# COUNCIL OF THE CITY OF WINNIPEG
# Wednesday January 29, 2003

**The Council met at 9:35 a.m.**

The Clerk advised the Speaker that a quorum was present.

The Speaker called the meeting to order.

The opening prayer was read by Councillor De Smedt.

**ROLL CALL**

**Clerk:** Mr. Speaker Councillor O'Shaughnessy, His Worship Mayor Murray, Councillors Eadie, Angus, Clement, De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steek, Steeves, Thomas, Vandal, Wyatt and Lazarenko.

**INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS**

**Mr. Speaker:** We have two Pages with us this morning. We have Nicholas Plett, who is home schooled and lives in the Transcona Ward. And David Gudel of Fort Richmond Collegiate who resides in the St. Norbert Ward. Welcome.

I'll like to welcome our new Sergeant-at-Arms, Sergeant Victor Peterson. Welcome.

We also have with us Duncan McMonagle, Journalism Instructor at Red River College and his class of journalism students. Welcome.

We have 30 students from the University of Winnipeg Politics in the Mass Media Class, under the direction of Donald Benham. Welcome.

Also, Dorian Wandzura, President, Canadian Public Works Association (CPWA), together with other officials, the American Public Works Association, to present the Canadian Public Works Association Award. Would you join us at the podium.

**Mr. Dorian Wandzura:** Mr. Chairman, Mayor Murray, members of City Council. It's my great pleasure to be here today on behalf of the Canadian Public Works Association to make this award to the City of Winnipeg.

In 1960, Present John F. Kennedy declared the third week of May as National Public Works Week as an opportunity to celebrate and recognize the contribution of our Public Works Professionals and their efforts that they make towards our way of life.

The Public Works Professionals in our community and communities everywhere in North America operate, design and build the transportation systems, the water supply systems, the sewage and refuse systems that keep us moving doing business and enjoying our lives.

In 2001, the City of Winnipeg was selected as the recipient for the Best National Public Works Week in Canada among submissions from the range from coast to coast. The City of Winnipeg and the Manitoba Chapter of the Canadian Public Works Association conducted an event in Kildonan Park that attracted over 5,000 people, provided displays, attractions and informational items to members of the community, as well as collected 23,000 pounds of food for Winnipeg Harvest.

The Manitoba Chapter of the Canadian Public Works Association was the first Chapter to join in 1954, and in 2004 will be celebrating its 50$^{th}$ anniversary. We look forward to another successful public works week recognizing their anniversary.

With that I would like to extend my congratulations to the City of Winnipeg staff and the Manitoba Chapter of the Canadian Public Works Association and present His Worship and the City with a plaque commemorating the City of Winnipeg's efforts.

**Mayor Murray:** Thanks very much. I want to thank Dorian. Dorian is the General Manager of Roadway and Traffic in our sister prairie city of Regina. It's nice to have such a close friend and such a close neighbour presenting this award.

I'm going to ask Councillor Angus to say a few words. I just want to thank Roy Houston, Jim Thomson and Dan Wiwchar and Ken Welchinski. I want to thank them very much.

I'm going to let John tell you a little more about it. I just want to point out that the Public Works staff does this with an extraordinary level of volunteer commitment. It is months of preparation. If you haven't had a chance to participate in Public Works Week and its great family event, I'd encourage councillors to show up, it means a lot to staff. I know a number of you have shown up.

Public Works staff unlike our firefighters and paramedics and bus drivers, are not as visible in the community, but they do some of the most important work in repairing and maintaining all of our critical infrastructure which they do on a shoestring. We are very lucky to have what I think is the finest Public Works Department in the Country.

I have to leave something for Councillor Angus to say. I want to thank him because he's probably our biggest infrastructure advocate, and I'll turn it over to Councillor Angus and thank you very much gentlemen for your great efforts.

**Councillor Angus:** Thanks Glen. On behalf of Jim Thomson and the people in Public Works, recognition is nice, recognition is important. For a long time I have felt and I have been thumping the pulpit on the fact that this department does more with less than any other department in the City of Winnipeg, and they do it very very well. People take the services that they get for granted and all they do is complain when they don't have it as well as they want it. These guys work very very hard and do a very good job. Whether it's in volunteer work like the Public Works Week recognition, or in cleaning your streets. They do a great job, and I'm very appreciative of them. I'd like you to give them a very big round of applause. Thank you.

**Mr. Speaker:** Thank you gentlemen.

## MINUTES

Councillor Wyatt moves the Minutes of the meeting held on December 11, 2002, be taken as read and confirmed. All in favour? Contrary? Carried.

Delegations. Councillor Lubosch. Mr. Mayor.

**Mayor Murray:** Mr. Speaker, due to the short notice given on Item No. 1 of Executive Policy Committee, dated January 28, 2003, which is from yesterday's agenda, we have two delegations here, Mr. Nick Ternette and Marjorie Jaman. I'm going to ask that Council suspend the rules to allow under our procedures, five minutes for Ms Julie Van De Spiegle, Mr. Claude De Forest, Mr. Rocky Kravetsky and Jim Jaworski, and I would so move that we suspend the rules to hear those delegations.

**Mr. Speaker:** Remind Council we already have the maximum number of delegations, but we have made changes in the past. Councillor Lubosch.

(9:43)

**Councillor Lubosch:** For clarification, was the Mayor referring to the addendum report of the Executive Policy Committee dated January 28? That would also encompass the funding for the True North Project?

**Mr. Speaker:** That's what it is. You've heard the motion to suspend the rules, all in favour? Contrary? Carried.

Motion is carried. We'll start with our regularly listed delegations followed by the four extras the Mayor has requested.

First delegation, Brian Burdy and George Budoloski, opposition to the EPC recommendation in Item No. 2 dated November 20, 2002.

Gentlemen you have between you 10 minutes.

## DELEGATIONS

**Mr. Brian Burdy:** Mayor Murray, Members of Council, I'd like to thank you for this opportunity this morning to have a brief moment on your agenda to talk about something that means a lot to us at Grant Park High School.

My name is Brian Burdy and I'm Principal of Grant Park High School. And joining me today is George Budoloski who's is the Director of our Performing Arts Program.

As you know Grant Park High School is located in the south end of the City of Winnipeg and within the Winnipeg School Division.

Currently Grant Park High School services approximately 1,200 students. The students that come to Grant Park come from all parts of the City as well as outside the City. Because of schools of choice, students now look around and see where they could get their best learning opportunities.

One of the many programs we offer at Grant Park High School that we're extremely proud of is our visual and performing arts program.

Almost half of our students in our school do participate in the performing arts and I'm proud to say that our program has received local and national recognition for the level of excellence to which we've been able to provide learning opportunities for our students and the experiences that we can give them in the performing arts. We value that as a learning opportunity, we feel students learn many things from visual performing arts and are to get a well-rounded education. Also we recognize the fact that it provides wonderful employment opportunities for students.

We also recognize that the City fortunately the City of Winnipeg is committed to the performing arts. I was pleased to see recently that there is a commitment to try to do what you can to help support the fines arts programs in the City. We like to think that we are a great training ground for students that will eventually make themselves and the City proud and to look back and say they had a wonderful opportunity in Grant Park High School.

In order to sustain our continued growth and development of the program, we need to provide many different upgrades to the equipment that we use in the school. Currently where are priority here is to look at about a $48,000 upgrade to the equipment, that is getting quite old and we need to upgrade in order to provide the appropriate infrastructure for students that perform.

You should be aware that the equipment we use at Grant Park High School is made available to students and other community groups such as Folklorama that do use schools in the Winnipeg School Division. As a community school, we do not only service the Grant Park School community but we service any groups that wish to come and make access to Grant Park. Our building is open seven days a week. Any community group that would like to use our facility they are more than welcome to do that. Many of them of course require appropriate sound and lighting equipment that they either cannot afford to rent because that equipment is quite costly and look to us to provide that kind of equipment as we do with other kinds of equipment in the school.

We also do support all the other schools within the Winnipeg School Division in terms of providing them access to our gym facilities. We are hoping in the long future that we would have a theatre at some time but now our program has grown to the point that we are now working with formerly the Walker Theatre to provide a venue that is commencer with the level of professionalism that our students are now showing thanks to the wonderful work of our teachers in the program and the support we get from the community.

Our parents value this program immensely. They devote a lot of time to supporting us in many different ways. They're quite anxious to have the City of Winnipeg indicate their support for the program. As well as supporting Grant Park they're also supporting the community at-large.

I've been in the Winnipeg School Division for 32 years and I can say I've never seen a program like this of its kind anywhere. I'm fortunate in my fourth year as Principal of Grant Park High School to do

what I can to help facilitate the programming.

At this point I would like to now turn it over to George Budoloski to give a little more background behind the performing arts at Grant Park.

**Mr. George Budoloski:** Good morning Mr. Mayor, good morning members of Council. My name is George Budoloski, I'm the Director of the Performing Arts Program at Grant Park High School. I have two hats today.

One I'm very proud of and I know I have a lot of information about. The other one I wear because I need to on behalf of the number of schools in this city that come to us looking for help constantly.

The first hat is having the largest performing arts program in Canada, in Winnipeg, in River Heights at Grant Park High School. We have more performers coming out of Grant Park High School and touring the world than any school in Winnipeg, Manitoba and probably Western Canada.

One of the reasons we are able to do that is because over the years we have developed through fundraising and a strong parent group the opportunity to get equipment that we need to give kids the training that they have to have when they walk into auditions when they go on stage and when they perform. This has proven to work quite well.

Unfortunately the other hat that I wear is for all the other schools in the City who don't have this equipment. Who come to us needing to use it or try to find one way or another where they can have access to the same types of stuff. We loan it out and we do it at a minimal cost because we are not a rental company, we're a school and we want to support them. However over the years this equipment has weathered. If you can imagine 585 students at Grant Park High School using this equipment plus schools such as River Heights School, Elmwood High School, Riverview School, Brock/Corydon School and about ten or twelve others, Dufferin School as of this morning at 9 o'clock asking to use our equipment, to rent our equipment and looking for our students to help them.

We are now at a point where we're having to say no to them because we can't service our kids as well as their kids because our equipment is wearing down very very quickly.

We have in the past sent our students out with our sound systems, with our microphones and help them in their concerts. This means a magnificent or a tremendous amount to the teachers because they don't have the resources in an elementary school, and we've all been to them. We've gone to the elementary school concerts and we've had trouble hearing, we've had trouble seeing what's going on. These people want to have the same opportunity for their kids as we at Grant Park have for ours.

The equipment that we have now is worn and we need to upgrade it in different ways. We don't expect City Council to fund us. We don't expect City Council to be our sponsor or our producer. What we do need in many instances is somebody to give us a helping hand so that those kids who by the way are performing in every major musical in Winnipeg at this point. If you go to the theatre, if you go to Rainbow Stage you'll find Laura Olsen in a musical. If you go to the last production of Evita you'll find students from Grant Park High School in those musicals. They're going to these shows and they're participating in them as cast members because of the training that we've been able to develop through the use of making sure that the kids have proper equipment.

One of the concerns that we've always had is what do we need to do to get our students to be better community citizens in the future.

(9:50)

Ladies and gentlemen as teachers we don't deal in the future we deal in the present. And the present is where our kids are at right now. When they stand in front of a microphone and sing in front of 3,000 or 4,000 people, that is powerful for

them. They need to know how to use the right equipment. They need to have the quality equipment to use as well. We've just developed a school to career transition program with the Walker Theatre now know as the Burt. If we need to rent equipment to take the place of the stuff that we have already, we have to discontinue that process. This year we have booked 20 days into the Burt. I think financially that's a positive part for the Burton Cummings Theatre. As well we will probably bring in approximately 9,000 people into the centre of the City to do what they do whether it's restaurants, shopping or what have you before they go to the show. This is fundamental to what we do as students and teachers.

I want to in my closing comments to you congratulate you and the City of Winnipeg in developing what I consider to be the finest community club program in Canada. You have supplied sports activities, you have supplied everything for the students from swings to hockey. Unfortunately our students don't have that opportunity. Grant Park High School is their community club. We need a little bit of help to quote I think the Beatles "a little help from our friends" would probably be a great thing to get right about now. Thank you very much.

**(Councillor Lazarenko in the Chair)**

**Mr. Deputy Speaker:** There'll be some questions. Councillor Steek first followed by Councillor Smith.

**Councillor Steek:** Thank you Mr. Speaker. Through you to the delegation. First of all thank you Mr. Burdy, Mr. Budoloski for coming down here. The Grant Park Performing Arts Program as you've indicated is legendary in the City and draws from everywhere.

One of the concerns for a number of members of Council is that the request is for $16,000. Can you tell us what the totality of the program request was and how you've been able to realize other funds.

**Mr. Budoloski:** The total request was for $48,000. We not only buy the sound equipment and the microphones and the sound boards, but we also are working in the area of film, direction, film production, so we're looking at cameras as well as computer programming to edit and do video and DVD's. The money that we get the extra money, is done by the parents and the community. We are on an ongoing fundraising program. Because we are so unique in the City and in the Province, there aren't a lot of doors that are commonly open to us because there is no precedent. So we have to create our own. We've done things for instance, Grant Park holds one of the largest dance workshops in the Province, in our school and we use that as a fundraiser. That helps us do things like build a dance room or put money towards the microphones.

We also really try hard to make money at our concerts, and that is really a positive part of what we do. We constantly have chocolate fundraisers which is small but it does help. Sometimes we have donations. Donations from people who feel they need to contribute to what we've done who have students who have gone on to develop careers in music and in other areas. They'll make donations. So it's an ongoing process. Anyway that we can make money we will.

**Mr. Deputy Speaker:** Your second supplementary Councillor Steek.

**Councillor Steek:** I'm just wondering if either one of you would speak just for a moment to the importance of the program not to just Grant Park and area students in the southwest quadrant of the City but the importance of the program city-wide.

**Mr. Budoloski:** We have students who come to take the program in Grade 12 because they need to have that information on their resumes when they go to performing arts schools throughout the country, post-secondary colleges. We have kids who come from the Elmwood Area, we have kids from North Kildonan, from St. Boniface, Fort Garry who come to Grant Park to take performing arts because it isn't offered in those areas or at least not to the degree that we have it.

Often people who are not as strong academically may be strong in dance, may be strong in voice, may be strong in drama. However, we have so many people who use our program that I would probably say that we are not known as a performing arts high school but to most people throughout the whole city we are a performing arts high school and that's what we represent to the different singers and dancers around the City.

**Mr. Deputy Speaker:** Thank you. Councillor Smith.

**Councillor Smith:** Sounds very valuable. What was the School Board's reaction to it? Did they turn down your request? That's mainly their responsibility is it not?

**Mr. Burdy:** Yes it is. Obviously any program that runs in the schools is the responsibility of the school division. The school division does provide all schools with a base budget for a base program. Really each school is left to their own initiative and their own means to try to develop specific programs that are unique to their schools.

For example, if you look at some of the sports teams. The amount of money that some of the sports teams such as football teams, the school division does not provide sufficient funds to do all the things that the football teams do. Schools have to raise their money. That's not unusual, for uniforms, for getting band programs, they're always raising money for trips. The school division provides a base program.

So we've gone beyond the base program. The school division has supported us to a large extent whether they've allowed us to increase our staffing because of the demand, it's the kind of thing success breeds more success and so I've been able to as a school principal get additional staffing and that's of course a cost from the division. I've been able to secure some holdback funds from my superintendent to help in the purchase of some of this equipment. As well as other things that George talked about in terms of the fundraising they do. We try to use a multi-faceted approach to get it. But there's no way the division would be able to fund us to the extent that we need in order to keep the program at the level it's currently functioning. As it is in other schools where they have excelling programs and they have to look at outside sources for help.

**Mr. Deputy Speaker:** Councillor Angus.

**Councillor Angus:** Thank you Mr. Speaker.

Just to clarify that question. There is no money coming from the school board for this particular program other than what they normally give you, is that what I heard you say?

**Mr. Burdy:** No, there is some.

**Councillor Angus:** How much of the $60,000 is coming from the school board?

**Mr. Burdy:** Approximately $10,000.

**Councillor Angus:** Secondly, have you applied to the arts and cultural grants community council, has a whole area of funding for arts groups. Have you applied to that or have you been directed to apply to that?

**Mr. Budoloski:** No we haven't. Normally public schools aren't allowed to apply for 90% of the grants that are available. It's just they look at us as just something that doesn't fit.

**Councillor Angus:** My final question is. I'm sure you're aware of the fact that the policies of City Council do not allow us to contribute to schools, individual schools and individual school bands. That was probably made clear to you when you made the application. How is it that you ended so far down here so well coached in getting money out of City Council?

**Mr. Budoloski:** I think as teachers that coaching comes with us. It's something that's bread. Our job is to go and get money. We work in the public system. Often we can't allow no to be the final outcome of the process.

I understand that this money does not necessarily come from this area. However, if we assume that the community programs that are developed that have come through need to reach out and need to reach further, then perhaps it does meet that criteria by looking at that as something that is in the schools that the City doesn't have the mandate to do.

**Mr. Burdy:** This does provide a lot of recreation for students. There's no question for many students. If it wasn't for this they wouldn't have the kinds of opportunities at no cost to them either than some basic fees we charge to get this kind of training in dance, drama and music. It is a recreational outlet for them. One way of thinking of Grant Park as kind of a performing arts recreational centre.

(10:00)

And recreation does fit into your criteria in some way.

**Councillor Angus:** One last question if I may.

I'm not sure how it works in the school board, we certainly have enough trouble doing our own business. We certainly don't get any contributing assistance from the school board for fixing roads or things of that nature. Are you not allowed to sort of in your own school determine from the students where they want to put the priorities of their money? Were you not able to get money from the football team as an example, or was it a decision made by the school that they wanted to support the football team more than they did the music program? I'm not sure how that works.

**Mr. Burdy:** In our school plan for this year and last year and probably for the next few years coming, the performing arts is one of our priority areas. It's not the only one. Technology is a priority area which we're infusing a lot of capital into it as you might expect because we do try to integrate performing arts into many other areas of the school as well. The kinds of support that we bring into the program and the way it's funded doesn't really impact on the football team. The football team does get its support. We do fundraising in the school. We have some general fundraising in the school. For example we have a beverage contract with one of the beverage companies, and that generates revenue from us. They have provided as part of the contract digital score clocks for both of our gyms which we couldn't have afforded to. The money that we get on those machines, part of that money helps support the football program. We do take some money out of that to help support the performing arts. It's kind of an easy fundraiser in that regard, it's just one of many things we do in schools to raise funds.

**Mr. Deputy Speaker:** Thank you gentlemen. Mayor Murray.

**Mayor Murray:** I think the frustration that Council many of us have is not with the worthiness of the application, we all know the program, we all think it's great, we'd all like to support it. This is a capital fund to fix our buildings. As you probably know Winnipeg School Division has a problem maintaining roofs, buildings, foundations, so you have decent facilities to do that. Most councillors are offended at the idea that in older neighbourhoods where we aren't keeping up community facilities for many kids, we're taking money out of that to transfer.

We are increasing arts and culture funding quite dramatically this year by about a million dollars. One hundred thousand dollars is going alone into a kids arts program. I never have been approached by the school division ever or by school divisions about creating a funding program potentially in partnership with Winnipeg No. 1 and others, including the Province to try and look at as we're moving into expanded arts and culture funding to look at this as part of this, child development and partnerships.

Would you be able to help us as a city develop policy and potentially some funding partnerships to do this so we don't have to rob our capital programs through support when I think we all believe are very worthy programs? It's an area we have given there, is additional

funding and we're trying to develop a policy there. If you have thoughts on that. If you want to elaborate now that would be very helpful to us.

**Mr. Burdy:** I can say that we'd be very happy to work in partnership with the City. If it's helping the students that go to our schools, of course we'd be there.

**Mr. Deputy Speaker:** Thank you gentlemen.

The next delegation is Mr. Nick Ternette, with respect to the report of the Executive Policy Committee dated January 28, 2003, regarding the funding for the True North Project followed by five other delegations. Mr. Ternette you have 10 minutes and the other delegations will have 5 minutes each.

**Mr. Nick Ternette:** Mr. Speaker, Mayor Glen Murray and Members of City Council.

Insofar as the True North Project is concerned, when will this ever end? One million dollars here, another million dollars there.

The fact is, when one examines the master agreement one notices significant discrepancies in the agreement signed by the City for which we can thank the Save the Eaton's Coalition for winning in court the right to access that agreement which clearly indicates that what councillors voted for in approving the term sheet in May 2001 is not what we got in the master funding agreement.

For example. While True North publicly claims that the private sector is responsible for capital and operating costs over-runs, that is not in the agreement. There is nothing in the master agreement that precludes True North asking the City of Winnipeg to carry the costs of any overruns. And believe you me in spite of their promises and commitments, costs over-runs will occur.

Furthermore, the master funding agreement does not require the Moose Hockey Club to be part of the same entity as the Arena. Therefore, it allows the Moose Hockey Club to be sold on the free market whenever they wish to and leave the Arena without a major tenant. So what's going on?

I'm no financial expert never have been. But to be quite blunt, corporate welfarism or a better term, socialism for the rich and free enterprise for the poor has got to stop. The notion that we continue to subsidize a private not public project that is worth more in the value of the arena is beyond belief.

Accordingly, the one that has been publicly reported that taxpayers are only supposed to subsidize ultimately $38 million or what they claim, 30% of the project, and the rest is private money, 70%.

But in fact of course, the Province has committed a further $3 million to urban revitalization as part of this project. The City has agreed to $3.5 million in infrastructure money. Nor does it include the $1.5 million per year in revenues to be collected from VLT's, and believe you me, I think that figure is way below what they will collect from VLT's. Nor does it include the amusement tax exemption of $4.8 million a year. As well as having the property at 320 Portage Avenue be reclassified as a grassy field or thing, therefore saving in property taxes of $5 million a year over the next 25 years. The grants, the casinos, amusement and property tax exemptions will add up to approximately $246 million in public money for an arena worth approximately $135 million.

Quite bluntly, if the arena succeeds, True North gets all the profit and the public gets squat. If it fails, we the taxpayers will pay those bills.

This issue is not really anymore about saving Eaton's, obviously those of us the building is gone and no matter how we feel and I do know part of the history and heritage value of that building, it cannot be replaced and that element of the struggle is over.

Nor is it really about downtown revitalization, which as the Mayor

yesterday himself indicated is not going to be accomplished by putting an arena downtown. What is interesting to note is that the Mayor reinforced my view when I participated in municipal elections, that he as well as True North although they didn't say it publicly admit that retail and the residential components are not likely to be a reality in the downtown in the future. That the Mayor believes and I completely oppose that point of view, that the downtown must be the centre for arts and entertainment in order for citizens to come back downtown. The fact is, entertainment has always been part of a downtown, any downtown of any city for years and years and years.

(10:10)

But what plan. Winnipeg 2020 envisions in its downtown first plan is a revitalized downtown that talks not just about entertainment which has always been part of the downtown but people living, working and shopping in the downtown. Retail may be changing there is no question about it but a healthy revitalized downtown has a different type of retail that that big box development does now provide in suburbia, and that is how you attract people back downtown.

What this is all about as I said, is corporate welfarism and that has to stop. Bus fares increased by five cents and the Mayor legitimately bemoans the fact that there is not enough money for transit. The Mayor bemoans the fact that the infrastructure is collapsing in this city and that we ought to have a sales tax which the Province has now nixed. Or we also should have other forms like the gas tax in order to increase the revenues of the City. Yet it is interesting to note that EPC yesterday easily could find one million not in the 2003 budget but in fact the amended motion said, that the one million was put aside obviously in some form of reserves in last year's budget and so therefore it wasn't going to effect this year's budget for a hockey/entertainment complex that many many people have opposed and will continue to oppose in the downtown.

It is interesting to note how in some cases the right and in this case I call it the Canadian Federation Taxpayers Association which appeared yesterday, and the like myself can join hands in understanding that the most successful private enterprises are those who put up their own money into risky adventures either losing or making a profit. The most successful hockey entertainment complexes in the United States being built today and you can check that on the Internet, are those completely put in 100% by private developers taking risks of making money, not mixing the money the way we are doing.

Libertarians believe that government has no business in private enterprise. While socialists like myself believe you don't mix government with private enterprise. That is private enterprise equates private monies and public enterprise equates public monies. I have no problem with public facilities like the Winnipeg Arena and the Winnipeg Stadium that we own and have control over being paid for completely by public money. The problem is that we are now in this whole system in Canada we are mixing public and private monies to the point where it becomes as I say, socialism for the rich and welfare for the poor basically.

I call upon all City Councillors to stand up and be counted. Whether you support a downtown arena or not is not the point anymore. Even those who support downtown arena should look at the point that we're trying to make. The point is, that if you believe a contract is a contract, and I remember when we argued to Susan Thompson about the attempt to cut 2% from the wages of the unions what a struggle it was and the issue was all about that if you sign a contract you live up to that contract and you don't go about changing those contracts. If you believe that a contract is a contract and you agree to the contract in May 2001 which clearly indicated the kind of commitments you made and now they're asking you to revise that contract, then you must reject. You absolutely must reject the proposal to give another million dollars to this project. Because as I said, we have to live with honesty and integrity and there's

nothing been honest and integrity about this process from day one. Thank you.

**Mr. Deputy Speaker:** Mr. Ternette there's some questions. Councillor Steeves.

**Councillor Steeves:** Thank you for the presentation Mr. Ternette. My question is this.

How long do you think the current facility, the Winnipeg Arena will last? Do you think it's adequate for our needs? If so, how much longer do you think it will last?

**Mr. Ternette:** It's a good question. As you know I don't know how many years ago that the old arena was rebuilt when the Jets were here and whatever else. Now I understand that it is an older collapsing facility in many ways. I'm no technical expert, I would like to ask some architects and planners who were involved in Save the Eaton's Coalition to examine the building just as they examined the Eaton's Building and to determine what the financial amount of money would be to upgrade it to a proper standard. Quite bluntly I think it can be done.

I, again, to be very honest and not objecting necessarily to a new hockey/entertainment complex, I'm objecting about the nature of the funding, that is if it's going to public, if it's private it's completely private and I've objected to that from day one. And I object fundamentally to where it's being located. Absolutely in the downtown area where the old Eaton's Building is absolutely the worst possible location for a downtown hockey/entertainment complex in any way to revitalize the downtown. If the private sector, True North wanted to put 100% of its money and looked at the possibility which most people say, the only area of the downtown that might have some feasibility of a downtown arena which would beside the Convention Centre, if they put 100% money into it themselves, I would probably not object. But that has never been a consideration as you know thus far.

I would much prefer to revitalize the older arena which is worth $11 million, and as you know part of the agreement is going to be is once the True North Project is built, the old arena is going to be torn down we'll have a $11 million public facility going to be torn down and the land will have to be sold off because there is no arena allowed to compete with True North, that's part of the agreement that you signed. As far as I'm concerned and I've been told by Councillor Clement that you'll never recover the actual costs that the public put into building the other original arena, and I think that's a real unfortunate situation.

**Mr. Deputy Speaker:** Your second supplementary.

**Councillor Steeves:** Thank you very much for your answer. My concern is this as a taxpayer in the City of Winnipeg. I understand we're making a significant contribution to this project.

If you had to choose between making the current $14 million contribution plus additional benefits fully acknowledged, would you elect to rather pay the full $140 million to have a fully owned private facility, or would you opt to go with the current arrangement?

**Mr. Ternette:** Mr. Speaker it's an interesting question as this has never come forward in the beginning. I would first of all assume that if the City was interested to work with the Provincial and Federal Governments in building a public facility, that that ought to have been debated and discussed as the process in the first place over two years ago. This has never been the issue and then we could have seen how the public feels for it.

Quite bluntly I have always believed that the issue of a public facility being built ought to be put to a referendum. And we ought to find out if the citizens of Winnipeg are prepared to finance a public facility. If that would have been the issue two years ago whether we build a new arena with public monies, if we would have put it into a referendum and the referendum would have been a majority of the citizens of Winnipeg said yes, we want a new public facility

hockey/entertainment complex, I would have supported it because that's what democracy is all about. But we never went through that process. Quite bluntly at this stage it was True North coming in and asking for government subsidies because they claim that they were going to build a private project. It makes no sense to go back at this stage unless we go forward and simply kill this project and then ask for a public referendum to be held whether the citizens of Winnipeg are prepared to finance a public facility.

**Mr. Deputy Speaker:** Your final supplementary question.

**Councillor Steeves:** I just want to be 100% clear. Your preference would be to kill the current project and then to go back in hopes that we could find alternate funding for a new arena, do I understand you correctly?

(10:18)

I don't understand the difference between, my concern is that the City of Winnipeg in your scenario might wind up having to pay for an entire new arena. Could you offer some clarity in terms of what alternate proposals you might have.

**Mr. Ternette:** Mr. Speaker, you are asking a hypothetical question in terms of my overall beliefs of how public facilities are to be built. I believe private facilities ought to be funded by private sector money, and public facilities ought to be built by the public sector. We've never gotten into that debate so therefore I find it hypothetical.

At this stage obviously the issue here to me is that you signed a contract for a certain agreement of how much money you were going to put into that agreement. That agreement has been changed. The contract has been changed. Ultimately you have a responsibility. You could say, you've got to give them a million dollars in spite of them breaking the contract or you could say no, we're not going to give them a million dollars, or you could even ask for that we want to reopen the whole contract because what we signed in terms of the term agreement of May 2001, is not what this new agreement is all about. There are many other issues which I haven't even raised that are fundamental changes to what you agreed to in your original place because you could say, that the contract has been broken. Insofar as True North Project is concerned, it's up to them to decide whether they want to proceed with the project or not, they claim it's a private project. This has really nothing to do with that.

You're arguing what ways could a new facility be built, if there was a referendum and citizens of Winnipeg wish to have a new hockey/entertainment complex which I'm not sure that that would be one, but if they did with public monies then there ought to be a whole new debate about where it would go and how much it would cost obviously. That's a hypothetical perspective that we're obviously not got in the situation. The situation is, we have a private project and they all continue to come and continually trying to get public money to subsidize them to the point where their equity share of the amount of the money that they're putting in is literally only about 10%. The public is financing 90% of this total project ultimately and getting no real benefits from it, and that is the issue that ought to be addressed.

**Mr. Deputy Speaker:** No further questions. Thank you Mr. Ternette.

Marjorie Jaman in opposition to Item 1 in the Report of EPC. You have five minutes.

**Ms Marjorie Jaman:** Councillors, you are being asked to make a choice on whether or not True North should be given the additional one million dollars they're asking for to help build an arena on Portage Avenue. What I'm asking you to do is think about how you are contributing to creating a building that I and many others strongly and sincerely feel is not in the best interests of Downtown Winnipeg. You are going to be responsible for helping create that building one that will likely become a burden to taxpayers for decades to come or until it is time for it too to be torn down.

You have been told over and over again by the Mayor and True North interests of an arena on Portage Avenue will revitalize downtown. That it will bring back life to an area that has been struggling for a few decades. How I would like to believe that for it would make my life much simpler, I wouldn't have to stand before you and give speeches. But I cannot. I'm just a plain citizen who would so much like to see the Portage Avenue area become alive again like it used to be. I'm a downtown person who has always loved downtown.

As a teenager I attended a commercial college on Portage Avenue and spent lunch hours mixing with the sidewalk crowds gazing into shop windows. I got my first job in the Paris Building on Portage and Garry. Every morning and evening I used to walk from Furby and Westminster area to my office gazing in the windows along the way and reporting to the girls in the office what I saw in those windows. I bought hats, shoes and dresses from the shops along Portage Avenue. I bought dishes, lingerie, pastries, thread, appliances and groceries from Eaton's along with just everything else I needed. I attended movies along Portage Avenue. There were no nightclubs in those days to my knowledge. Downtown was my backyard.

As my life changed, so did downtown. The things that kept the street alive with people were beginning to disappear. It was no longer as much fun to go downtown just to browse, watch the people and savour the atmosphere. When Portage Place came into being I hoped my favourite playground was again going to be revived but it wasn't. Then Eaton's the glue that held downtown together was gone. There was no reason to just go walking along Portage Avenue.

What has all this to do with an arena you say. Well, you are going to tell us that an arena will bring back life into downtown. It will bring the people back. Please tell me how a building that is open one period of the year mainly on evenings is going to bring people downtown? For what? What is there to see and to be part of? You say the spin-off businesses will draw people downtown. A recent new record store, an outdoor store are great new additions to downtown. But is a hockey sweater store, a restaurant and a sports bar enough to draw people there day after day, year round. Remember also that people will likely avoid downtown because of real or perceived traffic parking problems, as many now avoid Polo Park when there are sports events nearby.

In my opinion an arena will in no way enhance the downtown or make it a destination for people to come and enjoy. I most certainly think downtown should be a fun place, a place where you could go to be entertained as well as to attend to business and shopping needs. You should look forward to going downtown to pay your insurance premiums, have lunch or enjoy an evening entertainment. You should not dread having to go downtown because say that is where your optometrist happens to be.

I realize that what is past cannot be revived, but I ask you to look back on what made downtown alive. It was people enjoying the experience of being there, and the variety of businesses that drew them there. You all know that downtown is the heart of the City. Our heart has slowed down until it is has almost stopped. Do you sincerely feel an arena on Portage Avenue can get that heart beating again? Remember an arena as your heart stimulant works only part time and irregularly.

Now if you honestly feel an arena is going to bring downtown back to life, go ahead and give True North as much as they ask for. However, if you have the slightest doubt about an arena being best for downtown, say no to anymore funding. Let those private interests that think it is such a good investment put their cash where their ideas are. If it is indeed all it is cracked up to be, it will find a way to materialize. If there are doubts about its liability plans will be delayed or perhaps halted for lack of additional private financial funding. You have made decisions that led to the destruction of a historic building that could have revitalized Portage Avenue. Do you now

say to those who convinced you that this was the best course of action, we have upheld our end of the commitment, now you carry out yours. Or do you say, here, we'll help you out because it wouldn't look good if we changed our minds at this date of the arrangement.

(10:25)

You must now choose, think carefully, let it be your choice, and I stress your choice for what you feel is right and best.

**Mr. Deputy Speaker:** Thank you. Any questions? If not, thank you.

Next is Ms Julie Van De Spiegle.

You have five minutes.

**Ms Julie Van De Spiegle:** Thank you Mr. Chairman. Good morning Mr. Chairman, His Worship and City Councillors, and members of the public.

I want to thank citizens for the loan of the hat, it matches my sentiments perfectly. I've already stated before Christmas that a whole year ago in December of 2001, Jim Millican is quoted in the newspaper saying that he was ever so grateful for a Christmas present from the public. You don't even have the decency to ask or to mention that they're short of money and to do this in September and October before the election, no, they wait until after the election, to start pumping after the election for more money. The result being that they got another Christmas gift. Is this going to be Christmas continuously, year after year, or a Christmas gift continuously?

At the EPC meeting yesterday one councillor said, he would be embarrassed to reject an application to give away another million dollars. What he should be embarrassed with is giving away money that is not his to give away, especially when we don't seem to have enough money to look after all of our potholes. As I was waiting there I saw there was dust on that table there, there isn't enough money to dust off the tables.

The Mayor said he's been picked on for the last two years. Will the crowd get out their hankies or Kleenex and weep with the Mayor?

Another councillor said, that many of her personal friends were on the other side of the issue. The same councillor repeated and reiterated he often repeated Mantra of a dead building. That building would not have been dead. Our city fathers or the people governing our city should have asked for a proposal for the building, and if a proposal wasn't forthcoming in six months or nine months or twelve months, they should have said, then the building is gone. They were not front enough in order to make that kind of announcement.

This thing isn't only about the inadequate size of the footprint for the building, it isn't only about the Eaton's building, it's about the lack of democracy. The nature of funding has been in the eyes of many, a scam. And the competition has been squashed.

When you take into account the many future concessions that this proposed building is supposed to have, and with the input of the private sector of some eighteen to twenty million dollars, I would say that we would have been better off having the public put in that money or at least for the amount of money that the public is putting in which is more than forty million dollars plus the concessions, that the public should be shareholders and should be equity holders, and that is not happening.

With the True North seemingly being in breach of the master funding agreement, and by the way if any of you city councillors don't have a copy of this master funding agreement, there's a copy for you here and I believe that I can scare up another copy.

I don't think you people have read it, if you've read it you'd be as shocked as some members of the public are. If additional funds are forwarded especially without conditions attached, I would say our city government is in breach of its stewardship. Few councillors seem to know about or acknowledge that there is

a heavily censored Ernst and Young risk assessment report commissioned by the City of Winnipeg. And the term sheet which is less than twelve pages in length is the only thing that City Council agreed on. However this master agreement which is something like 80 pages has probably not been seen by any of the city councillors that was signed by our mayor in December of 2001.

In spite of all the ballyhoo in connection with the proposed project, it is inappropriate to use the old Eaton's site. That site will not do Winnipeg proud. The building cannot be showcased in any way, shape or form, there's not appropriate areas for spillage from the crowd from the building when it is emptied or for pick-up and drop-off. The only way we can have pick-ups and drop-offs is by using two lanes of Donald Street and of course we've already given away two lanes on Hargrave Street, so why are we giving away all of this? Why don't we have all of this as equity for the public? If you're not going to walk away from this at this time because True North has breached the contract at this point, then let the proponents swim or sink on their own and stop the bloodletting of our resources and our people into this unbelievable quagmire. Thank you.

**Mr. Deputy Speaker:** Any questions? Hearing none, thank you.

The next delegation is Mr. Claude De Forest, followed by Mr. Rocky Kravetsky and Mr. Jim Jaworski.

**Mr. Rocky Kravetsky:** Mr. De Forest has asked me to proceed him.

First of all I should say that I'm here on behalf of the Save the Eaton's Building Coalition, I suspect that you all would have known that.

Second, I should explain to you why the Save the Eaton's Building Coalition is still interested in this since the building is clearly down, and as I explained yesterday at Executive Policy Committee, the Save the Eaton's Building Coalition is really a coalition of people and it's set out with a mandate from its members that included not only trying to preserve an important heritage asset but also it set out to speak to matters of interest to the development, the orderly and proper development of downtown Winnipeg and it remains the position of the Save the Eaton's Building Coalition that this particular arena plan for this particular site is not appropriate for downtown Winnipeg.

The second reason that the Save the Eaton's Building Coalition is still involved in this is because the Coalition has over the course of the last 22 months put a lot of time and effort into developing the expertise necessary to be able to understand fully what it is the City's getting into. It's the Coalition that has pursued through every available means the disclosure of information including the actual agreement, including the actual plans that effect this site and the Coalition has much to say about what it is that you've agreed to and what it is that you've got.

In the remainder of my five minutes today, I propose to tell you why I need more than five minutes, and I propose to ask you to delay this decision until you give to this well-informed group, the opportunity to meet with you on the same basis as the people who are asking for this gift of a million dollars.

(10:33)

Give this group of citizens the same opportunity to speak to you and to explain to you why this is a bad idea. Why giving them the additional million dollars is a bad idea, and indeed what you might do as a result of this request to improve your position in the deal that you've made.

The reason I say that we need more than five minutes is for example, I heard Councillor Steeves ask a question that assumed that this is $140 million project, well it's not. I can't explain to you in five minutes why it's not but it's not. This is not $140 million project. The assumption seems to be made for example, that this is massively supported by private enterprise. In fact, we are $18 million short of this being entirely a publicly

funded arena. There is much more than can be said.

I propose if given the opportunity to meet with councillors on the same basis as the proponents got to meet with you, I propose to explain to you the dozen or so ways that the master funding agreement that the Mayor and the Administration got for you does not comply with the term sheet resolution. In other words it didn't get you what you agreed on on May 23, 2001. You got a deal that is much less than what you would have expected than what I expect you would have got. You now have an opportunity to use this request for another million dollars to see that the agreement is enforced, not to kill the deal but to force True North to give you what you voted for on May 23, 2001. I can't in two or three minutes enumerate and explain those dozen ways.

I propose if given the opportunity to speak to you at length and on the same terms as True North got to speak to you, to bring forward experts who will explain to you why the building you're getting is not the state of the art facility that had been represented to you. In fact we see Kevin Donnelly admitting in the Free Press this past weekend for the first time that you can't reasonably compare this facility to the state of the art facilities in Vancouver and elsewhere.

I propose to bring forward the people who could explain that to you. Who could explain to you how for example, the hockey team is insulated from the arena. You keep counting the hockey team as part of the investment but in fact the way this deal is structured the hockey team is completely outside of the arena investment and can be sold or dealt with independently of the arena.

We read in the newspaper this is something completely new that the VLT's are to be spun out this is not a spin-off but a spinout to some other entity again insulating an important revenue stream from the arena itself.

You have the opportunity now, now that we actually know what the arena plans are, every time we've appeared before Council in the past it's been on the basis of some speculative plans, some speculative ideas, now that we know what the real deal is you have the opportunity now to hear an opposing view but it can't be done in five minutes worth of presentations. It has to take more time and in my respectful submission it's your job as councillors as trustees of the public purse to give that opportunity to this well-informed group. To explain to you to bring forward the evidence so that then you can decide and I stress your decision may be that you wish to go ahead with this deal certainly that was your decision in May 2001, but that you wish to strengthen the terms so as to give the taxpayers more clearly the guarantees that they believe that they got and I think you believed you were getting on May 23, 2001.

If I may Mr. Speaker, I want to say something else. When we appeared at EPC yesterday the Mayor took the opportunity to complain about the criticism that was being levelled against him by people on this side. If I may just say this. The Save the Eaton's Building Coalition and its supporters are people who are very sensitive to the rights of citizens and who seek to invoke the rights of citizens to fully participate in decision-making done by this Council, by the level of government most close to its citizens. If the Mayor is going to govern from a position so far departed from his position expressed when he was in opposition councillor of openness and freedom of information, then he has to expect that there will be criticism. I have to say frankly that if he can't take that criticism then he's either got to grow a thicker skin or get out of politics.

**Mr. Deputy Speaker:** The first is Councillor Vandal, followed by Councillor Lubosch.

**Councillor Vandal:** Mr. Kravetsky are you currently representing the Save the Eaton's Coalition in any ongoing litigation against the City of Winnipeg?

**Mr. Kravetsky:** I am.

**Councillor Vandal:** Would it then be advisable for us to sit down with the Coalition and yourself to discuss these issues which you are currently litigating against us?

**Mr. Kravetsky:** You may take your own counsel as to whether it's advisable. My position to that is this. That you are charged with making decisions at a political level and that the individual councillors are not the people who are the opposite party in the litigation. It is rather the City of Winnipeg as a corporate entity. That would be the first thing.

The second thing is, for some reason my presence at this presentation would be difficult for you or if your lawyers should advise you that you shouldn't attend because I'm there, I'm happy to step aside, there's plenty of expertise in the Coalition that can bring to you the information that you need to have to make a fully informed decision without me. The question ought not to be whether I should be there, the question ought to be whether you should here the information.

**Mr. Deputy Speaker:** Councillor Lubosch.

**Councillor Lubosch:** Thank you Mr. Kravetsky for your presentation. You alluded in your presentation that there was a number of ways in which the deal has changed and you'd like to have the opportunity to tell City Council how the deal should be structured in order to best protect the interests of the citizens. Could you elaborate on that statement please.

**Mr. Kravetsky:** I can but that will take quite a bit of time.

Let me give you just some examples if I may. You can start at the very beginning with who the participants are. When you made this deal on May 23, 2001 you made it on the basis that there were certain specified partners. We now have a completely different group of partners but what's worse than that and you may be satisfied with that group, but what's worse than that is you have no say in who will be the partners over the next 25 years. And remember although some people say the City is contributing only to capital, the fact is the City is committed to giving money to this group for 25 years. I say that when you voted for this in May 2001 you did it I think reasonably on the understanding that certain specific people would be subcontracting if you will that public trust. Now it's a different group of people, a larger group of people a more unwieldy group of people and it stands to change every day at the whim of whatever is economically or commercially important to these people.

That's one area where you could have protection. You can have a clause and I think should have a clause in the agreement that gives you some say over who is behind this entity to which you are giving $2.2 million according to the City's own estimates every year for 25 years. That's a huge whack of city money. I sat here and listened to these people looking for $16,000 for a high school, it gives you some sense at just how much that affects the City's budget every year and some of the hard decisions you have to make.

If you've decided that you're going to give it to them and I'm not telling you you shouldn't, all I'm saying is, you should have some control over who they are. I appreciate that the current group are well respected, well admired business people, I would trust them with my money. The problem is that tomorrow it may be in their economic interest to sell or give away their shares to somebody else and then who's it going to be. So that's one area.

Another area has to do with control over the size of the building and with its design. We talk about who's in the partnership.

(10:40)

Let's talk about what's in the partnership. I alluded in my earlier submission to the position of a hockey team. The term sheet clearly states that the hockey team will be contributed to the partnership. Now I would guess when voting on the term sheet in May 2001, there was a certain level of comfort that the interests of the hockey team and the arena would be intertwined so that for one thing the

arena would have a regular tenant and would have a regular tenant with an interest in being there for the long term. But in fact the way the deal has been structured the arena and the hockey team are owned by the same entity but they are not part of the same entity. So that the hockey team can be essentially dealt away from this in the future, you have no control. The agreement doesn't carry forward what the term sheet says, and what the term sheet says is, that the hockey team will be part of the agreement.

Of course the agreement talks about True North's net equity of $25 million, we're now down to $23 million and that's if you still count $5 million as value for the Eaton's Building. There's another thing about that. I think a substantial and important issue.

We wouldn't be here today if you had more than a bald statement in the master funding agreement that says, that the City won't be responsible for capital shortages or for cost overruns. That's fine. It's a statement, it's what you bargained for. I think when you voted on May 23, 2001 you would have expected a provision with some teeth so not only would you have a provision that says we're not responsible but something to back that up, some kind of performance guarantee. Or how about this revolutionary idea. The investors actually put their own assets on the line and guarantee those for any cost overruns or shortages. Because right now they have no commitment to anything more than their $18 million. On the day that the last of their $18 million goes in they have absolutely no commitment to continue contributing money to this where as you have a commitment of $2.2 million every year for 25 years. These are things which seems to me can be tightened up.

They're coming to you and saying, give us another million bucks. Fine you want another million bucks you give us some guarantees that this is the last million bucks, some guarantees with real teeth and I'd be happy or the Coalition would be happy to suggest to you in ways that you can accomplish that.

I can go on, the list goes on for quite a bit of time. The issue about the VLT's that arose in the newspaper on the weekend, I don't even know where that came from. The master funding agreement doesn't appear to contemplate the VLT revenue being spun out but there it is. So even that revenue stream is an issue. And we can go on. I can show you probably a half dozen ways in which the master funding agreement has been breached. There are deadlines that have been missed. There are funding obligations that have been missed. And worse than that, the City of Winnipeg has contributed to this day twice as much money than it has supposed to have contributed at this stage under the agreement. Who's got control of that? Again, you can negotiate a deal that would protect you in a better way as to those things.

I can go on. There are conditions as to breaches and so on, it takes more than five minutes here. It takes a long time and it takes more experts than just me. You have to hear from accountants and architects and from people with experts in design of buildings to know why this isn't necessarily the "high quality facility" that's a term in the term sheet that is not carried forward to the master funding agreement. There are many issues of that sort.

I want to be clear. The Save the Eaton's Building Coalition understands that the building is lost. Save the Eaton's Building Coalition also understands that the majority of this Council voted to subsidize this private sector project on this site against our advice. Fine we understand that. At the very least we want you to hold True North to the deal that we believe that you made with them and if they're not prepared to be held to that deal then you have to think about whether they're going to be back to you again and again and again as Mr. Ternette suggested for more and more money over the next 25 years. Because really what are you going to do if they need more money and they're not prepared to put it in? You've got this massive building occupying the most important block of downtown Winnipeg, what are you going to do?

**Mr. Deputy Speaker:** Mr. Kravetsky, I have stopped the clock here, two minutes and two seconds. There's two more councillors that will be asking questions, Councillor Steek and Councillor Steeves, Councillor Lubosch you still have some questions you want to ask. There's two minutes and two seconds remaining in the policy of the time allotted for questions to the delegation which is 10 minutes. Unless Council would wish to move the suspension of the rules to add another 10 minutes or whatever Council would like to do is to extend the time to give to the delegations so you can continue in your question period.

**Mr. Kravetsky:** Mr. Speaker you make my point about not having enough time to make the points I have to make.

**Councillor Lubosch:** Mr. Speaker because this is a million dollar question, I'm going to ask that we take an additional ten minutes to hear more answers to questions that other members of Council may have.

**Mr. Deputy Speaker:** You're moving that as a motion. All in favour? Let it be recorded timekeeper after the expiring of two minutes and two seconds continue on for another additional ten minutes for question period to Mr. Kravetsky.

**Councillor Lubosch:** Just for our edification what you're asking for is the same opportunity to meet with Council in an informal Council seminar so that you can provide Council with information that you feel is important to protecting the interests of the taxpayers?

**Mr. Kravetsky:** That is so Councillor. I would say there's a second part to the request although it's not that one can't be granted without the other, but the second part of the request would be to prepare properly for that we be given access to the information that the proponents provided to Council so that we can respond to it. Bearing in mind that whatever concerns there may have been as to commercial confidentiality have to be long ago spent, the deals are all signed we've been told everything is done, it's not as though there's a competitor out there who's going to come in and scoop this opportunity from True North. It's really two-fold. Give us access to information, give us the same time and opportunity to comment, have a good hard talk with Councillors and see if we can persuade you to a different point of view.

**Mr. Deputy Speaker:** Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. Through you to the delegation. First of all Mr. Kravetsky thanks for coming, it takes courage to come in the face of what looks like overwhelming odds. We appreciate the fact that you would take the time to be here.

My question for you is this. Would you like to speak to us, your last comment was about access to information. Would you like to speak to us about the Ernst and Young Report.

**Mr. Kravetsky:** Thank you. First of all I should say that your gratitude for my being here should really be directed to the Save the Eaton's Building Coalition which causes me to be here.

Second as to the Ernst and Young Report, this has been a point that's been bothersome to many citizens from the very beginning. The Ernst and Young Report was developed as I understand it as a request of the government funders of this to assess the risks involved in this project. It seems to me that councillors certainly should have access to this, but members of the public should have access to it in order to be able to comment on it and explain why they agree or disagree with the conclusions that have been reached. Obviously at some level decision making has been based upon that report, I don't know at what level of councillors haven't seen it but certainly it should be out there. Again so the councillors can appreciate the risks that notwithstanding the terms of this agreement that they have undertaken by virtue of the master funding agreement.

I would also ask by the way Councillor for any subsequent amendments to the master funding agreement because as I say, the information that we have reliably

is that twice as much money has been advanced by government that should have been and the only way that that could be is pursuant to some amendment to the agreement and I'd like to see that.

(10:50)

**Mr. Deputy Speaker:** Councillor Steeves.

**Councillor Steeves:** Thank you Mr. Speaker. Thank you Mr. Kravetsky. I just want to clarify your position with respect to the equity position put in by the private partners.

One thing I don't quite understand is how you can say the only obligation, it's been insinuated the only obligation of the private investors is the $18 million to $22 million depending upon how you look at it that's been put in in equity. What is your position on the $65 million that is coming from private lenders, is that not an obligation as well?

**Mr. Kravetsky:** Here's how this deal works. At the upfront stage when you're dealing with what's called capital under the agreement, for every dollar that private investors are putting in the taxpayers are putting in $2.25, $18 million to $40.5 million. That's the upfront money. That's the obligation to contribute under the agreement.

Second, what is the obligation to contribute during the life of the agreement, what is the investors obligation to contribute during the life of the agreement? Zero. There's not a single provision in the term sheet or in the master funding agreement that obligates the investors to meet a cash call if there's a shortage. There's no description of what they are to do if the business runs sour. Presumably they can let the business go bankrupt and there may be good reasons for them to do what they have tax losses by virtue of the limited partnership structure that they have. They will have other assets like the hockey team and potentially the VLT profits and rents and other entities and maybe good reasons for letting the arena go under. But if you look at the agreement there is absolutely nothing requiring them to contribute any money during the course of the next 25 years. Any money that is going to be used to pay down its $60 million of debt, any money that is going to be used to pay down that debt is to come from the operation of the arena itself. It's not coming from the investors it's the arena operations that are being leveraged.

What I am telling you is, that you are $18 million and a site which you have at Polo Park short of this being entirely funded by the taxpayers. You take the $18 million after the additional $2 million assuming that you give them what they're asking for today, you take that $18 million out of this and all the public sector needs to build this arena is $18 million. Because the arena pays back the $60 million debt, the private investors don't pay that back.

If you look at the balance sheet that $60 million isn't equity, that $60 million is debt. They haven't put that $60 million into it, the arena is paying it back. You could build the same arena and pay back the same $60 million and there you go. You don't need them for that $60 million. Their obligation the only money they're putting in is $18 million, they own the whole kit and caboodle.

**Councillor Steeves:** Again for clarity. If there was to be a problem on the mortgage, who would be obligated for the $65 million if it was not paid?

**Mr. Kravetsky:** First of all, you keep saying $65 million and I wonder where you get that number. Maybe you were told that in seminar. The term sheet and the master funding agreement indicated that it's $60 million.

The only person obligated ultimately is an entity called TN Arena Incorporated, that's the general partner of the arena. That's it. If TN Arena Incorporated can't make the payments the lender would be in a position to foreclose the building presumably and would be in a position to mothball or tear it down, turn it into a car barn, do anything they want with it. You have no control over that.

My point I'm making is, if the income of the arena itself, that's the only asset TN Arena Ltd. Partnership has, if the income of the arena is not sufficient to pay back the debt, you can't force the investors to come up with the operating shortfall. You're quite right Councillor Steeves that there's nothing that says you would be quite right to say this, there's nothing that says that we have to come up with it. But you know what it's going to be, what choice have we got. We've got this lovely arena sitting there if we don't come up with it it's going to be foreclosed, it's going to disappear. We're going to lose control of it. What are you going to do?

My point is, there's nothing that says that they'll answer a cash call. I'll tell you something else. The bigger the investment group gets, the harder it's going to be internally to get an agreement if they're ever short that it's in their interest to answer a cash call. These are private investors. They're going to react in terms of what is best for them financially at the moment. And if what's best for them financially at the moment is to let the thing go, they're going to let it go and you can't stop that because the agreement doesn't provide you with that protection.

**Mr. Deputy Speaker:** Any further questions of Mr. Kravetsky? If not, thank you.

Is Mr. Claude De Forest ready to appear as a delegation? You've got five minutes.

**Mr. Claude De Forest:** Mr. Mayor, Members of Council, thank you for letting me speak. I will keep my comments short because previous speakers have stolen all of my thunder and made some of the important points that I wanted to make to you.

You should have in your possession, found in your mailbox this morning a six page handout which I prepared for you to read. It summarizes some of my concerns. I would like to draw your attention and mention this at the very outset on page 4, I wrote down, I would like to suggest that you Council demand for a delay in the discussion and decision of the motion to release another million dollars to the True North until such a time that the delegation of some of the many of us of the professional opponents including myself when I've had a chance to meet with your Council to explain our side of the story. I believe this is the only democratic way to proceed.

I'll speak to you as an architect and an urban designer. I taught this subject matter at the University of Manitoba for 34 years. If a student had come to me and I was thesis advisor too to projects such as urban design, infills and so forth, if a student had come to me and said listen, I want to build an arena here on the Eaton's site, the first thing I would have told them, do you homework properly, find out how this old building could be renovated into something which absolutely could be beautiful and build your arena somewhere else.

It is obvious that the City has blocked those attempts to explore in any detail the remodelling of the building and retrofitting of the building. You may recall that in one point in time a senior planner was suspended for having the audacity to bring to the attention of a politician I believe or the press the good examples of the retrofitting of the building are indeed possible and very successful.

However, I don't want to rely on past histories. For us planners and architects we worked with the Coalition has been a very frustrating and quite insulting experience over the last two years to be downgraded by opinion makers who have really no understanding of what urban dynamics mean and what urban planning is all about. The City still does not have a comprehensive urban design plan for the downtown.

Any arena that is worth of its sort needs a large plaza in front of it where the visitors and patrons to come to events, can stand outside and have a smoke, welcome the team arrive or the artists arrive and send them off. Here we have a building which is shoe horned on a site which is too small. Tour buses will empty onto a nine foot wide sidewalk on Hargrave Street. Can you believe what the people from North Dakota will say and Minnesota will

say, what a hick town. The handi-transit buses and taxis and so forth all have to discharge on a nine foot wide sidewalk.

(11:00)

Please give your heads a shake. People will be injured because there's traffic on Hargrave Street because they want to beat the traffic light on Portage Avenue.

We've pointed these things out time and time again. I think we better listen very carefully here. What I just want to go back and say is, the best thing for you to do is to delay the decision until we have had a good opportunity to discuss these issues in greater detail. People from North Dakota and Minnesota will never come back once the word is out how cheap we are. Also for people who have to find parking on the open market by walking all over the place to find a parking spot. It's just atrocious. If you were a person with a wheelchair or with a disability you wouldn't want to go to a game on a cold winter night. Thank you.

**Mr. Deputy Speaker:** No questions? Next delegation is Jim Jaworski.

**Mr. Jim Jaworski:** To the idiots who continue to vote for True North I will never forget what you people did. What a back water Winnipeg has becoming thanks to the low life's who sit on City Council and their insistence on making it so.

Thanks to you my Friday afternoons and Sunday mornings have been ruined because it was on Sunday mornings that there was less traffic downtown. I was hearing the demolition of Eaton's from my apartment window and on that tragic Friday a few weeks ago when I heard the large thud of Eaton's falling. This has caused me major post traumatic stress that will last for a very long time and take a long time for me to heal.

What hypocrisy that we hear from Gary Doer when he says that the Manitoba Hydro employees can take space within the Hudson's Bay Building. Isn't that what the Save the Eaton's Building Coalition suggested?

Councillor Clement, yesterday you said that in Toronto that there's very little parking for the Air Canada Centre. Well unlike yourself I have been to Toronto, yes there is a multi-storey parking structure located on Spadina Avenue between the Air Canada Centre and the Skydome. When I visited there in April 2001 I attended the Blue Jays home opener where there was 48,000 persons in attendance. After the game the area cleared up within 30 minutes. I know because I had spent about that amount of time to purchase souvenirs from the Hard Rock Café there. It had emptied so quickly because Toronto has the Spadina Streetcar and the Young University Subway line which Winnipeg does not have.

I associate the following things when I think of the architecture of the Eaton's Building. Good piano jazz music especially when I hear the low low low notes. Broadway musicals done by Liza Minnelli, namely Cabaret, New York New York, the Taste of Graham Crackers, a Driving Rainstorm in the Summer.

Downtown Hudson's Bay Store is of neo classical architecture. Well neo classical design went out in neo classical times during the 1850s. Tear the building down and build something more visually interesting and modern. Remember the Bay will soon suffer the same fate as the Eaton's Building did, and I shall cheer that event when it happens. You can count on me to not defend the inevitable demolition of the downtown Hudson's Bay Building.

If you want to demolish more buildings in Winnipeg I'll give you a suggested list. How about that ugly Casa Loma block at Portage and Sherbrook. Tear it down. Or how about the building that as plain as the former World Trade Centre Towers, the Richardson Building. Replace it with something more shapely similar to the TD Centre. The Free Press Building on Carlton Street was vacant for 10 years and nobody complained about it except for now, it's old and I never thought it looked very good, tear it down. How about the Colony Theatre. The building that had the certain Las Vegas look to it. Oh sorry I forgot that was replaced with a

wonderful looking office tower which became Investors Group in 1987. Speaking of downtown movie theatres, you say that the future of downtowns is in entertainment complexes. Well if that's so then where's the downtown Silver City. Perhaps we can tear down the Bay and build one there because there are almost virtually no movie theatres left downtown except for the Town Cinema.

What I'm trying to say is that beauty is in the eye of the beholder and we should be going by the live and let live principle.

Mr. Chipman, Mr. Murray and Mr. Millican whom I can only describe as intelligent challenged, I cannot understand why as Irishmen you insisted in tearing down the Eaton's Building. Was it not also an Irishman Timothy Eaton's who started the Eaton's Company in the first place. What is your problem. Did your mothers belittle you a little bit too much or something. If I were Mayor and the question of whether to demolish a building designed or owned by Polish/Ukrainian, I would strongly hesitate to do so. Have you Irish no pride? I guess not.

The restaurant facing Portage Avenue that the True North proposes is not a family type restaurant. It's a bar and grill where men and women go to meet potential mates. With the kind of street people that hang around downtown area now this is the least that we need to make the streets in downtown Winnipeg safer for everyone.

Trust is something that is earned Mr. Chipman, Mr. Murray and Mr. Millican. In my view you have done damage to the creditability of the Irish community. I will never trust an Irish person again.

Finally Unicity style government has not worked. I think it would serve the citizens of Winnipeg better if we went back to the individual municipalities model. I call for that to be looked at again because Winnipeg is just sliding into a sort of nothingness brought on by suburban developers who don't care what kind of central city a town has.

It is therefore that I strongly recommend based on the principle that corporate welfare should be deemed an illegal activity that you not give one more red cent of our citizens tax money to this very bad public project that will cause Winnipeg to be the laughing stock of Canada for a long time.

**Mr. Deputy Speaker:** Any questions of the delegation? I think he's made our day.

That's it for delegations. Next is the Executive Policy Committee Report of November 20, 2002.

(11:08)

**REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED NOVEMBER 20, 2002**

**Mayor Murray:** I would move the Report of the Executive Policy Committee dated November 20, 2002, Item 2.

**Mr. Deputy Speaker:** Stand it down. Mayor Murray you want to introduce it.

**Item No. 2 - Request for Expenditure from the City Centre Land Dedication Reserve Fund - Grant Park High School
File EP-2 (Vol. 30)**

**Mayor Murray:** I think that Councillor Steek's intention is to introduce a motion at this point in time. I'll give him the opportunity to do that.

**(Councillor O'Shaughnessy in the Chair)**

**Mr. Speaker:** The motion that Councillor Steek has put forward is not an amending motion as it is contrary to the clause. It is a stand alone motion. We'll deal with the clause and then under motions should the clause be defeated we would deal with Councillor Steek's motion.

**Mayor Murray:** Mr. Speaker what we're looking for here is a review of the land dedication policy. As you know this money is money the City acquires when property is sold and there's transactions. Money goes into the land dedication account to repair facilities, repair

community facilities. Buy parkland, play structures and improve public places and public facilities. It became a very contentious debate because money was being directed towards the acquisition of albeit very worthy musical instruments and equipment for students.

I think we're trying and move right now in increased arts finding and with some specialized funding being created for children's art and culture, I think there's also an issue of given the inadequacy of funding at this point in time for those kinds of basic infrastructure that we need to look at these policies because I think there's clearly a lot of dissatisfaction with it.

I think that Councillor Steek has issues separate issue and we'll debate that at a larger time.

I think we have hardly gone through a Council meeting, barely gone through two without a large debate about the monies and what their intent is. I think EPC is moving to try and clarify that, so we can actually have a discussion about what are the parameters of this funding and are there holes in the funding, and is there a need for other funding sources because the money in these accounts certainly is not adequate to the demand for building and property improvements and property acquisition.

**Mr. Speaker:** Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. It's highly unusual that an amount of money of this small stature would be coming back here for review but this is a very unusual set of circumstances.

Let me say first of all that I appeared at Executive Policy Committee after this matter was referred back out of our last council meeting. The Mayor had requested at that time that it be referred back to EPC and that there be further consultation with members of the community committee.

The recommendation for the $16,000 was passed unanimously by community committee and there certainly wasn't any change. And that status when I did appear at Executive Policy Committee unfortunately the Mayor was away on other business, and this matter was once again defeated at EPC. However one thing that did come out of that meeting was a recognition and I brought forward a motion which Councillor Angus brought forward to review the criteria around the land dedication reserve Mr. Speaker which actually came into being in 1973. I think there is ample evidence to suggest that the criteria is out of date.

What I did before I came to this meeting was I requested of the community clerk's a list of all land dedication reserve transactions over the last four years. I don't intend to belabour it but without being ward specific or community committee specific let me note the following.

$7,000 for windows at a daycare. $9,000 for paving at a church. $20,000 for murals. $4,000 for cupboards. $12,000 for banners and so forth. What's important about that? Well the fact is Mr. Speaker, there are two elements that are common to every one of those grants. Number one, they were brought forward by ward councillors who knew the situation in their own ward and those were recommendations that were sponsored out of their own community committees. When you look Mr. Speaker at all of those clauses they all went forward to EPC with critical wording, notwithstanding. What does that mean? It means that they don't meet the criteria as laid out under land dedication reserve.

We know that there are situations where we waive criteria. We know that the needs in individual wards vary dramatically. That's the reason there's modest latitude to this particular account.

Interestingly enough I have no explanation as to why this small amount for $16,000 was reversed back in view of the history, and very frankly there are dozens of issues that have gone through Executive Policy Committee and as I say most recently we authorize out of our own community committee $20,000 for murals. That surely doesn't have anything to do

with a building of a building or recreational facilities. I have no objections to it Mr. Speaker because the ward councillors as the Mayor indicated right here on the floor of Council, surely the ward councillors know the germane issues in their own ward. The issue in the River Heights Ward is not a new facility. It's not additional park equipment as Councillor Angus had suggested last time. We happen to be well looked after in that capacity. However we do have different needs in our ward.

You heard from Mr. Burdy and you heard from Mr. Budoloski what these funds were needed. For this is merely one-third of an entire project.

Why are projects like this so so important? Well as is well known in the River Heights Ward through community incentive grants we regularly give to schools. And what's the legacy of it? At our last community committee meeting we put into motion a community incentive grant for River Heights School for $8,000 for band instruments. Much to my delight and surprise one of the members of our own committee happens to have a student in River Heights who partakes in that particular project. River Heights had only 75 students involved in the band program, today they have over 400. This is clearly a capital investment. Instruments of this nature have a long duration but it's not just for the southwest quadrant and the students there. It's for the benefit of citizens throughout this city. In every ward.

We heard yesterday Mr. Speaker in budget deliberations that there is an extra half million dollars going towards arts funding. If this isn't entry level arts funding what is it? Surely you want to invest in the best and the brightest in your community, give them cultural opportunities, that's what this is about.

Is it outside the criteria? At this moment yeah. Will this criteria be revisited? Don't doubt it for a moment.

I'm asking you to look at this particular initiative strictly on its merit.

(11:17)

As you have with all the other land dedication reserve account requests that have cleared when they did not meet criteria.

I can't quite understand why this one was isolated. I'm equally surprised that we've had to go to the lengths that we have here to get it brought back. Councillor Angus asked the delegations why they were so well coached. They came here Mr. Speaker because of the fact that they were concerned about this issue. These people give timelessly, these schools are open after hours, they're available to community groups. As you heard from Mr. Budoloski, Grant Park functions much like a community centre. Surely you wouldn't have any problem in supporting the need in a community centre. That's what this is about. Look at it based on its merit.

In closing I found something that I felt was very very interesting. I was looking through some documents that hit the desk the other day. It brought to mind a commentary from Councillor Angus. He said to me last meeting at EPC. When has the school board ever helped pay for streets and roads and the reparation? And the answer is never. The answer is they never will.

Mr. Speaker if we don't make every effort to keep the best and the brightest here, we won't have to worry about repairing roads because the best and the brightest will have left this province. This is a small request.

In closing I saw something else that was interesting. The banner reads, festival message. Reads as follows. Our future as a vibrant city, depends on the youth of our community in creating a keen interest in every field that's key to that success. That's Mayor Murray.

That's what this is about. It's about investing in the youth today, ensuring that the future is bright tomorrow. The request is modest. The Mayor has further required that the members of Grant Park will be willing to meet with this city relative

to a joint policy. That's a fair and reasoned request.

Please, you've read the letters that are in front of you. You know the impact on all of your communities. You know what land dedication reserve has been used for previously. You know that ward councillors know the issue in their own wards like none of you do.

I'm asking you to vote against the EPC recommendation that is here. Mr. Speaker I don't know from a procedural point of view, but is there any opportunity if this should not pass to address the motion immediately only because the issue is fresh in everybody's mind. Thank you.

**Mr. Speaker:** Councillor Steek you can always move suspension.

Councillor Lazarenko.

**Councillor Lazarenko:** Mr. Speaker, I was one who was the seconder for this motion that is before us. When Councillor Steek had asked me if I would support it, I did not hesitate.

Let us look at the issue that is before us. $16,000 is requested by a school to help them with the performing arts, they need sound equipment. We know for a fact that the school division pays very little interest to their role and their capacity, the responsibility that they have dealing with the issue of schools. We've always taken the lead role and I wish the good Lord would give them some vision to give the school division the common sense that it is their responsibility. But I will not sit back and say that we're going to ignore this even though the plight of the community needs this. The delegation was here they said that they require that.

Let us take a look at what is before us. $16,000 versus the $1 million we'll be dealing with here later on. Tell me, which would be the priority. Community minded deals we have to deal with. We will not hesitate to approve the $1 million. We had a delegation of people today with that subject matter. $16,000 is so small as to what we're dealing with today. $200,000 to the Winnipeg Symphony Orchestra. No questions asked, and they will not be because I supported it.

With all equality that our responsibility that is before us, when we talk about the land dedication reserve that is the taxpayers money. We collect that. It's up to us if we feel that this should be given for a needy cause such as this, then it should happen. I don't know why members of Council…I know the criteria, I know the policy that's in place but it's up to us. We've done it before. We've done it in the past, we'll continue to do so. Depends on the need.

The question that remains here the last time I had supported that and I've always supported a councillor who represents an area, if there is a need for anything such as dealing with school children and performing arts to educate, this is why we're here. We bend the rules and we'll continue to do so.

Like I said it's very unfortunate that all school divisions are the same, we have the same thing in the North End with School Division No. 1. They sidestep their responsibility and send it onto us it comes before the community committee.

Years ago I took an active role in saying look, the responsibility I had said to the delegation you get the funding from other sources and I'll match it to a limit. They proceeded to go to the Community Places which is provincial. They had gone to the school division and the school division did not reject them because they too have to seek public office for re-elections. Not for them to be sitting quietly and meet once a week. The media doesn't pay much attention to whatever happens with the school divisions like they do with us, we're screened.

We have the cablevision here monitoring and recording every topic we deal with, every word that is said. School division does not have that. We have the reporters that print and the electronic media is here monitoring us. We have delegations who come on both sides of the gallery, they'll sit here just to see how we conduct ourselves at the same time

they have the opportunity to appear as a delegation.

When you take a look at the criteria the responsibility and a common sense approach which is good for a community particularly when you're dealing with the question of schools.

Remember what we do each and every case in any school. that is our future leaders. Some day when we are retired we'll be able to sit in the gallery and watch those who would be coming on the scene later on to take over and we can say that is exactly the direction we were going into but some of us did not believe it.

Look, Councillors the trend of politics is changing. Society is changing. You can see what is happening outside of the world. The old school of politics is dead. We just had a convention of the NDP in Toronto last weekend. Look what happened with the old school politician. It's the new politics that is taking over. This is why the young generation want this and it's our responsibility to help them. I applaud Councillor Steek for taking an active role in this. He's representing his area the was he should the way I would do if it was in my area. I've done this in the past.

Councillors I would ask and urge you, $16,000 is not much as compared to what we'll be dealing with. I know there's going to be a lot of discussions on that proposal for the $1 million. Treat this as part of the commitment that we had made in the past and let the school get the $16,000.

(11:25)

**Mr. Speaker:** Thank you Councillor. Councillor De Smedt followed by Councillor Angus.

**Councillor De Smedt:** Thank you very much Mr. Speaker. I'm going to be voting against the EPC recommendation, and I don't often do that in matters of land dedication because I firmly believe in protocol and process and the administrative recommendations that we get by the guidelines.

However you know, Council often makes decisions in a balanced way. We very often get recommendations from community committees that we support. We often overturn them. We often get recommendations from community committees on land use issues. It's the City as a whole through Council is the Chamber of second sober thought, and we consider all the issues. I think that's called a balance of powers. I think it makes some sense.

Particularly so in this case because I agree with what Councillor Lazarenko has just mentioned is that we are in a balanced way looking at assisting True North, we're going to support the WSO. Later on this springtime we'll be reviewing the budget and as the Mayor had indicated be putting more money into the arts and arts subsidies, and I would be supportive of that.

I do believe that it is wise for us for some time to look at exceptions. This is an exception that the Councillor is asking for. It's not a huge amount of money, it's not capital money, it's coming out of land dedication. It is going to be flowing for a use that is stated that could benefit students beyond the reach of River Heights and City Centre.

Just for the record as the individual representing the school had mentioned, they're not the performing arts school, Westwood Collegiate in my ward is the performing arts collegiate. Will I be coming for land dedication? I don't think so and I say that on balance. Because we have playground equipment that I can't quickly attend to and other issues in our community. I think as Councillor Steek has well pointed out, on balance, their community he and his recommendation to his colleagues is that while they are reasonably well endowed for parks and facilities they have other issues.

Now I am not enamoured by flowing money to school division issues that are legitimately their responsibility. I think my colleague Councillor Clement and Councillor Eadie and I share the same view that we are often frustrated. But we

do that on playground equipment on school grounds because they can't afford to replace them because the whole community can use it.

Again while I'm not enamoured by going against policy it is a balance issue. $16,000 to provide some immediate assistance to continue the program going and hopefully and I hope my colleagues hear this message, I don't see this as a precedent that every time somebody wants to take land dedication money for schools we're just going to point to this one. There has to be a balanced view. That's why this Council sitting together tries to arbitrate these points. We disagree from time to time with community committees on land use issues. Very much so. And somebody who went through this process through an appeal and watching the wisdom of other councillors make a decision that went contrary to what our committee instructions were on a major land use issue, I'm very sensitive to that. But on hindsight as you look through it you find out that the evolution of that particular piece of property and that's the famous Unicity issue is evolving as the Free Press and others say it's rising like a Phoenix. I don't want to divert our attention.

I will by process because I think Councillor Lazarenko realizes that what we're voting on is the EPC recommendation, I will not support that, and when the motion comes through I'll be supporting Councillor Steek's motion there.

**Mr. Speaker:** Thank you Councillor De Smedt. Councillor Angus.

**Councillor Angus:** Thank you Mr. Speaker. I also am not as tense about the amount of money nor where the money is going for a particular good cause. I am concerned that in my area where I have 16 schools and like Councillor De Smedt, St. Avila is perhaps the centre of musical influence in the St. Norbert area. I have repeatedly turned them down. Not because I don't like them, not because I don't support them, and not because I don't look for ways of trying to help them like providing them kits on how to raise funds and where they can get money. Things of that nature Mr. Speaker.

I am seriously concerned that in my area and I don't know anybody else's area where the average school board increases over the last few years has been in excess of 30%, while our taxes we have been trying our best to reduce taxes. One of the ways that we are going to not be able to persist in that vision of maintaining fair and equitable taxes is by crossing over the bounds of responsibility and the school board clearly has elected representatives to support these issues, and to help them achieve the goals that they want. They have their own structure, their own criteria and their own policies in terms of how to do this, and they have no doubt Mr. Speaker as difficult a job as we have.

This Council will remember and I agree that the policy that was brought in and that's why I floated the motion and said look, if we want to change the policy let's change the policy. If we want to start allowing the funding of other things out of this money that's fine, I don't have difficulty with that. That would be a good discussion and a good debate that this Council should have. But if Mr. Speaker we look back to 1986 when the centre of the City came to this Council, the 30 man Council at the time and said, we have difficulty in land dedication. All the suburbs are developing property and they are getting land dedication money that they can reapply into developing their parks and developing their playground equipment and we have no land development. That's what they said. So this Council very wisely said, 25% of the suburban land development dedication, that is the 10% dedication that all developers pay to try and develop parks and things will go back into the centre of the City so that we can have beautiful parks and we can acquire when the opportunity comes up to buy tot lots, smaller pieces of property in the downtown, centre of the City area including River Heights and Grant Park area. And we have lived by that Mr. Speaker and willingly given it up because it's on behalf of the whole city, and we want it to look good.

I told Councillors yesterday at budget meetings that if we spent a million dollars a year on just improving playground equipment it would be 25 years before we would get all the playgrounds in this city done, fixed up.

Am I against kids in bands? Absolutely not. Do I think that it's a good program? Absolutely I do. Is this going to pass? Probably will. But I'm telling you Councillors that we have to sit down as a group and say, what are we going to invest our money in, what are our priorities and set some rules because we're establishing false expectations out there.

(11:33)

What am I going to say to my schools when they legitimately come forward to me and say, look what this Council did, they gave money to this particular school, why can't you get that for us. And I explained to them that we have a different policy and that I give my money in different ways, that I try to establish joint use agreements between school boards and the City. I try to get the school board to build a larger gymnasium so that adults can use this after hours and they agree. And when we do a climbing apparatus in a school ground it's a community committee group that is trying to put that together. The school board agrees to provide insurance and maintain and gravel and things of that nature in my areas. The folks actually go out and raise money just like they're doing for the band. I'm not against that at all Mr. Speaker. But sometime that particular roll of the dice has to sort of have some direction to it.

We have in this particular councillors ward and I give him kudos for it but he has given money for books in one particular school for alarm equipment in another school, and now we're into band equipment for another school. All admirable Mr. Speaker but perhaps he should do like Councillor Steeves did in the last term and run for the school board and sit on there too and argue his policies there to get more money.

Mr. Speaker I don't begrudge the kids at Grant Park School this money, and I like the Mayor's suggestion of some sort of a cooperative youth invigorated investment by this Council into helping them achieve things. But there has to be guidelines, there has to be parameters, and there has to be some cooperation. I would hope that we could sit down and establish the rules that we can all live by because it seems to me that every time we agree on something we change the rules and come back and say, well this is an exception. While there are certain exceptions Mr. Speaker when the exceptions start to become the rule it's time to revisit the rules and decide what it is we really want. Thank you.

**Mr. Speaker:** Thank you. Deputy Mayor Thomas.

**Deputy Mayor Thomas:** Thank you. The member from River Heights/Fort Garry started by saying this request was unusual. It's unusual because it doesn't meet criteria. If it met criteria it wouldn't be here at all.

This is a request for current not capital item. It's from a land dedication reserve which is supposed to be for creating new parks in your area, for maintaining existing parks that have been created. For new parks and rec facilities or for upgrading existing structures.

Some of the ways that I have used my land dedication accounts is I've had the parks and recreation staff in my area give me a rating system. The play structures that are in the worse repair I've pulled a couple of them off each and every year and put money in for maintaining the structures in the parks and community centres based on an independent rating.

I've also used it to buy land to expand Chalmers Community Centre. I've also used it for expanding the riverbank parkway. I've used it for fencing along side of parks to separate them from the railway tracks which would be a safety issue for the area. And last but not least I've used it for joint upgrading. A number of years ago the Elmwood/Transcona Pool was in need of upgrading. We used it to upgrade the change room, the

lockers, the pool and for a new slide. That's what we used it for.

Our parks are in need of our support. The Councillor from River Heights/Fort Garry has said on a number of occasions that there is insufficient funding within our budget for maintaining parks and that's true but this fund was set up for this purpose. I'm very concerned about it being used for supplementing revenue of schools. They have a larger portion of the property tax dollars that is submitted each and every year, a larger portion goes to the school. This account is not for this purpose and this isn't right and I'm not going to support it. Thank you.

**Mr. Speaker:** Mr. Mayor.

**Mayor Murray:** These are always very sort of instructive discussions Mr. Speaker. I'm a little perplexed.

Councillor De Smedt raises some very good points. This isn't just about $16,000 because like Councillor De Smedt I agree with Councillor Steek. He just rattled off a long list of non property improvements that have created the problem. There are millions of dollars over the last four years and over the next four years in land dedication, community incentive grants, just in those alone plus you have a park rec reserves which actually in City Centre if you actually didn't want to have a policy problem here, why the City Centre Councillors didn't get together and go to recreation reserve which is a non capital surplus account to fund community things. It's run to use river programs and make choices in that. There may be no money left in the account Councillor Gerbasi but there is funds to do that.

There's also Building Communities and today next phase the Winnipeg Development Agreement. All of those monies are set aside to improve parks, public facilities and the look of the City.

Now Councillors make me a list of the councillors who have been crying the loudest about the lack of money in budgets for what, fixing our parks, our recreation facilities, and the general look of that.

I've forgotten how many million when you total up what all the community committees have in land dedication. There is always a very good reason Councillor De Smedt. We don't give money to people to buy guns ever, we're never torn with subsidizing criminals or pouring toxic waste. What we're always asked to do is give this money to kids for recreation, and they are all worthy, and they'll all usually within the purviews of a church or a community centre.

We trust councillors and community committees to sit down with their constituents and their community centre leaders to fix this because over a period of four or eight years when you get into millions and millions of dollars being available, at the discretion of councillors there's a sense of sort of a contracted trust that those same councillors are at least going to demonstrate they've used up that money in their communities before they come to Council and ask to raise taxes and add money to basic infrastructure. Because what should be in the core capital budget is money for regional streets and Assiniboine Park. It's always $16,000. But Councillor Steek is right, he defeats his own argument his own conclusion in his argument by rattling off a list of things where councillors have done that. Maybe it is time to take that money away from the discretion of the community committees. Maybe it's to sit down over the next three and four and five year and make a list of the millions of dollars that are set aside and say, they can only be spent on that.

We always get put in a terrible position right? Because the Mayor and the other councillors are the Grinch. We get to take the lollypops away from the kids in front of the media. I don't care about children. I don't care about bounds.

The other thing I find hypocritical about this quite frankly, is that the same people who stand up and criticize you even though we put $50 million more into fire/police, who I heard for the last six months arguments about the Mayor doesn't care about police and the Mayor doesn't care about fire, all he cares about is his arts and culture, not Councillor De

Smedt who's been supportive of that, but others around this chamber who say I'm out of touch with reality now stand up and say, arts and culture is important for kids after beating me up only a few months ago.

(11:40)

We spent $50 million more a year, $52 million than we did five years ago on police/fire. We're now going to spend for the first time a million dollars more. Very much this is the intention. But I guess it's a little hard work to develop a policy where we can share between the responsible authorities the money.

So what is EPC asking for here? We're saying go to the Administration, develop a proper process.

I want to give you one final story. I was in Transcona during the last civic election and I was at a park dedication where the former councillor was there, and I was introduced as the Mayor who would not give any money to these citizens. I was actually introduced during the election, very friendly, but wouldn't give any money to the park, to build this park because the City did not budget for it. The individuals involved never told the residents that they had access to land dedication. They never told the residents they had access to community incentive because what? During the last Council meeting we were sent $20,000 off from City Centre Community Committee to contribute to the construction of a large and important church in this community, a very good project but we collected money from all across the City to contribute to a church a very important institution. Well these folks when that was the money couldn't get a park because the money in that community committee and others have been spent in other areas.

That was sort of the total amount. Here we are acquiring land from this development, that money is supposed to go back to build a park.

Having said that, I made a commitment to Councillor Steek which I'm going to honour. I will vote for this today because I said if the community committees pass this I would. I laid down a challenge to all of you. And Councillor De Smedt as well who always reminds us about proper process and playing in the rules, I was surprised by the turn of his position today.

Within the next three months I want a policy back here that deals with all of the funding requirements that takes those millions of dollars and puts it back to where it is and properly separates that money for arts and culture. Once we pass that, I'm not going to vote against policy again, but I'm tired of people talking out of both sides of their mouths and putting us in this difficult position because I'm not prepared to steal the lollypops from the kids. But some people are smiling. Do the work, stop carping and bring a policy back Councillor Steek and stop putting us in this difficult position.

**Mr. Speaker:** Question on the EPC recommendation. All in favour of the EPC recommendation please rise. The recommendation is of EPC to turn down the City Centre request for a $16,000 grant for Grant Park High School.

**Mayor Murray:** Mr. Speaker I'm just asking that the motion be split because the second one is asking for a policy develop the first one is doing, and I prefer not to support the first part but the second part.

**Mr. Speaker:** Vote on the first part which is, to turn down the grant request.

**A RECORDED VOTE** was taken the result being as follows:

**Yeas**

Councillors Eadie, Angus, Clement, Thomas.

**Nays**

His Worship Mayor Murray, Councillors De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steek, Steeves, Vandal, Wyatt, Lazarenko, Mr. Speaker Councillor O'Shaughnessy.

**City Clerk:** The vote Mr. Speaker, Yeas 4, Nays 12.

**Mr. Speaker:** The vote on the second part of the clause. All in favour? Contrary? Carried.

Chair recognizes Councillor Steek.

**Councillor Steek:** Mr. Speaker in view of the fact that we've addressed this issue and the EPC recommendation has been defeated, if we could vote on the motion that concurs with the community committee, I would appreciate it, it's fresh in everybody's mind and this item is looked after.

**Mr. Speaker:** All in favour of suspending the rules to hear Motion No. 1 now? Opposed? Carried.

**Motion No. 1**
**Moved by Councillor Steek**
**Seconded by Councillor Lazarenko**

WHEREAS City Centre Community Committee at its meeting of September 24, 2002, unanimously supported Grant Park High School's request for $16,000.00 from the Land Dedication Reserve Account for the acquisition of sound equipment;

AND WHEREAS Council at its meeting of December 11, 2002 referred this item to the Executive Policy Committee;

AND WHEREAS this request will ensure that many Winnipeg youth will be able to participate in the performing arts community as a form of recreation and leisure;

THEREFORE BE IT RESOLVED that the recommendation of the City Centre Community Committee of September 24, 2002 be concurred with by this Council and that a grant in the amount of $16,000.00 from the City Centre Land Dedication Reserve Fund be made to Grant Park High School.

All in favour of Motion No. 1? Opposed? Councillors Eadie, Clement and Thomas are recorded in opposition.

Motion is carried.

Councillor Wyatt I believe you wanted the floor for a moment.

**Councillor Wyatt:** Mr. Speaker, thank you. I just wanted to introduce a group of students and their teachers who are here today from the Calvin Christian School in Transcona. It's a relatively new school, and I'll just wait for them to come to the chamber before I speak any further Mr. Speaker.

Thank you Mr. Speaker. And I would like to thank Mr. Speaker for giving me the opportunity to introduce here the Calvin Christian School of Day Street formerly a Park City School which was recently purchased by Calvin Christian School. I'd like to welcome all the students here today to the Council Chamber.

The students are on a cookie crusade. What they're doing this morning they were out delivering cookies to all the important people in our community who provide services day in day out that we sometimes forget about. I understand that they've delivered cookies today to the Winnipeg Police Service on Pandora Avenue our police station. They've delivered cookies also to the fire hall to the firefighters of the City of Winnipeg for their years of providing service and protecting our city. Today they're here to deliver cookies to us on our cookie crusade. Everybody is going to get a dish of cookies on behalf of the Calvin Christian School. I'd like to thank all the teachers and all the students for all their efforts for doing this. Thank you very much and welcome to your City Hall.

**Students:** On behalf of Calvin Christian Collegiate we'd like to thank you for the service that you provide for others that often goes unnoticed. Please accept these cookies as a token of our appreciation for the hard work you do for our city.

**Mr. Speaker:** Thank you.

(11:50)

**Students:** We'd like to just say a blessing over you as you're guiding our city.

Prayer was said.

**Mr. Speaker:** Thank you very much. Councillor Wyatt.

**Councillor Wyatt:** Mr. Speaker I'd like to thank the students again for coming down, and to show the importance of what you're doing, the cookie crusade is to give meaning I think of thanks and also of good will. I'd like to share my cookies at this point with the Mayor, His Worship over there.

**Mr. Speaker:** Thank you once again for coming.

Councillor Eadie moves that it now be 12 o'clock, we'll reconvene at 1:30 p.m.

Council recessed at 11:53 a.m.

**After recess**

Council reconvened at 1:40 p.m.

**Mr. Speaker:** The next order of business is the Report of the Executive Policy Committee of January 22, 2003. Mayor Murray.

**REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED JANUARY 22, 2003**

**Mayor Murray:** I will move the consent agenda Items 1 to 13.

**Mr. Speaker:** All in favour? Contrary? Carried.

There's an amendment to Item 10. Question on 1 through 9, 11 to 13, all in favour? Contrary? Carried.

**Item No. 10 - Appointment of Citizen Members to the Winnipeg Arts Council File FG-3 (Vol. 43)**

**Mayor Murray:** I'll move Item No. 10.

**Mr. Speaker:** You're moving Item 10, Councillor Eadie moves the amendment. All in favour? Contrary? Carried.

The clause as amended, all in favour? Contrary? Carried.

**REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED JANUARY 28, 2003**

**Mayor Murray:** I'll move the Report of Executive Policy Committee dated January 28, 2003. I believe we have to suspend the rules.

**Mr. Speaker:** All in favour of suspending the rules to consider the Report of January 28, 2003. All in favour? Contrary? Carried.

**Mayor Murray:** I'll move Item No. 1.

**Item No. 1 - Funding for the True North Project File F-5.1 (Vol. 6)**

**Mayor Murray:** Thanks very much Mr. Speaker. I think this has been explained, I don't think there's a huge amount more to say about it. This is the addition of $1 million from 2002, increasing our infrastructure contribution from $3.5 million to $4.5 million. It closes the gap that was created when one of the investors withdrew about $15 million. We've had a very significant private sector support, came through to fill in the hole that was created. We've had a number of business leaders and community leaders come forward contributing money. They came about $2 million shy. The Province of Manitoba has already committed $1 million leaving a request to the City for the final $1 million on the $20 million down payment. The $93 million of private money is $60 million of risk being taken on loan at their expense. That's basically the numbers.

The option of delaying it for another year runs into yet more additional costs after two years of delay as a result of court action. Really doesn't make a lot of sense at this point forward the bills start building up.

I think it's time to get on with this, we've been debating an arena for the last 30 years in this city. I think we need this as an entertainment complex in the

downtown. It's certainly beyond the means of the City to build these things on our own, that's been tried a few years ago unsuccessfully. This will have an extremely positive impact on downtown. It is not a panacea, it's not the be all and end all.

We are contributing to the building only. We are not involved in the on-going ownership. We are not going in the operations.

The issue was raised earlier by delegation if this failed, what would happen. It would be a building that would be there. The ownership might change, other people may buy it. We do not have any obligations at all towards the operations of the facility. That should be very very clear. We have no equity position in that. My suspicion is that, someone in the private sector only opened it, it's hard to construct a scenario where they would not operate this. There's no point owning this if you're not prepared to keep doors open.

If you look at the track record on these facilities, they've been extremely successful in cities across the country.

I want to thank all the people involved. I think this is one of the good things about Bill 39 now quite frankly Councillors, is we can now have control over our own land use and our own process which I think is important. I think there's a lot of things to learn from this about how you deal on two ends of this item. One with a public process which allows us not to have to send our citizens off to six or seven different committees over two years from lane closures to that. We talked about planning commissions and more coherent models that are more transparent and promotes more citizen participation.

We also had a rather nasty reputation on the other end. If you're trying to make a multi-million dollar investment in our downtown right now under the old laws you have to go through seven different committees and it can take you about 12 or 14 months. Not too many people in Canada have to put their proposals through that, so it really scares off investment. I think there's a real challenge to us to use this as a textbook case study in how we would do it better. Because for the first time since 1874 this City Council has control over land use policies and over these processes. I think can probably create a better environment for citizen participation and a better environment for investors who want to invest in our city which is something I think we want to see more of on both sides.

I just want to make one final comment. Mr. Kravetsky made a comment about thin skins and insults, I wasn't referring to myself so much, as I think that one of the things that when people come down to City Hall I noticed in my e-mails and I said this yesterday, it was interesting the Sun reported me as defending the Save the Eaton's Coalition, and the Free Press said I was defending the business interests. That case they're both right. I mean this quite sincerely because I worked shoulder to shoulder with some of these people who have advocated to Save the Eaton's Building and I think they had and do have very honourable intentions that have given up a lot of their time to advocate for something they believe in. We obviously had some disagreements about that, but I think the vast majority of people there conducted themselves extremely well and we're very lucky to have citizens who care passionately about the City and put their time and energy where their mouth is.

I also want to thank, one of the things that we have precious too few of in addition to active citizens sometimes are investors who will step forward. Whether it was the Ballpark with Sam Katz, which by the way is about 50% government funding or whether it is the True North Centre, or the Millennium Library, or the University of Manitoba. Most of what we do is private/public partnerships. I have a lot of respect for Nick Ternette, I don't agree with him in this matter. I can't think of anything in this city that we've done that hasn't been involved as a private/public partnership. The Library, the University is $150 million of private money in a $200 million campaign. Our library very much the same thing, or MTC or the facilities across the street get large private sector

investment, but we operate them and we operate the risk and we pay the salaries and when the Symphony has trouble which is our next discussion, we have to step up. On the other hand we do make contributions to the development of the baseball park or this. We do not accept the risk. The risk is borne by the private sector who drive this as a market driven investment.

There's a challenge to that. One of the people pointed out that in Saskatoon governments built the entire facility. People have pointed out in other cities the private sector. If you've got an NBA or NFL franchise you have the ability with that kind of branding get a multi, Walmart I think owns two NHL teams now in a major sports facilities. We in our market don't attract that kind of multi-national capital. But I think we're well on the way to building a very very important facility.

The final concern I think where everybody comes to and I think what's interesting about this that's very important is that you need everybody involved to rebuild the downtown. Whether it's the Hemisphere Building or the Lindsay Building or 123 Princess, those residential conversions of historic buildings that were sitting empty are very important.

(1:48)

The new retail, destination retail, whether it's the value retail like Staples in Portage Place, or A & B Sound, Mountain Equipment Co-op, Giant Tiger and the many others are important parts. Education cultural institutions, the investments in the Burton Cummings Centre, Red River College, the public library downtown are all important parts of the mix. Getting people down there at night with the Ballpark expansion going on right now and True North, entertainment we know is a big driver. None of these in themselves, residential, entertainment, education, culture in of themselves are going to solve our downtown problem. You can oversell any of them as being a panacea. Residential, probably in my mind the most critical component of all of that is very important. But we have a mix going on right now.

We had the same fights with the Ballpark. I want to remind you the Ballpark unlike this, we own the land and it's leased to us and we will be owning that in 25 years. And we put in land and money about half. We have the same controversy at the time, it's about $20 million, $25 million project and a shorter period of time for the controversy.

I think what was hard here was that we had a very large historic building owned by the private sector that was very very challenging to say the least for them to deal with that. I'll tell you when I look back in hindsight, I could probably write a book on this one day, how you manage large assets that have such a liability to the private sector and not scare off capital and manage that in a way where there's proprietary information about a private investment and they were spending money doing studies on retail liability on different options for the building, and create an environment in this community where large capital projects that are private sector risk taken or driven, you can continue to attract them because for many years we had some challenges in our downtown attracting any private investment. There was an absence of capital available to us. At the same time when you're dealing with private property without scaring the money off have a transparent enough and open enough process where citizen participation is meaningful and the understandings of how far you can go with the transparency of public funds. How much you can go there. I think we explained the limitations of our liability.

I think it's a better decision even for people who don't like it because of the advocacy on both sides. We need Mark Chipmans' and Hartley Richardsons' and Len Aspers' and Sam Katz to build our downtown and to introduce new ideas. We also need the Christine Singhs' and the Rocky Kravetskys' to also remind us and to the advocates to keep and preserve what's up there. And sometimes we build new stuff and sometimes we say to new developers, that doesn't fit in our downtown, it's not the kind of new investment we want and

those developers go away unhappy. Sometimes we have to take down a building because when we make a judgement call we may be right or wrong, and the heritage advocates walk away from it feeling that we've let them down. That's why we're the meat in the sandwich here.

Also just want to close by thanking Council. I think this is the end of a very long public debate. I think each of you spent a lot of time talking to your constituents. Each of you brought very informed and continue to bring very informed opinions about this. I notice the dialogues that was going on today between some of you and people in the gallery. I know you actively listened here. I want to thank you whatever your view was on this for doing what I think was a good job in dealing with a difficult public issue and representing your constituents. Thank you Mr. Speaker for your time and I'll see if there's anyone else who has any comments to make about this.

**Mr. Speaker:** Thank you. Councillor Lubosch would like the floor.

**Councillor Lubosch:** Mr. Speaker first of all, let me register my surprise that we spent considerable time debating what was an important $16,000 question and nobody seems to want to talk about a $1 million question today. We'd all fail at Jeopardy.

Since 1995 I've seen a lot of things come and go here at City Hall. There's been a lot of requests for funding and for resources, for support. I've seen people who advocate for public transit come to this chamber. I've seen people come and go here and ask for their city to support them, to support their interests to hold the line on transit fares which have increased by about 100% in the last 10 years. I've seen community centres come forward and ask at committees and at Council for additional funding and additional resources. I've seen our own staff come here and ask for resources to repair buildings and offices and facilities that are in a sad state of disrepair. When the Conservatory came and told us that the Conservatory was in danger of failing, we told them to go and get a consultant study so that they could justify and prove it to us. And the same goes for the Pan Am Pool and a number of other facilities.

We have told our citizens ever since I came on Council that we don't have a lot of money to spend. We don't have a lot of money to throw around. Our budgets have been slashed. Our budgets have reflected fiscal prudency depending on how you look at it. And we've told people that we're trying to do the best that we can with what we've got. This year is no different.

This year we were told that in order to make the bottom line and in order to hold the line on what has been a successful attempt at reducing property taxes for our ratepayers, we aren't putting in new programs. We are in fact taking money out that we use to reinvest. Ironically $3.5 million in debt and finance charges that have been saved by the Public Works Department, that department that is responsible for maintaining our roads and our sidewalks and our curbs and our lanes, the things that aren't very sexy but are very near and dear to the quality of life in Winnipeg. The $3.5 million in accrued savings from debt and finance charges is the same number that we are forecasting to have at year end out of which this million dollars is going to come from that we're about to vote on to provide to the True North Group. For a cost overrun Mr. Speaker that should be borne rightfully and lawfully from the contingency that they have created within their business plan. There's at least a five million dollar contingency that is built into the True North business plan as part of that $133 million budget that is supposed to provide for cost overruns. Otherwise as it's articulated very clearly in the master funding agreement of which most of you should have had the opportunity to at least glance at by now in Article 3.5 it states very clearly that the proponents are to be responsible for any cost overruns.

The funding agreement also bares out a number of mechanisms, legal mechanisms in which a breach of that contract can be addressed.

How is it Mr. Speaker that we can find the rationale to turn down those people who depend on public transit when we need a million dollars for public transit we raise the fares a nickel knowing full well the demand is inelastic and that those people have no other place to turn.

(1:55)

And that they're going to find that other nickel one way or another and we won't have to go someplace else for that million bucks. How is it we can tell community centres that we're not going to give you a million dollars for a soccerplex, we're going to give you loan guarantee which may sound well and fine, how else are they going to get a million bucks to build that soccerplex. The bottom line is they have to spend somewhere in the neighbourhood of 30,000 to 40,000 volunteer hours a year over the next 20 years to pay that money back. That's what the Gateway Community Centre in North Kildonan is doing. I dare say the Dakota Community Centre in St. Vital is probably doing the same thing. There are others.

We are cutting back on library hours every year, and whether you want to believe it or not in some areas you go to a library on a Wednesday evening expecting to find it open and it's not. Used to be when I grew up. We've still got unpaved back lanes, a number of them in North Kildonan and I know in other wards. This year we're even taking $450,000 out of the Public Works budget, out of the current budget for fixing sidewalks and curbs. We're going to put it over to our capital budget because we don't have the money.

Yet when some of our pals from the private sector come calling cap in hand we don't want to look cheap, we don't want to look unwilling. We want to preserve the entrepreneurial spirit of this deal. So we're not even prepared to challenge their assumptions, we're not prepared to challenge their business plan. We're prepared to give them a million bucks.

So what is a million bucks? It's the five cent transit fare increase that we voted for, some of us early this year. Not me. It's more money than we spent on North Kildonan streets in 10 years. It's about five times, pardon me, it's ten times what we spend on summer youth programs in this city and we're supposed to be committed to youth. If we had a million dollars extra in handi-transit Mr. Speaker, it would mean that everybody could have a ride to their doctors appointment and back home. Currently not the case. You get a ride one way.

What would happen if the City told True North that we couldn't afford the $13.5 million and that we needed to put an extra million into our budget for core civic services? Would they be as understanding? Would they say okay, that's fine, we'll find somewhere else? I don't think so Mr. Speaker.

I was also quite surprised to read in the Free Press this week that some of the partners are preparing to develop another one of our charming heritage buildings into a sports bar and casino. Where's the money for that coming from Mr. Speaker? Kind of like tearing down the old mansion and rebuilding the garden house if you ask me.

The fact is, this is all about precedent, about process, about principle and about due diligence. There's been some real inconsistencies Mr. Speaker.

If a community centre asked for a million dollars we wouldn't even consider giving it carte blanche, there would be a long due diligence period, there would be report after report. It would easily be a year long, there would be a long process of due diligence to make sure that the business plan was in order and that the organization had a commitment and a way of paying that money back. There should be at least that much due diligence if not more if we're just handing it over. But to hand it over without conditions in my opinion is irresponsible and very short-sighted. We certainly don't have any guarantee that there isn't going to be another cost overrun and another and another. At what point do we draw the line. At what point do we start calling a spade a spade and recognizing

that this isn't nearly as private a deal as we might like to absolve ourselves from thinking that it is.

If average citizens asked for more transit money, more roads, more sidewalks, back lanes and curbs, we know what the answer would be this year don't we Mr. Speaker?

We asked the proponents of True North if this would kill the deal. And we were told clearly that it would not. This is not a deal breaker. Not in the context of a $133 million deal Mr. Speaker. I'm not prepared at this point to give another million dollars to a deal that I'm very concerned is going to continue creating not just cost overruns but all sorts of consternation because we haven't nailed these things down nearly as well as we would have liked. I mean my God, we didn't even have the foresight to ensure that when the largest building in Winnipeg was demolished that at least some of it would be recycled, and that the rest of it, the balance of it would be interned in our landfill site. It's going to the controversial BFI landfill site in Rosser Mr. Speaker, to join the other garbage resting on top of the City, the aquifer that some city residents still depend on for their well water.

In any event Mr. Speaker I was hoping that some of the information this morning would have given Council an opportunity to pause and reflect and perhaps a sober second thought on where we're going with this deal. I'm not suggesting that it's the worst deal in Winnipeg but there's certainly a lot of balls up in the air and I'm concerned that we're not going to be around to catch them when they start falling. I'm not voting for a million bucks for this deal. Thank you.

**Mr. Speaker:** Thank you. Councillor Steeves.

**Councillor Steeves:** Thank you Mr. Speaker. I appreciate the opportunity. I know this is a debate on the extra one million dollars but I think I can say categorically, it's been my experience speaking to the members of the community that this is supported or not supported pretty much down the same party lines that we saw with the original appropriation from the City of Winnipeg.

I do want to address one comment that I heard with respect to this not being a deal breaker. I don't believe that we ever heard that this was actually going to be a deal breaker. I don't think we actually heard that it wouldn't. I think there was no information provided as to how this money may or may not effect.

I've never really struggled with this issue with myself Mr. Speaker. I can tell you I was very supportive of this issue from the beginning. I guess the reason for that Mr. Speaker is because I see a new arena and entertainment facility as our obligation here in the City of Winnipeg. I think it's our obligation as a City Council to provide a venue and an opportunity to have something like this in our city. I don't see that as being optional. I guess I'd ask one of the delegations their view on the current facility, and I think that's a crucial question to ask.

I don't know if everybody in this room shares my opinion, but I think the current facility that we have is a facility that frankly is substandard. I think one of the delegations made the comment that they would be embarrassed with respect to the new venue that was going to be built, and they had some concerns about how that might be received by people visiting from other communities. I guess that begs the question, how is our current facility being received. My impression is that for the most part we can't even use the upper decks. It's a facility that is really in my opinion at least, not nearly to the standard that a city of this size should be putting forward.

The question that is never answered and it's become a bit frustrating I guess in this whole debate, is if not this deal when are we going to have to address this question.

(2:05)

The City of Winnipeg Arena as it currently exists is not going to last forever. I think we can say that categorically. In fact I think we can say with some certainty that

it is already at the end of its life cycle. If somebody feels contrary I'm always interested to hear those comments but that is never been advanced as a proposition.

What we have heard is yes, well it's not a very good facility but maybe we could do something else. There really are only three options as I can see them, and I stand to be corrected on this Mr. Speaker, this could be entirely public money for a new facility. It could be entirely private money or it could be a private and public partnership. I don't see any opportunity for entirely private money. There hasn't been the experience of any other city. I certainly don't see it as a possibility here in the City of Winnipeg. That somebody is going to come forward and build a facility with entirely private money. I don't think that's going to happen.

We then have to live with the option of potentially paying for this facility entirely with public money which I guess is an option but considering we have an operating budget of around $650 million total this would represent a huge chunk of any single year if we were going to amortize it over several years which is what we obviously have to do. If you compare it to our annual capital expenses, I just don't see it as possible. I see the only option as some type of private and public sector partnership. I don't see any other possibility to be frank. I guess I would concur with what has already been said around this table. I hope I'm not the only person here who feels somewhat fortunate that someone from the private sector has come forward and offered to put forth their own capital to finance this venture. I mean as a citizen of the City of Winnipeg I would hate to think that we would be financing this entirely out of taxpayers money. Now there's been a lot of debate as to what exactly is the financial commitment of the private sector in this issue, and I think that bares clarification.

It is a significant amount of money now. $18 million, $22 million depending on who you listen to. There's private financing for about $60 million. It's been suggested through delegation that somebody could put down $20 million and simply walk away from that obligation, well I think that doesn't stand up under scrutiny. I think we all have mortgages, and that is no more, in my opinion that is no more correct then saying that each one of us when we mortgage our homes can simply walk away from our mortgage. It just doesn't work that way. For someone to walk away from this deal will be forfeiting the $20 million that's already been put in of their money, and then Heaven knows what the private lenders might do in terms of trying to exercise on the $65 million that is still owing to them. I hardly think as was suggested they would simply throw up their hands and say, oh well we'll go after the City. Categorically I can state that simply would not happen.

This isn't keeping with other jurisdictions. We paid entirely for the current Winnipeg Arena, for the Winnipeg Stadium, and as the Mayor stated, a large portion of the current baseball stadium.

We don't make any money off of those facilities currently. That is not the case. We do not make any money off those facilities. I want to be clear about that because I do not see this venture, True North as a money maker in any great sense for anybody frankly. I see it as a great opportunity for us to provide a great service to the citizens of Winnipeg. I guess there has been some debate about the facility itself.

My understanding is that for hockey this facility is going to seat just over 15,000 people. If you read the Globe and Mail a couple of weeks ago, if we had an NHL team for example, and we were drawing 15,000 people a game, that would put us right in the middle of average attendance in the NHL. About half of the teams that they're currently drawing.

This facility seats for a centre stage concert I understand over 17,000 people. I sit on Winnipeg Enterprises, I can't tell you of any acts that would say no to 17,000 people in a facility. They just do not exist. Virtually any act that is appearing on the road right now would be more than happy with a facility where they could put 17,000 people into a facility.

There's no question in my mind whatsoever.

My feeling is this will be supported by this Council. I'm pleased with that because my sense is that this is a very very important project for the citizens of Winnipeg. I guess if I could single out a group I would single out the younger people in the City of Winnipeg. This is very very important. This is going to send the proper message to the citizenry that we are progressive, we are looking for, and this is going to be around for a very very long time. It's going to be something that is going to serve the citizens of Winnipeg for decades and decades and decades and decades. Frankly, if we don't move ahead with this deal that I think is a good one, we're going to be faced with this question as to what we're going to do for an entertainment facility in the very very near future.

**Mr. Speaker:** Thank you. Councillor Clement.

**Councillor Clement:** Thank you Mr. Speaker. I'm not sure what I can do in 8 minutes. I'd rather have about 8 hours given what I know about this topic.

It always intrigues me how some people try to make everybody feel good about issues. The bottom line is, is that everybody doesn't always feel good about issues, and you're either on one side of an issue or you're on the other side.

I look at the Forks as an example Mr. Speaker, and I've seen beautiful pictures of the boat basin there and the walkway coming up, then I recall that for two and half years the 23 people who called themselves the Greening of the Forks Committee and with intervener funding, that's public money that was handed to them to argue their case held that beautiful scenario up for two and a half years and deprived the citizens of this great city of that wonderful setting for that period of time. Everybody is just wonderful when they oppose things. We're just supposed to accept that.

I don't like when you have private conversations with somebody and the conversation is a half an hour long, and they tape it and they take one sentence out of it and then their lawyer uses it in court on you and just doesn't bring along the rest of the disposition whatsoever. I don't like that kind of stuff. I don't like filling out their surveys and having comments used. As an example, I filled out a survey, I filled out a bunch of them during the election campaign. Didn't matter who sent them to me whether it was the firefighters, the Chamber of Commerce, pick one I filled them out. I thought you know what, no problem and I gave them the answer they wanted to have, absolutely. And the answer they wanted to have on this issue was would I support any further funding, and I said no. That's exactly what I said.

Subsequent to that and several weeks later after a whole bunch of information came Mr. Speaker I had to relook at that. No different than I've relooked at my position on funding the arts and other things in this community because when we come into this chamber we have to sometimes recognize we have to be flexible given certain circumstances and we don't always know about them when we're making speeches and when we're doing different things.

Frankly I didn't know that Mr. Graves had pulled the plug on $13.5 million last January. I only found out about that part in the fall. It's my view that the proponents of this building got some real bad political advice by not making that public at the time. Well I can't do anything about that.

The fact of the matter is though, is that there is a lot of discussion around public money. Is the Federal Government putting money into this Mr. Speaker? Absolutely. They're putting in approximately $13 million give or take a little bit. That's public money, and all we hear about is how much they're giving.

(2:12)

The fact of the matter Mr. Speaker is that when you take the GST from the bricks and the sticks that will build this facility and when you take the source

deductions, the portion that the Federal Government keeps from the labour that will go into building this facility, the Federal Government will have their money out every single penny before the door opens. That's how it works folks.

Interestingly the Provincial Government will almost be in the same boat because it gets the PST on the bricks and the sticks and it also gets a huge portion of the source deductions, most people don't recognize where they get all their money but that's where they get it.

The fact of the matter is, the City is also putting money into this. And it's forgiving its long term amusement tax. But it's doing that already in the other facility. It's not money we have as income today.

Do they get anything back? Well certainly they get something back. We get business tax back. Is it a huge amount of money? No not in the whole scheme of things but do we get something? Yes. Do we get any property tax from the building? The answer is yes. We do get some property taxes from the building. Did we get property taxes from the old one? Certainly we did. But in recent times we also were paying $500,000 a year net out of the current budget to keep the walkway open and heat the building and have security in there, that was what the cost was. Out the window every year from the last three years that the building was there. That's what the cost was to keep the walkway open. Half a million dollars a year. You never heard anybody talking about that.

There's lots of issues. It's not just about that there's some public money into it, there's other money coming back. Nobody's saying that. Well they're not saying it because I think they're more tired of the whole discussion frankly, that's what I get in my community more often than not.

Somebody did ask the question the other day if this million dollars wasn't provided would it kill the deal. They didn't answer. But the look on their face said it all. I was in the room, there was no answer to that question Mr. Speaker.

We've had this situation before Mr. Speaker. We had a $111 million building that we could have built in downtown Winnipeg just a few years ago. It wasn't going to cost the taxpayers one penny, not one cent, if they actually read the document and how it was going to be put together. But that didn't happen either because of the same thing. It all got confused Mr. Speaker with the idea of keeping the hockey club. This was a whole different traunch altogether, this was about a building. The hockey club was over here.

You know what's interesting I heard somebody say earlier today that well there's nothing tying the Manitoba Moose to this building. Frankly, the information that we had shared with us and it's on the web site, if you understand the share structure, is it is tied together, number one. Very clearly it's tied together in terms of how the assets are drawn into this. The second thing frankly given the knowledge that I have about how the financial situation has operated the Winnipeg Enterprises Corporation for the last number of years, if we wouldn't have had the hockey team there pick one, the facility would have made more money because it would have had more open dates because you don't make a lot of money on local hockey teams and local football teams, you make a lot of money on concerts I can tell you. When you've got to say to a concert, sorry we don't have the date because we've got hockey games that weekend, so you lose the date. And you lose a pile of money too. It's just the way that it is.

This whole issue of a shortfall is unfortunate, it clearly was. There's been millions of dollars expended already. We have a facility or building site ready to go. There are other developments that are very close by that are watching to wait and see when that first crane goes up before they start spending money on some of their own buildings. There are people down there that want to do some things with some other buildings. They're sitting waiting to see this happen because they believe that it will be part of a catalyst to allowing them to be successful

in what they want to do. Those things are out there.

The bottom line for us is, is there any kind of a return whatsoever? I think that there is Mr. Speaker. I believe that when this building is up and completed and people come down and share in it. And by the way, people are in fact sharing in this thing. We all heard it the other day. There's 46 suites in this building. They're sold Mr. Speaker, they actually have a waiting list. They sold from anywhere between $40,000 and $60,000 a year and that's only for the hockey games, they have to buy their tickets for other events.

Why would all these business people in Winnipeg and I can tell you they're not at the Moose Games right now in many cases, why would they all buy these suites. It's because they believe in the vision that something has to happen in this town. And they watched it happen with the Ballpark, and there were a lot of nay Sayers about that too when that was happening. Some of them in this room from time to time. The fact of the matter is, if you go down there it's a raving success, and anybody that goes near it will tell you that. Everybody talks about it. They all talk about the Forks in the same manner.

Is everybody pleased about every event and everything that happens down there? No, but in general it's the first place they take their relatives when they come to Winnipeg, and probably the Park and that type of thing.

In the end Mr. Speaker, I'm going to basically leave it at this. There is business tax, there is property tax. There will be in my view increased assessment value as a result of this building going downtown for other buildings in and near there.

The last thing I want to make one comment about is parking because it's something that a lot of people just don't get. The current Winnipeg Stadium has about 2,000 parking spaces, that's all it has. There's a lot of other parking spaces nearby in shopping centres and those types of things and they're very careful about how they deal with that Mr. Speaker.

The fact of the matter is, this particular building although we keep hearing about there's no parking. One gentleman came here this morning and said that it was just terrible that there wasn't any parking, there's 2,700 heated parking spaces Mr. Speaker attached to this building, 2,700 heated parking spaces attached to the building either underground or overhead walkway. Most of them are within the same distance as anywhere where you can park around the existing stadium.

The arguments don't wash. It's right on the main drag for all of our buses. The current facility is not. There's too many positives here Mr. Speaker and I'm going to support the million dollars.

**Mr. Speaker:** Thank you. Councillor Smith.

**Councillor Smith:** Mr. Speaker, this whole question is one that gave me, I had to stop to think a great deal about it because I see an empty lot there now. I think the Mayor should listen to the Mayor's words of last week. And should listen to Councillor Clement talking about fiscal issues. The fact is, they have been talking about a tight budget, about shortage of money for cities and so forth. To go ahead and give a million dollars away when we don't need to, to me is amazing. A million dollars, we're just going to give away. A deal is a deal. I don't think this deal will collapse because we do not give the million.

(2:22)

I look at the investors. I'm sure they can tap into other investors. Or else they can come up with different ways of raising money. In other words, I don't think this deal will collapse. I don't think when we agree to something we should change our minds and give an additional million because it's asked. It's an easy way for them to come to government and ask for money.

We're even considering right now putting in parking meters in the parks because

we're going to gain $200,000 a year. We're desperate for money. We're looking for every way we can get a penny. I don't think we should be so generous as after we made a deal with somebody and then going ahead and agreeing to give a million dollars more. I just don't think it's reasonable.

I don't want to go ahead and rehash the whole deal, there are many things wrong with this deal and there's many things good about this deal. But the fact is we have a deal, why not stick to it.

**Mr. Speaker:** Thank you. Councillor Pagtakhan.

**Councillor Pagtakhan:** Thank you Mr. Speaker. Being a new councillor I'm sort of in a difficult situation where I don't know exactly all the information, I don't know if I have all the information to make a proper decision on this. Also representing a high needs ward I do have a difficult time giving a million dollars to the True North Arena where I see a lot of dilapidated homes, vacant lots, lot of high needs, for me it's really tough. I understand that the money is being taken out of the economic development fund or whatever the fund name is. What that means to me is that we're sort of taking away from business opportunities, potential business opportunities that could be developed in downtown, or within the Point Douglas Ward or other high needs areas of the City. At the same time I don't want to discount the merits of the True North Arena, I do believe personally that it will be a good thing and I want to see the arena happen, I want to see it be full and I want to see it be strong and vibrant. At the same time I also want to see a process and the delegation this morning that came forth, had a good point. I think that being a new councillor I'd like to hear that side and hear what they do have to say with respect to their views as we gave the proponents of the True North and I think that would be the proper and the right thing to do. Thank you Mr. Speaker.

**Mr. Speaker:** Thank you. Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. The issue in front of us today is singular, it's an additional appropriation for one million dollars.

My track record on this particular matter is well-known. From the outset I have supported the entertainment complex downtown. I had the pleasure of sharing an evening with Councillor Smith and Councillor Gerbasi when we went through the street closure on Hargrave.

The fact remains though that that is history. There is only one question in front of us today and that is the merit of an additional one million dollar appropriation.

We all attended a seminar wherein Mr. Millican, Mr. Ludlow and Mr. Chipman were in attendance. It's fascinating that three or four of my colleagues in speaking earlier have talked about the question. I was the person who asked that question. The question was straightforward. Will this deal crater without the one million dollars? And, some people felt that it was out of order but frankly I think it was germane to this issue. It's the issue we're talking.

Here's my recollection and I think it's quite simpatico with what you've heard but perhaps with a little bit of a different turn on it. The response from Mr. Chipman when I asked him would the deal crater without the one million dollars was, I cannot answer that question. That was the perfect response. Why was that response perfect? Because had Mr. Chipman had said yes this deal will crater without that one million dollars, everybody would have been pressed back in their seat and said this thing is fragile, what are we doing here? Conversely, if Mr. Chipman said, we'll come to the table with the additional million dollars, it's over. His position was totally logical.

Let's talk about some of the other things that evolved from the conversation because they're pertinent to the only question here and that's the million dollars. I want to make it very clear that I support the entertainment complex. The

question is though, do we want to fund an additional one million dollars.

As has been noted the financing package has a contingency fee. The contingency fee is dictated by the financiers, doesn't distinguish this particular venture. We were told it's in the range of $5 million to $6 million. We then said and one of the members on EPC said, well what about a comfort clause wherein if you come in under budget, that one million dollars will revert back to the City. The indications were that we were going to polish this into a diamond. The monies weren't coming back, we were going to use it for enhancement of the facility. That's fair enough.

We asked the question at the meeting, where was the Federal Government? Without being anymore specific we were told in no uncertain terms that the Federal Government would not be there. Case closed.

The Province came up to the table immediately, they have a different mechanism than we do. This is the best form, because everybody around this table will be able to vote their free conscience on this as an issue.

I want to make it very very clear that I have a great deal of admiration for the proponents and I stated that right at the outset. The fact that there was some difficulty in raising the equity after the departure of Mr. Graves is understandable. We were told that fourteen new partners had brought approximately $7.5 million to the table hence a shortfall of $2 million. The Province stepped into the breach instantly.

The interesting dilemma was the last million dollars and the fact that there had to be twenty million dollars in equity in order to pull the trigger ultimately for the debt load that came in on the end. But we were also told that the private sector had expended eight million dollars of their own funds. While government sectors had expended four million dollars. So the immediate question that came to my mind was, if you have invested eight million dollars would you not want to protect that by coming forward with one million dollars more. As Councillor Clement has indicated we were told in that meeting that 46 boxes had been sold at approximately $50,000. A round figure conversion tells you it's worth $2 million to $2.5 million.

Clearly, and Councillor Clement is absolutely correct, the private sector stepped to the floor and said, look we believe in this and we're there.

(2:30)

We were talking about one million dollars and one of the refrains that we heard recurringly is, that the same people come to the table for everything here. As a result they weren't interested in giving up another million or another two million in this case.

I went to the fund raising event the other day for the United Way, they actually went over budget. It's an extraordinary community. Many of you around this table, many of you in the gallery have given to various events and various considerations.

I took the liberty of phoning a number of people in this business community that I know who could have made this contribution, they weren't contacted. Now I'm not saying that you have to reach everybody, but I don't have the kind of access to capital that many of the people involved in this project do. I had no problem in coming up with some people who a) would have been interested in investing, but were never even contacted. So the question is, how thorough was the search?

I think the dilemma that we have today is quite simply this. Should this city come forward with one million dollars more? The ultimate question is, will the deal crater without this one million dollars? I think the points have been well covered off by the speakers before me. My position is simply this. I had supported this project from the outset. I'm in complete agreement with the Mayor that it will create enormous excitement in the downtown. Three levels of government

have made sure that we have contributed $40 million to trigger excitement. Councillor Smith said, a number of you around the table here have said, a deal is a deal. Fascinating question would have been, had the City of gone to the private sector and said, you know what, we think we're going to trim back by a million dollars, what would the reaction have been? Not particularly favourable from them and I dare say we would have been severely chastised in the media. Is the media behind this initiative? Unequivocally and justifiably so.

The Mayor and I don't agree on everything. As a matter of fact there are times we did completely disagree. The initiative taken by the Mayor in this matter by the Provincial Government are initiatives I can support. I think that the road getting there has been ragged procedurally and we've acknowledged that.

I come back to the final question. Should we be supporting one million dollars. My answer is this. I'm unequivocal in my support of this project. Should we be giving it another million dollars when I believe that the private sector should be coming to the table for that million? No I cannot support another million dollars. Thank you.

**Mr. Speaker:** Thank you. Councillor De Smedt.

**Councillor De Smedt:** Thank you very much Mr. Speaker. I'll be very short.

If this project had been approached initially with a funding requirement for the City, some $14.5 million I'm sure we would have crafted it and agreed to it.

The position that I'm taking is that, this is a very very modest incremental requirement from the public sector that seems to be needed, not seems, is to be needed. The fact of the matter that we can't control where all their investors go is rather regrettable. Is this the end I think of public funding? I certainly hope so. It comes back to a point that I had made earlier about decisions that this Council has to make is one of balance and one of commitment. I'm certainly going to be supporting the additional money. But it's not unconditional.

For the record we all know that one of the terms of the agreement that we had agreed to a year and a half ago, was that we would have to demolish the existing arena.

In discussion with the proponents it's my understanding that we have some comfort that they would agree to not arbitrarily withhold an opportunity for this city to market our property for the best available price and the best opportunity. It's demolish if necessary but not necessarily demolish. That's my understanding. We have a gentlemen's agreement to that effect because it's kind of difficult at this stage of the game to recraft language between legal authorities, between our legal staff to maybe get it with procession. But we'll have an obligation to in fact do something with the arena site, not necessarily to demolish, to try and market it in a non-competitive way so we agree with the proponent that we're not to keep up an arena, we're not going to have that kind of facility to be in competition. So that their investors will have the comfort to sustain this project.

I do think owners in the area of the most significant retail mall in this city and probably in Canada on a square foot revenue basis such as Polo Park might have an attractive interest in redeveloping that site. So I don't want to be committed to demolishing it, and I think we have an understanding from the True North proponents that they would consider favourably and not arbitrarily withhold an opportunity to market this site. I understand from our perspective we're not going to go into business and have an arena facility competing with them downtown. At the end of the day we might have to demolish the site or the new owners may have to demolish.

Having said all that that's what I feel comfortable with. It makes sense. Perhaps it gives us a little bit more leeway to market our facility and get a little bit more out of it then what we had thought a year and a half ago. It may compensate

for this million dollars to some degree that we have to put in as an additional funding requirement. I will be supporting the EPC motion. Thank you.

**Mr. Speaker:** Thank you. Councillor Eadie.

**Councillor Eadie:** Mr. Speaker, I'm not the least bit thrilled or happy that we have to sort of deal with this issue all over again because I felt that in May of 2001 this City Council on behalf of the people of Winnipeg put forward a position and made an agreement to make a contribution to this particular project for the good of our city. When it was learned just prior to Christmas that there was a shortfall in contributions and that the True North Group was looking to government for some assistance, I wasn't very happy about it, and I'm not happy about it today. We already see that the Government of Manitoba has made a decision, they made this decision in December to increase their contribution to this project by a million dollars. We're being asked for a million dollars. The Federal Government as Councillor Steek has said apparently has closed the door and nobody says boo about that. I'm disappointed in that.

(2:35)

If this is approved in terms of government contribution we will be the largest contributor followed by the Province and then lastly by the Feds. No doubt the Federal Government will want to be first in line when it comes to cutting the ribbon but they ought to be at the end of the line if that eventful day ever happens. We are now being asked to increase our share.

I was at the seminar last week I also had an earlier discussion with the True North people. I also asked the question what if this government says no will the deal crater? And it's true there was no answer to that question. I'm only giving my interpretation, the body language told me that in all likelihood if this government said no, a number of the other private sector investors might lose confidence and I think, I'm only guessing, I think the thing would crater. And guess who would be blamed? It wouldn't be anybody but the City of Winnipeg's municipal government. I've been to that movie once before in 1995 when in another scenario the City Government and the Provincial Government came to the table with an offer of funding for a new facility, the Federal Government was somewhat behind. When the process cratered because the private sector wasn't able to reach their own target and the thing cratered, guess who got blamed, the City of Winnipeg a month before a general election. Even though the City Government was in for what it said it would be in and the Province was in for its commitment and all of that, even though the deal cratered because the private sector wasn't able to keep up to it, the City got blamed. As sure as we're standing here today if this thing craters, the City will get blamed and important investors in our community will probably have very little confidence in us again.

As I said Mr. Speaker, I'm not at all happy to be having to deal with this again and to deal with this whole issue of this particular complex, but it's happening and we're here and we're going to sometime this afternoon make a decision.

On the whole process and on the whole concept of the facility and should it proceed Mr. Speaker, what do I believe? Well let me tell you some words Mr. Speaker. The benefits of having this proceed are very broad. There is the benefit of the work that developing a new building in our downtown regardless of whether it's an arena or another building will provide to the people who will have the jobs to construct these various infrastructures. There will be taxes derived from this work. Goods and Services Tax, Provincial Sales Tax, Income Taxes both Provincial and Federal. There will be permits required. There will be a lot of activity both with people's hands as artisans build the infrastructure, also in offices where architects and clerks and other people do the activity that's required. There will be an opportunity for increasing the assessment base of our downtown.

I rise in support. I believe this project will be a catalyst for activity, a catalyst for

new development. There will be new activity both in terms of regularly programmed events and special events. Sports, entertainment. There will be a new synergy by virtue of this development that was previously not enjoyed at the present arena location. I believe that this arena is going to be a milestone. Great words Mr. Speaker. I wish I had spoken them. But I didn't speak those words but I believe in the sentiment that it was expressed then and I believe in that today. The words by the way Mr. Speaker come from Councillor Lubosch. I'll be supporting the clause.

**Mr. Speaker:** Thank you Councillor. Councillor Lazarenko.

**Councillor Lazarenko:** Thank you Mr. Speaker. I had said a few days ago that I was not going to speak to this clause that's before us, I think I said all I have to say back in May 2001. It's unfortunate that we had to have the scenario of confusion jumping back and forth, making the City of Winnipeg look like we don't know how to solve a deal or make a deal. It made the business community very unhappy. Some pulled the plug and then pulled out. That in itself left me wondering if we were capable of doing any kind of business with the business community when it comes to a venture such as this.

Mr. Speaker, on the issue of professional sports. Back in 1974 and I believe Mike you and me are the only ones that are left here yet from that 50 member Council when the Jets Hockey Aid Venture approached the City, we provided them with a loan of $300,000 and years after that that loan was forgiven because of the problems they had, the Venture had split up, they were infighting with the group. Then what happens, in 1991 and 1992 members of Council majority who were still here, we had the kindness of former Mayor Bill Norrie who had proceeded to take the Provincial Government in with us in owning 50% of the Jets through the Winnipeg Enterprises. They did not pay one penny for that share. We did. We paid all the way through. The losses then what was voted on by this Council of '91 and '92 which I was very opposed to was to pay the losses. Two million dollar owners and million dollar players. We were paying and paying.

Look you have to understand this is a perfect deal for the Manitoba Government or the Federal Government. The Premier of Manitoba had said just last week, it will cost us around $14 million but we'll get back close to $12 million. Of course it's a good deal, if I was an MLA I'd be a damn fool not to support it. If I was a Member of Parliament I'd be a fool not to support it. Because you get your revenue back and returned. But what do we get back in return? We don't have the extra power to tax, they will not even give us hotel tax. Go to Gimli, Manitoba, they got powers to bill you for hotel tax. Municipal tax on a hotel. We don't, the Government says no. We want a gasoline tax, they said no. The Mayor's talking about some kind of a sales tax of one percent which I think it would be a disaster if it ever did come into Winnipeg because anyone who would be buying anything, would be paying through their nose, and they'd say enough is enough.

We are not doing what we're supposed to do, I would expect this Council especially those who are in the drivers seat to communicate with the Province to say look, enough is enough. You can give your one million dollars, why not, because you'll get it back. It's hard for us. When we have such as what we did with the Grant Park School for $16,000, no we can't because the policy of this doesn't meet the criteria back and forth. This in itself doesn't. I sympathize with the owners of the True North, I sympathize also with the contractor because last September when I found out that they were taking the rubble to Rosser Landfill site not to Brady because cost-effect in this. Who is going to travel all the way down to Brady on the other side of town where fuel will be so expensive when they were able to go just to the north side of the City of Winnipeg, made a deal with the landfill site owners to say that they've got a better deal, we couldn't. I don't know what happened.

(2:45)

The communication line broke down somewhere and I'm going to be raising this at the Public Works Committee, I want to find out what did happen.

When the Jets decided to leave the City of Winnipeg there was a plan move right there and we got suckered. Hook, line and sinker. When the owners of the Jets decided to move the revenue over to Quebec, when I moved a motion on litigation, I'm glad, I thank Council for defeating it because I would have been in deep trouble because there was litigation. The move was made to transfer the money over to Quebec. At that time the Minister of Finance had said, they will never get away with this, we are going to make sure that we get that money back because there's the capital gains tax. Well I told Eric Stephanson at that time, you have to get up mighty early in the morning to beat that group, they were ahead of us. They succeeded. They made us look like the fall people. We took abuse in these Chambers. Portage and Main with Peter Warren and CJOB. Thousands and thousands of people collected something like $13 million or $14 million of cash. I said at that time, how do you defeat a piggy bank when you have children going to the bank breaking the banks open and say we want to save the Jets. The young people want this, absolutely. They want something. They want an entertainment complex. But it's the process Mr. Mayor.

We had missed the boat when it came in with the process what is under the Winnipeg Act. This was why you had the opposition for a year and four months held back the complex. They couldn't do anything, because challenges upon challenges. What I said in May of 2001, if we would have gone through the proper process and this is why I voted against it. I'm not against the arena but the process, caused nothing but massive confusion. All the way through. And members of Council here in these chambers voted except one. I voted against, but I had said I felt like a totem pole in the desert standing. The only one. The point was raised over and over again. The demolition of Eaton's. There will be the demolition of the present arena. It was all in the clause. But we failed to contact the general public to make sure that the general public would have ample time to discuss, ask questions, the same thing what we're facing here today.

There was no need to have the delegation come here, no need for lawyer to come representing the Group saying, we may challenge this is in court again. We never learn. We are not learning the process and it's so clear how much clearer can anything be. Scrutinize this like the $16,000 that was scrutinized to say that that school was not entitled to get for their sound equipment. It's embarrassing not only to the proponents, embarrassing to the business community. It's embarrassing when you've got right across the whole country news like this spreads out like wildfire. We don't know what we're doing. Of course the media will be in favour of this. It's an entertainment complex. Free Press is in favour. CJOB is in favour.

The question is when you are doing things through the backdoor there's confusion, criticism, and each and every one of the broadcasters the journalists have the full right to question the move that was made by Council.

Did we do things right? Did we know what we're doing? We have a new member of Council had said he's not familiar with this. Of course he was not here at that time. The confusion is there and it will continue to be here.

When members of Council the decisions that have to be made. You have to make it in such a way that you have all your cards, the deck is on the table and every card is accounted for.

The other day when I was at that seminar, I had asked the very same question what was asked here today of the delegation. Can we be challenged, the public has the right to debate this. The public has the right to ask questions. We have to give ample time to the general public or anyone who's interested as well as what we did with the proponents. This did not happen. People come before the Executive Policy Committee standing in

front of the microphone and us looking at that delegation to try and get the proper answers. It doesn't work that way. Confusion can happen very easily.

The decisions that usually are made in Council, Jets scenario, I'm on the web page on the Jets issue I've been for a number of years. I said the Province gained $15 million with the tax concessions. Just the Province alone never mind the Federal Government. The Federal Government makes more because of the personal income tax and we lost $15 million. Nothing said. A deal was a deal. You signed that contract. You signed to pay those losses. The promise was not foolish. When Gary Filmon the Premier of Manitoba came before us at that time he was told by his advisors way in advance, don't pass up this deal Gary it's the best deal that you could ever get. What did we have? We got suckered to go in to pay the losses, the Jets are gone. We lost $15 million that we cannot recoup. We have an arena that's played by the Moose with about 5,000 to 6,000 attendances at times. We now are looking at building a new facility in the downtown area which I felt should not have been at Eaton's, it should have been behind the Convention Centre like we're doing with the other one.

Mr. Speaker it's frustrating I know especially to some of the new members of Council. It is very frustrating because it's been frustrating for me. I just had to speak because this is something that in itself has to be recognized.

**Mr. Speaker:** Thank you. Councillor Wyatt followed by Councillor Gerbasi.

**(Councillor Lazarenko in the Chair)**

**Councillor Wyatt:** Thank you Mr. Speaker. I rise today to speak on this item not because I look forward to speak on it or something I wish we had to deal with. This was a very difficult issue for myself to come to terms with. I think partly because I as an individual admire Mr. Chipman and the things that his family have achieved over the years in this city. I think clearly he's an entrepreneur, he's someone who believes in the spirit of free enterprise and entrepreneurial drive. To be a business person and to be involved in business is not an easy thing, a lot of people may think that but it's not. You have to have your eye on the ball, you have to be very aggressive. You have to work hard, you have to put in long hours. You cannot think twice about you know, can I meet the payroll this week or not, you have to do those things. His family has succeeded. He succeeded and so I admire him for what he's done for the City over the years.

But as I thought about the issue Mr. Deputy Speaker, I kind of came to the conclusion that like Mr. Chipman there's thousands everyday, thousands of people who wake up who are also entrepreneurs in this city. They wake up everyday and they go to work and they put in long hours and they go there building businesses of their own. Sometimes they're small businesses, sometimes they're medium businesses, sometimes they're large businesses. They could have one employee, they could have two employees, they could have five, they could have 20, they could have a 100.

(2:58)

They pay their business taxes on time by and large and the realty taxes on time, and they contribute to the well-being of the City. Yet I think the majority of them by far, the vast majority don't come to City Hall looking for a government grant or a government handout no matter what the project. And there are hundreds if not thousands of business deals going on every year in this city where people are trying to expand their business, grow their business, create new wealth, create new opportunity. Things that don't involve the City of Winnipeg and the City of Winnipeg providing funding and financing.

So I had to conclude that if we're in a position right now to not just give one million dollars but we've already given $3.5 million, that clearly we as a city are overtaxing the people of this city. That we have enough money to hand out to a project a private project, then we must ask ourselves either we're taxing too much or we don't have the right priorities

and we're handing it out or maybe a little bit of both.

I really believed what the Mayor said and I still believe it, what he said at the opening Inaugural Address of this Council, that the City is at a crossroads that we can go one way or another. We can go towards a city that grows and develops or we can go to a city that shrinks and declines. I really believe that and I strongly believe that.

The question is, do you resolve this dilemma by throwing more money, more projects, more government projects or do you do it by trying to empower individuals and entrepreneurs. Individuals who will go out and create opportunity and create wealth and create business. You look at the major successful cities of not just Canada, North America, but the world. It's through the individual effort of hard work and dedication and the willingness to take a risk that grows cities, that makes it possible for a city to grow and prosper.

We've heard today that this $13.5 million will have many spin-offs, I have no doubt that it will, that what we're putting into this project will bring spin-offs to us. The question I ask is, if we can't do things such as starting to reduce our business tax, if we cannot reduce the tax burden on those who go out to try and create wealth, then we will not see more growth happen out there by the individuals who make things happen.

I really must question Mr. Speaker the logic behind this, and that we're moving in a direction which in my mind will create a fantastic arena but at the same time does not get at the real issue, and the real issue facing us as a city is how we are going to grow and prosper economically. I really believe that it's not done through more government handouts and more big mega projects that are privately owned, it's going to be done through the private initiative of individuals who can come out and invest and make things happen because we don't get in their way time and time again. As far as I'm concerned Mr. Speaker, I would encourage all council members to say no to this one million dollars. I don't think this would break the deal, I think there's more than enough there in the contingency to handle this.

I really believe what my constituents said to me during the last election was very true that the priorities of our municipal government must be municipal priorities. And that is we should be concentrating on fighting crime and making our city safe. We should be concentrating on fixing the roads of this city.

Councillor Lubosch mentioned many examples. One example I can think of is the decontamination unit that our firefighters don't have. They're scrubbing themselves down with brooms and mops after a fire where they have to decontaminate themselves. It's a half a million dollar expense. Instead of debating something like that we're debating money for this.

I have to question the methodology Mr. Speaker of how we arrived at this in the first place. Question the very logic that we must always go out and find new sources of revenue when clearly in my mind we have enough revenue if we can be doling out cash to private ventures like this. Thank you.

**Mr. Deputy Speaker:** Thank you. Councillor Gerbasi.

**Councillor Gerbasi:** Thank you Mr. Speaker. There's been some interesting discussion raised today which has prompted me to want to respond to a few things that have been said today.

One of which is the position that was actually put forward by the Canadian Taxpayers Association. Councillor Wyatt is kind of going along those lines to saying we shouldn't be subsidizing business in any way.

I think the Provincial Government as well as this government believe in having an economic development policy. We've adopted an economic development strategy. The Home-grown Economic Development Strategy. I think to say that there is no role for government at all in any of these things would be to say we shouldn't have our heritage tax credit

programs for example. Without those we wouldn't have the heritage building preservation we've achieved in this city because that is government providing incentives for development because frankly it's very difficult to make these things happen in Winnipeg. We don't have 100 billionaires that live in this city that are paying for everything, we have a small number of people that can contribute. Without some kind of partnership and cooperation between the private sector and the public sector nothing is going to happen in this town. Nothing would have happened. We wouldn't have had an Exchange District like we have and preserved, and we wouldn't be having this entertainment complex either without some kind of strategy.

Now I'm not saying this process is perfect, I'm not saying it's easy. It would be really nice if someone would just come along and pay for it, or if government was rich enough to just simply do everything ourselves then we could have full control over the whole thing.

The reality is we can't afford to do this alone, we have to come up with a partnership. We've come up with a public/private partnership and it's not perfect. It kind of crosses ideological lines because there's people of all different ideologies that support this. I think it's because we're looking beyond the personalities and trying to look at how do we get something done in this town, that's frankly what it's about for me. I came to City Council because I wanted to get some things done. I think that we have made huge strides in preserving our downtown. The inspiring words of Councillor Lubosch that Jae shared with us, show the feelings that all of us have, by the way all of us except for Councillor Lazarenko voted for this project. I think it's unfortunate that some councillors are walking away from it at this point. I guess we're all entitled to change our mind when the circumstances change.

We've been asked this morning by some of the delegations to sit down and speak and have a seminar with people that are taking us to court right now. I think that's a bit problematic. I certainly been and I know most of the other people here, I know I certainly have spent many hours on the phone in answering e-mails and openingly discussing and finding answers to the questions that have been raised by my constituents, and there's nothing secretive about that process, it's been very open. We are one of the most open forms of government. We're constantly criticized because they have the freedom to criticize us because we're out here in the open. I don't see the Federal and Provincial Governments out here under the scrutiny we are. I applaud that, I think that's good. But let's have some fairness here there has been a fair degree of openness. And there hasn't been the openness that everybody wants, and part of that is that there's no way to avoid that in a public/private partnership because private businesses have certain rights to keep part of their business plans secret, part of their way they're going to make money secret, and there's nothing we can do about that. The Federal Government doesn't have to be as open as we have to be.

(3:02)

If we're going to get their money in this project we have to go along with that process, and that's been the problem from the beginning.

I think that we've had to decide whether to act on this issue, and this Council decided to act. We decided that a dead building sitting on Portage Avenue for 20 years. I know some people think there was a viable alternative, this Council didn't think there was. We want to get more residential downtown, there's no question but it has to be viable and it has to be real. We are getting that, we're starting to get that, and with the momentum with a number of efforts including things like heritage tax credits and the CentreVenture, all those things will add to revitalization of downtown. I think it's clear the downtown situation is improving and I think the public is happy about that. We all just got re-elected on that among other issues. Of course we're not going to have 100% support for anything we do. Sometimes we have to

do things that a lot of people don't agree with. But that's leadership is to go ahead and do what you think you need to do to meet your commitments. We made the decision to support this project and we were still elected again after that. To say there's no mandate or something I don't really think is fair.

Unforeseen things that happened with this project in terms of Mr. Graves pulling out, and efforts were made to raise that money and the fact is I think it is crucial for this project to go ahead that we don't yank out our support at this late hour. Unfortunately it's not fun for any of us but this is open, we're talking about this, we heard everybody and we will make our decision based on our conscience today. I don't think that there's anything wrong with dealing with what comes along, we have to do it. That's an important point.

There's some councillors that will say, the process isn't perfect so I'm not participating in this. You know maybe you're making some sort of a point to yourself, I think sometimes we just have to move ahead and we will decide that today and we will move ahead I'm confident.

I certainly respect many of my personal friends are on the other side of this issue from me. There are personal friends who are their personal friends who support this as well. This isn't personal. This is not about personalities. Unfortunately there has been some character assassination going on against, not only the proponents of it but some of us here. I think that's unfortunate because I certainly know what my own motivations and those of my colleagues are. We all went into politics to try and make it a better city. Whether you agree with us or not on a particular issue is fine. Everyone has a right to have a disagreement but I think everyone also deserves respect which includes the people on both sides of the issue.

I hope as we put this issue behind us there will be a respect between the people who disagree because in a democratic society people are going to disagree and I don't have a problem with that. It's a free country.

Having said that, I will be supporting this. I wish we didn't have to come to this. I don't think anybody wants to have to spend more money. It's not an ongoing cost after this and I think that's an important point that some people are forgetting we're not spending a million dollars every year after this. This million dollars is to build the building. It is important that we're not involved beyond that in terms of ownership of the building or anything like that. That's what makes it a public/private partnership. We are relying on the private sector to carry on with this.

There may be some risk that we have had to take. We did our due diligence and decided that it's a reasonable risk. Some people disagree with that. But that's the decision that we have to make if we're going to be in government. We can either move ahead with this or not move ahead with it. I'm supportive of moving ahead with it. I think it brings hope and confidence to our downtown as part of the whole picture of what we're doing in the downtown which I think a lot of people recognize is pretty amazing what's happened in the last four years. I think that it's important to have a sense of growth and a sense of optimism in the future. Thank you Mr. Speaker.

**(Councillor O'Shaughnessy in the Chair)**

**Mr. Speaker:** Thank you Councillor. Councillor Vandal.

**Councillor Vandal:** Thank you Mr. Speaker. Nobody has supported the True North project over the last two years more than I. I remember the meeting that Councillor Steek referenced on the closing of the public street. I remember when that meeting came to PP&D. I remember another meeting where we endorsed the overall project in this Council. I remember a couple of downtown design board issues where we considered a couple of downtown designs on this issue where we heard from the public those for the arena and those against the arena. I remember a conditional use application where we debated for six hours how many pool

tables should be allowed to be placed in the entertainment facility on Portage Avenue. We debated that for six hours and we heard about the pros and the cons of the arena from the various citizens in the City of Winnipeg at that time.

I remember a meeting where we debated for another five hours a text amendment making arena a permitted use on Portage Avenue our major artery in the downtown of the City of Winnipeg. I remember the citizens coming out both in favour and against the arena at that time. I remember a meeting where we delisted the Eaton's Building from the historical buildings inventory. I remember citizens coming out in that one both pro and con to tell us what fools we were and how we were ruining the downtown. Of course those who were supportive of it.

Throughout all of those meetings and I'm talking at least ten if not twelve if you count standing committees, if you count Executive Committee, if you count the floor of this Council, we've heard from those on both sides of this issue. We have consistently heard from those on the opposite side of this issue that we were fools. That we were as one gentleman said this morning, we were low life's and that we were going to get punished politically in October because the vast majority of citizens did not support what we were doing. Well October has come, October has gone, three of us were acclaimed and the other I believe ten, eleven with the Mayor were resoundedly re-elected with a 40,000 vote majority.

I'm going to support the one million dollars. Part of the reason I'm going to support it is because I think the vast majority of our citizens believe it's the right thing to do. The vast majority of our citizens believe that this is part of a plan. There's a gapping hole on Portage Avenue, and it needs to be filled. The plan includes not only the True North Centre, the plan includes the Millennium Library, Red River Community College, Waterfront Drive, the expansion of CanWest Global, new development at the Forks. A national historic site in the Exchange District. Bringing residential back to the downtown. The plan, an integral part of that plan is True North.

Notwithstanding the fact that the point that Councillor Steeves made is that we need a new arena. We need a new entertainment complex. And anybody that doesn't believe that has not been to the former arena in quite some time.

You know what, had this come forward two years ago as Councillor De Smedt pointed out, and had the proponents asked the Province and the City and the Federal Government for $11 million rather than $10 million, $14.5 million rather than $13.5 million, we would have supported this hands down.

I'm going to follow the leadership of our Premier, follow the leadership of our Mayor.

(3:10)

I'm going to remove all ambiguity on the future of this facility. It's part of a downtown plan and I want to see this darn thing constructed soon. Thank you.

**Mr. Speaker:** Thank you. Councillor Thomas.

**Deputy Mayor Thomas:** Thank you. I will be brief.

I'm going to start by doing something that I think that many people wanted to do they just didn't do it yet. I want to start by thanking the proponents for their dogged determination, their unrelenting positivism and much of this in the face of unwarranted criticism by a few.

Their personal vision has brought forward what I think will be a substantive change in our downtown. I want to thank them very much for this.

I applaud them for when they discovered a $13.5 million gap in what they had submitted as a budgetary plan. Scrambled to find alternative fundings. And many community leaders came forward and came forward with $11.5 million out of that $13.5 million to fill which left both the Province and the City with

the need to come out with an additional one million dollars each. I want to thank them for that and for their personal vision, I think they're doing the City a great service.

I have to say that we have to make sure that the volunteerism and the commitment of those who express their vision is awarded and applauded and not disregarded or humiliated. I don't think that's been right.

I don't believe this process has been in any way secret, I can't tell you how many open continuous and lengthy discussions have occurred on this subject. There have been many meetings. Some people just aren't getting their way. They have a right to be there and to be doggedly persistent in their objections the same way as some people are doggedly persistent in their support. I do find it most unpleasant when people say the process hasn't been open and I have no idea how it can be any more open. When they say the process has been quick when I can't believe how much time has been spent on this issue.

I look forward to being there when the ribbon is cut on the project. I look forward to coming to many different events that will occur in that space. I look forward to seeing all types of entertainment in that facility.

It will be opened all the time not just as a walkway but there are many facilities within there that are going to be open all the time, it's not going to be a dead space for a third of the time. I certainly wish when people are going to express their concerns that they learn the facts about the facility as it will be coming because that helps make the debate on an even field. No I don't think it's appropriate to meet in private with people who are suing us, I think that would not be in my best interest. I'd like to keep everything in the public forum as we have done today.

I thank you for coming forward with this proposal for us. I've talked on the doorsteps with many people about this proposal. There's a lot of misunderstanding on some people's part on what is happening, why it's happening, and what would have happened if there was no arena there. We would have had a dead space, a building that was built in 1905 that was a temporary structure that was due to be replaced in 1931. It was falling apart, it didn't meet code in many ways and it would not have been a useful building. It was going to have to come down in one way or another. It came down in a very positive way with a very different alternative. I know that Mr. Speaker that you've been more than tolerant with previous delegations who have spoke here, but I find it most offensive when some people say that I'm not listening to them when I sat quietly and listened to them and I'm being shouted at from the gallery, I find that most disrespectful. I would like it to be on the public record that I object to that kind of behaviour. Thank you.

**Mr. Speaker:** Thank you. Mr. Mayor summing up.

**Mayor Murray:** Mr. Speaker you know it's never the debate. I guess I want to agree, disagree with Councillor Steek who said this is about a million dollars. This is no more about a million dollars than $16,000 in band equipment is about that. No one gives a speech of $16,000 they give a speech about the importance of young people. That's what this is in my mind.

I wanted to just sum up and take a few minutes. One of the tired things I'm really getting sick and tired of hearing and when it comes from councillors it's like shooting yourself in the head.

The commentary started by Councillor Lubosch and others, that services are going down and Russ Wyatt was saying, oh it's terrible, we can't do these things, everything is awful. In the last five years the police/fire/paramedic budgets are $52 million more annually, that would be a 14% increase in property taxes to pay for that. Transit subsidies are up to $30 million of hard working taxpayers monies going up. The increase alone is about $7 million, that's another 2%. Streets have gone from zero in '97 to hovering around $20 million in residential street renewal, that would be about another 6% increase

in property taxes. Far from abandoning houses, Councillor Pagtakhan raises a good point. We now have a $14 million housing commitment up to $16 million. Five years ago government funding for housing renewal in neighbourhood renewal was zero. We have $14 million in Building Communities, improving neighbourhoods. We put millions and millions and millions into CentreVenture and into heritage tax relief for historic buildings where there used to be hundreds of thousands of dollars in a good year.

Roughly speaking have we put all of that on the property taxes you would have been looking at a 30% property tax increase in the last five years, and you got an 8% property tax cut. So can we cut the crap. Just cut the crap.

(3:20)

Because there's no city council in the country that's done that, that's brought property taxes down by 8% and increased spending by that kind of money.

I guess I want to talk to you about what it really is about Councillor Steek and I hope you're listening because I listened to you very carefully. It's important because I do think you and I agree and that's what I wanted to talk about. I want to talk about what I think is important. Keeping young people here. A more dynamic economy. Why did we invest $21 million in Red River, because now it's going to be the best multi-media school in the country, and it's going to drive dozens of IT multi-media and creative media firms in this cyber village down there. That's way outside our boundaries. We have tax write-offs Russ Wyatt, my dear friend for almost every small business in a heritage building as we do housing.

We put 50% public funding into the Ballpark, and yes Mr. Katz who I had lunch with came back for more money from the public sector, about $3 million in money and land to expand and isn't that a good thing. Nothing happens in this city, we have a $200 million university campaign on with U of M, $50 million in a public sector facility but we're looking for a $150 million from the private sector. In this facility with $135 million when we have had the oldest most run down arena and entertainment complex that's standing in the country and we don't have $135 million to build it and we can't afford to take the risk because we just got out of debt and just got our credit rating back to carry that kind of liability and carry that kind of risk, we are getting a better deal than any other city our size in putting about thirteen, fourteen and a half million dollars into it and being able to walk away and let someone else worry about running a first class facility, and we brought Kevin Donnelly back from Vancouver.

My point is, is that if we got our $150 million my dear friend Councillor Wyatt which is what we need to fix streets, replace the Arlington Bridge, build the Pequis Trail, get our regional streets back we'd have a property tax problem that would drive small business all the way to Alberta and Kelowna. But if you fixed all the streets and you hired another 100 police officers and you fixed every house and you don't have ballparks, arts/entertainment, culture, if we don't save the Symphony, if we don't have better entertainment complexes and arenas, and more interesting entertainment choices, if we're only a utilitarian city that hires police officers, fills potholes, puts out fires, and builds senior citizen homes for those of us who stick around to retire, young people are going to leave.

We've got to create more exciting jobs whether they're in aerospace or whether they're in multi-media, we just can't save the jobs at Motor Coach Industries and New Flyer, and you've got to do it. If it comes down to a million dollars and you can't stand up and be counted because these people we have their hands in their pockets either for taxes or for donations and we're going to go after the Library for another two million and the Symphony for the same families which there are about 40, and we can't step up psychologically when they've all pitched in when someone left town with their commitment or at least didn't fulfill it, physiologically that's why they didn't answer the question. Because it wasn't so much just

whether or not the million dollars was there, it was when everybody else is scraping the bottom of the barrel for their last bit of money to make this work.

Let's stop arguing over a million dollars or $500,000 because in five years no one is going to remember whether we put $13.5 million or $14.5 million. What they're going to remember is this the best facility. To conclude the most important reason to vote for this and to stand and be counted is because we should do everything we can to make sure this is the best facility and government couldn't do this on its own and the private sector couldn't do this on its own, and again, I disagree with people because this million dollars should go in to shine the jewel. This should be a legacy from this generation to future generations to keep people here and make this a more exciting downtown, and make this a more exciting city. Whether you're trying to save historic buildings to do it or whether you're trying to build new entertainment complexes to do it, it doesn't matter, it's critically important that we get momentum, we just don't build a building.

**Mr. Speaker:** Thank you. Question on the clause. A recorded vote. All in favour please rise.

**A RECORDED VOTE** was taken the result being as follows:

**Yeas**

His Worship Mayor Murray, Councillors Eadie, Angus, Clement, De Smedt, Gerbasi, Pagtakhan, Steeves, Thomas, Vandal, Mr. Speaker Councillor O'Shaughnessy.

**Nays**

Councillors Lubosch, Smith, Steek, Wyatt, Lazarenko.

**City Clerk:** The vote Mr. Speaker, Yeas 11, Nays 5.

**Mr. Speaker:** The clause is carried.

Clause 2.

**Item No. 2 - Winnipeg Symphony Orchestra**
**File FG-1.1 (W) (Vol. 12)**

**Mayor Murray:** This is a deal structured very much like the Bombers deal. As you know in the last four years Councillor we've done some pretty creative partnerships with the Bombers, the great job Lyle Bauer did. We've done a very good job with the Goldeyes in building their facility and now with True North which thank you very much we're now finished with. Doesn't take long for the next challenge. As we know arts and culture is important. We are working right now with the Federal Government and the Provincial Government, we've committed up to $200,000 in the first traunch of this to put together a deal with them. The idea is to leverage private sector money and that's why I said these are all about private/public partnerships. We will not be able to turn this around without large philanthropic and corporate support.

We're also working with arts stabilization, this is to set up that commitment to allow some money to flow. We have found some money, Bob Gannon has set some money aside for that in anticipation that the challenges when we became aware of them. We're recommending two appointees here out of Executive Committee. One of them is Christian Sinclair, who brings immense amounts of experience. He headed up the North American Indigenous Games here which was one of the largest cultural and sporting events ever held, excellent financial management. As you know those games turned in a significant profit at the end and certainly in my lifetime I will look back on as one of the most exciting and positive events we've heard. It certainly started to transform a lot of images of that.

I think we want to start building in the participation of Aboriginal people in meaningful ways in arts and culture and certainly that's the constituency the Symphony is looking build on, I think Christian will do us well.

The other person to say you know her would be an understatement, is Rose

Passante. As you know came as Chief of Staff after a long and very respected career in arts and culture, involved in management from everything from the Folk Festival, involved in the development of the Children's Festival and its great success. She serves on the Board of MARIA and many arts organizations in board management she has excellent experience. She used to run and own one of the largest pizza companies in the City as well, so she's got that small business perspective which I think is important, and she's agreed to do this. She's obviously knows all of you and I think is someone we trust and respect and I think will be an important bridge not just in the Mayor's Office but to Council. She said on behalf of her, since she doesn't get to speak very often, she's very quiet, if you don't phone her and tell her your opinions about this she'll take it personally. She sort of felt when she left here she had a relationship with each and every one of you. She's threatened to send pizzas to your home if you don't give her a call. She would very much like to play that role as being a vehicle and a contact for all of you.

I think this is good news, I think we've got a great symphony orchestra, tremendously important. It's obviously got some management and financial and audience building, and I look forward to you again, I think one of the important ingredients in creating a creative and dynamic city is having a very strong symphony orchestra. It's challenged. This isn't just about a bailout, this is about a new new approach to symphony, redesigning it, repackaging it, and recreating it much the way we did with the Bombers. Too bad they don't have a Grey Cup for symphonies because I would stand up here and say, that would be our goal, but certainly we have an excellent record.

(3:27)

Thank you Councillor De Smedt, we'll be there.

I hope this is something that people are comfortable with here. I want thank Christian and Rose for allowing their names to stand. I want to thank you for what I anticipate will be your absolutely over the top support for this.

**Mr. Speaker:** Councillor De Smedt.

**Councillor De Smedt:** Thank you Mr. Speaker. I won't take too long. I am a very strong supporter of Winnipeg Symphony as I'm sure many of you are. This is a huge asset to our city. We have so many talented musicians, people who have tremendous scholarship.

All I can say, if you've never been a season subscriber, one should do so. Glen Hoebig as a concert master is just a marvellous asset to our community as are all our musicians. They teach along with other organizations live in our community and inspire us with beauty and grace of what music is all about.

This is a performing arts community that deserves our support. Many of us have been troubled by the fact they've entered into troubled waters in the last several years. I think this is a marvellous adjustment to the leadership. I'm sure that the existing board members will be in full support of it. I'm sure this Council will be in support of this. This is a very modest investment, less than modest to try and bring this particular symphony back to the status and stature for which it deserves. It deserves our support. I know it has the support of many in our community. I just want to stand up and be counted and to be seen as a very strong supporter and ask you to contribute and nourish this organization in the years ahead.

**Mr. Speaker:** All in favour? Contrary? Carried.

Motions, none. By-laws.

## EXECUTIVE POLICY COMMITTEE CONSIDERATION OF BY-LAWS

**Mayor Murray:** I'll move that the rules be suspended and by-laws numbered 1/2003, 11/2003 and 12/2003 be read a first time.

**Mr. Speaker:** All in favour? Contrary? Carried.

**Clerk:** By-laws numbered 1/2003, 11/2003 and 12/2003.

**Mayor Murray:** I'll move that by-laws numbered 1/2003, 11/2003 and 12/2003 be read a second time.

**Mr. Speaker:** All in favour? Contrary? Carried.

**Clerk:** By-laws numbered 1/2003, 11/2003 and 12/2003.

**Mayor Murray:** I'll move that the rules be suspended and that by-laws numbered 1/2003, 11/2003 and 12/2003, be read a third time and the same be passed and ordered to be signed and sealed.

**Mr. Speaker:** All in favour? Contrary? Carried.

Question period. Councillor Lubosch, Councillor Steek. Any others? No.

**EXECUTIVE POLICY COMMITTEE QUESTION PERIOD**

**Councillor Lubosch:** Thank you Mr. Speaker. Through you to the Mayor. When Heather Crowe was in town recently you had committed to a 100% smoking ban in indoor public places in Winnipeg, and that you would be working to build consensus on your Executive Policy Committee for that.

You also mentioned that you were intending to ensure that the by-law review, the current smoking by-law review would be at the Standing Policy Committee of Protection and Community Services in February.

Could you provide Council with a status report on the report and whether or not we can anticipate it in February.

**Mayor Murray:** Thanks very much Councillor Lubosch. My personal view as I said at the beginning of the by-law, if it didn't work we would go stronger not softer as opposed to what some other cities have done. New York interestingly just passed a by-law very much like the one that we're coming out of. I wasn't where you were in the beginning, and I said we should give this a try. If people 18 and older want to smoke and people go into a room and know it. I think that one of the issues that's come out of this in addition to some court rulings is the issue that Heather Crowe put such a human face on which is the rights of workers. I'm certainly my vote this time round barring some major unforeseen event of new technology breakthrough or someone come here is to vote for a complete smoking ban. And yes I have been encouraging publicly and privately all members of Council not just EPC to support it. Some of them I'm sure will, others have told me that they respectfully disagree with me and they have a different perspective on it.

My guess was, February or March would be the timeframe that the report would come forward because that was the end of the year. You might under question period under the Standing Policy Committee on Protection and Community Services ask Councillor Gerbasi or simply nudge her there she might tell you.

**Mr. Speaker:** Thank you Mr. Mayor. Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. Through you to the Mayor. Mr. Mayor you are the shareholder who represents the City in the Forks Partnership. Can you tell this Council, did you have any discussions with Mr. August, the Forks Board or with Bob Sparrow wherein you indicated that Phase II Parking at the Forks should not proceed because it was out of context with the Forks?

**Mayor Murray:** Mr. Speaker there was actually a shareholders meeting as recently as Sunday. I, and I think it's fair to say the Province have both been arguing that there is a parking and traffic study being undertaken by the Forks to deal with some anticipated new development in addition to the hotel.

For many years people who have looked at the plans will realize that the parking structure that was originally proposed was to be just, let me get my geography right,

north of the Forks Market against the railroad track adjacent to the VIA Station. I think most of us who have been around on Council have seen that, thought that made a lot of sense. When the hotel came along, there was a proposal for two phases, Phase I and Phase II, there was never a commitment to Phase II. There was certainly a commitment to Phase I, and any further parking or transportation was to await the results of the parking study. The shareholders have and the Board have been pushing this parking and traffic study because right now about two-thirds of the surface area is parking, and we know that there is additional potential developments. I think some of you may know some of that right at this point is confidential and tentative that would have some dramatic impacts.

(3:35)

The other issue that's being looked at is as you know I think, not only expansion of the free transit service but also parking requirements at the Ballpark and some additional development that we've agreed to allow happen adjacent to Mr. Katz's project there and to try to have a common parking facility with a people mover system.

I'm hoping that that presentation will be made to the Standing Committee soon. The position of the shareholders I think the majority of them has been let's do the parking study before we do that.

I think there's some miscommunication out there and I know that there was some confusion around it, that the second phase of the parking structure at that site, was an automatic. That certainly wasn't the view of the shareholders, it was discussed by the shareholders last Sunday. Certainly this decision by the committee which in my view coloured a little outside the lines because it was supposed to be design review, have sorted committed to it.

The other issue from the shareholders perspective is the cost. As you know we just stopped financially contributing a couple of years ago to the Forks North Portage Corporation. There was certainly money in the Forks to do the first one. There's been a debate about whether you can charge for parking at that because with free transit service to those businesses plus free parking being built essentially at taxpayers expense, how much parking can you build to keep a level playing field. To use my friend Councillor Wyatt's argument, most people get parkades don't get free parking, and where the best location is. I think the shareholder's view is, allow the parking and traffic study to be finished, the site planning to be finished so that that parking is maximized at the best location and makes the most sense. To look at the Forks budget to understand where the money comes from, and the Forks doesn't have the money to pay for it, who's going to pay for it. Those are the challenges.

Do I have answers for them? No, because the study isn't finished. I know I'm not alone, one of the other shareholders for sure and the other one, I think all three of us are on the page with this parking and traffic study. Once we know where it is should be, and once we know how we're going to pay for it, then we should commit to it. If it involves additional funding by the City or the Forks, then you're getting beyond just the parking issue, then we have to have a discussion with the other levels of government as to how we cost share that, and whether or not the City then has to go back to again subsidizing the Forks financially.

There are some issues because as you know the parking at Portage Place essentially subsidizes the Forks right now. There's been some frustration with the folks downtown about the amount of parking money coming out of the Portage Place to subsidize merchants at the Forks. Some of them are competitors that keep their parking mostly free with the exception of a few meters.

There's some sensitive issues there. What I'm hoping is both the Executive Policy Committee and Standing Committee on Planning, Property and Development will be looking at the larger issue, and will be looking at the results of the study. Once we have good data and

good information we'll make an informed decision together. I think any big commitment made my anybody right now in advance of that would be a bit premature, and I think we could look at little silly if we're out spending millions of dollars on parking and then have a study come back that suggests that that's not the best location or the best mix of parking.

**Mr. Speaker:** Supplemental Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. Through you to the Mayor. When you spoke with Mr. Sparrow in February of 2001 in Florida, did he express to you his concern that the venture was not viable without Phase II parking?

**Mayor Murray:** No he did not. He told me that he was satisfied with the Phase I parking. He said he was under some duress by other parties almost to the point of threat in legal injunctions on his project if he did not support the second phase parking. I think he was feeling quite stressed and caught in the middle of all of this. He certainly is aware of the parking strategy. Quite beyond that I really don't want to comment because that particular conversation was proprietary in my office. There's nothing nefarious or secretive about it, but he expressed I think some confidential feelings and information about the whole process and some of the other parties in play. I have a lot of respect for Mr. Sparrow.

I like the hotel. I think it's well designed. I think the first phase of parking is adequate in the short term. I do not think the first phase of parking in adequate is the longer term. My personal view is, is that the original work and much money that went into the original parking strategy for the Forks, which needs to be revised on the leg of some new developments made sense.

I have actually gone to other similar locations from Florida to Vancouver, I personally went on tour and talked to the managers on those very similar sites, places like Granville Island where there's also a hotel.

The common advice that we've been given on site design, is do not spread large amounts of parking out in too many places because parking structures create a wall or a dead zone between activity in open spaces. And one of the concerns where they had failures learning from the lessons and other places, is where you have a large outdoor (inaudible) area where there's trees and concert area. It's very important that people can be seen and be seen by people and other activities. One of the issues that I know came up at shareholders, was the idea that people in the hotel should be able to see people in the festival park area and vice versa, and the lighting and the openness of that was extremely important which is why the parkades were designed there with a berm so that people could see and it was not a barrier. There's a lot of consideration that's going into design because we realize that a badly designed parkade or one put in a wrong place can kill an entire site.

I think there is a sense yet that we haven't done our homework, and before we commit millions of dollars to the second phase of parking we make sure that the location is optimum to maximize parking benefits for the whole site, and support activities on the whole site, and that the design and location of parking and other structures are coherent and don't interrupt pedestrian flow, and don't create zones where people cannot be seen or will be isolated and not likely to go.

I am not a planner. I am not the people involved in the study actually. I can tell you of Paul McNeil who has some expertise in traffic planning, and Gary Hilderman who's an expert at landscape architect, and has a great amount of design and public use and design.

I think that what they're trying to do is deal with the overall site planning. Also involved in that has been the increase of free public transit to the site as well as the Southwest Transit Corridor is a very critical piece of how people access the Forks because it's the first main

downtown station, and it helps because you can only accommodate so much parking on the site to try and get more people to go there using bus as well as the water bus service and the docks that we've created to link the near downtown neighbourhoods to the Forks by water and connect them to Corydon.

There's a larger transportation plan about how you integrate the Forks and access to the Forks not only automobiles because there's going to be a lot of people there that will always take their car there, but how you manage the modal splits. You're getting into an area that's way beyond the competency of the Mayor.

I know I've heard lots of rumours and certain special interest groups associated with this, none of whom have ever talked to me Councillor Steek, who've come back to me through parties who've represented my views, and let me put it politely in some very extraordinarily creative ways.

The position of the Mayor on this and as your shareholder is, I support the first phase of parking. I support the hotel, I've supported it all along, I think it's an important addition. I think we need a second phase parking as part of the larger transportation plan. Where I would disagree with my dear friends on the committee, I don't think we should hold it up. I think what we should do is allow the study to be finished and allow the entire City Council not just one standing committee to debate the parking transportation and site plan for the Forks which needs to be revised because it's dated, because the old parking and transportation plan was for a very different set of developments.

(3:43)

I don't think most councillors even know yet what the choices are, and most of us aren't even ready to have that discussion because the study is I think, I was briefed by Russ Tychonick who's been working on this, is not ready, is not finished and still under work. Certainly I think all of us I don't think there's any debate about the need for additional parking and better access. The question is where you put it, where the anticipated people movements, and how does that mix with the public transit and the other access and how do you use some of the existing parking infrastructure. The overflow parking right now is a problem. The northern two-thirds of the Forks right now is surface gravel parking, it's very unattractive. As other uses come on there, the demand is going to be different.

The general conventional wisdom from the studies I've seen and the places I've visited is that what you try and do on these sites is create short term parking and small amounts near the various buildings, but you put your main parking structure in a central way away from the pleasant park like areas and the shopping areas, and you try to use connectors to connect centralized parking to all of the exhibits and commercial areas.

That I think Council should first debate the larger parking transportation plan. Once they buy into it I hope that both the Forks North Portage and all of our standing committees would support that plan. We don't have a plan yet because we haven't finished the study.

**Mr. Speaker:** Final supplemental Councillor Steek.

**Councillor Steek:** From the Mayor's two rather lengthy responses I've been able to glean two things for sure. He supports Phase I, he supports the hotel. Is the Mayor aware that Mr. Sparrow does not want to proceed with this project if there is not a firm commitment to Phase II?

**Mayor Murray:** Mr. Sparrow has never said such a thing to me. That's not the numbers I've seen and I think Mr. August has made those representations at the Forks/North Portage Board and staff which are nine citizens, ten citizens including a former mayor, have been recommending and in their discussions that that is not the case. If it's been misunderstood or misrepresented because I have not talked to Mr. Sparrow, I'm not inclined to talk to proponents or opponents of a project when they're going through the public hearing process, and I would not be speaking to him until the

public hearing process is finished and it's not. At that point in time we're going to communicate through a third party.

I think what's important here and I guess I'm sort of sorry you gleaned from my efforts to explain it to you so few facts. It seems to me, I'm sorry Councillor Steek it's lost on you that there is a major amount of money being spent on a parking and transportation study to figure out the optimum location of parking before we commit millions of dollars to a second phase parking. To me that's logical, that's the way we do transportation and parking planning in this city, and those would be the two most important things I would say to you. I guess I'd like to hear the argument about why you'd commit millions of dollars to a second phase which we all agree is necessary, and you missed that point. I said, I think a second phase of parking is necessary. But don't you think since we're half way through a study we should finish the study, decide on the location then spend the money. And before we spend the money we should know where it's coming from and we don't know that as well because I'm trying to get a few other things. We have a skateboard park which I would like to see built there because we don't have a lot there for young people. Quite frankly there's other things competing at that site and other locations with the second phase parking. Some of those things other governments may pay for, parking maybe. I think what we want to do is get the maximum leverage from provincial and federal dollars to meet some other things.

I'm a little concerned that the Forks in the longer term if all we're building is a hotel and two parking structures, we haven't done much to appeal to teenagers and young people there and we've got some good stuff for younger kids, MTYP, the Children's Museum, but I'd like to see some things being developed that attract people, and parking lots don't attract people, they facilitate people once they get there.

Again, I think the entire City Council should have a chance to look at what the Forks plans are and that we get to decide as a Council what our spending priorities are at the Forks and what projects ought to proceed and what the implications of those are.

You now know as much as I know about this but please take away from these words my remarks, the importance of a commitment to a second phase parking structure. A commitment to ensure that we have good traffic and parking plan the transportation plan for the whole site. A commitment from me to you and to Council that as soon as that is finished, that that entire plan should be presented to Council with a funding plan. Hopefully that's a common sense strategy we would all buy into.

**(Councillor Eadie in the Chair)**

**Mr. Acting Deputy Speaker:** Councillor Lazarenko.

**Councillor Lazarenko:** Mr. Speaker I was ready to give up because I've been waiting for one councillor took up just about the whole question period.

Mr. Mayor, I've asked you a number of times in these chambers in respect to the City Sex Trade Committee that was implemented a number of years ago, the motion that was presented in December of 1999. The Committee made a report which the Standing Committee referred this to the Provincial Government for their input on that report on the sex trade. That was done a year ago last September, and we still haven't had a response from the Province. The question that is being asked over and over again, where is that report that the Province is supposed to do their share reporting on their responsibility?

**Mayor Murray:** Thanks Councillor Lazarenko. My understanding is, I've raised the issue that it's under consideration. I haven't heard of any action plan coming out. Councillor Lazarenko you might want to raise it, I think Minister Mackintosh is in your part of town as one of the representatives. You might want to sit down and talk to him. My understanding is that it would fall under his jurisdiction and that of Child and Family Services.

We have not heard anything back. I've raised the issue as I promised I would and I'm still waiting for a response.

**Mr. Acting Deputy Speaker:** Supplementary Councillor Lazarenko.

**Councillor Lazarenko:** This would be my final question. Mr. Mayor the importance of having that reply back from the Province because that report did indicate the exploitation of children. Of having a safe house in which some incidents have happened since that time, and to deal with the Minister of Justice he has, I guess he's playing some politics out of this too because the elections are coming up next year have said about implementing a safe house.

I'm just wondering, are you going to because you're in the position to do it or if not, can I go before the Minister and the Premier and ask them why they're holding back so long?

**Mayor Murray:** Yes.

**Mr. Acting Deputy Speaker:** Councillor De Smedt question.

**Councillor De Smedt:** Thank you very much Mr. Speaker. Mayor Murray I'm going to follow on from Councillor Steek's view about the Forks.

Very quick short preamble, no more than 30 seconds. The fact of the matter I believe Mayor Murray, your Design Review Board, Members of the Property and Development Committee, did appropriate action the other day. It is really trying to bring the two solitudes together.

My question is really this. I think if our Design Review Committee had been allowed to pursue the issue when we wanted to last August and there was an intervention to preclude an agenda item on our agenda to bring these solitudes together, we would have heard the issues. I must say as you answer, I'm interested, this is the first time I've heard that we're now having a very formal review of the transportation and parking. This did not come up with the delegations last week.

The issue here is about confidence and trust. I'm interested in playing a part where we meet regularly with the Forks/North Portage Partnership on systematic briefings, and I think we should probably meet every six months on behalf of all members of Council, and perhaps on (inaudible) session.

(3:50)

**Mr. Acting Deputy Speaker:** I assume there was a question in there. Okay. Mayor Murray.

**Mayor Murray:** Actually I'm a little confused by Councillor De Smedt. I suspect there's a lot of politics being played here. It always amazes me that there's a telephone and there's offices not far from here. Mr. August and Mr. Norrie are pretty easy accessible people to even call and have a coffee with. I buy wine at Fentons on a regular basis at the Forks and talk to Moe Reznick all the time, it's hard to get out of his wine store without having a good chat. I feel like I'm pretty much connected to what's happening. It's a pretty small community.

The responsibility for Forks/North Portage rests with Executive Policy Committee, it's under their responsibility. Quite frankly there's been nothing going on there inordinately that would involve the City Government at this time. This is between the Board and the management team in resolving those issues. Whether we like, or agree, or disagree, champion or oppose the position they take, that's the responsibility of the Board. Our issues are with land use and with governance of the overall site. I think it would be very inappropriate for the Mayor to go in there and start involving myself and trying to broker deals around parking and zoning issues between those things. As a shareholder we have to be the steward of the organization and protect the integrity of the Forks/North Portage Corporation and try to deal with the sensitive intergovernmental relations and different priorities.

I don't think this is a very complicated issue. Anyone who had asked or wanted to know that there's a parking and traffic

study, I think I even talked about it before in answering previous questions on the floor of Council, there is also a huge amount of material available on Forks/North Portage on previous plans and goals. I think what we're trying to do is work within that.

CentrePlan which you've also approved also comments on parking and traffic and priorities and what our policy priorities are as far as emphasizing traffic within the downtown and de-emphasizing parking. If you look at the various sectors and precincts in CentrePlan, one of the priorities to the Forks is to protect the amount of developable land and reduce the amount of parking is to do two things. Create some parkades, but most importantly improve access for pedestrians by water and winter and summer, and by increased public transit. Part of the reason we're putting more free public transit we added as you probably read in the news this week, yet another free transit service that's in this year's budget is to de-emphasize the need for cars on site. I don't administer those policies, we make them. The Forks/North Portage Board tries to deal with that. There's always a lot of demand as we're experiencing right now from tenants at the Forks who want as much free parking as they can get as close as possible to their buildings. You don't have to be a rocket scientist to figure out that that's a very common demand there. There are planning considerations.

If you're raising the issue you get into debates, I would dare say when I was a councillor in Fort Rouge, Councillor De Smedt, I had demands from the businesses on Corydon Avenue to see parking built there, to see buildings come down. I think had we done that it would have been very unsuccessful. The success of Corydon Avenue is the contiguous dense cafes and contiguous development, and we've managed it and we as residents in the area live with more parking on our street as a result of it but we don't live with a lot of surface parking. There's a very limited amount.

Those are choices. I mean if we caved in originally and said yes, we're going to build parking or we're going to try and open up a lot of parking I think we would have destroyed the atmosphere and the ambiance and quite frankly the success in the long term. Now if you go to those businesses years later with those experiences, very few of them would say, mess with it. We actually got curb side parking, we improved some of the transit and pedestrian amenities in the area, and I think it's been a success.

Those are difficult jobs. The Forks/North Portage Board its Development and Property Committee have to resolve those things. We should be very hesitant to step in. I as a shareholder try to build a bridge between overall city policy and Council policy and priorities and the decision of the Forks and give advice as does Minister Friesen and Minister Pagtakhan. We most often agree and sometimes we disagree.

I hope I've answered your enquiry. As far as meetings, I don't think that's an issue. These people in my experience have not been terribly difficult to get a hold of and are pretty forthcoming. I think that parking and traffic work, Gary Hilderman and Paul McNeil given them their names. This is the first time that anyone asked me in a long time about this. Had anyone asked I would have done it.

Quite frankly, I've asked each member of Council to come and see me when they have issues like this. I've met with most of you and I think I have a meeting with you Councillor De Smedt if not tomorrow in the next few days and Councillor Wyatt. If you have these kinds of issues, I'll be very happy when I have those meetings with you to go through all of those. If you want me to invite staff into those things you could do that. I appreciate people asking me questions on the floor of Council. It's great to raise publicly an issue. It's not the most useful way because, if I knew you were coming to talk to me or something I could get all the information together and give you the parking.

Quite frankly, if you come and meet me in my office I think I'd be glad to meet with Councillor Steek who I haven't had a

chance to meet with or yourself and talk about the Forks, you may find that we have the same concerns and are in agreement, and I'll be glad to share my views more fully with you and hear yours. This is something if both of you are very interested in this area, I would be very happy to sit down and talk to you as your shareholder about what I think needs happening and try to reflect your views more in that process if you give me the chance to understand them.

This is not exactly the most conducive environment to have that kind of dialogue on the floor of Council. I'll assume that will be on our agenda when we talk and invite Councillor Steek to come and see me as well or I'll come and pop down and see him and chat about this more fully.

**Mr. Acting Deputy Speaker:** Supplementary Councillor De Smedt.

**Councillor De Smedt:** Thank you very much Mr. Speaker. I know the circumstances how we have questions to each other is not a debate.

Mayor Murray, are you aware the Design Review Board on our collective behalf had approved two parkades in February of 2002? I'm simply saying again, you should be aware that we would have had a chance to reconcile any differences had we had the opportunity to have a response to have an item on the agenda to have the Forks/North Portage CEO come and make a presentation because it had appeared in the Free Press that one parkade disappeared all of a sudden after we had approved it. We were trying to do the job on behalf of Council, and we could have done that and saved a lot of effort that we went through last week had we'd been able to proceed with our mandate as a committee last August.

**Mayor Murray:** The Design Review is not suppose to deal with how many parking spots there are. I sat on that committee and Chaired it, it's Design Review and I think Legal Services I understand has raised the issue as to the parameters of the Committee. There's absolutely nothing wrong, as a matter of fact I encourage the committee talking about the larger parking and transportation issues. If there's a real sincere commitment and not a political agenda there then invite these folks in and the City's involved in it to talk about parking and traffic study.

I'll also tell you and draw your attention to something else you may not know. There's also a traffic and parking study going on around the Ballpark dealing with the Provencher Bridge. We are spending a lot of time and energy right now having city staff looking at the implications of traffic movement, parking and car accommodation in that area. The shareholders yes design was given for what was potentially two parkades. It was discussed on Sunday at the shareholders meeting we had a long discussion about this with staff from all three orders of government and this issue came up Councillor De Smedt, someone asked and said, well are we committed to the second phase of parking? At lengthy discussion it was very clearly made that there was never a commitment to the second one. The idea was to look at it as one potential possibility. We have a number of designs including approvals I believe in design for a central parkade between York and VIA which has been in the plans for about 15 years, almost going back to the Parks Board. That one there is also there. I think some people perceive a commitment to build that one as well. Both are designed and there's been some analysis work done on a number of things.

Having said that, I'm not sure what the issue is here.

(4:00)

If the issue is, would you have liked to be involved in it back in October, I don't understand how that was not possible or is not possible. If you're asking me would I help facilitate your involvement, absolutely. If you're asking me do I think we still have some challenges there, yes. If you're asking me am I going to get involved….

**Mr. Acting Deputy Speaker:** Mr. Mayor time for questions has expired.

**Mayor Murray:** …but I'm not going to meddle in the committee process or in a public hearing.

**Mr. Acting Deputy Speaker:** Councillor Wyatt is moving the rule be suspended to extend question period by ten minutes. All in favour? Opposed? Motion is lost.

The Report of Standing Policy Committee on Property and Development, dated December 3, 2003. Councillor Vandal.

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED DECEMBER 3, 2003**

**Councillor Vandal:** For clarification I will be moving the recommendation of the Standing Policy Committee on Property and Development.

**Mr. Acting Deputy Speaker:** The process is that Councillor Vandal is moving the Standing Policy Committee's recommendation. Executive Committee is suggesting that it not be approved. We will vote on the Standing Policy Committee clause yes or no.

Councillor Vandal on Clause 1.

**Item No. 1 - Proposed Zoning Agreement Amendment - 1620 McGillivray Boulevard File ZAA 13/2002 [c/r DAZ 222/2000, DCU 228/2002]**

**Councillor Vandal:** In introducing this clause, this is an instance whereby the Policy Committee on Property and Development did not concur with the recommendation from the City Centre Community Committee. Subsequently that was overturned by the Executive Committee but nevertheless I am moving the recommendation of the Property Committee.

Basically this is a zoning agreement amendment which is tied to a piece of land which was sold by our real estate department. The substance of the application is that there is a 7,000 square foot steakhouse, the Keg Steakhouse which applied for the zoning agreement amendment at the northeast corner of McGillivray and Waverley.

**Mr. Acting Deputy Speaker:** Excuse me just a minute. Councillor De Smedt did you have a point of order.

**Point of Order**

**Councillor De Smedt:** Mr. Speaker, my understanding from the rules of procedure is that if there is an EPC change that we would actually vote on that change first, then we would consider the original recommendation from the Standing Committee. I haven't got my book handy so I can't remember the particular rule of order. I believe we should be talking first to the EPC amendment to the Standing Committee's. Would I have a ruling on that.

**Mr. Acting Deputy Speaker:** In this particular situation, Executive Committee is not proposing an amendment to the clause, they are simply suggesting that the clause and the report of the standing committee not be adopted. That's not an amendment, that's simply a matter of debate. Councillors will have the opportunity at the end of the debate to vote yes or no to the standing committee's recommendation, that's the principal motion here. EPC has not made an amendment.

**Councillor De Smedt:** The Executive Committee has introduced a whole change to the whole thought piece behind this fundamental issue, that's the point that we should consider first.

**Mr. Acting Deputy Speaker:** They've just suggested that the clause not be proceeded with. That's not an amendment, that's just a suggestion. It's not a motion to debate. We are debating the Standing Policy Committee clause, you can vote yes or no at the end of the debate. That's the process.

Resuming debate, Councillor Vandal.

**Councillor Vandal:** The details of the application is that there has been a 7,000 square foot, the application consists of a 7,000 square foot building to be

constructed at the northeast corner of Waverley and McGillivray. The proponent in this case is the Keg Steakhouse. The outline construction would be very very similar to the Keg Steakhouse which is currently constructed at Portage Avenue and Moray Street.

I think important in this issue is the environmental contacts. McGillivray and Waverley are major arteries and I'm speaking to the transportation people. They have told me that the traffic count on either of those routes are 25,000 on a 24 hour period, 25,000 vehicles.

In reading the minutes of the community committee it becomes clear that there were really two or three objections from the residents. One of which is noise. One of which is smells from the restaurant. Another one is traffic. Frankly upon examination the Standing Policy Committee on Property and Development did not feel that there was enough substance in any of those objections to this zoning agreement amendment, and subsequent land sale to prevent the agreement from being amended.

In short we were convinced that there's going to be very very little adverse affects on the neighbourhood. Let me restate that. There was going to be no adverse affects on the neighbourhood and that the benefits far outweigh the negative impacts here which there are none.

I have some other issues on process and on zoning which I will speak to when I wrap up, as well I will clarify any questions that come forward.

**Mr. Acting Deputy Speaker:** Councillor Clement on the clause.

**Councillor Clement:** First of all I want to make it really clear Mr. Speaker that I'm not going to speak about proponents because I don't think that the proponents are pertinent here. This is a process issue. And to me it's all about process and nothing to do with who the applicant is whatsoever.

This all started about three years ago when this particular piece of property was in my constituency. I know full well where it is and it's part of a huge industrial holding along the entire east side of Waverley Street between Wilkes Avenue and McGillivray Boulevard and then south frankly all away to Scurfield and beyond.

I was contacted by the Land Development Department who thought that this was a piece of property that could possibly be sold. I can tell you a lot of people in Fort Garry area didn't agree with me because they thought that this was a park like area believe it or not and lot of people hit golf balls and that kind of stuff out there. But I didn't agree with them. We actually as a result of our conversation and the conversation was with myself and Ed Dolhun at the time. We closed two streets, Wankling and Ireton, they didn't exist but they did on paper and we had to close them physically at community committee and then we put the property up for sale. We had a number of people come forward but they chose somebody who required a rezoning, and it came to our community committee. As a result of public participation and the type of application that it was and it also included a restaurant, it was turned down.

When it was turned down it was suggested by our community committee that the Planning Department specifically the local planner that the Property Department and I know who was involved, and the Residents' Association from Lindenwoods get together and try and discuss this issue and iron it out. They met for a period of time and as a result of their discussions Mr. Speaker they landed collectively on rezoning the property. The City of Winnipeg applied for that rezoning, once again it was heard by Assiniboia Park-Fort Garry Community Committee and was unanimously accepted and it was a little bit more stringent industrial that was actually rezoned too.

(4:08)

Subsequent to that an RFP was created again. During the RFP and I can tell you that there were many people who contacted me who wanted to know what

the possibilities were of changing the zoning, and I said, none, we've had a process. There were people that did not enter into this fray frankly. The Department got a request from a proponent who wished to take their chances with a rezoning and they provided a proposal if you like whatever you want to call it with a certain amount of money attached to it. Instead of it just becoming an application of course which it couldn't be because they knew full well in the department what they just had been through as a process, and they knew full well what the deal was with the community at the time. Instead of just telling the proponent that and being honest with them, they put the proponent through this whole process and what they did was they went through the standing committee in September. I apologized, I didn't go to that meeting I missed it, I didn't see it go through. But that happens from time to time. We're all busy people.

Fact of the matter is, is when they came to the committee in September, what I'm just telling you now wasn't what was shared at the committee, all they said was because I've been told this by members of the committee is that they had an offer and they wanted to pursue it, and the Committee let them. The proponent then made an application.

Now as a result of ward boundary changes it never came to Assiniboia Park-Fort Garry Community Committee, it went to City Centre-Fort Rouge, and they heard the rezoning now. They heard the arguments from the people. Guess what, for the second time a community committee unanimously turned it down. Not in one community committee now, two community committees now because when you make a deal with citizens through a process like that, you don't just six months later waltz in and change it because you have somebody that might want to take another try at it. I don't believe that's a fair process for others that didn't participate in it. What I believe should happen now frankly is that the recommendation from the standing committee which flipped a community committee decision and I've only seen that happen three times in 20 years, but they did it anyway, and I'm still not sure why. I've never heard a good reason for it other than it just happened type of thing. But anyway it happened.

What I believe should happen here today is that this particular standing committee recommendation should be turned down by this Council. Subsequent to that, what should happen is that there should be a meeting called by the Standing Committee on this piece of property with the property people in the room and a decision should be made on whether you either agree with the existing zoning or you want to reapply and have the zoning changed. If you do that, fine.

If the zoning changes and then it's put for sale, then everybody out there that might be interested in having commercial property at that location has a level playing field. But you have today because of the way this thing happened and because of a lot of information that wasn't made available to some members at the time, what you have now is somebody that's with all intents and purposes come in the backdoor and they've made an offer and there's no way to know whether that offer is high enough or not. There's no way to know whether somebody else would have paid more because they didn't get an opportunity. And that's what the problem is and I have a problem with the process. I don't have any problem with the applicant whatsoever, it's not about them, it's about our people and how this whole thing was handled in committee as well. I think that frankly when a standing committee is going to flip a decision of a community committee then what they should at least do is lay it over and then have the local councillor come in or something to have that discussion, but that didn't take place, all that happened was it got flipped. I don't think that that's a reasonable process under any circumstances.

This land is not in my constituency. It doesn't matter yadda to me in terms of that. What this is about though is about the fact that there is a whole bunch of other industrial land there. This becomes the thin edge of the wedge to some degree and you've got to be careful about

that, and there's been at least two other people along that strip that came to me while I was the councillor in that area that wanted to create commercial spaces out of industrial sites there.

I can tell you also that the other problem with this and I think this is, never mind this issue, I think that we should be relooking at our entire industrial use database. I can take you and drive you through the Whyte Ridge Industrial and if you go through there and if you can tell me that the majority of those uses are industrial, I just don't share that view. There's a tremendous number of uses in there that I would deem to be commercial uses. I don't know how we're that loosy goosy about it, there has to be something tightened up a little bit. It's not fair to people who are making applications. I feel bad for these people too, although I'm not going to name them, I don't think that's pertinent Mr. Speaker. It's that simple to me.

I believe we should turn down the recommendation of the Standing Committee, and I think that we should then support the EPC position and then I think we should do all that other housecleaning to make sure that something like this doesn't happen again. Thank you.

**Mr. Acting Deputy Speaker:** Councillor Steeves.

**Councillor Steeves:** Thank you Mr. Speaker, just briefly.

I have to confess to a certain amount of non history on this issue and I appreciate Councillor Clement's comments. I wasn't aware of all of the history here and I thank him for that.

Having said that though, I did want to put my thoughts forward on this issue. We've seen this a couple of times now.

The first comment I would like to make, it's my recollection that this area if this particular piece of property is not in one of the red circled commercial zones within our Plan Winnipeg, it must be just on the periphery. It seems to me this Council has made a commitment in the past to saying that this is one of the six areas outside of the City Centre we are going to be conducting business. If I'm wrong about that I guess I stand to be corrected. There has been a great deal of commercial development in that area. I understand now in more detail that the issue is not necessarily the proponent or the business itself, but I did want to put that comment on record, that was a commitment that seemed to have been made by this Council.

I also wanted to flag what I do perceive as a bit of a disturbing trend, and I don't blame anybody in particular. I know these issues are always very very difficult. There was an infill track in River Heights and now this piece of land as well where some development that I would term infill is not going to go ahead. Now maybe it might go ahead I guess if what Councillor Clement said is true, maybe there can be something worked out here.

I do again as Chair of the Civic Environment Committee flag some of the difficulties that not allowing development within the City presents. That is of course, if you take a place like Lindenwoods the folks who live in Lindenwoods much like my neighbourhood are pretty much forced to drive every single place they want to go. I thought the idea of having a restaurant nearby might be nice and that people who live in that sort of drive-in, drive-out neighbourhood might have an opportunity to actually access it by foot. A lot of what we're seeing in terms of modern city planning does speak increasingly about mixed use development. I saw this as a bit of an opportunity in that vane.

Having said all those things I plan on supporting the Chair of Property and Development, that's the strongest thing is that, Councillor Vandal who I see as a very competent Chair of this committee has deemed this to be the appropriate direction in which to go.

(4:18)

I will say this however, if there can be some connect made between he and

Councillor Clement in some of the issues that have been raised, I'm perfectly willing to support that.

**Mr. Acting Deputy Speaker:** Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. This is a highly unusual set of circumstances as Councillor Clement has indicated.

There are really three issues that have to be addressed here.

First of all let me say this. That when this came to the Community Committee wherein Councillors Gerbasi and Smith sat with myself there were a number of very unique concerns.

The conventional concerns about a restaurant of this nature frankly I didn't think had merit. As has been noted by the Chair the standard issues of noise, of odour, diminution of property values simply did not stand up and I made that very clear in the meeting.

I also asked on that occasion for some assistance from the proponent who was more than willing to modify the plans by enhancing the berms, moving some patios inside, we requested a change of hours and that was something that could not be done because of a franchise agreement.

Very frankly the proponent and there's no secrets here it was Mr. Howard who is the owner of a number of Keg Restaurants in the City is the essence of a good corporate citizen. I believed and I stated very frankly in that meeting that I believe that this particular restaurant could work and work well on that corner.

As Councillor Vandal has pointed out the traffic is extraordinary. This is a right-in, right-out, and I did not see this as having a negative impact on the residents in any way, shape or form.

However, as Councillor Clement has pointed out, the circumstances here were entirely unique. Well before I came to Council Councillor Clement had conducted neighbourhood meetings with the Administration as a result of an initial proposal that had a shamy carwash and a 24 hour donut shop going on that property. Turned down as Councillor Clement said. It subsequently moved further north along the same piece of property.

The critical issue here was is that the entire community was called out, they expressed their concerns about a restaurant on it and as a result, the zoning agreement was "M1B" which is light-industrial. So that allowed passive use and what's on the property immediately adjacent to it is for the sake of argument, medical clinics. That was embraced by the community and they made it very clear that night. The question came up and justifiably so, when is a commitment from the City a commitment? The City had said no restaurants, we'll zone it "M1B", the Administration then came back with a report that supported this zoning agreement amendment.

Councillor Clement is absolutely correct, the first issue is the integrity of the process. There was a commitment made to the residents. Whether I agree with the zoning or not. frankly is immaterial. They were part and parcel of it, there was a promise. That promise was going to be breached.

The second issue, and this is the one very frankly that causes me additional concern and I spoke about it the other day in the Council Seminar about really being open for business. Here we had a proponent come forward who has incurred very significant costs.

The proponent came forward and said, look, we're going to offer more than you're asking price but we're looking for a zoning agreement amendment. However as Councillor Clement once again correctly points out, the flaw in the process was that the RFP who's clearly structured this was an offer outside the realms of the RFP. As a matter fact Mr. Speaker what happened on the evening of the meeting one of the offerers came forward and said, look, we made a full dollar offer up but, ours was premised on

working within the confines of the RFP. Had we had known something otherwise we could have modified it as well.

So as Councillor Clement has said, there have been a number of people that have come forward. I'm not going to discuss the merits of the offer or what it can generate in the way of potential property taxes, although there's an interesting issue there that I think our administration should have examined.

Unfortunately we have a situation here where the proponent has been caught in the open switch. I believe that one, there was a commitment to the community, they were part and parcel of the process, they knew this was an "M1B". They believed that they would not have a restaurant in there of this nature. Number one.

Number two. The process was clearly flawed in the way we offered this property for sale. Councillor Clement is absolutely correct, what should happen here as the ward Councillor and somebody who's become well versed on it not only through discussions with Councillor Clement, but frankly going through a very definite public hearing and there was significant opposition although I say don't believe based on merit.

The fact remains is that we should be turning down the recommendation here from the Property Committee, and this particular piece of property should then be revisited at Councillor Vandal's Committee with the opportunity here from both Councillor Clement and myself as well as the residents that are involved, then we'll decide how it should be rezoned or if you want to put it out for sale in the marketplace with the current zoning but with a very clear directive, that if you want to come forward you're staying within "M1B" or you could ask for anything you want. Then we've got a level playing field.

The only other comment I would make and I think it is important Mr. Speaker, because you brought it up the other day in the meeting. You said in your perfect world that you believe that the amendments to zoning agreements and so forth should start and stop at a community committee. This is a sidebar commentary but I think it is germane to this as an issue. I don't support that and I will tell you why. Because I think that what that does do is it fosters the not in my backyard syndrome where if you have councillors that are very parochial they may not allow anything to happen there. I like the idea of a full review by not only the Property Committee, EPC and all of Council. The Mayor spoke very well to this the other day. Prior to the Mayor coming into his Chair we sat on the Community Committee where the Mayor, myself and Councillor De Silva had a very difficult decision around 529 Wellington.

The three of us came to the conclusion we would not support it based on different issues. My primary concern was parking at that time which ultimately changed within a matter of 30 days. That restaurant has been a wonderful addition to our community.

Fascinatingly enough what happened was, the recommendation that came out of our community committee was overturned on the floor of this Council 8 - 7. Frankly Council was right and it's been proven.

I'm not supportive as I say of the idea of having this thing start and stop ultimately with the Community Committee, that's a sidebar.

In conclusion, I do agree with what the Chair is saying. That it would be very very difficult to have turned this rezoning down based on the arguments that we can conventionally hear about rezonings and zoning agreement amendments. However there are two very significant issues as noted here by Councillor Clement, and accordingly having heard from Councillor Clement and myself as the area Councillor now, I am asking that you do not support the recommendation coming out of Property. Thank you.

**Mr. Acting Deputy Speaker:** Councillor De Smedt.

(4:25)

**Councillor De Smedt:** Thank you Mr. Speaker. First of all I think I'm going to say that on behalf of the Department of Planning, Property and Development that the process was honest. I think that's an intemperate use of words and I think my friend and colleague Councillor Clement would probably understand. That we did get a true and fair briefing by the Department on the issues.

I think the integrity of your committee that heard it was fair and honest, there's no lobbying as far as I know. We didn't talk outside of Chambers. It was a fair process presented by the Department.

What we're here to vote on today is on the issue not on process, because the process was fair. I was part of the Community Committee when it first came to Assinboia Community Committee. We heard in spades as somebody says around here the luminous statements of not in my backyard and at that time the context of that representation by the community was valid. A 24 hour donut shop, all night operation across the street even though it's across a regional street two regional streets bisect that area, 20,000 cars a day and even on both streets going back and forth.

So the context of trying to establish a process to zone that property with appropriate conditions or limitations was in that light. We agreed with that. Councillor Clement has rightfully said, the Department went back, made the application, we heard it again, we agreed with the various conditions because we didn't want to go through that process again of a 24 hour donut shop or something else coming on the site.

This site has gone through four applications that have cratered. This was not an RFP so there should be a clarification. My understanding from the Department this was a public offering. Anybody and the developers in this town are very familiar with this particular site. This is not unknown about what the conditions and what everything else should be established on it. We're already there. They know what a public offering is. They know that from time to time you can make an application for a change. It was in that context that this committee heard it in a very neutral way. I specifically asked that question of the Department, did it take into consideration that we had already heard this at one committee level, at Assiniboia Community Committee and was the proponent aware of that? And the answer is yes. They're allowed to apply and they're allowed to make an offer, and we're allowed to hear that In Camera and ask the questions.

The condition was of course, you go back and talk to the community. It was regrettable that the Ward Councillor perhaps didn't come of the new ward didn't come and chat with me. Maybe we would have given it some context. You went through the same process that we did. Please I can't walk my dog outside because I'll smell steak. It's in the report. I heard it. I'm not against the dear residents there. Look, I've driven Waverley since 1978 before when it was agricultural land and when it started up and we created this marvelous partnership and we allow housing with backyards onto a regional street. Only in Winnipeg when you want to milk every last cent without any separation. There's got to be due diligence on residential owners going there.

Now let's talk about a half a kilometre north of this site on Waverley in the industrial park. Somebody who has grandfathered right for a steakhouse facing the neighbours of these residents on Waverley right across the street. He's grandfathered so he's protected, it was just agricultural their land. I haven't heard any complaints that that was a problem area.

The context of what we're hearing from the Department, and trying to review why this Council has the obligation of second sober thought, that's why it doesn't stop at a public hearing, community committee because of potential parochialism, potential not in my backyard. Having been part of that though I understand where you have to listen very closely to the residents.

This is not trying to sustain this particular agreement because we championed it at our particular Property and Development Committee. We heard it in absence of lobby, in absence of the public hearing as we're obliged to do and as this Council is obliged to do. If you had taken the time and if you hauled it out of your computer and read through all the oppositions and all the support and looked at the context of why there was opposition to this you might conclude that it is not unreasonable to have a high quality commercial restaurant that's limited in hours, we're not opening a casino or banquet centre, we're opening a high quality restaurant that will return the revenues to the City. Now if we don't want to sell city land please let me know and the Committee will restructure itself. We don't want to do that, that's fine, I'm quite happy to review our mandate. I just wanted to reaffirm because I am in support of my community committee members that I sit with, we may not often do this but I did hear, Council did change a specific item on Wellington Crescent. It's very significant because on balance this Council has the obligation for second sober thought.

Are we being bloody minded? Pardon the record Mr. Clerk, no. I think it made sense from the particular point of view that we sit on that committee, in absence of a public lobby with information presented by the Department that was honest, they did clear up the points and they said the proponents were informed. It's a public offering and I know and you know ladies and gentlemen that the developers, land developers in this city and commercial entrepreneurs know the rules very well. They could have easily come forward themselves with an application for rezoning.

Councillor Clement said nobody called him. I don't think you should be calling the Councillor to ask, do you think we could change the rezoning, you go to the Department and say that you would like to put that in and then come through to committee. I'm sure we do get consultation with councillors from time to time. We have to. We would get that as it came through. I do regret that my colleague was out of town or was not informed and was not aware that this item was on the agenda. It would have been very useful for us to sit down in a very open way and go over all the issues.

I have to be very clear here that the Department isn't involved in nefarious moving a piece of property and your committee is not involved in the same way.

I think it's a good thing for the City. Is there a compromise here? I don't know, I think the proponent has made an offer. Is there someway we can find out and get the two solitudes together instead of killing it and going back to a whole public hearing process again? I don't know. Really I think from time to time our good friends out there, the people who pay our taxes have to have a hearing process.

(4:33)

From time to time we make wise decisions on behalf of the whole city. Councillor Steek has just gone through that on Lanark and Grant. You have to make a decision from time to time that goes contrary to everybody lined up at your door saying, not here please.

It's really all I have to say. I think this would be good for the City. If we're going to have a war on it please somebody who's been here longer than I have recommend a compromise how we could get at this without killing it. We're trying to move our city ahead. I think it's a good development. I need help but unless somebody's got a better idea I'll be supporting what Councillor Vandal has moved. Thank you.

**Mr. Acting Deputy Speaker:** Mayor Murray on the clause.

**Mayor Murray:** Thanks. This is part of my frustration. I guess where I part company with some of you. I part company with my friend Councillor De Smedt.

I believe that we should be moving away, I believe we should be moving away from direct involvement in hearing appeals. I agree with Councillor Eadie, there should

be one appeal process. I'm a personal believer in planning commissions, then it comes to Council and if Council believes it's not consistent with policy, at that point the politician should be involved. And Councillor De Smedt I think we should only be involved if it's contrary to policy.

We set aside land dedication because we realized that councillors should have control and we then shared land dedication from new neighbourhoods to old neighbourhoods so people could fix community centres and parks and buy parkland. Councillor Smith's constituency does not see a lot of new development. He and Councillor Pagtakhan have the two constituencies with the least amount of parkland, we did that. It's frustrating I think to all of us when that money goes to, I don't want to raise it again, but band equipment and I think Councillor Steek gave a long eloquent list earlier because he said, I'm not the only sinner here, you'll all sinners plaque on all your houses and he's right everyone's done that.

Why do we have a land dedication policy if we're taking money from the sale of land to acquire, why do we do that? Why have a policy? It's really whatever the councillor or the community committee wants to spend on it, why don't we have a policy that says, whatever the community, then we won't have to tell people that we actually set money aside to do the kinds of things that Councillor De Smedt has raised in the last few days which is, maintain our parks and our facilities in a better fashion.

Number two. Some guy wants to build a hotel at the Forks. Thinks he's going into a design review. There we were at least being consistent up until last week, do you like the building design, does it meet pedestrian level review or do you not like the building design. What does he discover, he's not there, he's there for a parking hearing which is all about parking and not much about design.

I will tell you Councillor Steek when you asked me earlier, what I had heard about that, what I've heard about that is developers say, tell me the rules, stick to the rules. If it's a design process I'm going through, then it's a design process I'm going through, and then tell me to go to Public Works or go the Board of the Forks/North Portage where the parking issues are dealt with. Not that those aren't real issues, and quite frankly Councillor Steek and Councillor De Smedt, not that I probably disagree with you on the substantive end of where we need to go in additional parking there. Probably when you have the information I have and see the data I've seen you'd probably land up because I think they're reasonable people the same place that I landed up which is finding a place.

Councillor De Smedt, why do I agree with you on this? Because to me this is the third symptom of a problem around here. If we do not develop and stick to policy and implement it consistently no amount of good administration and good public process can consult that.

I agree with Councillor Vandal. If you can't build a Keg here in the City where the heck are you going to build a Keg? I go to other cities, tell me, Councillor Steek is saying to me and I agree with you again, I think that's the fifth time I've agreed with you today. Maybe my New Year's resolution is coming true. The longer we hang out together the more we think alike. He makes the statement, this isn't a bad place for a Keg. Councillor De Smedt gets up and says, this isn't a bad place for a Keg. Gees, maybe it should be commercial zoning there. I agree, it's not a bad place for a Keg. What's the problem? The Committee and I'm not blaming this Committee or past committees, hasn't paid attention to the zoning. The first thing I did when I became the councillor in Fort Rouge and then got on the Standing Committee was we reviewed all the zoning in the City Centre area. We changed all the residential zoning, we created a new class of zoning called "C1" for Ellice, Sargent, Corydon and others which allowed, because we had "C2" which allowed for all kinds of monstrous developments and cabarets and bars, and we went to "C1" in this area. But everyone knew what the rules were. Then Corydon got developed in "C1" as did Osborne Village.

It sounds to me if you're just asking from a very common sense perspective, the Standing Committee should after a few of these say, gees, maybe Waverley should be "C1" Neighbourhood Commercial so we can have office space and those kinds of things and then maybe if we want a Keg and we don't want to have the issue of them being all up and down, we usually put those big things near intersections, so we'll put "C2" at the intersection. Maybe we wouldn't have the problem in St. James and at James and Ness in the Polo Park area if we'd actually zoned that "C2" and "C3" about 15 years ago.

I've got to tell you, if you pull the files on the Planning, Property and Development Committee and it's been my fight with a couple of Chairs past, that they don't make policy. I've had some Chairs come and yell at me and say, I don't understand what you're talking about. What do you mean we don't make policy?

By-law 6300 is out of date. Industrial land now exists in all kinds of commercial and residential areas. The two areas of chronic are west Winnipeg in Councillor De Smedt's area and all the way through Councillor Eadie's, and in Councillor Steek's and Councillor Clement's areas. What we have is this bizarre amended agreement that Councillor Clement rightly stands up and this is where I agree with Bill says, we have a contract even though this is industrial land it's light industrial and I've got all these lists of restrictions which really isn't viable because I think Councillor Vandal pointed out, four times this land has gone to market and no one's ever been able to consummate a sale that people can fall on. I'm sure my friend Chuck Chappell who's had a lot of experience will probably be able to read you the history of this chapter in verse.

I want to tell you where I'm coming from. I'm expecting a couple of things. I would like the Standing Committee on Property and Development and Councillor De Smedt will hopefully be one of the people doing this, to review the zonings in these areas. To come back with area blanket rezonings from industrial to commercial and to tell us after reviewing with planners and holding the public hearings, that we get a new set of rules. And we update the zoning. Then I would like councillors to stay out of it. I'd even like you to review the design review, because if you want to attach parking to design, I'm fine with that. Maybe there's a good argument for it. Maybe Councillor O'Shaughnessy says the bulk of the buildings and parking is a fact, then we should tell everybody before the public hearing that we're now doing that, not surprise them when they walk in the room.

We have industrial land which should be changed to the whatever you want it to be zoning because it's so loosy goosy it can be an office building, it can be a restaurant, it could probably be a triple x video store, I think we even allow that in industrial zoning it's the only one you're allowed to put it in. It could be anything you want.

Rather than getting overly involved in the hearings that result from bad zoning decisions and bad zoning, if the Committee could extricate itself from that and review the zoning, and then Councillor De Smedt, I'm going to agree with every argument you made. Absolutely every one. But we aren't doing our job here. We count on that committee not to come up with controversial public hearings, but to come forward with new zonings and zonings.

(4:40)

When you see a disconnect because I haven't heard anyone disagree that this isn't the perfect location for a Keg. Which tells you that you have the absolutely wrong zoning on this site and we went through the wrong process. I think most of us and I would encourage you to support Councillor Clement because we have a contract with our citizens.

I want to tell you where I'm coming from. We made a contract with our citizens in rezoning and you want to breach public faith, then turn around and after you go through that whole public hearing, you put a development agreement in place and you put rules and then you tell the residents of that area, sorry, we were just

kidding. Imagine what the developer feels like, a guy who's opened Keg Restaurants who says, this is no different than anywhere else in the City, why are the rules so different to do that.

I'm expecting that we'll get a rezoning hearing very shortly, and our friends from the Keg are going to come back. When we get the rezoning which I'm going to use the influence of my office to push forward, working with Councillor Clement so it's sensitive to his residents, and we put commercial zoning, then I'm going to vote for it. I'm going to work with Council because you need to change the zoning here.

I've got to tell you, there's three times today and in every Council meeting where if we actually either followed the policy or made policy in the absence of it, we wouldn't have these long stupid debates. And every long stupid debate today has been because we didn't do our policy work and we try to correct it through a public hearing process. Let's just stop doing that. Let that be our New Year's resolution as a Council.

**Mr. Acting Deputy Speaker:** Councillor O'Shaughnessy on the clause.

**Councillor O'Shaughnessy:** Mr. Chairman I almost did something I haven't done in many years around here, I sat downstairs and was doing my best to duck this vote because my conscience got the best of me.

I supported the clause at Standing Committee, believed in it wholeheartedly. Some of the information about what the former community committee had promised the residents wasn't there for us at the time. It is now and in the far side of the City from me there are a former community committee of three councillors, a present community committee of three councillors some of whom made promises to the citizens, others have heard them and came to a decision. I still don't think a Keg would do any harm in that area. But for many of the reasons the Mayor annunciated so well I'm going to vote against the clause that I supported at committee because I've heard more information and I think that's the obligation we have to the citizens of that part of our city.

**Mr. Acting Deputy Speaker:** Any further debate on the clause? Councillor Vandal closing debate.

**Councillor Vandal:** Number one. First of all if this zoning agreement was not there the Keg would be allowed as a right. Obviously Councillor Clement's been through a process with his neighbourhood or his former neighbourhood where for one reason or another it was thought that a restaurant would be adverse to this community would be injurious to this community. If you read the text from the community committee you'll see very clearly what the substance of this issue is. It's noise, it's smells, that the dogs are not going to like, and it's traffic, all of which simply are without substance. That's what I'm going to stress right here, that there is no substance to this zoning agreements specifically as it relates to this application.

Number one. First of all, the Department has been nothing but above board and honest in dealing with all of these applications. They brought them forward to the Standing Policy Committee in September. There was a thorough analysis of all five applicants and the Standing Policy Committee made a conscience decision to go forward with the highest bid subject to a zoning agreement amendment which the issues of substance were debated and decided.

Number two. This property has been surplus for at least five years and has been sold tentatively at least this is the fourth time. This is the fourth time that this sale of this property is going to crater.

Number three. This is not an RFP as Councillor Steek has noted. It is not a request for proposals, it is a pure land sale.

Any party could have put a submission to purchase this land with conditions. The Standing Policy Committee on Property and Development regularly approve land sales with conditions. Part of the

condition on this one was that they receive a zoning agreement amendment at community committee. Was not an RFP, never was an RFP. Anybody could have put an offer in on this property. If you check into the In Camera minutes and you look at the other people who have offered to buy this property, you'll see that they're some of the most sophisticated developers in the City of Winnipeg and I simply don't buy the arguments that they didn't know the rules.

Having said all that, we fall to the substance of this argument of this issue. Is it noise? Is it traffic? Is it smell? All of those issues are without merit. If you look at objectively and if you ask yourself the question, if you can't build a Keg here where the hell can you build one, you'll vote for this. This is not my ward, I'm not passionate about this. If we don't sell it today we'll sell it in eight, nine months from now, but we're sending the wrong message to the people who've participated in this process.

Councillor Clement you're right, I rarely overturn decisions of community committee but the one I did was 529 Wellington because quite simply that one stunk and look at what we have today. I ask everyone to vote your conscience on this.

**Mr. Acting Deputy Speaker:** We'll take a recorded vote.

We're voting on the Standing Committee recommendation that the zoning agreement amendment be approved etc. All in favour of the Standing Committee recommendation please rise.

**A RECORDED VOTE** was taken the result being as follows:

**Yeas**

Councillors Lubosch, Pagtakhan, Steeves, Vandal, Wyatt, Lazarenko.

**Nays**

His Worship Mayor Murray, Councillors Clement, De Smedt, Gerbasi, Smith, Steek, Thomas, O'Shaughnessy, Mr. Acting Deputy Speaker, Councillor Eadie.

**City Clerk:** The vote Mr. Speaker, Yeas 6, Nays 9.

**Mr. Acting Deputy Speaker:** The clause is defeated.

The Report of the Standing Policy Committee of January 6, 2003, Councillor Vandal.

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED JANUARY 6, 2003**

**Councillor Vandal:** I will move Items 1 through 16 as consent items.

**Mr. Acting Deputy Speaker:** Councillor Vandal has moved Clauses 1 through 16 as consent. Stand down 16. Any other clauses? Question on the motion, all in favour? Contrary? Carried.

Clause 16.

**Item No. 16 - Proposed Plan of Subdivision - 1776 Grant Avenue File DASZ 26/2002**

**Councillor Vandal:** The only comment I have is that we concurred with the recommendation of community committee.

**Mr. Acting Deputy Speaker:** Councillor Steek did you wish to speak to this?

**Councillor Steek:** Just very very quickly. Thank you. I stood this clause down out of the courtesy of Mr. & Mrs. Lenton who were here, who were residents of Lanark and appeared on this matter at the community committee, they along with a number of their neighbours did not support it.

(4:50)

Quickly for those of you and I'm sure you have seen this as a clause, this is a unique situation where the Ramah School site on the corner of Grant and Lanark approximately four and a half to five acre site was being developed jointly by Qualico and one of the Akman companies. The request is for condominiums and bungalows. They brought forward an initial presentation that had commercial properties along Grant and frankly very dense infill condominiums with very elevated roof lines.

The residents made it very clear to the developers in the informal hearing process that they were not supportive of it. The developers then came back, the proposal was to put in 48 condominium units that face out onto Grant which took traffic off the residential street of Lanark. It is a three storey unit and there are 15 bungalow condominiums that will be going along Lanark.

The administrative report as you will see is supportive of this particular infill. There was definitely as there is so often when there's a change in the neighbourhood there was concern from area residents about the size, the scale of this particular development, and a key concern was that there would be a diminution in value of the homes in close proximity. That cannot be supported Mr. Speaker because of the fact that these condominiums will be in the $150,000 to $180,000 range which is certainly comparable to area residents if not more so.

Accordingly I don't want to belabour this. I appreciate the fact that this particular clause as I say was supported unanimously by my colleagues Councillors Gerbasi and Smith who were at the community committee hearings. It has been endorsed both by the Property Committee and Executive Policy Committee, and accordingly I am requesting that there be concurrence. Thank you.

**Mr. Acting Deputy Speaker:** Any further debate? All in favour? Contrary? Carried.

Report of January 9.

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED JANUARY 9, 2003**

**Councillor Vandal:** I will move Items 1 through 7 as consent items.

**Mr. Acting Deputy Speaker:** All in favour? Contrary? Carried.

By-laws. Councillor Vandal.

**STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT CONSIDERATION OF BY-LAWS**

**Councillor Vandal:** I'll move the following by-laws be read a first time, by-laws numbered 2/2003, 3/2003, 4/2003, 5/2003, 6/2003, 7/2003, 8/2003, 9/2003 and 10/2003.

**Mr. Acting Deputy Speaker:** All in favour? Contrary? Carried.

**Clerk:** By-laws numbered 2/2003, 3/2003, 4/2003, 5/2003, 6/2003, 7/2003, 8/2003, 9/2003 and 10/2003.

**Councillor Vandal:** I'll move that by-laws numbered 2/2003 to 10/2003, both inclusive, be read a second time.

**Mr. Acting Deputy Speaker:** All in favour? Contrary? Carried.

**Clerk:** By-laws numbered 2/2003 to 10/2003, both inclusive.

**Councillor Vandal:** I'll move that the rule be suspended and by-laws numbered 2/2003 to 10/2003, both inclusive, be read a third time, and that same be passed and ordered to be signed and sealed.

**Mr. Acting Deputy Speaker:** All in favour? Contrary? Carried.

Question period? If not thank you very much.

We move to the Report of the Standing Policy Committee on Protection and Community Services. Councillor Gerbasi.

**REPORT OF THE STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES DATED JANUARY 13, 2003**

**Councillor Gerbasi:** I would submit items 1, 2, 3, 4, 5 and 6 as consent items.

**Mr. Acting Deputy Speaker:** Councillor De Smedt asked for Item 6, any others? Clause 1. Record my opposition to Item 2 please.

Clauses 2, 3, 4 and 5 have been moved, all in favour? Contrary? Carried.

**Item No. 1 - Winnipeg Police Service Reorganization File GF-2 & FC (2003)**

**Councillor Gerbasi:** This item is a motion that was brought to Council at our last meeting and referred back to the Standing Committee moved by Councillor Wyatt. We had some significant amount of discussion at the Standing Committee on this. Chief Ewatski appeared and went through the process of the four division model and where that's all at.

The Police were fairly clear that they were not supportive of this motion as was the Committee who voted 3 - 1 against concurring with this motion.

There is a process coming up, just for the information of Council they're organizing a council seminar on the four division model. There are a couple of new councillors on here who weren't around when we went through the long process, we had a couple of council seminars on the overview of the Police external review and internal review where this four division model was one of those recommendations. We felt it was timely to have a Council session for all councillors to get up to date on what exactly is being proposed by the four division model and the implications of that and we can discuss the public process around that and all those things at that time.

There is also a report in the system that's going to be coming forward very soon. It sort of makes sense to have the council seminar and then have the report come forward, have some timing around that.

We're working on that. This is a very positive proposal that the Police Services fully believes in. There still has to be voting on it, it's not something Council's approved. There's plenty of time to discuss the process around it. There has been public discussion in the development of the model and in the consultation with members of the Police Services as well as citizens, and there will likely be more as part of this process. But this motion kind of ties the hands of the Police on capital budget issues and other things that the Committee concurred with the Police Chief that that was not really useful.

I believe Councillor Wyatt's intention was to delay even beginning to plan or consider this in our capital budget which is just a planning thing for a whole year before we could even begin the planning work. There are issues of attrition which would if we wait a full year before we even begin the planning of something of this nature, we'll really be in trouble.

There are some time reasons why it doesn't make sense to concur with this and to get on with it. I'll wait on my closing remarks to hear what councillors have to say.

**Mr. Acting Deputy Speaker:** Councillor Wyatt on the clause.

**Councillor Wyatt:** Thank you Mr. Speaker. I rise today to speak on this matter. It's a very serious matter facing my community to say the least.

What I'm proposing here to Council is something that I feel is extremely reasonable. And that is what I'm asking for in this motion, a motion of which yes, my committee considered and the Chief of Police was there. Although I think the Chair must have been at a different meeting because there was no details on the four model plan, we just said there was going to be a four model and it's coming down. Is that we should have a chance for the public to have a say on the specifics of what's being proposed before

Council approves this. At the last Council Meeting I rose and I asked the Mayor Mr. Speaker, where is the report that apparently was given a summary of what have you was given to the Mayor and maybe the Chair as well.

(5:00)

At that time I was told that it would be forthcoming early n the new year. We still have not seen that report, it's over a month later. Nothing has come forward from the EPC showing what the four models is going to be proposed. I'd like to know where the transparency is here in the process. This is going to be a massive change to our police service, how we operate. It's going to have huge ramifications on communities across the City especially on the east side of the City. We're going to be basically going from a model of six districts down to four. We're going to basically create one large district on the east side of the river and still maintain four districts on the west side. This is what I gather. Mr. Speaker none of us have been able to see the report. There is no transparency in this process. It's stuck at EPC, maybe on Mr. Gilroy's desk but the rest of Council has yet to see exactly what's coming forward.

I'm concerned as a councillor for the area that's going to be effected by this Mr. Speaker, that it's going to be dropped on us, that we'll have a council seminar and then a committee or vise versa and then to Council then boom, it's done. My community will have no chance to have any input into the process.

I really believe passionately Mr. Speaker that in the last civic election the people of the City spoke loud and clear on policing and on crime and safety. I frankly think that there's nothing wrong with letting people have a say into the process and into the input of the decision-making of this council. There was a comment that this was fully consulted with the communities of the City, that people know what's happening. They don't know what's happening. There was no four model presentation given to any of the communities in the City showing them what the implications will be, or I'll give the benefit of the doubt, what the benefits will be.

I say that if the Executive Policy Committee is so confident that this is a great plan for the City, that they should have the same confidence to be able to stand up at community meetings in different parts of the City and say hey, this is great. These are going to be the benefits to your community. We think it's great. We haven't approved this yet, we're here to see what you have to say. We will take those concerns into consideration. But we think this is great, this is going to do this, this is going to do this, and this is going to do that.

Clearly I'm getting the impression Mr. Speaker that that is not the case. That maybe there's a concern that from EPC maybe we should be fearing the public. That maybe we don't want to hear from the public, we've decided what's best for the City. Yes, I understand Mr. Speaker that I'm a new councillor and maybe a lot of this has been in the process, in the works and maybe just keep your mouth shut Wyatt. But as far as I'm concerned I was elected largely on this issue Mr. Speaker to speak on the issue of crime and ensuring that we have a high police presence in all the communities. I can assure you Mr. Speaker that there are residents in my community that don't recall, it wasn't that long ago when we had our own police service, and we had not two cruiser cars in the community where we share them now today with Elmwood, but we had actually four or five full-time cruiser cars, and everybody knew their police officer, and everybody knew who was out there and everybody knew the community. That was a community Mr. Speaker that was a fraction of the size that it is today, paying less in tax than it is today. And yet we're actually reversing it, and we're going to build a mega police station in an industrial park away from the community.

As far as I'm concerned Mr. Speaker this warrants us having a say, having public discussions, letting people to have a say, and at the end of the day if the public has their say and Council still chooses to push ahead, at least the public have spoken.

If there's something to be feared from the public having their say, I'd like to see why that is the case.

As far as I'm concerned Mr. Speaker there's a motion coming forward again because of the situation at the Standing Committee, another motion coming forward from my community committee that was passed unanimously at the Community Committee, and it will be requesting public hearings before we push ahead with the four model plan at least public hearings in the communities that are directly affected because I think that's only fair, it's reasonable. As far as I'm concerned Mr. Speaker this a prime issue of importance to my community, and it's the kind of issue which causes people to lose faith in their civic government. I don't think we should be doing that, I think we should be building confidence.

Finally Mr. Speaker, I just want to say why I think we should have public hearings, because it's the single largest, one of the single largest items we spend money on in the budget. I'm making that recommendation that people should be allowed to participate in the process on what we're going to do and how we're going to spend that money.

Let's build the support in the Police Service. I'm a strong supporter of the Police Service, I want to assure that we have more police officers on the street. I would have liked to see in the upcoming budget maybe instead of having a zero percent increase, I would support a budget with a one percent increase where we could put another 100 police officers on the street tomorrow, then it would be a safety budget. I believe that it's time to get tough on crime, to bring the crime numbers down in this city, and I think that's what we would hear loud and clear at public hearings if we let them go ahead.

I realize that EPC may have its agenda and I might be ruffling some feathers here and I'm sorry if I am but no Mr. Speaker I take that back I'm not sorry. I will never be sorry Mr. Speaker for standing up and speaking for my community.

It's not a parochial issue of just the fact that the police station is in the community, I frankly believe that we should maintain at least two districts on the east side of the River, that there's challenges in all parts of the district, in Elmwood especially and parts of East Kildonan, parts of Transcona, and that frankly maybe a new police station definitely needs to be built in my mind because of the fact that the facility has aged and falling apart but maybe it has to be more of a central location the middle of the existing District 4 instead of where it is today. I'm open to these ideas. But as far as I'm concerned the process is being rammed down our throat and we're supposed to have no say. That's why I'd like Council to support this, and I would greatly appreciate that. Thank you.

**Mr. Acting Deputy Speaker:** Councillor De Smedt.

**Councillor De Smedt:** Thank you Mr. Speaker. My my, Councillor Wyatt has learned in a hurry.

You're absolutely right, it could get rammed down your throat Councillor Wyatt if one isn't careful. You're absolutely right there is probably planning going on. But we have not been consulted yet and I appreciate perhaps why not. I don't think there's been an opportunity for the Committee and it would be up to the Committee Chair to champion that issue.

I am in support of your general theme. And that is that, this is a very important issue for all of us. We do want to know what the four or five division model or whatever it may unfold proposal is likely to do to us in our communities. It might make sense and it might not and I haven't landed on any particular page because we have not been briefed. If others have please share it with us so I'm on your particular page here and I hope my good friend Councillor Gerbasi is taking note that I would like to have some indication of when we are going to start the process of informing Council members through an informal session of what the process could be and I think it could be very useful if we could have not just what the process

is going to be but what does the report say and what are the options. If you remember from our get together the other day In Camera together as a caucus to talk about budget, the question is, what does the Police Service need, what do they need. We need to find out what that is. Of course that's another issue that we're going to be briefed on in the overall context of police services and I hope the Chair will give us some information regarding that. Thank you.

**Mr. Acting Deputy Speaker:** Councillor Angus on the clause.

**Councillor Angus:** It's a throw back, if you stay here long enough everything that's gone around comes around. I can very well remember Mr. Speaker, having this very same type of discussion to those people with those people who were threatened in relation to the reduction of six public service yards down to three.
(5:09)

Now imagine this. We had a committee of public works with six members on it in those days Mr. Speaker. We had a commissioner of public works, we had a director of public works who sat up in the third floor, we had six different engineers out in the community, six assistant district engineers, six supervisors of streets, six supervisors of garbage refuse and so on and so forth and so on.

What we did we went to them to said look, this day and age when Councillor Wyatt was young and enjoyed the amenities of things they didn't have fax machines, they didn't have Internet, they didn't have computers, they had all sorts of different things and they seem to have a heck of a lot more money than we have right now to be able to do that sort of thing.

Like the process that we're doing with the Police, and I'm not sure the four model is the best, I happen to think that a three model is probably a three police station model is better as long as we have service centres like I have in my area, like Councillor Steeves has in his area, the community police service centre where you can go in and talk to a police officer. Where the street patrol, the community based policing organizations can huddle and meet and organize themselves. Where they can run seminars on protecting your property, where the block parents can go. Where you can go and report an accident if you happen to have one, and not necessarily have to be locked up. Those are destinations councillors, you pick people up when they need to be locked up and you take them to jail. If you take them to only three jails as opposed to four jails or five jails or six jails it means you have less police officers doing paperwork, sitting behind a desk and doing redundant activities and more police officers on the street in the areas that need them, i.e. like Transcona.

No I have not seen the report Councillor De Smedt, and I resent you suggesting that we have seen it or we are doctoring it in any way. I am sure that this process will follow exactly the same process that the Public Works reorganization did and that we will have when this particular item comes available, and as a matter of fact Councillor Wyatt, I am sure that I heard the Police Chief say that there will be plenty of opportunity for public discussion on this particular issue. I'm sure that you will get an opportunity and your people will get an opportunity to do it.

This motion is frivolous and I am certainly not supportive of it. I am supportive of having the report being made public at the earliest opportunity, getting the organizations onto the books so we can start generating some savings and improving the effectiveness and efficiency of the Police Department Mr. Speaker. Thank you.

**Mr. Acting Deputy Speaker:** Mayor Murray on the clause.

**Mayor Murray:** Thanks. Councillor Wyatt my dear buddy, old pal. I just got to tell you, dumping all over EPC for a report that isn't written yet is creative, it's a unique style of criticism which I'm not. I want to assure you I have not seen it. As a matter of fact, I've seen a series of slides and the Police Chief is a pretty honourable guy, tells me there's nothing he hasn't told you that he hasn't told me. As a matter of fact he

apologized…They're not mine, I would go and hand them to you, they're so generic and uneventful.

There's a powerpoint presentation which is about seven pages which I've seen which he assures me he has shared 100% of that information which basically says, there's six, there will be four, this is roughly where they're going to go. There's one chart that says, it may cost these numbers of things.

Why is that out there? Because there's no report. Councillor Gerbasi has not seen a report I'm sure. I have not seen a report. Councillor Vandal you've seen the report? You have. No he hasn't. I'd hate to be the last one to know.

Also there's no nefarious things. I'll just give you some advice as a friend. If you don't stand up on the floor of Council and berate me for having some secret agenda when I don't even have two paper clips to rub together up there right now, I'd be very happy to sit down and work with you. If you feel you're not getting anywhere, it's not because you're not standing up for your residents, it's because sometimes you might be tilting at windmills.

My advice to you since I'm the only other person in this room other than you that got elected by the folks in Transcona who actually voted for me more over other candidates. My concerns about Transcona, there's a high level of break and enters there traditionally. We moved one cruiser car there four years ago, I don't think it's adequate Councillor Wyatt. It was relocated, it was relocated from the neighbourhood I live in actually Councillor Wyatt. It was in District No. 1 where I live was relocated to where you live because that was a police decision because we were looking at additional resources.

I think there's an additional cruiser car that's required. I think we need to look at that. I think there's some specialized issues up there and there's some additional police resources. We may want to look at beat offices or greater foot patrol in that area. I assume those are things if you just acknowledge are things that we're generally talking about.

There's a far cry from where the administrative offices are where you can't go for service, where you can't knock on the door and say, I have a complaint, and have absolutely nothing to do with the level of policing in the neighbourhood and it doesn't matter really where they are from a police response time, it matters where they are from an efficiency time.

The reason the Police Chief is proposing this, is to free up 12 full-time officers, to move them out of desk jobs. I think we could also talk about the disperse of it.

What I'd like to do with you and I make these suggestions, and if Councillors take me up on them then I generally know that it's not just a whole lot of political haranguing and it's a serious commitment to get some change. If you're sincere about it which I believe you are, I would be happy to meet with you, be happy to sit down with the district superintendent and happy to look around and see what we have as resources. One of the things that I did when I was a councillor in Fort Rouge we came up with a policing plan. We had a community consultation about what were the policing needs. We did something called the safety audit, we interviewed residents going door to door to understand to get a profile of what the crime was, and we looked at lighting, we looked at additional policing, we relocated some community officers, added another one. Came up with a pretty good safety plan.

We also have Councillor Pagtakhan who's Chairing the Safety Committee and has a safety tool kit. Because one of the things that we found in reducing break and enters which has been a chronically big problem Councillor Wyatt, my buddy, I hope you're listening. The safety tool kit and the safety audit program was very effective in bringing down b & e's in Fort Rouge.

Mr. Speaker I would just like to close by suggesting that I have a coffee pot in my office with a cup with your name on it. I hope you'll come and join me. I know you like Councillor De Smedt have about an hour with me tomorrow. Could you and I maybe talk a little bit about developing a

policing and safety plan for Transcona since you and I share those constituents. I can assure you there's no nefarious plans. Maybe you and I jointly could meet with the Police Chief to get a briefing together on where we're at with the four district model. If through that we can free up some additional policing for Transcona.

Really we didn't all get elected to undermine Transcona. My partner grew up on Cranbrook Bay. It was the constituency that put me over the top in '98 so I feel a particular indebtness to it. As one person joked, he laughed at me and I said, it only took me to get the guy out of Transcona. But I can assure you there's still very much Transcona in the guy. He's probably having a barbeque right now in our back porch as we speak. Thank you.

**Mr. Acting Deputy Speaker:** Any further debate on the clause? Councillor Gerbasi closing debate.

**Councillor Gerbasi:** Thank you Mr. Speaker.

(5:18)

There really Mr. Speaker is no secrecy about this issue. This has been a very open issue. We know about this proposal of a four division model because it was one of the recommendations that came out of the external review. There have been Council seminars about that whole process as you know.

The report is going through our report decision-making system and it will be coming to the Standing Committee. It's not going to EPC, it's going to the Standing Committee first and then on up. We will have every opportunity to read the report, to have public delegations at that time as well and to discuss it and decide what kind of process, that's the role of the standing policy committee is to decide the process, to bring it forward or not, or whatever we decide.

There really is no secret thing going on here. Jack Ewatski's been very open about, I know he's met with Councillor Wyatt about this. We need to go through the proper process of seeing what the recommendations are from the Department, and then we will make our political decision based on that.

Because of the concerns that have been raised from Councillor Wyatt, we are having a council seminar, that is being scheduled right now. I don't know the date of it, I'm waiting to hear but it is being scheduled. I guess with the budget and other things going on and we have a meeting every week on the budget, it hasn't been scheduled yet, but I know that it is being worked on, I've been assured of that.

We're going to have an opportunity…are you listening Councillor Wyatt because we've been having this conversation over and I don't want to keep having it unless there's something else to say.

What I'm saying is, that there's nothing secretive about the process. There's not some report that everyone on EPC has read and no one else has read. There is a report coming to our committee and you will be the first to see it along with the other members of the Committee. There is also a council seminar.

We can decide, we are the ones who run the City. We can decide what process we want it to be. If you heard what the Police Chief said at our meeting, was that there are appropriate processes. There are also differences in what this is about than other issues such as fire stations. We've talked about the difference between these stations and service centres. It's a different issue, and we need to talk about those issues, because what this is about is safety for our city and there may be ways that various neighbourhoods need their services operationally adjusted and different things, and that's what we can discuss.

The point is, this is about reducing administrative overhead and having people sitting behind desks and this is a proposal from the Administration to provide better service, to provide better coverage and to have police officers out in the street. They're proposing that. When the report comes forward we'll see

exactly the details of that. But nobody is attacking one particular area.

I can tell you with the TriData Report which is also a consolidation, that involves fire stations which does effect the area. I just want to let you know that the first one they're working on is in Fort Rouge. That will be our next one.

My point is, that these processes are not nefarious, they're going through exactly as they should. The information will be coming forward. We can decide the process, we can decide that process and we can work with our administration and each other to do that.

The problem with this motion is that it says that we don't do anything for a year, that's the problem with it. What Council would like to do, is begin the planning for this in case we approve it. At least be prepared to do it and we have to do some planning on that. If we nix that process then we end up waiting a whole year to even start, and there's issues around attrition which the Police Chief explained very clearly to our committee and I believe the Committee understood and accepted that.

There is no massive change that's going to happen without the people of Winnipeg knowing about it. We are a very open form of government and this is a very open process. I don't know what else I can say. This keeps coming around and around, it's understandable because it's an important issue to all of us, all of us ran on the safety agenda. I don't think that anybody feels differently about the safety of their community, and no one community is being targeted. We are trying to streamline our services so that we can have more police officers on the street, that's what this is really about. This motion will stand in the way of even moving ahead with the discussion on this. Thank you Mr. Speaker.

**Mr. Acting Deputy Speaker:** Debate is closed. We're voting on the recommendation that the motion be filed. All in favour of the recommendation? Contrary? Carried.

We'll take a recorded vote. On Clause 1, the recommendation is, that the motion be filed. All in favour please rise.

**A RECORDED VOTE** was taken the result being as follows:

**Yeas**

His Worship Mayor Murray, Councillors Angus, Clement, De Smedt, Gerbasi, Pagtakhan, Steeves, Thomas, Vandal, Mr. Acting Deputy Speaker, Councillor Eadie.

**Nays**

Councillors Lubosch, Smith, Steek, Wyatt, Lazarenko.

**City Clerk:** The vote Mr. Speaker, Yeas 10, Nays 5.

**Mr. Acting Deputy Speaker:** The clause is lost. I was sure my hearing was okay there.

Clause 6 has been stood down, is that correct?

**Item No. 6 - Assiniboine Park Enterprise - Creation of Chief Operating Officer position
File PR-7.1 (Vol. 11)**

**Councillor Gerbasi:** I won't make lengthy comments on this, I'll wait to hear what councillors have to say.

Basically this Council has asked for a lot of work to be done on Assiniboine Park. They've asked our administration to do massive studies and massive public consultation on how to move ahead with Assiniboine Park. We can't do that without any capacity to do that, and that's what this does is provide the capacity in our administration to actually do the work that this Council has politically directed them to do.

If people don't want that to go ahead, we can just leave the Park as it is and we can carry on. I think just to give you a sense of why this is here. This isn't some administrative thing they've thought up to

waste money. This is happening because we asked them to do a huge amount of work and this is what's required to get that work done and I'll wait to hear what other councillors have to say. Thank you.

**Mr. Acting Deputy Speaker:** Councillor De Smedt, did you ask this be stood down?

**Councillor De Smedt:** Thank you Mr. Speaker. Very quickly. We agree there's a leadership role required in the Assiniboine Park Enterprise in harmonizing all the interests and our future development of that area. That has been approved by Council before. I support the hiring or in fact the appointment of a Chief Operating Officer, and it's frankly an appointment. What I don't support of course in the way it's worded is that we are going to refer the funding for this to Fiscal Issues.

This is really a 0.3 budget item. I really think that's where the discussion ought to be. It's my view and I suggest that you think very closely, is that there is capacity within the leadership of the Administration in this city to reassign personnel to take on this leadership role. The reason it's not happening now, there's obviously an issue of perhaps the right competency level to handle that significant leadership role.

(5:26)

If that's the case, there are others around within the Department that can do it and it's my view that I think there is sufficient flex within the CAO's capability of reassigning people or assets.

Contrary to a discussion point that we had the other day, I'm not suggesting we have a formal vacancy management process that the City use to have, though I would be intrigued if somebody could convince me that it wouldn't be a useful thing from time to time if this Council would have that policy. I do think though this ought to go to the 0.3 budget process.

For that reason I won't support it in this way unless we can have a friendly amendment, drop that out, put it into the 0.3 budget. I think it should be within the capacity of the CAO to handle this.

Regretfully, not regretfully I have in fact spoken to the CAO about this matter, she knows where I stand. I don't think people will be pleased but that's my view from the top. I think those of you and some of us have been involved in senior organizations there are capacities in an organization of some 8,300, 8,400 people with significant leadership abilities out there to bring some scholarship to this particular appointment that we want to have. Thank you.

**(Councillor O'Shaughnessy in the Chair)**

**Mr. Speaker:** Thank you. Councillor Steek.

**Councillor Steek:** Thank you Mr. Speaker. I'm in complete agreement with Councillor De Smedt on this as an issue. It's stunning to me that we don't have this expertise in the house, number one. In addition to $100,000 a year additional salary, there's also a request for $35,000 for a national search.

There are a number of issues that are facing us. If you want to send this on to the budget and we can have an amendment to that effect come out of here right away I can support it, but I have a lot of problems with an additional $135,000 coming out of this as a meeting. Perhaps Councillor De Smedt would like to prepare that amendment right now. Mind you I guess he can't he's already spoken to it, so if there's anyone else around the table here that is on that page, I'd certainly be supportive that. Thank you.

**Mr. Speaker:** Thank you Councillor Steek. Councillor Lazarenko.

**Councillor Lazarenko:** Thank you Mr. Speaker. I have a problem with this motion that is before us. Don't we have qualified people within our own system our own departments that would be qualified to do this task. When we had the presentation last year in July when the seminar was held by Future Vision for

Assiniboine Park included something like $100 million for the Zoo expansion and others were looking at big dollars to go into the Assiniboine Park.

The questions that were raised at that time, when the move was made by the Committee to ban circus animals dealing with the Shrine Circus I had asked the question, what would stop any of the committees to do the same thing with Assiniboine Park at the Zoo to ban certain exotic animals. The City of Winnipeg is the only one that has the full authority through the Committee and Council that they can ban animals in the City of Winnipeg. Other cities have to go through other agencies even as high as the Provincial Government. We don't.

If we were to proceed to hire a person at about close to $140,000 a year, which is pretty well what the top salary a person who is just starting out and there's no steps on the salaries at all. Usually anyplace when someone gets hired you go step by step. The first six months, then another six months, two years later on to prove their worth then they will receive the full amount. This is not happening.

**Mr. Speaker:** Excuse me Councillor, I've stopped your clock. The item if you'll notice on the agenda is to create a position, the salary is referred to Fiscal Issues. The salary is not before us. It's whether or not to create a position.

**Councillor Lazarenko:** It's in the report here, tells you what the salary is. To Fiscal Issues that they have to consider this. I'm really not in favour of this clause.

This is something I think we're jumping the gun. When you talk also about privatization and I wish the Chair would maybe take notice. Privatization, what do you mean by that? Does it mean to say that certain aspects of the Park facilities will be privatized as a special operating agency? The Report tells you this. And to proceed in this fashion I'm surprised that the unions didn't even come as a delegation in opposition because that means some of their jobs will be gone. Because we're going into the direction the Future Vision is possible, privatization.

This has to be weighed very carefully. When you have a salary of about $140,000 right from the very beginning and Councillor Clement it's the Fiscal Issue and if the Mayor would kind of have his meetings at his office with….you need some kind of slingshot here to give them notification.

To Councillor Clement who's the Chairperson of Fiscal Issues, these are some of the concerns that have to be addressed because I'm sure that they're going to come back if these are not addressed in a proper fashion. What criteria do we have in hiring administrators, is it right from the very beginning…I'll just wait.

If this comes back…I'm losing my support here, look everybody is disappearing.

I'm just going to make this very very short. Councillor Clement can you seriously take a look at the policy that we've got in place because usually this is not what happens, you don't pay someone the full salary right the first day when they start. Other places we have the steps. Also take a look at the possibility can we do in-house. We've got capable people that are employed at Assiniboine Park. See if they qualify. I don't support this, the way it is in this fashion.

**Mr. Speaker:** Thank you Councillor. Councillor Wyatt.

**Councillor Wyatt:** I move to refer this back to committee.

**Mr. Speaker:** Moved by Councillor Wyatt. Councillor Gerbasi did you wish to speak against the motion?

**Councillor Gerbasi:** We had the discussion and committee supported it so I'm not sure what the rationale would be. I think if people have a problem with it, I mean we could certainly vote on referring it back if that's what people want to do. It seems to me that maybe some people

are just for this or against it. I'm not sure. I guess we'd see what people want to do.

**Mr. Speaker:** Thank you. Question on the motion to refer the clause back to standing committee. All in favour? Contrary? Carried.

That is referred.

By-laws, none. Motions, none.

(5:34)

Question Period. Councillor Lubosch.

**STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES
QUESTION PERIOD**

**Councillor Lubosch:** Thank you Mr. Speaker. Through you to Councillor Gerbasi. I was hoping that I could have some information with respect to two things. Number one. The progress on the report which is reviewing the current smoking by-law. Number two. What the anticipation for timing and process will be for the public hearings or public consultations which will follow the review.

**Councillor Gerbasi:** Thank you Mr. Speaker. Yes, the report is very near completion I've been told by the staff. What the report is going to do is as we requested review the current smoking by-law that we have now and let us know how that by-law is going, what kind of issues have arisen around it and so on. There's nothing holding that back.

In terms of process what I'm thinking of doing and I haven't talked to all the members of my committee yet, but they seem to like the idea so far of holding a special meeting of the Standing Policy Committee because I expect there will be a lot of delegations who want to speak to this issue. We have to see the report to decide really what the process will be and where we want to go from here.

I think ultimately though this is a political, the Administration is going to tell us how things are working. We're going to have to make a political decision on this. We will have the opportunity at Standing Committee to hear the public, to hear the Councillors and the Administration, and then I expect we'll be moving forward with some kind of political decision which would go on up to EPC and Council.

It is going to the Standing Policy Committee which I believe is where it belongs to start with. Then it will continue on up through our political system as it usually does.

**Mr. Speaker:** Supplemental Councillor Lubosch.

**Councillor Lubosch:** Thank you. I just wanted an answer to the question with respect to timing. Is it the intention of the Committee to press for the report in February for their February meeting, and will the public hearings be subsequent to that. Can we anticipate public hearings in February or March?

**Councillor Gerbasi:** I'm hoping February, March at the latest. There's all the budget meetings. It's really hard to schedule a meeting. I just scheduled a special meeting on the budget for February 13. It may be towards the end of February or March. The report isn't ready yet, it also depends on that. Definitely February, March hopefully by the end of February.

**Mr. Speaker:** Nothing further? Moving along.

Standing Policy Committee on Public Works, Report of January 13, 2003.

**REPORT OF THE STANDING POLICY COMMITTEE ON PUBLIC WORKS
DATED JANUARY 13, 2003**

**Councillor Angus:** Thank you Mr. Speaker. I'm pleased to move the Report of the Public Works agenda dated January 13, 2003, and I'll move the consent agenda items.

**Mr. Speaker:** Items 1, 2, 3 and 5. All in favour? Contrary? Carried.

Clause 4. The Mayor moves the EPC amendment.

**Item No. 4 - Polo Park Traffic Improvement and Development Review Study**
**File ST-7 (Vol. 16)**

**Councillor Angus:** Mr. Speaker, I'll move the Executive Policy Committee recommendation. It's not an amendment, it's a recommendation.

The recommendation for those councillors who are not aware of it was the Polo Park Study, $565,000 that came out of an economic development reserve to do the immediate work, the rest has been referred to the budget discussions.

**Mr. Speaker:** I do believe it is an amendment. It's under your agenda. It's the Standing Committee recommendation. There must be a change. My screen cannot show the clause and our proceedings at the same time.

There's no change Mr. Clerk? Clause 4, all in favour? Contrary? Carried.

Motions, none. By-laws, none. Questions, none.

Fiscal Issues, Item No. 1.

**REPORT OF THE STANDING COMMITTEE ON FISCAL ISSUES DATED JANUARY 13, 2003**

**Councillor Clement:** Thank you Mr. Speaker. I'm pleased to move the agenda of Fiscal Issues dated January 13, 2003. I'll move Item No. 1 as a consent item.

**Mr. Speaker:** Councillor Pagtakhan do you have motion still on the floor? You're withdrawing your motion. Vote will be on consent. All in favour? Contrary? Carried.

Motions, none. By-laws, none. Questions, none.

Adjournment moved by Councillor Pagtakhan.

Roll Call.

**ROLL CALL**

**Clerk:** Mr. Speaker, Councillor O'Shaughnessy, His Worship Mayor Murray, Councillors Eadie, Clement, De Smedt, Gerbasi, Lubosch, Angus, Pagtakhan, Smith, Steek, Steeves, Thomas, Vandal, Wyatt, Lazarenko.

**COUNCIL ADJOURNED AT 5:45 P.M.**

# COUNCIL OF THE CITY OF WINNIPEG
# Wednesday January 29, 2003
# CONTENTS

**ROLL CALL**.....69

**INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS**.....69

**MINUTES**.....70

**DELEGATIONS**.....70
Mr. Brian Burdy.....70
Mr. George Budoloski .....72
Mr. Nick Ternette.....76
Ms Marjorie Jaman .....79
Ms Julie Van De Spiegle.....81
Mr. Rocky Kravetsky.....82
Mr. Claude De Forest.....88
Mr. Jim Jaworski.....89

**REPORT OF THE EXECUTIVE POLICY COMMITTEE**
**DATED NOVEMBER 20, 2002**.....90

Item No. 2 - Request for Expenditure from the City Centre Land Dedication Reserve Fund - Grant Park High School - File EP-2 (Vol. 30) .....90

**Motion No. 1**.....99

**REPORT OF THE EXECUTIVE POLICY COMMITTEE**
**DATED JANUARY 22, 2003**.....100

Item No. 10 - Appointment of Citizen Members to the Winnipeg Arts Council - File FG-3 (Vol. 43) .....100

**REPORT OF THE EXECUTIVE POLICY COMMITTEE**
**DATED JANUARY 28, 2003**.....100

Item No. 1 - Funding for the True North Project - File F-5.1 (Vol. 6).....100

Item No. 2 - Winnipeg Symphony Orchestra - File FG-1.1 (W) (Vol. 12)....123

**EXECUTIVE POLICY COMMITTEE CONSIDERATION OF BY-LAWS**.....124

By-laws numbered 1/2003, 11/2003 and 12/2003.....124

**EXECUTIVE POLICY COMMITTEE QUESTION PERIOD**.....125

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT**
**DATED DECEMBER 3, 2002**..... 133

Item No. 1 - Proposed Zoning Agreement Amendment - 1620 McGillivray Boulevard - File ZAA 13/2002 [c/r DAZ 222/2000, DCU 228/2002]..... 133

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT**
**DATED JANUARY 6, 2003**..... 144

Item No. 16 - Proposed Plan of Subdivision - 1776 Grant Avenue - File DASZ 26/2002..... 144

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT**
**DATED JANUARY 9, 2003**..... 145

**STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT CONSIDERATION OF BY-LAWS**..... 145

By-laws numbered 2/2003, 3/2003, 4/2003, 5/2003, 6/2003, 7/2003, 8/2003, 9/2003 and 10/2003..... 145

**REPORT OF THE STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES**
**DATED JANUARY 13, 2003**..... 145

Item No. 1 - Winnipeg Police Service Reorganization - File GF-2 & FC (2003) ..... 146

Item No. 6 - Assiniboine Park Enterprise - Creation of Chief Operating Officer position - File PR-7.1 (Vol. 11)..... 152

**STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES QUESTION PERIOD**..... 155

**REPORT OF THE STANDING POLICY COMMITTEE ON PUBLIC WORKS**
**DATED JANUARY 13, 2003**..... 155

# COUNCIL OF THE CITY OF WINNIPEG
# Wednesday January 29, 2003
# CONTENTS

Item No. 4 - Polo Park Traffic Improvement and Development Review Study - File ST-7 (Vol. 16).....155

**REPORT OF THE STANDING COMMITTEE ON FISCAL ISSUES DATED JANUARY 13, 2003**.....156

**ROLL CALL**.....156