

Request for Decision

Lasalle/Elisabella Industrial Land Project

Presented To: City Council

Presented: Tuesday, May 29, 2012

Report Date Thursday, May 24, 2012

Type: Presentations

Recommendation

WHEREAS Council of the City of Sudbury, at its June 29, 2011 meeting approved moving forward with the LaSalle/Elisabella area in the following manner:

- That staff proceed with the detailed design estimated at \$375,000 funded through the Industrial Land Reserve Fund;
- That staff work with the benefitting landowners to refine the cost-sharing formula using the new policy on development cost-sharing and obtain their commitment regarding their share of the costs;
- That staff provide an update to Council prior to completing the necessary upgrades;

AND WHEREAS staff completed the detailed design in-house, accruing significant cost savings for the project;

AND WHEREAS time is of the essence in order to initiate construction of the project in the 2012 season;

AND WHEREAS staff have developed options for a cost-sharing formula, an apportionment model and a cost-recovery mechanism as detailed in this report.

THEREFORE BE IT RESOLVED THAT Council of the City of Greater Sudbury approve Option ____ as the City of Greater Sudbury's position on cost-sharing for the Lasalle/Elisabella Industrial Area Servicing Project;

AND THAT staff be directed to communicate the City's position to the benefitting landowners;

AND providing that more than two-thirds of the benefitting landowners, representing at least fifty percent of the total project land area, confirm their partnership in the proposed project, the appropriate by-law be prepared and presented to Council for approval.

Signed By

Report Prepared By

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Digitally Signed May 24, 12

Division Review

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Recommended by the C.A.O.

Doug Nadorozny
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Finance Implications

Total Project Costs are estimated at \$8.8 million.

Option 1: This option proposes to recover \$3.6 Million of the project costs from Benefiting Landowners over a 5 year period. The balance of \$5.2 Million will be funded by the amounts set aside in the Roads, Water, Wastewater Capital Budgets in 2011 to 2013, as well as the \$1 million grant from NOHFC. Staff will also include a portion of the oversizing growth related costs from Area 1 (offsite) in the 2014 DC Background Study.

Option 2: This option proposes to recover \$662,761 of the project costs from Benefiting Landowners over a 5 year period. The balance of \$8.1 million will be funded by the amounts set aside in the Roads, Water, Wastewater Capital Budgets in 2011 to 2013, the \$1 million grant from NOHFC, a \$1.5 million contribution from the Industrial Park Reserve Fund, and \$825,000 from the Industrial Land Strategy Capital Envelopes committed for 2012 to 2015.

This option proposes that the City would front end the growth related costs of \$3.4 million associated with oversizing the infrastructure to meet anticipated development. A section 391 recovery charge by-law would be required in order to collect the funds at the building permit stage, if and when development occurs. Funds collected in the future would be used to replenish the Industrial Park Reserve Fund.

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Industrial Land Strategy

LaSalle/Elisabella Industrial Area Project

1. Introduction

The Lasalle/Elisabella Industrial Area Project is the result of several years of coordinated effort by several CGS Departments and dozens of municipal staff. This project emanates from the GSDC assessment of Industrial Lands and required significant support from Economic Development, Planning, Water/Wastewater, Roads and Transportation, Development Services and Finance. Engineering staff deserve special mention for undertaking the detailed design phase in-house, which saved \$330,000 and allowed these funds to be plowed back into the project.

Major contributors to this project and this report include Akli Ben-Anteur, Water/Wastewater Development Engineer, Jean-Mathieu Chenier, Business Development Officer, and Paul Reid, Business Development Officer, along with the Chief Financial Officer, the Director of Economic Development and the General Manager of Growth and Development.

2. Background

During the mid-2000's, the City of Greater Sudbury experienced levels of growth in all sectors – residential, commercial, and industrial – not seen in a number of decades. This growth and development resulted in an increased demand for development properties in all parts of the community. During the same period, the City sold its remaining lots in both municipal industrial parks: the Walden Industrial Park and the Valley East Industrial Park. Faced with the decision as to whether to develop a new municipal park, the GSDC Board recommended a two pronged approach. First, they recommended expanding the Valley East Industrial Park by purchasing and servicing additional property adjacent to the existing park. The second recommendation was to inventory available industrial land to determine whether investing with existing landowners would be a cost-effective way to ensure an adequate supply of serviced industrial land for future development. Council adopted both recommendations in 2007-2008.

To initiate this assessment, an inventory of existing industrial land was completed. The results indicated that there was approximately 1,216 acres of industrial land across the City, but only about 20% of that total could be considered shovel ready for industrial development. Shovel ready sites allow purchasers the opportunity to immediately obtain a registered serviced lot and a building permit. This information was recently revised, as outlined in **Appendix A**, and reveals that Greater Sudbury currently has a 30 year supply of vacant land for all industrial classes at a 40 acre per year absorption rate but confirms that less than 20% - or a 6-year supply - is shovel ready.

The GSDC consulted with a number of industrial developers and owners of industrial land to determine what role the municipality could play to assist in increasing the amount of shovel ready land. Landowners indicated that water and wastewater infrastructure upgrades in existing industrial areas could help to accommodate future development and trigger expansion of existing businesses.

Partnerships to accelerate such projects were seen as a reasonable way to increase the opportunities for industrial development in Greater Sudbury.

The GSDC Board determined that a balanced approach is in Greater Sudbury's best interest, with a combination of investments in upgrading existing areas and service extensions to new areas.

In November 2009, with the assistance of \$225,000 in funding from FedNor and \$50,000 from NOHFC, RV Anderson was engaged to develop conceptual designs and costing for infrastructure improvements in eight industrial areas across the City. The FedNor and NOHFC funding received was intended for design-related initiatives associated with industrial land, with a portion of the costs for these initiatives coming from the City's Industrial Park Reserve fund.

The preliminary results of this study were presented to Council in February 2011 where staff sought Council direction to refine the criteria and a decision-making framework in order to determine the best course of action for addressing the infrastructure challenges across the industrial areas.

This framework was presented to Council in June 2011 and, based on the evaluation criteria, two priority areas were identified: the Fielding Road Industrial Area and the LaSalle /Elisabella Industrial Area.

Council approved the undertaking of an environmental assessment for the Fielding Road Industrial Area and this is currently underway.

For the Lasalle/Elisabella Industrial Area, Council approved the following:

- That staff proceed with detailed design estimated at \$375,000 funded through the Industrial Land Reserve Fund.
- That staff work with benefitting landowners to refine the cost-sharing formula using the new policy on development cost-sharing and obtain their commitment regarding their share of the costs.
- That staff provide an update to Council prior to completing the necessary upgrades.

With Council's direction, staff began the detailed-design in-house for this industrial area and funding applications were submitted to senior levels of government for contributions towards the capital component of the Lasalle/Elisabella Industrial Area project. To date, \$1 million in funding has been confirmed and staff are hopeful that an additional \$1 million funding will be secured in the coming months.

3. Policy Context

Although the 2009 conceptual design and costing study identified that a number of industrial areas across the community need water and wastewater infrastructure upgrades to remedy the existing limitations to capacity, these limitations are not specific to industrial areas and many other parts of the city face the same challenges. These issues arise because of ageing infrastructure and the fact that regulations change over time. What was adequate in the 1960s or 1970s, no longer meets the

current Building Code. The limitations can affect the ability of businesses to expand or to develop new lands.

As a result, the City strives to find a balance between needed infrastructure improvements and existing capital budgets while minimizing the impact on water and wastewater rates. The long term financial plan for water/wastewater, forecasted an overall water/wastewater rate increase of 7.4% for 10 years, in order to achieve sustainable levels for operating and capital. The current practice is to upgrade water/wastewater infrastructure based on its condition to ensure that safety of the serviced population is not compromised. As an example, when a particular section of watermain breaks a number of times in a given time period, that section will be put on the priority list and will be changed accordingly. Once the section is replaced, it is upgraded to meet today's standards.

To further illustrate the infrastructure upgrade approach, in the LaSalle/Elisabella Industrial Area, watermain sections on Lapointe St and Foundry St were on the 2011 priority list due to their condition and would have been replaced this year to meet current standards. This would not have provided the fireflow requirements for expansion or new construction, however, since the pipes upstream are not large enough to bring sufficient water flow. A complete solution requires pipe upsizing back to the larger watermain on Falconbridge Road as well as oversizing in the project area to allow for future development. These larger watermain upgrades, in addition to sanitary sewer upgrades in the area, were not on the capital priority list as their condition did not warrant changes for now. Eventually this watermain and sanitary sewer would be changed when their condition warrants the capital expenditure and they reach the top of the priority list. Thus it will likely take many years before water and sanitary sewer infrastructure changes would occur to the point where fireflow and sanitary collection capacity are increased to allow expansion and new development.

In response to these challenges and to help foster development, the City has an existing Development Cost Sharing Policy to contribute 50% towards the cost of an upgrade required by a development where there is an existing deficiency even if the condition of the infrastructure does not warrant being upgraded (ie. pipe is in good condition but is too small).

Even though it is the City's policy that development growth should pay for growth, the Development Cost Sharing Policy helps to ensure that development projects are assessed in a fair and equitable manner.

In the case of the LaSalle/Elisabella area, the situation is much more complex. The circumstances in this area are such that there is a combination of growth-related requirements and existing limitations. Further complicating this scenario is the fact that there are approximately 40 different landowners in this area with very different needs from an infrastructure perspective.

4. Infrastructure Detailed Design

City staff developed the detailed design in-house for the upgrades to the existing infrastructure in the LaSalle/Elisabella Industrial Area. The detailed design generally follows the conceptual design

done by RV Anderson that was presented to Council with some exceptions to save costs by avoiding the LaSalle-Falconbridge intersection as well as addressing drainage issues.

The proposed upgrades for the water distribution system will be sized to accommodate current fireflow standards for existing businesses, as well as meet increased capacity requirements from expanding companies and future development opportunities. Similarly, sections of the wastewater collection system will be upgraded to meet existing and future demands. In some sections, a storm sewer system is also being installed to mitigate drainage issues caused by a high water table and a flat topography.

The proposed upgrades are divided into three distinct areas. Please see attached Figures 1 and 2 for illustration.

Area 1 (Off-site):

- Watermains will be upsized on San Francisco St, Carmelo Ave and LaSalle Blvd from Carmelo to Elisabella St from a 200 mm diameter pipe to a 400 mm watermain in order to bring adequate water flows to areas 2 and 3.
- Connecting to the trunk watermain at the intersection of Falconbridge and San Francisco is less expensive than connecting at Falconbridge and LaSalle as the watermain at San Francisco is on the east side of Falconbridge as opposed to being on the west side which is the case at the LaSalle intersection.
- The road will be resurfaced following the installation of the watermains.
- Roads along San Francisco and Carmelo will remain at rural standard, with open ditches, while LaSalle Blvd will remain urbanized between Carmelo and Elisabella

Area 2 (Elisabella and Lapointe Streets)

- The watermains along Elisabella St and Lapointe St will be upsized from 200 mm to 400 mm to allow landowners to meet current requirements for fireflow protection and anticipated demand by expanding businesses and future development opportunities.
- The sanitary sewer on Elisabella will be upsized from 300 mm to 450 mm to increase the collection capacity of the system.
- The road will be reconstructed on Elisabella and Lapointe at an urban standard, with catch basins and storm sewers, to remedy on-going drainage issues in the existing ditches due to a high water table and flat topography. This is consistent with the City's policy requirements for a new private industrial park development.

Area 3 (Lasalle and Foundry Area)

- Watermains on LaSalle Blvd east of Elisabella will be upsized from 200 mm to 400 mm to meet demand and fireflow requirements and anticipated demand by expanding businesses

and future development opportunities, with a reduction to 200 mm at the end of the waterline to mitigate stagnating water.

- Sanitary sewers will be upsized from 400 mm to 450 mm then extended with a 350 mm diameter pipe and a further reduction to 200 mm at the end, effectively increasing wastewater collection capacity.
- The watermain on Foundry will be upsized from 150 mm to 200 mm and sanitary sewer will be extended with 300 mm pipe.
- Road reconstruction will follow the extent of the installations and will be maintained at a rural standard.

The construction period is expected take two construction seasons, starting in the summer of 2012 to the fall of 2013, subject to a timely stakeholders' approval.

5. Project Cost

As indicated in Table 1, the estimated cost of construction currently stands at approximately \$8.8 million for the entire project. A cost-breakdown is provided per area for more clarity.

Table 1: Project Estimated Costs by Area

Area 1 – Offsite	\$ 2.1 Million
Area 2 – Elisabetha and Lapointe	\$ 4.8 Million
Area 3 – Lasalle and Foundry	\$ 1.9 Million
Total Project Cost	\$ 8.8 Million

Table 2: Project Estimated Costs by Asset

Roads and Storm Sewers	Water mains	Sanitary Sewers	Total
\$4.4 million	\$3.3 million	\$1.1 million	\$8.8 million

6. Cost Sharing Formula and Apportionment: Option 1

As detailed later in this report, this option was presented to the benefitting landowners in March 2012.

Using the Development Cost Sharing Policy as the foundation, staff developed a cost-sharing and apportionment for the LaSalle/Elisabella Project Area. The formula emphasized a low risk approach in order to ensure that the landowners share would be collected in a reasonable length of time, without long term financing required by the City

Simply stated, the formula divided the net costs of the project in each area as a 50/50 cost-sharing partnership between the municipality and benefitting property owners. The landowners' share was apportioned to each benefitting property based on the area, or size, of the respective property. The rationale behind this methodology is that the larger the property, the greater the potential for development, and thus the greater the potential impact on the infrastructure. The shares in each area are as follow:

Project Area 2 – \$2.3 Million or \$0.739 per square foot, Section 391 charges payable over 5 years

Project Area 3 – \$1.3 Million or \$0.23 per square foot, Section 391 charges payable over 5 years

The payment terms were proposed at a 5-year amortization with the first payment due January 2013 based on current cost estimates. The remaining 4 payments would be adjusted based on the actual construction costs. Landowners would also have the option to pay all costs upfront to avoid any interest charges.

7. Communication Plan

Knowing the importance and sensitivity of this project to the local business community, a Communication Plan was developed in order to facilitate communication and understanding with benefitting property and businesses owners as they were requested to buy-in as project partners.

An information package containing pertinent information explaining the project along with individual information for each specific landowner's share of the cost was developed and distributed to them. A letter of response was also included requesting that the landowner either choose to support, or not, the project as it was proposed at this time.

All property and business owners in the project area were invited to attend a public information session at Tom Davies Square on March 29, 2012. At this meeting, staff provided a presentation on

the project and open dialogue with the project partners. In addition, staff held nine one-on-one meetings with major property and businesses owners to explain the project and seek feedback.

8. Feedback from Businesses and Landowners

During the March 29, 2012 public information meeting, the landowners present indicated that they would not support the proposed cost sharing formula of 50/50 between the City and the benefiting landowners. Some of the reasons expressed were that property and business owners have been paying taxes and water/wastewater user fees for a long time and the City should remedy the existing infrastructure deficiencies; property owners should not be held responsible for the situation nor share the cost for the upgrades.

Some landowners did express a willingness to partner in the project at a significantly reduced, though undetermined rate.

Written feedback was also received, as 26 of the 39 landowners responded using the form contained in the information package. In summary, 25 respondents opposed the project as it was proposed, 1 responded in support of the project and 15 did not provide a response.

In summary, the comments received are centered on the following themes:

- Benefitting landowners should not have to pay anything for the upgrades as it is the municipality's responsibility to ensure that services are maintained at an adequate standard with the taxes paid overtime.
- Benefitting landowners should only pay at the development stage
- Benefitting landowners would like the opportunity to pay any upfront costs over a longer period, instead of the 5-year payment period in the current proposal.

9. Revised Cost Sharing Formula and Apportionment: Option 2

After listening to the concerns of the benefiting landowners and businesses, City staff re-examined the original proposal in order to develop a financial model that preserves the principle that growth should pay for growth and that a partnership contribution is required in order to justify the acceleration of this project and to demonstrate its importance for economic development.

Staff examined the way in which previous infrastructure projects were funded and looked closely at the planned project in the Lasalle/Elisabella area to isolate the costs which benefit all landowners versus those which will provide most benefit to those with the ability to build or expand. In addition, staff reviewed the engineering capital cost estimates in greater detail as illustrated in Table 3 below.

Table 3: Breakdown of Estimated Project Costs

	Project Costs to replace infrastructure to meet current standards (Note 1)	Project Costs to oversize infrastructure to service future growth/development (Note 2)	Total
Area 1 (Off site)	\$1.1 M	\$1.0M	\$2.1 M
Area 2 (Elisabella/Lapointe)	\$2.3 M	\$2.5 M	\$4.8 M
Area 3 (Lasalle/Foundry)	\$1.0 M	\$0.9 M	\$1.9 M
Total	\$4.4 M	\$4.4 M	\$8.8 M

Note 1: Project Costs to replace infrastructure to meet current standards refers to the costs associated with replacing the existing infrastructure and upsizing the watermain to meet current fire flow requirements.

Note 2: Project Costs to oversize infrastructure to meet future growth/development refers to the cost of watermain pipe diameter increase for water and sewer to accommodate future growth in those areas.

The revised proposal is presented for Council consideration as shown in the following Table 4.

Table 4: Revised Cost Sharing Proposal

	Replace infrastructure to meet current standards		Offsite Oversizing in Area 1	Infrastructure Oversizing to Service Future Development	
	City's Share	Property Owners' Share (20%) <u>Note 1</u>	Recovered from Future Development Charges <u>Note 2</u>	Collected Area Charge at Building Permit Stage <u>Note 3</u>	TOTAL
Project Area 1	1.10	0.00	0.96	0.00	2.06
Project Area 2	1.87	0.47		2.45	4.79
Project Area 3	0.78	0.20		0.97	1.95
	3.75	0.67	0.96	3.42	8.80

Note 1 - Amount Receivable over 5 Years

Area 2 and 3: Benefiting Landowners to pay 20% of the project costs to replace infrastructure to meet current standards, over a 5 year repayment term, including interest at 4.5%.

Landowners would also have the option to pay all costs upfront to avoid any interest charges. This amounts to \$467,046 from property owners in Area 2 and \$195,715 from property owners in Area 3. The amount payable per property owner is calculated on the prorated share of square feet of available land that can be developed in the future. Staff have determined that benefiting landowners should contribute 20% of the costs to replace the existing infrastructure to meet current standards since the majority of this replacement was not on the next 5 year capital priority list, and the upsizing to meet fireflow is in response to growth related needs/pressures.

Note 2 - City Wide Development Charges

Area 1 Offsite: City to pay 100% of the project costs (\$1.1) to replace infrastructure to meet current standards, and the oversizing costs of \$1.0 million will be added to the 2014 Development Charges Background Study and recovered from City Wide future development charges.

Note 3 - Amount Recoverable, at the Building Permit Stage, if estimated development occurs

Area 2 and 3: City to front end 100% of the costs project costs to oversize infrastructure to meet future growth/development and the City establish a Section 391 By-Law and recovery charge at the building permit stage to recover \$2.4 Million from Area 2 property owners and \$1.0 million from Area 3 property owners. The balances will bear interest at 4.5% per annum and will only be collected, if development activity occurs in the future. The City would have to front end these costs, in anticipation of collection in the future, if and when, development occurs. Consistent with the City's policy, the growth related costs of \$3.4 million are the responsibility of developers/benefiting landowners and not the City.

Hemson Consulting has calculated the recovery charges at the Building Permit Stage as follows:

Charge per Square foot	Area 2 Recovery Charge at the Building Permit Stage	Area 3 Recovery Charge at the Building Permit Stage
Year 1 to 5	\$3.42	\$1.01
Year 6 to 10	\$4.22	\$1.25
Year 11 to 15	\$5.20	\$1.55
Year 15 to 20+	\$6.42	\$1.91

Funding for Option 2

The challenge with this cost recovery option is the City must front end the benefitting landowner's share of \$4,067,864 (as noted above) over the 5 year period and over the length of time it takes to fully develop this industrial land area. For planning purposes, staff has estimated 20 years for full build out.

The following is the shortfall:

Total Project Costs	\$8.8 M
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Less: Approved Funding Sources:

Roads Capital Budget (2011 to 2013)	\$2.050 M
Water Capital Budgets (2011 to 2013)	\$1.575 M
Wastewater Capital Budgets (2011 to 2013)	\$1.050 M
NOHFC Grant	\$1.0 M
TOTAL	\$5.675 M

Funding Short Fall	\$3.125 M
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If Council approves Option 2, the shortfall can be funded as follows:

Contribution from the Industrial Park Reserve Fund	\$1.3 M
2012 Capital Budget envelope for Industrial Land Strategy	\$0.2 M
Explore future funding from Senior Levels of Government	\$1.0 M
Future Industrial Land Strategy capital envelopes (Capital Budgets in 2013, 2014, 2015)	\$0.625 M
Total	\$3.125 M

The current balance in the Industrial Park Reserve Fund is approximately \$1.5 million, so if Council approved this contribution the remaining balance would be approximately \$200,000. Future Section 391 amounts collected from this area at the building permit stage would be returned to replenish the fund over time. This reserve fund was intended to fund City owned Industrial Land projects.

In addition, should applications for funding from senior levels of government fall short of expectations, staff will have to seek another funding source for this shortfall.

Should Council wish to reduce its risk of collectability, an alternative Option can be developed which would increase the upfront contribution of \$662,761 from the benefitting landowners. This would increase the fixed annual payment from each landowner over the 5 year period, returning City extended funds with more certainty. The Section 391 Charge at the Building Permit stage would be reduced accordingly.

10. Conclusion

The proposed project of addressing infrastructure challenges aligns with the City of Greater Sudbury's broad strategic mission, in particular Economic Development and Focus on Opportunities.

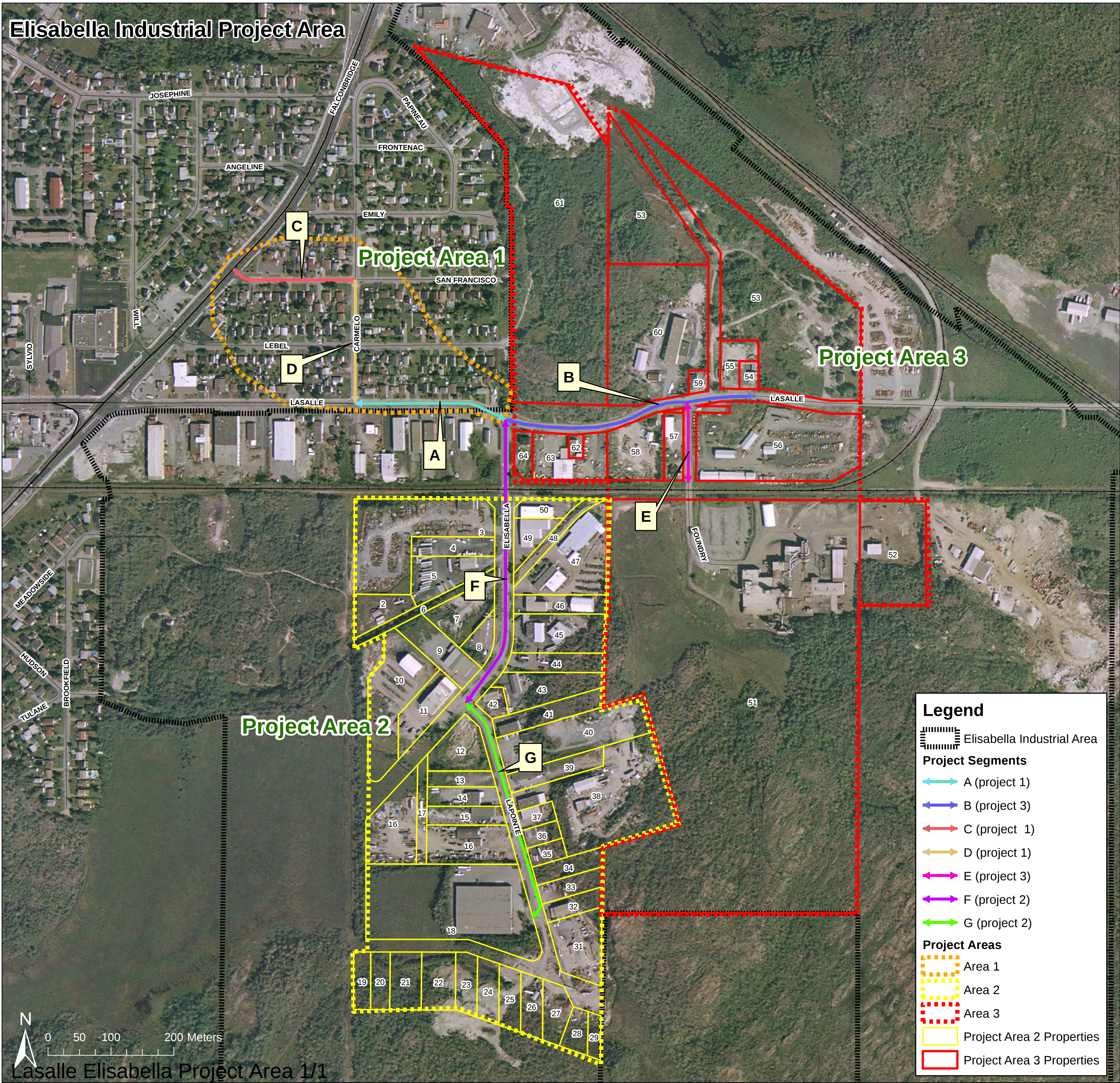
Upgrading infrastructure services on LaSalle/Elisabella Industrial Area could facilitate and attract new business development and could trigger expansion of businesses. As indicated in Appendix A, this project would create 42 acres of shovel-ready industrial land. This will strengthen our options available for development and meet the objectives set out by the Greater Sudbury Development Corporation in 2007.

Staff have reviewed feedback from landowners regarding the original 50/50 cost sharing proposal and have developed a second option for Council's consideration. This option lowers the upfront costs for benefitting landowners but transfers some risk to the City as payments are only received when development takes place.

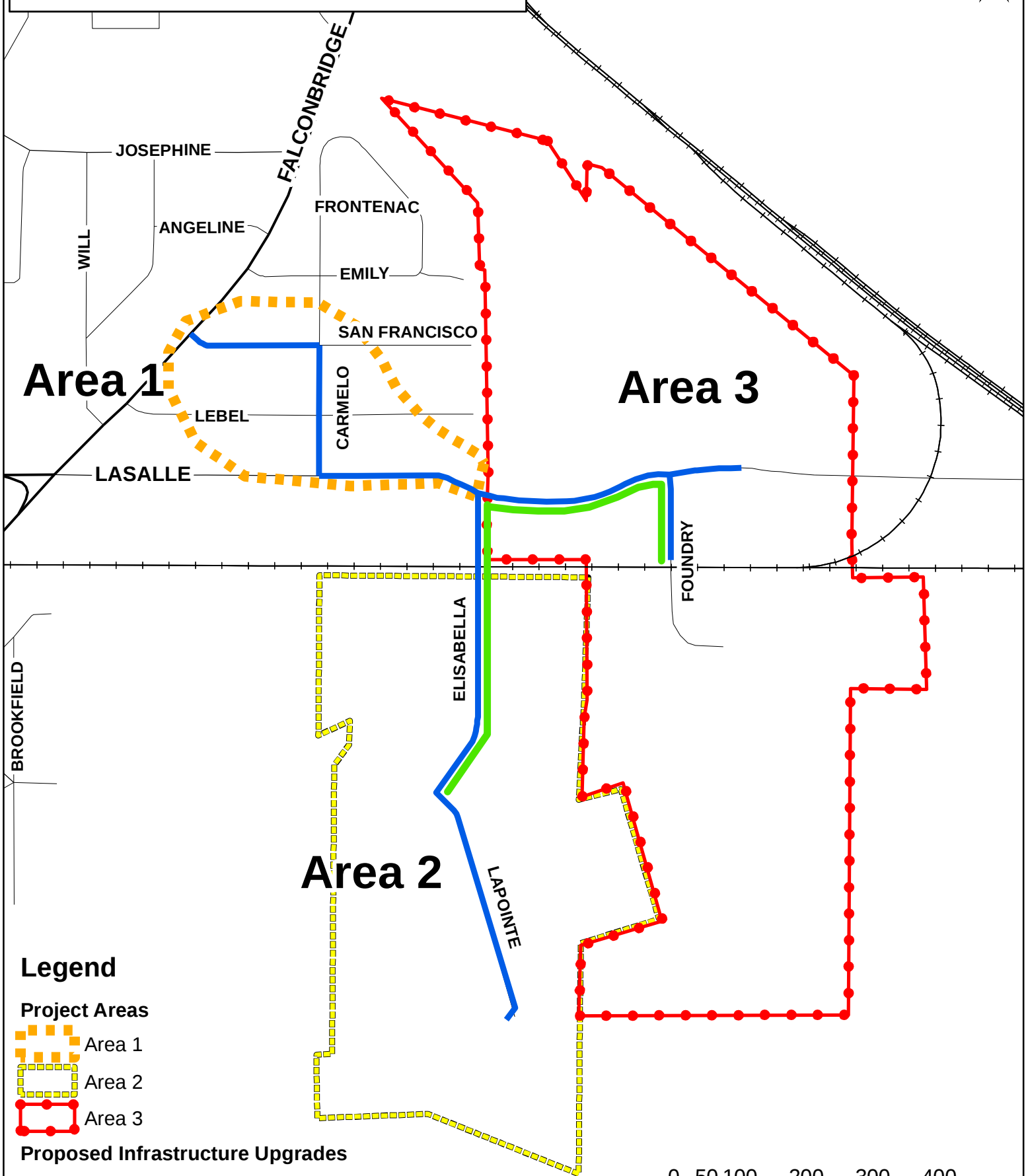
In summary, it is being recommended that:

- Council provide direction as to the City's position on cost-sharing
- Staff be directed to communicate the City's position to the benefitting landowners along with the detailed apportionment costs for each
- Providing that more than two-thirds of the benefitting landowners, representing at least fifty percent of the total project land area, confirm their partnership in the proposed project, the appropriate by law be prepared and presented to Council for approval.

Elisabella Industrial Project Area



Proposed Infrastructure Upgrades for Lasalle/Elisabella Industrial Area



Legend

Project Areas

- Area 1
- Area 2
- Area 3

Proposed Infrastructure Upgrades

Water

Sewer

0 50 100 200 300 400 Metres

May 15, 2012

APPENDIX A

ABSORPTION RATES OF INDUSTRIAL LAND

Absorption rates of industrial lands for the City of Greater Sudbury are difficult to estimate accurately as yearly records have not been kept in a form readily summarized. As well actual historical absorption rates of industrial lands would need to reflect Sudbury's boom bust cycles and the wider economic determinates of the market place. Therefore we have decided to develop a proxy measure which should be relatively reflective of what one might expect in a conservative market environment.

Two measures are provided. The first is based on taking the City's two public sector industrial parks which have both been in place for 40 years. Both parks are now essentially sold out. The Walden Industrial Park has 325 acres of industrial land with a 40 year average annual absorption rate of approximately 8 acres per year. The Valley East Industrial Park consists of 140 acres of industrial land with a 40 year average annual absorption rate of approximately 5 acres per year. Together they total 13 acres per year of serviced industrial land consumed over all business cycles.

If one assumes that private sector parks and land opportunities for the same period at least matched or doubled the public sector absorption rate (13 to 26 acres per year for the same periods) approximately 40 acres of serviced land would be required annually for new or expanded industrial operations.

If one were to examine industrial use building permits taken out for the past 10 years between 2001 to 2011 in two categories - industrial permits and extractive industrial permits - , a second lens on industrial development in Greater Sudbury is provided. Over that ten year period, 2.2 million square feet of new industrial development occurred and 420,000 square feet of new extractive industrial development occurred. Together these amounts account for a 10 year annual average of about 260,000 square feet of new industrial building stock per year.

These absorption rates would represent and anticipated yearly average demand across all business cycles which could be reasonably expected.

On the supply side, our data is somewhat better although still incomplete as assumptions must be made with respect to serviceability and availability. However reasonable estimates indicate the following:

1, Kingway Industrial Lands

(These lands are pre-serviced with municipal water and sewer on the Kingsway and zoned but not yet subdivided in register industrial lots)

M1 Mixed Light Industrial/Service Commercial	166 acres
M2 Light Industrial	110 acres
M3 Heavy Industrial	35 acres

2. Fielding Road Industrial Lands

(These lands do not have municipal sewer and water infrastructure at this time and are partially developed. Vacant lands and partially vacant sites are as follows)

M3 Heavy Industrial	148 acres
M5 Extractive Industrial (requires rezoning)	99 acres

3. Elisabella/LaSalle

(These lands are serviced with sewer and water but do not have adequate capacities for expansion. The area has many industrial businesses in addition to sites which are vacant and partially developed. The acreage below represents opportunities in this area for additional development.)

M2 Light Industrial Area 2	3 acres
M2 Light Industrial Area 3	6 acres
M3 Heavy Industrial Area 2	15 acres
M3 Heavy Industrial Area 3	18 acres

4. Kelly Lake Road

(These vacant lands are serviced with water and sewer along Kelly Lake Road but unserved on Ceasar Road. This area will have improved service capacity to this site once the BioSolids plant is operational.)

M2 Light Industrial	20 acres
M3 Heavy Industrial	94 acres

5. Radisson Industrial Park

(These lands are vacant and unserved but are readily serviced as part of the development process.)

M1 Mixed Light Industrial Service Commercial	14 acres
M2 Light Industrial	78 acres

6. Falconbridge Road/Maley Drive

(This area is a mix of developed, partially developed and vacant lands which are both serviced and unserviced. Some the servicing is feasible for the developer and other services would best be upgraded when Maley Drive is upgraded. The vacant land component is outlined below)

M1 Mixed Light Industrial Service Commercial (serviced)	48 acres
M2 Light Industrial (unserviced)	16 acres
M3 Heavy Industrial (unserviced)	176 acres

7. Coniston South

(The majority of this area is vacant and unserviced and would require significant offsite infrastructure improvements to bring services in including looping of the trunk water line on Highway 17 through Coniston)

M1 Mixed Light Industrial Service Commercial (Serviced)	25 acres
M3 Heavy Industrial (Unserviced)	90 acres

8. Kingsway (near the Bypass)

(Area is serviced with water but not sewer)

M2 Light Industrial	55 acres
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9. Sudbury Airport

(The airport is a public sector entity which is expanding its light industrial opportunities through servicing the SE Quadrant and now servicing and developing the NE Quadrant. These industrial offerings are unique for companies requiring airport access and transportation.)

M2 Light Industrial (NE Quadrant being serviced)	230 acres
M2 Light Industrial (NSW Quadrant unserviced)	210 acres

Industrial Land Supply Summary

Industrial Land supply can be considered from both a private and public supply perspective. If the first 7 private sector industrial land areas are taken together they result in the following zoned land supply:

M1 Mix Light Industrial Service Commercial	253 acres
M2 Light Industrial	288 acres
M3 Heavy Industrial	576 acres
M5 Extractive Industrial (requires rezoning)	99 acres
Total Private (all classes of industrial land)	1,216 acres

(Note: Other smaller industrially zoned parcels of land also exist which are found in scattered locations throughout the City. These lands are not reflected in the above totals)

The seven private sector industrial parks above with 1,216 acres of land represents a 30.4 year land supply of vacant land for all industrial classes at a 40 acre per year absorption rate. If all the industrial land requirement went to M1 Mixed Light Industrial Service Commercial lands the City currently has a 6.3 year supply of land. If all the industrial land requirement went to the M2 Light Industrial zone the City has a 7.2 year supply of land. If all the industrial land requirement went to the M3 Heavy Industrial areas the City has a 14.4 year land supply. Servicing Elisabella/LaSalle would allow 42 acres of land to be fully developed and represents on its own a 1 year supply.

If the Airports M2 Light Industrial Lands are brought into the mix another 11 years of opportunity is available.

However, as indicated in previous reports, less than twenty percent of this total is shovel ready for industrial development. Shovel ready sites would allow perspective purchasers the opportunity to immediately obtain a registered serviced lot and a building permit.