

Brief to the Winnipeg Housing Steering Committee

Recommendations for an
Affordable Housing Strategy
for the City of Winnipeg

July 2012



Right
to Housing

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Introduction

*Housing is a cornerstone of healthy communities and of a strong city;
it is a basic need and is central to our quality of life.*

This is a statement from the City of Winnipeg's approved OurWinnipeg, the blueprint that will guide the development of our city over the next 25 years. The Right to Housing Coalition also recognizes the importance of housing in our city. We are a Winnipeg-based coalition of individuals and 50 organizations that advocates for affordable housing especially for low-income households. The Coalition lobbies all three levels of government to address the housing problem and recommends program and policy solutions that would help to increase the supply of quality, affordable housing.

Right to Housing believes that safe, decent housing is critical for people to effectively participate in the social and economic life of the community and that the lack of affordable housing is costly to individuals, communities, the economy and government. Like Right to Housing, business organizations recognize that inadequate housing is a social and economic issue that results in increased health, justice and social service costs. They also recognize that lack of affordable housing impacts business as it affects an employer's ability to attract and retain a qualified workforce.

In its March 2010 position paper presented to the Winnipeg Housing Steering Committee, the Right to Housing Coalition advocated for an expanded role for the City of Winnipeg regarding affordable rental housing and called for the development and implementation of an affordable rental housing strategy. In 2012 the Right to Coalition welcomed the City's decision to revise the mandate of the Winnipeg Housing Steering Committee to work with the Federal and Provincial governments and representatives of the private and nonprofit sectors, to develop an affordable housing strategy for Winnipeg.

The Coalition was pleased to participate in the recent consultation to revise the City's Housing Policy. We have been told by City staff and by the consultant from MNP LLP that revisiting the policy is the first step in developing an affordable housing strategy. We are optimistic that a new housing policy will focus on creating more affordable housing city-wide.

Rental Housing in Winnipeg

Too many citizens of Winnipeg are struggling to find decent, affordable housing. The situation is particularly acute for Winnipeggers wishing to rent. The vacancy rate in Winnipeg in October 2011 was 1.1%, the second lowest among cities in Canada.¹ The number of rental units has declined in 15 of the past 18 years. Since 1992, Winnipeg's rental universe has declined from 57,279 units to 52,319 in 2010 a decline of about 9 percent.² At the same time, the population of Winnipeg has increased from 627,400 to 682,100 an increase of 8.7%.³

The 2010 Rental Market Report by Canada Mortgage and Housing Corporation links the decline in rental property availability to Winnipeg's increasing population, especially from international immigration coupled with a loss of rental units from demolition or conversion into condominiums or owner-occupied dwellings.

¹ CMHC 2011, Fall Rental Market Report

² CMHA 2011. Rental Market Report

³ City of Winnipeg. March 16, 2012

A recent study on homelessness in Winnipeg by the Social Planning Council of Winnipeg reported that 28,000 Winnipeggers live in core housing need (housing that is not adequate, affordable and/or suitable). On any given night in Winnipeg in 2011 between 700 – 1000 people stayed in single room occupancy hotels with 1400 people staying with friends, family or acquaintances without the protection of a lease. 353 people stayed in an emergency shelter.

Rents continue to increase each year, much faster than household incomes. Although the Residential Tenancies Board has prescribed rent increases of one to two percent each year, in actuality rents have increased by three to five percent each year over the last 10 or so years.⁴ In the inner city, rents increased by about 39 percent between 2000 and 2010.⁵ Today, an average two-bedroom costs \$901 per month (CMHC 2012), which requires an annual income of \$36,040 - an income not reached by thousands of Winnipeg households.⁶

The City of Winnipeg, as the Community Entity for the federal Homelessness Partnering Strategy, will have increased involvement in tackling the housing and homelessness problem in the city. Part of the solution will be to address the critical shortage of rental housing.

OurWinnipeg highlights the challenges of a growing city and the opportunity to capitalize on growth while making sure our city stays livable, affordable and desirable. The Complete Communities Direction Strategy calls for housing options that accommodate a range of incomes and household types for all stages of life. An affordable rental housing strategy an implementation plan will play an important part in the success of the City's planning blueprints.⁷

Components of an Affordable Rental Housing Strategy

Winnipeg is not alone in having housing challenges. Many cities in Canada have developed affordable housing strategies and action plans. These strategies and plans have common elements:

- . **Fiscal actions** designed to improve the economics of housing production. This could include the use of municipal assets such as banked land or financial incentives to leverage funds from other sources to expand the supply of affordable housing
- . **Planning measures** that identify suitable affordable housing sites in neighbourhood planning processes and ensure an “affordable housing lens” is used when considering city planning and programs
- . **Zoning/regulatory actions** to encourage an increase in the supply of housing including by-law changes that would minimize the impact of NIMBY on the development of higher density, affordable rentals.
- . **Approval process measures** such as fast tracking affordable housing projects and providing staff assistance throughout the process

⁴ Grant, H. (2011). *An Analysis of Manitoba's Rent Regulation Program and the Impact on the Rental Housing Market*. Province of Manitoba

⁵ Dyck, H. (2011). Increase in rental rates 2000-2011. *Name This Paper!* 1(1): 3

⁶ CMHC. (2012, Spring). *Rental Market Report: Manitoba Highlights*. Ottawa: CMHC.

⁷ The Right to Housing Coalition recognizes that affordable home **ownership** is an important element in a healthy housing market and that the City needs to include ownership measures in its affordable housing strategy. The comments and recommendations in this brief mainly relate to rental housing as the Coalition has prioritized this area in its recent work.

- . **Rental housing loss prevention measures** including demolition policies, regulation of condo conversions, replacement policies for loss of rental housing stock and standards of maintenance bylaws.
- . **Education and advocacy** designed to build community awareness and support for affordable housing and to advocate for solutions to respond to needs that are not currently being met through existing government programs.

Right to Housing Coalition Recommendations

The Coalition recommends that that the Mayor and Council adopt a comprehensive city-wide affordable housing strategy and action plan by March 31, 2013 that include:

1. an incentive package for purpose-built rental housing that has a range of measures such as financial and land grants, tax rebates, increased density, expedited permit processing and waiver of development fees
2. a specific plan to work with the Province of Manitoba regarding the new units of affordable housing that will be developed in Winnipeg as a result of the Province's commitment to build 2500 units of affordable housing in Manitoba over the next four years.
3. removal of barriers in procedures and processes that impede the development of affordable housing including the complicated permit process for small developers and the community committee process which allows a small number of people to prevent the development of rental housing (both affordable and market housing).
4. inclusionary zoning regulations
5. regulating conversions of rental properties to condominiums
6. increasing in the inspection and enforcement of property standards and codes for rental property
7. the Mayor signing on as a charter member of the Canadian Rental Housing Coalition
8. the City formally advocating for increased federal involvement in affordable housing
9. the City mounting a public education and engagement campaign regarding the benefits of affordable housing
10. the City allocating sufficient funding and personnel to carry out its increased housing work both through a separate housing agency like the Winnipeg Housing and Rehabilitation Corporation and through prioritizing affordable housing development with permit and planning staff.

The Coalition also recommends that the strategy and action plan be developed in collaboration with other levels of government, non-profit and market housing developers, housing advocates and housing providers. A solid process will foster beneficial working relationships, support for the strategy and cooperation in the action plan implementation.

Conclusion

While other levels of government play major roles in funding housing initiatives and in social housing development, municipalities can create policies, use planning tools and economic incentives to encourage housing development. The Right to Housing Coalition believes it is critical that the City of Winnipeg implement an affordable housing strategy on an urgent basis. Affordable rental housing will play a significant role in fostering sustainable and complete communities in Winnipeg.

***Right to Housing Coalition
July 2012***

Appendices

- . Right to Housing Coalition Position Paper “Creating Rental Housing – A Role for the City of Winnipeg”. March 2010
- . Examples of affordable housing measures used in other Canadian Cities
- . Federal Brief
- . Winnipeg and Manitoba Housing Data, Canadian Centre for Policy Alternatives Manitoba