Minutes – Executive Policy Committee - July 16, 2003

REPORTS

Minute No. 297 Request for Funding for the Phase II Feasibility Study associated with the Proposed Canadian Museum for Human Rights
File FG-1.1 (F)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the administrative recommendation, as amended, and submits the following to Council:

1. That an additional appropriation and a grant in the amount of $100,000 funded from the Economic Development Fund, be approved to The Friends of the Canadian Museum for Human Rights, as the City's contribution towards the $2.6 million Phase II Feasibility Study / Capital Campaign (fundraising) for the Canadian Museum for Human Rights.

2. That the contribution be made conditional on the City naming a representative to the committee managing the study.

3. That the Executive Policy Committee be authorized to name a representative to the committee managing the study.

4. That the (Acting) Chief Administrative Officer be authorized to finalize and approve the terms and conditions of any agreements required in respect of such grant.

5. That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

DECISION MAKING HISTORY:

Moved by Councillor Clement,

That the administrative recommendation, as amended by adding the words "funded from the Economic Development Fund" after the word $100,000.00, be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On July 8, 2003, the Standing Committee on Fiscal Issues received the administrative report as information and referred the report to Executive Policy Committee with a recommendation that the matter be referred to Council for consideration of an additional appropriation and grant.

Re: **REQUEST FOR FUNDING FOR THE PHASE II FEASIBILITY STUDY ASSOCIATED WITH THE PROPOSED CANADIAN MUSEUM FOR HUMAN RIGHTS**

For submission to: Standing Committee on Fiscal Issues

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

Report date: July 4, 2003

Recommendation(s):

1. **That the City of Winnipeg approve an additional appropriation and a grant in the amount of $100,000 to The Friends of the Canadian Museum for Human Rights, as the City's contribution towards the $2.6 million Phase II Feasibility Study / Capital Campaign (fundraising) for the Canadian Museum for Human Rights; and,**
2. **That the contribution be made conditional on the City naming a representative to the committee managing the study; and,**
3. **That the Executive Policy Committee be authorized to name a representative to the committee managing the study; and,**
4. **That the (Acting) Chief Administrative Officer be authorized to finalize and approve the terms and conditions of any agreements required in respect of such grant; and,**
5. **That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.**

REPORT SUMMARY

Key Issues:

- The Canadian Museum for Human Rights (CMHR) is a proposed $270.5 million project that will promote and teach human rights; a visitor centred facility of international scope aimed at educating Canadians, especially youth, as well as visitors from outside Canada.
- The Museum will have a profound impact on the City including downtown development as well as the Forks, while providing for increased tourism, and educational opportunity.
- The Asper Foundation has recently concluded an agreement with Western Economic Diversification Canada (WED) to fund the $2.6 million Phase II Feasibility Study for the Museum. The WED will contribute $2.3 million towards the study.
- The agreement is contingent upon the other partners (City, Province, Friends of the Canadian Museum for Human Rights) each contributing $100,000 towards the Study / Capital Campaign.
- This Report recommends that the City contribute $100,000 towards the Study / Capital Campaign as it should address all of the various financial, planning, zoning, real estate,

architectural, waterways, utility, transit, transportation, and parking issues that have been identified by the City's Technical Advisory Committee.

- The Phase II Feasibility Study will also ensure that the Museum is designed in a manner that will address the functional requirements for the facility, that it will fit it's context appropriately, and that it will delight the senses as signature architecture.
- The administration also recommends that a City representative be named to the committee overseeing the Phase II Feasibility Study in order to ensure that the City due diligence issues are addressed within the Study.

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**
	Involves a multi-year contract

Comment(s):

- The proposed CMHR will have significant and positive impacts on the downtown, the Forks, tourism, and education opportunities within the City.

Policy implications:

X	**No**
	Yes

Comment(s):

-

Environmental implications:

X	**No**
	Yes

Comment(s):

-

Human resources implications:

X	**No**
	Yes

Comment(s):

-

Financial implications:

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

Comment(s):

- This Report identifies the need for an additional appropriation of $100,000.

REASON FOR THE REPORT:

On June 25, 2003, the Executive Director of The Asper Foundation wrote the City of Winnipeg (Attachment #1) to request a $100,000 contribution towards the Phase II Feasibility Study for the Canadian Museum for Human Rights (CMHR). As this contribution has not been budgeted, the administration is seeking Council endorsement for the contribution as well as a source for the funding.

HISTORY:

On June 9th, 2003 the Minister of Western Economic Diversification and the Friends of the Canadian Museum for Human Rights signed the Contribution Agreement for the Phase II Feasibility Study.

Phase I of the Feasibility Study for the CMHR has been completed. The success of this Phase resulted in the development of the museum announcement by the partners (City, Provincial, and Federal Governments, as well as the Friends of the Canadian Museum for Human Rights) on April 17, 2003.

On February 7, 2001, the Premier of Manitoba sent a letter (Attachment #2) to the Chairman of The Asper Foundation confirming the Province's,

> "willingness to join your other partners in carrying out this feasibility study. Our participation would include naming a representative to the committee managing the study, as well as a financial commitment to a maximum of $100,000."

On January 29, 2001, the Mayor of the City of Winnipeg sent a letter (Attachment #3) to the Executive Director of The Asper Foundation advising of the City's commitment of $100,000 for funding of research projects related to major tourism and cultural initiatives being proposed by The Asper Foundation.

DISCUSSION:

The Phase I Feasibility Study for the CMHR was completed at a cost of $800,000, of which, the Western Economic Diversification contributed $700,000 and The Asper Foundation $100,000.

The $2.6 million Phase II Feasibility Study for the CMHR has been approved by the Minister of Western Economic Diversification. The Western Economic Diversification (WED) has approved $2.3 million conditional upon $100,000 each from the Province, the City, and The Asper Foundation. The Asper Foundation has approved its share and on July 3, 2003, it was confirmed that the Province currently has this request in process.

The Phase II Feasibility Study will undertake certain aspects of the development of the CMHR including the design (competition, building, site, exhibits, environmental assessment, and sustainability), site analysis (traffic, archeological investigation, etc.), legal development, and initial engineering.

The Contribution Agreement under the Western Diversification Program identifies the following Project Milestones and dates:

Milestone	**Date**
a) Finalize architectural competition criteria and jury	June 2003
b) Finalize architectural competition Request for Proposal's	Aug 2003
c) Receive / assess / jury proposals for architectural design	June 2004
d) Finalize agreement with the winning architecture / engineering team	Sept 2004
e) Reports on engineering, site, sustainability, acoustics, interior design issues	Sept 2004

The administration recommends that the City contribute $100,000 towards the Study / Capital Campaign as it should address all of the various funding, planning, zoning, real estate, architectural, waterways, utility, transit, transportation, and parking issues that have been identified by the City's Technical Advisory Committee. The City's Technical Advisory Committee is comprised of representatives from Planning, Property, and Development (zoning, planning, real estate, waterways, land based information services), Public Works (transportation and engineering), Transit (planning), Water and Waste (engineering), Property Assessment, Corporate Finance (taxation), as well as Legal Services. The Technical Advisory Committee will support the Study and its consultants as necessary.

The Phase II Feasibility Study will also ensure that the Museum is designed in a manner that will address the functional requirements for the facility, that it will fit it's context appropriately, and that it will delight the senses as signature architecture.

The administration recommends that a City representative be named to the committee overseeing the Phase II Feasibility Study in order to ensure that the City due diligence issues are addressed within the Study. The Provincial representative for the Phase II Feasibility Study for the CMHR is the Secretary to the Community and Economic Development Committee of Cabinet.
The administration also recommends that the (Acting) Chief Administrative Officer be authorized to finalize and approve the terms and conditions of any required agreement.

Financial Impact Statement

Date: July 3, 2003

Project Name:

REQUEST FOR FUNDING FOR PHASE II FEASIBILITY STUDY - PROPOSED CANADIAN MUSEUM OF HUMAN RIGHTS

First Year of Program 2003

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 100,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 100,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ 100,000	$ -	$ -	$ -	$ -

Additional Comments:

As stated in the report, an additional appropriation will be needed to fund the proposed contribution toward the Phase II study.

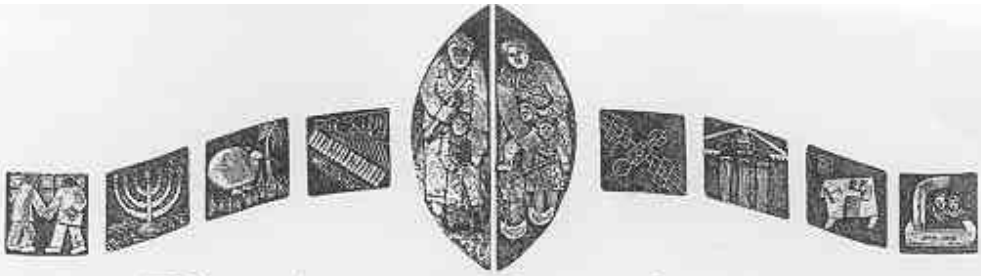
"Original signed by"
Gord Courage, Manager
Support Services Division

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

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Office of the Director
Prepared by: Jim Paterson (6633)

Document name: O:\Reports Directive\Office of the Director\Downtown Manager\Request for Phase II Feasibility Study Funding CMHR.doc



The Asper Foundation

(Founded in 1983 by Israel Asper, OC, OM, QC)

Founder, President & Chief Executive Officer
Israel Asper
OC, OM, QC

Co-Founder, Deputy Chairman
Babs Asper

Managing Director
Gail Asper

Executive Director
Moses (Moe) Levy
B.Comm.(Hons.), MBA

Chief Financial Officer
E. Lonnie Nebbs
C.A.

Directors
Israel Asper
OC, OM, QC

Babs Asper
David Asper
Gail Asper
Leonard Asper

June 25, 2003

Via Courier

Mr. Jim Paterson, Manager
Downtown Improvement and Departmental Projects
Planning, Property and Development Department
3rd Floor, 65 Garry Street
Winnipeg MB R3C 4K4

Dear Mr. Paterson,

Re: Phase II Study – The Canadian Museum for Human Rights

I am pleased to report that Phase I of the feasibility study for the museum is now complete leading to the development of the museum announcement by the partners on April 17, 2003. The total costs of the phase 1 of the feasibility study was $800,000 of which the Western Economic Diversification contributed $700,000 and the Asper Foundation $100,000.

As you are aware, we also received commitments from both the Province of Manitoba and City of Winnipeg for $100,000 each, however, it was not required for this phase.

Phase II has now been approved by the Minister of Western Economic Diversification for $2.6 million which will involve the development of the museum including the building design, site analysis, exhibits, land and environmental assessment, traffic flows, archaeological investigation, legal development and initial engineering. This contribution, however, is conditional upon $300,000 from the Province, the City and the Asper Foundation. The Asper Foundation has approved its share, the Province

1504-201 Portage Ave.,
TD Centre
Winnipeg, MB
R3B 3K6
Phone: (204) 989-5537
Facsimile: (204) 989-5536

RECEIVED
JUN 2 5 2003
OFFICE OF THE DIRECTOR

currently has this request in process and I am requesting that the City approve its contribution per the Mayor's commitment of January 29, 2001.

As we are anxious to issue the contracts for Phase II, I would appreciate the City's contribution as soon as possible. Please note that the contributions should be made to "The Friends of the Canadian Museum for Human Rights."

Jim, Thanks again for all your support and I look forward to working with you.

Sincerely,

Moe Levy
Executive Director

ML/hm

Copy: I. H. Asper, Gail Asper

Enclosures: Letter from Glen Murray to Moe Levy dated January 29, 2001
Letter from Gary Doer to Israel Asper dated February 7, 2001
WD Contribution Agreement, Phase II dated June 9, 2003

The Asper Foundation
1504-201 Portage Ave.,
TD Centre
Winnipeg, MB
R3B 3K6
Phone: (204) 989-5537
Facsimile: (204) 999-5536

PREMIER OF MANITOBA

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

February 7, 2001

Mr. Israel Asper
The Asper Foundation
Suite 1504
201 Portage Ave
Winnipeg MB R3B 3K6

Dear Mr. Asper:

I am writing to thank you for sharing your concept for a Museum of Tolerance with me. I share your belief that Winnipeg is indeed the ideal location for a museum promoting a powerful vision of tolerance, human rights and social responsibility, and will follow the further development of the project with keen interest.

An undertaking of this significance certainly merits considerable planning. I understand that a feasibility study in the order of $800,000 is being proposed, with the federal government contributing $500,000, the City of Winnipeg contributing $100,000 and the Asper Foundation contributing $100,000.

I am pleased to confirm the Province of Manitoba's willingness to join your other partners in carrying out this feasibility study. Our participation would include naming a representative to the committee managing the study, as well as a financial commitment to a maximum of $100,000.

I look forward to discussing the concept with you at greater length as soon as our respective schedules permit. In the meantime, the provincial contact for this project is Mr. Eugene Kostyra, Secretary to the Community and Economic Development Committee of Cabinet. Mr. Kostyra can be reached at 945-8328.

Sincerely,

Gary Doer

GLEN MURRAY
MAYOR • MAIRE

CITY OF WINNIPEG
CITY HALL
510 MAIN STREET
WINNIPEG, MANITOBA
R3B 1B9
(204) 986-2196
FAX: (204) 949-0566

VILLE DE WINNIPEG
HÔTEL DE VILLE
510, RUE MAIN
WINNIPEG (MANITOBA)
R3B 1B9
(204) 986-2196
TÉLÉC. : (204) 949-0566

WEB SITE/SITE WEB
http://www.city.winnipeg.mb.ca

January 29, 2001 FILE NO: 37

Mr. Moe Levy
Executive Director
The Asper Foundation Inc.
1504 - 201 Portage Avenue
Winnipeg, Manitoba
R3B 3K6

Dear Mr. Levy:

Re: Tourism and Culture Research Initiatives

I wish to acknowledge and thank you for your letter of application for funding of research projects related to major tourism and culture initiatives being proposed by The Asper Foundation in the amount of $100,000.

I can assure you that the City of Winnipeg is fully supportive of this request and will do everything possible to facilitate its success.

To that end, please accept this letter as confirmation of the City of Winnipeg's commitment of $100,000 and other resources as discussed.

I look forward to working with The Asper Foundation to have these initiatives realized.

Sincerely yours,

GLEN MURRAY,
MAYOR.

W:\WPDOCS\WILSON\LETTERS\LEVY.LTR