REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED MAY 9, 1997

On motion of Councillor Silva, the Report of the Committee on Finance and Administration, dated May 9, 1997, was considered clause by clause.

Moved by Councillor Silva,
That the Consent Agenda, Clauses 1,2,3 and 4 be adopted.

Carried.

Recommendations for Amusement Tax Exemption File FL-6 (Vol. 15)

720 - 1. The Committee on Finance and Administration has considered recommendations received from the Winnipeg Arts Advisory Council for exemption to the Amusement Tax By-law.

The Committee on Finance and Administration submits draft by-law and recommends:

I. That the following list of exemptions be added to subsection 7(6) of the Amusement Tax By-law No. 3107/81, namely:

Folk Arts Council of Winnipeg Inc. for:
"Folklorama" from August 3 to 16, 1997 at various Winnipeg locations

Manitoba Sacred Music Choir for:
"Te Deum" on June 1, 1997, at St. Alphonsus Church

Prairie Theatre Exchange for:
1997/98 Season at Prairie Theatre Exchange Mainstage as follows:

"Mom's the Word" - October 8 to 26, 1997
"Vigil" - November 12 to 30, 1997
"Jacques Brel is Alive and Well..." - January 28 to February 15, 1998
"A Doll's House" - March 4 to 22, 1998
"Painting Churches" - April 1 to 19, 1998
"Treehouse" - December 17 to 29, 1997 and January 3 to March 22, 1998
"Head a Tete" - January 20 to March 22, 1998 at various Winnipeg schools

Royal Winnipeg Ballet for:
1997/98 Season at the Centennial Concert Hall as follows:

"Zurich Ballet" - October 21 to 26, 1997
"Nutcracker" - December 21 to 26, 1997
"Holiday Festival" - December 27 and 28, 1997
"Giselle" - March 10 to 15, 1998
"Spring Serenade" - May 11 to 17, 1998

Shakespeare in the Ruins for:
"Twelfth Night" from May 30 to July 5, 1997 at the St. Norbert Arts and Cultural Centre Grounds

Manitoba Opera and Winnipeg Symphony Orchestra for:
A joint concert by Manitoba Opera and the Winnipeg Symphony Orchestra with Ben Heppner on June 24, 1997 at the Centennial Concert Hall

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II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

Adopted by consent.

Proposed Acquisition - 444 Langside Street
File FI-2(32) (Vol. 4)

721 - 2. On July 4, 1995, the City Centre Community Committee passed a motion to direct the Parks and Recreation and Land and Development Services Departments to acquire 444 and 446 Langside Street for the expansion of the Magnus Eliason Recreation Centre. The extra space would be to provide parking for a neighborhood resource centre as well as additional green space in the area.

On January 4, 1996, the Board of Commissioners considered a report from the Director of the Parks and Recreation dated December 8, 1995, and instructed the Director of the Land and Development Services to negotiate the acquisition of 444 and 446 Langside Street to provide additional on-site parking of 16 stalls, subject to obtaining all municipal approvals necessary to construct on-site parking.

Negotiations for the acquisition of both properties have been ongoing for over a year. The owner of 446 Langside Street has been very difficult to contact and therefore a settlement has not been reached. On March 18, 1997, the Parks and Recreation Department advised that the need for additional parking is very high at the Magnus Eliason Recreation Centre and therefore instructed that the acquisition of 444 Langside Street proceed independently of 446 Langside Street.

The Land and Development Services Department initially proposed to purchase the subject property for $6,500.00. The property owner has advised, in writing, that he is not prepared to sell the subject property for the initial proposal amount, but would be prepared to accept $7,500.00 under the balance of the terms and conditions as outlined in Schedule "A".

The owner's proposed purchase price of $7,500.00 can be supported by an independent appraisal, albeit at the higher end of the value range. It should be noted that the users of the Magnus Eliason Community Centre have been utilizing this property for parking purposes over the last year and the property owner has voiced concerns several times. The Land and Development Services Department is of the opinion that it would be in the City's best interest to settle this acquisition at the owner's proposed purchase price of $7,500.00 as quickly as possible.

The terms and conditions contained within Schedule "A" are consistent with other negotiated settlements of this nature other than clause 3, which states that the proposal is subject to the City securing the proper Municipal approvals necessary to construct on-site parking.

In order to expedite this acquisition, the Parks and Recreation Department may apply for the rezoning/conditional use concurrently with this report seeking Council's approval to the acquisition. The Parks and Recreation Department has advised that funding for this acquisition is available from account number 03-118117-5491500101.

The Committee on Finance and Administration recommends:

I. That acquisition of the vacant land identified as the "Keith Monrose Property" identified on Misc. Plan No. CC 9605 be approved at a purchase price of $7,500.00, and in accordance with the balance of the terms and conditions outlined on Schedule "A", subject to the proper zoning/conditional use being secured for on-site parking.

II. That the proper officers of the City be instructed to do all things necessary to secure proper approvals that will allow on-site parking on the subject property.

Copies of Misc. Plan No. CC 9605 and Schedule "A" are on file in the office of the City Clerk.

Adopted by consent.

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Proposed Lease of City Land between the East Limit of 2584 Assiniboine Crescent and a Noise Attenuation Wall for the Charleswood Bridge to Mr. and Mrs. R. W. Cunningham File FI-2.2(31) (Vol. 2)

722 - 3. As a condition of the environmental license granted to the City for the construction of the Charleswood Bridge, the City was obligated to construct a number of noise attenuation walls parallelling the Moray Street right-of-way from Portage Avenue to the Assiniboine River. Mr. and Mrs. Robert Cunningham, the owners of an adjoining property at 2584 Assiniboine Crescent have expressed a desire to lease the property between the east limit of their property and the noise attenuation wall. Discussions with the property owners, the Streets and Transportation Department and the project consultant led to the design of a noise attenuation wall parallelling the property at 2584 Assiniboine Crescent as shown on Misc. Plan No. ASBA 9479/3. The subject lands are surplus to the City's needs.

On October 26, 1995, the Board of Commissioners dealt with a report from the Director of Land and Development Services, dated October 23, 1995, regarding the proposed land lease and installation of improvements between the east property line of 2584 Assiniboine Crescent and a noise attenuation wall for the Charleswood Bridge and approved the following recommendations, namely:

1. That the Director of Streets and Transportation be authorized to construct and pay for the additional improvements as identified in the report; and

2. That the Director of Land and Development Services be authorized to negotiate a lease of the subject lands to the applicants as generally identified in the report.

As a result of a design change related to the location of the bridge, the City expropriated 2582 Assiniboine Crescent which was immediately east of the applicant's property at 2584 Assiniboine Crescent. Approximately half of the said property comprises the proposed leased area. The reason for the acquisition of 2482 Assiniboine Crescent was to provide a land buffer and accommodation of the noise wall between the bridge structure and the residential properties to the west. The location of the noise wall was located at the mutually acceptable location to the Streets and Transportation Department, the consultant and the applicants. The benefits flowing to the applicants would be that the wall would be further from their dwelling and they could potentially have access to and enjoyment of a larger land area. The benefit to the City would be the elimination of the maintenance of the land under the leased area and to still have access to the wall for maintenance purposes. The alternative to constructing the noise wall at the mutually agreed upon location would have been to construct it closer to the applicant's east property line. The alternative proved very unpopular with the applicants and could have aggravated their position. Locating the noise wall in the mutually agreed upon location and undertaking the proposed land lease are deemed (in addition to providing better noise attenuation) to be a mitigating factor against any claim that the applicant may bring against the City related to the bridge construction.

In order to mitigate any claim for damages the City entered into negotiations to lease the subject lands to the applicant. Schedule "A" is a draft lease agreement that the applicant has agreed to in principal. A summary and discussion of the relative terms and conditions that vary from the City standard landscape and maintenance agreements are as follows:

1. Rent and Term - $1,000.00 for term of 25 years

The applicant rejected a proposal for a long term landscape and maintenance lease based on a term of 20 years by way of a five year lease with three additional five year options to renew, and has maintained its request for a term of twenty-five years for a rental fee of $1,000.00 ($40.00 per year) with no responsibility for realty taxes. The Streets and Transportation Department indicated that it was prepared to support a term of twenty-five years since the property is not perceived to be required over that period of time. While the $1,000.00 rental fee is low and inconsistent with current policy, the owners claim that the additional cost to have the property maintained will be a minimum $100.00 per month. Earlier estimates from the Parks and Recreation Department have verified that amount. The City's loss in tax revenue is estimated to be approximately $500.00 to $800.00 per year. This amount, however, would be offset by maintenance costs that the City would normally have to incur.

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2. Option to Purchase

The applicant has requested the opportunity to purchase the property during the term of the lease at the current market value at the time of the application. The Land and Development Services Department and the Streets and Transportation Department support this clause with the provision that the market value if not mutually agreed upon would go to arbitration.

3. Cancellation Clause

The applicant requested that there be no cancellation clause except upon default of any of the terms and conditions. The Streets and Transportation Department has indicated that since it does not appear that this property would be required during the term of the lease and as long as a right of entry was maintained to service any utilities and maintenance of the noise attenuation wall, that it would support the lease with no cancellation clause.

The above proposals are changes in respect to the City's normal landscape and maintenance lease agreements. Both the Land and Development Services Department and the Streets and Transportation Department however, feel that a long term lease is supportable in view of the fact that a large area of land will be maintained by the applicant.

It should be noted that the proposed lease has a major impact in providing the applicants with a level of comfort that the City is attempting to place them in at least the same position as they were in prior to the bridge project. A consequence of not providing the applicants with the proposed lease would be a potentially higher damage claim from the applicants.

The Committee on Finance and Administration recommends:

I. That the terms and conditions of a proposed lease to Mr. and Mrs. R. W. Cunningham be approved in accordance with the terms and conditions as outlined and in a form satisfactory to the City Solicitor/Manager of Legal Services.

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

Copies of Misc. Plan No. ASBA 9479/3 and Schedule "A" are on file in the office of the City Clerk.

Adopted by consent.

James Avenue Pumping Station - 109 James Avenue
File FI-2.4(31) (Vol. 2) [c/r WS-9 (Vol. 2)]

723 - 4. On April 15, 1997, the Committee on Works and Operations passed the following motion, namely:

"That the James Avenue Pumping Station, 109 James Avenue be declared surplus to the needs of the Water and Waste Department and that the matter be referred to the Committee on Finance and Administration."

In early February 1997, the Civic Buildings Department received a letter from Mr. Leon Moryl of Hands on Design, to open discussions on a proposed development approach to the historic building. The plan involves a brew pub, restaurant, and performance space, all incorporated into the pumping station space in a museum-like setting and the Civic Buildings Department referred the matter to the Water and Waste Department.

In late February, and again in March, 1997, staff of the Water and Waste Department met in the James Avenue Pumping Station with Mr. Moryl and architectural/structural design staff working with him and he is now waiting for word from the City on the availability of the building.

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The pumping station was constructed in 1906 to provide a high-pressure water pumping system for fire protection in the central business district and was taken out of service in 1986. The building is considered "surplus" to the Water and Waste Department's needs.

The Civic Buildings Department have been notified in order that they may proceed with the following steps, namely:

- Inform other departments that the building is surplus should someone else have an alternative use for it;
- Have the building appraised;
- If the building is surplus, it would be turned over to Land and Development Services for sale or alternate arrangement.

The pumping equipment inside the building is of historical significance from a water supply point of view and it is the understanding of the Department that the equipment would provide a backdrop in a museum like setting.

On May 9, 1997, the Committee on Finance and Administration heard in delegation Messrs. Leon Moryl, Hands on Design, Donald Sobkow, Paragon Consultants Inc., and Remo di Sorda, Monk, Goodwin, who requested that a twelve month exclusive option on the James Avenue Pumping Station be granted to Hands on Design, pending the building's designation as surplus to the City's requirements.

The Committee on Finance and Administration did not grant a 12 month exclusive option to Hands On Design, however, Committee requested the Administration to enter into negotiations with Hands on Design and to report back thereon.

The Committee on Finance and Administration recommends:

I. That the James Avenue Pumping Station be declared surplus to the City's requirements.

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

Adopted by consent.

COMMITTEE ON FINANCE AND ADMINISTRATION

MOTIONS

724 - WHEREAS Council at its meeting on April 30, 1997 passed a resolution amending By-law No. 5796/91 in order that realty taxes levied for 1997 on premises which were subject to mandatory orders of evacuation pursuant to the Declaration State of Local Emergency made by Her Worship Mayor Susan A. Thompson on April 23, 1997 and renewed on May 7, 1997, are due and payable on July 31, 1997:

AND WHEREAS there were many businesses who were also evacuated as a result of the State of Local Emergency;

THEREFORE BE IT RESOLVED THAT provisions be made for amending the Business Tax payment deadline consistent with that of the Realty Tax payment deadline and that By-law No. 7047/97 be amended as follows:

Section 2 of By-law No. 7047/97 is amended by striking out the words "realty taxes" as contained on line 1 of the proposed subsection 2(3) and replacing them with:

"realty and business taxes".

The Acting Deputy Speaker ruled automatic referral to the Committee on Finance and Administration, in accordance with Rule 16.1 of the Procedure By-law.

Moved by Councillor Angus,

That the rule be suspended to allow consideration of the motion at this time.

Carried.

The motion was put and declared carried.

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

725 - On motion of Councillor Silva, 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. 7046/97, a by-law of the City of Winnipeg to amend the Amusement Tax By-law No. 3107/81. File FL-6 (Vol. 15).

By-law No. 7047/97, as amended, a by-law of the City of Winnipeg to amend By-law No. 5796/91, being a by-law to fix the date on which realty and business taxes shall be due and payable and to establish a rate of penalties to be added to taxes in arrears. File FL-2 (Vol. 13).