Minutes – Executive Policy Committee – January 27, 2010

REPORTS

Minute No. 126 Building Communities II Agreement
eFile EU-5

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 27, 2010, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service, as amended, and submits the following to Council:

1. That the City of Winnipeg-Province of Manitoba 'Building Communities Initiative II Agreement' be approved, contingent upon no external borrowing.

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

DECISION MAKING HISTORY:

Moved by Councillor Steeves,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

With the permission of Councillor Steeves, Deputy Mayor Swandel amended the motion by adding the following:

- The following words "contingent upon no external borrowing" at the end of Recommendation No. 1.

Carried

ADMINISTRATIVE REPORT

ISSUE: **To obtain Council Approval of the "Building Communities II" Agreement with the Province of Manitoba**

CRITICAL PATH: **Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
D. Himbeault	D. Joshi	M. Ruta	A. Robinson, Deputy CAO

RECOMMENDATIONS

1. That Council approve the attached City of Winnipeg-Province of Manitoba 'Building Communities Initiative II Agreement'.

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

GENERAL

- The main objective of the BCI II program is to revitalize and stabilize areas within mature residential neighbourhoods experiencing symptoms of physical decline through strategic capital investment aimed at upgrading: community facilities; parks and municipal infrastructure; enhancing public safety; strengthening neighbourhood commercial areas; and upgrading residential aesthetics (infrastructure renewal, safety, and environment).

- The program focuses on "green" community infrastructure- neighbourhood destinations and linkages where people meet, providing youth opportunities for positive activity, and creating a positive neighbourhood image.

- Investment in recreation facilities and parks in targeted neighbourhoods and neighbourhood pockets supports the City's holistic approach to crime prevention (e.g. LiveSafe Initiative).

FINANCIAL IMPLICATIONS

- Some operating and maintenance cost savings may be realized as older community infrastructure and amenities are replaced with new construction.

- However, the development of additional community facilities will require additional operating and maintenance budget allocations, in instances where facility rationalizations or other cost offsets cannot be realized.

- An additional $7.45 million in capital budget, over and above the $5.05 million currently included in the Adopted-In-Principle Capital Forecast, will be required in the 2010 Capital Budget and 2011 to 2015 Five-Year Forecast. Funding for the remaining $ 7.5 million exists in previously approved capital budgets.

HISTORY

- Since 1974, The City of Winnipeg and Province of Manitoba have jointly funded capital investment programs in older, physically declining "tipping point" neighbourhoods, as a means to improve living conditions, stabilize and revitalize older areas and prevent the shift of tax burden to suburban areas (NIP, CIP, M/WCRP, and BCI).

- The previous $14 million 'Building Communities Agreement' with the Province of Manitoba expired on March 31, 2009.

- The Public Service has had discussions with the Province of Manitoba on a renewed BCI II agreement, totaling $20 million.

- The proposed BCI II program is based on an equal distribution of $15 million in BCI II funds throughout the 15 City of Winnipeg ward areas as well as:

    - An additional $4 million of cost-shared program funding invested in the City's highest needs neighbourhood areas.

    - Up to $0.5 million of the Province of Manitoba's $10.0 million investment through this initiative be targeted at residential beautification.

- The Public Service has negotiated the attached 'Building Communities II Agreement' with the Province of Manitoba. The 50/50 cost-shared program would be funded and delivered as follows:

    - **NEIGHBOURHOOD INFRASTRUCTURE PROGRAM: PHASE ONE (2010-2012)**
      $9.0 million distributed equally amongst the 15 City of Winnipeg Ward areas and targeted to community infrastructure projects addressing higher needs neighbourhood pockets.

    - **NEIGHBOURHOOD INFRASTRUCTURE PROGRAM: PHASE TWO (2013-2015) *****
      $6.0 million distributed equally amongst the 15 City of Winnipeg Ward areas and targeted to community infrastructure projects addressing higher needs neighbourhood pockets.

- **NEIGHBOURHOOD REVITALIZATION PROGRAM (2012-2015) *****
  $4.0 million neighbourhood revitalization program focused on community infrastructure renewal in the City's highest needs neighbourhoods.

- **RESIDENTIAL NEIGHBOURHOOD BEAUTIFICATION PROGRAM (2010-2012)**
  Up to $0.5 million of the Province of Manitoba's $10.0 million BCI II investment will be directed to a residential beautification pilot project, to be administered by Winnipeg Housing and Homelessness Initiative.

  *** The Province of Manitoba has indicated that they shall make best efforts to provide an additional five million dollars as their portion of the cost shared program for Phase Two of BCI II which would commence in 2012/13, subject to the funds being made available by the Legislative Assembly of Manitoba. It is anticipated that this approval will take place in the Spring of 2010.

FINANCIAL IMPACT

Financial Impact Statement **Date:** October 20, 2009

Project Name: **First Year of Program** **2010**

Approval of the 'Building Communities II Agreement' with the Province of Manitoba

	2010	2011	2012	2013	2014 to 2015
Capital					
Capital Expenditures Required	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 4,500,000
Less: Existing Budgeted Costs	2,650,000	200,000	200,000	1,000,000	1,000,000
Additional Capital Budget Required	$ (650,000)	$ 1,800,000	$ 1,800,000	$ 1,000,000	$ 3,500,000
Funding Sources:					
Debt - Internal	$ (325,000)	$ 900,000	$ 900,000	$ 500,000	$ 1,750,000
Debt - External	-	-	-	-	-
Grant	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Provincial Funding	(325,000)	900,000	900,000	500,000	1,750,000
Total Funding	$ (650,000)	$ 1,800,000	$ 1,800,000	$ 1,000,000	$ 3,500,000
Total Additional Capital Budget Required	$ 7,450,000				
Total Additional Debt Required	$ 3,725,000				
Current Expenditures/Revenues					
Direct Costs	$ -	$ 129,390	$ 138,910	$ 161,430	$ 209,030
Less: Incremental Revenue/Recovery	-	129,390	138,910	161,430	209,030
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures in 2010 through to 2015 totaling $12.5 million, combined with $7.5 million from previously approved capital budgets, would comprise the $20 million BCI Phase II Program. Existing budget amounts totaling $5.05 million are included in the Council-approved 2010 to 2014 capital forecast. The additional budget amount of $7.45 million from 2010 to 2015 would, under the terms of the Program agreement, be cost-shared by the City of Winnipeg and the Province of Manitoba on a 50/50 basis. Direct costs beginning in 2011 represent debt & finance charges on the City portion of the previous year capital expenditures and will be charged to the current budget of the Planning, Property and Development Department.

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

CONSULTATION

Internal

Legal Services Division (as to form and legal issues only)
Community Services Department- Community Resource and Protection Services Division
Community Services Department- Community Development and Recreation Services Division
Public Works Department- Parks and Open Space Division

SUBMITTED BY

Department: Planning, Property and Development
Division: Planning and Land Use
Prepared by: K. McKim, Project Management Coordinator
Date: November 23, 2009
File No. : N/A



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O:\Reports Directive\Planning and Land Use\Parks, Riverbanks and Community Initiatives\Ken McKim\2009\BCI II Agreement Report Jan 20 2010.doc

BUILDING COMMUNITIES INITIATIVE II AGREEMENT

THIS AGREEMENT made in duplicate this day of , 2009

BETWEEN:

THE GOVERNMENT OF MANITOBA
Represented by the Minister of Local Government

(called "MANITOBA")

- and -

THE CITY OF WINNIPEG
Established under The City of Winnipeg Charter Act

(called "WINNIPEG")

WHEREAS MANITOBA and WINNIPEG recognize the important contribution of strong, viable and safe neighbourhoods to healthy communities;

AND WHEREAS MANITOBA and WINNIPEG have a long and successful history of joint community revitalization initiatives;

AND WHEREAS MANITOBA and WINNIPEG wish to continue their partnership and jointly support activities to revitalize Winnipeg through strategic capital investments which will have lasting, long-term benefits on the quality of living within the City's neighbourhoods;

AND WHEREAS MANITOBA has established the Manitoba/Winnipeg Infrastructure Fund for the purpose of cost sharing capital projects on an equal basis with WINNIPEG;

AND WHEREAS MANITOBA and WINNIPEG wish to join in an Agreement for the Building Communities Initiative (BCI) II providing for full and equal participation of each party in promoting community revitalization in designated neighbourhoods in the City of Winnipeg;

NOW THEREFORE, MANITOBA and WINNIPEG covenant and agree as follows:

1.0 DEFINITIONS AND INTERPRETATION

1.1 Unless the context requires otherwise, in this Agreement:

(a) "Agreement" means this document and the Schedules attached hereto;

(b) "anticipated outcomes" means the expected results from implementing the Agreement's goal and objectives;

(c) "capital" means the acquisition, construction, replacement, addition, and renovation of a tangible asset that has a useful life greater than one year, as specified under "eligible costs", and includes removal of an asset;

(d) "community facilities" means "green" infrastructure used as community gathering spaces such as community centres, community pools, recreational facilities, athletic fields, parks, play structures, play areas, and libraries which are owned by the municipality, a school division, a registered non-profit organization, or where the municipality has a written long-term (minimum ten year) use agreement, and which are available on a regular basis for the use of the community, and, for the purposes of implementing urban safety initiatives, includes publicly accessible parking lots, boulevards and other similar public spaces;

(e) "eligible costs" means those costs which are incurred, paid for, and approved by the parties in accordance with this Agreement and which are necessary for:
(i) design, construction and completion of projects comprising the Agreement, and
(ii) planning, communications, management and evaluation of the Agreement;

(f) "MANITOBA" means the Government of Manitoba and includes the authorized officials and representatives of the Government of Manitoba;

(g) "municipal infrastructure" means basic capital services provided by the City on publicly owned property, including: streets, curbs, sewers, water mains, boulevards, tree planting, street signs, street lighting, traffic light signals, street furniture, and streetscaping;

(h) "party" means MANITOBA or WINNIPEG;

(i) "performance measures" means the tools used to assess progress towards the Agreement goal and objectives;

(j) "program" means the total enterprises of a program in a specific neighbourhood as described in Schedules A and B of this Agreement;

(k) "project" means any initiative and activity which is undertaken under Schedule A or B in accordance with this Agreement;

(l) "Manitoba/Winnipeg Infrastructure Fund" means Manitoba's financial program providing for a partnership with the City of Winnipeg for the renewal and enhancement of the City's capital infrastructure, commencing on April 1, 2005.

(m) "urban safety" means measures taken to prevent crime and disorder;

(n) "WINNIPEG" means the City of Winnipeg and includes the authorized officers and representatives of the City of Winnipeg.

1.2 Words in the singular include the plural and words in the plural include the singular, as required by the context.

2.0 EFFECTIVE DATES

2.1 The first phase of BCI II shall be implemented within the time frame set out for the Manitoba/Winnipeg Infrastructure Fund (M/WIF), with all Phase One activities to be fully completed and invoiced by no later than March 31, 2014.

2.2 Subject to approval of MANITOBA's contribution for a second phase of BCI II, Phase Two would commence in 2012/13, with all of its activities to be fully completed and invoiced by no later than March 31, 2016, to ensure timely Agreement conclusion and evaluation.

3.0 GOAL, OBJECTIVES, AND ANTICIPATED OUTCOMES

3.1 The goal of the BCI II Agreement between the Province of Manitoba and the City of Winnipeg is to provide capital support for upgrading community facilities and municipal infrastructure, enhancing public safety and strengthening neighbourhood commercial areas in targeted areas of Winnipeg. A focus will be placed on ***strategic projects*** within the targeted neighbourhoods. Its resources will be used to **improve local infrastructure** (destinations, places where people meet, and physical linkages between places), **provide youth with opportunities for positive activity**, and **create a positive neighbourhood image**.

The Agreement will have two component programs:
1. Neighbourhood Infrastructure (primary component program).
2. Residential Neighbourhood Beautification (provincial allocation only).

3.2 The objectives and anticipated outcomes of the Agreement shall be as described in Schedules A and B.

4.0 POLICY COMMITTEE

4.1 A Policy Committee is hereby established comprised of the Provincial Minister of Local Government and the Mayor of the City of Winnipeg, or their respective designates.

4.2 The Policy Committee shall be responsible for the overall direction of the Agreement by issuing policy guidelines or instructions to the Management Committee.

4.3 The Policy Committee shall make final decisions on:

(a) standards and procedures for the administration and management of the Agreement, and for the approval and implementation of projects;

(b) reallocation of funds between neighbourhoods;

(c) reallocation of funds between projects in a designated neighbourhood in excess of twenty-five thousand dollars ($25,000) or ten percent (10%) of the budgeted total project costs, whichever is greater;

(d) approval of criteria and such procedures as are required to undertake an evaluation of the Agreement upon its substantial completion;

(e) approval of a communications strategy for the Agreement;

(f) approval of the Annual Report.

4.4 The Policy Committee meetings shall be held as required to carry out the Committee's duties.

4.5 Decisions of the Policy Committee shall be in writing and shall be effective only if they are unanimous.

5.0 MANAGEMENT COMMITTEE

5.1 The Management Committee shall be comprised of four persons: two senior staff from MANITOBA, and two senior staff from WINNIPEG, or their respective designates.

5.2 Subject to the direction of the Policy Committee, the Management Committee shall be responsible for the management, coordination and administration of the Agreement.

5.3 The duties of the Management Committee shall include, but not be limited to:

(a) ensuring that the terms and conditions of the Agreement are met;

(b) developing standards and procedures for the administration and management of the

Agreement, and for the approval and implementation of projects;

(c) recommending reallocation of funds between neighbourhoods;

(d) approving reallocation of funds between approved projects in a designated neighbourhood up to twenty-five thousand dollars ($25,000) or ten percent (10%) of the budgeted total project costs, whichever is greater;

(e) recommending the reallocation of funds between approved projects in a designated neighbourhood in excess of twenty-five thousand dollars ($25,000) or ten percent (10%) of the budgeted total project costs, whichever is greater;

(f) recommending criteria and such procedures as are required to undertake an evaluation of the Agreement upon its substantial completion;

(g) directing the evaluation process;

(h) recommending on a communications strategy for the Agreement;

(i) facilitating intergovernmental coordination and an exchange of information between the parties;

(j) carrying out any other duties, powers, or functions specified in the Agreement or as may be assigned.

5.4 The Management Committee meetings shall be held as required to carry out the Committee's duties.

5.5 To constitute a meeting of the Management Committee, at least one member from each of the parties must be present.

5.6 The decisions of the Management Committee shall be in writing and shall require the unanimous approval of those members present to be effective. Where the members are unable to reach a unanimous decision on any matter, that matter shall be referred to the Policy Committee, whose decision shall be final.

6.0 IMPLEMENTATION PROCEDURES

6.1 With the exception of the Residential Neighbourhood Beautification program, the Agreement and its programs shall be implemented by WINNIPEG which will take such action as may be necessary to carry out this Agreement in accordance with applicable laws and its normal administrative and management procedures.

6.2 The Management Committee shall prepare an Annual Report on the Agreement for submission to the Policy Committee, which shall include:

(a) a financial report in respect to Schedule C, as may be amended from time to time, including but not limited to:

- a comprehensive schedule of expenditures and outputs for the Agreement, and its annual revision;
- quarterly financial reports;
- regular progress reports on the status of Agreement implementation; and
- annual financial reports.

(b) a progress report on implementing the Agreement's programs and projects;

(c) an update on the Agreement's evaluation activity, related data and results; and

(d) any other matter which may be identified by the Policy Committee or the Management Committee.

6.3 Reports, documents, plans, maps and other materials prepared by any person who has been awarded a contract with respect to the Agreement shall become the property of WINNIPEG and WINNIPEG shall make these items available to MANITOBA to inspect upon request.

6.4 MANITOBA and WINNIPEG agree to coordinate resources within each of their respective jurisdictions in support of the Agreement.

7.0 FINANCIAL

7.1 Subject to the terms and conditions of this Agreement and funds being made available by the Legislative Assembly of Manitoba, the total contribution of MANITOBA to the Agreement under the M/WIF, shall be five million dollars ($5,000,000) for Phase One of BCI II commencing in 2009/10.

MANITOBA shall make best efforts to provide an additional five million dollars ($5,000,000) for Phase Two of BCI II, which would commence in 2012/13 subject to the funds being made available by the Legislative Assembly of Manitoba.

7.2 Subject to the terms and conditions of this Agreement and funds being made available by Winnipeg City Council, the total contribution of WINNIPEG to the Agreement, shall be five million dollars ($5,000,000) for Phase One of BCI II commencing in 2009/10.

WINNIPEG shall provide an additional five million dollars ($5,000,000) for Phase Two of BCI II, commencing in 2012/13.

7.3 Subject to subsections 7.1 and 7.2, the parties shall each make an overall contribution which shall each equal fifty percent (50%) of total eligible costs contributed by both parties.

7.4 The financial allocations to Agreement components shall be as set out in Schedule C, subject to such amendments as the Policy Committee may approve.

7.5 Unless authorized by the Policy Committee, and with the exception of projects under the Residential Neighbourhood Beautification component, the total of MANITOBA funding from all Provincial sources for any one project under this Agreement, shall not exceed fifty percent (50%) of the total project costs.

7.6 No funding shall be authorized for projects under Schedule A until responsibility for operation and maintenance of the completed project has been confirmed in writing.

8.0 ELIGIBLE COSTS

8.1 **General:**

(a) Eligible costs may include:
1. the amount of Federal Goods and Services Tax (GST) and of Manitoba Provincial Sales Tax (PST) paid less the amount of any refund or credit of GST or PST due, whether received, applied for or for which an application has been made;

(b) Ineligible costs shall include:
1. borrowing or carrying costs including MANITOBA's or WINNIPEG's finance and administration charges, unless otherwise agreed in writing by the parties; and
2. operating and maintenance costs for projects.

8.2 **Program Management:**

(a) Eligible costs may include:
1. salaries and benefits of staff solely responsible for the implementation of a program who either (i) are employed for a specific term, or (ii) are permanent employees of WINNIPEG who do not hold permanent positions;

2. direct expenses of program staff related to the implementation of a program;
3. public information, including signage;
4. printing and distribution of documents;
5. direct expenses related to the holding of public meetings, strategy steering committee meetings or community information sessions; and
6. any other costs, other than costs defined in clause 8.2(b), that in the opinion of the Management Committee have been reasonably and properly incurred for the implementation of a program.

(b) Ineligible costs shall include:
1. any general overhead or administrative costs of either party including the costs of accommodation, telephones, and other utility systems in the buildings occupied by either party unless the costs are solely attributed to implementation of this Agreement and would not have been incurred otherwise;
2. subject to clause 8.2(a)(1), salaries, benefits and other costs of permanent or regular employees of MANITOBA or WINNIPEG;
3. training courses or conferences;
4. per diem, honoraria, or any other direct payments to members of committees, which may be established under this Agreement;
5. hospitality other than expenses related to clause 8.2(a)(5); and
6. any program management costs that exceed ten percent (10%) of the total costs to implement an Agreement program.

8.3 **Program:**

(a) Eligible costs shall be as specified under Schedules A and B.

(b) Ineligible costs shall be as specified under Schedules A and B.

8.4 **Evaluation:**

(a) Eligible costs may include:
1. fees and expenses paid to a consultant commissioned to undertake the Agreement evaluation; and
2. costs to collect or maintain data for the purposes of Agreement evaluation, as approved by the Management Committee.

(b) Ineligible costs shall be as listed in clauses 8.2(b) (1) to (6) inclusive.

8.5 **Communications:**

(a) Eligible costs may include:
1. fees and expenses paid to a consultant commissioned to undertake a communications strategy or parts thereof; and
2. costs associated with public announcements, openings, signage, program information and similar public communications.

(b) Ineligible costs shall be as listed in clauses 8.2(b) (1) to (6) inclusive.

8.6 The Policy Committee may from time to time and by written agreement amend the list of eligible and ineligible costs under this Agreement.

9.0 PAYMENT PROCEDURES

9.1 WINNIPEG shall be responsible in the first instance to pay all costs of implementing the programs and projects under this Agreement, with the exception of the Residential Neighbourhood Beautification Program as described in Schedule B.

9.2 MANITOBA shall reimburse WINNIPEG for approved eligible costs incurred by WINNIPEG on a 50-50 cost shared basis.

9.3 WINNIPEG shall ensure that proper and accurate accounts and records are maintained with respect to the programs under this Agreement, and shall make these accounts and records available to MANITOBA to inspect upon request.

9.4 WINNIPEG's claims for payment to MANITOBA shall be made not less than on a quarterly basis.

9.5 WINNIPEG shall prepare a financial audit at the conclusion of the Agreement.

9.6 MANITOBA shall prepare a financial audit at the conclusion of the Neighbourhood Beautification Program.

10.0 REPORTING AND EVALUATION

10.1 Within six months of the signing of the Agreement, the Management Committee shall develop for the Policy Committee's approval an evaluation plan for the Agreement.

10.2 The evaluation plan shall:

(a) identify program performance measures, data collection requirements, an evaluation timeframe, and any other relevant matter; and

(b) provide for a mid-term assessment of progress in implementing the Agreement including recommendations for adjustments, if any, to the Agreement and programs.

10.3 For purposes of Agreement monitoring, the following documentation shall be prepared by WINNIPEG for review by the Management Committee and submission to the Policy Committee:

(a) quarterly financial reports;

(b) annual financial and progress reports;

(c) a final report upon completion of each neighbourhood program.

10.4 An independent consultant shall be contracted by a party designated by the Policy Committee to undertake an evaluation of the Agreement. A joint committee of equal representatives from each party shall advise the consultant throughout the process.

11.0 COMMUNICATIONS

11.1 MANITOBA and WINNIPEG agree to cooperate in the development and implementation of public communications respecting the Agreement.

11.2 A joint communications committee of equal representatives from each party shall be established to facilitate the coordination of communications.

11.3 The joint communications committee shall develop a comprehensive communications plan for review by the Management Committee and approval by the Policy Committee.

11.4 WINNIPEG and MANITOBA shall jointly coordinate any public announcement, official opening ceremony, event and any other public communication related to the Agreement.

12.0 GENERAL PROVISIONS

12.1 This Agreement shall be interpreted, performed and enforced in accordance with the laws of the Province of Manitoba.

12.2 This Agreement may be amended from time to time by the written agreement of the Minister of Intergovernmental Affairs and the Mayor of the City of Winnipeg, but no amendments to the financial obligations expressed in subsections 7.1 and 7.2 shall be made without the approval of the Government of Manitoba and Winnipeg City Council.

12.3 The parties shall take reasonable steps to ensure that no member of the Legislative Assembly of Manitoba or Winnipeg City Council shall be admitted to any share, proceeds, or part of this Agreement or any contract, agreement or commission made under this Agreement or to any benefit to arise therefrom.

12.4 A party shall not be liable for any injury including the death to any person or the loss or damage to the property of the other party or of anyone else, occasioned by or in any way attributable to the other party under this Agreement, unless such injury, loss, or damage is caused by the negligence of the first mentioned party or their employees acting within the scope of their employment or their agents.

12.5 The following Schedules form part of this Agreement:

Schedule A Building Communities Initiative II – Neighbourhood Infrastructure

Schedule B Building Communities Initiative II – Residential Neighbourhood Beautification

Schedule C Budget and Estimated Cash Flow

12.6 Time shall be of the essence in implementing this Agreement.

IN WITNESS WHEREOF this Agreement has been executed on behalf of MANITOBA by the Minister of Local Government, and on behalf of WINNIPEG by the Mayor.

IN THE PRESENCE OF:

PROVINCE OF MANITOBA

_____
Witness

_____
Minister of Local Government

IN THE PRESENCE OF:

CITY OF WINNIPEG

_____
City Clerk

_____
Mayor

Approved as to content and details:

_____
Director
Planning, Property and Development

Certified as to form:

_____
City Solicitor / Manager of Legal Services

SCHEDULE A
BUILDING COMMUNITIES INITIATIVE II
NEIGHBOURHOOD INFRASTRUCTURE

1. OBJECTIVES

1. To revitalize and stabilize mature residential neighbourhoods or portions of neighbourhoods experiencing symptoms of physical decline, through strategic capital investment projects aimed at: upgrading community facilities, parks, and municipal infrastructure; enhancing public safety; and strengthening neighbourhood commercial areas.

2. To increase community confidence and encourage residents and business owners to remain and invest in their own communities.

3. To foster community involvement in defining neighbourhood values and needs and prioritizing neighbourhood infrastructure improvement projects that meet those values and needs.

2. RATIONALE

Winnipeg has a number of older and generally stable residential neighbourhoods that are beginning to exhibit symptoms of decline such as: deteriorating municipal infrastructure, community facilities and housing stock; loss of population; declining property values; and increasing public concern for urban safety. Generally, these neighbourhoods are found in the transition area between inner city neighbourhoods experiencing significant social, economic and physical challenges and the newer, stable neighbourhoods found in the suburbs. However, many older suburban neighbourhoods throughout the city are also exhibiting symptoms of decline in specific areas.

Many of the park, playground and recreation facilities in Winnipeg's mature neighbourhoods are reaching the end of their life cycle and are in need of replacement or upgrades. Re-investment in "green" infrastructure can also include enhanced cycling/pedestrian links and improved neighbourhood connectivity. Neighbourhoods are also anchored by commercial areas that serve to meet the needs of their immediate community and other adjacent areas. Beautification projects on neighbourhood "main street" commercial areas can rebuild area identity, contribute to community amenity and safety, and encourage continued investment.

Experience has shown that community revitalization can be most successful when these older transition neighbourhoods and "pocket areas of decline" are targeted early for capital improvements aimed at addressing the problems of physical decline. Solutions generated at the community level and in partnership with local organizations have been demonstrated to have the greatest long-term potential for improving neighbourhood stability and encouraging re-investment.

3. TARGET NEIGHBOURHOODS

Building Communities Initiative II (BCI II) will reflect a 'focused and strategic' approach to enable targeted capital investments within designated neighbourhoods. Investment will focus on key community amenities in *designated neighbourhoods that shoulder the inner-city* and in *designated suburban neighbourhoods with pockets of decline*. BCI II will be delivered under two phases as follows.

Phase One funds, totaling $10,000,000 will be equally distributed among the 15 City of Winnipeg wards.

Subject to approval of MANITOBA's contribution for a second phase of BCI II, Phase Two funds, totaling an additional $10,000,000 will be distributed as follows:

- $6,000,000 among the 15 City of Winnipeg wards, to the neighbourhoods designated for funding under Phase 1; and
- $4,000,000 for three to five of these neighbourhoods that are determined to have

the highest need for the renewal of physical assets.

Target neighbourhoods in each ward have been identified through a comprehensive neighbourhood ranking process. The criteria have been developed based on 30 years of experience in Winnipeg with various intergovernmental community development programs and agreements which have been aimed at revitalizing older, physically declining neighbourhoods where capital improvements can contribute significantly to stabilizing the area.

The following criteria has been be used to identify and rank eligible neighbourhood areas in all 15 City of Winnipeg wards.

Neighbourhood Identification Criteria	
Residential Conditions	**Housing Market Conditions**
• Neighbourhood Policy Area under Plan Winnipeg • Average age of housing stock • Housing conditions – needing major repairs • Incidences of graffiti	• Median market value of dwellings • Average number of days on market for MLS listings • Number of building permits/dwelling units • Residential Rental Vacancy rate
Socio-economic Conditions	**Condition of Community Assets**
• Average household income • Incidence of low-income families • Labour market participation rate	• Playground condition index • Community centre condition index
Other Prioritization Factors	
• 15 plus years since last neighbourhood revitalization program (Manitoba/Winnipeg Community Revitalization Program, Neighbourhood Improvement Program, Community Improvement Program) • Neighbourhood is not already targeted by the Province of Manitoba's Neighbourhoods Alive! program • Neighbourhood displays "Community Readiness" (organized, strategic plan, etcetera)	

Through additional quantitative analysis and field surveys by WINNIPEG and MANITOBA BCI II staff, pockets of higher need have been identified within the target neighbourhoods. Final BCI II target neighbourhoods have been determined through bilateral negotiations on the detailed program criteria, and through consultation with elected officials as follows:

City Ward Area	Target Neighbourhood(s)
North Kildonan	**Rossmere-A**
Elmwood – East Kildonan	**Chalmers**
Transcona	**Melrose**
St. Boniface	**Windsor Park / Maginot**
St. Vital	**Alpine Place / Lavalee**
St. Norbert	**Parc La Salle / Fort Richmond**
Fort Rouge – East Fort Garry	**River Osborne / McMillan**
River Heights – Fort Garry	**Sir John Franklin / Mathers**
Charleswood – Tuxedo	**Westdale**
St. Charles	**Crestview / Sturgeon Creek**
St. James – Brooklands	**Silver Heights / Brooklands**
Daniel McIntyre	**St. Matthews / Spence**
Point Douglas	**Weston / Burrows-Keewatin**
Old Kildonan	**The Maples / Garden City**
Mynarski	**Margaret Park / Jefferson**

4. PROJECT SCOPE

BCI II will improve community amenities within or supporting pockets of higher need in designated neighbourhoods. In some cases, projects located outside of designated BCI II neighbourhoods may be considered for approval, if it is determined they directly support or provide service to a designated neighbourhood.

Eligible projects will include:

- Neighbourhood parks (benches, lighting, tree plantings, drainage improvements)
- Playgrounds (play structures, benches, accessibility improvements, landscaping)
- Athletic fields (turf and drainage improvements, field redevelopment)
- Skateboard parks and skate spots
- Wading pool upgrades and conversion to spray pads

- Community centres renovations
- Neighbourhood commercial areas ('streetscaping' improvements such as banners, benches, lighting, kiosks, murals, and façade improvements to commercial properties.
- Neighbourhood lighting and safety (LiveSafe initiatives)
- Pathways, cycling routes, and community linkages
- Other community facilities and amenities

All projects must demonstrate long-term sustainability within available operating and maintenance resources and be consistent with WINNIPEG's Recreation and Leisure Facility Policy, GCWCC's Plan 2025 and universal design standards.

The majority of investment will relate to existing City of Winnipeg assets. Exceptions would include cases where it is deemed that investment in alternate community facilities will reduce demand for new or renewed City infrastructure, and reduce City maintenance costs (for example, a school athletic field under a joint use agreement).

The initiative will also provide some latitude for supporting small non-capital *pilot* projects (time-limited) that emerge from neighbourhood assessments and consultations. The pilot projects will support the capital initiative by potentially reducing demand for new or redundant infrastructure and by keeping existing facilities active. (An example would be funding extended janitorial hours at a neighbourhood school to keep the gym open after hours for youth recreation). Facilities will be required to evaluate these pilot projects and develop sustainability plans.

Investment in recreation facilities and parks in targeted neighbourhoods could form an integral part of WINNIPEG and MANITOBA's comprehensive approach to neighbourhood renewal and crime prevention. Potential complementary programs include: 1) LiveSAFE, a crime prevention policy developed by WINNIPEG's Community Services Department and the Winnipeg Police Service, 2) programs delivered under the Winnipeg Housing and Homelessness Initiative, and 3) MANITOBA's proposed new community development program under Neighbourhoods Alive! that would be available in pockets of need in areas outside the inner city, with a priority on BCI II designated areas.

5. PROJECT IDENTIFICATION AND IMPLEMENTATION

Stage One: Project Identification:
In each designated neighbourhood, a preliminary list of potential projects will be developed with the following inputs:

- Analysis of existing green/community infrastructure assets within or serving the targeted area;
- Direct consultation with project stakeholders including relevant City departments, provincial and City elected officials and community organizations;
- Assessment of existing and future community infrastructure needs, including approved neighbourhood plans and community readiness projects already developed and endorsed by community stakeholders.

Stage Two: Project Scoping:
Prior to recommending projects to the BCI II Policy Committee for approval, BCI II staff will ensure that all proposed projects:

- Are feasible and can be implemented in a timely fashion;
- Have a clear scope of work and estimated costs, including inflationary cost factors;
- Are supported by the applicable City departments and are sustainable within existing operational resources;
- Take into consideration City of Winnipeg identified infrastructure needs.

Prior to the final approval of projects, BCI II staff will also convene one community meeting in each target neighbourhood area to provide information and receive public feedback on the identified projects.

Stage Three: Project Approvals

a) **BCI II Management Committee** – the review and recommendation of neighbourhood projects lists will be executed by designated WINNIPEG and MANITOBA BCI II staff.

b) **BCI II Policy Committee** – the review and final approval of neighbourhood projects lists will be executed by the Mayor of Winnipeg or designate and the Minister of Local Government.

Stage Four: Project Implementation

Approved projects will be administered either as a direct grant to community organizations or project managed by the relevant WINNIPEG departments. Every effort will be made to ensure the timely delivery of projects in order to sustain community interest, energies and commitment to improvement of the neighbourhoods.

Where feasible, Project Working Groups consisting of project stakeholders will be established to provide input and recommendations on the design and implementation of approved projects.

Commitment to Communication

The City of Winnipeg's website will be used as a communication tool to provide program updates, approved projects lists, project plans and status reports.

Support "Community Readiness" and Existing Neighbourhood Plans

In some cases, targeted neighbourhoods may have already identified potential improvement projects through the development of a neighbourhood strategic plan or other community consultation processes. It may be possible to reward this "community readiness" through funding such community identified projects as the first phase of the BCI II program roll-out.

This approach will allow for significant "ready to be announced" projects for the 2010 construction season that will not require extensive community consultation and design development.

6. ANTICIPATED OUTCOMES

- The condition of community assets is improved.
- The loss of population in the neighbourhood is curtailed.
- Public perception of the quality of life in a neighbourhood, including safety, is improved.
- Community and business pride in the neighbourhood is enhanced.

7. PERFORMANCE MEASURES

- Type, nature and extent of capital improvements of community facilities, municipal infrastructure, and commercial infrastructure.
- Before and after census information on population, socio-economic conditions (including safety), and the number of occupied commercial or business establishments.
- Before and after surveys of the neighbourhood to assess a change in perception about the neighbourhood and use/adequacy of community facilities and commercial areas.

8. ELIGIBLE COSTS

Municipal Infrastructure

(a) Eligible costs shall include:

(1) construction, replacement, renovation and/or removal of municipal infrastructure, including implementation of urban safety initiatives; and

(2) consultant services required for the preparation of detailed design plans, working drawings, specifications, tender documents and other necessary costs as part of project implementation.

(b) Ineligible costs shall include:

(1) ordinary care, maintenance and repair of municipal infrastructure;

(2) any Municipal Infrastructure costs which are included in Winnipeg's most current Five Year Capital Forecast or Manitoba's most current budget; and

(3) any Municipal Infrastructure costs which exceed thirty percent (30%) of the total program expenditures in a neighbourhood.

Community Facilities

(a) Eligible costs shall include:

(1) expansion, and/or renovation of community facilities, including implementation of urban safety initiatives; and

(2) consultant services required for the preparation of detailed design plans, working drawings, specifications, tender documents and other necessary costs as part of project implementation.

(b) Ineligible costs shall include:

(1) ordinary care, maintenance and repair of municipal infrastructure;

(2) furnishings, equipment and other capital assets which are not fixtures, other than equipment necessary for the community facility's mechanical, electrical or structural operation; and

(3) any community facility costs that are included in Winnipeg's most current Five-Year Capital Forecast or Manitoba's most current budget.

Commercial Infrastructure

(a) Eligible costs shall include:

(1) construction, replacement, renovation and/or removal of 'streetscaping' infrastructure that serves to enhance commercial areas, including implementation of safety initiatives;

(2) construction, replacement, renovation and/or removal of exterior façade type structures/fittings.

(3) consultant services required for the preparation of detailed design plans, working drawings, specifications, tender documents and other necessary costs as part of project implementation; and

(b) Ineligible costs shall include:

(1) ordinary care, maintenance and repair of commercial infrastructure;

(2) interior renovations, furnishings, and/or equipment for the commercial property's mechanical, electrical or structural operation; and

(3) any commercial infrastructure costs which exceed thirty percent (30%) of the total program expenditures in a neighbourhood.

Land Acquisition

(a) Eligible costs shall include:

(1) acquisition and/or clearing of land to be used for community facilities, subject to:

(g) the land being vacant, or

(ii) the property consisting of a building beyond the stage of economic rehabilitation, or

(iii) the existing land use being inconsistent with the general character of the area, or

(iv) the property being acquired in the land assembly of a suitable site;

(2) appraisal and legal fees;

(3) demolition, grading of land, soil tests and surveys.

(b) Ineligible costs shall include:
   (1) any expropriation costs;
   (2) any land servicing or similar costs;
   (3) any land acquisition costs exceeding fifteen percent (15%) of the total program budget for a designated neighbourhood.

9. ADMINISTRATION

(a) WINNIPEG will implement the Neighbourhood Revitalization Program in consultation with MANITOBA.

(b) In the case of community facilities owned and/or operated on a long-term lease by a third party, agreements will be entered into with the third party regarding the terms of any funding and project management.

SCHEDULE B
BUILDING COMMUNITIES INITIATIVE II
RESIDENTIAL NEIGHBOURHOOD BEAUTIFICATION

1. OBJECTIVES

1. To upgrade residential aesthetics; and enhance neighbourhood character.

2. To increase residents' confidence in their neighbourhoods and to encourage residents to remain and invest in their own communities.

2. RATIONALE

Housing makes up the vast majority of the neighbourhood fabric and speaks to the geographic area's character and well-being. Winnipeg's housing stock is aging and the cost of exterior repairs to these properties can be costly for many homeowners and landlords. As property upkeep declines, the image of the neighbourhood is adversely affected. Other signs of distress also begin to emerge, such as increased transience of residents, aging and neglected community facilities, and a perception of a lack of urban safety. Assisting residential property owners in investing in exterior improvements to their homes helps advance neighbourhood stability.

The Residential Neighbourhood Beautification component will help address concerns about housing aesthetics in residential areas beginning to experience decline. This component will support many small exterior improvements that have a cumulatively large impact on the dominant building type in residential neighbourhoods; an impact that will improve overall neighbourhood character and quality of life.

3. TARGET NEIGHBOURHOODS

Funding assistance for exterior aesthetic improvements to properties will be selectively available to homeowners on key streets within neighbourhoods jointly designated by the parties under this Agreement in accordance with the program parameters. Refer to Schedule 1. 3. Target Neighbourhoods under *Neighbourhood Infrastructure.*

The component will initially be piloted and evaluated in one neighbourhood and targeted to select block(s) to maximize visual impact. Broader selective implementation in other target areas will depend on positive results. To maximize visual impact, other requirements will be considered including (but not limited to):

- Targeting key "linkage" streets. (For example, streets that link major thoroughfares to neighbourhood destinations such as community centres).
- Targeting of one block at a time.
- Imposing minimum requirements to qualify for a grant. (For example, 50% of property owners within the block must have applied and are qualified to participate before grants are awarded).

4. PROJECT SCOPE

MANITOBA will target a portion (up to $500,000) of its $10,000,000 investment through this initiative to residential beautification. This component will provide small grants to homeowners for aesthetic exterior improvements to homes. Examples include the repair or replacement of windows, doors, frames, steps, handrails, exterior lighting, roofs and/or fencing; painting; soft landscaping; architectural detail improvements; and other visible exterior improvements.

5. ANTICIPATED OUTCOMES

- Improvement in the appearance of the housing stock and properties in strategic areas of designated neighbourhoods.

- Enhanced community capacity and ownership.

- Enhanced public perception of the quality of life in their neighbourhood.
- Enhanced public perception of safety and security in the neighbourhood.
- Enhanced community pride in the neighbourhood.

6. PERFORMANCE MEASURES

- Improved appearance of selected housing stock in neighbourhoods designated under this Agreement.
- Feedback from participants and other area residents on the impact of the program regarding:
  (1) the exterior condition of residential property,
  (2) encouraging homeowners to remain in the neighbourhood, and
  (3) perceptions of the neighbourhood.

7. SELECTION CRITERIA FOR NEIGHBOURHOODS

Refer to Schedule A, Section 3 – *Target Neighbourhoods.*

8. ELIGIBLE RECIPIENTS

(a) An eligible recipient must own a home located in a designated neighbourhood under this Agreement, and may include non-profit housing cooperatives incorporated under *The Cooperatives Act* of Manitoba except those cooperatives in receipt of on-going Federal or Provincial subsidies.

9. ELIGIBLE PROJECTS

(a) Eligible projects shall include:

(1) A residential property owned and occupied by an eligible recipient or that is or will be occupied by a homeowner as their principal residence;

(2) A residential rental property.

(b) Ineligible projects shall include:

(1) A dwelling unit in receipt of federal or provincial on-going housing subsidies.

10. ELIGIBLE COSTS

(a) Eligible costs shall include:

(1) Cost of repair or rehabilitation of visible exterior improvements to properties, including labour and applicable taxes, legal fees, interest on advances, building permits, certificates, application fees, engineering fees, insurance during construction, drawings and specifications.

(b) Ineligible costs shall include:

(1) Renovations such as the following:
- Installing or repairing a play structure, swimming pool or hot tub;
- Interior decorating repairs or installations;
- Installing or repairing skylight windows;
- Installing or repairing a security system, radio or television antenna or satellite dish, lawn sprinkler system, awnings or any equipment that is not permanently affixed to a home; and
- Modifications to a home to permit a non-residential use.

(c) Recipients/homeowners may perform their own labour provided that the work will be satisfactorily completed. Only the cost of materials used will be eligible. Homeowners/occupants shall not be paid for their labour under the program.

11. PROGRAM PARAMETERS

(a) A matching grant of up to $1,500 to homeowners undertaking repair/renovation projects subject to a minimum contribution of $500 from the homeowner.

(b) A matching grant of up to $1,000 per unit up to a maximum of $5,000 per building to landlords to upgrade rental units.

(c) A matching grant of up to $250 per room up to a maximum of $2,500 per rooming house to upgrade the building.

(d) Assistance to eligible homeowners for major home repairs under the Residential Rehabilitation Assistance Program (RRAP) may also be made available.

(e) There will be a limit of one grant per dwelling unit.

12. ADMINISTRATION

(a) The Residential Neighbourhood Beautification component will be administered by provincial staff of MANITOBA's Winnipeg Housing and Homelessness Initiative.

(b) MANITOBA will enter into agreements with third parties regarding the terms of any funding, and all agreements will be consistent with the terms and conditions of this Agreement.

(c) Estimates from at least two unrelated contractors who are not members of the applicant's immediate family must be included in an application unless waived by MANITOBA because it is considered impractical to submit two estimates.

SCHEDULE C
BUDGET AND ESTIMATED CASH FLOW

BUDGET AND ESTIMATED CASH FLOW ($000s) [1]								
Building Communities Initiative II	2009/10 [2]	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	TOTAL
Neighbourhood Infrastructure – 1st Phase	250.0	3,000.0	3,000.0	2,500.0	250.0			9,000.0
Neighbourhood Infrastructure – 2nd Phase [3]				750.0	1,500.0	2,000.0	1,500.0	5,750.0
Neighbourhood Infrastructure Top Up for High Need Areas – 2nd Phase				1,000.0	1,500.0	1,500.0		4,000.0
Residential Beautification (Provincial only)		100.0	200.0	200.0				500.0
Administration	50.0	100.0	100.0	100.0	100.0	100.0	50.0	600.0
Communications [4]	10.0	10.0	10.0	20.0	10.0	10.0	5.0	75.0
Agreement Evaluation [5]		10.0	10.0	10.0	10.0	30.0	5.0	75.0
SUBTOTAL	**310.0**	**3,220.0**	**3,320.0**	**4,580.0**	**3,370.0**	**3,640.0**	**1,560.0**	**20,000.0**
City Contribution	155.0	1,610.0	1,660.0	2,290.0	1,685.0	1,820.0	780.0	10,000.0
Provincial Contribution	155.0	1,510.0	1,460.0	2,090.0	1,685.0	1,820.0	780.0	9,500.0
Residential Beautification (Provincial only)		100.0	200.0	200.0				500.0
TOTAL	**310.0**	**3,220.0**	**3,320.0**	**4,580.0**	**3,370.0**	**3,640.0**	**1,560.0**	**20,000.0**
Approved City Allocations (2004 to 2009 Capital Budgets)	7,500.0							7,500.0
Proposed Future City Capital Funding Allocations		2,000.0	2,000.0	2,000.0	2,000.0	2,500.0	2,000.0	12,500.0

[1] The Agreement budget and cash flow is subject to funds being made available by the Legislative Assembly of Manitoba and Winnipeg City Council, and annual budget review by the parties.

[2] The budget provides for the phased-in implementation of the program in neighbourhoods beginning in 2009/10.

[3] The budget provides for an additional $10,000,000 contribution beginning in 2012/13 ($5,000,000 from MANITOBA and $5,000,000 from WINNIPEG) subject to approval by MANITOBA of an additional allocation of $5,000,000 for Phase Two. *$4,000,000 of the additional $10,000,000 contribution will be reserved for three to five targeted areas determined to have the highest need for renewal of physical assets.*

[4] The communications budget provides for the preparation of a comprehensive communications strategy as well as on-going communications on programs and projects under Schedules A and B.

[5] The evaluation budget provides for the preparation of an evaluation framework, the collection of data and the completion of a final evaluation.