

Taking credit for Costco's opening may not play well in Guelph's east end retail desert

More to the Story

By Ben Bennett

Before everyone gets too carried away salivating over the new Costco in Guelph's west end, perhaps we might take a minute to consider the impact on those in the east end.

(This is where some readers may dismiss this as another rant against big retail, but actually it is not – read on.)

From the day the city council allowed the rezoning of land behind the huge west end Zehrs for another megastore, it effectively rezoned all land east of Victoria Road as a retail desert.

So I am a little surprised any aspiring city leaders would want to carry the Costco flag too high. If people connect the over- abundance of shopping in the west, north and south of Guelph to the total lack of it in the east, they may not be so pleased.

The land where Costco has built is part of a huge tract of land owned and developed by Armel Corporation, which built a lot of the west end's residential neighbourhoods. Retail was part of that plan and a significant retail node was anticipated for the intersection of Paisley and Imperial.

It took many years for the retail part to happen (east- enders take note), which was very frustrating for those who had moved there expecting local shopping. Then just as there appeared by enough local shoppers to justify building the retail part of the plan, Walmart arrived on the scene and the city's entire retail pattern was thrown for a loop.

The city actually had a very good and balanced layout of retail in its Official Plan, designed to service each area of the city, through what were known as community commercial centres. These were intended to put the shopping where the people lived, rather than have them drive across town each week.

Unfortunately, this model did not suit the growing trend in the retail sector for bigger and bigger stores known as big boxes. The theory was that having the people come to where the shopping was – rather than the other way round - allowed the retailers to offer lower prices. To some extent it made sense, but the costs in terms of environment, time, traffic congestion and accessibility did not factor into the equation.

In 1997, when Walmart and Zellers tried to subvert the existing plan and move into industrial-zoned land in the north, and institutional land on Stone Road, the council of the day refused to change the zoning. The developers appealed to the Ontario Municipal Board (OMB). In the end, the developers won, and they have been more or less deciding where things should go ever since.

I am not for a moment suggesting anything untoward here but the reality is that those with the deep pockets tend to win given our planning and legal system. Councils have a lot to deal with and taking on Goliaths at the OMB is expensive and uses up staff resources, even if it is the right thing to do. A fatigue sets in.

The lack of retail in the east end has been a big issue for years and we hear about it all the time. The plans for a huge Loblaw development there have now been reduced to a smallish local store of about 20,000 square feet, more like supermarkets in the old days. This is what the company said last year that it plans to build now, in concert with some residential on the site. That would be something at least, but I suspect most folks won't believe it until it happens and even then they will feel cheated.

The reality is that there only so much retail demand to go around and every time a big store went in somewhere else, the odds of anything in the east were pushed back even further.

The east end commercial zoning has been in place for years so that's not what's holding things up. But approving a warehouse store in the west end won't have helped the situation.

The media has talked about who should take the credit for the new store. I wonder who should take the blame. And I wonder if Cam Guthrie considered that when he launched his mayoralty campaign in front of the Costco site.

(Ben Bennett's past columns can be found at www.bbc.guelph.org.)