Agenda - Executive Policy Committee - November 12, 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

Report - Standing Policy Committee on Downtown Development - November 7, 2008

Item No. 1 Weather Protected Walkway System - Closing the Loop
File eEP-1.2.2

STANDING COMMITTEE RECOMMENDATION:

On November 7, 2008, the Standing Policy Committee on Downtown Development concurred in the recommendation of the Winnipeg Public Service, and submits the following to Council:

1. That the Council decision of May 19, 2004 be amended so as to change the scope of work "from cityplace south and west to The Bay" to "from cityplace south and west to the existing skywalk connection to the Convention Centre"

2. That any funds from the City of Winnipeg's $2 million contribution to the "Closing the Loop" initiative remaining upon the project's completion be used for directional signage within the Weather Protected Walkway System.

3. That the Chief Administrative Officer be delegated the authority to finalize terms and conditions of all agreements required for the development of this skywalk connection.

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

Agenda - Executive Policy Committee - November 12, 2008

Report - Standing Policy Committee on Downtown Development - November 7, 2008

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On November 7, 2008, the Standing Policy Committee on Downtown Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

RE: **Weather Protected Walkway System – Closing the Loop**

FOR SUBMISSION TO: **Standing Policy Committee on Downtown Development**

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

REPORT DATE: **October 28, 2008**

RECOMMENDATION:

1. That the Council decision of May 19, 2004 be amended so as to change the scope of work "from cityplace south and west to The Bay" to "from cityplace south and west to the existing skywalk connection to the Convention Centre"
2. That Council direct that any funds from the City of Winnipeg's $2 million contribution to the "Closing the Loop" initiative remaining upon the project's completion be used for directional signage within the Weather Protected Walkway System.
3. That the Chief Administrative Officer be delegated the authority to finalize terms and conditions of all agreements required for the development of this skywalk connection.
4. That the Proper Officers be authorized to do all things necessary to implement the intent of the foregoing.

Report Summary

Key Issues:

- On May 6, 2004, the Standing Policy Committee on Downtown Development adopted the following motion:

  "That the Executive Summary of the Weather Protected Walkway System (WPWS) Study be received as information and the following key recommendations be approved".

1. That the first priority be given to "closing the loop" to complete the Downtown Walkway System (i.e., from cityplace south and west (to The Bay).
2. That access to and accessibility within the Downtown Walkway System be supported through the development of a series of gateways, signage and wayfinding, transportation links, and physical connections.
3. That any proposed elevated or underground connections along Main Street be deleted from the current designated walkway system and that the designated City WPWS be amended accordingly.
4. That the Planning, Property and Development Department be charged with the coordination of a management structure for the WPWS.
5. That the City commit to an additional $1,300,000 in the WPWS Capital Budget for 2005/2006 toward its share of the total estimated costs to complete the system.

- On May 19, 2004, Council concurred in the recommendation of the Standing Policy Committee on Downtown Development
- Since Council's direction, the Planning, Property and Development Department have had ongoing discussions with the various property owners and representatives along the proposed connection from cityplace to The Bay.

- During this time, a number of the properties involved in the Closing the Loop initiative have been sold to new owners, thereby delaying the finalization of agreements to participate in the initiative.
- As a result of construction cost escalations that have occurred during this time, the approved funding for this project is not sufficient to cover the City's contribution to the entire initiative.
- The available funding is adequate to complete the Weather Protected Walkway System from cityplace to the existing skywalk connection to the Convention Centre.

Implications of the Recommendation(s):

General Implications

( ) None

( ) 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):

The development of the WPWS from cityplace to the Convention Centre will continue to promote the livability of the downtown, business connections and create strategic economic links between retail outlets on Portage Avenue.

Policy Implications

(X) No

( ) Yes

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Environmental Implications

(X) No

( ) Yes

Human Resources Implications

(X) No

( ) Yes

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s):

Report

REASON FOR THE REPORT:

City Council approval is required to change the scope of work as originally approved by Council on May 19, 2004.

HISTORY:

In the mid-seventies, the Weather Protected Walkway System (WPWS) was introduced as a key component of the Downtown Winnipeg revitalization strategy. On October 19, 1977 City Council designated a plan of right-of-way for the WPWS. The WPWS was believed to be an essential amenity in serving the Downtown residential population, and believed to be an essential tool for future residential and commercial redevelopment in the downtown.

City Council agreed to cost-share the development of the pedestrian links (either bridges or tunnels) along the designated system to encourage early completion. The City presently has contributed one-third of the cost of a bridge or tunnel construction typically within a public right-of-way. The two adjoining building owners have then assumed the cost of the remaining two-thirds. Internal building modifications and bridge construction on private property are the responsibility of the property owners.

On May 19, 2004 Council approved a total of $2 Million for the purposes of the 'Closing of the Loop' project ($700,000 was immediately available in authorized Capital, $300,000 was approved in 2005, and $1 Million was approved within the 2006 Capital Program). The commitment of the City funding was based notionally on the other two levels of Government each committing a matching $2 Million through the Winnipeg Partnership Agreement (WPA) for a total of $6 Million. The balance of the total cost to construct would be borne by the building owners participating in the initiative. The three levels of government have agreed to a cost sharing formula, payment methodology, and payment schedule which involves the Forks North Portage Partnership acting in the capacity as financial manager.

During the summer of 2005, Number Ten Architectural Group (No. 10) was retained to undertake a more detailed Schematic Study of the 'Closing of the Loop' (as shown on the attached Appendix "A"), as well as to gain approval from each of the impacted property owners that the proposed connection was feasible and efficient.

During the summer of 2007, No. 10 undertook further work to identify underground utilities and services that may be impacted by the development of the walkway structure.

DISCUSSION:

No. 10 has provided cost estimates, which have been used for negotiation purposes. The current cost estimate for the entire initiative is approximately $14 Million. Initially, the proposed cost estimate was $10 Million.

Due to the delay in receiving agreements in principle from cityplace, 330 St. Mary Avenue and the Delta Hotel, the cost for this particular phase (cityplace to the Convention Centre) of the Closing the Loop initiative escalated from an initial estimate of $5.2 Million to a projected estimate of $8.716 Million. With this significant increase in construction costs, and as there is

no additional funding available from the 3 levels of government, the Public Service has concluded that it is not feasible to complete all phases of the Closing the Loop initiative.

The Planning, Property and Development Department is of the opinion that the skywalk connection from cityplace, to 330 St. Mary Avenue, in front of the Delta Hotel and connecting to the existing skywalk to the Convention Centre is the preferred phase of the Closing the Loop and that the funding for the Closing the Loop initiative be committed to the completion of this portion of the WPWS. The attached Schedule "A" shows the proposed new bridges to be developed between the existing Convention Centre skywalk bridge and cityplace.

The Department has finalized a Development Agreement between the City, cityplace, 330 St. Mary Avenue, and the Delta Hotel. The Development Agreement contains the terms and conditions of agreement between the parties.

With a fully executed Development Agreement, the preparation of design drawings and the tendering process has commenced. The construction of this portion of the skywalk development is anticipated to occur in two phases: Phase 1 – the construction of caissons and foundation work is anticipated to start in late spring 2009; and Phase 2 – the skywalk structures are anticipated to be constructed in late fall 2009.

The owners of cityplace, 330 St. Mary Avenue and the Delta wish to make their contribution via a Local Improvement (LI) Levy. The use of the Local Improvement By-Law requires that the City issue the Tender and contract administer the development of the skywalk project. There is a provision for an amount of $3 Million which has been included in the 2008 local improvement capital budget.

The Planning, Property and Development Department recommends the following:

1. That the Council decision of May 19, 2004 be amended so as to change the scope of work "from cityplace south and west to The Bay" to "from cityplace south and west to the existing skywalk connection to the Convention Centre"
2. That Council direct that any funds from the City of Winnipeg's $2 million contribution to the "Closing the Loop" initiative remaining upon the project's completion be used for directional signage within the Weather Protected Walkway System.
3. That the Chief Administrative Officer be delegated the authority to finalize terms and conditions of all agreements required for the development of this skywalk connection.
4. That the Proper Officers be authorized to do all things necessary to implement the intent of the foregoing

Financial Impact Statement Date: October 22, 2008

Project Name:

Weather Protected Walkway System – Closing the Loop

COMMENTS:

The recommendations contained in this report is that the May 6, 2004 Standing Policy Committee on Downtown Development Recommendation No. 1 be amended changing reference to the scope of work "from cityplace south and west to The Bay" to "from cityplace south and west to the existing skywalk connection to the Convention Centre", that Council direct that any funds from the City of Winnipeg's $2 million contribution to the "Closing the Loop" initiative remaining upon the project's completion be used for directional signage within the Weather Protected Walkway System and that the Chief Administrative Officer be authorized to finalize terms and conditions of all agreements required for the development of this skywalk connection.

There are no direct financial implication associated with these recommendations.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Internal Services Department - Legal Services Division (as to legal issues)
Corporate Finance – City Treasurer's Division
Assessment and Taxation Department – Taxation and Finance Division

External Consultation With:

none

THIS REPORT SUBMITTED BY:

Department: Planning, Property and Development
Division: Real Estate
Prepared by: Wayne Bollman
PPD File No. 39/119

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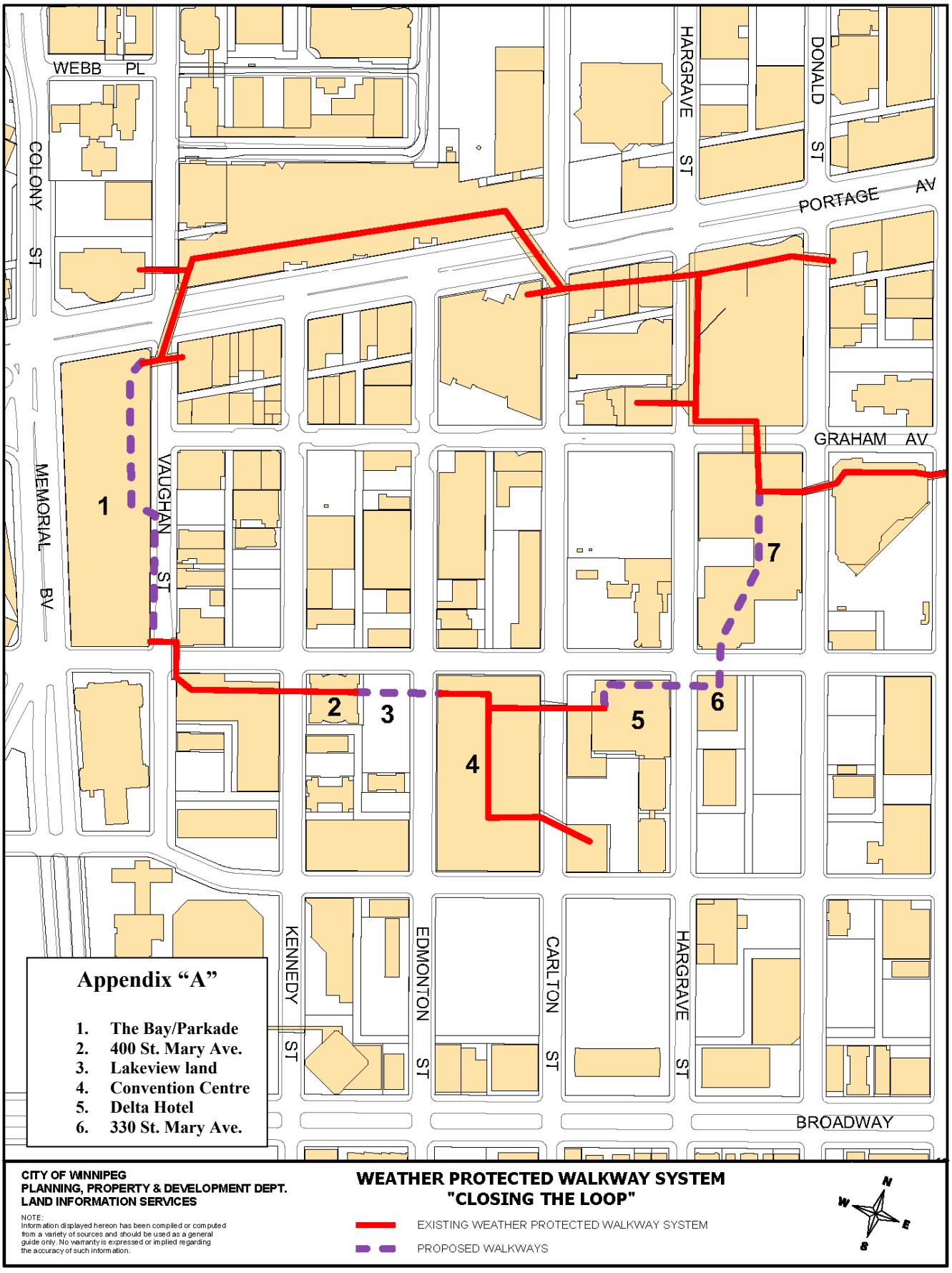
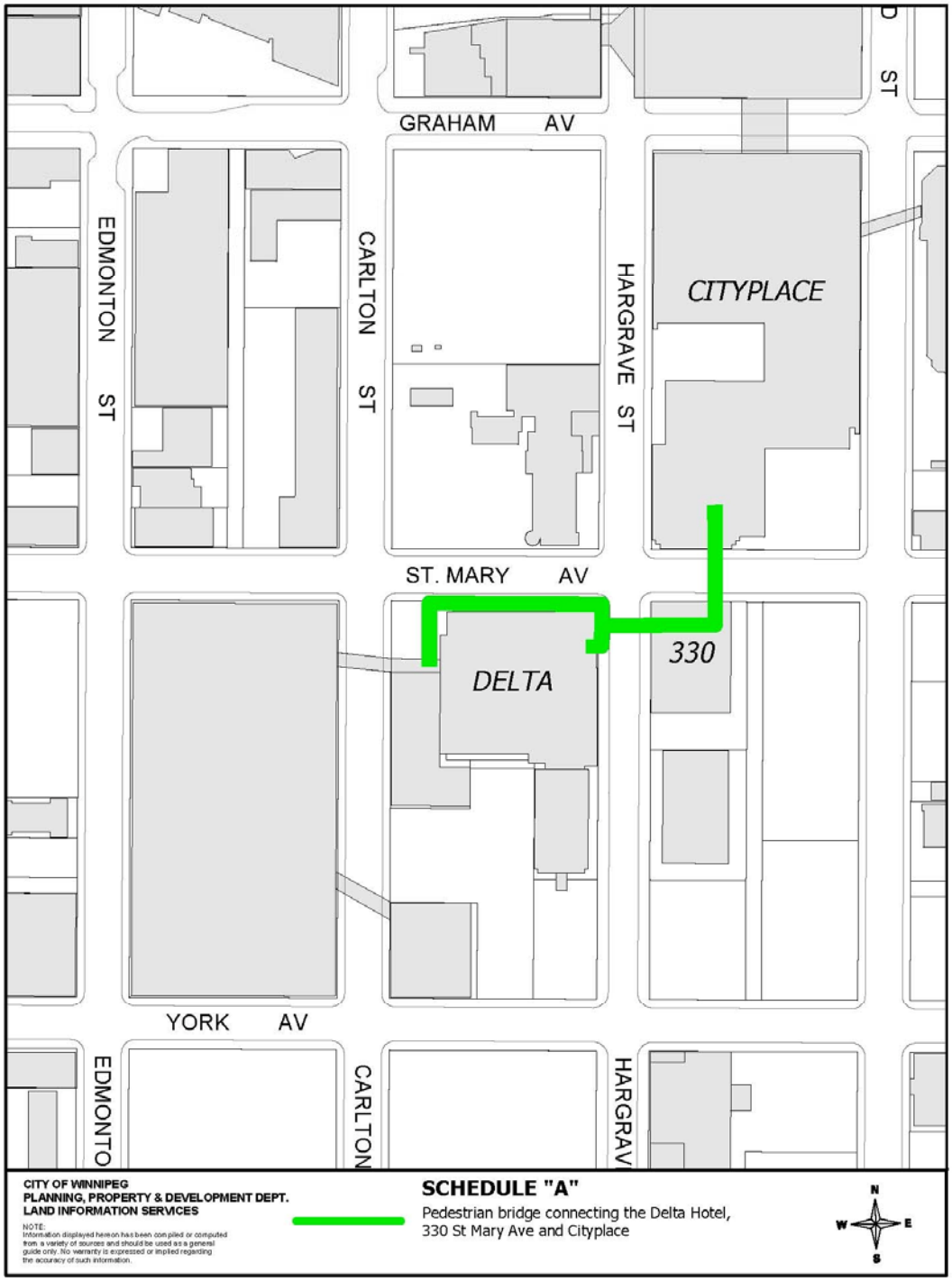

WEBB PL
COLONY ST
HARGRAVE ST
DONALD ST
PORTAGE AV
GRAHAM AV
MEMORIAL BV
VAUGHAN ST
1
2
3
4
5
6
7
KENNEDY ST
EDMONTON ST
CARLTON ST
HARGRAVE ST
BROADWAY
Appendix "A"
1. The Bay/Parkade
2. 400 St. Mary Ave.
3. Lakeview land
4. Convention Centre
5. Delta Hotel
6. 330 St. Mary Ave.
CITY OF WINNIPEG
PLANNING, PROPERTY & DEVELOPMENT DEPT.
LAND INFORMATION SERVICES
NOTE:
Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.
WEATHER PROTECTED WALKWAY SYSTEM
"CLOSING THE LOOP"
EXISTING WEATHER PROTECTED WALKWAY SYSTEM
PROPOSED WALKWAYS
N
W
E
S

Schedule "A"



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