COMMUNITY SERVICES DEPARTMENT - GENERAL CAPITAL FUND

Project Name: **Indoor Soccer Multiplex at the Garden City Community Centre site and FIFA Regulation Outdoor Artificial Turf Pitch at Shaughnessey Park**

Dept ID: Type DeptID
Department: Community Services
Project: 62xxxxxx14

Service: Recreation
OurWinnipeg: Prosperity

AUTHORIZATION	Previous Budgets	2014 Estimate	FORECAST 2015	2016	2017	2018	2019	Five-Year Forecast Total	Six-Year Total
Project Costs ($000's)	N/A *	14,000	-	-	-	-	-	-	14,000
Financed by:									
External Debt		7,000							7,000
MWIA		7,000							7,000

CASH FLOW		2014	2015	2016	2017	2018	2019	Beyond 2020	Total
Project Costs ($000's)		-	14,000	-	-	-	-	-	14,000
Financed by:									
External Debt			7,000						7,000
MWIA			7,000						7,000

NET OPERATING IMPACT ($000's)	2014	2015	2016
Operating costs			
External Debt and finance charges		750	1,000
Transfer to General Capital Fund			
Total Direct Costs	-	750	1,000
Less: Incremental Revenue/Recovery			
Net Cost/(Benefit)	-	750	1,000

Class Estimate: 2

This capital project is for the construction of a $20.481 million indoor soccer multiplex at the Garden City Community Centre site and a FIFA regulation sized lighted outdoor artificial turf pitch at Shaughnessy Park. The City's financial contribution to this project is a $7.0 million capital grant. The City of Winnipeg will be the owners of this asset but will enter into a long-term lease with the Winnipeg Soccer Federation for the operations, maintenance, and management of both the outdoor pitch and indoor soccer multiplex. The soccer multiplex and the FIFA pitch are being built on City land and will be owned by the City of Winnipeg.

The City's contribution of $7.0 million towards this project is subject to Provincial funding of $8.155 million ($7.0 million Manitoba Winnipeg Infrastructure Agreement [MWIA] and $1.155 million from another provincial funding source) plus a $5.326 million Winnipeg Soccer Federation (WSF) loan, guaranteed by the City of Winnipeg. Provincial funding will flow directly to the WSF from the Province based on their claims process.

WSF has agreed to cover all costs associated with construction financing, including any potential construction cost overruns.

The project will be constructed and project managed by the Winnipeg Soccer Federation. The Planning Property and Development Department has assigned a Project Officer to the project to ensure that all City requirements are considered. The WSF will report to the City through the creation of a Project Steering Committee comprised of representatives from all relevant stakeholders to oversee the project due diligence, transparency, and accountability. The Project Steering Committee will also report to the Major Capital Project Steering Committee.

A construction loan guarantee to the WSF of up to $15 million is required, and upon project completion the construction loan will be converted to a fixed rate term loan not to exceed $5.326 plus construction interest upon completion. The City's loan guarantee will be reduced accordingly to the equivalent amount.

A funding agreement between the City of Winnipeg and WSF is required as well as Lease Agreements.

The WSF will operationally manage the new soccer multiplex and the FIFA regulation sized outdoor artificial turf pitch. The facility will be leased to the WSF and ongoing operational and capital maintenance for the multiplex will be the responsibility of the WSF over the term of the lease. Funding for capital maintenance (HVAC, mechanical, repairs that are capital in nature) are to be provided by a WSF annual contribution to a capital maintenance reserve and such has been incorporated into the Business Plan prepared by WSF. The City will request confirmation from the WSF that the contributions are being made annually.

This capital grant is to be exempt from the following overhead: 1% administration, 2% interest charges.