



# Building On Our Strengths

## Inner-city priorities for a renewed tri-level development agreement

### Executive Summary

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The expiry of the Winnipeg Development Agreement on March 31, 2001 threatens to bring to a close Winnipeg's unique twenty-year experience with tri-level funding for inner-city revitalization. To allow this to happen, precisely at the moment that real gains are beginning to be made in Winnipeg's inner city, would be a mistake.

This report, based on interviews with representatives of 100 organizations, most of them community-based, inner city organizations — involved in health, education and training, and community economic development, and working with families and children and youth — calls for the creation of a new tri-level agreement targeted at Winnipeg's inner city. In doing so, it draws upon the experience of those organizations, as expressed in the interviews, to make recommendations that will lead to significant improvements in the administration of a proposed new, long-term, tri-level agreement.

This study concludes that there are grounds for being cautiously optimistic about Winnipeg's inner city. It is true that the inner city continues to experience high levels of poverty and associated problems, and many of these are described in the report. More important, however, is the fact that in many places in Winnipeg's inner city, real improvements are beginning to be made. This is the case where genuinely community-based organizations have emerged in response to local needs, and have been successful in securing reasonable levels of funding. This approach does not produce instant results. But when community-based solutions are adequately funded over time, neighbourhoods and communities can be gradually turned around. We are now beginning to see the evidence of that.

This report argues that these gains ought to be sustained, and built upon, by means of a new, long-term, tri-level agreement. The report draws upon the experience of these community-based organizations to make a series of practical and achievable recommendations that would significantly improve the administration of such an agreement.

The recommendations, set out in detail at the conclusion of this report, are in summary as follows:

1. That the three levels of government commit themselves to making the inner city an urgent priority for government action, and to making the substantial investment in the inner city that is needed in order to tackle poverty and related problems by building upon recently-developed community-based strengths.
2. That the three levels of government immediately commit themselves to the creation of a twenty-year, tri-level program (involving all three levels of government), in the amount of \$8-9 million per year, designed to support inner city revitalization in Winnipeg.

3. That the defining principles by which this tri-level program operate include a commitment to community-based organizations and community involvement, and in particular a commitment: to create a decision-making body with meaningful representation from the community; to use the program primarily to invest in community-based organizations in Winnipeg's inner city; to maximize the extent to which decisions about the allocation of funds be the product of genuine community involvement; and to promote and support community economic development.

4. That due regard be given to ensure that Aboriginal organizations—organizations run by and for Aboriginal people—receive a substantial proportion of the funds allocated by the tri-level agreement.

5. That the tri-level inner city revitalization program adopt a new method of allocating funds, based on the experience of community-based organizations over the past twenty years. This experience is the basis for the following recommendations:

a. that established inner city organizations with a track record of successful evaluations be funded and evaluated on a more holistic and more long-term basis.

b. that there be a shift in emphasis from project funding to longer-term, core funding.

c. that the funding process be dramatically simplified, by means of funders agreeing upon a common, simplified application process, and adopting a much more face-to-face approach, such that instead of requiring multi-page application forms, funders visit inner city organizations and speak to those involved.

d. that the previous recommendation be facilitated by establishing neighbourhood, store-front organizations whose purpose would be to work with members of the community and with community-based organizations in defining projects and applying for funding for projects.

e. that inner city residents be more involved in deciding upon the allocation of funds directed to the inner city.

6. That an inner city foundation be established, in the amount of \$30 million over a four year period, that the earnings from the foundation be specifically targeted to community economic development initiatives in Winnipeg's inner city, and that there be genuine community involvement in decisions about the allocation of funds from the foundation.

7. That funding be made available to enable the development, on a neighbourhood-by-neighbourhood basis, of long-term plans for inner city revitalization, and that this be done by neighbourhood or residents' associations, working cooperatively with community-based and other organizations in each neighbourhood.

8. That governments at all three levels demonstrate the political courage and the long-term vision to do what needs to be done in Winnipeg's inner city, by immediately instituting the above recommendations in their totality, thus building on the strengths of the inner city.

We are at a crossroads in Winnipeg's inner city. We can stand back and allow the deterioration of decades to continue; or we can build upon the strengths that have been painstakingly developed by community-based organizations in Winnipeg's inner city more recently. It is clear which is the prudent choice. We must continue to build on our strengths.

## Part A: Purpose and Method of the Study

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This report is the result of a study initiated by the Urban Futures Group\* and funded by the University of Winnipeg's Community-University Research Alliance Program. The study was undertaken because Winnipeg's unique, 15 year experience with tri-level, inner city revitalization agreements— the two Core Area Initiative Agreements (1981-1991) and the Winnipeg Development Agreement (1996-2001)— has come to an end with the expiry on March 31, 2001, of the Winnipeg Development Agreement.

The purpose of the study is to develop a mandate from the inner city community on which a renewed, tri-level inner city revitalization agreement could be based, and to identify the principles, priorities and preferred program delivery models that the inner city community believes should shape such an agreement. The study is based on personal interviews with representatives of 100 organizations, approximately 80 percent of which are community-based organizations working in Winnipeg's inner city. The questionnaire used for the interviews was designed by the principal investigator and co-investigator, in close collaboration with

the Urban Futures Group, and was tested on a sample of respondents in September, 2001. As shown in Appendix One, the questionnaire is open-ended, allowing respondents to reply to questions in ways they thought best. Interviews lasted an average of 45 minutes to one hour, and were conducted in September and October 2001 by the principal investigator and three interviewers hired and trained for the purpose. The respondents, listed in Appendix Two, were representatives of organizations that were selected primarily by making use of Social Planning Council of Winnipeg lists of community-based organizations working in the inner city, and selecting from those lists in such a way as to ensure representation from a broad, cross-section of groups that are active in and/or concerned with issues related to inner city revitalization. These included Aboriginal organizations, health care organizations (community health clinics, and health education and outreach programs), organizations working with children and youth, and with women and families, business and labour organizations, and others as categorized in Table One.

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\* The Urban Futures Group is a coalition of inner city community groups. The steering committee members include: Andrews Street Family Centre, Centre for Aboriginal Human Resource Development, Community Education Development Association, Kikinamawin Training Centre, Ma Mawi Wi Chi Itata Centre, Neeginan Development Corporation, North End Community Renewal Corporation, Rossbrook House, Social Planning Council of Winnipeg, and West Broadway Development Corporation.

**Table One**  
**Organizations Represented in This Study, By Type**

Aboriginal (organizations run by and for Aboriginal people)*	21
Children/Youth	14
Health (community clinics, health education/outreach)	13
Women/Family	9
Business and Business Development Associations	6
Labour Organizations	6
Church/Religious Organizations	5
Justice	4
Services/Advocacy for Low-Income People	3
Education	3
Residential/Neighbourhood Associations	2
Community Economic Development Organizations	2
Immigrant/Refugee Services	2
People With Disabilities	2
Literacy Organizations	2
Other (one each of: arts/culture, community newspaper, food-bank, gay/lesbian resource centre )	4
	<b>100</b>

Tentative recommendations were prepared in early November, based on an analysis of the completed questionnaires. The tentative recommendations were mailed to all of the respondents, who were then invited to participate in one of four focus groups held November 19-22, 2001. The focus groups, in which a total of 25 respondents participated, discussed and debated and evaluated the tentative recommendations, which were then further refined. We believe this method adds to the authenticity of the recommendations.

Approximately 80 percent of those interviewed for this study are associated with community-based organizations working in Winnipeg's inner city. There is considerable

evidence that such organizations, with their commitment to community involvement, are an essential ingredient in promoting inner-city revitalization. Further, there are distinct methodological advantages to a focus on such organizations. Their daily experience makes possible an invaluable insight into prevailing conditions in Winnipeg's inner city. And their experience in working intimately with the previous tri-level agreements makes it possible for this report not only to provide solid evidence of the need for a new tri-level agreement, but also to recommend a host of practical refinements and modifications which would add significantly to the effectiveness of the proposed new agreement.

## Part B: What We Learned From the Interviews

### 1. The Problem of Poverty in Winnipeg's Inner City

When we asked respondents, “In your opinion, what are the main problems facing the inner city?”, we got answers that confirmed the prevalence in the inner city of poverty and problems related to poverty. Table 2 is an attempt to categorize the answers to this question.

Respondents answered this question with such observations as: “down and out poverty”; an “epidemic of poverty”; “systemic poverty”. One respondent said that the poverty-related problems in the inner are “simply overwhelming”, and that what exists in the inner city are “large systemic problems that are only being chipped away at, at the edges”. The problems are so bad, said an-

other, that families “are falling in holes, not just between cracks”. Another referred to the “huge, huge lack of resources to support families who are struggling”, and described the inner city as “a sea of need and a vacuum of resources”. Yet another added: “the pressures on families are greater than they’ve ever been”. Respondents who answered without specifically using the word poverty said such things as: “Housing here really is quite bad”; “School costs in September are huge, huge, huge”; and the quality of housing “is so terrible...the slum landlord thing”. Others mentioned crime, cuts to social assistance rates and racism. A respondent stated ominously that if the degree of poverty now being experienced continues, “we’re in for a very scary future”.

These responses are consistent with what we already knew about poverty in Winnipeg.

**Table Two**  
**In Your Opinion, What Are the Main Problems Facing the Inner City?**

1. Poverty (respondents who explicitly mentioned poverty in their response)	42*
2. Symptoms/Consequences/Correlates of poverty (respondents who answered with such terms as: inadequate housing, gangs, prostitution, loss of community, low literacy levels, crime, high levels of unemployment, slum landlords)	37
3. Those respondents who answered by referring to perceived weaknesses in past responses/attempted solutions to inner city problems: for example, lip service by government; targeting of symptoms rather than causes; the need for more preventative measures; lack of planning/absence of any strategy; communities are not listened to).	21
	100

\* Because of the open-ended nature of the question, many respondents referred to more than one problem, but 42 of them explicitly used the word poverty.

## What We Already Knew About Poverty in Winnipeg

We knew from numerous previous studies that poverty in Winnipeg is high relative to other Canadian cities, that it has been rising since at least the early 1980s, and that it is accentuated in Winnipeg's inner city.

In 1981, 21.3 percent of Winnipeg households had annual incomes below the Statistics Canada Low-Income Cut-Offs (LICO). By 1991 the figure was 23.9 percent, and by 1996 it was 28.4 percent, or more than one in four. In the inner city the figures were 36.2 percent in 1981, 44.3 percent in 1991, and 50.8 percent, or just over one-half, by 1996.

Rates of poverty are worse for single parents, most of whom are single moms, and for Aboriginal households. In 1996 more than two of every three single parents in Winnipeg's inner city— 68.5 percent— had incomes below the LICO, and an astonishing 80.3 percent of Aboriginal households in Winnipeg's inner city—more than four in every five—had incomes below the LICO (Lezubski, Silver and Black, p. 39).

We know too that the poverty rates of families with children who live in the catchment areas of inner city schools in Winnipeg School Division No. 1 are exceptionally high. At each and every one of the 15 inner city schools in Winnipeg School Division Number One, more than 50 percent of families with school-age children in the school catchment area have incomes below the LICO, and at 13 of the 15 schools, more than two-thirds of the families with children have incomes below the LICO.

Further we know that the average incomes of those in Winnipeg who are below the LICO are far below. In 1996, for example, it was found that Winnipeg households with incomes below the LICO had an average income that was less than half the level of the LICO, and that almost one-half of all inner city households had incomes of less than \$20,000 per year (Luzubski, Silver and Black, 2000, P. 48). The Social Planning Council of Winnipeg reports that the average poor family in Manitoba would have had to earn more than an additional \$9000 just to reach the poverty line (Social Planning Council, 2000, p.4).

Poor families mean poor children. In The Manitoba Child Poverty Report Card, 2000, the Social Planning Council reported a slight improvement in the rate of child poverty in Manitoba— from 26.9 percent in 1996 and 1997, to 23.6 percent in 1998, the latest year for which data are available. However, this still left the rate of child poverty slightly higher than it had been in 1989, and left Manitoba with the third highest rate of child poverty in Canada. In fact, since 1988 Manitoba has had the dubious distinction of being the child poverty capital of Canada seven times, and has never fallen lower than third in the national rankings.

Although there is considerable debate about the accuracy of Statistics Canada LICOs as a measure of poverty, we maintain that it is a useful measure for research purposes. It shows us that poverty rates in Winnipeg are higher than in most other urban centres in Canada, have been rising for two decades, and are especially high in the inner city.

There is other evidence which corroborates these conclusions. Unemployment rates are considerably higher in Winnipeg's inner city than in Winnipeg as a whole, and labour force participation rates are markedly lower. For example, for inner city youth aged 15 to 24 years, in 1996 the unemployment rate was 18.9 percent, compared to 14.3 percent in the city as a whole, and the labour force participation rate was 59.3 percent, compared to 67.6 percent for the city as a whole. This means that large numbers of inner city youth were neither working nor actively looking for work. For Aboriginal youth in the inner city the figures are worse: only 40.1 percent of Aboriginal youth in the inner city are in the labour force, and of these more than one-third, 35.1 percent, are unemployed (Lezubski, Silver and Black, 2000, 34).

These quantitative accounts are supported by qualitative evidence. A paper released in 1997 and based on a series of five meetings with the executive directors of 47 United Way member agencies reported that United Way agencies were increasingly unable to meet the massive and growing needs in the community created by ever-increasing levels of poverty. "While the demand for their services is growing and becoming more complex, the resources to respond to these demands are shrinking and shifting" (United Way, 1997, 4). "Again and again", the report stressed, "agencies made the link between poverty and increasing needs", and from there to a wide variety of increasingly serious social problems (United Way, 1997, 10). Similarly, a 1996 survey at Child and Family Services Winnipeg and CFS Central found that 92 percent of social workers who responded believed that demand for their services had exploded to such an extent— largely attributable to growing levels of poverty— that it was no longer possible for them to comply with all aspects of the Child and Family Services Act (CUPE, 1996, Appendix 4, p. 6). Winnipeg's inner city, it is clear, has a serious problem of poverty.

Our respondents provided additional information about the prevalence of poverty in Winnipeg's inner city. One area where the consequences of poverty are painfully apparent is the rapid recent growth in child prostitution. This has been observed by many of our respondents, in different parts of the inner city. More young women, and younger women—children, really—are working the streets. “It’s growing visibly”, said one respondent, adding that there are now far more girls 12-13 years of age working the streets. This recent growth, many of our respondents believe, is related to the increased availability of crack cocaine, which in turn is linked to the gangs, which in turn is “directly related to poverty”. “Prostitution is up because people are on crack and need dollars; you can see them all over”, said one respondent, who added: “Crack cocaine is eating up our people.” There are other, related problems. “HIV/Aids is a huge issue”. The last six months has seen a “dramatic increase”, said another respondent, in the diagnosis of HIV/Aids in girls working in one particular area frequented by street sex workers. Many cases, of course, go undiagnosed, so that especially in the Aboriginal community, this “is a sleeping giant” of a problem.

The prostitution and drugs are linked to the gangs. Although less has been said in the media lately about gangs, the problem is not getting any better, our respondents say. Gangs continue to grow and, according to two respondents, are “much more organized”. And here too, the problem is affecting children at ever-younger ages, so that “we have less time to be preventative”. It is necessary now to work with children who are five, six and seven years old to try to

keep them away from the gangs, but it is getting “harder to compete with the excitement of the gangs”. The problem, say respondents, is rooted in the conditions of the inner city. As one respondent put it: “gangs aren’t an aberration, they’re *inevitable* if you put people into that situation”. The same conclusion was reached by the Hughes Report, which investigated the riot at Headingly Correctional Institute in April 1996, and said that: “Gang membership offers an attractive and often glittering alternative to many who are poverty stricken....They are likely candidates for recruitment, because so many of them have lives full of despair, flowing from the poverty that besets them”(Manitoba, 1996, 123).

One respondent, when asked, “In your opinion, what are the main problems facing the inner city?”, responded first by saying poverty, and then immediately added: “the feelings of hopelessness, desperation; desperate people do desperate things”. Poverty is not just about a shortage of money. Feelings of despair, hopelessness, anger, and shame are internalized, and manifest themselves in behaviour which, in the case of many young people, takes the form of gang involvement and violence and self-destructive behaviour, and in many others takes the form of a passivity borne of the belief that it is not worth trying. Many respondents strongly expressed the view that it was these feelings of hopelessness and despair, the lack of self-esteem and self-confidence, that have to be tackled if poverty is to be defeated. “Feelings of hopelessness”; “hopelessness—people believe they can’t achieve”; a “culture of hopelessness”—these were among the phrases that were used.

Such feelings are exacerbated by racism.

“The racism thing has to be addressed”, added one respondent. “A lot of things have been tried, but racism is so deeply entrenched”. Aboriginal people in particular are the victims of racism. It takes the form, primarily, of a wide range of institutional and cultural barriers to Aboriginal people, and the problem is acute. As one respondent said, there is a “crisis in Winnipeg” in the Aboriginal community. Many Aboriginal people, men in particular, arrive in Winnipeg’s inner city from the north, “where it’s a whole different world” as one respondent described it. Many arrive with low levels of educational attainment and low levels of literacy, and for these people few programs or services are available, and few if any improvements are being made. These difficulties are then compounded by the undeniable prevalence of racism. For example, as another respondent with an established inner city organization put it: “When we started here there were very few people who hired Aboriginal people”. She added, however, that this “has changed in a number of (community-based) organizations”. Nevertheless, this respondent adds, as a society we “just have not addressed Aboriginal unemployment”. Said another: “Racism is definitely a problem, and poverty”. Racism and poverty, and high rates of unemployment, too often find expression in a lack of self-esteem, a sense of worthlessness and failure and a lack of hope. This is exacerbated by the significantly lower levels of educational attainment by Aboriginal children, an especially important problem given the demo-

The death rate and suicide rate of Aboriginal youth are four times and six times the Manitoba average (Manitoba Health, 1995), and although less than 10 percent of Manitoba’s children are Aboriginal, 50 percent of the Children’s Hospital beds at any given time are occupied by Aboriginal children and almost 70 percent of the wards of the CFS are Aboriginal (Manitoba Children and Youth Secretariat, 1997, 23).

graphic reality of relatively higher rates of growth in the Aboriginal population. Low levels of educational attainment reproduce the cycle of poverty, adding to the cultural and institutional barriers facing Aboriginal people, and aggravating feelings of hopelessness and despair. Without the hope that life can be made better, it is unlikely that life will be made better. One respondent, responding to the question, “In your opinion, what are the main problems facing the inner city?”, referred to the negative perception of “the urban Indian on the street”, the “prejudice and racism” directed at Aboriginal people, and this is clearly linked to the response of another, who said that the litany of problems is not the issue, rather the negativism, the attitude of hopelessness that feeds on itself, is the real issue. Racism, poverty, hopelessness, despair, loss of hope—these all meld together to make solutions especially difficult.

Welfare, too, feeds this problem. It is damaging and soul-destroying. It erodes confidence and self-esteem. “Welfare is such a horrendous way to live”, said one respondent, while another added that “people I talk to regularly tell me how awful it feels to be on welfare”. It is in no way a solution to the problems of poverty in Winnipeg’s inner city. It is necessary to “get people off welfare”, because people cannot develop pride while on welfare.

At the same time, the dollar value of social assistance rates in Winnipeg has plum-



meted to absurd levels, so low as to exacerbate the problem of finding dignity and self-esteem in one's life. As one respondent put it, rates are now so low that "welfare is just not attached to the real world". Social assistance is so low that those in its clutches simply cannot pay the bills. Many people on social assistance have to make use of food banks because their social assistance allocations are too small to get them through the month, thus adding to the psychological dimensions of the problem of poverty with increased feelings of shame and anger. These feelings of inadequacy, of hopelessness and despair, this lack of self-esteem and self-confidence, already present in many because of poverty and racism, are further fuelled by the indignities of inadequate social assistance.

## 2. Grounds for Optimism: Some Signs of Improvement in Winnipeg's Inner City

However, there are some signs of improvement in the inner city, and we think these signs constitute the basis of a solution that will work if adequately funded. We asked respondents: "In the inner city generally, would you say things are getting better, getting worse, or staying the same?" Just under half said that things are getting worse or staying about the same, and those who said things are staying the same did so with a negative tone, making such comments as: "the same issues are always there", "stagnant", "there has essentially been no progress" and "it hasn't changed". However, the other half of the respondents said they saw improvements, or that they thought things were getting both better and worse at the same time. Those who said both better and worse at the same time said the inner city is getting better in spots, or in some ways, or for some groups of people or in some neighbourhoods. We think this is evidence in part of the fact that community-based organizations *do* make a difference when they have the funding to begin to scale up their efforts a bit.

## Poverty is Costly

Poverty is exceptionally expensive for society as a whole. It is a major factor in driving up the cost of health care, the justice system, and a wide variety of forms of social assistance. The elimination of poverty would dramatically reduce the cost of government.

A 1995 study prepared by Manitoba Health reported that health costs are directly related to poverty. Those in the lowest income groups are ten times more likely to be admitted to hospital than those in the highest income groups. In fact, "there is no determinant of health that impacts more on the health of individuals than poverty" (Manitoba Health, 1995, 30 and 58).

A more recent study prepared by the Manitoba Centre for Health Policy and Evaluation concluded that children in poverty have a higher incidence of health problems and thus add to the costs of the health care system. The study found that the infant mortality rate in the lowest income quintile area was double that in the highest income quintile area; that hospitalization for lower respiratory tract infection in infants increased as neighbourhood income levels decreased; that children from lower income areas were hospitalized more frequently than those from higher income areas; and that many other indicators of children's health are related to poverty. In short: "Children living in poverty are most at risk for poor health outcomes" (Manitoba Centre for Health Policy and Evaluation, *Assessing the Health of Children in Manitoba: A Population-Based Study*, February, 2001, 5-6).

**Table Three**

“In the inner city generally, would you say things are getting better, getting worse, or staying about the same?”

1. Better	25
2. Worse	25
3. Both	25
4. The same	24
5. No answer	1
	100

In one community where a significant effort has been made by community-based organizations we were told that there are definitely some improvements in the form of increased degrees of safety and increased community pride. In at least two other neighbourhoods where viable community organizations are working and have received recent injections of funding it is claimed by respondents working in the community that improvements are visible. As one respondent put it to us, if viable community organizations get reasonable funding, there are differences that can be seen quite quickly. In one neighbourhood which received significant funding from the Winnipeg Development Agreement the result, according to one community worker, is that “I think it’s made a big difference on a whole lot of levels”. We think it is significant that many people

who are hard at work on a day-to-day basis in the inner city are able to see that, where viable community organizations exist and are reasonably funded, changes for the better can be observed. This observation is consistent with data produced by the Winnipeg Real Estate Board, which shows a significant increase in housing values in those inner city neighbourhoods in which community-based and other housing renovation initiatives have recently been funded (*Winnipeg Free Press*, December 3, 2001).

This, we believe, is grounds for cautious optimism, and leads us to conclude that while circumstances in the inner city are still very difficult, we can see what the basis of a solution would be. Adequate support, especially adequate financial support, for community-based organizations that have emerged in response to community needs, will make it possible to begin the process of

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\* Many respondents added that, as important as adequate funding for community-based inner city organizations is, it is essential that other measures be adopted simultaneously, especially significant increases in the level of the minimum wage and in social assistance rates. A positive step in this regard is the provincial government’s elimination of the clawback of the Child Tax Benefit.

Our respondents have provided us with the evidence to sustain this view. To the extent that this is the case, we want to emphasize that this is a report at the centre of which is a positive message. There are grounds, it is true, for gloom and doom. Yet our respondents are telling us that from what they can see, there are solutions, and these solutions are perfectly achievable. What is lacking, our respondents say, is the political will to act, and especially the political will to provide adequate funding for those community-based organizations that are the basis of a long-term solution to inner city problems.

solving the serious problems of Winnipeg's inner city.\*

We asked our respondents, "In your opinion, what are the main strengths in the inner city?", and their answers add further to what we hope is the positive tone of this report. Many respondents spoke passionately about what they consider to be the significant strengths in the inner city. "There's a sense of neighbourhood. People know each other". Said another: "I think there is a sense of community....People identify themselves as a north-ender". And another, talking about the gains being made as the result of the work of community-based organizations in her very low-income neighbourhood, said: "People know one another better now. They often stop on the street and say hi". Yet another, who lives and works in the same neighbourhood, observes that she and many others share a sense of pride about living in the north end. People are open, people are very "real", an observation made over and over by respondents. In the inner city, said another, "People have an incredible capacity for survival with really limited means". People here are survivors, added another. They share, they support each other in a host of ways, and "I'm so proud to be a part of that; it's very beautiful". When asked what the strengths of the inner city are, this respondent exclaimed: "There's so many! That's why I'm here". She described her neighbourhood by saying: "I walk down Selkirk Avenue and I say hi to someone fifty times before I get home". Two other respondents in a different part of the inner city observed that "in a different sense, there's a sense of community". It is not that people are working together, because they are not, "but it's a neighbourhood that looks out for one another in many ways". As well, there are so many people who "are so passionate

about promoting change" in the inner city. There are so many outstanding community leaders. This is an observation made over and over by respondents. It is these strengths, and the gains made by some of the inner city, community-based organizations, that lead us to believe that there are grounds for agreeing with the respondent who concluded her interview by saying: "I'm very positive about the inner city".

### **3. Contradictory Processes in a Complex Inner City:**

There are two contradictory processes at work in the inner city. First, in the question about whether things are getting better or worse in the inner city, many respondents are saying "both". They are pointing to some good things that are happening: the strength of community-based inner city organizations, and the skills and passion of so many of the people who work in those organizations; and the sense of community and the survival skills of so many inner city people. And they are pointing to areas where, and people for whom, things are getting worse. One respondent said that things are getting better for young kids, but for those over sixteen years of age there is nothing. Another observed that things are getting worse, very bad in fact, for Aboriginal men, but she added quickly that: "lots of good stuff is happening here and you never hear of it". Another respondent who runs a small neighbourhood drop-in centre for kids says that he can see clearly the evidence that the program benefits kids and families, but it is a "drop in the bucket" and all around things remain really bad. Another respondent, a long-time community worker in a neighbourhood that has recently been successful in developing a neighbourhood association

and in attaining what, by inner city standards, is a reasonable amount of funding, says there has been “a lot of improvement— in the last few years, really.”

What does one make of this contradictory evidence? We believe that a reasonable interpretation is as follows: things are getting better, visibly better, in those parts of the inner city where community organizations emerge from the bottom up, and are genuinely rooted in the community, and where those community-based organizations receive a reasonable level of funding. According to those closest to the action in the inner city, this is a formula that works.

The result of this contradictory process is that “the inner city” is not at all the homogenous entity that the phrase “the inner city” would imply. It is a complex and variegated community. And it is a stratified community, one in which for those at the bottom of the stratification system— among whom are disproportionate numbers of Aboriginal peo-

ple— things appear in fact to be getting worse. Even in those neighbourhoods where improvements are beginning to be made, not all are benefiting. And not all neighbourhoods are making improvements. Different neighbourhoods are at different stages in the process of beginning to solve their own problems. Some have deteriorated very dramatically, some have not deteriorated quite so much, and others are beginning to show some genuine signs of improvement. A major variable, we believe *the* major variable, is the extent to which solid community-based organizations have emerged and are being funded. Where that is the case, improvements are beginning to be made; where it is not the case, the deterioration continues.

#### 4. Principles to Guide Inner City Revitalization:

Community involvement by means of community-based organizations and inner city

1. Unqualified yes to strong involvement	71
2. Somewhat qualified yes to involvement*	26
3. Don't know	2
4. No answer	1
	100

\* Many of these respondents said something to the effect that while community-based organizations and inner city residents should be involved, this needs to be accompanied by an educational process because many inner city people are not yet ready to participate in such decision-making. Those who gave an unqualified yes to strong involvement would say, consistent with the principles of community development, that it is precisely their involvement in decision-making that will be their education.

residents, our respondents say, is a guiding principle of inner city revitalization. For example, our respondents were close to unanimous on the question: “To what extent and how should community-based organizations and inner city residents be involved in deciding the priorities for inner city investment?” More than 70 percent of respondents said that community-based organizations and inner city residents must be *fully* involved in deciding upon inner city priorities; another 25 percent provided a more qualified response, but one which still represented a belief in the necessity of community involvement in deciding the priorities for inner city investment (see Table Four).

The importance of community involvement was emphasized over and over in a variety of ways. Community-based organizations and inner city residents should be involved: “to the greatest extent possible”; “to the fullest extent possible”; “100 percent”; “from the beginning to the end”. Respondents said that governments cannot make the best decisions about the inner city because they do

not *know* the inner city and its people. “Outside people have no idea”. Government officials “will never have a complete understanding of what it is actually like to live here”. Community people have a “better understanding of what the community’s needs are”, and “people are really clear on what they want in their neighbourhood”. And again: “If it’s not generated from the needs of people in the community, it won’t work”. “Plain and simple it won’t work unless the community is involved”. It is “absolutely that folks that live and breathe it everyday need to set the agenda”. Anything else is akin, said one respondent, to the “whole colonizing thing”. “We have gone through enough stages of people telling us: ‘this is best for you’”. These latter comments refer specifically to the experience of Aboriginal people, leading us to conclude that it is a reasonable corollary of this guiding principle— the centrality of community involvement by means of community-based organizations and inner city residents— that special emphasis be placed on community-based Aboriginal organizations— ie., community-based organizations run by and for

**Table Five**

**What Role Do You Think Community Economic Development Ought to Play in Inner City Revitalization and Why?**

1. Strong support for the view that CED ought to play a major/significant role	64
2. More qualified support for CED in inner city revitalization (CED is important but it is not enough, for example, and people in the inner city are not yet ready for the challenges of CED and so supports are needed)	26
3. Not really familiar with the concept of CED or no answer	10
	100

## Community Involvement, Community-Based Organizations and Inner City Revitalization

There is growing evidence that community involvement and strong community-based organizations are the key to socio-economic development (Putnam, 1993, for example). And there is irrefutable evidence that in Winnipeg's inner city there is a wealth of such organizations (Silver, 2000, 136-146). They have emerged in response to the real and immediate needs of inner city residents. They are creative and flexible and are structured and operated and staffed in a fashion that is attuned to and suitable for the circumstances of those who use them. They use a community development approach, seeking to involve local residents in solving their own problems. They are highly effective.

The importance of community involvement via community-based organizations has been recognized by growing numbers of those who are concerned about issues of poverty. For instance, the United Way of Winnipeg's Journey Forward process, which involved over 3000 Winnipeggers, concluded that: "There are solutions at work in the community that make a positive difference in people's lives every day. Most of these solutions are rooted in the concept of community development" (United Way, Community Voices: Identifying Community Social Issues, 2000, p. 2). Similarly, a recent report prepared for Western Economic Diversification Canada and intended to set out "...a number of guidelines and principles that could serve as a basis for reviewing federal policy priorities in urban areas with a particular focus on Winnipeg", said the following:

"It is increasingly recognized that solutions to the problems faced by urban communities must come from the communities themselves. This is a bottom-up rather than a top-down process. The most appropriate role for the federal government, therefore, would be to support locally based and locally defined priorities, efforts and solutions" ("Guidelines for Federal Policy Priorities in Urban Areas", February, 2001 p.2).

This has been the view held by those working in Winnipeg's inner city for years. The Chair of the 1990 Community Inquiry Into Inner City Revitalization, after overseeing hearings addressed by scores of organizations and individuals active in the inner city, observed that:

"It was obvious from the many well-articulated presentations at the Inquiry that there is a substantial level of expertise in inner city communities, and this expertise is begging for the opportunity to play a more active role in planning and program delivery" (Carter, 1991, 4).

In her summary of the May 9, 1990, hearings, the Inquiry Coordinator put the rationale for the inner city community's call for control of the revitalization process very clearly:

"The basic case was put as follows: inner city residents hold the key to sustained revitalization efforts. In principle, they have the most at stake, and their needs and aspirations—not those of outside institutions or investors—should prevail. In practice, a number of organizations and projects have demonstrated that residents can assume effective decision-making and administrative control over local issues and initiatives, given appropriate developmental support. If public sector intervention is to be preventive rather than remedial in nature, resources should be allocated to community and self-help, grassroots projects/groups that foster local ownership and responsibility"(Inner City Inquiry, Summary of May 9, 1990 hearings).

It has become abundantly clear that these are the "solutions that work". But it is equally clear that these community-based initiatives are seriously underfunded, and thus cannot now realize their potential. This is most certainly the conclusion of a recent major study of the American experience in struggling with poverty. In *Common Purpose: Strengthening Families and Neighborhoods to Rebuild America*, Lisbeth Schorr argues that "Yes, successful programs exist, but they have in the main been small and scarce"(Schorr, 1997, xiii). They have too often been pilot projects which proved to be successful, and then were abandoned when the demonstration project funding ran out. This has repeatedly been the experience in Winnipeg's inner city, as well (Silver, 2000, 137). We know what works, Schorr argues. Now we need to fund those community-based initiatives that work at a level sufficient to enable them to begin to have a real impact on the problem of poverty.

**Table Six**  
**What Are The Main Difficulties Your Organization Faces In Doing Its Work?**

1. Funding (including lack of staff and space to do the job)	81
2. Other*	19
	100

\* Some organizations in our sample are not community-based organizations and do have stable sources of funding; some referred to problems that are specific to their type of organization (unions, for example); and others referred to problems of the inner city as their problem—poverty, “breaking the cycle of gang activity,” problems with social assistance, for example.

Aboriginal people.

The same philosophical approach to inner city revitalization can be seen in responses to the question about community economic development. Our respondents were almost unanimous in their support of community economic development (see Table Five).

Respondents made such comments as: “community economic development is paramount, it is the most important thing”; “it’s the key”; it is “absolutely essential”; “that is the only way”; “it’s essential”; “it’s the philosophy of this agency”; and “there is a lot of push on community development”. Those who were more qualified in their support made such comments as: “I would like to see the willingness to fund stuff that is a really basic introduction to that (ie., to CED)”; or similarly, it is important “to see community development on a continuum, and entry level stuff is worthwhile”. These latter comments suggest support for the idea of community economic development, but recognize that for at least some in the inner city, levels of confidence and self-esteem and efficacy are such that there is a need to start at the point where people are being encour-

aged simply to get involved.

These responses suggest that a defining principle of any tri-level agreement intended to promote inner city revitalization must be a commitment to the genuine involvement of community-based organizations and inner city residents in establishing priorities and implementing programs.

### **5. The Problem of Inadequate Funding**

A major problem is that these community-based inner city organizations, which are a major and essential part of the solution to the problems of Winnipeg’s inner city, are not being adequately funded. We asked respondents: “What are the main difficulties your organization faces in doing its work?” Overwhelmingly, the response was lack of funding, or if not directly lack of funding then lack of staff, or of space, which are in turn a function of lack of funding (See Table Six).

One large and well-established inner city organization responded to this question with: “funding, of course”. Another said: “staff-

ing, for sure”, adding that shortage of staff means that, despite the massive need in her neighbourhood, “there are some things I can’t even touch”.

Other comments included: “Ten years of slash and burn funding related to government cutbacks”; “there are too many demands on the amount of money we have”; “it’s usually funding”; “our needs outstrip our resources three to one”; and our centre is “lacking one-third of the funding needed”. Numerous respondents immediately identified things that they would do if they had more funding, needs that were going unmet because of the inadequacy of their funding. For example, at one inner city drop-in centre where a program which is run for approximately \$100 per month levers about 1000 volunteer hours per year, we were told that “if we had money we’d find ways to make our program better”, adding that hiring a part-time volunteer coordinator would generate even greater numbers of volunteer hours, enabling them to open additional drop-in centres. Another respondent said that there is “very little funding for literacy in Manitoba; there never has been and I don’t see it changing very much, yet the inner city Aboriginal population has a 32 percent illiteracy rate”.

It is clear that a shortage of funding is preventing many pressing inner city problems from being addressed. The means by which to solve these problems exists; the funding, however, is not adequate.

We think it important to stress that what we are saying is not just that there are pressing needs that are going unmet, although that is the case, but also that the means are in place by which to meet these needs and solve

these problems, if only adequate funding were made available to community-based organizations in the inner city. To put it differently: the call for additional money is not simply a matter of “throwing money” at a problem; rather it is a matter of adequately funding community-based organizations which have demonstrated that they contribute significantly to solving inner city problems.

## **6. Problems With the Mode of Delivery of Funding For Community-Based Organizations**

There are a host of other problems associated with funding. In fact, it is safe to say that the arrangements by which these community-based inner city organizations are funded do not work well, and would benefit from an overhauling. Our interviews produced many useful insights into the problems of funding these inner city organizations, as well as some notable instances of recent innovations in funding arrangements which *do* work well, and we will set them out as described to us.

First, raising funds for the work that they do is taking up far too much of the staff-time of these (under-staffed) community-based organizations. This is a problem mentioned specifically and explicitly by more than one-quarter of those we interviewed. Respondents from one of the larger and more well-established inner city organizations said that they were spending a “huge amount of time and energy” on fund-raising. Another respondent said: “My whole job revolves around finding money”. Another said: “Time is the biggest challenge— days, weeks, months putting together funding proposals”. One Executive Director estimated that 60



percent of her time is spent raising money. Another said that the burden of time spent raising money “is huge”.

The time that has to be spent raising money is as great as it is at least in part because of the complexity of the process. Each potential funder has different forms and different criteria and different accounting and reporting requirements. Meeting these requirements takes time— a lot of time. And the application forms are often quite complex, forcing organizations to fit into narrow criteria. One respondent described it by saying that there are “always boxes that nobody can fit into....it’s all those boxes”. The director of one outstanding and innovative inner city organization described the trouble her organization has had “fitting into” the funding categories, and several other respondents used the “fitting into little boxes” metaphor. Community-based organizations which know from their experience what needs to be done in their communities end up defining projects to meet funders’ narrow funding requirements, rather than to meet the needs of the community.

And the paperwork required by some funders is truly onerous. Said one respondent: “The federal government is the worst, for sure. You can be asked to do 60 and 70 page applications and then be refused funding at the end of it”. This respondent added that the feds want more paperwork because they are less connected with, more removed from, the work being done in the inner city. Some funders do not require so much paperwork because they take the time to personally visit the organizations that they fund, and to see first-hand the ways in which and the effectiveness with which the funds are being used.

The time required to raise money is so great that many of the smaller organizations simply cannot do it. One respondent said: “We don’t have nearly the skills nor resources to put into grant raising”. Such organizations have great difficulty even *knowing* what the potential sources of funding might be, since part of the task of raising money is doing the research that is needed to determine who funds the kinds of things that their organization does. Because the task is so time-consuming, many of the smaller organizations are simply unable to engage in fund-raising at all. The result is that organizations are either spending a very large amount of their staff time raising money, which means that a good deal of their limited staff time is *not* spent doing the work for which the organization exists, or they are spending very little staff time raising money, in which case they have even less money and thus less staff to do the things for which the organization exists.

Further, the time between submitting the application and finding out whether you have been successful or not is simply too long. As one respondent put it, you do a “mountain of paperwork”, and then “wait and wait and wait” to find out if your application has been successful. “Funding agencies take so long to look at proposals”, complained one respondent, while another said simply and forcefully: “The process of coming forward with money is too slow”. One respondent at a major inner city organization said that an application to the provincial government submitted now (the autumn of 2001) would not, even if successful, see the funds actually paid out until two years later, in 2003/04. The result is that “it’s a

waiting game”. This too deters the smaller organizations from applying for funding, and makes it difficult for all organizations to respond quickly to needs as they arise. In those many cases when people in the community are directly involved in an initiative, they simply get discouraged and may drop out if the process is too slow. This is a particularly frustrating outcome given the importance and the difficulty of involving people in the community.

Many of our respondents also argued that far too much of the funding that they have to rely upon is short term, project-based funding, when what is really needed is long-term, core funding. One respondent at an established inner city organization expressed the frustration that there is “a real reluctance to fund the core of the organization”. Yet it is this core funding that is needed. Without it, long term planning is almost impossible. One respondent said that “You’ve got to think of generations....(you) can’t think three years, five years. There has to be a commitment for generations”. Another respondent made a similar argument: “To expect a one or three year program to have an impact on Aboriginal people who have been disadvantaged for generations is unrealistic”. Said another: “Continuity is incredibly important. If government is going to take the inner city seriously they have to be in it for the long term and they have to establish some stable way of funding that”. Governments’ reliance upon short term project funding generated particularly annoyed responses: “Project funding is sometimes hardly worth the effort”; and “Those are useless, those pilot projects”; and “project to project—you’re planning to close”, were among the responses. The amount of time taken in applying relative to the length of time that the

funding lasts makes the current reliance upon project funding an inefficient use of scarce resources. Referring to the seemingly endless array of pilot projects, one respondent said in exasperation that “we feel like we’re subjects of an experiment”.

Many respondents argue that there is a place for project funding. It enables organizations to “experiment a bit”, as one respondent put it. This is healthy. But the ratio of short-term project funding to long-term core funding needs to change. The bulk of the funding, especially for those community-based organizations that have demonstrated that they can do the job for which they are receiving money, should be long-term core funding, with a smaller proportion of short-term project funding to enable organizations to experiment a bit, and to respond to new or temporary problems, or to test new organizations that may emerge.

There has also been a big increase in the demand for measurable outcomes. This is the result of public disenchantment with governments, and public demands that results be shown for government expenditures— immediate results, by means of measurable outcomes. As a consequence, as one respondent observes, the “expectations of funders have changed dramatically”. Governments and other funders have the perception that everything is fixable in a short time. And the “emphasis is on outcomes; it’s so frustrating”. It is frustrating because such a lot of time and effort and money is now put into the evaluation of projects. Projects are evaluated at the beginning, in the middle, at the end, said one frustrated respondent. And each evaluation takes up more of the time of these already short-staffed organizations. In at least some cases,

we were told, the evaluators are paid more than those actually doing the work in the community-based organizations. The process is time-consuming, complex and costly.

What is more, when community-based organizations are working with those inner city people who are the victims of hard-core poverty, “it takes a much longer period of time to see results”. For example, two respondents described the evaluation of such a project by saying that the evaluator was frustrated because he could see that “things were happening but there was no way he could describe these concretely enough”. There was no way to show “measurable outcomes”. Some gains are simply less tangible, and although extremely important, are often more difficult to quantify via “measurable outcomes”. These respondents pointed out that it is difficult to reach people who have lost their sense of self-esteem and who have lost hope. A useful community development strategy is to get them involved in *something*, to get them involved in little things, when they are ready and in a way that works given where they are. Once they begin to get involved, ever so slowly at first, their sense of confidence and of efficacy may slowly build. It is a labourious process, but with time it can work. As one respondent said: “It’s a lengthy process that isn’t as measurable as other things”, explaining, for example, that in this neighbourhood it had taken three years just to see the beginnings of a neighbourhood association. Yet once established, and if adequately funded, a neighbourhood association can really begin the process of getting people involved, and enabling them to build their self-confidence and sense of their own efficacy. The demand for measurable outcomes, however, can work against such patient, long-term

capacity building.

None of the people that we talked to are at all opposed to their organizations being evaluated. In fact, they want to be evaluated, and they say they are very concerned that evaluations of organizations and of programs be done in such a way that scarce dollars are used most wisely. But the significantly increased demands for measurable outcomes and the constant evaluation of each small project is not, in their view, contributing to this end.

There is, in the view of many inner city organizations, a considerable irony in all of this. As one respondent put it: “The community is so used for so long to being the poor cousins that when we get ten bucks we think we’re rich”. The result has been that “we can stretch a dollar way more than business or government has ever had to learn to do.” Yet complex, costly and time-consuming evaluations of each little short-term project are deemed necessary by funders.

## **7. An Inner City Foundation:**

The first Core Area Initiative called for the establishment of an inner city foundation, whose earnings would be invested on an ongoing basis in the inner city. The idea was that such a foundation would eventually make the funding of inner city initiatives more stable and more sustainable, and would give inner city residents and community-based, inner city organizations a source of funding over which they would exercise majority control. We asked respondents the following question: “Some people have said that there should be a permanent inner city investment fund, with inner city residents on the board that decides how to allocate the

money. What is your opinion of this idea?” More than 70 percent of respondents supported the idea, many enthusiastically, while another 18 percent supported the idea in principle, but expressed concerns or raised questions about the precise way in which the investment fund/foundation would operate. Some respondents expressed a concern that the existence of such a foundation might be used by governments as an excuse to reduce their investment in the inner city. This is a genuine danger that would have to be guarded against. The value of an inner city foundation, however, is that it would become a significant new source of sustainable funding for inner city initiatives. Given that almost all respondents emphasized the long-term character of the solutions to the problems of the inner city, the establishment of a foundation which creates a sustainable stream of inner city investment seems especially advantageous. A model would have to be developed for the operations of such a foundation.

## **8. The Winnipeg Development Agreement**

Our findings about funding—that there is a serious shortage of funding for the inner city and that much of the way that funding is now delivered could be significantly improved—was confirmed when we asked respondents the following question:

“In the past, there have been several tri-level programs (programs involving all three levels of government) designed to support inner city development in Winnipeg. These include the Core Area Initiative and the Winnipeg Development Agreement, both of which had budgets of \$75-100 million. Do

you think a new similarly funded agreement targeted to the inner city is needed?”

A remarkable 97 percent of respondents agreed that a new, similarly funded, tri-level agreement targeted to the inner city is needed. We consider this to be irrefutable evidence of the pressing need for a renewed, tri-level funding agreement directed specifically to the inner city.

It is notable, however, that 39 of the 97 respondents who said yes to this question immediately added—without prompting by the interviewers—that while they believe that a new tri-level agreement is necessary, they think it should be administered differently than was the Winnipeg Development Agreement. Many considered the WDA to be quite inaccessible and overly bureaucratic. One sophisticated inner city respondent said that the WDA was “pretty challenging to get a handle on”, and another, when asked whether a new similarly-funded tri-level agreement was needed said “perhaps similarly funded, but administered differently”. Various others complained of its being: “so narrowly targeted”; and having “so many hoops to jump through” that “sometimes it was just not worth it”. Another said: “It was inaccessible—the WDA”, adding that because of the bureaucracy and the narrow criteria “it took forever to get money. We had to be so careful in what we asked for and how we asked for it”. Yet another said: “Don’t ever go that route again, it was disappointing”. Two other respondents concurred saying the problem with the WDA was that bureaucrats were in charge of it, and what is needed is funding that “we are in charge of”, and creative ways of enabling inner city people to take ownership. Other

respondents referred to the large proportion of WDA money that did not go into the inner city at all, but into a host of other areas\*. For example, one respondent, when asked whether another tri-level agreement was needed, said that if a new agreement means “fancy metal and glass buildings on Portage Avenue”, then no thanks. “If you mean a substantial amount of funding for grassroots initiatives then I think that’s absolutely necessary”.

On the other hand, the WDA did put some money into community-based initiatives, and where and when it did the impact was considerable. Some of the positive comments about the WDA included the following: “Absolutely, the WDA started a lot of good programs”; “yes, that money was a big help to us”; because of the WDA there was “a huge influx of money into Spence and I think it made a big difference on a whole lot of levels”; and, “it made a major impact”.

In short, responses to the need for a new tri-level program targeted at the inner city were contradictory. Almost everybody believes a new tri-level program involving substantial funding for the inner city is needed. Many respondents believe that the manner in which the WDA money was allocated was flawed. But those who were successful in getting

WDA funding reported that it had a very positive impact.

## **9. Priorities For the Allocation of Funds Were a New Tri-Level Agreement to be Created:**

We asked respondents to imagine that a new tri-level agreement were to be created, designed to support inner city revitalization with dollar amounts similar in magnitude to previous tri-level agreements. Given this assumption, we asked: “What do you think should be the priorities for spending this money? What kinds of things should the money be spent on?” Several preliminary themes emerged.

Consistent with the principles enunciated above in section 4, many of our respondents told us that it is the people who live in the inner city who themselves ought to set these priorities. Many advanced the view that it is likely that the priorities will vary from neighbourhood to neighbourhood. There was, as already shown, a clear and strong preference stated for the use of a community economic development model—hire locally, produce and invest to meet local needs. And there was a strong emphasis on the need to fund much more adequately those existing com-

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\* Eight of the WDA’s fifteen “programs” could be said to be targeted at Winnipeg’s inner city, and approximately 44 percent of the WDA’s \$75 million was allocated to those eight programs.

We conclude from all of this the following: that there should be another, similarly-funded, tri-level program; that it should specifically target the inner city, and particularly community-based organizations in the inner city because where community-based inner city organizations are adequately funded they are having a positive impact that is visible; and that the program should be designed differently, to reduce the many problems with the allocation of funding that have been identified above.

munity-based organizations with a proven track record of success.

As to specific priorities for funding, there was a wide variety of responses. We think these could usefully be grouped into three broad categories: the importance, as per community development principles, of involving people in solving their own problems, and the value of funding neighbourhood or residents' associations as a means by which to facilitate this involvement; the importance, consistent with a wide range of empirical evidence, of investing in community-based organizations that work with families and children; and the importance of jobs, as the means by which to create not only income, but also a sense of pride and purpose, and the value of investing in creative, community-based organizations— in particular those operating in a manner consistent with the principles of community economic development— whose task it is to create jobs.

People need to become involved in solving their own problems. Community development is predicated upon this notion. Promoting such involvement is difficult, but it is happening in some neighbourhoods. Once people begin to get involved, their sense of efficacy and self-esteem starts to grow, and a sense of community begins to be built. This is a precondition for inner city revitalization. Useful ways to involve people initially include the establishment of small, resident-identified projects, for example around issues related to safety, and the physical appearance of a neighbourhood. If people do not feel safe, they will not work to improve their neighbourhood, but instead “they focus more on getting out” of the neighbourhood, as one respondent put it. Small, local-

ized, resident-initiated projects— the Spence Neighbourhood Association's Security Lighting Project is one such example, but there are many, many more— serve to involve people, to make neighbourhoods safer, and to create a sense of community pride. Similarly, if a neighbourhood looks dilapidated, it reinforces people's feelings of hopelessness and despair. People do not feel good about themselves, do not feel they matter, if their surroundings are shabby. As one respondent put it, speaking about her inner city neighbourhood: “the streets are a mess, the schools are falling apart, trees haven't been cut....people need to be in an environment that feels valuable in order to value themselves”. Initiatives that involve inner city residents in improving the safety and appearance of their neighbourhoods, and the establishment and long-term funding of neighbourhood associations which can facilitate such small, tangible and visible projects, are a means by which to build community and self-esteem, and should be a priority for funding.

Many respondents referred to the importance of programs and organizations that are geared to the needs of children and families. There is now a good deal of evidence pointing to the importance of investing in early childhood development. This is seen as a good example of preventative work, more of which is needed according to many of our respondents. There are some fine examples of family centres and outreach programs in place in the inner city, and such initiatives need to be further funded, many of our respondents say.

Finally, jobs are perhaps the key to inner city revitalization. As one respondent put it: “That's what makes the single most impor-

tant difference in people's lives" — having a job. Thus the importance of the community economic development model, and its 'hire locally' maxim. And thus the importance of the increasingly sophisticated community economic development corporations emerging in some parts of the inner city. Organizations like the North End Community Renewal Corporation and the West Broadway Development Corporation act like entrepreneurs, seeking out investment opportunities, identifying resources and creating jobs in the inner city. These, too, are initiatives which, our respondents say, should be a priority for funding.

Grouping the wide variety of priorities for funding proposed by our respondents in this particular way — funding neighbourhood or residents' associations as a means by which to begin to involve inner city residents in solving their own problems; investing in community-based organizations such as neighbourhood family centres which work with children and families; and investing in creative, community-based organizations which use a community economic development model as the primary means for creating jobs — may make some sense. But it is a categorization which, although based on responses to the questionnaire, is imposed by the authors. It is *not* a coherent overall strategy, or plan, that has consciously and deliberately arisen from the people who live and work in the inner city. As numerous respond-

ents told us, a major problem in the inner city is the lack of an overall strategy, a vision or plan or sense of direction, for inner city revitalization. For twenty years or more Winnipeg's inner city has been a marvellous laboratory in which, by trial and error, a wide range of outstanding community-based organizations have emerged, along with a large number of highly talented administrators and organizers. Indeed, we have seen emerge in the inner city, as the result of creative responses to desperate need, a new kind of relationship between citizen and state. The resulting initiatives have been, in almost every respect, extremely positive. But the community-based organizations that have emerged and excelled in Winnipeg's inner city need not only to be better funded than they have in the past. They need also to be funded in the context of a long-term plan for inner city revitalization — a plan which is created by community-based organizations and residents and which could serve as the guide for establishing priorities for the funding of inner city revitalization over the next ten years and beyond. The place to start this process, our respondents have argued, is at the neighbourhood level.

These observations lead to the following recommendations, all of which have arisen not only from the responses to the questionnaires, but also from the discussions at the mid-November focus group meetings.

## Part C: Recommendations Arising From This Study

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1. That the three levels of government commit themselves:

\* to making the inner city an urgent priority for government action;

\* to making the substantial investment in the inner city that is needed in order to tackle poverty and related problems;

\* to doing so *immediately*;

\* to doing so for the long-term.

*Rationale:* As shown in this study, poverty in Winnipeg's inner city is high and rising. It constitutes a crisis, creating a host of social and economic ills. These problems manifest themselves in a myriad of ways: child prostitution; crack cocaine; street gangs; racism; feelings of hopelessness and despair and lack of self-esteem; loss of human potential; rising costs of health care and education and social assistance. This problem is costly, in a wide variety of ways, and it demands action— now, and for the long-term.

2. That in order to respond to this crisis of poverty in Winnipeg's inner city, the three levels of government immediately commit themselves :

\* to create a twenty-year, tri-level program (involving all three levels of government), in the amount of \$8-9 million per year, de-

signed to support inner city revitalization in Winnipeg.

*Rationale:* Almost all of our respondents agreed that a renewed tri-level program to promote inner city revitalization is a necessity. Almost all of our respondents expressed the view that the problems facing the inner city are not susceptible to short-term solutions. There are no quick fixes. The problems are deeply-rooted and have been long in forming, and therefore will require a long-term commitment in order to be solved. Many of our respondents spoke of the need to think in terms of generations. Thus we believe a twenty-year commitment is necessary. Further, it is twenty years since the first tri-level agreement was implemented, so that, although there was a gap between the completion of the second Core Area Initiative and the Winnipeg Development Agreement, there is, in effect, a precedent for a twenty-year commitment. There is precedent too for a commitment of this magnitude. Approximately 44 percent of the WDA's funds were committed to the inner city, or about \$6.5 million per year, and roughly the same percentage applied in the case of the Core Area Initiative Agreements, or approximately \$9 million per year.

3. That the defining principles by which this tri-level program operate include a commitment to community-based organizations and community involvement, and in particular a commitment:



\* to use the program primarily to invest in community-based organizations in Winnipeg's inner city;

\* to maximize the extent to which decisions about the allocation of funds be a product of genuine community involvement;

\* to promote and support community economic development initiatives.

*Rationale:* Almost all of our respondents are committed to a community-based approach to solving inner city problems, to a community development approach which strives to maximize the involvement of members of the community in solving community problems, and to community economic development initiatives as a significant part of the solution to inner city problems. It is clear that the solutions to the problems of poverty in the inner city are already in place. These are the community-based organizations which have emerged to meet the needs of the inner city, and which have repeatedly demonstrated their worth. When we interviewed representatives of the United Way they told us that “the solutions are there” and just need to be scaled up. Another respondent observed, in a fashion similar to what was said by many respondents, that the “solutions are there in embryonic form”. The skills and experience are there; the infrastructure of community-based organizations is there. That greater progress is not being made in the fight against poverty is attributable to the inadequate funding that these organizations receive.

4. That due regard be given to the need to ensure that Aboriginal organizations—organizations run by and for Aboriginal peo-

ple— receive a substantial proportion of the funds allocated by the tri-level agreement.

*Rationale:* Aboriginal people are disproportionately represented among low-income inner city residents. Their needs are best met by culturally appropriate means, and they have repeatedly expressed a determination to be in charge of their own affairs. This desire is consistent with the widely-held philosophy that the key to inner city revitalization lies in getting people involved in solving their own problems.

5. That the tri-level inner city revitalization program adopt a new method of allocating funds to community-based inner city organizations, and that this method be based on the experience of community-based inner city organizations over the past twenty years. A majority of our respondents indicated to us that although they believed a new tri-level program aimed at the inner city is a necessity, they also believed that the program had to be administered differently. Based on our respondents' experience, we recommend the following:

a. that established inner city organizations with a record of successful evaluations be funded and evaluated on a more holistic and more long-term basis.

*Rationale:* Far too much of these organizations' time is being taken up with applying for funding. If an organization has a proven record of good work as evidenced by successful evaluations, then that organization's core operations should be funded, and the organization as a whole should be evaluated not on a project-by-project basis, but holistically, every three or four years. These organizations are saying, in effect, if you like

the work that we are doing, in an overall sense, then fund our organization, rather than endless small, short-term, time-consuming projects, and trust us to use the money wisely. Evaluate us regularly, but don't take up all of our time filling out endless forms and overseeing endless evaluations of each separate project. A good deal of money would be saved by evaluating organizations less frequently and more holistically.

b. that there be a shift in emphasis from project funding to longer-term, core funding.

*Rationale:* Repeatedly we were told of the many, time-consuming difficulties of applying for a seemingly endless round of project funds. Project-based funding has a place: our respondents acknowledge this. But because Winnipeg's inner city has evolved to the point where we have a much better idea of what works and what does not, we should provide core funding to those organizations once they establish a positive track record. Little that is new has to be created; rather, that which is already in place needs to be scaled up. What is already there and working well needs to be fully resourced in order to meet the demand that they know from their day-to-day experience is there. As one respondent put it: "I think of all the good things that have been tried and the only thing that stops us is money". So many good things are being done now in the inner city, she said, and they work. And *these* are the things that need funding. A weakness of previous funding agreements, many say, is that many new organizations were funded and once the tri-level agreement came to an end, these newly created organizations disappeared. The focus, instead, should be on scaling up that which is already in place.

c. that the funding process be dramatically simplified, in the following ways: (1) funders get together to agree upon a common, simplified, application process; (2) a much more face-to-face approach be taken by funders, such that instead of requiring multi-page forms, funders actually visit inner city organizations and speak to those involved.

*Rationale:* The complexity of funding application forms was a frequent source of complaint, as was the fact that each funder uses different forms and different criteria. The federal government is considered to be the worst in terms of overall paperwork demands. Surely it cannot be a productive use of these organizations' time to be preparing 60 or 70 page funding applications. What is more, such a requirement is likely, for cultural reasons, to exclude many worthy initiatives. A better method of evaluating community-based organizations would be for funders to visit these organizations and see their work in person. Many respondents recommended that funders should simply get out into the inner city, see first-hand the work that inner city organizations are doing, and talk directly to the people involved. Asked how the process of applying for funding could be made more easy and transparent, one respondent said simply: "Lots of good communication. Short and sweet!".

d. that the previous recommendation be facilitated by establishing neighbourhood, 'store-front' organizations whose purpose would be to work with members of the community and with community-based organizations in defining projects and applying for funding for projects.

*Rationale:* Many community-based organizations, especially the smaller, less-established organizations, have neither the staff-time nor the skills to do the fund-raising that they may need. The consequence is that good projects may not be implemented. Neighbourhood ‘store-front’ operations, each staffed by someone knowledgeable about the neighbourhood in which it is located, and knowledgeable about the sources of funding and the mechanics of applying for funding, would work with communities in putting together funding proposals for community-based projects. As one respondent put it, referring to many of the people doing marvellous work in the inner city: “the biggest thing they hate is writing”. Writing complex funding proposals is intimidating to many, and so everyone would benefit were such people able to work with neighbourhood-based ‘proposal writers’ working out of neighbourhood-based offices and able to communicate regularly with the community in a face-to-face manner. This would keep the process close to the community, and doing so is considered to be a necessity because “the community groups have a better understanding of what is needed”. The result would likely be that more and better projects would be funded, and community-based organizations would spend more of their time doing the work that is their purpose.

e. that inner city communities be more involved in deciding upon the allocation of funds directed to the inner city.

*Rationale:* It is a principle widely-held by those who are active in community-based organizations in the inner city that the key to solving the problems of the inner city lies in getting people involved in solving their

own problems. Welfare— despite the fact that an immediate increase in social assistance rates is necessary— is not in the long run a solution. The solution is to get people involved. One useful way of doing this is some variant of the method now being used by the Spence Neighbourhood Association, by which those members of the community or community-based organizations seeking to get funding for a project are required to present their proposal to a neighbourhood meeting to which everyone in the neighbourhood is invited. Those in attendance have the opportunity to evaluate project proposals, and their evaluations are submitted to the funder along with the proposal. An important role could be played in such a system by the ‘store-front’ funding offices described in the previous recommendation.

6. That an inner city foundation be established, that the three levels of government deposit a total of \$30 million over a four year period in the foundation, that the foundation be designed to attract individual and organizational contributions by means of a system of tax credits, that the annual payout of the foundation be committed specifically to community economic development initiatives in Winnipeg’s inner city in order to maximize the foundation’s commitment to sustainability, and that a working group be established to develop a model for the governance of such a foundation, such a model to be characterized by the commitment expressed in this report to genuine community involvement in decisions about the allocation of funds.

*Rationale:* The idea of an inner city foundation has been discussed since the first Core Area Initiative twenty years ago. There continues to be strong support— 90 percent of

respondents— for this idea. The merit of such a foundation is that it would contribute to making inner city funding more stable and more sustainable. The commitment to sustainability would be multiplied if the foundation were to be dedicated to financing community economic development initiatives in Winnipeg’s inner city. The capital investment in the foundation should be made quickly, over a four-year period, so that the foundation’s investments could complement those of the proposed new tri-level agreement. A rapid capitalization of the foundation responds both to the immediate need to address inner city problems, and to their long-term character. Similar foundations in other jurisdictions— the New Hampshire Community Development Finance Authority is an example— have used tax credits to attract organizational and individual contributions to the fund, and this is a feature that should be seriously considered for the proposed inner city foundation. It is imperative that once such a foundation is operational, it be seen as an addition to total investment in the inner city, rather than a substitute for governments’ investment in the inner city, and it is imperative that community-based inner city organizations and inner city residents represent a majority of those entrusted with making decisions about the allocation of the foundation’s funds.

7. That funding be made available to enable the development, on a neighbourhood by neighbourhood basis, of long-term plans for inner city revitalization, and that this be done by neighbourhood or residents’ associations, working cooperatively with community-based and other organizations in each neighbourhood.

*Rationale:* Some respondents made reference to the absence of a comprehensive plan, a ‘common vision’, for the inner city. Many others advanced the view that, given the considerable diversity of inner city neighbourhoods, a better starting point for a planning process would be on a neighbourhood by neighbourhood basis, with the lead being taken by neighbourhood or residents’ associations. This is a process already underway in some neighbourhoods. The resulting neighbourhood plans would serve as a guide or framework—including principles, criteria and goals— for the designing, carrying out and funding of the work that is done in inner city neighbourhoods.

8. That governments at all three levels demonstrate the political courage to do what needs to be done in Winnipeg’s inner city, by immediately instituting the above recommendations in their totality, thus building on the strengths of the inner city.

*Rationale:* Many other problems preoccupy our elected representatives: national security, health care, education...the list is a long one. Strong public voices speak out for these causes, each of which is worthy on its own terms. Few speak out for the problem of inner city poverty. Yet the problems of poverty in Winnipeg’s inner city are at a crisis level, and that this is so is inconsistent with the values that guide the lives of most Canadians. Most Canadians believe that each of us ought to have the opportunity to enjoy the fruits that are the product of the collective labour of Canadian citizens over many generations. The continued deterioration of Winnipeg’s inner city is denying that opportunity to growing numbers of people, and creating problems which will become increasingly costly in a wide variety

of ways to all of us as time goes by. The case for addressing these problems now is a very powerful one. This is especially so since a big part of the solution to the problems is already in place in the form of highly-skilled, community-based organizations, and that all that is needed is additional funding to such

organizations. Our view is that what is needed is to continue to build on the strengths that have been developed in Winnipeg's inner city over the past twenty years. Governments with the foresight to act now on this problem, by building on the strengths that are already in place, will be doing what is necessary, and what is right. We should expect no less from our elected representatives.

## Appendix A: Organizations Interviewed

A representative of each of the 100 organizations listed below was interviewed for this study in the fall of 2001

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Aboriginal Community Campus  
Aboriginal Health and Wellness Centre  
Addictions Foundation of Manitoba  
AIDS Shelter Coalition  
Aiyawin Corporation  
Andrews Street Family Centre  
Anishnaabe Qway-Ishi Inc  
Art City  
Big Sister and Big Brother  
Book Mates  
CAW Canada  
Canadian Mental Health Association  
CUPE Manitoba  
Centre for Aboriginal Human Resource Development  
Centre for War Affected Families  
Chalmers Neighbourhood Centre  
Child and Youth Poverty Committee  
Child Guidance Clinic  
Circle of Life Thunderbird House  
Citizens for Crime Awareness  
Community Financial Counselling Services  
Downtown BIZ  
Economic Development Winnipeg  
Exchange District BIZ  
Faculty of Architecture  
Family Centre of Winnipeg  
Flora House  
Forks - North Portage Partnership  
Frontier College  
Healthy Start for Mom and Me  
Hope Centre  
Independent Living Resource Centre  
Indian and Metis Friendship Centre  
Indian Family Centre  
International Centre  
John Howard Society  
Kikinamawin Centre  
Kinew Housing Inc  
Klinic Community Health Centre  
Knowles Centre  
Little Red Spirit  
Low Income Intermediary Project  
Ma Mawi Wi Chi Itata Centre  
Main Street Project  
Manitoba Aboriginal AIDS Task Force  
Manitoba Federation of Labour  
Manitoba Federation of Labour Occupational Health Centre  
Manitoba Indian Education  
Manitoba Teachers Society  
Mary Mound Resource Centre  
Mediation Services  
Mennonite Central Committee  
Mt. Carmel Clinic  
Native Women's Transition Centre  
NEEDS Inc.  
New Directions for Youth and Children  
North End Community Ministry  
North End Women's Centre  
N'orwest Coop  
Operation Go Home  
Original Women's Network  
Osborne House  
Point Douglas Residence Association  
Powerhouse Winnipeg  
Project Opikihiwawin  
Rainbow Resource Centre  
Rossbrook House  
Sage House  
St. Matthews-Maryland Community Ministry  
Salvation Army  
Scouts Canada  
SEED Winnipeg  
Sexuality Education Resource Centre  
Society of Manitobans with Disabilities  
Songide'ewin Program  
Spence Neighbourhood Association  
Teen Touch Manitoba  
Thundervoices News  
Unemployed Help Centre  
UNITE  
United Way of Winnipeg  
Uville Clinic  
Villa Rosa  
West Broadway Development Corporation  
West Central Community Program  
*West Central Streets* Newspaper  
West End BIZ  
Western Economic Diversification  
Winnipeg Boys and Girls Clubs  
The Winnipeg Foundation  
Winnipeg Harvest  
Winnipeg Labour Council  
Winnipeg Native Alliance  
Winnipeg Regional Health Authority  
Winnipeg School Division No. 1  
Wolseley Family Place  
Women's Health Clinic

## **Acknowledgments**

For their many valuable contributions to this study, the author is grateful to: Monica Dominguez, Michael McKenzie and Harold Shuster, who did most of the interviewing; Professor Ken Gibbons and Professor Byron Sheldrick of the University of Winnipeg Politics Department, who provided valuable advice and assistance; Todd Scarth, Director of the Canadian Centre for Policy Alternatives-Manitoba, who provided valuable advice and assistance in a variety of ways; the members of the Urban Futures Group Steering Committee—Paul Chorney, Wayne Helgason, Dili Knol , Ziba Loxley, Thelma Meade, George Munro, Sister Bernadette O'Reilly, Tom Simms, Larry Wucherer; the more than 100 people who agreed to be interviewed for this project; and for their financial support of this project, the University of Winnipeg's Winnipeg Inner City Research Alliance.

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# **Building on Our Strengths**

## **Inner-city Priorities for a Renewed Tri-level Development Agreement**

**By Jim Silver, University of Winnipeg**

**Urban Futures Group**

**Canadian Centre for Policy Alternatives-Manitoba**

**April, 2002**

**ISBN: 0-88627-288-2**



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