Designing Density:

Lessons From Winnipeg's Housing Accelerator Fund Action Plan

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1.0 INTRODUCTION

Across Canada, cities have faced a growing crisis in the availability of affordable and sufficient housing, with prices mounting at record pace (Trajan & Macdonald, 2024).

The City of Winnipeg, having entered into an agreement with the Canada Mortgage and Housing Corporation, has sought to make dramatic changes to its zoning code in order to facilitate growth in housing construction. This phase of the City's Housing Accelerator Fund action plan concerns development around malls and corridors, establishing a PDO (Planned Development Overlay) amending the zoning by-law to encourage construction of higher density development in areas with better access to services and improve the development application process, fillings gaps in Winnipeg's housing density and facilitating the construction of a diversity of new homes and housing types. Housing advocates have long called for the abolition of exclusionary zoning in concert with a slate of other reforms to the process of approvals (Whitzman, 2025).

The completion of this phase in policy design represents an important step in Winnipeg's commitment to the goals established in its secondary plan and the most major overhaul of its zoning policy in generations. This policy sets the stage for comprehensive revisions to the development process and builds capacity for facilitating

Figure 1: Transitioning to complete communities. Source: City of Winnipeg

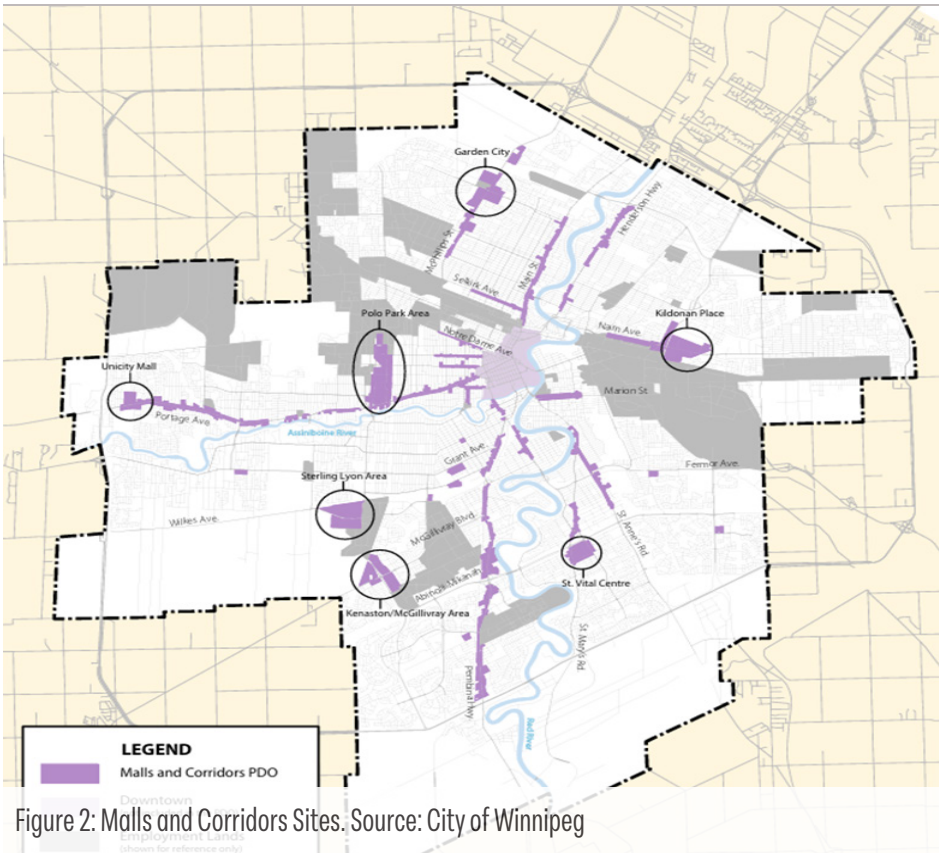

Figure 2: Malls and Corridors Sites. Source: City of Winnipeg

the construction of a variety of new housing. As a major phase in Winnipeg's response to the Housing Accelerator Fund agreement, this project provides an important study for both future phases and for other cities embarking upon similar efforts to produce policy changes intended to support the goals established by federal policy.

1.1 Malls and Corridors

The PDO targets mall and corridor sites identified in Winnipeg's Complete Communities 2.0 secondary plan as areas best suited for intensification, establishing a new set of standard design principles as pertain to height, setback and landscaping alongside other as-of-right permissions that will facilitate housing construction in the city's highlighted densification areas. Developers will have the option to use the PDO to fast-track multi-family housing projects or to continue operating under the existing zoning framework, ensuring that various types of development are permissible in these locations.

Action Plan Items:

- **Rapid Zoning By-law Amendments**
- **Rapid Amendments to Local Area Plans**
- **Promoting Multi-family Housing Downtown and on Corridors**
- **Land Enhancement Office**
- **Affordable Housing Concierge Service**
- **Infrastructure Support**
- **Program to Increase**
- **Residential Development**
- **Digitize and Facilitate Faster**
- **Development and Permit Approvals**
- **Housing Needs Assessment -City of Winnipeg**

2.0 BACKGROUND & CONTEXT

2.1 The Housing Accelerator Fund

The Housing Accelerator Fund was developed by the federal government in 2023 in response to an ongoing crisis in the cost and construction of housing across Canada. With $4-billion dollars earmarked for affordable housing, the government has incentivized cities to apply for funds in exchange for agreements to liberalize their zoning regimes in order to enable major changes to the patterns of development in urban areas – increasing the range in which denser housing can be built.

On October 6, 2023 The City of Winnipeg formalized a deal with the Canada Mortgage and Housing Corporation to secure $122.4 million dollars – to be spent on the projects relating to the plan – in exchange for specific commitments to increased housing as established in the City's action plan. The funds will be made available in four installments subject to its progress regarding the terms of the agreement. The action plan provides 8 initiatives intended to meet these goals. As part of the 'Rapid Zoning By-law Amendment' initiative the malls and corridors PDO

Figure 3: Henderson Highway, one of the corridors targeted by the PDO. Source: Colliers Canada

comprises one piece of a complex of reforms, grants and programs that will work in concert to produce 3,166 building permits in excess of previously anticipated numbers, including 931 affordable units as set out in the agreement(City of Winnipeg Housing Accelerator Fund).

2.2 Housing Crisis

Winnipeg, like the rest of Canada, finds itself entrenched in a crisis of housing affordability and supply. The CMHC reported in 2024 that Winnipeg's vacancy rate had fallen to 1.7%, below the national average of 2.2% while median rents continue to grow year over year. Reaching $1295 in 2024 – a 5% increase from 2023 and over 50% from the median rent a decade prior (CMHC Rental Market Report, 2024). Despite an increase of 5.5% in the number of available units year over year, the city continues to see a marked need for housing supply (Cash, 2024).

Since 1971 Winnipeg's urban area has increased by 92% while its population has only by 37% (Mahe and Clark, 2020).

The city is in desperate need of new housing for existing residents and newcomers, while facing strong financial pressures stemming from its decades of expansion.

3.0

FACTS OF THE CASE

3.2 Passage of the By-law

"This Planned Development Overlay was a milestone of Winnipeg's Housing Accelerator Fund application and should provide a significant boost to the City's housing start targets required to meet the program goals."

-City of Winnipeg Housing Accelerator Fund By-law Amendment Presentation

On November 21, 2024 Winnipeg City Council gave first reading to the proposed by-law, approving it with minor amendments and ultimately passing the law on December 12th (City of Winnipeg).

The bylaw established changes to the zoning by-law and secondary plan which govern city-wide development establishing as-of-right development for mall and corridor sites across Winnipeg, excluding the downtown core. Landmark Planning and Design was hired to facilitate a number of different engagement sessions in the development of the policy. Participants included representatives from City departments, community and economic development

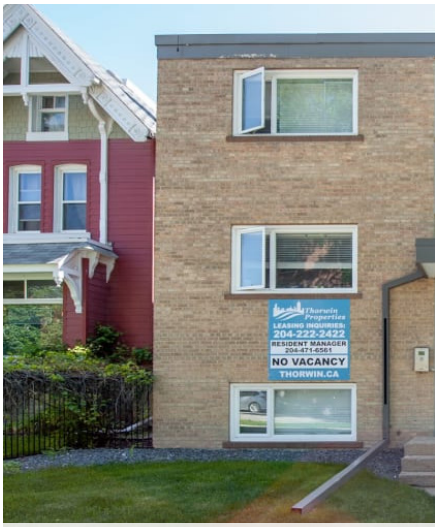

Figure 4: Rental vacancies have fallen to 1.7%. Source: 43 Edmonton Street

groups, the development industry, advocacy groups and the Province. This breadth of engagement helped guide the design of the PDO, featuring input from key stakeholders and experts in order to produce a form-based approach which respects the human environment while ensuring developmental viability.

In addition to these engagement sessions meetings were held with City councillors and public open houses hosted 123 attendees to learn and reflect upon the initiative (City of Winnipeg).

3.2 PDO and Policy

Malls and Corridor sites identified in Our Winnipeg 2045 and Complete Communities 2.0 have been highlighted as zones for major residential densification. Where previously these sites were intended to see incremental intensification of uses, the PDO sought to rapidly remove barriers to residential

development (City of Winnipeg Malls and Corridors). In accordance with the city's master and secondary plan, several mall sites including the Polo Park area, Garden City, St. Vital Centre have been selected for their potential as areas well serviced by transit and infrastructure while providing opportunity as mixed-use, pedestrian oriented development zones. Numerous corridor sites - land adjacent to busy commercial roads - had already been identified in Complete Communities 2.0 are being targets for intensification. These are joined by areas larger than 10 acres zoned as C3 or C4, while excluded are corridor sites already covered by a PDO. One of the principal concerns for this involves design guidelines which dictate the style and environment produced by new development. Accordingly, much of the work involved in the production of the PDO related to design considerations which could apply equally to sites across the city.

With the objective of minimising the requirement of rezoning applications, public hearings and variance applications, establishing intensification developing 'by right', these guidelines were meant to create a streamlined, straightforward scheme for developers to follow in the fashioning of an attractive urban realm that establishes vibrant urban spaces and a comfortable pedestrian realm (Complete Communities 2.0, 49).

3.2 Goals

The foremost goal leading the project is to comply with the City's HAF agreement and secure federal funding to support the construction of new housing, while policy itself aims to support a host of planning outcomes outlined in the Complete Communities 2.0 secondary plan, which targets 50% of new residential growth to be situated in intensification target areas

Potential Benefits:

- **Faster and streamlined approval process for housing developments**
- **Increased housing, including affordable units**
- **Optimized land use and infrastructure**
- **Better pedestrian connectivity and more walkable neighbourhoods**
- **Preserved green spaces by building up rather than out**
- **Greater social interaction**
- **Improved access to public transit and cycling (reduced commute times)**
- **Other potential benefits raised through public and stakeholder engagement**

-City of Winnipeg Housing Accelerator Fund By-law Amendment Presentation

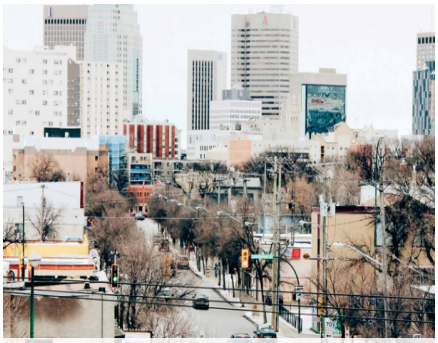

Figure 5: Broadway looking East. Source: City of Winnipeg

(Complete Communities 2.0, 20). Accommodating strategic growth in areas with existing infrastructure will extend the range of options for housing and transportation for residents while supporting environmental and financial sustainability and promote improved neighbourhood design.

4.0 LESSONS LEARNED

In concert with Winnipeg's successful passage of the malls and corridors by-law amendment, the City is seeking to proceed with further steps to fast-track housing development within the city and meet its HAF targets. The comprehensive suite of initiatives represents a revolutionary approach for the City, setting the stage for new styles of development that will benefit the future outlook of Winnipeg.

4.1 Federal Policy Success

The successful development and passage of the first stage

Figure 6: Aerial photo of Garden City Square highlighting ample surface parking. Source: Leyad

"These reforms will encourage the revitalization of underutilized or vacant spaces, contribute to the overall growth and development of the City, while capturing more value and revenue per acre of developed private land."

-City of Winnipeg City of Winnipeg Housing Accelerator Fund By-law Amendment Presentation

of Winnipeg's rapid zoning amendments indicates a success for federal policy: having incentivized Winnipeg (alongside multiple other cities) to reform its zoning code signifies a major policy goal that housing advocates have been pushing for years. Housing Accelerator Fund agreements have demonstrated that federal policy can indeed influence the way cities manage their regulatory policy, incentivizing change broadly across the country that benefits the development patterns of Canadian cities.

The rapid and comprehensive response to federal investment has re-established the federal government as an important actor in housing and municipal policy. As housing affordability continues to dominate the national discourse, the federal government has emerged as an important instigator of change. Future federal policy initiatives may well look to the Housing Accelerator Fund for inspiration.

4.2 Future Phases

The next step in the City's rapid zoning By-law amendment process involves the legalization of four dwelling units per lot. While dealing with a different level of scale, it will involve the need to develop a comprehensive design criteria that will cover vast areas of the city. These criteria involve judgements based on best practices that will guide the evolution of the built form of existing neighbourhoods. These decisions will always be controversial with some residents objecting to particular changes

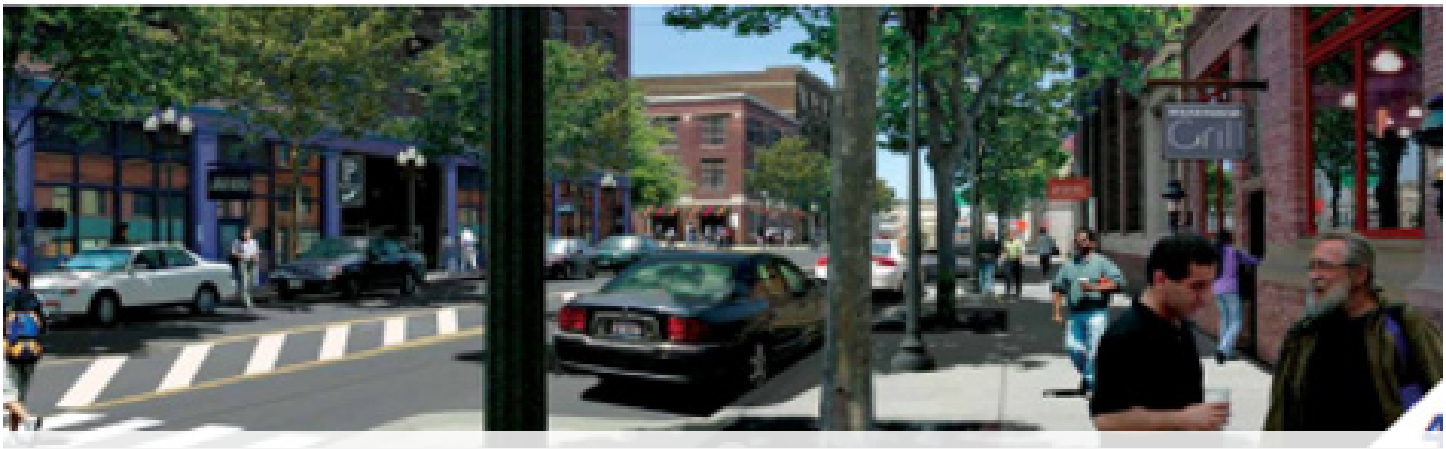

Figure 7: Rendering of a corridor's transformation into a complete community. Source: City of Winnipeg

to the neighbourhoods they live in. Conducting thoughtful engagement is a critical step in the process of developing these policies.

The success of the entire Action Plan is contingent upon buy-in from both city council and the community at large. Extensive stakeholder engagement proved an important part of the development of the malls and corridors project, ensuring that designers and developers contributed to the construction of a policy that conforms with industry requirements, provides a clear framework for applicants and improves the public realm. The City's commitment to the legalization of up to 4-units per lot is sure to engender greater public interest on the basis of proximity to existing homeowners and renters. Building off the successful engagement strategies that underscored the passage of this PDO, the City has a foundation on which to progress with its next stages.

4.3 Lessons for Winnipeg's Development Future

While the initiative was born from the HAF agreement between the City and the federal government, further action for Winnipeg's efforts to fill gaps in density and increase housing supply are essential to its sustained success.

The cities of Edmonton, Surrey, Calgary and Mississauga have all updated their zoning by-laws over the past several years to allow for increased residential density in various ways. In following suit, Winnipeg will join the ranks of Canada's most progressive cities when it comes to policy and urban design. Improving residential density in the core of the city can help improve housing choice and affordability, increasing the number and kind of units that people want to live in while providing clear climate benefits (Awan, 2024).

Winnipeg is well positioned to offer an attractive destination for Canadians seeking affordable housing opportunities: while median rents continue to rise, they remain significantly lower than most other cities across the country (CMHC). An influx of new and varied types of housing supports goals set out in Winnipeg's development plans and follow the lead of cities like Minneapolis who have successfully implemented similar reforms near transit and commercial corridors, rapidly

Design is critical to tie these building blocks together. Corridors must provide a comfortable pedestrian environment and attractive public realm for them to become vibrant urban places to live, work and play.

City of Winnipeg, Complete Communities 2.0

expanding their housing supply and seen far slower increases in the cost of rental housing than similar cities (Liang et al, 2024). The PDO is an important step in Winnipeg's progressing intensification efforts and, in tandem with the other phases of the City's HAF initiatives, will support new patterns of growth and complete communities. Given the proper incentives, the HAF initiatives have shown that there is political will for dramatic changes to the way Winnipeg regulates new development.

5.0 FINAL THOUGHTS

5.1 Winnipeg's Future

Encouraging a greater diversity of housing types demonstrates a recognition on the part of the City that different residents have different needs and priorities. Proximity to commerce and transit represent an important resource for many, allowing greater choice in lifestyle and transportation. Restrictive zoning has been linked to inequitable outcomes for residents leading to unequal access to the city (Agrawal, 2021). Winnipeg's malls and corridors PDO is an important step in the direction of creating a more equitable city, greater access to housing and financial sustainability.

While policy documents are integral to the planned growth of cities, they require political commitments in order to be effective. Complete Communities 2.0 provides an excellent framework for Winnipeg's future growth. Rooted in admirable planning principles, its execution has been catalyzed by the City's HAF action plan. The malls and corridors PDO comprises an important commitment in orienting the city towards its intended growth patterns, setting the stage for Winnipeg's future.

Figure 8: Construction of a multi-family development along Osborne St. Source: Winnipeg Free Press

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FIGURES

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