1. From the Director, Planning, Property and Development Department
Report 2001/10/25

Proposed Commercial Development at the Southeast Corner of Henderson Highway and the Perimeter Highway - East Kildonan-Transcona Community

File EP-1 (Vol. 20)

Recommending that the report be received as information.

Note: That the matter be laid over and referred to the Chief Administrative Officer to report back to the Executive Policy Committee on the details of this possible development and to identify the procedural process for the project.

Attachment to Item 1 - Report dated October 25, 2001, from the Director, Planning, Property and Development Department

Re: Proposed Commercial Development at the Southeast Corner of Henderson Highway and the Perimeter Highway – East Kildonan-Transcona Community

For submission to: Executive Policy Committee

Original report signed by: **Director of Planning, Property and Development**

Report date: October 25, 2001

In camera item: No

Recommendation(s):

That this report be received as information.

REPORT SUMMARY

KEY ISSUES:

- A proponent (Hercules Developers) is proposing a commercial development of 350,000 square feet of retail on 41 acres of land in the R.M. of East St. Paul on the south east corner of Henderson Highway and the Perimeter Highway
- The proponent has held an informational open house with area residents but has not yet made a formal application to proceed with the development
- Applications required include an Amendment to the R.M. East St. Paul Development Plan as well as a Rezoning under the R.M. of East St. Paul Zoning By-Law, the development plan amendment will require the approval of the Minister of Intergovernmental Affairs.
- At this time the City's concerns can be expressed to the provincial administration as well as the R.M. of East St. Paul planning staff prior to an application being made and a formal public hearing being scheduled.
- When an application is made the City of Winnipeg may formally register its concerns at several different stages of the review process.

IMPLICATIONS

General implications

X	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment: •

Policy implications

X	No (*There are no policy implications if the report is asking for a one-time decision.)*
	Yes *(There are policy implications if the recommendation(s) is/are asking for a decision that will be used to guide decisions over time.)*

Comment: •

Financial implications

	Within approved current and/or capital budget
	Current and/or capital budget adjustment required
X	No financial implications

Comment: •

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REPORT

RECOMMENDATION(S):

That this report be received as information.

REASON FOR THE REPORT:

*On October 17, 2001, **Executive Policy Committee** requested that the Chief Administrative Officer report back on the details of a proposed commercial development at the Southeast corner of Henderson Highway and the Perimeter Highway, in the R. M. of East St. Paul*

HISTORY:

On Tuesday, September 25, 2001 Hercules Developers held an open house to present information on a proposal for a commercial development on 41 acres at the Southeast corner of Henderson Highway and the Perimeter Highway, in the R.M. of East St. Paul. This same proponent held an open house last year to introduce a similar proposal and has made some changes to the original concept in response to resident concerns. Applications for approval of the development have not yet been filed with the Rural Municipality's office.

DISCUSSION:

This commercial development would be built in phases, to eventually include up to 350,000 square feet of retail. Development is to consist of two or three large-scale retailers, with a few multi-tenant retail buildings and pad developments. There is also a residential component to the project at the most easterly edge of the property. No potential clients have been identified at this time. Access to the site is proposed from Henderson Highway by incorporating a portion of Devries Avenue into the development and building a right-in right-out access at the Perimeter Highway, however concept plans have not been circulated to Manitoba Transportation and Government Services.

The northern half of the site of the proposed development is currently designated Institutional/Residential Mixed Use under the East St. Paul Development Plan. The types of uses considered appropriate under this designation include single-family homes, low-rise seniors housing, churches, community facilities and personal care homes. The southern part of the site is designated Serviced Residential, to be compatible with development along Foxgrove Avenue to the south. With the exception of the Henderson Highway frontage which is zoned R1-17 Single Detached Residential, the bulk of the site is currently zoned AGU – General Reserve (Residential and Commercial). Allowable conditional uses in this zone are limited to a few agricultural based activities, parks and utilities.

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The proponent has not yet filed an application with the R.M. of East St. Paul to proceed with the development. Two applications will be required; the proponent must amend the development plan as well as re-zone the land. Both the Rezoning and the Development Plan Amendment must receive first reading at East St. Paul Council before a public hearing is scheduled. A public hearing can be held for both applications jointly, if supported by Council both applications can then be given second reading.

In the case of the Development Plan Amendment, Council's decision is then forwarded to the Minister of Intergovernmental Affairs. At this point those in opposition have the opportunity to file objections with the Minister, who may in turn refer the matter to the Municipal Board for a hearing and a recommendation. The Minister can then choose to approve or reject the amendment or approve with conditions and forward this decision to Council. Council in turn can then give the by-law third reading (with the amendments proposed by the Minister) or pass a resolution not to proceed.

With respect to the re-zoning application there is also an appeal mechanism for those in opposition to the proposed zoning change. Objections may be filed with the Municipal Board, who will hold a hearing on the matter. The Board can then confirm Council's decision, refuse to confirm the decision or alter the decision subject to conditions. Council can then proceed with third reading after making any changes required by the Board or pass a resolution not to proceed. In any case, the re-zoning cannot proceed to third reading until the Development Plan Amendment has been adopted

Given its proximity to the City, a shopping centre of this magnitude would likely draw on the City of Winnipeg residents as its primary clientele. Therefore, this project should be evaluated in the context of the region regardless of municipal boundaries. The policy context for this evaluation lies within Plan Winnipeg, Provincial Land Use Policies and the East St. Paul Development Plan. These documents are based on principles of sustainability and the promotion of compact development. Consistent with these principles, Provincial policies, as well as the R.M.'s development plan direct this kind of urban style development towards existing urban/town centres with the emphasis on the infilling and revitalization of older areas rather than the expansion into undeveloped areas.

With its proximity to the City, one could also apply Plan Winnipeg policies in the evaluation of this development. When taken in this context, proposed Plan Winnipeg policies also propose that the preferred method of accommodating new commercial development should be through the redevelopment and infill of existing sites. Developments of a regional nature/scale should be directed towards the Areas of Regional Commercial Concentration so that these areas may intensify. New locations for commercial development should only be approved where (among other factors) significant residential areas are not well served with commercial space, where existing commercial areas cannot accommodate expansion and where the long-term negative impacts on existing regional and commercial centres will be minimal. A recent retail market study undertaken by the City of Winnipeg did not indicate that the northeast quadrant of the city was significantly underserved by retail development and identified the Garden City and Kildonan Place areas as the major commercial centres for the North and Eastern parts of the City. Since the development will draw more than the residents of East St. Paul, the proponent

could be requested to provide evidence that there is a demonstrated need for what will essentially be a new Area of Regional Commercial Concentration.
Provincial departments will likely also raise concerns about this development. Intergovernmental Affairs will also review this application in the context of the above noted Provincial Land Use Policies, which would prefer to see this type of development directed towards the central business districts of the urban (town) centres. Manitoba Transportation and Government Services will likely raise concerns, as the proposed access to the Perimeter Highway is contrary to their policy as well as contrary to the East St. Paul Development Plan. The municipality will have to deal with several local issues as well, residents are concerned with increased traffic in the area and many have already made their concerns known to the developer at the open houses. This development also appears to conflict with the intent of their development plan which proposes a community commercial shopping area along Henderson Highway *and* promoting a "Main Street" commercial precinct in the Bird's Hill area*. There does not appear to be a category within their existing Development Plan that would accommodate large-scale retail development. This may also need to be amended for this application to proceed.*
As there is as yet no formal application for this project, the preferred avenue for voicing the City's concerns would be through administrative channels. Planning staff within the Planning and Land Use Division will continue to discuss this project with staff at both Intergovernmental Affairs and the R.M. of East St. Paul. We will endeavour to participate in the advancement of a cooperative process with both administrations and perhaps the developer to discuss other development options for the property that may be more acceptable to all parties. EPC will be apprised when a formal application is finally filed and an official response will be requested of the City.

Financial Impact Statement

Date: 19-Nov-01

COMMENTS:

As this report is being submitted for information purposes only, there are no financial impacts.

Gord Courage, Manager
Support Services Division

Agenda - Executive Policy Committee - January 9, 2002

Attachment to Item 1 - Report dated October 25, 2001, from the Director, Planning, Property and Development Department

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Planning and Land Use
Prepared by: Dianne Johnson
PPD File #: n/a

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