

### 3.0 DECISION FRAMEWORK

This section provides an overview of the proposed “decision framework”. The decision framework will enable the planning and management of facilities in the future to be carried out in a consistent manner. It provides a summary of the integral recommendations that used to formulate the Recommended Plan (See Chapter 12). The decision framework makes this report a “living document”.

#### Facility Hierarchy

**The following is an excerpt from the A.C.T.I.V.E. FRAMEWORK, Tactical Approach.**

##### Guiding Principles

*Services and facilities will be provided based on a tiered approach – regional, community and neighbourhood. Regional facilities will be strategically located within Winnipeg.*

*A set of established decision tools will serve as a framework for decision-making to ensure that facilities and programs continue to meet the needs of our citizens.*

#### Description of the Proposed Facility Hierarchy

Given the variability in the City’s role ranging from direct provision of facilities to support of other agencies, it is essential to establish a facility hierarchy to facilitate decision-making and ensure strategic alignment between programs and services and facilities. The intent of a facility hierarchy is to:

- Provide focus with respect to the provision of facilities in support of programs and services.
- Ensure adequate market coverage.
- Match facilities with market demand.
- Clearly articulate the City’s role in the provision of different facility types.

The following hierarchy is proposed for use by the City of Winnipeg:

#### Neighbourhood 2 Facilities

Neighbourhood 2 facilities are generally those associated with unstructured drop-in play including wading pools, hockey pens, play structures and gymnasiums. On a broad basis, these facilities are provided at a demographic distribution ranging from 1:5,000 to 1:10,000. For wading pools and play structures, consideration must be given to the percentage of children in the 0 to 4 age cohort.

The City of Winnipeg's role with respect to Neighbourhood 2 facilities ranges from direct provision of facilities (wading pools) to access through joint use agreements typically with schools for the play structures and gymnasiums.

### **Neighbourhood 1 Facilities**

Neighbourhood 1 facilities include Community Centres, spray pads and local skateboard parks and are provided at a demographic distribution ranging from 1:12,000 to 1:15,000 with consideration given to the number of children (5 to 12 age cohort) and the number of youth (13 to 17 age cohort).

The City of Winnipeg's role with respect to Neighbourhood 1 facilities ranges from partnership in the community centre movement (the role of community centres is elaborated upon herein) and to being a direct provider with respect to spray pads and local skateboard parks.

### **Community (CCA) Facilities**

Community (CCA) Facilities include the Community Campuses (defined in Chapter 11), leisure centres, as well as traditional aquatic facilities. These facilities are provided on an average demographic distribution of 1:50,000, with the CCA's currently ranging in population from 30,000 to over 80,000 people. To date, the number of traditional aquatic facilities corresponds to the 1:50,000 guideline. Sport facilities such as twin-pad arenas would also be considered to be community type facilities.

The City of Winnipeg's role in the provision of Community Facilities is as follows:

- Combination of direct provider, partner, and facilitator in the development of community campuses.
- Direct provider of aquatic facilities.
- Supporter of the senior sports governing body in the provision of athletic facilities for all sports facilities with the exception of arenas. Traditionally, the City's role with respect to arenas was as a direct provider initially, and progressed to laterally supporting Community Centres.

### **Regional Facilities**

Regional Facilities include aquatic leisure centres (the Urban Oasis defined in Chapter 11), and major sport multi-plexes. The average demographic distribution is 1:150,000 to 1:300,000. As these facilities are destination points, consideration must also be given to geographic location.

The City of Winnipeg's role in the provision of Regional Facilities is as follows:

- Direct provider of aquatic leisure facilities.
- Combination of supporter and facilitator in the development of major sport multi-plexes.

## City-Wide Facilities

City-wide facilities include major sport / entertainment venues such as the MTS Centre as well as high performance athletic facilities.

### Arenas

Given the traditional support for Arenas by municipal governments throughout Canada, arenas are treated as their own asset class. The generally accepted Canadian standard for the provision of indoor ice is one sheet per 20,000 people. Some jurisdictions use a second standard of one sheet per 22,000 people for an age distribution that includes a higher percentage of older adults and seniors.

The role of the City of Winnipeg in the provision of indoor ice surfaces began as direct provider and subsequently is one of providing support to community centres. As arenas are highly scheduled facilities, they should be strategically located throughout the City.

### Libraries

The Library System has utilized a facility hierarchy for some time and it is compatible with the foregoing. The hierarchy is not currently reflected in the size of facilities as some of the smallest branches are classified as community libraries.

The following case studies provide examples of how the preceding Facility Hierarchy facilitates decision-making in specific cases.

#### Case Study 1

*The City of Winnipeg is approached with respect to the construction of an indoor speed skating oval. How should the City respond?*

Firstly, an indoor speed skating oval would be considered to be in the same asset class as a high-performance athletic facility and therefore falls under the **City-wide** category. The City's role in the provision of sport facilities in general and as articulated in Plan Winnipeg is to provide support to the senior sport governing body in the construction of the facility only. Ongoing operating liability should rest with the proponents. The degree and manner in which the City supports the proposal should be concurrent with a risk analysis of the proponent's business case from the City's perspective. Support could range from provision of land, to assisting the proponents in obtaining financing, to providing tax concessions. Assistance in the provision of financing must be done carefully to ensure that it doesn't turn into a "golden handcuff" whereby the City assumes the risk (financial and / or facility) associated with a failed venture.

#### Case Study 2

*The City of Winnipeg is approached by a community organization with respect to the construction of an indoor soccer facility. How should the City respond?*

It is recommended that the City's position with respect to the provision of sports facilities (other than arenas) be to deal with the senior sport governing body as opposed to a community association. In this instance, the senior sport governing body is the Manitoba Soccer Association.

The City can then provide a supportive role in validating demand for the facility. If there is a latent demand, the facility would fall under the Regional Facilities category or at minimum, the Community Facilities category as the facility would be a minimum of two pitches and possibly as many as four pitches. Further to providing support in the manner deemed appropriate, the City can act as a facilitator in engaging other potential sport partners (e.g. field house sports) who could also benefit from the construction of this type of facility and may be able to access funding.

### Case Study 3

*The City of Winnipeg is approached by a community centre with respect to the provision of a new twin-pad arena complex. How should the City respond?*

There is currently an over-abundance of indoor ice surfaces in the City of Winnipeg with ratios in the order of one sheet per 15,000 people, well in excess of Canadian standards. As such, the support of additional indoor ice surfaces should be contingent upon closure of an existing City facility / facilities as additional capacity will only lead to further fragmentation of the market. As the City owned arenas are the oldest facilities, they are most at risk.

The second consideration in assessing the proposal is the location of the new facility and its proximity to other facilities. The senior sport governing body should provide input with respect to the need for additional capacity in a specific area given that they have the data with respect to sport registrations / number of teams, etc.

The City can act as a facilitator in engaging other potential sport partners who could also benefit from the construction of this type of facility and may be able to access funding. The same caution with respect to the creation of "golden handcuffs" applies.

### ***Managed Care***

The level of service recommended for the ongoing preservation of the City's recreation, leisure and library service infrastructure is defined as "managed care." The term managed care is derived from a maintenance hierarchy developed by APPA: The Association of Higher Education Facilities Officers, a leading authority in the subject of asset management. The recommended facility maintenance operating budget (not including utilities) under a managed care scenario is 3.5% of Current Replacement Value (CRV), with a corresponding Facility Condition Index (FCI) of between 0.10 and 0.20. The latter indicator means that the amount of deferred maintenance must not be greater than 20% of the current replacement value in order for the managed care funding level to be effective. The managed care level of funding is consistent with other jurisdictions in Canada for recreation, leisure and library facilities.

Managed care is actually one of five maintenance levels and is a maintenance level 3. Maintenance level 1 by comparison is referred to as a Showpiece Facility. Under maintenance

level 1, the average FCI is less than 0.05 and the recommended funding level is greater than 4.0% of CRV. Although the funding level (>4.0%) does not appear to be significantly greater than the proposed 3.5% under managed care, the key is that the facility was not allowed to deteriorate. A Facility Condition Index of less than 0.05 represents a “nearly new” condition.

At the other end of the spectrum is Level 5 Funding or Crisis Response. This level of funding is characterized by facility maintenance operating budgets of less than 2.5% and a Facility Condition Index of >0.50. In Crisis Response mode, equipment and building components are routinely broken and inoperative. Normal usage and deterioration continues unabated, eventually leading to forced closure or complete replacement of the facility as they cannot meet present needs. Under Crisis Response, repair is basically instituted for life safety issues only.

A Level 4 Funding Level is classified as Reactive Management. In a Reactive Management Scenario, the facility maintenance operating budget ranges from 2.5% to 3.0% of CRV with the average FCI in the .30 to .49 range. Under this scenario, many systems are unreliable and in constant need of repair. Backlog of repair needs exceed resources.

The current City portfolio has an average FCI in the Reactive Management range with maintenance operating budgets in the Crisis Response range. The end result is that facilities will continue to deteriorate at an accelerating rate to the point where forced closure or emergency replacement become the norm unless funding levels are increased immediately. As such, a major infusion of capital is required in the first five years (estimated at 70% of the identified preservation needs) so that the managed care level of funding is effective.