

3000 Acres of Phony Demand

Consideration on Waverley West

By Kate Sjoberg

About the Author

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Executive Summary

In the midst of an almost \$300 million infrastructure deficit, concerns about potholes, run-down community centers and libraries, and a deteriorating inner city, Winnipeg and the Province of Manitoba have given the go-ahead for the development of yet another suburb, Waverley West. While there is little question that population is rising in the city, it is worth exploring why a response to increased housing demand necessitates expanding the neighborhood policy area of the city, rather than choosing more sustainable options. This paper examines many of the arguments that won the case for Waverley West, including increasing population growth and decreasing household size, using data from both the developer's consultation company, ND LEA, and the City's research. It finds that the factors that contributed to the approval of the development were exaggerated, and that there are other viable options for

Winnipeg's increasing population that would better use the space we have and better serve anticipated demand.

Just as concerning as the ongoing wasteful use of space in Winnipeg is the lack of clear planning policy for the City to guide decision-making on issues like Waverley West. Indeed, there is a need in Winnipeg for a clear shift in mindset regarding development in general. Urbanization must be prioritized over suburbanization. Such a shift would be best initiated immediately and fully incorporated into the plans for Waverley West to ensure that the development reflects a true urban centre, rather than a cookie-cutter suburb. Strong policy with city-wide plans and goals needs to be developed to ensure that Winnipeg's short and long term interests are upheld the next time a Waverley West comes around, and that true options are explored rather than relying on the developer-driven suburban standby.

Introduction

Bound by Waverley Street, the Perimeter, Brady Road, and the Lot 16 drain, Waverley West is a 3,000-acre stretch of mostly farmland that is about to become Winnipeg's next suburb—anticipated to be 12,000 lots strong by completion. In the context of the current housing boom in the city, the development may seem worthwhile. This month, Qualico has announced upcoming development of their St Boniface tract, which will add 12,000 homes to the Winnipeg market in the next few years.¹ More urban developments are also doing well, exemplified by the Exchange District's anticipated Excelsior condominium project—half of the units of which were sold before construction had even begun.²

Yet, regardless of the strength of the current housing market, it is important to look at the reasons large-scale developments are considered in the first place. Whose interests are being served in going forward with these developments? In the case of Waverley West, arguments for approval of the development have included relatively concrete factors like population growth, decreasing household size, and land availability. Through data on these factors, Waverley West and other developments have been touted as being in Winnipeg's best interests, and necessary as Winnipeg attempts to capture and encourage growth.

However, from well before City Council's January 26, 2005 policy area change for the Waverley West lands—a shift from rural to neighborhood policy area as designated in the long-range planning document, *Plan Winnipeg 2020 Vision*, and the primary stepping stone toward development—to the more recent decision by Intergovernmental Affairs Minister Scott Smith *not* to send the develop-

ment to the provincially independent review of the Municipal Board, it has been clear that there are other interests that are being served by going forward with the development. An initial clue to that effect is that the majority of the Waverley West lands are owned by the Manitoba Housing and Renewal Corporation, a provincial body, and the development company, Ladco Inc. In this light, one must ask—does Winnipeg really need Waverley West?

This paper attempts to answer this question by reviewing the arguments for the development. Research by ND LEA, the proponent's consultant company on the project, is described and critiqued, as well as more general arguments for development that large-scale developers tend to rely on—for example, that demand is strong for new suburban developments only in certain areas of the city. In doing so, the paper simultaneously addresses Winnipeg's diehard habit of emphasizing outward growth over better use of the space it already occupies. With a clearer understanding of the situation regarding Waverley West, a context is offered for discussing Winnipeg's interests and how, in this particular story, bodies with other interests are able to distort those values to their own ends.

As a primary landholder in the area, the provincial government holds significant responsibility and has an opportunity to work with the City of Winnipeg to make the effects of developing Waverley West on the rest of the city and its citizens more positive. The author envisions a time when the development plan for Winnipeg takes into account the long-term health of the city and its citizens as a whole—a consideration long overdue and far off if judged by the circumstances of Waverley West.

We begin with the base of the argument for almost any new housing development—population growth.

Reasons For Waverley West

Population Growth

Population growth can establish one of the more compelling arguments for giving housing developments the go-ahead. ND LEA's *Housing and Population Summary* and the City of Winnipeg's *Residential Land Supply Study* make this case — ie., that the higher the population of your city, the more housing your city will need. Planners generally calculate this need based on projected demand for the next twenty years.

It is apparent, however, that in making the case for Waverley West, the documents of both ND LEA and the City of Winnipeg use inflated figures for both population and growth rate, and thus their projections are optimistic, to say the least. There is a certain science that goes into predicting the future population of a city, but these projections are, at their very heart, guesses. The following presents some of the inconsistencies in these guesses, and some of the questions that arise when the case for building Waverley West includes so many discrepancies in the 'supporting' data.

Population Growth: ND LEA

There are two main concerns in both documents: that projections are based on 2001 populations for Winnipeg that are different than the Statistics Canada report for that year; and that the growth rates for the years after 2001 appear to ignore the trends in population that led up to that year. However, there is one other questionable issue that deserves noting and will be explored first: ND LEA's selection of reference data.

ND LEA's *Summary* notes that a middle of the road projection strategy has been used to

come to its projections of population growth. The highest prediction that ND LEA found takes into account immigrants from the Provincial Nominee Programme, which ND LEA says could double immigration to the city annually.³ The lowest prediction comes from *Plan Winnipeg 2020*, in which the Manitoba Bureau of Statistics (MBS) is quoted as saying that from 1999 to 2020, population will decrease by a rate of 4.10%. Neither were considered in ND LEA's final projections. While one might note that these are both significant predictions and should therefore factor into ND LEA's estimates, equally notable are the projections chosen as appropriate references. Manitoba Health's data for population projection are used as a gauge to validate ND LEA's findings because growth rates for both estimates are similar, even though Manitoba Health calculates population for the entire Metropolitan region, not only the city, to which ND LEA's numbers apply. Statistics Canada is also used by ND LEA as a gauge to show that their projections are reasonable. However, as will be noted below, ND LEA's numbers are otherwise often significantly contradictory to those of StatsCan, and are used comparatively even though they apply to different counting areas.

To come to its projections, ND LEA combines findings from the Chief Administrative Officer Secretariat (with a growth projection of .32% per year) and Conference Board of Canada population statistics.⁴ ND LEA's main projection in the *Housing and Population Summary* therefore reads as follows:

Winnipeg's population will increase in the order of 18,600 persons by 2011 and 39,700 by 2021. These figures are in keeping with Plan Winnipeg projections.⁵

Here, the first of the two more major concerns arises. Whether or not these projected

increases are accurate, they are meaningless without a starting figure for 2001. StatsCan notes a 2001 census population of 619,544. However, rather than relying on this, ND LEA uses the Conference Board of Canada popula-

tion *projection* for that year of 630,800.⁶ Using an annual growth rate of .32% (the ND LEA accepted rate from the Conference Board of Canada) and starting from the 2001 census count, the 2021 population of Winnipeg would be 660,423. The ND LEA projection is 10,000 higher than this; the Conference Board of Canada projection is 50,000 higher. See Table One for this comparison.

The second major concern is the growth rates presented for Winnipeg's population to 2021. ND LEA predicts that Winnipeg will undergo a 39,700 person increase, or 6.4% growth, from 2001 to 2021 (an average growth rate of .32% per year). This overall rate is similar (.4% larger) to the StatsCan projected growth rate of 6% from 1999 to 2020 in Table Two, taken from Plan Winnipeg 2020 Vision.

This information is laid out in Table Three with census data from StatsCan (1981-2001) and ND LEA projections (2011-2021). This comparison between growth in the years before 2001 and the projections post-2001 is important because it shows the disjoint between reality (what we know about population growth in Winnipeg) and estimates for the future. When looked at in this context, projections from ND LEA, the CBC, and even StatsCan may be too high.

Consider the growth rates in Table Three.

Table One Population Projection Comparisons

	StatsCan 2001 Census + .32% growth/year	ND LEA	CBC*
2001	619,544	630,800	630,800
2021	660,423	670,500	709,400

* The CBC uses an unsteady rate of growth. Refer to Appendix Two for ND LEA's table: *Projected Population by Source*

Table Two Plan Winnipeg 2020 Vision Population Projections

	Projection to 2020	Growth Rate from 1999
Conference Board of Canada	715,000	14%
Statistics Canada	666,000	6%
Manitoba Bureau of Statistics	602,300	-4.10%

City of Winnipeg, *Plan Winnipeg 2020 Vision*, 2001.⁷

Table Three StatsCan Counts, ND LEA Projections for Population

	Year	Population	%Change	%Change/Year	Population Increase
Stats Canada Counts	1981	564,475			
	1991	615,215	8.99%	0.90%	50740
	2001	619,544	0.70%	0.07%	4329
ND LEA Projections	2011	638,144	3%	0.3%	18600
	2021	658,244	3.20%	0.320%	20100

ND LEA are projecting a *far* higher growth rate after 2001, than was the case in the decade before 2001, and especially the five years before 2001. Between 1991 and 2001, Winnipeg’s overall growth rate according to Stats Can was 0.7%. Census data show an overall growth rate between 1996 and 2001 that was even lower at .2%, or .04% per year.⁸ This rate is constantly changing. Indeed, we see that between 1981 and 1991, the overall growth rate was almost 9%. However, from 1991 to 2001, the growth rate appears to have actually been slowing down. This trend supports the MBS findings — excluded from ND LEA’s calculations — that show that the population of Manitoba was decreasing each year between 1996 and 2001 and that predict a decreasing total population by 2020.⁹ (see Table Two). Yet, post-2001, ND LEA predicts that the growth rate will reach .3% annually, or five times the rate from 1991 to 2001, and eight times the rate from 1996 to 2001. While this jump in growth rate is possible, there is a valid argument against such a projection, given the decreasing growth trends from the previous ten years, and the fact that a declining growth trend is projected by at least one study — done by the Manitoba Bureau of Statistics.

Considering the fact that ND LEA is the landowners’ and developer’s consultation firm, and the possibility of bias arising from that, it would be sensible to expect the City to come up with its own projections for population. To its credit, in 2004, the City did come out with its own *Winnipeg Residential Lot Inventory*. As a government document, one would hope this would provide an appropriately objective view, especially when dealing with planning schemes that will significantly affect the city’s future.

Table Four Population Projection from the Conference Board of Canada for Winnipeg, published in 2004, and taken from the Winnipeg Land Supply Study

Year	Population	Yearly Growth Rate
2001	637000*	
2002	639800	0.44%
2003	644500	0.73%
2004	648300	0.58%
2005	652200	0.60%
2006	656200	0.61%
2011	676600	0.62%**
2021	723600	0.66%**

*Note that Statistics Canada Census 2001 found the population of that year to be 619544, 17000 less than the Conference Board of Canada figure.

**Calculated as the average percent growth per year since 2001.

Population Growth: City Projections

Unfortunately, the problems expressed above in regards to ND LEA’s calculations are even more pronounced in the City’s projections. Here, a 2004 Conference Board of Canada study is used to predict the rise in population. While the study is more current, it still bases its predictions on a 2001 population that is 15,000 higher than the Census Canada figures for that year, and goes on to cite yearly growth rates that peak at .73% for 2002-2003 (see Table Four). This rate is more than eighteen times the yearly growth rate that Winnipeg experienced on average from 1996 to 2001, according to StatsCan. The twenty-year annual average growth rate according to the City, 0.66%, is twice the rate of ND LEA’s (optimistic) projected growth rate of 0.32%.

Both ND LEA and the City start their calculations with an inflated 2001 population. Both

use annual growth rates that are much higher than Winnipeg experienced in the ten years, and especially the five years, prior to 2001. While population is indeed rising in Winnipeg, assessing the extent of this growth is tricky. For example, note that with a projected yearly growth rate of .07% (the overall trend from 1991 to 2001), the 2021 population would be 628,275, which is nearly 30,000 less than ND LEA's projection and nearly 100,000 less than the City's projection.

It would be impossible to account for all of the potential variables in these calculations. It would also be foolish to depend solely upon past trends to predict the future. Still this examination of population growth projections is important, especially given the weight afforded to the population growth argument — that argument being that a significant increase in population will necessitate the availability of more lots. The population projections by ND LEA and the City, however, are not nearly as conservative as they should have been in the interests of being as fair and accurate as possible.

The case for Waverley West becomes still more problematic with the issue of household size.

Household Size: ND LEA

When determining projected housing demand, population growth goes hand in hand with household size. As the average number of people living under the same roof decreases, the amount of housing a city will need increases. ND LEA maintains that this is precisely the case in Winnipeg, and attempts to show that population is expanding while average household size is simultaneously shrinking. The extent of population growth in Winnipeg may be questionable; however, if household size is decreas-

ing, there may be a valid argument that housing demand will indeed increase.

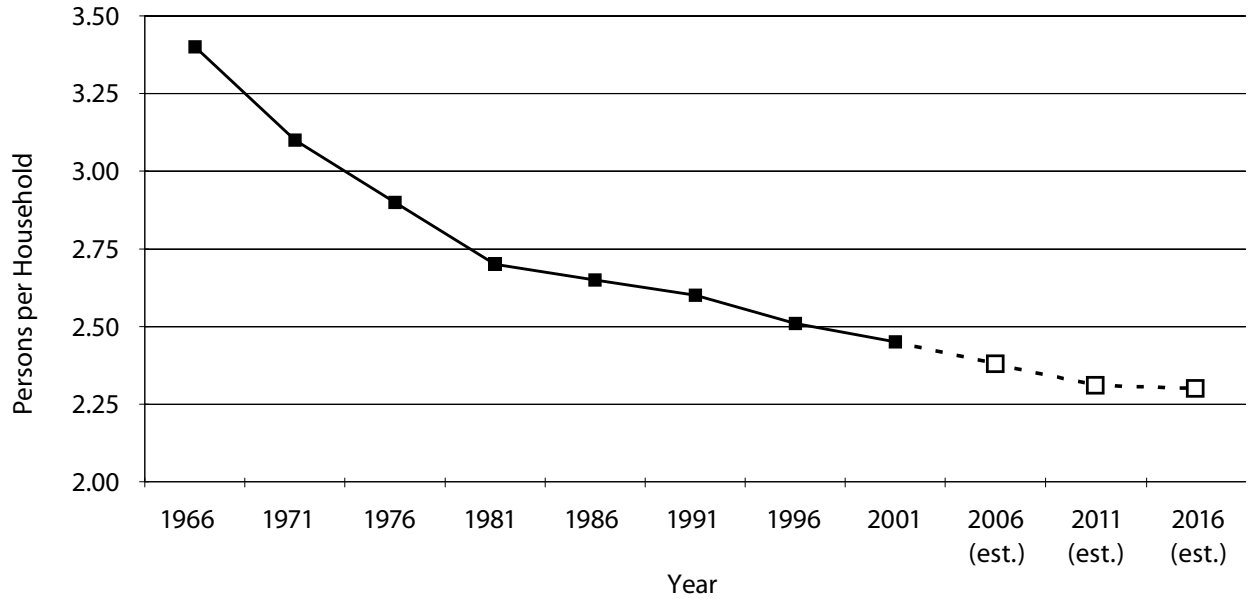
On the issue of household size, the *Housing and Population Summary* asserts the following:

- Household size will decrease from the current average of 2.45 persons per household to 2.3 within ten years and remain constant thereafter...The impact of the decrease in household size is equally important in contributing to demand for new housing, if not more so, as is an increase in population.
- Overall in the city, the ratio of construction between single-family homes and multi-family units will increase into the range of 65:35 and 70:30...The existing single/multi-family split for Winnipeg is approximately 77:23.

ND LEA bases its argument that household sizes are getting smaller on two sources: *UN World Population Prospects* from 2002, and *Overview of Household Projections for Japan* from 1998.¹⁰ ND LEA concludes that both illustrate that household sizes are diminishing worldwide, and further demonstrates this in Figure One, made up with 'historic data' from StatsCan.

ND LEA explains household shrinkage with age cohorts, indicating that many baby boomers are moving towards the empty nest stage, and their childrens' cohort — the echo generation — are still younger than typical marriage age.¹¹ ND LEA also makes reference to the declining birth rate.¹² However, and perhaps more importantly, the world population projections for 2002 and the population projections for Japan from 1998 do not provide a credible basis for the argument made by ND LEA that Winnipeg households are getting smaller.

Figure One Projected Winnipeg Household Size, 1966 to 2016



ND LEA. *Housing and Population Summary*, 16

Indeed, while ND LEA backs its population projections with multiple sources, its specific projections for household sizes (excluding world trends) are based solely on “historic data from Statistics Canada.”¹³ They are explained with census cohort information which confirms popular suspicion that people are getting older, but does not predict trends in household size as people age. In fact, as August (2004) notes in regard to the one figure provided to illustrate average household size (included above as Figure One), the declining trend from 1996 to 2001 seems to be leveling off rather than continuing in a steady decline. Indeed, “while average household size has been decreasing since 1960, it has been doing so at a decreasing rate.”¹⁴

Household Size: City Projections

The *Winnipeg Residential Lot Inventory* makes similar projections for household size to ND LEA. And once again, the City’s projections are based on even less evidence than the developer’s consultants. However, one key piece of information that the City study does offer is that at the time of writing the study in 2004, there were approximately 250,000 households in Winnipeg. Applying this to the 2001 Statistics Canada population gives a ballpark figure for household size between 2001 and 2004 of 2.49 people. If, instead, the population that ND LEA projects for 2004 is used and factored into the number of households, we get an even denser average household size of 2.59. This is considerably larger than the average size of 2.45 quoted for 2001 in both ND LEA’s and the City’s study.¹⁵ In addition, if one were to indulgently take the 2004 household size of 2.59 and apply the City’s projected rate of shrinkage at .015 per

year,¹⁶ then by the year 2021 average household size in Winnipeg would still be above 2.3 — the size Winnipeg is predicted to reach by 2011. In short, average household size in 2021 may well be larger than what ND LEA and the City are predicting, and larger household size requires fewer houses. Again, ND LEA and the City may be exaggerating future housing need.

All of this points to the fact that projections for household size are tricky to determine, and potentially unreliable. And, while the City may have lower projections for housing demand than ND LEA, its statistics are based on evidence no more concrete than ND LEA. While one might anticipate the bias of a consultant company, one could be justified in expecting more honest findings from a City department. Unfortunately, the expectation has not been met, in the cases both of population growth and household size.

It has been found that two of the elements that determine housing demand projections for the City of Winnipeg — population growth and household size — are based on questionable evidence. Further, since they work in tandem to determine demand (for as population rises and household size shrinks, demand increases), we can conclude that projections for housing demand based on these numbers are likely to be excessive.

However, it is important to delve further into the issue of household size and address the reasons given for its decline in Winnipeg, and determine whether the solutions suggested by ND LEA would even attend to the primary causes.

Household Size: Addressing the Proposed Demand

ND LEA emphasizes the transitional cohorts — baby boomers and the echo genera-

tion — in explaining decreasing household size. Baby boomers are no longer living with their offspring. Their children, who may be planning families, are not, as a rule, hoping for five or six children of their own, but rather one or two. Such trends could indicate that Winnipeg's housing demand is rising, as more houses are needed to accommodate people who are choosing to live in smaller groups.

There are, however, some current housing trends that should be pointed out that provide a more complete view of the effects of diminishing household size on the general housing picture. The Canada Housing and Mortgage Corporation (CHMC), for example, points out that in 2001, nearly half of all condominiums were owned by people who were 55 or older. The other half were owned mostly by singles, or couples without children. The CHMC predicts that as the 55+ group grows (the very cohort that ND LEA indicates as a demand driver), demand for condos will rise.¹⁷ Condo popularity is on the rise in Winnipeg with conversions and condo developments on Wellington, Grosvenor, Osborne and Corydon Village, and the Exchange District.¹⁸ Condos offer not only empty nesters, but their kids as well, just the right amount of space to meet their needs. While this does not dispute the claim that household size is going down, it does point out that such a phenomenon does not necessitate the same kinds of suburban development we have seen, nor the kind Ladco is proposing. In other words, while ND LEA's or the City's study may indicate that square footage per capita is going up as people move to smaller households, the trend to more compact living could indicate that required square footage per capita is staying relatively steady.

Despite the apparent growing demand in the transitional cohorts for compact space, ND LEA's initial plans for Waverley West included

densities of four units per acre, which is comparable with River Heights. Clearly, initial plans for the area were not for dense development at all.¹⁹ More current information indicates that plans are now for a density of five lots per acre.²⁰ However, this density is still no greater than the other current developments in Winnipeg. For example, Qualico is currently in its last stages of development of River Park South where it is building at a density of five lots per acre.²¹ In planning for an average density of five lots per acre, Ladco comes short of its promise for denser development, thus the developed Waverley West will not address the need ND LEA has tried (if unsuccessfully) to establish in raising the issue of falling household sizes and transitional cohorts. Further, it is difficult to see from ND LEA's explanation that the issue of shrinking household sizes is all that significant, given that the rate of household shrinkage has been relenting every year and given the hypothesis presented here that square footage per capita is remaining relatively steady.

ND LEA's projections for household demand and therefore justification for Waverley West appear to be less convincing than their population projections.

Thus far, the arguments for the development have been focused on overall statistics. The more difficult argument to assess is that the development of Waverley West is necessary because demand is highest in the southwest quadrant. The following explores that argument, and then continues with an analysis of land availability in Winnipeg—showing that space for development already exists in the city as long as developers and planners are willing to find it.

Southwest Demand

The *Housing and Population Summary* presents the argument that demand for new housing is strongest in the southwest area of the city, and that Waverley West is therefore the most logical development location to meet this demand. Ladco has expressed interest in meeting intensifying demand and breaking ground as soon as possible, claiming that there is only a one-year supply left in the Southwest Quadrant.²² The *Housing and Population Summary* states that the projected demand for the Southwest Quadrant is 30-35% of the total market share,²³ and that demand will be most intense in the Fort Garry area.²⁴

Once again, these projections are based on no more evidence than current market trends and ND LEA's population and household projections. Therefore, this case could be questioned solely on its projection methods. Turning to a broader approach, however, it is important to look at the general argument for the location of new development. How much of the demand is truly consumer driven, and how much is influenced by current development location and developer preference?

Residential development is going on all over the city in both urban and suburban areas. Qualico, for instance, is building in Canterbury Park (Transcona), Island Lakes (St Boniface East), Whyte Ridge (Fort Garry North), Harbourview (River East East), and Eaglemere (River East East), and is speculating on land in Charleswood (Assiniboine South).²⁵ Genstar's Amber Trails development in Seven Oaks West has been successful with completion pending, and its prospects in Transcona include space for two thousand homes that will get underway next year. In the words of Eric Vogan, Land Development Manager for Qualico Developments, "when the market is

hot, you can sell anywhere in Winnipeg.”²⁶ Hence, it would appear that since the market is indeed doing well right now, unmet southwest demand is less of a worry, as long as there is adequate development going on elsewhere.

Southwest Demand: Urban Flight

On the other hand, what about the concern that unmet demand in any area of the city will head out of town? This cause-and-effect argument does not account for the many factors that go into purchasing a home. Arguably, someone looking to buy land or a home outside the city does so for very specific reasons — some of which have to do with factors related to supply, but many of which do not. Similarly, for someone looking for a home in the Winnipeg region, the issues of living far away from many urban amenities and schools, upkeep of greater amounts of land, and added responsibility with water use, could be just as much a deterrent as lower out-of-town taxes are an inducement. Demand inside the city exists for reasons of proximity, city life, community, family, access, and service/infrastructure availability. To suggest that being unable to find a house close to one particular street or in one particular neighborhood will force one to choose an out-of-town residence requires a certain leap of logic when other similar options are available inside city limits. The idea that the proponents have raised — that people want to buy in the south end or not at all — is a fallacy, demonstrated by the fact that developers in the city are willing to build and have been successful in building elsewhere in town. Genstar, for example, is currently doing work in Transcona, and Qualico is currently moving on its holding of nine hundred acres in St Boniface East.²⁷

In fact, Greg Jasper from Genstar Developments in Winnipeg believes that, to

some extent, demand is created at the site of development, where neighborhoods are fresh and appealing, and does not necessarily have to exist there beforehand to be strong.²⁸ By this line of thinking, the possibilities are endless for new areas within city limits that have not yet been developed, or are undergoing some reinvestment, such as the Exchange District or pockets of Fort Rouge.

Southwest Demand: Is it All About the Market?

One could infer that developing Waverley West has much less to do with demand or trying to curb the flow of people moving outside the city, and more to do with ease of development, and opportunity for Ladco. For instance, the empty lands lining the railroad tracks in Transcona could accommodate a development the size of Richmond West. For developers, however, the problem is the time and energy required to negotiate development and buyout with each of the multiple landowners of the area. The most desired land for development companies, especially those who specialize in developing whole ‘communities,’ is fresh greenfield land that has been used for little more than agriculture in the past. Greenfield lots are defined as “larger parcels usually containing four or more acres of vacant land.”²⁹ Such a location gives the developer free reign over planning choices. There are no buildings, existing roads, and sewers or historic sites to constrain design; no multiple landowners to please in a buyout. Eric Vogan of Qualico developments says there are plenty of examples in Winnipeg — like Transcona — where the housing would be marketable, but developers are not interested because negotiating the multiple ownership is just too energy-intensive.

The more intense design constraints of brownfield development present what should actually be an exciting possibility for the innovative and attractive use of urban space — such as the Fort Rouge Yards, or Kapyong Barracks, or even infill development of the over 2,300 lots in Winnipeg.³⁰ Unfortunately, large-scale developers like Ladco, Genstar, and Qualico have not typically been interested in working around the constraints of infill or brownfield development. Such projects are either taken on by smaller companies in the city with broader design creativity and a willingness to adapt to constraints, or not at all.³¹ Indeed, regardless of the creative possibilities of such sites and the opportunity for efficient use of existing space, larger development companies still argue that development is unfeasible there due to physical constraints and the challenges that multiple ownership presents.

Such shortsightedness should not be tolerated. A long-term take on development issues understands that what costs a city more money in the end is avoiding the challenge of brownfields and multiple ownership greenfields in favour of comparatively easy, no-fuss sprawl like Waverley West. Filling in our tracts of land inside the city with dense, compact development should be a priority for responsible city planners and governments interested in efficient, sustainable land use.

It may make sense from the provincial government and Ladco's perspective to move forward on Waverley West. The project will be beneficial for short-term revenue, and it's a sensible — ie. , a profitable — place for a large-scale developer to start a project.

However, such a perspective ignores a wholistic look at Winnipeg's long term interests. The section below compares Winnipeg's current land availability with projected demand for the city. One will find that the opportunity

available for development in the city has the potential to comfortably satisfy demand in the city...for the next 20 years and beyond!

Urban Sprawl: Residential Lot Tally

Forgoing infill development, which large-scale developers such as Ladco tend to avoid, the *Winnipeg Residential Land Supply Study* indicates that Winnipeg has 20,000 greenfield lots available for development. According to *Winnipeg Free Press* reporter Mary Agnes Welch's tally, 4,360 of these lots currently have services either already on site, or close by. These include Inkster Gardens, Canterbury Park, Transcona West, South St Boniface, and Kapyong Barracks. Options for development also exist at the Fort Rouge Yards and the old Molson Brewery location.³² Most of these lots are ready to be built on. Some require some arrangements (due to such aspects as multiple ownerships and permit requirements) to allow development. For example, the Kapyong Barracks are still in the purview of the Federal Government and would need to be transferred to the City. Need for special arrangements has been and continues to be the primary reason development does not go forward in many otherwise favourable areas of the city. For example, there is greenfield space in Charleswood where Qualico is considering development; however, because of the lack of existing services and multiple ownership of land, development will probably not occur in the near future.

Urban Sprawl: Industrial Land Inventory

In 2002, UMA Engineering Ltd. did a study on the city's inventory of industrially-zoned land. It found that there were about 6,500 acres of vacant industrial land in Winnipeg and that

net growth to 2010 would occupy about 35 to 43 acres per year. Extending this estimate to make it comparable with projections by ND LEA for housing demand means that Winnipeg could anticipate demand for new industrial developments to occupy 820 acres of current vacant industrial land by 2021. This leaves about 5080 acres of current industrially-zoned land vacant. If only half of this land were rezoned residential, and developed at the current trend of five lots per acre, it would provide space for over 12,500 homes.

Combining this projection with the city's greenfield inventory of 20,000 lots, there is space for 32,500 greenfield lots in Winnipeg. This projection is at the upper end of the City's projected demand range to 2021 of 20,876 to 35,507 lots, and just below ND LEA's projected demand range to the same year of 36,550 to 53,600 lots. Additionally, as it has been established that the demand projections for both the City and ND LEA are based on inflated or flawed data, it is clear that adding additional space for residential development in Winnipeg is unnecessary. This is especially true since this account

of the space available for residential development in Winnipeg has not included options for infill or brownfield development, nor does it account for the current trend toward the conversion of larger urban houses to multiple unit condos, which is presently providing what could be interpreted as 'new' lots in already developed areas of the city. As mentioned above, this is proving to be a fashionable option for the cohorts ND LEA claims are driving the need for Waverley West—the aging baby boomers and their post-grad children. Amber Trails and Transcona exemplify successful developments in areas with supposedly lesser demand—areas that developers avoid due to perceived stigmatization. This example also supports Eric Vogan's assessment that when demand is high, people are much less concerned with in which city quarter they are buying their land. Evidently, the 'battle' between infill advocates and suburban developers is nonsensical, if it exists at all. While land exists to build on in the inner city, there is also plenty in other suburban areas of town.

Discussion

Why Waverley West is the Wrong Idea

The issues surrounding Waverley West are much less about the battle between infill advocates and suburban dwellers, and more about the real reasons behind changing the policy area — in other words, whether Winnipeg needs Waverley West in the first place. This point is important because more and more planning experts are taking the stance that the health of a city and its citizens has much to do with the way that city is planned. Any Winnipegger can list off a litany of municipal issues at a moment's notice that need addressing; many that affect them on a daily basis. Potholes, water quality, school capacity, lack of low-income and affordable housing, mass public transport, deteriorating infrastructure, the social problems exacerbated and encouraged by inner city decay, traffic, and more, are all problems very familiar to Winnipeggers and they can all be linked, at least in part, to inadequate urban planning.

The Real Cost-Benefit

The real reasons for building Waverley West are not based on the city's need for more housing space. And clearly, building new roads for Waverley West will not fix the potholes in St. James or North Kildonan, nor solve any of the other challenges Winnipeg has with its infrastructure. However, ND LEA wants Winnipeggers to believe that the taxes from Waverley West will help to pay for costs elsewhere in the city.³³ To put that in perspective: in terms of potholes, the City spent over \$330 million in 2003 just on streets and bridges.³⁴ Yet, Winnipeg will net a total of \$70 million *over the 80 year life* of Waverley West, or less than \$1

million per year, after all the services have been paid for.³⁵ This seems to be a small figure considering that annual revenues for Winnipeg are more than \$900 million, and the Province and Ladco will take away about \$200 million once the project is complete — well before the end of the 'life' of Waverley West.³⁶ This is because the developers benefit as soon as the houses are sold, while the City does not see any profit until taxes have paid off all the new services. So the net gain goes to the developer and the Province, while the net risk for another suburban development is cast on the City and its citizens, who will bear the brunt of the costs of expanding our service infrastructure to meet a population which is too sparsely distributed to generate the taxes required to meet its servicing needs.

The Benefits of Using Space Efficiently: Winnipeg's Reality

Winnipeg's overall future health will depend in large part on what it can do to curb inner city and general infrastructure decay. And this is not an issue of promoting the downtown, or focusing solely on revitalization projects. It is an issue of using all the space within city limits, which *includes* many suburban areas, in the most efficient way possible. This is the only way to ensure that the taxes collected from the area are adequate to finance the infrastructure required to keep the whole of the city afloat. What hurts cities like Winnipeg is not necessarily sprawl, growth, or expansion. Instead, Winnipeg's challenge is confronting the current planning trends that put developer interests before and above the economic and social welfare of the city and its citizens.

Winnipeg's infrastructure deficit is currently estimated to be \$298 million.³⁷ The drivers for this cost?: road and bridge maintenance, community centres, parks and recreation ser-

vices, public works and utilities like water and sewer services, and older inner city infrastructure that requires slightly more attention than in other western Canadian cities. The alternative to immediately dealing with the deficit in repairs is eventual replacement—an endeavor with a much larger price tag. Any kind of capital investment in a city requires long-term upkeep. It only makes sense that a city ensure that it has the resources to maintain the current infrastructure before it moves on to expansion. Unfortunately, this has not been the trend in Winnipeg. In expanding the Neighborhood Policy Area before such a move is truly necessary, thereby stretching the tax base to cover a larger set of services, Winnipeg is continuing in a planning style that encourages many growth-related problems exemplified by the infrastructure deficit.³⁸

Waverley West: Smart Growth?

Furthermore, while Waverley West is likely to exacerbate the current infrastructure deficit,³⁹ it will also fail to address one Winnipeg problem in particular that it has a clear opportunity to help alleviate. At this point, Ladco and the Province have mentioned no concrete

plans for affordable or low-income housing, even as Winnipeg experiences a shortage of both. Commercial and industrial uses for the development will be minimal, and employees of those commercial developments, such as grocery stores and outlet malls, will not be able to afford to live close by. Lack of planning for mixed-use, mixed-income neighborhoods directly counters smart growth philosophy. This is problematic not only because smart growth is promised in the development of Waverley West, but also because many speakers were arguing for a turn to smart growth planning when they *opposed* Waverley West in the January 4, 2005 City Council hearings on the proposed policy area change.

Building a whole new suburb, essentially detached from any other tract of developed land, is about as far removed from the principles of smart growth as a development can get, no matter how many smart growth features the proponents are promoting. The next section concludes with what could be done to mellow the risk the City is undertaking in proceeding with a mammoth residential development that seems to be guaranteeing little more than the sprawl Winnipeggers have come to expect.

Conclusion

Next Steps: Making the Most of the Next 3000 Acres

By virtue of its close to fifty percent ownership of the lands of Waverley West, the Province has a slim but fleeting chance to redeem itself from its current fat cat image. The Manitoba Housing and Renewal Corporation has an obligation to ensure adequate low-income and affordable housing for all Manitobans. With the current shortage of low-income housing in Winnipeg, the Province must, in the following months, include a variety of low-income options in the plans for Waverley West that blend in with the rest of the housing to create mixed-income neighborhoods. This detail has thus far been ignored as a possibility. At the same time, the controversy surrounding the issue of Waverley West could also be the impetus for a real growth management plan for the Winnipeg Region between the Province and the City in the hopes of moving toward the most efficient use of our newly expanded developable policy areas.

Along those lines, there are certain arguments that development proponents regularly put forward — such as avoiding development in the lands of Charleswood because they are under multiple ownership, or phase two of the Meadows West development remaining undeveloped because demand in the south end is greater — that should never be so compelling as to justify so large a mistake as Waverley West. Long-term plans for the city should delineate parameters to address areas of multiple ownership. Long-term plans should also include wording that puts the marketing of developments under the responsibility of the developers. The City should never be forced into approving one development over another because one is said

to be in a more marketable end of town, even though the other is already within the neighborhood policy area.

Making the Most: Winnipeg and Waverley West

This brings us back to two of the key questions alluded to in the introduction: what are Winnipeg's interests as a city? How do we use these values to gauge the need for new development?

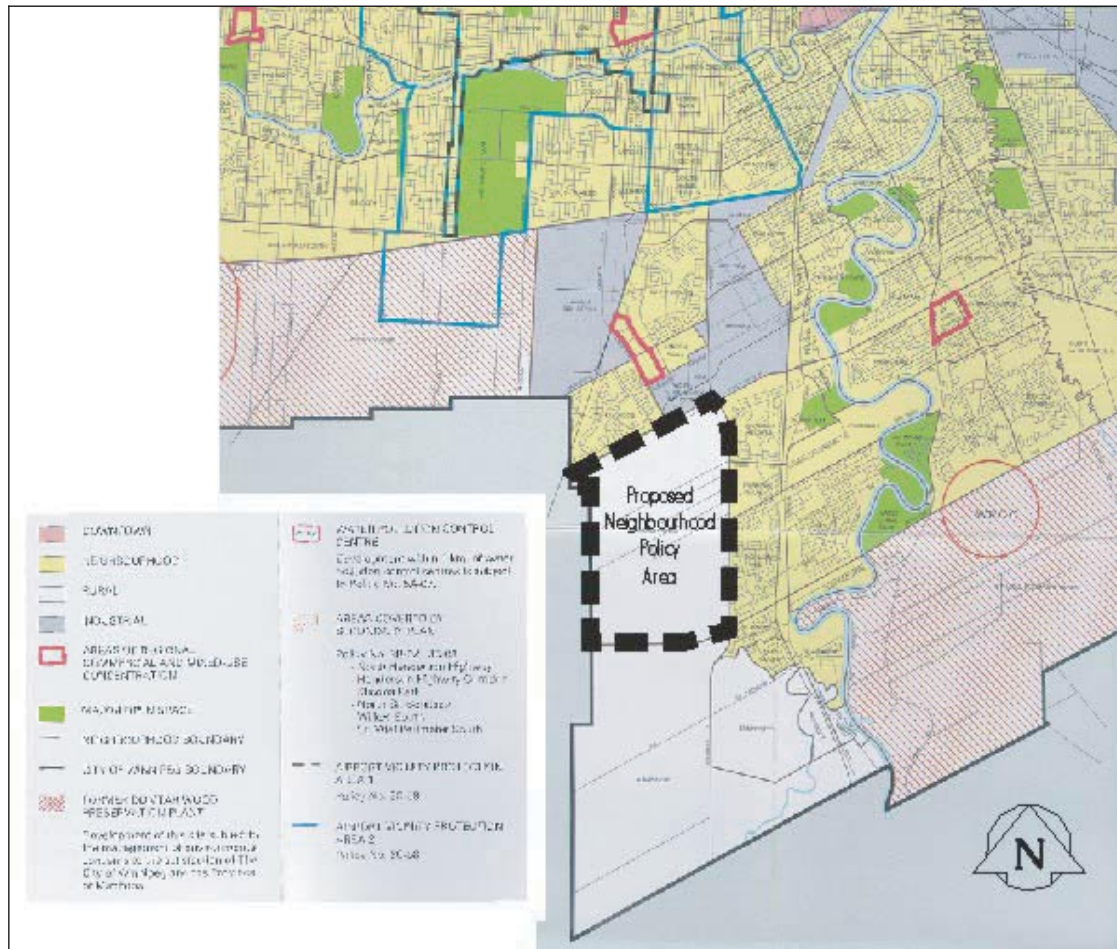
Clearly, the arguments presented for Waverley West are flawed; developer interests in selling a product are contrary to a City's interests in sustaining a community of people. Yet, Waverley West exemplifies the case where these interests are being confused. Somehow, decision-makers are being convinced that what is best for developers (suburban outcrops of developed communities) is congruent with what is best for a city (assessing overall supply and demand, and planning to accommodate demand appropriately over the long term). This confusion must stop. The most pressing need in Winnipeg is for an unbiased, strong governmental presence that decides for itself what kind of development is best and needed for the city, and clear policy that upholds values of long-term sustainability rather than developer interests of continuous outward development. In the case of Waverley West, this presence was not felt from the City government, and certainly not from the Province.

Winnipeggers have been left with little more than the hope that the promises for Waverley West as an urban, smart growth, environmentally-friendly development will be upheld. Better development policy may seem long off as the City's attention has been seized by new developments in St Boniface and the Exchange District. However, if government is interested

in acting in a responsible, accountable manner, they have an obligation to work toward more sustainable, long-term development policy.

Without this policy, we can only expect democratically-elected decision-makers to continue to mistake developer interests for their own.

Figure 1. Plan Winnipeg Amendment Area



Source: Plan Winnipeg 2020 Vision Policy Plate A

Appendix Two

Table 1. Projected Population by Source – Winnipeg.

	Statistics Canada Census Count	Manitoba Health Data*	ND LEA Projection	Conference Board of Canada (1996-2021)
1996	618,477		629,700	629,700
1997		637,000	627,700	627,700
1998		635,400	626,900	626,900
1999		636,706	627,900	627,900
2000		640,000	629,700	629,700
2001	619,544	642,200	630,800	630,800
2002		644,400	631,200**	635,300
2003			633,200	638,400
2004			635,300	641,500
2005			637,200	644,700
2006			639,100	647,900
2007			641,200	651,200
2008			643,200***	654,700
2009			645,300	658,300
2010			647,400	662,100
2011			649,400	665,900
2012			651,500	669,700
2013			653,600	673,700
2014			655,700	677,800
2015			657,800	682,100
2016			659,900	686,400
2017			662,000	690,800
2018			664,100	695,200
2019			666,300	699,800
2020	666,000****		668,400	704,600
2021			670,500	709,400

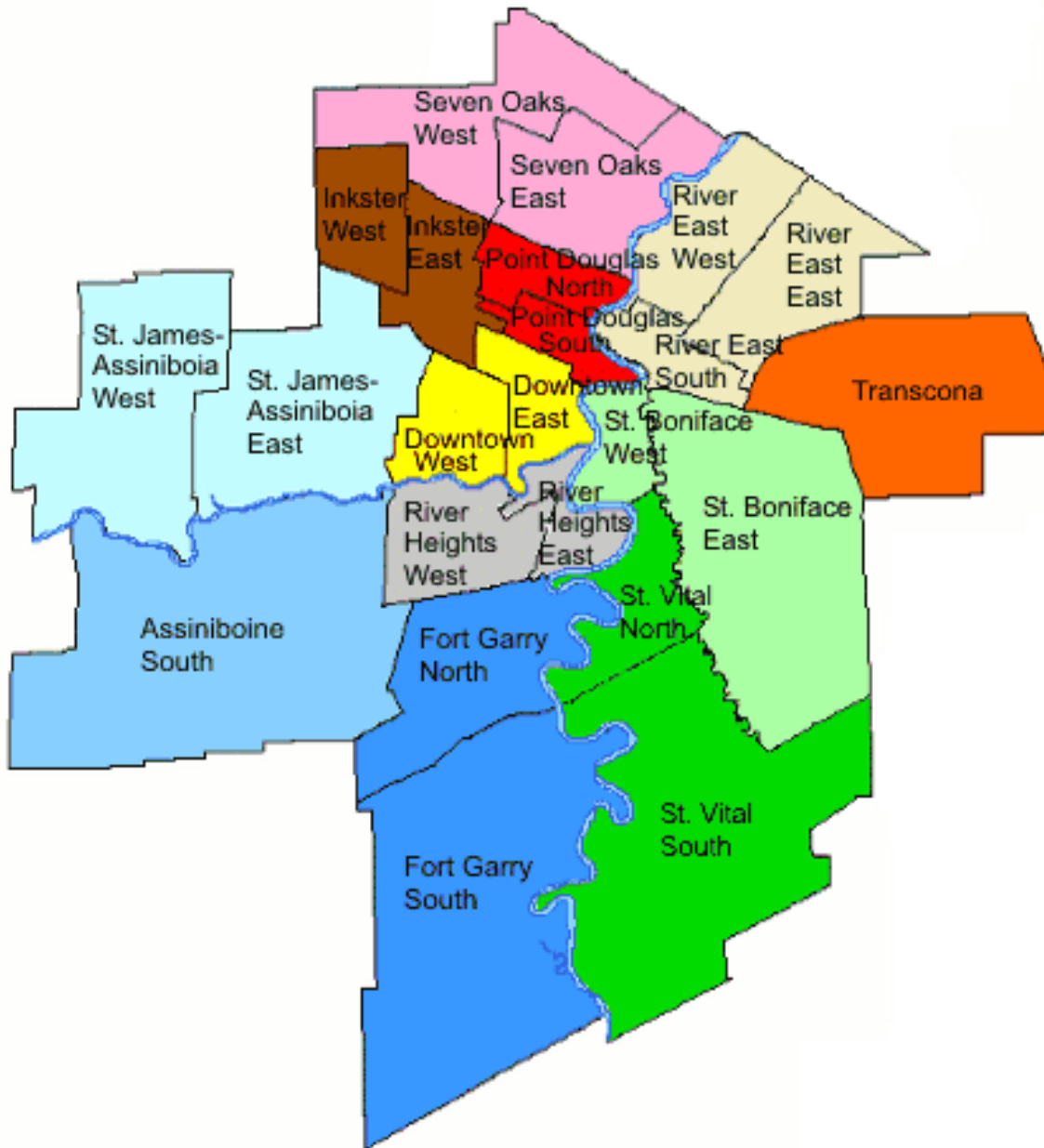
* MB Health data derived from Winnipeg Regional Health Authority less RM of East St Paul and RM of West St. Paul. Note: as MB Health changed to the Regional Health Authority system in 1996, it is not possible to compare data prior to 1996/1997.

** preliminary estimate from CAO Secretariat. 2003-2007 data based on CAO Secretariat projections.

***ND LEA logarithmic projection of 0.32% per year based on Conference Board data and consistent with CAO Secretariat extension method (2008-2021).

**** Statistics Canada Projection from Plan Winnipeg 2020 Vision.

Appendix Three



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- 30 City of Winnipeg. *Winnipeg Residential Land Supply Study*, 10.
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