REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED FEBRUARY 13, 2002

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee dated February 13, 2002, was considered clause by clause.

Moved by His Worship Mayor Murray,
That the Consent Agenda, Clauses 1 and 2, be adopted.

Carried.

Proposed Widening of Part of the South Side of Betsworth Avenue East of Charleswood Road
File DAO 2/2001

230 - 1. The Executive Policy Committee has been advised that the subject street widening requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

In 1969, the Rural Municipality of Charleswood passed By-law 1694, a by-law to expropriate certain lands for the widening of Beaumont Avenue (now re-named Betsworth Avenue). Subsequent negotiations for the acquisition of these lands were generally unsuccessful, and the expropriation was abandoned.

The Rural Municipality acquired an interest in the lands shown as “Proposed Street Widening” on Schedule “A” before the expropriation was dropped. The City of Winnipeg has now acquired title to the west half of this interest (adjacent to Nos. 6148 and 6200 Betsworth Avenue) and all the required consents to the dedication as public street of the east half of this interest (adjacent to Nos. 6140 and 6144 Betsworth Avenue).

It is necessary to dedicate these lands as public street because the City’s interest places a legal barrier between Betsworth Avenue and the properties to the south of the interest. Nos. 6140, 6144, 6148 and 6200 Betsworth Avenue will not legally front on Betsworth Avenue until this has been done.

This report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain street opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

1. The proposed opening and acquisition must have been approved by the Director of Public Works.
2. The proposed opening must have been submitted to all affected City Departments and public utilities with no objections having been received.
3. Any conditions regarding engineering aspects (relocation of facilities) must have been mutually agreed to.
4. The affected property owner(s) must have agreed to the terms and conditions of the acquisition of the land required for the proposed opening.
5. The terms and conditions of any agreements concerning the proposed opening and acquisition must have been approved by the Director of the department that requested the opening and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of the Planning, Property and Development Department, as is appropriate.

All of these criteria have been met.

Funding for the cost of registering the documents required to effect the street widening is available in Account No. 03-118117-5100970717 and are considered to be immaterial.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the widening of Betsworth Street in accordance with Schedule “A”, Misc. Plan No. 9749/3.

Report of the Executive Policy Committee dated February 13, 2002

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

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Adopted by consent.

Request for Funding for Street Paving on Leila Avenue from Altamont Street to Manila Road/Allan Blye Drive
File S-7 (Vol. 4) [c/r DASZ 3/93]

231 - 2. The Executive Policy Committee has been advised that on January 11, 2002, the Standing Policy Committee on Public Works recommended that funding be included in the 2002 Canada/Manitoba/City of Winnipeg Infrastructure Program for Street Paving on Leila Avenue from Altamont Street to Manila Road/Allan Blye Drive.

The Canada/Manitoba Infrastructure Program, as adopted by Council on January 24, 2001, did not include funding for this project.

Council, on September 22, 1993, adopted Clause 21 of the Report of the former Committee on Planning and Community Services dated August 31, 1993, with respect to DASZ 3/93, and approved an application to subdivide and rezone land north of Leila Avenue and west of Pipeline Road, constituting Phase II of the development by Genstar Development Company Central Ltd., known as Amber Trails.

Primary access to the subdivision is via Amber Trail, connecting the area to Pipeline Road. Under the terms of the Development Agreement, Leila Avenue was to have been extended and upgraded to Allan Blye Drive to constitute a second access link to the subdivision.

Letters of credit were received from the developer to guarantee performance of the works and as a result, Leila Avenue from Main Street to Pipeline Road has been upgraded to a four-lane divided regional street with traffic signals at Pipeline Road. There appears to have been insufficient funding available to complete the extension of Leila Avenue from Altamont Street to Manila Road/Allan Blye Drive.

The Executive Policy Committee, on February 13, 2002, was advised that Leila Avenue from Altamont Street to Manila Road/Allan Blye Drive, a one block stretch, is a roadway constructed of asphalt peelings with ditches on both sides. A new fire hall and elementary school are located in the one block stretch. The Committee has also been advised that the total project cost for street paving on Leila Avenue from Altamont Street to Manila Road/Allan Blye Drive is estimated at $605,000.00 and under the Canada/Manitoba/City of Winnipeg Infrastructure Works Program the City's share would be $200,000.00.

The Executive Policy Committee recommends:

I. That funding for the street paving on Leila Avenue from Altamont Street to Manila Road/Allan Blye Drive be taken from the existing regional streets capital budget in the year the actual work is undertaken.

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

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED FEBRUARY 20, 2002

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee dated February 20, 2002, was considered clause by clause.

Moved by His Worship Mayor Murray,

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

Councillor Lubosch requested that Clauses 5,6,7 and 8 be pulled from the Consent Agenda.

Councillor De Smedt requested that Clause 10 be pulled from the Consent Agenda.

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

Dissolution of Airport Vicinity Development Advisory Committee File EP-3.1 (Vol. 1)

232 - 1. On February 22, 1995, Council adopted Clauses 5 and 6 of the Report of the Executive Policy Committee dated February 8, 1995, approving the proposed mandate and composition of the Airport Vicinity Development Advisory Committee (AVDAC) as follows:

I. That the proposed name Airport Vicinity Development Advisory Committee (AVDAC) be approved.

II. That the purpose of the Airport Vicinity Development Advisory Committee shall be to provide a structured forum which permits all interested parties to exchange information, and provide advice to each other and to City Council on the future developments that relate to the Winnipeg International Airport and its surrounding area.

III. That the mandate of the Airport Vicinity Development Advisory Committee shall be to:

a) promote and monitor the implementation of AVDP strategies designed to protect the 24 hour operation of the airport;
b) provide a forum for parties interested in airport related development initiatives;
c) promote involvement and encourage dialogue with adjacent residential communities to support citizen participation;
d) advise Executive Policy Committee on appropriate planning and decision-making re land use issues and development interests related to the airport vicinity;
e) provide opportunities for governments/private sector interests to participate on the AVDAC;
f) serve as a clearing house for airport-related development initiatives;
g) co-ordinate and review all development initiatives related to the airport (i.e. NHDA, West Side Containerport Initiative, CPR Land Designation, etc.).

The Executive Policy Committee has been advised that on February 11, 2002, AVDAC passed the following motion:

WHEREAS the Airport Vicinity Development Advisory Committee has fulfilled all of its mandate, as outlined in Clauses 5 and 6 of the Report of Executive Policy Committee dated February 8, 1995 and adopted by Council on February 22, 1995;

AND WHEREAS the Airport Area Development Corporation will be established within a short period of time; THEREFORE BE IT RESOLVED that the Airport Vicinity Development Advisory Committee be dissolved;

and forwarded to Executive Policy Committee.

Report of the Executive Policy Committee dated February 20, 2002

The Executive Policy Committee recommends:

I. That the Airport Vicinity Development Advisory Committee be dissolved.

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

Adopted by consent.

Corydon Avenue Business Improvement Zone – Proposed Program, Zone Levy and Budget Estimates - 2002
File FL-7.9 (Vol. 5)

233 - 2. On March 7, 1990, Council adopted By-law No. 5378/90, being a by-law of The City of Winnipeg to designate a Business Improvement Zone to be known as the Corydon Avenue Business Improvement Zone and to establish a Management Board for the Zone. By-law No. 5378/90 requires that the Business Improvement Zone prepare its proposed program, zone levy and budget estimates each year for the consideration of Council.

The Corydon Avenue Business Improvement Zone at its Annual General Meeting held on October 30, 2001, approved the proposed annual program and budget for 2002.

On February 5, 2002, the City Centre Community Committee considered the proposed program, zone levy and budget estimates for the Corydon Avenue Business Improvement Zone.

The City Centre Community Committee passed the following motion, namely:

WHEREAS a public meeting to review the proposed program, zone levies and budget estimates for the Corydon Avenue Business Improvement Zone for the year 2002 was duly advertised in The Winnipeg Free Press and The Winnipeg Sun on January 21, 2002, in accordance with Section 17 of By-law No. 5378/90;

AND WHEREAS no objections were received in respect to the Board's proposals;

NOW THEREFORE BE IT RESOLVED that the City Centre Community Committee unanimously recommend to Executive Policy Committee that the proposed program, zone levy, and budget estimates for the Corydon Avenue Business Improvement Zone for the year 2002, be adopted,

and forwarded to Executive Policy Committee.

The Executive Policy Committee recommends:

I. That the proposed program, zone levy and budget estimates for the Corydon Avenue Business Improvement Zone, as outlined in Appendix "A", for the year 2002 be adopted.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Osborne Village Business Improvement Zone – Proposed Program, Zone Levy and Budget Estimates - 2002
File FL-7.3 (Vol. 5)

234 - 3. On December 20, 1989, Council adopted By-law No. 5322/89, being a by-law of The City of Winnipeg to designate a Business Improvement Zone to be known as the Osborne Village Business Improvement Zone and to establish a Management Board for the Zone. By-law No. 5322/89 requires that the Business Improvement Zone prepare its proposed program, zone levy and budget estimates for the consideration of Council.

Report of the Executive Policy Committee dated February 20, 2002

The Osborne Village Business Improvement Zone at its Annual General Meeting held on October 29, 2001, approved the proposed annual program and budget for 2002.

On February 5, 2002, The City Centre Community Committee passed the following motion, namely:

WHEREAS a public meeting to review the proposed program, zone levies and budget estimates for the Osborne Village Business Improvement Zone for the year 2002 was duly advertised in The Winnipeg Free Press and The Winnipeg Sun on January 21, 2002, in accordance with Section 17 of By-law No. 5322/89;

AND WHEREAS no objections were received in respect to the Board's proposals;

NOW THEREFORE BE IT RESOLVED that the City Centre Community Committee unanimously recommend to Executive Policy Committee that the proposed program, zone levy, and budget estimates for the Osborne Village Business Improvement Zone for the year 2002, be adopted,

and forwarded to the Executive Policy Committee.

The Executive Policy Committee recommends:

I. That the proposed program, zone levy and budget estimates for the Osborne Village Business Improvement Zone, as outlined in Appendix "A", for the year 2002 be adopted.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

West End Winnipeg Business Improvement Zone – Proposed Program, Zone Levy and Budget Estimates - 2002
File FL-7.7 (Vol. 4)

235 - 4. On March 6, 1991, Council adopted By-law No. 5650/91, as amended, being a by-law of The City of Winnipeg to designate a Business Improvement Zone to be known as the West End Winnipeg Business Improvement Zone and to establish a Management Board for the Zone. By-law No. 5650/91, as amended, requires that the Business Improvement Zone prepare its proposed program, zone levy and budget estimates for the consideration of Council.

The West End Winnipeg Business Improvement Zone at its Annual General Meeting held on October 18, 2001, approved the proposed annual program and budget for 2002.

On February 5, 2002, the City Centre Community Committee considered the proposed program, zone levy and budget estimates for the West End Winnipeg Business Improvement Zone.

The City Centre Community Committee passed the following motion, namely:-

WHEREAS a public meeting to review the proposed program, zone levies and budget estimates for the West End Winnipeg Business Improvement Zone for the year 2002 was duly advertised in The Winnipeg Free Press and The Winnipeg Sun on January 21, 2002, in accordance with Section 17 of By-law No. 5650/91;

AND WHEREAS no objections were received in respect to the Board's proposals;

NOW THEREFORE BE IT RESOLVED that the City Centre Community Committee unanimously recommend to Executive Policy Committee that the proposed program, zone levy, and budget estimates for the West End Winnipeg Business Improvement Zone for the year 2002, be adopted,

and forwarded to Executive Policy Committee.

Report of the Executive Policy Committee dated February 20, 2002

The Executive Policy Committee recommends:

I. That the proposed program, zone levy and budget estimates for the West End Winnipeg Business Improvement Zone, as outlined in Appendix "A", for the year 2002 be adopted.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Manitoba Hydro Proposal to Purchase Winnipeg Hydro
File H (Vol. 10) [c/r HG (Vol. 4)]

236 - 5. On March 20, 1997, City Council adopted the Reshaping Our Civic Government report that described a series of initiatives aimed at addressing City Council's priority - Improving our local government. Significant among those initiatives was a directive to the administration to examine the options and issues related to the future of Winnipeg Hydro.

Ernst & Young and CIBC/Wood Gundy were engaged to prepare a written report providing "an analysis of the strategic options available to the City in regards to its ownership of Winnipeg Hydro." Among the options to consider were:

i) the status quo;
ii) a re-capitalization of Winnipeg Hydro;
iii) a merger or sale of all or a part interest of Winnipeg Hydro;
iv) a sale of a component business (generation, transmission or distribution);
v) a public offering.

An Administrative Review Team undertook a preliminary examination of the consultant's first draft.

On March 24, 1999, Council approved a request from the Administration to update the original study to reflect the current hydroelectric environment and to look at and report on recent developments in the industry.

Subsequent to the receipt of the above mentioned update the Administration prepared a report for consideration by Council that concluded:

> "There are no pressing reasons why the City should look at selling Winnipeg Hydro at this time. There is a steady stream of dividends available and upgrading of the Pointe du Bois facility will render the utility more valuable in the future. Should the outcome of the current Power Agreement negotiations turn out to be similar as what exists today, then an accelerated approach to upgrading Point du Bois should be taken. If the outcome of negotiations is not favorable to the City then a less aggressive upgrading schedule should be adopted."

Consideration of the report of the Administration resulted in Clause 2 of the Report of the Executive Policy Committee dated April 12, 2000, which was adopted by Council at its meeting held on April 26, 2000, and reads as follows:

"The Executive Policy Committee recommends:

1. That the City continue to own and operate Winnipeg Hydro.
2. That the dividend stream to the City from Winnipeg Hydro be stabilized at current levels.
3. That no decision be made on the pace of the Straflo upgrade until the Power Agreement with Manitoba Hydro is concluded.
4. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing."

This direction has served to guide the Administration since its adoption. In the interim, from time to time and informally, Manitoba Hydro has expressed interest in acquiring Winnipeg Hydro but no official offer was tendered nor, until very recently, was any form of negotiation undertaken.

Report of the Executive Policy Committee dated February 20, 2002

Manitoba Hydro has forwarded to the Chief Administrative Officer a proposal for the purchase of Winnipeg Hydro, hereinafter sometimes referred to as the Utility. A copy of the proposal dated February 7, 2002, as outlined on Appendix "A". Further to the proposal dated February 7, 2002, Manitoba Hydro has also forwarded a letter dated February 19, 2002, outlined in Appendix "B" addressing concerns expressed by Councillors and staff with respect to the future prospects of Winnipeg Hydro employees, particularly the matter of employees pensions.

It is the responsibility of the Chief Administrative Officer to consider any proposal to purchase City-owned assets and, where it is judged appropriate, to make recommendations to Council with respect to how the City's interests might best be served.

Accordingly, the following assessment of the merits of the Manitoba Hydro proposal and an examination of the implications of the contemplated sale for the customers of Winnipeg Hydro, the taxpayers of the City of Winnipeg and of Manitoba, and the affected City employees has been prepared.

Manitoba Hydro has proposed to acquire the whole of the assets, business and undertakings of Winnipeg Hydro, in consideration of which Manitoba Hydro will:

- Pay to the City annual amounts as follows: $25 million in years 1 through 5, $20 million in years 6 through 9, and $16 million annually thereafter in perpetuity.

- Assume all assets and liabilities of the Utility including outstanding net debenture and other debt.

- At no cost to the City, guarantee annual energy cost savings in the amount of $1 million through a combination of savings from participation in the Manitoba Hydro Power Smart programs and the provision of free Christmas lighting.

- Additionally, Manitoba Hydro undertakes to occupy 400,000 square feet of new Class A office space to be constructed somewhere in the Downtown area.

This proposal has substantial merit inasmuch as:

1. The annual payments would stabilize and guarantee the City's historical Winnipeg Hydro-generated dividend stream in perpetuity. Moreover, in the first nine years, the payments proposed are in excess of dividends that could be reasonably expected if the City were to continue to operate the Utility. Furthermore, the Utility's aging generating and transmission facilities in particular are in need of replacement and or refitting. The cost to service debt that would have to be incurred to complete this work would result in significant reductions to the annual dividends the City currently uses to hold down property and other taxes.

2. The benefits outlined above may be sufficient in themselves to recommend finalization of a sale agreement with Manitoba Hydro. However, two other consequences of such a sale represent significant benefit to the City. First, our credit raters will no doubt favorably regard the elimination of debt guarantees. Second, the development of 400,000 square feet of office space in Downtown will produce additional property tax revenues. Perhaps just as important is the fact such a development would directly contribute to achieving Council's stated policy objective to re-vitalize Downtown.

This proposal provides a premium price for Winnipeg Hydro and eliminates significant business risk going forward.

The confidence of the Administration with respect to the merits of the Manitoba Hydro proposal is strongly underpinned by the findings contained in the recent and extensive study of alternatives for Winnipeg Hydro ordered by the previous Council and conducted by Ernst & Young and CIBC World Markets. CIBC World Markets has examined the Manitoba Hydro proposal against the backdrop of the earlier findings and have advised that the proposal represents a fair price for the whole of the assets, business and undertakings of Winnipeg Hydro.

Council has a general obligation to protect the interests of the citizens it represents as well as additional obligations to those of its citizens who are customers of Winnipeg Hydro. The particular and specific interests of Winnipeg Hydro customers must not be compromised as a consequence of a change in ownership. Broadly, these interests can be grouped in the categories - Service Quality and Reliability and Rates.

A. Service Quality and Reliability

Winnipeg Hydro has an excellent record in respect of service quality and reliability. Manitoba Hydro also has a good record in this regard. With respect to service reliability in particular there are no grounds for concern. Service reliability is a function of energy supply, 50 per cent of which is already supplied by Manitoba Hydro, and the design parameters and maintenance standards of the distribution system, none of which are likely to

Report of the Executive Policy Committee dated February 20, 2002

change as a result of this sale. Similarly, there is no reason to expect that the quality of service in general is likely to be negatively affected by the sale.

B. Rates

Winnipeggers, including the customers of both Winnipeg and Manitoba Hydro, enjoy some of the lowest rates in North America. Presently, by law, Winnipeg Hydro rates must be identical to those charged by Manitoba Hydro. For many years Manitoba Hydro has taken the lead in making application to the Public Utilities Board of Manitoba with respect to the setting of rates. This procedure and requirement would remain unchanged and rates, therefore, should not be a concern.

The sale of Winnipeg Hydro to Manitoba Hydro would benefit both Winnipeg property taxpayers and Manitobans in general. Winnipeggers would benefit in terms of the financial stability provided by the guaranteed revenue stream plus the incremental property taxes and guaranteed energy cost savings. The anticipated favorable view of this transaction by our credit raters is also deemed a significant benefit.

Manitobans generally will also benefit from the transaction. It is likely that Manitoba Hydro will replace and refit Winnipeg Hydro infrastructure, which will generate economic activity in the construction industry. More importantly, a larger and strengthened Manitoba Hydro will be better positioned to capitalize on opportunities for the export sale of power. Operating synergies will allow Manitoba Hydro to continue to provide the low domestic rates for electric power presently enjoyed by all Manitobans.

The City of Winnipeg prides itself on its record of fair and respectful treatment of its employees. In the event of a sale and transfer of Winnipeg Hydro, Council will undoubtedly want to ensure that Winnipeg Hydro employees represented by CUPE Local 500 and those represented by WAPSO, or that are WAPSO Exempt, will not be disadvantaged.

The Manitoba Hydro proposal undertakes to comply with the laws of the Province of Manitoba regarding successor rights and to comply with all associated obligations to honor the collective agreements of Winnipeg Hydro employees. For greater certainty and specificity around the critical matter of employee's pensions, the Manitoba Hydro proposal states that the parties will structure the sale agreement so as to ensure the pensions of all Winnipeg Hydro employees are duly protected. Furthermore, Premier Doer is on record as stating that Winnipeg Hydro employees will be protected by legislation.

In 1906, with great foresight, City Council and the voters of the day seized an opportunity and established what was to become Winnipeg Hydro. From that time to this, the Utility has served Winnipeggers well. Citizen customers in the area of the former City of Winnipeg have benefited from a high quality hydroelectric service supplied at rates that have been, and continue to be, among the lowest in North America. Winnipeggers in general have benefited from the financial stability and reduced reliance on property taxes made possible by the transfer of Winnipeg Hydro profits to general revenue.

Today, opportunity with respect to Winnipeg Hydro arises once again. By taking up the Manitoba Hydro proposal, Council can secure and stabilize the City's finances into the future and at the same time eliminate significant future business risk and ensure the fair and respectful treatment of its employees. Furthermore, the resulting strengthening of Manitoba Hydro will allow continued low domestic rates for hydroelectric power and will position Manitoba Hydro to increase export sales enhancing its ability to be an "economic engine" providing benefit for all Manitobans.

For the information of Council, as part of the pre-closing due diligence process, a full examination of current and capital budget implications of the proposed sale will be conducted.

The Executive Policy Committee recommends:

I. That Council direct the Chief Administrative Officer to finalize terms and conditions of an agreement, together with any and all collateral or ancillary agreements, for the sale of the whole of the assets, business and undertakings of the City of Winnipeg with respect to its Winnipeg Hydro operations pursuant to the proposals made by Manitoba Hydro dated February 7 and 19, 2002 and outlined on Appendix "A" and "B" which, in the opinion of the Chief Administrative Officer, together with any and all collateral or ancillary agreements, will satisfy the intent of Council.

II. That Council declare surplus those lands and buildings incorporated within the financial statements for Winnipeg Hydro.

III. That the Proper Officers of the City be authorized do all things necessary to implement the foregoing and execute such documents as required.

Report of the Executive Policy Committee dated February 20, 2002

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Moved by Councillor Angus,
Adoption of the clause,

The Speaker called Deputy Mayor Thomas to the Chair and left the Chamber.

Moved by Councillor Lubosch,
Seconded by Councillor Smith,

WHEREAS there are numerous critical issues and unanswered questions arising from recent discussions regarding the offer by Manitoba Hydro Utility to purchase the Winnipeg Hydro Utility;

AND WHEREAS the potential sale of the Winnipeg Hydro utility will create long term consequences bearing on the financial future of the City of Winnipeg, the future provision of hydroelectric power to Winnipeg citizens, and the future careers and livelihoods of Winnipeg Hydro staff;

THEREFORE BE IT RESOLVED that Council lay over Clauses 5,6,7 and 8 for one month in order to provide additional time for Council, and those stakeholders that may be affected by the sale of Winnipeg Hydro, to perform the necessary due diligence required to examine the Manitoba Hydro purchase offer;

The motion to lay over Clauses 5, 6, 7 and 8 was put.

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

Yea: Councillors Lubosch and Smith 2

Nay: Councillors Angus, Clement, De Smedt, Gerbasi, Steek, Steeves, Deputy Mayor Thomas, Vandal, His Worship Mayor Murray and Councillor O'Shaughnessy. 10

and the motion to lay over Clauses 5, 6, 7 and 8 was declared lost.

The Speaker resumed the Chair.

The motion for the adoption of the clause was put.

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

Yea: Councillors Angus, Clement, De Smedt, Eadie, Gerbasi, Prystanski, Smith, Steek, Steeves, Deputy Mayor Thomas, Vandal, His Worship Mayor Murray and Councillor O'Shaughnessy. 13

Nay: Councillor Lubosch 1

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

Moved by Councillor De Smedt,
That the rule be suspended to allow Council to reconsider Clause 13.

The motion to suspend the rule to reconsider Clause 13 was put and declared carried.

Moved by Councillor Vandal,
That the rule be suspended to allow Council to reconsider Clause 15.

The motion to suspend the rule to reconsider Clause 15 was put and declared carried.

Council recessed at 11:59 a.m., and reconvened at 1:38 p.m., the Speaker in the Chair, same members present, except for Councillor Timm-Rudolph.

Report of the Executive Policy Committee dated February 20, 2002

Manitoba Hydro Proposal to Purchase Winnipeg Hydro (Committee of Senior Administrators)
File H (Vol. 10) [c/r HG (Vol. 4)]

237 - 6. The Executive Policy Committee, on February 20, 2002, passed the following motion, namely:-

WHEREAS Manitoba Hydro has proposed to acquire Winnipeg Hydro in a letter dated February 7, 2002;

AND WHEREAS City Council has directed the Chief Administrative Officer to negotiate and execute such agreement or agreements with Manitoba Hydro as might be required to effect a sale;

AND WHEREAS City Council requires that the Definitive Agreement arrangements must reflect the February 7, 2002 proposal;

AND WHEREAS due diligence must be performed so as to ensure that the intent of Council is satisfied;

THEREFORE BE IT RESOLVED that Council direct that the Chief Administrative Officer establish a Committee of senior administrators to oversee finalization of the necessary agreements with Manitoba Hydro; and that said Committee will avail itself of the advice of such outside financial, legal, actuarial and or other expertise as the Chief Administrative Officer may deem necessary to ensure due diligence;

AND BE IT FURTHER RESOLVED that the penalty for not starting the downtown building be at a minimum, a significant multiple of the estimated annual municipal taxes;

AND BE IT ALSO RESOLVED that if in the opinion of the Chief Administrative Officer the Definitive Agreement fails to satisfy the intent of Council, the Chief Administrative Officer will seek further guidance from Executive Policy Committee;

and submits same to Council for approval.

Moved by Councillor Angus,
Adoption of the clause.

The motion for the adoption of the clause was put.

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

Yea: Councillors Angus, Clement, De Smedt, Eadie, Gerbasi, Smith, Steek, Steeves, Deputy Mayor Thomas, Vandal, His Worship Mayor Murray and Councillor O'Shaughnessy. 12

Nay: Councillor Lubosch. 1

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

Manitoba Hydro Proposal to Purchase Winnipeg Hydro (Employees)
File H (Vol. 10) [c/r HG (Vol. 4)]

238 - 7. The Executive Policy Committee, on February 20, 2002, passed the following motion, namely:-

WHEREAS Manitoba Hydro has proposed to acquire Winnipeg Hydro in a letter dated February 7, 2002;

AND WHEREAS City Council wishes to ensure the affected employees pensions, employment and other benefits are protected;

AND WHEREAS Manitoba Hydro and the City of Winnipeg Administration believe this to be the sale of a business and that Manitoba Hydro is a successor employer;

AND WHEREAS the Premier of the Province of Manitoba, the Mayor of the City of Winnipeg and the President and CEO of Manitoba Hydro have said that all Winnipeg Hydro employees will be protected;

Report of the Executive Policy Committee dated February 20, 2002

THEREFORE BE IT RESOLVED that the Definitive Agreement will satisfy the following objectives:

i. Manitoba Hydro will be a successor employer and will assume all rights, responsibilities and obligations for Winnipeg Hydro employees effective the closing date of the sale.

ii. Manitoba Hydro will not lay-off any Winnipeg Hydro employee.

iii. Manitoba Hydro will accomplish any required workforce reductions through attrition or targeted voluntary severance packages.

iv. Manitoba Hydro will maintain the same or comparable employee benefits for Winnipeg Hydro employees as they had with the City of Winnipeg, including salaries, pensions, long-term disability benefits, sick leave, vacation and other such benefits.

v. Manitoba Hydro shall consider special situations involving Winnipeg Hydro employees, such as the special circumstances of the residents of the Pointe du Bois townsite, when developing and implementing the transition plan for the merger of the two utilities;

AND BE IT FURTHER RESOLVED that if in the opinion of the Chief Administrative Officer the Definitive Agreement fails to satisfy the intent of Council, the Chief Administrative Officer will seek further guidance from Executive Policy Committee;

and submits same to Council for approval.

Moved by Councillor Angus,
Adoption of the clause.

The motion for the adoption of the clause was put.

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

Yea: Councillors Angus, Clement, De Smedt, Eadie, Gerbasi, Prystanski, Smith, Steek, Steeves, Deputy Mayor Thomas, Vandal, His Worship Mayor Murray and Councillor O'Shaughnessy. 13

Nay: Councillor Lubosch. 1

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

Manitoba Hydro Proposal to Purchase Winnipeg Hydro (Legislation) File H (Vol. 10) [c/r HG (Vol. 4)]

239 - 8. The Executive Policy Committee, on February 20, 2002, passed the following motion, namely:-

WHEREAS Manitoba Hydro has proposed to acquire Winnipeg Hydro in a letter dated February 7, 2002;

AND WHEREAS the Premier of Manitoba has indicated the Government of Manitoba's intent to enact legislation that will cover the purchase of Winnipeg Hydro by Manitoba Hydro and protect the interests of workers in the new merged Utility;

THEREFORE BE IT RESOLVED that Council request that the Province of Manitoba enact legislation such that the intent of Council with respect to the sale of Winnipeg Hydro to Manitoba Hydro can be effected and ensure the smooth transition of Winnipeg Hydro employees to Manitoba Hydro;

AND BE IT FURTHER RESOLVED that the sale of Winnipeg Hydro to Manitoba Hydro will not close unless and until appropriate and necessary legislation has been passed by the Legislative Assembly and received Royal Assent and proclaimed by the Lieutenant Governor-in-Council;

and submits same to Council for approval."

Report of the Executive Policy Committee dated February 20, 2002

Moved by Councillor Angus,

Adoption of the clause.

The motion for the adoption of the clause was put.

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

Yea: Councillors Angus, Clement, De Smedt, Eadie, Gerbasi, Prystanski, Smith, Steek, Steeves, Deputy Mayor Thomas, Vandal, His Worship Mayor Murray and Councillor O'Shaughnessy. 13

Nay: Councillor Lubosch. 1

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

Award of Contract for Lease of Self Propelled Concession / Beverage Carts - RFQ No. 27-2002
File GL-9 (Vol. 17) [c/r PR-6 (Vol. 9)]

240 - 9. The Executive Policy Committee has been advised that in 1994 the City entered into a contract with Marriott Corporation to provide concession services at certain City facilities including Golf Courses. Under the terms of the contract, the City is responsible for the provision of concession carts for on-course dispensing of food and beverage.

Concession carts are operated seven days per week during the core golf season at each of John Blumberg, Windsor Park and Kildonan Park Golf Courses.

In October, 2001, the City's lease of concession carts expired. In January, 2002, a Request for Quotations was issued for the lease of three concession carts for a 3-year period (five months per year). The final receipt for quotations was 4:00 p.m. on January 31, 2002. Bids were received from the following suppliers:

Canadian Golf Car Co. Ltd.
Stephenson Equipment Ltd.
Consolidated Turf Equipment

The bid from Stephenson Equipment Ltd. should be deemed non-responsive inasmuch as they have qualified their quote by stating in the Terms and Conditions that "Prices are subject to change without notice". As such, it is not possible to compare their quote to those of the other bidders that have submitted guaranteed prices.

The bids were evaluated in accordance with the evaluation criteria as set out in the Request for Quotations. Appendix "I" details the respective bids and points assigned. The bid from Canadian Golf Car Co. Ltd achieved the highest ranking. The proposed unit from Canadian Golf Car Co. Ltd. was inspected and meets the required criteria. The recommended low bidder has the necessary experience and resources to complete the project satisfactorily.

Funds for the lease of concession carts are contained in the approved 2002 budget for golf courses. Funds for 2003 and 2004 will be contained in the business plan budget for the proposed Golf Courses Special Operating Agency as outlined in the Financial Impact Statement dated February 15, 2002, as outlined on Appendix "II".

The Executive Policy Committee recommends:

I. That the bid submitted by Stephenson Equipment Co. be determined to be non-responsive.

II. That a contract be awarded to Canadian Golf Car Company Ltd., the lowest evaluated responsive bidder meeting the specifications in the total amount of $37,902.00 plus GST plus optional end of lease buy out of $22,470.00.

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

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Adopted by consent.

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ZAC Quartier Français - French Quarter Business Improvement Zone – Proposed Program, Zone Levy and Budget Estimates - 2002

File FL-7.17 (Vol. 2)

241 - 10. On March 24, 1999, Council adopted By-law No. 7416/99, being a by-law of The City of Winnipeg to designate a Business Improvement Zone to be known as the Quartier Provencher Business Improvement Zone and to establish a Management Board for the Zone. On March 22, 2000, Council adopted By-law No. 7612/2000, being a by-law of The City of Winnipeg to change the name of the Quartier Provencher Business Improvement Zone to ZAC Quartier Français - French Quarter BIZ.

By-law No. 7416/99 requires that the Business Improvement Zone prepare its proposed program, zone levy and budget estimates for the consideration of Council.

The ZAC Quartier Français - French Quarter Business Improvement Zone at its Annual General Meeting held on October 30, 2001, approved the proposed annual program and budget for 2002.

On February 19, 2002, the Riel Community Committee considered the proposed program, zone levy and budget estimates for the ZAC Quartier Français - French Quarter Business Improvement Zone.

The Riel Community Committee passed the following motion:

WHEREAS a public meeting to review the proposed program, zone levees and budget estimates for the French Quarter Business Improvement Zone / ZAC Quartier Francais, for the year 2002 was duly advertised in The Winnipeg Free Press and the Winnipeg Sun on December 28, 2001, in accordance with Section 17 of By-law No. 7310/98;

AND WHEREAS no objections were received with respect to the Board's proposals;

NOW THEREFORE BE IT RESOLVED that the proposed program, zone levy, and budget estimates for the French Quarter Business Improvement Zone / ZAC Quartier Francais for the year 2002 be adopted,

and forwarded to Executive Policy Committee.

For the information of Council, due to scheduling conflicts, the provisions of Clause 17(2) of By-law No. 7310/98 have not been met inasmuch as the Community Committee's recommendations to Council will not be submitted within sixty (60) days from the receipt of the Board's proposal.

The Executive Policy Committee recommends:

I. That the proposed program, zone levy and budget estimates for the ZAC Quartier Français - French Quarter Business Improvement Zone, as outlined in Appendix "A", for the year 2002 be adopted.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Council here proceeded to consider Clauses 13 and 15.

Norwood Grove Business Improvement Zone - Proposed Program, Zone Levy and Budget Estimates - 2002

File FL-7.6 (Vol. 3)

242 - 11. On March 6, 1991, Council adopted By-law No. 5649/91, being a by-law of The City of Winnipeg to designate a Business Improvement Zone to be known as the Norwood Grove Business Improvement

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Zone and to establish a Management Board for the Zone. By-law No. 5649/91 requires that the Business Improvement Zone prepare its proposed program, zone levy and budget estimates for the consideration of Council.

The Norwood Grove Business Improvement Zone at its Annual General Meeting held on October 17, 2001, approved the proposed annual program and budget for 2002.

On February 19, 2002, the Riel Community Committee considered the proposed program, zone levy and budget estimates for the Norwood Grove Business Improvement Zone.

The Community Committee passed the following motion:

WHEREAS a public meeting to review the proposed program, zone levies and budget estimates for the Norwood Grove Business Improvement Zone, for the year 2002 was duly advertised in The Winnipeg Free Press and the Winnipeg Sun on December 28, 2001, in accordance with Section 17 of By-law No. 5649/91;

AND WHEREAS no objections were received with respect to the Board's proposals;

NOW THEREFORE BE IT RESOLVED that that the proposed program, zone levy, and budget estimates for the Norwood Grove Business Improvement Zone for the year 2002 be adopted,

and forwarded to Executive Policy Committee.

For the information of Council, due to scheduling conflicts, the provisions of Clause 17(2) of By-law No. 5649/91 have not been met inasmuch as the Community Committee's recommendations to Council will not be submitted within sixty (60) days from the receipt of the Board's proposal.

The Executive Policy Committee recommends:

I. That the proposed program, zone levy and budget estimates for the Norwood Grove Business Improvement Zone, as outlined in Appendix "A", for the year 2002 be adopted.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Old St. Vital Business Improvement Zone - Proposed Program, Zone Levy and Budget Estimates – 2002
File FL-7.13 (Vol. 2)

243 - 12. On November 29, 1995, Council adopted By-law No. 6715/95, being a by-law of The City of Winnipeg to designate a Business Improvement Zone to be known as the Old St. Vital Business Improvement Zone and to establish a Management Board for the Zone. By-law No. 6715/95 requires that the Business Improvement Zone prepare its proposed program, zone levy and budget estimates for the consideration of Council.

The Old St. Vital Business Improvement Zone at its Annual General Meeting held on October 24, 2001, approved the proposed annual program and budget for 2002.

On February 19, 2002, the Riel Community Committee considered the proposed program, zone levy and budget estimates for the Old St. Vital Business Improvement Zone.

The Riel Community Committee passed the following motion, namely:-

WHEREAS a public meeting to review the proposed program, zone levies and budget estimates for the Old St. Vital Business Improvement Zone for the year 2002 was duly advertised in The Winnipeg Free Press and The Winnipeg Sun on February 1, 2002, in accordance with Section 17 of By-law No. 6715/95;

AND WHEREAS no objections were received in respect to the Board's proposals;

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NOW THEREFORE BE IT RESOLVED that that the proposed program, zone levy, and budget estimates for the Old St. Vital Business Improvement Zone for the year 2002 be adopted,

and forwarded to Executive Policy.

The Executive Policy Committee recommends:

I. That the proposed program, zone levy and budget estimates for the Old St. Vital Business Improvement Zone, as outlined in Appendix "A", for the year 2002 be adopted.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Proposed Vacant and Boarded Up Dwelling By-law Containing Minimum and Progressive Penalties
Files EX (Vol. 14), GF-1 (Vol. 20)]

244 - 13. On December 21, 1999, City Council adopted the "Action Against Arson" Report developed by the Anti-Arson Interdepartmental Task Force under the leadership of the Chief Administrative Officer. The Report recommended, among other things, that the Province grant the City extensive by-law powers over vacant and boarded-up buildings. In August, 2000, the Province amended The City of Winnipeg Act to allow the City to establish "a system to regulate the condition and maintenance of vacant dwellings or non-residential buildings", including the explicit authority to impose requirements regarding securing of buildings, to inspect the interior of vacant buildings and to limit the length of time buildings could remain boarded-up.

In an effort to use the legislative authority provided by amendments to The City of Winnipeg Act, an interdepartmental working group was established to develop a regulatory system for vacant dwellings that would support neighbourhood revitalization and anti-arson efforts.

A. Issue Identification

The working group/administrative team concluded that the underlying cause of vacant and boarded-up houses is directly related to the negative cycle created by the general deterioration of inner city neighbourhoods, and the resulting decline in property values. In many situations, reduced property values have made it uneconomical to maintain and rehabilitate dwellings. This further contributes to the deterioration of the neighbourhood, which in turn, lowers property values, and generates a declining cycle.

The administrative team identified the following component problems and perspectives related to this cycle:

Neighbourhood Perspective	Owner Perspective
Vacant and boarded-up dwellings reduce property values in neighbourhoods by: • Producing a deleterious visual impact on the streetscape • Creating the impression of decline • Becoming vulnerable for use by individuals involved in illegal activities, squatters etc.	Vacant dwellings are often vacant because it is uneconomical for owners to renovate or maintain boarded-up dwellings at standards fit for occupancy due to: • High costs associated with repairing and renovating aging dwellings • Damage caused by renters • Low rents
Vacant and boarded-up dwellings are a danger to adjacent dwellings, since: • Their existence raises the likelihood of arson, accidental fires, vandalism and other crimes • They create drainage problems • They become prone to vermin and illegal dumping	Owners often will not transfer (i.e. sell or give away) vacant dwellings, because: • Selling at market value would result in a loss • Housing groups cannot often pay market value • A tax receipt does not provide sufficient incentive for owners to give buildings away • There are no adequate legal tools available that require owners to transfer vacant dwellings quickly to either the City or housing groups

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The consequences are that:

- Property owners hold on to their vacant dwellings in the hopes that property values will rise eventually.
- Neighbourhoods live with the disruptive effects of vacant and boarded-up dwellings for years.
- Before vacant dwellings are sold or are transferred through tax sale, they have often deteriorated to the point where they can no longer be repaired.

B. Current Situation

The Fire Prevention Branch recently completed a comprehensive exterior inspection and assessment of all vacant and boarded buildings within the City of Winnipeg. Significant information obtained from these inspections, includes the following:

- There are some 333 vacant and/or boarded single family structures within the City;
- There presently are 133 vacant and/or boarded multiple family structures within the City;
- The City has acquired approximately 30 residential properties through the tax sale process that will be affected by this by-law; and
- Approximately 60% of all vacant and/or boarded dwellings are in poor or very poor condition.

C. Proposed By-law

The Vacant Dwellings By-law will create standards for vacant and boarded dwellings, restrict the time a dwelling may be boarded and impose penalties for non-compliance.

- Standards are prescribed within the by-law for securing dwellings and for the condition of exterior walls, roofs, foundations, porches and stairs, guards and handrails, floors, walls and ceilings, fire protection systems, yards, walks and driveways and for fences and accessory buildings.
- If they wish to board-up a vacant dwelling, owners are required to obtain a permit, which will allow the building to be boarded for up to 6 months. Two additional permits may be issued within 5 years of the first permit being issued.
- Fees for a Boarded-up Building Permit within a five year period are:

  1st permit $10.00
  2nd permit $200.00
  3rd permit $800.00

- The City may issue orders requiring an owner to obtain a permit or bring the dwelling into compliance with the by-law.
- An owner who fails to comply with the by-law would be subject to fines of:

  $500.00 for a 1st offence,
  $1000.00 for a 2nd offence, and
  $2000.00 for a 3rd or subsequent offence

- Provision is made within the by-law for an appeal to the Standing Policy Committee on Property and Development.
- If the owner of a vacant dwelling contravenes an order to comply with the by-law, the City has the choice of bringing the dwelling into compliance with the by-law by effecting repairs, removing boards or demolishing the dwelling and adding these costs to the real property taxes.
- The proposed by-law will not permit owners of structurally sound dwellings to undermine the Demolition Permits By-law No. 4665/87 by boarding-up dwellings until enforcement officials order them demolished. This is because the by-law entitles the City to repair the dwelling rather than demolishing it, and to recover the costs of those repairs from the owner by adding these costs to the real property taxes.

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- The proposed by-law requires the owner to provide an address for service when obtaining a Boarding-Up Permit. The possibility of requiring out-of-province residents to provide a local address or agent for service was considered, but rejected since The City of Winnipeg Act contains specific service requirements.

While the proposed Vacant Dwellings By-law will provide the City with additional tools to regulate the condition of vacant and boarded dwellings, adoption of the by-law will likely produce the following results:

- Most owners of vacant and boarded dwellings will not undertake repairs or pay City fines;

- Vacant dwellings are often left to deteriorate;

- By the time the City takes vacant buildings in tax sale, they have often deteriorated to the point where repairs and rehabilitation are not feasible and the City is forced to demolish these units.

- Without a complementary and comprehensive strategy, a by-law alone is unlikely to achieve the objectives of eliminating boarded-up dwellings, improving streetscapes and renewing housing.

D. Comprehensive Strategy

It is recommended that a comprehensive strategy accompany the by-law that will advance both:

1. The introduction of disincentives, in the form of fines, penalties and time limits for boarded buildings through the proposed Vacant Dwellings By-law; and

2. The renewal of neighbourhoods and dwellings through the implementation of grants/programs that will support rehabilitation of boarded dwellings.

In this context, it is further recommended that complementary measures be pursued that strengthen enforcement activities and the resource base for housing renewal. Amendments are being recommended to The City of Winnipeg Act, which will permit the City to obtain title to vacant and boarded properties free and clear of all encumbrances (with the exception of easements), where an owner of a property repeatedly fails to remit fines and/or comply with the provisions of the by-law.

It is important that the City take title to vacant and boarded dwellings in a timely manner, pursuant to recommendation No. 2 above, in order to alleviate the deleterious impacts of the property on the neighbourhood and provide an opportunity for renewal. This also reduces costs related to property tax arrears.

With respect to housing renewal, all vacant or boarded dwellings would be inspected and demolition orders would be issued for those that are unsafe for building or health reasons. In addition, pursuant to the amendment requested under recommendation 2 above, the City could transfer repairable properties to the Winnipeg Housing Rehabilitation Corporation, the Housing Opportunity Partnership or the North End Housing Project or local neighbourhood development corporations for rehabilitation under:

- The Winnipeg Housing and Homelessness Initiative (in Target Neighbourhoods);

- The Residential Rehabilitation Assistance Program (RRAP); or

- The proposed National Affordable Housing Program, currently being negotiated between the Federal and Provincial Governments.

Implementing this comprehensive strategy hinges on the availability of funding sources and on the capacity of community housing groups to rehabilitate boarded dwellings. Therefore, consultation will be required with both the Province of Manitoba and the various social/housing groups involved in inner city housing renewal.

Housing improvement grants or benefits should also extend only to the owners of dwellings that comply with the by-law.

It is proposed that Council:

1. Enact a by-law that will:

    - Adopt new property maintenance and performance standards for boarded-up and vacant dwellings and properties;

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- Limit the time that dwellings may be boarded-up; and

- Impose minimum and/or progressive penalties/fines for non-compliance.

2. Enforce the by-law through:

- Adoption of an enforcement strategy that balances the City's resources with the by-law's objectives by establishing the following staged priorities for implementation and enforcement of the by-law in the following order:

  a. Designated Housing Improvement Zones - four targeted neighbourhoods under the Winnipeg Housing Policy;
  b. The remaining 10 neighbourhoods designated Major Improvement Areas under the Winnipeg Housing Policy; and
  c. All other areas.

- Routine prosecutions of violations of the by-law throughout the City;

- Continuation of monthly inspections by Fire Paramedic Services, and

- Co-ordination between enforcement departments.

Full implementation of a comprehensive strategy for vacant and boarded dwellings will require the following:

- Redeployment of two personnel devoted to enforcement;

- An adjustment to the Planning, Property and Development Department operating budgets to increase staff resources by two persons in order to respond to the administration of the by-law and for the subsequent property acquisition, management and disposal activities.

- Amendments to The City of Winnipeg Act.

The by-law will accelerate the elimination and improvement of vacant and boarded dwellings, as well as the absorption of costs for repairing and/or demolishing these dwellings. The City would in due course, likely incur these costs as properties are acquired over time through the present tax sale process. Costs can be reduced, if the City obtains the authority to take title to vacant and boarded dwellings in a timely manner.

All Costs associated with the repair, maintenance and/or demolition of existing dwellings will be charged to the Land Operating Reserve Account, as per Council Policy.

The Executive Policy Committee recommends:

I. That Council enact the Vacant Dwellings By-law.

II. That Council request the Province to amend The City of Winnipeg Act to permit the City to take title, free and clear of all encumbrances (except for easements), to vacant and boarded-up dwellings that repeatedly violate the by-law.

III. That the City priorize staged enforcement of the by-law in the following order:

  A. Designated Housing Improvement Zones - four targeted neighbourhoods under the Winnipeg Housing Policy;
  B. The remaining 10 neighbourhoods designated Major Improvement Areas under the Winnipeg Housing Policy; and
  C. All other areas.

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

Moved by Councillor Vandal,

Adoption of the clause.

The motion for the adoption of the clause was put.

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

Yea: Councillors Angus, Clement, De Smedt, Gerbasi, Lubosch, Smith, Steeves, Deputy Mayor Thomas, Vandal, His Worship Mayor Murray and Councillor Eadie. 11

Nay: Councillor Steek. 1

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

Canada West Foods Tax Credit
File FL-2.6 (Vol. 1)

245 - 14. The Executive Policy Committee has been advised that Canada West Foods Limited wishes to locate its operations in an existing building in the St. Boniface Industrial Park. Canada West will be making a very significant financial investment in this project and has requested tax incentives that would make the Winnipeg location competitive with its other facilities in Innisfail, Alberta and Chilliwack, B.C.

The City of Winnipeg considers support to such a venture as a strategic, long-term economic development investment in Winnipeg's economy, particularly in the food processing industry, which is one of Winnipeg's key economic sectors. The project in question meets the necessary criteria as laid out in the City's Homegrown Economic Development Strategy.

Several conversations were held with Gary Haley, President and CEO of Canada West Foods, in 2001, who had expressed an interest in opening a facility in Winnipeg, but indicated that he was hoping to "bring the price down a bit." He pointed out that land costs in Winnipeg were significantly higher than in Innisfail, Alberta and Chilliwack, BC – the other two towns in which Canada West has processing facilities.

Canada West will spend approximately $14.7 million on a building and equipment. The factory is expected to employ about 170 people when fully operational.

Using the "Schneiders Model," Canada West would be eligible for tax credits based on the incremental value of their annual business and municipal taxes over a three-year period ($57,000.00 x 3), which is approximately $171,000.00.

Canada West's total investment in the Winnipeg facility is anticipated at $13,552,829.00, which includes $3.8 million to purchase and upgrade 41 Paquin Road and $8 million in equipment. Annual sales resulting from this facility are anticipated to be between $50 and $75 million. Job creation will be between 110 and 125 Full Time Equivalents (FTEs).

The support principles are as follows:

1. The tax credit is in line with other economic incentive precedents in that it is based on a grant to the company accumulated by calculating the total value of their incremental municipal and business taxes on the project in question.

2. The incentive provided reflects the strategic importance of the food processing industry to Winnipeg's economy and is commensurate with the guidelines outlined in the Council-adopted Homegrown Economic Development Strategy.

3. Funds approved by Council would be sourced by the City of Winnipeg in a designated account to pay down actual charges (for example, property and business taxes).

4. Upon construction of this project, Canada West's municipal and business taxes will increase by approximately $57,000.00 annually.

The Province of Manitoba has also participated in this expansion, contributing $25,000.00 to the design process of the facility and are planning to contribute a further $50,000.00 - $200,000.00 in training support to Canada West as well, depending on the type and scale of the program.

Canada West's investment is estimated at $13.5 million, while the City has been asked to provide $171,000.00 over three years. The ratio of investment is therefore 78:1.

The proposed conditions of support for the tax credit are as follows:

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I. That an agreement between the City of Winnipeg and Canada West Foods Limited for purposes of supporting the expansion of their operations be finalized by the Chief Administrative Officer, subject to the following conditions:

a) That Canada West Foods establish and at all times maintain and operate the project in accordance with all laws, bylaws, directions, rules and regulations and obtain any and all necessary permits and licenses of any federal, municipal or provincial authority having jurisdiction as may be required to construct and operate the project;

b) That property taxes are paid in full when due for each taxation year;

c) That, should Canada West Foods not complete the project, the grant monies be withheld;

d) Any such other terms and conditions as deemed necessary by the City Solicitor/Manager of Legal Services for the purposes of implementing the intent of Council.

The benefits of the proposal are as follows:

1. Canada West's incremental and business taxes will amount to approximately $57,000.00 annually;

2. The project will create approximately 170 jobs (110-125 FTEs).

For the information of Council, the Financial Impact Statement as outlined on Appendix "A" indicates that from 2002 - 2004 the project is expected to be funded from the Economic Development Investment Reserve and the Reserve is expected to be replenished by 2007 by additional tax revenue. The analysis does not factor in municipal mill rate changes.

The Executive Policy Committee recommends:

I. That City Council approve the following recommendation as it pertains to a proposed agreement between the City of Winnipeg and Canada West Foods Limited with regard to the latter's request for tax credits arising out of its opening of a food processing facility in Winnipeg:

- That an investment credit in the total amount of $171,000.00 be made available to Canada West Foods over a three-year period;

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Request for a Heritage Conservation Tax Credit for the New Hargrave Building (Former Film Exchange Building) - 361 Hargrave Street

File G-3.1.5 (Vol. 3)

246 - 15. The Executive Policy Committee has been advised that on November 27, 2001, Carlton Call Centre Inc. made an application to the Planning, Property and Development Department for a Heritage Conservation Tax Credit (HCTC) under By-law No. 7155/98 (as amended) for the New Hargrave Building (former Film Exchange Building), 361 Hargrave Street.

On January 8, 2002, the City Centre Community Committee, recognizing the significance of this structure, recommended the listing of the New Hargrave Building (former Film Exchange Building), 361 Hargrave Street on the Buildings Conservation List under the terms of the Historical Buildings By-law No. 1474/44 (as amended) as a Grade III structure. This recommendation was forwarded to the Standing Policy Committee on Property and Development for final approval on February 5, 2002.

On February 5, 2002, the Standing Policy Committee on Property and Development approved the listing, as a Grade III building, of the New Hargrave Building (former Film Exchange Building), 361 Hargrave Street on the Buildings Conservation List under the Historical Buildings By-law No. 1474/77, with the following element: 1) ramp.

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The post-World War I era was marked by the rapid expansion of the movie industry in Canada. At this time of silent film, the Metropolitan Theatre opened in 1920, followed by the Capitol Theatre in 1921. By 1924 there were at least 37 movie theatres in Winnipeg. Motion picture film and various display materials were being shipped from the United States. The Film Exchange Building housed a variety of film distribution companies, who rented new films to exhibitors on a daily, weekly, or even monthly basis. Due to the fragile nature of the films, repair facilities were often necessary in exchange offices along with facilities for cutting various posters and other display materials.

Prior to 1920, film exchanges in Winnipeg were housed in a variety of buildings downtown. Because of the highly flammable nature of nitrate film, the storage of motion picture film was a source of concern for fire insurance companies and city officials across North America.

In the early 1920's, Winnipeg City Council passed two by-laws dealing with the licensing of film exchanges and with regulations for handling motion picture film. The regulation dealt with all aspects of such a building, including the disposal of waste material, the number of employees allowed to work on a roll of film at one time, the licensing of exchanges, periodic inspection of the premises, sprinkler systems, stairway and elevator specifications, and the number of fire extinguishers in each room. Any building used for the storage of film could be no taller than two stories if constructed of wood, and no taller than three stores when building of "fireproof construction."

The new Film Exchange Building, designed by local architect Max Z. Blankstein, had to comply with all these regulations, resulting in a skeleton concrete construction method, unusual in that the familiar steel framing was not used. The building rested on a 33.0-cm (13-inch) concrete foundation and measured 183 metres (60 feet) along Hargrave Street and 36.6 metres (120 feet) deep. The exterior walls were constructed of 20.3 cm (8-inch) hollow tile with Fort William brick facing. Cut stone was used throughout the front façade as ornamentation. The cost of construction was $135,000.00.

The most unusual feature of the building is the vehicle ramp located along the southern wall, used to give access to the basement, first and second floors of the building. Trucks and cars could drive into the building, load up and leave, making the some times daily trip to the exchange much easier for exhibitors and renters alike. The original basement contained the large boiler room and little else. The ground floor included a small vestibule and hall in the northwest corner, as well as a general office in the southwest corner. None of this office space remains, although the massive concrete columns are very prevalent, as they are throughout the building. The remainder of the ground floor was originally used for "live storage" and therefore was not partitioned.

The second floor was also used strictly for loading and unloading film and posters and was not partitioned. The upper three floors, however, were divided into a number of offices and workrooms, including a projection room on the third floor, poster rooms, and numerous general and private offices. All these upper floor partitions have been recently removed.

Construction began in June 1922. By late September, the building was nearing completion and several of the companies began moving in as of early November. For the next several decades, the Film Exchange Building supplied the ever-increasing number of local movie theatres as well as those from elsewhere in the province. United Artists, Universal, Twentieth-Century Fox, and Metro-Goldwyn-Mayer were some of the major Hollywood studios to maintain offices in Winnipeg over the years.

The post-World War II years brought major changes to the North American theatre industry. The most devastating change was the introduction of television, an inexpensive entertainment in people's homes. Added to the growth of major theatre chains and the subsequent loss of independent exhibitors, the days of the film exchange were numbered.

The Film Exchange Building was renamed the New Hargrave Building and although the main floor continued to operate as a garage for many years, the upper four floors were converted into office space for a number of varied tenants including: American Optical, P.M. Scientific Fur Cleaners, the Vapor Car Heating Company, Blankstein, Coop, Gillmor and Hanna (architects), Dominion Bridge Company, and the Jewish Historical Society of Western Canada. The building has stood vacant since the late 1990s.

The Heritage Conservation Tax Credit Program (HCTC) incentive strategy was adopted by City Council in 1998 on a pilot basis for three years with a review during the third year. The purpose of the program was to assist a limited number of projects selected for their ability to:

- increase property assessment values; and
- fulfill functions not likely to be displaced from other parts of the city.

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Council retains sole responsibility for accepting or rejecting applications and for setting the amount of tax credit to be allocated to each authorized project. To date, Council has approved tax incentives under this program as outlined in Appendix "A".

The value of an approved tax credit may be up to 50 per cent of the net private investment made in eligible work. This credit may be used at a recipient's discretion over a maximum 10-year period to reduce the property, business and, in specific circumstances, the entertainment funding tax (former amusement tax) levied by the City on the structure and its site.

The program is intended to support work that:

- conserves significant architectural or other heritage elements; and / or
- repairs and stabilizes City-designated structures;
- extends the life of such structures;
- rehabilitates space to meet contemporary requirements, but in the process makes minimal changes to a structure's historical integrity, including its defining design characteristics, site and environment.

Carlton Call Centre Inc., the owners of the building, propose to spend a total of $7,245,000.00 to upgrade and substantially expand this vacant 5-storey building into a new parking and office structure. Occupancy of the building is slated for early 2003.

The owners plan to upgrade the existing basement, first and second floor (2,112 square metres) into 45 heated parking stalls. The remaining three floors (2,275 square metres) will be converted into office space.

The Conservation Report identifies the following heritage work:

- reconstruct the former vehicle entrance doors on main level;
- reconstruct the former store-front glazing and door;
- restore and repaint the flagpole ;
- patch, repair and clean Tyndall stone and brick exterior;
- install new flashing as required;
- install a new roof;
- upgrade the existing windows;
- convert the furthest south window into a garage opening with a new garage door.

The applicant must ensure that the work proposed to the exterior must be appropriate to the nature of the building and must be approved by the Historical Buildings Committee before any work is begun.

Canada Call Centre Inc. proposes to build a 4860 square metre, 5-storey addition, attached to the former Film Arts Building. The main floor will serve as an indoor parkade with offices on the upper 4 floors.

Proposed total office space is 9,247 square metres while total parking space is 3083 square metres, with the majority in the Film Exchange Building. Our calculations estimate that there will be a total of about 120 parking spots.

The owners have not provided a breakdown that allows a precise review of the heritage related work, however, the proposed costs are summarized in Appendix "B".

The owners propose to invest $7.245 million in this project and are requesting a combined HCTC (municipal portion and eligible business taxes) of $2 million, over a ten-year period. The administration is recommending a significantly smaller combined HCTC of $650,000.00 based upon our estimates of future municipal portion of property and eligible business taxes for the building and property.

At present, the municipal portion of taxes for this property are $4,700.00 annually. There are no business taxes currently being assessed on this property. The current assessment on this property is $226,000.00 for 2002.

The projected annual municipal taxes for the completed project are $13,536.00 for the existing structure and $46,410.00 for the addition for a total of $59,946.00 per year. The projected assessment for the completed project is $700,000.00 for the existing building and $2.4 million for the addition for a total of $3.1 million.

The projected annual business taxes for the completed project are $14,432.00 for the existing building and $38,224.00 for the addition for a total of $52,656. 00. On the basis of known information, minimal business taxes will be eligible to be credited under the HCTC Program because the applicant is not planning to relocate their business within the project. In addition, the potential tenants taking up the majority of the space within the building(s) may be exempt from business taxes (that is, a federal government agency may be the lead tenant).

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The Administration is recommending an HCTC for marginally more than the projected taxes over a ten-year period to allow for any adjustments required following the completion of the project and subsequent assessment. The proposed HCTC of $650,000 .00 is approximately 9 per cent of the total value of the project ($7.245 million). The HCTC therefore levers a private investment of over 11 : 1. This leverage is within the more favourable range as compared to other HCTC projects.

The property taxes attributable to this project will largely be new (incremental) revenues to the City of Winnipeg. Council policy requires that incremental taxes attributable to this project be redirected to the Heritage Investment Reserve until it's capacity is restored. As such, the HCTC recommended can be accommodated within the Heritage Investment Reserve.

On January 23, 2002, the Executive Policy Committee recommended:

That the matter be referred back to the Chief Administrative Officer for further analysis from an economic development aspect, including utilization of other programs, and report back to Executive Policy Committee.

Immediately following the January 23, 2002, Executive Policy Committee meeting the administration contacted the applicant and advised that supplemental information was necessary.

The Committee was concerned that this application:

- May be simply moving a federal government office from one location in the downtown (Kensington Building on Portage Avenue) to another location (providing no net benefit to the City).
- Could be perceived as the City subsidizing a Federal Government lease through the HCTC.
- May not meet Council's intent for true heritage preservation (i.e. the project represents a significant new addition to a smaller heritage building).

Executive Policy Committee also requested additional analysis of this application from an economic development perspective including the use of other possible programs.

On January 29, 2002, the applicant, Shelter Canadian Properties Limited (as sole shareholder for the Carlton Call Centre), provided additional information as requested by the administration.

The Federal Government Department of Indian and Northern Affairs (DIANC), together with the National Resources Canada (NRC) were planning to move out of the Kensington Building on Portage Avenue to re-locate their offices within the downtown because the Kensington Building (and most other older buildings within the downtown) were no longer satisfactory due to the desire for a larger more modern floor plate. There were a number of submissions, several of which tied their response to the Federal Government's Expression of Interest, with the condition that their proposal would be subject to the City providing an HCTC for their buildings.

If, in the absence of quality submissions for the preferred downtown location, the Federal Government would have considered other locations external to the downtown, Colliers Pratt McGarry most recent Office Report stated that "Large blocks of space (greater than 20,000 square feet) are in short supply which will cause larger tenants coming to the market to broaden their search in an attempt to create leverage with existing landlords." Developers external to the downtown could easily, and more cost effectively, meet the needs of the Federal Government's Expression of Interest.

This project will increase the property assessment of the subject site as well as contribute positively to property assessment of surrounding properties. The applicant has stated that a portion of the indoor garage is also a requirement for an expansion of the CanWest Global facilities at 300 Carlton Street (Former Free Press Building). Currently, DIANC and NRC are only occupying 55,000 square feet within the Kensington Building versus the 62,000 square feet identified within the new premises. The 13 per cent increase in accommodation allows for an increase in employment for the subject departments. As there is no Federal Government obligation to backfill within the Kensington Building, this project will serve to displace some functions from other parts of the City and more specifically the downtown. The slight expansion of space requirements and employment is relatively negligible. The administration recently prepared a Development Proposal Evaluation Form (template) to be used as a standardized format for reviewing proposals that have made application to the City of Winnipeg for either economic or heritage incentives, and the completed form for the subject application has been placed on file in the office of the City Clerk.

Beginning in 1999, the CentreVenture Development Corporation has lobbied the Province of Manitoba to introduce an Urban Tax Credit Program in order to expand upon the successful CentreVenture Downtown Heritage Tax Credit Program, by extending tax credits for both new construction as well as for the restoration of existing non-heritage buildings within the downtown.

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As stated within CentreVenture's proposal to the Province:

"Tax Credit Programs in general and the Downtown Heritage Conservation Tax Credit Program specifically, have proven to be effective redevelopment tools. The current effectiveness of the Downtown Heritage Conservation Tax Credit Program is twofold:

1. The reduction of realty and / or business taxes is an extremely effective incentive to convince business people to expand, refurbish, or relocate. The incentive indicates a willingness to assist business.

2. CentreVenture maintains an Urban Bank that has the ability to bridge finance tax credits. The successful applicant for Downtown Heritage Conservation Tax Credits can apply for a loan to the Urban Bank that is secured by an assignment of the tax credits and the provisions of the Asset Agreement. The loan provided the businessperson with capital rather than tax credits."

In their proposal, CentreVenture presented a business case that suggested that participation (through an off-setting grant to the City of Winnipeg) in the Urban Tax Credit Program would be an investment, and not a cost, to the Province of Manitoba.

Bill 32 (The City of Winnipeg Amendment Act) received Royal Assent on July 6, 2001. Section 4 of Bill 32 provides that:

> "The council may by by-law establish a program of grants, property tax credits or refunds to encourage and assist in the construction, renovation or preservation of buildings within an area designated by council...."

The Explanatory Note to the bill provides among other things that:

> The Bill enables the City to provide tax credits to encourage and assist in the construction, renovation or preservation of buildings within areas designated by council.

The amendment (which is now Section 138.4 of The City of Winnipeg Act) allows the City to establish an Urban Tax Credit Program by by-law, but there is currently no provision for any contribution by the Province.

Under the proposed Urban Tax Credit Program, CentreVenture recommended that redevelopment or upgrading of existing buildings, which are not historically designated within the CentreVenture mandated area, would receive a tax credit based upon 20 per cent of eligible costs, while new building construction within the CentreVenture mandated area would receive a tax credit based upon 10 per cent of eligible costs.

Further to the request from Executive Policy Committee on January 23, 2002, the administration provided a range of four options to consider as follows:

OPTION 1:

Council has the discretion to deny the Application on the grounds that the project does not achieve Council's intent for the Program in that:

- It will clearly displace functions from other parts of the City (and more specifically, the downtown).

- The existing heritage structure will only form approximately 1/3 of the total project square footage.

OPTION 2:

Council may approve an HCTC for the heritage portion of the project only (for the Former Film Exchange Building itself) for a total estimated HCTC of $136,000.00.

- To date, two of the previously approved applications under the HCTC Program were for projects that identified substantial additions to the original heritage structure (The Former Free Press Building and the Royal Bank Tower).

- The intent of the HCTC Program is to encourage heritage restoration / not new construction.

- There are other adaptive re-use possibilities for the Former Film Exchange building that may require incentives in order to provide a reasonable return on investment, but would not necessitate expansion of the building through new construction (this building was at one time identified as a possible condominium conversion).

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- Based upon the submitted Conservation Report and estimated costs, the administration have estimated the eligible hard costs of heritage restoration of the original structure at $3,160,000.00, which would provide for an HCTC of $1,580,000.00 (at 50 per cent of eligible costs).

- The estimated municipal portion of property tax for the existing building is $13,536.00 per annum, which would provide for a $135,360.00 (rounded off to $136,000.00) HCTC over the 10 year eligibility period.

- Should the project proceed as contemplated under this option, the applicant would receive an HCTC, which would offset the municipal portion of taxes for approximately 2.58 years.

OPTION 3:

Council may approve an HCTC for the heritage portion of the project and an additional HCTC for the new addition in alignment with the tax credits as envisioned within a proposed Urban Tax Credit Program for an estimated HCTC $136,000.00 and estimated Urban Tax Credit of $354,000.00 for a total tax credit of $490,000.00.*

- The addition would receive a tax credit based upon 10 per cent of the value of the new construction.

- All tax credits would be provided through the Heritage Investment Reserve.

- Under this option, a total of $490,000.00 in tax credits would offset the municipal portion of taxes for approximately 9.3 years.

*Although the City of Winnipeg now has the ability to establish an Urban Tax Credit Program, such a Program would require an enabling by-law as well as a source of funding. When introducing the Program, it was CentreVenture's intent that the Province of Manitoba would participate in funding the Urban Tax Credit Program, through the provision of an offsetting grant to the City of Winnipeg that would match the tax credits that were approved.

Council could approve the HCTC for $136,000.00 and make the Urban Tax Credit portion subject to offsetting Provincial funding.

OPTION 4:

Council may approve the HCTC on the basis of the administrations original recommendation - Total estimated HCTC of $650,000.00.

- The current proposal is eligible for the maximum benefit (10 year credit of municipal taxes) under the current by-law. However, this project may not achieve the full intent of the Council established Program.

A Financial Impact Statement dated January 14, 2002, has been placed on file in the office of the City Clerk.

The Executive Policy Committee recommends:

I. That Council approve Option 2 as noted above, namely, a Heritage Conservation Tax Credit for the heritage portion of the project only (for the Former Film Exchange Building itself) for a total estimated Heritage Conservation Tax Credit of $136,000.00.

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

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Moved by Councillor Vandal,

That the clause be referred back to the Executive Policy Committee for further consideration.

The motion to refer the clause was put and declared lost.

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

EXECUTIVE POLICY COMMITTEE

CONSIDERATION OF BY-LAWS

247 - On motion of His Worship Mayor Murray, the following by-laws were 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. 7949/2002, a by-law of The City of Winnipeg to provide for the assessment by special rate of the cost of installing a Sewer Connection in an area of the said City of Winnipeg set forth in Agreement No. 67. Files FC(2002) (Vol. 1) and SL-1 (Vol. 21)

By-law No. 7950/2002, a by-law of The City of Winnipeg to provide for the assessment by special rate of the cost of Lane Pavement in the said City of Winnipeg. Files FC(2002) (Vol. 1) and SL-1 (Vol. 21)

By-law No. 7951/2002, a by-law of The City of Winnipeg to provide for the assessment by special rate of the cost of installing Ornamental Lane Lights in the said City of Winnipeg.
Files FC(2002) (Vol. 1) and SL-1 (Vol. 21)

By-law No. 7952/2002, a by-law of The City of Winnipeg to provide for the assessment by special rate of the cost of installing Lane Lighting in the said City of Winnipeg. Files FC(2002) (Vol. 1) and SL-1 (Vol. 21)

By-law No. 7953/2002, a by-law of The City of Winnipeg to provide for the assessment by special rate of the cost of Lane Oiling in the said City of Winnipeg. Files FC(2002) (Vol. 1) and SL-1 (Vol. 21)

By-law No. 7954/2002, a by-law of The City of Winnipeg to amend certain by-laws to align delegated authorities with the current structure and function of the Planning, Property and Development Department. File GL-5.6 (Vol. 9)

By-law No. 7967/2002, a by-law of The City of Winnipeg to close part of Park Boulevard South.
File DAC 18/2001

By-law No. 7968/2002, a by-law of The City of Winnipeg to widen the south side of Betsworth Avenue between Charleswood Road and Berkley Street. File DAO 2/2001

By-law No. 7983/2002, a by-law of The City of Winnipeg to establish a system to regulate the condition and maintenance of vacant dwellings. Files GF-2 (Vol. 20) & EX (Vol. 14)

On motion of His Worship Mayor Murray, the rule was suspended and By-law No. 7984/2002, a by-law of The City of Winnipeg to amend By-law No. 3219/82 being The City of Winnipeg Parks and Recreation By-law, was read a first, second and third time, the rule being suspended for the third reading, and was passed and ordered to be signed and sealed. File PR-2.10 (Vol. 11)

EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

248 - Councillor Steek noted that to date he had not received a response to his request for information relative to the funding arrangements for the True North project, specifically when the three levels of government had their funding triggered and whether it came at the front end and at what level, to which His Worship advised that the information had been circulated but that he would have it re-circulated to Councillor Steek. He added that, in addition to utilizing City funds for the capital costs of the building, the understanding was that part of the funding could be used for architectural design and infrastructure costs.

Councillor Steek inquired if there had been any communication between the True North project proponents, the Mayor, the Province and the Federal Government to confirm that the financing package for the True North project was in place.

Executive Policy Committee - Question Period (continued)

His Worship advised that the project was private sector driven and funded and that he had not asked them directly if their financing was in place, noting that it was their challenge and responsibility. He added that he was aware that they were meeting with the City of Winnipeg's design staff on design review and that when the court case was resolved there would be a briefing on the True North project for all Members of Council.