REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED MAY 1, 1996

On motion of Her Worship Mayor Thompson, the Report of the Executive Policy Committee, dated May 1, 1996, was considered clause by clause.

Moved by Her Worship Mayor Thompson,
That the Consent Agenda, Clauses 1,2,3,4,5,6,7,8,9,10,11,12 and 13 be adopted.

Councillor Lazarenko requested that Clauses 3,4 and 10 be pulled from the Consent Agenda.

Councillor Thomas requested that Clauses 9 and 12 be pulled from the Consent Agenda.

Councillor Golden requested that Clause 11 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,2,5,6,7,8 and 13 was put and declared carried.

Her Worship The Mayor and Councillors:

Local Improvement Projects - Canadian National Railway File SL(1996) (Vol. 1)

664 - 1. City Council, at its meeting held November 5, 1980, adopted a policy governing local improvements abutting railway properties which are unfit for building purposes. This policy was amended by Council at its meeting of August 19, 1981 and March 21, 1984, and reads as follows:

> "If the Commissioner of Works and Operations deems that railway properties on which rails are laid for the purpose of rail transportation are unfit for building purposes, that a recommendation be forwarded to Council prior to advertising the local improvements that the property be deemed unfit for building purposes, subject to the condition that if at any time the property is deemed to be a buildable site, and prior to allowing any connection to the underground services or any access to surface improvements, the City Treasurer shall initiate steps to collect the appropriate local improvement costs (either cash or amortized) at the same rate and during the same number of years as in the original term -- all subject to the provisions of Chapter 109, Province of Manitoba Statutes (1965) and Privy Council Order No. 1979/607."

In order to ensure the construction of needed local improvements, it is proposed that the properties outlined in Appendix "A", which are owned by the Canadian National Railway company and are deemed unsuitable for building purposes, be exempted from the payment of local improvement levies in accordance with the above policy.

However, if at a future time, the purpose of said lands changes and they are then classified as buildable sites, the City shall be empowered to recoup local improvement costs for the installation of services, prior to any connections being made to underground improvements such as sewer and watermains, and access to above-ground improvements such as paved streets -- all subject to the provisions of Chapter 109, Province of Manitoba Statutes (1965) and Privy Council Order 1979/607.

Chapter 109 of the Province of Manitoba Statutes allows for taxation for local improvements to C.N.R. and C.P.R. properties within the borders of the former City of Winnipeg, only if the local improvement is a direct benefit to the railway operations of the companies or operations in connection therewith.

Concurrence in this recommendation would ensure that needed local improvements could be installed, as railway property frontage would not be considered assessable and therefore would not be allowed to petition against these projects.

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The properties outlined in Appendix "A" are used for the purpose of transportation and are currently unsuitable for building purposes, and as a result, do not benefit from the installation of local improvement projects. Consequently, the representatives of the railways (as has been demonstrated in the past) will petition against the installation of these projects, thus jeopardizing (if not defeating) these needed improvements.

The Executive Policy Committee recommends:

I. That the properties outlined in Appendix "A" and owned by the C.N.R. which are unsuitable for building purposes, not be assessed for local improvement charges.

II. That, if at any time, these properties are deemed to be buildable sites, that prior to allowing any connection from underground services or access from surface improvements, the City Treasurer initiate steps to collect the appropriate local improvement costs.

III. That the Proper Officers of the City be authorized to do all things necessary to implement 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 Waiver of Garden Plot Rental Fees for Use of City Owned Property Situated Northwest of Henry Avenue and Martha Street (City Centre Community) File PR-2 (Vol. 81)

665 - 2. Ms. Ailsa Lauder, an employee at the Salvation Army Addictions and Rehabilitation Services at 180 Henry Avenue has submitted a proposal to develop a community garden for use by clients of the Crisis Stabilization Unit (CSU) of the Salvation Army. The proposal involves the establishment of a community garden upon City Owned lands situated northwest of Henry Avenue and Martha Street as outlined in Appendix “A” - plan number 20-96. The property is currently under the jurisdiction of the Land and Development Services Department and the Department has no objection to the proposed use of same.

The purpose of the garden is to provide diversional therapy and life skills to clients of CSU during the Spring, Summer and Fall Seasons. Ms. Lauder has initiated similar gardens at the Health Science Centre and Misericordia Hospital and both gardens have proven to be productive. Ms. Lauder is committed to establishing the garden and to obtaining all materials necessary for the implementation of the project, via donations and applicable grant programs. The Parks and Recreation Department is prepared to assist in this project by the removal of existing gravel and the placement of sufficient top soil on site for gardening purposes.

Given the potential benefits of establishing a garden at this location to serve the Salvation Army Clients and that no other garden plots are readily available in the area, the Department is wholly supportive of this initiative.

On January 26, 1994, City Council adopted Clause 1 of the Report of the Executive Policy Committee dated January 12, 1994, regarding the rental of Garden plots, and which included the rental rate for 1994 and fee guidelines for future rates. In accordance with the guideline, garden plots are currently rented out at a cost of $15.00/yr. plus G.S.T.

However, Council has waived the policy guidelines with respect to garden plot fees assessed to Winnipeg Harvest, a non-profit food bank organization, as follows:

> "Be It Resolved That Winnipeg Harvest be allowed to utilize all available garden plots (that are not rented out by the City of Winnipeg and Winnipeg Hydro) at no cost".

Similarly, Council at its meeting on January 25, 1995, approved the use of garden plots by another non-profit food producer, Agape Table Inc., at no cost.

Since Council has extended a fee waiver to Winnipeg Harvest and Agape Table, the Parks and Recreation Department recommends that the waiver be extended to include the Salvation Army c/o Ms. Ailsa Lauder, for the use of the site for gardening purposes in conjunction with activities provided by the Crisis Stabilization Unit.

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The Executive Policy Committee recommends:

I. That the Director of Parks and Recreation be authorized to make available the City owned property, as identified on Appendix "A" - Plan No. 20-96, to Ms. Ailsa Lauder on an annual basis for garden plot purposes at no cost for use by clients of the Crisis Stabilization Unit of The Salvation Army.

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

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

Adopted by consent.

Revenue Diversification - Gas and Electricity Tax File FT-2 (Vol. 3)

666 - 3. The City's Financial Management Plan which was adopted by Council on July 12, 1995, calls for approximately $15 million in new revenue each year for the first 3 years. These proposed changes will permit the City to sustain the mill rate at current levels without having to tax at a higher level to cover cost increases due to inflation. The City's strategy (#1 priority of the Financial Management Plan) is to diversify and increase its revenue base and thereby reduce the overall reliance on property taxes by 5% over the next 10 years. Increasing the City's reliance on existing non-property tax revenue such as the Gas and Electricity Tax, was specifically listed as one of the ways of achieving this objective.

The additional revenue will not reduce the mill rate but rather allow the City to hold the line and not increase the mill rate further. In time, given inflation, assessment growth and increases in other sources of revenue, taxes will represent a smaller percentage of total revenue, ultimately reducing the reliance on property tax.

With the amalgamation of the 12 municipalities/cities in 1972, the City of Winnipeg (Unicity) was granted the power to tax electricity and gas for purposes other than heating of premises, at 2 1/2% and 5% respectively for domestic and commercial consumption. This power to tax gas and electricity also existed with the former City of Winnipeg.

The concept of taxing electricity and gas consumption other than that used for heating premises dates back to 1938. Towards the end of the Great Depression, the Government of Manitoba introduced legislation, the stated purpose of which was to provide additional revenue to the City of Winnipeg in order to pay for unemployment relief. On March 23, 1938, the Bill, "An Act to Amend The Winnipeg Charter, 1918", received royal assent. The legislation authorized the City to charge the consumers of electricity and (natural) gas a tax of 5% for domestic (residential) purposes and 10% for commercial purposes. On May 2, 1938, the collection of taxes began. In May of 1941 the Government of Manitoba further amended the City's Charter by reducing the tax to its present level of 2.5% for domestic and 5% for commercial consumption.

Current authority for the Electricity and Gas Sales Tax is found under Section 668 of The City of Winnipeg Act, which received royal assent on July 27, 1971. As a result of the amalgamation of the suburban municipalities with the City of Winnipeg, the tax was extended in November, 1973 to all consumers of electricity in the City of Winnipeg by including the Winnipeg customers of Manitoba Hydro. The tax is not levied on the portion of electricity or natural gas used for residential or commercial space heating.

The Province of Manitoba and the Federal Government both impose a 7% tax (PST and GST) on total consumption. The City is requesting the authority to set its own rates as it pertains to domestic and commercial consumption. Once given this authority, if the City were to set a rate of 7% similar to the Province, the impact of the proposed change on an average home would be as outlined in Appendix "A".

A change in rates such as this would generate $18.5 million additional revenue distributed as follows:

(in millions $)	7% Tax	less	Existing City Tax	Net Increase
Manitoba Hydro	$11.7		$5.5	$6.2	
Winnipeg Hydro	7.5		3.9	3.6	
Centra Gas			11.1	2.4	8.7
Anticipated Increased Revenue			$30.3	$11.8	$18.5

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The proceeds, $18.5 million, could be used to reduce the City's reliance on property taxes. The impact this would have had on the 1995 mill rate would be a reduction of 1.574 mills which is outlined in Appendix “A”.

The total revenue, from all sources, currently received from the three Utilities, impacted by Gas and Electricity Taxes, is outlined in Appendix “B”.

The elimination of the heating exemption will create a more equitable electricity tax, in that a home heated by electricity, currently pays less city tax on electricity than a home heated by gas pays on its electrical consumption. The calculation of the tax will be simplified and will be more easily understood by consumers, and it will be much easier administratively for Centra Gas.

Saskatchewan also has a 5% Gas Tax and a 15% Electricity Tax on total consumption, the proceeds from which are taken into General Revenue. The 5% tax on Gas and 5% of the 15% Electricity Tax are in lieu of a grant in lieu of taxes on the utilities. The remaining 10% of the Electricity Tax is part of a repayment plan dating from when the City Utilities were sold to the Province. Vancouver charges $1.80 per month on gas and electricity bills, but the proceeds are used to subsidize the Regional Transit Commission; Alberta and Ontario do not have a similar tax although it is under discussion in Ontario.

Peter Diamont, through the Institute of Urban Studies, completed a study in 1995 called "Budgeting and the Prairie City: A Commentary". This report grouped Gas and Electricity Tax under "Contributions from Utilities". The report concluded:

> "The largest source of revenue after the property tax in all of the cities except Winnipeg is revenues from utilities. These revenues are controlled by provincial legislation and/or regulation, and even when the city owns the utility, rates are controlled by provincial agencies such as a Public Utility Board. In general, the utilities included here are gas, electricity and telephone, but where applicable other municipal utilities such as waste disposal, sewer and water are also included. The municipalities receive revenues from the utilities through franchise fees, profits and other charges. In Winnipeg, this amounts to 4.2% of revenues, while in the other cities this varies from 16.4% in Regina to 21.6% in Edmonton. As a result, Winnipeg takes a much higher portion of its revenues, 4% , from transfers. Since these transfers come from reserves that could be used elsewhere, the lack of revenues from utilities may adversely affect the maintenance and renewal of a city's infrastructure. The revenue from utilities stands out as a major difference among the five cities. And in most cases this is beyond the control of the individual municipality. Other revenues, such as sales of goods and services, fees, penalties, etc., and provincial grants do vary from city to city. But the utilities are such a potential source of funding that lack of revenues from this area seems to have distorted Winnipeg's revenues, and in consequence its expenditures, when compared to the other Prairie cities."

The Executive Policy Committee recommends:

I. That the Province of Manitoba be requested to amend Section 668 of The City of Winnipeg Act as follows:

   i) To permit the City of Winnipeg to set by By-Law, the rates charged, up to but not exceeding 7 percent, for Gas and Electricity Tax for both domestic and commercial consumption, and

   ii) To permit the City of Winnipeg to eliminate the exemption from taxation for gas or electricity used for heating premises.

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

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

Moved by Her Worship Mayor Thompson,
Adoption of the clause.

The Speaker called Councillor Timm-Rudolph to participate in the debate, and after speaking, resumed the Chair.

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In amendment,

Moved by Councillor Timm-Rudolph,
Seconded by Councillor Vandal,
That the clause be amended by adding the following recommendation:

"That the additional revenue be used to reduce the millrate resulting in lower property taxes."

The Speaker called the Deputy Speaker, Councillor Prystanski, to the Chair.

The amendment was put.

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

Yea: Councillors Golden, Lubosch, Murray, O'Shaughnessy, Thomas, Timm-Rudolph, Vandal, Angus and Prystanski. 9

Nay: Councillors Clement, Lazarenko, Phillips, Silva, Steek, Deputy Mayor Eadie and Her Worship Mayor Thompson. 7

and the amendment was declared carried.

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

The Deputy Speaker called for the yeas and nays, which were as follows:-

Yea: Councillors Clement, Lubosch, Murray, O'Shaughnessy, Phillips, Silva, Steek, Timm-Rudolph, Vandal, Deputy Mayor Eadie, Her Worship Mayor Thompson, Councillors Angus and Prystanski. 13

Nay: Councillors Golden, Lazarenko and Thomas. 3

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

Council recessed at 12:15 p.m., and reconvened at 1:39 p.m., same members present, the Speaker in the Chair.

Councillors O'Shaughnessy, Phillips, Steek and Timm-Rudolph entered the meeting after Council had reconvened.

Savings of $7 million Dollars in 1996
Current Budget File FE(1996)

667 - 4. On March 20th, 1996 Council passed the following motion requesting, in part, that the Executive Policy Committee report back to Council with a plan to achieve savings of not less than $7 million in 1996, said plan to be submitted to Council not later than its scheduled meeting of May 23rd, 1996:

"WHEREAS at a Special Meeting on January 31, 1996, City Council adopted Clause 1 of the Report of the Executive Policy Committee dated January 25, 1996, Current Tax Supported Estimates and Utilities Portion, including in part:

Request to the Province to enact legislation allowing the City to reduce annual employee salaries by 2% in 1996 and a further 2% in 1997, for savings of approximately $7M and $14M in each year respectively;

AND WHEREAS the Province initially indicated it was prepared to enact such legislation, but has now indicated that the legislation requested by the City will not be enacted;

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AND WHEREAS alternative means of achieving savings of approximately $7M in 1996 without increasing taxes and without impacting on the delivery of service to the public, such as vacancy management and implementation of strict expenditure controls are proposed as alternatives to wage reduction measures;

AND WHEREAS the Executive Policy Committee is currently quantifying such savings and exploring further alternative savings options;

THEREFORE BE IT RESOLVED that Recommendation No. II contained in Clause 1 of the Report of the Executive Policy Committee dated January 25, 1996, be rescinded;

AND BE IT FURTHER RESOLVED that Executive Policy Committee be requested to complete its analysis and report back to Council with a plan to achieve savings of not less than $7M in 1996, said plan to be submitted to Council not later than its scheduled meeting of May 23, 1996;

AND BE IT FURTHER RESOLVED that the Executive Policy Committee request all City of Winnipeg Union representatives to meet with Executive Policy Committee to provide recommendations for cost savings or revenue sources to meet budget guidelines and the mill rate recommendations."

This plan was recommended after reviewing the most current information available, and achieves the required savings of $7 million without affecting front-line services.

Other options that were considered were further reductions in departmental non-salary expenditures. This option was avoided as the department's in 1996 already had to absorb a $2.2 million reduction in non-salaries accounts and it is believed that service delivery by departments would be jeopardized if this option were chosen.

A further significant reduction in the City's reserves was also avoided because of concerns over the City's reduced financial stability and liquidity due to funding the assessment appeals. In addition, the operational considerations due to the recent reductions in the Equipment Replacement Reserve and Land Operating Reserve are still being reviewed.

It should be noted that the $1.5 million vacancy management will be prorated to all tax-supported departments in the same manner as the original $3 million vacancy management 1996 budget.

The Executive Policy Committee recommends that the following plan to achieve savings of $7 million be adopted and the 1996 current budget be amended accordingly:

I.	Budget adjustment for salaries		$ 7.0 million
	Recommended Offsets:		
i)	Latest projection of Jets sale proceeds		$ 2.2
ii)	Reduction in debt financing charges - due to rates and market timing	1.7	
iii)	Additional vacancy management savings		1.5
iv)	Additional investment earnings due to funds transfers		0.5
v)	Net increase in Provincial tax sharing formula		0.6
vi)	Transfer from Equipment Replacement Reserve		0.5
			$ 7.0 million

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

Moved by Her Worship Mayor Thompson,
Adoption of the clause.

The motion for the adoption of the clause was put.

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The Speaker called for the yeas and nays, which were as follows:-

Yea: Councillors Prystanski, Clement, Lazarenko, Lubosch, O'Shaughnessy, Phillips, Silva, Steek, Timm-Rudolph, Deputy Mayor Eadie, Her Worship Mayor Thompson and Councillor Angus. 12

Nay: Councillors Golden, Murray, Thomas and Vandal. 4

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

Expenditure of Funds from Land Dedication Reserve Fund - Restoration and Repair Work at Caron House
File EP-2 (Vol. 23)

668 - 5. On April 16, 1996, the Assiniboia Community Committee considered a communication dated April 4, 1996, from Councillor Phillips, St. Charles Ward, referring a communication dated April 3, 1996 from the Caron House Committee, Charleswood Historical Society, requesting funding for required restoration and repair work at Caron House.

Community Committee recommended $21,720.00 be approved from the Assiniboia Land Dedication Reserve Fund for assistance in fixing dormers, soffits and new eaves troughs, as well as renovations to the kitchen at Caron House.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $21,720.00 be approved from the Assiniboia Land Dedication Reserve Fund for the project.

Adopted by consent.

Expenditure of Funds from Land Dedication Reserve Fund - Extension of the Hockey Pen at the Melrose Community Centre
File EP-2 (Vol. 23)

669 - 6. On April 16, 1996, the East Kildonan - Transcona Sub-Committee on Parks and Recreation considered a report dated April 11, 1996, from the Commissioner of Protection, Parks and Culture, with respect to concerns submitted by Councillor Lillian Thomas from area residents Betty and Rory Nagel, in a communication dated October 11, 1995, with respect to the above referenced matter.

Community Committee recommended that the Executive Policy Committee give favorable consideration to allocating up to a maximum of $2,500.00 to the Melrose Park Community Centre from the East Kildonan - Transcona Land Dedication Reserve Fund to erect an extension to the existing mesh on Rink #3, similar to what exists on Rink #2.

The Executive Policy Committee concurs with the above and recommends allocating up to a maximum of $2,500.00 from the East Kildonan-Transcona Land Dedication Reserve Fund for the project.

Adopted by consent.

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Expenditure of Funds from Land Dedication Reserve Fund - To complete the construction of the Corydon-Hugo Piazza Project File EP-2 (Vol. 23)

670 - 7. On December 6, 1994, the City Centre Community Committee recommended approval of a Community Incentive Grant in the amount of $50,000.00 to the Corydon Village Residents Association/Corydon Avenue Business Improvement Zone for construction of the Corydon Piazza, at Hugo Street and Jessie Avenue, a community oriented passive public space that would include, but not be limited to, a mixture of green space (low maintenance plantings), hard surfacing and landscaping, public seating areas, gazebo and a water fountain. On January 9, 1995, the Committee on Protection, Parks and Culture concurred in the Community Committee's recommendation.

On April 16, 1996, the Community Committee considered a communication dated February 28, 1996, from the Corydon Village Residents Association/Corydon Avenue Business Improvement Zone, addressed to Councillor Murray, requesting funding in the amount of $30,000.00 to complete construction of the community space at Hugo Street and Jessie Avenue.

The Community Committee passed the following motion, namely:

> "That the City Centre Community Committee recommend to Executive Policy Committee and City Council that favourable consideration be given to approval of funding in the amount of $30,000.00 from the City Centre Land Dedication Fund to the Corydon Village Residents Association/Corydon Avenue Business Improvement Zone to complete construction of the Piazza Project at Hugo Street and Jessie Avenue."

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $30,000.00 be approved from the City Centre Land Dedication Fund for the project.

Adopted by consent.

Expenditure of Funds from Land Dedication Reserve Fund - Cathedral Church of Saint John's portion of a local improvement for a sidewalk on the west side of St. Cross Street Files EP-2 (Vol. 23) & SL(1995) (Vol. 3)

671 - 8. On March 14, 1996, the Board of Appeal denied the appeal of The Cathedral Church of Saint John, against the local improvement for a sidewalk charged against the church, as the assessment was considered fair and equitable on the basis that it is consistent with the rules being applied to similar properties throughout the City. The Board of Appeal referred the matter to the Committee on Finance and Administration for consideration of a special grant on the local improvement charges for the sidewalk and the arrears.

On April 1, 1996, the Committee on Finance and Administration recommended that the costs of this local improvement be charged to the general account for local improvements and be borne by the city-at-large; and that funds in the approximate amount of $4,535.89 be approved to the Cathedral Church of Saint John, for its portion of a local improvement for a sidewalk on the west side of St. Cross Street from the north line of Anderson Avenue to a point approximately 141 feet south of the south line of Mortimer Place; said funds to be allocated from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund, and that the matter be first forwarded to the Community Committee for approval.

On April 17, 1996, the Lord Selkirk-West Kildonan Community Committee considered the matter and recommended that funds in the amount of $4,535.89 be approved to the Cathedral Church of Saint John, for its portion of a local improvement for a sidewalk on the west side of St. Cross Street.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $4,535.89 be approved from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund.

Adopted by consent.

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Social Reforms File EH-2 (Vol. 18)

672 - 9. On April 19, 1996, the Committee on Planning and Community Services passed the following motion and referred it to the Executive Policy Committee:

WHEREAS program changes arising from Federal and Provincial Social Reforms are requiring significant staff and other resources in the Social Services Department this spring;

AND WHEREAS there are many current employment opportunities in the community which could be accessed by persons on social assistance provided the Social Services Department can run its programs and services at full strength;

AND WHEREAS helping social assistance recipients secure employment is of benefit to those people, local employers, lowers costs for both the City and the Province of Manitoba and contributes towards a socially and economically healthier community;

AND WHEREAS spring is the prime time for people on social assistance to secure employment;

THEREFORE BE IT RESOLVED that the Committee on Planning and Community Services request the Executive Policy Committee to commence negotiations with the Province of Manitoba on the timing, service, staffing and cost implications of the proposal to integrate municipal and provincial social assistance programs in Winnipeg.

The Executive Policy concurs in the resolution and submits same to Council for its approval.

Moved by Councillor Silva,
Adoption of the clause.

Carried.

1997 Current Budget File FE(1997)

673 - 10. On April 24, 1996, 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 Thomas,

WHEREAS the 1996 Current Budget is in disarray;

AND WHEREAS questionable EPC budget initiatives have escaped scrutiny;

AND WHEREAS EPC has by-passed Standing Committee review of the 1996 Current Budget Estimates;

THEREFORE BE IT RESOLVED that Council reinstate Standing Committee review of the 1997 Current Budget Estimates;

AND BE IT FURTHER RESOLVED that the City ask the Province to amend section 31 of The City of Winnipeg Act, or any other section as necessary, so as to require Standing Committee review of annual current and capital budget estimates.

The Executive Policy Committee recommends:

I. That the resolution recommending Standing Committee review of the 1997 Current Budget Estimates be concurred in, and further, that this process be part of the regular budget process for all future budget consideration.

II. That the resolution recommending a request to the Province of Manitoba to amend section 31 of The City of Winnipeg Act, or any other section, so as to require Standing Committee review of the annual current and capital budget estimates not be concurred in.

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III. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.
Moved by Her Worship Mayor Thompson,
Adoption of the clause.

Carried.

Snowcap Entertainment Centre
File FI-2.2(32) (Vol. 3)

674 - 11. On September 5, 1995, and on September 14, 1995, the City Centre Community Committee received a delegation from Mr. Paul Sveinson, President of the Snowcap Entertainment Complex. The Community Committee referred the matter to the Board of Commissioners with a request that the proposal be investigated and a report providing comments and recommendations be provided to the Community Committee. In the presentation of November 14, 1995, a request was made to lease City owned land inside the CN mainline, north of the property line of the Forks Renewal Corporation.

The Snowcap Sportsplex Incorporated (SSI) proposal for the Snowcap Entertainment Centre is a very aggressive and complex undertaking. It involves much more than the construction of the facility, but includes acquisition of the various sports franchises who would operate in the facility. The proposal calls for substantial private sector leadership, however, significant resources are required from the various levels of government. The requests for assistance include such items as land, infrastructure, and direct funding. These requests for assistance are neither simple nor trivial, and will impact the City of Winnipeg, and the other levels of government for many years to come. Therefore, much consideration of the overall plan, and potential impact would be required prior to a plan such as this moving ahead.

Following a meeting between Administration and representatives of SSI held on December 20, 1995, a further analysis was undertaken by Corporate Finance and Community Services staff. The analysis was separated into a financial, and design review. The amount of information reviewed was significant, and following is a brief summary of the analysis:

The thrust of the proposal received from SSI is the development of an Entertainment Centre valued at $211,000,000 to be financed by the Public and Private Sectors.

SSI is requesting tri-level government participation whereby the Public Sectors' contribution would consist of a fully repayable maximum issue bond of $120,000,000. The Private Sector would finance $100,000,000 through various methods. In addition, an infrastructure budget of $36,000,000 would be split 3 ways between the Private Sector ($12M) and a bi-level contribution from the Province and City (separately negotiated).

SSI would request the City's $40,000,000 participation through cash advances contributed quarterly over 4 calendar years ending December 31, 1999. The infrastructure costs would provide for:

- Portage East extension
- North scenic drive along waterway
- Marina
- Rapid Transit Stations
- York St., Provencher Bridge, Underpasses

The City would appear to be responsible for ongoing maintenance on the new infrastructure.

SSI also requests a minimum site lease of $1.00 for 50 years from the City. The parcel of City-owned land is inside the C.N. Mainline and North of the property line of the Forks Renewal Corporation. The Convention Centre site was deemed to be too small by SSI. Land would have to be accessible no later than Spring, 1996.

The repayment to the City of its $40,000,000 investment is anticipated to be over a 22 year period. No interest would be earned on this investment by the City. Benefits to the City would include the use of a new facility, increased downtown vitality, civic pride, additional jobs, increased retail sales and tourism dollars and increased ability to host large trade shows, conventions and championship competitions.

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The SnowCap Downtown Arena Sportsplex, as a multi-purpose facility, would be operated by the Private Sector. SnowCap is prepared to enter into formal negotiations to purchase an IHL Hockey franchise and the community-owned Blue Bombers. The facility is supposed to be available to launch a new AAA Baseball team, and be available for the Pan Am Games activities in 1999.

This proposal is similar to that received by The Spirit of Manitoba from a financial perspective: approximately $40,000,000 of funding was requested by Spirit; and the City had a significant responsibility for infrastructure costs. Under the Spirit proposal, the Public would own the Arena. Snowcap proposes to own both the teams and the Sportsplex. In this proposal, SSI would build a Sportsplex, capable of handling multi-functional events. Spirit was specifically building a hockey arena.

From a financial perspective, the City would invest approximately $12,000,000 in infrastructure, and would be at risk of not recovering all or any of its initial $40,000,000 investment. The financing issues and annual debt charges are similar, in both proposals, however SSI proposes that the Private Sector will own the facility thereby reducing the risk to the City of budget overruns with the building of the facility.

At this time, there has been no firm commitment made by the other levels of government as to their participation in this project. As all three levels of government are requested to provide equal funding, there must clearly be a coordinated agreement among the funding partners. One partner can not proceed without the strong concurrence of the other two partners.

It is clear that Snowcap has been limited in its resources and ability to retain consultants and develop either the site plan or building plans beyond a very basic conceptual level supported by images of other facilities such as the Georgia Dome in Atlanta. Therefore, the details pertaining to seating configurations, layout, pedestrian access, servicing and so forth are not yet resolved to a level that can be effectively and fully reviewed.

It appears that PCL Contractors has been selected by Snowcap to undertake the role of general contractor. Snowcap is intending to approach PCL Constructors to provide costing and construction expertise. There would not be any public or private commitment to the facility without price guarantees from a major contractor like PCL or the Dominion Hunt consortium involved with Spirit.

It was acknowledged that some 30 months would be required to construct the facility with some 12 months required to prepare construction documents. Since the financial proposal is based on Sportscorp owning all three (3) teams -- hockey (IHL), football (Blue Bombers) and baseball (AAA), it would be critical that these be in place prior to proceeding with the facility. Therefore, the likelihood of this facility being available for the Pan Am Games is remote.

It must be noted that the physical size of the Snowcap facility is considerably larger than the MEC/Spirit proposal and would require the City lands south of the Pioneer and Water in addition to the Spirit site.

This is a significant change, and the impacts of this aspect of the proposal would need a full review. Both existing streets would have to be closed and two (2) new streets would have to be added as follows:

1. the extension of York Avenue to the Provencher Bridge
2. the extension of Portage Avenue East under the Highline at Thistle Lane to Pioneer Boulevard (Forks entry road) and York intersection.

The SSI proposal tabled at the February 26, 1996 meeting of the Committee on Finance & Administration appears to now request from the City :

- Capital contributions of approximately $ 4.15 million. This is required for demolition, and other site clean up and site preparation.
- All City owned land required for the project. SSI has valued this at $ 7.35 million.
- Other yet unspecified funding.

In addition to the directly identified capital contribution by the City of $ 11.5 million, the SSI proposal includes a $ 50.0 million income debenture. This income debenture is to be purchased by a yet to be determined Public Sector source. At this time, it is not clear if the City of Winnipeg is requested to share in the purchase of the income debenture.

Report of the Executive Policy Committee dated May 1, 1996

The SSI proposal, while similar in nature to the previous MEC/Spirit project, is a much broader and aggressive proposal. The requirements placed on the City of Winnipeg, and the other levels of governments, in terms of funding and infrastructure are significant. This proposal impacts greatly on the downtown, and effects transportation and land use planning throughout the area. These issues must not be considered lightly.

While a vision has been articulated, at this time, there is not yet sufficient finalized detail (structure design, financial considerations, and funding partnerships) which would allow the City of Winnipeg to enter into a lease or other long term commitments.

With respect to the recently received updated financial plan and request for option from SSI, additional time is required in order to review the viability of the plan. It should be noted that while on the surface, there appears to be limited risk in negotiating a land lease option, without a firm overall plan in place, complete with all funding commitments, any option granted would be an exposure to the City.

SSI (Snowcap Sportsplex Inc.) Facilities Development had specifically requested a minimum 50 year lease on City owned land for the sum of $ 1.00. Recently, SSI has altered their request and is now requesting a 6 month option (with possible 3 month extension) for the City owned land.

The Executive Policy Committee recommends:

I. That the City approve granting the option to lease City-owned land located inside the CN mainline, north of the property line of the Forks Renewal Corporation to Snowcap Sportsplex Inc. for a six month period, namely, from June 1, 1996 to November 30, 1996 for the purpose of conducting a feasibility study and financial business plan; for report back to the Executive Policy Committee.

II. That the approval for the granting of the option to lease the city-owned land to Snowcap Sportsplex Inc. is with the clear understanding that the City of Winnipeg will not commit itself in providing any funding, such as servicing and construction costs.

III. That the Administration be authorized to provide Snowcap Sportsplex Inc. with their assistance and co-operation where possible.

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

Moved by Councillor Clement,
Adoption of the clause.

The Speaker called the Deputy Speaker, Councillor Prystanski, to the Chair to participate in the debate.

The motion for the adoption of the clause was put.

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

Yea: Councillors Clement, Lubosch, O'Shaughnessy, Phillips, Silva, Steek, Deputy Mayor Eadie, Councillors Angus and Prystanski. 9

Nay: Councillors Golden, Lazarenko, Murray, Thomas, Timm-Rudolph, Vandal and Her Worship Mayor Thompson. 7

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

Report of the Executive Policy Committee dated May 1, 1996

Contract For The Management And Maintenance Of The John Blumberg Golf Course
Files GL-9 (Vol. 8) & PR-6.2 (Vol. 4)

675 - 12. Since its inauguration in 1969, the management and maintenance operations of the John Blumberg Golf Course have been conducted by a combination of private contractor and civic staff at this 27 hole golf facility.

Beginning in 1984, Council has approved management and supervision contracts of Pro Shop operations with Mr. Smirnov of: i) 2 year contract for 1984 and 1985; ii) 2 year contract for 1986 and 1987; iii) a one year extension for 1988; iv) a 3 year contract for 1990, 1991 and 1992; and v) three one-year extensions 1993, 1994 and 1995. On September 27, 1995, Council adopted a further one year extension of Mr. Smirnov's contract until November 30, 1996.

On January 2 and February 12, 1996, following the New Innovations Options contained in the 1996 Current Estimates, notices regarding a Request For Proposal were placed in local and national newspapers respectively for the management of the Pro Shop and maintenance operations, with a closing date of March 1, 1996.

The Materials Management Division received 5 submissions from the 25 interested parties who picked up the John Blumberg Proposal package. Representatives from the Parks and Recreation and Audit Departments conducted interviews with Mr. Smirnov and representatives from three other bidders.

The submission by Mr. Smirnov is considered the best overall package in terms of the financial arrangements, the marketing plan and operational plan. Mr. Smirnov's proposal provided the highest return on the City's investment, offered an annual lease fee of $235,000 or 26% of total projected revenues (whichever is greater); plus ten percent of projected revenues over $900,000.00; plus receiving $1.00 per round of golf played which goes towards the Golf Course Reserve Fund; plus and in addition, the City would retain ownership of the golf course maintenance equipment acquired by Mr. Smirnov after the end of the contract, which is expected to have a salvage value of approximately $160,000.00.

Due to the late start of the 1996 golf season, the annual lease fee of $235,000.00 has been pro-rated to $205,384 for this year only. During the life of the contract, the net additional revenues to the City as a result of contracting out the maintenance operation is estimated to be $559,248 greater than the current method of operation as outlined in Appendix “A”. The City will continue to provide over-all management and supervision of the facility similar to all other Municipal Golf Courses and for the annual general maintenance of the facility, including utilities. The City will also control the green fee rates which apply at this facility.

Mr. Smirnov's operational plan includes hiring a qualified greenskeeper with over 20 years of extensive golf course maintenance experience at public golf courses. The greenskeeper will be responsible for all of the golf course grounds maintenance and building janitorial services, servicing of equipment and special projects including: rebuilding of teeing grounds; installing new sand bunkers; flower beds; and improving the quality of turf on many fairways.

The Contractor is prepared to purchase all new grounds maintenance equipment (lease to own at $65,000.00 per year) and has offered that this equipment becomes City property at the end of the eighth year of the contract. The estimated salvage value is $160,000.00. The contract includes provision for renewal after five years at the City's option. Should the contract not be renewed, the Contractor would like to be reimbursed for the un-amortized portion of the leased payments for the two remaining years during the renewal period.

The financial impact of these arrangements allows the City to continue to receive its revenue sources while all operational levels are maintained at the same level for the next five years, without reducing services. It also provides incentives for both the Contractor and the City to share in revenues as they are expected to grow during the contract.

As a result of contracting out the maintenance operation, a total of 15 seasonal employees will be displaced and will be moved to alternate grounds with maintenance operations at the other municipal golf courses according to their classification and seniority. Those employees not able to be located within the golf course branch will be placed in a departmental pool of employees for re-deployment.

Report of the Executive Policy Committee dated May 1, 1996

The John Blumberg Golf Course is comprised of a challenging championship 18 hole course and a regulation 9 hole course, along with a driving range, restaurant and banquet facilities. In order to achieve the most cost effective management of this operation and to increase the level of maintenance, the City requires highly skilled and trained personnel in the areas of management, maintenance and marketing. Mr. Smirnov was awarded the previous contracts based on his proven capability to provide the necessary high level of service. During the 13 years of operation of the facility, Mr. Smirnov has been providing excellent management services and has consistently fulfilled all contractual obligations to the mutual satisfaction of both the City and the public. Although Mr. Smirnov has no direct experience with the City regarding golf course grounds maintenance, the Parks and Recreation Department is of the opinion that he will manage this operation with well qualified staff as outlined in his proposal. It is anticipated that the level of maintenance will improve and the golfing patrons will notice the difference during the first year of the contract.

The Executive Policy Committee recommends:

1. That the City of Winnipeg enter into a contract with Mr. Ben Smirnov for the management and maintenance of the John Blumberg Golf Course under the following conditions:

    i) The term of the contract will be from the day after the date on which Council approves the award of contract to November 30, 2000, both dates inclusive, with a three year renewal at the option of the City of Winnipeg.

    ii) The contract will include all of the terms and conditions contained in the City's Request For Proposal 114-96 and Mr. Smirnov's proposal submitted February 29, 1996; the financial arrangements are outlined in Appendix "B".

    iii) Mr. Smirnov agrees to pay the City of Winnipeg an annual lease fee of $235,000 per year (pro-rated to $200,000.00 in Year One) or twenty-six percent (26%) of the gross Green Fees, Pro Shop and rental revenues (revenues from all sources) whichever amount is higher; plus pay an additional ten percent (10%) of revenues from all sources in each year of the contract from all revenue sources collected in excess of $900,000.00; plus pay $1.00 per round of golf played annually towards the Golf Course Reserve Fund for golf course improvements.

    iv) Year one of the contract will be from the day after the date on which Council approves the award of contract to November 30, 1996.

    v) The grounds maintenance equipment (which Mr. Smirnov has agreed to lease-to-own) may be purchased by the City at the end of the initial five year contract, if it decides not to grant a renewal, by paying out the balance of Mr. Smirnov's lease payments, which would be approximately 3 years of payments at $65,000.00 per year for a total of $195,000.00.

    vi) If the City of Winnipeg decides to grant a three year renewal contract, The City of Winnipeg may purchase the maintenance equipment from Mr. Smirnov for $1.00 at the end of the three year renewal contract. The salvage value of the said equipment at the end of the eight year lease is approximately $160,000.00.

    vii) The maintenance equipment would, at all times during the contract until purchased by the City, in accordance with the above, remain at the risk and be the responsibility of Mr. Smirnov.

2. That the existing contract with Mr. B. Smirnov for management and supervision of golf operations at the John Blumberg Golf Course and cross-country ski operations at the Windsor Park and John Blumberg Golf Courses which was extended until November 30, 1996, be terminated as of May 23, 1996 as agreed to by Mr. B. Smirnov, subject to a financial accounting to be provided by him for payments to be made thereunder to the termination date.

3. That the Legal Services Department be instructed to prepare the necessary contract.

4. That the Proper Officers of the City do all things necessary to implement the foregoing, including the execution of the aforesaid contract.

Report of the Executive Policy Committee dated May 1, 1996

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

Moved by Councillor O'Shaughnessy
Adoption of the clause.

Moved by Councillor Thomas,
Seconded by Councillor Vandal,

That the clause be referred to the Committee on Protection, Parks and Culture for review and report.

The motion to refer was put.

The Deputy Speaker called for the yeas and nays, which were as follows:-

Yea: Councillors Golden, Lazarenko, Lubosch, Murray, Thomas and Vandal. 6

Nay: Councillors Clement, O'Shaughnessy, Phillips, Silva, Steek, Timm-Rudolph, Deputy Mayor Eadie, Her Worship Mayor Thompson, Councillors Angus and Prystanski. 10

and the motion that the clause be referred back to the Committee on Protection, Parks and Culture was declared lost.

The motion for the adoption of the clause was put.

The Deputy Speaker called for the yeas and nays, which were as follows:-

Yea: Councillors Clement, O'Shaughnessy, Phillips, Silva, Steek, Timm-Rudolph, Deputy Mayor Eadie, Her Worship Mayor Thompson, Councillors Angus and Prystanski. 10

Nay: Councillors Golden, Lazarenko, Lubosch, Murray, Thomas and Vandal. 6

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

Appointment of a Citizen Member to fill vacancy on St. Boniface Museum Board
Files PR-9.3 (Vol. 6) & GC-7 (Vol. 23)

676 - 13. On November 8, 1995, Council appointed Councillor Vandal to the St. Boniface Museum Board and referred the matter of citizen member appointments to the Selection Committee.

On April 23, 1996, the Riel Community Committee was advised by Councillor Vandal that there was a vacancy on the St. Boniface Museum Board as a result of the resignation of Réal Cloutier.

The Riel Community Committee recommended the appointment of Sylvie Ross to the St. Boniface Museum Board for the balance of Réal Cloutier's two-year term expiring November 1996.

The Executive Policy Committee concurs with the recommendation of the Riel Community Committee and recommends that Sylvie Ross be appointed to the St. Boniface Museum Board for the balance of a two-year term expiring November 1996.

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED MAY 8, 1996

On motion of Her Worship Mayor Thompson, the Report of the Executive Policy Committee, dated May 8, 1996, was considered clause by clause.

Moved by Her Worship Mayor Thompson,
That the Consent Agenda, Clauses 1,2,3 and 4 be adopted.

Councillor Angus requested that Clause 1 be pulled from the Consent Agenda.

677 - Councillor Golden asked to be recorded as having voted against Clauses 2 and 3, in accordance with Rule 50.7 of the Procedure By-law.

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

Her Worship The Mayor and Councillors:

Business Plan for the Pan American Games
File GC-8.9 (Vol. 2)

678 - 1. On December 5, 1992, the Canadian Olympic Association endorsed Winnipeg as the Canadian city to represent Canada for the 1999 Pan American Games. On August 2, 1994, the City of Winnipeg won the bid for the 1999 Pan American Games.

At its meeting held on February 22, 1995, Council approved the Pan American Games Funding Agreement and the Host City Agreement.

On January 11, 1996, the Board of Directors of the Pan American Games Society (Wpg. 1999) Inc. approved their Business Plan.

On February 14, 1996, the Pan Am Games Committee briefed all members of City Council, The Board of Commissioners and City of Winnipeg Department Heads, and distributed the subject Business Plan, copy of which is on file in the office of the City Clerk.

The opportunity to host the 1999 Pan American Games will provide the City of Winnipeg with a myriad of benefits including financial, economic, and cultural considerations.

With specific regard to the subject Business Plan, it should be noted that the section relating to "Assumptions in Respect to Government Services" is not submitted for Council approval at this time. It is proposed that a committee be struck to identify these government service requirements as they relate to the services in kind previously identified by the three levels of government.

The Executive Policy Committee recommends:

I. That the Business Plan for the 1999 Pan American Games, as distributed to City Council by the Pan American Games Committee on February 14th, 1996, be formally approved, with the exception of assumptions in respect to Government Services.

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

Moved by Her Worship Mayor Thompson,
Adoption of the clause.

Carried.

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

Report of the Executive Policy Committee dated May 8, 1996

Local Improvement Projects - Manitoba Hydro Transmission Line Frontages
File SL (1996) (Vol. 1)

679 - 2. On November 13, 1992, the City advertised its intention to install a Watermain, Wastewater Sewer and Land Drainage Sewer in Court Avenue from a point approximately 1411.9 feet west of the west line of McPhillips Street to a point approximately 1611.9 feet west of the west line of McPhillips Street.

The installation of these improvements was completed in 1995 and the assessment therefore made in 1996.

On March 22, 1996, the City received a communication from Manitoba Hydro outlining the Corporation's position in the matter, stating:

> "Our Corporation will not be making any grant in lieu of tax payment toward local improvement charges applicable to the Manitoba Hydro property situated on the south side of Court Avenue."

The Services Development Engineer is of the opinion that the lands in question are occupied by a transmission line, and they are thereby unfit for building purposes.

As well, Manitoba Hydro has taken the position that the local improvements provide no direct benefit to the property forming the transmission line route, and they, therefore, will not accept any local improvement charges levied against the Corporation property.

Section 372(2) and 372(3) of The City of Winnipeg Act allow the City to reactivate for the full term of the improvement, any levy assumed by the City for exempt land when such land becomes subject to taxation.

At it's meeting on August 9, 1995, Council adopted Clause 2 of the Report of the Committee on Works and Operations dated July 25, 1995, which stated the following:-

> "If the Commissioner of Works and Operations deems that Manitoba Hydro property, used for the purpose of power transmission right-of-way, is unfit for building purposes, that a recommendation be forwarded to Council, prior to advertising the local improvement, that the property be deemed unfit for building purposes, subject to the condition that if at any future time the property is deemed to be a buildable site, that prior to any connection being allowed, the City be empowered to recoup the local improvement costs."

It should be noted that these projects, in Court Avenue, were initiated prior to this policy taking effect.

Under Section 375 of The City of Winnipeg Act, City Council can declare a property unfit for building purposes.

The Executive Policy Committee recommends:

I. That the property owned by the Manitoba Hydro and used for power transmission line right-of-way, be declared as unfit for building purposes and accordingly not be assessed for the following local improvements:

(i) Watermain - in Court Avenue from a point approximately 1411.9 feet west of the west line of McPhillips Street to a point approximately 1611.9 feet west of the west line of McPhillips Street.

(ii) Wastewater Water Sewer - in Court Avenue from a point approximately 1411.9 feet west of the west line of McPhillips Street to a point approximately 1611.9 feet west of the west line of McPhillips Street.

(iii) Land Drainage Sewer - in Court Avenue from a point approximately 1411.9 feet west of the west line of McPhillips Street to a point approximately 1611.9 feet west of the west line of McPhillips Street.

Report of the Executive Policy Committee dated May 8, 1996

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

Adopted by consent.

(See Minute No. 677 for opposition recorded by Councillor Golden)

Accruing Costs of Watermain Renewals, Aqueduct Rehabilitation Levy, Water Treatment Reserve Levy And Local Improvements
File FE(1996) & FC(1996)

680 - 3. At its adjourned meeting of December l, 1995, Council automatically referred the following motion to the Executive Policy Committee:

Moved by Councillor Prystanski,

WHEREAS the City of Winnipeg funds watermain renewals through the Watermain Renewal Reserve Fund;

AND WHEREAS there is in place a frontage levy to fund this reserve and such levies appear on the Realty Tax Bill;

AND WHEREAS the water rate includes a levy for the Aqueduct Rehabilitation Reserve and a levy for the Water Treatment Reserve, and such levies are paid through the water bill;

AND WHEREAS the City of Winnipeg's property tax is based on the ad valorem system, whereby the taxes paid are directly related to the assessed value of the property;

AND WHEREAS the practice of a frontage levy is not entirely in keeping with the ad valorem system;

AND WHEREAS the levies for the Aqueduct Rehabilitation Reserve or for the Water Treatment Reserve do not in any manner reflect the assessment value of the property in question;

THEREFORE BE IT RESOLVED that Council explore the possibility of accruing costs such as watermain renewals, the Aqueduct Rehabilitation Reserve levy, the Water Treatment levy and possibly local improvements, in keeping with the ad valorem concept by relating them to the assessed value;

AND BE IT FURTHER RESOLVED that the Watermain Renewal levies be paid through the water bill similar to the Aqueduct Rehabilitation Reserve and the Water Treatment levies.

On December 13th, 1995, the Executive Policy Committee referred this matter to the Board of Commissioners for report back.

The 1996 Current Budget document tabled by Executive Policy Committee and adopted by Council on January 31st, 1996 contains point number 81 regarding Watermain Renewal Levies which states as follows:

> "(a) The City should not review the possibility of accruing costs such as watermain renewals, the Aqueduct Rehabilitation Reserve levy, the Water Treatment levy and possibly local improvements, in keeping with the ad valorem concept by relating them to the assessed value;
>
> (b) The City is planning to charge Watermain Renewal levies through the water bill as recommended in the Financial Management Plan."

Given the above, there does not appear to be a need to report on the original Council motion and, it is, therefore, recommended that this matter be filed.

Report of the Executive Policy Committee dated May 8, 1996

The Executive Policy Committee recommends that this matter be filed and submits same to Council for its approval.

Adopted by consent.

(See Minute No. 677 for opposition recorded by Councillor Golden)

Appointment to the Winnipeg 2000 Leaders Committee File G-8 (Vol. 4)

681 - 4. 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 April 30, 1996, a communication was received by Klaus Thiessen, President of Winnipeg 2000 Economic Development Corporation recommending the appointment of Mr. Rudy Redekop to the Winnipeg 2000 Leaders Committee.

The Executive Policy Committee concurs with the recommendation that Mr. Rudy Redekop be appointed to the Winnipeg 2000 Leaders Committee and submits same to Council for its approval.

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED MAY 15, 1996

On motion of Her Worship Mayor Thompson, the Report of the Executive Policy Committee, dated May 15, 1996, was considered clause by clause.

Moved by Her Worship Mayor Thompson,
That the Consent Agenda, Clauses 1,2,3 and 4 be adopted.

Councillor Golden requested that Clause 4 be pulled from the Consent Agenda.

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

Her Worship The Mayor and Councillors:

Outreach Coordinator, Community and Race Relations Committee
File CR (Vol. 10)

682 - 1. On July 12, 1995, Council adopted Clause 2 of the Report of the Executive Policy Committee dated June 21, 1995, which approved the mandate, membership selection criteria and structure of the City of Winnipeg Community and Race Relations Committee. It also approved two additional staff members to the Committee, namely, an Outreach Coordinator and an Outreach Assistant.

During consultation with the community through a series of public meetings at various venues, it became very obvious that the outreach component of the City of Winnipeg Community and Race Relations Committee was seriously lacking. As a result, the Outreach Coordinator and Outreach Assistant have been identified as essential for the effective operation and functioning of the Committee.

In October, 1995, an advertisement was placed in the local newspapers for Outreach Coordinator and Outreach Assistant. Well over 100 applications were received for each. A selection panel was struck to screen, short list, and conduct interviews. The recommended candidate has been identified as the most suitable for Outreach Coordinator. Once the Outreach Coordinator has been engaged, the process for identifying the Outreach Assistant will continue. Recommendations for the engagement of the Outreach Assistant will be forwarded at that time.

The Executive Policy Committee recommends:

I. That the Community and Race Relations Committee be authorized to proceed to engage Sheri Musa on a contractual basis under a personal services contact, as follows:

i) The contract be of a one year duration commencing July 1, 1996 to June 30, 1997 with a provision for renewal on an annual basis;
ii) The contract to include the terms and conditions as outlined in Appendix “A” of Clause 2 of the Report of the Executive Policy Committee dated June 21, 1995 and adopted by Council on July 12, 1995;
iii) The fee for service to be $36,000 per annum.

II. That the City Solicitor, in consultation with the Chairperson of the Community and Race Relations Committee, or their designates, be instructed to prepare the necessary contract between the City of Winnipeg and Sheri Musa.

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

Adopted by consent.

Report of the Executive Policy Committee dated May 15, 1996

Subdivision and Rezoning of Land Bounded by the Perimeter Highway on the West, Charleswood Road on the East, the Abandoned CNR Cabot Subdivision (Ridgewood Corridor) on the North and the CNR Mainline/Wilkes Avenue on the South - Assiniboia Community
File DASZ 7/91

683 - 2. Council at its meeting held on December 15, 1993, granted the Executive Policy Committee an extension of time of 120 days to deal with Clause 6 of the Report of the Committee on Planning and Community Services, dated May 11, 1992, relative to the above.

On October 5, 1994, the Executive Policy Committee referred the matter back to the Committee on Planning and Community Services, whereupon the matter was laid over until the September 5, 1995 meeting of the Committee on Planning and Community Services, or until such time as TransPlan 2010 was to be adopted by Council.

On December 7, 1994, the Executive Policy Committee laid the matter over until November 15, 1995, with the expectation that TransPlan 2010 would be completed by this time.

On November 29, 1995, Council granted an extension of time of 180 days for consideration of the matter as TransPlan 2010 had not been completed.

Inasmuch as Transplan 2010 has not yet been completed, the Executive Policy Committee requests that Council grant a further extension of time of 180 days for consideration of this matter.

Adopted by consent.

Appointment of Citizen Members to The Community and Race Relations Committee File CR (Vol. 10) (c/r GC-7)

684 - 3. On July 12, 1995, Council approved the recommendations outlined in Clause 2 of the Report of the Executive Policy Committee dated June 21, 1995, establishing the mandate, membership selection criteria and structure of the Community and Race Relations Committee.

The Selection Committee has reviewed the applications received from citizen members and recommends the following three citizen members be appointed to the Community and Race Relations Committee, as Institutional Representatives, for an 18-month term expiring June, 1997, namely:

i) Ian Band as the representative from the Aboriginal Community
ii) Amangeet Sidhu as the representative from the Youth Community
iii) Resty Taruc as the representative form the Ethnocultural Community

The Executive Policy Committee has ratified the recommendations of the Selection Committee and submits these appointments to Council for adoption.

Adopted by consent.

Report of the Executive Policy Committee dated May 15, 1996

Sale of The Winnipeg Jets NHL Franchise
File F-5.1 (Vol. 5)

685 - 4. On January 24, 1996, 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 Thomas,
Seconded by Councillor Murray,

WHEREAS Clause 26 of the Report of Executive Policy Committee dated January 17, 1996, provides information for Council on the Winnipeg Jets Agreement;

BE IT THEREFORE RESOLVED THAT:

1) The Mayor inform Council fully of what the Jets operating budget was, as approved by the Steering Committee on October 5, 1995 and if there have been any changes to the 1995/96 budget and all revisions to date;

2) The Mayor clarify publicly the position of City Council to all parties involved in the sale of the Winnipeg NHL franchise. This to include:

A) That the City/WEC will be fully redeemed for the sale of its shares in the Winnipeg Jets NHL Hockey franchise in the 1996 fiscal year;

B) That the City notify the current owners and all parties to the sale agreement that the City considers the current sale arrangements of the Winnipeg Jets between Mr. Shenkarow et al and Mr. Gluckstern et al to be an irrevocable sale and that the WEC will offer no further subsidy of the team or ice time in the Winnipeg Arena beyond the current season;

C) That the date of the closing of the sale of the team be specified to be on or before June 30, 1996.

On February 7, 1996, Executive Policy Committee referred the matter to the Board of Commissioners for report back, and on April 24, 1996, Council granted an extension of time of 30 days.

Inasmuch as the final report from the Administration has not yet been submitted, the Executive Policy Committee recommends that Council grant a further extension of time of 60 days to allow for consideration of this matter.

Moved by Her Worship Mayor Thompson,
Adoption of the clause.

Carried.

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

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED MAY 22, 1996

On motion of Her Worship Mayor Thompson, the rule was suspended and the Report of the Executive Policy Committee, dated May 22, 1996, was considered clause by clause.

Her Worship The Mayor and Councillors:

Proposed Amendment to Plan Winnipeg By-law No. 5915/92 by redesignating lands located from Jefferson Avenue to Inkster Boulevard between King Edward Street and the North Inkster Industrial Area, from a "Rural" policy area to an "Industrial" policy area - Lord Selkirk West Kildonan Community
File EP-1.1 (PW 3/96) (Vol. 1)

686 - 1. The Executive Policy Committee has been advised that The Board of Commissioners has initiated this application and is requesting that the amendment process be allowed to proceed. The land referred to in this application is currently designated as a "Rural" policy area under Plan Winnipeg. Bounded to the east and south by residential subdivisions, and to the west by an Industrial area, as outlined in Appendix "A", the land in question offers significant development potential.

Some indications of developer interest have already been expressed. Situated as it is between lands that have already been developed or are currently designated for development, the land in question does not appear to compromise Plan Winnipeg's commitment to principles of orderly development and efficiency in servicing.

The entire parcel of land designated in this application lies within Area II of the Airport Vicinity Protection Area. As such, there would be concern if the land were to be designated as a "Neighbourhood" policy area since the AVPA is intended to restrict residential development. There is merit, however, in exploring the potential of an "Industrial" policy designation because of the potential expansion of airport-related industrial uses and because of the positive economic and service impacts on the surrounding neighbourhoods. A detailed chronology of events is outlined in Appendix "B".

The Executive Policy Committee recommends:

I. That the petition amend Plan Winnipeg By-law No. 5915/92 by redesignating lands located from Jefferson Avenue to Inkster Boulevard between King Edward Street and the North Inkster Industrial Area, from a "Rural" policy area to an "Industrial" policy area located within the Lord Selkirk West Kildonan Community be allowed to proceed to public hearing and that action be taken in connection therewith:

i) copy of proposed amending By-law No. 6842/96 be forwarded to the Minister of Urban Affairs:

ii) copy of the proposed amending By-law be forwarded to the Executive Policy Committee to enable that Committee to carry out consultations pursuant to Section 579(1) of The City of Winnipeg Act and to provide Council with its report and recommendations;

iii) upon receipt of the report and recommendations, Council give first reading to the Plan Winnipeg (amending) by-law in its original form or as amended;

iv) following first reading of the Plan Winnipeg (amending) by-law, Executive Policy Committee conduct a public hearing in accordance with Sections 632 to 645 of The City of Winnipeg Act.

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

Moved by Her Worship Mayor Thompson,
Adoption of the clause.

Carried.

Report of the Executive Policy Committee dated May 22, 1996

Sale of the Winnipeg Jets Hockey Ventures
File F-5.1 (Vol. 6)

687 - 2. The Executive Policy Committee has been advised that in order to finalize the sale of the Winnipeg Jets, it is necessary for The City of Winnipeg and the Province of Manitoba to confirm their understanding of the closing arrangements. While it is obviously in the public interest to avoid any threat of delay beyond the June 30, 1996 closing date, there is a technicality related to the move of the team. In short, there is a necessary transition period during which the Interim Agreement remains in effect while the team moves and final payments are being made.

In short, the letter outlined in Appendix "A":

- describes the termination of the 1991 Agreement;
- provides for the relocation of the team;
- allows for the financial statements to be finalized on May 31, 1996, with payments to be made by June 26, 1996;
- confirms the final payment for return on investment [the so-called "Management Fee"] will be made by June 30, 1996;
- allows termination of the lease; and
- provides for the distribution of defined disposed assets.

Legal staff have reviewed the letter outlined in Appendix "A" and concur that it reflects the agreed upon closing arrangements and the Sale Purchase Agreement.

The Executive Policy recommends:

I. That the draft letter, as outlined in Appendix "A", addressed to H. Secter Enterprises Inc., Moffat Communications Limited, R. L. Moffat Enterprises Inc., 2132753 Manitoba Ltd., MB Shenkarow Enterprises Inc., and 0431877 Manitoba Ltd., confirming the City's understanding of the closing arrangement, be authorized for signature subject to the Province of Manitoba also providing its approval to this letter.

II. That the Administration be directed to hold, as soon as possible, a Council Seminar relative to the sale of the Winnipeg Jets Hockey Ventures and invite the internal auditor, the external auditor and a representative from the Interim Steering Committee to provide detailed information relative to the sale.

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

Moved by Her Worship Mayor Thompson,
Adoption of the clause.

The Speaker here resumed the Chair.

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

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

The Speaker advised that Council would here proceed to consider the order of business "Report of the Committee on Planning and Community Services, dated April 30, 1996".