

WINNIPEG HOUSING POLICY



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Table of Contents

Part 1:	Introduction	1
	Goals 1	
	Background	1
Part 2:	Housing Improvement Zones.....	4
Part 3:	Targeted, Coordinated Support for Neighbourhood Planning Actions	5
	Housing Team	5
	Neighbourhood Housing Plans	5
Part 4:	Municipal Tools	7
	Development Regulations	8
	Land Use Control	8
	Property Standards.....	8
	Abandoned Buildings	9
	Human and Information Technology Resources.....	9
	Neighbourhood Workshops, Clinics and Resources	9
	Complementary Housing Programs and Partnerships..	9
	Financial Incentives and Tools	9
Part 5:	Funding and Execution	10
	Development Regulations	10
	Land Use Control	11
	Property Standards.....	11
	Abandoned Buildings	12
	Human and Information Technology Resources.....	12
	Public Education, Neighbourhood Workshops, Clinics and Resources.....	12
	Project Management and Facilitation.....	13
	Land Inventory Coordination.....	13
	Complementary Housing Programs and Partnerships	14
	Financial Incentives and Tools	15

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Goals:

- To bring new life back to older neighbourhoods through locally planned, community supported housing renewal initiatives.
- To support housing renewal strategies that integrate economic and structural change to improve the quality of life for local residents while building neighbourhood stability.
- To create and provide tools to enable communities to implement renewal efforts, and to support, wherever possible, locally developed products, businesses and initiatives.

Background:

Enforcement of property by-laws has been the traditional housing responsibility of municipal governments. Social housing construction and housing rehabilitation programs have been and remain the responsibilities of the federal and provincial governments. The City of Winnipeg is not prepared to replace in any way federal or provincial responsibilities in the area of housing.

The City of Winnipeg has been involved in social housing programs since the urban renewal agreements of the 1950's and 1960's and remains involved today.

The peak period for municipal involvement was the mid-1980's, when the City, through its Planning Department, was involved in upgrading of homeowner and rental housing, the acquisition and renovation or new construction of non-profit housing with various non-profit groups, and the provision and delivery of buy and renovate programs.

The 1990's have seen a major reduction in senior level government funding for these kinds of housing programs with the result that the City's direct housing delivery involvement has also been reduced.

Today, Winnipeg has the largest stock of older poor quality housing in Canada, next to Montreal. Portions are beyond rehabilitation and, in those circumstances, replacement is needed.

While many of Winnipeg's neighbourhoods have well maintained housing stock and stable residential populations, there are those, including the core area and the north end of Winnipeg, which are in serious decline and distress.

Homes in central and north end neighbourhoods have experienced significantly decreased market values (as much as 50%) from 1988 to 1998, resulting in a reduction of the tax base and a shifting of the tax burden to other areas of Winnipeg. The fact that the combined cost of purchase and rehabilitation are well in excess of market values discourages homeowner investment in these areas.

Part 1 Introduction

Winnipeg is one of the most affordable cities in Canada in terms of owning or renting a home. However, a large number of residents spend in excess of 50% of income on shelter, leaving insufficient funds for other necessities, including home maintenance and rehabilitation.

Since 1993, insufficient funding and fragmentation of government services and responsibility for housing have created a situation where municipal housing objectives are formulated in an *ad hoc* manner. The recent creation by the current federal government of a Minister Responsible for Homelessness and an expressed interest in partnering to address housing issues in Winnipeg, are encouraging. By working with communities, industry, private and non-profit housing sectors and government partners, the City of Winnipeg can maximize its impact on housing and neighbourhood renewal.

The Mayor's Forum on Housing, held in July 1999, brought together representatives from neighbourhoods, the business community, agencies and the three levels of government. Participants identified the following necessary tools to assist in the involvement of neighbourhoods in renewal activity: flexibility within the City's administrative processes; overcoming financing obstacles; and, new development within declining neighbourhoods.

Community advocates and neighbourhood associations are becoming increasingly active in developing solutions to address local needs. By empowering those who live and function in declining communities, solutions will be grounded in neighbourhoods and will reflect the social, economic and cultural realities of the local populations.

Housing decline can contribute to the deterioration of entire neighbourhoods; therefore, early detection and strategies are necessary. Also necessary are coordinated and comprehensive approaches to inspection and enforcement, and, moreover, subsequent, comprehensive actions to address the social and economic cause of deterioration. Coordination of inspection services and integration of information systems would maximize the City services and more effectively address conditions that contribute to decline.

Housing rehabilitation and construction are important economic activities for the city. Each new housing unit generates an estimated 1.2 person-years of direct employment and further spin-off benefits to supplier industries. Studies on renovation spending show an even greater economic benefit. Rehabilitation, construction and renovation in distressed neighbourhoods could be linked to job creation as part of a long-term community economic strategy where unemployment and poverty are high.

Part 1 **Introduction**

Past practices and current experience recognize that it will take more than traditional market approaches or government driven programs alone to make a significant impact in some neighbourhoods.

When zoning by-laws are applied, consideration should be given to the diversity of housing forms and tenure and the unique character of residential neighbourhoods. Standards should be sufficiently flexible to reflect the identity and character of a neighbourhood.

The City must play a proactive role in addressing the obstacles community groups face in achieving success in their efforts – local expertise must be encouraged, developed and fostered in order to encourage broader community participation. At the same time, alliances must be established which can facilitate both the structural and economic changes that communities are seeking.

The City's active role in encouraging and facilitating community groups in the revitalization and rehabilitation of decaying neighbourhoods will ultimately result in improvements in quality of life, strengthened local economies and increased neighbourhood attractiveness for new housing investment in Winnipeg.

Part **2** *Housing Improvement Zones*

The City of Winnipeg will classify and categorize all neighbourhoods and designate certain neighbourhoods, or parts thereof, based upon established criteria, as “Housing Improvement Zones”. These Zones will be targeted through the use of various incentive “tools” in order to stimulate housing investment.

Neighbourhoods will be designated into one of four categories based upon the established criteria:

1. **Major Improvement Areas:** older areas that have experienced significant decline to the point where housing and neighbourhood infrastructure require complete renewal.
2. **Rehabilitation Areas:** areas where decline is having a spill-over effect to the extent that it is beginning to impact the overall stability of the neighbourhood. Some intervention would be required in order to stimulate private reinvestment and improve infrastructure.
3. **Conservation Areas:** neighbourhoods which are physically and socially stable but are showing initial signs of decline. The City will monitor these areas for any potentially detrimental intrusions and may intervene in isolated cases.
4. **Emerging Areas:** areas in which new development is being considered. The City’s role will be to ensure appropriate coordination of land use and infrastructure.

Only neighbourhoods within the first two categories, Major Improvement Areas and Rehabilitation Areas, may qualify for designation as Housing Improvement Zones.

Accordingly, the City will:

- Develop criteria for each of the neighbourhood categories and specifically for Housing Improvement Zone categories.
- Evaluate neighbourhoods based on these criteria and using the Neighbourhood Characterization Boundaries.
- Based on these evaluations, designate specific neighbourhoods as Housing Improvement Zones.

Part **3** *Targeted, Coordinated Support for Neighbourhood Planning Actions*

The City of Winnipeg will coordinate resources and provide support to neighbourhood groups preparing redevelopment plans and housing strategies within Housing Improvement Zones by deploying existing housing, planning, and community services staff to work with community groups.

Housing Team

Drawing on tri-level governmental as well as non-governmental resources, the City will establish a multidisciplinary “Housing Team”, comprising, for example, the following functions: a planner, health inspector, building inspector, zoning officer, fire inspector (prevention officer), police officer, community development worker and other related resources.

Neighbourhood Housing Plans

The City will encourage and facilitate the development of comprehensive Neighbourhood Housing Plans, which will include:

1. Neighbourhood Housing Assessments, to examine:
 - Existing conditions, such as:
 - Supply of quality housing stock
 - Extent and nature of deterioration
 - Socio-demographic profiles of neighbourhoods
 - Comprehensive housing database including housing conditions, health and fire standards, assessment values, social conditions, etc.
 - Economic indicators, such as:
 - Business viability
 - Market values
 - Employment rates
 - Access to credit
 - Rent to income ratios
 - Identification of influences contributing to neighbourhood decline
 - Identification of marketable neighbourhood assets (physical and resources)

Part 3 **Targeted, Coordinated Support for Neighbourhood Planning Actions**

2. Neighbourhood Vision Statements, comprising:
 - Five-year plans to define neighbourhoods' futures and to set targets to increase economic potential.
3. Housing Implementation Plans, which will:
 - Define specific actions, which, in turn, will:
 - Develop housing programs that fit neighbourhood needs
 - Encourage local employment and economic activity
 - Identify benefits to the community
 - Establish land use targets and set neighbourhood standards
 - Ensure and sustain neighbourhood involvement in local decision making

Winnipeg's City Council has stressed its commitment to housing renewal strategies and improved quality of life. Moreover, the current Council has prioritized housing for addressing in the short-term. Consistent with this commitment, however, is the recognition that housing is not a municipal responsibility. Indeed, historically housing has enjoyed primary funding and program support from federal and provincial governments and remains principally the responsibility of those levels of government. Constitutionally, housing is a responsibility of provincial governments. The City will not take responsibilities other levels of government, nor will it re-empt initiatives from those partners.

Indicative of its commitment, City Council has, in effect, served notice that it will not stand idly by in anticipation of the provincial or federal governments attending to what threatens to become a crisis in Winnipeg. The City of Winnipeg shall, therefore, continue to be proactive in engaging the other levels of government in strengthened discussions towards immediately addressing Winnipeg's housing situation with concrete action and support. This paper seeks to elicit a coordinated approach with the other levels of government to address a common concern.

The City of Winnipeg also remains committed to its core housing responsibilities, including the following functions:

- Maintenance of its existing social housing responsibilities (limited).
- Housing inspections.
- Maintenance of codes and standards.

As noted earlier, the City will also emphasize its housing commitment by utilizing comprehensive Neighbourhood Housing Plans, which will promote and increase neighbourhood accountability and decision-making in the development process. These Plans, approved by City Council, will allow the City of Winnipeg to examine its integrated responsibilities and programs in housing, planning and neighbourhood development, along with its existing administrative procedures. They will also replace traditional spot zoning as the criteria for land use decisions.

In order to put its housing policy into action, the City of Winnipeg will take immediate steps to ensure that existing mandates and supportive measures are effectively communicated and are being used to their maximum potential, take immediate and full advantage of existing legislation, maintain its core responsibilities, and take further advantage of its legal and jurisdictional authority to quickly develop a wide range of facilitative implementation "tools". It will also expand the mandate of the Winnipeg Housing Rehabilitation Corporation (WHRC) from its current focus on property management. The WHRC's present mandate, as established by Council in 1977, is to acquire and renovate older buildings to provide shelter on a sale, rental and/or lease purchase basis to persons of low or modest income, primarily in Winnipeg's inner city.

Part 4

Municipal Tools

Accordingly, the City will:

- Define a new mandate for the WHRC to move it from its current focus on property management to a new focus on providing leadership to new and existing housing groups so that they may successfully implement their housing objectives, and on facilitating strategic public and private sector housing investment development.
- Expand WHRC services into two target areas: *Project Management* and *Facilitation and Land Inventory Coordination*.

In collaboration with the WHRC, the City will employ its tools within established Housing Improvement Zones (HIZs), as well as make them available to appropriate policy executing partners. These tools, which are developed in greater detail in the subsequent “**Funding and Execution**” section of this document, include the following:

Development Regulations

- Addressing the myriad and sometimes onerous range of fees, which include, but are not limited to: permit, zoning and variance fees; service fees; and, hook-up charges
- Addressing procedures, processes, and standards
- Building code equivalencies

Land Use Control

- Mixed-use zoning
- Adaptive use of non-residential buildings
- Alternative housing options, such as accessory suites in owner-occupied homes, cooperatives and co-housing

Property Standards

- Comprehensive minimum property safety and standards
- Inspections and coordinated enforcement
- Upgrading of non-compliant housing
- “Anti-property flipping” legislation

Abandoned Buildings

- Remediation of inappropriate or hazardous buildings
- Neighbourhood profiles database
- Transfer of ownership

Human and Information Technology Resources

- Access to neighbourhood profiles database
- Neighbourhood indicators
- Enforcement actions
- Developing Neighbourhood Housing Plans

Neighbourhood Workshops, Clinics and Resources

- Improve knowledge of programs, services, property standards, building codes, by-laws and procedures
- Track neighbourhood trends and activities

Complementary Housing Programs and Partnerships

- Pursue opportunities to participate in or lever federal and provincial programs and funding (e.g., Residential Rehabilitation Assistance Program, community training, youth programs, etc.)
- Work with other levels of government to direct portions of social assistance funding to housing support
- Advocacy support and services
- Training partnerships

Financial Incentives and Tools

- Transfer of vacant properties
- Home Renovation Tax Assistance Program
- Home Rehabilitation Tax Credit Program
- Neighbourhood Housing Plans
- Housing Investment Fund

Part 5 **Funding and Execution**

The City of Winnipeg is committed to supporting and providing resources for a Winnipeg Housing Policy by:

- *Establishing a Housing Improvement Fund and providing it with \$7 million within five years to facilitate housing renewal and redevelopment.*
- *Soliciting intergovernmental investment and partnership agreements.*
- *Developing mechanisms to encourage and solicit private sector participation and investment.*
- *Adapting municipal mechanisms to encourage investment and innovative solutions to locally identified needs.*
- *Establishing a resource network to work with neighbourhoods and assist in planning processes.*
- *Engaging industry, business, the financial sector, agencies and the community development sector to achieve sustainable housing solutions.*
- *Providing a mandate to the Winnipeg Housing Rehabilitation Corporation (WHRC), as the City's housing agent and primary policy executing agency, to facilitate locally planned renewal efforts and to coordinate with City departments to facilitate development.*

The Winnipeg Housing Policy will comprise the following strategic actions and outcomes:

Development Regulations

The City of Winnipeg shall:

- Review its current service and development fee structure to reduce and waive fees in order to encourage infill development and rehabilitation within designated neighbourhoods, e.g.: permit, zoning and variance fees; service fees; and, hook-up charges.
- Review its current development procedures and processes in order to eliminate unnecessary restrictions and delays, and expedite development approval processes.
- Review development standards to allow for infill housing construction according to local conditions and standards. Accordingly, the City shall furthermore alleviate and/or remove onerous requirements, while maintaining or even subsidizing servicing costs to make such development economically viable.
- Pursue building code amendments with the provincial and federal governments in order to achieve more affordable construction while still maintaining standards.

Part **5** *Funding and Execution*

Land Use Control

The City of Winnipeg shall:

- Revisit and take the required actions to enact the 1998 Draft Mixed-Use Zoning By-Law, which is appended to this document, to:
 - Encourage land use and development that reflects and promotes the unique character of the urban environment in Winnipeg’s older neighbourhoods.
 - Encourage mixed use in new developments.
 - Encourage the integration of commercial and residential uses in buildings within the mixed-use zones.
- Promote and support progressive and alternative housing options, including adaptive re-use of non-residential buildings, accessory suites in owner-occupied homes, cooperatives and co-housing.

Property Standards

The City of Winnipeg shall:

- Create, enact and communicate a comprehensive minimum property safety and standards by-law and integrate all other complementary property standards by-laws.
- Integrate all property inspections and coordinate them with enforcement resources and efforts through a Manager of Building Inspections with emphasis on designated neighbourhoods.
- Place emphasis on promoting and encouraging upgrading of non-compliant housing and link enforcement actions to upgrading programs and services, such as the Residential Rehabilitation Assistance Program (RRAP) and the Home Renovation Tax Assistance (HRTA) program.
- Lobby the provincial government to create and enact “anti-property flipping” legislation to aid in by-law enforcement. Such legislation would ensure that municipal orders against properties are attached to the property, rather than to the owner.

Part **5** *Funding and Execution*

Abandoned Buildings

The City of Winnipeg shall:

- Review and revise its policy with respect to abandoned buildings to ensure their timely remediation through appropriate measures such as:
 - Levying charges to the property owner.
 - Appropriation, with subsequent public sale or other transfer of ownership.
 - Demolishing buildings, where deemed necessary.
- Create a neighbourhood profiles database/registry and ensure all properties are identified in it.

Human and Information Technology Resources

The City of Winnipeg shall:

- Develop and provide wide community access to a neighbourhood profiles database.
- Develop, measure and track neighbourhood indicators.
- Track enforcement actions.
- Provide staff assistance in developing Neighbourhood Housing Plans.

Public Education, Neighbourhood Workshops, Clinics and Resources

The City of Winnipeg shall:

- Improve knowledge of programs, services, property standards, building codes, by-laws and procedures among all citizens.
- Provide broad public information to residents, leaders and policy makers about the need for affordable housing, the population it serves, and its positive impact on community stability.
- Track neighbourhood trends and activities against common indicators.

Project Management and Facilitation

The City of Winnipeg shall expand the WHRC's mandate to:

- Develop capacity to provide coordination and project management services to housing groups to assist them in their organizational capacity and build local expertise.
- Build upon existing alliances and develop a broad based inventory of professional services, including architectural, engineering, legal, financial and property management services, to offer technical support to housing proponents and they plan and develop projects.
- Facilitate development of requests for proposals, standard contracts, financial management reporting systems and progress inspection and monitoring services packages to ensure that projects are well managed and financially accountable.
- Assist housing groups by identifying financing options and opportunities and assisting them in bringing proposals forward for consideration.

Land Inventory Coordination

The City of Winnipeg shall expand the WHRC's mandate to:

- Manage the City's surplus land inventory that has been targeted for housing development in Council approved Neighbourhood Housing Plans in accordance with property asset agreements.

The City of Winnipeg, in partnership with the WHRC, shall:

- Develop a coordinated land inventory (including vacant lands, boarded up buildings, etc.) and neighbourhood database. Protocols for access, updating and information dissemination, etc. will be negotiated. WHRC will have full access to this inventory (subject to confidentiality requirements) and will be the liaison between the city and housing proponents to community groups.

Complementary Housing Programs and Partnerships

The City of Winnipeg shall:

- Explore and pursue opportunities to participate in or lever existing and future federal and provincial programs and funding, including:
 - Federal programs, such as RRAP and other programs offered by the Canada Mortgage and Housing Corporation (CMHC), along with the Canadian Home Builder’s Association (CHBA), the Federation of Canadian Municipalities (FCM), the Co-operative Housing Federation of Canada (CHFC), the Canadian Housing and Renewal Association (CHRA), and the forthcoming Urban Aboriginal Strategy.
 - Provincial programs, such as the Cooperative Housing Program (CHP) and the Complementary Assistance Program (CAP). (Please also see appended “Manitoba Housing - Summary of Funding & Grant Programs”.)
 - Other complementary federal and provincial community training, youth programs, etc.
- Work with other levels of government to direct portions of social assistance funding to housing support.
- Work with other levels of government in advocating for improved housing policies and services in support of marginalized individuals and groups, notably those who are at-risk and/or homeless.
- Partner with community agencies and other levels of government to provide advocacy support and services to build capacity in the community in such subjects as home selection, redevelopment, financing, ownership and maintenance.
- Partner with community agencies and other levels of government to promote and encourage training in basic building, property and neighbourhood maintenance to:
 - Enhance home maintenance.
 - Provide skills and options for (self-)employment in the renovations industry.

Financial Incentives and Tools

The City of Winnipeg shall:

- Encourage transfer of vacant properties to the City or community groups through aggressively enforcing by-laws and undertaking needed repair with charges levied to owners' property taxes.
- Continue the Home Renovation Tax Assistance (HRTA) program.
- Consider the implementation of the Transitional Neighbourhood Tax Investment program (copy appended).
- Develop and implement a Home Rehabilitation Tax Credit Program, based on a tax increment financing model.
- Provide assistance to develop Neighbourhood Housing Plans.
- Support a Housing Improvement Fund with a variety of mechanisms (e.g., venture capital fund, revolving loan fund, bridge financing fund, etc.) to, among others:
 - Convert renters to owners.
 - Assist in funding "sweat equity" downpayment programs.
 - Finance home renovation programs.
 - Fund housing renewal and replacement projects (capital costs only).
 - Act as a "land bank" or trust, within HIZs, to:
 - Acquire land.
 - Assemble land required for five-year plans.
 - Dispose of land through sale in accordance with five-year plans.
 - Make surplus land available to community groups.

Case Studies

There are numerous case studies that demonstrate other jurisdictions' successful and innovative experiences, some of which are examples of public-private partnerships and some of which represent some of the concepts and "tools" referred to above. Some are attached following as appendices.

1. Programs Offered by the City of Montreal Housing Department (overview)
2. Minneapolis Community Development Agency (MCDA) Housing Programs (overview)
3. City of Saint Paul Home Programs (overview)
4. CMHC Affordable Housing - VanCity Place for Youth
5. CMHC Affordable Housing - Home Ownership Made Easier (HOME)
6. MCDA Housing Programs - Recycling Vacant and Boarded Houses
7. Charlotte Mecklenburg Housing Partnership, Inc., Charlotte, North Carolina (from *The Role of Public-Private Partnerships in Producing Affordable Housing: Assessment of the U.S. Experience and Lessons for Canada*, CMHC, July 1998)
8. Housing Opportunities Partnership, Winnipeg, Manitoba (from *The Role of Public-Private Partnerships...*)
9. Pilot Neighbourhood Revitalization Hochelaga-Maisonneuve, Montréal, Québec (from *The Role of Public-Private Partnerships...*)
10. Neighbourhood Home Ownership Program, Saskatchewan Municipal Government - Housing Division

Other Documentation

11. Draft Mixed-Use Zoning By-Law, August 1998
12. Manitoba Housing - Summary of Funding & Grant Programs, October 1999
13. Draft Transitional Neighbourhood Tax Investment Program, October 1999