REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED APRIL 3, 2002

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee, dated April 3, 2002, was considered.

Moved by His Worship Mayor Murray,
That the Consent Agenda, Clauses 1,2,3,4,5 and 6, be adopted.

Carried.

Request for Transfer of Approved Funding from the City Centre Land Dedication Reserve Fund - Grant Park High School to Grosvenor School

File EP-2 (Vol. 29)

359 - 1. Council, on January 26, 2000, adopted Clause 4 of the Report of the Executive Policy Committee dated January 12, 2000, authorizing an expenditure in the amount of $15,000.00 from the City Centre Land Dedication Reserve Fund to assist with the cost of construction of an outdoor rink and tennis court, with fencing, at Grant Park High School.

On April 3, 2002, the Executive Policy Committee was advised that the Standing Policy Committee on Protection and Community Services, at its meeting held on March 11, 2002, considered and concurred in a request from the Superintendent of Schools - South, The Winnipeg School Division No. 1, for the transfer of funding from the Land Dedication Reserve Fund in the amount of $15,000.00 approved to Grant Park High School, to Grosvenor School for a 2002 capital project to improve the school playground.

The Executive Policy Committee concurs in the above and recommends that the amount of $15,000.00 approved by Council on January 26, 2000, from the City Centre Land Dedication Reserve Fund, to assist with the cost of constructing an outdoor rink and tennis court, with fencing, at Grant Park High School, be transferred to Grosvenor School for a 2002 capital project to improve the school playground.

Adopted by consent.

Proposed Closing of Parts of St. Albans Road, Setterington Bay and Breckenridge Close

File DAC 13/2001

360 - 2. The Executive Policy Committee has been advised that the street closures require a by-law pursuant to Section 495 of The City of Winnipeg Act.

Council, on November 21, 2001, approved an application from Qualico Developments (Winnipeg) Ltd. to subdivide and rezone the lands identified as “Proposed Subdivision DASZ 17/2001” on Attachment “A”. The new streets being created by the subdivision will render the portions of the existing streets identified as “Proposed Closings” on Attachment “A” obsolete.

The proposal has been considered by all affected City departments and public utilities. There are no objections or conditions to the closings. These streets do not physically exist. There is no public use of the property.

The Assiniboia Community Committee approved the street closings at a public meeting held on September 18, 2001.

Report of the Executive Policy Committee dated April 3, 2002

Transfer of Ownership of Streets from Province to City

The streets must be legally closed before they may be transferred to the applicant. Title to all public rights-of-way in Manitoba are vested in the name of the Province. The registration in the Winnipeg Land Titles Office of a closing by-law removes the public right-of-way status from the land and vests the ownership of the property in the City's name. The City is not entitled to enter into any transactions concerning the land until this has been done.

Transfer of Streets for $1.00

Whyte Ridge Residential Developments Ltd. was the owner of the lands before they were dedicated as public streets. Whyte Ridge Residential Developments Ltd. was purchased by Qualico Developments (Winnipeg) Ltd. a number of years ago. Qualico has submitted an application to have the portions of the streets which are obsolete returned to them. On April 4, 2002, the Standing Policy Committee on Property and Development approved the transfer of the closed streets to Qualico for the nominal sum of $1.00.

This report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to allow certain street opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

1. The proposed closing must have been addressed at a public meeting and received approval from the Committee before which the public meeting took place.
2. The proposed closing and sale must have been approved by the Director of Public Works.
3. The proposed closing must have been submitted to all affected City departments and public utilities with no objections having been received.
4. Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.
5. The terms and conditions of any easement agreements created by the proposed closing and sale must have been addressed.
6. The proposed closing must have been approved by the affected property owner(s).
7. The terms and conditions of any agreements concerning the proposed closing and sale must have been approved by the Director of the department that requested the closing and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of the Planning, Property and Development Department, as is appropriate.

All of the criteria have been met.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the closing in accordance with Attachment "A", Misc. Plan No. 11212.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Proposed Closing of Part of Marksbridge Drive

File DAC 24/2001

361 - 3. The Executive Policy Committee has been advised that the street closure requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

In November of 2001, Council approved DASZ 19/2001, an application to subdivide and rezone certain lands south of Marksbridge Drive and east of Lindenwood Drive West. This application included the portion of Marksbridge Drive shown as "Proposed Closing" on Attachment "A". The applicant, Genstar Development Corporation, neglected to apply for the subject street closing when it applied to subdivide and rezone the adjacent lands.

Report of the Executive Policy Committee dated April 3, 2002

The Assiniboia Community Committee approved the street closure at a public meeting held on February 19, 2002.

Transfer of Jurisdiction from Province to City

The street must be legally closed before it may be transferred. Title to all public-right-of ways in Manitoba is vested in the name of the Province. The registration in the Winnipeg Land Titles Office of a street closing by-law removes the public right-of-way status from the land and vests the ownership of the property in the City's name. The City is not entitled to dispose of the land until this has been done.

Closed Street to be Transferred for $1.00

The street will be incorporated into DASZ 19/2001. The area of the streets being created by DASZ 19/2001 exceeds the area of the street being closed. In accordance with City policy, the closed street will be transferred to the Developer for the nominal sum of $1.00.

Services Within Street

All requirements for the provision of easements or the relocation of any existing services in the portion of Marksbridge Drive proposed to be closed have been addressed by the Subdivision Application.

This report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain street opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

1. The proposed closing must have been addressed at a public meeting and received approval from the Committee before which the public meeting took place.
2. The proposed closing and sale must have been approved by the Director of Public Works.
3. The proposed closing must have been submitted to all affected City departments and public utilities with no objections having been received.
4. Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.
5. The terms and conditions of any easement agreements created by the proposed closing and sale must have been addressed.
6. The proposed closing must have been approved by the affected property owner(s).
7. The terms and conditions of any agreements concerning the proposed closing and sale must have been approved by the Director of the department that requested the closing and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of the Planning, Property and Development Department, as is appropriate.

All of these criteria have been met.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the closing in accordance with Attachment "A", Misc. Plan No. 11383.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Proposed Closing of the Public Lane South of Clarence Avenue, West of Marshall Bay
File DAC 8/2000

362 - 4. The Executive Policy Committee has been advised that the lane closure requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

The Planning, Property, and Development Department has received requests from the owners of 1126 and 1132 Clarence Avenue regarding the purchase of the public lane adjacent to their properties. The subject lane is unpaved. There is no public use of this land.

Report of the Executive Policy Committee dated April 3, 2002

The proposal was approved by the Assiniboia Community Committee at a public meeting held on September 12, 2000. The terms and conditions of the sale of the land were approved by the Standing Policy Committee on Property and Development on July 5, 2001, and by Council on July 18, 2001.

Transfer of Ownership of Lane from Province to City

The lane must be legally closed before it may be sold. Title to all public right-of-ways in Manitoba is vested in the name of the Province. The registration in the Winnipeg Land Titles Office of a lane closing by-law removes the public right-of-way status from the land and vests the ownership of the property in the City's name. The City is not entitled to dispose of the land until this has been done.

Lane Approach from Marshall Bay

The Transportation Division of the Public Works Department has advised that the owners of 1126 Clarence Avenue will be required to either remove the existing approach to the lane from Marshall Bay and restore the boulevard or obtain approval for the private use of the approach.

Easement

Manitoba Hydro will require an easement for the maintenance of an existing overhead line in the south portion of the lane.

This report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

1. The proposed closing must have been addressed at a public meeting and received approval from the Committee before which the public meeting took place.
2. The proposed closing and sale must have been approved by the Director of Public Works.
3. The proposed closing must have been submitted to all affected City departments and public utilities with no objections having been received.
4. Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.
5. The terms and conditions of any easement agreements created by the proposed closing and sale must have been addressed.
6. The proposed closing must have been approved by the affected property owner(s).
7. The terms and conditions of any agreements concerning the proposed closing and sale must have been approved by the Director of the department that requested the closing and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of the Planning, Property and Development Department, as is appropriate.

All of these criteria have been met.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the closing in accordance with Attachment "A", Misc. Plan No. 10967/2.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Report of the Executive Policy Committee dated April 3, 2002

Lane Corner Widening at the Rear of 664 Anderson Avenue

File DAO 1/2002

363 - 5. The Executive Policy Committee has been advised that the lane corner widening requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

In 1993, the Board of Commissioners approved a report from the Director of Operations and instructed the Planning, Property and Development Department to negotiate for the acquisition of the land required for the subject lane corner widening, as illustrated on Attachment "A".

The owners of the land agreed to sell the property to the City in 1993. The City has paid for the land and registered a caveat against the title to the property giving notice of its intention to dedicate the land as public lane. The corner cut has been constructed.

This report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain street opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

1. The proposed opening and acquisition must have been approved by the Director of Public Works.
2. The proposed opening must have been submitted to all affected City Departments and public utilities with no objections having been received.
3. Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.
4. The affected property owner(s) must have agreed to the terms and conditions of the acquisition of the land required for the proposed opening.
5. The terms and conditions of any agreements concerning the proposed opening and acquisition must have been approved by the Director of the department that requested the opening and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of the Planning, Property and Development Department, as is appropriate.

All of these criteria have been met.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the lane corner widening in accordance with Attachment "A", Misc. Plan No. 8824/1.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Lane Corner Widening at the Rear of 428 Mountain Avenue

File DAO 2/2002

364 - 6. The Executive Policy Committee has been advised that the lane corner widening requires a by-law pursuant to Section 495 of The City of Winnipeg Act.

In 1994, the Board of Commissioners approved a report from the Director of Operations and instructed the Planning, Property and Development Department to negotiate for the acquisition of the land required for the subject lane corner widening, as illustrated on Attachment "A".

The owners of the land agreed to sell the property to the City in 1995. The City has paid for the land and registered a caveat against the title to the property giving notice of its intention to dedicate the land as public lane. The corner cut has been constructed.

Report of the Executive Policy Committee dated April 3, 2002

This report is submitted in accordance with the provisions of By-law No. 7325/98, a by-law to amend current procedures to allow certain street opening and closing applications to be submitted to the Executive Policy Committee for report to Council without the requirement to be reviewed by a Standing Policy Committee.

The following criteria must be met before the authority given in the by-law may be exercised:

1. The proposed opening and acquisition must have been approved by the Director of Public Works.
2. The proposed opening must have been submitted to all affected City departments and public utilities with no objections having been received.
3. Any conditions regarding engineering aspects (i.e. relocation of facilities) must have been mutually agreed to.
4. The affected property owner(s) must have agreed to the terms and conditions of the acquisition of the land required for the proposed opening.
5. The terms and conditions of any agreements concerning the proposed opening and acquisition must have been approved by the Director of the department that requested the opening and either the Standing Committee on Fiscal Issues, the Standing Policy Committee on Property and Development, or the Director of the Planning, Property and Development Department, as is appropriate.

All of these criteria have been met.

The Executive Policy Committee recommends:

I. That the City Solicitor be instructed to prepare the necessary by-law for submission to Council to effect the lane corner widening in accordance with Attachment “A”, Misc. Plan No. 9324.

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

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED APRIL 10, 2002

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee, dated April 10, 2002, was considered.

Moved by His Worship Mayor Murray,
That the Consent Agenda, Clauses 1 and 2, be adopted.

Carried.

Date of Tax Sale Number 107
File FL-2.4 (Vol. 17)

365 - 1. The Executive Policy Committee has been advised that Secion 230(1) of The City of Winnipeg Act requires a resolution of City Council to initiate the annual Tax Sale proceedings.

The Chief Financial Officer, on an annual basis, forwards recommendations for tax sale to the Executive Policy Committee requesting that they be forwarded to Council for approval.

The Executive Policy Committee recommends:

I. That City of Winnipeg Tax Sale No. 107 be held on December 9, 2002, for lands which are in tax arrears for all or part of 2000, 2001 and 2002.

II. That all lands included in Tax Sale No. 107 be advertised and sold in accordance with the applicable sections of The City of Winnipeg Act, and, that the City of Winnipeg exercise its prior right to purchase the property advertised for sale in accordance with Section 235(5) of The City of Winnipeg Act.

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

Adopted by consent.

Federation of Canadian Municipalities - Trade Agreements
File GC-5.1 (Vol. 45)

366 - 2. On April 10, 2002, the Executive Policy Committee passed the following motion, namely:

WHEREAS municipal governments across Canada have expressed concerns about the possibility of international trade and investment agreements impacting on municipal government operations;

THEREFORE BE IT RESOLVED that the City of Winnipeg support the Federation of Canadian Municipalities' position that any proposed Free Trade of the Americas (FTAA) agreement, or possible changes to the General Agreement on Trade in Services (GATS) should not impact on nor limit the ability of municipal governments in their delivery of their mandated services to their communities,

and submits same to Council for approval.

Adopted by consent.

REPORT OF THE

EXECUTIVE POLICY COMMITTEE

DATED APRIL 17, 2002

On motion of His Worship Mayor Murray, the Report of the Executive Policy Committee, dated April 17, 2002, was considered clause by clause.

Moved by His Worship Mayor Murray,

That the Consent Agenda, Clauses 1,2,3,4,5,6,7,8 and 9, be adopted.

Councillor Timm-Rudolph requested that Clauses 3 and 8 be pulled from the Consent Agenda.

Councillor Steek requested that Clauses 1,2,5 and 9 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 4,6 and 7 was put and declared carried.

367 - Deputy Mayor Thomas asked to be recorded as having voted against Clause 4 in accordance with Rule 50.7 of the Procedure By-law.

CentreVenture - Increase in Endowment Fund - Renewal of Operational-Funding Agreement and Expansion of the Mandated Area

File EP-1.2.3 (Vol. 3)

368 - 1. On May 13, 1999, Council amended and adopted the CentreVenture- *Downtown Revitalization Report and its companion, CentreVenture: A New Approach to Downtown Revitalization Report*, dated May 5, 1999. City Council endorsed the creation of CentreVenture Development Corporation to provide leadership in creating and sustaining business opportunities and economic growth in downtown Winnipeg.

On July 9, 1999, CentreVenture Development Corporation was duly incorporated under the laws of the Province of Manitoba.

On September 29, 1999 Council, “endorsed the spirit and intent of CentreVenture’s Start-Up Business Plan.”

On April 3, 2002, CentreVenture tabled their Report dated March, 2002, to the Executive Policy Committee.

The Executive Policy Committee referred the renewal of the Operational-funding agreement and investment of additional capital funds into the Development Bank to the Standing Committee on Fiscal Issues for report back by April 17, 2002.

The Executive Policy Committee also referred the expansion of the boundaries of the CentreVenture Mandated Area, renewal of the Asset Agreement for an additional three years and revision of Category D to reflect similar intent to Category B lands to the Standing Policy Committee on Property and Development for report back on April 17, 2002.

On April 9, 2002, the Standing Committee on Fiscal Issues passed the following motion, namely:

1. That $7 million be added to the CentreVenture Endowment Fund over the next two fiscal years to be allocated from the General Purpose Reserve.
2. That CentreVenture report to the Standing Committee on Fiscal Issues every six months with respect to their financial statements and investment return on the fund.

On April 4, 2002, the Standing Policy Committee on Property and Development referred the matter to the Administration for review and report back to a special meeting at the call of the chair.

On April 15, 2002, the Standing Policy Committee on Property and Development recommended the matter be laid over for an additional 30 days.

Report of the Executive Policy Committee dated April 17, 2002

In their Report to the City dated March 2002, CentreVenture proposes that the City consider the following:

1. "The City may want to consider the boundaries of the organization as a means to assembling other strategic city-owned, surplus properties- for redevelopment and for building the Urban Bank through access to more assets versus entirely direct capital contributions".

2. "It would be important for the City to consider expanding the permitted use to areas on the "shoulder" of what is defined as downtown, particularly along Princess Avenue to the north and west of the CentreVenture boundaries and encourage adaptive reuse and new development where demand is growing and the market is expressing interest."

As a result of the Red River College Campus and the Waterfront Drive projects, there has been significant activity with regard to proposed projects within the general vicinity of the campus and the northern terminus of the Waterfront Drive. Some of this activity occurs at the periphery of the geographically defined downtown, which is external to the Downtown Zoning By-law. A number of older warehouse buildings that are currently zoned Industrial, lie on the fringe of the designated downtown area (which aligns with the CentreVenture mandated area).

In close proximity to the Red River downtown campus, the City is aware of a number of development proposals for the adaptive re-use of heritage buildings that exist outside of the current CentreVenture mandated area. Other private and public sector properties within the southwest Point Douglas neighbourhood are also emerging as prime candidates for development as a result of the construction of Waterfront Drive. The ability of these proposals to become viable projects has been somewhat hampered by the less flexible Zoning By-law No. 6400 requirements, as well as the inability of project proponents to access the CentreVenture Heritage Incentive Programs or funding through their Urban Development Bank.

For the following reasons, the administration recommend that the boundaries for the CenterVenture mandated area be expanded beyond the existing Downtown area in general accordance with the attached plan:

- CentreVenture has the development knowledge and skills as well as the financial tools and capacity to assist in the materialization of the emerging opportunities that are currently at the periphery of their mandated area.

- Stakeholder discussions have identified both of these areas identified for incorporation as anomalies that could be considered as a part of the Downtown.

- The identified areas are not integral to the surrounding residential neighbourhoods.

Both areas identified for expansion lie within the Point Douglas Ward of the Lord Selkirk–West Kildonan Community Committee area.

Downtown Initiatives / Downtown Zoning By-law Revision

The administration and CentreVenture are in the process of finalizing internal (staff and political input) as well as external stakeholder (developers, realtors, business, and professional consulting associations) input with regard to the Downtown Initiatives. The Downtown Initiatives propose sweeping and progressive changes to the City's downtown decision-making and approval processes. Examples of such initiatives include the revision of the *Downtown Winnipeg Zoning By-law No. 4800/88*, and the possible enfolding of all of the existing development review and approval committees (Board of Adjustment, Community Committee, Standing Policy Committees, and Advisory Committees) into a single Downtown Development and Approval body.

The goal of the revision of the now dated *Downtown Winnipeg Zoning By-law No. 4800/88*, is to more accurately reflect the CentrePlan vision and Downtown Winnipeg policy- primarily *CentrePlan: Development Framework and CentrePlan: Vision & Strategies.*

The expansion of CentreVenture's mandated area in and of itself, does not change the Zoning or the Zoning by-law Area (this area remains within the by-law 6400 area). Any proposed expansion or contraction of the Downtown requires changes to the current zoning for properties contained within those boundaries, and as such, require due process (consultation, Council direction, posting, public hearings, administrative reports, etc).

The administration recommend that all downtown policy and zoning be brought into alignment with the proposed expansion of CentreVenture's mandated area as appropriate. All downtown stakeholders and CentreVenture require that all of the rules and regulations concerning downtown development and approvals be consistent. However, as a result of the downtown zoning by-law revision process, it may be determined that blanket re-zoning is not appropriate as it may impact on surrounding neighbourhoods.

Report of the Executive Policy Committee dated April 17, 2002

In the interim period, the administration will expedite development proposals within the expanded mandated area as they come forward.

The administration has not yet undertaken an exhaustive review of the property ownership within the proposed areas of expansion. Accordingly, the administration recommends that the authority to review and delineate the new CentreVenture mandated area, be delegated to the Director of Planning, Property, and Development, to ensure that there are no landowner conflicts with regard to the boundary.

In light of the various formal agreements that currently exist between the City and CentreVenture, and in order to reflect the intent of Council, the administration further recommend that the authority to finalize the terms and conditions of any necessary agreements be delegated to the Chief Administrative Officer.

The Executive Policy Committee concurs with the recommendations of the Standing Committee on Fiscal Issues and recommends:

I. That $7,000,000.00 be added to the CentreVenture Endowment Fund over the next two fiscal years to be allocated from the General Purpose Reserve.

II. That the City of Winnipeg renew the Operational-Funding Agreement for an additional 4 years to support the mandate as stated in the Start-Up Business Plan of September, 1999.

III. That Council:

a) Approve in principle the expansion of the CentreVenture Development Corporation's mandated area as outlined on Appendix "A";
b) Authorize the Director of Planning, Property, and Development to review and delineate the specifics of the new CentreVenture mandated Area as may be required to satisfy land ownership issues;
c) Authorize the Chief Administrative Officer to approve the final terms and conditions concerning amendments to the Contribution Agreement dated November 17, 1999, as required to reflect the intent of Council.

IV. That the administration proceed with any necessary amendments to Plan Winnipeg and CentrePlan.

V. That the administration prepare zoning regulations for the expanded mandate area as a part of the downtown zoning by-law revision process.

VI. That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

2002 CentreVenture Heritage Tax Credit Program and the CentreVenture Downtown Heritage Program
File EP-1.2.3 (Vol. 3)

369 - 2. On March 6, 2002, the CentreVenture Development Corporation (CentreVenture) requested the City's Heritage Investment Reserve Fund Manager to provide $1 million towards the CentreVenture Heritage Tax Credit Program and $162,183.00 for the CentreVenture Downtown Heritage Program.

In keeping with CentreVenture's established reporting relationship with the City, the Executive Policy Committee is identified as the Designated Committee for the purposes of administrating this by-law.

On May 13, 1999, Council amended and adopted the CentreVenture- *Downtown Revitalization Report and its companion, CentreVenture: A New Approach to Downtown Revitalization Report*, dated May 5, 1999. City Council endorsed the creation of CentreVenture Development Corporation to provide leadership in creating and sustaining business opportunities and economic growth in downtown Winnipeg.

Report of the Executive Policy Committee dated April 17, 2002

On July 9, 1999, CentreVenture Development Corporation was duly incorporated under the laws of the Province of Manitoba.

On September 24, 1999, the CentreVenture Board adopted its Start-Up Business Plan. On Pages 35 and 37 of the Start-Up Business Plan, CentreVenture identified the Downtown Heritage Tax Credit Program and the Gail Parvin Hammerquist Fund as programs that should be administered by CentreVenture under the Development Bank function.

On September 29, 1999 Council, "endorsed the spirit and intent of CentreVenture's Start-Up Business Plan."

On March 15, 2000, Council established the Heritage Investment Reserve in accordance with Section 338(1) of *The City of Winnipeg Act.*

On April 26, 2000, Council amended and adopted the creation of the CentreVenture Heritage Tax Credit Program as well as the CentreVenture Downtown Heritage Program.

On May 24, 2000, Council passed the CentreVenture Heritage Tax Credit By-law 7632/2000.

Also on May 24, 2000, Council passed the CentreVenture Heritage Program By-law No. 7633/2000.

On December 12, 2001 Council approved contributions in the amount of $1 million each to the Economic Development Investment Reserve, the Heritage Investment Reserve, and the Housing Rehabilitation Investment Reserve, to be funded from any further actual 2001 year-end surplus that may arise.

On April 3, 2002, CentreVenture tabled their Report to the City at the Executive Policy Committee.

HERITAGE INVESTMENT RESERVE:

On December 12, 2001, Council approved $1 million for the Heritage Investment Reserve. The Heritage Investment Reserve was established in order to fund all City and City-sponsored heritage programs and act as a revolving fund so that future funding of heritage programs could be sustained and thereby reduce the need to obtain additional funding.

Currently, the Reserve is sourced through four revenue streams as follows:

a) Original Seed Funding- $2 million from the Commitment Reserve (the source was unexpended 1999 heritage tax credits and 1999 Land Operating Reserve net revenues), unused 2000 tax credits of approximately $650,000, and uncommitted funds from the Gail Parvin Hammerquist Fund.

b) Land Operating Reserve- 5% of City land sales in a given year flow to provide funding for the Gail Parvin Hammerquist Fund.

c) Planning, Property, and Development Department Current Budget- $1.3 million has been provided as a line item within their budget on an annual basis.

d) Incremental Taxes – the incremental tax (increase) in projects that the Reserve funds flow back into the Reserve until the investment (tax credit) is repaid.

CENTREVENTURE DEVELOPMENT CORPORATION:

On March 6, 2002, the President and Chief Executive Officer of CentreVenture wrote the Director of the Planning, Property, and Development (also serving as the Heritage Investment Reserve Fund Manager), requesting additional funding for their Heritage Programs. The City had recently approved $1 million in funding for the Heritage Investment Reserve while an additional $162,183 was contributed through the Gail Parvin Hammerquist Fund from 5% of the proceeds of City-owned real estate sales within 2001.

Council created CentreVenture to facilitate private and public sector investment and development by, aggressively seeking new business, leveraging investment, and partnering with other levels of government.

CENTREVENTURE HERITAGE TAX CREDIT PROGRAM:

Many designated structures within the downtown are currently underutilized or lie vacant thereby providing little in the way of municipal or business tax revenues to the City. The Tax Credit enables the renovation of these structures putting them back onto the tax roles in productive use. Ultimately, the City receives financial and social benefits far in excess of the tax credits utilized as incentives to motivate such development.

Report of the Executive Policy Committee dated April 17, 2002

CentreVenture has requested that the $1 million recently directed into the Heritage Investment Reserve be made available for the CentreVenture Heritage Tax Credit Program. In their letter dated March, 6, 2002, CentreVenture states that;

"With adaptive re-use of heritage buildings as a priority, we recommend the program assist heritage buildings in the downtown or support investment and development within the historic Exchange District. We suggest that a sunset clause be introduced with this allocation of funding and the program be geared to wrap up upon completion of projects. We further propose this program has an added emphasis on residential and mixed use projects".

The administration concurs with CentreVenture on the stated use of these funds and as such, has worked with CentreVenture to establish the 2002 CentreVenture Heritage Tax Credit Program Criteria and Procedures as outlined on Appendix "A", and as recommended for approval.

CENTREVENTURE DOWNTOWN HERITAGE PROGRAM:

The City created the Gail Parvin Hammerquist Fund (By-law No. 7040/97) to encourage greater investment in the retention, improvement, and use of designated buildings. Financing is provided from a share (5%) of revenues from sales of City-owned real estate.

Two components of the CentreVenture Downtown Heritage Program include the Heritage Economic Development Initiatives, which may include grants to fund innovative measures to attract new investment, occupants, and uses for heritage buildings, and the Capital Grants Initiatives made available to assist owners in conserving the heritage character, architectural elements, and detailing of their buildings. Grants may amount to no more than 50% of approved costs for eligible work up to a maximum of $25,000. Appendices "B" and "C" identify the program criteria and procedures for each of these Initiatives.

CentreVenture has requested that the available $162,183.00 committed to replenish the CentreVenture Downtown Heritage Program to be administered jointly with the City's Designated Officer.

"*The fund will be aimed at spurring investment in designated heritage buildings in the downtown or be used to support development in the historic Exchange District. The use could, but need not be limited to direct investment in projects or in studies and services to support projects that will result in the implementation of specific, time-limited objectives and tangible end products and development*."

The administration concurs with CentreVenture on the stated use of these limited funds and as such, has worked with CentreVenture to establish the 2002 CentreVenture Downtown Heritage Program Criteria and Procedures as attached, and as recommended for approval.

FINANCIAL IMPACT:

The funding necessary to effect these Programs is currently in place within the Heritage Investment Reserve.

Within their Report to the City dated March 2002, CentreVenture has advised that their CentreVenture Heritage Tax Credit Program is nearing the point at which it has achieved its purpose of priming development, but that the Program should continue for one more cycle and that a sunset clause should be introduced.

The Executive Policy Committee recommends:

I. That Council approve the 2002 CentreVenture Heritage Tax Credit Program including:

   a) The Program Criteria and Procedures, as outlined on Appendix"A".
   b) Funding in the amount of $1 million for the Program to be sourced from the Heritage Investment Reserve.

II. That Council approve the 2002 CentreVenture Downtown Heritage Program including:

   a) Two components of the Program identified as the Heritage Economic Development Initiatives and the Capital Grants Initiatives.
   b) The Program Criteria and Procedures, as outlined on Appendices "B" and "C".
   c) Funding in the amount of $162,183.00 for the Program to be sourced from the Heritage Investment Reserve.

III. That Council authorize the Chief Administrative Officer to approve the final terms and conditions for these CentreVenture Heritage Programs as required to reflect the intent of Council.

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

Copy of attachments referred to in the above clause are on file in the office of the City Clerk.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Destination Winnipeg - Amalgamation of the Economic Development Agencies - Economic Development Winnipeg and Tourism Winnipeg
File EP-2 (Vol. 28)

370 - 3. Council approved the Homegrown Economic Development Strategy (HEDS) in June 2001. The HEDS called for a new order for economic development strategy implementation in Winnipeg and suggested that new partnerships may emerge from integration or rationalization of such governmental organizations and partnerships as Economic Development Winnipeg and Tourism Winnipeg.

A series of consultations and discussions were held, resulting in a consensus that it would be advantageous to have a single economic development entity, or authority, to streamline Winnipeg's macro-economic development strategies. These strategies must reflect the Province's and the City's priorities, notably as identified in the HEDS.

A re-launched organization, Destination Winnipeg, would effectively combine Economic Development Winnipeg with Tourism Winnipeg as a single economic development agency.

A complete amalgamation that would see Destination Winnipeg charged with the ongoing effective management and activities of the Winnipeg Convention Centre as a "subsidiary corporation" may be a longer-term desirable objective to be considered. However, in the short-term, certain functions of the Winnipeg Convention Centre that are consistent with and complementary to tourism and economic development - notably those related to communications and marketing - could be integrated into Destination Winnipeg. Destination Winnipeg could, in effect, provide communications and marketing services and functions to the Winnipeg Convention Centre, which would remain a free-standing facility.

Destination Winnipeg would have a refocused tourism function, one that is a critical piece of more comprehensive strategic place marketing. Destination Winnipeg would cross-market Winnipeg's strengths, attractions, opportunities (e.g., Convention Centre with tourism with economic development, etc.) and be more focused on strategic place marketing.

Destination Winnipeg must ensure that its mandate and objectives are complementary to CentreVenture, the Winnipeg Airports Authority and other partner agencies, and that their respective roles and responsibilities are distinct and clearly defined.

Benefits of an amalgamated agency include:

- The City and the Province have come to consensus.
- Destination Winnipeg would re-launch Winnipeg's economic development agency (agencies) as a new, reinvigorated means of executing economic development strategies, notably HEDS.
- Destination Winnipeg would be stronger and more streamlined.
- Destination Winnipeg could draw on and improve upon the combined strengths, successes, attributes and resources of the existing organizations.
- Enhances cross-jurisdictional, cross-functional partnerships and networks.
- Builds on some of the successes they have been part of: bringing the Canadian Science Centre for Animal and Human Health ("the virology lab") to Winnipeg; developing CentreVenture, Young Leaders, etc.
- Destination Winnipeg would be:
  - More efficient, integrated and interrelated; would reduce duplication, e.g., Integrated and interrelated marketing, promotion, image and communications - develop and integrate common messages and campaigns.
  - More results-oriented, agile and flexible - with a smaller Board that would help staff keep focussed.
  - More competitive and:

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  - Do better with existing resources.
  - Be more competitive on the world stage/in the global economy.
- More effective.

- Destination Winnipeg would have a strategic focus on:
  - HEDS and its priorities.
  - Clusters; Winnipeg's competitive advantages.
  - Place marketing.
  - A refocused tourism function - with more aggressive promotion of Winnipeg and its attractions and amenities.
- Build and improve Winnipeg's profile.
- More opportunities to bring people here, cross-market our strengths, attractions, opportunities (e.g., Convention Centre with tourism with economic development, etc.).

A number of examples of amalgamated economic development agencies exist. Given its similarity in many ways to Winnipeg, Edmonton is perhaps the best example of amalgamation to consider. In 1992, Edmonton consolidated all of its economic development activities and institutions, Edmonton Convention and Visitors Bureau, Edmonton Convention Centre Authority, Edmonton Economic Development Authority, and Edmonton Research Park, under one corporation, Economic Development Edmonton (EDE). The EDE model has generally been viewed as a success and has been instrumental in supporting Edmonton's economic performance, which was rated as Canada's number one performing metropolitan economy by the Conference Board of Canada in Spring 2001.

In 2001, Calgary and Ottawa also reorganized their respective economic development functions in 2001 into united economic development agencies.

United States jurisdictions, including the Denver and North Dakota, have also amalgamated relevant economic development functions and organizations.

The basic concept is for Destination Winnipeg to develop actions and strategies related to the HEDS' fundamental policy foundations, priorities and issues, collaborating and working with community partners where appropriate and mutually beneficial. The HEDS' priorities are:

1. Growing Local Enterprise and Expanding Exports
2. Closing the Skills Gap and Enhancing Immigration
3. Creating an Enabling and Competitive Municipal Government

With a primary purpose of implementing the HEDS, Destination Winnipeg would also coordinate such interrelated functions as:

- Strategic Development and Attraction
- Communications and Promotion
- Events and Conventions

Destination Winnipeg must embrace and incorporate the concept of strategic place marketing in its work in executing key policy foundations and issues. As a result of rapid technological change, global competition, increased urbanization and political power shifts in the "new economy", the City must work with its partners to take full advantage of its economic development efforts as "place marketers" to attract visitors, residents and workers, business and industry as well as export markets.

Destination Winnipeg must work - both internally and externally - to improve Winnipeg's image and economic identity and strengths, and bolster its promotional capabilities. Destination Winnipeg must further develop strengths, efforts and strategies in support of tourism, arts and culture, events and festivals, conventions and meetings, attractions and amenities, export development, and talent and investment attraction and retention.

Destination Winnipeg must furthermore give life to the broad, interrelated priorities and concepts of the HEDS, including:

Partnership - A community-based approach has been a hallmark of Winnipeg's economic development efforts to date. Partnership and collaboration are underlying and crosscutting components of the HEDS. Destination Winnipeg must develop and "broker" partnerships. Moreover, it must work with Winnipeg's diverse socio-economic population and representative groups and institutions to develop appropriate community-driven networks as they relate to business growth, employment creation, capital development and Winnipeg's strategic clusters. Solutions must be developed to support local ownership, diversification of the economy through the proliferation of smaller businesses, and employee and community stakeholder participation in the economy.

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Destination Winnipeg must play a role in bringing together partners in the private sector, labour and other orders of government in support of economic development.

Destination Winnipeg must contribute to a renewed spirit of partnership that is fundamental to the development of Winnipeg's Aboriginal community. Issues and elements concerning and embracing the growing Aboriginal population are of paramount importance to the Winnipeg's future economic development prospects, and must be dealt with concretely, genuinely and collaboratively. Destination Winnipeg must promote and pursue collaboration among all orders of government, the private sector and non-governmental organizations to promote full economic participation of Aboriginal people in Winnipeg.

The City recognizes that there are a number of important areas in which it does not have direct control, primacy or jurisdiction. Destination Winnipeg would play a role in coordinating civic and provincial priorities and actions within their respective areas of jurisdiction. Where appropriate, Destination Winnipeg would call on and encourage relevant authorities, institutions and organizations to take action. Destination Winnipeg would play complementary, supporting and, in some instances, leading roles with partners in the private and non-governmental sectors, along with governments.

Destination Winnipeg must work with the City and the Province to promote regional consistency in planning and development in furthering Winnipeg's central role in the Capital Region and the importance of its health to the health of the region overall. It must work with the Province to establish forums for dialogue, discussion, and potential partnerships between Winnipeg, the Province, and neighbouring municipalities with regard to economic development issues.

Strategic Clusters - Closely related to networking, partnership building and "brokering", Destination Winnipeg must develop and promote Winnipeg's strategic clusters, facilitating, where appropriate, cluster working groups much like the successful Manitoba Aerospace Association.

A Sustainable Community - Destination Winnipeg must recognize that economic development cannot be viewed as just being about economic growth - rather, intergenerational and sustainable development issues are essential to Winnipeg's long-term sustainable economic development and prosperity. Destination Winnipeg must work to maintain or enhance economic opportunity and well-being for all members of the community.

Indicators - Destination Winnipeg must ensure that Winnipeg's progress is tracked and measured, and that "just in time" and up-to-the-minute statistics on its progress towards sustainable economic development objectives is provided, using available advanced technologies. Moreover, it must ensure that intelligence on Winnipeg's competitiveness with other jurisdictions, particularly in its strategic clusters, is provided.

Structure - Destination Winnipeg would be created as a result of the merger of Economic Development Winnipeg and Tourism Winnipeg. The Winnipeg Convention Centre would remain intact as a separate, facility management entity, while possibly outsourcing its marketing and communications functions to Destination Winnipeg.

A CEO-driven organization, with streamlined, strengthened management and communications functions, is proposed. The CEO, with the support of a new and active Chair and Board, would determine the final management and administrative structure of the organization.

Governance - Destination Winnipeg would require a small Board that would keep to a defined plan (e.g., HEDS) and that is results-oriented, agile and flexible. Membership should allow for change from time to time, possibly annually, depending on the expertise required. Destination Winnipeg's Board must be responsive to the Winnipeg's economic development priorities while still being a business-driven (i.e., not a business organization-driven) and -oriented organization. The Board would be skill-based, with members drawn from leaders in priority clusters. A Board of nine or fewer strategic, higher profile members is proposed.

It is proposed that the Premier and Mayor, as the main stakeholder representatives of Destination Winnipeg, approve the new Board in consultation with the Chair shortly after launching Destination Winnipeg. Governance and reporting protocols would ensure the accountability of Destination Winnipeg and its Board members to the City and the Province through such measures as annual reporting. Relevant protocols would ensure maximum consistency and coordination of communications between the new amalgamated corporation and its stakeholders.

The Executive Policy Committee recommends:

I. That the following motion be approved by Council, namely:

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WHEREAS in June of 2001 City Council adopted the principles of A Homegrown Economic Development Strategy for Winnipeg, which outline new, integrated approaches and goals to focus and support Winnipeg's economic development efforts;

AND WHEREAS extensive research and consultations with partners and stakeholders, including representatives and members of the City's economic development agencies, have demonstrated that innovative ways of carrying out economic development are desirable in an increasingly competitive global environment;

AND WHEREAS Economic Development Winnipeg and Tourism Winnipeg have been effective and valued partners in carrying out Winnipeg's past economic development and tourism efforts;

AND WHEREAS an integrated economic development strategy requires a strategic, integrated implementing agency;

THEREFORE BE IT RESOLVED THAT:

1. The Executive Policy Committee recommends to City Council that Economic Development Winnipeg and Tourism Winnipeg amalgamate their operations into one agency, and that the amalgamated agency work with the Winnipeg Convention Centre to develop a strategic marketing and communications partnership;

2. The end result of the amalgamation process will be to achieve, by Fall 2002, a strategic integrated implementing agency that is stronger and more streamlined, drawing on and improving upon the combined strengths, successes, attributes and resources of existing organizations;

3. The new amalgamated agency will:
   - enhance cross-jurisdictional, cross-functional partnerships and networks;
   - be efficient and interrelated;
   - reduce duplication;
   - be results-oriented, agile and flexible;
   - be competitive.

4. The amalgamated agency will focus on:
   - the Homegrown Economic Development Strategy and its priorities;
   - development of clusters and Winnipeg's competitive advantages;
   - place marketing, promoting Winnipeg and its attractions and amenities.

5. The amalgamated agency will work, both internally and externally, to improve Winnipeg's image and economic identity and strengths, and bolster its promotional capabilities, and further develop strengths, efforts and strategies in support of tourism, arts and culture, events and festivals, conventions and meetings, attractions and amenities, export development, and talent and investment attraction and retention;

6. The amalgamated agency will make such changes to its corporate structure as required to establish the Mayor of Winnipeg and the Premier of Manitoba or their designates as its sole Members;

7. The Mayor and the Premier will nominate the Chair and Board of Directors and the Mayor will submit the nominees to City Council for its approval;

8. Provided that the Province of Manitoba shall have equal responsibility, City Council agrees to indemnify the Chair and members of the Board of Directors for any liability arising from their respective appointments and any acts done in good faith in the performance of their duties;

9. The amalgamated agency will report back to Executive Policy Committee with a business plan in July 2002, which, among other things, will identify the process for completing the amalgamation and formally implementing the new agency by Fall 2002.

II. That the Province of Manitoba shall have equal responsibility, City Council agrees to indemnify the Board Members of Economic Development Winnipeg and Tourism Winnipeg for any liability arising from their respective appointments and any acts done in good faith in performance of their duties during the transition period.

III. That the current Board Members of Economic Development Winnipeg and Tourism Winnipeg remain until such time as the transition is complete.

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

Councillor Timm-Rudolph asked to be recorded as having voted against Clause 3 in accordance with Rule 50.7 of the Procedure By-law.

Grant Approval to the Walker Theatre
Files G-3.1.1 (Vol. 8) and FG (Vol. 9)

371 - 4. The Executive Policy Committee, on April 17, 2002, passed the following motion, namely:

WHEREAS the Walker Theatre is a National Historic site and is listed as a Grade I Historical Building under the City of Winnipeg's Historical Buildings By-law No.1474/77;

AND WHEREAS the continued vitality of the Walker Theatre is essential to the revitalization of the downtown;

THEREFORE BE IT RESOLVED that the City of Winnipeg contribute a $100,000.00 one-time only grant to the Walker Theatre Performing Arts Consortium for the hiring of personnel;

AND THEREFORE BE IT FURTHER RESOLVED that the grant be subject to the following:

I. The Consortium submitting a strategic financial and operational plan involving the private and public sectors.

II. The Consortium submitting a marketing and fund raising campaign to further develop their strategic planning, for the long term viability of the Walker Theatre, all to the satisfaction of the Chief Administrative Officer.

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

and submits same to Council for approval.

Adopted by consent.

(See Minute No. 367 for opposition recorded by Deputy Mayor Thomas)

Community Incentive Grant Program
Policy Amendment
File PR-2.6 (Vol. 15)

372 - 5. The Executive Policy Committee, on April 17, 2002, passed the following motion, namely:

THAT the Community Incentive Grant Program, Policy No. C037, be amended to reflect that no funds will be committed from the Community Incentive Grant Program beyond the electoral mandate of any individual Councillor, effective April 24, 2002;

and submits same to Council for approval.

Moved by His Worship Mayor Murray,
Adoption of the clause.

The Speaker called the Deputy Speaker, Councillor Lazarenko, to the Chair and left the Chamber.

The Deputy Speaker called Councillor Eadie to the Chair to participate in the debate.

The Deputy Speaker resumed the Chair.

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In amendment,

Moved by Councillor Steeves,
Seconded by Councillor Angus,

THAT the clause be amended by adding the following after the resolve:

That the Ward Councillor retains the authority to commit the annual funds from the Community Incentive Grant Program in an election year.

The amendment was put.

Councillor Steek called for the yeas and nays, which were as follows:-

Yea: Councillors Angus, Clement, De Smedt, Smith, Steeves, Deputy Mayor Thomas, Vandal, Eadie, His Worship Mayor Murray and Councillor Lazarenko. 10

Nay: Councillors Lubosch, Steek and Timm-Rudolph. 3

and the amendment was declared carried.

The motion for the adoption of the clause, as amended, was put and declared carried.

Contract Renewal for the Access Advisory Committee Coordinator
File CR-3 (Vol. 5)

373 - 6. The Executive Policy Committee, on April 17, 2002, passed the following motion, namely:

WHEREAS on April 16, 2002, the Access Advisory Committee concurred in extending the contract of Judy Redmond for an additional one year duration commencing May 1, 2002 to April 30, 2003;

THEREFORE BE IT RESOLVED:

I. That the City of Winnipeg renew the personal services contract with Judy Redmond for the provision of administrative support services to the Access Advisory Committee, as follows:

a) the contract be a one-year duration commencing May 1, 2002 to April 30, 2003;
b) the fee for service be $40,000.00 per annum all-inclusive, utilizing funding from the existing Access Advisory Committee budget allocation.

II. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary contract between The City of Winnipeg and Judy Redmond.

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

and submits same to Council for approval.

Adopted by consent.

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Appointment of Committee Coordinator - The Winnipeg Committee for Safety
File GF-2.7.1 (Vol. 2)

374 - 7. The Executive Policy Committee, on April 17, 2002, passed the following motion, namely:

WHEREAS on March 6, 2002, the Executive Policy Committee authorized the Human Resource Services Division to proceed with the process of recruiting a Committee Coordinator for The Winnipeg Committee for Safety, inasmuch as the current coordinator is not renewing her contract;

AND WHEREAS the Selection Committee has now reviewed the applications for this position and have made a recommendation to hire a new Committee Coordinator for The Winnipeg Committee for Safety;

AND WHEREAS The Winnipeg Committee for Safety has been advised that a citizen member has recently resigned her position on the Winnipeg Committee for Safety creating a citizen vacancy;

THEREFORE BE IT RESOLVED:

I. That the City of Winnipeg enter into a personal services contract with Linda Williams for the provision of administrative support services to The Winnipeg Committee for Safety, as follows:

a) the contract be a one-year duration commencing May 1, 2002 to April 30, 2003;
b) the fee for service be $40,000.00 per annum all-inclusive, utilizing funding from the existing Winnipeg Committee for Safety budget allocation.

II. That the City Solicitor/Manager of Legal Services be instructed to prepare the necessary contract between The City of Winnipeg and Linda Williams.

III. That the City Clerk's Department be requested to advertise for citizen members to fill these vacancies on the Winnipeg Committee for Safety, as soon as possible.

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

and submits same to Council for approval.

Adopted by consent.

Proposed Settlement - Novamet Development Corporation v. The City of Winnipeg
File GL-3.2 (Vol. 41)

375 - 8. The Executive Policy Committee has been advised that under existing delegated authority, the Legal Services Division requires approval from Council to settle claims over $250,000.00.

On June 10, 1996, Novamet Development Corporation filed a Statement of Claim against the City claiming damages arising from a development application for lands south of Westdale in Charleswood (the "lands").

In 1964, the original development agreement was entered into between the former Rural Municipal of Charleswood and Novamet's predecessors in title to the lands. Novamet's predecessors first applied to develop the lands in 1974 and were turned down in 1978.

Novamet's predecessors applied again to develop the lands in 1985, which application Novamet took over in 1986. The City had concerns about traffic, access and other issues.

In 1986, Council imposed a development freeze in the Charleswood area in order to give the City time to develop a strategy to deal with the issue of the cost of a regional street system that was needed to permit development in Charleswood. As a result, Council passed a resolution amending the City's Development Agreement Parameters, imposing the Charleswood Transportation Levy, in an attempt to resolve some of the inadequacies of the street system in Charleswood so that development could occur.

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In 1991, the City rejected the 1985 application because of the outstanding traffic and access issues and shortly thereafter, Novamet filed a further application revising the proposed plan. Following prolonged negotiations, the 1991 application got adjourned by the Committees on Works and Operations and Planning and Community Services pending the outcome of the Transplan 2010 review.

Novamet also filed an application in 1994 to deal with a portion of the lands that were no longer required for roadways as a result of the revised 1991 plan. That application was rejected by Council pending resolution of the revised 1991 plan.

Transplan 2010 was ultimately completed in 1998 and the revised 1991 plan, amended further, was finally approved by Council in September of 1998.

The legal issues which have been identified in the action include the position by Novamet that the 1964 Development Agreement bound the City to approve Novamet's development applications and that the Charleswood Transportation Levy, enacted in 1986, is illegal.

Novamet's claim is in the amount of $14,000,000.

As a result of extensive discussions between the City and Novamet, and following analysis of the claim by Legal Services in conjunction with experts engaged to assist in the conduct of the litigation, a settlement proposal has been prepared which involves the transfer of a group of five properties of land from the City to Novamet on certain terms and conditions. One of the properties must be declared surplus in order for the City to dispose of it. Council will need to consider further administrative reports dealing with the closure of certain legally open streets and lanes and subdivision as is necessary to implement the proposed settlement.

The combined value of these properties is approximately $1,000,000 which represents a discount of approximately 93% from the full amount of Novamet's claim before costs. If this settlement is approved, Novamet will abandoned its position that the Charleswood Transportation Levy is illegal or beyond the powers of the City. The proposed settlement is recommended given the potential risk and costs to the City of proceeding with the litigation.

Proposed Transfer to Novamet

The properties proposed for transfer to Novamet are as follows:

A) Properties already Declared Surplus by Council

1. 403 Regent Avenue West (Misc. Plan No.11441);
2. South Side Pandora Avenue West (Misc. Plan No. EKT 7798/1);
3. Seven (7) building lots on the South Side Park Place East (Misc. Plan Nos. 10151/3,/4,/5,/6,/7,/8,/11);
4. One (1) building lot on the West Side Gull Lake Road (Misc. Plan No. 9835/1);

B) Property Recommended to Be Declared Surplus by Council

1. N/S Foley Avenue (Misc. Plan No. 11326).

Appendices "A" to "K", inclusive, identify the specific properties.

The properties will be transferred in accordance with the City's standard terms and conditions of sale for properties of these types. Novamet has reviewed the City's proposed terms of transfer and the Administration and Novamet have now agreed on the applicable terms and conditions.

Financial Impact and Funding:

The Financial Impact Statement is shown on Appendix "L". The proposed settlement is all-inclusive. The City will not be required to contribute to Novamet's legal costs. The only cost to be financed in the transfer of property to Novamet will be related to the cost to commute the outstanding Local Improvement Levies in the amount of approximately $41,200.00 as applicable to the South Side Pandora Avenue property (Misc. Plan No. EKT 7798/1). The costs to implement this settlement will be charged to the Insurance Reserve.

The most significant financial impacts to the City of effecting the recommended settlement are as follows:

- In 2002 and subsequent years, there will be approximately $1,000,000.00 less available to be transferred to the General Revenue Fund from the Land Operating Reserve. The impact in the 2002 budget year will be that the inventory carrying costs of the lands recommended to be transferred ($356,267.00) will be written off and thus be unavailable to be transferred to General Revenue.

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- The balance of the $1,000,000.00 transfer deficiency will occur over the next few years as it will not be possible to complete sales and transfer net sales proceeds to General Revenue.

The Financial Impact Statement prepared and attached as Appendix 12, indicates that the transfer to Novamet of these real estate assets to resolve this litigation will result in an over-expenditure of the Planning, Property and Development Department operating budget in 2002 by approximately $357,000.00 (+ or -), assuming that $41,200.00 is funded by the Insurance Reserve. The Department's operating budgets for 2003 through 2006 inclusive would need to be determined in light of the $161,000.00 annual over-expenditure as estimated herein.

The Executive Policy Committee recommends:

I. That Council approve a proposed settlement of Queen's Bench Suit No. CI 96-01-97608 by transferring title to the following properties to Novamet, in accordance with the "minutes of settlement" as agreed to by Novamet and the terms and conditions of transfer as are acceptable to the City Solicitor and the Director of the Planning, Property and Development Department:

A. Properties already Declared Surplus by Council

1. 403 Regent Avenue West (Misc. Plan No.11441);
2. South Side Pandora Avenue West (Misc. Plan No. EKT 7798/1);
3. Seven (7) building lots on the South Side Park Place East (Misc. Plan Nos 10151/3/4,/5, /6,/7,/8,/11);
4. One (1) building lot on the West Side Gull Lake Road (Misc. Plan No. 9835/1);

B. Property Recommended to Be Declared Surplus by Council

1. North Side Foley Avenue (Misc. Plan No. 11326).

II. That Council declare the North Side Foley Avenue Property (shown as "Subject City Property" on Misc. Plan No. 11326) as surplus to the City's requirements, subject to Council's adoption and enactment of a "Road Closing By-law" and approval of a "Plan of Survey".

III. That the operating budget of the Planning, Property and Development Department be approved for over-expenditure by $357,000.00 (+ or -) for the year 2002.

IV. That the Proper Officers of the City be authorized to do all things necessary to implement the proposed settlement.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Moved by His Worship Mayor Murray,
Adoption of the clause.

Moved by Councillor Timm-Rudolph,

That Recommendation I.A be referred back to Executive Policy Committee

The Deputy Speaker advised that the motion to refer would apply to the entire clause.

The motion to refer the clause was put.

Councillor Timm-Rudolph called for the yeas and nays, which were as follows:-

Yea: Councillors Steek and Timm-Rudolph. 2

Nay: Councillors Angus, Clement, De Smedt, Smith, Steeves, Deputy Mayor Thomas, Vandal, Eadie, His Worship Mayor Murray and Councillor Lazarenko. 10

and the motion to refer the clause was declared lost.

Moved by Councillor Angus,
That Rule 6.1 of the Procedure By-law be suspended to permit Council to continue in session until 12:30 p.m. and reconvene at 2:30 p.m. to allow members to attend funeral services for David B. Oster, who served as Reeve for the Municipality of West St. Paul.

Carried.

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In amendment,

Moved by Councillor Timm-Rudolph,
Seconded by Councillor Steek,

THAT the clause be amended by deleting Recommendation I. A. 1, namely: -

403 Regent Avenue West (Misc. Plan No. 11441);

and further that another parcel of land (of the same value) be offered in the aforementioned place.

The amendment was put.

Councillor Timm-Rudolph called for the yeas and nays, which were as follows:-

Yea: Councillors Steek and Timm-Rudolph. 2

Nay: Councillors O'Shaughnessy, Clement, De Smedt, Lubosch, Prystanski, Smith, Deputy Mayor Thomas, Vandal, Eadie, His Worship Mayor Murray and Councillor Lazarenko. 11

and the amendment was declared lost.

The motion for the adoption of the clause was put.

Councillor Timm-Rudolph called for the yeas and nays, which were as follows:-

Yea: Councillors O'Shaughnessy, Clement, De Smedt, Lubosch, Prystanski, Smith, Deputy Mayor Thomas, Vandal, Eadie, His Worship Mayor Murray and Councillor Lazarenko. 11

Nay: Councillors Steek and Timm-Rudolph. 2

and the clause was declared carried.

The Speaker resumed the Chair.

Motor Coach Industries Expansion Incentive

File FI-1.2 (Vol. 1)

376 - 9. The Executive Policy Committee has been advised that Motor Coach Industries has been examining possible North American locations in which to consolidate various components of its manufacturing and research and development components into one primary facility. This expansion requires a considerable financial commitment, and would serve to maintain Motor Coach Industries as one of Winnipeg's largest employers, should they choose to pursue this project here.

The City of Winnipeg considers support to such a venture as a strategic, long-term economic development investment in Winnipeg's economy, particularly in the transportation industry, which is a key economic sector. This project meets the necessary criteria outined in the City's Homegrown Economic Development Strategy.

Motor Coach Industries initiated discussions with the three levels of government in the fall of 2001, explaining that they were either going to consolidate their operations in Winnipeg or relocate them to a greenfield site in the south eastern United States. As such, they were looking for financial concessions that would enable them to continue to operate in Winnipeg.

Motor Coach Industries employs approximately 1,500 people in Winnipeg and contributes in excess of $500,000.00 annually to the City in the form of business and property taxes. Because of the capital-intensive nature of the project, Motor Coach Industires has requested that the City provide financial assistance in the form of a grant resulting in the recommendation that $500,000.00 be allocated in this fashion.

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Proposal

Motor Coach Industries' investment in the expanded Winnipeg facility is anticipated at approximately $10,000,000.00. Job creation, once the expansion has been completed, is expected to exceed 500.

Support Principles

- The incentive provided would reflect the strategic importance of the transportation industry to Winnipeg's economy and would be commensurate with the guidelines outlined in the Council-adopted Homegrown Economic Development Strategy.

- The tax credit portion would be sourced by the City of Winnipeg in a designated account to pay down actual charges (e.g. property and business taxes).

- Upon construction of this project, MCI's municipal and business taxes would increase by approximately $66,000.00 annually.

Conditions of Support

The conditions of support would provide that an agreement between the City of Winnipeg and Motor Coach Industries for purposes of supporting the expansion of their operations be finalized by the Chief Administrative Officer, subject to the following conditions:

A. That Motor Coach Industries establish and at all times maintain and operate the project in accordance with all laws, bylaws, directions, rules and regulations and obtain any and all necessary permits and licenses of any federal, municipal or provincial authority having jurisdiction as may be required to construct and operate the project.

B. That property taxes are paid in full when due for each taxation year.

C. That, should Motor Coach Industries not complete the project, or undertake the expansion, the grant monies would be withheld.

D. Payments will be subject to annual budget approvals and other terms and conditions as deemed necessary by the City Solicitor/Manager of Legal Services for the purposes of implementing the intent of Council.

Benefits of the Proposal

1. Motor Coach would not only remain in Winnipeg, but would expand significantly, add a research and development component, and consolidate the majority of their North American operations in Winnipeg;

2. Incremental and business taxes paid by Motor Coach Industries would increase by approximately $66,000.00 annually as a result of this expansion;

3. Motor Coach will add no less than 500 new positions after the expansion has been completed.

4. The newly-expanded facility will be a showcase for Motor Coach in Winnipeg, as it will be the location where clients will pick up their coaches. It will also include a test-facility, which will further solidify Winnipeg's position as the predominant bus manufacturing centre in North America.

A Financial Impact Statement, prepared in conjunction with the proposed Motor Coach Industries Expansion Incentive, is shown on Attachment "A".

The Executive Policy Committee recommends:

I. That City Council approve the following recommendation as it pertains to a proposed agreement between the City of Winnipeg and Motor Coach Industries pertaining to the latter's request for governmental assistance in order for them to consolidate and expand their operations at 1475 Clarence Avenue in Winnipeg:

Report of the Executive Policy Committee dated April 17, 2002

- That a Productivity Reinvestment Grant in the amount of $1,100,000.00 be made available to Motor Coach Industries over a two-year period;

- That this financial incentive take the form of a $500,000.00 grant to Motor Coach Industries in 2002, and $300,000.00 in incremental tax credits in each of the years 2002 and 2003, subject to other conditions outlined above.

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

Moved by His Worship Mayor Murray,
Adoption of the clause.

Carried.

EXECUTIVE POLICY COMMITTEE

CONSIDERATION OF BY-LAWS

377 - On motion of His Worship Mayor Murray, the following by-laws were read a first, second and third time, the rule being suspended for the third reading of each by-law, and were passed and ordered to be signed and sealed, namely:

By-law No. 8013/2002, a by-law of The City of Winnipeg to close part of Marksbridge Drive east of Lindenwood Drive West. File DAC 24/2001

By-law No. 8025/2002, a by-law of The City of Winnipeg to close parts of St. Albans Road, Setterington Bay and Breckenridge Close, west of Scurfield Boulevard. File DAC 13/2001

By-law No. 8026/2002, a by-law of The City of Winnipeg to widen the public lane at the southeast corner of 664 Anderson Avenue. File DAO 1/2002

By-law No. 8027/2002, a by-law of The City of Winnipeg to close part of the public lane south of Murray Avenue and east of Durban Place. File DAC 10/2001

EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

378 - In reference to a media report that the Federal Government forwarded 10 percent payment with respect to the Sophonow matter, Councillor Steek inquired if the Mayor was supportive of the City paying any portion of the $2.6 million awarded to Mr. Sophonow by the court.

His Worship Mayor Murray replied that if the City was required to pay a portion it would do so but indicated that it would be better to have the compensation paid from Ottawa than from Winnipeg property taxpayers. He added that in past practice the Province stepped in very quickly and paid the compensation, and made reference to the federal fund for this purpose. He further noted that he is limited in what he can say due to the sensitivities around the issue and the relationship with the insurers so as not to void the insurance policy that should be paying out the money. He also advised that the meeting with Minister McIntosh was very productive and that there appeared to be a strong commitment to the issue and to ensure that Mr. Sophonow was properly compensated.

In reference to the "Report to Citizens", Councillor Smith requested clarification of the statement under housing and neighbourhood renewal relative to a $14 million Building Communities program to renew recreational facilities.

His Worship advised that the Building Communities Program is a partnership with the Province, with $7 million from the City and $7 million from the Province, noting that for the first time there would be a housing component of $1.5 million and that the remainder was for community and recreation facilities.

Councillor Smith questioned whether the City was increasing its contribution to the program.

Executive Policy Committee - Question Period (continued)

His Worship confirmed that there would be new monies that would be budgeted for in future capital budgets considered by Council.

Councillor Lazarenko inquired about the status of the Sex Trade Committee report that was sent to the Province by Council in September 2001, to which His Worship replied that the report had been forwarded to the Province and the school boards for funding consideration, and agreed to pursue the matter with the Premier.

In reference to the Sophonow scenario and the comment made by the Mayor that traditionally information about the agreement amounts are sealed, Councillor Steek inquired if the matter would not come back to Council for final approval, in accordance with existing delegated authority, if the amount was greater than $250,000.00.

His Worship confirmed that the City would follow Council policy but that ideally the cheque would be coming from the City's insurers rather than from The City of Winnipeg.

Council recessed at 12:27 pm, and reconvened at 2:36 p.m., the Speaker in the Chair, same members present, except for Councillors Prystanski and Timm-Rudolph.