Agenda – Standing Policy Committee on Property and Development – December 4, 2025

REPORTS

Item No. 7 Vacancy to Vitality – Strategic Policy Options to Address Vacant and Derelict Properties

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the City enter into, execute, and deliver a partnership agreement with Manitoba Housing and Renewal Corporation, Purpose Construction, and Build Inc. to increase affordable housing that emphasizes homeownership in Winnipeg's housing improvement zones.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the partnership agreement in Recommendation 1, in accordance with this report, and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

3. That the partnership agreement initially target the William Whyte neighbourhood on a pilot basis.

4. That a City of Winnipeg owned vacant lot located at 400 Pritchard Avenue be transferred to Manitoba Housing and Renewal Corporation as an initial property to pilot the partnership agreement.

5. That the Chief Administrative Officer optimize the Public Service's use of the enforcement tool known as the "taking title without compensation" as a key mechanism to enforce compliance with the city's Vacant Buildings By-law (79/2010) and Vacant and Derelict Buildings By-law.

6. That the Province of Manitoba be requested to make the necessary legislative amendments to improve the efficiency of administering the taking title without compensation process by allowing for substitutional service.

7. That the eligibility period for properties to enter tax sale be reduced from the existing three years in arrears to two years, thereby reducing the duration of the overall tax sale process from approximately five years to four, effective January 1, 2027, and subject to financial review as part of the 2027 annual budget update process.

WINNIPEG PUBLIC SERVICE RECOMMENDATION (continued):

8. That the structure for the existing Empty Building Fee be revised from a flat fee of 2 percent of assessed property value per year beginning after a third Schedule A inspection, to 1 percent of assessed property value per year beginning after the first Schedule A inspection, and that the fee increase 1 percent per year to a maximum of 5 percent of assessed property value in year five of vacancy and beyond.

9. That the Director of Legal Services be directed to amend the relevant By-Laws and fee schedules, in accordance with Recommendation 8, and bring same directly to Council by way of communication within 30 days for all three readings.

10. That the Public Service report back in April 2026 with a plan to establish a new reserve to be funded by Empty Building Fee revenue that supports the use of the taking title without compensation enforcement tool, prevention of residential building vacancy, re-occupancy of vacant buildings, and re-development of vacant and derelict buildings for housing.

11. That the Public Service review the Housing Rehabilitation Investment Reserve (HRIR) and report back in December 2026 with recommendations to strengthen programs funded under the HRIR, including ways reserve funds could further support the prevention of residential building vacancy, re-occupancy of vacant residential buildings, and/or redevelopment of sites of vacant and derelict buildings for housing.

12. That the Chief Administrative Officer formalize and implement an acquisition program that establishes the conditions under which the City of Winnipeg would accept title to distressed residential properties from owners willing to transfer their residential property to the City of Winnipeg.

13. That the Public Service actively promote the acquisition program as an option available to owners of distressed residential properties in housing improvement zones as a means to supply property for the partnership with Manitoba Housing and Renewal Corporation.

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

Agenda – Standing Policy Committee on Property and Development – December 4, 2025

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 12, 2025, the Standing Policy Committee on Property and Development concurred in the recommendation of the City Centre Community Committee, and directed the Winnipeg Public Service to report back to the Standing Policy Committee on Property and Development in up to 120 days, on the following:

1. The results of a study into stronger restrictions on residential properties that remain vacant or unoccupied for more than three consecutive years, without meaningful effort to rehabilitate, occupy, sell, or rent.

2. Recommendations with stronger restrictions to include forced rehabilitation orders; compulsory leasing (temporary public use with compensation); or municipal expropriation under the City's authority for housing and urban renewal purposes.

3. Review the cities legal options under:

    A. The City of Winnipeg Charter;
    B. The Expropriation Act;
    C. Any relevant human rights or property rights case law;

4. The results of consultations with other jurisdictions (e.g. Toronto, Ottawa, Vancouver, and select U.S. cities) on their experience with compulsory sale or vacancy enforcement tools.

5. Results of a review of the legal and policy framework, including possible amendments to existing by-laws and the budgetary implications of enforcement of existing by-laws and possible property acquisition.

ADMINISTRATIVE REPORT

Title: Vacancy to Vitality: Strategic Policy Options to Address Vacant and Derelict Properties

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
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EXECUTIVE SUMMARY

This report recommends key policy interventions to address the growing challenge of vacant and derelict residential properties, particularly in the William Whyte neighbourhood, and outlines the City of Winnipeg's participation in the 2024–2025 Bloomberg Harvard City Leadership Initiative.

Vacant and derelict buildings are a social and economic blight, contributing to fire risk, public safety concerns, and neighbourhood disinvestment. Unfortunately, the number of vacant buildings in Winnipeg has been increasing and disproportionately affecting some of the most impoverished neighbouroods and low-income, newcomer and Indigenous residents.

Over the summer, together with the support of a Harvard University Summer Fellow, the City has collaborated with a host of external partners – including Manitoba Housing and Renewal Corporation (MHRC), Purpose Construction, Build Inc., and the William Whyte Neighbourhood Association – to identify and coordinate policy and program interventions to help address the issue of vacant and derelict properties.

Key policy recommendations arising from this collaboration include:

- Establishing a partnership with MHRC and social enterprises to increase affordable housing, emphasizing homeownership in housing improvement zones beginning with a pilot at 400 Pritchard Avenue in the William Whyte neighbourhood;
- Optimizing the City's use of the taking title without compensation process to enforce compliance with vacant building by-laws;
- Reducing the tax sale eligibility period from three to two years to accelerate property acquisition and remediation;
- Restructuring the Empty Building Fee into a progressive annual rate (1–5 percent of assessed value) and dedicating its revenues to a new reserve supporting vacancy prevention and redevelopment; and

- Formalizing and promoting an acquisition program to accept title to distressed residential properties voluntarily transferred to the City.

Together, these measures strengthen enforcement, enable partnerships for reinvestment, and improve tools to bring vacant and derelict properties back into productive use. They align with *OurWinnipeg 2045* and the City's *Poverty Reduction Strategy* by promoting affordable housing, community stability, and equitable urban renewal.

RECOMMENDATIONS

1. That the City enter into, execute, and deliver a partnership agreement with Manitoba Housing and Renewal Corporation, Purpose Construction, and Build Inc. to increase affordable housing that emphasizes homeownership in Winnipeg's housing improvement zones.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the partnership agreement in Recommendation 1, in accordance with this report, and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

3. That the partnership agreement initially target the William Whyte neighbourhood on a pilot basis.

4. That a City of Winnipeg owned vacant lot located at 400 Pritchard Avenue be transferred to Manitoba Housing and Renewal Corporation as an initial property to pilot the partnership agreement.

5. That the Chief Administrative Officer optimize the Public Service's use of the enforcement tool known as the "taking title without compensation" as a key mechanism to enforce compliance with the city's Vacant Buildings By-law (79/2010) and Vacant and Derelict Buildings By-law.

6. That the Province of Manitoba be requested to make the necessary legislative amendments to improve the efficiency of administering the taking title without compensation process by allowing for substitutional service.

7. That the eligibility period for properties to enter tax sale be reduced from the existing three years in arrears to two years, thereby reducing the duration of the overall tax sale process from approximately five years to four, effective January 1, 2027, and subject to financial review as part of the 2027 annual budget update process.

8. That the structure for the existing Empty Building Fee be revised from a flat fee of 2 percent of assessed property value per year beginning after a third Schedule A inspection, to 1 percent of assessed property value per year beginning after the first Schedule A inspection, and that the fee increase 1 percent per year to a maximum of 5 percent of assessed property value in year five of vacancy and beyond.

9. That the Director of Legal Services be directed to amend the relevant By-Laws and fee schedules, in accordance with Recommendation 8, and bring same directly to Council by way of communication within 30 days for all three readings.

10. That the Public Service report back in April 2026 with a plan to establish a new reserve to be funded by Empty Building Fee revenue that supports the use of the taking title without compensation enforcement tool, prevention of residential building vacancy, re-occupancy of vacant buildings, and re-development of vacant and derelict buildings for housing.

11. That the Public Service review the Housing Rehabilitation Investment Reserve (HRIR) and report back in December 2026 with recommendations to strengthen programs funded under the HRIR, including ways reserve funds could further support the prevention of residential building vacancy, re-occupancy of vacant residential buildings, and/or redevelopment of sites of vacant and derelict buildings for housing.

12. That the Chief Administrative Officer formalize and implement an acquisition program that establishes the conditions under which the City of Winnipeg would accept title to distressed residential properties from owners willing to transfer their residential property to the City of Winnipeg.

13. That the Public Service actively promote the acquisition program as an option available to owners of distressed residential properties in housing improvement zones as a means to supply property for the partnership with Manitoba Housing and Renewal Corporation.

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

REASON FOR THE REPORT

This report provides Council with details of the City of Winnipeg's participation in the Bloomberg Harvard City Leadership Initiative.

Recommendations to address vacant and derelict properties arising from the City's participation in that program require Council approval including authority to enter into agreements with other levels of government, change existing fees, create a new reserve, and amend the City of Winnipeg's policy on tax sale proceedings.

On September 12, 2025, the Standing Policy Committee on Property and Development concurred in the recommendation of the City Centre Community Committee, and directed the Winnipeg Public Service to report back to the Standing Policy Committee on Property and Development in up to 120 days, on the following:

1. The results of a study into stronger restrictions on residential properties that remain vacant or unoccupied for more than three consecutive years, without meaningful effort to rehabilitate, occupy, sell, or rent.

2. Recommendations with stronger restrictions to include forced rehabilitation orders; compulsory leasing (temporary public use with compensation); or municipal expropriation under the City's authority for housing and urban renewal purposes.

3. Review the cities legal options under:

    A. The City of Winnipeg Charter;
    B. The Expropriation Act;
    C. Any relevant human rights or property rights case law;
4. The results of consultations with other jurisdictions (e.g. Toronto, Ottawa, Vancouver, and select U.S. cities) on their experience with compulsory sale or vacancy enforcement tools.

5. Results of a review of the legal and policy framework, including possible amendments to existing by-laws and the budgetary implications of enforcement of existing by-laws and possible property acquisition.

IMPLICATIONS OF THE RECOMMENDATIONS

Authority will be delegated to the Chief Administrative Officer to enter into a partnership agreement with Manitoba Housing and Renewal Corporation and social enterprise to increase affordable housing with an emphasis on homeownership in Winnipeg's housing improvement zones, beginning in William Whyte.

The existing Empty Building Fee will be restructured from a flat fee applicable in the third year of vacancy to an escalating fee applicable in the first year of vacancy.

A new reserve separate from the Housing Rehabilitation Investment Reserve (HRIR) will be created and funded from revenue generated from the Empty Building Fee.

Use of the enforcement tool commonly referred to as the "taking title without compensation process" will increase.

A request will be made to the provincial government to allow for substitutional service when administering the taking title without compensation process.

Subject to financial review in next annual budget update process, the eligibility period for properties to enter tax sale will be reduced effective January 1, 2027.

An acquisition program to accept title of distressed residential properties will be formalized, implemented, and promoted.

HISTORY/DISCUSSION

THE BLOOMBERG HARVARD CITY LEADERSHIP INITIATIVE

Last summer, the City of Winnipeg was chosen to participate in the Bloomberg Harvard City Leadership Initiative (2024-2025).

This is an initiative run collaboratively by the Harvard Kennedy School, Harvard Business School, and Bloomberg Philanthropies.

Its goal is to strengthen city leaders and equip cities across the world with the tools necessary to better innovate, change, and grow.

It is designed to develop key problem-solving skills and capacities within the public service that can be incorporated into and supplement existing continuous improvement programs. As well, the increased problem-solving capacity and skills accrued through the program can be exported and shared across city administration.

The program is entering its ninth year this year, and this was the second time the City of Winnipeg was accepted into the program.

Annually, about 40 cities from across the world are invited to participate. Cities participating in the program with Winnipeg in 2024-2025 were primarily from the United States but also included the Canadian cities of Edmonton and Longueuil. In previous years, Canadian cities that have participated in the program included Saskatoon, Calgary, and Mississauga.

Other than a commitment of time, the program is offered at no cost to participating cities.

The program provides participating cities with access to Harvard faculty, students, staff, and other resources to help them improve in one of three practice areas: cross-boundary collaboration, data and evidence, or innovation.

The practice area Winnipeg participated in was called ***cross-boundary collaboration***. The aim of this practice area is to improve the city's ability to collaborate across agencies, jurisdictions, and sectors to 'solve' a single challenge of the city's choosing.

The City of Winnipeg used the opportunity to help it address the growing issue of vacant and derelict properties, focusing on the William Whyte neighbhourhood.

KICK-OFF SESSION

A half-day session to kick-off the City's participation in the program was held November 25, 2024. This session brought over 25 city officials and other community members together to brainstorm aspects of the challenges of vacant and derelict properties and identified many different perspectives on the work required to address the issue.

TEAM OF SEVEN

Following the kick-off session, the Bloomberg Harvard City Leadership program required the City to identify a smaller team of seven individuals to undertake intensive work examining the problem/challenge with resources and support made available from the program.

Membership of this team included:

1. Jonathan Hildebrand, City of Winnipeg
2. Sean Hogan, Build Inc.
3. Ashley Pledger, City of Winnipeg
4. Carolyn Ryan, Manitoba Housing and Renewal Corporation
5. Christian Schmidt, City of Winnipeg
6. Darrell Warren, William Whyte Neighbourhood Association
7. Winston Yee/John Lorbis, City of Winnipeg

While program requirements restricted participation to just seven individuals, collaboration and inclusion of additional individuals occurred beyond the seven member team directly participating in the program.

BLOOMBERG HARVARD SUMMER FELLOWSHIP

The City of Winnipeg was fortunate to have been one of the few participating cities to be granted access to a summer fellowship research student.

The summer fellowship program provided the City of Winnipeg with 10 weeks of research support from a Harvard University graduate student between June and August 2025 at no cost to the City.

The summer fellow/student completed two research reports and are attached as Appendix A and Appendix B.

PROBLEM IDENTIFICATION AND DECONSTRUCTION

Vacant and derelict properties are complex, multilayered issues and challenging for any city to address.

Unsecured vacant and derelict buildings can serve as hubs for illegal activity including repeated arson, trespassing, and theft. They also threaten public safety, reduce neighborhood appeal, lower property values, and increase insurance costs.

The number of vacant buildings in Winnipeg has been growing. The number of properties being managed under the Vacant Building By-law increased 45 percent in less than four years, rising from about 543 in 2021 to about 788 in October 2025.

Moreover, this issue disproportionately affects some of the most impoverished neighbourhoods in Winnipeg such as William Whyte, which is one of five housing improvement zones identified by Council.

The Bloomberg Harvard City Leadership Initiative focused its work on vacant and derelict residential properties in the William Whyte neighbourhood recognizing the issue is not unique to William Whyte and that other neighbourhoods faced similar challenges.

Vacant and derelict properties in William Whyte have become a significant social and economic blight, undermining community well-being, and placing a heavy burden on limited city services.

The William Whyte Neighbourhood Association has conducted detailed audits of problematic properties over the last few years. This audit involves Housing Committee volunteers walking each street across the neighbourhood and manually recording addresses of problematic properties and their status. These properties can include vacant buildings, boarded and vacant buildings, rubble piles, and vacant lots with a build up of illegally dumped solid waste. Attached as Appendix C are examples of what these properties can look like.

In spring of 2024, the Housing Committee identified a total of 110 problematic properties. In the spring of 2025, it had increased to 228.

An analysis of Winnipeg Fire Paramedic Service fire response data between January 1, 2024, and December 31, 2024, identified 232 fire incidents in William Whyte requiring response from 1,517 primary fire suppression units representing approximately $14.5 million in direct fire suppression expenditures. For comparison purposes, the neighbourhood of Sage Creek over the same time recorded just 3 fire incidents representing response from just 12 primary fire suppression units representing approximately $138,000 in direct fire suppression expenditures.

Persistent vacancy can often occur when property owners lack the financial means or return on investment to maintain, develop, or sell their holdings. In some cases, it becomes “cheaper” to abandon a property altogether. Other contributing factors include arson, deceased owners with no clear succession plan, and insufficient mechanisms for early intervention or prevention.

Neglected or unsafe properties arise when owners face financial constraints or when policies inadvertently create incentives to retain properties in poor condition. The limited availability of affordable housing can contribute to sustained demand for substandard rentals and existing enforcement tools can sometimes be ineffective as deterrents.

Roadblocks to development can further entrench the problem. Many properties in the area are unmarketable due to limited buyer interest, restricted access to financing or insurance, and certain policies can complicate infill housing efforts in some of these areas.

The cycle of vacancy and neglect is compounded by criminal activity and regulatory offences. Poverty, transience, substance abuse, and the lingering effects of colonialism and residential schools can contribute to unsafe conditions that attract further criminal activity. Together, these interconnected issues are difficult to disentangle, reinforce one another, and erode community stability.

It also deters private capital investment in William Whyte, erodes market confidence, undermines the overall housing market in the community, and compounds economic marginalization.

A comprehensive analysis prepared for the City of Winnipeg documented capital and credit flight across Winnipeg's North End, including William Whyte, as a pattern of systematic financial disinvestment creating significant barriers to economic development and community wealth building.

This analysis examined empirical evidence of capital and credit flight, analyzed ten specific city-based case studies that have successfully addressed similar challenges, and presented a policy framework for reversing patterns of disinvestment. The complete analysis is attached as Appendix A.

The analysis identifies clear patterns of banking capital flight, noting a 77 percent reduction in bank branches from 22 to five between 1980- 2003, accompanied by a seventeen-hundred percent increase in fringe banking outlets during the same period. Mainstream bank branches have been reduced to three in 2025, none of which are located in William Whyte.

These changes have disproportionately affected the area's 44 percent Indigenous population, which faces significantly higher barriers to financial inclusion compared to the 12 percent Indigenous population city-wide. Current mainstream banking infrastructure has experienced an additional 73 percent reduction since 1990, with the Royal Bank of Canada continuing this trend with recent branch closures at Sargent Avenue and Main Street in 2025.

KEY POLICY AND PROGRAM INTERVENTIONS AND RATIONALE

The recommendations in this administrative report target five key policy and program interventions. These interventions and the rationale for each are discussed below.

Intervention #1: *Establish a partnership agreement with Manitoba Housing and Renewal Corporation, Purpose Construction, and Build Inc. to increase affordable housing with an emphasis on homeownership in Winnipeg's housing improvement zones, beginning with William Whyte*.

Rationale: William Whyte residents identified a need to increase homeownership in their neighbourhood as well as ensuring homeownership was an option for residents as key to addressing vacant and derelict homes. Statistics Canada census data from 2021 underscores this need. Only 41 percent of William Whyte residents live in dwellings they own, while 59 percent live in rented dwellings. This is almost the exact inverse of the city overall where 63 percent of residents live in dwellings they own and 37 percent live in rented dwellings.

The provincial government is primarily responsible for housing, and Manitoba Housing and Renewal Corporation already has experience with and delivers programming focused on affordable rental and homeownership. Partnering with them would position the City of Winnipeg to strategically target housing needs across its housing improvement zones, beginning with William Whyte. This intervention builds on previous programs including the Housing Rehabilitation and Investment Reserve, affordable housing opportunities in housing improvement zones, Housing Opportunity Partnerhip (HOP), and enhances partnership for success.

The City of Winnipeg has a rich and well-established social enterprise community. Partnering with social enterprise like Purpose Construction and Build Inc. leverages local economic advantages of social enterprise while also furthering the goals of Council's existing Social Procurement Action Plan and Poverty Reduction Strategy. Facilitating non-market housing solutions also addresses the known market failures noted earlier.

Intervention #2: *Optimize the Public Service's use of the enforcement tool known as the "taking title without compensation process" as a key mechanism to enforce compliance with the city's Vacant Buildings By-law (79/2010) and Vacant and Derelict Buildings By-law*.

Rationale: The City of Winnipeg can acquire property through a host of means, and the existing legal and policy framework for vacant and derelict property is quite robust.

The City of Winnipeg Charter provides the City of Winnipeg authority to acquire property three ways (other than purchasing property/assets in the open market). This includes:

- **Expropriation;**
- **Tax sale; and**
- **Taking title without compensation**.

The City's authority to **expropriate** is derived from s. 205(1) of *The City of Winnipeg Charter,* which says the City can expropriate in accordance with *The Expropriation Act* "for its purposes". Under *The Expropriation Act*, the City acquires land in two ways: an agreement with the owner (preferred method); or land is taken without the owner's approval by expropriation (last resort). The City must pay fair market value for expropriated property, and price may be negotiated with owners. If the City and owner cannot agree on a price, the expropriation can be settled by the Land Value Appraisal Commission.

Tax sale is conducted annually and includes properties that have recorded three years of unpaid taxes and penalties. The City of Winnipeg's tax sale is not a public auction. The City exercises its right, under *The City of Winnipeg Charter*, to be the sole purchaser of properties listed in tax sale. Tax sale may, or may not, lead to the City acquiring title to property. Many properties entering tax sale are redeemed by owners or are sold before the City takes title.

Over the last six years (2020-2025) the City has acquired 111 properties through tax sale, averaging 23 properties a year, as follows:

- Year 2020: 18
- Year 2021: 26
- Year 2022: 10
- Year 2023: 3
- Year 2024: 37
- Year 2025: 17

It is important to note the COVID-19 pandemic and Council's decision to cancel tax sale in 2020 affected the number of properties entering tax sale as well as the number of properties ultimately acquired.

The City of Winnipeg Charter provides the City with the legal authority **to take title to properties without compensating** owners. This first requires owners to have been found guilty of violating the vacant building by-law. The process is well defined and considering the gravity of the outcome (property can be taken from owners who are not compensated) property owners who have been found guilty of violating the by-law are given several opportunities to bring their building into by-law compliance to avoid losing title to their property.

While taking title to private properties without compensation being paid to the owner can occur, the process is used more as a tool to drive compliance when dealing with vacant and derelict buildings because the threat of losing one's property without compensation incentivizes property owners to comply with the necessary compliance orders.

Between December 2009 and April 2017, the City of Winnipeg took title to 21 properties using the taking title without compensation process. Since 2017, no properties have been taken by the City of Winnipeg through this process. However, this does not mean the City hasn't also used the process to drive compliance. Between 2008 and 2021, the City initiated the taking title without compensation process on 88 unique properties and 69 (or about 79 percent) of them were either brought into compliance (56) or demolished (13) which are both outcomes that terminate the process of taking title without compensation.

By optimizing the Public Service's use of this tool it can not only help drive compliance with existing by-laws but also generate a supply of properties the City can use to support its partnership with Manitoba Housing and Renewal Corporation to increase affordable housing and emphasize homeownership in the city's housing improvement zones.

Intervention #3: *Reduce the eligibility period for properties to enter tax sale from the existing three years in arrears to two years, thereby reducing the duration of the overall tax sale process from approximately five years to four*.

Rationale: Requiring properties to be in tax arrears for three years before entering tax sale has existed as the City of Winnipeg's policy on tax sale proceedings since 1972.

A research paper completed for the City of Winnipeg by the Havard Summer Fellow created an index comparing the duration of time it takes to remediate properties in Winnipeg into functional, available housing. The index compared the duration of time to trigger, acquire, remediate, and redevelop properties across a host of jurisdictions. Among the 14 jurisdictions included in the index, it identified Winnipeg as taking about nine years, second longest only to Sacramento at more than 10 years. It also identified that reducing Winnipeg's acquisition time from the existing three years toward the lower end of the North American average of 2.5 years would be one of the easiest ways to reduce the duration of time it takes the City to acquire properties through tax sale. The complete research paper is attached as Appendix B.

While it may appear from this change that property owners could lose property through tax sale in just two years rather than three years, that is not the case. While reducing the eligibility period from three years to two years for properties to enter tax sale, it is important to note property owners retain the right to redeem their property at any point throughout the tax sale process. This includes right up until the point Land Titles is ready to transfer title to the City of Winnipeg which usually occurs no sooner than year four or five after taxes first went into arrears.

Intervention #4: *Restructure the existing Empty Building Fee so that it increases 1 percent per year to a maximum of 5 percent of assessed property value in year five of vacancy and beyond, and creating a reserve separate from the Housing Rehabilitation Investment Reserve (HRIR) for revenue generated by the Empty Building Fee*.

Rationale: The Empty Building Fee (EBF) was adopted by Council in 2019 to discourage property owners from maintaining vacant buildings long-term. The fee was originally set at 1 percent of assessed value of the vacant property, and it was applied after five annual Schedule A inspections. In 2024, Council increased the fee to 2 percent of assessed value and applied it after three Schedule A inspections.

As of October 2025, the City was enforcing the vacant building by-law on 788 vacant buildings. The EBF would apply to about 241 buildings (30 percent of the inventory) whose vacancy averaged just over seven years. Revenue generated by the EBF is currently deposited into the

Housing Rehabilitation Reserve (HRIR). To date, approximately $500,000 has been transferred to the Housing Rehabilitation Investment Reserve (HRIR) from the EBF.

A review of *The City of Winnipeg Charter* determined the City cannot enact a by-law making it unlawful for a building to be vacant. The City's authority under Section 150 of *The Charter* to pass by-laws respecting "construction and occupancy" does not extend to prohibiting vacancies outright with or without an allowable period of vacancy prior to a prohibition. The ability of the City to pass by-laws relating to "occupancy" empowers the City to impose occupancy permits on property owners, but it does not include legal authority to require occupancy of a dwelling. Section 151(1)(d)(iii) of *The Charter* allows the City to regulate the length of time dwellings or buildings may remain "boarded up", but this too does not allow the City to prohibit vacancy or force occupancy.

However, by restructuring the EBF as an escalating fee that increases each year for five years until it reaches 5 percent of assessed value in the fifth year of vacancy it will more aggressively discourage vacancy after just the first year of vacancy and become increasingly more costly and a greater disincentive to property owners to maintain vacant properties long-term.

Increasing fee revenue is not the primary desired outcome of restructuring the EBF even though fee revenue may increase initially. The primary outcome of restructuring the EBF is the increased remediation and occupancy of vacant properties, as well as reducing the number properties that are vacant on a long-term basis. Furthermore, it is challenging to estimate how restructuring the EBF might affect future fee revenue and would require a significant number of assumptions to be made regarding decisions property owners make with respect to their vacant property.

Creating a reserve separate from the HRIR for revenue generated by the EBF allows for greater transparency and accountability in how revenue generated by the fee is being used to address the costs of managing the issue of vacant and derelict properties.

Intervention #5: *Formalize, implement, and promote an acquisition program to accept title to distressed residential properties*.

Rationale: City of Winnipeg real estate policies were recently amended to allow the Chief Administrative Officer to acquire property from residents wanting to transfer it to the City. Developing and formalizing an acquisition program would clearly outline the types of properties the City of Winnipeg would be willing to accept from property owners wanting to turn title to their property over to the City.

It would also clarify that the City of Winnipeg is not willing to accept just any distressed property. Doing so could create significant financial, legal, and environmental liabilities for the City. Some properties may have significant structural damage, contamination, or encumbrances that could make them costly or unsafe to redevelop. A formalized acquisition program ensures only strategically viable properties – those that can be remediated, redeveloped, or transferred for affordable housing purposes or to support the partnership with Manitoba Housing and Renewal Corporation or other housing initiatives – are accepted to advance broader city and neighbourhood objectives.

JURISDICTIONAL OVERVIEWS AND SCANS

Included in Appendix A (Capital & Credit Flight in William Whyte) is a comparative analysis of how ten different cities have approached similar economic and social issues facing William Whyte and Winnipeg's North End.

These cities were selected for demographic similarity, documented intervention success, and policy transferability to Winnipeg's context. Each of the ten case studies demonstrates specific strategies for addressing capital and credit flight while serving populations with similar characteristics to William Whyte and North End's demographics and economic conditions. The ten cities include four Canadian jurisdictions and six international examples, prioritizing evidence-based interventions with measurable outcomes and clear policy learning opportunities.

Included in Appendix B (Remediation Index) is a jurisdictional analysis across fifteen different cities comparing the duration of time it takes to remediate parcels of land into housing. The cites included in this jurisdictional analysis are located in Canada, the United States, and internationally.

Additionally, a comparative overview undertaken of six Canadian municipalities – Vancouver, Calgary, Edmonton, Regina, Toronto, and Ottawa – demonstrates that vacant buildings are regulated in some way by each of these cities.

All six of these cities have a dedicated by-law that governs vacant or problem properties, though the specific focus and structure of each by-law can vary. Vancouver, Calgary, Edmonton, Regina, and Toronto have standalone or integrated community standards or property standards by-laws that address building security, maintenance, and boarding requirements. Ottawa regulates vacant buildings through its Property Standards By-law.

All municipalities require vacant buildings to be secured, and each outline how buildings may be boarded. Most cities include additional regulations addressing problematic vacant buildings such as fire risks, squatting, or dereliction. As well, most cities have additional legislation, such as fire codes, building maintenance by-laws, or taxation measures that further govern vacant or abandoned structures.

Enforcement responsibilities can differ by city. This can range from bylaw enforcement services, the fire department, property standards officers, and/or the use of coordinated safety response teams.

Like the City of Winnipeg's "empty building fee", the cities of Vancouver, Toronto, and Ottawa all employ the use of a vacancy tax as part of their regulatory structures. This tax can be called an "empty homes tax" (Vancouver), "vacant home tax" (Toronto), or "vacant unit tax" (Ottawa).

All three of these cities require annual declarations from their residents on whether a residence is their primary residence and/or whether properties are vacant. Vacant properties are then subject to the additional tax. Tax rates across these three cities range from 1 percent of assessed property value to 3 percent. The city of Ottawa has an escalating rate that begins at 1 percent of assessed property value in the first year and increases 1 percent each year until year five at 5 percent. Each city provides a host of exemptions to this tax which can include things like major renovations, death of a property owner, or court-ordered vacancy. Appeal options and processes are also available.

None of these jurisdictions (Vancouver, Calgary, Edmonton, Regina, Toronto, Regina) impose time limits on the duration properties are permitted to be vacant nor do they require or force

occupancy onto property owners. Vacancy and its symptoms, however, are regulated. Regulations come into effect at certain points in time when a property is vacant, and regulations are structured to disincentivize vacancy. But at no point in time is vacancy prohibited by law nor is occupancy required by law.

ONGOING INITIATIVES THAT ALIGN WITH THIS REPORT'S RECOMMENDATIONS

The following ongoing initiatives align with this report's recommendations as well as the work undertaken through the Bloomberg Harvard City Leadership Initiative.

Unsafe Conditions Response Team (UCRT)

In November 2024, Planning, Property and Development Department's (PPD) Enforcement Services Unit (ESU) piloted a new response team called the Unsafe Conditions Response Team (UCRT). The goals of the UCRT are to respond quickly to properties affected by fire, accidents or neglect, and engage the property owner(s) to remediate any unsafe conditions related to built structures (houses, garages, decks, commercial buildings).

The UCRT attends any fire on the Winnipeg Fire Paramedic Service daily fire log that meets damage thresholds of $25,000 or more for an accessory structure, and $50,000 or more for all other buildings. If an unsafe condition is identified at the property, the UCRT adds the property to its task list and begins the enforcement process.

If possible, contact with the owner is made within two business days, and a Fire Damage Report (FDR) is completed and provided to the property owner. If no contact is made, the FDR is mailed to the owner. The FDR provides a two-week compliance window to begin the process to have the property brought into compliance and identifies which permits are required.

After the compliance date has passed, if the owner has not begun the process of obtaining the necessary permits, an Order to Mitigate Unsafe Condition is issued to the property owner. The Order has multiple compliance dates with the first one being for the owner to contact the Enforcement Services Officer (ESO) and state their intentions to repair or demolish the building(s).

If compliance dates pass without requirements being met, the ESO will then make a referral to Municipal Accommodations (MA) who will facilitate the repair/demolition at the property to bring it into compliance. All costs associated with the City-enforced repair/demolition will then be added to property taxes.

The UCRT has also taken on the responsibility to monitor safety fencing set up by the City on properties in response to unsafe conditions. The UCRT does regular inspections to ensure fencing remains secure. When fencing is damaged or breached, the ESO repairs the breach or contacts the fencing contractor if the damage is substantial.

As of November 2025, UCRT has attended to 525 properties, has completed 1462 site visits, and issued 55 orders.

In June 2025, Council approved additional temporary positions to staff the UCRT until the end of the current fiscal year (December 31, 2025), and that funding to continue the UCRT on a permanent basis be referred to the 2026 annual budget update process.

Housing Accelerator Fund (HAF) – Small Lot Strategy

The HAF's small lot strategy is intended to support the development of missing middle housing on City-owned lands to help rehabilitate vacant lots and improve health, safety, and neighbourhood revitalization. The strategy will focus on small-scale housing developments (1 to 4 units) with density determined by existing zoning rights. This program will also support innovative ideas in the construction of infill development, including modular housing. This initiative builds on past initiatives such as the Affordable Housing Opportunities in housing improvement zones and amendments to the real estate policy that supports the sale of land for affordable housing at reduced prices.

Garbage Collection Improvements

In September 2022, Council directed the Public Service to examine ways to better address the issue of chronic dumping, abandoned waste, and litter in high needs areas of the city.

In response, Council approved support for increased frequency of the bulky sweep program and expanded its boundaries. The City's bulky sweep program is a proactive approach to minimizing bulky, abandoned waste in the downtown/inner city through regularly scheduled sweeps by collection vehicles looking for abandoned waste.

The program has operated continuously since 2013, generally between the months of May and October. In 2024, however, total hours allocated to the bulky sweep program were increased from 1,000 to 1,500. Upon the start of the new bulky waste collection contract in February 2025 hours were increased to 2,000.

This increase in hours has extended the duration of the bulky sweep program from six months to year-round and provided additional clean up frequency and coverage. This has helped reduce the number of abandoned waste reports within bulky sweep area by 47 percent from the previous year and is expected to continue to decrease with a second phased expansion in 2025.

Building Demolitions

The City does not seek to systematically demolish buildings simply because they are vacant. Demolishing residential properties and leaving neighbourhoods dotted with undeveloped, vacant lots is not an outcome residents have identified as ideal. The main reason is vacant, undeveloped residential lots are inclined to become illegal solid waste disposal sites similar to the lots depicted in Appendix C. Vacancy – whether it is a plot of land or a residence or a business – negatively affects the health of neighbourhoods.

Building demolition is regulated and requires a permit. Generally, building demolition can be initiated in three ways.

First, property owners themselves who want to demolish a building can apply for a demolition permit and then pay the cost associated with demolition.

Second, the department of Planning, Property and Development can order property owners to demolish a building, and if the property owner does not comply with the order the City can arrange to have it demolished. In this case, the cost of demolition is then added to the owner's annual property tax bill. These demolitions are administered together with Municipal Accommodations. Completing demolitions under an order can take time, and seasonality and managing environmental aspects such as asbestos can increase the duration of the process.

Third, the Winnipeg Fire Paramedic Service can issue emergency demolition orders in the event a property is rendered so structurally deficient by a fire that leaving it standing in any form would create a significant threat to the neighbourhood. An emergency demolition order can also be issued if demolishing a building is required to eliminate the fire risk.

By-Law Enforcement Strategy

This strategy was adopted by Council in July 2025. This strategy aims to ensure by-law enforcement is consistent, fair, timely, coordinated, and resourced appropriately. Council has directed the Public Service to report back in November 2026 on the results of Phase 1 implementation. This phase is piloting at least one by-law from each department throughout 2026 to test and validate the By-law Enforcement Strategy's design and assess its effectiveness before full implementation. Among the by-laws being piloted in Phase 1 is the Vacant Buildings By-law. This by-law serves an important function in the management of vacant and derelict properties.

The Housing Rehabilitation Investment Reserve (HRIR), Neighbourhood Housing Program (NHP), and Indigenous Housing Program

The **Housing Rehabilitation Investment Reserve (HRIR)** was established in 2000 and provides dedicated funding to support housing renewal and development initiatives in Winnipeg's older neighbourhoods. Administered by the City through community-based partners such as Neighbourhood Renewal Corporations, HRIR resources are primarily directed toward improving housing conditions in Winnipeg's five housing improvement zones. These funds assist in maintaining and rehabilitating housing and in supporting new housing creation. The HRIR acts as a flexible funding pool to implement targeted programs like the Neighbourhood Housing Program (NHP), and the Indigenous (formerly Aboriginal) Housing Program, ensuring that investments address both local housing needs and citywide policy objectives.

The **Neighbourhood Housing Program (NHP)** focuses on strengthening the quality, stability, and affordability of housing within Winnipeg's inner-city and mature neighbourhoods. Its main goal is to support the implementation of approved Neighbourhood Housing Plans by funding initiatives that promote rehabilitation, innovative construction, and community-based housing strategies. Eligible projects are primarily located in designated housing improvement zones and demonstrate strong community support. Grants are provided to non-profit, community, or private organizations for activities such as feasibility studies, housing redevelopment, and neighbourhood revitalization projects. Preference is given to initiatives that align with the City's housing policy objectives and leverage additional funding sources.

The **Indigenous Housing Program** (formerly Aboriginal Housing Program) was established to address the lack of a dedicated mechanism under HRIR for supporting safe, affordable housing for Winnipeg's Indigenous residents. The program expands beyond geographic zones to

support Indigenous housing projects citywide. It provides grants for Indigenous-owned, non-profit housing repairs and maintenance.

Together, these programs – both supported by HRIR funding – advance Winnipeg's housing policy by fostering inclusive, sustainable, and locally driven approaches to neighbourhood renewal and affordable housing development.

OurWinnipeg 2045 and Complete Communities 2.0 Five-Year Review

The City of Winnipeg Charter requires a review of the City's development five years after the last adoption of the plan. As such, a review of *OurWinnipeg 2045* must be initiated by May 26, 2027. It is anticipated the foundation and structure of both *OurWinnipeg 2045* and Complete Communities 2.0 will be retained. However, there are key areas of the plans that require review and refinement to advance certain plan goals and Council outcomes, and to reflect recent land use and zoning changes that support more as-of-right development throughout the city.

This review could be an opportunity to include identification and mapping of key reinvestment areas (akin to housing improvement zones) which could consider the interconnection of land use, community development, local economic development, and reconciliation objectives. This could then inform local area planning priorities, for areas likely to be in mature communities, including the inner city where existing housing improvement zones are concentrated. The updating of city-wide housing policies and strategies, reflecting the City's recent work through the Housing Accelerator Fund, will also be a focus of the review and update.

Residential Tenancies Branch – Rent Redirect

Licensing and By-law Enforcement (LBE) actively enforces minimum standards not being met by property owners including landlords. The majority of enforcement begins with a service request, which can be either external or internal. By-law Enforcement Officers will issue orders to property owners to correct identified issues. LBE actively refers orders to the Residential Tenancies Branch (RTB) for rent redirect. Rent redirect allows RTB to garnish rent from the tenant and place it in trust, preventing landlords from receiving rent payments when they fail to comply with an order. Once RTB has acquired enough rent from the redirect, they will complete the repair or correction necessitated by the order.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 6, 2025

Project Name:

Vacancy to Vitality: Strategic Policy Options to Address Vacant and Derelict Properties

First Year of Program **2026**

	2026	2027	2028	2029	2030
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	1	-	-	-	-
Net Cost/(Benefit)	$ (1)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Impact to Reserve	$ (1)	$ -	$ -	$ -	$ -

Additional Comments: The transfer of 400 Pritchard Avenue to Manitoba Housing & Renewal Corporation will generate nominal revenue of $1. PPD has confirmed that no inventory-related costs are associated with this property; therefore, direct costs are not applicable. An estimated opportunity cost of $48,000 is associated with the transaction.The other recommendations are expected to have minimal financial impact.

Randy Bernard

Randy Bernard, CPA
Manager of Finance & Administration (Campus)
Corporate Finance Department

CONSULTATION

Extensive internal consultation has occurred across City of Winnipeg departments including Community Services, Planning, Property and Development, Assessment and Taxation, Legal Services, Mayor's Office, Office of the Chief Administrative Officer, Housing Accelerator Fund, Problem Properties Committee, and the Winnipeg Fire Paramedic Service.

Broad community consultation was undertaken at the kick-off session in November 2024.

External consultation included collaboration with social enterprise including Build Inc. and Purpose Construction. Landlords and property owners in housing improvement zones were consulted. Representation and input from the William Whyte Neighbourhood Association was maintained throughout the duration of the work. Manitoba Housing Renewal Corporation as well as the Residential Tenancies Branch at the provincial government level were also consulted.

OURWINNIPEG POLICY ALIGNMENT

OurWinnipeg 2045 policies related to the recommendations of this report include the following:

LEADERSHIP AND GOOD GOVERNANCE

1.17 Neighbourhood Needs Assessment: Invest in neighbourhood revitalization and supportive land uses, without contributing to gentrification or the displacement of systemically disadvantaged people, by layering interdepartmental and community-generated data with lived experience, to better understand socio-economic needs, gaps and resource pooling required for collaborative action.

GOOD HEALTH AND WELLBEING

4.4 Affordable and Supportive Housing Options: Enable collaborative partnerships that provide a continuum of existing or new affordable housing, making use of municipal supports such as fiscal, regulatory and measurement tools to ensure those most in need have increased access throughout the resident and building life-cycle.
4.8 Building Safety: Enforce compliance with building codes and property maintenance standards, to ensure housing quality, safe building occupancy, and extended building lifecycles.

SOCIAL EQUITY

5.2 Affordable and Supportive Housing Options: Conserve and increase development of a continuum of affordable and supportive housing throughout the city as a fundamental human right.
5.3 End Homelessness: Use a Housing First approach to enable development of housing and supports for people experiencing, or at risk of, homelessness.

CITY BUILDING

6.39 Affordable and Supportive Housing Options: Facilitate affordable and supportive housing in all neighbourhoods, through a continuum of private and non-profit housing development that includes a mix of sizes, forms and tenures; resilient, low-carbon, and energy-

efficient construction; adaptable, universal design accessibility; and proximity to integrated and, sustainable transportation options.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Goal 2: The City Actively Plans for and Partners in Affordable Housing

- The City's capacity and commitment to advancing affordable housing initiatives are increased.
- Municipal tools, resources and partnerships are developed and used to encourage and facilitate affordable housing development.

Goal 4: Community Well-Being Supports for those in Greatest Need are Increased

- Strategic partnerships to connect people to needed supports are developed.

Goal 6: All City Services are Equitable, Inclusive and Accessible

- Community development models and collaborative approaches are enhanced or initiated for service planning and delivery in areas of higher poverty.
- Use of City's tools and resources are maximized to reduce systemic inequities.

SUBMITTED BY

Department: Chief Administrative Officer
Division: N/A
Prepared by: Jonathan Hildebrand
Date: October 6, 2025

Attachments:

Appendix A – Capital & Credit Flight in William Whyte – Harvard Summer Fellow Report
Appendix B – Remediation Index – Harvard Summer Fellow Report
Appendix C – Property Photos – William Whyte Neighbourhood