REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED NOVEMBER 28, 2001

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee, dated November 28, 2001, was considered clause by clause.

Moved by His Worship Mayor Murray,
That the Consent Agenda, Clauses 1,2,3,4,5,6,7 and 8 be adopted.

Councillor Steek requested that Clause 7 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,2,3,4,5,6,8 and 9 was put and declared carried.

Amendments to the Development Fees By-law No. 6965/97, The City Organization By-law No. 7100/97 and the Execution of Documents By-law No. 7367/99 to Reflect Current Organizational Structure and Update Delegations of Authority
File GL-5.6 (Vol. 9)

74 - 1. The Executive Policy Committee has been advised that The Planning, Property and Development Department recently conducted a comprehensive review of the Department's delegated authorities, in consultation with the Legal Services Division and the City Clerk's Department. As a result of the Departments' findings, amendments were recommended to various by-laws, which require Council approval.

As a result of a comprehensive review conducted by the Planning, Property and Development Department of its delegated authorities, the department identified numerous inconsistencies and opportunities to update and amend delegated authorities to reflect our current organizational structure and improve the effectiveness of service delivery.

The following is a series of recommended by-law amendments that will improve consistency in application of delegated authorities within the Planning, Property and Development Department and will more accurately reflect the Department's current structure and mandated responsibilities.

The Development Fees By-law No. 6965/97

The Director of Planning, Property and Development Department has specific authorities under Section 18 of the Development Fees By-law to refund or waive permit fees and development application fees within defined parameters.

To establish consistency in the application of said Section 18 of By-law No. 6965/97, it is recommended that Section 18.1(1) be updated and amended by deleting the words "Committee on Planning and Community Services" and "Commissioner of Planning and Community Services" and replacing them with the words "Standing Policy Committee on Property and Development" and "Director of Planning, Property and Development" respectively. Further amendment is recommended to reflect the current organizational structure by deleting the words "Director of Property and Development Services" and replacing them with the words "Director of Planning, Property and Development". The amendment, if approved, would read as follows:

"18.1 REFUND OR WAIVER OF DEVELOPMENT APPLICATION FEES

(1) The Standing Policy Committee on Property and Development may if it deems advisable in regard to a development application direct the Director of Planning, Property and Development to:

(a) refund all or part of a filing fee for any development application that is withdrawn prior to the required public meeting or approval process, as the case may be.
(b) waive all or part of a filing fee and advertising fee for any development application.

(2) Notwithstanding subsection 18.1(1), the area Community Committee direct the Director of Planning, Property and Development to refund or waive all or part of a development application fee, excluding the costs of advertising, where:

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(a) the applicant is a not-for-profit and/or charitable organization; and

(b) the proposed development is intended to benefit the community or to provide a public service on a non-profit or charitable basis. (added 7552/2000)"

At present, Section 26 of the City Organization By-law No. 7100/97 provides for direction to be given to the Chief Administrative Officer where direction is provided by the Standing Policy Committee on Property and Development. However, Section 18(2) of By-law No. 6965/97 provides for direction to be given to the Director where direction is provided by the Community Committee. This amendment allows both the Standing Policy Committee and the Community Committee to provide direction to the Director.

The City Organization By-law No. 7100/97

In 1997, City Council enacted the City Organization By-law No. 7100/97 to establish governance and administrative structure of the City and to delegate certain powers and responsibilities from City Council to Executive Policy Committee, the Standing Committees and the Chief Administrative Officer.

The Transition Provision documented in Sections 36 (1) and (2) of said By-law No. 7100/97 states:

"36. (1) Wherever any by-law, policy, resolution, contract or delegation of authority permits or requires any action, proceeding or act to be taken or done by an employee of the City of Winnipeg who is listed in Column 1 of Appendix "C", any such action, proceeding or act taken or done by the employee correspondingly listed in Column 2 of the Appendix, shall be conclusively deemed to have been taken or done by the employee listed in Column 1, in accordance with the said by-law, policy, resolution, contract or delegation of authority.

(2) Whenever any by-law, policy, resolution, contract or delegation of authority makes reference to an employee of the City of Winnipeg who is listed in Column 1 of Appendix "C", that reference shall be interpreted as if it had been amended to read as that employee correspondingly listed in Column 2 of said Appendix."

The City's Legal Services Division has recommended amending Appendix "C" referenced in said Transition Provision Sections 36 (1) and (2) in order to accommodate the organizational changes and resulting position title changes within the Planning, Property and Development Department. More specifically, it is recommended that Appendix "C" be updated by adding the following Item No. 15 at the end of Appendix "C":

APPENDIX "C" to By-law No. 7100/97

Column 1	Column 2
15. The Supervisor of Building Inspections The Manager of Building Inspections	15. The Manager of Development and Inspections

This single amendment will impact various individual by-laws including the Maintenance and Occupancy By-law No. 4903/88, Winnipeg Building By-law No. 4555/87, Residential Buildings Fire Safety By-law No. 4304/86, and the Termite Control By-law No. 4891/88.

Execution of Documents By-law No. 7367/99

The City of Winnipeg Execution of Documents By-law No. 7367/99 delegates authority to various positions within the civic administration to execute certain documents, instruments and agreements, including amendment to the Cemetery By-law No. 1996/78.

In April 2000, Council adopted amendments to both the City Organization By-law and the Cemeteries By-law realigning responsibility for the Municipal Cemetery Operations under the Planning, Property and Development Department. In direct alignment with these amendments, further amendments are recommended to the Execution of Documents By-law to realign responsibility for execution of all documents, instruments and agreements relating to cemetery plot deeds for plots in City-owned cemeteries.

It is therefore recommended that the Execution of Documents By-law No. 7367/99 be amended by deleting the words "Director of Property and Development Services" and replacing them with the words "Director of Planning, Property and Development" wherever they occur in Section 4 in order to reflect the change in department name.

It is further recommended that the Execution of Documents By-law No. 7367/99 be amended by adding the following subsection at the end of Section 4:

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"(e) All documents, instruments, agreements and all cemetery plot deeds for plots in city-owned cemeteries, issued in accordance with the Cemetery By-law No. 1996/78, and amendments thereto."

It is further recommended that Section 5 of said by-law be repealed to reflect the realignment of this responsibility from the Community Services Department to that of the Planning, Property and Development Department, namely:

"5. The Director of Community Services or designate in writing is hereby empowered for and on behalf of the City of Winnipeg to execute the following agreements and documents:

(a) Jointly with the City Clerk, all cemetery plot deeds for plots in City-owned cemeteries, issued in accordance with the Cemetery By-law No. 1996/78."

It is also recommended that Section 10 of By-law No. 7367/99 be repealed and substituted with the following:

"10. The form immediately following subsection 26(1) of the Cemetery By-law No. 1996/78 as amended is further amended by this by-law, by striking the titles "City Clerk" and "Director of Community Services" as signing officers to the deed and substituting these titles with the title "Director of Planning, Property and Development."

There is no financial impact.

The Executive Policy Committee recommends:

I. That Council approve amendments to the Development Fees By-law No. 6965/97, the City Organization By-law No. 7100/97 and the Execution of Documents By-law No. 7367/99 to reflect the current organizational structure and to update delegations of authority so as to provide the Planning, Property and Development Department clear delegated authorities with regard to various functional, operational, financial and management issues.

II. That Section 18.1(2) of the Development Fees By-law No. 6965/97 be amended by deleting the word "direct" in the first line thereof and replacing it with the word "recommend".

III. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary by-law amendments.

IV. That the Proper Officers of the City be authorized to do all things necessary to effect those by-law amendments and implement the intent of the foregoing.

Adopted by consent.

Authorization to Borrow Monies During the Year 2002 Under Section 281(1) of The City of Winnipeg Act

File FC-2 (Vol. 18)

75 - 2. The Executive Policy Committee has been advised that the City is authorized under Section 281(1) of *The City of Winnipeg Act* to pass a by-law to provide for the borrowing for capital and current purposes, from banks or from any other persons or corporations, in such amounts as the Council may deem necessary, and to issue promissory notes in respect thereof.

On December 16, 1992, Council adopted a policy whereby the annually approved short-term borrowing limit is established based on an analysis of cash flow projections and estimates requirements.

The short-term borrowing limit for 2001 was $250 million.

An analysis of the City's cash flow projections, for the balance of 2001 and 2002, indicates that a short-term borrowing limit of $250 million will meet the City's requirements for 2002.

There is no financial impact as the associated costs are budgeted through debt and finance charges.

Report of the Executive Policy Committee dated November 28, 2001

The Executive Policy Committee recommends:

I. That a by-law be duly approved as to financial details by the City Treasurer, and certified as to form by the City Solicitor/Manager of Legal Services, authorizing the City of Winnipeg to borrow monies for capital and current purposes during the Year 2002 not exceeding in the aggregate the sum of $250 million at any one time, and to authorize the issuance and delivery of promissory notes in respect thereof

II. That the Proper Officers of the City be authorized to effect the intent of the foregoing.

Adopted by consent.

2002 Local Improvement Interest Rates
File SL-1 (Vol. 21)

76 - 3. The Executive Policy Committee has been advised that Section 357 of The City of Winnipeg Act states that when local improvements are financed by means other than issuing debentures, the City Treasurer shall determine the appropriate rates of interest and the interest rates are to be authorized by resolution of Council.

Section 380 of The City of Winnipeg Act states that the City may establish the interest rates for local improvement assessment at up to 1% above the City's cost of funds to cover the costs of assessment and collection.

For many years all local improvements have been financed through the General Reserve Fund and it is appropriate that the 2002 interest rates be established before the end of 2001.

There is no financial impact as the interest rates set for financing local improvements through the General Reserve provide for the recovery of the City's cost of capital and assessment and collection costs.

The Executive Policy Committee recommends:

I. That the interest rates for local improvements in 2002 be established as follows:

Term	Current Market Interest Rate	Amount Added for Assessment and Collection	Total Interest Rate for Assessment
2 – 5 years	5.00%	1%	6.00%
6 – 15 years	6.00%	1%	7.00%
16 – 20 years	6.60%	1%	7.60%

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

Adopted by consent.

Soldier's Taxation Relief Assistance
File FL-2.3 (Vol. 8)

77 - 4. The Executive Policy Committee has been advised that "The Soldiers' Taxation Relief Act" requires City Council to annually approve applications for tax assistance and forward a copy to the Province of Manitoba for reimbursement.

On March 26, 1993, Mayor Susan A. Thompson wrote to the Minister of Urban Affairs requesting that the Province amend The Soldiers' Taxation Relief Act by increasing the amount from $50.00 to $100.00, effective in 1994.

On June 10, 1993, the Minister of Rural Development acknowledged Mayor Thompson's letter and requested that a report be provided indicating why the proposal is being made at this time, the rationale for the request and revised rebate figures.

Report of the Executive Policy Committee dated November 28, 2001

On August 26, 1993, the Executive Policy Committee forwarded to the Minister of Rural Development a report as to the Reason and History why the Soldiers' Taxation Relief Act should be amended. To date, there has been no reply from the Province on this matter.

For the information of Council, the Executive Policy Committee at its meeting held on November 28, 2001, directed His Worship Mayor Murray to prepare follow-up correspondence to the Minister of Inter-Governmental Affairs reiterating the previous request that the Province amend The Solders' Taxation Relief Act by increasing the amount from $50.00 to $100.00.

"The Soldiers' Taxation Relief Act" provides for the granting of relief from taxation in certain cases in an amount not exceeding $50.00 in each case.

The City Treasurer has received applications for relief from taxation for the year 2001 under the provisions of this Act, and has been satisfied as to the bona fide and merit of the applications.

The total amount of this grant as, outlined on Appendix "A" is $900.00. This credit program is administered by the Province of Manitoba and the financial impact is neutral for the City of Winnipeg. Any approved amount claimed is paid to the City of Winnipeg by the Province and refunded back to the approved property tax owner.

The Executive Policy Committee recommends:

I. That City Council approve the applications under "The Soldiers' Taxation Relief Act" on the understanding that the whole amount, as outlined on Appendix "A", be recovered through the Province of Manitoba.

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.Appendix "A" referred to in Clause 4 of the Report of the Executive Policy Committee dated November 28, 2001.

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

Adopted by consent.

2002 Home Renovation Tax Assistance Program (HRTA)

File FL (Vol. 8)

78 - 5. On May 27, 1998, Council approved the 1998 HRTA program, subject to the following recommendation:

That the Home Renovation Tax Assistance Program be reviewed on an annual basis by the Executive Policy Committee.

Council adopted the inaugural Home Renovation Tax Assistance Program on December 15, 1994 (By-law No. 6544/94). The program was intended to encourage and assist in the renovation of residential premises in the City of Winnipeg, by way of property tax credit incentives. The program has been renewed annually, with a number of modifications over the years. The first several HRTA program by-laws were limited to dwellings constructed prior to 1971 and assessed at less than $80,000.00. The maximum tax credit available was limited to $750.00 over five years. The first four HRTA received limited intake and only generated 443 eligible property files.

On May 27, 1998, Council approved a new HRTA program (By-law No. 7230/98), amending the eligibility criteria to dwellings constructed prior to 1981 and assessed at less than $100,000.00. The maximum tax credit was amended to $1,500.00 over three years. This program generated a total of 2,146 property files, of which 1,755 were considered to be complete – resulting in a total program cost of $1,464,517 allocated over 1999 – 2001.

On March 24, 1999, Council approved another new HRTA program (By-law No. 7384/99), amending the eligibility criteria to dwellings constructed prior to 1974 (25 years old or older), and assessed at less than $90,000.00. The maximum credit available remained at $1,500.00 over three years, with the overall financial exposure limited to $975,000.00 ($325,000.00 per year for three years). This program generated a total of 1,067 property files, of which 646 were considered to be complete – resulting in a total program cost of $576,299.00 ($192,100.00 per year for three years).

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Programs approved for 2000 and 2001 utilized the same eligibility criteria as the 1999 program. The 2000 HRTA program generated 1,087 property files (768 completed), resulting in a program cost of $654,857.00. The 2001 program has generated 1,053 property files. The number of files to be processed for tax credits will not be known until March, 2002. The maximum financial exposure to the program is $975,000.00.

Policy Context

The City of Winnipeg Act (Section 138.1) authorizes Council to "establish a program of property tax credits to encourage and assist in the renovation of residential premises". The provisions of any by-law are to include: the types of premises eligible; the types and costs of eligible renovations; terms and conditions which tax credits may be provided and terminated; and the amount of tax credit available (maximum annual credit and timeframe).

The object of each of the previous Home Renovation Tax Assistance program by-laws (1995 – 2001) has been to:

> Provide an economic incentive for the home renovation industry, to reduce the perception that property owners are penalized for improving their properties and to encourage property owners to take out building permits thereby promoting the quality of construction in meeting applicable building, electrical, and plumbing codes.

It is difficult to determine whether or not the HRTA program has met its stated object, as it is not possible to measure perceptions. There is evidence of increased residential building permit activity and general home renovations/improvements over the span of the HRTA program. There is however limited evidence as to the extent to which the HRTA program has *directly* encouraged homeowners to renovate their dwellings. General improved economic conditions and other life-style factors may have more to do with the improved renovation climate, than that of the creation of the HRTA program. This program does however, continue to provide an important supportive role in improving the overall quality of the City's housing stock and encouraging investment in older residential neighbourhoods.

The City of Winnipeg supports housing improvement programs through the Winnipeg Housing and Homelessness Initiative (WHHI) and through the Building Communities program. The WHHI provides financial assistance to targeted Major Improvement Areas, and the Building Communities program provides assistance to specific targeted shoulder neighbourhoods. HRTA uptake primarily tends to be in areas outside of these neighbourhoods.

The HRTA program is presently available citywide to owners of dwellings built prior to 1974 and assessed at less than $90,000.00. The majority of recent HRTA program uptake has consistently been from properties assessed within the $70,000.00-$89,999.99 range (Table 1), representing nearly 50% of all applications each year (1999-2001). The HRTA program has *not* provided a significant incentive to upgrade dwellings assessed at less than $40,000.00. This segment represents only approximately 7% of program uptake.

Table 1: HRTA Program Uptake Summary.

NUMBER OF APPLICANTS (% OF TOTAL)								
PROPERTY ASSESSMENT RANGE	1998		1999		2000		2001	
$ 0- 9,999	0		0		0		0	
$ 10,000-19,999	3	(0.14)	2	(0.19)	2	(0.18)	0	(0.00)
$ 20,000-29,999	26	(1.12)	16	(1.50)	17	(1.53)	23	(2.18)
$ 30,000-39,999	93	(4.33)	59	(5.53)	61	(5.10)	62	(5.89)
$ 40,000-49,999	134	(6.24)	118	(11.10)	126	(11.35)	121	(11.49)
$ 50,000-59,999	208	(9.70)	161	(15.10)	144	(12.97)	160	(15.19)
$ 60,000-69,999	317	(14.77)	188	(17.61)	195	(17.57)	184	(17.47)
$ 70,000-79,999	450	(20.97)	254	(23.80)	296	(26.67)	258	(24.50)
$ 80,000-89,999	535	(24.93)	262	(24.55)	268	(24.14)	245	(23.27)
$ 90,000-99,999	380	(17.71)	7 *	(0.62)	1 *	(0.09)	0 *	(0.00)
TOTAL:	2,146		1,067		1,110		1,053	
* Limited to applicants with property assessments of $90,000								

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Program Goal and Objectives

In an effort to clearly define the intent of the HTRA program, the Department recommends that the current program object be replaced by a new goal and objectives. The new goal is consistent with *The City of Winnipeg Act*, Section 138.1. Objectives are provided for the purpose of clarity and to assist in measuring success in meeting the program goal. They are as follows:

Goal: "To recognize the significant financial contributions that owners of older homes expend in maintaining and upgrading their homes, and to encourage additional private property owner investment."

Objectives
(a) "To reduce the perception that property owners are being penalized for improving their properties."
(b) "To maintain or increase current annual program uptake."
(c) "To assist in extending the lifespan and increasing the marketability of dwellings built prior to 1974."

A project tracking and survey mechanism will be developed to evaluate the effectiveness of the program in addressing program objectives and in measuring client satisfaction.

Eligible Renovations

The HRTA program, as originally established in 1995, provided a list of eligible (and ineligible) renovations. The eligible renovations were generally considered to be important for health or safety, or were considered to be work that would extend the life of the dwelling or increase its value. Subsequent HRTA program by-laws have modified the list of eligible renovations. The Department recommends that Council consider deleting from the list of 2002 HRTA program eligibility, the construction of the greenhouses, gazebos, and sunrooms, as these items do not function as year round living space. It should be noted that the repair of such existing items would continue to remain eligible.

Additionally, it should be noted that Council approved the addition of hard-wired, monitored security systems to the list of eligible items on June 21, 2001.

Delegated Authority for Appeals

Under the present HRTA by-law, any eligible homeowner or applicant who is aggrieved by a decision of the designated officer may appeal the decision to the Standing Policy Committee on Property and Development by filing a written notice of appeal. It is recommended that as appeals deal with technical issues related to administration of the program, authority be delegated to the Director of Planning, Property and Development to administer.

The financial impact of the 2002 Home Renovation Tax Assistance Program is outlined on Appendix "A".

For the information of Council, George Fraser, Executive Director, Manitoba Home Builders Association, appeared in delegation at the November 28, 2001 meeting of the Executive Policy Committee on this matter.

Following deliberation of this matter on November 28, 2001, the Executive Policy Committee referred the following item to the Standing Policy Committee on Property and Development and directed that:

The Standing Policy Committee on Property and Development review the HRTA policy with a view to incorporating the following amendments, namely:

a) a new program goal and objectives statement;
b) the list of eligible renovations be amended by deleting the construction of greenhouses, gazebos and sunrooms;
c) the authority to deal with appeals be delegated to the Director of Planning, Property and Development.

The Executive Policy Committee recommends:

I. That Council renew the Home Renovation Tax Assistance (HRTA) program for 2002.

II. That the operating budget of the Planning, Property and Development Department be increased to include HRTA funding in the amount of $325,000.00 for each of the years 2003, 2004 and 2005.

Report of the Executive Policy Committee dated November 28, 2001

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

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

Adopted by consent.

Expenditure from the Land Dedication Reserve Fund – Gospel Mennonite Church – City Centre Community
File PR-2.6 (32) (Vol. 9)

79 - 6. The Executive Policy Committee has been advised that the City Centre Community Committee concurred in the allocation of $7,000.00 from the City Centre Community Committee Land Dedication Reserve Fund to the Gospel Mennonite Church to assist with the cost of a Community Outreach/Multi-Purpose Space at 32 Nassau Street North.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $7,000.00 be approved from the City Centre Community Committee Reserve Fund for the project.

Adopted by consent.

Expenditure from the Land Dedication Reserve Fund – Wolseley School – City Centre Community Committee
File PR-2.6(32) (Vol. 9)

80 - 7. The Executive Policy Committee has been advised that the City Centre Community Committee concurred in the allocation of $13,000.00 from the City Centre Land Dedication Reserve Fund to the Wolseley School to assist with the cost of the Wolseley School Playground Structure – Phase Two.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $13,000.00 be approved from the City Centre Community Committee Reserve Fund for the project.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Expenditure from the Land Dedication Reserve Fund – Maples Youth Activity Centre – Lord Selkirk-West Kildonan Community Committee
File PR-2.6(34) (Vol. 11)

81 - 8 Committee concurred in the allocation of $3,295.95, as a first charge from the Lord Selkirk-West Kildonan Community Committee Land Dedication Reserve Fund, to the Maples Youth Activity Centre to defray the cost of constructing two storage cabinets to store supplies and equipment at its Elwick site located at 30 Maberley Road.

The Executive Policy Committee concurs with the above and recommends that funds in the amount of $3,295.95 be approved from the Lord Selkirk-West Kildonan Community Committee Reserve Fund for the project.

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED DECEM BER 5, 2001

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee, dated December 5, 2001, was considered clause by clause.

Moved by His Worship Mayor Murray,

That the Consent Agenda, Clauses 1,2,3,4,5,6,7,8 and 9 be adopted**.**

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

The motion to adopt the Consent Agenda, Clauses 1,2,3,5,6,7,8 and 9 was put and declared carried.

Discount(s) to be Allowed for the Prepayment of 2002 Realty and Business Taxes

File FL-2.1 (Vol. 3)

82 - 1. The Executive Policy Committee has been advised that Council must adopt a by-law prescribing the discount rates on the prepayment of realty and business taxes.

Section 209 of *The City of Winnipeg Act* permits the City to provide for the allowance of discounts when taxes are prepaid, as stated below:

> 209(1) The council may pass by-laws in relation to realty and business taxes levied in a year
>
> (c) providing that, when taxes are paid other than by installments, discounts at the rates prescribed in the by-law may be allowed on taxes that are prepaid by the dates specified in the by-law.

Council annually adopts a by-law establishing a discount rate that will financially benefit the City and at the same time provide an attractive investment opportunity for Winnipeg taxpayers.

The proposed discount rates are based on information received from the Financial Services Division, which considers 2% as the City's projected return on investment for a five-month period. Current deposit rates available to taxpayers are around 1.5% for a six-month period. A rate of approximately 1.75% is considered to be fair to both the City and to the taxpayer.

The costs of administering the program (approximately $10,000), the tax discount expenditure (2002 projection $108,000), as well as the additional investment income (est. $128,000) are already incorporated in the tax-supported estimates, as outlined on Appendix "A". No changes to the budget are required to continue with this tax prepayment program.

For the Committee's information, statistics on the prepayment of discounted taxes for 2001 and 2000 comparative are presented in Schedule 1.

The Executive Policy Committee recommends:

I. That pursuant to Section 209 of The City of Winnipeg Act, Council adopt a by-law providing for prepayment discounts of the City's 2002 realty and business taxes and such discounts be allowed on prepayments received by the Taxation & Revenue Division during the months of January and February, 2002 at the following discount rates:

	Face Value Discount Rate	Equivalent Annual Discount Rate
Realty Tax – Payable at par up to June 28th		
January	0.70%	1.75%
February	0.57%	1.75%

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Business Tax – Payable at par up to May 31st		
January	0.57%	1.75%
February	0.44%	1.75%

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.Appendix "A" referred to in Clause 1 of the Report of the Executive Policy Committee dated December 5, 2001.

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

Adopted by consent.

Plan Winnipeg . . . 2020 Vision
File EP-1.1 (PW) (Vol. 15)

83 - 2. The Executive Policy Committee has been advised that under Clause 577 (1)(b) of *The City of Winnipeg Act*, Council is required to "review and, by by-law, readopt or replace Plan Winnipeg at least once within five years after each re-adoption or replacement of Plan Winnipeg, subject to such extension of time as the minister allows."

After a substantial review by a Council appointed steering committee, Plan Winnipeg …2020 Vision was granted first reading on May 11, 2000 and a public hearing was held on June 12, 2000.

After considering the representations and evidence, Council gave second reading to an amended Plan Winnipeg …2020 Vision on October 25, 2000 and forwarded the by-law to the Minister of Intergovernmental Affairs.

The Minister of Intergovernmental Affairs referred the by-law to the Municipal Board, which held hearings from June 26 to June 28, 2001.

The Minister of Intergovernmental Affairs, after considering the report of the Municipal Board, gave written notice to Council of the decision to approve the proposed Plan Winnipeg By-law subject to specific amendments. The Minister also informed Council that it must adopt the Plan Winnipeg By-law as amended by January 1, 2002.

The original version of Plan Winnipeg was tabled before Council in 1981 following approximately three years of intensive research and study. That Plan was not formally passed as By-law No. 2960/81 until 1986, although it became interim policy for most of the intervening years. At the time Plan Winnipeg replaced the Metropolitan Development Plan of 1968.

Plan Winnipeg…toward 2010 (still called Plan Winnipeg for short) is the City's current long-range policy plan, having been adopted as By-law No. 5195/92 of the City of Winnipeg on June 23, 1993 to replace the original Plan Winnipeg of 1986. *The City of Winnipeg Act* required that this plan be readopted or replaced within 5 years of its adoption (i.e. by June 23, 1998).

Due to considerations around the timing of the civic elections, the Minister of Urban Affairs granted an extension to this timeframe. Following the civic elections of October 1998, the Mayor appointed a five-member committee comprised of Councillors Eadie, Gerbasi, Lubosch, Prystanski and Vandal as Chair, to undertake the review of Plan Winnipeg.

On May 4, 2000, the Plan Winnipeg Review Committee submitted its recommendation in the form of a report and a draft By-law No. 7630/2000 titled "Plan Winnipeg…2020 Vision" to the Executive Policy Committee.

On May 11, 2000, City Council granted first reading to By-law No. 7630/2000, and instructed Executive Policy Committee to hold a public hearing in accordance with *The City of Winnipeg Act* Section 579 (3). That public hearing was held on June 12, 2000.

On October 25, 2000, after consideration was given to all representations and submissions, Council amended and granted second reading to By-law No. 7630/2000 as amended. In accordance with Section 579 (4) and 580 (1) of The City of Winnipeg Act, five (5) certified copies of By-law No. 7630/2000 were forwarded to the Minister of Intergovernmental Affairs on November 2, 2000.

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Following the receipt of objections by those persons who made representation at the public hearing for By-law No. 7630/2000, the Minister of Intergovernmental Affairs referred the by-law to the Municipal Board for review and recommendations. The Municipal Board gave notice and held public hearings from June 26 to June 28, 2001. The Board submitted its report and recommendations to the Minister on August 27, 2001.

Following receipt of the Municipal Board report and recommendations, and in accordance with section 581 (5) of The City of Winnipeg Act, the Minister of Intergovernmental Affairs gave written notice to Council of the decision to approve the proposed Plan Winnipeg By-law, subject to nine (9) amendments. Each of these is reviewed in the following section:

The Minister of Intergovernmental Affairs' letter of September 21, 2001 outlined nine (9) amendments required for the adoption of the Plan Winnipeg By-law. The following is a list of those amendments and an explanation of how the by-law has been altered to reflect them.

1. Minister: *That the circles identified on Policy Plate "A" be removed and the Areas of Commercial Concentration on Policy Plate "A" be delineated and identified by specific boundaries that include lands in each Area that are suitable for the types of regional mixed use activities identified in the policies of Plan Winnipeg.*

Our response: Policy Plate "A" has been altered to reflect this requested change. The Areas of Commercial Concentration have been delineated with more specific boundaries reflecting the commercial and potential mixed-use areas surrounding and including the existing Regional Shopping Centres. The wording of the policy statements within the plan remain unchanged. Areas of Regional Commercial Concentration will continue to signify "the general desired locations for large-scale commercial development attracting customers city-wide and beyond, with the intent to direct future development of that nature to those general locations". The policies also state that priority for accommodating new commercial development is through the infill and expansion of existing commercial areas. The boundaries of these areas have been drawn in such a way as to provide sufficient land to accommodate regional commercial and mixed-use growth over the coming years. The land within these boundaries will be seen as priority areas for the location of major regional commercial projects. (e.g. a collection of retail stores on a large site or a major retailer that will attract customers from an entire quadrant of the city). Major alterations of these boundaries will require a Plan Winnipeg Amendment. These boundaries and their relation to the policies will continue to be examined by the Planning, Property and Development Department in order to ensure clarity in their application and interpretation.

2. Minister: *That the term "Areas of Commercial Concentration" on Policy Plate "A" and in the text of the Plan be deleted and replaced by a term which more closely reflects the types of activities being included, such as "Areas of Regional Commercial and Mixed-use Concentration."*

Our response: The legend of Policy Plate "A" has been changed to reflect the proposed new wording, as have policies 3A-01, 3B-04 and 3B-05. This wording change is consistent with the intent of the policies.

3. Minister: *That within two years of Third Reading of the by-law, the Plan be amended to include a Policy Plate, with accompanying text in the Policy 5C-04, that designates natural areas that are environmentally-sensitive or significant.*

Our response: This does not affect the by-law being adopted under this report, however, according to the Minister's letter, Council must commit to the implementation of this recommendation. A process is already underway to develop this sensitive lands plan, led by the Environmental Coordinator and involving several departments including Community Services and Planning, Property and Development. The two-year time frame is reasonable for the completion of this process.

4. Minister: *That Policy 5C-04 (ii) be amended by adding the words "designates natural areas that are environmentally-sensitive and/or significant and" following the word "which" in the first line.*

Our response: Policy 5C-04 currently reads as follows: The City shall protect environmentally-sensitive lands that contain important pockets of natural flora or fauna or that are susceptible to damage from flooding or erosion by: … ii) developing a lands plan which provides measures for the possible acquisition, preservation, protection, and maintenance of such lands. The amended clause would read as follows: … ii) developing a lands plan which designates natural areas that are environmentally-sensitive and/or significant and provides measures for the possible acquisition, preservation, protection, and maintenance of such lands. This change provides greater clarity to the policy consistent with its intent. It essentially requires that the proposed Sensitive Lands Plan identify and designate specific areas that are environmentally sensitive in addition to providing measures for their possible acquisition, preservation, protection, and maintenance as is already stated in the policy. This is an initiative that was already anticipated to be part of the Sensitive Lands Plan as this proposed plan was to expand on the sensitive lands inventory, which is already substantially complete.

Report of the Executive Policy Committee dated December 5, 2001

5. Minister: *That the Stockyard lands be designated Industrial on Policy Plate "A".*

Our response: A large portion of the Stockyards lands were redesignated from Industrial to Neighbourhood by Council at second reading of the by-law and after the public hearing was closed. The Minister was concerned that this significant change in land use designation occurred without the opportunity for public input, especially from area landowners. It was the City's position at the Municipal Board hearing to agree to return the land designation of the Stockyards to Industrial. This change has therefore been incorporated into Policy Plate "A". The Planning, Property and Development Department has recently initiated a study to identify potential land-use and development options for this site. One outcome of this study is the creation of a concept plan for the property. Once this concept plan has been completed a Plan Winnipeg amendment can be initiated to re-designate the lands in accordance with the plan. The concept plan process and the Plan Winnipeg amendment process will allow for sufficient public consultation on this land use change.

6. Minister: *That "or such other minimum size as would be allowed under an applicable secondary plan, and" be inserted in Policy 3B-08 i) after "(40 acres)" and before "subject".*

AND

7. Minister: *That the following section vii) be added to Policy 3B-08 as follows:*

> *"vii) considering the South St. Vital Action Area Plan to be an unserviced residential area secondary plan as provided for under item ii) above, notwithstanding item v) above."*

Our response: These two changes were requested by the City of Winnipeg to provide additional clarity to the policies related to Rural Areas as well as to correct an oversight of a policy that had not been carried over from the previous Plan Winnipeg …towards 2010.

8. Minister: *That the lands to the west of the Perimeter Highway north of the Trans-Canada Highway, excluding the land covered by the previous amendment, be designated "Rural".*

Our response: As with the Stockyards area, the Minister expressed concern that this change in land use designation was made at Second Reading after the public hearing and did not allow for public input. Much like item five (5), this change can be initiated as a Plan Winnipeg amendment after the new plan has been adopted.

9. Minister: *That the term, "Capital Region", be defined in the glossary of the Plan.*

Our response: This change has been incorporated into the text of the Plan. The City of Winnipeg will rely on the Provincial definition of "Capital Region", as follows: Manitoba's Capital Region includes the City of Winnipeg (the province's capital), the City of Selkirk, the Town of Stonewall and thirteen rural municipalities: Cartier, East St. Paul, Headingley, Macdonald, Ritchot, Rockwood, Rosser, St. Andrews, St. Clements, St. François-Xavier, Springfield, Taché, and West St. Paul. It is called a region because of the shared interests of the municipalities in the sustainable future of its communities, economy, environment and natural and human resources.

After considering all aspects of this proposed by-law, and after considering the conditions of approval of the Minister of Intergovernmental Affairs, the Executive Policy Committee recommends:

I. That By-law No. 7630/2000, which was granted first reading on May 11, 2000 and second reading on October 25, 2000, be amended in accordance with the list of amendments set forth in Appendix "A", as requested by the Minister of Intergovernmental Affairs in her letter of September 21, 2001, and outlined on Appendix "B".

II. That By-law No. 7630/2000, as amended, be given third reading.

III. That two certified copies of By-law No 7630/2000, as amended, be forwarded to the Minister of Intergovernmental Affairs in accordance with *The City of Winnipeg Act* section 581 (5).

IV. That Council consider amending Plan Winnipeg within two years of third reading of the by-law by including a Policy Plate, with accompanying text in Policy 5C-04, that designates natural areas that are environmentally-sensitive or significant, as requested by the Minister of Intergovernmental Affairs in her letter of September 21, 2001, and outlined on Appendix "B".

Report of the Executive Policy Committee dated December 5, 2001

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

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

Adopted by consent.

2002 License Fees for Mobile Homes
File EL-8 (Vol. 4)

84 - 3. The Executive Policy Committee has been advised that Council must approve amendments to By-law No. 821/74.

On June 19, 1991, Council adopted the recommendations of the Committee on Finance and Administration regarding the system of taxing mobile homes. These recommendations also included the method of annually updating mobile home license fees for future years. In the years following, Council was requested to approve an increase when any one of the variables used in the Council stipulated method of calculation resulted in a material change in the revenue base for the City. In 2001, no increase to the mobile homes license fee occurred as the annual increase per mobile homeowner was only twelve cents (.04%) and therefore was considered immaterial. The range of increase since 1994 is shown below:

1994	1.2%
1995	2.3%
1996	2.5%
1997	0.9%
1998	2.3%
1999	1.5%
2000	1.6%
2001	0%

The method of calculating the mobile home license fees is based on the following formula:

Assessed average square foot value x portion share for the class x average city wide mill rate for the prior year x square footage of the home.

Assessed average square foot value
The assessed market value of mobile homes is used to calculate the average square foot value. This assessment is determined by the Property Assessment Department using market sales and is revised with each general reassessment. The 2002 license fee is based on a reassessment value.

Portion share for the class
The 2002 portion percentage for the Residential 1 class of properties is 45%.

Average city wide mill rate for the prior year
An average of the general municipal mill rate, the education support mill rate and the average of all school division special levies for 2001. For purposes of calculating the 2002 license fee, the 2001 mill rates were recast using the projected 2002 reassessment roll.

Average square foot of the home
The total square feet of mobile homes divided by the number of mobile home units.

The license fees for mobile homes are to be adjusted by new assessment information while reflecting the change in the average city wide mill rate. Generally, mobile home fees are based on the prior year's mill rates and assessment values applied to the average square foot value in effect until the next general reassessment is done by the Property Assessment Department. However, as 2002 is a reassessment year, the 2002 license fee was based on a new reassessment value and recast 2001 city wide mill rates (using a projected 2002 assessment roll).

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The recommended license fee for mobile homes for the 2002 fiscal year reflects an increase of 11.8% over the last approved license fee for 2000, an average of $4.62 per month ($55.44 per annum) for each mobile homeowner. Though the percent increase appears significant, consideration must be given to the fact that the 2000 fees were derived using the 1994 assessed market value of mobile homes. The increase in the 2002 mobile home reassessment value was 14.8%. The 2002 license fee increase was not as great due to the recasting of the 2001 mill rates and the 2001 municipal tax decrease.

For 2002 the average mobile home size has increased to 900 square feet from 800 square feet used in prior years. Based on the 606 mobile homes currently being licensed, the proposed fees should generate approximately $7,300 greater than the anticipated 2002 revenues, as outlined on Appendix "A".

The Executive Policy Committee recommends:

I. That Council amend By-law No. 821/74 by repealing Schedule "A" and substituting the following schedule for mobile home monthly fees effective January 1, 2002:

LICENSE FEES FOR MOBILE HOMES		
Size of Mobile House (Based on exterior dimensions)	Current 2000 Monthly Fee	Proposed 2002 Monthly Fee
(a) 400 square feet or less	$17.51	$19.58
(b) Each additional 100 square feet or part thereof	$ 4.38	$ 4.89

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

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

Adopted by consent.

Universal Design Policy
File CR-3 (Vol. 5)

85 - 4. The Executive Policy Committee has been advised that the Access Advisory Committee (AAC) has been requested by the Mayor's office to research and provide feedback on a Draft Universal Design Policy written by a community group, the Inter-organizational Access Committee (IOAC). The AAC has worked in cooperation with the community, the Chief Administrative Officer's office and key departments to further develop the existing report and consider the implications to the city. The AAC and administration have developed revised recommendations towards a strong overall policy for Universal Design. If Winnipeg's City Council accepts Universal Design as a proactive approach to doing city business, this policy would be the first of its kind in Canada.

Many civic facilities were built in the 1960's and 1970's, prior to barrier free building code. It has been expensive for the city to retrofit all its buildings to bring them up to current barrier free standards. The Public Works and the Planning, Property and Development Departments have established a plan to prioritize remaining identified structures that require access issues be addressed. The City of Winnipeg receives numerous requests from the community to ensure not only buildings and landscaping are safe and accessible, but also information, communications and services. Recognizing the proactive approach the city is taking in the area of barrier free design, but being cognisant of the expense, the AAC along side the Inter-organizational Access Committee has determined future major renovations and new projects should be viewed using a perspective of Universal Design.

In 1998, Winnipeg Development Agreement Program 5C funded a project which allowed an outside organization to audit the civic properties defined by the Centre Plan boarders for accessibility. This was done under the supervision and guidance of the AAC. One recommendation from this audit was that the City of Winnipeg adopt a policy on Universal Design.

The citizens of Winnipeg have a variety of different abilities, strengths, heights, etc. and this should not exclude or segregate anyone from participating in community life and accessing and using municipal services. Since 1999, significant effort by a number of people and organizations has gone into the development of a Universal Design Policy ranging from the formulation of a proposed Universal Design by-law by the Inter-Organizational Access Committee, through to input from the Mayor and Chief Administrative Officer. Over the past year, the Access Advisory Committee has been working with a Technical Steering Committee comprised of: the Directors of Public Works, Planning, Property and Development, Winnipeg Transit and the Corporate Services Equity and Diversity

Report of the Executive Policy Committee dated December 5, 2001

Coordinator. Its purpose has been to balance the needs of the community with the realities of civic government not only with respect to available resources but also as to how the city conducts business. Following this we consulted with divisional management and their response has been favourable. All input from the administration and the community has been considered and built into the Access Advisory Committee's recommendations. The goal of this policy is to have a city that is inclusive, comfortable and attractive for everyone.

Participation provides a vehicle to define the population, collect relevant information, open lines of communication and to share decision-making. Through the consultation and development process of the Universal Design Policy, the AAC has recognized the value of a cross disciplinary approach including participation by all stakeholders. With that in mind, the Access Advisory Committee seeks to continue the momentum of systems collaboration. The Universal Design interdepartmental implementation team established by the Chief Administrative Officer would preserve the proactive, inclusive approach to design and decision making which is inherent in the concept of Universal Design. Because Universal Design can be applied not only to environments and buildings, but also to systems, information, products and services, a comprehensive plan will be necessary. This team will continue to enhance strategies for moving this document from policy into practice in a timely and cost effective manner.

By December 2002, a completed progress report should be submitted to the Executive Policy Committee by the Universal Design interdepartmental implementation team. This will assist the Access Advisory Committee under their mandate to keep Council informed on the progress of accessibility issues within The City of Winnipeg through the Universal Design Policy.

On November 14, 2001, the Executive Policy Committee laid the matter over for 30 days.

The Executive Policy Committee recommends:

I. That City Council adopt the Universal Design Policy for The City of Winnipeg as recommended by the Access Advisory Committee and outlined on Appendix "B".

II. That the Chief Administrative Officer establish an Interdepartmental Implementation Team to manage the implementation of this policy.

III. That the Interdepartmental Implementation Team provide a Universal Design progress report to Executive Policy Committee by December 2002.

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

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Appointment of Council Members to the Winnipeg Public Library Board
File L-11 (Vol. 14), GC-7 (Vol. 31)

86 - 5. Council at its Organizational Meeting held on November 7, 2001, referred the recommendation for appointment of six (6) citizen members to the Selection Committee and the recommendation for the appointment of Council Members to the Winnipeg Public Library Board, to the Standing Policy Committee on Protection and Community Services.

On November 26, 2001, the Standing Policy Committee on Protection and Community Services considered the above-noted matter and passed the following motion, namely:-

"That Councillor Steek be recommended for appointment to the Winnipeg Public Library Board as the representative from the Standing Policy Committee on Protection and Community Services, and that Councillor Thomas be recommended for appointment to the Winnipeg Public Library Board as the Council member-at-large, and forwarded to the Executive Policy Committee."

Report of the Executive Policy Committee dated December 5, 2001

The Executive Policy Committee concurs in the recommendations of the Standing Policy Committee on Protection and Community Services and recommends:

I. That Councillor Steek be appointed to The Winnipeg Public Library Board in accordance with Section 4(2)(ii) of By-law No. 6946/96 as the representative from the Standing Policy Committee on Protection and Community Services.

II. That Deputy Mayor Thomas be appointed to The Winnipeg Public Library Board in accordance with Section 4(2)(i) of By-law No. 6946/96, as the Councillor representative for the City-at-large.

Adopted by consent.

Appointment of City Representative to the Convention Centre Corporation
Files GC-7 (Vol. 31), G-1 (Vol. 3)

87 - 6. On December 5, 2001, the Executive Policy Committee passed the following motion, namely:

"WHEREAS Keith Dowdall, Director of Corporate Finance, has retired from the City of Winnipeg, leaving an administrative vacancy as the City's representative on The Convention Centre Corporation;

THEREFORE BE IT RESOLVED that Mr. Ernie Gilroy, Manager of Executive Policy Committee Secretariat be appointed as the City's representative on The Convention Centre Corporation;"

and submits same to Council for approval.

Adopted by consent.

Appointments to the Civic Environmental Committee
Files GC-7 (Vol. 31), E (Vol. 4)

88 - 7. On December 5, 2001, the Executive Policy Committee passed the following motion, namely:

WHEREAS on July 18, 2001, Council approved the establishment of a Civic Environmental Committee;

AND WHEREAS on November 7, 2001, Council at its Organizational Meeting appointed Councillor Gord Steeves as the Council representative on this committee;

AND WHEREAS applications for citizen members to participate on the Civic Environmental Committee closed on Friday, November 9, 2001;

AND WHEREAS an evaluation committee comprised of Andrew Cowan, Environmental Coordinator of the City of Winnipeg, Jane Maslowski , Executive Director of Manitoba Environmental Industries Association and Anne Lindsey, Executive Director of the Manitoba Eco-network was established to review the applications and recommend potential candidates for appointment to the Civic Environmental Committee which has now been completed;

THEREFORE BE IT RESOLVED THAT the following persons be appointed to the Civic Environmental Committee for a one year term to expire on December 31, 2002, namely:

Doug Johnson	*Rodney MacDonald*
Michele Kading	*Toby Maloney*
Ken Klassen	*Ken McKinnon*
Kelly Kuryk	*Terri Willard*

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AND BE IT FURTHER RESOLVED THAT Councillor Gord Steeves be appointed as Chairperson of the Civic Environmental Committee for the one year term;

and submits same to Council for approval.

Adopted by consent.

Request for a By-law to Allow for Capital Expenditures relating to Preliminary Engineering and Design and Tender Preparation Services
Files FC, F-1 (Vol. 16)

89 - 8. On December 5, 2001, the Executive Policy Committee passed the following motion, namely:

WHEREAS earlier tendering of capital construction projects would allow earlier construction starts and minimize public inconvenience and traffic congestion;

AND WHEREAS an earlier start in the construction season makes better use of resources of the construction industry;

AND WHEREAS earlier tendering sometimes requires commencement of design in the fall of the preceding year;

THEREFORE BE IT RESOLVED that Council enact a by-law to allow for capital expenditures relating to preliminary engineering and design and tender preparation services of up to 10% of capital funds prior to budget adoption and that the Proper Officers of the City do all things necessary to implement the foregoing;

and submits same to Council for approval.

Adopted by consent.

Tax Credit to Standard Aero – "Project Lighthouse"
File FI-1.2 (Vol. 1)

90 - 9. The Executive Policy Committee has been advised that Standard Aero Limited wishes to expand its operations onto adjoining lands managed by the Winnipeg Airports Authority and adjacent to Standard's properties at 1925 Sargent Avenue. Standard Aero will be making a very significant financial investment in this project and for this reason has requested the support of all three levels of government.

The City of Winnipeg considers support to such a venture as a strategic, long-term economic development investment in Winnipeg's economy, particularly in the aerospace industry, which is one of Winnipeg's key economic sectors. The project in question meets the necessary criteria as laid out in the City's Homegrown Economic Development Strategy.

In the spring of 2001, the City of Winnipeg was informed by officials of Standard Aero that they were bidding on a lucrative yet confidential contract. If Standard Aero were to receive the contract, Standard Aero Winnipeg would be competing with other Standard facilities in the United States for it. If the Winnipeg plant received the contract work, Standard would require assistance from the City of Winnipeg to help offset their estimated investment of $91.9 million in building and equipment costs.

In correspondence dated September 13, Standard Aero President Paul Soubry indicated that Standard Winnipeg had reached a contractual agreement with General Electric and would therefore be developing a new state of the art Engine Maintenance Facility. He indicated that Standard will be investing over $91.9 million in building (approximately 120,000 square feet) and equipment over 10 years, and that this venture is expected to create over 484 new, high-paying technical and skilled positions over those 10 years.

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Standard's official request in this letter was for $2 million in tax credits and for the land currently managed by the WAA and owned by the Federal Government. Standard also indicated separately that they required access to an easement owned by the City that had been identified in planning documents as a possible point of expansion for Ferry Road.

1. Proposal

The capital expenditure undertaken by Standard for this expansion is projected to be $56 million in 2001, with the overall expected capital expenditure over the first nine years of the project to be $91.9 million in building(s) and equipment.

The first phase of the project would involve a 40,000 square foot building. A proposed second phase (year five) expansion would increase this to 120,000 square feet.

Job creation is estimated at a minimum of 484 over the first nine years.

2. Support Principles

- The tax credit is in line with other economic incentive precedents in that it is based on a grant to the company accumulated by calculating the total value of their incremental municipal and business taxes on the project in question.
- The incentive provided reflects the strategic importance of the aerospace industry to Winnipeg's economy and is commensurate with the guidelines outlined in the Council-adopted Homegrown Economic Development Strategy.

- Funds approved by Council would be sourced by the City of Winnipeg in a designated account to pay down actual charges (e.g. property and business taxes).

- Under the first phase of construction of this project, Standard's municipal and business taxes will increase by approximately $84,879.00 annually, which is an increase of 28 percent over current levels. If they were to proceed to construct Phase Two of the expansion, their taxes would rise by a further $174,880.00.

Other government support of the Standard Aero expansion is another important fundamental component of the project. The Province has been asked to provide approximately $4 million in training support and $13 million in a repayable, low interest loan. Similarly, Standard has requested the following from the Federal Government: $2.2 million in training, $2 million for equipment, and $10 million in the form of a Technology Partnerships Canada (TPC) loan.

3. Conditions of Support

That an agreement between the City of Winnipeg and Standard Aero for purposes of supporting the expansion of their operations be finalized by the Chief Administrative Officer, subject to the following conditions:

a) That Standard Aero reach an agreement with the Winnipeg Airports Authority/Transport Canada re. the properties in question;

b) The Standard Aero facility to be developed on the attached Schedule "A";

c) That Standard Aero establish and at all times maintain and operate the project in accordance with all laws, bylaws, directions, rules and regulations and obtain any and all necessary permits and licenses of any federal, municipal or provincial authority having jurisdiction as may be required to construct and operate the project;

d) That property taxes are paid in full when due for each taxation year;

e) That, should Standard Aero not proceed beyond the first phase of the project, that the additional phase two grant not be given to them;

f) Any such other terms and conditions as deemed necessary by the City Solicitor/Manager of Legal Services for the purposes of implementing the intent of Council.

Report of the Executive Policy Committee dated December 5, 2001

4. Benefits of the Proposal

a) It is estimated that the City of Winnipeg's increased annual revenues due to the project will be as follows:

- Phase one incremental municipal and business taxes of $84,879 annually (years one through four);
- Phase two incremental municipal and business taxes of $259,759 above 2000 levels (years five through nine);

b) The creation of at least 484 high-paying technical and skilled positions;

c) This project will serve as a significant long-term, strategic investment in Winnipeg's and Manitoba's economy, particularly in the aerospace industry, which is a key economic sector.

The Financial Impact associated with this proposal is outlined on Appendix "A".

The Executive Policy Committee recommends:

I. That City Council approve the following recommendation as it pertains to a proposed agreement between the City of Winnipeg and Standard Aero Limited with regard to the latter's request for tax credits arising out of its future expansion adjacent to its current facilities.

- That an investment credit in the amount of $1,638,311 be made available to Standard Aero ($339,516 over the first four years, and an additional $1,298,795 if they proceed with phase two of the development);

- That Standard Aero be given access/ownership to/of the portion of land immediately to the east of the site (Sargent at Ferry Road) that is designated as an allowance for the possible future expansion of Ferry Road, with the understanding that Standard Aero will have to sign an easement agreement with the City for this to be realized;

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.

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED DECEMBER 12, 2001

On motion of His Worship Mayor Murray, the rule was suspended and the Report of the Executive Policy Committee, dated December 12, 2001, was considered clause by clause.

St. Vital Perimeter South Hydrogeological Assessment
File WW-3.3 (Vol. 4)

91 - 1. The Standing Policy Committee on Public Works was advised that in June, 1979 Council adopted By-law No. 1735/77: St. Vital Perimeter South Area Action Plan. Subsequently, the Standing Policy Committee on Public Works requested a report on the need for a hydrogeological assessment in St. Vital south of the perimeter.

The issue of ground water availability and quantity in St. Vital Perimeter South is a well-documented concern of area residents, provincial water resource officials and the City. It was reported in a Provincial report in 1975, "Based on the available information it appears that there is danger that intensive urban expansion in the South St. Vital – Northern RM of Ritchot area using groundwater may cause salt-water encroachment into the present fresh-water area." Little scientific study has taken place since 1975 to clarify the aquifer characteristics. The City has made requests of the Province to conduct a detailed aquifer study, however, to-date such a study has never been completed.

The St. Vital Perimeter South area is the area within the City of Winnipeg south of the Perimeter Highway and east of the Red River. While the City has authority over planning for this area, the Province has jurisdiction over protection of groundwater in Manitoba. However, the Province does not require a license for domestic wells for residential dwellings. The number of future wells is proportional to future residential development and as the City has control over the number of properties that will be developed. The Province has taken the position that it is the City's responsibility to ensure that the level of development that may be permitted will not jeopardize the groundwater aquifer quality. Because the domestic wells are private, the homeowner is responsible for ensuring the water is safe for drinking purposes.

The concern to the City is that a number of small subdivision applications (typically 6 to 12 lots, a few times per year) are being made without a complete assessment of the aquifer hydrology and consideration for cumulative effects. Development proponents in the past have been requested to assess the groundwater affects of a possible subdivision proposal. The engineering reports have indicated minimal effects however; the conclusions are based on a theoretical analysis without a field-testing program, and consider only the impacts of the development under immediate consideration. The question of how many wells will the area sustain considering the cumulative effects of area wide development has not been addressed. The consequence of allowing continued development is that the aquifer may be contaminated with salty water. Should the potable drinking water wells east of the Red River become contaminated with salty water, the City may then be required to install a piped water system, or the area residents may be required to haul in potable water.

It is recommended that the City proceed with a groundwater study as a new Capital project. The purpose of the study is to perform a hydrogeological assessment of the aquifer in St. Vital Perimeter South to address the impact of future development on the aquifer's sustainability. The engineering study will be highly technical in nature. Existing well logs in the area will be reviewed, monitoring wells will be installed for data collection, a pump test will be performed and a computer model will be constructed and calibrated with this field data. The model will then used to simulate the water demands associated with future development in the area to provide a recommendation as to the aquifer sustainable yield and the corresponding allowable development density.

The benefits of conducting this study are:

- A planning tool will be developed to aid in future development options for the area, in respect of groundwater availability and protection.

- More information will be developed to base decisions concerning the appropriateness of 2 acre residential subdivisions in the portion of the neighbourhood west of St. Mary's Rd and 5 acre east of St Mary's Rd. The Area Action Plan By-law No. 1735/77 is currently under review.

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The terms of reference for the study would also consider cost recovery through a development charge that could be levied on new developments. As existing lots would not be subject to a charge, the consultant would be asked to project the total potential recovery and the timing of recoveries.

The Property, Planning and Development Department was consulted and concurs with the need to conduct this study.

The need for the study is directly attributed to development within the St. Vital Perimeter South area and therefore should be supported appropriately. The Planning & Land Use Division of the Planning, Property and Development Department has advised that their consulting budget has been exhausted for 2001 and significant demands have been made regarding the proposed 2002 consulting budget. Any further commitment to finance the proposed St. Vital Perimeter South Hydrogeological Assessment cannot be made at this time. Homeowners serviced by private wells do not contribute revenue to the Water Utility, therefore, the Utility can not recover the cost of the study from those directly benefiting from the study.

The Water and Waste Department is prepared to provide project management services and engineering expertise to administer the project and provide technical direction. The Department has significant experience in dealing with highly technical studies and administering engineering services. The Planning, Property and Development Department may do additional public information outside of the scope of the study work as their contribution.

The financial impact for this project is outlined on Appendix “A”.

The Standing Policy Committee on Public Works concurred in the recommendations contained in the report dated October 15, 2001, from the Director of Water and Waste, namely:

1. That the St. Vital Perimeter South Hydrogeological Assessment at an estimated cost of $120,000.00 be approved in principle as a new Capital Project.

2. That funding for this project be referred to the Capital Budget process with a request that the funding be included in 2002;

and referred the matter to the Standing Committee on Fiscal Issues to identify funding sources.

On November 14, 2001, the Executive Policy Committee considered the November 14, 2001 recommendation of the Standing Policy Committee on Public Works and referred the matter to the Standing Committee on Fiscal Issues to identify funding sources.

On December 6, 2001, the Standing Committee on Fiscal Issues considered the matter and passed the following motion, namely:

THAT the recommendations contained in the report dated October 15, 2001, from the Director of Water and Waste be concurred in and forwarded to the Executive Policy Committee.

On December 12, 2001, the Executive Policy Committee concurred in the motions passed by the Standing Committee on Fiscal Issues and recommends that the recommendations contained in the report dated October 15, 2001, from the Director of Water and Waste be concurred in and forwarded to Council, namely:-

I. That the St. Vital Perimeter South Hydrogeological Assessment at an estimated cost of $120,000.00 be approved in principle as a new Capital Project.

II. That funding for this project be referred to the Capital Budget process with a request that the funding be included in 2002;

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Report of the Executive Policy Committee dated December 12, 2001

Installation of Stone Revetment on Lake 5-19 Island Lakes and Amendment to Stormwater Retention Basin Design Standards

File WS-5.2 (Vol. 9)

92 - 2. On July 22, 1993, City Council directed that the City implement a revised set of design standards specified in the Stormwater Retention Basin Review Study. Among other things, the new standards allowed for sodding the private property shoreline of impoundments as an alternative to stone revetment.

In 1994, Lake 5-19 in Island Lakes was constructed with sod on the private property shoreline. Stone revetment was installed on the public shoreline of the lake.

On November 10, 2000, the Island Lakes Resident's Group Inc., wrote to the Ward Councillor expressing concern with the amount of erosion that is occurring on the private property shoreline of Lake 5-19 in Island Lakes.

On April 25, 2001, City Council adopted new Criteria for Stormwater Management.

The decision to allow sodding to the water's edge of stormwater retention basins (SRB's) in the 1993 adopted design standards was premised on a consideration that not all persons with properties abutting SRB's want stone revetment on their shoreline. Historically property owners have replaced or added to the City standard stone revetment shoreline protection with a mix of treatments ranging from stone/rock revetment, sand beaches, and wood/timber or interlocking stone cribs. Other property owners have also allowed willows or bulrushes to thrive at the water's edge adjoining their properties for a naturalized setting. The alternative to allow sodding in the 1993 standard was intended to be an interim slope protection measure until the homeowner proceeded with their own preferred shoreline treatment. It was not envisioned that sodding would provide the same level of erosion protection as stone revetment, but that it would be sufficient on an interim basis until the property owner instituted their own private individualized treatment.

Lake 5-19 is the third and final lake to be constructed in Island Lakes. The two other lakes were constructed prior to 1993 and have full stone revetment around their periphery. Lake 5-19 has a unique set of circumstances that led to its current development configuration and features. This lake was constructed at a time when the department was in transition from the previous to the current retention basin standards. The Developer had actually gained City approval to construct this lake in 1987 under the previous standards, but did not proceed with the construction until 1994, when the new standards were in place. The Developer was subsequently requested to comply with the new standard that required excavating the lake to a depth of 2.5 metres to meet the new standard instead of to 1.5 metres per the previous standard. The additional depth was identified through department studies as being beneficial in reducing emergent weed and algae growth in the SRB's. According to the Developer, the additional excavation added significantly to the cost of the lake. The Developer agreed to the increased depth, but also chose to substitute sodding as slope protection on the private properties as permitted by the new standard. Stone revetment was installed on the public portion of the shoreline to meet safety criteria, and to ensure long-term erosion protection.

The residents around Lake 5-19 claim they were never apprised that they would not be getting stone revetment at some time in the future. We are not aware of any formal notification by the City to the Developer advising him that sodding the private property shoreline was considered to be an interim measure, and that ultimately, the property owners would be obliged to enhance erosion protection on their private properties to their own individual tastes and requirements. It is also apparent that the Developer and the house builders did not communicate this requirement to the property owners. Many residents still firmly believe that they would be receiving, and are entitled to, stone revetment similar to that which was installed on the first two lakes in Island Lakes. However, the City did not at any time indicate to residents that the City would install stone revetment, and that the "buyer beware" principle would put the onus on the buyer to clarify the assumption.

In addition to the sod shoreline treatment and lake depth, the new standards adopted in 1993 included that the adjacent private properties extend 2.5 metres (horizontally measured) into the water when the water was at normal summer water level. This results in water being stored partly on the private property. Under these circumstances, the property owners would normally know that they are required to store some water on their land when they purchase the property. The new property line standard was not incorporated into SRB 5-19 as the legal plans for the subdivision, including the SRB, were completed and registered in the 1980's before the revised standard was adopted. Instead, the lake geometry is to the previous standard such that the rear property line of the private lots is coincident with the normal summer water level and, as erosion occurs, the edge of the normal water level extends into the private property. The private property owners abutting Lake 5-19 have pointed this out as a concern.

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Six other stormwater retention basins have been constructed in Winnipeg since 1993 without stone revetment on the private property shoreline as outlined on Figure 1. Other lakes constructed since 1993 without stone revetment are experiencing erosion characteristics similar to that taking place at Lake 5-19**.** Three of these lakes are in industrial settings and no alternative shoreline treatments have been applied. As these lakes are in industrial areas, with one having no development on abutting property, similar concerns with shoreline erosion have not been expressed on two of the SRB's. However, they might represent a future financial obligation for the City if the adjoining property owners complain. Private property owners in the residential areas have already applied their own treatments to private shorelines of lakes constructed in Royalwood, Lindenwoods and Eaglemere. The lake in Eaglemere is a good example of a mature lake constructed to the 1993 standard without stone revetment on the private property shoreline. It appears that the residents have generally accepted their responsibility for maintenance of their shoreline in these lakes. We have not yet received complaints from private property owners on the other two lakes in Royalwood and Lindenwoods albeit the surrounding properties are only partially developed at this time. The developers involved in these areas are not the same developer as Island lakes. The estimated cost to install stone revetment on the private property shorelines of these three residential SRB's has been estimated at $200,000.00 should it be necessary in the future.

Options for dealing with the failing shoreline protection on private properties around Lake 5-19 are as follows:

1. Advise the private property owners that it is their responsibility to deal with the shoreline erosion on their own properties as the City does not construct protection on private lands around SRB's.

2. Undertake the installation of stone revetment on all of the private property shoreline of Lake 5-19 at an estimated cost of $150,000.00. (While funds are available in the Impoundment Shoreline Replacement/Upgrading Account No. 03 118xxx 52xx0807xx, the Department has a prioritized list of retention basins requiring shoreline work. Reallocating these funds to install stone revetment at Lake 5-19 will result in deferral of work elsewhere.)

3. Install stone revetment on private property around the portion of the SRB which are currently occupied or where properties have been sold by the Developer for private interests. Portions of the south-west shoreline are still in the ownership of the Developer, hence the Developer would be advised to ensure that prospective purchasers are informed that installation of stone revetment is not included with the lot. The estimated cost to undertake the work along the reduced shoreline perimeter is $120,000.00.

In the event City Council approves proceeding with the project, the water level in Lake 5-19 will be lowered in November, 2001 to allow for the tendering and installation of the stone revetment in January / February 2002.

The department is recommending that previous approval to allow the installation of sod slope protection on private lots abutting SRB's only be allowed when the developer demonstrates how the future property owners obligation for SRB slope protection will be communicated. On April 25, 2001, City Council adopted new Criteria for Stormwater Management, which included the option of utilizing sod or naturalized shorelines on private properties. Through the review process provided in these Criteria, a developer proposing the use of sod, or some other treatment, would be required to propose a mechanism to apprise property owners of their future obligations for slope protection.

The financial status of the Impoundment Shoreline Replacement/Upgrading Program as of October 19, 2001, is as follows:

Funds Available		$433,661.65
Funds to be Committed for 2002 Construction		
Lake 4-12 Callsbeck slope failure	$169,860.00	
Lake 5-10 Southdale gate chamber	$80,000.00	
Sub-total	$249,860.00	
Lake 5-19 Island Lakes revetment (subject to approval)	$150,000.00	
Total Expenditure	$399,860.00	$399,860.00
Estimated Surplus		$33,801.65

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City Council approval is required to amend the stormwater retention basin standard.

The Financial Impact Statement is outlined on Appendix "A".

On November 20, 2001, the Standing Policy Committee on Public Works considered a report dated November 7, 2001, from the Director of Water and Waste, and passed the following motion, namely:

"THAT the recommendation not be concurred in;

AND THAT the matter be referred to the Executive Policy Committee and the Standing Committee on Fiscal Issues to identify approximately $500,000.00 in funding from the 2002 Capital Budget in order to undertake the installation of stone revetment on the remaining six stormwater retention basins that were constructed prior to the 1993 stormwater management standards;

AND FURTHER THAT the Water and Waste Department prepare a prioritized list of the retention basins requiring shoreline work."

On November 28, 2001, the Executive Policy Committee considered the November 20, 2001 recommendation of the Standing Policy Committee on Public Works, and referred the matter to the Standing Committee on Fiscal Issues requesting the Director of Water and Waste to prepare a report on the retention basins requiring shoreline work, on a prioritized basis.

On December 6, 2001, the Standing Committee on Fiscal Issues considered the matter and passed the following motion, namely:

"WHEREAS the City adopted new stormwater retention basin standards in July 1993 that allowed sodding as an alternative to stone revetment on the private property shoreline of stormwater retention basins;

AND WHEREAS Lake 5-19 in Island Lakes was the second stormwater retention basin constructed to the new standard;

AND WHEREAS Lake 5-19 is the third and only stormwater retention basin constructed in Island Lakes without stone revetment around the entire private property shoreline;

AND WHEREAS the sodded private property shoreline of Lake 5-19 is eroding causing private property damage;

AND WHEREAS the residents abutting Lake 5-19 in Island Lakes claim that they have never been advised that their private property shoreline would not be improved with stone revetment or that shoreline treatment would be required to prevent erosion;

AND WHEREAS the City did not inform the residents or require the developer to inform the residents that their private property shoreline would not be improved with stone revetment or that shoreline treatment would be required to prevent erosion;

AND WHEREAS five other stormwater retention basins have been constructed in the City without stone revetment on the abutting private property shoreline;

AND WHEREAS property owners abutting these lakes have been generally notified of the change in standards, and that no complaints about erosion have been received at these other locations to date;

AND WHEREAS the funding provided by the approved capital program entitled "Impoundment Shoreline Replacement/Upgrading" is normally utilized for undertaking repairs or improvements on public shorelines of existing stormwater retention basins;

THEREFORE BE IT RESOLVED that on a one-time only basis, the Administration be authorized to proceed with the installation of stone revetment on the shoreline of private property around Lake 5-19 in Island Lakes, excluding those lands still held by the developer, using $120,000 in approved cash flow forecasted Capital Funds from the Impoundment Shoreline Replacement/Upgrading Project Account 03 118xxx 52xx0807xx, and that this matter be referred to Council for approval;

and forwarded to Executive Policy Committee."

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On December 6, 2001, the Standing Committee on Fiscal Issues also passed the following motion, namely:

"THAT the Administration be requested to amend, if necessary, the procedures utilized by the Administrative Coordinating Group in order to require that developers provide written notice to the property owners of their responsibility for their portion of the shoreline of stormwater retention basins."

On December 12, 2001, the Executive Policy Committee considered the matter, concurred in the motions passed by the Standing Committee on Fiscal Issues and the Standing Policy Committee on Public Works, and recommends:-

I. That on a one-time only basis, the Administration be authorized to proceed with the installation of stone revetment on the shoreline of private property around Lake 5-19 in Island Lakes, excluding those lands still held by the developer, using $120,000 in approved cash flow forecasted Capital Funds from the Impoundment Shoreline Replacement/Upgrading Project Account 03 118xxx 52xx0807xx, and that this matter be referred to Council for approval.

II. That the Administration be requested to amend, if necessary, the procedures utilized by the Administrative Coordinating Group in order to require that developers provide written notice to the property owners of their responsibility for their portion of the shoreline of stormwater retention basins."

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Utilization of the 2001 Forecasted General Revenue Fund Surplus
File F-1 (Vol. 6)

93 - 3. On December 6, 2001, the Standing Committee on Fiscal Issues passed the following motion, namely:

WHEREAS the City is forecasting a year-end General Revenue Fund surplus of $1.1 million for the fiscal year ending December 31, 2001, based on financial reports to October 31, 2001;

AND WHEREAS on July 18, 2001, Council approved the Canada/Manitoba/City Infrastructure Program for Waterfront Drive and directed the Standing Committee on Fiscal Issues to identify a funding source for this project. An amount of $2.331 million in funding for Waterfront Drive has already been identified by the Standing Committee on Fiscal Issues for a portion of the $3.232 million City share of this project, leaving a balance of $901,000.00 yet to be identified;

AND WHEREAS $200,000.00 was provided from the 2000 year-end surplus to the Winnipeg Arts Advisory Council for Downtown Festivals, and no funding has been provided in the 2002 current budget for this purpose;

AND WHEREAS $3.2 million was provided from the 2000 year-end surplus to fund the Economic Development Investment Reserve, the Heritage Investment Reserve and the Housing Rehabilitation Investment Reserve, and no funding has been provided in the 2002 current budget for this purpose;

THEREFORE BE IT RESOLVED that the Standing Committee on Fiscal Issues approve the following additional appropriations to be funded from the 2001 year-end surplus, namely:

Waterfront Drive	$756,000.00
Downtown Festivals Grant	200,000.00
Total	$956,000.00

and pursuant thereto recommend that the Executive Policy Committee approve a corresponding grant to the Winnipeg Arts Advisory Council in the amount of $200,000.00 for Downtown Festivals;

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AND FURTHER BE IT RESOLVED

I. That Council approve contributions in the amount of $1 million each to the Economic Development Investment Reserve, the Heritage Investment Reserve, and the Housing Rehabilitation Investment Reserve, to be funded from any further actual 2001 year-end surplus that may arise.

II. That in the event the 2001 year-end surplus is not sufficient for that purpose, the Standing Committee on Fiscal Issues be directed to identify a funding source.

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

and forwarded to Executive Policy Committee.

On December 12, 2001, the Executive Policy Committee concurred in the motion passed by the Standing Committee on Fiscal Issues and recommends:

I. That a grant in the amount of $200,000.00 be approved to the Winnipeg Arts Advisory Council for Downtown Festivals.

II. That Council approve contributions in the amount of $1 million each to the Economic Development Investment Reserve, the Heritage Investment Reserve, and the Housing Rehabilitation Investment Reserve, to be funded from any further actual 2001 year-end surplus that may arise.

III. That in the event the 2001 year-end surplus is not sufficient for that purpose, the Standing Committee on Fiscal Issues be directed to identify a funding source.

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Provincial Enforcement of the Smoking By-law No. 7870/20001
File EH-1.2 (Vol. 10)

94 - 4. On December 12, 2001, the Executive Policy Committee passed the following motion, namely:

WHEREAS The City of Winnipeg is committed to providing a smoke-free public environment for children;

AND WHEREAS The City of Winnipeg respects the authority and jurisdiction of the Provincial Government and implements provincial initiatives even when they have resource implications for the City;

AND WHEREAS the City of Winnipeg has the reasonable expectation that the Government of Manitoba, including its staff and agencies, respect and enforce, where applicable, the bylaws of the elected City government of the City of Winnipeg in the same manner that the provincial government expects municipal governments to respect and enforce provincial Highway Traffic Act regulations, environmental regulations and others that are enacted by the Provincial Government from time to time;

AND WHEREAS the Provincial Government has constitutional authority and responsibility for Health, Workplace Safety and the Environment as well as the revenues resulting from the sale of tobacco to properly legislate and enforce laws to protect Manitobans from the effects of environmental tobacco smoke in public places, bars and restaurants;

THEREFORE BE IT RESOLVED that the City of Winnipeg Council call on the Government of Manitoba to enforce the City's Smoking Regulation Bylaw in all areas of the City of Winnipeg where the provincial government has mandated authority and responsibility for the enforcement of health regulation issues;

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AND BE IT FURTHER RESOLVED that Winnipeg City Council call on the Provincial Government to bring forward and enact legislation during the 2002 session of the Legislative Assembly that would protect all Manitobans equally from the effects of environmental tobacco smoke;

and submits same to Council for approval.

For the information of Council, the Executive Policy Committee has requested the Chief Administrative Officer to prepare an analysis of civic authority in environmental health enforcement and options for ending the split jurisdiction in the area of environmental health enforcement between the City of Winnipeg and the Province of Manitoba.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Long-Term Funding Agreement between The City of Winnipeg (Fire Paramedic Services Department) and the Winnipeg Regional Health Authority
Files GF-1 (Vol. 19), GF-3 (Vol. 25)

95 - 5. The Executive Policy Committee has been advised that the City of Winnipeg currently provides paramedic services as an agent of the Province insofar as it is a service provider to the Winnipeg Regional Health Authority that has general responsibility for providing emergency medical response services. In the absence of a long-term funding commitment from the Province that is based on the principle of the equal sharing of costs in excess of user fee revenue, the City cannot afford to continue to provide paramedic services at acceptable levels, and must therefore reconsider the continuation of those services.

On October 29, 1997, City Council adopted Clause 1 of the Report of the Executive Policy Committee, dated October 24, 1997, with respect to George Cuff's recommendations and, subsequently, created the Fire and Paramedic Services Department by virtue of the City Organizational By-law passed by Council on March 25, 1998.

To date, the Fire and Paramedic Services Department has undertaken to integrate the administration of both services, but amalgamation and operational integration of the two services has not been initiated. Paramedic services are provided by the City under the terms of a funding agreement with the Winnipeg Regional Health Authority which agreement expires September 2003. The current funding agreement is for a fixed sum that reflects equal sharing of costs net of user fees, but does not contractually bind the Province to that principle.

The future cost of providing paramedic services is affected by a number of factors including, but not limited to, the cost of wage increases negotiated between the City and the Emergency Response Service Employee's Association (the "Association"). The absence of a long-term funding agreement that incorporates and contractually binds the Province to equal sharing of costs net of user fees, limits the City's ability to pay for negotiated wage increases and therefore, its ability to freely negotiate collective agreements that meet the interests and needs of the City and the Association.

The Executive Policy Committee recommends:

I. That City Council resolve that the operational amalgamation of the fire and paramedic services within the Fire Paramedic Services Department cannot proceed until such time as the Province commits to long-term funding of the paramedic service based on the principle of the equal sharing of costs in excess of user fee revenue.

II. That City Council direct the Fire and Paramedic Services Department to report and make recommendations on or before December 31, 2002 with respect to renewal of the existing funding agreement with the Winnipeg Regional Health Authority and the continuation of paramedic services currently provided by the City of Winnipeg.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

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Winnipeg Arts Advisory Council Administrator
File FG-3 (Vol. 43)

96 - 6. On December 12, 2001, the Executive Policy Committee passed the following motion, namely:

WHEREAS Billie Stewart, the current Winnipeg Arts Advisory Council Administrator will be retiring at the end of December, 2001;

THEREFORE BE IT RESOLVED THAT Andrew Wilhelm-Boyles be hired to replace Billie Stewart as the Winnipeg Arts Advisory Council Administrator for a one-year period from January 1, 2002 to December 31, 2002 at an annual salary of $55,000.00 and the Proper Officers of the City be authorized to do all things necessary to implement the necessary contractual agreement between the City of Winnipeg and Mr. Wilhelm-Boyles;

and submits same to Council for approval.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Request for a Heritage Conservation Tax Credit For The Grain Exchange Building, 167 Lombard Avenue
File GF-3.1.5 (Vol. 3)

97 - 7. On November 23, 2001, Marwest Developments Corporation made an application to the Planning, Property and Development Department for a Heritage Conservation Tax Credit (HCTC) under By-law No. 7155/98 for 167 Lombard Avenue, the Grain Exchange Building.

City Council retains sole responsibility for accepting or rejecting applications and for approving the amount of tax credit to be allocated to each authorized project.

On October 1, 1992, the City of Winnipeg, recognizing the major significance of this structure, listed the Grain Exchange Building, 167 Lombard Avenue on the Buildings Conservation List under the terms of the Historical Buildings By-law No. 1474/44 as a Grade II structure.

Having outgrown its previous home on Princess Street, in 1908 the Winnipeg Grain Exchange left its traditional location in Old Market Square and moved into its newly developed headquarters on Lombard Avenue. Over the next 30 years, the building grew to occupy a huge site within the Exchange District bounded by Lombard Avenue, Rorie Street and McDermot Avenue. This 10-storey office structure has a total floor area of 366,250 square feet and is the largest designated heritage office building in Winnipeg. Built of a steel and reinforced concrete frame, the elegant exterior is decorated in brick and stone capped by a metal cornice.

Early occupants of 167 Lombard included the Exchange's large trading floor and exporting, elevator, shipping, and other companies involved in operating or servicing the prairie grain trade. A greater mix of tenants moved in over the years as the grain industry consolidated and a government-sponsored marketing agency, the Canadian Wheat Board, took over some of the functions of the Exchange. The latter responded by diversifying into other agricultural commodities, gold, silver, and financial futures, and eventually was renamed the Winnipeg Commodity Exchange. After it, and associated enterprises relocated to the Commodity Exchange Tower at Portage and Main, 167 Lombard was left to establish a new niche within the office building market.

Previous Heritage Incentives:

The Grain Exchange Building has previously received two Heritage Incentive Grants as follows:

- Gail Parvin Hammerquist Fund- 1988 $25,000
  - Restoration of foyer entrance.

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- WDA 13 A- Phase 1 $78,000
  - Demolition / removal of materials
  - Restoration of ceiling and wall finishes / painting
  - Electrical lighting / epoxy terrazzo

Total Amount $103,000

The Heritage Conservation Tax Credit (HCTC) Program:

The HCTC incentive strategy was adopted by City Council in 1998 on a pilot basis for three years with a review during the third year. The purpose of the program was to assist a limited number of projects selected for their ability to:

- increase property assessment values; and
- fulfill functions not likely to be displaced from other parts of the city.

Another criteria that has been previously established by Council, is that heritage incentives should be used primarily for vacant or underutilized heritage buildings.

Council retains sole responsibility for accepting or rejecting applications and for setting the amount of tax credit to be allocated to each authorized project.

To date, Council has approved the following tax incentives under this program:

Building Name	Work	Amount of Incentive	Status
Former Free Press Building, 300 Carlton St.	exterior restoration	up to $400,000	work underway
Marshall Wells Building, 136 Market Avenue	interior upgrade	up to $3 million	work complete
Portage Village Inn, 311 Portage Ave. (A&B Sound)	interior upgrade	up to $835,000	work complete
146-164 Princess Street (Red River College)	downtown technical campus	up to $15 million	work underway
476 Main Street, J.H. Ashdown Hardware Store	commercial offices, studios, and artists live / work spaces	up to $1.715 million	work underway
222 Broadway, Hotel Fort Garry	interior upgrade	$2.68 million	work pending
500/504 Main Street, Union Bank Tower and Annex	restoration & rehabilitation	$2 million	work pending

The value of an approved tax credit may be up to 50% of the net private investment made in eligible work. This credit may be used at a recipient's discretion over a maximum 10-year period to reduce the property, business and, in specific circumstances, the amusement taxes levied by the City on the structure and its site.

Scope of Work:

The program is intended to support work that:

- conserves significant architectural or other heritage elements; and/or
- repairs and stabilizes City-designated structures;
- extends the life of such structures;
- rehabilitates space to meet contemporary requirements, but in the process makes minimal changes to a structure's historical integrity, including its defining design characteristics, site and environment.

Based upon the submitted Conservation Report, the applicant points out that they will be investing an estimated $11,300,000.00 to upgrade the Grain Exchange Building. The current vacancy rate is 30% (75,000 square feet) and may be increasing by another 10% (25,000 square feet) in the next 18 months subject to the approval of the HCTC (refer to the Marwest letter of November 26, 2001 outlined on Appendix "B"). The HCTC is needed to redevelop the existing premises to current state-of-the-art standards.

The work that they propose to do will ensure that the exterior architectural elements are repaired and have a long-term life expectancy. The interior work that they will undertake will also preserve early architectural elements that have been covered over by many years of renovation, thus bringing back to life early design features that have disappeared. The work proposed will make minimal impact on the historical integrity of the building.

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Eligible Work:

The applicants propose to implement a phased rehabilitation of the first four floors of the ten-story building and to stabilize and repair the exterior.

Phase One: 2001-2002

Exterior Work: Cost - $ 300,000

- Repair of the cornice and roof and replace main level windows:

Interior Work: Cost - $5,100,000

- Upgrade original building elements including staircase, washrooms and lobby ceilings;
- Upgrade interior base building for new tenant not including lighting fixtures, carpeting, wall finishes;
- New mechanical system including heating, air, plumbing (not including fixtures)
- New fire protection
- New electrical system

Phase Two: Summer 2003

Exterior Work: Cost - $ 800,000

- Exterior restoration and window upgrade

Phase Three: 2004

Interior work: Cost - $5,100,000

- Upgrade original building elements including staircase, washrooms and lobby ceilings;

- Upgrade interior base building for new tenant not including lighting fixtures, carpeting, wall finishes;
- New mechanical system including heating, air, plumbing (not including fixtures
- New fire protection
- New electrical system

Cost Summary	Project Cost	Eligible Cost
Phase One	$5,400,000	$2,300,000
Phase Two	$ 800,000	$ 800,000
Phase Three	$5,100,000	$2,000,000
TOTAL	$11,300,000	$5,100,000
Requested Heritage Conservation Tax Credit (at 50% max)		$2,550,000

Financial Impact:

The owners propose to invest a total of $11,300,000.00 in this project, and they are requesting an HCTC (municipal portion and eligible business taxes) for up to $2,550,000.00 over the ten year period of the Program. The administration is recommending a significantly smaller HCTC of a maximum $765,000.00 based upon three factors:

a) Our estimates of future municipal portion of property and eligible business taxes for the buildings and property, and,
b) The fact that the project will not clearly satisfy all of Council's established criteria for the Program, and,
c) The fact that the building is not primarily vacant nor underutilized with an approximate 70% occupancy rate. The owners have stated that this occupancy rate will drop to approximately 60% over the eighteen-month period subject to the HCTC.

In 2001, the total assessment for 167 Lombard was $5 million resulting in a total property tax levy of $255,227. The municipal portion of the property tax levy that would have been eligible for the HCTC was $104,873.00.

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Although Marwest Management Canada Ltd. has office space within 167 Lombard Avenue, the applicable portion of business taxes that may be considered under the HCTC is negligible (estimated at less than $600.00).

For 2002, the Property Assessment Department has assessed 167 Lombard Avenue at $9.6 million, resulting in an estimated $185,640.00 municipal portion of the total property tax levy that may be eligible for the HCTC.

The applicant is currently in the process of appealing the 2002 property assessment:

The applicant has stated that it has become increasingly difficult to lease out space within the building primarily due to its age and condition. The owner has proposed significant renovations to the building's first four floors to address this situation. Since the building's assessment is based upon the income approach, it is likely that the proposed renovations will contribute to increased net revenue, and therefore, a higher assessed value (and by extension higher property taxes) for the property.

However, it is unlikely that the building's assessed value, and the corresponding municipal portion of taxes will be increased to the point that the applicant could fully utilize anywhere near the HCTC that has been requested. The administration therefore bases its recommendations for an HCTC that is more reflective of the estimated ten-year municipal portion of the tax consequence for the building. This practice is consistent with other approved HCTC's including the recent Union Bank Tower project.

Furthermore, the administration is recommending to adjust the amount of the HCTC since the project will not fully achieve the Council established criteria for this program. Council was to select a limited number of projects under this program based upon their ability to:

- Increase property assessment values; and,
- Fulfill functions not likely to be displaced from other parts of the city, and,
- Bring back to life primarily underutilized or vacant heritage buildings

With regard to the second criteria, the administration has been advised that the Grain Exchange Building will be bringing in tenants that will represent an expansion of jobs and new incremental leased space within the City and the downtown, outlined as Appendix "C".

However, with regard to the first and third criteria, the Grain Exchange Building currently has an approximate 70 % occupancy rate (30% vacancy rate), and it is unlikely that as a result of the applicant's investment, that the assessed value of the structure, and surrounding properties will see an increase of any significance.

Based upon these factors, the administration is recommending an adjustment of the recommended HCTC based upon a formula as identified following. The calculation and the recommendation are based upon best known information.

HCTC Formula:

In advance of the mandated review of the HCTC Program that is currently being undertaken, the administration proposes a newly derived formula. The review of the HCTC Program will consider new policy and criteria for heritage incentives. In the interim, the proposed formula is based upon the current vacancy rates for the building.

The proposed formula is; the estimated HCTC ($2,550,000.00) based upon the eligible scope of work, multiplied by an adjustment based upon the vacancy rates (in this case, a 30% vacancy).

Therefore; $2,550,000.00 x 30% vacancy adjustment = $765,000.00 recommended HCTC.

If the property assessment (following appeal) as a result of these works remains at $9.6 million, with the municipal portion of property taxes estimated at $185,640.00 annually, the applicant would receive tax credits from the Program for approximately 4.1 years.

The administration is further recommending that the $765,000.00 HCTC be subject to the owner retaining and preserving original and significant heritage elements and material, as well as receiving all the necessary design approvals and development permits prior to construction.

The administration proposes that this formula is equitable, applicable, and defensible in that:

a) the applicant would receive an increased HCTC for greater expenditures in the eligible heritage conservation work; and,

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b) the applicant would receive an increased HCTC on a sliding scale for those properties with greater vacancy rates; and,
c) the formula is consistent with other HCTC recommendations / approvals, in that most of those projects were for vacant buildings (which would therefore receive all of the eligible credit).

Impact on City Finances:

Should Council approve the HCTC as recommended, unlike most other HCTC projects, the City will experience a real loss to its tax base in that the current municipal portion of property taxes paid by the applicant will no longer be received by the City (in 2001 this amount was $104,873.00 while in 2002 they have been estimated as $185,640.00).

Furthermore, because not all of the property taxes following renovation will be new (incremental) revenues to the City, the HCTC as recommended within this Report will directly impact on the ability of the Heritage Investment Reserve. Although the Reserve's Controller has confirmed that the Fund does have the capacity to accommodate this recommendation, it will take an extended period of time to restore the Fund's capacity as a result of this investment.

Having said this, the structure is a heritage landmark within the City, and a significant portion ($5,100,000.00) of the proposed $11,300,000.00 investment to this building will be for heritage conservation purposes. Moreover, much of this heritage investment by the owner will not result in their being able to charge their tenants with increased lease rates. However, this investment will improve the economic sustainability and extend the useful life of the structure.

The Executive Policy Committee recommends:

I. That City Council approve a Heritage Conservation Tax Credit to Marwest Management Canada Ltd. of up to $765,000.00 to undertake conservation and rehabilitation work on the Grain Exchange Building subject to the owner retaining and preserving original and significant material.

II. That the application for tax credits be approved subject to further approval by the Historic Winnipeg Advisory Committee and Downtown Design Board on the exact means for repairing the building's exterior deficiencies as outlined within Appendix "B", the applicant's November 2001 Conservation Report.

III. That no work may proceed without design / heritage approval and / or prior to the issuance of all necessary development permits.

IV. That Council approve the Heritage Investment Reserve as the source of the project funding, and that the necessary funds, as required, be identified within the current budgets of the Planning, Property and Development Department as line items to cover such support.

V. That the Chief Administrative Officer be authorized to finalize and approve the terms and conditions of all agreements required to implement matters as directed by Council.

VI. That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

EXECUTIVE POLICY COMMITTEE

MOTIONS

Moved by Councillor Lazarenko,
Seconded by Councillor Smith,

98 - WHEREAS the City's Audit Department has completed a preliminary draft report on property assessment functions, including both the Property Assessment Department and the Board of Revision;

AND WHEREAS the final report, likely to be tabled at the meeting of Council on January 30, 2002, will be lengthy and will contain some key recommendations;

THEREFORE BE IT RESOLVED that Council postpone any further appointments to the Board of Revision until after a full discussion and review of the Audit Department's report.

Carried.

Moved by Councillor Lazarenko,
Seconded by Councillor Smith,

99 - WHEREAS the November 2001 KGS Group final report, "Flood Protection Studies for Winnipeg" jointly funded by the federal and provincial governments and the City of Winnipeg, identifies an opportunity for the control of summer flood water levels in Winnipeg as "a desirable objective that would have value for the City";

AND WHEREAS the cost of summer flood water level control, in addition to spring flood protection, could range from $30 million to as much as $100 million depending on the acceptability of raising the water level at the Floodway Inlet above the "state-of-nature" and/or constructing special modifications to the existing Floodway or to an expanded Floodway;

THEREFORE BE IT RESOLVED that Council consider undertaking further study with its funding partners of the potential benefits of controlling summer flood water levels in Winnipeg in order to gauge whether the cost would be justifiable.

Automatic Referral to Executive Policy Committee in accordance with Rule 16.1 of the Procedure By-law

EXECUTIVE POLICY COMMITTEE

CONSIDERATION OF BY-LAWS

100 - On motion of His Worship Mayor Murray, By-law No. 7630/2000, as amended, a by-law of The City of Winnipeg setting out long-term plans, policies and proposals of the City respecting land use, development, transportation and measures to improve the physical, social, economic and environmental conditions in the City, was read a third time and was passed and ordered to be signed and sealed. File EP-1.1(PW) (Vol. 14)

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

By-law No. 7934/2001, a by-law of The City of Winnipeg to reactivate certain local improvements on Lavalee Road deferred by By-law No. 6857/96. File SL-3 (Vol. 15)

By-law No. 7940/2001, a by-law of The City of Winnipeg to amend By-law No. 821/74, being a by-law relating to mobile houses, tourist camps and trailer parks. File EL-8 (Vol. 4)

By-law No. 7941/2001, a by-law of The City of Winnipeg to provide for discounts where Realty or Business Taxes are prepaid. File FL-2.1 (Vol. 3)

Executive Policy Committee – Consideration of By-laws (continued)

By-law No. 7942/2001, a by-law of The City of Winnipeg to authorize the borrowing during the year 2002 of monies not exceeding the sum of $250,000,000.00 in aggregate for capital and current purposes, and to authorize the issuance and delivery of promissory notes as security for such borrowing.
File FC-2 (Vol. 18)

By-law No. 7943/2001, a by-law of The City of Winnipeg to establish a program of property tax assistance credits in the year 2002 to encourage and assist in the renovation of residential premises in the City of Winnipeg. File FL (Vol. 8)

By-law No. 7944/2001, a by-law of The City of Winnipeg to authorize the expenditure of certain monies before the adoption of the annual capital estimates. Files FC and FC-1 (Vol. 16)

EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

101 - In noting that His Worship Mayor Murray had been referenced as being supportive of a $70 million rapid transit investment, Councillor Steek questioned if that was prioritized above the infrastructure programs approved by Council, specifically the potential for a low grade separation along Kenaston Boulevard and Wilkes Avenue.

His Worship responded that he had always identified the transit corridor as a personal priority. He further noted that he supported the list of infrastructure projects which were passed by Council and submitted to the Provincial and Federal Governments for prioritization, one of which was the Kenaston Underpass project. He added that the Federal Government had recently announced a 2 billion additional infrastructure program, which would significantly increase the amount of money available to Winnipeg and increase the likelihood that more of the projects on the list would be realized. He also clarified that the revised transit proposal cost approximately 30 million and would provide a rapid transit corridor from downtown to Jubilee Avenue, with a separate bus lane on Pembina Highway from Jubilee Avenue to Pembina Highway.

Councillor Clement questioned if the Mayor had voted in favour of the underpass at Route 90, to which His Worship responded in the affirmative and advised that he continued to support and recognize the importance of the project.

Councillor Clement noted that Council had forwarded seven infrastructure projects, which were passed unanimously by Council, and asked His Worship to get a definitive answer from Honourable Ron Duhamel identifying the outstanding projects.

His Worship agreed to do so but stated that Council had previously passed resolutions that requested the Provincial and Federal Governments to go on record with their projects. He further advised that they had not yet been to the table to advise that they agreed with all seven, however, he indicated that with the new infrastructure money he was confident all seven of those projects would be undertaken.

In reference to recent railway discussions about the future of the CN Mainline in the southwest quadrant of the City, Councillor Clement asked His Worship to obtain written confirmation from the Canadian National or Canadian Pacific Railway advising what the current state of affairs is with those initiatives. His Worship agreed to do so.

Councillor De Smedt requested His Worship to provide a report that brings together the issues that he intends to advance which are important to Council politically.

His Worship noted that “Plan Winnipeg ….2020 Vision” prioritized and rated capital projects related to transportation and included the transit corridor and Kenaston underpass, among others, as part of a coherent transportation plan dealing with issues of modal split. He added that the document provided rationales related to compact land use development and zoning of corridors and that Council had been trying to implement that policy framework with those identified projects. He further noted that a review of the five year capital budget would show that relationship and included Dakota Street, St. Anne’s Road, and other important projects, within a five and 10 year cycle. His Worship concurred that with the adoption of Plan Winnipeg, an implementation committee would be a good idea and that Council should go back now to look at how the initiatives work together and set spending and project priorities with that focus.

Executive Policy Committee - Question Period (continued)

Councillor Steek asked the Mayor to convene a Council seminar to review the capital projects that fall under the infrastructure program one more time.

His Worship advised that a Capital Budget Seminar was scheduled for January but advised that he would not revisit the seven priorities inasmuch as he had been pushing hard to obtain approval for them.