CONSIDERATION OF REPORT OF THE

EXECUTIVE POLICY COMMITTEE

On motion of Mayor Norrie, the Report of the Executive Policy Committee, dated November 14th, 1990, was considered clause by clause.

West Committee Room,
Council Building, Winnipeg,
November 14th, 1990.

His Worship the Mayor and Councillors:-

Your Executive Policy Committee submits the following Report and recommends:-

Corydon Avenue Business Improvement Zone - Proposed Program, Zone Levy and Budget Estimates. File FL-7

83 - 1. Council, on March 7th, 1990, adopted By-law No. 5378/90, 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 establish a Management Board for the Zone.

By-law No. 5378/90 requires the referenced Board to prepare for submission to Council, on or before October 31st in each year, its proposed program, zone levy and budget estimates. On October 13th, 1990, the Corydon Avenue Business Improvement Zone held its Annual General Meeting at which time consent was given to the Zone's proposed budget and programs for 1991, copy of which is on file in the Office of the City Clerk.

Your Executive Policy Committee recommends that pursuant to the requirements of By-law No. 5378/90, Council request the City Centre-Fort Rouge Community Committee to conduct a public meeting to hear representations with respect to the proposed program, zone levy and budget estimates and to provide recommendations to Council within sixty (60) days from receipt of Council's request.

Moved by Mayor Norrie,
Adoption of the clause.

Carried.

Downtown Winnipeg Business Improvement Zone - Proposed Program, Zone Levy and Budget Estimates. File FL-7

84 - 2. Council, on January 25th, 1989, adopted By-law No. 5080/89, being a by-law of The City of Winnipeg, to designate a Business Improvement Zone to be known as the "Downtown Winnipeg Business Improvement Zone" and establish a Management Board for the Zone.

By-law No. 5080/89 requires the referenced Board to prepare for submission to Council, on or before October 31st in each year, its proposed program, zone levy and budget estimates. On October 23rd, 1990, the Downtown Winnipeg Business Improvement Zone held its Annual General Meeting at which time unanimous consent was given to the Zone's proposed budget and programs for 1991, copy of which is on file in the Office of the City Clerk.

Your Executive Policy Committee recommends that pursuant to the requirements of By-law No. 5080/89, Council request the City Centre-Fort Rouge Community Committee to conduct a public meeting to hear representations with respect to the proposed program, zone levy and budget estimates and to provide recommendations to Council within sixty (60) days from receipt of Council's request.

Moved by Mayor Norrie,
Adoption of the clause.

Carried.

Exchange District Business Improvement Zone - Proposed Program, Zone Levy and Budget Estimates. File FL-7

5 - 3. Council, on January 25th, 1989, adopted By-law No. 5081/89, being a by-law of The City of Winnipeg, to designate a Business Improvement Zone to be known as the "Exchange District Business Improvement Zone" and establish a Management Board for the Zone.

By-law No. 5081/89 requires the referenced Board to prepare for submission to Council, on or before October 31st in each year, its proposed program, zone levy and budget estimates. On October 11th, 1990, the Exchange District Business Improvement Zone held its Annual General Meeting at which time consent was given to the Zone's proposed budget and programs for 1991, copy of which is on file in the Office of the City Clerk.

Your Executive Policy Committee recommends that pursuant to the requirements of By-law No. 5081/89, Council request the City Centre-Fort Rouge Community Committee to conduct a public meeting to hear representations with respect to the proposed program, zone levy and budget estimates and to provide recommendations to Council within sixty (60) days from receipt of Council's request.

Moved by Mayor Norrie,
Adoption of the clause.

Carried.

Management Philosphy. File GP-1

86 - 4. On August 1st, 1990, Council adopted Clause 16 of the Report of the Executive Policy Committee, dated July 25th, 1990, regarding a management philosophy.

During consideration of the Clause, the following motion was introduced and referred to the Executive Policy Committee:-

"WHEREAS Thorne Stevenson & Kellogg did a Comprehensive Compensation Review of Specifications and Administrative and Management Positions in 1985 involving 600 interviews and the evaluation of 600 positions;

AND WHEREAS the salary survey sample included five cities including Edmonton, Toronto, Ottawa, the federal government, and a cross- section of eight Winnipeg-based private sector and public sector organizations, supplemented with data from a national salary survey;

AND WHEREAS every W.A.P.S.O. and M series job has been evaluated relative to the same set of criteria with fully documented results;

AND WHEREAS the job evaluation results implementation was difficult and even at times contentious, but deemed necessary to gain control over the salary expenditures;

AND WHEREAS Council can choose to pay above average, at the average, or below average, Council chose in 1985 to pay national instead of provincial average, believing that it would increase the City's ability to attract talented employees;

AND WHEREAS in 1985 the City had a total of 890 employees in the M series and W.A.P.S.O. series for a payroll of $39.7 million in 1985 compared to 64 senior management, 504 supervisory and 443 technical or professional W.A.P.S.O. employees for a total of 1,011 in 1990 for a payroll of $51.8 million;

THEREFORE BE IT RESOLVED:

(1) that item 3 be amended to read that the existing 18 grades be reduced to 10 grades, excluding the 64 most senior positions, and that the 21 steps and new 10-grade scale applying to the remaining 947

positions be based on the average pay of a cross-section of public and private sector organizations in Winnipeg,

(2) that the 64 most senior positions be put on contract and salaries be negotiated on a national average pay scale,

(3) that the implementation not be carried out prior to Council having a cost analysis of the revised management structure,

(4) that a two-track system be allowed for only a 3 year phasing-in period, and

(5) that the emphasis be put on a non-monetary award system and public recognition."

Since the adoption of Clause 16 of the Report of the Executive Policy Committee by Council on August 1st, 1990, briefing sessions have been held with senior management of all departments. The Board will be reviewing the proposal in detail prior to a formal presentation to the Winnipeg Association of Public Service Officers. The process has been
consultative throughout and, while somewhat more time consuming, should lead to greater understanding and hopefully a better solution.

It should be noted that the Commissioner, Department Head and Deputy Department Head positions are now benefitted on contract and that Council policy already includes an intent to reflect average national pay scales for the most senior positions.

The City operates on an internal relative philosophy which means that each individual position is not examined in the marketplace but, instead, is compared with other positions within the system.

The Board is committed to an implementation plan over a three- year period and annual progress reports will be submitted.

The Board further agrees with the concept of non-monetary recognition.

In summary, the Board is evolving toward a new plan and will keep Council informed.

Your Executive Policy Committee therefore recommends that the aforementioned Council resolution of August 1st, 1990, be filed.

Moved by Mayor Norrie,
Adoption of the clause.

In amendment,

Moved by Councillor Reese,
Seconded by Councillor Kaufmann,

WHEREAS it is desirable, more productive and cost-effective to have a flatter administration hierarchy;

AND WHEREAS middle management positions should be competitive within the province vis-a-vis comparable private and public positions;

THEREFORE BE IT RESOLVED that:-

1. The existing 18 grades of management and W.A.P.S.O. positions be reduced to 10 grades;

2. The salaries for the positions referred to in Recommendation (1) of the proposed motion be based on the average pay of a cross section of comparable positions within the public and private sectors;

3. The City review its practice of operating on an "internal relative philosophy" which means that each individual position is not examined in the market place;

4. These resolutions be referred to the Budget Committee.

In amendment,

Moved by Councillor Reese,
Seconded by Councillor Kaufmann,
WHEREAS it is a well-known fact that percentage increases in salaries are inequitable because they widen the gap between higher salaried employees and lower salaried employees;

AND WHEREAS percentage increases hereby ultimately create upward pressure on salaries to narrow the gaps and remove distortions in the wage hierarchy created by the percentage increases;

AND WHEREAS flat dollar wage increases across the board are, in fact, equitable and will result in less cost to the taxpayer for salaries;

THEREFORE BE IT RESOLVED that:-

1. The City of Winnipeg implement a policy immediately of negotiating only flat dollar increases in salaries for all its employees, including those employees with City utilities;

2. This Resolution be referred simultaneously to both the Ad Hoc Committee on Budget Controls and Executive Policy Committee.

Moved by Councillor Kaufmann,
That the clause and proposed amendments be referred back to Executive Policy Committee.

Carried.

Regulation of Election Expenses
and Contributions. File GK-2.4

87 - 5. At its meeting held on September 26th, 1990, the Executive Policy Committee considered the following resolution referred to it by Council at its meeting held September 19th, 1990:-

"That Clause 8 of the Report of the Executive Policy Committee, dated September 12th, 1990, be amended by adding to the agenda of the Official Delegation, the following:-

'd) Tax Credits -

An income tax credit from the municipality to any contributor to the election campaign of a registered candidate for mayor and/or councillor, upon application from the contributor to the Returning Officer for such credit.'"

On March 29th, 1989, Council passed the following resolution, namely:-

"WHEREAS the Ontario Legislature on June 8th, 1988, adopted Bill 106, an act to amend the Municipal Elections Act and the Municipal Act which stipulates, inter alia, a limitation on election expenses for Candidates for municipal office;

AND WHEREAS the said statute also requires disclosure of all campaign contributions and, as well, provides for tax credits for campaign contributions;

AND WHEREAS it would be appropriate to have similar legislation in effect for municipal elections in Manitoba;

THEREFORE BE IT RESOLVED that the Council of The City of Winnipeg go on record as supporting municipal election legislation in Manitoba, similar to that of Ontario, which would provide, inter alia, as follows:-

1. An individual campaign contribution not to exceed $750.00.

2. A limit on total campaign expenses incurred by each registered candidate for the office of mayor not to exceed the amount of $5,500.00 plus 0.25 per elector.

3. A limit on total campaign expenses incurred by each registered candidate for the office of councillor in a ward, not to exceed the amount of $3,500.00 plus 0.50 per elector in the ward.

4. Each registered candidate for mayor and for councillor to file a statement with the Returning Officer within 120 days following election day, which shall contain the following:-

   A) All income received and expenses incurred during the campaign period.

   B) The names, addresses and contributions of each individual, corporation or trade union that made a contribution whether in the form of money, goods or services, if the contribution was more than $100.00.

5. A tax credit from the municipality to any contributor to the election campaign of a registered candidate for mayor and/or councillor, upon application from the contributor to the Returning Officer for such credit.

BE IT FURTHER RESOLVED that the Official Delegation be authorized to discuss this subject matter with the Urban Affairs Committee of Provincial Cabinet with regard to municipal elections in The City of Winnipeg in particular;

AND BE IT FURTHER RESOLVED that this resolution be forwarded to the Manitoba Association of Urban Municipalities in order that such legislation could be considered for all Manitoba municipalities."

This resolution was forwarded to the Minister for Urban Affairs by His Worship the Mayor on April 7th, 1989.

On September 19th, 1990, Council adopted Clause 8 of the Report of the Executive Policy Committee, dated September 12th, 1990, regarding the regulation of election expenses and contributions. At this same meeting Council passed a by-law to provide for the regulation of expenses and contributions for candidates for mayor and councillor as a by-law to appoint Mr. Douglas John Locheed as the Campaign Expenses and Contributions Officer for The City of Winnipeg.

The above Clause 8 contained the following recommendation:-

"Your Executive Policy Committee recommends that the Official Delegation be requested to raise the following issues relative to the regulation of election contributions and expenses with the Provincial Government:-

a) Contributions -

   prohibiting candidates from accepting contributions from political parties

b) Disposition of Surplus Funds -

   regulating the disposal of surplus funds

c) Forfeiture of Seat -

   the City having the option of including as a penalty, the forfeiture of seat, when a candidate has willingly or knowingly contravened or failed to comply with any provision of the regulatory by-law."

The above Clause 8 was forwarded to the Minister for Urban Affairs by His Worship the Mayor on September 24th, 1990.

As can be seen from the above, Council on March 29th, 1989, did in fact pass a resolution that requested the Province of Manitoba to include in the proposed municipal election legislation a clause that would allow The City of Winnipeg to give a tax credit to any contributor to an election campaign of a registered candidate for mayor and/or councillor.

Your Executive Policy Committee therefore recommends that the aforementioned Council resolution of September 19th, 1990, be filed in view of the fact that Council on March 29th, 1989, passed a resolution dealing with this matter.

Moved by Mayor Norrie,
That the clause be adopted.
The motion was put.

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

Yea: Councillors Brown, Clement, Demare, Diamant, Duguid, Fraser, Gilroy, Golden, Kaufmann, Lorenc, McKee, Mendelson, Murray, O'Shaughnessy, Selinger, Thomas, Timmers, Young, Yuen, Mayor Norrie and Councillor Eadie. 21

Nay: Councillors Wade, Boychuk, Mitchelson, Reese and Timm-Rudolph. 5

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

Amendment to Funding Agreement for Five Year Capital Program to construct Major Amateur Sports Facilities in The City of Winnipeg.File FC-1(1987-1992)

88 - 6. On September 30th, 1987, Council adopted the recommendation of the Executive Policy Committee that the City enter into an agreement with the Province of Manitoba and the Manitoba Sports Federation Incorporated,
whereby the Province and the Sports Federation and the City each contribute Five Million Dollars to a total of Fifteen Million Dollars, for construction of new facilities or improvement of existing facilities in the City of Winnipeg for a five year period terminating March 31st, 1992. (Principal Funding Agreement).

On July 27th, 1990, the Parks and Recreation Department submitted a report recommending that the City enter into an amending agreement to the Funding Agreement for the Five Year Capital Program to construct major amateur sport facilities in the City of Winnipeg.

At its meeting held on August 30th, 1990, the Board of Commissioners referred the proposed amending agreement back to the Parks and Recreation Department requesting that the amendments be identified and the effect that same would have on the City.

On September 5th, 1990, the Minister of Sport signed the amending agreement on behalf of the Province of Manitoba.

On September 6th, 1990, the Chairman of the Manitoba Sports Federation signed the amending agreement on behalf of the Manitoba Sports Federation.

The proposed amending agreement is intended to clarify sections of the principal agreement which were found to be open to interpretation as well as to reinforce certain sections of the agreement to ensure that the intent is clear.

The following principles were agreed to by representatives of the three parties and form the basis of the proposed amendments:-

1. The City of Winnipeg's contribution to the Soccer Stadium and the Baseball Park be considered as a lump sum credit against the City's Five Million Dollar obligation over five years separate and apart from accounting for other revenues and expenditures;

2. The City neither gain from interest payments on its investment on soccer or baseball, or designate funds from the other two parties as shared recoveries against the investment for soccer or baseball;

3. Funds paid by the Province and the Manitoba Sports Federation Incorporated be shown as interest earning credits to the facilities account under the Principal Funding Agreement until disbursed for projects other than soccer and baseball;

4. The Province and the Manitoba Sports Federation Incorporated agree to contribute One Million Dollars each in the final year of the Principal Funding Agreement with all earned interest to remain in the account for disbursement to approved projects.

5. The facilities committee under the Principal Funding Agreement will consider applications from the City regarding consulting costs.

Appendix "B" details the proposed changes to the agreement in relation to the original clauses as well as the effect of the changes on the City, copy of which is on file in the Office of the City Clerk.

Your Executive Policy Committee recommends that an agreement in the form attached as Appendix "A" between the Government of Manitoba, the City of Winnipeg and the Manitoba Sports Federation Incorporated, amending the Agreement made between the Parties on December 3rd, 1987 to develop and contribute to a Five-Year Capital Facility Program from April 1st, 1987 to March 31st, 1992, in connection with construction of major amateur sports facilities in the City of Winnipeg, be executed on behalf of the City.

Moved by Mayor Norrie,
Adoption of the clause.

Carried.

(Note: See Minute No. 94 for attachments.)

The City of Winnipeg Purchasing Policy with respect to Sustainable Development and Environmental Issues. File FP

89 - 7. Council has, in at least two motions, directed that the purchasing policy be reviewed with respect to environmental issues.

In order to address these directives, the Purchasing Department has developed a Purchasing Policy with respect to sustainable development and environmental issues.

On July 11th, 1990, Council adopted the recommendations in the report of the Committee on Works and Operations, entitled "Waste Minimization and Recycling - Action Plan", dated June 26th, 1990, as amended by the Executive Policy Committee recommendations and by Council motion. Included in the report was a recommendation that the City "develop and implement a procurement policy pertaining to the materials and supplies purchased by the City, which is preferential towards materials that facilitate reduction, re-use, recycling or recovery."

On October 10th, 1990, Council adopted the recommendations in the report of the Executive Policy Committee, entitled "Task Force to Conduct a Coordinated Environmental Review of City Hall", dated October 3rd, 1990. Included in the report was a recommendation that the Task Force "conduct a coordinated environmental review of City Hall" including assessment of purchasing policy.

Recommendation No. 1

Given a commitment to a sustainable development strategy, the principle of global responsibility requires that the City recognize the need to act to consider environment and economics in decisions and to develop comprehensive and equitable solutions to problems.

In addition, the principle of integration of environmental and economic decisions requires that a purchasing policy balance environmental impacts and economic consequences.

The purchasing policy is applied at the points of acquisition and disposal of products and services but its influence extends throughout the life cycle of the products and services and therefore the effect on all stages must be fully considered.

At present, waste minimization is considered a key strategy in reducing damage to the environment. The activities promoted under the waste minimization strategy, in order of general preference, are source reduction, reuse, recycling, recovery of energy and residual management.

The reasoned application of sound purchasing principles within the context of the current purchasing policy can readily encourage waste minimization throughout the life cycle of most products and services.

The competitive bidding process exerts economic pressure for bidders to maximize their efficiency by various means, including waste minimization.

Examples:

1. Many commodities are offered in minimum packaging or returnable, reusable containers. This is not a recent trend. Many manufacturers have long offered such packaging, for purely economic reasons,

where retail marketing was not a primary consideration.

2. Many commodities are offered with recycled material content. This is not a recent trend in some industries. Some manufacturers have long utilized recycled material content for purely economic reasons but did not advertise the practice until it became popular.

Purchasing on the basis of evaluated cost, including criteria such as durability, efficiency in use and price, promotes waste minimization in the City's operations.

Examples:

1. Scrap automobile tires are a major concern at present. The Purchasing Department has developed a specification for the Police Department that evaluates safety, durability and price. The result has been a significant reduction in the number of tires used and discarded and a cost saving.

2. If efficiency in use is used as an evaluation criterion, automobiles and other fuel consuming equipment would be evaluated for fuel use and price.

Purchasing on the basis of evaluated cost, including criteria such as residual value/disposal cost promotes the purchase of goods which can be reused or recycled after disposal by the City.

Residual value is a very good indicator of a reuse or recycling market for goods disposed of by the City.

Example:

1. The Purchasing Department has established several contracts for the sale of surplus and waste, including vehicles, equipment, scrap metal, waste oils and scrap batteries. Consideration of residual value at the time of acquisition may improve this diversion from the waste stream.

The City is a member of the Association of Canadian Cities for Environmentally Sound Strategies (ACCESS).

ACCESS has recommended that all of its members adopt a common statement of principle:-

> "In order to increase the development and awareness of Environmentally Sound Products, all departments, in conjunction with Purchasing Department staff, review their contracts and tender specifications for goods and services to ensure that wherever possible and economical, specifications are amended to provide for expanded use of products and services that contain the maximum level of post-consumer reusable or recyclable waste and/or recyclable content, without significantly affecting the intended use of the product or service; and that it be recognized that cost analysis is required in order to ensure that the products are made available at competitive prices."

The Purchasing Department supports the activities of ACCESS but their statement of principle addresses only one action in support of environmental concerns - recycling. Although recycling is undoubtedly the most publicized activity, it should be recognized that it is the third choice option in the waste minimization strategy.

The Purchasing Department considers the ACCESS statement of principle, although worthwhile, to be to narrow in scope to encompass the full range of options available by exercising a City-wide cooperative effort.

Adoption of the recommended statement of principle should be considered to be adoption, by inclusion, of the ACCESS statement of principle with respect to recycling to demonstrate support for their activities.

Recommendation No. 2

Implementation of the purchasing strategy to promote environmentally sound products and services will be an expensive undertaking.

Reviewing and revising specifications for products and services to provide for expanded use of those that have the least harmful impact on the environment will not be a simple task. Although many products are purported to be environmentally sound, verification of claims will require a significant commitment of time.

Evaluation criteria which are quantifiable and verifiable must be developed for each commodity to ensure the integrity of the evaluation process and relevance to changing industry and technology.

Many products purported to be environmentally sound are promoted as such on the basis of their impact during

only a portion of their life cycle. Without detailed analysis on a product by product basis, or in some cases, a manufacturer by manufacturer basis, the total environmental impact is not obvious.

Example: Some manufacturers have promoted paper bags as environmentally preferable to plastic bags for "obvious" reasons: Wood fibre is a renewable resource and biodegradable; plastic bags are manufactured from non-renewable petrochemicals and are not biodegradable.

A second look, by no means in sufficient detail to truly determine which is preferable, would consider that fast- growing, single-species forests are often created by clearing mixed-species, old-growth forests (a practice condemned by some as comparable to the destruction of the Amazon Rain Forest); petrochemicals are used in the logging industry; biodegradability is questionable in a landfill; waste effluent from pulp mills has an environmental impact.

To properly support this undertaking, product approval committees, comprising individuals with a wide range of expertise, are necessary.

Wherever possible, existing product approval committees should be utilized to provide the technical resources necessary. Wherever necessary, new product approval committees should be formed to provide these resources.

Although this entails a significant commitment of time and effort, the City can expect economic as well as environmental benefits from the process. Past experience has shown that detailed review of a commodity, for any reason, typically generates cost savings which can continue for years after the review.

The suggested plan of attack is consistent with Section 9(e) of the Policy on Purchasing Procedures and the Disposal of Surplus Supplies.

Recommendation No. 3

Acquisition of information including City usage, manufacturer's data and disposal implications could be performed in conjunction with the current purchasing function with only a moderate impact on workload.

Analysis of information will have a major impact on workload. It is estimated that, on average, approximately 0.1 person- years of Purchasing Department staff time will be required to initially evaluate a commodity group and 0.02 person-years per year will be required to maintain and update information.

An initial review indicates that twenty to thirty commodity groups will encompass most of the potential reduction in the City's waste volume.

Assuming no increase in Purchasing Department staff, only two or three major commodity groups could be evaluated in depth per year initially. As the number of commodity groups evaluated increases, maintenance and updating will erode the available staff time until, after ten commodity groups are evaluated, little or no further progress will be achieved.

Assuming one additional Purchasing Department staff member addressing environmental concerns on a full time basis, it is estimated that an additional five to ten commodity groups per year could be evaluated. The evaluation of twenty to thirty commodity groups would become a reasonably attainable goal.

It should be noted that a completed evaluation will not necessarily result in an immediate course of action. In some cases the current technology and industry will not provide feasible alternatives and actions may be deferred.

Regardless of any increase in Purchasing Department staff, some additional resources would be necessary to address environmental concerns. Funds would be required for testing, research and participation in the activities of such groups as ACCESS.

Recommendation No. 4

Special cases, including some not obviously related to environmental impact, will arise that may not be adequately addressed by the general purchasing policy.

Typically, the focus of these special cases will be at the extreme ends of the spectrum: global issues and isolated local or product specific issues.

Examples:

a) Impact on specific ecosystems such as the Amazon Rain Forest, the North American West Coast forests, or the Canadian northland. In some cases the only choice available may lie in where we are willing to tolerate harmful impact to the environment.

b) Ethical issues such as product testing on live animals. In some cases such testing may be involved in determining toxicity in order to assess potential environmental impact.

c) Political issues such as apartheid in South Africa. In some cases products that reduce harmful impact on the environment are dependent on scarce materials such as platinum which is largely available only from South Africa.

d) Vendor category issues such as local preference, small business preference or minority business preference. In some cases a decision will have to consider the relative importance of such issues with respect to environmental and economic impacts. It is suggested that such cases be addressed on a case-by-case basis but with full consideration for their cumulative impact on the City's efforts in support of sustainable development. Such cases could be evaluated by the Purchasing Department, subject to adequate staff resources, or by the Research and Policy Analysis Branch of the Board of Commissioners, or by specially assembled task forces.

Recommendation No. 5

It is not recommended that any arbitrary preference or pricing advantage in the competitive bidding process be granted to purportedly environmentally sound products or services.

Pricing advantages do not necessarily flow to the companies actually deserving economic assistance; any premium paid for environmentally sound products or services may be absorbed as additional profit by the distribution chain. If economic assistance is necessary to develop an industry it should be through a targetable system such as development loans.

The Association of Canadian Cities for Environmentally Sound Strategies (ACCESS) in adopting their statement of principle has stated that "they will not pay a premium nor will they show preference for the goods and services required for their daily operations". The groups feel that "doing what is environmentally sound is good business and good business processes and practices will stand on their own."

A purchasing policy which flows from a sustainable development strategy should not foster artificial industries dependent on preferential policies.

Conclusion

Environmental concerns can largely be addressed effectively under the current purchasing policy. The only requirement to exercising this potential is a commitment to do so.

The Purchasing Department therefore recommends the adoption of the statement of principle and the approval of the purchasing strategy.

Your Executive Policy Committee recommends:-

1. That the City adopt the following statement of principle:- In order to increase the development and awareness of environmentally sound strategies, the City will, wherever possible and economical, provide for the expanded use of products and services that have the least harmful impact on the environment without significantly affecting the intended use of the product or service.

   It is recognized that life cycle analysis is required to determine the total environmental and cost impact of such products and services, and that such analysis will be a continuing process keeping pace with technological and industrial development.

2. That the following actions in support of the statement of principle be approved:-

   a) All departments, in conjunction with the Purchasing Department, review their specifications for goods and services to ensure that wherever possible and economical, specifications are amended to provide for expanded use of products and services that have the least harmful impact on the environment without significantly affecting the intended use of the product or service.

b) Wherever possible, existing product approval committees be utilized as technical resources in the review of specifications.

c) Wherever necessary, product approval committees be formed to review specifications.

3. That the Purchasing Department be given direction as to the resources to be allocated and the rate at which the action plan is to be pursued.

4. That special cases that cannot necessarily be addressed by the general purchasing policy be considered on a case-by-case basis.

5. That the City base its purchasing decisions on quantifiable and verifiable evaluation of environmental and economic concerns, and not pay any premium nor show any arbitrary preference for purportedly environmentally sound products or services in the competitive bidding process.

Moved by Mayor Norrie,
Adoption of the clause.

Carried.

New Directions for The Forks - Report and Recommendations of the Committee on Planning and Community Services.

File FR-3

90 - 8. Your Executive Policy Committee has referred Clause 1 of the Report of the Committee on Planning and Community Services, dated October 22nd, 1990, back to the Committee for further review.

Your Executive Policy Committee recommends that Council, in accordance with Section 61.5 of the Procedure By-law, grant your Committee a 60-day extension of time in order to deal with this matter.

Moved by Mayor Norrie,
Adoption of the clause.

In amendment,

Moved by Councillor McKee,
Seconded by Councillor Mendelson,

THAT Clause 8 of the Report of the Executive Policy Committee, dated November 14th, 1990, be amended by deleting the phrase "a 60-day extension of time in order to deal with this matter" and substituting therefore the words "until the Council meeting of January 23rd, 1991, to report on this matter."

Carried.

The clause, as amended, was put and declared carried.

Councillor Murray asked to be recorded as voting against the clause, as amended, in accordance with Section 50.7 of the Procedure By-law.

Purchase of Salvation Army Harbourlight
Property located at the North-East Corner of King Street and Pacific Avenue.

File FI-2(22)

91 - 9. On November 14th, 1990, your Executive Policy Committee laid over consideration of Clause 10 of the Report of the Committee on Finance and Administration, dated October 16th, 1990, relative to the

purchase of
Salvation Army Harbourlight property located at the north-east corner of King Street and Pacific Avenue.

In accordance with Section 61.5 of the Procedure By-law No. 5400/90, your Executive Policy Committee recommends that Council grant an extension of time of 60 days to further consider this matter.

Moved by Mayor Norrie,
Adoption of the clause.

In amendment,

Moved by Councillor Yuen,
Seconded by Councillor O'Shaughnessy,

THAT Clause 9 of the Report of the Executive Policy Committee regarding Purchase of Salvation Army Harbourlight Property be amended to strike out all the words after the word "time" in the last line of the last paragraph, and replace them with the words "until the next regular meeting of Council to be held on December 12th, 1990."

Carried.

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

Local Improvement Projects - Canadian Pacific Railway. File SL-1

92 - 10. Council at its meeting held November 5th, 1980, adopted a policy governing local improvements abutting railway properties which are unfit for building purposes. This policy was amended by Council at its meeting of August 19th, 1981 and March 21st, 1984, and reads as follows:-

> "If the Commissioner of Works and Operations deems that railway properties on which rails are laid for the purpose of rail transportation are unfit for building purposes, that a recommendation be forwarded to Council prior to advertising the local improvements that the property be deemed unfit for building purposes, subject to the condition that if at any time the property is deemed to be a buildable site, and prior to allowing any connection to the underground services or any access to surface improvements, the City Treasurer shall initiate steps to collect the appropriate local improvement costs (either cash or amortized) at the same rate and during the same number of years as in the original term - all subject to the provisions of Chapter 109, Province of Manitoba Statutes (1965) and Privy Council Order No. 1979/607."

The properties listed in Appendix "A" of this report are used for the purpose of transportation and are currently unsuitable for building purposes, and as a result, do not benefit from the installation of local improvement projects. Consequently, the representatives of the railways (as has been demonstrated in the past) will petition against the
installation of these projects, thus jeopardizing (if not defeating) these needed improvements.

In order to ensure the construction of needed local improvements, it is proposed that the properties outlined in the attached Appendix "A" which are owned by the Canadian Pacific Railway Company are deemed unsuitable for building purposes be exempted from the payment of local improvement levies in accordance with the above policy.

However, if at a future time the purpose of said lands changes and they are then classified as buildable sites, the City shall be empowered to recoup local improvement costs for the installation of services, prior to any connections being made to underground improvements such as sewer and watermains, and access to above-ground improvements such as paved streets - all subject to the provisions of Chapter 109, Province of Manitoba Statutes (1965) and Privy Council Order 1979/607.

Chapter 109 of the Province of Manitoba Statutes allows for taxation for local improvements to C.P.R. properties within the borders of the former City of Winnipeg only if the local improvement is a direct benefit to the railway operations of the companies or operations in connection therewith.

Concurrence in this recommendation would ensure that needed local improvements could be installed, as railway property frontage would not be considered assessable and therefore would not be allowed to petition

against these projects.

Your Executive Policy Committee recommends:-

1. That the properties listed in Appendix "A" and owned by the C.P.R. which are unsuitable for building purposes not be assessed for local improvement charges.

2. That if at any time these properties are deemed to be buildable sites, that prior to allowing any connection from underground services or access from surface improvements, the City Treasurer initiate steps to collect the appropriate local improvement costs.

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

Moved by Mayor Norrie,
Adoption of the clause.

Carried.

(Note: See Minute No. 95 for attachment.)

Waiving of Taxes - Non-Profit and Cultural Organizations. File FG-2

93 - 11. Council on May 17th, 1972, adopted a policy that no grants in lieu of taxes be made in future, commencing with the year 1973, and that grants in lieu of taxes not be extended in the year 1972 to any association which did not enjoy this privilege in the year 1971.

The initial Centennial Projects Tax Status Act assented to on June 10th, 1974 (which had been preceded by The Manitoba Centennial Centre Corporation Act dealing only with that Centre) defined the following to be "centennial projects":-

1. The Centennial Centre established to be the permanent arts centre for Manitoba . . . "as the principal memorial in the province to the centennial anniversaries of the Confederation of Canada and the inclusion of Manitoba as a province of Canada".

2. Specified lands owned by the Crown (Manitoba) and buildings thereon being used for the purposes of the Centre Cultural Franco-Manitoban.

3. Specified lands, including buildings thereon owned by the Winnipeg Art Gallery.

The Act was subsequently amended to include the following:-

- Artspace
- Manitoba Theatre Centre
- Prairie Theatre Exchange
- Royal Winnipeg Ballet
- Ukrainian Cultural and Education Centre

Council on March 27th, 1985, referred the following proposed motion to the Executive Policy Committee:-

"That the Province of Manitoba contribute a grant-in-lieu of taxes on any project included under 'The Centennial Projects Tax Status Act'."

The Executive Policy Committee, at its meeting held on April 3rd, 1985, referred the proposed motion to the Committee on Finance for review of the whole issue of grants in lieu of taxes.

On November 13th, 1985, Council adopted the Executive Policy Committee's recommendations (with amendments) as follows:-

1. That where the Provincial Government decides entirely at its own discretion that an exemption from municipal property taxation is warranted, the resulting tax revenue loss to the City (estimated at approximately $20.8 million at 1985 rates for exemptions already mandated and in place) should be fully offset by provincially funded grants to the City; and

2. That where the City decides entirely at its own discretion that a particular group is performing some

function with some identifiable benefit to the City at large which is worthy of financial assistance, such assistance be provided by way of a City grant in an amount which might equate to part or all of the group's property taxes - to be funded entirely by the City's taxpayers.

3. That where the Federal Government decides entirely at its own discretion that an exemption from the municipal property taxation is warranted, the resulting tax revenue loss to the City (estimated at approximately $355,622.00 at 1985 rates for exemptions already mandated and in place) should be fully offset by federally funded grants to the City.

Excerpts from the report adopted by Council on November 13th, 1985, are provided hereunder:-

"Your Executive Policy Committee has been advised that Provincial Government decisions for exemptions for municipal property tax results in an estimated loss of approximately $20.8 million at 1985 rates to The City of Winnipeg.

The submission of the City of Winnipeg to the Manitoba Assessment Review Committee in 1980 recommended that the Province of Manitoba should offset revenue loss pertaining to hospitals and schools on which account the revenue loss to the City of Winnipeg in 1985 is estimated to be $13.9 million of the aforementioned $20.8 million.

The rationale for the recommendation to the Manitoba Assessment Review Committee included in the following, does in fact support the broader recommendations contained in this clause:-

> 'The present pattern of property tax exemptions is essentially the product of legislative decisions - many of which date back to the time when the Province was first created. In reviewing the exemption provisions across Canada, it is apparent that the framework which has evolved over the years in response to the pressures of special interest groups and a variety of social and economic circumstances, hardly results in an equitable distribution of the tax load. The indisputable conclusion is that tax exemptions cannot be justified on sound logic and in many instances they have advanced beyond reasonable limits seriously diminishing the fiscal capacity of local government.
>
> It must be recognized that the City is obliged to provide the full range of municipal services to all hospital and school property within its boundaries. These services are real and they are costly - certainly no less so when extended to exempt facilities which have been relieved of the responsibility to pay a fair share by a Provincial Government decision but a Municipal Government expense.
>
> At the best of times, the property tax base is extremely limited and basically ill-suited for funding the social needs of a community. Given the general state of the economy, the current inflationary period and the low local growth rate, the municipal jurisdiction is already engaged in a serious struggle to maintain existing levels of service on a poor tax base. The same municipal jurisdiction is simply incapable of continuing to carry the financial burden exemptions imposed on it. It is recognized, however, that for social reasons the Provincial Legislature may deem that exemptions from municipal property taxes are warranted for certain types of property. It is within the power of the Legislature to grant such exemptions. There are, however, municipal service costs created or attributable to every type of property; examples are police and fire protection costs, traffic control, street maintenance costs, snow removal costs, transit deficit, certain water and sewer costs not recovered in the water rate and waste collection and disposal costs. To grant an exemption from municipal taxation to any property does not erase these municipal costs, it merely transfers them to all other property taxpayers within the municipality. It bestows a benefit on those who use the property, the cost of which is borne by users and non-users alike. Therefore, should the Provincial Legislature wish to grant an exemption from municipal property tax to hospitals and schools, the Provincial Government should be prepared to compensate the municipality by paying a grant in lieu which will be equal to the municipal portion of the property tax on the property in question.'

An excerpt from 'A Canadian Approach to Minimizing Real Property Tax Exemptions; Conference of Ministers of Municipal Affairs, August 1974' can be considered particularly pertinent:-

> 'The principal weakness of utilizing the property tax to assist various organizations is that exemptions constitute a hidden subsidy. While the assistance granted to an organization may be justifiable, it is the consensus . . . that visible grants should be made by the taxing authority as a conscious decision in its regular budget process.'

Another applicable reference to property tax exemptions can be found in 'Canadian Tax Policy, 1980':-

> 'Obviously, the exemption of certain properties discriminates in favour of tax-exempt organizations leading to a mix of land use which may be different from that which might exist under equal treatment of all properties. A continuation of this tax-exempt status is difficult to support. If a sound case can be made for preferential treatment, then these selected organizations should be rewarded directly in the form of grants rather than on the basis of their property holdings. In this way, the subsidies that are paid are established openly and subject to review and amendment by the elected representatives according to their interpretation of the public interest.'"

There is no doubt that cultural organizations provide a range of services to the community. However, there is no relationship between the amount of property being occupied and the services or good works being provided by an organization. Accordingly, there is little, if any, relationship between the benefits of an exemption and the needs of an organization. Once again, it is suggested that assistance by way of annually approved special grants is the superior means by which the City can recognize the value of such services - if its well defined criteria (for special grants) are met.

It should also be noted that there are a vast number of charitable non-profit organizations which operate facilities as services to the Community. This includes housing for aged and infirm, the Y's, institutions for the indigent or the sick and others - all of which are subject to general municipal taxes which in 1989 totalled more than $5,000,000.00.

It is suggested that property tax exemption for cultural facilities determined on the basis of need is not a viable proposition. If that position was taken, one could expect that this should be extended to needy individuals - notably among them the elderly property taxpayers who are just out of the scope of financial assistance through existing social programs.

In view of the policy adopted by Council on May 17th, 1972, that no grants in lieu of (equivalent to) taxes be made in future, assistance to non-profit and cultural organizations meeting the criteria should be provided in the form of annually approved special grants having no relationship to property holdings.

The Committee on Finance and Administration considered this matter on November 6th, 1990, and recommended that favourable consideration be given to the Official Delegation pursuing with the Provincial Government a method by which the City would recover some if its losses due to the Provincial Government's decisions to exempt certain cultural organizations from payment of municipal taxes.

Your Executive Policy Committee recommends that the Official delegation pursue with the Provincial Government a method by which the City would recover some if its losses due to the Provincial Government's decisions to exempt certain cultural organizations from payment of municipal taxes.

Moved by Mayor Norrie,
Adoption of the clause.

In amendment,

Moved by Councillor Mendelson,
Seconded by Councillor Reese,

THAT Clause 11 of the Report of the Executive Policy Committee be amended to add:-

> "It is further recommended that inasmuch as the exemption from property taxes was granted by the Province at the request of the City; the City request that the exemption now be removed or the Province provide, if it so chooses, adequate grants in lieu of taxes to the City."

Moved by Councillor McKee,
That the clause and proposed amendment be referred back to Executive Policy Committee.

Carried.

94 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

95 - SEE OFFICIAL SET OF MINUTES FOR ATTACHMENT.

CONSIDERATION OF REPORT OF THE

EXECUTIVE POLICY COMMITTEE

On motion of Mayor Norrie, the rule was suspended and the Report of the Executive Policy Committee, dated November 21st, 1990, was considered.

West Committee Room,
Council Building, Winnipeg,
November 21st, 1990.

His Worship the Mayor and Councillors:-

Your Executive Policy Committee submits the following Report and recommends:-

Sale of Debentures. File FC-2

96 - 1. Council appointed and authorized a Special Committee composed of His Worship the Mayor and the Chairman of the Committee on Finance and Administration (or in their absence, the Deputy Mayor and appointee of the Chairman of the Committee on Finance and Administration) to negotiate the sale of debentures as required.
Your Executive Policy Committee, on November 21st, 1990, considered a report from the Special Committee relative to the issue of debentures by way of a Canadian dollar private placement in the Japanese market.

Your Executive Policy Committee submits for favourable consideration, By-law No. 5553/90 being a by-law to authorize the borrowing of money for the purposes of the City by the issue and sale of debentures of the City in the principal amount of $65,000,000.00 in lawful money of Canada.

Your Committee also submits for favourable consideration By- law No. 5554/90 being a by-law of The City of Winnipeg to authorize certain persons to countersign, in writing, debentures issued pursuant to By-law No. 5552/90 of the City of Winnipeg.

Moved by Mayor Norrie,
Adoption of the report.

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

Carried.

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

Moved by Councillor Golden,
That rule be suspended to allow Council to proceed to the order of business "Question Period".
The motion to suspend the rule was put.

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

Yea: Councillors Diamant, Golden, Kaufmann, Lazarenko, McKee, Mendelson, Murray, Reese, Selinger and Thomas. 10

Nay: Councillors Wade, Boychuk, Demare, Douglas, Duguid, Fraser, Gilroy, Lorenc, Mitchelson, O'Shaughnessy, Prystanski, Timm- Rudolph, Young, Mayor Norrie and Councillor Eadie. 15

and the motion to suspend the rule was declared lost.

EXECUTIVE POLICY COMMITTEE
MOTIONS

Moved by Mayor Norrie,
Seconded by Councillor Brown,

97 - WHEREAS at its meeting of City Council held October 31st, 1990, City Council approved a report of the Executive Policy Committee appointing a further eight persons as members of the Winnipeg 2000 Leaders Committee;

AND WHEREAS it was the intention and desire of the Chairman of Winnipeg 2000 that two of those persons so appointed, namely Dr. Marsha Hanen, President, University of Winnipeg, and Dr. Arnold Naimark, President, University of Manitoba, were to have been appointed to the Winnipeg 2000 Leaders Advisory Committee;

THEREFORE BE IT RESOLVED that the appointment of Dr. Marsha Hanen and Dr. Arnold Naimark by Council on October 31st, 1990, to the Winnipeg 2000 Leaders Committee, be rescinded, and that the said named
persons be appointed to the Winnipeg 2000 Leaders Advisory Committee.

Carried.

Moved by Councillor Thomas,
Seconded by Councillor Mendelson,

98 - WHEREAS Council at its meeting held September 19th, 1990, adopted the recommendation contained in Clause 8 of the Report of the Executive Policy Committee dated September 12th, 1990, which reads in part
as follows:-

> "Your Executive Policy Committee recommends that the Official Delegation be requested to raise the following issues relative to the regulation of election contributions and expenses with the Provincial Government:-
>
> a) Contributions -
>
> prohibiting candidates from accepting contributions from political parties.";

THEREFORE BE IT RESOLVED that Sub-clause a) of said Clause 8 of the Report of the Executive Policy Committee dated September 12th, 1990, which states:-

> "a) Contributions -
>
> prohibiting candidates from accepting contributions from political parties"

be rescinded, and that the Minister for Urban Affairs be so advised. Required to Stand as Notice.

EXECUTIVE POLICY COMMITTEE

CONSIDERATION OF BY-LAWS

99 - On motion of Mayor Norrie, By-law No. 5546/90, a By-law of the City of Winnipeg to amend By-law No. 98/72, as amended, being a By-law providing for the regulation of local improvements, 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 No. SL-1.

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

> By-law No. 5553/90, a By-law of the City of Winnipeg to authorize the borrowing of money for the purposes of the City by the issue and sale of Debentures of the City in the principal amount of Sixty-Five Million Dollars ($65,000,000.00) in lawful money of Canada. File No. FC-2.
>
> By-law No. 5554/90, a By-law of the City of Winnipeg to authorize certain persons to countersign, in writing, debentures issued pursuant to By-law No. 5552/90 of the City of Winnipeg. File No. FC-2.