From: Tim Comac
Sent: Wednesday, March 13, 2019 4:40 PM
To: Prinsloo, Pieter
Cc: McMillan, Kate
Subject: INFILL NEEDS REAL REPRESENTATION IN THIS BUDGET

Dear Councilors & Mayor,

Respectfully, I am asking that you include the $650,000 that was requested by the Planning, Property & Development Department (PP&D) in the 2019 Budget for the enhanced roll out of a comprehensive Residential Infill Strategy & Implementation Plan. This request originated, and was supported unanimously, at the February 4th Standing Policy Committee on Property and Development, Heritage and Downtown Development at the request of this committee to PP&D to provide a formal implementation plan / budget that would effectively roll out a strategy equal to our counterparts such as Edmonton, Calgary, Vancouver, Ottawa and Montreal. **However, this is now being rejected by the Budget Working Group – the importance of infill is being ignored.**

For the greater good of our City - we NEED to invest in a comprehensive robust plan vs the current $45,000 commitment and piggyback on the Our Winnipeg Planning Process. Other Cities spend millions of dollars on these initiatives to study infrastructure, understand existing neighborhood context, and plan strategically intelligent infill policies, guidelines, communication strategies and implementation plans Infill needs City Champions - It also requires education, communication, outreach and actual facts based on statistically reliable data. Infill requires the leadership of City Council and our Mayor.

We have reviewed the Budget and want to highlight how infill can positively impact a number of the City's most significant challenges. The following are some of the talk points of this Budget:

- The infrastructure deficit is a staggering $7 billion! (page 6).
- Half of this deficit is deferred upgrades on the existing infrastructure we already have and can't afford to properly maintain! (page 6).
- The other half of this deficit is the required upcoming investment to handle the projected population growth (page 6) which based on historical trends that will be accommodated within Greenfield Suburban Development Sites.
- In light of these numbers, the current year proposed capital budget for infrastructure upgrades is $86.4 million from all sources which is way too low... but it looks like this is all we can afford? At this current path, assuming most units are developed in greenfield areas, what is the aggregate infrastructure deficit going to look like in 25 years!
- total projected road and sewer expenditures are projected to be a combined $969 million over the next 6 years ($161 million /year) - way less than the $7 billion aggregate needed? (page 7)
- the inflation grind on the current $7.0 billion dollar deficit just to stay at this $7 billion is $112 million each year at the current 1.6% inflation rate.
- creative alternative options to the massive infrastructure shortfall are needed BADLY for the collective greater good of all of the City.
- projected strong growth of around 8,200 people per year for 25 years (page 9) has been targeted – BUT - Where are these people going to live and how can we accommodate them in the most economic manner for this City?

City Planning Section (starting page 2-37)

- Growth in greenfield units has increased from 2,367 in 2015 to 3,410 in 2017. This is an increase in greenfield units of 44.1% over these 2 years which fuels the infrastructure deficit.
- Infill development (per unit) has remained relatively static over this time and actually dropped from 1,337 in 2016 to only 1,232 in 2017.
- Greenfield development outpaced infill by a margin of 3,410 to 1,232 which is 276% more greenfield than infill.
- The infrastructure deficit should be able to be reduced to a significant degree if we have a long range strategy to reduce urban sprawl and the need for many more miles of new roads, sewers, underpasses, etc.
- New Infill MUST ensure storm water run-off post development is equal to pre-development rates – thus if it is properly undertaken it should not impact this infrastructure negatively.
- Infill represents an environmentally responsible way to help the City manage these costs.
- Mature Communities also already have schools, community centers, libraries, pools, playgrounds, parks, etc to accommodate this growth. To maintain these facilities and stop closures of these facilities, we need more people in these areas and stop the decline! The deferred maintenance items within the budgets for these facilities continues to climb – we have to find ways to inject money back into these assets. We cannot do that with declining populations.
- Areas of urban sprawl require their own new schools, parks, community centers, while these facilities in Mature Communities are underutilized due to the 88,000 population decline since 1971!
- If these facilities keep closing down in these Mature Communities, it will be even harder to attract new people to move into these areas due to declining services and amenities.
- Based on this imbalance between greenfield and infill, it is inevitable that the number of infill units as a percentage of total unit growth in the City needs to be increased significantly.
- The net cost benefit to the City of Winnipeg for added density in mature communities should be calculated for the City of Winnipeg and should also factor in the increased provincial school taxes that will ultimately benefit the residents.

If everyone in the City knew the extent their overall property taxes could be reduced (or deficits reduced) by increasing infill development in mature communities, there would be wide spread approval and support for infill amongst the 705,000+ residents that call this City home. Add to that a more vibrant inner city and the benefits to locally owned businesses vs the big box stores in suburbia…the economic change could be huge!

- The City of Winnipeg property tax yield significantly increases because of infill developments. Our typical property taxes for an old houses on 50' lots are around $2,400 a year. The property taxes after a lot split creating 2 - 25' lots with a single family house on each with secondary units is around $6,250 each for a total of around $12,500 a year. This is a net property tax increase of $10,000 a year per 50' lot!
- That is an added $100,000 for one property in 10 years. Imagine what transforming an entire street could accomplish!

Now, let's look at this on a much larger scale with proper densification of key existing mature communities we could really achieve a massive financial benefit to the City of Winnipeg's infrastructure deficit.

- Our development firm, Ventura Developments Inc. alone has completed infill projects that result in around 100 new units in Mature Communities (namely Osborne Village & Crescentwood) over the last 4 years.
    - The Pre-Development Property Taxes on these three sites was under $30,000 per annum.
    - The Post-Development Property Taxes on these three sites is now over $300,000 per annum.
    - This represents a **10 TIMES** multiplier on tax yield for the City and Province! Over three small development sites the City will yield $3,000,000 over the next 10 years.
        - Keep in mind that increased school taxes result in greater programs and services and the ability for school divisions to address massively deferred maintenance problems in these schools within the mature communities.
- the net total cost to the City to accommodate these new infill units is very low, if not negligible, as our firm paid all dedication fees, covered all departmental expenses via fees, generated income for the city with building permits, benefited the local workforce with the economic impact of the tens of millions in investment, and even improved off-site infrastructure (ex. Installing new sidewalks).

IMPORTANT FACTS TO CONSIDER:

- Unless the Our Winnipeg planning process is going to replace the out-dated neighbourhood plans found within mature communities it will do nothing to enhance development in those areas bc the two documents will not align and the neighbourhood plans will take precedence at PP&D. Example: Osborne Village Neighbourhood Plan is more than 15 years old and limits building heights to 4 floors within Osborne Village – WHY?
- Identifying key areas to intensify based on infrastructure capacity and ideal transportation availability (bus, routes to downtown, no future underpass requirements, etc.) will ensure Infill is undertaken in the most viable manner to the benefit of everyone in the City.
- Working on bulk zoning to support and enhance infill development requires detailed analysis and up front investment by the City to process and implement. Our Winnipeg will not accomplish this task.
- The return on investment that can be achieved by approving an added $650,000 to PP&D to focus exclusively on an infill strategy, guidelines, policy, etc. will be achieved very quickly.
- The City is spending major capital on an innovation department. Spending $650,000 to increase the volume of infill has the same style of payback to the City as innovation will provide, arguably in a more visible manner and potentially even faster.
- **$650,000 is a fraction of what other City's of comparable size spend on their infill strategies and thus is not an ambitious dollar figure to request. Edmonton alone spent over $1,000,000 and has become the example of good infill policy, communication and outcome. The City unanimously supports it and the residents agree! In Edmonton, Infill is a positive conversation bc the elected officials & the city convey a positive message to the public about Infill.**
    - Edmonton's return on investment has been massive in comparison to what they have spent – this is well documented.

We suggest that the City needs to look at the long term vision of the economic sustainability of the City as a whole and the significant role infill development and increased density in the core and Mature Communities can play. The collective greater good of the City must trump the concerns of NIMBY groups in infill areas. These NIBY groups do not pose creative solutions for the decline of these areas over the

last 4+ decades, yet they have seen the decline firsthand! The status quo is obviously NOT working and something needs to be done! The last round of OUR WINNIPEG may have helped infill, but, it did not create the documentation, strategy, policy, guidelines and data that is still badly needed.

Infill Guidelines for Mature Communities (a Draft City of Winnipeg document) has been on the shelf since 2011! This initiative needs to be advanced with purpose and vision. Our industry will get involved and contribute in a meaningful capacity.

We **NEED** a comprehensive Residential Strategy & Implementation Plan to move forward effectively. $45,000 for this type of study is not going to support what is so badly needed. The professionals at PP&D agreed when they presented their budget of $650,000 to undertake and complete a process similar to Edmonton.

We are asking you to allocate $650,000 into the budget for this important imitative!

Sincerely,

Tim Comack, BBA, CHP, MCPM
Vice President-Development
Ventura Land Company Inc.
Ventura Developments Inc.

www.ventura.mb.ca

"Building Communities with Vision."

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