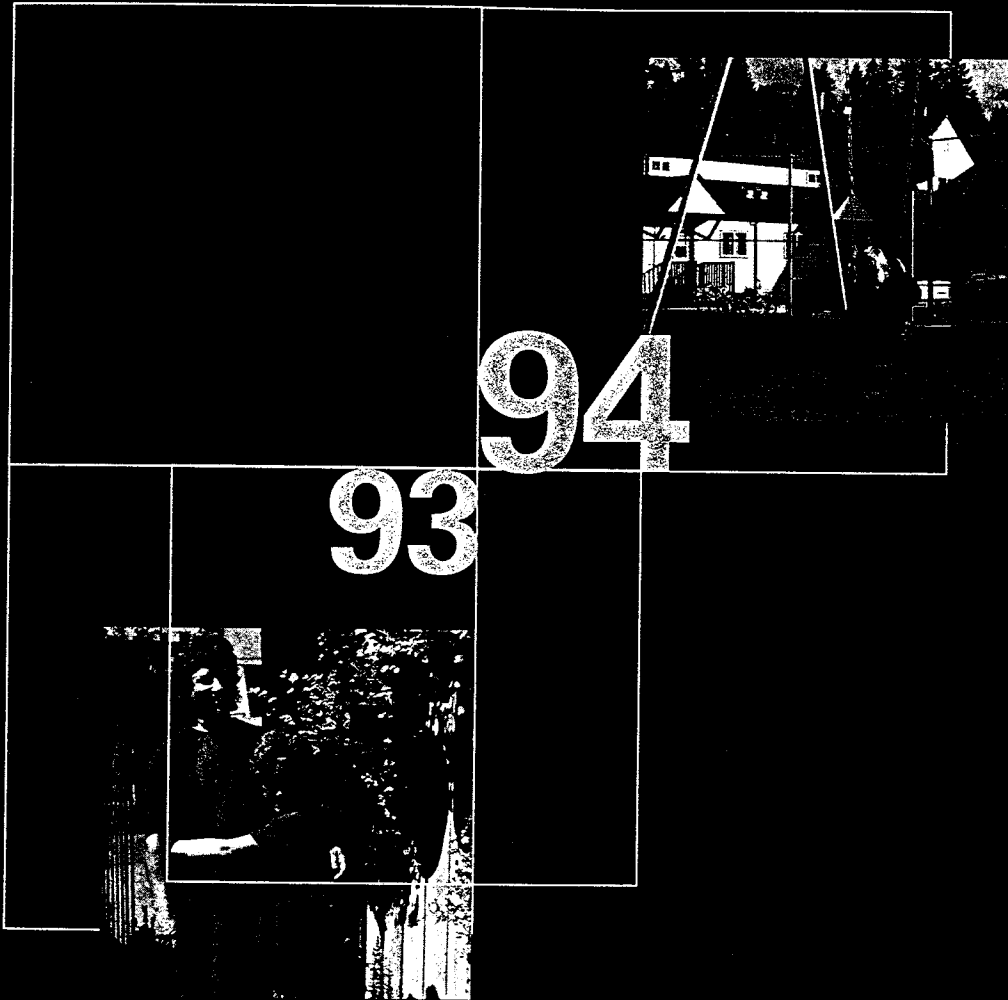


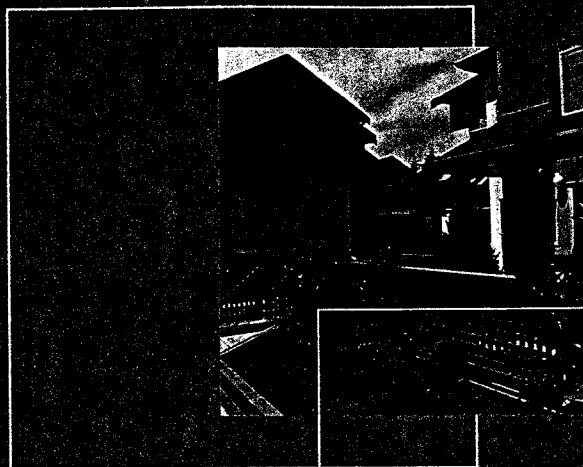
**British Columbia  
Housing Management  
Commission**

**Annual Report**



BC Housing  
an agency of the  
Ministry of Housing, Recreation  
and Consumer Services  
*Joan Smallwood, Minister*

# contents



## Contents

Presentation Letters	01
Message From The Minister	02
Mandate	03
Highlights of 1993/94	04
Programs and Activities	08
Organization	14
Future plans	14
Financials	15
Provincial Offices	25



BRITISH  
COLUMBIA  
HOUSING  
MANAGEMENT  
COMMISSION

Home Office  
1701-4330 Kingsway  
Burnaby, B.C.  
V5H 4G7  
Tel: (604) 433-1711

May 18, 1995

*Nancy*

Dear Colleague:

I am pleased to provide you with a copy of the 1993/94 Annual Report for the British Columbia Housing Management Commission (BC Housing). As an agency of the Ministry of Housing, Recreation and Consumer Services, BC Housing plays a key role in the development and management of social housing in British Columbia.

Please note that the 1993/94 Annual Report covers a transitional period of 15 months, whereby BC Housing went from a calendar to a fiscal year. I am particularly pleased with the highlights and accomplishments made by BC Housing staff during this period of time.

If you would like additional copies of the 1993/94 Annual Report, please contact Karen Doyle in my office at 433-1711, extension 703.

Sincerely,

Saul Schubert  
General Manager  
British Columbia Housing  
Management Commission

March 31, 1995

Joan Smallwood  
Minister of Housing, Recreation and Consumer Services  
Province of British Columbia

Madam Minister:

I have the honour to submit for your approval the Annual Report of the British Columbia Housing Management Commission for the period of January 1, 1993 to March 31, 1994.

Yours truly,



Rob McDiarmid  
*Chairman*  
*British Columbia Housing Management Commission*

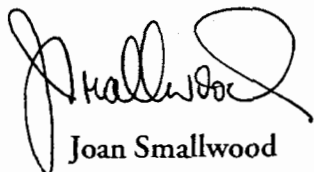
March 31, 1995

The Honourable David C. Lam  
Lieutenant-Governor of the Province of British Columbia

May it please your honour:

I have the honour to present the Annual Report of the British Columbia Housing Management Commission for the period of January 1, 1993 to March 31, 1994.

Yours truly,



Joan Smallwood  
*Minister of Housing, Recreation and Consumer Services*



In September 1993, the provincial government created a new Ministry of Housing, Recreation and Consumer Services. The higher profile reflects the priority this government places on housing policies and issues and reflects British Columbia's new leadership role in providing safe and affordable housing.

Since the 1940's, the federal government has contributed heavily to the costs of developing social housing. However, in 1991, it announced plans to withdraw financial support by the end of 1993, leaving the provincial government responsible to fully fund all future developments in British Columbia.

In spite of our own fiscal constraints, the provincial government recognizes the importance of increasing the permanent supply of affordable housing in British Columbia. We are developing a "made in B.C." housing program, one that reflects the unique needs of our province, and we are forging long-term, productive partnerships with municipalities, non-profit societies and community groups in order to create more affordable homes for British Columbians.

The Ministry develops policy and sets direction and BC Housing is responsible for implementing and managing social housing programs.

In 1993 the provincial government wholly funded non-profit housing developments, while continuing to encourage communities to solve their housing needs and join in government partnerships.

A handwritten signature in black ink, appearing to read 'Joan Smallwood'. The signature is stylized with a large, looping 'J' and 'S'.

Joan Smallwood  
*Minister*

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## MANDATE

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The British Columbia Housing Management Commission (BC Housing) is an agency of the provincial government reporting to the Minister of Housing, Recreation and Consumer Services. BC Housing is responsible for developing and managing social housing in British Columbia.

Social housing provides people with low-or moderate-incomes with adequate, affordable accommodation. People who live in social housing include families, seniors and individuals with mental or physical disabilities.

Over the years, about 70,000 social housing units have been developed in British Columbia through various initiatives involving community groups, companies in the private sector, and government agencies. These units provide homes for about 150,000 people. Of these units, approximately 8,000 are directly managed by BC Housing in 49 communities.

BC Housing manages and develops social housing in British Columbia on behalf of the federal and provincial governments. It allocates housing rent subsidies to British Columbians in need, determines tenant eligibility, and plans the province's future housing needs in cooperation with the Ministry of Housing, Recreation and Consumer Services.

People are eligible for social housing assistance if they cannot afford adequate accommodation without spending more than 30% of their household income.

In 1993/94, a number of major changes occurred for BC Housing. Along with the creation of a new Ministry of Housing came a commitment to work more closely with community groups involved in the development of social housing in British Columbia. Here are some of the highlights of a very busy year.

*Transition House Policy*

Following recommendations by the Provincial Commission on Housing Options, BC Housing implemented a policy that gives women in transition houses priority access to existing vacancies in social housing. This innovative policy has two objectives: helping women who have lived with abuse stabilize their lives with safe and affordable housing; and educating staff and the public on the topic of abuse. In 1993/94, 30% of all vacancies in social housing directly managed by BC Housing went to women leaving transition houses. In March 1994, 114 female-headed households were housed under this policy in the Lower Mainland.

*Scholarship/Bursary Program*

In February 1994, BC Housing launched a Scholarship/Bursary program which offers 26 individual scholarships of up to \$750 to adults and children living in social housing. It also offers one Outstanding Achievement Award of \$500 to a high school graduating student living in social housing. Initiated by BC Housing's Board of Commissioners, the program was developed with assistance from the Public Housing Advisory Council. The program has three main objectives: to demonstrate the provincial government's commitment to education as a means to success and personal growth; to encourage and assist social housing residents and their children to pursue their educational goals; and to help residents of social housing develop new skills.



### *Community Services Storefront Office*

The Community Services Branch was formed in spring of 1993 to build closer partnerships with non-profit societies, cooperatives and advocacy groups, as well as to improve BC Housing's customer service. To fulfil that mandate, BC Housing opened a storefront office on street level at its Burnaby head office in the fall of 1993. The storefront office makes BC Housing more accessible to clients who wish to apply for social housing or require information on housing. On average, the storefront office received about 600 people a month during 1993/94.

*The BC Housing storefront office is designed to improve customer service by being more accessible and offering one-on-one contact with clients wishing to apply for social housing.*



### *British Columbia Non-Profit Housing Association*

In 1993/94, BC Housing provided the newly formed British Columbia Non-Profit Housing Association (BCNPHA) with an operating grant of \$68,400. The BCNPHA was formed to provide leadership and support for non-profit housing societies in the management and delivery of affordable housing around the province. The BCNPHA is an important voice in housing policy and program development with all levels of government.

### *BC Housing/Red Cross Kidsmart Program*

This new program is a joint program between BC Housing and the Canadian Red Cross Society. It is designed to train and employ youth to help reduce the incidence of teen problems, such as vandalism, noise, drugs and violence in public housing developments. It provides summer employment and promotes youths as leaders in their communities. In the summer of 1993, the program was successfully implemented at Blanshard Court in Victoria and Cedar Place in Burnaby. BC Housing's commitment to this project was recognized by a special award from the Red Cross.

### *Multiculturalism and Employment Equity*

BC Housing is committed to providing a workplace that reflects the province's diverse population. In the fall of 1993, staff participated in training sessions on using respectful and

inclusive language which directly addressed the issues of racism and gender equity. In addition, storefront office signage and the brochure *Applying for Social Housing in British Columbia* are available in nine languages. The storefront office staff also received special training on cross-cultural sensitivity and awareness.

For the past five years, BC Housing has been committed to employment equity and has implemented a recruitment process that is both gender and race-neutral. In 1993/94, almost two-thirds of all staff were women or members of visible minorities, and almost half of management positions were filled by women or members of visible minorities.



### *S*Public Housing Advisory Council

At the second annual Tenant Associations Workshop in June of 1993, a new eleven-member Public Housing Advisory Council was elected from executive members of existing tenant associations throughout the province.

Its mandate is to advise the Board of Commissioners of BC Housing on issues of concern to public housing residents. This new body has already provided significant input into policy decisions and is welcomed as a new partner with BC Housing. To ensure tenant representation, a member of the Council was selected as a member of the BC Housing Board of Commissioners.

*The Public Housing Advisory Council members are: (rear l to r) Ken Best, Charlene Bold, Cheryl Stedman, Norman Severud, Yvonne Ahmad, and Liz Chaput. (seated l to r) Les Fairweather, Peter Knox (Chairperson), Karen Hilland, and Joan Trusdale (now deceased). Missing from the photo is Carol Newby.*

*A strong emphasis on partnerships*

As an agency of the provincial government, BC Housing develops social housing in partnership with other levels of government. Since 1986, BC Housing has developed and managed social housing with the Canada Mortgage and Housing Corporation (CMHC) for developments funded before the end of 1993. BC Housing also works in close partnership with the provincial Ministries of Health, Social Services, and Women's Equality to meet the special housing needs of groups such as people who are mentally or physically challenged and at-risk of homelessness. At the community level, BC Housing also works closely with the newly-created British Columbia Non-Profit Housing Association.

Following a recommendation of the Provincial Commission on Housing Options, BC Housing actively encourages its residents to participate more directly in housing management activities. To ensure such participation, BC Housing helped establish some 50 tenant associations throughout the province by March 1994. The associations, in turn, helped elect representatives for the Public Housing Advisory Council, established in June 1993.

**Provincial Programs**

In 1993, the province revised its process for the selection of housing projects to reflect the recommendations of the Provincial Commission on Housing Options. By reducing the work and costs involved in

submitting a proposal, the selection process has become more user-friendly for the non-profit and cooperative sectors, and the sponsors of social housing.

*Homeless / At Risk Program*

The Homeless / At Risk Program helps fund housing for people who are homeless or at risk — including people with disabilities, or women leaving abusive relationships. In 1993 / 94, funding for 188 units was committed under this program. This represents \$7.76 million in capital funding from BC Housing and \$1.2 million in capital support commitments from the Ministries of Health and Social Services.

*Provincial Non-Profit Housing Program*

As recommended by the Provincial Commission on Housing Options, this program emphasizes the development of housing for families with children. While the federal government gradually eliminated its funding for new social housing at the end of 1993, the provincial government maintained its funding at the 1991 level. In 1993 / 94, funding was committed to build 331 units on land provided by local government and community partners at less than market value.

### *Housing Registries and Relocator Services*

The report of the Provincial Commission on Housing Options recommended an increase in funding for community-based housing registries. In addition to providing funding to the YWCA's Vancouver Housing Registry and the Downtown Eastside Residents Association Housing Registry, four new registries were funded in 1993/94. They included the Housing Registry of Greater Victoria, the Downtown Granville Tenants' Association, the YWCA Single Mothers' Homesharing Network and the Surrey Community Resource Society's Housing Registry. Funding was also extended for two other existing housing registries — the Lower Mainland Community-Based Housing Registry and the Seniors' Housing Information Program.

### *Non-Profit Housing Matching Start-Up Grants Program*

Under this program, BC Housing provides grants of up to \$20,000 to facilitate the planning of developments that will not require any further operational subsidy. In 1993/94, 17 grants totalling \$229,000 were awarded throughout the province. For example, these grants helped two non-profit societies create seniors housing and recreational facilities from former mineworker accommodation in the northern B.C. community of Granisle.

### *BC Rental Supply Program*

The BC Rental Supply Program was launched in 1989 to increase the supply of market rental housing in low vacancy areas throughout the province. The BC Rental Supply Program works by reducing interest costs, over a five-year period on projects that meet provincial objectives. Projects were selected through only three competitive proposal calls. The last one was held in the Fall of 1990. Each proposal was evaluated on ten factors, including design, location, rent charged, rental tenure and subsidy cost. Preference was given to projects suitable for families and seniors. As of March 31, 1994, some 3,895 new units were completed with another 677 units still under construction.

### *Federal / Provincial Programs*

Until 1986, the federal government was largely responsible for delivering social housing. Over the years, thousands of units were built under various programs involving both the federal and provincial governments, which provided grants or low-interest mortgages to non-profit societies. The ongoing commitment to these programs is primarily through the provision of rent supplements to lower-income families, seniors and persons with disabilities to allow them to pay rent at no more than 30% of their income in these developments.

### *Federal/Provincial Non-Profit Housing Program*

From 1986 to December 1993, the federal and provincial governments jointly funded the Non-Profit Housing Program. The program used an open proposal call system to select projects for developments each year. Once a project was developed, societies received subsidies to make up the difference between the break-even rent and rents paid by tenants at 30% of their income. In 1993/94, 79% of units were allocated to families and people with special needs. Several projects approved under the 1993/94 budget increased community housing densities in communities, as recommended by the Provincial Commission on Housing Options. For example, a former Victoria school site was rezoned for housing purposes. While the federal government continues to fund its previous social housing commitments, it has stopped funding new social housing developments as of the end of 1993.

### *Rent Supplement Program*

Under the Rent Supplement Program, BC Housing enters into agreements to pay a subsidy to tenants renting privately-owned rental units. These units may be leased from the private market or located in federal housing co-operatives built after 1986.

### *Home Adaptation for Seniors' Independence Program*

Introduced in 1992, the Home Adaptation for Seniors' Independence Program (HASI) was a \$1.6 million, two-year program designed to help low-income seniors pay for home adaptations to assist them to continue living independently in their own homes. Jointly funded by the federal and provincial governments, the HASI program provided grants up to \$2,500 to cover the cost of minor modifications, such as handrails in hallways, easy to reach work and storage areas in the kitchen, lever handles on doors, or walk-in showers with grab bars. Over 600 B.C. households benefited from the HASI program before it ended in December 1993.

### *HIV/AIDS Rent Supplements*

Following the Provincial Commission on Housing Options' recommendation, BC Housing increased the number of private rent supplement dwellings that are wheelchair accessible. In 1993/94, a total of 164 rent supplement housing units were allocated to persons with HIV/AIDS and eleven private rent supplement dwellings that are wheelchair accessible were allocated in the province. Six of these were in the South Interior region.

### *Community Initiatives*

BC Housing manages approximately 8,000 units of social housing in 49 communities throughout the province. The cost of managing and operating these units is paid by rent from tenants and funding from both the provincial

*BC Housing General Manager, Saul Schubert, greets long-time tenant at the 30th Anniversary Celebration at MacLean Park as Steve Bibby, Property Portfolio Manager, looks on.*

*Aboriginal dancing, part of the entertainment for the many tenants attending the 30th Anniversary Celebration at the MacLean Park public housing development in Vancouver.*



and federal governments. Most of these units were built before 1980.

Although our primary mandate at BC Housing is to secure suitable housing for people in need, we also want to build stronger communities in partnership with our tenants. The mandate of our tenant programs is to foster a sense of pride among tenants about where they live.

#### *People, Plants and Homes Program*

This unique gardening program provides tenants with seeds, soil, compost and training to cultivate flower and vegetable gardens.

This program does more than just improve property appearance. It builds neighbourhood pride, reduces vandalism and helps foster positive relationships between tenants and staff. Since it started, the program has generated strong participation from people of all ages in public housing. Through innovative techniques, it has also encouraged gardeners with disabilities to pursue this activity. In 1993/94, about 2,000 people participated in this program throughout the province including the Lower Mainland, Greater Victoria and Prince Rupert.

#### *Capital Maintenance Program*

This program is designed to maintain the long-term structural integrity of social housing developments. In 1993/94, the budget for this program was \$8.7 million. In recent years, BC

Housing enhanced the program to include changes that increase residents' satisfaction and livability, such as creating recreational spaces or playgrounds as well as those that provide safe, long-term housing.

#### *Tenant Associations*

BC Housing continues to encourage a more active partnership between social housing residents and management. By March 1994, there were more than 50 tenant associations in public housing throughout the province. In June 1993, the tenant associations held their second annual workshop in Burnaby.

#### *Emergency Services*

BC Housing is one of North America's leading agencies with respect to emergency preparedness education and training. BC Housing is also one of the key players in the provincial government's overall program to prepare for earthquakes. In the event of a major disaster, BC Housing will help provide temporary housing to British Columbians. In 1993, BC Housing participated in the Thunderbird Emergency Preparedness Program, designed to help residents of the Lower Mainland cope within the first 72 hours following a disaster such as an earthquake. In the summer of 1993, BC Housing staff gained valuable experience in shelter management with the Red Cross during the U.S. Mid-west floods.

*Posing with her award-winning garden in the Alderhaven public housing in Aldergrove, Elizabeth Nordal has been a participant of the People, Plants and Homes Program since 1980.*

*Known as "the flower man," Alex Laurie has been involved in the People, Plants and Homes Program since 1983 and is responsible for the community patio garden off the 5th floor of the Sunset Towers development in Vancouver.*





## ORGANIZATION

BC Housing is headed by a General Manager who reports to the Board of Commissioners and is responsible for implementing housing policy and program direction developed by the Ministry of Housing, Recreation and Consumer Services.

The Commission employs just over 300 employees and has seven office locations throughout the province.

In 1993, the Development Services Branch was reorganized to focus exclusively on its mandate to develop social housing, while the Regional Operations Branch was re-organized to provide complete property management services to both social housing directly-managed by BC Housing and developments managed by non-profit societies. The Community Services Branch was created to focus on external relations with tenants and community groups. The Planning Branch develops and monitors housing policies and programs. The Finance and Administration Branch is responsible for office administration, records and information systems, purchasing, accounting and budgeting while the Internal Audit Branch provides regular audit of developments and tenants. Finally, the Personnel and Labour Relations Branch is responsible for staff recruitment, salary and benefits administration, union contract negotiations and staff training.

The year 1993/94 has been a period of major change and growth for BC Housing. We are committed to building stronger partnerships with non-profit societies and other community groups, as well as municipalities, other ministries and the private sector.

A new Ministry of Housing, Recreation and Consumer Services was established in September 1993 to ensure that all British Columbians have access to safe and affordable housing. During 1993/94, the Ministry of Housing, Recreation and Consumer Services and BC Housing was actively designing an innovative provincial housing policy to meet the diverse and affordable housing needs of British Columbians.

1990-91  
Annual Report

**Contents**

Schedule of Net Program Costs	16
Social and Low-Cost Housing Receiving Subsidies Through BC Housing	17
Auditors' Report	18
Combined Balance Sheets	19
Combined Statements of Revenue and Expenditures and Province's Account	20
Combined Statements of Changes in Financial Position	21
Notes To Combined Financial Statements	22

## SCHEDULE OF NET PROGRAM COSTS

Note: This schedule is not covered by the Auditors' Report  
Section references are to the National Housing Act

In thousands of dollars	Three months ended March 31, 1994	Year ended Dec 31, 1993	Year ended Dec 31, 1992
<b>PROPERTY MANAGEMENT PORTFOLIO</b>			
Section 79			
Regular	\$ 3,180	\$ 10,750	\$ 10,072
City of Vancouver Residences	293	1,189	1,012
Section 82			
Regular	2,004	7,969	8,988
Wholly Provincial Projects and Land Parcels	(444)	(1,545)	(907)
	<u>5,033</u>	<u>18,363</u>	<u>19,165</u>
<b>NON-PROFIT AND PRIVATE SECTOR RENTAL ASSISTANCE PROGRAMS</b>			
Section 75			
Home Adaptations for Seniors Independence Program	563	780	106
Section 82(t)(a)			
Private	254	1,111	1,201
Disabled	325	1,360	1,493
City of Vancouver Residences	(33)	677	1,313
Section 82(t)(b)			
Senior Citizens	843	3,273	3,087
Section 95 Social Housing Programs (1986)			
Rent Supplement Programs	2,269	7,848	6,671
Non-Profit Housing Programs	19,005	70,575	62,005
	<u>23,226</u>	<u>85,624</u>	<u>75,876</u>
<b>OTHER PROVINCIAL PROGRAMS</b>			
Rural and Remote Mortgage Program	241	340	408
GVRD and Co-operative Mortgage Programs	11	24	25
Provincial Rental Assistance Program	465	1,659	1,247
Services for Non-Profit Societies	783	1,944	2,692
Housing Action Program	1,757	6,573	5,351
Housing Registries	142	246	161
Provincial Commission on Housing Options	—	49	306
Semi-independent Living Program	228	387	—
BC 21 Project	71	84	—
1992-93 Homeless Initiative Program	403	385	—
1993-94 Homeless Initiative Program	100	—	—
	<u>4,201</u>	<u>11,691</u>	<u>10,190</u>
<b>EXCESS OF EXPENDITURES OVER REVENUE FOR THE PERIOD</b>	<u>\$ 32,460</u>	<u>\$ 115,678</u>	<u>\$ 105,231</u>
<b>GRANTS BY SHARING</b>			
Province of British Columbia	\$ 13,530	\$ 48,327	\$ 44,456
Canada Mortgage and Housing Corporation	18,930	67,351	60,775
	<u>\$ 32,460</u>	<u>\$ 115,678</u>	<u>\$ 105,231</u>

**SOCIAL AND LOW-COST HOUSING RECEIVING SUBSIDIES THROUGH BC HOUSING**

Note: This schedule is not covered by the Auditors' Report  
Section references are to the National Housing Act

At December 31	Housing Units		Developments/Societies	
	1993	1992	1993	1992
<b>CURRENT SOCIAL HOUSING PROGRAM</b>				
Section 95				
Completed units	11,481	9,895	677	590
Units at commitment stage	1,466	2,215	129	114
Rental Supply Program				
Completed units	3,523	2,945	69	63
Units at commitment stage	745	2,909	8	23
Wholly Provincial Program				
Completed units	287	252	43	37
Units at commitment stage	84	49	19	9
Semi-independent Living Program				
Completed units	320	—	28	—
Units at commitment stage	11	—	2	—
Provincial Homeless Initiative Program				
Units at commitment stage	336	—	26	—
Provincial Non-Profit Rent Supplement Program				
Units at commitment stage	35	—	2	—
Subtotal	<u>18,288</u>	<u>18,265</u>	<u>1,003</u>	<u>836</u>
<b>RENT SUPPLEMENT UNITS PRE 1988 PROGRAMS</b>				
Section 82 (i) (a)				
Private	198	230	35	41
Disabled	245	264	61	67
Section 82 (i) (b)				
Senior Citizens	2,355	2,340	92	92
Provincial Rental Assistance Program				
Senior Citizens	1,010	829	39	37
Disabled	320	310	69	67
Subtotal	<u>4,128</u>	<u>3,973</u>	<u>296</u>	<u>304</u>
<b>PROPERTY MANAGEMENT</b>				
Section 79				
Regular	5,473	5,474	51	51
Penticton & District Retirement Centre	126	126	1	1
Section 82				
Regular	1,945	1,945	44	44
Wholly Provincial Projects				
The Glenshiel	73	73	1	1
Subtotal	<u>7,741</u>	<u>7,738</u>	<u>108</u>	<u>108</u>
<b>FISCAL AND OTHER PROGRAMS</b>				
Section 79				
City of Vancouver Managed Residences	291	291	3	3
Section 82 (i) (a)				
City of Vancouver Managed Residences	161	161	2	2
Wholly Provincial				
Rural and Remote Mortgage Program	494	527	494	527
GVRD and Co-op Mortgage Programs	42	72	20	26
Subtotal	<u>988</u>	<u>1,051</u>	<u>519</u>	<u>558</u>
Total	<u>31,145</u>	<u>31,027</u>	<u>1,926</u>	<u>1,806</u>

TO THE CHAIR  
BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

We have audited the combined balance sheets of the Province of British Columbia, projects and programs managed by British Columbia Housing Management Commission (the Commission), as at March 31, 1994 and December 31, 1993 and the combined statements of revenue and expenditures and Province's account and changes in financial position for the three months ended March 31, 1994 and year ended December 31, 1993. These combined financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation.

In our opinion, these combined financial statements present fairly, in all material respects, the financial positions of the projects and programs managed by the Commission as at March 31, 1994 and December 31, 1993 and the results of their operations and the changes in their financial position for the three months ended March 31, 1994 and year ended December 31, 1993 in accordance with generally accepted accounting principles.

*KPMG Peat Marwick Thorne*

KPMG Peat Marwick Thorne  
Chartered Accountants  
New Westminster, Canada

May 27, 1994

**COMBINED BALANCE SHEETS**

Province of British Columbia  
 Projects and Programs Managed by  
 British Columbia Housing Management Commission

Combined Balance Sheets as at	March 31, 1994	Dec 31, 1993	Dec 31, 1992
In thousands of dollars			
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	\$ 11,723	\$ 11,002	\$ 8,951
Prepaid expenses and shelter supplement	7,491	7,040	6,317
Accounts receivable	2,655	3,824	4,751
Due from Province of British Columbia	16,361	6,155	4,965
Due from Canada Mortgage and Housing Corporation	3,333	2,725	2,831
Current portion of mortgage receivable	30	30	—
Construction financing (note 2)	15,296	20,346	920
	<u>56,889</u>	<u>51,122</u>	<u>28,735</u>
MORTGAGE RECEIVABLE (note 3)	3,410	3,418	—
LONG-TERM RECEIVABLES	123	123	124
PROPOSAL DEVELOPMENT ADVANCES (note 4)	872	699	216
DISASTER LOSS FUND (note 5)	1,115	1,186	1,113
EQUIPMENT (note 6)	259	265	269
	<u>\$ 62,668</u>	<u>\$ 56,813</u>	<u>\$ 30,457</u>
<b>LIABILITIES AND PROVINCE'S ACCOUNT</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 8,789	\$ 7,859	\$ 9,688
Tenants' prepaid rent	540	518	467
Due to Provincial Rental Housing Corporation (note 7)	11,675	5,968	10,993
Construction financing (note 2)	15,600	20,841	—
	<u>36,604</u>	<u>35,186</u>	<u>21,148</u>
SOCIETIES' FUNDS HELD ON DEPOSIT (note 8)	2,370	6,204	—
DISASTER LOSS RESERVE (note 5)	1,115	1,186	1,113
PROVINCE'S ACCOUNT (note 9)	22,579	14,237	8,196
	<u>\$ 62,668</u>	<u>\$ 56,813</u>	<u>\$ 30,457</u>

Commitments (note 12)

Approved by:



Chair



Member

See accompanying notes.

**COMBINED STATEMENTS OF REVENUE AND EXPENDITURES AND PROVINCE'S ACCOUNT**

Province of British Columbia  
 Projects and Programs Managed by  
 British Columbia Housing Management Commission

**Combined Statements of Revenue and  
 Expenditures and Province's Account**

**Three months ended  
 March 31, 1994**

**Year ended  
 Dec 31, 1993**

Year ended  
 Dec 31, 1992

In thousands of dollars

REVENUE:

Tenant rent	\$ 7,072	\$ 27,689	\$ 26,405
Sundry	73	227	280
	<u>7,145</u>	<u>27,916</u>	<u>26,685</u>

EXPENDITURES:

Amortization	3,294	14,225	14,225
Operating	4,685	15,414	15,732
Shelter supplement	22,131	80,805	70,076
Maintenance	1,310	4,898	4,729
Grants in lieu of taxes (note 10)	1,027	3,690	3,721
Administration	1,934	6,209	6,100
Modernization and improvement	1,276	7,286	7,227
Provincial programs	4,201	11,691	10,189
Working capital interest (note 11)	189	861	1,031
	<u>40,047</u>	<u>145,079</u>	<u>133,030</u>

Operating deficit	32,902	117,163	106,345
Interest income, net	442	1,485	1,114

Excess of expenditures over revenue	32,460	115,678	105,231
Less Canada Mortgage and Housing Corporation subsidy share	<u>18,930</u>	<u>67,351</u>	<u>60,775</u>

Net Provincial share of expenditures	13,530	48,327	44,456
Subsidy receipts	21,872	54,368	45,088
	<u>8,342</u>	<u>6,041</u>	<u>632</u>

Province's account, beginning of period	14,237	8,196	7,564
Province's account, end of period	<u>\$ 22,579</u>	<u>\$ 14,237</u>	<u>\$ 8,196</u>

*See accompanying notes.*

**COMBINED STATEMENTS OF CHANGES IN FINANCIAL POSITION**

Province of British Columbia  
 Projects and Programs Managed by  
 British Columbia Housing Management Commission

Combined Statements of Changes  
 in Financial Position

Three months ended  
 March 31, 1994

Year ended  
 Dec 31, 1993

Year ended  
 Dec 31, 1992

In thousands of dollars

Cash (provided by) used for:

OPERATING ACTIVITIES

Excess of expenditures over revenue	\$ 32,460	\$ 115,678	\$ 105,231
Deduct item not affecting cash:			
Depreciation	(14)	(53)	(50)
Changes in non-cash operating working capital:			
Accounts receivable	(1,169)	(927)	(1,425)
Prepaid expenses and shelter supplement	451	723	1,151
Accounts payable and accrued liabilities	(930)	1,829	(3,741)
Tenants' prepaid rent	(22)	(51)	(18)
Amortization payable	—	—	115
Cash applied to operations	<u>30,776</u>	<u>117,199</u>	<u>101,263</u>

INVESTING ACTIVITIES

Society funds on deposit	3,834	(6,204)	—
Mortgage receivable	(8)	3,448	—
Long-term receivables	—	(1)	(175)
Proposal development advances	173	483	—
Additions to equipment	8	49	296
Cash applied to (generated from) investing activities	<u>4,007</u>	<u>(2,225)</u>	<u>121</u>

FINANCING ACTIVITIES

Subsidy receipts:			
Province of British Columbia	21,872	54,368	45,088
Canada Mortgage and Housing Corporation	18,322	67,457	61,906
Due from Province of British Columbia	(10,206)	(1,190)	6,197
Due to Provincial Rental Housing Corporation	5,707	(5,025)	10,774
Construction financing	(191)	1,415	(920)
Cash provided by financing activities	<u>35,504</u>	<u>117,025</u>	<u>123,045</u>

Increase in cash position during the period	721	2,051	21,661
Cash position (bank indebtedness),			
beginning of period	11,002	8,951	(12,710)
Cash position, end of period	<u>\$ 11,723</u>	<u>\$ 11,002</u>	<u>\$ 8,951</u>

See accompanying notes.



## NOTES TO COMBINED FINANCIAL STATEMENTS

Province of British Columbia  
Projects and Programs Managed by  
British Columbia Housing Management Commission

Notes to Combined Financial Statements / March 31, 1994 and December 31, 1993

### SIGNIFICANT ACCOUNTING POLICIES

#### a) General

These combined financial statements are prepared in accordance with generally accepted accounting principles which include the accrual basis of accounting.

#### b) Basis of financial statements presentation

These statements combine seven separate financial statements of projects and programs operated by the Province of British Columbia (Ministry of Housing, Recreation and Consumer Services) and each has its own subsidy sharing agreement and is managed by the British Columbia Housing Management Commission (the Commission).

The Commission is changing its fiscal year end from December 31 to March 31, effective March 31, 1994.

#### c) Amortization

These statements do not include the capital cost of the projects, however, amortization on capital costs is in part payable to the Provincial Rental Housing Corporation and in part credited to Canada Mortgage and Housing Corporation based on schedules they provide.

#### d) Tenant rent revenue

Tenant rent revenue represents rent charged to residents, and is determined as the lesser of market rent and a percentage of each resident's income.

#### e) Equipment

All purchases are recorded as program operating expenditures, except for major purchases of computer hardware and software which are recorded at cost and depreciated on the straight line basis over five and three years respectively.

### CONSTRUCTION FINANCING

In its capacity as a National Housing Act approved lender, the Commission funds construction draws for societies who are building approved projects under social housing programs. These advances are repaid at substantial completion of each project from financing arranged with private lenders and Canada Mortgage and Housing Corporation. The provincial government provides block funds to the Commission for this purpose. Societies are charged interest at the province's weighted average borrowing rate for short-term funds, plus administration costs.

### MORTGAGE RECEIVABLE

This investment was made under the B.C. Rental Supply Program and is secured by a 20-year second mortgage bearing interest at 8% annually during the first five years and 9.58% over the remaining 15 years. Under a related agreement, over the first 15 years there is an obligation to fund project operating deficits incurred up to \$2,750,000 which would be recovered thereafter from any project operating surpluses.

### PROPOSAL DEVELOPMENT ADVANCES

Loan advances are made to sponsoring societies for needs studies, incorporation and site development costs. These advances are either repaid upon project completion or remain outstanding for three years, at which time they are written-off.

6. DISASTER LOSS FUND

This fund, financed by the Province of British Columbia and Canada Mortgage and Housing Corporation, provides for claims below the deductible amounts of insured properties and for uninsured losses.

In thousands of dollars	Three months ended March 31, 1994	Year ended Dec 31, 1993	Year ended Dec 31, 1992
Balance, beginning of period	\$ 1,186	\$ 1,113	\$ 1,098
Additions	18	42	30
Interest earned	23	75	94
	1,227	1,230	1,222
Less claims expense	112	44	109
Balance, end of period	<u>\$ 1,115</u>	<u>\$ 1,186</u>	<u>\$ 1,113</u>

6. EQUIPMENT

Hardware and software consists of:

In thousands of dollars	Cost	Accumulated depreciation	Net book value
Balance, December 31, 1992	\$ 836	\$ 567	\$ 269
Additions	49	53	(4)
Balance, December 31, 1993	885	620	265
Additions	8	14	(6)
Balance, March 31, 1994	<u>\$ 893</u>	<u>\$ 634</u>	<u>\$ 259</u>

7. DUE TO PROVINCIAL RENTAL HOUSING CORPORATION

The amount due to Provincial Rental Housing Corporation represents funds advanced for the acquisition and development of properties under the social housing programs.

8. SOCIETIES' FUNDS HELD ON DEPOSIT

These funds represent the balance of mortgage advances held to cover various non-profit societies construction and soft costs required to complete their projects. Interest accrues on the societies' funds.

9. PROVINCE'S ACCOUNT

The Province of British Columbia has designated funds for the following programs, as at:

In thousands of dollars	March 31, 1994	Dec 31, 1993	Dec 31, 1992
Committed program funds:			
1992/93 Homeless Initiative projects	\$ 4,639	\$ 4,868	\$ —
1993/94 Homeless Initiative projects	8,341	—	—
Other funds	9,599	9,369	8,196
	<u>\$ 22,579</u>	<u>\$ 14,237</u>	<u>\$ 8,196</u>

## NOTES TO COMBINED FINANCIAL STATEMENTS

10. GRANTS IN LIEU OF TAXES

The Commission, on behalf of the Province of British Columbia and Canada Mortgage and Housing Corporation, pays each municipality a grant equivalent to gross property taxes due for all residential properties and projects managed.

11. WORKING CAPITAL INTEREST

The Province of British Columbia, through its Wholly Provincial Projects and Programs account, provides working capital to the projects and programs managed by the Commission, at interest rates agreed to by the participants.

12. LEASE COMMITMENTS

The Commission has minimum rental obligations under operating leases for office space to be expensed over the next five fiscal and calendar years as follows:

Fiscal years ended		Calendar years ended	
March 31, 1995	\$ 985,000	December 31, 1994	\$ 984,000
March 31, 1996	\$ 907,000	December 31, 1995	\$ 922,000
March 31, 1997	\$ 837,000	December 31, 1996	\$ 850,000
March 31, 1998	\$ 513,000	December 31, 1997	\$ 701,000
March 31, 1999	\$ 56,000	December 31, 1998	\$ 79,000

13. RELATED PARTY TRANSACTIONS

In the normal course of operations the Commission acquired goods and services from the Province of British Columbia and certain Crown Corporations, under prevailing trade terms.

14. COMPARATIVE INFORMATION

Certain 1992 comparative figures have been reclassified to conform with the presentation adopted in the 1993 and 1994 financial statements.

# provincial offices

## BC Housing

### Home Office

Suite 1701 - 4330 Kingsway  
Burnaby, BC V5H 4G7  
T 433-1711  
F 439-4722

## Lower Mainland West

### Regional Office

Suite 203 - 1661 W 8th Ave  
Vancouver, BC V6J 1T8  
T 732-8844  
F 732-6153

## Lower Mainland East

### Regional Office

7337 Edmonds St  
Burnaby, BC V3N 1A7  
T 525-3033  
F 525-8201

## Coastal Region

### Regional Office

Suite 201 - 3440 Douglas St  
Victoria, BC V8Z 3L5  
T 475-7550  
F 475-7551

### Area Office

1400 Kootenay Ave  
Prince Rupert, BC V8J 3X5  
T 627-7501  
F 627-8975

## Interior Region

### Regional Office

290 Nanaimo Ave, W  
Penticton, BC V2A 1N5  
T 493-0301  
F 492-1080

### Area Office

1539 11th Ave  
Prince George, BC V2L 3S6  
T 562-9251  
F 562-6488