

Downtown Sudbury – South District Development Potential

Presented To:	City Council
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Type:	Managers' Reports
Prepared by:	Kris Longston Planning Services
Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This report provides recommendations regarding Council Resolution CC2025-45 directing staff to develop a report outlining recommendations and next steps for the development of Downtown Sudbury's South District.

Resolutions

Resolution 1:

THAT The City of Greater Sudbury directs staff to implement the recommendations and return by the end of Q1, 2026 with an update on the next steps outlined in the report entitled "Downtown Sudbury – South District Development Potential" from the General Manager of Growth and Infrastructure, presented at the City Council Meeting of July 15, 2025

Resolution 2:

THAT The City of Greater Sudbury directs staff to prepare a business case for the demolition of the Sudbury Community Arena upon completion of the Event Centre and replacement with temporary surface parking for consideration as part of the 2026-2027 Budget Process, as outlined in the report entitled "Downtown Sudbury – South District Development Potential" from the General Manager of Growth and Infrastructure, presented at the City Council Meeting of July 15, 2025

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

The next steps outlined in this report would support Council's 2019-2017 Strategic Plan Goal 2.4, which seeks to Revitalize Greater Sudbury's Downtown and Town Centres with public investment that supports private investment.

The recommended next steps would also help the City meet Goal 1 of the Community Energy and Emissions Plan, which seeks to achieve energy efficiency and emissions reductions by creating compact, complete communities through infill development.

Financial Implications

The recommended actions, as outlined in the report, will be undertaken as part of ongoing projects such as the Downtown Master Plan Update and/or will be funded through existing budgets.

If approved, staff will prepare a business case for the demolition of the Sudbury Community Arena upon completion of the Event Centre and replacement with temporary surface parking for consideration as part of the 2026-2027 budget process, which would anticipate cash flows in 2028.

Executive Summary

Council tasked Economic Development and Planning Services staff with preparing a report on the downtown south district's development potential, including strategies for soliciting developer proposals, reducing development barriers, planning for the best use of the existing Sudbury Community Arena and its land, updating downtown parking studies, and integrating the Event Centre site into the Downtown Master Plan update.

Much of the work outlined in the February 18, 2025 Council motion is scheduled to take place as part of the Downtown Sudbury Master Plan Update and will be completed by the end of 2025. The recommended outcomes of that process will likely include several action items for Council's consideration, including but not limited to the development of an Expression of Interest process for City-owned lands in the south district, including the Sudbury Community Arena site, in early 2026.

A series of background studies and site preparations have been undertaken for lands south of Brady Street as part of the large projects and the new Event Centre, including geotechnical investigations, land acquisition, utility relocation and more. This prior work by the City will be instrumental in setting the stage for the eventual private redevelopment of this area with the cultural hub and Event Centre as the primary catalysts for investment.

In March 2024, as part of the background work to the Downtown Master Plan Update, the City completed an update of the Downtown Sudbury Parking Study. The Study found that there is sufficient parking currently in the downtown for the Cultural Hub, Event Centre and the Elgin Greenway. Staff is recommending an update to the Parking Study, via a technical memo, to capture the additional parking areas that have been added and to provide recommendations for short, medium and long-term strategies that support Council's goals for future private economic development in the area.

Background

Council passed the Resolution CC2025-45 on February 18, 2025:

"WHEREAS on February 18, 2025, City of Greater Sudbury Council received an update on the Event Centre from the project team, including the specific location of the new Event Centre;

AND WHEREAS this initiative advances the City's goals related to economic development, downtown revitalization and community vibrancy;

AND WHEREAS the new location will create tremendous opportunities for redevelopment of the South District, spurring economic growth, increasing land value and assessment base, and presenting strategic alignment with the development of Downtown Sudbury as a whole;

AND WHEREAS Council and the City have identified the development of the South District as a strategic priority that will require a comprehensive plan to maximize this generational opportunity;

THEREFORE, BE IT RESOLVED that Council directs staff in Economic Development and Planning

Services to prepare a report for the development of the South District for Council's consideration, including:

- A recommended approach to solicit, receive and evaluate proposals from interested developers with South District projects that align with the City's goals and optimize the area's development potential;
- Opportunities to de-risk the South District to reduce barriers to development and increase its attraction of development investments,
- A plan for the best use of the existing Sudbury Community Arena and its land,
- A summary of steps to be taken to update studies for parking in the downtown, and
- A summary of how the site location will be integrated to the Downtown Master Plan;

AND BE IT FURTHER RESOLVED that the report is to be presented to Council by the end of Q2 2025" (See Reference 1).

This report responds to each of these elements.

Recommended approach to solicit, receive and evaluate proposals from interested developers with South District projects that align with the City's goals and optimize the area's development potential

The City's efforts to purchase and develop land in the downtown area are attracting interest from developers, including those with experience in building hotels and commercial spaces. Leveraging this momentum will help secure further investments that are well-suited for the properties near the Event Centre.

The Downtown Sudbury Master Plan Update (the "DMP Update"), further discussed below, will help define the community's goals, priorities and vision for downtown, including the area surrounding the Event Centre. Within scope of the DMP Update is ensuring that the recommendations can be achieved from a servicing and market perspective. This will result in realistic estimates of intensification potential and an action plan to achieve the desired outcomes.

The DMP will include conceptual design and policy recommendations for the south district area to outline highest and best use for the land; this will form the basis for engaging potential developers and provide the framework for evaluation of potential projects.

Staff recommend building on the work to update the DMP with the development and launch of an Expression of Interest/Request for Proposal (the "EOI/RFP") process upon its completion, which will include:

- Identifying the size and location of the City-owned properties available for development
- Soliciting projects that align with the stated vision and goals outlined in the updated Downtown Master Plan
- Defining opportunities targeting desired offerings such as hotels and mixed-use development
- Outlining evaluation criteria for how proposals will be reviewed for alignment with the City's stated objectives
- Providing additional information such as results of geotechnical work and financial incentives available through the downtown Community Improvement Plan programs, including the 20-year Tax Increment Equivalent Grant Program for a parking structure

Potential respondents will be asked to provide information on their proposed projects such as:

- The proposed development concept (commercial, multi-residential, mixed use)
- How the concept aligns with the vision of the Downtown Master Plan and the highest and best use for the property
- For multi-residential, the number of units and proportion of affordable units
- Information on other successful development projects and qualifications of the development team
- Information on financial capacity to advance and complete the project in a timely manner

Staff will develop a list of potential bidders including the developers and investors who have already been

engaged as part of these discussions over the past months, both local developer and industry contacts working elsewhere with an interest in the Sudbury market.

Staff recommends that the City initiate this EOI/RFP process in Q1 of 2026 at the conclusion of the Master Plan Process, anticipated in late 2025.

Opportunities to de-risk the South District to reduce barriers to development and increase its attraction of development investments

Investors and developers are attracted to projects with more certainty and fewer unknowns. Such investors need to consider status of infrastructure such as roads, water, wastewater, power and gas; geotechnical and environmental assessments; zoning and other planning considerations, all equally important to reach shovel-ready status for these targeted investment lands. The background work and studies the City has already undertaken in the South District in support of municipal projects will be provided to potential developers as part of the Expression of Interest process to reduce the risk and help build the business case for investment.

The DMP Update will also provide a new Concept Plan for the entirety of the downtown, including the South District. These conceptual designs and Concept Plan will provide additional information for the recommended EOI/RFP process anticipated for 2026.

Staff recommend the following actions:

- Complete the work associated with the DMP Update
- Identify the residual parcels and complete a Residual Land Analysis for the identified parcels to determine the value of the development land
- Finalize geotechnical work
- Continue preliminary market research and targeted outreach to investors and developers for hotels and other complementary uses
- Upon the completion of the DMP Update, begin implementing recommendations regarding revising policy to address barriers to redevelopment (such as revising Zoning, Community Improvement Plans, etc. where appropriate)

Council has directed staff to review its various Community Improvement Plans. A Public Hearing under the Planning Act is being held on June 23, 2025 to seek feedback on the proposed *Greater Sudbury Community Improvement Plan*. That CIP will continue to have various grant programs including: Tax Incremental Equivalent Grants; Façade Improvement Grants; Housing and Affordable Housing Grants; Professional Study Grants; and Brownfield Redevelopment Grants. As noted throughout the process in reviewing the CIP, staff will return at the conclusion of the DMP Update process with recommendations for CIP programs specific to Downtown Sudbury.

Staff also recommend continuing work on derisking the redevelopment of the CP Rail Station at 233 Elgin, which is protected under the (Federal) Heritage Railway Stations Protection Act. This work would:

- Complete the Building Condition Assessment to determine required repairs, upgrades and potential costs involved
- Outline the options for transfer of ownership or sale of the building, which is owned by CP Rail and leased by the City
- Engage a heritage architecture professional to provide an initial scoping of potential costs and feasibility of redevelopment opportunities

This derisking work on both the City-owned properties and the CP Rail station is a similar approach to that of work being done on industrial land through the Employment Land Strategic Plan, and advances Council's investment attraction and business support objectives.

A plan for the best use of the existing Sudbury Community Arena and its land

In considering the best use for the existing Sudbury Community Arena, it is important to consider the following:

- The current building condition and ongoing maintenance costs for the City once the new Event Centre is operational
- The feasibility, viability and desirability of the building's adaptive reuse by third parties, which will be explored through the proposed EOI process
- The impact of a large, potentially vacant structure on future private investment in the south district
- The potential conflict of two buildings with similar configurations that could host similar events/programming in close proximity to each other
- The potential to utilize the existing arena site for temporary surface parking for the new event centre as the south district redevelops. There are currently 81 surface parking spaces on the current arena site with the potential for approximately 160 additional spaces within the current building footprint depending on configuration

The community and private sector will continue to be engaged during the DMP and EOI processes on the future of the existing Sudbury Community Arena, including options for adaptive reuse and/or different forms of preservation. For example, in addition to the EOI process, the City could explore the integration of artifacts of the Sudbury Community Arena in the new Event Centre to reflect the people and the history of the building and the experiences of its users.

Based on the above it is recommended that staff continue to explore opportunities for the adaptive reuse of the existing Sudbury Community Arena through the DMP and future south district EOI processes. It is also recommended that staff be directed to prepare a business case for the demolition of the existing Sudbury Community Arena (estimated at \$5M) upon completion of the Event Centre and its replacement with temporary surface parking for consideration as part of the 2026-2027 budget process which would anticipate cash flows in 2028. This approach would preserve the option to demolish the building should a viable adaptive reuse not be established prior to the opening of the new Event Centre.

A summary of steps to be taken to update studies for parking in the downtown

The Downtown Sudbury Strategic Parking Plan was developed in March 2024 in support of the Downtown Master Plan update process; it builds on previous reports from 2012 and 2018. The study area, bounded by Ste-Anne Road, Canadian Pacific Rail, and Paris Street, has 3,648 parking spaces. The study took into consideration a new Event Centre, the development of the Cultural Hub and the full build of the Elgin Greenway.

Data collected during business hours, Friday evenings, Saturday afternoons, and special events showed that parking utilization did not exceed the ideal 85-90% threshold, indicating sufficient parking. The plan concluded that no new parking structure was needed and recommended deliberate parking management strategies instead. Overall, the plan suggests that future growth can be managed with strategic parking management.

As there have been significant decisions affecting lands south of Brady Street in Downtown Sudbury since the completion of the parking study, including the location of the Event Centre and the acquisition of additional properties in the vicinity, a technical update to the parking study will be completed in the coming months.

The technical memorandum will provide recommendations for improving parking management over the short, medium and long-term in support of the redevelopment of downtown.

A summary of how the site location will be integrated to the Downtown Master Plan

As noted above, the DMP Update process is anticipated to be concluded in late 2025. The Event Centre is a

major project for Greater Sudbury and its finalized location provides clarity on other aspects of the DMP Update. A holistic approach, integrating various aspects of revitalization and engaging the community, will ensure a balanced and resilient downtown renewal. Work will include the testing of the ideas portion of the DMP Update, including analysis and recommendations from a market perspective and water and sanitary capacity standpoint.

The City has prepared conceptual designs of the existing Downtown Master Plan projects that could complement the Event Centre location. These projects include Brady Street Calming, Memorial Park Expansion, and the Elgin Greenway.

The DMP Update will also provide a new Concept Plan for the entirety of the downtown, including the South District. These conceptual designs and Concept Plan will provide additional information for the recommended EOI/RFP process anticipated for 2026.

Recommendation and Next Steps

In summary, the recommended next steps for the redevelopment of the south district are as follows:

1. **Private Sector Investment Opportunities:** Develop Expression of Interest (EOI) and Request for Proposal (RFP) for the south district aligned with DMP in Q1 of 2026.
2. **De-risking South District:** Finalize planned geotechnical work, continue market research on hotels, complete the DMP process with policy recommendations, and revise zoning and community improvement plans, where appropriate.
3. **Sudbury Community Arena:** Continue to engage the public and private sector on potential adaptive reuse and artifact preservation options through the DMP and EOI processes. Prepare a business case for the demolition of the current Sudbury Community Arena upon completion of the Event Centre and its replacement with temporary surface parking for consideration as part of the 2026-2027 budget process.
4. **Parking Studies:** Update the 2024 Parking Study, reassess future parking demand, evaluate short, medium, and long-term impacts of new Event Centre, and provide parking management recommendations, including an analysis of the potential need for a parking structure.
5. **Event Centre Integration:** Incorporate the Event Centre into the Draft Downtown Master Plan (DMP), share at a Community Workshop in late June, and present the final DMP in Fall 2025.

The next steps of the DMP Update process are as follows:

1. **June 2025** – Community Workshop to discuss the draft Conceptual Plan
2. **Summer 2025** – Develop Draft Master Plan Update and Action Strategy
3. **Late Summer/Early Fall** – Community Workshop on Draft Master Plan Update
4. **By end of Q4** - Final Downtown Master Plan Update and Action Strategy Presentation to Council

Resources Cited

1. Council Resolution 2025-45, passed on February 18, 2025
<https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=56357>