**Agenda – Executive Policy Committee – October 21, 2025**

## REPORTS

**Item No. 3 City of Winnipeg Rapid Housing Initiative (RHI) Round 3 – Distribution of Program Contingency Funds – Spence Neighbourhood Association**

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the distribution of additional Rapid Housing Initiative Round 3 grant funding to the Spence Neighbourhood Association Inc. be approved in the amount of $43,010.58 to support predevelopment costs for an additional housing development on vacant land adjacent to one of the sites of their current RHI Round 3 project.

2. That, subject to the approval of Recommendation 1, the City enter into, execute and deliver a grant agreement with Spence Neighbourhood Association Inc. and such other agreements as determined necessary by the City Solicitor/ Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements"), and that the authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

# ADMINISTRATIVE REPORT

**Title:** City of Winnipeg Rapid Housing Initiative (RHI) Round 3 – Distribution of Program Contingency Funds – Spence Neighbourhood Association

**Critical Path:** Executive Policy Committee – Council

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| R. Taylor | R. Taylor | T. Graham | J. Dunford |

## EXECUTIVE SUMMARY

On June 22, 2023, Council approved the distribution of $15,163,635.40 in capital grant funding to four proponent groups under agreements between the City of Winnipeg, the Canada Mortgage and Housing Corporation (CMHC) and the Province of Manitoba (Province) for the delivery of the Rapid Housing Initiative (RHI) Round 3 program.

The total available RHI Round 3 funding is $16,822,141.05 and is comprised of $11,631,916.00 in funding from CMHC and $5,190,225.05 in funding from the Province.

A program contingency allowance of $1,658,505.65, funded by the Province's allocation, was maintained by the City to address any realized project risks during the delivery of the RHI Round 3 Program. On May 22, 2025, Council approved the distribution of $359,012.25 from this contingency allowance as an additional grant to UWCRC 2.0 Inc. (UWCRC) to cover some realized project risks for their project.

The Public Service has been approached by RHI Round 3 grant recipient Spence Neighbourhood Association Inc. (SNA) with a request for additional grant funding to support predevelopment costs for an additional housing development on vacant land adjacent to one of the sites of their current RHI Round 3 project. This funding would allow SNA to build on the learnings and success of the RHI project and leverage capital funds to support the construction of three additional units of deeply affordable housing.

The Public Service is recommending the distribution of $43,010.58 in additional grant funding, funded by the RHI Round 3 Program contingency, to SNA to support this predevelopment work. The Province is supportive of this recommendation. If the recommendation is approved, the City would maintain an RHI Round 3 Program contingency fund of $1,256,482.82.

## RECOMMENDATIONS

1. That the distribution of additional Rapid Housing Initiative Round 3 grant funding to the Spence Neighbourhood Association Inc. be approved in the amount of $43,010.58 to support predevelopment costs for an additional housing development on vacant land

adjacent to one of the sites of their current RHI Round 3 project.

2. That, subject to the approval of Recommendation 1, the City enter into, execute and deliver a grant agreement with Spence Neighbourhood Association Inc. and such other agreements as determined necessary by the City Solicitor/ Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”), and that the authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

## REASON FOR THE REPORT

Council approval is required for the City to award additional grant funds and enter into agreements with the recipient.

## IMPLICATIONS OF THE RECOMMENDATIONS

If the recommendation is approved, the City will enter into a grant agreement with Spence Neighbourhood Association Inc. The City would maintain an RHI Round 3 Program contingency fund of $1,256,482.82, available to approved projects under the program.

Further reports to Council will be required should additional requests for project contingency funding be made to the City. The Province of Manitoba will also need to concur in any additional funding requests.

## HISTORY/DISCUSSION

In 2020, the Government of Canada, through Canada Mortgage and Housing Corporation (CMHC), launched the Rapid Housing Initiative (RHI), a $1 billion program to help address urgent housing needs of vulnerable Canadians, especially in the context of COVID-19, through the rapid construction of affordable housing. The initiative provides capital contributions (upon signing a funding agreement with CMHC) under two streams to expedite the delivery of affordable housing.

CMHC announced its list of eligible municipalities for a third round of RHI funding via its Cities stream on November 10, 2022; the City of Winnipeg was included alongside 40 other municipalities. The City of Winnipeg was informed that it would be eligible for $11,631,916.00 to create a minimum of 46 units of affordable housing. All units are required to remain affordable for at least 20 years.

On January 26, 2023, Council approved the acceptance of the RHI Round 3 funding from CMHC and directed the Public Service to submit a finalized investment plan to CMHC on or before the program deadline of March 15, 2023. On June 22, 2023, Council confirmed the final list of Round 3 projects, which were submitted to CMHC on March 15, 2023. Council also approved the acceptance of up to $5.19 million from the Province of Manitoba and the allocation of this funding to one or more projects under the RHI Round 3 Program.

The current Council approved grant funding to RHI Round 3 proponents has been allocated as per the following table:

| Project Name | Total Disbursement | Total Units |
|---|---|---|
| Wahbung Abinoonjiiag Inc. | $1,366,303.00 | 26 |
| Manitoba Métis Federation Inc. (Mazoun) | $5,836,500.00 | 14 |
| UWCRC 2.0 Inc. | $6,469,012.25[1] | 11 |
| Spence Neighbourhood Association Inc. | $1,850,832.40 | 6 |
| Total RHI Round 3[2] | $15,522,647.65 | 57 |

**Note 1:** This includes the additional $359,012.25 grant, funded by the contingency funds described below, previously approved by Council.
**Note 2:** The total RHI Round 3 funding of $16,822,141.05 is comprised of $11,631,916.00 in funding from CMHC and $5,190,225.05 in funding from the Province of Manitoba. A project contingency allowance of $1,658,505.65 was included in the Provincial agreement to address any realized project risks during construction. $1,299,493.40 of that contingency allowance remains.

It is the City's responsibility to ensure the successful completion of the RHI Round 3 projects and, based upon experience in rounds 1 and 2 of RHI, the City maintained a contingency fund to address realized risks for RHI 3 projects. The City also maintains the responsibility to ensure compliance with the CMHC RHI Round 3 funding agreement for the duration of the agreed length of terms.

Spence Neighbourhood Association Inc. is developing six modular affordable housing units at 446 Langside Street and 429 Sherbrook Street under RHI Round 3. These units are anticipated to be completed by the end of 2025.

The property adjacent to one of these lots, 431 Sherbrook Street, is vacant, and currently listed for sale. SNA approached the Public Service with a proposal to purchase this property and develop it to create three additional affordable housing units. They are requesting the use of $43,010.58 of RHI Round 3 contingency funds to complete predevelopment activities for this site. A separate request has been made through the Housing Rehabilitation Investment Reserve Neighbourhood Housing Program to cover the cost of the land purchase. These funds would assist SNA in leveraging capital funding to construct the housing units.

SNA has informed the Public Service that they are currently working on a scattered-site vacant lot infill strategy, to respond to a high rate of housing loss in their neighbourhood, which would require the acquisition and development of multiple properties in order to remediate this housing loss, and revitalize the community. The proposed housing development at 431 Sherbrook Street would allow SNA to build on lessons learned through their current RHI project, further developing a replicable model as part of this strategy, and taking advantage of service efficiency through its location adjacent to another supportive housing site.

The legal agreement between the City of Winnipeg and The Manitoba Housing and Renewal Corporation (MHRC) states that the RHI Round 3 contingency funds are "not to be used without MHRC's prior written approval." MHRC has provided written approval for this grant to SNA.

Any subsequent funding requests by SNA, or another approved RHI Round 3 proponent, will be evaluated by the Public Service. Any grant funding changes required will be forwarded to Council for their consideration in subsequent administrative reports.

**FINANCIAL IMPACT**

## Financial Impact Statement

**Date:** August 28, 2025

**Project Name:**

**First Year of Program** 2025

City of Winnipeg Rapid Housing Initiative (RHI) Round 3 – Distribution of Program Contingency Funds – Spence Neighbourhood Association

| | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | - | - | - | - | - |
| Additional Capital Budget Required | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | $ - | $ - | $ - | $ - | $ - |
| Debt - External | - | - | - | - | - |
| Grants (Enter Description Here) | - | - | - | - | - |
| Reserves, Equity, Surplus | - | - | - | - | - |
| Other - Enter Description Here | - | - | - | - | - |
| Total Funding | $ - | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ - | | | | |
| Total Additional Debt Required | $ - | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | $ 43,011 | $ - | $ - | $ - | $ - |
| Less: Incremental Revenue/Recovery | - | - | - | - | - |
| Net Cost/(Benefit) | $ 43,011 | $ - | $ - | $ - | $ - |
| Less: Existing Budget Amounts | 43,011 | - | - | - | - |
| Net Budget Adjustment Required | $ - | $ - | $ - | $ - | $ - |

**Additional Comments:** Direct costs represent the proposed additional grant, which will be financed by RHI contingency funds currently available in the Housing Rehabilitation Investment Reserve. **No budget adjustment is required.**

*Mike McGinn Aug. 28, 2025*
Mike McGinn, CPA, CA
Manager of Finance

## CONSULTATION

This Report has been prepared in consultation with:

- Office of the Chief Administrative Officer, Housing Accelerator Fund team - Housing and Neighbourhood Revitalization Coordinator
- Legal Services

## OURWINNIPEG POLICY ALIGNMENT

**Economic Prosperity**

- **Objective** - Address poverty as an unacceptable and costly outcome of systemic barriers, through collaboration with the community and government bodies.
- **Policy 3.12 - Poverty Reduction** - Support the reduction of poverty and homelessness through a community economic development approach that addresses systemic barriers to opportunity and participation, particularly in areas of highest need.

**Good Health and Well Being**

- **Objective** - Support positive health outcomes through the built and natural environments.
- **Policy 4.4 - Affordable and Supportive Housing Options** - Enable collaborative partnerships that provide a continuum of existing or new affordable housing, making use of municipal supports such as fiscal, regulatory and measurement tools to ensure those most in need have increased access throughout the resident and building life-cycle.

**Social Equity**

- **Objective** - Uphold human rights so that no one is left behind.
- **Policy 5.2 - Affordable and Supportive Housing Options** - Conserve and increase development of a continuum of affordable and supportive housing throughout the city as a fundamental human right**.**

## WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

**Strategic Opportunity #1 Corporate Leadership:**
*Key Direction 1.9 Work with Indigenous Communities, the Province, and the Federal Government to Advance Climate Action*

- Collaborate with senior levels of government for increasing investment in programs supporting climate action.
- Leverage funding from the province and federal governments to advance climate action.

**Strategic Opportunity #2 Empower Community Leaders and Collaborate with Stakeholders**
*Key Direction 2.3 Create Conditions to Enable Community Climate Action*

- Develop and implement a strategy to empower and celebrate community-led climate action success by advising on funding opportunities, technical expertise and facilitating organization/industry/government linkages.
- Encourage and partner to advance innovative pilot and demonstration projects.

*Key Direction 5.4 Build Climate Equity*
Build partnerships with key stakeholders such as the local neighbourhood associations, Building Urban Industries for Local Development (BUILD) and Centre for Aboriginal Human Resources Development (CAHRD) to build local capacity and equity.

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

The information presented in this report align with and advance the Winnipeg Poverty Reduction Strategy (2021 – 2031) as follows:

They embody the following Guiding Principles:

- We will Uphold Human Rights
- We will Address Systemic Oppression, Trauma and Social Inequity
- We will Promote and Maintain the Welfare of All Residents
- We will Develop Trust and Meaningful Partnerships to find solutions and drive change.

They align with the following **Goals and Objectives**:

**Goal 2: The City Actively Plans for and Partners in Affordable Housing**

**Related 10-year Objectives:**
B. The urgent housing needs of shelterless residents are addressed though proactive, multi-sectoral partnerships.

## SUBMITTED BY

Department: Assets and Project Management
Division: Office of the Director
Prepared by: Emma Fineblit
Housing & Revitalization Coordinator
Office of the Chief Administrative Office
Date: September 2, 2025
File No: N/A

Attachments: N/A