

Departmental Briefing

October 2023

**MANITOBA
HOUSING AND
RENEWAL
CORPORATION**

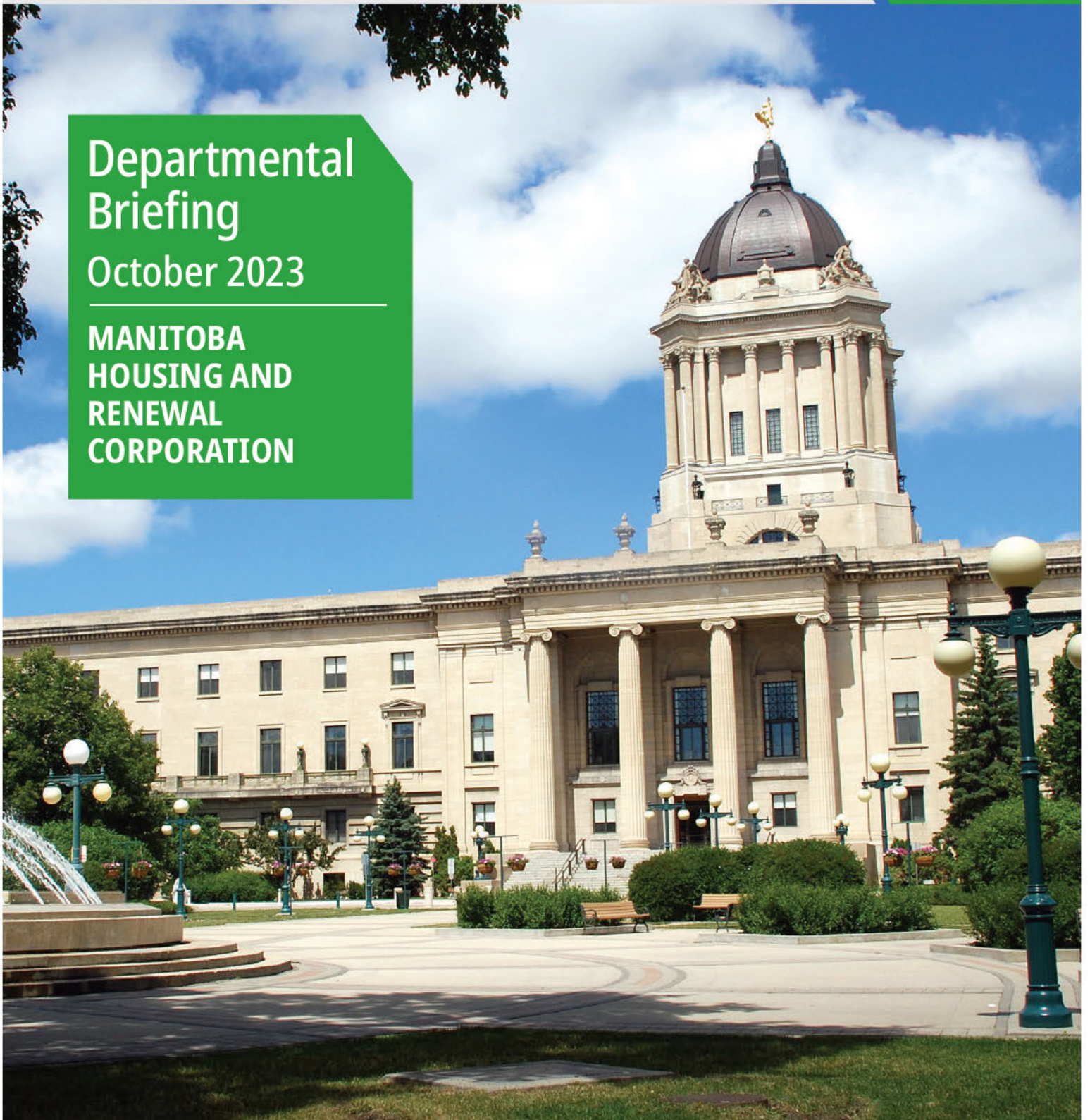


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Manitoba Housing and Renewal Corporation

Vision

That all individuals served by the department are supported in their personal development, stability and independence

Mission

To help keep children, individuals, families and communities safe and secure, while supporting personal development, self-reliance, well-being and social inclusion

Values

- ✓ Learning and Growth
- ✓ Innovation and Initiative
- ✓ Integrity
- ✓ Community
- ✓ Truth and Reconciliation
- ✓ Accountability

Responsibilities

Per the Manitoba Housing and Renewal Corporation Act:

- Enhance affordability, accessibility and adequacy of housing
- Maintain and improve the condition of existing housing stock
- Ensure an adequate supply of housing stock
- Stimulate activities of the housing market
- Provincial/Territorial Housing Forum Chair and Secretariat (Jan 2024 to Dec 2025)

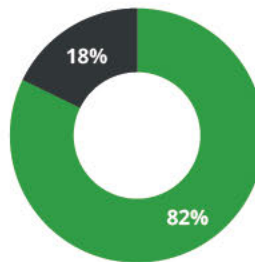
2023/24 Quick Facts

BUDGET	\$377 million	STAFF	540 Full Time Equivalents (FTEs)
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NOTE: an additional 18 FTEs approved as an in-year item in 2023/24 that are not included in the OREs FTE count

Budget

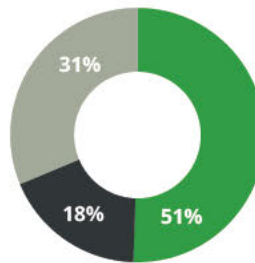
thousands



	2023/24 Budget
Operating	\$310,047
Capital	\$67,000
Total	\$377,047

Funding Sources

thousands



	2023/24 Budget
Province of Manitoba	\$162,104
Federal Government	\$58,284
Other Revenue	\$100,400

Manitoba Housing and Renewal Corporation

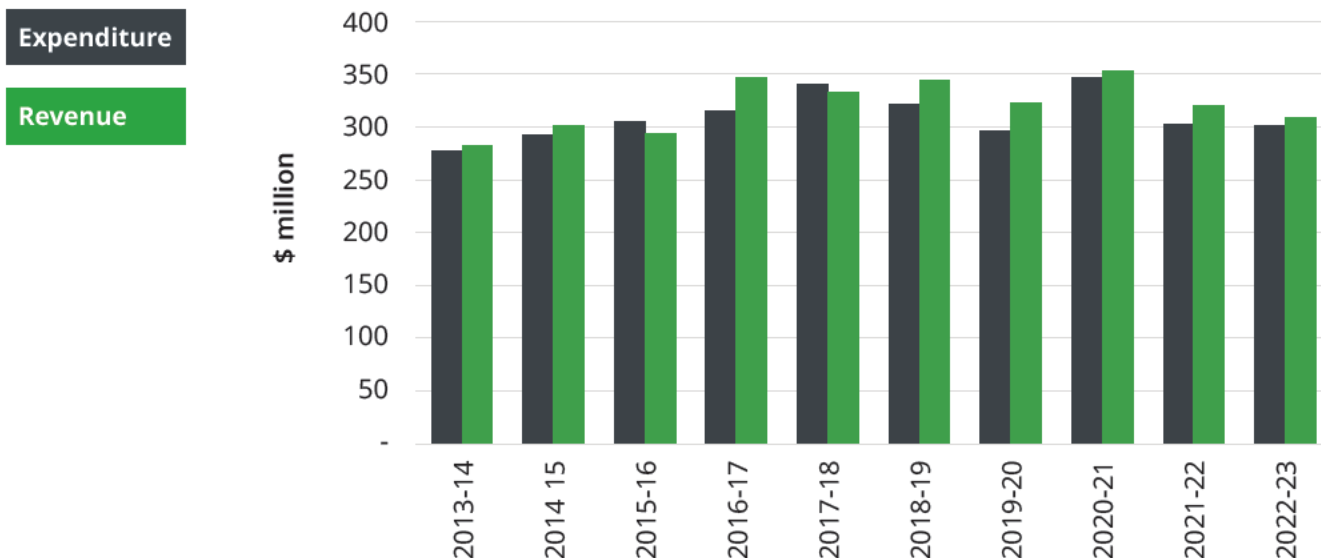
Leadership

- Michelle Dubik – Chair of the Manitoba Housing and Renewal Corporation Board/Deputy Minister of Families
- Carolyn Ryan – Chief Executive Officer
- Brian Malkowich – Chief Operating Officer
- Kris Piche – A/Executive Financial Officer
- Executive Director – Property Services (Vacant)
- Pablito Agasino – Executive Director, Portfolio Management
- David Grayston – Executive Director, Security, Integrated Pest Management Group and Information Technology Services
- Jaime Patrick – A/Executive Director, Housing Delivery and Land Development
- Dwayne Rewniak – Executive Director, Strategic Initiatives
- Azim Jiwa – Director, Corporate Compliance and Risk Management
- Brenda Feng – A/Director, Financial Services

Key Initiatives and Strategies

- Program delivery, meeting targets and reporting as related to Manitoba's agreement under the National Housing Strategy
- Asset rationalization (with Manitoba Consumer Protection and Government Services)
- Lessons learned on asset sales and transfers
- Block model to address expiry of operating agreements
- Options paper to meet the needs of people coming out of homelessness or family violence and living in Manitoba Housing
- Short- and medium-term activities to address safety and security issues for tenants and staff of Manitoba Housing
- Support the provincial homelessness strategy through new housing supply and rent supplement programs
- Staff engagement and well-being

Expenditures and Revenues 10-year history, in millions



2. Organization

Governance Structure

The Executive

Carolyn Ryan, Chief Executive Officer / Assistant Deputy Minister

Carolyn started with the Manitoba government in 1999 and joined Manitoba Housing as a Senior Policy Analyst in 2004. Since then, she has served in a variety of roles, such as Executive Director of Housing Delivery, Executive Director of Portfolio Management, Executive Director of Strategic Initiatives, Acting Chief Operating Officer of MHRC, and Chief Executive Officer of the MHRC. Carolyn has in-depth knowledge of Manitoba Housing from both a strategic and operational perspective. She maintains strong working relationships with partners across the Manitoba government, municipal and federal partners, and the non-profit and private sectors.



Brian Malkowich, Chief Operating Officer / Assistant Deputy Minister

Brian has worked for the Manitoba government since 1989 and joined Manitoba Housing as Executive Director of Property Services in March 2023. Previous to this role, Brian held various positions within the Department including Executive Director of Regional Social Services, Area Director of Downtown-Point Douglas and Director of Provincial Services as well as other social service roles within the Department. Brian has extensive experience in working in an integrated service environment dealing with complex situations and collaborating with numerous stakeholders on a variety of intricate issues to achieve positive outcomes on behalf of Manitobans.



Board of Directors

Michelle Dubik, Chair of the Board, the Manitoba Housing and Renewal Corporation /Deputy Minister of Families

Michelle's career began in the provincial government, focusing on women and substance use and mobilizing responses to fetal alcohol spectrum disorder. She progressed to a director role, overseeing income security policies, including the Employment and Income Assistance program. As assistant deputy minister of the community service delivery division, she managed social services delivery in partnership with various stakeholders. Later, as deputy minister for Manitoba Indigenous Reconciliation and Northern Relations, Michelle fostered positive relationships with Indigenous peoples and northern communities, supporting meaningful partnerships and reconciliation efforts. Currently, she serves as deputy minister of the Department of Families, providing policy and planning direction for services and programs that ensure safety, personal development, and social inclusion of children, individuals, families and communities.



Board Members

- Michelle Dubik, Chair of the Board, the Manitoba Housing and Renewal Corporation / Deputy Minister of Families
- Carolyn Ryan, Vice Chair of the Board, Assistant Deputy Minister / Chief Executive Officer, Manitoba Housing and Renewal Corporation
- Elizabeth Debicka, Assistant Deputy Minister, Indigenous Governing Bodies Support Branch
- Ernest Kwan, Assistant Deputy Minister, Technology and Transformation
- Brian Malkowich, Assistant Deputy Minister / Chief Operating Officer, Manitoba Housing and Renewal Corporation
- John Mikula, A/Assistant Deputy Minister, Community Service Delivery Division
- Christina Moody, Assistant Deputy Minister, Child and Youth Services
- Kris Piche, A/Assistant Deputy Minister, Administration and Finance Division
- Heidi Wurmman, Assistant Deputy Minister, Corporate Services Division

Human Resources

Staffing Overview

As of August 31, 2023, the organization has 558.30 full-time equivalent positions (FTEs) including an in-year approval of additional 18 FTEs in June 2023. Salaries and benefit costs associated with these additional 18 FTEs are estimated at \$620,000 for 2023/24 and will be funded by the Enabling Appropriation, Internal Service Adjustments on an as required basis.

The following table includes the break down of the FTE types and budget associated with these FTEs as approved through the 2023/24 estimates process:

Type	FTE	Budget (\$000s)
Executive	7.00	885
Unionized	548.30	34,034
Non-Unionized	3.00	290
Total	558.30	35,209

Contracts and Terms

- None.

3. Strategic Overview

Urgent Matters

The following items require action or attention by the end of the calendar year:

1. Non-profit funding model
2. Projects in difficulty
3. Awarding of contract – negotiated request for proposals for 575 Balmoral (Centre Village)
4. Awarding of contracts – negotiated request for proposals for capital funding (homelessness strategy)
5. Sewage lagoon – St. Laurent

Issue notes follow on the next pages.

1. Issue Title: Non-Profit Funding Model

High Level Summary:

The department is using \$1.4 million in National Housing Strategy (NHS) bilateral agreement funding from 2023/24 to engage the non-profit housing sector to continue to provide affordable housing via a block funding model. However, additional funding is needed to engage up to 8,511 housing units that will have expired funding agreements by 2027/28. To meet one of its targets under the NHS, sector uptake of this model will need to be at least 50 per cent. As the end of the NHS approaches in 2027/28, it will become more difficult to engage this sector.

Current Status:

19(1)(e) [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]


Confidential Advice to Minister:

Housing affordability is an issue province-wide, and a lack of affordable housing options affects low-income Manitobans the most. 23(1)(a)(b) [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

Options and Recommendations:

23(1)(a)(b) [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

23(1)(a)(b)



Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576

2. Issue Title: Projects in Difficulty

23(1)(a)(b)

[Redacted text block]

Current Status:

19(1)(e)

[Redacted text block]

Confidential Advice to Minister:

23(1)(a)

[Redacted text block]

Options and Recommendations:

23(1)(a)

[Redacted text block]

Contact Person: Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576;
Azim Jiwa, Director, Corporate Compliance and Risk Management, 204-945-7495

3. Issue Title: Negotiated Request for Proposal – Centre Village, 575 Balmoral Street, Winnipeg

High Level Summary:

The CentreVenture Development Corporation built the Centre Village project in 2011 and sold it to MHRC in 2015. Due to ongoing safety concerns for tenants because of poor design, and structural issues, all units were vacated by January 2022. MHRC is in the process of identifying a partner to transfer the property for redevelopment through a Negotiated Request for Proposals (NRFP). The buildings remain boarded up and continue to pose risk to the public due to individuals breaching the fences and occupying the units. The project has received significant media attention.

Current Status:

MHRC released a NRFP to identify a community partner for the redevelopment of the property. However, the existing structurally compromised buildings likely makes rehabilitation financially unviable. The NRFP closes on October 17, 2023.

The successful proponent will receive up to \$2.2 million in capital funding and will be required to include a minimum of 25 social housing units in the redevelopment.

19(1)(e)

Confidential Advice to Minister:

Prior to releasing the public NRFP, MHRC had released an Expression of Interest (EOI) seeking to identify a non-profit group interested in acquiring the property to redevelop. The EOI intended to prioritize “Indigenous Organizations” and expected to proceed to invite the short-listed proponents to an invitational NRFP. Following the initial review of the EOI proposals, MHRC became aware that the definition used in the EOI for “Indigenous Organizations” was too limiting. MHRC then proceeded with a public NRFP that included a broader definition of “Indigenous Organizations” so that for-profit Indigenous groups were eligible.

Options and Recommendations:

23(1)(a)(b)

Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576

Jaime Patrick, A/Executive Director, Housing Delivery and Land Development,
204-794-9886

4. Issue Title: Negotiated Request for Proposals to develop social housing units through the Homelessness Strategy

High Level Summary:

Manitoba's Homelessness Strategy: A Place for Everyone, committed to the creation of 700 social housing units (400 units through Rent Supplement and 300 units through new supply). MHRC released a Negotiated Request for Proposals (NRFP) soliciting proposals to meet the new supply commitment. MHRC will present Treasury Board with the evaluation results and recommendations to allocate the \$13.1 million available through the NRFP.

Current Status:

The NRFP will close on September 19, 2023. 19(1)(e) [Redacted]
[Redacted]
[Redacted]

Confidential Advice to Minister:

23(1)(a)(b) [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

Options and Recommendations:

23(1)(a)(b) [Redacted]
[Redacted]

Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576
Jaime Patrick, A/Executive Director Housing Delivery and Land Development,
204-794-9886

5. Issue Title: Sewage Lagoon – St. Laurent

High Level Summary:

MHRC owns and operates a sewage lagoon and sewage lift station serving eight single-detached units and a 20-unit seniors' lodge in St. Laurent, a community of 1,542 people in the Rural Municipality (RM) of St. Laurent. The lagoon also serves a K-12 school.

23(1)(a)(b)(c) [Redacted]

Current Status:

23(1)(a)(b)(c)(f) [Redacted]

Confidential Advice to Minister:

23(1)(a) [Redacted]

Options and Recommendations:

23(1)(a) [Redacted]

Contact Person:

Brian Malkowich, COO, Manitoba Housing, 204-782-6057

Strategic Priorities and Opportunities

The following items are matters for consideration in the longer term that may pertain to organizational changes, strategic plans, multi-year projects, emerging issues and other topics:

1. Affordability/need for new supply
2. National Housing Strategy
3. Role of Manitoba Housing
4. Assessing the Condition of the MHRC Portfolio
5. Tenanting and supporting high acuity tenants

Issue notes follow on the next pages.

1. Issue Title: Affordability/Need for New Supply

Timeline for Action: Prior to the end of the National Housing Strategy (March 31, 2028)

High Level Summary:

The housing crisis across Canada, with historically high rental costs and low vacancies, has brought housing to the political forefront nationally. Rental demand has grown due to migration, including international students, and higher mortgage rates.

The average rent for a two-bedroom unit in Manitoba is \$1,302, up three per cent in the last year, and the vacancy rate is 2.9 per cent, down from 4.9 per cent a year earlier. In Winnipeg, households in the lowest income quintile are only able to access four per cent of the rental market.

Current Status:

As of January 1, 2023, the Manitoba government is supporting construction of 93 rental housing units, representing \$2.9 million in capital funding. Another 115 units have funding conditionally approved or allocated and are at various stages of pre-development.

In 2019, Manitoba entered into a bilateral agreement under the National Housing Strategy (NHS), representing \$316.4 million in federal funding between 2019/20 and 2027/28 (cost-matched by Manitoba). This funding has been used to expand the supply of affordable housing and support housing affordability through rent subsidies but is not substantive enough on its own to meet the affordable housing supply needs in the province.

The new provincial homelessness strategy commits to developing housing for people exiting homelessness. In 2023/24, the strategy intends to create 700 new units of social housing through a combination of new supply and new rent supplement agreements.

Housing advocates have called for the development of 1,000 new social housing units per year for each of the next ten years.


Confidential Advice to Minister:

23(1)(a)
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tools (tax incentives, loan guarantees, construction loans, low-interest mortgages, Part D funding, social financing, land acquisition, operating subsidies).

Options and Recommendations:

23(1)(a)

The text '23(1)(a)' is followed by three horizontal grey bars of varying lengths, indicating redacted content. The first bar is the longest, the second is slightly shorter, and the third is the shortest.

Contact Person: Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576

2. Issue Title: National Housing Strategy

Timeline for Action: April 1, 2019 to March 31, 2028

High Level Summary:

The 2019 bilateral agreement under the National Housing Strategy (NHS) concerns \$316.5 million in federal funding between 2019/20 and 2027/28 for three provincially administered streams: Manitoba Priorities, Canada Community Housing Initiative (CCHI) and Canada-Manitoba Housing Benefit (CMHB). Federal funding under the NHS bilateral agreement is cost-matched by Manitoba. By signing on to the NHS, Manitoba has agreed to meet targets related to “continuing to offer” existing housing units, expansion and repair. The federal government has also designed and administers a suite of programs under the NHS.

Current Status:

Manitoba is required to develop public-facing action plans that demonstrate both how funding will be spent and how targets will be met. Federal allocations must be committed by the end of each fiscal year or Manitoba risks forfeiting unspent funding. 19(1)(e)

[Redacted text block]

Confidential Advice to Minister:

23(1)(a)

[Redacted text block]

Options and Recommendations:

23(1)(a)

[Redacted text block]

funding between streams, as part of its Federal/Provincial/Territorial (FPT) discussions. Manitoba will assume co-chair responsibilities, alongside CMHC, of the FPT table in January 2024.

Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576

3. Issue Title: Role of Manitoba Housing

Timeline for Action: End of 2023 calendar year

High Level Summary:

MHRC’s social and affordable housing program delivery has faced sustainability issues over the years due to uncertain federal funding levels, borrowing to build new supply and aging assets. Under these conditions and in consideration of a KPMG report on its financial sustainability, MHRC took steps to shift its role in the housing sector from a primary social housing provider to a capacity builder, coordinator, funder and regulator. This shift to community-based service delivery involved the transfer of management of 1,511 housing units and the sale of 795 housing units. All units were retained as part of the social housing inventory.

Current Status:

There has been a pause in the management transfers and sales of MHRC assets under this initiative while portfolio-wide building condition assessments were prepared. 19(1)(e)

[Redacted text block]

Confidential Advice to Minister:

23(1)(a)

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Options and Recommendations:

23(1)(a)

[Redacted text block]

Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576

4. Issue Title: Assessing the Condition of the MHRC Portfolio

Timeline for Action: Twelve months

High Level Summary:

MHRC is currently completing Building Condition Assessments (BCA's) on all MHRC-owned assets. First, an analysis of all BCA information (both at a project and portfolio level) is required in order to quantify repairs required. Second, a framework is needed to determine the next step in the life span of the asset. The framework will allow for analysis of the information contained in the BCA, which alongside a demand analysis, will inform the decision on the next step for the asset (demolish, renovate, densify or sell).

Current Status:

MHRC currently has an Asset Repurposing Policy and committee designed to deal with single detached dwellings, duplexes, small multi-family or seniors' housing projects that are underutilized, chronically vacant, or in areas of low demand primarily in rural areas of the province. The main purpose of the policy is to dispose of properties for program purposes via a Rural Homeownership Program that provides homes (outside of Winnipeg) to be sold to low to moderate income earners to support homeownership. The policy also helps identify surplus units which, if sold, will reduce MHRC's carrying costs.

Confidential Advice to Minister:

Consumer Protection and Government Services has managed the BCA project. ^{23(1)(a)}
23(1)(a) [Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

Options and Recommendations:

23(1)(a) [Redacted]
[Redacted]

Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576
Jaime Patrick, A/Executive Director Housing Delivery and Land Development,
204-794-9886

5. Issue Title: Tenanting and Supporting High Acuity Tenants

Timeline for Action: Next 6 months

High Level Summary:

MHRC is seeking to better understand the benefits and risks of ongoing prioritization of vulnerable high acuity clients in its application process.

Current Status:

MHRC uses a point rating system to prioritize applications. Applicants who are high needs (e.g., recently homeless, survivor of gender-based violence, discharged from hospital or psychiatric care) are tenanted ahead of other individuals and families. Approximately 70 per cent of new clients being tenanted in MHRC are considered to be high needs. Many of these tenants require additional supports/service to remain successfully housed. MHRC's current programs and resources are not designed to effectively and responsibly assist high concentrations of vulnerable people. Additionally, evidence based practice does not recommend the concentration of high needs tenants in social housing properties unless they are purpose built and staffed accordingly.

Confidential Advice to Minister:

23(1)(a) [Redacted]

Options and Recommendations:

23(1)(a) [Redacted]

- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]

Additional positions and funding to support this tenant population has been requested through the 24/25 Estimates process.

Contact Person:

Carolyn Ryan, CEO, Manitoba Housing, 204-803-0576

4. Fiscal Overview

The following information reflects spending appropriations approved for the department in fiscal year 2023/24 by the Legislature. The annual Estimates process to determine the budget for the next fiscal year (2024/25) is currently underway.

2023/24 Part A operating budget for MHRC is \$310 million, including the following components:

Type	Budget (\$000s)
Salaries	35,209
Other Expenditure	148,224
Grants and Transfer Payments	27,252
Amortization Expense	65,496
Interest Expense	33,866
Total	310,047

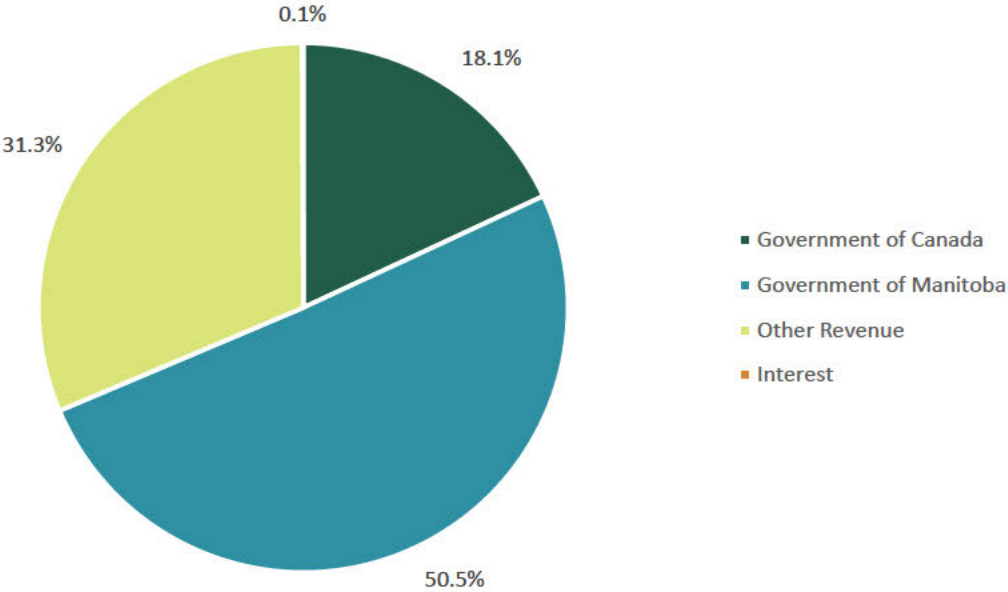
The organization has a Part C spending authority of \$15 million for a loans and guarantees program that intends to support non-profit housing sector through providing loans (\$5 million) or loan guarantees (\$10 million).

In addition, \$67 million in Part D capital spending authority was approved through the 2023/24 estimates for repairs and upgrades of existing housing stocks and development of land owned by MHRC.

MHRC has three major funding sources including transfer payment from the Department of Families or Province of Manitoba, federal government and rents collected from tenants. The 2023/24 revenue is estimated at \$321 million as follows:

Type	Budget (\$000s)	%
Province of Manitoba	162,104	50.5%
Government of Canada	58,284	18.1%
Interest Revenue	184	0.1%
Other Revenue	100,400	31.3%
Total	320,972	100.0%

Percentage Distribution by Funding Source (2023/24)



Please be advised that section 76.2(2)(a) of *The Freedom of Information and Protection of Privacy Act* (FIPPA) states the government must make available “within 60 days after a minister assumes office, the table of contents and index for the package of briefing materials that is prepared for a minister for the purpose of enabling the minister to assume the powers, duties and functions of their office”.

Therefore, the table of contents and index of this transition binder will be fully disclosed on InfoMB within 60 days of the minister assuming office.

Additionally, the remaining contents of the binder may be requested through an access to information request under FIPPA. In response to such a request, the binder will be disclosed subject to limited and specific exceptions to disclosure under FIPPA.