# The Following presentation is by way of an Article that will appear in the Housing News next issue.

# The Money Go Round

An article in the Winnipeg Free Press recently, Wed.Mar.2nd. 2005 page B1, City Section by Mary Agnes Welch identified that the city of Winnipeg "may pull its funding from a nationally touted housing program." You will find in this issue of the of this publication a presentation made to the City of Winnipeg Executive Policy Committee with respect to the proposed funding cut by the West Broadway Development Corporation. Well look again through the smoking mirrors at city housing funding in West Broadway.

In a proposal from Stefano Grande then General Manager at Winnipeg Housing Rehabilitation Corporation now Manager of the Downtown Biz and Percy Barclay-Goddard WHRC made to the West Broadway Development Corporation titled Young and Langside Streets Housing Rehabilitation Proposal dated Jan2001 and accepted by West Broadway Decvelopement Corporation Board shortly after, Grande proposes to develop housing in West Broadway in the name of the Land Trust Project the West Broadway community five year rent to own home ownership program. Some seventeen houses, 22 units and an apartment block were developed in West Broadway for the Land Trust Project. By the agreement the Land Trust Project was to run and manage its project once incorporated. That task was complete in December 2003 but Winnipeg Housing Rehabilitation Corporation has yet to turned over Land Trust Properties to the Land Trust Board.

As time passed it was clear that many of the renovations Winnipeg Housing and rehabilitation undertook as developer in West Broadway were less than acceptable and some downright disgraceful. Documents provided by Winnipeg Housing Rehabilitation Corporation to West Broadway Development Corporation through its HOTI ( Home Ownership Training Initiative) for maintenance repairs as well as a number of spread sheets generated to identify cost over runs on the properties made it easy to ascertain that many of the problems in the houses were due to shoddy workmanship by contractors hired by the developer and not normal wear and tear on the buildings.

From the complaints made and recorded it is clear that the repair work, some complaints several years old have not yet been completed. In one instance a defective bathtub reported some two and a half years ago has not been repaired resulting in considerable water damage to the home. Winnipeg Housing Rehabilitation Corporation has been threatening to charge the tenant/owner for the repairs. Further investigation indicates that the bathtub is faulty and only one of several faulty tubs from the same maker installed in more than one Land Trust Home. The responsibility for repair lies with the developer, Winnipeg Housing Rehabilitation Corporation but the repair a result of defective materials installed in the house remains unsatisfied.

Members of the board of directors of Winnipeg Housing Rehabilitation Corporation are appointed by the Mayor of the City of Winnipeg. Currently the chairman of the board of Winnipeg Housing Rehabilitation Corporation is Peter Squire, Director of Public Affairs for the Winnipeg Real Estate Board. Mr Squire also holds the Vice President Position at HOP Housing, Housing Opportunities Program in Winnipeg having a portfolio of over 50 houses. Winnipeg Housing Rehabilitation Corporation holds some 750 units plus in there portfolio. Other notables on the Winnipeg Housing Rehabilitation Corporation Board are Deputy Mayor Mike Pagtakhan and Councillor Harvey Smith. The organization has the feel of being a short arms length city entity.

Follow the MONEY GO ROUND
City gets funds from supposed surpluses and passes those funds on to Winnipeg Housing and Homelessness Initiative where Dave Stansen, Housing Development Manager for the city doles out funding on behalf of the city. Winnipeg Housing and Homelessness Initiative is a tri government agency that includes the City of Winnipeg, the Province of Manitoba and Federal Government each providing monies separately from the same office for housing projects. As developer in West Broadway, Winnipeg Housing Rehabilitation Corporation acquires city funding to develop property for the Land Trust Project (the West Broadway housing program) through the West Broadway Development Corporation. The money then appears to flow from city surpluses to a tri government agency where the city doles out its money to a city controlled developer-housing entity.

Winnipeg Housing Rehabilitation Corporation seems to be unable to develop on budget and has run up huge cost overruns in developing the houses for the Land trust Project in West Broadway estimated at One Hundred and Fifty Thousand Dollars. Not only do they run up construction cost overruns but are unable to manage the small portfolio for the Land Trust in West Broadway running up additional soft or operating costs, largely due as a result of there inability or lack of will to rent out completed units in the Land Trust portfolio. These costs are in the area of about four hundred thousand dollars in less than a year making the defect doing West Broadway Housing well in excess of a half million dollars on a portfolio of less than thirty six units in the Land Trust Project.

# The money go round.

Surprise, there is no city money, just empty promises. Nothing given to Winnipeg Housing and Homeless Initiative we are lead to believe and nothing forth coming from city coffers at WHHI. Possibly no inner city housing funding. Winnipeg Housing and Rehabilitation Corporation for which there is much city involvement by way of the mayors appointments to the board and city councillors on its board will attempt to sell off properties developed in the name of the Land Trust project to cover cost overruns. The looser as always, the poor or low income families with hopes and dreams for home ownership. The organization .....Winnipeg Hopelessness Despicable Corruptors..... WHRC.

Perhaps the best way to deal with housing development funding from the city is as follows.
1/ Provide a larger per unit allocation for housing projects. With the cost of renovations and materials climbing at a steady rate larger amounts are required today than just a few years ago.
2/ Provide the funding directly to renewal corporations to allocate as they see fit in the

redevelopment of there respective communities.
3/Get the arms length city developer Winnipeg Housing and Rehabilitation Corporation out of the Development of inner city housing. OUT OUT OUT I SAY.