Minute No. 238
Report "A" – Executive Policy Committee – March 18, 2015

Item No. 3 **Zoning Agreement Amendment – 2901 Sturgeon Road (St. Charles Ward) File ZAA 16/2014**

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the Zoning Agreement under File DAZ 240/06 dated January 24, 2007 (By-law No. 73/2007) be amended as follows:

   A. that clause two (2) be amended as follows:

      Remove the following uses under section 2 (a): 'wholesale and retail tire sales' and replace with 'warehouse, light manufacturing and accessory outside storage.'

      And

      Delete section 2 (c) completely.

   B. That the following clause be added

      That for the development of any building and/or accessory parking area and/or freestanding signage plans shall be submitted showing the location and design of the proposed buildings, the location and design of accessory parking areas, private approaches, garbage enclosures, fencing, landscaping, lighting, and free standing signage to the Director of Planning, Property and Development for plan approval prior to the issuance of any building or development permit, and thereafter all to be maintained to the satisfaction of the Director of Planning, Property and Development.

2. That the Director of Legal Services and City Solicitor be requested to prepare the necessary Amending Agreement to Zoning Agreement DAZ 240/06 (By-law No. 73/2007) dated January 24, 2007, as approved in aforesaid Recommendation 1.

Report "A" – Executive Policy Committee – March 18, 2015

COUNCIL DECISION (continued):

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

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

Report "A" – Executive Policy Committee – March 18, 2015

DECISION MAKING HISTORY:

Moved by His Worship Mayor Bowman,

That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 18, 2015, the Executive Policy Committee concurred in the recommendation of the Assiniboia Community Committee and submitted the matter to Council.

COMMUNITY COMMITTEE RECOMMENDATION:

On March 10, 2015, the Assiniboia Community Committee concurred in the recommendation of the Winnipeg Public Service and, via the Priority Rezoning Process, submitted its recommendation to the Executive Policy Committee.

RE: **Zoning Agreement Amendment - 2901 Sturgeon Road**
File ZAA 16/2014

For submission to: **Executive Policy Committee**

Prepared by: **Destiny Watt, Senior Committee Clerk**
Assiniboia Community Committee

Report date: **March 11, 2015**

COMMUNITY COMMITTEE RECOMMENDATION:

On March 10, 2015, the Assiniboia Community Committee concurred in the recommendation of the Winnipeg Public Service and, via the Priority Rezoning Process, recommended to the Executive Policy Committee that the application for zoning agreement amendment under File ZAA 16/2014 be approved.

The Assiniboia Community Committee provided the following supporting reasons for its recommendation:

1. That the newly proposed use remains compatible for the area.

2. The application has the support of CentrePort Canada.

PUBLIC HEARING SUMMARY

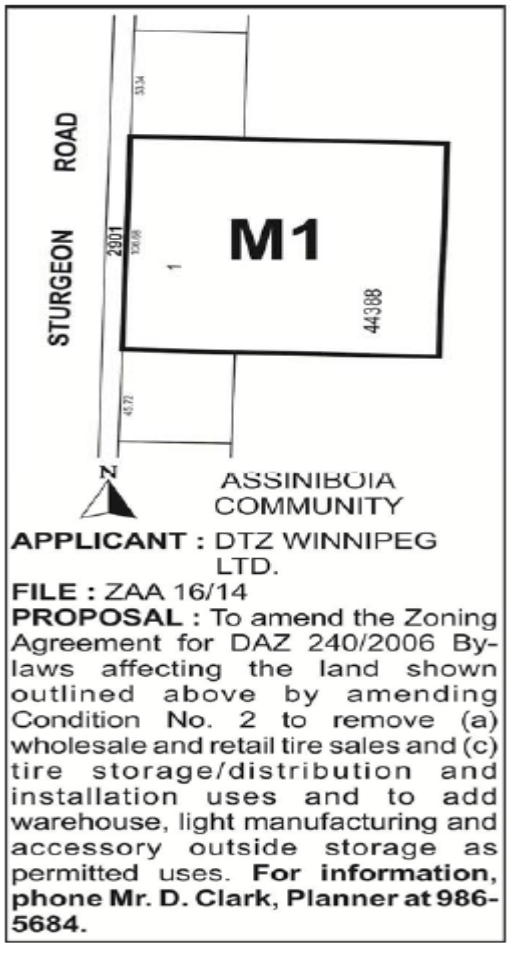
File: ZAA 16/2014

Before: Assiniboia Community Committee
Councillor Gillingham, Chairperson
Councillor Morantz
Councillor Dobson

Public Hearing: March 10, 2015
Council Building, 510 Main Street

Applicant: DTZ Winnipeg Ltd. (Stephen Sherlock)

Subject:



Premises Affected: 2901 Sturgeon Road

Exhibits Filed:

1. Application dated December 29, 2014
2. Notification of Public Hearing dated January 9, 2015
3. Manitoba Status of Title 2118071/1
4. Letter of authorization dated December 11, 2014 from 109 Higgins Inc. to Stephen Sherlock, on behalf of DTZ Winnipeg Ltd.
5. Surveyor's Building Location Certificate and sketch dated November 28, 2014
6. Zoning Development Information
7. Caveat 3456822
8. Plans (4 pages)
9. Report from the Urban Planning Division dated March 4, 2015
10. Inspection Report
11. Audio Recording of representations of public hearing

REPRESENTATIONS:

In Support:

Stephen Sherlock, on behalf of DTZ Winnipeg Ltd.
Brian Melville
Diane Gray, on behalf of CentrePort Canada

In Opposition:

Nil

For Information:

Nil

For the City:

Mr. D. Clark, Planner, Planning, Property and Development Department

Exhibit "9" referred to in File ZAA 16/2014

ADMINISTRATIVE REPORT

Title: ZAA 16/14 – 2901 Sturgeon Road

Issue: For consideration at the Public Hearing to amend clause 2 of the Zoning Agreement for DAZ 240/2006 (By-law No. 73/2007).

Critical Path: Assiniboia Community Committee – Standing Policy Committee on Property and Development – Executive Policy Committee – Council as per the *Development Procedures By-law* and *The City of Winnipeg Charter*.

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Smith	N/A	N/A	

RECOMMENDATIONS

1) That the Zoning Agreement under File DAZ 240/06 dated January 24, 2007 (By-law No. 73/2007) be amended as follows:

   A. that clause two (2) be amended as follows:

      Remove the following uses under section 2 (a): *'wholesale and retail tire sales'* and replace with *'warehouse, light manufacturing and accessory outside storage.'*

      And

      Delete section 2 (c) completely.

B. That the following clause be added

That for the development of any building and/or accessory parking area and/or freestanding signage plans shall be submitted showing the location and design of the proposed buildings, the location and design of accessory parking areas, private approaches, garbage enclosures, fencing, landscaping, lighting, and free standing signage to the Director of Planning, Property and Development for plan approval prior to the issuance of any building or development permit, and thereafter all to be maintained to the satisfaction of the Director of Planning, Property and Development.

2) That the Director of Legal Services and City Solicitor be requested to prepare the necessary Amending Agreement to Zoning Agreement DAZ 240/06 (By-law No. 73/2007) dated January 24, 2007, 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 Director of Legal Services and City Solicitor be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.

REASON FOR THE REPORT

- The applicant wishes to amend the zoning agreement in order to establish a pipe fitting and welding fabrication use in the existing building on site. The zoning agreement on the land limits uses to wholesale and retail tire sales as well as tire storage/distribution and installation. The applicant wishes to amend this zoning agreement in order to establish the proposed use.

- Zoning Agreement Amendments require a Public Hearing as per the *Development Procedures By-law* and *The City of Winnipeg Charter.*

- The Report is being submitted for the Committee's consideration at the Public Hearing.

IMPLICATIONS OF THE RECOMMENDATIONS

If the recommendations of the Urban Planning Division are concurred in, the Zoning Agreement will be amended to allow a pipe fitting and welding fabrication use on the subject property and remove wholesale and retail tire sales and tire storage/distribution and installation uses.

CONSULTATION

N/A

HISTORY

Variances

The variance history goes back to 1968 when the property was occupied by a non-conforming welding shop.

DAV 467/77 – Expansion, the construction of an addition applied for in 1977
DAV 425/85, DAV 884/85 – Change of use to a tire re-treading business
DAV 601/86, DAV 512/89 – Construction of 2 storage buildings
DAV 876/94 – Permit the maintenance of a tire re-treading business, expired July 31, 2005
DAV 62/95 – Temporary change of use not to exceed 5 years to permit the expansion of a tire storage compound, expired March 15, 2000.
DAV 931/95 – Addition to a non-conforming building

Rezoning

DAZ 240/06

In 2006 the subject property was rezoned from the "A" Agricultural Zoning District to the "M1" Light Manufacturing Zoning District. The purpose was to legitimize the non-conforming use under Zoning By-law 6400/94, allowing the tire business to remain on the property.

The rezoning was approved subject to the following zoning agreement conditions:

1. The Owner's land (including land contiguous to the land being rezoned, if any) is described as follows: LOT 1 PLAN 44388 WLTO IN PARK LOTS "B" AND "C" PARISH OF ST JAMES.
2. The following uses only shall be permitted on the land:
    a. Wholesale and retail tire sales;
    b. Office;
    c. Tire storage/distribution and installation.
3. The Owner does hereby covenant and agree with the City as follows:
    a. There shall be no expansion and/or alteration of the permitted use of the land without the full range of municipal services having first been placed, installed, erected and/or constructed and that such municipal services shall be fully operational;
    b. That on the east boundary of the land, any and all new buildings and/or permanent structures shall be located not less than 33.421 metres from the existing Sturgeon Road right-of-way;
    c. Advertising signs, mobile signs, poster signs, balloon signs, buntings and A-frame signs are strictly prohibited in, on or about the land or any part thereof.

4. The Developer shall at its sole cost, effort and expense and at no cost to the City, maintain the site and all improvements thereon including but not limited to those as are referred to in clause 3 above, in good condition and to the satisfaction of the City's Director of Planning, Property and Development.
5. Nothing in this Agreement shall restrict or affect the powers of the City to amend, repeal or vary the Zoning By-law applicable to the land or to enact a zoning by-law rezoning the land and it is understood by the Owner that the execution of this Agreement by the City cannot operate to effect any variance to the Zoning By-law or approve any conditional use or operate to relieve against compliance with any other by-law or regulation of the City.
6. If a provision of this Agreement conflicts with a provision of any variance or conditional use order now existing or made in the future, the most restrictive provision shall apply.
7. This Agreement shall run with the land and shall bind the Owner, its successors and assigns.
8. In the event the City does not enact the by-law recited in this Agreement, the Agreement shall become void, and the City shall withdraw any caveat registered to record this Agreement.

SUBMITTED BY

Department	Planning, Property and Development
Division	Urban Planning
Prepared by	Devin Clark
Date:	March 4, 2015
File No.	ZAA 16/14

List of Schedules and Attachments

1. Appendix 'A' – Planning Discussion
2. Appendix 'B' – Floor plans of existing and proposed uses
3. Appendix 'C' – Letter from applicant detailing changes between existing and proposed uses
4. Appendix 'D' – Letter from land owner indicating commitment to connecting to municipal services

APPENDIX 'A'

DATE: March 4, 2015
FILE: ZAA 16/14
RELATED FILES: DAZ 240/06
COMMUNITY: Assiniboia
NEIGHBOURHOOD #: 2.222 – Saskatchewan North

SUBJECT: The applicant is proposing to amend the zoning agreement for DAZ 240/06 by removing wholesale and retail tire sales and tire storage/distribution and installation uses and adding warehouse, light manufacturing and accessory outside storage as permitted uses on the land.

LOCATION: 2901 Sturgeon Road

LEGAL DESCRIPTION: LOT 1 PLAN 44388 WLTO IN PARK LOTS "B" and "C" PARISH OF ST.JAMES



APPLICANT: DTZ WINNIPEG LTD. (Stephen Sherlock)
Unit 5 – 986 Lorimer Blvd.
Winnipeg MB R3P 0Z8

OWNER: 109 Higgans Inc. (Susan Feldman)
1606 Mathers Bay West
Winnipeg MB R3N 0T7

RECOMMENDATION: Approval to amend condition number two (2) from the Zoning Agreement under file DAZ 240/2006.

REPORT SUMMARY:

- The applicant intends to amend clause two (2) in the Zoning Agreement by removing wholesale and retail tire sales, tire storage/distribution and installation as permitted uses and adding warehouse, light manufacturing and accessory outside storage as permitted uses on the land. The office use is permitted under the current zoning agreement and would remain as a permitted use under the amended zoning agreement.
- The applicant wishes to establish a high density polyethylene pipe distribution and fabrication use on site. In order to establish the pipe distribution and fabrication use on site, the Zoning Agreement must be amended to allow warehouse, light manufacturing and accessory outside storage as permitted uses.
- The Urban Planning Division recommends approval to amend the Zoning Agreement to allow the proposed use.

SITE DESCRIPTION

- The subject site is located about one kilometer north of Saskatchewan Avenue, on the east side of Sturgeon Road, in the Saskatchewan North Neighbourhood of the St. Charles Ward.
- The property is approximately 3.1 acres
- The site is located within the “General Manufacturing” policy area as identified in the Complete Communities Direction Strategy.
- The subject site is zoned “M1” Light Manufacturing.



Figure 1: Subject Site and Surrounding Land Uses (Aerial Photo – flown 2014)

SURROUNDING LAND USES & ZONING

North: Agricultural uses zoned “A” Agricultural

South: Agricultural uses zoned “A” Agricultural

East: Agricultural uses zoned “A” Agricultural

West: Sturgeon Road then agricultural uses zoned “A” Agricultural

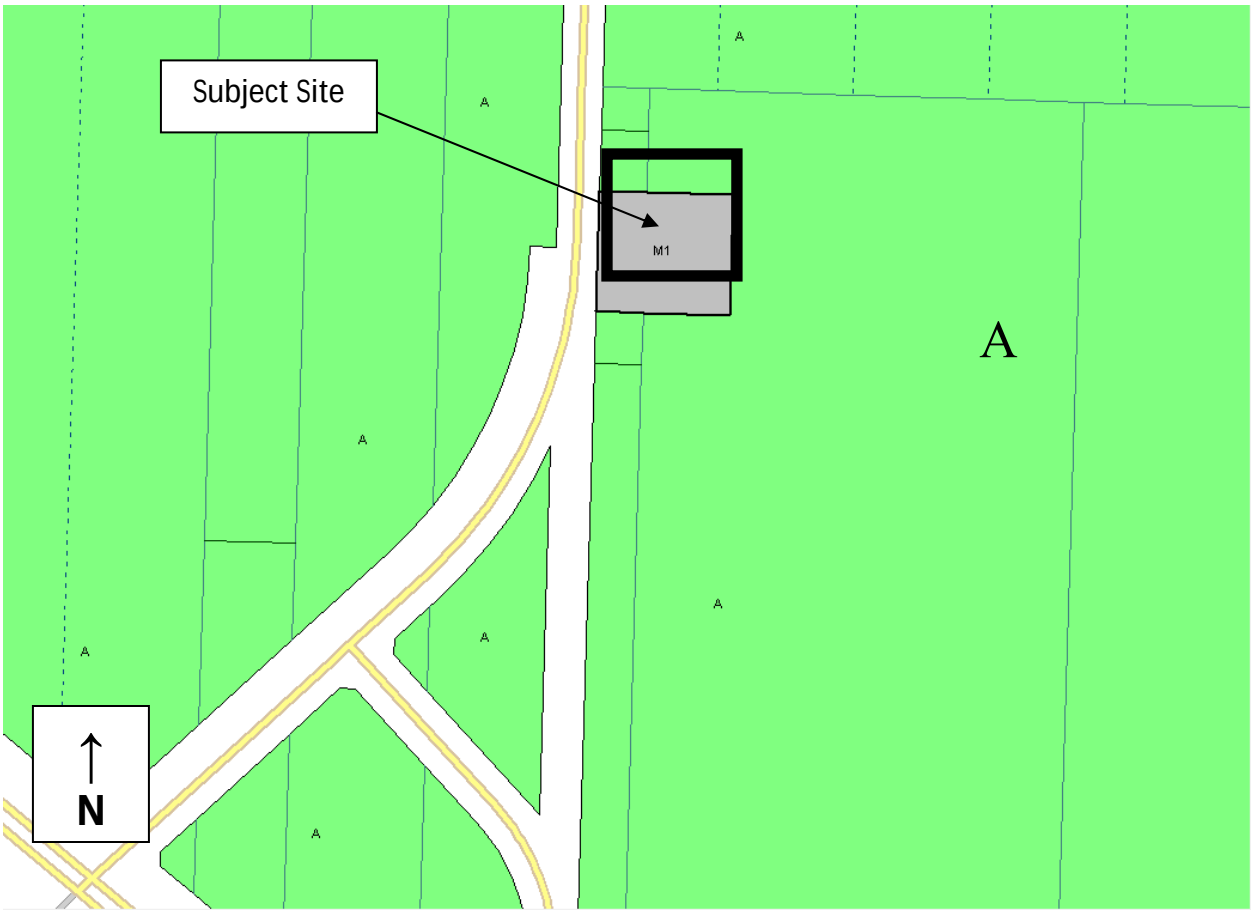


Figure 2: Zoning map of subject property and surrounding context.

DESCRIPTION OF THE PROPOSED DEVELOPMENT

- The applicant intends to revise condition number two (2) in the Zoning Agreement by removing wholesale and retail tire sales and tire storage/distribution and installation as permitted uses, and adding warehouse, light manufacturing and accessory outside storage as permitted uses on the land.
- The applicant wishes to establish a high density polyethylene pipe distribution and fabrication use. The intent is to retrofit the existing building on site to fit the new tenants' needs. No new buildings are planned as part of this proposal.
- A detailed analysis of the proposed use can be found in Appendix 'C' of this report.

ANALYSIS AND ISSUES

BACKGROUND

- Since 1977, numerous variance applications have been applied for on the subject land to maintain a non-conforming use.

- In 2006 a rezoning application was submitted in order to legitimize the tire sales and distribution centre (a non-conforming use) in order to allow the existing business to remain on the property. The planning report for this rezoning application (DAZ 240/06) identified the property as a Rural designated site under the Plan Winnipeg document that does not have sewer, water and land drainage systems to service the site. The report notes that typically, the City of Winnipeg has tended not to support rezonings until such time as the full range of municipal services can be provided. However, all applications are judged on a case-by-case basis and in this instance, the tire use had existed on the site since 1985, operating under a series of variances with strict conditions involving site development, storage, use and signage. The use was deemed to be compatible with the area and the rezoning would not allow for the expansion or intensification of the development.

- The subject site falls within the Airport Area West Secondary Plan which was adopted by Council September 25, 2002. The proposed use was determined to be compatible with the intent of the Plan.

- The subject site is adjacent to the proposed street widening of Sturgeon Road and in order to preserve adequate setbacks for any potential road widening that may be needed a condition was established to ensure a setback for any new buildings from the Sturgeon Road right-of-way.

OURWINNIPEG

Approach to City Building Direction 3: Promote Compact Urban Form and Manage the Extension of Municipal Services for new Growth - Enabling Strategies:

- Define ‘full range of municipal services’ as piped water, piped wastewater, piped land drainage, and an urban standard roadway.

- Enable the intensification of land-uses through the development application process only when a full range of municipal services is provided.

- Promote the extension of municipal services such as piped water, piped waste water, piped drainage and urban standard roadway, only in an environmentally-sound, economically and timely manner.

- Fulfill requests to extend servicing to private property through the Local Improvement process only where it can be demonstrated that there is a net financial benefit to the City of Winnipeg.

COMPLETE COMMUNITIES DIRECTION STRATEGY

- Under the *Complete Communities Direction Strategy* the proposed development is within the Employment Lands "General Manufacturing" policy area. Key policies guiding development within the Employment Lands "General Manufacturing" policy area are:
    - Employment activities will develop and operate in a fashion that is compatible with other land uses, especially residential.
    - Ensure the provision of natural buffers to provide visual screening and separation of conflicting land uses where necessary.
    - Support the introduction of commercial/retail and personal service development that is subordinate to, and supportive of the primary employment uses in business/institutional employment areas.
    - Development or redevelopment of employment sites should provide for good walking environments within the site and adjacent to public sidewalks and transit stops.
    - Provide street trees, landscaping, fencing, and architectural elements for sites that are highly visible to the public from perimeter roads in cases where employment lands interface with other types of land uses, including public rights of way.

AIRPORT AREA WEST SECONDARY PLAN

- Generally, the Airport Area West Secondary Plan provides direction for the development of industrial and commercial type land uses that are compatible and complimentary with the operations of the James Armstrong Richardson International Airport.

- When the site was originally rezoned in 2006, Planning recommended approval, believing the proposed use was in line with the directions for land use in the airport vicinity.

- The Urban Planning Division believes that the newly proposed use remains compatible with the airport area.

WINNIPEG ZONING (BY-LAW 200/2006)

M1 – Light Manufacturing

- The Manufacturing Light (M1) district is intended to provide for light manufacturing, processing, service, storage, wholesale, and distribution operations with all operations contained within an enclosed building with some limited outside storage.
- Dimensional Standards for the M1 district are as follows:

Zoning District	Minimum Lot Area (Sq. Ft.)	Minimum Lot Width (Ft.)	Minimum Front Yard (Ft.)	Minimum Rear Yard (Ft.) [note a]	Minimum Interior Side Yard (Ft.) [note a]	Minimum Corner Side Yard (Ft.)	Maximum Height of Building (Ft.)	Maximum Floor Area Ratio
M1	NA	NA	25	0	0	15	50	2.0

ZONING BY-LAW ANALYSIS

- The applicant indicates there is no intention to expand the footprint of buildings on the site.
- Variances are not required to maintain the buildings in their current form.
- The requirement in the initial zoning agreement to maintain a 33.421 metre separation space from the Sturgeon Road right-of-way will continue to apply to any future development on the land.

CENTRE PORT CANADA

- The subject site falls within lands identified for the development of CentrePort Canada.

- CentrePort Canada is a 20,000 acre inland port, spanning the boundaries of the Rural Municipality (R.M.) of Rosser and the City of Winnipeg. This inland port was established by the Province of Manitoba under the CentrePort Canada Act in 2008.

- At present, a secondary plan for CentrePort lands which fall within the Rosser R.M. is being reviewed for approval. CentrePort lands that fall within the City of Winnipeg jurisdiction do not yet have a planning process in place. However, an email was received from the CEO of Centre Port Canada in regard to the subject application. She indicates that Centre Port is supportive of the use as it will eventually fit within the direction and uses that will grow as the Centre Port area.

COMPATABILITY WITH SURROUNDING NEIGHBOURHOOD

- When the subject site was rezoned in 2006 the planning report spoke about limiting further intensification of uses on the land. Additionally, the OurWinnipeg Plan, adopted by Council in 2011, identifies that intensification of land use shall occur only once a full range of municipal services are connected.

- With this in mind, the Urban Planning Division has reviewed the proposed use on the site and has determined that the pipe welding and distribution centre will not be an intensification of the land, but rather a lateral movement that allows for the site to continue operating in a similarly intense manner that is compatible with surrounding uses.

- In a letter submitted by the applicant, details of the current and proposed use are compared to one another to understand how the site will be used (See Appendix 'C'). This review looks at hours of operation, number of employees on site and estimated number of deliveries made per month. The Urban Planning Division agrees that the proposal does not result in an intensification of land use.

- Clause number three (3) (a) from the original zoning agreement will remain in effect. This clause states that *'There shall be no expansion and/or alteration of the permitted use of the land without the full range of municipal services having first been placed, installed, erected and/or constructed and that such municipal services shall be fully operational;'*

- With this clause in place, any alterations or expansion to the permitted use will require a full range of municipal servicing being installed. If changes are proposed to alter or expand the subject site a Zoning Agreement Amendment will again be required for the Planning Department to review.

- The Owner of the land has submitted a written agreement that they intend to connect the site to municipal services once they become reasonably available (See Appendix 'D').

PLAN APPROVAL CONDITION

- The Urban Planning Division has recommended adding a condition for plan approval by the Director of Planning, Property and Development. Director plan approval is not required to be reviewed by the Community Committee and is handled administratively.

- Policies for *Employment Lands* under *Complete Communities* indicate the need to establish high quality design, strong pedestrian connectivity and mitigate potential land use conflicts.

- As this area of the city begins to evolve and CentrePort becomes more established, it will be desirable for the Administration to have an opportunity to review any proposed development changes on the subject property to ensure quality design and compatibility of uses.

RECOMMENDATION

The Urban Planning Division recommends **approval** for the following reasons:

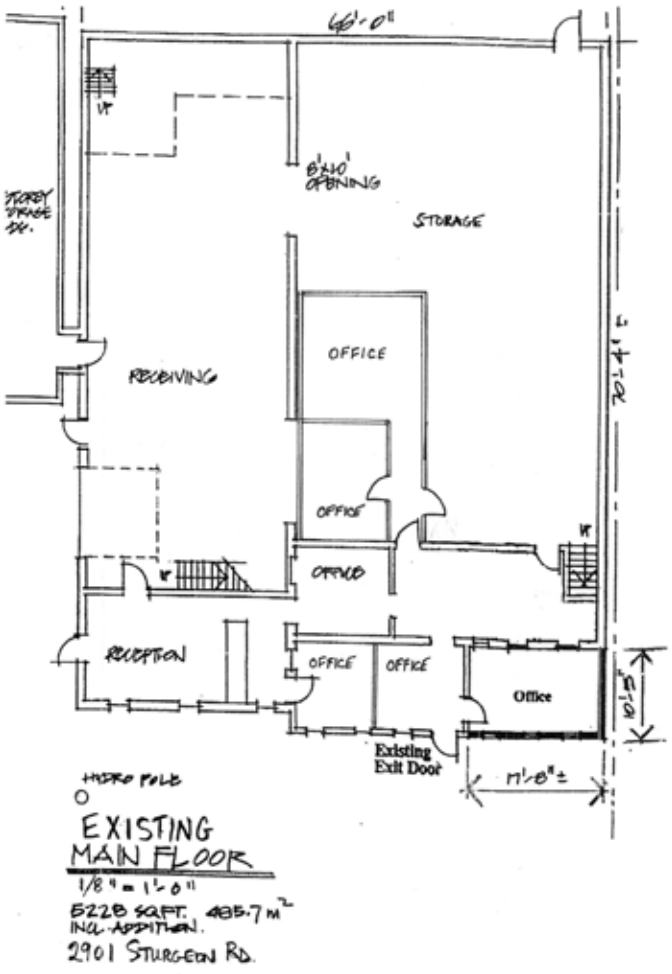
- The proposed use is compatible with the policies of the Airport Area West Secondary Plan.
- The proposed use has support from the CEO of CentrePort Canada.
- The proposed use is equally intensive from a servicing perspective as the current tire use.
- The recommended conditions of the zoning agreement help ensure that the permitted use on the site will incorporate quality design and remain compatible with surrounding uses.

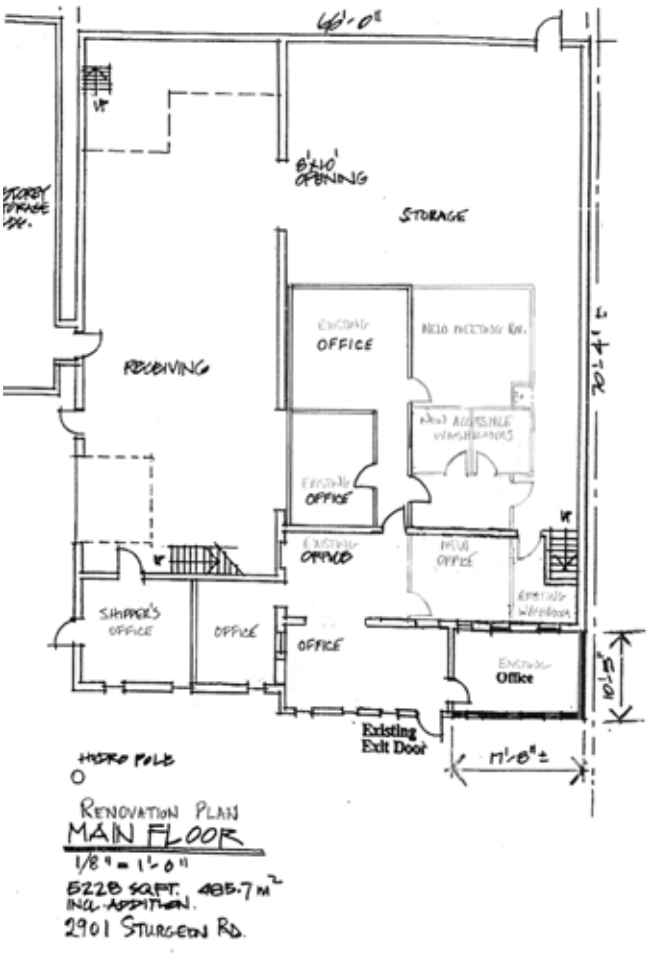
This Report Submitted by:
Planning, Property and Development Department
Urban Planning Division

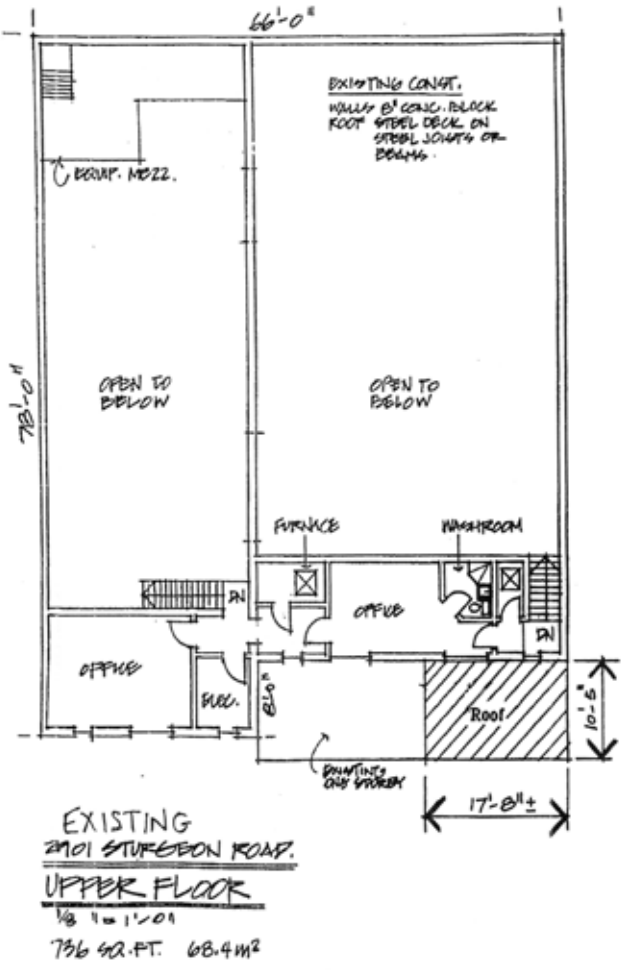
Report Prepared by: Devin Clark
PPD File # ZAA 16/14

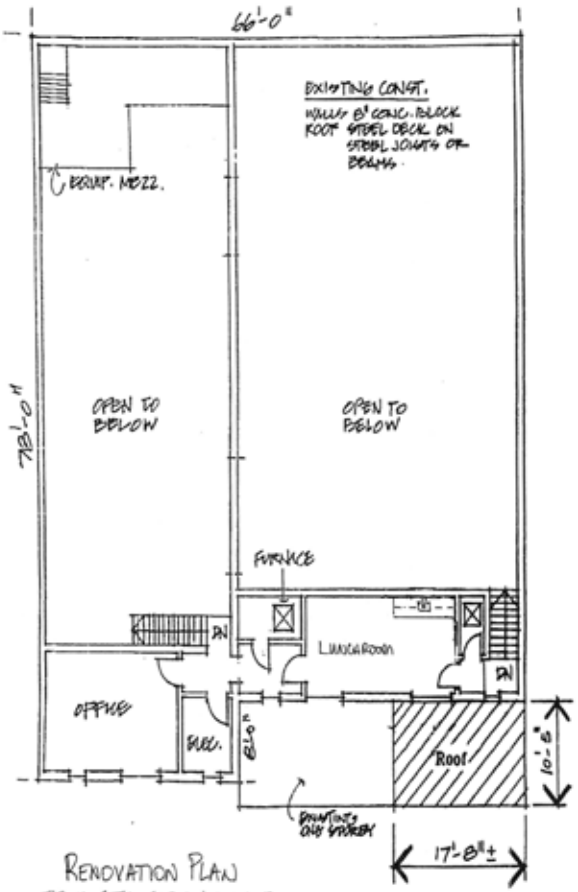
APPENDIX 'B'

Proposed interior alterations




66'-0"
8'x10' OPENING
STORAGE
RECEIVING
EXISTING OFFICE
NEW ACCESSIBLE WASHROOMS
EXISTING OFFICE
EXISTING OFFICE
NEW OFFICE
SHIPPER'S OFFICE
OFFICE
OFFICE
EXISTING Office
Existing Exit Door
17'-8"±
HYDRO POLE
RENOVATION PLAN
MAIN FLOOR
1/8" = 1'-0"
5228 SQFT. 485.7 m²
INCL. ADDITION.
2901 STURGEON RD.


66'-0"
EXISTING CONST.
WALLS 8" CONC. BLOCK
ROOF STEEL DECK ON STEEL JOISTS OR BEAMS.
EQUIP. MEZZ.
78'-0"
OPEN TO BELOW
OPEN TO BELOW
FURNACE
WASHROOM
DN
OFFICE
DN
OFFICE
ELEC.
8'-0"
Roof
10'-5"
EXISTING ONE STOREY
17'-8"±
EXISTING
2901 STURGEON ROAD.
UPPER FLOOR
1/8" = 1'-0"
736 SQ.FT. 68.4m²



RENOVATION PLAN
2901 STURGEON ROAD.
UPPER FLOOR
1/8" = 1'-0"
736 SQ.FT. 68.4M²

APPENDIX 'C'

Letter detailing current and proposed uses on site

DTZ

Unit 5 – 986 Lorimer Boulevard,
Winnipeg, MB R3P 0Z8
Canada
Telephone : 204 928 5000
Facsimile: 204 928 5010
www.dtz.com

October 2, 2014

Mr. Devin Clark
City of Winnipeg
Planning and Property Development Department
Unit 31 – 30 Fort Street
Winnipeg, MB R3C 4X7

Re: 2901 Sturgeon Road

Dear Devin,

This letter is in response to your email asking for further information about the past and proposed uses of 2901 Sturgeon Road.

Existing Structures: On site there is currently a (+/-) 5,928 sf office/ warehouse type building (main building) and two (+/-) 10,000 sf cold storage quonset type buildings (cold storage buildings). The entire site is fully fenced. In the main building there is a 1,500 gallon septic tank for sewage and a well with a filtration system for water service. The cold storage buildings have only electrical for lights, they are for storage only. In the main building there are three washrooms with sinks in each and a sink in the warehouse.

Previous Business: The last occupant was Sturgeon Tire. They sold, stored and installed tires and had sales office and warehouse workers/ drivers on site and were open to the public. They had 15 office staff and 10 warehouse/ delivery people working out of the site. They had about 25-30 fifty foot container loads per month and up to 80 smaller carrier deliveries per month. Their customers were both retail and commercial, services and selling tires for wheelbarrels to big front end loaders and farm equipment. Therefore customers would regularly visit the site.

Proposed Operation: The new tenant is ISCO Industries. They are a distributor of High Density Polyethlene (HDPE) pipe, fittings and pipe welding equipment. They do light fabrication work by welding the plastic pipe and fittings together for their customers. This will serve as the Canadian Head Office supporting other operations in Vancouver, Calgary, Edmonton, and Montreal. They will have 5 office staff and 3 warehouse staff working out of this location, Monday to Friday 8:00 am to 5:00 pm. The main building would be for offices and warehousing of fittings, parts and pipe welding equipment. The cold storage buildings would be for warehousing as well. There would be the accessory use of storing some pipe outside in the existing compound. They anticipate about 15 - 20, 53' flat deck trailers per month, including both supply coming in and customer orders going out and 60- 70 couriers per month. Customers are light industrial only, purchasers of piping and related products. No need for customers to come to the subject site.

Sewage and Water systems would be used as is current on the site, however the Landlord shall hook up to City of Winnipeg Sewer and Water systems as soon as they are reasonably available to do so.

The main building is also to be renovated by updating the existing office space, adding 2 offices and a boardroom, and renovating the existing washrooms to meet current code. There will also be cleaning, painting and flooring replacements. Hedman Construction, a very well known and reputable contractor, has been contracted for the building renovations.

DTZ

Unit 5 – 986 Lorimer Boulevard,
Winnipeg, MB R3P 0Z8
Canada
Telephone : 204 928 5000
Facsimile: 204 928 5010
www.dtz.com

I trust this letter will satisfy the City of Winnipeg that the new use is not an intensification of land use. Please feel free to contact me directly at 204-799-5526 with any further questions and to discuss the next steps of allowing ISCO to move forward accordingly. Thank you very much for all of your assistance to date regarding this matter and I look forward to speaking with you further.

Yours truly,

DTZ Winnipeg (as Agent for Higgins Inc.),

Stephen Sherlock, B. Comm (Hons.)
Sales and Leasing Associate

APPENDIX 'D'

September 11, 2014

Mr. Devin Clark
City of Winnipeg
Planning, Property and Development Department
Unit 31-30 Fort Street
Winnipeg, MB R3C 4X7

Re: 2901 Sturgeon Road

Dear Mr. Clark,

This letter shall serve as formal commitment that as the owner of 2901 Sturgeon Road I shall hook up to City of Winnipeg Sewer and Water services at the above mentioned site as soon as the services are reasonably available.

Yours truly,

109 HIGGINS INC.

Name: Susan Feldman
Title: President