Agenda - Executive Policy Committee - July 9, 2008

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

ADDENDUM REPORTS

Item No. 8 Vision and Master Plan for the "Health and Wellness Zone" associated with the Health Sciences Centre Complex – Economic Development Grant
(Point Douglas Ward)
File G-8

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That Council approve

1. An Economic Development Grant of up to a maximum of $170,000 to the Health Sciences Centre Foundation, for the preparation of a Vision and Master Plan for the proposed "Health and Wellness District" lands, subject to equal grants from the Province of Manitoba and the Government of Canada, and;

2. That the Director of Planning, Property, and Development, or his designate, be named the City representative on the Steering Committee responsible to guide the Vision and the Master Plan, and;

3. That the Chief Administrative Officer be authorized to finalize the terms and conditions of the Grant to the Health Sciences Centre Foundation as required to reflect the intent of Council, and;

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

RE: **PROPOSED VISION AND MASTER PLAN FOR THE "HEALTH AND WELLNESS ZONE" ASSOCIATED WITH THE HEALTH SCIENCES CENTRE COMPLEX.**

FOR SUBMISSION TO: **The Executive Policy Committee**

ORIGINAL REPORT SIGNED BY: **Director, Planning, Property, and Development**

REPORT DATE: **July 3, 2008**

RECOMMENDATION:
That Council approve,

1. An Economic Development Grant of up to a maximum of $170,000 to the Health Sciences Centre Foundation, for the preparation of a Vision and Master Plan for the proposed "Health and Wellness District" lands, subject to equal grants from the Province of Manitoba and the Government of Canada, and;
2. That the Director of Planning, Property, and Development, or his designate, be named the City representative on the Steering Committee responsible to guide the Vision and the Master Plan, and;
3. That the Chief Administrative Officer be authorized to finalize the terms and conditions of the Grant to the Health Sciences Centre Foundation as required to reflect the intent of Council, and;
4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report Summary

Key Issues:

- Biotechnology and health research has emerged as a key area of growth in the Winnipeg area.
- Winnipeg currently has the fifth largest biotech and health research cluster in Canada with thirty seven biotechnology companies as well as twenty research and development firms employing a total of approximately 3,500 staff.
- The Winnipeg Public Service recently completed the West Alexander and Centennial Neighbourhood Plan (Secondary Plan). The Plan promotes the concept of the creation of a "Health and Wellness District".
- Concurrent with that planning process, the HSC had facilitated a number of stakeholder meetings in the area in order to gain consensus as to the potential for a significant Public institution expansion in concert with private venture capital to create a 'Bio-Med' Zone to be developed within this neighbourhood.
- In order to accommodate this long term growth requirement of the HSC complex, as well as to capitalize on the economic development opportunity presented, the Secondary Plan identifies a proposed expansion area that allows for the

possibility of an expanded institutional district adjacent to the hospital campus and virology lab.

- Any expansion within the institutional expansion area would require a two stage process; the first amending the Secondary Plan (requiring the preparation of a Conceptual Master Plan); and the second, to subdivide and rezone the land.
- In order to facilitate the future expansion and to gain community acceptance of the institutional growth, the Health Sciences Centre Foundation (HSC) approached the three levels of Government to finance and support the preparation of a Proposed Vision and Master Plan for the area north of the HSC bounded by Sherbrook, Arlington, William, and Logan- termed the "Sharwilo Site".
- In light of the significant economic development opportunity that the 'Bio-Med' Zone presents, this Report recommends that, subject to matching funding from the other two levels of Government, that the City provide an Economic Development Grant of up to a maximum of $ 170,000 to the HSC for the preparation of the Vision and Master Plan.
- The HSC Foundation will retain the services of the Urban Strategies Inc. (a campus planning and urban design firm out of Toronto), in association with MMM Group and Smith Carter locally.
- The HSC Foundation will formalize a sub-committee to retain the consultant, receive the Grant funding, and oversee the visioning and master plan process.
- The sub-committee will be supplemented by one representative from each of the institutions and one representative from each level of government which will form the Study Steering Committee.
- The Winnipeg Public Service recommends that the Director of Planning, Property, and Development (or his designate) be the City representative on the Study Steering Committee.
- The proposed Vision and Master Plan for the "Health and Wellness District" will be consistent with the intent of the approved West Alexander and Centennial Neighbourhood Plan dated February 29, 2008.
- The Community will be heavily engaged in the consensus building Vision and Master Plan exercise as proposed by the Urban Strategies Inc. team.

Implications of the Recommendation(s):

General Implications

( ) None

(x) For the organization overall and/or for other departments

(x) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s):

As a related component of the potential Bio-Med cluster, the Winnipeg Public Service (WPS) is also undertaking a feasibility study to determine the options and the cost of moving the existing Fleet Management SOA and Signals Branch of the Public Works Department currently located at Ross and Tecumseh in order to accommodate the expansion of the Bio-Med Zone concept.

Policy Implications

(x) No

( ) Yes

Comment(s):

Regulatory Implications

(x) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(x) No

( ) Yes

Comment(s):

Human Resources Implications

(x) No

( ) Yes

Comment(s):

Financial Implications

(x) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s):
The proposed maximum of $ 170,000 grant will be sourced from the Economic Development Reserve.

Report

REASON FOR THE REPORT:
The Winnipeg Public Service recommends that, subject to an equal level of financial participation by the other two levels of Government, that an Economic Development Grant of a maximum of $ 170,000 be made to the Health Sciences Centre Foundation for the preparation of a Vision and Master Plan for the proposed “Health and Wellness District”.

Grants require Council approval.

HISTORY:
On January 26, 2004, the International Centre for Infectious Diseases (ICID) Task Force released their report, namely “Fighting Disease and Fostering Innovation”. Co-chaired by Dr. Frank Plummer and former City Councillor, Terry Duguid, the Task Force’s report formally recognizes Winnipeg as a national and international centre for research such as bio-diagnostics, medical imaging equipment, cardiovascular sciences, plasma development, infectious diseases, biopharmaceuticals, and other areas.

The ICID report describes the exceptional capability that exists in Winnipeg for the research and training in infectious diseases and medical microbiology. Through tri-government cooperation and joint processes undertaken during the 1980’s, Winnipeg was selected to house the Canadian Science Centre for Human and Animal Health; a $180 million facility that is the only Level IV laboratory in Canada, and the first in the world to accommodate human and animal health Level IV bio-containment laboratory facilities.

On March 25, 2008, Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That By-law No. 64/2008, the West Alexander and Centennial Neighbourhood Plan contained in the report from the Acting Director of Planning, Property and Development dated March 10, 2008 as Attachment "A", be forwarded to Council for First Reading.
2. That the Lord Selkirk-West Kildonan Community Committee schedule a Public Hearing respecting the By-law, in accordance with the Development Procedures By-Law No. 5893/92 and Section 234(3) of the City of Winnipeg Charter.
3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

On May 26, 2008, the Lord Selkirk / West Kildonan Community Committee held the Public Hearing, concurred in the recommendation of the Winnipeg Public Service, and recommended to the Standing Policy Committee on Property and Development:

1. That By-law No. 64/2008, the West Alexander and Centennial Neighbourhood Plan, be forwarded to Council for Second and Third reading.

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

On April 16, 2008, representatives of the City of Winnipeg, the Province of Manitoba, and the Western Economic Diversification Department met with the Chief Innovation Officer of the Health Sciences Centre Foundation to review their proposal for funding of the HSC Visioning and Master Plan

On April 21, 2008, the HSC made a formal request (refer letter attached) for funding to finance and support the preparation of a Proposed Vision and Master Plan for the area north of the HSC bounded by Sherbrook, Arlington, William, and Logan- termed the "Sharwilo Site". This request would have directed the funds to the Winnipeg Regional Health Authority / Health Sciences Centre pending the development of a new community development corporation.

On June 24, 2008, the Standing Policy Committee on Property and Development concurred with the Lord Selkirk / West Kildonan Community Committee and recommended that the West Alexander and Centennial Neighbourhood Plan be forwarded to Council for Second and Third reading.

On June 26, 2008, the HSC made a formal request (refer letter attached) for the funding to be directed to the Health Sciences Centre Foundation. At its June meeting, the Health Sciences Centre Foundation board of directors approved in principle to administer the master plan for the North-of-William initiative and appointed a special sub-committee to oversee the project under the leadership of Eric Stefanson.

DISCUSSION:
Biotechnology and health research has emerged as a key area of growth in the Winnipeg area. The Economic Opportunity Framework for the City 2006-2015 has identified Life Sciences- biotechnology, health research, and nutraceuticals as one of the city's key sectors and Council has consistently stated biotechnology and health care as top priorities for cluster development and support. Winnipeg currently has the fifth largest biotech and health research cluster in Canada with thirty-seven biotechnology companies employing 1,700, as well as twenty research and development firms employing an additional 1,800 staff. Biotechnology and health research is also a priority area of the Province's economic strategy.

Following extensive consultation, the West Alexander & Centennial Neighbourhood Plan has been completed as a secondary plan for the neighbourhoods. The Plan was prepared by the Winnipeg Public Service in close association with, area residents, business owners, and leaders of major institutions in the area. In order to ensure that community input was received, five open houses for area residents were held to discuss the proposed neighbourhood plan. The Plan proposes the concept of creating a "Health and Wellness District".

A number of major medical, biotechnological, and educational institutions including the Health Sciences Centre, the U of Manitoba Faculty of Medicine Bannatyne Campus, the Virology Lab, the Canadian Blood Services Laboratory, the John Buhler Research Centre for Children's Health, the Manitoba Institute for Microbiology, and the Cadham Provincial Laboratory for Public Health are currently located within this 'Health and Wellness District'. Several of these institutions have long-term needs for expansion representing a significant economic development opportunity. For instance, the HSC has identified the following major projects that may be anticipated in the foreseeable future including; a new Woman's Hospital, a new HSC Energy Centre, a proposed Red River College Health Campus Building, a new Parkade, and a new Manitoba Hydro Substation.

The life sciences sector has been identified as a strategic target for Winnipeg's economic development efforts. The co-existence of the Canadian Science Centre for Human and Animal Health, the University of Manitoba, the Health Sciences Centre and Cancer Care Manitoba within close proximity presents a special geographic hub that can be used to leverage future multi-party growth in the life sciences sector (including both private and public investment opportunities). The proposed north of William development should include capacity for greater private sector involvement including pharmaceutical and medical device companies, and business and investment that align with the life sciences sector.

In order to accommodate this long term growth requirement as well as to capitalize on the economic development opportunity, the West Alexander & Centennial Secondary Plan identifies a proposed institutional expansion area. This area would allow for the establishment of new health, education, and applied research and development activities, which compliment the existing research institutions and help to form a physical cluster of biotechnology and life sciences industries at this location.

As required under the Secondary Plan, any expansion into the institutional expansion zone would require a two stage process; the first amending the Secondary Plan (requiring a Conceptual Master Plan); and the second, to subdivide and rezone the land. Two of the fundamental principles guiding any expansion are that people who are displaced will be treated fairly and that no net loss of housing shall occur within the Plan area.

The HSC Foundation will retain the services of the Urban Strategies Inc. (a campus planning and urban design firm out of Toronto), in association with MMM Group and Smith Carter locally to prepare the Vision and Master Plan. The Study area is bounded by Sherbrook, Arlington, William, and Logan (termed the "Sharwilo Site"). The Study is being proposed in five phases as follow:

I. Phase One- Reconnaissance
   Deliverables
   - Vision Workshop PowerPoint and Supporting Materials
   - Comprehensive PowerPoint presentation and poster display, incorporating what we have learned about the issues, opportunities, and constraints of the “Sharwillo” site and greater study area.

II. Phase Two- Visioning
   Deliverables
   - Public Open House Supporting Materials
   - Vision Statement Document

III. Phase Three- Master Plan
   Deliverables
   - Development Framework and Guidelines
   - Infrastructure and Development Phasing Strategy
   - Public Open House Supporting Materials
   - Final Master Plan

IV. Phase Four- City of Winnipeg Planning Approvals Process
   Deliverables
   - Planning Approvals Submission Package

V. Phase Five- Financing and Implementation
   Deliverables
   - Request for Proposal (RFP) Bid Documents

The Vision and Master Plan as proposed by Urban Strategies Inc. is estimated to cost approximately $500,000 and will take approximately 12 – 18 months to complete. The HSC approached the 3 levels of Government to support the creation of the Vision and Master Plan as an economic development opportunity. Based upon the potential for significant private investment in this ‘Bio-Med Zone’, the Federal and Provincial representatives have agreed to bring this financial request forward for consideration.

The Winnipeg Public Service recommends that the City cost share with the other two levels of government up to a maximum of $ 170,000 and participate in the project as a significant economic development opportunity. The source of funding for the Grant will come out of the Economic Development Reserve

Fleet Management Services and Traffic Signals Branch
By way of separate process, the Winnipeg Public Service is currently assessing the feasibility, cost, and options of moving the existing Fleet Management Services (FMS) and the Public Works Traffic Signals Branch (TSB) currently located at Ross and Tecumseh to accommodate future expansion projects within the “Health and Wellness District”.

Financial Impact Statement

Date: June 30, 2008

Project Name: **First Year of Program** **2008**

PROPOSED VISION AND MASTER PLAN FOR THE "HEALTH AND WELLNESS ZONE" ASSOCIATED WITH THE HEALTH SCIENCES CENTRE COMPLEX.

	2008	2009	2010	2011	2012
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 170,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 170,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	170,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The grant, if approved, would be funded from the Economic Development Investment Reserve. There is sufficient capacity with the Reserve to fund this expenditure.

"Original signed by"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:
Legal Services

External Consultation With:

THIS REPORT SUBMITTED BY:

Department: Planning, Property, and Development
Division: Office of the Director
Prepared by: Jim Paterson


Master Plan Funding Request.PDF


North of William Development.doc.pdf

Health Sciences Centre
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June 26, 2008

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North-of-William Master Plan – Funding Request Revision

The purpose of this letter is to request a minor amendment to my letter dated April 21st regarding funding for the master plan for the North-of-William project.

The original request solicited funding from the three levels of government that would be directed to the Winnipeg Regional Health Authority/Health Sciences Centre pending the creation of a new community development corporation. In subsequent discussions (both internally and with the funding partners), it was deemed to be more desirable if the master plan could be delivered via the Health Sciences Centre Foundation. The Foundation is a well respected, arms length entity that promotes the Health Sciences Centre as a centre of excellence for our province and is an excellent advocacy vehicle for the project.

At its June meeting, the Health Sciences Centre Foundation board of directors approved in principal to administer the master plan for the North-of-Willam initiative and appointed a special sub committee to oversee the project under the leadership of Eric Stefanson.

All other elements of the April 21st proposal remain unchanged.

It is my understanding that the proposed amendment is acceptable. Please accept this letter as formalization of the amendment request to show the Health Sciences Centre Foundation as the project proponent.

Sincerely,

Harry Schulz
Chief Innovation Officer

Health Sciences Centre
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Corporate Office

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April 21, 2008

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North of William Master Plan

Further to our April 16th meeting, this letter will formalize the request for the 3 levels of government to cost-share the development of a master plan for an expanded hospital/medical campus. This undertaking will cost $500,000 and take one year to complete.

Background

The life sciences sector has been identified as a strategic target for Winnipeg's economic development efforts. The co-existence of the Canadian Science Centre for Human and Animal Health, the University of Manitoba (Bannatyne Campus), the Health Sciences Centre and Cancer Care Manitoba within close proximity presents a special geographic hub that can be used to leverage future, multi-party growth in the life sciences sector (both public and private investment).

Over the past year, the City has engaged the medical institutions and surrounding community in a process known as the Secondary Plan for the Centennial and West Alexander Neighborhood. This process identified the area immediately north of William Street (flanked by Arlington, Sherbrook and Logan) as the area designated for future expansion of the medical campus. This area had been strategically selected to close the gap between the National Microbiology Laboratory and the HSC/UM campus. The Secondary Plan will be tabled at the next City Council meeting for approval.

The next step in the process is the development of a master plan, a City requirement before any institutional development can take place in the zone. A number of large capital projects are already in the planning stages including a new Women's Hospital (announced), a new Energy Centre, and new Hydro substation that will challenge an already-cramped campus footprint. Furthermore, as other new capital projects are developed, a proper master plan will establish a framework for long term expansion of the biomedical campus. This plan will also establish capacity for private partners to be located in the precinct. The recent announcement of a CanadInns hotel within the HSC complex is just one example of a win-win leverage of public and private sector activity. The proposed north of William development should include capacity for greater private sector involvement including pharmaceutical and medical device companies, and businesses/investment that align with the life sciences sector.

The Proposal

It is proposed that Urban Strategies be retained to deliver this master plan – in partnership with Smith Carter and MMM Engineering. The retention of Urban Strategies (sole source) is recommended for the following reasons:

- Urban Strategies has extensive experience in the development of master plans for university/hospital campuses/research parks. No local firm has comparable expertise/experience in campus expansions at this scope and scale.
  The delivery of the master plan will be a complex, public exercise with many different stakeholders and diverse viewpoints within the community. Urban Strategies will have experience dealing with some of these same challenges through its past work.
- Smith Carter and MMM provide established local relationships with both the federal lab and the Health Sciences Centre.
- Through its past work (notably with MaRS Phase 2 in Toronto), Urban Strategies has relationships with institutional investors (e.g. Alexandria Real Estate Equities) that may have appetites in both real estate development initiative to attract new sources of investment capital with a "bundled" effort.

The Urban Strategies proposal is appended for reference. The scope of work encompassed under this request includes Phase 1 – 3 but does not include Phase 4 (City approvals) or Phase 5 (financing & implementation).

The Proponent

WRHA/HSC will act as proponent for this project on an interim basis pending the establishment of a community development corporation to oversee the North of William expansion. This new community development corporation will have a blue-chip Board of Directors that will champion the development – including oversight and delivery of the master plan, coordination of the various institutional projects within the development, organization of investors, etc.

The WRHA/HSC will administer the funding/delivery of the master plan pending establishment of the "North-of William Development Corporation" (tentative name). A steering committee will be established with representation from the three levels of government, the representative institutions, and the above referenced corporation.

The Vision

The goal is to establish a framework for future growth of the medical campus – facilitating both traditional public sector projects and creating opportunities for private sector participation (public private partnerships) where desired. The process will create a footprint for long term land acquisition and development.

Summary

In our meeting of April 16th, there was a preliminary agreement by the three levels of government to proceed on this project subject to formal approvals. This letter is intended to finalize this process.

Thank you for your support.

Sincerely,

Harry Schulz,
Chief Innovation Officer.