Spence
Neighbourhood
Association

Sam Katz
Mayor City of Winnipeg
510 Main St.
Winnipeg, MB. R3B 1B9

March 11, 2011

Re: the motion from the Standing Committee on Property and Development
"That $500,000.00 be allocated from the Housing Rehabilitation Investment Reserve to the Home Renovation Tax Assistance Program, with the intention of increasing the maximum allowable credit for the Home Renovation Tax Assistance Program by 50%, and the understanding that the expenditures of the balance of the $500,000.00 in the Housing Rehabilitation Investment Reserve are to be referred to the Winnipeg Housing Steering Committee for recommendation to the Executive Policy Committee."

Dear Mayor Katz;

Members of the Spence Neighbourhood Association would like to express their shock and dismay at the above motion. Over the past 10 years, our community has made great strides. Housing values are up and the number of people in our community has increased by over 12%. On average 27 buildings have been improved each year. About 40% of these are rental units and the repairs helped keep this housing affordable. This funding has also helped build 35 new infill houses and supported the renovation of several houses all of which were sold for private homeownership. This fund has been a major contributor to neighbourhood improvement.

However, the community is still fragile. Spence still has 15 boarded up buildings (4 apartment buildings). Thanks to your improvements in the Vacant Building By-law, we expect this number to decrease. In the past year, 11 buildings were demolished or improved. Several of these benefit from the HRIR fund). Some of the HRIR fund goes into building the replacement housing.

A survey of our community shows that of the 1200 buildings, 232 need substantial improvements. Many need new roofs and eaves which are ideal project for this funding. Our community is one that welcomes people coming into Winnipeg from the airport and we want to make a positive presentation.

For property owners in Spence, removing this funding is doubling impact of the rising cost of owning a property. Property assessment and taxes have increased dramatically in 2008 and 2010. This especially impacts tenants of lower income housing whose landlords pass on the higher operating costs through increased rents. Now the grants for improving these properties are threatened. Our office is inundated with people looking for affordable housing, the cost of which each year moves further from their grasp. In reality, this motion takes money from lower income people and places it in the pockets upper middle class citizens in more prosperous parts of the city.

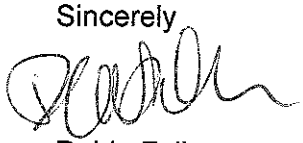
The timing of the change is a major concern. We are just gearing up to begin our housing incentives program for 2011. The season for doing external improvement to buildings is short and the process

must begin early. This has become an essential housing program that inner-city homeowners have come to rely on. Often, they are unable to make essential fix ups and repairs to their homes due to lower income levels and the high cost of insurance. This funding is often the only option for them to be able to make these renovations. Without this funding we will see a major drop in our already fragile housing stock. This change will have immediate drastic effects on our community.

There is a tremendous amount of work being done in Winnipeg's inner-city with limited resources. There is still plenty of work to be done. It is important that the City continues to partner with neighbourhoods to get this work done, rather than cutting off this support.

We urge you and your committee to reverse this motion. The inner city needs your protection.

Sincerely



Robin Falk
Co-Executive Director