ADMINISTRATIVE REPORT

Title: Process Improvements for the Community Centre Renovation Grant Program (CCRGP)

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
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EXECUTIVE SUMMARY

On March 12, 2024, the Executive Policy Committee (EPC) asked the Public Service for a report. They asked for ways to simplify and reduce red tape in the Community Centre Renovation Grant Program (CCRGP). They asked for clarification of the definition of joint procurement. They also asked for clarification about the positions in the 2024 budget for the Assets and Project Management Department.

The report includes a summary of initiatives to improve the Community Centre Renovation Grant Program and an explanation of joint procurement and the positions.

The program needs extra resources to make significant improvements. The recommendation is to refer the request for extra resources to the 2026 budget process.

RECOMMENDATIONS

1. That the following be referred to the 2026 budget process:

    A. That the 2026 Community Centre Renovation Grant Program (CCRGP) capital budget be increased by $120,000, with annual increases thereafter to align with the estimated amounts reflected in the Financial Impact Statement;

    B. That, subject to approval of 1.A., an additional 1.0 FTE, the related salary, benefits and ancillary costs of which are estimated at $120,000/annum, be provided to the Assets and Project Management Department, Municipal Accommodations Division, to assist with the CCRGP, and;

    C. That, subject to approval of 1.A. and 1.B., the costs of the additional 1.0 FTE be offset by a recovery from the 2026 (and beyond) CCRGP.

2. That, subject to the approval of funding for the items in Recommendation 1 through the budget process, if an approved CCRGP applicant requests that the City of Winnipeg

manage their CCRGP project, the Chief Financial Officer be directed to bring back amendments to the Community Centre Renovation Grant Program By-law No. 61/2019 for enactment or create a new annual Community Centre Renovation Capital Program, as applicable, to redirect any CCRGP funds to Municipal Accommodations to allow City management of the project on behalf of the community centre, and bring a report back to Council for approval.

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

REASON FOR THE REPORT

On March 12, 2024, the Executive Policy Committee (EPC) directed the Public Service to provide a written report in 120 days on streamlining and reducing the red tape associated with the Community Centre Renovation Grants for community centres, clarification on the definition of joint procurement and additional FTEs.

On July 9, 2024, and January 21, 2025, EPC approved extensions of time to report back.

IMPLICATIONS OF THE RECOMMENDATIONS

Recommendation 1 outlines the financial requirements for referral to the 2026 budget process to assist with improvements to delivery of the CCRGP. The increase of 1.0 FTE, and related salary and benefits of $110,928 plus estimated ancillary costs of $9,072, for a Project Officer 2 for the Assets and Project Management Department, Municipal Accommodations Division, beginning in 2026 and increasing annually in accordance with Collective Agreements, requires an increase to the 2026 CCRGP of $120,000, from which these costs will be recovered.

HISTORY/DISCUSSION

History of the Community Centre Renovation Grant Program (CCRGP)

On February 22, 2012, Council approved the CCRGP and up to $965,000 to be funded annually from the Land Operating Reserve. The intent of the CCRGP was to support repairs, upgrades, retrofits, safety improvements, and renovation projects at City of Winnipeg community centre facilities. Projects to create new facilities or additions to existing facilities are ineligible for the CCRGP.

The City has 63 community centres consisting of 215 individual buildings located at 80 separate sites. The buildings are City-owned but operated and managed by independent boards that are legally incorporated.

In 2012, authority to administer the CCRGP was delegated to the Chief Administrative Officer. On June 30, 2017, this authority was further delegated to the Director of Community Services.

On March 20, 2019, Council approved an additional $1.035 million per year for the program for five years beginning in 2019 and ending in 2023, with funding from the Financial Stabilization Reserve.

On July 18, 2019, Council enacted the CCRGP By-law 61/2019 which features expanded eligibility criteria and an increased maximum funding threshold per project from $50,000 up to $100,000. The eligibility criteria were expanded to allow 50 percent funding for renovations of indoor arenas, ice plants, fieldhouses, and soccer complexes.

On January 27, 2022, Council amended the CCRGP By-law; expanding the eligibility criteria by eliminating the 50 percent fund matching requirement from community centres for renovations of indoor arenas, ice plants, fieldhouses, and soccer complex projects until December 31, 2023.

Additional eligibility criteria under the By-law includes:

- A community centre is not eligible to receive more than one grant in a calendar year.
- Projects to create new facilities, additions to existing facilitates or feasibility studies are not eligible.
- Projects that are likely to require more than 18 months to complete are not eligible.
- The CCRGP Evaluation Committee may impose additional eligibility requirements.

On March 24, 2024, Council approved the 2024 Preliminary Capital Budget and 2025 to 2029 Five-Year Capital Forecast for an investment of $2.0 million for 2024 through 2029 inclusive. On January 29, 2025, through the 2025 Budget Update, Council confirmed the 2025 investment of $2.0 million, with the $2.0 million funded annually through to 2030. The capital program includes authorization for one temporary FTE in Community Services to oversee establishment of funding agreements, program reporting and payment processing.

The CCRGP Evaluation Committee consists of representatives from the Community Services Department, the Municipal Accommodations Division of the Assets and Project Management Department and the General Council of Winnipeg Community Centres (GCWCC). The committee had established two intake periods annually; a spring intake with a submission deadline of March 15, and a fall intake with a submission deadline of October 15. The Evaluation Committee reviews all applications and provides direction to successful applicants.

The CCRGP Evaluation Committee decided not to open a spring 2025 CCRGP intake. This will defer all applications to a single intake in the fall of 2025. This has been communicated to all community centres.

Since the inception of the CCRGP in 2012, there have been 25 intake periods, 315 successful applications, and over $18.5 million in funding provided to community centres for renovation projects. This includes the Fall 2024 intake period, which awarded over $1.1 million for community centre renovation projects.

Current Challenges with Administering the CCRGP

The CCRGP has been an effective program to support capital improvements to community centres. However, there are challenges to efficiently administer the program as community centres are City owned and all CCRGP projects must comply with standards applicable to projects at all City buildings. These challenges were identified through discussion between the Public Service, GCWCC, and the community centre District Boards:

1. **Community Centre capacity to manage major renovation projects**
    - Not all volunteers have the level of project management skills necessary for the delivery of many of the projects. Should they choose not to properly engage the City of Winnipeg

prior to the start of projects, overall project delivery becomes more time-consuming for the community centre and Municipal Accommodations staff as challenges arise.
- Many volunteers are not able to look at scope of work documents provided and required by the City along with the quotes provided by contractors to fully understand what may have been left out, adjusted or no longer meets building code requirements.

2. Expanding complexity of renovation projects
- Community centre projects have grown in size and complexity. This includes repairs for lighting, ice plants, facilities etc. As well, building code and permit requirements have continued to evolve without the knowledge of the community centre volunteers.
- With changes in 2019 expanding the scope of projects, removing the barrier to pay for 50 percent of project, and increasing available dollars to $100,000, some applications have become more complex with inclusion of multiple funding sources and phases. For most boards, without dedicated paid staff, the projects are more difficult to manage by volunteer boards.

3. Financing timelines
- There may be a delay in the release of grant payments to the community centre if the terms of the funding agreement between the community centre and City are not met on a timely basis. Depending on the financial position of the community centre, this may in turn delay their payments to contractors.
- On May 30, 2023, Bill 38 – The Builders' Liens Amendment Act (Manitoba's Prompt Payment Legislation), received Royal Assent and is scheduled for implementation on April 1, 2025. Manitoba's new prompt payment legislation establishes deadlines for payments to contractors and subcontractors. Timely payments to community centres are required so they remain compliant with the legislation.

4. Extended project timelines
- Significant time is required by Municipal Accommodations to ensure that contractor quotes match scope of work documents as provided to community centres and that all quoted materials and plans meet regulatory and compliance requirements of the City of Winnipeg and other authorities having jurisdiction.
- This can lengthen the time from when community centres receive quotes from contractors, submit an application, and if approved, time for confirmation that all conditions have been met, allowing the project to begin.

5. Municipal Accommodations Staff Resources

On March 24, 2024, Council approved that two additional FTEs be funded from the Health/Life Safety/Emergency Systems Refurbishment/City Wide Accessibility capital program to help deliver the planned works for this capital program including building maintenance works for pools, arenas, libraries and other assets. These positions were not specifically provided to support community centres.

Municipal Accommodations has one permanent FTE position, Coordinator, Community Centre Maintenance and Development, responsible for the allocation of City operating and capital programs in order to provide maintenance, technical support, inspections, safety and facility support services for community centre infrastructure which includes 63 community centres consisting of 215 individual buildings located at 80 separate sites. The qualifications for this

position include the requirement to have completed a two-year Applied Sciences or Engineering Technology Diploma.

City operating and capital programs are administered and delivered in accordance with the Universal Funding Formula Responsibility Document (UFF). These responsibilities include but are not limited to:

- Annual community centre inspections.
- Providing direction to community centres on their first-line maintenance responsibilities.
- Ensuring that work performed by community centres is done in accordance with applicable environmental and safety regulations.
- Ensuring compliance of community centres with City standards and appropriate statutes.
- Direct infrastructure repairs that are the responsibility of the City, as per UFF.
- Monthly budget and projection reports.
- Preparation of construction contracts and tenders, review of quotations and bids submitted by contractors and recommending award of contracts.
- Participates in integrated design process meetings providing expertise on building design as it relates to ongoing facility maintenance.
- Assists Community Services Department, as requested, in updates to governance documents and approval of funding for projects for various community centres.

This one Municipal Accommodations position is supported by Municipal Accommodation Project Officers, when available for:

- Technical assistance on projects being managed by community centres.
- Full project management services on projects being delivered by the City.

CCRGP Administration Improvements

The CCRGP Evaluation Committee has identified the following for implementation and/or further review to address challenges regarding the administration of the program, all of which are under the authority provided to the evaluation committee through the CCRGP By-law.

- Reduce the number of annual intakes from two to one.
    - The CCRGP Evaluation Committee decided not to open a spring 2025 CCRGP intake. This will defer all applications to a single intake in the fall of 2025.
    - A single application intake period will be established for 2026 with new timelines communicated.
    - This will remove duplicate efforts by GCWCC, community centres, City staff (Municipal Accommodation, Community Services Community Centre Branch, Legal Services, Communications) and elected officials' public announcement schedules. It will also remove overlap in priorities during the spring when Municipal Accommodations conducts annual inspections of community centre facilities.
    - The annual facility inspections and subsequent reports provide an important reference for community centres when identifying potential projects to undertake through CCRGP funding.
- Explore the possibility of an Expression of Interest (EOI) intake period in advance of the annual application submission.
    - This is an opportunity for Municipal Accommodations and GCWCC to meet with the community centres well in advance of the formal application process to discuss

and assist with scope development and understanding required standards, before the community centres move to obtaining quotes.
    - A brief project description and Class 4 cost estimate will be required for the expression of interest process.
    - Community centres may see this as an additional step in the process. The intent, however, is to assist with a successful future application and identify projects that are viable to receive future formal approval and ensure that the full scope of work has been considered prior to putting in the effort for preparation of detailed scope of work documents and obtaining contractor quotes.
- The City and GCWCC are exploring an online submission process for application intake to remove inefficiencies in the acceptance and review of applications by the evaluation committee. This will improve the timeliness of the application review process.
- Community Services will work with Legal Services to explore opportunities to ready funding agreements for execution to coincide with the public announcement of successful applicants and the associated projects, improving the timeliness from the announcement of successful applicants to project initiation.
- Implement a three payment option for community centres that would benefit from a more flexible payment schedule. As is the current requirement, release of the final payment is contingent on confirmation by Municipal Accommodations that the requirements of the funding agreement have been met.
- Develop educational materials to cover the various steps of the program from the application process to construction and completion, and roles responsibilities of City, community centres, GCWCC and contractors.
- Emergency application requests will be considered on a case-by-case basis. What constitutes an emergency repair will be communicated to community centres, and additionally, the emergency project must meet all other CCRGP criteria.

The most meaningful improvements to the CCRGP are only possible with additional resources in Municipal Accommodations to support community centres with project planning and delivery under the granting program.

The Public Service recommends that Council refer to the 2026 budget process an increase of 1.0 FTE, and related salaries, benefits and ancillary costs of $120,000 for the Assets and Project Management Department, Municipal Accommodations Division, to assist with the Community Centre Renovation Grant Program and with fulfillment of the maintenance responsibilities for each community centre according to the requirements of the Universal Funding Formula. The position requested is a Project Officer 2 (WAPSO Grade 3). The cost of this position would be offset by a recovery from the CCRGP capital program budget.

The CCRGP is fully subscribed on an annual basis. Without an increase to the program to fund the incremental FTE, the funding available to provide grant to community centres would be reduced.

The proposed FTE would report to the Coordinator of Community Centre Maintenance and Development and would represent a second FTE within the Municipal Accommodations Division to be dedicated to the community centre portfolio.

Responsibilities of the Project Officer 2 and value-added benefits to the administration of CCRGP would include:

- Assisting with completion of Annual Inspections and Reports on an accelerated schedule allowing for community centres to have more time to determine which projects should be prioritized.
- Meeting with community centre representatives to outline potential priorities for applications in the development of annual or multi-year maintenance plans that could be used for submission for the CCRGP expression of interest process.
- Developing scope of work statements and Class 4 budget estimates required for EOI consideration.
- Assisting with the coordination and management of the design process (internal/external consultants) where required.
- Providing technical assistance to community centres throughout procurement of contractors, project start-up meetings, and contract administration allowing for better project outcomes, timely deliverables and cohesion between all stakeholders.
- Assisting centres with development of CCDC-2 contracts for their projects.
- Guiding the project start up meeting to ensure that contract details, payment schedules, safety procedures and site concerns are reviewed and agreed upon prior to starting the work, minimizing misunderstandings further into the projects and to ensure that City of Winnipeg assets are protected.
- Overseeing/managing the execution of project sign-offs for all community centre led projects to ensure compliance with City protocols and applicable statutes.
- Assisting contractors with submitting building, development and trade permit applications, as required.
- Providing owner statements and Status of Title documents from Land Titles Office as required for permit applications.
- Ensures project closeout documents are obtained for community centre and City of Winnipeg records.
- Dedicating staff to the CCRGP will help provide consistency in how the grant processes are managed, ensuring better project outcomes and adherence to budgets and schedules.

Additionally, where it is established that community centre staff or volunteer board members do not have the time or level of project management skills necessary for the delivery of many of the CCRGP projects, the City of Winnipeg is recommending that the community centres be provided with an option to request that management of individual projects be provided by staff from the Municipal Accommodations Division of the Assets and Project Management Department. This service is contingent on the approval of the additional 1.0 FTE as recommended in this administrative report and the successful filling of the position.

- City staff would manage the projects and procure the services of consultants and contractors according to the requirements of the City's Materials Management Policy (F1-003).
- In order for City staff to manage CCRGP projects, the City would need control of the funds for the individual projects. It is therefore recommended that if an approved CCRGP applicant requests that the City of Winnipeg manage their CCRGP project, the Chief Financial Officer be directed to bring back amendments to the Community Centre Renovation Grant Program By-law No. 61/2019 for enactment or create a new annual Community Centre Renovation Capital Program, as applicable, to redirect any CCRGP

funds to Municipal Accommodations to allow City management of the project on behalf of the community centre, and bring a report back to Council for approval.

- It is anticipated that by allowing some community centres to request full project management services from the City will result in some community centres making applications for CCRGP project funding where they would not have previously done so.

Joint Procurement

Joint Procurement refers to the process in which multiple community centre boards collaborate to purchase goods or services together. This collaborative approach allows the participating centres to leverage their combined purchasing power to secure better prices and terms and conditions, often resulting in cost savings, improved efficiency, and reduced administrative workload.

The Public Service reviewed the possibility of utilizing joint procurement for the CCRGP Program and determined that it was not possible at this time as grant funding for each of the community centres is not guaranteed. If one or more proposed centres are not granted funding, the entire procurement process could be jeopardized, leading to delays, renegotiations or cancellation of the procurement.

The Public Service recommends that individual community centre boards work with each other to seek joint procurement opportunities within their operations for various good and services (i.e. snow clearing, line painting, cleaning supplies, etc.), with such endeavors being led and supported by GCWCC.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 13, 2025

Project Name:

First Year of Program 2026

Process Improvements for the Community Centre Renovation Grant Program

	2026	2027	2028	2029	2030
Capital					
Capital Expenditures Required	$ 2,120,000	$ 2,122,000	$ 2,125,000	$ 2,127,000	$ 2,130,000
Less: Existing Budgeted Costs	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Additional Capital Budget Required	$ 120,000	$ 122,000	$ 125,000	$ 127,000	$ 130,000
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	120,000	122,000	125,000	127,000	130,000
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
	$ 120,000	$ 122,000	$ 125,000	$ 127,000	$ 130,000
Total Additional Capital Budget Required	$ 624,000				
Total Additional Debt Required	$ 624,000				
Current Expenditures/Revenues					
Direct Costs	$ 134,000	$ 150,000	$ 153,000	$ 155,000	$ 141,000
Less: Incremental Revenue/Recovery	120,000	122,000	125,000	127,000	130,000
Net Cost/(Benefit)	$ 14,000	$ 28,000	$ 28,000	$ 28,000	$ 11,000
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ 14,000	$ 28,000	$ 28,000	$ 28,000	$ 11,000

Additional Comments: Capital expenditures consist of the $2 million in annual grants + costs associated with a dedicated CCRGP Project Officer position while existing budgeted costs represent amounts included in the 2026 to 2029 capital forecast period. For the purposes of this analysis, the incremental capital budget is assumed to be funded by external debt.

If the budget recommendation is approved, the operaing cost implications outlined as direct costs represent the salaries, benefits, ancillary costs of the Project Officer position in the Municipal Accommodations Division plus debt & finance charges in Community Services while the incremental revenue/recovery represents the offsetting recovery from the CCRGP capital program budget of the Project Officer position. A net budget adjustment to the Community Services budget is required for the debt & finance charges.

Ozzy Garrett CPA, CGA - Mar 13/25

Ozzy Garrett CPA, CGA

Manager of Finance - Community Services Dept.

CONSULTATION

This Report has been prepared in consultation with:

- Assets and Project Planning Department, Municipal Accommodations Division
- Legal Services
- General Council of Winnipeg Community Centres (GCWCC)

Assets and Project Planning Department, Municipal Accommodations Division concurs with the report and recommendations.

OURWINNIPEG POLICY ALIGNMENT

01-1 City Building
Create Complete Communities: The daily necessities of life should be within reach, with options for accessing services, amenities, and resources like grocery stores, banks and restaurants, together with community centres, schools and day care centres.

01-2 01-5 Recreation
Direction 6: Plan for sustainable and connected recreation and leisure infrastructure.
Enabling Strategy - Deliver community and neighbourhood-managed recreation services by maintaining ongoing support for developing community centres with public, not-for-profit, and private partners.

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.

SUBMITTED BY

Department: Community Services
Division: Community Centres
Prepared by: Kelly Lemoine
Date: March 13, 2025
File No: CMS-2024-15