Agenda - Executive Policy Committee – July 13, 2011

Report - Standing Policy Committee on Downtown Development, Heritage and Riverbank Management – July 4, 2011

Item No. 2 Downtown Residential Development Strategy – Downtown Residential Development Action Plan

STANDING COMMITTEE RECOMMENDATION:

On July 4, 2011, the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the Downtown Residential Development Strategy and Downtown Residential Development Action Plan (Appendix A) be adopted.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report - Standing Policy Committee on Downtown Development, Heritage and Riverbank Management – July 4, 2011

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On July 4, 2011, the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **To establish a Downtown Residential Development Strategy**

Critical Path: **Standing Policy Committee on Downtown Development, Heritage and Riverbank Management, Executive Policy Committee, Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
S Dueck	D Joshi	N/A	P Sheegl CAO

RECOMMENDATIONS

1. That the attached Downtown Residential Development Strategy and Downtown Residential Development Action Plan (Appendix A) be adopted.

REASON FOR THE REPORT

On September 21, 2006, the Executive Policy Committee referred the recommendation of the Winnipeg Housing Steering Committee to the Public Service to prepare a report outlining scope, strategy, and process for housing in the Downtown.

IMPLICATIONS OF THE RECOMMENDATIONS

The intent of the Downtown Residential Development Strategy (DRDS) is to contribute to the creation of a Downtown that:

- is vibrant;
- has neighbourhoods with distinct character;
- is walkable, and;
- is a source of civic pride.

The DRDS identifies four key goals and six specific strategies.

The goals set out to achieve this vision are:

1. to increase the population of the Downtown;
2. to create dense residential clusters;
3. to promote residential buildings and neighbourhoods in order to develop a Downtown that reflects the income diversity of the whole of the city of Winnipeg; and

4. to continue to support existing downtown neighbourhoods.

The DRDS identifies six specific strategies to achieve these goals:

1. Enhance the quality of downtown residential life;
2. Improve access to and from, and mobility within, the Downtown;
3. Develop a strong planning framework for downtown residential development;
4. Enhance and ensure responsive and integrated City services related to Downtown residential development;
5. Adapt and develop key tools to encourage desired development; and
6. Promote downtown living with developers and potential residents.

These six strategies are in turn supported by almost 50 action items identified in the Downtown Residential Development Action Plan. A number of these action items are already in place or are presently being completed. A second category represents actions that have been previously announced or will be implemented as part of other operational plans. A third category represents new initiatives. It was seen as important to include all three categories of actions in this document to reflect the broad set of initiatives that are currently underway within the Downtown.

One of the cornerstones of the strategy is the new Downtown Residential Development Grant Program (DTRDGP) jointly announced by the City and Province in 2010 and expanded in 2011. This program provides a grant to developers at the time of project completion and is financed by incremental municipal and education taxes for up to 15 years. The program is designed to provide increased incentives or leverage to encourage residential projects characterized by mixed income (a range of rental or price options within the project) and/or mixed-use (inclusion of commercial or non-residential uses within the project). Initial uptake in the program has been very strong and, projections based on the projects that have been conditionally approved already indicate that over 1400 new units could be created in the Downtown under this program alone.

Downtown currently has an estimated population of 14,385 with about 65% of residents living in the two neighbourhoods of Assiniboine-Broadway and Central Park. Future growth is projected to result in a population of about 15,000 by the end of 2011.

Overall, while there are a large number of affordably priced rental units in the Downtown, there are a limited number of moderately-priced ownership options. Recent condominium projects completed in the Downtown have tended to have larger units and are situated along the river, and so are generally higher priced. This has left a gap in the mid-range of housing options in the Downtown, and offers an opportunity for development of moderately-priced rental and more attainable ownership options. The take-up under the new DTRDGP appears to be addressing this gap.

Between 2003 and 2010, over 700 new units of rental and ownership housing were completed and another 446 units are under construction in the Downtown. Of these approximately 100 new units per year, half are rental and half are condominium. Additionally, with the assistance of the new Downtown Residential Development Grant Program, over 700 new units will likely be proceeding within the next few years associated with projects that have been announced or are known to be in the planning process. The data suggests that momentum is building as the most recent years of 2009 and 2010 (estimated) will average about 150 new units annually.

In terms of population growth, from the Census periods of 2001 to 2006, the population of the Downtown increased by about 5 percent or 655 people. This was more than double the city's overall 2.2 percent change over the same period. Likewise, based on estimated growth since the 2006 Census, the downtown population has grown by an additional 6.8% between 2006 and 2010, exceeding the city's 4.8% overall growth. The Downtown population is growing and the Strategy and Action Plan will build on this success.

The following table breaks out forecasted growth by neighbourhood group in the Downtown.

Neighbourhood	2006-2010	2011-2015	2016-2020	Forecast increase in population, 2011 - 2020	% of Forecast Growth
Broadway - Assiniboine	0	200	190	624	14%
Central Park	42	100	85	296	6%
China Town / Civic Centre / DT portion of Centennial	147	115	215	528	11%
Colony / Legislature	11	50	110	256	6%
Exchange District / DT portion of West Alexander	150	523	375	1436	31%
Portage - Ellice / South Portage / Portage & Main / The Forks	193	238	350	940	20%
South Point Douglas / Logan C.P.R. (DT portions only)	29	150	175	520	11%
TOTAL	**572**	**1375**	**1500**	**4600**	**100%**
Average / Year	**114**	**275**	**300**	**460**	

The Downtown's population represents a rich cultural diversity which contributes to the Downtown's energy as a cultural centre, and provides opportunities to incorporate and promote diversity as a distinct character feature However, a concerning indicator is that currently the median household incomes in the Downtown are approximately half of those in Winnipeg as a whole. This is due in part to the smaller household size in the Downtown and due to the high preponderance of rental vs. home ownership housing. However, in general, the goal would be for the Downtown to reflect the income diversity of the whole of the city of Winnipeg. Projects planned under the DTRDGP indicate that developers are actively planning units representing mid-range rental and condominium options. These new affordable and attainable units should lead to subsequent population growth that will result in this demographic shift.

Like many downtowns in North America, and, due in part to the high percentage of rental units in the Downtown, residents in Winnipeg's Downtown are highly mobile. A key implication of this is that encouraging people to live in the Downtown applies as much to the existing housing stock as creating new units. Existing dwellings and established neighbourhood clusters need to be well maintained and supported.

A common theme amongst most of the developers interviewed in a background study was the importance of parking for marketing condominium units, even if one or more members of the household do not drive to work. Therefore, a number of items in the Action Plan are geared to supporting and developing public transit and active transportation.

That being said, parking remains an issue, particularly if more surface lots are converted to new residential development in the future. In addition, as parking demand grows, surface lots become more lucrative and more costly to convert to residential development. Currently, most new residential development, therefore, looks to develop parking as part of the project or may struggle with sales when either it does not and/or it finds the challenge of providing project parking within the built-form environment insurmountable. This situation is anticipated to change somewhat over the medium/long-term, as the downtown environment and the transportation system evolves to offer a wider range of practical transportation options, as contemplated in the Sustainable Transportation Direction Strategy. The City of Winnipeg is committed to working with downtown stakeholders including residents and developers to introduce practical creative parking solutions that meet the goals of promoting mobility, enhancing long-term social, environmental and economic sustainability and contributing to a high quality urban environment. A downtown parking strategy is a critical tool for enabling these solutions.

HISTORY

On September 21, 2006, the Executive Policy Committee referred the recommendation of the Winnipeg Housing Steering Committee to the Public Service to prepare a report outlining scope, strategy, and process for housing in the Downtown.

Downtown Winnipeg has increasingly become a focus in City policy. Plan Winnipeg 2020 identifies a need to promote downtown development and to encourage downtown living. The City has, over the past decade, implemented a number of measures to promote Downtown housing, which has bolstered the creation of new units through new construction and the conversion of non-residential space to residential units.

In addition, CentrePlan, the City's plan for the Downtown identifies a healthy residential sector and growth in 'clusters' as a key element in the Downtown's future success.

The City would like to go further in promoting housing in the Downtown and has developed this Strategy and Action Plan to achieve this.

FINANCIAL IMPACT

Financial Impact Statement Date: May 26, 2011

Project Name:

Downtown Residential Development Strategy

COMMENTS:

The recommendation contained in this report is that the attached Downtown Residential Development Strategy and Downtown Residential Development Action Plan (Appendix A) be adopted.

There are no direct financial implications associated with this recommendation.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

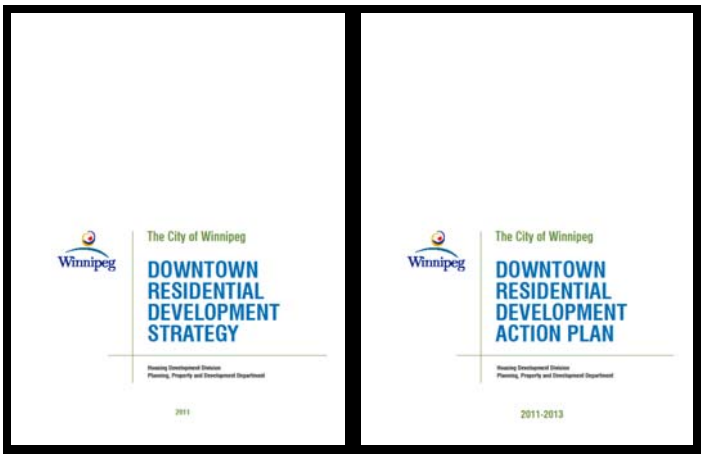
Winnipeg Police Service
Community Services Department
Public Works Department
Winnipeg Transit
Winnipeg Parking Authority

External Consultation:
The Forks North Portage Group
CentreVenture
Downtown Winnipeg BIZ
Exchange District BIZ
Winnipeg Downtown Council members
Government of Manitoba
- **Local Government**
- **Manitoba Housing and Community Development**

SUBMITTED BY

Department:	Planning, Property and Development
Division	Housing Development Division
Prepared by:	Stan Dueck, Housing Development Manager
Date:	May 26, 2011
File No.	o:\reports directive\housing development\ris dt residential development strategy.doc

APPENDIX A


The City of Winnipeg
DOWNTOWN RESIDENTIAL DEVELOPMENT STRATEGY
2011
The City of Winnipeg
DOWNTOWN RESIDENTIAL DEVELOPMENT ACTION PLAN
2011-2013