Agenda – Executive Policy Committee – July 9, 2024

REPORTS

Item No. 8 Option Analysis – Broadway Neighbourhood Centre (Fort Rouge-East Fort Garry Ward)

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That this report be received as information.

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 12, 2024, the Executive Policy Committee concurred in the recommendation of the City Centre Community Committee.

COMMUNITY COMMITTEE RECOMMENDATION:

On February 23, 2024, the City Centre Community Committee passed the following motion:

WHEREAS Broadway Neighbourhood Centre, like other Winnipeg Recreation and Leisure or Community Centres, delivers a wide range of programs to West Broadway youth, adults and families, providing life-sustaining social services and recreation;

AND WHEREAS Broadway Neighborhood Centre is an integral part of the West Broadway community and is a former Winnipeg Community Centre located on City of Winnipeg land, covered by City of Winnipeg insurance;

AND WHEREAS unlike other City of Winnipeg Leisure Centres the Broadway Neighbourhood Centre's core funding of approximately $300,000 within preliminary draft budget is not in a core operating line and is uncertain after 2025;

THEREFORE BE IT RESOLVED the Executive Policy Committee be requested to direct the Winnipeg Public Service to consult with the Broadway Neighbourhood Board of Directors and report back in 120 days on the following:

1. Options for the Broadway Neighbourhood Centre to become either a City of Winnipeg leisure centre or a community centre under the purview of the General Council of Winnipeg Community Centres (GCWCC).

2. Financial implications and costs associated with the transition to community centre status under the purview of the GCWCC, including the impact on the annual Universal Funding Formula (UFF) grants to community centres.

ADMINISTRATIVE REPORT

Title: Option Analysis: Broadway Neighbourhood Centre

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
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EXECUTIVE SUMMARY

At its March 12, 2024 meeting, the Executive Policy Committee passed a motion to direct the Public Service to meet with the Broadway Neighbourhood Centre Board of Directors and to analyze possible options for the Broadway Neighbourhood Centre. The Public Service is to explore the best use for the Centre, and if this could be either as a City of Winnipeg recreation centre, or a community centre under the General Council of Winnipeg Community Centres. This motion also asks the Public Service to identify any financial considerations, including the impact on the Universal Funding Formula.

This report responds to the motion in five sections: Section 1 provides an overview of the Broadway Neighbourhood Centre; Section 2 outlines the history of the Centre and its funding model; Sections 3 and 4 review options for the Broadway Neighbourhood Centre to become either a City of Winnipeg recreation centre or a community centre under the purview of the General Council of Winnipeg Community Centres; and Section 5 provides a summary discussion and concludes the report.

RECOMMENDATIONS

1. That this report be received as information.

REASON FOR THE REPORT

On March 12, 2024, the Executive Policy Committee passed a motion directing the Public Service to connect with the Broadway Neighbourhood Centre Board of Directors and report back with an analysis of options for the Broadway Neighbourhood Centre to become either a City of Winnipeg recreation centre or a community centre under the purview of the General Council of Winnipeg Community Centres. In addition, the motion also directed the Public Service to identify any financial implications including the impact on the Universal Funding Formula. This report responds to that motion.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications associated with this report as it is to be received as information.

HISTORY/DISCUSSION

The Broadway Neighbourhood Centre

With a strong sense of community, access to public transit, integrated pedestrian and cycling infrastructure, a diverse mix of businesses, and close proximity to education and social services, West Broadway is a desirable area in Winnipeg's downtown for many individuals and their families. According to 2021 census data, the population size of the immediate neighbourhood of West Broadway is approximately 5,590, which is an increase of 11.6% since the 2016 census. Of these residents, over 50 percent are between the ages of 20 to 44, 24 percent identify as Indigenous, and nearly 32 percent are visible minorities. Of all residents living in the immediate West Broadway area, 85.5 percent earn less than $50,000 annually, with over half of all residents earning less than $30,000 annually. It is also important to note that of all residents, 33 percent are single parent families. This data aligns with the mapping of higher poverty areas completed by the City and available through the City's Website. As indicated on the Higher Poverty Areas Map, the West Broadway Area is identified as a High Poverty Neighbourhood. The Higher Poverty Areas Map is based on Canadian Census data, and the Market Basket Measure (MBM), which refers to Canada's official measure of poverty based on the cost of a specific basket of goods and services representing a modest standard of living developed by Employment and Social Development Canada. It is within this demographic context that the Broadway Neighbourhood Centre operates. Meeting the diverse needs of this community is critical and requires a unique and flexible approach.

As outlined in its mission statement, the Broadway Neighbourhood Centre (BNC) is a not-for-profit organization committed to providing high-quality recreation, social, health, education and employment training programs and services. The primary focus of the centre is the local neighbourhood responding to the needs of the West Broadway area through specialized, flexible, and innovative programs. The centre revises and updates its programs on a continual basis in response to changes in the community. While the target population of the centre includes residents from the West Broadway area, BNC welcomes participants from across the City and beyond.

Located at 185 Young St. in Winnipeg, BNC is an approximately 15,200 square foot building situated on 3.2 acres of land. The Centre includes a gymnasium, daycare, several multi-purpose rooms, canteen, kitchen, computer lab, and washroom facilities. The centre's exterior amenities include a play structure, skate park, outdoor rink, bike track, community garden, wading pool, and a green space. Attachment 1 provides an overview and sitemap of the facility and surrounding area (note: the sitemap does not include the skate park and bike track; and the storage building beside the outdoor rink has been removed). Through these amenities, BNC offers a variety programs including but not limited to:

- Just TV and the Just TV Apprenticeship
- After School Leaders
- Girls Group Program
- Fuel 4 School Lunch Program
- Nourishing Potential

- Kids Cooking
- Youth Drop-In programming (Free play, Homework Club, Running Club, Art Workshops, Cultural Workshops, BNC basketball program)
- Summer Music Camps
- Pow Wow Club
- Manitoba Harvest Food Bank Site
- Manitoba Harvest Meal/Snack program
- Canada Summer Job Employment Program
- Manitoba Arts Council
- Language Preservation Program
- S.A.G.E. (Share, Access, Gather, Educate) Seniors Program
- Zam Mi Nan Aki (Touch the Earth)
- Mis Ko Mune Dous Mikos Manitosis Inc. (Little Red Spirit Daycare)

While BNC has been a fixture of the West Broadway area since the 1950s, understanding the development of the Centre is important to understanding the options to be reviewed in sections three and four of this report.

History of the Broadway Neighbourhood Centre

Plans for the creation of a community centre on the southeast corner of Young Street and Broadway were initiated in 1949 with funding committed through the local Optimist Club, the general public, and the City of Winnipeg through what was then the Winnipeg Board of Parks and Recreation. Due to the sponsorship of the Optimist Club, the community centre was originally named the Broadway Optimist Community Centre, but was later changed to the Broadway Community Centre.

Similar to all Winnipeg Community Centres, the Broadway Community Centre was supported by the General Council of Winnipeg Community Centres (GCWCC). Established in 1971, GCWCC was created when the 13 autonomous municipalities and the City of Winnipeg amalgamated to form Unicity. GCWCC's primary purpose is to be a central resource for all Community Centres and to facilitate cooperation and communication among the Community Centres, and between Community Centres and City administration.

In 1992, a committee was struck with representatives from GCWCC, City Council, and the City of Winnipeg Public Service for the purpose of developing a funding formula that would be equitable to all community centres. The first Universal Funding Formula (UFF) was implemented in 1994 and was based on heated square footage and population base. The intention of the grant was to cover operating costs for basic building maintenance, supplies and utilities, as well as to offset some of the cost of custodial staff. As a result of the creation of the UFF, and as a member of the Community Centre model, the Broadway Community Centre was provided grant funding through the UFF.

The UFF has evolved considerably over the past 32 years. However, the current structure of the UFF, as approved by Council on December 12, 2019, has the following parameters:

- The UFF operating grant is intended to cover utilities (natural gas, electricity, water/sewer, telephone/internet/cable), repairs and maintenance, janitorial supplies, snow removal, and, where possible other operating expenses.
- The UFF is based on heated square footage of individual community centre facilities as per City of Winnipeg measurements.

- The UFF Grant is also comprised of a per capita component based on population and census data related to each community centre catchment area.
- The UFF includes funding for outdoor hockey pens (rinks). There is a set amount for the first two pens per site of $6,971 (in 2024) and a set amount for each additional hockey pen of $3,487 (in 2024).
- Indoor arena/soccer complexes/fieldhouses are funded for heated areas which include dressing rooms, foyers, canteens, offices, and washrooms. The UFF does not fund indoor ice/soccer/fieldhouse surfaces, bleachers, mechanical and Zamboni rooms that solely service indoor ice/soccer/fieldhouse operations as these specialized assets have revenue generating capacity. Third party exclusive use areas/dedicated one-purpose areas are not funded under the UFF program as it is expected that they will generate rental revenues.
- The UFF does not provide funding for programming.

As the UFF evolved throughout the 1990s, so too did the Broadway Community Centre. On March 26, 1997, Council supported a report submitted and passed by the Committee on Protection Parks and Culture that recommended the following:

1. That the Broadway Community Centre be formally dissolved and re-established as the Broadway Neighbourhood Centre, (BNC).
2. That the City of Winnipeg provide funding to the BNC in the amount of $100,000 for 1997.
3. That the financial commitment from the City to the BNC be reviewed annually based on the centre's financial statements and programming.

The rational for why the Broadway Community Centre was converted to the Broadway Neighbourhood Centre is not available. Reports produced by the Public Service prior to the introduction of the Decision-Making Information System (DMIS) are sometimes not retained. In this case, the available public record pertaining to this decision only includes the 1997 Council motion. However, it is important to note, the $100,000 identified in the Council motion from 1997 is reflective of the funding amount the centre had traditionally received through the UFF as part of the Community Centre model.

Following the direction of the 1997 motion, in 2003 BNC's grant was reviewed by the Public Service and increased to $115,000. In 2010, this amount was increased again to $120,500 and has remained at this level since that time. Currently, as this funding is no longer part of the UFF, it is allocated to BNC as a community grant, administered through the Community Development Division in the Office of the Chief Administrative Office (CAO) beginning in 2024. Prior to 2024, the grant was administered by the Community Services Department.

BNC also receives a second community grant totaling $135,000 for the Just TV program. Beginning in 2009, this annual grant was initially $150,000, but was reduced as part of the 2019-2023 multi-year budget process. Operating for over 15 years out of BNC, Just TV provides youth with the opportunities to express themselves through multimedia in a safe, fun and creative environment. Participants engage in all aspects of the audio and video industry and are tasked to create projects based on their interests, experiences and lives.

Taken together, BNC currently receives $255,500 from the City for its operations and the Just TV program annually. However, as outlined in the City's adopted 2024-2027 budget, funding for both of the above noted grants has not been committed for 2025 or beyond.

BNC as a City of Winnipeg Recreation Centre

Approved by Council on May 26, 2022, the Winnipeg Recreation Strategy provides a 25-year framework to guide programs, services, facility development and future investments to ensure the recreation system continues to support the health and wellbeing of Winnipeg residents and communities. The Strategy supports and aligns with the City's sustainable development and human rights goals established in the OurWinnipeg 2045 Development Plan, and Complete Communities Direction Strategy 2.0. More specifically, the Recreation Strategy includes direction that encourages and supports partnership opportunities between the City, community centres, schools and school divisions, community groups and other organizations to respond to opportunities and community needs. In its current state, BNC is recognized as a partner organization supporting the needs of the West Broadway area.

If BNC were transitioned to a City owned and operated recreation centre, this would involve a number of significant changes. First, this could have impacts to the BNC governance model, and the Board of Directors who currently oversee all operations of the facility. Second, there would be significant implications with regard to staffing. Considerations would need to be given to the existing staff employed by BNC and their roles in the future state of the Centre. Third, all programs and services currently offered by BNC would need to be assessed as part of a comprehensive review and would need to be aligned with City of Winnipeg administrative standards, policies, and operating procedures. Finally, additional resourcing would be required by the City to support the operating costs of this facility. Based on comparisons with like sized facilities, the estimated non-salary costs (e.g. building operations, supplies, and equipment) would range from $250,000-$275,000 annually. The estimated staffing costs for both permanent and temporary staff would range from $230,000 and $250,000 annually. Taken together, it is estimated that the City would require up to $500,000 in annual funding to operate the centre. While part of this funding could be accessed through the Centre's existing grants, that may not be possible if those grants are not committed in future years. Further, unlike BNC, the City has limited revenue generating capacity. For example, BNC is able to support operating costs through leased spaces including the daycare, rentals for events and socials, and larger scale events such as winter carnivals. At this time, there is limited available funding to support this change, and if funding was made available, this should be considered within the context of the Winnipeg Recreation Strategy, and other significant operational needs throughout the City.

Option 2: BNC as a City of Winnipeg Community Centre

Winnipeg's Community Centres offer a unique service model that encompasses numerous multi-use facilities owned by the City of Winnipeg but organized, operated, and programmed by non-profit volunteer Boards of Directors. These spaces offer a diverse range of programs and provide opportunities for social gathering and community connection. Currently there are 63 community centres operating 81 locations organized into five Districts. Each community centre has specific geographic boundaries that define its catchment area. The size of the population served by a community centre can vary considerably, as does the facility size and amenities. As noted above, GCWCC supports all City of Winnipeg Community Centres and as identified in 2023, the roughly 8,524 community centre volunteers who contribute over 515,000 million volunteer hours annually to ensure the ongoing delivery of Community Centre operations and programs.

If BNC were to again become a Community Centre and rejoin the Community Centre model, this could lead to a number of both positive and potentially negative outcomes. The centre

would gain support from GCWCC and access to grants administered by GCWCC, on behalf of the City including the janitorial grant, programming grant, as well as other subsidies and equipment. They would receive funding through the UFF, and for any outdoor rinks that are flooded. BNC would have access to the Community Centre Renovation Grant Program (CCRGP) offered by the City, and would be able to continue to leverage existing revenue sources through facility rentals, paid programing, and large-scale events such as winter carnivals. BNC would also have access to the City's liability coverage as part of the Community Centre model, and would be able to continue to operate in a similar way as it does currently with existing programs and services. Similar to existing Community Centres, BNC is currently supported by various City departments such as Community Services, Public Works, Planning Property and Development, and Assets and Project Management. In this regard, there would be no substantive change to support offered by the City outside of access to the CCRGP, UFF, and liability coverage.

Conversely, entering the Community Centre model may lead to a number of unintended or negative outcomes. First, joining the model may require changes to BNC's Board of Directors and governance structure. The centre would need to abide by all existing polices, processes and procedures that govern the Community Centre model. Should BNC become a community centre, it can be assumed that they would no longer receive a community grant for their operations as this grant would be replaced by the UFF. As described above, the UFF is calculated based on heated square footage and population base. According to City records, the estimated heated square footage of BNC is just over 15,200. Accounting for a reduction in square footage for the daycare, which is approximately 2,190 square feet and which is considered a revenue generating space under the UFF, and using high-level estimates on population catchment size for the West Broadway and surrounding area, it is estimated that a future UFF grant would likely be between $70,000 and $90,000 annually. However, the formal identification of a new catchment area specific to BNC would be required to provide an exact calculation of this funding amount. In addition, BNC's re-introduction into the Community Centre model would reduce the population catchment size of other surrounding Community Centres and therefore decrease the UFF grant allotments to those centres. Depending on the size of the proposed catchment area of BNC, this could impact the Robert A. Steen Community Centre as well as the Valor Community Centre. Finally, if BNC did enter the Community Centre model and access the UFF, this would also increase the Centre's, as well as the City's, administrative workload, related to the development, tracking, and submission of funding accountabilities associated with the UFF.

Summary Discussion

On April 9, 2024, members of the Public Service met with the Board of Directors of BNC. At this meeting, City staff provided an overview of EPC's disposition and described the work that would take place to develop and submit the corresponding report. At that meeting, the Public Service asked for any feedback from the BNC Board. The Board identified their concern related to becoming a City-managed recreation centre or a community centre, and confirmed their desire to remain as the Broadway Neighbourhood Centre. This desire was also expressed in a subsequent letter provided to the City from the Board, included as Attachment 2.

Any assessment of the BNC operating model must also be considered within the context of forthcoming changes to the City's grant process beginning in 2025. As noted in recommendation 1.Y. of the City's adopted 2024-2027 multi-year budget, the Public Service has been directed to review its existing grant process and develop a new model for how annual grants will be reviewed to better align with the City's adopted 2022-2026 Strategic Priorities Action Plan. This includes a new grant intake process; the introduction of proposed categories

such as the environment, arts and culture, Indigenous Youth Strategy, parks, recreation, community well-being and others; a new grant application; and the establishment of a committee to review, award and evaluate proposed grants and outcomes. In addition to the introduction of this new process, and as outlined in Appendix 2 of the City's operating budget, none of the City's existing annual grants have been budgeted beyond 2024. This includes the two grants typically received by BNC totaling $255,500. These changes are further compounded by a planned decrease in the City's total available funding for all annual grants beginning in 2025.

As highlighted in footnote 9 of Appendix 2 in the 2024 – 2027 Adopted Budget, the total available amount for all annual grants in future years is estimated at $72.3 million in 2025, $71.1 million in 2026, and $69.9 million in 2027. This accounts for a decrease of almost 13 percent from current levels over the next three years. As noted above, BNC has received an operating grant from the City since leaving the Community Centre model in 1997, as well as a grant for the JUST TV program since 2009. Considering all the above, this means that beginning in 2025 BNC will need to reapply for their community grants through a new granting process, with potentially increased competition from other applicants, and a decrease in the total available funding of which to apply for. Within this context, and given that the City's funding to BNC administered through two community grants accounted for roughly 31 percent of its total revenue in 2022, these changes could have a significant impact on the centre's ability to operate going forward if they are unable to access these grants in the future, or if their grant amounts are decreased.

In reviewing the options identified above, there are several key considerations. First, for BNC to become a City owned and operated recreation facility, the Centre itself might change significantly, removing the need for a Board of Directors, and aligning the Centre's operations with City procedures. In addition, and more significantly, the Community Services Department, which oversees the Recreation Services Division, does not currently have the operating funds or available staffing needed to take on this added operational capacity. As identified above, the estimated cost to the City to operate BNC could be up to $500,000 annually.

If BNC were to once again rejoin the Community Centre model under the purview of GCWCC, BNC would gain access to grants administered by GCWCC on behalf of the City, as well as other GCWCC supported subsidies and equipment. They would receive funding through the UFF, for any outdoor rinks that are flooded, and would have access to the CCRGP. The centre would be able to maintain a Board of Directors responsible for the operations of the facility, and largely continue to operate in the same way that it does currently. Access to UFF grant funding would provide greater certainty with regard to their operating funds going forward, however, the total amount received though the UFF would likely be less than what they currently receive. In becoming a Community Centre, BNC would lose some autonomy and be subject to the same operating terms as all other sites in the Community Centre model. BNC's entry into the UFF calculation would take away from the population catchments of other Community Centres, decreasing the UFF grant amounts for those centres.

BNC is an important part of the Broadway neighbourhood providing high-quality recreation, social, health, education and employment training programs and services. The Centre's ability to continue to develop its services and programs to meet the changing needs of the Community has been critical to its success and longevity. How the centre moves forward will be important to ensure that it can continue to offer these services and programs for residents and their families for generations to come.

FINANCIAL IMPACT

Financial Impact Statement Date: May 31, 2024

Project Name: Option Analysis: Broadway Neighbourhood Centre

COMMENTS:

There are no financial implications associated with the recommendations in the report.
The report is to be received as information.

Ozzy Garrett CPA, CGA - May 13, 2024
Ozzy Garrett CPA, CGA
Manager of Finance
Community Services Department

CONSULTATION

This Report has been prepared in consultation with:

- Broadway Neighbourhood Centre Board of Directors
- The General Council of Winnipeg Community Centres
- Assets and Project Management
- Recreation Services Division within Community Services Department

OURWINNIPEG POLICY ALIGNMENT

The report aligns with the following goals:

Goal: Good Health and Well-Being

- 4.1 Health Equity
- 4.9 Inclusive Public Places
- 4.11 Equitable Service Access

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Goal 6: All City Services are Equitable, Inclusive and Accessible
Goal 7: Food Security and Food System Resilience is Expanded
Goal 8: Equity in Community Safety is Increased through Collaboration

SUBMITTED BY

Department: Community Services
Division: Community Development
Prepared by: Chris Brens, Karen Glugosh
Date: 2024-05-20

Attachments:

Attachment 1: Broadway Neighbourhood Centre – Facility Overview

Attachment 2: Letter in Response to March 12 Motion of EPC