Agenda – Standing Policy Committee on Property and Development – July 6, 2026

REPORTS

Item No. 21 Proposed Lease Agreement between The Red River Exhibition Association and the City of Winnipeg at 4500 Portage Avenue

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the Public Service be approved to enter into a consecutive Short-Term Use Agreement in favour of The Red River Exhibition for 4500 Portage Avenue, shown as "Leased Area: 303,800± ft²", on Misc. Plan No. 13003/7 and attached hereto as Schedule A, commencing on January 1, 2026, and expiring on December 31, 2026, or such earlier time that a long term lease is entered into.

2. That, subject to the approval of two-thirds of all Council members (pursuant to subsection 205(2) of The City of Winnipeg Charter), the proposed Terms for a Lease Agreement with The Red River Exhibition Association at 4500 Portage Avenue, identified as "Leased Area" on Misc. Plan No. 13003/7 and attached hereto as Schedule A, be approved.

3. That, subject to the approval of Recommendation 2, the City of Winnipeg Sponsorship Policy (attached herein as Schedule C) be waived as a requirement for the proposed Lease Agreement.

4. That the City enter into, execute, and deliver a Lease Agreement with The Red River Exhibition Association and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

5. That authority be delegated to the Director of Planning, Property and Development to negotiate and approve the terms and conditions of the Lease Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City

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

ADMINISTRATIVE REPORT

Title: Proposed Lease Agreement between The Red River Exhibition Association and the City of Winnipeg at 4500 Portage Avenue

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

AUTHORIZATION

Author	Department Head	CFO	CAO
G. Chappell (Acting)	H. Borys	T. Graham	J. Dunford

EXECUTIVE SUMMARY

The Public Service has worked out a lease agreement with the Red River Exhibition Association ("The Ex") for City-owned land at 4500 Portage Avenue, shown as the "Leased Area" on Misc. Plan No. 13003/7 in Schedule A. The Ex will be responsible for running, managing, and maintaining the property, which is known as John Blumberg Park.

The new lease would last for 50 years and could be renewed for three more 10-year terms. This long-term agreement would allow The Ex to make improvements to the park. Proposed upgrades include:

- repairing existing sports fields,
- adding facilities for sports such as lacrosse and pickleball, and
- creating new amenities like a restaurant and retail space.

The Ex is currently operating the site under a short-term agreement. The Ex is a non-profit organization. It qualifies for a below-market lease under the City's Policy on the Leasing and Licensing of Property, included as Schedule B. The Ex will be responsible for all costs related to operating and maintaining the property.

The Public Service is also requesting an exception to the City of Winnipeg's Sponsorship Policy. This would allow The Ex to choose and manage its own sponsors for the facility.

The property is not located in a city Ward. However, the Councillor for the nearest Ward has been informed about the proposed agreement.

RECOMMENDATIONS

1. That the Public Service be approved to enter into a consecutive Short-Term Use Agreement in favour of The Red River Exhibition for 4500 Portage Avenue, shown as "Leased Area: 303,800± ft²", on Misc. Plan No. 13003/7 and attached hereto as Schedule A, commencing on January 1, 2026, and expiring on December 31, 2026, or such earlier time that a long term lease is entered into.

2. That, subject to the approval of two-thirds of all Council members (pursuant to subsection 205(2) of *The City of Winnipeg Charter),* the proposed Terms for a Lease

Agreement with The Red River Exhibition Association at 4500 Portage Avenue, identified as “Leased Area” on Misc. Plan No. 13003/7 and attached hereto as Schedule A, be approved.

3. That, subject to the approval of Recommendation 2, the City of Winnipeg Sponsorship Policy (attached herein as Schedule C) be waived as a requirement for the proposed Lease Agreement.

4. That the City enter into, execute, and deliver a Lease Agreement with The Red River Exhibition Association and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

5. That authority be delegated to the Director of Planning, Property and Development to negotiate and approve the terms and conditions of the Lease Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City

6. 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

Pursuant to the “Real Estate – Leasing and Licensing of Property” Policy adopted by Council on September 29, 2021, the Public Service is not authorized to enter into consecutive Short-Term Use Agreements for more than one year without approval from the Standing Policy Committee on Property and Development.

In accordance with subsection 205(2) of the City of Winnipeg Charter, all dispositions of property used or acquired for park or cemetery purposes require approval of at least two-thirds of all members of Council. A lease term in excess of five years is considered to be a disposition of property.

Council approval is required to waive the City of Winnipeg Sponsorship Policy (attached as Schedule C) and approve monetary grants.

IMPLICATIONS OF THE RECOMMENDATIONS

The proposed Lease Agreement has an initial term of 50 years and can be terminated with 10 years' written notice by either party.

The Red River Exhibition Association will assume responsibility for all expenses related to the development, operation and maintenance of the Leased Area.

HISTORY/DISCUSSION

4500 Portage is part of a larger landholding owned by the City in the Rural Municipality of Headingley. The John Blumberg Sports Complex is one of the largest outdoor sports facilities in Manitoba. Located on the western edge of Winnipeg in Headingley, it has played a significant role in the development of softball and other recreational sports in the region.

Since its construction, the complex has experienced periods of growth, decline, and recent efforts toward revitalization.

The John Blumberg Sports Complex was constructed between 1988 and 1990 as a premier softball facility. At the time of its opening, it was considered one of the top softball complexes in Canada. Originally built with four softball diamonds, the facility was later expanded to include seven diamonds, allowing it to host large-scale tournaments and events. Its modern design and capacity made it a central hub for amateur and competitive softball in Manitoba.

Beginning in 1990, Softball Manitoba took over the operation of the complex under a long-term lease agreement. Over the next three decades, the facility became a key location for provincial, national, and international competitions. Notably, the complex hosted softball events during the 1999 Pan American Games and the 2017 Canada Summer Games. In addition to softball diamonds, the site also included soccer fields, green spaces, and walking trails, making it a multi-use recreational area for the community.

Recently the John Blumberg Sports Complex began to show signs of deterioration due to aging infrastructure and limited funding for maintenance. Key systems such as lighting, irrigation, and field conditions require significant upgrades. The estimated cost of necessary repairs reached over $3,000,000.00. In 2023, Softball Manitoba ended its lease after more than 30 years of operation, citing the inability to afford these major improvements. Following this departure, the complex was left largely unused.

In 2024, the City of Winnipeg issued a request for proposals (RFP No. 681-2023) to find a new organization to operate and redevelop the John Blumberg Sports Complex. However, the RFP did not result in a successful agreement. Later that year, the City reopened the opportunity to the public, this time including the soccer fields as part of the property.

The Red River Exhibition Association (“The Ex”) was selected as the successful proponent. The organization proposed turning the site into a modern recreation and sports facility that could be used for many different activities. A 50-year lease term was considered appropriate given The Ex’s long-term redevelopment vision for the property. Their plans include upgrading the existing sports fields, introducing new amenities for sports such as lacrosse, rowing, pickleball and many other sports, and developing additional attractions including restaurant, retail space and outdoor venue.

To support these improvements and ongoing operations, The Ex will need to secure significant capital funding. The longer lease term also provides the certainty required to develop a comprehensive long-term concept plan and make substantial investments in the site. In 2025, The Ex began undertaking initial improvements to the property under a temporary lease agreement while advancing plans for its long-term redevelopment.

Because the proposed lease could extend to 80 years, with a cancellation notice period of ten years, the Public Service sought to ensure that the agreement included all necessary provisions to fully protect the City’s interests. This careful and thorough review process is also why it has taken considerable time to reach this stage.

The proposed lease was circulated to City departments and no objections were received. The Parks and Open Space Division was consulted during the negotiations and support the Terms.

The Risk Management Division reviewed the insurance requirements, and their comments have been incorporated into the Lease Agreement.

If the proposed Lease Agreement is approved, the Lease will commence on the first day of the month after Council approval or such other date as mutually agreed upon.

An internal review of recent appraisals for comparable lands and structures was completed to estimate the opportunity cost of the Lease. The proportionate notional value was determined to be $1,065,000.00. The highest and best use of the property is for active neighborhood, community and regional, recreational, entertainment and institutional uses.

The proposed lease is considered to represent the best value for the City, as it preserves greenspace, provides outdoor recreation opportunities for residents, and supports the development of a modern sports complex. The proposed sports complex is expected to attract local, regional, and national sporting events, generating economic activity, increasing tourism, and creating additional revenue opportunities for both the facility and the broader community.

Although the property is not located within a specific ward, the Councillor representing the nearest ward has been informed of the Public Service's intentions and has expressed support for the proposed lease agreement.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 25, 2026

Project Name:

First Year of Program 2027

Proposed Lease Agreement between The Red River Exhibition Association and the City of Winnipeg at 4500 Portage Avenue

	2027	2028	2029	2030	2029 to 2076
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	299	305	317	317	23,486
Net Cost/(Benefit)	$ (299)	$ (305)	$ (317)	$ (317)	$ (23,486)
Less: Existing Budget Amounts	(1)	(1)	(1)	(1)	(46)
Net Budget Adjustment Required	$ (298)	$ (304)	$ (316)	$ (316)	$ (23,440)

Additional Comments: Incremental revenue represents the nominal $1/annum lease fee + the annual lease administration fee ($298 in 2027 and assumed to increase by inflation of 2%/annum) for the initial 50-year term of the agreement, assumed to commence on January 1, 2027. No budget adjustment is required.

Mike McGinn June 25, 2026

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services (as to legal issues)
- Parks and Open Space, Public Works Department

OURWINNIPEG POLICY ALIGNMENT

Our Winnipeg 2045 Development Plan:

Goal: Good Health and Well-Being

Objective: 1. Enable access to basic needs for good physical and mental health.

Policy: 4.11 Equitable Service Access
Prioritize equitable access to recreation and parks systems, services, and infrastructure, in order to: enable active living; connect people and nature; create supportive environments; build community capacity; and achieve desired health outcomes, with a focus on children and youth.

Goal: Economic Prosperity

Objective: 4. Make strategic use of community and regional assets to optimize local economic competitiveness.

Policy: 3.16 Optimize Facility Access
Maximize the use of existing municipal assets to promote recreation, community development, and social interaction, while optimizing equitable access, infrastructure reinvestments, service delivery methods and resource management.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This report is in accordance with the Winnipeg Climate Action Plan as adopted by Council on September 20, 2018.

Key Direction 7.3: Preserve and Manage Parks and Natural Areas to Support Climate Change Mitigation (Primary Responsibility: Public Works Department).

Action: This report supports the effective preservation and management of parklands to align with the City's broader climate change mitigation efforts, as the proposed lease contributes to climate change mitigation by supporting the preservation and management of the existing golf course.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given to whether this report aligns with any specific Goals and Objectives of the Poverty Reduction Strategy (PRS) and the related 2024-2027 Implementation Plan. It was determined that the Strategy does not apply to this report.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: J. Kuczera, Acting – Administrator
Date: June 26, 2026
File No: P-13 (V)

Attachments:

Schedule A – Proposed Terms Sheet

Schedule B – Eligibility Criteria for Below Market Lease / License to Non-Profit Organizations

Schedule C – City of Winnipeg Sponsorship Policy

SCHEDULE A – SUMMARIZED TERMS FOR A LAND LEASE FOR 4500 PORTAGE AVE – WITH THE RED RIVER EXIBITION ASSOCIATION

PURPOSE:	Development, maintenance, use and operation of a recreational facility, including but not limited to a sport and entertainment complex and event center
LESSEE:	The Red River Exhibition Association
AREA:	As identified as “Leased Area” on Misc. Plan 13003/7
TERM:	Fifty (50) Year term will commence on the first day of the month after Council approval or such other date as mutually agreed upon. and approved by the Director of Planning Property and Development, with three (3) x ten (10) year options to extend
RENT:	$1.00 per annum plus GST for the Term, plus Administrative Fee
LESSEE	Responsible for taxes, development, operating, and repairs and maintenance costs under the lease. Development / Site plan will require city approval.
NET LEASE:	The City has proposed that the Lessee pays all costs and expenses of every nature relating to the Subject Property and that the City shall not be responsible for any costs for the duration of the Proposed New Lease.
ADVERTISTING:	The City has proposed that the Lessee may erect Advertising within the Lease Area, subject to certain restrictions (i.e.: no firearm, illicit drug ads, etc.).
SPONSORSHIP / NAMING RIGHTS:	The City has proposed that the Lessee be permitted to enter into sponsorship opportunities, subject to Council waiving the City of Winnipeg Sponsorship Policy.
BINDING ARBITRATION:	The City cannot terminate the Agreement upon the Lessee’s default of any of the terms of the Agreement without first providing the option to enter a binding Arbitration with the Lessee.



LEASED AREA: 303,800± m² (75.1± acres)

ACCESS ROAD AREA

Date: 2025-OCT-14
District: RM of Headingley
File: P13 (V3)
Scale: 1:3200
Requested by: JK
Drawn by: XH
Reference Dwg No.: Misc. Plan No. 13003/6

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. 13003/7

SCHEDULE B

Eligibility criteria for below market leases

1) The Tenant is a registered Non-Profit Organization;
2) The Tenant provides activities/programs that are compatible with the City's provision of services/programs, or addresses an identified gap in service to the community as determined by Stakeholders;
3) The Tenant provides a service for which there is a current and projected need in that location, as determined by Stakeholders, operating for a minimum prescribed number of operating hours;
4) If the Tenant requires a building, the Lease or Licence must be for a Designated Non-Profit Building;
5) The Tenant agrees to pay proportionate Operating Costs associated with the Lease or Licence; and
6) The Tenant agrees to provide their annual financial statements to the City prior to June 1 in each calendar year for the duration of the Lease or Licence.