CITY OF WINNIPEG POLICY NO. FI-014

POLICY TITLE	ADOPTED BY	EFFECTIVE DATE
Transformative Reserve Fund	City Council	January 27, 2022
ORIGIN / AUTHORITY	**CITY POLICY NO**	**MOST RECENT CONSOLIDATION**
City Council	FI-014	

1. Purpose:

The policy describes how proceeds or revenues are deposited into the Transformative Reserve Fund, and identifies authorized expenditures out of the Transformative Reserve Fund.

2. Definitions:

"Charter" means The City of Winnipeg Charter, S.M. 2002, c. 39, as amended from time to time;

"City" means the municipal corporation of The City of Winnipeg, continued under section 8 of the Charter;

"Council" means the municipal Council of the City;

"Director of PPD" means the director of the City department responsible for planning and land use, which, on the date this policy is enacted, is the Director of the City's Planning, Property and Development Department;

"Golf Course" means the recreational land managed, leased or operated by the City's Golf Services Special Operating Agency;

"Leased Building" means a City-owned building that is leased to a third party on a long-term lease (i.e. greater than one year), or was recently leased to a third party on a long-term lease;

"New Parkland" means property, once acquired by the City, that will conform to the definition of a City park property as defined in Parks By-law No. 85/2009 as amended from time to time;

"Surplus" means property that Council or its delegated authority has determined is not required for civic purposes; and

"Ward" means the 15 electoral wards as defined by the Charter.

3. Transformative Reserve Fund Policy

3.1 The Transformative Reserve Fund is a special purpose reserve intended to support investments that transform the delivery of services and reduce the City's infrastructure deficit with a focus on recreation and public green space, as well as preservation, protection and enhancement of Winnipeg's tree canopy. The Transformative Reserve Fund is intended to target significant greenspace or natural habitat acquisition opportunities.

3.2 Revenues are restricted to the net proceeds from the sale of Surplus Golf Courses or the sale of Surplus Leased Buildings, collectively known as "City Assets", combined with any interest earned thereon, and shall be expended on the following:

A. Purchases of any privately-owned property which is intended to be used for the creation of New Parkland, subject to approval by Council or its delegated authority:

i. Purchases will align with Council approved development policies and park or recreation strategies;

ii. Purchases will be prioritized in accordance with Council approved policies or strategies (e.g. Riverbank Property Acquisition Strategy, Ecologically Significant Natural Lands, etc.);

iii. The Public Service will attempt to purchase New Parkland in the Ward where the City Asset was sold, expensing up to a maximum of 50% of the City Asset net proceeds; and

iv. Where the Public Service is unable to purchase New Parkland in a Ward, or where the City Asset is not located within a Ward, the Public Service will recommend an alternate property acquisition to Council.

3.3 In order to sustain the business operations supported by the Transformative Reserve Fund, equity is allowed to accumulate within the Transformative Reserve Fund.

A. The Transformative Reserve Fund must carry a minimum balance of $0.00 (i.e. cannot operate in a deficit position); and

B. The Transformative Reserve Fund does not have a maximum balance.

3.4 Any expenditure out of the Transformative Reserve Fund that is not consistent with the intent of this policy requires Council approval, except for:

A. Expenses related to the sale (or in preparation for the sale) of City Assets which include but are not limited to:

i. Appraisal or consultant costs;

ii. Advertising or marketing costs;

iii. Realty commissions;

iv. Legal fees;

v. Registration fees and other closing costs;

vi. Site investigation costs; or

vii. Tenant relocation costs (including fit-up costs).

B. Expenses related to legally creating New Parkland which include but are not limited to:

i. Subdivision and rezoning costs;

ii. Application fees;

iii. Site investigation costs; or

iv. Other costs necessary to cause the conversion of privately-owned property into New Parkland.

3.5 The Transformative Reserve Fund shall not be used for:

A. Salaries related to the regular operation of the City's services;

B. Operating costs, materials and supplies;

C. Maintenance of facilities or equipment; or

D. Expenses related to capital improvements in New Parkland.

4. Responsibilities

4.1 The Director of PPD is the Fund Manager of the Transformative Reserve Fund and the Finance and Administration Division of the Planning, Property and Development Department will administer the Transformative Reserve Fund.

4.2 The Director of PPD has the authority to negotiate land acquisitions for New Parkland.