

**CUSHMAN &
WAKEFIELD**



The **Planning** Partnership



EMPLOYMENT LAND STRATEGY

City of Greater Sudbury
August 2022



1. Introduction

Employment Land Strategy Overview

Project Team

- **Cushman & Wakefield** partnered with **metroeconomics, The Planning Partnership, SCS Consulting Group, NPG Planning Solutions, and Altus Group** to complete this Employment Land Strategy, on behalf of the City of Greater Sudbury.
- These professionals are **experts across a range of disciplines** including **real estate market analysis, land use economics, economic forecasting, planning policy and strategy, engineering, and municipal finance.**

Timing

- This comprehensive analysis of Greater Sudbury's employment lands has been undertaken over a period of approximately **two years.**
- During this time, one phase of work has informed the next in an **iterative process**, with **continuous feedback from City staff.**

Thanks

- The Consultant Team is **appreciative of input from City staff, as well as the many local stakeholders** that have helped to inform this work.

1. Introduction

Employment Land Strategy Overview

Main Goals

- This Consultant Team was formed to address the **main goals of the project**, which are:
 - *To improve the city's economic competitiveness and encourage the development of employment land;*
 - *To ensure that the Employment Land Strategy, policies, and incentives, support projected economic growth and development; and,*
 - *To maintain an employment land inventory by applying a planning methodology that promotes the provision of an appropriate land supply.*
- In addition to these goals, **our work explores engineering-related and municipal finance-related issues**, along with **matters related to land economics and industrial and commercial real estate.**

1. Introduction

Employment Land Strategy Overview

Report Structure

1. Introduction
2. Land Supply Analysis
3. Trends Analysis
4. Population and Employment Projections
5. Land Demand Analysis
6. Planning Policy Review
7. Infrastructure and Servicing Review
8. Return on Investment Analysis
9. Strategic Recommendations

Appendix 1 – Summary of Stakeholder Input

Appendix 2 – Population and Employment Projection Exhibits

Appendix 3 – Infrastructure and Servicing – Additional Information

Appendix 4 – Comparative Markets Analysis

2. Land Supply Analysis

Industrial, Commercial, Institutional, and Downtown Vacant Lands

Overview

- The Consultant Team used **Geographic Information Systems (GIS) data** provided by City staff to identify the inventory of employment lands city-wide – both occupied sites (those with one or more buildings), as well as vacant sites (undeveloped land).
- The employment land inventory is focused on **properties within the Settlement Areas** across Greater Sudbury.

Industrial

- There is a vacant industrial land inventory of over **830 gross hectares** across 150 individual sites within the Settlement Areas that comprise Greater Sudbury.
 - **General Industrial** (783 gross hectares – 94% share of all vacant Industrial-designated land); and,
 - **Heavy Industrial** (49 gross hectares – 6% share of total).

2. Land Supply Analysis

Industrial, Commercial, Institutional, and Downtown Vacant Lands

Commercial

- Vacant commercial land inventory of some **340 gross hectares** across nearly 160 individual sites.
 - **Mixed Use Commercial** (326 gross hectares – a 96% share of all vacant Commercial-designated land);
 - **Town Centre** (just over 12 hectares, 4% share); and,
 - **Regional Centre** (1 gross hectare, <1% share).

Institutional

- **Laurentian University, Cambrian College, and Collège Boréal** all offer **excess lands** that would be suited to accommodate future institutional and related development.
- **Health Sciences North**, located at Paris Street and Ramsey Lake Road, appears to have **limited capacity for expansion**.

Downtown

- There is a vacant land inventory of some **10 gross hectares** across 79 individual sites in the Downtown. Of these sites, 50 are surface parking lots.

3. Trends Analysis

Office, Industrial, and Retail Market Trends

Office

- Opportunities for knowledge spillover, innovation and creativity, employee bonding, culture/brand, mentoring and training, productivity, and more, are reasons that **office real estate will continue to play a vital role in the way organizations work and grow.**

Industrial

- Demand for the **conversion of lands** within designated employment areas to other uses is an ongoing issue faced by many municipalities.
- Municipalities should encourage a **range of parcel sizes, locations, and timing/levels of servicing of employment lands**, in order to be responsive to occupier and developer requirements as market dynamics change.

Retail

- The most pressing current trends impacting retail real estate relate to the **rapid adoption of eCommerce** and the transfer of shopping centre sales to the online marketplace. This is linked with an associated **decline of store sizes.**
- Shopping centres are commonly a focal point of a neighbourhood/community. Over time, there may be an opportunity to transform some of these assets into **mixed use redevelopment sites**, including residential.

4. Population and Employment Projections

Three Scenarios: Reference, Low, and High

Population and Employment Growth Forecast

- In 2018, Hemson Consulting Ltd. provided the City of Greater Sudbury with a **projection of population and employment growth** in a report entitled **Outlook for Growth to 2046**.
- These forecasts are used in the City's Development Charge Background Study, and City staff directed the Consultant Team to **rely on these figures for the purposes of this Employment Land Strategy**.
- Hemson developed **three forecast scenarios**: a **Reference Scenario** – which is considered the baseline projection – and **Low and High Scenarios** which adjust growth assumptions to provide a broader range of outcomes.
 - Greater Sudbury had a population of **166,130** in 2016. The city's population in 2046 may range from a low of 165,090 (Low Scenario), to a mid-range total of **172,990 (Reference Scenario)**, or even to a high of 181,290 (High Scenario).
 - Greater Sudbury had total employment of **79,440** jobs in 2016. By 2046, total employment could grow modestly to 81,230 (Low Scenario), increase to **85,750 (Reference Scenario)**, or possibly as high as 90,460 jobs (High Scenario).

5. Land Demand Analysis

Land Demand by Type

Overview

- The employment growth projections can be translated into a forecast of land needs by identifying the **type of buildings** that are required for each category of employment (to accommodate industrial, office, and institutional-type employment), and using an **employment density** figure for each building type to **convert anticipated job growth into employment land demand**.
- Retail-commercial land needs are guided by **population growth** and assumptions related to **floor space demand per capita**.

Industrial

- There is demand for roughly **35-50 net hectares** of industrial land from 2021-2046 (the resulting range of the three employment projections). The Consultant Team advises ensuring a **suitable supply of at least 100 net hectares** in order to provide a range of site selection options.

Office

- There is demand for roughly **0-6 net hectares** of office land from 2021-2046.
- The Consultant Team advises ensuring a **suitable supply of at least 10 net hectares** of office land.

5. Land Demand Analysis

Land Demand by Type

Institutional

- In discussion with major local institutional employers, the **post-secondary education institutions each feature sufficient excess lands on campus to accommodate anticipated growth**, while **Health Sciences North's Ramsey Lake site is facing a need to "build out and build up"** (but structured parking is very expensive).
- Ongoing land needs are to be **monitored in collaboration with major local institutional employers**.

Retail-Commercial

- The **Baseline Retail-Commercial Land Demand Scenario** assumes that the **current rate of retail space per capita is held constant over time**. This results in a range of land demand from **0-10 net hectares**.
- In contrast, **the Reduced Space per Capita scenarios** (10% and 20% reduction in demand) indicate that an assumed decline in demand would result in an actual **excess of retail inventory**, despite population growth occurring through 2046.
- The Consultant Team recommends planning for **20 net hectares** of retail-commercial land. This will provide sufficient flexibility for site selection and will include lands in new growth areas to accommodate neighbourhood-scale and convenience retail-commercial demand as the city's population expands.

6. Planning Policy Review

Strategic Plan, Official Plan, and Zoning By-Law

Review of Planning Policy

- Through the lens of focusing on elements that are of particular importance to this Employment Land Strategy, the Consultant Team provided a review of the following documents:
 - **From the Ground Up 2015-2025: A Community Economic Development Strategic Plan;**
 - **City of Greater Sudbury Official Plan; and,**
 - **City of Greater Sudbury Zoning By-law 2010-100Z.**
- From an employment land perspective, the **primary difference among the three documents relates to the level of detail provided.**
 - The Community Economic Development Strategic Plan builds on the collective strengths of the community by fostering alliances and partnerships between economic sectors, industries, and institutions.
 - The Official Plan provides a more focused land use planning policy framework.
 - The Zoning By-law provides the most detailed regulatory framework within which specific forms of development are mandated.
- All of these documents **work together to achieve a defined urban structure and a growth management strategy** for the city.

7. Infrastructure and Servicing Review

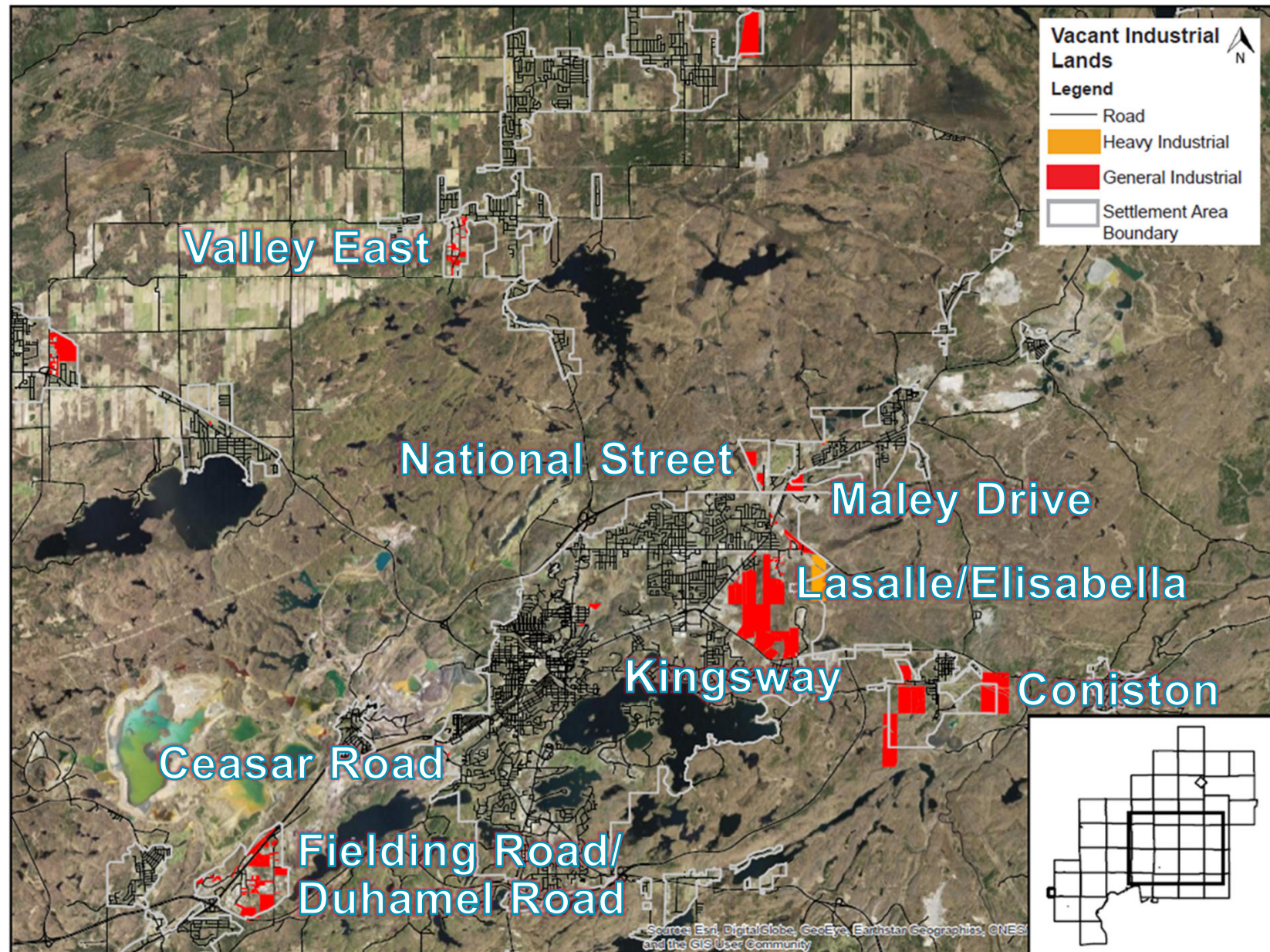
Water, Wastewater, and Utilities

Infrastructure Assessment

- The Consultant Team undertook an **analysis of infrastructure and servicing**, with support from City staff.
- The purpose of this analysis was to provide **high-level recommendations for further review of potential upgrades or construction of new water and wastewater infrastructure** to support future growth within the industrial areas.
- The review provides an **assessment of the remaining infrastructure capacity and updated costing** in each area.
- Utilities input was received from Hydro One, Enbridge Gas, and Agilis Networks.
- **Eight industrial areas** were examined:
 - Fielding Road/Duhamel Road
 - Lasalle/Elisabella
 - National Street
 - Maley Drive
 - Coniston
 - Kingsway
 - Ceasar Road
 - Valley East

7. Infrastructure and Servicing Review

Vacant Industrial Lands Map



8. Return on Investment Analysis

ROI Analysis

Overview of ROI Analysis

- The ROI analysis is meant to inform the City, at a high level, of the **prospective revenue and cost implications of the required infrastructure servicing to promote future land development** in the industrial areas examined.
- Further, it is intended to provide **general directional conclusions** related to the servicing of each industrial area (positive impact or negative impact) **and comparability across different scenarios, or combinations of scenarios.**
 - AN ROI Calculator tool was provided as a deliverable.

9. Strategic Recommendations

Land Use Planning

Overall Employment Land Supply

- At an aggregate level, the city has a **more than adequate supply of vacant and underdeveloped Industrial and Commercial-designated land** to meet anticipated demand through the 2046 forecast horizon.
- Importantly, this Employment Land Strategy provides key recommendations to ensure that an **appropriate supply of investment-ready employment lands** are provided to attract development and job growth over time, **addressing issues such as land ownership, site selection, and servicing.**
- While there is no vacant Institutional-designated land remaining, **the major post-secondary educational institutions all have ample on-campus areas to accommodate growth.** However, **Health Sciences North faces a challenge** at its landlocked Ramsey Lake site that must be addressed.
- There is **no identified need for the City to directly intervene** in the market through large-scale land acquisition to support economic development. **There may be opportunities over time – on a case-by-case basis –** for the City to acquire or divest employment land in order to facilitate efficient land use planning and to promote economic growth.

9. Strategic Recommendations

Land Use Planning

Industrial

- The city has a **suitable amount of Industrial-designated lands in a variety of locations** to suit occupier needs.
- There **may be opportunities for industrial land conversion** in select locations to facilitate sought-after development.
- The City may wish to explore a mechanism to **facilitate expansions to the existing Settlement Area boundary** for industrial uses in key locations where demand has historically been observed, where existing infrastructure can be leveraged, and where motivated landowners are eager to pursue opportunities.
- **No changes to the Official Plan** are suggested for the General Industrial or Heavy Industrial designations. The existing Industrial land use designations suitably identify a land supply that is available to accommodate multiple forms of industrial development, as well as complementary land uses.
- Although existing Industrial zones are suited to define the range of activities that take place on these lands, **a modest set of changes to the existing zoning** should be considered by the City in order to further the economic development aspirations of the Official Plan.
- The City should **implement a Community Improvement Plan (CIP) targeted at the industrial sector** in order to foster growth and attract and retain business.

9. Strategic Recommendations

Land Use Planning

Office

- The emerging consensus is that **office work in the future will be a blend of work-from-home/flexible work and in-the-office settings**. Despite an increase in the scale and frequency of work-from-home, future office land needs are likely to emerge in the Downtown, within Mixed Use Commercial areas, and may be a feature of redevelopment that occurs in Regional Centres.

Retail-Commercial

- There will be **ongoing need for development sites for retail-commercial properties**. Conversion of employment lands to a commercial use can be explored, while ensuring sufficient needed industrial lands remain available.
- There is **potential for existing retail-commercial sites to be repurposed**.
- The **Regional Centres have significant potential** to contribute to future employment in Greater Sudbury. These locations should be encouraged to develop as **mixed use places**.
- The Town Centres designation recognizes the **distinct character in place across the existing and historic commercial centres** throughout the municipality.
- A set of **changes to the existing zoning** should be considered by the City in order to further the economic development aspirations of the Official Plan.

9. Strategic Recommendations

Land Use Planning

Institutional Areas

- It is essential that City staff **collaborate with major institutions** to meet their ongoing land requirements in order to foster employment growth.
- **No changes to the Institutional zone** are suggested.

Downtown

- The City's **Downtown Master Plan remains the guiding document** directing the evolution of the area. The City could consider a more aggressive approach to fostering new downtown employment land development/revitalization by **continuing to foster the environment for change, reducing development costs, and reducing the risk of the development approval process.**

Brownfields

- From a land needs perspective, the redevelopment of brownfield sites is **not required** to meet anticipated employment land demand.

9. Strategic Recommendations

Infrastructure

Infrastructure Investment Strategy

- **Additional water, wastewater, and utilities infrastructure is required** to facilitate industrial land development through the 2046 forecast horizon.
- City staff and Council should **evaluate both industrial real estate market considerations as well as municipal finance/return on investment outcomes** in deciding upon an infrastructure investment plan to support economic growth.