REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED NOVEMBER 22, 1993

On motion of Councillor Eadie, the Report of the Committee on Finance and Administration, dated November 22, 1993, was considered clause by clause.

Moved by Councillor Eadie,

That the Consent Agenda Items, Clauses 1,2,3,4,5,6,7,8,9,10,11,12,13,14 and 15 be adopted.

Councillor Golden requested that Clause 8 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Items 1,2,3,4,5,6,7,9,10,11,12,13,14 and 15 was put and declared carried.

210 - Councillors Reese and Golden asked to be recorded as having voted against Clause 4, in accordance with Rule 50.7 of the Procedure By-law.

Her Worship the Mayor and Councillors:

Appointment of Council Representatives to the Management Committee for the Lindenwoods Joint Venture Agreement Files FI-2.4.5(Vol. 15) & GC-7 (Vol. 22B)

211 - 1. Council at its Organizational Meeting held on November 3, 1993 requested your Committee on Finance and Administration to recommend the appointment of two Council representatives and an alternate to the Management Committee for the Lindenwoods Joint Venture Agreement.

Your Committee on Finance and Administration recommends the appointment of Councillors Golden and Clement and Councillor Angus as the alternate member to the Management Committee for the Lindenwoods Joint Venture Agreement.

Adopted by consent.

Appointment of Representatives to the Employee Benefits Board Files GU-3.9 (Vol. 13) & GC-7 (Vol. 22)

212 - 2. Council at its Organizational Meeting held on November 3, 1993 requested your Committee on Finance and Administration to recommend the appointment of six representatives to the Employee Benefits Board pursuant to By-law No. 5300/89.

Your Committee on Finance and Administration recommends the appointment of Councillor Angus, Mr. K. B. Hayes, Mrs. E. Frame, Mr. M. J. Shibley, Mr. R. L. Borland, and Mr. J. Linton as representatives on the Employee Benefits Board for a term expiring November, 1994.

Adopted by consent.

Report of the Committee on Finance and Administration dated November 22, 1993

Appointments of Special Constables - Health Department File GF-2.3 (Vol. 4)

213 - 3. Your Committee on Finance and Administration has been advised by the Law Department that the Chief Inspector, Food Protection Division, Health Department, has requested that the following employees who are employed as Public Health Inspectors and will be required to perform by-law enforcement duties, be sworn in as Special Constables, namely:-

HORACE AUDLEY DAVIDSON
DONALD GEORGE KELLESTINE

Your Committee on Finance and Administration recommends that the City Solicitor be authorized to make the necessary applications to the Attorney-General's Department to have the above-named employees from the Health Department sworn in as Special Constables.

Your Committee also recommends that the Proper Officers of the City be authorized to execute the required Forms of Indemnity of whatsoever kind or nature arising out of the acts and conduct of anything done, said or written by the said Special Constables when they function as Special Constables under the said appointments.

Adopted by consent.

Proposed Amendments to the Municipal Assessment Act with respect to the Board of Revision of the City of Winnipeg File FA-2 (Vol. 30)

214 - 4. On September 22, 1993, Council referred the Auditor's Report on the Board of Revision to your Committee on Finance and Administration.

On August 24, 1993, the City Auditor advised Her Worship the Mayor and Members of Council that he had completed a review of the Board of Revision, which review focussed on the composition and activities of the Board to assist in identifying ways to process appeals faster and to reduce the number of appeals filed. The report prepared by the City Auditor was discussed with the members of the Board of Revision, and the Board supports the opportunities identified during the review and is receptive to the changes proposed.

The changes recommended are required to improve the efficiency and effectiveness of the Board of Revision. The more efficient and effective the Board of Revision is, the better able it will be to hear appeals in a consistent, fair and expeditious manner.

In order to implement the recommendations contained in the Auditor's report, certain amendments are required to the Municipal Assessment Act as well as City of Winnipeg By-law No. 4543/87.

Your Committee on Finance and Administration has examined the Auditor's Report as well as a summary of the Auditor's recommendations indicating the present provisions of the Municipal Assessment Act and/or By-law No. 4543/87, and the proposed amendments to same. (Exhibit "A")

As discussed in the Auditor's Report, greater emphasis should be placed on the individual appointments to the Board of Revision. Individuals should be selected based on relevant criteria assessed during a more formal interview process. The Auditor's Report recommends that a Selection Committee be appointed to receive and review applications for appointments to the Board of Revision. As well, this Committee could interview the candidates and recommend names to Council for appointment. Your Committee on Finance and Administration is of the view that the Selection Committee of the Executive Policy Committee recommend to Council such appointments to the Board of Revision.

The Auditor's Report recommends longer terms for Board of Revision members to reduce the effects of the learning curve involved in understanding the operations of the Board and to increase the consistency from year to year in Board operations and panel decisions. However, your Committee on Finance and Administration does not concur in the recommendation to change the term of office for the Board of Revision members from a one year term to a minimum of 3 to a maximum of 5 years.

Report of the Committee on Finance and Administration dated November 22, 1993

The Auditor's Report recommends that the Municipal Assessment Act be changed to allow charging a fee for the filing of appeals. The intent of the fee would not be to disadvantage or prevent property owners who cannot afford a fee from making an appeal. The fee would be refundable for successful appeals and could be graduated in whatever manner deemed appropriate to allow anyone with a legitimate appeal the opportunity to be heard by the Board. According to the City Auditor, implementing a fee would also help to eliminate the abuse of the appeal process by third party appellants filing mass appeals for personal gains through commissions. Your Committee on Finance and Administration concurs that Council should have the authority to impose a fee for filing of appeals, if it so chooses. Your Committee does not concur that third party appeals be eliminated, and recommends that third party appeals be allowed, subject to a fee being charged if more than 10 assessments are appealed.

The City Auditor recommends that there be only one appeal per reassessment. Your Committee on Finance and Administration does not concur and recommends only one appeal be allowed every three years.

Your Committee on Finance and Administration also recommends that the Municipal Act be amended to require an Assessor to attend hearings of the Board of Revision with respect to residential properties at the discretion of the City Assessor, and not have to attend all Hearings of the Board as currently required.

The Auditor recommends that the remuneration of the Chairperson of the Board of Revision be reviewed to eliminate the potential for abuse that currently exists attributed to a maximum annual level of compensation not stated. He also recommends that the remuneration of panel chairpersons be reviewed to recognize their greater responsibilities compared to other panel members. Your Committee on Finance and Administration concurs and will be recommending appropriate amendments to By-law 4543/87, a by-law of the City of Winnipeg to establish the remuneration of members of the Board of Revision.

Section 54(4) of the Municipal Assessment Act reads as follows:

"After a panel makes an order under subsection (1) in respect of an application, the presiding officer of the panel shall report to the board with respect to the application."

In order to further improve efficiency and effectiveness, the Board of Revision has recommended that this subsection be amended so that the panel has full authority and does not have to report to the full Board on every application. Your Committee on Finance and Administration concurs.

Your Committee on Finance and Administration concurs in the balance of recommendations contained in the Auditor's Report on the Board of Revision.

Your Committee on Finance and Administration therefore recommends:-

1. That the Province of Manitoba be requested to enact the following proposed amendments to The Municipal Assessment Act:-

    a) To provide for the ability to charge a fee for filing of appeals.

    b) To allow only one appeal every 3 year period.

    c) To allow third party appeals subject to a fee charged if more than 10 assessments are appealed.

    d) To give the Board of Revision the authority to increase an assessment under appeal.

    e) To give the Chairperson of the Board of Revision the authority to select panels and chairpersons for each hearing.

    f) To give the Chairperson of the Board of Revision the authority to approve Certificates of Agreement without a panel hearing.

    g) To eliminate the requirement that the Chairperson of the panel hearing report to the full Board of Revision on every application after making an order.

    h) To allow an Assessor to attend hearings of the Board of Revision with respect to residential properties at the discretion of the City Assessor.

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Your Committee on Finance and Administration further recommends that the size of the Board of Revision be reduced to 21 members.

Adopted by consent.

(Note: Attachments referred to in the above clause are on file in the office of the City Clerk.)

(Note: See Minute No. 210 for opposition recorded by Councillors Golden and Reese)

Discount(s) to be Allowed for the Prepayment of 1994 Realty and Business Taxes File FL-2.1 (Vol. 2)

215 -

5. Your Committee on Finance and Administration is of the opinion that a discount rate should be established which will financially assist in accommodating the City's fiscal requirements, and at the same time provide an attractive investment opportunity for Winnipeg taxpayers.

Your Committee on Finance and Administration submits for favourable consideration draft by-law and recommends that the following discounts be allowed on prepayments received in the Tax office during the months of January and February, 1994, at the following discount rates:

	Face Value Discount Rate	Equivalent Maximum Annual Interest Rate
Realty Tax - Payable at Par Up to June 30th		
January	1.80%	4.46%
February	1.50%	4.56%
Business Tax - Payable at Par Up to May 31st		
January	1.45%	4.48%
February	1.10%	4.41%

Your Committee also recommends that the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

1994 License Fees for Mobile Homes File EL-8 (Vol. 3)

216 - 6. Council on June 19, 1991, adopted a System of Taxing Mobile Homes in Winnipeg as well as a method of annually updating mobile home license fees for future years.

In subsequent years, license fees for mobile homes were increased by 5.13% in 1992 and 2.4% in 1993, which was the percentage increase in the municipal and applicable school mill rates over those of the prior year.

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The method of calculating the mobile home license fees is based on the following formula: the assessed average square foot value of mobile homes x the portion share for the class x square footage x the average city wide mill rate for the prior year.

The license fees for mobile homes are to be adjusted by the increase in the average city wide mill rate as well as the reduction in the portion share for this class from 47% to 45%. Mobile home fees are based on the prior year's mill rates and assessment values.

The recommended License Fees for Mobile Homes for 1994 reflect a 1.2% increase over the 1993 License Fees for Mobile Homes, an average increase of $5 per annum for mobile home owners. At present, 620 mobile homes are being licensed, therefore, the revised fees should generate, all things being equal, approximately $3,300.00 in additional revenue for 1994. Total revenue from mobile home license fees for 1994 are projected to be $271,450.00.

Your Committee on Finance and Administration recommends:-

That Schedule "A" to By-law No. 821/74 be repealed and that the following schedule be substituted therefor effective January 1, 1994.

License Fees for Mobile Homes

Size of Mobile House (based on exterior dimensions)		Present Monthly Fee	Proposed Monthly Fee
(a)	400 square feet or less	$15.50	$15.68
(b)	Over 400 square feet		
	First 400 square feet	15.50	15.68
	Each additional 100 square feet or part thereof	3.87	3.92

Adopted by consent.

1994 Local Improvement Interest Rate
File SL(1994)

217 - 7. Section 357 of The City of Winnipeg Act states that when local improvements are financed by means other than issuing debentures, the City Treasurer shall determine the appropriate rates of interest and the interest rates are to be authorized by resolution of Council.

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

For many years all local improvements have been financed through the General Reserve Fund and it is appropriate that the 1994 interest rates be established before the end of 1993.

Your Committee on Finance and Administration recommends:-

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I. That the interest rates for local improvements in 1994 be established as follows:

Term	Current Market Interest Rate	Amount Added for Assessment and Collection	Total Interest Rate for Assessment
2 - 5 years	6 1/2%	1%	7 1/2%
6 - 15 years	7 1/2%	1%	8 1/2%
16 - 20 years	8 1/4%	1%	9 1/4%

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

Business and Property Taxation - Non-Profit Organizations
Files FL-1 (Vol. 9) and AA-1 (Vol. 4)

218 - 8. Council on January 23, 1991 adopted Clause 13 of the Report of the Executive Policy Committee, dated January 16, 1991, which requested the Province of Manitoba to rescind the existing legislation granting tax exemptions under the Centennial Projects Tax Status Act, as outlined in Exhibit "A".

On May 10, 1991, the Minister responsible for The Municipal Assessment Act, the Hon. J. Downey, requested to know what measures the City was considering to buffer the tax load that these organizations would be suddenly faced with should tax exemptions be rescinded, as requested by the City.

On October 14, 1992, Council adopted Clause 6 of the Report of the Executive Policy Committee dated October 7, 1992, which subsequently advised the Province that it is the intention of the City to seek amendments to existing legislation to permit non-profit cultural organizations to be classified, for tax purposes, under an entirely new classification for non-profit cultural centres owned by non-profit organizations. The clause further stated that the Administration would meet with interested organizations to establish criteria, and prepare a strategy and analysis of the tax impact, using the residential category as the base for the new classification. (Exhibit "B")

Your Committee on Finance and Administration again considered this matter on June 28, 1993 and September 3, 1993, and recommended to Her Worship Mayor Thompson that the Province of Manitoba be requested to continue with the review of the Centennial Projects Tax Status Act to achieve equity and fairness in the application of business and property taxes.

On November 22, 1993 the Committee on Finance and Administration considered administrative report dated November 8, 1993 in response to a request from the City Centre Community Committee that favourable consideration be given to an exemption from realty taxes for the Dalnavert Museum, inasmuch as the building is one of Winnipeg's major tourist attractions, heritage buildings are integral to Winnipeg's urban fabric and economic development, and, it is the only museum, private or public, that currently pays municipal taxes.

Your Committee on Finance was advised that many museums pay municipal taxes or a grant-in-lieu of taxes and that the Dalnavert Museum is not the only museum, public or private, that currently pays municipal taxes. At present, the Dalnavert Museum is exempt from school taxes; the only exemption the Assessment Department can provide. However, The Municipal Assessment Act allows for the property to receive an exemption from municipal taxes, should a by-law be passed by the City.

Your Committee on Finance and Administration has laid over consideration of the request for exemption from realty taxes pending a response from the Province of Manitoba with respect to its review of the Centennial Projects Tax Status Act.

Your Committee on Finance and Administration again requests that the Province of Manitoba be requested to review the legislation and address the inequities that currently exist in the taxation of non-profit organizations, museums and multi-cultural centres.

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Moved by Councillor Eadie,
Adoption of the clause.

Carried.

(Note: Attachments referred to in the above clause are on file in the office of the City Clerk.)

Business License in Lieu of Business Tax for Businesses Conducted from Residential Dwellings - "Home Occupations" - Proposed Amendment to By-law 201/72
Files FL-1 (Vol. 8) & EL-1 (Vol. 27)

219 - 9. Council on January 22, 1992, adopted Clause 13 of the Report from the Executive Policy Committee dated January 15, 1992, which recommended that all fees and charges for The City of Winnipeg be reviewed at least once every three years.

The City of Winnipeg currently charges a business license in lieu of business tax under By-Law 201/72 to businesses conducted from residential dwellings. The authority to levy this charge is provided under Section 183.1 of The City of Winnipeg Act. In 1992, the City issued 3,254 licenses under the provisions of this by-law. The annual fee had been $60.00 from the early 1970's until it was increased to $100.00 effective January 1, 1992. The $100.00 fee was calculated to be in line with the business taxes that would be levied against a comparable commercial premise at that time.

The fee was not increased in 1993 for the following reasons:

1) The Province had to enact legislation to reinstate the City's authority to levy this fee during that period.

2) The $100.00 fee remained in line with the business taxes that would be levied against a comparable commercial premise.

Inasmuch as decisions affecting business tax such as the amount of the rate are generally approved in conjunction with the budget process, your Committee on Finance and Administration is recommending that the prior year's information be used to calculate the license fee in lieu of business tax, as these licenses cover a calendar year and historically have been mailed in December with payment due January 1 of the following year. The use of prior year's information would be similar to the policy adopted by Council for setting mobile home license fees.

The variables of the business tax calculation include annual rental values, business tax rates and any approved phase-in calculations. Your Committee is recommending a rate of $105.00 for 1994 (from $100.00 in 1993) based on the following information:

Average annual rental value for 1993 of $2.63 per square foot x the maximum allowable area of 400 square feet = $1,052.00 x business tax rate for 1993 of 10.5% = $110.46, say $110.00. The $10.00 increase is reduced by the 50% phase-in calculation to result in an increase of $5.00.

In subsequent years, changes in annual rental values caused by reassessment or changes in the uniform rate, as well as changes in approved phase-in calculations will be reflected in the calculation of the fees for the subsequent year.

Your Committee on Finance and Administration has been advised that this fee increase may generate an additional $16,270.00 in revenue in 1994 if the number of licenses issued is equal to that issued in 1992, for total revenue of approximately $320,000.00.

For the information of Council, the Committee on Finance and Administration has requested that a review be conducted of the number of home occupations in the city, and that the license fees charged for these types of businesses be re-examined prior to the establishment of next year's fees, with a view of realizing increased revenue due to the expansion of "home occupations" within the city as well as increased fees.

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Your Committee on Finance and Administration submits draft by-law and recommends:-

I. That the following system for setting the amount of the annual fee for business licenses in lieu of business tax for businesses conducted from residential dwellings (home occupations) be adopted in order that the fees are in line with the business taxes that would be levied against a comparable commercial premise:

Prior year's average annual rental value per square foot x maximum square footage of 400 square feet permitted for home occupations x prior year's business tax rate, adjusted by approved phase-in calculations, if applicable;

II. That By-Law 201/72 be amended to increase the annual fee from $100.00 to $105.00 effective January 1, 1994 based on this new formula; and

III. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

Amendments to the Civic Employees' Pension Plan By-law 5300/89
File GU-3.9 (Vol. 15)

220 - 10. Your Committee on Finance and Administration has been advised that the Civic Employees' Pension Plan is required to be amended for the following reasons:

(1) Changes to the "Powers and Duties of the Board":

Council on December 20, 1989, adopted Clause 19 of the Report of the Committee on Finance and Administration, dated December 5, 1989, with respect to the amalgamation of all of the civic employees' pension plans, except the Winnipeg Police Pension Plan. During the Plan Amalgamation review it became clear that The City of Winnipeg Act provided little flexibility to Council on the composition and operation of its Employees' Pension Plan and Council authorized a request to the Province of Manitoba to amend The City of Winnipeg Act to allow Council greater freedom in the operation of its Pension Plans for employees, but in accordance with the regulations required by Revenue Canada and the Manitoba Pension Benefits Act.

(2) Revenue Canada Bill C-52, changes effective January 1, 1992.

Revenue Canada, by its Bill C-52, required substantial changes to registered pension plans. The nature of these changes are, in most part, definition changes, restrictions to maximum pension that can be provided by restricting contributions and benefit formulas. Revenue Canada also requires the separation of the Disability Plan and Early Retirement Provisions from the Plan itself. This was done by establishing a new Schedule to the By-law making provision for Long Term Disability with its own separate funding and a further Schedule dealing with Early Retirement Provisions.

After considerable deliberation the Employee Benefits Board is recommending the adoption of a by-law which will provide that:

(a) the Board submit an annual report to Council on the operation of the Pension Plan;

(b) the Board members and Investment Committee members are provided with clearer guidelines as to their fiduciary responsibilities;

(c) the Board, upon recommendation by the Investment Committee, appoint one or more Investment Manager(s) to manage the investment of the Pension Plan;

(d) the Board becomes solely responsible for the operation of the Plan including the persons, premises, supplies, etc., required to provide the most efficient administration of the Civic Employees' Pension Plan.;

Report of the Committee on Finance and Administration dated November 22, 1993

(e) the Board is provided with guidelines on the Prohibition of Conflict of Interest.

Your Committee on Finance and Administration has been advised by the Alexander Consulting Group Limited, Actuaries and Consultants, that the restated by-law which formulates the terms of the Civic Plan has been done for compliance with changes in the Income Tax Act, and that none of the changes contained in the restated by-law will increase the value of the accrued actuarial liabilities or the overall cost of the benefits expected to be earned by members of the Civic Plan in the future.

Your Committee on Finance and Administration submits for favourable consideration draft by-law to conform with Bill C-52 and to change the powers and duties of the Employee Benefits Board as outlined in the clause.

Your Committee recommends that the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

New Winnipeg Police Pension Plan By-law 6253/93 to replace By-law 2148/78
File GU-3.10 (Vol. 7)

221 - 11. Your Committee on Finance and Administration has been advised that The Winnipeg Police Pension Plan By-law 2148/78 will be repealed and replaced with a new By-law 6253/93 which aligns the format and incorporates the required wording and changes Revenue Canada requires for Income Tax.

Revenue Canada's Bill C-52, amended the Income Tax Act which required the existing pension plans were required to conform to new rules effective January 1, 1992. The numerous changes, together with the desire to have the plan text in similar format where applicable to that described in the Civic Employees Pension Plan.

The following required Revenue Canada changes are incorporated into the plan text and by-law:

(1) The definition of "Actuarially Calculated" amended to make reference to "reasonable assumptions" and "in accordance with generally accepted actuarial principles".

(2) The definitions of "Dependent Child" and "Dependent Family Member" amended to comply with the limits on survivor benefits under paragraphs 8503(2)(d) and (e) of the ITR.

(3) The definition of "Assumed Earnings" for members on various types of leave of absence limited to comply with the new rules for periods of reduced pay. The definition of "Employment Earnings" amended to clarify that salary continuance benefits included in employment earnings are for a period when the member was unable to perform the duties of the position regularly occupied as a result of a physical or mental impairment.

(4) "Medical Practitioner" redefined to include the requirements stipulated in 8503(4)(f).

(5) The definition of "Totally Disabled" amended to reflect the requirement for the written certification from a medical doctor.

(6) Subsection 3(1) amended to limit employee current service contributions as required. Consideration was also given to whether it is appropriate to limit them to the salary level at which the Revenue Canada maximum pension is earned (ie currently $95,000.00 salary).

(7) Subsection 3(2) revised to restrict contributions on assumed earnings to the amounts which will qualify under the ITR

Your Committee on Finance and Administration has been advised by the Alexander Consulting Group Limited, Actuaries and Consultants, that the restated by-law which formulates the terms of the Police Plan has been done for compliance with changes in the Income Tax Act, and that none of the changes contained in the restated by-law will increase the value of the accrued actuarial liabilities or the overall cost of the benefits expected to be earned by members of the Police Plan in the future.

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Your Committee on Finance and Administration submits draft by-law to conform with Bill C-52 and recommends that the Proper Offices of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

Winnipeg Humane Society - Free City of Winnipeg Dog License
File EL-4 (Vol. 25)

222 - 12. On October 25, 1993, your Committee on Finance and Administration concurred in the final kennelling report of the Animal Services Advisory Committee that a new animal shelter, administration and enforcement building be constructed at 1057 Logan Avenue, funding for which was adopted by Council on March 7, 1990.

Included in the report was the following recommendation:

"6.All dogs adopted through the Winnipeg Humane Society shall receive, upon adoption, a free City of Winnipeg Dog License as a goodwill gesture on behalf of the City of Winnipeg."

Currently, Subsection (a) of Section 17 of Pound By-law No. 2443/79 requires the following:

"The owner of any dog over the age of six months shall obtain a license annually."

Your Committee on Finance and Administration submits draft by-law to amend By-law No. 2443/79 to provide a free City of Winnipeg dog license upon adoption of a dog through the Winnipeg Humane Society. Your Committee further recommends that the Proper Offices of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

Provincial High School Hockey Championships - Request for Amusement Tax Exemption File EL-1 (Vol. 27)

223 - 13. Council on November 17, 1993, adopted a motion approving exemptions to the City of Winnipeg Amusement Tax By-law No. 3107/81 for a number of organizations. Council also referred the following motion with respect to a proposal of the Manitoba High Schools Athletic Association to exempt from amusement tax, the Provincial High School Hockey Championships, to be held on March 11 to 13, 1994 at the Winnipeg Arena, to your Committee on Finance and Administration, namely:

"Moved by Councillor Golden,
Seconded by Councillor Eadie,
That the motion be amended by referring the last event named, namely "The Provincial High School Hockey Championships", back to the Committee on Finance and Administration for further consideration."

Your Committee on Finance and Administration has considered this matter and did not approve an exemption for amusement tax as requested by the Manitoba High Schools Athletic Association. Committee suggested that the organization approach the Winnipeg Enterprises Corporation for a reduction in the rental rate of the Winnipeg Arena to offset its costs in this endeavour. This matter is submitted for the information of Council.

Adopted by consent.

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Sale of City-owned Lots - Habitat for Humanity File FI-2.4(34) (Vol. 1)

224 - 14. In a letter dated April 7, 1993 the Executive Director of Habitat for Humanity requested to purchase nine City-owned single-family residential lots; stating, "Our hope would be that the City would recognize the long term benefit of continuing to make land available to Habitat for $1.00."

Habitat for Humanity is an international non-profit organization which assists low-income families to build houses. Among the properties previously sold by the City at nominal value to Habitat for Humanity were those on Angus Street between Sutherland and Rover Avenues, the site, including local improvement levies, for the Jimmy Carter Work Project between Dufferin and James Avenues, and a residential site on Beliveau Road.

The following six properties previously tendered for sale by the City, have been requested by Habitat for Humanity:

1) South side Alexander Avenue, East of Sherbrook Street, File 32/6412
2) North side Alfred Avenue, East of Sinclair Street, File 32/6385
3) South side Pacific Avenue West, West of Juba Street, File 32/5909
4) North side Selkirk Avenue between Battery and Sargent Tommy Prince Streets, File 32/660
5) East side Stephens Street, North of Sutherland Avenue, File 31/645
6) North side Flora Avenue between Robinson and Aikins Streets, File 3403

The following two properties, which have not been tendered, were also requested in addition to the above-noted lots:

7) North side Flora Avenue between Robinson and Aikins Street, File 3400
8) North side Barber Street, East of Prince Edward Street, File 5975/A-4

The total valuation of the eight properties is in the range of $62,500.00.

Whereas Council, at its meeting held August 15, 1979 adopted a policy which requires that all residential building lots being offered for sale by the City are to be first offered for sale by way of Public Tender, any direct sale to Habitat of the two above-noted sites not previously tendered would therefore require Council approval.

It should be noted that Habitat for Humanity does not comply with Clause 3 of the Eligibility Criteria of the City's Policy for Sale to Non-Profit Organizations as adopted by Council on October 31, 1990, that is:

"That where lands are made available at less than market value, that they
revert back to the City at the conclusion of the economic life of the project".

At its special meeting held on March 22, 1993, Council, in considering revenue sources for the 1993 Current Estimates, directed that in the "Sale of City of Winnipeg Lands, which were acquired by a variety of means, including tax sales, which are determined to be surplus to the City's needs [the net sale proceeds therefrom will be credited to the revenue required of] $5,000,000.00".

Your Committee on Finance and Administration recommends:-

I. That the City's Policy on the Sale of City property be waived in order to permit the direct sale to Habitat for Humanity of the two sites not previously tendered.

II. That Clause 3 of the Eligibility Criteria of the Council Policy for Sale to Non-Profit Organizations be waived in order to permit outright sale of all eight lots as outlined.

III. That the eight lots be sold at market value to Habitat for Humanity with the provision that Habitat for Humanity receive a full rebate of the market value for each lot which satisfies the condition that construction has commenced within one year from the date of approval of the sale. Further, Habitat for Humanity is to advise the City in writing upon commencement of construction.

IV. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Copies of the Misc. Plan File Nos. 32/6412, 32/6385, 32/5909, 32/660, 31/645, 5975/A-4, 3400 and 3403 regarding this proposal are on file in the office of the City Clerk.

Adopted by Consent.

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Use of a portion of the Lane between Pacific and Ross Avenues and West of Princess Street File FI-2.2(34) (Vol. 1)

225 - 15. In 1987, Carter's Auction Gallery applied to lease the lands at the rear of its property in order to control vehicle parking in the lane. Vehicles parking were blocking the Company's loading door. There were no objections to the request from either the District or Community Committee. Council subsequently granted Leave and License to use the lane. The Company, however, did not proceed with its request.

Carter's Auction Gallery recently advised it is still experiencing loading problems. Also, their customers who are parking in the lane while doing business are being ticketed for parking violations. In order to control the parking, the Company proposes to lease a portion of the lane lands adjoining its building.

West Central District Operations has no objections to this proposal providing access and through traffic are not restricted to other businesses adjoining the lane. Also, the District has advised that CPR is obligated to gravel and grade the lane and install concrete approaches at Ross and Pacific Avenues. To date they have not done so.

The Lord Selkirk - West Kildonan Community Committee, at its meeting held October 12, 1993, advised that it has no objections to a lease.

Carter's Auction Gallery has offered to lease the subject lane for $500.00 per annum, pay an amount equivalent to taxes, and maintain access to adjoining businesses. Details of the proposed Leave and License Agreement are outlined on Schedule "A".

Adopted by consent.

REPORT "A" OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED DECEMBER 9, 1993

On motion of Councillor Eadie, the rule was suspended and the Report of the Committee on Finance and Administration, dated December 9, 1993, was considered.

Her Worship The Mayor and Councillors:

Proposed Acquisition - South of rue des Trappistes, West of Pembina Highway - Genstar Development - Genstar Development Company
File FI-2(35) (Vol.1)

226 - 1. Your Committee on Finance and Administration has been advised that Genstar Development Corporation created a proposal to develop a golf course on its lands located south of rue des Trappistes and west of Pembina Highway.

The Riel Community Committee, at its meeting on March 17, 1993, passed a motion requesting the investigation of the potential to acquire part of this property by purchase or land exchange for the purposes of protecting the natural forest area. The Board of Commissioners concurred in this proposal at its meeting held on November 4, 1993.

The Board of Commissioners at its meeting held on November 4, 1993, considered a report from the Acting General Manager of Parks and Recreation dated November 3, 1993, regarding the potential acquisition of privately-owned land located west of Highway 75 and south of the LaSalle River, in the Riel Community. The Board concurred in the report and instructed the Director of the Land Surveys and Real Estate Department to initiate preliminary negotiations for the purpose of assessing means to acquire approximately 76 acres of property at this location and report back.

The Committee on Finance and Administration, at its meeting held on October 25, 1993, authorized the initiation of negotiations to acquire 75 - 100 acres of Genstar property by trade or purchase. The Land Surveys and Real Estate Department, in consultation with the Parks and Recreation Department, has completed its negotiations. The proposed terms and conditions of acquisition are outlined on Schedule "A". The more significant of the settlement provisions are discussed below.

Term number 1 provides for a payment of $484,800.00 which represents an acreage rate of $4,000.00 per acre to be applied to an approximate area of 121.2 acres. In the opinion of the Land Surveys and Real Estate Department the proposed acreage rate is indicative of values paid in the market to assemble lands for the creation of a golf course.

It is important to understand that the Land Surveys and Real Estate Department could only support the payment of this acreage if the Environmental License permitting the development of a golf course on the the property is granted; hence, the requirement in term number 4 to complete the licensing process. Should an Environmental License not be granted then this price cannot be supported.

The Parks and Recreation Department is supportive of the subject acquisition as it would not only accomplish the immediate goal of protecting the forest adjacent to the right bank of the river but would also further the goal of facilitating a public access linkage along the left bank of the river extending essentially from rue des Trappistes to the southern limit of the Genstar property.

As a condition of settlement, Genstar has specified that the City must accelerate payment of recoveries owed to Genstar pursuant to past Development Agreements. These recoveries total $411,865.09 and are currently variously scheduled for payment over the next five years and beyond. Genstar has suggested a re-scheduling of the payment of these costs over the City's 1994 and 1995 Capital Budget Years. The Parks and Recreation Department has advised that it is supportive of accelerating these payments.

The Land Surveys and Real Estate Department is satisfied with the balance of the proposed terms and conditions which are consistent with other transactions negotiated by the City.

The Genstar Development Corporation's application for an Environmental License to permit the development of a golf course at this location is currently being considered by the Province of Manitoba. Genstar is confident that the subject License will be granted within the next two weeks, and has advised that the granting of the License will trigger a sale of this property to other parties. While Genstar would continue to own 25% of the interest, the terms and conditions of the current proposed settlement with the City would become null and void requiring a re-negotiation if the City was still interested in acquiring this property.

Report "A" of the Committee on Finance and Administration dated December 9, 1993

The Committee on Protection, Parks and Culture at its special meeting on December 13, 1993, recommends as follows:

I. That the acquisition of the property be concurred in for Parks and Recreation purposes, and the recommendations contained in the report dated December 8, 1993, from the Land Surveys and Real Estate and Parks and Recreation Departments be concurred in, subject to the following amendments:

a) That no funds change hands between the parties until the Environmental License issue has been resolved.

b) That recommendation 4 be amended by deleting any reference to the properties located at 71 and 75 Archibald Street, and utilizing Unused Borrowing Authority, as follows:

"4. That the funding established for the Niakwa Road land acquisition project be re-allocated on a temporary basis to the acquisition of the subject property with the Niakwa Road Account being replenished from the 1994 General Land Acquisition For General Unspecified Purposes Account and that any additional funding be approved from the Unused Borrowing Authority for other Departmental programs."

Your Committee on Finance and Administration recommends:

I. That the Genstar Development Corporation property shown as Subject Property on the Land Surveys and Real Estate Department's Misc. Plan No. Riel 9021/6 be acquired at a price of $484,800.00 and in accordance with the terms and conditions as identified on Schedule "A".

II. That the accelerated payment of Development Agreement recoveries in the amount of $205,932.55 in 1994 and $205,932.54 in 1995 be dealt with as follows:

(a) for 1994: that an amount of $67,978.94 be a first charge against the capital budget of the Parks and Recreation Department and that the remaining $137,953.61 be approved from the Unused Borrowing Authority for other Departmental programs;

(b) for 1995: that the entire amount of $205,932.54 be charged against the Parks and Recreation Department's Capital Program or from approved Unused Borrowing Authority for other Departmental programs.

III. That should it be decided to purchase the subject property that the Land Surveys and Real Estate Department be instructed to pursue the subdivision of the property at the southwest corner of rue du Monastere and rue des Trappistes and that the net sale proceeds therefrom and also from the subdivision and sale of lots to be created on rue St. Pierre (Lots 23 and 24, Plan 4507) be designated to fund the construction of a bridge at the subject property.

IV. That the funding established for the Niakwa Road land acquisition project be re-allocated on a temporary basis to the acquisition of the subject property with the Niakwa Road Account being replenished from the 1994 General Land Acquisition For General Unspecified Purposes Account and that any additional required funding be re-allocated from the Account established to finance the purchase of 71 and 75 Archibald Streets.

V. That the Proper Officers respond to the Manitoba Department of Environment with respect to the Environment Act review concerning the Genstar Development Corporation's St. Norbert Golf Course Proposal, in concert with the criteria of "Plan Winnipeg".

VI. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including execution of any documents related thereto.

Copies of Misc. Plan Nos. Riel 9021/6 and 9021/7 regarding this proposal are on file in the office of the City Clerk.

Your Executive Policy Committee approved the foregoing subject to the following:

I. That the financing be referred back to the Committee on Finance and Administration to find a conventional method of financing for the proposed acquisition of the subject property.

Report "A" of the Committee on Finance and Administration dated December 9, 1993

Moved by Councillor Eadie,
Adoption of the clause.

In amendment,

Moved by Mayor Thompson,
That the recommendation of the Executive Policy Committee be adopted.

In amendment,

Moved by Councillor Clement,
Seconded by Councillor Golden,
WHEREAS Schedule "A" of Clause 1 of Report "A" of the Committee on Finance and Administration dated December 9, 1993 contains therein Clause 4 which calls for the issuance of an Environmental License prior to registration of the Plan of Subdivision;

AND WHEREAS the value of the lands has been determined in accordance with the determination of the availability of said Environmental License;

AND WHEREAS City Council is opposed to the issuance of said Environmental License and is entering into this purchase only if said License would be issued (in order to prevent development of a Golf Course on these lands);

NOW THEREFORE BE IT RESOLVED that the City of Winnipeg shall complete this purchase subject to the terms of Schedule "A" with the exception that the Province of Manitoba need only indicate in writing that it intends to issue an Environmental License as opposed to actually issuing said License.

The amendment was put and declared carried.

The recommendation of the Executive Policy Committee was put and declared carried.

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

(See Minute No. 227 for attachments)

227 - Schedule "A" referred to in Clause 1 of the Report of the Committee on Finance and Administration dated December 9, 1993

SCHEDULE "A"

1) A Purchase Price of $484,800.00 calculated on the basis of $4,000.00 per acre for 121.2 acres. Genstar will dedicate one additional acre to bring the total acreage to 122.2 acres. This price is subject to change and is dependent on a determination of the area to be calculated by a Manitoba Land Surveyor.

2) The subject property to be conveyed to the City free and clear of any liens and/or encumbrances except: for any normal easements for public utilities; and for an amended access easement serving the lands owned by the Province of Manitoba and by the St. Norbert Historical and Community Services Inc. as referred to in term No. 11, hereunder.

3) The possession and adjustment date will be December 31st, 1993.

4) This transaction is subject to the granting, prior to the registration of the Plan of Subdivision as referenced in term Nos. 5 and 6, hereunder, of an Environmental Licence which would permit the development of a golf course. The City of Winnipeg shall co-operate fully in expediting any response(s) that may be requested by the Province of Manitoba in conjunction with the issuance of an Environmental License.

5) Twenty-five percent of the purchase price, in the approximate amount of $121,200.00 (subject to the adjustments as specified in term No. 3) will be paid on the possession and adjustment date. The balance of the purchase price in the approximate amount of $363,600.00 (to be adjusted for the precise area calculation) will be paid without interest on the date that a Plan of Subdivision will be registered in the Winnipeg Land Titles Office.

6) Genstar will at its cost and initiative be responsible for undertaking the preparation and registration of the Plan of Subdivision (which is necessary to convey title to the City) as referred to in item 5 preceding which plan will be registered in the Winnipeg Land Titles Office no later than July 1st, 1994.

7) The City will waive any dedication payable arising out of the subdivision referred to term Nos. 5 and 6 preceding.

8) The City will accelerate payment of development costs owed to Genstar arising out of Development Agreements in the total amount of $411,865.09 and covering Shoreline, Muys, Kildonan Meadows, and Ambertrails Parks. Of this amount $205,932.55 will be paid in 1994 and $205,932.54 will be paid in 1995, both after Council's approval of the budget in each respective year.

9) The City will grant to Genstar a First Right of Refusal to re-acquire the subject property if in the next two years following the possession and adjustment date of December 31st, 1993 the City decides to terminate its use of this property as a park and to develop a golf course. This provision is in lieu of Genstar's claim for recovery of its costs (in the approximate amount of $39,000.00 to $50,000.00) invested in the design of the golf course.

10) Genstar will, in consultation with the Commissioner of Works and Operations, be responsible for the construction of the relocated access so as to intersect with the existing private road right-of way generally as shown on Schedule "B" attached. Genstar's contribution will be limited to $25,000.00 for this construction. The construction of the relocated access will be accomplished prior to July 1st, 1994.

11) This transaction will be subject to Genstar obtaining, prior to the possession and adjustment date, the approval of the beneficiaries of the private right-of-way to the relocation of the access referred to in item 10 preceding. The City can waive this term at its sole discretion.

12) The Vendor declares that:
   a) the subject property complies with all applicable environmental laws, regulations and by-laws;

   b) there are no outstanding governmental orders or requests for information;

   c) there are no existing, pending or threatened actions of an environmental nature;

   d) there are no waste disposal sites on the property, nor has the property ever been used as a landfill or waste disposal site, or for temporary storage or special wastes on an interim basis pending treatment or fill;

Schedule "A" referred to in Clause 1 of the Report of the Committee on Finance and Administration dated December 9, 1993 (continued)

e) further acknowledges and accepts that should the City determine that there are environmental concerns or contamination it may elect to cancel the proposed purchase.

13) Any real estate commissions or appraisal fees payable on this transaction are the responsibility of the Vendors.

14) Each party hereto shall be responsible for their own legal costs.

15) The Vendor shall not remove any top soil or allow any dumping on the Subject Property.

16) The Owner agrees to enter into an appropriate Sales Agreement with the City embodying the within terms and conditions and in a form satisfactory to the City Solicitor; it is further acknowledged that the Sales Agreement will be filed as a Caveat against the Owner's Title pending finalization of this transaction.

17) The Owner agrees that the subject property will not be conveyed, disposed of or encumbered in any manner whatsoever, except subject to this agreement.

18) The Owner agrees to consent on a Real Owner Application form to add The City of Winnipeg as the Real Owner of the subject property to the Assessment Rolls of the City.

19) The Owner agrees to declare whether or not they are "Registrants" for the purposes of the "Goods and Services Tax" and if so, to provide their G.S.T. Registration number.

20) The City will self-assess any Goods and Services Tax owing on this transaction. Its G.S.T. Registration No. is 121792967.

21) This proposal is subject to approval by the City of Winnipeg Council or its delegated authority prior to December 31st, 1993.

Your Committee on Finance and Administration recommends:-

I. That a Leave and License Agreement be approved to Carter's Auction Gallery in accordance with the terms and conditions outlined on Schedule "A".

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Copy of Schedule "A" and Misc. Plan No. CCFR 6904/2 regarding this proposal are on file in the office of the City Clerk.

COMMITTEE ON FINANCE AND ADMINISTRATION

MOTIONS

Moved by Councillor Golden,
Seconded by Councillor Eadie,

228 - WHEREAS Council has enacted amendments to the Amusement Tax By-law to change the exemption process in order to eliminate the perceived abuse in the current amusement tax system;

AND WHEREAS under the proposed amendments, applications for exemptions will require review by the Winnipeg Arts Advisory Council, consideration by the Committee on Finance and Administration, and implementation through a by-law of Council;

AND WHEREAS several applications for amusement tax exemptions have been received which require consideration in order that the organizations may offer tickets for sale;

AND WHEREAS these applications for amusement tax exemption have been reviewed by the Winnipeg Arts Advisory Council in light of the newly developed criteria and are being recommended for approval;

BE IT RESOLVED that The City of Winnipeg Amusement Tax By-law No. 3107/81 be amended by inserting the following at the end of Subsection 7(6) thereof, to approve the following exemptions:

"Locally produced film presentations of the Winnipeg Film Group Inc. - Cinematheque effective immediately to July 1, 1994 to be held at 100 Arthur Street;

Two plays entitled "A Marginal Man" and "Bag Babies" to be held by Popular Theatre Alliance of Manitoba Inc. from February 24 to March 6, 1994 and May 5 to 15, 1994 respectively at the Gas Station Theatre;

The annual concert of the Sarah Sommer Chai Folk Ensemble held by the Chai Folk Arts Council Inc. on January 25, 1994 at the Manitoba Centennial Concert Hall;

Concerts to be held by The Winnipeg Symphony Orchestra Inc. on January 14, 15, 16, 18, 20, 22, 23, 28, and 29, 1994, February 6, 11, 12, 13, 17, 18, 19, 24 and 26, 1994, March 6, 25, 26 and 27, 1994, April 8, 9, 17, 23, 24 and 30, 1994, and May 1, 6, 7, 26, 27, 28 and 29, 1994 at the Manitoba Centennial Concert Hall;

A concert held by The University of Winnipeg, Music Committee, on April 15, 1994 at the Holy Trinity Church;

The Winnipeg Music Festival to be held by the Winnipeg Music Competition Festival Inc. from March 3 to 19, 1993 at the Pantages Playhouse Theatre, the Planetarium Theatre, the Winnipeg Art Gallery, Young United Church, Norwood United Church and Bethesda Church;

Seasonal plays held by the Centre Culturel Franco-Manitobain as part of its general programming effective immediately to March 31, 1994 to be held at the Centre Culturel Franco-Manitobain; and

Two concerts to be held by The University of Manitoba, School of Music, on March 14, 1994 and April 14, 1994 at Eva Clare Hall, University of Manitoba."

The Speaker advised that the motion would stand as notice.

Moved by Councillor Golden,

That the Rule 17.1 of the Procedure By-law be suspended to allow consideration of the motion at this time.

Carried.

The motion was put and declared carried.

Moved by Councillor Angus,
Seconded by Councillor Eadie,

229 - WHEREAS the Committee on Finance and Administration at its meeting held on September 23, 1993, approved an amount of $50,000.00 to cover the expenditures of an outside firm(s) assisting with organization of one or more workshops and to examine opportunities for "out-sourcing" Computer Services;

Committee on Finance and Administration - Motions (continued)

AND WHEREAS the Committee on Finance and Administration authorized the Steering Group, consisting of Councillor J. Angus, Commissioner B. Carroll and City Auditor G. Labossiere to put in place a mechanism to provide the process for a complete review of the use and application of information technology throughout the City;

AND WHEREAS the Steering Group recommended the hiring of outside consultant firms to undertake and complete these noted projects, which was concurred in by the Committee on Finance and Administration;

THEREFORE BE IT RESOLVED that Council concur in the recommendation of the Committee on Finance and Administration and that:

1) Council approve the award of Contract to Arthur Anderson & Co. for the sum of $12,000.00 plus an estimated $4,000.00 in disbursements to organize and run an Information technology Workshop which will result in the development of a Strategic Plan which will identify and meet the City's future requirements with regard to information technology.

2) Council approve an award of Contract to Deloitte and Touche for the sum of $26,800.00 plus an estimated $5,000.00 in disbursements to review the functions that the Computer Services Department is currently performing; identify which of the functions that will no longer be required in the future due to technological change; what functions that will be required in the future to meet the City's technological requirements and to make recommendations with regard to the best ways (i.e. internally, externally or a combination of both) to meet those requirements.

Carried.

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

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

By-law No. 6121/93, being a By-law of the City of Winnipeg to amend By-law No. 5300/89, to merge the pension plans and pension funds established and maintained by the City under By-law No. 219 of the former Metropolitan Corporation of Greater Winnipeg, and By-law Nos. 1125/75 and 2819/80 thereby establishing "The Civic Employees' Pension Plan". File GU-3.9 (Vol. 15)

By-law No. 6253/93, being a By-law of the City of Winnipeg to establish the Winnipeg Police Pension Plan. File GU-3.10 (Vol. 7)

By-law No. 6276/93, being a By-law of the City of Winnipeg to provide for discounts where Realty or Business Taxes are prepaid. File FL-2.1 (Vol. 2).

By-law No. 6277/93, a By-law of the City of Winnipeg to amend By-law No. 821/74, being a by-law relating to mobile homes, tourist camps and trailer parks. File EL-8 (Vol. 3)

By-law No. 6278/93, a By-law of the City of Winnipeg to amend By-law No. 201/72, being a by-law to impose a license fee in lieu of business tax upon certain persons carrying on business in the City of Winnipeg. Files FL-1 (Vol. 8) and EL-1 (Vol. 27).

By-law No. 6279/93, being a By-law of the City of Winnipeg to amend By-law No. 2443/79, The Pound By-law. File EL-4 (Vol. 25).

231 - On motion of Councillor Eadie, the rule was suspended and By-law No. 6291/93, a By-law of the City of Winnipeg to provide for the execution of certain documents, instruments and agreements by the Director of Land Surveys and Real Estate or designate, was read a first, second and third time, the rule being suspended for the third reading and was passed and ordered to be signed and sealed. File GC-11 (Vol. 6)

Committee on Finance and Administration - Consideration of By-laws (continued)

232 - On motion of Councillor Eadie, the rule was suspended and By-law No. 6295/93, a By-law of the City of Winnipeg to amend the Amusment Tax By-Law No. 3107/81, was read a first, second and third time, the rule being suspended for the third reading and was passed and ordered to be signed and sealed. File FL-2.5.