MERCHANTS CORNER

Non-Profit Owned Social Housing

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1.0 INTRODUCTION

For decades, Canada has struggled with an escalating housing crisis with not just a shortage of housing supply but an adequate stock of affordable housing options. The impact of this issue is more pronounced in low-income neighbourhoods where the growing unaffordability of housing threatens to displace families and deepen poverty. Winnipeg's North End is an example of a low-income inner-city neighbourhood facing a shortage of affordable housing resulting from long-term disinvestment.

With this new reality, various stakeholders, including not-for-profit organizations, have been working towards solutions to address this challenge. Not-for-profit organizations play a key role in creating and maintaining affordable housing. The redevelopment of Merchants Corner to include 30 units of student-family housing is a much-needed solution to housing insecurity.

This Case-In-Point will start by illustrating the planning context, followed by an overview of the Merchants Corner redevelopment, and highlighting the lessons learned in the process and outcomes of the case study.

2.0 BACKGROUND & CONTEXT

Multiple factors contribute to housing unaffordability in Canada and around the world. A significant factor is the commodification or financialization of housing, where it is treated as an investment asset rather than a place to live. This financialization typically involves purchasing properties to enhance rental income (Pomeroy, 2021), resulting in increased property values and overall rent. Individuals, corporations, and real estate investment trusts (REITs) commonly engage in these investments – entities focused solely on generating returns. The effects of commodification lead to soaring housing prices, impacting general affordability, particularly in cities like Winnipeg, where the discrepancy between the demand and supply of affordable housing continues to widen (Carter et al., 2020, p. 123).

Furthermore, while this impact reduces the stock of affordable market rental units, it also increases pressure on existing non-market housing options, such as social housing. Social housing is a vital component of the housing system that provides affordable housing to low-income households (Cooper, 2018), however, commodification can affect it, resulting in long waitlists and competition for the limited units available. During the Comprehensive Housing Needs Assessment of the City of Winnipeg in 2020, several interviews within the non-market sector indicated that "the situation for non-market and affordable housing has become worse over the last decade" (Carter et al., 2020, p. 123), often concentrated in marginalized communities, such as the largely Indigenous population in Winnipeg's North End.

One way to address the challenges posed by housing financialization is to promote

the development of affordable, non-market housing options by enabling not-for-profits to acquire properties (Pomeroy, 2021). The Canadian government has recognized the importance of addressing the housing affordability crisis by introducing various funding programs to support building new affordable housing units. National funding programs, often offered by the Canada Mortgage and Housing Corporation (CMHC), such as the Affordable Housing Innovation Fund, the Federal Lands Initiative, and the Housing Accelerator Fund, provide financial support to developers, not-for-profits, and municipalities to create and repair affordable housing across the country. At the provincial level, the Manitoba government has introduced similar initiatives that prioritize the development of affordable rental units and support the renovation of existing social housing units. Not-for-profit organizations play a critical role in operating either independently or in partnership with Manitoba Housing and provide many housing units in the city (Carter et al., 2020).

Figure 1: Merchants Corner on 541 Selkirk Avenue

Figure 2: Merchants Corner Housing on at 540 Pritchard Avenue

The Merchants Corner project demonstrates that engaging not-for-profit organizations in creating housing is a good way to ensure permanent or long-term affordable housing. Jeff Palmer, currently a Community Planner at Urban Systems, previously worked at the University of Winnipeg Community Renewal Corporation (UWCRC), which was contracted as the project manager and developer by the North End Community Renewal Corporation (NECRC).

3.0 FACTS OF THE CASE

3.1 PROJECT OVERVIEW

As part of a comprehensive community revitalization strategy for Winnipeg's low-income and North End neighbourhood, Merchants Corner was a $15.7 million redevelopment promising to bring significant change to the area.

Merchants Corner consists of two adjacent buildings. The three-storey south building at the corner of Selkirk Avenue and Andrews Street (541 Selkirk

Avenue) comprises a century-old historic building and an addition to the west. This mixed-use building is home to educational and commercial partners, the University of Winnipeg's Urban and Inner-City Studies (UIC) Program and the Community Education Development Association (CEDA). The upper floors consist of 13 affordable housing units. The building immediately north (540 Pritchard Avenue) is also a three-storey building, providing 17 rent geared to income (RGI) or subsidized housing units.

Figure 3: Merchants Corner Context Map

3.2 HISTORY

Historically known as the Steiman Block, the three-story brick building on Selkirk Avenue and Andrews Street opened in 1914 as a hardware and furniture store. By the mid-1920s, the upper floors were home to a community hall with doctors and dental offices. Impacted by the Depression, the Steiman Block could no longer sustain a large commercial establishment and was converted into a hotel in January 1934 (Merchants Corner, n.d.). The Merchants Hotel had a lobby, dining room and beer parlour on its main floor and 40 hotel rooms on the upper floors. Since then, ownership of the hotel has

Figure 4: Steiman Block

An Invitation
TO THE
Formal Opening
OF THE
Merchant's Hotel
541 SELKIRK AVE. at ANDREWS ST.
Winnipeg's Newest and Most Modern Hotel in the Heart of the North-End of Winnipeg
COMFORTABLY EQUIPPED BEER PARLOR
Beautifully Furnished Rooms by Day, Week or Month, at Most Reasonable Rates
The management invites the public of Winnipeg and Manitoba province, and all tourists from the Dominion of Canada and the United States, to visit or make a permanent home at the Merchant's Hotel.
The Hotel is modernly equipped and beautifully decorated and Furnished — Do not fail to visit this outstanding Hotel when in the city.
R. STEIMAN, Manager
Figure 5: Merchants Hotel Announcement

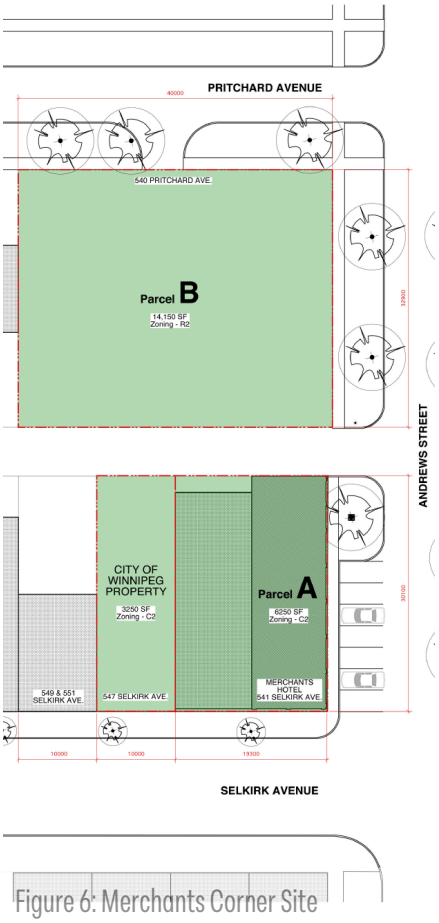

Figure 6: Merchants Corner Site

changed every decade or so. Shifts in the neighbourhood began in the 1950s when people migrated to the suburbs for larger lots and employment opportunities. As the Merchants Corner Business Plan (2014) noted, "As businesses followed their customers, Selkirk Avenue began a long decline. Housing prices dropped as people left. Relatively cheap rent attracted those with low incomes. Poverty became concentrated in the North End, bringing a host of related problems."

3.3 PLANNING AND COMMUNITY INVOLVEMENT

In 2011, a community-based coalition consisting of nearly 20 North End organizations led

Figure 7: Merchants Corner under construction

Figure 8: Mistecture rendering of Merchants Corner

by the North End Community Renewal Corporation (NECRC) and the University of Winnipeg's Urban and Inner-City Studies Program (UIC) collaborated on the initiative to acquire and convert the Merchants Hotel into Merchants Corner, expanding its space to include adjacent lots in that corner to provide affordable housing, educational and commercial spaces. The coalition also included the following organizations:

- Urban Circle Training Centre Inc.
- Selkirk Avenue BIZ
- Andrews Street Family Centre
- Ha Mawi Wi Chi Itata Centre
- Ndinawemaaganag Endaawaad Inc.
- Community Education Development Agency
- Red River College
- SEED Winnipeg

Following numerous calls for provincial intervention, the Manitoba government purchased the property for $1.3 million and closed the hotel in 2012. The province held onto the property until a development plan was created (Bernhardt, 2018).

3.4 PROGRAMMING

Merchants Corner was a redevelopment project that converted the historic Steiman Block and neighbouring vacant lots to the west and north into affordable housing while offering commercial and educational functions.

Housing: Providing affordable housing through Merchants Corner was a response to high poverty rates in the neighbourhood (Friesen, 2015). A brand new building in the north was planned and designed solely for residential use, while the previous Steiman Block was renovated to provide self-contained housing units in addition to other uses. Merchants Corner has a total of 30 units of affordable housing, with priority given to student families and members of the North End community. While owned and overseen by the not-for-profit Merchants Corner Inc., the City's Winnipeg Housing Rehabilitation Corporation (WHRC) provides property management services.

Figure 9: Merchants Corner Housing

Figure 10: Interior of Merchants Corner atrium space

Education: First and foremost, providing affordable housing at Merchants Corner sets the foundation for implementing a holistic and strategic approach to achieve educational goals in the North End (Merchants Corner Business Plan, 2014). The south building, at the corner of Selkirk Avenue and Andrews Street, is a mixed-use development home to the University of Winnipeg's Urban and Inner-City Studies Program (UIC), which operates during business hours with students attending classes in the space, and the Community Education Development Association's (CEDA) Pathways to Education, the after-school student support program. This synergistic overlap of secondary and post-secondary student programming normalizes the 'university setting,' offering high school students a view of university students who share their Indigenous and North End resident identities (Merchants Corner Business Plan, 2014). Merchants Corner's educational function seeks to inspire a cultural change in the North End, bridging the education gap by motivating more students to finish secondary school and aspire to attend university or other post-secondary education. "The result will be more North End residents attending school at all ages, including post-secondary education; more North End residents graduating high school and earning university degrees; and more North End residents in the paid labour force, and in well-paid jobs. This in turn will strengthen families. Stronger, healthier communities will result. We all benefit when this is the case" (Merchants Corner Business Plan, 2014).

At the time of its development, Merchants Corner was seen

to be a part of a larger vision for Selkirk Avenue to become an educational hub known as the "North End Community Campus" (business plan). This campus would include the following organizations and programs:

- 485 Selkirk Ave.: University of Manitoba's Inner City Social Work Program (producer of qualified social workers from low-income circumstances over the past 40 years)
- 519 Selkirk Ave.: Urban Circle Training Centre (Aboriginal adult education program)
- 527 Selkirk Ave.: Makoonsag Intergenerational Childcare Centre (offering priority to students with children)

Commercial: In addition to classroom space, the current educational tenants also occupy office space within Merchants Corner. While UIC and CEDA's after-school programming primarily use classroom and learning spaces, the spaces are open for community members in the North End to rent and use when available. When Merchants Corner opened, the community kitchen on the main floor of the western addition was home to Perfect Place Social Enterprise Café, a modest economic development component built into Merchants Corner. The café closed in 2022 due to a fire incident.

"The redevelopment of Merchants Corner is another important milestone in the North End's renewal efforts. This project is a prime example of what can be accomplished when communities are empowered to design initiatives and work with partners to bring their vision to life."

Dawn Sands, Former Executive Director, North End Community Renewal Corporation

4.0 LESSONS LEARNED

4.1 IMPORTANCE OF PLANNERS' INVOLVEMENT IN REDEVELOPMENT PROJECTS

Involving planners as part of this project was crucial. At the time of the Merchants Corner redevelopment, UWCRC had a shared interest in the project as a tenant (University of Winnipeg) of Merchant Corner and possessed the capacity to support the planning and physical redevelopment of the project. Jeff Palmer (Urban Systems) asserts that when planners are involved in establishing the vision, it results in a more comprehensive strategy that responds to community needs. Planners can address and minimize risks in order to initiate and complete projects that the private sector can't. Palmer underscores the skills of identifying opportunities, establishing a vision, and understanding the context and needs of the community as essential skills required for the scope of this development. Planners served as a bridge between multiple stakeholders to ensure that the outcome reflected the needs of all the key players, in this case, affordable housing and advancing the educational aspirations of the community.

4.2 INVOLVING PLANNERS AND THE COMMUNITY IN IMPLEMENTING THE STRATEGY, NOT JUST IDENTIFYING THE OPPORTUNITY

While the Province of Manitoba played a pivotal role in addressing the impacts of the notorious Merchants Hotel on the neighbourhood, the role of the local community played a much more significant part in the Merchants Corner redevelopment process. The advocacy and community vision developed by UWCRC, NECRC, and local organizations was the jumping-off point for breathing new life into the property. At the end of the day, the community identified the problem and proposed a solution that resulted in creating this positive change in the North End.

4.3 PARTNERSHIPS ARE COMPLICATED, BUT ESSENTIAL

Merchants Corner is an excellent example of community partnerships. No single organization could have taken on this project by itself. Merchants Corner was supported by many interested parties, as demonstrated by the 20 organizations involved in the coalition that initiated this redevelopment. Merchants Corner Inc.'s Board of Directors consists of representatives from the founding organizations engaged in the redevelopment project, such as UWCRC, NECRC, Indigenous and other neighbourhood organizations. Merchants Corner would not be standing today if it weren't for the funding and property acquisition by the Province, the hustle of the community to campaign for the redevelopment, and the tenancy and services provided by UIC and CEDA to make the educational aspect of the project happen.

4.4 IF IT WERE EASY, THE PRIVATE SECTOR WOULD DO IT

There is a role for planners and not-for-profit community development corporations to play in the development industry. The private sector is limited by its mandate to minimize risk and maximize short term profits, and as such cannot play a leading role in revitalizing economically-challenged neighbourhoods. Planners, developing a vision in collaboration with the community, can help generate widespread political and economic support needed over the long term to ensure the project's success.

4.5 BUILD ON WHAT WE'VE GOT

Merchants Corner is a great example of adaptive reuse. Adaptive reuse is environmentally responsible, economical, and enhances character and a sense of community. In some cases, adaptive reuse can provide some types of housing units more economically than building new ones. Other benefits were reaped by opting to reuse the Steiman Block adaptively, such as reduced environmental impact and honouring history through cultural preservation. Where the existing building could not support a particular housing type, new construction on the site adjacent was able to.

5.0 FINAL THOUGHTS

The Merchants Corner emphasizes that not-for-profit involvement in creating affordable housing is vital and that planners play a key role in this sector to carry out the work effectively. The project addressed the challenges posed by the previous use of the building and

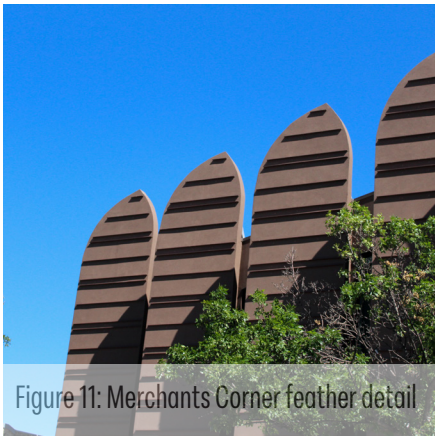

Figure 11: Merchants Corner feather detail

site, creating housing that low-income residents of the North End community can afford. As housing affordability remains an issue, the Merchants Corner redevelopment stands as a prime example of successful planning and development, showcasing that active community participation and collaboration with partners yielded more fruitful results in achieving a community goal. Although the process was long, Merchants Corner illustrates the significance of planners and their potential contributions to the process.

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