CONSIDERATION OF REPORT OF THE
COMMITTEE ON FINANCE AND ADMINISTRATION

The Executive Policy Committee has had before it the Report of the Committee on Finance and Administration, dated February 18th, 1992, has concurred in the recommendations contained therein and submits same to Council for approval and adoption.

On motion of Councillor Selinger, the Report of the Committee on Finance and Administration, dated February 18th, 1992, was considered clause by clause.

West Committee Room,
Council Building, Winnipeg.
February 18th, 1992.

His Worship the Mayor and Councillors:

Your Committee on Finance and Administration submits the following Report and recommends:

Leave and License Agreement to use Public Lane between Pacific and Rupert Avenues, Martha and Main Streets - City Centre-Fort Rouge Community.
File FI 2.2(22)

622 1. Your Committee on Finance and Administration has considered Item 1 of Report No. 1A of the Technical Advisory Committee on City Properties, dated February 4th, 1992, (File 4108), relative to a Leave and License Agreement to use public lane between Pacific and Rupert Avenues, Martha and Main Streets, in the City Centre Fort Rouge Community.

Your Committee has been advised of a request received from Landpark Inc. on behalf of the Manitoba Centennial Centre Corporation, to use the subject lane by way of purchase or rental, in conjunction with its parking lots located on either side of the lane. The closing is currently in process and, in the interim, the Corporation wishes to obtain a Leave and License Agreement to use the lane lands.

The subject lane is physically improved but appears to form part of the parking lot; it being the access point for the lots. The Centre proposes to barricade the lane at the North limit and to widen the approach at Rupert Avenue, allowing the relocation of its parking attendant's booth into the lane lands.

District No. 1 Operations has advised it has no objections to the closing of the lane since there is no need for it other than to serve the parking lot. The District however, does have concerns about granting a Leave and License Agreement and about the widening of the approach. However, the District does not object, providing the agreement deals with the matter of maintenance of the widened approach and restoration of it to standard size in the event the closing does not proceed or the Leave and License Agreement is terminated.

The City Centre Fort Rouge Community Committee has no objections to the closing of the lane provided the Leave and License Agreement first deals with the matter of maintenance of the widened approach and restoration of it to standard size in the event the closing does not proceed or the Leave and License Agreement is terminated.

Landpark Inc. has agreed to the terms and conditions outlined in Schedule "A" with the exception of the rental rate. Landpark Inc. proposes a $1.00 rental rate and advises the purpose of making the application for use of the lane lands is to allow the installation of an automated parking pay station, which it has recently developed in Winnipeg. The Corporation is allowing Landpark to use its lot as a test case. An automated pay station allows both monthly parking cardholders and hourly paying parkers to use the same site without the need for a parking attendant.

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Both the Federal and Provincial Governments have provided grants for the development of this system.

In addition, Landpark Inc. advises that this lane is currently in need of resurfacing to fill the pot holes. Landpark will be making these repairs, thus reducing the City's costs.

The rental value proposed is based on the City's standard formula for parking leases.

Your Committee also considered representation by Landpark Inc. on behalf of the Manitoba Centennial Centre Corporation in opposition to the City's standard parking lease rate.

Your Committee therefore recommends:

1. That a Leave and License be granted to the Manitoba Centennial Centre Corporation or its Nominee to use the public lane between Pacific and Rupert Avenues, Martha and Main Streets, in accordance with the terms and conditions outlined in Schedule "A" attached.

2. That the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

(Note: See Minute No. 626 for attachment.)

Sale Northeast corner Dufferin Avenue at McKenzie Street - Lord Selkirk-West Kildonan Community.
File FI 2.4.2(24)

623 2. Your Committee on Finance and Administration has considered Item 2 of Report No. 1A of the Technical Advisory Committee on City Properties dated February 4th, 1992 (File Nos. 4309/31, /32, /34, /112) regarding the proposed sale of the northeast corner of Dufferin Avenue at McKenzie Street, in the Lord Selkirk West Kildonan Community.

The subject City property, shown outlined on Sketch Plan No. 41/85 was acquired for the Sherbrook/McGregor Overpass project which has since been abandoned by Council.

The Streets and Transportation Department advised that the property was surplus to its needs and on August 21st, 1985, Council approved the transfer of jurisdiction to the Parks and Recreation Department.

On September 6th, 1990, Acorn Development Consultants Ltd., on behalf of M.A.P.S. Housing Co-op Ltd., offered to purchase the subject City property for the purpose of building two family units. .A.P.S. is a non-profit housing corporation funded by Manitoba Housing.

On May 2nd, 1991, the Board of Commissioners considered a report submitted by the Parks and Recreation Department declaring the said property surplus to its needs and concurred that it be disposed of.

M.A.P.S. is agreeable to purchasing the subject City property in accordance with the City's terms and conditions briefly outlined on Schedule "A" attached.

Council at its meeting held July 18th, 1979 instructed that all sales of property designated or acquired for park purposes shall be subject to Section 156(2) of The City of Winnipeg Act, and will require the approval of at least two thirds of Council.

Report of the Committee on Finance and Administration, dated February 18th, 1992

Your Committee therefore recommends:

1. That the offer to purchase the land located on the northeast corner of Dufferin Avenue at McKenzie Street be accepted in accordance with the City's terms and conditions.

2. That the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

(Note: See Minute No. 627 for attachment.)

Award of Contract Pantages Playhouse Theatre. File F-6

624 3. Council at its meeting held on May 8th, 1985, approved the expansion of the Pantages Playhouse Theatre as per the "Pantages Playhouse Initiative" program with the estimated cost of the project being $5 million, subject to the required funding being provided equally from Federal, Provincial, and City sources. The City, at that time, committed $1,700,000.00 as the City share. Subsequently, on May 4th, 1988, Council approved funding in the amount of $5,100,000.00, with $2,500,000.00 coming from C.O.R.E. and $2,600,000.00 from the City. The costs of $5.1 million as approved by Council in 1985, have now been exceeded, and therefore Council approval is required.

The pre tender estimate prepared by the consulting firm, after receipt of tenders, has now proven to be too low, in spite of changes included in the project.

The Director of Civic Properties only has delegated authority for extra work amounting to 10% of the contract or a maximum of $50,000.00.

On March 12th, 1991, the Committee on Finance and Administration authorized that the addition to the Pantages Playhouse Theatre proceed as per Option "A" a stand alone project. The consultant architectural firm of Stechesen and Katz was commissioned on May 10th, 1991 to carry out the design and contract administration for the approved project. In May, 1991, the Planning Department received a feasibility report from its consultant, Gilbart Architectural Design, on potential walkway routes from the Concert Hall to the Richardson Building. The theatre addition design was submitted for tenders on November 25th, 1991 and tenders closed on December 23rd, 1991.

The original scope of the project as reported on June 7th, 1990, and again in the March 6th, 1991 report was to provide an addition to the theatre as a stand alone project. The project consists of the redevelopment of the Pantages Playhouse Theatre to meet the needs of the Community. The redevelopment involves the construction of an addition to the west of the existing facilities; expansion modifications and renovations to upgrade the electrical, mechanical, rigging, sound and lighting systems to the existing stage; and electrical, mechanical and minor architectural renovations to the existing theatre to upgrade the facility to present building code requirements, including carpeting and washroom renovations. The addition to the west of the existing theatre consists of extending the existing stage, and providing a stage loading dock(s), a green room, offices, and rental space, and a new lobby with washrooms, concessions, and coat rooms.

Between 1989 and 1991, the necessary land was assembled and cleared and theatrical modifications and other minor renovations to the existing building were completed.

When the Gilbart report dealing with the feasibility of a walkway system from the Concert Hall to the Richardson Building was submitted in May, 1991, the report confirmed a need of this future walkway system going through the below grade portion of the proposed Playhouse addition. The Program of Requirements completed prior to the Gilbart report only required the minimum building features for a future walkway system through the below grade portion of the proposed addition such as knock out panels in the foundations for access to the future tunnel connection. The Gilbart report, although still rather general in description, provided more design parameters required

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for the future tunnel through the Playhouse Theatre that enhanced the tunnel environment by bringing in more natural light via light wells and windows, thus increasing the cost to the Playhouse project greater than that originally considered. These additional costs came from providing such items as full height basement foundation walls, foundation for a lower level structural floor, future light wells, future stairwell spaces within the building structure at this time. These design features were incorporated in the tender documents. It will substantially cost less to provide these required tunnel features during this recommended contract, than to provide them after the completion of the proposed building addition.

Your Committee on Finance and Administration has been advised that on December 23rd, 1991, the City received eight (8) tenders for this tender call (see Appendix "A") attached showing the base bid) of which the lowest was the tender of $2.2 million dollars by Pace Greentree. The Pace Greentree bid contained a material mistake apparent on the face of the tender submission and therefore, could not be accepted by the City. This resulted in the lowest evaluated responsive bid being the one submitted by Bockstael Construction for a base bid of $3,123,000.00. This exceeded the $2,652,900.00 pre tender estimate by $470,100.00 or 18%.

PREVIOUSLY APPROVED FUNDS:

- different capital budgets	$5,100,000.00	
- central steam heating (1990 capital estimates) directly charged for new heating plant to the existing theatre as a result of the central steam heating plant shutdown (approved by Committee on Finance and Administration, March 10th, 1991	275,000.00	
- surplus left in central steam heating account and now available for Pantages Playhouse Theatre project	15,000.00	
- Formalization of required funds for land acquisition (approved by Committee on Finance and Administration)	110,000.00	
SUB TOTAL		$5,500,000.00

OTHER FUNDS MADE AVAILABLE PRIOR TO TENDER CALL:

- Pedestrian walkway account (estimated cost allocation for future pedestrian walkways through the addition)	200,000.00	
- Special Projects Section exchange district streetscaping account for sidewalk replacement in courtyard for this project	150,000.00	
SUB TOTAL		350,000.00

ANTICIPATED EXPENDITURES:

- Previously committed (i.e. land acquisition, etc.)	2,508,362.00	
- Bockstael Construction Ltd. base bid	3,123,000.00	
- Balance of land acquisition charges	85,000.00	
- Contingency on contract only	166,010.00	
- Consultant fees	240,000.00	
- Finance and administration	70,990.00	
		6,193,362.00
Shortfall		343,362.00
	Say	$ 344,000.00

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After the Gilbart report was submitted to the architect designing the Playhouse Theatre, the latter consultant attempted to design the additional requirements for the future tunnel within the total funds available. The pre tender estimate as prepared by the quantity surveyor hired by the consultant, indicated that this may be possible. With the base bid tender submission of the lowest bidder for $3,123,000.00 as submitted by Bockstael Construction, this submission was $470,100.00 (or 18%) higher than the pre tender estimate, with the mechanical

portion being over budget by $255,000.00 (10% of the pre tender estimates). Within the total low bid, the additional requirements for the future tunnel contributed approximately $340,000.00 to the project cost.

Based on this information, consideration was given to re designing the project to reduce the mechanical system and other components. In order to do this, it was estimated that it would take approximately 12 weeks to carry out the re design, re tender, and request and obtain approval of the contract award with the best start of construction occurring mid May, 1992. In that the $2,500,000.00 of C.O.R.E. funds had to be expended by September 30th, 1992, it was decided that this alternative had a very low probability of successfully completing the work within the time constraints in place. Further, if this project was re tendered again, there is a probability that there would be a loss of confidence within the building contractors' community leading to fewer qualified contractors bidding.

In that there are major savings to install all of the tunnel structural requirements within the structure under this contract in comparison to performing this work at a later date, it was recommended to acquire the additional funds from other sources. Realizing that a significant shortfall of required funds was due to the tunnel requirements, the Planning Department is prepared to provide the funds from the Pedestrian Walkway System with the total contribution from this program being $200,000.00 from the pre tender contribution along with the $344,000.00 to make up the required shortfall. In carrying through with this scenario, an award can be made within 5 weeks with construction starting approximately the third week of March, 1992.

Besides reducing the time required to award the contract as compared to re designing a portion of the facility to bring the project within the range of funds available, the award of the facility work as per Bockstael's base bid will not only provide a cheaper total cost for the addition and the tunnel, but it will also provide an integrated design for the facility. The introduction of natural light along with the feasibility of the courtyard activities will substantially soften the tunnel environment and give the pedestrians a sense of location within the tunnel system. The mechanical system as tendered will provide better temperature control and a more environmentally safe system than an alternative roof top system considered. To retrofit the project for both of these items in the future, would cost at least twice as much as the savings that their elimination would present. It is strongly recommended that the environmental and cost saving features be incorporated as presented within the base bid proposal and supported with the additional required funds as requested and identified.

In a general overview, the construction of the addition to the Pantages Playhouse Theatre is strongly recommended since the addition will provide an improved facility for theatrical performances, and will provide the opportunity for other income from facility rentals for meetings and for special events similar to what occurs at the Concert Hall. The construction of this addition will also improve the appearances and usage of this property with the enhanced landscaping and streetscaping on the east side of Main Street between the Confederation Life Building and the Concert Hall. When the Concert Hall was approved for construction, it was intended to be the nucleus to start the rehabilitation and/or development of that side of Main Street. The Pantages project is a continuation of this initiative.

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The construction of this project will provide needed work to stimulate the building construction industry, a unique opportunity to provide a component of the Downtown weather protected walkway system, and an environmentally friendly mechanical system, along with the other benefits identified above.

An early consideration of this report is required so that the project can fully utilize the C.O.R.E. funds prior to the expiration of that program.

The tender submitted by Bockstael Construction (1979) Ltd. meets the material requirements of the specification. The costs are in keeping with work of this nature. A list of bids is attached as Appendix "A".

The consultant has reviewed the work of the lowest tenderer and is of the opinion that the firm has the necessary resources to perform all the work. The Director of Purchasing has advised that each of the tender submissions were accompanied by a bid bond, an agreement to bond which has been certified by the Law Department. The tenders initially lapse February 21st, 1992, but the contractor has extended this expiry date to March 15th, 1992.

Committee considered all aspects of the matter including a request from the Committee on Planning and Community Services that your Committee not allocate the additional funding requested for the expansion of the Pantages Theatre and to consider using the increased funding for the restoration of the Metropolitan and Capital Theatres, which request was received as information.

Your Committee on Finance and Administration recommends:

1. That the lowest evaluated responsive bid submitted by Bockstael Construction (1979) Ltd. for the Pantages Playhouse Theatre - Addition and Renovations (P.D. 91 253) be accepted for the contract amount of $3,123,000.00 as represented by its base bid submission.

2. That additional funds totalling $344,000.00 be charged to the Pedestrian Walkway System Account to bring the total funds available for the Pantages Playhouse Theatre project to $3,685,000.00.

3. That the Director of Civic Properties be authorized to expend up to $166,010.00 for normal contingency and some special items of extra work (approximately 5%) to the base bid amount.

4. That the Proper Officers of the City do all things necessary to implement the above recommendations including the execution of any documents related thereto.

Moved by Councillor Selinger,
Adoption of the clause.

Moved by Councillor Demare,
Seconded by Councillor Golden,
That the clause be referred back to the Standing Committee on Finance and Administration with instructions to have the project retendered.

Moved by Councillor Yuen,
That the question be now put.

Carried.

The motion to refer with instructions was put.

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The Deputy Speaker called for the yeas and nays, which were as follows:

Yea: Councillors Demare and Golden. 2

Nay: Councillors Boychuk, Diamant, Douglas, Duguid, Fleisher, Fraser, Gilroy, Hyman, Lazarenko, Lorenc, Mendelson, Mitchelson, Murray, Prystanski, Reese, Selinger, Thomas, Timmers, Young, Yuen, Mayor Norrie and Councillor Wade. 22

and the motion to refer was declared lost.

The motion for the adoption of the clause was put.

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

Yea: Councillors Boychuk, Diamant, Douglas, Duguid, Fleisher, Gilroy, Hyman, Lazarenko, Lorenc, Mendelson, Murray, Prystanski, Reese, Selinger, Thomas, Timmers, Young, Yuen, Mayor Norrie and Councillor Wade. 20

Nay: Councillors Clement, Demare, Fraser, Golden, Mitchelson and O'Shaughnessy. 6

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

Cost-Sharing Formula for the Provincial Health Service Grant and the Provincial Social Assistance Payment Grant
Files FR-1 and GG-2.3

625 4. Your Committee on Finance and Administration at its January 7th, 1992 meeting requested information on the formula for the cost - sharing of Social Services.

Your Committee has been advised that the City is reimbursed for 100% of the assistance granted to individuals who are not legal residents, plus a part of the gross assistance payments made on behalf of legal residents of the municipality equal to 80% of those assistance payments less one mill of equalized assessment.

The grants do not apply to all of the costs or programs provided by the City. The grants only apply to Social Assistance. For example in the Social Services Department the Community Service Worker Project and the Community Home Services Project are excluded. In the Health Department the following cost centres or programs are excluded: Administration, Nursing and Child Medical Services, Inspection Services, Disease Prevention and Control, and the Community Health Centre Clinics.

Although the Provincial Health Service Grant and the Provincial Social Assistance Payment Grant are budgeted and recorded as separate grants they are calculated as one grant with two components, an Administrative expense recovery component and a Direct Aid component.

The Administration expense recovery component relates to the Social Services Department's costs. The Direct Aid Component is proportionally prorated between the Social Services Department and the Health Department.

Section 13 of the Social Allowance Act provides for a recovery of administrative expenses. The cost sharing formula is:

(Administrative costs for specified items - 1964 Administrative costs) x 50%

An example of the expenses allowed in the Social Services Department's Budget are Salaries, Workers Compensation, Specialized Services, Auto Allowance, External Equipment Rental, Training, Allocated Departmental Costs (computer service maintenance), Parking, Employee Meal Expenses, Computer Terminal Acquisition and Conferences. The Computer Services Department's costs for computer maintenance, Computer Transactions Costs and Computer Hardware purchases are also allowed.

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The 1964 base administrative costs which are subtracted from the allowable costs amounts to $460,602.00.

The Provincial Grant is based upon the approved formula for cost sharing of Municipal Social Assistance costs with the senior government. The formula is:

(Residence Share - one mill of equalized assessment) x 80%

The Grant is prorated between the Health Department and the Social Services Department.

Resident share is the total costs recorded in the Health Departments Dental Services and Health Services Cost Centres and the Social Services Department's Financial Assistance Cost Centre.

One mill of equalized assessment is $2,200,000.00.

The purpose of the Health Department's Dental Services program is to assist the school and the community in improving their dental health through four major objectives: dental health education, studies of local health problems, utilization of public health measures and dental treatment. Dental treatment is provided to all Social Assistance recipients of the City of Winnipeg and to all persons of the City of Winnipeg who complete a Social Allowance Application Form and are approved. The annual school dental and inspection program is provided to all children from Nursery to Grade 6 inclusive, (Approximately 52,000 children in 198 elementary schools within the boundaries of the City).

The purpose of the Health Department's Health Services program is to administer a program of supplying dentures and repair of same to Social Assistance Recipients upon the approval of the Director of Dental Services.

The purpose of the Social Services Department's Financial Assistance program is to provide assistance in accordance with the Social Services By law, Directives of Council and the Committee on Planning and Community Services, within the extent of Federal and Provincial legislation covering cost sharing agreements.

In addition to the Provincial Health Services and Social Assistance Payment Grants the City is reimbursed for the following costs:

<u>Health Department</u>

- 100% recovery from the Federal Government's Department of Indian Health Services for dental work done for individuals who are a Federal responsibility.

- 100% recovery from the Province of Manitoba for dental work done for individuals who are a Provincial responsibility.

- 100% recovery from the Province for items supplied to individuals who are on Provincial Social Assistance.

<u>Social Services Department</u>

- 100% recovery for recipients administered by the City pending transfer to the Province.

- 100% recovery for recipients who are the responsibility of the Province.

- 100% recovery for recipients who are the responsibility of the Department of Indian Affairs.

The 1992 Grant calculation is submitted for the information of Council and is identified as Appendix 1 to this clause.

Report of the Committee on Finance and Administration, dated February 18th, 1992

Your Committee on Finance and Administration is of the opinion that the cost recoveries should be reviewed and therefore recommends that the Official Delegation discuss with the Province of Manitoba the cost recovery formula as it relates to Social Assistance Payment Grants.

Moved by Councillor Selinger,
Adoption of the clause.

Carried.

626 Attachment referred to in Clause 1 of the Report of the Committee on Finance and Administration, dated February 18th, 1992.

(NOTE: SEE PAGE 741 TO 745 FOR OFFICIAL SET OF MINUTES FOR ATTACHMENT)

627 Attachment referred to in Clause 2 of the Report of the Committee on Finance and Administration, dated February 18th, 1992.

(NOTE: SEE PAGES 746 TO 748 FOR OFFICIAL SET OF MINUTES FOR ATTACHMENT)

CONSIDERATION OF REPORT OF THE
COMMITTEE ON FINANCE AND ADMINISTRATION

The Executive Policy Committee has had before it Report "A" of the Committee on Finance and Administration, dated February 18th, 1992, has concurred in the recommendations contained therein and submits same to Council for approval and adoption.

On motion of Councillor Selinger, Report "A" of the Committee on Finance and Administration, dated February 18th, 1992, was considered.

West Committee Room,
Council Building, Winnipeg.
February 18th, 1992.

His Worship the Mayor and Councillors:

Your Committee on Finance and Administration submits the following Report "A" and recommends:

Tax Forgiveness for Home Renovations.
File FL-2.2

628 1. Council at its May 9th, 1990 meeting referred the following resolution to your Committee on Finance and Administration, namely:

"WHEREAS the City of Winnipeg does not provide a tax break on any home renovations;

AND WHEREAS home owners are reluctant to renovate their residences because they are immediately assessed and faced with an increase in taxes;

AND WHEREAS a five year program of tax forgiveness on assessable home renovations suggested herein will give an incentive for the owners of any single family owner occupied home to renovate and upgrade their homes;

AND WHEREAS the City would not be losing any revenue with such a program, because the additional renovation work would not otherwise be done;

AND WHEREAS the City will make a major tax gain after expiration of the five year period;

THEREFORE BE IT RESOLVED that the Committee on Finance and Administration be asked to explore the feasibility of the City forgiving the taxes for a period of five years on all assessable home renovations up to a maximum of $10,000.00 made by the owners of any single family owner occupied home."

Your Committee on January 8th, 1991 struck an Ad Hoc Committee comprised of Councillors Demare and Prystanski to investigate the matter of tax forgiveness for home renovations. Council on January 23rd, 1991, granted a 90 day extension of time in which to report on the above resolution.

The former Ad Hoc Committee did not complete its deliberations on this matter and therefore, Council on October 16th, 1991 granted your Committee a further 90 day extension of time in which to report on the matter.

On October 22nd, 1991, your Committee appointed Councillor Kaufmann to its Ad Hoc Committee and on November 12th, 1991 laid over consideration of further appointments to the Ad Hoc Committee on Tax Forgiveness for the 1991-1992 term and referred the matter to the Administration for report.

Council on January 22nd, 1992 granted your Committee an extension of time pending receipt of the aforementioned report.

Report "A" of the Committee on Finance and Administration, dated February 18th, 1992

Your Committee has now considered a report dated February 7th, 1992 from the Acting Commissioner of Finance and Administration and in light of the additional information provided, received the report as information and instructed that copies be forwarded to Councillors Kaufmann and Prystanski for their information.

Your Committee on Finance and Administration therefore recommends that the matter be filed.

Moved by Councillor Selinger,
That the clause be referred back.

Carried.

COMMITTEE ON FINANCE AND ADMINISTRATION
MOTIONS

Moved by Councillor Prystanski,
Seconded by Councillor O'Shaughnessy,
629 WHEREAS Clause 1 of Report "A" of the Committee on Finance and Administration, dated February 18th, 1992, is recommending that the matter of the Ad Hoc Committee on Tax Forgiveness for Home Renovations be filed;

AND WHEREAS the City of Winnipeg has a tax relief program for historical buildings setting a precedent for a tax relief program;

AND WHEREAS it is the City of Winnipeg's stated goal to encourage home renovations and upgrading in the core area;

AND WHEREAS many home renovations such as an added garage, new finished rooms in basements or attics, additional plumbing or extensive remodelling and modernization will cause increased assessment;

AND WHEREAS many current home owners in older neighbourhoods would be encouraged to renovate their existing premises and a tax relief program would encourage young families to purchase older homes and renovate them to modern standards;

AND WHEREAS the Ad Hoc Committee does not contemplate a tax reduction but merely a delay in increasing assessment for renovation and upgrading;

THEREFORE BE IT RESOLVED that the Committee on Finance and Administration be directed to reconstitute the same Ad Hoc Committee on Tax Forgiveness for Home Renovations and to report to Council on procedures necessary to implement the Ad Hoc Committee's recommendations within 60 days of acquiring the Ad Hoc Committee's final report.

Automatic Referral to Committee on Finance and Administration, in accordance with Section 16.1 of the Procedure By law.

Moved by Councillor Reese,
Seconded by Councillor Mendelson,
630 WHEREAS the Board of Commissioners is asking for $150,000.00 in the current budget for staff training;

AND WHEREAS this is for quality customer service, in order to change the traditional style of management to the Deming Management Method which has been so successful in Japan and is now being introduced in Canada's private business sector;

AND WHEREAS the Deming Team approach to management recommends in times of high unemployment "cut costs" means turn people out . . . But in Japan when any business turns down, management takes the cut. Management takes it and the top people four and a half times only from the lowest paid to the highest paid they take the cut. Second step, they take another cut . . . (Page 27 The Deming Management Method by Mary Walton);

AND WHEREAS, the City's business is to provide quality customer services and to stay in the business of providing good quality services to the taxpayers at reasonable costs;

THEREFORE BE IT RESOLVED that the Board of Commissioners start immediately to implement the Deming Team approach of management by working as a team with all the members of Council starting with sharing with all the Councillors why the $150,000.00 is needed for staff training.

Automatic Referral to Executive Policy Committee, in accordance with Section 16.1 of the Procedure By law.

COMMITTEE ON FINANCE AND ADMINISTRATION
QUESTION PERIOD

631 Councillor Lazarenko asked the Chairman of the Committee on Finance and Administration when the matter regarding tax forgiveness for home renovations will be brought back to Council.

Councillor Selinger replied that once a report presently being prepared is ready, the matter will be brought back.

Councillor Lazarenko asked if this would be possible within sixty days and Councillor Selinger replied that the report is expected before the summer break.

Councillor Lazarenko expressed his concern for the length of time involved, as almost two years has passed.

Councillor Selinger replied that a report was received from the administration over a year ago and he offered to supply a copy to Councillor Lazarenko. No forgiveness was recommended in view of the fact that the City switched to the ad valorem system of property evaluation and there was a feeling that people in older neighbourhoods could fix up their homes without necessarily seeing their property taxes go up because improvements might not increase the assessment on the home. Upon receiving this advice from the administration, some members of the Committee on Finance and Administration wanted to continue investigating the possibility in view of the merits of a tax forgiveness program for people who do renovations in older neighbourhoods. These people believe something can be brought back by the summer.