Agenda – Executive Policy Committee – December 4, 2024

Report – Standing Policy Committee on Property and Development – December 2, 2024

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

Item No. 1 Transformational Employment Opportunity Sites

STANDING COMMITTEE RECOMMENDATION:

On December 2, 2024, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the City-owned land identified in Schedules A, B and D be considered as Employment Lands within upcoming Sector Plans.

2. That the Public Service be directed to initiate discussions with the Province of Manitoba regarding economic opportunities on the City-owned land identified in Schedules A, B and D, along with scoping out and financially supporting the growth enabling infrastructure required.

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

Agenda – Executive Policy Committee – December 4, 2024

Report – Standing Policy Committee on Property and Development – December 2, 2024

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On December 2, 2024, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

David Grant submitted a communicated in opposition to the matter.

COUNCIL DECISION:

On November 21, 2024, Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That an extension of time of 30 days be granted for the Winnipeg Public Service to report back on whether the following properties are suitable as Transformational Employment Opportunity Sites:

    A. South End Water Pollution Control Centre (Seniuk Road)

    B. Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)

    C. Former sludge drying bed (PTH #101) (include direction here)

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

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 13, 2024, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

Report – Standing Policy Committee on Property and Development – December 2, 2024

DECISION MAKING HISTORY (continued):

STANDING COMMITTEE RECOMMENDATION:

On November 8, 2024, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and recommended to the Executive Policy Committee and Council:

1. That an extension of time of 30 days be granted for the Winnipeg Public Service to report back on whether the following properties are suitable as Transformational Employment Opportunity Sites:

    A. South End Water Pollution Control Centre (Seniuk Road)

    B. Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)

    C. Former sludge drying bed (PTH #101) (include direction here)

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

COUNCIL DECISION:

On January 25, 2024, Council adopted the recommendation of the Standing Policy Committee on Property and Development which included the following:

2. That the Public Service be directed to report back in up to 270 days on whether the following properties are suitable as Transformational Employment Opportunity Sites:

    A. South End Water Pollution Control Centre (Seniuk Road)

    B. Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)

    C. Former sludge drying bed (PTH #101)

David Grant submitted a communication with respect to the matter.

ADMINISTRATIVE REPORT

Title: Transformational Employment Opportunity Sites

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Pittet	H. Borys	T. Graham	S. Armbruster, Interim CAO

EXECUTIVE SUMMARY

On January 25, 2024, Council directed the Public Service to report back on Transformational Employment Opportunity Sites ("TEOS"). A TEOS is a highly impactful economic development site, often requiring a very large holding. Three TEOS properties were identified for review:

A. South End Water Pollution Control Centre (Seniuk Road)
B. Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)
C. Former sludge drying bed (PTH #101)

A fourth site - south of 7740 Wilkes Avenue, had already been partially evaluated as a TEOS at the time of the January report. In the interest of completeness, a review of this property will also be provided.

Each of the four sites contain a variety of constraints due to servicing or location. It could be several years before any of the locations are ready for development if the current greenfield phasing plan identified in Complete Communities 2.0 is followed. Infrastructure planning within upcoming Sector Plans will establish whether a TEOS is possible and/or desirable. However, if there is interest from other levels of government in providing for some or all of these infrastructure costs, it could shorten the timeline and improve the desirability of servicing these lands.

All levels of Government have a vested interest in supporting economic development. However, the City of Winnipeg has a limited number of tools at its disposal to incentivize this development compared to senior levels of government. Provision of land can be a critical part of the City's role in supporting economic development opportunities as they arise.

Many companies that are considering expansion actively seek out large sites to develop that have a full suite of municipal services already in place and are designated and zoned appropriately. For Winnipeg and Manitoba to be more competitive in attracting these kinds of opportunities, they will need to increasingly look at ways of being more proactive to ensure that appropriate sites for these opportunities are "shovel ready" at the time that companies are seeking them. The TEOS could be a significant part of the City's contribution to this, potentially

within the context of a larger industry attraction strategy involving the Province and Federal Government that is focused on securing these economic opportunities.

It is expected that the cost to create the growth-enabling infrastructure on any of the TEOS would be significant. Servicing costs vary by site and are dependent on land use. It is reasonable to conclude that servicing costs will range from millions to tens of millions for each TEOS – excluding the more costly treatment plant upgrades.

Although the costs of servicing these sites is likely high, the economic return from the development of one or more of the TEOS in the form of taxes, employment and GDP growth can also be high.

Given the current structure of the tax system in Canada, provincial and federal governments typically enjoy a much larger share of the fiscal return from these developments compared to municipal governments. For this reason, the Public Service recommends beginning a discussion with the Province of Manitoba initially and potentially the Federal Government in the future, on their interest in a potential partnership to finance growth-enabling infrastructure on one or more of the sites outlined in Schedules A, B and D, with a view to jointly promote and market these sites to support large economic development opportunities.

Due to its location outside the City, the site identified in Schedule C will require consultations with the Rural Municipality of West St. Paul before approaching the Province.

RECOMMENDATIONS

1. That the City-owned land identified in Schedules A, B and D be considered as Employment Lands within upcoming Sector Plans.

2. That the Public Service be directed to initiate discussions with the Province of Manitoba regarding economic opportunities on the City-owned land identified in Schedules A, B and D, along with scoping out and financially supporting the growth enabling infrastructure required.

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

REASON FOR THE REPORT

On January 25, 2024, Council directed the Public Service to report back in up to 270 days on whether the following properties are suitable as Transformational Employment Opportunity Sites:

A. South End Water Pollution Control Centre (Seniuk Road)
B. Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)
C. Former sludge drying bed (PTH #101)

IMPLICATIONS OF THE RECOMMENDATIONS

There are no immediate implications to the recommendations of this report. If the recommendations are approved, the Public Service will be in a better position to plan for and evaluate the feasibility of significant economic developments on City-owned land.

HISTORY/DISCUSSION

A Transformational Employment Opportunity Site ("TEOS") refers to a unique and highly impactful type of economic development initiative that occurs infrequently, typically once in a generation. These opportunities are a highly strategic, economically significant, and efficiently executed approach to economic development, marked by considerable government investment, high performance in key metrics, and alignment with expert insights on land utilization, characterized by several key features:

1. Significant Financial Support from Senior Levels of Government: This aspect underscores the importance and scale of these opportunities, as they receive substantial funding and backing from high-level governmental bodies. This support is crucial for the realization and success of such projects, reflecting their strategic importance in the broader economic landscape.

2. High Scores on Performance-Based Measures: These opportunities excel in metrics like property tax per hectare and jobs per hectare. This indicates their efficiency and effectiveness in generating economic value and employment, relative to the land and resources utilized. Such measures are essential for evaluating the impact and success of these projects in tangible terms.

3. Alignment with Insights from Report on Land Supply: Transformational employment opportunities, including optimal use of land, sustainable development practices, and strategies for maximizing economic and social benefits from available land resources.

The four sites under consideration as a TEOS are:

A. South End Water Pollution Control Centre (Seniuk Road)
B. Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)
C. Former sludge drying bed (PTH #101)
D. South of 7740 Wilkes Avenue (west of PTH #100)

The comments for each site are as follows:

Location	A. SEWPCC	B. Des Trappistes	C. Sludge Drying Bed	D. South of 7740 Wilkes
Wastewater	- No regional sewer - Construction of Southwest Interceptor is required (planned & funded project) - SEWPCC is designed for residential flow, industrial flows may require plant upgrades	- No regional sewer - Construction of Southwest Interceptor is required - SEWPCC is designed for residential flow, industrial flows may require plant upgrades	- Site has an existing sewer pipe that likely needs replacement - Wastewater would be directed to NEWPCC which is better suited for industrial uses. Completion of	- No sewer, regional service is available to connect to, subject to the proposed flows - WEWPCC is better suited to residential flow, plant capacity is limited to accommodate industrial flows

	- Heavy industrial flows could limit residential growth	- Heavy industrial flows could limit residential growth - Upgrades to existing infrastructure in St Norbert required - Significant costs to service	Sludge Digestion upgrades required.	
Land Drainage	- No sewer, currently serviced by ditches that are at capacity - Separate outfall is required - Significant costs	- No sewer, currently serviced by ditches that are at capacity - Area is susceptible to flooding, review required to evaluate flood protection required	Drainage is handled through ditches and subject to Provincial/RM approval	- Requires a ditch study
Water Service	- No water - Significant costs	- No water - Significant costs	Water cannot be supplied outside the city; a servicing sharing agreement with the RM is required	- Requires an extension of service - A feeder main may be necessary depending on flow requirements - A water main servicing the site would not negatively impact future servicing in Wilkes South
Planning	Requires a Sector Plan. A developer-led Sector Plan is being initiated by a local landowner.	Requires a Sector Plan; not anticipated in the near term	Land is outside City limits and designated as Resource and Agricultural	- A Sector Plan is required - Development of the site should occur in sequence with Wilkes South
Transit	Subject to cost/benefit analysis, Transit service can be provided	See “Transportation” and “Conclusion” below	Transit cannot provide service outside the City without an agreement with the RM; a park & ride could be an option	Transit does not provide service near this site
Transportation	No concerns but transportation impact requires assessment	The St. Norbert Bypass alignment will be reviewed with the Province through the Sector Plan	Access will be dictated by the North Perimeter Design Study	No concerns but transportation impact requires assessment
Other	Could be required for other City needs	Land is required under the Brady Road Resource Management Facility (BRRMF) Master Plan	- The site has an active environmental licence for the former use - The site is partially occupied by WPS	WPS operate at the south end of the site

Heavy industrial uses could be located within the catchment of the North End Sewage Treatment Plant (NEWPCC). Land located in Centreport South may currently be the City’s most viable option for a TEOS from a cost and feasibility of servicing perspective but the City only owns 25 acres of developable land in Centreport plus the Summit Road Landfill. The 25-acre

site is reserved for a future 4R depot. The remaining land in Centreport South is privately held. The City-owned land identified in Schedule C is located within the NEWPCC catchment, but outside city limits.

All levels of Government have a vested interest in supporting economic development. However, the City of Winnipeg has a limited number of tools at its disposal to incentivize this development compared to senior levels of government . Provision of land can be a critical part of the City's role in supporting economic development opportunities as they arise.

Many companies that are considering expansion actively seek out large sites to develop that have a full suite of municipal services already in place and are designated and zoned appropriately. For Winnipeg and Manitoba to be more competitive in attracting these kinds of opportunities they will need to increasingly look at ways of being more proactive to ensure that appropriate sites for these opportunities are "shovel ready" at the time that companies are seeking them. The TEOS could be a significant part of the City's contribution to this, potentially within the context of a larger industry attraction strategy involving the Province and Federal Government that is focused on securing these economic opportunities.

It is expected that the cost to create the growth-enabling infrastructure on any of the TEOS would be significant. Servicing costs vary by site and are dependent on land use. It is reasonable to conclude that servicing costs will range from millions to tens of millions for each TEOS – excluding the more costly treatment plant upgrades.

Although the costs of servicing these sites is likely high, the economic return from the development of one or more of the TEOS in the form of taxes, employment and GDP growth can also be high.

Given the current structure of the tax system in Canada, provincial and federal governments typically enjoy a much larger share of the fiscal return from these developments compared to civic governments. For this reason, the Public Service recommends beginning a discussion with the Province of Manitoba initially and potentially the Federal Government in the future, on their interest in a potential partnership to finance growth-enabling infrastructure on one or more of the sites outlined in Schedules A, B and D, with a view to jointly promote and market these sites to support large economic development opportunities.

FINANCIAL IMPACT

Financial Impact Statement Date: October 29, 2024

Project Name:

Transformational Employment Opportunity Sites

COMMENTS:

There are no direct financial implications associated with this report.

Mike McGinn Oct. 29, 2024
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Public Works
- Water and Waste
- Transit
- Office of the CAO, Economic Development

OURWINNIPEG POLICY ALIGNMENT

The following OurWinnipeg sections are applicable to a TEOS:

Economic Prosperity:
3.1 Strategic Enterprise Supports
Provide a predictable and supportive regulatory framework to facilitate growth of existing and new enterprises that demonstrate a commitment to innovation, local employment, workforce diversity, and community reinvestment.

3.5 Strategic Enterprise Supports
Invest in employment lands servicing based on an analysis of municipal and regional supply, municipal return on investment, and future land requirements in industry sectors that are integral to achieving sustainable, local economic growth.

City Building:
6.31 Employment Lands
Designate Employment Lands within the Urban Structure, to accommodate forecasted job growth and advance economic development in both the City and region, while mitigating incompatible land use conflicts, to provide a stable operating environment for businesses, and to promote community health and safety.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to any of the Strategic Opportunities and Key Directions in the Climate Action Plan and it was determined that the Plan is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to any of the specific Goals and Objectives in the Poverty Reduction Strategy (PRS), as well as the corresponding 2021-2023 Implementation Plan, and it was determined that the Strategy is not applicable to this specific report.

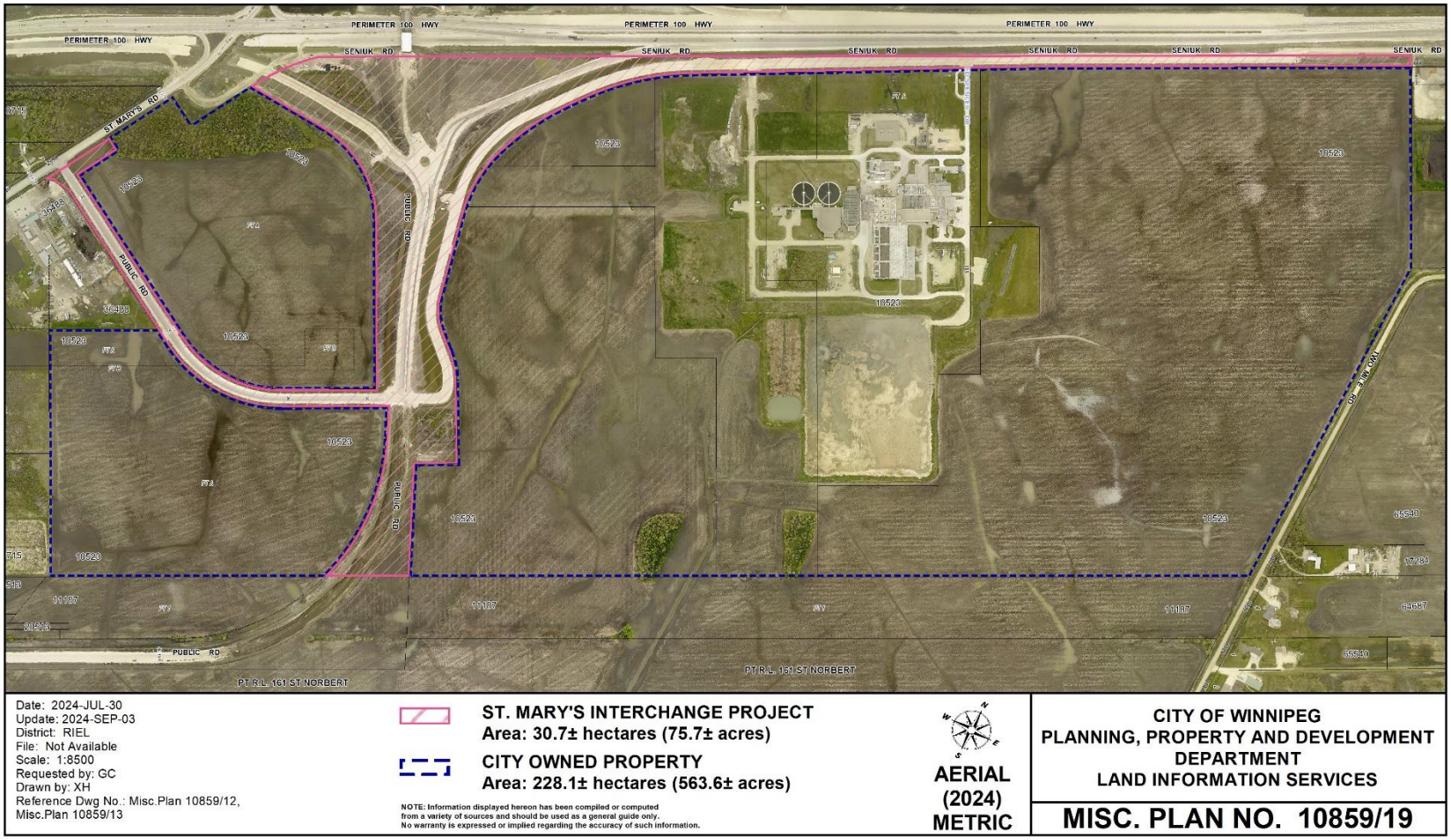
SUBMITTED BY

Department: Planning, Property & Development
Division: Real Estate and Land Development
Prepared by: Gord Chappell, Real Estate Administrator
Date: October 30, 2024
File No: TBD

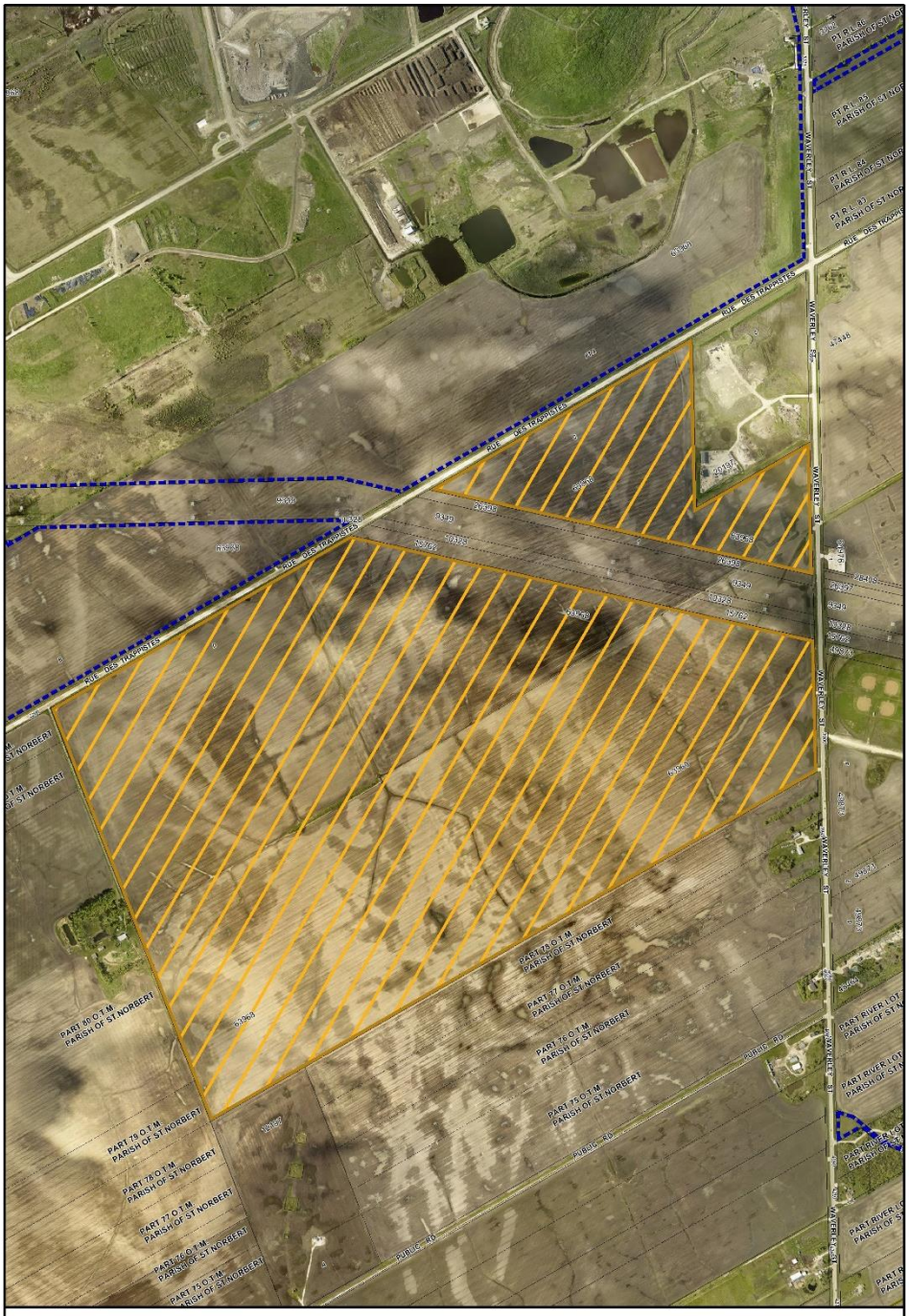
Attachments:

Schedule A - South End Water Pollution Control Centre (Seniuk Road)
Schedule B - Des Trappistes Agricultural Land (SW Des Trappistes and Waverley Street)
Schedule C - Former sludge drying bed (PTH #101)
Schedule D – South of 7740 Wilkes Avenue

Schedule A


PERIMETER 100 HWY
SENIUK RD
ST MARYS RD
PUBLIC RD
PT R.L. 161 ST NORBERT
TWO MILE RD
Date: 2024-JUL-30
Update: 2024-SEP-03
District: RIEL
File: Not Available
Scale: 1:8500
Requested by: GC
Drawn by: XH
Reference Dwg No.: Misc.Plan 10859/12, Misc.Plan 10859/13
ST. MARY'S INTERCHANGE PROJECT
Area: 30.7± hectares (75.7± acres)
CITY OWNED PROPERTY
Area: 228.1± hectares (563.6± acres)
NOTE: Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.
AERIAL (2024) METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 10859/19

Schedule B



SUBJECT CITY PROPERTY
Area: 574.0± acres

CITY OWNED PROPERTY

Date: 2024-JUL-31
District: RIEL
File: Not Available
Scale: 1: 13000
Requested by: GC
Drawn by: XH
Reference Dwg No.: As requested

NOTE: Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.

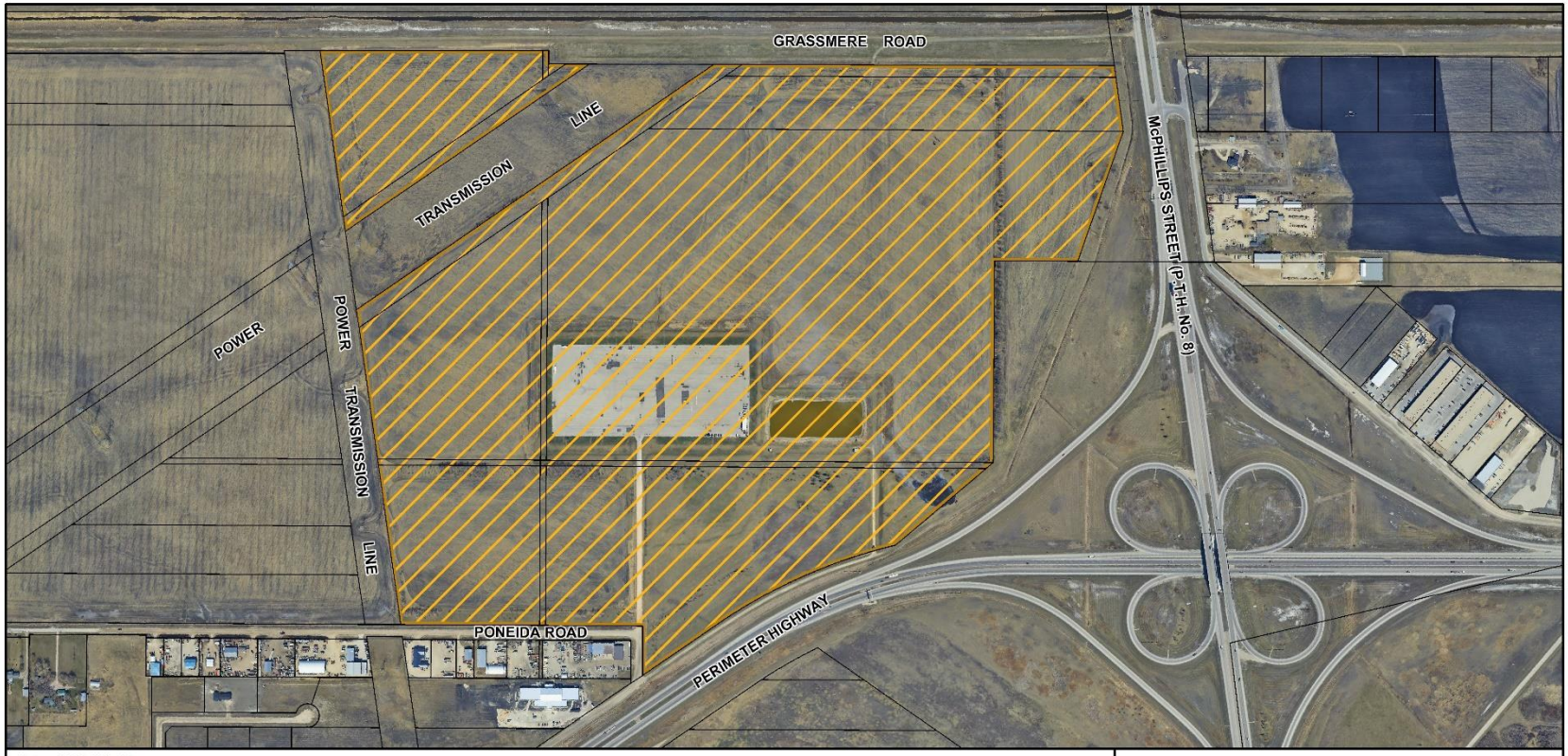
N W E S

AERIAL (2024) METRIC

CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES

MISC. PLAN NO. 8807/13

Schedule C



Date: 2024-JUL-31
District: RM of WEST ST PAUL
File: Not Available
Scale: 1: 8000
Requested by: GC
Drawn by: XH
Reference Dwg No.: Misc. Plan 8523/1

NOTE: Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.

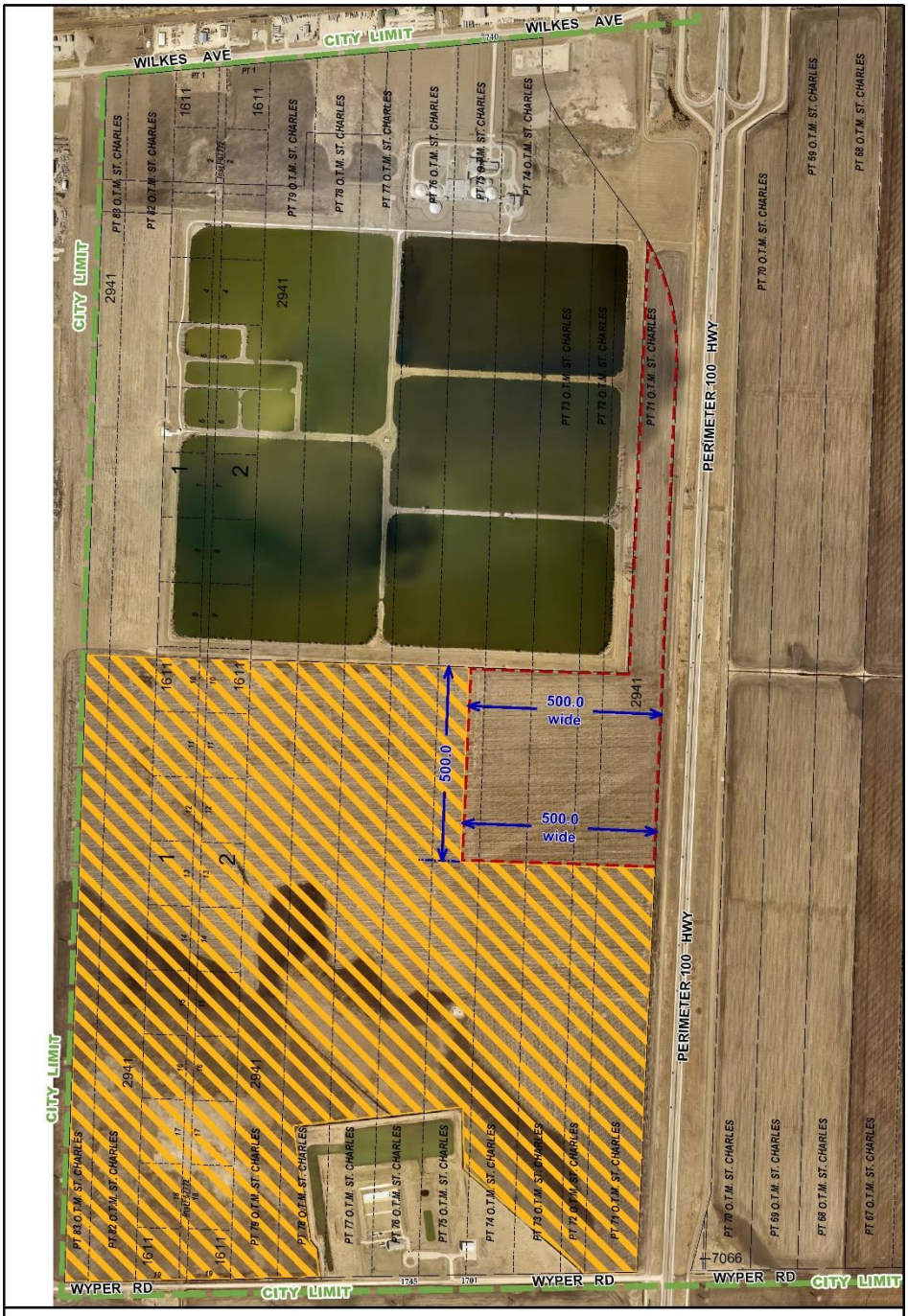
CITY OWNED PROPERTY
Area: 246.0± acres

AERIAL (2018) METRIC

CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES

MISC. PLAN NO. 8523/3

Schedule D


WILKES AVE
CITY LIMIT
WILKES AVE
PERIMETER 100 HWY
PERIMETER 100 HWY
500.0 wide
500.0
500.0 wide
WYPER RD
CITY LIMIT
WYPER RD
WYPER RD
CITY LIMIT
CITY LIMIT
7066
SUBJECT CITY PROPERTY
Area: 464± acres
Date: 2023-JUL-19
District: ASBA
File: Not Available
Scale: 1:12000
Requested by: GC
Drawn by: IP
Reference Dwg No.:
Misc. Plan No. 7912/16
NOTE: Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.
AERIAL
(2021)
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT
DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 7912/18