REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED JANUARY 6, 1997

ADJOURNED TO JANUARY 7, 1997

On motion of Councillor Steek, the Report of the Committee on Finance and Administration, dated January 6 adjourned to January 7, 1997, was considered clause by clause.

Moved by Councillor Steek,
That the Consent Agenda, Clauses 1,2,3,4,5,6,7,9,10,11 and 12 be adopted.

Carried.

Recommendations for Amusement Tax Exemption File FL-6 (Vol. 14)

312 - 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:

Assiniboine Theatre Inc. for:
"Salome" from February 28 to March 2, 1997, at the Gas Station Theatre

Manitoba Choral Association Inc. for:
"Manitoba Sings!" Youth Choral Concert on February 23, 1997, at the Pantages Playhouse Theatre

Rusalka Ukrainian Dance Ensemble for:
"Tribute to Ukrainian Dance in Manitoba" on March 16, 1997, at the Pantages Playhouse Theatre

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.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

Repairs to Private Approaches that are Damaged as a Result of Existence of a Manhole on the Approach
Files GL-5.8 (Vol. 11) and GL-3.2 (Vol. 37)

313 - 2. Council at its meeting held on October 23, 1996, passed the following motion, namely:

Moved by Councillor Timm-Rudolph,
Seconded by Councillor Phillips,

WHEREAS the Ombudsman has filed a report to Council in accordance with Section 71(4) of The City of Winnipeg Act;

AND WHEREAS the matter involves a complaint by Mr. William Byard of 22 Quiring Bay against the City of Winnipeg (Complaint File No. 400806) concerning damage to a private approach at said property;

AND WHEREAS both the Committee on Works and Operations and the Committee on Finance and Administration have jurisdiction in this case as follows:

Committee on Works and Operations:

To examine the question of whether the Private Approaches By-law should be amended to prohibit placement of a private approach on a manhole, except when no other alternative exists. To further consider whether, in the future if/when a private approach is placed on a manhole, a higher standard of concrete reinforcement should be required;

Committee on Finance and Administration;

To examine whether homeowners whose private approaches are cracked as a direct result of the existence of a manhole on the approach (where the cracking impedes the functionality of the approach) should be reimbursed for any percentage of the actual cost of repairs that have been completed;

NOW THEREFORE BE IT RESOLVED that the investigation report of the Ombudsman be referred to the aforementioned Standing Committees for review and recommendation;

AND BE IT FURTHER RESOLVED that the Ombudsman be requested to appear (in the capacity outlined in letter dated October 15, 1996 addressed to City Clerk) before the respective Standing Committees during deliberation of the matter.

The Committee on Finance and Administration has been advised that the City's powers respecting construction and maintenance of sewers are contained in Section 445(1) of The City of Winnipeg Act, Section 26 of The Metropolitan Winnipeg Act and Sections 12 and 13 of The Greater Winnipeg Sanitary District Act. Based on this legislation, the City of Winnipeg is immune from any proceedings or claims for damages or compensation on account of nuisance or anything in the nature of nuisance or any that injuriously affects the property or interferes with the comfort of a person unless such action has been done negligently by the City of Winnipeg.

Committee was further advised that the damages and inconvenience which has been suffered by Mr. Byard do not arise out of the City of Winnipeg negligently constructing or maintaining its sewer; in fact, no evidence has been brought forward to suggest that there has been any such negligence. The problem does, in fact, arise as a result of the inadequacy of the design of the private approach that traverses the City of Winnipeg sewer and particularly, the inadequacy of the design of the private approach where a manhole is coincidently located within the private approach.

The Committee on Finance and Administration therefore recommends that homeowners not be reimbursed for repairs to private approaches that are cracked as a direct result of the existence of a manhole.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

For the information of Council, the Committee on Finance and Administration has requested the Committee on Works and Operations to favourably consider recommending the adoption of a policy where owners who make applications for private approach permits be reminded of the existence of the City's water and sewer lines and other utilities within the right-of-way, and that the applicants or the contractors who are going to be carrying out the work of constructing the private approaches be reminded that proper precautions should be taken in the compaction of the utility trenches and other related construction.

Adopted by consent.

Assessment Appeals - Filing Deadline
File AB-2 (Vol. 10)

314 - 3. Council at its meeting held on October 23, 1996, ruled automatic referral of the following motion to your Committee, under Rule 16.1 of the Procedure By-law No. 5400/90:

Moved by Councillor Golden,
Seconded by Councillor Lazarenko,

WHEREAS the deadline for filing assessment appeals to the 1997 assessment roll has been changed to Monday, October 28, 1996 at 4:30 p.m.;

AND WHEREAS the public has been misinformed that the deadline would be set in January of 1997;

AND WHEREAS questions have been raised about the legality of the 1996 Secretary of the 1996 Board of Revision advertising a deadline for appeals to the 1997 roll;

AND WHEREAS aside from the question of the legality of setting the deadline for appeals at October 28, 1996 at 4:30 p.m., the public is better served if a fixed date is set annually, rather than some ratepayers being victimized by the setting of a different date annually;

NOW THEREFORE BE IT RESOLVED that City Council request the Province of Manitoba to set a fixed date annually as the deadline for filing assessment appeals.

The Committee on Finance and Administration has requested further information on this issue and therefore requests a 30-day extension of time within which to report back to Council.

Adopted by consent.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

Means and Implications of Providing an Exemption from the Municipal Portion of Property Tax to Veterans Associations of Winnipeg File FL-2.5 (Vol. 10)

315 - 4. Council, at its meeting held on January 24, 1996, ruled automatic referral of the following motion to the Committee on Finance and Administration under Rule 16.1 of the Procedure By-law No. 5400/90:

Moved by Councillor Lazarenko,
Seconded by Councillor O'Shaughnessy,

WHEREAS the 50th anniversaries of VE and VJ days have now passed;

AND WHEREAS Veterans Associations hold their lands and buildings for charitable purposes on behalf of their members and the community at large;

AND WHEREAS the lands and buildings of all Veterans Associations are deemed to be exempt from property tax levies in Saskatchewan and Alberta, to the extent that those properties are not licensed under Liquor Control Acts;

AND WHEREAS non-profit cultural organizations have received land, buildings, continuing fiscal support and exemption status from property tax;

AND WHEREAS the Veterans Associations now receive an exemption from the school levy (Sec. 23.1.f of The Municipal Assessment Act) and would and could be exempted from the municipal portion of the property tax;

THEREFORE BE IT RESOLVED THAT the City of Winnipeg study the means and the implications of providing to the Veterans Association of Winnipeg an exemption from the municipal portion of the property tax.

Council, on April 24, July 24, and November 20, 1996, granted 60-day extensions of time within which to report on the matter.

The Committee on Finance and Administration has requested a report on this issue which has not been received to date, and therefore, requests a further 60-day extension of time within which to report back to Council.

Adopted by consent.

Tax Penalty Policy File FL-2 (Vol. 13)

316 - 5. On September 6, 1996, the Committee on Finance and Administration considered the matter of application of penalties to realty tax accounts, and after discussion of the issue, requested that a reasonable policy be established wherein either one day of grace should be allowed for payment of property taxes required on June 30 or, alternatively, that when June 30 falls on a weekend, that the tax bill indicate that taxes are due and payable on the day that the City Tax Branch is last open for business prior to the June 30 deadline.

The administrative recommendation complies with By-law No. 5796/91 which establishes May 31 and June 30 as the respective due dates for Business Tax and Realty Tax and specifically clause 6 of the by-law which states:

No Exception for Weekends or Holidays

> "The due dates fixed under this by-law apply even where those dates fall upon a weekend or holiday and in such case the time for payment without penalty shall not be deemed to be extended."

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

Implementation and advertising this policy in future applicable years in media releases, tax brochures and newspaper publications should clarify the situations that occurred in 1996, when June 30 fell on a weekend and the tax bill indicated a June 30 due date.

The following 10 year schedule of future years' weekend due dates are as follows:

YEAR	WEEKEND TAX DUE DATE	DUE DATE ON TAX BILL
1997	May 31 falls on Saturday	May 30
1998	May 31 falls on Sunday	May 29
2001	June 30 falls on Saturday	June 29
2002	June 30 falls on Sunday	June 28
2003	May 31 falls on Saturday	May 30
2007	June 30 falls on Saturday	June 29

The option of allowing one day of grace was not chosen as this has been proven in past years to be ineffective in reducing customer complaints. There are almost as many customers who pay two days late as those that are one day late. If the City of Winnipeg can allow one day, why not two? The City of Winnipeg must draw the line at some point which should be the published date. It is important that the City of Winnipeg be seen as being fair, consistent and treating all taxpayers equally.

As additional information, Winnipeg Hydro, Manitoba Hydro, Centra Gas, Manitoba Telephone System and Canadian Imperial Bank of Commerce Visa, were canvassed as to their policies regarding application of late payment penalties.

All the utility companies administer similar policies concerning account payments after the due dates. Firstly, they are billed on a monthly basis with the due date ranging from 15 to 21 days from billing date. Payments received after the due date but before the next billing date are not subject to a late payment penalty. This has the effect of providing a 9 to 14 day grace period. Penalties are only applied on previous months balances carried forward on next month's bill. The penalty rate is 1.5% per month or 18% per annum.

Visa, on the other hand, has a very strict policy on penalties. Firstly, the due date is 15 to 17 days from the monthly billing date. Any amount outstanding after 12:00 midnight of the due date is subject to an interest charge. There are no allowances for payments in transit. Payment must have been received by the bank by the due date.

The Committee on Finance and Administration therefore recommends:

I. That a policy for payment of taxes at par when due dates fall on a weekend be approved, as follows:

When May 31, the date when Business Tax for any year is due, falls on a weekend, the Business Tax Bill for that year clearly reflects the due date as the last working day (Friday) prior to May 31.

When June 30, the date when Realty Tax for any year is due, falls on a weekend, the Realty Tax Bill for that year clearly reflects the due date as the last working day (Friday) prior to June 30.

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.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

Jen-Den Investments Ltd. and Refund of Water and Sewer Maintenance Levies File WW-2.3 (Vol. 10)

317 - 6. The Committee on Finance and Administration has reconsidered Clause 10 of its report dated October 28, 1996, as outlined in Exhibit "A", which was referred back to it for reconsideration by the Executive Policy Committee on November 13, 1996, and January 6, 1997.

The Committee on Finance and Administration recommended therein:

I. That a grant in the amount of $4,588.29 be approved to Jen-Den Investments Ltd. for sewer and water maintenance local improvement charges assessed since 1993 for property located on the south-west corner of Dugald Road and Bates Avenue only.

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.

The Committee on Finance and Administration has further considered the foregoing and reaffirms is recommendations as outlined above and resubmits said clause with a recommendation for its adoption.

Adopted by consent.

(See Minute No. 340 for attachment)

Renewal of General Insurance Policies - 1996 File FI-3 (Vol. 11)

318 - 7. Subsection (e) of Section 51(1) of The City of Winnipeg Act requires the City Treasurer to attend to the placing of such insurance as may be decided by Council.

In addition, Section 113 of The City of Winnipeg Act states "The Council may provide for comprehensive insurance to protect the City against loss through damage to the real or personal property, or both, of the City by reason of fire or any other cause; and may provide insurance against claims for loss or damage for which the City may become liable."

Furthermore, the Council Order relative to General Insurance, dated May 2, 1979, states in part as follows: "The Consortium, through the Principal Broker, in consultation with the appropriate officers of the City, shall place or bind such insurance as may be required, subject to the approval of the Council, and in the event of disapproval of the Council, the Consortium shall be reimbursed through the Principal Broker the appropriate premium for 'time-on-risk'."

The insurance policies contained in Appendix "A" are issued on an annual basis and the majority of them have an expiry date of December 31. Automobile insurance policies are written with an expiry date of March 31. Appendix "B" refers to policies written on a "Continuing-Till-Cancelled" basis, while Appendix "C" deals with policies written on an "As-Required" basis.

The following summary compares the 1996 initial premium costs with the final adjusted 1995 premium costs. This comparison is not very meaningful because some of the policies are subject to year-end adjustment based on revised property values or the number of insured events held during 1996. It is estimated that 1996 final adjusted premium may be approximately 7% higher than it was in 1995 mainly due to the addition of the Charleswood bridge and the Main and Norwood northbound bridges.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

	1996 initial premium	1995 adjusted premium
Appendix “A” - Policies “Renewed and/or Placed”	$3,114,059.00	$3,007,834.00
Appendix “B” - Policies “Continuing-Till-Cancelled”	17,075.00	13,769.00
Appendix “C” - Policies “As Required”	15,437.00	14,241.00
Total Premium - Appendices “A”, “B” and “C”	$3,146,571.00	$3,035,844.00

The Committee on Finance and Administration recommends:

I. That formal approval be given to the City's General Insurance Consortium for insurance coverage placed as detailed on Appendices "A", "B" and "C".

II. That the actions of the City's officers of providing the coverage from expiry dates to present date be approved, ratified and confirmed.

III. 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.

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Adopted by consent.

Manitoba Theatre for Young People
File FG-1.1(M) (Vol. 47)

319 - 8. Council on October 14, 1992, concurred in a request from the Manitoba Theatre for Young People that the City of Winnipeg indicate its willingness to assist Manitoba Theatre for Young People with its construction and equipping of an integrated performing arts facility and theatre school devoted to young people at an undesignated site, by means of matching the private sector fundraising campaign for construction and equipment, up to a five-year total of $750,000.00, but not more than $150,000.00 in any given year, commencing in 1993, subject to the following conditions being met:

1. That funding is matched on a dollar-to-dollar basis from the private sector;

2. That support from the City of Winnipeg be contingent upon the selection of a heritage building in either the Exchange Business District, the Downtown Business District or the Forks area.

Since this time, Manitoba Theatre for Young People has been working diligently in raising the required private funding and planning for their facility.

In following this Council order, funds have been set aside by the City of Winnipeg as follows:

Year	Budget	Expenditure	Set up as Commitment
1993	$150,000.00	0	$150,000.00
1994	$71,750.00	0	$71,750.00
1995	$73,185.00	0	$73,185.00
1996	$73,185.00		

There is currently a total of $294,935.00 as a commitment, and $73,185.00 budgeted in 1996.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

In a letter to Her Worship Mayor Thompson dated August 8, 1996, the Manitoba Theatre for Young People specifically requested three items as follows:

1) The deletion of the second condition imposed by Council on October 14, 1992, namely, *"That support from the City of Winnipeg be contingent upon the selection of a heritage building in either the Exchange Business District, the Downtown Business District or the Forks area."*

Manitoba Theatre for Young People has been working very diligently with their own architects and with representatives from the Forks North Portage Partnership to develop a design for the kind of theatre required, while "Fitting In" to the surrounding environment. The Downtown Design Board on November 26, 1996, approved in principle their application under the Urban Design Review Provisions of By-law No. 4800/88, to locate a newly constructed facility designed as a "village concept" in the Forks area.

The Design Board does have the authority by itself to approve the building design, and given the previous Council motion dealing with the use of heritage buildings for this project, requested the Committee on Finance and Administration to reconsider the previous Council approval of October 14, 1992, with a view to deleting the condition regarding the selection of a heritage building in either the Exchange Business District, the Downtown Business District, or the Forks area as a requirement for the total funding commitment in the amount of $750,000.00.

The Committee on Finance and Administration has reconsidered the matter and is of the view that the facility should be located in a heritage building in the Exchange Business District, the Downtown Business District, or the Forks area. However, the Committee was advised by representatives of Manitoba Theatre for Young People, that it has been unable to find a heritage building in these areas that would be suitable for its purposes. The Committee on Finance and Administration is therefore recommending that if the Manitoba Theatre For Young People constructs a new facility, that the requirement to locate in a heritage building be deleted and that the funding commitment previously approved by Council be reduced.

2) Reconfirmation of the total funding commitment in the amount of $750,000.00.

The commitment of funding is very dependant on the resolution of the heritage building aspect. Should Council choose to remove or relax the restriction of use of a heritage building, then it would be self evident that the funding should be made available. Currently, there is a total of $294,935.00 set as a commitment, and $73,185.00 budgeted in 1996. Should Council decide to move ahead with the project, it is recommended that all of the committed and budgeted funds be provided to Manitoba Theatre for Young People - total of $368,120.00 (assuming the other conditions of private sector matching are met).

However, should Council decide not to proceed with the project, and uphold the previous Council motion, all committed and budgeted funds should be immediately allowed to lapse.

In the review of funding, it was noted by the Committee on Finance and Administration that the City of Winnipeg is the largest public sector provider in this agreement. The terms of the agreement state that capital fund sources are:

City of Winnipeg	$750,000.00
Province of Manitoba	$300,000.00
Government of Canada	$200,000.00

The Committee on Finance and Administration is recommending that because a heritage building was not selected for the facility, that the total funding commitment from the City of Winnipeg be reduced from $750,000.00 to $250,000.00. Committee suggested that if the facility were to be located on the City-owned Princess Street properties opposite the Civic Centre Parkade, that an additional funding commitment from the City would be considered.

3) An annual grant from the City of Winnipeg in lieu of municipal taxes to assist in its operations at the Forks.

The City of Winnipeg has, on many occasions, dealt with requests from worthwhile organizations seeking grants in lieu of property taxes to provide some additional financial support to the group. In early 1996, an overall report on Property Tax Forgiveness was developed to address this issue at a policy level.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

It has become increasingly difficult for the City of Winnipeg to accommodate such requests. While there is little issue with the community "good" that is derived from such projects, the capacity of the City of Winnipeg, and the taxpayers at large has been diminished significantly. With diminished resources in which to allocate to critical programming and service delivery, support via elimination or reduction of property taxes becomes an extremely difficult undertaking. Therefore, support via a grant in lieu of property taxes was not recommended by the Committee on Finance and Administration.

The Committee on Finance and Administration therefore recommends:

I. That the following condition imposed by Council on October 14, 1992, with respect to a commitment of funding to the Manitoba Theatre for Young People, be rescinded, namely:

> "2. That support from the City of Winnipeg be contingent upon the selection of a heritage building in either the Exchange Business District, the Downtown Business District or the Forks area."

II. That the previous decision of Council on October 14, 1992, to approve funding to Manitoba Theatre for Young People by means of matching the private sector fundraising campaign for up to a five-year total of $750,000.00, be rescinded.

III. That the total funding commitment to the Manitoba Theatre for Young People from the City of Winnipeg for the construction of an integrated performing arts facility and theatre school devoted to young people be approved in the amount of $250,000.00.

IV. 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.

The Executive Policy Committee concurs in part with the recommendations of the Committee on Finance and Administration and recommends as follows:

1. That recommendation II. and III. be deleted and the following new recommendation II. be substituted therefor:

II. That the total funding commitment to the Manitoba Theatre for Young People from the City of Winnipeg for the construction of an integrated performing arts facility and theatre school devoted to young people be approved to a maximum amount of $750,000.00 comprised as follows:

1. The sum of $368,120.00 set aside by the City of Winnipeg from 1993 to 1996 to become payable at such time as:

a) the City of Winnipeg is in receipt of a self-sustaining business plan submitted and approved by Executive Policy Committee and City Council, which clearly reflects that the Manitoba Theatre for Young People will make full payment of all property taxes;

b) written confirmation is received by the City of Winnipeg of all funding sources;

c) construction of the facility is ready to be commenced; and

2. The sum of $75,000.00 per annum until such time as the Manitoba Theatre for Young People has received the entire commitment of $750,000.00 from the City of Winnipeg.

II. That recommendation IV. be renumbered as recommendation III.

Moved by Councillor Steek,
Adoption of the clause.

In amendment,

Moved by Deputy Mayor Eadie,
That the recommendation of the Executive Policy Committee be adopted.

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

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

The recommendation of the Executive Policy Committee was put.

Councillor Lazarenko called for the yeas and nays, which were as follows:-

Yea: Councillors Prystanski, Clement, Lazarenko, Lubosch, Murray, O'Shaughnessy, Phillips, Silva, Steek, Thomas, Timm-Rudolph, Vandal, Deputy Mayor Eadie, Her Worship Mayor Thompson and Councillor Angus. 15

Nay: Councillor Golden 1

and the recommendation of the Executive Policy Committee was declared carried.

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

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

Redemption of 21 Camrose Bay from Tax Sale by Instalments File FL-2.4 (Vol. 12)

320 - 9. On December 2, 1996, Mr. and Mrs. Alexander Beda through their solicitor, J. David George, requested to be allowed to redeem their property from Tax Sale by instalments.

The City of Winnipeg Act Section 255(4) states the following:

> Notwithstanding section 245 and subsection (1), but subject to subsection (5), the City, if authorized by by-law, may enter into an agreement in writing with an owner of, or a person who has an interest or estate in, or a charge on, land that has been sold for taxes, for the redemption of the land from the tax sale and the payment of all taxes payable in respect of the land subsequently accrued to the date of the agreement and during the currency of the agreement, by instalments.

The payment plan negotiated consists of no down payment and monthly payments in the amount of $345.00. The application of such a proposal, which falls within the framework of previous agreements approved by Council, would retire the present indebtedness of $6,475.37 in approximately 40 months.

The Committee on Finance and Administration recommends:

I. That a redemption be granted from Tax Sale of 21 Camrose Bay by consecutive monthly instalments of $345.00.

II. That the City Solicitor/Manager of Legal Services be requested to prepare the by-law authorizing the agreement on a one year conditional basis.

III. 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.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

Proposed Acquisition for Chief Peguis Trail - North side of Jacques Avenue at Lonigan Street - Kildonan Estates Neighbourhood File FI-2(33) (Vol. 2)

321 - 10. On August 15, 1996, the Board of Commissioners considered a report from the Director of Streets and Transportation and recommended that the Director of Land and Development Services negotiate for the acquisition of property located on the north side of Jacques Avenue at Lonigan Street, shown on Misc. Plan No. EKT 9589.

Ongoing negotiations recently resulted in a proposed agreement as outlined on Schedule "A" (Revised).

The subject property has been restricted from development due to future right-of-way requirements. The owners offered the property for sale to the City. Since a portion of the property as shown on Streets and Transportation Sketch F96-52 has been identified as being required for the proposed extension of the Chief Peguis Trail, the Streets and Transportation Department has recommended acquisition of the property. In the event that the project is ever cancelled, then the subject property could be redeveloped and/or sold in an orderly manner together with adjacent City-owned property.

The proposed purchase price ($20,000.00 per acre) is considered by the Land and Development Services Department to be fair and reasonable and is supported by an in-house appraisal.

Adequate funding for the proposed acquisition has been allocated in the Land Acquisition for Future Transportation Purposes Account under Certificate FT 96-07.

The Committee on Finance and Administration recommends:

I. That the acquisition of the "Subject Property" identified on Misc. Plan No. EKT 9589 be approved at a price of $34,800.00, and in accordance with the terms and conditions outlined on Schedule "A" (Revised).

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. EKT 9589, Streets and Transportation Sketch F96-52, and Schedule "A" (Revised) are on file in the office of the City Clerk.

Adopted by consent.

Proposed Acquisition of Lands 3m x 3m for Lane Corner Cut - 770 Beach Avenue File FI-2(33) (Vol. 2)

322 - 11. On November 6, 1995, the owner of the subject property shown as "land required for proposed lane opening" on Misc. Plan No. EKT 9657/1, met with civic personnel to discuss concerns she had with the City's refuse and maintenance equipment, as well as private vehicles continually trespassing upon her property to negotiate the lane turn.

The proposed solution for this problem as discussed at the time, was for the City to pursue the acquisition of the lands for lane opening as required to allow for the safe movement of vehicular traffic. A capital estimate for acquisition of the property was prepared and a source of funding for the acquisition and related costs was identified.

The Land and Development Services Department, at the request of the Streets and Transportation Department, contacted the owner with a purchase proposal. The owner in response advised that she had sold the property and that the City should wait and contact the new owners after possession.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

The Department has since then been negotiating with the current registered owners. The current owners understand the need for the City to acquire the corner-cut, but are of the opinion that the amount offered by the City for the land is not sufficient.

The City's Solid Waste Division recommends that the corner cut be acquired to allow for the safe movement of traffic through the lane and to mitigate against future trespass and damage claims at this location.

The proposed lane corner-cut is at a unique location and cannot be substituted. As it stands, if the owner bars access to the corner-cut by the City's solid waste contractor, the contractor cannot negotiate the corner.

On November 21, 1996, the Board of Commissioners formally authorized the negotiations being undertaken.

The current funding appropriation includes an amount for contracted survey work and plan preparation. The Land Surveys Branch has been approached and has agreed to do some of the work internally, if necessary, so that the amount allocated could in all likelihood be sufficient to fund the acquisition despite the increased land costs.

Although the amount of money demanded by the owner for the land is in excess of the estimated market value, the actual dollar amount is relatively small in comparison to the potential liabilities and future claims the City could face in the future. The other alternative would be to expropriate which would be much more expensive and controversial.

Adequate funding for the proposed acquisition is committed in Certificate No. FT 96-03 against the Land Acquisition for Future Transportation Account.

The Committee on Finance and Administration recommends:

I. That the acquisition of the subject property identified on Misc. Plan No. EKT 9657/1 be approved at a price of $1,325.00, and in accordance with the terms and conditions outlined on Schedule "A".

II. That the Proper Officers of the City do all things necessary to finalize this transaction including the construction and installation of the improvements relating to the lane corner cut.

Copies of Misc. Plan No. EKT 9657/1, and Schedule "A", are on file in the office of the City Clerk.

Adopted by consent.

Proposed Leave and License Agreement to use a Portion of the Lane between Pacific and Ross Avenues - Carter's Auction Gallery File ED(34) (Vol. 1)

323 - 12. Carter's Auction Gallery, 206 Princess Street, has been experiencing problems with regards to loading and customers receiving tickets for parking violations while loading or delivering merchandise. The Company proposed to lease a portion of the lane adjoining its building as shown on Misc. Plan No. CCFR 6904/2.

On December 15, 1993, Council approved a Leave and License to Carter's Auction Gallery for the use of the subject portion of the lane in accordance with the terms and conditions outlined on Schedule "A". The agreement required Carter's Auction Gallery to pay as rental $500.00 per annum, plus as additional rental an amount equivalent to the taxes including local improvement levies.

Carter's Auction Gallery recently advised that it was not aware that it was being billed for the realty taxes ($559.31) as well as the $500.00 rental fee. Carter's Auction Gallery has advised that it cannot continue to pay this amount and requested an all inclusive rental fee of approximately $500.00.

Report of the Committee on Finance and Administration dated January 6, 1997 adjourned to January 7, 1997

In reviewing this matter, the Land and Development Services Department acknowledges that Carter's Auction Gallery does maintain the subject area and controls the parking at the rear of its property, thus eliminating a maintenance and policing problem.

Due to the tenant assuming the responsibility for maintenance and policing, consideration should be given to lease the subject area on the same basis as the City's Landscaping and Maintenance leases, i.e. $1.00 per annum, plus an amount equivalent to realty taxes.

The Committee on Finance and Administration therefore recommends:

I. That a Leave and License be granted to Carter's Auction Gallery for the use of the subject portion of the lane as shown on Misc. Plan No. CCFR 6904/2, for $1.00 plus an amount equivalent to taxes.

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. CCFR 6904/2 and Schedule "A" are on file in the office of the City Clerk.

Adopted by consent.

REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED JANUARY 21, 1997

On motion of Councillor Steek, the Report of the Committee on Finance and Administration, dated January 21, 1997, was considered.

Moved by Councillor Steek,
That the Consent Agenda, Clause 1 be adopted.

Councillor O'Shaughnessy requested that Clause 1 be pulled from the Consent Agenda.

Proposed "Enhanced Land Marketing Program" File FI-2.1 (Vol. 10)

324 - 1. The Committee on Finance and Administration, at its meeting held on November 25, 1996 considered the Report of the Director of the Land and Development Services Department dated November 19, 1996 respecting in part the Department's land development program and instructed:

> "the Director of the Land and Development Services Department to investigate and report back on the alternatives to more effectively manage its (the City's) surplus real estate assets and to include the "value added" approach to asset management for sale purposes."

The Committee on Finance and Administration considered the 4 alternatives as suggested in the Director's report dated November 19, 1996, and focused on alternative number 4 which called for the hiring of additional staff resources having specialized knowledge, skills and experience in the development of properties. The acquisition of these personnel and skills would allow the Department to carry out a pro-active development program in order to facilitate the Department's land sales program.

Consequently, the Department has given further consideration to this alternative. The Department submits the following program definition for approval:

Proposed "Enhanced Land Marketing Program"

Entity and Reporting Relationship:

The Department of Land and Development Services proposes:

a) The creation, on a temporary basis, of a two (2) person Branch to implement an "Enhanced Land Marketing Program";

b) That this "Enhanced Land Marketing Program" would be attached to the Real Estate Division of the Land and Development Services Department and would report through the Manager of the Division to the Director of the Department.

Mandate:

Broadly speaking this branch would be responsible:

a) For the review of the City's land inventories with the intention of identifying sales revenue opportunities;

b) Dependent on the nature of the property in question, to prepare the surplus lands for marketing either on an "as-is, where-is basis" by carrying out limited investigative processes to assemble known and available data, or, on a "value added basis" to enhance the marketability and revenue producing potential of the respective parcels;

c) Dependent on the nature of the property, and the market opportunity, to undertake all tasks and functions in the physical development of the property.

Report of the Committee on Finance and Administration dated January 21, 1997

Staffing and Salary Levels:

The Department of Land and Development Services proposes that:

a) Two (2) temporary positions be created for a term of three (3) to five (5) years each.

The Department believes that: given the quantity of lands to be considered, and; the fact that many of these parcels have had little or no activity respecting preparation for sale; that this program must have a duration of at least three (3) to five (5) years to facilitate the results expected.

Although, the Department is only recommending that the program be established on a temporary basis at this time, the Department is also aware that the City's extensive inventory of land is subject to change on an ongoing basis. As such, the Department recommends that this temporary program be reviewed at the end of its term to determine whether either or both of these positions should continue on a temporary basis or if there is merit in converting either or both of them to a permanent status.

b) Each of the two (2) positions would be paid a salary within Grade IV of the City's management and professional salary grid. Grade IV provides for a salary range of $47,398.00 to $63,674.00 annually.

In considering this issue, the Department is of the view that it will be necessary for the City to provide a salary which would be competitive with the land development industry to attract individuals with the, competence, experience and skills necessary to accomplish these program objectives in a timely fashion and who can function with an absolute minimum of supervision. The hiring of experienced personnel will allow the program to be implemented quickly with only a modicum of training associated with the City's internal processes. To hire lesser skilled or inexperienced staff will cause delays in implementation of the program due to an extended learning curve and will place additional pressures on existing staff to supervise the activities; all resulting in either reduced or delayed sales revenues.

For the information of Council, this salary range is equivalent to the grade at which the Real Estate Division's Senior Negotiators, Senior Appraisers, and Supervisors are slotted.

c) The normal program of staff benefits would apply for each position.

Funding Requirements:

Staffing and administrative costs:

The Department does not have available funding to finance this program. If this program is to be established it will be necessary for Council to allocate an additional amount of $158,350.00 for 1997 and for each of the subsequent program years. This cost estimate is comprised as follows:

Salaries - (subject to negotiation, based on maximum rate payable)	$127,350.00
Benefits -	$ 22,000.00
Car allowance -	$ 8,000.00
Telephones -	$ 1,000.00
Total Annual cost -	$158,350.00

In addition to the foregoing, there will be costs related to supplying these employees with office furniture, and personal computers with the appropriate software. The Department will accommodate the provision of this equipment from its equipment on-hand.

Operational costs:

The Department foresees a need for accessibility to an available funding source to finance the operations of this proposed Branch. In the carrying out of these activities this Branch will be required to expend funds in the acquisition of private sector services related to: appraisal; survey; planning and conceptual studies; subdivision and rezoning activities; servicing and engineering studies; marketing studies; environmental studies; etc..

Report of the Committee on Finance and Administration dated January 21, 1997

In this regard, while it may be possible to utilize some existing resources within the City to produce some of these services, it is not reasonable to expect that these limited existing resources have the capacity to provide the required service in a timely fashion.

The Director of the Land and Development Services Department has already been delegated authority to retain consultants to provide these services. However, funds can only be expended either against Capital Works Projects or against the Land Operating Reserve Account (for properties held in the inventory of this Account). For all other properties authorization from either the Board of Commissioners or the Committee on Finance and Administration is required.

It has been previously suggested by members of Council that the costs of contracting out for these services should be funded from the proceeds of the land sales program as follows:

a) by allocating 5% of the gross sales proceeds from property sales to the "Land Operating Reserve Account";

b) the Director would be delegated the authority to expend funds from this Account utilizing his sole discretion but in accordance with the contracting and purchasing policies of the City;

c) the Director would be required to carry out the accounting functions necessary to maintain this program;

d) in accordance with normal process, the Director would be required to report on a quarterly basis as to the exercise of his authority with respect to contracting out for these professional services.

Logistical Issues:

These two (2) proposed personnel would be located at the Department's offices on the 2nd floor of 65 Garry Street. The Department will be able to create some office space at this location to house the temporary staff.

The Committee on Finance and Administration recommends:

I. That the Director of Land and Development Services Department be authorized to proceed with the implementation of the "Enhanced Land Marketing Program".

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.

Moved by Councillor Steek,
Adoption of the clause.

In amendment,

Moved by Councillor O'Shaughnessy,
Seconded by Councillor Timm-Rudolph,

THAT the clause be amended by adding a third recommendation as follows:

"III. That the two positions created be "contract" positions rather than temporary positions as outlined in the clause."

The amendment was put and declared carried.

Councillors Golden, Lubosch, Murray and Thomas asked to be recorded as having voted against the amendment, in accordance with Rule 50.7 of the Procedure By-law.

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

Report of the Committee on Finance and Administration dated January 21, 1997

Management Agreement - Restoration and Renovation of the Assiniboine Park Pavilion as an Art Gallery and Restaurant - Pavilion Gallery Museum Inc.
File PR-7.1 (Vol. 8) [c/r PR-3 (Vol. 6)]

325 - ***Note: Clause 2 has been laid over by the Executive Policy Committee.***

Laid over by the Executive Policy Committee

Council here proceeded to consider the Report of the Committee on Finance and Administration dated January 21, 1997, as a result of the Executive Policy Committee's reconsideration of this matter on January 29, 1997.

Management Agreement - Restoration and Renovation of the Assiniboine Park Pavilion as an Art Gallery and Restaurant - Pavilion Museum Inc.
File PR-7.1 (Vol. 8) [c/r PR-3 (Vol. 6)]

326 - 2. Council on December 11, 1996, adopted Clause 6 of the Report of the Committee on Protection, Parks and Culture, namely: -

"I. That authorization be provided to finalize either a Management Agreement or Lease Agreement between the City of Winnipeg and the Pavilion Museum Inc. incorporating the terms and conditions, as outlined on Appendix "A", together with such other terms and conditions as deemed necessary by the City Solicitor/Manager of Legal Services and the Director of Parks and Recreation, to implement the intent of Council, in order that the redevelopment work can commence in January 1997, in readiness for re-opening to the public on July 1, 1997.

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

Although not passed in the form of a resolution, the intent of Council, as expressed by the Chairperson in his closing remarks, was that the Management Agreement or Lease Agreement be submitted back to Council, through the Committee on Finance and Administration.

On January 21, 1997, the Committee on Finance and Administration heard in delegation Messrs. Wells Peever, Pitblado and Hoskin, Barristers and Solicitors, on behalf of Pavilion Museum Inc., accompanied by Keith Rankin, Cooper Rankin Architects, Garry Hilderman, Hilderman Thomas Frank Cram, Landscape Architecture and Planning, Ron Miller, The Dominion Company and David Loch, Loch and Mayberry Gallery Fine Art Inc., with respect to the Management Agreement.

The Committee on Finance and Administration recommends, that the Proposed Management Agreement between The City of Winnipeg and the Pavilion Museum Inc., be approved, as amended and as outlined on Appendix "B".

The Executive Policy Committee recommends that Clause 2 of the Report of the Committee on Finance and Administration dated January 21, 1997, be filed in view of the consolidated terms and conditions acceptable to both parties and as outlined in Clause 2 of the Report of the Executive Policy Committee dated January 29, 1997.

(See Minute No. 341 for attachments)

Moved by Councillor Steek,
Adoption of the clause.

Report of the Committee on Finance and Administration dated January 21, 1997

Moved by Deputy Mayor Eadie,

That Rule 6.1 of the Procedure By-law be suspended to allow Council to sit beyond the hour of 6:00 p.m. in order to complete its deliberation on the Report of the Committee on Finance and Administration.

Carried.

Moved by Deputy Mayor Eadie,

THAT the recommendation of the Executive Policy Committee, that the clause be filed, in view of the consolidated terms and conditions acceptable to both parties as outlined in Clause 2 of the Report of the Executive Policy Committee dated January 29, 1997, be adopted;

AND THAT Council now consider Clause 2 of the Report of the Executive Policy Committee dated January 29, 1997.

Carried.

Council here proceeded to consider the order of business - "Clause 2 of the Report of the Executive Policy Committee dated January 29, 1997".

Management Agreement - Restoration and Renovation of the Assiniboine Park Pavilion as an Art Gallery and Restaurant - Pavilion Museum Inc.
File PR-7.1 (Vol. 8) [c/r PR-3 (Vol. 6)]

327 - 2. The Executive Policy Committee has been advised that the Solicitors for the Pavilion Museum Inc. have advised The City's Legal Services Branch that Council's terms and conditions of the agreement between The City of Winnipeg and Pavilion Museum Inc. as adopted by Council on December 11, 1996, are acceptable, together with those changes as set out in the following resolution.

The Executive Policy Committee has reconsidered Clause 2 of the Report of the Committee on Finance and Administration dated January 21, 1997 and is of the opinion that the matter should be filed inasmuch as the following resolution will consolidate the terms and conditions acceptable to both parties.

The Executive Policy Committee recommends that the following resolution be adopted by Council, namely:

WHEREAS Council on December 11, 1996 adopted Clause 6 of the report of the Committee on Protection, Parks and Culture with respect to the above matter which recommended:

1. That authorization be provided to finalize either a Management Agreement or a Lease Agreement between The City of Winnipeg and the Pavilion Museum Inc. (Pavilion Museum Inc.) incorporating the terms and conditions as outlined in Appendix "A" together with such other terms and conditions as deemed necessary by the City Solicitor/Manager of Legal Services and the Director of Parks and Recreation to implement the intent of Council, in order that the redevelopment work can commence in January 1997 in readiness for re-opening to the public on July 1, 1997.

2. That the proper officers in the City be authorized to do all things necessary to implement the foregoing including the execution of any necessary documents related thereto.

AND WHEREAS Committee on Finance and Administration at its meeting held January 6, 1997 adjourned to January 7, 1997 and at its meeting held January 21, 1997 considered the terms and conditions of such Management Agreement.

AND WHEREAS it is in the interests of the City and Pavilion Museum Inc. to further clarify such terms and conditions.

Report of the Executive Policy Committee dated January 29, 1997

THEREFORE be it resolved that Council ratify and confirm terms and conditions of an agreement between The City of Winnipeg and Pavilion Museum Inc. as adopted by Council at its meeting held December 11, 1996 subject to adjustment of such terms and conditions to provide for the following:

1. That the City's responsibility for repair and maintenance shall not extend to the interior of the Facility but will include the exterior of the Facility once all renovation and restoration work is complete, provided that any expenditure requested in this regard be submitted in accordance with City's budget procedures, that is, no new capital projects in the first three (3) years of a capital budget.

2. That Pavilion Museum Inc. establish and maintain a sinking fund equivalent to three (3%) percent of gross revenues from all sources which fund would be used to meet its obligations to repair and maintain the Facility under the agreement.

3. That construction, rehabilitation and renovation work proceed in two stages; Stage One consisting of the renovation of the existing Pavilion building at an aggregate cost of approximately $2,500,000.00 and Stage Two consisting of the construction of the new greenhouse-style restaurant in the pergola area at a cost of approximately $1,500,000.00. Work on any stage of development will not commence prior to sufficient funds being in place or committed to meet the cost of such work.

4. That the developed Facility be limited to those lands and buildings contained within boundaries identified by broken line on attached sketch identified as Appendix "B", the exact limits and dimensions of which shall be defined by Pavilion Museum Inc. in consultation with the City's Director of Parks and Recreation.

5. That the Facility be open to the public a minimum of forty (40) hours per week with the general public having access to the main floor washroom.

6. That all work on the Facility be subject to architectural certification in accordance with the plans approved by The City of Winnipeg.

7. That if the City at any time in the future imposes charges for entry to the Park, the patrons of the Facility will not be exempt.

8. That the City shall maintain the existing water service at the Pavilion, and, at it sole cost and expense be responsible for providing adequate sanitary/wastewater sewer services to the Facility sufficient for the proper and efficient operation of the Facility. All other utilities or services required at the Facility shall be the responsibility of the Pavilion Museum Inc.

9. That security in the Park in excess of what is currently provided shall be at the cost of Pavilion Museum Inc. provided that the requirement for such security arises out of the operation of the Facility.

10. That the date for completion of construction, renovation and rehabilitation work at the Facility be extended to such date as is reasonably acceptable in the opinion of the Director of Parks and Recreation.

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Moved by Deputy Mayor Eadie,

Adoption of the clause.

The motion for the adoption of the clause was put.

Councillor Lazarenko called for the yeas and nays, which were as follows:-

Report of the Executive Policy Committee dated January 29, 1997

Yea: Councillors Prystanski, Clement, Lazarenko, Lubosch, Murray, O'Shaughnessy, Phillips, Silva, Steek, Thomas, Vandal, Deputy Mayor Eadie, Her Worship Mayor Thompson and Councillor Angus. 14

Nay: Councillors Golden and Timm-Rudolph. 2

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

COMMITTEE ON FINANCE AND ADMINISTRATION

MOTIONS

Moved by Councillor Lubosch,
Seconded by Councillor Angus,

328 - WHEREAS the Civic Buildings Department presently has responsibility for the operation of the Pantages Playhouse Theatre;

AND WHEREAS the Civic Buildings Department budget estimates contain an allocation of only three months operating expenses for 1997 for the Pantages Playhouse Theatre insofar as at the time the 1996 estimates were being considered, it was anticipated a proposal for the private operation of the Theatre might be in place before 1997;

AND WHEREAS the Civic Buildings Department will, at the direction of Council, be negotiating with the Performing Arts Consortium, for the management of the Pantages Playhouse Theatre;

AND WHEREAS this Consortium will need time to prepare a business plan in order to negotiate with and receive approval from Council;

THEREFORE BE IT RESOLVED that Council allow the Civic Buildings Department to provide minimum operational funding for a maximum six month period by adjusting its 1997 Operating Budget to absorb this additional $50,000.00 expense.

Automatic Referral to the Committee on Finance and Administration in accordance with Rule 16.1 of the Procedure By-law

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

329 - On motion of Councillor Steek, By-law No. 6972/97, a by-law of The City of Winnipeg to amend the Amusement Tax By-law No. 3107/81, was read a first, second and third time, the rule being suspended for the third reading, and was passed and ordered to be signed and sealed. File FL-6 (Vol. 14)