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FAST FACTS

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Housing Improvement Zones: A focused and grassroots approach to housing development

On March 10, 2011, the Standing Committee on Property and Development recommended a move of \$500,000 from the Housing Rehabilitation Investment Reserve (HRIR) to the Home Renovation Tax Assistance Program, despite years of calls from housing and community organisations for increased funding to the HRIR. Although the recommendation was not passed, this move calls attention to the vulnerability of the funding intended to support housing rehabilitation and development in Winnipeg’s inner city.

Much has been written about the urgency of the affordable housing crisis in Winnipeg, particularly for those with lower incomes. The HRIR provides funding for housing programs in the five Housing Improvement Zones (HIZs) identified by the City of Winnipeg, as well as to Aboriginal housing organisations, to address housing needs in these core areas. The HIZs are one tool to address the need for safe, affordable housing in Winnipeg.

The 1999 Winnipeg Housing Policy developed the HIZs with the intent of “empowering those who live and function in declining communities”. The five HIZs that receive funding from the HRIR are Spence, West Broadway, Centennial, William Whyte and Point Douglas. Each HIZ

has a Neighbourhood Renewal Corporation (NRC), which works on a range of community priorities, including housing (these are the Spence Neighbourhood Association, West Broadway Development Corporation, Central Neighbourhoods Development Corporation, and North End Community Renewal Corporation).

HIZs and NRCs are based on the idea that improving a few buildings will encourage investment in neighbouring buildings, having a positive impact on the neighbourhood as a whole. They assist property owners who are unable to carry out repairs to their homes, and provide an incentive for investment in the neighbourhood by private developers. The NRCs build on social capital, community relationships and local skills to benefit residents based on their priorities and interests. This grassroots model of community development ensures that funds are used for the benefit of the whole community.

Across Winnipeg, rents and house prices are rising, and rental vacancy rates have been extremely low (0.8 percent in October 2010) for the last few years. High numbers of people live in core housing need: in crowded conditions, spending over 30 percent of household income on housing, and/or living in dwellings in need of major repair. In 2006, 33.1 percent of dwellings in the inner city required



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MANITOBA OFFICE

309 - 323 Portage Avenue
Winnipeg, MB R3B 2C1
T 204.927.3200 F 204.927.3201
ccpamb@policyalternatives.ca
www.policyalternatives.ca

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minor repairs and 14.4 percent were in need of major repair, compared with 28 percent and 6.9 percent respectively outside the inner city.

Because low-income households have fewer housing options, these factors are of particular concern in the inner city, where the median household income is \$31,773 compared with \$55,812 outside the inner city, and almost 40 percent of households live below the low income cut off. The NRCs coordinate the many housing voices in each HIZ: residents, non-profit housing providers, private developers, governments and the Winnipeg Housing and Homelessness Initiative. They help stakeholders' groups develop neighbourhood housing plans, thereby ensuring that housing plans reflect the perspectives of community residents.

The NRCs are funded by the Government of Manitoba's Neighbourhoods Alive! program. In addition, each HIZ receives \$160,000 from the HRIR, which is allocated through the NRCs. This funding contributes to 'bricks and mortar' projects, renovating or repairing houses and building new housing. For example, in West Broadway, of the \$160,000 allocated from the Housing Rehabilitation Investment Fund, \$100,000 is used for housing projects such as rehabilitation and infill housing development, \$30,000 is used for the Property Improvement Program (for small exterior improvements) and the remainder is used to fund staff to administer the program. William Whyte and North Point Douglas allocate the money differently: \$30,000 goes to fix-up grants, \$18,000 goes to the Minimum Home Repair Program, \$21,000 goes to housing coordination, \$7500-7900 goes to building capacity for the residents' associations, and the rest is spent on housing development projects, including maintaining housing and rental accommodation.

The HRIR enables each neighbourhood to address housing issues in a coordinated and focused way. Rather than relying on individual

self-interest and ability to improve housing and neighbourhood conditions, the NRCs offer a way to address housing needs at a neighbourhood level. This approach builds momentum and investment in the overall quality of life in each neighbourhood.

The HRIR focuses only on a few areas, but funding for housing rehabilitation and development is needed throughout the city, including in other inner-city neighbourhoods. A more effective use of resources would be to expand the HRIR, create new HIZs, and increase the available funds rather than distributing them more thinly across the city or redirecting them to other programs that do not benefit lower-income households.

Although housing in the five Housing Improvement Zones has improved in the last ten years, there is still much work to be done, especially in the current context of reduced availability of affordable housing. The City of Winnipeg's work with the Winnipeg Housing and Homelessness Initiative and HRIR is a step towards addressing these problems, but the City should be increasing its efforts to support affordable, safe housing for all its residents, not merely redistributing funds in a way that imperils already fragile neighbourhoods.

Sarah Cooper is the Housing and Community Development Researcher for CCPA Mb.



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