

Joint Statement

June 26th, 2024

Proposed Grant Intake and Review Process

Mayor Gillingham,
Members of Council

We, the undersigned, firmly oppose both the alterations to the Community Grants Program review process and the substantial 62% reduction in funding for the critical community-building and safety initiatives it funds.

We do not oppose a review to ensure that grant funds are utilized as effectively as possible. Indeed, all public expenditures should be regularly reviewed. However, implementing changes now would jeopardize organizations already struggling to survive. Prior to the pandemic, the not-for-profit sector was chronically under and unstably funded. The sector is trying to recover their own stability while trying to meet the ever-growing needs in the community. According to Statistics Canada, the sector suffered one of the most severe declines in employment between 2019 and 2020 (-10.6%) due to pandemic closures. It is crucial for your government to recognize that we cannot endure many more setbacks without risking collapse.

Simultaneously expanding the program's reach while cutting funding from \$3.4 million to \$1.3 million will only exacerbate the challenges we face. Most troubling is that these cuts are seemingly being made to address an unexpected shortfall in the 2024/25 fiscal year of the current four-year budget cycle, which was already incredibly harsh on our sector. For example, the Poverty Reduction Strategy and the Newcomer Welcome and Inclusion policy were given elevated status without the necessary staff or additional resources to implement them effectively.

This is in the context of that same budget freezing business taxes. Failure to capitalize on revenues is an expenditure choice that deserves scrutiny. We understand the arguments. Businesses are employers, especially small businesses, are the heart of the economy etc... The not-for-profit sector are also employers in the amount of \$29.9 billion or 1.4% of Canada's economy. Leaders in the sector know though that we may very well be contributing some of the 40% of employed Harvest clients given many of us cannot provide true cost of living wages to our staff given funding constraints. We are just as susceptible to the harms of staff burnout and turnover as private businesses.

Another potential increase in revenue that was overlooked was an equitable property tax. The City could have raised approximately \$5.5 million dollars more while simultaneously lowering costs for low-income homeowners by asking those who can afford more, to pay more.

Table 1. Effect of Property Tax and Rebate at Various Property Value Levels					
	150,000	\$250,000	\$350,000 (Average value)	\$500,000	\$1,000,000
Home value					
2023 Property tax*	\$871	\$1,451	\$2,032	\$2,903	\$5,805
Scheduled 3.5% increase for 2024	\$30	\$51	\$71	\$102	\$203
Additional 5% increase	\$44	\$73	\$102	\$145	\$290
Total increase	\$74	\$124	\$173	\$247	\$493
Net effect of 5% increase with \$100 rebate for homes valued under \$350,000 for 2024	-\$26	\$24	\$73	\$392	\$783
*Based on current mill rate of 12.90 and 0.45 portion for residential. Does not include Frontage Levy or Education Tax.					

Additionally, there are the other significant revenue losses to consider, such as Tax Increment Financing (TIF). The anticipated sale of Portage Place Mall to True North will likely involve a TIF application, despite that the company will also assume the profits from the previously public revenue of the underground parking. Moreover, the City serves as the distributor of the federal Housing Accelerator Funds. Applicants can access federal funds, any provincial contributions, and request a TIF. How much revenue will the City plan to forgo while asserting that it cannot afford to support the essential work we do to create a better, safer, and more inclusive Winnipeg?

While increasing housing stock, especially deeply affordable and rent-geared-to-income, is essential, private entities can also apply for and profit from these public expenditures. Regardless of how bright and beautiful the next iteration of Portage Place becomes; it will be in the urban federal riding with the highest rates of child and family poverty in Canada.

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The notion of trickle-down economics is a proven falsehood. However, the ripple effects of the proposed cuts to Community Grants will have very tangible impacts. Organizations losing funding will be forced to increase competition for private donations, including United Way Winnipeg, the Winnipeg Foundation and other funding bodies thereby putting additional strain on the entire sector.

We are also concerned about the apparent lack of elected official oversight in the proposed review process and the absence of public access to a definitive list of who is funded, for what purpose, and at what level. These details are currently available in the existing process. Furthermore, the new model does not allow for operating funds which are the hardest to secure in our sector as most funders prefer short-term, project-based funding.

On the same day that this proposal went to the Executive Policy Committee, the Winnipeg Police Service announced the most recent crime statistics. No one in our sector was surprised at the findings. Mayor Gillingham aptly stated that all levels of government must work together to address the root causes of crime. We agree and submit that the City must do more by allocating funds where they are most effective.

The 2022 Alternative Municipal Budget: Winnipeg at a Crossroads identified that the \$320 million 2020 police budget represented 26% of the City's total operating budget. The rest of the Protection and Community Services department's budget, excluding fire and paramedic services, was \$172 million. This is what we devoted to recreation, parks, urban forestry, community liveability, libraries, arts, entertainment, culture and even insect control, combined. In 2022, we spent \$160 million dollars more on policing than we did on all of these other essential community needs. This has too long been the trend in Winnipeg. Given the recent crime statistics, we are not seeing an acceptable return on investment for our emphasis on policing as the primary means of creating a safer Winnipeg.

Given this, and that the Community Grants program is fully aligned with the City's Charter purposes and does not represent mission creep in any way, we propose:

- 1) Maintain the existing grant review process
- 2) Reinstate the 2.1 million dollars to the fund
- 3) Expand the reach of the program by adding additional funds to it.

Should Mayor and Council approve the proposed changes, those cut will have to find the money elsewhere. Fundraising, grant sourcing etc... all take time and effort that can be better spent delivering services that meet the needs of the inhabitants of Winnipeg. Some

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may succeed, while some may not, and we will all be the poorer in those latter cases.

We urge you to reconsider the proposed changes to the Community Grants Program. The cuts and the new review process threaten the stability and effectiveness of organizations that are essential to building a safer, healthier, and more inclusive Winnipeg.

Sincerely,

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Aurora Family Therapy Centre

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1 Just City

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A&O Support Services for Older Adults

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Abilities Manitoba

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Aboriginal Council of Winnipeg

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ACOMI (African Communities Organization of Manitoba)

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Aki Energy

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Amalgamated Transit Union, Local 1505

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Andrews Street Family Centre

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Art City

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Assiniboine Credit Union

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Association of United Ukrainian Canadians - Ukrainian
Labour Temple

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Better Manitoba

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Big Brothers Big Sisters of Winnipeg

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16	Bike Winnipeg
	Canadian Centre for Policy Alternatives, MB
17	Canadian Community Economic Development Network - Manitoba
18	Canadian Federation of Students - Manitoba
19	Canadian Mental Health Association - Winnipeg
20	Canadian Union of Public Employees Manitoba
21	CEDA
22	Central Neighbourhoods
23	Central Church of Christ
24	Cerebral Palsy Association of Manitoba
25	Child Care Coalition of Manitoba
26	Children's Coalition
27	Communities Not Cuts
28	Communities 4 Families Downtown Parent Child Coalition
29	Community Education Development Association
30	Community Helpers Unite
31	CUPE 500
32	CUPE 2348
33	Daniel McIntyre/St. Matthews Community Association

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Elmwood CRC

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End Homelessness Winnipeg

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Epic Opportunities

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Fearless R2W

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Fireweed Food Co-op

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Food Matters Manitoba

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Food 4 All

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Functional Transit

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Graffiti Art Programming

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Green Action Centre

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Harvest Manitoba

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Heritage Winnipeg

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Home Street Mennonite Church

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HoodFams

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Human Rights Hub

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Immigrant and Refugee Community Organization of
Manitoba (IRCOM)

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Immigration Partnership Winnipeg

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Independent Jewish Voices Winnipeg

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Independent Living Resource Centre

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Initiatives for Just Communities

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Innovative Life Options

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Iron Workers Union Local 728

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Islamic Social Services Association

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John Howard Society of Manitoba

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Knox United

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Lindsey White and The Garrison (Music & Arts)

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Local Investment Toward Employment (LITE)

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Ma Mawi Wi Chi Itata Centre

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Main Street Project

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Manitoba Association of Newcomer Serving
Organizations

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Manitoba Association of Rights & Liberties

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Manitoba College of Social Workers

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Manitoba Federation of Labour

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Manitoba Harm Reduction Network

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Manitoba Interfaith Immigration Council, Welcome Place

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Manitoba League of Persons with Disabilities

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Manitoba Metis Federation

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Manitoba Nurses Union

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Manitoba Teachers' Society

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Manitoba Theatre for Young People

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Manitoba Energy Justice Coalition

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Manitoba Women for Women South Sudan Inc.

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Mennonite Central Committee Manitoba

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Millenium for All

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Mosaic Newcomer Family Resource Centre

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Mount Carmel Clinic

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New Directions

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Newcomers Employment and Education Development
Services

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New Journey Housing

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North End Community Renewal Corporation

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North End Women's Centre

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North Point Douglas Women's Centre

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Of No Fixed Address

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Palaver Hut

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Persons Community Solutions

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Point Douglas Resident Committee

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Poverty Awareness & Community Action

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Purpose Construction

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Rainbow Garden Project

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Reconnaissance Management Consulting Group

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Regenesis Centre for Recovery Inc.

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Red Road Lodge

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Resource Assistance for Youth

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Rossbrook House

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School of Social Work, Université de Saint-Boniface

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SEED

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Social Planning Council of Winnipeg

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Spence Neighbourhood Association

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Success Skills Centre

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Sustainable Building Manitoba

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The Broadway Neighborhood

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The Project Group

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The Winnipeg Boldness Project

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Thrive

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Trees Winnipeg (Coalition to Save the Elms Inc.)

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University of Winnipeg Department of Urban and Inner City Studies

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Velma's House - Ka ni Kanichihck

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West Broadway Community Organization

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West Central Women's Resource Centre

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William Whyte Neighborhood Association

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Winnipeg Inner City Missions the Presbyterian Church in
Canada Inc.

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Winnipeg Labour Council

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Winnipeg Rental Network