Agenda – Executive Policy Committee – September 16, 2025

Report – Standing Policy Committee on Property and Development – September 12, 2025

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 Portage and Main Intersection – Decommissioning Study (Point Douglas Ward)

STANDING COMMITTEE RECOMMENDATION:

On September 12, 2025, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service, as amended, and submitted the following to Council:

1. That the Portage and Main Underground Concourse, Decommissioning Study Report by Crosier Kilgour (Appendix 1), and associated Cost Estimates (Appendix 2) be received as information.

2. That the Public Service be directed to consult with the three landowners and report back to Council in January, 2027, with recommendations based on a complete cost-benefit analysis of strategic options for the Portage and Main Underground Concourse that includes, but is not limited to:

    A. Cash flow forecasting of each disposition alternative

    B. Real estate and property assessment impacts

    C. Ongoing concourse operating costs

    D. Asset divestment

    E. Alternate repair and maintenance plans

    F. Other indoor access agreements and any comparable information from other jurisdictions within North America

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 – September 16, 2025

Report – Standing Policy Committee on Property and Development – September 12, 2025

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 12, 2025, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service, with the following amendment:

- Delete Recommendation 2 in its entirety and replace with the following:

  "2. That the Public Service be directed to consult with the three landowners and report back to Council in January, 2027, with recommendations based on a complete cost-benefit analysis of strategic options for the Portage and Main Underground Concourse that includes, but is not limited to:

     A. Cash flow forecasting of each disposition alternative

     B. Real estate and property assessment impacts

     C. Ongoing concourse operating costs

     D. Asset divestment

     E. Alternate repair and maintenance plans

     F. Other indoor access agreements and any comparable information from other jurisdictions within North America."

and submitted the matter to the Executive Policy Committee and Council.

Judy Waytiuk submitted a communication in opposition to the matter.

COUNCIL DECISION:

On May 8, 2025, 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 90 days be granted for the Winnipeg Public Service to report back on the following:

Report – Standing Policy Committee on Property and Development – September 12, 2025

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

A. Scope of work and budget to assess the condition of the below-grade concourse to determine the steps, costs, and traffic impacts required to decommission and close the concourse to public access.

B. Consultation with the tenants of the concourse, the property owners on the four (4) corners and other downtown stakeholders, consistent with the previous rounds of consultation in reference to the intersection, on the process and timing of that at-grade opening and the decommissioning of the concourse.

C. Consultation with the Winnipeg Arts Council in an effort to address concerns related to the public art that is located in the concourse.

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 May 13, 2025, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On May 8, 2025, 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 that an extension of time of 90 days be granted to report back on 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 180 days be granted for the Winnipeg Public Service to report back on the following.

Report – Standing Policy Committee on Property and Development – September 12, 2025

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

A. Scope of work and budget to assess the condition of the below-grade concourse to determine the steps, costs, and traffic impacts required to decommission and close the concourse to public access.

B. Consultation with the tenants of the concourse, the property owners on the 4 corners and other downtown stakeholders, consistent with the previous rounds of consultation about the intersection, on the process and timing of the at-grade opening and the decommissioning of the concourse.

C. Consultation with the Winnipeg Arts Council in an effort to address concerns related to the public art that is located in the concourse.

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

David Grant submitted a communication with respect to the matter.

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.

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 that an extension of time of 180 days be granted to report back on the matter.

David Grant submitted a communication in opposition to the matter.

Report – Standing Policy Committee on Property and Development – September 12, 2025

COUNCIL DECISION:

On March 21, 2024, Council adopted the recommendation of the Standing Policy Committee on Property and Development, which included the following:

3. That the Public Service be directed to prepare the scope of work and budget to assess the condition of the below-grade concourse to determine the steps, costs, and traffic impacts required to decommission and close the concourse to public access, and to refer that project forward for Council consideration prior to the 2025 Budget Review Process.

ADMINISTRATIVE REPORT

Title: Portage and Main Underground Concourse – Decommissioning Study

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

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson	C. Klos	T. Graham	J. Dunford

EXECUTIVE SUMMARY

At its meeting on March 21, 2024, Council directed the Public Service to assess the condition of the Portage and Main Underground Concourse to determine the steps, costs, and traffic impacts associated with potentially decommissioning and closing the concourse to public access. A decommissioning study has been completed by the Municipal Accommodations Division with external consulting services provided by Crosier Kilgour & Partners Ltd. (the "Study").

The Study identifies the scope of work and a Class 4 construction cost estimate for the most advantageous option for a full, permanent decommissioning of the Concourse, as well as one option for a partial decommissioning. The total project cost for the full decommissioning is estimated at $11.14 million. A partial decommissioning is estimated at $9.44 million.

The Public Service recommends the City continue to maintain the Portage and Main Underground Concourse until such time as a comprehensive cost-benefit analysis is completed to establish the most advantageous strategic alternative.

RECOMMENDATIONS

1. That the *Portage and Main Underground Concourse, Decommissioning Study Report* by Crosier Kilgour (Appendix 1), and associated Cost Estimates (Appendix 2) be received as information.

2. That the Public Service be directed to report back to Council with recommendations based on a complete cost-benefit analysis of strategic options for the Portage and Main Underground Concourse that includes, but is not limited to, cash flow forecasting of each disposition alternative, real estate and property assessment impacts, ongoing concourse operating costs, asset divestment, and alternate repair and maintenance plans.

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 March 21, 2024, Council concurred in the recommendation of The Standing Policy Committee on Property and Development, as amended, and adopted the following:

3. That the Public Service be directed to prepare the Scope of work and budget to assess the condition of the below-grade concourse to determine the steps, costs, and traffic impacts required to decommission and close the concourse to public access, and to refer that project for Council consideration prior to the 2025 Budget Review Process.

5. That the Public Service consult the tenants of the concourse, the property owners on the 4 corners and other downtown stakeholders, consistent with the previous rounds of consultation about the intersection, on the process and timing of the at-grade opening and the decommissioning of the concourse and include the findings in the report back to Council outlined in Recommendation 3.

10. That the Public Service consult with the Winnipeg Arts Council in an effort to address concerns related to public art that is located in the concourse.

At its May 22, 2025, meeting, Council concurred in the recommendation of the Standing Policy Committee on Property and Development to grant an extension of time of 90 days for the Winnipeg Public Service to report back on the Decommissioning of the Portage and Main Underground Concourse.

IMPLICATIONS OF THE RECOMMENDATIONS

If directed, the Public Service will prepare a cost-benefit analysis evaluating the material implications of keeping the Concourse operational on a long-term basis, decommissioning the concourse, as well as any other plausible potential opportunities for future disposition. Such analysis ensures all factors/variables pertinent to a prudent asset management decision are assessed/analyzed. Further, the Public Service will also prepare to undertake repairs as needed until such time as the membrane repair is able to coincide with major surface works if warranted.

HISTORY/DISCUSSION

Council Direction #3
A long-term condition report of the Portage and Main Concourse was conducted in 2019 by SMS Engineering Limited, and further investigation was completed in 2022 by Stantec Consulting Ltd. Although the findings identify many building systems within/supporting the underground concourse as being beyond their theoretical service life, no major short-term risks were identified that would necessitate closing the underground concourse in the short- to medium-term.

On June 13, 2025, Crosier Kilgour and Partners Ltd. submitted the *Portage and Main Underground Concourse Decommissioning Study Report* (the “Study,” attached as Appendix 1)

which outlines the scope of work and associated costs for permanently decommissioning the Concourse. The Study, solely based on engineering and architectural considerations, recommends the most advantageous option to decommission would be by backfilling the majority of the underground concourse with stabilized fill material. This option fully closes the underground interconnected concourse to pedestrians, and the underground connections between the four corners (200 Portage Avenue, 201 Portage Avenue, 1 Lombard Place, and 335 Main Street) will no longer exist. It also recommends retaining the exit staircases at the northwest and northeast corners, as these will continue to serve as emergency exits for 201 Portage Avenue and 1 Lombard Place, as required by the Manitoba Building Code.

The Class 4 Estimate for the full decommissioning would entail approximately 17 months of work and, using the City of Winnipeg's Basis of Estimate, the total project cost is estimated to be $11.149 million. The total project cost consists of construction costs and soft costs such as design and project administration.

The Study also includes one option for partial decommissioning, involving closing the south loop of the concourse. This would close the below grade connection to 333 and 335 Main Street from the underground concourse. The remaining unaffected sections of the concourse would remain open and accessible to the public. The Class 4 total project cost estimate for that work is $9.44 million and is estimated to have a duration of 14 months. Closing the north loop was also identified as a viable partial decommissioning option, but only pricing for one option was included in the consultant scope of services. The costs associated with closing the north loop are assumed to be similar in magnitude to closing the south loop. Note that all potential cost/benefits to the City associated with decommissioning the concourse e.g., real estate/assessment implications, etc. have not been assessed to date and would be the subject of any future costs/benefit study.

Given "nuisance leakage," and the eventual deterioration of the waterproofing membrane of the Concourse are a concern, viable membrane replacement options were also requested from the Consultant. Maintenance options to extend the life of the waterproofing without invasive excavation from street level include crack injection with resin, or blind-side curtain grouting, which entails drilling port holes through the walls and roof, followed by pumping liquid membrane grout material. However, these are not considered equivalent to a full membrane replacement and would only extend the life of the Concourse until such time as a full replacement could strategically coincide with major surface work at the Portage and Main intersection (the expected service life of blind-side curtain grouting is estimated at 10 - 20 years). A more detailed study, complete with a cost-benefit analysis is recommended before proceeding with any interim membrane work.

The cost of a full membrane replacement remains outstanding. In 2022, it was estimated at $27 million in Stantec Consulting Ltd.'s *Portage and Main Membrane Replacement Report*. This Class 4 estimate included demolition of existing surface pavement, excavation, replacement of roof and wall membrane, replacement of concourse floor, underground drainage upgrading, backfill and surface pavement replacement. Below-grade watermain and sewers, roads and traffic management were estimated at an additional $30 million. While some of this work (replacement of waterproofing membrane over a portion of the concourse roof in exposed areas) was recently completed as part of the opening of the Portage and Main intersection to pedestrians, a revised cost estimate for the remaining membrane replacement would be required.

If the concourse is decommissioned, in full or in part, a portion of backfilling will need to occur on property not owned by the City. Through the 1979 Agreements to create the concourse, the adjacent property owners allowed public infrastructure to be constructed and operated on private property. Backfilling the concourse will require authorization of the affected owners and if that cannot be obtained, alternate decommissioning strategies will need to be explored.

Another significant implication to decommissioning the concourse is that the 1979 Agreements would be terminated. The 1979 Agreements obligated the parties to operate the concourse for a term of at least 40 years and in exchange, access to private and public property was granted at grade and below grade. The loss of at-grade access over private property may impact how sidewalks operate and could require new agreements with the adjacent property owners.

Council Direction #5

Property Owner Engagement:

Municipal Accommodations staff met with the operations staff of neighboring property owners of the Concourse to discuss overlapping building systems that could be impacted by potential closures of the Concourse. The results of the discussions were conveyed to the consultant team while their work was in progress, and a draft of the Decommissioning Study Report was circulated to the property owners of the four corners of the intersection, consistent with previous rounds of consultations. At the time of writing this administrative report, no comments have been received from any of the owners.

Tenant Engagement:

There are 10 units in the Concourse available for lease from the City of Winnipeg. These units represent approximately 7,686 square feet of leasable space. Currently, six out of the ten units are leased representing approximately 5,255 square feet (or 68 percent) of leased space. There are currently four vacant units representing approximately 2,431 square feet (or 32 percent) of vacant space. Leasing terms vary but are generally between three and five years in duration, each with options for renewal.

A survey was conducted to engage and receive feedback from each of the six tenants. Tenants were given the option to complete the survey online, use a fillable form and submit responses via email, or schedule a time to have someone meet with them in-person to record their responses. Of the six tenants eligible to complete the survey, all but one completed it representing a response rate of 83 percent.

In summary:

- Most tenants (80 percent) oppose closing any part of the concourse.

- Tenants indicated the underground concourse helped attract customers in both warmer and colder months but was more important in attracting customers in colder months with 60 percent of tenants saying it was either critically important or very important.

- Having properties and businesses directly connected to the underground concourse greatly influenced decisions to lease space in the concourse with 80 percent of tenants

saying it was either the primary reason for their decision or greatly influenced their decision to lease space.

- Since at-grade pedestrian crossing was introduced in June 2025, most (60 percent) tenants indicated pedestrian traffic within the concourse had either somewhat or significantly decreased, while 40 percent of tenants indicated they hadn't noticed any difference.

The complete survey and results are attached as Appendix 3 of this report.

Council Direction #10
Consultation with the Winnipeg Arts Council (WAC) over the existing Bruce Head concrete relief artwork on the inner wall of the circular walkway in the Concourse led to a request for the University of Manitoba, Faculty of Architecture, to use 3D scanning technology to digitally preserve the artwork. WAC and the copywrite owner of the artwork supported the idea, and on February 3, 2025, the University digitally scanned the artwork for digital preservation.

FINANCIAL IMPACT

Financial Impact Statement Date: August 6, 2025

Project Name:

Portage and Main Underground Concourse – Decommissioning Study

COMMENTS:

The implications of the recommendations include that the Public Service will undertake repairs as needed until such time as the membrane repair is able to coincide with major surface works (if those works are warranted). Depending upon the level/scope of potential deterioration to the concourse during this time, there may be cost/budget implications associated with this course of action. Any such cost/budget implications would be the subject of a future report(s).

Given the above qualification, there are no direct financial implications associated with this report.

Mike McGinn August 6, 2025
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Office of the Chief Administrative Officer
- Planning, Property and Development Department

OURWINNIPEG POLICY ALIGNMENT

Goal: Environmental Resilience
Objective: Promote low-carbon, energy-efficient buildings through low-energy building design, construction and retrofitting
Objective: Minimize and divert waste from landfill.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity: Low Carbon and Energy Efficient Buildings
Key Direction and Action: Increase Energy Performance of Existing Buildings

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Assets and Project Management
Division: Municipal Accommodations
Prepared by: Greg Kucel, Project Coordinator
Date: August 6, 2025
File No: MA2025-069

Attachments:

Appendix 1: Portage and Main Underground Concourse Decommissioning Study Report

Appendix 2: Portage and Main Underground Concourse Decommissioning Study Report - Class 4 Cost Estimate

Appendix 3: Portage and Main Tenant Survey Results