Agenda – Executive Policy Committee – July 8, 2015

Report – Standing Policy Committee on Property and Development – June 26, 2015

Item No. 13 Establishment of a Park City West Community Centre Site Enhancements Capital Project Budget

STANDING COMMITTEE RECOMMENDATION:

On June 26, 2015, 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 establishment of a 2015 capital project budget entitled "Park City West Community Centre Site Enhancements" in the amount of $300,000 funded by developer contributions, be approved.

2. That an increase of $900,000 to the Park City West Community Centre Site Enhancements capital project budget, to be funded by developer contributions, subject to execution of development agreement DASZ 12/2013 and receipt of $900,000 by the City from the developer, be approved.

3. 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 – July 8, 2015

Report – Standing Policy Committee on Property and Development – June 26, 2015

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 26, 2015, 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 a Park City West Community Centre Site Enhancements Capital Project Budget

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

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
J. Kiernan	M. Pittet	B. Holsten Boyer	M. Jack COO

RECOMMENDATIONS

1. That Council approves the establishment of a 2015 capital project budget entitled “Park City West Community Centre Site Enhancements” in the amount of $300,000 funded by developer contributions.

2. Subject to approval of Recommendation 1, that Council authorizes an increase of $900,000 to the Park City West Community Centre Site Enhancements capital project budget, to be funded by developer contributions, subject to execution of development agreement DASZ 12/2013 and receipt of $900,000 by the City from the developer.

REASON FOR THE REPORT

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

EXECUTIVE SUMMARY

Council has approved both DASZ 12/2013 and DASZ 15/2013, which include provisions for developer contributions totaling $1.2 million toward a Park City West Community Centre (“the Community Centre”) Site Enhancement capital project. In order for the capital works to proceed, a capital project budget, funded by developer contributions, must be approved by Council.

A development agreement (AG 15/13) between the City and Waterside Development Corporation (“Waterside”) has been executed and the City has received cash and/or securities totalling $300,000. A development agreement between the City and Genstar Development Company (“Genstar”) pursuant to DASZ 12/2013 has yet to be executed.

Subject to approval of Council, a capital project budget of $300,000 will be established, allowing preliminary design work to proceed. Contingent upon the execution of a development agreement with Genstar and receipt of cash and/or securities totalling $900,000, the budget will increase to $1.2 million, allowing construction work to proceed.

IMPLICATIONS OF THE RECOMMENDATIONS

- A Park City West Community Centre Site Enhancements capital project budget will be established in the amount of $300,000 (funded by a developer contribution as per AG 15/13), which will be increased to $1.2 million subject to receipt of an additional developer contribution of $900,000 (as per DASZ 12/2013).
- No additional City funding is required as the project is 100% funded by a developer contribution.

HISTORY

At its July 16, 2014 meeting, Council adopted the following:

- DASZ 12/2013 be amended to read, "The Developer shall, prior to the release of the subdivision mylars for said development, post a Letter of Credit in the amount of $900,000 toward the cost of making a down payment on an athletic dome *and /or recreation amenity improvements* at the Park City West Community Centre and that said letter can be drawn upon as and when determined by the East Kildonan-Transcona Community Committee and apply to the subdivision and rezoning application first enacted."

And at its July 17, 2013 meeting, Council adopted the following regarding DASZ 15/2013:

- The Developer shall, prior to the release of the subdivision mylars for said development post two Letters of Credit … one in the amount of $300,000.00 toward the cost of making a down payment on a new soccer dome at the Park City West Community Centre and that said letters can be drawn upon as and when determined by the East-Kildonan Transcona Community Committee.

  This was subsequently amended by Council on July 16, 2014 to read:
  - That Clause 31, Section I, Schedule "C", be amended by deleting the words "soccer dome" and replacing them with the words "*athletic dome and/or recreation amenity improvements.*"

Discussion

Pursuant to Administrative Standard FM-004 "ASSET MANAGEMENT", departments are required to capture and report data for Public Sector Accounting Board ("PSAB") Section 3150, which outlines the requirement for reporting on Tangible Capital Assets for financial accounting purposes. In order to meet this requirement, a capital project/program budget must be established for all capital works delivered by the City, even those funded by external parties (note: in some instances, capital works on City-owned assets are led by a third party in which instance the City records a contributed asset upon its completion). Only Council has the authority to approve a capital budget.

As of the date of this report, the City and Waterside have executed a development agreement (AG 15/13) and the City has received cash and/or securities totalling $300,000. The Development Agreement for DASZ 12/2013 has not yet been executed. Once complete, it is anticipated that the development agreement between the City and Genstar Development Company will be formally executed, at which time the City will be in a position to demand payment in the amount of $900,000 regarding the above.

Initially, plans called for the $1,200,000 in developer contributions to be allocated toward the cost of a down payment on a new soccer dome at the Community Centre. A feasibility study was undertaken to assess the practicality and cost of constructing a soccer dome vs. other options. While the soccer dome was found to be attainable, it was deemed likely to place undue burdens of debt and resources on the Community Centre. Ultimately, the group favoured other options including much-needed site improvements, (upgraded drainage, upgraded asphalt pathways, tennis courts and a new junior playground) as well as construction of a new spray pad.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 4, 2015

Project Name:

First Year of Program **2015**

Establishment of a Park City West Community Centre Site Enhancements Capital Project Budget

	2015	2016	2017	2018	2019
Capital					
Capital Expenditures Required	$ 1,200,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 1,200,000	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Developer Contributions	1,200,000	-	-	-	-
Total Funding	$ 1,200,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 1,200,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	14,815	-	-	-	-
Net Cost/(Benefit)	$ (14,815)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(14,815)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital expenditures consist of $1,185,185 in project expenditures (consulting, contractors, etc.) + corporate admin fees of $14,815. The latter amount is offset by an equal recovery in the current budget of the Corporate Finance Department. No additional funding is being requested as the project budget is funded 100% by developer contributions.

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

CONSULTATION

Community Service Department

Public Works Department

Ward Councillor

Executive of Park City West Community Centre

OURWINNIPEG POLICY ALIGNMENT

The establishment and enhancement of recreation and leisure facilities at the community level are in accordance with the following OurWinnipeg Directions:

- Direction 2: Work with community partners to provide services that are responsive to the community's recreation and leisure needs.
- Direction 3: Directly provide, or facilitate through partnerships, equitable access to a base level of recreation, culture and leisure services for all Winnipeggers.
- Direction 4: With community partners, participate as a leader in planning and delivering recreation and leisure services in Winnipeg.
- Direction 6: Plan for sustainable and connected recreation and leisure infrastructure.

SUBMITTED BY

Department:	Planning, Property and Development
Division:	Urban Design
Prepared by:	Jennifer Hansell, Senior Urban Designer
Date:	June 16, 2015
File No.	O:\Reports Directive\Planning and Land Use\Urban Design Division\2015\Establishment of a Park City West CC Site Enhancements Capital Program Budget_June 4, 2015.doc

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