Agenda – Executive Policy Committee – January 20, 2026

REPORTS

Item No. 6 Neighbourhood Growth Investment Reserve

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the Neighbourhood Infill Benefits Reserve be established and maintained in accordance with Terms of Reference attached as Appendix 1 to this report.

2. That the Neighbourhood Infill Benefits Grant Program By-law, a draft of which is attached as Appendix 2 to this report, be enacted.

3. That the City enter into, execute, and deliver Neighbourhood Infill Benefits Grant Program agreements with successful applicants, and such other ancillary agreements as determined necessary by the Director of Legal Services/City Solicitor to implement the intent of the foregoing.

4. That authority be delegated to the Director of Planning, Property, and Development to negotiate and approve the terms and conditions of the grant agreements and the ancillary agreements, 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.

5. That the Public Service report back to Standing Policy Committee on Property and Development within five years of the date of enactment of the By-law with outcomes and recommendations on the continuation of the Neighbourhood Infill Benefits Reserve and grant program.

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

DECISION MAKING HISTORY:

COUNCIL DECISION:

On November 27, 2025, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That an extension of time of 60 days be granted for the Winnipeg Public Service to report back on the establishment of a Neighbourhood Growth Investment Reserve to be funded by a portion of incremental taxes related to new residential infill developments, that includes:

    A. The specific purpose of the reserve and criteria for expenditures related to investments in city infrastructure and assets within the ward in which the development occurred.

    B. The proportion of incremental taxes per property related to new residential infill developments to be allocated to the reserve.

    C. The types of properties, including specific residential zoning designations to which the reserve would apply.

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

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 18, 2025, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

COUNCIL DECISION:

On June 5, 2025, Council adopted the recommendation of the Winnipeg Public Service, as amended, which included the following:

7. That the Public Service be directed to report back in 120 days on the recommendations for the establishment of a Neighbourhood Growth Investment Reserve to be funded by a portion of incremental taxes related to new residential infill developments, that includes:

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

A. The specific purpose of the reserve and criteria for expenditures related to investments in city infrastructure and assets within the ward in which the development occurred.

B. The proportion of incremental taxes per property related to new residential infill developments to be allocated to the reserve.

C. The types of properties, including specific residential zoning designations to which the reserve would apply.

ADMINISTRATIVE REPORT

Title: Creation of Neighbourhood Infill Benefits Reserve (NIBR) and Grant Program

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Veitch	H. Borys	T. Graham	J. Dunford

EXECUTIVE SUMMARY

As part of its recent decision to allow two-unit, three-unit, and four-unit residential development without a public hearing ("as-of-right"), Council asked the Public Service to report back on the creation of a new reserve to improve local amenities from increased property taxes resulting from new infill development.

The Public Service is recommending a new fund called the Neighbourhood Infill Benefits Reserve (NIBR). When a new two, three, or four-unit home is built, 80 percent of the extra property tax collected will be allocated to the fund annually for five years. This money would be used for things like park and recreation upgrades in areas experiencing infill development. No additional fees or charges would be levied to new development to fund this reserve.

Funds will support a new grant program so local organizations can apply for money to deliver projects. The program's rules will be similar to the City's Cash-in-Lieu of Land Dedication Reserve program.

Based on estimates, the reserve could collect between $136,000 and $490,000 per year over the next 10 years. Wards with the most new two, three, and four-unit homes will benefit the most from this reserve. The grant program is expected to launch no earlier than mid-2027, if enough money has built up in the fund.

RECOMMENDATIONS

1. That the Neighbourhood Infill Benefits Reserve be established and maintained in accordance with Terms of Reference attached as Appendix 1 to this report.

2. That the Neighbourhood Infill Benefits Grant Program By-law, a draft of which is attached as Appendix 2 to this report, be enacted.

3. That the City enter into, execute, and deliver Neighbourhood Infill Benefits Grant Program agreements with successful applicants, and such other ancillary agreements as

determined necessary by the Director of Legal Services/City Solicitor to implement the intent of the foregoing.

4. That authority be delegated to the Director of Planning, Property, and Development to negotiate and approve the terms and conditions of the grant agreements and the ancillary agreements, 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.

5. That the Public Service report back to Standing Policy Committee on Property and Development within five years of the date of enactment of the By-law with outcomes and recommendations on the continuation of the Neighbourhood Infill Benefits Reserve and grant program.

6. 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

On June 5, 2025, Council approved amendments to the Winnipeg Zoning By-law No. 200/2006 to allow as-of-right residential development of new two-unit, three-unit, and four-unit dwellings. Council also directed the Public Service to report back in 120 days on the recommendations for the establishment of a Neighbourhood Growth Investment Reserve to be funded by a portion of incremental taxes related to new residential infill developments that includes:

- The specific purpose of the reserve and criteria for expenditures related to investments in city infrastructure and assets within the ward in which the development occurred.
- The proportion of incremental taxes per property related to new residential infill developments to be allocated to the reserve.
- The types of properties, including specific residential zoning designations, to which the reserve would apply.

Council approval is required to establish the Neighbourhood Infill Benefits Reserve under 289(1) of the City of Winnipeg Charter (Charter).

Council approval is required to pass a by-law to establish the Neighbourhood Infill Benefits Grant Program in accordance with 219(1) of the Charter.

IMPLICATIONS OF THE RECOMMENDATIONS

Recommendations 1 and 2 will establish the Neighbourhood Infill Benefits Reserve and the grant program that may be used to distribute reserve funding to external organizations and City projects. The incremental increase in property taxes for residential infill properties payable to the reserve would apply retroactively to new qualifying development as of June 27, 2025, the day after which By-law No. 59/2025 enabling as-of-right two-, three-, and four-unit development received third reading and came into effect.

Recommendations 3 and 4 provide authority and delegated authority required to enter into any grant agreements to third party organizations resulting from the approved grant program.

As Fund Manager, the Director of Planning, Property, and Development (PPD) would be authorized to approve NIBR applications/grants up to $100,000 if the application meets the eligibility criteria prescribed by the By-law and subject to consultation with the Ward Councillor. The Director may alternatively refer those applications to Community Committee, who may approve or reject the application.

Applications greater than $100,000 cannot be approved by the Director and must be referred to community committee, who must either reject or approve it.

Applications that do not meet the eligibility criteria must be referred to community committee, who can reject the application or recommend approval to Executive Policy Committee and Council for a final decision.

Applications requesting funding from a ward allocation in a different ward from which the project is located must be referred to community committee, who must either reject or approve it.

Applications requesting funding from a ward allocation in a different community committee must be referred to Executive Policy Committee, who must refer the application to Council with its recommendation to approve or reject the application.

HISTORY/DISCUSSION

Reserve description

The intent of the Neighbourhood Infill Benefits Reserve (NIBR) is to provide tangible benefits to neighbourhoods experiencing infill development by reinvesting a portion of increased property tax revenue into the local community. It is proposed that NIBR enhances neighbourhood public spaces by providing funding for local parks and recreation projects. It is intended to support recent amendments to Winnipeg Zoning By-law No. 200/2006 allowing for as-of-right development of new two, three, and four-unit dwellings.

NIBR redirects 80 percent of the incremental increase in municipal property taxes resulting from the development of new two, three, and four-unit dwellings for each year following the year in which the development is completed, measured from the first complete successive calendar year, for five years. After five years, all property tax revenue would remain in the General Revenue Fund.

It would apply to properties zoned “R1” Residential Single Family, “R2” Residential Two Family, and “RMF-S” Residential Multi-Family Small. Eligible properties must be located in infill areas, whose definition corresponds to the Intensification Target Area in Complete Communities 2.0. New development will be defined as the issuance of final building permits for qualifying development. It includes the construction of new buildings as well as alterations to existing buildings that create additional units.

The Public Service will report to Council within five years of the creation of the reserve, at which time Council may decide to continue or terminate the reserve.

NIBR is intended to function similarly to the existing Cash in Lieu of Land Dedication Reserve. Funds would be allocated via grants to external organizations and the City for delivery following

a successful application process and requisite approvals. It is proposed that funds could be used for:

- The acquisition of land for parks or recreation facilities;
- The development of properties for publicly accessible parks and recreational purposes, including amenities and structures as may be necessary for the development;
- The construction or renovation of recreation facilities on publicly accessible parks and recreation properties; and
- Tree planting on publicly accessible land, with a preference for City-owned land, including rights of ways.

Funds raised would be allocated to wards in which they were raised, to be spent in or near its infill areas.

As Fund Manager, the Director of Planning, Property, and Development (PPD) would be authorized to approve NIBR applications/grants up to $100,000 if the application meets the eligibility criteria prescribed by the By-law and subject to consultation with the Ward Councillor. The Director may alternatively refer those applications to Community Committee, who may approve or reject the application.

Applications will be referred to the Community Committee if the application/grant:

- exceeds $100,000;
- does not meet eligibility criteria;
- considering the matter at Community Committee is the preferred next step based on consultation with the Ward Councillor.

If the Community Committee recommends approval of an application that does not meet eligibility criteria, that application would go to Executive Policy Committee and Council for consideration.

Applications requesting funding from a ward allocation in a different community committee will be referred to Executive Policy Committee, who must refer the application to Council with its recommendation to approve or reject the application.

The proposed Neighbourhood Infill Benefits Reserve Grant Program authorizes the Director of PPD to establish a start date on which applications can be accepted. It is expected that the program would launch in mid-2027, subject to the availability of sufficient funds in the reserve.

Revenue Projections

A ten-year scenario-based revenue projection for this fund has been developed which provides an estimate of how much funding would be allocated to the reserve under a variety of development scenarios.

Overall, it is estimated that an annual average of between $136,000 to $489,000 in property taxes, or a total of $1.36 million to $4.89 million over the ten-year period of 2026 to 2035, would be allocated to the reserve, depending on the volume of two, three and four-unit housing development that would occur during this period. Based on development patterns observed over the last ten years, a baseline projection would be $2.49 million in property taxes being allocated to the reserve over a 10-year period. Additional details on assumptions and projections at the ward level are provided below.

There are four revenue projection scenarios which are based on historical development patterns that would fit under the NIBR criteria and are then carried forward with the volume of development augmented depending on future expectations on the number of developments that would fit these criteria. The scenarios are as follows:

- **Low Development Scenario:** for each ward, the total number of developments that fit NIBR criteria over the last 10-year period (2016 to 2025) is **reduced by 50 percent** and carried forward through 2035.

- **Baseline Development Scenario:** for each ward, the total number of developments that fit NIBR criteria over the last 10-year period (2016 to 2025) is **held constant** and carried forward through 2035.

- **High Development Scenario:** for each ward, the total number of developments that fit NIBR criteria over the last 10-year period (2016 to 2025) is **increased by 50 percent** and carried forward through 2035.

- **Very High Development Scenario:** for each ward, the total number of developments that fit NIBR criteria over the last 10-year period (2016 to 2025) is **increased by 100 percent (i.e., doubled)** and carried forward through 2035.

All revenue projection scenarios assume the following:

- 80 percent of the incremental post-development increase in property taxes resulting from the development of new two-, three-, and four-unit dwellings for each year following the year in which the development is completed is allocated to the reserve;

- The incremental revenue is allocated to the reserve for five years;

- Municipal property taxes escalate at 3.50 percent per year for the duration of the forecast (2026 to 2035);

- No funds are projected for the Waverley West Ward given it did not see any qualifying development over the past 10 years;

- The NIBR policy is in effect starting in 2026; and

- For future projections, eligible developments must have had their final construction permit issued after June 26, 2025.

Figure 1, below, shows the historical number of developments that fit the NIBR criteria set out above, and the projected amount expected from 2026 to 2035 based on the development scenario. It also shows the assumed net increase in portioned assessment values generated by a single development that fits the NIBR criteria that is used in the forecast. These values are based on the most recent assessment values observed for developments that would have fit NIBR criteria in 2025. Where a ward did not have an NIBR-eligible property development in 2025, the city-wide average for 2025 is used in its place for the duration of the projection period.

Ward	NIBR-Eligible Development Counts					Net Increase in Portioned Assessment Value per Development
	2011 - 2025	2026 to 2035				
	Historical	Low	Baseline	High	Very High	
Charleswood-Tuxedo-Westwood	2	1	2	3	4	$419,850
Daniel McIntyre	42	16	31	46	61	$69,300
Elmwood - East Kildonan	11	5	9	13	16	$423,900
Fort Rouge - East Fort Garry	31	13	25	37	49	$225,450
Mynarski	33	13	26	38	50	$190,800
North Kildonan	5	3	5	7	9	$225,786
Old Kildonan	1	1	1	2	2	$225,786
Point Douglas	26	13	25	38	48	$62,910
River Heights - Fort Garry	10	3	7	11	15	$659,700
St. Boniface	46	21	40	60	80	$295,425
St. James	2	1	1	2	2	$225,786
St. Norbert - Seine River	1	1	1	2	2	$368,550
St. Vital	48	23	44	65	86	$248,613
Transcona	1	1	1	2	2	$225,786
Waverley West	0	0	0	0	0	-
Total	**259**	**115**	**218**	**326**	**426**	

Figure 1: Historical and projected NIBR property development counts by ward

Based on recent historical development patterns for two, three, and four-unit dwellings, it is anticipated that over the next 10 years nearly 90 percent of all NIBR-eligible properties will be built in six out of the city's fifteen electoral wards as follows: St. Vital (20 percent), St. Boniface (18 percent), Daniel McIntyre (15 percent), Fort Rouge – East Fort Garry (12 percent), Mynarski (12 percent), and Point Douglas (11 percent).

Figure 2, below, illustrates the historical and projected amount of total NIBR-eligible property developments within the City of Winnipeg, by scenario. Note: the very high property count of 65 observed in 2022 was primarily due to a single large infill project that was completed along 433 to 479 Wales Avenue in the St. Vital Ward, which makes up 24 of the 65 records in that year.

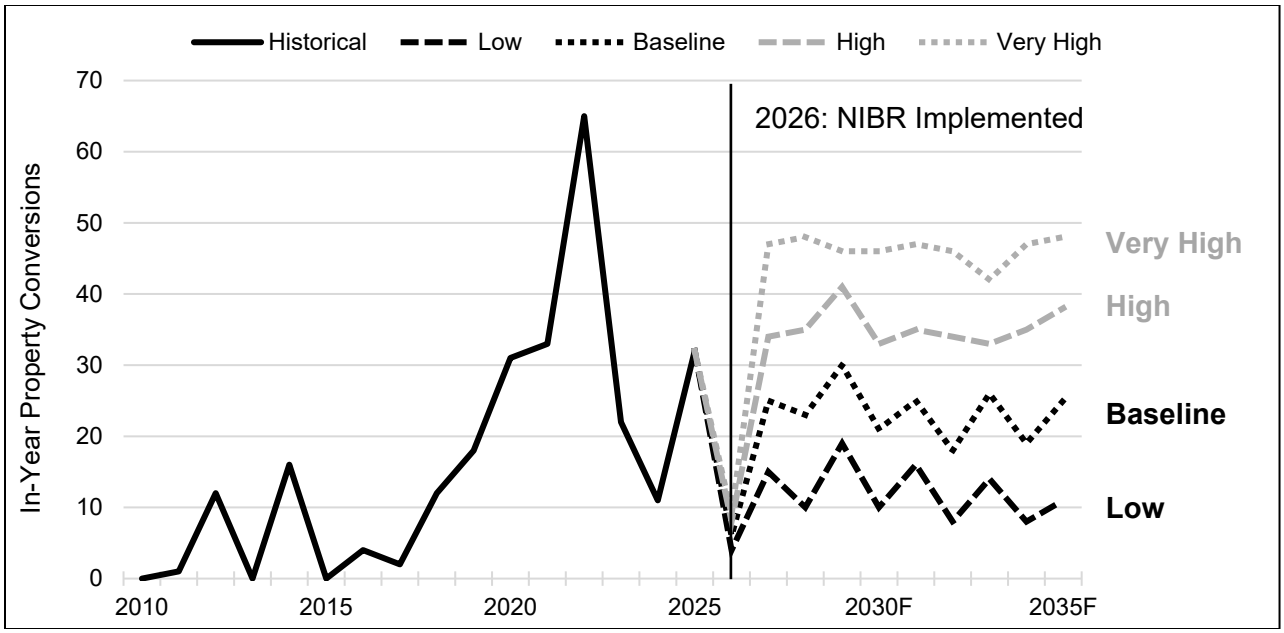

Figure 2: Total in-year NIBR-eligible property conversions by scenario

Figure 3, below, summarizes the projected NIBR contributions by ward and scenario. It is anticipated that over the next ten years, six out of the City's fifteen electoral wards will receive 86 percent of total NIBR funds in a baseline scenario: St. Boniface (24 percent), St. Vital (23 percent), Fort Rouge – East Fort Garry (12 percent), Mynarski (10 percent), River Heights – Fort Garry (10 percent), and Elmwood – East Kildonan (7 percent).

Ward	2026 to 2035			
	Low	Baseline	High	Very High
Charleswood-Tuxedo-Westwood	$27,637	$33,757	$66,437	$91,364
Daniel McIntyre	$57,833	$111,663	$163,559	$215,475
Elmwood - East Kildonan	$105,106	$194,702	$287,859	$357,176
Fort Rouge - East Fort Garry	$156,165	$291,698	$428,545	$568,274
Mynarski	$132,164	$257,811	$373,626	$491,880
North Kildonan	$32,079	$55,984	$77,318	$103,706
Old Kildonan	$14,360	$14,360	$17,651	$17,651
Point Douglas	$44,526	$80,607	$122,266	$155,303
River Heights - Fort Garry	$113,370	$223,020	$380,108	$526,554
St. Boniface	$324,066	$607,939	$903,826	$1,209,697
St. James	$14,360	$14,360	$17,651	$17,651
St. Norbert - Seine River	$23,439	$23,439	$28,812	$28,812
St. Vital	$300,662	$563,221	$829,960	$1,089,417
Transcona	$14,360	$14,360	$17,651	$17,651
Waverley West	$0	$0	$0	$0
Total	**$1,360,127**	**$2,486,921**	**$3,715,272**	**$4,890,611**
Annual Average	*$136,013*	*$248,692*	*$371,527*	*$489,061*

Figure 3: Cumulative NIBR contribution projections by ward and scenario

Figure 4, below, shows the total amount of annual property tax contributions to the NIBR, by scenario. In all scenarios, it takes five years for the annual contribution to the NIBR to ramp up due to each individual NIBR-eligible property contributing to the reserve for the first five years post-conversion. As such, in 2026 it is anticipated that there will only be between four and nine properties contributing to the reserve, but by 2035 it is anticipated that it will be between 57 and 230 properties contributing to the reserve, depending on the future volume of NIBR-eligible development.

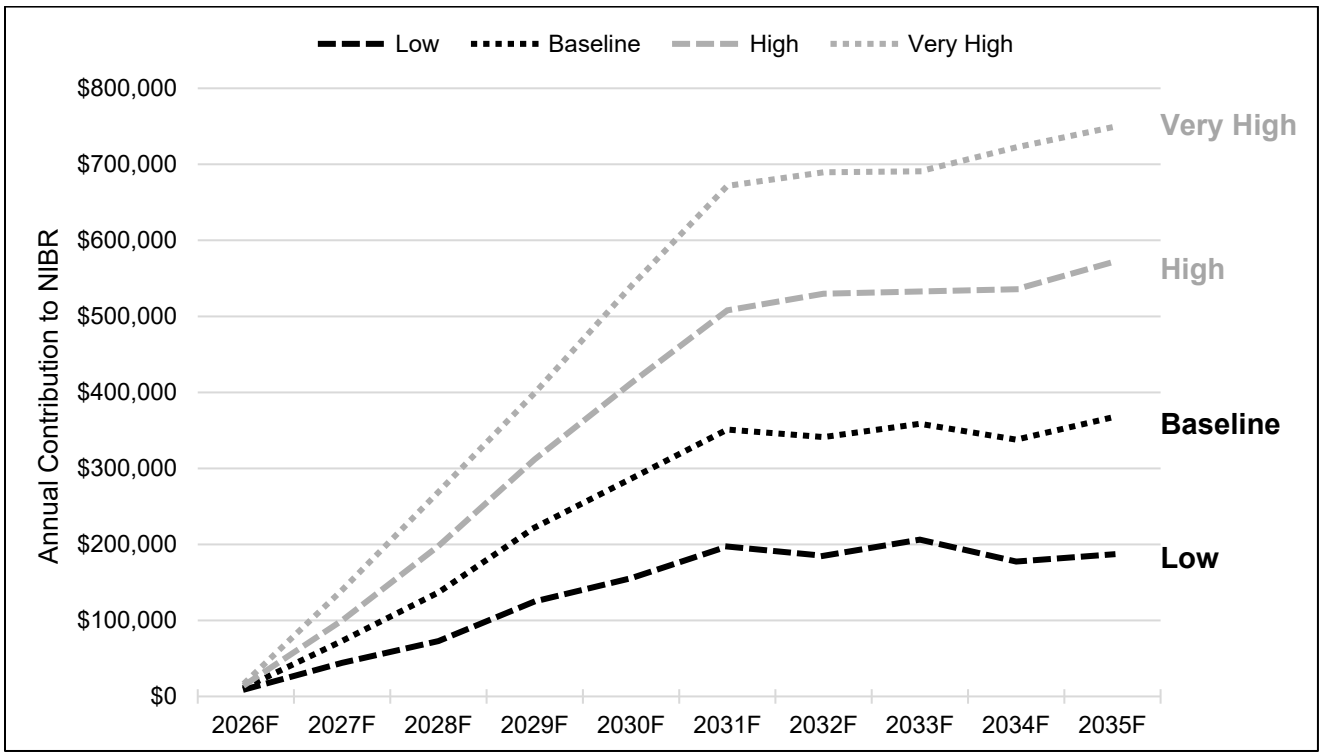

Figure 4: Total in-year NIBR contributions by scenario

The 2026 and future years' budget assumes that this kind of development will generate revenue and had budgeted it as such as Net Taxes Added. The revenue for this budget line is $18.1 million in 2026. The Financial Impact Statement assumes that there are incremental taxes accruing to the General Revenue Fund, in addition to the budgeted revenue of $18.1 million.

Reporting back

It is recommended that the Public Service report back to Council within five years of the date of By-law enactment with a report on outcomes and recommendation for its continuation. This review should consider the amount of funds allocated to the reserve relative to its administrative costs as well as the grant program's design, including grant eligibility criteria.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 14, 2025

Project Name:

First Year of Program **2026**

Creation of Neighbourhood Infill Benefits Reserve (NIBR) and Grant Program

	2026	2027	2028	2029	2029 to 2035
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	$ 249,000	$ 249,000	$ 249,000	$ 249,000	$ 1,494,000
Less: Incremental Revenue/Recovery	311,000	311,000	311,000	311,000	1,866,000
Net Cost/(Benefit)	$ (62,000)	$ (62,000)	$ (62,000)	$ (62,000)	$ (372,000)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (62,000)	$ (62,000)	$ (62,000)	$ (62,000)	$ (372,000)

Additional Comments: Direct costs represent the average annual transfer to the NIBR of 80% of incremental taxes (base scenario) on qualifying developments, totalling $2.49 million over the 10-year period. Incremental revenue represents 100% of incremental taxes (base scenario) on qualifying developments, totaling $3.11 million over the 10-year period. The Net Budget Adjustment Required represents incremental taxes accruing to the General Revenue Fund, a total of $620,000 (base scenario) over the 10-year period.

Mike McGinn Nov. 14, 2025

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Assessment and Taxation
- City Clerks
- Economic Development and Policy Office
- Legal Services
- Parks and Open Space Division

OURWINNIPEG POLICY ALIGNMENT

Related *OurWinnipeg 2045* policies include the following:

1.4 **Integrated Knowledge and Resources**. Coordinate inter-departmental systems, projects, and resources, making the best use of internal and external expertise to better understand service needs, find the most appropriate solutions, optimize resources, and maximize community outcomes.

1.8 **Accountable Revenue Generation**. Pursue municipal revenue generation based on a predictable, equitable, and evidence-informed methodology that offsets service goals while achieving this Plan's sustainability goals.

6.41 **Inclusive Public Places**. Practice and enforce a high standard of urban design that supports a sustainable quality of life and sense of place through the development of a safe, resilient, high-quality, high-functioning and active transportation and transit-oriented urban environment.

OurWinnipeg 2045 is supported by the *Complete Communities Direction Strategy 2.0*, a citywide secondary plan to guide growth, development, and land use. Related policies include:

B1.2.3.2 Implementing the intensification target. Work to achieve the intensification target by making development in the intensification target area easier, more desirable, and more predictable by leveraging enabling tools to enable growth where directed by this By-law.

B2.1.1 Land development financing principles. Finance land development in accordance with the following principles:

a. Benefits Received: Benefit allocation should be determined using a methodology that allocates infrastructure costs of growth to existing and future residents, businesses, and/or customers.
b. Fairness and Equity: Fairness and equity should be the primary considerations when determining benefit allocation and costs for existing and future residents, businesses, and/or customers.
c. Accountability and Transparency: The amount of any fee or charge should be clear and understandable by all stakeholders.
d. Revenue Security and Reliability: Revenues should be sufficient to fund services on a reliable basis.

e. Competitiveness: City policies, programs, and activities should create an attractive climate for business investment and job creation.
f. Collaboration: Pursue opportunities for collaboration with a diverse set of stakeholders.

D1.1.13 Established Neighbourhoods. Explore innovative approaches for achieving community benefits and creating public amenities as part of infill development within Mature Communities.

D1.6.4 Established Neighbourhoods. Where significant intensification of housing occurs within a neighbourhood, ensure parks, open spaces, and community facilities respond to community needs through strategic investment.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

The *Winnipeg Climate Action Plan* prescribes key directions and actions to implement the City's climate change mitigation efforts. The following plan direction relates to this initiative:

- Direction 4.1 Increase Strategic Infill Development that Provides Access to and Capitalizes on Existing and Planned Corridors with Frequent Transit Service.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

The *Winnipeg Poverty Reduction Strategy* (2021-2031) is framed around 10-year goals and objectives intended to implement the plan's mission to demonstrate leadership in poverty reduction and to provide City services using a poverty reduction lens. The following goal and objective relates to this initiative:

Goal 2, The City Actively Plans for and Partners in Affordable Housing. 10-year objectives include:

C. Municipal tools, resources, and partnerships are developed and used to encourage and facilitate affordable housing development.

SUBMITTED BY

Department: Planning, Property, & Development
Division: Urban Planning & Design Division
Prepared by: Michael Pyl, RPP, MCIP
Date: December 2, 2025

Attachments:

Appendix 1: Neighbourhood Infill Benefits Reserve Terms of Reference
Appendix 2: Neighbourhood Infill Benefits Reserve Grant Program By-law