

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## THREE-YEAR ACTION PLAN

2022/2023 - 2024/2025



*UNDER THE CMHC-MANITOBA BILATERAL AGREEMENT*

*UNDER THE 2017 NATIONAL HOUSING STRATEGY*

November 2023

Manitoba 

# Manitoba's Context and Priorities

## INTRODUCTION

Manitoba households continue to face financial challenges stemming from the COVID-19 pandemic as well as other global pressures. While the cost of living has increased for all Manitobans, high inflation has had a disproportionate affect on vulnerable populations and lower-income Manitobans. Manitobans are facing higher household costs; rental rates and housing prices continued to rise during the first two years of the pandemic before recent slowdowns in the housing market. The Manitoba government is committed to make life more affordable for Manitobans and will increase investments to address chronic homelessness.

Manitoba Housing actively worked with all levels of government to address the impacts of COVID-19 on vulnerable populations, including those experiencing homelessness. This three-year Action Plan shifts focus away from our immediate, and necessary responses to the pandemic, to the emerging challenges that Manitoba will also address during the remainder of this Action Plan period.

It is essential that National Housing Strategy (NHS) funding be used where it will have the greatest impact for Manitobans that require the most support. Manitoba will use federal and provincial contributions toward not only supporting its priorities under the NHS, but also in its efforts to address chronic homelessness. Linking these priorities represents a cohesive plan to tackle poverty and homelessness and will show tangible progress toward meeting the shared commitment of reducing homelessness year over year.

Manitoba is also focused on ensuring it will meet its targets by the end of the Canada Mortgage and Housing Corporation (CMHC)-Manitoba Bilateral Agreement under the NHS. During the first three-year Action Plan, Manitoba made progress on many of its targets. A strong emphasis was placed on the modernization and improvement of Manitoba's social housing stock and Manitoba more than doubled its 2027/28 target. Exceeding the repair target has enabled Manitoba to shift focus toward making headway on other important priorities such as Manitoba's expansion target and its continue to offer target. Manitoba has developed a strategy to address the expiry of operating agreements and ensure the 'continue to offer' target under the NHS is met. Manitoba expects to be fully caught up to this target in 2023/24.

## **THREE-YEAR ACTION PLAN**

Over the last three years, housing providers have been faced with new and renewed challenges regarding housing affordability. The costs of construction and materials have increased exponentially since the start of the NHS. The impacts of inflation have been felt at an industry level but have been especially hard on Manitoba households. As a result, Manitoba has had to re-visit its priorities to ensure that it is able to address existing and emerging housing needs in this challenging economic environment, while continuing to meet commitments and targets under the NHS.

CHMC provided provinces and territories with the option of producing a one-year Action Plan in 2022/23 instead of the three-year Action Plan originally required under the CMHC-Manitoba Bilateral Agreement. Manitoba opted to take this approach, as it provided an opportunity to continue to meet our obligations under the NHS and invest in projects that will provide immediate benefit for Manitobans, while ensuring our long-term government direction accurately addresses the needs of a changing housing landscape.

The one-year Action Plan option enabled Manitoba to improve its forecasting for the remaining two years of this Action Plan period, and make adjustments to ensure that Manitoba remains on track to meet its 10-year targets. Delaying the release of this three-year Action Plan allowed time for Manitoba to align planned activities under the NHS with provincial priorities related to homelessness.

## PROGRESS ACHIEVED TO DATE

Under the first three-year Action Plan, NHS funding enabled Manitoba to address mutually agreed to housing priorities under the CMHC-Manitoba Bilateral Agreement. For the reporting years to date (2019/20 – 2021/22), Manitoba committed to the repair and renovation of existing community housing stock, new housing supply, rent supplements, operating subsidies for community housing units formerly funded under the Social Housing Agreement (SHA), and continued modernization of the community housing sector through community-based service delivery. Notably, Manitoba exceeded its 2027/28 repair target in the first year of the Action Plan (2019/20), achieved no net loss of Urban Native units, and is making steady progress on its expansion target. In addition, Manitoba nearly achieved its first three-year Canada-Manitoba Housing Benefit (CMHB) target.

The highlights of projects supported to date include:

- In February 2020, Manitoba Housing launched Creating Opportunities for Affordable Homeownership (COAH), and provided partner agencies with a total of \$2.0 million in financial assistance through two Requests for Proposals (RFPs) that promote homeownership opportunities for low- to moderate-income households.
- Manitoba Housing also supported affordable homeownership opportunities for 78 households through the provision of \$4.27 million in funding to Habitat for Humanity in 2019/20.
- In 2020/21, Manitoba Housing contributed \$804,000 toward an affordable housing project that saw 18 modular apartments constructed at 260 Toronto Street, the site of a former housing complex owned by the Winnipeg Housing and Rehabilitation Corporation. The project provides affordable housing for women and their children, including Indigenous women experiencing homelessness or at risk of homelessness.
- In 2020/21, Manitoba Housing contributed \$1.56 million towards the development of a 48-unit affordable housing project at the site of the former Fleming School in Brandon.
- In 2020/21, Manitoba contributed \$1.9 million towards a supportive living affordable housing project for vulnerable individuals who are homeless or at risk of becoming homeless that saw 47 micro-suites constructed at 390 Ross Avenue in Winnipeg. The project works with support providers and has 24-hour staffing and a full meal program to provide nourishment while residents seek to adjust their lives.

- In 2020/21, Manitoba Housing and Shared Health invested in a \$2.56M allocation for Ma Mawi Wi Chi Itata Inc.'s Astum Api Niikinaahk (formerly the Village) Project. Astum Api Niikinaahk has created 22 affordable units of low-barrier culturally appropriate transitional housing for vulnerable persons exiting unsheltered homelessness.
- In 2021/22, Manitoba contributed funding of \$200,000 towards Homes for Heroes, to establish a tiny home village of 20 units for homeless veterans.
- Manitoba also committed \$100,470 to the Westminster Housing Society toward the construction of 21 units of affordable housing at 545 Broadway, a project that is also receiving funding under the Rapid Housing Initiative (RHI). The four-storey mixed-use residential building will focus on addressing the affordable housing needs of the 2SLGBTQ+ community in partnership with the Rainbow Resource Centre.
- In 2021/22, the Manitoba government contributed \$2,160,000 toward N'Dinawemak, a 150 bed homeless shelter in Winnipeg. Manitoba Housing also contributed \$1,500,000 toward a homeless shelter expansion project (Mitchell Fabrics) in Winnipeg that is also receiving funding under the National Housing Co-Investment Fund (NHCF).
- In 2021/22, the provincial cost matching included commitments totalling \$8,793,800 for Manitoba's Municipal Grant Funding initiative. This included support for 136 affordable rental units at a cost of \$8,339,800 and affordable homeownership opportunities for 14 households at a cost of \$454,000. The municipalities that received funding are Brandon, Dauphin, Flin Flon, Morden, Portage la Prairie, Selkirk, Steinbach, The Pas, Thompson and Winkler.
- In 2021/22, Manitoba invested an additional \$1,000,000 to support the release of a third COAH RFP. Five successful proponents were selected which will enable an additional 58 eligible first time homebuyers to receive down payment assistance in Brandon, Morden, The Pas and Winnipeg.

## **GENDER-BASED ANALYSIS**

Affordable housing is a tool that can help women improve their economic and social outcomes. In Manitoba, women earn a lower median income than men and are more likely to be employed part-time, impacting their access to housing. Affordable housing is a greater challenge for single mothers who have parenting costs that include child care. Vulnerable women, including Indigenous and newcomer women, seniors, and women with disabilities, are more likely to experience poverty, and need access to affordable housing.

Manitoba Housing's core program, the Social Housing Rental Program (SHRP), is a universal program. Applicants are housed based on the urgency of need (affordability, suitability, and adequacy of their current situation), not on their gender. Vulnerable applicants, such as those who are homeless or experiencing domestic violence, are considered a higher priority when determining need. Using a gender-based analysis, Manitoba Housing is helping to meet the affordable housing needs of 13,168 women tenants.

Women's poverty also affects their children. According to Statistics Canada's 2020 Market Basket Measure (MBM), 6.0 per cent of Manitoba children live in poverty. Families with children represent approximately half of Manitoba Housing's direct-managed portfolio (50 per cent), with approximately 9,927 children under the age of 19, and 6,844 of them are under 13.

Statistics Canada has found that children living in a lone parent family are more than two times as likely to live in a low income household as children in a two parent family, and that the low-income rate is higher if the children live with their mother. In Manitoba Housing, 6,037 tenancies are lone-parent families, of which the majority are led by women.

In Manitoba, there are 9,196 children and youth in the care of Child and Family Services (CFS). Access to affordable housing is a key component of family reunification. Manitoba Housing supports family reunification when CFS is involved with a family separation, allowing families with a reunification plan to remain over-housed for up to two years.

Leaving family violence can put women and their children at risk of homelessness. Manitoba Housing owns and maintains nine emergency shelters for victims of family violence, which are run by community partners.

# Stakeholder Consultations

## HOUSING CONSULTATIONS

The Manitoba government undertook province-wide consultations in the summer of 2021 to inform its second three-year Action Plan under the NHS. As COVID-19 presented unique challenges to conducting consultations, an online survey and virtual meetings were used as engagement techniques.

Manitobans were invited to provide feedback through an online survey that was designed to collect feedback on housing needs, priorities, populations in housing need, and solutions. The survey asked a series of quantitative questions and provided the opportunity for qualitative feedback with each question. Survey respondents were also asked demographic questions to identify housing issues relevant to specific demographic groups of Manitobans.

In addition to a public announcement about the survey commencement, invitations to complete the survey were sent out to key stakeholders. In total, 431 Manitobans completed the survey between May 25, 2021, and July 28, 2021.

Between July 19 and August 19, 2021, Manitoba Housing held six virtual consultations with key housing stakeholder groups that represented:

- The municipal sector
- Indigenous service providers
- The non-profit housing sector
- Agencies serving vulnerable populations
- Housing advocates

Dialogue with provincial stakeholders was consistent with the online survey, focusing on the same topics. Open-ended conversations discussed housing priorities, population groups in housing need, and gaps in the housing market. Participants were also asked to provide their ideas and comments regarding housing solutions.

## HOMELESSNESS CONSULTATIONS

In December 2021, Manitoba Families released a discussion paper as a starting point for the community engagement process related to addressing homelessness. The paper incorporated feedback from earlier provincial consultations on housing, mental health and poverty reduction as well as ongoing conversations with community organizations. Between January 12 and March 3, 2022, Manitoba Families hosted 32 online engagement sessions with 407 participants to solicit feedback on the discussion paper and their recommendations for strategies and actions in the areas of prevention, emergency response, housing, other services, and systemic changes. Several agencies also hosted sessions for people with lived experience. The format was open-ended and flexible. In total, 90 people participated in 12 community conversations: six in Winnipeg and six outside of Winnipeg.

Participants across the province expressed the urgency of the situation and the need for immediate actions to address homelessness. They advocated for a strategy based on dignity, inclusivity and respect to ensure we meet people where they are at and provide services that address their actual needs. In the spirit of reconciliation, participants emphasized providing culturally-appropriate services for Indigenous people in all areas of the strategy. They spoke about cultural safety and reclamation as ways to foster healing. Access to elders, ceremony and other cultural activities are critical to overcoming intergenerational trauma. Participants support a focus on Indigenous-led organizations delivering new and expanded services. They highlighted the importance of providing elements essential for success including adequate resourcing and capacity building.



## **Use of Funding**

CMHC funding and cost-matched funding under the NHS bilateral agreement will be used toward the Manitoba Priorities Housing Initiative, the Canada Community Housing Initiative and the CMHB.

The diversity of housing needs across Manitoba communities and populations requires solutions that are responsive to local housing pressures and geographic and socio-economic circumstances.

Recent consultations confirmed that Manitoba must continue its focus on meeting the needs of vulnerable populations, specifically around housing that meets a greater depth of affordability.

Manitoba is also committed to advancing reconciliation through Indigenous housing initiatives.

Manitoba will prioritize funding to help the most vulnerable households access housing and achieve stable tenancies. Specialized housing and supports will target those at risk of or experiencing homelessness, youth aging out of care, Indigenous Manitobans, women and children fleeing violence, and other vulnerable groups as they transition through life circumstances.

To enable independence and housing choice for those with affordability barriers, Manitoba will continue to provide subsidies in the non-profit and private market sectors and promote mixed income housing models to ensure the sustainability of the housing system over the long term.

## **Manitoba Priorities Housing Initiative**

### **TARGET VULNERABLE POPULATIONS**

Throughout Manitoba's housing and homelessness consultations, providing safe and affordable housing for vulnerable groups was identified as a key housing priority. There is a lack of housing with on-site wrap-around supports such as addiction workers, supports for family reunification and supports to assist residents' transition to independent living. Participants also highlighted a need for more transitional housing. Manitoba took steps to address this in the previous Action Plan, including funding for wrap-around supports for vulnerable populations.

Under this Action Plan, Manitoba will expand transitional housing and other housing with supports while continuing to prioritize support for households most in need, including those who have complex barriers that require a combination of housing and support services. Manitobans experiencing homelessness, people with mental or physical disabilities, persons with addictions, youth aging out of care, and women fleeing violence all require additional supports to overcome multiple barriers to housing success.

During consultations, participants highlighted a limited availability of safe affordable housing options for victims of family violence. Manitoba was encouraged by the federal announcement of the Women and Children Shelter and Transitional Housing Initiative, a carve-out under the NHCF to construct, renovate and support housing for women and their children escaping domestic violence. In 2022/23, Manitoba worked with community partners to submit two applications under the Women and Children Shelter and Transitional Housing Initiative to support repair of shelters in Thompson and Manitoba's Parkland region. Unfortunately, due to high demand for the initiative, neither of the applications were approved by CMHC.

Manitoba will look to new ways to support this vulnerable population, including design of a new stream of the CMHB (discussed in the CMHB section of this plan).

## **INDIGENOUS HOUSING**

During consultations, stakeholders indicated that Indigenous community-led housing options in Manitoba communities are lacking. Given that Manitoba has the highest per capita Indigenous population of Canada's provinces, provincial and federal partnerships are required in Indigenous-led housing initiatives that will reflect this unique situation to meet the housing needs of Indigenous people and advance reconciliation in Manitoba.

Manitoba will continue to work with partners to develop a reconciliation-focused approach to Indigenous housing. As part of its commitment to advance reconciliation, Manitoba Housing will pursue off-reserve community-based housing delivery in partnership with Indigenous communities and service organizations. Manitoba will work with Indigenous housing providers and pursue investments that enable the provision of culturally relevant programming and housing services.

## **SUPPORT HOUSING AFFORDABILITY**

Rent Assist is an important program for low-income Manitobans. It provides a key pathway for those in poverty to transition to greater independence with less reliance on government benefits, and encourages choice in housing, while deliberately addressing the welfare wall. Manitoba will continue to invest in its portable universal shelter benefit program Rent Assist. In July 2021, Rent Assist rates for those who are not in receipt of Employment and Income Assistance (EIA) rose to 80 per cent of Median Market Rent (MMR), up from 75 per cent of MMR. As of January 1, 2023, Rent Assist rates for those in receipt of EIA will be increased to 77 per cent of MMR, up from 75 per cent of MMR. This increase to 77 per cent of MMR is expected to cost Manitoba \$6.6 million in 2022/23 and \$20 million in 2023/24.

Under this Action Plan, Manitoba will continue to provide affordability support to households who are not in receipt of EIA with Rent Assist. Manitoba will pause forecasting non-EIA Rent Assist towards its expansion target, as Manitoba has determined a high rate of variability in uptake, which effects the ability to forecast incremental growth of the program. When incremental growth does occur, Manitoba will count this growth toward its expansion target.

In addition to Rent Assist, Manitoba will support affordability under this Action Plan through the creation of new social and affordable supply and new rent supplements. This renewed commitment will target the construction and/or acquisition/conversion of 138 units of deeply affordable housing and funding of 462 new rent supplements in community housing and the private market targeting homeless individuals and those at risk of homelessness between 2022/23 and 2024/25. Manitoba Housing issued a RFP to select providers to administer the rent supplements in their buildings. This proposal call will be open to both private and non-profit providers in order to rapidly meet the urgent need for new units of housing targeted to low income households. Currently the majority (approximately 70 per cent) of rent supplement units in Manitoba are in the community housing sector. Under the NHS, housing in the non-profit sector will continue to be prioritized, however enabling use of rent supplement in the private market will also contribute toward mixed income livable and inclusive communities in Manitoba.

Over the course of this Action Plan period, the Manitoba government will also look to ways it can partner with other levels of government on federal NHS programs, such as the RHI, where projects align well with Manitoba's housing priorities and where Manitoba can maximize its contribution toward its share of NHS targets. Depending on the nature of the project, this may include provision of capital funding, operating and/or in-kind contributions. Should ongoing operating funding be provided to projects under the RHI, Manitoba will count all of these units toward its expansion target.

## **Canada Community Housing Initiative**

### **MODERNIZING THE COMMUNITY HOUSING SECTOR**

Community housing providers have expressed that they are ready to assume a greater role in the delivery of housing for low-income Manitobans. Engaging community housing providers with expiring operating agreements is a key component of how Manitoba will meet its continue to offer target under the bilateral agreement. Manitoba Housing will continue to work closely with community housing providers to plan for the end of operating agreements by providing supports to address long-term organizational sustainability as well as assistance to identify steps required to achieve financial stability. Manitoba has designed a planning framework towards engaging this sector that will be implemented throughout the remainder of the bilateral agreement.

Over the course of this Action Plan and beyond, Manitoba Housing will help bolster the community housing sector by:

- Focusing capacity building activities toward mature financial practices and planning, reliable asset management techniques, and dependable supports and services for vulnerable tenants.
- Building a culture of independence, including an autonomous Manitoba Non-Profit Housing Association, which can broker amalgamation, provide training, and support providers with sound advice.
- Prioritize supporting the capacity of Indigenous housing providers, working in alignment with recent federal distinctions-based housing strategies, as well as an anticipated Urban, Rural, and Northern Indigenous Housing Strategy.
- Leverage federal initiatives that align with Manitoba's strategic priorities when engaging in partnership with the community housing sector where it makes sense.

## **INVEST IN IMPROVEMENTS TO EXISTING SOCIAL AND AFFORDABLE HOUSING**

As highlighted in the previous Action Plan, community housing across Manitoba continues to face public scrutiny, in part due to perceptions of poor living conditions. Manitoba made significant investments in modernization and improvement during the first Action Plan period, and far surpassed its 2027/28 target to repair existing housing stock.

Although its repair target has been met, Manitoba will continue to invest in improvements to its existing housing. Repairs to the Urban Native portfolio, community housing owned by third parties and Personal Care Homes will continue to be claimed during this Action Plan period. In terms of the provincially owned portfolio, although Manitoba will continue to execute its capital plan, it will no longer claim its investment in the modernization and improvement of this stock toward cost-matching or targets under the bilateral agreement. This decision has been made as a large percentage of Manitoba's owned portfolio is already counted under this target and every additional repair claim must be carefully reviewed to avoid double counting. Manitoba will continue to publicly report on its investments in modernization and improvement of the provincially owned portfolio through the Department of Housing, Addictions and Homelessness annual report.

## **INVEST IN COMMUNITY HOUSING IN MANITOBA**

Between 2022/23 and 2024/25, Manitoba Housing plans to support 1,270 rent supplements in the community housing sector that were formerly funded under the Investment in Affordable Housing agreement. Manitoba will also continue to provide project-based subsidy to 1,650 units. Under this Action Plan, Manitoba will actively engage with non-profit providers to offer new agreements that target 2,937 units of social and affordable housing.

In 2022/23, Manitoba undertook a detailed analysis to better understand its investments in its housing portfolio. This analysis helped determine ways for Manitoba to make significant headway on its continue to offer target. Manitoba will also commit to continuing to offer 11,962 units of community housing that have expired under the SHA or are expiring under this Action Plan period.

## **INVEST IN URBAN NATIVE HOUSING**

Manitoba Housing will continue to support Urban Native housing. Between 2022/23 and 2024/25, Manitoba will ensure no net loss of Urban Native housing units by providing operating subsidies

for units that have previously come off agreement and are not part of the baseline count, plus subsidies for an additional 42 units of Urban Native housing that will expire under the SHA in October 2024. The estimated cost of continuing to offer 785 Urban Native units is \$11 million during this Action Plan period.

## **Canada-Manitoba Housing Benefit**

The CMHB is stacked with Manitoba's Rent Assist program to reduce or eliminate housing need for vulnerable target populations, and enable greater access to the rental market. Created in 2014, Rent Assist targets low-income Manitobans who are receiving EIA and have shelter costs as well as those who are renting in the private market and are not receiving EIA (non-EIA Rent Assist).

The CMHB is a portable shelter benefit targeted towards vulnerable populations in core housing need. The benefit agreement represents \$91.1 million in federal funding between 2020/21 and 2027/28 that will be cost matched by the Manitoba government. The core CMHB program has three streams,<sup>1</sup> each providing support to a specific population:

1. Youth transitioning out of the child welfare system and youth who have previously transitioned out of care, up to the age of 26. This stream supports youth to avoid more entrenched government interventions while also preventing homelessness.
2. People who are experiencing homelessness or who are at risk of homelessness. This stream helps people to remain housed and reduce their risk of becoming homeless.
3. People living with mental health and addictions issues. This stream supports individuals in addictions recovery to remain housed and reduce their risk of becoming homeless.

The youth aging out of care and the homelessness streams are focused on the private market, and the mental health and addictions stream primarily begins in community housing (supportive housing projects) before the client exits to the private market. Under all streams, clients are given the option to consent to their benefit being paid via trusteeship (e.g. direct to landlord from administering agency) and have the ability to withdraw this consent.

<sup>1</sup> As funding for the CMHB increases over the lifetime of the Bilateral Agreement, the benefit will be expanded in future years to include additional populations.

While the community housing sector is a valuable partner in addressing housing need, Manitoba's private rental market has an important role to play in helping alleviate the high demand for housing. The CMHB diverts individuals from community housing wait lists thereby reducing wait times to access community housing for others.

Due to low program uptake in the first year and a half of the program, the CMHB was reviewed in 2022/23 and revisions implemented. The CMHB targets in this Action Plan are estimates based on these program changes.

### **YOUTH TRANSITIONING OUT OF CARE STREAM**

This stream of the CMHB is targeted toward youth leaving care of the child welfare system and youth who have previously left care (up to age 26) who are struggling with housing costs. The benefit in this stream is portable within Manitoba. Income eligibility is the Disability Program Income Limit (PIL) of the non-EIA Rent Assist program<sup>2</sup> although participation in the Rent Assist program is not a requirement of access to the CMHB.<sup>3</sup> Use of this PIL for CMHB is inclusive of youth with and without a disability and allows for attachment to the labour force (as the PIL is slightly above full time minimum wage). For those receiving either EIA or non-EIA Rent Assist, the CMHB provides the difference between market rent and the client's Rent Assist benefit, up to a maximum of \$350 per month. For those not receiving EIA or non-EIA Rent Assist, the CMHB is a \$350 per month rent supplement to provide modest help with the client's rent in the private market. The benefit is paid to the client until the client no longer meets the income eligibility criteria for the program.

The youth stream is delivered by the Provincial Services division of the Department of Families, and began intake on June 1, 2021. As of March 31 2023, 96 individuals were in receipt of the youth stream benefit. Low intake into the youth stream is, in part, a result of a moratorium on youth leaving care during COVID-19. In response to the pandemic, Manitoba extended supports and services to non-permanent wards after they turned 18, as well as young adults above age 21 who were participating in an Agreement with Young Adults, until March 23, 2022. This was done to ensure that CFS agencies could support the necessary transition work to assist young adults in accessing adult services or to achieve full independence. In 2022/23, Manitoba continued to support this population through the Supports for Young Adults Grant.

<sup>2</sup> The current non-EIA Disability PIL is \$25,280.

<sup>3</sup> Some youth leaving care do not want to be connected with government income supports and choose not to enroll on EIA.

With significant efforts to increase program uptake, including increasing the age limit to 26 (previous eligibility required youth to access the benefit within a year of exiting care) and removing the two year benefit time limit, it is estimated that over the course of this Action Plan period, the benefit will support 604 youth aging out of care.

## **HOMELESSNESS STREAM**

This stream is targeted toward those experiencing homelessness and those at risk of homelessness who are connected to housing supports at a community-based organization. To be eligible for the benefit, applicants must be in receipt of either EIA or non-EIA Rent Assist. The benefit will be paid to the client for as long as the client is on EIA/non-EIA Rent Assist and requires assistance with their rent. The CMHB provides the difference between market rent and the client's EIA/non-EIA Rent Assist benefit, up to a maximum of \$350 per month. The benefit is not time limited, as those who are homeless or at risk of homelessness require a long-term rent supplement to become stable in their housing. It is expected that up to ten per cent of households could leave this stream after a period of approximately five years.

From April to June 2021, clients receiving the provincial Housing First Rent Supplement (HFRS)<sup>4</sup> and federal Emergency Housing Fund were transitioned into the CMHB. The CMHB funded the rent supplements for the former HFRS clients and the existing HFRS program budget will be used to support building services for CMHB homelessness stream clients in Winnipeg. Program intake began on July 1, 2021 through End Homelessness Winnipeg (EHW), the delivery agent for the homelessness stream of the CMHB in Winnipeg. As of March 31, 2023, 702 individuals were in receipt of the benefit.

As of October 2022, EHW expanded the delivery of the homelessness stream into Selkirk, Steinbach, and Portage la Prairie. Manitoba Housing is working with Brandon Neighbourhood Renewal Corporation (BNRC) to deliver the CMHB in other communities outside Winnipeg, with an anticipated start date of April 1, 2023. At this time, EHW will transfer delivery for Selkirk, Steinbach, and Portage la Prairie to BNRC.

It is estimated that between 2022/23 and 2024/25 the benefit will support 1,235 homeless individuals or individuals at risk of homelessness.

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<sup>4</sup> The HFRS was created when the federal At Home/Chez Soi research project ended and the cost and delivery of the program in Manitoba became the responsibility of the Manitoba government.



## **MENTAL HEALTH AND ADDICTION STREAM**

This stream is targeted towards individuals living with mental health and addiction issues who are accessing supportive housing. Recipients initially live in supportive housing projects that provide a stable, recovery-oriented environment. The benefit will continue when individuals leave supportive housing, and will be portable within Manitoba to assist them to transition to the private market. Within supportive housing, the benefit level is proportionate to the unit size and location and is based on clients receiving the subsidized shelter rate from EIA.<sup>5</sup> The depth of benefit for studio units ranges from \$299 in Brandon, \$354 in Thompson, and \$417 in Winnipeg. Subsidy for one-bedroom units are \$475 in Brandon, \$354 in Thompson, and \$723 in Winnipeg. Once the client leaves supportive housing for the private market, the benefit will be the difference between market rent and Rent Assist/non-EIA Rent Assist to a maximum of \$350/month.<sup>6</sup> The income test for this stream will be enrollment in EIA or non-EIA Rent Assist. The benefit will be paid to the client until they no longer meet the income eligibility criteria.

The stream is delivered by Manitoba Housing's Rent Supplement branch. Intake is in progress and the benefits began to flow to clients in July 2022. The remaining two designated supportive housing projects will open and begin intake during this Action Plan period. Manitoba is also working with supportive housing providers to deliver the private market stream of the CMHB to the clients who leave their program. As of March 31, 2023, 99 individuals were in receipt of the benefit.

It is estimated that over the course of this Action Plan period, the benefit will support 421 individuals through the mental health and addictions stream.

## **ONE-TIME \$350 TOP-UP**

Although Manitoba is implementing changes during this Action Plan period to help increase CMHB uptake, it will take time for these changes to take effect. In 2023/24, as an interim measure to provide some immediate financial relief to help ease the burden of rising housing costs and high inflation, Manitoba and CMHC developed a one-time payment of \$350 targeted to approximately 7,030 non-EIA Rent Assist clients that are experiencing Housing Need.

<sup>5</sup> EIA recipients living in housing with a subsidy from the province of Manitoba receive the subsidized shelter rate from EIA, which is less than Rent Assist. A single person in a subsidized unit receives \$285 for shelter, compared to a single person in the private market who receives \$596 for Rent Assist.

<sup>6</sup> Although the CMHB benefit will decrease upon leaving supportive recovery housing, the amount of Rent Assist the client receives will increase to correspond with the rate for living in unsubsidized housing.

## **CMHB FOR SURVIVORS OF GENDER-BASED VIOLENCE**

As part of Budget 2021, the federal government announced additional funding for a stream of the Canada Housing Benefit to assist low-income women and children fleeing violence to pay their housing costs. Manitoba's allocation of this federal funding is over \$13.7 million between 2023/24 and 2027/28. Manitoba Housing, along with Manitoba Status of Women, worked in partnership with CMHC to co-design the new stream of the CMHB targeting survivors of gender-based violence, to be launched during this Action Plan period.

The benefit will be available for renters and homeowners experiencing gender-based violence. At the time of application, an applicant must be referred through a domestic violence or gender-based violence support program approved by Manitoba's Gender-based Violence Program (formerly Family Violence Prevention Program).

This stream will have no income test for the first year of the benefit. However, at the clients' annual renewal, they will be required to participate in income testing to confirm continued eligibility (e.g. they are experiencing housing need due to affordability) and calculate a new benefit amount.

The benefit in this stream will be portable within Manitoba. The monthly benefit amount will vary depending on the number of bedrooms needed, ranging from a maximum of \$350 a month for a studio/one-bedroom unit to a maximum of \$805 a month for a three (or more) bedroom unit. Benefits will be paid directly to the recipient or, with client consent, to their landlord or a public trustee.

The Provincial Services division of the Department of Families will deliver the survivors of gender-based violence stream of the CMHB. It is anticipated that this stream will begin intake in late 2023/24.

Over the remaining two years of this action plan period (2023/24 and 2024/25), the benefit will support an estimated 366 survivors of gender-based violence at a cost of over \$3.8 million.

## **COST-MATCHED FUNDING: NON-EIA RENT ASSIST**

Given Manitoba's significant unilateral investment in Rent Assist, a robust portable shelter benefit program, Manitoba will cost match the CMHB using a portion of its annual expenditures on non-EIA Rent Assist. The average benefit level for non-EIA Rent Assist is estimated at \$295/month, with a turnover rate of approximately 32 per cent per year. Between 2022/23 and 2024/25, Manitoba will use a portion of its non-EIA Rent Assist to cost match the CMHB, providing support to an estimated 3,707 clients in Housing Need.

Between 2022/23 and 2024/25, the three core streams of the CMHB, new stream targeting survivors of gender-based violence, and Manitoba's cost match through non-EIA Rent Assist will provide over \$58.17 million<sup>7</sup> in funding to support an estimated 6,333 vulnerable Manitobans, including low income seniors, in housing need.

## **INFLATION AND THE CMHB**

Manitoba's rent regulation and Rent Assist are inherently anti-inflationary. Rent regulation under Manitoba's Residential Tenancies Act generally only allows landlords to increase their rents by the annual provincial guideline. Manitoba introduced rent regulations in 1976 and they have been in place continuously since 1982. Manitoba's rent regulations are based on a cost pass-through approach. An annual guideline is established and rents may be increased up to this guideline without administrative review. Landlords may apply for an increase above the guideline based upon a review of their operating costs, capital expenditures and any financial loss experienced. Many rental units at the lower end of the market are covered by the rent increase guideline, which limits rental increases year over year. Manitoba's rent regulation will continue to act as a buffer against price gouging as a result of this benefit.

To help combat the affect of high inflation on Manitoba households, the rent increase guideline for 2022 and 2023 was set at zero per cent.

## **Administration Costs**

The NHS bilateral agreement allows Administration Costs up to a maximum of 10 per cent. As such, under this Action Plan, Manitoba claimed administrative costs of \$2.6 million in 2022/23. Under the remainder of the Action Plan period, Manitoba will claim administrative costs of over \$3.4 million and \$4.0 million (in 2023/24 and 2024/25, respectively). These funds will be used to address the costs of carrying out the Agreement and will include funding for staff and external agencies to support delivery of Initiatives and reporting.

<sup>7</sup> Includes \$2.2 million in federal funding carried over from 2021/22.

## EXPECTED RESULTS AND OUTCOMES

CMHC and MHRC agree on the following Expected Overall Targets related to the Manitoba delivered funding under this Agreement from 2019/20 to 2027/28.

### Targets and Outcomes for expected results overall

Outcome	Expected Results	Target (Units)								
		2022/23 Year 4 Target and Funding (\$M)		2023/24 Year 5 Target and Funding (\$M)		2024/25 Year 6 Target and Funding (\$M)		3 Year Cumulative Total Target and Funding (\$M)		2019/20 - 2027/28 Target
Maintain/ increase social housing supply	Units continue to be offered in social housing <sup>8</sup>	3,171	9.8	15,287	49.3	16,912	57.5	16,912	116.6	22,031
	15% expansion of rent assisted units <sup>9,10</sup>	313	5.3	373	20.3	127	20.9	813	46.5	2,108
	No net loss of Urban Native Social Housing units available to low-income households	743	3.5	743	3.5	785	4	785	11	625
Repair existing stock <sup>11</sup>	At least 20% of existing social housing units repaired <sup>12</sup>	508	5.8	-	-	-	-	508	5.8	5,470
	Retained Urban Native Social Housing units are repaired to good condition	218	2.9	-	-	-	-	218	2.9	663

<sup>8</sup> The 2019/20 to 2027/28 target total of 22,031 does not reflect the total 23,417 units in the baseline as SHA operating agreements will continue to expire through 2031. Unit counts each fiscal year are cumulative.

<sup>9</sup> Expansion of rent-assisted units includes incremental case volume in non-EIA Rent Assist, new construction (including secondary suites) and regeneration. The baseline for the purposes of the expansion target excludes 4,120 Personal Care Home beds funded under the SHA. Over the term of the NHS, Manitoba will focus more on repair of existing community housing stock and less on expansion, as reflected in the 2019/20-2027/28 target.

<sup>10</sup> Expansion target does not include the remaining \$3.2 Million in cost-match funding for Municipal Grant Funding. It is anticipated that a portion of this funding may increase Manitoba's new supply in 2022/23 beyond this target.

<sup>11</sup> The number of units projected to be affected by repair and renewal is an estimated projection. The targets are subject to revision based on actual work completed.

<sup>12</sup> Over the term of the NHS, Manitoba will focus more on repair of existing community housing stock and less on expansion, as reflected in the 2019/20-2027/28 target.

## Expected number of households for which housing need will be addressed by Initiative

Initiative	Target (Households) <sup>13</sup>				
	2022/23 Year 4 <sup>14</sup>	2023/24 Year 5	2024/25 Year 6	3 Year Cumulative Total	2019/20 - 2027/28 Target
Manitoba Priorities Housing Initiative	313	373	127	813	9,508
Canada Community Housing Initiative	3,679	12,116	1,625	17,420	21,092
Canada-Manitoba Housing Benefit <sup>15</sup>	1,934	1,636	1,568	5,138	16,117
Canada-Manitoba Housing Benefit for Survivors of Gender-Based Violence	-	819	377	1,196	2,670
Total	5,926	14,944	3,697	24,567	49,387

## Planned Cost Matching Per Initiative

Initiative	Planned Cost-Matching			
	2022/23 Year 4 (\$M)	2023/24 Year 5 (\$M)	2024/25 Year 6 (\$M)	2025/26 Year 7 (\$M)
Manitoba Priorities Housing Initiative	44.6	11.6	11.4	5
Canada Community Housing Initiative	3.1	36	42.2	50.4
Canada-Manitoba Housing Benefit	8.4	10.33	11.9	15.72

<sup>13</sup> Targets are estimates and subject to revision.

<sup>14</sup> In 2023/24, approximately 7,030 non-EIA Rent Assist clients will receive a one-time top-up payment under the CMHB. As this will be a one-time occurrence, these households are not included on the target table.

<sup>15</sup> The CMHB experienced program design changes in 2022/23 to increase uptake; 2022/23 and 2027/28 targets have been revised to reflect these changes.

## Planned funding and indicators to achieve overall targets over the three-year planning period

Indicator: Number of households for which Housing Need is addressed	Target (Households) <sup>16</sup>								
	2022/23 Year 4 Target and Funding (\$M)		2023/24 Year 5 Target and Funding (\$M)		2024/25 Year 6 Target and Funding (\$M)		3 Year Cumulative Total Target and Funding (\$M)		2019/20 - 2027/28 Target
	#	(\$M)	#	(\$M)	#	(\$M)	#	(\$M)	
New Construction <sup>17</sup>	52	3.9	0	0	65	18.1	117	22	937
Repaired/ Renewed <sup>18</sup>	508	5.8	-	-	-	-	508	5.8	5,470
<b>Affordability Assistance</b> <i>Project based subsidy Affordability Assistance to the household</i> <sup>19 20</sup>	3,171	9.8	15,587	51.9	16,974	59.9	17,274	121.6	22,031
	2,195	16.01	2,455	19.63	1,945	22.62	6,595	58.26	19,048
Total <sup>21</sup>	5,926	35.51	18,042	71.53	18,919	82.52	24,494	207.66	47,486

## Planned funding and indicators for accessible units over the three-year planning period

Indicator: Housing units considered accessible	Target (Units)								
	2022/23 Year 4 Target and Funding (\$M)		2023/24 Year 5 Target and Funding (\$M)		2024/25 Year 6 Target and Funding (\$M)		3 Year Cumulative Total Target and Funding (\$M)		2019/20 - 2027/28 Target
	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units
New	40	3.9	40	17.7	40	18.1	120	39.7	243
Repaired/ Renewed <sup>22</sup>	301	5.8	-	-	-	-	301	5.8	348
Total	341	9.7	40	17.7	40	18.1	421	45.5	591

<sup>16</sup> Targets are estimates and subject to revision.

<sup>17</sup> New construction target does not include the remaining \$3.2 Million in cost-match funding for Municipal Grant Funding. It is anticipated that a portion of this funding may increase Manitoba's new supply in 2022/23 beyond this target.

<sup>18</sup> The number of units projected to be affected by repair and renewal is an estimated projection. The targets are subject to revision based on actual work completed.

<sup>19</sup> Includes incremental non-EIA Rent Assist case volume increases (2022/23) and incremental CMHB (2022/23 to 2024/25).

<sup>20</sup> The CMHB experienced program design changes in 2022/23 to increase uptake; 2022/23 and 2027/28 targets have been revised to reflect these changes.

<sup>21</sup> The 2023/24 total does not include 73 units of acquisition/conversion.

<sup>22</sup> The number of units projected to be affected by repair and renewal is an estimated projection. The targets are subject to revision based on actual work completed. Funding amount represents funding for repair/renewal overall (e.g. not specific to accessible units).

The Manitoba government is committed to providing healthy and more accessible living options to Manitobans and has made significant progress in developing and participating in more sustainable, environmentally friendly work processes and activities. Funding, actions and activities under the Bilateral Agreement under the NHS will continue to promote accessibility, environmental sustainability, energy efficiency and local employment.

### **LIVABLE AND INCLUSIVE COMMUNITIES**

The Manitoba government will continue to promote proximity to health services, education, early learning and child care facilities, employment opportunities and public transit in carrying out the Manitoba funding priorities of the Bilateral Agreement, where these services are provided or available. Manitoba will also explore opportunities to prioritize mixed-income housing. Housing projects that support mixed income tenancies promote inclusive communities and build towards the long-term sustainability of social and affordable housing. Manitoba recognizes that partnerships with the community housing sector are necessary to promote livable and inclusive communities. Manitoba will continue to work with the community housing sector to build their capacity for housing delivery and discuss income mixing to improve project/portfolio sustainability. Manitoba reached its 10-year repair target under its first Action Plan. However, funding under this agreement will continue to support modernization and improvement of Manitoba's existing community housing stock. This improves the quality of life for tenants, sustains delivery of rental programs, demonstrates a commitment of being a good neighbour, and provides employment opportunities and economic spin-off with the construction industry.

Funding also includes portable housing benefits where location is determined by the client (e.g. non-EIA Rent Assist and the CMHB); by the very nature of these types of benefits Manitoba cannot influence proximity to amenities or services. Further, in rural and remote regions of Manitoba, where assets are often in most need of repair, access to amenities are not always available.

## **ACCESSIBILITY**

All new construction funded by Manitoba Housing, including those described within this Action Plan, will include a minimum of 5 per cent accessible units. For senior housing projects that receive over 30 per cent in financial contribution, all units will be accessible. For all other senior housing projects, 20 per cent of the units will be accessible. By requiring a minimum number of accessible units in every project, Manitoba will achieve minimum accessible standards in all projects.

## **ENVIRONMENTAL SUSTAINABILITY AND ENERGY EFFICIENCY**

In Manitoba, policy and legislation are in place to endorse green building practices. The policy and legislation direct stakeholders involved with building design, construction and operation to incorporate green building practices to benefit the environment and strengthen our communities and the Manitoba economy over the long term.

Starting in 2022/23, new construction and renovation programs funded by Manitoba Housing must meet Efficiency Manitoba's New Buildings Program 2.2 Certification for energy efficiency. Where Manitoba Housing issues Letters of Commitment for new multi-unit construction projects, this requirement will be included in the commitment letter. During the Action Plan period, Manitoba Housing anticipates most new construction projects will achieve a minimum of 10 per cent improvement above The Manitoba Energy Code for Buildings 2013 in energy efficiency. Where Manitoba Housing contributes 30 per cent financially, Manitoba's Energy Design Guidelines will be required in addition to The Efficiency Manitoba New Buildings Program 2.2. Manitoba's Energy Design Guidelines standard exceeds the Efficiency Manitoba program.

Manitoba Housing invests in green components such as energy efficiency and water conservation upgrades in renovations to homes and building improvements, where possible. Through its Modernization and Improvement activities Manitoba Housing has made significant capital investments in new and existing social housing, including new windows, roofs, insulation, heating, ventilation, and water saving retrofits. Although no large repair and renewal projects over \$1 million are anticipated in this Action Plan period, Manitoba Housing has developed internal processes to estimate energy savings and reductions in greenhouse gas emissions through predictive modelling.



Over 95 percent of Manitoba Housing’s portfolio is now housed within Manitoba Housing’s energy monitoring software. The database tracks utility costs and compares how building systems perform against similarly constructed assets within Manitoba and across Canada. This tool allows Manitoba Housing to determine which buildings are performing poorly and to provide information that helps prioritize upcoming capital work. It also allows the opportunity to gauge the improvement in energy efficiency achieved through capital upgrades.

### **COMMUNITY EMPLOYMENT BENEFITS**

To support the delivery of quality housing services, Manitoba Housing will continue promote social enterprises that create value for their employees in order to gain skills, earn an income and develop a path out of poverty for low-income households. Manitoba Housing also supports housing development and projects that provide apprenticeship opportunities for Manitobans.

In addition, supporting communities and the non-profit sector in developing affordable housing supports skills training and local job creation. By prioritizing training and working with partners to develop capacity to deliver housing, Manitoba Housing will support stakeholders in community delivered housing projects.

## Appendix 1: Reporting

The CMHC-Manitoba Bilateral Agreement under the 2017 NHS has significant new reporting obligations beyond what was required under previous federal funding agreements. These requirements represent an increased administrative burden on both the Manitoba government and its housing partners. In April 2022, CMHC changed reporting requirements to reduce the number of tables in the progress reports in an effort to reduce administrative burden for provinces and territories. Manitoba knows the nuances of its data and makes every effort to verify the reporting tables now produced by CMHC.

Manitoba Housing completed all required progress reports under the NHS to date. For the most part, Manitoba has been able to fulfill its reporting obligations under the agreement. During its First Action plan, Manitoba was able to successfully implement data gathering partnerships with other branches of government to better track Personal Care Home repairs and security upgrades, and claims related to incremental case volume increases to Non-EIA Rent Assist. As discussed in the Environmental Sustainability and Energy efficiency section above, Manitoba has begun to implement measures to enable reporting on Energy Efficiency and reductions in Greenhouse Gas Emissions.

## Appendix 2: Definitions

**“Action Plan”** — means the plan developed by MHRC in accordance with paragraph 4 of the Agreement and Schedule C, which includes the mutually agreed-to Targets and Outcomes;

**“Adequacy”** — means the condition of the Housing does not require any major repairs;

**“Administration Costs”** — means Manitoba’s costs of carrying out this Agreement that are not assignable to individual Projects or Recipients, including but not limited to costs for communications and agents used in the delivery of Initiatives or Federal NHS Programs;

**“Affordability”** — means the Housing costs to the household are less than 30 per cent of the total before-tax household income;

**“Agreement”** — means the CMHC-Manitoba Bilateral Agreement under the 2017 National Housing Strategy and all its schedules, as amended from time to time;

**“CMHC Funding”** — means any amount of funding provided by CMHC to MHRC under Schedule B to this Agreement;

**“Commitment”** — means an undertaking by MHRC to provide funding for a Project or to a Recipient under this Agreement;

**“Community Housing”** (also see Social Housing below) — means community-based housing that is owned and operated by non-profit housing corporations and housing co-operatives or housing owned directly or indirectly by provincial, territorial or municipal governments or district social services administration boards and includes Social Housing;

**“Cost-Matched Funding”** — means PT Funding, Municipal Funding and Funding from Other Sources to be used in accordance with an Initiative or Initiatives under this Agreement. In addition, provincial and municipal spending in social and affordable housing, including rent assistance, that is outside the existing CMHC cost-sharing requirements under any other arrangement and which contributes to the achievement of the Targets and Outcomes may be recognized as Cost-Matched Funding from and after April 1, 2018 for the Initiatives set out in Schedule B, with the exception of the Canada Housing Benefit, which will include dollar for dollar cost-matching by the province (which may include Municipal Funding).

Cost-Matched Funding does not include: contributions from any Government of Canada source or from CMHC, whether in whole or in part: nor contributions that may receive credit under any arrangement with CMHC or the Government of Canada outside of this Agreement; nor contributions by the occupants of the Housing; nor contributions associated with health care or the provisions of services to residents/tenant of the Housing, except for an amount not exceeding 20 per cent of the total required Cost-Matched Funding for Housing support services which are intended to ensure Housing retention, greater self-reliance and social inclusion for tenants/occupants; nor contributions related to the operations of a Project associated with the revenues of the Project;

**“Housing”** — means residential accommodation, and facilities, common areas and services used directly with the residential accommodation in order to reduce Housing Need in support of NHS targets, but may include up to 30 per cent of total associated available space for non-residential purposes. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation, except as may otherwise be expressly permitted under this Agreement;

**“Housing Need”** — means a household whose Housing falls below at least one of the standards of Affordability, Suitability and Adequacy, and the household would have to spend at least 30 per cent or more of its before-tax income to access acceptable local Housing;

**“Initiative”** — means an NHS initiative delivered by MHRC set out in Schedule B to this Agreement;

**“Project”** — means Housing that is eligible under an Initiative to this Agreement and for greater certainty may include a single Unit, but excludes the case of a Commitment to a Recipient;

**“PT Funding”** — means cash or in-kind contributions from Manitoba and forms part of Cost-Matched Funding;

**“Social Housing”** - means Housing the administration of which was within a “Program” in schedule C to the Social Housing Agreement (SHA) between CMHC and MHRC dated September 3, 1998, and the administration of which was on April 1, 2019 and is still within a “Program” in Schedule C at the times of the commitment and use of the CMHC Funding for it (“Eligible Existing Social Housing”) and includes any Units in Housing under this Agreement intended to replace a Unit of such Eligible Existing Social Housing. However, Housing that was or is ONLY within any of the following is excluded: “Program No. 3: Rent Supplement Program”; “Program No. 4: Rent Supplement Program”; “Program No. 10: Rural and Native Homeownership Program”; “Program No. 11: Rural and Native Homeownership Program”;

**“Suitability”** — means the Housing has enough bedrooms for the size and composition of households, according to National Occupancy Standard;

**“Targets and Outcomes”** — means the mutually agreed-to Targets and Outcomes set out in a completed Action Plan and includes the related indicators and expected results, all in accordance with Schedule C;

**“Unit”** — means self-contained residential dwelling or as may be otherwise set out in the Action Plan.

