

Best Practice

Stonegate Commercial Development

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THE PRACTICE

The practice being nominated is the purchase of private owned, non-commercial zoned highway frontage land and the subsequent regulatory and rezoning approvals along with engineering designs to make economic development possible.

THE PROCESS

In a 2006 survey sponsored by the Chamber of Commerce, it was identified in the results that the community wanted more retail investment. City officials identified a lack of highway commercial land zoned with direct highway access and appropriate regulatory approvals and completed engineering design was prohibiting potential retail investment.

The lack of city-owned land had prohibited investment in planning and engineering and meant that any future potential deal was incumbent on attaining a buyer and seller. The land owner was in a position at that time to sell at rates the City of Melfort believed were competitive and since ownership was identified as crucial as it would help administration undertake the necessary zoning procedures.

Marketing to commercial developers was being done while land negotiations were underway. Simultaneously, the city reviewed other development policies. It was identified that a slow growing community would make it hard to attract new commercial investment and so the city undertook a very aggressive residential redevelopment program with rebates and tax incentives offered for new residential development.

The city budgeted to hire engineering and planning consultants. Their roles were to design infrastructure and grading as well as removing regulatory issues with respect to rezoning for subdivision approval. The consultants reviewed with various stakeholders to ensure there were no barriers to development from a regulatory viewpoint.

Once a developer was courted and agreements were set in place whereby commercial investment and land servicing could commence subject to signed clients by the developer. The city applied for and received pre-approval under the Saskatchewan Infrastructure Growth Initiative (SIGI) for financing the servicing.

THE RESULTS

The results have been positive. Melfort has been able to attract a new national big box store to the community; something identified early on as lacking and will use this anchor along with a new hotel, restaurants, food store and other retailer to form the largest shopping centre in northeast Saskatchewan. Fully developed, there will be over 400 full and part-time jobs and Stonegate Commercial Development will change the investment landscape of northeast Saskatchewan.

LESSONS LEARNED

Invest in economic development, planning and engineering services. Be willing to be creative with land and tax incentives to help your community grow. Remove barriers to entry on land to help attract investment. Market a community strongly with well developed policies.