

Urban Issues

Vol. 1, No. 10 & 11 (August/September, 1972)

The Institute of Urban Studies





THE UNIVERSITY OF
WINNIPEG

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The Institute of Urban Studies is an independent research arm of the University of Winnipeg. Since 1969, the IUS has been both an academic and an applied research centre, committed to examining urban development issues in a broad, non-partisan manner. The Institute examines inner city, environmental, Aboriginal and community development issues. In addition to its ongoing involvement in research, IUS brings in visiting scholars, hosts workshops, seminars and conferences, and acts in partnership with other organizations in the community to effect positive change.

Resident Advisory Groups: A Preliminary Look

by
Tom Axworthy

The most innovative feature of the new Winnipeg Unicity system of local government is the attempt to achieve political decentralization through the instrument of the Community Committees/Resident Advisory Groups. The Manitoba Government's 1970 White Paper on Urban Reorganization outlined that through these structures "the avenues of political access will have been opened and if openness is exhibited citizens in our view will respond" (p. 43). This hope was put into legislative form in Bill 36 which mandated that a yearly conference of citizens be held to elect resident advisory groups to "advise and assist" the community committee councillors. The Community Committees, composed of the representatives of the local wards in the area were expected to:

- 1) Maintain close communication with local citizens.
- 2) Spur citizens to discuss and develop ideas on policy.
- 3) Conduct Board of Adjustment or zoning variation functions.

Resident advisory groups or RAGs, were to be the means by which citizens had an input into the policy-making process. A great idea, then, but how has it worked in practice?

It is, of course, really too early to say. Most resident advisors were elected in early 1972 and the system has yet to gell. The first community conferences were certainly successful - crowds of 200 and 300 people turned out to elect their advisors in St. Boniface, Midland, Fort Rouge, and St. Johns. These first conferences usually elected approximately thirty advisors per community committee and the total number of advisors is over 400. These formal advisors were also supposed to contact other citizens in their area to advise on specific issues; i.e. the 400 formally elected citizens were only to be the core group.

The large turnouts and early enthusiasm

for the first meetings of the RAGs surprised many veteran city hall workers who had gloomily forecast the futility of citizen participation when the Unicity legislation was presented in the summer of 1971. But the pessimists may have been right in the long run. From a generally good beginning, in most areas, the record is now spotty.

In fact, it would be easier to write about the 13 RAGs separately, so different has been the experiences of the various groups. Internal organization differs, in Fort Garry, for example, the advisors are in functional committees and the advisors as a whole rarely get together, but in Midland there is a monthly meeting of all advisors plus functional committees. Participation rates vary; St. James-Assiniboia is almost dead, while St. Johns continues to attract good attendance. Relations with the councillors also differ; in Centennial, the Councillors and advisors co-operate on almost every issue, but in Fort Rouge there is almost undeclared war between some of the citizens and the elected councillors. It is, in modern parlance, a mixed bag.

Any generalizations are then risky at best. But there appears to be three main issue areas which confront most RAGs:

- 1) Participation Levels
- 2) Relations with the elected officials
- 3) Policy inputs

1) Participation Levels: As in almost every voluntary organization there are problems of attendance and flagging public interest. As discussed above, some RAGs have almost ceased operating and even in the most active, there is usually a solid band of 30 or 40 individuals who carry most of the load. This leads to a common complaint about overwork and time demands; a chairman of a RAG group, for example, must attend a monthly meeting of advisors, the functional committees he happens to be on, and meetings of the community committee. In view of these demands, it is somewhat surprising to see as much participation as

presently exists. Most advisors are aware of the need to get out into their community and get more people involved but they are at a loss as to how this can be accomplished. Members of the RAGs want to represent their community, but often they do not know how to do it.

2) Relations with the Councillors: Many RAGs do not know how to deal with their elected representatives. In some communities there is incredible deference to the views of the councillor - if he says no, the dispute is over. In Fort Rouge, the resident advisors have fought with their councillor over the location of an apartment block, but this show of independence is an isolated incident. Most resident advisors do not feel secure enough to openly battle their representatives. Politics have often entered into the picture as well; the ICEC party organization has tried in some areas to have their members elected to most resident advisory posts so that the ICEC representative would not have a hard time. Instead of representing the community, the advisors in this case have represented a party and citizens of a different political orientation have often been ignored.

The situation is not all black, however. In many areas the councillors have worked hard to give the resident advisors encouragement and information. In policy areas like zoning, the advice of the resident advisors have carried weight, and on at least some occasions councillors have voted in city council in support of the opinions of resident groups even though they or their party have been opposed. In short, some areas have a good working relationship with their representatives with a mutual flow of information and influence, while in others the councillor dominates completely.

3) Policy Input: In the area of policy input the resident advisors have perhaps their greatest impact and also their greatest frustration. In issues like where to place the school crosswalks or changes in zoning, the advice of the resident group is almost always followed. In matters of local implementation it can be fairly said that the new structures are a success, and citizens input into areas like this is not to be sneezed at.

But on larger city-wide issues, like transportation, urban renewal, or public housing, most resident advisors have little influence. In the areas where councillors dominate the RAGs, such issues are never brought up for discussion, but even where the

councillors are receptive to advice, the citizens themselves have been reluctant to make their opinions felt. The common feelings come to be -- what do I know about freeways versus subways? Many residents are concerned about issues like the above, but they feel incompetent to discuss them.

Resident advisors content themselves with talking to their local councillors and only once or twice have RAGs made representations to the City Council as a whole. Generally, the advisors have influenced policy implementation but not policy formation.

Conclusion: The obvious solution to the problems of resident advisors is technical support and advice. Resident advisors need information on how to organize themselves; on how to increase participation in their own communities; and on the substance of city-wide policy issues. In short, they need organizers and a technical resource base. Sporadic attempts in this direction have been made. One group in the city is working hard to form a city-wide organization of advisors which would solicit enough money to supply information and resources on policy issues. CYC workers are helping one resident group to organize. But what is needed is for government, whether city, provincial or federal, to get involved in a systematic way. There is enough citizen enthusiasm and desire to make Unicity work, but unless something is done to provide some meaningful resources soon, the concept of resident advisory groups will become merely another footnote in the Book of Failed Social Experiments.

Manitoba Housing Policy Economics

by

Terry Partridge

Canadians are among the best housed people in the world today. Despite this fact, government housing policy remains a subject of public concern. Housing prices and rents are constantly rising faster than incomes and thus affect a large proportion of the population. This, in turn, contributes to a continuing problem of substandard and overcrowded housing for a substantial section of the community.

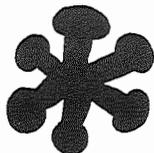
In Manitoba, particular interest has focused on the Manitoba Housing and Renewal Corporation's program of public housing. Prior to 1969, only 2,250 low-cost units

had been built for the elderly and families. Since then, over 9,000 units have been built. At present, these account for less than three per cent of the provincial stock. Nonetheless, the program represents a substantial departure from policy for the past several decades and as such warrants serious study.

Considerable recent criticism has dealt with the social shortcomings of public housing. Much of this is based on earlier North American experience of massive government estates, with little relevance to the actual program now underway of scattered developments averaging 30 units in size. Some vague references, unsubstantiated by either theory or fact, have been made to the poor cost effectiveness of government-owned housing, but little effort has been made to compare the economic and financial differences with the various alternatives proposed.

The remainder of this article, then, will deal with the economics of housing policy. To understand the economic effects, it is first necessary to consider the context of inflation in which the comparison must be made. Over the past ten years, across Canada, average prices of new homes have risen by 47%. Existing dwellings in Winnipeg have gone up 20% in the last two years alone. In the large Metropolitan areas, the costs of land have been accounting for the majority of the increase. Apart from general inflation, the reason is increased competition for a limited supply of land within ready access to the city centres. There is every reason to believe that this factor will continue to apply in future.

This inflationary trend has a different significance for homeowners and tenants. Homeowners that bought twenty years ago on a fixed mortgage, now pay very little compared to asking prices in the market today. Tenants, beginning at the same time, who perhaps initially paid rents similar to the mortgage payments of the homeowner, are now paying twice as much. Whether the differences in the schedule of payments merely represent a normal return on capital investment is a matter that should be determined by a study of the facts. On the surface, however, there does appear to be an economic advantage to home ownership.



In spite of this, some 37% of Canadians today continue to rent. No doubt, some do by choice, but for many their incomes are not sufficient to obtain a mortgage. Also, the only dwellings within their price range are apartments, which, until recently, were not offered for sale. This situation is likely aggravated by local zoning restrictions on multiple dwellings, which limit the supply of land for this purpose, and thereby increase the cost. The 1961 Census of Canada revealed a very clear relationship between income and tenure, with 57% of the lowest income bracket renting, while only 20% of the highest did the same.

For the past 25 years successive Canadian governments have attempted to overcome this problem by encouraging home ownership, through adjustment of mortgage terms, interest subsidies and regulations. The direct impact of these programs has been on the higher income groups purchasing new homes. Failure to cater directly to those in the most need has been justified by an argument called the trickle down or filtering theory. The idea is, that when higher income families are encouraged to buy new homes, they will vacate their existing dwellings, making them available at lower prices for the next families in the income scale. They in turn will vacate, and so on down. The object is decent homes for the poor at reasonable prices. The success of this was aptly summed up by the President of the Winnipeg House Builders Association in September, in response to a recent government relaxation of MHA terms. He said the new terms would make it easier for families in the \$10,000 to \$11,000 range to purchase homes.

For many people it has appeared obvious that efforts aimed directly at lower income groups are necessary. There are two general approaches to this, with all sorts of variations. The Manitoba Government has opted for publicly owned housing. Some critics suggest instead, rental subsidies for needy groups to be used by them at their discretion on the private market.

There are two important economic reasons why publicly owned housing may be preferable. First, from the taxpayers' standpoint, is it better that the government be a homeowner, or a rental partner? For instance, if the government had built ten years ago the units it is now building, it would now be making mortgage payments 50%

lower than current annual costs. Quite possibly, this could be fully covered by rents now being paid. Tenants thereby receive indirectly the financial benefits of home ownership through rents based more on historical cost than on what the market will bear. The program represents a declining responsibility for taxpayers. In contrast, rental subsidies must rise with the market, creating an increasing burden on the public purse if the effectiveness is to be maintained.

From the standpoint of other householders, who are not the direct recipients of government housing, the differences are also important. Is it better in the short run for government to stimulate demand, or expand supply?

Rental subsidies, like general mortgage subsidies, work by increasing demand, bidding up prices for everyone, until developers respond to the profit motive and build more.

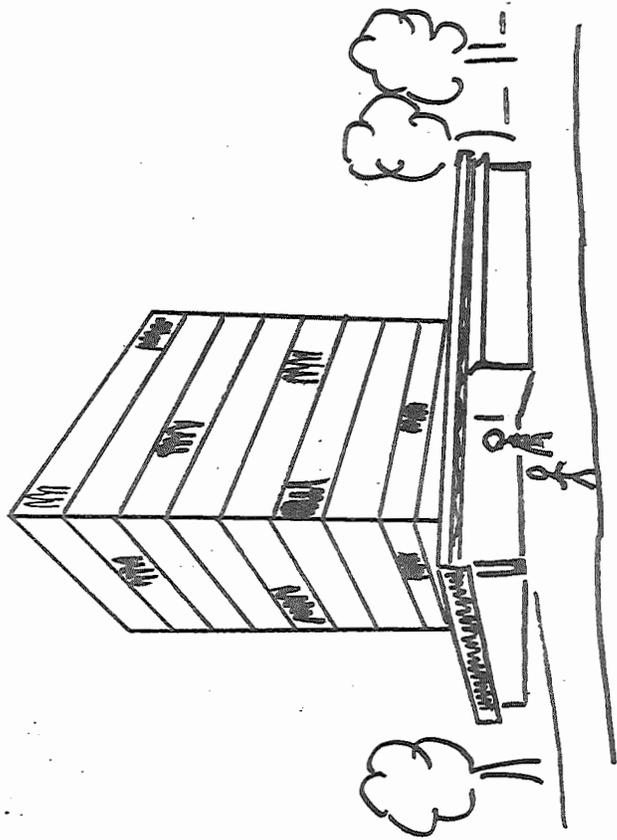
Public housing developments expand supply, free older homes on the market and lower their price, making it more worthwhile for higher income groups to move in and renovate. In this way, benefits filter up through the market. The difference is that lower income groups are the direct beneficiaries. Lower middle income groups who complain about being ignored by the recent housing programs, receive indirect filtering benefits just as the lower income groups have in the past, only now, they are closer to the source of the process.

The same general theory has relevance to the issue of whether MHRC should build new developments or purchase existing scattered dwellings. The answer depends on the timing, and the fact that the recent MHRC program is only in its infant stages. A massive buying spree in the existing market, insofar as it provided more space for potential tenants, would put pressure on the market, leading to higher prices all around. A combination of building and buying could be considerably more advantageous to both the taxpayer and those not directly receiving governmental housing.

Eventually, there is nothing physical to preclude the government from renting some of their units on the private market and creating more mixed communities in this fashion. Alternatively, a balanced program of buying and selling in the future would have no net effect on demand, while creating much wider scope for locational choice by tenants.

The same general arguments discussed above, apply also to limited dividend housing, non-

profit citizen sponsored housing, and co-ops. They, in common, pass on the financial benefits of home ownership to low income tenants. As currently administered, however, these programs have not as yet been developed sufficient to reach those in the greatest need. They also depend very much on private initiative, a factor that may not be sufficiently responsive to perceived government goals. Until these limitations are overcome, the financial arguments for government housing are sufficiently strong to warrant serious consideration. There is a clear need for further study of actual financial performance to test the validity of these arguments. Such a study should, of course, include analysis of the social factors related to the various systems, which are of equal importance.



Artist's conception of the proposed Community Complex to be built by St. Andrew's Elgin Church and the Community; completion date - summer 1974; the Institute of Urban Studies is assisting in the planning process.

The Consumer Help Office

The Institute of Urban Studies has long been involved with inner city residents in improving social services through institutions in which they play an important part. In the area of health, the Institute assisted residents in establishing an information and referral center after they discovered deficiencies in health care delivery systems. In the field of job training, help was lent to residents who wanted to form a company to rehabilitate and repair older homes. Now, local groups are seeking solutions to the problems confronting low-income consumers. These problems include: a lack of information on intelligent buying practices; difficult in establishing good credit positions; a lack of mobility necessary to "comparison shop" due to the high cost of maintaining a car; and relatively higher local prices, especially for food, due to the presence of smaller, high-overhead stores in the area.

The possibility of establishing a pilot storefront information and advisory service for the low-income consumer was suggested as one way of attacking these problems. Discussions with the Federal Department of Consumer and Corporate Affairs resulted in a grant for such a project, and the Consumer Help Office began its operations in July, 1972. It is located at 155 Isabel Street, in the heart of Urban Renewal Area #2. The telephone number is 943-3092.

The project hopes to test the feasibility and usefulness of such a centre. It is manned by one full-time staff person with assistance from neighbourhood workers. Areas of interest to the low-income consumer that are being examined are: the need and demand for consumer information, counselling and advice; developing alternative store facilities by working with local consumers and buyers clubs; identifying particular kinds of consumer problems and the incidence of bad consumer practices; developing a useful strategy for better consumer protection and assistance in low-income areas.

Although the Consumer Help Office has only been operating two and one-half months, some progress along these lines can be reported. A food-price survey has been conducted over the last month in the larger local stores and several smaller convenience stores. As a point of comparison, the study used an independent baseline price index. This price index is based on large suburban-type

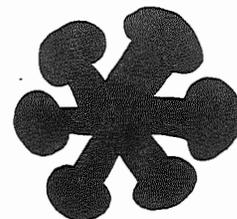
food chain-stores throughout the city. Although this index is based on data collected in August, it is already 1.6% lower than the average prevailing prices in the inner-city area in medium-sized grocery stores. These initial results are a measure of price discrimination against the low-income consumer.

The Buyers Club, a local food co-operative operating in the area, offers the same food at 20% below the baseline price index. This group, however, operates out of a basement two nights a week. To make the savings on food more available to a greater number of low-income consumers, the Buyers Club would need to locate in accessible quarters and operate during normal daytime hours. This transition involves many difficulties, but the Consumer Help Office is currently engaged with the Buyers Club in attempting to solve some of their problems through incorporation and more permanent facilities.

One test of the need for consumer information, counselling, and advice is to compare the number of requests and complaints received by the Consumer Help Office with the number received through other offices, not of a storefront nature. The comparison should furnish some insights on the effectiveness of consumer services that are accessible from "the street", as opposed to those that are accessible mainly through the post-office or telephone.

On the question of particular kinds of consumer problems, rather than going into the specifics of any case, it should be emphasized that the office has learned from experience that any program of consumer protection must simultaneously operate on several fronts: first, consumer protection now, under existing laws; second, the advocacy of new laws to protect consumers; third, the advocacy of consumer interests before groups, government departments, price-setting boards, and regulatory agencies; fourth, the provision of alternative stores offering lower prices.

The Consumer Help Office is beginning to move into these latter areas as its knowledge of the problems of the low-income consumer increases.



EMERGENCY HOUSING NEEDS

Elanor Scott has recently moved. She didn't want to, but the plaster did fall out of the ceiling, and the Health Inspector condemned the premises. Perhaps it wouldn't have happened if the landlord had fixed the crack in the toilet, thereby stopping the leak which weakened the ceiling. Perhaps too, it wouldn't have been so bad for Elanor except that her eight children were forced to go to a new school and make new friends. But before moving in to their new home, Elanor and her eight children spent three weeks in two hotel rooms on downtown Main Street, waiting and looking for a new home.

Eventually, Institute staff, as well as many other agencies, became involved with her in a search for suitable quarters. It was soon learned that there is no provision for emergency interim housing for low-income people, except in commercial accommodations. In terms of overall public housing policy, such problems may appear minor in scope, but in reality this is far from the case.

Officials at CMHC estimate that between 80 and 100 emergency housing cases a month come to their attention. Between fifteen and twenty cases are reported by City Welfare. Generally, people apply for Public Housing today because they need it today. The Public Housing queue, however, necessitates at least a six month wait. While not all cases are as extreme in nature as that of Elanor Scott's, this data does indicate that a substantial amount of inconvenience and suffering is imposed on people with emergency housing needs. Many of these cases are, of course, the result of improper planning on the part of the individuals involved. The problem, however, is most acute among large families whose needs require four or five bedroom houses. At present, there is simply no alternative to the stopgap of commercial accommodations.

The nature and scope of this problem suggests that a form of temporary emergency housing be developed, particularly for large families. This could be done through purchase of existing older homes on the open market. In order for the program to work, some homes would have to be vacant at all times to permit immediate occupancy by emergency cases. This would imply the necessity for a well-co-ordinated program of referral, both into and out of the homes.

The cost of such a program, would, in all probability, lie below the present cost of commercial accommodations and meals for people forced into that expediency. First, a home atmosphere would permit domestically prepared meals, which in cases of large families, could result in a \$20 per day savings, either to the government or individual. Mortgage and utility costs would certainly lie below commercial rates.

That such a program is needed is demonstrated daily by such cases as Elanor Scott's. That it is feasible and could well result in a net savings is all the more reason to consider it a priority.

VIEWS ON THE NATIONAL HOUSING ACT AMENDMENTS

In early June of 1972, the Hon. Ron Basford, Minister of State for Urban Affairs, introduced in Parliament a group of amendments to the National Housing Act which was to initiate reform in housing policy. Although no action was taken, it can be assumed that these proposals will form the basis for any subsequent consideration by the new Parliament.

This is the first part of a summary of views expressed during discussions by a group of professionals in the field of housing on the proposed amendments. The meetings were held in June, 1972 at the University of Winnipeg.

The purpose of the discussions was to exchange views and give initial reactions to the proposed amendments. No one was there representing an institution or organization, but simply as private individuals. The hope was to provide government with some sense of the reactions of practitioners in the field. Individuals attending included architects, planners, mortgage consultants, builders, lawyers, agency administrators, and university professors.

It was agreed that the amendments were a good first step at reform.

There was some basic unease, however, that the solutions offered in the amendments may not adequately fit the problem because of faulty diagnosis of the social implications involved in urban development.

A feeling was expressed that a new approach to federal policy involves more than changes in the NHA and that other

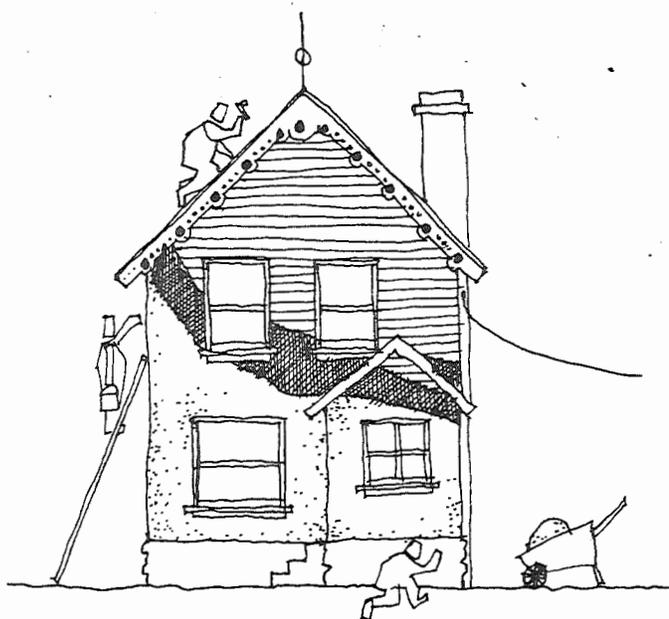
Legislative areas that vitally affect housing, such as the income tax, also be changed.

Also, a sense that whereas the new amendments are generally good, the ability to achieve their effective implementation may be in doubt. Questions were raised about the capacity of present agencies on the federal, provincial and municipal level to overcome existing bureaucratic practices and develop the flexibility needed to make this legislation work.

As a consequence, it was felt that a strategy of implementation should be worked out that relates to individual cities and regions, involving different levels of government and different private actors and that perhaps new organizational forms are required in each city or region to insure effective application of the proposals. For example, in the city of Winnipeg perhaps there should be a regional co-ordinating group, involving three levels of government, citizens' groups, professionals, business, university, etc. to plan a strategy of application or implementation.

Further, general comments reiterated disappointment with neighbourhood improvement scheme and its traditional planning approach, and emphasized need to look at subsidized interest rates.

More detailed consideration of the amendments themselves and reactions as to their implications will follow in subsequent issues.



THE REHABILITATION AND REPAIR OF
OLDER HOMES

THE CITIZEN AND NEIGHBOURHOOD RENEWAL

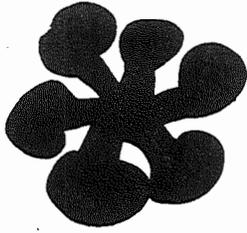
- An IUS publication dealing with the work of the IUS in the formation and support of citizen-based organizations; the analysis of that work; a description of the various methods and techniques used in that work; and an assessment of the significance of this planning with people activity with regards to the challenge of inner-city redevelopment.

The book is intended as a guide, a manual, a catalogue on how to better plan and design city neighbourhoods and should be of assistance to politicians, civic administrators, professional advisors, community organizers, or the ordinary citizen.

A Table of Contents follows:

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