Winnipeg

City of Winnipeg Economic Response and Recovery Plan

October 2021

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A. Context and Outcomes Measurement

Background and Context

COVID-19 had a profound impact on the economy and our social constructs. This situation increases the challenges for the City of Winnipeg to build a dynamic and competitive local economy, given the constraints of our financial and other resources.

Often the initial reaction to fiscal challenges is to look for ways to cut spending. However, there can be unintended consequences to our most vulnerable citizens if these cuts are not reviewed with more than just a fiscal lens.

COVID-19 has negatively impacted the City of Winnipeg and its citizens. With Public Health Orders evolving and remaining in place for more than 18 months Winnipeggers have struggled both financially and emotionally with the stress and anxiety.

With its limited resources, Council and the Emergency Management Leadership Team responded to the needs of citizens through the ongoing activation of the emergency operations centre, modifications to service delivery approaches, specific financial relief through grants or forgiveness of fees, providing additional outdoor recreational access, limited service reductions, limited layoffs, and other cash management tactics. The Safe Restart funding provided by the Government of Canada allowed the City to invest in pandemic response measures and protect the Financial Stabilization Reserve.

However, with the ongoing pandemic entering its twentieth month in November of 2021, and with the Provincial Government carefully re-opening the economy due to the successful inoculation of a large percentage of the population, Council has asked the Public Service to provide a framework for economic response and recovery. Response actions have already taken place, as outlined in this report, so the focus now turns to restart and recovery.

The COVID-19 pandemic continues to take a toll on many aspects of our lives. Immediately after the onset of the pandemic, Winnipeg City Council adopted a COVID-19 Crisis Cash Flow Management Plan to address the negative financial impacts of the pandemic, with the multi-year balanced budgets being the foundation of this plan. The Public Service continues to monitor and refine this plan, while simultaneously focusing on the future by presenting this framework for a response and recovery plan.

Details of the financial impacts are found in the attachment called “Background and Financial Context”.

Outcomes and Measurement

Senior levels of government typically measure success through measures such as GDP and population growth, plus levels of taxation revenue. As a municipality, the City of Winnipeg relies on other measures to monitor the success of its policy and tax supported initiatives. For the purposes of measuring the economic recovery in this city, and for its residents, measures will be determined to align with the Downtown Recovery Strategy, monitored and reported to Council over the next two fiscal years (to the end of the existing multi-year balanced budget cycle). These measures could include:

- Vehicular Traffic in the Downtown (and measures of active transportation modes)
- Transit Ridership
- Number of permits issued City-wide
- Number of building permits issued in the downtown
- Number of affordable housing units added across the City
- Number of businesses on the business tax roll
- Success of the Downtown Recovery Strategy

B. Economic Impact Assessment

Beginning in 2020, COVID-19 caused a varied impact on our city's citizens and businesses – ie, our economy. In response to these varied impacts, Federal, Provincial and Municipal programs were deployed. It is important to note that there were several pre-existing economic trends prior to the pandemic that will influence how our economy changes in the future. These impacts and issues assist in framing the post-pandemic economic recovery plan.

Employment Impacts:

- Female employment saw a stronger decline than males;
- Employment in accommodation and food services, construction and manufacturing industries experienced the largest contractions within Winnipeg's industries;
- First Nations and visible minorities experienced a more severe impact on their employment; and
- Finally, employment for persons with less than a bachelor's degree bared the brunt of the job losses.

Business Impacts:

- Total business activity saw a significant decline at the onset of the pandemic in spring 2020. As Public Health Orders were relaxed, overall business activity saw a significant recovery and does not appear to have been materially impacted by the second wave (data available up to December 2020).
- The recovery has not been even across all industries. The three most impacted industries were: arts, entertainment and recreation; accommodation and food services; and construction.
- The federal government deployed multiple support programs, including the Canada Emergency Response Benefit, Canada Emergency Wage Subsidy, Canada Emergency Rent Subsidy, and the Canada Emergency Business Account. These support programs helped citizens and businesses cope with the impact of COVID-19.

Pre-existing Trends:

- The rising share of e-commerce sales of retail trade;
- Increasing number of employees doing more of their work from their homes;
- High household debt; and
- Income inequality.

In summary, there has been a varied impact on citizens and businesses in Winnipeg, and these along with pre-existing macroeconomic trends should be considered as an input to the pandemic recovery plan.

For further details see the Report "COVID-19 Economic Impact Analysis".

Economic Impact of Infrastructure Spending

Infrastructure investments allow the City to accomplish several policy goals: to stimulate the economy through the creation of construction jobs and the induced follow-on impacts. These projects can be focused to address under-served communities and/or vulnerable persons, enhance quality of life, and provide capacity to meet the demands of our growing population.

The local economic impact of infrastructure spending will depend on the value of the project, the type of the project, the portion of locally sourced labour and materials and the creating opportunities for future private sector investment and productivity gains. The subsequent impact on the City of Winnipeg's finances will also vary.

The impact of infrastructure spending on the economy and on the City of Winnipeg's finances also varies based upon the project. For revenues, infrastructure spending that allows new land to be developed and businesses to be established will expand the tax base versus repairing current assets. For expenditures, infrastructure spending funded by current revenues will only impact that budget year. Whereas debt financed infrastructure spending will impact future budget years with the debt servicing costs over the lifetime of the liability used to fund the project.

Pandemic impacts will require assessment with respect to delivery timelines on previously planned transit or transportation projects, public gathering spaces, and any retrofits of indoor venues. The potential for continued work-from-home protocols could have a demand impact on civic parking facility revenue generating capacity, on transit ridership and a knock-on impact to downtown businesses which ultimately impacts property values and therefore property and business tax assessments. Some aspects of the potential for de-centralization of business nodes is contemplated as part of Complete Communities and could also impact the timelines for active transportation initiatives.

The more fulsome analysis in the report called "COVID-19 Economic Impact Assessment" shows a number of persons, communities and industries have been severely impacted by COVID-19. Some of these groups may require government supports via changes in policies and/or short-term government spending. However, it is also important to consider the speed of recovery for these groups once the pandemic fully subsides. Some groups may not require as much support as their activity will return to pre-pandemic levels rapidly.

The Specific Infrastructure Opportunity

Downtown Winnipeg BIZ's report on how to enable the recovery of Winnipeg's downtown contains a recommendation that the City of Winnipeg contribute $30 million for downtown initiatives and investments. That contribution would align with $30 million from each of the Province of Manitoba and from the Government of Canada.

The Public Service is recommending $10 million of the Canada Community-Building Fund support that endeavor for projects meeting the Fund's criteria.

Additional support is recommended to be funded through Tax Increment Financing incentives for the downtown region with a focus on affordable housing. Over a 25-year period for affordable housing, and a 10-year period for other developments, this equates to a net present value of $19,731,522 using a discount rate of 5%. This has been rounded to $20 million in the recommendations. This is expanded upon in the report called "Focus: Winnipeg's Downtown".

With vulnerable populations being hit the hardest during the pandemic, and with many underserved areas in the city, and with outdoor recreation activities being highlighted as an area for expansion due to the Public Health Orders, there is an opportunity to use the Canada Community-Building Fund for an additional $10 million to:

a. Improve regional parks infrastructure to accommodate social distancing measures with specific projects to be identified by the Public Service for consideration by Council.
b. Add splash pads while at the same time either de-commissioning or converting wading pools into accessible playgrounds to promote outdoor safe recreation in underserved areas to align with the Wading Pool Rationalization and Spray Pad Reinvestment Strategy approved by Council on November 26, 2020.
c. Enhance active transportation infrastructure

C. Economic Response and Recovery Plan

Measures Taken

In 2020 the City of Winnipeg acted swiftly to respond to the immediate challenges of the pandemic and to support our citizens. Services were scaled back, late payments on tax revenues were not penalized, additional cleaning protocols were instituted, facilities were closed to the public and service delivery methods were altered to allow for continuation of service following Public Health Orders safety protocols.

The 2021 Adopted Budget has measures to address COVID-19 impacts in three key areas:

- Keeping People Safe
- Easing the economic, social and emotional burden of the COVID-19 pandemic
- Restarting our Economy

The adopted 2021 budget included a COVID impact of $61.2 million offset through the Federal Safe Restart program to achieve a balanced budget. Details of the impacts are outlined in the report “Background and Financial Context”.

Strategies to Promote Job Growth, Economic Growth, Equity and Resiliency:

The Plan is aligned with the principles of OurWinnipeg 2045:

- Strengthening civic systems that support community resilience
- Accounting for the social, environmental, and economic impacts of municipal investments for broader community return
- Working in partnership for community benefit

It is designed to promote job and economic growth, equity and resiliency to assist the sectors of our economy that have been most significantly impacted by the pandemic, stimulate growth in the downtown and use available levers to accelerate servicing of employment lands.

To support residents and the economic ecosystem, the proposed strategies include: taxation changes and tax-supported measures, infrastructure investment, policy review, service delivery adaptations, as well as collaboration and advocacy efforts. These strategies are meant to assist both residents and businesses.

The City’s plan aligns with the short-term actionable Downtown Recovery Strategy developed by Downtown Winnipeg BIZ, in collaboration with others, to support economic growth and renewal in the downtown to:

- Facilitate private sector investment
- Encourage residential growth
- Bolster existing businesses
- Support new business development
- Foster safe and vibrant public spaces

Many of the proposed strategies align with policy and process activities that are/were already in progress including affordable housing, poverty reduction and the use of tax increment financing.

Proposed strategies are designed to alleviate the impact on those sectors hardest hit by the pandemic as noted in the report titled “COVID-19 Economic Impact Assessment”. The industries that rely on significant human-to-human contact have been disproportionately impacted during this crisis to reduce the transmission of COVID-19.

The proposed strategies and other considerations are included by category.

1. Tax and tax-supported

Considerations for the 2022 Budget Process

A: For Business:

1. Continue to increase the Small Business Tax Credit Threshold while sustaining the same level of business tax revenue.
2. Continue the temporary patio program and waiver of fees until the end of 2022. This would forgo revenue in the 2022 budget estimated to be $155,000.
3. Waive permit fees for street closures across the city to facilitate block parties and festivals. This would forgo revenue in the 2022 budget estimated to be $31,000.
4. Continue to improve the permit and inspection processes to assist with demand fluctuations. This can be accomplished by investing incremental permit revenue (over 2022 levels) generated back into enhancing permit service delivery starting in 2023.

B: For Community Centres:

1. Continue to provide support to Community Centres through operating and debt grants.
2. Continue to support the banking relationship for those Community Centres with debt and City of Winnipeg guarantees.
3. Encourage use of the Community Centre Renovation Grant Program by expanding eligible projects through eliminating the 50% matching funding requirement from community centres on revenue generating projects until December 31, 2023.
4. Continue to monitor community centres financial viability in coordination with Greater Council of Winnipeg Community Centres.

C: For the Downtown and Overall Economic Development:

1. Continue to work collaboratively with the Downtown Winnipeg BIZ and other strategic community partners to implement the Downtown Recovery Strategy (being released in October 2021) including policy and process supports for enlivening downtown destinations, supporting people, downtown living and building business.
2. The 5 pillars in the Downtown Recovery Strategy requests a $30 million contribution from the City of Winnipeg and each of the other two levels of government. The Public Service proposes to accommodate this request through the following streams:
    a. Allocate up to $10 million from the City of Winnipeg's 2021 Canada Community-Building Funds (formerly known as gas tax funding) towards the projects identified in the Revitalizing Downtown Spaces component of the Downtown Recovery Strategy, subject to finalizing eligibility, details and costs associated with these projects.
    b. Pledge up to $20 million of Tax Increment Financing to support construction of affordable housing in the downtown with a new affordable housing program that is being developed as the priority focus, or other developments.
3. Work collaboratively with the downtown stakeholders to develop key performance indicators/measures that will track progress towards the goals outlined in the Downtown Recovery Strategy.
4. Extend the guarantee of the emergency line of credit for the Winnipeg Convention Centre Corp.
5. Continue to support Economic Development Winnipeg.
6. Continue to support BIZ organizations.

7. Work with EDW and Tourism Winnipeg to support hosting events of national and international significance such as the World Fire & Police Games in 2023 to support the tourism and accommodations sector.

D: For Infrastructure Investments for Citizens

1. Consider beginning long-term high priority shovel ready projects earlier than planned.
2. In addition to the $10 million proposed to be allocated to Downtown Recovery Strategy initiatives, an additional $10 million is proposed to be allocated from the Canada Community-Building Fund to investments including:
    a. Improving regional parks infrastructure to accommodate social distancing measures with specific projects to be identified by the Public Service for consideration by Council.
    b. Adding splash pads while at the same time either de-commissioning or converting wading pools into accessible playgrounds to promote outdoor safe recreation in underserved areas to align with the Wading Pool Rationalization and Spray Pad Reinvestment Strategy approved by Council on November 26, 2020.
    c. Enhancing active transportation infrastructure.

2. Considerations for Collaboration and Advocacy

A: Advocacy for the City

The most significant pandemic impacts to City resources are from loss of revenues from reduced Transit ridership, reduced parking revenue as citizens are not spending time downtown, reduced traffic enforcement as citizens work from home and reduced recreational programming revenue. In order to assist in re-establishing normal levels of such revenue the following advocacy approaches are either already underway or planned:

1. Advocate for and encourage additional provincial and federal investment in the City's priority infrastructure projects including a permanent increase in the funding under the Canada Community-Building Fund. Specific support for transit systems is being sought through the Federation of Canadian Municipalities.
2. Advocate and encourage additional provincial support for complex, multi-system issues like poverty and homelessness.
3. Use the City's social media account to promote patronizing businesses, sports activities and arts/entertainment venues in the downtown.
4. Use communication, marketing and social media tools to encourage use of Winnipeg Transit services.
5. Work with the Province of Manitoba on the actualization of the Innovation Growth Fund.

B: Advocacy for the local economy

1. Advocate for local communities' jobs programs for targeted areas and sectors.
2. Collaborate with Economic Development Winnipeg and other development organizations to:

    a. Implement specific economic recovery plans for Winnipeg's hardest hit industry sectors.
    b. Support international economic growth.
3. Support the Province of Manitoba to align economic development plans and the mandates of the economic and community development organizations.
4. Collaborate with senior levels of government to provide support for skills development programs where practical.
5. The Public Service will continue to work with First Nations and Métis governments to identify distinctions-based approaches to work together on COVID-19 recovery.
6. Leverage the Downtown Recovery Strategy developed by Downtown Winnipeg BIZ in collaboration with other downtown focused organizations. The detailed specific recovery recommendations will become part of the considerations of the 2022 budget process as well as part of the preliminary information used by the Public Service in the preparation of the Downtown Secondary Plan.

3. Policy Considerations

As policies are reviewed and updated, the impacts of the pandemic will continue to be considered in such areas as:

1. As part of the current project on social and sustainable procurement practices, consider the economic, social and community impact multiplier of any changes in process or terms and conditions (example: removing barriers to bidding).
2. Development of the options outlined in the Administrative Report to Council "Menu of Options for an Affordable Housing Strategy".
3. With respect to zoning and the Downtown Secondary Plan (in development) consideration will be given to:
    a. Mixed use to creatively tie into the Downtown Recovery Strategy (Downtown Winnipeg BIZ) including new uses such as containerized housing, vertical farming, community gardens, etc.
    b. Supporting initiatives to amplify the community focus of downtown including supporting transitory occupancy of vacant spaces and the implementation of new, creative experiences downtown.
    c. Collaboration on any necessary permits or other planning assistance with accelerators in the downtown.
4. Implement Tax increment Financing to support:
    a. New rental housing projects across the City, but with an emphasis on downtown, that meet or exceed CMHC's definition of affordability which requires a minimum of 30% of the housing units rented below 80% of median market rents. Up to $50 million of property tax increment grants available city wide with a minimum of $20 million downtown paid out over 25 years is recommended as part of an affordable housing program to be developed using $2 million of federal restart funds that were approved in the 2021 Multi-Year Balanced Budget update.
    b. New and expanded businesses, commercial and mixed-use development in targeted areas of the City with an emphasis on downtown. Up to $20 million of property tax increment grants paid out over 10 years to support these developments is recommended.

5. Regarding Employment Lands:
    a. Re-visit the priorities and timing on the list of potential projects.
    b. Review options and actively seek out joint-funding arrangements with the adjacent municipalities, landowners and/or developers.
    c. Explore the use of infrastructure grants or other funding from senior levels of government as part of the pandemic re-start programs.
    d. Accelerate the servicing of Airport Area West

4. Consideration of Service Delivery Adaptations

1. Focus on a “digital first 24/7” approach to processes to meet current consumer expectations: examples include use of fillable forms online, elimination of physical mail, etc.
2. Continued focus on red-tape reduction as a method to be “easy to do business with”
3. Convert all supplier payments to electronic funds transfers (“EFT”).
4. Continue to conduct residential inspections via electronic means (PPD, ATD, Police).
5. Continue the 15-minute loading zone initiative in various locations throughout the Downtown and Exchange District for curbside pickup as a service delivery option.
6. Seek to improved the timelines for the development of municipal service agreements for urban Indigenous economic zones.
7. Open data opportunities
    a. Add “what” the City purchases in terms of goods and services to open data to allow businesses to develop to serve the City’s needs.
    b. Provide open data regarding areas of the City that rank suitability for development using evaluation criteria for development.
    c. Develop a directory of urban solutions in collaboration with research community.
    d. Implement and support data sharing with respect to existing infrastructure capacity to aid development (eg. Water and sewer capacity).

D. Service Delivery Adaptations

The arrival of the pandemic and the requirement to abide by social distancing practices, provided the ideal opportunity for civic departments to seek out new ways to provide customer service. With many employees working from home since March of 2020, and with citizens with continuing needs for civic services, changes to processes were implemented across all city departments and SOA's.

Examples of changes implemented include using online technology capabilities for:

- Grant applications,
- Permit applications
- Tendering and RFP's,
- Insurance loss claims,
- Training,
- Recruitment,
- Library memberships,
- Some types of crime reporting, and
- Delegations to Council and committee meetings

Departments have also reviewed processing systems seeking efficiencies. An example would be the consolidation of the Assessment and Taxation department (ATD) cashier over to the 311 cashier/inquiry area at 510 Main Street to protect public safety given the logistical constraints of ATD's historic building. This change will be permanent.

The delivery of recreational activities also changed as a result of the Public Health Orders related to physical distancing, use of PPE, etc. An example is the shift by Library Services to expand their e-library, allow on-line membership sign-up and the implementation of the hold/pick up service.

Expansion of new physically safe activities were also added through community services new programs such as crafting kits for pick-up and home assembly.

Detailed examples of the initiatives are included in the report called "Service Delivery Adaptations" and many of these changes will remain in place after the Public Health Orders restrictions are lifted because they are improvements to customer service, create efficiencies in the departments, and align with customer preferences for on-line services capability, or a "digital-fast" mindset. Future change concepts are also included along with cost savings achieved to date.

Work-from-home considerations are also summarized in that report along with a summary of the assistance provided to the Provincial Government due to the pandemic.

E. Inter-Government Dialogue and Coordination

Multi-level government coordination is critical for the successful recovery of the Canadian economy and to achieve the City's recovery objectives. The Public Service will monitor recovery announcements and programs from all levels of government, work collaboratively on service delivery, and will continue to press senior government on issues impacting the residents of Winnipeg. As the details of the recovery and response tactics are deliberated, the Public Service is focused on working collaboratively with governments and with other community development organizations. Additional detail is in the report "Inter-Government Collaboration".

Government of Canada

Efforts continue by the Association of Manitoba Municipalities and the Federation of Canadian Municipalities to have the doubling of the funding from the Canada Community-Building Fund (formerly known as Gas Tax Fund) become a permanent funding source for municipalities.

Province of Manitoba

Working relationships with Municipal Relations, Economic Development & Jobs, Infrastructure, Finance and Health, allow for coordinated responses, and alignment of economic development plans where possible, to serve the needs of the population and efforts will continue in this regard by the Public Service.

The Public Service recommends additional support be requested from Manitoba for Winnipeg's most vulnerable citizens. Outreach funding coupled with more affordable housing initiatives would be impactful to the goal of alleviating homelessness which has become more visible during the pandemic.

Any additional funding in support of a recovery plan could be used either directly by the Province or though the City of Winnipeg to support economic recovery for all our residents including: employment incentive grants, reduced payroll tax, or other tax incentives. In addition, the Province could allow more flexibility on the use of the annual strategic infrastructure funding that it provides to the City, eliminating the need for explicit agreement on specific projects. Targeted efforts for second stage venture capital funding will also be a boost to the local start-up community.

Indigenous Governments

The Public Service will work with First Nations and Métis governments to identify distinctions-based approaches to work together on COVID-19 recovery. In addition, dialogue will be initiated with Treaty 1 Nations to inform the City's wholistic approach to address ongoing challenges of the COVID-19 pandemic and recovery in Winnipeg. Discussions with the Manitoba Metis Federation will serve to identify Metis economic and social impacts of the COVID-19 pandemic. Alternatively, a collaborative advisory group could be set up to seek input on the 2-year strategy, however there may be overlap with the ongoing Poverty Reduction Strategy engagement and the Social and Sustainable Procurement Working Group.

Regional Partners

Winnipeg has integral connections with its surrounding municipalities and therefore close coordination will continue with the Winnipeg Metropolitan Region. With two Councillors participating on this board, Winnipeg is well positioned to ensure that cooperative planning for the recovery occurs.

F. Economic Recovery of Community Centres

Community Centres receive an annual operating grant referred to as the Universal Funding Formula, from the City of Winnipeg. The grant provides funding to each Community Centre to help cover operating costs including utilities, repairs and maintenance, janitorial supplies, snow removal, and, where possible other operating expenses. The Council approved 2021 annual operating grant to Community Centres is $6,235,000.

In addition to the above, and in order to continue to support Community Centres, the umbrella organization for all Community Centres, the General Council of Winnipeg Community Centres (GCWCC) will receive a total of $1,626,725 in grant funding from the City of Winnipeg in 2021, which includes a $252,647 operating grant. Community Centres can subsequently access a variety of different grants that are administered by the GCWCC, (funded by the City of Winnipeg) totaling $1,374,078. Details are in the report “Economic Recovery of Community Centres”.

In March of 2021, the GCWCC conducted a short survey of community centres to understand the impact of the pandemic. In response to this survey, 56 survey respondents representing 51 Community Centres provided their feedback. Although varied, the responses underline the fact that centres would like to see the continuation of existing grants and supports, and identify the potential need for additional funding options should the pandemic continue.

A quantitative analysis of financial condition was also conducted by the Public Service for large, medium and small centres which indicates centres have weathered the pandemic through access to government supports such as the Canada Emergency Wage Subsidy or the Manitoba Bridge Grants. The financial statements for those centres with loan guarantees indicate similar financial positions compared to the pre-pandemic period.

This feedback underlines that Community Centres have been impacted in different ways. Large centres tended to experience more negative impacts than medium and small centres, potentially due to larger debt loads, and salary costs for paid staff. Centres were active throughout the year in accessing alternative funding sources and generally have been successful to date.

Centres have identified a need to continue various city grants and other existing funding programs to support maintenance and operations. However, centres have also identified that should the pandemic continue into the future requiring additional facility closures, they may not be able to sustain existing operations. Increased communication and dialogue between centres, the GCWCC, and the City will be critical to monitor changes the ongoing situation.

Specific recommendations to support Community Centres are included in this report.

G. Feasibility and Financial Implications of Providing Grants of Accommodation Tax

Reserve fund terms and conditions are approved by Council. Expenses in excess of funds received requires Council approval. As well, over-expenditure of Council approved budgets and grants require Council approval.

Under the *Accommodation Tax By-law*, A guest, at the time of purchasing accommodation, must pay an accommodation tax in the amount of 5% on the purchase price of certain types of accommodation. Accommodations taxes are collected by the various establishments and remitted monthly to the City of Winnipeg

The intent of the Destination Marketing Reserve Fund is to provide a mechanism for the disbursement of Accommodation Tax revenue in support of the tax's purpose. Additional history and detailed analysis, including forecast scenarios, are in the report "Feasibility and Financial Implications of Providing Grants of Accommodation Tax".

There is no Council approved grant in the 2021 Budget to establishments including hotels, motels and inns. As well, making such grant is not a Council approved use of the Destination Marketing Reserve Fund.

2021 Forecast – Destination Marketing Reserve Fund

The year-end forecasted balance of the Destination Marketing Reserve Fund (the Reserve) is based on 3 scenarios of Accommodation Tax Revenue collected. The scenarios do not, at this time, include a 50% grant back of the Accommodation Tax collected.

The conclusion drawn from the analysis is that the Destination Marketing Reserve Fund has and will temporarily carry a negative balance (unallocated accumulated deficit) in 2021 prior to any potential 50% rebate to establishments that collect the tax.

Under all scenarios it is forecasted that the Reserve will have only a small unallocated surplus/deficit balance at the end of 2021. The allocated (Winnipeg Convention Centre) portion has accumulated surplus only because the City is considering withholding a discretionary grant. (See attachment G for more details).

On March 16, 2021, the Government of Manitoba announced a new Hospitality Sector Relief Program to provide financial assistance to the accommodation and tourism sector. The program is administered in part by the Manitoba Hotel Association (MHA) and in part by the Manitoba Lodges and Outfitters Association (MLOA). The program provides financial assistance to eligible Hotels for fixed costs that have not been covered by other relief programs.

Given this analysis, and the support provided by the Government of Manitoba, a rebate is not recommended.

H. Consultation

Each Community Committee provided input and recommendations to the preparation of this report. Those summaries were included with the Agenda for Executive Policy Committee's meeting on July 14, 2021 and are included as part of the report "Consultation".

These recommendations ranged from using communication efforts to promote citizens using Transit and patronizing the downtown, to collaboration with other governments and development organizations, to specific advocacy for those segments of our citizens with the most significant impacts from the pandemic. Many of these recommendations are included in this Plan.

As directed by Executive Policy Committee, the Public Service also reached out to key community partners and stakeholders to gauge the impacts to specific sectors of the Winnipeg economy.

Key feedback received from those stakeholders included:

- The impacts have been uneven across economic sectors
- Many arts and entertainment organizations suffered financially along with performers
- There was expression of support for downtown initiatives including enhancing safety
- Acknowledgement that the City has limited resources as a municipal government
- Desire for collaboration across organizations including Indigenous governments and community partners
- Asking for City to reduce "red-tape" or be "easier to do business with"
- Seeking ways to accelerate permits or initiatives without increasing costs
- Specific ask to improve the timelines for the development of municipal service agreements for urban Indigenous economic zones
- Positive feedback in response to the City reaching out for input (i.e. they were happy to be asked for their expertise and opinions)

I. Focus: Winnipeg's Downtown

Downtown's challenges were exacerbated by the pandemic so a focus on Winnipeg's downtown is important because:

- Winnipeg needs a vibrant downtown to attract new talent for local business
- Creation of a community focused downtown will amplify the benefits of the area
- Winnipeg's downtown is less than 1% of the physical footprint of Winnipeg as a whole. However, it generates approximately 20% of all commercial property tax
- Downtown businesses contribute about 12% of the City's business tax base.
- Most office space is located downtown (over 70%)
- A minority of citizens live in the downtown area (approximately 2%) while the price of real estate across most areas of the City continues to increase

The Downtown Winnipeg BIZ along with its partners CentreVenture, Tourism Winnipeg, the Exchange District and West End BIZ and the City of Winnipeg Property, Planning and Development Department, struck a working group to collaboratively develop a downtown recovery strategy with implementable actions to aid economic and social recovery.

Data was analyzed regarding the current state of affairs in downtown Winnipeg including calls for service, hotel stays, nights used in shelters, use of us shelter, net loss of businesses, needs of professional services firms, employment, footprint, etc. The data is being used together with input from approximately 20 roundtable discussions to determine the immediate needs as well as focus on long-term strategy. This is being done not only with the groups noted above, but also with social agencies such as Thunderbird House, the United Way and Main Street Project.

The Public Service recommends that the Economic Response and Recovery Framework incorporate the collaborative planning being conducted by the Downtown Winnipeg BIZ to:

- Facilitate private sector investment
- Encourage residential growth
- Bolster existing businesses
- Support new business development
- Foster safe and vibrant public spaces

The Downtown Winnipeg BIZ "Downtown Recovery Strategy" is seeking $30 million for investments in specific downtown initiatives by each of the City of Winnipeg, the Province of Manitoba and the Government of Canada.

The Public Service is also connected to other planning activities to encourage alignment with the City's Downtown Secondary Plan, Portage & Main investments, Transit Master Plan, and the Winnipeg Parking Strategy. These include:

- The Exchange District BIZ is creating a Value Planning Framework to develop a software solution with city specific content to guide investment priorities in the Exchange District.
- The Hudson Bay Advisory Committee is seeking adaptive reuse of the historic art-deco inspired building.
- CentreVenture is focused on the Marketlands project which adds affordable housing in the downtown.

See additional details and recommendations in the report "Focus: Winnipeg's Downtown".

J. Acceleration of Servicing

In support of OurWinnipeg and Complete Communities 2.0, the City commissioned an Employment and Commercial Lands Study that was presented to Council for information in April of 2019. Some of the main findings of the report are as follows:

- The City faces a shortfall of vacant serviced employment lands to accommodate forecasted growth over the next 20 years.
- City competitiveness is being compromised by the fact that serviced industrial lands are not sufficiently being brought on-stream and that there is currently no clear vision of strategy to do so.

Complete Communities 2.0 policies from the Employment Lands section are included in the report “Accelerated Servicing” as well as the location of future greenfield Employment Lands.

Servicing for both of the two greenfield employment areas requires City investment. The Public Service has studied the servicing requirements for Airport Area West (AAW), the 10th highest priority on the infrastructure unfunded list, which is located within CentrePort Canada.

To the best of our knowledge, the servicing of Precinct A (the other greenfield employment area) has not been studied to any meaningful extent, but it is our understanding that wastewater will need to be extended from the east through future greenfield residential areas that will build out over the next 20 years.

Options for acceleration of servicing include:

- Re-visiting the priority/timing standing on the list of potential projects
- Review options and actively seek out joint funding arrangements either with the adjacent municipalities, landowners and/or developers.
- Explore the use of infrastructure grants or other funding from senior levels of government as part of the pandemic re-start programs
- Accelerate the servicing of Airport Area West

ATTACHMENTS

- *Background and Financial Context*
- *COVID-19 Economic Impact Analysis*
- *Service Delivery Adaptations*
- *Inter-Government Collaboration and Advocacy*
- *Economic Recovery of Community Centres*
- *Feasibility and Financial Implications of Providing Grants of Accommodation Tax*
- *Consultation*
- *Focus: Winnipeg's Downtown*
- *Acceleration of Servicing*
- *Downtown Recovery Strategy*

BACKGROUND AND FINANCIAL CONTEXT

Impact of COVID-19 Pandemic

COVID-19 has negatively impacted the City of Winnipeg and its residents. With Public Health Orders evolving and remaining in place for more than 18 months Winnipeggers have struggled both financially and emotionally with the stress and anxiety.

With its limited resources, Council and the Emergency Management Leadership Team responded to the needs of citizens through the ongoing activation of the emergency operations centre, modifications to service delivery approaches, specific financial relief through grants or forgiveness of fees, providing additional outdoor recreational access, limited service reductions, limited layoffs, and other cash-flow management levers. The Safe Restart funding provided by the Government of Canada allowed the City to invest in pandemic response measures and protect the Financial Stabilization Reserve.

With the pandemic entering its twenty-first month in November of 2021, and with the Provincial Government's careful re-opening of the economy due to the successful inoculation of a large percentage of the population, Council has asked the Public Service to provide a framework for economic response and recovery. Response actions have already taken place, as outlined in this report, so the focus now turns to restart and recovery.

Immediately after the onset of the pandemic, Council adopted a COVID-19 Crisis Cash Flow Management Plan to address the negative financial impacts of the pandemic, with the multi-year balanced budgets being the foundation.

Impact to residents and business

COVID-19 hit Winnipeg in early March of 2020. The impacts have been on a personal level and a business level. When lockdowns and restrictions are in place under Public Health Orders, the level of uncertainty is not conducive to business planning and investment. That in turn reduces the resiliency of the local economy to recover.

Despite the diversified economy enjoyed by Winnipeg, this pandemic has disproportionate impacts on key sectors. Some of the hardest hit industries include arts, entertainment, tourism, sports, aerospace, and food/beverage establishments.

COVID-19 recovery themes have emerged in discussions with governments at all levels:

- Resilience is essential
- Actions should be taken to 'build back better'
- Inequality is now magnified

The focus of governments will be on supporting jobs and job creation, infrastructure and growth that keeps Canada competitive, provides for a clean economy, and provides alignment across sectors and governments.

Impact to Downtown

Downtown Winnipeg is a destination: a sports, hospitality and entertainment destination. With the pandemic, people who normally would visit downtown on a regular basis have been staying home. According to the Downtown Winnipeg BIZ, 40 businesses have closed downtown with many more operating very close to the end of their fiscal resources. However, despite that negative news, they also note that 21 new businesses have opened1[1].

Downtown Winnipeg BIZ also notes that between 70,000 to 80,000 people stopped working downtown, stopped attending university downtown or lost their jobs. This results in vacancy rates in the downtown increasing from 11.6% to 14.0% according to the real estate firm CBRE.

A recent survey indicated that 70% somewhat or strongly agreed that governments should spend money to help the downtown recover from the pandemic.

Financial Support for Business: Notable Actions

A budgeted $3 million Economic Support Grant Program was in place early in 2021 to provide up to 2,000 grants to qualifying businesses of $1,500 each. The program was well received and this Program was approved for a second round of intake with another $3 million grant pool.

Penalties and interest charges were waived for businesses on late payments for business taxes with an estimated savings to those taxpayers of $3.8 million in 2021. In addition, the Business Tax Credit threshold was raised to $44,200 which allowed approximately 1,000 businesses to save on average $1,926 in 2021. With this change, 55% of all Winnipeg businesses are fully exempt from paying business tax.

Additional funding of $0.8 million was included in the adopted 2021 budget for the Property Planning & Development department to assist with streamlining of processes and the addition of key skilled employees. This is to address the anticipated increase in construction and to provide improved service levels.

In an effort to improve coordination and to spur economic growth, the Economic Development office has been created. The lead role for this office is in place and is key to coordinating the ‘re-start’ efforts in partnership with other economic development agencies.

The elimination of temporary-patio fees in both 2020 and 2021 provided relief to restaurants in the City and allowed people to use a more health conscious approach to dining out.

In May 2021, Council approved an amnesty program for homeowners who undertook undocumented renovation and building work. The program waives post-construction permit fees from June 1, 2021 to May 31, 2022, for homeowners who apply for permits for projects that were started or completed without proper permits.

[1] Figures as of May 2021

Financial Support to both Business and Individuals: Notable Actions

Penalties and interest charges were waived for both property and business taxes for three months. In addition, tax sales of properties in default were put on hold and the scheduled re-assessment was postponed by a full year.

The City eased parking restrictions to assist citizens and businesses in dealing with the 'stay at home' underlying theme of the Public Health Orders including:

- Adding temporary 15-minute loading zones in various locations throughout the Downtown and the Exchange District, (this supports local restaurants/take out and business in this area)
- Offering 1-hour free parking at all metered locations throughout Winnipeg, and
- Relaxing enforcement of 1-2 hour time limits on residential streets.

Council put in place a Wellness Grant Program for communities to provide additional recreational activities for a total of $600,000 funded by the Federal Safe Restart Agreement. There were 224 grants provided for a total expenditure of $590,383 (98.4% of total).

General Service Supports for Individuals: Notable Actions

Transit service is continuing as an essential service to individuals and businesses, with a 6% reduction in service levels.

Pools and other recreational facilities re-opened at reduced capacity for some periods during the pandemic which has allowed citizens the opportunity for exercise and recreation. These facilities are open again effective with social distancing and other protective health measures in place.

Winnipeggers rallied around the Open Streets program in 2020 and the City responded with an enhanced program again for the summer 2021 season, albeit with some pedestrian restrictions to comply with the Manitoba Highway Traffic Act.

Several policy initiatives are on-going to address the non-financial challenges facing our city. Those plans are not included in this Economic Restart and Recovery Plan as they are being reported on separately.

Financial Impacts to the City of Winnipeg

As noted above, the COVID-19 pandemic has impacted the financial position of the City of Winnipeg and until all restrictions are lifted and people are comfortable using public facilities, the impacts will continue.

With the Financial Management Plan in place, the City has an effective financial reserve for these types of events. The purpose of the Financial Stabilization Reserve Fund (FSR) is to counteract the budgetary effect of fluctuations from year to year in property and business taxes and/or to fund deficits in the General Revenue Fund (GR) to assist in the stabilization of the City's mill rate and/or property tax requirements.

In 2020, the Government of Canada provided $74.5 million in Safe Restart funding used to:

2020 Fiscal Year

- Reverse Council approved COVID-19 Crisis Cashflow Management Plan levers
  - Debt replacing cash to capital (including Transit) - $18.4 million
  - Transfer from Land Operating Reserve Fund - $8.0 million
- Transfer to Winnipeg Parking Authority (to replace lost parking revenues) - $7.7 million
- Transit (to replace lost passenger revenues) - $29.5 million

2021 Adopted Budget

- Waiver of charges on late payment of property and business taxes - $3.8 million
- Economic Support Grant Program - $3.0 million
- Winnipeg Wellness Grant Program - $0.6 million
- Counselling support to paramedics and firefighters - $0.2 million
- Affordable housing grants - $2.0 million
- Assessment growth support (PPD) - $0.8 million
- Re-establish Office of Economic Development - $0.5 million

Also included are the following financial impacts of the pandemic (total - $61.2 million):

Assumed impact	$$ (*millions)*
Transit ridership	($40.8)
Parking	(7.0)
Recreation programming	(4.8)
Permit (PPD) fees	(3.6)
Other revenue	(1.0)
PPE, sanitizing/cleaning	4.0

In addition to this, the budgeted accommodation tax revenue to the Destination Marketing Reserve Fund was reduced to $5 million (50% of 2020 Budget).

The 2021 Budget also includes a draw on the Financial Stabilization Reserve Fund of $20.3 million.

Revenues and collections of tax revenues has been impacted by the pandemic for several reasons:

- Three-month tax penalty waiver for both 2020 and 2021 property and business taxes
- Any administrative fees otherwise charged for late or missed property and business tax payments waived for 6 months in 2020
- A moratorium was put in place on property tax sales
- The 2020 business tax collection efforts were delayed by nine months
- The re-assessment cycle was deferred by one year

2021 Forecast

The Financial Status Report and Forecast as of August 31, 2021 anticipates forecasted deficits of $16.6 million for the tax-support budget (General Revenue Fund) and $10.6 million for Transit.

COVID-19 continues to cause shortfalls in the General Revenue Fund, Transit, Utility funds and Special Operating Agencies (SOAs). $61.2 million of COVID-19 financial impacts were built into the 2021 Budget. An additional $23.1 million in COVID-19 financial impacts have been identified in the forecasts.

The Financial Stabilization Reserve Fund can be used to cover the forecasted shortfall in the General Revenue Fund, if necessary in 2021. Entering 2021 with a balance of $119.9 million, the Financial Stabilization Reserve Fund (FSR) was prudently positioned to respond to the ongoing financial uncertainties associated with the ongoing pandemic. The projected balance in the FSR would now be $8.3 million higher than the mandated minimum balance of $70.8 million (which is 6% of tax supported budgeted expenditures).

COVID-19 ECONOMIC IMPACT ANALYSIS

COVID-19 ECONOMIC IMPACT ANALYSIS

Executive Summary

Beginning in 2020, COVID-19 caused a varied impact on our city's citizens and businesses – ie, our economy. In response to these varied impacts, Federal, Provincial and Municipal programs were deployed. It is important to note that there were several pre-existing economic trends prior to the pandemic that will influence how our economy changes in the future. These impacts and issues are documented in this report as an input to the-pandemic economic recovery plan.

Employment Impacts:

- Female employment saw a stronger decline than males;
- Employment in accommodation and food services, construction and manufacturing industries experienced the largest contractions within Winnipeg's industries;
- First Nations and visible minorities experienced a more severe impact on their employment; and
- Finally, employment for persons with less than a bachelor's degree bared the brunt of the job losses.

Business Impacts:

- Total business activity saw a significant decline at the onset of the pandemic in spring 2020. As Public Health Orders were relaxed, overall business activity saw a significant recovery and does not appear to have been materially impacted by the second wave (data available up to December 2020).
- The recovery has not been even across all industries. The three most impacted industries were: arts, entertainment and recreation; accommodation and food services; and construction.
- The federal government deployed multiple support programs, including the Canada Emergency Response Benefit, Canada Emergency Wage Subsidy, Canada Emergency Rent Subsidy, and the Canada Emergency Business Account. These support programs helped citizens and businesses cope with the impact of COVID-19, and are detailed in Appendix A.

Pre-existing Trends:

- The rising share of e-commerce sales of retail trade;
- Increasing number of employees doing more of their work from their homes;
- High household debt; and
- Income inequality.

In summary, there has been a varied impact on citizens and businesses in Winnipeg, and these along with pre-existing macroeconomic trends should be considered as an input to the pandemic recovery plan.

COVID-19 Economic Impact on Manitoba & Winnipeg

The impact of COVID-19 on Winnipeg's (CMA) labour market has been significant, but uneven. As shown in table 1, the total number of employed persons (including self-employed) in 2020 declined by 15,400 from 2019. However, there has been a recovery more recently, comparing 20193MMA) 20213MMA (2020 3MMA was not used as a baseline because COVID-19 became a threat during this period) total employment was up by 3,200 persons. The number of unemployed persons in 2020 increased by 16,300 (9,000 in 20213MMA), raising the unemployment rate to 8.8% (7.5% in 20213MMA). The labour force remained effectively flat, increasing by a net of 900 persons in 2020 (3,200 persons in 20213MMA).

Table 1: Winnipeg (CMA) Labour Market Indicators, Persons 15 Years and Over, Thousands of Persons

	Level Estimates				Level Change	
	2019	2020	2019 3MMA	2021 3MMA	2019 – 2020	20193MMA – 20213MMA
Population	690.5	698.8	691.0	703.8	8.3	12.8
Labour Force	466.3	467.2	473.7	485.8	0.9	12.1
Employment	441.5	426.0	446.1	449.3	-15.4	3.2
Unemployment	24.9	41.2	27.6	36.6	16.3	9.0
Not in Labour Force	224.2	231.7	217.4	217.9	7.5	0.5
Employment Rate	63.9%	61.0%	64.6%	63.8%	-3.0%	-0.7%
Unemployment Rate	5.3%	8.8%	5.8%	7.5%	3.5%	1.7%

Note: 3MMA is a 3-month moving average through August
Source: Statistics Canada. Table 14-10-0378-01 Labour force characteristics, three-month moving average, unadjusted for seasonality, Economic Research Calculations

The pandemic's impact on the labour market has not been even across gender, age groups or by full versus part-time employment. Total employment for females in Winnipeg (CMA) (table 2) declined by 8,500 jobs in 2020, whereas total employment for males (table 3) declined by 6,900 jobs. The recovery in female employment has been slower than for males. Comparing 20213MMA to 20193MMA, female employment is down 700 jobs, whereas male employment is up by 4,000 jobs. In 2020 female full-time employment declined in all age groups (5,200 jobs), with youth (ages 15-24) taking the brunt of the job losses (2,900 jobs). Female part-time employment did not fare much better (3,300 jobs), again with youth experiencing the most significant impact (2,500 jobs). Female employment is showing some signs of recovery in 20213MMA, being down 700 jobs in comparison to 20193MMA.

Female full-time employment has seen positive gains for 15-24 (2.200 jobs) and 25-54 (1,800 jobs) age groups, however employment is still down for females 55+ (2,000 jobs). Female part-time employment has shown further declines in 20213MMA for 15-24 (200 jobs) and 55+ (2,100 jobs), while 25-54 has slightly decreased (400 jobs).

Table 2: Winnipeg (CMA) Female Employment by Total, Full-time & Part-time Jobs and Major Age Groups, Thousands of Persons

		Level Estimates				Level Change	
		2019	2020	2019 3MMA	2021 3MMA	2019 – 2020	20193MMA – 20213MMA
Total Employment	15 years and over	209.4	200.9	208.4	207.7	-8.5	-0.7
	15 to 24 years	33.6	28.2	34.8	36.8	-5.4	2.0
	25 to 54 years	136.7	135.6	135.5	136.9	-1.1	1.4
	55 years and over	39.2	37.2	38.1	33.9	-2.0	-4.2
Full-time Employment	15 years and over	155.0	149.8	159.4	161.5	-5.2	2.1
	15 to 24 years	14.5	11.6	19.7	21.9	-2.9	2.2
	25 to 54 years	112.1	111.1	112.4	114.2	-1.1	1.8
	55 years and over	28.4	27.1	27.4	25.4	-1.3	-2.0
Part-time Employment	15 years and over	54.5	51.2	49.0	46.2	-3.3	-2.8
	15 to 24 years	19.1	16.6	15.2	15.0	-2.5	-0.2
	25 to 54 years	24.6	24.6	23.1	22.7	0.0	-0.4
	55 years and over	10.8	10.0	10.7	8.6	-0.8	-2.1

Note: numbers may not sum due to rounding.
Note: 3MMA is a 3-month moving average through August
Source: Statistics Canada. Table 14-10-0378-01 Labour force characteristics, three-month moving average, unadjusted for seasonality, Economic Research Calculations

Table 3: Winnipeg (CMA) Male Employment by Total, Full-time & Part-time Jobs and Major Age Groups, Thousands of Persons							
		Level Estimates				Level Change	
		2019	2020	2019 3MMA	2021 3MMA	2019 – 2020	20193MMA – 20213MMA
Total Employment	15 years and over	232.0	225.1	237.6	241.6	-6.9	4.0
	15 to 24 years	33.6	29.4	36.8	38.6	-4.2	1.8
	25 to 54 years	150.8	146.3	152.7	156.3	-4.5	3.6
	55 years and over	47.7	49.3	48.2	46.7	1.7	-1.5
Full-time Employment	15 years and over	200.5	193.7	207.2	214.5	-6.8	7.3
	15 to 24 years	19.7	15.9	23.6	28.3	-3.8	4.7
	25 to 54 years	141.5	136.7	144.5	147.8	-4.8	3.3
	55 years and over	39.4	41.2	39.2	38.3	1.9	-0.9
Part-time Employment	15 years and over	31.5	31.3	30.4	27.1	-0.2	-3.3
	15 to 24 years	13.9	13.6	13.2	10.2	-0.3	-3.0
	25 to 54 years	9.3	9.7	8.2	8.5	0.4	0.3
	55 years and over	8.3	8.1	9.0	8.4	-0.2	-0.6

Note: numbers may not sum due to rounding.
Note: 3MMA is a 3-month moving average through August
Source: Statistics Canada. Table 14-10-0378-01 Labour force characteristics, three-month moving average, unadjusted for seasonality, Economic Research Calculations

Full-time male employment declined for 15-24 (3,800 jobs) and 25-54 (4,800 jobs) age groups, while 55+ males full-time employment increased by 1,900 jobs. More recently, comparing 20213MMA to 20193MMA, full-time male employment for 15-24 and 25-54 groups have increased by 4,700 jobs and 3,300, respectively, while 55+ age decreased by 900 jobs. Part-time male employment showed small changes in 2020 over 2019, with declines for 15-24 (300 jobs) and 55+ (200 jobs) and a small increase for 25-54 (400 jobs) age group. In 20213MMA part-time male employment further declined for 15-24 (3,000 jobs) and 55+ (600 jobs), while 25-54 increased slightly (300 jobs).

The industry lens (table 4) shows the overall impact on employment in 2020 was fairly well split between goods industries (7,800) and services industries (7,600). Within the goods industries, construction and manufacturing bared the brunt of the job losses, declining by 3,800 and 2,500, respectively. The job losses in the services industries were primarily in accommodation and

food services (5,300), information, culture and recreation (2,400) and transportation and warehousing (2,300).

Table 4:
Winnipeg (CMA) Employment by Industry, Thousands of Persons

	Level Estimates				Level Change	
	2019	2020	2019 3MMA	2021 3MMA	2019 – 2020	20193MMA – 20213MMA
Total employed, all industries	441.5	426.0	446.1	449.3	-15.4	3.2
Goods-producing sector	84.0	76.2	86.0	80.3	-7.8	-5.7
Agriculture	3.0	2.6	2.8	2.2	-0.4	-0.6
Forestry, fishing, mining, quarrying, oil and gas	1.0	0.8	1.2	1.2	-0.2	0.0
Utilities	4.7	3.8	4.5	3.1	-0.9	-1.4
Construction	31.8	28.0	33.9	33.1	-3.8	-0.8
Manufacturing	43.6	41.1	43.6	40.8	-2.5	-2.8
Services-producing sector	357.4	349.8	360.0	369.0	-7.6	9.0
Wholesale and retail trade	60.1	59.7	60.4	64.9	-0.5	4.5
Transportation and warehousing	30.4	28.1	31.8	31.2	-2.3	-0.6
Finance, insurance, real estate, rental and leasing	27.1	27.5	27.7	28.2	0.4	0.5
Professional, scientific and technical services	23.9	25.7	23.5	26.9	1.9	3.4
Business, building and other support services	17.9	17.2	19.2	17.6	-0.7	-1.6
Educational services	35.5	37.2	32.1	34.7	1.7	2.6
Health care and social assistance	69.6	69.8	68.3	73.2	0.2	4.9
Information, culture and recreation	17.0	14.6	18.6	17.1	-2.4	-1.5
Accommodation and food services	30.5	25.2	30.6	27.2	-5.3	-3.4
Other services (except public administration)	18.2	18.7	18.5	19.7	0.4	1.2
Public administration	27.3	26.2	29.4	28.2	-1.1	-1.2

Note: numbers may not sum due to rounding.
Note: 3MMA is a 3-month moving average through August
Source: Statistics Canada. Table 14-10-0379-01 Employment by industry, three-month moving average, unadjusted for seasonality (x 1,000), Economic Research Calculations

However, comparing 20213MMA to 20193MMA a different story emerges, with goods industries further declining (5,700) while service industries are beginning to recover (9,000). The decline in goods industries is largely attributed to a decline in manufacturing (2,800), while all other goods industries have each declined by less than 2,000 jobs. The recovery in services industries employment is fairly broad, with some industries that declined in 2020 showing a recovery in 20213MMA, notably wholesale and retail trade (4,500). This is in spite of further contractions in accommodation and food services (3,400) and information, culture and recreation (1,500) and public administration (1,200).

Statistics Canada began reporting some labour market statistics in July 2020 to compare outcomes for First Nations and visible minorities and non-visible minorities for Canada and the provinces. The summary results for Manitoba are shown below in table 5. Since 2020Q3 in Manitoba, the percentage of the population participating in the labour force (the sum of the population that is employed and unemployed) was on average 5.0% higher for First Nations and visible minority persons than non-visible minorities. Meanwhile the employment rate for First Nations and visible minorities was on average 2.1% higher than non-visible minorities. Because a higher percentage of First Nations and visible minority persons are participating in the labour market, even with a higher employment rate, this results in this group having a higher unemployment rate (3.2% over these five quarters) than non-visible minorities. The reasons for why the participation rate for First Nations and visible minorities is higher than non-visible minorities are not addressed by this survey.

Table 5: Manitoba Labour Force Characteristics of Population Groups Designated as Visible Minorities, Persons 15 Years and Over

		2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 July- Aug
First Nation or a Visible Minority	Participation Rate	80.4%	78.35	80.5%	81.2%	81.4%
	Employment Rate	70.4%	71.7%	70.9%	75.2%	75.75
	Unemployment Rate	12.4%	8.4%	11.8%	7.3%	7.1%
Non-Visible Minorities	Participation Rate	75.8%	73.9%	75.0%	75.8%	76.1%
	Employment Rate	70.8%	69.9%	70.0%	71.2%	71.4%
	Unemployment Rate	6.5%	5.4%	6.6%	6.1%	6.2%

Note: The sample size for First Nations or a Visible Minority is small, resulting in larger confidence intervals for estimates than the Non-Visible Minorities group.

Source: Statistics Canada Labour force characteristics of population groups designated as visible minorities, by region, Economic Research Calculations

Finally, employment impacts by levels of attained education by gender for persons 25 years and older is of note. Youth employment (ages 15-24) is excluded for this analysis to ensure comparisons for post-secondary education outcomes are accurately represented. Beginning with full-time female employment by education attainment (table 6), except for females with bachelor degrees (1,900 jobs), all other categories for educational attainment saw employment losses in 2020 over 2019. Females with a postsecondary certificate or diploma saw the largest full-time job losses (1,900), followed by females with some high school education (1,400 jobs) and females who graduated from high school (1,300 jobs). With respect to females with part-time employment, females with bachelor degrees saw the only employment gains (1,500 jobs).

Like full-time employment, females with a postsecondary certificate or diploma saw the largest part-time job losses (1,400 jobs), followed by females with some postsecondary education (1,000 jobs) and females who graduated high school and those who have some high school both lost 700 jobs.

Table 6: Manitoba Female Employment by Educational Attainment and Total Employment, Full-time & Part-time Jobs, 25 Years and Older Thousands of Persons

		Level Estimates				Level Change	
		2019	2020	2019 3MMA	2021 3MMA	2019 – 2020	20193MMA – 20213MMA
Total Employment	Total	255.8	247.6	251.3	249.6	-8.1	-1.7
	0 to 8 years	3.8	2.2	4.4	1.8	-1.6	-2.6
	Some high school	10.6	8.5	10.7	8.6	-2.1	-2.1
	High school graduate	46.8	44.7	44.5	44.6	-2.0	0.1
	Some postsecondary	13.7	11.8	13.2	12.2	-2.0	-1.0
	Postsecondary certificate or diploma	88.6	85.3	88.1	85.3	-3.3	-2.9
	Bachelor's degree	67.9	71.3	66.5	74.0	3.4	7.5
	Above bachelor's degree	24.3	23.8	23.9	23.1	-0.6	-0.8
Full-time Employment	Total	198.6	193.1	197.2	200.2	-5.5	3.0
	0 to 8 years	2.7	1.5	3.5	1.3	-1.2	-2.2
	Some high school	7.4	6.0	7.2	7.0	-1.4	-0.1
	High school graduate	35.9	34.5	34.3	33.7	-1.3	-0.6
	Some postsecondary	10.1	9.2	9.5	10.3	-1.0	0.8
	Postsecondary certificate or diploma	68.4	66.5	69.3	68.0	-1.9	-1.4
	Bachelor's degree	54.8	56.8	54.0	60.3	1.9	6.3
	Above bachelor's degree	19.3	18.7	19.3	19.6	-0.6	0.3
Part-time Employment	Total	57.2	54.5	54.1	49.3	-2.7	-4.8
	0 to 8 years	1.1	0.7	0.9	0.5	-0.4	-0.4

	Some high school	3.2	2.5	3.5	1.6	-0.7	-2.0
	High school graduate	10.9	10.2	10.2	10.9	-0.7	0.7
	Some postsecondary	3.6	2.6	3.7	1.9	-1.0	-1.8
	Postsecondary certificate or diploma	20.2	18.8	18.8	17.2	-1.4	-1.6
	Bachelor's degree	13.1	14.6	12.4	13.7	1.5	1.3
	Above bachelor's degree	5.0	5.1	4.6	3.5	0.0	-1.1

Note: Some postsecondary education includes incomplete work towards a degree, certificate (including a trade certificate) or diploma from an educational institution.
Note: 3MMA is a 3-month moving average through August
Source: Statistics Canada. Table 14-10-0019-01 Labour force characteristics by educational attainment, monthly, unadjusted for seasonality (x 1,000), Economic

More recently, comparing 20213MMA to 20193MMA, full-time female employment has shown growth in those with a, bachelor's degree (6,300 jobs) and some postsecondary 800 jobs). Meanwhile there were full-time job losses for females with 0 to 8 years (2,200 jobs), postsecondary certificate or diploma (1,400 jobs), above bachelor's degree (1,400 jobs), high school graduate (600 jobs) and some high school (100 jobs),.

Table 7: Manitoba Male Employment by Educational Attainment and Total Employment, Full-time & Part-time Jobs, 25 Years and Older Thousands of Persons

		Level Estimates				Level Change	
		2019	2020	2019 3MMA	2021 3MMA	2019 – 2020	20193MMA – 20213MMA
Total Employment	Total	299.1	293.5	300.7	298.1	-5.5	-2.6
	0 to 8 years	5.9	6.6	5.8	3.8	0.7	-2.0
	Some high school	27.2	23.6	26.6	23.6	-3.6	-3.0
	High school graduate	63.7	62.8	65.8	66.9	-0.9	1.1
	Some postsecondary	20.6	18.6	20.7	14.9	-2.0	-5.8
	Postsecondary certificate or diploma	100.4	100.2	101.3	104.5	-0.1	3.2
	Bachelor's degree	56.9	57.3	55.8	59.9	0.4	4.1
	Above bachelor's degree	24.5	24.5	24.6	24.5	0.0	-0.2
	Total	272.5	267.4	275.5	273.3	-5.1	-2.2

Full-time Employment	0 to 8 years	5.0	5.9	5.2	3.4	0.9	-1.8
	Some high school	23.8	20.9	23.4	21.2	-2.9	-2.1
	High school graduate	58.7	56.7	60.9	61.0	-2.0	0.0
	Some postsecondary	18.5	16.2	18.7	13.2	-2.2	-5.5
	Postsecondary certificate or diploma	93.0	93.7	94.5	96.3	0.6	1.8
	Bachelor's degree	51.6	52.0	51.7	56.3	0.4	4.6
	Above bachelor's degree	21.9	22.0	21.2	21.9	0.1	0.7
Part-time Employment	Total	26.5	26.1	25.1	24.8	-0.4	-0.4
	0 to 8 years	0.9	0.7	0.7	0.7	-0.2	0.0
	Some high school	3.3	2.7	3.2	2.4	-0.6	-0.8
	High school graduate	5.0	6.1	4.9	5.9	1.1	1.0
	Some postsecondary	2.1	2.4	2.1	1.8	0.3	-0.3
	Postsecondary certificate or diploma	7.3	6.6	6.8	8.2	-0.8	1.4
	Bachelor's degree	5.2	5.2	4.1	3.6	0.0	-0.5
	Above bachelor's degree	2.6	2.5	3.4	2.6	-0.1	-0.9

Note: Some postsecondary education includes incomplete work towards a degree, certificate (including a trade certificate) or diploma from an educational institution.
Note: 3MMA is a 3-month moving average through August
Source: Statistics Canada. Table 14-10-0019-01 Labour force characteristics by educational attainment, monthly, unadjusted for seasonality (x 1,000), Economic

Part-time female employment saw gains in 20213MMA over 20193MMA high school graduate (700 jobs) and bachelor's degree (1,300 jobs). Alternatively, part-time employment declined for females with for 0 to 8 years (400 jobs), some high school (2,000 jobs), some postsecondary (1,800 jobs), postsecondary certificate or diploma (1,600 jobs) and. above bachelor's degree (1,100 jobs).

With respect to full-time male employment (table 7), comparing 2020 to 2019, males with some high school saw the highest job losses (2,900 jobs), followed by males with some post-secondary education (2,200 jobs) and males who graduated high school (2,000 jobs). Males in all other education attainment categories for full-time employment saw modest gains in 2020. Male part-time employment followed a different pattern, with males having attained post-secondary education seeing the largest decline (-800 jobs), followed by males with some high school (-600 jobs) and males with education up to grade 8 (-200 jobs).

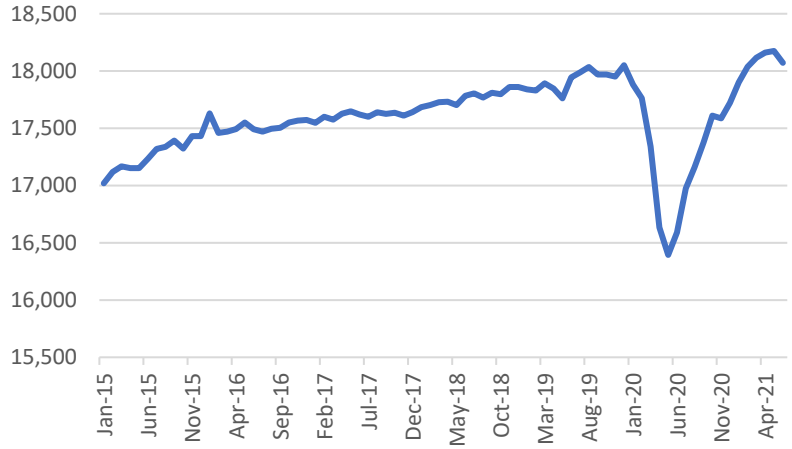
Comparing 20213MMA to 20193MMA, no change or gains in full-time employment for males were those with high school graduate (0 jobs), postsecondary certificate or diploma (1,800 jobs), bachelor's degree (4,600 jobs and above bachelor's degree (700 jobs). Full-time male

employment declined for those with 0 to 8 years (1,800 jobs), some high school (2,100 jobs), some postsecondary (5,500 jobs). Male part-time employment saw no change or gains for those with 0 to 8 years (0 jobs), some postsecondary (300 jobs), bachelor's degree (500 jobs) and above bachelor's degree (900 jobs). Part-time male employment declined for those with some high school (700 jobs), high school (900 jobs) and postsecondary certificate or diploma (900 jobs).

Industry Analysis

Like the impact on our citizens, the overall economic impact of COVID-19 in Winnipeg has been severe, but also uneven across industries. At the onset of the pandemic there was a significant amount of uncertainty around COVID-19, causing a major decline in economic activity in spring 2020. As scientists and public health officials learned more about the virus, citizens and businesses adjusted, learning to live with the virus. When the initial wave subsided, and public health restrictions were relaxed in mid-2020, business activity in Winnipeg began to recover.

Chart 1: Number of Active Businesses, Winnipeg (CMA)



Source: Statistics Canada. Table 33-10-0270-01 Experimental estimates for business openings and closures for Canada, provinces and territories, census metropolitan areas, seasonally adjusted

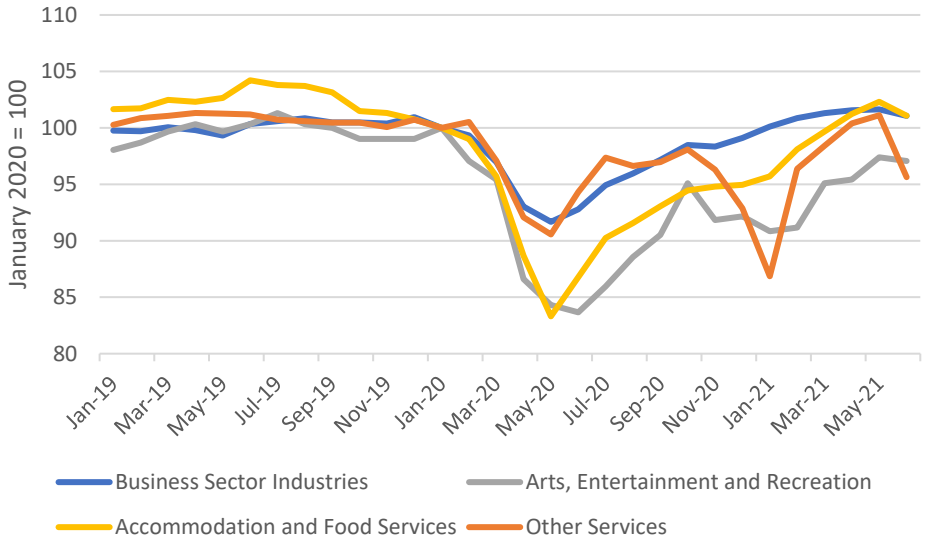
As shown in chart 1, the number of active businesses with employees on payroll (this does not include self-employed persons due to the source data used for this Statistics Canada series) in Winnipeg (CMA) declined dramatically as COVID-19 arrived in our city. From January 2020 to May 2020 the number of active businesses fell by 1,488, from 17,882 to 16,394. The second half of 2020 saw a partial recovery in the number of active businesses, ending the year at 17,722. From a health perspective, the second and third waves of COVID-19 were significantly more severe than the first wave in Winnipeg, but this did not translate into another major contraction in overall economic activity.

The industries that rely on significant human-to-human contact have been disproportionately impacted during this crisis to reduce the transmission COVID-19. The three industries most impacted by the pandemic, Arts, Entertainment and Recreation (AER), Accommodation and Food Services (AFS) and Other Services[1] (OS), are a result of this dynamic. Chart 2 shows the

[1] Other Services covers various industries including repair services, personal care services, funeral services, religious activities and social/political advocacy. For full details refer to Statistics Canada NAICS 2017 Version 3.0.

indices of the active businesses for the overall business sector, along with the three industries that experienced the most significant contraction in terms of growth rates. These industries are AER, AFS and OS. The active business counts were indexed for easier comparison.

Chart 2: Select Active Business Indices, Winnipeg (CMA)



Source: Statistics Canada. Table 33-10-0270-01 Experimental estimates for business openings and closures for Canada, provinces and territories, census metropolitan areas, seasonally adjusted, Economic Research Calculations

The depth of the initial contractions for the AER, AFS and OS industries were more severe than the overall business sector, with the respective troughs being -16.3% (June), -16.7% (May), -9.4% (May) and -8.3% (May). As public health restrictions were relaxed in summer 2020 AFS was able to bounce back fairly quickly, with 5.5% fewer active businesses comparing October 2020 to January 2020. However, the pace of the recovery was slowed by the second wave of COVID-19 in Winnipeg. As of June 2021, there are 1.1% more active businesses in AFS than January 2020. Due to large public gatherings not being permitted under public health orders, the AER industry has experienced a prolonged contraction and was set back by the second wave (January 2021: -9.2%) and third wave (June 2021: -2.9%) of COVID-19. Similar to AER, the OS industry has been impacted by public health orders placed mainly on personal services, resulting in declines of OS business activity during the second wave (January 2021: -13.1%) and third wave (June 2021: -4.4%) of the pandemic.

Major COVID-19 Federal Government Support Programs

In response to COVID-19, the Government of Canada (GoC) deployed a number of support programs for workers and businesses impacted the pandemic. These support programs provided income support to workers who lost their jobs (Canada Emergency Response Benefit (CERB)), subsidies to businesses to keep employees on their payroll (Canada Emergency Wage Subsidy (CEWS)), subsidies for businesses to pay their rent (Canada Emergency Rent Subsidy (CERS)), and loans to business (Canada Emergency Business Account (CEBA)). All of the statistics for these programs are reported at the provincial level.

The GoC deployed the CERB program early at the onset of the pandemic. From March 15, 2020 to February 13, 2021 Manitoba had 278,360 unique CERB applications (table 8). Manitobans aged 25-34 had the highest uptake of the program with 70,860 (25.5%) unique applications, followed by the 35-44 group (55,870, 20.1%) and by the <25 group (55,500, 19.9%).

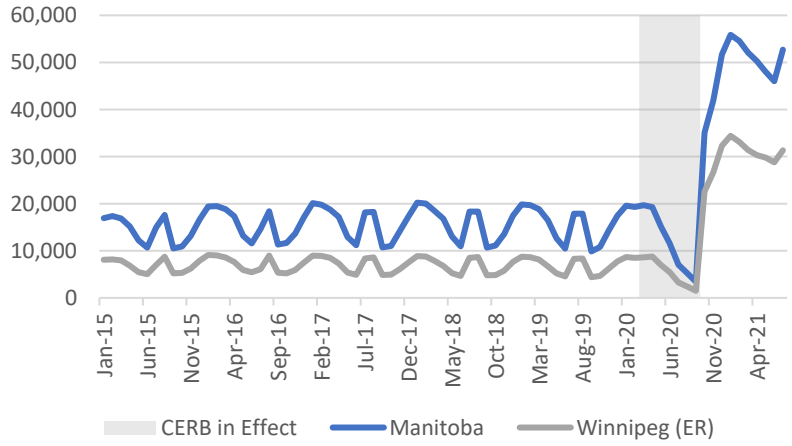
Table 8: Canada Emergency Response Benefit, Supports Received in Canada and Manitoba by Age, Thousands of Persons, March 15, 2020 - February 13, 2021

		<25	25-34	35-44	45-54	55-64	65>	Total
Manitoba	Number	55.5	70.9	55.9	45.0	37.7	13.5	278.4
	Percent Share	19.9%	25.5%	20.1%	16.2%	13.5%	4.8%	100.0%

Source: Government of Canada

Prior to COVID-19, the average number of persons receiving regular EI benefits in Winnipeg (Economic Region) from 2015 – 2019 was 6,921 (Manitoba 15,407). When CERB transitioned back to regular EI benefits in October 2020, the number of recipients in Winnipeg increased to 22,580 (Manitoba 35,080). Regular EI benefits continue to remain elevated, demonstrating the significant impact of COVID-19 on Winnipeg's labour market.

Chart 3: Regular EI Benefits Recipients



Source: Statistics Canada. Table 14-10-0343-01 Employment Insurance beneficiaries by economic region, monthly, unadjusted for seasonality

In Manitoba, the GoC CEWS program supported just over 1.3 million employees (not unique number of employees, some may have received supports for multiple months), with a total of $1824.0 million in funds being distributed and averaging $1,398.48 per employee (table 9). The three industries in Manitoba that had the most employees supported through CEWS were Manufacturing (239,190 employees, 18.3%), Accommodation & Food Services (234,590 employees, 18.0%) and Construction (148,370 employees, 11.4%). From a total dollar support perspective, the top three industries that received support through CEWS were Manufacturing ($390.6 million, 21.4%), Transportation & Warehousing ($304.3million, 16.7%) and Construction ($251.0 million, 13.8%).

Table 9: Canada Emergency Wage Subsidy, Support Received in Manitoba, March 15, 2020 – May 8, 2021

	Number of Employees Supported by the Program Each Month	Funds Approved Since Launch (millions)	Average CEWS Amount per Employee	Distribution of Number of Employees Supported by the Program	Distribution of Approved Funds Since Launch
Agriculture, Forestry, Fishing & Hunting	4,990	$7.7	$1,551.10	0.4%	0.4%
Mining, quarrying, and oil and gas extraction	850	$2.0	$2,332.94	0.1%	0.1%
Utilities	0	$0.0	$0.00	0.0%	0.0%
Construction	148,370	$251.0	$1,691.48	11.4%	13.8%
Manufacturing	239,190	$390.6	$1,633.22	18.3%	21.4%
Wholesale Trade	60,460	$100.5	$1,662.39	4.6%	5.5%
Retail Trade	117,220	$121.2	$1,034.25	9.0%	6.6%
Transportation & Warehousing	106,310	$304.3	$2,861.92	8.2%	16.7%
Information & Cultural Industries	8,260	$14.5	$1,750.00	0.6%	0.8%
Finance & Insurance	27,410	$36.5	$1,330.28	2.1%	2.0%
Real Estate & Rental & Leasing	7,050	$12.3	$1,741.13	0.5%	0.7%
Professional, Scientific & Technical Services	42,510	$80.6	$1,896.24	3.3%	4.4%
Management of Companies & Enterprises	6,310	$9.5	$1,506.50	0.5%	0.5%
Administrative Support, Waste Management & Remediation Services	30,410	$37.8	$1,244.26	2.3%	2.1%

Education Services	9,460	$13.1	$1,384.99	0.7%	0.7%
Health Care & Social Assistance	69,950	$91.5	$1,308.78	5.4%	5.0%
Arts, Entertainment & Recreation	55,830	$76.8	$1,376.03	4.3%	4.2%
Accommodation & Food Services	234,590	$154.1	$656.86	18.0%	8.4%
Other Services, except Public Administration	127,350	$110.5	$867.87	9.8%	6.1%
Public Administration	0	$0.0	$0.00	0.0%	0.0%
Missing/Not Assigned	7,730	$9.4	$1,216.56	0.6%	0.5%
Total	1,304,250	$1,824.0	$1,398.48	100.0%	100.0%

Source: Government of Canada

In Manitoba, the GoC deployed the CERS program in the fall of 2020. As shown in table 10, from September 27, 2020 to July 3, 2021 31,980 CERS applications (some may be repeated applications for each month) have been approved in Manitoba, totaling $166.8 million, for 75,070 properties, averaging $2,222 per property.

	Table 10: Canada Emergency Rent Subsidy, Support Received in Manitoba					
	Sept 27, ‘20 Nov 21, ‘20	Nov 22, ’20 Jan 16, ‘21	Jan 17, ‘21 Mar 13 ‘21	Mar 14 ’21 May 8 ‘21	May 9, ‘21 Jul 3, ‘21	Total
Number of Approved Applications	8,040	8,550	6,710	5,150	3,530	31,980
Count of Properties	16,210	18,440	12,090	8,390	19,940	75,070
Total CERS	$28,376,000	$37,481,000	$29,356,000	$19,665,000	$51,958,000	$166,836,000
Average CERS per Property	$1,751	$2,033	$2,428	$2,344	$2,606	$2,222

Source: Government of Canada

In Manitoba 22,349 loans were approved through CEBA, with a total of $1.2 billion of loans being issued and an average loan of $53,201. No additional details on CEBA statistics are provided by the Government of Canada.

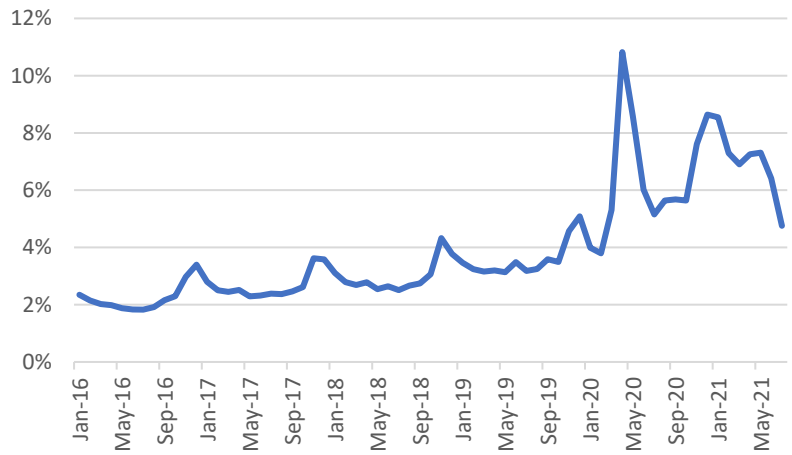
Pre-COVID-19 Economic Trends

Prior to the COVID-19 pandemic a number of trends in our economy were underway. These include the rise of e-commerce sales, employees' preference for doing more work from their home in the future, high household debt in Canada creating a risk to future economic growth and income inequality.

Rise of E-Commerce Sales

In 2016 Statistics Canada began tracking e-commerce based retail sales as part of their monthly retail trade survey. Currently this data is only available at the national level. As shown in chart 4, prior to COVID-19 the share of e-commerce sales of retail trade in Canada was increasing on average by 0.4% per year from 2.2% to 3.6% from 2016 to 2019. In 2020 the share rose to 6.3% for the year, with a peak of 10.8% in April 2020 coinciding with the onset of the pandemic. After April 2020 the share of e-commerce retail sales remained above pre-pandemic levels and saw another spike coinciding with the winter holidays, and the second wave of COVID-19 in late 2020. Post pandemic, some e-commerce sales will likely decline because consumers prefer to shop for certain items in-person (e.g. clothing). However, other items that do not need thein-person experience will likely continue to see a growing share of online sales (e.g. books and groceries). This may result in reduced demand for retail properties and a rising demand for warehouse properties.

Chart 4: Retail E-commerce Sales Share of Total Retail Sales, Canada



Source: Statistics Canada. Table 20-10-0072-01 Retail e-commerce sales (x 1,000), Economic Research Calculations

Working from Home

To reduce the transmission of COVID-19 in the work-place a number of employers had their employees' transition to work from home (WFH). As a result, this has raised the question about how much work will be done from home post-pandemic. Prior to the pandemic working from home was not a new phenomenon. According to Statistics Canada, in 2008 the number of Canadians working from home was 1,748,600 people (11.2% of all employees)[2]. According to estimates by the International Labour Organization, in 2019, 7.9% of employees worldwide worked from home[3].

In the February 2021 Statistics Canada Labour Force Survey, supplementary questions were asked on the impact on productivity due to WFH, working longer hours due to WFH and the preference for WFH post-pandemic. The survey found 87% of Winnipeggers (CMA) accomplished at least as much work per hour as they did prior when working outside the home (table 11). This splits roughly equally between men (89%) and women (86%).

Table 11: Percentage of new teleworkers who accomplish at least as much work per hour as they did when they were working outside the home, by sex and selected characteristics, February 2021

	Both sexes	Men	Women
Winnipeg (CMA)	87.3%	88.7%	86.0%
Manitoba	87.9%	89.3%	86.6%
Canada	90.4%	90.3%	90.6%

Notes: The sample consists of employees aged 15 to 64 who have at least 24 months of tenure with their employer, who usually worked outside the home prior to the COVID-19 pandemic but worked most of their hours at home during the reference week of February 2021. Full-time students, full-time members of the Canadian Armed Forces and records fully imputed are excluded. Numbers may not add to 100.0 due to rounding.

Sources: Statistics Canada, Labour Force Survey and Labour Force Survey supplement, February, 2021.

The survey found that 30.7% of Winnipeggers are working longer hours since working from home (table 12), while 48.5% of persons who are new to WFH accomplish more work-per-hour than working outside the home.

[2]Turcotte, M. 'Working at home: An update' *Canadian Social Trends. Statistics Canada Catalogue no. 11-008-X,* December 7, 2010

[3]'Working from home: From invisibility to decent work' *International Labour Organization*, 2021

Table 12: Percentage of new teleworkers who now work longer hours per day than when they were working outside the home, by selected characteristics, February 2021

	All new teleworkers	New teleworkers who accomplish more work per hour
Winnipeg (CMA)	30.7%	48.5%E
Manitoba	30.1%	45.8%
Canada	34.7%	47.8%

E: use with caution

Notes: The sample consists of employees aged 15 to 64 who have at least 24 months of tenure with their employer, who usually worked outside the home prior to the COVID-19 pandemic but worked most of their hours at home during the reference week of February 2021. Full-time students, full-time members of the Canadian Armed Forces and records fully imputed are excluded. Numbers may not add to 100.0 due to rounding.

Sources: Statistics Canada, Labour Force Survey and Labour Force Survey supplement, February, 2021.

Finally, the survey found that 77.8% of Winnipeggers would prefer to work at least half of their hours from home post-COVID (table 13). The gender split for preferring WFH for at least half of their hours is uneven, with 84.1% of women and 71.0% of men preferring this future work arrangement.

Table 13: Percentage of new teleworkers who would prefer to work at least half of their hours at home once the COVID-19 pandemic is over, by sex and selected characteristics, February 2021

	Both sexes	Men	Women
Winnipeg (CMA)	77.8%	71.0%	84.1%
Manitoba	78.2%	71.2%	84.4%
Canada	79.8%	79.3%	80.2%

Notes: The sample consists of employees aged 15 to 64 who have at least 24 months of tenure with their employer, who usually worked outside the home prior to the COVID-19 pandemic but worked most of their hours at home during the reference week of February 2021. Full-time students, full-time members of the Canadian Armed Forces and records fully imputed are excluded. Numbers may not add to 100.0 due to rounding.

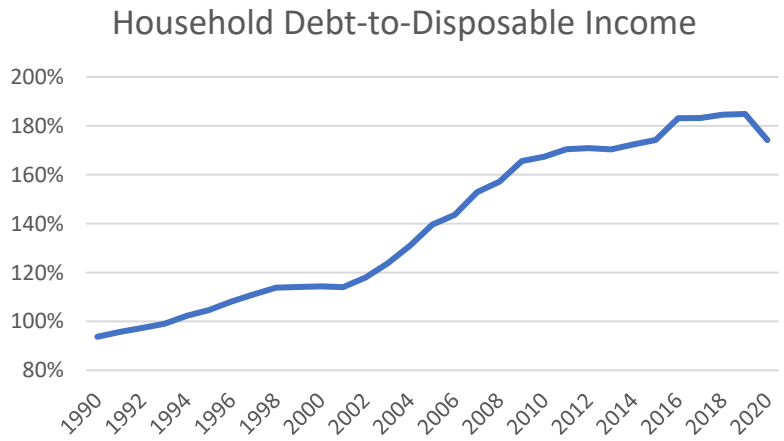
Sources: Statistics Canada. Labour Force Survey and Labour Force Survey supplement, February, 2021.

These survey results are not indicative of what Winnipeg employers are planning for future working arrangements. However, no data exists on the intentions of Winnipeg employers with respect to future WFH arrangements. If a sufficient number of employers choose a variation of a WFH model, fewer Winnipeggers will be travelling to their workplace each day, possibly reducing the demand for Winnipeg's commercial real estate, with particular impacts on concentrated employment areas like downtown, reduced demand for transit services and parking. This data gap could be addressed by polling Winnipeg employers to ensure city services adjust to new demands and future investments meet new priorities.

Canadian Household Debt

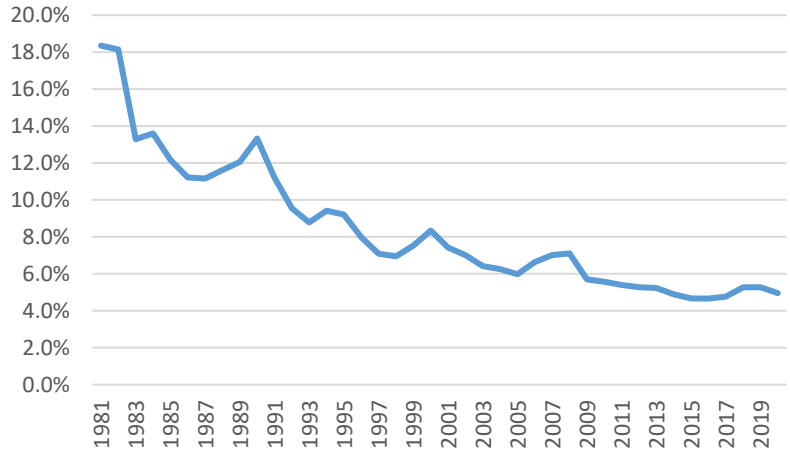
The existence of high household debt in Canada is a risk to future economic growth[4]. Prior to the COVID-19 pandemic, Canadian household debt relative to disposable income was at an all-time high (see chart 5). This problem has been growing over time, with a significant acceleration beginning in the early 2000s. While forced savings due to reduced household discretionary expenditures caused by the COVID-19 pandemic has helped some Canadian lower their debt burden, bringing the debt-to-disposable income ratio near the 2015 level, the risk has not been materially mitigated.

Chart 5: Household Debt-to-Disposable Income – Canada



Sources: Statistics Canada. Table 36-10-0580-01 National Balance Sheet Accounts, Table 36-10-0112-01 Current and capital accounts - Households, Canada, quarterly, Economic Research Calculations

Chart 6: Chartered Bank - 5 Year Conventional Mortgage Interest Rate – Canada



Sources: Statistics Canada. Table 10-10-0145-01 Financial market statistics, as at Wednesday, Bank of Canada

Interest rates have been declining for 40 years (chart 6), making debt cheaper to service, allowing Canadians to borrow more relative to their income. There is little room for interest rates

[4] Bank of Canada, *Monetary Policy Report*, October 2010

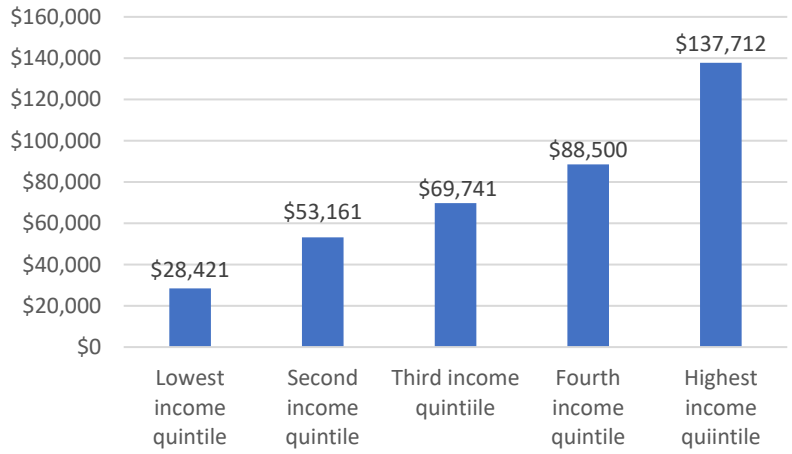
to decline further. At some point the continued rise of household debt relative to disposable income will end. When this happens economic growth in Canada will slow, if not outright contract. At a minimum this will be a headwind for the economic recovery from the COVID-19 pandemic and long-term economic growth.

In a worst-case scenario this may result in highly indebted households in some Canadians cities going bankrupt, pushing down their home prices and local economic growth, spilling over to other Canadian cities through declining interprovincial trade. This could happen in Winnipeg and it may be a risk to our city's revenues. Therefore, future economic growth will need to be more reliant on other sectors (corporations and/or governments[5]).

Income Inequality

A societal and economic issue that has received additional attention due to the COVID-19 pandemic is income inequality[6]. Specifically, COVID-19 has disproportionately impacted those who are already in lower skilled and income jobs. This corresponds with the analysis on the impact on employment by level of education, and the uptake of CEWS by the number of employees in certain industry (see tables 6, 7 and 8). This analysis demonstrates that workers with lowers levels of education and working in lower wage jobs bore the brunt of the economic impact of the pandemic. Prior to reviewing changes in the distribution of disposable income, it is helpful to understand the most recent average household disposable income levels across the income quintiles in Manitoba.

Chart 7: Average 2019 Disposable Income per Household by Income Quintile, Manitoba



Source: Statistics Canada. Table 36-10-0588-01 Distributions of household economic accounts, income, consumption and saving, Canada, provinces and territories (x 1,000,000)

In 2019, the disposable income of the average household in the lowest income quintile was $28,421 (chart 7). In contrast, the disposable income for the average household in the highest income quintile was $137,712. The second, third and fourth quintiles had average household disposable income levels of $53,161, $69,741, and $88,500, respectively.

[5] Boone, L. 'Time to turn the tide', *OECD Economic Outlook,* November 21, 2019

[6] Stiglitz, J. 'Conquering the Great Divide', *Finance & Development – International Monetary Fund,* September 2020

Prior to COVID-19 income inequality was increasing in Manitoba. As show in table 14, the distribution of disposable income by income quintiles in Manitoba from 2000 to 2019 has shifted to the highest and second highest income quintiles. In Manitoba, comparing the 2000-2004 period to 2015-2019, the lowest income quintile share of disposable income has declined by 1.0%, the second lowest quintile declined by 2.2% and the middle quintile disposable income share declined by 0.3%. Meanwhile, the second highest income quintile has seen its share of disposable income increase by 0.4%, while the highest income quintile share of total disposable income has increased by 3.1%.

Table 14: Disposable Income Distribution by Income Quintile, Manitoba and Canada

		Lowest income quintile	Second income quintile	Third income quintile	Fourth income quintile	Highest income quintile
Manitoba	2000 – 2004	7.0%	16.6%	19.3%	25.5%	31.5%
	2005 – 2009	6.4%	15.7%	19.4%	24.0%	34.5%
	2010 – 2014	5.8%	14.8%	20.3%	25.8%	33.2%
	2015 – 2019	6.0%	14.4%	19.0%	26.0%	34.6%
Canada	2000 – 2004	6.2%	12.5%	17.0%	23.1%	41.2%
	2005 – 2009	6.1%	12.4%	16.7%	22.6%	42.1%
	2010 – 2014	6.3%	12.4%	17.0%	23.3%	41.0%
	2015 – 2019	6.1%	12.8%	17.5%	23.3%	40.3%
Manitoba less Canada	2000 – 2004	0.8%	4.1%	2.3%	2.4%	-9.7%
	2005 – 2009	0.3%	3.3%	2.7%	1.4%	-7.6%
	2010 – 2014	-0.5%	2.4%	3.3%	2.5%	-7.8%
	2015 – 2019	-0.1%	1.6%	1.5%	2.7%	-5.6%

Source: Statistics Canada. Table 36-10-0588-01 Distributions of household economic accounts, income, consumption and saving, Canada, provinces and territories (x 1,000,000), Economic Research Calculation

In contrast, comparing 2000-2004 to 2015-2019, disposable income distribution in Canada has seen small declines for the lowest and highest income quintiles, by 0.1% and 0.9%, respectively. The beneficiaries have been the second, third, and fourth income quintiles, gaining 0.3%, 0.6% and 0.2%, respectively.

While Manitoba's disposable income distribution has shifted to higher income earners, the province's overall distribution is more equitable than the national average. As shown in the "Manitoba less Canada" section in table 14, using the 2015-2019 period, the lowest and highest income quintiles in Manitoba had a smaller share of disposable income relative to Canada, by 0.1% and 5.6%, respectively. In contrast, the second, third and fourth income quintiles in Manitoba had a higher share of disposable income than the national average by 1.6%, 1.5% and 2.7%, respectively.

As demonstrated above, income inequality is a known issue, and it has become progressively greater in Manitoba. Unfortunately, COVID-19 predominantly impacted those who were already experiencing the changes in income inequality. As argued by Tiff Macklem, the Governor of the Bank of Canada, income equality is good for growth and provides a more resilient foundation to our economy. Income inequality should be considered in developing a long-term COVID-19 economic recovery plan.[7]

The table below is a high-level summary of most impacted persons, communities, and industries along with existing policies, possible future long-term options, and groups for external consultation. This is not an exhaustive list and sets the stage for further creativity and discussion as part of the 2022 budget process. These concepts are included in the framework Economic Restart and Recovery Plan.

Table 15: High level Issues, Existing Solutions, Considerations and External Consultations by Impacted Groups

Most Impacted Persons/Communities/Industries	Existing Policies	Considerations	Potential External Consultation
Manufacturing	Deferred property taxes (expired) and deferred payable business tax (expired).	Consider accelerating capital purchases from local manufacturers that won competitive RFPs.	Canadian Manufacturers & Exporters, Chambers of Commerce, etc.
Construction	N/A	Begin long-term high priority shovel ready projects earlier than planned, though managing demand to not exceed local construction industry market capacity.	Manitoba Heavy Construction Association and other industry groups.
Arts, Entertainment and Recreation	Deferred property taxes (expired) and deferred payable business tax (expired).	Deferred property taxes to fund a public arts program, by-law changes allowing for more use of public spaces (paid events) for entertainers.	Winnipeg Arts Council, and collaboration with Exchange District BIZ and others.
Accommodation and Food Services	Deferred property taxes (expired), deferred payable business tax (expired) and some reduced permit fees.	Deferred property taxes and by-law changes to allow for increased capacity for restaurants during the summer.	Manitoba Hotel Association, Manitoba Restaurant & Foodservices Association
Downtown vacancy rates	N/A	Uncertain on the long-term impact of WFH transition will be on	Major employers and the Business Council (consider hiring a polling

[7] *"Striving for equality of opportunity is simply the right thing to do. It's also good for growth. The loss of jobs for women, youth and low-wage workers is a problem for us all. If these workers become discouraged and leave the labour force or lose valuable skills over time, their reduced economic participation will lower our potential growth, limiting living standards for everyone. More generally, as highlighted in recent years by the G20, inequality can make economies less resilient."* Macklem, T. "Economic progress report: a very uneven recovery" *Speech to the Canadian Chamber of Commerce, Ottawa, Canada*, September 10, 2020

		demand for downtown office space. This should be monitored on an ongoing basis. Rezoning these buildings for different uses to help downtown transition to a post-COVID world. Public funds could be considered for priority investments.	firm to seek out long-term plans for changing office space use and WFH considerations, there may be a lag in decline for office demand due to when current leases will expire). This is an area of focus for the Downtown BIZ recovery planning project.
First Nations and Visible Minorities	N/A	Through current expenditures the city can create a higher economic/social/community impact multiplier. Social procurement, equitable employment targets, local communities jobs programs.	Examples include B.U.I.L.D., Purpose Construction, Mother Earth Recycling, OPK Manitoba, Winnipeg Indigenous Executive Circle, Neeginan Centre (Aboriginal Centre of Winnipeg), Manitoba Heavy Construction Association, MB Building Trades

SERVICE DELIVERY ADAPTIONS

1. Service Delivery Changes Undertaken and Post Pandemic Continuance

Type of Change	Comments	Post Pandemic
Public Safety		
Winnipeg Police Service		
Technology	Virtual reporting process for thefts, damages, hit and runs, retail theft	Yes
Technology	Expanded telephone reporting for non-domestic thefts, mischief and damage events that are not in progress	Yes
Technology	Expanded use of Virtual Police Response (VPR) for non-domestic assault and robbery events that are not in progress and where the suspect is unknown	Yes
Suspension	In person reporting at station duty offices closed except for HQ	No
Winnipeg Fire Paramedic Service		
Technology	Moved public-facing functions such as permits and qualification verification on-line	Yes
Technology	Fire Prevention Inspectors working remotely	Yes
Technology	On-line public education presentations	Partially
Suspension	Fire Safety Trailers not in use during public health order restrictions	No
Community Services (CMS)		
Community Development		
Technology	Have transitioned all engagements to virtual sessions.	No
Process Change	Working to standardize and streamline processes related to the review and execution of Divisional grants and agreements. This includes the rollout of templated grant agreements supported by Legal Services, the development of electronic review and signing processes, and the identification and removal of unnecessary process steps	Yes
Recreation Services		
Technology & Process Change	Developed and implemented 2-hour pre-registration blocks for customers to book fitness and swimming times. Tutorials were built for this.	Partially
Process Change	Implemented increased cleaning in between 2-hour blocks of usage at all facilities	Partially
Technology	Enhanced online promotion and increased use of online registration for programs.	Partially
New Services	Enhanced outdoor recreation program options.	Yes
New Services	New programs such as crafting kits for pick-up and assembly at home have also been introduced.	Maybe
Technology	QR codes implemented at recreation facilities as a way to check-in and to collect personal information for the purposes of contact tracing. An alternative use for the	Maybe

Type of Change	Comments	Post Pandemic
	QR codes may be considered post-pandemic, such as for program promotion, service evaluation etc.	
New Services	Consideration of investing in resources to support supplementary virtual active living programs to in-person services	Yes
New Services	Community Service Ambassador (CSA) 2.0 in Spring 2021 provided mobile and in-person supervision/oversight of spray pads during June heat event.	No
New Services	Voluntary reassignment of temporary, part-time recreation services staff to Public Works for litter, trails and parks clean-up and gardening. Shared Health vaccination sites and CSA program in Parks using staff that would have otherwise experienced a third lay-off in one year	No
Process Change	Enhanced Personal Protective Equipment	Partially
Process Change	Priority in providing programs in civic facilities and not schools will be considered, as schools have not been available for use by Recreation Services during the pandemic	Yes
Technology	Used a fully online public engagement process to support the Winnipeg Recreation Strategy including online survey, workshops and stakeholder interviews	Maybe
Process Change	The three municipal golf courses operate with reduced capacity, ensure public health measures are being followed by staff to ensure golfers feel safe when they arrive, during their round, and as they depart the facilities, plus there are limited touch points	Partially
Library Services		
Process Change	Charging of overdue fines on library materials was suspended during the pandemic. Effective January 1, 2021, Council approved the permanent elimination of overdue fines.	Yes
Technology	Online membership registration implemented to provide for quick and easy access to the digital library	Yes
Technology	Use of remote/virtual programming using Zoom (e.g. English Conversation Groups, Writer-in-Residence service, special story times) and safe in-person services (e.g. Home Service, Check it Out program)	Partially
New Services	Expanded e-book and online resources	Yes
New Services	A working group has researched and is developing plans for access to computers and printing to align with Public Health Orders	Yes
New Services	Consider opportunities to expand Wi-Fi use around physical library branches and to expand use of existing technology/services	Yes

Type of Change	Comments	Post Pandemic
New Services	Working group looking at ways to lessen the digital divide in the community by providing access to devices and Wi-Fi for socially and economically disadvantaged individuals	Yes
Process Change	Exploring opportunities to streamline and reduce cash-handling at library service counters	Yes
New Services	Review existing distribution of family literacy programs and how we can better serve and support geographic areas of higher priority; specifically, by increasing off-site programs in the community	Partially
New Services and/or Process Change	Exploring the potential for implementing RFID tags:	Maybe
Community By-law Enforcement Services		
Process Change	Interior inspections ceased	No
Process Change	CBES's annual bike auction moved online (conducted twice: 2020 and 2021).	Maybe
New Service	Public health order enforcement support in partnership with the Province with financial recovery	No
New Service	Created a Community Service Ambassador program to provide education and awareness of public health restrictions at City parks	No
Animal Services Agency		
Process Change	Residents are no longer able to enter the kennels. This improves the quality of life for dogs (calmer and less overstimulated)	Yes
Process Change	Doggie Dates are now taking place by appointment.	Yes
Process Change	Adoptions – screening is occurring over the phone.	Yes
Information Services		
Technology	Rollout of the centralized asset management tool (Lansweeper) to automatically scans, manage and push critical updates to connected assets. Reduces manual intervention which resulted in increased efficiency for IS staff and reduced downtime for customers	Yes
Technology	Subscription to Niche Academy training, other online training	Yes
Technology	Ancestry Library Edition, a resource we offer to our customers has been made available remotely while the Libraries remain closed. Remote access has currently been extended.	Maybe
Technology	Delivery of digital content has been streamlined	Yes
Technology	Safe computer access at library branches:	Yes

Type of Change	Comments	Post Pandemic
	○ public access to computers: software was used to book time slots for staff to clean public workstations. ○ self-checkout units were updated to be as touchless as possible for customers. ○ safe social distancing: IT staff provided access to Remotely Anywhere on the public use computers	
Technology	Remote work setup at Cindy Klassen Recreation Complex for the Community Service Ambassador program	Partially
Technology	Job fair support with wireless and network connectivity	Maybe
Technology	Training seminars and road shows have now online	Yes
Technology	Scan documents from home options	Yes
Technology	Set up Lions and Westdale outdoor pools with computers to manage the number of customers attending the facilities with restrictions	Yes
Technology	Set up three COVID-19 test sites	No
Technology	Implemented Wake-on-LAN to allow remote power on for the computers located at 395 Main St	Yes
Technology	New daily report to library staff created to show how many items are on hold shelf and how many email and phone notices are generated daily.	Yes
Technology	Implemented a SharePoint site for programming team	Yes
Utilities		
Water		
Suspension	The Summer Meter Reading Program has been suspended for 2021.	No
Technology	Use of virtual meeting attendance when travel is involved will continue for efficiencies	Yes
Suspension	Service turn offs for by-law infractions such as non-payment of accounts were suspended	No
Suspension	In-home visits for inspection/exchange and non-emergency meter issues were suspended	No
Process change	Redundant control room set up at the Water Treatment Plant.	Yes
Technology	Coordinated getting all capital related contractors and consultants to submit electronically.	Yes
Technology	Promote the use of MyUtilityBill to assist improving customer service.	Yes
Transit		
Suspension	Implemented a reduced service schedule in response to significantly reduced ridership levels.	No
Process Change	Mandatory use of PPE and an enhanced disinfection program for Transit buses	Yes
Technology/ Process Change	Multiple schedules are being developed for each service change and multiple options are being signed for by bus operators in order to allow Transit to increase or	Maybe

Type of Change	Comments	Post Pandemic
	decrease service levels with shorter notice based on ridership levels.	
Transit Plus		
Technology/ Process Change	COVID pre-screening capability on IVR system or for manual screening with a Customer Service Representative for all customers requesting a ride	Maybe
Technology	Software scheduling system – to configure vehicle complement to physically distance passengers	Maybe
Public Works		
Process Change	Field services have been intact with the addition of enhanced Personal Protective Equipment (PPE)	Partially
Technology Process Change	Moved most permit and bookings to phone/online and are seeking a more robust online booking/permitting option for the future	Yes
Process Change	Evaluating all business processes and modifying those processes mainly seeking automation for external service asks (Cut Permits, Use of Street Permits, Park Bookings, Utility Permits). This is a cross departmental initiative	Yes
New Services	Continuing to analyze impact of increased use of parks facilities and shared streets.	Yes
Process Change	Delivered all approved capital, preservation and maintenance programs in 2020 by adapting to new workplace restrictions and the 2021 program is well underway	Yes
Planning, Property and Development		
Technology	On-line Building and Trade permitting	Partially
Suspended Service	Customer service counter in Zoning & Permits office closed for in-person appointments and walk-ins	No
Technology	Receipt of digital planning applications and hard copies/drops offs scanned for viewing/reviewing	Yes
Technology	Virtual meetings for applications via online or phone.	Yes
Technology	Virtual inspections for both housing and commercial, including multi-family	Yes
Technology	Photo submission process for Housing Inspections	Yes
Technology	Online requests for Commercial Inspections	Yes
Process change	Permit Amnesty Program (1 year)	Partially
Process change	Reliance on certifications for commercial inspections of occupied spaces	Partially
Process change	Expansion of Optional Professional Certificate Program for commercial alterations	Yes
Process change	Expedited processions of personal care homes and visitation rooms	No
New Services	Temporary patio permit program	Yes
Process change	Municipal Cemeteries Branch developed safety protocols for visitors	Yes

Type of Change	Comments	Post Pandemic
New Services	Rapid Housing Initiative: PPD is contract administrator to create 88 units of affordable and transitional housing for those at risk of homelessness	Yes
Technology	Using video to conduct walk-throughs for properties for sale.	Partially
Municipal Accommodations		
New Services	As a result of facility closures and restrictions during COVID, planned or unplanned City building maintenance activities have been accelerated and can occur without programming disruption resulting in a more predictable staffing schedule.	No
Process Change	Review and implement, as warranted, revised industry standards/regulatory initiatives/requirements associated with both (a) building controls/systems (e.g., HVAC operating parameters) and (b) building operations (e.g., sanitization).	Yes
New Service	Prepared agreements and coordinated alternate civic facility use in partnering with other levels of government (eg. School divisions, Shared Health, Winnipeg Regional Health Authority) to provide alternate accommodations to organizations impacted by pandemic restrictions	Yes
New Service	Introduced facility assessments to civic departments requiring evaluation of facility working conditions and facility modification/alternate accommodations for service delivery impacted by pandemic restrictions/conditions	Yes
Process Change	Off – hours emergency maintenance call-out procedures under review	Yes
Finance and Administration		
Customer Services and Assessment and Taxation (ATD) combined		
Technology	ATD and 311 Services are proposing an online Customer Service Portal to allow property owners access to assessment, tax and any customer contact history regarding their property. This would reduce inquiry calls.	Maybe
Assessment and Taxation (ATD)		
Process Change	In-person cashier and inquiries counter in Confederation building was consolidated with the 311 customer service counter at 510 Main	Yes
Technology	ATD conducting inspections via video or being provided detailed photographs	Partially
Technology	A Charter amendment is under review to allow tax bills to be sent electronically	Yes (If allowed)
Technology	Board of Revision appeal hearings have been conducted using Zoom through City Clerks	Partially

Type of Change	Comments	Post Pandemic
Human Resources		
Technology	Corporate safety services provided both remotely and in-person when needed.	Partially
Technology	More use of online and virtual training	Yes
Technology Process Change	Exploring flexible work options as part of the overall return to workplace strategy (under direction of CAO/SMT)	Yes
Process Change	Considering reorganization of physical office space to reduce footprint in non-city owned facilities	Yes
Technology	In many cases recruitment is being accomplished entirely electronically but this does impact personal connection and/or readability in some cases.	Partially
Process Change Technology	MPI agreement to bring written test component of Airbrakes and Class 2 licenses in-house to be less reliant on external parties	Yes
Technology	Firefighter and Paramedic recruitment has transitioned to be paper less and exploration is underway for on-line testing	Yes
Materials Management		
Technology	An all-electronic bidding process has been put in place by materials management team	Yes
Process Change	A community working group has been set up to prepare recommendation to Council on advancing social procurement	Yes
Process Change	Dispute resolution processes are being re-vamped in coordination with interested external parties	Yes
Process Change	Collateral security arrangement options are being researched to assist with bidding accessibility	Yes
Risk Management		
Technology	The process regarding the need for a formal recorded statement from a claimant has been amended to allow the option to obtain these statements via email. A claimant is advised that they will receive an email containing a series of questions specific to their claim to aid the investigation	Yes
Corporate Finance		
Technology	All internal Capital Review and approval processes for invoices, progress estimates, award reports, etc. were moved from paper to electronic	Yes
Technology	Internal administrative review and approvals were moved to electronic	Yes
Technology	Promote electronic bill payments (cash receipts) to assist in reducing payment processing costs	Yes
Technology	Promote use of EFT's for invoice payments	Yes
Innovation and Technology		

Type of Change	Comments	Post Pandemic
Technology	Enabled online service delivery including: online permit application, virtual inspections, library memberships. self-service for 311 and a responsive design for our Winnipeg.ca website, enabling a better customer experience from mobile devices.	Yes
Technology	Enabled distributed teams with provision of new and additional tools for web-conferencing, remote access, laptops, webcams, headsets, and digital document management	Yes
Technology	Enabled virtual meetings for Council and enabled virtual delegations	Partially
General Government		
City Clerk		
Technology	Virtual participation for members, the general public and delegations to over 750 meetings per year for boards, commissions, committees and protocol events. Note that COVID funds are paying for two extra staff which ends on 12/31/21.	Yes
Suspension	Archives and Marriage Services have been ceased or severely reduced to align with public health orders	No
Process Change	Board of Adjustment on hold with authority delegated to Director of PP&D temporarily.	Potentially
Process Change	Authority delegated temporarily to Directors for per capita grants, community incentive grants and land dedication grants as endorsed by the Councillor with reports back to committee.	Potentially
Legal Services		
Technology	The use of electronic signatures has been implemented in many departments to reduce the impacts of moving paper documents during the pandemic, given many administrative personnel are working remotely.	Yes
Process Change	The use of standardized templated agreements developed by Legal Services will allow departments to more efficiently deliver a variety of services and programs.	Yes

2. Work from Home Impacts

- The introduction of virtual meetings with screen sharing has proven to be influential in reducing unnecessary travel time and cost and increasing the quality of meetings. Using Teams, it is more efficient to have participants log in when it is applicable to the meeting agenda and not have to attend for the entire meeting. This translates into improved communication and reduced expenses such as savings in car allowance, parking and commuting time, etc. Assuming the City maintains the Teams licensing, departments will continue with virtual meetings where it is practical.
- Keeping the working from home infrastructure available for certain circumstances, in order to take periodic advantage of flexibility for specific staff situations (examples include: inclement weather, sick time reductions, other accommodation situations).
- It is likely that, even after things return relatively to normal, staff will expect more physical distancing in the workplace, which may be difficult to accomplish if every staff member returned to the office on a full-time basis.
- Performance management for staff working remotely is potentially the most problematic, depending on the nature of the work and the technology involved. For example, with respect to on-line customer response employees, throughout the pandemic, supervisory staff have continued to scorecard, coach and address attendance/performance issues.
- The City currently has an estimated 1,500 staff working remotely. Our people have responded positively to remote working and have adapted well to working in more geographically distributed teams.
- Working remotely has also provided many employees more work-life balance, and the City is currently considering whether to continue to provide this flexibility post-COVID for working, at least part-time, from home. There would still be a need for office space for these employees.
- The Public Administration is considering a return-to-workplace plan and the associated ramifications to office configuration, work-life balance, and other implications.

3. Support to Province of Manitoba for COVID Emergency Response

Action to Support Province of Manitoba during Emergency
Action
Traffic services assisted with traffic mitigation efforts surrounding vaccine supersites and vaccine super-sites
Use of City facilities as COVID 19 testing sites (604 St Mary's, 90 Sinclair and 644 Parkdale
Assisted with messaging on precautions through signage (Parks); social media, etc.
Winnipeg Police Service (WPS) assisted with enforcement of Public Health Orders
Winnipeg Fire Paramedic Services (WFPS) teams went to a few Personal Care Homes to assist
311 taking and triaging calls related to enforcement of Public Health Orders
City by-law staff assigned to enforcement of Public Health Orders
City Human Resources staff assisted with screening and hiring of applicants for the second vaccine supersite at the Soccer North Facility
WFPS assisted at the Alternative Isolation Accommodation Sites
Expedited permitting and inspections at testing and vaccine sites
Filled 471 shifts at the Convention Centre Vaccination supersite with employees from across the City in the role of navigator

Action to Support Province of Manitoba Vaccine Task Force (for set up and operation at Soccer North Facility and RBC Convention Centre)
Action
Municipal Accommodations (MA) reviewed City owned land and properties to provide recommendations on potential site options / considerations
EOC and MA worked to coordinate between the Province and Garden City Community Centre / Seven Oaks Arena for utilization of parking spaces to support clients
MA provided coordination with other City departments (Risk Management, Legal Services, Real Estate) as a part of the process to review and sign lease agreements with the Province
Public Works (PW) developed a traffic management, parking and signage plan for all sites
PW fabricated and installed on-street, sidewalk and parking lot signage to direct citizens to the site and support efficient traffic flow
Planning, Property and Development and WFPS's Fire Plan Examination reviewed, assessed and prioritized any alternate use of occupancy and permitting requirements
Winnipeg Transit reviewed public transit operations in the site areas and recommended potential operational adaptations and support options as applicable
WFPS was engaged directly by the Province to provide on-site Emergency Medical Services where required
WPS was engaged directly by the Province to provide on-site security and policing services where required

4. Planning for Future Service Delivery

Community Services (CMS)	
Recreation Services	
Process changes	Possibly an internal partnership with the Public Works Department's Parks and Open Space Division to eliminate parks fees and reduce expenses and to stay within existing operating budgets in providing outdoor recreation programs.
Library Services	
New Services	Fearless R2W community host program – working with community agencies to provide internships at WPL branch libraries for Indigenous youth aging out of care.
New Services and/or Process Change	Future plans include: ○ Strategic Plan: public engagement and consultation. ○ Investigating Loanable tech for individuals living with limited means – contingent on funding availability. ○ Library Redevelopment plan for replacing/renewing library buildings to continue – this stimulates the local economy (architects, designers, contractors). ○ Future building projects include the West Kildonan & St. James-Assiniboia Libraries.
Information Services	
Technology	Ensure that future implementations can operate in normal conditions as well as pandemic conditions
Technology	Provide more online services to citizens and employees.
Process Change	Working on reciprocity related to the recreation Fee Subsidy program and Transit's low-income transit pass program.
Process Change	Working on designing and implementing new revenue streams for the Community By-law Enforcement Services (CBES) division, such as Schedule A invoices (complete), Non-compliance invoices (complete), and Empty Building Fee invoices.
Technology	Plan to hire more business analysts and programming interns to help with departmental projects, and at the same time promote our City's services and job opportunities
Transit	
Technology	Planning to consolidate application process (with CMS) for low-income programs to provide easier access for citizens (reduce barriers)
New Services	Reviewing feasibility of significantly reducing fares to provide accessibility and incent ridership
Finance and Administration	
Innovation and Technology	
Technology	Plan to move towards a mobile-first digital service principle where applicable, where each service is designed with the expectation that a customer or staff member will access it from a mobile device from anywhere.
Finance	
Process Change	Plan to move all city disbursements for procurement to digital payments (EFT)

5. Departmental Savings

In addition to the changes in methods of service delivery outlined above, Departments have made a concerted effort to reduce costs where ever possible. In addition to lay-offs and reduced staffing to align with the reduced service level for Transit, one of the largest impacts has been from the deferral of hiring to fill vacant positions. This is estimated to be $2.3 million in savings. In addition, due to the Public Health Orders and many employees continuing to work from home, budgeted expenditures for office supplies, postage, printing etc. have incurred positive variances as well totalling $2.6 million. Additionally, with no travel and limited training occurring, there is also a positive variance of $0.5 million.

INTER-GOVERNMENT COLLABORATION AND ADVOCACY

INTER-GOVERNMENT COLLABORATION AND ADVOCACY

Introduction and Context

Multi-level government coordination is critical for the successful recovery of the Canadian economy. Local governments suffered financial losses due to the pandemic plus they are compelled to assist citizens impacted due to job losses and the general anxiety of the pandemic situation.

Clarity and focus of purpose will trump territorial power struggles if the end goals remain front and centre. Those goals are:

- Assist the sectors with the most pandemic negative economic impact
- Assist the most vulnerable citizens
- Stimulate growth in the downtown
- Use available levers to accelerate servicing of employment lands

In addition to the engagement outlined in the consultations (Attachment H), and in order to ensure a smooth recovery process for the people of Winnipeg, the Public Service will continue to monitor recovery announcements and programs from all levels of government and work collaboratively for service delivery of any such programs. Under the current administrative structure of the Public Service, the responsibility for inter-government relations at the administrative level is the Chief Administrative Officer and as such, they will continue to press senior government on issues impacting the citizens of Winnipeg.

There are also many interactions between people in all civic departments with the provincial government depending on the nature of the department's mandate. As the details of the recovery and response tactics are deliberated, this ongoing contact will be crucial to successful delivery of aligned programs. The Public Service is focused on working collaboratively with governments and with other community development organizations.

Government of Canada

Although the lead department for the public health pandemic response is Health, the department of Finance plays a crucial role in the recovery phase. Efforts are expected to continue by the Association of Manitoba Municipalities and the Federation of Canadian Municipalities to have the doubling of the funding from the Canada Community-Building Fund (formerly known as Gas Tax Fund) become a permanent funding source for municipalities. Winnipeg receives approximately $46.4 million annually from this source for capital investments in key infrastructure including roads, bridges, recreation facilities etc.

Province of Manitoba

Every effort will be made to coordinate and align recovery plans between the Province of Manitoba and the City of Winnipeg, where possible.

The key contact point for the City with the Province of Manitoba is the department of Municipal Relations. However, there are also close ties to Economic Development & Jobs, Finance, Infrastructure and to Health, especially with the coordination of emergency responses during the pandemic. Our Emergency Management Leadership Team works very closely with Shared Health and the Province to ensure efforts are coordinated and adequate to serve the needs of the population.

INTER-GOVERNMENT COLLABORATION AND ADVOCACY

The Public Service recommends additional support be requested from Manitoba for Winnipeg's most vulnerable citizens. Outreach funding coupled with affordable housing initiatives would be impactful to the goal of alleviating homelessness which has become more visible to all residents during the pandemic.

Any additional funding in support of a recovery plan could be used either directly by the Province or though the City of Winnipeg to support economic recovery for all businesses in the City. This could be through employment incentive grants, reduced payroll tax, reduction in the small business income tax rate, or other initiatives. In addition, the Province could allow more flexibility on the use of the strategic infrastructure funding ('basket funding'), eliminating the need for explicit agreement on specific projects. General directional guidance could be an alternative approach. For example, use a certain percentage on recreational facilities, and a certain percentage on utilities upgrades, etc.

Indigenous Governments

The Public Service will continue to work with First Nations and Métis governments to identify distinctions-based approaches to work together on COVID-19 recovery.

In addition, dialogue is ongoing with Treaty 1 Nations to inform the City's wholistic approach to address ongoing challenges of the COVID-19 pandemic and recovery in Winnipeg. Discussions with the Manitoba Metis Federation serve to identify Metis economic and social impacts of the COVID-19 pandemic.

Alternatively, a collaborative advisory group could be set up to seek input on the 2-year strategy, however this is not recommended as there may be overlap with the ongoing Poverty Reduction Strategy engagement and the Social and Sustainable Procurement Working Group.

Regional Partners

Winnipeg is not an island and has close connections to its surrounding municipalities. Actions taken by any one of the local governments in the Winnipeg Capital Region impacts all others. Close coordination will continue with the Winnipeg Metropolitan Region as this provides the platform for municipalities to work together on projects. This organization also has the support of many local partner businesses and organizations. With two Councillors participating on the board of this organization, Winnipeg is well positioned to ensure that cooperative planning for the recovery occurs.

The Public Service continues to engage with regional partners and development organizations and will coordinate activities for economic recovery as appropriate. In addition to ones already noted, these include:

- The BIZ organizations
- Economic Development Winnipeg
- CentreVenture
- Association of Manitoba Municipalities
- Federation of Canadian Municipalities
- Business Council of Manitoba
- Winnipeg Chamber of Commerce
- World Trade Centre
- Manitoba Chambers of Commerce

ECONOMIC RECOVERY OF COMMUNITY CENTRES

ECONOMIC RECOVERY OF COMMUNITY CENTRES

Context and Background

Currently there are 63 City of Winnipeg-owned Community Centres in Winnipeg, each of which is independently incorporated and operated by a volunteer Board of Directors. Community Centres play a vital role in the provision of recreation facilities, recreation programs, and leisure services to the residents of Winnipeg.

Community Centres receive an annual operating grant referred to as the Universal Funding Formula, from the City of Winnipeg to help cover operating costs. The Council approved 2021 annual operating grant to Community Centres is $6,235,000. The General Council of Winnipeg Community Centres (GCWCC) will receive a total of $1,626,725 in grant funding from the City of Winnipeg in 2021, which includes a $252,647 operating grant. Community Centres can subsequently access a variety of different grants that are administered by the GCWCC:

- Programming Grant - $470,000
- Program Registration Fee Subsidy Program - $110,750
- Community Centre Janitorial Program - $338,844
- Athletic Field Maintenance - $374,484
- Athletic Field Equipment - $30,000
- Criminal Record Check Grant - a new $50,000 grant for 2021

Another significant renovation-based funding source available to Community Centres is the Community Centre Renovation Grant Program (CCRGP) funded at $2 million in 2021 to support repairs, upgrades, retrofits, safety improvements, and renovation projects.

Current Financial Status of Community Centres: Qualitative Analysis

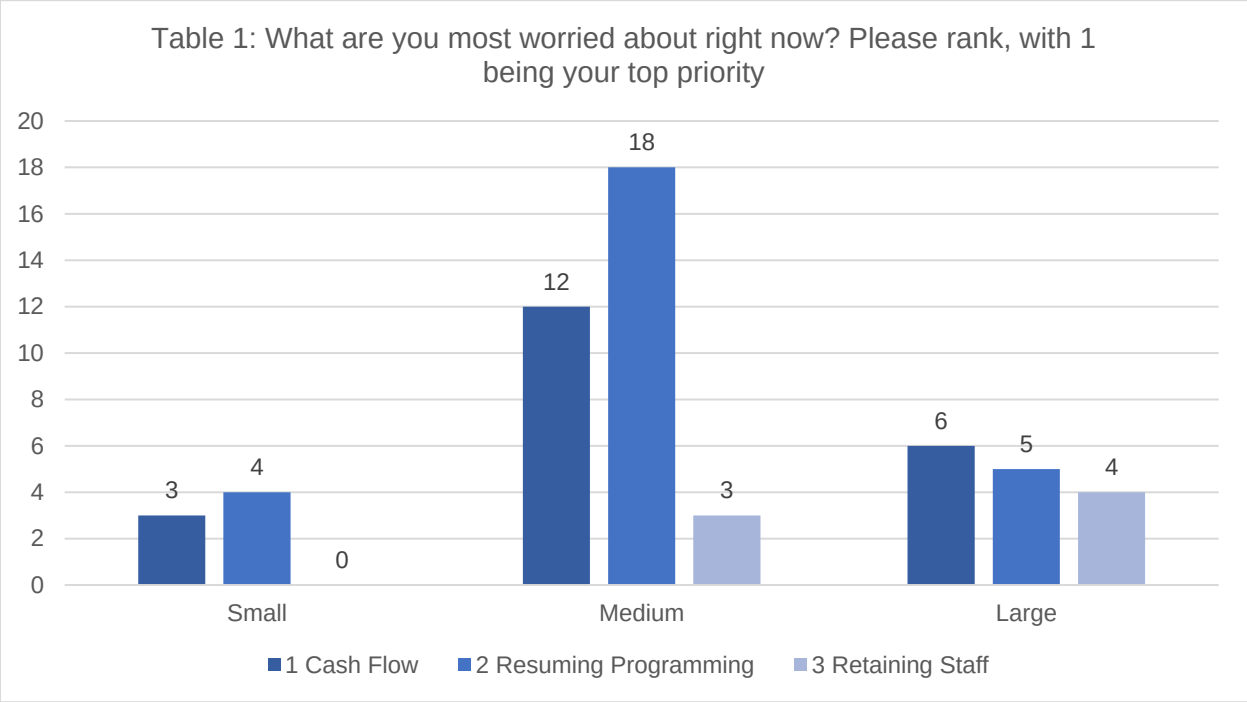
The Public Service and GCWCC have been engaged with community centres throughout the pandemic. Up until such time that community centres appeared in delegation at the March 10, 2021 meeting of the Standing Policy Committee on Protection, Community Services and Parks, only one community centre advised the Public Service that their financial situation required additional financial assistance and support.

In March of 2021, GCWCC surveyed community centres to better understand the impact of the COVID19 pandemic. 51 Community Centres provided their feedback. It is important to note that where the findings are categorized by the size of centre, a small centre is defined as 10,000 square feet or less, a medium sized centre is between 10,000 and 20,000 square feet, and a large centre is greater than 20,000 square feet.

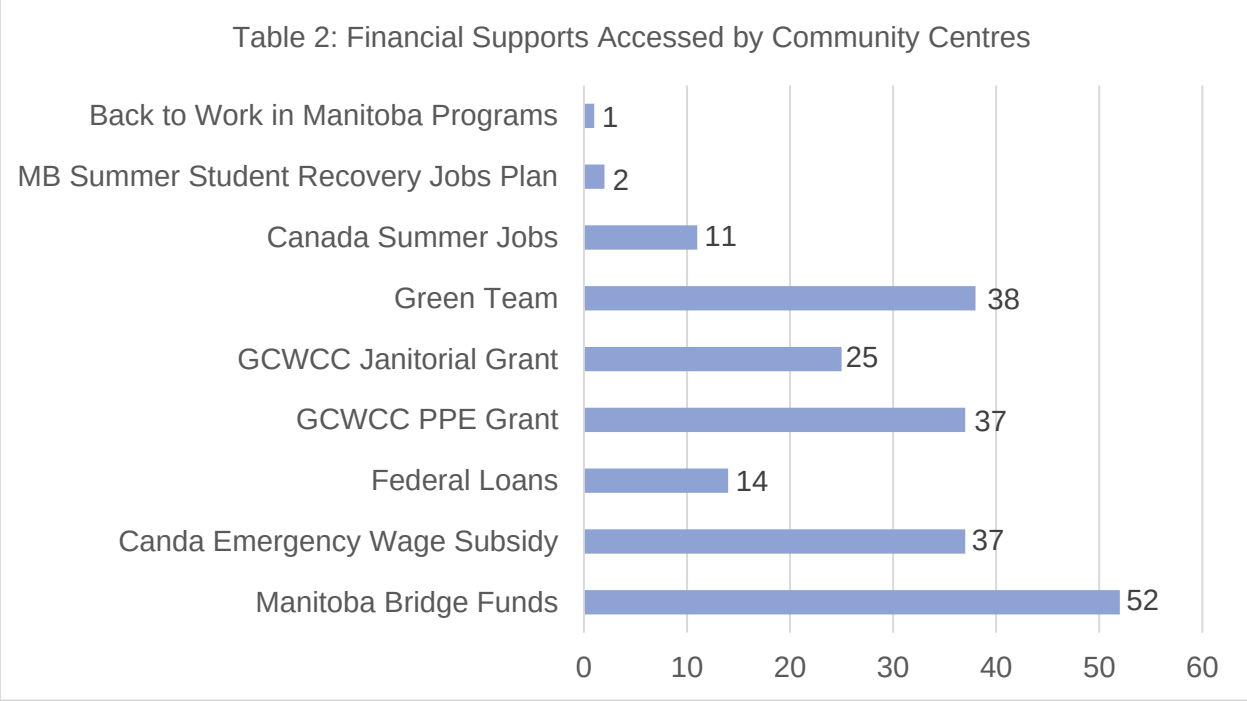
23% of respondents identified an extremely negative impact on finances, while 62% identified experiencing a medium or low impact. Interestingly 9% of centres identified that the pandemic had a positive impact. The data suggests that larger centres tended to be impacted more negatively than small or medium sized centres potentially due to the additional debt load often carried by larger centres and salary costs for paid staff.

ECONOMIC RECOVERY OF COMMUNITY CENTRES

Centres were also asked to rank in order three priority concerns as outlined in the Table 1 below. This data supports the above noted hypothesis related to debt load and salary costs.

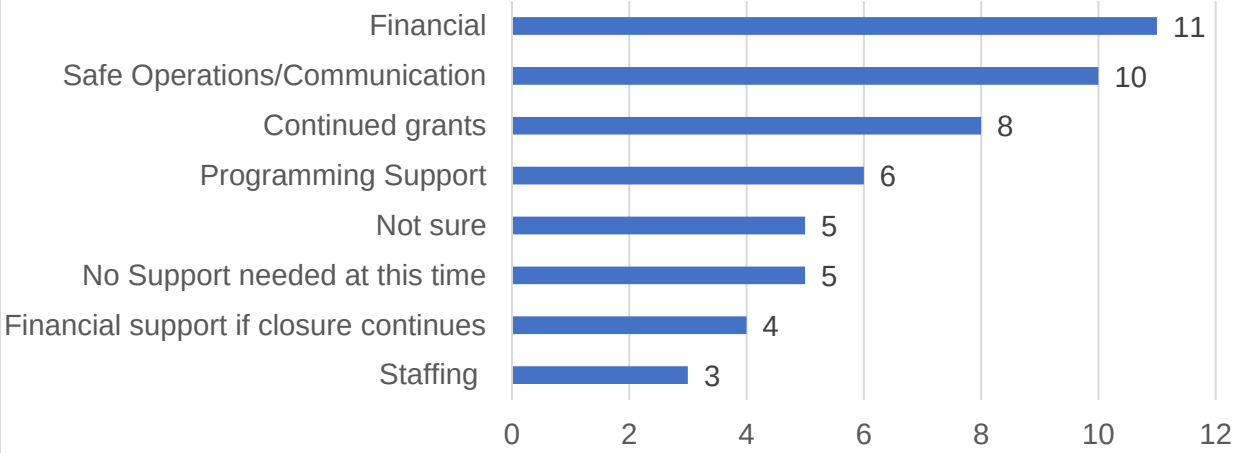


The third question in the survey asked centres to identify what financial supports they had accessed over the past year as outlined in Table 2 below which shows that across the city, community centres were successful in identifying and accessing alternate funding opportunities to offset revenue losses cause from facility closures.



Regarding a go-forward strategy as noted in Table 3 below, 21% of respondents identified financial supports, while 15% highlighted the need for the continuation of granting programs, and 8% indicated that additional financial support could be required pandemic continues.

Table 3: Suggested Supports



Community Centre Financial Status: Quantitative Data

A point in time comparison was completed using the following criteria: monthly financial data for December 2019 and 2020, January 2020 and 2021 and February 2020 and 2021 for 17 community centres who noted in the GCWCC survey discussed above that cash flow is their first priority, over retaining staff and resuming programming.

Due to differences in the financial reporting periods of each of the 17 centres, and the availability of financial information at the time that this report was created, of the 17 community centres, data for all three comparative periods was available for only 5 centres. This group of community centres experienced a revenue loss of 73% when comparing the three months immediately prior to March 2020 to the subsequent same three months during the pandemic. Expense reductions for this same period were 46%. Net losses were reported for both the pre-pandemic and during the pandemic. Revenue from grants, including the UFF, the GCWCC grants noted above, federal and provincial grants were excluded from the revenue analysis as the timing of receipt differs across all centres and would invalidate the results. However, grant revenue would offset some reported expenses such as utilities, major repairs and expenses and other costs related to the COVID19 pandemic.

Community Centre Financial Status: Loan Guarantees

The City has five loan guarantees for borrowings for community centre capital investments. The Public Service regularly keeps in contact with these organizations to assess their ability to make related loan payments. While all reported that they are cautious with the unknown future ongoing impacts of the pandemic, all had indicated they were able to keep these loans current, with the exception of 1 centre.

ECONOMIC RECOVERY OF COMMUNITY CENTRES

For those community centres with City of Winnipeg guarantees, the financial position at the end of 2020 is:

Centre	Current Ratio 2020*^	Current Ratio 2019*	Cash on hand*	Grants received**	Operating Results*	City Guarantee
			(in thousands)			
Dakota	1.92	1.51	$ 1.496	$ 0.356	$ 0.217	$ 3.941
Garden City	0.11	0.05	$ 0.050	$ 0.558	$ (0.225)	$ 11.147
Gateway	2.81	1.33	$0.075	$ 0.188	$ (0.019)	$ 0.037
Southdale	2.1	1.9	$ 1.024	$ 0.163	$ 0.058	$ 2.009
East End (Transcona)	2.6	2.7	$ 0.690	$ 0.334	$ (0.261	$ 6.070

- as per audited financial statements

** grants received in 2020 from City of Winnipeg directly, or through Greater Council of Winnipeg Community Centres, including debt funding

^ green indicates an improvement in liquidity, yellow indicates a decrease in liquidity, red indicates inability to meet liability payments

Note that conventional thinking would indicate financial concern for any entity with less than a 1.0 current ratio. The table above highlights the low ratio for Garden City and aligns with the restructuring of its debt in February 2021.

Overall, the above analysis supports the assumption that the COVID19 pandemic has had a financial impact on community centres however based on the timing of receipt of financial information a more detailed analysis to identify and validate perceived trends is difficult at this time. Full year financial results that compare the full pre-pandemic and pandemic years will be available beginning in May and throughout 2021, with receipt dependent on each community centre's fiscal year end.

Summary and Conclusion

- Community Centres have been impacted by the pandemic in different ways.
- Although not uniform, large centres tended to experience more negative impacts than medium and small centres, potentially due to larger debt loads and salary costs for staff.
- Centres were active throughout the year in accessing alternative funding sources and generally have been successful in weathering the pandemic to date.
- Moving forward Centres would like to see a continuation of city grants and other existing funding programs to support maintenance and operations. However, centres have also identified that should the pandemic continue into the future requiring additional facility closures, they may not be able to sustain existing operations.
- Increased communication and dialogue between centres, the GCWCC, and the City will be critical in the weeks and months ahead to monitor changes to provincial public health orders and the resulting impacts these could bring.

ECONOMIC RECOVERY OF COMMUNITY CENTRES

The following recommendations are included in the framework Economic Restart and Recovery Plan.

Recommendations:

1) Continue to monitor community centres financial viability in coordination with Greater Council of Winnipeg Community Centres
2) Continue to provide support to Community Centres through operating and debt grants
3) Continue to support the banking relationship for those Community Centres with debt and City of Winnipeg guarantees
4) Encourage use of Community Centre Renovation Grant Program by eliminating the 50% funding restriction on revenue generating projects until December 31, 2023.

Community Centre Economic Recovery Report-Comparison of Five Centres: One Small; Three Medium; One Large

See Notes Below

Prepared May 4, 2021

	TOTAL - Small (1)		TOTAL - Medium (3)		TOTAL - Large (1)		TOTAL-Five Centres	
TOTAL DEC, JAN, FEB COMPARISON	Dec 2019 Jan 2020 Feb 2020	Dec 2020 Jan 2021 Feb 2021	Dec 2019 Jan 2020 Feb 2020	Dec 2020 Jan 2021 Feb 2021	Dec 2019 Jan 2020 Feb 2020	Dec 2020 Jan 2021 Feb 2021	Dec 2019 Jan 2020 Feb 2020	Dec 2020 Jan 2021 Feb 2021
Revenue:								
Revenue - Other	$ 9,603	$ 7,190	$ 307,645	$ 58,074	$ 433,072	$ 140,705	$ 750,320	$ 205,970
Total Revenue	$ 9,603	$ 7,190	$ 307,645	$ 58,074	$ 433,072	$ 140,705	$ 750,320	$ 205,970
% Revenue Increase (Decrease)		-25%		-81%		-68%		-73%
Expenses:								
Salaries & Benefits	$ 3,815	$ 9,911	$ 170,771	$ 82,245	$ 182,140	$ 40,811	$ 356,725	$ 132,967
Other	$ 17,755	$ 63,830	$ 215,001	$ 165,482	$ 264,795	$ 98,572	$ 497,551	$ 327,884
Total Expenses	$ 21,569	$ 73,741	$ 385,772	$ 247,726	$ 446,935	$ 139,383	$ 854,276	$ 460,851
% Expense Increase (Decrease)		242%		-36%		-69%		-46%
Net Income (Loss)	**$ (11,966)**	**$ (66,551)**	**$ (78,127)**	**$ (189,652)**	**$ (13,863)**	**$ 1,322**	**$ (103,956)**	**$ (254,881)**
% Revenue Increase (Decrease)		456%		143%		-110%		145%

Notes:

* March 2021 GCWCC Survey Results to the Question: *What are you most worried about right now? Please rank, with 1 being your top priority: Cash flow; Retaining Staff; Resuming Programming*

* Of the 56 responses representing 51 community centres, 17 community centres identified cash flow as their number 1 priority.

*For these 17 community centres financial data was gathered from the month financial submissions to the City for Dec 2019/2020, Jan 2020/2021 and Feb 2020/2021. Data for all three comparative periods available for only five centres as of April 13, 2021:

Bordaire - small
Glenwood - medium
Norwood - medium
St. Norbert - medium
Southdale - Large

* Revenue excludes all grants as the nature of grant revenue can not be determined on a consistent basis from information available.

* Data from the community centre submissions has not been has not been reviewed for accuracy or otherwise verified.

*Community centres are identified as small, medium and large by GCWCC based on the following criteria

- Small < 10,000 sf
- Medium: 10,000 – 20,000 sf
- Large >20,000 sf

FEASIBILITY AND FINANCIAL IMPLICATIONS OF PROVIDING GRANTS OF ACCOMMODATION TAX

FEASIBILITY AND FINANCIAL IMPLICATIONS OF PROVIDING GRANTS OF ACCOMMODATIONS TAX

Context and Background

At its meeting of March 17, 2021, the Executive Policy Committee concurred in the recommendation of the Assiniboia Community Committee and directed the Winnipeg Public Service to report back within 60 days on the following:

- A grant to all establishments including hotels, motels and inns, which are required to collect an Accommodation Tax for the City of Winnipeg, equal to 50% of the value of the Accommodation Tax, to be provided on a monthly basis in 2021.

Council's motion of April 29, 2021 included the intent of the above noted motion as part of the framework Economic Restart and Recovery Plan:

- Information on the feasibility and financial implications of providing a grant to all; establishments including hotels, motels and inns, which are required to collect an Accommodation Tax for the City of Winnipeg, equal to 50% of the value of the Accommodation Tax, to be provided on a monthly basis in 2021, as directed by the Executive Policy Committee on March 17, 2021.

Reserve fund terms and conditions are approved by Council. Expenses in excess of funds received requires Council approval. As well, over-expenditure of Council approved budgets and grants require Council approval.

On April 23, 2008, City Council passed By-law 70/2008 *The Accommodation Tax By-law*, allowing a tax on accommodation of short duration in order to support tourism initiatives. A guest, at the time of purchasing accommodation, must pay an accommodation tax in the amount of 5% on the purchase price of accommodation for a continuous period of less than 30 nights whether provided in a hotel, motel, inn, housekeeping unit, lodging house, boarding house, rooming house, bed and breakfast establishment, resort, hostel, dormitory or any place in which accommodation is provided. There are exclusions including for establishments in which fewer than four bedrooms are available for purchase separately and where the purchase price is $30 or less per night or $210 or less per week. Accommodations taxes are collected for the various establishments and remitted monthly to the City of Winnipeg no later than the 20th day of the month following the month the taxes are collected. Unremitted taxes are subject to a 2.5% penalty charged compounded monthly. Further, failure to collect or remit the tax can result in a fine of not less than double the amount of the tax that should have been collected and remitted.

On October 22, 2008, City Council established the Destination Marketing Reserve Fund, the intent of which is to provide a mechanism for the disbursement of Accommodation Tax revenue in support of the tax's purpose. Appendix 1 to this report provide the history of the permitted use of the Accommodation Tax (via the Destination Marketing Reserve Fund). In summary, the accommodation tax is utilized as follows:

FEASIBILITY AND FINANCIAL IMPLICATIONS OF PROVIDING GRANTS OF ACCOMMODATIONS TAX

PURPOSE	2021 BUDGET *(in thousands of $)*	NOTES
Convention Centre Corp.		
Expansion grant – debt servicing	$2,182	
$33 million expansion loan (guarantee) – debt servicing	2,200	- grants for debt servicing on $33 million, recoverable from CCC - annual $1 million grant in respect of principal reduction on $16 million subject to sufficient funds in the CCC portion of the DMRF
Operating	1,500	
$7.5 million COVID-19 borrowing facility (guarantee) – debt servicing	-	- this facility has not been drawn upon as of June 30, 2021.
Economic Development Winnipeg		
Operating	2,000	- -minimum payment is $2 million (maximum amount equal to 37.5% of accommodation tax revenue)
Special Events Marketing Fund	-	- due to pandemic impact on accommodation tax revenues, none available to support the Special Events Marketing Fund
Downtown Public Safety Strategy		
Ongoing initiatives	63	- budget prepared on basis of significant works undertaken in 2020 under the strategy. - expending deferred to 2021; forecasted at $0.7 million
Other		
Administrative support	92	
TOTAL	**$8,037**	

There is no Council approved grant in the 2021 Budget to establishments including hotels, motels and inns. As well, making such grant is not a Council approved use of the Destination Marketing Reserve Fund.

Current amounts owing from the Convention Centre Corp for prior loan guarantee payments, liquidated damages received from the expansion project, and repayable capital grants is $10.557 million. Amounts are repayable on all loan guarantee payments made on both principal and interest on the $17 million loan, and interest only on the $16 million loan. In addition, repayable grants were made in 2019 and 2020 pertaining to capital works required for washroom upgrades and firestopping works.

2021 Forecast – Destination Marketing Reserve Fund

- Appendix 2 to this report provides the year-end forecasted balance of the Destination Marketing Reserve Fund based on 3 scenarios of Accommodation Tax Revenue collected. The scenarios do not, at this time, include a 50% grant back of the Accommodation Tax collected. Under all scenarios it is forecasted that the Reserve will have only a small unallocated accumulated surplus/deficit balance at the end of 2021.
- The annual payment to the Convention Centre Corp. of $1 million to reduce the City's portion of the $16 million loan is forecasted to be withheld in 2021 to ensure a positive balance in the CCC portion of the Reserve is maintained. (Note: Appendix 2 forecasts presume the $1 million grant is withheld). However, the City continues to monitor this situation to determine if there is sufficient accumulated surplus to pay this grant.

2021 Budget

In 2020, the Government of Canada provided $74.5 million in Safe Restart funding ($42.2 million for municipal purposes; $32.3 million for Transit purposes). The City of Winnipeg fully used the grant as follows:

2020

- Reverse application of Council approved COVID-19 Crisis Cashflow Management Plan levers
    - Debt replacing cash to capital (including Transit) - $18.4 million
    - Transfer from Land Operating Reserve Fund - $8.0 million
- Transfer to Winnipeg Parking Authority (to replace lost parking revenues) - $7.7 million
- Transit (to replace lost passenger revenues) - $29.5 million

2021

- Waiver of charges on late payment of property and business taxes - $3.8 million
- Economic Support Grant Program - $3.0 million
- Winnipeg Wellness Grant Program - $0.6 million
- Counsel support to paramedics and firefighters - $0.2 million
- Affordable housing grants - $2.0 million
- Assessment growth support (PPD) - $0.8 million
- Re-establish Office of Economic Development - $0.5 million

Also included in the 2021 Budget are the following ongoing financial impacts of the pandemic (total - $61.2 million):

Assumed impact	$$ (*millions*)
Transit ridership	($40.8)
Parking	(7.0)
Recreation programming	(4.8)
Permit (PPD) fees	(3.6)
Other revenue	(1.0)
PPE, sanitizing/cleaning	4.0

In addition to this, the budgeted accommodation tax revenue to the Destination Marketing Reserve Fund was reduced to $5 million (50% of 2020 Budget). The 2021 Budget also includes a draw on the Financial Stabilization Reserve Fund of $20.3 million.

At the March 12, 2021 meeting of Standing Policy Committee on Finance, the Public Service presented *COVID-19 Pandemic Scenarios – Winter 2021 Update*. The presentation disclosed the economic impacts under three different scenarios. In the worst-case scenario, the Public Service reported that further draws on the Financial Stabilization Reserve Fund, including a provision for Recommendation 2 of this report and estimated savings from levers available to the Public Service, could amount to $12 million in excess of that budgeted for 2021. This scenario will result in a Financial Stabilization Reserve Fund balance that is in excess of the Council approved minimum amount of $70.8 million (6% of tax-supported operating expenditures).

This assumes that there is no additional Federal and/or Provincial COVID-19 municipal and transit financial support and that Corporate efficiency targets will be achieved.

The Public Service is reviewing 2021 Budget implications, including those resulting from COVID-19. The Transit 2021 Budget, for example, assumed a 45% reduction in ridership through summer 2021 and 35% thereafter. Results to date for 2021 show that ridership decreases for 2021 has been on average approximately 55%.

2021 Forecast

The Financial Status Report and Forecast as of August 31, 2021 anticipates forecasted deficits of $16.6 million for the tax-support budget (General Revenue Fund) and $10.6 million for Transit.

COVID-19 continues to cause shortfalls in the General Revenue Fund, Transit, Utility funds and Special Operating Agencies (SOAs). $61.2 million of COVID-19 financial impacts were built into the 2021 Budget. An additional $23.1 million in COVID-19 financial impacts have been identified in the forecasts.

The Financial Stabilization Reserve Fund can be used to cover the forecasted shortfall in the General Revenue Fund, if necessary. Entering 2021 with a balance of $119.9 million, the Financial Stabilization Reserve Fund (FSR) was prudently positioned to respond to the ongoing

financial uncertainties associated with the ongoing pandemic. The projected balance in the FSR would now be $8.3 million higher than the mandated minimum balance of $70.8 million (which is 6% of tax supported budgeted expenditures).

At this time, it is prudent for the City to maintain its Financial Stabilization Reserve Fund to protect against negative financial implications associated with the Council approved 2021 Budget.

Additional information

On March 16, 2021, the Government of Manitoba announced a new Hospitality Sector Relief Program to provide financial assistance to the accommodation and tourism sector. The program is administered in part by the Manitoba Hotel Association (MHA) and in part by the Manitoba Lodges and Outfitters Association (MLOA). The program provides financial assistance to eligible Hotels for fixed costs that have not been covered by other relief programs.

The following recommendations are being addressed by the Standing Policy Committee on Finance.

Recommendations

1. That the Destination Marketing Reserve Fund be permitted to temporarily carry a negative balance (accumulated deficit) in 2021.
2. That should a negative balance in the Destination Marketing Reserve Fund, including in either of the Convention Centre Corp and unallocated portions thereof, exist as of December 31, 2021, approval to over-expend the Assessment and Taxation 2021 budget by an amount equal to eliminate any negative balances be approved.

Financial Implications

Based on the most likely scenario, the Destination Marketing Reserve Fund (non-CCC portion) is anticipated to have a small accumulated surplus at the end of 2021 prior to consideration of 50% rebates of accommodations tax to those entities (establishments including hotels, motels and inns) collecting the tax in 2021 as detailed in this report. Recommendation 2 would provide for an over-expenditure approval from the Assessment and Taxation Department's 2021 budget should this turn into an accumulated deficit position.

FEASIBILITY AND FINANCIAL IMPLICATIONS OF PROVIDING GRANTS OF ACCOMMODATIONS TAX

Appendix 1

History of Council Approved Use of the Destination Marketing Reserve Fund

2008

Council originally approved the Reserve on October 22, 2008. The recommendation from the report on that date stated "That up to 40% of the annual Accommodation Tax revenue, to a maximum of the estimated annual payments required to service the amount of future debt that will be allocated to the City's portion of construction costs relating to a planned expansion at the Winnipeg Convention Centre, be set aside within the Destination Marketing Reserve Fund, and dispositions from the Destination Marketing Reserve Fund for this purpose require approval of Council."

2012

On July 18, 2012, Council approved the following recommendation in a report entitled "Approval of Funding Participation -Winnipeg Convention Centre Expansion Project":

Recommendation 1.IV. - A $33 million loan guarantee in favour of the Winnipeg Convention Centre Corporation as permitted under subsection 6(2) of The Convention Centre Corporation Act, subject to:

a) Council approval of Recommendation 1(V) hereof;
b) commitment from the Board of Directors of the Winnipeg Convention Centre Corporation to service the $33 million loan from the annual operating income of the expanded Winnipeg Convention Centre facility for up to 30 years.

Recommendation 1.V. - An annual grant to the Winnipeg Convention Centre Corporation in an amount equal to the annual incremental municipal property and business taxes, for up to 25 years, on a complementary adjacent property development, subject to the Province of Manitoba designating the property under the Community Revitalization Tax Increment Financing Act (CRTIFA), such that 100% of the incremental municipal property taxes and 100% of the incremental provincial education taxes and levies allowable under the CRTIFA are provided to the Winnipeg Convention Centre Corporation to service a Net Present Value (NPV) of $16 million of the $33 million loan guaranteed by the City.

Recommendation 1.VI. - In the event that incremental property and business taxes determined under Recommendation 1.V are insufficient to service the debt and un-serviced amounts remain after applying Recommendation 1.IV.b), an annual grant to the Winnipeg Convention Centre Corporation in an amount equal to each such annual un-serviced amount to be paid from the monies in the Destination Marketing Reserve Fund allocated for the purpose of funding future capital works for the Winnipeg Convention Centre Corporation; which approvals shall be subject to confirmation to the City's Chief Financial Officer of:

A. funding contributions of $46.5 million from the Government of Canada and $51 million from the Province of Manitoba;
B. successful negotiation of total Project costs not to exceed $181.5 million; and
C. successful negotiation of a provision in the guaranteed maximum price contract between the Winnipeg Convention Centre Corporation and the successful proponent pursuant to Request for Proposal No. 000524 "Request for Proposal for the Expansion of the Winnipeg Convention Centre and Complementary Downtown Development" (the "Proponent") that obligates the

Proponent their portion to service the annual debt payments related to the net present value (NPV) of $16 million of the $33 million loan to be guaranteed by the City pursuant to Recommendation 1.IV. until such time as the servicing of such debt payments by incremental taxes pursuant to Recommendation 1.V commences.

2015

On January 28, 2015, Council approved the report "Amendment to Council Decision –"Approval of Funding Participation - Winnipeg Convention Centre Expansion Project." The report included the following recommendations:

1. That the City and the WCCC enter into an agreement whereby the WCCC agrees to transfer to the City the $3.75 million liquidated damages amount to be paid by Stuart Olsen Construction Ltd. ("SODCL") to the WCCC as consideration for the WCCC releasing SODCL from its obligation to construct a hotel development at the property located at 220 Carlton Street (the "Site").
2. That Council authorize a grant in the amount of $3.75 million to CentreVenture Development Corporation ("CentreVenture"), which grant shall be payable within 30 days following the City's receipt of the $3.75 million liquidated damages amount pursuant to Recommendation 2 and shall be subject to the following conditions:
    (i) that 100% of the grant monies be used to repay a portion of the $6.6 million line of credit increase granted to CentreVenture Development Corporation ("CentreVenture") to acquire the Site, which line of credit increase was guaranteed by the City pursuant to the Council decisions of December 12, 2012 "Loan Guarantee Increase – CentreVenture Development Corporation" and December 11, 2013 "Extension of Loan Guarantee Increase – CentreVenture Development Corporation;
    (ii) that in the event CentreVenture is unable to conclude a development agreement for the Site within six months following the date of Council approval, CentreVenture undertake a public bid process with respect to future development of the Site.

Relative to the report approved by Council on January 28, 2015, the sale of 220 Carlton was confirmed and the proceeds from the Stuart Olsen settlement of $3.75m were retained by WCCC as a reduction in the floating loan of $16 million guaranteed by the City.

On September 30, 2015, Council concurred in the recommendation of the Executive Policy Committee, as amended, and adopted the following:

1. That in the event the Winnipeg Convention Centre Corporation (WCCC) is unable to service debt payments on $33 million of the total loan guarantee as demonstrated to the satisfaction of the Chief Financial Officer, that the Destination Marketing Reserve (Reserve) be approved as a funding source for any shortfalls as determined annually by the Chief Financial Officer.
2. That once surpluses from WCCC operations are identified, the WCCC reimburse the City for the full amount of any funds advanced by the Destination Marketing Reserve and applied to the $17 million portion of the debt.
3. That the approvals provided in recommendation 1 above with respect to the $17 million portion of the debt expire once a hotel development in an area to be jointly determined by the WCCC and the Chief Financial Officer is complete as evidenced by an occupancy permit for such hotel development.

4. That the City enter into a funding agreement with the WCCC that outlines the terms and conditions of any City contribution as set forth herein, and that the Chief Financial Officer be authorized to negotiate and approve the terms and conditions of such agreement in accordance with this report including a repayment schedule for all monies advanced pursuant to Recommendation 1 and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

2017 Operating Budget

Council approved recommendation 1(L) in the adopted 2017 operating budget transferring $1m of the settlement to the City's tax supported budget leaving $2.75m to apply against the $16m operating line.

In March 2017, the City enters into a grant agreement with WCCC reflecting the terms of Council's approval of the report on September 30, 2015 requiring repayment of any amounts advanced by the DMRF to be repaid once sufficient cash flow is identified to the satisfaction of the CFO.

On August 31, 2017, True North Real Estate Development, in conjunction with Northland Properties Corporation, announced construction of The Sutton Place Hotel and its residential tower on 220 Carlton adjacent to the RBC Convention Centre (WCCC).

2018 and 2019

Since its inception, the Destination Marketing Reserve Fund has distributed Accommodation Tax revenues within a set of defined parameters and estimated cash-flows. Over time, these parameters have resulted in unspent funds accumulating within the Reserve. As part of the 2018 Operating Budget, City Council adopted Recommendation 1(T), directing the Public Service to prepare a report to the appropriate Committee of Council within 120 days recommending options to utilize unspent funds in the Destination Marketing Reserve (DMRF) to support the following initiatives:

i. An enhanced tourism and events strategy which will supplement funding dedicated to the existing Special Events Marketing Fund up to a combined total of 25% of annual proceeds from Accommodation Taxes collected. The Manitoba Hotel Association in consultation with Economic Development Winnipeg Inc. and Tourism Winnipeg would develop criteria for the additional funding;
ii. A multi-year downtown public safety strategy including, but not limited to, enhanced outreach services, expanded foot patrol and other security initiatives to be developed in consultation with stakeholder groups such as the Manitoba Hotel Association, the Downtown BIZ, the Winnipeg Police Service, the UN Safe Cities Committee and other such organizations; and
iii. Options for an accelerated repayment plan of the outstanding debt related to the Winnipeg Convention Centre (WCC) expansion project.

In this regard:

On July 19, 2018, Council approved recommendations in support of a Downtown Public Safety Strategy by investing in: Building Exterior Lighting Program; Community Safety Centre of Responsibility; closed circuit television (CCTV) upgrade; technology to enhance downtown safety; and expanded foot patrol, including SafeWalk services. The total approved to be funded by the Destination Marketing Reserve Fund for these initiatives is up to $999,000.

On September 30, 2018, Council approved revisions to the funding allocation, increasing the percentage allocated to Economic Development Winnipeg (operating) from 30% to 35%, reducing the amount allocated to Winnipeg Convention Centre to fund future capital works from 40% to 37.5% and removing the $1 million cap to funding to Economic Development Winnipeg for the Special Event Marketing Fund.

On January 31, 2019, in respect to the $16 million loan (Winnipeg Convention Centre expansion), Council approved that commencing in 2019, to the extent there is a balance in the WCCC portion of the Destination Marketing Reserve Fund, an annual grant of $1 million be made out of the Destination Marketing Reserve Fund to the service the City's portion of that loan ($8 million). This grant will be replaced by proceeds of the Tax Increment Financing arrangement. As well, a repayable grant of $2.1 million to pay the costs of fire stopping, fire damping and improvements to the washrooms required to achieve the final occupancy status, the timing thereof to be determined by the Chief Financial Officer.

2020

On January 30, 2020, Council approved recommendations on the second phase of the Downtown Public Safety Strategy by investing in five key initiatives: the endorsement of the City's participation in the Downtown Safety Partnership; the creation of a Community Connections Space at Millennium Library; enhanced security measures at the Millennium Library Parkade; extension of the Phase 1 SafeWalk program expansion for a second year; and modification of the existing Building Exterior Lighting Program to provide increased incentive for property owners to participate. The total approved to be funded by the Destination Marketing Reserve Fund for these initiatives is up to $869,101.

On June 26, 2020, in response to the impact of the COVID-19 pandemic on WCC, Council approved guarantee of a short-term $7.5 million borrowing facility. In the event WCC cannot service amounts drawn on this borrowing facility, the Destination Marketing Reserve Fund can be used to provide a grant to WCC for this purpose, with the approval of the Chief Financial Officer.

Recommendations in 1(T) i and ii have already been addressed in the following reports to Council:

September 20, 2018 –Destination Marketing Reserve Fund –Revised Funding Allocation Council Minutes;
July 19, 2018 –Destination Marketing Reserve – Multi-Year Downtown Public Safety Strategy

FEASIBILITY AND FINANCIAL IMPLICATIONS OF PROVIDING GRANTS OF ACCOMMODATIONS TAX

Over the years the Province has participated in funding one half of improvements to the old facility including a new roof, exterior cladding and other major renovations. The WCCC approached the Province by letter on May 16, 2017 and October 31, 2018 for continued funding support relating to the cost of Fire Stopping and Fire Dampers. Specifically, WCCC recommended a reduction of the amounts due to the Province of $2.8m relating to a previously agreed to land transfer from the Province to the WCCC as a means of funding the Province's share of the expenditure. To date there has been no reply to this request.

On August 16, 2018, the Province advised in writing its commitment to provide provincial tax increment financing relating to the hotel of $8 million plus borrowing costs in support of the RBC Convention Centre expansion. It is anticipated construction of the hotel will be completed by 2021 and incremental grants from the City and Province will commence in 2022. In the event there is insufficient municipal TIF to repay the City's portion of debt, there is provision set out in recommendation 1.VI of the 2012 Council report referenced above to accommodate supplemental payments from the DMRF.

Appendix 2

Financial Scenarios
Destination Marketing Reserve Fund

Financial Projections	2021 Budgeted	2021 Most Likely	2021 Worst Case	2021 Best Case	Comments
Opening Balance, Destination Marketing Reserve Fund	$4,658,270	$4,658,270	$4,658,270	$4,658,270	
Revenues					
Accommodation Tax	5,000,000	3,850,428	3,581,686	4,186,354	
Interest	9,000	9,000	9,000	9,000	
Total revenues	5,009,000	3,859,428	3,590,686	4,195,354	
Expenses					
Winnipeg Convention Centre					
$16m loan (City - $8m)	1,000,000	-	-	-	This payment is subject to their being sufficient funds in the WCC portion of the Reserve for payment.
$17m loan - debt servicing; $16m loan - interest	1,200,000	1,188,404	1,188,404	1,188,404	
WCC Expansion ($51m) - principal and interest	2,182,015	2,182,014	2,182,014	2,182,014	
Downtown Safety Strategy - Phase 1		459,613	459,613	459,613	
Downtown Safety Strategy - Phase 2	62,500	56,513	56,513	56,513	
	4,444,515	3,886,544	3,886,544	3,886,544	
Operating grant	1,500,000	1,500,000	1,500,000	1,500,000	
WCC Total	5,944,515	5,386,544	5,386,544	5,386,544	
Economic Development Winnipeg					
Operating grant	2,000,000	2,000,000	2,000,000	2,000,000	
General Revenue Fund					
Costs	83,470	83,470	83,470	83,470	
Investment management fees	9,000	9,000	9,000	9,000	
	92,470	92,470	92,470	92,470	
Total expenditures	8,036,985	7,479,014	7,479,014	7,479,014	
Closing Balance, Destination Marketing Reserve Fund	$1,630,285	$1,038,684	$ 769,942	$1,374,610	
Destination Marketing Reserve Fund Equity					
WCC for Future Capital (37.5%)					
Opening	$3,479,122	$3,479,122	$3,479,122	$3,479,122	
Accomodation Tax (37.5%)	1,875,000	1,443,910	1,343,132	1,569,883	
WCC capital expenditures	(4,444,515)	(3,886,544)	(3,886,544)	(3,886,544)	
Closing	909,607	1,036,488	935,710	1,162,461	
Unallocated	720,678	2,195	(165,768)	212,149	
	$1,630,285	$1,038,684	$ 769,942	$1,374,610	

CONSULTATION

Summary of Consultation

The Public Service conducted consultation on Winnipeg's economic recovery prospects in two ways: seeking input and recommendations from each Community Committee, and targeted discussions with community partner stakeholders.

A: Community Committee Input

Each Community Committee provided input and feedback to the preparation of this plan. The outcomes of those June and July meetings are summarized below:

Riel Community Committee (June 21, 2021)

Disposition: The Riel Community Committee recommended to the Executive Policy Committee

1. *That the Winnipeg Public Service be directed to include the following as part of the City's COVID-19 Economic Recovery Plan:*
   A. *That the City of Winnipeg take further action to assist the homeless with the sanitary conditions in homeless camps, including having access to garbage receptacles and toilets in the areas.*
   B. *That the City of Winnipeg not engage in hostile architecture*
   C. *That the Winnipeg Public Service work to increase mode shift in the COVID-19 Response Recovery Plan.*

Lord Selkirk – West Kildonan Community Committee (June 22, 2021)

Disposition: The Lord Selkirk-West Kildonan Community Committee recommended to the Executive Policy Committee:

1. *That the Winnipeg Public Service be directed to include the discussion points from the June 22, 2021 meeting of the Lord Selkirk-West Kildonan Community Committee as part of the City's COVID-19 Economic Recovery Plan, including, but not limited to:*
   A. *City of Winnipeg parks and green spaces*
   B. *Community Incentive Grant Program and other grant eligibility criteria and budget amounts*
   C. *Support increased Transit ridership*
   D. *Level of adequate measures to Ward Councillors to serve constituents*
   E. *Initiatives to attract more business downtown*
   F. *Community Centres and recreation facilities*
2. *That the Covid-10 Response and Recovery Plan Report, as prepared by the Winnipeg Public Service, be presented to each Community Committee at their September meeting, for further input and recommendations to the Executive Policy Committee*

Assiniboia Community Committee (June 23, 2021 and July 8, 2021)

Disposition: The Assiniboia Community Committee recommended to the Executive Policy Committee:

1. *That the Winnipeg Public Service be directed to consider the recommendations contained in Appendixes B, C, and D, for inclusion in the City's COVID-19 Economic Recovery plan.*

2. *That the Covid-19 Response and Recovery Plan Report, as prepared by the Winnipeg Public Service, be presented to each Community Committee at their September meeting, for further input and recommendation to the Executive Policy Committee.*

As per the above motion, here are the noted Appendices:

Appendix B

Submission RE: Emergency Management Leadership Team COVID-19 Response and Recovery Plan

Historically, economic recovery has proven to be a period of readjustment and reinvention, as we've seen in many activities in City of Winnipeg:

- Council Meetings
- Public Engagement process
- Libraries
- WFPS innovation, etc.

Identify the most impacted areas, supporting data – through those lenses lens focus on:

- economic recovery
- affordable housing
- community health & safety
- communications

2019, Winnipeg had the largest net loss in population from interprovincial migration out of all 35 Census Metropolitan Areas in Canada.

- Provide Council with why / demographics
- IMO – its jobs – I'd like to see Province put venture capital funding in place to assist high- potential technology companies innovate and grow, and to provide tax benefits to bring companies to Winnipeg & Winnipeg Metropolitan Region

TIMEFRAMES:

- Provide Short / Medium / Long Term approaches
- Put measurements in place to see measured results
- Quarterly updates on progress to Council

CRITICAL we focus priorities on an ECONOMIC Recovery program

- as we can't provide many other services unless we have money.
- Many many good social programs, which Cities often don't provide, but if

we are to provide, we need to have resources to deliver on programs

Create awareness of preserving property tax base

- Ensure the public is aware that any loss in taxes in response to the COVID-19 crisis will require a reduction in services or a disproportionate increase in taxes in the future
- Ensure the public is aware tax deferrals provide short-term relief to taxpayers while ensuring sufficient funding to maintain services
- Cancellation of fees is a cost that will need to be borne by the taxpayers in another way in a later year

Province of Manitoba

- Replace current Interprovincial Liaison with someone else – ie:Chair of Task Force, CAO, etc
- Critical to work in sync with Province on their economic recovery program to elevate synergies
- Provide Council seminar on Provincial recovery approach - highlighting synergies

Economic Development Winnipeg

- Task EDW to provide tangible list / guidelines for Council with economic development reference points in decision making
- Task EDW to liaise in new ways with Council to sharpen Council's focus on economic development / strategies EDW is focusing on
- Like the 'bring it home campaign that convention center and EDW have ' create a 'What Can I Do' campaign - over 700,000 people in city – build a 'team approach' to recovery – people want to – and can add huge value

Downtown

- Every city in Canada is having downtown challenges – seek out ideas from others
- Reality or not – a tremendous perception of great instability related to personal / community safety downtown.
- Top Priority - develop a community safety communication program - much is in place – people are not aware of it
- Task downtown BIZ to create a 'Back to Work Downtown' campaign
- Task public service to look at City office spaces and fill the spaces. Public service staff working from home when they have offices larger than my kitchen - City needs to lead in having public service working back downtown
- Task Downtown BIZ to create a campaign on why downtown is important to suburbs and why suburbs are important to downtown – a love love campaign –
- We've had years of poor leadership saying urban sprawl is bad and thereby creating a divisive environment. Each need each other

– and should be promoted together and explained
- Empower leaders to participate-promote a downtown / suburbs campaign – not just have text – engage leaders to participate in campaigns

- Create a ‘What Can I Do’ campaign to support downtown for residents
- Create a fund to enable pop ups / events / activities to bring people downtown
- Partner with Chamber / and others to develop a Campaign to promote Buy Local – engage leaders to participate (ie: vaccine program)

Transportation:

- Establish a communication plan for transit – focusing on highlighting transit safety and the many improvements we’ve made to the system. Set goals on getting people back on transit and develop education campaign
- Focus on expanding active transportation network - for mental and environmental health.

Communications

- Develop a communications strategy for the recovery that brands Winnipeg as - ?? Stronger, Better, Back or ?? The brand and accompanying communications materials could provide a frame for our economic recovery activities / communication.
- Highlight ‘What Can I Do’ - as each person can do something – create a team approach - we are all in this together -
- Winnipeg is growing through immigration – yet we are not communicating to the residents in a manner that reaches all. Ie: Vaccines highlighted ways to reach communities – in language / through leadership groups/ etc
- Ensure there are people on the Corporate communication team – in leadership roles – where English is not their first language
- Revise the communication focus & task communication department to create buy in with Councillors on materials that are being produced - communication dept may be unaware – but Councillors have extensive network and can promote information that is relevant.
- The pandemic has created a ‘new form of communication style’ The ability for residents to participate in decision making process at City Hall through zoom – has greatly increased participation. Continue this approach, in addition to in person when health regulation allows Increased resident participation is resulting in all day committee meetings – and increased day to day one on one meetings with residents. Previously, much work could be accomplished when attending large events / gatherings.
- This new form of ‘remote one on one’ communication is resulting in reduced work time availability for day to day Councillor work – in addition to being most under resourced offices in Canada

- Provide communication & outreach support to Councillors to accommodate the 'new form of communication style'
- Facilitate SPC or CC brainstorming sessions with Councillors and staff when draft recovery plan is prepared– there is incredible insight not being captured due to lack of current leadership not engaging all of Council

Economic Recovery

Province:

- Replace current Interprovincial Liaison with someone else – or Chair of Task Force: ie Chair of Finance / new CAO
- Critical to work in sync with Province on their economic recovery program to elevate synergies
- Provide Council seminar on Provincial approach highlighting synergies

Federal gov't:

- Ensure we have 'shovel ready' projects available to address city's priorities – other than roads.
- We have enough 'shovel ready road' plans on the shelf – focus on recreation & housing 'shovel ready' projects

Form Economic Recovery Taskforce

- comprised of key stakeholders in the community, City Staff, and Council.
- Hold roundtables / focus groups to capture residents' thoughts - not a broad survey, be more targeted – ask leaders in community to reach out to their communities – take a pyramid approach- again the Covid vaccination approach to targeted groups who work with their leaders / groups is a wonderful approach

Focus on the Planning Department

- the one other area that City can generate significant revenue
- Undertaking a line by line review of the fees and charges we apply to business / development / to see where relief may be possible, at least in the short term.
- Accelerate the asset management study of City properties - and unload city properties not being used
- Review again how to streamline operations even further – use of technology to enable online 24x7x365 – do we need funding in budget to improve
- Fund the Zoning By Laws review ASAP
- Fund the Infrastructure Plan ASAP, then secure more planners. Benchmarked against other Canadian municipalities, Winnipeg invests $8.51 vs $26.83 on planning

Focus on Public Spaces – Summer and Winter

- Accelerate the tech program/study on ‘refuse can’ locations to provide clean parks and open spaces
- Figure out a way to get the ‘recycle everywhere’ program in not just regional parks, but larger neighborhood parks
- Determine a funding model to focus on park and open space improvements.
- Look to developing private partnerships to support parks and open spaces

Affordable Housing

Primarily a Federal / Provincial area/responsibility but City has many opportunities to support

- Create a ‘Developer/ Homebuilders Affordable Housing’ Task Force – not surprisingly industry has incredible insight and ideas that are not being embraced I’ve approved over 2,800 units in 5 years – surely there is a way to work with builders to include affordability units -
- Housing and Affordability Department
    - o one person in that department. IMO – there is no way one person can oversee / do what is required
- Real Estate Policy Framework – some good options in that file – look to moving on some of those recommendations

Community Health & Safety

- In speaking with many residents – there are two key areas that the City can help in:
    1. Ensuring in all communications –details that Covid protocols are in place at any event / city facility / etc. After a long period of ‘isolation’ – people are hesitant to gather again – there will be a need for ‘re-assurance’ of safety protocols
    2. Anything the city can to do enable residents to engage grass roots community local programs – ie: the ‘wellness’ program was an excellent initiative, community gardens has been spectacularly received, small local programs

Appendix C:

The City of Winnipeg should collaborate with the Province of MB, Economic Development Winnipeg and stakeholders (including but not limited to Winnipeg Chamber of Commerce, Downtown Biz, Business Council of Manitoba) to develop an economic recovery and development vision. That vision needs to be outlined in a plan that includes goals, targets, timelines and measurements.

The City should endeavor to stay within its legislated lane where possible and therefore should work in a supportive / partnership role in economic recovery plans.

The city should focus on creating an environment that promotes and fosters economic growth and recovery. That environment can be achieved through;

- A downtown development plan (downtown growth and development is critical to the overall health and growth of Winnipeg and therefore must be a priority of a recovery plan)
- Expedited permit processes
- City to identify and strategically use development inventive tools (TIF, expedited permits, etc.)
- Ensuring the city has adequate supply of serviced industrial lands available to attract investment of employers
- Key Sectors, that will produce the greatest return on investment, should be prioritized

The working committee should consult with stakeholders and incorporate that input into the plan.

The draft plan should come back to community committees for review and discussion prior to adopting the plan.

Respectfully,

Scott Gillingham

Appendix D:

Councillor Klein's thoughts on the economic recovery plan

The economy isn't the responsibility of the city. The city mandate is limited to essential services, public safety, and infrastructure. Therefore, this project is outside the realm of where the CFO should be focusing and is not a strong use of city resources.

The Public Service must be focused on getting results. First, we need to create an environment for success and growth. Then, we need to get out of the way!

How do we do that?

- An expedited permit process costs more, but the permits are turned around faster.
- Free bus service to downtown and from downtown – get people moving by giving the incentive.
- We also have to invest in making downtown safe. We cannot ignore the facts to make them go away.
- At present large gatherings are concerning for people that impact festivals. Remove barriers and allow festivals to close streets for a day through the city at no cost and with little red tape. If people are afraid to attend a festival, let's enable the festival to go to them.
- Partner with Take Pride Winnipeg to hire 200 students for the remainder of the summer, and let's clean up Winnipeg. The students will spend the money at city businesses, and we get the city cleaned up. It's a win-win.

Any objective implemented should have milestones included that are openly reported quarterly to the public.

Each objective implemented must have the ability to be quickly altered to meet any changes in the economy, pandemic, or early signs of negative results.

Once again, I feel this project is outside the realm of where the CFO should be focusing and is not a strong use of city resources. I don't think politicians understand how exhausting it is for taxpayers right now. The government is filled with hypocrisy, inefficiency, and very little representation of voters' wants or needs.

I would rather see a plan devised by the equal efforts of the stakeholder groups impacted most.

- Restaurant Association
- Hotel Association
- Retail Association
- Heavy Construction Association
- Manitoba Home Builders
- Each improvement zone throughout the city

The fact is, Entrepreneurialism and resiliency are essential to Winnipeg's success, not the municipal government, not political interference, and certainly not red tape.

Let's make it easy for people and get out of their way. They will lead us to success if given a chance.

City Centre Community Committee (June 25, 2021)

Disposition: The City Centre Community Committee recommended that the City's COVID-19 Economic Recovery Plan be received as information and forwarded to the Executive Policy Committee.

East Kildonan – Transcona Community Committee (June 28, 2021)

Disposition: The East Kildonan-Transcona Community Committee recommended to the Executive Policy Committee:

1. *That the Winnipeg Public Service be directed to include the following as part of the City's COVID-19 Economic Recovery Plan:*

    A. Regional community consultations.
    B. Insurance cost relief for community centres/sports organizations.
    C. Economic stimulus for CN, Club Regent Casino and Amazon warehouse.
    D. Support for marginalized citizens in the community (including soup kitchens and food banks).
    E. Regular community committee updates from the Chief Financial Officer.
    F. Plan for return of transit ridership to pre-pandemic levels.
    G. Improve the level of city services including: street cleaning, maintenance of curbs and drainages.
    H. Maintenance of roads.
    I. Elimination of movie/theatre tax until December 31, 2021. J. Reinvigoration of community centres

Summary

Many of the concepts and ideas suggested above by elected officials have been incorporated into both this City of Winnipeg Economic Response and Recovery Plan as well as into the Downtown Winnipeg BIZ's Downtown Recovery Strategy. These two documents are aligned on policy and process initiatives, including the concept of using Tax Increment Financing to support affordable housing downtown. Examples (not an exhaustive list) of specific concepts incorporated include:

- Continuing on-line access for citizens and reducing red tape
- Focus on downtown livability and safety aligned with the Downtown Winnipeg BIZ Downtown Recovery Strategy
- Development of a TIF policy with allocations to downtown affordable housing
- Temporary moratorium on fees for festival/street party street closure permits
- Ongoing and continued improvements to permit process to reduce response times
- Targeted communications to encourage return to transit ridership
- Continued funding and collaboration with BIZ organizations

B: Key Stakeholder Consultation

The Executive Policy Committee's motion on July 14, 2021, directed the Public Service to reach out to key community partners and stakeholders to gauge the impacts to specific sectors of the Winnipeg economy.

Key points heard in the feedback included:

- The impacts have been uneven across economic sectors
- Many arts and entertainment organizations suffered financially along with performers
- There was expression of support for downtown initiatives including enhancing safety
- Acknowledgement that the City has limited resources as a municipal government
- Desire for collaboration across organizations including Indigenous governments and community partners
- Asking for City to reduce "red-tape" or be "easier to do business with"
- Seeking ways to accelerate permits or initiatives without increasing costs
- Specific ask to improve the timelines for the development of municipal service agreements for urban Indigenous economic zones
- Positive feedback in response to the City reaching out for input (i.e. they were happy to be asked for their expertise and opinions)

Due to time constraints, a sample of organizations included:

- Business Council of Manitoba
- CentreVenture
- Convention Centre Corp
- Downtown Winnipeg BIZ
- Economic Development Winnipeg
- The Exchange District BIZ
- The Forks
- Manitoba Home Builders Association
- Manitoba Chambers of Commerce
- Manitoba Keewatinowi Okimakanak
- Manitoba Restaurant Association
- North End BIZ
- Old St. Vital BIZ
- Deputy Minister, Province of Manitoba, Economic Development
- Royal Manitoba Theatre Centre
- St. Norbert BIZ
- Selkirk Avenue/South Osborne BIZ's
- Smith Events
- Southern Chiefs Economic Development Corp
- Transcona BIZ
- True North Sports & Entertainment
- Tunngasugit Inuit Resource Centre
- West Broadway BIZ
- West End BIZ

- Winnipeg Chamber of Commerce
- Winnipeg Folk Festival

FOCUS: WINNIPEG'S DOWNTOWN

Introduction and Context

Downtown has many challenges and these were exacerbated by the pandemic. It is critical to focus on Winnipeg's downtown area as a key component of the Economic Response and Recovery plan because:

- Winnipeg's downtown is less than 1% of the physical footprint of Winnipeg as a whole. However, it generates approximately 20% of all commercial property tax
- Downtown businesses contribute about 12% of the City's business tax base.
- Most office space is located downtown (over 70%)
- Winnipeg needs a vibrant downtown to attract new talent for local business
- Creation of a community focused downtown will amplify the benefits of the area
- A minority of citizens live in the downtown area (approximately 2%) while the price of real estate across most areas of the City continues to increase
- Winnipeggers are proud of the city's reputation as an arts and culture centre

Coordination and Collaboration

The City is coordinating its economic recovery efforts with other downtown stakeholders. Many organizations are developing specific economic recovery plans which are expected to be released in the near term:

- A working group comprised of the Downtown Winnipeg BIZ, CentreVenture, Tourism Winnipeg, the Exchange District and West End BIZs and the City of Winnipeg Property, Planning and Development Department, is working collaboratively to develop a downtown recovery strategy with implementable actions that will aid in the Downtown Winnipeg's post-pandemic economic and social recovery.

- The Downtown Recovery Strategy working group analyzed data regarding the current state of affairs in downtown Winnipeg including calls for service, hotel stays, nights used in shelters, use of us shelter, net loss of businesses, needs of professional services firms, employment, footprint, etc. All of this data was used together with information from approximately 20 roundtable discussions to determine the immediate needs of the area as well as focus on the long-term strategy. This was done collaboratively not only with the development groups noted above, but also with social agencies such as Thunderbird House, the United Way and Main Street Project.

- The goal of this short-term plan to jumpstart/restart the downtown economy is to develop an actionable strategy with key recommendations to implement within three years that will:

    - Facilitate private sector investment
    - Encourage residential growth
    - Bolster existing businesses
    - Support new business development
    - Foster safe and vibrant public spaces

- The Public Service is recommending that the Economic Response and Recovery framework for the City of Winnipeg incorporate the planning being conducted by the Downtown Recovery Strategy working group as it is a collaborate effort and is using very specific data points to support the detailed plans expected to be presented in the fall of 2021.

The Short-term Plan

This Plan aligns with planning already underway by the City of Winnipeg:

"This Downtown Recovery strategy is a 3-year intense, coordinated action and investment plan to kick-start downtown vibrancy. It will align and support the City of Winnipeg's longer term 'Downtown Plan By-Law', 'Transportation Master Plan', and Poverty Reduction Council report that will sustain downtown social and economic development…"*(excerpt from Downtown Recovery Strategy Framework)*

The Recovery Strategy includes a request for $90 million from all 3 levels of government ($30 million each) to address the following 5 pillars:

1. Revitalizing Downtown Places $50 million:

   This would include initiatives such as tree planting, wayfinding, community-clean-up, and targeted capital expenditures to better connect and sustain downtown's districts to encourage economic investment. Examples could include:
   - Broadway Boulevard Renewal
   - Market Lands Public Realm
   - Exchange to SHED Connection (via Burton Cummings Theatre)
   - Central Park Upgrades

   Many of these could qualify for City support using the Canada Community Building Fund (formerly gas tax funding).

2. Enlivening Downtown Destinations-$10 million:

   Some of the ideas being proposed include: to help existing downtown festivals and events, it is proposed that a designated fund be set up that would also help new and expanded public events to bring people downtown. Marketing efforts could be ramped up to encourage downtown spending including moveable and re-useable pop up spaces.

   These actions would necessitate support from the City of Winnipeg including fast-track street closure and event permits, continuing the bike path strategy to assist people biking to downtown as well as tie-in's to the Transportation Master Plan, plus a review of existing city policies, procedures and by-laws that regulate all modes of transport including, transit, ride-sharing, vehicle for hire, active transportation and traditional vehicles.

3. Supporting People-$10 million

   Some of the concepts included: continued and/or increased support for community outreach programs, safe amenities such as public washrooms and drinking water, enhance collaboration to promote greater understanding and collaboration in the downtown community.

   The City is currently supporting many of these initiatives including public washrooms, support for community outreach as well as the downtown safety strategy.

4. Downtown Living-$10 million

   To encourage and support those living downtown, there is a desire to add more mixed-income housing units over the next three years coupled with a marketing and matching plan for students.

   These initiatives would need policy support from the City of Winnipeg including fast-track of development permits for downtown housing, aligned with the OurWinnipeg target of 500 units per year downtown.

   There is an opportunity for the City to play an increasing role in supporting more affordable housing as well as other development in the downtown through the use of Tax Increment Financing (TIF).

5. Building Business-$10 million

   To provide incentive and enthusiasm for business to invest in the downtown, campaigns to encourage working downtown, attract new business to locate downtown, ground floor space matching with new business initiatives, façade improvement programs and support for CentreVenture to support challenging projects and surface parking lot redevelopment.

   Alignment with City of Winnipeg policy support would include fast-track development permits, allowing side-walk encroachments for streetscaping, and potentially a moratorium on government office reduction in the downtown. The creative solutions being considered for The Bay and Portage Place will also be key for the downtown.

Recommendations:

1. Continue to work collaboratively with the Downtown Recovery working group and other strategic community partners to implement the Downtown Recovery Strategy (being presented in October 2021).
2. The 5 pillars in the Downtown Recovery Strategy requests a $30 million contribution from the City of Winnipeg and each of the other 2 levels of government. The public service proposes to accommodate this request through the following streams:
   a. Allocate up to $10 million from the City of Winnipeg's Canada Community-Building Funds (formerly known as Gas Tax Funds) towards the projects identified in the Revitalizing Downtown Spaces component of the DRS, subject to finalizing details and costs associated with these projects.

   b. Pledge up to $20 million of Tax Increment Financing TIF to support development in the downtown including affordable housing through a new program that is being developed.
3. Work collaboratively with the downtown stakeholders to develop key performance indicators/measures that will track progress towards the goals outlined in the Downtown Recovery Strategy.

ACCELERATION OF SERVICING

Introduction and Context

To a large extent, existing Employment Land areas will continue to provide opportunities to accommodate industrial uses through the ebb-and-flow of business openings and closures. However, in some instances there is market pressure to convert some of these lands to other uses (e.g. the increasing commercialization of Kenaston Blvd, Public Markets). At the same time, encroachment of sensitive land uses may erode the viability of these lands for planned industrial purposes.

These factors may contribute to the possible erosion of the City's industrial land supply, increasing pressure on the City to fund the servicing of new Employment Lands.

Complete Communities 2.0 includes policies to help manage these factors as outlined below.

In support of OurWinnipeg and Complete Communities 2.0, the City commissioned an Employment and Commercial Lands Study that was presented to Council for information in April of 2019. Some of the main findings of the report are as follows:

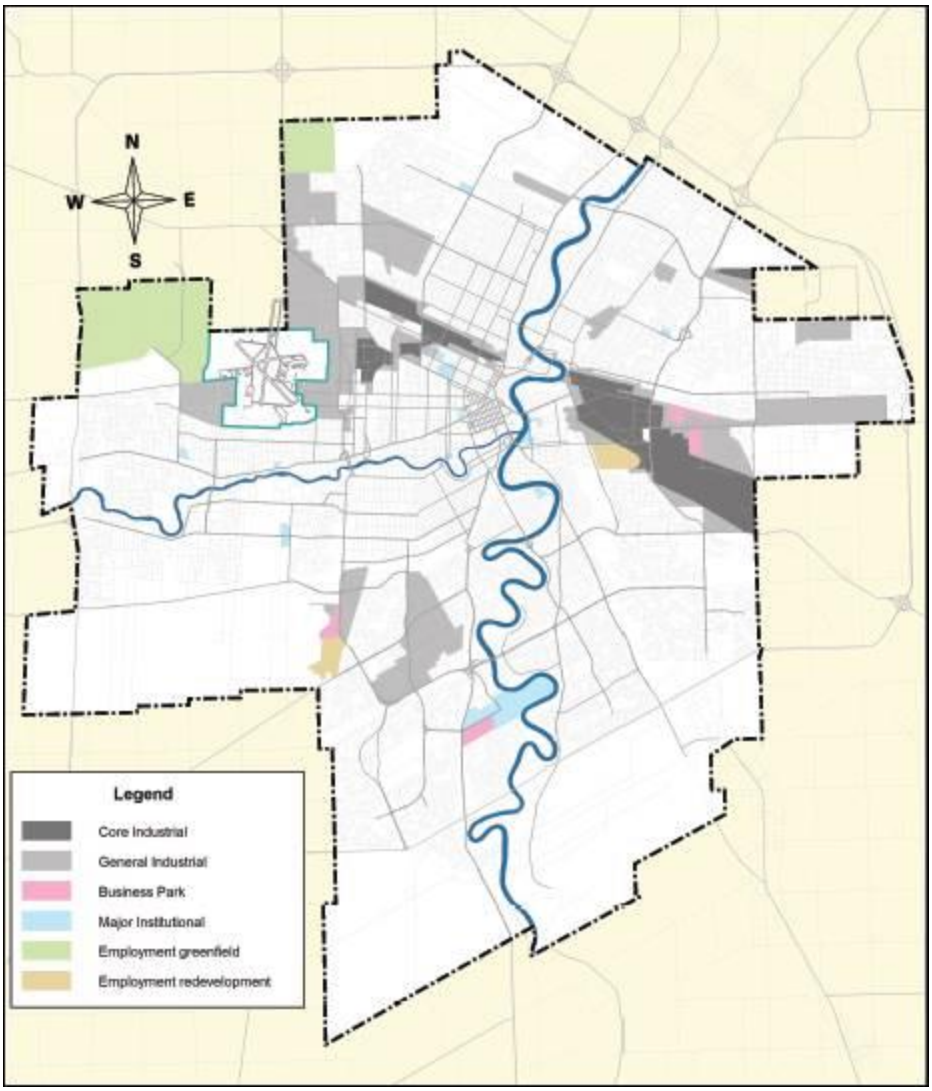
- The City faces a shortfall of vacant serviced employment lands to accommodate forecasted growth over the next 20 years.
- City competitiveness is being compromised by the fact that serviced industrial lands are not sufficiently being brought on-stream and that there is currently no clear vision of strategy to do so.

The study estimated the City's supply of vacant serviced employment lands to be eight years as of 2017.

Pertinent Complete Communities 2.0 policies from the Employment Lands section are as follows:

- (3.1) Provide a sufficient supply of vacant serviced Employment Lands to accommodate forecasted industrial growth, promote City and regional competitiveness and economic diversity, and to provide jobs in proximity to the City's population, amenities, and services.
- (3.3) Endeavour to maintain a five-year supply of combined vacant serviced General and Core Industrial lands.
- (2.2) Undertake an Employment Lands competitiveness analysis to determine:
    - Advantages and disadvantages of Winnipeg's Employment Lands relative to Capital Region municipalities and other economic regions;
    - Discrepancies in economic competitiveness across city quadrants; and
    - Infrastructure investments needed to develop new Employment Lands in the city.

Complete Communities 2.0 indicates the location of future greenfield Employment Lands, noted in green on the following map:



Servicing for both of the two greenfield employment areas requires City investment. The Public Service has studied the servicing requirements for Airport Area West (AAW), the 10th highest priority on the infrastructure unfunded list, which is located within CentrePort Canada, North America's largest inland port.

Precinct A

To the best of our knowledge, the servicing of Precinct A (the other greenfield employment area) has not been studied to any meaningful extent, but it is our understanding that wastewater will need to be extended from the east through future greenfield residential areas that will build out over the next 20 years.

Options:

Options for acceleration of servicing include:

- Re-visiting the priority/timing standing on the list of potential projects.

- Review options and actively seek out joint funding arrangements either with the adjacent municipalities, landowners and/or developers.
- Explore the use of infrastructure grants or other funding from senior levels of government as part of the pandemic re-start programs.
- Accelerate the servicing of Airport Area West using additional one-time funding from the Canada Community-Building Fund.

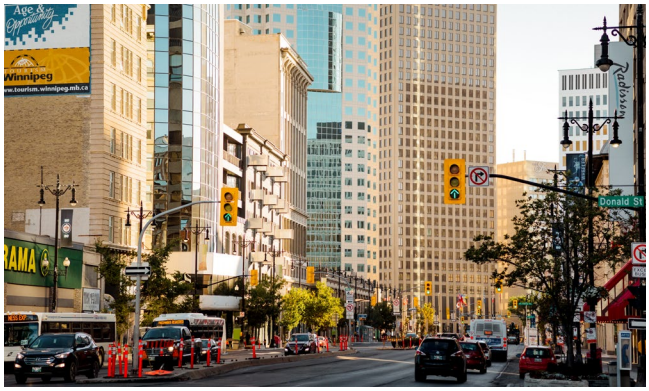
DOWNTOWN RECOVERY STRATEGY

Downtown Recovery Framework

OCTOBER 2021



Downtown Matters



Winnipeg's downtown is the city's heartbeat. It's the place where Winnipeggers gather to celebrate their cultures, creativity, and pride. Our downtown captures the essence of what Winnipeg is, and what it can be, for visitors, residents, and investors. The vibrancy of downtown Winnipeg leaves a lasting impression on everyone who spends time within it that our city is prosperous, inviting, and successful. Winnipeg's past and present is rooted in the downtown and as a hub of innovation and collaboration, our downtown matters for the future of all Winnipeggers.

THE PANDEMIC'S IMPACTS ON DOWNTOWN

Over the last two decades, downtown Winnipeg experienced a resurgence. This momentum saw the downtown's potential being fulfilled with more diverse and vibrant districts and more people living, working, and playing in our city's centre. The pandemic has slowed some of that momentum. COVID-19 impacted the livelihood of downtown businesses more acutely than elsewhere in Winnipeg and disproportionately affected Winnipeggers facing poverty and systemic barriers, many of whom reside downtown.

THE PAST MONTHS

In February 2021, a Downtown Recovery Strategy working group was formed to assess and address the pandemic's impacts on the businesses and communities in downtown Winnipeg. The working group is comprised of three downtown business improvement zone agencies Downtown Winnipeg BIZ, the Exchange District BIZ, and the West End BIZ; CentreVenture Development Corporation; Tourism Winnipeg; and, City of Winnipeg planning staff.

In July 2021, the working group released a State of the Downtown report which captured the quantitative impacts of the pandemic to date, highlighted the impacts on the people behind the numbers, and included immediate calls to action. From May to September, more than 20 roundtable discussions were conducted, reaching 110 people from various community sectors downtown including large employers; poverty reduction and community support agencies; restaurant and retail businesses; real estate professionals and developers; tourism, entertainment, and arts organizations; educational institutions; and downtown residents.

The research and critical discussions undertaken by the Downtown Strategy Recovery working group have informed and shaped the framework being proposed for the Downtown Recovery Strategy.

THE NOW

It is clear that the impacts of the pandemic have acutely affected Winnipeg's downtown an overcoming these impacts will require immediate and long-term commitment, visionary leadership, and collective action. Some of these impacts may be lasting or structural, such as the future of office work in a time where remote work is more readily undertaken. The businesses that are integral to our downtown, and the people who live, shop and explore there, need our continued commitment to implementing and accelerating the downtown revitalization strategies that were working well pre-pandemic. Winnipeg's downtown requires us to collectively build a more supportive, equitable, and inclusive community.

The past year and a half has been arduous; Winnipeg's downtown has demonstrated its resiliency in the past and it will continue to do so into the future. A bold, collaborative Downtown Recovery Strategy will provide our downtown with the investments and supports that it needs to continue growing as a creative, innovative, and prosperous centre, that benefits all of Winnipeg.

The Framework

Three key principles guide the framework for the Downtown Recovery Strategy, will inform the detailed design of all strategic actions, and will provide a foundation for measuring success:

1. **Local economy** – Manitoba-owned, independent, and small businesses are the backbone of downtown's economy and critical to maintaining and increasing the community's vibrancy.
2. **Social inclusion** – Downtown is a place where everyone feels a sense of belonging and where Truth and Reconciliation is integral to business and community life.
3. **Arts and culture** – Artists are a sustaining force downtown and a prosperous cultural sector is essential to inviting people to shop, play, live, and work downtown.

The framework establishes high-impact strategic actions for the next three years in five overlapping and complementary streams of activity: **revitalizing places; energizing spaces; supporting people; living downtown; and building business.** To achieve our goals and best position Winnipeg's downtown for future success, collective and collaborative action is required between all levels of government and among all downtown community sectors.

NEXT STEPS

Building up a strong and resilient downtown that has been uniquely affected by COVID-19 will require a dedicated, visionary, and skilled team to lead, implement, and assess the impacts of the Downtown Recovery Strategy.

Named the **Downtown Action Team,** the team will include the organizations on the Downtown Recovery Strategy working group, representatives from poverty reduction and community support agencies, and members from the arts and cultural sectors. Key responsibilities of the Downtown Action Team will include:

- Conducting further consultation on the detailed design of the actions proposed in this framework document;
- Collaborating and co-designing the implementation strategy with the organizations, experts, and communities impacted by the actions;
- Taking accountability for the strategy's actions to ensure alignment and coordination;
- Establishing outcome measures;
- Providing consistent public reporting; and,
- Working collectively to address policy barriers and opportunities through implementation.

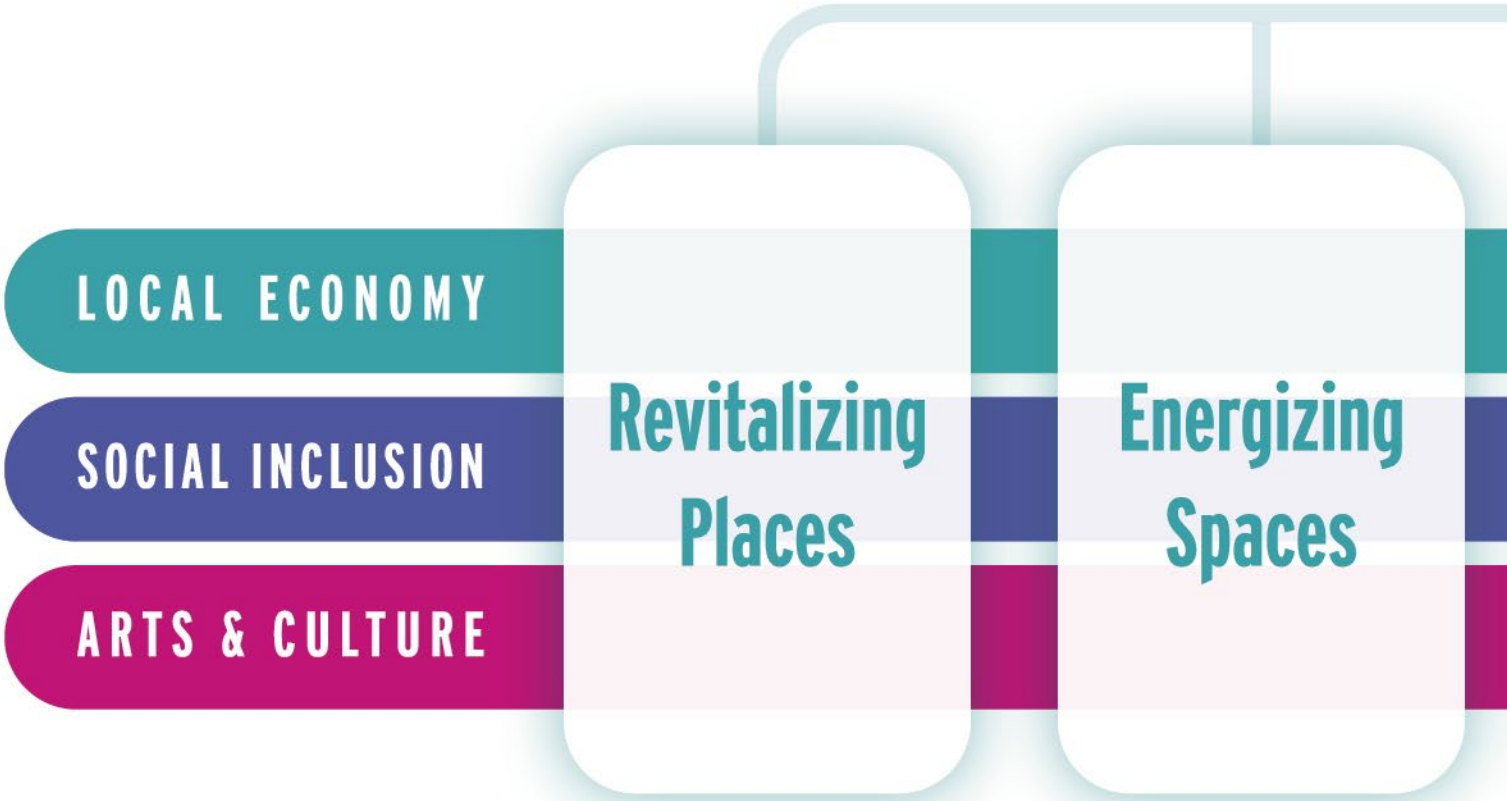
THE INVESTMENT AND RETURN

The Downtown Recovery strategy will be an innovative and intensive three-year, coordinated action and investment plan to kick-start downtown recovery post-pandemic. A total investment of $90 million in the Downtown Recovery Strategy is being requested from the three levels of government, that will generate more than $300 million in private sector investment. Collectively, this community effort will create a cleaner, safer, and more prosperous downtown that builds the local economy, achieves greater social inclusion, and reinvigorates downtown as the centre of arts and culture in Winnipeg.

STRATEGIC ALIGNMENT

The Downtown Recovery Strategy is designed to align with, and support, the City of Winnipeg's upcoming Downtown Plan By-Law, Poverty Reduction Strategy, and Transportation and Transit Master Plans. Working together, these strategies and plans will create a powerful synergy to invigorate downtown's social and economic development. Drawing on the expertise, knowledge and passion found across downtown networks, the Downtown Recovery Strategy will be well-positioned to connect with and inspire the community.

Winnipeg's downtown recovery strategy framework



STRATEGY STREAMS

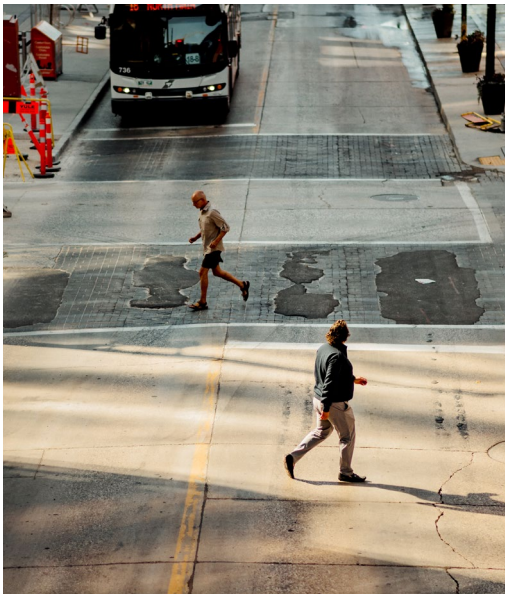
Tightly focused along 5 streams, these high impact strategic investments will be implemented on the ground by agile downtown agencies over 3 years. Each stream is complimentary and collaborative with the others, multiplying our return on investment.

Supporting People

Living Downtown

Building Business

Stream One:
Revitalizing Places





Since the pandemic's onset, Winnipeggers have turned to the outdoors to recharge and re-energize themselves during a strenuous time. The city's outdoor spaces have provided essential places for residents to safely reconnect with each other; re-establish connection with friends, family, and co-workers; and find refuge from the stress of living through a global pandemic.

We have been reminded anew that downtown's public parks, plazas and streetscapes are its greatest tangible assets that create space for exploring the benefits of economic development, cultural creativity, and personal potential. Downtown's public places spark tourists' interest in exploring downtown and create lasting memories; attract budding entrepreneurs and established companies to secure office spaces and fulfill their innovative visions; and create a vibrant and energized neighbourhood that makes people want to live downtown.

With fewer people regularly visiting and working downtown, the tired and neglected infrastructure of these places has never been more apparent. The disinvestment over past years poses a significant, but not insurmountable, challenge to economic recovery. For Winnipeg's downtown to prosper, increased long-term investment is required.

Action Areas:

a) Prioritize tree planting, sidewalk repair, lighting, and eliminating accessibility barriers on key pedestrian corridors.

b) Invest in high impact infrastructure projects to improve destinations and better connect and sustain downtown's distinct districts, while encouraging surrounding economic investment. Examples include:

- Air Canada Park Redevelopment
- Broadway Median Renewal
- Market Lands Public Realm
- SHED to Exchange District Connection
- Alexander Docks Phase One
- Central Park Upgrades

c) Design and implement a new accessible and inclusive wayfinding strategy for downtown.

d) Host community clean-up events and develop a rapid-response public space cleanliness strategy or service.

Stream Two:
Energizing Spaces

Downtown is our city's preeminent destination for arts, culture, entertainment, and is a hub of creative innovation. Every Winnipegger and visitor will find something that sparks their interest and creates a memorable experience for them downtown–whether it is the Canadian Museum for Human Rights, the Manitoba Theatre Centre, Nuit Blanche, the Winnipeg Jets, or countless other venues or events.

The pandemic altered our ability to gather, shifting many of our regular in-person activities to take place virtually. These changes have impacted downtown's creative, tourism, and hospitality sectors in ways that no one could have planned for or expected. Critical gathering places such as performance halls, exhibition spaces, and cultural facilities were among the first to close at the onset of the pandemic and the last to re-open. Recovery will take time, but it is possible.

To build back a better and stronger downtown, Winnipeggers will need to be reminded of the tremendous value that downtown's assets offer them and be attracted to engage in downtown in new and imaginative ways.





Action Areas

a) Create a 'Downtown Events Fund' to help existing festivals adapt to hosting large gatherings that ensure public safety and respond to the lasting effects of the pandemic. The fund will also seed new and expanded public events that will fill downtown spaces with Winnipeggers and tourists once again. Initiatives that raise downtown business revenue, advance cultural understanding and reconciliation, and increase winter visitation will be the focus of this fund.

b) Establish a 'Pop-Up Spaces Program', that includes moveable and re-useable capital infrastructure, to activate four-season, under-utilized spaces throughout the downtown, creating new reasons to visit and experience downtown.

c) Launch a multi-faceted 'Spend Downtown' marketing campaign, providing engaging cross-promotional opportunities to support existing retail, hospitality, and arts and cultural businesses.

Stream Three:
Supporting People

Downtown Winnipeg is a critical part of our city in multi-faceted ways. Importantly, it is a place where Winnipeggers living in poverty access many of the supports and services they need. During the pandemic, the realities and challenges of people experiencing unemployment, homelessness, or substance use disorders in our downtown have continued.

The pandemic has illuminated the insufficient systems, policies, and investments that cause far too many people in our city to experience extreme hardship and duress. Throughout the past year and a half, a strong level of collaboration has emerged among agencies working together to support people downtown during this difficult time. Springing forth from those collaborations is an encouragingly high level of optimism that effective, long-term solutions supporting people can be developed.

The Downtown Recovery Strategy alone cannot address the underlying systemic and structural causes of poverty and marginalization in Winnipeg. However, it can provide some immediate actionable items that will contribute to creating a more supportive downtown community, one committed to treating people with dignity and ensuring their needs are met and rights are respected.



Action Areas:

a) Expand community outreach presence on the streets.

b) Collaborate with existing community partners to develop and secure long-term sustainable funding for low-barrier 24-hour safe spaces and prioritize supporting Indigenous women, girls, and 2SLGBTQ+ people.

c) Adopt a harm reduction approach and provide safe amenities such as additional public washrooms and drinking water locations throughout the downtown.

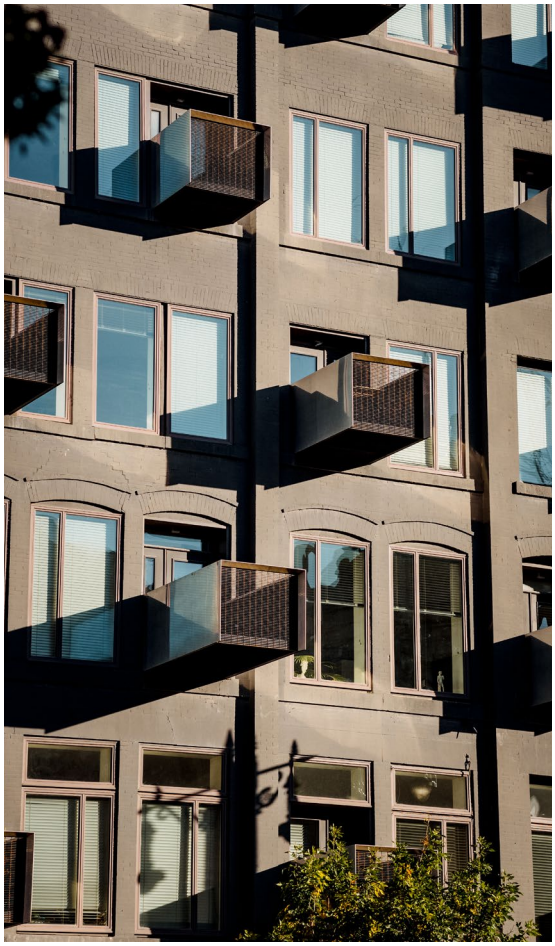
d) Establish connections between downtown businesses and community-based groups that serve Winnipeggers facing poverty to reduce stigma, deepen understanding, and enhance collaboration.

Stream Four:
Living Downtown

Those who live in downtown Winnipeg have a panoramic view of the heart of the city. Over the last 20 years, Winnipeg has enacted a successful public-private partnership geared to increasing the number of people who call downtown home and creating a 24-hour population, thus improving the community's safety and vibrancy. The results of this effort has been the creation of nearly 5,000 new homes for an additional 8,000 downtown neighbourhood residents.

The pandemic has reinforced the need to continue this housing strategy and to increase the number of people who support downtown businesses outside of typical office hours. The imperative to end chronic homelessness has never been stronger and will require investments in transitional and low-barrier housing.

Downtown's recovery is intertwined with the need for a range of new housing options. Everyone has the right to adequate housing and creating housing with a range of affordable options will ensure that downtown is a vibrant and inclusive place to live.





Action Areas:

a) Initiate 1,500 new mixed-income downtown housing units over the next three years using tax increment financing.

b) Augment affordable housing initiatives to overcome hurdles to developing low-barrier, transitional, and social housing, such as the need for downtown land or building acquisition.

c) Develop and align a marketing plan with downtown's educational institutions to match students with new downtown living options.

d) Advocate for and support efforts to restart and increase international immigration to Winnipeg.

Stream Five:
Building Business



Actions Areas:

a) Develop a campaign to support and encourage companies to bring workers back downtown and to attract new companies to locate downtown, including methods for safe return and promotion of the unique amenities and offerings in the downtown.

b) Establish a robust ground floor incubation strategy to mentor and match emerging businesses with empty downtown storefront locations.

c) Implement a façade improvement program to redress dilapidated storefronts and to provide existing storefront businesses with support to reach out into the public realm, creating more inviting and attractive entries.

d) Replenish CentreVenture's gap financing fund in support of challenging revitalization projects, including surface parking lot redevelopment.

Over the last decade, downtown's districts experienced an exciting growth in business confidence that coincided with new construction projects and creative retail and hospitality concepts. Cost barriers to downtown development were being addressed through innovative tax credit and gap financing programs. Downtown was moving in a visionary direction, becoming a more viable and attractive place to invest in, and grow, businesses.

The pandemic has shaken that confidence– new project starts are waning and storefront businesses are experiencing significant revenue losses, and in some cases, closures. Welcoming workers back downtown and reactivating retail storefronts and underutilized buildings or sites will be essential to building back business investment and momentum.



Our downtown will recover through collective leadership and collaborative action.

Thank you

There are many Winnipeggers who contributed to this report. The Downtown Recovery Strategy working group would like to thank each individual and organization that has participated in roundtable discussions and interviews to date as well as the City of Winnipeg for its guidance and support. We have heard so many great ideas and solutions to aid in the economic and social recovery of our downtown. There is clearly a commitment in our city to working together for a strong downtown community. Thank you for being a part of something bigger than any one organization or effort.

Funding assistance provided by the Manitoba Government



DOWNTOWN WINNIPEG BIZ

THE EXCHANGE DISTRICT BIZ

West End biz BUSINESS IMPROVEMENT ZONE

TOURISM WINNIPEG

centreventure development corporation