

Memo

To: Mayor and Council
Cc: Randy Patrick, City Manager
From: Gary Ceppetelli, Director of Planning and Community Development
Date: September 29, 2010
Re: UCN Development Agreement

Development Agreement with Province of Manitoba Regarding the University College of the North (UCN)

The City of Thompson has been in negotiations with Manitoba Infrastructure and Transportation to establish a development agreement for the construction of the University College of the North (UCN) and the final phase of the Thompson Regional Community Center (TRCC). The development agreement sets out the parameters and responsibilities of both the Province of Manitoba and the City of Thompson. An outline of the Development Agreement follows:

General

- Manitoba and the City initiated discussions and negotiations on the development agreement in April 2009.
- Establishes a proposed subdivision plan for Part Parcel "A", Plan No. 5285 PLTO (N. Div.) based on the UCN Master Plan. The intent is to transfer four (4) of the proposed lots to Manitoba. The land will be transferred on an "as is, where is" basis.
- Details the proposed site plans for the UCN project, consisting of a campus, student housing and related infrastructure. The City is to be consulted on changes to the site plans.
- Access to land prior to legal transfer is granted to all parties to undertake pre-construction and construction activities.
- Intent of project is to connect the campus and the TRCC (final phase) in order to create a facility with complimentary uses that will allow for a greater use of space for both UCN and the TRCC.
- The construction of student housing and infrastructure related to the student housing is conditional upon the City passing a zoning by-law amendment. If zoning by-law amendment does not pass, Manitoba will acquire the student housing parcel and will only be responsible for infrastructure related to the campus.

Timelines

- The student housing component of the UCN project is dependent upon approval of a zoning by-law amendment.
- The TRCC final phase is to be completed by December, 2012.
- The campus component of the UCN project is to be completed by June, 2013.
- If development is not commenced by Manitoba by June 1, 2013, the City has the option to repurchase the lands transferred to Manitoba for \$1.00.

Infrastructure

- Manitoba is solely responsible for all infrastructure improvements for the UCN project.
- Manitoba to retain ownership of the proposed infrastructure improvements (including the road – from just north of Thompson Drive to the SE corner of the Wildlife Association building, water and sewer lines and sewage lift station – from Thompson Drive to the Zoo).
- The City and Manitoba to negotiate an agreement for an easement and operating and maintenance of the infrastructure.
- The City is responsible for extending the public road (from the SE corner of the Wildlife Association building to the eastern boundary of the existing tennis courts). The City is also responsible for constructing a parking lot east of the Burntwood Curling Club and north of the C. A. Nesbitt Arena.
- Provision to complete remainder of "ring road" if and when the City so chooses.
- The City and Manitoba agree to cost-share two (2) traffic studies: one pre-construction and one post-construction.
- Shared parking services agreement with UCN and the City to address the needs of all stakeholders on the site.
- Letter of Understanding (LOU) between Manitoba and the City that provides the City with the option to purchase the existing Campus (Polaris Buildings).

Existing Facilities

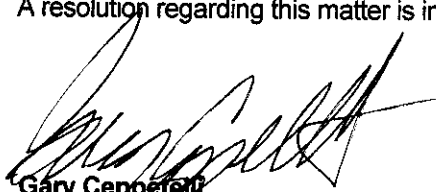
- Land containing the two (2) baseball diamonds to be transferred to Manitoba.
- The City and the public will continue to operate and use the facilities. Manitoba must give the City two (2) years notice if the intent is to develop these lands.
- Manitoba will compensate the City for the value of the assets. The City will rename a future facility the "Red Sangster Baseball Diamond".
- Prior to the City entertaining any option to sell or transfer land which is currently occupied by the Wildlife Association, Manitoba must negotiate an agreement with the Wildlife Association.
- The City's obligation to sell or transfer the land occupied by the Wildlife Association expires ten (10) years after signing the development agreement.

- The lands where the existing Thompson Zoo is located is to remain zoned as "PR" Parks and Recreation and the City will retain ownership.

Financial Contribution

- The City is to establish a financial assistance program that will reduce Manitoba's municipal taxes by fifty (50%) percent up to a yearly maximum of \$250,000. The total value of the program is \$6,675,000 and it is estimated that it will remain in place for 30 years. The City is not responsible for any interest on this program.
- If infrastructure related to the student housing component of the UCN project is not constructed the program will decrease a corresponding value. If the student housing infrastructure is built within ten (10) years then the amount increases to a maximum of \$6,675,000.
- The City's overall contribution to the project is \$14,875,000, which includes the financial assistance program for Manitoba (\$6,675,000), land (\$7,000,000, and capital infrastructure (\$1,200,000).

A resolution regarding this matter is included in the agenda.



Gary Ceppstoll
Dir. Planning and Community Development