REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED JUNE 28, 1993

On motion of Councillor Eadie, the Report of the Committee on Finance and Administration, dated June 28, 1993, was considered clause by clause.

Moved by Councillor Eadie,
That the Consent Agenda items, Clauses 1,2,3,4,5,6,7 and 8 be adopted.

Councillor Golden requested that Clause 5 be pulled from the Consent Agenda.

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

Councillor Murray requested that Clause 2 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,3,4,6 and 7 was put and declared carried.

Her Worship the Mayor and Councillors:

Request for an Extension of Time -
Amusement Tax Exemption Review
File FL-2.5 (Vol. 7)

830 - 1. Council, at its meeting held on May 27, 1992, referred the following motion to your Committee, namely:-

Moved by Councillor Reese,
Seconded by Councillor Mendelson,

"WHEREAS in view of the concerns expressed towards the tax exemption obtained by the owners of the Walker Theatre to put on Phantom of the Opera;

THEREFORE BE IT RESOLVED that By-law No. 3107/81 be reviewed by the Committee on Finance and Administration;

BE IT FURTHER RESOLVED that the Committee on Finance and Administration consider abolishing the amusement tax exemption and replace it with a system of grants."

Your Committee on Finance and Administration, at its meeting held on February 1, 1993, considered a report dated January 20, 1993, from the Commissioner of Finance and Administration, relating to an Amusement Tax By-law review and referred this report to its Ad Hoc Committee on Licensing and Animal Control.

Council, on February 24, 1993 granted your Committee a 30 day extension and on April 28, 1993, granted your Committee a further 60 day extension in which to report on the matter.

Inasmuch as your Committee on Finance and Administration has not received its Ad Hoc Committee's recommendation(s) in this regard, a further extension of 90 days is requested in which to report back to Council.

Adopted by consent.

License Fees for Rooming Houses –
Amendment to License By-law 4007/85
File EL-1 (Vol. 26)

831 - 2. Council on March 24, 1993, in considering the 1993 Current Budget, approved the implementation of a license fee for rooming houses, effective July 1, 1993, under the Residential Building Fire Safety Program.

Council on June 23, 1993, passed a motion extending the implementation date for licensing rooming houses to August 1, 1993.

The City has the authority to license rooming houses operating in the City of Winnipeg, however, to do so involves additional systems and labour costs. Advantages include a vehicle for recovery of a portion of existing, related fire inspection costs as well as increased enforcement with respect to rooming houses, with the potential result being improved fire safety for tenants. One disadvantage, besides the additional administrative workload and associated costs in a time of budget restraint, will be the potentially negative reaction from this group of landlords at the prospect of facing new costs for licensing. This group may also express concern over the fact that rooming houses were targeted for licensing, while other similar building or lodging situations were not. The cost of licensing may be passed to the tenant increasing basic shelter costs.

Rooming houses were licensed under the provisions of the License By-Law until the late 1970's, the time when the Residential Buildings Improvements By-Law 1617/77 was introduced. The former definition of a rooming house under the License By-Law was as follows:

> "*rooming house*" is any dwelling or part thereof in which space is let to five or more people and which contains one or more rooming units."
>
> "*rooming units*" is any room or group of rooms forming a single habitable unit used or intended to be used for living and sleeping.

At that time, rooming houses were required to have a health inspection, a fire inspection, a building inspection, and a Certificate of the Chief Constable. The special provisions in the by-law relating to rooming houses required adherence to various City by-laws (Maintenance and Occupancy, and Building By-laws) and regulations under The Public Health Act, as well as requirements with respect to smoke detectors and alarm systems. The license fee at that time was $25 per annum.

On April 5, 1978, Council approved the discontinuance of licensing rooming houses for reasons outlined in Schedule "A".

Issues: Several issues arise from the proposal to license rooming houses as follows:

1. What is a rooming house? A definition of rooming house is difficult to establish. Various definitions exist under repealed licensing provisions, existing zoning by-laws, The Public Health Act, Fire regulations, and related definitions under the Residential Buildings Fire Safety By-Law No. 4304/86.

The report recommends that rooming houses be defined as having the following characteristics: a building containing a residential occupancy, having a maximum building height of three storeys, and which was originally designed for use by one or two families but has been converted so as to provide more than two

suites. This definition is a modified version of the definition of a "Division II Building" from the Residential Buildings Fire Safety By-Law No. 4304/86. This type of building is already being inspected by the Fire Department on a bi-annual basis. The concept is to license the buildings currently receiving a fire inspection, thereby ensuring inspection costs will not be increased inadvertently by this proposal. Converted buildings were specifically identified as they pose significant fire safety problems as the initial design of the building did not take into consideration multiple suites, therefore, exits may not be adequate and so forth.

2. Compliance: The Planning Department indicates that of the 1,265 rooming houses active in the RUG program, only 311 are currently in full compliance with the requirements under the Residential Buildings Fire Safety By-Law 4304/86. Ninety-five percent of the buildings have complied with the first two phases of the by-law relating to smoke alarms and early warning systems, however, full compliance with phase three relating to egress has not been achieved. Any proposal to license rooming houses should include a provision for maintenance inspections from the Fire Department. The Fire Department indicates that of the 311 rooming houses which were initially in compliance based on building inspections, most are often not in compliance at the time the fire inspection occurs due to vandalism or other damage. If the rooming house could not be "approved" after the fire inspection, the result would be that no licenses could be issued to the majority of rooming houses. This drastically reduces the amount of potential revenue from the licensing of rooming houses during the initial years.

3. Regulation and Control: The Residential Buildings Fire Safety By-law currently provides regulation and control of rooming houses and little or no further regulation and control need be provided under the License By-law. The License By-law can be amended to include a requirement that licensees adhere to the regulations under the Residential Buildings Fire Safety By-law, however, licensees would be required to adhere whether or not the License By-law amendment was introduced. Therefore, the licensing of rooming houses under the provisions of the License By-law will not be providing any additional regulation and control other than that which is currently being provided. However, the City will now have a vehicle to recover some of its costs in these areas. It is hoped that licensing of rooming houses may result in a better rate of compliance with the requirements of the Residential Buildings Fire Safety program. The rooming house tenants would benefit by the upgrading in their respective buildings.

Your Committee on Finance and Administration referred the matter of licensing rooming houses to its Ad Hoc Committee on Licensing and Animal Control. The Ad Hoc Committee was instructed to solicit public input with respect to the licensing of rental properties and held a public meeting and heard representation from the Professional Property Managers Association and the Landholders League of Manitoba Inc., in opposition to the proposed license fee.

The Ad Hoc Committee requested a report on the possible involvement of the Director of the Residential Tenancies Branch (Rentalsman) in achieving greater compliance with the Residential Buildings Fire Safety By-law No. 4304/86 through the redirection of rents, which matter is still being investigated by your Committee on Finance and Administration.

Financial Implications:

Based on the proposal to implement a license fee for only part of 1993 (effective August 1, 1993), your Committee on Finance and Administration is of the view that the net benefit to the City would be minimal. The potential in the long term, however, may be approximately $200,000.00 per annum, assuming that there are 1,265 rooming houses in the

City and that full compliance is achieved. A breakdown of revenue and expenditures associated with licensing rooming houses based on compliance for 1993 for half the year, for a full year in 1994 and if full compliance is achieved, is outlined in Schedule "B".

Currently, the Planning, Health and Fire Departments have administrative costs related to the inspection of rooming houses that are not currently recovered by way of a fee or license. Although detailed data is not available, it is estimated that the recommended license fees will cover both these costs and additional costs incurred in the License Branch once an improved compliance rate is achieved.

The Budget Bureau advises that Council adopted an amount of $35,750.00 for license fee revenue from rooming houses in the 1993 Current Budget.

Council on June 23, 1993, passed a motion extending the implementation date for licensing rooming houses to August 1, 1993.

Your Committee on Finance and Administration did not concur in a request for an additional appropriation of $28,500.00 to prevent the layoff of one License Inspector, which amount was deleted in the 1993 Current Budget.

Your Committee on Finance and Administration does not concur that rooming houses be licensed for the remaining portion of 1993 as the net benefit to the City would be minimal and additional time is needed to facilitate the process.

Your Committee on Finance and Administration therefore recommends:

I. That rooming houses be licensed, effective January 1, 1994 and that the City of Winnipeg License By-Law 4007/85 be amended as follows:

(a) That Schedule "A" of the by-law be amended by adding the license category of "Rooming House" with annual license fees as follows:

1994	$205
1995	210
1996	215
1997	220

(b) That Section 4(9) entitled "Certificate of the Chief of the Fire Department" be amended to include a requirement for a fire inspection of rooming houses every two years;

(c) That the Special Provisions in the by-law relating to rooming houses stipulate that every person licensed to operate a rooming house shall comply with the requirements of the City of Winnipeg Residential Buildings Fire Safety By-law No. 4304/86;

(d) That the license year for the new license category of rooming houses be from January 1 to December 31 to facilitate scheduling of required fire inspections;

II. That full year costs of $48,844.00 per annum be considered in the 1994 Current Estimates for administrative costs required to license the new trade category of rooming houses.

III. That the Planning and Fire Departments provide to the Finance Department a list of "rooming houses" currently in the Residential Buildings Fire Safety (RUG) program, in order to identify potential licensees, particularly to facilitate the process in the first year of operation, as well as on an on-going basis to ensure appropriate communication between the Departments involved in the regulation and control of rooming houses.

IV. That the City Solicitor be instructed to prepare a by-law to effect the foregoing.

Moved by Councillor Eadie,
Adoption of the clause.

Carried.

(Note: Schedule "A" and "B" referred to in the above clause are on file in the office of the City Clerk)

Request for an Extension of Time – Tendering Debt Financing to all Brokerage Firms File FC-2 (Vol. 16)

832 - 3. Council, at its Special Adjourned Meeting held on March 23 and March 24, 1993, referred the following motion to your Committee, namely:-

Moved by Councillor Reese,
Seconded by Councillor Murray,

"THAT the City tender the debt financing to all brokerage firms including medium-sized firms in and outside of Winnipeg to achieve a reduction in brokerage costs."

Your Committee on Finance and Administration, at its meeting held on April 5, 1993, referred the above motion to the Commissioner of Finance and Administration for report.

Inasmuch as your Committee on Finance and Administration has not received the Commissioner's report in this regard, a further extension of 90 days is requested in which to report back to Council.

Adopted by consent.

Leave and License Agreement to Operate Sidewalk Cafe - Pockets Bar and Grill, 171 McDermot Avenue File FI-2.2(32) (Vol. 1)

833 - 4. Your Committee on Finance and Administration has considered Item No. 1 of Report No. 1A of the Technical Advisory Committee on City Properties dated June 11, 1993 (File 39/135) with respect to the above-referenced leave and license agreement in the City Centre Community.

The Committee on Planning and Community Services at its meeting held on June 9, 1993, approved an application on behalf of Pockets Bar and Grill to permit the establishment of an encroaching sidewalk into McDermot Avenue, West of Rorie Street shown on Misc. Plan No. CC 8873.

Terms and conditions of the Agreement are outlined on Schedule "A", inclusive of the four following additional requirements requested by the West Central District:

i) The sidewalk cafe be shortened slightly to allow a minimum of five (5) feet clearance from the parking meters at the East and West ends.

ii) The fence of the cafe is placed a minimum of five (5) feet from the curb face.

iii) The existing street sign be relocated to provide an unobstructed five (5) foot sidewalk in front of the cafe.

iv) That the cafe remain on the sidewalk only between May 15 and September 30, but should weather delay the spring clean-up, the cafe should not be placed prior to the completion of said clean-up should this date be after May 15.

Your Committee on Finance and Administration recommends:-

I. That a Leave and License Agreement to Pockets Bar and Grill be approved in accordance with the terms and conditions as outlined in Schedule "A" inclusive of the four additional terms as required by the West Central District, in a form satisfactory to the Acting City Solicitor;

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.

Management Agreements for Whittier Park between the City of Winnipeg and
1. The Festival du Voyageur Association
2. The Manitoba Baseball Association
File PR-7.23 (Vol. 2)

834 - 5. Your Committee on Finance and Administration has considered Item No. 2 of Report No. 1A of the Technical Advisory Committee on City Properties dated June 11, 1993 (File WE-121-2) with respect to the above-referenced management agreements located in the Riel Community.

On October 31, 1990 Council approved the Revised Master Plan for Whittier Park which approval also provided for increased premises for the Festival du Voyageur and the negotiation of a lease agreement with the Manitoba Baseball Association for the development, maintenance and operation of a baseball facility in Whittier Park.

In 1978, in conjunction with the preparation of the original Master Plan for Whittier Park, an agreement was formalized between the City and the Festival du Voyageur Association regarding the lease of a 2 acre portion of the

park for the purpose of construction of a replica of an early voyageur trading post. The plans later expanded to a wooden fort with palisades, now known as Fort Gibraltar.

In part, the revised Master Plan provided for a "Lease Agreement" with two participating associations, namely the Festival du Voyageur Association and the Manitoba Baseball Association. As has been done for other sports facilities such as the Winnipeg Rowing Club and the Manitoba Soccer Association, it was determined that this site be turned over to the respective associations under "management agreements" versus "lease agreements".

The conversion requires that the existing lease agreement with the Festival du Voyageur dated January 2, 1981, be cancelled and replaced with a management agreement for its expanded area and program of development to be funded, operated and maintained by the Association and that a management agreement be negotiated with the Manitoba Baseball Association Inc. and the St. Boniface/St. Vital Baseball Club Inc., for the development, maintenance and operation of a baseball facility in Whittier Park.

The Land Surveys and Real Estate Department in conjunction with the Parks and Recreation Department has negotiated terms and conditions of "management agreements" with the associations, said terms and conditions coincident with existing lease approvals as outlined on Schedules "A" & "B".

Leases of parkland over five years in length requires approval of two-thirds majority of Council.

Your Committee on Finance and Administration recommends:-

I. That the Director, Land Surveys and Real Estate Department be authorized to enter into "management agreements" between the City of Winnipeg and the Festival du Voyageur and the Manitoba Baseball Association as outlined above, in a form satisfactory to the City Solicitor.

II. That the Director of Land Surveys and Real Estate be delegated the authority to negotiate management agreements in cases where terms and conditions are coincident with existing lease agreements presently in place and where it is in the best interests of the City to do so, in a form satisfactory to the City Solicitor, subject to the final approval of the Committee on Finance and Administration.

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.

Moved by Councillor Eadie,
Adoption of the clause.

In amendment,

Moved by Councillor Golden,
Seconded by Councillor Eadie,
That the termination clause outlined on Schedule "B" (Manitoba Baseball Association), be amended by adding a further provision as follows:

"90 days cancellation by either party at any time"

The amendment was put and declared carried.

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

Encroaching Entry Gate and Fence – South-west Corner Bishop Grandin Boulevard and Shorehill Drive
File ED(35)

835 - 6. Your Committee on Finance and Administration has considered Item No. 4 of Report No. 1A of the Technical Advisory Committee on City Properties dated June 11, 1993 (File 7496) with respect to the above-referenced encroachment in the Riel Community.

U.M.A. Engineering Ltd. made application on behalf of Ladco Company Ltd. and the Manitoba Housing and Renewal Corporation to establish an encroaching entry gate with signage within the Bishop Grandin Boulevard and Shorehill Drive rights-of-way.

The Committee on Planning and Community Services approved the request on June 9, 1993 and referred the matter to the Land Surveys and Real Estate Department to determine the terms and conditions of agreement.

To expedite the process to accommodate U.M.A.'s construction schedule, Land Surveys and Real Estate Department is requesting this encroachment in anticipation of the City of Winnipeg and Ladco Company Ltd. agreeing to the attached terms and conditions outlined in Schedule "A".

The Technical Advisory Committee on City Properties in considering this matter was advised of the Streets and Transportation Department's concern regarding the phrase "based on actual occurrences" contained in term 6.(a) and recommends deletion of the phrase to permit the removal of these facilities at the discretion of the Commissioner of Works and Operations rather than being required to wait for damage or injury to occur.

Your Committee on Finance and Administration recommends:-

I. That the agreement between the City and Ladco Company Ltd. to establish an encroachment be approved in accordance with the terms and conditions outlined in Schedule "A" subject to the following:

a) the deletion of the phrase "based on actual occurrences" from term 6.(a);

b) Ladco Company Ltd. entering into an agreement satisfactory to the City Solicitor; and

c) an acceptable fee being negotiated for the continued maintenance and replacement of the entry gate and fence.

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.

Process Management Review – Delegation of Authorities to the Director of the Land

Surveys and Real Estate Department
File GC-11 (Vol. 6)

836 - 7. In order to deal with the matter of diminishing resources and of increasing workloads, the Land Surveys and Real Estate Department, together with the Law Department, has examined a variety of its work processes in order to facilitate the streamlining of various processes to save both administrative time and allow for a more efficient delivery of services, both internally and to the public.

The following are several areas of responsibility where further delegations of authority are recommended:

Execution of Documents

The vast majority of the City's real estate transactions require the preparation and execution of documents and agreements including lease, easements, consents to enter, advance agreements (in the expropriation process), leave and licenses, sales and purchases, etc. Currently, each of these documents are executed by the Mayor and City Clerk and by officials representing the various departments which are party to that specific agreement. In view of the fact that these agreements constitute a legalized statement of the approved terms and conditions related to that specific real estate transaction, the City could rely exclusively on the signatures of the Departmental officials in the execution of these documents. The resulting benefits would reduce the time required to finalize these real estate transactions.

Approval of Settlements

The Committee on Finance and Administration has the authority to approve settlements respecting the acquisition of interests in land once the land acquisition program has been authorized by Council, and to approve expropriation settlements. The Board of Commissioners has the authority to approve expropriation settlements up to a limit of $25,000.00, subject to specific criteria and have delegated the Director of the Land Surveys and Real Estate Department authority to approve negotiation and expropriation settlements where the amount is $2,000.00 or less.

The $2,000.00 limitation on the Director's delegated authority is no longer realistic. Although many of the settlements reflect the $500.00 minimum payment policy the build-up of costs associated with the acquisition project approaches and exceeds the $2,000.00 cap given the necessity for the City to pay the following: all legal costs associated with the transfer and registrations at the Winnipeg Land Titles Office; the legal fees associated with the process of arranging for the partial discharge of encumbrances against the title or arranging for postponement of rights; any relocations of fences and other improvements on the land acquired; and any amendments to or replacements of building location certificates; all associated taxes and internal finance/administration charges. The Department's experience with this delegated authority has been positive in that the approval and finalization process has been expedited in these cases resulting in the early receipt of physical possession of the property for the City's construction purposes.

Given the increasing costs and the wide range of expense categories which are applicable, the Department suggests that the $2,000.00 limitation be increased to $25,000.00 and that the criteria be redefined such that the limitation clearly applies only to the payment owing to the property owner and that other costs to implement the acquisition are in addition to the suggested limitation.

In the case of an expropriation The City of Winnipeg Act specifies what areas of compensation in addition to the market value the authority is required to pay. Examples of these costs are: moving costs; legal and consulting costs; statutory interest; etc. These components of compensation are not discretionary. As long as the proper administrative

process of review and analysis is undertaken there is no need to seek political review and approval to these components.

In undertaking non-expropriation acquisitions the City has established a practise of undertaking the payment of relocation, survey, legal and other costs. Again, the practise has required the administration to properly review and analyze these cost components and therefore there is little need to refer these costs to the political level for review and approval purposes.

The exercise of this delegated authority would limit the Director to dealing with those projects which have been pre-approved by Council and it is the recommendation of your Committee on Finance and Administration that the Director submit a report every four months to the Committee on Finance and Administration on these matters. The resulting benefits would be an expedited finalization process and a reduction in the scope of subject material which currently is placed on the agenda of the Committee on Finance and Administration for its consideration.

Transfers of Jurisdiction

Municipal projects initiated by one Department require land controlled by another Department. In recent years, at the request of the Community Committees the Land Surveys and Real Estate Department has been in the practise of consulting with the Community Committee and then seeking the formal approval of the Committee on Finance and Administration to authorize these transfers of jurisdictions. Transfers of jurisdiction involving Parks and Recreation lands have been referred to Council, given a strict reading of Section 156(2) of the City of Winnipeg Act.

The Department suggests that the practise of processing transfers of jurisdictions to the Community Committees and the Committee on Finance and Administration be discontinued as the project has already received authorization by Council either in the budget review process or by special consideration.

The resulting benefits would be the time and effort saved in consulting with the various Community Committees and of the Committee on Finance and Administration in this redundant exercise and 10 to 15 fewer events per year which would require political consideration. The administration would still ensure that the respective Departments are consulted to ensure that the limits of the respective parcels of land are properly identified and so that it is clear what physical arrangements must be accomplished to effect the change.

As Section 156(2) of the City of Winnipeg Act requires that any disposition of Parks and Recreation properties receive a 2/3 majority vote of Council, the current practise regarding these properties will be continued.

Options to Purchase

Currently, the Director of the Land Surveys and Real Estate Department has the authority to obtain Options to Purchase properties for public purposes with an option deposit payment limited to 5% of the purchase price to a maximum of $5,000.00.

Typically, the Board of Commissioners would receive a request to authorize a set of property acquisition negotiations and in approving the proposal the Board would authorize the Director of the Land Surveys and Real

Estate Department to negotiate an Option to Purchase the subject property. The Land Surveys and Real Estate Department would then appraise and negotiate the terms and conditions of settlement and would then report back to the Board seeking instructions as to whether an Option should be taken on the basis of the terms negotiated. If approved, the Option would be taken and a recommendation to exercise the Option (or otherwise) would be submitted to the Committees of Council for consideration.

Unless the negotiations result in the negotiation of terms and conditions which clearly require the special consideration of the Board of Commissioners or of financial considerations outside the limits placed on the Director, the Land Surveys and Real Estate Department suggests that the existing practise be altered such that upon the receipt of the initial general instructions to obtain an Option, the Department proceed with the negotiations and the taking of the Option without the necessity to seek further instructions. After the Option to Purchase has been acquired and when a recommendation to execute or to not execute the Option is being submitted, the submission should be routed from the Technical Advisory Committee on City Properties for referral to the Standing Committees of Council.

The benefit of this suggested amended process would allow the Director of the Land Surveys and Real Estate Department to fully exercise the delegated authority already in place and would therefore minimize the interim reporting requirements resulting in conclusion of this step of the acquisition process in shorter time.

Offers of Compensation - Expropriation Act

Currently the Committee on Finance and Administration is mandated the authority to approve Offers of Compensation under Expropriation by-laws. The practise is to submit all recommended Offers in all price ranges to the Committee on Finance and Administration for its consideration.

The Department suggests the Director of the Land Surveys and Real Estate Department be delegated the authority to authorize Offers up to only those single or multiple property expropriations where the market value components of each property is estimated to be $25,000.00 or less consistent with the authority to approve settlements. Additional ancillary costs such as injurious affection and other costs related to the particular expropriation could exceed the $25,000.00 level thereby requiring a subsequent referral of a settlement to the Committee on Finance and Administration for its consideration. If this recommendation is approved, the Director's approval of Offers of Compensation would commit the City to these expenditures. The determination of the Offer to be made must be in compliance with the Act and is based on appraisal.

The benefit to be derived is directly related to the saving of resources expended in the processing and consideration of these items to and at the Committee on Finance and Administration.

Transfer of Streets and Lanes to be closed and Incorporated in Subdivisions

Frequently, developers will submit subdivision applications requiring the closure of streets and lanes and therefore require the sale to them of these closed right-of-ways. The City's policy in part is that "a) Where the land to be dedicated by the developer for streets and lanes exceeds the land comprising streets and lanes to be closed or cancelled except in such cases where there are extenuating circumstances, which shall be considered by the Committee on Finance and Administration, the closed streets are to be conveyed to the developer at no cost." The Land Surveys and Real Estate Department in such cases submits a report to the Committee on Finance and Administration recommending the transfer of the subject streets and lanes in accordance with the policy.

The Land Surveys and Real Estate Department recommends that the Director of the Land Surveys and Real Estate Department be authorized to approve the transfer of these lands to the developer where the application of the policy clearly applies. In all other cases, referral to the Committee on Finance and Administration will be required. The benefit to be derived is directly related to the saving of resources expended in the processing and consideration of these items to and at the Committee on Finance and Administration.

Zoning Variances or Rezonings of City Land

In the negotiation process related to the sale of City-owned land, prospective purchasers often request the City to grant them the authority to investigate the ability to obtain a zoning variance or to rezone the City's property. The City's policy is that "Prior to consideration of an application for a zoning variance or rezoning by a Community Committee and/or the Committee on Planning and Community Services, where City lands are involved, the applicant shall have an interest in the subject land by way of option, purchase or agreement approved by the Committee on Finance and Administration."

As the existing process requires the consideration of the Committee on Finance and Administration, significant

time and effort is expended before the purchaser can proceed to the public hearing stage. In order to expedite the process the Land Surveys and Real Estate Department suggests that the Director of the Department be authorized to grant prospective purchasers of City-owned lands with the right to make application for approval of a plan of

subdivision, conditional use or variance and/or rezonings, all of which would be conditional upon the purchase of the City lands thereby accelerating the investigation and negotiations processes.

Residential Sales Subject to Consolidation

On November 28, 1984, Council authorized the Director, Land Surveys and Real Estate to accept offers to purchase all parcels of City owned lands up to a dollar value of $1,000.00 where sold for consolidation to adjoining owners, subsequent to receiving approval to the sale programs by Committees or Council. All such sales are reported to the Committee on Finance and Administration on a semi-annual basis. Many of these sales occur at one half the assessed value in accordance with the January 29, 1991, Council adopted policy on the sale of Small Unbuildable Parcels of City land.

It is proposed that once the sale program is approved in principle by the Committees, then all sales would be approved by the Administration in accordance with the policy on the Sale of Small Unbuildable Parcels at one half assessed value or at market value up to a maximum amount of $25,000.00. The Committee on Finance and Administration to continue to review on a semi-annual basis.

The rationale for this proposed delegated authority rests in the routine nature of the transactions, the volume of transactions at relatively low dollar figures, and the fact that Committee would initially review the project in principle. In all cases, the Community Committee would be apprised of the project and in some cases Council approval would be required in order to declare the property surplus to the City's needs.

Sale of Residential Building Sites

On June 2, 1980, the Committee on Finance authorized the sale of residential lots "over-the-counter" only after tendering of all of the lots in the same subdivision has been completed. Further, all unsold lots in the tendering process are to be included in the tendering of "new" lots within the same subdivision.

On August 15, 1979, Council adopted a policy whereby all buildable lots being offered for sale are to be first offered for sale by way of public tender, with reserve bids being established, and where no bids are received, the Committee on Finance may call for further tenders or accept offers to purchase provided the offer is at a price not less than the reserve bid. Sales to government agencies, development agreements and exchanges are excluded.

The tendering process has, in many cases, been a productive vehicle in the sale of residential lots and in a number of cases, sales receipts through the tendering process outstripped any other sales vehicle.

The Land Surveys and Real Estate Department suggests that in a subdivision of residential lands wherein the development project itself has been approved in principle, the expenditure of servicing costs authorized, and an estimate of the gross sales receipts provided to the Committee on Finance and Administration, the lots should continue to be tendered. However, upon non sale, the lots should be available to the public at large on a first come, first served basis. The administration should be authorized to sell without reporting back on each sale inasmuch as these lots would be sold at market value, tendered once and already approved for sale in principle in the original project development approval.

The rationale for this procedure is the repetitive nature of each sale in accordance with the City's standard terms and conditions all at market value.

Your Committee on Finance and Administration is of the view, however, that tenders that are more than 24 months old must be retendered.

Extension of Time to Build - Residential Building Lots and Industrial Lands

On July 16, 1980, Council authorized the Committee on Finance to grant an extension of time of one year to comply with the building covenant on residential lands, provided the consideration for the granting of the extension formed no part of the purchase price and the purchaser was not in arrears of taxes. The extension consideration to be 12% of the purchase price, where no construction has commenced; 10% to complete construction.

On July 16, 1980, Council granted Committee on Finance authority to extend up to one year the time to commence construction on industrial lands at the rate of 20% of the purchase price (10% of the purchase price to complete construction) provided that (a) consideration for granting of the extension to form no part of the purchase price, (b) no extension to be granted if the purchaser is in arrears of taxes, and (c) no further sales of industrial property to be made while purchaser is in default.

The extension provisions form part of the City's standard terms and conditions of sale and are in place in order to discourage speculation on City land. The extension rates are somewhat punitive in nature and, as such, are not meant to reflect contemporary interest rates. They also reflect, in part, the foregone realty taxes which would have been forthcoming had the purchaser developed the site.
No change in either policy is recommended other than to have the implementation of same at the discretion of the Director of Land Surveys and Real Estate.

Extension of Time for Receipt of Payments in the Sale of City Lands

On July 18, 1979, Council adopted a policy whereby it shall approve of all standard terms and conditions for the sale of the land.

In the sale of City owned residential sites, the standard terms and conditions provided, in part, for the following:

1. Consideration for an option to purchase of 20% of the purchase price payable as follows:

    (1) 5% or $1,000.00 deposit;
    (2) Balance of option consideration price to be paid 30 days after approval of the Option by the City.

In the sale of City owned industrial sites, the standard terms and conditions provide, in part, for the following:

1(a) Option deposit of 10%: 15% of the purchase price payable with 180 days from date option is granted with the balance of the purchase price payable within 12 months from date of approval of the sale.

There is no authority presently in place to allow for a grace period for the deposit/option monies without reporting to Committee on Finance and Administration.

Under current Council policy, the rate for late payment penalty charges is 1% over the prime lending rate in force by the City's banker, on a per diem basis beyond a 3 day grace period. Your Committee on Finance and Administration is of the view that the rate should be increased from 1% to 2%.

Approval of Lease Renewals and Reviews

Considering that lease renewals are generally routine, it is therefore proposed that the Land Surveys and Real Estate Department be required to report to the Committee on Finance and Administration only on the outcome of a negotiated initial rental agreement subject to:

(a) confirming the availability of the property for rental with the Department for which the property was acquired;
(b) the lease to be based on a rent indicative of the market for the particular location and improvement; and,
(c) a cancellation clause:
    (i) immediately upon non payment of rent;
    (ii) 90 to 180 day notice for any reason.

    Delegated authority is however being sought regarding the Portage and Main Concourse units which have no cancellation provisions, except upon default and provide for lease terms of three years with an option for an additional three years.

Your Committee on Finance and Administration considered a suggestion that the Land Surveys and Real Estate Department be accorded the authority to only negotiate and approve of leases on City owned property to private individuals, on a market basis, on only those properties which have already been approved for lease in principle by the Committee on Finance and Administration, which would exclude Golf Course Leases and leases made at less than market value. Your Committee did not concur in the suggestion and recommends that lease renewals and reviews not be delegated to the Director of Land Surveys and Real Estate.

In summary, procedures have been included that define the parameters under which each of these delegated authorities will be used, and a reporting practice every 4 months to your Committee on Finance and

Administration assures regular political review and accountability of the Administration. Where the Administration is exercising one of its delegated authorities and the other party to the transaction is not satisfied with the agreement reached, that party always retains the right to appeal the Administrative position to your Committee on Finance and Administration for a "Political" resolution.

Your Committee on Finance and Administration therefore recommends:-

I. That the Acting City Solicitor be requested to prepare the necessary by-law to delegate the authority to execute documents and agreements respecting real estate matters to the Director of Land Surveys and Real Estate Department or his/her designate.

II. That once any land acquisition program has been determined by Council, the Director of the Land Surveys and Real Estate Department be authorized to finalize settlements on properties being acquired by the City through negotiation or expropriation proceedings where the price payable to the vendor is $25,000.00 or less plus ancillary costs.

III. That once any project has been authorized for implementation by Council, the Director of the Land Surveys and Real Estate Department be authorized to approve transfers of jurisdiction on all City-owned properties, excluding Parks and Recreation properties.

IV. That once the Board of Commissioners has authorized the Director of the Land Surveys and Real Estate Department to undertake the land acquisition negotiations and to acquire an Option to Purchase, the Director of Land Surveys and Real Estate be authorized to obtain Options to Purchase properties for public purposes with the deposit for such Options being limited to 5% of the purchase price to a maximum of $5,000.00, and to report back on the results of the negotiations through the Technical Advisory Committee on City Properties.

V. That the Director of the Land Surveys and Real Estate Department be authorized to approve Offers of Compensation under Expropriation By-laws where the market value component is $25,000.00 or less (recognizing that the ancillary costs of expropriation will result in an overall cost exceeding the market value component limit).

VI. That the Director of the Land Surveys and Real Estate Department be authorized to approve the conveyance of closed streets and lanes to developers at no cost where the land to be dedicated by the developer for streets and lanes exceeds the land comprising streets and lanes to be closed or cancelled.

VII. That the Director of the Land Surveys and Real Estate Department be authorized to grant prospective purchasers of City-owned lands with the right to make application for approval of a plan of subdivision, conditional use or variance and/or rezonings, all of which would be conditional upon the purchase of the City lands.

VIII. That the Director of the Land Surveys and Real Estate Department be delegated the authority to sell City owned residential lands in consolidation with the adjoining holdings, subject to the sale price at market value or in accordance with the policy of Small Unbuildable Lots at one-half assessed value; up to a maximum value of $25,000.00.

IX. That the Director of the Land Surveys and Real Estate Department be delegated the following authority:

That all buildable lots surplus to the City's needs and being offered for sale are to be first offered for sale by way of Public Tender, with reserve bids being established. Where no bids are received, at the discretion of the Director, Land Surveys and Real Estate, the unsold lots to be either re-tendered or offered for sale to the public at large on a first come/first served basis at a price not less then the last reserve bid amount.

X. That the Director of the Land Surveys and Real Estate Department be delegated the authority to grant an extension of time of one year to comply with the residential building covenant, provided the consideration for the granting of the extension form no part of the purchase price and the purchaser is not in arrears of taxes. The extension consideration to be 12% of the purchase price where no construction has commenced; 10% of the purchase price to complete construction.

XI. That the Director of the Land Surveys and Real Estate Department be delegated the authority to grant an extension of time of one year to commence industrial construction at the rate of 20% of the purchase price (10% of the purchase price, to complete construction) provided that (a) consideration for granting of the extension to form no part of the purchase price, (b) no extension to be granted if the purchaser is in arrears of taxes, and, (c) no further sales of industrial property to be made while purchaser is in default.

XII. That the Director of the Land Surveys and Real Estate Department be delegated the authority to accept late payments for up to 60 days beyond the due date subject to late payment penalty charges, on a per diem basis beyond a three day grace period, equal to 2% over the prime lending rate in force by the City's Banker at the time the amount became due.

XIII. That the Director of the Land Surveys and Real Estate Department submit a report every 4 months to the Committee on Finance and Administration on the disposition of matters under his authority.

XIV. That in instances where a party to a transaction is not satisfied with the agreement reached with the Land Surveys and Real Estate Department, the party be advised to appeal the decision to the Committee on Finance and Administration.

XV. That the City Solicitor be requested to prepare the necessary by-law to effect the foregoing recommended changes.

Adopted by consent.

Amendment to Policy for Grants administered by the Committee on Finance and Administration
File FG-1.1 (Vol. 8)

837 - 8. In accordance with the Policy for Grants administered by the Committee on Finance and Administration, applications for Special Grants as well as "Other Grants" are referred to the City Treasurer for analysis and report and all applications that are under the "Education, Health, Social Service and Social Development Organizations" category are forwarded to the Commissioner of Planning and Community Services for analysis and recommendation.

Section III (3) of the Policy for grants administered by the Committee on Finance and Administration reads as follows:

> "III. (3) All applications received under the designation of 'Education, Health, Welfare and Social Development Organizations' be referred to the Commissioner of Planning and Community Services for analysis and recommendation back to the Ad Hoc Committee on Grants prior to any Ad Hoc recommendation to the Committee on Finance and Administration."

Your Committee on Finance and Administration has been requested by its Ad Hoc Committee on Grants to amend the policy to require that administrative reviews be completed for all Special Grant applications, within all categories of the Special Grants Policy C301, namely, "Education, Health, Social Services and Social Development", "Other" and "One-Time Only", and be forwarded to the Commissioner of Planning and Community Services for review and analysis prior to being considered by the Committee.

Your Committee on Finance and Administration recommends:

I. That Section III (3) of the Policy for Grants administered by the Committee on Finance and Administration be amended to state that all applications received be referred to the Commissioner of Planning and Community Services for analysis and recommendation back to the Ad Hoc Committee on Grants prior to any Ad Hoc recommendation to the Committee on Finance and Administration.

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

Moved by Councillor Eadie,
Adoption of the clause.

Carried.

REPORT "A" OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED JUNE 28, 1993

On motion of Councillor Eadie, the Report "A" of the Committee on Finance and Administration, dated June 28, 1993, was considered.

Moved by Councillor Eadie,
That the Consent Agenda item, Clause 1 be adopted.

Councillor Thomas requested that Clause 1 be pulled from the Consent Agenda.

Her Worship the Mayor and Councillors:

Strategy for the Sale of Surplus Lands in 1993 File FL-2.1 (Vol. 8)

838 - 1. Council, at its special meeting held on March 22, 1993, adopted a recommendation of the Executive Policy Committee that the Board of Commissioners be instructed to review the City's land inventory with a view to declaring surplus all land not required for any purpose in the immediate future and that it also recommend a policy for utilization of funds derived from such land sales, i.e. revenues be utilized to fund capital programs, etc.

At its same meeting, Council also passed the following motion relative to revenues:

> "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".

Council policy currently provides for the payment of commission on the sale of industrial lands but not for residential or commercial lands.

The Board of Commissioners at its meeting held March 28, 1993, requested that a strategy be drafted for its consideration at the earliest opportunity.

In 1992, the Land Surveys and Real Estate Department was responsible for land sales amounting to $3,900,000.00. This figure included sales of all lands whether they were under the jurisdiction of the Parks Department, lands surplus to departmental requirements including Streets and Transportation and the Operations Department, and tax sale properties.

With the identification of a requirement for $5,000,000.00, the Land Surveys and Real Estate Department undertook a review of the City's inventory of sites which could be made immediately available and which, if sold, will have an impact on the budget requirements.

At its meeting held on June 3, 1993, the Board of Commissioners directed the Director of Land Surveys and Real Estate to call for proposals for the provision of services by members of the Winnipeg Real Estate Board to assist in the sale of properties outlined in Schedule "A".

The following will be the procedure patterned after a recent CMHC tender whereby the Director of Land Surveys and Real Estate proposes to select the brokerage firm to list these City holdings:

1. Contact all ICI Brokers to determine if they are interested in becoming involved in an exclusive listing arrangement with the City.

2. In contacting the broker members, an Asset Management sheet on each of the properties would be provided and comments solicited relative to the following:

    a. The past successes of the company.

    b. The broker's marketing strategy proposal including details as to the time lines expected to accomplish each stage of the marketing strategy.

    c. The broker's advertising program.

    d. Additional services to be provided.

    e. Commission rate in the sale of each of the twenty-seven properties.

3. The initial top three companies would be short listed, interviewed by a selection committee made up of the Director of Land Surveys and Real Estate, the Manager of Land Sales, Leasing and Development and an appointed representative of the Committee on Finance and Administration, references contacted if required, and listing contract awarded based on the foregoing criteria.

For the information of Council, your Committee on Finance and Administration has appointed Councillors Angus and Golden to be the Committee's appointed representatives to the Selection Committee.

Your Committee on Finance and Administration recommends:

I. That, for the purposes of the sale of properties outlined in Schedule "A", commission be paid on the sale of residential and commercial lands.

II. That the Director of Land Surveys and Real Estate be delegated the authority to enter into an exclusive listing agreement in accordance with the criteria outlined herein.

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

Moved by Councillor Eadie,
Adoption of the clause.

The motion for the adoption of the clause was put.

Councillor Boychuk called for the yeas and nays, which were as follows:-

Yea: Councillors Reese, Duguid, Eadie, Fraser, Golden, Hyman, Murray, O'Shaughnessy, Prystanski, Silva, Clement, Mayor Thompson and Councillor Angus.

Nay: Councillors Boychuk and Thomas. 2

and the motion for the adoption of the clause was declared carried.

(Note: See Minute No. 839 for attachment)

839 - Schedule "A" referred to in Clause 1 of Report "A" of the Committee on Finance and Administration dated June 28, 1993.

SCHEDULE "A"

Surplus Land Sale Strategy

NO.	FILE NO.	LOCATION	SITE SIZE
1)	4906	Donald St, East side	15,062 sq. ft.
2)	7192	Garry St. West side	12,126 sq. ft.
3)	2598(c)	Taylor Ave, South side	37,439 sq. ft.
4)	32/2354	Wall St, NE St. Matthews	18,031 sq. ft.
5)	6980	Saskatchewan & Sturgeon	26 acres
6)	32/5433	Burrows Ave, East side	1.64 acres
7)	32/5433	Burrows Ave, East side	1.33 acres
8)	4262/12	Keewatin St, East side	9,183 sq. ft.
9)	32/3925	Redwood & Fife	3.19 acres
10)	4722	Selkirk & Keewatin	11,328 sq. ft.
11)	32/6505	Pandora & Atwood	8.94 acres
12)	5113/8	Murdock, S. of Niakawa	216 acres
13)	4774	St. Boniface Rd at Murdock	165 acres
14)	32/5998	Behnke Rd, S. of Beliveau	4.14 acres
15)	32/5792	Eric St, N. of Beliveau	2.02 acres
16)	4408/4	Dakota, SE Meadowood	20,815 sq. ft.
17)	32/6046	Dakota, Hazelwood/Hawkins	57,060 sq. ft.
18)	6725	St. Mary's Rd, SW Warde	38,657 sq. ft.
19)	4424	Fermor Ave, S/S	3.61 acres
20)	S-5-SV	St. Anne's at Bishop Grandin	1.17 acres
21)	7485/A	Archibald St, ES, S. of Marion	4.4 acres
22)	5113/6/15.9	St. Mary's Rd, ES, S. of Burland	1.0 acres
23)	7249/3	Mission St, NS, East of Plinquet	7.18 acres
24)	32/6525	Mission St, NS, E. of Bickerton	2.95 acres
25)	6426	Kenaston Blvd, ES, S. of Rothwell	19.91 acres
26)	7635	Wilkes Ave, NS, S. of Kenaston	6.22 acres
27)	6995	Chancellor, NS, West of Pembina	1.48 acres

REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED JULY 16, 1993

On motion of Councillor Eadie, the rule was suspended and the Report of the Committee on Finance and Administration, dated July 16, 1993, was considered.

Moved by Councillor Eadie,
That the Consent Agenda item, Clause 1 be adopted.

Carried.

Her Worship the Mayor and Councillors:

Acquisition of Land for the widening of Chalmers Avenue, North Side Chalmers Avenue between Watt Street and Raleigh Street File FI-2(33) (Vol. 1)

840 - 1. The Elmwood Manitoba Winnipeg Community Revitalization Program has proposed the provision of an area for a school bus drop-off/pick-up and for service deliveries at Elmwood High School in order to alleviate traffic congestion on Chalmers Avenue. This proposal, originated with the citizens of the area, requires the widening of the pavement on Chalmers Avenue in front of the Elmwood High School. The M/WCRP had asked the School Division to participate in the cost of construction; however, the School Division declined due to the lack of funding and limited its contribution to the provision of the land at no cost.

The M/WCRP wishes to proceed with this project at its cost to improve the traffic flow and safety on Chalmers Avenue, one of three routes which feed this Community from the West.

The Community Programs Division of the Planning Department is anxious to include the proposed bus storage lane in the Chalmers Avenue Street Renewal project which is to be constructed in 1993. The award of tender for the road reconstruction project is expected in mid July. It is considered more cost-effective to have the two projects coincide.

The design of this proposed widening on Misc. Plan No. EKT 8880 is conceptual in nature at this time and may be subject to change on final design. Presently, there is a City sidewalk existing to the East and West of the proposed bus storage lane area, which encroaches onto the School Division property. Acquisition of the land will eliminate the encroachment.

Due to the timing of the initiation of this project, the Land Surveys and Real Estate Department has not been able as yet to finalize with the School Division the proposed terms and conditions of acquisition. The Land Surveys and Real Estate Department has presented to the School Division the terms as outlined on Schedule "A", which subsequently was submitted to the School Board and to the Public Schools Finance Board for their required approval.

To expedite this project in view of the fact that the Standing Committee and Council meetings are prorogued for the time period of July 26 to August 27, 1993, the Land Surveys and Real Estate Department forwarded its proposal of settlement in advance of receipt of the anticipated approval of the two School entities such that the matter can be considered by Council at its meeting to be held on July 21, 1993.

Your Committee on Finance and Administration recommends:-

I. That the acquisition of land identified on Misc. Plan No. EKT 8880 be approved for the sum of $1.00 in accordance with the terms and conditions as outlined on Schedule "A".

II. That the Committee on Works and Operations be requested to approve the proposed street opening and to instruct the City Solicitor to prepare the necessary street opening By-law in accordance with Misc. Plan EKT 8880 (recognizing that there may be some variation in dimensions) for submission to Council; the cost of the By-law, estimated at $200.00, to be charged to Work Order 03-1182214-6092130703.

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.

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

841 - 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. 6208/93, a By-law of the City of Winnipeg to amend By-law No. 4007/85, being The City of Winnipeg License By-law. File EL-1 (Vol. 26)

By-law No. 6218/93, 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) & EL-1 (Vol. 27)