Agenda - Executive Policy Committee - September 3, 2003

REPORTS

Item No. 5 CentreVenture 2000 Downtown Heritage Program Amendment
File EP-1.2.3

ADMINISTRATIVE RECOMMENDATION:

1. That Council approve the following proposed amendment to the grant criteria and procedures of the CentreVenture 2000 Downtown Heritage Program:

   "All applications must be received and approved on or before April 30, 2003, and all approved projects must be substantially completed on or before December 31, 2004. "Substantially completed" has the same meaning, with necessary changes, as "substantially performed" in Section 2 of *The Builders' Liens Act*."

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

Re: CENTREVENTURE 2000 DOWNTOWN HERITAGE PROGRAM AMENDMENT

For submission to: **Executive Policy Committee**

Original report signed by: **Director of Planning, Property and Development**

Report date: May 20, 2003

Recommendation(s):

1. That Council approve the following proposed amendment to the grant criteria and procedures of the CentreVenture 2000 Downtown Heritage Program:

   "All applications must be received and approved on or before April 30, 2003, and all approved projects must be substantially completed on or before December 31, 2004. "Substantially completed" has the same meaning, with necessary changes, as "substantially performed" in section 2 of *The Builders' Liens Act*."; and

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

REPORT SUMMARY

Key Issues:

- This Report recommends an amendment to the grant criteria and procedures of the CentreVenture 2000 Downtown Heritage Program established pursuant to The Gail Parvin Hammerquist Fund By-law No. 7633/2000 in order to extend the deadline to December 31, 2004 for the substantial completion of approved projects under the CentreVenture 2000 Downtown Heritage Program.

- The CentreVenture Development Corporation is confident that this program will lever significant private investment within the Downtown.

Implications of the Recommendation(s):

General implications:

	None
	For the organization overall and/or for other departments
X	**For the community and/or organizations external to the City of Winnipeg**
X	**Involves a multi-year contract**

Comment(s):

CentreVenture has identified the use of heritage conservation grants as an important tool in downtown revitalization.

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s):

-

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required

Comment(s):

- On April 26, 2000 Council approved an allocation in the amount of $500,000 for the CentreVenture Heritage Program from the Gail Parvin Hammerquist Fund.
- In 2001 an additional allocation of $300,000 was made to the Program.
- To date, that entire amount has been allocated, with projects in the amount of $240,000 in the process of being completed.
- There are no overall financial implications to the City

REASON FOR THE REPORT:

In March 2003, the CentreVenture Development Corporation ("CentreVenture") advised that they support the requests of a number of their heritage program recipients that the deadline for the completion of work be extended.

In keeping with CentreVenture's established reporting relationship with the City, the Executive Policy Committee is identified as the Designated Committee for the purposes of administering this by-law.

HISTORY:

On May 13, 1999, Council amended and adopted the *CentreVenture- Downtown Revitalization Report* and its companion, *CentreVenture: A New Approach to Downtown Revitalization Report*, dated May 5, 1999. City Council endorsed the creation of CentreVenture Development Corporation to provide leadership in creating and sustaining business opportunities and economic growth in downtown Winnipeg.

On July 9, 1999, CentreVenture Development Corporation was duly incorporated under the laws of the Province of Manitoba.

On September 24, 1999, the CentreVenture Board adopted its Start-Up Business Plan. On pages 35 and 37 of the Start-Up Business Plan, CentreVenture identified the Downtown Heritage Tax Credit Program and the Gail Parvin Hammerquist Fund as programs that should be administered by CentreVenture under the Development Bank function.

On September 29, 1999, Council "endorsed the spirit and intent of CentreVenture's Start-Up Business Plan."

On March 15, 2000, Council established the Heritage Investment Reserve in accordance with Section 338(1) of *The City of Winnipeg Act.*

On April 26, 2000, Council amended and adopted the creation of the CentreVenture Heritage Tax Credit Program as well as the CentreVenture Downtown Heritage Program.

On May 24, 2000, Council passed the Gail Parvin Hammerquist Fund By-law No. 7633/2000.

DISCUSSION:
CentreVenture Development Corporation

Council created CentreVenture to facilitate private and public sector investment and development by aggressively seeking new business, leveraging investment, and partnering with other levels of government.

Many designated structures within the downtown are currently underutilized or lie vacant thereby providing little in the way of municipal or business tax revenues to the City. The grant enables the renovation of these structures, putting them back onto the tax rolls in productive use. Ultimately, the City receives policy, financial and social benefits far in excess of the grants utilized as incentives to motivate such development.

CentreVenture 2000 Downtown Heritage Program

Council approved the CentreVenture 2000 Downtown Heritage Program on May 24, 2000 with a $500,000 budget. An additional $300,000 was allocated in 2001. CentreVenture and the Administration approved 20 applications. Legal Services advises that the CentreVenture 2000 Downtown Heritage Program created by the Gail Parvin Hammerquist Fund By-law No. 7633/2000 expired on April 30, 2003 and that no additional applications may be received and

projects approved under that Program. Further, they advise that approved projects must be completed within a reasonable period of time following April 30, 2003. Legal Services feels that a reasonable period of time under the current Program criteria and procedures previously approved by Council would be until December 31, 2003.

However, to allow all approved projects sufficient time to be completed, CentreVenture and the Administration request Council to approve the proposed amendment to the grant criteria and procedures of the CentreVenture 2000 Downtown Heritage Program in order to extend the deadline to December 31, 2004 for the substantial completion of approved projects.

The proposed amendment would consist of the following addition to the existing grant criteria and procedures:

"All applications must be received and approved on or before April 30, 2003, and all approved projects must be substantially completed on or before December 31, 2004. "Substantially completed" has the same meaning, with necessary changes, as "substantially performed" in section 2 of *The Builders' Liens Act*."

Financial Impact

The impact of the proposed by-law amendment will only extend the time period for the completion of funded projects. There will be an impact on cash flow forecasts for the Heritage Investment Reserve but no impact on the General Revenue Fund.

Financial Impact Statement **Date: June 12, 2003**

The impact of the proposed amendment will only extend the time period for the completion of funded projects. There will be an impact on cash flow forecasts for the Heritage Investment Reserve but no impact on the General Revenue Fund

"Original signed by"
Gord Courage, Manager
Support Services Division

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

LEGAL SERVICES

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Planning and Land Use
Prepared by: Giles Bugailiskis
PPD File #:

Document name: O:\Reports Directive\Planning and Land Use\Heritage\2003 Reports\Amendment to CV 2000 Downtown Heritage Program.doc