



ASSOCIATION OF MANITOBA MUNICIPALITIES

Meeting with Honourable Kerri Irvin-Ross
Minister of Housing and Community Development

February 2, 2012

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Introduction

- The Association of Manitoba Municipalities (AMM) appreciates the opportunity to meet with representatives of the Department of Housing and Community Development.
- The AMM understands that these are challenging times for the provincial government due to the financial implications of the 2011 flood and the ongoing economic uncertainty internationally.
- Nevertheless, the AMM urges the Province of Manitoba to consider new and existing challenges for municipalities in its 2012 budget.

Priority Issues

1) Increased Funding for Housing

The AMM recommends the government:

- ❖ *Establish a long-term, province-wide plan for improved housing including rural and northern Manitoba.*
 - The importance of housing cannot be understated and it is critical that both current and future needs are identified and coordinated with other departments.
 - The availability of housing has a huge impact on the growth potential of a community and there is demand for affordable housing throughout Manitoba.
 - Low-income households are not exclusively found in large urban centres, although specific demands often reflect local demographics. There are many province-wide commonalities that drive the need for greater investment in housing for low-income individuals and families.
 - Significant numbers of new immigrants have settled in both urban and rural areas in Manitoba and housing is a crucial part of keeping them in these communities.
 - As well, population aging has contributed to the demand for community living, supportive housing and secondary suites. The AMM appreciates recent investments such as the commitment of \$10.1 million in joint funding for 81 units in Grunthal, Sprague and La Broquerie.
 - As well, AMM members see the value in initiatives such as the Rural Homeownership Program and the recent Request for Proposals to develop affordable seniors housing.
 - The provision of a municipal grant for supportive housing has been beneficial, however increasing construction and labour costs mean that municipalities are left to fund a greater proportion of the total project costs. For these projects to be economically viable, the Province must take on a greater role while including additional funding for municipal supportive housing projects in its overall strategy.

- As the Province moves forward with the implementation of its housing strategy, it is essential to ensure that programs are accessible in all areas of the province and that sufficient supports are in place to help municipalities through often complicated application processes.
- In addition, because basic necessities are more expensive in remote areas, the low-income threshold should be adjusted to account for these regional discrepancies.
- The Province must also consider other means of helping municipalities invest in supportive housing projects. In 2008, the Canada West Foundation released a report that mapped out current federal, provincial and municipal policies regarding affordable housing and homelessness initiatives, called *A Roof Over Our Heads 2008*.
- The report suggests the optimal approach to addressing affordable housing and homelessness is to decentralize this responsibility to the provinces, while providing federal funding and significant local input. This is based on the reality that local governments do not have the revenue capacity to deal with these issues, and the federal government is too far removed from local circumstances to design effective programs.
- Furthermore, it is important to involve non-profit, community-based groups as well as Regional Health Authorities to ensure local housing needs are identified and addressed.
- The shortage of affordable housing is a complex social issue that municipal governments cannot address with the current revenues and policy tools that are available at the local level. A comprehensive strategy with the cooperation of the federal, provincial and municipal governments as well as the private and not-for-profit sectors will help to produce long-term solutions that are responsive to local needs.

2) Housing Roundtables

The AMM recommends the government:

❖ *Act in a timely manner on the recommendations of the Rental Supply and Seniors Housing Roundtables.*

- The AMM would like to thank the Province for the commitment it has shown this year to address the housing shortages across Manitoba. This is a province-wide problem, and it will not have a simple solution because of the variety of needs in each community.
- A plan built with help from stakeholders will be more effective, therefore the AMM urges the Province to act on the recommendations of the Roundtables.
- The AMM is willing to work with the Department by helping to arrange education sessions or distribution of information to municipalities about the resources and funding available to them to increase the housing supply in their communities.
- More communication with communities will go a long way in addressing housing needs.

3) Increased Funding for Community Places Program

The AMM recommends the government:

❖ *Increase funding to the Community Places Program to allow an increase to the maximum grant amount and the number of recipients.*

- A long standing issue for our organization has been the need to boost funding for the Community Places Program (CPP). This is a great program because most of the projects are for municipal or community infrastructure.
- Unfortunately the maximum grant allowable from the program does not provide enough support, especially as construction costs continue to rise.
- The current funding limits are 50% of the first \$15,000 of a project and up to one-third of the cost after that, up to a maximum of \$50,000.
- In some cases we have learned that costs of achieving the requirements for receiving this funding, such as LEED certification, exceed the funding received.
- Lack of sufficient funding can affect the ability of communities to complete major capital projects, and the declining purchasing power of \$50,000 means that the CPP contributes a diminishing proportion of the total project costs.
- The AMM was pleased to see total grants awarded increase to \$4.5 million in 2010-2011 as these types of projects are the cornerstones of healthy, viable communities. However, this amount remained the same for 2011-2012.
- The CPP is a valuable program however it is in need of greater funding in order to make a real impact in communities.

Conclusion

- The AMM would like to thank Minister Irvin-Ross and the Department of Housing and Community Development staff for taking the time to meet with the AMM. Although the upcoming budget will involve some difficult decisions for the Province of Manitoba, the AMM hopes that municipal concerns will be given due consideration.