David M. Sanders, M.A., LL.B.

February 18, 2015

Mayor Brian Bowman
And Members of the Executive Policy Committee
The City of Winnipeg
510 Main Street
Winnipeg MB

Re: Executive Policy Committee – 9:00 a.m. Wednesday, February 18, 2015

Reports:
1. CentreVenture Development Corporation - Long Term Funding Solution

Addendum Reports:

SPC on Property and Development – February 17, 2015
1. Expropriation of Lands – Cockburn-Calrossie Combined Sewer Area – Drainage Upgrade Project
2. Expropriation of Lands – Capital Integration Project (Southwest Transitway (Stage 2) and Pembina Highway Underpass)

I am appearing as a private citizen to speak in opposition to three items on EPC agenda this morning.

1. CentreVenture Development Corporation - Long Term Funding Solution

This matter appears on this morning's agenda only because next week it will be eight months since City Council ordered the Winnipeg Public Service to prepare a report and present recommendations to Council on this matter:

On June 25, 2014, Council concurred in the recommendation of the Executive Policy Committee, which included the following recommendation:

"4. That the Winnipeg Public Service further explore alternative long-term sustainable funding sources for CentreVenture in collaboration with CentreVenture and other stakeholder agencies as applicable with the following objectives:

> A. That the Winnipeg Public Service report back to Council within 6 months with a recommended long-term funding solution;
>
> B. That the recommended funding solution provide a viable long-term funding source for CentreVenture for the final two years of its 2014 to 2016 Business Plan timeframe and beyond;

C. That the reimbursement of the Land Operating Reserve Fund be approved in principle for the $750,0000 grant identified in recommendation 2 and that the recommended long-term funding solution addresses such reimbursement."

If there was such a report, it would be on EPC agenda no later than today, for submission to next week's Council meeting, on February 25.

But as has been the case so often, Council's orders have apparently been ignored by the Winnipeg Public Service, headed by whoever occupies the Chief Administrative Officer position, from time to time.

If the report in question had been presented to the EPC on January 21, 2015, on time, the Mayor and Council might have avoided many of the problems which have arisen with respect to the redevelopment of 220 Carlton Street and the financing of the Winnipeg Convention Centre Expansion Project during the last month.

There has still been no public explanation, but this may have had something to do with the Mayor losing confidence in the former Interim Acting Chief Administrative Officer, and suspending him for 30 days on January 16th. On January 21, EPC extended the suspension for 30 days – which expires on, **Friday February 20th**.

The City of Winnipeg Charter Act requires that City Council either reinstate or terminate Mr. Joshi by February 20. Mayor Bowman advised that the matter would be considered by City Council at a special meeting before the next regularly scheduled Council meeting on February 25th.

But as of first thing this morning, no special meeting of City Council has been called. Section 9(20) of the Procedure By-law suggests that there be at least one day's notice for a special meeting.

Will notice be given today for the holding of a special meeting of City Council by the 30-day deadline on Friday? What is happening?

1. Expropriation of Lands – Cockburn-Calrossie Combined Sewer Area – Drainage Upgrade Project
2. Expropriation of Lands – Capital Integration Project (Southwest Transitway (Stage 2) and Pembina Highway Underpass)

I made a presentation to the Standing Policy Committee on Finance on February 12 and SPC on Property and Development yesterday afternoon. You can now find a complete copy of my P&D submission on the City's DMIS website, at:
http://www.winnipeg.ca/CLKDMIS/ViewDoc.asp?DocId=14110&SectionId=&InitUrl=

After listening to the attempts of City staff to give the P&D Committee oral explanations for what they are trying to do with these three projects, I am more convinced than ever that City Council should just **suspend** all authority to proceed with these projects until such time as the new Council can review and **publish** the details of the scheme, its costs and benefits, and the specific arrangements for financing it.

Right now, the civic horse has the bit in his teeth, which means that no matter how hard the Council jockeys pull on the reins, the horse keeps running full speed wherever he wants to go.

If EPC and Council have neither the wit nor the fortitude to rein this horse in, then this morning I will ask you to do at least three things:

1. Order the Winnipeg Public Service, and specifically the Legal Services Department, to amend the proposed expropriation of lands for these three projects so as to **avoid expropriating any land which the City already has a legally enforceable claim to acquire**, without making itself liable to pay any extra compensation which might be triggered by launching expropriation proceedings now. This applies to the Parker Lands, and possibly other sites.

   It is inexcusable that the reports and recommendations before you fail to mention the terms of the 2009 land swap agreement with GEM Equities.

   So far the City has done nothing to implement the external auditor's recommendations arising from the Real Estate Management Audit, approved by Council on July 9, 2014, except refer the report to the Minister of Justice and subsequently the RCMP.

   As a taxpayer, I have no confidence in the ability of the City's Real Estate Department to negotiate these matters, when there is no one on the Departmental staff qualified to perform a professional appraisal of commercial real estate.

2. **Postpone a decision on Recommendation No. 2** for the proposed expropriation of the Parker Lands to provide for a "deep" retention pond for the Cockburn Calrossie Combined Sewer Area – Drainage Upgrade Project, until the civic administration can prepare and submit to SPC Infrastructure and Public Works a complete report on the history of the project, the options considered, and the costs and benefits of the project. Right now, none of that information has been presented to Council or the public.

I note that the City's 2014-2019 Adopted Capital Budget includes a huge "Combined Sewer Overflow and Basement Flood Management Strategy" project budget costing more than $30 million per year, and a total of $163,204,000 for the six years, but it does not provide any specific budget or schedule for the Cockburn Calrossie project.

Now that the CFO has agreed to provide Quarterly Financial Status Reports on major projects costing $10 million or more when they are approved in the Capital Budget, I think it is time for Finance Committee to receive such a detailed report on the CSO project. Yesterday it was obvious that the Councillors have no idea what the civic administration is doing with this program.

3. **Order the immediate release of the six City reports I requested last May, mostly for the Southwest Transitway/Pembina Highway Underpass project, and the Cockburn Calrossie Sewer Upgrade,** which have been withheld by the City administration on "discretionary" grounds under the *Freedom of Information and Protection of Privacy Act.*

   I am attaching copies of my correspondence regarding these reports, including my email to the Mayor on January 1, 2015. Every time I have submitted these documents at Committee meetings, they have been strangely omitted from the publication of my submissions on the City's DMIS website.

   So this morning I want to be sure that Mayor Bowman has actually received my request now, in the hope that he will fulfill his campaign promise to ensure that the discretionary exemptions in FIPPA "will not be used to block the release of information."

   I continue to await your response, Mayor Bowman.

   If the present Southwest Transitway scheme is such a good idea, why is the City refusing to release the HDR Inc. Cost-Benefit Study and the complete Deloitte Business Case and Value for Money Assessment?

   Right now I am entitled to assume that the civic administration rightly fears that these reports will not withstand public scrutiny.

Thank you.

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