



**MINISTER
OF HOUSING AND COMMUNITY
DEVELOPMENT**

Room 358
Legislative Building
Winnipeg, Manitoba R3C 0V8
CANADA

September 2014

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 2013/14.

Respectfully submitted,

“Original Signed by Peter Bjornson”

Peter Bjornson





**MINISTRE DE LOGEMENT ET
DÉVELOPPEMENT COMMUNAUTAIRE**

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

Septembre 2014

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 2013-2014.

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

“Original signé par Peter Bjornson”

Peter Bjornson





Deputy Minister of Housing and Community Development
Legislative Building, Winnipeg, Manitoba, Canada, R3C 0V8
www.manitoba.ca

Honourable Peter Bjornson
Minister of Housing and Community Development

Minister:

I have the honour of presenting to you the Annual Report for the Department of Housing and Community Development for the fiscal year ending March 31, 2014. This report highlights our major achievements and progress made in reaching our objectives.

The Department took significant steps to improve options for affordable housing in 2013/14. As of March 2014, the Department met the Province's commitment to support 1,500 new affordable and 1,500 Rent-Geared-to-Income (RGI) housing units over five years, improving affordable housing options, housing choice and contributing to the Provincial economy. These commitments were partially supported by \$63 million under the Investment in Affordable Housing (IAH) agreement with the Federal Government. The IAH also supported the Request for Proposals issued to develop 140 new seniors' housing units. A further investment of \$97.5 million was made to improve the existing social and affordable housing stock. These activities improve housing choice and contribute to the Provincial economy by providing skill development and training opportunities for persons with barriers to employment and students living across Manitoba, including the North. As well, the Province announced a new Rental Housing Construction Tax Credit designed to stimulate development and add new, affordable units to the market.

The Department has maintained alignment with Provincial priorities by investing in housing initiatives for the homeless and other vulnerable populations. Approximately 150 participants of the Mental Health Commission of Canada's At Home/Chez Soi research project were transitioned into provincial housing programs, upon conclusion of the project. This transition maintained the successes gained by participants. The Department also joined an interdepartmental advisory group and task force on rooming houses and convened the Housing Advisory Committee to identify policy solutions needed to preserve the range of housing options required by Manitobans.

The Department continued to promote community development and social inclusion in communities throughout Manitoba. Grants and planning expertise to support recreational, social and cooperative development initiatives were provided through the Community Places Program and a variety of cooperative development services activities. Opportunities for organizations to pursue locally-identified projects were realized through the Neighbourhoods Alive! and Localized Improvements for Tomorrow (LIFT) funding programs.

Going forward, the Department will continue to support initiatives that provide quality housing and contribute to positive growth in Manitoba communities. I would also like to recognize the role of our employees. Their hard work and dedication are the driving force behind our efforts.

Respectfully Submitted,

"Original Signed by Jeff Parr"

Jeff Parr
Deputy Minister
Housing and Community Development





Sous-ministre du Logement et du Développement communautaire
Palais législatif, Winnipeg (Manitoba), Canada, R3C 0V8

www.manitoba.ca

Monsieur Peter Bjornson
Ministre du Logement et du Développement communautaire

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère du Logement et du Développement communautaire pour l'exercice terminé le 31 mars 2014. Ce rapport met en évidence les principaux progrès et réalisations que nous avons accomplis en vue d'atteindre nos objectifs.

Le Ministère a pris des mesures importantes pour améliorer l'offre de logements abordables en 2013-2014. En mars 2014, le Ministère avait réalisé l'engagement de la Province visant à appuyer sur cinq ans l'offre de 1 500 nouveaux logements abordables ainsi que 1 500 logements dont le loyer est déterminé en fonction du revenu, améliorant ainsi l'offre de logements abordables et le choix de logements, tout en contribuant à la croissance de l'économie provinciale. Ces engagements ont été en partie appuyés par 63 millions de dollars provenant de l'entente d'Investissement dans le logement abordable (IDLA) conclue avec le gouvernement fédéral. Cette entente a également appuyé la demande de propositions visant la construction de 140 logements pour personnes âgées. Un autre investissement de 97,5 millions de dollars a permis d'améliorer le parc de logements sociaux et abordables existants. Ces activités améliorent le choix de logements et contribuent à la croissance de l'économie provinciale en offrant des occasions de perfectionnement professionnel et de formation à des personnes qui se heurtent à des obstacles à l'emploi ainsi qu'à des étudiants, et cela à l'échelle provinciale, y compris dans le Nord. La Province a également annoncé la création du crédit d'impôt pour la construction de logements locatifs qui vise à stimuler la construction domiciliaire et à mettre sur le marché de nouveaux logements abordables.

Le Ministère a continué de se conformer aux priorités provinciales en investissant dans des initiatives de logement à l'intention des sans-abri et d'autres catégories de population vulnérables. Environ 150 participants au projet de recherche Chez soi/At Home de la Commission de la santé mentale du Canada ont intégré des programmes de logement provinciaux lorsque le projet a pris fin, ce qui leur a permis de conserver leurs acquis. Le Ministère s'est également joint à un groupe consultatif et un groupe de travail interministériel sur les maisons de chambres et a convoqué le Comité consultatif du logement afin de déterminer les solutions stratégiques requises pour préserver la palette d'offres de logement dont la population du Manitoba a besoin.

Le Ministère a continué à promouvoir le développement communautaire et l'inclusion sociale dans des collectivités partout au Manitoba. Par l'intermédiaire du programme Place aux communautés et de diverses activités liées aux services de développement des coopératives, le Ministère a attribué des subventions et fourni des conseils d'expert en matière de planification afin d'appuyer des initiatives dans les domaines social, des loisirs et du développement coopératif. Les programmes de financement Quartiers vivants et Fonds d'améliorations locales pour demain (LIFT) ont permis à des organismes d'entreprendre des projets définis au niveau local.

Le Ministère ira de l'avant en continuant d'appuyer des initiatives qui fournissent des logements de qualité et contribuent à la croissance positive dans les collectivités du Manitoba. J'aimerais également reconnaître le rôle de nos employés; leur travail acharné et leur dévouement sont des éléments déterminants pour la réussite de nos efforts.



Je vous prie d'agréer, Monsieur le Ministre, l'assurance de ma haute considération.

Le sous-ministre,

“ Original signé par Jeff Parr”

Jeff Parr
Logement et Développement communautaire

Table of Contents

Title	Page
Minister's Letter of Transmittal	3
Deputy Minister's Letter of Transmittal	7
Preface	13
Introduction	13
Report Structure	13
Role, Mission, Goals and Guiding Principles	13
Overview	15
Organization Chart as at March 31, 2014	17
Minister and Executive Support	18
Manitoba Housing	20
Social Housing Management	23
Asset Management	28
Northern Housing Operations	31
Land Development	32
Housing Delivery	33
Community Development and Strategic Initiatives Division	36
Community and Cooperative Development	37
Strategic Initiatives	43
Community Relations	45
Corporate Services Division	47
Financial Services	47
Corporate Management Services	48
Corporate Compliance and Risk Management	50
Costs Related to Capital Assets	52
Financial Information	53
Five-Year Expenditure and Staffing Summary Table	53
Reconciliation Statement	54
Expenditure Summary Table	55

Appendices

Appendix 1 Sustainable Development	59
Appendix 2 Performance Indicators	62
Appendix 3 <i>The Public Interest Disclosure (Whistleblower Protection) Act</i>	74
Appendix 4 The Co-operative Loans and Loans Guarantee Board	75
Appendix 5 Manitoba Housing and Renewal Corporation – Financial Statements	80

PREFACE

INTRODUCTION

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

REPORT STRUCTURE

The Annual Report is organized in accordance with the Department of Housing and Community Development appropriation structure as set out in the Main Estimates of Expenditures of the Province of Manitoba for the fiscal year ending March 31, 2014. 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

In July 2011, Housing and Community Development announced *Strong Communities: An Action Plan*. This document established a new Vision, Mission and Guiding Principles for the Department and highlights the overall goals and actions that direct the Department's activities.

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

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

The Department has a broad mandate including a range of housing and community development programs and initiatives that support community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. Through the activities of The Manitoba Housing and Renewal Corporation, we strive to enhance the quality of life and well-being of Manitobans by providing access to safe and affordable housing in communities across Manitoba, particularly for those of low and moderate income or those with specialized needs. It is also our role to ensure an adequate supply of housing as well as to maintain and improve the condition of existing housing stock and to stimulate activities within the housing market to the benefit of Manitobans as a whole.

By working together with community partners, we are building communities and revitalizing neighbourhoods while engaging residents in the process. By employing a service-oriented approach to social housing, we are fostering more positive relationships with our tenants, community residents and stakeholders to help house Manitobans.

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

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

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

Guiding Principles

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

OVERVIEW

The role of Housing and Community Development is to facilitate community development and promote well-being and social inclusion. Housing is integral to this process; the Department also strives to safeguard an adequate supply of safe and affordable housing, particularly for those of low and moderate income or those with specialized needs. It is also the role of Housing and Community Development to sustain and improve the condition of social housing and stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

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

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 programs; and homeownership programs. Manitoba Housing is an approved lender under *The National Housing Act*. The Corporation also manages and develops land held in its land inventory. This work is accomplished through the Corporation's five branches: Social Housing Management; Asset Management; Northern Housing Operations; Land Development; and Housing Delivery.

The Community Development and Strategic Initiatives Division includes the Community and Cooperative Development Branch that administers the Community Places, Neighbourhoods Alive!, and Cooperative Development Services programs. These programs assist communities in providing sustainable recreational, social benefits for their communities; support and strengthen community economic development and community development; and maintain and encourage new cooperative development opportunities. The Division also includes two other Branches: Strategic Initiatives and Community Relations, which support the Department and Corporation by providing policy and program advice and a broad range of executive, managerial and operational supports.

The Corporate Services Division consists of three service areas: Financial Services, Corporate Management Services and Corporate Compliance and Risk Management, that provide comprehensive central support to the Department of Housing and Community Development, including direction and support in financial planning; financial reporting; financial evaluations and protection of corporate assets; information technology planning; training and development; legal support services; and risk management.

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

The Department's Organization Chart follows this Overview.

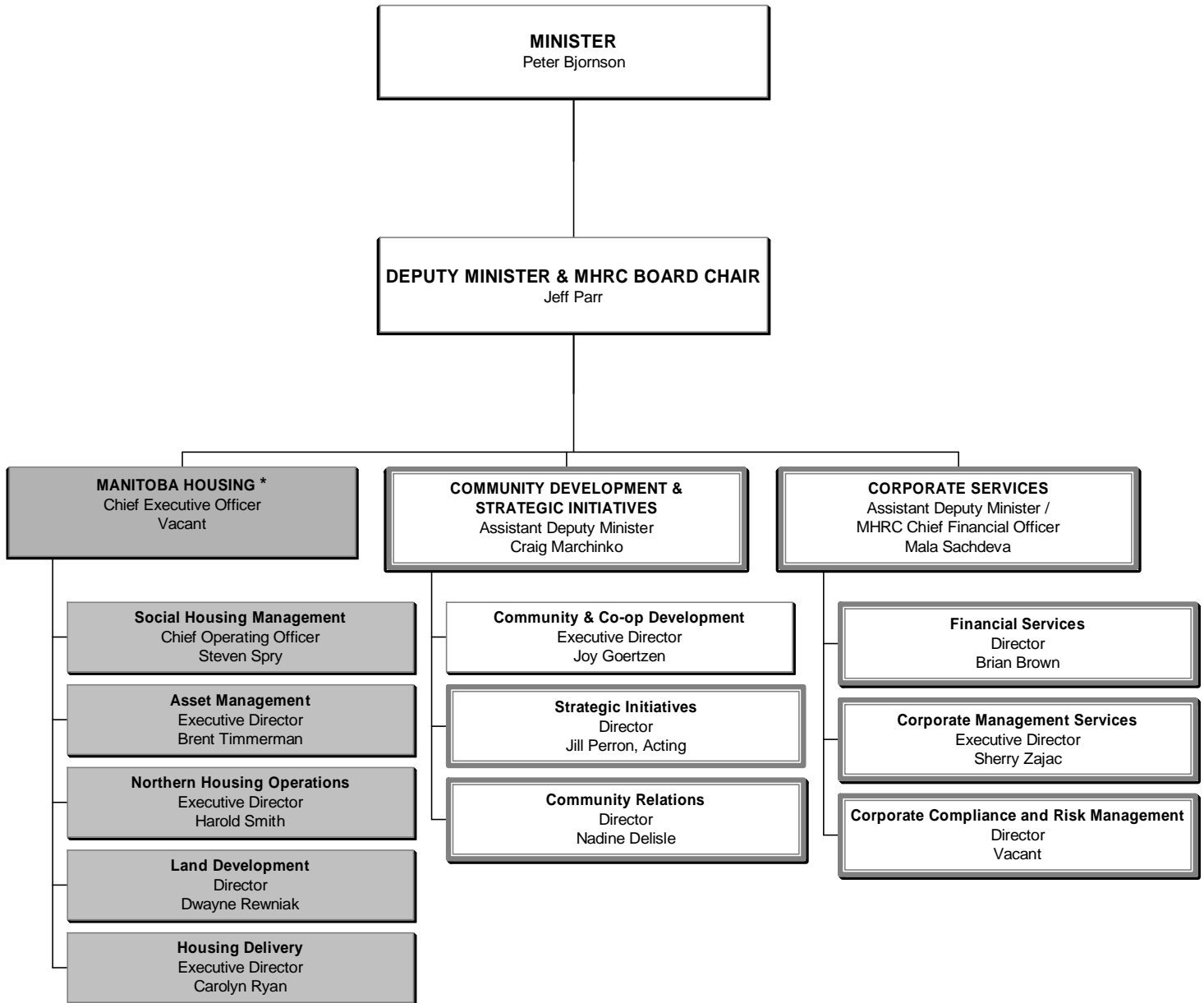
The statutory responsibilities of the Minister of Housing and Community Development are as follows:

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

The Community Renewal Act, The Co-operative 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 2013/14 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 (CPB) Annual Report is produced separately from the Department of Housing and Community Development Annual Report. The CPB 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 statements; and the Auditors' report. The CPB Annual Report for the year 2013/14 can be obtained at 4th Floor - 352 Donald Street, Winnipeg, MB, R3H 2H8, telephone (204) 945-3379 or online at <http://www.gov.mb.ca/housing/housingpublications.html>.

ORGANIZATION CHART
 (as of March 31, 2014)



*The Manitoba Housing and Renewal Corporation

- Responsibilities in the Department
- Responsibilities in the Crown Corporation
- Responsibilities in the Department and Crown 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.
- 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 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	37	1.00	37	-	

EXECUTIVE SUPPORT

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

Objectives

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

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

Expenditures by Sub-Appropriation	Actual 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	694	9.00	702	(8)	
Total Other Expenditures	79		80	(1)	

SUPPORT SERVICES

Objectives

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

Responsibilities

- Provides support 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

Expenditures by Sub-Appropriation	Actual 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	915	11.00	928	(13)	
Total Other Expenditures	45		56	(11)	

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 The Manitoba Housing and Renewal Corporation (MHRC). Manitoba Housing is mandated under *The Housing and Renewal Corporation Act* and is governed by a Board of Directors appointed by the Lieutenant Governor in Council with policy direction provided by government. The Deputy Minister of Housing and Community Development serves as Chair of the Board of Directors. The Board meets at least quarterly to fulfill the legal and financial obligations of 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 to those persons of low to moderate incomes or those with specialized needs;
- b) maintain and improve the condition of existing housing stock;
- c) ensure that there is an adequate supply of housing stock in Manitoba; and
- d) stimulate the activities of the housing market to the benefit of Manitobans as a whole.

In fulfilling its mandate, 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 intergovernmental 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:

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

Manitoba Housing provides housing assistance to 35,500 households through various programs. Manitoba Housing owns and operates 14,300 housing units and another 3,800 units are managed by non-profit/cooperative sponsor groups or property management agencies which support 18,100 households with housing assistance. Manitoba Housing also provides subsidy and support to housing cooperatives, Urban Native and private non-profit groups operating housing that supports a further 17,400 families and individuals with housing assistance (including over 4,300 persons in personal care home or specialized program beds).

30-2 Housing

Expenditures by Sub-Appropriation	Actual 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Transfer Payments to MHRC	67,322		67,322	-	1.
Portable Housing Benefit and Emergency Shelter Assistance	<u>3,377</u>		<u>3,603</u>	<u>(226)</u>	2.
Total MHRC	70,699		70,925	(226)	

1. 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. The under expenditure of (\$226) is primarily due to a shortage of suitable housing in the private rental market in Manitoba for eligible Portable Housing Benefit program recipients.

The Corporation manages and develops land held in Manitoba MHRC's land inventory. Through the Housing Development and Rehabilitation Fund, Manitoba Housing contributes to the development of suburban neighbourhoods and reinvests the profits from land development activities in areas of identified need in a manner that supports province-wide housing initiatives. Manitoba Housing currently holds approximately 952 acres in its land inventory of which 817 acres are located in the Winnipeg Census Metropolitan Area and 135 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.

Long-Term Strategy

Manitoba is building for the future with innovative thinking, renewed commitment, strong partnerships and a clear vision that recognizes housing and community development as a provincial priority as outlined in *Strong Communities: An Action Plan*. By working together with community partners, we are building communities and revitalizing neighbourhoods while engaging residents in the process. By embracing a service-oriented approach, Housing and Community Development is working toward more positive relationships with tenants, community residents and stakeholders.

Our role is to promote community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. Housing is integral to this process and we strive to safeguard an adequate supply of safe and affordable housing in communities across Manitoba, particularly for those of low and moderate income or those with specialized needs. It is also our role to sustain and improve the condition of existing social housing and stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

The 2013/14 fiscal year represents the fifth and final year of a 1,500 unit commitment to provide new social housing over five years (2009/10-2013/14). As of March 31, 2014, Housing and Community Development committed funding towards a total of 1,500 new affordable housing units and 1,552 households with Rent-Geared-to-Income assistance.

Building on this success, in 2013/14, Housing and Community Development established a Three-Year Housing Plan, comprising five themes that support the long-term strategy set out in *Strong Communities: An Action Plan*:

- Restoring, Redeveloping and Repairing Manitoba's Social Housing Stock;
- Developing New Homes, Supporting Existing Ones;
- Supporting Cooperative Housing;
- Building the Capacity of People and Communities; and
- Working With People.

The Three-Year Housing Plan is further described on the Housing and Community Development website at http://www.gov.mb.ca/housing/mh/about/three_yr_plan.html. The Department's performance related to the five themes is referenced throughout this Annual Report.

As housing is central to the lives of individuals and families, Manitoba Housing continues to work in partnership with the departments of Family Services; Health; Healthy Living and Seniors; Jobs and the Economy, as well as numerous partners from other levels of government and the community to provide access to a range of affordable housing options with appropriate supports for individuals with multiple housing barriers.

Within Housing and Community Development's *Strong Communities: An Action Plan* long-term strategy, a goal was established to "Enhance client opportunities and services". This goal prioritizes the provision of housing options for vulnerable populations including the homeless and utilization of the "housing first" approach where possible. Manitoba Housing has actively collaborated with community partners who have developed responses to homelessness. Following the end of the Mental Health Commission of Canada's At Home/ Chez Soi housing initiative on March 31, 2013, the Province of Manitoba has maintained the rent supplements and clinical supports for the programs participants and has identified options to integrate Housing First program components into provincial program delivery. Maintaining the partnership with organizations like Resource Assistance for Youth and initiatives like Project Northern Doorway in Thompson also continues to be a priority for the Department.

Aging in Place/Long-Term Care Strategy

Manitoba's Aging in Place Strategy promotes community-based housing with supports for seniors so they can remain in their own communities and "age in place". The strategy focuses on affordable community housing options with supports as alternatives to early and inappropriate placement in a personal care home.

The Aging in Place strategy includes three community support models:

- *Supports to Seniors in Group Living (SSGL)*: Housing with enhanced services that promote personal health and independence. This model is developed in congregate settings such as apartment buildings for seniors.
- *Supportive Housing*: Housing with personal support services and homemaking in congregate residential settings. This model is primarily for frail and/or cognitively impaired elderly people who can no longer manage in their own home.
- *Specialized Supports*: Models of community specialized services for individuals with exceptional health challenges and complex care situations.

Manitoba Housing supports the Aging in Place Strategy by providing 61 social housing units in Dauphin, Neepawa, The Pas and Winnipeg for supportive housing. Manitoba Housing acts as the property manager and is responsible for the capital upgrades in these units. Manitoba Housing is also funding new projects in Riverton and Springfield that include supportive housing. In collaboration with regional health authorities, Manitoba Housing supports SSGL programs in 27 Manitoba Housing-owned buildings by providing office space, storage and use of common areas for activities.

All Aboard: Manitoba's Poverty Reduction Strategy

There has been a greater emphasis in government to develop and provide programs to meet the social and economic needs of vulnerable populations and at-risk individuals by improving policy coordination through collaboration with partner departments. While the work of the Department focuses on issues of housing and community development, Housing and Community Development also supports a number of provincial strategies and initiatives whose overall priorities align with some Departmental priorities.

Due to the persistence of poverty, increased housing costs, demand for services and supports for persons with disabilities and other target groups, the Department continues to identify ways to meet the needs of Manitobans and help people to live successfully in the community. *Strong Communities: An Action Plan* identifies social inclusion of the many demographic segments of our population as a priority area for investment. What is more, community development also provides opportunities for these groups to actively participate in society, and enables them to play a role in the community.

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

Housing and Community Development supports this strategy by:

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

SOCIAL HOUSING MANAGEMENT

Objectives

- To provide affordable, quality housing for low-income Manitobans and support community groups that provide the same service.

Responsibilities

- Delivers the Social and Affordable Housing Rental Programs on behalf of the Department of Housing and Community Development.
- Manages approximately 14,300 units of social housing including ten emergency crisis shelters for victims of domestic violence.
- Provides subsidy and support to approximately 21,000 housing units operated by cooperatives, non-profit, Urban Native and sponsored groups.
- Fosters tenant engagement through tenant associations, tenant advisory committees and resource centres to support successful tenancies and sustainable social housing programs.
- Provides subsidy and support to non-profit housing groups that manage approximately 17,400 social and affordable housing units

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

Activities/Highlights in 2013/14

The branch areas of Social Housing Management are: Property Services; Tenant and Agency Services; Security; and Portfolio Management. In 2013/14, the Social Housing Management branch areas undertook the following activities:

Property Services

The core activity of Property Services is to deliver the Social and Affordable Housing Rental Programs on behalf of the Province of Manitoba. Property Services branch is divided into six regions in Manitoba¹; each is responsible for leasing, maintenance and tenant services in the region. The branch also works with tenants who require additional support to achieve successful tenancies.

In 2013/14, Property Services continued its work with tenants, contractors and the Asset Management branch of Manitoba Housing to revitalize properties across the province. Property Services also built on the success of a new model of property management that was implemented in 2012. Each property has a manager to oversee all aspects of management including leasing, maintenance and tenant relations which leads to an improved level of on-site customer service to residents and to the broader community.

Property Services staff responded to over 68,000 requests for maintenance service and tenant-related issues during the 2013/14 period. In support of providing more timely responses to these requests Property Services initiated the deployment of improved technology to its front line Building Superintendants. This allows better communication related to issue triage and remedy.

TradesCentral, a division of Property Services, continued to work with non-profit organizations and social enterprises to provide training and employment opportunities for low-income people through Manitoba Housing renovation projects in Winnipeg, Brandon and surrounding areas. These organizations worked with the Department of Jobs and the Economy to find potential employees. As a result, approximately 200 people have become involved in training opportunities through Manitoba Housing.

Manitoba Housing has been developing in-house expertise, better quality control and new treatment methods to address bed bugs and any other pests in the housing portfolio since 2008. The Integrated Pest Management Group (IPMG), housed in TradesCentral, has eradicated bedbugs in 97 per cent of Manitoba Housing buildings throughout the province. Throughout 2013/14, IPMG continued to explore new techniques to achieve pest-free environments, provide training and share technical information with employees of the Bug N Scrub program (Winnipeg and Brandon and surrounding areas), as well as apprentices entering the Pest Management industry. The Director of TradesCentral chairs the Interdepartmental Bed Bug Coordination Committee, comprised of multiple Manitoba departments.

Tenant and Agency Services

The Tenant and Agency Services branch is a centralized operation that provides timely services to applicants and tenants of Manitoba Housing, including professional services that facilitate successful tenancies, healthy communities and individual well-being. The branch also provides functional support to many other departments.

¹ Northern Housing Operations delivers Property Services in the Northern Region. There are seven Property Services regions in Manitoba.

Tenant and Agency Services works with tenant associations, resource centres and other social service organizations to promote successful tenancies and works with 42 referral agencies to assist vulnerable individuals to access social housing. The branch administered funding to 21 tenant associations and 12 resource centres in 2013/14. The tenant associations promote community engagement and social activities amongst tenants while the resource centres provide support services and personal development programs that promote independence and successful tenancies.

Through a Food Services Program operated by Tenant and Agency Services, tenants are provided with low-cost, healthy meals. Food Services is comprised of three areas: Congregate Meals, Meals 365 (where 2-3 meals per day are provided 365 days a year) and Catering. In 2013/14, the branch operated congregate meal programs at 14 locations in Winnipeg and two in Brandon. Food Services prepare 400 - 500 meals on a daily basis. The costs of the meals are partially subsidized through grants from the Winnipeg and Brandon Regional Health Authorities.

Tenant and Agency Services funded 23 agencies that operate homelessness initiatives, which are linked to the All Aboard Poverty Reduction Strategy. Tenant and Agency Services supports ongoing initiatives to provide housing opportunities and services for individuals who are, or at risk of becoming, homeless. Manitoba Housing's continued financial support was provided in the following areas:

- Emergency Shelters (funding and capacity development);
- Outreach (Homeless Outreach Mentors, Project Breakaway); and
- Housing with Services (Portable Housing Benefit, Community Wellness Initiative, Mental Health Housing - the Bell Hotel, Community Housing with Supports, the Madison, and Resource Assistance for Youth's Emergency Shelter and Transition [REST] Program).

In 2013/14, Tenant and Agency Services assisted in transitioning over 150 participants of the At Home/Chez Soi project into Provincial homelessness programs. Through the provision of Rent Subsidy and Building Services, these program participants were able to maintain tenancy and the successful outcomes achieved under the At Home/Chez Soi project.

Portable Housing Benefit

The Portable Housing Benefit (PHB) is a specific initiative that addresses homelessness. The PHB 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 receiving EIA. 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 all regions of the province in April 2010. An outcomes evaluation was completed in 2012/13 that indicated positive results for the initiative. The PHB is delivered by mental health community partners, who are funded to provide these supports. PHB payments are administered by Manitoba Family Services, Provincial Services. The following table provides program information for the past three years:

Fiscal Year	Number of Recipients as at March 31	Average Monthly Benefit Paid \$	Expenditures (\$000)			
			Benefits	Housing Supports	Other	Total
2011/12	522	180	987	609	40	1,636
2012/13	568	183	1,021	605	30	1,656
2013/14	573	187	1,115	605	0	1,720

Security

Security is responsible for contract security for the social housing portfolio province-wide, as well as a 27-member mobile security service providing call responses within Winnipeg and Brandon. Throughout 2013/14, Manitoba Housing Security continued to engage tenants by supporting community barbeques, tenant forums and community meetings. These events increase security awareness amongst tenants and provide an opportunity for various service providers to learn how Manitoba Housing Security can be a resource for their programs.

Manitoba Housing Security continued to strive for superior customer service to tenants and community partners. Additional training was provided to Security Officers to resolve common maintenance calls. In addition to being cost-effective, this training reduced wait times for tenants. Furthermore, the Housing Communications Centre (HCC) leveraged technology by transitioning to a web-based process where maintenance and troubleshooting procedures are available to HCC staff while handling calls. New security camera systems were installed on a number of Manitoba Housing properties; many of these can be live-monitored within the HCC. This allows for better interaction and cooperation between HCC staff and Security Officers when attempting to resolve security issues.

Portfolio Management

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

In 2013/14, Portfolio Management conducted 32 operational reviews with non-profit housing operators to ensure compliance with the project operating agreements (POAs) they hold with government. Portfolio Management also commenced additional assessments to determine how tenants and non-profit housing groups are affected by the ongoing expiry of these operating agreements; evaluations are taking place with housing operators to determine what funding needs may be required upon expiry in order to continue to provide assistance to low to moderate income households. This branch also shared standard business practices through a number of workshops to assist housing partners build capacity.

In collaboration with the Housing Delivery branch, Portfolio Management transitioned nine non-profit housing projects from the developmental to operational stage, adding 239 social/affordable housing units to its complement. The newly created Affordable Rent Supplement Program was also implemented with two housing operators that now deliver 52 affordable housing units in new buildings. The traditional Social Rent Supplement program is administered to 1,621 households that pay rent/housing charges based on income. In 2013/14, Manitoba Housing made commitments to 26 housing operators to increase rent/housing charge supplements by 424 units.

Rent Supplement Programs

Rent Supplement Programs are designed to assist low to moderate-income families and senior households in the private and non-profit rental housing markets. The provincial government has entered into agreements with the private landlords, non-profit and co-operative housing projects to deliver both the Social and Affordable Rent Supplement Programs whereby eligible households are assisted by a rental/housing charge supplement.

There are different income eligibility requirements for each Rent Supplement Program, with households on the lowest end of the income scale qualifying for the Social Rent Supplement Program. A household is intended to transition from the Social to the Affordable Rent Supplement Program as their total household income (before taxes) increases. Ideally, when a household becomes able to afford private market rental/housing charges, that household will migrate to the private market, freeing up the social housing unit for another low-income household.

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

Social Rent Supplement Program			
Fiscal Year	Units Subsidized as at March 31	Average Monthly Supplement Paid \$	Expenditures Total \$000
2011/12	1,448	335	5,514
2012/13	1,516	322	5,800
2013/14	1,621	329	6,213

Affordable Rent Supplement Program			
Fiscal Year	Units Subsidized as at March 31	Average Monthly Supplement Paid \$	Expenditures Total \$000
2013/14	9	291	31

Complementary Assistance Program

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

While the program is closed to new applicants, assistance continues to be provided to cooperatives under previous program commitments. In 2013/14, 32 households in six cooperatives were provided subsidy through the Complementary Assistance Program. A total of \$94,000 was expended during the fiscal year. The following table provides program information for the past three years:

Fiscal Year	No. of Co-ops at Year End	No. of Recipients at Year End	Expenditures Total \$000
2011/12	5	31	73
2012/13	6	30	86
2013/14	6	32	94

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 2013 relate to rents paid during the 2012 calendar year. This program is funded by Manitoba Housing but delivered through Manitoba Family Services, Provincial Services, on behalf of the Department of Finance. Program expenditures are recovered from the Department of Finance.

Applicants must meet eligibility criteria. Tenants aged 55 years or older whose net income is less than \$23,800 and who rented their principal residence in the private rental market during the previous calendar year are generally eligible. Pensioners, who were eligible but did not receive their rebate during previous years, can apply for benefits retroactively for up to four years. Tenants living in non-profit housing for the

elderly or in projects licensed under *The Elderly and Infirm Persons' Housing Act* do not qualify for benefits under this program because rents in these housing projects do not include school tax costs.

During the year ended March 31, 2014, 1,496 rebate cheques were issued (including retroactive/partial year cheques) representing an expenditure of \$145,000 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
2011/12	2,024	1,728	98	200
2012/13	1,773	1,531	93	168
2013/14	1,635	1,496	91	145

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

ASSET MANAGEMENT

Objectives

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

Responsibilities

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

Activities/Highlights in 2013/14

Asset Management is committed to maintaining the social housing portfolio and contributing to community revitalization efforts. In 2013/14, Asset Management delivered one of the largest capital budgets in the history of the direct-managed social housing program in Manitoba. Asset Management identified four areas of need and developed programs to address them. The deep refresh, exterior retrofit, interior refresh and common area programs improve the quality of life for tenants, preserve and enhance the buildings, create employment and contribute to community revitalization.

In 2013/14, Asset Management budgeted \$98 million for new deep refresh and modernization and improvement projects. Deep refresh projects typically include complete interior refresh of new flooring, paint, cabinets, plumbing and electrical upgrades to energy-efficient fixtures, appliances, mechanical upgrades, exterior envelope/insulation upgrades and site improvements. There were a total of 14 deep refresh projects underway in Brandon, Carman, and Winnipeg affecting 1,079 units.

Starting in 2013/14, Asset Management committed \$8 million to unit refreshes upon unit turnover. This work is ongoing and completed by Property Services using a combination of general contractors and community forces through Manitoba Housing's TradesCentral.

In addition to the deep refresh programs, the branch also delivers a Modernization and Improvement program. This includes ongoing capital upgrades to building envelopes (such as roofs and windows), systems (heating, ventilation, fire and life safety) and site improvements. For a listing of Modernization and Improvement expenditures in 2013/14 by community, refer to the table at the end of this section.

For some tenants, these investments are the first major upgrades to their homes in many years. These programs are vital to ensuring continued delivery of social housing programs for low-income Manitobans. Investment in this portfolio also provides a significant stimulus to Manitoba's renovation industry, 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.

COMMUNITY	ACTUAL \$	COMMUNITY	ACTUAL \$
Alonsa	130,989	Minitonas	105,132
Altona	495,877	Minnedosa	184,942
Arborg	1,507	Moose Lake	448,368
Ashern	309,803	Moosehorn	4,735
Austin	137,732	Morris	641,778
Beausejour	122,192	Neepawa	63,977
Belmont	95,610	Niverville	248,868
Birtle	292,659	Notre Dame	14,169
Boissevain	103,599	Oak Lake	8,280
Brandon	9,006,465	Oakburn	207,466
Brochet	-573,162	Onanole	28,463
Camperville	410,752	Pelican Rapids	621,052
Carberry	91,966	Pikwitonei	338,014
Carman	219,534	Portage	184,426
Churchill	673,149	Powerview	7,046
Cormorant	490,401	Rapid City	179,583
Cross Lake	71,582	Rivers	45,454
Dauphin	1,343,241	Riverton	3,600,421
Duck Bay	385,473	Roblin	47,642
E. Selkirk	55,373	Rock Ridge	111,919
Easterville	473,719	Russell	300,911
Elkhorn	21,216	Sandy Lake	69,242
Elphinstone	89,890	Selkirk	1,076,258
Erickson	85,885	Souris	263,759
Ethelbert	99,027	South Indian Lake	166,310
Flin Flon	483,023	St. Agathe	34,886
Garson	10,414	St. George	34,803
Gilbert Plains	243,724	St. Lazare	153,930
Gimli	79,102	Ste. Rose du Lac	359,642
Grand Rapids	290,734	Steinbach	316,357
Grandview	54,148	Stonewall	59,983
Great Falls	11,203	Swan River	28,906
Grunthal	205,613	The Pas	115,475
Hartney	2,366	Thicket Portage	1,090,521
Haywood	7,462	Thompson	464,059
Hodgson	247,372	Umpherville	317,597
Ile des Chenes	12,456	Virden	51,669
Kenton	97,321	Vita	15,482
Komarno	16,599	Wabowden	735,334
Lac du Bonnet	10,318	Waskada	60,237
Langruth	31,432	Winkler	1,310,279
Leaf Rapids	71,828	Winnipeg	48,588,542
Lorette	4,009	Winnipeg Beach	89,424
Lundar	20,215	Winnipegosis	36,732
McCreary	911,593	Young's Point	137,096
TOTAL M&I			80,414,582

NORTHERN HOUSING OPERATIONS

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.
- Support and encourage community-driven revitalization efforts in designated northern neighbourhoods, including: housing and physical improvements; employment and training: education and recreation; and safety and crime prevention through Neighbourhoods Alive!.
- 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

- Responsible for the delivery and administration of the Social and Affordable Housing Rental Programs pertaining to the northern direct-managed portfolio, and all Housing Delivery programming in northern Manitoba, including the repair and renovation programs.
- Responsible for the Northern delivery of other Housing and Community Development programs, such as the Capital Delivery program, and Neighbourhoods Alive! initiatives.

Activities/Highlights in 2013/14

Northern Housing Operations delivers the Social and Affordable Housing Rental Program through Manitoba Housing's direct managed portfolio in the Northern region. Northern Housing Operations continued Manitoba Housing's renovation and rehabilitation of this portfolio; in 2013/14, 94 unit refreshes were completed and 20 units received exterior refreshes.

Northern Housing Operations continued its work with organizations, residents and other levels of government to develop new, affordable housing. In 2013/14, planning commenced to provide new housing in response to strong demand in some remote communities. Furthermore, 15 new units in addition to 30 deep refreshed units in the Pineview Manor property in The Pas, an additional 24 family units in Thompson, and 10 units in Lynn Lake were underway and expected to be completed in August 2014. The projects will enhance existing stock and better meet the housing needs of these three communities.

Manitoba Housing, through Northern Housing Operations, partnered with the Frontier Collegiate Institute's Northern Technical Centre (NTC) and the Apprenticeship Branch of Entrepreneurship, Training & Trade (ETT). Students in the NTC, located in Cranberry Portage, are developing two, three-bedroom, single detached and "ready to move" (RTM) units on behalf of Manitoba Housing. This unique initiative provides an opportunity for the development of skills for local students while addressing the need for affordable housing in Cranberry Portage. In 2013/14, Northern Housing Operations entered into a new partnership, through a Memorandum of Understanding, with the Boys and Girls Club of Thompson (BGCT) for the supply and delivery of rough carpentry items such as garbage enclosures that would accompany, for example, the new RTM units mentioned above.

Northern Housing Operations also supports Manitoba Housing's Rural Homeownership Program, where current tenants with low to moderate income are provided the opportunity to purchase their rental home. Tenants must be able to qualify for a mortgage, and the sale price will be reflective of a fair value. Manitoba Housing provides financial and other assistance. Also in 2013/14, Northern Housing Operations coordinated the provision of services to vulnerable populations in support of low-barrier housing projects in the region.

LAND DEVELOPMENT

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

- 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.
- Responsible for the delivery of the Chronic Vacancy Stream of the Rural Homeownership Program.
- Responsible for the Land Development portfolio which encompasses the Corporation's current land holdings and all major land development projects, including the development of the Bridgwater Neighbourhood, a 1,400 acre land parcel in south west Winnipeg.

Activities/Highlights in 2013/14

A primary activity of Land Development is the ongoing, multi-year development of the Bridgwater Neighbourhood in Winnipeg, the city's fastest growing new housing development project. The Bridgwater Neighbourhood features preserved natural open space and mature forest. Several kilometres of sidewalks, pedestrian paths and childrens' play areas are in place. Architectural guidelines ensure a variety of house designs throughout the neighbourhood and recessed garages prevent garage-dominated streets. This creates a more neighbourhood-friendly streetscape.

Bridgwater Forest is fully serviced and will consist of over 1,100 single-family homes and 600 multi-family dwellings upon completion. The neighbourhood is over 90 per cent complete and is expected to be fully occupied by 2015/16. Manitoba Housing is proceeding with the development of its second residential neighbourhood, Bridgwater Lakes, and a Town Centre called Bridgwater Centre.

Bridgwater Lakes is being developed in four phases and will contain about 1,190 single-family homes, with approximately 50 per cent of the lots being engineered to allow for visitable housing. The neighbourhood will build on the architectural guidelines established for Bridgwater Forest to ensure a variety of housing types and a return to traditional architectural sensibilities. There are currently over 500 occupied homes in the neighbourhood, and all 1,190 single-family lots are fully serviced.

Bridgwater Centre is an exciting development that will include a mix of residential, commercial and other business uses in a dense urban environment. Manitoba Housing has sold 21 of the 31 land parcels in Bridgwater Centre. Construction has begun on the first multi-family parcels in Bridgwater Centre and construction on the non-residential parcels could begin in the latter half of 2014. As with Bridgwater Forest, both Bridgwater Lakes and Bridgwater Centre will promote walkability by creating connecting pathways and green space.

Bridgwater Trails, the third residential neighbourhood, received zoning and subdivision approval from the City in 2012, and will contain approximately 1,040 single family lots and over 1,000 units of multi-family housing. Phase One, which includes 282 single-family lots and eight multi-family parcels, will be completely serviced this year. Phase Two servicing is currently underway.

Manitoba Housing acquired 3.08 acres of land in Winnipeg's Waterford Green development in 2014 as part of the Meadows West land sale. Manitoba Housing intends to release a Request for Proposals for the purchase and development of a portion of the land in the 2014/15 Fiscal Year for the purpose of constructing rental housing that primarily target seniors aged 55 plus.

The Manitoba government's proceeds from land sales in suburban developments are reinvested in areas of need under the Housing Development and Rehabilitation Fund. As of March 31, 2014, \$16.7 million in Bridgwater proceeds have been reinvested in or committed to housing projects such as the Bell Hotel, the West End Commons and the University of Winnipeg's future family rental apartments to be located at 460 Portage Avenue.

A total of 33 properties have been sold under the Chronic Vacancy Stream of the Rural Homeownership Program as of March 31, 2014. The sale price of each home is based on an assessment of the fair value of the home as determined by Manitoba Housing. This program provides financial assistance for low- to moderate-income families to purchase single and semi-detached homes in selected rural communities at fair market value. The program supports Manitoba Housing's goal of sustaining the existing social and affordable housing stock and helps to revitalize communities by creating homeownership opportunities.

HOUSING DELIVERY

Objectives

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

Responsibilities

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

Activities/Highlights in 2013/14

New Project Delivery

As part of the November 2009 Throne Speech, the Province committed to adding 1,500 new social housing units in Manitoba. The five-year plan began in the 2009/10 fiscal year and ended March 31, 2014. This commitment has been broken down into two components. The first is the development of 1,500 new affordable housing units. The second component is the provision of 1,500 Rent-Geared-to-Income (RGI) rents to low-income households. The RGI rental units do not necessarily coincide with the

new supply units. The Housing Delivery branch is responsible for the delivery of the new affordable housing units, and is responsible in part for the provision of the RGI rents.

As of March 31, 2014, Manitoba Housing completed the 2009 commitment to support 1,500 new affordable housing units and 1,500 new RGI rents. Over the course of 2013/14, commitments were made which total 276 new affordable units and 198 new RGI rents. In total, Manitoba Housing has committed to developing 1,500 new affordable housing units and to providing 1,552 new RGI rents for low-income households.

Among new projects announced in 2013/14 was the development of a 92-unit affordable and intergenerational housing project for seniors and families in Winnipeg's Transcona neighbourhood.

Under the 1,500 unit commitment, Manitoba Housing committed funding toward the construction of 67 separate capital projects of which 40 are complete, 15 are in progress and 13 are in the planning stage.

As part of the Province's renewed commitment toward development of affordable housing, in February 2014, Manitoba Housing released a Request for Proposals (RFP) for the development of affordable seniors' housing projects. This is projected to contribute toward the development of 140 new affordable housing units across Manitoba.

The Housing Delivery branch also continued to deliver the Secondary Suites Program over 2013/14. This program was launched in June 2010 to help increase the supply of quality, affordable housing in Manitoba. As of March 31, 2014, \$1 million has been committed to assist in the construction of 30 secondary suites throughout the Province with 18 in Winnipeg and 12 in rural and northern regions.

As part of Budget 2013, the Province announced a new tax credit for private and not-for-profit developers to stimulate the development of rental housing and to increase the quantity of new affordable rental housing units. Housing Delivery began the administration of the Rental Housing Construction Tax Credit in 2013/14 and has processed preliminary applications representing 61 affordable units and approximately \$1.8 million in tax credit dollars.

Repair/Renovation and Homeowner Program Delivery

In 2013/14, Housing Delivery continued to deliver its suite of repair and renovation programs for homeowners and landlords including the Manitoba Emergency Repair Program for Homeowners, the Homeowner Renovation Assistance Program, the Rental Housing Improvement Program, the Residential Adaptations for Disabilities Program, and the Shelter Enhancement Program.

During 2013/14, the total budget committed for repair and renovation programming was \$6.13 million. The table below provides details on funding commitments broken down by program type:

Repair and Renovation Program Funding Commitments April 1, 2013 to March 31, 2014		
	Total Funding	Units
Emergency Programming	\$183,972	45
Disability Programming	\$856,088	67
Homeowner Programming	\$3,483,465	202
Rental Programming	\$1,507,820	151
Shelter Enhancement Program	\$99,307	11
Total	\$6,130,652	476

Investment in Affordable Housing (IAH) Agreement

In July 2011, Manitoba signed the Investment in Affordable Housing (IAH) agreement with the Government of Canada for the years 2011-2014. This was a new agreement and not an extension or amendment of the previous Affordable Housing Initiative (AHI) or other agreements. Under this agreement, the two levels of government each contribute \$10.35 million in annual funding for a total of \$62.1 million over three years to improve the living conditions of households in need by improving access to affordable housing that is sound, suitable and sustainable.

IAH funding is designated for new housing supply and repair/renovation programs, and has been used to support the improvement initiatives listed above.

Three full years of the delivery under the IAH agreement has been completed with project commitments totaling \$63.15 million and assisted 2,153 households.

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 quality support for informed corporate and cooperative government-wide decision-making related to housing and community development.
- To develop innovative public policy and programs, reliable and progressive research, evaluation and information management.
- To provide internal communications to staff and assist in providing support and direction for external communication to key stakeholders including tenants and community groups.

Divisional Responsibilities

- Contributes to the general well-being of Manitoba communities by assisting non-profit organizations to undertake facility projects that provide long-term recreational and social benefits for the general community.
- Provides guidance and financial support to the voluntary sector 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 strategic policy support for the Department, plans and programs, increasing awareness of housing issues and research, and enhancing community capacity through collaboration with stakeholders.
- Provides internal and external communications on departmental goals and activities. Coordinates events and the production of material in support of departmental activities.

These responsibilities are accomplished through the Division's three Branches:

- Community and Cooperative Development;
- Strategic Initiatives; and
- Community Relations.

COMMUNITY AND COOPERATIVE DEVELOPMENT

The Community and Cooperative Development branch coordinates and delivers programming that assists communities 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!; and
- Cooperative Development Services.

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

Community Assistance

Objectives

- To provide guidance and continued support to the voluntary sector 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 advice to non-profit, voluntary sector organizations such as:
 - United Ways in Manitoba;
 - Volunteer Manitoba;
 - Manitoba Community Services Council; and
 - All Charities Campaign.

Activities/Highlights in 2013/14

In 2013/14, Community Assistance provided over \$5.1 million in funding assistance to support the activities of the voluntary sector of Manitoba through grants provided to the following organizations:

- The United Ways in Manitoba received over \$3.2 million in funding assistance in support of their administrative and fundraising costs.
- Volunteer Manitoba received \$85,900 in support for core funding, rural training and for the Premier's Volunteer Service Awards.
- Manitoba Community Services Council received \$1,704,000 in funding to provide grant support to non-profit, volunteer community service, social service, recreation, and health-related organizations in Manitoba.
- All Charities Campaign received \$137,000 in funding assistance in support of operating costs.

Community Places Program

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 can apply to the program for a grant which will assist with construction costs including material, labour and equipment for up to 50 per cent of the first \$15,000 and up to one-third over that amount, to a maximum of \$50,000.
 - Projects that received funding in 2013/14 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 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	480	6.00	354	126	
Total Other Expenditures	97		103	(6)	
Total Grant Assistance	5,164		5,172	(8)	
Total Community Places Capital Grants	3,465		3,465	-	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,500)		(1,500)	-	
Less: Recoverable from Building Manitoba Fund	(1,965)		(1,965)	-	

Activities/Highlights in 2013/14

In 2013/14, 241 applications were approved for grant assistance. The value of local investment contributing to the approved projects was \$20.1 million. Application assessment mechanisms gave priority to projects located in neighbourhoods with higher than provincial average unemployment rates and lower than provincial average per capita income levels. Technical consultation services were provided to assist community groups in the planning and development of facility projects. Consultations included: 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 2013/14, Community Places Program (CPP), along with Children and Youth Opportunities Regional Service partners, provided face-to-face and on-site consultations to over 400 clients by delivering over 700 on-site visits and project planning advice to improve the quality, economy and sustainability of clients' projects. The program's on-site facility consultation service provided benefits estimated at \$60 million annually by helping community planners find project efficiencies and cost reductions.

In addition to CPP on-site work, the program organized and facilitated 13 workshops where over 250 volunteers and staff from non-profit organizations learned to improve their project planning and grant applications.

CPP provided front-line services in implementing Manitoba's Green Building Policy (MGBP) and sustainable development goals by advising and guiding community organizations through the Green Building process. Proponents with projects not subject to the MGBP were provided with information on best practices in green building and design.

Neighbourhoods Alive!

Objectives

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

Responsibilities

- Neighbourhoods Alive! (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 the following NA! programs:
 - *Neighbourhood Renewal Fund*: supports 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*: supports projects that had a broad effect on Winnipeg's inner city or targeted specific groups across the inner city.
 - *Neighbourhood Development Assistance*: provides long-term core operating support for Neighbourhood Renewal Corporations that coordinate and implement community economic development NA! designated neighbourhoods.
 - *Localized Improvement Fund for Tomorrow*: supports local community development projects in five localities in Winnipeg allowing community groups to plan and implement initiatives that address concerns, strengthen partnerships and build community capacity.
- Under NA!, the Department also supports the *Community Youth Recreation* program, which increases access to, or options for, youth recreation programming in seven designated communities outside Winnipeg. These projects were developed and are delivered by Children and Youth Opportunities, in partnership with community organizations and educational institutions.
- Five other NA! programs: *Neighbourhood Housing Assistance*, *Urban Arts Centres*, *Lighthouse*, *Training Initiatives*, and *School Resource Officers* were funded and delivered by the Department's Housing Delivery Branch; together with the Departments of Tourism, Culture, Heritage, Sport and Consumer Protection; Justice; Jobs and the Economy; Children and Youth Opportunities; and Municipal Government.

**Neighbourhood Housing Assistance Program Funding
Winnipeg and Rural
November 2000 to March 31, 2014**

Neighbourhood/Community	NHA Cumulative Commitments since 2000⁽¹⁾
WINNIPEG	
Lord Selkirk Park	\$354,700
North Point Douglas	\$1,125,331
Spence	\$2,393,231
West Broadway	\$1,793,645
William Whyte	\$2,138,103
Centennial	\$474,639
Daniel McIntyre	\$645,903
Dufferin	\$244,700
St. John's	\$488,270
St. Matthews	\$632,797
West Alexander	\$177,085
TOTAL WINNIPEG	\$10,468,404
Neighbourhood/Community	NHA Cumulative Commitments since 2000
RURAL	
Brandon	\$3,210,507
Thompson	\$806,186
Dauphin	\$120,000
Selkirk	\$149,212
The Pas	\$175,754
Flin Flon	\$150,000
Portage la Prairie	\$190,000
TOTAL RURAL	\$4,801,659
TOTAL	\$15,270,063

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

30-3B Neighbourhoods Alive!

Expenditures by Sub-Appropriation	Actual 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	743	9.00	693	50	
Total Other Expenditures	113		150	(37)	
Total Neighbourhood Support	4,877		5,281	(404)	1.
Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)		(2,442)	-	

1. The variance is primarily due to lower than anticipated grant assistance expenditures under Neighbourhood Support for the Neighbourhood Renewal Fund (NRF) and Community Youth Recreation (CYO).

Activities/Highlights in 2013/14

The Department's commitment through the NA! program is to support and encourage community-driven revitalization efforts. Local residents and other community stakeholders plan and implement community-based projects that respond to locally identified revitalization priorities. In 2013/14, the Department approved over \$1.4 million to 99 projects through NA!.

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 and existing cooperatives.
- To provide counselling 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 enhance and develop cooperatives and the cooperative support sector by providing technical assistance, training, financing, grants, program supports and advice.
- To research prospective cooperative models and the relation and adaptation to the Manitoba environment.

- To provide support for The Co-operative Loans and Loans Guarantee Board, The Cooperative Promotion Board, and the Cooperative Community Strategy Steering Committee and Working Groups.
- To provide funding for the Cooperative Assistance Fund to assist with environmentally sustainable initiatives, infrastructure and capital costs.

30-3C Cooperative Development Services

Expenditures by Sub-Appropriation	Actual 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	287	3.00	267	20	
Total Other Expenditures	256		319	(63)	
Less: Recoverable from Rural Economic Development Initiatives	(185)		(185)	-	

Activities/Highlights in 2013/14

During 2013/14, there were six new incorporations of cooperatives.

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

The Cooperative Promotion Board provides grants for studies, research and education related to cooperative organizations; develops and promotes cooperative organizations; and promotes the general welfare of rural Manitobans. Complete information can be obtained in the 2013/14 Annual Report of The Cooperative Promotion Board that is produced separately from the Housing and Community Development Annual Report.

The Co-operative Loans and Loans Guarantee Board provide loans and loan guarantees to cooperatives to ensure access to financial services necessary for their development. 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.

The Cooperative Assistance Fund provided new and existing cooperatives with up to \$2,000 to assist with environmentally sustainable initiatives, infrastructure and capital costs. In 2013/14, 18 cooperatives were approved for grants.

Through a Memorandum of Understanding with the Manitoba Cooperative Association (MCA) and the Conseil de développement économique des municipalités bilingues du Manitoba (CDEM), the Province of Manitoba has formalized a partnership towards the creation and launching of the Manitoba Cooperative Community Strategy. Since 2009, under the leadership of a Steering Committee, three Working Groups have been focusing on developing and implementing action plans and securing commitments from other groups and organizations. The action plans focus on the three objectives of the strategy:

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

In 2013/14, funding and support were provided for the Cooperative Community Strategy to undertake the following events, initiatives and projects:

- Funding for the staff position of Project Manager of the Cooperative Community Strategy continued. The Project Manager coordinated the activities of the Strategy Steering Committee and the three Strategy Working Groups.
- The Youth Cooperative Services Program, coordinated by CDEM, continues to work with communities to develop opportunities for students aged 12-17. Through the assistance of a facilitator, students form worker cooperatives and perform jobs in their local communities such as cleaning, landscaping, car-washes and minor repairs. The youth learn cooperative social and business skills while gaining summer employment.
- The Co-op Housing Community Mobilizer Pilot Project located at Supporting Employment & Economic Development (SEED) Winnipeg received continued support to generate interest in the development of new housing cooperatives through research activity, policy analysis, and hands-on work with community proponents.
- Funding was provided to support the Chair in Cooperative Enterprises position at the Faculty of Business and Economics at the University of Winnipeg.
- A Cooperative Research Fund established in 2011/12 continued to offer grants aimed at stimulating, broadening and sustaining the development of a socially and economically successful Manitoba cooperative community. In 2013/14, three research projects were approved for funding: Lori Gould for using co-op model for small business succession planning; SEED Winnipeg Inc. for co-op housing land trust feasibility research; and MCA for an assessment of economic effects of co-ops in Manitoba.
- An evaluation of the Cooperative Community Strategy was conducted in 2013/14. The evaluation focused on the Cooperative Community Strategy process, and the results of the initiatives funded through the Cooperative Development Assistance Program in terms of their economic, financial, social and environmental effects.

STRATEGIC INITIATIVES

Objectives

- To design innovative Housing and Community Development policies and programs which are responsive to the needs of Manitobans.
- To provide coordination and support in developing Housing and Community Development strategic plans and policies that are consistent with the Department's long-term objectives.
- To develop education and awareness of Housing and Community Development trends, policies and practices.
- To enhance community capacity by collaborating with internal and external Housing and Community Development stakeholders.

Responsibilities

- Works with Department Executives to develop strategic policy frameworks, 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 analyses, forecasting and statistical support services to support and inform strategic and operational decisions of the Department.

- Undertakes performance reporting, business strategy development, governance and accountability processes.
- 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 between Canada and Manitoba.
- Participates in intergovernmental, interdepartmental and intersectoral discussions related to Housing and Community Development issues.

Activities/Highlights in 2013/14

Strategic Initiatives continued to support the Department by undertaking advanced research; monitoring and analyses of housing market data, economic indicators and economic and social policy trends. Strategic Initiatives also continued to provide advice on activities that support the development of strategic housing and community development policy and programs for the Department and its stakeholders. This work focused on participating in the Housing Advisory Roundtable, identifying ways for housing cooperatives to thrive, promoting healthy living environments for tenants and staff through a non-smoking pilot program, working with multiple stakeholders to help address complex issues related to rooming houses, and providing support to various Provincial strategies.

In 2013/14, the Minister of Housing and Community Development recognized the value of an ongoing advisory committee to provide recommendations on housing issues across the Province. Members of the former Rental Housing Supply Roundtable were re-assembled to create the Housing Advisory Roundtable (The Roundtable). Strategic Initiatives facilitated and provided support for the Roundtable, whose mandate was expanded to include the entire housing sector, from rental and homeownership markets to social and affordable housing and other housing related issues in Manitoba. The Roundtable contributed to and supported the development of the Rental Housing Construction Tax Credit (RHCTC), a financial incentive for private and non-profit housing developers to build new rental housing in Manitoba.

Strategic Initiatives consults with key stakeholders to identify ways to promote "living cooperatively" under a variety of co-op housing models, to assist existing housing co-ops with sustainability and support new cooperative housing development. In 2013/14, Strategic Initiatives assisted with the development of Bill 23, *The Cooperative Housing Strategy Act*, a legislative framework to support, stimulate and sustain cooperative housing that was presented to the Legislative Assembly in November 2013.

Strategic Initiatives branch supported Property Services branch in developing a pilot project on a new non-smoking policy in multi-unit social housing buildings in an effort to provide a healthier living and work environment for tenants, staff and visitors. The policy was implemented in eight sponsor-managed and direct-managed Manitoba Housing buildings in Winnipeg and Portage la Prairie. The policy prohibits new tenants in the participating buildings from smoking in their suites. An evaluation of this pilot is currently underway to help determine the successes and challenges associated with implementing the policy in tenanted buildings and those that are being re-tenanted after major renovations.

In 2013/14, Strategic Initiatives represented the Department in a Rooming House Task Force to develop strategies to address challenges faced by rooming housing tenants, landlords and their communities.

Rooming houses are one of the most inexpensive types of housing and they play an important role in the housing continuum. They often represent the only housing option for many vulnerable, low-income Manitobans.

Strategic Initiatives, in partnership with other departments, continued to support several Provincial strategies that also target many of Housing and Community Development's priority investment areas. These include: low-income households, the homeless and other vulnerable populations, seniors, and youth. Strategic Initiatives also reports on housing indicators for *All Aboard: Manitoba's Poverty Reduction and Social Inclusion Strategy*. Moreover, Strategic Initiatives provides support to: Manitoba's Multi-Year Domestic Violence Strategy; *Rising to the Challenge: A Strategic Plan for the Mental Health and Well-Being of Manitobans*; and *Aging in Place: Housing Options for Older Manitobans and Healthy Child Manitoba*.

COMMUNITY RELATIONS

Objectives

- To promote awareness and understanding of Department programs and initiatives.
- To build and continuously improve stakeholder and community relations.
- To promote, manage and administer the BUILDING *Foundations* Bursary Fund.
- To help achieve Departmental goals and meet priorities by providing communications and community engagement advice, support, and program development and implementation.
- To help better serve clients and tenants through engagement and relationship building programs and activities.
- To raise awareness about the mandates of the French Language Services Secretariat and the Disabilities Issues Office and provide appropriate service to those organizations.
- To develop and deliver an internal communications program to build awareness of programs and initiatives so that engaged staff can be informed Ambassadors for the Department.

Responsibilities

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

Activities/Highlights in 2013/14

Ongoing outreach activities helped support tenant, neighbourhood and community stakeholder engagement by increasing awareness and understanding of major redevelopments including work in Point Douglas and Winnipeg South.

An awareness and outreach program helped raise awareness about the importance of tenant insurance and established a unique partnership to provide access to insurance for tenants in social housing.

Community Relations continued to work with the Disabilities Issues Office to better understand the needs of and to provide better access and services to the disability community.

The BUILDING *Foundations* program provided assistance to nine students associated with Manitoba Housing, and celebrated their achievements in the annual awards presentation ceremony.

The branch facilitated the translation of over 40 documents into French to better service French language areas and French speaking clients and stakeholders.

Visits to the Housing and Community Development Internet site increased by almost 21 per cent, according to analytics, after the site was reorganized and redeveloped based on the findings of a cross-department/Corporation review and evaluation committee. The improved site is better serving the public as a resource and information channel.

CORPORATE SERVICES DIVISION

Divisional Goal

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

Divisional Responsibilities

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

FINANCIAL SERVICES

Objectives

- To ensure the corporate comptrollership function is appropriately maintained to meet the needs of the Department, including 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 reporting, 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 advice 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.

Activities/Highlights in 2013/14

Prepared the Departmental Estimates documentation, detailed budget, and the various monthly, quarterly and annual financial reports required.

Prepared the financial statements for the MHRC, The Cooperative Promotion Board and The Co-operative Loans and Loans 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.

Provided analytical support for all program areas of the Department and MHRC with respect to budgeting, financial reporting, and financial management.

Expanded financial and accounting services to improve efficiencies and reporting, in addition to reduced costs. Items included improved financial reporting and monitoring, expanded use of direct deposit and improved reporting on energy consumption.

Continued to review, improve and streamline Departmental financial and administrative procedures in order to enable more effective program delivery.

CORPORATE MANAGEMENT SERVICES

Objectives

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

Responsibilities

- Provides information technology planning, information systems analysis, project management services, implementation, ongoing support and technical expertise in the design, development and maintenance of computer systems in support of the organization's programs and services.
- Identifies more effective, efficient and appropriate approaches for the Department and the key components of the organizational system by providing action plans and recommendations for achieving enhanced results.
- Provides and assists employee training and development opportunities to enable staff to exercise and develop knowledge and skills.
- Provides professional project management services to ensure consistency in the management of all project elements and to ensure alignment with the corporate strategy.

Activities/Highlights 2013/14

In 2013/14, Corporate Management Services (CMS) successfully implemented a SharePoint Governance and Administration plan for the Department. This plan is a guidebook outlining the operational policies, administration procedures, maintenance, training and support of all Housing and Community Development SharePoint environments. As part of the initial roll out, more than 100 in-house SharePoint training sessions were delivered to staff.

CMS had integral involvement in the design, development and implementation of a Central Master Tracker and building a Project Management System. This is a collaborative tool for the planning, prioritization, formulation, tracking and report of all capital project work throughout the province. It has improved planning and reporting and fosters collaboration between Property Services and Asset Management branches in the delivery of capital projects to improve the living conditions of Manitoba Housing tenants.

CMS was heavily involved in providing detailed business requirements for and the implementation of a Point of Sale (POS) system for our Food Services division as well as the design and set-up of the main server room at Manitoba Housing's newest building, River Point Centre at 146 Magnus Avenue.

In 2013/14, continued support was provided to end users regarding business application and desktop support.

CMS continues to be heavily involved in providing detailed business requirements to aid in defining Housing and Community Development's (HCD) business requirements for a new Property Management System.

CMS had integral involvement in the computer and network set up of numerous Property Management offices throughout Winnipeg. The setup of HCD office space in our tenant buildings has made the Property Managers and HCD services more accessible to our tenants.

In collaboration with the Security Branch, and in the interest of our staff's and tenants' safety, CMS delivered process improvements for the Department by way of a video surveillance, card access, intercom, and life safety equipment systems. In addition, CMS have been a leader in re-defining how technology within government can benefit all departments and our community partners through Video Conferencing. The CMS branch has supported changes to Information Security policies and has delivered improvements within facilities.

CMS continued with further development and delivery of in-house training courses with an emphasis on Project Management, Tenant Services, and Health and Safety training. The branch collaborated with a number of outside agencies and private sector groups to ensure our staff have access to a diverse portfolio of training opportunities. Our new multi-purpose training room and computer lab continue to be widely utilized. More than 1,000 training sessions were delivered throughout the Province to over 460 departmental staff during the year.

CMS managed the creation of the Manual of Administrative Procedures (MAP) which aids in assisting employees with various administrative duties. Located on the Housing and Community Development Intranet, it provides a standardized process to various administrative processes and is readily available to staff to use as a reference tool and training guide.

CMS continued its role in space accommodation management for all of HCD staff, following the standards and space requirements for the Department and collaborating with Manitoba Infrastructure and Transportation on office space accommodation requests throughout the Province.

CORPORATE COMPLIANCE AND RISK MANAGEMENT

Objectives

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

Responsibilities

- Manages all legal support services for the Department. This includes: administering the legal component related to land holdings and land sub-division process; developing and coordinating of all legal agreements and contracts within the organization; and liaising with Civil Legal Services.
- Coordinates responses related to requests for access to information under *The Freedom of Information and Protection of Privacy Act* and *The Personal Health Information Act*.
- Reviews existing legislation and regulations and makes recommendations on amendments.
- Reviews privacy issues and provides direction on policy to ensure the protection of privacy.
- Develops and provides continuous improvements of the Department's Risk Framework. This includes risk consultation, identification/mitigation, monitoring and reporting to the MHRC Board, senior management of the Department and individual business areas of the organization.
- Develops and provides continuous improvements to the Department's Comptrollership Plan. This includes assisting business units in documenting function processes, developing process maps, reviewing adequacy of internal controls, and submitting the annual Comptrollership Plan to the Provincial Comptroller's Office.
- Manages business continuity planning by establishing a cyclical process of reviewing, updating, storing, awareness and testing of the Department's business interruption plans.
- Coordinates business continuity events which include briefing senior officials, supporting field staff and liaising with internal and external organizations.

Activities/Highlights in 2013/14

Legal Services continued to respond to numerous requests made under *The Freedom of Information and Protection of Privacy Act (FIPPA)*. Further details are included in the Government 2013 FIPPA Annual

Report. The unit undertook the development of measures to strengthen the information management practices of the organization.

The unit continued the process of risk identification and awareness in 2013/14 as part of the implementation of the Department's risk management framework.

In 2013/14, tabletop exercises were completed to test the effectiveness of business continuity plans for the Department's mission critical functions in all regions of the Province. The findings from these exercises will be used to support continuous improvement of the Department's business continuity plans during the 2014/15 planning cycle.

COSTS RELATED TO CAPITAL ASSETS

The Department expended the annual amortization cost of all completed assets based on the useful life of each asset. Assets purchased or constructed in 2013/14 were expended at one-half the annual amortization rate. The amortization expense also included the portion of corporate information technology projects attributable to the Department.

30-4 Costs Related to Capital Assets

Expenditures by Sub-Appropriation	Actual 2013/14 \$000	FTE	Estimate 2013/14 \$000	Variance Over/(Under)	Expl. No.
(a) Amortization Expense	112	-	112	-	
(b) Interest Expense	35	-	35	-	

The in-year cost of acquiring Departmental capital assets or assets under construction is provided through Part B – Capital Investment for which the amortization and interest expenses are reflected as a Departmental operating expense. Part B – Capital Investment is highlighted in the following section.

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, 2010 - March 31, 2014

Actual/Adjusted Expenditures*											
		2009/10		2010/11		2011/12		2012/13		2013/14	
Appropriation		FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$
30-1	Administration	18.00	597	20.00	1,187	20.00	1,562	21.00	1,594	21.00	1,770
30-2	Housing		59,399		37,819		66,875		66,778		70,699
30-3	Community Development	17.00	9,396	18.00	12,247	18.00	14,887	18.00	10,074	18.00	9,390
30-4	Costs Related to Capital Assets		170		164		159		153		147
Total Housing and Community Development		35.00	69,562	38.00	51,417	38.00	83,483	39.00	78,599	39.00	82,006

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

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

RECONCILIATION STATEMENT

DETAILS	2013/14 ESTIMATES \$000
2013/14 Main Estimates	82,587
2013/14 Estimates – Housing and Community Development	82,587

EXPENDITURE SUMMARY TABLE

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

(\$000's)

For the fiscal year ended March 31, 2014 with comparative figures for the previous year

Estimate			Actual	Actual ^{a)}	Increase/ (Decrease)	Expl.
2013/14		Appropriation	2013/14	2012/13		No.
		30-1 Administration				
\$37	(a)	Minister's Salary	\$37	\$37	-	
	(b)	Executive Support				
702		Salaries and Employee Benefits	694	685	9	
80		Other Expenditures	79	73	6	
	(c)	Support Services				
928		Salaries and Employee Benefits	915	738	177	1
56		Other Expenditures	45	61	(16)	
\$1,803		Total 30-1	\$1,770	\$1,594	176	

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

For the fiscal year ended March 31, 2014 with comparative figures for the previous year

Estimate			Actual	Actual ^{a)}	Increase/	Expl.
2013/14		Appropriation	2013/14	2012/13	(Decrease)	No.
		30-2 Housing				
		The Manitoba Housing and Renewal Corporation				
\$67,322	(a)	Transfer Payments	\$67,322	\$63,466	3,856	2
3,603	(b)	Portable Housing Benefit and Emergency Shelter Assistance	3,377	3,312	65	
\$70,925		Total 30-2	\$70,699	\$66,778	3,921	

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

For the fiscal year ended March 31, 2014 with comparative figures for the previous year

Estimate			Actual	Actual ^{a)}	Increase/ (Decrease)	Expl. No.
2013/14		Appropriation	2013/14	2012/13		
		30-3 Community Development				
	(a)	Community Assistance				
\$354		Salaries and Employee Benefits	\$480	\$442	38	
103		Other Expenditures	97	99	(2)	
5,172		Grant Assistance	5,164	5,440	(276)	3
3,465		Community Places Capital Grants	3,465	3,915	(450)	4
(1,500)		Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,500)	(1,500)	-	
(1,965)		Less: Recoverable from Building Manitoba Fund	(1,965)	(2,415)	450	4
	(b)	Neighbourhoods Alive!				
693		Salaries and Employee Benefits	743	820	(77)	
150		Other Expenditures	113	112	1	
5,281		Neighbourhood Support	4,877	5,191	(314)	5
(2,442)		Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)	(2,442)	-	
	(c)	Cooperative Development				
267		Salaries and Employee Benefits	287	263	24	
319		Other Expenditures	256	334	(78)	6
(185)		Less: Recoverable from Rural Economic Development Initiatives	(185)	(185)	-	
\$9,712		Total 30-3	\$9,390	\$10,074	(\$684)	

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

For the fiscal year ended March 31, 2014 with comparative figures for the previous year

Estimate		Actual	Actual ^{a)}	Increase/ (Decrease)	Expl. No.
2013/14		2013/14	2012/13		
\$147	Appropriation	\$147	\$153	(\$6)	
	30-4 Costs Related to Capital Assets				
\$82,587	Total Housing and Community Development	\$82,006	\$78,599	\$3,407	

1. The variance is primarily due to positions occupied in 2013/14 that were unoccupied in 2012/13.
2. The variance is primarily due to an increased draw of funds in 2013/14 to cover MHRC expenditures resulting from increased costs for debt servicing, repair and maintenance and grants in lieu of taxes.
3. The variance is primarily due to the reduction in grants to Manitoba Community Services Council for 2013/14.
4. The variance is due to a reduction in program expenditures for Community Places capital grants in 2013/14 with an equivalent reduced recovery from the Building Manitoba Fund.
5. The variance is due to fluctuations in the timing and processing of grant reporting required to generate payments.
6. The variance is primarily due to a reduction in program expenditures and evaluation required in 2013/14.

NOTES:

- a) The 2012/13 data has been reorganized to reflect the 2013/14 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 incorporating sustainable development into their activities, within the annual reporting process.

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

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

Sustainable Living and Healthy Communities

In partnership with Manitoba Infrastructure and Transportation and Manitoba Hydro, Manitoba Housing continues to work on finalizing *The Residential Green Building and Major Renovation Guidelines* which will complement the existing Green Building Policy for Non-Residential Projects funded by the Government of Manitoba (April 2007). The Department is currently working on an internal strategy to implement the requirements into Housing's processes and procedures.

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

The Community Places Program (CPP) supports the implementation of Manitoba's Green Building Policy and sustainable development goals. In 2013/14, CPP approved \$2.9 million in capital grants for 241 projects across Manitoba and assisted over 490 community groups with 739 on-site consultations providing project planning advice to improve the quality, economy, and sustainability of community projects. Staff provides advice and guides community organizations throughout the Province through the Green Building process. Applications received by CPP are evaluated for their environmental sustainability and community sustainable development benefit.

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.

Co-ops throughout the Province have been recognized for their ability to meet both social and economic goals and contribute to a social economy. Housing and Community Development supports cooperatives through a variety of methods, including Co-operative Development Services, the Cooperative Research Grant and the Cooperative Assistance Fund. In 2013/14, the fund included support for co-ops involved in improving energy efficiency, community sustainability, sustainable food initiatives, and agriculture.

Manitoba Housing's development of the Bridgwater neighbourhood focuses on housing diversity, higher density, walkability and increased green space, including the preservation of fully mature forests running throughout the Bridgwater Forest neighbourhood. Bridgwater Forest will encompass almost 375 acres, with about 70 acres dedicated to forest and open space. New homes in Bridgwater can be built with geothermal heating and cooling systems in order to reduce greenhouse gas emissions and the streets

have been oriented to maximize passive solar energy. These are just a few examples of the neighbourhood's environmentally-friendly design and measures taken to lower its environmental footprint.

Education for Sustainability

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

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

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

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

Integrating the Economy and the Environment

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

As part of the plan, The Low-Income Energy Efficiency Program lowers energy consumption, greenhouse gas emissions, utility costs and provides life skills and employment for low-income people. In 2013/14, 140 basements/attics in the Province received insulation upgrades and 525 households were retrofitted with energy efficiency lighting, low-flow toilets, showerheads and aerators. These retrofits reduce tenants' costs for utilities and electricity.

Beginning in March 2014, Manitoba Housing and Manitoba Green Retrofit (MGR) partnered on the replacement, supply and installation of approximately 750 standard or mid-efficiency furnaces with Manitoba Hydro-approved, High Efficiency furnaces inside the perimeter of Winnipeg.

Under the Manitoba Hydro Power Smart Program, projects currently on the Department's capital plan are being designed in accordance with the National Energy Code and Power Smart guidelines. Various sources of energy such as solar, ground source, electricity, natural gas, diesel and bio-mass may be considered during the initial stages of project planning to determine the most cost effective solution for a specific application.

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

TradesCentral, a division of Manitoba Housing's Property Services Branch, continues to partner with a variety of community organizations including 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. In 2013/14, BEEP began to incorporate complete exterior refresh activities into their training programs. This includes the replacement

of windows, outer building shells, stucco (including asbestos removal), shingles, soffits, fascia and all rain gutters to 26 units at Westaway Bay in Brandon. BUILD and BEEP have provided training to over 120 individuals and currently employ 65 to 75 in the water and energy efficiency upgrade programs in Brandon and Winnipeg. The program lowers energy consumption, greenhouse gas emissions, utility costs and provides life skills and employment for vulnerable persons.

Manitoba Housing has developed an Energy Management and Preventative Maintenance Team. These teams are 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 improve the working environment for employees and contractors. The Procurement Branch is complementing this work by including water and energy efficiency and recycled material specifications in their tenders.

APPENDIX 2 PERFORMANCE INDICATORS

HOUSING AND COMMUNITY DEVELOPMENT Performance Measurement

The following section provides information on key performance measures for the Department for the 2013/14 reporting year.

Performance Measures in the three previous Annual Reports were based on specific targets outlined in the 2009 HOMEWorks! Housing Strategy and Policy Framework and Two-Year Investment Plan (2009/10 – 2010/11). The strategy and investment plan were developed prior to the establishment of Housing and Community Development as a standalone Department in November 2009. The 2010/11 Housing and Community Development Annual Report completed the reporting of these specific targets in conjunction with the expiry of the Two-Year Investment Plan.

The 2013/14 Annual Report captures the fifth year of our longer-term strategy and policy framework and will report on the same key indicators which continue to support our expanded strategy. The 2009 HOMEWorks! Housing Strategy and Policy Framework has been transitioned into the Department's new Strategy and Policy Framework 2011 and the *Strong Communities: An Action Plan* document which was publicly released in July 2011. These documents outline the goals, priority areas of investment and planned activities that guide the Department's daily operations and future plans.

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

For more information on performance reporting and the Manitoba government, visit www.manitoba.ca/performance.

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

Sustaining the Existing Housing Stock					
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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
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.	2009/10 - targets of 13,500 social housing units renovated by the end of 2010/11. Commitment met and exceeded - 17,887 total units renovated from April 1, 2009 to March 31, 2011.	Total units renovated from April 1, 2013 to March 31, 2014: 524.	Total number of households with major renovations and/or building improvements increasing.
Comments/Recent Actions/Report Links					
<p>The 2009 HOME <i>Works!</i> Two-Year Investment Plan committed to affect 13,500 households with major renovations (deep refresh programs) and/or building improvements by the end of 2010/11. Housing and Community Development surpassed the two-year target: As of March 31, 2011, 17,887 units have been affect with major renovations.</p> <p>In 2013/14, a further 524 units benefitted from with major renovations.</p>					

Housing Affordability					
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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Improving housing affordability through Rent Geared to Income (RGI) housing.	RGI housing	Assists in affordability and increases the supply of affordable housing stock within the private market.	2009/10 - 1,500 new RGI units by 2013/14.	Total RGI units committed to March 31, 2014: 1,552.	RGI units are increasing. The Province committed to adding 1,500 new affordable and social housing units to the affordable housing supply over a period of five years (March 2009 to March 2014).
	Portable Housing Benefit		193 (2009/10)	Portable Housing Benefit - served 573 recipients in 2013/14.	
Comments/Recent Actions/Report Links					
<p>The 2009 HOME <i>Works!</i> Two-Year Investment Plan reflected the provincial commitment to support 1,500 households with RGI assistance by the end of 2013/14. As of March 31, 2014, a total of 1,552 new households will benefit from RGI assistance. This represents the last year of the five-year commitment to support 1,500 households. 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 2013/14, the PHB assisted 573 recipients, a 197 per cent change in the number of participants when compared to the baseline year 2009/10. These households benefit from an investment of \$1.7 million in PHBs 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 2013/14 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.	2009/10 - 1,500 new affordable units by 2013/14.	Total new affordable units committed to March 31, 2014: 1,500.	New affordable housing units are increasing. The Province committed to adding 1,500 new affordable and social housing units to the affordable housing supply over a period of five years (March 2009 to March 2014).
	New homeownership opportunities	Assists low and moderate-income individuals to access affordable housing and helps to revitalize communities.	2009/10 - 132 new homeownership opportunities created by March 31, 2012.	26 new homeownership opportunities created in 2013/14.	
Comments/Recent Actions/Report Links					
The 2009 HOME Works! Two-Year Investment Plan reflected the provincial commitment to building 1,500 new affordable rental units by 2013/14. During the period April 1, 2013 to March 31, 2014, a commitment was made to build 276 new affordable housing units. As of March 31, 2014, a total of 1,500 new affordable units have been committed or constructed. This represents the last year of the five-year 1,500 unit commitment.					

Maintaining Supply of 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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Maintaining supply of existing housing stock in the private market.	Renovated housing units.	Improved housing stock.	2009/10 - target of 800 private units renovated by the end of 2010/11. Commitment met and exceeded - 865 units renovated from April 1, 2009 to March 31, 2011.	Total households assisted with renovation assistance for privately owned housing as of March 31, 2014 : 465.	Number of households benefiting from renovation assistance is increasing.
Comments/Recent Actions/Report Links					
The 2009 HOME <i>Works!</i> Two-Year Investment Plan committed to providing renovation assistance to 800 privately owned households. The Province exceeded the two-year target with 865 private households receiving renovation assistance as of March 31, 2011. In 2013/14, financial assistance was committed to a further 465 households for a total commitment of 1,124 households since 2009/10.					

New Supportive Housing Options for Seniors					
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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
New supportive housing options for seniors.	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.	2007 – 48 units of supportive housing completed within the MH portfolio as of March 31, 2011. 25 units of supportive housing completed within the MH portfolio as of March 31, 2013.	0 units of supportive housing completed within the MH portfolio as of March 31, 2014.	The number of seniors who are able to remain in their communities due to receiving extra supports remained the same.
Comments/Recent Actions/Report Links					
<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. Housing and Community Development's long-term strategy identifies seniors' housing with needed supports as one of the priority areas of investment.</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 February 2011, the Province announced Manitoba's renewed long-term care strategy which will include more affordable supportive housing.</p> <p>In addition Manitoba Housing provides rent supplements to 35 units of supportive housing in the private rental market annually. These are not included in this baseline measurement.</p> <p>Manitoba Housing also supports the <i>Supports to Seniors in Group Living</i> model by providing office and storage space and use of common areas for activities in buildings it manages throughout the Province.</p>					

Community Development					
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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Supporting community-led revitalization efforts in selected distressed neighbourhoods and communities in Manitoba.	<p>Number and type of Neighbourhoods Alive! (NA!) projects that are funded.</p> <p>Proceeds from land sales in suburban developments reinvested towards revitalizing areas of need through the Housing Development and Rehabilitation Fund.</p>	<p>NA! provides community-based organizations with funding to initiate local community economic development projects and leverage additional funds to support long-term revitalization.</p>	<p>2009/10 - \$5 million for 111 projects</p> <p>2010/11 - \$5.6 million for 220 projects</p> <p>2011/12 over \$12 million for 193 projects</p> <p>2012/13 \$5.7 million for 120 projects</p> <p>\$7.3 million invested as of March 31, 2011 in housing projects to revitalize Winnipeg neighbourhoods in need.</p>	<p>In 2013/14, the Department invested over \$1.4 million* in NA! funding for 99 community projects.</p> <p>\$16.7 million invested as of March 31, 2014 in housing projects to revitalize Winnipeg neighbourhoods in need.</p>	<p>Greater complexity of funding requests received from NA! communities.</p>
Comments/Recent Actions/Report Links					
<p>Since 2000 NA! has provided \$62,149,707 for 1,323 projects in seven program categories. The seven funding programs are: Neighbourhood Renewal Fund (\$30,839,265); Neighbourhood Development Assistance (\$18,456,755); Training Initiatives (\$7,192,399); Community Initiatives (\$3,817,463); Localized Improvement Fund for Tomorrow (\$1,134,098); School Resource Officer (\$264,515); and Community Youth Recreation (\$445,212).</p> <p>* The commitment level is artificially low due to the provision of 24 multi-year agreements with non-profit organizations for 48 projects in 2011/12 only.</p>					

Community Development					
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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Investing in communities through capital projects for recreational and wellness benefits and supporting community organizations.	Number of Community Places Program (CPP) grants given and number of community groups assisted by providing face-to-face and on-site consultations.	Assists in providing sustainable recreation and wellness benefits to Manitoba communities.	<p>In 2010/11, CPP approved \$4.5 million in grants for 297 applications and assisted over 470 community groups by providing over 750 on-site consultations.</p> <p>In 2011/12, \$4.5 million in grants approved for 328 applications. Assisted over 470 community groups with over 700 on-site consultations.</p> <p>In 2012/13, \$3.5 million in grants approved for 273 applications. Assisted over 490 community groups with over 735 on-site consultations.</p>	<p>In 2013/14, \$2.9 million in CPP capital grants approved for 241 applications. Assisted over 400 community groups by providing over 700 on-site consultations.</p> <p>In 2013/14, \$668.0 in CPP-North capital grants approved for 17 applications. Assisted over 50 community groups.</p>	Number of CPP applications for grants remains consistent.
Comments/Recent Actions/Report Links					
<p>This performance indicator is being measured starting from April 1, 2010. Housing and Community Development continues to provide grants and programming that assists communities to provide sustainable recreational, wellness, social and cooperative development opportunities and that supports both the non-profit and voluntary sectors.</p> <p>For 2013/14, the Community Places Program (CPP) has funded community projects with an average grant of \$12,221, with an average project value of \$83,637, and continues to provide project planning advice to improve the quality, economy, and sustainability of community projects. In 2013/14, \$2.9 million in CPP grants leveraged \$20.0 million in total project costs.</p> <p>For 2013/14, the Community Places Program – North (CPPN) has funded 17 community projects with an average capital grant of \$39,290 and an average project value of \$249,608. \$668.0 in CPPN grants leveraged \$4.2 million in total project costs.</p> <p>Since 2010/11 CPP has funded community projects with a 4-year average capital grant amount of \$13,555 and an average project value of \$140,312.</p>					

Cooperative Development					
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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Assisting cooperative development in Manitoba.	The number of cooperatives assisted in formation and development.	Builds community capacity and sustainability.	<p>In 2009/10, the Cooperative Promotion Board (CPB) approved 6 grants valued at \$18,725.</p> <p>In 2010/11, the CPB approved 14 grants valued at \$39,000.</p> <p>In 2011/12, the CPB approved 17 grants valued at \$36,566.</p> <p>In 2012/13, the CPB approved 3 grants valued at \$7,900.</p> <p>53 new cooperatives were incorporated from April 1, 2009 to March 31, 2013.</p>	<p>In 2013/14 CPB approved 6 grants valued at \$16,000.</p> <p>6 new cooperatives were incorporated in 2013/14.</p>	Increase in number of cooperatives formed.
Comments/Recent Actions/Report Links					
This performance indicator is being measured starting from April 1, 2009. The Cooperative Promotion Board (CPB) distributes grants in support of the development, education, research and promotion of cooperatives.					

Impact of 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 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Households in core housing need².	Per cent of households in core housing need ³ .	Core housing need provides an estimate of the number of households not living in and unable to access acceptable housing.	All households 14.7% (1996) Lone parents 36.2% (1996) ⁴ Aboriginal 34% (1996) Seniors 16.3% (1996) Persons with Disabilities 14.5% (2001) Immigrants⁵ 10.6% (2001)	All households 11.3% (2006) Lone parents 31.0% (2006) Aboriginal 22.4% (2006) Seniors 9.6% (2006) Persons with Disabilities 14.5% (2006) Immigrants 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>
Comments/Recent Actions/Report Links					
<p>Updated Core Housing Need figures will be available in 2014.</p> <p>Between March 1, 2009 and March 31, 2014, construction was completed, underway or committed for 1,500 new rental or cooperative housing units through the 2009 HOME Works! Strategy and related 1,500 unit commitment.</p> <p>Other housing programs, such as the Rental Housing Improvement Program, aim to address privately-owned low-income housing in need of repair. In 2013/14, \$5.8 was committed under Homeowner Renovation Assistance, Rental Housing Improvement and Residential Adaptations for Disabilities Programs to repair 420 owned or rented units, an increase in units of 57.9 per cent since 2001/02 (266 units).</p>					

² 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 per cent or more of their total income, and who are unable to rent an alternative housing unit that meets these standards without paying 30 per cent or more of their income.

³ Source: Canada Mortgage and Housing Corporation.

⁴ Previous year's Annual Reports cited this figure as 37.9 per cent. Updated data runs noted a correction to this number.

⁵ 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.

All Aboard Indicator – Total Units of Social and Affordable Housing Supported by The Manitoba Housing and Renewal Corporation (MHRC)					
What is being measured?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Total units of social and affordable housing.	Total number of units supported by MHRC excluding personal care home beds.	Safe, affordable housing in supportive communities is one of the pillars for All Aboard: Manitoba's Poverty Reduction and Social Inclusion Strategy.	35,383 units of social and affordable housing in 2011/12.	As of March 31, 2014, there are 36,154* units of social and affordable housing.	
Comments/Recent Actions/Report Links					
<p>All Aboard: Manitoba's Poverty Reduction and Social Inclusion Strategy was launched in May 2009. All Aboard formalizes the government's commitment to poverty reduction, builds on that commitment and moves forward in a focused, strategic manner. The strategy is structured around four pillars: Safe, affordable housing in supportive communities; Education, jobs and income support; Strong, healthy families; and Accessible, coordinated services.</p> <p>In February 2012, responsibility for <i>The Poverty Reduction Strategy Act</i> was transferred to the Minister of Housing and Community Development. The All Aboard Committee, including cabinet ministers and four community members, is co-chaired by the Minister of Housing and Community Development and the Minister of Family Services.</p> <p>Manitoba has developed a set of 21 indicators to monitor progress on poverty reduction efforts. These measures provide a picture of poverty across the province and will be included in All Aboard annual reports. The above and following tables reports on three of the indicators that fall under the responsibilities of Housing and Community Development.</p> <p>As of March 31, 2014, there were 36,154 units of social and affordable housing supported by MHRC.</p> <p>To see the number of new households served through MHRC programs and services see page 73 and for total number of households in Core Housing need see page 71.</p> <p>*Number includes MHRC subsidy and/or support to special purpose and personal care home beds.</p>					

All Aboard Indicator – New Households Served Through The Manitoba Housing and Renewal Corporation (MHRC) Programs and Services

What is being measured?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2013/14 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Number of new households served through MHRC programs and services.	Total number of units.	Safe, affordable housing in supportive communities is one of the pillars for ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy.	3,876 units in 2011/12.	2,881 units as of March 31, 2014*.	
	Number of Portable Housing Benefit units.		141 units in 2011/12.	5 units as of March 31, 2014.	
	Number of new Rent Supplement units.		305 units in 2011/12.	328 units as of March 31, 2014.	
	Number of new Affordable Supply units (secondary suites included).		284 units in 2011/12.	276 units as of March 31, 2014.	
	Number of units through Infill Homeownership Program.		55 units in 2011/12.	26 units as of March 31, 2014.	
	Number of units served under Repair and Renovation Programs.		439 households in 2011/12.	331 units as of March 31, 2014.	
	Number of new households entering social housing.		2,616 households in 2011/12.	1,915 units** as of March 31, 2014*.	

Comments/Recent Actions/Report Links

As of March 31, 2014, there were 2,881 units that were served through MHRC programs and services. Of those units, 5 were Portable Housing Benefit units, 328 were new Rent Supplement units, 276 were new Affordable Supply units, 26 units from the Infill Homeownership Program, and 331 units received assistance through Repair and Renovation Programs. Lastly, 1,915 households entered social housing programming. Previously, secondary suites had been included as a separate line. As of April 1, 2012, secondary suites have been included in the new affordable supply line.

To see the number of total units of social and affordable housing supported by MHRC see page 72 and for total number of households in Core Housing need see page 71.

* The largest portion of Indicator 2 is the number of new households entering social housing. This measurement is in large part affected by the availability of units because of turnover.

** Decrease in number of new households entering social housing is due to a lower turnover rate than the years prior.

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 counselling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

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

The following is a summary of disclosures received by Manitoba Housing and Community Development for fiscal year 2013/14:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2013 – 2014
The number of disclosures received, and the number acted on and not acted on. <i>Subsection 18(2)(a)</i>	NIL
The number of investigations commenced as a result of a disclosure. <i>Subsection 18(2)(b)</i>	NIL
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>	NIL

APPENDIX 4

**The Co-operative Loans and Loans Guarantee Board
FINANCIAL INFORMATION
FOR THE YEAR ENDING
MARCH 31, 2014**

MEMBERS OF THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

MARCH 31, 2014

Jeff Parr, Chairperson	- Winnipeg, Manitoba
Craig Marchinko, Secretary	- Winnipeg, Manitoba
John Sandborn	- Swan River, Manitoba
Susan Proven	- Basswood, Manitoba
David Kerr	- Winnipeg, Manitoba

MANDATE

By provision of The Co-operative Associations 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 2013 - 2014

During the fiscal year ended March 31, 2014, the Board held two meetings. No new loans or loan guarantees were approved in 2013/14.

The Independent Auditor's Report, together with the financial information for the fiscal year ended March 31, 2014, is provided on the following pages.

Manitoba

Housing and Community Development



The Co-operative Loans and Loans Guarantee Board
400-352 Donald Street
Winnipeg, MB R3B 2H8

September 23, 2014

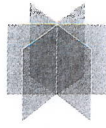
The Co-operative Loans and Loans Guarantee Board
Responsibility for Financial Reporting

The accompanying Schedule of Loans and Loan Guarantee Transactions and other financial information in the Annual Report for the year ended March 31, 2014 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.

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 Loans and Loan Guarantee Transactions of the Board in accordance with Canadian generally accepted auditing standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

Jeff Parr
Chairperson



OFFICE OF THE
AUDITOR GENERAL
MANITOBA

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying schedule of loans and loan guarantee transactions of the Co-operative Loans and Loans Guarantee Board for the year ended March 31, 2014 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Schedule

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the schedule presents fairly, in all material respects, the loans and loan guarantee transactions of the Co-operative Loans and Loans Guarantee Board for the year ended March 31, 2014 in accordance with Canadian public sector accounting standards.

Office of the Auditor General

Office of the Auditor General
September 23, 2014
Winnipeg, Manitoba

The Co-operative Loans and Loans Guarantee Board

Schedule of Loans and Loan Guarantee Transactions

Year ended March 31, 2014

Loans (note 3)	March 31, 2013	Additions	Repayment	March 31, 2014
Neechi Foods Co-op Ltd.	\$ 640,000	\$ 500,000	\$ -	\$ 1,140,000
	\$ 640,000	\$ 500,000	\$ -	\$ 1,140,000

Loan Guarantees (note 4)	March 31, 2013	Additions	Cancellations	March 31, 2014
Organic Producers Association of Manitoba Co-op Inc.	\$ 40,000	\$ -	\$ (40,000)	\$ -
	\$ 40,000	\$ -	\$ (40,000)	\$ -

On behalf of the Board:

Director

Director

The Co-operative Loans and Loans Guarantee Board

Notes to the Schedule

Year ended March 31, 2014

1. General

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

2. Significant Accounting Policies

a) Basis of presentation

This financial information is prepared in accordance with Canadian public accounting standards including PS 4200 series for government not-for-profit organizations.

b) Loans are stated as the total amount of principal outstanding.

c) Loan guarantees are stated at the maximum amount guaranteed.

d) In the event of a default on a loan or a loan guarantee, the Province of Manitoba is responsible for the associated costs in settling the defaulted amount(s).

3. Loans

Neechi Foods Co-op Ltd.

On August 20, 2012, the CLLGB authorized and approved a loan up to \$1,140,000 to Neechi Foods Co-op Ltd. The loan was approved by Order in Council up to \$1,140,000 to the CLLGB and subsequently on November 21, 2012, the initial loan payment of \$640,000 was issued. Repayment of the loan is due two years after the first advance. During 2013-14 CLLGB issued the remaining \$500,000 loan payment to Neechi Foods Co-op Ltd and subsequently, Neechi Foods Co-op Ltd paid \$20,527 in interest payments against the loan. As of March 31, 2014, the balance of the loan was \$1,140,000, and the interest accrued on the loan was \$6,257. Interest is calculated at the Province of Manitoba's floating rate. As of March 31, 2014, the floating rate was 2.25%.

4. Loan guarantees

Organic Producers Association of Manitoba Co-op Inc.

On October 31, 2012, the CLLGB approved an eight month loan guarantee not to exceed \$40,000. The Vanguard Credit Union accepted the loan guarantee and signed an agreement with the Organic Producers Association of Manitoba Co-op Inc dated November 23, 2012. The loan guarantee period was from November 1, 2012 to June 30, 2013. The line of credit is subsequently closed due to the terms of the agreement and the loan guarantee ceased June 30, 2013.

The Co-operative Loans and Loans Guarantee Board

Notes to the Schedule

Year ended March 31, 2014

5. Loan Act Authority

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

	2014
The Loan Act, 2012	\$ 5,000,000
Outstanding:	
Loans - advanced in fiscal 2012/13	(640,000)
Loans - advanced in fiscal 2013/14	(500,000)
	<u>(1,140,000)</u>
Guarantees	-
	<u>\$ 3,860,000</u>

6. Compensation disclosure

The Public Sector Compensation Disclosure Act requires disclosure of the aggregate compensation paid The Co-operative Loans and Loans Guarantee Board members and of individual compensation paid to board members or staff where such compensation is \$50,000 or more per year. For the period from April 1, 2013 to March 31, 2014, The Co-operative Loans and Loans Guarantee Board paid board members an aggregate of \$242 (2013 - \$242). This amount is included in note 7. No individuals received compensation of \$50,000 or more.

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 2014 is estimated at \$21,909 (2013 - \$9,864) with another \$9,459 (2013 - \$4,607) 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, 2014**



Independent Auditor's Report

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

We have audited the accompanying financial statements of The Manitoba Housing and Renewal Corporation, which comprise of the statement of financial position as at March 31, 2014, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Manitoba Housing and Renewal Corporation as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Office of the Auditor General

Office of the Auditor General
July 24, 2014
Winnipeg, Manitoba

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Financial Position

Year ended March 31, 2014, with comparative figures for 2013

	2014	2013
Assets		
Current assets:		
Cash and cash equivalents (note 3)	\$ 95,749,875	\$ 96,133,540
Accounts receivable (note 4)	24,492,016	26,140,005
Prepaid expenses	4,205,065	4,445,892
Current portion of loans and mortgages receivable (note 5)	7,475,178	7,396,182
	<u>131,922,134</u>	<u>134,115,619</u>
Other long-term receivables (note 4)	22,982,634	18,781,994
Loans and mortgages receivable (note 5)	112,697,019	120,121,980
Land inventory (note 6)	68,198,413	67,422,765
Capital assets (note 8)	528,487,789	412,538,760
	<u>\$ 864,287,989</u>	<u>\$ 752,981,118</u>
Liabilities, Deferred Contributions and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 63,012,486	\$ 70,214,730
Current portion of long-term debt (note 9)	37,736,389	30,836,936
	<u>100,748,875</u>	<u>101,051,666</u>
Long-term debt (note 9)	828,722,041	728,754,307
Other long-term liabilities (note 10)	14,886,423	19,785,195
Deferred revenue (note 11)	13,386,633	17,882,018
Deferred contributions: (note 12)		
Expenses of future periods	9,486,116	9,432,144
Capital assets	14,887,541	15,625,772
Funds held for third party expenses	22,644,297	18,855,695
Housing Development and Rehabilitation Fund	18,744,854	5,763,994
	<u>65,762,808</u>	<u>49,677,605</u>
Net assets:		
Unrestricted	(159,218,791)	(164,169,673)
Commitments (note 25)		
Contingencies (note 24)		
Guarantees (note 26)		
	<u>\$ 864,287,989</u>	<u>\$ 752,981,118</u>

See accompanying notes to financial statements

On behalf of the Board:

Director

Director

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Operations

Year ended March 31, 2014, with comparative figures for 2013

	2014	2013
Revenue:		
Grants from the Province of Manitoba (note 13)	\$ 71,240,597	\$ 66,219,630
Contributed services (note 14)	2,536,400	2,292,200
Rental revenue (note 15)	72,648,883	73,126,445
Other government contributions (note 16)	62,137,293	63,707,048
Housing Development and Rehabilitation Fund (note 12)	6,498,139	3,362,314
Recoveries related to advance agreement (note 17)	(4,002,229)	4,300,000
Amortization of deferred contributions (note 12)	738,231	224,449
	211,797,314	213,232,086
Interest:		
Loans and mortgages	10,681,580	11,090,661
Bank and other	244,735	183,041
	10,926,315	11,273,702
Sales of land:		
Joint venture (note 7)	(6,164)	(58,595)
Waverley West (note 12)	32,330,153	46,209,751
Other land holdings	25,305,000	-
	57,628,989	46,151,156
Gain on disposal of capital assets	1,121,028	2,355,534
Other	902,290	929,911
Total revenue	282,375,936	273,942,389
Expenses:		
Housing operations - excluding amortization and interest (note 15)	129,073,570	119,595,206
Housing operations amortization (note 15)	20,832,090	14,762,645
Housing operations interest (note 15)	25,193,285	21,680,701
Rental subsidies (note 18)	36,074,621	36,785,153
Grants and subsidies (note 19)	5,092,866	4,168,687
Interest expense	12,127,010	13,897,559
Administrative services	5,137,900	3,630,400
Provision for loss and write downs	(510,007)	160,318
Cost of land sales - joint venture (note 7)	(6,164)	(58,595)
Cost of land sales - Waverley West (note 12)	32,330,153	46,209,751
Cost of land sales - other land holdings	1,400,000	-
Housing program supports (note 20)	13,227,071	15,728,637
Pension (note 21)	396,349	(304,254)
Expenses related to advance agreement (note 17)	(4,002,229)	4,300,000
Other amortization	104,196	29,893
Other	954,343	704,473
	277,425,054	281,290,574
Excess (deficiency) of revenue over expenses	\$ 4,950,882	\$ (7,348,185)

See accompanying notes to financial statements

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Changes in Net Assets

Year ended March 31, 2014, with comparative figures for 2013

	2014	2013
Net assets, beginning of year	\$ (164,169,673)	\$ (156,821,488)
Excess (deficiency) of revenue over expenses	4,950,882	(7,348,185)
Net assets, end of year	\$ (159,218,791)	\$ (164,169,673)

See accompanying notes to financial statements

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Statement of Cash Flows

Year ended March 31, 2014, with comparative figures for 2013

	2014	2013
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 4,950,882	\$ (7,348,185)
Non-cash changes in operations:		
Amortization of capital assets	20,832,090	14,762,645
Amortization of other capital assets	104,196	29,893
Amortization of deferred contributions related to capital assets	(738,231)	(224,449)
Provision for loss and write downs	(510,007)	160,318
Gain on disposal of capital assets	(1,121,028)	(2,355,534)
Change in non-cash working capital:		
Accounts receivable	1,647,989	(2,497,388)
Prepaid expenses	240,827	62,444
Other long-term receivables	(4,200,640)	(3,781,120)
Land inventory	(775,648)	(7,323,417)
Accounts payable and accrued liabilities	(7,202,244)	6,506,788
Other long-term liabilities	(4,898,772)	2,467,638
Net increase/(decrease) in deferred revenue	(4,495,385)	7,083,492
Net increase in deferred contributions related to expenses of future periods	53,972	314,080
Net increase/(decrease) in deferred contributions related to Housing Development and Rehabilitation Fund	12,980,860	(1,306,668)
Net increase in deferred contributions related to funds held for third party expenses	3,788,602	9,543,075
	20,657,463	16,093,612
Capital activities:		
Net decrease in deferred contributions related to capital assets	-	(623,891)
Proceeds from disposal of land	54,009	7,974
Proceeds from disposal of capital assets	1,198,055	2,475,913
Purchase of capital assets	(137,016,351)	(139,123,495)
	(135,764,287)	(137,263,499)
Investing activities:		
Additions to loans and mortgages receivable	(575,374)	(10,808,354)
Proceeds from repayment of loans and mortgages receivable	8,431,346	11,939,583
	7,855,972	1,131,229
Financing activities:		
Repayment of long-term debt	(210,518,529)	(210,113,482)
Proceeds from long-term debt	317,385,716	318,972,023
	106,867,187	108,858,541
Net decrease in cash	(383,665)	(11,180,117)
Cash and cash equivalents, beginning of year	96,133,540	107,313,656
Cash and cash equivalents, end of year	\$ 95,749,875	\$ 96,133,540

See accompanying notes to financial statements

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

1. General

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

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

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

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

2. Significant accounting policies

a) Basis of presentation

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

b) Revenue recognition

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

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

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

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

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

c) Cash and cash equivalents

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

d) Financial instruments

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

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

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

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

2. Significant accounting policies (continued)

e) Loans and mortgages receivable

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

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

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

f) Capital assets

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

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

g) Land inventory

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

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

h) Interest in joint ventures

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

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

2. Significant accounting policies (continued)

i) Employee future benefits

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

Actuarial gains/(losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets, if applicable, for that period. Actuarial gains/(losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains/(losses) are amortized over the expected average remaining service life (EARSL) of active employees. The average remaining service period of the active employees covered by the pension plan is 11 years (2013 - 12 years).

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

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

j) Contributed services

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

k) Use of estimates

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

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

3. Cash and cash equivalents

	2014	2013
On deposit with the Minister of Finance:		
Trust deposits	\$ 15,320,492	\$ 20,471,998
Risk Reserve related to Social Housing Agreement	9,176,737	9,139,017
	24,497,229	29,611,015
Bank	71,244,796	66,514,475
Petty cash	7,850	8,050
	\$ 95,749,875	\$ 96,133,540

4. Accounts receivable

	2014	2013
Current accounts receivable:		
Canada Mortgage and Housing Corporation	\$ 10,461,144	\$ 6,692,244
Government of the Province of Manitoba and its agencies	759,103	3,471,002
Rent receivables - net of allowance of \$6,663,921 (2013 - \$6,296,072)	2,861,354	4,233,820
Accrued interest on loans and mortgages receivable	248,233	841,500
City of Winnipeg	141,096	218,101
Other - net of allowance of \$5,609 (2013 - \$590,145)	10,021,086	10,683,338
	\$ 24,492,016	\$ 26,140,005

	2014	2013
Other long-term receivables:		
Securities for Waverley West installation of services - City of Winnipeg	\$ 11,915,543	\$ 8,111,252
Government of the Province of Manitoba:		
Pension recoverable (note 21)	9,620,986	9,224,637
Severance benefits (note 22)	1,446,105	1,446,105
	11,067,091	10,670,742
	\$ 22,982,634	\$ 18,781,994

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

5. Loans and mortgages receivable

a) Composition of loans and mortgages receivable

	2014	2013
Federal/Provincial Housing Programs:		
Private Non-Profit Housing	\$ 77,697,232	\$ 81,649,125
Rural and Native Housing	514,412	636,235
Urban Native Housing	12,950,704	14,888,718
	<u>91,162,348</u>	<u>97,174,078</u>
Market Rental Programs:		
Co-operative HomeStart	5,446,169	7,164,698
Co-operative Index Linked	3,282,221	4,005,166
Manitoba Rural RentalStart	-	192,246
	<u>8,728,390</u>	<u>11,362,110</u>
Other Programs:		
Community Residences	1,632,541	1,791,706
Homeowner Rehabilitation	55,777	72,090
Affordable Rental Housing	14,146,140	13,986,668
Other	7,417,001	6,778,804
	<u>23,251,459</u>	<u>22,629,268</u>
	<u>123,142,197</u>	<u>131,165,456</u>
Less - allowance for loan impairment	(2,970,000)	(3,647,294)
Subtotal repayable loans and mortgages receivable	<u>120,172,197</u>	<u>127,518,162</u>
Forgivable loans	<u>227,677,254</u>	<u>216,851,812</u>
	<u>347,849,451</u>	<u>344,369,974</u>
Less - forgivable loans asset valuation allowance	(227,677,254)	(216,851,812)
Loans and mortgages receivable	<u>\$ 120,172,197</u>	<u>\$ 127,518,162</u>
Current portion of loans and mortgages receivable	\$ 7,475,178	\$ 7,396,182
Long-term portion of loans and mortgages receivable	112,697,019	120,121,980
Loans and mortgages receivable	<u>\$ 120,172,197</u>	<u>\$ 127,518,162</u>

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

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

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

2015	\$ 7,475,178
2016	7,636,270
2017	7,926,105
2018	8,099,405
2019	8,314,933
Thereafter	<u>83,690,306</u>
	<u>\$ 123,142,197</u>

b) Allowance for loan impairment

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

	2014	2013
Market rental programs	\$ -	\$ 705,810
Other programs	2,970,000	2,941,484
	<u>\$ 2,970,000</u>	<u>\$ 3,647,294</u>

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

6. Land inventory

	2014	2013
Land under development	\$ 66,957,695	\$ 64,669,195
Future development or sale	1,240,718	2,753,570
	<u>\$ 68,198,413</u>	<u>\$ 67,422,765</u>

7. Joint venture

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

Joint venture profits are recorded under deferred revenue - Housing Development and Rehabilitation Fund until such time as the profits are required for expenditures. The amount reduced in 2014 from the sales of land for deferred revenue was \$6,164 (2013 - \$58,595).

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

	2014	2013
Current assets:		
Cash	\$ 1,849,037	\$ 1,741,958
Prepaid expenses	12,014	12,870
Accounts receivable from land sales	99,629	203,180
	<u>1,960,680</u>	<u>1,958,008</u>
Long-term assets:		
Development costs to complete	(69,537)	(72,695)
	<u>\$ 1,891,143</u>	<u>\$ 1,885,313</u>
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,393	\$ 2,727
Net assets	1,888,750	1,882,586
	<u>\$ 1,891,143</u>	<u>\$ 1,885,313</u>

	2014	2013
Sales of land	\$ -	\$ -
Cost of land sales - recovery	658	(50,381)
Gross margin	(658)	50,381
Expenses	(6,822)	(8,214)
Excess of revenue over expenses	<u>\$ 6,164</u>	<u>\$ 58,595</u>

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

8. Capital assets

	2014	2013
Land	\$ 30,587,718	\$ 28,251,571
Buildings and improvements	762,976,998	618,139,574
Less - accumulated amortization	(418,760,304)	(398,653,285)
Buildings - net book value	344,216,694	219,486,289
Under construction	149,507,421	162,684,179
Total land and buildings	524,311,833	410,422,039
Other assets	5,834,233	3,609,021
Less - accumulated amortization	(1,658,277)	(1,492,300)
Other assets - net book value	4,175,956	2,116,721
Net book value	\$ 528,487,789	\$ 412,538,760

MHRC has capitalized \$2,499,870 (2013 - \$1,231,671) of interest during fiscal 2014 to construction in progress.

9. Long-term debt

	2014	2013
Government of the Province of Manitoba:		
Advances, interest only payments until construction is complete, at which point it is converted into long-term advances. The interest rate as at March 31, 2014 was 2.25% (2013 - 2.25%).	\$ 282,466,391	\$ 268,853,120
Long-term advances, at interest rates from 2.75% to 13.375% maturing at various dates to 2029 and requiring annual principal and interest payments of \$57,668,845 (2013 - \$48,116,334).	463,959,755	363,716,199
Canada Mortgage and Housing Corporation:		
Long-term advances, at interest rates from 5.675% to 8.0% maturing at various dates to 2030 and requiring annual principal and interest payments of \$14,449,688 (2013 - \$14,449,688).	119,613,050	126,553,408
Mortgages payable (assumed on property acquisitions), at an interest rate of 10.5% maturing at various dates to 2028 and requiring annual principal and interest payments of \$50,337 (2013 - \$70,819).	419,234	468,516
	\$ 866,458,430	\$ 759,591,243
Current portion of long-term debt	\$ 37,736,389	\$ 30,836,936
Long-term debt	828,722,041	728,754,307
	\$ 866,458,430	\$ 759,591,243

Principal repayments on the long-term debt, excluding unfixed term advances of \$282,466,391 are estimated as follows:

2015	\$ 37,736,389
2016	39,222,535
2017	40,527,421
2018	39,875,575
2019	39,419,357
Thereafter	<u>387,210,762</u>
	\$ 583,992,039

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

10. Other long-term liabilities

	2014	2013
Pension liability (note 21)	\$ 9,620,986	\$ 9,224,637
Severance liability (note 22)	4,594,417	4,112,925
Sick leave liability	671,020	727,956
Other accrued long-term liabilities related to land development	-	5,719,677
	\$ 14,886,423	\$ 19,785,195

11. Deferred revenue

	2014	2013
Tenant prepaid rent	\$ 2,460,250	\$ 2,125,210
Prepaid land lease	39,360	40,898
Lot options - land under development	10,885,523	11,906,860
Deposit for future sales	1,500	3,809,050
	\$ 13,386,633	\$ 17,882,018

12. Deferred contributions

a) Expenses of future periods

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

	2014	2013
Balance, beginning of year	\$ 9,432,144	\$ 9,118,064
Adjustment to third party equity accounts	16,252	13,040
Amount reclassified from accounts payable and accrued liabilities	4,959	5,705
Amount recovered from loans and mortgages receivable	32,761	295,335
Balance, end of year	\$ 9,486,116	\$ 9,432,144

b) Capital assets

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

	2014	2013
Balance, beginning of year	\$ 15,625,772	\$ 16,474,112
Contributions received	-	50,001
Amount reclassified from funds held for third party expenses	-	53,777
Amount reclassified to funds held for third party expenses	-	(727,669)
Amount amortized to revenue in the year	(738,231)	(224,449)
Balance, end of year	\$ 14,887,541	\$ 15,625,772

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

12. Deferred contributions (continued)

c) Funds held for third party expenses

Deferred contributions related to funds held for third party expenses represents restricted funding received under three agreements with the Federal government. They consist of the Investment in Affordable Housing (IAH), Affordable Housing Initiative (AHI) agreements and the advance agreement for Dauphin River First Nation (DRFN). The balances as of March 31, 2014 for IAH was \$18,015,745 (2013 - \$15,256,374), AHI was \$2,627,437 (2013 - \$3,599,321) and DRFN was \$2,001,115 (2013 - nil).

	2014	2013
Balance, beginning of year	\$ 18,855,695	\$ 9,312,620
Contributions received	12,419,465	17,883,648
Interest earned	158,359	120,774
Amount reclassified from deferred contributions - capital assets	-	727,669
Amount reclassified to deferred contributions - expenses of future periods	-	(53,777)
Commitment paid	(8,789,222)	(9,135,239)
Balance, end of year	\$ 22,644,297	\$ 18,855,695

d) Housing Development and Rehabilitation Fund

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

The fund is to be credited with suburban land development profits realized by MHRC in respect of land owned or developed by it or by a partnership or joint venture in which MHRC is or was a participant. The gross proceeds from land development was \$51,725,088 (2013 - \$48,077,250) and the cost of land sales was \$32,323,989 (2013 - \$46,151,156) during the year ended March 31, 2014. Interest earned on the amounts is to be credited to the fund. The fund may be used to provide support for housing projects in areas of need within a municipality in which MHRC realized profits, including the development of new housing or the rehabilitation of existing housing.

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

	2014	2013
Balance, beginning of year	\$ 5,763,994	\$ 7,070,662
Land development profits	19,401,099	1,926,094
Interest earned	77,900	129,552
Current year disbursements	(6,498,139)	(3,362,314)
Balance, end of year	\$ 18,744,854	\$ 5,763,994

13. Grants from the Province of Manitoba

	2014	2013
Department of Housing and Community Development:		
MHRC operating programs	\$ 50,631,300	\$ 49,399,222
MHRC administration	16,690,700	14,069,778
Grants and subsidies	3,377,411	2,886,828
	70,699,411	66,355,828
Grants recovered from the Department of Finance:		
School Tax Assistance for Tenants 55 Plus Program	144,837	168,056
Change to pension obligation (note 21)	396,349	(304,254)
	541,186	(136,198)
	\$ 71,240,597	\$ 66,219,630

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

14. Contributed services

	2014	2013
Administrative services provided by Departments of the Province of Manitoba were allocated as follows:		
Included in Statement of Operations, administrative services	\$ 1,064,500	\$ 785,600
Included in administrative expenses in note 15, direct managed housing operations	1,194,900	1,134,400
Included in administrative expenses in note 15, sponsor managed housing operations	33,600	29,600
Included in rental subsidies, note 18	135,600	185,200
Included in Statement of Operations, housing program supports, note 20	107,800	157,400
	\$ 2,536,400	\$ 2,292,200

15. Housing operations

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

	2014			2013		
	Direct Managed	Sponsor Managed	Total	Direct Managed	Sponsor Managed	Total
Revenue:						
Rental revenue	\$ 56,557,714	\$ 16,091,169	\$ 72,648,883	\$ 57,210,215	\$ 15,916,230	\$ 73,126,445
Expenses:						
Administrative (note 14)	38,199,638	3,658,883	41,858,521	34,406,786	3,150,985	37,557,771
Property operating	57,180,739	14,033,558	71,214,297	51,392,934	15,040,957	66,433,891
Grants in lieu of taxes	13,443,275	2,557,477	16,000,752	13,281,749	2,321,795	15,603,544
Amortization	17,114,001	3,718,089	20,832,090	12,640,467	2,122,177	14,762,645
Interest	21,258,430	3,934,855	25,193,285	18,375,401	3,305,300	21,680,701
	147,196,083	27,902,862	175,098,945	130,097,337	25,941,215	156,038,552
Operating loss	\$ 90,638,369	\$ 11,811,693	\$ 102,450,062	\$ 72,887,122	\$ 10,024,985	\$ 82,912,107

16. Other government 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.

	2014	2013
Federal contributions	\$ 61,549,579	\$ 63,431,498
Municipal contributions	587,714	275,550
	\$ 62,137,293	\$ 63,707,048

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

17. Advance agreement

In December 2012, MHRC along with the Province of Manitoba (Province) entered into an advance agreement with Little Saskatchewan First Nation to transfer 34 homes to the First Nation and provide up to \$4,300,000 in site relocation costs to be used for the purposes of paying the costs of preparation, transportation and reinstallation of the homes and other site settlement costs. As a condition of the agreement, the Federal government agreed to pay 50% of the costs associated with 1) the costs of the homes and 2) the site relocation costs, with the Province assuming responsibility for the remaining 50%. As of March 31, 2013, there was no expense or recovery recorded in the financial statements for the cost of the homes as the transfer of the homes did not occur in fiscal 2013.

During 2013, MHRC transferred \$4,300,000 for site relocation costs to the First Nation's trustee to be used to discharge site settlement costs and had reflected this as an expense in the Statement of Operations. MHRC had recognized the recovery for both the Provincial and Federal portions of these costs as revenue and receivable in the financial statements at March 31, 2013.

During 2014, MHRC, on behalf of the Province, was authorized to enter into an Advance Agreement with Dauphin River First Nation and the Government of Canada for the acquisition and installation of 47 houses at Dauphin River First Nation.

Subsequently, the agreement with Little Saskatchewan First Nation was terminated and unexpended funds were returned to MHRC in March 2014. MHRC also received direction from the Province to set aside any unexpended funds returned from the Little Saskatchewan First Nation project to provide for the Province's share of the costs associated with the site relocation under the Advance Agreement with Dauphin River First Nation.

MHRC reflected the \$4,002,229 returned funds as cash, reduced the outstanding accounts receivable from the Federal government which is no longer due as a result of the termination of the agreement and return of funds, and has reflected as a deferred contribution, funds held for third party expense equal to the Province's share (50%) of the returned funds (note 12).

18. Rental subsidies

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

	2014	2013
Not-for-Profit Housing	\$ 25,548,960	\$ 26,487,296
Co-operative Housing	3,839,942	4,153,989
Private Landlords	6,685,719	6,143,868
	\$ 36,074,621	\$ 36,785,153

19. Grants and subsidies

	2014	2013
Portable Housing Benefit	\$ 1,720,459	\$ 1,655,328
Emergency Shelter Assistance	1,656,952	1,231,500
School Tax Assistance for Tenants 55 Plus	144,837	168,056
Elderly & Infirm Persons Housing	143,973	145,099
Co-op HomeStart	93,908	85,848
Homeless Strategy	1,332,737	882,856
	\$ 5,092,866	\$ 4,168,687

20. Housing program supports

	2014	2013
Forgivable loans (note 5)	\$ 10,835,802	\$ 12,863,691
Administration and delivery agent fees	2,391,269	2,864,946
	\$ 13,227,071	\$ 15,728,637

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

21. Pension obligations

Employees of MHRC and Direct Managed employees are eligible for pensions under the Manitoba Civil Service Superannuation Fund (Superannuation Fund). This pension plan is a defined benefit plan, which requires MHRC to contribute an amount approximately equal to the employees' contribution to the Superannuation Fund for current services. Such payments are charged to housing operations as incurred and MHRC has no further liability associated with the annual cost of pension benefits earned by Direct Managed employees at this time. Pension expense recorded for Direct Managed employees for the year ended March 31, 2014 was \$1,425,763 (2013 - \$1,172,949).

MHRC 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 MHRC 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 each year based on data provided by MHRC with the balances for the intervening year being estimated by a formula provided by the actuary. The most recent valuation was completed at March 31, 2014.

	2014	2013
Pension liability:		
Balance at beginning of year	\$ 9,224,637	\$ 9,528,891
Interest cost on benefit obligations	599,601	600,303
Current service costs	674,803	1,135,744
Benefits paid	(878,055)	(1,722,661)
Experience gain	-	(317,640)
Balance at end of year	\$ 9,620,986	\$ 9,224,637

At March 31, 2014, the unamortized actuarial gain (loss) to be recognized in future periods are as follows:

	2014	2013
Unamortized actuarial gain:		
Balance at beginning of year	\$ -	\$ -
In year gain amortized over EARSL - 2014 - 11 years (2013 - 12 years)	123,866	-
Balance at end of year	\$ 123,866	\$ -

	2014	2013
Change to pension obligation:		
Interest cost on benefit obligations	\$ 599,601	\$ 600,303
Current service costs	674,803	1,135,744
Benefits paid	(878,055)	(1,722,661)
Experience gain	-	(317,640)
Change to pension obligation	\$ 396,349	\$ (304,254)

The above liability is in respect of active employees only and does not reflect any liability with respect to retired or former employees. The key actuarial assumptions were a rate of return of 6.0% (2013 - 6.0%), 2.0% inflation (2013 - 2.0%), general salary rate increases of 2.75%, excluding the 1.0% service and merit increases (2013 - 2.75%) and post retirement indexing at 2/3 of the inflation rate. The projected benefit method was used and the liability has been calculated as at March 31, 2014 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 \$9,620,986 as of March 31, 2014 (2013 - \$9,224,637) and has recorded an increase in revenue for fiscal 2014 equal to the related pension liability increase of \$396,349 (2013 - \$304,254 decrease). The Province of Manitoba makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

22. Severance

a) Severance pay liability

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

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

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

An actuarial report was completed for the severance pay liability as at March 31, 2014. MHRC's actuarially determined liability relating to the Direct Managed employees as at March 31, 2014 was \$3,288,228 (2013 - \$2,895,595). The report provides a formula to update the liability on an annual basis.

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

An actuarial report was completed for the severance pay liability as at March 31, 2014. MHRC's actuarially determined liability relating to the former Department of Family Services and Housing employees as at March 31, 2014 was \$1,252,711 (2013 - \$1,217,330). The report provides a formula to update the liability on an annual basis.

	2014	2013
Severance liability:		
Direct Managed employees:		
Balance at beginning of year	\$ 2,895,595	\$ 2,438,148
Interest cost on benefit obligations	188,214	158,480
Current service costs	266,517	242,212
Benefits paid	(123,794)	(271,291)
Experience loss	-	328,046
	3,226,532	2,895,595
Former Department of Family Services and Housing employees:		
Balance at beginning of year	1,217,330	1,236,335
Interest cost on benefit obligations	79,126	80,362
Current service costs	88,961	99,134
Benefits paid	(17,532)	(87,873)
Experience gain	-	(110,628)
	1,367,885	1,217,330
Balance at end of year	\$ 4,594,417	\$ 4,112,925

At March 31, 2014, the unamortized actuarial gain (loss) to be recognized in future periods are as follows:

	2014	2013
Unamortized actuarial gain/(loss):		
Direct Managed employees:		
Balance at beginning of year	\$ -	\$ -
In year loss amortized over EARSL - 2014 - 10 years (2013 - 11 years)	(61,696)	-
Direct Managed employees balance at end of year	(61,696)	-
Former Department of Family Services and Housing employees:		
Balance at beginning of year	-	-
In year gain amortized over EARSL - 2014 - 11 years (2013 - 11 years)	115,174	-
Former Department of Family Services and Housing employees balance at end of year	115,174	-
Balance at end of year	\$ 53,478	\$ -

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

22. Severance (continued)

	2014	2013
Change to severance obligation:		
Direct Managed employees:		
Interest cost on benefit obligations	\$ 188,214	\$ 158,480
Current service costs	266,517	242,212
Benefits paid	(123,794)	(271,291)
Amortization of actuarial loss	-	328,046
	330,937	457,447
Former Department of Family Services and Housing employees:		
Interest cost on benefit obligations	79,126	80,362
Current service costs	88,961	99,134
Benefits paid	(17,532)	(87,873)
Amortization of actuarial gain	-	(110,628)
	150,555	(19,005)
Change to severance obligation	\$ 481,492	\$ 438,442

The key actuarial assumptions were a rate of return of 6.0% (2013 - 6.0%), 2.0% inflation (2013 - 2.0%), and general salary rate increases of 2.75%, excluding the 1.0% service and merit increases (2013 - 2.75%). The projected benefit method was used and the liability has been calculated as at March 31, 2014 by the actuary.

b) Severance pay receivable

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

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

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

23. Financial instruments and financial risk management

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

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

a) Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The financial instruments that potentially subject MHRC to credit risk consist principally of accounts receivable, loans and mortgages receivable and guarantees on loans. MHRC's deposits are held by the Province of Manitoba who guarantees the associated payments of principal and interest.

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

	2014	2013
On deposit with the Minister of Finance (note 3)	\$ 24,497,229	\$ 29,611,015
Accounts receivable (note 4)	47,474,650	44,921,999
Loans and mortgage receivable (note 5)	120,172,197	127,518,162
Loan guarantees (note 26)	10,394,570	9,605,948
	<u>\$ 202,538,646</u>	<u>\$ 211,657,124</u>

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

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

	2014	2013
Balance, beginning of the year	\$ 6,886,217	\$ 7,153,651
Provision for receivable impairment	581,185	711,131
Amounts written off	(797,872)	(978,565)
Balance, end of the year	<u>\$ 6,669,530</u>	<u>\$ 6,886,217</u>

As at March 31, 2014, \$3,278,360 (2013 - \$4,501,960) of accounts receivable and nil (2013 - \$200,322) of loans and mortgages receivable were past due, but not impaired.

On deposit with the Minister of Finance

MHRC is not exposed to significant credit risk as its investments are held by the Province of Manitoba and the Province of Manitoba guarantees the associated payments of principal and interest.

Accounts receivable

The accounts receivable partially consists of \$10,461,144 (2013 - \$6,692,244) due from Canada Mortgage and Housing Corporation, \$11,826,194 (2013 - \$14,141,744) from the Province of Manitoba and \$12,056,639 (2013 - \$8,329,353) from the City of Winnipeg.

Loans and mortgage receivable

Impairment provisions are provided for losses that have been estimated as of the Statement of Financial Position date. Management of credit risk is an integral part of MHRC's activities with careful monitoring and appropriate remedial actions being taken.

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

23. Financial instruments and financial risk management (continued)

b) Interest rate risk

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

On deposit with the Minister of Finance

MHRC's cash equivalents on deposit with the Minister of Finance consists mainly of short-term interest bearing investments. These investments are normally held to maturity so changes in interest rates do not affect the value of the investments.

Loans and mortgage receivable/loans from the Province of Manitoba

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

In addition, MHRC's advance from the Province of Manitoba have variable interest rates which expose MHRC to cash flow interest rate risk. At March 31, 2014, had prevailing interest rates increased or decreased by 1%, the estimated impact on interest expense would be approximately \$2,824,664 (2013 - \$2,688,531).

c) Liquidity risk

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

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

24. Contingencies

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

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Notes to Financial Statements

Year ended March 31, 2014

25. Commitments

MHRC has the following commitments as at March 31, 2014:

Capital assets:

a) Housing project enhancements and new construction	\$ 164,861,561
b) Third party repair, renovation and new construction	\$ 16,602,253

Public housing operations:

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

2015	\$ 96,269,100
2016	108,928,300
2017	117,940,200
2018	126,230,400
2019	135,025,800

26. Guarantees

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

	2014	2013
Waverley West Letters of Credit	\$ 9,517,096	\$ 9,517,096
Housing Opportunity Partnership Inc.	800,000	-
River Point Centre	35,400	35,400
Oddy at Westland Letter of Credit	31,200	31,200
Mobile Home Loan Guarantee Program	10,874	22,252
	\$ 10,394,570	\$ 9,605,948

27. Related party transactions

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

28. Comparative figures

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