



Railside and Parcel Four Lands Rendering. Image retrieved from: <http://accesswinnipeg.com/2014/07/the-forks-development-of-the-rail-side-lands-and-parcel-four/>

# URBAN INFILL PLANNING IN WINNIPEG

## Looking at the Role of Planners and Stakeholders in the Development of the Rail Side and Parcel Four Lands

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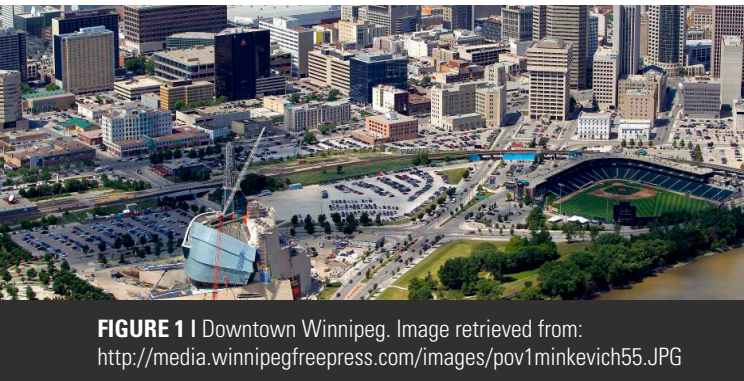
### ABSTRACT

Winnipeg has made significant progress in recent years evolving the City's Downtown core into a more vibrant place to live, learn, work, and play. Situated on 4.9 hectares of land (Santin, 2014) at the brink of the Red and Assiniboine Rivers on the two largest parking lots in Downtown Winnipeg and next to some of the City's biggest attractions, Rail Side and Parcel Four Lands has an opportunity to uphold high expectations from a planning and development perspective. In July 2014, a proposal was approved by the Downtown Development Committee for the remaining two pieces of land at The Forks (Santin, 2014). The Rail Side and Parcel Four Lands development is expected to require \$500 million in private investments to fund the proposed residential neighbourhood (Pursaga, 2016). The development of the public spaces are expected to be financed through a tax increment financing (TIF) zone, generated by additional property and education taxes from private-sector developments (Santin, 2014). The Forks is currently considered to be fairly disconnected for pedestrians from the rest of Downtown, and this redevelopment is expected to better connect the rich historic site with surrounding areas, provide residential housing on prime real estate, and create a cultural hub between some of the City's biggest attractions.

# 1.0 / BACKGROUND

## Urban Renewal

Downtown Winnipeg is facing pressure to adapt to economic, social, and environmental changes. A major objective of the Rail Side and Parcel Four lands is to preserve the historical and cultural character of the surrounding properties, but at the same time to improve the environment and meet new demands for future generations (Urban Renewal, 2016). It comes as no surprise that an absence of both economic and population growth is an undesirable condition and an obstacle to the reversal of inner-city decline (Leo & Brown, 2000). In many respects, Winnipeg is considered a slow-growth city in comparison to other Canadian capitals. However, the 2016 Census indicates that Winnipeg's population has increased by 6.6% in the last five years, likely due to a lower Canadian dollar and stronger international migration, exceeding the national rate of 5% (Metro Winnipeg, 2017). These projections need to be considered in the future development and renewal of Downtown Winnipeg. While many urban renewal projects rely predominantly on government funding, the development of the Rail Side and Parcel Four Lands also rely heavily on private funding.



**FIGURE 1** | Downtown Winnipeg. Image retrieved from: <http://media.winnipegfreepress.com/images/pov1minkevich55.JPG>

## The Forks' Rail Side and Parcel Four Lands

Since the reclamation of the Canadian National Railway in the 1980's, the Rail Side and Parcel Four lands have only been used as large surface parking lots. Situated between the Forks, the Canadian Museum of Human Rights and Downtown, this land attracts international visitors and may be considered some of the most valuable in terms of development potential (The Forks, n.d.). The Rail Side and Parcel Four lands make up a total of 11.6 acres. The Rail Side parcel makes up 5.9 acres and is owned by The Forks Renewal Corporation, and Parcel



**FIGURE 2** | Aerial Concept Plan of Rail Side Lands. Image retrieved from: <https://assets.documentcloud.org/documents/2298490/pages/forks-railside-open-house-boards-final-package-p3-normal.gif>

Four is 5.7 acres and owned by the City of Winnipeg (The Forks, n.d.).

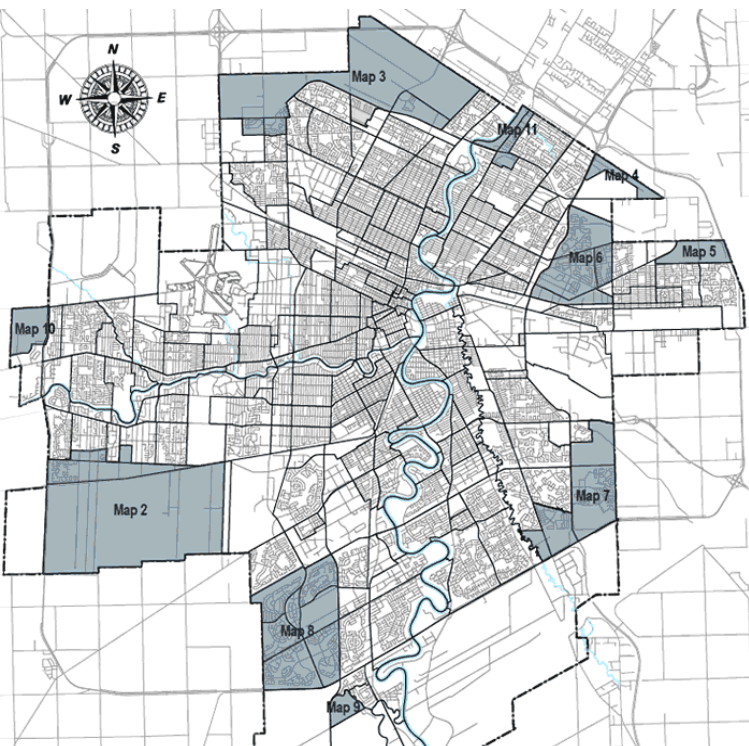
## Tax Increment Financing

Tax Increment Financing (TIF) is a tool that local governments use to finance economic development where there is market failure. While the qualifications vary depending on location, TIF is often applied to geographic areas experiencing high vacancy rates and deteriorating buildings (Carswell, 2012). Broadly speaking, TIF refers to the financing of new infrastructure and public infrastructure improvements with revenue that is generated from new and incremental developments. "The benefits conferred to nearby properties by new local infrastructure are transformed into additional property tax revenue, which can be used to finance that same infrastructure" (Found, 2016, p.2). In Winnipeg, the TIF designation is dependent on certain terms and conditions made between the City and the Province of Manitoba; however, the designation may be in place for a maximum of twenty-five years (MB Justice, 2009.). In 2016, the City of Winnipeg committed to TIF for the Rail Side and Parcel Four lands, but the specific details are yet to be determined (Kives, 2016). The intent is that by using TIF for the development of these parcels, the revitalization of the Rail Side and Parcel Four lands will be self-sustaining and provide long-term benefits to the surrounding community (The Forks, n.d.).

## Impact Fees

The City of Winnipeg's Impact Fee came into place May

1, 2017. The City has introduced these fees in response to its recent accelerated growth, and in preparation for the estimated growth of an additional 8,200 people annually over the next twenty-five years (Winnipeg, 2017). The impact fees will be phased in over the next three years. In the initial and current phase, impact fees will only be imposed on new residential developments in specific and typically suburban locations across Winnipeg (Fig. 3) (Winnipeg, 2017). These new fees will be used to assist with the costs associated with accommodating growth, and for growth-related capital projects. While this may help with future urban infill developments, it will not affect the Parcel Four lands since there is a three-year waiving period, but may assist in the later phase of the plan, and the development of Rail Side (Metro Winnipeg, 2017).



**FIGURE 3 |** Winnipeg's Impact Fee Map. Image retrieved from: <http://www.winnipeg.ca/ppd/ImpactFee/map.stm>

## 2.0 / OUTCOMES

Over a period of seven months in 2013, the Rail Side and Parcel Four Planning Initiative conducted a public consultation process (Fig. 4), which gathered feedback from various stakeholder groups and the community-at-large on preliminary development plans. Since releasing this information, the Forks initiated a call for development proposals, which yielded dozens of responses from both



**FIGURE 4 |** Public consultation process. Image retrieved from: <http://www.theforks.com/railside/public-consultations>

local and national developers interested in the two parcels of land. The Rail Side land will be developed first, and broken up into several smaller pieces of land. This will offer a greater opportunity for developers interested in building a mix of residential, commercial, and retail at a variety of scales on the site (Kives, 2016).

### Legislation and Policy

Almost a decade ago, the Board of Directors of The Forks North Portage Partnership released *Building Connections: 2010 - 2020*, a ten-year vision to guide future enhancements at North Portage and The Forks (Forks North Portage Plan, n.d.). The Forks North Portage Partnership is a key stakeholder in the development of the downtown Winnipeg and is responsible for the ownership, management, and continuing renewal of The Forks sites (Forks North Portage Partnership, n.d.). The objective of the Partnership is to encourage the redevelopment and growth of the Forks sites through a variety of investments by the Partnership itself, the private sector, institutions, and governments. The Corporation is owned in equal parts by the City of Winnipeg, the Province of Manitoba, and the Federal Government of Canada (Forks North Portage Plan, n.d.). The *Building Connections: 2010 - 2020* concept and financial plan includes the development of the Rail Side land, and Parcel Four is expected to be part of the next phase of development. In 2016, it was announced that the Province and Winnipeg would provide tax increment financing for the development of the Rail Side lands, a 5.9 acre area between the Forks, the Canadian Museum of Human Rights and Downtown (Kives, 2016). Since then, the Partnership, in collaboration with consultants, the City, and the Province, have been finalizing a master plan that will enhance Downtown, strengthen connections to the Forks, and stimulate public and

private investment in the area. Development of the Rail Side lands is expected to begin in 2018 (Kives, 2016).

### How did the Rail Side and Parcel Four development plans come to fruition?

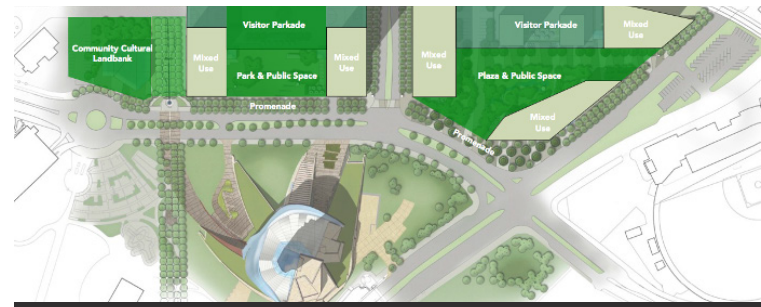
The Rail Side parcel, which will be developed first over the estimated 25-year period, is owned by The Forks Renewal Corporation. The property committee approved a development model that will focus on the Rail side portion of the lands first, delaying the City's transfer of the Parcel Four property to The Forks. The Forks-North Portage CEO, Paul Jordan, stated that "early estimates predict the overall redevelopment of the 12 acres will require about \$500 million of private investment" (Pursaga, 2016). Although the City has committed to TIF, the value of that funding will depend on exactly what gets built. "It allows the developers, who are now going to go to the next stage, to know that the city is committed to tax-increment financing," said John Orlikow (River Heights-Fort Garry), who chairs the property committee (Pursaga, 2016).

"A true urban renewal is one that liberates a people's ingenuity, lets them try new things for solving their own problems"

- **Jane Jacobs**, Author, *The Death and Life of Great American Cities*

### Details of the Development

Rail Side is a development that will use both The Forks and TIF as urban renewal tools. The development aims to illustrate an urban renewal project situated between some of Winnipeg's most visited sites. The new plan calls for 20 or more buildings on the Rail Side lands to rise to a height of no more than six storeys in order to maintain a pedestrian-friendly atmosphere at The Forks. The previous plan called for three large towers. "We firmly believe that after six storeys, there's no more connection to the street," says Paul Jordan (Kives, 2016). Public parks, plazas, and promenades will guide the organization of the site and forge better connections between The Forks to its surrounding downtown neighbourhoods through improvements to active transportation routes. The mixed-use development parcels, comprising not more than forty percent of the total ground area, will range in size from half an acre to up to one full acre depending on



**FIGURE 5 |** Area structure Plan. Image retrieved from: [http://storage.winnipeg.sun.com/v1/suns-prod-images/1297580489745\\_ORIGINAL.jpg?quality=80](http://storage.winnipeg.sun.com/v1/suns-prod-images/1297580489745_ORIGINAL.jpg?quality=80)

the location. They will be made available to private or non-profit development consortiums through a competitive, fair, and transparent proposal call process, based on prescribed design and development guidelines. Additionally, the development is set to include a cultural land bank, promoting business development, public art, and cultural engagement. The Rail Side and Parcel Four lands will strive to be a showcase for district-scale green building and environmental practices, in keeping with The Forks Target Zero Initiative. High quality construction and architecture will be a paramount requirement. Following further public consultation, these concepts, and more detailed design and development guidelines, will be refined and finalized for approval and adoption by both The Forks Renewal Corporation and The City of Winnipeg (Forks North Portage Plan, n.d.). Initial construction is set to begin in 2018.

## 3.0 / LESSONS LEARNED

The urban renewal process is long, takes patience, and requires political alignment and leadership at all levels. But once a vision and the financial tools are in place it allows the private sector to come in and develop in a much more sustainable fashion. As noted, the Rail Side development changed from being high density to medium density. Planners need to constantly adjust the vision and plan based on ongoing community consultation, professional feedback, and changing market dynamics. This is particularly important given that the horizon for this project is 25 years. Things are guaranteed to change, so constant circling back on these points will be critical. The 25-year duration in itself may become a disinvestment to developers and even home buyers if they do not know exactly what will happen.



**FIGURE 6 |** Proposed Area Rendering. Image retrieved from: [http://media.winnipegfreepress.com/images/1959\\*1000/Parcel\\_4\\_Public\\_Space\\_low.jpg](http://media.winnipegfreepress.com/images/1959*1000/Parcel_4_Public_Space_low.jpg)

In speaking with Stefano Grande, CEO of the Downtown Winnipeg BIZ, creating a series of distinct districts is critical to a vibrant downtown, however this means nothing if the connector streets between these districts are not part of the planning and re-development process. From a planning perspective, more clarity is needed for how the Forks Rail Side district connects to Main Street, Portage Avenue and Graham Transit Mall. Additionally, it is important to recognize that patience and time is required when creating strong public-private partnerships.

## 4.0 / CONCLUSION

In conclusion, the urban renewal process is long, takes patience, and requires political alignment and leadership at all levels. Although, once there is a clear vision and the financial tools are in place, it allows the private sector to come in and develop in a much more sustainable fashion. The Rail Side development is a major step forward for The Forks. Rail Side represents the first ever opportunity for residential development at The Forks, widely recognized as one of the best public spaces in Canada. Remaining true to The Forks' founding vision, this mixed-use project will "build on the site's abundant cultural and recreational assets, elevating this historic meeting place into the city's most iconic neighbourhood" (The Forks, n.d.). This

vision is being implemented through 6 main initiatives: residential housing; addition and improvement of public spaces; promotion of Rail Side and the Forks as a destination; and connectivity within the Forks site, and with surrounding Downtown districts. Rail Side development is anticipated to start next year, with Parcel Four following behind later in the development process. Urban renewal projects are a successful catalyst for growth. Winnipeg's downtown area is geographically very large, and the development of Rail Side will serve a significant role in focusing development and initiatives around the Forks, while strengthening connections to the rest of Downtown Winnipeg. Hopefully this Case-In-Point will provide valuable lessons of the lengthy development process, and encourage more private and public partnerships to form and help strengthen the face of Downtown Winnipeg's core.

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