# Workshop Proceedings: Urban Limit Line (April 18, 1990)

Occasional Paper No. 25

1991

The Institute of Urban Studies







# FOR INFORMATION:

The Institute of Urban Studies

The University of Winnipeg 599 Portage Avenue, Winnipeg

phone: 204.982.1140 fax: 204.943.4695

general email: ius@uwinnipeg.ca

Mailing Address:

The Institute of Urban Studies
The University of Winnipeg
515 Portage Avenue
Winnipeg, Manitoba, R3B 2E9

WORKSHOP PROCEEDINGS: URBAN LIMIT LINE (APRIL 18, 1990) Occasional Paper No. 25

Published 1991 by the Institute of Urban Studies, University of Winnipeg © THE INSTITUTE OF URBAN STUDIES

Note: The cover page and this information page are new replacements, 2015.

The Institute of Urban Studies is an independent research arm of the University of Winnipeg. Since 1969, the IUS has been both an academic and an applied research centre, committed to examining urban development issues in a broad, non-partisan manner. The Institute examines inner city, environmental, Aboriginal and community development issues. In addition to its ongoing involvement in research, IUS brings in visiting scholars, hosts workshops, seminars and conferences, and acts in partnership with other organizations in the community to effect positive change.

# WORKSHOP PROCEEDINGS: URBAN LIMIT LINE (APRIL 18, 1990)

Occasional Paper 25

Institute of Urban Studies
1991

# **PUBLICATION DATA**

Workshop Proceedings: Urban Limit Line (April 18, 1990)				
(Occasional Papers; 25)				
ISBN: 0-920213-51-0				
I. University of Winnipeg. Institute of Urban Studies II. Title. III. Series: Occasional Papers (University of Winnipeg, Institute of Urban Studies); 25.				
This publication was partially funded by the Canada Mortgage and Housing Corporation, but the views expressed are the personal views of the author(s) and the Corporation accepts no responsibility for them.				
Published by:  Institute of Urban Studies University of Winnipeg 515 Portage Avenue Winnipeg, Manitoba R3B 2E9				

ISBN: 0-920213-51-0

copyright 1991 Institute of Urban Studies

# Note to the Reader

The preparation of this report was supported by grants provided by the Government of Manitoba and the Canadian Home Builders' Association. The report does not purport to represent the views of either of these agencies nor do these agencies necessarily support any of the views expressed in this report.

# CONTENTS

1.0	INTRODUCTION TO THE PROCEEDINGS	1
	1.1 BACKGROUND TO THE PROCEEDINGS	1
	1.2 PURPOSE OF THE WORKSHOP	2
		2
	1.4 STRUCTURE OF THE PROCEEDINGS	3
2.0	SESSION I: THE EFFECTIVENESS OF THE URBAN LIMIT LINE	4
	2.1 DIRECTING GROWTH TO LEAST-COST AREAS	4
	2.2 DIRECTING GROWTH TO ESTABLISHED NEIGHBOURHOODS	5
	2.3 DEFLECTING GROWTH OUTSIDE CITY LIMITS	6
	2.4 BASIS FOR THE DISTRIBUTION OF DEVELOPMENT	6
3.0	EMERGING TRENDS AND THEIR IMPLICATIONS FOR PLAN WINNIPEG	8
	3.1 SOCIAL CONCERNS	8
	3.2 THE REGIONAL PERSPECTIVE	8
4.0	FUTURE DIRECTIONS FOR PLAN WINNIPEG	10
1.4 STRUCTURE OF THE PROCEEDINGS  2.0 SESSION I: THE EFFECTIVENESS OF THE URBAN LIMIT LINE 2.1 DIRECTING GROWTH TO LEAST-COST AREAS 2.2 DIRECTING GROWTH TO ESTABLISHED NEIGHBOURHOODS 2.3 DEFLECTING GROWTH OUTSIDE CITY LIMITS 2.4 BASIS FOR THE DISTRIBUTION OF DEVELOPMENT  3.0 EMERGING TRENDS AND THEIR IMPLICATIONS FOR PLAN WINNIPEG 3.1 SOCIAL CONCERNS 3.2 THE REGIONAL PERSPECTIVE		
	NEIGHBOURHOODS	11
1.2 PURPOSE OF THE WORKSHOP 1.3 STRUCTURE OF THE WORKSHOP 1.4 STRUCTURE OF THE PROCEEDINGS  2.0 SESSION I: THE EFFECTIVENESS OF THE URBAN LIMIT LINE 2.1 DIRECTING GROWTH TO LEAST-COST AREAS 2.2 DIRECTING GROWTH TO ESTABLISHED NEIGHBOURHOODS 2.3 DEFLECTING GROWTH OUTSIDE CITY LIMITS 2.4 BASIS FOR THE DISTRIBUTION OF DEVELOPMENT  3.0 EMERGING TRENDS AND THEIR IMPLICATIONS FOR PLAN WINNIPEG 3.1 SOCIAL CONCERNS 3.2 THE REGIONAL PERSPECTIVE  4.0 FUTURE DIRECTIONS FOR PLAN WINNIPEG 4.1 DIRECTING NEW SUBURBAN GROWTH TO LEAST-COST AREAS 4.2 MAINTENANCE AND REVITALIZATION OF OLDER, ESTABLISHED NEIGHBOURHOODS  APPENDIX A: DISCUSSION PAPER  APPENDIX B: WORKSHOP AGENDA	13	
	APPENDIX B: WORKSHOP AGENDA	47
	APPENDIX C: LIST OF WORKSHOP PARTICIPANTS	51

# 1.0 INTRODUCTION TO THE PROCEEDINGS\*

# 1.1 BACKGROUND TO THE PROCEEDINGS

On April 18, 1990, a one-day Workshop was organized by the Institute of Urban Studies to discuss issues and matters related to *Plan Winnipeg*'s Urban Limit Line. The Workshop was sponsored by the Manitoba Department of Urban Affairs and the Manitoba Home Builders' Association.

The Institute of Urban Studies considered the Workshop to be timely for two reasons:

- Ever since the institution of the Urban Limit Line, it has been a contentious issue among the various actors involved (City officials, the Government of Manitoba, surrounding rural municipalities, and the housing and urban development industry).
- ii. The City of Winnipeg has initiated a review of *Plan Winnipeg*. Since the Urban Limit Line is considered to be an important part of *Plan Winnipeg*, it would be useful to assess the issues identified, so that those involved in drawing up a new *Plan Winnipeg* could use the insights from the Workshop in formulating the new *Plan*.

In order to stimulate discussion at the Workshop, the Institute prepared and circulated a Discussion Paper (Appendix A) prior to the Workshop. Although the Discussion Paper provided some basic information related to the Urban Limit Line, including a sample of the often divergent opinions on the Urban Limit Line, it was not the intent of the Institute to provide a comprehensive compilation of opinion, nor was it the intent of the Institute to provide an in-depth analysis of the many issues related to the Line.

The Discussion Paper did provide background information on the Urban Limit Line, including a description of the Line, its intended purpose, and the considerations in its delineation and institution. In addition, the Discussion Paper presented many issues associated with the Urban Limit Line such as:

- Issues of values:
  - a. Should *Plan Winnipeg* restrict the choice of residential location?
  - b. Should Plan Winnipeg deny the desired lifestyle associated with suburban living?
- Costs and benefits of suburban development.
- Effects of the Urban Limit Line on land supply and housing.

<sup>\*</sup>The Institute of Urban Studies would like to acknowledge the contribution of Feisal Ghazie to the preparation of the background paper and of this project.

- 4. Issues of enforcement and administration:
  - a. growth outside city limits;
  - b. dispute about soundness of fiscal analysis;
  - c. service capacity as determinant of approval.
- 5. The usefulness of the Urban Limit Line.

# 1.2 PURPOSE OF THE WORKSHOP

The intent of the Workshop was to provide a forum for concerned groups and individuals to discuss various perspectives and issues related to the Urban Limit Line. Approximately 65 invited participants attended the Workshop, including representatives from the Province of Manitoba, the City of Winnipeg, the Winnipeg Real Estate Board, the Manitoba Home Builders' Association, surrounding municipalities, and Resident Advisory Groups.

# 1.3 STRUCTURE OF THE WORKSHOP

The Workshop was structured to include both plenary presentations and smaller group discussions. A copy of the agenda for the Workshop is attached (Appendix B). The Workshop began with a brief presentation of the Discussion Paper, followed by a panel response to the paper. Respondents to the paper included representatives from the Manitoba Home Builders' Association, the Department of Environmental Planning (City of Winnipeg) and the Manitoba Department of Urban Affairs. The respondent from the Manitoba Home Builders' Association offered information pertaining to the benefits of suburban growth to the City of Winnipeg. The Chief Planner from the Department of Environmental Planning reminded the audience that *Plan Winnipeg* and the issues that it must address are much larger and more complex than a line on a map indicating the limits of urban services in Winnipeg. The Senior Planner from the Manitoba Department of Urban Affairs addressed the importance of the Urban Limit Line in getting the public to understand the objectives of *Plan Winnipeg*, as well as the need to look at *Plan Winnipeg* from a regional perspective.

The Discussion Paper generated a number of questions. In turn, these questions were used to focus discussion at the Workshop sessions. To address these questions, the Workshop was structured into two working sessions:

# Session No. 1: Assessing the Impacts of the Urban Limit Line

- 1. Is the Urban Limit Line an effective tool for:
  - a. directing growth to least cost areas—if not, why not?
  - b. directing new housing to established neighbourhoods-if not, why not?
- 2. Is it realistic to provide opportunities for suburban development in each community, or is it enough to provide opportunity in each quadrant of the City?
- 3. What proportion of new housing should be built on the periphery?

# Session No. 2: Working Toward Solutions

- 1. Is inner-city revitalization possible without limiting suburban growth? If so, how?
- 2. Is it possible to limit suburban growth without pushing development outside city limits? If so, how? If not, why not?
- 3. What are the alternatives to an Urban Limit Line for:
  - a. directing growth to least cost areas?
  - b. directing new housing to established neighbourhoods?
- 4. What considerations should be taken into account in approving new suburban development? Workshop participants were arbitrarily divided into four working groups, each with a facilitator and a recorder. Each group received an identical set of questions to discuss, and reported the results of group discussions to the Workshop as a whole.

# 1.4 STRUCTURE OF THE PROCEEDINGS

This document is a synthesis of plenary session discussions and reports from working group sessions. Following the Introduction, Section Two presents a summary of the discussions pertaining to the effectiveness of the Urban Limit Line. Section Three identifies emerging trends and their implications for *Plan Winnipeg*. Section Four provides a synthesis of the discussion in Workshop Session 2 (alternatives to the Urban Limit Line), and suggestions for a new *Plan Winnipeg*. A postscript, Section Five, provides a reflection on the context of the Urban Limit Line and its relationship to *Plan Winnipeg*.

# 2.0 SESSION I: THE EFFECTIVENESS OF THE URBAN LIMIT LINE

Several of the issues related to the Urban Limit Line were addressed in the Discussion Paper. Participants in the first session of the Workshop examined those issues which related to the effectiveness of the Urban Limit Line. They considered such issues by discussing the questions raised in the paper (as set out in Section 1.3). In particular, they assessed the extent to which the Urban Limit Line had served the purpose of: directing new growth to least-cost areas on the suburban periphery; directing new housing to older, established neighbourhoods; and providing a choice of location for those seeking to build and purchase new homes. Moreover, they were asked if, in their view, the Urban Limit Line has driven development to locations outside City limits.

# 2.1 DIRECTING GROWTH TO LEAST-COST AREAS

One of the premises of *Plan Winnipeg* is that people should have choices as to where they want to live in the City. Since many people prefer suburban living, this choice should continue to be available in Winnipeg. However, it was recognized in the *Plan* that such development should present the least possible cost to the City. One of the objectives of *Plan Winnipeg*, therefore, was to direct new suburban development into the areas determined by the Department of Environmental Planning to be least-cost areas for the City of Winnipeg to provide municipal services. The purpose of the Urban Limit Line was thus to direct new residential development to areas making the most efficient use of existing regional services, so as to reduce the need for new capital investment by the City.

The Discussion Paper raised the question as to whether the Urban Limit Line has helped to serve the purpose of directing new growth to least-cost areas on the suburban periphery. The general consensus of Workshop participants was that, to an extent, it has indeed helped. Many, however, questioned whether such development could be attributed to the Urban Limit Line alone, given the other mechanisms of *Plan Winnipeg*, such as the policies on the location of new suburban development, which were also operative at the time.

Some participants maintained that market forces are the best determinants of cost-effective development. They suggested that developers, responding to market forces, automatically seek to develop land in least-cost areas. Some participants, however, questioned by whose definition (developers, the City, or the Province) such "least-cost" development occurs. Others believed that market forces alone cannot ensure least-cost, orderly and efficient growth of the City.

Although there was a wide range of opinion as to the effectiveness of the Urban Limit Line in ensuring cost-effective development, the overall consensus was that orderly and cost-effective

development is essential for Winnipeg; however, the Urban Limit Line, as currently defined, may not necessarily be the proper tool for that purpose.

# 2.2 DIRECTING GROWTH TO ESTABLISHED NEIGHBOURHOODS

Plan Winnipeg was structured around two fundamental principles:

- the most effective strategy for encouraging the maintenance and revitalization of older, established neighbourhoods; and
- 2. the optimal (cost-effective) location for new neighbourhoods in the suburban periphery.

To the general public, the Urban Limit Line has come to symbolize the first objective of revitalizing older, established neighbourhoods, while preventing uneconomical development on the periphery. Within this context, Workshop participants were asked to address the question to what extent, if any, the Urban Limit Line has been an effective tool for directing new housing to established neighbourhoods.

The overall consensus was that the Urban Limit Line has not been an effective tool for this purpose. Many believed that the Urban Limit Line itself was not intended as a tool to direct new growth into established areas, and therefore should not be evaluated within this context. Moreover, some added that due to the attraction and perceived benefits of living in newer residential communities, any attempt to restrict an individual's freedom of choice is destined to fail.

Several participants believed (on the basis of the discussion in 2.1 above) that the Line itself has not restricted suburban development, and therefore any measure of revitalization that has taken place cannot be attributed to the restriction of suburban development. Moreover, the view was expressed that curtailing suburban growth would not, in itself, ensure the revitalization of older neighbourhoods unless development could be directed to the older areas, and their services and amenities maintained at a desirable level. Some responded that the benefit of the Line, in this regard, may have been that it did allow for cost-effective development to occur, thereby saving money to assist the funding of revitalization efforts.

On the whole, however, it appeared that the majority of the Workshop participants believed that the Urban Limit Line, by itself, played little role either in directing growth towards existing neighbourhoods, or in directing new growth into the most cost-effective areas of the suburban periphery.

# 2.3 BASIS FOR THE DISTRIBUTION OF DEVELOPMENT

It has been suggested that the Urban Limit Line has denied options for outward growth of certain communities, and that by doing so, it has restricted the freedom of choice for those who want to live in a new home in a particular community. The Discussion Paper indicated that one of the principal considerations taken into account by the planners in the delineation of the Urban Limit Line was to provide a choice of locations for those seeking to build and purchase new homes in each quadrant of the City, rather than in each community within each quadrant. While the Line delineated land in most communities, the one notable exception was St. James-Assiniboia, where development was constrained because of the lack of infrastructure and support services north of Saskatchewan Avenue and west of the Perimeter Highway. Workshop participants were asked if it was realistic to provide opportunities for suburban development in each community, or if it was simply enough to allocate this opportunity in each of the four quadrants of the City.

Several participants suggested that each community had its own needs. Moreover, due to Winnipeg's strong community loyalties, there is little residential movement between different communities. If a community needs more living space, or even a certain mix of housing types, the Urban Limit Line, as defined through the allocation of land by quadrants, could be seen to be too restrictive. In addition, some participants suggested that by attempting to provide choice of residential location on the basis of an equitable distribution among all four quadrants of the City, the supply and demand for residential land within each individual quadrant is not adequately reflected. Most participants believed that quadrants, as defined by the City, were units too large to adequately reflect market demands for choice of residential location.

Almost all Workshop participants agreed that the use of quadrants as principal units for the allocation of land is not only artificial and arbitrary, but socially irrelevant, and by nature unjust. Consequently, most participants indicated that within the limits of economic and geographic feasibility, development should also be based on the needs of a community, rather than simply on quadrants. There is an obvious need to balance the efficient development of land with the needs of Winnipeg's neighbourhoods.

# 2.4 DRIVING GROWTH OUTSIDE CITY LIMITS

The Discussion Paper indicated that some believe that by restricting development within the City's limits, the Urban Limit Line is serving to drive new growth into the surrounding rural municipalities. Moreover, they suggest that Winnipeg can no longer afford to lose taxpayers to the surrounding municipalities. They maintain that the restriction of growth within City limits, an area already experiencing

an overburdened tax base, will serve only to intensify further the strain upon the City's limited financial resources.

When asked if it was possible to limit suburban growth without pushing development outside City limits, most participants felt that a direct relationship between these two choices did not necessarily exist. Most Workshop participants believed that the choice of living outside of the City limits was more a matter of lifestyle. Stating that rural residential living reflects a different lifestyle, and therefore a different market demand than suburban residential living, they concluded that Winnipeg and the surrounding rural municipalities are not necessarily competing for the same market.

Some participants felt that since such a generous amount of land had been designated for suburban residential purposes within the Urban Limit Line, suburban growth is really not being constrained by the Line. Nevertheless, it was felt that if suburban residential development becomes severely curtailed, new residential development would eventually leapfrog the Line to areas outside of the City limits. Consequently, it was believed by some that if an adequate supply of land for suburban residential purposes were not maintained within Winnipeg, the Urban Limit Line would have the potential to undermine the growth-management policies of *Plan Winnipeg*.

# 3.0 EMERGING TRENDS AND THEIR IMPLICATIONS FOR PLAN WINNIPEG

Plan Winnipeg must provide a statement of Council's strategic choices for the future development of Winnipeg. Although the Urban Limit Line was the subject of the Workshop, it is not the real issue. The fundamental issue is whether Council is prepared and committed to keeping Plan Winnipeg effective as a guide to address the issues and concerns that will shape Winnipeg's future. Many Workshop participants emphasized the need for Plan Winnipeg to broaden its scope to address emerging social issues, as well as the relationship between Winnipeg and the neighbouring municipalities.

# 3.1 SOCIAL CONCERNS

An aging population, smaller families, the costs and effective delivery of services, a shrinking economy, issues of ethnicity and poverty, a declining demand for suburban development, and a growing concern for the sustainability of both our built and natural environments, will all have significant effects upon the quality of life in Winnipeg. While most participants expressed the opinion that a new *Plan Winnipeg* should address these fundamental social issues, few suggested approaches that would lead to the successful resolution of these issues. It appears that an overall vision of a desired city and its quality of life is missing. Perhaps the forecasts that determined population trends and threshold capacities of infrastructure for the extant *Plan Winnipeg* should be broadened in scope to include the social data necessary to produce an effective social agenda. In view of the expected further decline in the demand for suburban residential activity in Winnipeg, the Urban Limit Line and the larger question of suburban growth management may now warrant less attention in our planning process.

## 3.2 THE REGIONAL PERSPECTIVE

A majority of Workshop participants expressed the concern that it is important, at present, to view *Plan Winnipeg* within the context of an urban systems perspective. The interrelationship between Winnipeg and the surrounding municipalities is increasingly being recognized. Many of the issues that planners must address are of an inter-jurisdictional nature, and therefore have regional implications. Current planning for the Winnipeg region is divided in both a jurisdictional and a legislative sense. Under the *City of Winnipeg Act*, the City of Winnipeg is responsible for the City itself, and until January 1991, the Additional Zone, which encompasses only portions of three rural municipalities. Outside this area, and under the *Provincial Planning Act*, planning is carried out either by individual municipalities or by several municipalities incorporated into a planning district. The *City of Winnipeg Act*, covering the City of Winnipeg and the Additional Zone, is administered by the Department of Urban Affairs, while the *Provincial* 

Planning Act, covering all other jurisdictions in the Winnipeg commutershed, is administered by the Department of Rural Development.

As outlined in the Discussion Paper, several participants maintained that development policies operating outside Winnipeg's boundaries, and those operating within the City's boundaries, should be consistent. Participants expressed the need for cohesive, co-ordinated and comprehensive planning within a regional framework.

# 4.0 FUTURE DIRECTIONS FOR PLAN WINNIPEG

After an examination of the issues related to the Urban Limit Line in Session 1, a consensus emerged that the issues of urban development addressed by *Plan Winnipeg* are complex, and that the Urban Limit Line is only one small measure among others to address these issues. As such, it has a limited scope and function.

The majority of the participants were of the opinion that the Urban Limit Line is not the sole tool contained within *Plan Winnipeg* to address the revitalization of the Inner City and to manage suburban growth. Some were concerned that further debate on the Limit Line would deflect the focus away from the real issues that a new *Plan Winnipeg* must be called upon to address. If the Urban Limit Line is not necessarily the proper tool to address those issues, what are the real issues, and how can they best be addressed? This was the subject matter for Session 2 of the Urban Limit Line Workshop. The discussion revolved around two main themes, each of which is discussed below.

## 4.1 DIRECTING NEW SUBURBAN GROWTH TO LEAST-COST AREAS

As previously mentioned, a majority of the Workshop participants questioned whether the Urban Limit Line has served any useful purpose in directing new suburban development to least-cost areas. Most agreed with the view that such development may be influenced not so much by the Urban Limit Line itself, but rather by the policies contained within *Plan Winnipeg* with respect to new suburban development.

Several participants were of the opinion that new suburban development is, and has been for several years, directed into least-cost areas as defined by *Plan Winnipeg*. Some suggested that developers respond to market forces and automatically seek to develop in least-cost areas. Others maintained that while market forces may direct development to areas with the lowest initial costs to the developers, they are simply not enough to ensure the least-cost, orderly and efficient growth of the City from the perspective of providing ongoing services and amenities.

The consensus that emerged from Session 2 of the Workshop was that, in terms of directing new suburban growth to least-cost areas, the Urban Limit Line was an unnecessary oversimplification of the development approval process. The opinion was expressed that even if *Plan Winnipeg* is amended to delete references to the Urban Limit Line, not much would change as far as the location and timing of development are concerned. Suburban growth would still be regulated by *Plan Winnipeg*'s policies regarding Suburban Residential Neighbourhoods. Some concern was expressed that the Urban Limit may, in fact, be deflecting attention away from the criteria specified in *Plan Winnipeg* for the approval of

Suburban Residential Neighbourhoods. Decisions regarding new suburban development should consider the question of whether a parcel of land should be serviced, and not whether the land falls on one side or the other of the Limit Line.

# 4.2 MAINTENANCE AND REVITALIZATION OF OLDER, ESTABLISHED NEIGHBOURHOODS

Early in the Workshop, several participants viewed the objective of *Plan Winnipeg* to revitalize older, established neighbourhoods as being restricted to the inner city. However, by the end of the day, the majority of participants viewed revitalization as not just an inner-city, core area problem, but rather as a problem of declining neighbourhoods wherever they are to be found.

A majority of Workshop participants expressed the belief that curtailing suburban growth would not in itself ensure the revitalization of the older neighbourhoods. Moreover, when the "carrot and stick" approach to neighbourhood revitalization was discussed, some participants suggested that the Urban Limit Line is not an effective "stick." They believed that there must be "carrots" to attract people into the established neighbourhoods. These participants suggested that it is not necessarily what is done on the periphery, but rather it is what is to be done in the older neighbourhoods that is important to the success of revitalization.

As suggested by the Discussion Paper, many believed that a concerted strategy is needed to stabilize the existing neighbourhoods of the City. Some suggested that housing may follow economic growth, and without the economic growth needed to sustain additional households, new housing would be futile. It was also suggested that perhaps we should be preserving the older, existing neighbourhoods rather than directing new growth to these residential areas.

Several participants were of the opinion that increased immigration and economic growth are the key ingredients for inner-city revitalization in Winnipeg. The creation of more workplaces and incentives for businesses and government facilities to operate in the inner city was also emphasized. Several participants also suggested the need for all levels of government and agencies operating in Winnipeg to develop a framework for a working partnership to address issues of neighbourhood revitalization.

Several participants agreed with the view expressed in the Discussion Paper that neighbourhood-based planning is central to the revitalization of the older, established neighbourhoods. Some participants felt that a more effective way to address the notion of revitalization was to view planning in terms of the quality of life within a neighbourhood. Consequently, several participants emphasized the need to prepare and adopt community and action area plans to give strength and consistency to decisions regarding the future of Winnipeg's neighbourhoods.

# **APPENDIX A**

**DISCUSSION PAPER** 

# THE URBAN LIMIT LINE: SOME ISSUES

A Background Paper
Prepared By
The Institute of Urban Studies
University of Winnipeg
515 Portage Avenue
Winnipeg, Manitoba
R3B 2E9

March 1990

# Note to the Reader

Although the preparation of this paper was supported by a grant provided by the Government of Manitoba, the paper does not purport to represent the views of the Government of Manitoba. Nor does the Government of Manitoba necessarily support any of the views expressed in the paper.

# **CONTENTS**

1.0	INTRODUCTION TO THE PAPER	19
	1.1 PURPOSE OF THE PAPER	19 19
	1.2 SCOPE OF THE PAPER 1.3 STRUCTURE OF THE PAPER	19
2.0	THE URBAN LIMIT LINE: DESCRIPTION, INTENT AND INSTITUTION	21
	2.1 DESCRIPTION	21
	2.2 INTENDED PURPOSE OF THE URBAN LIMIT LINE	21
	2.3 CONSIDERATIONS IN DELINEATION	23
	2.4 THE INSTITUTION OF THE URBAN LIMIT LINE	24
3.0	THE URBAN LIMIT LINE: ISSUES	25
	3.1 ISSUES OF VALUES	25
	3.1.1 Location	25
	3.1.2 Lifestyle	27
	3.2 COSTS AND BENEFITS OF SUBURBAN DEVELOPMENT 3.3 EFFECTS OF THE URBAN LIMIT LINE ON LAND SUPPLY	29
	AND HOUSING PRICES	31
	3.3.1 Land Supply	33
	3.3.2 Housing Prices	33
	3.4 ENFORCEMENT AND ADMINISTRATION	33
	3.4.1 Growth Outside City Limits	35
	3.4.2 Dispute About Soundness of Fiscal Analyses	39
	3.4.3 Service Capacity as Determinant of Approval	39
	3.5 USEFULNESS OF THE URBAN LIMIT LINE	39
4.0	TOWARD RESOLUTION OF ISSUES	42
	4.1 ISSUES OF VALUES	42
	4.2 FISCAL COSTS AND BENEFITS OF SUBURBAN DEVELOPMENT	42
	4.3 EFFECTS OF THE URBAN LIMIT LINE ON LAND SUPPLY	
	AND HOUSING PRICES	42
	4.4 ADMINISTRATION AND ENFORCEMENT	43
	4.5 USEFULNESS OF THE URBAN LIMIT LINE	43
	4.6 THE ALTERNATIVES	44
REFE	ERENCES	45

# 1.0 INTRODUCTION TO THE PAPER

## 1.1 PURPOSE OF THE PAPER

This paper has been prepared by the Institute of Urban Studies, University of Winnipeg, to provide background information on the Urban Limit Line in order to stimulate discussion at a Workshop organized by the Institute to discuss issues related to the limit line.

The Institute considers the Workshop to be timely for two reasons:

- i. Ever since the institution of the Urban Limit Line, it has been a contentious issue among the various actors who are involved with it (City officials, the Government of Manitoba, and the housing and urban development industry).
- ii. The City of Winnipeg has initiated a review of *Plan Winnipeg*. Since the Urban Limit Line is an important part of *Plan Winnipeg*, it would be useful to assess the issues raised by it, so that those involved in drawing up a new *Plan Winnipeg* can use the insights from the workshop in formulating the new plan.

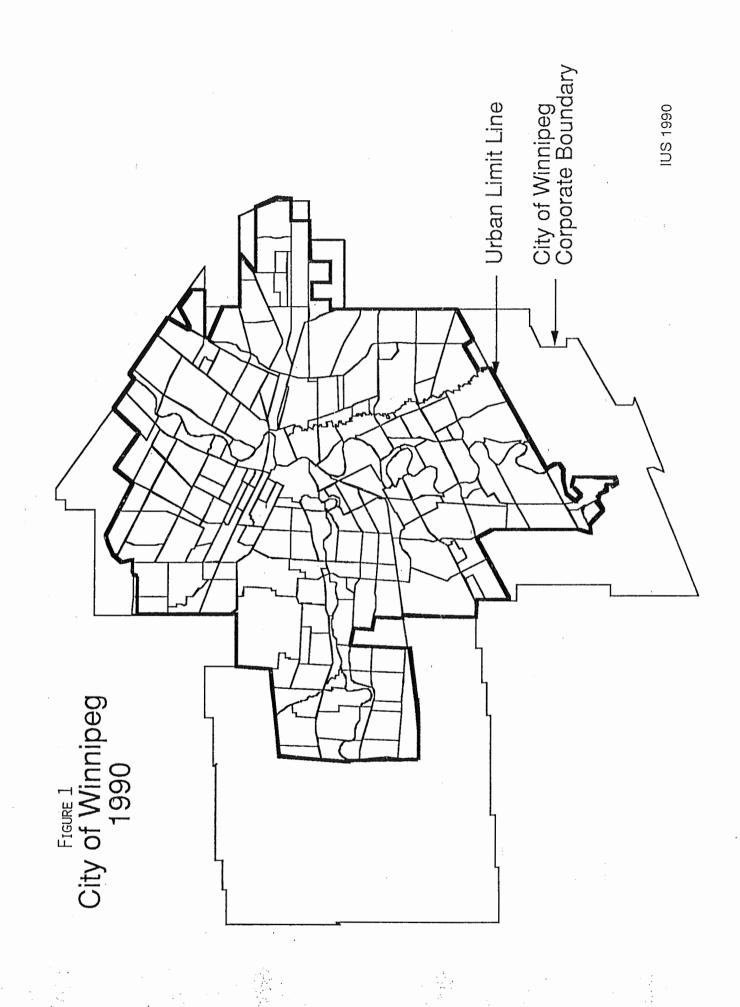
# 1.2 SCOPE OF THE PAPER

This paper provides a "scan" of the issues related to the Urban Limit Line that have been identified by key informants drawn from the City of Winnipeg, the Government of Manitoba and the housing and urban development industry. It does not purport to reconcile the often divergent perspectives, nor does it provide an in-depth analysis of the many issues that were raised by the informants. Some factual information is, however, provided with respect to each issue.

Although the paper presents a cross-section of opinion on the Urban Limit Line, it does not provide an exhaustive or comprehensive compilation of opinion. Rather, it is more like a building block for Workshop participants to identify additional issues and add insights.

# 1.3 STRUCTURE OF THE PAPER

Section 2 presents some basic information on the Urban Limit Line, describes its intended purpose, the factors taken into account in its delineation and the process of its institution. Section 3 identifies the principal issues related to the Urban Limit Line and provides a brief outline of each issue to capture the range of opinions expressed. Section 4 suggests some measures that might be useful in addressing the issues.



# 2.0 THE URBAN LIMIT LINE: DESCRIPTION, INTENT, AND INSTITUTION

### 2.1 DESCRIPTION

In effect, the Urban Limit Line is a line designated by *Plan Winnipeg* (the approved development plan for Winnipeg), outside which proposals for urban land development within the corporate boundaries of the City of Winnipeg cannot be approved without having to amend *Plan Winnipeg*. The process for the amendment of *Plan Winnipeg* requires the approval of City Council and the Government of Manitoba. The Urban Limit Line is shown in Figure 1.

# 2.2 INTENDED PURPOSE OF THE URBAN LIMIT LINE

A reading of *Plan Winnipeg* tends to leave the reader somewhat unsure about the full intent behind the designation of the Urban Limit Line. The *Plan* document consists of two parts. Part One, titled "Introduction to *Plan Winnipeg*," discusses the purpose, principles and objectives of the *Plan*. It has no legal status. Part Two, on the other hand, is the legal document (By-Law) adopted by Council and approved by the Government of Manitoba as the *Greater Winnipeg Development Plan* under the provisions of the *City of Winnipeg Act*. While the By-Law provides only a brief statement about the Urban Limit Line and designates it on a map, the Introduction to *Plan Winnipeg* provides some indication of the intent behind the Urban Limit Line.

In the By-Law, the Urban Limit Line is referred to as follows:

The Urban Limit Line designated on the said Map describes the limits outside which applications will not be approved for development requiring the extension of the City's sewer or water system . . . (Section 3 [1]b pp. 2-5).

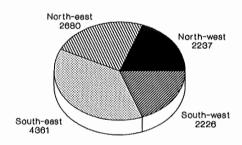
While the above statement makes it clear that the Urban Limit Line is concerned primarily with limiting the boundaries within which water and sewer are to be provided, it does not provide an understanding of the underlying intent in establishing such boundaries. A reading of Part One of the document does not fully clarify the intent either. In this part, the Urban Limit Line is discussed as a measure which "directs development to those areas where there is an availability of services, along with an emphasis on least cost development" (pp. 1-7).

Most planners at City Hall believe that the Urban Limit Line was conceived for the limited purpose of directing peripheral development to areas in which there was existing service capacity. Nevertheless,

Rothman

Figure 2

# Plan Winnipeg Land Allocation For Residential Development In the Four Quadrants



Source: City of Winnipeg

IUS 1990

some other planners believe that the Urban Limit Line should be viewed in the broader context of the two fundamental objectives of *Plan Winnipeg*:

- i. encouraging the maintenance and revitalization of older, established neighbourhoods; and
- ii. the optimal, cost effective location for new neighbourhoods in the suburban periphery.

If viewed in the light of the above objectives, the Urban Limit Line would appear to be more than a measure for the optimal location of new neighbourhoods. It would also be a device to achieve the revitalization of older, established neighbourhoods by restricting outward growth with a view to directing some of the new housing to the older neighbourhoods. This is an important distinction, particularly when we look for criteria for assessing whether the Urban Limit Line has met its intended objectives.

Plan Winnipeg sought to direct 20 percent of the new housing development to the older neighbourhoods and 80 percent to the periphery, in optimal, cost-effective locations. Depending on what intended purpose one ascribes to the Urban Limit Line, one or both of these criteria could be employed in assessing whether the Urban Limit Line has served its purpose.

# 2.3 CONSIDERATIONS IN DELINEATION

Two principal considerations were taken into account by the planners in delineating the Urban Limit Line:

- within the constraints of existing service capacity, to provide choice of location for those seeking to build and purchase new homes in each quadrant of the City;
- ii. to maintain competitiveness in the land development industry through the provision of opportunities for competition among land developers within each quadrant of the City.

In accordance with the above considerations, a total of 11,500 undeveloped acres of land was provided within the Urban Limit Line and allocated within each quadrant of the City, as shown in Figure 2.

The above allocation was made on the understanding that a total of 27,320 single-family housing units would be required in the City during the period from 1986 to 2001. The allocated land could accommodate about 52,000 units (@ 4.5 units per acre), and therefore provided a measure of flexibility and room to encourage competitiveness among builders.

# 2.4 THE INSTITUTION OF THE URBAN LIMIT LINE

The Urban Limit Line came into effect with the approval of *Plan Winnipeg* by the Minister of Urban Affairs and its adoption by City Council in April 1986. The approval process was a lengthy one. It took six years for the City and the Government to come to an agreement about certain contentious matters. Among those was a concern about the Urban Limit Line.

According to officials of the Department of Urban Affairs, although the Government of Manitoba supported the Urban Limit Line in principle, it was concerned that the Urban Limit Line, as proposed, provided far too much land. It could, therefore, not be effective in promoting the objective of directing some of the housing demand into the existing neighbourhoods. Indeed, government officials believed that the Urban Limit Line, as proposed, would permit developers to meet the entire projected housing demand until the end of the century, without constructing a single housing unit in the established neighbourhoods. Thus, infill and revitalization would simply not occur, and the investment of the three levels of government in core area revitalization would be undermined.

In order to encourage the channelling of new homes into existing neighbourhoods and towards a selected number of peripheral areas, the Government of Manitoba suggested that an "inner" limit line be drawn to provide for the staging of development on the periphery. Once the capacity of the "inner" limit line had been reached (estimated then to accommodate a population of 635,000), development could be extended to the Urban Limit Line proposed by the City. The difference in area between the two lines was about 3,500 acres.

City officials, however, did not agree that the Urban Limit Line should be used to force new housing units to be located in the older neighbourhoods. In their view, older neighbourhoods needed to be improved so that they could compete with the periphery. Since there was such a wide difference of opinion, there were lengthy negotiations, and, in the end, the Government of Manitoba yielded to the views of City officials. *Plan Winnipeg* was approved with minor adjustments to the Urban Limit Line.

# 3.0 THE URBAN LIMIT LINE: ISSUES

The current issues related to the Urban Limit Line can be classified into five main categories:

- i. the values which should govern urban development in Winnipeg;
- ii. the fiscal costs and benefits of suburban growth;
- iii. the effect of the Urban Line on housing supply and prices;
- iv. problems in administering and enforcing the Urban Limit Line; and
- v. the usefulness of the Urban Limit Line.

# 3.1 ISSUES OF VALUES

Since the Urban Limit Line is concerned with limiting outward suburban growth, issues of values revolve around two main questions: should *Plan Winnipeg* restrict the choice of residential location; and should *Plan Winnipeg* deny the desired lifestyle associated with suburban living.

### 3.1.1 Location

Many in the development industry believe that the Urban Limit Line constrains the freedom of choice in residential location, takes decisions about the location of new development out of the realm of the market place, and places them in the realm of bureaucratic decision-making. This, they suggest, is contrary to the principles of a free and democratic society.

The example of the St. James-Assiniboia area is often cited to demonstrate how the Urban Limit Line has completely constrained the capacity of the community to grow outwards and how this constraint prevents those wanting to buy new homes in the area from exercising their choice. According to this line of reasoning, it is not enough to provide room for residential development in each quadrant of the City, but space for development must be supplied in each community within the quadrant.

On the other hand, it has been suggested by planners that freedom of choice cannot be the sole value to guide urban development. Since all urban development involves the expenditure of public funds in infrastructure and ongoing operations and maintenance, the extent to which choice can be sustained depends upon the costs which the public purse can absorb. Thus, market forces alone cannot determine the direction of urban development in a democratic society.

Although the above views on the values which should govern urban development in a democratic society might be considered by some to be futile points for discussion, our interviews with the development industry and government officials indicate that these divergent values continue to divide planners and developers.

# 3.1.2 Lifestyle

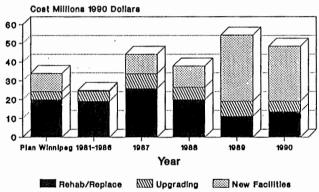
Most in the development industry seem to operate in a marketing environment which is dominated by packaging and targeting homes as a product to certain homogeneous groups (in terms of lifestyle and/or income). There is a widespread belief in the development industry that the typical buyer of a new home seeks a community of interest which can best be achieved in new suburban development. This implies that there is limited room to build new homes through infill and revitalization in older neighbourhoods as envisaged in *Plan Winnipeg*. Consequently, it is suggested by the development industry that it makes little sense to limit suburban growth.

As a counterpoint to the above perspective, those involved in the study of neighbourhood change believe that the creation of new neighbourhoods to cater to homogeneous groups, whether young families, or move-up buyers or seniors, creates a vicious circle of waste. For example, certain groups move to the new developments from the existing neighbourhoods of the City and denude those neighbourhoods of the limited diversity they possess. The older neighbourhoods lose population, and the civic government is confronted with having to maintain underutilized service capacity in the older areas, while also having to provide new services in the newer areas. This is clearly wasteful of resources.

Moreover, a new residential community which, for example, attracts a disproportionate number of families with young children, requires unusual initial investments for services such as schools. After a period of time, however, when the children grow up and leave home, the population ages in place and there is a surplus school capacity. Schools then have to be closed or run uneconomically, and new services must be installed for the aging population (Institute of Urban Studies, 1988). When the aged finally leave their homes, the neighbourhood begins to decay because new suburbs continue to be built to cater to the young families. Eventually, the public purse has the burden of maintaining the underutilized infrastructure in the community, while continuing to install new infrastructure on the periphery. This is not a scenario out of a fairy tale, but one which confronts Winnipeg today. Older areas of the City are losing population, while suburbs grow on the periphery (Figure 3).

Figure 4

# Annual Capital Program By Category Type



Source: City of Winnipeg

In this light, the wisdom of promoting new homogeneous suburbs, however desirable from a marketing perspective, appears to be unsustainable in the long run. Those involved in the operation and maintenance of civic infrastructure believe that the City of Winnipeg is currently facing a major fiscal problem related to the financing of the upkeep of its infrastructure and the maintenance of adequate service standards. They suggest that it makes little sense to continue to expand infrastructure in new suburban areas, while the existing developed areas move toward increasing underutilization and decay.

Figure 4 shows that since 1986, the emphasis of the City's capital works in streets and transportation has become increasingly skewed toward the installation of new facilities at the cost of investment in rehabilitation, replacement and upgrading—important factors in maintaining service standards.

## 3.2 COSTS AND BENEFITS OF SUBURBAN DEVELOPMENT

Some believe that new suburban development in Winnipeg pays for itself. Moreover, they suggest that the builders and developers pay for the on-site costs associated with the servicing of land, and then pass on the cost to the purchasers of new homes. These purchasers, in turn, pay their taxes to the City, giving Winnipeg a larger tax base, which could then be used to subsidize the revitalization of the inner city. This view cannot be sustained in the case of capital works, at least, in light of the pattern of capital expenditures indicated in Figure 4.

Is there a surplus of tax revenue generated by new suburban development? This question is difficult to answer, because there are no existing analyses which take into account all of the costs of new suburban development. It should be understood that these costs accrue not only to the City, but also to the Provincial level of government, which is responsible for directly or indirectly funding services such as health, education, libraries and transit. Moreover, the costs incurred include both capital and operating expenditures.

The method employed by the City of Winnipeg to estimate the cost of new suburban development does not take into account the full range of capital and operating costs incurred by the City and the Province. Until recently, the City of Winnipeg required a developer to submit a Financial Impact Analysis with an application for suburban development. The Financial Impact Statements only included the costs and revenues associated with the following items:

# FINANCIAL IMPACT STATEMENT COST ITEMIZATION

Capital Costs	Benefits/Revenue	
<ul> <li>Regional Street Expansions</li> <li>Regional Services (Sewer/Watermains)</li> <li>Parks</li> </ul>	<ul> <li>Property Tax</li> <li>Business Tax</li> <li>Waste/Water Charges</li> <li>Employment Benefits</li> <li>Permanent Jobs</li> <li>Value of Construction</li> </ul>	

Outward suburban development often results in a number of capital costs for the City that are not included within the Financial Impact Analysis. These may include, but are not limited to, the following items:

# ASSOCIATED CAPITAL COSTS OF URBAN DEVELOPMENT NOT INCLUDED WITHIN FINANCIAL IMPACT STATEMENTS

- Firehalls
- Schools
- Recreation Centres
- Arenas

- Police Stations
- Libraries
- Swimming Pools
- Sportsfields

Moreover, the Financial Impact Analysis considers only the "unusual operating costs" caused by the location of development or the standard of service. No account is taken of the "usual" operating and maintenance costs of the following items:

# OPERATING AND MAINTENANCE COSTS NOT INCLUDED IN FINANCIAL IMPACT STATEMENTS

- Street Maintenance
- Snow Clearance and Ice Removal
- Fire Fighting
- Parks and Recreation Facilities Maintenance
- Police Service
- Health and Social Services

- Sidewalk Maintenance
- Cleaning and Maintenance of Land Drainage Sewers and Catch Basins
- Garbage and Refuse Collection
- Transit
- Library Services
- Operations of Schools

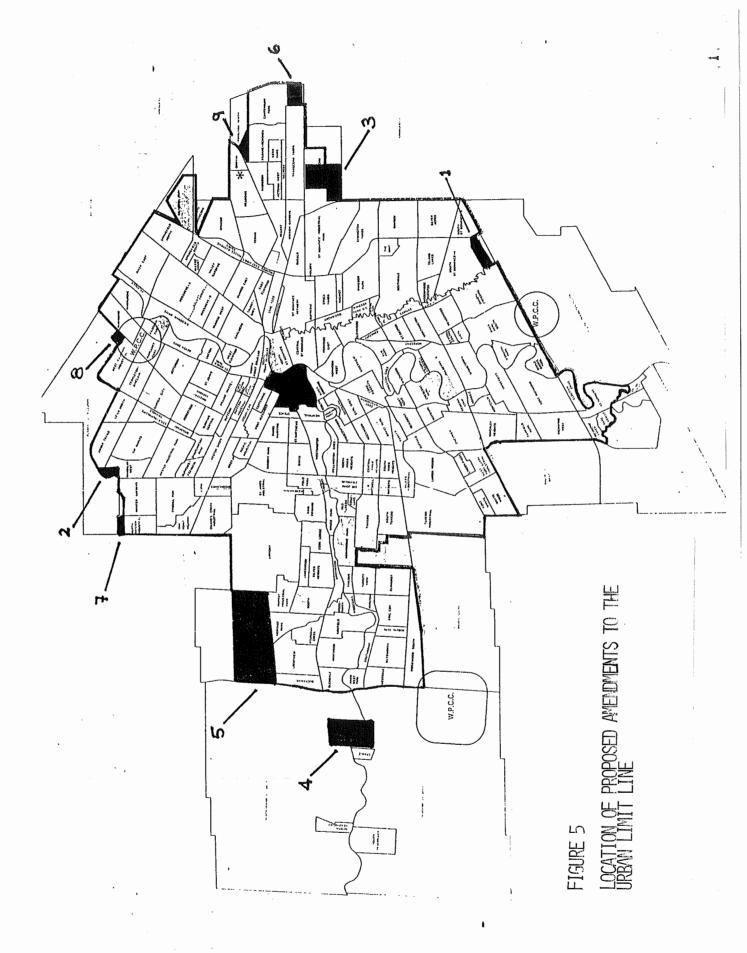
Clearly, the parameters for Financial Impact Analysis are not comprehensive enough to measure the fiscal impacts of both the capital and the operating costs of outward urban growth. The fiscal problem which the City faces with regard to the renewal and maintenance of infrastructure suggests that taxes and charges from suburban development are probably not generating the revenue surplus required for maintenance. In fact, in the case of services such as transit, it would appear that a net deficit is being generated from most suburban developments.

There is substantial evidence from cities across North America that the *per capita* costs of services are linked to development patterns (Real Estate Research Corporation, 1974). As outward growth becomes increasingly dispersed, higher *per capita* municipal investment is required for operating and maintaining services as well as for capital expenditures (Spangler, 1963; Schaller, 1963; Bahl, 1969). Since suburban development is characterized by lower densities, capital expenditures for linear services such as drainage systems, sewer, water, roads, boulevards, street lighting and sidewalks are increased as are the costs of maintenance. In addition, the capital and operating costs *per capita* associated with providing "soft" community services (e.g., schools) are also higher at low densities.

The view that low-density suburban development is somehow revenue-generating does not appear to be tenable in the North American context. There is no evident reason why this would be any different in Winnipeg.

# 3.3 EFFECTS OF THE URBAN LIMIT LINE ON LAND SUPPLY AND HOUSING PRICES

One issue arising from the Urban Limit Line is the effect it is thought to have on land supply, and, consequently, upon housing prices in Winnipeg. The development industry, in particular, believes that restricting the supply of land within the Urban Limit Line causes the prices of land and of housing in Winnipeg to increase.



# 3.3.1 Land Supply

Estimates from the Department of Environmental Planning reveal there are currently 12,395 vacant, serviced lots for single-family housing in Winnipeg. In addition, approximately 7,500 acres of land designated for suburban residential development lie vacant within the Urban Limit Line. At the present density of development, these lands have the capacity to accommodate an additional 33,750 single-family housing units. Thus, there is a supply of 46,145 lots for single-family homes. Against this supply, the anticipated demand is for 21,320 lots to the year 2001 (Figure 5). The supply exceeds demand by about 116 percent.

A recent study prepared by the Canada Mortgage and Housing Corporation (CMHC) has concluded that the potential supply of residential land in Winnipeg is adequate to meet both short- and long-term requirements (CMHC, 1982). According to the report:

at the present time and in the foreseeable future, there are no constraints acting to restrict the availability of serviced residential land. All indications are that the supply is more than adequate to meet the anticipated requirements (p. 95).

It is difficult to see how the Urban Limit Line could have restricted the supply of land for residential development in the City when it provides over 100 percent more land than the projected requirement for housing construction to the year 2001.

# 3.3.2 Housing Prices

Some have suggested that by restricting the outward growth of areas such as St. James-Assiniboia, the Urban Limit Line has altered the laws of supply and demand, and as a result, housing prices in these areas have increased disproportionately in relation to other areas of the City.

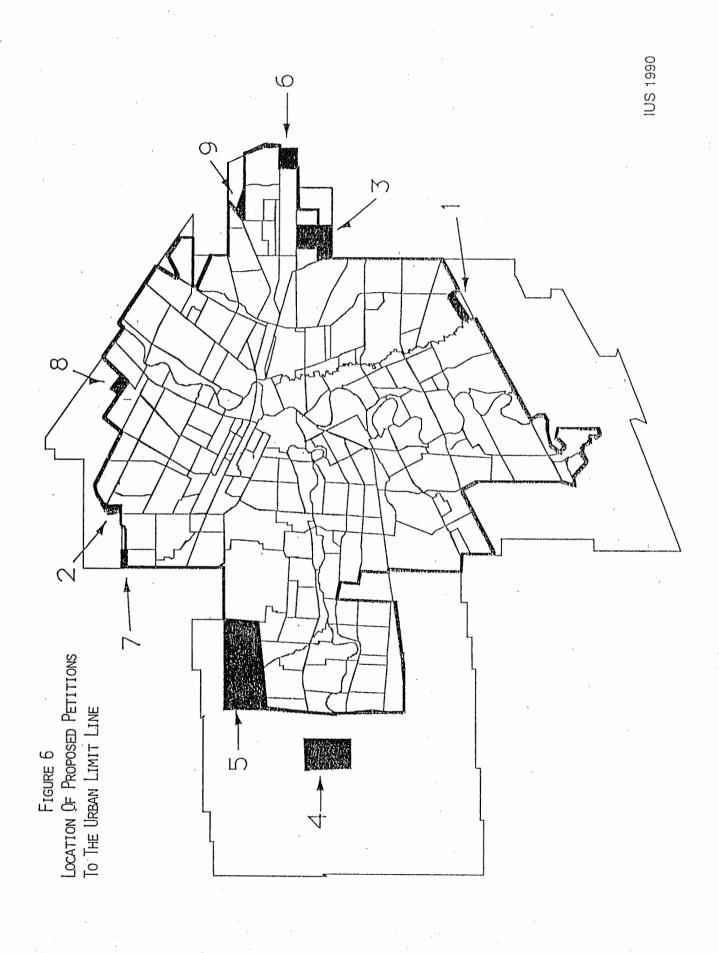
A recent study (Kozak, 1989) examined this claim. Using data from the Winnipeg Real Estate Board and the Royal LePage Survey of Canadian House Prices, the 1978-1989 price trends of single-detached homes were analyzed for both the Westwood and Southdale neighbourhoods. The study concluded:

the Urban Limit Line has not restricted the supply of housing, and as a result, housing prices have remained relatively equal in all quadrants of the City (pp. 130-31).

the Urban Limit Line has not significantly inflated St. James-Assiniboia's single detached housing prices in relation to Southdale (p. i).

# 3.4 ENFORCEMENT AND ADMINISTRATION

Since the institution of the Urban Limit Line, nine petitions have been submitted to the City for its amendment. Of the nine petitions, one is in process, four were rejected by Council and four were



recommended by it to the Minister for approval. Of these, the Minister approved one and rejected three (Table 1 and Figure 6).

Each petition goes through several steps of review involving appointed and elected officials at City Hall and at the Provincial level, as well as the public; however, for the sake of ease of discussion in this paper, the review steps have been collapsed into three principal points of decision-making: review and recommendation by the administration of the City of Winnipeg; review and decision by Council on whether or not to seek the Minister's approval for the amendment; and review and decision by the Minister. Table 1 indicates that of the nine petitions submitted to the City, the City's administration recommended approval of one and the rejection of eight. Council, however, rejected only four, recommended four for approval by the Minister and has yet to decide on one. As stated earlier, the Minister rejected three and approved one.

The above account suggests that there are significant differences of opinion between administrative and elected officials at City Hall, and between the elected officials at City Hall and the Provincial Government, with respect to which petitions might be granted.

An examination of the records related to the nine petitions reveals that the administrative staff at City Hall has been consistent in its assessment of the applications by continually applying the principles which, they believe, lie behind the Urban Limit Line. Elected officials at City Hall, on the other hand, have failed in 50 percent of the cases to uphold these principles, and have based their decisions on other considerations. The Minister, on his part, has also been consistent in applying the stated principles of *Plan Winnipeg* to arrive at his decisions.

Why then, has Council found it difficult to uphold the principles of *Plan Winnipeg*? By going beyond the usual allegations of lack of commitment, growth mania, etc., which have been levelled at City Council, and examining the debates on each amendment, it is possible to discern three lines of reasoning used by Council in arriving at its decisions. These are discussed below.

#### 3.4.1 Growth Outside City Limits

Several City Councillors believe that one fundamental problem with the Urban Limit Line is that it attempts to control suburban growth within City limits, but it fails to address the far more pressing issue of rural residential growth. Councillors have pointed out that while the City is attempting to control its peripheral growth, the Province and the Rural Municipalities adjacent to Winnipeg have allowed an uncontrolled and escalating amount of semi-urban growth just outside of Winnipeg's municipal boundaries. Some Councillors believe that by not accommodating development within the City's limits, new growth is being deflected into the surrounding municipalities. Several councillors also believe that

Table 1
PETITIONS TO AMEND THE URBAN LIMIT LINE:
STATUS AT DIFFERENT STEPS OF DECISION MAKING

Location	Recommendation of City Administration	Decision of City Council	Minister's Decision
Creek Bend Road	Α	Α	R
2. Jefferson/Ritche	R	Α	Α
3. South Transcona	R	Α	R
1. Headingly	R	Α	R
5. North of Saskatchewan	R	In Process	N/A
6. Ravenhurst/Pandora	R	R	N/A
<ol><li>Brookside Boulevard/ Farmer Road</li></ol>	R	R	N/A
B. Murray/ West Winnipeg Beach	R	R	N/A
Day Street	R	R	N/A
	R=Rejected	A=Approved	N/A=Not Applicable

Winnipeg can no longer afford to lose taxpayers to the surrounding municipalities. They maintain that the further denial of growth in an already overburdened tax base will only serve to intensify the strain upon the City's limited financial resources.

In the absence of specific studies on the topic, it is difficult to conclude whether or not the Rural Municipalities benefit from suburban growth that is denied within the corporate boundaries of the City. It is true that the surrounding Rural Municipalities have increased their share of single-family dwellings in the Winnipeg area (Figure 7). However, most of these dwellings have been accommodated on large lots in rural residential developments, and not in suburban-type development. While some believe that those who construct homes on large lots do so because they prefer a rural residential lifestyle and not because there is a shortage of suburban residential lots in Winnipeg, others believe that restrictions on one type of residential lot creates demand for other types.

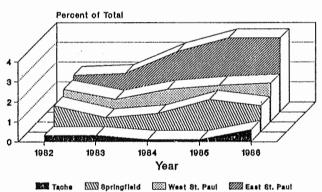
Whether or not rural residential development outside of the City's boundaries occurs as a result of limits placed upon suburban development in the City, it would appear that City Council feels frustrated with the absence of complementary policies outside its boundaries. However, some believe that this alone provides little basis for approving uneconomical development within the City's precincts. According to them, by approving suburban growth on its own periphery as a reaction to policies operating outside its boundaries, City Council may be setting itself in the proverbial position of "cutting off one's nose to spite one's face." Given our earlier discussion, it is difficult to see how Council's approval of development on the periphery can possibly improve its financial resources.

Nevertheless, Council does have a point in maintaining that the City, as a whole, is not much further ahead in preventing uneconomical growth if the emphasis is upon growth within the City's boundaries alone. When residential development occurs just outside the City's boundaries, pressures can mount to extend City services to these areas. The Rural Municipality of East St. Paul is a case in point. It recently requested Winnipeg to enter into an agreement for the provision of City services to recent rural residential development in that municipality. Although the City has surplus capacity in that area to accommodate this request, some Councillors wonder how the extension of municipal services past the Urban Limit Line and beyond the corporate boundaries of Winnipeg can be reconciled with not approving the extension of these services beyond the Urban Limit Line, within the corporate boundaries of the City. To many councillors, this is an absurd distortion which shows how meaningless the Urban Limit Line has become.

Given the above, several Councillors do not see why the Urban Limit Line should be such a hard and fast constraint for growth within the City's boundaries.

Figure 7

## Municipal Single Family Permits as a Percentage of City Total



Source: City of Winnipeg

IUS 1990

#### 3.4.2 Dispute About Soundness of Fiscal Analyses

One important issue that surfaces from a reading of Council debates related to applications for the amendment of the Urban Limit Line concerns the adequacy of analyses conducted to determine the costs to the City of providing services for the proposed development. Earlier in this paper, it was shown that the elements taken into account by the proponents of a particular development in preparing the Financial Impact Statements are not comprehensive. Councillors have often been confounded by conflicting figures provided by the proponents of the development, on the one hand, and its professional staff, on the other. Debate often degenerates as issues become clouded with the details of cost analysis, and a decision is then made on the basis of how many Councillors accept a particular cost figure. Clearly, there is a need for a comprehensive and consistent format for preparing Financial Impact Statements.

The recent decision no longer to require proponents to prepare these statements may remove the dilemma posed by conflicting figures.

#### 3.4.3 Service Capacity as Determinant of Approval

Does the fact that there is surplus service capacity in a particular area provide enough justification to approve an application to amend the Urban Limit Line? This is an issue which Council has had to deal with in considering most of the applications. In all cases where service capacity has been available, Council has interpreted such availability as sufficient reason to accept the application. This perspective has given rise to the expectation among developers that a proponent has the right to approval if it can be shown that sufficient service capacity is available.

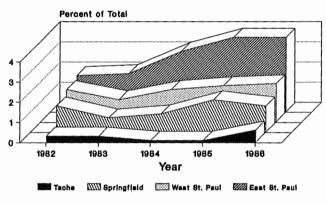
On the other hand, the Minister has maintained that the availability of service capacity alone is no reason to amend the Urban Limit Line. He has pointed to the fact that enough serviced land is available within the Line. This appears to be an important point of distinction between the perspective of City Council and the Province from the earliest times. It explains why Council has tended to grant petitions for the extension of the Urban Limit Line. It is difficult to see how the objectives of *Plan Winnipeg* can ever be achieved if Council continues to expand the already excessive serviced land in the City.

#### 3.5 USEFULNESS OF THE URBAN LIMIT LINE

Some planners at City Hall believe that the Urban Limit Line *per se* is not a device to contain the outward growth of Winnipeg or to promote inward revitalization. It merely identifies the area that can be serviced by already installed infrastructure capacity. Actual decisions on where new development is to be located are made through the City's development approval process. Since the land outside the Urban

Municipal Single Family Permits as a Percentage of City Total

Figure 8



Source: Compiled from City of Winnipeg

IUS 1990

Limit Line has been designated in *Plan Winnipeg* for non-urban purposes, any approval of residential development outside the Urban Limit Line requires the amendment of *Plan Winnipeg* which, in turn, requires the approval of the Minister. Thus, in effect, even if the Urban Limit Line was abolished, the same approval process would still apply.

To the informed public, the Urban Limit Line has come to symbolize the objective of *Plan Winnipeg* to achieve the revitalization of older neighbourhoods by limiting outward growth. In reality, however, this symbolism has been of little value in achieving these objectives of *Plan Winnipeg*. For example, it was expected that 20 percent of the new housing units constructed during the tenure of *Plan Winnipeg* would be located in the older neighbourhoods. So far, this target has not been met. Only 11 percent of the new homes built during the period 1983 to 1989 have been located in the older neighbourhoods (Figure 8).

As for the second intended purpose of *Plan Winnipeg*, i.e., to direct new suburban development to the most cost-effective areas, it is difficult to say whether the Urban Limit Line has been a useful tool or not. Discussions with planners at City Hall indicate that there is little consensus among those involved in providing different services as to which areas would be more cost-effective than others. Given the difficulties in assessing the capital and long-term operating costs of new suburban development (discussed earlier in this paper), there is, at least at the present, little information to assess the usefulness of the Urban Limit Line on this score. Some planners at City Hall believe that the Urban Limit Line, by definition, has eliminated those areas which would not be cost-effective, and hence all areas within it are more or less comparable in terms of cost effectiveness.

#### 4.0 TOWARD RESOLUTION OF ISSUES

In Section 3, five categories of issues related to the Urban Limit Line were outlined—issues of values; issues related to the fiscal costs and benefits of suburban development; the effect of the Urban Limit Line on land supply and housing prices; problems related to the administration of the Urban Limit Line; and the usefulness of the Urban Limit Line in achieving its intended purpose. How can these issues be addressed? This is the question that Workshop participants will be asked to address.

This concluding section sets out what the Institute of Urban Studies believes might be useful approaches to addressing the issues.

#### 4.1 ISSUES OF VALUES

In a democratic society, issues of values are best resolved through open discussion and consensus-building. The Institute believes that the proposed review of *Plan Winnipeg* should include a strong process for public input into the values and objectives of a new *Plan Winnipeg*. In this regard, consideration should be given to undertaking an assessment of the methods of participation used in the recent review of development plans in Toronto, Montreal, Ottawa and Vancouver with a view to designing an appropriate participation strategy for *Plan Winnipeg*.

#### 4.2 FISCAL COSTS AND BENEFITS OF SUBURBAN DEVELOPMENT

Issues in this area are primarily technical in nature. What is required, is an acceptable model for the analysis of capital and operating expenditures (both short-term and long-term) of suburban development. City administration has already started to develop such a model. The main task is to ensure that the model can also take into account the capital and operating costs incurred by the Government of Manitoba and other non-civic agencies involved in service provision.

#### 4.3 EFFECTS OF THE URBAN LIMIT LINE ON LAND SUPPLY AND HOUSING PRICES

It would appear from the two studies cited in this paper (CMHC, 1982, Kozak, 1989) that the Urban Line does not limit the supply of land for residential development nor increase the price of new homes in Winnipeg. There are several factors that influence the price of housing, but with a large supply of land within the Urban Limit Line, the cost of servicing is a more influential factor in the price of housing than is land supply.

However, during the course of *Plan Winnipeg*'s review, it would be useful to assess whether some of the land which is outside the Urban Limit Line can be serviced in a more cost-effective way than land within the Urban Limit Line. In this regard, both capital and operating expenditures should be considered.

#### 4.4 ADMINISTRATION AND ENFORCEMENT

The development of a model for the analysis of costs and benefits of suburban development, as suggested in 4.2 above, will resolve one of the two principal issues in the administration and enforcement of the Urban Limit Line. The main outstanding task, then, would be to find a way of ensuring that development policies operating outside Winnipeg's boundaries are consistent with those operating within the City's boundaries. The Institute believes that this can best be achieved by adopting a regional planning approach which provides an institutional mechanism for the participation of the City and the surrounding Rural Municipalities in formulating policies for the Winnipeg region. Recently, the Minister of Urban Affairs constituted a Winnipeg Region Committee consisting of representatives of the municipalities in the Winnipeg area. Depending upon the scope given to this Committee, it could serve as a useful forum to develop complementary planning policies for the area.

#### 4.5 USEFULNESS OF THE URBAN LIMIT LINE

It would appear that in the public mind, the Urban Limit Line has become a symbol of the goals of *Plan Winnipeg* to revitalize the older neighbourhoods while preventing uneconomical development on the periphery. It is clear, however, that the goals of revitalization have not been achieved. In fact, there is plenty of evidence that neighbourhoods in the ring surrounding the older neighbourhoods are now beginning to lose population, and pose a major challenge with respect to the utilization of surplus service capacity (schools, parks, infrastructure).

In addition to difficulties in assessing the relative costs of suburban development, there also are doubts as to whether the Urban Limit Line has served any useful purpose in directing new development to the least-cost areas on the periphery. In any event, such development appears to be influenced not so much by the Urban Limit Line, as by the policies which govern the location of new suburban development.

Thus, it would appear that the Urban Limit Line, by itself, plays little role either in directing housing toward the older neighbourhoods, or in directing new development to the most cost-effective areas of the periphery.

#### 4.6 THE ALTERNATIVES

The fundamental objectives of *Plan Winnipeg* are still valid. However, in view of the population decline in the older areas, what is required is a reassessment of how much of the new housing activity is to be directed toward the existing neighbourhoods. The Institute believes that the target to accommodate only 20 percent of the new housing in the older neighbourhoods needs to be revised substantially upwards if the older areas are to be stabilized.

What is now required is a concerted strategy to stabilize the existing neighbourhoods of the City. A substantial infusion of public investment might be required. In the past, the City has forged partnerships with the private sector to undertake new suburban developments such as those in Tuxedo, Lindenwoods and Fort Garry. The time has come to foster partnerships with the private sector to undertake the rehabilitation of the existing neighbourhoods.

Infill and intensification may simply not occur unless there are viable programs for these activities. Recently, the City of Toronto and the Government of Ontario entered into a partnership to encourage housing intensification on Toronto's main streets. In Winnipeg, the two levels of government need to develop a framework for partnership to address problems such as neighbourhood revitalization, housing intensification and retrofitting of neighbourhoods to utilize excess service capacity. In addition, the two levels of government also need to work closely with Winnipeg's School Divisions to see how the surplus physical plant in the school system can be utilized for other purposes.

Neighbourhood-based planning is central to the revitalization of the existing neighbourhoods. It is important that plans be prepared to guide the revitalization of declining neighbourhoods, and that these plans be implemented by integrating them into the City's capital and operating budgets. A new *Plan Winnipeg* should place greater emphasis upon the preparation of neighbourhood/district plans.

#### REFERENCES

- Bahl, Roy W. 1969. *Metropolitan City Expenditures: A Comparative Analysis*. Lexington: University of Kentucky Press.
- Canada Mortgage and Housing Corporation. 1982. Land and Infrastructure Mapping Program. Ottawa, p. 95.
- Institute of Urban Studies. 1988. St. James-Assiniboia School Division: An Urban Futures Study. Winnipeg: Institute of Urban Studies.
- Kozak, F.T. 1989. "Plan Winnipeg's Urban Limit Line Affect on Westwood and Southdale Single Detached Housing Prices." Winnipeg: University of Manitoba, Department of City Planning. Unpublished Master's Thesis.
- Real Estate Research Corporation. 1979. *The Costs of Sprawl: Executive Summary*. Washington: U.S. Government Printing Office.
- Schaller, H.G., ed. 1963. *Public Expenditure Decisions in the Urban Community.* Washington, DC: Resources for the Future Inc.
- Spangler, Richard. 1963. "The Effects of Population Growth Upon State and Local Government Expenditures." *National Tax Journal*, 16 (June, 1963): 193-196.

## APPENDIX B AGENDA OF THE URBAN LIMIT LINE WORKSHOP

### **INSTITUTE OF URBAN STUDIES**

### URBAN LIMIT LINE WORKSHOP

WEDNESDAY, APRIL 18, 1990

## **WORKSHOP AGENDA**

TIME	ACTIVITY		
8:30 - 9:00	Registration		
9:00 - 9:30	Welcome Address and Presentation of Discussion Paper Highlights by IUS		
9:30 - 10:00	Response to Discussion Paper		
10:00 - 10:15	Coffee		
10:15 - 12:00	Workshop Session I Issues Related to the Urban Limit Line		
12:00 - 1:30	Luncheon		
1:30 - 2:45	Workshop Group Reports and Discussion		
2:45 - 3:00	Coffee		
3:00 - 4:00	Workshop Session II Towards Solutions		
4:00 - 4:30	Final Group Presentations and Closing Remarks		

Workshop Location: Place Louis Riel

# APPENDIX C LIST OF WORKSHOP PARTICIPANTS

#### **WORKSHOP PARTICIPANTS**

James Aird

City Centre - Fort Rouge Resident Advisory Group Liese Dorber **Project Officer** 

Western Economic Diversification

Shirley Bradshaw Past President

Social Planning Council

Elva Fletcher

Assiniboine Park-Fort Garry Resident Advisory Group

**Doug Bruce MHBA** 

Solmundson Engineering Group

Ron D. Fromson

**MHBA** 

UMA Engineering Ltd.

Rick Brundrige

Selkirk & District Planning

**Board** 

James Gallagher

**MHBA** 

Cairns Development Ltd.

Renate Bublick

**Executive Director** 

Social Planning Council

Don Glavs

President, MHBA

Dr. Mario Carvalho

Dept. of City Planning

University of Manitoba

Richard Goatcher

**CMHC** 

**Bruce Clapham** 

MHBA

Qualico Developments Ltd.

Peter Gualteri

MHBA

Genstar Development Co.

Louise Dacquay

Special Advisor to the Minister

of Urban Affairs

**Dave Henderson** 

Dept. of Urban Affairs

Ed Dolhun

MHBA

Novamet Development Corp.

G. Hewitt

St. Boniface - St. Vital

Resident Advisory Group

Dave Hicks MHBA

D.S. Lea Consultants

Doug Houghton Senior Planner

Department of Rural Development

Sandy Hyman Urban Futures Group Inter-Agency

Georgina Jerema St. Boniface - St. Vital Resident Advisory Group

Donna Kagan St. James Chamber of Commerce c/o Chapman, Goddard & Kagan

Doug Kalscics
Dept. of Environmental Planning
City of Winnipeg

John Kubi Executive Assistant Planning Dept., City of Winnipeg

Mickey La Brie MHBA Genstar Development Co.

Brenda Leslie, Past President Manitoba Association of School Trustees

Heather MacKnight Dept. of Urban Affairs Bruce MacLeod MHBA

Linda McDonald Reeve, R.M. of West St. Paul

Paul McNeil MHBA City Homes - Flair Group

Gord Meiklejohn Honors Student, U of W (Prof. Selwood)

Don Melnyk, Reeve R.M. of East St. Paul (Also Pres. - A.R.M. Wpg. Region)

Angie Mulgrew Urban Idea Centre

Dave Nelson
District Planner
Dept. of Environmental Planning

Jack Oatway
Past President, Association of
Rural Municipalities - Winnipeg Region

Basil Rotoff Dept. of City Planning University of Manitoba

Allan Rushworth MHBA Solmundson Engineering Group Appendix C Participants

Dennis Schultz MHBA Henry Schultz Construction

Henry Schultz MHBA Henry Schultz Construction

John Selwood Dept. of Geography University of Winnipeg

Margaret Sheridan St. James - Assiniboia Resident Advisory Group

Mike Teillet Department of Rural Development

Claudette Toupin Senior Planner Dept. of Urban Affairs

Professor Phil Wichern Department of Political Science University of Manitoba

Tom B. Yauk Commissioner of Planning City of Winnipeg

Bronwen Yewdall St. James - Assiniboia Resident Advisory Group IUS STAFF
Dr. Tom Carter
Feisal Gazie
Nancy Ito
Eileen Badiuk
Catherine Charette
Cheryl Shindruk