Agenda - Executive Policy Committee – October 17, 2012

Report - Standing Policy Committee on Property and Development – October 9, 2012

Item No. 8 Establishment of Sturgeon Heights Community Centre Outdoor Hockey Rinks Capital Project Budget

STANDING COMMITTEE RECOMMENDATION:

On October 9, 2012, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the establishment of the Sturgeon Heights Community Centre Outdoor Hockey Rinks project 2012 capital budget in the amount of $540,000 be approved, subject to receipt of a $200,000 contribution from the Sturgeon Heights Community Centre.

2. That $140,000 in net proceeds of disposition of the existing Silver Heights Community Centre site be allocated to the Sturgeon Heights Community Centre Outdoor Hockey Rinks capital project budget.

3. That the interim-financing from the Land Operating Reserve Fund of the $140,000 net proceeds of disposition of the existing Silver Heights Community Centre site plus $200,000 in net proceeds of disposition of 440 Collegiate Street be approved.

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

Agenda - Executive Policy Committee – October 17, 2012

Report - Standing Policy Committee on Property and Development – October 9, 2012

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On October 9, 2012, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Establishment of Sturgeon Heights Community Centre Outdoor Hockey Rinks Capital Project Budget

Critical Path: Standing Policy Committee on Property and Development - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. McGinn	B. Thorgrimson	M Ruta	D Joshi COO

RECOMMENDATIONS

1. That Council approve the establishment of the Sturgeon Heights Community Centre Outdoor Hockey Rinks project 2012 capital budget in the amount of $540,000 subject to receipt of a $200,000 contribution from the Sturgeon Heights Community Centre.

2. Subject to approval of Recommendation # 1, that Council approve $140,000 in net proceeds of disposition of the existing Silver Heights Community Centre site be allocated to the Sturgeon Heights Community Centre Outdoor Hockey Rinks capital project budget.

3. Subject to approval of Recommendation # 2, that Council approve the interim-financing from the Land Operating Reserve Fund of the $140,000 net proceeds of disposition of the existing Silver Heights Community Centre site plus $200,000 in net proceeds of disposition of 440 Collegiate Street.

REASON FOR THE REPORT

Council approval is required to allocate of proceeds of disposition of parkland to other than the Cash in Lieu of Land Dedication Reserve Fund and to establish Capital Project and/or Program Budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

- The budget for the Sturgeon Heights Community Centre Outdoor Hockey Rinks Capital Project ("the project") is to be funded by a portion of proceeds of disposition of 440 Collegiate Street ($200,000), a matching contribution from the Sturgeon Heights Community Centre (SHCC) by the Province under the Building Manitoba Fund ($200,000) and a portion of the net proceeds of disposition of the existing Silver Heights Community Centre site ($140,000).
- No cash-to-capital funding is required.

- These contributed funds will be used for the construction of two outdoor hockey rinks complete with boards, fencing and lighting.

HISTORY

On September 11, 2012, the Standing Policy Committee on Property and Development concurred with the recommendation that 440 Collegiate Street be sold for $570,100 from which $200,000 is to be allocated to the SHCC outdoor rinks project pursuant to Council direction received on September 28, 2011.

On July 19, 2012, the City received a copy of a letter from the Minister of Local Government to the President of the SHCC (see Attachment A), advising that the Province of Manitoba has approved a contribution to the SHCC of up to $200,000 from the Department of Local Government towards the cost of constructing two new outdoor skating rinks and a warming shack at the Sturgeon Heights Community Centre through the Province's Building Manitoba Fund. This funding will be reflected in the project budget as a contribution from the SHCC.

On July 3, 2012, the Standing Policy Committee on Property and Development concurred with the recommendation that the sale of the existing Silver Heights Community Centre (2080 Ness Avenue) in favour of Jatinder Kumar and Bandana Sharma, for the purchase price of $660,000, be approved.

On December 14, 2011, Council concurred with the recommendation of Executive Policy Committee and adopted the following:

1. That given the Community Centre Investment Fund (CCIF) had been previously approved by Council as an interim financing mechanism for specified Community Centre projects, and that as a result of such the CCIF now requires necessary reimbursement……in order to fund other Council approved allocations to Community Centre projects, the following be approved:

> *C. A transfer of $300,000 from the Land Operating Reserve Fund to the Community Centre Investment Fund, prior to disposition of the Silver Heights site, as repayment of interim financing for the completion of the Sturgeon Creek- Silver Heights Community Centre Amalgamation Capital Project.*

On November 16, 2011, Council concurred in the recommendation of the Standing Policy Committee on Property that the City-owned property located at 2080 Ness Avenue (Silver Heights Community Centre) be declared surplus to the needs of the City.

On September 28, 2011, Council concurred in the recommendation of the Standing Policy Committee on Property and Development that the vacant subject City owned park located at the corner of Silver Avenue and Collegiate Street, formerly know as the Airways Community Centre, be declared surplus to the needs of the City.

On July 20, 2011, Council concurred in the recommendation of Standing Policy Committee on Property and Development and adopted the following:

1. That up to $220,000 in interim financing be transferred from the Land Operating Reserve Fund to the Sturgeon Heights Community Centre Amalgamation project budget.

2. That the requirement for net proceeds from the sale of the Silver Heights site to be reinvested into the Community Centre Investment Fund, as per the City of Winnipeg Recreation, Leisure and Library Facilities Policy, be waived in this instance.

On May 19, 2010, Council concurred with the recommendation of Executive Policy Committee and adopted the following:

That the budget for the Silver Heights / Sturgeon Creek Community Centre Amalgamation project be increased from $2,000,000 to $4,500,000 to reflect the approval of $2,200,000 in funding through the Infrastructure Stimulus Fund (ISF) and interim financing of $300,000 from the Community Centre Investment Fund (CCIF).

Pursuant to Council direction received on May 19, 2010, July 20, 2011 and December 14, 2011, $520,000 of the net proceeds of disposition is to be credited to the Land Operating Reserve Fund to repay interim financing of the Sturgeon Heights Community Centre Amalgamation project. It is recommended that the remaining $140,000 be allocated to the project rather credited to the Cash in Lieu of Land Dedication Reserve Fund in accordance with Council policy, from January 17, 1979, regarding proceeds from the sale of parkland.

In addition, given the time constraints faced in having the outdoor rinks in operation for the 2012/13 winter season, it is recommended that both the $140,000 in net proceeds of disposition of 2080 Ness Avenue and the $200,000 in net proceeds of disposition of 440 Collegiate Street be interim-financed from the Land Operating Reserve Fund pending closure of the sales. Doing so will enable the project to proceed in a timely manner.

Discussion

The construction of two outdoor hockey rinks at the Sturgeon Heights Community Centre ("SHCC") will complete the community centre facility redevelopment and amalgamation at this site. The new rinks have been planned in conjunction with the development of a new spray pad and playground to be located directly adjacent to the existing wading pool at the west end of the property.

FINANCIAL IMPACT

Financial Impact Statement — Date: September 26, 2012

Project Name: — **First Year of Program** 2012

Establishment of Sturgeon Heights Community Centre Outdoor Hockey Rinks Capital Project Budget

	2012	2013	2014	2015	2016
Capital					
Capital Expenditures Required	$ 540,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 540,000	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Reserves, Equity, Surplus	340,000	-	-	-	-
Contribution from S.H.C.C.	200,000	-	-	-	-
Total Funding	$ 540,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 540,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The recommendation is that a capital budget be established for outdoor rinks at Sturgeon Heights Community Centre as set out in this report. The initial budget of $540,000 is to be funded by interim-financing from the LOR totaling $340,000, consisting of a $140,000 in proceeds of disposition of 2080 Ness Avenue and $200,000 in proceeds of disposition of 440 Collegiate Street, plus a $200,000 contribution by the Sturgeon Heights Community Centre (through the Province's Building Manitoba Fund).

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

CONSULTATION

In preparing this report there was consultation with:

Corporate Finance Department
Legal Services Department
Community Services Department

SUBMITTED BY

Department: Planning, Property and Development
Division: Financial Services
Prepared by: Mike McGinn – Manager of Finance
Date: September 28, 2012
File No.

o:\reports directive\financial services\funding consolidation reports\establishment of shcc outdoor rinks capital project (final).doc

APPENDIX 1

Budget for Sturgeon Heights Community Centre Outdoor Rinks Project

STURGEON HEIGHTS COMMUNITY CENTRE OUTDOOR HOCKEY RINKS

Capital Project # / Funding Source	Description	Council-Approved / Potential Funding	Portion Related to SHCC Outdoor Hockey Rinks
Funding Source to be Consolidated:			
LOR	Proceeds of disposition of 440 Collegiate Street	200,000	200,000
LOR	Residual proceeds of disposition of Silver Heights site	140,000	140,000
		340,000	340,000
External Contributions:			
n/a	Sturgeon Heights Community Centre	200,000	200,000
		200,000	200,000
Total Project Budget		**540,000**	**540,000**

ATTACHMENT "A"

MINISTER OF
LOCAL GOVERNMENT

Room 301
Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8
General Office: (204) 945-3788
Fax: (204) 945-1383

JUL 19 2012

Linda Smiley
President
Sturgeon Heights Community Centre
210 Rita Street
Winnipeg MB R3J 2Y3

Dear Linda Smiley:

I am pleased to advise that the Province of Manitoba has approved a contribution of up to $200,000 from the Department of Local Government towards the cost of constructing two new outdoor skating rinks and a warming shack at the Sturgeon Heights Community Centre. This funding will be provided through the Province's Building Manitoba Fund, and is in addition to the $1.5 million provincial contribution to the renovation and expansion of your newly amalgamated community centre.

Our Government is pleased to support this initiative, which will enhance the recreational opportunities for families and young people in your community. Your board and volunteers are to be commended for their commitment and hard work on these projects, and we know that these efforts will benefit the residents of St. James for decades to come.

A Contribution Agreement setting out the terms and conditions of this funding is currently being prepared. The actual amount paid will depend upon how much of the total costs are eligible under the Agreement and upon total expenditures actually incurred. Canada-Manitoba Infrastructure Secretariat (CMIS) officials will contact you in the near future to finalize agreement details. In the meantime, we request that you provide CMIS with a copy of the site plan and pro forma financial statements that incorporate the operation of the new rinks.

Until an official announcement is made, please consider this information confidential and refrain from discussing it with outside parties. Provincial officials will contact your organization shortly to discuss announcement opportunities.

...2

If you have any questions, or if there are any matters you feel require particular attention, please feel free to contact Tara Pratt, Director of Economic Development Programs, CMIS at tara.pratt@gov.mb.ca or 945-8666.

Sincerely,

ORIGINAL SIGNED BY
RON LEMIEUX

Ron Lemieux
Minister

c. His Worship, Mayor Sam Katz
Deanne Crothers, MLA
Sharon Blady, MLA