A Comparative Analysis of

Major Suburban Shopping Nodes in Winnipeg

Research Report # 40

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Executive Summary

This report examines structural and business sector attributes of eight major suburban shopping nodes in Winnipeg. It is based on data assembled during August and September 2001.

Collectively, the eight nodes contain just over 11.3 million square feet of floor space. This represents about 40 percent of all retail floor space in Winnipeg. Two nodes, Polo Park and Regent Avenue, dominate the suburban shopping environment. Together, they include over 630 retail and service outlets taking up nearly 5.3 million square feet of floor space.

Planned shopping centre development is the predominant form of retail development in seven of the eight nodes. Of the various types of planned development, power centres are becoming particularly conspicuous. Some 21 power centres were identified ranging in size from 60,000 to 683,000 square feet of floor space. Together, these 21 power centres account for 45 percent of all planned retail space in the eight nodes.

The Polo Park, Regent, Garden City and St. Vital / St. Anne's nodes are the most diverse in terms of business type composition. Smaller nodes such as Pembina, Kenaston / McGillivray and Southdale offer a narrower range of products and services. Furniture stores display the greatest degree of spatial concentration with 86 percent of the floor space devoted to this business group found in the Polo Park node.

A total of 153 establishments were classified as big box stores. Big box stores are found in each node but are more prevalent in certain locales. In absolute terms, about one-half are located in either the Polo Park or Regent nodes. In relative terms, big box outlets make up over 70 percent of the floor space in the Kenaston / McGillivray and Regent nodes.

Across all eight nodes, vacant storefronts numbered 153. These units account for approximately ten percent of all establishments but only six percent of total floor space. Vacant units are typically in the 1,000 to 5,000 square foot range. No units in excess of 100,000 square feet were found vacant. Vacancy rates vary significantly among types of planned shopping centre developments. In power centres, less than one percent of floor space is unoccupied. In sharp contrast, the floor space vacancy rate in un-anchored strip malls approaches 23 percent. Vacant properties are most conspicuous in the Garden City and Portage West nodes. In Garden City, nearly one in five commercial units sits empty. In Portage West, just over ten percent of total floor space is vacant.

The surge of big box store and power centre development in Winnipeg during the past five years has not significantly altered the spatial pattern of shopping opportunities in the city. Most new development has gravitated to existing nodes, a pattern consistent to the direction endorsed by long range civic planning.

Introduction

In the early 1990s, the Canadian retail landscape entered a period of significant metamorphosis. Investment in large enclosed regional shopping centres came to a virtual stop. In its place came a wave of category killer and big box store openings fueled in several instances by the diffusion of American retail firms into the Canadian market. In 1994, both Wal-Mart and Home Depot used the acquisition route to establish Canadian beachheads: Wal-Mart by buying the 122-outlet Woolco chain and Home Depot by purchasing the Aikenhead hardware store chains from Molson's (Simmons and Graff 1998, Libin 2001). Since their arrival, both chains have embarked on ambitious building sprees. By 2001, Home Depot had opened 70 new stores across Canada. Wal-Mart, in the process of expanding to almost 200 outlets, entered new locales and reconfigured investment in existing locales by abandoning some of its acquired Woolco locations in favour of new stores in new developments (Libin 2002). Other American-based chains have also contributed to the big-box movement (e.g., Michaels, a Texas-based craft supply store and Linen n' Things, a New Jersey based kitchen, bed and bath chain) but so too have some Canadian-based retailers. Canadian Tire has invested heavily in new, larger format stores through both greenfield development and expansion of existing locations. Hudson Bay Company has aggressively responded to Wal-Mart's arrival by expanding and renovating many of its Zellers locations and by creating a new venture, Home Outfitters, to compete in the kitchen, bed and bath big box market. Shoppers Drug Mart has announced plans to begin building 15,000 square foot stores, double the average size of its existing locations (Marketing Magazine, 2002). Collectively, by the end of the 1990s, big box stores accounted for nearly three-quarters of all new retail space being developed in Canada (Thorne 1999).

A second feature of the 1990s retail revolution is the added conspicuousness achieved by big box stores when they congregate in so-called power centres (Faludi 1992). Typical power centres occupy large tracts of land assembled and developed under a unified ownership structure and are located on highly traveled arterial roadways. Unlike enclosed shopping centres, though, power centres lack internal, climate controlled corridors that connect stores with each other. Instead, they are built in an open-air format with individual or groups of structures usually placed about the perimeter of the site with parking located in the middle. Distances between stores can be large though perhaps no greater, than in some of the largest super-regional enclosed shopping centres. However, in an open-air format, multi-store shopping trips are more likely to entail the use of an automobile to travel from one part of the centre to another, often because no pedestrian dedicated pathways are provided.

As might be expected, power centre development is most prominent in the country's largest retail markets. In the Greater Toronto Area, for example, 31 power centres have been developed since the late 1980s (CSCA 2002). By the end of the 1990s, power centres could be found in most of Canada's major metropolitan centres. One company in particular, First Professional Realty, constructed over 60 such centres in 29 different cities in seven different provinces in the period 1994 – 2000, many of them with new Wal-Mart locations as the anchor tenant (First Professional 2002, Silcoff, 2000). Just as the pace of power centre development increased during the 1990s, so to has the relative scale of the projects. Edmonton, home to the country's largest enclosed shopping centre, will soon also have the largest power centre, South Edmonton Common. It already has nearly 700,000 square feet of occupied space and if built out to planned capacity, will eventually house some 2.3 million square feet of commercial and retail space (Thorne 2001).

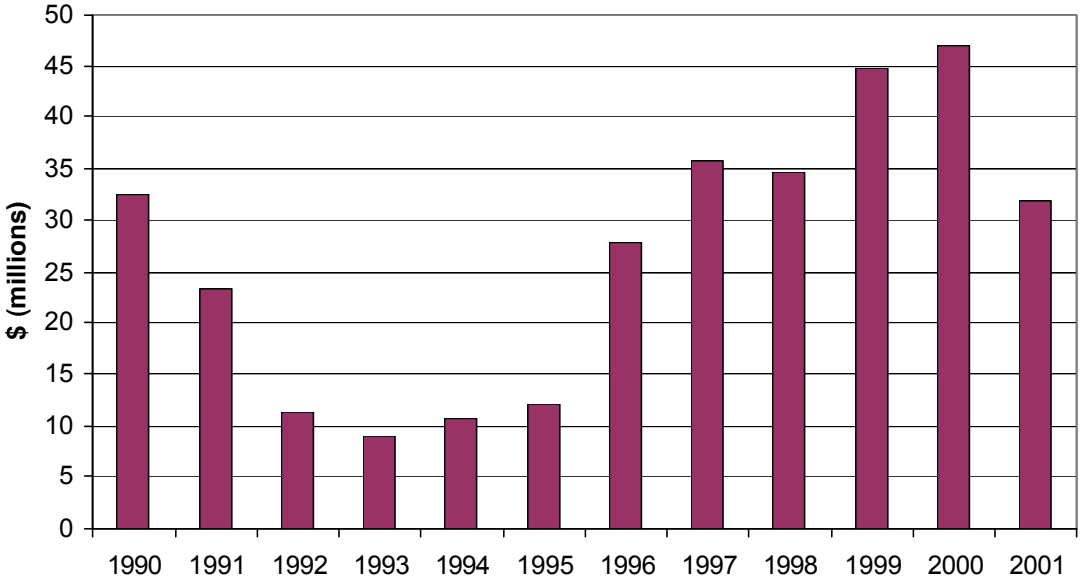
Big Box Store and Power Centre Development in Winnipeg

The history of retail development in Winnipeg for the most part parallels trends seen at the national level. Aside from a major expansion of St. Vital Centre in 1998, construction of indoor shopping space has been non-existent since the mid to late 1980s when Portage Place in the downtown and Northgate Shopping Centre in the northwest quadrant of the city were opened. At about the same time, big box stores made their first appearances in Winnipeg with the arrival of retailers such as Toys 'R Us, Leon's, Costco and the Real Canadian Superstore.

By the late 1980s, the campus style of development characteristic of the stereotypical power centre was beginning to take shape at centres such as Crossroads Shopping Centre and Kildonan Crossing on the eastern fringe of the city, Madison Square in the Polo Park area, as well as Pembina Village Shopping Centre in the city's south end. However, it would be more than a decade before any of these centres would house significant clusters of big box stores. The first major agglomeration of large format retailers to be formed happened in 1992 when Pembina Crossing was converted from a traditional indoor mall format to a strip of big box tenants (Downs, 2001). A lull in activity then followed until the late 1990s when perhaps one of the most intense eras of retail construction activity to hit Winnipeg began to unfold. City of Winnipeg building permit data show retail construction activity jumped sharply in 1996 and then continued to climb before peaking in 2000 (Figure 1). From 1996 through to the end of 2001, the total value of permits issued for the construction of new retail space totaled almost $21.7

billion, an amount nearly 2.5 times the value of permits issued in the previous six-year period.

Figure 1 Value of Building Permits for Construction of New Retail Space, Winnipeg, 1990 – 2001.



Source: Planning, Property and Development Department, City of Winnipeg <http://www.city.winnipeg.mb.ca/ppd/statistics_5.stm>

This boom in construction activity was marked by several landmark power centre projects representing an intriguing array of site development experiences. These involved development of raw land (Kenaston and McGillivray, St. Vital Festival Centre), expansion of an existing campus style centre (Crossroads Station), conversion of a strip centre to campus style format (Garden City Square), redevelopment of recreational and industrial land to retail use (Polo Festival Centre, Ellice Avenue at Empress), infill development on an abandoned railway right of way (St. James Station) and demolition of an enclosed regional shopping centre (Unicity). The boom was also marked by the construction of several high profile big box stores that alone accounted for over 1.3 million square feet of new retail space (Table 1).

Table 1 Examples of Prominent Big Box Store Openings in Winnipeg, 1998 – 2001

Company	Number of New Stores Built[1]	Number of Square Feet Added[2]
Wal-Mart	4	503,320
Home Depot	3	321,000
Canadian Tire	3	284,716
Chapters	3	76,725
Home Outfitters	2	80,000
Michaels	2	49,022

1. Excludes expansions of existing stores and relocations into pre-existing buildings.
2. Represents new buildings added to Winnipeg's inventory of retail space.

Research Objectives

Big box store and power centre development has not been without its critics. From a planning perspective, much attention has been focused on how much such development contributes to urban sprawl while undermining the viability of existing shopping districts (e.g., Pressman and Peters 1996; Gillespie 1995). In Canada, academic-based empirical research on the impact of power centre and big box development on commercial activity has been somewhat more limited. Some comparative analysis of the relative performance of large format and conventional-sized stores has been undertaken recently by Statistics Canada (Genest-Laplante, 2000) and aggregate retail change at the national, regional and metropolitan levels has been monitored and examined by Simmons and Kamikihara (2000). For the most part, though, published research has taken the form of case studies restricted to the Greater Toronto Area and other communities in southern Ontario (e.g. Boisvert, 1999, Jones and Doucet 2000, Muncaster 1998, Yeates, 2000).

This report represents an effort to broaden the geographical scope of Canadian case studies of big box and power centre development through an examination of the Winnipeg market. It is the culmination of the first stage of a larger project designed to monitor change in Winnipeg's retail environment initiated by the wave of power centre and big box development that occurred between 1997 and 2001. The principle objective of this initial phase is to document the existing structure of eight major suburban shopping nodes within the city. Two dimensions of the shopping nodes received attention: morphological character and sectoral composition. Morphological character refers to the physical make-up of a shopping node and relates to such aspects as the relative presence of planned and unplanned retail development, and in the case of planned

development, the spatial configuration of commercial retail units (CRUs). Morphological character also encompasses the footprint sizes of individual retail units. Of particular interest in this study is whether the size distribution of CRUs varies significantly between the various shopping nodes and the types of spatial configurations of planned centres.

Sectoral composition refers to the mix of retail businesses found within each of the nodes. It can be documented at varying degrees of scale starting with the distinction between the retailing of goods versus the provision of services. Within each of these categories, finer distinctions between various types of activity can be made such as food and drugs, apparel, home furnishings, leisure products, etc. An additional aspect of sectoral composition is the presence of vacant space. In general, vacant space is viewed as an important indicator of locational value. At this stage of the project, it is of interest in terms of the degree to which the amount of vacant space in any given planned centre, unplanned strip or regional shopping node correlates with a shopping district's morphological and sectoral composition.

The following section of the report provides a brief description of the study areas selected for the project, the database assembled and the assumptions and definitions used when classifying observations for analysis. Subsequent sections present the results of the analysis and generally follow the above outlined themes of morphological structure and sectoral composition. The report concludes with a discussion of the implications of the findings of this initial phase of the project for subsequent research and investigation.

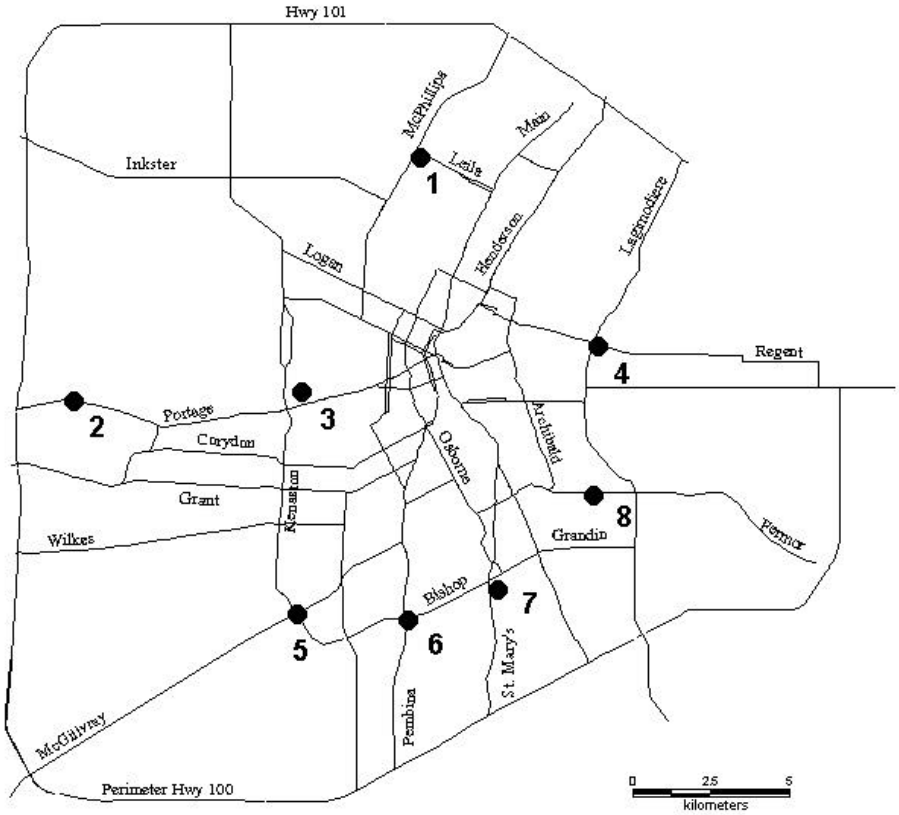
Research Methods

Selection of Study Areas

Eight commercial nodes were selected for inclusion in the study. These include the retail clusters found at the intersections of Kenaston and McGillivray, Regent and Lagimodiere and Pembina Highway and Bishop Grandin Boulevard, the shopping districts surrounding Polo Park, St. Vital, Unicity and Garden City Shopping Centres, and the Southdale retail cluster located on Fermor Avenue. These nodes, the general locations of which are shown in Figure 2, are the most prominent shopping districts in Winnipeg. Collectively, they contain just over 11.3 million square feet of retail floorspace conservatively estimated to be about 40 percent of all retail floor space in the city.[1] Each node has garnered a share of the recent boom in retail construction, either in

[1] In 1998, Winnipeg was estimated to have 24.4 million square feet of retail space (Coriolis 2000) Conservatively, an additional 2 million square was added by the Fall of 2001 when square footage data was assembled by the author. The eight nodes account for 43 percent of this revised total.

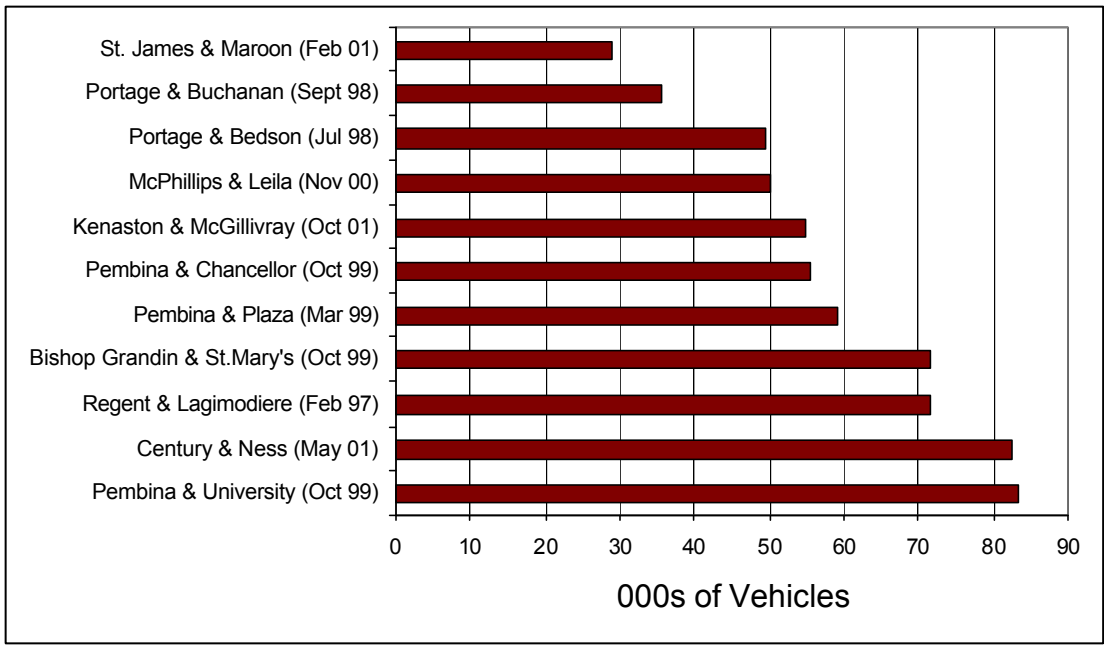
Figure 2 Location of Major Suburban Shopping Nodes



1	Garden City	5	Kenaston
2	Portage West	6	Pembina
3	Polo Park	7	St. Vital / St. Anne's Rd.
4	Regent	8	Southdale

terms of receiving new power centre or big box store development, or augmentation of pre-existing development that has created power centre-like retail configurations. All nodes are also located on heavily traveled portions of the city's street network with four having daily vehicle volumes in excess of 70,000 (see Figure 3).

Figure 3 Estimated 24-Hour Traffic Volume Counts at Selected Intersections



Source: Public Works Department, City of Winnipeg

Data Collection

Initial field visits to each node were used to demarcate boundaries for the nodes. The extent of some nodes was easily discernable given the presence of distinct breaks in the retail landscape. Where such breaks were not present, nodes boundaries were set in a more arbitrary fashion around a major focal point. The Portage West study area, for example, focuses on the new Unicity power centre but extends east to School Road where a Real Canadian Superstore is located. The power centre and Superstore were thought to represent two anchor attractions along this stretch of Portage Avenue that abuts the neighbourhoods of Kirkfield, Westwood, Crestview and Sturgeon Creek. Precise definitions of all eight shopping nodes are found in Appendix A.

Over a two-month period commencing in late August 2001, an inventory of commercial activity was undertaken within each node. At a macro level, this process produced a database of planned shopping developments including notations on basic morphological structure (e.g., open air or enclosed; strip or campus style layout), total number of CRUs and types of anchor tenants. At the micro level, the inventory focused on commercial establishments located in both planned and unplanned environments and recorded the name, address, postal code and type of business. Sketch maps were also constructed to record the relative locations of businesses within planned centres or along unplanned strips. Except in the case of multi-level enclosed shopping centres, it was also decided to inventory only the ground floor of buildings because of difficulty accessing some upper floors. Manufacturing and wholesaling establishments were included in the inventory but eventually excluded from analysis unless a retail operation was a conspicuous component of the business. Hotels and motels were also eventually excluded because of difficulty in obtaining square footage data for some of them.

Following completion of the initial field visits, effort was made to contact the owners or property managers of all planned centres to request information on the floor space occupied by individual tenants. In cases where owners or managers could not be identified or in the few cases where owners or managers declined to provide data, a second set of field visits was made to estimate the exterior dimensions of CRUs using a measuring wheel. Freestanding units were also measured at this time, as were a sample of CRUs for which floor space information was already known. These latter measurements were used to assess the accuracy of the measuring wheel approach. Maximum divergence between known and estimated floor space figures never exceeded 10 percent with the vast majority of estimates found to be within five percent of the known area.

Final Data Preparation

Once the basic inventory had been assembled, several additional variables were added to the data set by reclassifying the raw information. Information on business types was initially coded using the four digit Standard Industrial Classification System (SIC) used by Statistics Canada. For ease of analysis, this finely detailed information was recoded into variables that distinguished retailing of goods from service industries and then assigned retail activity to one of ten sectors and service activity to one seven sectors. An additional category was added to designate vacant space. A detailed listing of sector categories used is found in Appendix B.

Each tenant was also classified as either conventional size or a big box outlet. Unfortunately, no universal, concrete definition of what constitutes a big box outlet exists. Jones and Doucet (2000) and Genest-Lapante (1999) both suggest big box status be given to those stores several times the size of a traditional outlet in a given retail sector. For the purposes of this study, to determine how a store should be classified, the mean, median and the distribution of store sizes for four digit SIC sectors were examined. Store size values were ranked and plotted to identify obvious breaks in the distribution. Where distributions were without obvious breaks, stores occupying two and one half to three times the amount of space of the median space in their four digit grouping were classified as big box stores. The cutoff values identified through this analysis are provided in Appendix C.

Finally, each planned centre was classified according to the spatial configuration of its building and type of tenants. The classification scheme (see Appendix D) was designed to draw a distinction between power centres anchored by a large scale tenants occupying at least 75,000 square foot building (e.g., Wal-Mart, Home Depot, Canadian Tire) and smaller centres containing at least two large format stores but no large scale anchor tenant. As well, it distinguishes between open-air strip plazas anchored by a large format retailer and those that are not.

The end result of these efforts was two databases. The first contains the information collected about 1,572 individual CRUs including vacant spaces while holds information about the 78 planned shopping centres found in the eight study areas.[2]

Findings

Analysis of the assembled data is organized around four themes. These are morphological or physical attributes, business sector mix, big box stores and vacancy rates. In each instance, discussion serves to highlight similarities and differences among the eight shopping nodes included in the study. Readers are cautioned that the content of the summary tables and figures used to compare and contrast the nodes is highly dependent on definitions of such items as study area boundaries, business sector groups and the criteria for identifying big box stores. Readers are again referred to the various appendices of the report for definitions used in this study.

[2] In two cases, adjacent but independently owned centres were combined and treated as one centre because vehicular traffic moves between the centres without having to travel on neighbouring public streets. The two cases were the Safeway / Value Village complex on McPhillips Street and the Toy's R Us – Staples – Value Village complex on Regent located next to the Crossroads Power Centre.

Morphological Attributes

Though each of the shopping nodes is a prominent entity on Winnipeg's retail landscape, they differ markedly in terms of overall size and morphological composition. As Table 2 indicates, the Polo Park and Regent nodes stand ahead of the other nodes in terms of sheer size. With a combined total of 630 retail and service establishments and almost 5.3 million square feet of floor space, these two nodes account for about 40 percent of the commercial retail units (CRUs) and almost 50 percent of the floor space found in all eight nodes. Following close behind in terms of number of businesses present are the St. Vital / St. Anne's and Garden City nodes. When CRUs and floor space of these areas are added to the cumulative totals of Polo Park and Regent, the four nodes comprise 75 percent of both total businesses and total space.

Table 2 Size Characteristics of Suburban Shopping Nodes

Shopping Node	Number of CRUs	Floor space (ft^2)	Median CRU Size (ft^2)	Mean CRU Size (ft^2)	% of CRUs	% of Floor Space
Polo Park	344	3,099,089	2,475	9,009	21.9	27.7
Regent	286	2,267,489	2,259	7,928	18.2	20.2
St. Vital / St. Anne's	283	1,343,595	1,559	4,748	18.0	12.0
Garden City	271	1,774,730	1,964	6,549	17.2	15.8
Portage West	147	1,079,842	2,000	7,346	9.4	9.6
Pembina	101	591,883	2,500	5,860	6.4	5.3
Kenaston/McGillivray	74	630,168	2,475	8,516	4.7	5.6
Southdale	66	417,028	2,274	6,319	4.2	3.7
Total	1,572	11,203,824	2,114	7,127	100.0	100.0

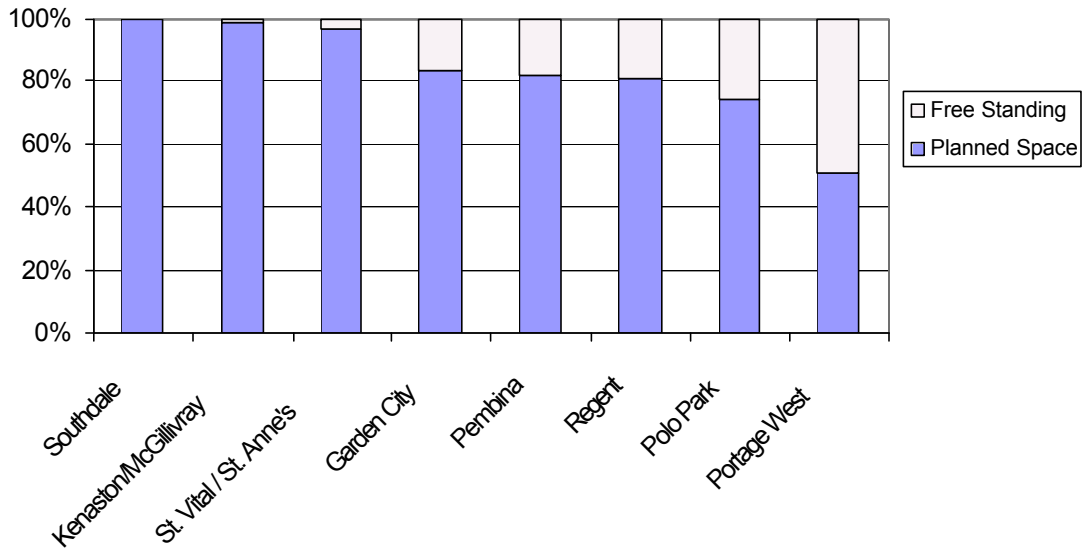
Table 2 also provides a preliminary indication of the presence of large scale stores in the study areas. While the overall median size of CRUs is just over 2,000 ft^2, the average size exceeds 7,000 ft^2. The gap between median and mean values indicating the presence of extreme floor space values is particularly prominent in the Polo Park, Regent and Kenaston/McGillivray nodes. The case of the latter is especially significant in noting the trend towards larger retail units. Almost all of the stores at Kenaston/McGillivray are less than three years old. Unlike the Polo Park and Regent nodes, it lacks an enclosed shopping centre with the traditional large department store anchors. Still, its median

floor space size equals that of Polo Park while its average CRU is second only in size to Polo Park.

A second morphological dimension of the study areas is the extent to which they are comprised of planned as opposed to unplanned development. Planned development includes enclosed shopping centres, strip malls and power centres. Ownership normally resides with a single corporate body able to exert control or influence over such things as tenant composition, size of CRUs and rents, as well as to coordinate the marketing efforts of tenants (Jones and Simmons 1993). Unplanned development refers to collections of stores normally found along major transportation arteries. Ownership of buildings along such arteries is usually fragmented, thus inhibiting any form of coordinated management. Some businesses may provide off-street parking but often, it is restricted to curb side stalls in front of stores.

Overall, planned centres are far more prominent than unplanned development, accounting for four of every five square feet of CRU floor space. Planned space is most prevalent in the Southdale, Kenaston and St. Vital / St. Anne's nodes where it ranges from 95 to 100 percent of all CRU space (Figure 4). All three nodes front on high speed arterial roadways that preclude most free standing, unplanned types of development. In stark contrast is the Portage West node where development is split evenly between the planned and unplanned form. In part, this is a reflection of the older age of the Portage Avenue arterial. It is tightly flanked by residential development thereby limiting the number of properties of a depth sufficient enough to house large-scale shopping centre development. The prominence of the unplanned landscape is also a reflection of Portage West's historic role as a highway-oriented arterial ribbon. Located at the western edge of the city, it is the primary entrance point to the city for eastbound inter-urban traffic. Like most highway oriented ribbon developments, it is populated by several motor hotels and automobile dealerships as well as numerous automobile service and repair outlets, car washes and fast food restaurants.

Figure 4 Relative Amounts of Retail Space in Planned and Unplanned Environments



Of the 8.9 million square feet of space found in planned centres, the largest share is in the form of power centres (Table 3). Power centres are defined as clusters of stores containing two or more big box outlets. A total of 21 developments can be so classified, ten of which are designated as anchored power centres meaning they incorporate a major discount department store, building supply store or automotive outlet. Together, anchored and non-anchored power centres account for some 45 percent of planned shopping centre space with the share captured by the former being double that of the latter. The prominence of anchored power centre development is also signified by how comparable the total floor space found in such centres is to that found in enclosed shopping centres.

Tables 4 and 5 provide additional insight into the relative distribution of different types of planned shopping centre development among and within the eight study areas. Table 4 shows the percentage distribution of the different types of centres across the eight nodes. It reiterates trends already noted in Table 2 in terms of the prominence of big box development in the Regent, Polo Park and Kenaston nodes. These nodes capture over 60 percent of the total floor space found in anchored as well as non-anchored power centres. Table 5, which displays the percentage distribution of different types of centres within each node, demonstrates the overall dominance of power centre floor space in nodes such as Kenaston, Pembina and Southdale. It also highlights the prominence of enclosed space in the St. Vital / St. Anne's node and the relatively more diversified structure of the Polo Park, Regent and Garden City nodes.

Table 3 Frequency and Size Characteristics of Planned Shopping Centres

Type of Centre	#	Total Ft^2 (000s)	Min Size	Max Size	Average Size	% of Total Square Feet	% of Total Number of Centres
Power	21	4,047.7	58.3	683.2	192.7	45.0	26.9
Anchored	10	2,706.2	116.5	683.2	270.6	30.1	12.8
Non-anchored	11	1,341.5	58.3	196.3	122.0	14.9	14.1
Strip Malls	52	2,040.6	4.0	157.0	39.2	22.7	66.7
Anchored	13	992.9	16.8	157.0	76.4	11.0	16.7
Non-Anchored	39	1,047.7	4.0	89.8	26.9	11.7	50.0
Enclosed Malls	5	2,902.5	228.4	1,022.0	228.4	32.3	6.4
Super Regional	2	1,850.3	828.3	1,022.0	925.2	20.6	2.6
Regional	2	823.8	367.2	456.6	411.9	9.2	2.6
Community	1	228.4	228.4	228.4	228.4	2.5	1.3
Overall	**78**	**8,990.8**	**4.0**	**1,022.0**	**115.3**	**100.0**	**100.0**

Finally, Tables 4 and 5 highlight the conspicuousness of strip mall development in nearly all of the study areas. Some 52 strip malls totaling nearly 2 million square feet of floor space are found across the eight nodes. About three-quarters of these strip malls lack a major anchor tenant such as a supermarket or big box store. Those with anchors occur less frequently but still account for one-half of strip mall floor space. The sheer number of strip mall developments in nodes such as St. Vital, Regent, and Garden City is indicative of the way in which developers have chosen to cluster planned retail space.

Business Sector Mix

Analysis of business sector mix is based on those establishments found occupied by either a retailer of goods or a provider of a service. Service providers from the public sector were included if the service was a storefront operation. Of the 1,572 CRUs in the database, 1,419 were occupied, resulting in an occupancy rate of just over 90 percent. Figure 5 shows that overall, about 60 percent of establishments house retailers of goods, but the percentage share occupied by retailers ranges considerably across the eight nodes. Not surprisingly, the nodes displaying the greatest relative shares of retail establishments are Polo Park and St. Vital / St. Anne's. Both have super-regional scale enclosed shopping centres that together contain over 340 shops. Because of their scale, such centres typically offer opportunity to comparison shop for higher order shopping goods, something for which consumers are generally willing to travel greater distances.

Table 4 Distribution of Shopping Centre Types Amongst the Eight Shopping Nodes

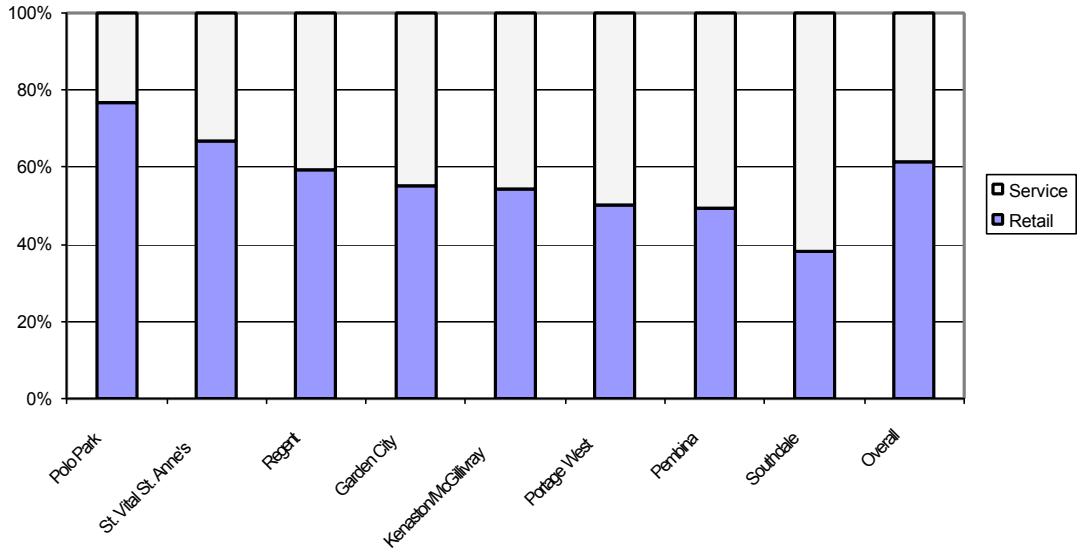
Shopping Node	Anchored Power Centres			Other Power Centres			Anchored Strip Malls			Non-Anchored Strip Malls			Enclosed Shopping Centres		
	N	ft^2 (000)	%	N	ft^2 (000)	%	N	ft^2 (000)	%	N	ft^2 (000)	%	N	ft^2 (000)	%
Kenaston/McGillivray	2	499.8	18.5	0	0.0	0.0	1	71.5	7.2	1	49.1	4.7	0	0.0	0.0
Polo Park	3	483.1	17.9	5	536.4	40.0	2	155.4	15.7	5	115.6	11.0	1	1,022.0	35.2
Regent	1	683.2	25.2	2	299.2	22.3	3	177.8	17.9	7	228.5	21.8	1	456.6	15.7
Garden City	1	281.0	10.4	2	157.9	11.8	2	234.5	23.6	7	193.6	18.5	2	595.6	20.5
Portage West	1	213.9	7.9	0	0.0	0.0	3	265.9	26.8	7	68.7	6.6	0	0.0	0.0
Pembina	0	0.0	0.0	2	347.9	25.9	1	51.4	5.2	4	88.3	8.4	0	0.0	0.0
St. Vital / St. Anne's	1	184.2	6.8	0	0.0	0.0	1	36.3	3.7	7	248.0	23.7	1	828.3	28.5
Southdale	1	361.1	13.3	0	0.0	0.0	0	0.0	0.0	1	56.0	5.3	0	0.0	0.0
Total	**10**	**2,706.2**	100	**11**	**1,341.5**	100	**13**	**992.9**	**100**	**39**	**1,047.7**	**100**	**5**	**2,902.5**	**100**

Table 5 Percentage Distribution of Floor Space in Each Shopping Node by Type of Planned Shopping Development

Type of Planned Shopping Centre	Kenaston / McGillivray	Polo Park	Regent	Garden City	Portage West	Pembina	St. Vital / St. Anne's	Southdale
Anchored Power Centre	80.6	20.9	37.0	19.2	39.0	0.0	14.2	86.6
Other Power Centre	0.0	23.2	16.2	10.8	0.0	71.4	0.0	0.0
Anchored Strip	11.5	6.7	9.6	16.0	48.5	10.5	2.8	0.0
Non-Anchored Strip	7.9	5.0	12.4	13.2	12.5	18.1	19.1	13.4
Enclosed Centre	0.0	44.2	24.7	40.7	0.0	0.0	63.9	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

By contrast, those nodes with the greatest relative concentrations of service activity tend to be smaller ones serving less spatially extensive markets. The best example is Southdale, which has only 40 percent of its shops retailing goods.

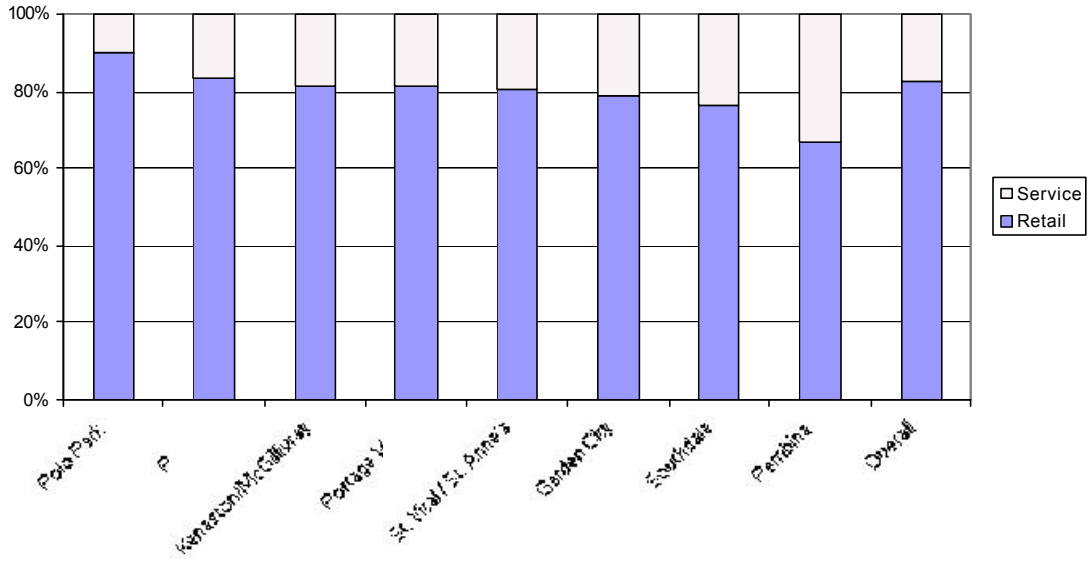
Figure 5 Percentage of CRUs in each Shopping Node Occupied by Retail and Service Industry Establishments.



When measured by amount of floor space, the prominence of retail activity over service activity is more pronounced (Figure 6). On average, 80 percent of occupied floor space is devoted to the selling of goods. The Polo Park node again leads all other nodes with 90 percent of its floor space in retail; Pembina records the lowest percentage share at 66 percent.

A more detailed description of the overall business sector mix across all eight nodes as well as within each node is presented in Table 6. Percentage distributions across 17 business sectors are shown for both the number of business establishments and amount of floor space occupied. Overall, the most frequently occurring types of establishments belong to the apparel and food service sectors. In terms of floor space occupied, general merchandise and food and drug stores are the most prominent.

Figure 6 Percentage of Floor Space in each Shopping Node Occupied by Retail and Service Industry Establishments.



The nodes with the most functionally diverse business mixes tend to be the larger ones. Polo Park, Regent, St. Vital / St. Anne's and Garden City offer a complete or close to complete set of business types. Southdale, by contrast, covers only seven of the 11 retail categories. General merchandise, which includes both major department stores as well as smaller variety stores, leads in the use of floor space in six of the eight nodes.

Food and drug store operations also have a strong presence in almost all of the nodes, the exception being Polo Park. Given Polo Park's status as the dominant retail node in the city, it is not surprising convenience oriented goods like groceries and pharmaceuticals have a lesser profile there. Land being more valuable in this area, should, in theory, be devoted to higher order goods. A good example of this spatial sorting of functions is the case of furniture stores. In Polo Park, furniture stores account

Table 6 Percentage Distribution of Commercial Retail Units and Floor Space within Each Shopping Node

Business Sector	Overall		Kenaston & McGillivray		Polo Park		Regent		Garden City	
Goods	CRU %	ft^2 %	CRU %	ft^2 %	CRU %	ft^2 %	CRU %	ft^2 %	CRU %	ft^2 %
Food & Drug	7.2	12.0	8.8	16.4	5.5	4.9	5.4	12.2	7.0	15.7
Apparel	20.8	9.5	10.3	6.0	34.2	11.4	19.8	8.5	16.2	7.9
Furniture	1.5	4.9	0.0	0.0	3.9	15.0	2.3	3.0	0.9	0.4
Home décor	1.8	2.0	1.5	6.5	2.9	3.4	1.9	2.2	1.7	0.4
Electronics	2.5	1.8	5.9	1.2	3.2	2.2	2.3	2.2	1.3	0.3
Automotive	7.0	9.4	8.8	23.3	3.5	5.0	4.7	4.8	10.0	17.1
Gen. Merchandise	2.7	23.4	5.9	22.7	1.9	23.9	3.1	23.1	3.5	24.5
Stationery/Books	1.2	2.8	0.0	0.0	2.3	3.8	1.2	2.8	0.9	2.7
Home Improvement	2.5	8.1	1.5	0.4	3.9	9.5	3.5	14.8	0.9	2.8
Leisure	5.6	4.8	4.4	1.8	6.1	5.9	7.8	6.3	4.8	3.3
Other Retail	8.2	4.0	7.4	3.2	9.0	4.7	7.0	3.4	7.9	3.6
Services										
Finance/Business	7.3	3.3	8.8	6.2	3.9	1.8	5.8	2.3	9.2	4.4
Medical	5.7	1.8	10.3	2.0	2.3	0.5	5.8	1.4	5.7	2.4
Food	14.0	5.6	13.2	5.8	11.6	4.0	15.9	5.5	15.3	5.9
Leisure	2.3	3.2	4.4	2.6	0.3	2.6	3.1	2.1	3.1	5.1
Personal	9.2	3.4	7.4	1.7	5.5	1.4	9.7	5.2	10.9	3.2
Government	0.6	0.2	1.5	0.2	0.0	0.0	0.8	0.3	0.9	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Absolute Counts[1]	1,419.00	10,530	68	614	310.	2,940	258	2,147	229	1,612

1 Absolute square footage totals expressed in 000s.

Table 6 Percentage Distribution of Commercial Retail Units and Floor Space within Each Shopping Node (continued)

Business Sector	Overall		Portage West		Pembina		St. Vital / St. Anne's		Southdale	
Goods	CRU %	ft^2 %	CRU %	ft^2 %	CRU %	ft^2 %	CRU %	ft^2 %	CRU %	ft^2 %
Food & Drug	7.2	12.0	11.2	24.2	7.5	11.3	7.5	10.4	11.7	17.7
Apparel	20.8	9.5	1.5	7.1	5.4	7.0	31.5	15.4	5.0	3.9
Furniture	1.5	4.9	0.0	0.0	0.0	0.0	0.4	0.1	0.0	0.0
Home Accessories	1.8	2.0	0.0	0.0	0.0	0.0	2.6	1.0	0.0	0.0
Electronics	2.5	1.8	0.7	0.2	2.2	8.5	3.4	0.9	1.7	0.2
Automotive	7.0	9.4	19.4	25.8	11.8	6.8	1.5	1.0	11.7	27.7
Gen. Merchandise	2.7	23.4	1.5	13.6	1.1	0.3	2.2	31.4	5.0	25.9
Stationery/Books	1.2	2.8	0.0	0.0	3.2	10.5	0.7	1.9	0.0	0.0
Home Improvement	2.5	8.1	3.0	6.8	0.0	0.0	2.6	10.7	0.0	0.0
Leisure	5.6	4.8	3.7	1.6	8.6	12.0	4.9	3.7	1.7	0.6
Other Retail	8.2	4.0	9.0	2.2	9.7	10.3	9.4	3.8	1.7	0.3
Services										
Finance/Business	7.3	3.3	12.7	6.1	7.5	1.7	6.0	3.0	15.0	7.2
Medical	5.7	1.8	7.5	1.5	7.5	2.5	4.9	3.8	15.0	4.1
Food	14.0	5.6	11.9	4.6	20.4	14.4	12.7	5.6	13.3	6.1
Leisure	2.3	3.2	3.7	2.7	4.3	4.0	1.1	5.0	1.7	1.5
Personal	9.2	3.4	14.2	3.6	10.8	10.7	7.5	2.1	15.0	4.1
Government	0.6	0.2	0.0	0.0	0.0	0.0	1.1	0.3	1.7	0.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Absolute Counts[1]	1,419.00	10,530	134	959	93	553	267	1305	60	398

1 Absolute square footage totals expressed in 000s.

for 15 percent of occupied floor space. No other node has more than three percent of its floor space devoted to furniture sales; four of the nodes have no furniture outlets whatsoever. Put another way, Polo Park encompasses 28 percent of the total occupied floor space found in the eight nodes but 86 percent of floor space taken up by furniture stores. Other business sector groups displaying similar spatial sorting tendencies are electronics in Pembina and Polo Park and apparel goods in Polo Park and St. Vital / St. Anne's, again, the two nodes with super-regional enclosed shopping centres. Apparel goods are particularly dominant in St. Vital / St. Anne's where they occupy about one-third of the outlets and some 15 percent of the node's floor space.

Big Box Stores

For the purposes of this study, large format or big box stores are defined on a sector by sector basis. Again, the specific criteria for each retail sector are set out in Appendix C. A total of 153 establishments were identified as big boxes. Collectively, these outlets only account for about ten percent of occupied storefronts but nearly two-thirds of occupied floor space. Big box outlets are heavily concentrated in the retail goods sectors. Only six service sector establishments were classified as big boxes. These included the Silver City multiplex theatre outlets in Polo Park and St. Vital plus four large fitness clubs.

Differences in the relative presence and size of big box outlets between the various retail goods sectors are displayed in Table 7. Big box outlets occur most frequently in the apparel sector, the sector with the lowest size threshold for attaining big box status. General merchandise big box stores lead in terms of size. This sector, which includes such stores Wal-Mart, Zellers, Sears and the Bay, averages over 131,000 square feet of floor space. Not surprisingly, general merchandise stores also account for over one-third of space occupied by large format retail businesses. Table 7 also demonstrates the extent to which big box outlets tower over conventional sized stores in certain retail sectors particularly in terms of occupied floor space. An example of category killer dominance is the home accessories sector, in which big box outlets account for about one in five outlets but over four of every five square feet of space. As well, the average sized big box store in this sector is nearly 20 times the average size of a conventional store. Similar big box / conventional comparisons can be seen in other sectors, such as leisure products, electronics, home improvement and office supply / books. In the case of the latter sector, big box outlets not only dominate floor space but also hold a majority of the outlets.

Although big box outlets are found in all eight of the regional shopping nodes, the geographical distribution is far from even. Two nodes dominate: Polo Park and Regent.

Together, they are home to just over half of both the total number of big box outlets and the total amount of floor space (Table 8). Sharp contrasts in the percentage of tenants and space in big boxes are also evident between the various nodes. In relative terms, big boxes are most prevalent in two of the smallest nodes: Kenaston and Pembina. Kenaston not only has the highest percentage of tenants as big boxes but also the highest percentage of floor space. Pembina has a similar percentage of tenants as big boxes but falls further back of Kenaston as well as Regent and Polo Park in terms of floor space, primarily because it lacks a large format general merchandise outlet.

Table 8 also provides an indication of difference in the relative diversity of the nodes. In Portage West, Southdale and St. Vital, big box stores are on average more than 20 times the size of conventional stores. This is largely the result of big boxes in these nodes being predominantly in the general merchandise, automotive and home improvement sectors where store sizes frequently exceed 75,000 square feet. Few smaller category killer type stores are present to soften the dominance displayed by these large outlets. In nodes such as Kenaston and Polo Park, where a more balanced assemblage of general merchandise and category killer outlets are found, big box stores are on average only about ten times the size of conventional businesses.

Vacancy Rates

Vacant storefronts across all eight nodes numbered 152 and ranged in size from about 380 to 54,000 square feet. They represent approximately 10 percent of all CRUs and six percent of all floor space (Table 9). The most common vacant spaces are those in the range of 1,000 to 5,000 square feet. However, such sized premises are quite common to begin with and thus, when vacancy rates are calculated on a size class basis, inter-class differences in the percentage of unoccupied units is minimal. The only exception is in the extreme classes. No vacant storefronts are found in either the under 250 square foot class or in the over 100,000 class.

Table 7 Relative Size and Presence of Big Box and Conventional Stores by Retail Sector

	Big Box Stores			Conventional Sized Stores			Relative Presence of Big Box Stores in Each Retail Business Type		
Retail Sector	N	Total Floor Space	Mean Floor Space	N	Total Floor Space	Mean Floor Space	% CRUs	% Floor Space	Mean Floor Space Ratio Big Box : Conventional
Food & Drug	15	986,780	65,785	87	275,622	3,168	14.7	78.2	20.8
Apparel	41	455,384	11,107	254	549,097	2,162	13.9	45.3	5.1
Furniture	6	394,678	65,780	15	118,124	7,875	28.6	77.0	8.4
Home décor	5	170,956	34,191	21	36,767	1,751	19.2	82.3	19.5
Electronics	6	124,430	20,738	30	60,254	2,008	16.7	67.4	10.3
Automotive	9	553,643	61,516	91	523,094	5,748	9.0	51.4	10.7
Gen. Merchandise	17	2,227,121	131,007	21	148,958	7,093	44.7	93.7	18.5
Stationery/Books	10	261,543	26,154	7	37,196	5,314	58.8	87.5	4.9
Home Improvement	8	691,908	86,489	27	157,619	5,838	22.9	81.4	14.8
Leisure	18	373,454	20,747	62	130,754	2,109	22.5	74.1	9.8
Other Retail	12	208,638	17,387	104	208,791	2,008	10.3	50.0	8.7
All Retail Sectors	**147**	**6,448,535**	**43,868**	**719**	**2,246,276**	**3,124**	**17.0**	**74.2**	**14.0**

Table 8 Relative Size and Presence of Big Box and Conventional Stores in Each Regional Shopping Node

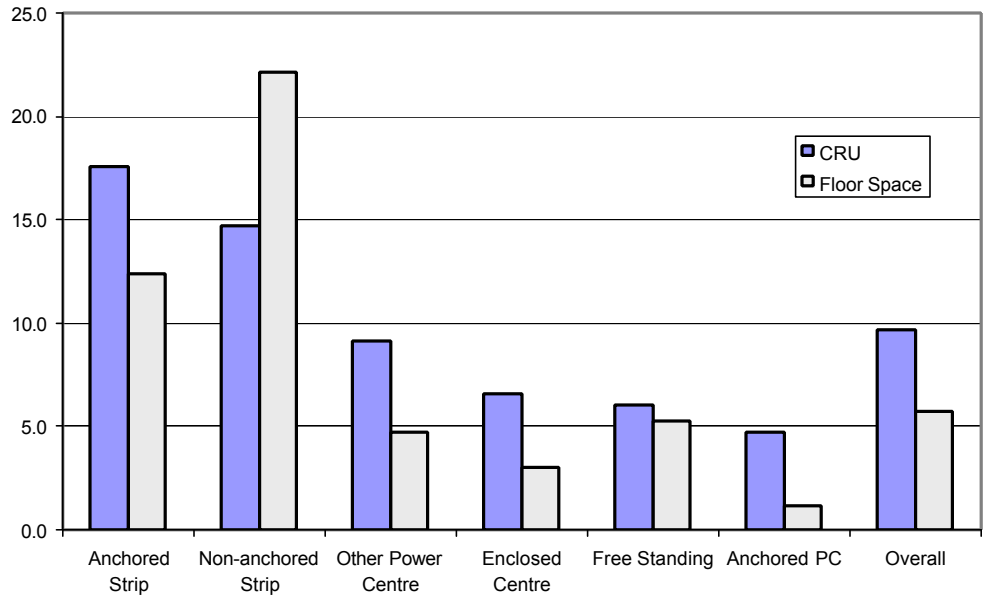
	Big Box Stores			Conventional Sized Stores			Relative Presence of Big Box Stores		
Shopping Node	N	Total Floor Space	Mean Floor Space	N	Total Floor Space	Mean Floor Space	% CRUs	% Floor Space	Mean Floor Space Ratio Big Box : Conventional
Kenaston/McGillivray	13	437,610	33,662	55	176,785	3,214	19.1	71.2	10.5
Polo Park	47	1,989,761	42,335	263	950,937	3,616	15.2	67.7	11.7
Regent	32	1,509,570	47,174	226	638,391	2,825	12.4	70.3	16.7
Garden City	20	922,747	46,137	209	689,367	3,298	8.7	57.2	14.0
Portage West	7	514,928	73,561	127	443,577	3,493	5.2	53.7	21.1
Pembina	16	340,571	21,286	77	212,787	2,763	17.2	61.5	7.7
St. Vital / St. Anne's	14	745,705	53,265	253	559,516	2,212	5.2	57.1	24.1
Southdale	4	241,600	60,400	56	156,186	2,789	6.7	60.7	21.7
Overall	**153**	**6,702,492**	**60,400**	**1266**	**3,827,546**	**2,790**	**10.8**	**63.7**	**21.6**

Table 9 Vacancy Rates by Size of Floor Space

Floor Space Range	# of CRUs	Floor Space	% of CRUs in Size Range that are Vacant
<250	0	0	0.0
250-999	22	15,304	9.4
1,000 - 1,999	49	69,320	10.7
2,000 - 4,999	48	138,028	10.2
5,000 - 9,999	20	128,713	10.9
10,000 - 19,999	8	106,671	12.9
20,000 - 49,999	3	78,578	4.3
50,000 - 99,999	2	108,672	10.0
100,000 +	0	0	0.0
Overall	152	645,286	9.7

Significantly greater differences in vacancy rates exist amongst different types of planned shopping developments (Figure 7). Not surprisingly, anchored power centres display the lowest vacancy rates of any type of centre; less than five percent of their CRUs and only slightly more than one percent of their floor space is unoccupied. Space in such centres is seldom built on a speculative basis but rather as demand materializes

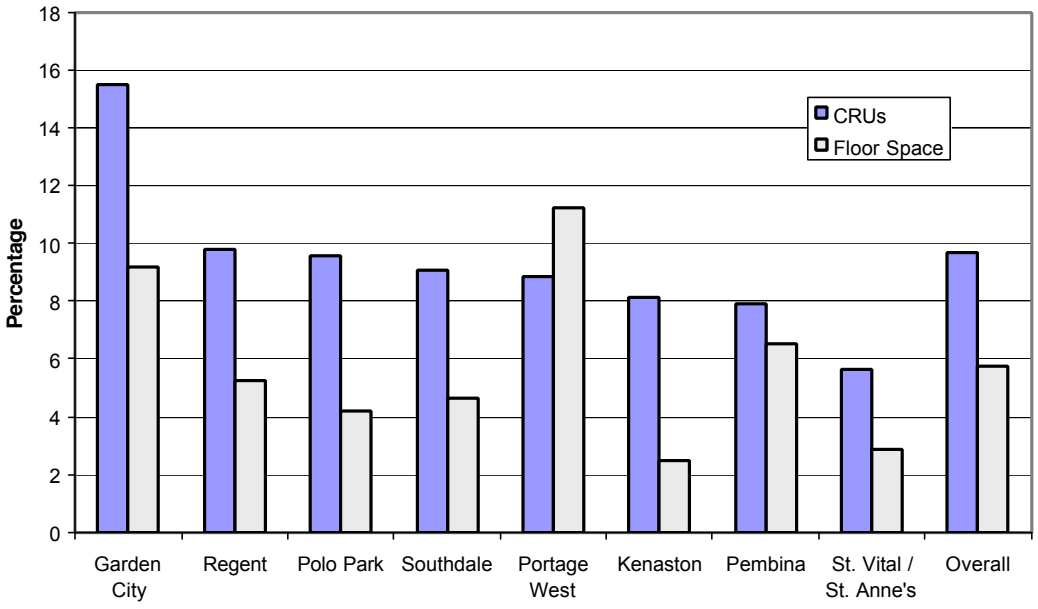
Figure 7 Vacancy Rates by Type of Development



Hence, very few units sit idle waiting for tenants. As well, given the short time frame these centres have been in existence, most tenants are just settling in. Vacancy rates in freestanding locations as well as in enclosed shopping centres are similarly low. The same, however, can not be said for strip malls. Vacancy rates in such centres are in the order of three to four times greater than in enclosed malls and anchored power centres. Non-anchored strip malls seem particularly hard hit with some 23 percent of the floor space in such centres going unoccupied.

Finally, variation in vacancy rates can also be examined geographically. As Figure 8 shows, differences amongst the eight regional nodes are not that pronounced. Vacancy rates on a store unit basis are near or below the overall average in seven of the eight nodes. The exception is Garden City. With a vacancy rate of over 15 percent, the relative number of empty storefronts in this node is nearly three times that of the St. Vital / St. Anne's node. On a floor space basis, Garden City fares somewhat better but is still above the overall average. Relatively more saddled with vacant floor space, though, is the Portage West node. It, like the Garden City node, has seen high profile, larger scale tenants relocate within the node leaving behind space remaining unoccupied. Such moves are discussed at greater length in the following section.

Figure 8 Vacancy Rates by Regional Shopping Node



Discussion

Locational Choices of Big Box Stores

The dimensions and characteristics of Winnipeg's suburban regional shopping nodes highlighted in the previous section present a static snap shot view of a significant portion of the city's retail landscape. This snap shot captures the imprint made by a strong wave of investment in retail space that swept the city during the latter part of the 1990s and first years of the 2000s. For the most part, this wave of investment served to reinforce the existing retail structure; new development targeted well established regional shopping nodes, a pattern not inconsistent with the direction laid out in Winnipeg's long range official plan at the outset of the 1990s (Winnipeg 1993). The exception to this pattern was the emergence of a new node at the intersection of Kenaston and McGillivray boulevards.

While all of the nodes examined in the study received some new investment, the distribution is far from even. One reason for this unevenness is that some nodes are more strategically located than others. Polo Park, which has garnered one of the largest shares of new big box and power centre development, is the most centrally located suburban node within the Winnipeg market. Portage and Ness Avenues provide access to a large customer base living to the west while Route 90 over the St. James Bridge connects Polo Park to the city's southwest quadrant and some of its wealthiest neighbourhoods. Another large share of new retail development has gone to the Regent Avenue node. Located in Transcona on Winnipeg's eastern edge, the Regent node is strategically positioned to capture burgeoning ex-urban residential development occurring in East St. Paul as well trade from households residing in towns, villages and the countryside situated east of the city. Regent Avenue also enjoys the greatest geographical separation from Polo Park. This spatial isolation is reflected in several ways. Of the eight suburban nodes, Regent holds the second largest concentration of floor space. It boasts the city's largest power center, Crossroads Station, the only one to house three 100,000+ square foot anchor tenants. The locational strategy of several big box chains such as The Brick, Toys 'R Us, Costco and Revy also reflects Regent's strategic location. Each operates two outlets in the city: one in the Polo Park node and the other in the Regent Avenue node.

The largest share of new development, however, has occurred at the intersection of Kenaston and McGillivray. This site is strategic in terms of the high volume of traffic passing by each day and the nature of the surrounding residential neighbourhoods. Immediately adjacent are Lindenwoods and Whyte Ridge, two suburban developments that experienced rapid growth during the late 1980s and 1990s. Owner occupied, single

family dwellings dominate both areas and household income levels are significantly higher than Winnipeg's average (Table 10). Up until 1999, Whyte Ridge was particularly under serviced in terms of retail space. The only proximal shopping facilities were a small strip plaza and a convenience store / gasoline station operation. Then, in a span of two years, over 500,000 square feet of new retail space was added.

Table 10 Selected Demographic and Socioeconomic Characteristics of Whyte Ridge and Lindenwoods, 1996

Characteristic	Lindenwoods	Whyte Ridge
Population	6470	4450
Occupied Dwellings	1995	1360
% Dwellings Owner Occupied	94.2	99.6
Average Household Size	3.2	3.3
Average Household Income	$85,788	$79,954

Source: City of Winnipeg Neighbourhood Census Profiles

A second factor favouring the Polo Park, Regent and Kenaston nodes has been the availability of suitably sized and adequately buffered properties for big box type development. In the case of the latter two nodes, the City of Winnipeg has played an integral role in releasing city-owned vacant parcels of land for development. In the case of Polo Park, land assembly for new retail development has been somewhat more challenging in that it has required the supplanting of other land uses. Recent notable examples include redevelopment of the 1968 Pan Am Games veledrome site on Empress Avenue for a Home Depot anchored power centre, the conversion of industrial properties on Ellice Avenue for Wal-Mart and Sears Furniture outlets and on Sargent Avenue for a Revy store. Perhaps the most creative example of the recycling and infilling of land for retail use has been the St. James Station project, a strip of big boxes located on the west side of St. James directly across the street from Polo Park Shopping Centre. This development, which includes a new Canadian Tire, Michaels, Future Shop and Linen n' Things, was made possible by the amalgamation of an abandoned railway corridor running parallel to St. James and a strip of shallow lots fronting on St. James.

By contrast, big box development at other nodes has been restricted by the limited supply of vacant property and by the closeness of nearby residential neighbourhoods to existing retail development. In the St. Vital / St. Anne's node, a small, Home Depot anchored power centre has opened at the corner of St. Anne's Road and Bishop Grandin. Other than that, big box development has been largely restricted to the site of St. Vital Shopping Centre where a Safeway store was relocated from inside the mall to a corner of the mall's parking lot to make room for a Chapters outlet and a Silver City theatre complex. Similarly, in the McPhillips node, most new big box development has involved the shoe horning of stores onto existing sites. Examples include Future Shop and Chapters outlets on the Garden City Square site and Winners, Canadian Tire and Petcetera outlets at Garden City Shopping Centre.

Land availability is also a limiting factor to big box development in the Portage West node. Residential neighbourhoods abut much of this stretch of Portage Avenue meaning most lots fronting on Portage Avenue lack the depth necessary for big box development. The proximity of residential development can also be an impediment to development; it can become a source of vocal opposition to any retail development proposals. A case in point is the redevelopment of the Unicity Shopping Centre site. The enclosed shopping centre that occupied this site was demolished in 2000 to make way for a Wal-Mart anchored power centre. In the process, the site plan was reconfigured to place buildings closer to edges of the property. Three of these edges, however, are lined with residential homes, the occupants of whom organized a high profile yet unsuccessful attempt to block the project (Winnipeg Free Press 1999)

Impact of Big Box and Power Centre Development

The scope of this study curtails any systematic attempt to assess the impact of big box and power centre development on Winnipeg's retail environment. Observations made during field visits to the regional shopping nodes coupled with the analysis of vacancy rates presented above, however, provide a basis for some preliminary comments on change initiated by the opening of some of these stores and centres.

The most conspicuous downstream impact initiated by big box store openings occurs when a business already operating in a node opts for a larger format model by relocating to new premises and leaving behind a vacant storefront and possibly the beginning of a blighted landscape. Canadian Tire is one chain that has implemented an extensive reinvestment program in the Winnipeg market. In the Southdale and Regent nodes, this has entailed in-situ expansion of long standing locations. In the Garden City and Portage West nodes, 50,000 square foot buildings have been abandoned in favour of

new sites a few hundred meters away. In both cases, the old stores remain empty. Other examples of intra-node location swapping behaviour that have resulted in vacant storefronts include Moore's relocation to the Crossroads power centre from a small strip centre further along Regent Avenue and Future Shop's move from a small three unit strip plaza on McPhillips Street to a big-box location at Garden City Square. These latter examples offer some insight into the level of vacancy rates being experienced by unanchored strip plazas (see again Figure 7).

The impact of big box development in one node may also spill over onto others. Wal-Mart's location in Grant Park Shopping Centre, for example, was a casualty of that chain's decision to build new stores in the Kenaston and Polo Park nodes and Canadian Tire's new location on Kenaston replaced a smaller store in the Pembina node. These cases, however, illustrate that downstream blight can be avoided. In the case of Grant Park, the space occupied by Wal-Mart was extensively remodeled and expanded by Zellers and the old Canadian Tire building on Pembina has been converted into a big box home electronics outlet.

Alternatively, spill over effects may take the form of development at one location pre-empting or retarding development at another. A good illustration is the failure of the Ellice Avenue Wal-Mart power centre project to attract further development beyond the Wal-Mart store itself after the St. James Station project, located directly across the street from Polo Park Shopping Centre, was initiated. A similar scenario to this but one operating on a larger geographic scale may be emerging at the Kenaston node. The cluster of power centres at Kenaston has attracted over 500,000 square feet of development. However, if built to reported limits, there is room for more than 400,000 square feet of additional space. How quickly this space materializes is likely to be influenced by Kenaston's proximity to the St. Vital / St. Anne's, Polo Park and Pembina nodes. Many of the big box category killer stores such as Home Depot, Chapters, Toys 'R Us, Future Shop, Sport Chek and Staples are already established in these competing nodes.

Lastly, the impact of big box development can be seen in some of the adaptations occurring within the large enclosed regional shopping centres. At Kildonan Place, a Bay store has been converted to a Zellers, perhaps partly as a response to market demographics but also to the opening of a new Wal-Mart across the street. Garden City Shopping Centre has survived the loss of an Eaton's store by attracting new Canadian Tire and Winner's stores as well as a freestanding Pecetera outlet. At Polo Park, several clothing stores have expanded to the point where they meet the threshold size for big box status. All told, Winnipeg's enclosed suburban malls appear to have weathered big box development reasonably well, as only about three percent of their floor space lies vacant.

Conclusion

The purpose of this report has been to present a snap shot picture of Winnipeg's eight largest suburban shopping nodes. These nodes are believed to account for about 40 percent of the retail floor space in the city. Moreover, they house nearly all of the retail space created by a wave of investment in big box retail outlets that occurred during a five year period beginning in 1996.

Analysis of the snap shot picture reveals about 80 percent of commercial floor space in the eight suburban nodes is found in planned retail developments while a similar percentage of floor space is devoted to the selling of goods. Power centers are a dominant form of planned development. The 21 identified power centers account for some 45 percent of space found in planned centers. The snap shot also enumerates 153 big box stores, all but six of which were retailers of goods. Overall, these stores comprise some 17 percent of all retail outlets but nearly 75 percent of all retail floor space. On some dimensions, differences amongst the eight nodes are sharp. In terms of sheer size, Polo Park and Regent Avenue lead accounting for some 40 percent of retail outlets and 50 percent of the floor space. Larger nodes also enjoy a more diverse mix of retail businesses than is the case in some of the smaller nodes. The newest node, Kenaston, has one of the highest percentages of space in planned development and the highest percentage of space devoted to big box outlets.

The overall vacancy rate measured in terms of floor space is ten percent. This rate varies considerably by type of centre. In power centres, vacant storefronts are rare, comprising less than two percent of constructed floor space. In anchored and non-anchored strip malls, vacant storefronts make up 13 and 22 percent of total space respectively. Of the eight nodes, vacant space is most conspicuous in Garden City and least conspicuous in Kenaston / McGillivray.

A snap shot picture, however useful it may be in delineating the characteristics of the retail landscape at a given time, falls short in its ability to analyze change. In an effort to interpret the regional shopping node profiles created by this study, anecdotal evidence describing recent locational choices made by big box retailers and power centre developers sheds some light on the dynamics underlying the snap shot. Prominent stores have up-sized and relocated. In some cases, other stores have filled the gap. In others, storefronts remain vacant. Some power centres have developed close to their intended capacity. Others advertise for tenants to occupy sizeable chunks of yet-to-be developed property, as do the managers of existing strip malls. Indeed, a snap shot generates more questions than answers. Enclosed shopping centres appear to have weathered the big box

storm in the short run but what of the longer term? Similarly, how will older strip malls historically geared to smaller retail units fare in an environment increasingly dominated by large format retailers? There are also questions concerning the competitive status of the shopping nodes in terms of attracting further development. Will big box development continue to gravitate towards the larger nodes or will it disperse more evenly? How will nodes in close proximity to each other fare in terms of maintaining existing tenants and attracting new investment?

In conclusion, this study has served two purposes. First, it has provided a picture of what the suburban regional node shopping system looks like in the present. Second, it has provided a baseline of data to which future snapshots may be compared and thus begin to provide answers to some of the questions posed above.

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APPENDICES

Appendix A

Study Area Boundaries

Shopping Node	**Boundaries Used**
Portage West	Planned centres or businesses fronting on Portage Avenue between School Road and the St. Charles Street
Polo Park	Area bounded by Portage Avenue to the south, Sargent Avenue to the north and by Empress Avenue to the east and Route 90 to the west.
Garden City	McPhillips Avenue from Inkster Boulevard to Beecher Avenue
Regent and Lagimodiere	Regent/Nairn corridor beginning from the CPR crossing in the west (Brick Furniture site) to Stapleton Avenue in the east. Includes an arm extending north from Nairn to Munroe between Panet and Lagimodiere.
Kenaston	Kenaston corridor from Scurfield Avenue in the south to CPR Larivierre line in the north.
Pembina and Bishop Grandin	Pembina Highway from Value Village Shopping Centre in the north to Markham Road in the south.
St. Vital / St. Anne's	Rectangle bordered by Bishop Grandin, Dakota, Meadowood, and St. Mary's Roads. Also includes segment of St. Mary's Road between Meadowood and Greendell Avenue plus the St. Vital Festival power centre at the intersection of Bishop Grandin and St. Anne's Road.
Southdale	South side of Fermor Avenue between Lakewood and Beaverhill Boulevards

Appendix B

Business Sector Classification Scheme

Group #	Group Name	Examples of Businesses Included
1	Food and Drugs	Grocery stores, superstores, specialty foods, drugs stores, cosmetics, beer and liquor stores
2	Apparel and Accessories	Clothing, shoes, fabric, jewelery
3	Furniture	Furniture, appliances
4	Home Décor	Lighting, upholstery, linens, kitchen and bath, art
5	Electronics	Stereo, television, computers, communication equip
6	Automotive	Auto sales, parts, service, gasoline (includes Canadian Tire)
7	General Merchandise	Department stores, variety stores
8	Stationery / Books	Office supplies, books
9	Home Improvement	Hardware, paint, building supplies, storefront contractors (e.g. sun rooms), lawn & garden centres
10	Leisure Goods	Cameras, sports equip, toys, pets and pet supplies, recorded music, musical instruments, coin and stamp dealers
11	Other Retail	Florists, gift and novelty shops, opticians, second hand dealers, luggage, other retail goods
12	Financial & Business Services	Banks, trust companies, credit unions, insurance, investment, real estate, legal, engineering, and architectural services, printing
13	Medical Services	Doctors, dentists, orthodontists, optometrists, physiotherapists
14	Food Services	Full service restaurants, fast food restaurants
15	Leisure Services	Billiards, roller skating, video rental, night clubs, health clubs, personal lessons (e.g. music), theatres, libraries, museums
16	Personal Services	Hair styling, dry cleaning, travel, Equipment rental and repair, private education, jewelry repair, car rentals, photographer, shoe repair
17	Government Services	Licensing offices, community policing stations
18	Vacant	Unoccupied storefronts

Appendix C

Criteria for Identifying Big Box Stores

Type of Store	Threshold Square Footage
Auto parts	7,000
Books	15,000
Building Supplies	40,000
Clothing and Shoes	5,000
Craft Supplies	10,000
Furniture	35,000
Gifts & Novelties	5,000
Home Décor	10,000
Pet & Pet Supplies	7,500
Second Hand Dealers	10,000
Sporting Goods	7,500
Supermarkets / Superstores	40,000
Toys	10,000

Additional Inclusions

All Sears, Wal-Mart, Bay, Zellers, Home Depot and Canadian Tire Stores with a minimum of 70,000 square feet.

Appendix D

Planned Shopping Centre Classification Scheme

Centre Type	Description	Winnipeg Examples
Anchored Power Centre	A cluster of two or more big box stores sharing a common parking facility. One of the big box stores is a major department store. May incorporate additional conventional sized retail units. Access between stores not available via an internal corridor.	Crossroads Station (Regent Avenue) Polo Festival (Empress Street) Unicity (Portage Avenue)
Power Centre	Similar to an anchored power centre but lacks a major department store outlet.	Madison Square (Ness Avenue) Pembina Crossing (Pembina Hwy.)
Anchored Strip Mall	A cluster of two or more stores that share a common parking facility with at least one being a big box store or supermarket. Access between stores not available via an internal corridor. May consist of a single structure or a campus like setting containing two or more structures. Access between stores not available via an internal corridor.	Kenaston Crossing (Kenaston Blvd.) Reenders Square (Panet Road) Crestview Shopping Centre (Portage Ave.)
Unanchored Strip Mall	Similar to an Anchored Strip Mall but lacks a big box tenant or supermarket.	Crossroads Village (Regent Ave.) Whyte Ridge Plaza (Scurfield Ave.)
Enclosed Shopping Centre	A cluster of two or more stores within a single structure. Access to all stores provided by an interior corridor. Usually houses at least one major department store.	St. Vital Centre Polo Park Shopping Centre
Free Standing Location	An individual store on its own site.	Sears Furniture (Ellice Ave.) Toys 'R Us (St. Matthew's Ave.) Visions (Regent Avenue)