

# Taking Back the City

Alternative Municipal Budget  
Winnipeg 2014

artwork by Ildiko Nova



CCPA  
CANADIAN CENTRE  
for POLICY ALTERNATIVES  
MANITOBA OFFICE

**Taking Back the City: The 2014 Alternative  
Municipal Budget**

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# Introduction

Two Winnipeggers were overheard talking in a downtown café about *Our Winnipeg*...



2014 is an election year and this Alternative Municipal Budget (AMB) is meant to stimulate discussion around some of the important concerns facing our city. By reframing issues, raising revenue differently, recognizing inequities and incorporating fresh ideas, this AMB will educate, challenge and inspire voters and candidates alike.

A municipal budget is an opportunity not only to raise revenue in a variety of new ways and allocate spending creatively and intelligently, it is also as a fiscal “road map” that suggests the direction the city may take. Unfortunately, that map has not been rationally discussed or clearly marked for many years, leaving Winni-

peppers to wonder where the city is going and who is really in charge. The high hopes generated by the City's *Our Winnipeg*<sup>1</sup> exercise — referred to throughout this document — have been dashed, leaving many thinking it's time we took back our city.

Council's lack of vision and stewardship is at the heart of many of Winnipeg's financial and procedural woes, including the cost over runs on the new police headquarters, the Fire Hall land swap, the bickering and flip-flops around Rapid Transit and the controversy around the hiring and release of the CAO.

Like most Canadian municipalities, Winnipeg has struggled to try and find ways to increase revenue and to preserve important public services and amenities. We acknowledge that raising revenue is extremely challenging and that municipalities are hampered by not receiving their fair share of resources from upper levels of government. Nonetheless, spending cuts in the form of decreasing services, 'vacancy management' — management speak for downsizing — and contracting out contribute to the major headaches Winnipeggers experienced this past winter.

**Years of tax freezes in the face of crumbling infrastructure, soon to be exacerbated by urban sprawl's unsustainable contribution to the infrastructure inventory, lead us closer to a crisis situation.**

Snow removal complaints, frozen water pipes to residents' homes and broken water mains were the norm for winter 2014 (Santin, February 2014), speaking to the need to address the infrastructure deficit. The AMB in no way blames City Council

for unusually severe weather, but given climate change predictions, it is all the more important to give our public servants the resources they need to address its effects.

Some public amenities, such as local museums and the Sherbrook Pool, have seen cuts to their operating expenses; others, such as wastewater plant upgrades and management, have been outsourced to private companies. A worrisome lack of transparency means that the public cannot determine if the deal cut with Veolia, or the City's Alternative Service Delivery strategy, for example, are advantageous. All told, these desperate measures do more to undercut Winnipeg's long-term potential than enhance it.

The 2015 Alternative Municipal Budget takes back the runaway budgetary process, instilling it with equal parts of discipline and inspiration. By considering:

- a variety of communities in our consultations
- new ways to increase revenue
- insourcing crucial services such as snow removal
- economic trends (smart jobs) and realities (too-high poverty rates)
- being the city that KPMG ranks as the most competitive in North America's Midwest
- local strengths (positive net migration and a growing Aboriginal population; low unemployment rate; being located in the province with third largest economic growth rate in the country)
- the need to include all in prosperity, whether it be through recreational opportunities, decent housing and jobs or access to decent food
- a gender perspective

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<sup>1</sup> *Our Winnipeg* is a publication produced by the City of Winnipeg after consultations with citizens about what direction we want Winnipeg to take. Information about the initiative is available at: <http://winnipeg.ca/interhom/CityHall/OurWinnipeg/>

- Winnipeg’s unique and vibrant arts and culture sector
- how to protect and expand our green spaces
- the negative impact of urban sprawl and our predominant car culture

this budget allows citizens to take back the city.

**Employers will locate where the creative class thrives. Winnipeg needs to develop a growth strategy that attracts employers looking for diverse and educated workers and which makes sure that Winnipeggers from all walks of life are qualified to take these jobs.**

### Building a Smarter City

Globally, there is a steady increase in jobs that require higher levels of critical thinking and technological understanding (Moretti 2012). Globalization and technological change have hollowed out North America’s manufacturing sector, shrinking the number of jobs available in this area. Today’s value-added jobs — jobs that fuel economic growth — are in the high-tech sector where human capital is the most important input.

High-tech jobs are labour intensive and pay high wages. Having a critical mass of high-paid workers benefits other sectors as their wages are spent in the local community. Moretti explains that if a city increases its human capital, it generates ‘human capital externalities’ which generate even more than an economic multiplier effect. There are also important knowledge spillovers that can increase the quality of life throughout the community (99, 100). Furthermore, the sort of manufacturing that is in Winnipeg — aerospace, transportation, and innovation and spin offs around hydro development — relies on workers with high-tech skills. But one of the greatest concerns of Manitoba employers is finding skilled workers (Manitoba Bureau of Statistics, 17).

Education and training is primarily a provincial responsibility, but the City can design policies to complement and enhance provincial programs. It can also invest in areas, such as arts and culture, recreation and public transportation so that Winnipeg’s creative class (Florida, 2004) opts to stay here.

After 20 years of slow or negative growth, accompanied by outflows of population, Winnipeg and Manitoba have embarked on a new phase of growth. This is led by young, talented immigrants who, when combined with the unique characteristics of Manitoba’s own labour market, will create a huge value-creating resource. The task then is to:

- Attract top-rank, high value-added employers to work with this emerging labour force
- Create a high-quality community that will retain that workforce and those employers
- Ensure that the creation of wealth is shared by all.

Many countries face an ageing population and dwindling workforce. In contrast, Manitoba and Winnipeg are home to a rapidly growing Aboriginal population. In order to meet the future demands of the labour market and to stem the suffering and injustice of racism and colonization, we must ensure that Aboriginal people receive the support they need to be able to participate fully in the economy.

The Alternative Municipal Budget also delivers resources to housing, recreational services, green spaces, food security and transit improvements which will bolster the supports all Winnipeggers need to participate fully in the economic and civic life of our city. These initiatives will ensure that growing prosperity is fairly distributed.

## Growing a Budget

According to the City's own 2014 budget documents, Winnipeg is expected to continue experiencing robust population growth, with an increase of 50,000 people by 2017 (City of Winnipeg 2014, 38). It must integrate newcomers into the community, build transport and housing for them, and create a modern urban environment that can harness their energy and talent and merge it with Winnipeg's unique culture. Growth must be leveraged so as to bring those currently excluded by inadequate and discriminatory practices into active and constructive partnerships in a new type of community. Well-maintained public services, such as parks, community centres, and museums will encourage citizens to remain in Winnipeg as well as expand Winnipeg's cultural capital.

This year's AMB understands the power of our arts community to raise our quality of life and sense of pride and drive economic growth. The AMB capitalizes on this resource through targeted spending that will keep our creative class here, expand Winnipeg's unique cultural scene and inspire us to take back the city.

Our smart city strategy requires that the city maintain public facilities as public, rather than outsourcing to private partnerships. Privatization is a short-term strategy for balancing a budget, not for growing a local economy. Outsourcing means the city loses out on much of the decision making process. Rather than targeting private partnerships as a means to save, the city should review services to ensure they are utilized effectively. The AMB considers a study to bring snow removal services back in house and starts to reverse the pernicious effects of years of 'vacancy management' practices.

**'Outsourcing' gives the city away:  
'insourcing' takes back the city.**

**Every year of tax freezes represented a lost opportunity to deal with our crumbling infrastructure. We're just now seeing the serious effects of such short-sighted policy: it will now cost far more to deal with the issue. The AMB takes back control over our infrastructure.**

The AMB looks to new ways to raise revenues

One of the most significant ways the AMB takes back the city is by definitively dealing with the infrastructure deficit. Although property taxes were finally increased last year, breaking a 14-year freeze, our infrastructure has deteriorated to the point where these increases are too little, too late. The AMB capital budget (see below) tackles this problem, but on the operating side our parking lot tax, growth development charge, zoning opt-out fee; billboard tax increase and building tax for art raise an additional \$59 million.

## Capital and Operating Budget

Although most of the AMB concentrates on the operating side of the budget, we also include an analysis of capital spending. Given the dire condition of our infrastructure and the lack of funds to fix it, the AMB includes a detailed analysis of spending and makes concrete recommendations. Improving our infrastructure is a key part of a strategy to attract top-rank employers.

Our property tax increase will allow the City to borrow the money it needs to tackle the infrastructure deficit. We raise the per capita level of spending on capital budgets to the seven city average of \$1,078 which is an increase of \$553 per capita and \$400 million in total. Our



analysis shows that some of the areas most neglected by recent capital spending include Parks, Recreation, Transit and Active Transportation. The AMB increases capital spending in these areas, thereby making Winnipeg a more attractive place to invest in and allowing all citizens to take back the city.

**By increasing investment in infrastructure, the AMB is also providing a welcome boost to the local economy through the multiplier effect. Every dollar invested in infrastructure spending boosts the economy by \$1.16 (Province of Manitoba, 2014 Five Year Plan).**

# Gender-Based Analysis (GBA)

The 2014 Alternative Municipal Budget introduces a gender-based analysis (GBA) to budgeting in Winnipeg. GBA is a tool to assist in systematically integrating gender equality perspectives into all levels of government,<sup>2</sup> and the political process, through the development of policy, planning and decision-making processes that involve both women and men. By utilizing a GBA, the differences that are located amongst women and men are taken into account, as well as the differences between racialized and non-racialized populations.

Winnipeg has diverse population, including a high proportion of Aboriginal residents. The 2006 Census revealed that the census metropolitan area (CMA) of Winnipeg has the greatest number of Aboriginal people compared with other Canadian CMAs (CCPA, 2012). Adding to the mix of ethnicities is the growing number of immigrants and refugees coming to Winnipeg. According to Magro and Ghorayshi both the numbers of immigrants and refugees coming to Winnipeg has increased, with most immigrants currently coming from non-Western European countries (2011).

A GBA analyses how colonialism, racism and poverty manifest differently between men and women and to best allocate resources to compensate for these effects.

## GBA Questions to Consider

In order to assess gender inclusion in the municipal budget, it is important to ask these initial questions;

- Does the allocation of funds support full participation and equality for women and men? Does it create barriers to equality? If it does, what can be done?
- Does the policy discriminate against men or women in its outcomes? Would the policy alter the situation of women and men positively or negatively?
- Did the government body actively seek the input of community groups and other equality-seeking groups?

The answers to these questions will help navigate the next steps of the GBA.

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<sup>2</sup> The Canadian government has an obligation to uphold the *Canadian Charter of Rights and Freedoms*, sections 15 and 28, and the Canadian Human Rights Act which prohibits discrimination on the basis of sex and other identified grounds.

## GBA in Action

Poverty disproportionately affects women compared to men, with one in seven Canadian women living in poverty (Morris & Gonsalves, n.d.). The circumstances leading women toward an impoverished life is complex however, research points to various systemic and structural factors, such as cuts to social programs and lower earning power, that leads to increased vulnerability amongst women to live and remain in poverty. Poverty affects women differently, for example, 37 per cent of women of colour are low income, compared with 19 per cent of all women (Morris & Gonsalves, n.d.).

Numerous research reports demonstrate women have the highest participation in precarious employment, (part-time, temporary/seasonal, and home-based). Additionally, women

who are employed full time earn approximately 71 per cent of what men earn for year-long, full-time work (Morris & Gonsalves, n.d.). Further, women are still disproportionately responsible for elder care, child care, and extended family care, leading to more breaks in employment. Frequent breaks in employment further lessen a woman's tie to the labour market, reducing her ability to access social programming and benefits.

Through the consideration of the complex realities facing women and men the municipal budget can speak to all people. Although the AMB did not have the resources to fully incorporate a gender lens, we hope that by including this discussion here, others will be inspired to consider these important issues in future budgets, whether they be actual or alternative.

# Revenue

## Revenue Growth — The Real Deal

At first glance the amount of revenue earned by the City has been increasing dramatically. Table A shows the changes in revenue collected by the City between 2001 and 2013. Overall, the City earned 42 per cent more than it did in 2001, 17 per cent more than it did four years ago in 2009 and 3 per cent more than it did in 2012.

However, these numbers are misleading for two reasons. First, with each passing year all prices rise due to inflation. This is the distinction that economists make between nominal (the stated price) and real (how much a given amount of money will actually buy) values. When City revenue is adjusted for inflation, the increases are far more modest. The increase between 2001 and 2013 is only 12 per cent, much of which (8 per cent) has come in the four years between 2009 and 2013. The change between 2012 and 2013 was a tiny 0.2 per cent.

The second reason that this increase is misleading is that Winnipeg's population has been expanding. More people place more demands on City services and increase the number of people that are paying taxes, so the City revenues and expenses should increase with population. Between 2001 and 2013 the population of Win-

nipeg grew by 12 per cent — only equal to the amount revenues went up. As a result the real amount per person that the City has collected has remained virtually unchanged since 2001, an increase of 0.1 per cent. What increase there has been has occurred in recent years after a 14 year freeze in property taxes ended in 2012.

## Where the Money Comes From

The City is constrained in the kinds of taxes it can levy. Property taxes, which are levied at a rate (called the mill rate) on the assessed value of residential and commercial property, are the single largest source of revenue.

A homeowner's (or business') property tax is calculated by a very convoluted process. The assessed value of the property is first multiplied by a "proportioned per centage" (45 per cent for residential and between 10 per cent and 65 per cent for different kinds of businesses) to get a portioned value. This amount is then taxed at the "mill rate" (in 2014, 13.672), which is the rate per 1,000 of portioned value.

So, the amount of property tax that a homeowner or business pays can vary with: changes to the assessed value, which happens when the City

TABLE 1 City of Winnipeg Revenue 2001 – 2013

	2001	2009	2012	2013	% change	% change	% change
	Actual	Actual	Restated	Adopted	01-13	09-13	12-13
<b>Nominal \$ millions</b>							
Property Tax	384	428.7	459.6	482.9	25.8	12.6	5.1
Business Tax	60	57.6	57.6	58.4	-2.7	1.4	1.4
Frontage Levy and other tax	19	46.1	63.1	63.4	233.7	37.5	0.5
Government Transfers	73	101.7	113.3	113.0	54.8	11.2	-0.3
Regulations and Fees	18	37.3	37.6	40.9	127.2	9.7	8.8 t
Sales of Goods and Services	42	72.6	62.7	67.8	61.4	-6.6	8.1
Interest	14	9.3	11.4	11.4	-18.6	22.2	0.0
Transfers from other Funds	40	32.9	52.3	46.6	16.5	41.5	-10.9
Other	1	1.0	35.4	38.3	3730.0	3673.4	8.2
<b>Total</b>	<b>651</b>	<b>787.2</b>	<b>893.0</b>	<b>922.7</b>	<b>41.7</b>	<b>17.2</b>	<b>3.3</b>
<b>Real \$ millions</b>							
Property Tax	392.64	376.4	383.3	390.7	-0.5	3.8	1.9
Business Tax	61.35	50.6	48.0	47.2	-23.0	-6.5	-1.6
Frontage Levy and other tax	19.43	40.5	52.6	51.3	164.0	26.	-2.5
Government Grants	74.64	89.3	94.5	91.4	22.5	2.4	-3.3
Regulations and Fees	18.40	32.7	31.4	33.1	79.8	1.1	5.5
Sales of Goods and Services	42.94	63.7	52.3	54.9	27.7	-13.9	4.9
Interest	14.31	8.2	9.5	9.2	-35.6	12.6	-3.0
Transfers from other Funds	40.90	28.9	43.6	37.7	-7.8	30.4	-13.6
Other	1.02	0.9	29.5	31.0	2930.5	3377.3	5.0
<b>Total</b>	<b>665.64</b>	<b>691.1</b>	<b>744.8</b>	<b>746.5</b>	<b>12.2</b>	<b>8.0</b>	<b>0.2</b>
<b>Real Total Per Person</b>	<b>1044.8</b>	<b>1026.6</b>	<b>1056.7</b>	<b>1045.4</b>	<b>0.1</b>	<b>1.</b>	<b>-1.1</b>

periodically reassess property values; changes to the proportion percentage; or, changes to the mill rate.

These variations are nicely illustrated by the 2.95 per cent increase in property taxes proposed by Council for 2014. It's also an assessment year for Winnipeg, so homeowners have received a notice in the mail stating how much more the City estimates their houses are worth. Since house values have increased substantially, if the City left the mill rate unchanged, this would lead to a much greater increase in taxes than the proposed 2.95 per cent. In order to have the average property tax bill increase by 2.95 per cent, the City has to reduce the mill rate from 14.60 to 13.672. The combination of the reduced

**Example of how property taxes are calculated:**

**Assessed value x portion per cent x mill rate/1000 = property tax**

**250,000 x 45 per cent = 112,500**

**112,500 X 0.013672 = 1538.10**

mill rate and the increased assessment will create an average property tax increase of 2.95 per cent. Of course, where each individual household comes out depends on whether its house values

increased more or less than the Winnipeg average. If your property value increased more than the city average, your tax increase will be more than the city average of 2.95 per cent. Conversely, if your property value increased less than the city average, then your tax increase will be less than the 2.95 per cent city average, or in some cases, your taxes could even decrease.

Unlike income or sales taxes, the tax base (the economic activity on which the tax is levied) for property taxes does not increase automatically as the economy grows. When the economy expands, revenue that governments 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, which only happens in assessment years. Between assessments, revenues from property taxes barely grow at all. Once reassessed, if property values have been increasing, taxes will skyrocket, which politicians are reluctant to let happen. However, the City's much touted financial problems are not merely the result of the inherent problems with property taxes, but also deliberate policy decisions that have limited the revenue earned from this source.

**However the 14 year tax freeze prior to 2013 meant that property taxes have declined as a percentage of total revenue. In fact, in real terms property tax revenue was lower than it was in 2001.**

The City increased the property taxes in 2013 and plans to do so in 2014. However the 14 year tax freeze prior to 2013 meant that property taxes have declined as a percentage of total revenue. In fact, in real terms property tax revenue was lower than it was in 2001.

The City also collects what it calls a “business tax,” which is collected on all businesses in the City based on the assessed rental value of their business location. The rate in 2013 was 5.9 per cent so the amount that firms pay would equal 5.9 per cent of the assessed annual rental value of their business. Small businesses, those with a rental value of less than \$23,880, do not have to pay this tax. This rate has decreased from 9.75 per cent in 2002 so businesses taxes have been decreasing both as a percentage of City revenue and in real terms (by 23 per cent since 2001).

The Mayor argues that Winnipeg is less competitive than cities that do not have a business tax. He also claims that it is unfair that some businesses must pay both the business tax and the non-residential property tax. However, this argument is only reasonable if the combined taxes on business are in some way “too high.” It is true that many cities in Western Canada do not have a business tax, but this is compensated for with higher rates on non-residential property taxes. There could well be an argument for eliminating the business tax in name and unifying the business tax and the non-residential property tax. 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.

As a result of an unwillingness to raise money the old fashioned way, the City has looked for new ways to make money. For example, in 2011 the frontage levy, a tax the City levies on the length of the frontage of a property for water and sewer services increased from 2.55 to 3.75 per foot, generating an additional \$7 million while allowing the City to claim that it was maintaining its property tax freeze.

The other big increase in revenue generation is in money collected from regulations and fees. While increasing some of these fees, like the amount charged for dumping in the landfill, make sense from a policy standpoint, others,

**TABLE 2 Cumulative Property Tax Increases 1999–2013 Western Canadian Cities**

City	Per cent Increase
Edmonton	68 per cent
Calgary	64 per cent
Saskatoon	55 per cent
Vancouver	53 per cent
Regina	40 per cent
Winnipeg	1 per cent

**TABLE 3 City of Winnipeg Spending 2013**

	2013 Adopted	Per cent of Budget
Millions of dollars		
Police	242.5	26.3
Public Works	182.0	19.7
Fire Paramedic	167.9	18.2
Community Services	111.7	12.1
Planning, Property and Development	42.1	4.6
Water and Waste	33.7	3.7
Contribution to Transit	45.8	5.0
Other	97.0	10.2
Total	922.7	100

like increasing the charge for ambulance rides (the rate for Emergency Medical Service in the proposed 2014 budget was \$500) are more difficult to justify.

#### A Comparison with Other Cities

Faced with the same revenue constraints that confront Winnipeg, other Western Canadian cities have been increasing property tax rates over the last decade and a half (Table 2)

The City trumpets this as prudent financial management that has saved Winnipeg residents considerable sums in tax. However, it has also meant that the City’s budget has been stretched remarkably thin in many places.

#### Where has the money gone?

Table 3 shows where Winnipeg spent its money in 2013. The easy answer to the question, “where

does the money go” is police, infrastructure, and fire/paramedics, which combine for almost 65 per cent of total City spending. Since 2001, the City’s priority has clearly been policing, followed by fire/paramedics. Between 2001 and 2013 police services have grown from 18 per cent of the budget to 26 per cent. Fire and paramedics have increased from 14 per cent to 18 per cent.

#### What’s New? The City’s Plan for 2014

Table 4 compares the proposed 2014 budget to 2013. Overall, revenue and spending will go up by about 5 per cent in 2014. The big focus of the 2014 budget will no doubt be on the property tax increase of 2.95 per cent, two per cent of which is being dedicated to funding local and regional street repair. As a result of the rate increase and new property construction, property tax revenue will go up by 5.7 per cent. The City is also reducing the business tax rate slightly from 5.9

TABLE 4 City of Winnipeg Preliminary Operating Budget

Revenue	2013	2014	% change
	Adopted	Preliminary	13-14
Nominal \$ millions			
Property Tax	482.9	510.6	5.7
Business Tax	58.4	59.7	2.2
Frontage Levy and other tax	63.4	67.1	5.8
Government Transfers	113.0	113.8	0.7
Regulations and Fees	40.9	42.6	4.2
Sales of Goods and Services	67.8	63.8	-5.9
Interest	11.4	11.2	-1.8
Transfers from other Funds	46.6	56.7	21.7
Other	38.3	42.3	10.4
<b>Total</b>	<b>922.7</b>	<b>967.8</b>	<b>4.9</b>
<b>Spending</b>			
	2013	2014	% change
	Adopted	Preliminary	2013-14
Police	242.5	257.9	6.4
Public Works	182.0	188.0	3.3
Fire and Paramedic	167.9	167.6	-0.2
Community Services	111.7	122.9	10.0
Planning Property and Development	42.1	40.9	-2.9
Water and Waste	33.7	31.1	-7.7
Contribution to Transit	45.8	47.6	3.9
Other	97.0	111.8	15.3
<b>Total</b>	<b>922.7</b>	<b>967.8</b>	<b>4.9</b>

**Although business tax revenue will still increase between 2013 and 2014 because of an increase in the number of businesses, the decrease in the rate will cost the City around \$2.1 million in foregone revenue.**

to 5.7 per cent. Although business tax revenue will still increase between 2013 and 2014 because of an increase in the number of businesses, the decrease in the rate will cost the City around \$2.1 million in foregone revenue. The largest per cent increase in City revenue, however, is the \$10 million increase in transfers from other funds, which, of course, is not actually rev-

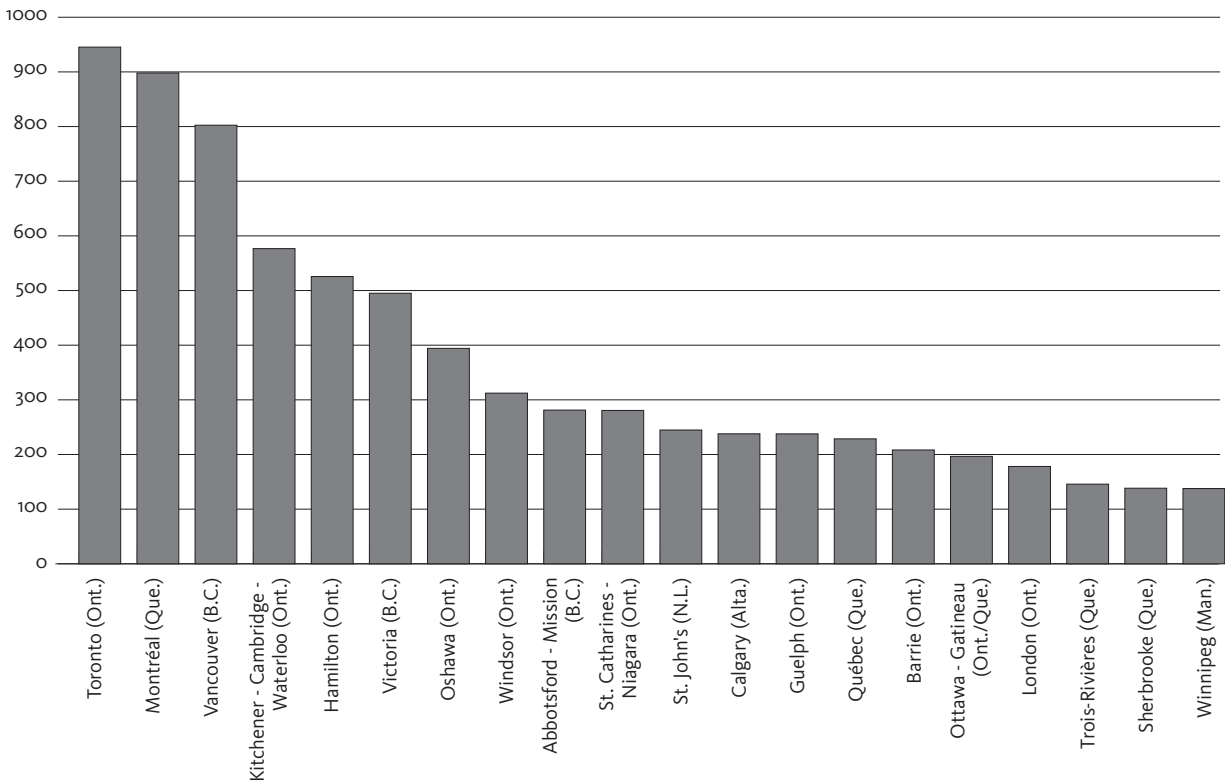
enue at all, but just taking money from one of the City's reserve funds, like the Financial Stabilization Reserve.

Although it doesn't show up as a big spending budget line in public works, the City is also borrowing money to put into street improvements. In 2014 it plans to borrow \$10 million to spend on local streets and \$10 million for regional roads. The debt payments from this borrowing will be financed by part of the revenue from the 2 per cent tax increase. The remaining income from the tax increase will also be plowed into Winnipeg streets.

The other departments that can look forward to a budget increase in 2014 are, predictably, the Police and, less predictably, Community Services.



**FIGURE 1 Canadian Cities: Census Metropolitan Area Population Density per Square Kilometer**



**SOURCE:** Statistics Canada Population and dwelling counts, for census metropolitan areas, 2011 and 2006 censuses <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/hlt-fst/pd-pl/Table-Tableau.cfm?T=205&S=3&RPP=50>

## The 2014 AMB Revenue: Making Taxation Work

### Infrastructure

Potholes may be a fact of life in a city with an intense spring thaw, but water main breaks, crumbling streets and brown water are all tangible signs of what is referred to as the “infrastructure deficit,” which is merely the most concrete symptom of the chronic underfunding of all City services as a result of the 14 year property tax freeze. Simply put, taxes pay for city services. Cutting taxes involves cutting services. Every CCPA Alternative Municipal Budget yet written has encouraged modest tax increases to fund much needed services in the City. Now, the City seems to be listening, but it’s more a case of “too little too late” than “better late than never.”

**To achieve the increase in revenue, property taxes will have to be increased by an additional 3.05 per cent over the City’s 2014 increase of 2.95 per cent, for a total increase in property tax rates of 6 per cent.**

As a result, the AMB is recommending drastic action to close the infrastructure deficit outlined in our Capital Budget Section. Of the \$400 million raised, \$100 million will be dedicated to the North End Waste Water Treatment Plant. Meeting the annual debt payments on the \$400 million borrowed by the City will require an additional \$28.6 million in spending in the operating budget. \$21 million of this (75 per cent) will be counted on the Public Works budget and \$7.2 million (25 per cent) will be attributed to Water

and Waste to correspond to the \$100 million for the treatment plant and \$300 for general infrastructure spending. To achieve the increase in revenue, property taxes will have to be increased by an additional 3.05 per cent over the City's 2014 increase of 2.95 per cent, for a total increase in property tax rates of 6 per cent.

### **Policy Based Taxes**

Winnipeg's infrastructure problems are not merely a result of funding neglect. Infrastructure costs are also influenced by the form of the city. A US study examined the connection between infrastructure costs per capita and urban sprawl. They found that all costs (which included not only total direct expenditure, but also sub-categories like capital facilities, roadways, police protection, and education) were positively related to urban sprawl (Carruthers and Ulfarsson, 2003). New subdivisions are more costly for the City than infill housing and increased urban density, yet this is the development plan that Winnipeg follows. Figure 1 shows that Winnipeg ranks 21st among Canadian cities in terms of population density.

It is not merely infrastructure costs that are negatively impacted by urban sprawl (although these are of most obvious concern in a municipal budget). The quality of life in the city is also affected. More sprawling cities are associated with more driving miles, greater vehicle emissions, less walking, more obesity and even greater hypertension (Reid et al, 2003).

Cities can take a number of actions to promote more liveable, "smart" urban areas. Zoning is perhaps the most obvious measure, but pricing incentives can also play an important role in changing the structure of the city. Taxation can be used to achieve important public policy objectives as well as generate much needed civic revenue.

The City of Winnipeg Charter currently limits Winnipeg's ability to levy taxes other than the property tax. As a result, any broadening of the

City's tax sources must involve agreement from the provincial government. The AMB therefore urges in several sections that the Province and the City re-examine the limits of the current taxation arrangements. The aim of these negotiations would be far more encompassing than the City's requests for a portion of Provincial revenue from the gasoline tax, and should grant the City the power to implement tax policies that would decrease urban sprawl.

Winnipeg's ability to implement tax policy is also limited by the structure of the capital region in which there are separate municipal tax jurisdictions within easy commuting distance of Winnipeg. Commuter communities negatively impact Winnipeg's budget in several ways. They create pressure on Winnipeg to remain "tax competitive" limiting the ability of the City to raise property tax rates. Growing communities outside the perimeter also create urban sprawl as people relocate from the City to exurban areas, increasing commuter pressure on infrastructure and generating large environmental costs including increased greenhouse-gas emissions. Commuters from outside the perimeter are free riders, using City infrastructure during their work day without paying. Between 2001 and 2011 the growth rate of the Winnipeg city proper (12.1 per cent) was considerably lower than some of the municipalities outside the perimeter, like Headingly (67 per cent) and East St. Paul (18 per cent). The City must devise some way of dealing with this issue whether it is through negotiation with the capital region municipalities and the province or through its own tax policies.

Taxes can play an important role in changing behaviour to achieve much desired policy goals. The policies that follow will create a more liveable, less expensive, and healthier city.

### **Suburban Parking Space Charge**

Large suburban retail developments with their accompanying expansive parking lots increase automobile commuting, expand urban sprawl, are visu-

**TABLE 5 AMB Revenue Changes to the City of Winnipeg 2014 Budget (\$ millions)**

Tax	Revenue Increase
Property Tax	28.6
Frontage Levy and Other Tax	
Parking Lot	9.7
Growth Charge	15.0
Zoning Opt-out Fee	4.3
Billboard Tax	0.8
Building Art	0.5
<b>Total</b>	<b>58.9</b>

**TABLE 6 AMB Spending Changes to the City of Winnipeg 2014 Budget (\$ millions)**

Department	Spending Increase	
	Operating Costs	Payments for Debt Servicing
Police	0.2	
Public Works	0.0	21.5
Community Services		
of which		
Recreation	0.6	1.6
Food Security	0.2	
Art & Culture	5.6	
Housing	4.6	
Employment and Training	2.0	
Planning, Property and Development		
of which		
Planning	5.2	
Green Plan & Golf	0.3	
Environmental	1.4	0.3
Water and Waste	0.0	7.2
Contribution to Transit	8.2	
Other		
<b>Total</b>	<b>28.3</b>	<b>30.6</b>

ally unappealing, discourage more active forms of transportation and reduce the vibrancy of cities.

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 recommends 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 dif-

ficult. 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) in the city, and the number has certainly grown since then. The St. Vital Centre boasts 4,400 parking spaces, so the tax would cost the mall \$440,000 a year. 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 from

**TABLE 7 Debt Servicing Requirements for Capital Spending (\$ millions)**

Department	Capital Spending	Yearly Payment for Debt Servicing
Public Works + Water & Waste	400	28.6
Recreation	22	1.6
Environmental	4.5	0.3

**TABLE 8 Summary of 2014 AMB Revenue and Spending Compared to City's**

Revenue	2013	2014	% change	2014	% change
	Adopted	Preliminary	13-14	AMB	13-14
Nominal \$ millions					
Property Tax	482.9	510.6	5.7	539.2	11.7
Business Tax	58.4	59.7	2.2	59.7	2.2
Frontage Levy and other tax	63.4	67.1	5.8	97.4	53.6
Government Transfers	113.0	113.8	0.7	113.8	0.7
Regulations and Fees	40.9	42.6	4.2	42.6	4.2
Sales of Goods and Services	67.8	63.8	-5.9	63.8	-5.9
Interest	11.4	11.2	-1.8	11.2	-1.8
Transfers from other Funds	46.6	56.7	21.7	56.7	21.7
Other	38.3	42.3	10.4	42.3	10.4
<b>Total</b>	<b>922.7</b>	<b>967.8</b>	<b>4.9</b>	<b>1026.7</b>	<b>11.3</b>
<b>Spending</b>					
	2013	2014	% change	2014	% change
	Adopted	Preliminary	13-14	AMB	13-14
Police	242.5	257.9	6.4	258.1	6.4
Public Works	182.0	188.0	3.3	209.5	15.1
Fire and Paramedic	167.9	167.6	-0.2	167.6	-0.2
Community Services	111.7	122.9	10.0	137.4	23.0
Planning Property and Development	42.1	40.9	-2.9	48.1	14.3
Water and Waste	33.7	31.1	-7.7	38.3	13.6
Contribution to Transit	45.8	47.6	3.9	55.8	21.8
Other	97.0	111.8	15.3	111.8	15.3
<b>Total</b>	<b>922.7</b>	<b>967.8</b>	<b>4.9</b>	<b>1026.6</b>	<b>10.4</b>
Surplus/Deficit	0.0	0.0		0.1	

those 22 centres alone. 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 from 2004 in the calculation and the tax would be levied on all shopping-centre, mall and power-centre parking spots outside the downtown. In addition, there has been considerable large scale suburban mall

development since 2004, the biggest example of which is the Seasons of Tuxedo, with 6,000 parking spaces (City of Winnipeg Planning).

*Projected Revenue Change \$9.7 million*

#### **Growth Development Charge**

In slow growth cities such as Winnipeg, new subdivisions are developed at the expense of exist-

ing neighbourhoods and infrastructure. As highlighted in the Planning section of the budget, a Growth Development Fee (GDC) that increases as new property construction is further away from the city center would encourage Winnipeggers to use the existing housing stock and build in existing neighbourhoods. The AMB recommends a \$15,000 fee, which would amount to about 4 per cent of a new \$350,000 house, be applied to housing starts in new suburban residential developments 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 2013, an average of 1,370 new single-family dwellings were built each year (City of Winnipeg Statistics). Not all of these were built in new developments, so if 1,000 homes of the 1,370 were built on new developments the tax would raise \$15 million.

*Projected Revenue Change \$15 million*

# Expenditures

# 1. Planning

Adhering to the principles outlined in *Our Winnipeg*— a 25 year municipal plan that outlines broad goals for future development, supported by three main areas of focus and directional strategies such as complete communities, sustainable transportation, and sustainable water and waste — and the preferences expressed by the public, the CCPA Alternative Budget proposes specific directions in city planning and development. These include:

- Holistic city planning using secondary plans
- The implementation of development charges to reflect the true cost of suburban sprawl
- The promotion of denser, mixed-use sustainable development
- A plan to look at insourcing snow removal
- Reversing vacancy management

In line with *Our Winnipeg's* three areas of focus, these directions are intended to: first, create a more sustainable city in which city planning and development is consistent with social, economic, and environmental sustainability goals; second, contribute to a city that works by making effective, efficient use of city resources, including existing municipal infrastructure and services; third, establish more complete and inclusive communities that will enhance quality of life by affording more opportunities for mobility, access to resources and opportunities, and for the cultivation of diverse, vibrant neighbourhoods.

The measures presented in this budget are also based on principles of responsibility and public accountability in government. This involves planning that is conducted in a manner that is transparent, consistent, and in the best interests of the public rather than planning that conforms to private interests.

## Secondary Plans

To achieve the vision set out in *Our Winnipeg* requires a holistic approach to city planning. There is also a Capital Plan, which offers a 5 year outline of projected spending on specific capital projects such as downtown enhancements and public art.

However, there is a lack of middle-ground plans that address how the city can achieve its 25 year vision and implement broad development goals through specific actions along the way.

To engage in effective city planning more secondary plans are required. A secondary plan is a land use plan for a particular neighbourhood, providing more detailed land-use policies than those found in the larger municipal plan. In the last several years few plans have been completed, especially for existing and mature neighbourhoods, where we recommend denser, mixed development take priority. Having these plans in place promotes fiscally responsible, timely, and sustainable development that seeks to coordinate municipal infrastructure with proposed developments according to established criteria.

As such, we recommend that the city develop more secondary plans, at a faster pace (from 2011–13 only 2 plans per year were completed, mainly for emerging suburban neighbourhoods). At the same time, we suggest that secondary plans be developed in an inclusive, publicly transparent manner, drawing on input from residents as well as existing resources like Winnipeg's public universities, as well as community organizations, as discussed in the 2010 Alternative Municipal Budget (Canadian Centre for Policy Alternatives MB, 2010).

There is also a need to ensure that secondary plans are adhered to, along with a better process to amend them. Currently developers in areas where secondary plans exist can amend the plan quite easily and for a small fee. Amendments are subject to a “public consultation” process which often does not include real consultation. The various levels at which the public is allowed to

voice its opinion amount to little more than ad hoc exercises where citizens speak but are not listened to.

We propose hiring back more planners, which will enhance the city's planning capacity and create a strong planning department. Further, we propose to channel funds into the planning process, with the target of completing at least 3 secondary plans per year.

*New Expenditures:*

- Hiring New Staff: \$500,000 (5 new full-time equivalent positions)
- Establishing Secondary Plans: \$1 million

### Development Charges: Addressing Suburban Sprawl

Without clear, intermediary plans, new development in the city has unfolded in a way that is inconsistent with aims of environmental, social, and economic sustainability as outlined in *Our Winnipeg*. Since 1970, Winnipeg has expanded its area by 80 per cent, while its population only grew by 33 per cent (Bellamy, 2014). To accommodate this expansion, Winnipeg has extended municipal infrastructure across a vast region. Yet the city has decreased in density meaning each taxpayer's share of the infrastructure burden has grown (Bellamy, 2014).

Too often the location of new development tends to be based on developer's preferences rather than public interest (Leo, 2013) This is particularly manifest in the pursuit of new greenfield suburban developments such as Waverly West and the recently approved Ridgewood South, while tracts of land closer to existing neighbourhoods and infrastructure such as in Transcona West remain underdeveloped or vacant (Leo, 2013).

Suburban sprawl in Winnipeg (and cities across Canada) has many costs, some of which are accounted for, while others remain hidden (Bellamy, 2014). The mayor of Calgary, Naheed Nenshi, has termed these hidden costs 'sprawl

subsidy' (Thompson, 2013). Suburban development requires building new infrastructure (roads, sewer and water lines, etc.), which calls for ongoing maintenance (snow removal, repairs, etc.). Yet Winnipeg already faces an infrastructure deficit and significant challenges in maintaining existing, and especially older infrastructure. At the same time, new suburbs necessitate new parks and fire stations, libraries and recreational services, regional roads, policing, and active and public transit, all of which involve significant financial investment by the city (Santin, 2013).

While development fees cover some of the expense of building infrastructure (mainly roads, sewer and water lines, sidewalks, etc.) and new developments grow property taxes, these revenue streams do not adequately address the ongoing, long-term economic cost of sprawl (Thompson, 2013). The increased costs are met by eliminating funds from other areas of the municipal budget or by raising taxes. In any case, we all pay for suburban sprawl.

In addition to economic costs, there are less direct, yet significant social and environmental costs associated with sprawl. Suburban life is heavily reliant on the car, and suburbanites drive about three times more than urbanites contributing to environmental pollution, as well as road congestion and delays which cost employers. More driving contributes to inactivity and health problems (such as obesity and chronic illnesses), as well as an increased number of collisions and road accidents (Thompson, 2013). Moreover, suburban sprawl expands the gap between wealthier suburban neighbourhoods and low income inner city neighbourhoods, fostering inequalities in quality of life and opportunities afforded to those living in these disparate locations (Savage, Warde and Ward, 2003).

To address suburban sprawl and mitigate some of its costs, we propose to adopt a new growth development charge (GDC). Many major cities across Canada implement some kind of GDC to fund growth. The idea behind the GDC is that



growth should be able to pay for the new infrastructure and services it necessitates (City of Winnipeg, 2013). Although the city has floated the idea of a per-lot tax on new homes, we prefer a model in which charges are adjusted by location. The closer the proposed development is to the city centre, where it can take advantage of existing infrastructure and services, the less the charge. In the City of Kitchener, for instance, suburban residential charges are 74 per cent higher than urban residential charges, and even more for non-residential buildings (Thompson, 2013).

We propose that the GDC be phased in, starting with new suburb development. The AMB recommends a \$15,000 fee, which would amount to about 4 per cent of a new \$350,000 house, be applied to housing starts in new suburban residential developments 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 2013, an average of 1,370 new single-family dwellings were built each year (City of Winnipeg Statistics). Not all of these were built in new developments, so if 1,000 homes of the 1,370 were built on new developments the tax would raise \$15 million.

In addition, we propose to implement planning policy promoting denser growth in suburban areas. For example, the city of Calgary has adopted a model whereby new land use is reduced by 25 per cent. This model is projected to save the city \$11 billion just in capital costs alone (Thompson, 2013; Bellamy 2014). In addition to being denser, however, any new suburban development should also ascribe to the complete communities goal set out in *Our Winnipeg* by incorporating a diversity of housing type and tenure, as well as mix of residential, commercial, and office or industrial use.

Finally, similar to the 2010 Alternative Municipal Budget, we propose to develop a new

Planning and Infrastructure Economic Analysis Unit within the planning department, dedicated to cost-benefit analysis of all new developments with an eye to the public good. Such analysis will take into consideration all of the costs of new development, including immediate and long term infrastructure and service costs. This unit will be composed of newly-hired city planners.

We recognize that slowing suburban sprawl will require cooperation from the provincial government, since the Province would have to amend legislation to allow for a GDC.

*New Expenditures:*

- Planning and Infrastructure Economic Analysis Unit: \$1 million

*New Revenues:*

- Growth Development Charge: Implement a fee of \$15,000 per new lot for suburban residential development: \$15M

**Promoting denser, mixed development**

According to population projections outlined in *Our Winnipeg*, over the next 17 years (by 2031) Winnipeg is expected to add another 180,000 people to its population. In order to accommodate this growth, the city will require a variety of new residential and commercial development. Yet to ensure that such development occurs in a sustainable manner, and creates the kind of walkable, livable, complete communities desired by the citizens of Winnipeg, development needs to take a different direction.

Specifically, more emphasis needs to be placed on densification through infill development, the retrofitting of existing suburbs, and downtown development.

**Promoting infill development**

*Our Winnipeg* offers direction for city building that supports compact urban growth. This means prioritizing infill along with new growth in areas

that are adjacent to existing neighbourhoods and that minimize sprawl. There are many parcels of land within the city that could be developed according to this directive. We propose to place particular emphasis on developments that makes use of underused land, including brownfield sites (abandoned industrial areas) such as the old rail yards, and surface-parking lots (Bellamy, 2014).

Infill projects that are sustainable need to prioritize transit-oriented development (TOD). To encourage infill around transit hubs, however, requires that the city invest more investment in modern, rapid transit and the expansion of routes, as discussed in the Transportation section (also see Bellamy, 2014). So far, Phase I of the South West Rapid Transit Corridor has already spurred infill such as the Fort Rouge Yards, which will accommodate 1800 residents in the Lord Roberts neighbourhood. The economic spin-offs of this re-densification are numerous: increased property values, better use of existing infrastructure and resources (such as schools that are currently below capacity), and a boost for local commerce (Bellamy, 2014).

### **Retrofit existing suburbs**

Winnipeg's many existing suburbs offer an exceptional opportunity for infill development that will not only reduce new green-field sprawl but also create more complete communities. As outlined in *Our Winnipeg*, complete communities offer a range of housing and options for accessing amenities and resources to accommodate a diversity of incomes and lifestyles. Retrofitting existing suburbs through the redevelopment of underused strip malls and surface-parking lots, as well as residential and mixed-use infill can help achieve this goal.

This means targeting residential infill to expand the array of housing available, with particular emphasis on creating more affordable, multi-family, and low-income housing since there is a shortage in these types. Retrofitting also requires the development of mixed-use ar-

reas in order to increase options for accessing local services such as grocery stores, restaurants, and recreational facilities. Further, existing suburban neighbourhoods need to be better integrated with public and active transit options in order to meet the transit needs of a variety of people and lifestyles.

### **Downtown development**

As *Our Winnipeg* states, 'Downtown offers one of the best opportunities to create complete, mixed-use, higher-density communities in a way that promotes sustainable practices' (City of Winnipeg, 2011, p. 34). Infill that prioritizes downtown development is most efficient. It is closer to the core and heart of the city, where a significant proportion of Winnipeg and its neighbouring municipalities' labour force work, in one of the city's most concentrated office developments. Downtown is also considered the city's entertainment, cultural, and arts centre. Winnipeg's concert hall, art galleries, museums, and other performances attract over 3 million people annually (MNP LLP, 2013). Further, Winnipeg's downtown is where major public and active transit routes intersect at a number of transit hubs. Downtown also provides ready access to a wide variety of recreational and other municipal services such as the Millennium Library.

Residential development in the city centre would create more complete communities by enabling more people to live downtown, where they can walk or use public transport options to get to work. The densification of downtown would enhance *Our Winnipeg's* quality of life goals, since more people downtown means safer streets, access to opportunities, and the cultivation of a more vibrant core.

There is much opportunity for infill downtown. For instance, Winnipeg has no shortage of inner-city surface-parking lots that can be repurposed (Kives, 2014). Further, there is an existing stock of older and heritage buildings that could be renovated for residential and mixed-uses in

line with *Our Winnipeg's* emphasis on heritage conservation and sustainability objectives.

In order to promote these directions for development, we propose to channel funding toward incentives that promote infill development in existing neighbourhoods and downtown. These include tax reductions for the redevelopment of brownfield and TOD priority sites. Further, the proposed GDC will be significantly lower for new development in existing and mature neighbourhoods as compared to suburban areas.

In addition, in the future we propose to increase taxes on empty and underused lots (such as surface-parking lots) by introducing property class tax reform, with significantly higher rates for surface-parking lots and vacant land classes than other property classes such as multi-residential buildings (Thompson, 2013). This will provide incentive to owners of underused lots to redevelop them and put them to higher-value use.

Of course, the proposed financial incentives need to be met by necessary zoning adjustments that allow for denser, diverse development, such as changes to parking requirements (Bellamy, 2014) and the establishment of inclusionary zoning regulations. Some progress has already been made on this front with the allowance of secondary, rental suites in existing homes in 2012. Yet there is more work to be done. As such, we propose the creation of a specific working group in the Planning Department that would identify and address obstacles to infill development. This would be facilitated by one of the new hires in the department.

The creation of secondary plans for these areas would be prioritized. Further, we suggest that any Downtown development initiatives such as the planned Sports, Hospitality, Entertainment District (SHED) be conducted in an inclusive, publicly transparent manner, with the involvement of city planners and in consultation with a wide range of stakeholders (i.e. residents, arts and community organizations, local businesses, and the broader public). This will ensure that

the heart and core of Winnipeg is revitalized in a manner that is transparent, consistent, and in the best interests of the public.

*New Expenditures:*

- Working group to identify and address obstacles to infill development: cost of new hire (already included).
- Incentives for development on priority sites: \$700,000

In-sourcing

The logic of outsourcing of public services, long questioned by the AMB, is now facing widespread doubt originating with evidence of how costs have sky rocketed after services were removed from public purview (Greenwood, 2014). Municipalities across the US are re-thinking outsourcing and considering the benefits of bringing services back under their control (In the Public Interest, 2014). Locally, concerns around the quality of snow removal services raise serious questions about the long-term effects of contracting this core service out. CUPE 500 finds that Winnipeg spends more on snow removal than other Canadian cities and it would like the opportunity to see if it could save our city money by bringing the work back in house. In order to study the possibility, it needs access to information the City has been unwilling to provide.

*New Expenditure:*

- Snow removal insourcing study: \$20,000

Vacancy management reversal

Demands on core public services will only increase as our population grows and climate change presents new challenges. The City has been undermining the civil service for years and shortsighted 'savings' such as the \$14M in vacancy management (a term that often means hiring freezes or position consolidation) make it increasingly difficult

for public workers to meet Winnipeggers' needs. This situation frustrates citizens, businesses and workers alike. The AMB begins to reverse this trend by reducing vacancy management by \$2M.

*New Expenditures:*

- Vacancy management reversal: \$2M

### Complete community planning

As with regular budgeting, Gender Based Analysis (GBA) in planning and development recognizes that universalist approaches can lead to inequitable outcomes in cities. For instance, women are much more likely to rely on public transit than men, and their access to work, recreation, and other public activities is therefore disproportionately impacted by suburban sprawl. Bookman and Morgan (1998) argued the interconnection between home, work, and community needs more attention from planners given working-class women's responsibilities in all spheres.

In Winnipeg, the definition of a "complete community" depends on the perspective of the populations within that community. GBA in planning entails a consideration of the housing, transportation, commercial and amenity options

required for the varied family structures, cultures and incomes of those living in Winnipeg.

The AMB dedicates staff time to study and recommend how to incorporate complete community planning into departmental considerations.

*Total Expenditures*

- Hiring New Staff: \$500,000 (5 new full-time equivalent positions)
- Establishing Secondary Plans: \$1M
- Planning and Infrastructure Economic Analysis Unit: \$1M
- Working group to identify and address obstacles to infill development: Cost of new staff included in new hiring
- Development incentives on priority sites: \$700,000
- Insourcing study: \$20,000
- Vacancy management reversal: \$2M
- Complete community planning: Cost of new staff included in new hiring
- Total spending: \$5.22M

*Total Revenue:*

- Growth Development Charge: \$15M

## 2. Housing

Many cities across Canada are recognizing that leaving the housing market solely to developers and real estate investors has not met everyone’s housing needs, and the resulting gaps negatively impact on multiple aspects of a city’s development. Cities that acknowledge the importance of housing on urban dynamics include Edmonton, which has a department of Housing and Economic Sustainability and cities like Regina and Vancouver which have Mayoral-led task forces on housing. According to the City of Winnipeg’s 25 year plan: “Housing is a cornerstone of healthy communities and of a strong city; it is a basic need and is central to our quality of life” (City of Winnipeg, 2011, p.54). Nonetheless, our municipal housing policies and practices need to be improved if we are to take this statement seriously.

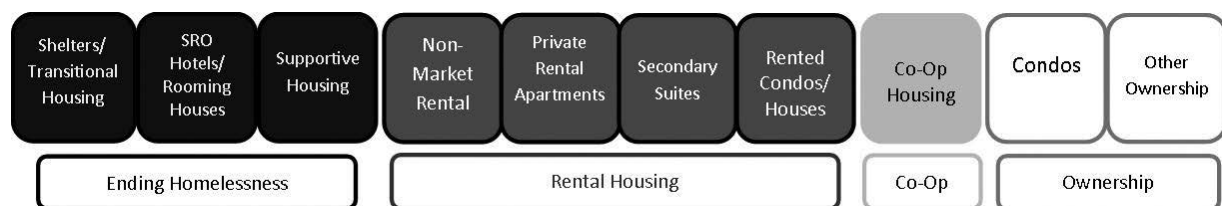
There are a variety of housing types that are needed for a community to meet the needs of its diverse residents (see Housing Continuum, below). While there is recognition in Winnipeg’s planning documents that a range of options is desirable, the City’s Planning and Property Development Department activities and budget show that providing this range of housing has not been a priority. There is continuing reliance on developers to determine what type of housing will be built, and no serious support for those developers who do fill housing gaps. Currently, a large portion of Winnipeg’s capital budget supports regional infrastruc-

ture for new developments, effectively funding the development of new, market-priced homes. Although the Province of Manitoba’s Bill 7 allows for inclusionary zoning, giving the City new powers to regulate development or raise money for affordable housing, the City has generally chosen not to employ its ability to make those capital investments conditional on developers including other types of housing in new communities.

The rental market is particularly important given that Winnipeg’s growing population has increasing proportions of new immigrants and Aboriginal people who are all more likely to live in rental units, especially upon first arriving in the City. In Winnipeg, about 30 per cent of the population lives in rental housing, yet on average less than 20 per cent of new housing development has been rental over the past 10 years. This has helped create what is shown in the chart below, a major reduction in the proportion of rental units per 100 persons.

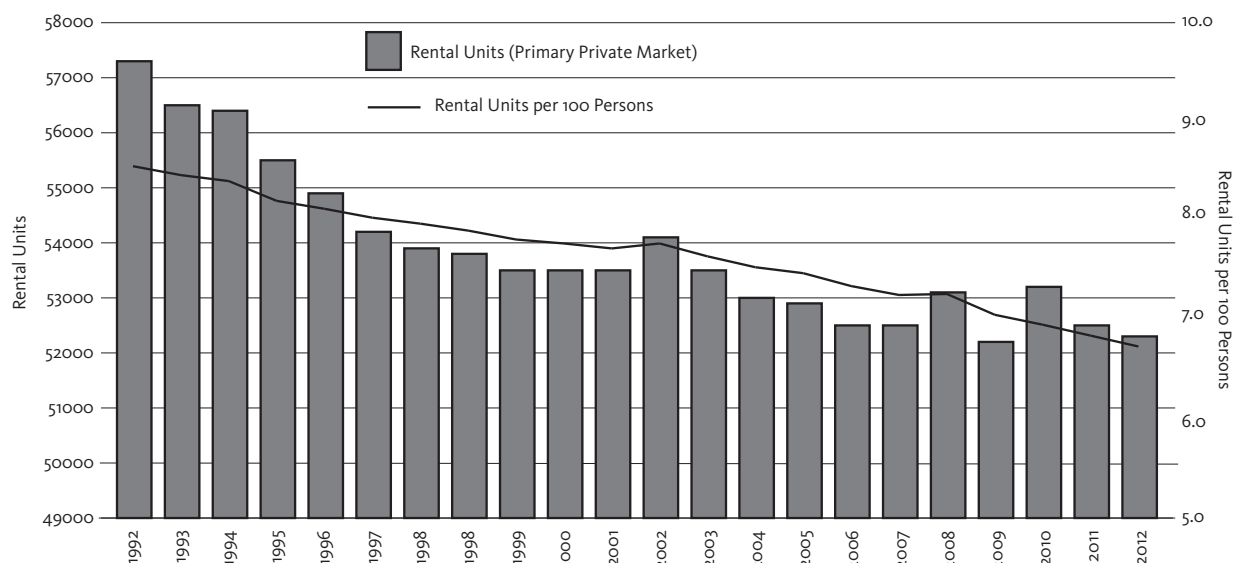
Despite the fact that Winnipeg’s population growth requires a significant shift in the way housing is provided, little has changed in the rental market in Winnipeg since the last Alternative Municipal Budget. The number of rental units when compared to the population has continued to decline, the vacancy rate continues to be below a healthy 3 per cent (2.5 per cent in October 2013), and the average two bedroom unit is unaffordable for over 25 per cent of Winnipeg families (Brandon, J., 2014). Although there are rent controls in place in

FIGURE 2 The Housing Continuum (City of Vancouver, 2012)



Note that while the above continuum appears as a linear model, there is no definitive type of housing or movement through the continuum for any one person. All types of housing are required; some individuals will move throughout the continuum while other will stay put in one category.

FIGURE 3 Rental Units per Population, Winnipeg



SOURCE: Adapted from Brandon, J. 2014.

TABLE 9 Affordability of Average Rents (2013)

Household Income (\$)	Monthly Affordability Range	Bachelor (\$554)	1 Bedroom (\$727)	2 Bedroom (\$939)	3 + Bedroom (\$1162)	Proportion of Winnipeg house-holds (2010)	Proportion spending more than 30 % on shelter
Under 10,000	250	Not affordable	Not affordable	Not affordable	Not affordable	5.2 %	91.9 %
10,000–19,999	250–500	Not affordable	Not affordable	Not affordable	Not affordable	7.9 %	69.7 %
20,000–29,999	500–750	Not affordable < \$22,160	Not affordable < \$29,080	Not affordable	Not affordable	8.9 %	49.8 %
30,000–39,999	750–1000	Affordable	Affordable	Not affordable < \$37,560	Not affordable	9.9 %	28.0 %
40,000–59,999	1000–1250	Affordable	Affordable	Affordable	Not affordable < \$46,480	18.1 %	14.0 %
60,000 and up	1250–1500	Affordable	Affordable	Affordable	Affordable	50.0 %	2.3 %

SOURCE: Brandon, J. 2014; Winnipeg and Manitoba Housing Data: <http://policyfix1.files.wordpress.com/2014/01/14-01-15-winnipeg-and-manitoba-housing-stats2.pdf>

Manitoba, the average cost of a two-bedroom apartment increased by 6.4 per cent from 2012 to 2013 (Canada Mortgage and Housing Corporation, 2013).

In 2011, 37.5 per cent of renter households spent more than one third (30 per cent) of their income on housing, putting them at risk of losing that housing (Statistics Canada, 2011).

### Plans and Policies Related to Housing in Winnipeg

The City of Winnipeg updated its Housing Policy last year to be consistent with the *Our Winnipeg* and Complete Communities Development Plan, and is currently in the process of developing an implementation strategy. The policy, like the development plan, is broad and flexible. This

may be useful for adapting to change over the long-term but it also subjects affordable-housing planning to political whims rather than sensible policy decisions that consider the importance of having a range of housing options, and which allow the City to develop these options.

While there are many things a city can do to facilitate housing development that fall outside of a budget, including land donations, regulatory measures, and capacity building with community agencies, budgets are an indicator of a city's tangible commitment. As can be seen in Winnipeg's 2014 budget, our city has chosen to reduce its capacity to engage in partnership and facilitation of affordable housing development over time. The Alternative Budget re-commits the City to its role as a leader in housing development.

### **Facilitation and Leadership**

Regardless of whether one supports the direction that CentreVenture, Winnipeg's downtown development corporation has taken, it is an example of the City providing a development mandate with strong financial and political support to an agency which has facilitated large development initiatives in downtown Winnipeg. Winnipeg's Neighbourhood Renewal Corporations, though with smaller budgets and at times less political support, have similarly facilitated remarkable change in Winnipeg's inner-city neighbourhoods. An Affordable Housing Development Corporation, with a mandate from Council to develop affordable housing throughout the city, and resources to do so, could make substantial progress on reducing Winnipeg's affordable housing crisis and would complement the work of the Renewal Corporations. It may be possible to do this through the already established Winnipeg Housing Rehabilitation Corporation (WHRC), though because this is an independent agency, the mandate and funding would have to be negotiated. We are suggesting an increase of funding, guaranteed over 5 years, to the WHRC at the same level as the funds provided to Cen-

treVenture (\$540,000). This would allow the WHRC to develop a comprehensive affordable housing plan and provide the financial resources to implement it.

#### *New Expenditures:*

- Increase to Winnipeg Housing Rehabilitation Corporation Affordable Housing Plan: \$360,000

### **Affordable Housing Development and Addressing the Needs of the Population in Core Housing Need**

Financial incentives for affordable housing developments are a critical form of support provided by a majority of cities in Canada. The City of Winnipeg should increase the amount it provides to housing development. The AMB allocates \$4.25M per year for affordable housing. This would be funded through the inclusionary zoning opt-out fee described below. This funding, if provided as a \$15,000 per unit grant aligned with Provincial grants and the Federal Affordable Housing Initiative, would support an additional 200 units of affordable housing in Winnipeg in the first year.

#### *New expenditure:*

- Affordable Housing Rehabilitation and Development Investment Reserve: \$4.25M

The City of Winnipeg is the administrative body or "Community Entity" for the Federal Homelessness Partnering Strategy. This role comes with increased resources to the Housing Branch, and is an opportunity for the City to take a leadership role in ending homelessness in Winnipeg. Rather than simply administering grants based on calls for proposals, many cities across Canada have leveraged their role as the Community Entity to fill identified housing and program gaps, such as developing supportive housing, and increasing capacity in the not-for-profit sector to develop and implement housing first support teams. This work may require an increase in the

City's administrative costs, but it would be well worth the investment. As the funds for this program come from the Federal Government, this requires a shift in the way the City currently operates within its existing budget rather than changing the amount being spent.

### **Neighbourhood Revitalization**

Winnipeg's housing renewal initiatives, with neighbourhood-based housing coordination and renovation grants in targeted areas, is arguably the most successful feature of the previous housing policy. The administrative costs of these programs have been low, and the improvements to inner city neighbourhoods are evident. These include increased housing values and significant reductions in vacant and boarded properties. They have also improved a number of affordable properties, including rental properties that would otherwise have been torn down or sold. The results of the housing renewal initiatives have not, however, been as great as was anticipated by community organizations. The first Neighbourhood Housing Plans, most of them developed about 10 years ago, plan for new developments and programs which would have required increases to funding over time. This funding was never provided, and many of the larger initiatives, especially affordable housing developments, could not be realized. Funding for neighbourhood renewal should continue and be increased; the following explains how.

### **Increase Options to Fund Housing Activities**

The two investment reserves that currently fund housing renewal and development are not projected to increase in Winnipeg's 2014 Budget. The administration and consultants developing the new Winnipeg Housing Policy were specifically mandated to identify new and alternative funding mechanisms to increase the capacity of The City to address housing issues.

The Alternative Budget proposes that neighbourhood revitalization activities continue to be

funded by \$2.4m per year from general revenue, as these activities increase the property values and therefore the taxes coming from these neighbourhoods by at least that amount. In order to support affordable housing development at the scale required to improve the housing situation, more funds are required. Inclusionary zoning is a new tool that municipalities in Manitoba have to increase affordable housing. This would require that a portion of all new development include affordable housing. While this tool has tended to be effective at increasing the amount of affordable home ownership in new, large scale developments, it can also be implemented in a way that raises money for an investment reserve. That money can then be used to fill specific housing gaps, like specialized and rent-geared-to-income rental housing.

Under the inclusionary zoning policy, some developers may choose to build affordable housing themselves. Those who prefer not to participate would have the option of an "inclusionary zoning opt-out fee." In 2013, there were 4,250 residential housing starts, meaning the average fee would only be about \$1,000 per new unit, or about 0.027 per cent of the cost of the home (based on median prices of new single detached homes in 2013)(Canada Mortgage and Housing Corporation, Fall 2013). To be equitable, the amount of affordable housing required, and therefore the opt-out fee, should be progressive, based on the price of the overall development. These funds, estimated above at \$4.25M would go to an Affordable Housing Rehabilitation and Development Investment Reserve so they remain focused on affordable housing even if they are not fully utilized every year.

### *New Revenue:*

- Inclusionary zoning opt-out fee: \$4.25M

### **Conclusion**

The City, through the development of an implementation plan for a new Housing Policy, is



showing some initiative to take on the affordable housing challenges most cities in Canada are currently facing. But without increases in funding, the Housing Policy will have limited ability to facilitate the development of affordable housing at the scale required. The Alternative Budget proposes realistic and proven funding solutions. With political and financial support, The City of Winnipeg could dramatically improve housing options for all of its residents.

*Total expenditures and revenues*

- Inclusionary zoning opt-out fee will raise: (\$4.25M)
- Increase Funding for Winnipeg Housing Rehabilitation Corporation Affordable Housing plan: \$360,000
- Affordable Housing Rehabilitation and Development Investment Reserve \$4.25M
- Net new expenditure: \$360,000

### 3. Employment and Training

All of the spending initiatives in this budget support the sort of urban space that employers and employees need to thrive: modern infrastructure; a cohesive green space strategy; strong public sector; sensible public transport; a vibrant arts and cultural scene; adequate housing; and access to locally produced food. But, in order to grow a city we need high value-added employers who create jobs, and skilled workers to fill them. How do we meet employers' needs when Manitoba's net inter-provincial migration remains negative — at 4.2 per cent in 2012 (Manitoba Bureau of Statistics Sept 2013: 5)?

According to a report by Loewen et al (2005), there is much debate about whether Canada will face a labour shortage. More likely are 'hot spots' that experience skills shortages. Winnipeg, with negative net inter-provincial migration, low unemployment and a greying population, is likely to be one of those hot spots (12). Although Manitoba's total migration has recently been positive thanks to the large number of new immigrants, these newcomers will not be sufficient to meet Winnipeg's need for labour. How then can we prepare our labour force for tomorrow's economy?

#### Winnipeg's Aboriginal Population

Loewen et al report that:

Within the Winnipeg population, concealed by statistics predicting a labour shortage, there exists a sizeable community with a different demographic story than the population as a whole — the Aboriginal population (8).

According to the Province of Manitoba, 15.5 per cent of Manitoba's population is Aboriginal (5) and as of 2006, 36 per cent (63,745) of them lived in Winnipeg (7). It is likely that today, Winnipeg's Aboriginal population is closer to 75,000–80,000. Not only is Winnipeg's Aboriginal population growing, it is younger than the non-Aboriginal

population. One in four Aboriginal people are 14 years of age or younger; one third of these are of primary or secondary school age (Province of Manitoba, 14).

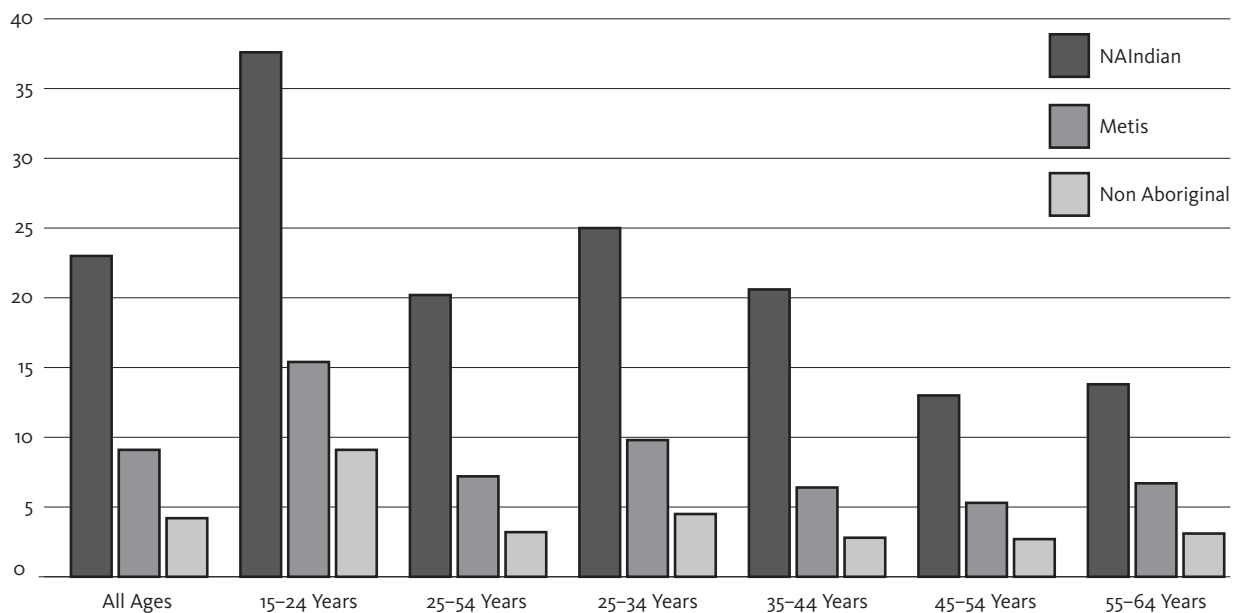
According to 2006 Census data, Winnipeg has the highest concentration of Aboriginal people when compared to other Canadian Census Metropolitan Areas (CMAs) (CCPA 2012, 15). Twenty-one per cent of Winnipeg's Inner City identify as Aboriginal; in some inner-city neighbourhoods 50 per cent of residents are Aboriginal (CCPA 2012, 15).

Many Aboriginal Manitobans are successful employees and employers with thriving families. But centuries of colonialism — which engendered racist policies such as residential schools and *The Indian Act* — have damaged many Aboriginal people. High rates of poverty, unemployment and incarceration, together with poor educational and health outcomes, all speak to the tragic legacy of colonialism (CCPA MB. 2010, 2012; Province of Manitoba, 2012).

Aboriginal youth hold great promise for Winnipeg's economic future, but only if a concentrated effort is made to ensure that these young people have access to decent jobs. Current statistics do not bode well:

Although the statistics for all age groups reveal disparity between the three identity groups, as noted in the 2012 Provincial Report, *Aboriginal People in Manitoba*, the unusually high rate of unemployment experienced by non-Metis Aboriginals is of great concern. Non-Metis Aboriginal people between 15 and 24 years old had an unemployment rate more than four times that of non-Aboriginal Manitobans. It must be noted that these figures include people living on reserve where unemployment rates tend to be higher than for those Aboriginal people living off-reserve. Nonetheless, the lower rates of educational attainment and higher rates of poverty experienced by Winnipeg's Aboriginal population (CCPA 2012 17, 18), combined with the link between these two determinants and employment, mean that Winnipeg must find strategies

FIGURE 4 Unemployment Rates by Identity and Age Group, Manitoba, 2006 Census



SOURCE: Province of Manitoba, 2012, 31: Statistics Canada, 2006 Census, 2008 Special Tabulations, Labour Market Statistics.

to prepare its burgeoning young Aboriginal population (including Metis) for tomorrow's jobs.

### Five Strategies

#### Expansion of Oshki Annishinabe Nigaaniwak: City of Winnipeg's Aboriginal Youth Strategy

The Aboriginal Youth Strategy is a promising practice at the City of Winnipeg: a successful partnership with community-based organizations providing multi-year funding. The Strategy, Oshki Annishinabe Nigaaniwak "Young Aboriginal People Leading", is designed to increase the number of Aboriginal youth in civic services and to create positive opportunities for Aboriginal youth. The funding for the Strategy was recently doubled, from \$1 million to \$2 million in the 2013 program budget.

The strategy is two-pronged. Inner City community-based organizations are funded by the City of Winnipeg to deliver a wide-range of youth programming, including recreation and visual

arts, job readiness, skills development and career planning. The second stream aims to get Aboriginal youth into the civil service through internship opportunities within civic departments, career exploration camps, enhanced recruitment and interviewing practices, and cultural awareness training for civic staff. This offers youth the opportunity to become employees of the City of Winnipeg. City jobs are good jobs: unionized by CUPE 500, they offer competitive pay and benefits and opportunities for career advancement. The Strategy also includes scholarships and awards to assist youth in post-secondary education or to further their employment options.

The Aboriginal Youth Strategy is well-received by the Inner City community as it funds both community development and capacity building for Aboriginal youth as well as providing avenues into good City jobs. The general sense is that this program should be continued and enhanced to provide more employment opportunities. All the initiatives in this section complement and enhance this existing strategy which is an example of how well-designed policy can

positively affect an entire community. To enhance this promising initiative, the City should continue to increase investments for the Aboriginal youth internship program.

*New expenditure:*

- Increase investment youth internship program: \$500,000

### **Expand spending to Early Childhood Education and Care**

Education is primarily a provincial responsibility but given the need for improvements in Early Childhood Education and Care (ECEC) for Winnipeg's Aboriginal children, the City needs to offer support in this area.

According to Healthy Child Manitoba (HCM), 35 per cent of Aboriginal children are not well-prepared for school at age five, compared to 22 per cent of non-Aboriginal children (in CCPA MB. 2010, 15). Inner-children scored particularly poorly (HCM in CCPA MB. 2012, 15). Given the importance of ECEC in preparing children for future success in school and the labour market, successful programs that are currently running in the Inner City need to be enhanced and expanded. The most effective way to help many of Winnipeg's Aboriginal children is through culturally aware ECEC programming, as recommended by our community partners.

Existing community-based organizations (CBOs) like Urban Circle and Turtle Island Neighbourhood Centre know how to deliver this sort of programming to all age groups, and investment in these organizations would complement the excellent work being done by the City's Aboriginal Youth Strategy (see Oshki Annishinae Nigaaniwak above). Expansion of the programming for all ages would ensure that more Aboriginal youth graduate from high school so they can take advantage of other City initiatives such as the Medical Careers Exploration Program (City of Winnipeg 2012, 23). By supporting a full range of CBOs the City's spending would ensure that

children are helped from birth to graduation, making it less likely that any will fall between the cracks.

*New expenditure:*

- Increase Aboriginal Youth Strategy funding for ECEC programming to include grants to CBOs identified by community: \$500,000

### **Labour Market Intermediaries**

The Loewen et al (2005) report referred to above provides a compelling argument for the use of Labour Market Intermediaries (LMIs) in Manitoba. This concept was further applied specifically to Winnipeg in another CCPA MB report by Silvius and MacKinnon (2012). Here we will explain why this model is needed in Winnipeg and why it will work. But first, what is a LMI?

According to Loewen et al:

Workforce intermediaries bring together around a single table otherwise diverse and separated elements of the community, in pursuit of a common objective — moving significant numbers of low-income people from disadvantaged communities into good jobs (6).

Employers who are willing to train low-skilled employees with little or no previous work experience are often ill-equipped to meet the training needs of these workers. They often have unrealistic expectations as to how much time multi-barriered workers need to adapt to work life. These potential workers may require counselling around addictions and basic life skills, or may be struggling to raise children while attending school. Obviously employers cannot meet all these needs, but many might be willing to hire such an employee if s/he were getting support from one or more other institutions.

An LMI connects disadvantaged workers with a network of partner organizations — community-based organizations that are often the point of entry into the world of work; educa-

tional institutions; governments; employers; and unions—that collectively have the expertise and resources to guide the worker on her journey to decent work. Often the first stop is a CBO such as the North End Community Renewal Corporation’s PATH Resource Centre. From there the worker could move to a community college, adult learning centre, participating union, vocational learning centre or government department for further training. A particularly attractive option is an Aboriginal organization like the Urban Circle Training Centre, which can offer high-school completion or post-secondary training in a culturally-sensitive environment that helps the student come to terms with the negative impact of colonization and racism. The LMI brokers relationships between prospective workers and these various organizations, including employers (Loewen et al, 20), offering ongoing support as the worker, with the guidance of the LMI, negotiates what is often a rocky path to fulltime work.

Further research by Silvius and MacKinnon (2012) found that a LMI designed to fit the needs of Winnipeg’s inner city would have to support the role the CBOs would play in building the trusting relationships that are required between the trainers and multi-barriered trainees. CBOs, like the Winnipeg Central Park Women’s Resource Centre and the Immigrant and Refugee Community Organization of Manitoba (IRCOM) work with a variety of workers who face challenges entering the workforce. The LMI can then negotiate the best means by which potential workers can meet the three categories of training that Loewen et al identified as essential: 1) soft skills or pre-employment education; 2) conducting a job search and getting placed; and 3) hard skills (Silvius and MacKinnon, 17).

The Silvius/MacKinnon report studied the feasibility of starting a LMI in Winnipeg’s Inner City. Of all the models considered, the authors concluded that a hybrid community-focussed, decentralized case-worker model would best

meet the needs of Winnipeg’s Aboriginal and Newcomer communities (32), and that funding for such a LMI would be approximately \$500,000/year. LMIs offer a workable strategy to help Winnipeg’s many multi-barriered workers gain valuable skills and assist employers fill job vacancies. Ultimately the result will be a stronger labour market and a more vibrant local economy.

Finally, the provincial government’s recent commitment to providing apprenticeship opportunities (Province of Manitoba 2014 Budget Speech, 2) opens up more possibilities for the City to stimulate job growth that would complement a LMI strategy. The City needs to consider how to take advantage of the Province’s program and work in unison to increase efficiencies.

#### *New expenditure:*

- LMI start-up funds: \$100,000
- First year operating costs: \$500,000
- Total LMI spending: \$600,000

#### **Living Wage**

It is not enough that all Winnipeggers receive decent education and training: once fully trained they need to earn enough to support their families. Workers need to earn a living wage, not a minimum wage.

A living wage movement is rising across North America. A living wage is the hourly wage required for a household to meet its basic needs, taking into account government transfers and deductions, and sets a higher test for quality of life than the minimum wage by reflecting what earners in a family really need to earn based on the actual costs of living. It is a conservative, bare-bones budget without the extras many of us take for granted.

Research by the CCPA-MB shows the living wage for Winnipeg in 2013 is \$14.07/hour (CCPA MB, 2013). This is calculated on the needs of a family comprised of two working parents with young children, but it would also support a mix of family types throughout the life cycle so that

young adults are not discouraged from having children and older workers have some extra income as they age.

The benefits of a living wage are not limited to the employee. Research has shown that paying a living wage has concrete benefits for employers, including:

- Reduced absenteeism
- Increased skill, morale and productivity levels
- Improved customer satisfaction
- Enhanced employer reputations.

By adopting a living wage policy for their employees and contracted services, the City of Winnipeg will declare itself a leader in poverty reduction in Winnipeg. Furthermore, it will lead to better provision of city services and a stronger labour market which will in turn generate more demand for local products and services through an increase in disposable earnings.

*New Expenditures:*

- Development of municipal living wage strategy: \$80,000

### **Procurement**

Public sector procurement is determined the same way a family makes purchasing decisions — value for money. How should value for money be calculated? Rather than simply evaluating bids for public contracts by cost and timelines, the use of Community Benefits Clauses when tendering purchasing contracts broadens the evaluation criteria to include social, environmental, and economic outcomes. Doing so ensures the City of Winnipeg will receive the best long-term value for its spending, and allows the City to strategically target certain demographics for labour market development.

Strategic purchasing from businesses that are locally owned, employ local people, pay a living wage, and spend their profits locally cre-

ates an economic multiplier effect that benefits the local economy. Strategically purchasing from businesses that train and employ people with multiple-barriers to employment strengthens and grows our labour market.

Community Benefit Clauses are fiscally prudent — expanding our tax base, strengthening local purchasing power, decreasing social services cost, and reducing the cost of crime by ensuring those marginalized by the labour market have a platform to pull themselves out of poverty.

The provincial government has developed Aboriginal Procurement, Sustainable Development Procurement, Community Economic Development Procurement, and No Sweat Procurement policies. The City could build on these policies and expand their benefits to the municipal level. Provincial directories already identify businesses that fit the criteria of each procurement policy, and could be utilized by the municipal government.

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, and develop an internal communications plan to advance the policies through City Departments. This staff complement would cost less than \$300,000 per year but would result in a significant impact far greater than this to the local economy.

All arms of the municipal government, including the Winnipeg Police Service, Winnipeg Transit, Parks and Recreation, Water and Waste, Winnipeg Public Library, and Fire Paramedic Service, should shift their purchasing patterns to include social and economic benefits. Incorporating Community Benefit Clauses will result in greater return on investment to government and society, and will result in more jobs for people with barriers to employment, poverty reduction, increased community services, community renewal, and fairer, stronger and more sustainable economies and environments. It is a logical

extension of the LMI and Living Wage policies included in this section.

*New Expenditures:*

- New staffing to design Community Benefit Clauses for City departments: \$300,000

*Total New Expenditures:*

- Total education spending: \$500,000

- Aboriginal Youth Strategy Enhancement: \$500,000
  - Total LMI spending: \$600,000
  - Development of municipal living wage strategy: \$80,000
  - Community Benefit Clause initiative: \$300,000
- Total: \$1,980,000

## 4. Transit

In keeping with the goals of *Our Winnipeg*, public expenditure should provide access to transportation to all citizens equitably while enhancing sustainability. Therefore, we must concentrate on the following:

- Reduce infrastructure deficit
- Stop sprawl
- Enhance public transit
- Enable access to transportation

### Potential new revenue sources:

- Gas tax for infrastructure
- Car-share partnership

### Cost savings:

- Roadway expansion moratorium

### Increased spending:

- Roadway repair & maintenance
- Rapid transit
- Transit
- U-Pass
- Low-income bus pass

### Reduce infrastructure deficit

The *Our Winnipeg: Sustainable Transportation* master plan recognizes that the transportation component of our city's infrastructure deficit is more than \$2 billion (*Our Winnipeg*, 26, figure 05b). The current transportation master plan calls for expansion of this deficit. Instead, we need a plan that systematically addresses and reduces it.

The transportation master plan includes proposals to continue to expand our road systems. To our knowledge, there have been no credible cost/benefit analyses done to justify the continued expansion of a road system when we cannot afford to maintain what we already have.

The current budget has earmarked over \$617.9 million for streets and bridges over the 6-year capital plan, starting with \$124.6 million proposed in 2014. The Winnipeg Transportation Master Plan dedicates almost \$400 million to the expansion of Chief Peguis Trail and William Clement Parkway alone (63). We cannot possibly dedicate this level of spending to new road construction if we hope to have a viable Rapid Transit system in Winnipeg. We recommend not building new roads or widening existing roads, bridges, or underpasses. Any money spent on roadways and bridges must be limited to repair & maintenance and to enabling public and alternative transportation.

Scaling back on new road construction complements the sustainable development policies outlined in the Planning and Environmental sections of this Alternative Budget.

We also encourage working with the provincial government to enable the City to charge a 1-cent per litre tax on gasoline within the Winnipeg Capital region. It is important that the City continue to pressure the Province and that it educate the public as to the logic in charging a gas tax to pay for transportation infrastructure.

### Enhance public transit

Replacing cars with transit reduces wear and tear on our roadways, bridges, and overpasses, which would ease Winnipeg's infrastructure deficit. We need to invest more to support public transportation and less to support single passenger automobiles.

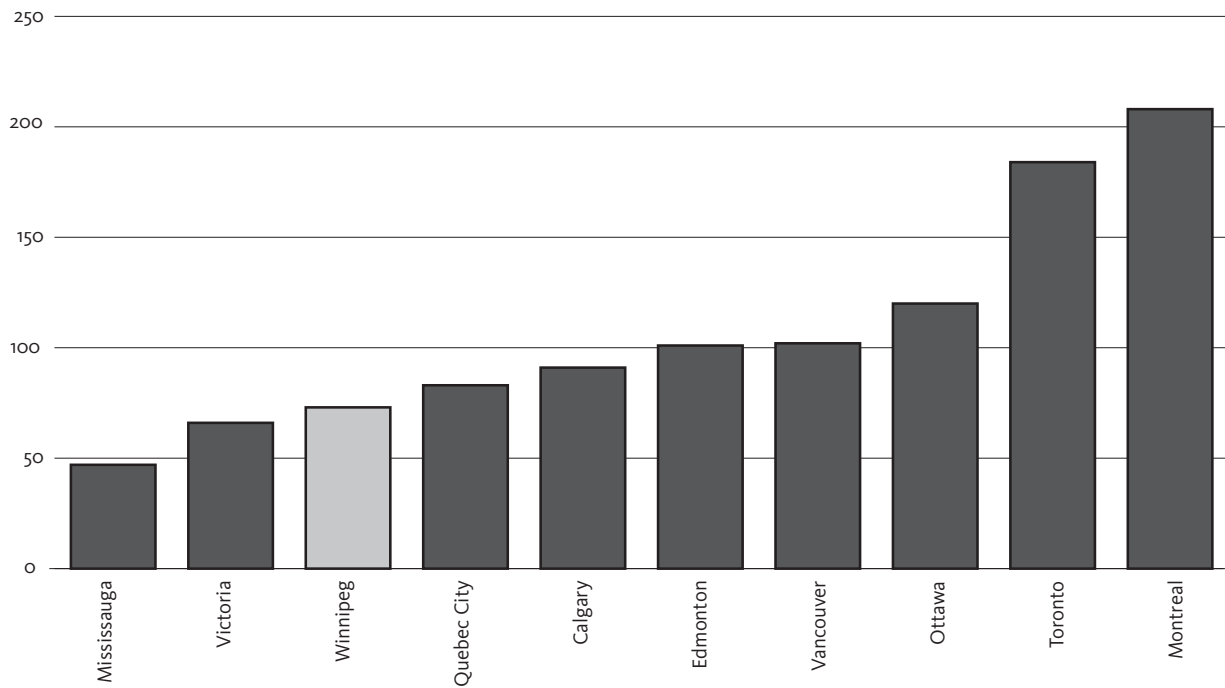
Winnipeg has one of the lowest rates of transit ridership per capita in the country. (*Winnipeg Preliminary 2014 Operating Budget*, pp 103–105, Figure 5). To encourage more people to choose transit over their cars, public transit needs to be more attractive and competitive. This requires a shift in investment priorities.

### Rapid transit

We are very pleased that Winnipeg has completed the first section of our rapid transit sys-



FIGURE 5 Regular Transit Passengers per Capita (2012)



Winnipeg Trend	2008	2009	2010	2011	2012
	67	68	70	72	73

SOURCE: Canadian Urban Transit Association

tem — Phase I of the South West Rapid Transit Corridor (SWRTC) from Main Street to Jubilee.

Completion of Phase II to connect from Jubilee Avenue to the University of Manitoba is crucial to the success of rapid transit in Winnipeg. This phase has anticipated costs of \$425-million for the transit-way and \$105-million for Jubilee underpass reconstruction. (There is an additional \$70-million allocated for combined-sewer replacements in the vicinity of Calrossie and Cockburn.) The City and Province have each promised to contribute \$225 million for the overall project — we just need commitment of the Federal contribution.

The current 6-year capital investment plan includes \$324.2 million for transit, including a portion of the City’s share of the construction of the Southwest Rapid Transit Corridor — Stage 2, forecast in 2015 and 2016. The City and the

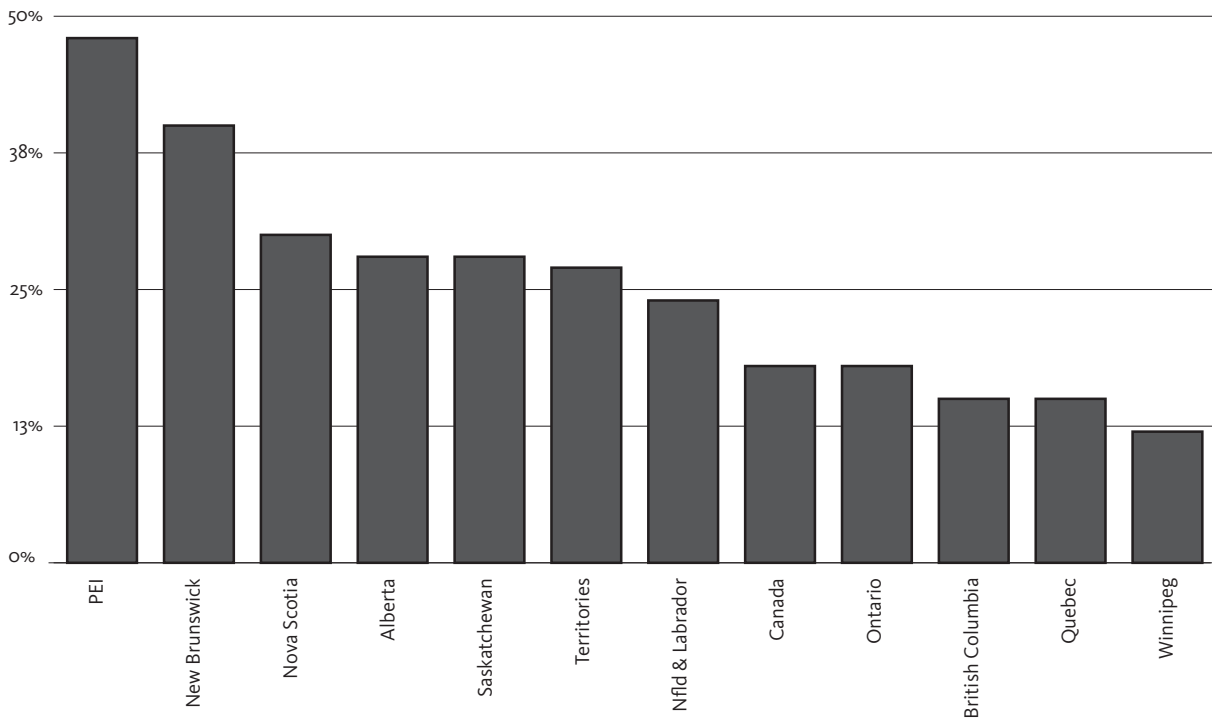
Province have recently committed up to \$225 million each toward an integrated rapid transit project. Additional funding is requested from P3 Canada.

While work is underway for Phase II of SWRTC, we also need to support the planning work needed for the subsequent phase — the eastern corridor. The AMB dedicates \$650,000 to advance this plan. These funds will be transferred from the planning for the William R. Clement Parkway extension between Grant and Wilkes, which will be cancelled.

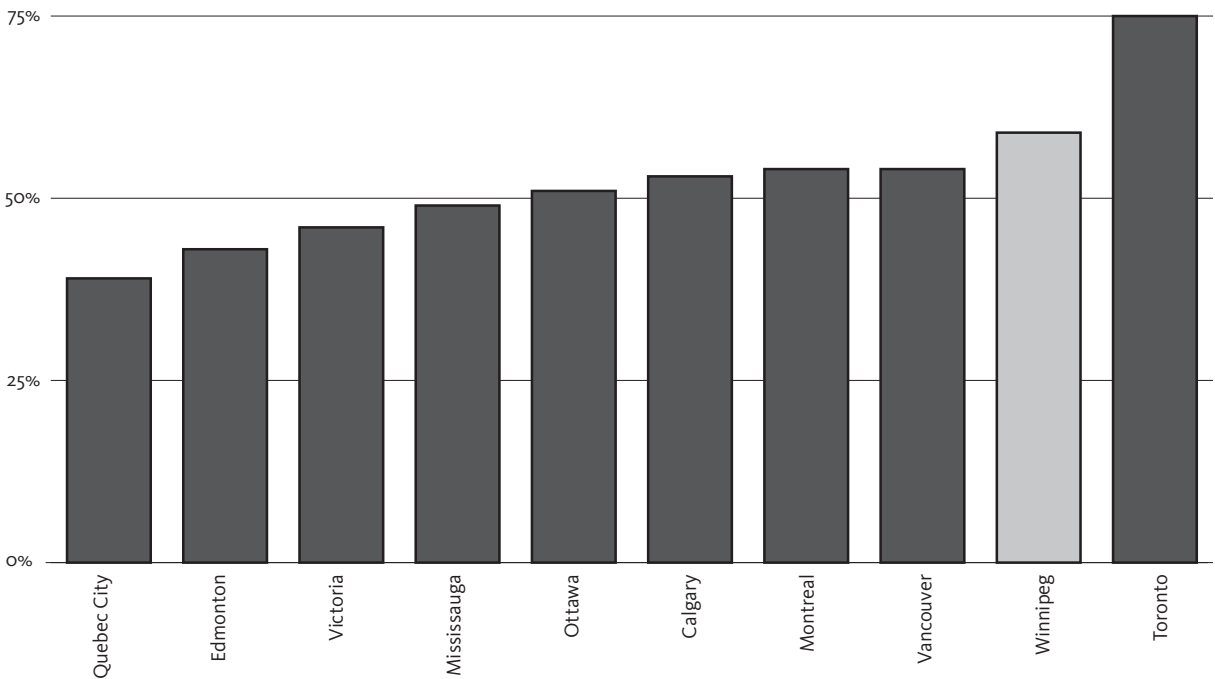
*New Expenditures:*

- Eastern corridor Rapid Transit Planning: \$650,000
- Cancellation of William R. Clement Parkway Extension: (\$650,000)

**FIGURE 6 Bus Spare Ratio**



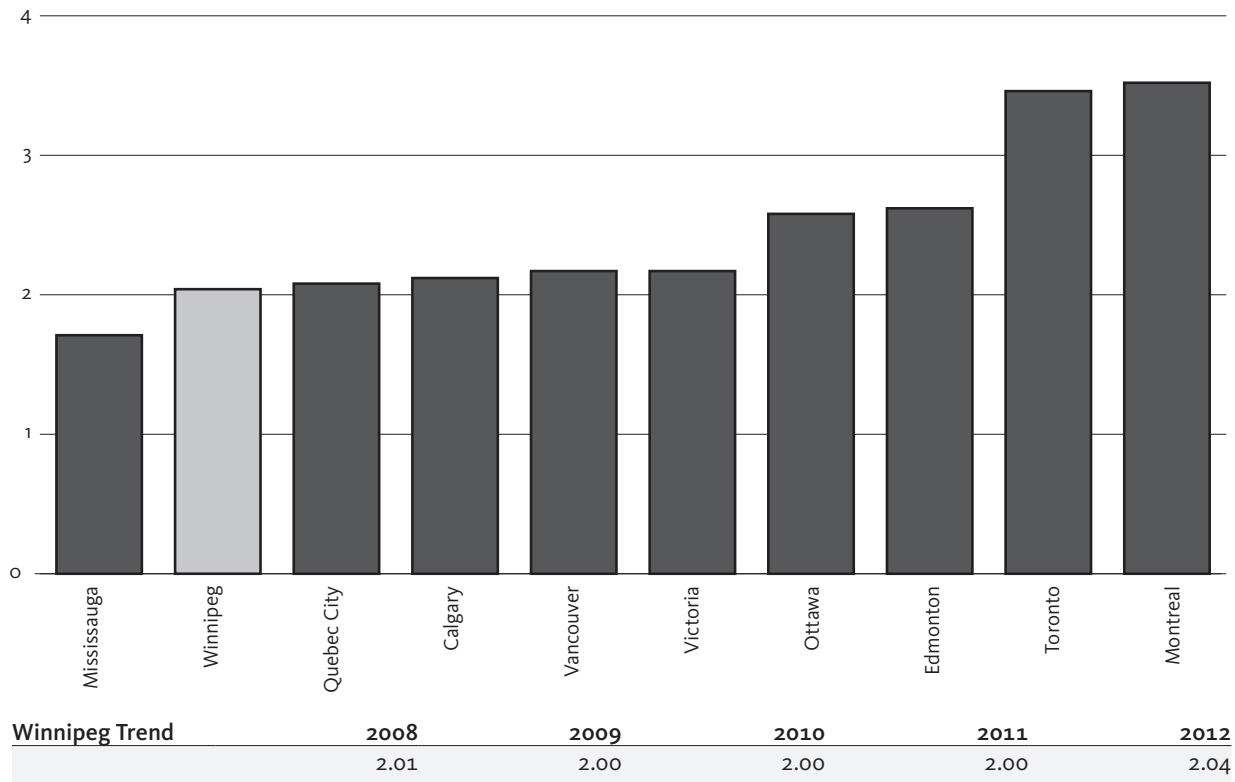
**FIGURE 7 Total Operating Revenue/Total Direct Operating Expenses (R/C Ratio) (2012)**



Winnipeg Trend	2008	2009	2010	2011	2012
	50%	61%	59%	60%	59%

**SOURCE:** Canadian Urban Transit Association

FIGURE 8 Revenue Vehicle Hours/Capita (2012)



SOURCE: Canadian Urban Transit Association

### Public transit investment

Besides our investment in rapid transit, the Alternative Budget would invest in improving existing bus service.

Transit’s operations are extremely efficient — there is little “fat” in the system. However, there are indications that we are operating “too close to the bone”. For example, at 11 per cent, we have the lowest “bus spare ratio” in the country — almost all of our buses are always on the road. (Fig 6)

Patterns of land development, coupled with nearly static investment in our public transit system have contributed to Winnipeg having one of the lowest per capita ridership in the country.

Investment in transit needs to be a growing proportion of the budget — not shrinking. In the 2014 Preliminary Budget, the Transit pro-

gram allocation is \$172 million with a City contribution of \$47.6 million. This is 4.9 per cent of the total operating budget. For comparison, in the 2010 budget, the City’s operating subsidy to public transit was \$43.2 million. This is a lesser amount but, at 5.2 per cent, was a larger portion of the total operating budget.

Transit supports more than half of its direct operating expenses with revenue from ridership and advertising to support its operations. This is one of the highest proportions for any Canadian city. (Fig. 7)

Winnipeg has one of the lowest bus hour per capita rates in the country. (Fig. 8) Winnipeg Transit’s bus hours are at 1.48 million hours per year. There was a slight improvement in the hours per capita in 2012. However, we need to continue this trend toward improving bus service availability for our citizens — not just to keep

pace with population growth but to continue to make transit more attractive.

The cost of running a bus is approximately \$100 per hour. Our budget would increase operations by adding 25,000 hours at a cost of \$2.5 million.

*New Expenditure:* \$2.5M

### Transit Quality Corridors

We need to allocate funding and priority for the development of the Transit Quality Corridors called for in the *Our Winnipeg: Sustainable Transportation* master plan.

Transit Quality Corridors are a network of routes that have a set of coordinated priority measures such as “queue- jump lanes approaching intersections, transit vehicle detection for active transit signal priority or pre-emption, passive transit signal priority, relocation or removal of stops and operation of express services. Priority transit services would almost always be able to operate at travel speeds equal to or better than the general traffic” (*Our Winnipeg Sustainable Transportation*, 20).

The network of Transit Quality Corridors identified in the transportation master plan cover the entire city. Although they do not provide the full benefits that come from rapid transit, cost to develop these corridors is substantially lower than full rapid transit and they can be achieved more quickly. The AMB spends \$2.2M on developing transit quality corridors.

*New Expenditure:*

- Transit quality corridors: \$2.2M

### Transit Security

With 52 incidents reported in 2013, security for both transit operators and passengers is a growing concern (Annable, K. 2013). Starting in July 2014, six new officers will be added to the transit operation to increase security presence and

visibility on the transit system. This will require an additional appropriation in 2014 of \$233,800 (\$116,900 after provincial cost sharing). This is intended to be financed through Transit’s own retained earnings. Future years’ funding needs to be included in future budgets. However, it is not clear what powers these officers will have, particularly because the Winnipeg Police Association is opposed to these new officers performing the same duties they do (CTV News). The AMB recommends that Transit work with the Winnipeg Police Association to establish a branch of transit police who will have the proper training to ensure passenger and operator security.

In addition to these officers, the Alternative Budget recommends investigating the re-introduction of transit security stations as annexes to some bus shelters in high-incident locations. Transit security personnel would be stationed at these locations only during high-incident hours. This would provide a fixed location for operators and passengers to seek assistance and would provide a reassuring presence. To start, a downtown security station should be provided with operating hours between 2 p.m. and 9 p.m., at a cost of \$200,000.

As much as possible, the new Transit security operation should coordinate their work and establish close communication facilities and systems with the Police Service, the Cadets, and the Downtown Watch.

*New Expenditure:*

- Transit security station: \$200,000

### Car-share

The City could see a new revenue stream and offset the costs of operating its vehicle fleet by making some of the City’s vehicles available to a car-share network. These vehicles would be booked on-line, would be managed and maintained by the car-share company, and would only be available to the public when not needed for City business.

Winnipeg now has a successful car-share company in the Peg City Car Coop. This system is limited by the number and distribution of vehicles. Making some of the City's vehicle fleet available off-hours would enable car-share to grow significantly and would provide an option to automobile ownership for more citizens in more parts of the city. The AMB will fund a study to examine the feasibility of a car-share program, in the amount of \$20,000.

*New Expenditure:*

- Car-share feasibility study: \$20,000

### Low-income Bus Pass

Currently, provincial employment and income assistance will provide bus passes or tickets to individuals on income assistance, depending on assessed need. A low-income bus pass such as available in Calgary would go a long way to making Winnipeg Transit accessible to all. That city was able to shift attitudes about what causes people to live in poverty and what keeps them there; transportation came to be seen as an important component in social and economic inclusion (CCPA MB. 2012). This policy is particularly meaningful to low-income single mothers who have to balance work and daycare or school. The AMB allocates \$200,000 to the implementation of a low-income bus pass program.

*New Expenditure:*

- Low-income bus pass program: \$200,000

### U-Pass

In the fall of 2012, students from the University of Winnipeg and University of Manitoba voted overwhelmingly in support of the implementation of a Universal Transit Pass (U-Pass) Program. A U-Pass would give eligible students unlimited access to regular Winnipeg Transit services for the fall and winter academic terms for a set price.

The U-Pass program provides a variety of benefits to the student, university and larger community. The potential return on investment has both altruistic and fiscal benefits (Urban Systems, 2005; Litman, 2009; Waisman & Dykstra, 2009).

### Consistent and Sustained Fare Revenue

Based on current enrolment figures for both institutions, it is estimated that the U-Pass program would generate \$9.9 million in relatively predictable revenue for Winnipeg Transit each academic year. Currently students do not have access to such a program, making their ridership susceptible to variations in student funding, weather changes, and course scheduling. In contrast, the U-Pass would ensure a predictable, consistent revenue stream for Winnipeg Transit that would be invaluable for future planning and budgeting purposes. Research indicates students who use a U-Pass during their post-secondary education are more likely to continue using public transit after graduation. For example, 50 per cent of recent graduates from the University of Alberta and Grant MacEwan University continued to use public transit (Urban Systems, 2005). Nonetheless, in order to make the program a reality, funding gaps need to be met by the City of Winnipeg. Some of these gaps will be ameliorated by the increase in ridership that will be a result of students having access to the U-Pass.

### Rapid Transit/ Increased Ridership — 50 per cent Increase

The second phase of the Rapid Transit line was recently approved by the City of Winnipeg and the Province. The route will end at the University of Manitoba. Although the estimated date of completion is 2018, the implementation of the U-Pass would immediately change the transportation habits of students at the University of Manitoba thereby, increasing overall ridership numbers even before rapid transit arrives on campus. For exam-

ple, since, the adoption of the U-Pass in 2003 at the University of British Columbia (UBC) and Simon Fraser University (SFU) had an increased student ridership of 63 per cent (Urban Systems, 2005). We can expect that the combination of the U-Pass and improved transit service to the University of Manitoba will increase ridership and revenues.

Past surveys conducted by Winnipeg Transit demonstrate that approximately 34 per cent of students at the University of Manitoba and 43–47 per cent of students at the University of Winnipeg use transit as their primary mode of travel to school. With the implementation of the U-Pass, the City of Winnipeg could experience a projected 50 per cent increase in student ridership similar to British Columbia and Alberta (Urban Systems, 2005; Waisman & Dykstra, 2009). This is likely to result in increased ridership in poor-performing bus routes and maximization of bus usage and provide a sustained measure of support for the ridership along the second leg of the Rapid Transit line.

#### Environmental Benefits

With the adoption of the U-Pass, students are more likely to opt for transit over their cars, allowing the City to reduce the overall carbon footprint associated with travel to and from the major post-secondary institutions. In 2008, students at the University of Alberta and Grant MacEwan University reported replacing 5.5 million car trips per academic year with transit due to the availability of the U-Pass (Waisman & Dykstra, 2009). The reduction in car trips represents 1,981 tonnes of Carbon Dioxide Equivalents (CDE) which is calculated at a carbon trade market value of over \$49,536 (Litman, 2009).

#### Reduced Road Maintenance/Improved Parking

In the span of two years, the U-Pass program saved the City of Edmonton approximately \$1.3

million in road maintenance. These savings are based on Todd Litman's (2009) report, *Evaluating Public Transit Benefits and Costs*, wherein he notes that "research has shown that 30 automobile drivers shifting to transit can provide savings worth between \$0.15 and \$1.73 per kilometer" (p. 6). In addition to these monetary savings, more students opting to take transit will result in a reduction of traffic congestion and reduced parking demands in communities surrounding both universities.

#### Social Benefits

A student U-Pass makes public transportation more affordable for the many students who live with lower incomes and work minimum-wage jobs. The pass would make it easier to get to and from work while keeping expenses down.

#### Required Investment

The current estimated combined cost per student for the U-Pass program at the University of Manitoba and University of Winnipeg is \$306, thus requiring an annual operating subsidy of \$3,362,501 (Radstrom, 2013). In a City of Winnipeg U-Pass Report, Winnipeg Transit also identified the need to increase regular services due to anticipated overcrowding on routes (primarily to the University of Manitoba) which would require purchasing eight transit buses. The additional amortized annual capital cost was estimated at \$312,244 (Radstrom, 2013). The eight additional buses will not be exclusively used by students, but rather the larger general Winnipeg bus ridership, so the additional capital costs should be factored into Winnipeg Transit's overall capital budget proposed to the City of Winnipeg, not allocated to students as suggested in the report. Furthermore, municipalities with active U-Pass programs (Vancouver, Edmonton and Ottawa) include a 100 per cent city funded subsidy for the operation of the program (Radstrom, 2013).

Additionally, total investment made by the City of Winnipeg is mitigated with its 50/50 funding partnership with the Province of Manitoba for Winnipeg Transit and other infrastructure needs.

Finally, participating student unions have indicated their collective intention of investing close to \$5.5 million dollars for a viable U-Pass program and encourage the city to match their investment as closely as possible. Students are proposing an initial investment of 75 per cent-100 per cent of the \$3,362,501 annual operating subsidy for a 36 month Winnipeg pilot program. A full program review will occur at the end of the program's pilot status.

The U-Pass program carries significant returns on investment. As previously stated, the U-Pass program institutes consistent fare revenues along with substantial increases in ridership, both necessary to substantiate the development of future transit developments. Additionally, the anticipated switch in behaviour among students will lead to having fewer single occupancy vehicles on the road and, as research demonstrates, reduce carbon emissions and save in overall road maintenance.

In February 2014 City Council approved the U-Pass program plan, but with an increased contribution from students (\$260 for two semesters). The amount approved is \$80 more than what University of Manitoba students approved and \$60 more than what University of Winnipeg students approved. Referenda will be held to approve the new higher amount, putting the program in jeopardy. Given the broad benefits

the program will deliver to all citizens, the AMB recommends the following spending in accordance with a \$200 charge to students for a two semester pass. Also left to negotiate is how the cost of new busses will be allocated.

*Total U-Pass expenditure:*

- 75 per cent of annual operating subsidy for pilot project: \$2,521,875

*Total increase spending for Transit*

- Planning for eastern Rapid Transit corridor: \$650,000
- Cancellation of W.R. Clement Parkway extension: \$(650,000)
- Car share program study: \$ 20,000
- Transit quality corridors: \$2.2M
- Increase bus operations: \$2.5M
- Downtown security station: \$200,000
- Low-income bus pass: \$200,000
- U-Pass program: \$2.52M

Total: \$8.2M

**References for graphics:**

- Figures 5, 7, 8 are screenshots directly from "2014 Adopted Budget — Volume 1", Transit Performance Measures, pp 100 — 101
- Figure 6 from data in Canadian Urban Transit Association (CUTA), Canadian Transit Fleet and On-board Equipment Fact Book — 2012 Operating Data

## 5. Policing

Governments, businesses, organizations and community members each have significant power to affect the wellbeing and prosperity of our city. Those who work on the frontline in communities recognize that there is infinitely more potential for achieving common goals when work is done collaboratively. The aim of this section is to encourage more effective collaborations between Winnipeg's safety and crime-prevention stakeholders and to ensure that our collective tax dollars are spent wisely.

Why is change needed?

Spending on policing goes up considerably every year; we saw an 8.6 per cent increase this year. A full 26.65 per cent of total revenue goes to this department alone. Nonetheless, Winnipeg's most recent crime statistics and recidivism rates demonstrate that there is need for improvement to local public safety efforts. Winnipeg is routinely plagued with the distinction of being Canada's murder capital, ranking second behind Thunder Bay in 2012. Similarly, according to figures released during the province's budget approval process nearly 71 per cent of adults convicted of crime in Manitoba currently reoffend within two years, while our youth reoffend at a staggering two-year rate of 90 per cent (Winnipeg Free Press, 05,7, 2011). Sadly, our corrections facilities and justice system are not addressing the root causes of criminal behaviour.

Combined, Winnipeg's police and paramedic services constituted 44.5 per cent of the city's 2014 operating budget. For an investment of this magnitude there is a reasonable expectation that public safety will improve and indicators such as recidivism and the volume of emergency calls in-queue will decline. Yet it is clear that many of our city's current public safety concerns are not being settled by strengthening law-enforcement or investing in faster emergency response times.

**To address violence and crime in our communities, we have to prevent crime through social development — by providing the requisite social infrastructure, for example — and address the root causes of crime, which involves complex social, economic and cultural factors. As more money is spent on policing, there are fewer resources available to address other services that contribute to safe and healthy communities. This is not sustainable for municipalities, or for property taxpayers.**

Federation of Canadian Municipalities, Report on the State of Canada's Cities and Communities 2013."<[https://www.fcm.ca/Documents/reports/The\\_State\\_of\\_Canadas\\_Cities\\_and\\_Communities\\_2013\\_EN\\_web.pdf](https://www.fcm.ca/Documents/reports/The_State_of_Canadas_Cities_and_Communities_2013_EN_web.pdf)>.

Crime prevention through social development

If a teenager joins a gang or a child is forced into the sex-trade we know that the crimes they are committing are acts of survival and that no amount of law-enforcement will cause them to change course. The lingering shadow of colonialism continues to segregate our city and the powerful hand of poverty takes away opportunity, leaving many community members isolated and vulnerable. In this context, any effort to improve safety must include a significant investment in preventative and restorative measures that address root causes of crime such as isolation, family instability, poverty, racism, lack of opportunity, and lack of positive mentorship. Other sections in this budget offer concrete recommendations to address these root causes of poverty and crime.



Winnipeg needs a strong, well-trained police force and we need to support our police service members in the essential and difficult work being done on behalf of our collective wellbeing. But we also need to spend our limited tax dollars wisely and achieve common goals by managing our expenditures well and adapting our efforts to local need.

#### City of Winnipeg's priorities

The City of Winnipeg is positioned to provide significant infrastructure to preventative and restorative efforts but we are not seeing this priority represented in current operating budgets. More investment is required for community centres or libraries in inner-city neighbourhoods, where there is a high number of single-parent households and other vulnerable residents. Similarly, our investment in affordable public transit, rental-housing revitalization, addictions and mental health treatment, and after-school programming for youth is inadequate.

#### Comparisons

Winnipeg falls short in the degree to which public safety mechanisms are prioritized, funded and integrated to address the needs of the communities they serve. To prevent crime and reduce recidivism, Winnipeg can learn from recent efforts in Chicago and Edmonton, where the public safety efforts of different levels of government have been integrated to include strong, effective police working together with restorative corrections mechanisms and prevention-focused social programming. Similarly, Edmonton's recent investment in integrated community programming and restorative justice have paid noticeable dividends in crime rates over the past five years (see text box for reference).

Edmonton has also taken steps to reorganize policing efforts so that highly trained, highly paid officers are not saddled with work that can

**In 2008 Mayor Stephen Mandel created a 25-person taskforce on Community Safety. The Mayor directed the taskforce to address the root causes of crime and provide suggestions that would make a lasting difference. Recommendations focused on investing in youth and children, driving change in the coordination and delivery of programs to reduce crime, and seeking out and developing community leaders who support and promote a preventative approach to community safety.**

City of Edmonton. REACH Edmonton Council for Safe Communities. Edmonton: , 2013. Web. <[http://www.edmonton.ca/city\\_government/city\\_organization/reach-edmonton-council-for-safe-communities.asp&xtg;](http://www.edmonton.ca/city_government/city_organization/reach-edmonton-council-for-safe-communities.asp&xtg;)>

be done more effectively and for less money by less specialized public employees.

#### The Winnipeg Police Service

For the WPS to have success in preventative efforts, they must engage in substantive and strategic problem-solving with communities and

**Social workers, bylaw enforcement officers and other civilians can respond to some calls, and take over such matters as school visits, catching loose dogs, answering house alarms and other minor incidents. They could deal with bylaw complaints, some mentally ill people, panhandlers and false house alarms.**

"Editorial Law enforcement must adapt to new era of fiscal restraint." *Globe and Mail* 21 mar 2012, Online <<http://www.theglobeandmail.com/globe-debate/editorials/law-enforcement-must-adapt-to-new-era-of-fiscal-restraint/articles535382/>>.

follow through on the community policing discourse of our current Chief of Police. Like Edmonton, Winnipeg's police service must introduce new mechanisms that will allow front line officers to focus on the work they are trained for and not on the administrative, clerical, social work and health focused efforts they are currently saddled with.

### Recommendations

In 2013, \$174,000 was spent on a widely criticized outside review of the WPS. The report was so poorly done as to render the results useless (Santin, A. Winnipeg Free Press 10,30, 2013). We recommend that a similar amount be dedicated to a more meaningful exercise, and call upon community, all levels of government and local public safety stakeholders to create a long term, integrated strategy for improving the safety and well-being of our city.

**The narrative within communities and among the agencies of justice needs to evolve to engage all of society to work together to reduce crime... The police can play critical roles in this discourse, but they are only a small part of a larger system. The implications for the future are considerable — police agencies that fail to work in whole-community teams risk failing to contribute to the solution of significant social problems.**

Canadian Policing in the 21st Century: A Frontline Officer on Challenges and Changes (McGill-Queen's University Press, 2013, by Robert Christmas)

This strategy should be based on a collaborative approach that tightens our collective social fabric, addresses root causes of crime, places appropriate value on preventative and restorative measures, and continues to support the essential

law-enforcement work of the WPS. These consultations and planning will be the backbone of an integrated public safety strategy.

As part of the integrated strategy, and to ensure that expertise is supported and public dollars spent efficiently, we ask the City of Winnipeg to support WPS members in determining for themselves the role that the WPS should play in improving the safety of our city. As our city's best trained, best funded mechanism for enhancing community safety, the WPS is currently outfitted more for responding to emergency calls and enforcing the law than addressing root causes of crime. Is it reasonable to expect that one agency will excel at solving murders and stopping armed assailants while also working one on one with single mothers, hosting after school programs for at-risk teens, and addressing the trauma and marginalization of our most vulnerable populations? These skills are not interchangeable and it places far too much responsibility on WPS membership to expect success from such a divergent mandate.

The WPS must be supported to either focus on current strengths or to incorporate a significant prevention mandate into its efforts. In either scenario, our hope would be to see the police budget frozen at current levels over the coming years and significant funds raised through tax increases and other means to support a wide array of preventative and restorative initiatives, either within or external to the WPS.

It is also crucial that police and communities collaborate to improve safety and living conditions. The Winnipeg Gang Action Interagency Network (GAIN), a committee of over 25 organizations, consulted with 42 youth involved in Inner City programs about gang issues in Winnipeg. The youth identified four reasons young people join gangs: to make money; to escape home and family problems; to be protected against bullying or the threat of violence; and for a sense of belonging (Fast, 2013:6). Based on the youth feedback, interviews with stakehold-

ers and a review of gang exit strategies across North America, GAIN is developing a gang exit program and strategy for Winnipeg. This comprehensive strategy will address the problems of youth involvement in gangs and will require adequate long-term investment to be successful (Comack et al. in Fast, 2013). The AMB will seri-

ously consider the GAINS strategy to ways the City can support this comprehensive approach to reduce youth gang involvement.

*Expenditures*

- Multi-stakeholder integrated community safety strategy: \$200,000

## 6. Food Security

Across Canada, recognition is growing for the importance of local food systems and the integral role available for municipalities to foster their development. For better or worse, the social, economic, and environmental sustainability of cities is impacted by municipal food policy.

Action is being taken in at least 64 Canadian municipalities in areas related to zoning, procurement, transportation, and waste management, all of which contain creative solutions to multi-faceted, holistic issues surrounding our local food systems and our wellbeing (Municipal Food Policy Entrepreneurs).

There are significant benefits available to cities in addressing multi-faceted issues, such as healthcare, nutrition and recreation, with comprehensive policies that recognize the connection between these issues. Health care costs are reduced when the combination of opportunities for recreation and physical activities and access to safe and nutritious food decrease diet-related illness. Hunger is eradicated and tax base increased when the equitable and local distribution, production, and consumption of food creates local employment and supports local livelihoods — currently, one in eight jobs in Winnipeg is food-industry related.

The need for action is prevalent: from poverty, to healthcare, to the economy. In 2012, 63, 482 Manitobans relied upon a food bank each month to make ends meet — a 56.9 per cent increase since 2008, and a 14.2 per cent increase since 2011. Of these users, an unacceptable 47.6 per cent are children (Manitoba Centre for Health Policy, 2011). More than a quarter of adult Manitobans are obese, and obesity rates have increased 55 per cent since 1990. The largest increases in obesity were seen among young adults — exceptionally problematic due to the increased health risks of obesity at a young age (Manitoba Centre for Health Policy, 2011). Farmers in Manitoba make an average income lower than any other province, forcing one

in three farm families to have a second job off the farm to support themselves, while more than 3000 Manitoban farms have disappeared from 2008 to 2011 (Food Matters Manitoba). Supporting local food production would revitalize both provincial and municipal economies.

In *OurWinnipeg*, the City envisioned working through community partnerships in order to respond to food needs as identified by communities. The extensive media coverage of Winnipeg's food deserts highlights local concern for local food systems. Moreover, the number of Winnipeg individuals and organizations who have signed on the Manitoba Food Charter is exemplary of Winnipeg citizen's desire to take action supporting our local food system.

There is innovative, albeit disconnected, work being done around Winnipeg to promote food security. From the Norwest Co-ops new Community Food Centre increasing access to healthy food in Inkster, or Food Matters Manitoba's Dig In program connecting community members and farmers to promote food knowledge, initiatives are being undertaken all over the City. The popularity of Winnipeg's new downtown farmers' market is testament to the level of support available for local food. These efforts and models have the potential to benefit and multiply from supportive municipal policy. The most effective first step would be to create a municipal food policy council.

A food policy council would be made up representatives from multiple government departments and all aspects of food production — farmers, processors, chefs, distribution, grocers, and local businesses. The council would also include relevant community representatives, including anti-hunger and food justice activists, educators, non-profit organizations, newcomers, and Aboriginal people.

The council would bring stakeholders together to evaluate and develop policy, and recommend action surrounding food security in Winnipeg. Rather than having various social, economic, and environmental problems competing against each

other for limited resources, the council would allow government departments to address complex issues, such as gender, in a comprehensive and coordinated manner.

There are plenty of examples of municipal action on food — in just the last three years, 17 different Canadian municipalities have worked with their communities to improve their local food system. Food policy councils have been in operation in some cities for over twenty years: Edmonton has rolled out an inspiring Food and Urban Agriculture Strategy which mixes regulatory policies and food programs to support a “stronger, more vibrant local economy” (Municipal Food Policy Entrepreneurs).

A first priority task for a food policy council is to conduct a complete food system assessment of Winnipeg, including an inventory of all available municipal land, bringing community members together to research their local food economy and identify community priorities. A second priority would be to develop a food action plan, building upon existing food initiatives and identifying where the City can support a just and sustainable food system. Some of these actions could include:

### **Community Gardens**

- Compiling a complete assessment and map of current community gardens, indicating available community gardening space and contact information.
- Establishing a formal application process for groups seeking to set up new community garden space.
- Providing resource support, through the use of small grants for community garden start-ups and free access to City water.

### **Procurement**

- Prioritizing the importance of local food by sourcing from local providers for catering and events.

- Mandating community centres to provide local and nutritious food from their canteens.

### **Transportation**

- Conducting an evaluation of bus routes to ensure people can access food in a reasonable time — the ability to avoid taking a cab to get groceries can easily save families \$40 a week.

### **Support for Farmers’ Markets**

- Providing access for low-income community members to farmers’ markets, including incentives for farmers’ markets to set up in under-served communities, such as the Inner City and the North End.

### **Advocacy**

- Pressuring the appropriate levels of government to relieve the burden on people’s food budget by increasing shelter benefits for EIA recipients, creating more affordable housing, and promoting Winnipeg as a living wage zone.

A comprehensive food security policy would benefit low-income people, including single parents — disproportionately women, helping them provide affordable, nutritious food for their children.

### *Total New Expenditures:*

- Two full-time staff positions
    - Coordinator: \$60,000
    - Administrative Support: \$40,000
  - Operating budget for Food Policy Council: \$75,000
  - Start-up Cost: \$20,000
- Total: \$195,000

## 7. Arts and Culture

Arts can stimulate, inspire, entertain, and more recently, are seen to contribute to cities' quality of life as well as their social and economic vitality. The arts are an important factor in attracting talented people, jobs and investment to communities (Florida, Richard, 2004). A recent Canadian Council of Chief Executives report noted that "there is growing evidence that artistic and cultural creativity plays an important role in transforming communities into destinations of choice for skilled people in any occupation" ('From Bronze to Gold,' 2006).

To be successful in this emerging creative age, regions must develop, attract and retain talented and creative people who develop technology-intensive industries and power economic growth. For example, the 'Making the Case for Culture' website contains brief summaries of how the arts contribute to six aspects of Canadian life: the economy; urban renewal; community identity and pride; positive change in communities; quality of life and quality of place; and youth development.

### Winnipeg Context

The City of Winnipeg has long been known as the "city of the arts," having the second highest artistic concentration in the Prairies (Artists in Large Cities, 2006). Winnipeg's arts history is long and varied. For example, it possesses an arts industry featured in Paris; an orchestra chosen to represent Canada at Carnegie Hall; an internationally recognized film industry and a world renowned ballet company. Further, Winnipeg has performance and exhibition centres among the best in Canada; one of the best-preserved, if not the only, historic downtown districts in Northern America; cutting edge musical, arts, entertainment and festival scenes such as the Winnipeg Folk Fest — many thanks to the vision of its early civic leaders and the persistence of its civic advocates.

Winnipeg has also been recognized nationally for successful development of community and public art towards social transformation. Community art has flourished through long-standing organizations such as Art City, Graffiti Gallery, ArtBeat and Arts Junction. Artists work within social and grassroots agencies such as the "Poor Penny" video project launched by the Social Planning Council or workshops and community art sales through Art from the Heart (the AMB is proud to feature an Art from the Heart artist on this year's cover), offering artists opportunities showcase their work and to use their communication skills towards social change. Public art projects have become more common with several large permanent installations through the Winnipeg Arts Council and Manitoba Arts Council focus in recent years on public art.

### Creative Communities and Industries

Our spending will help develop cultural facilities for professional community-based arts activities, co-op housing/studios for artists connected to cultural sectors and suburban community arts facilities. Public officials are learning that they can plant the seeds of urban renewal and, at the same time, promote their city's culture and arts. This not only renews our neighborhoods and downtowns, but also attracts tourists and private investment. Our goal is to expand the scope of the Winnipeg Arts Council to include increased advocacy and policy abilities so it can inform City Council of achievements and issues in the Winnipeg Arts Community; recommend activities for the stabilization and strengthening of the arts community; liaise with and act as a point of contact for the members of the arts community regarding issues that affect the arts community.

The following spending and revenue generating policies support Winnipeg's cultural and artistic capacity, making it a smarter and attractive place to live.

## A Cultural and Economic Development Plan for the Arts in Winnipeg

### Stewardship

To confirm the City of Winnipeg's stewardship role in creating the context for culture and the arts to thrive, the Alternative Budget restores previous cuts to existing arts spending that have taken place over the last 5 years, including inflation. It also supports the objectives of Winnipeg Arts Council with a directive to increase funding towards community art, significantly increasing opportunities for broadening audiences, and expanding public art programs which highlight Winnipeg talent. The AMB also recommends a new funding formula that increases the annual allocation from approximately \$6 per capita to \$12 per capita, in order to double funding over the course of five years, along with the request for a formal agreement between the City and the Winnipeg Arts Council for the allocation of funds and provision of services.

#### *New Expenditures:*

- Restore funding cuts and adjust for inflation: \$4,582,552
- Increase funding for expansion: \$500,000 (annual increase)

### Place-making and Public Art

In order to market cultural and historical features of Winnipeg including the Exchange District, the 1919 General Strike, St. Boniface, Selkirk Street, the Riel Rebellion and The Forks, the AMB dedicates funds to expand Winnipeg's Innovative Public Arts Policy. This policy would include a continuous "Outdoor Public Gallery" as part of free walking tours of Winnipeg and ensure that the majority of the works are by local artists.

#### *New Expenditure:*

- Expand Winnipeg's Innovative Public Arts Policy: \$500,000 (annually)

## Recommendations for Increased Revenue for the Arts

1. Currently the regular billboard tax is \$1.50/square foot; an increase to \$5.70, as recommended by the City in 2012 would increase the amount collected per sign to \$1,140. (Winnipeg Free Press, Dec. 1, 2012). There are an estimated 620 signs in Winnipeg (<http://mediaincanada.com/2007/05/22/billboard-20070522/>), making the total to be collected \$706,800/year. The charge per/square foot increase would result in an extra \$520,800/year that could be dedicated to the arts community.
2. According to *Maclean's* magazine, digital billboards generate tax revenue of \$1,000/billboard. Estimating that there 200 billboards in Winnipeg, total revenues currently come in at \$200,000/year. By increasing the rate so that total revenues per sign increase to \$2,500/sign, the Alternative Budget will collect an additional 300,000/year.
3. Further, a recommendation following this tax increase would be to take 1/3 of its accumulation and place it in an interest account to generate future capital funding for public arts programs or for a WAC Infrastructure Development Seed Fund.
4. Allocate 1 per cent of all new building budgets to the commissioning of a work of art to be located in a public place, either outdoors or in a lobby. All new civic buildings will be contribute as well so as to put positive peer pressure on other new building projects to do the same. If \$100,000 per property at an average of \$1million budget were contributed and if 50 new buildings were built per year, the 1per cent tax accumulation would be \$500,000 per year.

*Total Expenditures and Revenues*

*Revenues*

- Billboard Tax: \$ 820,800
- 1 per cent New Building Tax: \$500,000

Total: \$1,320,800

*Expenditures*

- Inflation Increase to WAC operating budget: \$4,582,552
- Community Arts programming increase: \$500,000
- Public Art Program: \$500,000

Total: \$5,582,552

Net new spending: \$4,261,752.



## 8. Recreation

The City of Winnipeg budget needs to support the City's stated goal to "provide equitable opportunities to participate in recreation programs and services;" to "[p]rovide community development and recreation opportunities for vulnerable youth as an integral component of crime prevention efforts;" and to "provide meaningful and relevant recreation opportunities to increase the participation of Aboriginal youth in City of Winnipeg services" (City of Winnipeg, 2014 p. 146). The AMB Safety and Policing Section agrees that recreation is an effective way to prevent some high risk youth from getting involved in crime.

Operational spending has gone up by 5.8 per cent from 2013, a positive move. However, Winnipeg's program operating cost per person is well below the comparable cities' average of \$58.69, at \$32.20 (Preliminary Operating Budget 2014, 150), indicating that spending could still increase somewhat to ensure that everyone has access to programs. Small increases in city spending could help keep fee increases to a minimum.

### Increasing Recreation Fees

In the 2014 Fees and Charges Schedule there are more than 144 fees that are all seeing increases this year with a total increase in all fees of \$418.69. There are some who suggest recreation programs and facilities should be more self-sustaining and generate enough fees to cover their costs. Although there may have to be moderate increases to cover inflation, if the goal is to improve access to recreation, as stated on page 146 of the 2014 City Budget, fee increases are counterproductive, particularly in low-income neighbourhoods. Any increase in revenue from fees should come from greater numbers of people using facilities and paying fees. Targeted community and recreation centres in the Inner City and other low income areas should receive extra supports.

### Reduced Programming

City of Winnipeg youth programming varies across the city. At certain sites leisure guide programs are offered for a charge, and in some neighbourhoods free programs are offered. While there is a process to waive fees for registration for low-income families, this can be arduous. Families who experience economic stress need access to free programs.

The 2014 budget shows that there was reduced programming time in many areas, such as access to free program hours. Similarly, there are reduced hours at drop in centres and youth action centres. There are reduced hours at wading pools from 31,479 to 26,698 hours comparing the last two years. Opening wading pools from the heat waves of June past Labour Day continues to be an expectation of Winnipeg families that the City is hard pressed to fulfill. The City Lives SAFE strategy and other goals support recreation for social development. Research shows a long-term, holistic approach is needed when working with youth to address many issues simultaneously, such as education, employment, housing, and crime prevention (Mistry and Wadsworth, 2010). Stable and adequate funds must be available to take full advantage of the potential benefits of recreation.

There have also been odd and frustrating developments like using 311 to register for swimming and other leisure guide classes rather than being able to talk to a recreation professional at a facility. This centralization has caused delays for families of swimmers as 311 often not able to answer questions about the program. Similarly the recreation facilities have been moved to Property Development, leaving only the programming side with Community Services and recreation professionals. This divorce of facilities from programming leads to a lack of coordination.

### Funding For Community Centres

There is just over \$4.97 million going to 64 Winnipeg community centres for operating funds.

This is up slightly from 2013 when community centres received \$4.82 million. There is also \$470,000 in programming funds that community centres can apply for. This money pays for staff particularly in inner-city neighbourhoods where other funds are not raised. Community centres also count on \$150,000.00 per year from the Province in capital grants. Ninety per cent of community centres have paid staff, however community centres still have to rely largely on volunteers. Having a community centre structure that relies on volunteer efforts does not work well in lower-income and more transient neighbourhoods.

#### Facility Decline and Disrepair

Just as the City of Winnipeg budget consultations excluded the Inner City, there also seems to be a disparity in how the City's recreation budget is allocated. Some communities enjoy investment and others are forced to put up with aging facilities with limited access times. Aging City facilities and have had their maintenance budgets cut to the point where they fall behind the recommended standards of repair. The worst example of this is Sherbrook Pool — the first Winnipeg facility to be allowed to deteriorate to the point of closure. Even though funds were raised from other levels of government to improve heating and ventilation systems the money was not spent on the pool in the nineties so now the same work costs hundreds of thousand dollars more. Were it not for the generosity of a private donor, the pool's destiny would have remained in limbo.

There are 140 tennis courts in Winnipeg and 116 are in such deplorable condition they are a community hazard rather than an asset. Trails in Assiniboine Park are cracked and hazardous for biking or roller blading, There are wish lists of improvements that far out step budgets across the board from lighting on trails, to lines painted on hop scotch, four square and basketball courts.

#### Offload Responsibility to Community Agencies

While City facilities are in decline there is a new \$140 million proposal to build three YMCA's in west, north and south east Winnipeg, with the City paying a third (\$46.6 million) over 5 to 7 years. The City will not have any responsibility for facility maintenance or staffing after the initial capital investment. While it is better to have the YMCA involved than the previous plan to give millions to a private hotel to build a water park, there are still concerns about the City being able to fulfill the public mandate for equal access, staff standards and fair remuneration.

This offloading of public responsibility to the private/community sector is a going concern in several departments besides recreation, and is exacerbated by outright cuts to services. The recreation budget has eliminated five positions: two Community Development Workers (CDWs); and three Community Resource Coordinators (CRCs).

Youth-serving organizations would like to see a review of staffing of City facilities and to build on partnership with community-based organizations that are working well. A new collaborative approach to planning programs and booking facilities is needed to ensure effective facility use, supervision of staff and program delivery, in particular when City staff is hired to work jointly with community based programs.

When City staff is expected to do work for the community-based organization, challenges arise. Workplace culture and training is different between the two groups. City staff is often transferred between facilities, even if the community-based organization has invested in staff training and develops a rapport with the City recreation worker. Variability in City staffing of recreational programs affects the quality of program delivery and is concerning to not-for-profit youth-serving organizations because many of the benefits from recreation are about the relationships that youth have with recreation leaders and coaches.

Over the last three years the CDWs and CRCs, while not directly delivering recreation programming, have been integrated into the geographic recreation delivery areas and have been closely working with a variety of organizations delivering programs in neighbourhoods. Ongoing cuts mean that these programs are now only available in a small area of the Inner City. The City has a responsibility for leadership in coordinating recreation; this is not possible without the staff paid to do it. Community agencies are forced to raise funds to fill this role.

City grants for an array of community-based youth recreation are stagnant and are not being increased with inflation. For example, seven community-based inner-city youth programs serve thousands of children and youth (Andrews Street Family Centre, Art City, Just TV, Immigrant and Refugee Community Organization of Manitoba (IRCOM), Rossbrook House, Spence Neighbourhood Association and the Winnipeg Boys and Girls Club) however their municipal funding is flat at \$830,147 (City of Winnipeg Operating Budget 2014).

One of these organizations, IRCOM, which works with newcomer youth, faces resistance from the City on increased funding because the City claims that funding for newcomer programs is the responsibility of the provincial and federal governments. However IRCOM's mandate is to provide programming to newcomers, regardless of the citizenship status. The nine community organizations in the Aboriginal Youth Strategy receive \$713,849 annually have not seen an increase in funding for inflation, despite increases in the Aboriginal Youth Strategy overall (City of Winnipeg Operating Budget 2014). These community-based organizations face increased demands on services.

#### Some Positive Initiatives

There are positive measures under way. The Community Sport Policy committee created a new guide *Everyone Can Play: A Guide to Recreation*

and Sport Subsidies. It includes step by step instructions to apply for seven sport and recreation subsidies and will be promoted with another new resource, *Winnipeg Youth Recreation Guide*. Developed by the Social Planning Council, in concert with the Access and Engagement Committee, it is a comprehensive overview of programs and facilities available in a variety of sectors to meet even the most reluctant recreation participant. These guides can be used as part of a strategy to improve access and participation for youth, families and other groups as well. The City will now have more exposure to its fee waiver program and should be recognized for producing the *Priceless Fun Guide* for free programming.

#### Alternative choices for recreation and a more active Winnipeg

##### **Plan to Increase Recreation Participation**

The City of Winnipeg has to view itself as a collaborator and partner with other levels of government in terms of the health and wellbeing of Winnipeg citizens. With only a 10 per cent increase in the number of active people, there are cost savings to be had. A health-savvy city would ensure there are programs that share these cost savings into new revenue sharing programs to get even more people healthy and active.

There is a cross-Canada effort coming to Manitoba called *Exercise is Medicine*. This program will ensure that medical professionals have better local information about recreation options, opportunities and partners in order to prescribe recreation for many health problems. These funds will be used to better promote programs and facilities in local neighbourhoods in partnership with other organizations.

##### *New Expenditure:*

- Allocate new spending to *Exercise is Medicine* to increase participation by 10 per cent: \$100,000

### **Community Recreation Planning Boards**

Budget 2014 sites more community groups offering free programs for kids as the reason for a decline in the amount of free programming the City offered last year. That decline points to an emerging requirement for joint planning in the use and programming in City Facilities. A precedent was set at the newly renovated North Centennial Recreation Centre where community groups participate in program, booking and scheduling plans for the centre. There are many neighbourhoods that have active networks where organizations meet regularly: recreation planning should become part of the agenda.

#### *New Expenditure:*

- Support implementation of eight new planning boards: \$100,000

### **Reinstate Community Development Workers and Community Resource Coordinators.**

These are the staff that will be instrumental in community outreach for both recommendations above. The City has a leadership role in bringing recreation partners together, pooling resources and planning as a sector. Staff is needed to do this. The success of other similar initiatives by the Youth Agencies Alliance to ensure that low-income youth participate in recreation provides examples of what can be achieved.

#### *New Expenditure:*

- Rehire 3 community development staff: \$200,000

### **Funds to Bridge Infrastructure Deficit**

The monumental challenge for the recreation budget is the infrastructure deficit. According to the 2014 City Budget, \$319.3M needs to be invested over the next 10 years in order to bring all recreation, leisure, community centres, arenas and pools to a reasonable Facility Condition Index ratio (104). The 6-year capital investment plan invests \$61.8M in these facilities

(29), indicating a shortfall in required spending of approximately \$22M/year. The AMB increases capital spending for recreation facilities by this amount.

The City must forge a new partnership with Manitoba Health, Regional Health Authorities, and the Federal Government for an infrastructure fund that will prevent the closure of more facilities due to disrepair. CCPA Alternative Budget 2008 recommended the Winnipeg Facilities Development Authority to work with other levels of government and community organizations in the field to finance a five year plan for facility renewal. Instead the City has separated all recreation facilities into a new Municipal Accommodations department. This separation of the recreation facilities from the recreation professionals that program for the facilities does not bode well for the future of recreation facilities.

#### *New Expenditure:*

- Capital spending on recreation facilities: \$22M
- Debt servicing cost for capital borrowing (operating budget expenditure): \$1.6M

### **Reallocate \$1.75 million from the YMCA Preparation Phase to a community-driven City Infrastructure Needs Assessment and Plan**

A document from the Ontario Ministry of Culture outlines a process to engage community in planning facilities (2002). An approach like this document recommends is required in Winnipeg to ensure facilities are built wisely and maintained to an acceptable standard.

It is recommended this approach be used to consider the plan to contribute \$46.7 million to the YMCA to build three new pool and recreation complexes. Given that the City recreation infrastructure deficit raises the question of whether this money would not be better spent repairing existing facilities, the AMB's new Planning and Infrastructure Economic Analysis Unit

would be tasked with this study. Whether it is this YMCA initiative, or the \$3.4 million to the Youth for Christ complex in 2010, the approach seems to be to build new bigger facilities and ignore the costs for upgrading our older and smaller facilities.

*Change in Expenditure:*

- Reallocate funds from YMCA preparation phase to a City Infrastructure Needs Assessment Plan: \$1.75M

Boost Inner City youth program spending and then index to inflation

Grants to seven community—based organizations have been stagnant at \$830,147 and grants to the nine programs receiving funding from the Aboriginal Youth Strategy have been stagnant at \$713,849 for over three years. This should be increased 10 per cent and then indexed to inflation.

*New Expenditure:*

- Increase spending to community-based organizations: \$154,398

*Total New Expenditures — Operating*

- Exercise is Medicine program: \$100,000
- Community Recreation Planning Boards: \$100,000
- Community Development Workers and Community Resource Coordinators: \$200,000
- Change allocation of funds from YMCA: (\$1.75M)
- To City Infrastructure Needs Assessment Plan: \$1.75M
- Boost to Inner City and Aboriginal programs: \$154,398
- Cost of capital spending increase: \$1.6M

Total: \$2.1M

Capital Expenditure Increase: \$22M

## 9. Green Space Master Plan

Parks are essential to making Winnipeg an attractive place to live, work, and visit. Green space and natural areas near where we live contribute to our wellbeing. With good planning and investment they will be there for generations to come. The economic benefits of green space are multifaceted and complicated to measure but we know they are significant. For example, our urban forest alone has been valued at \$1 billion, an amount equal to the total amount of Winnipeg's operating budget (Trees Action Group). A desirable image for our city leads to improved tourism, incentives to locate here, increased real estate values, clean air, health and recreation opportunities and overall quality of life.

Land development and urban sprawl are rapidly consuming urban wilderness, connecting corridors and putting pressure on existing green space. According to the *Our Winnipeg* development plan, Winnipeg's population is nearing 700,000 and is growing by more than 10,000 per year (*Our Winnipeg*, 7). With the last parcels of land to be developed there must be careful planning and respect for these resources.

The City of Winnipeg needs an overarching infrastructure plan to preserve, protect and enhance its forest, green space, urban wilderness and connecting corridors. In 2011, the *Our Winnipeg* plan took effect as the City's official municipal development plan, guiding growth and change for the City. "A Sustainable Winnipeg", an accompanying document to the *Our Winnipeg* plan calls for a City of Winnipeg Parks, Places and Open Spaces Sustainable Management Plan to "Recognize and preserve Winnipeg's parks, green spaces and riverbanks as green oasis in our urban setting (37)". With the current pace of development it is disappointing and unacceptable that there is still no plan. Especially so, when Winnipeggers spoke so passionately about their natural environment at the Speak Up Winnipeg consultations (*Our Winnipeg*, A Sustainable City, 36).

The lack of a master plan for our urban green space infrastructure is resulting in piece-meal consultation and planning, particularly with the current developer lead process for project based land development. Continuous green space corridors are particularly threatened as the emphasis for development is on one neighbourhood or another. Too often, urban spaces in new communities are designed at the expense of natural ecosystems and landscapes. This need not be so.

The old idea that cities are only for people and that nature opportunities are maintained by someone else outside the city is no longer pertinent. Like rivers and streams, hydro corridors and unused rail lines, nature corridors do not stop or start at the city limits. Continuous green space and corridors are highly desirable for passive recreation and active transportation, and Winnipeggers are keen to see their city embrace a holistic strategy to ensure preservation of green spaces. These green corridors have potential to provide recreation and nature opportunities. This potential is being squandered by the lack of a plan.

There is widespread enthusiasm among citizens to enhance Winnipeg's natural assets. The City's own Ecologically Significant Natural Lands (ESNL) Strategy states that "Since 1992 over 80 community partners have invested thousands of volunteer hours. The value of grants has an estimated value of about three quarters of a million dollars annually" (Ecologically Significant Natural Lands, 20). The City's Public Works webpage lists stewardship groups and other organizations involved with naturalization in the City of Winnipeg. In addition to these groups there are countless other citizen groups advocating for green space such as OURS-Winnipeg's successful petition in 2012 to protect green-space, Charleswood Habitat Protection, Parker Wetlands Conservation, residents' associations, naturalist groups, elm tree groups such as TAG, Nature Summit Manitoba, and student groups putting native plants in their school grounds. A

master plan for parks, forests, green space, urban wilderness and connecting corridors could further support the work these citizen groups engage in to protect green spaces.

Toronto, Edmonton and Halifax provide current examples of cities that have adopted multi-year urban parks and forest management plans. In May 2013, Toronto's City Council approved a Parks Plan 2013 to 2017, with a vision of "a city within a park". It states "Parks are essential to making Toronto an attractive place to live, work, and visit" Parks Plan, 5). Toronto residents value parks and natural spaces. For example, in their Parks Plan survey, 93 per cent (Parks Plan, 5) of respondents said that parks are an indispensable part of the city.

In 2012, the City of Edmonton adopted an Urban Forest Management Plan for sustainably managing and enhancing its urban forest. The urban forest includes all trees from city owned to those on private property to roof top gardens. The report recognized that collectively, Edmonton's trees represent an irreplaceable asset. Its 2010 Corporate Tree Policy tree assessment guidelines estimated the value of the publicly owned portion of the urban forest at more than \$1.2 billion (Edmonton's Urban Forest Management Plan, 7). Unlike other municipal infrastructure, trees increase in value over time. The urban forest also makes a quantifiable contribution to the long-term livability of the city. Using modeling programs developed by the United States Department of Agriculture and Forest Service, City staff measured the urban forest's ability to clean the air, reduce storm water runoff and sequester carbon. Edmonton's forest removed an estimated 531 tonnes of pollutants in 2009 alone, a feat worth more than \$3 million (Edmonton's Urban Forest Management Plan, 7).

In 2012, Halifax Regional Council approved the Halifax Regional Municipality Forest Master Plan. A guiding principle of the plan states the HRM urban forest is a complex natural resource system, and managing a public resource in the

face of great future uncertainty requires a management system that fosters continual learning and refinement. The report goes on to say that public involvement is fundamental to the long-term success and, public participation encourages a sense of ownership among the citizens (Halifax Regional Municipality, 8).

### **Conclusion**

Planning must be done by the City of Winnipeg to prepare a multiyear master infrastructure plan to manage Winnipeg's green space, forest, urban wilderness and connecting corridors. Also required is a commitment to a transparent urban planning process. This need not be a costly endeavour. The city has many tools at its disposal and with smart planning can reconfigure resources. The least challenging and most unimaginative "solution" would be for policy makers, planners and developers to parcel out the natural areas and green space as real estate, dismantle the connecting corridors, and relegate the memory to a few street names.

#### *New Expenditure:*

- Green space Master Plan Committee:  
\$300,000

#### **Golf Courses**

The City of Winnipeg created 12 golf courses for use by Winnipeg residents and visitors between 1921 and 1982. These courses represent a total land mass of over 1,000 acres, much of it in prime locations along rivers and creeks. For years the City operated three of these city owned courses, two were managed jointly with a private operator, and seven were leased to private operators. There are 50 golf courses within 70 km of Winnipeg.

The golf courses were made part of a Special Operating Agency, Winnipeg Golf Services, in 2001. A shift occurred from viewing the City owned courses as recreation facilities operated

for the public good, to a “strategic operational focus to maximize profitability”. By 2006 the golf courses were running a \$265,000.00 deficit. The golf courses were set up for this shortfall with \$2.1 million funds taken from golf courses revenues for general revenue over a seven year period.

In 2007 Mayor’s Economic Opportunities Commission recommended selling the golf courses. An operational review of City of Winnipeg Golf Services submitted to Council in 2010 recommended the city divest itself of seven of the golf courses. In 2011, an Expression of Interest was put forward to accept proposals for commercial or residential development. Community groups and residents responded with a demonstration of opposition to the idea of selling such a large amount of prime public green space. There was concern that condos and other development would be built on the golf course land zoned as parkland.

In 2013 the City again attempted to divest itself of four of the golf courses by offering long term leases to an Ontario golf management business for three and declaring Blumberg surplus, paving the way for its sale. Council again backed away from leasing the golf courses following public outcry. The file for Blumberg currently rests with the City’s real estate department. It is unclear if funds arising from a sale will pay down the golf deficit, contribute to parkland or be used for general revenue. As for the time being there is no official plan to sell the remaining golf courses.

Golf courses are not just for golfing; many are used for hiking and in winter, cross country skiing. The Nordic Centre in the Windsor Park Golf Course is a good example of collaboration to maximize these community assets. The Nordic Centre in the Windsor Park Course further builds on the investment by the City to offer an important amenity to our winter city. The budget for 2014 includes \$3.115 million for golf course maintenance and operation, this is \$235,000.00 less than what was spent last year. The golf budget increased greens fees for an adult game by \$2.00. This is significant since 69 per cent of the total revenue for operating golf courses comes from greens fees. Budget 2014 also moved to increase the Winnipeg Golf Services (WGS) line of credit from \$6.5 million to \$7.5 million, signaling there would be more borrowing to cover shortfalls. Finally, this year the WGS Advisory Committee was disbanded; throughout all of this activity related to our golf courses the committee did not meet.

What is needed is a clear vision and plan that is included in a broader Greenspace Master Plan. A working group comprised of partners and stakeholders needs to explore how to ensure the public golf courses of Winnipeg remain public and operate responsibly. Other partnerships like the Nordic Centre and new spa at the Crescent Drive Course should be strengthened. The proceeds from the sale of the Blumberg Golf Course should be used for golf course debt and planning not for general revenue.



## 10. Environment

Winnipeggers have identified a healthy environment as “essential to Winnipeg’s long-term wellbeing (Winnipeg: 2010, p. 65). With proper budgeting and planning priorities, cities can drive sustainable development, allowing citizens to conserve resources and build for future generations. Lack of planning, such as we have seen in Winnipeg, can lead to wasted resources, automobile-dependant infrastructure, increased greenhouse gases and polluted waterways.

A sustainable Winnipeg needs to adopt principles of ecological budgeting. Ecological budgeting promotes high quality of life over the long-term while minimizing impacts for future generations.

Ecological budgeting presupposes that governments will use taxation and revenue to support sustainable living. This involves removing perverse subsidies for less sustainable alternatives like sprawl and fossil fuel consumption, while investing in more sustainable alternatives.

Governments should take a full-cost accounting perspective to assess costs and benefits of actions. This means looking both upstream and downstream to the long term-impacts on communities and the environment of the actions we take today. It also requires that we consider the impacts of our consumption on those around us. However, sustainable development also must have a social component. We must ensure that basic welfare and human development needs are provided for all citizens, both across generations, and equally, within the current generation. For this reason the Alternative Budget also adopted a gender lens which, when used in conjunction with ecological budgeting, brings the needs and concerns of some of Winnipeg’s more marginalized citizens to the forefront.

These principles have implications across both the operating budget and the capital budget. As well, they will affect how revenue is generated, and it is for this reason that the environmental working group recommended that the City re-

quest the Province to allow it to impose a gas tax within city limits

### Gas Tax

In past years, the city has decidedly not taken a full-cost accounting approach, particularly in regard to its road budget. The 2014 Preliminary Capital Budget proposes \$84.2 million for local and regional street repair. This is a \$53.3 million dollar (173 per cent) increase over 2012. Moreover, a further \$617 million is proposed over 2014–2019 for new major capital projects for roads and bridges. Although some of this is paid from over \$40 million in federal gas taxes, most of this expense is funded by general tax revenue.

Residents are paying for the unsustainable expansion of Winnipeg’s highway network whether or not they are contributing significantly to its wear and tear. This leaves a gaping hole in the City Budget, meaning that other important infrastructure priorities are left unfunded. We recommend that Winnipeg request the Province for authority to tax gasoline sold within Winnipeg. If approved, this would provide approximately \$22 million in revenue for the City (Green Action Centre, 2012).

We acknowledge the challenge in getting the Province to cooperate on this issue, especially since it seems so willing to help finance new road construction. Given the difficulty, we have not included this potential revenue source in the AMB. Nonetheless, the AMB continues to highlight the need to shift our spending priorities from infrastructure that serves the car to the development of a better public transportation system. Accordingly, it urges policy makers in both levels of government to consider the logic in levying this new tax.

### Active Transportation

Walkability and cycling infrastructure are key indicators for a vital and healthy city. North American cities that have made key investments

in active transportation are perennially listed as among the most liveable. However, Winnipeg's transportation system remains car-dominated, with 70 per cent of traffic being driver vehicles.

In 2009, in response to the availability of federal and provincial economic stimulus funding for infrastructure, Winnipeg made a record \$20 million investment in active transportation infrastructure. However since then, investment has dropped off.

In 2013, the City of Winnipeg spent \$1.25 million on active transportation infrastructure, including \$0.5 million on recreational bike paths and walkways and \$0.5 million on active transportation corridors. Budget 2014 foresees only a modest increase to \$1.5 million. At this rate Winnipeg will make only halting progress in completing its active transportation infrastructure network. After a jump of over 150 kilometres of active transportation facilities in 2010 from (212 km to 376 km) the following year, our network grew only 6 km to 382 km.

We recommend a robust investment in active transportation infrastructure, increasing to \$6 million per year. This would allow the city to make progress in completing our active transportation network. Gaps in the network, especially around underpasses, or through industrial areas, make it challenging for cyclists to access many parts of the city, and limit their ability to make cycling an everyday option for commuting, shopping and recreation.

Key priorities for the active transportation network include: the Pembina Underpass, the Osborne Underpass, connecting the Disraeli AT Bridge with the Northwest Greenway, and the completion of a new bikeway along Kingsbury Avenue connecting Scotia Street with McPhillips.

A further priority for cycling infrastructure is to ensure that the second phase of the Rapid Transit Corridor includes active transportation connections. By providing quality cycling routes, the expected catchment area of stations can be increased nine times, greatly increasing the use

of the system. Phase two Rapid Transit should be a model for the expansion for the rest of the city.

*New Capital Expenditure:*

- Active Transportation Infrastructure: \$4.5M

### Active Transportation Planning

Beyond infrastructure investments, service improvements are also required. If the City is serious about its commitment to building Complete Communities, it must substantially increase funding for human resources to oversee the implementation of its bicycle and pedestrian strategies as well as increase consultations with communities. Without planning resources, it is likely the city will miss important opportunities to improve infrastructure, while wasting resources on lower priority connections. The Alternative Budget recommends increasing staff in the AT planning department from one position to three full time equivalents, at an increased cost of \$150,000. These monies will be transferred from the cancellation of the William Clement Parkway extension.

*New Expenditures:*

- Active Transportation Planning: \$150,000
- From funds re: cancellation of William Clement Parkway Extension: (\$150,000)

### Waste Reduction

#### **Source Separated Organics (sso) Pilot Program**

Winnipeg has among the lowest rates of recycling and waste diversion of any major city in Canada. In recent years, the volume of garbage per person has gone down from 342 kg in 2009 to 303 kg in 2011. Only 24 per cent of solid waste is diverted from landfills, the lowest level among comparable cities in Canada (City of Winnipeg, Preliminary Budget 2014).

The major reason for Winnipeg's poor waste diversion record is lack of action on organic waste. Many major Canadian cities now have household compost collection. Compostable organic waste can account for as much as 40 per cent of household waste (Statistics Canada, 2005). By putting it into the landfill rather than our yards or gardens, we waste a valuable soil amendment. As well, as organic waste decomposes in the landfill, it produces methane, a major contributor to global warming. Even with gas collection at Brady Landfill, which started in 2013, organic waste will continue to emit methane from the site for decades to come.

The Alternative Budget proposes the introduction of a pilot program for weekly organic collection in 2014. This proposal follows Winnipeg's 2010 Comprehensive Integrated Waste Management Plan. Models exist in many other cities across Canada, including Ottawa, Vancouver, and Hamilton.

The cost for the compost collection program would be offset by a reduced pick up schedule for garbage. In other cities, once organic collection goes into effect, pick up can be reduced to every two weeks. Volume is significantly less, and the smell from garbage that is left over after organic removal is greatly reduced. Initially however, there will be a cost for the SSO program of \$400,000 per year (Winnipeg 2011).

*New Expenditure:*

- SSO pilot project: \$400,000

#### **City Centre Resource Recovery Centre**

One of the centrepieces of Winnipeg's waste reduction strategy is the development of Community Resource Recovery Centres (CRRC). These local community facilities will allow citizens to conveniently dispose of a variety of recyclable goods and materials. They will increase the ability of the city to recycle bulky goods, construction waste, furniture and other commodities. The City has planned four Resource Recovery Centres, with sites planned in the North, East West Ends of the City, as well as a Centre at Brady Landfill.

We recommend a CRRC be located in a central neighbourhood also. Inner City neighbourhoods should have access to the same recycling amenities as other neighbourhoods in the city. The inclusion of a Central Community Waste Recovery Facility would recognize that many Inner City residents do not have regular access to a vehicle and are often unable to transport their recyclable waste to a suburban facility.

As well as improving recycling access for Inner City residents, the Central CRRC would help improve the sanitation problems seen in some area alleys. Inner City neighbourhoods have often been dumping grounds for construction waste and other bulky goods. The Central CRRC could also provide local employment opportunities for Inner City residents.

*Total Expenditure:*

- Resource Recovery Centre: \$1M

#### **North End Waste Water Treatment Plant**

The City of Winnipeg has delayed for too long the construction of a new waste water treatment plant for Winnipeg's North End. The nearly 80 year old facility is one of the worst polluters of phosphorous in the country, and is also a significant polluter of ammonia and nitrogen according to the 2010 National Pollutant Release Inventory. (Skerritt, 2011) In 2002, a malfunction at the plant sent 427 million litres of raw sewage into the Red River (Clean Environment Commission, 2003). As a result, the Province passed legislation requiring the City to complete a plan to upgrade the plant by the end of 2014. Because of delays, it is now unlikely the plant can be finished before 2019.

The time has long passed for the political manoeuvring to cease and construction to begin. The City's proposed 2014 Capital budget allocates \$10 million to the plant upgrade, with a further \$500 million over the next 5 years. However, budgets for future years are not always secure funding commitments. As recently as the 2013 Budget, the City had promised to spend \$40 million in 2014 and \$130 million in 2015. Given the City's

record of changing plans, and to hold the City to account on this priority, we maintain it in our Alternative Budget for 2014.

*New Capital Expenditures:*

- New End Waste Water Treatment Plant capital spending: \$100M
- Active Transportation Infrastructure: \$4.65M

*Total Operating Expenditures*

- Active Transportation Planning: \$150,000

- Cancel William Clement Parkway extension (\$800,000: \$150,000 to AT): (\$150,000)
- Source Separated Organic: \$400,000
- City Centre Resource Recovery Centre: \$1M
- Debt servicing charge for AT capital expenditure: \$300,000
- Debt servicing charge for Waste Water capital expenditure: \$7.2M

Total: \$8.9M

# The Capital Budget — Addressing the Infrastructure Deficit

## The Challenge

Since the late 1990's, the City of Winnipeg has known that it is facing a mounting infrastructure deficit.<sup>3</sup> In 1998, the Strategic Infrastructure Reinvestment Policy report pegged the annual and 10 year amounts at \$82 million and \$0.8 billion, respectively, in 1998 dollars. The New Deal Information report of 2003 pegged the deficit at \$188 million and \$1.8 billion, respectively, in 2003 dollars. An update of that report in 2009 put the deficit at \$250 million and \$2.5 billion, respectively in 2009 dollars. Converting all of these estimates to 2009 dollar amounts results in the following picture of the growth of the infrastructure deficit over that 11 year period.

The 2009 administrative report on funding options notes that just to maintain the existing infrastructure at its current (inadequate) level would require an additional \$2.1 billion to be spent over the next ten years. To bring the existing infrastructure up to adequate levels would require a further \$1.7 billion. In total \$3.8 billion in additional funding, over and above the existing capital budgets, would be required to bring the

City's existing infrastructure up to an adequate condition. For new infrastructure, an additional \$3.6 billion in investments would be required.

The 2009 administrative report also compares the projected 10 year spending contained in the 2009 capital budget with the total infrastructure deficit and notes that, at that level of capital spending, the infrastructure deficit will grow by \$3.9 billion just to maintain the infrastructure at current conditions.

Thus, the challenge facing the City is that the infrastructure deficit has grown substantially over the last 15 years and will continue to grow, given the projected levels of spending on infrastructure renewal and repair contained in the City's previous and current draft capital budgets.

## The City's Response to the Infrastructure Deficit Since 2009

The 2009 capital budget committed \$3.5 billion to infrastructure repairs and additions over the 2009 to 2018 period which represents \$3.26 billion in 2009 dollars. By comparison, the 2014

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<sup>3</sup> "Infrastructure Deficit" is the *added* investment in infrastructure assets that are required to maintain them at appropriate service levels and in a good state of repair.

TABLE 10 Growth in Winnipeg’s Infrastructure Deficit — 1998 to 2009 — in 2009 \$

Year/Report	Annual Deficit	10 Year Amount
1998 SIPP	\$101.8 million	\$1.02 billion
2003 New Deal	\$210.3 million	\$2.10 billion
2009 Update of 2003 Report	\$250 million	\$2.50 billion
2009 – Existing	\$380 million	\$3.80 billion
2009 – Existing and New	\$740 million	\$7.4 billion

TABLE 11 Additional Infrastructure Funding Allowable Within the City’s Debt Limits

Type of Infrastructure	Current per capita Borrowing Limits	Projected 2018 per capita Borrowing Levels	Additional per capita Borrowing Room	Total Additional Borrowing Capacity (millions)
Tax and Other	\$1,050	\$962	\$88	\$66
Self-supporting Utilities	\$950	\$590	\$360	\$272

draft capital budget shows actual and projected infrastructure spending over the same time period of \$4.4 billion which represents \$4.09 billion in 2009 dollars. Thus, the City has allocated an *additional* \$838 million to spending on the infrastructure deficit which represents a reduction of only 21 per cent of the projected increase in the deficit and just 11 per cent of the total deficit. The City’s existing response is clearly inadequate.

One of the reasons why the City has limited its level of spending on capital budgets is that in 2011, it established maximum debt limits, as described in Table 11.

According to the City’s 2014 draft capital budget, by 2018 it will be spending about \$962 per capita on tax supported & other funded infrastructure and about \$590 on self-supporting utilities, leaving only \$88 per capita for additional tax supported & other funded infrastructure spending and \$360 per capita on self-supporting utilities. Given Winnipeg’s projected population of 755,000 by 2018, this will allow for only an additional \$66 million of tax supported funding and \$272 million on self-supporting utilities. In percentage terms, these additional spending amounts represent only 2 and 7 per cent of the \$3.9 billion growth in the infrastructure deficit over the 2009 to 2018 period.

### The Alternative Budget Proposal for Additional Capital Spending

#### Why Capital Spending Should be Increased

There are a number of compelling reasons for the City to commit to additional capital spending to address its sizeable infrastructure deficit. First, construction inflation is running at between 4 and 5 per cent per year while borrowing costs are at historic low levels (3.8 per cent for sinking fund debentures + 1.7 per cent to grow the sinking fund). Second, every year the City delays repairing existing infrastructure, there is additional deterioration leading to greater repair costs. Thus, the net cost to the city of borrowing [borrowing costs — (construction inflation + additional deterioration costs)] is very low — likely in the order of 1 per cent. Third, the infrastructure deficit imposes costs on the citizens of Winnipeg in the form of greater delays in commuting, wear and tear on cars and trucks, slower response times due to traffic congestion, etc.

Two comparisons with the other major cities in Canada show that Winnipeg can increase these levels of borrowing and still remain a cost-competitive place to live and do business. The first comes from the City’s 2013 Adopted Capital Budget. Page 20 of that budget document compares the per capita level of capital spending of

**TABLE 12 Property Taxes and Utility Charges for Single Detached Houses in 2010 for Selected Canadian Cities**

City	Property Taxes <sup>1</sup> : Municipal	Property Taxes: Total <sup>2</sup>	Utility Charges <sup>3</sup>	Total Property Utilities
Surrey	1129	1682	1604	3286
St. John's Nfld	1818	1422	1874	3296
<b>Winnipeg</b>	<b>1363 (5)</b>	<b>2078 (3)</b>	<b>1413 (5)</b>	<b>3491</b>
Montreal	2532	3083	579	3662
Victoria	1895	2696	1059	3755
Halifax	1556	2332	1616	3948
Calgary	1129	2114	1881	3995
Laval	2312	3161	896	4057
Fredericton	2790	2790	1404	4194
Vancouver	1678	2721	1530	4251
Regina	1301	2485	1852	4337
Edmonton	1523	2366	2088	4454
Saskatoon	1294	2684	1819	4503
Burnaby	1813	2868	1639	4507
Toronto	2129	2999	1959	4958
<b>15 City Average</b>	<b>1751</b>	<b>2499</b>	<b>1548</b>	<b>4047</b>

**SOURCE:** City of Edmonton, Planning and Development Department, Planning and Policy Services Branch.

<sup>1</sup> These are taxes for a sample house defined as a 25 to 30 year-old detached 3 bedroom bungalow with a main floor area of 1,200 square feet, finished full basement, double garage on a 6,000 square foot lot.

<sup>2</sup> The total includes school and other taxes, net of homeowner grants or credits.

<sup>3</sup> The utilities include, power, water, sewer, garbage, land drainage.

Winnipeg with the seven other major cities in Canada, including Edmonton, Calgary, Saskatoon, Regina, Hamilton, Toronto and Ottawa. It shows that Winnipeg spends a total of \$525 per capita on capital works, compared to the average of \$1,078 of other seven cities. Thus, Winnipeg is spending considerably below the average of other cities.

The second comparison looks at the level of property taxes and utilities paid by households living in comparable houses in fifteen major cities in Canada. Table 12 presents that comparison.

This comparison shows that Winnipeg has the third lowest property taxes + utility charges of the fifteen major cities. Its municipal taxes are the fifth lowest as are its utility charges.

### **Proposed Level of Additional Spending on Capital Budgets**

These comparisons allow for two benchmark levels of capital spending to consider when deciding on how to address the infrastructure deficit facing Winnipeg. The first would raise the per capita level of spending on capital budgets to the seven city average of \$1,078 which is an increase of \$553 per capita and \$400 million in total. Raising \$400 million via sinking fund debentures would cost the City \$28.6 million per year.<sup>4</sup>

The second would raise the City's municipal tax rate to the 15 city average of \$1,751, an increase of \$388 per property which represents an average tax rate increase of 18 per cent. With 218,973 taxable properties in the city, this would result in

<sup>4</sup> This cost is based on annual interest rate of 6.65 per cent and a 40 year amortization period. The 6.65 per cent is the city's preferred amount and includes both paying the interest on the loan and replacement of the initial principal.

**TABLE 13 Comparison of Total Actual and Projected Capital Budgets for 2010 to 2019 with Total Infrastructure Deficit in 2009 \$ by Infrastructure Deficit Item**

Infrastructure Deficit Item	2009 Total Deficit — Existing & New	Total Capital Budgets — in 2009\$	% of Total Deficit
Bridges	\$419.00	\$386.86	92.3
Roads, Streets & Lanes (Reg.&Local)	\$3,247.00	\$835.45	25.7
Active Transportation	\$94.00	\$35.87	38.2
Transit	\$1,338.00	\$390.52	29.2
Parks	\$602.00	\$111.90	18.6
Riverbanks	\$100.00	\$12.82	12.8
<b>Buildings</b>			
Police	\$135.00	\$148.92	110.3
Fire & Paramedic	\$41.00	\$25.37	61.9
Libraries	\$27.00	\$13.74	50.9
Pools, Arenas, Parks, Rec.	\$419.00	\$105.38	25.2
Administration	\$87.00	\$38.70	44.5
<b>Tax Supported Sub-Total</b>	<b>\$6,509.00</b>	<b>\$2,105.53</b>	<b>32.3</b>
Water — Treatment & Distribution	\$173.00	\$264.53	152.9
Sewage — Collection	\$198.00	\$420.58	212.4
Sewage — Treatment	\$111.00	\$846.67	762.8
Land Drainage & Flood Control	\$368.00	\$74.09	20.1
Solid Waste	\$10.00	\$74.32	743.2
<b>Utility Sub-Total</b>	<b>\$860.00</b>	<b>\$1,680.19</b>	<b>195.4</b>
<b>Total</b>	<b>\$7,369.00</b>	<b>\$3,785.72</b>	<b>51.4</b>

an increase of \$85 million available for financing additional sinking fund debentures which would allow the City to borrow \$1.19 billion.

Given the magnitude of the infrastructure deficit, the Alternative Budget recommends that the City move to increase its capital spending over the next five years by a minimum of \$400 million through the issuing of sinking fund debentures. It further recommends that the City update its 2009 Infrastructure Deficit report by the end of 2014 to determine whether the magnitude of the deficit has grown and what additional funding is required to address it within a 10 year time period.

#### **Proposed Focus of Additional Capital Spending**

By way of identifying priority areas for additional capital spending, the Alternative Budget

compared the total level of infrastructure deficit outlined in the City's 2009 report with the total amount committed in the subsequent 10 years of capital budgets produced by the City, including the actuals for 2010 to 2014 and the projections up to 2019 contained in the 2014 draft Capital Budget. While the total capital budgets commit to spending on items that are not totally synonymous with those set out in the Infrastructure Deficit report, the comparison nonetheless offers an indication of which items in the infrastructure deficit list have been relatively poorly addressed by the subsequent capital budgets. Table 13 provides that comparison.

These results show that the areas least adequately addressed by the capital budgets are:

- Riverbanks (12.8per cent)
- Parks (18.6per cent)



- Land Drainage & Flood Control (20.1per cent)
- Pools, arenas, Parks and Rec. Buildings (25.2per cent)
- Roads, streets and lanes (25.7per cent)
- Transit (29.2per cent)
- Active Transportation (38.2per cent)

Accordingly, the Alternative Budget proposes that these areas be given higher priority in future capital budgets and for additional capital

spending. Our sections on recreation, transit, environmental initiatives and green spaces do just that, allowing us to take back control over our infrastructure.

Finally, the advantages to large expenditures on infrastructure and construction go beyond the direct improvements to our amenities. The multiplier for this type of investment is estimated to generate \$1.16 (Province of Manitoba Budget Speech, 2014) for every dollar spent as jobs are created and money is spent in the local economy.

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