

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

18 JUN 1996

3:00 P.M.

PRESENT

Chair: P. Clark

Members: B. Hill, P. Hume, G. Hunter, A. Loney, B. McGarry, W. Stewart,
R. van den Ham

REGRETS

M. Bellemare

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Minutes of the 04 Jun 1996 meeting.

CARRIED

REGULAR ITEMS

CHIEF ADMINISTRATIVE OFFICER/FINANCE

1. REVIEW OF INTER-MUNICIPAL SERVICE
ARRANGEMENTS IN THE OTTAWA-CARLETON AREA
- Joint Chief Administrative Officer and Finance Commissioner's report
dated 5 Jun 96

Notes: 1. Underlining indicates a new or amended recommendation.
2. Reports requiring Council consideration will be presented to Council on 26 Jun 1996 in Corporate Services and Economic Development Committee Report Number 38, WITH THE EXCEPTION OF ITEM NO. 2, CHIEF ADMINISTRATIVE OFFICER'S REPORT ON THE CORPORATE REVIEW, AND ITEM NO. 3, BUDGET DIRECTIONS 1997, WHICH WILL BE PRESENTED TO COUNCIL ON 10 JUL 1996.

M. Beckstead, Chief Administrative Officer, referenced Council's direction for staff to examine areas of overlap between the upper and lower tier municipalities and review opportunities to end duplication. He stated the topic had been discussed at the area municipal Chief Administrative Officers' meetings extensively, resulting in the determination that the five areas listed in the report had the highest priority. Mr. Beckstead and Mr. LeBelle, Finance Commissioner, reviewed the five areas and the time frame allocated to each. Mr. LeBelle believed there were significant opportunities for savings in the areas indicated, in particular the Billing and Information Systems area.

Councillor Hunter inquired why the Regional Official Plan was included as a service. Mr. Beckstead reported this was selected for review as there was no required legislation for the area municipalities to have an Official Plan, however, zoning and site plan approvals were clearly responsibilities of the municipalities. Mr. Beckstead believed it was necessary to examine the overlap and referenced the review currently underway by the Province on delegating more responsibilities for lot creation to the Region.

In response to Councillor Hunter's inquiry with regard to a possible delay to the Regional Official Plan, N. Tunnacliffe, Planning and Property Commissioner, confirmed it was staff's desire to review the overlap and possibility of one Official Plan during the summer months. He confirmed the original time table for the review of the Region's Plan would not be delayed. In response to a question regarding the area municipal plans, Mr. Tunnacliffe confirmed the City of Ottawa plan was unique in scope, however, 70% of the rural plans repeated what was in the Regional Plan. He continued to explain approximately 1/4 of the suburban plans, such as Kanata, Nepean and Gloucester, also repeated what was in the Region's Plan. Mr. Tunnacliffe believed it was necessary to determine how much value was added by the complex and detailed Plan used by the City of Ottawa.

Councillor Hume inquired about the establishment of the Service Review Task Teams. Mr. Beckstead confirmed the Finance Commissioner and department was working on the Billing and Information Systems, and the consolidation of the Official Plan team was to be chaired by the Township of Cumberland Chief Administrative Officer. Mr. LeBelle believed it would take approximately eight months to properly review the Billings and Information Systems.

Councillor Hume expressed concern with the time frame outlined in the report, and inquired if any of the five areas could be reviewed by September 1996. Mr. LeBelle pointed out the necessity and importance to consult with the area municipalities.

Councillor Cullen inquired if the workplan to review the five areas would be done with existing resources. Mr. LeBelle confirmed existing resources would be used for the review of the Billing and Information Systems. In addition to the Official Plan

consolidation being studied by Regional and area municipal staff, Mr. Beckstead confirmed co-ordination of economic development in Ottawa-Carleton would be completed in consultation with OCEDCO and through existing resources. With regard to purchasing, Mr. LeBelle explained it was necessary to implement the supply management project at the Region prior to reviewing the option with area municipalities.

Chair Clark pointed out that a number of municipalities were also reviewing various ways in which the joint planning of service could save money.

Ms. Amy Kempster, Federation of Citizens' Associations of Ottawa-Carleton, spoke to the Committee on this item. Firstly, Ms. Kempster announced the appointment of Mr. Brian Jonah as President of the Association. Ms. Kempster referenced the City of Ottawa Official Plan and hoped the review would take into account that it was a recent plan which had a great deal of citizen input and involvement. With regard to economic development, Ms. Kempster stated the Association was supportive of the review of the co-ordination of this function. She believed the Region should take a strong role in leadership in the area, and felt it could lead to the reduction in costly duplication that currently existed.

Councillor Hume pointed out the report and time frame was prepared prior to the Province announcing the establishment of the Crombie Commission. The Councillor expressed concern that the Crombie Commission may benefit southern municipalities and Metro Toronto in particular, but may not make recommendations that were appropriate for Ottawa-Carleton. Councillor Hume stated that to ensure that changes made at the local and regional levels were appropriate for the Region, it was important to develop the business cases immediately and put a rational agenda for change suitable for the Region forward to the Province. In closing, Councillor Hume believed it was also necessary to take a leadership role and demonstrate to the Crombie Commission and the Provincial government that there was an agenda for change in Ottawa-Carleton, but it was to be developed by Ottawa-Carleton. The Councillor moved a motion which requested the review of the five areas by September 1996.

Councillor Hunter expressed concern with attempting to review the five areas in a short time frame and believed each item had merit to stand alone and be reviewed appropriately. The Councillor also did not support Councillor Hume's motion in that it provided the ability to obtain the necessary resources to undertake the tasks in a short time period, which could lead to a significant cost with no upset limit suggested. He did not believe the resources necessary to build solid business cases would be available in-house due to the work involved with the Corporate Review, Official Plan Review and other major projects currently underway.

Councillor McGarry commended Councillor Hume for showing a leadership role and agreed the Provincial government would probably move quickly on changes. Councillor McGarry expressed his confidence in the Chief Administrative Officer, Finance Commissioner, Regional Chair and staff to review the items within an acceptable expenditure. The Councillor agreed there was a need to move ahead and supported the motion put forward by Councillor Hume.

Councillor Loney agreed with the five areas to be reviewed and suggested libraries could also be added. He then pointed out the need to consult with staff to allow them to comment on Councillor Hume's motion and determine how long they felt was required to do the review and task properly. Councillor Loney then moved a motion to table Councillor Hume's motion until the next meeting to allow staff the opportunity to assess the task, and comment on what they believed was a reasonable time period. In closing, the Councillor agreed it was important to give the review proper time rather than creating something that contained gaps or incomplete information.

Chair Clark reported the Province had set up a panel entitled the "Crombie Commission" which was given the mandate to begin an overhaul of who will do what in the delivery and funding of many government services. In addition, the Chair explained a six member Secretariat was created to assist the panel and announced that Mr. Beckstead, the Region's Chief Administrative Officer, had been appointed to this Crombie Secretariat. The Chair believed this connection would provide the Region with a direct role and significant input in the review of government service delivery and funding.

Chair Clark reviewed the five areas identified in Councillor Hume's motion and pointed out implementation could not happen without the agreement and co-operation of the area municipalities. He believed staff were currently reviewing some of the areas, however, noted the single Electrical utility was being reviewed by the Province for Province wide and questioned if this would be appropriate at this level. In closing, Chair Clark agreed it was necessary to review the areas properly as there was potential for savings, however, felt it was necessary to develop funding and take the time to ensure the Region was better prepared to meet the challenges from the Province. He also pointed out the priorities of the Corporate Review, 1997 budget, and other major projects already underway.

The Committee then considered the following motions presented earlier.

Moved by A. Loney

That Councillor Hume's motion be tabled until the 2 July 1996 Corporate Services and Economic Development Committee meeting to allow staff to come back with comments on the motion.

LOST

YEAS: B. Hill, A. Loney, B. McGarry3

NAYS: P. Hume, G. Hunter, W. Stewart, R. van den Ham, P. Clark5

Moved by P. Hume

That the CAO be authorized to retain the necessary resources to undertake an analysis of the business cases of the following services:

- 1. Single Region Wide Official Plan**
- 2. Unified Sanitary Sewer System**
- 3. Single Region Wide Tax Billing System**
- 4. Single Region Wide Emergency Dispatch Service**
- 5. Single Electrical Utility as a Department of Regional Government**

and that these business cases be presented to the first Corporate Services and Economic Development Committee meeting in September 1996.

LOST

YEAS: P. Hume, A. Loney, B. McGarry3

NAYS: B. Hill, G. Hunter, W. Stewart, R. van den Ham, P. Clark5

Councillor Hume expressed concern with the negative past experience of attempting to obtain financial data from the area municipalities which resulted in a study that was of little value to Council. The Councillor cautioned members of the Committee not to depend on the approved process, as he did not believe reliable data or results would be obtained, and that the Provincial process would significantly surpass them by the time the reports came back to Committee.

The Committee then considered the report recommendation.

That the Corporate Services and Economic Development Committee and Council receive this report for information.

RECEIVED
(P. Hume and
B. McGarry dissented)

2. CHIEF ADMINISTRATIVE OFFICER'S
REPORT ON THE CORPORATE REVIEW
(Report dated 21 May 96 previously tabled with Regional Council on 22 May 96)
- Co-ordinator, Corporate Services and Economic Development Committee
report dated 11 Jun 96

M. Beckstead reported the Chief Administrative Officer's report on Corporate Review was tabled with Council on 22 May 1996. He added the individual committee reports were being forwarded to the appropriate standing committees over the next few weeks, with the full report to be considered by Council on 10 July 1996. Mr. Beckstead stated that many of the items in the report were possible to implement administratively and the process was underway.

Councillor Hunter pointed out the Corporate Services and Economic Development Committee was the reporting vehicle for the support\administrative departments and inquired on the detail of their contribute to the Corporate Review. R. Chartrand, Director, Corporate Review, confirmed that every support department contributed to the savings, mainly through advanced computer technology. Examples Mr. Chartrand reviewed included mail\courier services and the elections budget in the Clerk's Department, re-organization of water billing in the Finance Department, and advertising procedures in the Information and Public Affairs Department.

Councillor Hunter inquired about reductions made to the Chief Administrative Office (CAO), Regional Chair's and Councillors' budgets. Mr. Beckstead reported they did not contemplate any cuts in the governance part of the budget, however, the CAO's office budget was reduced by one position, in addition to other adjustments. Councillor Hunter inquired why the governance sections were not reduced, in particular with the surplus shown in the Councillors' budgets for 1995. Mr. Beckstead explained the suggestion of a reduction in these areas raised during the 1996 budget deliberations was referred to the eighteen month review. He believed a report on this review was to come forward in the fall.

The Committee then heard from the following public delegation.

Ms. Lyallen Hayes, Executive Director, Interval House. Ms. Hayes reviewed the functions of Interval House, among other shelters and community resources centres for women and children. Ms. Hayes reported the centres were at full capacity at all times and had experienced a 6% reduction in funding from the Federal government. She agreed in these times it was necessary to do more for less, however, believed the non-profit organizations had always done more for less and would continue to do so. Ms. Hayes reviewed the agency's recent changes to respond to cuts such as fundraising and staffing adjustments. In closing, Ms. Hayes requested the Region to remain flexibility with the projected surplus and decision to return approximately \$3.61 to taxpayers. She suggested one-half of this surplus could be retained and allocated toward the reductions proposed to the one-time grants.

Councillor Cullen commended the Chief Administrative Officer and the Corporate Review Team for determining the large amount of savings in administrative efficiencies. However, the Councillor referenced over \$2 million in program cuts, which did not represent a balance among departments. With regard to social service programs such as food banks and day programs, Councillor Cullen believed it was unfair the social service and transit areas were being reduced for the fourth consecutive budget, and emphasized the reductions had a severe impact on the community in comparison to the same reduction made to other areas such as road maintenance. In summary, the Councillor stated it was time for Council to firstly, set priorities in accordance to the community needs, and secondly, realize the impact of the cuts on the community was not balanced.

Chair Clark pointed out the administrative efficiencies also had human resources impact. The Chair indicated the entire notion of priorities was annually debated and accepted at Council through the budget deliberations, a process that would continue.

The Committee then considered the staff recommendation as follows:

That the Corporate Services and Economic Development Committee receive for information the "Chief Administrative Officer's Report on the Corporate Review", to be considered by Council on 10 July 1996 in conjunction with the appropriate standing committee recommendations.

RECEIVED

3. BUDGET DIRECTIONS 1997 REPORT

(Budget Directions previously tabled with Regional Council on 22 May 96)
- Finance Commissioner's report dated 11 Jun 96

The Committee heard from the following public delegations.

Ms. Franca Didimete, Catholic Family Service of Ottawa-Carleton, Family Service Centre, and Jewish Family Service. Ms. Didimete reviewed the services offered by the agencies she represented. She requested Council, during the debate of the 97 budget, to remain flexible, keep their options open and suggested there were alternatives to what was proposed in the Budget Directions document. Ms. Didimete suggested there were projected savings that could be allocated to other areas that would receive severe provincial cuts. She believed the taxpayers of Ottawa-Carleton did not want a rebate, if it was at the expense of the essential social service agencies in the Region which was an area of priority.

Ms. Heather Colls, Kanata Food Cupboard. Ms. Colls reviewed the statistics for the agencies she represented, emphasizing the increase in demand. She explained that in many cases, the agency was supplying for parents that once worked and did or continued to pay taxes. Ms. Colls reviewed the losses experienced by the organizations due to the 95-96 cuts and wondered how individuals in these circumstances were to return to a suitable standard of life if the cuts continued. Ms. Colls referenced options such as the projected savings in water and sewer costs, and the elimination of employee paid parking. She requested the need for consultation, to make the necessary cuts in a more reasonable fashion, and take into account the results it would have on the agencies and community.

Mr. Ken Clavette, Labour Council. Mr. Clavette reviewed the Labour Council's representation and members. He expressed concern with the direction of both the Budget Directions and Corporate Review documents. Mr. Clavette believed any savings during these economic times would represent a cost or loss in another area, whether it be jobs or services to the community. He referenced the statement in the Budget Directions that the Region was going to become a partner with senior governments with regard to deficit reduction. Mr. Clavette suggested the Region should be caution when becoming involved in shared funding arrangements and reductions were made, as it would result in a larger problem and reduction overall. He believed the Region had a choice about becoming involved as a partner, and suggested it should first evaluate the other options available such as re-directing funds from potential savings.

Ms. Amy Kempster, Federation of Citizens' Associations of Ottawa-Carleton (FCA). Ms. Kempster expressed concern with the process involved in approving the Budget Directions document. She stated the adoption of the directions would reduce the flexibility required to address the budget using a public consultation process and the ability to make informed budget decisions. Ms. Kempster requested the approval of the directions be delayed until consultation had taken place, as she did not believe the public was aware of the report before Committee today. Ms. Kempster requested the need for Councillors to meet with their communities and discuss the directions and principles. In closing, she emphasized the need for Council to form their priorities based on the views and needs of the community, and not based on the reductions made by the other senior levels of government.

Councillor van den Ham pointed out that each community of constituents may have different priorities and express different values to their elected representative, some financially not possible. The Councillor believed it was their role to add some responsibility to the process and pointed out the need to put in place governing principles and budget directions. Councillor van den Ham noted the principles in the Budget Directions report were often carried over from previous years and had earned the Region's triple AAA credit rating and sound financial position.

Councillor McGarry pointed out it was not financially possible for the Region to become the subsidial funder in the area where the Province had reduced funding, without the result of financial disaster for the Region. Ms. Kempster agreed this was not possible, but suggested it may be possible to cover some of the priority areas that were expected to suffer further. She believed some may end up costing more in the long term through other areas than what was being saved in the short term.

Councillor Stewart stated she had consulted with her community on both the Corporate Review and Budget Direction reports, and had received the same message as in 1995, that is reduce spending and hold taxes. Councillor Stewart inquired if the Budget Directions were approved by Council, did it restrict their ability to make changes during future budget deliberations. Mr. LeBelle confirmed the directions did not restrict Council's flexibility for debating the budget and setting priorities at a later date.

Councillor Hunter stated that public consultation, both formal and informal, was an ongoing process conducted by the Councillors. He pointed out the document was part of the standard annual process, in that the Budget Directions were approved in advance to provide staff with direction and principles to follow when preparing their budget submissions. He added that it was at the time of the release of the draft estimates, that open houses were held by both Regional staff and the elected representatives, followed by the Committee meetings and public presentations. In closing, Councillor Hunter pointed

out necessary adjustments were continuously being made depending on the level of financial support received by the Province.

Ms. Mary Stern, Distress Centre of Ottawa and Region. Ms. Stern reviewed the services provided by the Distress Centre and statistics for past years. She expressed concern about the previous and future reduction to the Centre's grant, and their ability to respond to an increasing demand. Ms. Stern believed the Budget Directions report emphasized a highly structured approach which limited Council's ability to debate possible budget flexibility later in the year. She added this flexibility may be necessary to allow the Region and community to respond to the continued sudden and challenging changes occurring in the community. Ms. Stern did not support the proposal to offer a tax decrease at the expense of the necessary social agencies.

Councillor Stewart thanked Ms. Stern for her valuable work the Centre and volunteers provided to the community. The Councillor inquired if the Centre had began to plan for the proposed 4% reduction in their grant. Ms. Stern stated they had recently experienced cuts from approximately five different areas which resulted in the need for a merger with another agency to take place in the fall. In response, Councillor Stewart commented the Region was experiencing a similar problem except on a larger scale, that is trying to react in an efficient manner to the cuts received from the Province.

Ms. Alison Dingle, Centretown Churches Social Action Committee. Ms. Dingle requested the Committee to put their faith in people and to make their budget choices in favour of the less unfortunate people of society. With regard to physically challenged individuals, Ms. Dingle requested the Committee to continue to offer the essential services they require, such as ParaTranspo, home care, and equipment. In closing, Ms. Dingle requested the Committee to review the consequences of the reductions in advance.

Councillor Cullen stated he believed the community wanted to see taxes held, however, did not want to see reductions or elimination of important programs or services in order to receive the insignificant tax return. The Councillor reviewed each of the principles and directions outlined in the Budget Directions and concurred with the comments made by the public delegations regarding the need for flexibility and priority setting.

With regard to the messages conveyed by the public delegations, Councillor Loney did not believe there was any intent in the Budget Directions document to disseminate the social service agencies or the transit system. The Councillor stated a clear message, as outlined in the Budget Directions, was required for the ratepayers, staff and, in some instances, the Province. Councillor Loney also believed it was important not to dismiss the idea of a tax decrease. In closing, the Councillor explained the directions were flexible, and believed

the Region would continue their commitment to provide funding to agencies that were assisting to keep the social infrastructure in the community at its current level.

Chair Clark reported there would be more reductions to come in the fall. The Chair stated there were groups that believed all levels of government should be responsible for all areas. However, he noted attempting to provide all would eventually result in major deficits as currently experienced by the senior levels of government. Chair Clark agreed it was necessary to not lose sight of the humanity issues during the reductions and priorities debate.

The Committee then considered the staff recommendation.

That the Corporate Services and Economic Development Committee recommend Council approve the Budget Directions 1997 report, as tabled with Regional Council on 22 May 1996.

CARRIED

ENVIRONMENT AND TRANSPORTATION

TRANSPORTATION

4. REGIONAL ROAD 5 (CARP ROAD) RECONSTRUCTION -
CRAIG SIDE ROAD TO CARP RIVER (VILLAGE OF CARP)
SCOPE CHANGE
- Environment and Transportation Commissioner's report dated 04 Jun 96

That the Corporate Services and Economic Development Committee approve a scope change to the contract with Cumming Cockburn Limited, Ottawa, for design services for the reconstruction of Regional Road No. 5, in the amount of \$69,000, bringing the revised total contract provision to \$372,500.

CARRIED

5. PLACE D'ORLÉANS TRANSITWAY STATION
HIGHWAY NO. 17 AT CHAMPLAIN STREET
CONTRACT NO. 91-605 - SCOPE INCREASE
- Environment and Transportation Commissioner's report dated 13 May 96

That the Corporate Services and Economic Development Committee approve an increase in scope to Contract No. 91-605 with Doran Contractors Limited, Ottawa, for the construction of Place D'Orléans Transitway Station in the amount of \$100,199.90, bringing the revised contract total provision to \$5,327,286.00.

CARRIED

6. MICHAEL SNOW DISPOSAL FACILITY
ENGINEERING AND ENVIRONMENTAL
REVIEW - CONSULTANT VARIATION
- Environment and Transportation Commissioner's report dated 6 Jun 96

That the Corporate Services and Economic Development Committee approve a scope change in the assignment with Robinson Consultants Inc., Kanata, for the engineering and environmental review study of the Michael Snow Disposal Facility, and the preparation of the South Cyrville Drain Engineer's Report in the amount of \$129,000, bringing the revised contract total to \$340,000.

CARRIED

FINANCE

7. CASH INVESTMENTS AND LOANS RECEIVABLE
- Finance Commissioner's report dated 28 May 96

That the Corporate Services and Economic Development Committee and Council receive this report for information.

RECEIVED

HEALTH

8. 1995 SETTLEMENT - LOCAL HEALTH AGENCIES
- A/Medical Officer of Health's report dated 6 Jun 96

That the Corporate Services and Economic Development Committee recommend Council approve the 1995 Local Health Agencies Settlement submissions to the Ministry of Health.

CARRIED

INTERNAL AUDIT

9. INTERNAL AUDIT'S ANNUAL PROJECT PLAN
- Regional Internal Auditor's report dated 5 Jun 96

Councillor Cullen explained the Internal Audit's Annual Project Plan was the result of a request to have the Plan come before Council to allow the elected representative the opportunity to provide input in directing the resources with the Chief Administrative Officer's recommendations. In response to a question from Councillor Cullen regarding an annual report on the print shop, R. Palmer, Regional Internal Auditor, explained that at the time of the review, the print shop was under the Regional Clerk's Department, and was included in that report.

Councillor Cullen inquired when an audit on the OC Transpo Commission would be placed on the Annual Project Plan. Mr. Palmer responded that it was not proposed for the current year. M. Beckstead, Chief Administrative Officer, explained OC Transpo was a separate Commission from the Regional Corporation and if the Commission requested Internal Audit's assistance in a review, then the department may comply taking into consideration the current ongoing priorities of the Corporation. Councillor Cullen reported that at a workshop coming up this month, Management Review of OC Transpo and on how it best delivers its functions was to be discussed. As a result, he indicated a request may come forward for the Internal Auditor to examine this area. In closing, the Councillor stated he was pleased to see the report and that it would be coming on an annual basis and allow for accountability and direction. He thanked the Regional Auditor for consulting with the Councillors during the preparation of the report and Plan.

Chair Clark stated historically an Annual Audit Plan was prepared, however, it was an internal document. He also thanked the Regional Auditor for his report.

That the Corporate Services and Economic Development Committee recommend Council approve the Annual Project Plan of the Internal Audit Department.

CARRIED

REGIONAL CHAIR

10. STATUS REPORT AND FUTURE INITIATIVES
CONCERNING ECONOMIC DEVELOPMENT
- Regional Chair's report dated 10 Jun 96

Ms. Amy Kempster, Federation of Citizens' Associations of Ottawa-Carleton (FCA), expressed the desire that their Association and the public be involved in future consultation on economic development. She stated the FCA supported the Region's Vision Statement for Economic Development, however, felt the process could allow more public consultation to enable new ideas to be developed and avoid misunderstanding among the community. In closing, she hoped public forums would be arranged for businesses, community associations and the public to discuss new initiatives for economic development.

Chair Clark reported many individuals from the public had attended the Conferences held on this issue. Ms. Kempster reiterated that representatives from community organizations should be more directly involved which would ensure their support for the Region's economic development initiatives. The Chair indicated that a previous task force was set-up to deal with economic development issues in the Region which included many representatives from the public, including a student from Carleton University. Councillor McGarry pointed out he sat on that task force as a public representative along with a large cross-section from the community. In closing, the Chair stated they recognize and try to reach out to interested organizations, however, pointed out it was not always feasibility because of some limitations, such as budget.

Councillor Cullen stated he was pleased that the report focused directly on economic development initiatives and commended the Chair's efforts on economic development to date. However, he pointed out the responsibility for economic development was given to Regional Council, not just the Regional Chair, and requested that Councillors become more directly involved in the conferences and initiatives. The Councillor concurred with the Chair in that there was a need for an up-date on the Partners for the Future Report completed in 1992. In closing, Councillor Cullen stated despite improvements in number, the Region was still far from the levels of economic development activity prior to the recession of 1991. He emphasized the need to act more energetically on economic

development initiatives and the need for Councillors and associations such as FCM to become more involved in the process.

That the Corporate Services and Economic Development Committee and Council receive this report for information.

RECEIVED

11. CAPITAL CENTRE CAPITAL PROJECT
FEASIBILITY STUDY - FINAL REPORT
(Final Report entitled "Capital Centre Capital Project Feasibility Study",
KPMG Management Consulting, issued separately)
- Regional Chair's report dated 7 Jun 96

Councillor McGarry, as a member of the Steering Committee, reported the Committee did not participate in the development of the Study's recommendations, but ensured the consultant completed the mandate presented in the terms of reference. The Councillor stated that during the preparation of the Study, the Steering Committee received requests from property owners to also consider other possible sites for the project. However, he explained they did not accept those requests at that time, but remained with the terms of reference originally established. Councillor McGarry agreed with the Study recommendations that there was a need for a convention centre facility, and believed if it was not build, it would be a detriment to Ottawa-Carleton. The Councillor pointed out the Study recommended the parking revenue be directed to government as opposed to private interest. With regard to the site, Councillor McGarry agreed the Minto site was appropriate, but this should not limit the review of other potential sites in the central core. In summary, he reviewed the recommendations contained in the staff report and emphasized the need for OCEDCO and OTCA to analyse the economic development opportunities of the project, for the Planning and Property Department to review other sites, and for consideration of the entire package, including the financial component, in the fall of 1996. In addition, Councillor McGarry thanked Brendan Reid of the Transportation Department and all members of the Steering Committee for their participation.

Councillor Cullen pointed out the cost of the project was estimated at \$150 million, but the Study and report were silent on the funding of the project.

Chair Clark reported the Study was requested to determine whether there was a need for a convention/trade and exhibit space facility. He noted the report concluded on the need for convention space and the size, among other issues. With regard to funding, Chair Clark referenced a recent speech by the Prime Minister concerning the possibility of another Infrastructure Program in which technology and tourism would be focused. If this

developed, the Chair believed the project could fall under that framework. With regard to the Region and private sector funding the entire project, the Chair suggested it would be necessary to examine such things as the benefits to the downtown core, and the amount of business that would be lost if there was not an adequate facility. In closing, the Chair suggested the need to have the two economic organizations, OCEDCO and OTCA, to review the Study for an analyse of the economic development opportunities, and for Regional staff to review possible other sites, with a report to return in the fall for discussion on whether to continue or dismiss the project.

Councillor Hunter inquired how Minto Development Inc. felt about the recommendation to review other potential sites. The Councillor pointed out that a trade show facility, to be successful, had to be build where there was a large concentration of buyers, sellers and businesses to support the facility. He also noted most trade shows were not mobile and did not attract a large number of out-of-town people. In addition, the Councillor noted that most trade shows did not change locations, but were static and developed their market in one location. In referencing the Study, the Councillor pointed out the current facilities met the needs of approximately 80-85% of the market, and therefore, \$150 million would be spent to obtain the remaining 20%. Councillor Hunter referenced an article in the Globe and Mail which stated that the market for corporate and association meetings was stagnant, recommended hotels should cut back on space, and cities should reconsider financing more convention centres. In closing, Councillor Hunter referenced the issue of parking revenue, and suggested it would not be as significant as implied and would be at the expense of local parking facilities in the area.

Regis Trudel, Minto Development Inc., explained Minto's original idea was for a trade show exhibit facility, but noted the consultant had concluded Ottawa was not a good location for a single purpose trade centre. However, Mr. Trudel pointed out the consultant recommended that due to Ottawa's many attributes, it was an excellent venue to attract more convention centre business such as associations, conferences, conventions, and meetings of all nature. He noted this would have a positive effect on the economy as it brought in out-of-town business. Mr. Trudel referenced the Study and spoke to the fact that if a larger facility was not considered, the Congress Centre would eventually decline in use due to its size and competition with other cities.

With regard to the recommendation that the Region look at a list of other suitable locations in the downtown core, Mr. Trudel referenced concerns voiced by others in that the Study only reviewed one site. He explained Minto realized that for an important facility such as this, it was necessary it be build on the right site and therefore supported reviewing other options.

Councillor van den Ham stated he had some questions and concern regarding the financial participation of public bodies, however, realized the time to discuss that issue was in the

fall when the entire Study, analysis and financial issues were discussed. In the review by OCEDCO and OTCA, the Councillor suggested they break out the existing Congress Centre from the proposed facility, to allow for a true idea of the costs involved and the projections down the road. In closing, the Councillor stated he supported the principle of increased conference centre space, however, he expressed a concern of the funding and the long term liability of operation and maintenance verses the projected economic benefits.

The Committee then considered the staff recommendations as presented:

That the Corporate Services and Economic Development Committee recommend Council:

- 1. Receive the final report of the Capital Centre Capital Project Feasibility Study for information;**
- 2. Refer the final report to the Ottawa Tourism and Convention Authority (OTCA) and to the Ottawa-Carleton Economic Development Corporation (OCEDCO) for an analysis of the economic development opportunities of this project, with their analysis and comments to be received by 30 August 1996;**
- 3. Request the Planning and Property Department, with contribution from OTCA and OCEDCO, to develop a list of suitable sites in the downtown core for the Capital Centre Capital Project by 30 August 1996;**
- 4. Consider the final report and the aforementioned analysis, comment and list of suitable sites at a future meeting of the Corporate Services and Economic Development Committee and Council in the Fall of 1996.**

CARRIED
(G. Hunter dissented)

REGIONAL CLERK

12. ASSOCIATION OF MUNICIPALITIES OF ONTARIO (AMO)
BOARD OF DIRECTORS
- Regional Clerk's report dated 10 Jun 96

That the Corporate Services and Economic Development Committee recommend Council approve that Councillor Wendy Stewart's name be submitted to the Association of Municipalities of Ontario to stand for re-election as the Regional representative on their Board of Directors.

CARRIED

INFORMATION PREVIOUSLY DISTRIBUTED

CHIEF ADMINISTRATIVE OFFICER

1. Delegated Authority
Monthly Report - May 1996
(As Per Corporate Policy Manual Section 4.6.7.4)
- Chief Administrative Officer's memorandum dated 04 Jun 96

ENVIRONMENT AND TRANSPORTATION

2. Purchase of Hydrants
(In Accordance with Corporate Policy Manual Section 4.6.9.)
- Director, Finance and Administration Division's memorandum dated 27 May 96

FINANCE

3. Delegated Authority
Quarterly Report - January to March 1996
(As Per Corporate Policy Manual Section 1.6.1)
- Finance Commissioner's memorandum dated 29 May 96

PLANNING AND PROPERTY

4. Marketing Strategy for Clyde/Merivale Lands
- Planning and Property Commissioner's memorandum dated 4 Jun 96

The Committee waived the requirement for a 2/3 vote of approval to allow this item be moved from the "Information Previously Distributed" section of the Agenda to the "Regular Business" section to allow for discussion.

Councillor Cullen requested the Committee move a motion to allow the item to rise to Council to allow him the opportunity to speak to the item and move a motion at Council. Councillor Cullen expressed concern with the report and suggested the need for approval or at least discussion on the marketing strategy for the sale of the lands.

Chair Clark pointed out the proposals would be received in July and a recommendation would be forwarded to Committee and Council for approval in September, at which time the Councillor could respond to the item.

Councillor Cullen expressed concern with the sale of the land at this time during poor market conditions and at a lesser amount than what was originally paid for it. Councillor Stewart stated the property was in her ward and she had ongoing communication with her community about the Region's actions regarding this parcel of land. As a result, she stated there were no concerns expressed by the community as recently as last week. Councillor Stewart pointed out the need for someone to develop the land as the infrastructure was in place and it currently represented an expenditure to the Region.

Councillor Loney referenced the marketing strategy for Block 32 and the fact it would be marketed separately and before the remaining lands. R. Ennor, Director, Property Services, explained under normal process, the entire holding would be placed on the market as one. However, due to the magnitude of the concern expressed by Besner-Vered & London Life, the owners of the adjacent lands, regarding the need for additional parking space for their tenant, it was agreed the 3 acres (Block 32) could be sold separately, but under the condition it was a financially attractive proposition. As a result, he added a significant price was being discussed. Mr. Ennor confirmed they had completed the necessary evaluation of the market to determine its market value. In closing, Councillor Loney questioned if the report should have been forwarded to the Committee for approval, not for information.

Chair Clark stated the option to sell Block 32 to the adjacent owners would enable the owner's tenant, Nortel, to remain in that location, which was an important consideration. The Chair believed the interest costs on holding the land was also a consideration in declaring the land surplus to the Region's needs and disposing of it.

Moved by A. Loney

That the Planning and Property Commissioner's information memorandum dated 4 Jun 96 entitled "Marketing Strategy for Clyde\Merivale Lands" be forwarded to the Council meeting of 26 Jun 96 for information.

CARRIED

REGIONAL CLERK

5. Record of Tender Openings
For the Month of May 1996
(As Per *Corporate Policy Manual* Section 4.6.6)
- Regional Clerk's memorandum dated 11 Jun 96

ADJOURNMENT

The meeting adjourned at 6:00 p.m.

CO-ORDINATOR

CHAIR