capacités des personnes et à stimuler le sentiment de fierté dans nos communautés.

Logement Manitoba s'est également engagé à ce que les investissements dans l'infrastructure du logement soient effectués de façon responsable sur le plan de l'environnement et à ce qu'ils favorisent les occasions d'emploi et de formation dans le cadre de partenariats avec des entreprises sociales. Le ministère a lancé des plans et des programmes visant à accroître, de façon permanente, les économies d'énergie et d'eau dans les immeubles résidentiels. En collaboration avec d'autres partenaires, nous avons élaboré un plan d'action sur le développement durable qui comprendra des initiatives écologiques dans le domaine du logement public, un programme d'économie d'eau et d'énergie, une politique d'immeubles résidentiels écologiques, et l'évaluation des systèmes de chauffage géothermique pour les immeubles construits directement par Logement Manitoba.

La revitalisation des quartiers et des logements dans les zones où les besoins sont les plus nombreux, comme le centre-ville de Winnipeg, demeure une priorité pour le ministère. Nous avons créé le Fonds de construction et de remise en état de logements afin que les profits tirés de l'aménagement de terrains en milieu suburbain soient réinvestis dans des activités ou des programmes de logement dans des zones où les besoins ont été cernés. Dans le cadre de l'initiative Quartiers vivants, nous appuyons et encourageons les activités de revitalisation menées au niveau communautaire. Au cours de l'exercice 2009-2010, Quartiers vivants a appuyé la création de cinq nouvelles sociétés de revitalisation des quartiers afin de coordonner les activités de revitalisation à The Pas, à Flin Flon, à Portage-la-Prairie, à Dauphin et à Selkirk. Ces organismes communautaires appuient un modèle communautaire de mise en œuvre de projets et de planification au niveau local ainsi que d'engagement des résidents dans le cadre du développement économique communautaire.

Par l'intermédiaire du programme Place aux communautés, nous avons continué à répondre aux besoins des Manitobaines et Manitobains en finançant 306 projets de construction dans des quartiers dans diverses collectivités de la province. Ces subventions contribuent à renforcer l'infrastructure de loisirs et de bien-être du Manitoba. En aidant les groupes locaux et les municipalités à atteindre leurs objectifs, ce financement améliore les installations et fait en sorte



que les Manitobaines et Manitobains puissent continuer à bénéficier d'activités communautaires et récréatives dans leurs quartiers.

Sachant combien les organisations bénévoles et à but non lucratif contribuent au bien-être économique et social de la population du Manitoba, le ministère a continué d'orienter et d'appuyer les activités du secteur bénévole. Nous demeurons résolus à travailler en collaboration avec ce secteur pour trouver des moyens de renforcer les liens entre celui-ci et le gouvernement. Pendant l'exercice 2009-2010, le ministère a fourni plus de cinq millions de dollars d'aide financière au Conseil manitobain des services communautaires et aux organismes Centraide du Manitoba pour aider les organisations bénévoles à répondre aux besoins dans la communauté et à accroître la capacité du secteur bénévole.

En novembre 2009, le Manitoba a signé un protocole d'entente avec la Manitoba Co-operative Association et le Conseil de développement économique des municipalités bilingues du Manitoba en vue du lancement de la nouvelle stratégie manitobaine sur la coopération. Dans le cadre de cette stratégie, le ministère mettra en œuvre des initiatives qui appuient le développement et le maintien à long terme de la communauté coopérative.

Le logement occupe une place centrale dans la stratégie provinciale de réduction de la pauvreté Tout le monde à bord, annoncée en mai 2009. La première des quatre priorités de Tout le monde à bord est la construction de logements plus abordables dans des collectivités solidaires. Nous atteindrons cet objectif grâce à la stratégie FoyersClés et à celle contre le sans-abrisme; en augmentant le nombre de lieux-phares (programme Lighthouse); en étendant le programme SécurAide aux personnes âgées à faible revenu; et en développant le programme Quartiers vivants.

Ces faits saillants donnent un aperçu de l'ampleur des activités menées par Logement et Développement communautaire Manitoba durant l'exercice 2009-2010. Nous entendons bien continuer à tirer le meilleur parti des initiatives existantes, à accroître l'offre de logements sociaux et abordables, à appuyer le développement et la revitalisation communautaires, et à coordonner les services sociaux et de logement pour répondre aux besoins domiciliaires des Manitobaines et Manitobains.

Veillez agréer, Madame la Ministre, l'expression de mes sentiments les plus respectueux.

**Original signed by**

Joy Cramer

# Table of Contents

Title	Page
<b>Minister's Letter of Transmittal</b>	3
<b>Deputy Minister's Letter of Transmittal</b>	5
<b>Preface/Introduction</b>	12
Report Structure	12
Role, Mission, Goals and Guiding Principles	12
Overview	14
Organization Chart as at March 31, 2010	15
<b>Minister and Executive Support</b>	16
<b>Manitoba Housing</b>	18
Tenant Services and Asset Management	23
Housing Programs	25
Northern Region	28
Land Development	29
Portfolio Administration	30
<b>Community Development &amp; Strategic Initiatives Division</b>	32
Community and Cooperative Development	33
Strategic Initiatives	39
Community Relations	40
<b>Corporate Services Division</b>	42
Financial Management	42
Corporate Management Services	44
<b>Financial Information</b>	46
Five-Year Expenditure and Staffing Summary Table	46
Reconciliation Statement	47
Expenditure Summary Table	48
<b>Appendices</b>	
Appendix 1 Sustainable Development	52
Appendix 2 Performance Indicators	55
Appendix 3 <i>The Public Interest Disclosure (Whistleblower Protection) Act</i>	65
Appendix 4 The Co-operative Loans and Loans Guarantee Board	66
Appendix 5 Manitoba Housing and Renewal Corporation – Financial Statements	67

# PREFACE

## REPORT STRUCTURE

The Department of Housing and Community Development is a new department created through a government reorganization in November 2009. At that time, the Housing Division was transferred from the Department of Family Services and Consumer Affairs; Cooperative Development was transferred from Agriculture, Food and Rural Initiatives; the Community Places Program was transferred from Culture, Heritage and Tourism; and Neighbourhoods Alive! was transferred from Local Government, to form the new Department of Housing and Community Development. The Minister of Housing and Community Development is also the Minister Responsible for the Voluntary Sector. The Annual Report of the Department of Housing and Community Development reflects the fiscal year ending March 31, 2010, providing a record of performance and fiscal accountability.

The report includes information at the Main 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.

## ROLE, MISSION, GOALS AND GUIDING PRINCIPLES

### Role and Mission

Housing and Community Development provides for the development, management and administration of housing and community development programs that contribute to the health, social and economic well-being of all Manitobans.

Community and Cooperative Development assists non-profit and voluntary community groups and cooperatives to enhance their communities through funding assistance for projects and initiatives. Programs include the Community Places Program, Neighbourhoods Alive!, and Cooperative Development.

The Department is responsible for a comprehensive range of housing and financial assistance programs. Some of these programs and services are delivered directly by the Department, while others are provided in partnership with a variety of private non-profit and cooperative organizations and community-based groups.

The overall responsibilities of the Minister and the Department include:

- providing policy direction on matters relating to housing and community development;
- providing financial and administrative support for the development, delivery and management of housing and community development programs and operations;
- assisting Manitobans to access safe, appropriate and affordable housing;
- fostering community capacity and engaging the broader community to participate in and contribute to decision-making; and
- providing respectful and appropriate delivery of programs and services.

## Goals

- To sustain the existing social and affordable housing stock.
- To address the affordability and the supply of quality affordable housing.
- To develop a continuum of housing options for all Manitobans.
- To improve the quality, efficiency and accessibility of the services provided by the Department.
- To increase community capacity and opportunities for community involvement.
- To support community and economic development initiatives that build healthy communities.

## Guiding Principles

- **Housing and community development issues are interrelated with health, social, education and economic issues.** Housing is an essential component of the social, health and economic well-being of individuals and for the development of sustainable communities. Consideration of the broader impact of housing on people will maximize the impacts of housing investments and positive outcomes.
- **Promote efficiency and effectiveness of resources.** Maximize the use of resources by coordinating housing programs and services with other public policy areas.
- **Housing and healthy communities are a shared responsibility.** Individuals, communities, the housing industry and all levels of government are responsible for positive housing outcomes and healthy communities.
- **Partnerships strengthen our communities and the housing environment.** Federal, provincial and municipal governments, community groups, Aboriginal organizations, citizens and the private sector work together to improve housing conditions in Manitoba.
- **Increase independence and self-reliance.** Provincial housing and community development initiatives help local people meet local needs and priorities, and support the development of individual and community capacity.
- **Housing and community development activities strive to promote social inclusion.** Programs and services should support economic and social independence, personal accountability, and individual choice.
- **Strong communities include a range of housing options and community development activities that promote social and economic development.** A variety of programs, tools and activities are necessary in order to successfully respond to the changing circumstances of households and communities.
- **Support the effective functioning of the housing market.** All levels of government, the private sector and citizens have a shared responsibility to support the effective functioning of the housing market.

## OVERVIEW

The Department of Housing and Community Development consists of the Manitoba Housing and Renewal Corporation (Manitoba Housing), and three other program delivery and operating divisions. Manitoba Housing is the owner of all provincial housing assets and is responsible for the delivery of social and affordable housing programs, renovation and repair and homeownership programs and is an approved lender under *The National Housing Act*. The Corporation also manages undeveloped land held in the provincial Land Bank. The Community Development and Strategic Initiatives Division provides corporate policy development and planning, and community relations support. This division also coordinates and/or delivers programming to assist communities in providing sustainable recreational, social and cooperative development opportunities. The Corporate Services Division provides comprehensive central support services to corporate operations and branches including direction and support in financial planning, financial evaluations and protection of corporate assets, reporting control policies, processes and procedures, information technology planning, legal support services and business continuity planning.

The Department also supports Cross-Department Coordination Initiatives (CDCI), a partnership with the Departments of Health, Housing and Community Development, Family Services and Consumer Affairs, and Healthy Living, Youth and Seniors. Using a horizontal management approach and working in collaboration with government and community partners, CDCI coordinates approaches and service delivery with respect to housing and supports for the seniors population, individuals with mental health issues and individuals who are homeless or at risk of being homeless.

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

The Department's Organization Chart follows this Overview.

The statutory responsibilities of the Minister of Housing and Community Development are as follows:

*The Co-operative Associations Loans and Loans Guarantee 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); and*  
*The Housing and Renewal Corporation Act [except Clause 44(k) and The Manitoba Shelter Benefit Regulation (MR. 148/200)]*

*The Cooperative Associations Loans and Loans Guarantee Act, and The Housing and Renewal Corporation Act, require the Minister to report annually to the Legislature. These reporting requirements for 2009/10 are met by this Annual Report.*

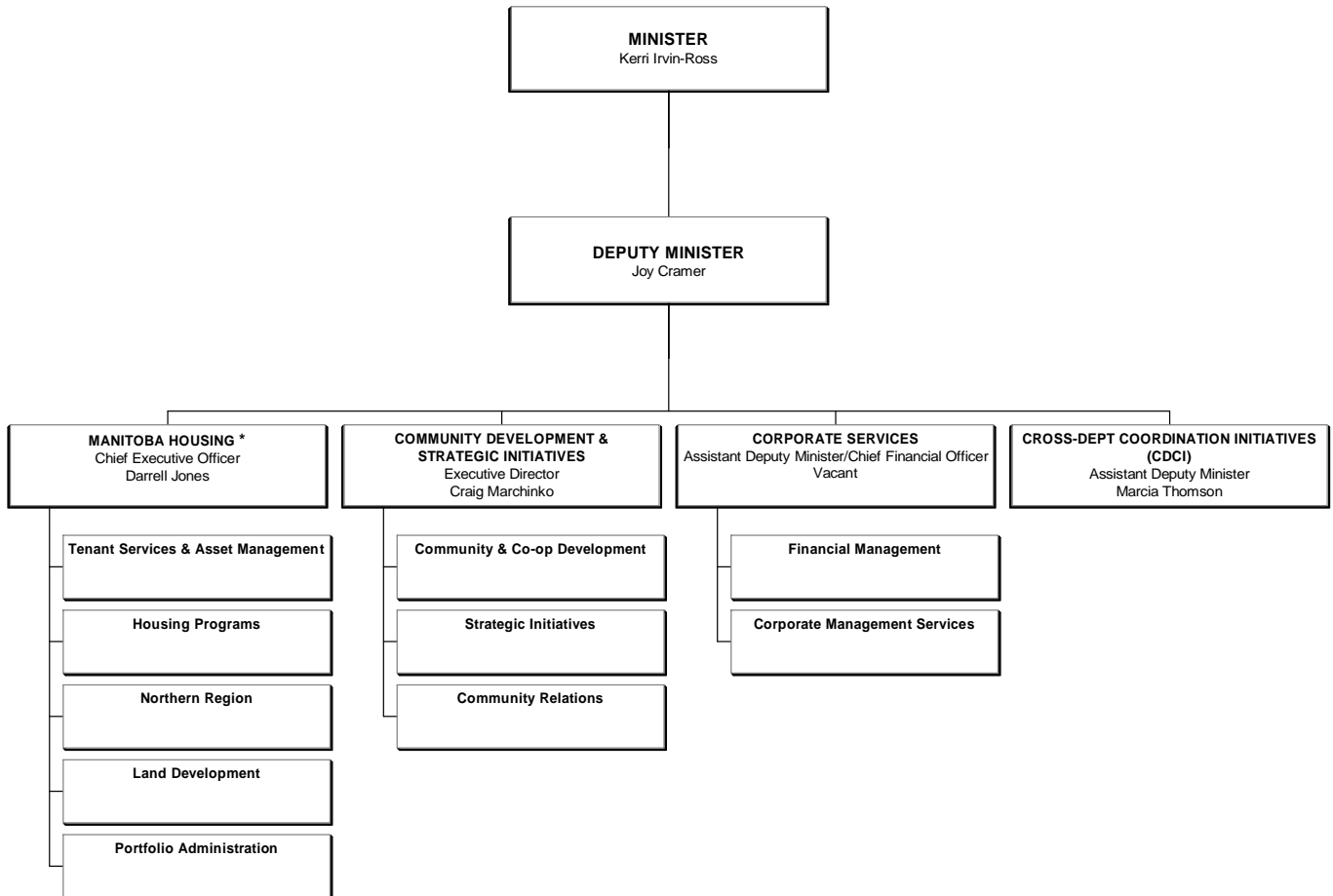
*The Cooperative Promotion Trust Act also requires the Minister to report annually to the Legislature. The Cooperative Promotion Board Annual Report is produced separately from the Department of Housing and Community Development Annual Report. The Cooperative Promotion Board Annual Report includes:*

- members of the Board
- an overview of *The Cooperative Promotion Trust Act* legislation which empowers the Board to utilize income from investments
- activities of the Board
- financial information and
- Auditors' report

The Cooperative Promotion Board Annual Report for the year 2009/10 can be obtained at 302-280 Broadway, Winnipeg, MB, R3C OR8, telephone (204) 945-3379.

# ORGANIZATION CHART

(at March 31, 2010)



\*The Manitoba Housing and Renewal Corporation

# MINISTER AND EXECUTIVE SUPPORT

## MINISTER'S SALARY

### Objectives

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

### Responsibilities

- Provides for the executive management, planning, support and administrative control of departmental policies and programs for the Department.
- Provides for the overall policy direction to the Department pertaining to program and financial matters and central support services for the provision and delivery of services by the Department.

### 30-1A Minister's Salary

Expenditures by Sub-Appropriation	Actual 2009/10 \$000	FTE	Estimate 2009/10* \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	19	1.00	20	(1)	

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

## 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 departmental services.
- To manage the activities of the Department.

### Responsibilities

- Interprets and implements government policy through the delivery of departmental programs.
- Ensures effective and efficient management of departmental programs.
- Safeguards the public interest through enforcement of legislation and regulations.
- Ensures effective development and management of the Department's human resources.
- Provides leadership to the Department 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 2009/10 \$000</b>	<b>FTE</b>	<b>Estimate 2009/10* \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	349	9.00	510	(161)	1
Total Other Expenditures	64	-	66	(2)	

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

1. The under expenditure is attributable to vacant positions during the year as the new Department was established.

## SUPPORT SERVICES

### Objectives

- To provide policy direction for the activities of the Department.
- 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 integration initiatives across the Department.

### 30-1C Support Services

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2009/10 \$000</b>	<b>FTE</b>	<b>Estimate 2009/10* \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	367	5.00	808	(441)	1
Total Other Expenditures	0	-	64	(64)	1

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

1. The under expenditure in both salaries and operating is attributable to vacant positions during the year as the new Department was established.



# MANITOBA HOUSING

Manitoba Housing is a Crown Corporation created by statute (*The Housing and Renewal Corporation Act*) in 1967. The legal name of the corporation is Manitoba Housing and Renewal Corporation. Manitoba Housing is mandated under *The Housing and Renewal Corporation Act* and is governed by a Board of Directors with policy direction provided by government. The Board meets at least quarterly to fulfill the legal and financial obligations of the Corporation and to consider and approve specific policy-related items.

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

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

In fulfilling its mandate, Manitoba Housing has the capacity to engage in many activities including: constructing and developing new and affordable housing; rehabilitating existing housing in areas of need; acquiring and disposing of 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 inter-governmental agreements for renewal schemes and renewal projects for which provision is made under *The National Housing Act*.

Manitoba Housing's corporate structure is divided into branches based on functional areas:

- Tenant Services and Asset Management;
- Housing Programs;
- Northern Housing;
- Land Development; and
- Portfolio Administration.

Manitoba Housing owns the Province's housing portfolio and provides subsidies to approximately 34,900 households under various housing programs. Within the portfolio, Manitoba Housing owns 17,600 units of which 13,100 units are directly managed by Manitoba Housing and another 4,500 units are operated by non-profit/cooperative sponsor groups or property management agencies.

Manitoba Housing also provides subsidy and support to approximately 17,300 households (including 4,700 personal care home beds) operated by cooperatives, Urban Native and private non-profit groups.

The Corporation manages undeveloped land held in the provincial Land Bank. Through land development activities, Manitoba Housing contributes to the development of suburban neighbourhoods and reinvests the profits in areas of identified need in a manner that supports the province-wide housing initiatives. Manitoba Housing currently holds approximately 2,400 acres in its Land Inventory of which 2,200 acres are located in Winnipeg and 200 acres are in rural Manitoba.

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

## **HOMEWorks! Housing Strategy and Policy Framework for Manitoba**

Manitoba Housing is working to create stronger communities through housing solutions. We are strengthening our leadership role in providing the strategic planning and investment that responds to the evolving issues and changing needs of Manitobans. In June 2009, the Province introduced the HOMEWorks! Housing Strategy and Policy Framework for Manitoba, which outlined the guiding principles, priority areas of investment, strategic goals and actions that will lead Manitoba Housing initiatives into the next decade.

The strategy was announced in conjunction with a \$327\* million two-year investment plan, related to the 2009 extension of the Canada-Manitoba Affordable Housing Agreement and the Government of Canada's Economic Stimulus Plan. The investment represents an unprecedented commitment to housing that includes renovation of the social housing stock, new construction of affordable housing units, rent subsidies, repair and retrofit programs, and the Portable Housing Benefit for low-income persons with a mental health disability. The objectives of the strategy are to:

**1. Sustain and improve existing social and affordable housing.**

- \$197 million for the renovation of existing social and affordable housing (includes direct and sponsor managed, non-profits, co-ops and rural and native housing), benefitting 13,500 households.

**2. Address affordability and increase the supply of quality, affordable housing.**

- \$95 M to increase affordable rental housing by 450 new rental units and 150 rent-geared-to-income units (the first two years of a 1,500 unit commitment over 5 years).
- \$15 M for the renovation of privately-owned housing, benefitting 800 households.
- \$5 M to support inner city urban housing development, impacting 275 households.
- \$7 M to provide affordable new homeownership for 200 households.

**3. Support human services strategies and delivery by creating stronger links and coordination with community social programs and services.**

- \$2 million for portable rent supplements for the homeless and people with mental health issues, impacting 600 households.

\* \$6 million had been earmarked for enhancements to the Manitoba Shelter Benefit Program, which was re-assigned to the budget of the Department of Family Services and Consumer Affairs in November 2009, reducing the Housing and Community Development commitment to \$321 million.

While *HOME Works!* was developed and launched prior to the transition of Manitoba Housing to Manitoba Housing and Community Development, the strategic framework is being reconsidered to address new responsibilities and priorities for the Department. Commitments to projects under the announced two-year investment plan will proceed as planned.

### **HOME Works! Homeless Strategy**

The Homeless Strategy is a broad government strategy involving several departments and numerous community partners. The strategy is an important component of the *HOME Works!* Housing Strategy, and is linked to the ALLAboard Poverty Reduction Strategy and the June 2009 Discussion Paper entitled "Opening DOORS Manitoba's Commitment to Persons with Disabilities". Funding and staff supports are provided through the Departments of Housing and Community Development, Family Services and Consumer Affairs, Health, Healthy Living, Youth and Seniors, as well as numerous partners from other levels of government and the community.

On May 21, 2009, a Homeless Strategy with a Focus on Mental Health Housing was announced under ALLAboard - Manitoba's Poverty Reduction Strategy. The Homeless Strategy will provide a range of affordable housing with appropriate housing, health and social supports for individuals with mental health and homelessness issues.

The Homeless Strategy includes 10 initiatives that fall under the following four components:

- Emergency Shelters (Increased funding and capacity, Emergency Shelter Standards, Salvation Army Project, Cold Weather Strategy)
- Outreach (Homeless Outreach Mentors, Project Breakaway)
- Housing with Services (Portable Housing Benefit, Community Wellness Initiative, Mental Health Housing)

- Prevention (Homelessness Prevention Summit).

Since the announcement, Cross-Department Coordination Initiatives has made significant progress with a variety of partners in the implementation of the Homeless Strategy initiatives. In 2009/10, developments included the announcement of the expansion of the Portable Housing Benefit to all regions of Manitoba, the expansion and enhancement of the Community Wellness Initiative, and the funding of case management services for Project Breakaway.

### **Aging in Place / Long-Term Care Strategy**

Manitoba's Long Term Care strategy is based on the Aging in Place principle that supports community-based housing with supports for seniors. This strategy enables Manitobans to remain in their own communities and "age in place", with support services. The strategy focuses on the development of affordable community housing options with supports as alternatives to placement in a personal care home.

The Aging in Place strategy introduced three community support models:

- *Supports to Seniors in Group Living (SSGL)*: enhanced supports within designated existing seniors housing, at no charge to the tenant.
- *Supportive Housing*: 24 hour support and supervision, which combines community living in an apartment setting with personal support services.
- *Specialized Supports*: supports for people with complex health and personal care needs.

Manitoba Housing supports the Aging in Place strategy by providing social housing units for the implementation of the Supportive Housing model throughout the province. Manitoba Housing acts as the property manager and is responsible for the capital upgrades. In May 2009, Manitoba Housing completed construction and began renting 24 supportive housing units at Windsor Park Place, located at 875 Elizabeth Road. The renovation of 37 supportive housing suites in Dauphin, Neepawa and The Pas are planned for 2010/11. Manitoba Housing also supports the SSGL model by providing office and storage space and use of common areas for activities in buildings it manages throughout the province.

### **Shelter Programs**

Manitoba Housing also provides financial assistance for benefits under the following shelter programs.

- Portable Housing Benefit provides a portable rent supplement (attached to the individual) of up to \$200 per month, combined with housing supports to maintain a stable tenancy, for individuals with a mental health disability.
- School Tax Assistance for Tenants Aged 55 Plus (STAT 55+) provides an annual grant of up to \$175 to tenants aged 55 years or older, to offset the school tax portion of rental costs.
- The Complementary Assistance Program provides grant assistance to housing cooperatives to lower housing charges for income-tested occupants. This program is now closed to applicants.
- The Rent Supplement Program assists low- and moderate-income families, individuals and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects.
- In November 2009, funding responsibility for the Manitoba Shelter Benefit, (a shelter program formerly funded by Manitoba Housing and delivered through Provincial Services) was transferred to the budget of the Department of Family Services and Consumer Affairs. Information about the Manitoba Shelter Benefit can be found in the Family Services and Consumer Affairs Annual Report for 2009/10.

### **Portable Housing Benefit (PHB)**

The Portable Housing Benefit provides a rent supplement of up to \$200 per month, combined with housing supports to maintain a stable tenancy, for low-income Manitobans with a mental health disability. Recipients must have 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 was introduced in July 2008 as a pilot project in Brandon, Thompson and Winnipeg, and was expanded to other areas of Manitoba in January 2010. When fully implemented, the PHB will provide 600 rent supplements with supports to Employment and Income Assistance participants who have been enrolled on the basis of a mental health disability. The PHB is delivered by mental health community partners, who are funded to provide these supports. PHB payments are administered by Manitoba Family Services and Consumer Affairs, Provincial Services.

Fiscal Year	Number of Recipients as at March 31	Average Monthly Benefit Paid \$	Expenditures (\$000)			
			Benefits	Housing Supports	Other*	Total
2008/09	64	161	25	32	43	100
2009/10	193	179	272	215	41	528

\* Includes evaluation and start-up costs.

### **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 2010 relate to rents paid during the 2009 calendar year. This program is funded by Manitoba Housing but delivered through Manitoba Family Services and Consumer Affairs, 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 because rents in these housing projects do not include school tax costs.

During the year ended March 31, 2010, 1,815 rebate cheques were issued (including retroactive/partial year cheques) representing an expenditure of \$242,917 for the fiscal year. 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
2007/08	3,683	2,077	112	267
2008/09	2,189	1,932	107	267
2009/10	1,920	1,815	103	243

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

### **Complementary Assistance Program**

Funded by Manitoba Housing but delivered through Provincial Services, the Complementary Assistance Program provides grant assistance to housing cooperatives to lower housing charges for income-tested occupants. Applicants must meet income eligibility criteria. Cooperatives submit monthly statements to claim assistance on behalf of eligible clients.

While the program is closed to new applications from cooperatives, Complementary Assistance Program assistance continues to be provided to cooperatives under previous commitments.

During the year ended March 31, 2010, 41 households in 6 cooperatives were subsidized through the Complementary Assistance Program. A total of \$88,476 was expended during the fiscal year. The following table provides program information for the past three years:

<b>Fiscal Year</b>	<b>No. of Co-ops at Year End</b>	<b>No. of Recipients at Year End</b>	<b>Expenditures Total \$000</b>
2007/08	9	63	104
2008/09	6	49	92
2009/10	6	41	88

### **Rent Supplement Program**

Funded by Manitoba Housing, the Rent Supplement Program is designed to assist low- and moderate-income families and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects. The provincial government has entered into agreements with owners/operators of private rental stock whereby the Province subsidizes the difference between the approved market rental rate charged by the landlord and the rent-g geared-to-income rate paid by the qualifying tenant. Subsidy costs are shared by the federal and provincial governments on a 50 per cent federal/50 per cent provincial basis for units committed pre-1986 and on a 75 per cent federal/25 per cent provincial basis for units committed post-1985.

The following table provides program information for the past three years:

<b>Fiscal Year</b>	<b>Eligible Units Subsidized as at March 31</b>	<b>Average Monthly Supplement Paid \$</b>	<b>Expenditures Total \$000</b>
2007/08	1,410	255	3,973
2008/09	1,263	282	4,132
2009/10	1,172	309	4,348

## TENANT SERVICES AND ASSET MANAGEMENT BRANCH

### Objectives

- To provide affordable, quality housing for low-income Manitobans.

### Responsibilities

- Provides property management services for approximately 13,100 units of the provincial social housing portfolio and ten crisis shelters for victims of domestic violence.
- Provides a safe and secure living environment for families, individuals and seniors at affordable rental rates geared to the income of the tenants.
- Fosters tenant engagement through tenant associations, tenant advisory committees and resource centres to support successful tenancies and sustainable social housing programs.

### Activities/Highlights in 2009/10

Tenant Services and Asset Management (TSAM) is committed to maintaining the social housing portfolio and contributing to community revitalization efforts. In 2009/10, TSAM delivered the largest capital budget in the history of the direct-managed social housing program in Manitoba. TSAM identified three areas of need and developed programs to address them. The deep, common area and exterior refresh programs will improve the quality of life for tenants, preserve and enhance the buildings, create employment and contribute to community revitalization.

In 2009/10, TSAM committed \$64 million for deep refresh, and modernization and improvement projects. Deep refresh projects include new flooring, paint, cabinets, energy-efficient fixtures and appliances in approximately 1,000 houses and apartments. There are a total of ten deep refresh projects underway in Brandon, Dauphin, Neepawa, The Pas and Winnipeg. The projects in Dauphin, The Pas and Neepawa also include the conversion of 37 suites to supportive housing.

As well, TSAM is committing \$29 million over two years for the common area and exterior refresh programs. Common area refresh projects include new paint, flooring, lighting and furniture in all common areas and exterior refresh projects include tree trimming, grading and repairs to parking lots, sidewalks, stairways and fences. TSAM plans to complete common area refreshes on 86 buildings and exterior refreshes on 80 buildings.

In addition to our deep and common area refresh programs, we also deliver a Modernization and Improvement program. This program includes ongoing capital upgrades to building envelopes (such as roofs and windows) and systems (heating, ventilation and fire and life safety). For a listing by community of Modernization and Improvement expenditures in 2009/10, please see the table at the end of this section.

For most tenants, these investments are the first major upgrades to their homes in many years. These programs also provide a significant stimulus to Manitoba's renovation industry – a driver of economic activity. By partnering with non-profit community organizations that provide training opportunities for low-income individuals, Manitoba Housing is also assisting community members to develop construction skills and contribute to the revitalization of social housing in their neighbourhoods.

As part of Manitoba Housing's commitment to the Aging in Place initiative, TSAM completed construction and tenancing of the Windsor Park Place supportive housing project at 875 Elizabeth Road. The project, which opened in May 2009, provides 24 supportive housing suites with 24 hour staff support and supervision to eligible seniors. Supportive housing provides an affordable housing option for seniors on limited incomes to remain in their community of choice.

Manitoba Housing supports programs that extend far beyond traditional property management services. TSAM partners with and supports many organizations and initiatives that assist tenants with personal and community development.

In 2009/10, TSAM partnered with Regional Health Authorities to expand the Community Wellness Initiative to three additional buildings in Portage la Prairie, Selkirk and Winnipeg. The Community Wellness Initiative provides educational sessions, group activities and individual supports for people with mental health issues. This expansion builds on the success of the five existing Community Wellness programs in Winnipeg. TSAM also hired additional Specialized Tenant Service Coordinators to work with agencies, such as the Mental Health Commission of Canada, shelters, hospitals and other community organizations, to help vulnerable people find affordable housing and support them in successful tenancies.

TSAM recognizes the importance of personal safety for all tenants and continues to work with tenants, tenant associations, local police services and the Department of Justice to raise awareness and to respond to security issues and incidents of criminal activity. The number of security employees to respond to tenant concerns and manage contract security has increased. Tenant and community group engagement throughout the province has been increased by conducting security forums with tenants and community groups to find ways to improve security in Manitoba Housing projects. Due to their success, security forums continue to be held in order to engage communities and share Manitoba Housing's vision for security and building safer communities.

In 2009/10, TSAM implemented further organizational changes to improve customer service. The application intake process was expanded to all regional property services offices. A Community Residential Manager (CRM) model of property management was piloted in two buildings in Winnipeg. The CRM is the lead individual responsible for coordinating all facets of property management within a single housing project. Instead of having to access different staff for maintenance, property management issues etc, tenants are able to direct their requests to a single individual located on-site.

Modernization and Improvement			
Community	Actual \$000	Community	Actual \$000
Austin	1	Oakburn	16
Beausejour	66	Portage la Prairie	410
Brandon	246	Rivers	19
Cartwright	14	Riverton	5
Erickson	25	Roblin	55
Ethelbert	29	Selkirk	1,277
Foxwarren	14	Souris	1
Gilbert Plains	72	St. Laurent	76
Grandview	15	St. Rose du Lac	82
Grunthal	1	Steinbach	38
Kenton	13	The Pas	735
Kilarney	47	Thompson	31
Manitou	3	Tyndall	27
Morden	24	Virden	24
Neepawa	977	Winnipeg	23,804
Niverville	1	Winnipegosis	19
<b>Total M &amp; I</b>			<b>\$28,167</b>

## HOUSING PROGRAMS BRANCH

### Objectives

- To deliver new housing projects, homeownership and repair/renovation programs for the Department.

### Responsibilities

- Responsible for the delivery and administration of *HOME Works!* an initiative targeting the development of affordable homes for lower-income Manitobans, including new rental and homeowner units, repair/conversion options, homebuyer down payment assistance and rent supplements.
- Responsible for the delivery and administration of other complementary housing programs which target the creation of additional housing units in Manitoba.
- Responsible for the delivery and administration of the Repair and Renovation Programs.

### Activities/Highlights in 2009/10

#### Affordable Housing Initiative

The Governments of Canada and Manitoba signed Phase I of the Canada-Manitoba Affordable Housing Agreement on September 30, 2002. Under this agreement, the two levels of government each contributed approximately \$25.39 million to renovate or create approximately 2,500 affordable housing units. On April 25, 2005, Manitoba signed Phase II of the Canada-Manitoba Affordable Housing Agreement. Under the Phase II Supplementary Agreement, each level of government contributed an additional \$11.54 million for affordable housing in Manitoba. This investment brought the total contribution from each of the Governments of Canada and Manitoba to \$36.93 million for a total of \$73.86 million and extended the original agreement to 2008.

During 2009/10, the Province finalized all commitments under Phase I and II of the Affordable Housing Agreement which total nearly 2,400 units built and/or rehabilitated across Manitoba. The Province subsequently signed an Agreement with the Government of Canada to extend the Affordable Housing Agreement through to 2010/11. Under this agreement, the two levels of government each contributed \$9.06 million for a total of \$18.12 million. Housing Delivery has commenced delivery of this extension funding.

#### HOME Works!

The *HOME Works!* initiative began in 2007 with an allocation of \$104.5-million over three years for the development of affordable homes for low-income Manitobans with the following five priorities: inner-city revitalization with a focus on refugees and immigrants; older Manitobans; urban Aboriginals; northern Manitobans and homeless Manitobans. As of March 31, 2010, the Province has committed or allocated all funding available from the original \$104.5 million program. Construction is complete on 252 units and another 215 are under development.

The original *HOME Works!* initiative was subsequently rolled into the June 2009 *HOME Works!* Housing Strategy and Policy Framework for Manitoba. The *HOME Works!* initiative was announced in conjunction with a \$327 million Two-Year Investment Plan in Housing (2009/10 and 2010/11) related to the signing of the 2009 extension of the Canada-Manitoba Affordable Housing Agreement and the Government of Canada's Economic Stimulus Plan. Since then, \$6 million earmarked for increases to the Manitoba Shelter Benefit has been re-assigned into the budget of Family Services and Consumer Affairs, thereby reducing Housing and Community Development's commitment to \$321 million. Together with provincial contributions, funding for Manitoba's two-year investment strategy for affordable housing development is in excess of \$140 million.



## **Winnipeg Housing and Homelessness Initiative**

The Winnipeg Housing and Homelessness Initiative (WHHI) provides a one-stop approach for community organizations in the City of Winnipeg to access housing and/or homelessness programs provided by all three levels of government. To achieve these objectives, the governments of Canada, Manitoba and the City of Winnipeg jointly signed a Memorandum of Understanding (MOU) in 2000 and established the WHHI. Following the success of the WHHI, the MOU was renewed in 2003 and again in 2008 to extend the mandate until 2013.

Within the WHHI offices, Manitoba Housing delivers the Affordable Housing Initiative and the Neighbourhood Housing Assistance Program. Examples of projects announced in 2009/10 include Centre Village and Welcome Place, both intended to provide affordable housing for New Canadians and new rental housing for Aboriginal families as part of a project with Kinew Housing. In 2009/10, the Department continued to fund a range of programs delivered by the WHHI to address declining housing stock, homelessness and the revitalization of Winnipeg's older neighbourhoods.

From September 30, 2002 to March 31, 2010, over \$89,270,461 million in Affordable Housing Initiative and HOMEWorks! funding has been committed to projects in the City of Winnipeg, including \$51,401,245 in the Neighbourhoods Alive! designated revitalization areas. From November 2000 to March 31, 2010, Manitoba has provided over \$8.9 million in Neighbourhood Housing Assistance funding (see Table on Page 36).

As of March 31, 2010, the four WHHI partners (Canada Mortgage and Housing Corporation, Human Resources and Skills Development Canada, the Province of Manitoba and the City of Winnipeg) have committed almost \$220 million toward the repair, renovation or construction of over 8,400 units and associated housing and homelessness programming.

Affordable Housing Initiative/HOMEWorks!  
Funding Commitments by Neighbourhood/Community  
(September 30, 2002 to March 31, 2010)

Neighbourhood/ Community	Affordable Housing Initiative/ HOMEWorks!
Winnipeg	\$ 89,270,461
Brandon	\$ 16,249,607
Thompson	\$ 11,298,761
Dauphin	\$ 1,043,202
Selkirk	\$ 1,834,353
The Pas	\$ 11,215,671
Flin Flon	\$ 855,200
Portage la Prairie	\$ 0
Other Non-Urban Areas	\$ 38,920,029
<b>TOTAL</b>	<b>\$ 170,687,284</b>

## **Repair and Renovation Programs**

During 2009/10, the total budget allocation of \$7.36 million for Repair and Renovation programming was fully committed. This included commitments under the programs of Homeowner, Disabled, and Rental Residential Rehabilitation Assistance Program (RRAP); Emergency Repair Program (ERP); Homeowner Emergency Loan Program (HELP); Home Adaptations for Seniors Independence (HASI); and Shelter Enhancement Program (SEP). A total of 340 loans providing assistance to 455 households were committed for the 2009/10 delivery year. The federal government cost-shares the programs delivered by Manitoba Housing.

Residential Rehabilitation Assistance Program (RRAP) Funding Commitments	
April 1, 2009 to March 31, 2010	
	Total Funding
Homeowner RRAP	\$2,572,179
Disabled RRAP	\$643,750
Rental RRAP	\$2,098,000
Emergency Repair Program	\$112,500
Home Adaptations for Seniors Independence	\$41,571
Shelter Enhancement Program	\$1,890,000
<b>Total</b>	<b>\$7,358,000</b>

Residential Rehabilitation Assistance Program  
Expenditures by Neighbourhood/Community  
March 31, 2002 to March 31, 2010

Neighbourhood/ Community	Residential Rehabilitation Assistance Program (RRAP) 1.
<b>WINNIPEG</b>	
Lord Selkirk Park	\$ 24,155
Point Douglas	\$ 522,814
Spence	\$ 2,722,471
West Broadway	\$ 4,153,376
William Whyte	\$ 1,532,613
Centennial	\$ 47,612
Daniel McIntyre	\$ 744,614
Dufferin	\$ 170,289
North Portage	\$ 2,086,048
St. John's	\$ 498,227
St. Matthews	\$ 456,748
West Alexander	\$ 453,375
Other Projects	\$ 14,076,417
<b>TOTAL WINNIPEG</b>	<b>\$ 27,488,759</b>
Neighbourhood/ Community	Residential Rehabilitation Assistance Program (RRAP) 1.
Brandon	\$ 7,301,744
Thompson	\$ 2,728,557
Dauphin	\$ 449,365
Selkirk	\$ 189,133
The Pas	\$ 88,442
Flin Flon	\$ 151,281
Portage la Prairie	\$ 729,666
<b>TOTAL</b>	<b>\$ 11,638,188</b>
	Residential Rehabilitation Assistance Program (RRAP) 2.
<b>TOTAL</b>	<b>\$ 39,126,947</b>

1. This is total RRAP funding, which is cost shared 75 percent federal and 25 percent provincial

## NORTHERN REGION

### Objectives

- To better 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 Manitoba Housing 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 Manitoba Housing programs.
- Through Neighbourhoods Alive!, 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.
- 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

- Provides strategic direction and management oversight for the entire Rural & Native Housing program, the northern direct-managed portfolio and all Housing Delivery programming in northern Manitoba, including the Residential Rehabilitation Assistance Program and the Emergency Repair Program.
- Oversees the northern delivery of other Housing and Community Development programs, such as Neighbourhoods Alive! initiatives.

### Activities/Highlights in 2009/10

In February 2010, Manitoba Housing announced the establishment of the Northern Region office of Housing and Community Development, to help strengthen and coordinate northern housing delivery and management with other community development programs. Under this region, a variety of initiatives are taking place ranging from the future establishment of community housing boards, reviewing current rental policies, establishing homeownership programs and the delivery of housing programs. Manitoba Housing is committed to working with northern communities to address the challenges associated with delivering projects in rural and remote communities in the province. We continue to move forward with developing housing options that address the needs of those community members.

In 2009/10, the Northern Region negotiated a Capital Funding Agreement with the Community Housing Managers of Manitoba. The Capital Funding Agreement provides \$4.3 million for the renovation of up to 645 Rural and Native Housing units in numerous rural and remote communities in Manitoba.

As part of the Province's commitment to the Aging In Place strategy, \$5.2 million was allocated to renovating Northern View Lodge in The Pas. The renovations in this seniors' housing building will include converting two floors into 16 supportive housing suites, refreshing the remaining 30 regular suites, upgrading fire and life safety systems, installing a commercial kitchen, upgrading the grounds and installing new windows and entrance/exit doors.

Northern Region continues to work with northern organizations and residents, and other levels of government to develop new, affordable housing. The University College of the North is unique within Manitoba and the dual campuses in The Pas and Thompson have been designed to meet the education and training needs of Aboriginal and northern students. Twenty-four family and student housing units are planned to augment

each of the campuses. All ground floor units in both projects will be visitable and will feature a no-step entrance, wider doorways and hallways and an accessible bathroom. Five percent of the ground floor units will be fully accessible. All homes will be required to meet or exceed Manitoba Hydro's Power Smart design standards and it is intended that two of the buildings will be constructed to the Canada Green Building Design Council's Leadership in Energy and Environmental Design silver designation.

## LAND DEVELOPMENT BRANCH

### Objectives

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

### Responsibilities

- Housing and Community Development's Land Development Branch is responsible for 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 Province.
- The Land Development portfolio includes the Corporation's current land holdings and all major land development projects, including the development of Waverley West, a 1,330 acre land parcel in south west Winnipeg.

### Activities/Highlights in 2009/10

Manitoba Housing is currently developing 330 acres of land in Waverley West in the Bridgwater Forest neighbourhood. Waverley West is a 20-year project that is an important part of the Province's housing strategy. Increased green space, higher density and visitable housing are among the features of Manitoba's vision for Waverley West. The new development will provide valuable resources from land development profits to support inner city revitalization through investments in housing.

Bridgwater Forest is Winnipeg's premier new community based on 2009 City of Winnipeg building permit data. It is a popular neighbourhood because of its unique and innovative features, including preserved natural open space and mature forest. Several kilometers of sidewalks, pedestrian paths and children's play areas are already in place. Architectural guidelines ensure there will be a variety of house designs throughout the neighbourhood and recessed garages will prevent garage-dominated streets to create a more neighbourhood-friendly streetscape. Bridgwater Forest is being developed in six phases and will consist of approximately 1,100 single-family homes and 500 multi-family dwellings upon completion.

Manitoba Housing has initiated land use and subdivision approval for its second Northwest Neighbourhood and Town Centre that are both part of the Bridgwater community. The Northwest Neighbourhood is proposed to include a substantial visitable housing presence, while the Town Centre will include a mix of residential, commercial and other business uses in a dense urban environment.

The Manitoba Government's share of profits from land sales in suburban developments will be reinvested under the Housing Development and Rehabilitation Fund which directs Manitoba suburban development profits towards revitalizing areas in Winnipeg. To date, \$4.3 million in proceeds from Bridgwater Forest and Royalwood have been reinvested to revitalize Winnipeg neighbourhoods in need.

## PORTFOLIO ADMINISTRATION

### Objectives

- To assist and strengthen partnerships with community groups in achieving program objectives defined in the project operating agreements.

### Responsibilities

- Provides assistance to approximately 17,300 social housing units under non-profit, cooperative and urban native voluntary boards of directors and their staff.
- Provides ongoing communication in a timely professional manner to the non-profit groups, its staff and boards of directors to ensure self-sufficiency and sustainability in the following areas:
  - efficient and effective housing management;
  - community capacity; and
  - optimal client service delivery.
- Administers the project operating agreements (POA) with the non-profit owned and/or managed housing portfolio as follows:
  - Develops and disburses budgets according to benchmarks, financial constraints, and the individual circumstances of each project.
  - Maintains financial quality assurance and control through annual audited financial statement reviews, risk assessments, and operational reviews.
  - Performs quarterly variance analysis (i.e. budgets versus actual costs).
  - Assesses and evaluates replacement reserve and capital expenditures to determine appropriate capital planning and funding availability.
  - Provides special assistance for projects in difficulty.

### Activities/Highlights in 2009/10

Canada's Economic Action Plan for the renovation of non-profit and cooperative housing has generated approximately 180 Non-Profit Housing applications of which 47 non-profit and cooperative housing organizations are eligible to potentially access the economic stimulus dollars (\$18 million cost shared with the Province of Manitoba) over the next two years (2009/10 to 2010/11). In preparation for program delivery, the Financial Assistance Agreement was developed, stipulating the terms and a total of \$1,208,840 of economic stimulus funding was disbursed during the fiscal year.

The Additional Financial Contribution Addendum was revised and a new policy was developed to include all projects within the Cooperative and Private Non-Profit, Section 95 pre-1986 housing programs. A total of \$1,254,000 was distributed to approximately 35 non-profit groups to offset the net mortgage costs resulting from mortgage renewals.

A comprehensive review of the Cooperative Housing Portfolio resulted in a decision to retain the administration deliverables with Portfolio Administration as this complimented the Department's long-term housing strategy and policy framework. Specifically, two new initiatives were pursued:

1. Signed a 3 year Memorandum of Understanding Agreement with the Co-operative Housing Federation of Canada to assist with long-term viability and to jointly deliver appropriate training programs.
2. A pilot initiative was undertaken to convert an existing social housing project into a non-profit cooperative.

Portfolio Administration is committed to the ongoing delivery of Board capacity development to ensure the non-profit housing organizations are in compliance with the terms of the project operating agreements, understand their financial statements. Another objective is to prepare all of the non-profit groups for long-term sustainability when mortgages are paid and operating agreements expire. As a result of the Operational Reviews conducted, staff facilitated a workshop entitled “Board Roles & Responsibilities” as well as strategic planning sessions to 10 Non-Profit Boards as well as quarterly meetings to the 12 Urban Native organizations.

In 2006 the Office of the Auditor General (OAG) tabled the Aiyawin Report entitled “*Aiyawin Corporation: the Consequences of Mismanagement in a Shared Responsibility Framework*” providing 24 recommendations for the Urban Native Housing Organizations and five recommendations directed to Manitoba Housing. The five recommendations directed to Manitoba Housing have been addressed and the OAG has considered them to be “implemented/resolved”. In addition, Manitoba Housing has provided the capacity for the 12 Urban Native Housing Organizations to address the 24 recommendations and confirms that all concerns have been satisfied.

The Project Support Unit formalized intake procedures for projects experiencing difficulties. Various supportive procedures were put into effect in an effort to assign individual recovery paths for projects in difficulty. The monitoring of the projects’ performance in critical areas is ongoing. The field work of 35 operational reviews was conducted to assist the non-profit groups with best business practices.

In 2009/10, Portfolio Administration administered the Rent Supplement program to 53 non-profit housing organizations. The Rent Supplement Program assists low- and moderate-income families and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects.

# COMMUNITY DEVELOPMENT AND STRATEGIC INITIATIVES DIVISION

## Divisional Goals

- To coordinate and deliver programming that assists communities in providing sustainable recreational, social and community and cooperative development opportunities and that support neighbourhood revitalization efforts.
- To provide the highest quality support for informed corporate and cooperative government-wide decision-making related to housing and community development.
- Dedicated to the development of 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 in their activities.
- 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 in developing, implementing and evaluating policies and programs to promote the growth of the cooperative sector in order to meet local economic development and service needs.
- Provides leadership in developing strategic policy direction for the Department, plans and programs, increasing awareness of housing issues and research, and provides advice leading to sound public policy and administration.
- Improves the effectiveness, efficiency and economy of Manitoba Housing programs through evidence-based program design, policy development, research and evaluation.
- 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
  - Community Relations

## COMMUNITY AND COOPERATIVE DEVELOPMENT BRANCH

The Community and Cooperative Development Branch coordinates and delivers programming that assists communities in providing 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 that provides strategic support for both the non-profit and voluntary sectors. These objectives are accomplished through the Branch's main programs:

- Community Assistance
- Community Places Program
- Neighbourhoods Alive!
- Cooperative Development

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 in their activities.

#### **Responsibilities**

- To assist non-profit community groups to enhance their communities by providing grant funding assistance for local initiatives.
- To provide financial support and strategic direction to non-profit, voluntary sector organizations such as:
  - United Ways of Manitoba
  - United Way of Winnipeg
  - Volunteer Manitoba
  - Manitoba Community Services Council
  - All Charities Campaign

#### **Activities/Highlights in 2009/10**

- In 2009-10, the Community Assistance Program provided \$2.4 million in funding assistance to support the activities of the voluntary sector of Manitoba.



## Community Places Program (CPP)

### Objectives

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

### Responsibilities

- To provide capital grants and technical consultation services to assist organizations throughout Manitoba with projects involving the construction, upgrading, expansion or acquisition of sustainable facilities.
  - Community groups sponsoring projects can apply to the program for a grant which will assist with construction costs including material, labour and equipment etc. for up to 50 per cent of the first \$15.0 and up to one-third over that amount, to a maximum of \$50.0. Project sponsors' contributions can be obtained through a variety of sources including fundraising, local and federal government, additional provincial sources, and volunteer labour etc.
  - Projects that received funding in 2009/10 included recreational facilities, parks, libraries, cultural facilities, community resource centres and facilities for people with disabilities.

### 30-3A Community Assistance

Expenditures by Sub-Appropriation	Actual 2009/10 \$000	FTE	Estimate 2009/10* \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	346	5.00	345	1	
Total Other Expenditures	94		97	(3)	
Total Grant Assistance	2,356		2,369	(13)	
Total Community Places Capital Grants	3,915		3,915	0	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(500)		(500)	0	

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

### Activities/Highlights in 2009/10

In 2009/10, 306 applications were approved for grant assistance totaling \$4.5 million. The value of local investment contributed to the approved projects was \$46.8 million. Application assessment mechanisms gave priority to projects located in neighbourhoods with higher than provincial average unemployment and lower than provincial average per capita income levels. Technical consultation services are provided to assist community groups in the planning and development of facility projects. Consultations include: design advice,

project and operating cost projections, information on regulatory requirements, provision of schematic sketches and assistance with the tendering and building trade contract process.

In 2009/10, staff, along with Regional Services partners, provided face-to-face and on-site consultations to over 450 departmental clients by delivering over 700 on-site visits and provided project planning advice to improve the quality, economy and sustainability of clients' projects.

Community Places provides front-line services in implementing Manitoba's Green Building Policy (MGBP) and sustainable development goals by advising and guiding community organizations through the Green process. For example, CPP assisted The Pas Wellness Centre to meet the requirements of the MGBP to achieve the Leadership in Energy and Environmental Design Silver standard for high-performance green buildings.

In addition to Community Places on-site work, the program organized and facilitated 20 workshops where over 360 volunteers and staff from 240 non-profit organizations found ways to improve their project planning and grantsmanship. The program's on-site facility consultation service contributes benefits estimated at \$60 million annually by helping community planners find project efficiencies and cost reductions.

## Neighbourhoods Alive!

### Objectives

- An interdepartmental initiative to support the community-driven neighbourhood revitalization efforts of designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park, Point Douglas, St. John's, Dufferin, Centennial, West Alexander, North Portage, Daniel McIntyre and St. Matthews) and seven other urban centres in the province (i.e. Brandon, Thompson, Dauphin, Flin Flon, Portage la Prairie, Selkirk and The Pas).
- To strengthen community economic development and community development through the delivery of nine Neighbourhoods Alive! (NA!) programs.

### Responsibilities

- NA! 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 five of the nine NA! programs.
- The NA! unit administered the following five NA! programs:
  - *Neighbourhood Renewal Fund*: supported a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assisted neighbourhood capacity building, stability, economic development and well-being.
  - *Community Initiatives*: supported projects that had a broad impact on Winnipeg's inner city or targeted specific groups across the inner city.
  - *Neighbourhood Development Assistance*: provided long-term core operating support for Neighbourhood Renewal Corporations that coordinate and implement community economic development within NA! designated neighbourhoods.
  - *School Resource Officer*: Supported School Resource Officer projects to support the development of community constables in schools to work with students, staff and parents to address crime and safety concerns and provide services from law enforcement to mediation.
  - *Community Youth Recreation*: Supported increased access to or options for youth recreation programming in seven designated communities outside Winnipeg.
- Under NA!, the Department also supported the *Training Initiatives* program. These projects were developed and delivered by other departments, in partnership with community organizations and educational institutions.

- Three other NA! programs, *Neighbourhood Housing Assistance*, *Urban Arts Centres* and *Lighthouses* were funded and delivered by the Departments of Housing and Community Development, Culture, Heritage and Tourism, and Justice respectively.

Neighbourhood Housing Assistance Program Funding  
Winnipeg and Rural  
November 2000 to March 31, 2010

Neighbourhood/ Community	Neighbourhood Housing Assistance (NHA) 1.
<b>WINNIPEG</b>	
Lord Selkirk Park	\$ 234,700
Point Douglas	\$ 988,561
Spence	\$ 2,196,097
West Broadway	\$ 1,643,645
William Whyte	\$ 1,947,055
Centennial	\$ 356,724
Daniel McIntyre	\$ 426,197
Dufferin	\$ 124,700
North Portage	\$ 0
St. John's	\$ 368,270
St. Matthews	\$ 482,797
West Alexander	\$ 55,000
Other Projects	\$ 98,166
<b>TOTAL WINNIPEG</b>	<b>\$ 8,921,912</b>
Neighbourhood/ Community	Neighbourhood Housing Assistance (NHA) 1.
Brandon	\$ 2,990,640
Thompson	\$ 597,186
Dauphin	\$ 0
Selkirk	\$ 30,000
The Pas	\$ 30,000
Flin Flon	\$ 30,000
Portage la Prairie	\$ 60,000
<b>TOTAL RURAL</b>	<b>\$ 3,737,826</b>
Neighbourhood Housing Assistance (NHA) 1.	
<b>TOTAL</b>	<b>\$ 12,659,738</b>

1. The program funding totals do not include program administration fees.

### 30-3B Neighbourhoods Alive!

Expenditures by Sub-Appropriation	Actual 2009/10 \$000	FTE	Estimate 2009/10* \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	465	7.00	481	(16)	
Total Other Expenditures	89		114	(25)	
Total Neighbourhood Support	5,289		5,565	(276)	
Less: Recoverage from Urban and Rural Economic Development Initiatives	(2,352)		(2,352)	0	

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

### Activities/Highlights in 2009/10

Neighbourhoods Alive! continues to support and encourage community-driven revitalization efforts in designated communities. We recognize that local residents and other community stakeholders are in the best position to identify local revitalization priorities. In 2009/10, the Department's NA! programs committed over \$5.0 million to 117 projects. Details of these projects by neighbourhood are available on the NA! website <http://www.gov.mb.ca/housing/neighbourhoods/news/reports.html>.

In 2009/10, NA! supported the creation of five new Neighbourhood Renewal Corporations to coordinate revitalization efforts in The Pas, Flin Flon, Portage la Prairie, Dauphin and Selkirk. These community organizations support a community-led model of local planning, project delivery and resident engagement. The five organizations were each allocated \$75,000 per year for three years.

In 2009/10, NA! launched a new Community Youth Recreation funding program. This program is available to municipalities and Lighthouse program sites in NA! designated communities outside Winnipeg to support projects that increase access to or expand youth recreation options. Seven communities implemented projects for a total commitment of \$83,642. Projects included the creation or expansion of activities such as after-school programs, summer camps and Lighthouse site programming.

### Cooperative Development

#### Objectives

- To provide information, advisory services and assistance regarding 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 and maintain existing cooperatives.

## Responsibilities

- To provide information and advice on the incorporation of new cooperatives.
- To provide counseling services to assist emerging cooperatives in their development and assist in developing linkages to other community economic development organizations.
- To provide assistance for compliance related to regulatory requirements.
- To provide technical assistance, training, financing and advice in accessing other related programs and initiatives.
- To provide support for The Co-operative Loans and Loans Guarantee Board, and The Cooperative Promotion Board.
- To provide strategic direction and support to the Cooperative Strategy Steering Committee.

### 30-3C Cooperative Development

Expenditures by Sub-Appropriation	Actual 2009/10 \$000	FTE	Estimate 2009/10* \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	168	3.00	240	(72)	1
Total Other Expenditures	150		295	(145)	2
Less: Recoverable from rural Economic Development Initiatives	(102)		(180)	78	3

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

1. The variance is primarily due to position vacancies.
2. The under expenditure is due to delays related to implementation of new programs.
3. The shortfall in the recoverable is the result of decreased expenditures related to position vacancies.

### Activities/Highlights in 2009/10

During 2009/10, there were 17 new incorporations of cooperatives.

Cooperative Development Services administers The Cooperative Promotion Board and The Co-operative Loans and Loans Guarantee Board under separate Board of Directors.

The Cooperative Promotion Board provides grants for studies, research and education related to cooperative organizations, to develop and promote cooperative organizations and to promote the general welfare of rural Manitobans. Grants are provided up to \$10,000. In 2009/10, six grants valued at \$18,725 were approved.

The Co-operative Loans and Loans Guarantee Board provides loan guarantees to cooperatives to ensure access to financial services necessary for their development. Two guarantees were approved in 2009/10.

In October 2009, the Province of Manitoba signed a memorandum of understanding with the Manitoba Cooperative Association and the Conseil de développement économique des municipalités bilingues du Manitoba, formalizing their partnership towards the creation of a common vision for and launching the new Manitoba Cooperative Strategy. Under the leadership of a Steering Committee, three Working Groups are focusing on developing and implementing action plans and securing commitments from other groups and organizations. The action plans will focus on the three objectives of the strategy:

- 1) creating a supportive environment;
- 2) promoting the values and principles of the cooperative community; and
- 3) improving the infrastructure support and the services offered to the cooperatives.

Skills development in leadership and management has been identified as a key component of the successful development of a cooperative. To facilitate the transfer of information, a series of training modules were developed to assist groups wanting to start and operate a cooperative in Manitoba.

Complete information about the members, mandate, activities and financial responsibilities of The Co-operative Loans and Loans Guarantee Board can be found in Appendix 4.

Complete information about The Cooperative Promotion Board can be obtained in the 2009–10 Annual Report of The Cooperative Promotion Board that is produced separately from the Housing and Community Development Annual Report.

## STRATEGIC INITIATIVES BRANCH

### **Objectives**

- To provide leadership, coordination and support on policy issues that have an impact on the Department and the delivery of housing and community development programs and services to Manitobans.
- To provide leadership in developing future housing and community development policy, plans and programs and provide advice leading to sound public policy and administration.
- To improve the effectiveness, efficiency and economy of Manitoba Housing and Community Development programs through evidence-based program design, policy development, research and evaluation.
- To lead and provide advice in intergovernmental and interdepartmental activities involving the Department.

### **Responsibilities**

- Develops strategic policy framework, programs and initiatives to support housing and community development programs and services for Manitobans.
- Undertakes the Department's strategic planning activities and provides ongoing corporate support to executive management.
- Conducts research, market analysis, forecasting and statistical support services to support and inform strategic and operational decisions of the Department.

- Monitors and evaluates programs and makes recommendations to better meet the objectives of the Department.
- Provides input and ongoing support to implement new programs and program policy to ensure programs are consistent with the Department's strategic framework.
- Participates in federal/provincial/territorial working groups responsible for the development of strategic initiatives, including affordable housing in urban centres and rural and remote non-market communities, and supportive housing.
- Coordinates the preparation of statistical data for federal reporting requirements under the Social Housing Agreement between Canada and Manitoba.
- Provides and participates in intergovernmental, interdepartmental and intersectoral discussions related to housing and community development issues.
- In accordance with *The Elderly and Infirm Persons' Housing Act*, administers renewal licenses for all elderly housing projects to ensure projects continue to meet the eligibility criteria for licensing under the Act.

### **Activities/Highlights in 2009/10**

Strategic Initiatives played a leading role in providing strategic advice and negotiations in inter-governmental relations leading to the June 2009 signing of the 2009 extension to the Canada-Manitoba Affordable Housing Program Agreement. This agreement has resulted in an overall combined investment of \$91.98 (2002 to 2010/11) million which forms the basis of a two-year (2009/10 to 2010/11) \$327 million investment plan for housing initiatives across the province. The branch continues to participate in ongoing negotiations regarding the extension of these federal/provincial housing agreements through to 2014.

With the establishment of Housing and Community Development as a new department in November 2009, Strategic Initiatives began the process of developing a new vision, mission and strategic framework for the Department. This initiated new department consultations to incorporate the new community development aspects of the Department into the strategy. This work will be ongoing into the 2010/11 fiscal year.

With the announcement of *HOME Works! A Housing Strategy and Policy Framework for Manitoba* in June 2009, Strategic Initiatives continued to provide leadership and direction in promoting the actions, goals and objectives of the strategy.

## **COMMUNITY RELATIONS BRANCH**

### **Objectives**

- To provide a community relations framework while developing and bolstering strong stakeholder relations and promoting the Department mandate to integrate the areas of housing and community development.
- To increase awareness about department initiatives among internal and external stakeholders and provide support and direction for external communications to key stakeholders including tenants and community groups.
- To strengthen the Department's relationships with community groups and stakeholders in support of Manitoba Housing's leadership role and the Department's community development model in program areas across the Department.

## Responsibilities

- To provide strategic planning to enhance community relations activities and support the Department mandate and objectives.
- To provide internal and external communications regarding Department goals, activities and accomplishments.
- To coordinate events and the production of materials in support of departmental activities.
- To coordinate the Administrative Review Committee.
- To provide departmental liaison with the Secrétariat aux affaires francophones (SAF)/Francophone Affairs Secretariat (FAS).
- To promote and coordinate the BUILDING *Foundations* Bursary Program.

## Activities/Highlights in 2009/10

Community Relations was an integral part of the June 2009 launch of HOME *Works!*, our new long-term housing strategy and policy framework as well as the introduction of Manitoba Housing, a new business name and visual identity for the organization that resulted from the integration of Manitoba Housing and Renewal Corporation and the Manitoba Housing Authority.

With the heightened profile and increased responsibilities of the establishment of the new Department of Housing and Community Development in November 2009, the Community Relations Office's responsibilities expanded with a mandate to develop, increase and invigorate community and stakeholder relations throughout the Department, including the program areas of Neighbourhoods Alive!, Community Places and Cooperative Development, as well as the activities and programs of the Crown Corporation of Manitoba Housing.

The Community Relations Office coordinated a series of Staff Envisioning Sessions early in 2010 to help identify current and potential community development activities within the Department and to help inform the Department's strategic framework.

In 2009/10, Community Relations awarded nine BUILDING *Foundations* bursaries. Manitoba post-secondary students who receive bursaries are selected based on a combination of academic excellence and volunteer work in the community.



# CORPORATE SERVICES DIVISION

## Divisional Goals

- To maintain an active comptrollership and administrative support function by ensuring that financial and administrative policies, services and reporting systems are developed and administered effectively.
- To provide support to the Department for information technology planning, legal support services, human resources services, and business continuity planning. To provide guidance and support in meeting the legislative and policy requirements of access to information and protection of privacy policy.

## Divisional Responsibilities

- Provides centralized financial, administrative, information technology, legal, information management, and access to information and protection of privacy support services to the Department. This is accomplished through the Division's two branches:
  - Financial Management
  - Corporate Management Services

## FINANCIAL MANAGEMENT BRANCH

### Objectives

- To ensure the corporate comptrollership function is appropriately maintained to meet the needs of the Manitoba Housing and Renewal Corporation (MHRC) for financial control, accountability, reporting and the safeguarding and protection of financial and physical assets.
- To provide comprehensive central support 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 and appropriation control, cost-shared reporting and claiming.
- Establishes and provides direction on corporate financial management policies, procedures and practices.
- Advises executive management regarding emerging financial and program management issues.
- Coordinates and supports the development of the corporate estimates 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 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.

### **30-2A-1 Manitoba Housing and Renewal Corporation**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2009/10 \$000</b>	<b>FTE</b>	<b>Estimate 2009/10* \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Transfer Payments to MHRC	69,142		47,807	21,335	1
Valuation Allowance Adjustment	(11,380)		-	(11,380)	2
Transfer Payments to MHRC	57,762		47,807	9,955	
Portable Housing Benefit	528		1,940	(1,412)	3
<b>Total MHRC</b>	<b>58,290</b>		<b>49,747</b>	<b>8,543</b>	

\* Adjusted 2009/10 estimate to reflect the November 2009 government reorganization with the creation of the Department of Housing and Community Development.

1. The variance is due to an increase in the MHRC draw down required for 2009/10 operations. The actual results in support of these operations are found in the MHRC Statement of Operations on page 2 of the MHRC Financial Statements (see Appendix 5).
2. It is the Province of Manitoba's accounting policy to record the deficit/(surplus) of Crown organizations as an expenditure of the Province of Manitoba in the year in which they were incurred. The expenditure is recorded as a valuation allowance against advances owed to the Province by the organization. The valuation allowance adjustment applied to MHRC Transfer Payments in 2009/10 is in the amount of (\$11,380).
3. The under expenditure of (\$1,412) is primarily due to delays related to the expansion of the Portable Housing Benefit to other areas of Manitoba outside of Winnipeg, Brandon and Thompson.

### **Mobile Home Loan Guarantee Program**

The Mobile Home Loan Guarantee Program guaranteed loans made by approved lenders for the purchase of mobile homes. These guarantees allowed the lender to provide the loan at a lower interest rate and for a longer term, resulting in lower monthly payments by the borrower. This program terminated March 31, 1997. The following table provides program information for the past three years including outstanding guarantees as at March 31, 2010.

<b>Fiscal Year</b>	<b>Outstanding Guarantees</b>	
	<b>Total Units</b>	<b>Amount \$000</b>
2007/08	10	163
2008/09	6	109
2009/10	5	92

## **Activities/Highlights in 2009/10**

- Established the financial structure of the new Department which includes four separate entities: the Department, the crown corporation MHRC, The Cooperative Promotion Board and The Co-operative Loans and Loan Guarantee Board.
- Prepared the required estimates documentation, detailed budget, and the various monthly, quarterly and annual financial reports in a timely manner.
- Prepared the financial statements for the MHRC, The Cooperative Promotion Board and The Co-operative Loans and Loan Guarantee Board. All three statements were audited by the Office of the Auditor General and the Department received an unqualified audit opinion for each of the entities.

## **CORPORATE MANAGEMENT SERVICES BRANCH**

### **Objectives**

- To provide information technology leadership and expertise, consulting services and solutions to the Department to promote the efficient use of information in support of the Department's business strategy and goals.
- To provide legal requirements and support services for the Department including the administration of the legal component related to land holdings and the land subdivision process.
- To provide input and ongoing support in the drafting of legislation, regulations and other legal documents.
- To provide technical support in the development of web-related communications that support or enhance the Department's program and service delivery systems.
- To provide project management relating to ongoing business process transformation activities.
- To provide leadership and coordination on information management activities including access to information and protection of privacy policy.
- To manage business continuity planning and coordinate a department-wide response to all hazards including pandemics.
- To develop policies and procedures for services and programs offered by the Branch.

### **Responsibilities**

- Provides strategic and tactical information technology planning, information systems analysis, project management design, implementation, ongoing support and technical expertise in the development and maintenance of computer systems in support of departmental programs and services.
- Provides administrative expertise and related support services to the Department including staff training and development, the coordination of Human Resources activities, and business continuity planning.

- Manages all legal support services for the Department. This includes administering the legal component related to land holdings and land subdivision process, the development and coordination of all legal agreements and contracts within the Department and liaison with Civil Legal Services.
- Develops, manages and coordinates all web support communications services for the Department.
- Coordinates the Department's 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 related to the Department and provides direction on policy to ensure the protection of privacy.

### **Activities/Highlights in 2009/10**

- Created an organizational structure for the Corporate Management Services Branch.
- Clearly defined the roles and responsibilities of the Branch and developed positions descriptions.
- Began establishing working relationships with other government branches and partners.
- Began work to develop an Information Technology roadmap and review of existing department applications.

# 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, 2006 - March 31, 2010

Actual/Adjusted Expenditures*											
		2005/06		2006/07		2007/08		2008/09		2009/10	
Appropriation		FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$
30-1	Administration	18.00	585	18.00	742	18.00	760	18.00	786	21.00	799
30-2	Housing		34,245		45,035		48,631		56,923		58,290
30-3	Community Development	10.00	10,237	11.00	9,947	12.00	10,436	15.00	14,824	15.00	9,918
30-4	Costs Related to Capital Assets		147		168		192		176		185
<b>Total Housing and Community Development</b>		28.00	45,214	29.00	55,892	30.00	60,019	33.00	72,709	36.00	69,192

\* 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**

<b>DETAILS</b>	<b>2009/10 ESTIMATES \$000</b>
2009/10 Main Estimates	-
Allocations of Funds From:	
Agriculture, Food and Rural Initiatives	355
Culture, Heritage and Tourism	6,191
Family Services and Consumer Affairs	51,400
Local Government	3,843
Civil Service Commission	
- Enabling Appropriations	
<b>2009/10 Estimates – Housing and Community Development</b>	<b>61,789</b>

## EXPENDITURE SUMMARY TABLE

**Department of Housing and Community Development  
Expenditure Summary  
(\$000's)**

For the fiscal year ended March 31, 2010 with comparative figures for the previous year

<b>Estimate 2009/10<sup>a)</sup></b>		<b>Appropriation</b>	<b>Actual 2009/10</b>	<b>Actual 2008/09<sup>b)</sup></b>	<b>Increase/ (Decrease)</b>	<b>Expl. No.</b>
		<b>30-1 Administration</b>				
\$20	(a)	Minister's Salary	\$19	\$0	\$19	1
	(b)	Executive Support				
510		Salaries and Employee Benefits	349	339	10	
66		Other Expenditures	64	63	1	
	(c)	Support Services				
808		Salaries and Employee Benefits	367	366	1	
64		Other Expenditures	0	18	(18)	
<b>\$1,468</b>		<b>Total 30-1</b>	<b>\$ 799</b>	<b>\$ 786</b>	<b>\$ 13</b>	

**Department of Housing and Community Development**  
**Expenditure Summary**  
**(\$000's)**

For the fiscal year ended March 31, 2010 with comparative figures for the previous year

<b>Estimate 2009/10<sup>a)</sup></b>		<b>Actual 2009/10</b>	<b>Actual 2008/09<sup>b)</sup></b>	<b>Increase/ (Decrease)</b>	<b>Expl. No.</b>
	<b>Appropriation</b>				
	<b>30-2 Housing</b>				
	(a) The Manitoba Housing and Renewal Corporation				
\$47,807	Transfer Payments	\$57,762	\$56,823	\$939	2
1,940	Portable Housing Benefit	528	100	428	3
<b>\$49,747</b>	<b>Total 30-2</b>	<b>\$58,290</b>	<b>\$56,923</b>	<b>\$1,367</b>	



**Department of Housing and Community Development**  
**Expenditure Summary**  
**(\$000's)**

For the fiscal year ended March 31, 2010 with comparative figures for the previous year

<b>Estimate 2009/10<sup>a)</sup></b>	<b>Appropriation</b>	<b>Actual 2009/10</b>	<b>Actual 2008/09<sup>b)</sup></b>	<b>Increase/ (Decrease)</b>	<b>Expl. No.</b>
	<b>30-3 Community Development</b>				
	(a) Community Assistance				
\$345	Salaries and Employee Benefits	\$346	\$313	\$ 33	
97	Other Expenditures	94	73	21	4
2,369	Grant Assistance	2,356	8,037	(5,681)	5
3,915	Community Places Capital Grants	3,915	3,915	0	
(500)	Less: Recoverable from Urban Rural Development Initiatives	(500)	(500)	0	
	(b) Neighbourhoods Alive!				
481	Salaries and Employee Benefits	465	431	34	
114	Other Expenditures	89	99	(10)	
5,565	Neighbourhood Support	5,289	4,365	924	6
(2,352)	Less: Recoverable from Urban Rural Development Initiatives	(2,352)	(2,127)	(225)	
	(c) Cooperative Development				
240	Salaries and Employee Benefits	168	163	5	
295	Other Expenditures	150	142	8	
(180)	Less: Recoverable from Rural Development Initiatives	(102)	(87)	(15)	
<b>\$10,389</b>	<b>Total 30-3</b>	<b>\$9,918</b>	<b>\$14,824</b>	<b>(\$4,906)</b>	

**Department of Housing and Community Development  
Expenditure Summary  
(\$000's)**

For the fiscal year ended March 31, 2010 with comparative figures for the previous year

<b>Estimate</b>		<b>Actual</b>	<b>Actual</b>	<b>Increase/</b>	<b>Expl.</b>
<b>2009/10<sup>a)</sup></b>	<b>Appropriation</b>	<b>2009/10</b>	<b>2008/09<sup>b)</sup></b>	<b>(Decrease)</b>	<b>No.</b>
\$185	30-4 Costs Related to Capital Assets	\$185	\$176	(\$9)	7
<b>\$61,789</b>	<b>Total Housing and Community Development</b>	<b>\$69,192</b>	<b>\$72,709</b>	<b>(\$3,517)</b>	

1. The variance is primarily the result of the November 2009 government reorganization that created the Department of Housing and Community Development.
2. The variance is primarily due to an increase in the MHRC draw down required in 2009/10 for housing operations. The actual results in support of these operations are found in the MHRC Statement of Operations on page 2 of the MHRC Financial Statements.
3. The variance is primarily due to delays related to the expansion of the Portable Housing Benefit to other areas of Manitoba outside Winnipeg, Brandon and Thompson.
4. The variance is primarily to the November 2009 government reorganization where operating cost were part of a divisional line in 2008/09 and applied as actual branch costs in 2009/10.
5. The variance is primarily the result of an allocation to fund Manitoba's participation in the 2010 Olympics.
6. The variance is primarily the result of increased program expenditures in 2009/10.
7. The variance is primarily due to the majority of enterprise software licence fees charged directly to MHRC.

**NOTES:**

- a) The 2009/10 Estimate reflects adjustments to the Printed Main Estimates resulting from the November 2009 government reorganization that created the Department of Housing and Community Development.
- b) The 2008/09 data has been reorganized to reflect the 2009/10 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 integrate information about their progress made at incorporating sustainable development into their activities, into their annual reporting processes.

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

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

## **Sustainable Living and Healthy Communities**

Manitoba Housing, in partnership with Manitoba Innovations, Energy and Mines (IEM) and Manitoba Hydro, has developed a Sustainable Development Action Plan that ensures investments in housing infrastructure proceed in an environmentally responsible manner and promote employment and training opportunities through partnerships with social enterprises.

We continue to develop a new preventative maintenance, energy-efficiency and asset management plan, including new windows in 5,600 public housing units, 100 new roofs and 47 new heating and ventilation projects. We are assessing the conversion of properties from natural gas to ground source heat pump technology. To date, positive assessments have been completed at three properties in Winnipeg.

Tenant Services and Asset Management (TSAM) continues to be involved in energy management initiatives such as the Low-Income Energy Efficiency Program and the Manitoba Hydro Power Smart Program.

The Low-Income Energy Efficiency Program lowers energy consumption, greenhouse gas emissions, utility costs and provides life skills and employment for low-income people. Homes in Winnipeg (150) and Brandon (100) had insulation upgrades completed in 2009/10. As well, 1,500 units were retrofitted with energy-efficient lighting, low-flow toilets, shower heads and aerators. The retrofits include water and electricity conservation, air sealing, and increased insulation which reduce tenants' costs for utilities and electricity.

Under the Manitoba Hydro Power Smart Program, projects currently on the Department's five-year green initiatives plan are being designed to meet strict power smart guidelines. Manitoba Housing assesses the feasibility of geothermal heating systems for all direct builds prior to deciding which heating system to employ. We encourage and provide funding for geothermal feasibility analyses on all new housing construction projects funded under Manitoba Housing's affordable housing programs. Our 24-unit family housing project being constructed in Brandon will include a geothermal heating and cooling system and will be designed to meet or exceed Manitoba Hydro's Power Smart Design standards. New build projects in Thompson and the Pas will also be required to meet or exceed Power Smart Design standards.

In partnership with IEM, Manitoba Infrastructure and Transportation and Manitoba Hydro, Manitoba Housing is developing *The Residential Green Building and Major Renovation Guidelines*. The Residential Guidelines will complement the existing Green Building Policy for Non-Residential Projects Funded by Government of Manitoba (April 2007) by extending coverage to low-rise dwellings (detached, semi-detached and row houses) and multi-unit residential buildings.

These Guidelines develop higher green building and renovation standards and outline specific practices that must be considered for projects involving support from Manitoba Housing. This includes projects undertaken directly by the Department, or its agencies, and those by external organizations that receive capital funding or a commitment to long-term operational funding. The Guidelines will be complete by the fall of 2010.

The Community Places Program is a significant contributor to implementing Manitoba's Green Building Policy and sustainable development goals. Staff provide advice and guide community organizations throughout the province through the Green Building process. Applications received by Community Places are evaluated for their environmental sustainability, community sustainable development benefit and are favoured over projects that do not embrace these concepts.

Under the Sustainable Communities strategic priority, the Neighbourhoods Alive! (NA!) 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.

NA! has two programs that are used to encourage NA! communities to focus a portion of their activities on environmental initiatives: the Neighbourhood Renewal Fund and the Community Initiatives program.

The Neighbourhood Renewal Fund supports projects that must benefit a specific neighbourhood or community and support at least one of the following: neighbourhood capacity building, stability, economic development and well-being.

The Community Initiatives program supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city. The program funds activities that enhance economic development, increase safety and prevent crime, reduce at-risk behaviour, contribute to better health practices, strengthen tenant-landlord relations and improve coordination and cooperation.

Manitoba Housing's development of the Bridgwater Forest subdivision will focus on abundant green space, including the preservation of fully mature forests running throughout the neighbourhood. Bridgwater Forest will encompass almost 330 acres, with about 70 acres dedicated to forest and open space.

Bridgwater Forest has 54 lots designated for the use of leading edge geothermal heating and cooling and the streets have been oriented to maximize passive solar energy. The development will feature a neighbourhood greenway system connected to residential sidewalks to promote walking and cycling. Bus transit will be accessed by a short walk from every home. Several show homes will highlight the Power Smart program. All of these features enhance the neighbourhood's environmentally-friendly design and will act to lower its environmental footprint.

## **Education for Sustainability**

Progress continues to be made in the area of recycling. In 2009/10, the Department continued to use the Waste Stream Services recycling program in most of its buildings province-wide. The

program includes use of mini-bins for desk side refuse; desk side blue bins for non-confidential paper; central bins for aluminium, plastic, and non-confidential paper; and Government Records Boxes for destruction of confidential paper. There is a commitment to maintaining this recycling program in the future.

TSAM continues to operate its recycling program for all tenants across Manitoba and promotes recycling in major renovation projects by contracting with organizations who recycle major appliances and other materials.

The Department participated in the annual Commuter Challenge, an initiative aimed at encouraging staff to contribute to the efforts to create 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.

Manitoba Housing now has seven employees accredited in Leadership in Energy and Environmental Design (LEED).

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

Manitoba Housing is partnering with Building Urban Industries through Local Development (BUILD) and the Brandon Energy Efficiency Program (BEEP) to provide training and employment in water and energy efficiency upgrades to low-income community members.

Manitoba Housing has developed an Energy Management and Preventative Maintenance Team responsible for reducing greenhouse gas emissions, potable water consumption and waste water production in its residential buildings. These efforts will also improve the standard of living for tenants (by lowering utility bills) and the working environment for employees and contractors. The new Procurement Branch is complimenting this work by including water and energy efficiency and recycled material specifications in tenders.

In 2009 TSAM began working with the North End Community Renewal Corporation (NERC) to provide training and employment opportunities for low-income people on the major renovation projects in Gilbert Park and Lord Selkirk Park. NERC finds potential employees from these neighbourhoods and TSAM provides the training and employment for the renovation of social housing units.

As a strong proponent of sustainable development principles, the Department remains committed to developing strategies and policies to facilitate the integration of sustainable development principles and guidelines into its ongoing activities.

## APPENDIX 2 PERFORMANCE INDICATORS

### HOUSING AND COMMUNITY DEVELOPMENT Performance Measurement

The following section provides information on key performance measures for the Department for the 2009/10 reporting year. This is the fifth year in which all government of Manitoba departments have included a Performance Measurement section, in a standardized format, in their Annual Reports.

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 impact on the province and its citizens.

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

Your comments on performance measures are valuable to us. You can send comments or questions to [mbperformance@gov.mb.ca](mailto:mbperformance@gov.mb.ca).

<b>Sustaining the Existing Housing Stock</b>					
<b>What is being measured and using what indicator?</b>		<b>Why is it important to measure this?</b>	<b>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
Sustaining and improving existing social and affordable housing	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	0	In 2009/10, funding was committed for the renovation of 6,425 households	Targets of 13,500 households impacted by renovations by the end of 2010/11
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance measure is aligned with <i>HOME Works!</i> : Manitoba's long term housing strategy and policy framework and its concurrent investment plans. The strategy is currently supported by a two-year investment plan that began April 1, 2009. Performance is measured from this point forward.</p> <p>The <i>HOME Works!</i> Two-Year Investment Plan has committed to impact 13,500 households with major renovations (deep refresh programs) and/or building improvements by the end of 2010/11.</p>					

<b>Housing Affordability</b>					
<b>What is being measured and using what indicator?</b>		<b>Why is it important to measure this?</b>	<b>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
<b>Improving housing affordability through Rent Geared to Income (RGI) housing</b>	RGI housing	Assists in affordability and increases the supply of affordable housing stock within the private market	0	RGI units – 202 committed in 2009/10	RGI units are increasing. The Province has committed to providing 1,500 affordable housing units over five years (March 2009 to March 2014)
	Portable Housing Benefit		64 (2008)	Portable Housing Benefit - served 193 recipients in 2009/10	
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance measure is aligned with <i>HOME Works!</i> : Manitoba's long term housing strategy and policy framework and its concurrent investment plans. The strategy is currently supported by a two-year investment plan that began April 1, 2009. Performance is measured from this point forward.</p> <p>Under the <i>HOME Works!</i> Two-Year Investment Plan, the Province committed to supporting 600 households with RGI assistance by 2010/11. 202 new households will benefit from RGI assistance during the period April 1, 2009 to March 31, 2010. This represents the first year of a commitment to providing 1,500 affordable housing units over a five-year period. RGI units within the private rental sector and in non-profit housing projects that existed prior to April 1, 2009 are not counted in this baseline.</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 2009/10, the Portable Housing Benefit assisted 193 recipients, an increase of 33.2% over 2008/09. As of March 31, 2010, 600 households are benefitting from an investment of \$2 million in portable housing benefits for people with mental health needs.</p>					



Increasing Supply of Affordable Housing					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2009/10 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Increasing supply of affordable housing stock	New Affordable housing units	Increased supply of housing stock	0	431 new affordable housing units have been committed in 2009/10	To address the critical lack of affordable rental housing, the Province has committed to providing 1,500 new housing units over the next five years (March 2009 to March 2014)
	New homeownership opportunities			57 new homeownership opportunities committed in 2009/10	
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance measure is aligned with <i>HOME Works!</i> : Manitoba's long term housing strategy and policy framework and its concurrent investment plans. The strategy is currently supported by a two-year investment plan that began April 1, 2009. Performance is measured from this point forward.</p> <p>Under the <i>HOME Works!</i> Two-Year Investment Plan, the Province committed to building 600 new affordable rental units by 2010/11. During the period April 1, 2009 to March 31, 2010, a commitment was made to build 431 new affordable housing units.</p> <p>Developing homeownership opportunities helps to revitalize communities. Under the <i>HOME Works!</i> Two-Year Investment Plan, by March 31, 2011, 200 households will be able to afford to buy their own home as a result of a \$7 million investment in new home ownership. In 2009/10, 57 new homeownership opportunities were created.</p> <p>New affordable housing units and homeownership opportunities that were committed prior to April 1, 2009 are not included in this baseline.</p>					

<b>Maintaining Supply of Housing</b>					
<b>What is being measured and using what indicator?</b>		<b>Why is it important to measure this?</b>	<b>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
<b>Maintaining supply of existing housing stock in the private market</b>	Renovated housing units	Improved housing stock	0	205 private households renovated in 2009/10	Number of households benefiting from renovation assistance is increasing
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance measure is aligned with <i>HOMEWorks!</i> : Manitoba's long term housing strategy and policy framework and its concurrent investment plans. The strategy is currently supported by a two-year investment plan that began April 1, 2009. Performance is measured from this point forward.</p> <p>The Residential Rehabilitation Assistance Program is an important renovation component of the broader strategy to meet the housing needs of Manitobans. Under the <i>HOMEWorks!</i> Two-Year Investment Plan, the Province committed to providing renovation assistance to 800 privately owned households. For the period 2009/10, 205 private households will receive renovation assistance.</p>					

<b>New Supportive Housing Options for Seniors</b>					
<b>What is being measured and using what indicator?</b>		<b>Why is it important to measure this?</b>	<b>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
<b>New supportive housing options for seniors</b>	New housing options with supports created or renovated to support seniors	Helps seniors who require 24 hours support and supervision to remain within their community. Delays or prevents premature placements in personal care homes.	0 (2006)	24 units completed in 2009/10	Since 2006, 48 new supportive housing units were completed within the Manitoba Housing portfolio
<p>The Aging in Place strategy was introduced in 2006. Based on the Aging in Place principle, Manitoba's Long Term Care strategy supports affordable neighbourhood-based housing with supports for seniors who need extra support to remain in their communities. Under the <i>HOMEWorks!</i> Two-Year Investment Plan, seniors' housing with needed supports is one of the priority areas where resources will be allocated.</p> <p>Manitoba Housing provides supportive housing projects throughout the province in support of the Aging in Place strategy. Manitoba Housing acts as the property manager and is responsible for the capital upgrades. These projects provide an affordable housing option with services and 24-hour supports to assist seniors on limited incomes to live independently in the community.</p> <p>In May 2009, Manitoba Housing completed construction and tenanting of the Windsor Park Place supportive housing project at 875 Elizabeth Road, providing 24 supportive housing suites for seniors. Since 2006, Manitoba Housing committed \$3.3 million on the renovation of 48 supportive housing suites in Winnipeg. Work is underway on the renovation of 37 supportive suites in Dauphin, Neepawa and the Pas.</p> <p>In addition, annually, Manitoba Housing provides rent supplements to 35 units of supportive housing in the private rental market. These are not included in this baseline measurement.</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>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
Supporting community-led revitalization efforts in selected distressed neighbourhoods and communities in Manitoba	Housing projects assisted through the Housing Development and Rehabilitation Fund and the number 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	NA! was a new program introduced in 2000	In 2009/10, the Department invested \$5.932 million in NA! funding for 111 community projects	Greater complexity of funding requests received from NA! communities
<b>Comments/Recent Actions/Report Links</b>					
Between 2000 and March 31, 2010, NA! provided \$38.35 million to 793 projects in 12 communities which leveraged \$28.651 million in complementary funding from all partners – government and non-government.					

<b>Cooperative Development</b>					
<b>What is being measured and using what indicator?</b>		<b>Why is it important to measure this?</b>	<b>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
Assisting cooperative development in Manitoba	The number of cooperatives assisted in formation and development	Builds community capacity and sustainability	0	The Cooperative Promotion Board approved 6 grants valued at \$18,725.00  17 new cooperatives were incorporated	Increase in number of cooperatives formed
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance indicator is being measured starting from April 1, 2009. The Cooperative Promotion Board distributes grants in support of the development, education, research and promotion of cooperatives. A Memorandum of Understanding was signed on October 15, 2009 between the Province of Manitoba, the Manitoba Co-operative Association, and the Conseil de développement économique des municipalités bilingues du Manitoba to create a common vision and strategy for developing and maintaining Manitoba's cooperative community.</p> <p>On average, there are about 15 non-financial new co-ops incorporated annually. At least 66% of these are involved with Cooperative Development staff of the Department.</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>Where are we starting from (baseline measurement)?</b>	<b>What is the 2009/10 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				
Investing in communities through projects for recreational and social benefits and supporting community organizations	Number of Community Places 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	0	Community Places approved \$4.5 million in grants for 306 applications and assisted over 450 community groups by providing over 700 on-site consultations. Provided project planning advice to improve the quality, economy and sustainability of their projects.	Number of applications for grants is increasing
<b>Comments/Recent Actions/Report Links</b>					
<p>This performance indicator is being measured starting from April 1, 2009. Housing and Community Development continues to provide programming that assists communities to provide sustainable recreational, social and cooperative development opportunities and that supports both the non-profit and voluntary sectors.</p> <p>Community Places continues to maintain funding for community projects with an average grant of \$15.0 on an average project value of \$153.0.</p> <p>In 2009/10, \$4.5 million in grants leveraged \$46.8 million in total project costs.</p>					

Impact of Manitoba Housing Program Activity on Provincial Rate of Core Housing Need					
What is being measured?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2009/10 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>1</sup></b>	Per cent of households in core housing need <sup>2</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) <sup>3</sup>  <b>Aboriginal</b> 34% (1996)  <b>Seniors</b> 16.3% (1996)  <b>Persons with Disabilities</b> 14.5% (2001)  <b>Immigrants<sup>4</sup></b> 10.6% (2001)	<b>All households</b> 11.3% (2006)  <b>Lone parents</b> 28.5% (2006)  <b>Aboriginal</b> 22.4% (2006)  <b>Seniors</b> 9.6% (2006)  <b>Persons with Disabilities</b> 14.5% (2006)  <b>Immigrants</b> 10.9% (2006)	<p>Over the past decade, the incidence rate of core housing need has declined in Manitoba from 14.7% in 1996, to 11.6% in 2001, to 11.3% in 2006.</p> <p>There were small decreases for lone parents and seniors; an increase for immigrants; and the rate remained the same for persons with disabilities.</p> <p>Manitoba's core housing need rate was below the national average of 12.7%.</p>
<b>Comments/Recent Actions/Report Links</b>					
<p>HOME <i>Works!</i>, a Housing Strategy and Policy Framework for Manitoba was announced in June 2009. The strategy outlines the guiding principles, prioritization of need, strategic goals, and actions that will lead Manitoba Housing initiatives into the next decade. HOME <i>Works!</i> includes a Two-Year Investment Plan in Housing (2009/10 and 2010/11) that will see the Province and federal government contribute \$327 million<sup>5</sup> for housing initiatives in Winnipeg and across the province. HOME <i>Works!</i> Strategy and Two Year Investment Plan priorities, goals and actions have been used as the foundation for the Performance Measures reported on in this document.</p> <p>At March 31, 2010, construction was completed, underway or committed to for over 527 units through the Affordable Housing Initiative.</p> <p>Other housing programs, such as the Residential Rehabilitation Assistance Program (RRAP), aim to address low-income housing in need of repair. In 2008/09 (figures for 2009/10 not available at time of printing), 360 owned or rented units qualified for homeowner or rental RRAP, an increase of 35.34 per cent since 2001/02 (266 units).</p>					

<sup>1</sup> Core housing need refers to those individuals who currently 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 percent 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>2</sup> Source: Canada Mortgage and Housing Corporation.

<sup>3</sup> Previous year's Annual Reports cited this figure as 37.9 per cent. Updated data runs noted a correction to this number.

<sup>4</sup> The term "immigrants" as used in this context is defined by CMHC. Provincially, immigrants may also be referred to as New Canadians, which include landed immigrants and refugees.

<sup>5</sup> In November 2009, \$6 million earmarked for increases to the Manitoba Shelter Benefit was re-assigned to the budget of Family Services and Consumer Affairs, reducing the HOME *Works!* commitment to \$321 million.

## APPENDIX 3 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 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 counseling 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 2009/10:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2009 – 2010
The number of disclosures received, and the number acted on and not acted on. <i>Subsection 18(2)(a)</i>	<b>NIL</b>
The number of investigations commenced as a result of a disclosure. <i>Subsection 18(2)(b)</i>	<b>NIL</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. <i>Subsection 18(2)(c)</i>	<b>NIL</b>



**The Co-operative Loans and Loans Guarantee Board  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDING  
MARCH 31, 2010**

# **MEMBERS OF THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD**

**MARCH 31, 2010**

Joy Cramer, Chairperson - Winnipeg, Manitoba

Craig Marchinko, Secretary - Winnipeg, Manitoba

Allyson Watts - Winnipeg, Manitoba

(The Board has two vacancies)

# MANDATE

By provision of The Co-operative Association Loans and Loans Guarantee Act, the Board was established by Order-in-Council 1237/71 dated November 18, 1971.

The Board consists of the Deputy Minister of Manitoba Housing and Community Development who serves as Chairperson; one other person from Manitoba Housing and Community Development who serves as Secretary; and other persons appointed by the Lieutenant-Governor in Council.

One of the major objectives is to ensure that cooperative organizations have access to the basic financial services necessary for the development and expansion of viable enterprises to achieve the greatest benefit through economic activity.

The Board is empowered to make loans or guarantee loans to cooperative organizations in Manitoba. To be eligible for such a loan or loan guarantee, a cooperative must demonstrate that:

1. The required financing is not available from other sources on reasonable terms.
2. The loan or loan guarantee is required to assist the organization in carrying out its programs and is for productive purposes.
3. Normal cooperative principles and business practices are being observed.
4. Where possible, reasonable security is available to the lender.

All activities of the Board are administered by Manitoba Housing and Community Development.

## **ACTIVITIES 2009 - 2010**

During the fiscal year ended March 31, 2010, the Board undertook the following activities:

- Outstanding loan guarantee defaulted for Lakeview Consumers Cooperative Ltd.
- Approved loan guarantee for Organic Producer Association of Manitoba Co-op Inc.
- Approved loan guarantee for Founding Nations of Manitoba Tribal Village/Artisans Co-op Inc.
- Held two board meetings and one mail vote.

The Auditors' Report, together with the Financial Statements for the fiscal year ended March 31, 2010 follow.



The Co-operative Loans and Loans  
Guarantee Board  
203-280 Broadway  
Winnipeg MB R3C 0R8

August 26, 2010

**The Co-operative Loans and Loans Guarantee Board**  
**Responsibility for Financial Reporting**

The accompanying Schedule of Loan Guarantee Transactions, and other financial information in the Annual Report for the year ended March 31, 2010, are the responsibility of management and have been approved by the Board. This Schedule was prepared by management in accordance with the accounting policies set out in Note 2 to the Schedule. Any financial information contained elsewhere in the Annual Report conforms to the Schedule of Loan Guarantees.

As management is responsible for the integrity of the Schedule, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The responsibility of the Office of the Auditor General is to perform an independent examination of the Schedule of Loan Guarantee Transactions of the Board in accordance with Canadian generally accepted auditing standards. The Auditors' Report outlines the scope of the audit examination and provides the audit opinion.

**Original signed by**

Joy Cramer,  
Chairperson



**AUDITORS' REPORT**  
**On the Schedule of Loan Guarantee Transactions**

To the Legislative Assembly of Manitoba  
To the Members of The Co-operative Loans and Loans Guarantee Board

We have audited the schedule of loan guarantee transactions of The Co-operative Loans and Loans Guarantee Board as at March 31, 2010. This financial information is the responsibility of the Board's management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial information.

In our opinion, this schedule presents fairly, in all material respects, the loan guarantee transactions of the Board as at March 31, 2010, in accordance with Canadian generally accepted accounting principles.

*Office of the Auditor General*

Office of the Auditor General

Winnipeg, Manitoba  
August 26, 2010

---

## The Co-operative Loans and Loans Guarantee Board

---

Schedule of Loan Guarantee Transactions  
for the year ended March 31, 2010

---

	Loan Guarantees at March 31, 2009 \$	Additions \$	Cancellations \$	Loans Guarantees at March 31, 2010 \$
Loan Guarantees: (Note 3)				
Organic Producer Association of Manitoba Co-op Inc.		97,750		97,750
Lakeview Consumer Cooperative Ltd.	24,000			24,000
	<u>24,000</u>	<u>97,750</u>	<u>0</u>	<u>121,750</u>

Approved by the Board:

**Original signed by**

\_\_\_\_\_ Chairperson

**Original signed by**

\_\_\_\_\_ Secretary

---

# The Co-operative Loans and Loans Guarantee Board

---

Notes to the Schedule  
for the year ended March 31, 2010

---

## 1. Nature of Operations

The Co-operative Associations Loans and Loans Guarantee Act established the Board with the primary objective of ensuring that cooperative organizations have access to basic financial services. The Board is empowered to make loans or guarantee loans to cooperative organizations in Manitoba. Manitoba Housing and Community Development staff administer the activities of the Board. The Department pays all administrative and general operating costs of the Board. The Board may charge a fee for its loans and loan guarantees. The Department records all revenue received.

## 2. Accounting Policies

- a) Loan guarantees are stated at the maximum amount guaranteed.
- b) In the event of a default on a loan guarantee, the Province of Manitoba is responsible for the payout of the guaranteed amount.

## 3. Loan Guarantees

- a) Organic Producer Association of Manitoba Co-op Inc.  
On July 14, 2009, the Board approved a loan guarantee not to exceed 85% of the amount outstanding on a line of credit at any time. The line of credit shall not exceed \$115,000. The Sunrise Credit Union accepted the loan guarantee and signed an agreement with Organic Producer Association of Manitoba Co-op Inc. dated December 7, 2009. The maximum amount of the line of credit shall reduce by \$15,000 on April 15, 2010, and by a further \$40,000 on April 15, 2011. The loan guarantee ceases April 1, 2012. The actual amount of the line of credit at March 31, 2010 is \$8,657.
- b) Lakeview Consumer Co-op Ltd.  
On December 19, 2006, the Board approved a \$30,000 loan guarantee. The Winnipeg River Brokenhead Community Futures Development Corporation accepted the loan guarantee and signed an agreement with Lakeview Consumer Co-op Ltd. dated March 5, 2007. The loan guarantee shall reduce by \$6,000 per year beginning on May 3, 2008.

The Co-op ceased operation on September 12<sup>th</sup>, 2008 and the lender subsequently advised that the loan had not been repaid. The amount to be paid out in respect of this guarantee is not determinable at this time. The amount could be from \$0 to \$24,000 plus interest.

During 2009/10 the Board made a proposal to the lender, but the terms have not yet been accepted.



---

## The Co-operative Loans and Loans Guarantee Board

---

Notes to the Schedule  
for the year ended March 31, 2010

---

### 4. Loan Act Authority

The Government of the Province of Manitoba has authorized the following amounts to be expended for funding loans and loan guarantees:

Authority	Outstanding Expenditure Authority
The Loan Act, 2009	
Guarantees	\$3,500,000
Less: Amounts committed by the Board	121,750
	<hr/> \$3,378,250 <hr/>

### 5. Compensation Disclosure

The Public Sector Compensation Disclosure Act requires disclosure of the aggregate compensation paid to The Co-operative Loans and Loans Guarantee Board members and of individual compensation paid to board members or staff where such compensation exceeds \$50,000 per year. For the period from April 1, 2009 to March 31, 2010, The Co-operative Loans and Loans Guarantee Board paid Board members an aggregate of \$166 (2009 \$0). This amount is included in Note 7.

### 6. Commitment

On February 16, 2010, the Board approved a loan guarantee of up to 100% of the amount outstanding on a line of credit to a maximum of \$45,000 subject to conditions. These conditions were met subsequent to March 31, 2010 and therefore will be reflected as a loan guarantee transaction in the 2010-11 fiscal year.

### 7. Contributed Services

The Government of the Province of Manitoba provides the services of support staff, other administrative support services, office space and utilities. The cost of support staff services for 2010 is estimated at \$10,905 (2009 - \$4,678) with another \$16,080 (2009 - \$2,107) for provincially paid identified expenses. The costs of other administrative support services, office space and utilities are deemed too difficult to estimate and as such no amount has been determined.

---

## **APPENDIX 5**

**Manitoba Housing and Renewal Corporation (MHRC)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDING  
MARCH 31, 2010**



## AUDITORS' REPORT

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

We have audited the balance sheet of The Manitoba Housing and Renewal Corporation as at March 31, 2010 and the statements of operations, fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Office of the Auditor General*

Office of the Auditor General

Winnipeg, Manitoba  
July 23, 2010

## MANAGEMENT REPORT

The accompanying financial statements of The Manitoba Housing and Renewal Corporation are the responsibility of management and have been prepared in accordance with the accounting policies stated in the financial statements. These accounting policies have been applied on a basis consistent with that of the preceding year. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgment regarding all necessary estimates and all other data available up to July 23, 2010.

Management maintains internal controls to provide reasonable assurance of the reliability and accuracy of the financial information and that the assets of The Manitoba Housing and Renewal Corporation are properly safeguarded.

The responsibility of the Office of the Auditor General of the Province of Manitoba is to express an independent, professional opinion on whether the financial statements of The Manitoba Housing and Renewal Corporation are fairly presented in accordance with the accounting policies stated in the notes to the financial statements. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management

**Original signed by**

---

Brian Brown, Comptroller, Financial Management

**Original signed by**

---

Darrell Jones, Chief Executive Officer

July 23, 2010

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**

**BALANCE SHEET**

**March 31, 2010**

**ASSETS**

	<u>2010</u>	<u>2009</u>
Cash (note 4)	\$ 153,049,249	\$ 113,315,188
Accounts receivable and accruals (note 5)	49,553,003	29,961,332
Prepaid expenses	5,824,831	4,455,464
Loans and mortgages receivable (note 6)	138,284,225	144,267,605
Land and housing:		
Housing projects (note 7)	114,796,141	92,692,149
Housing investment (note 8)	755,883	916,145
Land development costs	39,691,944	35,388,909
Land (note 10)	<u>11,798,593</u>	<u>11,982,966</u>
	<u>167,042,561</u>	<u>140,980,169</u>
<b>Total Assets</b>	<u><u>\$ 513,753,869</u></u>	<u><u>\$ 432,979,758</u></u>

**LIABILITIES AND FUND BALANCES**

<b>Liabilities</b>		
Accounts payable, holdbacks and accruals	\$ 55,314,281	\$ 45,625,899
Deferred revenue (note 11)	63,783,582	15,683,332
Long-term debt (note 12)	531,613,772	508,895,430
Deferred contributions (note 13)	<u>65,062,909</u>	<u>77,573,971</u>
<b>Total Liabilities</b>	<u>715,774,544</u>	<u>647,778,632</u>
<b>Fund Balances</b>		
The Housing Development and Rehabilitation Fund (note 21)	4,969,044	6,417,575
The Manitoba Housing and Renewal Fund (Deficit)	<u>(206,989,719)</u>	<u>(221,216,449)</u>
<b>Total Fund Balances (Accumulated Deficit)</b>	<u>(202,020,675)</u>	<u>(214,798,874)</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 513,753,869</u></u>	<u><u>\$ 432,979,758</u></u>

Contingencies (note 22)

Commitments (note 23)

Guarantees (note 24)

Approved by the Board of Directors:

**Original signed by**

\_\_\_\_\_  
Director

**Original signed by**

\_\_\_\_\_  
Director

(see accompanying notes)

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED MARCH 31, 2010**

	<u>2010</u>	<u>2009</u>
Revenue:		
Grants from the Province of Manitoba (note 14)	\$ 79,434,016	\$ 74,243,149
Contributed services (note 15)	1,399,100	1,743,600
Rental revenue (note 16)	71,383,497	71,031,083
Subsidy contributions (note 25)	71,346,450	50,096,014
	<u>223,563,063</u>	<u>197,113,846</u>
Interest:		
Loans and mortgages	13,237,516	14,034,784
Bank and other	21,378	159,266
	<u>13,258,894</u>	<u>14,194,050</u>
Sales of land and other:		
Sales of land - joint venture (note 9)	568,168	3,686,753
Sales of land - Waverley West	15,760,900	9,398,220
Other	86,032	1,167,010
	<u>16,415,100</u>	<u>14,251,983</u>
	<u>253,237,057</u>	<u>225,559,879</u>
Expenses:		
Housing operations - excluding amortization and interest (note 16)	122,025,552	107,165,607
Housing operations amortization (note 16)	9,556,607	8,489,978
Housing operations interest (note 16)	20,863,906	22,827,333
Rental subsidies (note 17)	36,849,306	36,614,122
Grants and subsidies (note 18)	10,254,792	6,489,884
Interest expense	13,697,333	15,101,507
Administrative services (note 15)	3,202,800	1,974,500
(Gain) on sale of housing projects and land	(33,213)	(111,240)
(Recovery) of provision for loss and write downs	(751,105)	(3,862,306)
Cost of land sales - joint venture	198,022	1,388,504
Cost of land sales - Waverley West	13,260,582	8,882,180
Repair and renovation expense (note 15)	5,920,962	7,555,004
Housing program supports (note 21)	4,329,497	-
Other	627,445	1,374,623
Pension (note 19)	456,372	1,499,014
	<u>240,458,858</u>	<u>215,388,710</u>
Net Income and Comprehensive Income	<u>\$ 12,778,199</u>	<u>\$ 10,171,169</u>

(see accompanying notes)

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**STATEMENT OF FUND BALANCES**  
**March 31, 2010**

	<u>2010</u>	<u>2009</u>
Manitoba Housing and Renewal Fund (MHRF)		
(Deficit) - beginning of year	\$ (221,216,449)	\$ (228,648,778)
Excess revenues over expenditures	12,778,199	10,171,169
Interfund transfer - HDRF (note 21)	<u>1,448,531</u>	<u>(2,738,840)</u>
MHRF (Deficit) - end of year	<u>\$ (206,989,719)</u>	<u>\$ (221,216,449)</u>
Housing Development and Rehabilitation Fund		
(HDRF) - beginning of year	\$ 6,417,575	\$ 3,678,735
Interfund transfer - MHRF (note 21)	<u>(1,448,531)</u>	<u>2,738,840</u>
HDRF - end of year	<u>4,969,044</u>	<u>6,417,575</u>
Total Fund Balances (Accumulated Deficit)	<u><u>\$ (202,020,675)</u></u>	<u><u>\$ (214,798,874)</u></u>

(see accompanying notes)

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2010**

	<u>2010</u>	<u>2009</u>
Cash provided by (used for):		
<u>Operating activities:</u>		
Excess of revenue over expenses	\$ 12,778,199	\$ 10,171,169
Add (deduct) items not involving cash:		
Amortization	9,556,607	8,489,978
Rental Subsidy to record reduction of Repayable Loans	2,684,400	2,494,618
(Recovery) of provision for loss and write downs	(751,106)	(3,862,306)
Gain on sale of housing projects and land	(33,213)	(111,240)
Federal subsidies - housing projects	448,418	673,270
	<u>11,905,106</u>	<u>7,684,320</u>
Net change in non-cash balances related to operations:		
Accounts receivable and accruals	(19,591,671)	(2,005,318)
Prepaid expenses	(1,369,367)	936,710
Accounts payable, holdbacks and accruals	9,688,382	6,512,001
Deferred revenue	48,100,250	2,962,136
Deferred contributions	(12,511,062)	8,231,932
Land development costs in joint venture (note 9)	165,520	1,241,089
Land in joint venture (note 10)	22,702	121,411
	<u>49,188,060</u>	<u>35,855,450</u>
<u>Financing activities:</u>		
Borrowings	46,740,034	40,948,163
Repayment of borrowings	(24,021,692)	(27,889,435)
Additions of loans and mortgages receivable	(515,930)	(653,306)
Proceeds from repayment of loans and mortgages receivable	6,499,310	3,541,799
	<u>28,701,722</u>	<u>15,947,221</u>
<u>Investing activities:</u>		
Additions to land and housing	(38,191,321)	(32,340,684)
Proceeds from sale of housing projects and land	35,600	221,446
	<u>(38,155,721)</u>	<u>(32,119,238)</u>
Increase (decrease) in cash	39,734,061	19,683,433
Cash at beginning of year	<u>113,315,188</u>	<u>93,631,755</u>
Cash at end of year	<u>\$ 153,049,249</u>	<u>\$ 113,315,188</u>
Supplementary disclosure:		
Cash payments of interest received	\$ 16,509,468	\$ 13,692,723
Cash payments of interest paid	\$ 35,464,019	\$ 35,794,770

(see accompanying notes)



**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**1. Authority**

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 objects 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.

The Corporation is economically dependent on the Government of the Province of Manitoba.

These financial statements include, in note 16, the operating results of MHRC owned properties which are Direct Managed (formerly known as The Manitoba Housing Authority).

**2. Significant accounting policies**

**a) Basis of accounting**

The Corporation's financial statements are prepared using Canadian generally accepted accounting principles.

**b) Loans and mortgages receivable**

Loans and mortgages receivable are valued at principal amounts less an allowance for loan impairment.

**c) Loan forgiveness**

Loan forgiveness for forgivable loans is approved in accordance with the terms of the loan agreements. The Corporation 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, the Corporation records the annual forgiveness by reducing both the forgivable loan and the accompanying valuation allowance.

**d) Allowance for loan impairment**

The Corporation 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 the Corporation'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. The Corporation does not provide any additional non-specific, general provision for loan impairment. The Corporation'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.

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**e) Housing projects and amortization**

- i) Social housing projects are valued at cost less accumulated amortization.
- ii) Cost includes direct construction costs, land acquisition costs and interest and other related carrying charges incurred during the period of construction.
- iii) Housing projects which are declared abandoned or surplus to the needs of the Corporation are valued at the lesser of cost less accumulated amortization and net realizable value.
- iv) Housing projects are amortized on a straight-line basis over their estimated useful lives as follows:
  - Wood buildings – 25 years
  - Brick buildings – 40 years
  - Betterments – 10 to 20 years

**f) Interest in joint venture**

The interest in joint venture is recognized using the proportionate consolidation method. Proportionate consolidation is a method of accounting and reporting whereby MHRC's prorata 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.

**g) Land**

Land is valued at the lower of cost and appraised value adjusted for estimated disposition costs, except for land leased to co-operatives. Cost includes acquisition costs and related carrying costs. The carrying costs of the land, which include interest, planning and development costs, grants in lieu of taxes, less revenue derived from use of undeveloped land, were capitalized to land to March 31, 1993. Effective April 1, 1993 the carrying costs are charged annually to operations. Cost for land acquired after March 31, 1993 consists of the original purchase price and the acquisition costs.

Land leased to co-operatives is valued at original cost. The Corporation incurs no liabilities or obligations with respect to the lessees' buildings situated on the land. The carrying costs of the land, net of lease revenue, are charged annually to MHRC operations.

**h) Land development costs**

Land development costs include interest, planning, development and administrative costs. These costs are capitalized as land development costs to the date of sale of the related land.

**i) Revenue recognition**

Grants 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. Subsidy contributions are recognized on an accrual basis in the fiscal period to which they relate. Interest is recognized on an accrual basis in the fiscal period in which it is earned.

**j) Interest capitalization**

Interest costs on financing related to housing projects and housing investments are capitalized to the date of completion.

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**k) Pension costs and obligations**

Current service contributions for Direct Managed employees are recognized as operating expenses. The Corporation has no further liability associated with the annual cost of pension benefits earned by Direct Managed employees.

The Corporation has a liability associated with the annual cost of pension benefits earned by the former Department of Family Services and Housing employees who were transferred to the Corporation on February 8, 2003.

Current actuarial gains or losses are recognized as operating expenses.

**l) Contributed services**

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

**m) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

**n) Comprehensive Income**

Section 1530 of the CICA accounting standards requires the presentation of a statement of comprehensive income. Comprehensive income represents the change in equity of an enterprise during a period from transactions and other events arising from non-owner sources including gains and losses from changes in fair value of available for sale financial assets and changes in fair value of the effective portion of cash flow hedging instruments. The Corporation has not recognized any adjustments through other comprehensive income for the year ended March 31, 2010. Because the Corporation has no items related to other comprehensive income, comprehensive income is equivalent to net income.

**3. New Accounting Policies Adopted**

The Corporation was required to adopt new standards, Canadian Institute of Chartered Accounts (CICA) Handbook *Sections 3862 Financial Instruments Disclosure, and EIC – 173 Credit Risk and the Fair Value of Financial Assets and Financial Liabilities, on April 1, 2009.*

*Section 3862 Financial Instrument – Disclosures*

Section 3862 is amended to enhance the abilities of users of the financial statements to evaluate the significance of financial instruments of an entity, related exposures and the management of these risks.

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

This amended section, which was effective January 1, 2009, requires an entity to classify fair value measurements recognized in the Balance Sheet into a three – tier hierarchy as a framework for disclosing fair value based on inputs used to value the Corporation’s investments. The hierarchy of inputs is summarized below:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), or
- Level 3 – inputs for the asset or liability that are not based on observable market data.

*EIC – 173* Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

The CICA issued ***EIC – 173*** regarding the credit risk and fair value of financial assets and financial liabilities. The EIC requires entities to consider both their own risk and the risk of the counter parties when measuring the fair value of financial assets and financial liabilities for presentation and disclosure purposes.

**4. Cash**

	<u>2010</u>	<u>2009</u>
On deposit with the Minister of Finance:		
Trust deposits	\$ 64,086,578	\$ 77,349,470
Risk Reserve related to Social Housing Agreement (note 13)	12,428,609	12,385,799
Mobile home loan guarantee program fund (note 24)	91,837	108,678
	76,607,024	89,843,947
 Bank	 76,433,725	 23,462,466
Petty cash	8,500	8,775
	\$ 153,049,249	\$ 113,315,188

**5. Accounts receivable and accruals**

	<u>2010</u>	<u>2009</u>
Canada Mortgage and Housing Corporation	\$ 23,462,694	\$ 3,237,350
Government of the Province of Manitoba and its agencies	2,238,569	2,408,614
Rent receivables - net of allowance of \$5,638,689 (2009 - \$5,311,005)	3,404,997	2,782,921
Accrued interest on loans and mortgages receivable	604,661	522,600
City of Winnipeg (Sec 79) - net of allowance \$0 (2009 - \$2,830)	157,870	236,882
Other - net of allowance of \$10,270 (2009 - \$10,270)	10,725,949	12,271,074
Government of the Province of Manitoba		
- severance benefits (note 20)	1,446,105	1,446,105
- pension recoverable (note 19)	7,512,158	7,055,786
	\$ 49,553,003	\$ 29,961,332

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**6. Loans and mortgages receivable**

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

	<u>2010</u>	<u>2009</u>
Federal/Provincial Housing:		
Private Non-Profit Housing Program	\$ 91,383,908	\$ 94,053,650
Rural and Native Housing Program	2,851	4,452
Urban Native Housing Program	24,201,603	27,211,327
	<u>115,588,362</u>	<u>121,269,429</u>
Market Rental Programs:		
Co-operative HomeStart Program	7,847,574	8,040,710
Co-operative Index Linked Program	6,051,073	6,504,489
Manitoba Rural RentalStart Program	237,995	254,182
Manitoba Senior RentalStart Program	4,201,669	4,179,136
	<u>18,338,311</u>	<u>18,978,517</u>
Other Programs:		
Community Residences Program	2,356,894	2,807,160
Market Homeowner Programs	44,697	54,116
Homeowner Rehabilitation Programs	171,672	202,462
Other	2,905,974	2,828,711
	<u>5,479,237</u>	<u>5,892,449</u>
	139,405,910	146,140,395
Less - allowance for loan impairment	<u>(1,121,685)</u>	<u>(1,872,790)</u>
Subtotal repayable loans and mortgages receivable	138,284,225	144,267,605
Forgivable loans	<u>138,927,320</u>	<u>110,944,042</u>
	277,211,545	255,211,647
Less - forgivable loans asset valuation allowance	<u>(138,927,320)</u>	<u>(110,944,042)</u>
Loans and mortgages receivable	<u>\$ 138,284,225</u>	<u>\$ 144,267,605</u>

Loans and mortgages receivable bear interest at various rates between 0% and 13.50% with maturities at various dates to 2035.

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

2011	\$ 43,498
2012	22,287
2013	2,699,867
2014	2,005,238
2015	2,865,191
Subsequent to 2015	131,769,829
	<u>\$ 139,405,910</u>

**b) Allowance for loan impairment**

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

	<u>2010</u>	<u>2009</u>
Market rental programs	\$ 949,810	\$ 1,693,568
Other programs	171,875	179,222
	<u>\$ 1,121,685</u>	<u>\$ 1,872,790</u>

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**7. Housing projects**

	<u>2010</u>	<u>2009</u>
Land	\$ 22,540,415	\$ 21,753,083
Buildings	426,073,646	411,301,566
Less - accumulated amortization	<u>(363,743,930)</u>	<u>(354,639,945)</u>
Buildings – net book value	<u>62,329,716</u>	<u>56,661,621</u>
Under construction	<u>33,516,933</u>	<u>18,316,786</u>
	118,387,064	96,731,490
Less - financing provided by CMHC	<u>(3,590,923)</u>	<u>(4,039,341)</u>
	<u>\$ 114,796,141</u>	<u>\$ 92,692,149</u>

**8. Housing investment**

Housing investment represents MHRC's share in social housing projects, which until October 1, 1998 was administered by CMHC and subsequently have been administered by MHRC, under the Rural and Native Housing Program.

On September 3, 1998, MHRC and CMHC executed a Declaration of Trust by which CMHC has transferred their ownership interest in cost-shared and 100% CMHC funded Public Housing projects to MHRC, as trustee. MHRC's interest in these projects will be earned over the remainder of each project's CMHC subsidy commitment period, in amounts which will correspond to the annual amortization of the assets. No increase in housing investment has been recorded by MHRC.

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**9. Joint venture**

The Corporation contributed 179 acres of land, at appraised value, to a joint venture with Ladco Company Limited on May 11, 1989. The appraised value of the land at that time, adjusted for subsequent sales, was \$678,373 (2009 - \$866,595) and is included in joint venture land in note 10. The joint venture activities include the servicing, development and sale of approximately 476 acres of land in the City of Winnipeg, Manitoba. In accordance with the terms of the agreement, the Corporation has provided loan guarantees for the purposes of the joint venture development in an amount not to exceed \$2,400,000 (note 24).

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

	<u>2010</u>	<u>2009</u>
Current Assets:		
Cash and short term investments	\$ 923,300	\$ 1,010,800
Prepaid Expenses	44,767	-
Accounts receivable from land sales	<u>1,737,116</u>	<u>3,778,338</u>
	2,705,183	4,789,138
Long Term Assets:		
Development in progress	<u>(351,671)</u>	<u>(186,151)</u>
Total Assets	<u>\$ 2,353,512</u>	<u>\$ 4,602,987</u>
Current Liabilities:		
Accounts payable and accrued liabilities	<u>8,497</u>	<u>4,203</u>
Net Assets	<u>\$ 2,345,015</u>	<u>\$ 4,598,784</u>
Sales of land	\$ 568,168	\$ 3,686,753
Cost of land sales	<u>176,575</u>	<u>1,267,093</u>
Gross margin	391,593	2,419,660
Expenses:		
Interest on bank indebtedness	9,080	10,129
General	31,809	38,293
Other	<u>(27,528)</u>	<u>133,191</u>
Total expenses	13,361	181,613
Net income for the year	<u>\$ 378,232</u>	<u>\$ 2,238,047</u>

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**10. Land**

	<u>2010</u>	<u>2009</u>
Future development or sale	\$ 9,460,428	\$ 9,456,579
Leased to co-operatives	1,659,792	1,659,792
Joint venture	678,373	866,595
	<u>\$ 11,798,593</u>	<u>\$ 11,982,966</u>

**11. Deferred revenue**

	<u>2010</u>	<u>2009</u>
Direct Managed tenant prepaid rent	\$ 2,255,663	\$ 2,097,569
Other prepaid land lease and subsidy contribution received in advance	327,198	317,189
Affordable Housing Initiative commitments	23,920,317	13,268,574
Federal Stimulus commitments	37,280,404	-
	<u>\$ 63,783,582</u>	<u>\$ 15,683,332</u>

**12. Long-term debt**

	<u>2010</u>	<u>2009</u>
Government of the Province of Manitoba:		
Advances, convertible to long-term advances at MHRC's option, at prime interest rates	\$ 108,435,454	\$ 66,897,319
Long-term advances, at interest rates from 4.75% to 13.375% maturing at various dates to 2029 and requiring annual principal and interest payments of \$38,103,892 (2009 - \$37,966,316)	270,246,867	283,365,617
Canada Mortgage and Housing Corporation:		
Long-term advances, at interest rates from 5.67% to 8.625% maturing at various dates to 2030 and requiring annual principal and interest payments of \$14,972,152 (2009 - \$15,024,576)	150,285,841	155,907,762
Mortgages payable (assumed on property acquisitions), at interest rates from 5.375% to 9.625% maturing at various dates to 2028 and requiring annual principal and interest payments of \$319,272 (2009 - \$325,290)	2,645,610	2,724,732
	<u>\$ 531,613,772</u>	<u>\$ 508,895,430</u>

Principal repayments on the long-term debt are estimated as follows:

2011	20,297,450
2012	21,933,005
2013	22,776,614
2014	24,124,270
2015	25,509,129
Subsequent to 2015	416,973,304
	<u>\$ 531,613,772</u>



**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**13. Deferred contributions**

MHRC recognizes federal and provincial contributions towards housing programs as revenue when eligible program expenses are incurred and records deferred contributions for any unexpended amounts. In accordance with the Social Housing Agreement executed by MHRC and CMHC which took effect October 1, 1998, federal contributions must be fully used by August 31, 2031. The Agreement provides that a specified amount of the annual federal contributions must be applied toward housing programs, which assist low income households, as defined in the Agreement. The portion of federal contributions that may be applied toward other housing programs is similarly specified. In addition, the Province contributes funding for its share of housing programs through grants from the Province of Manitoba (note 14). Total unexpended contributions in the amount of \$52,634,300 (2009 - \$65,188,172) are carried forward by MHRC for future use.

Pursuant to the Social Housing Agreement dated September 3, 1998 between CMHC and MHRC, CMHC made a one-time payment of \$12,700,000 to MHRC in 1999. This amount was provided for the purpose of mitigating future operating risks associated with MHRC's financial responsibility for housing programs transferred from CMHC pursuant to the Agreement. This amount has been recorded as a deferred contribution and is increased by interest earned thereon and is reduced as the Corporation incurs expenses as a result of the identified risks. The unexpended balance related to these contributions at March 31, 2010 is \$12,428,609 (2009 - \$12,385,799).

The breakdown of total unexpended contributions is as follows:

	<u>2010</u>	<u>2009</u>
Deferred Federal contributions	\$ 18,136,437	\$ 20,755,147
Deferred Provincial contributions	<u>34,497,863</u>	<u>44,433,025</u>
	52,634,300	65,188,172
Risk reserve contribution related to the Social Housing Agreement	<u>12,428,609</u>	<u>12,385,799</u>
	<u>\$ 65,062,909</u>	<u>\$ 77,573,971</u>

**14. Grants from the Province of Manitoba**

	<u>2010</u>	<u>2009</u>
Department of Housing and Community Development:		
MHRC operating programs	\$ 58,961,438	\$ 57,610,056
MHRC administration	10,180,562	8,891,844
Grants and subsidies	<u>9,592,727</u>	<u>5,975,525</u>
	78,734,727	72,477,425
Grants recovered from the Department of Finance:		
School Tax Assistance for Tenants 55 Plus Program	242,917	266,710
Pension recovery (note 19)	<u>456,372</u>	<u>1,499,014</u>
	<u>\$ 79,434,016</u>	<u>\$ 74,243,149</u>

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**15. Contributed services**

	<u>2010</u>	<u>2009</u>
Administrative services provided by the Department of Housing and Community Development were allocated as follows:		
- included in the Statement of Operations, Administrative Services	\$ 509,600	\$ 521,200
- included in administration expenses in note 16, Direct Managed Housing Operations	600,500	772,600
- included in administration expenses in note 16, Sponsor Managed Housing Operations	11,300	27,400
- included in Rental Subsidies, note 17	194,800	286,000
- included in Statement of Operations, Repair and renovation expense	<u>82,900</u>	<u>136,400</u>
Total Department of Housing and Community Development administrative services provided	<u>\$ 1,399,100</u>	<u>\$ 1,743,600</u>

**16. Housing operations**

The management and operation of all MHRC owned social housing projects are direct managed, sponsor managed, and operated under property management agreements. Their operating results are as follows:

	Direct Managed	Sponsor Managed	Property Management Agreements	<u>2010</u>	<u>2009</u>
<u>Revenue</u>					
Rental Revenue	\$ 53,442,468	\$ 13,277,668	\$ 4,663,361	\$ 71,383,497	\$ 71,031,083
<u>Expenses</u>					
Administration (note 15)	21,890,443	2,039,589	1,128,602	25,058,634	22,973,574
Property operating	63,708,467	9,851,129	11,469,961	85,029,557	72,086,257
Grants in lieu of taxes	9,539,392	1,468,111	929,858	11,937,361	12,105,776
Amortization	7,659,175	1,818,193	79,239	9,556,607	8,489,978
Interest	17,124,093	3,739,813	-	20,863,906	22,827,333
	<u>119,921,570</u>	<u>18,916,835</u>	<u>13,607,660</u>	<u>152,446,065</u>	<u>138,482,918</u>
Operating loss	<u>\$ 66,479,102</u>	<u>\$ 5,639,167</u>	<u>\$ 8,944,299</u>	<u>\$ 81,062,568</u>	<u>\$ 67,451,835</u>

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**17. 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:

	<u>2010</u>	<u>2009</u>
Not for Profit Housing	\$ 27,528,164	\$ 28,137,025
Co-operative Housing	4,153,096	3,759,515
Private Landlords	5,168,046	4,717,582
	<u>\$ 36,849,306</u>	<u>\$ 36,614,122</u>

**18. Grants and subsidies**

	<u>2010</u>	<u>2009</u>
Manitoba Shelter Benefit	\$ 9,064,337	\$ 5,875,970
Portable Housing Benefit	528,390	99,555
School Tax Assistance for Tenants 55 Plus	242,917	266,710
Elderly & Infirm Persons Housing	155,423	155,423
Co-op Homestart	138,475	92,226
Homeless Strategy	125,250	-
	<u>\$ 10,254,792</u>	<u>\$ 6,489,884</u>

**19. Pension obligations**

Employees of the Corporation and The Manitoba Housing Authority (MHA) are eligible for pensions under the Manitoba Civil Service Superannuation Fund. This pension plan is a defined benefit plan, which requires MHA 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 MHA employees. Pension expense recorded for MHA employees for the year ended March 31, 2010 is \$787,385 (2009 - \$656,469).

The Corporation has a liability associated with the annual cost of pension benefits earned by the former Department of Family Services and Housing employees who were transferred to the Corporation on February 8, 2003. This liability consists of the employer's share of pension benefits paid to retired employees, as well as the increase in the unfunded pension liability during the fiscal year. This liability is determined by an actuarial valuation every three years with the balances for the intervening years being estimated by a formula provided by the actuary. The most recent valuation was completed at December 31, 2007.

	<u>2010</u>	<u>2009</u>
Balance at beginning of year	\$7,055,786	\$5,556,772
Experience (gain) loss	(609,386)	937,944
Benefits accrued	609,068	458,196
Interest accrued on benefits	477,736	367,482
Benefits paid - estimated	<u>(21,046)</u>	<u>(264,608)</u>
Balance at end of year	<u>\$7,512,158</u>	<u>\$7,055,786</u>

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

The key actuarial assumptions were a rate of return of 6.5% (2009 - 6.5%), 2.5% inflation (2009 - 2.5%), salary rate increases of 3.25% (2009 – 3.25%) and post retirement indexing at 2/3 of the inflation rate. The projected benefit method was used and the liability has been extrapolated to March 31, 2010 using a formula provided 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 \$7,512,158 as of March 31, 2010 (2009-\$7,055,786) and has recorded an increase in revenue for 2009/10 equal to the related pension expense increase of \$456,372 (2009 - increase \$1,499,014). The Province of Manitoba makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

**20. Severance**

**a) Severance pay liability**

Effective April 1, 1998, the Corporation commenced recording the estimated liability for accumulated severance pay benefits for its employees in The Manitoba Housing Authority. 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 employee's date of retirement, will be determined by multiplying the eligible employee's years of service (to a maximum of 22 or 15 years) by the employee's weekly salary at the date of retirement. Eligibility will require that the employee has achieved a minimum of nine years of service and that the employee is retiring from the Corporation.

An actuarial report was completed for the severance pay liability as at March 31, 2010. The Corporation's actuarially determined liability relating to the Manitoba Housing Authority employees as at March 31, 2010 was \$2,325,430 (2009 - \$2,104,995). The report provides a formula to update the liability on an annual basis.

The Corporation 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 the Corporation 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, 2010. The Corporation's actuarially determined liability relating to the former Department of Family Services and Housing employees as at March 31, 2010 was \$1,108,845 (2009 - \$1,033,931). The report provides a formula to update the liability on an annual basis.

**b) Severance pay receivable**

The Province of Manitoba has accepted responsibility for the severance pay benefits accumulated to March 31, 1998 by the Corporation's employees. Accordingly, the Corporation 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 MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

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 carrying value of the receivables approximates its fair value as the interest component described above is comparable to current market rates.

**21. 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 the MHRC in respect of land owned or developed by it or by a partnership or joint venture in which the MHRC is or was a participant. Interest earned on the amounts are to be credited to the fund. Profits are transferred from The Manitoba Housing and Renewal Fund to the Housing Development and Rehabilitation Fund. The fund may be used to provide support for housing projects in areas of need within a municipality in which the Corporation realized profits, including the development of new housing or the rehabilitation of existing housing. The fund has a balance of \$4,969,044 (2009 - \$6,417,575).

The breakdown is as follows:

	<u>2010</u>	<u>2009</u>
Balance at beginning of year	\$ 6,417,575	\$ 3,678,735
Land Development Profits	2,870,464	
Interest Earned	10,502	
Current Year Disbursements	<u>(4,329,497)</u>	
	<u>(1,448,531)</u>	<u>2,738,840</u>
Balance at end of year	<u>\$ 4,969,044</u>	<u>\$ 6,417,575</u>

**22. Contingencies**

The Corporation 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 the Corporation. Any settlement will be recognized in the year the settlement occurs.

The Corporation provided the City of Winnipeg with a letter of credit under a development agreement. At March 31, 2010 the letter of credit amounted to \$1,389,120.

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**23. Commitments**

The Corporation has the following commitments as at March 31, 2010.

- a) Housing project enhancements and new construction      \$36,922,247
- b) Third party repair, renovation and new construction      \$50,200,166
- c) Public housing operations:

As a result of the Social Housing Agreement dated September 3, 1998, MHRC is now 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:

2011	\$53,912,000
2012	73,478,700
2013	88,320,400
2014	101,770,400
2015	109,735,900

**24. Guarantees**

The Corporation 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 outstanding guarantees are as follows:

	<u>2010</u>	<u>2009</u>
Joint Venture Investment Guarantee (note 9)	\$2,400,000	\$2,400,000
Waverley West Letter of Credit	1,389,120	1,389,120
Mobile Home Loan Guarantee Program	91,837	108,678
Affordable Housing Initiative Loan Guarantee Program	<u>1,200,000</u>	<u>1,200,000</u>
	<u>\$5,080,957</u>	<u>\$5,097,798</u>

A guarantee fee of 2 1/2% is charged for each mortgage under the Mobile Home Loan Guarantee Program. The assets of the Mobile Home Loan Guarantee Program as at March 31, 2010 are \$91,837 (2009 - \$108,678) and are included in cash (note 4). The trust fund liability is included in accounts payable.

**25. Subsidy Contributions**

Pursuant to the Social Housing Agreement executed by MHRC and CMHC, CMHC will pay fixed 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.

	<u>2010</u>	<u>2009</u>
Federal contributions	\$ 69,979,012	\$ 48,062,268
Provincial contributions	1,056,493	1,804,261
Municipal contributions	310,945	229,485
	<u>\$ 71,346,450</u>	<u>\$ 50,096,014</u>

**THE MANITOBA HOUSING AND RENEWAL CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**26. Capital Management**

MHRC's objective when managing capital is to maintain sufficient capital to cover its costs of operations. MHRC includes The Housing Development and Rehabilitation Fund and The Manitoba Housing and Renewal Fund Deficit as well as long-term debt in its definition of capital.

MHRC's operating objectives are to ensure that there is an adequate supply of housing stock in Manitoba and to enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of low and moderate income and those with specialized needs. In order to meet these operating objectives, MHRC capital management policy is to:

- Obtain long term debt from the Province of Manitoba and Canada Mortgage and Housing Corporation;
- Obtain rental revenue from its housing stock. This revenue is partially subsidized through provincial and CMHC funding; and
- Earn interest income on loans and mortgages to individuals and organizations that meet pre-defined criteria.

Long term debt and the Manitoba Housing and Renewal Fund are not subject to externally imposed capital requirements. The Housing Development and Rehabilitation Fund is required by legislation to provide support for housing projects in areas of need within a municipality in which the MHRC realized suburban land development profits. There were no changes to MHRC's approach to capital management during the period.

MHRC's capital is as follows:

	<u>2010</u>	<u>2009</u>
Long Term Debt (note 12)	\$531,613,772	\$508,895,430
Housing Development and Rehabilitation Fund (note 21)	4,969,044	6,417,575
Manitoba Housing and Renewal Fund (deficit)	<u>(206,989,719)</u>	<u>(221,216,449)</u>
	<u>\$329,593,097</u>	<u>\$294,096,556</u>

**27. Risk Management**

MHRC has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, market risk, interest rate risk and foreign currency risk.

i) **Credit Risk**

Credit risk arises from the potential that a counterparty to an agreement with the Corporation will fail to perform its obligations. The Corporation conducts an assessment of credit issues prior to committing to such agreements and it actively monitors the credit risks associated with its accounts receivable and loans and mortgages receivable on an ongoing basis.

The maximum exposure of MHRC to credit risk at March 31, 2010 is:

Cash (note 4)	\$153,049,249
Accounts receivable and accruals (note 5)	49,553,003
Loans and mortgages receivable (note 6)	<u>138,284,225</u>
	<u>\$340,886,477</u>

Cash and deposits with the Minister of Finance: MHRC is not exposed to significant credit risk as these deposits are primarily held by the Minister of Finance.

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

Accounts receivable and accruals: MHRC is not exposed to significant credit risk as the majority of its accounts are with the Province of Manitoba and CMHC and payment is typically collected when due. MHRC establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, client analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

Loans and mortgages receivable: The corporation is not subject to significant credit risk as the loans and mortgages are spread among a large client base and geographic region and payment is typically collected when due. MHRC establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, client analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

ii) Liquidity Risk

Liquidity risk is the risk that MHRC will not be able to meet its financial obligations as they become due.

MHRC manages liquidity risk by maintaining adequate cash balances and by review from the Province of Manitoba to ensure adequate funding will be received to meet obligations.

iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect MHRC's income or the fair values of its financial instruments. The significant market risk MHRC is exposed to is interest rate risk.

iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. MHRC does not use derivative instruments to reduce its exposure to interest risk. The interest rate exposure relates to deposits with the Minister of Finance, loans and mortgages receivable and long term debt.

The interest rate risk on funds on deposit with the Minister of Finance is considered to be low because of their short term nature.

MHRC's loans and mortgages are exposed to interest rate fluctuations. This risk is mitigated through the almost exclusive use of fixed rate terms. A change of +100 basis points would result in a decrease in value of \$9,989,346 whereas a -100 basis point change would result in an increase in value of \$11,091,676.

MHRC manages its interest rate risk on long term debt through the use of fixed rate terms for its long term debt. A change of +100 basis points in the interest rates would have decreased its fair value by \$32,066,630 whereas a change of -100 basis points would have increased its fair value by \$31,541,011.

v) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. MHRC is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in a foreign currency.



**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**28. Financial Instruments**

- i) Financial assets and liabilities are initially recorded at fair value. Measurement in subsequent periods depends on the financial instrument's classification. Financial instruments are classified into one of the following five categories: held for trading; available for sale; held to maturity; loans and receivables; and other financial liabilities. All financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost. The financial assets and liabilities of the Corporation are classified and measured as follows:

<u>Financial Asset/Liability</u>	<u>Category</u>	<u>Subsequent Measurement</u>
Cash and funds on deposit	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Loans and mortgages receivable	Loans and receivables	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost
Long term debt	Other financial liabilities	Amortized cost

Gains and losses on financial instruments subsequently measured at amortized cost are recognized in the statement of operations in the period the gain or loss occurred. Changes in fair value on financial instruments classified as held for trading are recognized in the statement of operations for the current period. Changes in fair value on financial instruments classified as available for sale are recorded in statement of changes in net assets or other comprehensive income until realized, at which time they recorded in the statement of operations.

- ii) The fair value of funds on deposit are classified as a Level 2 Financial Investment as they are invested with the Department of Finance.

The fair value of accounts receivable (excluding receivables related to pension and severance liability), accounts payable, holdbacks and accruals approximates their carrying values due to their short-term maturity.

The carrying value of the Corporation's pension and severance pay liabilities are based on actuarial valuations adjusted over time for the effect of interest and payouts since the valuations were performed. The carrying value of the liabilities approximates their fair values as the interest component is comparable to current market rates. The carrying value of the related pension and severance receivables approximates their fair value as their carrying value is derived from the related pension and severance liabilities.

The fair value of loans receivable is determined using the present value of future cash flows under current funding agreements, based on the Corporation's current estimated lending rate for loans with similar terms and conditions. The fair value of the loans receivable is \$172,842,262 at March 31, 2010 (\$177,028,847 at March 31, 2009).

The fair value of long-term debt is determined using the present value of future cash flows under current financing agreements, based on the Corporation's current estimated borrowing rate for loans with similar terms and conditions. The fair value of the long-term debt is \$613,356,955 at March 31, 2010 (\$615,939,333 at March 31, 2009).

**THE MANITOBA HOUSING AND RENEWAL CORPORATION  
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2010**

**29. 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. Included in loans and mortgages receivable are \$1,965,275 of forgivable loans to the University of Winnipeg. These loans are in accordance with established MHRC loan programs.

**30. Comparative Figures**

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