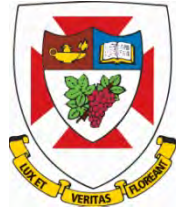
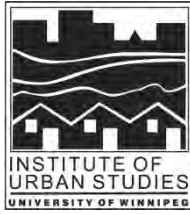


Towards a Planning Strategy for Older Neighbourhoods

1977

The Institute of Urban Studies





THE UNIVERSITY OF
WINNIPEG

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TOWARDS A PLANNING STRATEGY FOR OLDER NEIGHBOURHOODS

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TOWARDS A PLANNING STRATEGY FOR
OLDER NEIGHBOURHOODS

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January, 1977

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TOWARDS A PLANNING STRATEGY FOR OLDER NEIGHBOURHOODS

There are 84,000 housing units in Winnipeg's inner city area, i.e. 50% of the total housing stock of Metropolitan Winnipeg. Twenty-eight thousand of these units were built before 1920 and many before 1912. Ninety percent (or approximately 25,000) are wood-frame. It can be seen therefore that a large proportion of housing stock in Winnipeg's older neighbourhoods is reaching an advanced threshold in terms of age and condition. Crucial decisions are being made by individuals such as homeowners, revenue property owners, landlords and private and public agencies such as banks, development companies, municipal and provincial departments and corporations in response to this situation, which in an ad hoc way, is determining what happens to our older housing stock. These decisions fuel and trigger the process of neighbourhood change and irreversibly affect the shape and nature of Winnipeg for future generations.

The individual's decision to rehabilitate or upgrade his or her home is affected by its market value; potential future return on the investment made in upgrading; the ability to find funds to finance renovation; and the confidence the owner, his or her neighbours, and other agencies such as banks, contractors, etc. have in the neighbourhood in which the house is located. It is essentially a gamble which the individual homeowner takes based on weighing different costs and benefits. The balance of the decision can be easily upset by factors beyond the individual's control such as a planning intervention like road widening, that reduces the size of the yard and causes major noise and pollution problems, or a decision by a developer to locate a high-rise in the immediate vicinity, causing shadow and light problems. The developer, motivated by profit has preferred to take the decision to demolish existing older residential property to make way for residential or commercial high-rise structures rather than rehabilitate the existing building, particularly if it is located on valuable land in or near the central business district. There is no incentive to do otherwise.

So far the City of Winnipeg has not responded to the situation of incipient decline of our older housing stock in a strategically planned way, except in the designation of Neighbourhood Improvement Areas. Progress has been made in these areas in halting and reversing the process of neighbourhood decline, but the program has the disadvantage of being capital intensive and relies heavily on one major source of federal government funding. It cannot therefore be used extensively throughout the inner city area without substantially increased federal and provincial support.

In all other cases the city has tended to make ad hoc decisions in response to ad hoc problems. In a situation where planning decisions are not related to overall planning objectives for the city or particular parts of the city, or related to a strategically planned housing policy, mechanisms used by public agencies to control development such as zoning, code enforcement, regulations, etc. developed by city representatives, with the best of intentions, can be extremely blunt instruments. Insensitive or over-strenuous application of particular code enforcement regulations can also have similar unpredictable and undesirable results. These problems are compounded by the capital investment pattern being followed by the City of Winnipeg. Details recently released in connection with the City of Winnipeg proposed 5 year capital budget for 1977-1981 show that the revised budget is almost entirely devoted to providing regional services for the servicing of new suburban development at a cost of \$380,000,000. No major improvements to existing systems are included i.e. no new inner city transportation facilities, no new park developments and no improvements to the transit system - only maintenance of existing service levels.

The effects of an ad hoc approach to planning for older neighbourhoods has produced a number of effects about which the Institute of Urban Studies wishes to express its concern.

1. There has been an unacceptable loss of existing housing units, particularly low-income units at the bottom end of the housing market which offer low cost options to consumers. It was determined as of July 1976, that the Apartment Upgrading By-law has resulted in the closing or demolition of some 229 housing units in the city and that the Maintenance and Occupancy By-law has resulted in the removal of approximately 70 structurally sound units. The Manitoba Landlords Association estimates that by the end of 1976 as many as 800-1000 units may be

taken off the market mainly as a direct reaction to these two by-laws.

This situation has two serious implications.

a) Traditionally, inner city areas have provided housing for varied population groups, including a significant proportion of low income people such as the elderly, the new immigrant, the student, young workers, and the single parent family. Many of the units lost provided low-cost accommodation for these low income groups. It is unlikely that alternative accommodation can be provided for these groups without deep public subsidy.

b) High capital costs of building new units have placed the per unit cost, whether paid as a purchase price or an economic rent, at a level that is beyond the means of most Canadians, let alone low income groups. In a recent speech,¹ William Teron of C.M.H.C. pointed out that the economic rent required to carry present high price plateaus make it virtually impossible for rental accommodation to be built that is viable and affordable by most Canadians of moderate means. Government and society are called upon to pay the difference. Almost 100,000 families in 1976, out of 250,000 starts, will receive subsidies from government.

The real social and economic costs of destroying our older housing stock and having to replace them with new accommodation are therefore enormous.

2. Several older historic buildings often converted into multiple dwellings have already been demolished or are threatened with destruction. It is not suggested that older, historic buildings should be treated as a 'sacred cow' but that there should be mechanisms for delaying demolition, until the merits of saving buildings in good structural condition, and with features of historic, architectural or aesthetic interest are fully investigated. This is particularly important in relation to buildings fulfilling a useful housing function.²

1. William Teron. . .Remarks to Urban Land Symposium, Canadian Council of Social Development, Calgary, November 30th, 1976.

2. A new anti-demolition by-law, tabled early in December by the Environment Commission will be a useful new tool available to City Council to protect older buildings with features of historic interest if it becomes law.

3. Too often, private developers and public agencies such as M.H.R.C. have preferred to develop sites which involve demolition of existing buildings rather than develop vacant sites. The cases of 11 Kennedy St. and 420 and 424 Edmonton are manifestations of this situation. However it was estimated in 1976 that there are at least 60 acres of vacant land in Winnipeg's inner city.

The cases mentioned above also illustrate that under the present planning arrangements the intrinsic value of existing housing, its present function in the housing market and its social value to present owners or tenants are very much secondary considerations in relation to the land value on which the housing is located particularly if the land is in or near the central business district area .

4. There seems to have been a lack of interest and concern in conserving existing buildings, particularly older housing stock in the inner core and central business districts of Winnipeg. As costs of building and financing new construction continue to escalate, it is vital that former priorities and the preference to remove rather than rehabilitate older buildings be re-examined.

5. Finally, development in older neighbourhoods in Winnipeg has tended to be spasmodic and has not been related to carefully formulated social and economic planning goals. Experience elsewhere, particularly in the United States, suggests that if older neighbourhoods are left to the vagaries of the market system's present mix of incentives (including governmental ones) neighbourhood decline, blight, abandonment and social and crime related problems are likely to proliferate.

1. PURPOSE

In view of these concerns, the Institute of Urban Studies has produced this short position paper for the following purposes. First, to urge public bodies to develop strategies for the renewal of older neighbourhoods that involve a more planned approach, which is related to defined social and economic goals. There is a need to provide a planning framework that will a) produce balanced communities with a more desirable mix of different kinds of residential and commercial land use, and different socio-economic groups and b) provide

incentives and provide a catalyst for individual and collective, private and public, action which will allow overall planning goals to be fulfilled.

Second, our intention is to begin a dialogue with and between public agencies such as the City of Winnipeg, C.M.H.C., M.H.R.C., other interest groups and the people of Winnipeg about the kind of planning strategies that might be applied in Winnipeg.

Third we attempt to make specific suggestions about strategies that might be tested in Winnipeg.

2. PROGRAM STRATEGIES USED ELSEWHERE

Strategies used elsewhere to provide an integrated planning framework, related to clearly defined social and economic goals for cities or particular areas within the city, have been diversified and varied. There is no cookbook approach. Many combinations of legal, financial, administrative and economic tools are being used in cities to create the climate necessary to encourage individuals and public and private agencies to make affirmative decisions which allow overall planning goals to be achieved.

Vancouver and New York have used transferable development rights as a financial tool to pay for historic preservation. Toronto, Vancouver and some American cities have anti-demolition procedures, not as an end in themselves, but as a tool to allow time to negotiate with the owner of a building. Portland, Oregon, has a revolving low-interest home repair fund,³ while other cities have enlisted the co-operation of financial institutions⁴ to provide flexibility in the processing of loans and more available options for loan capital. Some cities have provided 'lending library' services to provide tools to individuals who are willing to undertake repair and rehabilitation work themselves, coupled with the provision of free professional advice and guidance.⁵ One city has deposited city funds with a particular bank to provide 'a line of credit' and guarantee against risky loans that might otherwise not be given.⁶ What all

3.Practicing Planner, June, 1976, p. 15.

4. Ibid. p. 26-30 'Mortgage Banker Says Planners can Encourage Private Lending in Older Neighbourhoods.'

5. H.U.D.Neighbourhood Preservation Catalogue.

6.Practicing Planner, June, 1976, p. 16.

efforts appear to have in common is that no one program operates in isolation. Communication amongst government, residents, regulatory agencies (such as Rent Control Boards) and institutions is constantly encouraged so that all actors and decision makers have a sense of confidence and feeling that they are being kept informed.

3. CONCEPT OF A CONSERVATION DISTRICT

One overall planning framework that has been used elsewhere to integrate a variety of programs in older neighbourhoods has been the notion of a conservation district. The objective of a neighbourhood conservation district is to create an overall climate which encourages a process of slow and incremental improvements to the existing housing stock and social and physical infrastructure of a neighbourhood. It does this, not by massive infusions of money to finance 'new renewal', but by drawing upon the specific strengths of a particular area and manipulating a variety of forces to influence the decisions of individuals and public and private agencies, living or operating in the area. It provides incentives and disincentives. It uses the carrot and stick approach to encourage individuals and organizations to take decisions that will allow overall planning objectives to be achieved.

The concept of conservation districts is not entirely new in Winnipeg. The present federally funded, but locally administered Neighbourhood Improvement Program operating in three selected areas in Winnipeg is one type of conservation strategy. In what ways is the conservation model we are proposing different from the program already being used? Perhaps its major difference is the greater reliance it places on existing planning controls and the orchestration of existing instruments into a new planning strategy. It also involves more intensive use of the powers conferred on the City by the City of Winnipeg Act and provides the opportunity for the city to fulfill the spirit of the Act by acting as a co-ordinating and policy initiating rather than a reactive body, a role clearly envisaged for the city by Bill 36.

More specifically the conservation district model would make strategic use of the planning machinery devised by the City of Winnipeg Act (i.e. the district plan and action area powers) to allow the city to control and fine tune planning strategies for a particular area according to the needs of the area and carefully formulated objectives and guidelines for the area. It could also involve selective acquisition and incremental site by site approval and action rather than large scale and rapid change. The concept has the advantage of being a purely city initiated program and would involve existing political machinery to corral interest groups into co-operation with the overall goals of the conservation district.

The conservation district model would not depend on large infusions of federal capital as the N.I.P. and R.R.A.P. programs. Rather it would develop new financial techniques by working in co-operation with private investment institutions such as banks, local credit unions, trust companies etc. to provide loan capital for rehabilitation and investment purposes. For example, techniques such as providing a guarantee to private lenders by the deposit of city funds to stand as security against bad risk loans or providing initial public money for acquisition and rehabilitation of buildings which could then be mortgaged through conventional lending institutions, providing a roll-over credit operation, are new financial tools which might be applied. Such techniques would have the added advantage of offsetting the present reluctance of private institutions to lend in some older inner city areas. The conservation district model can, however, attract federal funds available for rehabilitation of older housing through the non-profit vehicle.

Other new planning techniques which a conservation district approach could use are transferable development rights and anti-demolition procedures. It could be a 'test-bed' for many different kinds of new planning innovations which could be shaped to suit the local situation in Winnipeg.

Therefore, the application of a conservation district strategy is complimentary to the present NIP programs. It can be used in a wide variety of older neighbourhoods where NIP programs are not being applied for financial reasons. It should be seen primarily as a preventative approach - offsetting continued deterioration and protecting against unwise and unproductive land use.

4. WHERE AND IN WHAT WAYS HAS THE CONSERVATION DISTRICT MODEL BEEN USED ELSEWHERE?

Allegheny County, Pennsylvania began a neighbourhood preservation program in May, 1976. Target neighbourhoods in four municipalities were initially selected for comprehensive programming. The neighbourhoods selected as preservation areas were chosen according to criteria such as: environmental considerations i.e. freedom from major environmental problems and freedom from conflicting plans to change residential character of the neighbourhoods; structural conditions i.e. the need for rehabilitation had to be evident, but the neighbourhood housing stock was not to have deteriorated to a point where it could not be saved; attitude of residents was considered another important variable and their understanding and support of the program has to be demonstrated via minutes of public meetings and survey of local residents. In addition, each municipality had to make a commitment to undertake appropriate public improvements; and neighbourhood market conditions were preferred which exhibited a stable rather than declining housing market, and where mortgage and home improvement loans were readily available.

The neighbourhoods selected had an average of 248 structures, homeownership ranged from 54% to 80% of all occupied units, and median family income approximated \$8500.

Each housing unit in a selected area is inspected on a systematic basis for compliance with plumbing, electrical, fire and building code enforcement regulations and volunteer compliance is encouraged. Homeowners are sent information explaining the program and inspection process, prior to initial inspection and provided with the services of a rehabilitation specialist and financial counsellor after inspection. Two types of financial assistance are being provided: subsidized loans for bankable residents offered in co-operation with private lending institutions and high risk loans for nonbankable residents. The maximum loan is \$8500 per dwelling unit including a maximum of \$3,500 for desired improvements above code standards and loan recipients, pay an effective interest rate of 3% or less. For bankable residents, this is made possible by a grant from Action Housing Inc., a non-profit local housing agency. Maximum loan term for the bankable residents is 12 years. The High Risk Loan Program is administered directly by Action Housing Inc. for those people who cannot secure a loan from participating lending institutions. A loan committee determines what

the interest rate will be (0% to 3%) in each case and allows loan terms of up to 20 years.

As of June 1976, three or four neighbourhood offices had been established, program literature has been distributed to all target area residents, several workshops has been conducted and approximately 25 properties had been inspected in each target area. The program is scheduled to be completed in approximately 18 months.

The conservation district model has also been applied in Norfolk, Virginia. The Conservation Project here was initiated by the Ghent Civic League in the early sixties and subsequently designated a Conservation Area by Norfolk City Council in 1969. It has been the key to revitalization of the Ghent area of Norfolk. The purpose of the Ghent Neighbourhood Conservation Program has been to prevent further deterioration of Ghent; to restore residential dwellings in keeping with the unique historical character of the area; to remove undesirable properties from the market through condemnation and demolition and to initiate public improvements. To accomplish these goals, the Conservation Program enforces special housing codes developed by Norfolk Redevelopment and Housing Authority (A Municipal Housing Corporation)

To enable homeowners to correct code violations, the City of Norfolk makes locally founded, below-market interest rate rehabilitation loans available to residents of the area. The Ghent area redevelopment plan also attempts to preserve the historic quality of the neighbourhood by improving streets, gardens and parks and by providing guidelines for restoration of old homes.

The total budget for the City of Norfolk's Conservation program equals \$20 million, which covers three areas besides Ghent. Budgeted funds pay for costs of housing, street lighting and parks.*

The two examples described above have been used to illustrate how the conservation district concept has been implemented in particular areas. Their experience is by no means unique. The conservation district model has been used successfully in many other areas such as Berkeley, California and Arlington County,

* The capital costs involved in financing this kind of model as a means of maintaining existing housing stock are very small compared with the capital costs of servicing new suburban housing development.

Virginia, as a tool to preserve older neighbourhoods.

5. WHAT LESSONS HAVE BEEN LEARNED FROM OTHER AREAS USING CONSERVATION DISTRICTS AS A PLANNING STRATEGY?

Lessons learned from other areas which have used the conservation district concept include:

1. A broad brush approach is unworkable. Strategies devised must be able to deal with each building in an area on a individual basis in the development plan, zoning and code enforcement areas.
2. The combined involvement of public, private and citizen groups is essential to encourage the involvement of and balance the power of all the interest groups that are necessary to make the concept work. e.g. the willingness of financial institutions to supplement and complement government action, and citizen involvement to exert peer group pressure and gain voluntary code compliance.
3. Code enforcement must be applied flexibly and sensitively. The co-operation and education of individuals and officials is necessary to ensure that they understand the relevance of individual actions and their relationship to the total process.
4. The selection of a target area in which to apply neighbourhood preservation strategies is crucial. Also, the targeting of resources into small, well defined areas is essential in order to demonstrate an immediate visual impact. These criteria are necessary if attitudes of citizens, investors, realtors, appraisers and lenders are to be changed. Without altering perceptions, it is unlikely that decline will be stemmed.
5. Neighbourhoods on the margin of decline can be preserved through the conservation district strategy. Such neighbourhoods can also provide a base for public and private community housing.⁷

7. Massachusetts Housing Finance AgencyA Social Audit of Mixed Income Housing.

6. IS THE CONSERVATION DISTRICT MODEL AN APPROPRIATE PLANNING TOOL FOR WINNIPEG?

Older European and many American cities have previously been confronted with the challenge of coping with the problems and legacy created by the past, while progressing into an age of technological change. Until recently, Winnipeg has enjoyed the luxury of being able to ignore the problem of incipient decline of its older neighbourhoods, partly because it is a young city and partly because the symptoms of decline such as dilapidation, abandonment, worsening of social problems, etc. have not been highly visible. However, this situation is beginning to change and positive planning strategies are required before the threat of decline in particular areas of Winnipeg becomes a reality.

Many of the basic tools necessary to set up a conservation district such as zoning, the commercial mortgage and lending system, housing maintenance and building codes, etc. already exist in Winnipeg.

However in the past, their specific application and interrelationships have dealt in criteria and approaches that are more appropriate to the creation of new structures on vacant land rather than the adjustment and improvement of what already exists with a minimum of disruption.

In Winnipeg, acceptance of the conservation district model will require a re-definition of the social and economic planning objectives of the city. It may also require a shift of cultural values so that present resources are used to the maximum rather than prematurely destroyed and renewed at great economic and social cost. However, it is our contention that this is a concept worth experimenting with.

It would also require changes in the proposed city capital budget for 1977-78 to give inner city areas some share in new capital investment. The cost savings in using existing infrastructure versus ever extending new suburban capital services as a means of conserving and renewing new housing stock is illustrated by the case studies described above.

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7. WHAT ARE THE VARIABLES THAT WOULD NEED TO BE CONTROLLED IN A CONSERVATION DISTRICT?

1. Legal land use controls that create both incentives and restrictions for the way the market operates: ie. zoning, three-dimensional urban design controls, site plan restrictions, transfers of air rights to development, district plans, building height restrictions, site controls, etc. The key is how sensitively these tools are used. There is a choice of lot by lot designations in a small area plan, or general categories, or a system of percentage type controls with an overall geographic area (as a planned unit development control system designates an allowable percentage of commercial space for a total number of residential units, but does not specify exactly where on the land in question the commercial space must be built). In other words, these latter controls deal with functional uses of buildings, the scale of development, and the qualities that must be present in such a development.

2. Building codes, which legislate the physical characteristics of construction standards. A crucial aspect is their degree of flexibility and appropriateness for dealing with rehabilitation within an existing building structure compared to the details that are required (because in the case of new construction, one can arrange spaces and materials as one wishes from the start). For example, techniques that are appropriate for dealing with fire protection by specifying a certain type of exit system for a new building might be replaced by an alternate combination of mechanisms for handling fire and smoke spread of the combustible contents and the behaviour patterns of the occupants.

3. Housing codes, which legislate the conditions within a building's structure under which people may live. These include for existing buildings: the recently adopted maintenance and occupancy by-law, the rooming housing licensing and fire by-law, the National Fire Code adopted in July, 1976 (which we believe supercedes the apartment up-grading by-law), elevator, security, health, and other types of safety codes. The key aspects are the manner in which these codes are enforced; the degree to which people understand what they are supposed to do; the various ways that are open to them to comply that are consistent with their various motives for owning residential property; the extent to which voluntary compliance is encouraged; and the timing of enforcement orders vis-a-vis other

simultaneous change in the economic and psychological factors affecting property ownership and management.

4. Demolition permit controls, and control of the ease with which alternative use of land can be substituted for the present use, both legally and under the prevailing economic conditions of the market. Under certain circumstances the present system encourages the 'lowest and worst use' such as a parking lot in place of existing housing. It is true that this could be a preliminary stage in the process toward the eventual creations of a structure aimed at 'highest and best use' of the land, namely the largest building possible under zoning. However, planners and the public are realizing that the unfettered market process described above is likely to operate in the interests of speculators and developers rather than the public.

Controls need to be in place to ensure that the social value there may be for retaining an existing structure on a site, maintaining its current use, and giving existing housing priority over 'least and worst' land uses, is recognized. This calls for an anti-demolition policy supported by law that would require before permits are issued that plans be registered for the alternative use of the site and that "replacement" of the torn down housing starts with accommodation suitable for the displaced tenants provided in the same area. In some cities ie. Vancouver this is done through sec. 15.1 legislation administered by a municipal housing agency. What obviously needs to be looked at is how the developer should share in the responsibility of providing suitable replacement housing of a type and income range to serve those who are displaced.

5. Financial Aspects

a) A system of property tax abatement as an incentive to undertake expenditure on repairs and rehabilitation.

b) Availability of loans

Loans to undertake repair and rehabilitation work must be readily available. Where present public and private sources are unwilling or reluctant to lend to high risk borrowers or on high risk structures, special mechanisms should be instituted to offer options to borrowers and incentives to lenders. For example, use of capital for creating a revolving fund by the city to underwrite high risk loans and allow a proper line of credit, and operated in conjunction

with a particular bank or banks.⁸

c) Maintaining expectations of marketability of housing. This will be related to transportation, amenities, other competitive forms of housing and the housing mix (ownership, co-op condominium or rental) An example of a mechanism encouraging this situation would be the recent legislation which the province passed regulating the conditions under which one apartment building could convert to condominium requiring the approval of 50% of the tenants.

d) Facilitating transfers of ownership where necessary, through co-operation of banks and other parties, to encourage a party who would rather sell than comply with the overall goals of the conservation district to sell to a party interested in the aims of the preservation district. The most obvious example of this was the 11 Kennedy St. case, in which the price of land, and the owner's willingness or unwillingness to accept an offer, determined whether groups which were willing to put in upgrading money could in fact acquire the property.

e) Availability of fire and property insurance. This affects lending markets and the ability of owners and tenants to restore what has been damaged. It also acts as an incentive for arson, which is a problem that is starting to arise in Winnipeg.

One way of consolidating the control of the financial variables described above is through the creation of a Municipal Housing Corporation. This could not only provide a focus for encouraging the co-operation and co-ordination of private and public funding for housing and rehabilitation but might also co-ordinate the efforts of government related and other agencies in a variety of social development activities such as co-ordinating social services, public relations and educational work. The concept of a Municipal Housing Corporation is further discussed in Section.9⁹ of this paper.

8. This mechanism has been used for example by Portland Oregon. Vide Practicing Planner, June 1976, p. 15, American Institute of Planners.

9. Vide p. 17.

6. Educational Component

Change of attitudes of various sectors of government, industry, owners, banks, etc. by creating a forum for discussion of mutual interests.

The thrust would be to change the actions of individuals and institutions by creating avenues of trust and communication.

7. Co-ordination of social services

This would include re-location, matching available housing with those needing it, so as to meet the changing needs of various sectors of the population in conjunction with the timing of the physical changes taking place. For example, the reuse of vacant structures for other purposes or the changing of a structure from one purpose which is no longer appropriate to another more appropriate use.¹⁰

8. Co-ordination of other regulatory agencies that have an impact on the area involved, or on the marketing incentives. This would be to ensure that they are flexible and that their particular concerns do not cause the collapse of the overall objective. For example, the rent control board in its day to day staff actions of procedures under which people can get rent increases acts as a barrier to the lending institutions which would lend money for people doing improvements under code enforcement. The lending institutions each operate from a feeling of trust and feelings of certainty about what will happen in the future. Since the Rent Control Board staff takes six months to go through the process there is lacking any ability of the bank to make the decision on the loan application with any degree of certainty about the future financial feasibility of the housing involved.

10. I.e. in the planning literature you will see examples of the vacant school buildings that are no longer being used or because of population shifts now being converted to elderly housing.

9. Provision where necessary of appropriate modification of utility systems, capital infrastructure, and delivery of services by the government, ranging from improvement of the infrastructure like sidewalks and sewer, to provision of goods like trees for which owners pay and government meeting costs of installation. It would also be necessary to control delivery of "soft" services such as police patrol pattern, types of fire response and voluntary home inspection programs. Another example of a soft service might be the creation of a lending facility for hand tools to area residents who want to do their own types of repair.

10. Provision, with appropriate publicity of professional staff services to provide advice and help to people as to how to meet code requirements and their economic needs. These professionals could suggest a variety of alternatives so that the objectives of the recipients and the overall objectives of the conservation district be met. The motives of an owner as to how long he will own a building and how and why he has purchased a building influence whether the owner would want to spend money for permanent capital improvements. For example, in connection with fire code regulations an owner who wishes to hold the building for a long time may be prepared to replace the walls or the woodwork because of this intention. However an owner who looked upon the building as a shortterm holding might prefer to use flame retardant paint, and be willing to spend only a small amount of money.

11. Finally, it would be necessary to ensure that there are mechanisms for public hearings and for making information available to the public.

All the variables discussed above must be included in a strategy which must be flexible and responsive to change over time and be willing to adapt to changing market conditions.

8. EXISTING POWERS AVAILABLE TO THE CITY TO ALLOW FOR THE CREATION AND MANAGEMENT OF A CONSERVATION DISTRICT.

It was mentioned earlier that many of the basic tools necessary to set up and manage a conservation district already exist in Winnipeg. Additionally

and more specifically, the City of Winnipeg Act, 1971, gives wide powers to the City to undertake activities directly related to the creation of a conservation district and to controlling the variables discussed above. Section 569 (Part 10) of the City of Winnipeg Act, 1971, allows the designation of an 'action area and the preparation of an 'action area plan' under auspices of the Greater Winnipeg Development Plan. The city is thus empowered to prepare policies and proposals for the comprehensive treatment of a particular area and/or the establishment of a social development program.

In addition, Section 638(part 10) gives the city power to acquire or erect dwellings for rent or for sale within such an action area and the authorization of the city's power to acquire land; rehabilitate and improve existing dwellings; provide grants and loans to owners to carry out rehabilitation work; and relocate persons displaced from residential or business premises in an action area is provided by Sections 639.1 (3,5,7,8,9)

The one area where new power is required and policies established is for anti-demolition and transfer of development rights.

9. THE MUNICIPAL HOUSING CORPORATION AS A MECHANISM IN STRATEGY IMPLEMENTATION

It was mentioned earlier in this paper that the creation of a municipal housing corporation would be a major tool in managing the operation of the conservation district model in Winnipeg. It could also be an important component in developing a housing policy for the city. Toronto's experience in this field initiated in April, 1974, by City Council with the establishment of a Housing Department suggests that it is highly feasible and necessary for city government to become involved in developing an overall housing policy and integrating housing and planning strategies, through the aegis of a Municipal Development Corporation. The aims of the Toronto Corporation are not only to develop new housing for low and moderate income people, but to rehabilitate existing housing in the City. In implementing these aims, it is involved with housing production, land assembly, buying and renovating existing housing, property management, co-ordination of and assistance to non-profit groups and program and policy co-ordination.

In financing its operation, it is a heavy user of federal and provincial funding for housing and rehabilitation purposes. In relation to its work with existing housing, by using the non-profit group vehicle to rehabilitate and acquire

older property, It is able to facilitate the use of the federal Residential Rehabilitation Repair Assistance Program funding for groups formed under its auspices.

In Winnipeg, although there would be front end costs involved in developing and setting up the initial organization, the value of a similar corporation in providing a vehicle for the co-ordination of housing and planning policies in particular areas of the city, and the availability of federal and provincial funds to support housing programs, make it a model worth serious consideration by city policy makers, both in relation to the Conservation district concept, and for other housing and planning purposes.

10. HOW MIGHT A CONSERVATION STRATEGY WORK IN A PARTICULAR WINNIPEG CONTEXT

For illustrative purposes, let's describe a possible scenario for the Central park area of Winnipeg.

Central Park is a one square block park bounded by Edmonton, Cumberland, Carlton, and Quappelle Streets. The park is within the slightly larger downtown triangle created by three major arterial roads - Portage Ave. 2 blocks south, Balmoral 2 blocks west, and Notre Dame 1 block north. It is residential "island" with a perimeter of more intensive commercial and office uses, though the residential nature is somewhat more continuous to the west and north.

Two sides of the park are dominated by approximately 20 storey high and very wide apartment buildings, while the rest of the area has some older walk-up and elevator apartments with smaller side streets of single family detached houses of both frame and masonry construction. In general, the area first developed as part of the major expansion of Winnipeg between the years of 1895 and 1925. Thus, the buildings still standing are at a critical threshold of physical condition while the area is subject to some of the pressures that come from being on the edge of an expanding central business district, the thrust for new office space being the major exception.

The strength of this area is in its diversity: The economic demand generated by mixed-income levels permits the support of new and old commercial enterprises. The location of the park, within walking distance to both downtown business, transportation, educational, and recreational facilities, is further enhanced by the aesthetic counterbalance of new large buildings on the one hand (thereby permitting more people to enjoy the location) with the older low-rise individual houses that give a sense of human scale, personal surveillance, and a sense of heritage and "character" to the area. Adding to the economic and social mix are large old solid apartment blocks, symbols of past days of upper income grandeur, which today provide more reasonable levels of accommodation as the rich followed the initial lure of suburban newness and open space. This mixture of owners and renters, of young and old, of residences near employment and shopping opportunity gives a vitality to the area that should be maintained.

How can these strengths be built upon so as to encourage continuous upgrading and desirable re-investment of human and capital resources rather than slow decline with sporadic new development, new development which collectively would destroy the very attractiveness of the area that encouraged the individual piecemeal decisions in the first place? For each individual is operating on the assumption that his one action can not affect the larger whole, and in the long run this is incorrect.

A skillfully designed detailed action area plan, by taking into account structural building conditions, expansion or consolidation plans of existing commercial enterprises, historic values, and aesthetic features which can frequently be transformed into economic return, would set out future uses and reduce uncertainty. The product of the plan would be matched by the importance of the process of communication between people during its creation.

Some of the tools to be used together might be as follows. Effective height limitations where low-rise is desirable would encourage the rehabilitation and restoration of existing sound buildings. They would also hasten the development of vacant land parcels which are now standing unproductively idle in anticipation of future long term gain (in what we might call a boom or bust cycle rather than a steady even flow of continuous productive use). This would occur through the simultaneous realization that delay is in itself costly and the creation of positive means to finance change. Sensitive code enforcement, absolute refusal or significant license fees for the creation of parking lots on land designated for other purposes or when a specific area within the district plan goes over a pre-designated parking capacity, and adjustment of property tax assessment procedures so as to penalize vacant land holdings which are at variance with the plan's objectives rather than allowing the over-riding pre-eminence of air rights to dominate the system are ^{all} methods that can be employed.* The determination of compliance with the plan, as well as a disincentive of unwarranted demolition, would be the requirement that a realistic development or building permit for a particular use be obtained before a demolition permit could be granted. These methods would also encourage transfers of ownership to take

* This might be appropriate, say, for the now vacant lots on the east side of Kennedy Street just north of Ellice, vacant as a result of a fire 1½ years ago.

place, from parties not interested in meeting the conservation area's objectives to both profit and non-profit groups that are.

On the positive investment side, the well publicized co-ordination of the Manitoba Critical Home Repair Program, the Winnipeg Home Improvement Program, RRAP, AHOP, MHRC, and private financial institutions would result in an influx of gradual planned change, as the individual reluctance and risk of any one person or institution acting alone would be superceded by the knowledge that others were simultaneously also taking action. Thus, it becomes advantageous to participate in improvement of the neighbourhood rather than disadvantageous to go it alone. The fact that there are signs of individual improvements to a few buildings now is an encouraging sign, and it can be built upon.

The subsequent increase in overall property tax revenues from the general conservation area-wide increase in value could be specifically targeted to pay off the capital bonds that paid for individual local public improvements in the district through a device known as tax increment financing. This mechanism is now used by over 100 cities and counties in California as "the principal tool for financing redevelopment activities," and has been in existence there since 1952.¹¹ This tool might be especially valuable if political difficulties are encountered in redirecting the thrust of Winnipeg's 5 year capital improvements program.

On the code enforcement side, such large and potentially valuable housing resource as the Birkenhead and the 8 storey Ambassador apartment block buildings will be faced with expensive upgrading orders under the apartment upgrading by-law 1046 when they are inspected. Selective, flexible, and timely interventions now, in advance of such an order, could set in motion events leading to rehabilitation and fire safety upgrading within reasonable rent levels rather than either vacating or demolition, as occurred with the building on Ellice or 11

11. Ralph Anderson and Associates, Redevelopment and Tax Increment Financing by Cities and Counties in California, January, 1976, 97 pages.

Kennedy Street. But such intervention will require the joint co-operation of CMHC, banks, the owners of these properties, the rent control board, and the Winnipeg Building Commission. This is exactly what the formation of a conservation district under the district plan mechanism can bring about if creatively administered, both in its technical tools and its ability to create a larger, more focused context for each of these individual agencies that are now pursuing separate goals to work within.

11. CONCLUSION

The above sections outline a basic approach. More detailed work is obviously required both in working out the specific techniques to be employed and the areas which might be tried as conservation districts. The fact remains that unless some action is initiated soon, then for many critical areas i.e. the Broadway-Assiniboine area, Central Park district, East of Wolseley, Balmoral West, parts of Fort Rouge, it will be too late. They are on the throes of change, and all that will be left in a few years time is regrets. The initiation of a conservation strategy should be a first priority in this city.

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