# Region of Waterloo

# Planning, Housing, and Community Services

# Transportation Planning

**To:** Chair Jim Wideman and Members of the Planning and Works Committee

**Date:** March 4, 2014 **File Code:** D09-01(A)

**Subject: West Waterloo Commercial Centre**

## Recommendation:

For Information

## Summary:

The West Waterloo Commercial Centre is a proposed development at 924 and 930 Erb Street West immediately opposite 925 Erb Street West (Waterloo Waste Management Centre). The primary tenant for this site is a Costco warehouse membership club and gas bar, of approximately 160,000 square feet. This area of Waterloo has been designated for commercial and employment (industrial) development by the City of Waterloo for about twenty years.

Transportation Analysis has been completed for this development based on a scope of work developed jointly by the Region of Waterloo and the City of Waterloo. These studies identify significant vehicle delays in the short term (i.e. from site opening to five years) due to the additional traffic generated.

#### The traffic delays noted above are expected to also affect operations at the Waterloo Waste Management Centre (WMC). Contracted curbside collection vehicles, industrial, commercial and institutional customers, as well as members of the public, will likely be subject to increased delays when visiting the WMC. These delays could affect the use of the WMC, which in turn could have financial impacts as a result of decreased revenue and/or increased costs for existing and future waste collection contracts. However, Regional and City of Waterloo staff, along with the developer, are in agreement that certain access and road improvements must be implemented before the development opens to the public to mitigate some of the delays. Furthermore, implementing all of the mitigation measures that are proposed is expected to further mitigate delays, but delays will still be higher than today.

The specific (proposed) transportation infrastructure investments that have been identified to mitigate expected vehicle delays consist of:

1. Construction of a new north-south collector road (City Employment Collector) between Erb Street West and Columbia Street West.
2. Widening of Erb Street West to four lanes between Fischer-Hallman Road and the City Employment Collector (subject to a Class Environmental Assessment Study).
3. Addition of a trail connection from Paris Boulevard to the Clair Hills residential neighbourhood and other active transportation improvements in the area.
4. Modifications to the roundabout at Erb Street West and Ira Needles Boulevard.
5. Proposed construction of two modern roundabouts to facilitate development and WMC access. Regional staff have concluded that one roundabout (easterly roundabout at WMC - Gate 1, commercial access) would be required to be constructed to allow partial development of the site in 2014 (opening of the Costco), and a second roundabout (westerly roundabout at WMC Gate 2, public access) would be required to be constructed prior to the development of the remainder of the site. Phasing of additional development should be a priority consideration.

While most of these improvements would not be in place for “Opening Day” of the West Waterloo Commercial Centre, they are currently being planned for and are expected to significantly improve operations in the coming years as described in this report. In the longer term (i.e. 5 to 20 years), further build out of the Vista Hills subdivision and the employment lands owned by the City of Waterloo (north of the subject site) will further increase pressure on the area transportation network.

This report outlines the proposed development, expected impacts and both planned and proposed mitigation in more detail.

## Report:

The West Waterloo Commercial Centre is a proposed development at 924 and 930 Erb Street West immediately opposite 925 Erb Street West, the Waterloo Waste Management Centre (WMC). The current development proposal includes a large format warehouse membership club (Costco) and associated gas bar, of approximately 160,000 square feet. Additional commercial uses on the proposed site total over 65,000 square feet and include retail, restaurant, and services. The development also includes over 950 parking stalls.

This development parcel is part of a larger tract of non-residential land that extends from Erb Street West to Columbia Street West and from Wilmot Line east to the Hydro One corridor. Most of the larger tract of land is planned for employment (industrial) purposes, and is owned primarily by the City of Waterloo. Much of this employment land is occupied by the Waterloo Golf Academy, whose lease expires at the end of 2017.

The site includes a segment of a proposed City Employment Collector Road that will connect Columbia Street West to Erb Street West at the Gate 2 entrance to the Waterloo WMC. This road can not be fully connected to Columbia Street until the Golf Academy lease has expired. As such, this partial road segment along the western boundary of the site can essentially operate as a site access to Costco in the short term.

The West Waterloo Commercial Centre site is currently zoned Agriculture. This zoning is intended to allow existing farming activities to continue until the land is developed in accordance with the City’s Official Plan. The City’s 1990 Official Plan included a strip of commercial development along Erb Street West (west of the hydro transmission corridor to the Wilmot Line). This strip included a portion of the currently proposed West Waterloo Commercial Centre site. Through updates to the Official Plan, this strip was ultimately consolidated into one larger block in the 2012 City Official Plan and is now the site of the proposed development. The City’s Official Plan designation for this block specifically allows a large format retail commercial centre, with consideration for a warehouse membership club (subject to a zoning by-law amendment and a retail market impact study, which has been submitted to the City). However, the ancillary commercial uses (totalling 65,000 square feet) require both amendments to the City’s Official Plan and Zoning By-law.

The current proposal contemplates opening the Costco Warehouse and gas bar in the fall of 2014. The balance of the commercial tenants would occupy the site in the years after the warehouse membership club is in place. Please see Attachment 1 for a map of the area, highlighting several key features.

Beginning in October 2012, Regional Staff, City of Waterloo Staff, and the West Waterloo Commercial Centre proponents have been working together to identify and attempt to mitigate the transportation impacts of the proposed development. After working through several scenarios, a preferred solution was identified. However, the solution would not fully mitigate traffic impacts. In fact, further traffic delays are expected.

### Transportation and Waste Management Impacts

A Transportation Impact Study and an Intersection Control Study have been completed for this development based on a scope of work developed jointly by the Region of Waterloo and the City of Waterloo. These studies identify significant vehicle delays in the short term due to the additional traffic generated by the proposed site, as well as delays in the longer term.

#### Waterloo Waste Management Centre:

#### The traffic delays noted above would significantly affect operations at the Waterloo Waste Management Centre (WMC). Contracted curbside collection vehicles, industrial, commercial and institutional customers, as well as members of the public, would be subject to increased delays when visiting the WMC. These delays could affect the use of the WMC, which in turn could have financial impacts as a result of decreased revenue and/or increased costs for existing and future collection contracts. However, Regional and City of Waterloo staff, along with the developer, are in agreement that certain access and road improvements must be in place before the development opens to the public to mitigate some of the delays. With the mitigation measures that are proposed, over time, the delays would be expected to be reduced for all visitors to the WMC, but would still remain higher than exist today.

The Transportation Impact Study for the West Waterloo Commercial Centre considered three distinct time horizons over the course of the next ten years.

#### Opening Day (proposed for late 2014):

The first horizon evaluates the operation of the area transportation system, including the new easterly roundabout at the site and WMC - Gate 1, soon after the completion of the proposed development or “Opening Day”. A significant traffic generator such as a Costco warehouse membership club and gas bar will lead to traffic in excess of the current capacity of Erb Street West and particularly the roundabout at Erb Street West and Ira Needles Boulevard.

* On “Opening Day” average delays of over 6 minutes to travel from Erb Street West and Ira Needles Boulevard to the subject site (about 750 metres) are expected at peak traffic times such as weekday evenings. Off-peak this section of 0.7 km of road would take on average 1 minute to travel.
* It is also expected to take up to a minute on average (sometimes longer) to exit the site during these times.
* There could be even longer delays to exit the subject site if the construction of the westerly roundabout at the Employment Collector and WMC – Gate 2 is delayed beyond opening day.
* Once patrons have exited the site it is expected they will encounter congestion as they meet the existing two lane section of Erb Street West (through the Hydro One corridor) towards Ira Needles Boulevard.
* While the type of development on this site was considered in the design of the existing roundabout at Erb Street West and Ira Needles Boulevard, the amount of retail as now proposed would increase traffic volumes significantly beyond original traffic forecasts.

#### Five-Years (2019):

The second horizon looks at a point, approximately five years from today when a new City Employment Collector Road connecting Erb Street West to Columbia Street West is completed. For this horizon, it is also expected that operational improvements currently being planned will have been made to the intersection of Erb Street West and Ira Needles Boulevard and that Erb Street West will have been widened to two lanes of travel in each direction between Fischer-Hallman Road and the subject site (including the construction of the two roundabouts to facilitate site and WMC access). Compared to the 6 minutes of travel on opening day, average delays should drop to about 2 minutes to travel the 750 metres from Ira Needles Boulevard to the site.

Despite this improvement, traffic delays should still be expected during peaks. Additionally, the existing traffic signal on Erb Street West at the access to the Westside Marketplace (Shoppers Drug Mart, Canadian Tire, etc.) may continue to cause congestion and queuing problems despite the other improvements. More detailed analysis is planned, but this traffic control signal may need to be removed. This would change access to the Westside Marketplace and require patrons to rely more on the Erbsville Road access.

#### Ten Years (2024):

The third horizon is approximately ten years from today when the Vista Hills subdivision is expected to be built-out, and the City of Waterloo employment lands are about one third developed. At this point, the improvements put in place by the second horizon would be reaching their capacity to carry the increase in vehicle traffic.

Due to the location of the property at the edge of the City of Waterloo there is no feasible opportunity to expand the area transportation network to further increase vehicle capacity to serve the site and surrounding employment lands.

Any further widening to Erb Street West would cause significant property impact to the existing commercial development, extensive hydro utility relocations and potential natural environmental impacts on the south side of the road. Further, the intersection of Erb Street West and Ira Needles Boulevard is constrained by existing buildings close to the right-of-way and additional changes to this constrained intersection provide little benefit relative to the cost.

### Impact Examples

Currently, the section of Ira Needles Boulevard between Highland Road West and Victoria Street South experiences congestion in the peak periods. The section of Ira Needles between Highview Drive and 350 metres north of University Avenue is planned for widening in 2014. This type of congestion may be indicative of the experience on Erb Street West before all of the planned improvements can be constructed (before 2019).

The intersection of Erb Street West and Ira Needles Boulevard currently experiences peak period congestion and delays. With the addition of traffic from the West Waterloo Commercial Centre it is expected that these delays would increase between 2014 and 2019. Planned modifications to this intersection by 2016, would improve traffic flow, as would the addition of the City Employment Collector Road in 2019. However, in the long term, this intersection will continue to experience delays (before 2031).

Wilmot Line may see a short term minor increase in traffic until all of the mitigation measures are in place, especially the City Employment Collector Road is constructed.

### Potential Mitigation Plan

There are several transportation improvements proposed to help mitigate the congestion associated with the large increase in vehicle traffic. These proposed improvements include:

1. Proposed construction of two modern roundabouts to facilitate site access. One roundabout (easterly roundabout at WMC - Gate 1) would be required to be constructed to allow partial development of the site in 2014 (opening of the Costco), and the second roundabout (westerly roundabout at WMC - Gate 2) would be required to be constructed prior to the development of the remainder of the site.
2. Add northbound and southbound right turn bypass lanes to the roundabout at the intersection of Erb Street West and Ira Needles Boulevard / Erbsville Road. (planned for 2015/2016).
3. Construction of a new City collector road between Erb Street West and Columbia Street West (planned for beyond 2018/2019).
4. Widen Erb Street West to four lanes (two lanes in each direction) between the west edge of the West Waterloo Commercial Centre site and Fischer-Hallman Road (subject to a Class Environmental Assessment Study, commencing in 2014, with construction planned for 2018). Included in the scope of the EA would be an assessment of improvement options for the Erb’s Road and Wilmot Line intersection (including consideration of closure, site line improvements, and re-alignments).
5. Connecting the subject site to the adjacent residential area with a trail extending from Paris Boulevard, bike lanes on Erb Street West, a sidewalk on the north side of Erb Street West, and a trail along the new City Employment Collector Road connecting to Vista Hills (timing connected to site development, as discussed under points 2 and 3 above).
6. Possibly remove the traffic control signal on Erb Street West at the access to the Westside Marketplace (to be evaluated).
7. Phase the full build out of the ancillary commercial component of the West Waterloo Commercial Centre until some or all of the improvements above are complete, in particular the proposed City Employment Collector Road.

While most of these improvements would not be in place for “Opening Day” of the West Waterloo Commercial Centre, they are currently being planned for and are expected to significantly assist in the coming years. In the long term, the full build out of the Vista Hills subdivision and the City of Waterloo employment lands is expected to again increase traffic pressure on the area network.

### Next Steps

Regional staff is working with the West Waterloo Commercial Centre proponent to develop a detailed design for access to the subject site. This design will consider both the longer term requirements as well as what might be a best case scenario for opening day. Key issues that need to be resolved are hydro utility relocations, and minimizing any throw away costs. Regional and City staff along with the developer agree that some or all access improvements will need to be in place prior to opening day of the development.

Public consultation for the planned roundabouts will need to occur along with Regional Council approval. Construction tenders for the roundabouts would also be subject to Regional Council approval.

City of Waterloo staff is proposing to table a report regarding the proposed Official Plan and Zoning By-law Amendments to their Council in early April. Regional staff will continue to work with City staff, including discussion of phasing the development. It should be noted, however, that should Waterloo City Council endorse the proposed development applications, the official plan amendment would be forwarded to the Region of Waterloo as the approval authority. At this point, a final decision on the merits of the application, particularly traffic issues of Regional interest, would need to be finalized by either the Regional Planning Commissioner or Regional Council (if Regional staff do not concur with the City Council’s recommendations).

If the Official Plan and Zoning By-law approvals are secured, a site plan agreement would need to be approved by the City in consultation with the Region. Before Regional clearance is granted for the site plan, a Regional cost sharing agreement will need to be approved, the letter of credit received and the necessary lands would need to be dedicated to the Region for the roundabout construction. The City of Waterloo would also need to designate the Employment Collector as Public Highway prior to finalizing the cost sharing agreement.

In 2014, Regional staff will initiate a Class Environmental Assessment (EA) project to evaluate the widening of Erb Street West. This EA would work toward a 2018 construction date and all recommendations from the EA will be subject to Regional Council approval. While the EA and the site access designs would be closely integrated, the intersection modifications required at the site accesses (roundabout or traffic control signals) would not be subject to the EA process.

## Corporate Strategic Plan:

By working toward the successful development of the West Waterloo Commercial Centre, the Region’s second strategic focus area, Growth Management and Prosperity, may be supported.

## Financial Implications

The easterly roundabout at the site access and WMC - Gate 1 would be funded by the developer. The second westerly roundabout at the City Employment Collector Road and WMC - Gate 2 could be eligible for funding under Regional Development Charges when the Collector Road is deemed a public highway. The cost of the roundabouts is being developed as part of the discussion regarding site plan and engineering work for the development. Some of the Regional portion of the costs for the noted improvements would be covered through the Erb Street Widening Capital Project which was identified as part of the 2014 Transportation Capital Program (TCP). The TCP includes five projects in this area to be completed as part of this work and has a total budget of $10.8 million. If further costs are identified, they would be added to the TCP at mid-year review or in the 2015 TCP.

Traffic delays could affect the use of the WMC, which in turn could have financial impacts as a result of decreased revenue and/or increased costs for existing and future waste collection contracts. The amount of financial impact is unknown at this time, but may be significant.

## Area Municipal Consultation/Coordination

Regional and City of Waterloo Staff have been working closely on all aspects of the proposed West Waterloo Commercial Centre development.

## Other Department Consultations/Concurrence:

Transportation and Environmental Services has been involved in the review and development of solutions for this project from the first preliminary meetings.

## Attachments:

Attachment 1 - Area Map

**Prepared By:** **Paula Sawicki**, Manager, Strategic Transportation Planning

 **Garrett Donaher**, Transportation Planning Engineer

**Approved By:** **Rob Horne**, Commissioner, Planning, Housing and Community Services

### Attachment 1 - Area Map

