Agenda – Executive Policy Committee – July 22, 2009

REPORTS

Item No. 3 Millennium Library Park and Parkade Redevelopment Project – Consolidation of Capital Budget Funding (Fort Rouge - East Fort Garry Ward) eFile L(32.1)

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the multiple Capital Budget funding sources related to the Millennium Library Park & Parkade Redevelopment project be consolidated under one capital account in the amount of $2,100,000.00.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

ISSUE: **APPROVAL IS REQUIRED TO CONSOLIDATE COUNCIL APPROVED CAPITAL PROJECT AND/OR PROGRAM BUDGETS RELATED TO THE MILLENNIUM LIBRARY PARK & PARKADE REDEVELOPMENT PROJECT**

CRITICAL PATH: **EXECUTIVE POLICY COMMITTEE**

AUTHORIZATION

Author	Department Head	CFO	CAO
Mike McGinn	Deepak Joshi	Michael Ruta, Deputy CAO/ CFO	Michael Ruta Acting CAO

RECOMMENDATIONS

1. That the multiple Capital Budget funding sources related to the Millennium Library Park & Parkade Redevelopment project be consolidated under one capital account in the amount of $2,100,000.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

IMPLICATIONS OF THE RECOMMENDATIONS

- No additional funding is being requested as this report simply recommends the consolidation of existing Council-approved capital budgets and other funding sources.
- The budget for the construction of the Millennium Library Park & Parkade is currently distributed to multiple capital accounts.
- The distribution of funding sources makes accounting for and reporting on the financial status of the project unnecessarily complex.
- Consolidation of budgets (and actual amounts spent to-date) will enable the Public Service to more effectively and efficiently track progress on, and the final cost of, the project.

HISTORY

The Millennium Library Park & Parkade Redevelopment is a green space in the heart of downtown Winnipeg adjacent to the recently renovated Millennium Library. It sits amongst a sea of buildings and surface parking lots central to many Winnipeg destinations. This public park has deteriorated over time from an active amenity to an unsafe and underutilized piece of infrastructure. The renewed park will be revitalized into an active and viable urban green space, a programmed destination where Winnipeg's residents and visitors can explore the diversity, creativity and richness of Manitoba's arts, literature, culture and landscape. The redevelopment project will also include the replacement of the parkade roof membrane which has surpassed its lifespan. An additional $1.7 million in budget will be required to complete the project.

The project funding sources consist of multiple Council-approved capital projects and programs within the capital budget of the Planning, Property and Development Department (see Appendix 1). The number of funding sources involved makes accounting for and reporting on the project more cumbersome and complex than it needs to be.

Consolidation of the multiple funding sources will enable the Winnipeg Public Service, once the project is complete, to better answer the question "What were the total costs of the project?" The answer to this seemingly simple question can be convoluted when the funding sources are widely distributed. Consolidation would also facilitate improved project management and administration as Project Manager(s) would be accountable for one project budget rather than three different ones and this would simplify the tracking of costs-to-date versus available budget. Also, as the project is partially funded by the Province of Manitoba and the Government of Canada, consolidation of budgets and expenditures would ensure claims could be made on a timely basis and would be conducive to being audited.

It is possible that reporting on total expenditures related to individual capital programs may be less apparent if budgets are consolidated. For example, the 2005 Downtown Enhancements Program capital budget will show only $297,900 instead of the $400,000 approved by Council once budgeted amounts are consolidated (i.e. see Appendix 1, "Related to Millennium Library Park & Parkade Redevelopment" column, and Capital Project # 6351800105). However, the Public Service is of the view that this potential drawback is outweighed by the advantages of consolidating budgets as outlined above.

FINANCIAL IMPACT

Financial Impact Statement Date: July 17, 2009

Project Description

MILLENNIUM LIBRARY PARK & PARKADE PROJECT - CONSOLIDATION OF BUDGETS

COMMENTS:

The recommendation contained in this report is that the multiple funding sources related to the Millennium Library Park & Parkade Redevelopment Project be consolidated under one capital account.

There are no financial implications associated with this recommendation.

"Original signed by"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this Report there was consultation with:

Corporate Finance Department

SUBMITTED BY

Department: Planning, Property and Development
Division: Financial Services
Prepared by: Mike McGinn, Manager of Finance
Date: July 17, 2009
File No.

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APPENDIX 1

Capital Project # / Funding Source	Description	Council-Approved Budget / Funding	Portion Related to Millenium Library Park & Parkade Redevelopment
6351800208	Millenium Library Park & Parkade Redevelopment	1,400,000	1,400,000
6351800108	Downtown Enhancements Program	400,000	197,900
6351800106	Downtown Enhancements Program	400,000	400,000
6351800105	Downtown Enhancements Program	400,000	102,100
Total Funding		2,600,000	2,100,000