

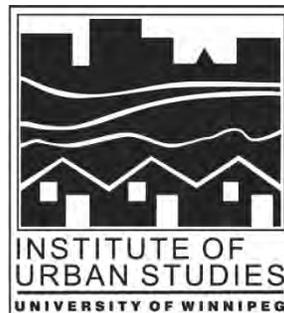
# **Housing, Church, and Community Space: The St. Andrew's Place Redevelopment Project**

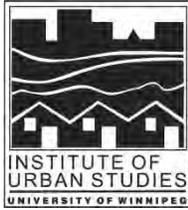
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**by Donald Epstein  
1974**

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**The Institute of Urban Studies**





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**HOUSING, CHURCH, AND COMMUNITY SPACE: THE ST. ANDREW'S PLACE REDEVELOPMENT PROJECT**

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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.

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HOUSING, CHURCH AND  
COMMUNITY SPACE:  
THE ST. ANDREW'S PLACE  
REDEVELOPMENT PROJECT

Donald Epstein

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TABLE OF CONTENTS

	Page
INTRODUCTION	1
THE CHURCH AS INNOVATOR	3
A PARTNERSHIP FOR PLANNING	6
THE MIX OF HOUSING AND COMMUNITY SERVICES	13
FINANCING AND GOVERNMENT APPROVAL	25
THE CORPORATE STRUCTURE	32
CONCLUSION	35

INTRODUCTION\*

The St. Andrew's complex is the outcome of an effort by an inner city church in Winnipeg to redevelop its site after a fire had destroyed its original building. The complex, composed of an eleven storey structure with an adjoining ground floor section and basement, combines housing for senior citizens, community services, a church, and multi-purpose space. Construction is scheduled to commence in the spring of 1974.

The site area consists of approximately 21,780 sq. ft. situated on the north-west corner of Elgin Avenue and Ellen Street. The location is one half mile from the Civic Cultural complex (City Hall, Centennial Concert Hall, Public Safety Building, Planetarium, Museum and Manitoba Theatre Centre). The site is within the boundary designated by the City as Urban Renewal Area II and is presently surrounded by wholesale, manufacturing and warehousing businesses, and numerous dwellings, some of which require either redevelopment or rehabilitation. The neighbourhood contains numerous churches of various denominations, small

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\* Particular thanks are due to Tim Sale, Executive Director of the Research and Planning Council of the United Church Presbytery (Winnipeg), and Stan Osaka, of The IKOY Partnership, for their most helpful and thorough comments on a previous draft. They bear no responsibility, of course, for the content of this report.  
Appreciation is also expressed to George Siamandas, formerly of the Institute of Urban Studies, for preparing an initial draft of this report.

convenience stores and elementary schools, and is serviced by public transit one block away. But there is a shortage of recreational space, community service facilities, and space in which organizations and community groups can meet and conduct activities.

The St. Andrew's project involved five particularly innovative elements. The first is the decision of a downtown church to serve as redevelopment sponsor and to utilize its land and other resources to "minister" to the community's secular needs. Second is the cooperative planning approach that was employed, involving social agencies, church groups, institutions, professional consultants and lay citizens. The third element, the actual outcome of this planning process, is the multi-purpose community complex itself, designed to provide a wide range of community services and facilities, in addition to senior citizen housing and church functions. A fourth aspect is the financial package that provided the funds for this mix of housing and other facilities. Finally, the fifth innovative element is the development of a corporate structure, including substantial community participation, to manage and operate the complex.

### THE CHURCH AS INNOVATOR\*

The fire that demolished St. Andrew's Church in November of 1968 provided it with both the imperative as well as the opportunity to redefine its role and assess the way in which its resources and property could be better used in the community. The first impulse by the church board was simply to rebuild the church structure. The Winnipeg Presbytery of the United Church, however, would not agree to such a proposal. The Presbytery had serious reservations about the value of continuing to operate a congregation in the inner city, considering that most of the congregation members now came from outside the area. They were also leery of using the property and fire insurance money to simply reconstruct another church building. They had had an earlier experience in which another congregation whose church had also burned down had proposed to develop a combined housing-church complex, but in the end, had only constructed a church. Presbytery members were suspicious of any new church building ventures, and some told congregation members privately that the Presbytery would not permit just another church to be built. In any event, the congregation's perception was that this was the case.

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\* For purposes of clarification, "the church" is used synonymously with the leadership of St. Andrew's Church and does not refer to the United Church of Canada or its Winnipeg Presbytery.

Nevertheless, they tried various proposals for a church replacement over a period of two years without success. In the winter of 1970-71, they invited the Institute of Urban Studies of the University of Winnipeg to assist in the development of a proposal for using the property. A series of discussions were held between members of the congregation and IUS staff to define the basic concerns and objectives of the group. One of the guiding principles was to provide services to the inner city community. Indeed, the church in the past had provided numerous services, such as a well baby clinic, a thrift shop (for used clothes), recreation programs, counselling services, and community dinner-get-togethers. It was the expressed desire of the congregation to continue the long tradition of St. Andrew's in that respect.

Finally, in January 1971 a proposal was presented by the director of IUS, who had previous connections with the church. This position paper urged the church to seize the challenge

"to give new life to the tradition of service and involvement of the church in the inner city....to define a way in which the act of developing a new site also embodies a new commitment for the church in useful activity in the inner city."<sup>1</sup>

The basic concept proposed was a multi-purpose "village square" complex, combining space for housing, a church, and a variety of community services, such as a health clinic and library, to be run by a community based organization. It was at this point that housing and certain specific community facilities first became an integral part of the concept. The presentation was followed by preliminary sketches and plans, which seemed to assist the congregation in putting the concept in more concrete form. Internal discussions followed, but until September little was accomplished by the congregation.

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1. "Urban Renewal: St. Andrew's Church (Elgin Avenue) Proposal". Institute of Urban Studies, January, 1971, p. 1.

After some initial reluctance, the Presbytery had agreed to have the congregation explore the new concept. After such exploration, the Presbytery was to make a final decision on the advisability of proceeding further.

In June, 1971, the Research and Planning Council (RPC), formerly the Urban Church Council, of the Winnipeg Presbytery wrote a response to the position paper outlining alternative strategies for action. While the congregation's leadership (the Official Board of St. Andrew's) generally went along with the idea of church property being redeveloped for the use of the community, the concern of much of the congregation's membership remained essentially to get a church built. Finally, in September, the church accepted the two documents as a joint working paper or guide and, with the technical support and encouragement of IUS staff and Tim Sale, Executive Director of RPC, it began to develop some plans. In the fall and winter of 1971-72, they engaged in an energetic planning effort, with the Pastor of St. Andrew's, Reverend J. Ronald McCullough, particularly providing the spiritual incentive and carefully leading his largely passive congregation to this form of ministry.

## A PARTNERSHIP FOR PLANNING<sup>2</sup>

In September of 1971, based on the advice of IUS and RPC, St. Andrew's organized to begin the planning process. An informal planning group did some initial ground work identifying some needs that redevelopment could serve. The initial thinking was to provide a complex that would meet the community's housing and service needs. Analysis of site requirements and zoning limitations, programming, and some preliminary design work was done by an IUS architect. Two properties immediately west of the St. Andrew's property were optioned, and discussions were held on funding approaches. In the late fall, during discussions of an action plan to guide the planning process, St. Andrew's decided to structure itself into six committees:

- a coordinating building committee, and
- five committees entitled community space, housing, legal and finance, church membership, and "reserve".

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2. For a more detailed, personal account of events from January 1971 to about March 1972, particularly with respect to the role of the IUS architect and congregation, and the involvement of residents, see Eric Barker, "The Role of the Professional in Dealing with Residents", in Lloyd Axworthy, ed., The Citizen and Neighbourhood Renewal, IUS, Spring 1972, pp. 214-220.

The Institute and the RPC had stressed the importance of employing a planning process which would result in a project serving the needs and interests of the community and which would involve neighbourhood people in all stages of the planning and decision-making process. Community representatives, therefore, were to be members of the various committees. It was recommended that

the use of the site should be determined through a realistic assessment of community needs and interests conducted by members of the Church in co-operation with neighbourhood residents using required technical assistance and guidance.<sup>3</sup>

In the late fall of 1971, invitations were sent to numerous social service agencies in the area (UR 11) to try to involve them in the planning process. Preliminary discussions were held with officials of the federal and provincial governments. Students from the University began a door to door campaign soliciting interest in the new project and inviting neighbourhood people to attend meetings to discuss community priorities. Attendance at these meetings was low and aside from perfunctory suggestions on the "need for better housing", little was gained. More successful was the use of the church's continuing Thrift Shop as a "listening post", through which a number of specific recommendations were solicited. Also useful were the interviews with different community groups and agencies in the area who offered very concrete recommendations.

It was also recommended that the church employ a small architectural firm that would hopefully prove flexible and whose senior partners could devote their time to the project. Several candidates were interviewed and finally in the late winter of 1971-72, the church called on The IKOY Partnership to

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3. "Urban Renewal....", op. cit., p. 2.

help them. IKOY knew that it would be doing the initial work "on spec" and that the project might never come to fruition. A member of the congregation suggested the legal firm of Nozick, Akman, and Walsh, and this firm was asked to serve as counsel, again with the understanding that the initial work might not necessarily result in an actual project.

The congregation was also advised that if the community based planning approach was to work, consideration should be given to hiring a coordinator to provide assistance to the building committee, communication between the committees and the consultants, and general assistance in expediting the planning process (e.g., in negotiation, research, attendance, etc.). After interviewing several applicants, an IUS staff person was chosen to serve as the building committee's coordinator.

How well did this overall planning approach work? It must be recognized that the approach was not a tried and tested one and involved a considerable degree of experimentation. It brought together lay citizens of the community, lay congregation people, staff of a university based action research institute, a church planning body, professional architects and lawyers, and federal and provincial administrators. The primary objective of the approach was to ensure that the final project design served the objectives and interests of both the planners and the neighbourhood residents. A secondary objective for IUS was to monitor the approach and determine how effectively it functioned.

How the building design reflects a combination of objectives and interests will be considered in the next section. This section will provide an assessment of how the planning process functioned. Two aspects of this process will be considered:

- the involvement and influence of lay people from the congregation and community, and
- the role of the consultants and their relationship to the process.

Planning for the St. Andrew's project could have been undertaken by some church officials and congregation leaders in conjunction with only the necessary professional consultants and government people. Advised by IUS and RPC that including community residents would result in "better" planning, in the sense that the users of the planned facilities and spaces could assist in its design, the church took two steps. It asked its lay congregation, and particularly congregation members residing in the surrounding community, to join the planning committees. It further asked the Institute of Urban Studies to assist in involving additional community people. That St. Andrew's would accept the concept of letting non-church people participate in planning a church-sponsored project, instead of planning on their behalf, is a significant development in community planning.

One assessment of the church's acceptance of the community based planning approach and of the multi-purpose principle is that it was motivated less by a belief in them and more by the fear that unless it did so, its assets (i.e., land and fire insurance money) would revert to the Presbytery. While some congregation people and the Pastor showed a genuine commitment to the approach and principle, others did not. Most saw them simply as a means of building a church in a manner acceptable to the Presbytery.

The consultants played an important support role to the planning committees by elaborating designs and exploring ways and means of developing a viable project. The extensive and involved consultative planning process proved to be an unconventional one for the consultants, particularly the lawyers who were accustomed to a more business-like relationship with clients on well established kinds of projects. While a lot of "spoon feeding" was required, according to one of them, they recognized in principle that the people "had a right to know" and to be involved. The architects were willing to spend time listening and discussing possible designs and the allocation of space. And while some problems did occur when at one point they failed to give enough attention to the concept of community space, the design was modified in a subsequent version largely through the intervention of IUS serving as advocate for the original design concept (see following section). The lawyers on the other hand, were not willing to attend meetings regularly. They reported seeing their role as developing the funding mechanism and corporate forms and not as being involved in the planning process with citizens.

The consultants were initially working "on spec" (a normal practice for many architects in the initial period) and would not have been financially compensated for their time had the project not come about. It is clear, therefore, that their first efforts were concentrated on establishing its financial feasibility within the context of the particular zoning constraints on the site. Had the conclusion of that analysis been negative, the architects would have immediately discontinued their participation. The financial incentive, of course, is for consultants to make the project a reality,

for in that event, they can obtain full payment for all their work on the project, including in many cases architectural and legal fees for the initial period. This was in fact the situation with the St. Andrew's project. Moreover, even the initial investment of time and resources often yields some unusual experience useful to consultants in other similar projects in the future. Indeed, on the basis of the St. Andrew's project, IKOY has been contacted by interested parties in Winnipeg and recommended for related jobs in several other major Canadian cities.

While RPC and IUS were firmly committed to the concept of lay involvement, the general consensus is that the efforts to involve new, individual people from the community were largely unsuccessful. Accordingly, because of the inability to get such community residents involved and due to the lack of resources to engage in a large scale effort to get such involvement, active members of already existing self-help groups in the area were solicited. The result was that an interlocking membership system developed, in which those already active in the neighbourhood's Buyers Club, People's Committee and Health Action Committee sat as St. Andrew's community representatives as well.

Despite this community involvement, particularly manifested in the requests for community space, it is clear that the project was mainly defined and executed by Institute and RPC staff, and the professional consultants. Often the lay participants were merely witnesses to decisions being made by professionals, largely through professional evaluation of circumstances and technical constraints. The same may or may not be true once the complex is constructed and once the management corporation is established (see below). While church and IUS planners

generally had a good sense of what the community needs were from their efforts and experience in working with it, feedback from the neighbourhood was seen as necessary, particularly for the consultants who increasingly influenced the final result. That feedback was all too limited, especially because new people were not involved. Indeed, it might be said that increased input from lay citizens in the neighbourhood was even more necessary, if the original concept was to emerge relatively uncompromised.

The Institute's role was largely that of generating the original concept and advocating it throughout the planning process. Its advocacy appeared to be generally successful in the early period and up to June 1972. At that point, however, IUS' involvement decreased and its influence varied, largely due to a loss of continuity and expertise. The staff architect who had contributed ably to the development of the concept took a leave of absence and his skills and participation could not be replaced. From that point on, the Institute served largely as an eleventh-hour advocate, an intermediary between the planning group and federal government officials, and a "coordinator" of the process. The record indicates, however, that while substantial influence was exerted in the first two roles, little was accomplished in the third due to the absence of a staff member with professional skills as a project manager.

No one person or organization appeared, in fact, to be capable of pulling together all the disparate elements of the St. Andrew's planning process. One can view the process as a fluctuating interaction among a group of relatively autonomous actors, all of whom exert significant force at some moments, to be replaced by others at the next stage. Overall sustained coordination was absent, perhaps impossible. In a formal sense, the Institute was charged with the coordinating responsibility, presumably based on felt need within the planning group,

but it failed at that time to provide what was needed. It was not, however, expected to provide leadership. Thus, the planning results reveal not so much compromise and accommodation, as trade-off and concession. Every group in the process seemed to get something in the end.

#### THE MIX OF HOUSING AND COMMUNITY SERVICES

The original concept of a mix of housing and community services was one with which the lay people agreed. However, the type of housing to be developed changed from a mix of various types of housing to that for senior citizens exclusively. This decision was largely influenced by the architectural consultants, the congregation and the Manitoba Housing and Renewal Corporation (see below). The main influence of lay members of community self-help groups, such as the credit union, buyers club and health action committee, was in the defined area of specific allocations of space to be set aside for their respective service facilities.

The original guiding objective was to find a way of using church property in a way that would serve the community's secular needs. Initial discussions on how this would be done pointed

to a mix of housing, recreation facilities, offices for community services, and other rentable space. The St. Andrew's project was seen as a centre or focus of community activity. This original concept was developed and refined after consultations with various agencies and self help groups that indicated what kind of housing, how much, and what kinds of other facilities were desired. Discussions with government and other funding agencies further narrowed down the range of possibilities.

The first limit or constraint that began to emerge was the kind of housing that could be built. Originally, consultation with agencies and citizen groups indicated that a mix of housing for transients, young working people, families and senior citizens was desirable. But during the architects' economic feasibility study, the bias of the provincial government became quickly evident. From the first informal discussions, it was apparent that MHRC opposed any mixture of senior citizen and family housing. The supposedly poor experience in the "mixed" housing development of Lord Selkirk Park, plus a concern about the proper density for such a project, appeared at the root of its opposition.

Opinion is divided, however, as to whether MHRC's policy guidelines and financial priorities at this time favoured senior citizen or family housing. One view is that MHRC, despite what may have been said by officials, clearly was emphasizing senior citizen housing, since nearly all MHRC supported housing in the inner city at the time was of that type. The contrary view is that, while senior citizen housing was by far the dominant type, it was due to MHRC's difficulty in obtaining zoning approval from the city for public housing for families. The City, on the other hand, had no objection

to senior citizen housing. That the City favoured this type does not imply that MHRC did also. Indeed, while MHRC was not fulfilling its quota of senior citizen units, it was even further behind in family housing and, so the view goes, was attempting to encourage public housing for families. If this was the case, however, there is no evidence that St. Andrew's was encouraged in any way to build family units.

In any event, family housing, which seemed to be an acute need in the area, was quickly rejected, even though the site's zoning would have permitted about thirty family units alone, or a total of between forty and fifty mixed units. It seemed evident that housing for families requires more open space and parking provision than housing for senior citizens. It was concluded, therefore, that family housing would be far costlier. But the fact was that this alternative or other conceivable mixtures of housing types were not explored fully in terms of financial feasibility, certainly not to the extent that the senior citizen option was.

The simple reality was that financing was most easily obtainable for senior citizens housing. Moreover, the congregation itself favoured housing for the elderly. In addition to the financial advantages, they felt that the mix desired by community people would not work and was not desirable, and that senior citizens simply presented no problems for either the development or management of the complex. The architects and provincial officials confirmed this view. The decision was made, therefore, to proceed in this direction.

The next step was to determine how much senior citizen housing to build. This decision was again influenced by the architects on the basis of "economic feasibility". The main objective was

to build a project of sufficient size so that the community facilities could be subsidized at a much smaller marginal cost per suite. At the lower end, MHRC stated that the minimum number of suites constituting a viable project was seventy. At the upper end, the maximum number of suites recommended by planning officials of the City was 116. The financial logic operating at the time dictated acceptance of the maximum. Accordingly, the architects designed the project to the upper limit of density permitted in the zoning bylaw. There was also the stated wish to build as many units as possible to alleviate the demand for senior citizen housing in the area.

The resulting design called for an eleven storey tower, consisting of 116 suites and a day centre in the housing portion. The ground floor and basement would provide a church sanctuary, offices, and community, recreational, and multi-purpose spaces. Community groups, social agencies and government bodies were consulted regarding the kinds of spaces and services that would be useful at the site. The ideas included:

- a day recreation centre for senior citizens to be operated by the Age and Opportunity Bureau;
- multi-purpose space for meetings, cultural and entertainment productions;
- partitionable space for crafts, hobbies, banquets, dances, and indoor recreation;
- a library and study-reading room to be provided by the Winnipeg public library;
- a health clinic of either a general or special purpose nature;
- a credit union;
- a buyers club selling food;
- a thrift shop selling used clothing and other items;

- a church sanctuary, church offices and counselling space;
- a Native centre:
- a Legal Aid Office; and
- other social service offices, e.g. Childrens Aid.

Discussions were held with possible providers of these services regarding the feasibility of their locating in the project. While most organizations expressed support and interest in the project, none were willing to commit themselves as lessees. Some groups, such as the Winnipeg Buyers Club, the Thrift Shop, Credit Union, the Age and Opportunity Bureau and the Health Action Committee, have submitted letters of intent to locate in the building. However, no leases are presently signed with these or other possible tenants. The Metis Federation, for example, has not followed up its earlier interest. Other groups, such as Legal Aid, are not yet in any position to commit themselves. Many of these groups are fairly new and inexperienced in their operations and are functioning with uncertain funding. As a result, they have been and are still unable to make financial commitments nearly two years in advance.

Response from governmental agencies has been disappointing as well. The provincial government has expressed interest in developing and funding community based health facilities but has not yet committed itself to support such a facility at St. Andrew's. Particularly unfortunate was the City of Winnipeg's decision not to support the idea of a library or a study-reading room. The City is moving its major library building from the area without providing a replacement. This will deprive residents of a major facility, especially young people who use it to study and older people who use it for a reading room. It is alleged that the chief librarian of the City had little interest in continuing service in the area

after he was assured of his new library building downtown. Another view is that the City Finance Committee turned down a budget request for maintaining a library facility in the area. Whatever the case, not only was a valuable service lost; so was a prospective tenant that could have offered some continuity in occupancy at St. Andrew's Place.

The architects' final design and space allocation have now been approved by the directors of the project's development corporation. After a series of meetings with the planning committees and self-help groups, they have now allocated a considerable amount of space for community services, even though the potential lessees remain uncommitted. These include the credit union, buyers club and health clinic. As well, nearly 2,500 additional sq. ft. have been set aside for other uses as they are determined and developed. The allocation process has been an incremental and continuous one, and as a result the final designs bear close approximation to the wishes of the lay planners.

Combined with the housing portion, St. Andrew's Place will be composed of:

Floors 3-11: 116 senior citizen or now called elderly person suites, plus a lounge on each of the nine floors.

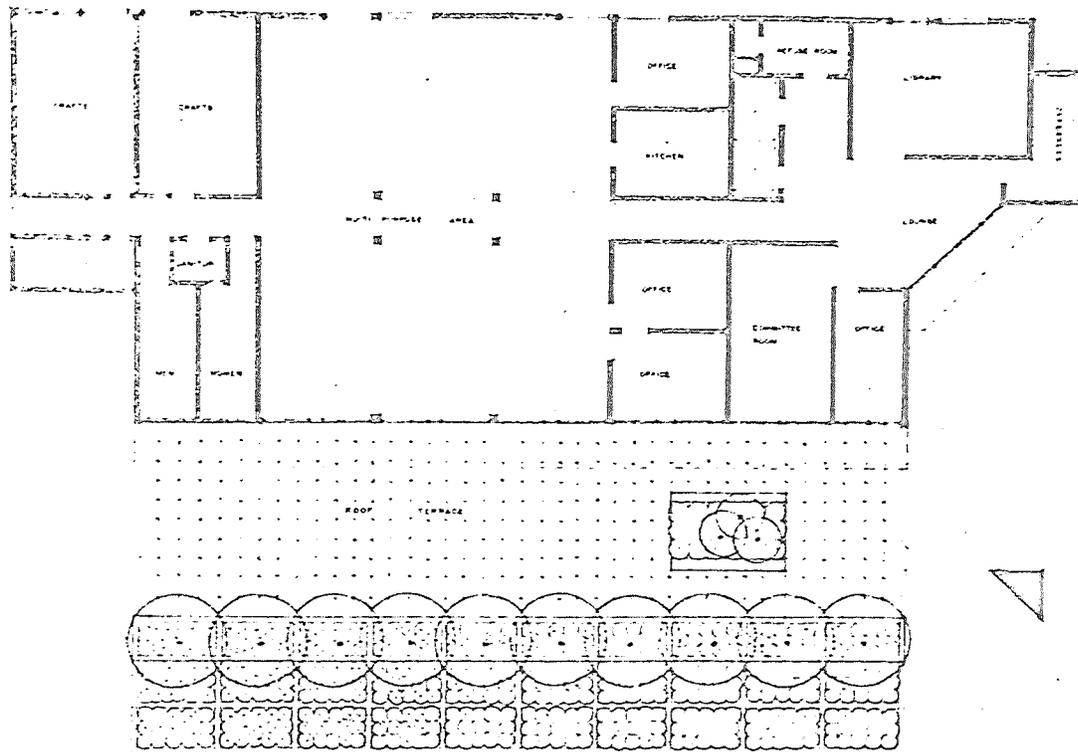
Second Floor (see Figure 1)\*:

- a) senior citizens centre, including craft rooms, and a library.
- b) roof terrace.

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\* The floor plans and sketch design to follow are reproduced with the permission of The IKOY Partnership, architects for St. Andrew's Place.

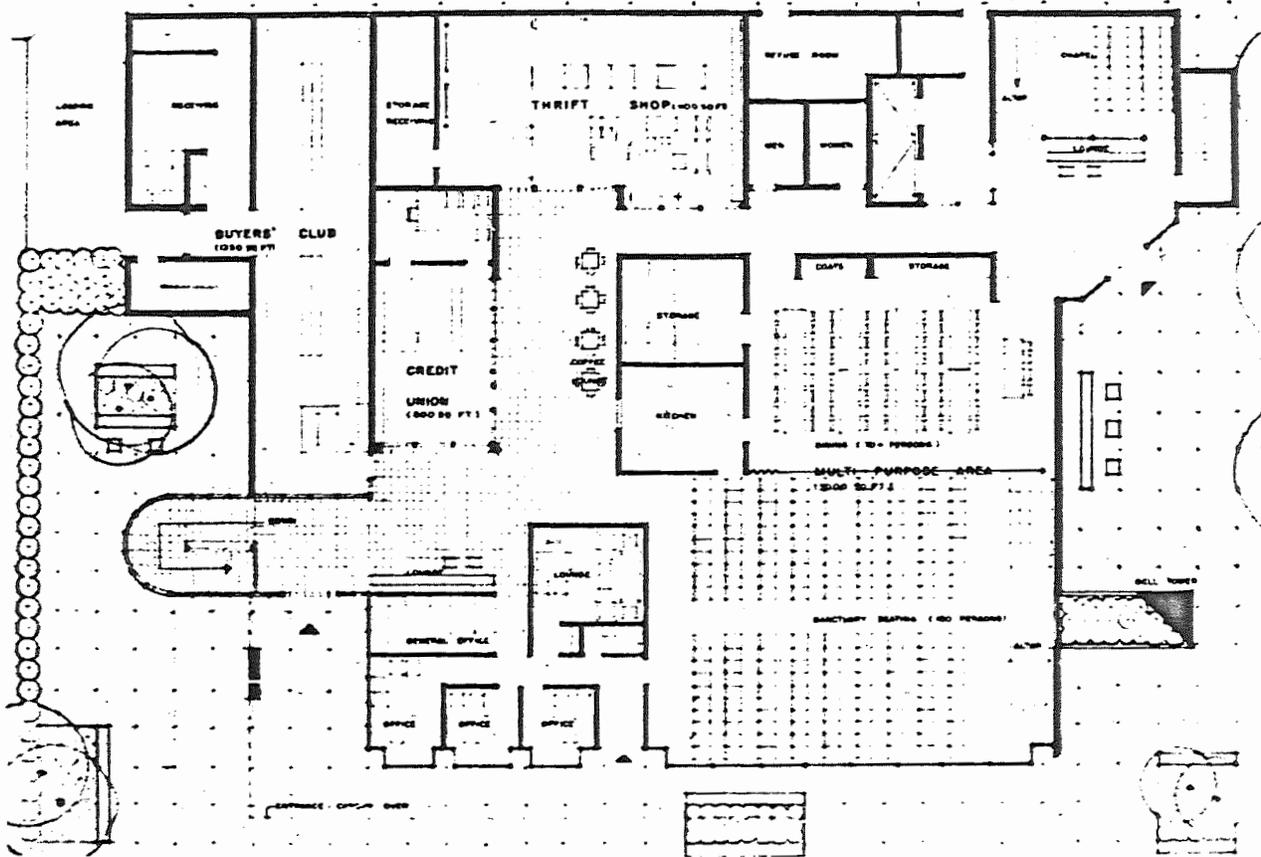
Figure 1. Second Floor Plan



Ground Floor (see Figure 2):

- a) an interior street mall for circulation, display, etc.
- b) administrative and ministerial offices (1,000 sq. ft.)
- c) multi-purpose space with kitchens and storage and including a sanctuary seating 180 persons (3,000 sq. ft.)
- d) credit union (500 sq. ft.)
- e) thrift shop (1,000 sq. ft.)
- f) buyers club (1,350 sq. ft.)
- g) small chapel (unspecified)

Figure 2. Ground Floor Plan



Basement or Concourse Level (see Figure 3):

- a) health clinic (3,500 sq. ft.)
- b) multi-purpose space (1,800 sq. ft.)
- c) unassigned space (2,410 sq. ft.).

Both the design and composition of the project are now seen quite favourably after some previously unsuitable design changes were rejected. For instance, at one point, apparently because of the inability to obtain lease commitments on the rentable space, the architect reduced community space allocation

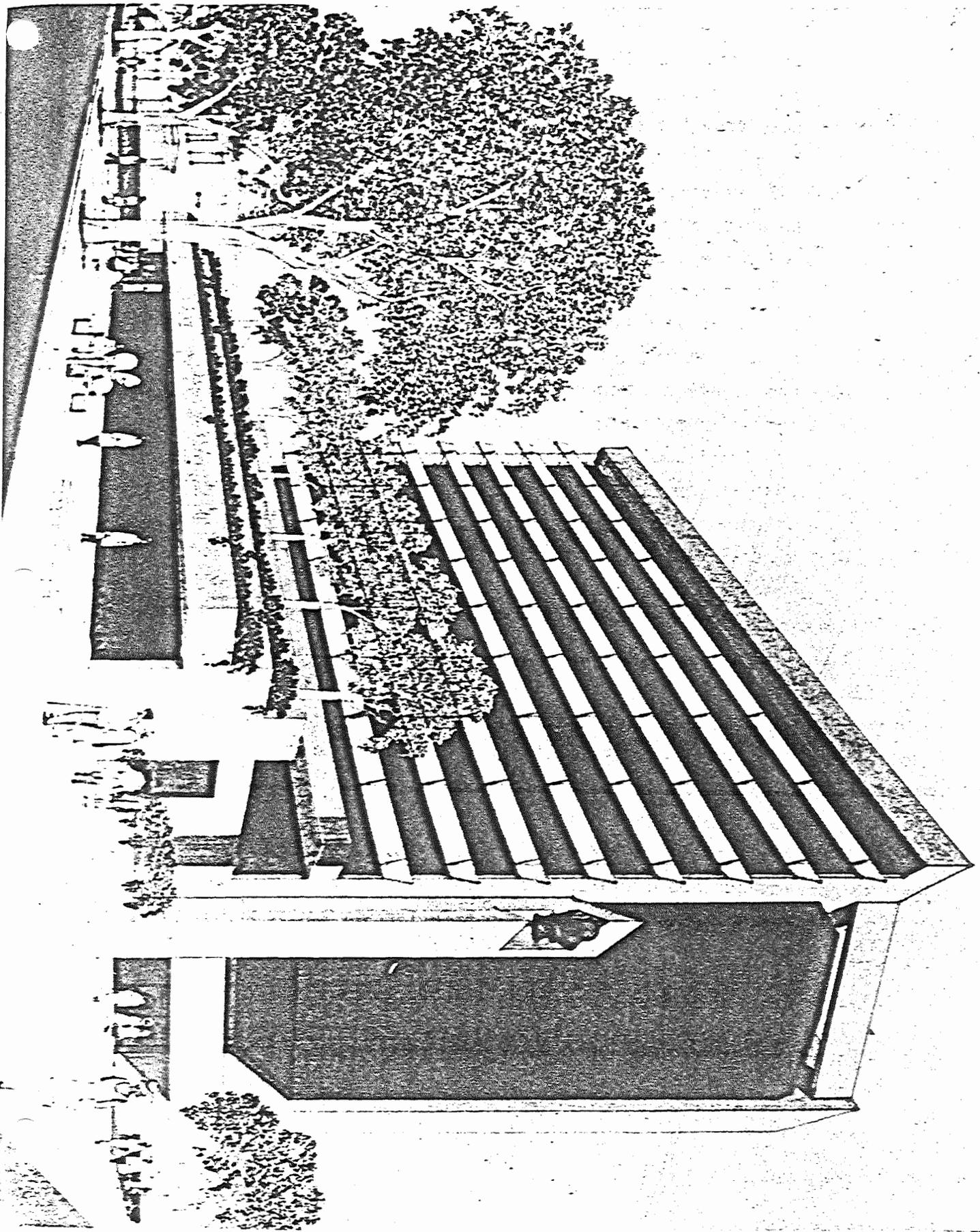


Still producing some concern at IUS, however, are various elements of the building design, such as the distribution of space, the separation of spaces, and the size, scale and exterior appearance of the building (see figure 4).<sup>\*</sup> The space distribution of the ground floor mall area is an extremely important element of the building (see figure 2). It was this space that was to provide the essential linkage between facilities and functions in the project and the heart of what was to be an open and inviting "People's Place" for neighbourhood residents. However, the architects' final design for the mall reveals a relative sameness of size and little seating area, with most space used for circulation. Other than the worthy retention of a coffee lounge, the early "court" or "village square" concept is no longer emphasized. There is no longer an effective extension of the interior mall to an exterior court area to act as a focal entry to the building. There is no widening out of the mall to encourage larger-scale seating, grouping and display, to complement the provision of more intimate and anonymous seating areas. Moreover, whether or not the interior circulation mall will provide the shortcut across the corner of the block, which was intended to bring people through, is somewhat questionable due to the position of the entrances and the lack of strong visual connection between the outside and the mall.

The building design appears very much to foster separation between the senior citizen housing component and the community space in the building. It appears that neighbourhood people will not be able to use the roof terrace and library on the second floor. Separate craft rooms are provided for senior citizens as part of the day centre, distinct from similar facilities in the basement community space area. There is even a suspicion that the ground floor entrances will become

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\* The author is grateful to Eric J. Barker, Institute architect, for his perceptive comments regarding the design features, both past and present, of St. Andrew's Place.



differentiated in use, particularly since the access to the basement and its community facilities is located furthest away from the senior citizen tower.

IUS has continually been critical of the height, scale and severity of the building in relationship to the adjacent two and three storey houses in the neighbourhood. The building suffers from a very hard, angular, "office building" feeling. The architects have attempted to reduce the perceptual problems by setting the building back, stepping the first two levels, and planting trees on the second floor terrace. Assuming the mass of the tower to be unchangeable, certain types of exterior treatment could and should be used to soften the building and make it more inviting, e.g. through the use of surface texture, colourful patterns or mosaics, flower boxes outside apartment windows, individual sun hoods over the windows and additional landscaping.

The fundamental questions, of course, remain: How will St. Andrew's Place be used once it is finished? Will it become a community centre and serve the community's needs? Will the people use it? Will it become a focus of further community activity? The answers to these questions will be determined as much by the way the physical space is programmed as by the availability and distribution of space within the complex. The success of this programming and its responsiveness to community needs and desires will depend in large measure on the management structure to be established during 1974 (see below).

## FINANCING AND GOVERNMENT APPROVAL

Among the innovative elements of the St. Andrew's project, the financial arrangements are perhaps the most important. Funding simply senior citizen housing was not much of a problem, as the precedent for such construction sponsored by other churches had already been established under Section 15 of the old National Housing Act. The key question for St. Andrew's was how to finance the large amount of multi-purpose, recreational and community space, in combination with senior citizen housing, while retaining ownership of the project.

It is at this point that the consultants provided their most useful input, particularly the lawyers who are credited with finding the crucial "bulk leasing" provision in the legislation. The two firms explored the regulations governing the operations of MHRC and CMHC, and the ways in which previous senior citizen projects had been financed. The conventional practice had been for MHRC, serving as the developer, to obtain a 90% loan from CMHC for planning and construction, while sharing operating costs with CMHC on a 50/50 basis. Under this system, MHRC has been able to accrue large operating subsidies from CMHC.

The church's proposal, however, was that St. Andrew's would do the development work of planning the project and building it

with a 90% CMHC loan. Once this was done, an "economic rent"\* for the suites would be determined and MHRC would sign a "bulk lease" contract, that is, to rent all of the suites in the housing portion, for fifty years. The economic rent would not be "out of line" with other similar projects MHRC had built. The rent would cover operating costs and the costs of retiring the mortgage over 50 years at an interest rate of 7 5/8% per year. The final rental structure would be set after tendering had been completed and accurate costs established. The leasing arrangement would contain a provision for renegotiation and adjustment of the rent after an initial operating period, in order at least to keep in line with general inflationary pressures. St. Andrew's would manage the project and receive an additional fee for this service.

The major advantage of the bulk lease arrangement is that MHRC in effect guarantees to St. Andrew's the maximum permissible revenue per year for fifty years, based on full occupancy. This rental income guarantee, in combination with the management fee, provides the church with ability not only to cover all operating and construction-related costs for the housing portion, but also to partially subsidize all community and multi-purpose spaces.

A second advantage of the bulk leasing arrangement is that it made possible, for perhaps the first time in relation to a relatively large project, the application of the province's low income rent subsidy program to a non-governmental housing project. The church sponsors, therefore, would receive from the province the economic rent per suite of \$130 and up to cover costs, while at the same time charging low-income tenants rents

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\* The term "economic rent" is rather misleading, in that commonly it is considered to mean essentially "at cost". This is not the case. Rather "economic rent" indicates a rental figure composed of full costs (usually per square foot), plus a "reasonable" or normal profit (generally considered to be 7-9%).

from about \$35, the subsidy being \$95 and up. The higher the income of the tenants, of course, the higher the rent he or she would pay and the lower the subsidy.

An additional advantage of this approach is that, by removing the financial obstacles to private, non-profit sponsorship of low-income housing, it encourages not only increased activity in this field, but also increased diversity in design and planning in response to the objectives and needs of particular sponsor groups and their clients.

To cover the capital construction cost of the community, multi-purpose and recreational spaces on the lower two floors, it was estimated that nearly \$500,000 would be required. Combining the costs of operation and maintenance, about \$16,000 with those of amortization and depreciation for those floors, a cash flow surplus of about \$40,000 per year would be necessary to support the community and multi-purpose spaces. It was calculated that MHRC's lease of the 116 units at \$130 per month plus \$6 per unit per month in management fee would produce a substantial surplus over costs, this surplus to be applied against the loss on the community spaces. At present, it is estimated that 40-44% of the yearly operating costs of the community spaces would come as a subsidy from the housing portion.

In addition, the absence of the usually large developer's fee in this case should increase the margin over costs. And still additional revenue is expected from the management of another large building near the project. The remainder was to come from rental income from the community spaces themselves. About \$26,000 per year was anticipated from the rental of community spaces, a figure still in doubt due to the lack of

leasing commitments. However, it appears to be increasingly certain that the church itself, which earlier had hoped to acquire its space in the project relatively free of charge, will now have to lease space at substantial cost, thereby producing necessary revenue for the project.

The community spaces are to be rented on the basis of "ability to pay". The flexible rental structure would permit some neighbourhood organizations, e.g. the Credit Union, Buyers Club, Health Clinic, etc., to acquire space at very low figures, others at bare operating cost, still others at "economic rents", and perhaps some at even more profitable levels. To date, however, this "ability to pay" structure does not appear to have been advertised explicitly to prospective lessees, in the hope of securing as much lease revenue as possible. Indeed, the stated minimum rental thus far has been an average of \$2 - \$2.50 per square foot, and the calculated estimate of a rental at direct operating cost, assuming a low maintenance level, is \$1.25 - \$1.50 per square foot.

Because of CMHC's reluctance to approve the project, the planning group sought to buttress its financial case by securing commitments for the rentable space to show firm evidence of anticipated rental income. The unavailability of those commitments continually produced great concern within the planning committees and the consultants. With the continued absence of leasing commitments, it was only when new amendments to the National Housing Act came in June 1973 that CMHC found the financial balance sheet to its satisfaction.

It took about eighteen months to secure approval for this novel financial approach. It required about one year to secure CMHC approval of the loan, and six months to get the approval and

support of MHRC. Moreover, about six months were consumed in getting zoning approval from the City of Winnipeg. Additional delays may yet be forthcoming in the final negotiation stages. The delays experienced were due in large part to the innovative nature of the design and funding concepts, which were both new approaches to these governmental agencies at that time. But there was also a series of particular circumstances that adversely affected the approval processes.

Very extensive consultations were required to explain the concepts and to get approval at both the administrative and political levels. At MHRC, the project seemed to have been caught in a period of internal changes and upheavals within the corporation. Changes were being made in leadership while some ideological questions of non-governmental ownership and parochial sponsorship required consideration by the Manitoba Cabinet. Final approval of the bulk lease and management arrangements was obtained in January 1973.

In the case of CMHC, the project was initially under the PIDGE experimental housing program. But it was proposed during a period of time when this agency was developing a new program under which the project eventually qualified. While regional staff had been receptive and helpful to the sponsors, lending officers in Ottawa had been unwilling to "bend the rules" to facilitate the unconventional elements of community space, despite the fact that the Minister had given the project his blessing. It was only when the new NHA amendments made the project appear "viable" that CMHC, in June 1973, gave its approval.

Similar kinds of delays were experienced in obtaining a rezoning of the site from the City of Winnipeg. Again the proposal seemed

to have approached the approval agency at a difficult time and the result was that the process took much longer than expected. At this time, the municipal administration was in the process of adapting to the transition from metro-city governments to the new Unicity system. Officials in the Planning Department, concerned that they were allowing some rezoning requests to pass as variations, became more cautious in the way they classified requests. Thus the St. Andrews proposal which, based on discussions with planning officials in the early part of 1972, was to have been treated as a zoning variance, instead had to undergo the full procedure and to require closer scrutiny of the design by city officials. Informal discussions had begun in the spring of 1972, and formal application submitted on January 19, 1973. Council finally adopted the zoning proposal on May 30, but third reading accompanied by final drawings and the formal signing of the zoning agreement between the City and the development corporation are still to come.

The net impact of these delays in receiving governmental approval was to complicate and place considerable stress on the planning process. Concurrent planning was greatly inhibited. The approval of one level of government depended in large measure on prior action by another level. Planning by the architects on an elaborated design and work by the lawyers on the incorporation was delayed a full year until approval was obtained, since before such approval, both were unwilling to invest much time.

A further effect was to make the process of lay involvement more difficult. All too often at meetings the group would become frustrated and lose hope and interest in the project. Because there was no news to report and because one step had to be completed before moving to the next, there was often

no reason for regular meetings. This resulted in loss of continuity and momentum in the planning of the complex, not only by community residents and congregation, but also by the technical consultants and the IUS coordinator who was responsible for making the planning process work.

In the summer of 1973, as amendments to the National Housing Act came into effect, the financial arrangement and loan terms for the St. Andrew's project became even more favourable. The loan for construction obtained from CMHC now falls under the provisions of the new Section 15-1 of the revised National Housing Act 1973. Unlike previous projects that could obtain funding for housing only, with provisions for a 90% loan with 10% equity, St. Andrew's will now have a 100% loan for all project costs (totalling \$1,889,645), including land. Moreover, 10% of the total is forgivable. This forgiveness feature in effect provides a government grant of \$188,965 for the construction of about 40% of the associated community, multi-purpose and recreational space, facilitates even lower rentals to providers of community services, and eliminates the need for an equity investment in the project.

What was to be the equity under the original arrangements--the land--will now in effect be transferred from the church to a "non share" development corporation that will develop and own St. Andrew's Place. The Church is selling the land to the corporation for \$127,000, its value as stated in the loan application. The church in turn is giving the purchase money back as a capital grant to the corporation to provide it with working capital. The considerable revenue generated from this increased working capital, based on the high return on investment (approximately 17%), will substantially improve the financial

picture for the St. Andrew's project. On the other hand, in the resubmission of the final loan application, CMHC is willing to entertain an increased amount due to delays, increased costs, etc. This resubmission is expected to show a rise in the project cost to substantially over \$2 million.

#### THE CORPORATE STRUCTURE

While St. Andrew's planning committees were able to carry out the initial planning of the project, the contractual, financial, and operating powers are to be vested in two non-share corporations. The first, St. Andrew's Place Inc., serves as the developer, signs contracts during construction of the project, and is responsible in the name of the United Church of Canada as owner of the complex. It has eight directors with the Pastor of St. Andrew's serving ex officio. Seven of the eight directors are selected from the congregation while the eighth is an appointee of the Presbytery of the United Church.

This development corporation will then delegate the management function to a second corporation -- St. Andrew's Place (Management) Inc.. The management corporation will be composed of eighteen

members: one third non-congregation residents of Urban Renewal Area II, one third members of the St. Andrew's congregation, one sixth Presbytery appointees, and one sixth appointees of the six non-congregation members. Operating authority is vested in a five person board of directors: two non-congregation residents of the area, two congregation members, and one Presbytery appointee.

As the composition of this management corporation shows, steps have been taken to ensure that the interests of all constituency groups are given formal representation. Including community representatives on the board is consistent with the community based planning approach that was attempted and employed to some degree in project planning. As important as having a say in the kind of building that is built is having a say in how it is run. Accordingly the community will be represented directly by residents and indirectly through their appointees. The representation of the congregation and Presbytery provides a say to church planners who have played a strong role in developing the project.

Several steps remain before St. Andrew's Place becomes a reality:

1. preparation of final working drawings (winter 1973-74)
2. calling for tenders (February 1974)
3. signing of zoning agreement with the City of Winnipeg (March 1974)
4. resubmission of loan application (containing actual costs) to CMHC (March 1974)
5. letting of contracts (March 1974)
6. commencing construction (April 1974).

Once the tenders are in and let, and true costs are determined, final negotiations will take place with MHRC on the bulk lease and with CMHC on the loan figure. The development corporation will sign the tendered contracts and thereafter establish the management corporation. Once the complex begins to rise in the spring, efforts will be taken to encourage community interest in membership on the management board. This will be done through a publicity program and a series of public meetings, through which community representatives for the board are expected to emerge.

The management corporation then will be able to delegate certain functions to committees working under its direction and supervision. These committees will be responsible for the management of the elderly persons housing, the operation of community space, social programming and attendance to other needs as they arise. In addition, it is expected that, in the summer of 1974, the corporation will hire a professional manager to undertake responsibilities for community information, social programming, and administration. It is in this period that the personal and working relationships between lay community people and professionals will be forged. The nature of those relationships will in large measure determine the extent to which the St. Andrew's project becomes a "people's place".

## CONCLUSION

The St. Andrew's project has demonstrated the ability of a church leadership to redefine the role its church plays in an inner city neighbourhood. With the guidance, technical assistance and negotiating support of the Institute of Urban Studies, the United Church's Research and Planning Council and architectural and legal consultants, the church accepted a challenging community based redevelopment concept and adopted a broad-based planning and negotiation procedure. The process taxed the patience and confidence of its congregation and other lay participants. Going beyond its original disposition, the church consulted community groups, involved them in the planning, and is providing them with substantial authority in the management and use of the complex.

Although the final project itself resembles the original concept, it was determined more by what was seen to be feasible than by what the plan originally called for. Government policy biases and funding constraints, the feasibility evaluations of the architectural consultants, and the congregation's predilections, largely determined the decisions on the kind and amount of housing. The involvement and presumed location of specific community groups and agencies also determined the kind of community services and spaces included in the project.

Securing government approval of the financial arrangements and of the project design itself proved to be a trying experience. An unusually large degree of fiscal imagination was required at the time, because existing legislation and funding provisions were insufficient to achieve the mix of functions and facilities deemed essential for both the project and the wider community. It showed how difficult it is to develop an innovative mix of housing and other facilities when government policy, and its approval agencies in general, are not yet geared for such innovation.

One notable bright spot, however, was the assistance of CMHC's social development group at the branch office in Winnipeg. During the long negotiations on the project, MHRC has also shown signs of taking a more flexible and imaginative approach, particularly resulting in their acceptance of the bulk lease and rent subsidy arrangements. But, on the other hand, it certainly appears that at key intermediate and upper levels of both government corporations, a rigidity and insensitivity continues to exist toward innovative solutions of local sponsor groups. The major problem of gaining approval and financing for projects that attempt to merge several programs and that cross administrative jurisdictions still remains to be solved.

Particularly at this time, when bureaucracies at all levels of government are preparing to administer the new amendments to the National Housing Act, especially the neighbourhood improvement and new communities programs, skilled staff assistance and administrative flexibility is even more critical. The additional element of bureaucratic risk-taking is also needed to encourage the many innovative local responses required to test and broaden the new legislation.

CMHC and other federal and provincial agencies will have to ensure that they can produce the kind of on-the-spot staff that can work successfully with non-profit and other sponsor groups on comprehensive and untraditional projects. These local staff members must be granted considerable decision-making authority to encourage and approve very tangible forms of support for the experimental proposals of competent local groups. In a fundamental sense, therefore, these large governmental bureaucracies should decentralize their administrative power, simplify their procedural requirements, and dispense more and larger grants for the formulation and study of new concepts by community organizations.

The desirability of developing appropriate government staff should not obscure, however, the necessity of providing non-profit sponsor groups with the ability to retain outside professionals to assist and serve the groups' interests. Efforts should be taken, therefore, to develop and finance in all major cities a resource pool of skilled and change-oriented technicians, dedicated to the full exploration and analysis of all planning alternatives and the advocacy and implementation of a project after decision by the sponsor group. Needless to say, the members of this pool must be skilled both in their areas of expertise and in working with community groups and agencies.

The innovative financial arrangements developed for St. Andrew's highlights the desirability and, in fact, the economic necessity of applying a wide range of governmental subsidies to community-based non-profit projects. Hopefully, MHRC's application of its public housing rent subsidy scheme to a non-profit project is a breakthrough in this respect. Similarly, it is

hoped that MHRC's acceptance of the bulk lease arrangement will open the door to even more imaginative combinations of community functions and facilities. As a result of such innovations, the entire question of "public housing" might be reopened and alternative approaches explored and tested.

The church, by asserting its faith in the future of the area, hopes to serve as a catalyst that may result in further physical and social redevelopment efforts by other public and private agencies. Already discussions by citizen groups and other organizations about planning in the area are anchored to the St. Andrew's project as a focal point. The government's new Neighbourhood Improvement Program (NIP) may well provide the framework within which St. Andrew's Place can serve as both a stimulus and a headquarters for community planning for the area. But neither the St. Andrew's project nor NIP is a panacea. Many of the same problems experienced in this project will reappear and become even more complex in a larger framework. Particularly troublesome, of course, will be the defining and organizing of resident participation. While the legislation sees the participation of residents as a "very important factor,...it is the provincial and local authorities who determine the most effective means for ensuring such participation".

Those existing neighbourhood self-help groups that were enlisted and that stayed with the slow planning process in the St. Andrew's project exerted influence on the allocation of space for their particular services. They will probably exert substantial influence over the manner in which the community and multi-purpose spaces are used in the future. However, the difficulties of broadening community participation and involving new lay individuals in such a difficult planning process must not be

overlooked. The one thing the St. Andrew's effort does indicate in this respect is the need for increased operational research and experimentation in more efficient methods of broadening and deepening community involvement.

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