Minutes – Executive Policy Committee – March 8, 2006

REPORTS

Minute No. 249 2005 Gail Parvin Hammerquist Allocation
File G-3.1.6

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the administrative recommendation and recommends to Council:

1. That the following disbursements from the 2005 Gail Parvin Hammerquist Fund be approved, namely:

   A. A reallocation of $35,544.00 for the purpose of providing a Grant to the CentreVenture Development Corporation to fund innovative measures that will attract new investment, occupants and uses for heritage buildings, as well as to conserve the heritage character, architectural elements, and detailing of designated buildings.

   B. An allocation of $300,000 to the City-Wide Heritage Program, administered by the Historical Buildings Committee with the concurrence of the City's Designated Officer, for funding of eligible projects which comply with grant criteria which would include the first Phase of the full restoration of the Waddell Fountain in Central Park.

2. That the Chief Administrative Officer be authorized to approve the final terms and conditions of the Grant to the CentreVenture Development Corporation as required to reflect the intent of Council.

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

DECISION MAKING HISTORY:

Moved by Councillor Clement,
That the administrative recommendation be concurred in and forwarded to Council.

Carried

Re: 2005 GAIL PARVIN HAMMERQUIST ALLOCATION

For submission to: Executive Policy Committee

Original report signed by: Director of Planning, Property and Development

Report date: November 7, 2005

Recommendation(s):

1. That Council approve the following disbursements from the 2005 Gail Parvin Hammerquist Fund:

   a) a reallocation of $35,544 for the purpose of providing a Grant to the CentreVenture Development Corporation to fund innovative measures that will attract new investment, occupants and uses for heritage buildings, as well as to conserve the heritage character, architectural elements, and detailing of designated buildings; and,
   b) an allocation of $300,000 to the City-Wide Heritage Program, administered by the Historical Buildings Committee with the concurrence of the City's Designated Officer, for funding of eligible projects which comply with grant criteria which would include the first Phase of the full restoration of the Waddell Fountain in Central Park.

2. That Council authorize the Chief Administrative Officer to approve the final terms and conditions of the Grant to the CentreVenture Development Corporation as required to reflect the intent of Council.

REPORT SUMMARY

Key Issues:

- This is the sixth consecutive year that Council has been asked to consider allocations from the Gail Parvin Hammerquist Fund to the CentreVenture Development Corporation.
- The Gail Parvin Hammerquist Fund is seeded on an annual basis by 5% of total city land sales from the previous year.
- The total allocation to the Gail Parvin Hammerquist Fund in 2005 is $335,544.
- Similar to the previous 2003 and 2004 allocations and for the purpose of maximizing flexibility as to the use of the funds, the administration recommends that CentreVenture receive the funding as a grant rather than as an allocation towards their former CentreVenture Downtown Heritage Program.
- CentreVenture will strategically use their grant to lever private investment within designated structures and / or the Exchange District itself.
- CentreVenture will report annually to the Executive Policy Committee as to the use of Gail Parvin Hammerquist grant funds.
- The Waddell Fountain is currently non-operational and requires extensive restorative work in order to become the significant feature that it once was in downtown Winnipeg.

Implications of the Recommendation(s):
General implications:

	None
X	**For the organization overall and/or for other departments**
X	**For the community and/or organizations external to the City of Winnipeg**
	Involves a multi-year contract

Comment(s):

- The grant to CentreVenture will provide them with additional tools to address worthy heritage projects within the downtown.
- The allocation for the Waddell Fountain will provide for an extensive first phase restoration of this heritage fountain within Winnipeg's Central Park.

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s):

-

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required

Comment(s):

- The $335,544 represents the total amount based upon the Council approved funding formula for the Gail Parvin Hammerquist Fund for 2005.

REASON FOR THE REPORT:
This Report recommends a reallocation from the Gail Parvin Hammerquist Fund as a grant to the CentreVenture Development Corporation, as well as an allocation to the City-wide Heritage Program. These allocations require Council approval.

HISTORY:
On April 30, 1997, Council established the Gail Parvin Hammerquist By-law No. 7040/97 to encourage greater investment in the retention, improvement, and use of designated structures.

Financing is provided by an annual allocation based upon 5% of gross city land sales.

DISCUSSION:
Since Council created CentreVenture in 1999, the City has split the annual allocation of funding from the Gail Parvin Hammerquist Fund between CentreVenture grants or Heritage Programs and a City-wide Heritage Program administered by the Historical Buildings Committee. Funding has been allocated as follows:

Year	Gail Parvin Allocation	CentreVenture Program(s)	City-wide Program
2000	$600,000	$500,000	$100,000
2001	$383,423	$300,000	$ 83,423
2002	$162,183	$162,183	$ 0
2003	$173,476	$113,476	$ 60,000
2004	$312,600	$290,000	$ 22,600
Total	$1,631,682	$1,365,659	$266,023

Based upon a review of the priority needs for the heritage programs within the City, the administration recommends the following allocation of funds for the 2005 Program Year:

Gail Parvin Allocation	CentreVenture Program	City-wide Program
$335,544	$ 35,544	$300,000

CentreVenture Allocation
CentreVenture has successfully utilized these heritage funds to lever significant private investment in heritage structures within the downtown and more specifically, within the Exchange District. CentreVenture has partnered with private developers and heritage building owners to undertake architectural adaptive re-use feasibility and engineering studies. The funds also assist in the marketing and sale of city-owned heritage buildings that have been optioned to CentreVenture through the CentreVenture Asset Agreement.

Due to the relatively small amount of funding available within the Gail Parvin Hammerquist Fund this year, the administration recommends that the CentreVenture allocation be made in the form of a Grant rather than as an allocation towards their previous CentreVenture Downtown Heritage Program. The CentreVenture Downtown Heritage Program required annual approval of the Program criteria and procedures from the Executive Policy Committee. CentreVenture can act more strategically if they are provided the flexibility to allocate funds from this grant based upon the merit of the individual business case.

This recommendation effectively approves funding from the Gail Parvin Hammerquist Fund and reallocates it to CentreVenture by way of a grant under section 218 of the City Charter. The administration further recommends that Council authorize the Chief Administrative Officer to approve the final terms and conditions of an agreement to be entered into between CentreVenture and the City with respect to the grant.

In order to promote transparency, the agreement will include language to ensure that CentreVenture reports back to the Executive Policy Committee on an annual basis as to the use of these funds.

City-Wide Program Allocation

The $300,000 City-wide Heritage Program allocation is for the purpose of funding eligible projects which comply with grant criteria which would include the first phase of restoration of the Waddell Fountain.

F. Waddell Fountain

The Waddell Fountain was constructed in 1914 to commemorate Emily Margaret Waddell and is a prominent feature in Central Park and the downtown. Architect John Manuel designed it originally in the Gothic Revival style. It is a Grade II listed structure under the City of Winnipeg's Historical Buildings By-Law and is also a Provincial Heritage Site. Vandalism and deterioration have taken their toll on the fountain and it has not been operating in the last several years. This is a City owned structure and is a priority for the City's Historical Buildings Committee.

Cohlmeyer Architects Ltd. completed a Condition Assessment and Rehabilitation Study on the fountain in March 2005. Four Rehabilitation Scenarios were considered:

	Scenario	Estimate
a)	Non- Operating Fountain- Preservation	$ 7,000
b)	Operating Fountain- Rehabilitation	$ 490,000
c)	Operating Fountain- Restoration	$ 566,000
d)	Operating Fountain- Reconstruction / Replication	$ 628,000

The Historical Buildings Committee has recommended that Scenario c) Operating Fountain - Restoration be pursued. This Scenario involves the complete restoration of the visible portions of the fountain to like-new (1915) appearance and function.

It is further recommended that the project be phased according to the available funding. Additional funding will be considered as a part of next year's Gail Parvin Hammerquist allocation. The Historical Buildings Committee may also seek to lever the City allocation with funding from other grant programs.

The City-wide Grant program has previously been used to stabilize and upgrade a number of City-owned or managed heritage buildings including Upper Fort Garry Gate, Ross House Museum, and the St. Boniface Museum.

Financial Impact Statement

Date: November 2, 2005

Project Name:

2005 GAIL PARVIN HAMMERQUIST FUND ALLOCATION

First Year of Program 2005

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - (Enter Description Here)					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 335,544				
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 335,544	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	335,544				
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The recommendations included in this reports, if approved, would result in disbursements from the Gail Parvin Hammerquist Fund in the amount of $335,544; $35,544 in grants to flow through CentreVenture and an allocation of $300,000 to the City-Wide Heritage Program to be administered by the Historic Buildings Committee. As these expenditures would be financed from a Reserve fund, there is no current/capital budget impact. This Financial Impact Statement is intended to reflect that sufficient funding is available within the Gail Parvin Hammerquist Fund to finance these proposed allocations.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

CENTREVENTURE, LEGAL SERVICES, CIVIC ACCOMMODATIONS DIVISION,

THIS REPORT SUBMITTED BY:
Planning, Property and Development Department
Division: Office of the Director / Planning and Land Use Division
Prepared by: Jim Paterson / Giles Bugailiskis

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