Minutes – Executive Policy Committee – November 18, 2020

Report – Standing Policy Committee on Protection, Community Services and Parks – November 12, 2020

Item No. 3 Recreation and Library Facility Investment Strategy

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks, as amended, and submitted the following to Council:

1. That the list of recommended investments, attached as Appendix A: Recreation and Library Facility Investment Strategy- Capital Detail Sheet, be referred to the 2021 Budget process.

2. That for each approved project, up to 10% of the allocated budget be approved as a first call in the preceding budget year to facilitate project planning and design.

3. That upon completion of projects, any unspent project budgets be reallocated to other approved projects within the program, depending on need at that time.

4. That the Public Service work with Ward Councillors and community stakeholders to explore and develop partnership opportunities that potentially leverage additional funding and further enhances the impact of this funding strategy.

5. That the identified unallocated funds in the amount of $7 million be allocated to the Land Dedication Reserve Fund, distributed equally amongst each of the 15 electoral wards over three years, and that the use of the funds be subject to the terms and conditions of the Land Dedication Reserve Fund policy.

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

Report – Standing Policy Committee on Protection, Community Services and Parks – November 12, 2020

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Protection, Community Services and Parks be concurred in and submitted to Council with the following amendment:

- Add the following new Recommendation 5 and renumber the remaining recommendation accordingly:

    5. That the identified unallocated funds in the amount of $7 million be allocated to the Land Dedication Reserve Fund, distributed equally amongst each of the 15 electoral wards over three years, and that the use of the funds be subject to the terms and conditions of the Land Dedication Reserve Fund policy.

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

Carried

STANDING COMMITTEE RECOMMENDATION:

On November 12, 2020, the Standing Policy Committee on Protection, Community Services and Parks concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On October 29, 2020, Council concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks and adopted the following:

Report – Standing Policy Committee on Protection, Community Services and Parks – November 12, 2020

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

1. That an extension of time of 90 days be provided for the Winnipeg Public Service to report back on a new 3 year recreation and library facility investment strategy of up to $50 million, starting in 2021 to be funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba, subject to passage of the 2020 Provincial Budget and approval of this initiative by the Province of Manitoba.

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

On March 20, 2020, Council concurred in the recommendation of the Executive Policy Committee as amended and adopted the following:

1. That the following recommendations with respect to the 2020 Preliminary Operating Budget be approved by Council:

    GG. That Council request a report in 180 days on a new 3 year recreation and library facility investment strategy of up to $50 million, starting in 2021 to be funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba, subject to passage of the 2020 Provincial Budget and approval of this initiative by the Province of Manitoba.

ADMINISTRATIVE REPORT

Title: Recreation and Library Facility Investment Strategy

Critical Path: Standing Policy Committee on Protection, Community Services and Parks - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
K. McKim	C. Fernandes	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

Through the 2020 Budget, Council directed the Public Service to prepare a new 3-year recreation and library facility investment strategy of up to $50 million, starting in 2021 to be funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba.

The Public Service has developed proposed strategic future directions for each service area/ facility type, as well as proposed investments for the $50M fund, utilizing the following criteria and objectives:

- Addressing unfunded critical infrastructure needs for the City's most highly used, multi-purpose recreation facilities;
- Prioritization of investments using the City's asset management principles and processes;
- Improving and maintaining neighbourhood and community facilities that support geographic areas of higher need within the city and the goal of social and health equity for all Winnipeggers;
- Completing the Library Redevelopment Strategy projects previously adopted by Council;
- Addressing investment needs across all asset/service portfolios;
- Providing opportunities to leverage funding through community, corporate and government partnerships.
- Supporting the grassroots planning efforts of the General Council of Winnipeg Community Centres (GCWCC) to guide future community centre investments.

A table of recommended projects and investments is provided for consideration through the 2021 Budget process.

The recommended strategic future directions and investments in this report are generally in alignment with the policies and approaches proposed in the forthcoming *Winnipeg Recreation Strategy*.

RECOMMENDATIONS

1. That the list of recommended investments, attached as Appendix A: Recreation and Library Facility Investment Strategy- Capital Detail Sheet, be referred to the 2021 Budget process.

2. That for each approved project, up to 10% of the allocated budget be approved as a first call in the preceding budget year to facilitate project planning and design.

3. That upon completion of projects, any unspent project budgets be reallocated to other approved projects within the program, depending on need at that time.

4. That the Public Service work with Ward Councillors and community stakeholders to explore and develop partnership opportunities that potentially leverage additional funding and further enhances the impact of this funding strategy.

5. 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 March 20, 2020 Council directed the Public Service to report back within 180 days on a new 3-year recreation and library facility investment strategy of up to $50 million, starting in 2021 to be funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba, subject to the passage of the 2020 Provincial Budget and approval of this initiative by the Province of Manitoba.

IMPLICATIONS OF THE RECOMMENDATIONS

Referral of this report to the 2021 Budget process will enable the establishment of a 2021-2023 Recreation and Library Facilities Investment Strategy capital program.

As the majority of recommended investments involve the renewal of existing assets, minimal operating budget impacts are anticipated. The exceptions are the Westwood and St. James Library projects, which may have some incremental operating costs that will be confirmed over the next year and brought forward through a future report to Council.

Economic Impact Analysis (EIA)

The estimated direct and indirect economic impact of this expenditure is:

Economic Impact	Manitoba	Rest of Canada
Gross Domestic Product (GDP)	$30.8 million	$5.1 million
Person Years of Employment	362	41
Federal Government Tax Revenue	$3.4 million	$0.6 million
Provincial Government Tax Revenue	$3.2 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 multipliers for non-residential building construction [BS23B000], other engineering construction [BS23C500] and repair construction [BS23D000] were used to assess these investments. 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

History

On March 20, 2020 Council directed the Public Service to report back within 180 days on a new 3-year recreation and library facility investment strategy of up to $50 million, starting in 2021 to be funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba, subject to the passage of the 2020 Provincial Budget and approval of this initiative by the Province of Manitoba.

On July 23, 2020, Council directed that the City provide up to $2.1 million for an indoor recreation space with public washrooms as part of the Portage Place redevelopment proposal, funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba as part of the City's new 3-year recreation and library facility investment strategy.

Discussion

The potential of a 3-year, $50M dedicated funding source for recreation and library facilities represents a significant opportunity to maintain and improve highly used facilities and ensure that high-quality services can continue to be provided into the future. It is also an opportunity to enable the transformation of recreation facilities and services from older, often functionally obsolete assets to contemporary facilities that meet current community needs and expectations for accessibility, function and energy efficiency. This funding can be potentially leveraged through strategic partnerships with community stakeholders, corporate sponsors, foundations and other levels of government.

The Public Service is nearing completion of the *Winnipeg Recreation Strategy*, developed concurrently with the *Winnipeg Parks Strategy*. These strategic plans will provide a 25-year vision and strategic direction for recreation and park services and investments. The future directions and investments recommended in this report are generally in alignment with the policies and approaches proposed in the *Winnipeg Recreation Strategy*, that are intended to sustain existing multi-use facilities and enable the transformation of older facilities and services to meet current needs.

Recommended Strategies:

Based on the Council adopted *Recreation, Leisure and Library Facilities Policy* and more recent work completed on the *Winnipeg Recreation Strategy*, the Public Service has developed the following approaches to shape strategy development and recommended investments:

- Addressing unfunded critical infrastructure needs for the City's most highly used, multi-purpose recreation facilities;

- Prioritization of investments using the City's asset management principles and processes;
- Improving and maintaining neighbourhood and community facilities that support geographic areas of higher need within the city and the goal of social and health equity for all Winnipeggers;
- Completing the Library Redevelopment Strategy projects previously adopted by Council;
- Addressing investment needs across all asset/service portfolios;
- Providing opportunities to leverage funding through community, corporate and government partnerships.
- Supporting the grassroots planning efforts of the General Council of Winnipeg Community Centres (GCWCC) to guide future community centre investments.

Based on these strategic approaches, a high-level summary of the current state and proposed future directions for each service area / facility type has been developed as follows:

A. INDOOR AQUATIC FACILITIES	
# of assets: 12	**Estimated 10-year Facility Maintenance Need (2020-2029):** $169.3M* (not including accessibility upgrades or functional improvements) *Estimates from 2021 Community Trends & Performance Report
Current State: • Almost 2 million participant visits to City indoor pools in 2019; indoor pools provide over 70% of City of Winnipeg recreation course offerings. • Many older pools are single-purpose facilities that lack the multi-purpose program space, leisure water and accessibility features found in contemporary facilities that people have come to expect. • Recent engineering studies of the City's existing indoor pools identified structural and building envelope requirements of over $100M, with significant risk to maintaining services and programs.	
Future Directions: • Focus limited funds on the most highly used, existing multi-purpose facilities that provide a variety of program opportunities for all ages and abilities. • Address the most critical structural and building envelope issues in these facilities to maintain service provision. • In future, indoor pools will be provided at two scales - Community and Regional. Proposed investments in existing Community scale, multi-use indoor pools are recommended to maintain key services. • Longer term, development of new regional recreation and aquatic centres in each quadrant of the city is proposed to facilitate the transition from older, single-purpose pool facilities, to new multi-purpose facilities with leisure pools, that are readily accessed from a variety of transportation modes.	

B. RECREATION CENTRES	
# of assets: 10	**Estimated 10-year Facility Renewal Need (2020-2029):** $16.6M* (not including accessibility upgrades or functional improvements)
Current State: • Existing City-run recreation centres are generally located in areas of higher need. • These facilities are key tools in the City's poverty reduction, social and health equity, community safety and food security initiatives and often involve partnerships with community organizations and residents.	

- Most recreation centres require investment to improve the facility condition and provide functional and accessibility upgrades to meet current and future needs.

Future Directions:

- Provide focused investment on existing recreation centres that support areas of higher need and enable a diversity of community programs and services.
- Address building condition issues as well as functional improvements to support needed community programs (e.g. community kitchen upgrades)
- Look for opportunities to partner with community stakeholders and school divisions to provide programming for areas of higher need, utilizing existing public assets and facilities.

C. ARENAS	
# of assets: 12 City operated **2 Third party operated**	**Estimated 10-year Facility Renewal Need (2020-2029):** $132.3M* (not including accessibility upgrades or functional improvements)

Current State:

- Majority of existing City-operated arenas are at end of service life and are single-purpose facilities that do not meet functional requirements for contemporary arenas (rink and change room sizes, accessibility, gender equality, dry land training space, etc.)
- There are also 20 community centre operated ice sheets and 11 privately owned and operated ice sheets that contribute to the overall service provision throughout the city.
- The 2010 Council direction on *The City's Role in the Provision of Arenas* outlined a transition from City operation of ageing arenas to community/private operation of new arenas, possibly with twin ice sheets. The resulting Request for Proposals from that report led to the construction of the Seven Oaks Sportsplex, a third ice sheet at East End Transcona Community Centre and decommissioning of three ageing City-run arenas.

Future Directions:

- Maintain existing City run arenas attached to multi-purpose facilities (Sam Southern and St. James Civic Centre), as well as Charlie Gardiner Arena to support inner City access.
- An RFP in 2021 is proposed through the forthcoming *Winnipeg Recreation Strategy* to explore partnership opportunities for operation of existing City arenas and to solicit proposals for the development of new multi-pad arenas to meet contemporary recreation needs and facilitate decommissioning or re-purposing of aging City arenas.
- Funding in the amount of $8M is proposed through the Recreation and Library Facility Investment Strategy as a City contribution towards an arena development project, to be supplemented by proponent funding/financing and other levels of government.

D. OUTDOOR AQUATIC FACILITIES	
# of assets: 9 outdoor pools **81 wading pools** **21 spray pads**	**Estimated 10-year Facility Renewal Need (2020-2029):** $41.6M* (not including spray pads, accessibility upgrades or added play amenities)

Current State:

- Recent investments in Kildonan Park, St. Vital, Westdale and Transcona outdoor pools significantly improved the amenities, accessibility and play value of these facilities and resulted in substantial increases in participant visits.
- The City's other outdoor pools are in relatively poor condition, inconsistently distributed and lack the amenities expected by the public.
- Outdoor pools, wading pools and spray pads can form part of Winnipeg's climate resiliency strategy in providing free or inexpensive cooling centres during extreme heat events.

- Most wading pools are at least 50 years old and approaching end of service life, have limited play value and service hours and do not meet current accessibility standards.
- The 2005 Council adopted *Recreation, Leisure and Libraries Facilities Policy* outlined that the inventory of wading pools will be rationalized over time, facilitated by the introduction of spray pads. Since then, 21 spray pads have been constructed that provide increased service hours (approx.1100 hours per season), better accessibility and play value, as well as reduced operating costs.

Future Directions:

- Focus limited maintenance funds on existing outdoor pools that have no alternative facilities within their catchments.
- In future, provide at least one larger, destination outdoor pool in each quadrant, supplemented by smaller community pools to support areas of higher need.
- Shift from wading pools to spray pads over time to provide more play value, better accessibility, expanded season and operating hours. As new spray pads are constructed, close older wading pools within their catchment area and reinvest in those park sites to provide alternate recreation amenities.
- Further to Council direction in the 2020 Budget, a *Wading Pool Rationalization & Spray Pad Reinvestment Strategy* is being proposed through a separate report to Council. If approved, spray pad projects and potential wading pool closures will be identified through the annual budget process, as funding from the Council directed *Transformative Fund* and other sources are approved.

E. COMMUNITY CENTRES	
# of assets: 63 community centres' operating 81 locations	**Estimated 10-year Facility Renewal Need (2020-2029):** $203M* (not including accessibility upgrades or functional improvements)

Current State:

- Winnipeg's volunteer led community centre model is unique to Canada and provides nearly a million annual volunteer hours to support grassroots sport and recreation across the city.
- Many community centres pre-date Unicity and lack the multi-purpose spaces, amenities and accessibility features required to meet current and future needs.
- The 2005 Council adopted Recreation, Leisure and Library Facilities Policy identified the need to optimize community centre space through redevelopment and amalgamation of older centres.
- A subsequent $10M Community Centre Investment Fund was leveraged into over $27.5M in renewed and amalgamated community centre facilities including Sturgeon Heights CC, Norberry-Glenlee CC, Bronx Park CC and Valour CC- Isaac Brock site.
- Recent workshops with community centre volunteers through the *Winnipeg Recreation & Parks Strategies* identified a clear interest and need to continue the transformation of community centres over time through amalgamations leveraged by investment in renewed and new facilities.

Future Directions:

- Fund an update to the 2009 Council adopted GCWCC Plan 2025 to facilitate the next generation of community centre investment and optimization.
- In future, reinstitute a *Community Centre Investment Fund* to leverage transformation of older community centres into contemporary facilities through amalgamation and redevelopment of existing assets.

F. LIBRARIES	
# of assets: 20	**Estimated 10-year Facility Renewal Need (2020-2029):** $78M* (not including accessibility upgrades or functional improvements)

Current State:

- Since 2004, over $50M has been invested in City of Winnipeg Library facilities, resulting in five new library buildings and major renovation of six others.
- The 2013 Council adopted *Library Redevelopment Strategy* also included three additional new leased libraries, with West Kildonan Library funded through the 2021-22 forecasted budget and St. James Library and Westwood Libraries currently unfunded.
- Investments in new and renovated libraries has resulted in substantial increases in usage and provide enhanced and expanded program space, circulations, parking and amenities for customers.

Future Directions:

- Fund renewal or replacement of St. James and Westwood Libraries which could include options of major renovation and/or new lease developments.
- Invest in new libraries in emerging areas as population growth meets level of service targets.

Recommended Investments

Based on these principles and strategies, the following investments are proposed which are outlined in more detail in Appendix A: Recreation & Library Facilities Investment Strategy-Capital Detail Sheet:

Recommended Project/Program Investments	3-year Amount $
Recreation Facility Maintenance Capital Program ($1.00M/yr)	
• Indoor Aquatic Facilities • Outdoor Aquatic Facilities • Arenas • Recreation & Leisure Centres • Community Centres • Libraries	3,000
TOTAL Facility Maintenance Capital Program	**3,000**
Multi-use Indoor Pool Renewal Projects	
Cindy Klassen Recreation Complex Building Renewal*	2,000
Pan Am Pool Building Renewal	6,000
Seven Oaks Pool Building Renewal	3,500
St. James-Assiniboia Centennial Pool Building Renewal	3,500
Total Indoor Pools	**15,000**
Recreation Centre Projects	
Old Ex Arena & Site Redevelopment*	5,900
Turtle Island Neighbourhood Centre Kitchen & Building Systems*	1,800
Magnus Eliason Recreation Centre Kitchen Renewal*	300
Portage Place Community Space*	2,100
Total Recreation Centres	**10,100**
Arena Projects	
City contribution to Arena Twinning Request for Proposals	8,000
Total Arenas	**8,000**
Outdoor Aquatics Projects	
Dakota Waterplay Park Re-surfacing	400

Kildonan Park Outdoor Pool Liner	400
Total Outdoor Aquatics	**800**
Library Projects	
Millennium Library Electrical/HVAC*	1,500
St. James Library & Westwood Library Renewal/Lease	4,000
Total Library Projects	**5,500**
Community Centre Projects	
GCWCC Plan 2045	300
Total Community Centres	**300**
Unallocated	
Unallocated- projects TBD	**7,000**
Temporary FTE-Project Coordination	**300**
TOTAL	**50,000**
*Supports higher needs areas	

Other Investments

On July 23, 2020, Council directed that the City provide up to $2.1 million for an indoor recreation space with public washrooms as part of the Portage Place redevelopment proposal, funded from the City's anticipated annual strategic infrastructure allocation from the Province of Manitoba as part of the City's new 3-year recreation and library facility investment strategy. In alignment with this direction, $2.1M is proposed through *Recreation and Library Facility Investment Strategy* to support this initiative.

The proposed investments within this strategy also include $7 million in unallocated funding to be determined at a later date, subject to Council approval.

Project Implementation

In order to facilitate the timely delivery of projects, it is recommended that for each approved project, up to 10% of the allocated budget be approved as a first call in the preceding budget year to facilitate project planning and design.

Also, as the recommended project budgets are generally based on class 4/5 estimates, it is recommended adjustments to budgets within the overall program be permitted as design and project scoping proceeds. It is further recommended that upon completion of approved projects, any unspent budget be reallocated to other projects within the program based on need at that time.

Included in the above capital investments is a funding allocation for a Temporary position over three years to provide overall coordination of this significant initiative.

FINANCIAL IMPACT

Financial Impact Statement **Date:** October 27, 2020

Project Name: **First Year of Program** **2021**

Recreation and Library Facility Investment Strategy

	2021	2022	2023	2024	2025
Capital					
Capital Expenditures Required	$ 16,700,000	$ 16,700,000	$ 16,600,000	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 16,700,000	$ 16,700,000	$ 16,600,000	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 50,000,000				
Total Additional Funding Required	$ 50,000,000				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	100,000	-	-	-	-
Net Cost/(Benefit)	$ (100,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (100,000)	$ -	$ -	$ -	$ -

Additional Comments:

Capital expenditures represent a $50 million, three year capital program for investments identified in the Report, including Corporate Administration overhead of $100,000 and salary and related benefits for a maximum of 1 temporary FTE beginning in 2021 through 2023 to provide overall project coordination and support; to be funded from the City's anticipated strategic infrastructure allocation from the Province of Manitoba.

Operating implications associated with the recommendations of the report are expected to be minimal, with the exception of the Westwood and St. James Library projects, which may have future incremental operaring costs, but are not readily quantifiable at this time. Once assessed and determined they will be brought foward through a seperate future report to Council.

Incremental recovery represents the Corporate Administration overheads to be recovered into the General Revenue Fund.

Original signed by Kelly Lemoine

Kelly Lemoine, CPA, CA
Manager, Finance and Administrative Services
Community Services Department

CONSULTATION

This Report has been prepared in consultation with:

Planning, Property and Development - Municipal Accommodations Division

OURWINNIPEG POLICY ALIGNMENT

01-5 Recreation

Direction 1: Promote and enable opportunities for all age groups to be active as part of their daily lives.
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 (ie "Learn to", Intro, etc.)
Direction 4: With community partners, participate as a leader in planning and delivering recreation and leisure services in Winnipeg.
Direction 5: Provide or facilitate community development and recreation opportunities for vulnerable youth.
Direction 6: Plan for sustainable and connected recreation and leisure infrastructure

01-6 Libraries
Direction 2: Provide library facilities that are safe, convenient and accessible community places.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity #5: Low Carbon and Energy Efficient Buildings
5.1 Increase Energy Performance of Existing Buildings

Strategic Opportunity #7: Community Climate Resiliency
7.1 Implement Opportunities to Improve Winnipeg's Resilience and Adaptability to the Effects of a Changing Climate

SUBMITTED BY

Department: Community Services
Division: Asset Management Office
Prepared by: Ken McKim, Manager
Date: October 27, 2020
File No: CMS-2020-10

Attachments: APPENDIX A – Rec. & Library Facilities Investment Strategy-Capital Detail Sheet