Agenda - Executive Policy Committee – November 13, 2013

Report - Standing Policy Committee on Property and Development – November 5, 2013

Item No. 9 Amendment to the Central Park Redevelopment Capital Project Budget

STANDING COMMITTEE RECOMMENDATION:

On November 5, 2013, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the Central Park Redevelopment Capital Project Budget (Project No. 6351500110) be increased by $2,016,269 funded by contributions from The Winnipeg Foundation.

2. That the Winnipeg Public Service be authorized to further increase the total budget for the Central Park Redevelopment Capital Project subject to receipt from The Winnipeg Foundation of contributions beyond that noted in Recommendation 1.

Agenda - Executive Policy Committee – November 13, 2013

Report - Standing Policy Committee on Property and Development – November 5, 2013

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On November 5, 2013, 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: Amendment to the Central Park Redevelopment 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	P. Olafson, A-CFO	D. Joshi, A-CAO

RECOMMENDATIONS

1. That the Central Park Redevelopment Capital Project Budget (Project No. 6351500110) be increased by $2,016,269 funded by contributions from The Winnipeg Foundation.

2. That the Public Service be authorized to further increase the total budget for the Central Park Redevelopment Capital Project subject to receipt from The Winnipeg Foundation of contributions beyond that noted in Recommendation 1.

REASON FOR THE REPORT

Council approval is required to amend Capital Project and/or Program Budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

- The total budget for Central Park Redevelopment capital project ("the project") will increase from $1,400,000 to $3,416,169 and, potentially, by additional amounts contingent upon receipt of contributions from The Winnipeg Foundation.
- The funding source for the proposed budget increase consists of contributions received from The Winnipeg Foundation totalling $2,016,169.
- There may be additional donations to this project. Any such donations would be made to The Winnipeg Foundation, who would remit the funds to the City of Winnipeg, who will in turn remit the funds to CentreVenture Development Corporation ("CentreVenture"). Approval of the recommendations will enable the Public Service to amend the project budget by amounts not to exceed the funding contributed by the Winnipeg Foundation without submission of an additional report(s) to Council.

HISTORY

The Central Park Redevelopment Capital Project ("the project") was announced on June 20, 2008 as a $5.6 million investment intended to preserve an important city venue steeped in tradition and revitalize the downtown area. It involved the restoration of the park's Waddell Fountain and site improvements such as a playground, slide hill, splash park and soccer field. In the winter, the park can be used for skating and sledding.

CentreVenture, which received a $1.4 million grant from the City of Winnipeg toward the project, managed the redevelopment of Central Park. Additional contributions to the project from the Governments of Canada and Manitoba were made directly to CentreVenture. CentreVenture also contributed funds to the project. All contributions from The Winnipeg Foundation were/are made to the City of Winnipeg due to the latter's tax status of a "qualified donee" and were/are then forwarded to CentreVenture.

In addition to the City's $1.4 million grant, $2,016,169 in contributions from The Winnipeg Foundation have been received to date. In order to properly reflect receipt of external contributions, it is first necessary to obtain Council approval to increase the relevant capital project or program budget; in this case, the Central Park Redevelopment capital project budget. In this instance, funds in the amount of $2,005,369 of the $2,016,169 proposed increase to the capital project budget were forwarded on to CentreVenture prior to Council approval of an increase to the budget. The recommendations contained in this report seek to correct this error in process. The remaining $10,800 is a grant that will be paid to CentreVenture subject to Council approval of the recommendations contained in this report.

While the project is essentially complete, the possibility exists that a donor(s) may yet contribute to the project through The Winnipeg Foundation. Should this occur, the project budget must be increased in order to facilitate payment of an equal grant to CentreVenture, which would require another report to Council. Approval of the recommendations in this report would enable the Public Service to increase the project's budget by an amount not to exceed the contribution received from The Winnipeg Foundation.

FINANCIAL IMPACT

Financial Impact Statement

Date: October 7, 2013

Project Name: **First Year of Program** **2013**

Amendment to the Central Park Redevelopment Capital Project Budget

	2013	2014	2015	2016	2017
Capital					
Capital Expenditures Required	$ 3,416,169	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	1,400,000	-	-	-	-
Additional Capital Budget Required	$ 2,016,169	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - The Winnipeg Foundation	2,016,169	-	-	-	-
Total Funding	$ 2,016,169	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 2,016,169				
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 the budget be increased by $2,016,169, this increase funded by contributions received from the Winnipeg Foundation. See Appendix 1 for additional details.

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

CONSULTATION

In preparing this report there was consultation with:

Corporate Finance

SUBMITTED BY

Department: Planning, Property and Development
Division: Financial Services
Prepared by: Mike McGinn – Manager of Finance
Date: October 10, 2013
File No.

o:\reports directive\financial services\funding consolidation reports\budget amendment - central park redevelopment_final.doc

APPENDIX 1

CENTRAL PARK REDEVELOPMENT

Capital Project # / Funding Source	Description	Council-Approved Budget / Funding	Portion Related to Central Park Redevelopment
Existing Approved Budgets:			
6351500109	Central Park Redevelopment	1,000,000	1,000,000
6351500110	Central Park Redevelopment	400,000	400,000
		1,400,000	1,400,000
Additional Contributions:			
n/a	The Winnipeg Foundation	2,016,169	2,016,169
Total Project Budget		**3,416,169**	**3,416,169**