Attachment A. Ernst & Young LLP. Draft Recommendations

Outlined below is a summary of the Ernst and Young LLP draft recommendations to be evaluated within the SFMP. A benchmarking scale includes a 'current state' evaluation relative to public-sector peers. In select recommendations, a peer has been identified as a leading practice example. Further discussion of these findings and leading practices will be included in the SFMP. This jurisdictional scan included six Canadian municipalities and a provincial agency.

Portfolio Impact: All Municipal Properties

Key Observation: Decision-making capability is limited given inconsistent facility assessment data.

Recommendation 1: A Data Validation Review to identify, source and centralize the existing key datasets and IT systems may help to advance this initiative.

Substandard	Below Average	Average	Above Average	Leading Practice
Winnipeg		Public Sector Benchmark		

Key Observation: Capital renewal funding is insufficient given the size, scale and condition of the Municipal Properties portfolio.

Recommendation 2: Without alternative approaches to managing its portfolio, on-going property depreciation will only increase state of good repair backlogs – service levels will likely decrease as occasional breakdowns due to aging equipment and buildings become more common. In order to address this, the City may consider adjusted funding level for investment in capital renewal, continued implementation of a level of service approach, pursue consolidation opportunities, transition to a model of cost recovery for third party leases and continue to optimize the municipal properties portfolio.

Substandard	Below Average	Average	Above Average	Leading Practice
	Winnipeg	Public Sector Benchmark		

Key Observation: A range of channels exist to report work orders and include a building-specific contacts and phone-in Central Control.

Recommendation 3: Currently, the City benefits from an above-average property management infrastructure – data from this function should be integrated with IT platform(s), accounting for cost recoveries, where applicable.

Substandard	Below Average	Average	Above Average	Leading Practice
		Public Sector Benchmark	Winnipeg	

Key Observation: With clearly defined communication paths, there is strong cross-departmental collaboration within the City.

Recommendation 4: As the City contemplates recommendations from this SFMP, its culture of good cross-departmental collaboration should be leveraged to support the implementation of new strategic initiatives.

Substandard	Below Average	Average	Above Average	Leading Practice
		Public Sector Benchmark	Winnipeg	

Portfolio Impact: City Owned / City Occupied, City Owned / Third Party Occupied, Third Party Owned / City Occupied

Key Observation: The City has explored several options for the Tower Building at 266 Graham Avenue, anchoring its future as a strategic municipal property.

Recommendation 5: The City should explore an inward-facing opportunistic strategy for this property and complete a formal business case evaluation of consolidation for municipal properties within the Tower Building at 266 Graham Avenue.

Substandard	Below Average	Average	Above Average	Leading Practice
		Public Sector Benchmark Winnipeg		

Key Observation: There is a wide range in quality of office accommodations; some facilities are good and many others are very poor.

Recommendation 6: To leverage modern, adaptable space and scale in procurement, the City should formalize a policy for space standards and furniture standards.

Substandard	Below Average	Average	Above Average	Leading Practice
	Winnipeg	Public Sector Benchmark		Infrastructure Ontario

Potential Portfolio Impact: City Owned / Third Party Occupied

Key Observation: The City has many non-profit tenancies without a consistent policy or lease agreement in place for all tenants.

Recommendation 7: Formalize standard lease clauses for all non-profit tenants in PP&D managed assets and transition to a model of cost recovery on future capital repairs given the high infrastructure deficit.

Substandard	Below Average	Average	Above Average	Leading Practice
Winnipeg		Public Sector Benchmark		City of Toronto

Key Observation: There are opportunities for disposition including some non-profit occupants with interest in purchasing the occupied asset.

Recommendation 8: Using the illustrative criteria outlined in this SFMP, expand the City's mandate to actively pursue alternative solutions to optimize the municipal properties managed portfolio.

Substandard	Below Average	Average	Above Average	Leading Practice
Winnipeg		Public Sector Benchmark		City of Halifax

Comments from the Winnipeg Public Service:

Recommendations 1 & 3: A Data Validation Review (DVR) was commenced in August 2021. The ongoing DVR represents a comprehensive review of IT systems inclusive of multiple system integration.

Recommendation 2: Creation of the internal Building Condition Assessment Team was initiated in December 2020. The Team is in the development stages with a goal to improve condition assessment data accuracy and completeness.

Recommendation 5: Preparation of an RFP for a comprehensive Building Condition Assessment of 266 Graham is being finalized. In addition, in January of 2022, the Winnipeg Public Service commenced preparation for a Comparative Cost/Benefit Analysis of feasible alternative civic repurposing strategies which will integrate and utilize the results of the pending Building Condition Assessment assignment.

Recommendation 6: A Working Group, in consultation with subject matter experts, has completed a draft policy framework and recommended standards for both space and furniture.

Recommendation 7 & 8: Execution of the SFMP will allow for these recommendations to be implemented.