REPORT "A" OF THE

EXECUTIVE POLICY COMMITTEE

DATED MAY 12, 1999

On motion of Deputy Mayor Thomas, Report "A" of the Executive Policy Committee, dated May 12, 1999, was considered clause by clause.

Moved by Deputy Mayor Thomas,

That the Consent Agenda, Clauses 1,2,3,4,5,6 and 7, be adopted.

Councillor Angus requested that Clause 5 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,2,3,4,6 and 7 was put and declared carried.

Proposed Opening of Part of Barnes Street north of Colebrook Drive
File DAO 20/98

560 - 1. The Executive Policy Committee has been advised that the property proposed to be opened as Barnes Street in 1976 has been held in reserve for future street purposes since it was acquired by the City in 1976.

The opening has been initiated by Ladco Company Ltd., who require access to the condominium being built on the property adjacent to the east. The Standing Policy Committee on Public Works, at its meeting on February 1, 1999, approved Ladco's application for the construction of a non-conforming private approach connecting the condominium to the land proposed to be opened.

The proposal has been approved by all affected City Departments and public utilities. The Transportation Planning and Traffic Management Division of the Public Works Department has advised that the extension of the pavement is to be constructed in portland cement concrete pavement to current City standards, as determined by and to the satisfaction of the Director of Public Works.

The administrative report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain street opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in By-law No. 7325/98 may be exercised:

i) The proposed opening and acquisition must have been approved by the Director of Public Works.

ii) The proposed opening must have been submitted to all affected City Departments and public utilities with no objections having been received.

iii) Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.

iv) The affected property owner(s) must have agreed to the terms and conditions of the acquisition of the land required for the opening.

v) The terms and conditions of any agreements concerning the proposed opening and acquisition must have been approved by the Director of the department that requested the opening and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of Property and Development Services, as is appropriate.

Criteria 1, 2, and 3 have been met. Criteria 4 and 5 do not apply in this case.

The dedication of this property as a public street requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

Report "A" of the Executive Policy Committee dated May 12, 1999

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the street opening in accordance with Schedule “A”, Misc. Plan No. 10552.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Proposed Closing of part of the Public Lane in the block bounded by Main and Austin Streets and Henry and Higgins Avenues File DAC 15/98

561 - 2. The Executive Policy Committee has been advised that the lane closure shown on Schedule “A” is a part of the North Main Strategic Development Program approved by Council in January of 1997. The City has been acquiring properties over the past year within the block bounded by Main and Austin Streets and Henry and Higgins Avenues. These lands are to be transferred to the Neeginan Development Corporation for an aboriginal campus development. The portion of the lane to be closed will be incorporated into these lands. The portion of the lane remaining open will service the privately owned lands in the block.

The proposal has been approved by all affected City Departments and public utilities. Centra Gas and MTS Communications will require easements for the maintenance of their plants in the area.

The lane closure was approved by the Lord Selkirk-West Kildonan Community Committee at the public meeting held on January 12, 1999.

The administrative report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain street and lane opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

i) The proposal must have been addressed at a public meeting and received approval from the Committee before which the public meeting took place.

ii) The proposal and sale must have been approved by the Director of Public Works.

iii) The proposed closing must have been submitted to all affected City Departments and public utilities with no objections having been received.

iv) Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.

v) The terms and conditions of any easement requirements created by the proposed closing and sale must have been addressed.

vi) The proposal must have been approved by the affected property owner(s).

vii) The terms and conditions of any agreements concerning the proposal must have been approved by the Director of the department that requested the closing and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of Property and Development Services as is appropriate.

All of these criteria have been met.

Report "A" of the Executive Policy Committee dated May 12, 1999

The closure of this public lane requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the lane closing in accordance with Schedule "A", Misc. Plan No. 10509/4.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Expenditure from Land Dedication Reserve Fund - Tyndall Park Community Centre - Lord Selkirk-West Kildonan Community File EP-2 (Vol. 25)

562 - 3. The Executive Policy Committee has been advised that the Lord Selkirk-West Kildonan Community Committee has concurred in the allocation of $5,000.00 from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund to cost-share, with Meadows West School, 50% of an outdoor sign for placement on the school property.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $5,000.00 be approved from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund for the project.

Adopted by consent.

Expenditure from Land Dedication Reserve Fund - Tec Voc School Site Soccer Field - City Centre Community File EP-2 (Vol. 25)

563 - 4. The Executive Policy Committee has been advised that the City Centre Community Committee has concurred in the allocation of $45,000.00 from the City Centre Land Dedication Reserve Fund for completion of the sodding of the Tec Voc School Site soccer field.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $45,000.00 be approved from the City Centre Land Dedication Reserve Fund for the project.

Adopted by consent.

Amendment to the Policy for Grants C301 File FG-1 (Vol. 11)

564 - 5. The Executive Policy Committee has been advised by the East Kildonan-Transcona Community Committee that one of the expense items listed under the East Kildonan-Transcona Resident Advisory Group Income and Expense Statement for January through December, 1998, was Secretarial in the amount of $520.00. It was brought to the attention of the Community Committee that Subsection a) of the Criteria/Guidelines for Per Capita Grants contained in the Policy for Grants C301 reads in part as follows:

"a) Any function, activity or program of the Resident Advisory Group with the exception of the provision of clerical and secretarial assistance for the Resident Advisory Group.....".

Report "A" of the Executive Policy Committee dated May 12, 1999

The members of the Community Committee indicated that the wording of the Policy had been read erroneously for a long period of time in that it had been the belief that the Grant could be used ONLY for clerical and secretarial assistance.

For the information of Council the matter of incorrect interpretation of the Per Capita Grant Policy as it refers to the Resident Advisory Group has been referred to the Secretariat Committee for investigation and recommendation.

The Community Committee recommended to the Secretariat Committee and Executive Policy Committee that Subsection a) of the Criteria/Guidelines for Per Capita Grants contained in the Policy for Grants C301 be amended by deleting in the first, second and third lines thereof the words "with the exception of the provision of clerical and secretarial assistance for the Resident Advisory Group" so that Subsection a) reads as follows:

"a) Any function, activity or program of the Resident Advisory Group to a maximum of $300.00 per ward per year at the Community Committee's discretion."

The Executive Policy Committee has concurred with the recommendation of the East Kildonan-Transcona Community Committee and recommends:

I. That Subsection a) of the Criteria/Guidelines for Per Capita Grants contained in the Policy for Grants C301 be amended by deleting in the first, second and third lines thereof the words "with the exception of the provision of clerical and secretarial assistance for the Resident Advisory Group" so that Subsection a) reads as follows:

"a) Any function, activity or program of the Resident Advisory Group to a maximum of $300.00 per ward per year at the Community Committee's discretion."

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

Moved by Deputy Mayor Thomas,
Adoption of the clause.

Moved by Deputy Mayor Thomas,
That the clause be referred back to the Executive Policy Committee.

Carried.

Expenditure from Land Dedication Reserve Fund - Privately owned Lot in the middle of Lions Memorial Park - Assiniboia Community
File EP-2 (Vol. 25)

565 - 6. The Executive Policy Committee has been advised that the Assiniboia Community Committee has concurred in the allocation of $4,500.00 from the Assiniboia Land Dedication Reserve Fund to assist in acquiring the subject property identified on Misc. Plan No. SJA 7380, which will complete the land acquisitions for Lions Memorial Park.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $4,500.00 be approved from the Assiniboia Land Dedication Reserve Fund for the project.

Adopted by consent.

Report "A" of the Executive Policy Committee dated May 12, 1999

Appointments to Economic Development Winnipeg Leaders Committee File G-8 (Vol. 5)

566 - 7. On May 9, 1990, Council adopted Clause 1 of the Report of the Executive Policy Committee dated May 9, 1990, appointing a number of persons to the Winnipeg 2000 Leaders Committee and the Leaders Advisory Committee and directed that any new appointment changes be approved by Council.

On October 9, 1998, the Winnipeg 2000 Economic Development Corporation advised that its name was being changed to Economic Development Winnipeg, effective immediately.

In communication dated May 3, 1999 from John Loewen, Chair, Economic Development Winnipeg, the following appointments were recommended to be added to its membership at the Annual General Meeting on June 11, 1999, namely:

Executive Committee	Leaders Committee
Mr. Mark Chipman	Ms Jacqueline Thachuk
Mr. Hal Ryckman	Ms Karen Botan
Ms Ida Albo	
Mr. Murray Sigler	

The Executive Policy Committee concurs with the recommendations and submits same to Council for approval.

Adopted by consent.

Negotiations between the City of Winnipeg and Winnipeg Association of Public Service Officers File GU-4.6 (Vol. 10)

567 - 8. The Executive Policy Committee has been advised that the current collective agreement between the City of Winnipeg and the Winnipeg Association of Public Service Officers (WAPSO) expired on October 11, 1997 but negotiations were postponed during the recent corporate restructuring by agreement of the parties. In December 1998, the Executive Policy Committee approved the City's mandate to conclude an agreement with the Association. On April 28, 1999 the parties signed a Memorandum of Settlement consistent with the City's mandate. On May 6, 1999 members of the Association ratified the Memorandum of Settlement.

In the circumstances, both parties were prepared to conclude a new collective agreement that involved relatively little substantive change regarding terms and conditions of employment, and would provide a degree of stability in the bargaining relationship through the end of the year 2000.

On December 11, 1998 the Executive Policy Committee authorized the City's Negotiating Team to conclude a collective agreement subject to the following financial limits:

Wages: comparable to those received by CUPE over the period in question or 5.21% over the life of the agreement. The estimated cost and budget impact was estimated to be $3.4 million over three years.

Employment Security: increase the severance pay provisions from three (3) weeks per year of service to a cap of forty-six (46) weeks, provided the City limits such changes to levels consistent with those offered by comparator employers, and provided there is an offsetting reduction in current notice periods.

The terms of the Memorandum of Settlement reflect the preceding limits, but an increase in the forecast CPI for 1999 from 1.4% to 1.5% increases the cumulative increase over the period in question from 5.21% to 5.31%. The estimated cost and budget impact is now $3.5 million over three years.

The cap on severance pay was increased from forty-six (46) to fifty-four (54) weeks and the notice requirements were reduced from 130 to 90 working days. The net impact on budget will therefore be negligible.

Report "A" of the Executive Policy Committee dated May 12, 1999

It should also be noted that the terms of settlement apply to Senior Management and WAPSO Exempt staff as a matter of Council policy. This represents an additional cost of $825,000 over the three-year period in question. As well, retroactive adjustments are payable to affected employees who terminated their employment with the City between October 11, 1997 and the present. This represents an additional cost of $350,000.

The Executive Policy Committee recommends:

I. That Council ratify the Memorandum of Settlement agreed to by the parties' respective negotiating committees on April 28, 1999, as outlined on Appendix "A".

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

Moved by Deputy Mayor Thomas,
Adoption of the clause.

In amendment,

Moved by Councillor Clement,
Seconded by Councillor Eadie,

THAT the clause be amended by adding a new Recommendation II to read as follows:

II. That the terms of settlement as negotiated with the Winnipeg Association of Public Service Officers be extended to the WAPSO Exempt and Senior Management staff in accordance with Council Policy.

AND THAT Recommendation II be renumbered as Recommendation III.

The amendment was put and declared carried.

The motion for the adoption of the clause, as amended, was put and declared carried.

(See Minute No. 620 for attachment)

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED MAY 19, 1999

On motion of Deputy Mayor Thomas, the Report of the Executive Policy Committee, dated May 19, 1999, was considered clause by clause.

Moved by Deputy Mayor Thomas,

That the Consent Agenda, Clauses 1,2,3,4,5,6,7,8,9,10,11,12,13,14 and 15, be adopted.

Councillor Lazarenko requested that Clauses 2 and 13 be pulled from the Consent Agenda.

Councillor Timm-Rudolph requested that Clauses 3 and 9 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,4,5,6,7,8,10,11,12,14 and 15, was put and declared carried.

Amendments to the Tax Installment Payment Plan By-law Files FL-1 (Vol. 10) and FL-2 (Vol. 14)

568 - 1. The Executive Policy Committee has been advised that Section 209 of The City of Winnipeg Act (the "CWA") provides that Council may pass by-laws in relation to realty and business taxes wherein taxes may be paid in instalments.

By-law No. 5798/91 was the initial by-law adopted by Council pursuant to this Section. This payment program, commonly referred to as the Tax Instalment Payment Plan or T.I.P.P., specified the terms and conditions of such payments but was applicable to realty taxes only.

By-law No. 5798/91 was repealed by Council and replaced by By-law No. 6048/92 on October 14, 1992. The primary purpose of the new by-law was to expand the payment program to include properties paying business tax.

The T.I.P.P. program applies to the current year's taxes only, as determined when the tax bill is created. The by-law specifically states the program does not apply to any amounts other than the City's annual tax levies which are added to the tax roll, including any taxes levied pursuant to Section 208 and 183 of the CWA. These payments are currently payable outside the T.I.P.P. program and are subject to the provisions of the Tax Penalty By-law.

Since the initial implementation of the T.I.P.P. in 1991 when 5,500 taxpayers participated in the program, it has continued to be a resounding success. This is indicated by the increased level of participation where in 1999, approximately 54,000 realty and 1,900 business tax accounts representing nearly $186 million of tax levies, have taken the opportunity to use the program.

The T.I.P.P. program provides benefits to the City in terms of both improved cash flow and potentially reducing the number of property and business owners experiencing tax arrear problems. It is these benefits which can be further expanded by having the program apply to changes in tax levies made after the tax demand is issued.

The CWA permits charges, other than realty or business taxes, to be added to the completed Tax Roll for a number of reasons ranging from weed control to demolition of unsafe buildings as outlined on Appendix "A". These charges are added for non-payment of work performed or services rendered to property and are collected in the same manner as property taxes are collected. Additionally, changes to the Tax Roll pursuant to Sections 208 and 183 of the CWA adjust for increased realty and business taxes due to such items as major alterations, building additions and increased business occupancy space.

However, the existing T.I.P.P. By-law specifically states that:

Report of the Executive Policy Committee dated May 19, 1999

"Any amounts other than the City's annual tax levies which are added to the tax roll, including any taxes levied pursuant to Section 208 of The City of Winnipeg Act, shall be payable outside of the Tax Installment Payment Plan and are subject to the provisions of the Tax Penalty By-law."

The administration recommends amending the by-law by removing this exclusion. By doing so, the Taxation and Revenue Division can enhance customer service and streamline the existing tax billing and collection system.

The recommended changes to the by-law are as follows:

1. For those levies added to the Realty Tax Roll pursuant to Section 208 of the CWA and to the Business Tax Roll pursuant to Section 183 of the CWA, the taxpayer's monthly payment be revised to distribute the change over the remaining monthly payments in that year. This would permit homeowners or businesses currently on the T.I.P.P. program to have additional taxes, say for the construction of a new garage or an increase in office space, distributed over the number of payments remaining in the year.

   If the increased taxes were effective between the last monthly payment for the current year and the end of the calendar year, the additional taxes will be recalculated with the following years T.I.P.P. monthly payment.

2. For all other additional charges added to the tax roll for non-payment of a service rendered to the property, the additional charge be collected in the next effective monthly T.I.P.P. payment. The subsequent monthly payments will then revert to the former amount until the tax account balance is discharged.

   If the added taxes are effective between the last monthly payment for the current year and the end of the calendar year, the additional taxes will be payable outside the T.I.P.P. program and subject to the provisions of the Tax Penalty By-law.

   The reason to have these charges collected in one payment is to avoid any abuse of the T.I.P.P. program. Without this criteria, taxpayers who have avoided the charge levied for a service (say removal of unsanitary material or unpaid water charges), could have this cost spread over the number of months remaining on the T.I.P.P. program. The purpose of the program is not for the City to effectively finance the non-payment of these types of levies. Should the taxpayer not pay the additional amount, they will be removed from the T.I.P.P. program and all provisions of the Tax Penalty By-law, including the due date for taxes and penalty provisions, will immediately apply.

The T.I.P.P. program provides benefits to the City in terms of improved cash flow and potentially reducing the number of property and business owners experiencing tax arrear problems. These benefits can be further expanded by having the program apply to changes in tax levies made after the tax demand is issued.

Therefore it is recommended that Council, in accordance with Section 209(1) of The City of Winnipeg Act, amend the Tax Installment Payment Plan By-law No. 6048/92 to include amounts other than the City's annual tax levies such that:

1. any levies added to the Realty and Business Tax Rolls pursuant to Sections 208 and 183 of The City of Winnipeg Act result in the recalculation of the remaining monthly instalments required to discharge the balance of the tax levy by equal monthly payments;

2. following the addition of any other amounts to the tax roll, the next monthly instalment payment be increased by the amount added to the roll and the subsequent monthly payments revert to the amount previously calculated.

Council approval is required to amend the existing Tax Installment Payment Plan By-law adopted on October 14, 1992.

The Executive Policy Committee recommends:

I. That Council, in accordance with Section 209(1) of The City of Winnipeg Act, amend the Tax Installment Payment Plan By-law No. 6048/92 to include amounts other than the City's annual tax levies such that:

   a) any levies added to the Realty and Business Tax Rolls pursuant to Sections 208 and 183 of The City of Winnipeg Act result in the recalculation of the remaining monthly instalments required to discharge the balance of the tax levy by equal monthly payments;

Report of the Executive Policy Committee dated May 19, 1999

b) following the addition of any other amounts to the tax roll, the next monthly instalment payment be increased by the amount added to the roll and the subsequent monthly payments revert to the amount previously calculated.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Elmwood Cemetery File PC (Vol. 4)

569 - 2. The Executive Policy Committee has been advised that the Elmwood Cemetery, previously owned by Elmco Ltd. (principal shareholder Brian Stewart) has been taken over by "Friends of Elmwood Inc.", a non-share capital company which has registered charity status.

The City has cleared the outstanding taxes on the property and title to the land has been transferred. Ownership of the Perpetual Care Fund has also been transferred to "Friends".

"Friends" is a non-share capital corporation established by a group of concerned citizens who have undertaken the task of operating the Elmwood Cemetery as well as fund raising in order to create a perpetual care fund of sufficient size so that the ongoing maintenance of the Cemetery can be assured.

The fund raising will take several years. In the meantime the Province and the City have been asked to cost-share any shortfall on a 50/50 basis. The operating deficit for 1999 is estimated at $256,262 of which the City's share would be $128,131. Funds for this grant have been budgeted in the 1999 current budget under account/centre 01-558101-000912. It is anticipated at this time that the Province and the City will have to continue to subsidize the Cemetery in 2000 and 2001.

"Friends" have requested that the City's Cemetery Branch provide the ongoing maintenance in the first year until "Friends" have an opportunity to gain experience with the management of a cemetery. A one-year service agreement will be entered into on the condition that it is cost neutral to the City. Establishing fee rates should be delegated to the City's Cemeteries and Golf Course Coordinator. The equipment will be supplied by "Friends" and additional temporary staff will be hired by the City's Cemetery Branch.

In order to finance the Fund Raising Campaign, "Friends" have requested a loan of $75,000 in each of three years. This would be subject to the Province providing 50% of the loan. The City share would be $75,000 x 3 years x 50% = $112,500. This would be repaid, without interest, by December 31, 2001 from the proceeds of the fund raising.

"Friends" require on-site office space for the operation of the Cemetery and plan to purchase suitable space by borrowing funds from a financial institution. It is anticipated that there will be a requirement for the Province and the City to guarantee the loan as 100% of the purchase price and acquisition costs will be borrowed. The maximum loan will be $50,000 (City share for loan guarantee purposes is $50,000 x 50% = $25,000). This guarantee will diminish as the loan is repaid. "Friends" have made adequate provision in their business plan for the repayment of this loan to a financial institute.

The City can provide loans and loan guarantees under Section 313 of The City of Winnipeg Act which states the following;

> "Subject to the approval of the Minister of Finance, The City, may on such terms and conditions as the Minister of Finance may approve, make loans and grants for, and guarantee indebtedness incurred for, any community undertaking not otherwise authorized under this Act, and the Minister of Finance may refer any application for approval under this section of The Municipal Board for its advice and recommendation".

The City has been concerned that there has been an increasing number of requests for loan guarantees over the past few years, as loan guarantees do, in fact, constitute meaningful commitments by the City. These commitments have to be recorded in the notes to the City's Financial Statements, are factors in determining the City's potential liabilities, and are a factor in determining the City's credit rating. As a result of its ongoing concern, the City

Report of the Executive Policy Committee dated May 19, 1999

adopted a Policy and Criteria to be used as a Guideline in the Consideration of Requests for Loan Guarantees on June 17, 1992. As at December 31, 1998, the City of Winnipeg was the guarantor of 13 different loans in the total amount of $8.3 million.

The following evaluates the business plan as provided by "Friends" based on the Policy and Criteria related to requests for loan guarantees as adopted by Council on June 17, 1992.

A. Requests for loan guarantees shall be submitted to the City Treasurer for review to determine if the request meets the requirements of the policy.

"Friends", in their letter of December 14, 1998, submitted a request for a loan guarantee to facilitate purchase of office space. The Province will be providing a matching loan guarantee. A three year business plan was also submitted.

B. The organization requesting the loan guarantee must provide a service which, in whole or in part, falls within the mandate of the City of Winnipeg.

The City has the power to establish, operate, maintain and regulate cemeteries and currently has three municipal cemeteries. If "Friends" were to abandon Elmwood Cemetery, it is conceivable that the Province may introduce legislation making the City responsible for the Elmwood Cemetery.

C. The project for which the loan guarantee is being requested must not be in conflict with City policy. For example, if City policy stated that we already had more than enough hockey arenas for our population, the City would not guarantee a loan for the purpose of constructing a hockey arena.

The project is not in conflict with City policy.

D. The organization's services must be available to the community at-large without restrictions based upon ethnicity, religion or race and without unreasonably restrictive membership or user fees.

There are no unreasonable restrictions on anyone wishing to inter relatives or friends nor to make contributions to the Foundation. The facility is open and accessible to the public at large.

E. The organization must be non-profit (as defined within the City of Winnipeg Fees and Charges Policy).

"Friends" has obtained registered charity status.

F. The organization must produce financial records and a business plan that demonstrates the organization's long-term viability and capacity to meet the obligations of the loan that they are asking the City to guarantee.

"Friends" have submitted a three year business plan which identifies the operating costs and revenues of the Cemetery and the annual proceeds from the existing Perpetual Maintenance Fund. This plan calls for the Province and the City to fund annual short falls estimated at 1999 - $256,262, 2000 - $215,766, and 2001 - $219,382. These costs would be split 50/50 between the City and the Province.

The expectation is that during the next three years, "Friends" will conduct a fund raising campaign which will generate sufficient funds to create a Perpetual Care Fund which is capable of funding the ongoing operation of the Cemetery.

In summary, the three year business plan, including the fund raising campaign, appears to be fair and reasonable.

G. The organization structure and the principals of the organization must be judged by the City of Winnipeg as competent to independently implement the business plan of the organization.

The principals behind "Friends" are highly competent and concerned businessmen who are most capable of implementing the business plan.

Report of the Executive Policy Committee dated May 19, 1999

H. Unless there are very special circumstances, the maximum amount of outstanding loan guarantees for any one organization will be $1,000,000.

The loan guarantee being requested will be for 50% of the loan taken to purchase an office up to a maximum loan of $50,000. The City's 50% guarantee would be $25,000. This would diminish as the loan is paid down.

I. The loan that the City is being asked to guarantee should not represent more than 50% of the total funding of the project. The organization requesting the loan guarantee must have raised at least 20% of the total project costs from non City of Winnipeg sources as a down payment, i.e. if the organization is receiving a City grant for their project, the grant cannot be counted as part of the 20% down payment.

The City and the Province will be guaranteeing 100% of the cost to purchase suitable office space.

J. The loan that the City is guaranteeing must be related to a capital asset.

The loan guarantee is related to the purchase of land and a building.

K. The capital asset must be insured to the satisfaction of the City Treasurer both during and after construction.

The Director of Corporate Finance (City Treasurer) will ensure adequate insurance is in place if the project is approved.

The adoption of these recommendations should pave the way to successful operation of the Cemetery and, with the expectation that the Fund Raising Campaign is also successful, the City will avoid a long term commitment to Elmwood Cemetery.

Executive Policy Committee approval is necessary to authorize a grant and Council approval is necessary to enter into a service agreement, to give a loan or guarantee a loan.

The Executive Policy Committee recommends:

I. That a grant in the amount of $128,131 be approved to the "Friends of Elmwood Cemetery Inc." ("Friends") to cover 50% of the 1999 net operating costs of the Elmwood Cemetery, subject to the following:

(a) "Friends" and the City request the Province to make a matching grant;
(b) The first $90,000 of the grant be paid to "Friends" upon Executive Policy Committee approval;
(c) The balance of the grant of $38,131 will be paid to "Friends" only if the Province makes a matching $128,131 grant;
(d) "Friends" submitting quarterly financial statements and audited annual statements.

II. That Council authorize the City to enter into a one year agreement with "Friends" to provide ongoing operational works at the Elmwood Cemetery, including burials, disinterments and maintenance, to authorize the use of City equipment and labour, priority of service to municipal cemeteries, plus such other terms and conditions deemed appropriate and in the best interest of the City by the City Solicitor/Manager of Legal Services in order to fulfil the intent of Council.

III. That Council delegate to the City's Cemeteries and Golf Course Coordinator the authority to specify the rates and charges to be paid by "Friends" on the understanding that there be full cost recovery.

IV. That Council approve a loan of up to $112,500 to "Friends" for the purpose of a $5 million Fund Raising Campaign and that the funds be advanced $37,500 in each of 1999, 2000 and 2001. Said loan is to be repaid to the City in full, without interest, by December 31, 2001 from the funds raised for Elmwood Cemetery. This loan will be conditional upon a matching loan/loan guarantee from the Province and the "Friends" submitting audited annual financial statements and a status report on the fund raising activities.

V. That Council guarantee 50% of a loan up to a maximum loan amount of $50,000 ($50,000 x 50% = $25,000) to "Friends" to allow them to proceed with the purchase of land and building for cemetery office purposes. This guarantee is conditional upon the Province providing a matching guarantee for the balance of the loan.

Report of the Executive Policy Committee dated May 19, 1999

VI. That the Proper Officers of the City be instructed to do all things necessary to implement the loan or loan guarantee, including obtaining approval from the Minister of Finance in accordance with Section 313 of The City of Winnipeg Act.

Moved by Councillor Eadie,
Adoption of the clause.

The Speaker called the Deputy Speaker, Councillor Lazarenko, to the Chair and left the Chamber.

The motion for the adoption of the clause was put and declared carried.

Hired Hourly Dump Trucks
File SC (Vol. 3)

570 - 3. On February 17, 1999, the Executive Policy Committee laid over Clause 1 of the Report of the Standing Policy Committee on Public Works dated February 15, 1999, with respect to Hired Hourly Dump Trucks, and referred same to the Administration for further review and report back on what legal responsibilities the City has to the trucking industry and to provide a definition of a coherent system.

On March 24, and April 28, 1999, Council granted an extension of time of 30 days for consideration of this matter.

In accordance with Section 61.5 of the Procedure By-law No. 5400/94 as amended, the Executive Policy Committee recommends that Council grant a further extension of time of 30 days for consideration of this matter.

Moved by Councillor De Smedt,
Adoption of the clause.

Carried.

Task Force on Inner Winnipeg Neighbourhood Redevelopment
File EX (Vol. 13)

571 - 4. On March 17, 1999, the Executive Policy Committee laid over Clause 1 of the Report of the Standing Policy Committee on Property and Development dated February 19, 1999, with respect to a Task Force on Inner Winnipeg Neighbourhood Redevelopment.

On March 24, and April 28, 1999, Council granted an extension of time of 30 days for consideration of this matter.

In accordance with Section 61.5 of the Procedure By-law No. 5400/94 as amended, the Executive Policy Committee recommends that Council grant an extension of time of 30 days for further consideration of this matter.

Adopted by consent.

Report of the Executive Policy Committee dated May 19, 1999

Amalgamation of the Provision of Environmental Health Services in The City of Winnipeg File EH-1 (Vol. 19)

572 - 5. On November 12, 1997, the Executive Policy Committee laid over Clause 2 of the Report of the Committee on Planning and Community Services dated October 28, 1997.

On December 3, 1997, the Executive Policy Committee referred the clause to the Chief Administrative Officer with directions that this be included in the overall negotiations and discussions with The Partners in Public Service Initiative.

On January 28, 1998, Council approved an extension of time of 365 days for consideration of the matter.

On January 27, 1999, Council approved an additional extension of time of 120 days for consideration of the matter.

In accordance with Section 61.5 of the Procedure By-law No. 5400/90 as amended, the Executive Policy Committee recommends that Council grant an additional extension of time of 365 days for consideration of this matter.

Adopted by consent.

Expenditure from Land Dedication Reserve Fund - Seven Oaks Museum Children's Craft Barn - Lord Selkirk-West Kildonan Community File EP-2 (Vol. 25)

573 - 6. The Executive Policy Committee has been advised that the Lord Selkirk-West Kildonan Community Committee has concurred in the allocation of $25,000.00 from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund to coordinate the establishment of a Children's Craft Barn, subject to grants of at least $25,000.00 from each of the Provincial and Federal Governments.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $25,000.00 be approved from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund for the project subject to grants of at least $25,000.00 from each of the Provincial and Federal Governments.

Adopted by consent.

Expenditure from Land Dedication Reserve Fund - "Osborne Village Green" - 524 Stradbrook Avenue - City Centre Community File EP-2 (Vol. 25)

574 - 7. The Executive Policy Committee has been advised that the City Centre Community Committee has concurred in the allocation of $5,000.00 from the City Centre Land Dedication Reserve Fund to the Friends of Osborne Village Green to assist with the cost of construction of a fence and placement of a sign at "Osborne Village Green" Park.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $5,000.00 be approved from the City Centre Land Dedication Reserve Fund for the project.

Adopted by consent.

Report of the Executive Policy Committee dated May 19, 1999

Expenditure from Land Dedication Reserve Fund - Garden City Community Centre - Lord Selkirk-West Kildonan Community File EP-2 (Vol. 25)

575 - 8. The Executive Policy Committee has been advised that the Lord Selkirk-West Kildonan Community Committee has concurred in the allocation of $24,350.00 from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund to build a parking lot adjacent to the Garden City Community Centre Soccer Complex.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $24,350.00 be approved from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund for the project.

Adopted by consent.

Request for Consultants Proposals and Feasibility Study for Equipment and Material Services - Fleet Services Files GL-5.6.1 (Vol. 2) [c/r S-8 (Vol. 1)]

576 - 9. At its meeting held on February 24, 1999, Council adopted the 1999 Alternative Service Delivery Review Agenda put forward by the Chief Administrative Officer as per the requirements of Council's approved Framework and Policy for Alternative Service Delivery. Included in the Agenda was a reference to the Fleet Services as being at the ASD Phase: Identification and Planning (II). Also included was a brief description of the work of Fleet Services and the indication that all potential ASD options are to be explored as a part of the feasibility study.

Scope of the Work

The scope of this study will be the existing Fleet Services unit of Equipment and Material Services (EMS). The study will focus on the heavy equipment, light vehicle and machine shop functions that are presently the responsibility of this unit. Specifically not included in this study is an examination of other City-run fleet services-like operations not presently managed by EMS.

Additionally, the consultants will be directed to review and comment on the administration of the Equipment Replacement Reserve and, if required, propose alternate methods of financing the equipment replacement program in relation to the various alternative service delivery options.

Project Steering Committee

The Director of Public Works has invited a number of interested or concerned department heads to participate as members of a project Steering Committee. The Steering Committee, which will be chaired by the Director of Public Works, will include at a minimum the two or three department heads who are major users (or potential users) of Fleet Services, the Director of Corporate Finance or his designate and representatives of both the Canadian Union of Public Employees (CUPE) and the Winnipeg Association of Public Service Officers. The mandate of the Committee is to provide overall guidance to the project and receive and consider recommendations of the Project Management Committee.

Project Management Committee

The Manager of Equipment and Material Services has established a project management committee which will be responsible for preparing and finalizing the terms of reference for the study, managing the proposal call, and recommending the engagement of a consultant. This committee will work with the consultant to provide day to day direction and advice as may be required and to provide, or cause to be provided, access to key personnel, systems and information as may be required by the consultant to carry out this assignment. The project management committee will consist at a minimum of the Manager of EMS, the EMS Supervisor of Administrative Services, the Equipment Services Engineer, two other EMS management staff members, the Manager of Finance & Administration Services of the Public Works Department, a representative of the Chief Financial Officer and a CUPE member.

Report of the Executive Policy Committee dated May 19, 1999

Project Co-ordinator

The Manager of EMS is actively considering the appointment of an individual who would act as Project Co-ordinator for this initiative. The possibility of seconding a person with experience in the city system(s) and with specific ASD Feasibility Study knowledge and experience is being explored.

Time line

The project time line is outlined in Appendix "A". Expectations are that this Phase will be complete by no later than January 30, 2000.

Funding the Study

The funding for this project is recommended to be from the Equipment Replacement Reserve. The Reserve is funded by contributions from the users of the City fleet. It is expected that the ASD Feasibility Study will ultimately result in a more efficient and effective fleet management system and the users of the City fleet will be the beneficiaries of these improvements. The Reserve has sufficient funds to cover this expense.

Financial Impact

The proposed funding for this project is from the Equipment Replacement Reserve. Funding from the reserve will not impact the current or capital budgets.

On April 21, 1999, the Executive Policy Committee referred the matter to the Alternate Service Delivery Committee for comment and report back.

On May 17, 1999, the Alternate Service Delivery Committee concurred in the administrative recommendations and forwarded same to the Executive Policy Committee for approval and recommendation to Council.

Council authorization of recommended actions is required.

The Executive Policy Committee recommends:

I. That the Director of Public Works be authorized to engage the services of a management consultant to conduct an Alternative Service Delivery Feasibility Study for the Fleet Services unit of the Equipment and Material Services Division at an estimated cost of $150,000.

II. That the cost of the Fleet Services Alternative Service Delivery Feasibility Study be funded from the Equipment Replacement Reserve.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Moved by Deputy Mayor Thomas,
Adoption of the clause.

Carried.

Report of the Executive Policy Committee dated May 19, 1999

Establishment of the Transitional Neighbourhood Tax Investment Program
File EP-1.1(PW) (Vol. 13)

577 - 10. On September 9, 1998, Council ruled automatic referral of the following motion to the Executive Policy Committee, under Rule 16.1 of the Procedure By-law No. 5400/90:

Moved by Councillor Vandal,
Seconded by Councillor Murray,

WHEREAS clause 5A-15 of Plan Winnipeg states that "the city shall promote compact urban development by: I) encouraging infilling of vacant land and the revitalization of existing neighbourhoods.";

AND WHEREAS residential development in older, transitional neighbourhoods can often be cost-prohibitive, due to requirements such as industry relocation and remediation, riverbank stabilization and other environmental requirements;

AND WHEREAS the tax recovery to the city can be increased significantly if the residential renewal is accomplished;

AND WHEREAS neighbourhood amenities such as schools, libraries, transit, fire protection service and community centres are already in place in older neighbourhoods;

THEREFORE BE IT RESOLVED THAT a "Transitional Neighbourhood Tax Investment Program" be developed whereby a special investment fund would finance capital expenses such as acquisition, clearance and rehabilitation costs and other costs as defined, which are impediments to a specific "existing neighbourhood" redevelopment project. Financing under this initiative would be subject to the following criteria:

1) the capital expenses financed by the "investment fund" must clearly demonstrate that they are financial as well as neighbourhood impediments which render an existing neighbourhood redevelopment project unviable;

2) there must be an increase of tax revenue to the city once the project is complete;

3) there must be full repayment to the investment fund plus interest within ten years by augmentation of property tax revenue from the project;

4) the proposed project must have a maximum 5 years absorption into the market;

5) the project can be delivered in partnership with a non-profit Community Development Corporation (CDC).

On September 16, 1998, the Executive Policy Committee referred the matter to the Administration for report on the mechanics and implications of implementing the proposed program.

On November 25, 1998, Council granted an extension of time of 60 days for consideration of the matter.

On January 27, 1999, Council granted a further extension of time of 120 days for consideration of the matter.

Inasmuch as the report has not been received to date, the Executive Policy Committee recommends that an additional extension of time of 60 days be approved to consider this matter in accordance with rule 16.4 of the Procedure By-law No. 5400/90.

Adopted by consent.

Report of the Executive Policy Committee dated May 19, 1999

Canada Packers Building - Fire Safety
File GF-1 (Vol. 16)

578 - 11. On September 9, 1998, Council ruled automatic referral of the following motion to the Standing Policy Committee on Protection and Community Services, under Rule 16.1 of the Procedure By-law No. 5400/90:

Moved by Councillor Vandal,
Seconded by Councillor Silva,

THAT Council instruct the Fire Department to assess the risk of fire reoccurring at the Canada Packers site as well as offer suggestions of short and long-term fire prevention measures;

AND THAT the Fire Department submit a report to the next Standing Policy Committee on Protection and Community Services meeting and/or Executive Policy Committee meeting.

On September 14, 1998, the Standing Policy Committee on Protection and Community Services concurred with the intent of the motion and referred the matter to the Administration to prepare said report, and requested that the report be directed to the Executive Policy Committee for its consideration and report back to Council.

On November 25, 1998, Council granted an extension of time of 30 days to consider this matter.

On December 16, 1998, Council granted a further extension of time of 30 days to consider this matter.

On January 27, 1999, Council granted a further extension of time of 120 days for consideration of the matter.

In view of the fact that Council adopted Clause 1 of the Report of the Standing Policy Committee on Property and Development dated April 20, 1999, regarding the Public Markets Site - Request for Proposals, and the advice from the Administration that a 24 hour security plan is in place, the Executive Policy Committee recommends that the matter be filed.

Adopted by consent.

Signs in Public Rights-of-Way
File SC-3.1 (Vol. 3)

579 - 12. On May 27, 1998, Council ruled automatic referral of the following motion to the Executive Policy Committee, under Rule 16.1 of the Procedure By-law No. 5400/90:

Moved by Councillor Golden,
Seconded by Councillor Angus,

WHEREAS signs posted in public rights-of-way can be hazardous;

AND WHEREAS said signs are often discarded as litter;

AND WHEREAS said signs cannot be prohibited;

NOW THEREFORE BE IT RESOLVED that all signs in public rights-of-way be subject to a licence with fees set at a rate to cover costs of administration; said fees not to be prohibitive.

On June 17, 1998, the Executive Policy Committee referred the motion to the Administration for comment and report back on issues of legality, costs, methodology and consideration of time frames for removal of signs.

On September 9, 1998, Council granted an extension of time of 60 days inasmuch as the report had not been received.

Report of the Executive Policy Committee dated May 19, 1999

On November 19, 1998 the Executive Policy Committee further considered the matter and recommended that the motion be filed.

On November 25, 1998, Council referred the matter back to the Executive Policy Committee.

On December 2, 1998, the Executive Policy Committee laid the matter over for 30 days and referred same to Councillors Angus and Golden for their views and suggestions.

On January 27, 1999, Council approved an extension of time of 60 days for consideration of the matter.

On March 24, 1999, Council approved a further extension of time of 60 days for consideration of the matter.

The Executive Policy Committee recommends that the motion be filed.

Adopted by consent.

Development of a Local Preference Policy with respect to tendering
File GL-9.2 (Vol. 17)

580 - 13. On April 28, 1999, Council ruled automatic referral of the following motion to the Executive Policy Committee, under Rule 16.1 of the Procedure By-law No. 5400/90:

Moved by Councillor Lazarenko,
Seconded by Councillor Golden,

WHEREAS businesses operating in the City of Winnipeg contribute to the City economy through the generation of jobs, goods and services and through payment of various taxes including City business tax and property tax;

AND WHEREAS it is in the best interest of the City of Winnipeg to develop and maintain a healthy business community;

AND WHEREAS in July 1981, City Council adopted a policy of giving preference to Winnipeg suppliers over suppliers in other cities, to firms doing business in Manitoba over those located in other provinces and to Canadian suppliers over out-of-country sources, when price, quality, delivery and suitability are equal; and also a policy of special consideration in cases where the lowest tender is not Winnipeg based but the second lowest tender is Winnipeg based;

AND WHEREAS subsequently in February 1988, Council rescinded the 1981 policy in favour of a "Policy on Purchasing Procedures and the Disposal of Surplus Supplies" which continued special consideration in cases where the second lowest tender is Winnipeg based;

AND WHEREAS in March 1989, Council rescinded its local preference policy after receiving advice from the provincial Minister of Industry, Trade and Tourism against setting up trade barriers which might prompt retaliation from other provinces and the Minister's assurance that all provinces would work toward a business climate that can function without barriers to trade;

THEREFORE BE IT RESOLVED that, in the light of current economic realities, Council ask the Administration to re-examine the matter of the development of a local preference policy with respect to tendering.

On May 12, 1999, the Executive Policy Committee laid the matter over to May 19, 1999.

The Executive Policy Committee recommends that the motion be filed inasmuch as an Agreement on Internal Trade which came into effect in 1995, ensures equal access to procurement for all Canadian suppliers.

Moved by Deputy Mayor Thomas,

That the recommendation of the Executive Policy Committee, that the clause be filed, be adopted.

Report of the Executive Policy Committee dated May 19, 1999

The Deputy Speaker called Councillor Eadie to the Chair in order to participate in the debate, and after speaking, resumed the Chair.

The recommendation of the Executive Policy Committee, that the clause be filed, was put and declared carried.

Councillor Lazarenko asked to be recorded as having voted against the filing of the clause, in accordance with Rule 50.7 of the Procedure By-law.

Funding for Millennium Plan - improvements to the Winnipeg Stadium and surrounding properties
File F-5 (Vol. 20)

581 - 14. On May 19, 1999, the Executive Policy Committee passed the following resolution, namely:

WHEREAS on May 27, 1998, Council adopted the following motion:

> "WHEREAS the Winnipeg Enterprises Corporation (WEC) has submitted a Millennium Plan to the City of Winnipeg, which is a proposal for improvements to the Winnipeg Stadium and surrounding properties to be partially funded as follows:
>
> | | |
> |---|---|
> | Province of Manitoba | $2.5 million |
> | WEC | $1.0 million |
> | City of Winnipeg | $1.5 million |
>
> AND WHEREAS the purpose of the plan is to satisfy the medium to long range requirements of the Winnipeg Football Club, 1999 Pan Am Games, amateur sport, and all other potential users of the facility;
>
> AND WHEREAS the City's contribution would be for the following improvements:
> surfacing, asphalt, stripes, concrete, pavers;
> landscaping, trees, shrubs, sod;
> lighting; and
> structures/entry gates;
>
> THEREFORE BE IT RESOLVED that Council make a commitment to WEC for funds up to a maximum of $1.5 million towards this Millennium Plan, on the understanding that funding from the Province in an amount of $2.5 million and funding from WEC in the amount of $1 million is available for this purpose, and that these funds be budgeted in the 1999 Current or Capital Estimates processes."

AND WHEREAS the Winnipeg Enterprises Corporation have submitted a revised Business Plan with proposed funding of:

Government of Canada	$1.500 million
Province of Manitoba	$1.500 million
City of Winnipeg	$1.500 million
Winnipeg Enterprises Corp.	$4.250 million
Total	$8.750 million

from the original Plan proposed of:

Government of Canada	$2.500 million
Province of Manitoba	$2.500 million
City of Winnipeg	$1.500 million
Winnipeg Enterprises Corp.	$4.250 million
Total	$10.750 million

Report of the Executive Policy Committee dated May 19, 1999

with a proposed amended capital program for the following improvements

Millennium Plan

Concession upgrading	$350,000	*,+
Washroom expansion	400,000	*,+
Bomber novelty store	300,000	*,+
Readerboard and backlit signs (advertising)	170,000	*,+
Painting/Visitors locker room upgrade & misc.	80,000	*,+
Fieldhouse	1,000,000	*
Seating (individual seats, lower grandstand 20,000)	1,700,000	*
Painting/misc. upgrade/storage/press box	250,000	*
North end scoreboard/replay board	2,000,000	Note 3
Electronic signboards (St. James & Empress Street)		
East side club lounge upgrade	300,000	Note 3
Landscaping/Commemorative Plaza/Blue & Gold/ Arena connection	1,400,000	Note 3
Painting, signage, and general upgrade	500,000	Note 3
Additional painting/misc. upgrade/storage/press box	300,000	Note 3
Total Stadium Improvements	$8,750,000	

Notes:

1. + Work in progress undertaken by WEC
2. * Additional capital items required to be provided by WEC as per the Winnipeg Football Club lease $4,250,000
3. Proposed capital improvements to be funded by the three level of governments as per the Millennium Plan $4,500,000

THEREFORE BE IT RESOLVED that the City disburse payments of $1.5 million as budgeted in the 1999 capital estimates.

Adopted by consent.

Sale of City Owned Property - Vita Health Products Expansion - Parcels C & D, Plan 29058 File FI-2.4(35)(Vol. 6)

582 - 15. On September 25th, 1996, Council adopted the recommendation of the Committee on Finance and Administration granting a three year option to Vita Health to purchase City owned property shown as land optioned to Vita Health on Misc. Plan No. 10607 for the price of $116,890.00. The value of the land that is under option is $116,890.00 and the value of the additional land to the south of Vita Health is $42,769.00 at the current approved marketing value rate of $57,500.00 per acre. Thus the total value of the land required for this project is $159,659.00 ($116,890.00 + $42,769.00).

The Property and Development Services Department has been in discussion with Vita Health Products regarding their proposed plant expansion since January of 1999. On March 8th, 1999, the Manager of Business Liaison of the Property and Development Services Department received a letter from Vita Health indicating that their parent company had requested that they have a plan in place to add future expansion to their existing facility past their existing five year plan. In order to accommodate this expansion, Vita Health requires land for parking in addition to the land currently optioned by them. Subsequently, a member of the Property and Development Services Department met with Vita Health's Vice President of Operations and the builder that is working with them on their expansion plans. It was determined that the lands shown as subject City property would be suitable to satisfy their expansion plans by providing enough parking to accommodate their needs for the expansion.

Report of the Executive Policy Committee dated May 19, 1999

Established over 60 years ago Vita Health Products has grown to be the nation's second largest manufacturer of private label vitamins, minerals and nutritional supplements. The company distributes its products through pharmacies, mass retailers and health food stores and employs 315 people. Vita Health have indicated in their business plan that to handle planned growth entirely out of the Company's Winnipeg location, approximately 74,000 square feet must be added to the existing facility and approximately 50 additional employees will be required. The total estimated cost of the building expansion would be $3,675,000.00. Estimated equipment cost for the expansion would be $1,725,000.00.

As previously stated the value of the land that is under option is $116,890.00 and the value of the additional land to the south of Vita Health is $42,769.00 at the current approved marketing value rate of $57,500.00 per acre. Thus the total value of the land required for this project is $159,659.00 ($116,890.00 + $42,769.00).

The projected future (after expansion) annual taxes of Vita Health Products expansion are estimated as follows:

Municipal Taxes (excluding School Taxes)	Current	After Expansion	Increase
Property Tax	$60,000.00	$111,000.00	$51,000.00
Business Tax	$41,000.00	$ 64,000.00	$23,000.00
Total	$101,000.00	$175,000.00	$74,000.00

The previous sale price of $159,659.00 for the land in question is equal to approximately 26 months ($159,659.00/ $74,000 = 2.16 years or 26 months) of the new revenue generated to the City of Winnipeg through additional property and business taxes.

It is important to note that, with respect to the security for payment of the purchase price provided by Vita Health Industries to the City through a conditional promissory note, said security would rank after any real property mortgage granted by Vita Health Industries. Also, the property shown as subject city property on Misc. Plan No. 10607 has never been offered for sale as it was felt it was needed for easements or possible rail access. The Manitoba Hydro easements are on the lands to the north and it is highly unlikely that the rail access will be required.

The City of Winnipeg is committed to improving the city's fundamental business climate and playing a support role in business expansion or relocation, but direct concessions to specific businesses have been the exception rather than the rule in Winnipeg and are generally contrary to current philosophy. For this reason, it has been consistently recommended that if City Council approve business requests for concessions that it be done on the sole basis of a business case based on the merits (possible job creation and increased tax base) rather than as response to economic incentives of another municipal agency. In the case of Vita Health Products, the payback in the form of both job creation and increased tax base outweigh the initial investment (sale of the required city-owned property) by the City of Winnipeg.

The recommendations outlined below are required to facilitate and complete a process that will ensure that the proposed relocation and expansion of the Vita Health Products plant will occur in Winnipeg.

The Executive Policy Committee recommends:

I. That a proposed agreement between the City of Winnipeg and Vita Health Products to support Vita Health Products' expansion of their Winnipeg plant be approved as follows:

A. That Council approve the sale of the property required for the Vita Health Products expansion, as outlined on Schedule "A" (Miscellaneous Plan No. 10607) for the sum of $1.00, in consideration of finalizing an agreement which provides for the following terms and conditions:

1. That Council declare the lands shown as *Subject City Property* on Misc. Plan 10607 surplus to the city's requirements.

2. The date of possession, closing and adjustment of sale shall be no later than November 1, 1999.

Report of the Executive Policy Committee dated May 19, 1999

3. Construction of Vita Health Products' expansion on said property shall be completed no later than December 31, 2000.

4. Within two years of December 31, 2002, Vita Health Products will provide the City Clerk with a certificate from Vita Health Products' auditors showing that employment levels of Vita Health Product's Winnipeg plant have increased by 50 people from the present levels based on their current payroll. Failing the aforementioned, Vita Health Products will pay on demand to the City $159,659.00, that being the value of the lands previously optioned to Vita Health Products plus the current value of the subject City property. These unpaid monies shall be secured by a conditional promissory note for the required amount from Vita Health Products in favor of the City. Any caveat filed as evidence of such unpaid monies shall be a second charge subject only to Vita Health Product's first mortgage.

5. Such terms and conditions as deemed necessary by the City Solicitor to give effect to the intent of Council.

II. That the Proper Officers of the City be authorized to do all things necessary to accommodate the above recommendations including finalizing and arranging for execution of all agreements and documents contemplated within the necessary time frame.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

EXECUTIVE POLICY COMMITTEE

CONSIDERATION OF BY-LAWS

583 - On motion of Deputy Mayor Thomas, the following by-laws were read a first, second and third time, the rule being suspended for the third reading of each by-law, and were passed and ordered to be signed and sealed, namely:

By-law No. 7458/99, a by-law of The City of Winnipeg to open Barnes Street north of Colebrook Drive File DAO 20/98

By-law No. 7459/99, a by-law of The City of Winnipeg to close part of the public lane in the block bounded by Main and Austin Streets and Higgins and Henry Avenues
File DAC 15/98

By-law No. 7460/99, a by-law of The City of Winnipeg to amend By-law No. 6048/92, being a by-law to provide for the payment of realty and business taxes by instalments.
Files FL-1 (Vol. 10) & FL-2 (Vol. 14)

EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

584 - Councillor Timm-Rudolph expressed concern about the amount of graffiti on buildings throughout the City and questioned when the graffiti would be removed and if the City had budgeted enough money to provide for removal.

Deputy Mayor Thomas indicated that the Graffiti Hot Line was open and receiving concerns from residents. She further noted that there had been a lot less graffiti in the Elmwood Ward. In addition, she stated that students have been hired and a number of summer programs are scheduled to be in operation imminently. She further indicated that she would take the question under advisement and contact Take Pride Winnipeg to ascertain whether they had enough resources or were experiencing problems in keeping up with graffiti removal.

In reference to the graffiti issue, Councillor Prystanski asked Deputy Mayor Thomas to ensure that the autobins behind Grove and Hallet Streets were painted and cleaned up and asked if he could copy her on all future Point Douglas Ward graffiti reports.

Deputy Mayor Thomas suggested that Councillor Prystanski contact Take Pride Winnipeg or the Water and Waste Department with ward specific requests but agreed to find out if Take Pride Winnipeg had funds available for autobin painting or whether that type of work would be funded from the regular solid waste removal budget.

In reference to Council's recent adoption of cuts to Take Pride Winnipeg's graffiti budget, Councillor Prystanski requested that Deputy Mayor Thomas report back to Council as to whether graffiti is under control and what the response times are to the removal of graffiti being reported to Take Pride Winnipeg.

Deputy Mayor Thomas noted that the amount budgeted for Take Pride Winnipeg was for ongoing operations and that the additional funds in last year's budget were for promotional materials and one-time expenses. She reiterated that she would ascertain if there had been any increase in demand and whether the amount of money budgeted for graffiti removal was sufficient to meet the needs.

Councillor Angus questioned when Council could expect information on the Report of the City of Winnipeg Cultural Policy Review Panel (Buchwald Report) and when Mayor Murray's budget newsletter would be available, to which Deputy Mayor Thomas agreed to take under advisement.

In reference to the City of Winnipeg Act re-write, Councillor Angus asked if the Executive Policy Committee had had any input into the review and if and when there would be an opportunity for Councillors to make suggestions.

Deputy Mayor Thomas deferred the question to the Secretary of Intergovernmental Affairs, Councillor Eadie. In response, Councillor Eadie advised that the Province and the City of Winnipeg were jointly reviewing the Act and that it was his understanding that the Minister of Urban Affairs intended to provide opportunity for political input into the draft possibly in the late fall following the Administrative review. He further advised that it was the intention of the Province to bring in a major overhaul of the Act in the Legislative Session in the year 2000, noting that prior to that time, there would be some opportunities provided to Members of Council and the Provincial Government MLAs to engage in conversation on the draft amendment of the Act.

In noting that the Executive Policy Committee had tabled the Preliminary 2000 Annual Capital Estimates and the 2001 to 2005 Five-Year Capital Forecast, Councillor Angus inquired why each member of Council was not provided with an opportunity to provide ward input into the basic preparation of the document.

Deputy Mayor Thomas noted that tabling the budget was the beginning of the process, and that the document is subject to review and revision. The next step would be to proceed to the Community Committees, the Standing Committees and possibly a Council Seminar. She indicated that the budget document was created by reviewing previous budgets passed by Council while attempting to stay within the priorities created by the current Council and spread it out over six years.

Councillor Angus requested an update on the Plan Winnipeg review process and questioned if there would be an upcoming Council Seminar on the review.

Executive Policy Committee - Question Period (continued)

Councillor Vandal advised that a five-person committee, with representation from each Community Committee, had been diligently working with the Administration to review the City's priorities and rework Plan Winnipeg. He further advised that the Executive Policy Committee would be briefed on the Plan Winnipeg process on June 2, 1999 and that a Council seminar was planned for sometime in June. He noted that the Committee is slightly behind the original timelines but stated that the extra time was well warranted due to the magnitude of the exercise and the importance of the document.

Councillor Angus requested that the Deputy Mayor direct the City Clerk to identify all walk-on motions to all Members of Council, especially Executive Policy Committee items such as time-sensitive grants which are less than $100,000 and do not require Council approval for Winnipeg Development Agreement funding.

Deputy Mayor Thomas agreed to take the question under advisement.