Agenda – Council – September 27, 2006

Report - Standing Policy Committee on Property and Development – September 5, 2006

Item No. 6 Zoning Agreement Amendment - 710 William Avenue
File ZAA 6/2006 (c/r DASSF 532/2006)

STANDING COMMITTEE RECOMMENDATION:

On September 21, 2006, the Executive Policy Committee concurred in the recommendations of the Standing Policy Committee on Property and Development and the Lord Selkirk-West Kildonan Community Committee and submits the following to Council:

1. That the Zoning Agreement Caveats 81-12116 and 81-56743 under File DAZ 334/79 and DAZ 334/79A dated April 2, 1980 (By-law No. 2917/81), be deleted and replaced with a new Zoning Agreement as follows:

   A. The land and any building or structure thereon shall not be used for, and no building or structure erected, altered or enlarged on the land for any use except:
      i. Banquet Hall/Dance Hall (Accessory to a hotel)
      ii. Cocktail Lounge (Accessory to a hotel)
      iii. Gift store (Accessory to a hotel)
      iv. Hospital or similar treatment centre
      v. Hotel
      vi. Laboratory: Medical, Dental or Optical
      vii. Medical, Dental, Optical Counseling or other health or therapeutic clinic
      viii. Multiple-family dwellings
      ix. Restaurant (Accessory to a hotel or hospital)
      x. Offices, business or professional
      xi. Reducing salon, health spa, steam bath or other similar facility (Accessory to a hotel)
      xii. University, college, technical school
      xiii. Accessory off-street parking and loading areas or structures

2. That the City Solicitor/Manager of Legal Services be requested to prepare the necessary Amending Agreement to Zoning Agreement DAZ 334/79 and DAZ 334/79A (By-law No. 2917/81) as approved in aforesaid Recommendation 1.

3. That the Proper Officers of the City are hereby authorized to execute said Amending Agreement.

4. That the City Solicitor/Manager of Legal Services be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.

Report - Standing Policy Committee on Property and Development – September 5, 2006

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 21, 2006, the Executive Policy Committee concurred in the recommendations of the Standing Policy Committee on Property and Development and the Lord Selkirk-West Kildonan Community Committee and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On September 5, 2006, the Standing Policy Committee on Property and Development concurred in the recommendation of the Lord Selkirk-West Kildonan Community Committee and submitted the matter to the Executive Policy Committee and Council.

COMMUNITY COMMITTEE RECOMMENDATION:

On July 25, 2006, the Lord Selkirk-West Kildonan Community Committee concurred in the administrative recommendation, as amended, and submitted its recommendation to the Standing Policy Committee on Property and Development.

RE: **Zoning Agreement Amendment - 710 William Avenue**
File ZAA 6/2006 [c/r DCU 130865/2006D, DAV 130866/2006D]

For submission to: **The Standing Policy Committee on Property and Development**

Prepared by: **Diane Timmins, Clerk**
Lord Selkirk-West Kildonan Community Committee

Report date: **August 11, 2006**

COMMUNITY COMMITTEE RECOMMENDATION:

On July 25, 2006, the Lord Selkirk-West Kildonan Community Committee concurred in the administrative recommendation, as amended, and recommends to the Standing Policy Committee on Property and Development:

1. That the Zoning Agreement Caveats 81-12116 and 81-56743 under File DAZ 334/79 and DAZ 334/79A dated, April 2, 1980 (By-Law No. 2917/81), be deleted and replaced with a new Zoning Agreement as follows:

    A. The land and any building or structure thereon shall not be used for, and no building or structure erected, altered or enlarged on the land for any use except:

        i. Banquet Hall/Dance Hall (Accessory to a hotel)
        ii. Cocktail Lounge (Accessory to a hotel)
        iii. Gift store (Accessory to a hotel)
        iv. Hospital or similar treatment centre
        v. Hotel~~***, including motel, limited to guest rooms***~~
        vi. Laboratory: Medical, Dental, or Optical
        vii. Medical, Dental, Optical Counseling or other health or therapeutic clinic
        viii. Multiple-family dwellings
        ix. Restaurant (Accessory to a hotel ***or hospital***)
        x. Offices, business or professional
        xi. Reducing salon, health spa, steam bath, or other similar facility (Accessory to a hotel)
        xii. University, college, technical school
        xiii. Accessory off-street parking and loading areas or structures

2. That the City Solicitor/Manager of Legal Services be requested to prepare the necessary Amending Agreement to Zoning Agreement DAZ 334/79 and DAZ 334/79A (By-Law No. 2917/81) as approved in aforesaid recommendation 1.

3. That the Proper Officers of the City are hereby authorized to execute said Amending Agreement.

4. That the City Solicitor/Manager of Legal Services be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.

Note: The wording in bold and italics denotes amendments made by the Community Committee.

The Lord Selkirk-West Kildonan Community Committee provided the following supporting reason for its recommendation:

1. The Lord Selkirk-West Kildonan Community Committee agreed with the administrative comments contained in the report from the Planning and Land Use Division dated July 18, 2006.

PUBLIC HEARING SUMMARY

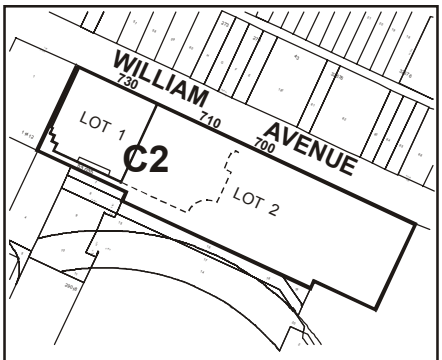
File: ZAA 6/2006 [c/r DCU 130865/2006D, DAV 130866/2006D]

Before: Lord Selkirk-West Kildonan Community Committee
Councillor Lazarenko, Chairperson
Councillor Pagtakhan
Councillor O'Shaughnessy

Public Hearing: July 25, 2006
West Committee Room
Council Building, 510 Main Street

Applicant: Smith Carter Architects and Engineers Inc. (Larry Hamilton)

Subject:



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LORD SELKIRK
WEST KILDONAN
COMMUNITY

APPLICANT : SMITH CARTER ARCHITECTS AND ENGINEERS INC.

FILE : ZAA 6/06

PROPOSAL : To delete the Zoning Agreement affecting the land shown outlined above and replace it with a new agreement. **For information, phone Mr. M. Robinson, Planner at 986-3213.**

Premises Affected: 710 William Avenue

Exhibits Filed:

1. Application dated May 10, 2006
2. Notification of Public Hearing dated June 13, 2006
3. Title Search 1723090
4. Letter of authorization dated June 7, 2005 from Winnipeg Regional Health Authority to Smith Carter Architects and Engineers Inc.

5. Surveyor's Building Location Certificate and sketch dated May 3, 2006
6. Caveats 2041074, 226088.5 and 81-12116
7. Plans (13 pages)
8. Report from the Planning and Land Use Division dated July 18, 2006
9. Inspection Report
10. Supporting documentation submitted by Dr. Brock Wright, Chief Operating Officer, Health Sciences Centre, at the public hearing in support of the application
11. Presentation made by Leo Ledohowski, President, Canad Inns, at the public hearing in support of the application
12. Presentation made by Helga Bryant, Vice-President and Chief Nursing Officer, Health Sciences Centre, at the public hearing in support of the application

REPRESENTATIONS:

In Support:

Dr. Brock Wright, Health Sciences Centre
Barry Law
Elizabeth Beaupré
Charlene Birston
Helga Bryant, Health Sciences Centre
Barb Bunko, Health Sciences Centre
Val Buschau, Health Sciences Centre
Rejeanne Dupuis, University of Manitoba
Dana Erickson, Health Sciences Centre
Larry Hamilton, Smith Carter Architects and Engineers Inc.
John Kirby
Leo N. Ledohowski, Canad Inns
Ana Malbasa
Blake McClarty
James Ripley
Morton Rosenberg
Bethany Schillerman
H. Shulz
Taras Sokolyk
Lisa Stiver
Grant Van Iderstine

In Opposition:

Ted Alfonso
John Callahan
Rowena Callahan
Fred Curry
C. Collins
Beth Fernandes
Maria Ferreira
Antonio Ferreira
Richard Gagnon
Eric Gashaetz
Sandra Guiboche
Martha Holubrowich
Louis Holubowich
Sherrie Houle
Avelina Leyda
Jose Vi Leyda
Ron Martin
Cynthia Martinos
Harold Martinos
Valerie Martinos
Ttonca McLeod
Susan Natynczyk
Shane Oleschak
Lisa Quan

For Information:

Peter Mathon
Geoffrey Ndibali
I.S. Pfeffer
Bryan Pragides
John Reilly
Edward Schmidt

For the City:

Mr. K. Raban, Land Development Administrator, Planning, Property and Development Department
Mr. M. Robinson, Planner, Planning, Property and Development Department

SUMMARIZATION OF REPRESENTATIONS AND SUBMISSIONS
MADE AT THE PUBLIC HEARING

Dr. Brock Wright, Chief Operating Officer, Health Sciences Centre, and Vice-President and Chief Medical Officer, Winnipeg Regional Health Authority, appeared in support of the application. He gave an overview of the range of medical services provided by the Health Sciences Centre and noted it is the largest tertiary pediatric care teaching hospital in Manitoba and the major referral site for northern and rural Manitoba, as well as Nunavut and Northwestern Ontario. Consequently, many of the patients at the Health Sciences Centre come from outside Winnipeg. He stated the Health Sciences Centre wants to provide the best health care possible and therefore must have the ability to recruit and retain the very best health care professionals. The proposed Siemens Institute for Advanced Medicine will be a major draw in attracting clinicians who are at the leading edge in their specialty fields, and will provide access to the latest technologies. He indicated the Institute will be linked physically to the newly constructed Emergency Department, operating rooms and critical care units. Dr. Wright submitted supporting documentation, filed as Exhibit 10, which included renderings and the location of the proposed hospital addition (Siemens Institute for Advanced Medicine) and a new four star Canad Inn hotel on the Health Sciences Centre campus. Dr. Wright indicated the hotel will be located on William Avenue and physically linked to the new Siemens Institute and be in close proximity to the major patient care areas at the Health Sciences Centre. The hotel will provide much needed accommodations and amenities to patients and their families, as well as to visiting researchers and potential recruits. It will also have meeting and banquet facilities for medical conferences and symposiums that will greatly enhance the success of the new Institute. Dr. Wright stated the opinion the hospital/hotel proposal represents a shining example of public and private collaboration and stated the belief it is the first of its kind in Canada.

Dr. Wright stated concurrence in the recommendations outlined in the report of the Planning and Land Use Division dated July 18, 2006, filed as Exhibit 8, and advised Committee they have studied the conditions very carefully and are prepared to meet same inasmuch as construction of the new Institute and hotel are slated for the fall. Committee was advised that on July 13, 2006, the Health Sciences Centre hosted an open house to provide local residents and other interested parties with an opportunity to review the plans for the proposed development and to raise questions and concerns. Concerns were raised relative to the height of the new hotel and its impact on shadowing and privacy, as well as the loss of green space in the area. With respect to the concerns relative to the loss of green space, Dr. Wright stated they too, are concerned about that and have commissioned a study to provide them with options for enhancing green space elsewhere on their campus. He further stated that as the Health Sciences Centre is an organization that has been a part of the community for over 130 years, it will do everything to address the residents' concerns, noting that the safety and health of the local community is of paramount importance to them as well. In summation, Dr. Wright requested Committee to recommend approval of the application to allow the construction of the new Institute and hotel to proceed that will greatly enhance patient care at the Health Sciences Centre.

Leo Ledohowski, President and Chief Administrative Officer, Canad Inns, also appeared in support of the application and reiterated this is an exciting and unique proposal for Winnipeg, the

Province, health care and the hospitality industry, and a first in Canada. Mr. Ledohowski submitted and read into the record his presentation filed as Exhibit 11. He emphasized the importance of timeliness for the project inasmuch as any delay would add a year to the timelines given the short construction season.

Helga Bryant, Vice-President and Chief Nursing Officer at the Health Sciences Centre, also appeared in support of the application and submitted and read into the record her presentation filed as Exhibit 12. Ms Bryant commented on the perspective of the public from outside the City of Winnipeg who access the services of the Health Sciences Centre directly. In this connection, Ms Bryant shared with Committee a couple of true stories of patients of the Health Sciences Centre, in addition to her own personal story of a medical trip she and her family made to the Toronto General Hospital, to emphasize the relevance of the proposed development from a patient and family perspective.

Catherine Collins, appeared in opposition to the application, and stated that as this is a larger planning and health care issue, Committee should consider adjourning this application to allow further discussions to take place.

Ron Martin, also appeared in opposition to the application, and questioned what the hotel has done in terms of parking. He drew Committee's attention to the fact that all of the people who are in support of the application reside outside the area.

Harold Martinos, also appeared in opposition to the application, and stated he resides on Elgin Avenue. He stated he was not opposed to the hotel, but the location. He expressed concern regarding the proposed height of the hotel and the impact and shadowing effect it will have on the Elgin Avenue properties. Mr. Martinos questioned the need for a four star hotel and English-style bar at this location and commented that if there is a need, that it should be constructed in the inner part of the Health Sciences Centre campus and be liquor and smoke-free. He also suggested that Canad Inns should be required to provide underground parking for its patrons rather than utilizing the limited parking spaces of the Health Sciences Centre William parkade.

Susan Natynczyk, also appeared in opposition to the application, and advised Committee she is a resident of Elgin Avenue. She stated she is opposed to the location of the proposed hotel and the loss of green space and benches for the patients and staff at the Health Sciences Centre. She also stated concern regarding the shadowing effect the height of the hotel will have on her property not to mention the loss of sunlight in the winter. She also expressed concern relative to the loss of parking spaces in the William Avenue parkade that will be set aside for the hotel patrons and the English bar proposed in the hotel, as well as the additional traffic that will be generated in the area.

Fred Curry, also appeared in opposition to the application, and advised Committee that he resides on Dorchester Avenue. He stated he would like to see the details of the 15 year plan for the Health Sciences Centre alluded to by one of the speakers from the Health Sciences Centre, and in this connection, requested Council to make a motion to the Minister of Health to allow for full

disclosure and a planning exercise whereby the residents, Administration and politicians could discuss the details of that plan.

Sandra Guiboche, also appeared in opposition to the application, and advised Committee that she resides on Alexander Avenue. She advised Committee that she only found out about the proposed development through the media and stated concern that there was no mention of the extended community, nor the impact the proposed hotel and bar will have on the community. She questioned the need for another hotel and bar that would bring more intoxicated drivers into the community and whether the hotel would bring employment opportunities to the community.

In rebuttal, Dr. Wright stated the Health Sciences Centre has followed the process outlined by The City of Winnipeg and has had community consultation but would be willing to work further with the local community to address their concerns, noting it is impossible to address everyone's concerns to their satisfaction. With respect to the loss of parking with the hotel at the William Avenue parkade, Dr. Wright stated it would be their intention to move staff parking from the William Avenue parkade into the new Tecumseh Avenue parkade. With respect to the concerns regarding liquor, Dr. Wright responded the Health Sciences Centre is acutely aware of the problems associated with alcohol abuse and they are of the view the hotel representatives have done due diligence in dealing responsibly with those issues. With respect to the suggestion that the hotel be moved elsewhere, Dr. Wright stated it was not conceivable inasmuch as it is critical that the Siemens Institute be physically connected with the new operating rooms and the hotel an integral part thereof. With respect to the concerns raised regarding the shadowing effect and lack of privacy the height of the hotel would have on neighbouring properties, Dr. Wright indicated that in accordance with the administrative recommendation, the Health Sciences Centre would be providing additional detailed information to the Director of Planning, Property and Development who would review the plans. In summation, Dr. Wright stated it would not be feasible to have the application adjourned inasmuch as any construction delays would affect the long term viability of the hotel.

Exhibit "8" referred to in File ZAA 6/2006

Winnipeg

Planning, Property and Development Department Report

To the Lord Selkirk-West Kildonan Community Committee

Date: **July 18, 2006**
File: **ZAA 6/06**
Related Files: **DAV 06-130866D, DCU 06-130865D**
Subject: **Application to delete two (2) zoning agreements registered as caveat Nos. 81-12116 and 81-56743 to permit the establishment of a hotel and accessory uses**

Location: **710 William Avenue**



Applicant: **Smith Carter Architects and Engineers (Larry Hamilton)**
Owner: **Winnipeg Regional Health Authority**

Recommendation: **That the existing agreements be deleted and replaced with a new agreement**

Report Summary:
- Application to discharge a zoning agreement on the subject property
- The subject agreement restricts uses on the property

- The Planning and Land Use Division recommends that the current zoning agreements be deleted and replaced with a new agreement

Site Description

The subject land, which is zoned "C2" Commercial, is located on William Avenue, between Sherbrook Street and Tecumseh Street, in the West Alexander neighbourhood of the Point Douglas Ward.

North: Health Science Centre uses zoned 'C2" Comercial
South: Health Science Centre uses zoned "C2" Commercial
East: Health Science Centre uses zoned "C2" Commercial
West: Health Science Centre uses zoned "C2" Commercial

Background

Under previous zoning, all medical related uses at the Health Science Centre were non-conforming and expansions were delayed by the need for variances. At the same time, handling all new development by way of variance was seen as creating instances of haphazard development in the area.

In light of this, in 1980, a zoning change to "C2" Commercial for the medical precinct was approved. (DAZ 334/79, DAZ 339/79 and DAZ 213/80) This change applied to all contiguous lands held by the Health Sciences Centre, the University of Manitoba, and the Manitoba Clinic.

In addition to facilitating development within the medical precinct, the zoning change was also seen to protect adjacent residential uses by requiring that any further expansion of the medical complex require a zoning change to "C2" Commercial.

As a condition of the rezoning, Council placed a Zoning Agreement on the property which restricts uses on the land to medical related uses with accessory commercial uses. While the rationale for the Zoning Agreement was not discussed in the administrative report, it would be reasonable to conclude that it was used because "C2" zoning is extremely permissive and while it offered the greatest flexibility to the applicant, it allows a full range of commercial uses which may have not been considered appropriate in a medical complex setting. To that point, the possibility of a hotel at HSC was probably not envisioned at that time. As there have been no previous requests to modify the agreement, it has remained, without amendments, for over 25 years.

Description of the Proposed Development

At this time, the Winnipeg Regional Health Authority (WHRC) is planning to subdivide the subject property and to create a new lot, identified as Lot 1. This lot will be leased from WHRC by a hotel vendor on a long-term basis for the purpose on constructing a 19 storey hotel with an accessory banquet hall, cocktail lounge, personal service facilities, a restaurant, and gift shop.

In light of the existing Zoning Agreement on the property which restricts many commercial uses, a modification to the existing Zoning Agreement is required in order to establish this use.

The applicant, in their letter of intent, state the following:

The Zoning Agreement Amendment to permit the project would bring the zoning in line with today's healthcare system that demands new ways of thinking in terms of developing improved models for the delivery of healthcare and staying current and progressive while providing new opportunities such as combining convenient accommodation to medical researchers and the much needed ability to accommodate families of patients using the adjacent hospital facilities.

Analysis

The Health Sciences Centre has over 7,000 staff, physicians, and volunteers. In addition, there are over 2,000 daily visits of outpatients and 750 inpatients as well as the hundreds of visitors who accompany or visit the patients at the HSC. In light of this, the HSC operates like a city within a city and to that point, they believe it is necessary to have zoning flexibility to establish the uses which they feel are needed to service this population.

Zoning Agreement
When the land was rezoned, it was recognized that the "C2" classification was the best choice for the property in the absence of an institutional zoning district. However, it was recognized, then, as it still is today that the primary purpose of the HSC campus is to provide medical care and to that point, a restrictive zoning agreement limiting commercial uses was placed on the property.

With respect to the appropriateness of a hotel use, the Planning and Land Use Division, in their research, have found that a hotel within a hospital complex is not unique. There are several examples, including a Marriott hotel in the Texas Medical Center (Houston), a hotel adjacent to the Washington University Medical Center (St.Louis), and a hotel in the University of Michigan Hospital campus (Ann Arbor, Michigan). As their web sites indicate, these facilities offer convenient accommodations for patients receiving care, families of patients receiving care, and professionals in the health care industry.

Likewise, this hospital would be geared to providing convenient accommodation to medical researchers and accommodations for families of patients using the adjacent hospital facilities. In that vein, it is apparent that there is a complimentary nature to the relationship between the hotel and the hospital and for that reason, the Division supports the introduction of a hotel with accessory uses as a permitted use within the hospital complex.

With that said, the Division believes that a distinction should still be drawn between commercial uses which are geared to service the existing hospital population (i.e. hotel) and commercial uses which are designed to attract commercial activity from outside the area – which would bring added traffic and possibly detract from our existing commercial areas.

The best way to maintain that distinction is to retain a Zoning Agreement, which would continue to restrict certain commercial uses and by which any future amendments would continue to

require a formal public hearing to allow for scrutiny in determining whether the amendment is in keeping with the intent and purpose of the HSC Campus.

Recommendation

In light of the above, the Planning and Land Use Division recommends that the existing Zoning Agreements be withdrawn and replaced with a modified agreement for Lot 1 to read as follows:

The land and any building or structure thereon shall not be used for, and no building or structure erected, altered or enlarged on the land for any use except:

Banquet Hall/Dance Hall (Accessory to a hotel)
Cocktail Lounge (Accessory to a hotel)
Gift store (Accessory to a hotel)
Hospital or similar treatment centre
Hotel, including motel, limited to guest rooms
Laboratory: Medical, Dental, or Optical
Medical, Dental, Optical Counseling or other health or therapeutic clinic
Multiple-family dwellings
Restaurant (Accessory to a hotel)
Offices, business or professional
Reducing salon, health spa, steam bath, or other similar facility (Accessory to a hotel)
University, college, technical school
Accessory off-street parking and loading areas or structures

Recommended Conditions of Approval

I. That the Zoning Agreement Caveat No. 81-12116 and 81-56743 under file no. DAZ 334/79 and DAZ 334/79A, dated, April 2, 1980 (By-Law #2917/81), be deleted and replaced with a new Zoning Agreement as follows:

1) The land and any building or structure thereon shall not be used for, and no building or structure erected, altered or enlarged on the land for any use except:

    a) Banquet Hall/Dance Hall (Accessory to a hotel)
    b) Cocktail Lounge (Accessory to a hotel)
    c) Gift store (Accessory to a hotel)
    d) Hospital or similar treatment centre
    e) Hotel, including motel, limited to guest rooms
    f) Laboratory: Medical, Dental, or Optical
    g) Medical, Dental, Optical Counseling or other health or therapeutic clinic
    h) Multiple-family dwellings
    i) Restaurant (Accessory to a hotel)
    j) Offices, business or professional

k) Reducing salon, health spa, steam bath, or other similar facility (Accessory to a hotel)
l) University, college, technical school
m) Accessory off-street parking and loading areas or structures

II. That the City Solicitor/Manager of Legal Services be requested to prepare the necessary Amending Agreement to Zoning Agreement DAZ 334/79 and DAZ 334/79A (By-Law #2917/81) as approved in aforesaid Clause I.

III. That the Proper Officers of the City are hereby authorized to execute said Amending Agreement.

IV. That the City Solicitor/Manager of Legal Services be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.

This Report Submitted by:
Planning, Property and Development Department
Planning and Land Use Division

Report Prepared by: Michael Robinson, AICP
PPD File # 3.105



Figure 1: Aerial Photo (Flown in 2005)