Agenda – Executive Policy Committee – January 18, 2006

REPORTS

Item No. 6 **Winnipeg Housing and Homelessness Initiative - Midterm Evaluation of Operations**
File EX

ADMINISTRATIVE RECOMMENDATION:

That Council be requested to approve of the extension of the Winnipeg Housing and Homelessness Initiative mandate to March 31, 2008 as recommended in the Midterm Evaluation of Operations of the Winnipeg Housing and Homelessness Initiative (WHHI).

Re: MIDTERM EVALUATION OF OPERATIONS OF THE WINNIPEG HOUSING AND HOMELESSNESS INITIATIVE (WHHI)

For submission to: **Executive Policy Committee**

Original report signed by: **Director of Planning, Property and Development**

Report date: **November 18, 2005**

Recommendation(s):

That Council be requested to approve of the extension of the WHHI mandate to March 31, 2008 as recommended in the (attached) Midterm Evaluation of Operations of the Winnipeg Housing and Homelessness Initiative (WHHI).

REPORT SUMMARY

Key Issues:

- City Council approved the Winnipeg Housing Policy to address the decline in housing conditions in inner city neighbourhoods. This policy has given rise to the City's Housing Initiative. The City of Winnipeg has been delivering tri-level housing improvement programs through the WHHI since 2000. These housing programs have enhanced neighbourhood stability, increased property assessments, provided affordable accommodation and generally improved the overall health of Winnipeg.

- A review of the operational effectiveness of the WHHI indicates that the organization is performing well and clients are generally satisfied with the service they have received. Overall, there is strong support from the community (*based on independent consultant study*) to continue the operations of the WHHI.

- The renewed Memorandum of Understanding on the WHHI, signed on November 27, 2003, requires the submission of a midterm evaluation report (*refers to Section 6.03 of the MOU*). The attached report recommends that the operations of the Winnipeg Housing and Homelessness Initiative continue until March 31, 2008.

Implications of the Recommendation(s):

General implications:

	None
	For the organization overall and/or for other departments
X	**For the community and/or organizations external to the City of Winnipeg**
	Involves a multi-year contract

Comment(s):

- The City's participation through the WHHI has significantly reinforced among the public that governments are working as partners to address housing and homelessness issues in Winnipeg in a coordinated fashion.

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s):

-

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required

Comment(s):

-

REASON FOR THE REPORT:
The established governance and administrative structure (By-law No. 7100/97) requires that all Inter-Governmental Affairs be referred to the Executive Policy Committee (EPC). EPC is to conduct all necessary formal relationships with the Government of Manitoba and the Government of Canada.

HISTORY:

Origins of WHHI

On July 7th 1999, the City of Winnipeg signed a Memorandum of Understanding (MOU) agreeing to partner with the housing and homelessness agencies of the Government of Canada (i.e. Canada Mortgage and Housing Corporation and Human Resources Development Canada), and the Province of Manitoba to jointly establish the Winnipeg Housing and Homelessness Initiative (WHHI). The WHHI is based on a "single window access" delivery model that brings together in one location the representatives of each of the various housing and homelessness programs offered by the three levels of government. The idea for creating a "one-window" location for government housing program delivery originated from community members during the late 1990s in various meetings with public officials.

In October 1999, City Council adopted the Winnipeg Housing Policy to address the decline in housing conditions in inner city neighbourhoods. Using this policy as a guide, the City of Winnipeg developed its Housing Initiative, which was approved by Council and consists of five housing programs.

The WHHI office opened in May 2000, with the intent to operate as a three-year partnership, with the expiration of the first MOU on March 31, 2003. While WHHI's operations continued, the second MOU on the establishment of the WHHI Office was signed by all three levels of government in November 2003 and expires on March 31, 2008.

Objectives of WHHI

The objectives of WHHI are described in both the 1999 and 2003 MOU and specifically intended to meet three objectives: 1) Coordinate the strategies related to housing and homelessness of all three levels of government; 2) Serve as a "Single Window" for applications by community groups to carry out community building and revitalization activities in targeted neighbourhoods and within the context of community-developed plans; and 3) Create a forum for regular community consultation to act as a "sounding board" for both community plans and individual projects.

Affordable Housing Initiative (AHI)

In 2002, the Government of Canada and the Province of Manitoba negotiated a Bilateral Agreement for an Affordable Housing Initiative (AHI) in Manitoba. The AHI, a five-year signed commitment, started delivering programs through the WHHI and will run until 2007. During the

same period, the City agreed to participate in this initiative through a Memorandum of Understanding (MOU) with the Province. The MOU establishes Winnipeg's participation with the Province in the Canada/Manitoba Affordable Housing agreement.

DISCUSSION:

In April 2003, the Senior Federal Minister for Manitoba, the Manitoba Minister of Family Services and Housing, and the Mayor of Winnipeg (referred to as the Executive Committee of the WHHI) conditionally approved an extension of the WHHI mandate to March 31, 2008 subject to a positive evaluation of the organization's effectiveness.

The attached evaluative report demonstrates the effectiveness of the WHHI model of co-location among the three levels of government. Findings from an independent review show that joint participation through the WHHI has significantly reinforced among the public that governments are working as partners to address housing and homelessness issues in Winnipeg in a coordinated fashion. While WHHI has made considerable progress in addressing housing and homelessness needs in Winnipeg neighbourhoods, more work remains to be done. Operational effectiveness measures indicate the organization is performing well and clients are generally satisfied with the service they have received. Overall, there is strong support from the community to continue the operations of the WHHI.

The main recommendation of an independent consultant's report is that the WHHI continues to operate until March 31, 2008. Furthermore, the Management Committee (see Appendix B of attached report) recommends to Executive Committee that the operations of the Winnipeg Housing and Homelessness Initiative continue until March 31, 2008.

Other Benefits of the City's Involvement in WHHI

Implementation of the Winnipeg Housing Policy and the Winnipeg Housing Initiative through the WHHI has significantly improved the physical, social and economic environment in the City's Housing Improvement Zones. Both public and private investments have been made in housing development projects in Winnipeg through the WHHI and have on average produced a leveraging ratio of 10.2 for the City of Winnipeg, (meaning for every $1.00 of City funding an additional $10.20 has been invested by other public/private sources.)

A recent analysis of property assessment data demonstrated that assessments on new infill and renovated homes have increased considerably as a result of the tri-level WHHI investments. These enhanced assessments are expected to have a payback of 15 years. Furthermore, the lifespan of new and renovated homes are expected to extend well beyond 25 years. Therefore, City investment in housing has contributed not only to revitalization / renewal of homes and confidence in the City's Housing Improvement Zones, but also to the City long-term tax base.

Financial Impact Statement Date: November 14, 2005

COMMENTS:

The recommendation in this report is that Council be requested to approve the (attached) Midterm Evaluation of Operations of the Winnipeg Housing and Homelessness Initiative (WHHI). Acceptance of the recommendation would result in the WHHI continuing its operations until at least March 31, 2008. There are no financial implications associated with the acceptance of the recommendation.

"Original signed by"
Mike McGinn, CA
Manager of Finance

IN

PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Legal Services Staff Corporate Services

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Housing Development
Prepared by: David Stansen $_{MBA}$, Housing Development Manager
PPD File #:

Document name: O:\Reports Directive\Housing Development\RIS Report on WHHI Review Nov 2005_v10.doc

ATTACHMENT:



November 2005

REPORT TO EXECUTIVE COMMITTEE
BY MANAGEMENT COMMITTEE

MIDTERM EVALUATION OF OPERATONS OF
THE WINNIPEG HOUSING AND HOMELESSNESS INITIATIVE

PURPOSE

In April 2003 Executive Committee – which consists of the Senior Federal Minister for Manitoba, the Manitoba Minister of Family Services and Housing, and the Mayor of Winnipeg – conditionally approved an extension of the WHHI mandate to March 31, 2008 with operations after March 31, 2005 being subject to a positive evaluation of the organization's effectiveness to that date.

The intent of this evaluation is to measure the effectiveness of the WHHI model of co-location among the three levels of government. An evaluation of the effectiveness of housing and homelessness programs offered by each level of government is not part of this review.

Executive Committee approval of the extension of the WHHI mandate to March 31, 2008 is requested. Approval can be indicated by signing in the designated area on Page Eight.

BACKGROUND

In the late 1990's, inner city Winnipeg was exhibiting a number of severe problems. Abandoned homes, very large numbers of homes requiring significant repairs, a high arson rate, and declining property values along with significant social problems threatened the future of many Winnipeg communities and the quality of life of residents.

At the same time, the issue of increasing levels of homelessness was receiving a good deal of prominence across the country and particularly in large urban centres including Winnipeg. To address this escalating issue, new funds were identified and partnerships developed among governments as well as between governments and communities.

As part of this process, the Winnipeg Housing and Homelessness Initiative (WHHI) was created by a Memorandum of Understanding signed by the Government of Canada, the Government of

Manitoba, and The City of Winnipeg on May 4, 2000. The MOU had a three-year term expiring on March 31, 2003.

In the MOU, the three levels of government stated that they desired to "create a Single Window initiative that can meet community objectives for addressing the issues of housing conditions and homelessness and the need to rehabilitate a volume of housing large enough to stimulate revitalization of older neighbourhoods."

The WHHI began operations on May 15, 2000 with co-located staff from Human Resources Development Canada, Manitoba Housing and the City of Winnipeg dedicated to the administration of housing and homelessness programs.

WHHI housing operations were initially focussed in designated inner city Major Improvement Areas in Lord Selkirk. William Whyte, North and South Point Douglas, Spence and West Broadway. While the entire City of Winnipeg was eligible for homelessness funding, the focus of efforts of the majority of project sponsors was in the core area of the city. WHHI staff worked closely with community groups in those neighbourhoods to build capacity and develop plans that responded to local needs.

No new programs were created as a result of the WHHI. Instead, WHHI staff delivered the existing programs of all three levels of government in a coordinated manner from a central location, with the objective of improving the efficiency of, and access to, these programs.

In order to provide a basis for an Executive Committee decision concerning an extension of the mandate, Management Committee developed a number of qualitative and quantitative performance measures. These measures were then used to assess organizational effectiveness in the first part of the current mandate.

RESULTS OF MID TERM EVALUATION OF WHHI OPERATIONS TO MARCH 31, 2005

A discussion of WHHI performance under the performance measures follows.

1. **Qualitative Evaluation:** During its first three years of operations, WHHI processed funding for significant numbers of housing units and shelter beds. Community partners were generally pleased with the reduced administrative burden of the single window approach. To formally evaluate WHHI processes, Management Committee engaged a consultant to conduct focus groups to assess WHHI's operations from a qualitative perspective. Three focus groups were conducted; one consisting of community partners representing housing, another consisting of homelessness partners, and a third consisting of WHHI staff.

   The focus groups recommended an extension of the WHHI mandate until March 31, 2008. In response to suggestions for improvement, WHHI is making the following process improvements:

i. HRSDC is examining alternate SCPI funding advisory committee approaches;
ii. There will be more frequent opportunities for WHHI staff to share project and program information;
iii. WHHI will continue to ensure that housing projects are compatible with neighbourhood housing plans;
iv. WHHI will improve communication with partners and the general public by launching a website, introducing a new WHHI pamphlet, an updated WHHIO display, and hosting additional housing forums;
v. WHHI will survey housing and homelessness partners to determine their capacity development needs;
vi. Each WHHI government partner will ensure a skills development plan is in place for their staff located at WHHI.

Improvement opportunities and Management Committee responses to those findings are outlined in more detail in Appendix A.

2. Changing needs for affordable housing as reflected in the City of Winnipeg Neighbourhood Characterization Study

In March 2000, the City of Winnipeg completed a Neighbourhood Designation Study to measure social and housing conditions in the city's 228 neighbourhoods. This study identified 15 indicators to use in the analysis, grouped into categories of housing, crime and safety, economic conditions, and social well-being. Data from these measures were weighted and used to develop an index called the Quality of Neighbourhood Index (QNI). Neighbourhoods were then categorized according to their index calculation, relative to other neighbourhoods in the city. Those neighbourhoods with the lowest QNI outcome were identified as having the greatest need for revitalization efforts, and this measure was used in the selection of neighbourhoods for funding from programs delivered through WHHI.

The City's Community Services Department is in the process of updating the Neighbourhood Designation Study by repopulating it with current data, and expects to have this work completed by Fall of 2005. The change in conditions in individual neighbourhoods as measured by the QNI will be helpful in measuring the effectiveness of WHHI, and will be provided to Management Committee when available.

3. Capital and non-capital funding: As of March 31, 2005, WHHI partners had committed approximately $57 million for housing and homelessness related projects. This funding includes support for housing repair, construction and rehabilitation; for planning and operational supports such as housing plans and housing coordination; and for program assistance for people who are either homeless or at risk of becoming homeless. The funding has provided for the repair, rehabilitation, or construction of 2390 housing units and 327 rooms or beds in the City of Winnipeg.

Table 3.1, which follows, summarizes funding provided by WHHI that is specifically designated for housing repair, construction and rehabilitation (i.e. funding for capital costs).

Further summaries of accomplishments achieved through this investment are provided in the discussion of measures which follows. Table 3.2 is a summary of total WHHI funding for housing and shelter development including the capital costs identified in Table 3.1 as well as non-capital costs of organizations funded through WHHI, which includes their expenses for programming and support services, staffing and housing coordination activities and furnishing and supplies.

3. 1 Number of housing / shelter units acquired, constructed, or rehabilitated per annum (commitment basis)and corresponding government funding. This measure is intended to provide an annual overview of funds committed by WHHI government partners that are specifically related to the repair, new construction, and / or rehabilitation of housing/shelter units or beds.

Fiscal Year	Housing / Shelter Units	Rooms or Beds	HRSDC (Federal) Funding$	Federal/ Provincial Housing Funding $ [(a)]	Prov. Of MB Funding $	City of Wpg Funding $	Total Funding$
2000/01	137	88	2,741,283	1,234,984	901,000	796,634	5,673,901
2001/02	550	113	2,648,447	2,344,921	2,002,071	1,804,094	8,799,533
2002/03	521	67	5,125,194	953,456	1,462,209	1,509,089	9,049,948
2003/04	575	34	2,247,493	3,974,975	1,251,936	1,444,629	8,919,033
2004/05	607	25	2,943,156	4,723,161	798,680	1,121,630	9,586,627
Total	2390	327	15,705,573	13,250,497	6,415,896	6,676,076	42,048,042

Notes:

[(a)] - Funding provided by CMHC and Province of Manitoba includes RRAP (cost shared 75% federal / 25% provincial) and the Affordable Housing Initiative (cost matched 50/50 on a program basis);

3. 2 Construction/Support Services/Programming This measure summarizes funds committed by WHHI government partners for both capital and non-capital costs.

Type of Cost	HRSDC (Federal) Funding $	Federal/ Provincial Funding $	Prov. Of MB Funding $	City of Wpg Funding $	Total Funding $
Capital Costs(Per Table 3.1) [(b)]	15,705,573	13,250,497	6,415,896	6,676,076	**42,048,042**
Non-Capital Costs [(c)]	12,882,458	0	1,398,188	619,836	**14,900,482**
Total	28,588,031	13,250,497	7,814,084	7,295,912	**56,948,524**

[(b)] - Capital costs include all costs related to new construction and/or housing rehabilitation.

(c) - Non-capital costs include those expenses of organizations funded through WHHI that are related to their programming, support services, furnishings, supplies, salaries, etc.

Activities undertaken in Winnipeg under the Government of Canada's National Homelessness Initiative (NHI) programs administered by Human Resources and Skills Development Canada. This measure shows the scope and type of homelessness programming that serves individuals or that increases the capacity and awareness of the need for those services.

The following table shows the project activities undertaken for some or all of the NHI target areas and broken down by NHI Phase I and Phase II. (The complete five target areas are: Shelter facilities, support facilities, support services, capacity building and public awareness.)

(Five Year Period Ending June 2005)

	Number of Project Activities Undertaken		
	Phase I	**Phase II**	**Total**
Shelter Facilities	39	43	82
Support Facilities	19	22	41
Support Services	34	17	51
Capacity Building	25	20	45
Public Awareness*	3	4	7
Total	120	106	226

*educational materials produced/ seminars

Note 1: Reporting is based on information provided by the community organizations receiving funding. It is impossible to provide an accurate account of the homeless people provided with shelter or food due to their transient lifestyle, i.e. they may visit more than one shelter and be counted as a different client each time.

Reporting for Phase 1 of the National Homelessness Initiative (2000-2003) reflects the final results of project activities. Phase 2 reporting (2003-2006) represents the targets set for project activities.

4. **Changes in Assessed Values and Market Values of Single Family Detached Housing in Designated Housing Improvement Zones and for the City of Winnipeg** In addition to the above measures, changes in the assessed value of homes in designated inner city neighbourhoods are in part indicative of the impact of WHHI on property values (assessment is based on market data that is approximately three years old) and on City of Winnipeg property tax revenue. Following is summary table of changes in assessed value:

Neighbourhood	% Change 1991-95	% Change 1995-1999	% Change 1999-2003
North Point Douglas	-6.74%	-21.05%	15.59%
William Whyte	-10.14%	-27.09%	16.12%
Spence	-11.11%	-24.77%	20.76%
West Broadway	-8.17%	-11.6%	28.63%
City of Winnipeg	**1.52%**	**4.03%**	**22.83%**

The *Winnipeg Real Estate Board* has stated that "The rise in the average residential detached MLS sale price is quite remarkable and certainly is indicative of the active involvement of a number of housing rehabilitation groups to turn neighbourhoods such as Spence, St. Matthews, West Broadway, Pont Douglas and the North End around so people in these areas have more reason to invest in and improve their homes."

Average MLS Sale Price for Residential Detached Homes

MLS Area	2000	2004	2005 Jan. - Sept.	% Change from 2000 to 2005
5A (Spence and West Broadway Neighbourhoods)	$28, 522	$46,359	$57,281	101.6 %
4A (William Whyte and North Point Douglas) Neighbourhoods)	$21, 657	$35,099	$42,282	95.2 %

Source: Winnipeg Real Estate Board (WREB)

5. **No. of dwelling units acquired, constructed, or rehabilitated annually in multiple program projects compared to the total number of dwelling units acquired, constructed, or rehabilitated in all projects.** This measure is intended to reflect the level of intergovernmental participation in housing and homelessness projects.

Fiscal Year	Number of Projects	Projects with Multiple Funding Sources	Multiple Program Projects as a Percent of All WHHI Projects
2000/01	15	7	47%
2001/02	84	27	32%
2002/03	47	28	60%
2003/04	68	40	59%
2004/05	95	46	48%

6. Number of media events held annually to announce WHHI projects or celebrate project openings

Fiscal Year	Number of Media Events
2000/01	4
2001/02	11
2002/03	9
2003/04	12
2004/05	11
2005/06 (YTD)	9

Since the mandate of the WHHI was extended in November 2003, 32 public announcements or events have been organized. Prior to the WHHI, stories on housing and homelessness were for the most part negative. Recent media coverage has been very positive, focussing on the renewal rather than the deterioration of housing stock in the inner city, and improved services for the homeless. These are all good news stories, which are considered to be soft news and not normally covered by the media.

It is important to note that the MOU provides for the participation of the three levels of government at events, regardless if they have funding in the project. This joint participation strongly reinforces the perception among the public that governments are working as partners to address housing and homelessness issues in Winnipeg in a coordinated fashion.

RECOMMENDATION

While WHHI has made considerable progress in addressing housing and homelessness needs in Winnipeg neighbourhoods, much more work remains to be done.

A review of the operational effectiveness measures indicates that, while the organization is performing well and clients are generally satisfied with the service they have received. Steps are being taken to address those needs. Overall, there is strong support from the community to continue the operations of the WHHI. An independent consultant's report on client satisfaction (referenced in Appendix A) concluded with a recommendation to extend the MOU.

Section 6.03 of the November 27, 2003 Memorandum of Understanding requires that Management Committee submit an evaluation report with a recommendation regarding the extension of the MOU to March 31, 2008. Section 8.01 of the MOU indicates that document shall expire on March 31, 2008 subject to an evaluation and recommendation for continuation by Management Committee.

Based on the evaluation summarized herein, Management Committee recommends to Executive Committee that the operations of the Winnipeg Housing and Homelessness Initiative continue until March 31, 2008.

ACCEPTED AND AGREED TO:

GOVERNMENT OF CANADA:

_____ Date:_____

Honourable Reg Alcock

GOVERNMENT OF MANITOBA:

_____ Date:_____

Honourable Christine Melnick

CITY OF WINNIPEG:

_____ Date: _____

His Worship Mayor Sam Katz

Appendix A

FOCUS GROUP STUDY FINDINGS AND MANAGEMENT COMMITTEE RESPONSES

Main Recommendation: *That the November 2003 WHHI Memorandum of Understanding (MOU) respecting a renewed commitment by Canada, Manitoba, and Winnipeg to a common objective to coordinate the implementation of their strategies related to housing revitalization and homelessness in Winnipeg, be extended to March 31, 2008 as provided for in Sections 6.03 and 8.01 of the MOU.*

Finding A : *That an independent review of the mandate, membership and procedures of the Proposal Fund Allocation Committee (PFAC) be conducted.*

> **Response A:** Human Resources and Skills Development Canada (HRSDC), which established PFAC as an advisory body for SCPI funding decisions, advises that they agree with the findings even though they are beyond the scope of the WHHI evaluation. HRSDC are examining alternate advisory committee approaches and hope to adopt a new model in time for Phase 3 SCPI funding.

Finding B: *That the WHHI review and respond to suggestions from both staff and community partners to facilitate more effective intergovernmental communication within the single window office.*

> **Response B:** Coordinators will provide more frequent opportunities to share information concerning projects and programs. This will include information sessions hosted by each WHHI government partner for staff and community partners.

Finding C: *That the WHHI government partners continue to improve and promote long term and comprehensive planning to address housing and homelessness issues.*

> **Response C:** WHHI is a delivery agent and not a planning organization. However, WHHI continues to promote the development of neighbourhood housing plans and housing projects approved for funding must be compatible with those plans.

Finding D: *That the WHHI develop more comprehensive and user-friendly information on program funding criteria and the approval procedures of each of the three governments assist prospective project proponents. Also that the WHHI improve the information provided to the general public regarding WHHI projects and results.*

> **Response D:** WHHI is planning to take a number of steps to improve communications with partners and the general public, These include: launch of a website, additional housing forums (the May 2005 forum attracted over 100 participants), a new WHHI pamphlet, and an updated WHHI display.

Finding E: *That the WHHI respond to the identified need to build the capacity of housing and homeless partner organizations in such areas as project management, due diligence procedures, financial accountability, and business practices.*

Response E: CMHC will conduct a survey of housing and homelessness partners to determine their capacity building needs. When these needs are better defined, WHHI will develop a capacity building plan to meet them.

Finding F: *That the WHHI respond to the need to continue to build capacity of staff to provide high level service by enhancing skills in relationship-building, decision making, and negotiating and by increasing opportunities to build knowledge of the programs and administrative process of other government partners.*

Response F: Response C outlines initiatives to increase staff knowledge of programs of other government partners. In addition, each WHHI government partner will ensure that a skills development plan is in place for staff located at WHHI.

Appendix B

MEMBERS OF THE EXECUTIVE COMMITTEE OF THE WINNIPEG HOUSING AND HOMELESSNESS INITIATIVE:

Honourable Reg Alcock, President of Treasury Board and Minister Responsible for the Canadian Wheat Board

Honourable Christine Melnick, Minister of Family Services and Housing

His Worship Mayor Sam Katz, Mayor of the City of Winnipeg

MEMBERS OF THE MANAGEMENT COMMITTEE OF THE WINNIPEG HOUSING AND HOMELESSNESS INITIATIVE:

Trevor Gloyn, General Manager, Prairies and Territories Region, Canada Mortgage and Housing Corporation

Ken Burfoot, Dìrector, Programs, Human Resources and Skills Development Canada

Linda McFadyen, CEO, Manitoba Housing and Renewal Corporation

Henry Bos, A/ADM, Social Housing and Employment and Income Assistance, Manitoba Family Services and Housing

Harry Finnigan, Director, Planning, Property, and Development Department, The City of Winnipeg

Ian McKay, Senior Manager of Operations, Planning Property and Development Department, The City of Winnipeg