COUNCIL OF THE CITY OF WINNIPEG
Wednesday March 24, 2004

The Council met at 1:38 p.m.

The Clerk advised the Speaker that a quorum was present.

The Speaker called the meeting to order.

The opening prayer was read by Councillor Steeves.

ROLL CALL

Clerk: Mr. Speaker Councillor O'Shaughnessy, His Worship Mayor Murray, Councillors Eadie, Angus, Clement, De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steek, Steeves, Thomas, Wyatt and Lazarenko.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: I'd like to recognize Mayor Murray who has some introductions for us.

Mayor Murray: Thank you Mr. Speaker. As you know we started a tradition here of recognizing extraordinary accomplishments by our city staff and by the community. And both of those things have come together here today in a rather extraordinary way.

I'm joined today by Tom Bryk who is very involved with the leadership group with the United Way of Canada and United Way here in Winnipeg. He is President and CEO of Cambrian Credit Union. And Annitta Stenning our CAO.

This year the City of Winnipeg staff and retirees are being recognized with the Quantum Leap Award by United Way. Which means that they have increased their donations of over 25%. Tom will tell you a little bit more, I'm not allowed to steal his thunder about how extraordinary that is.

I know some of you are wearing these gold and diamond pins, Councillors who gave over $1,200, and they were asking politicians to join that leadership group to encourage employees and City Councillors, did step up with some unprecedented high donations to the United Way. I want to thank all of you because I think we should be in a leadership role and be reflected on in the public on our level of giving.

We're also very aware because of the involvement that so many of us have in our communities with community organizations non-profit groups, groups involved with kids, sports, food banks and churches and the importance of the United Way and the way that it gives into the same people and same communities that we give to. This is very much what we try to promote is the values of citizenship.

For city staff this is a pretty big exciting thing. They've put in thousands of hours to raise money every year. They do that with a great sense of dedication and same kind of commitment to public service that they bring to their jobs every day. They're very excited to be here at city council to be recognized today for what has been tireless efforts in the face of some challenges, because there's lots of asks out there with the Human Rights Museum and a Millennium Library campaign and a hospitals campaign going on in university capital campaign. It hasn't been an easy time to be out fund raising. I'll turn it over to Tom right now who's here on behalf of the United Way.

Mr. Tom Bryk: Mr. Speaker, Your Worship Mayor Murray. It's my pleasure on behalf of the United Way of Winnipeg to not only bring greetings but to thank you and thank all the employees of the City of Winnipeg for the tremendous campaign you had in 2003.

Last year you topped almost $342,000 in employee donations and this represented an astounding increase of 76.9%. United Way of Winnipeg is just so pleased with everyone's efforts to bring this together. We believe that this momentum you've created will carry forward into future years.

I just want to share with you some of the numbers that resulted from all of your efforts.

In 2002, the average employee donation was $41.99. Last year it leapt all the way

to $107.74. That is a huge increase in your individual investments in the City. That's really what United Way is all about. It's not charity, it's an investment in our community. It's a way to make sure that we build stronger communities, and that we deal with the issues that we need to deal with and we do it together.

As His Worship said, it really builds community and builds citizenship.

The United Way Campaign here at the City is part of a larger campaign of all the government sectors here in town, the Federal Government, the Provincial Government, crown corporations and 17 Wing. And the City component was approximately 17.7% of that total.

Now every organization needs leaders. His Worship alluded to leadership United Way, and we very much appreciate those people who share the vision of United Way, and have the capacity to contribute at the leadership level which is a minimum of $1,200. We had tremendous success at the City last year, and I thank all the leaders for that.

We had 19 leaders at the City of Winnipeg, and they combined to raise $29,233. But what's really exciting about that, is that we had 13 brand new leaders, 13 people who really understood what we're trying to do and decided to join the existing leadership group and I'm sure we'll encourage others to join in 2004. That was really a tremendous success.

The overall participation rate from the City of Winnipeg employees, was 32.7%, which is quite high and continuing to grow. The City of Winnipeg did more than just contribute their own dollars, they also contributed the time and talent of staff, and we had five loan representatives. Now anyone who's ever been involved with United Way Campaign knows how integral the success of the overall campaign a role that loan reps play. And we had five fantastic people. I see our valedictorian Mark up there who gave an eloquent speech at the end of the campaign representing all loan reps. These people did a tremendous job and really made this possible.

At this time we'd like to present 13 quantum leap awards to the various departments who as His Worship said, had increases of a minimum $1,000 in their individual campaigns, and/or 25%. At this time I'd like to call His Worship forward and hand out some plaques.

Mayor Murray: We have 13 departments receiving this very high recognition. The employee Quantum Leap for City of Winnipeg's Employees Retirees Charitable Fund.

Mayor's Office – Gail Van Wyk
City Clerk's Department – Lynne Foster
Water and Waste – Barb Orr

I just want you to notice how many of these are women, I think we have to put a challenge out to the guys next time to get their share up there.

Property/Assessment Department – Karin Mazowita
Fire/Paramedic Services – Kim Booth
Winnipeg Police Services – Darlene Paulishyn and Norma Danylyshen
Corporate Finance – Maria Fernandes
Employee Benefits – Susan Doerksen
Corporate Services – Monique Wenham
Planning, Property and Development – Rhonda Schlichting
Winnipeg Transit – Karen Funk
Corporate Information Technology – Brenda Auch
Community Services – Fernando Requeima
Public Works – Shirley Thompson & Yvan Lupien

This has been an incredible increase in our contributions. Can we have one round of applause for our employees and the outstanding job they've done for us.

Mr. Tom Bryk: One final thanks and that's to the two leaders of this campaign here at the employee level, and that was Terry Welling-Skoredenski and Patti Regan, they did a fantastic job, re-energizing the campaign being very creative.

We also have one additional award we'd like to hand out, that's to Terry Lynne. You provided exceptional leadership and

thank you very much for everything you did both here with employee campaign and everything you did for United Way. I had the pleasure of doing several presentations with Terry Lynne, and it's no coincidence that when she was there, our donations went way up. We want to present you with a certificate to acknowledge your work and a sweatshirt to remind you of all the sweat you've put into this.

Mr. Speaker: We have two special motions if I could ask the Clerk to read them.

Motion
Moved by His Worship Mayor Murray
Seconded by Councillor Eadie

That Councillor Vandal be granted a leave of absence from today's meeting due to a family matter.

Mr. Speaker: All in favour? Contrary? Carried.

Motion
Moved by His Worship Mayor Murray
Seconded by Councillor Gerbasi

That Council place on record its profound sorrow on the death of Denis Vandal, brother of Councillor Dan Vandal which occurred on March 18, 2004.

This Council extends to the Vandal Family its deepest sympathy and condolences in their bereavement.

(Moment of Silence)

MINUTES

Councillor Pagtakhan moves the Minutes of the meeting held February 25, 2004, be taken as read and confirmed. All in favour? Contrary? Carried.

We have no delegations this afternoon. Moving right into the report of the Executive Policy Committee of March 10, 2004. Mr. Mayor.

Point of Order

Councillor Angus: Communications came just before you go to the Mayor. Generally we receive those as information. There are some very significant auditors reports as part of the communication. I think that we should be referring those to the appropriate standing committee to do with what they want. I'd like your opinion on that.

Mr. Speaker: Having not any note on my agenda of having received any communications this time, they have not been moved, it was only the minutes that had been moved. Give me a moment with the Clerk please.

Under the procedure we have here, it would be in order for you Councillor to make a motion that all audit reports received on this agenda be referred to the appropriate standing committee.

Councillor Angus: I would so move it. It's information that I'm sure the departments are already working on and responding to. I don't have any difficulty with that. The committee heads and the Chairs and the committee should understand the issues and be able to reflect positively on these reports. Thank you.

Mr. Speaker: No further discussion. All in favour? Contrary? Carried.

Report of March 10, 2004, Mr. Mayor.

REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED MARCH 10, 2004

Mayor Murray: I would move Items No. 1 and 2.

Mr. Speaker: No. 2. Item No. 1 has been moved by consent, all in favour? Contrary? Carried. Item No. 2.

Item No. 2 – Plan Winnipeg Amendment – Waverley West File EP-1.1 (PW 2/2003)

Mayor Murray: Thanks Mr. Speaker. I want to thank the councillors who

attended the Executive Policy Committee meeting.

This is the first stage in a look forward at, where should future development, not just within Winnipeg, but within the Capital Region occur.

First reading of the by-law, it's not a commitment in any way by council to proceed with this development plan. It's actually not a development plan to rephrase that. With this amendment to the City of Winnipeg Plan, it is really to anticipate where the next 10 years, 20 years or 30 years of growth should occur. What it does is it triggers the department and the proponents of the project who now have to start preparing material to look at whether this area makes sense for development in the future or whether it doesn't.

Number two. Part of the challenge is that the regional planning process is going on at the same time with our pact, and the '90s, Winnipeg was one of only two cities that didn't grow, we actually lost population, and we're growing by about 4,000 people this year which is a record for us in many years and seen real growth.

The question is right now, does it continue with only .2% growth in the City of Winnipeg over the entire last census period with an 8% growth outside the City, how do we start to capture some of that growth without it being at the expense of neighbourhood renewal or downtown residential redevelopment. Those are all the questions we have.

This really forces this whole issue about where does Winnipeg grow next. What lands should be set aside. We have a number of other areas that are very critical. We have downtown, we have our older neighbourhoods in which we have housing renewal programs. We have some depopulation in the St. James area that could take some additional capacity. We have the Kapyong Barracks and the Fort Rouge Yards. We also have the Ridgewood area in South Charleswood. We also have A and B sections of St. Boniface that have been set aside in the last phase of Royalwood.

The initial analysis that I think most of you have seen have identified that that's probably about five years growth before that's maxed out. As a matter of fact, some councillors corrected us and some of the stats that were in there some of the vacant lots are already gone. This really triggers through our planning process once Plan Winnipeg is approved a larger planning discussion.

The proponents here are both a private developer on lands owned by the Province of Manitoba. Part of the challenge for us is, I guess it was about 25 years ago when I was a very young kid, the City was required to build water and sewer capacity and new developments to more than twice what was required for that development. So Lindenwoods and Whyte Ridge for example have sewer and water capacity at more than twice what was required for the development when it is finished, and it's not finished yet but close to. There's more than twice the capacity there. The reason that that development was set aside…

Mr. Speaker: Excuse me Mr. Mayor, I have to ask you, this is whether or not we should hold a public hearing. You're getting into merits, you're getting into background, and I would warn that for anyone else speaking on this item, this is whether or not we should give first reading to a by-law, in other words whether or not we should even hold a public hearing. The merits of the proposal that would be brought that people are trying to bring to a public hearing, any discussion would mean prejudging.

Mayor Murray: I will just conclude. I don't think that Executive Policy Committee in recommending this has a position on it at this point. I think we see there's potential development. And to put it simply, I think the only thing we're deciding is this something we want to look at. Is this something we want to open up for discussion. This is not asking council to pronounce a position one way or

another. This is just simply to proceed with the research and the public process to find out whether this makes sense. Thank you.

Mr. Speaker: Councillor Wyatt I believe you asked that it be stood down.

Councillor Wyatt: Thank you Mr. Speaker. With regards to this going to public hearing, I feel this is somewhat premature at this point in time to be considering what is being put forward for the purpose of public hearing to amend Plan Winnipeg.

There's no doubt that the south and the southwest requires development capacity. The size of this property I understand that has been outlined in the report is enough housing to fill approximately the size of Brandon.

I share and understand the concerns of my colleagues from the southwest section of the City that require development. Though I question I suppose the size and the magnitude of this Plan Winnipeg amendment coming forward, I think that it would be far more reasonable to come forward at a public hearing on a smaller less grand scale for redesignation from what's being proposed from rural policy area to a neighbourhood policy area.

The fact of the matter is, we still across the entire city have much neighbourhood policy area that can still be developed and is still available for redevelopment through a public hearing, I feel is somewhat unnecessary at this point on a size of the property of this scale. I understand the proponents with what they're arguing, a lot of their concerns I think could be addressed through a secondary plan process to ensure that the planning is done properly for the area, though the actual change in neighbourhood designation to neighbourhood designation I think is premature. I think it will create again what the kind of development we've been seeing in the City, which is a loft side development where the demand for services and roads and infrastructure and everything else that goes with development will continue to rush the south while the rest of the City continues to get ignored. I feel this very strongly and I think this could have been revisited with, and yes with a Plan Winnipeg amendment possibly, one that's far more scaled down, and not the size of the City of Brandon. Thank you.

Mr. Speaker: Councillor Clement.

Councillor Clement: Thank you Mr. Speaker. I just wanted to make it very clear that this member of Executive Policy Committee has absolutely no position on this whatsoever at this time because there isn't anything to have a position on.

I'm rising because I want to make it very clear that the only reason why I'm going to vote for this today is because I believe that everybody has the democratic right to be heard, and that's what a public hearing does. I have no preconceived notion whatsoever about this project or its size or other until I see some real information. I look forward to seeing that unencumbered information come forward Mr. Speaker.

Mr. Speaker: Thank you. Councillor Steeves.

Councillor Steeves: Thank you. I rise in support of this matter going forward to the first staged public hearing. The reason I do so is although I do too have some concerns expressed by previous speakers, I feel this is a matter that absolutely bears looking at, and the reason I feel that way is even though I have concerns as I think a lot of people around the council table do about exurban developments, developments that's taking place on the outside of the City. I say concerns, not absolute terror, some concerns. There are some densification issues.

There is another side to the coin of course on this issue and that is the percentage of growth in the Capital Region in terms of new housing development that is taking place as a ratio of the entire Capital Region. Simply put, it's my concern that a lot of development that is taking place in the Capital Region, people who are functionally living in the City of Winnipeg

are building outside of our municipality which of course is not a situation that we would desire. That situation has to be addressed obviously if that is in fact the case, and those are the types of facts and figures that I look forward to dealing with as this public hearing winds its way through.

Things that are going to have to be decided as we roll through this public hearing process, it's difficult to discuss the Mayor's even going forward with this proposal without discussing some of the issues surrounding it.

I hope that I've conveyed some of my concerns, but I hope I've also conveyed some of the my concerns of not going ahead with this. This will represent an opportunity to visit some of those issues through that process. I look forward to playing a part. Thank you.

Mr. Speaker: Councillor De Smedt.

Councillor De Smedt: Thank you Mr. Speaker, and I'll try and respect the generality of the discussion we're supposed to have here. But not being a member of EPC I don't hear the public hearing. I'm not sure I'm as constrained as others.

The fact is, is that it's rather interesting that we are going to be opening this up for consideration to change Plan Winnipeg. I understand that. I have no position at this point in time. It would have been nice if we had received, if all members of Council had received the market analysis reports and all the other supporting documentation that was there that indicated that we have a crisis in our huge city with potential housing lots available, and that therefore this was urgent. I take no apologies in saying, I think it was urgent in the minds of the Provincial Government. It really would be nice coming from the private sector to simply say, I wish they would divest themselves of that property and let the private sector work. I'd be very pleased to be involved in a public hearing.

I stay relatively neutral obviously in rendering an opinion as we're bound to do until we have all the evidence. As they say in Newfoundland, passing strange how these things emerge on somebody else's political agenda. It certainly wasn't on mine in 2002 when we had a new election campaign. We didn't seem to have a problem about enough growth in the City at that particular time. I stand being neutral Mr. Speaker just to be clear on this matter until we see the evidence. It would have been nice to have seen the preliminary evidence that has been circulated around. Thank you.

Mr. Speaker: Councillor Thomas.

Councillor Thomas: Thank you. I, too am reserving judgment until after the public hearing, but I do have some questions with regard to this. While I acknowledge that there is some development that is occurring within the City limits in the south-western quadrant, I wanted to point out that the area largest development is actually in the northeast area. It's unfortunately occurring outside the City limits. I'd be more comfortable if we were looking and developing land that is 10 to 15 minutes from City Hall right close to my area. Between East Kildonan and Transcona there's this huge large undeveloped area that would be infill, and that's where my priority is.

I haven't passed judgment on this. I'm willing to let it go to public hearing and hear all the arguments. My understanding with regard to what Councillor De Smedt said and correct me if I'm wrong Mr. Speaker. The reports that the Administration writes, they only write if it goes to public hearing, like we don't ask them to do reports if we might not give it to public hearing, it's only when it goes to public hearing that we get that kind of analysis, and it's that kind of administrative analysis as well as the private sector and citizen input, that that all happens at that time. That we don't get that analysis in advance of a public hearing. It all happens at that point.

Mr. Speaker: Councillor Angus.

Councillor Angus: Thank you. My question is a process question. I took the request to Executive Policy Committee,

and I didn't see or hear anything about it other than thinking it was a good idea at EPC.

My community and my ward borders this particular application. I want to ensure that the proponents, that is the developers, the Province, Ladco principally put out some sort of information into Richmond West, into Waverley Heights, into Whyte Ridge, into Lindenwoods the areas that surround this, explaining to people what they're trying to do and why they're trying to do it, where the public hearing is, how they can participate and make their views known one way or the other. I think it's very important Mr. Speaker, because otherwise the people are only going to be subject to whatever they've read in the paper, and another little box that says, there's going to be a Plan Winnipeg amendment, and only those special interest groups will come down there and talk that watch those types of things.

Mr. Speaker, I don't know how to make that happen. I'm here to tell whoever is watching, and whoever is paying attention that if that does not happen I will not be supporting this application. Thank you.

Mr. Speaker: Councillor Angus, might I suggest that you could ask Ladco and the Housing Minister to do this, otherwise you might ask the Executive Committee on opening a hearing, should there be one, that they should lay it over and send out all the information they have to all in sundry in Southwest Winnipeg.

Question on the clause. All in favour? Contrary? Carried.

Councillor Wyatt recorded in opposition to the clause.

Report of March 17, 2004. Items 1 through 5.

REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED MARCH 17, 2004

Mayor Murray: I will move Items 1 through 5, I think there's some motions on some of them Mr. Speaker.

Mr. Speaker: I believe there is a clause four, there is something before us. I don't recall anything else. Items 1, 2, 3 and 5 as consent. No. 3. All in favour, Items 1, 2 and 5 as consent. All in favour? Contrary? Carried.

Item No. 3.

Item No. 3 – 2004 School Division Levies and Mill Rates File FL-3

Mr. Speaker: Mr. Mayor did you wish to introduce this Item.

Mayor Murray: I think we all made our speeches on this yesterday, Mr. Speaker. I think it's extremely exasperating for many us that the property tax bill is for most Winnipeggers a 55% going to the other authorities funding education.

There is a report right now that the City has been a party to with the Association of Manitoba Municipalities, and I think is going to provide to the Province of Manitoba a very coherent set of ideas to reduce the property tax burden in the line of the education property taxes with other provinces. A great deal of work has gone on in it.

Bob Woseloski from our staff is providing a great deal of expertise to that. That will eventually, I think it's already landed, if it hasn't very shortly on the Premier's desk, and the Minister of Education's desk.

I think we as a city government should be very actively supporting the position that the Manitoba Association of School Trustees have taken on this, and the position of the Association of Manitoba Municipalities which is to restore the funding of public education to 80% from non-property tax sources and 20% from property tax sources which is aligned with others. That 20% is basically as it is with the City capital expenditures.

There's a very well elaborated rationale. There's alternative ways to fund public education in there. I know those of you who represent us on the Provincial and Federal Associations, Councillors Steeves, Eadie, others I think have lent

some heft and some weight politically to that. I hope that the Province will respond to it. There's time for carrots, times for a stick, and I think we don't want to make the school trustees the enemy here, they do share the need to have the same equitable funding formula that school trustees and other parts of Canada do.

I'm hoping Mr. Speaker, that this will be one of the last times we have to pass very high education mill rates. As you all note as legal services is good at reminding us this, is this is the democratic challenge we have where we can only vote yes for this because we are not legally allowed to vote against this. Which is a little absurd but it is the law.

Mr. Speaker: Councillor Steek I believe that you asked for it to be stood down.

Councillor Steek: Thank you Mr. Speaker. I brought this up because of the fact that in fairness I did not speak to it yesterday. I think we're all aware of the magnitude of what has happened here.

Just using my own word briefly as an example. From 1990 through to 2003, the municipal taxes have risen 18% which is 12% below inflation. With the most recent school tax increase we are now up over 85% during that period of time.

Why is it so critical? It isn't just because of the fact that we're now 53% to 55% on the school tax side versus the municipal. I think it's because of the very detrimental impact it has on the real estate industry. The impact that it has on the people's values of homes that keeps housing prices here artificially low. For the vast majority of people that's the greatest investment that they have.

The Mayor spoke yesterday and stated that point blank, his next driving challenge is to realize the new deal and stated that the new deal clearly was within the domain of the Province and the Federal Government that deliver, and I agree with that. I believe that the issue of school taxes in getting it off the back of the taxpayer, is something that is the largest issue facing us as a city council, and the Mayor talked yesterday once again about referencing your members of Parliament and your MLAs and so forth re the new deal. I would urge that there be the same kind of consideration given to the members over in the Legislature re this specific issue.

Those are my comments. Are we going to be supporting it here today? Yes we are. But you know what, we're getting to a dangerous impasse here with our citizenry. Because the fact remains is we have brought forward motions in the past asking for separation of the tax bill to make it abundantly clear that all we are is agents of collection.

The fact remains, is even after the Herculean efforts of this city council to keep taxes well below inflation and particularly in the era from '95 through to '04, taxes continue to rise dramatically. There has to be an issue here of paramount consideration for the Province.

I've heard the Mayor, and I'm hoping well hear from Councillor Eadie here, and I say that because I've read the report that he forwarded on to us about what was being looked at in Saskatchewan. For instance, whether it was a PST increase or whether it's a situation where there's redistributions through income tax, there are a myriad of models. The Mayor talked on an 80-20, and you know what, I think that's what we want to do. We want to get this thing into motion.

I'm also anxious to hear from our representative both in intergovernmental affairs here, Councillor Thomas, I would assume she's been involved in some discussions with the Province as this is such a major issue. Likewise, I'm hoping to hear from the Secretary of Government's Reform as to whether or not there has been communication with the Province.

The issue is going to become that much more paramount I believe with the next reassessment. I believe that you're going to see a shift again from some of the commercial and back onto some of the residential areas in this city that have exploded in value. If that comes into being, you needn't take a look further

than areas like River Heights, Tuxedo, Charleswood, Lindenwoods, that southwest quadrant, the escalation and the values in those properties will be far below far greater rather than anything that will be absorbed within the mill rate. There's going to be all sorts of people once again that are going to be looking at staggering tax increases in the eye.

I raise this as an issue for this council as a whole, and I think it's paramount that over the next 12 months that it be addressed. Those are my thoughts on it, certainly I'm going to be supporting it this go round as painful as it is. I'm hoping to hear from some of the members of EPC that I anticipate are somehow involved in discussions with the Province. Thank you.

Mr. Speaker: Thank you. Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. I rise today because I will not be supporting this. I understand by law we have to.

It's interesting that 150 years ago there was nothing here but mud when you think about it. In such a short period of time we've built a great city and we've done it I think largely on the fact that we've done it through good management and sound leadership.

What's been happening at our school board level and with regards to the Provincial Education taxes, is anything but good management and sound financial decision-making.

It's out of control Mr. Speaker. It's out of control. My school division which has undergone amalgamation, under the first minister of education started this process out, has undergone last year, 15% increase. The property taxpayers were hit with a 15% increase in my division. Now they're being hit with a 8% increase. 23% in two years compound that is pushing 25%. It's wiped out any savings that this council has achieved in the last decade, plus the next decade if there's going to be any property tax freezes or cuts.

What's occurred in my mind Mr. Speaker, or what's occurring in my mind is a complete lack of leadership from our provincial government. Our provincial government has not seen the urgency of this issue is my impression. We've gone through three education ministers now, we're on our third. Still no results coming from the Province.

The ratio from city taxes to school taxes at one time was approximately 50-50, one time it was actually far more city taxes than school taxes. Now that's gone completely the reverse. Where the majority of the taxpayers bill is made up of school taxes. Education in my view and I think in the view of many citizens of the City, is not a service related to property. It's a service related to the development of our economy and the development of our children, and ensuring that the Province can grow and prosper into the future. There are other options that the Province could look at. And the Province has chosen not to. We're one of the last jurisdictions now in the country where we rely heavily on property taxes to fund education.

I feel very strongly about this. I'm getting calls from my constituents Mr. Speaker, they're upset. They know this is coming down. This is on top of a 15% increase.

Ironically when the amalgamation was sent out to the public and trumped up, it was said that this was going to make things more efficient. We were going to have less school boards, things will become more efficient, and things will be better run. The reality is, it's just the opposite. Instead of taking teachers contracts and making them more efficient and the cost of doing things more efficiently, they're amalgamating the contracts and they're going up to the highest common denominator, not the lowest common denominator when it comes to the salaries of teachers.

When you look at what the school boards are spending their money on today, 85% to 90% of their budget is going to staffing. Most folks that I know in the union movement, the labour movement, they would give you fist in your mouth if you

said you were going to take away your right to strike. We don't want the right to strike. We're quite happy with the arbitration process.

The reality is this Mr. Speaker, we've got decision after decision of contract negotiations being referred to arbitration where arbitrary decisions are being given where contracts are being awarded, above the rate of inflation some cases double the rate of inflation. That's why our school taxes are going up. There's no rocket science about this.

The Province, let's speak frankly here, refuses to take this on because they are very well connected to the teachers from what I've heard. They refuse to take this on and refuse to make this an issue.

I would suggest Mr. Speaker, that that is one of the reasons why there's a lack of leadership on the side of our provincial government. This has been going on long enough.

I'm going to vote against this. I think of one of my great heroes Gandhi, and Gandhi said, agitate, agitate, agitate. The reason he said agitate, agitate, agitate, is because you must provoke, and you must provoke the establishment, and we have to provoke the establishment. The establishment is over there on Broadway with those big pillars at the Legislature Building. They're sleeping over there. And we must provoke them. We must provoke them to wake up. Even if it means that all of us will have to be in the hoosegow to stand up for our residents and our citizens, sobeit.

Mr. Speaker we must bring this to a point if necessary I don't know if you call it a constitutional crisis, but a crisis nonetheless of saying no to this increase because it is unreasonable, it has gone long enough. Every year we stand up last year we did the same thing the short time I've been here, we've stood up and made the same speeches. I voted against this last year, I'm doing it again. I encourage every council colleague here to do the same. Don't worry, we'll have a good bail bond officer working for us because you'll need one.

Let's stand together on this because it's not going to go away. The Province is sitting back and playing the old game of passing the buck onto the school divisions saying, oh those evil school trustees, they're the ones at fault here. Shame on them. The Mayor is quite right not to blame the school trustees, they're managing with what they have and what they know that they can do. Their hands are tied with legislation which requires them to negotiate with unions that do not have the right to strike and have every right to arbitration, and they have these challenges ahead of them.

The Province and the Minister of Education and the Minister of Finance as far as I'm concerned who refuses to do anything on it. This is a complete lack of leadership.

I'm glad to hear what the EMM has come out with and I welcome that. As well I support the school trustees and what they're pushing for. I feel if we set as a council not to support this today Mr. Speaker, we would be setting an extremely strong message to the Province, that this cannot go forward and that business as usual with regards to these ever increasing taxes that are eating up whatever tax room we've created as a council being wiped out is not acceptable. Thank you.

Mr. Speaker: Thank you. Councillor Steeves.

Councillor Steeves: Thank you. I will be supporting the motion because I think it is our duty to do so. I acknowledge that, and I think although I would like to speak to it, I would like say, that I'd be remiss if I didn't comment on my distinguished colleague from Transcona's comments.

Of all the things I thought I would never hear in this council chamber from Councillor Wyatt, Gandhi is my hero, is at the top of the list, and I'm certain of that.

Come to think of it, Gandhi leading the East Indian people through the seas to make salt against the wishes of the then Colonial Government, is not unlike a

young councillor from Transcona leading his constituents across the tracks at CN. I can see the parallels.

Like the two speakers before me, I myself acknowledge this problem and do not blame the school divisions. I am an old school trustee from the old days. I know how difficult it is, I was the finance chair for at least three years. I know full well the difficulties that these divisions were facing and are facing right now.

Councillor Wyatt's numbers might not have been spot on. I think in the Louis Riel School Division the operating budget now I guess combined $90 million to $100 million, probably 80% of that is spent on people, people that they hire. They run budgets almost entirely based on operating. As you know the capital budgets are funded through the PSF. All the money that they raise and spend, is spent entirely on people to either work with or teach kids. I don't think anybody around this council chamber and probably most people in our community wouldn't entertain the idea that we should in some way be lessening the ratios of adults in our schools working with children. That's not the end that we want to achieve. Nobody wants to see that.

I would also note however contrary to what Councillor Wyatt stated. It's true in the past few years teachers have been receiving raises in and around 3%. However I do remember in the early to mid '90s when teachers were being frozen at zero percent for at least a few years in a row, so there are tradeoffs. We have to look at this a bit historically. I think we all acknowledge teachers do a great deal of work in our community.

The problem doesn't rest with the school divisions, they have a problem they have to address. I know in the St. Vital School Division was amalgamated with the St. Boniface School Division, they had to build into their operating budget of under $60 million costs of $2 million to deal with the associating costs of amalgamation in one year. $2 million they had to go the local taxpayers to fund, the Provincial Government would only fund a small small part of it. It's been very very difficult for them.

One thing, we keep having this debate year after year after year. We never seem to get a really clear answer as to the position of the Provincial Government on this issue. This is the rarest of political issues I think for the Provincial Government, wherein I said this yesterday, over the course of the last two elections, I believe and I don't think I'm mistaken, that Jon Gerrard the Leader of the Liberal Party and Stuart Murray the Leader of the Opposition Party have both endorsed the principle that the education portion should be taken off our tax bill. Now we've heard from the Mayor of course that MAST has a similar if not identical position that they are willing to look at something drastically different in terms of the property tax model.

In those pretty interesting political circumstances you would think this would represent a pretty rare opportunity for the Provincial Government to look at this issue in ernst. I mean, not many provincial leaders would expect to be I guess endowed with that consensus either in the Legislature or at the Manitoba Association of School Trustees.

Councillor Steek did mention that the Chair of the Intergovernmental Affairs or somebody else, might want to make a formal request to get a position back from the Provincial Government on this issue to see exactly where it is that we stand, is there anything we can do to assist this process and move it along. If it is truly something that we're interested in, how can we help them achieve this goal because there's obviously both opposition parties at the Provincial Legislature, the Manitoba Association of School Trustees, the Association of Manitoba Municipalities and of course the Winnipeg City Council, all of whom are on board with this greater idea, but we can't seem to move the ball ever on this issue, and it seems to in some ways confound common sense.

If it's the will of MAST, Winnipeg City Council, the Conservative Party, the Liberal Party, the Association of Manitoba Municipalities, we might be able to then

make the assumption that it's also the will of the greater community at large. Could we not make that assumption? Maybe we should look at this in Ernest. I'm hoping that maybe we can get a report back fairly soon or some communication out and back from the Provincial Government as to where we're going on this issue. Maybe it's going to be wrapped up in the new deal discussions I'm not certain, but if it is or it isn't, we need an answer on this issue and we should really get there. What concerns me most about this issue, is the larger context.

Councillor Wyatt stated, that his community went from an 8% to a 15% in two years. I know the Louis Riel School Division mine and Councillor Vandal's school division has gone with I think a 6% and an 8% in the last couple of years.

In this type of tax climate, what you run the risk of happening, if politicians don't deal with this issue, the community at-large might well deal with this issue. And you might wind up having mini tax revolts in communities where people simply refuse to pay those types of increases. That could happen.

In that context, what you sometimes see happen, is rather regressive movements that happen at school trustee election times where people are coming forward who don't know a wit about teaching children, they don't know a wit about how children develop, they're trying to get elected exclusively on hack and slash programs, and hack and slash policy developments for school divisions which is not profitable and which doesn't make sense for kids. There is a real danger if this issue isn't checked in the longer sense, that you might have these movements coming aboard, these back to the basics movements that we can do more with less, we can have less teachers, less principals, less teachers aides. It all becomes about cutting taxes. That becomes a very very dangerous climate for kids in our community. I don't personally subscribe to that philosophy but we're leaving the door wide open. Thank you.

Mr. Speaker: Thank you. Councillor Clement.

Councillor Clement: Thank you Mr. Speaker. I rise to first of all support the levies because I respect the law even when the law is an ass. I think it's the appropriate thing to do. I appreciate the robust speech from my young friend from Transcona, but the reality is, that speech has been made a couple of times in here. The fact of the matter is, is that we wouldn't scare the be Jesus out of the Provincial Government if we did that, because all they would do is first of all, they would just stop sending us our money and they'd send it to the school trustees. They're not going to be out anything. The trustees aren't going to be out anything, and we're going to be sitting here with no money. We've been down this path before.

I think though the issue is germane. It's not about what school trustees are doing, I don't think they have an easy job frankly, I think they've got a lot of tough decisions to make. It's not about them. What I think it's about is, the distribution of the monies that are being used.

As an example. ESL which is roughly a quarter of everybody's taxes was created in 1967 by Dr. Johnson. It was put in place to create capital for building new schools. Well guess what? Only about a third of the money that gets collected every year gets used to build new schools. The balance of the money doesn't even go into a reserve for building new schools. It goes right to the bottom line to general revenues. That's just plain wrong. There are issues that we should be making known to the Provincial Government. There are issues that we should be making known to the public, because the general public doesn't understand that in my view. It shouldn't be dropping to the bottom line.

Let me give you the second one. Under that same program when they're collecting money, and the most recent numbers last year's numbers, the Provincial Government collected $188 million under ESL. It distributed and out of that $188 million, $125 million of it

came from Winnipeggers on their tax bills. It distributed, and we can't even tell when we look at their own books because of how they do them, we can't tell whether they spent $93 million back in Winnipeg School Divisions, or $107 million back in Winnipeg School Divisions. It's somewhere in between there. But even if you take the outside number there's $22 million that was raised last year in Winnipeg that's being used to subsidize rural Manitoba education, on our taxpayers backs. Don't get me wrong, I don't have any problem with the children in rural Manitoba being educated properly, that's not even an issue. They deserve it and I've got no problem with that.

The point is, who's paying Mr. Speaker. The problem I've got is that the people that are paying in many cases they're elderly. They try and stay in their homes. They've worked all their lives to be in those homes, and they can't afford to stay there because of the overall taxation. The trustees are caught because they don't have anything they can do. They've got one place to go for the money. I've got some huge issues with how these things get distributed.

Another quirky thing that I think is absolutely bizarre is this $400 property tax credit at the end of the year that everybody gets. Instead of having inflated school numbers and pretend that they're giving everybody a $400 grant, why don't they just get rid of the $400 grant and apply it against the overall cost of schools and lower the cost on the taxes so that when businesses in particular looking at the economic opportunities in Winnipeg, that our tax bills look a little more favourable. And why can't a provincial government never mind this one, the last one too, understand that. I don't know what they eat when they go over at that restaurant over there on Broadway, everybody who seems to go there seems to forget where the heck they came from and what they were arguing for. I've seen a lot of good people here, they go over there all of a sudden they're not the same folks anymore and I don't understand it.

I hate to talk about the fact that every time a minister gets appointed that he's got deputies underneath him who never move. Couldn't be the problem I don't suppose. I'm not sure.

It seems to me that there's a problem. Councillor Steek is right about one thing. That the public doesn't know about most of these issues. They understand that they pay a lot of school taxes. They understand that we're holding the line and that trustees can't. They understand that there's a whole bunch of issues out there. Oh well it's education and they must need the money.

The fact of the matter is, that education should be completely funded by the Provincial Government, it should be funded out of income taxes. It shouldn't be funded on the backs of property taxpayers, particularly the elderly ones that have worked all their lives and want to stay in their homes. That's what the issue is.

Should it be a component of any new deal discussions? I don't think that you can put it into a new deal portion, but we sure as heck have to get this up front. This is a huge provincial issue. As far as I'm concerned it's the biggest issue that faces every MLA in this province because whether they like it or not 68% of this province lives in this city. They better start dealing with it or there's going to be a Winnipeg party created that's probably going to deal with it.

Mr. Speaker: Thank you. Councillor Smith.

Councillor Smith: Mr. Speaker, every year we have this situation, and we get Councillor Wyatt or someone else getting up and making an emotional speech and we do it again every year. Maybe we can expect it. Maybe we should have this as an event every year.

The fact is, what are we doing about it? What as we as a council doing about it? If it's such an important issue as Councillor Clement has mentioned, EPC should and this council should be acting.

I'm going to vote with Councillor Wyatt, I know it's futile. That's just my personal registering that I don't like what's happening. I would expect EPC to be doing something. Look at how we came up with the new deal. Let's have a little bit of creativity there dealing with this major issue. Why do we have to deal with this all the time? I think there should be leadership from this council from EPC to communicate with the Provincial Government and I don't know if that's really happening. That's what I'm concerned with. I think we have an obligation to the citizens of Winnipeg, and I think we're letting them down by just coming together every year and just voting for this.

Mr. Speaker: Thank you. Councillor Lazarenko.

Councillor Lazarenko: Thank you Mr. Speaker. I don't know how many times I hate to even count how many times it's been before Council with the same repetition we followed through every year.

Not one member of the public is present here today as a delegation to voice their opposition or in favour of what's before us here today with the school budget. I'm talking about those who are faced with the tax increase from $40 to $86 in Transcona and River East. Nobody is here. Show's you how concerned they are. Can you imagine what would happen if we had a tax bill that would be increased by $86 on a home that's valued at $100,000. These chambers would be full. Something is wrong with the communication system. We argue it in here, but legislation tells us what we have to do. I used to vote against the school taxes, I was threatened that I might lose my seat, breaking the law. I don't do that anymore. It falls on deaf ears.

You have 31 MLAs in the City of Winnipeg who have the majority of the House of the Manitoba Legislative Assembly who represent the citizens of Winnipeg. Nothing. You have school trustees who have a responsibility that they carry out but how well. We never see their budget that they deal with, we don't know what the increase of cost is of their programs. They don't give it to us because in other words it's none of our business.

The trustees want this. Believe me I've talked to some of them they've said hey Harry, we don't have to come and take the phone calls and get abused by the tax increase, you guys are doing it for us. The tax bill that comes out Mr. Speaker is from the City of Winnipeg. Total taxes are school and municipal. Not too many people understand and they don't care, they care about one thing is the dollar that they have to pump into the taxation system, and that's what hurts them.

Take a look at all the school buses that are running around the City of Winnipeg, all of the school divisions. That is so costly every penny that goes up in fuel costs is a further cost in the education system.

When former Mayor Bill Norrie ran a committee, to look at all the school divisions in the Province of Manitoba, their recommendation was to cut. Council was cut, Mr. Speaker we're the only two that are left here from the 50 member council in the '70s, we were cut from 50 to 29, from 29 to 15. I assume the work is being done better because you have less interference, you don't have to have a meeting of a 50 member of Council, some council members would never speak for three months because they wouldn't have time. If the Mayor didn't care for the particular councillor you did not speak, period. The individual councillor would be begging every time every council meeting to be heard.

Changes have come, and we were able to do that with the City of Winnipeg. Why can't they do it with the Province. When we talk about the proposed new deal, this should be something put in there that we should and especially Executive Policy Committee have that mandate responsibility to talk to the Province, and say, we want that change in the legislation. Collect your own taxes. We do ours, you collect yours.

After $86 tax increase for 2004, River East/Transcona, I don't blame Councillor Wyatt, he's representing an area that has

the highest tax increase. But one thing that bothers me, is nobody is here as a delegation to rant and rave, don't you vote for this. Even though you don't have the power, but don't vote, send a message.

The Province is laughing out of this. Trustees are laughing because they know legislation is what we must do, we have to do it and that is it. Nothing you could do even if you wanted to do something. The message has to be sent. How do you do it?

I would suggest maybe a huge king size petition to be circulated among the citizens of Winnipeg and sent to all MLAs to make those changes.

I remember in the years past, we had members who came to this chamber who were former school trustees, from there they went as council members to MLA, Cabinet Ministers. They went onto as member of Parliament. Everyone was singing the same tune to what we're singing here.

Former Premier Gary Filmon sat in the chambers here in the '70s, he was the Chair of Public Works. He used to get up and speak and say you know, we have to act now, we have to get up to the Province, this is so unfair. That we are paying the bills we have to do the collection. They went there, nothing changed. I don't care if it was the Conservatives or the NDP nothing is changed, and nothing will change. There's no reason for it to change.

You can see what's happening here today. People that are paying the increase it seems to me they don't care. You know what will happen? People like Councillor Wyatt will be getting the phone calls and saying what the hell is going on there. My taxes went up by over $80, and the City taxes haven't gone up at all. How many will understand that? How many will phone and say that this is and thinking that $86 increase for the school taxes and the municipal taxes.

Blame the school trustees to a point, yes. When you talk about voting against this, I would say no because it is not going to send a message of any kind.

The issue that is here before us today Mr. Speaker, it's hard. How many years now that I've been answering calls that were not related to the municipal taxes. Frustration from people that have to pay this increase.

When you have a person who's faced with this hefty increase knowing full well what we've been doing and others have been doing, the Province have been having a balanced budget. Now the Federal Government is saying that they're trying to do the same thing. Sometimes I begin to think that I wish there was a federal election each and every year, we'd have all the damn money we needed, provincial too. That's the time when they start giving out lots before the election. We're stuck with what we have to do. We have to cut programs. We have cut down our services. We have cut down also the number of people we have employed in the City of Winnipeg. Take a look at the statistics. What it was a few years ago compared to what it is now, it's about 8,500 employees. We've cut down by over 2,000 employees within the last six years. That was done a lot through attrition but it was done to lower the taxes.

The school divisions do not do that. They have their meetings that it's more In Camera than out of Camera. They don't have the media there as much as the media is over here. They present this to us, we have to by law to collect and nothing. Nothing at all Mr. Speaker. I'll tell you what it's actually a waste of time even to talk because there's no one here as a delegation. I'm telling you, it's disappointing.

I could say this. People that are being stuck with paying from $40 to $86 per year on a home that's assessed $100,000, don't complain. Don't phone any member of Council to say, look what's happened with my taxes, they're up so high. Where are they? It's not up to us to bring them here.

Mr. Speaker: All in favour of the clause? Recorded vote has been called for.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Murray, Councillors Eadie, Angus, Clement, Gerbasi, Lubosch, Pagtakhan, Steeves, Thomas, Lazarenko, Mr. Speaker Councillor O'Shaughnessy.

Nays

Councillors Smith, Wyatt.

City Clerk: The vote Mr. Speaker, Yeas 11, Nays 2.

Mr. Speaker: The clause is carried.

Clause 4, we have an amendment by Councillor De Smedt. Mr. Mayor did you wish to introduce the clause?

Item No. 4 – New Standing Policy Committee on Downtown Development File CR-2

Mayor Murray: Council passed the getting down to business report after extensive public consultations. A downtown committee was recommended and we looked at a planning commission.

One of the big points that came up that it was very important that two positions be on that, that was the Chair of Public Works and the Chair of Planning. All of our consultations and work that's gone forward involves the departments under those two areas. I think it's a pretty straightforward thing. This conforms to the original recommendations of the report.

The other recommendation in the report was that one of the downtown councillors be on that committee. One of the wards, Councillor Pagtakhan has shown a great deal of interest in it. I would be recommending that he take that seat as the councillor representing one of the three wards. I think it makes a lot of sense. Again, this should not in my mind be a big debate. We passed the policy and the framework going forward on this basis. I think it makes a huge amount of sense. I hope Council will continue to move forward and implement this. Thanks.

(Councillor Lazarenko in the Chair)

Mr. Deputy Speaker: Thank you Mr. Mayor. Councillor De Smedt.

Motion No. 5
Moved by Councillor De Smedt
Seconded by Councillor Steek

BE IT RESOLVED that Attachment A of Item 4 of the report of the Executive Policy Committee dated March 17, 2004 be amended by changing section 1(b), deleting the wording suggested under 7.1(4) and substituting instead:

7.1(4) Any member of Council

Councillor De Smedt: Thank you very much Mr. Speaker. I'll be very short and to the point.

Let me just start off by saying, This amendment isn't put in a frivolous way, it has nothing to do with the existing councillors who come from the downtown area, Councillors Gerbasi, Smith and Pagtakhan, in fact you know I think they would well represent as a member of council on this particular committee.

I might have had a different model of how we could have a downtown development committee. I think any of you who have been following what I've done in the past five years have known that I've been a very strong proponent of downtown development, and we've tried to fast track some issues, and have been very supportive of the Mayor and of EPC and Council in general about what we've been trying to do.

There are kind of different ways of doing things. You can bring different models. There's no perfect one. I might have readjusted how we would have a

separate committee of council. However the Mayor has chosen this model and I really can't find too much trouble with it.

Except if we're going to make an organizational change and the fourth member of this committee is going to be restricted to one of three candidates from those three wards as indicated in Subsection 7(1) of the Organizational By-law change that's being submitted to you, it's in attachment A) if you want to flash it up on your screen, I would suggest to you that really is too narrow. Not that I object to any of these three members, my colleagues on this particular council being nominated and perhaps elected through our normal procedure annually when we select members from council. In fact I think that would probably be at the norm if this was approved and you could approve this particular motion to be any member of council and it's Councillor Pagtakhan that would like to put his name forward in November when we sit down together amongst ourselves and select the committees. I'd be very supportive of that. If there was no interest, I'd put my name forward because I am very interested in downtown development.

I just say that, I think it should be open to any member of council. We would respect each other respect the thrust of what's being said here. That under normal circumstances you would like to encourage and get downtown councillors involved.

I'm now getting into that area that we have downtown councillors and ward councillors out in the suburbs, and I don't think that's what we're about. I think we've all got committed to being elected to office to look after our constituents in our wards but also to be involved in the City overall. I think we made a commitment five and a half years ago that downtown development was going to be a priority, we all articulated that, and we actually put our feet to the fire and have done a lot of good things.

I don't think you should tie yourself and say, forever, this is the policy, it's got to be a downtown councillor. I mean I heard it passing yesterday and I say this in jest, that when we're having all these motions that we're having wing nut motions come here. I'm just providing an option for you guys in the long haul, I'm not going to be here forever, that we'll have a wing nut councillor three wing nut councillors, and you don't want them on that committee. It's in your organizational by-law. No we haven't got three wing nut councillors from the downtown, I know that. I don't want to get into trouble here.

For crying out loud, as a generalized policy, do not put yourself in a box. Allow the normal protocols to happen. We are very respectful of each other when it comes to the October timeframe, when the Speaker, whoever the Speaker is, in this case Councillor O'Shaughnessy sends out his advert, what committee would you like to be on. How do you work together? What are your interests? Allow it to happen in the same way.

I would prefer that you provide a little more flexibility and a little more respect that there could be other members of council who would like to convince one of those three to stand down and say hey, I have some experience in working downtown during certain sectors of the private sector that could be beneficial if you allow me to work the issues. Or find a way to be invited in.

Try not to restrict yourself, that is why I'm introducing respectfully a motion, just delete all of that and just say, any member of council can be on that committee. Thank you.

Mr. Deputy Speaker: Councillor O'Shaughnessy.

Councillor O'Shaughnessy: Thank you Mr. Speaker. I rise to say that I will not be supporting the amendment. I will be supporting the clause only because the perfect alternative that I do have, it is without a doubt absolutely perfect could not be installed nor should it be on such short notice.

I would like to put on record the fact that we now have the perfect opportunity before us. Passing this clause we will now have five standing committees. We

have 15 councillors, the math is very easy. Three members per committee. No tied votes. Everybody has a seat on a standing committee except the Mayor who's ex officio member of all the standing committees and can show up for any one anyway.

It makes an EPC of seven members such as we have with the Mayor, the Deputy Mayor and the five committee chairs. We don't need any special titles. They can be given those responsibilities.

The idea of the downtown being overseen as a standing policy committee by the Mayor, two appointed committee chairs of his or hers, and one councillor who must be one of only three, and the Mayor has just said which one he wants it to be to boot, I don't think is quite the strong mayor system the Province had in mind when it changed the Act to the City of Winnipeg Charter.

It's a wonderful opportunity. I think the first meeting in November is an opportunity to do it. I plan to push for it in the interim, but for the moment this standing committee no one knows more of its inner workings what its intention is than the Mayor, and to some extent to a slightly lesser extent the other members of EPC. I will support what's there but I put it on the record that I think we have a perfect opportunity also to solve what I find the unfortunate makeup of Fiscal Issues saying nothing against the Chair of course, and get a chance to make all standing policy committees equal and as intended by the Provincial Government when they roll up the Charter.

Mr. Deputy Speaker: Councillor Steek.

Councillor Steek: Thank you. The concept behind the committee is well thought out and long overdue.

In a slightly different vein from some of the other speakers here, I have some concerns about the way it's made up. I say this once again because very frankly, this is merely a sidebar committee of EPC.

The report is very clear in stating, the draft by-law would constitute the committee as a four member committee with the Mayor or a member of council appointed by the Mayor as a chairperson. In other words the Mayor doesn't have to be on the committee if I read that correctly. I hope the Mayor heard that and he can answer it in his closing remarks, that's the way I read the clause.

We already have a situation where we've been told that the Chair of Public Works, the Chair of PP&D will be on it, and the Mayor, this is merely an adjunct committee of EPC. That's what it is. We have a scenario if you look around this council chamber for the sake of argument until the redistribution of wards, I would have been illegible for this committee. I would have been interested in this committee relative to downtown development as many people around here would be.

To have a consideration that this automatically goes to one of the three downtown councillors is not fair. The issues that impact downtown impact us city-wide. Every councillor should have the opportunity to be there.

The Mayor has a full slate, and I guess I'm surprised to see that the Mayor wants to Chair this committee as well. I understand I think, and I'm not even in agreement that you have to have the Chair of Public Works on this committee. I can certainly see PP&D these are property related issues. If the makeup of the committee was such that there was an opportunity for other members of Council to be involved in downtown planning which is I say, I think is something everyone is interested in then you will open up an opportunity and a process here.

As it is, this is a completely closed shop, period, that's it. Committee with jurisdiction onto itself, it starts here, it stops here, and it's over. I don't think that that's necessarily what people want.

My final comment will simply be this. There's a great deal of merit to what Councillor O'Shaughnessy has said. We regularly see scenarios coming out of standing committees where there are no

recommendations going forward because of two two juggernauts. That would clear this.

If you want to create a fifth committee, it also brings up another interesting issue. If you create the fifth committee as Councillor O'Shaughnessy suggests, you're then creating another position on EPC. That would be the only way to Chair that as a committee and have it as a standing committee under the current regime.

I think that the current makeup of this committee with the Mayor, with the Chair of Public Works, with the Chair of PP&D, we already have three members of EPC on it, and we're saying that even of the three ward councillors downtown, only one out of three will be on. Will they be on for the entirety of the term? Because there's certainly ways of gerrymandering the vote here to keep other people out if you don't like the way they might go. I think those are all valid considerations.

I'll be supporting the amendment from Councillor De Smedt, which I seconded, simply because of the fact that I believe there should be a more open process to allow other members of City Council to participate. Very frankly, if you look at this model, it's a closed shop. Thank you.

Mr. Deputy Speaker: Councillor Angus.

Councillor Angus: Thank you. I'm not going to support the amendment. Not in any vindictiveness or anything of that nature, I simply don't agree with it at this particular time. I think that the process of ensuring that a councillor that represents the inner part of the City the downtown area is on a committee that directly deals with downtown issues, is extremely important. That's what this particular proposal does Mr. Speaker.

If it proves that it's not as necessary as we think it is, any November we can make those changes. We've made changes. We've added people to the Environment Committee because we thought that was a good idea last time.

We've made changes at those meetings on a regular basis where we say listen, it's easier and better if we try to do it this way. This is not something that's cast in stone.

I think Mr. Speaker to have a committee made up the deals with a specific area of the City, the centre of the City without any assurance of any representation from somebody down there, is full hearty. I'm not in favour of the amendment. I am in favour of the clause. I think it's a huge step forward in hopefully getting things speedily and effectively done, getting decisions made very quickly. I know that the committee is going to be extremely busy. It is another standing committee, and you're going to have to pay attention to it.

I don't see anything wrong with trying it the way it is now. As a matter of fact I think it's as good a model as we're going to get. Thank you.

Mr. Deputy Speaker: Councillor Lubosch.

Councillor Lubosch: Thank you Mr. Speaker. I'll be brief.

I'm going to support the amendment but perhaps not for the same reasons that some of my colleagues have put forward.

I don't think it's necessary to preclude any other member from wanting to participate in a downtown standing committee.

I can appreciate that there is an importance and imperative in having downtown representation on this type of standing committee. Failing that, if in some future year interest for that position can't be found from a downtown representative, then I wouldn't want to preclude other members from taking up the initiative.

I'll be supporting the amendment also be supporting the clause whether the amendment passes or fails.

Mr. Deputy Speaker: Councillor Wyatt.

Councillor Wyatt: Thank you. I'd like to move an amendment to the motion. I'd like to move a friendly amendment if possible.

Mr. Deputy Speaker: Can you please write it out.

Councillor Wyatt: I've got it right here. What it is, is amend 7.1(4), any three members of council and strike out clauses 2 and 3.

Mr. Deputy Speaker: It's an amendment to the amendment.

Councillor Wyatt: I think we're setting dangerous precedents here and we're definitely going in a direction with regards to standing committees which I think is a concern.

I welcome the fact that we're creating a downtown development standing policy committee. I commend the Mayor and EPC for the work on this. I think the focus and the need for downtown to develop and to prosper is crucial to the well-being of our city. I see a special standing committee for that purpose helping to facilitate that and streamline development in the downtown area. We know how important downtown is, and this council has made a focus of downtown and that has been to the benefit of the City.

I believe though that still can be achieved by treating this standing committee as we treat other standing committees….

Mr. Deputy Speaker: Councillor Wyatt, we haven't seen your motion. Do you have a seconder for that motion?

Councillor Wyatt: No I don't have a seconder.

Mr. Deputy Speaker: Then it will be out of order if you don't have a seconder.

Councillor Wyatt: Anyone want to second my motion?

Mr. Deputy Speaker: You need a seconder. You don't have a seconder.

Councillor Wyatt: Let me take it back and I'll get a seconder.

Mr. Deputy Speaker: Councillor Wyatt, as soon as the signature takes place for a seconder, you'll have five minutes to open.

Councillor Wyatt: I'll speak to the clause.

I won't be supporting the clause. The concern I have, I think if there was an issue of liaison between Standing Policy Committee of Property and Development and this new committee, that could have easily been solved by making the Chair of the Standing Policy Committee being also the same Chair of Property and Development, that wouldn't be an issue. They could be covered that way.

I think it's important that all members of Council be able to participate and to have an opportunity to serve on this committee if they wish to do so. I will be supporting the original amendment from Councillor De Smedt.

My concern is, we're moving in a different direction here with standing committees. This is a standing committee, no different than any other standing committee it just has a different mandate. Instead of having a mandate, or membership made up equally of councillors elected by council, with the Chair elected by the Mayor, we've now moved to a system where we have three out four basically appointed by the Mayor, and one appointed by council.

I share Councillor O'Shaughnessy's concerns that he raised, and by other councillors. I think it's a step in the wrong direction.

I would hope that downtown Winnipeg is not a subject or not an area for development that is just solely the jurisdiction of downtown Winnipeg councillors or councillors who represent a portion of downtown Winnipeg. Downtown Winnipeg in my mind Mr. Speaker, has everything to do with the entire city. I feel as strongly for downtown as I'm sure every other

councillor does even though we don't represent downtown Winnipeg or some of us don't represent downtown Winnipeg in our wards.

I think the importance of downtown is crucial. I think having the perspective of a councillor who may not necessarily be downtown elected by Council to this committee, would be very useful. I think moving in the direction and having a situation where we have a standing committee basically appointed by EPC or by the Mayor by having four members appointed by the Mayor's Office for all intents and purposes, and one from Council, is a wrong step in a wrong direction.

However, I welcome the creation of a downtown development standing committee, but not the actual governance of its membership in this order. Thank you.

(Councillor O'Shaughnessy in the Chair)

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: I just wanted to briefly say, as one of the people that does represent the downtown, I kind of actually like the idea of the makeup of the committee. One of the reasons is, some of the things that this committee's actually going to be doing are things that formally the community committee did. I think that's a real important point because it is a neighbourhood still, and there is that element of that closeness to the neighbourhood that is going to be lost. This compensates somewhat for that change and impact of having that local representation.

Even though I may not get to be the councillor who's on that committee, I am happy to see that there will be a councillor who actually represents neighbourhoods that live in the downtown. I think that that's something that's important.

It was also mentioned that why should it be the Chair of Public Works, and what do we need the Chair of Public Works there for, it's a planning issue. Well I think the whole point of these changes we're making is to have a more integrated planning process. And public works and planning need to both be at the table. I think that is important to have both of those perspectives there, and it's important to have someone there who's representing the people who actually live there.

I'm supportive of the clause as brought forward, I will not be supporting the amendments.

Mr. Speaker: Closing debate on the amendment, Councillor De Smedt followed by the Mayor on the clause.

Councillor De Smedt: Thank you. It's kind of interesting to listen to the debate. I'm not sure what the risk is here to certain members of council that represent the "downtown area", to just allow this to be a more democratic representation, and allow us as a council to get together and decide how we can represent ourselves and committees in mutual respectful discussions that we have annually.

I do think it boxes us in by having this in the organizational by-law as it's being proposed. I'm disappointed that the other long term councillors around here don't see the sensibility of this. I think there's some merit to the point that Councillor Steek makes. We have a closed organizational group here. Rather than create frankly this new organizational by-law for downtown development, why didn't EPC just take it over and just invite the downtown councillor if there isn't one on EPC to come and participate. Would have been easy.

We had gone through this in the Waterfront Development scenario in how it was really simple by giving strong direction to the Administration of how to put a team together a task force to get rapid development going. It was possible, and it did get organized. You could do that with any other development you have downtown. The fact that we allowed ourselves to get bounded by different committees and by-laws and everything else, there was a way to do it if we had the will. It's taken us all this time

to find a way to simplify downtown rapid development. I'm surprised. We could have put a small task force together and organized this in a space of a week.

However, I'm not going to vote against this particular motion, this particular clause. I do though strongly support and I encourage you to rethink one more time, that this makes sense for us all in a democratic process to allow the greatest opportunity for participation in the development of policies in our city. And the downtown is important. It affects us all. There are people who do have contributions to make with restrictive experiences that are worthy of being on a committee, should they choose. Remember, it's up to you anyway, you vote who's going to be sitting on a committee. We're now closing it, and I don't think that's appropriate. Thank you.

Mayor Murray: Thanks Mr. Speaker. I'm sort of wondering where some members of council have been for the last two years ago. If you roll the clock back, two years ago, we launched the getting down to business strategy. Two years ago. All of you voted on it.

I asked you on the floor of Council at that time Councillor Wyatt, because you were here, how you wanted to approach this, and what we wanted to do in the downtown. There's a very comprehensive getting down to business strategy which is part of integrated planning mode. I got no response. I can't remember one councillor raising the issue. Part of the reason that this started is because Executive Policy Committee was very uncomfortable with its role here because a lot of what was going to public works and planning was bumping into each other.

I'll give you a recent example of what the challenges are, about why these two Chairs were on there. The Credit Union Central Building going up downtown. What have been the big development issues with that? Whether the parking garage entrance goes on the lane or is a private approach onto a regional street which is prohibited by by-law. That was sitting for three weeks over at the Public Works Department unbeknownst to the Planning Department who's dealing with the downtown zoning by-law that says, all garage approaches have to be off back lanes. They weren't talking to each other. One report would go to public works, one would go to planning, public works would make a decision, planning would have a contrary position, and then both would end up bumping into each other. That was happening over and over again. Some councillors complained about that. So we went into an integrated planning model where this is all slowly but coming under one roof. We added $2 million to the budget to sort these things out so all our permitting approvals and land use approvals all integrate.

That was the first step. We did a year of public consultations, we did a year of meeting with the stakeholders and the developers. The revised getting down to business report came back one year ago almost today. That suggested three different models for downtown governance. This is not the model that I liked. This is not the Mayor's plan. I like the idea of a planning commission with one member from the downtown on it. That it should be, and I said the same thing with the bio med zone, that I believe in planning commission models.

What we discovered if you remember that we had three options. A pure planning commission which we have to wait for provincial legislation to be able to implement. The downtown standing committee almost as it's composed here with one change which I'll explain in a second, because it had one member of council at-large being proposed there. Then number three was a hybrid It divided into two tiers. Part of it being a planning commission, I'm repeating this and why I'm stopping is because this is the third major discussion and I hear councillors having other conversations. Most of them are the ones that I think understood it.

The third time was this. It came back there was a one tier planning commission with a second tier standing committee. That was thought to be too bureaucratic. We then went to a council seminar Mr.

Speaker, and guess what councillors at that seminar of which seven if I remember attended. I know you were Councillor Lubosch, so you should remember this, is why your position surprises me.

What was discussed there, was everyone said this was really well and good but what we forgot was exactly what Councillor Gerbasi said. Many councillors not just the councillors from the downtown said look, there's a problem here. If this is just a public works planning coordinating kind of thing, then it's going to lose the neighbourhood perspective. You've got to remember there are thousands of people who live within the downtown zoning by-law who have rights, and three people are elected.

The councillors from the Lord Selkirk – West Kildonan Committee and the City Centre Committee all of those think up is which three or four were in attendance, all said to me at the time, look, one of us has to be on there because one person who gets elected by the folks who live down there has to have a say. Can you imagine if we took away from Councillor Wyatt all of the authorities and land use and zoning in his neighbourhood that he runs for re-election and he's suppose to say what? Shrug I had nothing to do with it. The Mayor and Chair of the Public Works Committee decided what was going to happen in downtown Transcona. That was sens ibility.

I also just want to just remind everyone because this time next year Mr. Speaker what will we be discussing again. We will be discussing this all over again because this is not a permanent measure. If you remember, we said we were starting this, we have a request that went in for provincial legislative amendments to allow us to do a planning commission or some other model. So this has been put into place for one year to solve the organizational problems. That's how that came to do that. It was your suggestion in a council seminar and after two years of public, and we did consider these….

Mr. Speaker: Thank you Mr. Mayor.

Mayor Murray: Mr. Speaker sometimes this drives me nuts because we get told we run things through here we don't consult, and then at the last minute people want to go back and reverse take the opposition they took 12 months ago.

Mr. Speaker: We'll vote on the amendment by Councillor De Smedt first. All in favour of the amendment? Contrary? Amendment is defeated.

On the clause, all in favour? Contrary? Carried.

EPC motions. Motion No. 1 is automatic referral to EPC. Motion No. 2 is definitely automatic referral to EPC as we cannot go to the Secretariat directly from this committee I'm told. Hopefully EPC will forward it onto Secretariat.

Councillor Angus: A friendly amendment that was suggested by Councillor Thomas and I'm accepting of it. In the second whereas the wording will now be "whereas there are numerous questions regarding activities undertaken at other levels of government". The wording was just a little abrasive. What we're taking out is the allegation inappropriate activities and we're simply saying, there's questions regarding activities undertaken at other levels of government. This is just a little softer language.

Mr. Speaker: Motion No. 3 would be automatic referral to EPC. Motion No. 4 is automatic referral to EPC. Motion No. 6 is a notice of motion. Take note.

We have just put before us Motion No. 7 which is moved by the Mayor, seconded by Councillor Eadie to appoint Councillor Pagtakhan to the newly created standing policy committee on downtown development. All in favour? Contrary? Carried.

EPC By-laws. First reading only.

EXECUTIVE POLICY COMMITTEE CONSIDERATION OF BY-LAWS

Mayor Murray: I'll move that By-law No. 50/2004 be read a first time.

Mr. Speaker: All in favour? Contrary? Carried.

Mayor Murray: I'll move that the following by-laws be read a first time, by-laws numbered 42/2004, 49/2004 and 54/2004.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 42/2004, 49/2004 and 54/2004.

Mayor Murray: I'll move that by-laws numbered 42/2004, 49/2004 and 54/2004, be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 42/2004, 49/2004 and 54/2004.

Mayor Murray: I'll move that the rule be suspended and by-laws numbered 42/2004, 49/2004 and 54/2004, be read a third time, and that the same be passed and ordered to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried.

Fiscal Issues, Councillor Clement Report of March 9, 2004.

REPORT OF THE STANDING COMMITTEE ON FISCAL ISSUES DATED MARCH 9, 2004

Councillor Clement: I'll move the Report of the Fiscal Issues Committee of March 9, and Item No. 1 be accepted.

Mr. Speaker: All in favour? Contrary? Carried.

By-laws.

STANDING COMMITTEE ON FISCAL ISSUES CONSIDERATION OF BY-LAWS

Councillor Clement: I'll move that By-law No. 40/2004, be read a first time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 40/2004.

Councillor Clement: I'll move that By-law No. 40/2004, be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 40/2004.

Councillor Clement: I'll move that the rule be suspended and By-law No. 40/2004, be read a third time and that same be passed and ordered to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried.

Questions? Councillor Steek.

STANDING COMMITTEE ON FISCAL ISSUES QUESTION PERIOD

Councillor Steek: Mr. Speaker I believe that I'm asking this question of the appropriate Chair. The Supreme Court of Canada recently did not allow the City to extricate itself from the scenario with the Hotel Industry, and there had been approximately 15 appeals heard by both the Board of Revision and the Municipal Board all of which dramatically reduced assessments by 50% or more, and they were upheld at the Municipal Board. I believe there were about 15 of those.

Is it indeed true that there are remaining 60 cases at the Municipal Board relative to hotel assessment that have yet to be heard?

Councillor Clement: I don't know the answer to that Mr. Speaker. I'm not sure that it actually follows or falls underneath my committee in any case. I can try and get an answer. I don't have any problem with that. There's quite a number of appeals that the Municipal Board as I understand it notwithstanding some of them may or may not be hotel issues. There's always a whole bunch over there, and I don't know why they don't move

them a little quicker. I don't know the exact number. I haven't been briefed on it in any way. It's not something that we typically get briefed on at Fiscal Issues. But maybe somebody else knows the answer to that. It's not us anyways.

(Councillor Lazarenko in the Chair)

Mr. Deputy Speaker: Second question Councillor Steek.

Councillor Steek: I appreciate the fact that the Chair and/or the Mayor can make the effort to hear that. I guess the reason for my question was, assuming that the number of 50 is indeed accurate, the amount of dollars related to all of those assessments that are currently pending, and it's my understanding that they are pending waiting to see the results of this court case would be significant on the City.

My question then is, does the Chair of Fiscal Issues know if there is anything factored in to current budgets, '04 or '05 relative to the potential assessment scenarios we're talking about?

Councillor Clement: The budgets typically have approximately five million dollars each year appropriated for appeals. Generally the majority of that money is used in the year of the appeal next appeal will be '06 I guess. It's an accumulative amount that gets dealt with. I believe that's the right amount per year. There isn't any secondary reserve or anything like that that I'm aware of, although the City has reserves.

My recollection was back in about '95 or somewhere thereabouts when we had that huge fiasco where it was very unfair where the rolls went out basically at the same time as our budget was being discussed and we had no way to deal with it. We had a $200 million issue. That wound up being paid out of reserves which basically depleted them at the time. I suppose that that type of a scenario could happen again but I don't believe to that extent because there aren't that many appeals. I don't know what the value of these are. I can't just wing it because I don't know. The Mayor knows the answer to the first question evidently Mr. Speaker. I have no problem him using some of my eleven minutes to respond.

Mr. Deputy Speaker: The Mayor will answer.

Mayor Murray: I think part of the problem and I appreciate Councillor Steek raising this. Here's part of the problem. I had a discussion with Charles Head who owns the Fairmont, he's the General Manager I'm sure he'd like to own it. That hotel is at $20 something million. It's probably one of most expensive property. I asked him what the hotel in other cities would be, the Fairmont's across the City, they all started around $80 million, most of them over $100 million. We've had hotels Mr. Speaker that were assessed at as low as $3 million, and I'm not talking about Super 8's. I'm talking about major principal properties that were extremely depressed. I made this comment the other day at EPC, and I'll just put it on the record here.

When a hotel goes to be $11 million, $12 million or $15 million in this city and is doubling its market value, that doesn't necessarily mean the assessment is wrong. As a matter of fact I've now gone and reviewed all the Municipal Board assessments, about 80% of them if you actually looked at what market sale prices were are not that unreasonable. About 20% and there's some particularly problematic ones which I know Councillor Steek is aware of, are probably problematic.

I just want to give two brief answers to it. One is, this problem is we're going to have on all properties downtown after the Hydro Building is built and Credit Union. Values in downtown are now being restored to what they used to be 15 or 20 years before. We're still dramatically below other major cities on what our property values are in the downtown. It is a good thing. We would like to have a hotel worth $80 million in our downtown, that would be an average priced hotel in a large Canadian city. That's a modest hotel. You want to get that value back in your assessment.

The problem is, high property taxes and this is the problem with the education rate that you picked up on earlier. When you look at the education levy in Winnipeg 1 and St. James they're dramatically different. St. James education levy is a fraction of what Winnipeg 1 is. So now you're getting property taxes that reflect those new values.

If we had education taxes that were aligned with other cities in Canada, these increasing assessments wouldn't be there because the education committee report is suggesting that our education property taxes are probably twice what they should be if they were going to be aligned with other cities.

We sometimes confuse the assessment problems with high taxation. No one complained about property taxes in the downtown when hotels were all under $10 million. Even at $20 million this is no great thing to pop champagne about, this is progress. When you have no value in the property, nobody complains about the property taxes because they're at ground zero. I've said this over and over again, and this is something that we have to keep pressure on the Province on.

If we ever restored in this wacky education property tax system, values of downtown other properties because it could be something other than hotels next time.

The other thing is, they brought in two experts Mr. Speaker. It was very interesting, it was very telling. This is on the public record now, it's gone through the courts. They brought the best two experts in. The City's Assessment Department brought in one person and the proponent, the Hotel Association brought in someone. These are the two experts, they both assessed on all of the same material, they were $6 million difference between the two foremost experts who looked and recommended assessment in their dispositions in court. $6 million differences between the two foremost assessment experts on hotels.

There are some problems with assessments, I think we all acknowledge that. We have issues there, and quite frankly some of the issues are on both sides, some hoteliers who aren't always cooperative and sometimes we have to always strive to be more customer friendly.

There is a chronic problem right now that's going to start biting us on the butt pardon the expression, if we don't do something about getting our property taxes in line. Because our commercial taxes in older neighbourhoods and in downtown are going to take a huge hit if we cannot align education taxes. Quite frankly, you can't live in a city where you have low commercial taxes in St. James, and high commercial taxes in the downtown, because that only works when you have a depressed downtown with low property values. That's going to become an increasing challenge, and that's not going to be corrected by assessments, it's going to be exacerbated dramatically in the next few assessments. The hotels are only the first step in what the problem is going to be. You're going to see it next with commercial office space, and we're going to get back to what the problems was in downtown, which were inordinately high property taxes which were solved by falling assessments because we drove the value out of downtown property. So there's a more complicated issue and people sometimes confuse the problem that we've got excessively high mill rates on the education side with assessment issues and the accuracy of assessments.

Mr. Deputy Speaker: Your final question.

Councillor Steek: Mr. Speaker I'd like to direct it through to the Mayor in view of that response.

Would the Mayor agree that of the 15 hotels that have gone through, the reductions at the Board of Revision and the Municipal Board have been a minimum of 25% to a high of 50% which says, something is wrong with the methodology. Let's not blur this issue talking about the school taxes. Something is wrong with the methodology of assessment.

Mayor Murray: The acceptable variance is 10%. When they brought the two foremost experts on hotels, they weren't even close to 10% in their assessments. These are the two most used most by the private sector to determine hotels. Neither of them was within, I don't think they were even within 50% of each other on value. There is some huge problems structurally in the assessment system quite frankly, and the legislation needs to be dramatically reformed in my mind. I think the O'Shaughnessy report laid it out pretty clearly.

There are some problems, I agree with you in the methodology Garth as best I can tell. I think there's some difficulty in understanding it. The acceptable range of variance should be 10% from what the original assessment are. There are some clearly outside those bounds. If you look at 80% of them, 80% of the hotels went through within those margins, and by the time they went through the Municipal Board, were very small corrections. Sometimes the problems were that hotel owners were not submitting information, sometimes there were other difficulties.

The chronically larger problem by the vast majority of hotel appeals deals with other problems and deals with I think, some tact shock that came into it when assessments which still by Canadian standards, we have hotels that have overall some of the lowest assessed value.

My answer to you in a nutshell is, yes I agree with you, and the larger part of the point you're making. There are some that are particularly problematic.

I think what we've lost sight of and **I** had Jim Baker in my office last week we had a long chat and I think he agrees, there's a problem now because now hotels were sheltered from this very high tax burden especially the larger ones in the downtown where a lot of the problems are because assessments were so artificially low because values had dropped. We had some principal hotels worth as little as $3 million. Now that's just really absurd. There were enough large hotels that were under $10 million not for one or two years but for five and 10 years that they were not dealing with the real world where market assessments in other areas which were market values were in areas where education taxes relative to downtown were very low.

We need massive reform of the assessment system. This city council and Councillor O'Shaughnessy should be credited because I think the first serious intelligent discussion about that started with this council's report on assessment.

My answer to you in a nutshell is yes I agree with the majority of the point you're making. All I'm cautioning you is, and I hope in return you'll accept the validity of the point I'm making which is, the inordinately high taxes are kicking in because values are now starting to move up, and that is going to be a problem that we have to deal with. It's not just an assessment issue.

Mr. Deputy Speaker: That's it for question period.

Property and Development. Councillor Eadie.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED MARCH 2, 2004

Councillor Eadie: Mr. Speaker I'm pleased to move that the Report of the Property and Development Committee for March 2, be received, and Items 1 through 13 be adopted by consent.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED MARCH 4, 2004

Councillor Eadie: I'll move that the Report of the Property and Development Committee of March 4, 2004 be received and Items 1 and 2 be adopted by consent.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Motions, none. By-laws.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT CONSIDERATION OF BY-LAWS

Councillor Eadie: I'll move that the following by-laws be read a first time, by-laws numbered 41/2004, 43/2004, 44/2004, 45/2004, 46/2004, 47/2004 and 56/2004.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 41/2004, 43/2004, 44/2004, 45/2004, 46/2004, 47/2004 and 56/2004.

Councillor Eadie: I'll move that by-laws numbered 41/2004, 43/2004 to 47/2004, both inclusive, and 56/2004, be read a second time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 41/2004, 43/2004 to 47/2004, both inclusive, and 56/2004.

Councillor Eadie: I'll move that the rule be suspended and by-laws numbered 41/2004, 43/2004 to 47/2004, both inclusive, and 56/2004, be read a third time, and that the same be passed and ordered to be signed and sealed.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Questions? Councillor Smith.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT QUESTION PERIOD

Councillor Smith: Mr. Speaker, Councillor Eadie there was an interoffice memorandum from the Director of Planning, Property and Development Department, Harry Finnigan. It said, expression of interest for accommodation, Planning, Property and Development Department, they're looking at other possibilities, moving out of the Fort Garry Place complex. My question is this. I have an e-mail from Jerry Como where he's said we spent $213,000 in renovating these premises this past year. Why are we even contemplating moving, or why did we spend this sum of money when we're contemplating moving?

Councillor Eadie: Mr. Speaker I don't honestly remember having any discussion about this at the Standing Committee level from the Director. I'd have to take that question as notice because I can't respond in greater detail without the background from the Director.

Mr. Deputy Speaker: No further questions.

Standing Policy Committee on Protection and Community Services, Councillor Gerbasi.

REPORT OF THE STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES DATED MARCH 8, 2004

Councillor Gerbasi: I'll move the Report Items 1 to 3 as consent.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Motions, none. By-laws, none. Questions, Councillor Smith.

STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES QUESTION PERIOD

Councillor Smith: Councillor Gerbasi in the audit report it said this. We found one centre, they did in effect an audit on three community centres. It said, we found one centre complied with all the reporting requirements to qualify for their annual grant from the City. Are we still giving out grants when they haven't complied?

Councillor Gerbasi: I'll have to look into that issue further and get back to you. I don't have an answer for you today. But I'll follow up for you.

Mr. Deputy Speaker: Your second question.

Councillor Smith: The report continues and says, we were disappointed of finding that the majority of the recommendations from our two previous audits had not been implemented. I checked by the way today the last audit was in 2001. Why is that department not going along with recommendations of the audit? How do we know that they're going to do it this time?

Councillor Gerbasi: I think this is a unique situation, we're auditing community centres which are volunteer boards, and they're taking steps to improve their financial accountability. It's not a city department we're talking about where we have full control over the same way. So I think that would explain the difference. I think the Community Services Department has done some very good work in working with the community centres to have better financial accountability and deal with some of those problems that we sometimes have with volunteer boards.

Mr. Deputy Speaker: Your final question.

Councillor Smith: I'm wondering and you can answer this. Why do we give grants when they don't meet the conditions? If you really want them to conform, you'd get it done.

Councillor Gerbasi: I guess there's some sensitivity about simply shutting down a community based community centre and the impact that would have on the community. We'd have to look at that very carefully.

As I said in response to your first question, I'll follow up on that particular issue and look into the situation that you're talking about. We can look into that. I think it's always a difficult thing to do, I don't know the reasons why we have or haven't done that at this point. I will follow up on that with the Councillor.

Mr. Deputy Speaker: No further questions?

Standing Policy Committee on Public Works, Councillor Steeves.

REPORT OF THE STANDING POLICY COMMITTEE ON PUBLIC WORKS DATED MARCH 9, 2004

Councillor Steeves: Regarding the Report of March 9, 2004, I'm pleased to introduce the report move adoption of the consent items. 1, 2, 4, 5 and 6, and I'll speak briefly to Item No. 3 if I could.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Item No. 3.

Item No. 3 – Speed Humps on Bonner Avenue between Gateway Road and DeVries Avenue File ST-5(33)

Councillor Steeves: It's a bit irregular in the way this one has kind of evolved, but I'm hoping that the final solution here at Council is acceptable to everybody.

The issue of the speed humps on Bonner Avenue in Councillor Lubosch's ward, the speed humps on that particular street didn't meet criteria by virtue of the fact the street was a snow route. That went to Executive Policy Committee who then referred it back to the Public Works Committee with the direction that the Public Works Committee explore the idea of dedesignating this street as a snow route.

The Public Works Committee in its infinite wisdom sent it back to the Executive Policy Committee last week and I wasn't in attendance there, but the Executive Policy Committee has sent the matter onto Council with the direction if I'm reading this correctly and again I wasn't there, that the street simply be dedesignated as a snow route and at that the street would then automatically qualify for the speed bumps.

I think it's one of those situations where it wouldn't be the Public Works recommendations that would be accepted, rather it would be the Executive

Policy Committee recommendation to simply decommission this as a snow route that would allow a) Councillor Lubosch to receive the speed humps in his area on the street he feels it's needed and it would maintain the integrity I suppose and not going outside of the policy and thus we would be less at risk for bad press. That's where we're at.

Mr. Deputy Speaker: All in favour of Item No. 3? Contrary? Carried.

No motions. Consideration of by-laws.

STANDING POLICY COMMITTEE ON PUBLIC WORKS CONSIDERATION OF BY-LAWS

Councillor Steeves: I'll move that By-law No. 48/2004 be read a first time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 48/2004.

Councillor Steeves: I'll move that By-law No. 48/2004, be read a second time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 48/2004.

Councillor Steeves: I'll move that the rule be suspended and By-law No. 48/2004 be read a third time, and that the same be passed and ordered to be signed and sealed.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Councillor Steeves: I'll move that the rules be suspended and By-law No. 572004 be read a first time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 57/2004.

Councillor Steeves: I'll move that By-law No. 57/04 be read a second time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 57/2004.

Councillor Steeves: I'll move that the rules be suspended and By-law No. 57/2004 be read a third time, and that the same be passed and ordered to signed and sealed.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Questions? Councillor Smith.

STANDING POLICY COMMITTEE ON PUBLIC WORKS QUESTION PERIOD

Councillor Smith: Mr. Chairman, last council meeting I asked about the Provencher Pedestrian Bridge, and I asked you what the cost of it was, as well, when did we give authorization, who gave authorization to have this. You sent a reply by e-mail, and you quoted a number of minutes of council. I have them here. Can't find anything in them. I would like an answer to my questions. What is the cost of that restaurant, and who authorized it? We as a council certainly did not.

Councillor Steeves: I, obviously in these things I asked administration to assist me on the answer. The answer provided was drafted originally by administration which I think is in perfect order. I sent the information as provided by administration onto Councillor Smith, I wasn't aware that it didn't meet with his approval or didn't jive. I myself did not go forward with some of the research, I count on administration to provide that.

I don't know exactly what he is referring to in the minutes which he has provided to me. I provided this information to Councillor Smith several weeks ago I think, and have not received any indication that there was anything wrong with the information that I provided until now of course. I will now I guess take this information and endeavour to find more.

Mr. Deputy Speaker: Secretariat Committee, Report of March 22, 2004.

REPORT OF THE SECRETARIAT COMMITTEE DATED MARCH 22, 2004

Councillor Angus: I'm pleased to move the Report of the Secretariat Committee of March 22, 2004. The clause is one amendment to the Procedure By-law of which simply states if you're on the Downtown Development Committee, you can't be on the Appeal Committee to hear your own appeal. It's a procedure I think.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

By-laws.

SECRETARIAT COMMITTEE CONSIDERATION OF BY-LAWS

Councillor Angus: I'll move that the rules be suspended and By-law No. 55/2004 be read a first time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 55/2004.

Councillor Angus: I'll move that By-law No. 55/2004, be read a second time.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Clerk: By-law No. 55/2004.

Councillor Angus: I'll move that the rules be suspended and By-law No. 55/2004, be read a third time, and that the same be passed and ordered to be signed and sealed.

Mr. Deputy Speaker: All in favour? Contrary? Carried.

Councillor Angus moves adjournment. Roll Call.

ROLL CALL

Clerk: Mr. Deputy Speaker Councillor Lazarenko, His Worship Mayor Murray, Councillors Eadie, Angus, Clement, De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steeves, Thomas, Wyatt.

COUNCIL ADJOURNED AT 3:48 P.M.

COUNCIL OF THE CITY OF WINNIPEG
Wednesday March 24, 2004
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