

City votes to take on \$23M in debt as rec project costs soar

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Winnipeg city council approved a plan Thursday to take on \$23 million of debt to cover the rising cost of the South Winnipeg Recreation Campus, after community complaints over smaller recreation projects that recently lost funding.

The vote raises the project's budget from \$71 million to \$94 million.

The decision came after multiple residents fighting to reverse the closure of St. Boniface's Happyland Pool pleaded with councillors to accept \$85,000 in donations they raised to support its operations. The group argued the much larger recreation campus investment indicates council could afford to keep their pool open, too.

"We need our pool. Our area needs something. We want to thrive like Waverley West ... and at a fraction of the cost," said Sandra Dupuis.

Dupuis urged council to consider both the rec complex and the pool as necessary to ensure all communities have access to recreation.

Teresa Cwik called it "hypocritical" for the city to borrow so much money to build a new facility, while refusing to spend anything to keep an existing pool open.

"You were elected to keep all of our amenities and assets in good condition and repair and not to demolish perfectly good amenities," said Cwik.

The South Winnipeg Recreation Campus will be the City of Winnipeg's most expensive recreation project so far. It was recently paused to determine how to cover the rising cost. A broader project, which also includes a provincial daycare and vocational building, will see its budget increase from \$89 million to \$126 million.

The recreation campus will be built on Bison Drive and feature three gymnasiums, a walking/running track, fitness areas, multi-purpose rooms and a spray pad in its first phase. A community library, leisure pool and hockey arena could be added in future phases.

Some councillors criticized the plan to take on debt to fund the new campus, arguing the city should consider cost-cutting options first.

"It's a (\$71-million) centre, if nothing happens today. That status quo is still what council has directed ... What the vote is before us today is to add (another \$23 million) and I think a deeper dive into some of the (savings) options, even if we don't choose them, is warranted," said Coun. Sherri Rollins.

The Fort Rouge-East Fort Garry councillor said she sympathizes with folks fighting to keep pools and arenas open and is personally concerned about devoting so much money to one rec facility when the Broadway Neighbourhood Centre is set to lose its \$300,000 city grant next year.

Coun. John Orlikow (River Heights–Fort Garry) raised a motion that aimed to refer the proposal back to the community services committee to determine how the city could save money by reducing the scope of the project.

“We only have so many dollars. We can’t take the easy route all the time ... We’re going to get caught in a debt loop ... Shouldn’t we at least look to find some savings?” said Orlikow.

After an extensive debate, council voted 13-3 to reject the amendment, with councillors Cindy Gilroy, Orlikow and Rollins opposed. Council then cast a 15-1 vote to approve the cost increase and fund it by debt, which only Rollins rejected.

Coun. Janice Lukes, who has long championed the South Winnipeg Recreation Campus said it is desperately needed.

“We have, today, I think it’s up to 65,000 people. We have not one pool, not one gym. I’m focused on that ... I think this (debate) speaks to a much larger problem in how cities are allocated (a small share of) the tax dollar,” said Lukes (Waverley West).

Mayor Scott Gillingham agreed the facility is greatly needed.

“The southwest quadrant of Winnipeg, Waverley West area, has ... no recreation facility. That would be akin to Brandon having no recreation facility at all. That rec facility is needed,” said Gillingham.

The mayor said advocates to save Happyland Pool did raise operating funding but the pool also faces considerable capital costs. The city previously estimated it would take \$3.6 million to maintain Happyland over the next decade.

“At times, we, as council, have to make difficult decisions as to whether to continue to put capital funds into old facilities or whether we’re going to decommission an old facility ... and instead look ahead to where we can maybe invest in the future to establish a newer, better facility,” said Gillingham.

A city report blamed the recreation campus cost hike on multiple factors, including a very preliminary cost estimate that’s now been revised, a delay in securing Investing in Canada Infrastructure Program funding and “unprecedented cost escalation” linked to the COVID-19 pandemic.

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