

COOPERATIVE HOUSING STRATEGY

Strategy Framework

Housing and Community Development: Support for Cooperatives

Since becoming a department in 2009, HCD has expanded the scope of its activities to foster and promote the use of cooperative models. “Strong Communities - An Action Plan” identifies “promoting and supporting community development and building community capacities” as a departmental goal.

To that end, HCD has identified a wide range of actions to achieve this goal, including support for cooperatives and other enterprises that provide social, economic and environmental benefits to the community.

HCD’s Community and Cooperative Development Services branch plays a key role in providing this support by offering services in developing and maintaining cooperatives, such as:

- **Incorporation:** Provides information and advice on incorporating a cooperative
- **Counselling services:** Provides basic information and advice to help emerging cooperatives make informed decisions about their projects, as well as provide links to other cooperatives and community economic development organizations
- **Regulatory:** Assists with interpreting and complying with the requirements of *The Cooperatives Act* and regulations
- **Pathfinding:** Provides technical assistance, information on financing programs and access to other programs and assistance, including training options

HCD offers funding for cooperatives, including housing co-ops through the Cooperative Assistance Fund. This funding can be accessed during the various stages of planning or operating a housing co-op, which funds up to \$2,000 available for renovations, capital purchases, and green initiatives.

Other Provincial funding is available through the Cooperative Development Tax Credit Fund which provides up to \$2,000¹ for technical services, and the Cooperative Promotion Board² offers grants of up to \$5,000 for research, studies, education and promotion of cooperative organizations.

HCD, through its Crown Corporation, Manitoba Housing, provides support to housing units and households under a variety of programs. There are over 40 cooperatives with operating agreements with Manitoba Housing, overseen by its Portfolio Administration Branch. The branch provides technical advice on housing operations and board governance, administers related subsidy programs, and assists and guides non-profit housing cooperatives in strengthening their business planning for long term financial viability.

Manitoba Housing's Housing Delivery Branch is responsible for collaborating with for-profit and non-profit organizations and facilitating the delivery of additional rental and cooperative housing in Manitoba that is both privately-owned and provincially-owned. Housing Delivery provides capital funding support and technical services to cooperative organizations (among others) for housing projects that are moving through the phases of proposal and design development through to construction and occupancy. Project Officers and Adjudicators within this branch support groups who are developing affordable housing projects. Housing Delivery manages the disbursement of funding and supports a project's progress by working in partnership with a proponent's project team and coordinating efforts as needed with other branches within HCD.

Northern Housing Operations works in collaboration with the Housing Delivery Branch to facilitate the delivery of new rental and cooperative housing in northern Manitoba. Northern Housing Operations has dedicated Project Officers who work directly with non-profit groups, for-profit groups and communities at large to develop affordable housing projects which meet the needs of northern residents.

Under Manitoba's *Cooperatives Act*, to establish a new housing co-op, cooperatives are required to register their articles of incorporation with the Financial Institutions Regulation Branch of Manitoba Finance. The articles of incorporation must set out a number of items including the name of the co-op and the structure of member shares.

In 2011, Manitoba introduced amendments to *The Cooperatives Act* to modernize the legislation. The new, flexible model allows co-op boards to access more expertise and capacity through what is known as a "supporting class" of membership.

¹ Funding support levels determined annually, based on contributions to the Fund.

² The Province of Manitoba supports the Cooperative Promotion Board with contributed services, and HCD provided funding for a promotional campaign to support and enhance the profile of housing cooperatives.

Cooperative Housing Strategy for Manitoba

In June 2014, *The Cooperative Housing Strategy Act* received Royal Assent. *The Cooperative Housing Strategy Act* mandates legislative support for growth and diversity within the co-op housing sector, and this strategy satisfies this new legislative requirement. Manitoba is a national leader in terms of cooperative housing strategy legislation.

As demonstrated in the department's *Strong Communities - An Action Plan*, HCD supports a community-based, holistic approach to delivering our mission: *in partnership with Manitobans, we support the positive growth of communities across the province by providing quality housing and supporting community development.*

This integration of housing and community development reflects the important connection between neighbourhood, house and home. Adequate, suitable and affordable homes, and socially and economically inclusive neighbourhoods, are key elements in creating healthy communities.

Our approach is intended to make it easier for individuals and communities to work with government and engage in activities that improve neighbourhoods and provide quality housing, employment, educational and social opportunities for the people that live there. In other words, HCD is committed to helping people work together to meet local needs.

HCD is a partner in the *Manitoba Cooperative Community Strategy* (MCCS), along with the Manitoba Cooperative Association (MCA) and Le Conseil de développement économique des municipalités bilingues du Manitoba (CDEM). Stakeholders were consulted in order to develop the MCCS, which represents the province's vision for a thriving cooperative sector. Four strategic objectives have been identified for Phase Two of the MCCS and these priorities are consistent in principle with the three goals of the *Cooperative Housing Strategy for Manitoba*.

This *Cooperative Housing Strategy for Manitoba* was developed through a consultation process designed to gather ideas on how the Province, the cooperative housing community and other stakeholders could help to best position the cooperative housing sector for future growth. The ensuing discussions provided HCD with a valuable opportunity to hear first-hand from individuals and groups about their perceptions on cooperative housing, the barriers that may exist to its development and ideas on how to promote sustainable growth within the sector. The result is *The Cooperative Housing Strategy for Manitoba*.

The Strategy builds on the Province of Manitoba's prior success in supporting, developing and strengthening cooperatives in recognition of their role in building communities and the economy. It charts a course to help the cooperative sector to grow within Manitoba in the future.

Strategy Vision

As cooperative housing becomes widely known and accepted as a viable housing option, and a greater variety of cooperative housing financial models are established, more individuals and families will choose to “live cooperatively” in Manitoba.

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

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

OBJECTIVES:

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

Activity Area

- Create an Internal Advisory Committee (IAC) to improve coordination, collaboration and messaging on co-op housing within HCD, continue to advance HCD’s body of knowledge on cooperative housing and to provide a link between activities of the co-op housing sector and various branches of HCD
 - Enhance existing programs and tools that support building new or expanding existing housing cooperatives
 - Work with housing co-ops facing Project Operating Agreement (POA) expiry
-

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

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

OBJECTIVES:

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

Activity Area

- Promote the "co-op advantage" through a co-op housing promotional campaign
 - Create a better understanding of innovations on financial models for housing co-ops that could be implemented in Manitoba
 - Work with our partners to engage young people, "future co-operators", in the cooperative housing sector
-

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

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

OBJECTIVES:

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

Activity Area

- Support activities that help to engage housing cooperative members in education, training and information exchange
 - Work with the cooperative sector to identify and promote opportunities and practices that could build capacity of housing cooperatives
-