Minutes – Executive Policy Committee – November 18, 2020

REPORTS

Item No. 12 North District Police Station

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That the North District Police Station (NDPS) be constructed at the Old Exhibition Grounds at 80 Sinclair Street, implementing a revised, optimized design, which minimizes the extent of development and repurposing of recreational green space, and additional funding in the amount of $2.296 million be approved for the North District Police Station project as outlined in the capital budget detail sheet in Appendix 2.

2. That additional borrowing authority in the amount of $2.296 million be approved and that a borrowing by-law (draft attached as Appendix 3) be enacted in order to give effect to this approval.

3. That, subject to approval of Recommendation 1 and 2, the resulting debt and finance charges be included in the 2021 and subsequent years' operating budgets.

4. That additional operating impacts, including accommodations-related net expenditures in the Winnipeg Police Service budget beginning in 2024, be included in the 2024 operating budget.

5. That land within the proposed NDPS development area, which at present is within the purview of the Public Works Department, be transferred to the Winnipeg Police Service for the purpose of housing the NDPS.

6. That the Winnipeg Police Service Archival and Exhibit Building (AEB) be separated out from the NDPS Project for future procurement.

7. That additional operating budget impacts, starting in 2024, be referred to the 2021 Operating Budget process.

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

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

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

Yea:	Bowman, Allard, Browaty, Gillingham, Gilroy, Mayes, Rollins	7
Nay:		0

Carried

ADMINISTRATIVE REPORT

Title: North District Police Station

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson/ D. Tooth	J. Kiernan/ G. Chartier	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

In November 2018, the Public Service issued a Request for Proposal soliciting opportunities to acquire private land for the development of the North District Police Station. The City received two proposals, and after assessing all feasible procurement options available, the Public Service continues to recommend constructing the North District Police Station at the Old Exhibition Grounds; however, the Public Service is recommending utilizing a revised, optimized site design which would reduce the footprint of the development and would be the most cost-effective option. The revised, optimized site design addresses concerns that were expressed through community consultation by allowing the existing community sports fields to remain in place.

The Public Service is also recommending that the Winnipeg Police Service Archival and Exhibit Building be separated out and the previously approved $23.379 million be used to construct the North District Police Station. A plan for procuring the Archival and Exhibit facility will be established in a future request through the annual capital budget process.

Additional borrowing of $2.296 million is required for the North District Police Station as outlined in the capital budget detail sheet in Appendix 2 for a total project budget of $25.675 million.

This report aligns with opportunities and strategies that are contained within the Community Services Recreation and Library Investment Strategy that identifies ongoing investments to support Community facilities and programming centered at the Old Exhibition Grounds site. Developing the NDPS Project at the Old Exhibition Grounds site offers an estimated cost savings of $5.93 million as well as maximum operational benefits for the Winnipeg Police Service. As a result of the savings achieved by constructing the station at the Old Exhibition Grounds site and thus not having to acquire land, the Public Service is recommending an investment of equivalent value ($5.9 million) to redevelop the Old Ex building as part of the Recreation and Library Facility Investment Strategy.

RECOMMENDATIONS

1. That the North District Police Station (NDPS) be constructed at the Old Exhibition Grounds at 80 Sinclair Street, implementing a revised, optimized design, which minimizes the extent of development and repurposing of recreational green space, and additional funding in the amount of $2.296 million be approved for the North District Police Station project as outlined in the capital budget detail sheet in Appendix 2.

2. That additional borrowing authority in the amount of $2.296 million be approved and that Council enact a borrowing by-law (draft attached as Appendix 3) in order to give effect to this approval.

3. That, subject to approval of Recommendation 1 and 2, the resulting debt and finance charges be included in the 2021 and subsequent years' operating budgets.

4. That additional operating impacts, including accommodations-related net expenditures in the Winnipeg Police Service budget beginning in 2024, be included in the 2024 operating budget.

5. That land within the proposed NDPS development area, which at present is within the purview of the Public Works Department, be transferred to the Winnipeg Police Service for the purpose of housing the NDPS.

6. That the Winnipeg Police Service Archival and Exhibit Building (AEB) be separated out from the NDPS Project for future procurement.

7. That additional operating budget impacts, starting in 2024, be referred to the 2021 Operating Budget process.

8. That the proper officers of the City be authorized to do all things necessary to complete the intent of the foregoing.

REASON FOR THE REPORT

On June 8, 2018, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service:

1. That the Real Estate Branch of Planning, Property and Development Department undertake to issue a Request for Proposal (RFP) to solicit private land sale opportunities as a means of identifying a preferred development site for the North District Police Station project.

2. That the Public Service perform an evaluation of proposals received so as to validate the project program of requirements at alternate site(s), prepare associated development cost estimate(s) and assess capital funding requirements, and report back to convey results and provide recommendation as to a preferred project development site.

IMPLICATIONS OF THE RECOMMENDATIONS

The project shall demolish the City-owned/operated building at 100 Sinclair Street, which presently houses the Winnipeg Aboriginal Sport Achievement Centre administrative offices. This will eliminate City maintenance and operational costs and other unfunded liabilities associated with ownership of this civic asset.

WASAC administrative offices would in turn be co-located with their programming and operations at the proposed redeveloped Old Ex building as identified in the Recreation and Library Facility Investment Strategy.

The North District Police Station project along with the funding sources outlined in the capital budget detail sheet in Appendix 2, will be established.

Economic Impact Analysis (EIA)

The estimated direct and indirect economic impact of the $25.675 million expenditures for the North District Police Station are:

Economic Impact	Manitoba	Rest of Canada
Gross Domestic Product (GDP)	$9.8 million	$3.6 million
Person Years of Employment	104	30
Federal Government Tax Revenue	$1.2 million	$0.4 million
Provincial Government Tax Revenue	$1.3 million	N/A

Source: Statistics Canada. Table 36-10-0594-01 Input-output multipliers, detail level. Note that the 2016 GDP at basic prices simple multiplier for non-residential building construction [BS23B000] was used to assess this investment. Federal and provincial government tax revenue estimates include GST, MRST, personal income taxes, corporate income taxes and other sources of taxes and fees. These are estimated using the multipliers noted above in conjunction with effective tax rates calculated from the economic accounts produced by Statistics Canada.

HISTORY/DISCUSSION

North District Police Station

- The current Station at 260 Hartford Avenue is well beyond its end-of-service life, does not meet current operational requirements, and the building is in poor condition with the potential of an abrupt closure.
- In November 2018, the Public Service issued a Request for Proposal to acquire commercially available private land for the development of the NDPS project. Two proposals were received and evaluated by the City; the proponents are herein identified as ‘Proponent 1’ and ‘Proponent 2’.
- The City retained Number Ten Architectural Group (“Number Ten”) to evaluate each Proponent’s proposal. Number Ten determined that one of the proposed land offerings was insufficient in size to house the complete scope of the NDPS Project, which includes

both the NDPS and the AEB. This prompted the Public Service to consider not co-locating the facilities.

- Following this evaluation, the Public Service prepared cost analyses and capital cost estimates for various development alternatives, taking into account costs of acquiring and developing private land.
- Based on the projected costs and current capital funding allocated to the NDPS Project, the Public Service believes the City's needs are best served by utilizing a new and optimized site design for the NDPS project, using City-owned land at 80 Sinclair Street – the Old Exhibition Grounds. The Public Service has determined this to be the only viable City-owned property within Police District 3 that is sufficient in size to meet the development parameters of the NDPS Project.

Stakeholder assessment and public engagement in the summer and fall of 2017, which proposed a partial repurposing of City-owned land at the Old Ex, identified that a significant number of residents and organized community groups did not support the NDPS being built at this location. Concerns were cited regarding the repurposing of recreational land to make way for a new police station in a community where existing recreational green space was perceived to be limited and inadequate. In order to address these concerns, a conceptual redesign of the project footprint was developed (Appendix 1) with the following principal changes/features:

1. Reduce the development footprint and land acreage requirements by not co-locating the AEB with the NDPS and constructing the AEB elsewhere. This reduces the development footprint by approximately 0.75 acres and lessens the net impact to the Old Ex site.
2. Re-orient the development plan so that frontage is moved from Dufferin Avenue to Sinclair Street. This eliminates the proposed reallocation of programmed recreational green space (baseball/softball and Nomads Football Club fields of play) to make way for the NDPS.
3. Non-programmed green space between the Old Ex building and softball/baseball pitches on the property would house the football practice field that is presently on land that will be partially developed to house the NDPS.
4. Eliminate past concerns for potential pedestrian/vehicle traffic/parking congestion at Sergeant Tommy Prince Place.
5. Demolish the City-owned/operated building at 100 Sinclair Street, which presently houses the Winnipeg Aboriginal Sport Achievement Centre administrative offices. This will eliminate City maintenance and operational costs and other unfunded liabilities associated with ownership of this civic asset. WASAC administrative offices would in turn be co-located with their programming and operations at the redeveloped Old Ex building as proposed in the Recreation and Library Facility Investment Strategy.
6. Site access and parking are not impacted by development.
7. The former/decommissioned outdoor ice rink adjacent to 100 Sinclair Street is repurposed as a part of the NDPS. Community garden planters adjacent to the outdoor rink are moved to an alternate location on the property.
8. Trees on the property within the development area are removed to make way for the NDPS. The trees removed will be replaced elsewhere and will be considered a cost of the NDPS Project.

The current analysis of development alternatives, arising from the Land Acquisition RFP and the Old Ex site as a baseline, were scored according to the evaluation methodology established within the RFP.

The Public Service also compiled Class 5 estimates of the total NDPS Project capital cost for each prospective development alternative, inclusive of land acquisition in Table 1.

Table 1 - RFP No. 1037-2018: Scored Evaluation Results and Total Project Cost

Development Alternative	Scored Evaluation Results (100 Available Points)	Total Project Cost Including Land Acquisition
Proponent 1	47 Points	$34.85 million
Proponent 2	50 Points	$31.61 million
Old Ex (Revised, Optimized Plan)	86 Points	$25.68 million

Notes
1. Total project costs are established at a Class 5 level of estimate.
2. A Class 5 cost estimate has an implied accuracy range of -50% to +100%. Ideally, the Public Service's goal is to provide Council with Class 3 project cost estimates for budget authorization. A project with a Class 4 or 5 cost estimate is less defined/developed and thus has a wider range of cost accuracy and less certainty in the estimated project cost.

Table 1 demonstrates that developing the NDPS Project at the Old Ex site offers an estimated cost savings of $5.93 million as well as maximum operational benefits for WPS. As a result of the savings achieved by constructing the station at the Old Exhibition Grounds site and thus not having to acquire land, the Public Service is recommending an investment of equivalent value ($5.9 million) to redevelop the Old Ex building as part of the Recreation and Library Facility Investment Strategy.

This report recommends that the previously approved $23.379 million in capital funding for the NDPS Project inclusive of the AEB be used solely for the NDPS. A capital budget detail sheet for the project is outlined in Appendix 2. A plan for the procurement of the AEB facility will be established in the future.

Borrowing Authority

Incremental borrowing authority of $2.296 million is required for the project detailed in this report.

Debt Strategy

On October 28, 2015, Council adopted a Debt Strategy for Tax Supported, Utilities and total City borrowing.

Subject to approval of the recommendations of this report, additional borrowing authority of $2,296,000 is required.

$109 million of Tax Supported and $110 million of Utilities borrowing capacity will remain if Council approves this report (based on 2021 borrowing).

The impact of this debt financing falls within the debt limits established in the Council Policy as outlined in the table below:

Tax Supported net debt as a percentage of revenue not to exceed	80%
Forecasted peak rate including proposed debt from this report	66.2%
Utilities net debt as a percentage of revenue not to exceed	220%
Forecasted peak rate including proposed debt from this report	94.4%
Total City net debt as a percentage of revenue not to exceed	90%
Forecasted peak rate including proposed debt from this report	79.4%
Tax Supported debt servicing as a percent of revenue not to exceed	10%
Forecasted peak rate including proposed debt from this report	5.1%
Utilities debt servicing as a percent of revenue not to exceed	20%
Forecasted peak rate including proposed debt from this report	8.6%
Total City debt servicing as a percent of revenue not to exceed	11%
Forecasted peak rate including proposed debt from this report	6.1%
Tax Supported Debt per Capita not to exceed	1,500
Forecasted peak rate including proposed debt from this report	1,159
Utilities Debt per Capita not to exceed	1,500
Forecasted peak rate including proposed debt from this report	794
Total City Debt per Capita not to exceed	2,800
Forecasted peak rate including proposed debt from this report	2,073

FINANCIAL IMPACT

Financial Impact Statement

Date: October 29, 2020

Project Name:

North District Police Station

First Year of Program **2020**

	2020	2021	2022	2023	2024 & 2025
Capital					
Capital Expenditures Required	$ 100,000	$ 25,439,000	$ 136,000	$ -	$ -
Less: Existing Budgeted Costs	100,000	23,279,000	-	-	-
Additional Capital Budget Required	$ -	$ 2,160,000	$ 136,000	$ -	$ -
Funding Sources:					
Cash-to-Capital	$ -	$ -	$ -	$ -	$ -
Debt - External	-	2,160,000	136,000	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ 2,160,000	$ 136,000	$ -	$ -
Total Additional Capital Budget Required	$ 2,296,000				
Total Additional Debt Required	$ 2,296,000				
Current Expenditures/Revenues					
Direct Costs	$ 100,000	$ 4,110,000	$ 1,356,000	$ 1,360,000	$ 6,286,000
Less: Incremental Revenue/Recovery	3,000	827,000	4,000	-	1,980,000
Net Cost/(Benefit)	$ 97,000	$ 3,283,000	$ 1,352,000	$ 1,360,000	$ 4,306,000
Less: Existing Budget Amounts	97,000	3,272,000	1,220,000	1,220,000	3,340,000
Net Budget Adjustment Required	$ -	$ 11,000	$ 132,000	$ 140,000	$ 966,000

Additional Comments: Capital expenditures of $25.675M represents the estimated cost of the North District Police Station. Existing capital budget consist of $23.379M for the NDPS & Archival & Exhibit Building (AEB). It is proposed that the AEB budget be allocated to the NDPS with the AEB budget requirements to be included in a future capital budget process. The incremental capital budget of $2.296M is to be funded by external debt. Direct costs consist of cash-to-capital transfers, debt and finance charges, accommodation costs for the NDPS and transfers to Municipal Accommodations for vacant space (i.e. 260 Hartford). Incremental revenues include short-term financing charges & corporate administration fees and the "market rent" (i.e. provision for cost variability) returned from Municipal Accommodations to the General Revenue Fund. Existing budget amounts consist of recoveries of short-term financing charges & corporate administration fees, cash-to-capital transfers, debt and finance charges and accommodations costs for 260 Hartford Avenue. Any potential incremental operating budget impacts will be assessed and brought forward in future years' budget processes. **See Appendix 5 for additional detail to this Financial Impact Statement**

Mike McGinn October 29, 2020
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Winnipeg Police Service
- Community Services
- Public Works
- Real Estate Division – Planning, Property & Development Department
- Infrastructure Planning Office
- Corporate Finance
- Legal Services

OURWINNIPEG POLICY ALIGNMENT

01-1a OurWinnipeg's Approach to City Building

- Direction 1: Develop and Apply Directions Strategy

01-2a Collaborate to Make Safe Communities

- Direction 1: Provide a Visible and Effective Community Police Presence

01-3 Prosperity

- Direction 1: Provide efficient and focused civic administration and governance.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity #1 - Corporate Leadership

- 1.3 Implement Low Carbon and Energy Efficient City Facilities and Buildings
- 1.5 Reduce Employee Vehicle Kilometers Travelled (VKT) and associated GHGs

Strategic Opportunity #4 - Facilitate Compact, Complete Development and Increase Density

- 4.4 Support Redevelopment of Former Commercial and Industrial Lands into Active Use

Strategic Opportunity #5 - Low Carbon and Energy Efficient Buildings

- 5.1 Increase Energy Performance of Existing Buildings
- 5.2 Improve Energy Performance of New Buildings

SUBMITTED BY

Department: Planning, Property and Development
Division: Municipal Accommodations
Prepared by: B. Piniuta
Date: October 29, 2020
File No: N/Ap

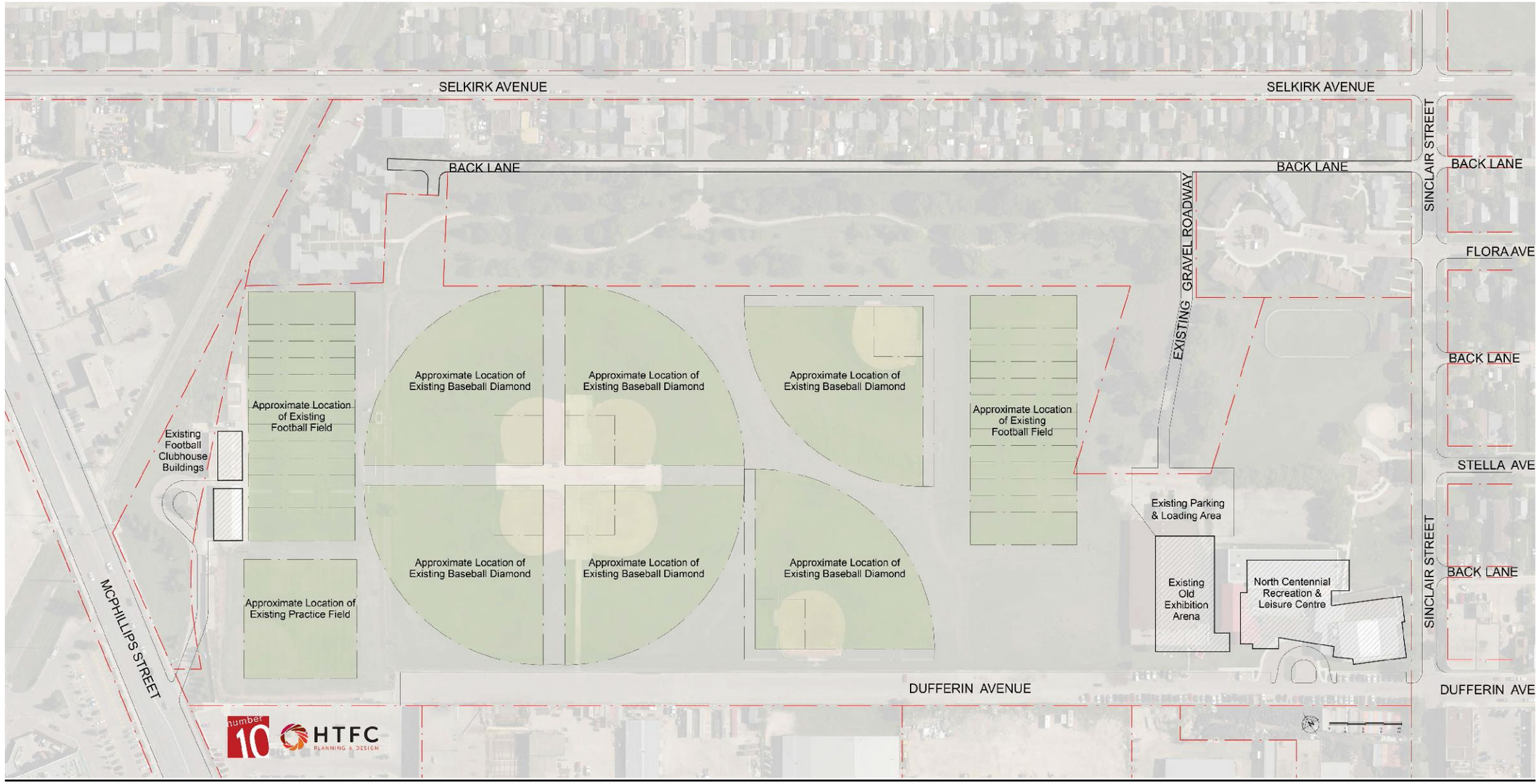
Attachments:
Appendix 1 – Site Plans for Developing NDPS Project at the Old Exhibition Grounds
Appendix 2 – Capital Budget Detail Sheet – North District Police Station
Appendix 3 – Draft Borrowing By-law
Appendix 4 – Decision-Making History
Appendix 5 – Additional Detail to the Financial Impact Statement

Appendix 1

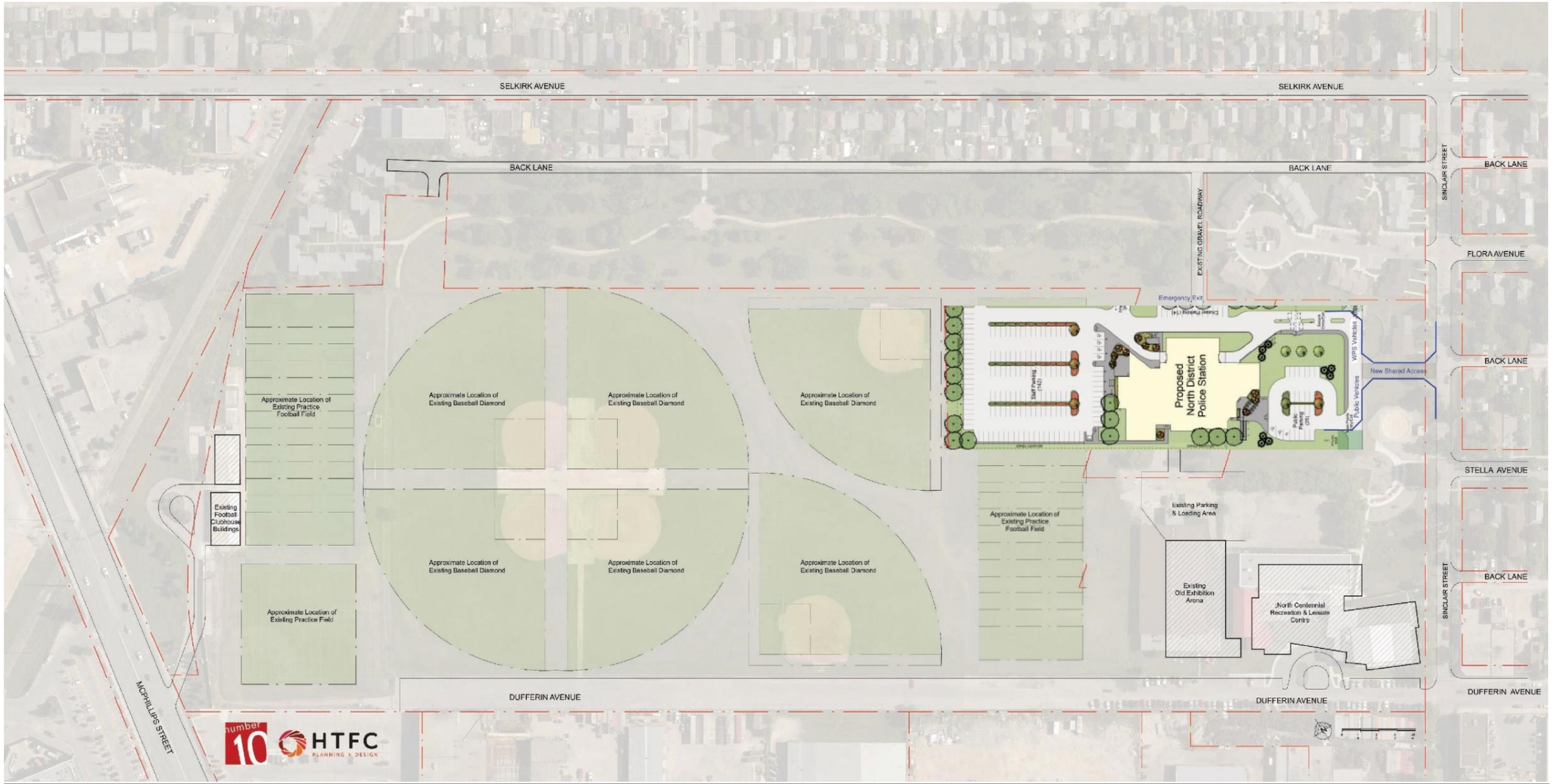
Site Plans for Developing NDPS Project at the Old Exhibition Grounds

Contents

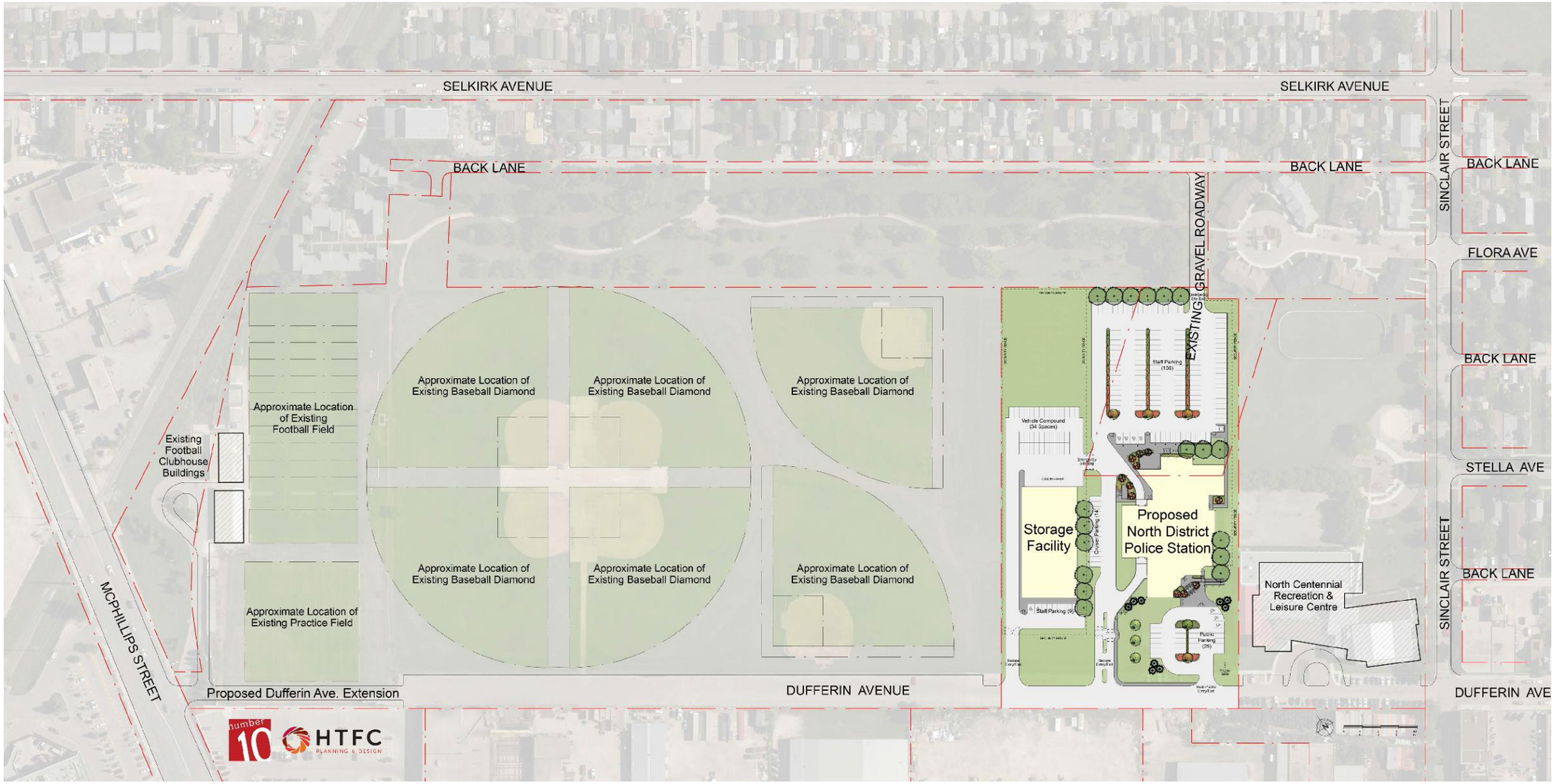
1. Old Ex – Current Site Plan
2. New, Optimized NDPS Development Plan (2019)
3. NDPS Development Plan at Old Ex Arena Site (2017)



Old Ex – Current Site Plan



New, Optimized NDPS Development Plan (2019)



NDPS Development Plan at Old Ex Arena Site (2017)

Appendix 2
Capital Budget Detail Sheet

WINNIPEG POLICE SERVICE

Project Name: **North District Police Station**

Standing Policy Committee: Winnipeg Police Board
Dept ID: 220656
Department: Winnipeg Police Service
Project: 6322003016

Investment Driver: Maintain
Service: Police Response
OurWinnipeg: Collaborate to Make Safe Communities

AUTHORIZATION	Previous Budgets	2020 Estimate	FORECAST 2021	2022	2023	2024	2025	Five-Year Forecast Total	Six-Year Total
Project Costs ($000's)	23,379	2,296	-	-	-	-	-	-	2,296
Financed by:									
External Debt		2,296	-	-	-	-	-	-	2,296

CASH FLOW	2020	2021	2022	2023	2024	2025	Beyond 2025	Total
Project Costs ($000's)	-	2,160	136	-	-	-	-	2,296
Financed by:								
External Debt		2,160	136					2,296

NET OPERATING IMPACT ($000's)	2020	2021	2022	2023	2024	2025
Operating costs					1,333	1,333
Debt and finance charges	-	81	136	140	140	140
Transfer to General Capital Fund						
Total Direct Costs	-	81	136	140	1,473	1,473
Less: Incremental Revenue/Recovery	-	70	4	-	990	990
Net Cost/(Benefit)	-	11	132	140	483	483
Incremental Full Time Equivalent Positions	-	-	-	-	-	-

Class Estimate: 5

The current Division #13 police station at 260 Hartford Avenue was built for the now defunct West Kildonan Police Service over 45 years ago. The design of the building does not meet the current needs of policing, nor is the building adequately located to handle the growth in the City of Winnipeg. This project will build a new 32,000 square foot station to be constructed on the Old Exhibition Grounds site. The design is intended to follow the model of the East and West District Stations and will be the last major infrastructure project to be built as part of the four district police station model mandated by Council in 2003.

A newly constructed facility will ensure continued uninterrupted levels of service and will mitigate operational risks associated with accelerated deterioration of the current facility.

Risks associated with the construction of this project include funding availability and project scheduling delays.

Continued operations at the 260 Hartford facility will impact level of service which may increase operational costs to sustain current levels. The current level of usage has worn the building to the point of disrepair, it has exceeded its service life and it does not meet operational requirements. Service delivery has been impacted due to building deterioration and annual flooding.

Previous budget includes $23.379 million from the North District Police Station (NDPS) & Archival and Exhibit Building project.

Incremental operating costs are based on the assumption that the costs to operate the NDPS will be equivalent to those for the West District Police Station (WDPS). Any potential incremental operating budget impacts will be assessed and brought forward for future Council consideration. Incremental revenue in 2024 and 2025 represents the "market rent" portion of acccommodation charges for the NDPS, which is returned to the General Revenue Fund (i.e. the provision for cost variability).

Construction will not commence until a Class 3 estimate is obtained.

Appendix 3
A draft borrowing by-law of THE CITY OF WINNIPEG to authorize the borrowing of money in the amount of $2,296,000.00

THE CITY OF WINNIPEG

BY-LAW NO. /2020

A borrowing by-law of THE CITY OF WINNIPEG to authorize the borrowing of money in the amount of $2,296,000.00

WHEREAS Section 294 of The City of Winnipeg Charter provides, in part, as follows:

> *294(1) Subject to subsection (2), council may pass by-laws enabling the city to borrow money in such manner, in such amounts, and on such security as council may consider necessary for any purpose for which the city is authorized to make provision, including, without limiting the generality of the foregoing, borrowing money required for local improvements.*
>
> *294(2) Before council gives second reading to a by-law under subsection (1), the city must apply for and obtain the approval of the Minister of Finance for the borrowing under the proposed by-law.*
>
> *294(3) An application for approval under subsection (2) must specify the principal amount to be borrowed and give a general description of the objects for which the amount will be used, but it is not necessary to specify in the application*
>
> *(a) the manner of borrowing;*
>
> *(b) the particulars of any proposed securities to be issued in respect of the borrowing; or*
>
> *(c) the rate of interest payable on the amount or the term within which it is repayable.*
>
> *294(4) In dealing with an application made under this section, the Minister of Finance must consider only the financial position of the city and must*
>
> *(a) approve the application in whole or in part or subject to terms and conditions, including specifying the time within which the amount to be borrowed is to be repayable; or*
>
> *(b) refuse to approve the application.*

AND WHEREAS THE CITY OF WINNIPEG (hereinafter referred to as “the City”) considers it necessary during the year 2021 and subsequently, to borrow money in the amount of $2.296 million on the security of debentures or other City securities for the purpose of making capital

expenditures in connection with the following capital projects in the approximate amounts set out below:

North District Police Station	$2.296M

AND WHEREAS after the first reading and before the second reading of this borrowing by-law, its enactment received the authorization of the Minister of Finance;

NOW THEREFORE THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

Borrowing of $2.296 million authorized

For the purposes and objects of the City specified in this By-law, the Chief Financial Officer of the City is authorized, in the year 2020 and subsequently, to negotiate and approve one or more agreements for the borrowing of money on behalf of the City in the principal amount totaling $2,296,000.00 on the credit of the City by the issue and sale of debentures of the City, or by the issue of such other City securities as may be determined to be appropriate by the Chief Financial Officer.

Interim borrowing authorized

Pending the issue of the debentures or other City securities pursuant to section 1, the Chief Financial Officer is authorized to negotiate and approve agreements with one or more banks or persons for temporary borrowing from time to time to meet expenditures incurred for the purposes stated in this By-law.

RECEIVED FIRST READING on the day of , 2020;

AUTHORIZATION OF THE MINISTER OF FINANCE RECEIVED on the day of , 2020;

RECEIVED SECOND READING on the day of , 20 ;

RECEIVED THIRD READING AND PASSED on the day of , 20 ;

DONE AND PASSED, in Council assembled, this day of , 20 .

Mayor

City Clerk

Approved as to financial details:

Chief Financial Officer

Legally reviewed and certified as to form:

for Director of Legal Services and
City Solicitor

Appendix 4
Decision-Making History

On July 23, 2003, Council approved implementation of the WPS Four District Model. The current WPS six district service delivery model is based on a municipal structure which existed prior to 1971. Contemporary policing issues led the WPS to review this service delivery structure and recommend realignment from six to four districts. The Four District Model encompasses replacement of five existing police stations with three newly constructed police stations within realigned service districts.

On February 21, 2006, Council approved the 2006 Capital Budget and the 2007 to 2011 Five-Year Forecast and recommended, along with the budget, that the Administration identify, investigate, and recommend Private - Public Partnerships (P3's) for the Four District Model project.

East District Police Station (EDPS) located at 1750 Dugald Road was substantially completed in September 2007. The West District Police Station (WDPS) located at 2321 Grant Avenue followed with substantial completion occurring in November 2013. The Downtown District Station opened as part of the new Police Headquarters facility, 245 Smith Street, in October 2016.

Upon adoption of the 2017 Capital Budget on December 13, 2016, Council approved funding for the North District Police Station (NDPS) in the amount of $20 million for the facility build plus $3.129 million for land assembly, thereby enabling the NDPS project to proceed. The fundamental objectives for procurement of the North District Police Station project are:

1. To provide a new District Police Station to meet all the operational needs of the WPS;
2. Obtain a competitively priced facility and achieve fair value for taxpayer investment;
3. Ensure that stakeholder and community interests are adequately assessed and conveyed to Council, and contemplated as part of the decision making process to select a project development site.

On June 21, 2017, Council ruled automatic referral of the following motion to the Standing Policy Committee on Property and Development, Heritage and Downtown Development:

> WHEREAS the city's Old Exhibition Grounds has been used for recreation and leisure purposes for over one hundred years;
> AND WHEREAS there is a shortage of sport fields in the Lord Selkirk West Kildonan Community Committee area;
> AND WHEREAS whether crime prevention is achieved through sport or other measures, prevention needs to be facilitated to reduce the load on the Winnipeg Police Service;
> AND WHEREAS the City of Winnipeg needs to play a role in crime prevention;
> AND WHEREAS the North District police station needs to provide the same functionality as the other district stations to the public;
> AND WHEREAS Winnipeg's perception of what area makes up the North End has grown to encompass West and old Kildonan;
> AND WHEREAS Winnipeg Transit's north garage has come to its end of life, and the east rapid transit BRT corridor has a new bus garage in its plans on city owned property;
> AND WHEREAS unlike the other district stations, there was no RFP put out to the private sector to identify privately owned property and to build the stations;

AND WHEREAS Property, Planning and Development leases buildings to the Winnipeg Police Service as Municipal Accommodations basically owns the assets under their portfolio of city assets;
THEREFORE BE IT RESOLVED that the Winnipeg Public Service undertake the needed activities to find a different property than the Old Exhibition Grounds for the North district police station.

On July 4, 2017, the Standing Policy Committee on Property and Development, Heritage and Downtown Development recommended to Council that the Council Motion of June 21, 2017 be referred to the Winnipeg Public Service for report back to the Standing Committee within 180 days, and be forwarded to the Executive Policy Committee and Council.

On July 19, 2017, Council concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and directed the Winnipeg Public Service to undertake the needed activities to find a different property than the Old Exhibition Grounds for the North District Police Station and report back to Standing Committee in 180 days.

Stakeholder assessment and public engagement activities were undertaken by the Public Service during the summer and fall months of 2017. Results were received as information by SPC on Property and Development, Heritage and Downtown Development on June 8, 2018.

As part of the 2018 Capital Budget approval, $0.25 million in funding was added to the NDPS project, for a revised total project budget of $23.379 million, and the 'Archival and Exhibit Building' project was consolidated with the pre-existing 'North District Police Station' project.

At its February 2, 2018 meeting, the Standing Policy Committee on Property and Development, Heritage and Downtown Development granted an extension of time to its meeting on June 8, 2018, for the Winnipeg Public Service to report back on the June 21, 2017 Council Motion.
At its June 8, 2018 meeting, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred with the recommendations of the Public Service:

- That the Real Estate Branch of Planning, Property and Development Department undertake to issue a Request For Proposal (RFP) to solicit private land sale opportunities as a means of identifying a preferred development site for the North District Police Station project.
- That the Public Service perform an evaluation of proposals received to validate the project program of requirements at alternate site(s), prepare associated development cost estimate(s) and assess capital funding requirements, and report back to convey results and provide recommendation as to a preferred project development site.

Per direction received from the Standing Policy Committee on Property and Development, Heritage and Downtown Development on June 8, 2018 a public Request for Proposal (RFP) was issued by the City to solicit private land sale opportunities as a means of identifying a development site for the project. The RFP was posted November 2, 2018 and closed January 31, 2019.

The City received RFP submissions and performed a score-based evaluation for the purpose of identifying shortlisted proponents. A second phase of evaluation to verify program and technical development conformance at the prospective sites and prepare associated capital cost estimates was completed in April 2020.

Appendix 5

Additional Detail to the Financial Impact Statement

	Current Section of Financial Impact Statement						
	2020	**2021**	**2022**	**2023**	**2024 & 2025**	**2024**	**2025**
Direct Costs							
Cash-to-Capital Transfer ($3.379M portion of existing approved NDPS capital budget of $23.379M)	100,000	3,279,000					
Debt & Finance Charges ($20M portion of existing approved NDPS capital budget of $23.379M)		750,000	1,220,000	1,220,000	2,440,000	1,220,000	1,220,000
Debt & Finance Charges (on incremental NDPS capital budget of $2.296M)		81,000	136,000	140,000	280,000	140,000	140,000
Accommodation Charges for NDPS					3,046,000	1,523,000	1,523,000
Transfer to Municipal Accommodations (vacant space - 260 Hartford Ave.)					520,000	260,000	260,000
Direct Costs per FIS	**100,000**	**4,110,000**	**1,356,000**	**1,360,000**	**6,286,000**	**3,143,000**	**3,143,000**

	2020	**2021**	**2022**	**2023**	**2024 & 2025**	**2024**	**2025**
Less: Incremental Revenue/Recovery							
Short-term Finance Charges & Corporate Admin. Fees (on NDPS capital budget of $23.379M)	3,000	757,000					
Short-term Finance Charges & Corporate Admin. Fees (on incremental NDPS capital budget of $2.296M)		70,000	4,000				
"Market Rent" portion of accommodation charges (Provision for Cost Variability)					1,980,000	990,000	990,000
Incremental Revenue/Recovery per FIS	**3,000**	**827,000**	**4,000**	**-**	**1,980,000**	**990,000**	**990,000**

	2020	**2021**	**2022**	**2023**	**2024 & 2025**	**2024**	**2025**
Net Cost/(Benefit) per FIS	**97,000**	**3,283,000**	**1,352,000**	**1,360,000**	**4,306,000**	**2,153,000**	**2,153,000**

	2020	**2021**	**2022**	**2023**	**2024 & 2025**	**2024**	**2025**
Existing Budgeted Costs							
Revenue/Recovery							
Short-term Finance Charges & Corp. Adm. Fees (on $23.379M existing approved NDPS Capital Budget)	(3,000)	(757,000)					
Expenditures							
Cash-to-Capital Transfer	100,000	3,279,000					
Accommodation Charges for 260 Hartford Avenue Station					900,000	450,000	450,000
Debt & Finance Charges ($20M portion of existing approved NDPS capital budget of $23.379M)		750,000	1,220,000	1,220,000	2,440,000	1,220,000	1,220,000
Existing Budgeted Costs per FIS	**97,000**	**3,272,000**	**1,220,000**	**1,220,000**	**3,340,000**	**1,670,000**	**1,670,000**
Net Budget Adjustment Required per FIS	**-**	**11,000**	**132,000**	**140,000**	**966,000**	**483,000**	**483,000**