

WINNIPEG

20/20

A CLEAR VISION FOR
WINNIPEG

2010 Alternative Municipal Budget



CCPA
CANADIAN CENTRE
for POLICY ALTERNATIVES
MANITOBA OFFICE

Contributors

Kirsten Bernas, Canadian CED Network–Manitoba

Andrew Dickens, Graduate Student of Economics, University of Toronto

Lynne Fernandez, Canadian Centre for Policy Alternatives–Manitoba

Mara Fridell, Concerned Citizen

Erin Huck, Master's of City Planning Candidate, University of Manitoba

Ian Hudson, Department of Economics, University of Manitoba

Mark Hudson, Department of Sociology, University of Manitoba

Karin Kliewer, Canadian CED Network–Manitoba

Dennis Lewycky, Concerned Citizen

Shauna MacKinnon, Canadian Centre for Policy Alternatives–Manitoba

Ali Millar, Student of Economics, University of Winnipeg

Vicky Reaney, Master's of City Planning Candidate, University of Manitoba

Brendan Reimer, Regional Coordinator, Canadian CED Network–Manitoba

Table of Contents

ii	Executive Summary
1	An Alternative Municipal Budget
3	Introduction to the Budget
5	Alternative Budget 2010: Revenue
13	Alternative Budget 2010: Expenditure
17	I. Planning
22	II. Housing
27	III. Community Economic Development
30	IV. Poverty Reduction
32	V. Transit
36	VI. Policing
39	VII. Food Security
41	VIII. City Recreation
47	Works Cited

List of Tables & Figures

2	Table 1: Alternative Municipal Budget, 2010
4	Table 2: City of Winnipeg Revenue, 2010 Preliminary Operating Budget
6	Table 3: City of Winnipeg 2009–2010 Revenue
7	Table 4: Western Canadian Cities: Non-Residential Property Tax as a Per Cent of Total Taxes, 2009
8	Table 5: Western Canadian Cities, Municipal Tax Comparison, 2009
9	Table 6: Assess property taxes for \$100,000 home 2005
	Table 7: Population Density in Canada
11	Table 8: Winnipeg Water rates 2006–2008
12	Table 9: Revenue Comparison, City Budgets vs. Alternative Budget
13	Table 10: City of Winnipeg Operating Budget Expenditures 2001-2010
14	Table 11: City of Winnipeg Operating Budget Expenditures 2001-2010, adjusted for inflation
	Table 12: 2010 Alternative Budget Expenditure vs. City of Winnipeg Operating Budget
15	Table 13: 2010 Alternative Budget Expenditures vs. City of Winnipeg Operating Budget, adjusted for inflation
16	Table 14: Alternative Municipal Budget Operating Expenditures Changes, 2010
33	Figure 1: Transit Operating Costs/Passenger, 2008
34	Figure 2: Regular Transit Passengers per Capita, 2008

Executive Summary

The Canadian Centre for Policy Alternatives–Manitoba is pleased to present its 2010 Alternative Municipal Budget titled **20/20: A Clear Vision for Winnipeg**. This budget shows how to fiscally balance a budget while meeting the needs *and* dreams of Winnipeggers.

CCPA–Mb. has once again relied on the assistance of community authorities on transit, planning, housing, food security, community economic development and policing to craft a budget that challenges the status quo. Our budget takes the wisdom from the *Call to Action* surveys and molds that wisdom into doable policies that will move Winnipeg into the 21st century.

Budgets are about more than spending money; they also have to raise money. The 20/20 budget does so honestly and responsibly. We recognize the structural problems in the 2010 City Operating Budget which is only balanced because of non-sustainable transfers from City assets, tax increases that are not identified as tax increases, and hikes in emergency medical fees. The Alternative Budget does collect more tax revenue, but it does so in ways that internalize the cost of our actions on the environment. For example, we:

- Implement a tax on plastic bags that will realize \$16.5 million in revenues;
- Charge a fee on new housing development that will discourage urban sprawl while it raises more than \$22 million;
- Introduce a tax on parking spaces outside the city centre to encourage use of public transit and downtown shopping. This tax will raise \$9 million;
- Reverse the irresponsible transfer of funds

from City assets totaling \$11.5M and cancel the \$2.6M increase in the Emergency Medical Fees;

- Explain to Winnipeggers why the decade-long property tax freeze cannot continue and why the Mayor's plan to eliminate the business tax does not make sense.

Our increase in revenues then allows us to spend in ways that will make Winnipeg greener, more equitable and a leader in urban design. We will:

- Increase spending by \$18 million in the Planning Department. New initiatives include green housing revitalization grants; formation of neighbourhood councils; an affordable housing trust fund; and a heritage and accessibility start-up fund;
- Introduce more community safety coordinators to work with the Winnipeg Police Department;
- Improve inner-city recreation programs and facilities and introduce a food security program. We will also increase resources to fight Dutch elm disease;
- Finish Bus Rapid Transit, phases I and II as soon as possible;
- Increase spending on the Municipal Aboriginal Pathways;
- Introduce a living wage policy and an equity lens.

Our budget is bold, clear and honest. It presents a vision that Winnipeggers will identify with, it matches rational policy with the desires expressed in the *Call to Action* report, it explains in clear language where resources come from, and justifies revenue increases in terms all Winnipeggers can appreciate.

20/20: A Clear Vision for Winnipeg

An Alternative Municipal Budget

This year Winnipeggers will go to the municipal polls. We hope that our Alternative Budget will enlighten voters as to existing conditions, to contemplate alternatives to the “same old” way of doing things and to see how to make our vision a reality.

This year’s Alternative Municipal Budget has a clear vision of Winnipeg as a community of healthy, active people enjoying enriched public places. In this vision, we’re known not just for driving everywhere and surviving our long winters, but for embracing our climate and our geography. We’re known for growing our own vegetables, herbs and fruits in the summer months in our yards, in our reclaimed front streets and on parking lot facades, and in shared greenhouses in the winter months. We’re known for internalizing (making ourselves accountable for) the costs of using our environment and resources, for respectfully sharing and tending publically and privately-owned land, air, and water. We’re known for building, greening-up, and modifying buildings and streets to direct *human* needs and loves (rather than to the old-school demands of cars). We’re known for reducing inequities and promoting community values.

And just as a little spring sun and warmth can bring us out of our houses into the fresh air and human contact, that humanization of our streets, buildings, waterways and iceways will get us out into a public city that welcomes, invigorates and comforts us. We get there by boating and skating our rivers, and enjoying a late-afternoon beer together on parked river barges. We hold mid-winter lantern-lit cross-country ski parades with our kids. We teach our children and ourselves to snowboard down municipal hills we’ve made. We honour the traditions of Winnipeg’s First Peoples, who remind us of our reliance on the land and water that surround us. We publicly celebrate the quirky, secretly-skilled, sorrow-savvy and fun-loving heart of a people who came together to live on an often cold, sometimes hot plain at the convergence of two unruly rivers as they follow their ancient paths to an inland sea.

Where did we get this image of Winnipeg? This image came from Winnipeggers themselves. In the OurWinnipeg project, we found insights that resonate with a rising consciousness of path-breaking community designs practiced around the world. Winnipeggers have proposed innovative development ideas toward sound social, political, and economic development. We respect and bring some of these insights to our alternative planning budget, specifying the strong, community-accountable planning supports necessary to help our city develop healthy,

sociable, dynamic, stress-reducing, and beautiful ways to live.

This alternative budget liberates the wealth of innovation nestled within the *Call to Action* report, part of Our Winnipeg project. This report is the result of extensive consultations by the City with individuals and community groups, and provides insights into how Winnipeggers want our city to evolve. Our budget also further develops last year’s *Community First – An Alternative Municipal Budget for Winnipeg, 2009*.

Many of the values and aspirations that came through in the *Call to Action* document are found in the 2009 CCPA Alternative Municipal Budget. Those values include:

- A commitment to community
- The belief that growing economic inequality is unacceptable
- The understanding that modern cities must reverse environmentally unsustainable growth patterns

This year’s alternative budget builds on these values and shows us how to move from our collective vision to coherent action. It cannot be as in-depth as the actual budget, but it does provide a detailed fiscal framework. Our budget shows how we can expand some of the more important spending categories, such as Transit, Policing, Recreation, Housing and Planning.

Key budget figures are presented in Table 1. They are detailed throughout the document. For example, when compared with the City of Winnipeg’s adopted budget, the Alternative Budget spends significantly more on housing, poverty reduction, community development and recreation. We also take a much more aggressive stance on Rapid Transit in order to complete the South West corridor as soon as possible and in a fiscally responsible way.

The Alternative Budget is balanced in more than one way. Not only do revenues equal expenditures, but we raise revenues in a responsible and transparent way. We are upfront about our tax increases, whereas the City raises taxes by increasing lower-profile taxes like the frontage levy and natural gas tax. More than half of the \$30 million increase in revenue in the City’s budget comes from increases to the natural gas tax, frontage levy and electricity tax.

More than half of the \$30 million increase in revenue in the City’s budget comes from increases to the natural gas tax, frontage levy and electricity tax.

Our taxes/fees are also socially and environmentally responsible as opposed to the City’s increase in emergency medical fees which penalizes those who have a medical emergency and puts low-income Winnipeggers at risk.

Table 1: Alternative Municipal Budget, 2010

Revenue in millions of dollars		Expenditure in millions of dollars	
Property tax	435.5	Public works	206.2
Business tax	58.2	Transit subsidy	55.8
Frontage levy and other tax	111.9	Property, Development, Planning, Permits and Buildings	56.8
Government grants	102.8	Police and Fire Paramedic services	328.5
Regulations and fees	35.4	Community services	111.2
Sales of goods and services	73.5	Organizational support	64.5
Interest	10.1	Grants, Appeals and other corporate costs	16.3
Transfers from other funds	29.0	City Clerks, City Council, Mayor’s Office, Museums, EWPC Secretariat, Audit	17.7
Other	0.7		
Total	857	Total	857

Alternative Municipal Budget

Introduction to the Budget

The municipal budget consists of two sub-budgets: the operating budget and the capital budget. The operating budget funds the City's day-to-day costs, including salaries and benefits, heating and lighting, bus fuel and payment of services. The capital budget funds big-ticket items like roads, bridges, buildings, water-treatment plants and equipment such as buses.

Both budgets have revenues and expenditures. The operating budget's revenues come mostly from property taxes (almost 53%), but also from—in order of significance—grants from other levels of government (12.6%); sales of goods and services (9.3%); frontage levy and other taxation (7.7%); business tax (7.1%); transfers from other funds (5%); licenses, fines and fees (4.3%); and, interest and other (1.3%).

The capital budget relies on financing, in various forms, to raise its money. The debt servicing costs from the capital budget end up being expenditures on the operating budget, so there is some interaction between the two budgets. Unfortunately, the capital budget is also increasingly reliant on public-private partnerships (P3s) to repair/build Winnipeg's infrastructure, a trend the Alternative Budget rejects in favour of keeping our public assets in public hands.

This Alternative Budget deals with the operating budget, although we do make reference to a couple of capital budget expenditures (in the Transit and Community Services sections). The interest that accrues from our new capital-budget expenditures is reflected in this operating budget, as explained in both of these sections.

Winnipeg taxes

Both the residential property tax and the business tax have been the focal point of much discussion. Property taxes are levied against all residential and non-residential properties on the basis of the assessed value of the property. The business tax is based on the annual rental value of business premises. It is levied so that those businesses that do not own property have to pay some sort of tax. Three years ago the business tax was lowered from 9.5% to 7.5%, and has remained the same.

Property taxes have been frozen over the last decade so that they haven't kept pace with inflation. This freeze—combined with population growth, urban sprawl and crumbling infrastructure—means that our spending needs are not being met with existing revenues. This situation is in danger of escalating should the Mayor put into action his plan to *eliminate* the business tax, cutting \$57 million from city coffers.

Trends in Winnipeg revenue

Table 2 (next page) provides trends in revenue for the Winnipeg operating budget over the last 9 years.

The top part of the table show us that in nominal terms (not adjusted for inflation), revenue from all sources increased by more than 25% over 9 years. However, the bottom half of the table adjusts all the amounts for inflation and we see that in real terms, the increase was much lower at 7.5%.

The table demonstrates that property taxes have shrunk almost 4% in real terms, and the busi-

ness tax has gone down almost 18%. The table also shows where the growth in revenues is coming from. Other taxes, such as the frontage levy and the tax on electricity and natural gas have increased dramatically since 2001 at 185%. Regulations and fees have also increased by 68%, and Sales of Goods and Services 55%.

The increase in fees and goods and services may not have a net-negative effect if the fee is for a non-essential service and especially if it discourages counter-productive activities like

dumping garbage or wasting water. However the majority of increased revenue from the sale of goods and services comes from higher Emergency Medical Fees, discouraging people from seeking needed medical treatment. This type of fee increase is especially onerous to low-income people.

The Alternative Budget reduces this unfair fee increase and introduces much more rational policies to raise the revenues we need.

Table 2: City of Winnipeg Revenue, 2010 Preliminary Operating Budget

	2001 Actual	2009 Adopted	% change	2010 Budget	% change 2001-2010
Nominal \$ millions					
Property Tax	384	429	11.7	431.1	12.3
Business Tax	60	57	-5.0	57.6	-4.0
Other Tax	19	46	142.1	63.2	232.6
Government Grants	73	102	39.7	102.8	40.8
Regulations and Fees	18	37	105.6	35.4	96.7
Sales of Goods and Services	42	73.8	75.7	76.1	81.2
Interest	14	9.7	-30.7	10.8	-22.9
Transfers from other Funds	40	33	-17.5	40.6	1.5
Other	1	1	0.0	0.0	-100.0
Total	651	788.5	21.0	817.6	25.6
Real (2008) \$ millions					
Property Tax	441.9	426.9	-3.4	424.7	-3.9
Business Tax	69.0	56.7	-17.9	56.7	-17.8
Other Tax	21.9	45.8	109.3	62.3	184.8
Government Grants	84.0	101.5	20.8	101.3	20.6
Regulations and Fees	20.7	36.8	77.7	34.9	68.4
Sales of Goods and Services	48.3	73.4	51.9	75.0	55.1
Interest	16.1	9.7	-40.0	10.6	-34.0
Transfers from other Funds	46.0	32.8	-28.7	40.0	-13.1
Other	1.2	1.0	-13.5	0.0	-100.0
Total	749.1	784.6	4.7	805.5	7.5
Real Total per Person	1176.04	1160.47	-1.1	1182.67	0.6
Winnipeg Pop	637000	674800	5.9	681100	0.0
Winnipeg CMA Pop	690000	732600	6.2		

CPI 2001 = 86.9; 2007=97.6; 2008=100; 2009=100.5; 2010=101.5

2010 CPI estimate of 1%. Estimate from Destination Winnipeg 1.8%, Stats Can first six months -0.5

Population data from Conference Board of Canada

Alternative Municipal Budget

Alternative Budget 2010: Revenue

The City's Finances

This year provided a classic example in the difficulty of relying on property taxes (and the business tax, which is levied on the rental value of the property) as the main source of city revenue. Unlike income or sales taxes, the tax base (the economic activity on which the tax is levied) for property taxes, does not increase over time. When the economy expands over time, revenue that governments can collect through income and sales taxes increases even when the tax rate (the percentage of income or sales that is taxed) stays the same. This does not happen with property taxes. The tax base from property taxes only increases when either new properties are built or the value of property goes up with a reassessment of property values. So, in between assessment years revenue can only increase with a change in property tax rates.

City Hall refused to increase property tax rates, touting the decade long freeze as one of its major political accomplishments. But this budget year the city did reassess the value of property in the city. Appreciating market prices caused property assessments to increase dramatically, meaning that even if there had been no change in the property tax rate Winnipeggers would have seen their municipal taxes increase. Rather than take this politically unpopular step, the City decreased the tax rate to make up for the higher value of properties, leaving homeowners' total property tax payment unchanged.

The problem with property taxes as a way of funding city services is that in between assessments it barely grows at all. Then, with a reassessment, taxes will skyrocket, which politicians are reluctant to let happen. The result of decreasing the tax rate can be seen in Table 3 (next page). The real value (adjusted for in-

flation) of both property and business taxes are falling this year. This places the city in a financial straightjacket of its own making. Other cities in Western Canada have increased their tax rates over time to pay for more city services (see following section).

The refusal to raise property taxes places the City in an awkward position. On one hand it complains that it is facing a massive infrastructure deficit. It is also continuously arguing that it should be receiving more money from the province. Yet, many of its revenue problems are the result of deliberate public policy. By refusing small yearly property tax rate increases, the City has given up revenue that could have paid for much needed public spending. By setting a nominal freeze on property taxes, the purchasing power (what the city can buy in terms of services) of that tax revenue will fall over time because of inflation.

While property taxation revenue has decreased significantly over the years as a source of City revenue, there has been a significant increase in the frontage levy and other taxes to mitigate lost revenue. More than half of the \$30-million increase in projected revenue for this year's Operating Budget comes from increases to the electricity tax, frontage levy and natural gas tax. The semblance of a property tax freeze is only made possible with less transparent tax increases to pick-up the slack of fiscal irresponsibility. Political rhetoric and budgetary wizardry are useful means to secure voter confidence, but at the end of the day, Winnipeg business is hardly more competitive and the average citizen is no better-off.

The other big change in the budget is the increase in the sales of goods and services. There is nothing inherently wrong with charging more

for services where there is a public policy benefit. For example, increasing the dumping fee for using City garbage dumps makes sense in terms of reducing waste. On the other hand, increasing the charge for emergency medical services by \$2.6 million—the largest part of the total increase in this category—seems to punish those who suffer medical misfortune. While taxation revenue has decreased significantly as a source of City revenue, charges for goods and services have increased.

Revenue growth must possess a long-term time horizon and should not work counter to the social interest of Winnipeg’s citizens. The Alternative Municipal Budget presents public policy that is sustainable, socially beneficial and balanced.

Despite its claim of a balanced budget, the City’s spending is greater than its revenue. As a result it had to transfer \$11.5 million from the General Revenue Fund (\$5.2 million) and sell off city assets in the Land Reserve Fund (\$6.3 million). These transfers show that the City has a structural budget problem. Financing yearly deficits by selling off assets is not a viable long term budget strategy.

Financing yearly deficits by selling off assets is not a viable long term budget strategy

This year’s budget uses a lot of smoke and mirrors. The Mayor claims that there is no increase in property taxes, yet frontage levy fees—a little talked-about component of the total prop-

Table 3: City of Winnipeg 2009–2010 Revenue

	2009 Adopted	2010 Adopted	% change
Nominal \$ millions			
Property Tax	428.7	431.1	0.6
Business Tax	57.6	57.6	0.0
Frontage Levy and other tax	46.1	63.2	37.1
Government Grants	101.7	102.8	1.1
Regulations and Fees	37.3	35.4	-5.1
Sales of Goods and Services	72.6	76.1	4.9
Interest	9.3	10.1	8.7
Transfers from other Funds	32.9	40.5	23.1
Other	1.0	0.7	-28.9
Total	787.2	817.6	3.9
Real \$ millions			
Property Tax	426.6	424.7	-0.4
Business Tax	57.3	56.7	-1.0
Other Tax	45.9	62.3	35.7
Government Grants	101.2	101.2	0.1
Regulations and Fees	37.1	34.9	-6.0
Sales of Goods and Services	72.2	75.0	3.9
Interest	9.3	10.0	7.6
Transfers from other Funds	32.8	39.9	21.9
Other	1.0	0.7	-29.6
Total	783.2	805.5	2.8
Real Total Per Person	1160.7	1182.7	1.9
Est. inflation rate 2010	1.0		

erty tax bill—have increased. The Mayor claims that the budget is balanced, yet revenues are less than expenses. It would be a vast improvement if the city’s budget was both more honest and more structurally sound.

The Alternative Budget is clear, easy to understand and is structurally balanced.

The Alternative Municipal Budget’s revenue proposals allow for a balanced budget that protects and expands core services. It does so without hiding where revenues are coming from or by dipping into the City’s pool of assets.

The Alternative Budget is clear, easy to understand and is structurally balanced. The policies reverse measures that have eroded the City’s revenue position, address the problem of the lack of growth inherent in property taxes, and discourage urban sprawl. Second, to the degree that the Alternative Municipal Budget relies on fees, it imposes fees that will serve to contain future City spending and create a more environmentally efficient community.

Comparing Winnipeg’s Taxes

Business tax

For years now the Mayor has been arguing that we have to keep Winnipeg’s taxes low in order to compete with other Western Canadian cities. This section reviews the various ways municipalities collect taxes and compares them between Western Canadian cities.

One of the Mayor’s more controversial positions is his commitment to eliminating the business tax. The business tax is an additional property tax based on the annual rental value of business premises. Without this tax, only those businesses that owned property would pay municipal property tax.

The Mayor has pledged to eliminate the business tax over the long run. He has already reduced the rate from 9.5 percent to 7.5 percent. Elimination of the tax would remove \$57.6 mil-

lion from City revenues, a sum that would be extremely difficult to replace.

The Mayor argues that Winnipeg is less competitive than cities that do not have a business tax. He also claims that it is unfair because some businesses must pay both the business tax and the non-residential property tax.

In truth, Winnipeg does not overtax its business community compared to other Western Canadian Cities. Table 4 shows us the percentage of total municipal taxes levied on businesses in five cities. Winnipeg percentage is the 2nd lowest, with Edmonton’s, Calgary’s and Regina’s rates being higher.

There could well be an argument for eliminating the business tax in name, but there is clearly no sense in reducing the total amount of tax that businesses pay; Winnipeg is already competitive in that regard. If the business tax were eliminated, the non-residential commercial property tax should be increased to ensure no loss in revenue. This is precisely the change that Edmonton recently introduced.

Property tax

According to the 2010 City of Winnipeg Operating Budget, a survey of 14 Canadian cities showed that Winnipeg has the 3rd lowest residential property taxes. Only Calgary and Surrey have lower taxes; in both cases the difference is less than \$100.

According to the City’s Preliminary Operating Budget the cumulative change in the City’s property tax between 1999 and 2009 has been -6 per

Table 4: Western Canadian Cities: Non-Residential Property Tax as a Per Cent of Total Taxes, 2009

Winnipeg	35.2
Edmonton	39.6
Calgary	37.5
Regina	38.5
Saskatoon	32.0

cent. The City will argue this has made Winnipeg a more attractive destination for business and households, but at what expense? All other Western Canadian cities have experienced a significant increase, ranging between a 24 per cent cumulative increase in Regina to a 50 per cent cumulative increase in Edmonton. Winnipeg property tax cuts have reached a tipping point, and continued adherence to tax-adverse policy will ultimately sacrifice the City's ability to address the social and economic needs of Winnipeg's citizens.

The following table reveals that Winnipeg's residential property taxes as a percent of total taxes is in the middle when compared to other Western cities.

Winnipeg's residential taxes are not out of line with other Western Canadian cities. For a comparable house, Winnipeg has the second lowest municipal property taxes. Winnipeggers pay the lowest combination of taxes and utilities.

It is not clear that Winnipeggers share the Mayor's fondness for frozen tax rates. The City's website has the results of polling by Probe Research done in March, 2010. Only 4% of those polled considered taxes and tax reform to be the most important issue facing our city today. Healthcare, poverty, jobs/economy, infrastructure and crime polled significantly higher.

Winnipeggers understand that tax rates have to at least reflect increases in inflation so that we have the revenue to improve our city.

The following section outlines rational tax policy to raise the revenue we need.

Sound Policies for Reliable Revenue

1) *Establishing a Provincial Capital Region*

The growth of areas outside the boundaries of the City of Winnipeg, but within commuting distance, is a problem for the City for a number of reasons. First, in terms of the City's ability to generate tax revenue, the presence of lower property-tax jurisdictions within easy commuting distance limits the amount of property-tax revenue available to the City. This occurs both because people will build new properties in the low-tax region and then commute into Winnipeg to work, and—because the City is under pressure to be tax competitive—the lower tax area limits the City's ability to raise property-tax rates within the City. Second, it creates urban sprawl as people relocate from the City to exurban areas. Third, it increases commuter pressure on infrastructure and generates large environmental costs including increased greenhouse-gas emissions.

Table 5: Western Canadian Cities, Municipal Tax Comparison, 2009

	Population ¹	Municipal Property Tax- Single Detached House ²	Municipal Property Tax & Utility Charges- Single Detached House (dollars) ³	Total Municipal Property & Business Tax per person	Residential Property Tax as a Percent of Total Taxes	Non-Residential Property Tax as a Percent of Total Taxes
Winnipeg	674,800	1,274	2,668	1,366	58.7	35.2
Edmonton	782,439	1,434	3,427	1,462	54.9	39.6
Calgary	1,066,000	989	2,687	1,570	50.8	37.5
Regina	208,000	1,309	3,045	1,243	61.5	38.5
Saskatoon	217,800	1,502	3,197	1,215	68.0	32.0

Source: City of Edmonton 2009 Residential Property Taxes & Utility Charges Survey

1. Actual or estimated population for 2009

2. Property tax excludes school taxes and is net of homeowner grants or credits

3. Utility charges include power, water, sewage, land drainage, garbage collection as well as surcharges for water mains and sewer upgrading where applicable

University of Winnipeg professor Christopher Leo has compared the property taxes of Winnipeg and three of its bedroom communities. On a house with an assessed value of \$100,000, the difference in taxes between Winnipeg and three close bedroom communities is roughly \$1,000. The higher a house's assessed value, the larger the differential, creating a greater incentive to locate high value (and therefore high tax) properties outside the City (Table 6).

It should be no surprise that the growth rate in Winnipeg is lower than the growth rate outside the perimeter. Between 2001 and 2006 Winnipeg grew by 2.2 per cent, East St. Paul by 13.8, and Headingly by 42.9 per cent. People who work in Winnipeg and live outside the City are, in essence, free riders, regularly using municipal services, when they drive and work in the City, that they do not help pay for.

To correct for this problem the city needs to negotiate with the province to create a more unified provincial regional capital tax policy.

2) Property and Business Taxes

As noted above, the difficulty with property taxes is that the tax base does not increase automatically with economic growth. The property tax base grows only as new properties are constructed and as the assessed property value increases. This means that if property tax rates do not change, this source of revenue will grow very slowly. It also means that the real amount of property taxes paid by each homeowner will decline over time unless their property is reassessed.

Table 6: Assess property taxes for \$100,000 home 2005

Assessed value (\$)	100,000
Winnipeg	2,836
East St. Paul	1,814
MacDonald	1,760
Ritchot	1,798

Source: Canadian Taxpayers Federation, Winnipeg Capital Region Property Taxes and Utility Charges Survey

To freeze property and business tax payments, despite the increase in assessed values, this year the city decreased its property tax mill rate from 25.448 to 15.295 and its business tax rate from 7.75% to 6.39%.

Although adjusting for inflation for one year cannot undo the damage of 10 years of tax freezes, we begin to correct for the erosion of property tax. The 2010 Alternative Municipal Budget will index property and business taxes to the rate of inflation. This means that each property owner and business would see her or his taxes increase each year by the rate of inflation. Based on an estimated rate of inflation for 2010 of 1.0 per cent, this would increase the City's projected 2010 property tax revenue from \$431.1 to \$435.4 million. An identical increase in the business tax would increase revenue by \$0.6-million, from \$57.6 to \$58.2 million. The AMB leaves in the City's elimination of business tax for small businesses that was implemented this year.

Projected Revenue Change

Property Tax Increase	\$4.3 million
Business Tax Increase	\$0.6 million

Creating a Better Winnipeg Using Tax Policy

For a city with a relatively small population and modest population growth, Winnipeg is spread out over a very large area (see Table 7). This creates serious financial costs for the City government since it must provide roads, public transit, and sewage to all parts of the city. This

Table 7: Population Density in Canada

	People/sq km
Toronto	2650
Montreal	1850
Ottawa	1700
Vancouver	1650
Winnipeg	1400

sprawling development pattern is also an environmentally unsustainable, given the reliance of this dispersed population on the automobile for transportation. High population density, particularly in the core of the city, is crucial for a vibrant and healthy metropolitan community. Many of the spending items in the Alternative Municipal Budget will attempt to address this problem, but it can also be influenced by the following changes in the City's tax policy.

a) Urban Sprawl Tax

In slow growth cities such as Winnipeg, new subdivisions are developed at the expense of existing neighbourhoods and infrastructure. New developments also require extensive initial public infrastructure investment. A study in Albuquerque, New Mexico found that the infrastructure cost of one house in a new development was twenty-two times that of the same house in an existing neighbourhood (\$22,000 as opposed to \$1,000).

To encourage Winnipeggers to use the existing housing stock and build in existing neighbourhoods, a \$15,000 tax, which would amount to 5% of a new \$300,000 house, will be applied to new housing starts in Winnipeg. It will not apply to the replacement or renovation of existing homes. It will also not apply to new units on vacant lots in existing developments or designated areas close to Winnipeg's urban centre that have not yet been developed.

Between 2000 and 2006 Winnipeg averaged 1,500 new housing starts per year (EStat Table 027-0004). A \$15,000 charge on each of these new units would raise \$22.5 million.

Projected Revenue Change

Charge on new housing starts: \$22.5 million

b) Tax on Plastic Bags

Disposable plastic shopping bags litter the urban environment, clog up city landfills (where they do not readily bio-degrade), are difficult

Mexico City will soon prohibit stores from distributing plastic bags for free. Stores will have to sell plastic bags, but are also encouraged to offer reusable cloth bags for sale to their customers. Some stores have already replaced plastic bags with bags made of biodegradable material.

to recycle, present a danger to wildlife, and are made of petrochemicals (a non-renewable resource). Switching to reusable grocery bags is an easy way for the people of Winnipeg to make an important contribution to environmental sustainability.

Winnipeg's population is just over 650,000. If each Winnipegger uses five bags a week, 169-million plastic bags are used in the city each year. A ten-cent per bag tax would generate \$17 million. Since the prime motive behind this tax would be to eliminate the use of plastic bags, the revenue generated by this tax would be expected to decrease dramatically over time as people switch to reusable bags.

In order to encourage reusable bags in low income neighbourhoods where the impact of the tax will be most regressive, the city would contract with a local company to produce 100,000 cloth bags. At a price of \$5 per bag, this would cost \$500,000. These would be distributed at community organizations in the inner city.

Projected Revenue Change

Plastic bag net tax \$16.5 million

c) Suburban Parking Lot Tax

Large suburban retail developments with their accompanying expansive parking lots increase automobile commuting, expand urban sprawl, are visually unappealing, discourage more active forms of transportation and reduce the vi-

ability of more central retail locations. City Hall has done nothing to prevent these sprawling developments despite their harm. Even the Frontier Centre railed against the high societal costs imposed by free parking in suburban retail in a 2009 policy paper, “How Free is Your Parking?”

In order to reduce the amount of land dedicated solely to the parking of cars and to create a more level retail playing field between downtown and suburban retail, the AMB will impose a \$100 per parking spot tax on every ground level parking spot outside of the downtown area.

The city keeps no information on the amount of land dedicated to parking outside the downtown area so estimating the revenue from this tax is difficult. A 2004 study of Winnipeg retail by Brian Lorch found that there were 22 shopping centres (traditional malls) and power centres (big box stores linked by large parking lots like Unicity). As an example of the number of parking lots in one of the traditional malls, the St. Vital Centre boasts 4,400 parking spaces. If each of the 22 centres has a similar capacity this would mean that there are almost 97,000 parking spaces just in these retail areas. The \$100 tax per spot would then generate \$9,700,000. It is important to note that this is a considerable underestimation of the total revenue that would be generated by this tax since it only includes the 22 retail centres in the calculation and the tax would be levied on all shopping-centre, mall and power-centre parking spots outside the downtown.

Projected Revenue Change

Other Tax Revenue \$9.7 million

d) Flat Rate for Water Use

The City of Winnipeg’s Waterworks Department sets its rates using a three-tier declining block rate structure. Under this structure, the more water one uses, the less one pays for each unit of water. Table 8 shows the 2006-2008 water rates

(the volumes are recalculated ever three months). While the City increased its water and sewage rates by 11.6 per cent in 2007 and 13 per cent 2008, there was no attempt to eliminate the volume discount associated with the water rate.

This amounts to volume discounting and discourages rather than encourages water conservation. The City charges a flat rate (\$5.12 per hundred cubic feet) for sewage removal, which does not have this perverse incentive structure.

While Winnipeg is better than some other cities in Canada that charge a single fixed price per month no matter how much water is used, it could do much better. According to a recent study on water pricing by the University of Victoria’s Polis Project, other cities in North America, like Seattle, charge a three tier increasing rate for families that use more water. So the water bill increases not only because more water is used but also because more is charged per unit.

To create an incentive to conserve water, especially at high volumes, the AMB would change the 3 block system to a single rate (called a uniform block rate). This would result in a decrease in rates for small volume users and an increase in rates for high volume users. This is not as aggressive from a conservation standpoint as the increasing block rate used by Seattle, but would be an improvement on the current declining rate system.

Projected Revenue Change

\$0

Table 8: Winnipeg Water rates 2006–2008

	Per 100 cubic feet per quarter		
	2006 rate	2007 rate	2008 rate
Block 1 0–9,600	\$2.75	\$3.15	\$3.45
Block 2 9,601–96,000	\$2.27	\$2.67	\$2.97
Block 3 more than 96,000	\$1.79	\$2.19	\$2.49

e) Improving Accessibility to City Services

Projected Revenue Change

Eliminate the increase in Emergency Medical Fees	\$2.6
---	-------

f) Eliminating Draw down from City Assets

Projected Revenue Change

Eliminate General Revenue Transfer	\$5.2
Eliminate transfer from Land Reserve Fund	\$6.3

Table 9 shows the City's revenue changes between 2009-2010 next to the Alternative Budget's revenues. The top half of the table shows all figures in nominal terms (not adjusted for inflation); the bottom half of the table shows the same figures in 2008 dollars (adjusted for inflation).

Table 9: Revenue Comparison, City Budgets vs. Alternative Budget

Revenue	City Operating Budgets			Alternative Budget	
	2009 Budget	2010 Adopted	% change 2009-10	2010 Alternative	% change 2009 City-2010 Alt.
Nominal \$ millions					
Property Tax	428.7	431.1	0.6	435.4	1.6
Business Tax	57.6	57.6	0.0	58.2	1.0
Frontage Levy and other tax	46.1	63.2	37.1	111.9	142.7
Government Grants	101.7	102.8	1.1	102.8	1.1
Regulations and Fees	37.3	35.4	-5.1	35.4	-5.1
Sales of Goods and Services	72.6	76.1	4.9	73.5	1.4
Interest	9.3	10.1	8.7	10.1	8.7
Transfers from other Funds	32.9	40.5	23.1	29.0	-11.8
Other	1.0	0.7	-28.9	0.7	-28.9
Total	787.2	817.6	3.9	857.1	8.9
Real \$ millions					
Property Tax	426.6	424.7	-0.4	429.0	0.6
Business Tax	57.3	56.7	-1.0	57.3	0.0
Other Tax	45.9	62.3	35.7	110.2	140.3
Government Grants	101.2	101.2	0.1	101.2	0.1
Regulations and Fees	37.1	34.9	-6.0	34.9	-6.0
Sales of Goods and Services	72.2	75.0	3.9	72.5	0.4
Interest	9.3	10.0	7.6	10.0	7.6
Transfers from other Funds	32.8	39.9	21.9	28.6	-12.7
Other	1.0	0.7	-29.6	0.7	-29.6
Total	783.2	805.5	2.8	844.4	7.8
Real Total Per Person	1160.7	1182.7	1.9	1239.8	6.8
Real Total Per Person (CMA)	1055.4	1074.6	1.8		
City of Winnipeg Population	674800	681100	0.9		
CPI 2001 = 86.9, 2007=97.6, 2008=100, 2009=100.5, 2010=101.5					
Inflation rate 2010	1.0				

Alternative Municipal Budget

Alternative Budget 2010: Expenditure

Comparing City expenditures over the last nine years (Table 10) one might conclude that spending has increased significantly. However, once the figures have been adjusted for inflation (Table 11, next page) the 25% increase goes down

A spending increase of less than 1% is not going to deal with the severe social-housing shortage or lack of decent job training that confound many Winnipeggers.

to 8%. Some may still find 8% high, but one has to take population growth into consideration. Winnipeg's population has grown 6.9% in the past 9 years and when the real total/per capita expenditure is calculated, spending has increased by a paltry 0.6%.

It might seem logical to think that at least spending is keeping pace (albeit barely) with the increase in population, but Winnipeg is facing an

array of social issues that require immediate and extra attention. Many of the newcomers feeding the increase in population are migrants who need language training and skills upgrades; many others migrate from First Nations communities in search of a better life. The large and growing urban Aboriginal population is reeling from generations of colonialism and racism and requires special consideration from all levels of government. Finally, even long-time Winnipeg families—particularly those living in the inner city—are finding it harder to get by as wages stagnant and services are cut. A spending increase of less than 1% is not going to deal with the severe social-housing shortage or lack of decent job training that confound many Winnipeggers.

Not only does the Alternative Budget spend in areas that deal with these deep disparities, but it begins a bold plan to bring Winnipeg into the 21st century. Alternative Budget expenditures

Table 10: City of Winnipeg Operating Budget Expenditures 2001-2010. All figures in millions of dollars

Department	2001 Adopted City Budget	2010 Adopted City Budget	Percentage change between 2001-2010
Public works	193	206	7
Transit subsidy	30	43	44
Property Development, Planning , Permits and Buildings	38	39	2
Police and Fire Paramedics	205	327	60
Community services	74	103	40
Organizational support	50	64	26*
Corporate	51	17	-65*
City Clerks, City Council, Mayor's Office, Museums, Audit	10	17	77
Totals	651	819	25.6

*Departments may be organized differently in 2010 than in 2001: changes may not be 100% accurate.

will make Winnipeg greener, friendlier, efficient, modern and more attractive. Table 12 not only contrasts Alternative Budget expenditures with the City's actual budget, but it highlights differences in *where* money is spent. Table 13 (next page) adjusts these same data for inflation.

In inflation-adjusted terms, the City's spending increased by 2.6% between 2009 and 2010. The 2010 Alternative Budget spends 7.6% more than the 2009 City budget, 5% higher than the City's increase. The Alternative Budget's increase gives the City more adequate resources to deal with

Table 11: City of Winnipeg Operating Budget Expenditures 2001-2010, adjusted for inflation. All figures in 2008 millions of dollars¹

Department	2001 Adopted City Budget	2010 Adopted City Budget	Percentage change between 2001-2010
Public works	222	203	-8
Transit subsidy	34	42	23
Property Development, Planning , Permits and Buildings	44	38	-12
Police and Fire Paramedics	236	322	37
Community services	85	102	20
Organizational support	59	63	8*
Corporate	57	17	-70*
City Clerks, City Council, Mayor's Office, Museums, Audit	12	17	51
Totals	749	805	8
Real totals/person	1176	1183	0.6
	Winnipeg 2001 Population	Winnipeg 2010 Population	Percentage change
	637,000	681,100	7%

1. Percentages calculated prior to rounding. Numbers may not add due to rounding.

* Departments may have been organized differently in 2010 than in 2001: changes may not be 100% accurate. Population data from the Conference Board of Canada

Table 12: 2010 Alternative Budget Expenditure vs. City of Winnipeg Operating Budget. All figures in millions of dollars

Department	2010 Adopted City Budget	Percent change b/w 2010 City Budget & 2009 City Budget	2010 Alternative Municipal Budget	Percent change b/w 2010 AMB & 2009 City Budget
Public works	206.2	-.24%	206.2	-.24%
Transit subsidy	43.2	2.8%	55.8*	33%
Property Development, Planning , Permits and Buildings	38.8	-.5%	56.8	48%
Police & Fire Paramedics	327.6	6.2%	328.5	6.5%
Community services	103.5	4.6%	111.2**	12.4%
Organizational support	64.5	15.6%	64.5	15.6%
Corporate	16.2	-12%	16.3	-11.1%
City Clerks, City Council, Mayor's Office, Museums, Audit	17.7	-8.7%	17.7	-8.7%
Totals	817.7	3.6%	857	8.7%

* Rapid Transit Infrastructure Reserve Fund will benefit from transfer of \$5.415M/year over 5 years starting in 2011 due to cancellation of latest plan for the Chief Peguis Trail expansion. See details in text.

** Community services also benefits from increase of \$10M in Capital Budget spending. See details in text.

the increase in population. Whereas the City real per capita spending has increased by 1.9%, the Alternative Budget real per capita spending increases by 6.8%.

The Property, Development, Planning, Permits and Buildings department offers an example in how we spend differently than the City. The Al-

The Alternative Budget breathes new life into a Planning Department low in morale, with too few resources and staff. Our spending increases will allow city planners, not private developers, to fashion our future.

ternative Budget's spending, in real terms, is 46% higher than the City's 2009 Budget (this year, the City actually spent 1.5% less than it did in 2009). This department includes many key spending categories such as housing, neighbourhood revitalization and economic development. The Alternative Budget breathes new life into a Planning Department low in morale, with too few resources and staff. Our spending increases will allow city planners, not private developers, to fashion our future.

Our real increase in Transit is also significantly higher than the City's increase (31.5% vs. 1.8%). Our higher spending reflects our greater commitment to Rapid Transit. Although not reflected in the Operating Budget, the Alternative Budget also commits future gas-tax revenue from the federal government to the Rapid Transit Infrastructure Reserve Fund.

Our real spending increase in Community Services of 11.3% is also higher than the City's increase at 3.6%, as we direct much needed funds to communities' recreation needs, fighting Dutch elm disease, food security and revitalization the Municipal Aboriginal Pathway program. Our budget also dedicates \$10 million in capital funds for recreation and community clubs and the development of new recreation facilities in the inner city.

Expenditure for the 2010 Alternative Budget is 5% higher than for the 2010 Adopted City Budget.

The following sections explain how these spending increases will allow Winnipeg to become the city we all know it can be.

Table 13: 2010 Alternative Budget Expenditures vs. City of Winnipeg Operating Budget, adjusted for inflation. All figures in 2008 millions of dollars¹

Department	2010 Adopted City Budget	Percent change b/w 2010 City Budget & 2009 City Budget	2010 Alternative Municipal Budget	Percent change b/w 2010 AMB & 2009 City Budget
Public works	203.2	-1.2%	203.1	-1.2%
Transit subsidy	42.5	1.8%	54.9*	31.5%
Property Development, Planning , Permits and Buildings	38.2	-1.5%	56	46%
Police and Fire Paramedics	322.7	5.1%	322.6	5.4%
Community services	101.9	3.6%	109.6**	11.3%
Organizational support	63.5	14.4%	63.5	14.4%
Corporate	15.9	-12.8%	16.1	-12.0%
City Clerks, City Council, Mayor's Office, Museums, Audit	17.4	-9.6%	17.4	-9.6%
Totals	805.6	2.6%	844.0	7.6%

1. Percentages calculated prior to rounding. Numbers may not add due to rounding.

* Rapid Transit Infrastructure Reserve Fund will benefit from transfer of \$5.415M/year over 5 years starting in 2011 due to cancellation of the latest plan for the Chief Peguis Trail expansion. See details in text

** Community services also benefits from increase of \$10M in Capital Budget spending. See details in text.

Table 14: Alternative Municipal Budget Operating Expenditures Changes, 2010. All figures in millions of dollars

Transit Subsidy	
Capital Contribution to Rapid Transit Infrastructure Reserve	10.0
Increased Bus Operations	2.5
Low-income/student subsidy	.1
Total Transit Subsidy Increase	12.6
Planning, Property and Development	
City Planning: Planning and Infrastructure Economic Analysis Unit	1.0
City Planning: Hiring new staff (city planners)	2.0
Neighbourhood Revitalization: Neighbourhood council formation	1.0
Neighbourhood Revitalization: Green civic design education	1.0
Neighbourhood Revitalization: Green housing revitalization grants	2.0
Neighbourhood Revitalization: Green grants	1.5
Neighbourhood Revitalization: Restoration and repair	1.5
Neighbourhood Revitalization: Heritage and accessibility start-up fund	0.2
Neighbourhood Revitalization: Renters' confederation	0.3
Neighbourhood Revitalization: Housing—Affordable housing trust fund	5.3
Neighbourhood Revitalization: Housing—Increase Housing Investment Reserve Fund	1.0
Economic Development: Support to neighbourhood renewal corporations	0.4
Economic Development: CED purchasing initiative	0.3
Economic Development: CED employment initiative	0.5
Total Planning Property and Development Increases	18.0
Police and Fire Paramedic Services	
Community safety coordinators	0.5
Crime prevention, diversity relations and school resource	0.125
Youth inclusion program	0.225
Police advisory community relations board	0.08
Total Police and Fire Paramedic Services	0.93
Community Services	
Neighbourhood revitalization: Food security initiative	0.165
Neighbourhood revitalization: Municipal Aboriginal Pathway	1.0
Recreation: New program funding	4.5
Recreation: Debt servicing costs for new capital spending	1.0
Parks and Urban Forestry: Improve Dutch elm disease strategy	1.0
Total Community Services	7.7
Corporate	
Equity Lens	0.05
Living Wage Policy	0.1
Total Corporate	0.15
Total Expenditure Increase	39.4*

*May not add due to rounding

Alternative Municipal Budget

I. Planning

Six steps—One Goal: Sustainability

The CCPA alternative budget adheres to the public's expressed preferences for sustainable communities with planning agendas that incorporate six complementary, integrated steps:

Commuting responsibly

- By making it easy for people to work close to home, we reduce our carbon footprint and improve health by enabling people to use their own power to commute. Also, small-scale economic diversification provides more opportunities for developing skills, and more friendly business competition and communities, improving the exchange of ideas, and improving goods and services. Those who cannot live close to where they work should have access to efficient and affordable public transit (see transit section for details).

Mixing it up

- A variety of housing types allows residents with differing income and wealth to live and work together and share access to services. Sharing services ensures consistent, reliable, convenient, high-quality services, with stable, broad-based support, as cities such as Stockholm, Sweden have found over the years (see housing section for details).
- Mixed use corridors accessible to all: Enhance the usability of transit corridors by remaking them to invite, shelter and encourage human-powered traffic as well as public transit vehicles and traditional, big-oil era cars (see transit section for details).

Growing neighbourhoods

- Five-minute, sheltered walking distance: Walking and bicycling bridges, accommodations for strollers and other aids, and grid streets lined with sheltering and filtering trees and pocket parks make healthier, ecological human-powered transportation low-stress and enjoyable, and link people with services and work. People get to know their neighborhood and its businesses and services; their health and sense of connection and safety improve.

Going rural to enhance urban spaces

- Preservation of agricultural land and urban infrastructure, access to natural areas, food gardens and parks, as well as code reform to encourage individual and cooperative public gardening, perma-culture and homesteading: Individual and communal green spaces provide food, relaxation, recreation, exercise, ecological services and the boundaries that help us preserve the local agriculture we need to improve food security and autonomy. They connect residents with their natural and food systems, reducing stress and improving residents' environmental understanding and sense of well-being.

Working with nature for smarter infrastructure

- Lighter, greener, cheaper, smarter infrastructure: Integrating natural systems reduces infrastructure costs and environmental impact, and reduces human-induced stress. Natural systems include storm- and wastewater filtration, streams, rivers and riparian

assets, sun, geothermal and wind energy, the beautiful natural night sky, urban forests and urban prairie, wildlife, integrated pest management, and healthy earth.

Reducing inequity

- Attention to environmental issues must be accompanied by consideration of acceptable living standards for all. Many Winnipeggers experience a depth of poverty that is unacceptable and that will eventually erode any advances made in urban planning. Indeed, initiatives like urban gardens help fight obstacles such as food insecurity while helping protect the environment.

These six steps are integrated into our recommendations throughout the planning section.

New hiring policy

If we are going to transform our dreams of a better Winnipeg into reality, we need a well-staffed and resourced Planning Department. Our current department has atrophied to a point where its over-worked staff cannot keep abreast of the innovative ideas and it lacks the resources to operate efficiently.

To correct for typical market insensitivities to the broader requirements for crucial goods, services and relations, we require a City Planning Department staffed, accountable to, and driven by the prodigious experience, expertise, and ideas available right here in this city and its surrounding region. We are budgeting \$2 million in 2010 for new staff and resources in the planning department to work directly with communities and neighbourhoods on their development needs.

Summary of New Expenditures:

Hiring new staff:	\$2 million
-------------------	-------------

Activating Local Resources: Green City Public-Public Partnership

A strong city planning department should be directly accountable to Winnipeggers at the neighbourhood level, and it should draw on the rich resources of Winnipeg's public universities. We propose an ambitious Green City program which would form university/neighbourhood councils. The councils would include academics and representatives from Winnipeg's dynamic community development corporations (such as The North End Community Development Corporation) and neighbourhood associations (Spence Neighbourhood Association, for example).

Renewal corporations/neighbourhood associations do not exist throughout the city, so councils would be formed in those areas identified as having a stronger sense of community (St. Boniface; St. Norbert; St. James). In order to avoid having too many associations, the original 13 municipalities that existed before Winnipeg was unified would make a logical base on which to delineate boundaries for the various association chapters.

The councils would eventually disburse grants for neighbourhood initiatives to improve the liveability, walk-ability, security, human and environmental health benefits, amenities and completeness of Winnipeg neighbourhoods. These Green City neighborhood councils can be modeled on Minneapolis' neighbourhood councils, and would also include Community Economic Development (CED) representatives and Winnipeg Rental Network representatives on council, in order to ensure coordination with key communities.

Green City councils would conduct a green design literacy campaign by neighbourhood, provided by Winnipeg planning experts and designed in consultation with community members. For the first four years, new money budgeted will pay for forming and educating

Neighborhood Councils, helping them to work with planning professionals in the city and in the universities. The mandate is to develop an internship, consultation, research, and feeder program integrating and developing Winnipeg’s planning, community-accountability, and research capacities. These Planning Public-Public Partnerships will build the capacity of the planning department to exchange information with citizens, to coordinate mobilization campaigns, and to decide upon city coding and infrastructural investments in a public, planning expert-facilitated democratic format. It will also build on the capacity of the renewal corporations and neighbourhood associations to address green issues, and provide seed money for the new neighbourhood councils.

For 2010, we have budgeted \$1 million for the formation of Neighbourhood Councils, \$300,000 to increase the mandate and capacity of the Winnipeg Rental Network, and an additional \$1 million for a city-wide green civic design education program.

Summary of New Expenditure:

	\$2.3 million:
Neighbourhood council formation:	\$1 million
Renter’s Confederation:	\$300,000
Green civic design education:	\$1 million

Complementary Planning Priorities

Strengthening City-region Infrastructure: Advancing Winnipeggers’ Innovative Planning Agenda

There is strong recognition within OurWinnipeg that pressing environmental, economic, and social realities encourage us to look for innovative, democratic ways of making Winnipeg a liveable, affordable, and equitable city. In particular, Winnipeg can no longer grow exclusively, or even primarily outward. According to the feedback they provided in the SpeakUp

Winnipeg process, Winnipeggers are recognizing density as a core urban-design principle. Winnipeggers desire walkable, complete neighbourhoods, and an integrated, multi-modal system of transportation.

There is strong recognition within OurWinnipeg that pressing environmental, economic, and social realities encourage us to look for innovative, democratic ways of making Winnipeg a liveable, affordable, and equitable city.

There are a number of promising initiatives suggested by the City’s *Call to Action* document. They deserve immediate funding, and some of them are dependent on obtaining external grants. We would channel funding to the following initiatives:

Green Winnipeg

The city proposes a “Green Living” public education campaign, which is a laudable partial step. But experiences elsewhere around the world suggest that without the complement of hands-on experiential learning through action, civic education often fizzles out and is wasted; and without information, research feedback, and coordinated ideas, action is corruptible. Education and action should be simultaneous. We propose the following specific expenditures to integrate education and action:

Green Housing Revitalization grants

Green City neighbourhood council grants will go to green roof and green wall modifications, to greenhouse additions, homeowners who infill (convert to duplexes and build coach houses), and landlords who preserve historical architecture and renovate to LEED standards. Cities from Porto Alegre, Brazil to Freiburg, Germany

have built up such planning infrastructure to inspirational, community-enriching, ecological effect. Grants will also be available to multi-family, mixed- or low-income housing renovations that conform to LEED standards.

Summary of New Expenditures:

Housing Revitalization Grants: \$2 million

Greenspace and Public Gardening Space: Green City Modernization Grants

We introduce funding for a pilot round of greenspace naturalization projects that reintegrate the city with its natural environment, enhance biodiversity, and reduce maintenance costs. Experience with naturalization in other cities, such as Toronto, suggests that it is most successful in conjunction with public education concerning the goals of the project, and with community involvement in designing the naturalized space. The Green City neighborhood council grants as well as the invigorated Planning Department will coordinate public planning for greenspace.

Through the Green City neighborhood councils, the city will disburse grants and other incentives to individuals and community-based organizations exploring options for urban gardening and food production. These should include the development of community gardens, rooftop gardens, vertical gardens that embed planters on otherwise unattractive exterior parking lot and other building walls, farmers' markets, "lawns swaps," (systems which allow those with a desire to grow food, but without space to do it to connect with those willing to have gardens planted on all or a part of their yard), communal pocket greenhouses, residential street reclamation (for planting and riparian services), and school gardens. Property tax incentives can reward lawns swaps donators and households and businesses that convert their land and property to local, non-profit food generation and environment restoration services. This initiative

dovetails with the mandate of the food-security committee, another new initiative discussed later in this document.

Summary of New Expenditure:

Green Grants: \$1.5 million

Restoring Our Home

Funding for a pilot project of targeted restoration and repair of riverside parks and derelict downtown buildings, working in partnership with architecture and planning experts and students at the University of Manitoba, the University of Winnipeg, CMU and Menno Simons, as well as, at the implementation stage, the Red River Community College, Winnipeg Area High Schools, BUILD, and other job-training and trades-based skills development initiatives.

Summary of New Expenditure:

Restoration and Repair: \$1.5 million

Physical Heritage and Accessibility

Supporting our city's physical heritage and physical accessibility requires funding for an accessibility audit for City of Winnipeg buildings, with provisions for preserving heritage buildings and developing code that both permits accessibility and region-specific environmental and aesthetic goals for new construction. The Planning Department also needs to work with the City Council to revise antiquated and counterproductive city codes in order to facilitate green innovation through urban homesteading, urban gardening, passive solar retrofit and construction, geothermal retrofit and construction, infill and cooperative housing. Centre Venture, with its knowledge of Winnipeg's heritage buildings, should be considered as a partner in this venture.

Summary of New Expenditure:

Heritage & Accessibility start-up fund: \$200,000

Finally—as noted in our 2008 budget, several planning decisions have raised concerns that approvals are granted that benefit developers more than the average citizen. Approval of the Waverly West mega-development, expansion of the Chief Peguis Trail and the contract awarded

As noted in our 2008 budget, several planning decisions have raised concerns that approvals are granted that benefit developers more than the average citizen.

to Veolia for the upgrade of the waste-water treatment plants are examples. The constant flip-flopping and delays associated with the South West rapid transit corridor (see our section on Transit) are frustrating and only serve to boost the Mayor’s image for the short term as he faces re-election.

Winnipeggers have spoken clearly in SpeakUp Winnipeg about what kind of a city they want to see. To ensure that their desires are taken seriously, the Alternative Budget calls for the establishment of a new Planning and Infrastruc-

ture Economic Analysis Unit to undertake cost-benefit analyses of all new infrastructure spending, including those project that have been approved but not started.

This unit would provide the Mayor and Council with high-quality fact-based research on the social costs and benefits associated with major infrastructure projects. It would also examine the long-term implications for Winnipeg residents and businesses of important decisions such as where to live, locate and how to get around the city. These cost-benefit analyses will provide an *objective* basis for choosing between competing alternatives for capital funds.

Newly-hired city planners from our New Staffing Expenditure (above) will assume responsibility for this initiative and ensure its compliance with the other policies outlined in this budget.

Summary of New Expenditure:

Planning and Infrastructure	
Economic Analysis Unit:	\$1 million

Alternative Municipal Budget

II. Housing

Imagine a Winnipeg where all of us have a place to call home that is safe, affordable and in a neighbourhood of our choosing, regardless of whether we rent or own. Realizing such an inclusive vision will require a new way of governing. This new way requires that our municipal leaders take a proactive role in housing by mobilizing provincial, federal and grassroots action. There is opportunity to show leadership and turn Winnipeg into an inclusive city that makes housing for all a priority.

The Alternative Municipal Budget is proposing that the City scale up support for housing in a number of ways. First, the City should double its contribution to the Housing Reserve Fund that is targeted to inner city neighbourhoods and Aboriginal organizations. This would see an increase in funding from \$1 million to \$2 million. In addition, we dedicate \$5.3 million to the creation of an Affordable Housing Reserve Fund to encourage development of units for low-income families across Winnipeg. Other cities including Saskatoon and Edmonton have established such reserves. Revenue sources can include a portion of the existing hotel tax as well as additional sources including 'smart' development fees and revenues from any sale of City owned land.

In addition, there is much the City can do to encourage development and maintenance of low-cost rental housing through regulatory mechanisms. We strongly recommend that the City of Winnipeg follow suit with other cities by implementing regulations limiting the conversion of rental properties into condominiums while encouraging condo conversion of unused

industrial spaces. We also encourage the City of Winnipeg to implement inclusionary zoning practices similar to those now in place in other cities.

Housing: a stabilizer

As affordable housing has become a chronic problem in all major cities, many Canadian cities are responding to the need for a more proactive role in the development of affordable housing. The City of Winnipeg should follow suit, and become a leader in this area. A recent Canada Mortgage and Housing Corporation (CMHC) review reported evidence showing the

As we look toward the future, the cities that are able to ensure affordable housing for their citizens will be the cities most attractive to families seeking desirable communities in which to live and work.

impacts of housing on education, skills development and employment. Negative educational impacts have been associated with noisy homes, overcrowded dwellings and homelessness (CMHC, 2010, 3). As levels of education increase, so also do health and one's ability to access employment (CMHC, 2010, 4).

As we look toward the future, the cities that are able to ensure affordable housing for their citizens will be the cities most attractive to families

seeking desirable communities in which to live and work. Businesses are more likely to invest in communities with a stable, educated workforce, and housing is the foundation from which such an environment is built.

In dire need: housing and affordability in Winnipeg

Limited housing in Winnipeg is a serious and growing issue calling for an immediate response. CMHC recently reported that the rental vacancy rate has remained less than one per cent, up just 0.1 per cent from the previous year (CMHC, 2009). Rent is also rising citywide, up from an average of \$769 to \$809 for a two-bedroom apartment (ibid).

Winnipeg simply can't keep up with housing demands. In 2009, the Manitoba government sponsored 11,000 new immigrants, and intends to increase that number to 20,000/year by 2016. Many of these newcomers will settle, or hope to settle, in Winnipeg. In addition, growing populations of older adults are increasingly in need of housing that will suit their needs. Many of these needs involve rental units.

Renters living in cities have a harder time accessing acceptable housing than homeowners. For example, in 2006, renters in Census Metropolitan Areas (CMAs) accounted for 33.7% of all housing, but represented 69.2% of households in core housing need (CMHC, 2009, 4). According to CMHC, a household is in core housing need if:

1. It is unaffordable (costs more than 30% of household income) and or,
2. It is inadequate (is in need of major repair); and or,
3. It is unsuitable (is overcrowded based on National Occupancy Standards).

There are several factors contributing to the shrinking supply of affordable rental units. A growing number of landlords are seeing the value in renovating and repairing suites. Revi-

sions to the provincial government's *Residential Tenancies Act* allow landlords to apply for above-guideline increases when they invest in improvements to their properties. Although this helps create positive changes in neighbourhoods and helps stimulate improvements to an aging rental stock, it has also resulted in the displacement of those unable to afford climbing rents. Many have difficulty finding alternative housing as there simply isn't sufficient new stock being built to replace the affordable units lost.

An additional pressure on the rental stock has resulted from the rapid increase in conversion of rental housing to condominium complexes. Rental stock represents an important housing tenure type for students, seniors, individuals and families on social assistance as well as others whose situation make homeownership an unachievable and/or undesirable option. For example, in the past two years, and within a space of six blocks, the Daniel McIntyre—St. Matthew's neighbourhood has lost 62 rental units to condo conversions. The West Broadway neighbourhood reports losing 3 multi-unit buildings, including more than 100 units, to condo conversions. Many other buildings are at risk of being converted as property owners continue to explore this option.

Current policies and documents

In 1999, the City of Winnipeg approved the Winnipeg Housing Policy and the following 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; and
- To create and provide tools to enable communities to implement renewal efforts, and to support, wherever possible, locally developed products, businesses and initiatives (City of Winnipeg 1999, 1).

In 2000, the City's Housing Implementation Framework detailed how it would implement its Housing Policy. One positive outcome was collaboration with the federal and provincial governments through the Winnipeg Housing and Homelessness Initiative (WHHI). This one-stop shop has in some ways simplified access to a complicated web of housing programs offered by the three levels of government. One such program is the Housing Rehabilitation Investment Reserve which allocates funds for specific inner-city neighbourhoods designated as Housing Improvement Zones (HIRs). However, a much stronger financial commitment on behalf of all three levels of government is necessary if the WHHI is to adequately address Winnipeg's growing housing challenges.

Speak Up Winnipeg's *Call to Action* outlines the goal of creating complete communities with a "range of housing options to accommodate various incomes, household types and stages of life" (City of Winnipeg, 2010, 26). Results were drawn from the 10 roundtables and workshops concerning housing. *The Call to Action* document acknowledges: "the economic, social and environmental wellbeing of our city depends on providing housing opportunities for everyone". It goes on to say "all Winnipeggers should have a safe and secure, affordable and appropriately well-maintained home".

In its *Call to Action*, the City promises to increase partnerships with other levels of government, specifically with the Province of Manitoba. To explore affordable options, the City states it will work in partnership with the Province of Manitoba to investigate a citywide pilot grant program that would support the creation of affordable housing units as part of larger developments by providing a property tax incentive to developers. Budget increases and initiatives identified within this budget will help make these and other important housing commitments a reality.

A proactive municipal role

Municipal Governments have tools at their fingertips to initiate change. The City of Winnipeg can look to other jurisdictions for examples of how other cities have taken creative steps to address their housing challenges. For example, the City of Thompson has experienced an increasing number of high-income transient workers, and a 0% vacancy rate. This has led to a flurry of rehabilitation, increasing rents and condo conversions.

Speak Up Winnipeg's Call to Action outlines the goal of creating complete communities with a "range of housing options to accommodate various incomes, household types and stages of life"

Although these changes mean extra revenue for landlords and developers, they displaced at least 96 families in 2008 and 2009. In an attempt to take proactive action combat this and other issues, a 5% hotel tax was implemented, and spending priorities were set by the community. Sixty percent of the revenue will be allocated to an infrastructure reserve, twenty percent to a community safety reserve, and twenty percent to an affordable housing reserve. This town of 13,256 generates \$465,000 from this tax each year, freeing approximately \$93,000 to help fund affordable housing (MacKinnon and Lafreniere, 2009).

Across Canada, other cities have taken action on housing matters. For example, Saskatoon's Innovative Housing Incentive provides grants to non-profits and private sector developers, provided their sustainable and innovative project includes a set percentage of affordable units.

Ottawa and Toronto have each put together a toolkit of incentives that include capital grants and lease or donation of city land, geared towards creating economically feasible development (City of Regina, 7).

Vancouver has a fund used to provide grants for affordable housing which is generated through budget allocations, and from developers who do not include the required 20% of affordable housing in their developments (City of Regina, 7). This municipality has also designated seven areas as development levy areas, where levies are put into a fund providing affordable housing in that neighbourhood.

Other cities have implemented and/or are exploring other innovative policies to address their housing challenges, many of which come with no cost at all. An example of this includes regulating the conversion of rental units to condominiums when vacancy rates are low. They are also taking a much more proactive role to ensure boarded up and derelict housing is dealt with quickly. In addition, other cities are exploring inclusionary zoning policies to ensure that developers include housing for low-income households in new builds.

Inter-sectoral partnerships

Although there is much municipal governments can do to make housing better and more affordable, municipal governments do not need to work alone on this issue. One long-term strategy developed in Edmonton, the Housing Trust Fund, is a partnership between all levels of government and the community to provide funding for projects addressing affordable housing and homelessness (regina.ca).

Community groups can also be involved. For example, Halifax has a Community Grants Program where it offers funding to non-profits for initiatives in affordable, transitional and supportive or special needs housing.

Toronto has adopted a number of creative strategies including:

- A non-profit corporation owned by the City of Toronto,
- Support for private non-profit housing and co-operative housing,

- A rent geared to income (RGI) supplement program where the City pays landlords the difference between RGI rent and the market rent for the unit,
- Housing allowance programs that give time limited, fixed assistance to households (toronto.ca).

Tax Increment Financing (TIF)

In March of 2010, the Winnipeg Free Press reported on a long-awaited Downtown Residential Development Grant Program. This program promises to stimulate inner-city development by providing tax increment financing (TIF) grants for developers (Winnipeg Free Press, 2010).

TIFs allow, for a certain period of time, all projected tax increases to be used for area improvements. They can also be funneled back into the projects themselves. While not a panacea, TIFs can be a tool for municipalities to encourage infill development and there is potential for housing development to include units for low-income renters in this program. This budget encourages the continuation of negotiations with developers interested in creating affordable units for low-income residents.

Winnipeg housing spending

In 2008, Winnipeg spent 2.102 million, and in 2009, the city budgeted \$2.175 million, (\$2.13 million in 2008 dollars) on housing. In 2009, Winnipeg spent only .27 per cent of its operating budget on housing. In comparison, Edmonton budgeted .89 per cent of its total operating budget in 2009, and has budgeted for a 29.2 per cent increase for housing services in 2010 (City of Edmonton, 2010, 401).

Conclusion

Many Winnipeggers face a housing crisis. Despite existing policies prioritizing housing in Winnipeg and tremendous possibilities for creative partnerships, more committed funding is needed to help make this change happen. In addition, although action is being taken

to encourage housing development, the City must remember to pay attention to all types of housing tenure, for citizens of all income levels.

While it is true that the City of Winnipeg has limited fiscal capacity to address the housing needs of its citizens, through leadership, creativity and collaboration the city can play a significant role in housing all of its citizens.

Summary of New Expenditures:

Increase to Housing Investment Reserve Fund:	\$1 million
Investment to start up an affordable housing trust fund:	\$5.3 million
<i>Additional funding to be leveraged from other levels of government and the private sector.</i>	

Alternative Municipal Budget

III. Community Economic Development

With the City's current desire to focus on sustainability, poverty reduction, and community development and capacity building as a core components of the new long term "OurWinnipeg" plan, there are many great opportunities to not only build on the thousands of citizen voices that have gone into the creation of the new plan, but also to design strategies that build on and partner with initiatives that are already being implemented in our city by citizen-led organizations and enterprises.

"Many organizations are already working in their communities to address issues and strengthen neighbourhoods, and the civic government needs to work with them to develop a shared vision and to leverage efforts and resources. These types of partnerships will be the key to solving complex issues. — Call to Action

The key to community renewal and poverty reduction in Winnipeg's neighbourhoods will be the citizen's living in those communities themselves, their ability to work together to design their own vision for development, and the resources take action. Often termed community economic development (CED), it takes place when people in a specific community take deliberate, cooperative efforts to shape their community's future, merging economic goals with their social, cultural and environmental goals.

Community economic development is a multi-faceted approach, conceived and directed locally, to revitalizing and renewing community economies by managing and strengthening community resources for community benefit. It is founded on the belief that problems facing communities-unemployment, poverty, job loss, environmental degradation and loss of a com-

munity's sense of control over its future-can best be addressed by community-led, grassroots, integrated approaches.

In the past, the idea would have been that attracting businesses would be the renewal solution, but in fact businesses leaving these communities has caused disinvestment and decline, and businesses that may locate in a community will not necessarily hire local people or re-invest the revenue in that community, leading to little or negative net benefit. Millions of dollars may go into these strategies by way of tax incentives, infrastructure development, and wages/salaries, but very little of it might actually stay in the inner city.

Building on Strength and Partnerships

There is a great opportunity for the City of Winnipeg to take a leadership role in supporting this renewal of communities. In doing so, it would be joining municipalities across the country that already support CED or are exploring ways to do so. The City could greatly assist existing community initiatives without significant budget implications by investing in proven and existing Neighbourhood Renewal Corporations, and incorporating CED approaches into its human resource and procurement practices.

Neighbourhood Renewal

Investing in proven results, building capacity and strength in existing infrastructure, and empowering citizens to take the lead on community renewal simply makes good business and strategic sense for the City of Winnipeg in its goal of creating complete communities, particu-

larly when targeting inner cities where the result is also safer communities with less poverty.

“Winnipeggers want to be involved in our city’s future and in the development of their communities. Involving communities and their citizens in decision-making will build strong communities and community capacity. Building community capacity is the key to social sustainability and community resilience. . . . To address the highly complex issue of poverty we will need a community-led and owned strategy that integrates a cross-section of residents, community organizations and all levels of government.” — Call to Action

For the last decade, 3 Neighbourhood Renewal Corporations (NRCs) have operated in the Spence, West Broadway, and North End communities. A year ago, they were joined by 2 more working in the Central and Daniel Mac/St. Matthews communities, with the establishment of 1 more for Elmwood in the works. These NRCs are governed by the community, and work together with local residents to bring about the social, economic, environmental, and cultural renewal of their communities. They work in partnership with all levels of government, local institutions and businesses, and other community organizations to collectively harness their wisdom, experience, resources, and energy to accomplish an astonishing amount of work resulting in neighbourhood renewal. The results include increased safety, economic opportunities, training and skill development, housing initiatives, community gardens, cultural initiatives, local newspapers, health and recreation opportunities.

However, the ability to convene partnerships, plan strategically with the community, and develop and implement a long term and comprehensive community renewal approach requires organizational stability and security that is ensured by adequate core administrative and management funds. Short-term projects will not allow for this proven CED approach to achieve

the desired results. The Province of Manitoba provides some core funds, but a strategic investment by the City of Winnipeg in the NRCs will greatly strengthen their ability to achieve the change that Winnipeggers hope to see in these communities. \$50,000 per NRC as well as one staff position at the City of Winnipeg to act as a resource person for the NRCs to assist with all of their development matters relating to City jurisdiction would achieve significant results.

Summary of New Expenditures:

Neighbourhood Renewal Corporations: \$400,000

Human resources

The City of Winnipeg is facing a serious employment problem. Baby-boomers account for a very high percentage of its 9,000-member workforce. It will be losing a considerable amount of talent and institutional memory when those workers retire in the next few years. The City is also having trouble keeping the people that it does hire. For example, recently the city auditor predicted that 134 professionals and 154 trades-people will leave the City’s employ over a three year period, most of them going to other employers.

At the same time, unemployment remains a serious problem for the city’s Aboriginal and inner-city residents. And yet, there are many community-led organizations in these communities working with residents to create skill development, training, and education opportunities in order for them to get good jobs—but clear information on labour market trends and opportunities as well as partnerships with employers are critical to successful placement of these individuals. A community economic development approach by the City can provide a way to address both the issues for the city workforce, strengthen the work of these CED initiatives, and achieve the goals of community capacity building and poverty reduction.

Research has shown that the most effective training and employment programs are made up of

networks of employers, community-based employment development organizations, unions, governments, and educational institutions. Members of the network make formal commitments for which they are held accountable. Typically the collaboration between the members of the network is coordinated by an institution that is often termed a workforce intermediary. The role of the intermediary is to provide the opportunity for employers to identify their needs, and for each of the other representatives to agree about the part they will play in meeting those needs. The workforce intermediary brokers many of the relationships, facilitates the discussions, keeps records of the commitments, and provides technical assistance to help the various members work together.

The Alternative Municipal Budget proposes the creation of a Human Resources Roundtable that would include the City’s Human Resources department, organizations with training capacity (for example, Red River College), and community-based employment development organizations to serve as a workforce intermediary. Roundtable members would identify projected job openings at multi-year intervals, identify core competencies for each of the job groupings, and establish a means by which those who are unemployed or underemployed would gain access to the training required for those jobs. In the process, the members would also develop a plan to move people into employment and provide support and mentoring after placement. A Workforce Intermediary would require multi-year funding commitments for up to four staff (one coordinator, plus three staff for each of the three job sectors with the greatest potential), for a total budget of \$500,000 annually.

Summary of New Expenditures:

CED employment initiative: \$500,000

Purchasing initiatives

Another way that the City of Winnipeg can assist community economic development initia-

tives is through its existing commitment to create a new and progressive sustainability procurement policy, which recognizes that opting for the cheapest bid is often not the best investment. Buying “Green” is good for the planet and our local environment, and strategically purchasing from businesses that are owned locally, employ local people, pay a living wage, and spend their profits locally, creates an economic multiplier effect that benefits the local economy.

“Sustainability is usually understood as protecting the environment. In reality, it means considering the environmental, social and economic aspects of the community over the long term. It means recognizing the need to balance economic demands with the critical, long-term importance of social, cultural and environmental concerns. In making decisions, a balanced, sustainable approach considers economic, environmental and socio-cultural resources. It recognizes the full costs of these decisions by supporting long-term financial, environmental and community wellbeing, viewing these issues and the community as a whole, as interwoven and as part of an integrated system.” — Call to Action

This initiative could be accomplished without any significant increase to the budget. A staffing complement of three individuals could develop policies to analyze current procurement patterns, establish sustainable procurement guidelines for tendering documents and discretionary purchasing, and develop an internal communications plan to advance the policies through the City’s departments. This staff complement would cost less than \$300,000 per year but would result in a significant impact far greater than this to building a stronger local economy, reducing poverty, and creating a more sustainable city.

Summary of New Expenditures:

CED purchasing initiative: \$300,000

Alternative Municipal Budget

IV. Poverty Reduction

One of the 15 directions noted in the OurWinnipeg Plan is to work towards an equitable city. Although poverty rates have decreased over the past years, poverty remains a stubborn problem, particularly in the core area. Poverty in Winnipeg also tends to be racialized, with more Aboriginal people and new Canadians struggling to get by. Despite the serious reverberations poverty sends throughout our society, the City has done little to address the issue. Aside from the initiatives that deal with poverty found throughout this document, we also address poverty in a direct way.

Many Canadian cities have committees that address issues of economic inequality. Brandon has a Community Task Force on Impoverishment, Edmonton has an Inner City Forum and Ottawa has a Poverty Issues Advisory Committee. Winnipeg does have an Equity Committee, but poverty does not fall under its purview. Our budget develops an equity and diversity lens that would identify and eliminate barriers to social and economic inequality.

The lens could reinforce best practices in the planning, development, execution and evaluation of policies, services and programs. Such a lens is a first step; the next step would be to develop a plan for the city to adopt a living-wage policy.

Summary of new expenditures:

Development of an Equity and Development Lens:	\$50,000
---	----------

Living Wage Policy

In Britain, the United States and now in Canada there is increasing support for living wage campaigns. Recently the municipality of New Westminster in B.C adopted a living-wage policy.

A living wage is set at a level at which a family with children needs in order to have an after-tax income that allows it to meet basic needs and to participate in the civic and social life of their community. Living-wage campaigns try to convince employers to adopt the living wage for their own staff (if they haven't already done so) and to apply the same wage to their contractors.

Why a living wage?

The minimum wage (the statutory legal minimum an employer has to pay an employee) is not necessarily a living wage and, therefore, cannot be relied upon to support families. The benefits of a living wage are much broader than improving the fortunes of low-income families. Whether we look on broad issues like social cohesion or healthcare costs, or more narrowly on the productivity concerns of employers, developing a living wage to support families with children is an important new policy initiative. This policy makes real gains on the persistent child poverty facing too many of our children. Most poor children have parents in the paid workforce; parents who do not make enough money to support a family.

As of May, 2010, Manitoba's minimum wage was

\$9.00/hour (increasing to \$9.50/hour in fall, 2010). According to the report by the CCPA Mb., the living wage for a Winnipeg family with two working parents and two children is \$13.44/hour. A single parent with two children would have to make \$25.44/hour and with one child, s/he would need to earn \$18.64/hour.

Defining the living wage

The living wage is an hourly rate of pay that enables wage earners to:

- Feed, clothe and provide shelter for their families;
- Promote health child development;
- Participate in community activities;
- Avoid the chronic stress of living in poverty

A living wage is also a means for promoting the benefits of social programs and does not assume that labour-market wages alone can solve all problems of poverty and social exclusion. It encourages government to improve social programs that would alleviate the needs for higher wages. A living-wage policy opens up the possibility that employers and other citizens' groups should become advocates for more appropriate government policies in support of living wages. For example, a higher Child Tax Benefit, lower transit fees, universal child care and more affordable housing would all have the effect of lowering the living wage.

Summary of new expenditures

New funding to design living-wage policy:	\$100,000
---	-----------

An Aboriginal Strategy

In 2003 the City adopted *First Steps: Municipal Aboriginal Pathways*, a policy framework intended to bring in a new era of cooperation between the City and Winnipeg's Aboriginal community. Unfortunately this program has not realized its potential. This year's Alternative Budget once again proposes a five-year commitment to revive the Municipal Aboriginal Pathways framework.

Our budget would establish an inter-departmental Municipal Aboriginal Pathway Team that would consult with the Aboriginal community to determine the best way to implement the Pathways initiative. Areas to focus on could include:

- a multi-purpose community facility
- safe and affordable accommodation for Aboriginal people
- ongoing Aboriginal Pathways community consultations
- Aboriginal economic development partnerships.

Summary of new expenditures

Municipal Aboriginal Pathway	\$1million
------------------------------	------------

Alternative Municipal Budget

V. Transit

Rapid Transit

Communities with high-population density have lower transportation costs, both as a public expenditure and as a household expense, because their needs are more easily met by walking, cycling and public transit. Low-density urban sprawl—such as we see in Winnipeg—contributes to less efficient bus routes, longer distances between destinations, and a transportation network that caters almost exclusively to the automobile. While Winnipeg has started to take steps in improving its public transit service, upgrades to the existing system are still desperately needed if we are to move commuters from their cars to public transit.

As part of the SpeakUpWinnipeg initiative, the City of Winnipeg *Call to Action for Our Winnipeg: Visions and Directions for the Our Winnipeg Plan* identifies 15 Directions for the *Our Winnipeg Plan*, each with separate actions. The direction “Connect and Expand Our Sustainable Transportation Network”, states:

Ensuring mobility for all ages and abilities is an important part of improving our social, environmental and economic sustainability. For Winnipeg to be livable, desirable and affordable in the future, we’ll need more options for getting around—options like enhanced public transit and active transportation routes that support walking, cycling and other human-powered forms of transportation.

The actions identified under this direction include improved transit accessibility, reliability and establishing a Transportation Master Plan for Winnipeg. Unfortunately, the current administration has a less-than-convincing record on

rapid transit and the Master Plan still puts too much emphasis on roadway development to the detriment of public transportation, even though more than half the transportation operating budget goes to roadways.

The original rapid-transit plan was shelved 6 years ago, adding millions of dollars to the final price tag, and a solid plan for all of Winnipeg is yet to materialize, but the City has committed \$185 million to expand major roadways.

The original rapid-transit plan was shelved 6 years ago, adding millions of dollars to the final price tag, and a solid plan for all of Winnipeg is yet to materialize, but the City has committed \$185 million to expand major roadways. Recent developments at City Hall indicate that work on the corridor from Pembina at Jubilee to the University of Manitoba has now been officially removed by City Council from the list of infrastructure priorities to be submitted to the federal and provincial governments. The list no longer includes any rapid transit at all.

Our budget puts the stalled BRT plan back into gear and completes the first and second section of rapid transit.

There has been much debate about whether the current Bus Rapid Transit (BRT) plan should be shelved (yet again) in favour of a Light Rail Transit (LRT) system. The Alternative Budget will wait to see the conclusions in the upcoming Transportation Master Plan for what will work best for the city’s rapid transit system. In the meantime, the experts have clearly concluded that BRT is the preferred system for both phases of the South West corridor.

Our budget puts the stalled BRT plan back into gear and completes the first and second section of rapid transit. The funding is in place, the plans have been completed, and Winnipeggers are tired of waiting. We take definitive action to get the job done.

Current Spending on Transit: the 2010 Operating Budget

In the 2010 Preliminary Budget, the City’s operating subsidy to public transit is \$43.2 million - 5.2% of the total operating budget. While the City’s investment in public transit is increasing, revenues from fees still support the majority of the operating expenses (48% of the total operating expenses of \$143.2 million). Transit depends mostly on revenues from ridership and advertising to support its operations. As shown in Figure 1, Winnipeg has one of the lowest rates of operating costs per passenger in Canada.

Unfortunately, as shown in Figure 2 (next page), Winnipeg also has one of the lowest per capita transit ridership levels in Canada.

Winnipeg has one of the lowest per capita investments in transit and one of the lowest levels of ridership per capita. Other cities, such as Calgary and Edmonton invest more in transit operations and have corresponding higher lev-

els of ridership. Besides our investment in rapid transit (explained below) the Alternative Budget will invest in improving existing bus service.

Winnipeg Transit’s bus hours, at 1.4 million hours/year, have not changed since the early 1980s. Although service is quite adequate during rush hour, service is spotty in non-peak hours, making public transit a difficult sell for many Winnipeggers.

The cost of running a bus is approximately \$100/hour. Our budget increases operations before by adding 25,000 hours before and outside of peak hours, at a cost of \$2.5 million.

Summary of New Expenditure:

Increased bus service: \$2.5 million

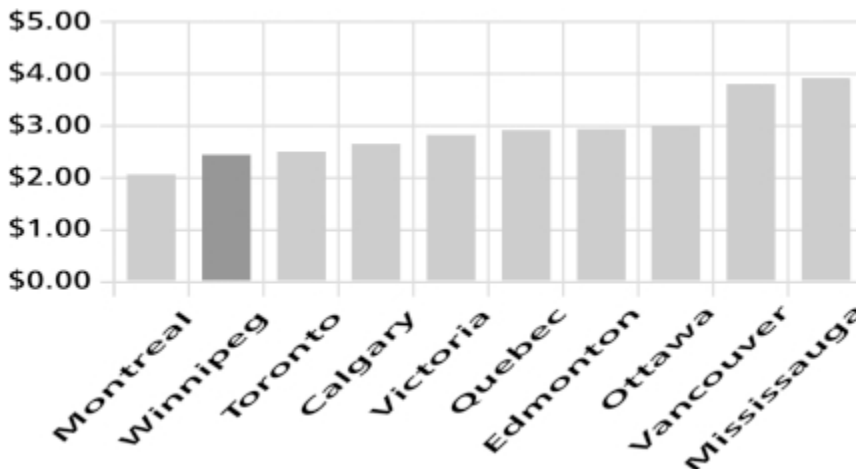
Improving access to public transit

Since transit has many positive social outcomes, such as ensuring a means of mobility for lower income citizens, children and the elderly, it should be publicly subsidized to ensure the burden of supporting this service does not fall on the many low-income patrons who can least afford it. Rising transit costs prevent many lower-income Winnipeggers from accessing transit. Currently provincial employment and income assistance will provide bus passes or tickets to

individuals on income assistance, depending on assessed need. A more effective system would see Transit sell low-cost bus passes to the provincial government, which would then be distributed to all Winnipeg social assistance recipients.

College and university students are another large population that relies heavily on transit and can ill afford fare increases. One third to one half of

Figure 1: Transit Operating Costs/Passenger, 2008



Source: City of Winnipeg 2010 Operating Budget

students use public transit for trips to classes and for non-university purposes.

U-pass schemes, where discounted transit passes are provided to all students as a part of student fees, have worked well in dozens of municipalities across Canada. Once implemented, it would give transit reliable revenue and boost ridership, while benefiting thousands of Manitoba students. The Alternative Budget invests \$100,000 to plan the expansion of transit access through consultations with low-income people and their organizations, students and their organizations, the provincial government, and colleges and universities.

Summary of New Expenditures:

Develop plan for low-income and student passengers:	\$100,000
---	-----------

Capital Investment in Rapid Transit

Patterns of development, coupled with the lack of investment in our public transit system over the years, have created a system in which public transit cannot compete with the private automobile for speed and convenience. At the same time, rising commuting costs and oil prices have caused an increase in demand for public transit. Part of the solution to this current predicament is investment in a citywide rapid

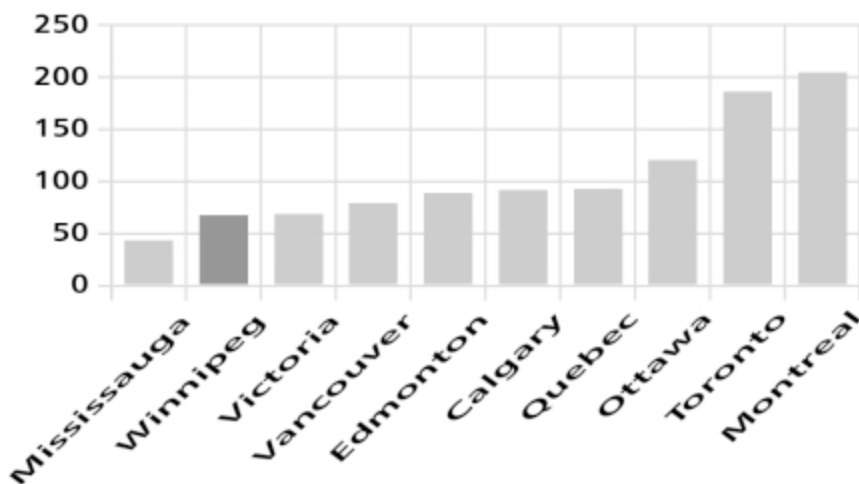
transit system that will be a competitive commuting option to the private automobile. A rapid-transit system would be a high-capacity, high-performance urban transport system that would reduce travel times with fast, frequent and reliable service, making use of existing infrastructure and the creation of new dedicated bus ways. This would make for transit service that is more comfortable and convenient, and more appealing to use, with the result of drawing more people out of their cars and into public transit. Increased transit ridership would reduce pollution, including greenhouse-gas emissions, while development around transport hubs and along corridors could lead to the kind of dense urban development and urban revitalization that Winnipeg so badly needs. Replacing cars with rapid transit, thereby reducing wear and tear on our roadways, bridges and overpasses, would ease Winnipeg’s infrastructure deficit (now more than \$2 billion).

In 2004 Mayor Sam Katz commissioned a study on rapid transit for Winnipeg and formed the Rapid Transit Task Force to analyze the issue. In 2005, the Task Force recommended bus rapid transit in the form of eleven, city-wide “quality corridors” that would include two dedicated bus ways, centralized stations, park-and-ride facilities, passenger service improvements, and significant on-street improvements such dia-

mond lanes, upgraded stops, and transit priority signals.

The Alternative Municipal Budget calls for continued implementation of the Task Force’s recommendations, starting with the completion of the *Southwest Rapid Transit Corridor (SWRTC)*. The first phase costs \$138-million, with money coming from all three levels of government.

Figure 2: Regular Transit Passengers per Capita, 2008



Source: City of Winnipeg 2010 Operating Budget

While the first phase of the SWRTC from downtown to Jubilee Avenue is currently being constructed, funding for the second phase of the SWRTC has not been secured in the 2010 Capital Budget. Running from Jubilee Avenue to the University of Manitoba, the second phase of the SWRTC is crucial to the success of rapid transit in Winnipeg. With a total cost of approximately \$210 million for phase II, completing the SWRTC requires further capital investment from the City of Winnipeg. This investment makes perfect sense given that the Province has already offered up at least \$63 million towards the second leg.

While the 2010 Capital Budget makes provisions for a \$4.2 million contribution to Rapid Transit Infrastructure Reserve in 2011, no funds were allocated to the reserve in the 2010 Capital Budget or the forecasts for 2012 to 2015.

In partnership with the Provincial and Federal levels of government, the City should immediately allocate the necessary capital funds toward Phase II of the Southwest Rapid Transit Corridor, commencing in 2012.

The 2010 Capital Budget and 5-year Forecast allocates \$27.9 million to transit in 2010 and a forecasted \$163.9 million over the next 6 years. While the 2010 Capital Budget makes provisions for a \$4.2 million contribution to Rapid Transit Infrastructure Reserve in 2011, no funds were allocated to the reserve in the 2010 Capital Budget or the forecasts for 2012 to 2015.

The Alternative Budget recommends that a capital contribution be made every year to support the prompt construction of a rapid transit sys-

tem in Winnipeg. In addition to our commitment to future contributions, we make a \$10 million capital contribution this year to the Rapid Transit Infrastructure Reserve.

Summary of New Expenditure:

Capital contribution to Rapid Transit Infrastructure Reserve:	\$10 million
---	--------------

The 2010 Capital budget shows a \$30 million investment in the Chief Peguis Trail expansion. This investment is shown as a revenue neutral public-private partnership (P3) where the City pays \$5.415 million over 5 years in P3 annual service/financing payments. The money for these payments comes from the federal gas tax, with the City assuming that this money will continue being transferred. It does not consider the opportunity cost of spending the federal gas tax on wasteful road construction rather than more efficient and environmental rapid transit. To our knowledge an impartial cost/benefit analysis has not been done to determine if this P3 is the most efficient way of undertaking this work, one more reason for canceling the project.

In the spirit of what Winnipeggers expressed in the SpeakUp Winnipeg consultations, and in keeping with the commitments of the Alternative Budget, we cancel the Chief Peguis Trail expansion and divert the federal gas tax money to the rapid transit reserve fund.

Summary of future revenues:

Transfer from federal gas tax to Rapid Transit Infrastructure Reserve Fund:	\$5.415 million/year for 5 years—commencing 2011.
---	---

Alternative Municipal Budget

VI. Policing

It is difficult to imagine the Winnipeg we have been describing when discussions about safety, violence and policing paint a picture of an inner-city battleground. The Winnipeg Police Service (WPS) response is overwhelmingly a punitive crime enforcement approach that materializes in increased police presence on downtown streets (18 new police in 2009, 8 in 2010), \$3.5 million dollar helicopters and anti-gang strategies that absorb municipal funds and monopolize human resources.

Today Winnipeg allocates \$189.9 million for policing, accounting for 23% of the operating budget. With an increase of \$10.8 million, this reflects a 6% increase in spending from 2009 — a rate much higher than inflation.

All told, policing outspends every budget area except infrastructure renewal and public works. Proportionally, Winnipeg police costs outstrip Edmonton police services (16%, 2009 figures), Calgary (13%, 2009-2001), but comes in less than Saskatoon (29%, 2010 budget).

Although still below the mean of most major Canadian cities (\$268), the costs of the WPS per capita are growing, having risen from \$226 to \$246 between 2006 and 2008 (When put in 2008 dollars, the difference is between \$232 in 2006 and \$246 in 2008). At the same time, Winnipeg has more police officers per capita than other major Canadian cities, growing steadily to 202 per 200,000 people in 2009. In comparison, Edmonton has 180, Regina 199 and Saskatoon 193 fulltime officers.

The question is — are we spending in the right way?

Striking a Balance

As the WPS expands, the city's operational costs will grow. This may limit funding for complementary, community-driven initiatives that could be applied to crime prevention.

Winnipeggers say they want more focus on crime prevention; *SpeakUp Winnipeg*, a broad based consultation on Winnipeg's city plan heard that residents want a coordinated, cross-sector approach that addresses the root causes of crime; citizens also want to strike a balance between crime prevention and policing.

The International Centre on Crime Prevention has found that Canadians would rather see money spent on crime prevention than crime response.

This approach means investing in community and social development so our youth, children and families are stronger. It entails building on organizations and social networks already in place, resourcing and drawing on community expertise and knowledge too often overlooked and underused. And it means dedicated, multi-year funding for collaborative and integrated approaches to crime prevention.

Funding commitments

City Council adopted *LiveSafe Interconnected Crime Prevention Policy* in March 2008, a proposed crime prevention approach that brings different sectors together. In follow up, *LiveSafe in Winnipeg — an Integrated Crime Prevention Strategy* was tabled by the Winnipeg Police Service and the Community Services Department in late 2009. The strategy recommends

an inter-sectoral approach with the Police Service working closely in neighbourhoods and building capacity of community partners.

To date the strategy lies in limbo, with no commitments to support it through long term funding. Winnipeg must fund its commitments to a coordinated, inter-sectoral crime prevention approach.

How can we make this commitment a reality?

Community members are an invaluable resource when developing homegrown, sustainable solutions for community safety and crime prevention. Communities that have engaged local people as decision makers and full partners in crime prevention have seen success. Often, the earmark of successful community engagement is that it is sustainably resourced.

The Alternative Budget will direct money to the existing community safety coordinators working out of the West Broadway Development Corporation, North End Community Renewal Corporation and the Spence Neighbourhood Association. These coordinators are presently supported by scarce funds from the community neighbourhood renewal corporations. It will also dedicate funds to eight more high-crime neighbourhoods so they too can hire full-time community safety coordinators to implement and centralize a community safety network. The ten safety coordinators will work with members of the police department who will assign a police officer as a community liaison.

Summary of New Expenditure:

Community safety coordinators	\$500,000
<i>(\$50,000/10 high-crime neighbourhoods)</i>	

Matching response and prevention

The International Centre on Crime Prevention has found that Canadians would rather see money spent on crime prevention than crime

response. And in 2008, the Federation of Canadian Municipalities Big City Mayors Caucus advocated that the federal government match every new dollar for law enforcement with one new dollar for prevention.

What would a similar strategy look like in Winnipeg?

Currently the Winnipeg Police Service spends approximately \$31 million on crime prevention. This is about *one fifth* of what it spends on responding to crime (\$157.176 million).

While police response will always be a cornerstone of public safety, there are opportunities to enhance our crime prevention tools. WPS crime prevention activities, such as residential and commercial crime prevention and safety audit presentations, fluctuate year to year. For instance, safety audits numbered 4 in 2006, 31 in 2007, 6 in 2008; diversity relations presentations, which are efforts to build relationships with Winnipeg communities also fluctuated (136 in 2006, 81 in 2008, 150 in 2009).

Crime prevention initiatives strengthen relationships with residents. Recognizing that safety is everyone's responsibility, outreach activities are valuable ways to build crime prevention awareness and strengthen community capacity of safety issues.

Alternative budget funding for the WPS Crime Prevention, Diversity Relations and School Resource sections will support Council's commitment to the *LiveSafe Strategy*, respond to SpeakUp Winnipeg's *Call to Action* (January 2010), and answer residents' desires for more attention to crime prevention.

Summary of New Expenditure

WPS Crime Prevention, Diversity Relations and School Resource:	\$125,000
--	-----------

Focus on tomorrow

Crime can undoubtedly happen anywhere but tends to be localized in Winnipeg's inner city.

However, impacts are felt city wide as we allow our most valuable resource—our youth and children—to be exposed to violence and crime.

Community leaders recommend that Winnipeg direct resources to high-risk neighbourhoods. These resources should support capacity development with a recreation focus, with an eye to quality programming close to home.

One proposal is Youth Inclusion Programs (YIP). YIPs bring together local schools, organizations, municipal services and residents to tackle risk factors that can lead to lives of violence and crime. Often centered on schools, YIPs focus on youth at risk in areas of need, but are open to all want to participate.

An ongoing Prince Rupert (BC) YIP initiative puts a safety coordinator and youth outreach workers in place to develop programs and activities that respond to unique needs of youth at risk. The pilot community crime prevention program relies on community resources, programs and expertise to identify local solutions.

The Alternative Budget provides direct funding towards a pilot youth inclusion program.

Summary of New Expenditure:

Youth Inclusion Programs: \$225,000

Growing strong roots

Manitoba hopes to double the numbers of immigrants annually from 10,000 to 20,000 by 2017. With this target, Winnipeg’s growth over the next 15 years will rely heavily on its newcomers. Inclusive, positive and respectful relationships with the Winnipeg Police Service will lay a foundation of citizen trust and inclusion, and facilitate the contributions by new residents that are critical to Winnipeg’s success and vibrancy.

We have to remember that many new residents, particularly from the Aboriginal population, have migrated from Northern and rural Manitoba and face discrimination and other obstacles when trying to settle in the City.

Initiatives like the Winnipeg Police Advisory Board’s Advisory Board Newcomers’ Perspectives on Policing Issues Discussion Group in

Policing is not measured solely by police response, new helicopters, unit cars, tactical units and street lights.

September 2009 are steps in the right direction. Although disbanded in December 2009, the board reflects the WPS’ investment in a shared future and commitment to ensuring that all Winnipeg communities to have equitable and representative access to the Police Service. The board needs to be resuscitated with members from the immigrant and Aboriginal communities.

Summary of New Expenditure

Funding for ongoing operational funding for a police advisory community relations board with dedicated focus on community relations: \$80,000

Conclusion

Policing is not measured solely by police response, new helicopters, unit cars, tactical units and street lights. While these are important day-to-day metrics for the WPS, they do nothing to change the systemic social issues that underlie crime. This understanding demands that we change direction, and strike a better balance between response and prevention.

Total new spending:

\$930,000

Alternative Municipal Budget

VII. Food Security

A growing number of municipalities are recognizing that a sustainable food system contributes positively to the overall social, economic, and environmental sustainability of a city. Throughout Canada municipal planners are starting to shape sustainable food systems through planning decisions related to zoning, land use regulations, waste management and transportation. Municipalities of all sizes are collaborating with communities to improve their food systems. Major urban centres such as Toronto, Vancouver, and Montreal all have significant food initiatives and longstanding food policy bodies. Midsized cities such as Sudbury, Thunder Bay, Kamloops, and Waterloo have taken vigorous steps to address food related issues through municipal policies and support for community programs.

Here in Winnipeg there is growing interest and widespread concern about our food system and a desire for increased coordination and leadership on the issues facing it. Winnipeggers want healthy food options. They want to buy local food and feel connected to the people who are harvesting, growing and processing the food they eat.

Winnipeggers are willing to collectively and constructively engage in meeting challenges related to our food system—the Manitoba Food Charter is testimony to that.

Municipalities can shape food systems with opportunities for recreation and physical exercise; access to safe and nutritious food; improved diet-related health outcomes and reduced healthcare costs. Municipalities can help eradicate hunger, thereby reducing poverty and increasing social inclusion. They can foster the

equitable and local production, distribution and consumption of food, create local employment and support local livelihoods. Properly designed municipal food policy can increase income and the tax base, reduce greenhouse gas emissions and fight climate change

On the other hand, municipalities can support food systems that create isolated communities; exacerbate hunger, poverty and social exclusion; increase obesity and chronic disease; contribute to health care costs; contribute to a declining local economy; and increase green house gas emissions that cause climate change.

Many inner-city and low income families in Manitoba experience difficulty accessing safe and nutritious food. Almost 48,000 Manitobans used food banks each month in 2009, nearly half of whom were children. This figure represents an 18% increase in Manitoba from the previous year—one of the highest increases of all Canadian provinces despite being one of the few provinces to have escaped the worst effects of the recession. More than half of Manitoba adults are overweight or obese, increasing their risk of developing chronic disease. Winnipeg's inner-city and low-income neighbourhoods experience particularly high rates of heart disease, stroke, and diabetes. In the last 20 years there has been a 28.4% decrease in the number of Manitoba farms. Agricultural activities, excluding vehicle fuel, are responsible for approximately one third of Manitoba's total green house gas emissions—far above the national rate.

Food production, distribution and consumption are clearly of great importance to our individual and collective wellbeing. The City of Winnipeg must prioritize food policy on the municipal

agenda. So far, it has taken a fragmented and piecemeal approach toward the development of a sustainable food system. The City can demonstrate leadership by immediately engaging in careful municipal food-policy planning that takes a comprehensive, coordinated, and collaborative approach. Careful planning considers all sectors of the food system cycle: production, consumption, processing, distribution, and waste recycling. It considers food a strategic vehicle for meeting multiple city goals (social, economic, environmental) rather than one issue competing against others for resources. Careful food policy planning requires the collaboration of numerous government departments, representatives from all sectors of the food system cycle and other relevant stakeholders.

Several jurisdictions across North America including Toronto, Vancouver, Calgary and Ottawa are benefiting from Food Policy Councils that facilitate the implementation of a comprehensive, coordinated, and collaborative approach to food policy planning.

A Food Policy Council is a forum in which food system stakeholders come together to discuss challenges and opportunities and to evaluate, develop, and recommend food policy. Food Policy Councils are often composed of representatives from various government departments; representatives from all sectors of the food system cycle including farmers, food processors, chefs, food distributors, grocers, and local businesses; and other relevant stakeholders such as anti-hunger and food justice advocates, educators, non-profit organizations, newcomers, and Aboriginal people. It is because of this diverse representation that Food Policy Councils are particularly well suited to facilitate a comprehensive, coordinated, and collaborative approach to food policy planning.

Food Policy Councils coordinate communication between community and City Council, as well as between different levels of government. The

food system is connected to a variety of issues (nutrition, health, safety, agriculture, job creation, waste, transportation, etc.) which fall under the mandate of different government departments. Rather than having separate government departments work in isolation to solve food related problems, Food Policy Councils bring these different departments together and allow them to achieve multiple objectives through common food related opportunities. For example, money spent on locally-provided food can create and sustain local jobs. In that way, ecological benefits of spending locally are linked to increased job creation.

The City of Winnipeg can begin to achieve these and other benefits of a comprehensive, coordinated and collaborative approach to food policy planning by working with the Winnipeg Food Policy Working Group to immediately establish a Food Policy Council to: 1) Complete a food system assessment and land inventory 2) Develop a food action plan that builds upon existing food initiatives and identifies areas where the City has jurisdictional power to act in support of a just and sustainable food system.

Federal and provincial governments will of course be required to do their part through funding, legislation, and careful policy planning in areas of responsibility that influence food in cities. The City of Winnipeg can show leadership by urging other levels of government to commit to doing this and by offering to partner with them where appropriate to identify challenges and develop solutions.

Summary of New Expenditures:

Two full-time staff positions	
—Coordinator	\$50,000
—Administrative Support	\$40,000
Operating budget for	
Food Policy Council	\$65,000
Start up Cost	\$10,000
Total:	\$165,000

Alternative Municipal Budget

VIII. City Recreation

People who live and work in the inner city are frustrated with a City Hall that is underfunding recreational services, pitting social agencies against each other and undervaluing the role of recreation in the creation of a productive and prosperous Winnipeg. While politicians may acknowledge these interconnections, they do not translate their understanding into adequate recreational funding in Winnipeg.

Research has shown that there is a strong connection between access to public recreation and social inclusion. It is clear that the benefits of adequate recreational facilities and programs to the life of a city are multidimensional—physical, social and economic: Citizens who don't have access to public recreation are often trapped in poverty, youth deviance and crime.

The following section is taken from the report "Winnipeg's Best-Kept Secret: A Community Development Vision for Sherbrook Pool" by Ali Millar and Lissie Rappaport and published by the CCPA Mb, 2009.

Physical Health

The benefits of recreation to individual physical health are considerable, and there are enormous costs to individuals who are not engaged in sport and other physical activities. Research dramatically shows that physical inactivity is the primary factor leading to cardiovascular disease, and the second greatest contributor to death and disability in Canada (Mulholland, 2008 as cited in Millar and Rappaport, 2009).

Quality of Life

Seniors' involvement in recreation minimizes the effects of diseases associated with aging and promotes healthy aging by keeping seniors ac-

tive and diminishing the social isolation that they often face (CPRA 1997; Doiron, 1997; Mulholland, 2008 as cited by Millar and Rappaport 2009). Participating in recreational programs helps seniors to live more independently, make new friends and feel good about themselves. Recreation and physical activity has been shown to add up to two years to life expectancy for active individuals (CPRA, 1997 as cited in Millar and Rappaport, 2009).

Involvement in recreation helps at-risk youth reduce deviant behaviour. Participation in recreational activities outside the home promotes healthy child development, attachment to a positive peer group, self-esteem and skill development. Involvement in sport and recreation also correlates with improvement in school-related skills, such as task-performance and problem solving, and increased attendance, engagement, and interest at school, as

Recreational facilities and activities for First Nations, Aboriginal and new Canadians are an effective means for promoting social inclusion and physical and mental health.

well as helping reduce high-school drop-out rates (Boys and Girls Club, 2007; CPRA, 1994; Mulholland, 2008; Totten, 2007 as cited in Millar and Rappaport, 2009).

Involvement in recreation by youth at risk is beneficial in reducing deviant behaviour (CPRA, 1994 as cited in Millar and Rappaport). Participating in sport and recreation helps to increase self-esteem and confidence, promotes a sense of self worth, lifts emotions and reduces anxiety. Recreational facilities and activities for

First Nations, Aboriginal and new Canadians are an effective means for promoting social inclusion and physical and mental health. Through such activities, marginalized youth are able to learn and acquire many of the values and perspectives that are important for productive adult life.

Young women and girls benefit immensely from participating in recreation programming, in terms of both physical and mental health (Mulholland, 2009 as cited in Millar and Rappaport, 2009). Physical activity greatly reduces the risk of diseases such as osteoporosis, which women are more vulnerable to developing.

Women's involvement in sport and recreation challenges gender norms and stereotypes: Sport participation can also help to undermine traditional gender stereotypes concerning academic aptitude, as studies have shown that girls' engagement in sport is linked to improved performance in science and mathematics. There is also evidence suggesting that "sport participation can contribute to more generalized feelings of empowerment among girls and women" (Mulholland, 2008, p.26, as cited in Millar and Rappaport, 2009).

People with Disabilities face many barriers to full inclusion in society; involvement in recreation helps to break down some of these barriers. Participation allows individuals to receive the proven benefits of recreation, including acquisition of social and mental skills and improvement in overall quality of life. It also helps to dismantle stigmas and perceptions of people with disabilities by focusing on their abilities and moving their disability from the perceptual foreground into the background.

Family Health and Stability

Recreation contributes to positive self-image, self-confidence, and relationship skills, such as cooperation and communication, skills that individuals involved in recreation can carry

with them for the rest of their lives. These psycho-social benefits, discussed in more detail in the previous section, extend from the personal to relational, and contribute to the building of more positive relationships with peers, friends, and family. Relationships, notably within families, become stronger, healthier and more stable when family members participate in recreation together.

Crime Reduction

Benefits of recreation to individuals extend beyond immediate relationships to the community as a whole. There is substantial research demonstrating that participating in recreation correlates with reductions in crime, and in anti-social and self-destructive behaviours such as substance abuse, vandalism, dropping out of school and unsafe sex (Barlett et. Al., 2004; CPRA, 1997; Boys and Girls Club, 2007, 2008a/b; Mulholland, 2008; Totten, 2007 as cited by Millar and Rappaport, 2009).

Youth participation in gangs is a concern in urban centres across the country. Proposed solutions range from knee jerk reactions that lead to 'lock 'em up' solutions, to those that tackle the root causes drawing children into gangs.

When it comes to prevention, the research is clear. Access to skill building recreational activities that develop self-esteem is one important factor that can protect children from the lure of gangs. But we don't really need the research to tell us this. All parents know that keeping their children busy in sports and recreation keeps them out of trouble.

But many low-income families are not able to provide such opportunities for their children. And that is why we need free and public recreation centres that are open when children and youth need them the most; local skating rinks that children can actually skate on, swimming pools that are centrally located, and soccer pitches and playgrounds that are regularly mowed. Higher income neighbourhoods are

fortunate because they are more able to draw on skilled volunteers to keep things running. For poor communities, this is a huge challenge.

Social Capital

In addition to recreation as a crime prevention tool, there is also a rich literature on how recreation and sport foster social capital, social inclusion, mutual understanding and trust within communities and across ethnic, cultural, or socio-economic backgrounds, a growing concern as cities become increasingly diverse, dynamic entities. Social capital is also an important aspect of building more inclusive communities (Mulholland, 2008 as cited in Millar and Rappaport, 2009).

Economic Development and Productivity

Lastly, recreation contributes to economic development and economic productivity in the workforce. The presence of recreation facilities and opportunities benefit local economies, and contribute to community economic development particularly in disadvantaged or marginalized communities (CPRA, 1997; Mulholland, 2008 as cited in Millar and Rappaport, 2009). City employment offers important entry level experience for young people and valuable work experience for First Nations and Aboriginal workers.

Adults are able to concentrate and attend work more with the assurance that their children are safe and in supervised programs; and participation in recreation for workers contributes directly to increased productivity, performance, less absenteeism and reduced worker turn-over. Youth who participate in recreation gain a wide range of skills that better equip them to enter the workforce—academic performance and attendance, creativity, problem solving capabilities, tolerance, understanding, respect, cooperation and teamwork skills.

Program Funding

The following sections have been reproduced from the *Community First: An Alternative Municipal Budget for Winnipeg, 2009*.

The cost of recreation programs is the number one barrier to all individuals and families accessing recreation and its identified benefits. The budget must take into account the ability of citizens to access and pay for recreational services.

The Alternative Municipal Budget is committed to increasing recreation and leisure operating spending by \$4.5 million over and above the City's 2010 projections, according to the following initiatives.

- 1) A Right to Play Program
- 2) Increased Cooperation with School Divisions and the Province
- 3) Community Centre staffing initiative
- 4) A new funding formula for community centres
- 5) Expanding innovative arts programming

Right to Play Program

When compared with children from middle and high-income families, children from low-income families are less likely to participate in recreation and physical activity. According to the Canadian Parks and Recreation Association 2005 study "Bridging the Recreation Divide", barriers to participation by low-income children include user fees, equipment costs, transportation, inadequate local facilities, parks, playgrounds and safe places to play, isolation and exclusion, and a lack of family support and awareness of opportunities. The Alternative Municipal Budget is proposing a Right to Play Program to address a number of these issues.

While the City of Winnipeg can reduce or waive fees for city recreation programs and services upon the receipt of a written letter of application, this service is not well advertised and can be intimidating. Currently the City receives only

about 1,000 letters a year. The Alternative Municipal Budget's Right to Play Program would improve the fee waiver program and promote the fee waiver option through a combination of general promotion (on the website, Leisure Guide and community groups program). In addition, the Right to Play Program would partner with schools targeting grades 1, 6, 9 and 11, important transition years, with an outreach program to encourage participation and registration in city activities.

Increased cooperation with the public-school system

The City has 300 recreation facilities which provide numerous recreation and leisure programs. In only a limited number of cases do the City and local school divisions cooperate to ensure that local children are able to make the best use of these facilities and programs.

There is clearly a need and opportunity for greater cooperation between the Winnipeg school divisions, the Manitoba government, and the City to ensure that students have access to adequate physical education facilities.

Cooperative programs between School Divisions, the City of Winnipeg and other partners should ensure full use of facility assets to ensure quality programming. The City, provincial government and school divisions must negotiate these agreements to determine what programs qualify for school use agreements.

Community Centre Staffing Initiative

While Winnipeg's 70 community centres (also called community clubs) are owned by the City, they are operated by volunteer boards that raise funds to hire staff. These centres depend heavily on volunteers to both provide services and raise money. Relying on volunteers has and will continue to yield unequal results as community club operating budgets can range from \$25,000 to \$1 million.

The Community Centre Staffing Initiative would be designed to address the resource imbalance faced by community centres in low-income neighbourhoods and to increase the employment opportunities for residents of those neighbourhoods. The City should hire additional graduates from the Manitoba Government's Youth Recreation Activity Worker Program at Red River College, and recreation development workers to work with inner-city community boards to plan and deliver community development and recreation programming.

There is clearly a need and opportunity for greater cooperation between the Winnipeg school divisions, the Manitoba government, and the City to ensure that students have access to adequate physical education facilities.

The projected Operating Budget for city recreation facilities (staff, maintenance and programs) for 2009 was \$51 million. Over \$39-million was to come from city revenues and \$11-million was in projected revenue from fees. Out of this, the City budgeted \$8.2-million for the city's community centres. Community centre grants are determined by the Universal Funding Formula (UFF), which is based on heated square footage of the centres. This formula places older and/or smaller centres at a disadvantage since they usually have relatively higher maintenance and programming costs, while their smaller area calculates into smaller grants. Under the formula, funding is not provided to portions of a facility that are revenue generating, such as indoor arenas. The Alternative Municipal Budget proposes that the City develop a new funding model that recognizes the needs of smaller centres which are usually found in low-income communities.

Innovative arts programming

The Graffiti Gallery Art Programming, a not-for-profit community art center, has started a

partnership with Turtle Island and Norquay Community Centres and neighbouring schools to offer quality programming to children who would otherwise not have access to any art programming. The City of Winnipeg recreation program should create similar partnerships with other community centers and Manitoba Housing Authority family housing and seniors housing in Winnipeg. Agreements with groups like Graffiti Gallery to partner with City staff using City facilities will build on the assets of all partners. This fits with the new Live Safe Vision for Crime Prevention. The City also offers music, theatre, arts and crafts in the leisure guide programs. However the targeted art programs by groups like Graffiti Gallery take the approach of using arts for community development. The option of having more City arts programming in core area neighbourhoods in after school and summer programs still exists. The Alternative Budget dedicates \$4.5 million to these programs.

Infrastructure and Facilities

While the Operating Budget does not deal with capital requirements, there is a strong argument that the City's recreational programs need to be linked to a progressive capital development plan. To start, the City should establish a Winnipeg Facilities Development Authority to develop and implement a five-year plan for community facility renewal. A tri-governmental agency with representation from the sports, recreation and cultural sectors and the planning community, the Development Authority should have the responsibility for overseeing proposals. Such a body could have avoided the political controversy around the funding approved this year for the Youth for Christ facility on Main Street.

The Alternative Municipal Budget proposes:

- 1) Improved capital-budget funding for recreation and community clubs-\$6 million in 2010 (debt and finance charges of \$.6 million to operating budget). This money

would be used to address a portion of the existing recreation infrastructure deficit.

- 2) A targeted capital spending program-\$4 million in 2010 (debt and finance charges of \$.4 million to operating budget). This money would be used to develop new facilities located in under-serviced communities. Two potential projects would be an additional indoor soccer facility or an outdoor pool in Winnipeg's inner city.

Summary of New Expenditures:

Funding for new programs:	\$4.5 million
Debt servicing costs for new capital spending:	\$1 million

Parks and Urban Forestry

The budget for Winnipeg city parks and keeping the city green was \$28.5 million in 2007. This included funding for 465 soccer fields, 365 baseball fields, 210 tennis courts, 179 km of riverbank frontage, 323 parks treated for weeds and many other amenities. The Alternative City Budget keeps funding at this level.

Winnipeg's elm trees are threatened by Dutch elm disease and the ash trees are now threatened by emerald ash bore. For every three trees lost to disease, only one tree is planted, resulting in a loss of 5,000 per year. Workers do not have enough resources to keep up with necessary pruning and removal of sick trees so that disease is spreading much faster than it should be. The Alternative Budget proposes an additional \$1 million to remove sick trees and increase the rate of tree replacement.

Summary of New Expenditure

Increase rate of tree replacement and removal of sick trees:	\$1 million
--	-------------

Winnipeg currently has 939 park sites totaling 3,244 hectares. According to the 2001 Green Space Acquisition and Stewardship in Cana-

dian Urban Municipalities study by Evergreen, Winnipeg ranks fifth among mid-sized Canadian cities in terms of the amount of green space per capita.

The Assiniboine Zoo had an operating budget of \$4.9-million in 2007 (this included \$202,000 to feed the animals). The Zoo generates over a million dollars in revenue per year but needs substantial capital investment in maintenance to ensure safe access for the public. The Conservatory, another popular refuge and photography venue had a budget of \$1.879 million in 2008 while it generated \$194,000 in fees.

Although the current governance approach will not generate the revenue needed for Assiniboine Park and retain the accessibility that Winnipeggers deserve, the Alternative Municipal Budget rejects proposals made by the Mayor's Economic Opportunity Commission to privatize municipal park services, particularly security services. A new approach that ensures public administration and access to the Park must be implemented.

Golf Courses

The City owns 12 golf courses, which are operated by a Special Operating Agency, which had a \$265,000 deficit in 2006. Three of the courses are operated directly by the City, two are managed under joint management agreements, and seven are leased to private operators. The lease fees ranges from \$1.00 to \$100,000 and in some case cases run for 100 years. The Mayor's Economic Opportunities Commission recommended offloading these assets.

The Alternative Municipal Budget recommends that the City retain ownership of all 12 golf courses and resume the operation of those that are currently privately managed. The City's pricing policies should address the needs of seniors, youth and others who cannot afford to golf at private clubs. The current plan to increase fees by \$1.00 per game puts the market share of City facilities at risk, a fact that is acknowledged in the City Report on golf courses. Instead of increasing costs, consideration should be given to expanding the use of courses through promotion and free golf program for youth at Crescent Golf Course to other areas of the city.

A new partnership agreement to upgrade facilities

As noted above the City has a recreation infrastructure deficit of \$183 million. In the long run, there is a need for the City to work through the Big City Mayors Caucus (BCMC) of the Federation of Canadian Municipalities to negotiate additional funding to support for quality recreational facilities and programming for municipalities. The federal government and the provincial government have seen their revenue increase at a far faster pace than the municipal government, even though both the federal and provincial governments have been cutting tax rates. Increased recreational activity would, in the long run, reduce federal and provincial health care and other spending, and in the process help pay for the cost to eliminate the current recreation infrastructure deficit. Winnipeg's Mayor needs to become an active advocate for Winnipeg through the Federation.

Alternative Municipal Budget

Works Cited

- Brandes, Oliver, Steven Renzetti and Kirk Stinchcombe. 2010. *Worth Every Penny: A Primer on Conservation-Oriented Water Pricing*. Polis Project University of Victoria.
- Canada Mortgage and Housing Corporation. January 2010. "Overview of the Current State of Knowledge on Societal Outcomes of Housing" Socio-economic Series 10-001. Found at <<https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=164&itm=1&sid=e3ce0884bb62490783b09c50b9747b8e&fr=1271023314296>>. Visited 31 March 2010
- Canada Mortgage and Housing Corporation. 2009. "2006 Census Housing Series: Issue 4—Growth in Household Incomes and Shelter Costs, 1991-2006" Found at <<https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=150&itm=26&sid=e3ce0884bb62490783b09c50b9747b8e&fr=1271023340343>>. Visited 31 March 2010
- Canada Mortgage and Housing Corporation. 2009. "2006 Census Housing Series: Issue 5—Canada's Census Metropolitan Areas" Socio-economic Series 09-022. Found at <<https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=150&itm=28&sid=e3ce0884bb62490783b09c50b9747b8e&fr=1271023716437>>. Visited 31 March, 2010
- Canada Mortgage and Housing Corporation. Fall 2009. "Rental Market Report; Manitoba Highlights" Found at <<https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?lang=en&cat=59&itm=13&sid=6d306f2f018948d5a3fcf48287535110&fr=1270930424031>>. Visited on 10. April, 2010
- Canadian Centre for Policy Alternatives. 2008. *Public Services for Public Good: A Citizen's Guide to Understanding Winnipeg's City Budget: 2008 2 Visions 2 Cities*. Winnipeg: Canadian Centre for Policy Alternatives.
- Canadian Centre for Policy Alternatives. 2009. *Community First: An Alternative Municipal Budget for Winnipeg: 2009 2 Visions 2 Cities*. Winnipeg: Canadian Centre for Policy Alternatives.
- City of Edmonton. Proposed 2010 Operating Budget Discussions. http://www.edmonton.ca/city_government/documents/2010_CityCouncilOperatingBudgetDiscussions_Optimized.pdf. Visited 23 April, 2010
- City of Regina. June 2007. "Regina Community Plan 2007: A Home for All. Appendix III: Government-Funded Projects and Programs" Found at <<http://www.regina.ca/AssetFactory.aspx?did=410>>. Visited 31 March, 2010
- City of Toronto. 2010. "Homelessness Partnership Initiative" Found at <<http://www.toronto.ca/housing/about-hpi.htm>>. Visited 31 March, 2010
- City of Winnipeg. March 2000. "The Housing Implementation Framework" Found at <http://www.winnipeg.ca/ppd/planning_housing.stm>. Visited 10 April 2010
- City of Winnipeg. October 2009. "Winnipeg Housing Policy" Found at <http://www.winnipeg.ca/ppd/planning_housing.stm>. Visited 10 April, 2010
- City of Winnipeg. 2009a. *Call to Action for*

- OurWinnipeg: Visions and Directions for the OurWinnipeg Plan.* Winnipeg: City of Winnipeg.
- City of Winnipeg. 2009b. *Capital Projects Summary and 2011 to 2015 Five Year Forecast.* Winnipeg: City of Winnipeg.
- City of Winnipeg. 2010a. *2010 Preliminary Operating Budget.* Winnipeg: City of Winnipeg.
- City of Winnipeg. 2010b. *2010 Preliminary Capital Budget: 2011–2015 Five Year Forecast.* Winnipeg: City of Winnipeg.
- Donovan, Stuart. 2009. "How Free is Your Parking?" FCPP Backgrounder No. 77. Frontier Centre for Public Policy.
- Lorch, Brian. 2004. *Big Boxes, Power Centres and the Evolving Retail Landscape of Winnipeg: A Geographical Perspective.* Research and Working Paper # 43, Institute of Urban Studies
- MacKinnon, S. and C. Lafreniere. April 2009. "Canadian Centre for Policy Alternatives Fast Facts: The housing crisis in Thompson"
- McNeill, Murray. 2010. "Developers hail downtown housing aid: Found at <<http://www.winnipegfreepress.com/business/developers-hail-downtown-housing-aid-89252827.html>>. Visited 31 March, 2010.
- Millar, A. and L. Rappaport, 2009. *Winnipeg's Best-Kept Secret: A Community Development Vision for Sherbrook Pool.* Winnipeg: Canadian Centre for Policy Alternatives.
- Speak Up Winnipeg. January 2010. "A Call to Action for OurWinnipeg: Vision & Directions for the OurWinnipeg Plan" Found at <<http://speakupwinnipeg.com/resource/file/Call%20to%20Action.pdf>>. Visited on 10 April 2010