

For Information Only

Employment Land Strategy Update

Presented To:	City Council
Presented:	Tuesday, Jan 12, 2021
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Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

The Employment Land Strategy aligns with Council's Strategic Priorities. Two of the pillars of the 2019-2027 City of Greater Sudbury Strategic Plan are "Business Attraction, Development and Retention" and "Economic Capacity and Investment Readiness". Specifically, goals 2.2.C, "create plans that leverage the full capacity of the Greater Sudbury and Northern Ontario Mining Cluster to support further integration and expansion", and 4.2.D "ensuring that municipal capital project priorities appropriately consider economic impacts and the potential for private development" are applicable. Priority 1.4 Reinforce Infrastructure for New Development, specifically directs the completion of a strategy as follows: B. "Ensure the City has an adequate supply of serviced employment land and incentive framework in place to stimulate investment, development and job creation."

Report Summary

This report provides an update on the status of the Employment Land Strategy, and provides Council with the following chapters which will form part of the final report: Land Supply Analysis; Trends Analysis; Population and Employment Projections; Land Demand Analysis; and Planning Policy Review.

Financial Implications

There are no financial implications associated with the report.

Signed By

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Staff Report: Employment Land Strategy Update

November 10, 2020

Planning Services Division

Background

The firm of Cushman & Wakefield has been retained by the City of Greater Sudbury to undertake the development of an Employment Land Strategy. Staff have committed to providing regular updates to Council and the Greater Sudbury Development Corporation throughout the study process.

This update report includes the following five deliverable chapters as attachments:

- Land Supply Analysis
- Trends Analysis
- Population and Employment Projections
- Land Demand Analysis
- Planning Policy Review

The following table provides a summary of the status of the deliverables:

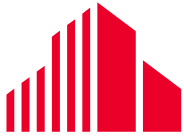
Project Stage	Status
1. Project Start-Up	Complete
2. Land Supply Analysis	Complete
3. Trends Analysis	Complete
4. Demand Forecast	Complete
5. Gaps/Constraints/Opportunities	Underway
6. Finance Strategy	To be Completed
7. Competitive Analysis	To be Completed
8. Planning for the Future	To be Completed
Draft Report	To be Completed
Final Report	To be Completed

The project is proceeding on schedule, with anticipated completion in Q2 of 2021. Further updates will be provided to Council as deliverables are completed.

References

1. Employment Land Strategy Proposal, Staff Report, September 17, 2019
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1371&itemid=17470>
2. Employment Land Strategy, Staff Report, July 14, 2020
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=16&id=1514>

DRAFT October 23rd



**CUSHMAN &
WAKEFIELD**



The **Planning** Partnership

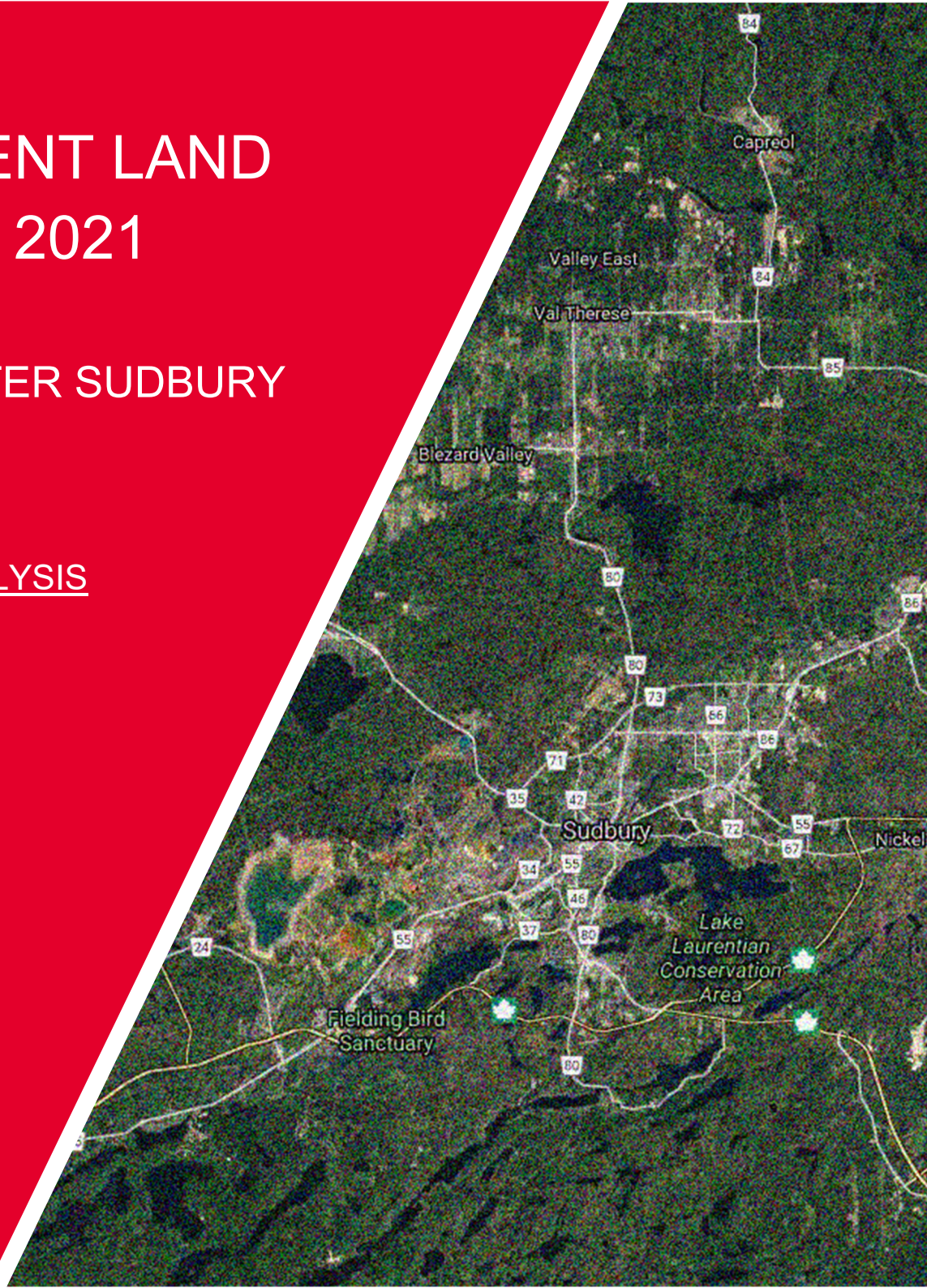


EMPLOYMENT LAND STRATEGY 2021

CITY OF GREATER SUDBURY

DELIVERABLE #2

LAND SUPPLY ANALYSIS



2.0 LAND SUPPLY ANALYSIS

2.1 Overview of Approach and Methodology

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). Our analysis focused on sites under the following Official Plan designations: Downtown, Regional Centre, Town Centre, Mixed Use Commercial, General Industrial, Heavy Industrial, and Institutional. Sites located under the following Official Plan designations were not relevant to our analysis of lands that support employment: Living Area 1, Living Area 2, Urban Expansion Reserve, Mining/Mineral Reserve, Aggregate Reserve, Agricultural Reserve, Parks & Open Space, and Rural. Of note, while there may be future employment generated on lands identified as Mining/Mineral Reserve, Aggregate Reserve, and Agricultural Reserve, this Employment Land Strategy is focused on Industrial, Commercial, and Institutional land requirements.

There are over 3,000 properties – individual Assessment Roll Numbers (ARN) – across Greater Sudbury identified within the Official Plan designations that are the focus of our analysis. For the purposes of this study, an individual property refers to a single Assessment Roll Number (which may be comprised of more than one parcel of land, all of which share that ARN).

In some cases, due to the nature of the GIS mapping and the potential for an overlap across a single site of more than one Official Plan designation (e.g. General Industrial and Parks & Open Space), it was necessary to take a close look at the mapping to identify whether or not a given property was suited for inclusion in the overall employment land inventory (i.e. in this stated example, is it potentially developable land, or is there a body of water present or other feature that it might preclude development as an employment use?).

The City of Greater Sudbury covers a vast land area, and is a geographically dispersed cluster of settlements located around the urban core of Sudbury. The GIS data enabled the Consultant Team to identify whether an individual property is located within an established Settlement Area, or whether it is located beyond a Settlement Area boundary (note: when a property straddled a boundary, it was considered to be inside the Settlement Area, for the purposes of our analysis). This employment land inventory is focused on properties within the Settlement Areas across Greater Sudbury. Should the land supply and demand analysis indicate that there is a shortfall of suitable properties to accommodate growth, it may be necessary to explore the viability of adjusting Settlement Area boundaries; however, at this initial stage of the analysis, such work is considered premature. In our inventory, we have identified the geography associated with each property, drawing upon the former Secondary Plan names that were in place pre-amalgamation, in order to understand the spatial distribution of employment lands across the city.

The data provided by City staff has enabled the Consultant Team to compile a comprehensive employment land inventory with the following attributes for each property:

- Municipal address;
- Settlement name, former Secondary Plan name, and identified geography for our analysis;
- Location within or beyond a Settlement Area boundary;
- Municipal Property Assessment Corporation (MPAC) property code and description;
- Land area, in hectares (ha);
- Building footprint, in square metres (m²);
- Site coverage – the building footprint divided by the land area, as a percentage (%);

- Official Plan designation(s) and Zoning designation(s);
- Property owner (including City-owned properties); and,
- Whether there is water and/or wastewater and/or natural gas service to the property, or within a 50 metre buffer of the property line.

The preceding information was used by the Consultant Team to identify whether or not each property should be included as part of the City's employment land inventory. The following additional notes apply to our development of the inventory:

- Properties associated with utilities have been excluded from the employment land inventory – whether occupied or vacant. While some future employment growth may be related to these sites, it is not part of the focus of this report. The following MPAC property codes apply to this exception:
 - 555 – OPG hydraulic generating station
 - 558 – Hydro One transformer station
 - 560 – MEU transformer station
 - 561 – Hydro One right-of-way
 - 590 – Water treatment/filtration/water towers/pumping station
 - 591 – Sewage treatment/waste pumping/waste disposal
 - 595 – Heat or steam plant
- Surface parking lots – whether in conjunction with another property, or a stand-alone use – are a feature of the built environment across the city, and account for a share of the vacant designated lands. We have taken these sites into consideration in our employment land inventory as follows:
 - There are 32 properties identified as MPAC code 480 – Surface parking lot which excludes parking facilities that are used in conjunction with another property. These properties are predominantly located within the Downtown area (28 of the 32 properties), and are generally very small (all are less than one-third of a hectare). While these have been included as part of the vacant employment land inventory, it must be recognized that any future development of these sites may require the parking to be replaced in order to maintain an adequate supply in the Downtown area. However, given the small size of many of these sites, future development may not be feasible.
 - There are 41 properties identified as MPAC code 482 – Surface parking lot used in conjunction with another property. These properties are predominantly located within the Downtown area (26 properties) and in the Mixed Use Commercial areas (11 properties). These sites are generally quite small (37 of the 41 properties are less than one-third of a hectare), and collectively total approximately 9 hectares in size. While these properties are included within the vacant employment land inventory, it is unlikely that they will meaningfully contribute to future development within the city, from a land needs perspective, given their association with another (likely adjacent) parcel of land which has been developed.
- In terms of identifying the level of municipal services available to undeveloped employment lands, we have used GIS data to determine whether there is water and/or wastewater and/or natural gas service available directly to the site, or within a 50 metre buffer from the property boundary (considered readily serviceable, and classified as “serviced” in our database, for the purpose of this analysis). We were unable to identify the extent of hydro service available, due to GIS data limitations. This will be addressed separately in a later section of this report.

The Consultant Team has developed a detailed inventory of vacant employment land by type for the City of Greater Sudbury, as presented below.

2.2 Industrial Land Supply

2.2.1 Analysis of Industrial Land Supply

The Consultant Team has identified a vacant industrial land inventory of over 830 gross hectares across 150 individual sites within the Settlement Areas that comprise Greater Sudbury. These vacant lands are distributed across the two types of Official Plan categories of industrial land as follows: General Industrial (783 gross hectares – 94% share of all vacant Industrial-designated land), and Heavy Industrial (49 gross hectares – 6% share of total). While the Official Plan identifies that general industrial uses may be permitted in Mixed Use Commercial areas (subject to certain conditions being met), for the purposes of preparing this industrial land inventory, we have focused our review on only the General Industrial and Heavy Industrial-designated lands.

In terms of municipal services (including water, wastewater, and natural gas), 46% of the total vacant industrial land supply (General Industrial and Heavy Industrial, combined) is serviced (382 hectares), 38% is partially serviced (318 hectares), and 16% is unserved (132 hectares).

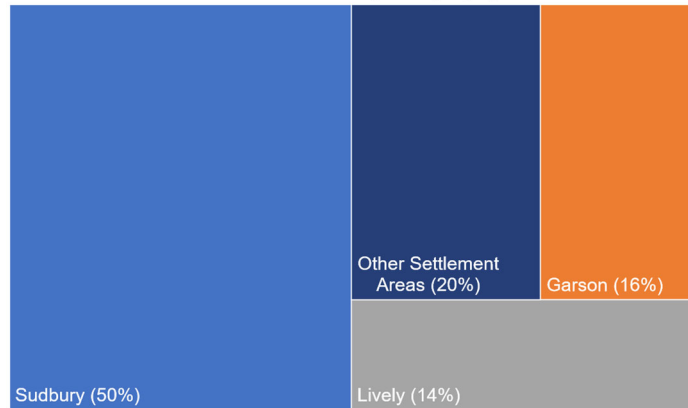
VACANT INDUSTRIAL LAND BY OFFICIAL PLAN DESIGNATION AND SERVICING STATUS								
Official Plan Designation	Serviced		Partially-Serviced		Unserviced		TOTAL	
	# of sites	Area (ha)	# of sites	Area (ha)	# of sites	Area (ha)	# of sites	Area (ha)
General Industrial	69	382.1	58	269.1	21	131.5	148	782.6
Heavy Industrial	0	0.0	2	49.0	0	0.0	2	49.0
TOTAL	69	382.1	60	318.1	21	131.5	150	831.6

The exhibit below illustrates the location of occupied and vacant Industrial-designated lands across Greater Sudbury, by geographic area.

INDUSTRIAL LAND BY GEOGRAPHY						
Geography	Occupied (ha)	% Share	Vacant (ha)	% Share	TOTAL (ha)	% Share
Sudbury	1,202.0	54%	340.7	41%	1,542.7	50%
Garson	457.8	20%	36.7	4%	494.5	16%
Lively	322.8	14%	94.2	11%	417.0	14%
Coniston	69.1	3%	226.2	27%	295.3	10%
Valley East	55.4	2%	80.0	10%	135.4	4%
Capreol	73.7	3%	0.5	0%	74.1	2%
Chelmsford	13.4	1%	52.2	6%	65.6	2%
Onaping	28.0	1%	0.0	0%	28.0	1%
McFarlane Lake Flats	16.2	1%	0.0	0%	16.2	1%
Other Settlement Areas	4.5	0%	1.2	0%	5.7	0%
TOTAL	2,243.0	100%	831.6	100%	3,074.6	100%

- Sudbury is home to roughly one-half of the occupied Industrial-designated lands and approximately 40% of the vacant Industrial-designated lands, with a total of some 1,540 hectares. Of this supply, just over 340 hectares is vacant.
- Garson has the second largest inventory of industrial land (close to 500 hectares), followed by Lively (roughly 420 hectares).
- Coniston is home to Greater Sudbury's second largest inventory of vacant Industrial-designated lands, at close to 230 hectares.
- Together, the three Settlement Areas of Sudbury, Garson, and Lively account for 80% of the City's total Industrial-designated lands, and 57% of the vacant land supply.

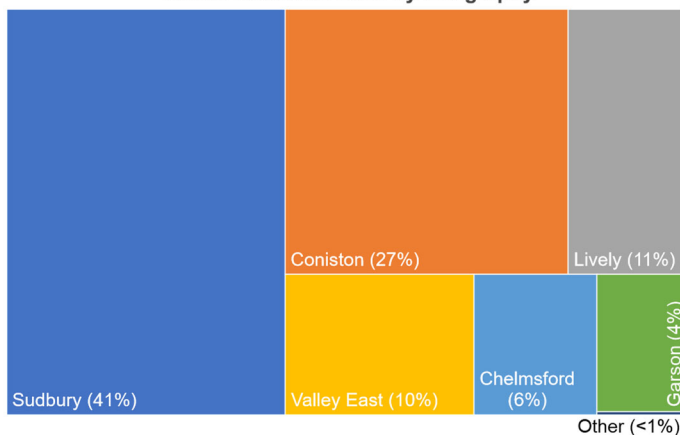
Industrial Land by Geography



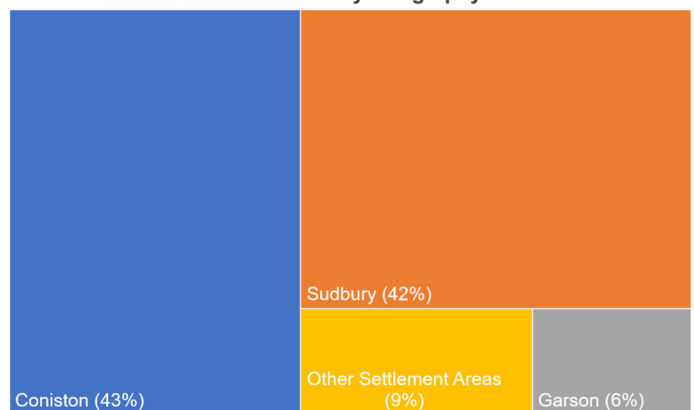
The following identifies the vacant industrial lands by geography, along with servicing status.

VACANT INDUSTRIAL LAND BY GEOGRAPHY AND SERVICING STATUS								
Geography	Serviced (ha)	% Share	Partially-Serviced (ha)	% Share	Unserviced (ha)	% Share	TOTAL (ha)	% Share
Sudbury	161.3	42%	137.3	43%	42.1	32%	340.7	41%
Coniston	163.4	43%	0.0	0%	62.9	48%	226.2	27%
Lively	5.9	2%	72.4	23%	15.9	12%	94.2	11%
Valley East	9.4	2%	70.6	22%	0.0	0%	80.0	10%
Chelmsford	17.1	4%	35.1	11%	0.0	0%	52.2	6%
Garson	23.4	6%	2.7	1%	10.6	8%	36.7	4%
Other Settlement Areas	0.7	0%	0.0	0%	0.0	0%	0.7	0%
TOTAL	382.1	100%	318.1	100%	131.5	100%	831.6	100%

Vacant Industrial Land by Geography



Vacant Industrial Land by Geography – Serviced



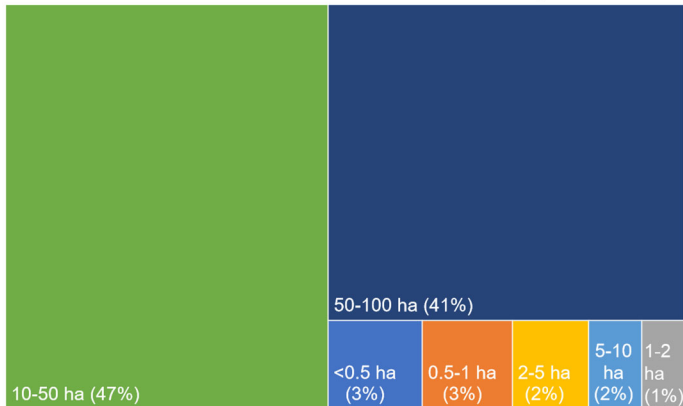
- Together, Sudbury and Coniston account for 85% of the vacant, serviced industrial land (325 hectares, split evenly between the two Settlement Areas). Garson (23 hectares, 6% share) represents the next largest opportunity for serviced industrial land.
- Partially-serviced lands refer to properties with one or two but not all three of the following services: water, wastewater, and natural gas (either in-place, or available within 50 metres of the property line). Partially-serviced lands total nearly 320 hectares within Settlement Areas city-wide (accounting for almost 40% of the total Industrial-designated land supply), and may represent an opportunity to accommodate future growth, depending on the needs of occupiers.

Since there is only a single large, vacant site designated as Heavy Industrial (a nearly 50-hectare parcel located at 3045 Lasalle Boulevard, on the east side of Sudbury), our remaining analysis of vacant Industrial-designated land is focused on the General Industrial category. The exhibit below illustrates the distribution of vacant General Industrial-designated lands by parcel size and servicing.

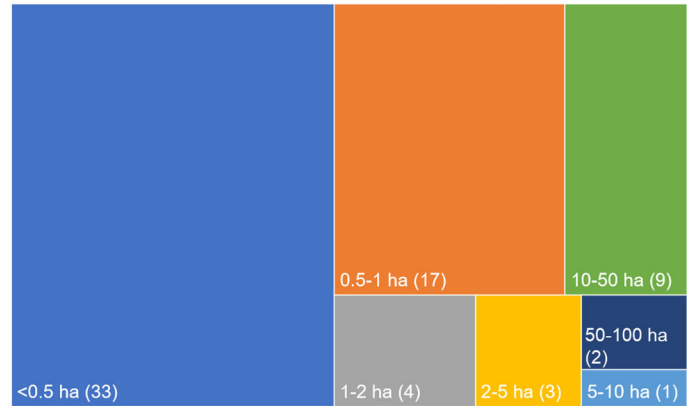
VACANT GENERAL INDUSTRIAL LANDS BY PROPERTY SIZE AND SERVICING									
	<0.5 ha	0.5-1 ha	1-2 ha	2-5 ha	5-10 ha	10-50 ha	50-100 ha	>100 ha	TOTAL ha
Serviced									
# of Parcels	33	17	4	3	1	9	2	0	69
Total Area (ha)	11.6	11.1	5.3	9.4	6.6	181.4	156.6	0.0	382.1
% Share of Total Area									46%
Partially Serviced									
# of Parcels	19	10	11	7	3	9	1	0	60
Total Area (ha)	5.8	6.5	14.6	25.3	20.0	185.4	60.6	0.0	318.1
% Share of Total Area									38%
Unserviced									
# of Parcels	11	1	2	1	3	2	1	0	21
Total Area (ha)	3.5	0.5	2.6	4.1	22.4	35.5	62.9	0	131.5
% Share of Total Area									16%
TOTAL									
# of Parcels	63	28	17	11	7	20	4	0	150
Total Area (ha)	20.9	18.1	22.5	38.7	49.0	402.3	280.1	0	831.6
% Share of Total Area									100%

- In terms of parcel size, just over 70% of the vacant General Industrial-designated industrial parcels are less than 2 hectares in size (and 60% are less than 1 hectare), meaning that there is a limited range of site selection options for users seeking a large site for development.

Vacant Serviced General Industrial Lands by Size



Vacant Serviced General Industrial Lands by Size – Count



In addition to this analysis of undeveloped (unoccupied) lands, there is potential capacity across the existing stock of developed industrial lands to accommodate future growth. In particular, properties that exhibit a low site coverage (the building footprint divided by the land area, typically expressed as a percentage) may offer excess land that can accommodate expansion.

For industrial uses, a typical site coverage is in the range of 25-30%. This facilitates sufficient space for shipping/receiving and truck movements, staff parking, outside materials storage, landscaping, etc. In high-cost land markets, the industrial site coverage may reach 40% for some properties (particularly warehousing and distribution-type uses, with some on-site truck parking, but no outside materials storage). Properties with a very high site coverage may serve a function as ancillary buildings on small sites that are adjacent to other primary business operations. Properties with a high site coverage very likely have no future intensification potential through building expansion. In lower cost land markets – and where storage of vehicles, machinery, and raw and finished goods is a prevalent feature in industrial areas – the typical site coverage may be as low as 15-20%. A low site coverage ratio could also be influenced by minimum distance separation requirements from adjacent properties, depending on the on-site use. Undevelopable land due to topography, soil conditions, and/or natural features may also be a limiting factor.

In reviewing the City's GIS data, developed industrial lands across Greater Sudbury have an average site coverage of just 13%. This overall average is impacted by the presence of some very large land parcels with comparatively limited building space on site – in many cases related to resource extraction. When only smaller land parcels are considered, sites less than 2 hectares in size have an average site coverage of 16%, while sites less than 1 hectare average approximately 17%.

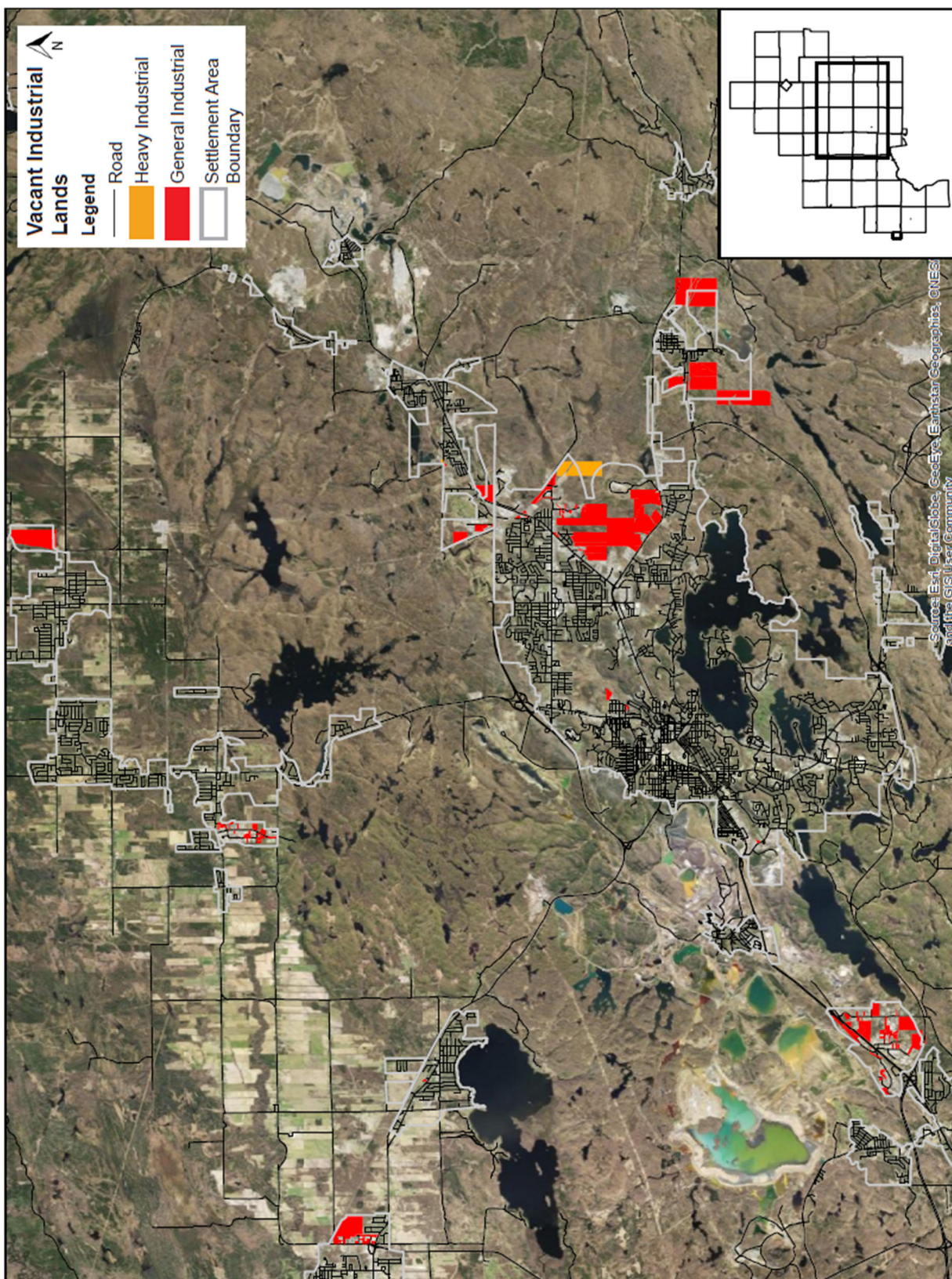
This analysis of industrial site coverage suggests that there is some capacity for expansion across the existing industrial stock to accommodate future industrial-type employment growth. However, while this enables expansion of existing businesses, it does not address land needs for new market entrants. Accordingly, it is incumbent upon the City to plan for a 20-year supply of employment land for development purposes.

2.2.2 Conclusions

At an aggregate level, there is a considerable supply of remaining undeveloped, designated industrial lands across Greater Sudbury. This is particularly the case for General Industrial-designated sites (over 780 vacant hectares). However, the location, size, and servicing status of these lands must be considered in assessing their capacity to be absorbed over time. As well, there are existing occupied lands which may represent opportunities for intensification, or potentially redevelopment. Further, there are serviced employment lands at Greater Sudbury Airport that may be suitable for industrial development (excluded from our inventory) – although these lands are not available for acquisition. These Airport lands would be subject to a land lease arrangement.

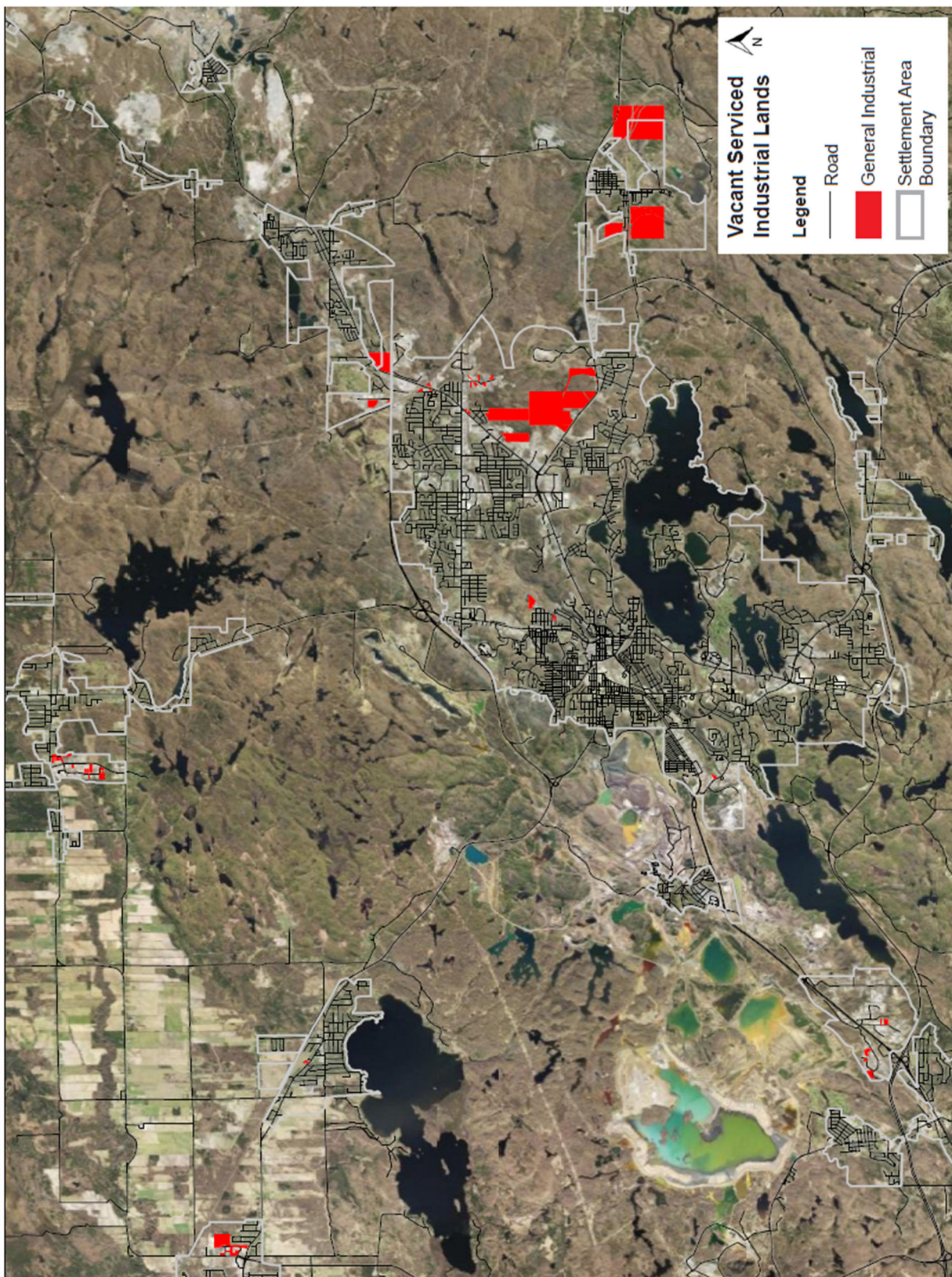
2.2.3 Vacant Industrial Lands Map

The following map identifies the vacant industrial lands across the city, by type (General Industrial and Heavy Industrial).



2.2.4 Vacant Serviced Industrial Lands Map

The following map identifies the vacant, serviced industrial lands across the city (all of which are General Industrial).



2.3 Local Industrial Market Perspectives

In June 2020, members of the Consultant Team completed market reconnaissance of the city's industrial/business park areas. Our focus was on the industrial areas in Sudbury and Lively, which comprise the vast majority of the City's designated Industrial lands. The more outlying Settlement Areas were not visited, although a desktop inspection of available mapping was completed. The following is a summary of key observations:

- Single occupant buildings constitute a significant share of the properties located in Greater Sudbury's industrial areas, as opposed to multi-tenanted properties. This is likely due to the presence of a high degree of owner-occupied buildings (as opposed to investor-owned buildings leased to tenants) in this market.
- The Consultant Team observed very little space for lease, as indicated by a scarcity of real estate brokerage signage within the industrial areas. It is our impression that the relatively high rate of owner-occupied buildings contributes to this low vacancy rate observed.
- In some areas, there is a significant amount of outside storage of vehicles, machinery, equipment, and materials. In particular, heavy vehicle/equipment storage is a common feature of Greater Sudbury's industrial areas, due to the extent of mining and related support activity that takes place nearby.

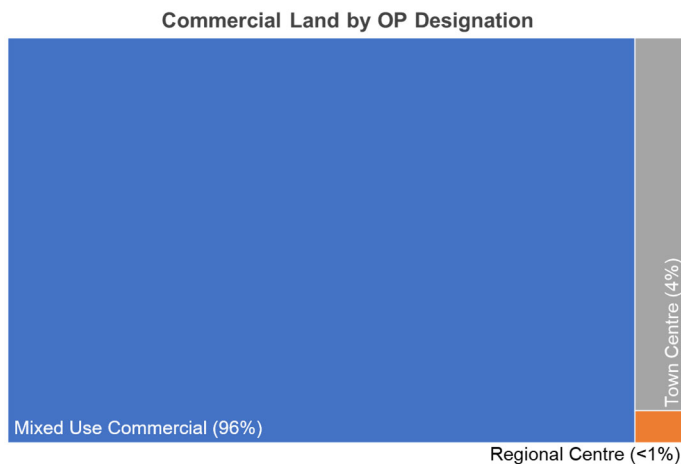
2.4 Commercial Land Supply

2.4.1 Analysis of Commercial Land Supply

The Consultant Team has identified a vacant commercial land inventory of some 340 gross hectares across nearly 160 individual sites. These vacant lands are distributed across the three types of Official Plan categories of commercial land as follows: 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 hectares, <1% share).

In terms of servicing, close to one-half of the vacant Commercial-designated land is unserviced – although this comment pertains entirely to two properties located in the south part of Sudbury (southeast of the Long Lake Road and Trans-Canada Highway interchange) which are partially designated as Mixed Use Commercial, and partially Rural (due to their large size).

VACANT COMMERCIAL LANDS BY OFFICIAL PLAN DESIGNATION AND SERVICING STATUS								
Official Plan Designation	Served		Partially-Served		Unserviced		TOTAL	
	# of sites	Area (ha)	# of sites	Area (ha)	# of sites	Area (ha)	# of sites	Area (ha)
Mixed Use Commercial	127	156.2	8	10.6	2	158.9	137	325.7
Regional Centre	3	1.0	0	0.0	0	0.0	3	1.0
Town Centre	17	12.1	0	0.0	0	0.0	17	12.1
TOTAL	147	169.3	8	10.6	2	158.9	157	338.8



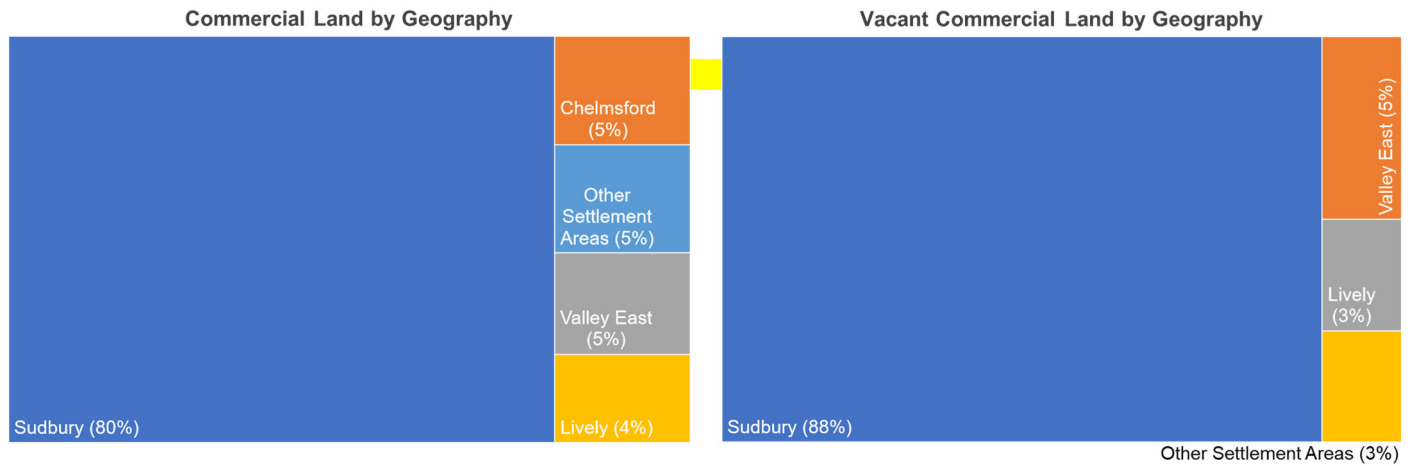
The exhibit below illustrates the location of occupied and vacant Commercially-designated lands across Greater Sudbury, by geographic area.

COMMERCIAL LAND BY GEOGRAPHY						
Geography	Occupied (ha)	% Share	Vacant (ha)	% Share	TOTAL (ha)	% Share
Sudbury	541.9	76%	299.3	88%	841.2	80%
Chelmsford	51.3	7%	4.6	1%	55.9	5%
Valley East	34.3	5%	17.8	5%	52.1	5%
Lively	34.7	5%	10.9	3%	45.6	4%
Garson	14.3	2%	0.3	0%	14.6	1%
Capreol	5.6	1%	5.0	1%	10.7	1%
Dowling	8.9	1%		0%	8.9	1%
Azilda	6.6	1%	0.3	0%	6.9	1%
Coniston	4.7	1%		0%	4.7	0%
Other Settlement Areas	9.3	1%	0.6	0%	9.9	1%
TOTAL	711.6	100%	338.8	100%	1,050.5	100%

- Sudbury is home to 80% of the overall Commercial-designated land supply, and nearly 90% of the vacant Commercially-designated lands in the city.
- Valley East (nearly 18 hectares, 5% share of vacant commercial land supply) and Lively (nearly 11 hectares, 3% share) also contribute to opportunities for future commercial development in Greater Sudbury. The remaining Settlement Areas have only limited commercial lands.

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EMPLOYMENT LAND STRATEGY 2021 – CITY OF GREATER SUDBURY

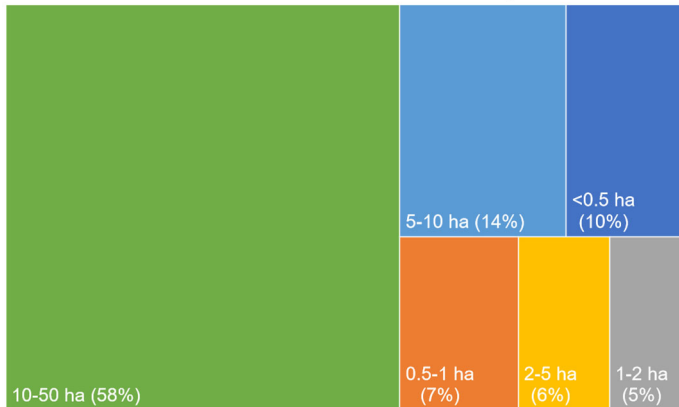


The exhibit below illustrates the distribution of vacant, serviced Commercial-designated lands by parcel size and Official Plan designation.

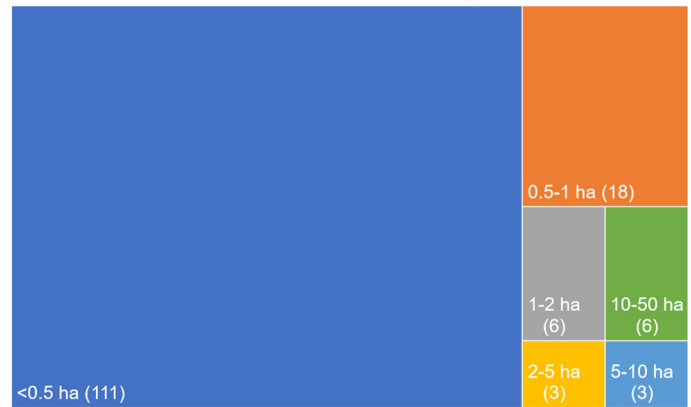
VACANT SERVICED COMMERCIAL LANDS BY PROPERTY SIZE AND OFFICIAL PLAN DESIGNATION								
	<0.5 ha	0.5-1 ha	1-2 ha	2-5 ha	5-10 ha	10-50 ha	>50 ha	TOTAL ha
Mixed Use Commercial								
# of Parcels	95	15	6	3	2	6	0	127
Total Area (ha)	15.4	10.5	8.3	9.7	14.4	97.9	0.0	156.2
% Share of Total Area	92%							
Regional Centre								
# of Parcels	2	1	0	0	0	0	0	3
Total Area (ha)	0.3	0.7	0.0	0.0	0.0	0.0	0.0	1.0
% Share of Total Area	1%							
Town Centre								
# of Parcels	14	2	0	0	1	0	0	17
Total Area (ha)	1.5	1.4	0.0	0.0	9.2	0.0	0.0	12.1
% Share of Total Area	7%							
TOTAL								
# of Parcels	111	18	6	3	3	6	0	147
Total Area (ha)	17.2	12.6	8.3	9.7	23.6	97.9	0.0	169.3
% Share of Total Area	100%							

- By count of property, there is a concentration of undeveloped, serviced Commercial-designated sites in the smallest categories (properties less than 1 hectare in size account for 129 of the total 147 sites, or almost 90% of all parcels). This means that there is a limited range of site selection options for users seeking a large parcel for development with servicing in place.

Vacant Serviced Commercial Lands by Size



Vacant Serviced Commercial Lands by Size – Count



The 25 largest existing retail-commercial properties in the city have an average site coverage of 26%, which is considered typical (25% is a reasonable benchmark). This scale of development enables sufficient parking space and circulation, plus shipping/receiving, and on-site landscaping. Overall, it can be concluded that there likely is limited capacity across the existing retail-commercial inventory to absorb additional floorspace.

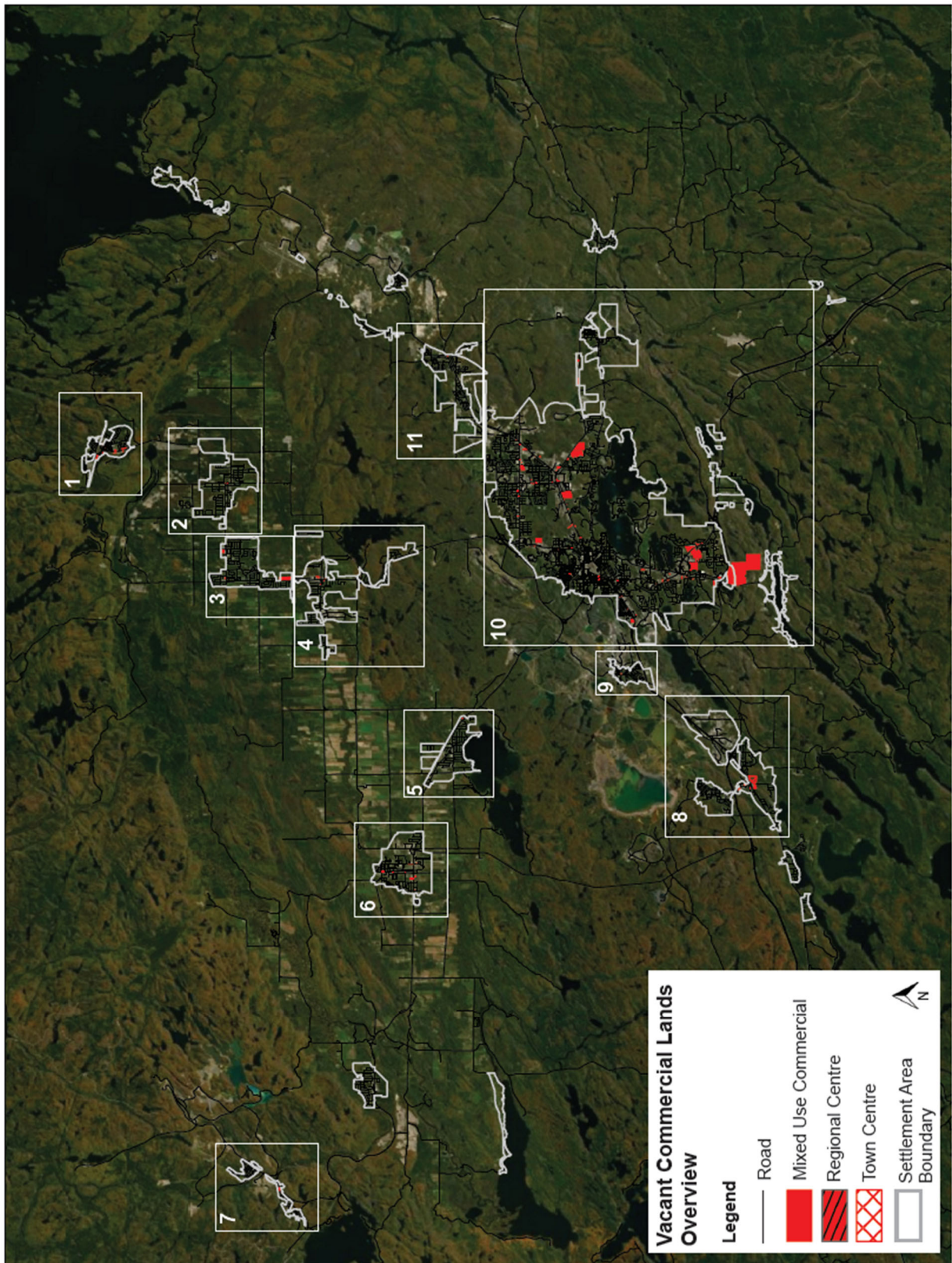
2.4.2 Conclusions

While there is an identified supply of nearly 340 hectares of Commercially-designated lands city-wide – almost half of which is serviced – there are limitations to the development prospects for a portion of this supply. The vast majority of these vacant lands are Mixed Use Commercial, meaning that the Regional Centre designation has only a limited extent of vacant lands. However, there may be considerable potential to intensify some existing large sites, as well as redevelop under-performing properties over time.

When examining the property size by count of parcels available, it is clear that the smallest parcels account for the largest share of available, serviced lands (properties less than 1 hectare in size account for 129 of the total 147 sites, or 90% of all parcels). However, the limited extent of larger, undeveloped, Commercially-designated lands may not be problematic, depending on the outcome of the land demand assessment, which is presented in a later section of this report.

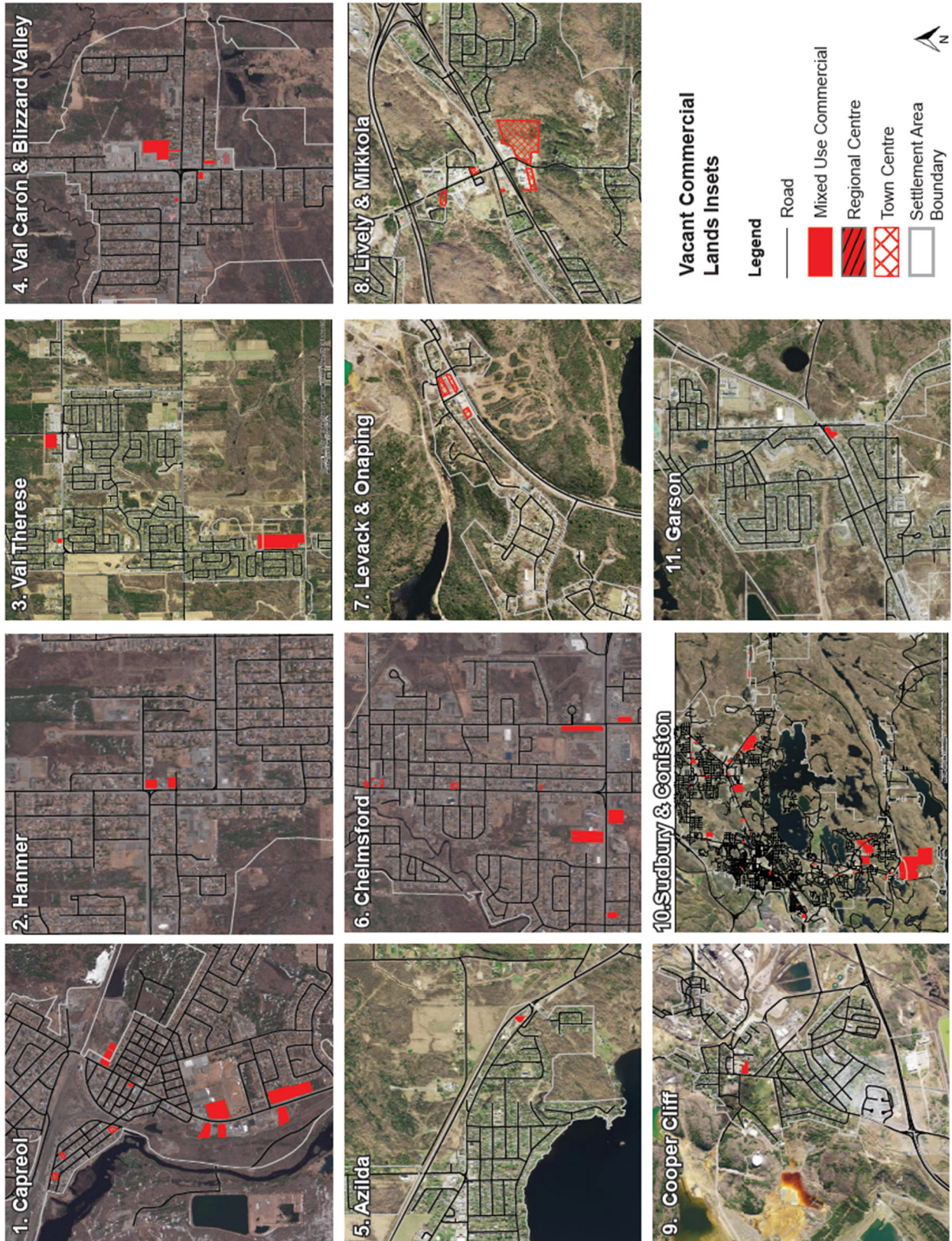
2.4.3 Vacant Commercial Lands Map – Overview

The following map identifies the vacant commercial lands across the city, by type (Mixed Use Commercial, Regional Centre, and Town Centre). Please refer to the insets on the following page.



2.4.4 Vacant Commercial Lands Map – Insets

The following map insets identify the vacant commercial lands across the city, by type (Mixed Use Commercial, Regional Centre, and Town Centre).



2.5 Shopping Centre Space

The Centre for the Study of Commercial Activity (CSCA) maintains an inventory of shopping centre space in major Canadian markets. In 2016, CSCA identified nearly 57 million m² of shopping centre space across the country, or 1.57 m² per capita. Canada's 28 Census Metropolitan Areas (CMAs) have on average 1.78 m² per capita – a higher figure, since major retail uses are concentrated in urban areas, rather than smaller, outlying communities. The Greater Sudbury CMA, with a 2016 population of 165,536, had 1.96 m² of shopping centre space per capita. This translates to a shopping centre inventory of approximately 324,500 m² for Greater Sudbury.

In a 2018 report, CSCA groups the 28 CMAs into five “clusters”, based upon shared economic and demographic indicators including population size, population growth rate, and personal income per capita. Greater Sudbury is clustered with Québec City, London, Oshawa, Windsor, Sherbrooke, Kingston, Saguenay, Trois-Rivières, Moncton, and Thunder Bay. These 11 CMAs mostly range in population from 100,000-400,000, have shopping centre space per capita ratios below or close to the overall CMA average, personal income below the overall average, and low population growth rates. These CMAs are characterized as traditional regional service centres originally established with respect to an agricultural or logging hinterland that now provide a full range of commercial, public administration, higher education, and health care activities.¹

ECONOMIC AND DEMOGRAPHIC INDICATORS BY CMA					
Census Metropolitan Area	Population 2016	Population Annual Growth Rate 2014-2016	Personal Income per Capita	Shopping Centre Space per Capita (m ²)	Shopping Centre Space per \$Million Personal Income (m ²)
Québec City	807,211	0.67%	\$45,715	1.70	37.07
London	512,432	1.04%	\$42,363	1.90	44.78
Oshawa	393,977	1.30%	\$45,173	1.93	42.74
Windsor	340,279	0.88%	\$42,989	1.79	41.71
Sherbrooke	215,594	0.89%	\$40,191	0.99	39.20
Kingston	171,372	0.94%	\$44,655	1.69	37.81
Greater Sudbury	165,536	-0.08%	\$45,749	1.96	42.83
Saguenay	159,669	-0.18%	\$40,921	1.65	40.32
Trois-Rivières	157,764	0.48%	\$41,302	1.51	36.70
Moncton	149,744	1.14%	\$43,135	1.87	43.39
Thunder Bay	124,166	-0.33%	\$44,966	1.74	38.74
Cluster Mean (unweighted)	190,700	0.61%	\$43,378	1.76	40.51
28 Canadian CMAs (unweighted)	882,350	1.12%	\$45,951	1.86	40.69
<i>Source: CSCA</i>					

Greater Sudbury exhibits a population growth rate (2014-2016) that is below the average for the 28 Canadian CMAs, including many of the other markets within the cluster. While this is true for the brief time period indicated (2014-2016), Greater Sudbury's population actually increased overall from 2011-2016 by approximately 1,620 persons, or 1.0% (source: Census of Canada).

¹ Shopping Centre Over-Spacing in Canadian Cities. Centre for the Study of Commercial Activity. 2018. p. 8.

Greater Sudbury's personal income per capita is on par with the average for the Canadian CMAs, and above the average for the comparative markets. Notably, on a per capita basis, the amount of shopping centre space in Greater Sudbury is greater than the cluster mean, and the average figure for the 28 CMAs.

While CSCA remarks that there is evidence in their low growth rates and average incomes to suggest that the shopping centres in this CMA cluster might be susceptible to eCommerce impacts and could be considered "over-spaced", they also note that there may be some further nuance with respect to retail space needs in the local markets that warrants further investigation.² For the purposes of this report, it can be concluded that the present shopping centre inventory in Greater Sudbury represents an over-supply risk – certainly relative to comparative markets – although retail trends such as declining store sizes and the increasing consumer adoption of eCommerce are topics that needs to be considered in greater detail in terms of growth management decision-making.

The following exhibit identifies the 22 largest shopping centres in Greater Sudbury, as identified in the Canadian Directory of Shopping Centres.

SHOPPING CENTRES IN GREATER SUDBURY				
Centre Name	Type	Year Opened	GLA (m ²)	Major Tenant(s)
RioCan Centre Sudbury	Power Centre	1999	62,170	Costco, Home Depot, Cineplex, Staples
New Sudbury Centre	Regional	1957	52,736	Walmart, Sport Chek, Shoppers Drug Mart
Rainbow Centre Mall	Retail Mixed Use	1971	32,516	Hart, World Gym, Imagine Cinemas
Southridge Mall	Community	1981	30,658	Giant Tiger, TSC Stores, Sport Chek, Fabricland
SmartCentres Sudbury	Power Centre	2010	21,639	Walmart, Dollarama
Sudbury Place	Community	1981	17,835	Canadian Tire, Real Canadian Superstore
Silver Hills Centre	Power Centre	2009	13,935	Best Buy, Marshalls, Toys R Us
Place Bonaventure Mall	Community	1978	12,077	Your Independent Grocer, Hart
Place Val Est Shopping Centre	Neighbourhood	1983	10,273	Metro, Rossy
Lasalle Court Mall	Neighbourhood	1988	8,633	Metro
747 Notre Dame Ave.	Community	1998	8,451	The Brick, Staples, Dollarama
Notre Dame Square	Neighbourhood	1985	5,114	N/A
Garson Mall	Neighbourhood	1990	4,865	Foodland
Algonquin Square	Neighbourhood	1995	4,730	Smith's Markets
Cedar Pointe Plaza	Neighbourhood	1981	4,181	Bulk Barn
Four Corners Plaza	Neighbourhood	1979	3,962	Food Basics
Times Square	Neighbourhood	1975	3,918	N/A
Metro Plaza	Neighbourhood	1989	3,308	Metro
450 Notre Dame Ave.	Convenience	1984	3,298	N/A
Lasalle Street Plaza	Neighbourhood	1969	3,038	N/A
Lasalle Square	Neighbourhood	1989	2,602	N/A
1380 Lasalle Blvd.	Neighbourhood	1975	2,328	N/A
TOTAL			312,265	
<i>Note: Major tenants verified using online sources August 28, 2020 (but subject to change).</i>				

² Shopping Centre Over-Spacing in Canadian Cities. Centre for the Study of Commercial Activity. 2018. p. 8.

2.6 Local Retail Market Perspectives

In June 2020, members of the Consultant Team completed market reconnaissance of the city's commercial areas. Our focus of interest was on the three Regional Centre areas, Sudbury's Mixed Use Commercial arterials, as well as the Downtown. The outlying Settlement Areas were not visited, although a desktop inspection of available mapping was completed. The following is a summary of key observations:

- The three Regional Centres each exhibit a very different character:
 - The Regional Centre in the north, at the intersection of Lasalle Boulevard and Barrydowne Road, is home to New Sudbury Centre – the largest enclosed regional shopping centre in Northern Ontario. It is situated directly across from Sudbury Place community shopping centre, creating a retail agglomeration. Beyond the Regional Centre's geographic limits, both Lasalle Boulevard and Barrydowne Road feature additional retail-commercial uses at various scales. This area appeared to exhibit a healthy level of occupancy (although a store-by-store inventory was not undertaken).
 - The Regional Centre at Kingsway and Silver Hills Drive/Barrydowne Road is a concentration of power centre-type uses – a spectrum of big box/small box retailers that are found in markets across Canada. With few exceptions, these properties appeared to be well occupied at the time of our inspection. Undeveloped lands (designated Mixed Use Commercial) on the west side of Silver Hills Drive at Kingsway have the potential to expand upon this critical mass of retail-commercial activity.
 - The Regional Centre in the southwest part of Sudbury is home to Southridge Mall. This enclosed, community-scale shopping centre has major tenants including Giant Tiger, TSC Stores, Sport Chek, and Fabricland. However, there is presently a considerable amount of available space within the mall, which has seen turnover of its anchor tenants (formerly department store and grocery store uses). In contrast to the other two Regional Centres, this area – which extends beyond the mall site – has considerable land remaining for future development, as well as prospective redevelopment sites.
- The city's Mixed Use Commercial corridors exhibit a range of uses, including a significant amount of retail-commercial development. The following observations pertain to various areas we toured:
 - Lorne Street – A principal east-west arterial in the west part of the city, Lorne Street (between Kelly Lake Road and Martindale Road) features a mix of industrial, commercial, retail, and motel properties. There are also some houses that have been converted to commercial use. While the properties along the north side of Lorne Street are generally small, the greater depth of some properties on the south side would more easily facilitate future redevelopment, should such demand arise.
 - Regent Street and Paris Street/Long Lake Road – The Mixed Use Commercial environment in the vicinity of the Regional Centre at the Four Corners is a concentration of retail-commercial activity. There are a mix of freestanding properties, strip plazas, and neighbourhood-scale shopping centres.
 - Kingsway – The portion of Kingsway between Kitchener Avenue and Silver Hills Drive is home to numerous restaurants and automotive-related businesses, including new and used vehicle sales, service, and rental. The properties tend to be freestanding, rather than multi-tenanted plazas/shopping centres. The commercial mix also includes hotels in the vicinity of Silver Hills Drive, and further to the east.
 - Falconbridge Road – The Mixed Use Commercial corridor along Falconbridge Road, northeast of Kingsway, is more commercial in character, as opposed to retail and personal services functions. There are a few automotive-related uses in this area.

- Lasalle Boulevard – The principal east-west arterial across the north part of Sudbury, Lasalle Boulevard features a mix of land uses, including retail-commercial properties at all scales of development. A number of the shopping centres along Lasalle Boulevard were constructed in the 1970s and 1980s, with some newer freestanding properties completing the composition of this area, from a retail-commercial perspective.
- Notre Dame Avenue – The Mixed Use Commercial corridor from Lasalle Boulevard south towards Downtown includes restaurants, freestanding sites, strip plazas, automotive uses, and big box retail – a wide variety of retail-commercial uses.
- Greater Sudbury's Town Centres are found in the Settlement Areas beyond Sudbury, and offer a range of retail-commercial uses at different scales that are guided by the size of the local population. Overall, there is only a limited amount of undeveloped land in the Town Centres category. The prospects for growth in the Town Centres will be dictated by future population increases in these communities, while recognizing that Sudbury itself will continue to be the dominant retail-commercial hub for the broader region.

2.7 Institutional Land Supply

2.7.1 Analysis of Institutional Land Supply

The city's existing institutional lands accommodate a range of uses, including: schools (elementary, secondary, post-secondary, and specialty uses); hospitals; nursing homes; other institutional residences; office buildings; a correctional facility; and others. These uses have varying site selection requirements, and are incorporated into the fabric of the community in different ways; some are campus settings, while others blend into the environment more seamlessly. These existing sites may offer the ability to accommodate on-site expansion to meet future growth.

In reviewing the large land holdings of Laurentian University, Cambrian College, and Collège Boréal, all three sites offer excess lands that would be suited to accommodate future institutional and related development. In contrast, one of the city's other large institutional sites, Health Sciences North, appears to have limited capacity for expansion.

In our assessment of Institutionally-designated lands across Greater Sudbury, the Consultant Team has not identified any vacant sites that are considered well-suited for future development. One vacant site (3.6 hectares) lies behind an institutional property located on 2nd Avenue N. It is a running track and playing field area, and has only limited roadway frontage, making development/redevelopment more challenging.

2.7.2 Conclusions

The Consultant Team has observed that the city has essentially no vacant (undeveloped) land specifically designated as Institutional to accommodate future needs – although certain Official Plan designations (such as Living Areas, where such uses are compatible with the residential function of neighbourhoods; Mixed Use Commercial; Regional Centres; Town Centres; and Downtown) permit institutional uses.

2.8 Downtown Land Supply

2.8.1 Analysis of Downtown Land Supply

The Consultant Team has identified a vacant land inventory of some 10 gross hectares across 79 individual sites in the Downtown. All of this land is serviced. Of these sites, 50 are surface parking lots. A total of 25 sites are surface parking lots used in conjunction with another property (1.9 hectares), while another 25 are parking lots not specifically associated with another property (3.4 hectares), which together total 5.3 hectares (or close to 50% of the vacant Downtown land supply).

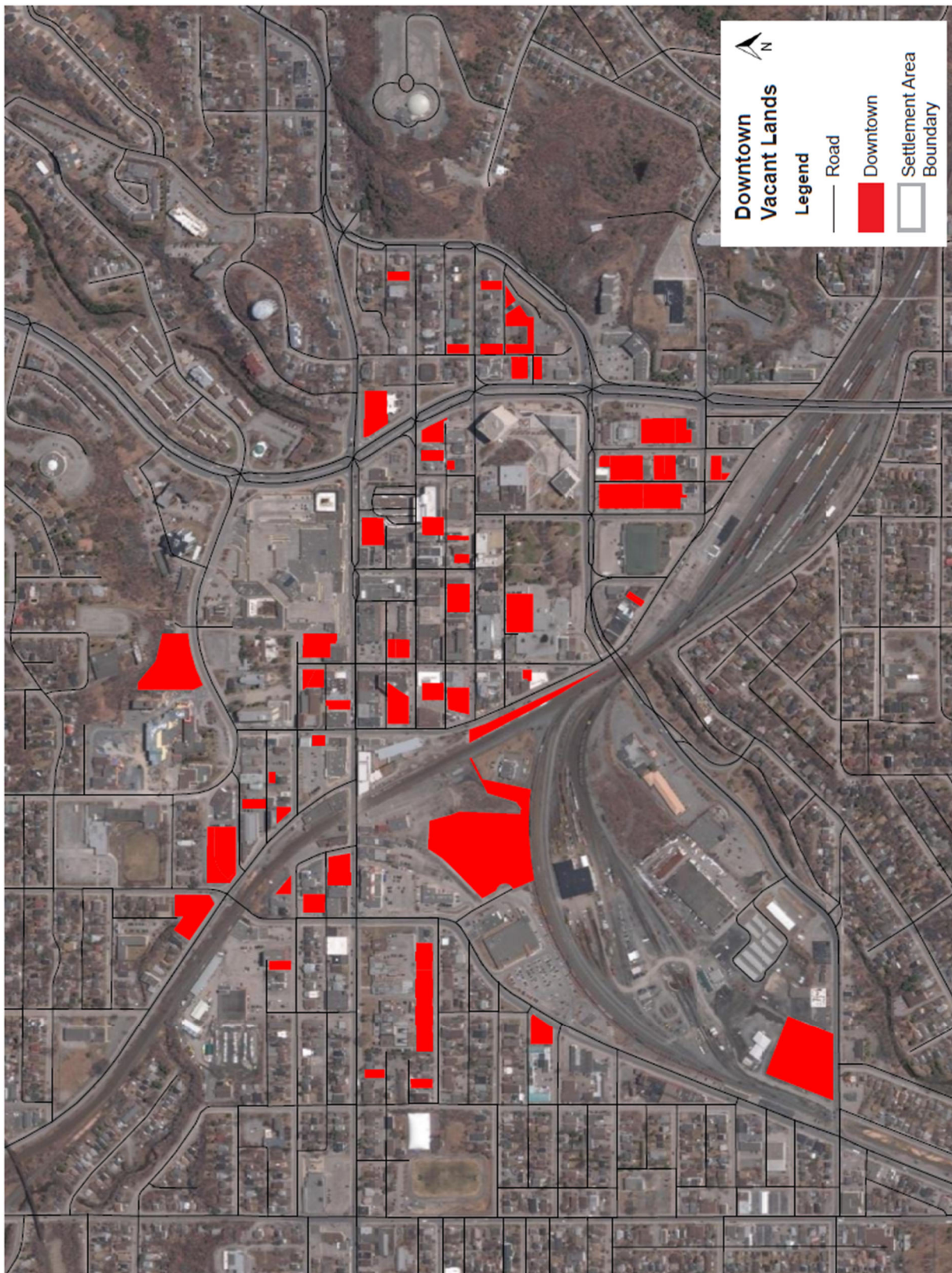
VACANT DOWNTOWN LANDS								
Official Plan Designation	Serviced		Partially-Serviced		Unserviced		TOTAL	
	# of sites	Area (ha)	# of sites	Area (ha)	# of sites	Area (ha)	# of sites	Area (ha)
Institutional	79	10.4	0	0.0	0	0.0	79	10.4
TOTAL	79	10.4	0	0.0	0	0.0	79	10.4

2.8.2 Conclusions

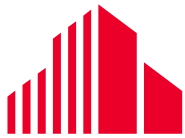
In general, the vacant Downtown lands are very small parcels – 70 of the 79 sites are less than one-quarter of a hectare. While there are certainly sites that have the potential for future development, parking needs will have to be addressed, and it may be necessary to assemble multiple parcels (occupied and vacant) in order to execute a significant development/redevelopment project.

2.8.3 Vacant Downtown Lands Map

The following map identifies the vacant Downtown lands.



DRAFT August 31st



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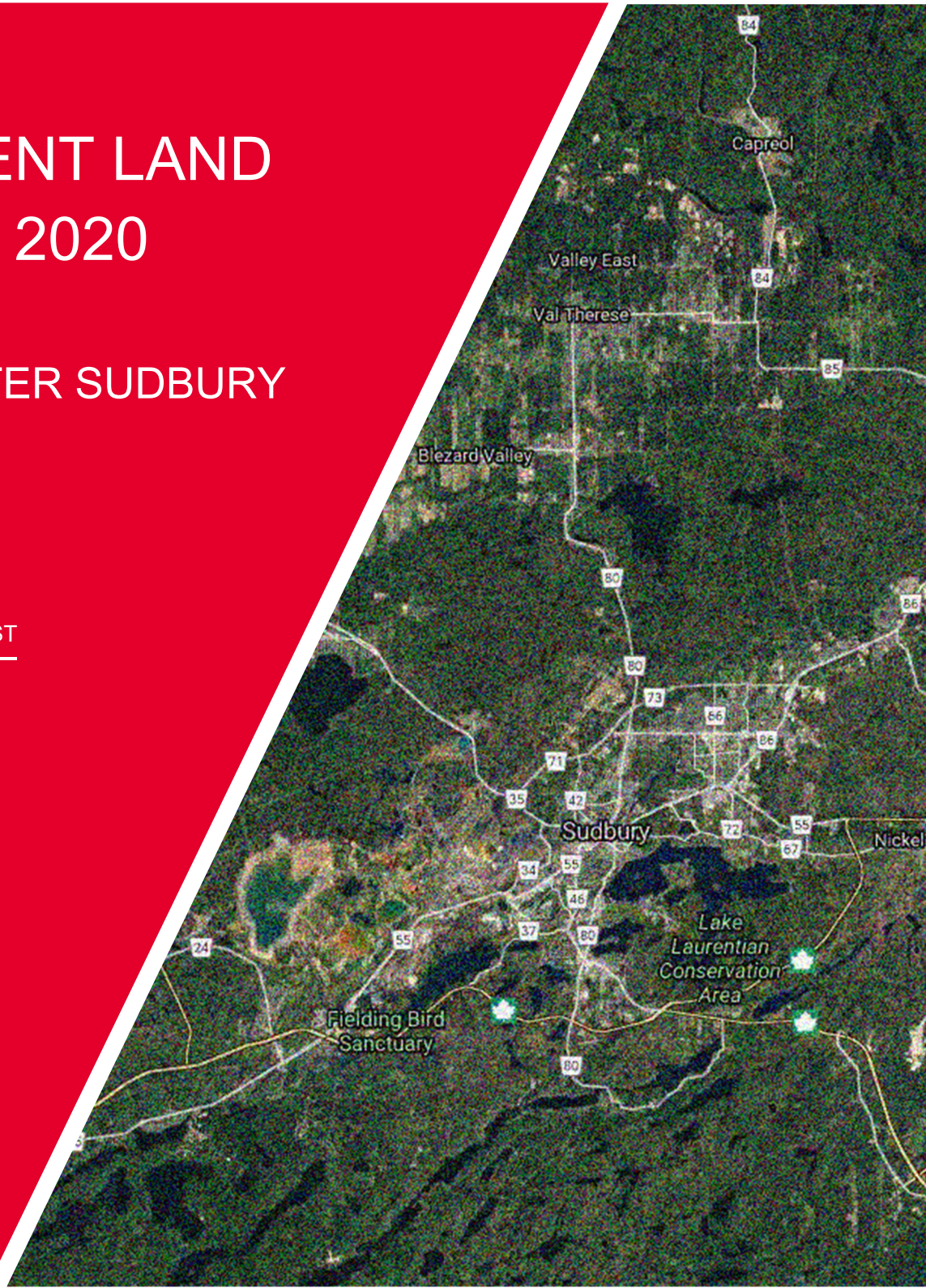
EMPLOYMENT LAND STRATEGY 2020

CITY OF GREATER SUDBURY

DELIVERABLE #3

TRENDS ANALYSIS

DRAFT AUGUST 31ST



3.0 TRENDS ANALYSIS

3.1 Office Sector Trends

3.1.1 Prevailing Trends in the Office Market

An important factor when contemplating the amount of future lands required to accommodate long-term office space demand is the densification of office space. This is a reference to the changing office workplace environment, which (pre-COVID-19) had been seeing a persisting trend towards smaller allocations of space per employee. This was driven by several factors, including:

- more efficient office building design, allowing greater utilization of floor plates;
- higher occupancy costs (net rental rates, operating costs, and taxes), contributing to a reduced space allocation on a per employee basis by firms;
- adoption of technology, enabling mobile and off-site productivity, as well as reducing paper filing and storage requirements; and,
- increased telecommuting and desk sharing practices among co-workers.

Greater Sudbury's public and private sector office space is principally located in the Downtown area, along with a significant Canada Revenue Agency/Sudbury Tax Services Office building at 1050 Notre Dame Avenue. From a site selection perspective, the following characteristics are of importance:

- Access to an educated workforce – Greater Sudbury's post-secondary facilities are a vital source of skilled workers for local businesses.
- Desire for mixed-use/"urban" environments – office occupiers that are seeking to attract employees in the competitive jobs market recognize that offering a workplace with proximity/accessibility to restaurants/bars, retail opportunities, recreation spaces, and a high-quality public realm, is critical.
- Public transportation accessibility – in many urban areas, opportunities to travel via public transit is becoming an increasingly important option as an alternative to auto-oriented commuting. However, this dynamic is not as prevalent in Greater Sudbury compared to other metropolitan markets, due to the size of the city, and the ease of commuting by private vehicle.

3.1.2 Perspectives on COVID-19

Cushman & Wakefield's Chief Economist and Global Head of Research and team have authored significant content related to the COVID-19 crisis, and the recovery process. As a worldwide firm, Cushman & Wakefield has unique insights from all parts of the globe, which are experiencing different phases of the pandemic. In this section of the report, we have extracted segments from several recent research reports and "white papers" that discuss aspects of the pandemic, and the associated impact on office markets.

- "In the near term, while retail and hospitality will be hardest hit, office demand will be restrained as well. Rising vacancy is likely to suppress office rent growth until business confidence and activity is restored."
- "Office occupiers may pause on expansions in the near term until the services sectors prove their resilience in the face of weaker near-term global demand."

- “The brief surge in remote working should not, on its own, cause office vacancy rates to rise significantly right away. It is important to note that 91% of all office leases are 2 years in length or longer; thus, even though many office buildings are sitting empty now, they are still leased. That said, clearly there is significant disruption occurring in every sector of the economy, including the office sector. We expect absorption, both gross and net, to slow substantially world-wide and turn negative in many markets. In terms of vacancy and rents, both are strongly correlated with the unemployment rate; it will be a key metric to watch going forward – including the trajectory of the improvement during the recovery.”
- “Many occupiers and landlords are in ‘wait-and-see’ mode. Companies are distracted by the impact to current operations, and focused on figuring out how to deal with remote workers, closed locations, and disrupted supply chains.”
 - After the initial disruption to business while transitioned to the stay-at-home environment, many/most employees successfully adapted to new modes of work. There is growing discussion on the extent of how permanent the work-from-home potential could be among various industries that use office space.
- “The crisis may lead to a changed perception of work-from-home. In many cases, organizations that have never had any (or any significant portion of) employees work remotely have been doing so due to shelter-in-place orders. However, it is likely that most workers will continue to access office space on a regular basis, even if they increase the frequency of remote work.”
 - The importance of social interactions was highlighted during the mandatory work-from-home paradigm. Opportunities for learning and collaboration are also quite different at home versus in a communal office environment.
 - There is some sentiment that a shorter-term mandated work-from-home period would primarily reveal the upside of this lifestyle. However, in a prolonged state, the ‘pains’ of working from home become apparent, with many employees seeking to return to office space.
- Post-crisis... “There will be exploration of the ‘office workplace ecosystem’, including primary office space, co-locations, flex spaces, and work-from-home arrangements.”
- “Some occupiers are considering shorter-term leases during a period of increased uncertainty, and are requesting to investigate ‘blend and extend’ leases, or are asking to renegotiate terms.”
 - Tenants are pausing decisions on new lease commitments and plans for expansion until economic and market dynamics are better understood, and a path forward is clearer.
- “An anticipated rise in vacancy is likely to suppress office rent growth until business confidence and activity is restored. If this vacancy comes in the form of considerable sublet space in addition to headlease space, then this is problematic; it would prolong the downward pressure on rents, and make new construction even less likely.”
 - Office vacancy and rents are strongly correlated with the unemployment rate. If job losses go from temporary to permanently destroyed, then the rise in the unemployment rate will be longer-lasting, causing vacancy to rise over the coming quarters.
- “Availability of sublease space is a sign of softness in the market, as occupiers look to cut costs and offload excessive space. This is where vacancy will show up first.”
- “Office space planning/layouts may go through a transition in thinking. The trend towards shrinking space per worker (‘densification’) may reverse, to enable increased physical distancing. As well, the frequency of work-from-home may increase, and non-assigned desk office environments (‘hotelling’) may become more prevalent.”

- “From a corporate real estate perspective, some larger firms may re-evaluate their centralized strategy (one central office) and transition to a more decentralized structure (multiple offices – perhaps a Downtown HQ with several smaller Suburban offices), in order to allow suburban-living employees to live closer to work, to give employees more options about where to work, and to mitigate risk of office closures/downtime.”
 - The “centralization” strategy is underpinned in a belief that office densification and hotelling would help offset higher rent costs associated with Downtown locations versus the Suburbs. While true, if there is a reversal of the densification trend, then the occupancy cost savings disappear. Thus, Suburban office demand could be reinvigorated.
 - Some firms may seek to become owners and sole occupiers of their building, or single-tenants in a new design-build, in order to control all aspects of their premises (entry, elevators, etc.).
- “From a market trends perspective, an acceleration of work-from-home office-type employment would place downward pressure on office space demand, while a reversal in the densification of office space toward more allotment of space per worker has the counter-effect.”

In summary, there is split sentiment about this asset class, from the perspectives of space demand and land needs. The effect of the competing forces of increasing work-from-home and hotelling (leading to less office space demand) versus higher allocation of space per office worker (leading to increased space demand) must be closely monitored going forward. If proven COVID-19 treatments/therapies/vaccines emerge, a reversion to denser office spaces may be anticipated. Most surveys indicate a larger share of office workers will permanently work from home. Similarly, we’ll see a larger agile worker population – people who work remotely at least some of the time.

Opportunities for knowledge spillover, innovation and creativity, employee bonding, culture and 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. Ultimately, office workplace and market demand dynamics will evolve as a result of the crisis.

3.2 Industrial Sector Trends

3.2.1 Prevailing Trends in the Industrial Market

Demand for the conversion of lands within designated employment areas to other uses is an ongoing issue faced by many municipalities. The nature of employment continues to evolve away from a historic manufacturing base to a more service-based economy. In permitting the conversion of employment lands to a non-employment use, these lands are highly unlikely to revert in the future back to an employment use; they are “lost” forever. A land supply to meet residential growth targets (plus lands needed to accommodate retail-commercial uses) is sufficiently available (or can be accommodated) in locations designated and planned for such uses. Therefore, a municipality must carefully weigh the benefits and drawbacks of any proposed industrial land use conversion, in order to maintain/preserve sufficient lands to accommodate anticipated long-term industrial employment demand.

The amount of industrial floor space per worker continues to increase. The growing adoption of automation is impacting traditional manufacturing employment. In some markets – although far less pronounced in Greater Sudbury – warehousing and distribution is the dominant component of growth, and it has a relatively low employment density. Due to their large building footprint (and accordingly, land cost), warehousing and logistic uses are typically attracted to large sites on the urban periphery, which feature ready access to multiple highways. The taller ceiling clear height found in modern industrial buildings means that floor space is being replaced by vertical space – without a corresponding increase in a requirement for labour.

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. Having an adequate supply of serviced lands can act to suppress land price inflation, by ensuring choice in the marketplace, and enabling multiple market participants (not just a small group of dominant landowners/investor). If there is too limited a supply, or an insufficient range of choices of location/size, then occupiers will look elsewhere. Industrial developers are sensitive to land pricing – it is a key component of their development pro forma model – and they will seek markets that provide lower cost options (which generally coincides with movement from the core towards the urban periphery, or beyond).

Older industrial areas with buildings that no longer meet the requirements of contemporary business (i.e. properties with lower ceiling clear height, a less functional site layout for truck movements/distribution, etc.) may convert over time to alternate uses – although there is uncertainty and complexity in anticipating the adaptive re-use of employment lands. While this may displace/replace industrial-type employment, such adaptive re-use of buildings could include more office-type functions – particularly firms seeking low-cost environments that do not need conventional office space (such as high-tech start-ups, and other “new economy” uses). Regeneration and intensification within older, established industrial areas can play a part in unlocking future employment potential. Providing flexibility in planning policy (such as permissive zoning, context-appropriate parking standards, etc.) to accommodate alternative, compatible uses will be important in attracting such opportunities for intensification of employment within established business parks, as opportunities arise over time.

3.2.2 Perspectives on COVID-19

In the following section, we have extracted segments from several recent Cushman & Wakefield reports and “white papers” that discuss aspects of the COVID-19 pandemic, and the associated impact on industrial markets.

- “The globe’s industrial-logistics sector was booming before this crisis – net new leasing activity, rents, construction activity, and occupancy levels were at record highs. Given COVID-19’s impact on global trade, we expect some near-term headwinds. Longer-term, COVID-19 is accelerating the shift to eCommerce out of necessity. That may induce some longer-lasting behaviors in consumers. We expect the industrial-logistics sector to come out of this crisis stronger than ever.”
- “The outlook for logistics remains unadjusted, as eCommerce continues to expand structurally, and supply chains are reorganized to enable faster and more cost-efficient delivery. Even before the pandemic, the growth of online grocery sales was driving demand for cold storage warehouses.”
- “Many industrial development projects have been put on hold, as developers and investors take a ‘wait-and-see’ approach to the market and economy. However, the industrial sector entered the crisis with extremely robust fundamentals, and is positioned to weather the crisis better than most other product types.”
- “Vacancy is likely to increase, but remain extremely tight relative to historical precedents.”
- “Occupier demand was very strong pre-COVID. How quickly will this disappear? There may be a halt in the rapid pace of rental rate growth seen in some markets until the economy stabilizes and rebounds. This could impact prospects for new construction for a period of time – particularly speculative building (a developer commencing construction without a lease commitment already in place).”
- “Although anticipated to be more resilient than the office or retail sectors, industrial real estate has seen challenges related to supply chain shortages. Also, a meaningful amount of industrial space is occupied by retailer/wholesalers, many of which are struggling.”

- “The crisis may lead to an increase in domestic production of ‘mission-critical’ things – particularly linked to the health care sector. Improved supply chains are also identified as an area for future improvement.”
 - Rebirth in the manufacturing sector in any form would be a good news story.

In conclusion, the majority view is that industrial is likely to perform best among the three core commercial real estate classes (office, industrial, and retail) during both the downturn and the recovery period. Potentially, space demand could even surpass the pre-COVID floor space projections on the upside, due to eCommerce and other logistics-related opportunities, and any manufacturing renaissance that might emerge.

3.3 Retail Sector Trends

3.3.1 Prevailing Trends in the Retail Market

The retail sector is a constantly evolving business, with changing store formats, shopping centre formats, anchor tenant brands, and consumer behaviour. The arrival and abrupt departure of Target; the continued expansion of Walmart; the demise of Sears and Zellers; the entry of new US department stores; ongoing consolidations in the grocery segment (Sobey’s acquiring Canada Safeway; Loblaw acquiring Shoppers Drug Mart); Leon’s acquisition of The Brick – these are a few of the significant changes seen across Canada’s retail landscape in just the past several years.

Shopping centres constitute the major supply-side channel for the delivery of goods and services to consumers. In Canada, shopping malls emerged in the latter half of the 1950s, and challenged the long-standing dominance of stores in strips, and historic downtowns. By the end of the 1960s, sales activity in shopping centres exceeded those in stores on strips.³

With retail activity along retail strips giving way to malls and plazas in the 1960s, the next innovation in retail real estate took place in the 1990s with the onset of big box and power centre format shopping centres – highlighted in Canada by the entry of Walmart – which slowed the development of traditional shopping centre format development. Stores in categories such as furniture and home furnishings, electronics and appliances, general merchandise, and others located in neighbourhood, community, and regional-scale shopping centres began to experience severe pressure in the face of competition from freestanding stores operating in a big box format, or in a power centre cluster.⁴

In Greater Sudbury, among the largest shopping centres in the market today are some of the newest additions, by year opened (SmartCentres Sudbury [2010], Silver Hills Centre [2009], and RioCan Centre Sudbury [1999]) – all power centre-format developments. Notably, some of the city’s largest shopping centres are also among its oldest retail-commercial stock (New Sudbury Centre [1957], and Rainbow Centre Mall [1971]). Among Greater Sudbury’s 22 largest shopping centres, 45% of the inventory was built during the 1970s and 1980s, and close to one-third was added from 1999-2010.

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, as retailers adapt to evolving conditions. A number of big box retailers are exploring smaller sized box stores, due to concerns over productivity, and under-utilized square footage. Also, smaller format stores are more compatible in urban environments when seeking infill sites, as prime sites are not as readily available (or in the case of higher land costs – affordable).

³ Assessing Shopping Centre Space Needs in Canada. Centre for the Study of Commercial Activity. 2018. p. 1.

⁴ Assessing Shopping Centre Space Needs in Canada. Centre for the Study of Commercial Activity. 2018. p. 2.

The following trends are related to changing online shopping behaviour, which will impact demand for “bricks and mortar” retail space in the future:

- **Increase in Online Sales** – Pre-COVID-19, Deloitte had projected that by 2030, eCommerce will comprise 30% of all retail sales – up from around 10%. This is attributable to the popularity of smartphones and tablets.
- **Shopping with Mobile Devices** – Consumers have embraced online shopping, and savvy retailers are pursuing new ways of engaging with mobile shoppers, such as applications (apps) that track consumer locations in proximity to their stores within a shopping centre (using the GPS functionality of the mobile device) and offer targeted promotions – even based upon previous buying experiences.
- **Showrooming** – Online-focused retailers may open small store locations in shopping centres or other locations to showcase various products, and allow consumers to experience the merchandise – see it first-hand, try it on – but ultimately place an order electronically. The shopper does not leave with the merchandise; it is shipped directly to their home. In this eCommerce era, people are already conditioned to receiving product through the mail/by courier.

Overall, these trends point to changing consumer behaviours that will likely translate into a reduced amount of shopping centre space per capita in the future. Online shopping has emerged as a necessary sales channel for many retailers – one that is gaining increased attention and investment. While shopping will remain an experience, eCommerce is ultimately about convenience. The outlook for Greater Sudbury is a likely decline in the amount of physical shopping centre space per capita over time, along with the closure of under-performing store locations. Shopping centres are commonly a focal point and entrenched element of a neighbourhood/community, and they are invariably well located. In the future, there may be an opportunity to transform some of these more distressed assets into mixed-use redevelopment sites combining retail-commercial space with other uses, including residential. While this will not dramatically reduce the need for new greenfield residential growth in the city, it may present some opportunities to capitalize on centrally-situated sites for medium and higher density forms of residential development.

3.3.2 Perspectives on COVID-19

The following section includes retail-market focused perspectives on the COVID-19 crisis that have been extracted from several recent Cushman & Wakefield research reports and “white papers”.

- “This event is likely to accelerate a trend that was already in the making: the secular shift toward eCommerce, which continues now at a faster pace. Certain aspects of the retail sector will now be more severely challenged, and we will see more store closures as a result. There’s currently plenty of negative press about the retail sector, so rather than pile on, here are a few positives. Consider this: prior to this event, brick and mortar stores in Canada accounted for ~90% of total retail sales, and eCommerce just ~10%. So physical retail was still by far the dominant way people shopped. Certain concepts are going to survive this and will thrive. In fact, the retail sector is always evolving due to quickly changing consumer tastes and preferences. If any sector knows how important it is to adapt, it is retail. When this is over, people will be chomping at the bit to go out and shop, eat, play, and exercise.”
- With regard to eCommerce activity... “The necessity of shelter-in-place is accelerating the long-term shift to eCommerce. It is currently the only channel connecting with consumers for many categories of retail. The current pandemic is likely to induce some longer-lasting behaviors in consumers.”
- “The economic downturn will favor value: dollar stores, discounters, warehouse clubs, and lower price superstores.”

- “Necessity retail (i.e. grocery, convenience, and drug stores) will be a bright spot; such sales have surged recently. The near-term economic impact of the crisis means that consumers will be focused on value and essentials – both in-store and online.”
 - Although not noted in this report, this is also true of beer-wine-liquor sales – given the decline in spending in bars and restaurants.
 - Overall discretionary-type spending may be impacted for a prolonged period of time – particularly among individuals who have lost their job, and have scaled back purchases in order to prioritize food buying and mortgage/rent payments.
- “Fast food chains quickly ramped up ‘contact-less delivery’ and pickup strategies to adapt.”
 - This is also true of the grocery sector. The long-term effect of this will be of particular interest – and potentially transformative.
- “Many retailers already struggling with high debt loads will not survive the crisis. The crisis is also accelerating the ongoing demise of the weakest shopping centres and malls.”
 - It is premature to ascertain the impact of the COVID crisis and economic downturn on retail vacancy. There will be winners and losers in different retail categories. But this will be the “last straw” for some businesses that were already in a precarious position, following up significant retail bankruptcies and store closures that have taken place in recent years.
- “Enclosed malls are being hit much harder by the crisis than outdoor centres, many of which have been able to remain open due to their concentration of ‘essential’ retailers.”
 - The clothing/apparel, entertainment, and restaurant/food court focus of many enclosed shopping centres is not aligned with shopping patterns seen during the crisis, with those tenancies listed being more oriented towards discretionary purchases.
- “Social distancing will temporarily halt some of the hottest trends in physical retail: experiential concepts, entertainment, food and beverage, food halls, fitness clubs, upstart independent brands, digital native retailers, and pop-up stores.”
- “Retail is moving from being a standalone shopping destination to becoming the ultimate amenity in live/work/play communities. The crisis will accelerate the ongoing trend of malls and shopping centres adding mixed-use elements.”

Some retailers will face un-budgeted expenses associated with changing their in-store architecture, in order to facilitate social distancing as public health-mandated restrictions are lifted. On a positive note, circumstances such as the current downturn present a rare opportunity for a landlord to reposition a property, upon the (previously unanticipated) departure of a major tenant. While seen as important drivers of consumer traffic, to some degree the typically long-term nature of retail anchor/major tenant leases can also encumber a property owner’s ability to actively manage the asset over time.

In the office and industrial markets, *job declines* are being felt, but are anticipated to rebound through the recovery. In the retail market, *revenue declines* are the biggest hurdle to overcome (and inevitably, some businesses will not recover); job losses are a by-product of this crisis. Retailers have put the brakes on discussions of any new deals. Their present focus is on monitoring cash flows, pursuing rent relief, negotiating more favourable lease terms at existing locations, exploring lease terminations (where permitted), and capital preservation.

The COVID-crisis has had an immediate and profound impact on the retail sector, with many “non-essential” businesses suffering from a dramatic loss of income. The transition to online sales will accelerate even faster than the pace it had been on pre-crisis, and is probably the single biggest factor with respect to long-term demand for retail real estate. Sadly, there will be long-lasting/permanent effects for some businesses within this industry, with store closures and bankruptcies appearing inevitable (of course, some businesses were already at a critical tipping point pre-downturn).

3.4 Non-Residential Building Permit Activity

The Consultant Team reviewed building permit data provided by City staff for the period from January 2011 through June 2020. Over this time period, nearly 400 non-residential permits were issued across the City of Greater Sudbury, within the parameters of importance to our analysis. We have classified the permits into four categories: Commercial, Industrial, Institutional, and Civic & Cultural. Examples of these uses are as follows (note – we have identified that there is some overlap among the Institutional and Civic & Cultural categories within the building permit data):

- Commercial – Restaurant, auto dealership, fast food, offices, hotels and motels, medical offices, banks/financial institutions, shopping centre/mall/plaza, service station, supermarket, etc.
- Industrial – Manufacturing, storage, industrial plant, industrial supplies, contractor's yards, etc.
- Institutional – Elementary schools, secondary schools, college and university, hospitals, nursing homes, special schools, etc.
- Civic & Cultural – Cemeteries, airport, racetrack, municipal yard, arenas, libraries, government offices/civic buildings, courthouse, etc.

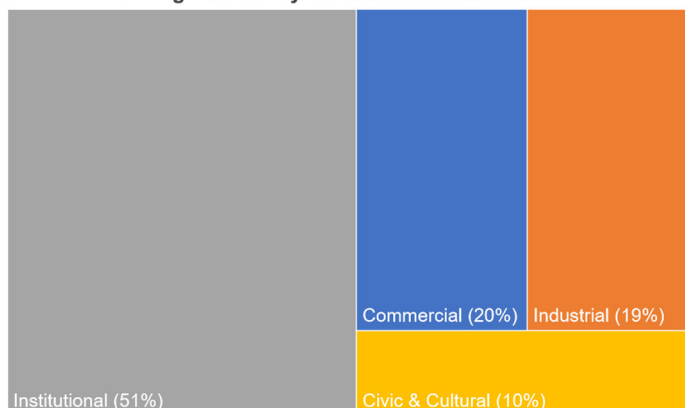
The following are notable observations from our analysis:

- New building permits (\$384 million) accounted for nearly one-half of the total permit value during the 2011-2020 period, but represented just one-third of total permits, by count of permit.
- Permits for additions to existing properties – reflecting reinvestment in the stock of non-residential buildings – totaled \$403 million, and accounted for nearly one-half of all permits, by count.
- By count of permit, the Commercial and Industrial categories each accounted for a 36% share of total permits, followed by Institutional (19%), and Civic & Cultural (10%).

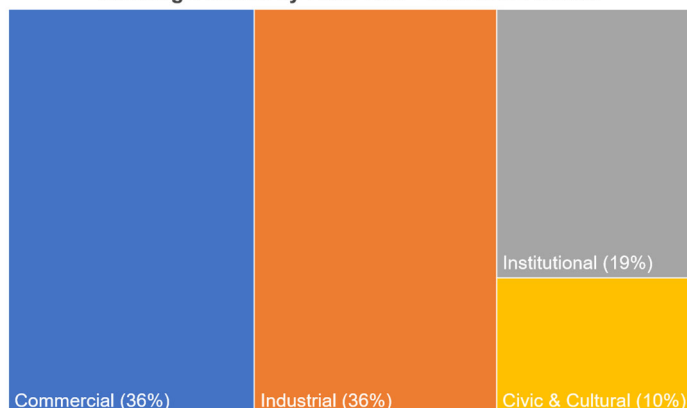
VALUE AND NUMBER OF PERMITS BY LAND USE							
Building Type	New Structure		Addition		Ancillary Structure		Total
	Value (\$Millions)	#	Value (\$Millions)	#	Value (\$Millions)	#	Value (\$Millions) #
Commercial	\$108.1	48	\$49.0	72	\$0.5	18	\$157.6 138
Industrial	\$89.8	57	\$55.7	63	\$3.9	16	\$149.4 136
Institutional	\$109.5	15	\$296.2	43	\$1.3	14	\$407.0 72
Civic & Cultural	\$76.3	10	\$2.1	5	\$2.9	22	\$81.3 37
TOTAL	\$383.7	130	\$403.1	183	\$8.5	70	\$795.3 383

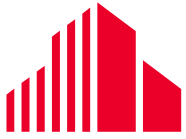
Source: City of Greater Sudbury and Cushman & Wakefield

Building Permits by Land Use – Value of Permits



Building Permits by Land Use – Count of Permits





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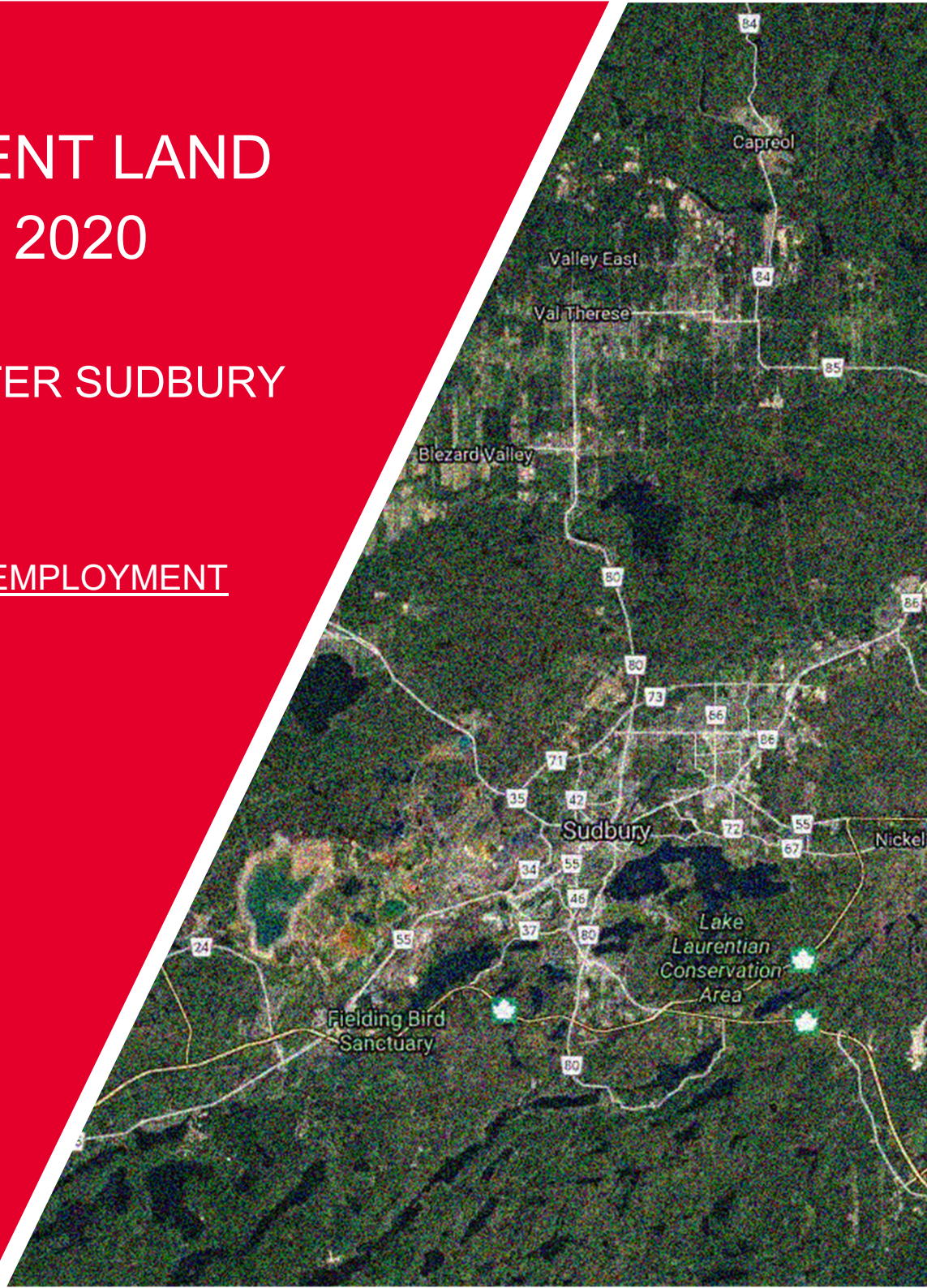


EMPLOYMENT LAND STRATEGY 2020

CITY OF GREATER SUDBURY

DELIVERABLE #4

POPULATION AND EMPLOYMENT
PROJECTIONS



4.0 POPULATION AND EMPLOYMENT PROJECTIONS

4.1 Introduction

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. Notwithstanding that these projections pre-date the COVID-19 crisis – the lasting impacts of which are still not fully understood – the Consultant Team is of the view that the long-term nature of these forecasts means that they can still be relied upon for growth management purposes.

4.2 Overview of Scenarios

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. In the *Outlook for Growth to 2046 report*, it is noted that the Reference Scenario represents the most likely outcome considering local and broader demographic and economic factors. The Low and High Scenarios are included to illustrate the sensitivity of long-term growth prospects to changing economic conditions and migration trends.

The three different growth scenarios are described as follows:

- The Low Scenario reflects the most recent Ministry of Finance projections (at the time of the report), which are heavily influenced by a continuation of the out-migration of young adults, and limited prospects for economic growth. This scenario illustrates the city essentially maintaining its present population and employment levels over the forecast period.
- The Reference Scenario reflects more recent trends indicating a mitigation of the out-migration of young people, the influence of currently committed investments in the mining industry, and some increase in the service/administrative functions that the city provides the broader region. This scenario is predicated on modest growth in the residential and non-residential sectors. The Reference Scenario assumes anticipated investments in the mining and institutional sectors occur as planned. However, if there was a shock to commodity prices or an economic slowdown similar to the recession that occurred between 2007 and 2009, the Reference Scenario forecast may be difficult to achieve.
- The High Scenario increases the share of the population represented by young adults, and adds to the economic outlook of the Reference Scenario by incorporating influences from investment in the Ring of Fire area. The High Scenario was developed to test the effects of significant changes to in-migration that would lead to a larger share of young adults. This represents a best case outcome reflecting substantial influence from Ring of Fire investment, and leads to much higher population and employment growth rates than recent trends would generate.

The Consultant Team notes that the COVID-19 health and economic crises represent the type of “shock” that is referenced in Hemson’s description of the Reference Scenario. However, given that the horizon of this forecast is 25+ years, we remain comfortable relying on these population and employment projections to inform our employment land demand modeling. Further, the population and employment forecasts that are maintained by metroeconomics closely approximate Hemson’s Reference Scenario. Accordingly, the Consultant Team is comfortable endorsing this outlook for growth.

The population projections prepared by Hemson have been adopted by the Consultant Team. The employment forecast contained in the *Outlook for Growth to 2046* report is at an aggregate level, by place of work. Accordingly, it was necessary for metroeconomics to translate this into a projection of employment growth by industry, using North American Industry Classification System (NAICS) codes, which are presented at the two-digit level in the exhibit below. For 2020 and 2021, metroeconomics has made adjustments to total employed to reflect the anticipated impact of COVID-19 in those years. From 2022-onward, it has been assumed that the projected level of employment will prevail. Longer-term, it is expected that COVID-19 impacts would be minimal, perhaps affecting job locations as opposed to industry growth totals.

4.3 Our Approach to Employment by Industry Projections

The population growth of an area typically depends on its growth in “economic base” employment, while an area’s growth in “community base” employment depends on its population growth. In recognition of this interdependence between population and employment growth, metroeconomics has developed a community-based projection system that takes account of the economic and demographic factors influencing an area’s growth potential.

The economic base of the community is identified through the de-composition of local jobs on a place of work basis by industry into those that are economic base jobs and those that are community base jobs; this is achieved using a location quotient process (which is described in detail below). Economic base industries produce goods and services consumed primarily by businesses or people outside of the local community; these industries – also called export-based industries – produce agriculture, mining, or manufactured products for consumption elsewhere, or provide tourism or higher-order education/health care services to visitors/temporary residents.

The potential for growth of a local community’s economic base jobs is identified through assessing how many such jobs exist today, and how many might exist in the future, drawing on metroeconomics’ extensive forecasts of economic base industrial job trends nation-wide and province-wide. An assessment is also made of the potential for local residents to commute to jobs in nearby employment locations, drawing on existing patterns and on metroeconomics’ base case forecasts of such jobs by sub-provincial area across the country. The potential for job growth within the local area and for job growth in nearby locations determines the potential for job growth among local residents.

The metroeconomics system ties this resident job growth potential to the demographic side of the community; if potential job growth among residents exceeds the current supply of workers (based on an age and gender assessment of the current population, age-specific rates of labour force participation, the level of unemployment, and the need to replace retiring workers), in-migration occurs; thus, job growth potential determines population growth potential, recognizing that each new job-holding resident typically brings along one or two dependents. The system further takes into account the fact that each new resident job-holder increases the need for workers who service the local population – the community base jobs – and that these additional community base jobs, in turn, create the need for more workers, more residents, etc. The growth in employed residents, in other words, drives the community’s net in-migration requirements which, along with standard assumptions regarding fertility and mortality rates, provide the parameters needed to develop local area population projections by age and gender. Projected economic base jobs by industry are added to projected community base jobs by industry to determine the total number of jobs by place of work that will exist in the community in the decades ahead.

All jobs in agriculture and forestry, in mining and oil and gas extraction, and in manufacturing, are considered to be economic base jobs, as most of their production is consumed by businesses and people outside of the area. For all other industries, the number of jobs per 1,000 residents in Greater Sudbury is compared to that ratio province-wide. Where the ratio in an industry in Greater Sudbury exceeds that of Ontario, it is assumed the excess jobs in the city are providing services to people or businesses outside of Greater Sudbury. These excess jobs are defined as export-based service jobs, and their output as exportable services.

Of the 70,230 jobs in Greater Sudbury (total employment by place of work) in 2016, 15,590 (22%) were export-based jobs, while 54,640 (78%) were community-based. The industries accounting for the greatest number of export-based jobs in 2016 were mining, oil and gas (5,615), manufacturing (3,200), health and social services (2,939), government (1,302), retail trade (910), and education (704). These six industries together accounted for almost 95% of the export-based jobs in Greater Sudbury.

EMPLOYMENT BY PLACE OF WORK – LOCATION QUOTIENT ASSESSMENT 2016

Category	Greater Sudbury		Ontario		Difference – Greater Sudbury less Ontario	Greater Sudbury	
	#	# Per 1,000	#	# Per 1,000		Economic Base	Community Base
Total Population (persons)	166,130		13,448,494				
All Industries EPOW (jobs)	70,230	423	5,867,270	436	-13	15,590	54,640
Agriculture, forestry	370	2	88,450	7	-5	370	0
Mining, oil and gas	5,615	34	24,705	2	32	5,615	0
Utilities	390	2	43,785	3	-1	0	390
Construction	3,135	19	213,400	16	3	499	2,636
Manufacturing	3,200	19	624,260	46	-27	3,200	0
Wholesale trade	2,250	14	238,335	18	-4	0	2,250
Retail trade	9,650	58	707,530	53	5	910	8,740
Transportation, warehousing	2,270	14	232,090	17	-3	0	2,270
Information, culture	980	6	153,455	11	-5	0	980
Finance, insurance, real estate, leasing	3,350	20	483,235	36	-16	0	3,350
Professional, scientific, technical	3,505	21	497,790	37	-16	0	3,505
Other business services	2,325	14	234,280	17	-3	0	2,325
Education	6,395	38	460,690	34	4	704	5,691
Health, social services	11,340	68	680,110	51	17	2,939	8,401
Arts, entertainment, recreation	1,120	7	119,330	9	-2	0	1,120
Accommodation, food	5,245	32	420,400	31	1	52	5,193
Other services	2,990	18	257,000	19	-1	0	2,990
Government	6,100	37	388,425	29	8	1,302	4,798

Note: "EPOW" = Employed by Place of Work

Hemson's Reference Scenario is in alignment with metroeconomics' view of the Canadian economic outlook as a whole, adjusted to reflect the dynamics of Greater Sudbury's local economic base by industry (and linked to Hemson's overall employment projection). The Low and High Scenarios are also linked to Hemson's employment projections, which vary the outlook for growth.

4.4 Population and Employment Growth Projections

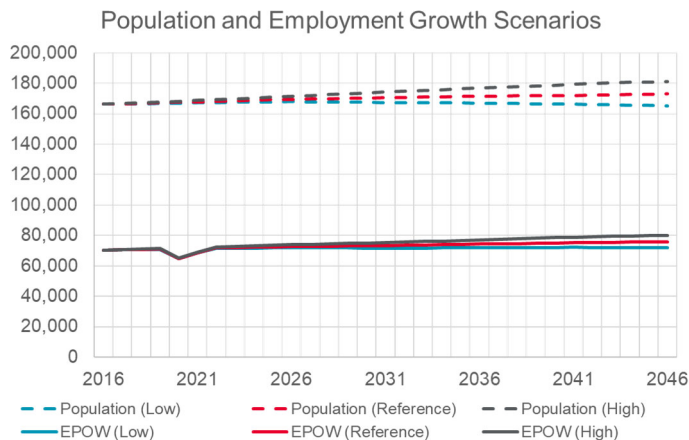
The City of Greater Sudbury had a population of 166,130 in 2016. Based on Hemson's projections, the city's population in 2046 may range from a low of 165,090 (Low Scenario), to a mid-range total of 172,990 (Reference Scenario), or even to a high of 181,290 (High Scenario), should economic conditions and migration to the city – notably by young adults – significantly change.

- For the purposes of our analysis, we will rely upon the estimated 2020 population in each of the scenarios, which ranges from a low of 166,930 to a high of 168,200. The 2020 population estimate has been interpolated using the 2016 and 2021 figures.

Greater Sudbury had total employment of 79,440 jobs in 2016. According to Hemson's outlook, 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).

- As noted above, metroeconomics has adjusted anticipated total employment for all three scenarios in 2020 and 2021 to account for the impacts of the COVID-19 crisis. The figures for 2020 are used as the starting point for our analysis. As well, metroeconomics has identified total employment by place of work, which excludes jobs with no fixed workplace address (employment by place of work is more useful in undertaking land demand analysis, rather than total employment).

The following exhibits illustrate the population and employment by place of work (EPOW) projections for the three scenarios.

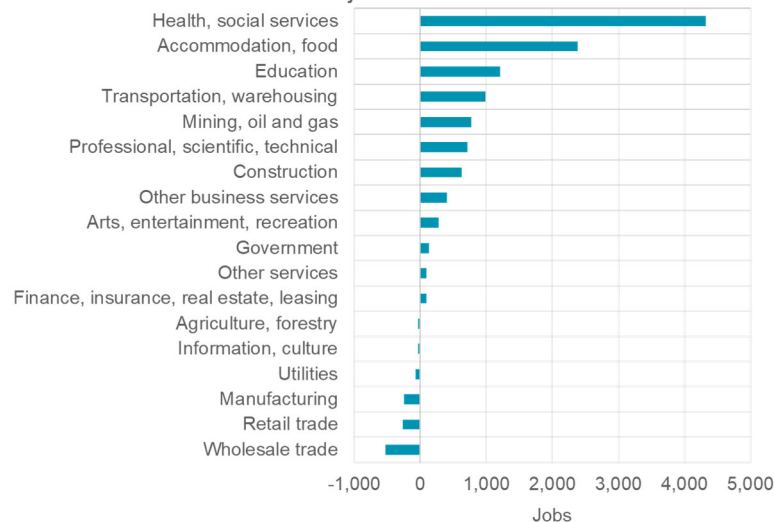


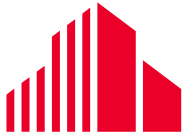
POPULATION AND EMPLOYMENT PROJECTIONS (2020-2046)

Category	Change (2020-2046)		
	Reference Scenario	Low Scenario	High Scenario
Total Population (persons)	5,524	-1,840	13,088
All Industries EPOW (jobs)	10,876	7,145	14,702
Agriculture, forestry	-29	-50	-7
Mining, oil and gas	776	350	1,217
Utilities	-71	-88	-54
Construction	625	449	807
Manufacturing	-246	-418	-68
Wholesale trade	-523	-591	-453
Retail trade	-261	-676	163
Transportation, warehousing	983	821	1,148
Information, culture	-34	-76	9
Finance, insurance, real estate, leasing	93	-62	251
Professional, scientific, technical	720	520	925
Other business services	406	276	539
Education	1,208	846	1,580
Health, social services	4,326	3,735	4,930
Arts, entertainment, recreation	281	215	348
Accommodation, food	2,387	2,016	2,769
Other services	99	-43	245
Government	137	-77	355

Note: "EPOW" = Employed by Place of Work

Reference Scenario Employment by Industry (EPOW)
Growth Projection – 2020-2046





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The Planning Partnership

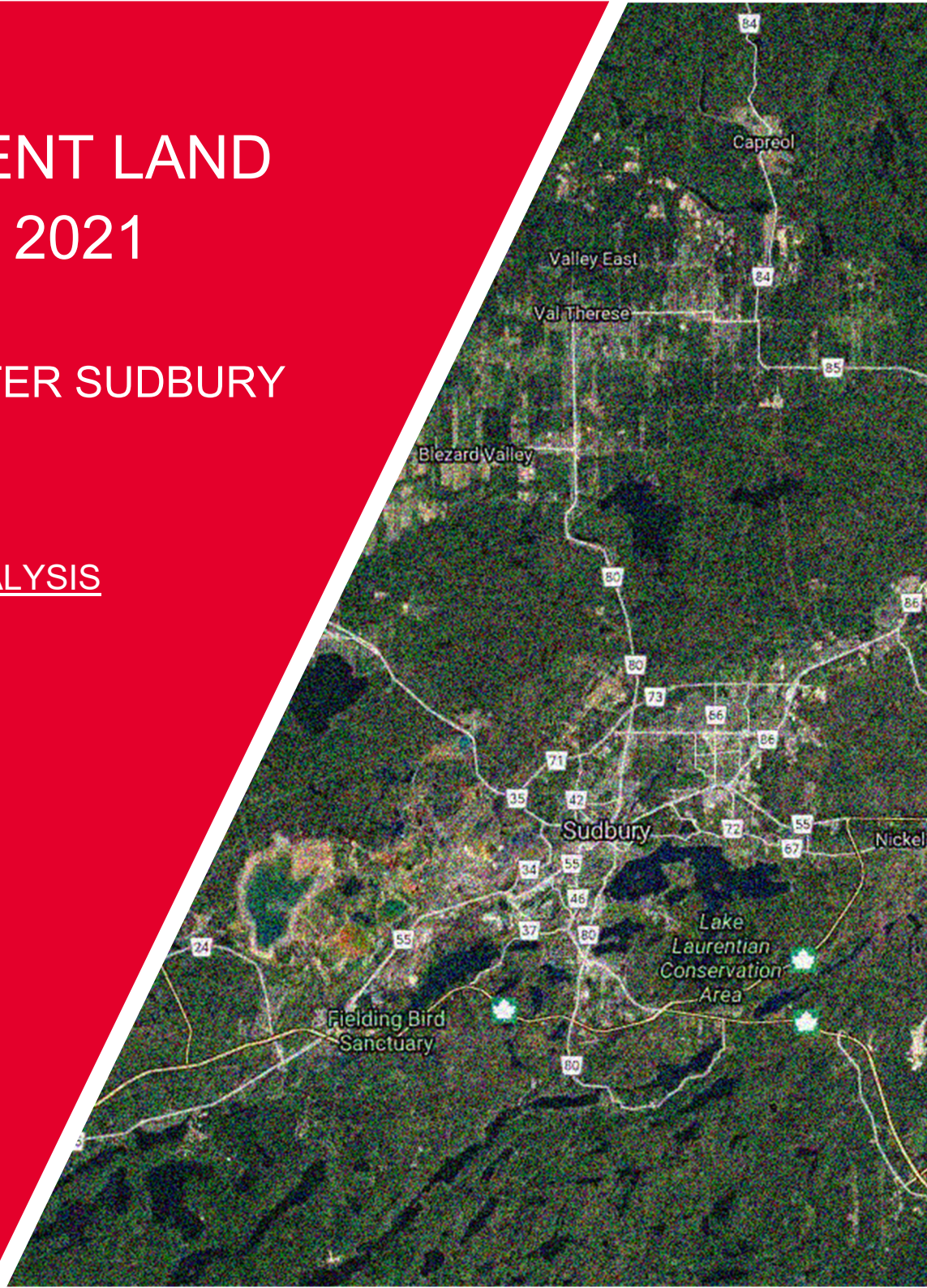


EMPLOYMENT LAND STRATEGY 2021

CITY OF GREATER SUDBURY

DELIVERABLE #5

LAND DEMAND ANALYSIS



5.0 LAND DEMAND ANALYSIS

5.1 Introduction

The metroeconomics projection presented above can be translated into a forecast of employment land needs by identifying the type of buildings that are required for each category of employment, and using an employment density figure for each building type to convert anticipated job growth into employment land demand. Of note, the following place of work status data has been considered:

- The 2016 Census indicated 65,150 residents in the City of Greater Sudbury's employed labour force had a "usual place of work", accounting for an 85% share of total jobs. This is higher than the provincial average of 81%. Of these 65,150 employees with a usual place of work, 97% commuted within the same Census Subdivision (CSD) of residence; in other words, most people within the labour force who live in Greater Sudbury also work in Greater Sudbury.
- In the City of Greater Sudbury in 2016, there were 8,280 jobs identified as "no fixed place of work." These are jobs in categories such as construction and transportation, accounting for an 11% share of all jobs (which is on par with the provincial average). As these jobs do not directly generate demand for employment land, they do not form part of our analysis. Our methodology only considers employment by place of work (EPOW), which by definition excludes jobs with "no fixed place of work".
- Approximately 4% of the employed labour force in the city is identified as having a place of work status of "worked at home". These 3,170 home-based jobs are likely those that would otherwise be accommodated in office spaces, or other mixed use/commercial settings. This figure is relatively lower than the provincial average of around 7%. Given this small share of overall jobs, we have not factored in home-based employment in our land demand projections (although these jobs are included within the EPOW total).
- In 2016, there were 110 employees whose place of work status was "worked outside Canada", representing just 0.1% of total jobs in the city. This negligible component of the labour market has not been factored into our land demand modeling.

5.2 Employment Categories

5.2.1 Overview

The following illustrates our approach to allocating employment by industry into real estate requirements, referencing Statistics Canada's descriptions of the industry sectors in the North American Industry Classification System (NAICS).

5.2.2 Industrial-Type Employment Categories

- **Manufacturing** – Establishments in the Manufacturing sector are often described as plants, factories, or mills, and characteristically use power-driven machines and materials-handling equipment. The materials, substances, or components transformed by manufacturing establishments are raw materials that are products of agriculture, forestry, fishing, mining, or quarrying, as well as products of other manufacturing establishments. **100%** of employment in this category has been identified as requiring industrial-type land and premises.

- Wholesale trade** – The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The merchandise described in this sector includes the outputs of agriculture, mining, manufacturing, and certain information industries, such as publishing. Wholesalers sell merchandise to other businesses and normally operate from a warehouse or office. These warehouses and offices are characterized by having little or no display of merchandise. In addition, neither the design nor the location of the premises is intended to solicit walk-in traffic. Wholesalers do not normally use advertising directed to the general public. Based on the nature of this sector of employment, the Consultant Team has assigned **100%** of these jobs as being associated with industrial land need.
- Transportation, warehousing** – The Transportation and Warehousing sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Establishments in these industries use transportation equipment or transportation-related facilities as a productive asset. The type of equipment depends on the mode of transportation. The modes of transportation are air, rail, water, road, and pipeline. While jobs in the transportation industry are often associated with having “no fixed place of work”, the warehousing and storage-related jobs are linked with industrial-type buildings, along with the storage and maintenance of transportation equipment. As a sub-set of this category, warehousing and storage is not a significant component of Greater Sudbury’s employment base (it presently accounts for just 3% of all jobs in this sector) – although it is anticipated to expand. The Consultant Team has allocated growth in the freight trucking and warehousing and storage industry groups as generating industrial land demand, and these jobs account for a **45%** share of total transportation and warehousing job growth from 2021-2046.

5.2.3 Office-Type Employment Categories

- Information, culture** – This sector comprises establishments engaged in the following processes: producing and distributing information and cultural products; providing the means to transmit or distribute these products as well as data or communications; and processing data. The main components of this sector are the publishing industries, including software publishing, and both traditional publishing and publishing exclusively on the Internet; the motion picture and sound recording industries; the broadcasting industries, including traditional broadcasting and those broadcasting exclusively over the Internet; the telecommunications industries; Web search portals; data processing industries; and the information services industries. The Consultant Team has assigned **100%** of jobs in this sector as being associated with office-type land need.
- Finance, insurance, real estate, leasing** – The Finance and Insurance sector comprises establishments primarily engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions. Three principal types of activities are identified: (a) Raising funds by taking deposits and/or issuing securities and, in the process, incurring liabilities; (b) Pooling of risk by underwriting insurance and annuities. Establishments engaged in this activity collect fees, insurance premiums, or annuity considerations; build up reserves; invest those reserves; and make contractual payments. Fees are based on the expected incidence of the insured risk and the expected return on investment; and, (c) Providing specialized services facilitating or supporting financial intermediation, insurance, and employee benefit programs. The Real Estate and Rental and Leasing sector comprises establishments primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services. The Consultant Team has assigned **100%** of jobs in this sector as being associated with office-type land need.

- **Professional, scientific, technical** – Establishments in this sector specialize according to expertise, and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include the following: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services. Overwhelmingly, these enterprises are associated with office-type space needs, and accordingly, the Consultant Team has assigned **100%** of jobs in this sector as being associated with office-type land need.
- **Other business services** – Businesses in this sector perform essential activities that are often undertaken in-house by establishments in many sectors of the economy. Activities performed include the following: management of companies and enterprises; office administration; hiring and placing of personnel; document preparation and similar clerical services; solicitation, collection, security, and surveillance services; cleaning; and waste disposal services. While many of these enterprises are associated with office-type premises, job growth in these categories do not directly translate to an increase in occupied office space (as they are ancillary to the office use itself). The Consultant Team has assigned **30%** of jobs in this sector as generating office-type land need.

5.2.4 Institutional Employment Categories

- **Education** – The Educational Services sector comprises establishments that provide instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centres. These establishments may be privately owned and operated for profit or not for profit, or they may be publicly owned and operated. In general, jobs in this sector are linked with institutional land needs. The Consultant Team's approach to generating institutional land demand is discussed in detail below.
- **Health, social services** – The Health Care and Social Assistance sector comprises establishments providing health care and social assistance for individuals (these are grouped together, since it is sometimes difficult to distinguish between the boundaries of these two activities). The majority of jobs in this sector are linked with demand for institutional-type facilities. The Consultant Team's approach to generating institutional land demand is discussed in detail below.
- **Government** – The Public Administration sector consists of establishments of federal, provincial, and local government agencies that administer, oversee, and manage public programs, and have executive, legislative, or judicial authority over other institutions within a given area. These agencies also set policy, create laws, adjudicate civil and criminal legal cases, and provide for public safety and for national defense. In general, government establishments oversee programs and activities that are not performed by private establishments. The Consultant Team has assigned all jobs in this category to the institutional land category, which is discussed in detail below.

5.2.5 Excluded Categories

- **Agriculture, forestry** – Jobs in this sector are largely associated with sites beyond the City of Greater Sudbury's Settlement Area boundaries, and accordingly, are not considered in our employment land need assessment.

- **Mining, oil and gas** – In Greater Sudbury, activities in this sector are largely associated with lands designated as Mining/Mineral Reserve, and accordingly, are not considered in our employment land need assessment. Business services related to these industries are addressed separately, based on their use. Of note, metal ore mining was the single largest sector of employment in Greater Sudbury in 2016, accounting for 4,750 jobs (almost 7% of total employment by place of work). It is anticipated to grow to nearly 5,550 jobs by 2046 (although it will be overtaken as the largest segment of employment by the full-service restaurants and limited service eating places category over the forecast horizon, which currently ranks second largest).
- **Utilities** – Jobs in this category are accommodated on lands identified for utilities purposes, and are therefore excluded from our employment land need assessment.
- **Construction** – The Construction sector comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction and establishments primarily engaged in subdividing land for sale as building sites also are included in this sector. Many of these types of jobs fall into the “no fixed place of work” segment, whereby they are associated primarily with work on project sites, as opposed to an everyday workplace setting.
- **Retail trade** – Jobs in the retail industry are not used as a gauge of employment land demand in our approach to modeling future land needs. Instead, our approach to identifying future retail-commercial land need is addressed in detail below, and is linked to anticipated population growth in the city, compared to the existing retail space inventory.
- **Arts, entertainment, recreation** – The Arts, Entertainment, and Recreation sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. Jobs in this sector are generally not associated with employment land need, and have been excluded from our analysis.
- **Accommodation, food** – The Accommodation and Food Services sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment. While the Consultant Team acknowledges that jobs in this sector are associated with demand for retail-commercial land, our approach to identifying this type of land need is addressed in detail below.
- **Other services** – The Other Services (except Public Administration) sector comprises establishments engaged in providing services not specifically accounted for elsewhere in the classification system. Establishments in this sector are primarily engaged in activities such as equipment and machinery repairing; promoting or administering religious activities; grantmaking; advocacy; providing dry cleaning and laundry services; personal care services; death care services; pet care services; photofinishing services; temporary parking services; and dating services. These types of enterprises are generally associated with some form of commercial space needs, and therefore are addressed in our retail-commercial land needs demand modeling described below.

5.3 Employment Density

5.3.1 Industrial Employment Density

Overview

A key input to our land demand modeling is assessing the employment density in the city’s industrial areas. Employment density means the number of employees per hectare, and is influenced by the building’s site coverage (the building footprint divided by the land area, as a percentage).

In higher cost land markets – such as the Greater Toronto Area – it is common for new industrial developments to occupy 35% to 40% of the net land area (when a large block of land is subdivided into development lots, a typical gross to net factor is 80%, to account for the inclusion of local roads and utilities). In markets where land costs are comparatively lower, or there may exist restrictions that encumber development (such as adverse soil conditions), the average industrial building site coverage is often found to be lower, in a range of 20% to 30%. Depending on the nature of the local industrial base, the average site coverage could be even lower – for example, when there is a considerable presence of outside storage of equipment, vehicles, and raw and finished goods. The exhibit below illustrates our observations of industrial building site coverage in Greater Sudbury, based on GIS data received from City staff.

INDUSTRIAL SITE COVERAGE		
Property Sample	Average Site Coverage (%)	Average Building Size (m ²)
All industrial buildings	13%	1,925
Industrial buildings on sites <2 ha	16%	970
Industrial buildings on sites <1 ha	17%	780

The overall average industrial building site coverage of just 13% is indicative of some very large sites with a low site coverage, featuring considerable excess land that may be suited to future development/intensification. The smaller sites (<2 hectares) are more comparable to our expectations, and align with our on-the-ground observations while touring the various employment areas.

In the 2019 Development Charge Background Study, Hemson Consulting Ltd. utilized a benchmark of 1,000 sf of floorspace per employee for Employment Land. While this is consistent with our experience in many large, urban municipalities, the Consultant Team's recent work in the City of Thunder Bay included a door-to-door survey of industrial employers⁵ that revealed an average of approximately 725 sf per employee. Although the typical site coverage in Thunder Bay was lower than many other markets we have observed, the relatively more dense floorspace per employee figure offset this somewhat in the overall calculation of employment density. In the following exhibit, we explore the impact of various inputs to the determination of industrial employment density.

⁵ A door-to-door survey of industrial employers was intended as part of the Consultant Team's approach to the City of Greater Sudbury's Employment Land Strategy, but was not feasible due to COVID-19 public health guidelines/restrictions in place at the time of our work.

INDUSTRIAL EMPLOYMENT DENSITY					
Metric	GTA (Low)	GTA (High)	Thunder Bay	Greater Sudbury (Low)	Greater Sudbury (High)
Square feet per acre	43,560	43,560	43,560	43,560	43,560
Site coverage (%)	35%	40%	18%	20%	20%
Building floorspace (sf) per net acre	15,246	17,424	7,841	8,712	8,712
Floorspace per employee (sf)	1,000	1,000	725	725	1,000
Employees per net acre	15.2	17.4	10.8	12.0	8.7
Acres per hectare	2.47	2.47	2.47	2.47	2.47
Employees per net hectare	37.7	43.0	26.7	29.7	21.5
<i>Note: This exhibit includes imperial and metric measurements. Floorspace per employee is often cited in terms of sf per employee, so acres are a common unit of land area. We have translated this into hectares for the purposes of this Employment Land Strategy, which principally uses metric units.</i>					

Conclusion

For the purposes of our land demand modeling, the Consultant Team will utilize an **industrial employment benchmark density of 25 jobs per net hectare** for Greater Sudbury (within a range of roughly 20-30 jobs per net hectare). This incorporates an assumption of a typical site coverage of 20% for new development.

While there may be some limited examples of employers adapting to physical distancing requirements within industrial workplaces, this is not anticipated to be a long-term trend in the post-COVID environment. Although increased rates of process automation and rising productivity may result in lower employment density over time, this has already been addressed in our land demand modeling, as we account for declining employment in certain industrial categories by not reducing demand within the existing industrial building stock (only the sectors that are seeing employment gains drive demand for future industrial floorspace).

5.3.2 Office Employment Density

Overview

The COVID-19 pandemic has profoundly impacted commercial real estate in a number of ways. One of the most widely discussed and fiercely debated topics is the future of office real estate, the role it will play, and how occupier strategies will evolve in a post-pandemic world. The lockdown orders associated with the COVID-19 health and economic crisis triggered a dramatic and sudden shift in office work. Office buildings shifted from being 87% occupied globally in February 2020, to virtually empty in April 2020 (leased, but without tenants). The office workforce endured an unexpected, forced transition to a work from home paradigm. The results have shown that flexible, remote work has benefits. Workers themselves report a preference for this kind of flexibility, despite also having a desire to be in the office at least some of the time. Further, executives report that they are planning on implementing more flexible work practices, including greater ability to work from home post-COVID-19. Cushman & Wakefield believes that the workplace ecosystem of the future is a mix of traditional office spaces, home offices, and semi-public spaces. We also believe that it is very unlikely for the pendulum to permanently swing so far in one direction – particularly for firms that rely on innovation, knowledge spillovers, and creativity, to generate value and revenue. Cities are the epicentre of these kinds of phenomena.

Over the past few decades, there had been an accelerating trend of office densification – a decline in the amount of office space per worker. Research conducted by Cushman & Wakefield and CoreNet Global confirmed that the trend in office space since the Global Financial Crisis/Great Recession had been towards greater employee density. In the US, square footage per employee decreased from 19.6 m² in 2009 to 18 m² at the end of 2017 – a decline of 1.6 m². More expensive markets tend to have less space per employee, but the rate of densification is more dependent on the amount of new office supply. Information from Cushman & Wakefield's Strategic Occupancy Planning group indicates that for recent projects (pre-COVID) they had been involved with (generally in Downtown Toronto), the allocation of office space has been below 11.6 m² per person (excluding law firms, which have a higher utilization rate). The rapid expansion of the modern "co-working" model with tight densities in the 6-9.3 m² per employee range (half the space historically allocated in traditional offices) was also influencing density planning. The main reason for the declines in office space per worker was the huge increase in collaborative and team-oriented space inside a growing number of companies that are stressing "smaller but smarter" workplaces. Cost containment is another key element. Open floor plans and "hoteling" (non-assigned workstations) are other key trends that have taken hold over the past decade or more.

Cushman & Wakefield's survey research indicates that for many workers, the ability to execute focused work is similar to pre-COVID-19, while teamwork has increased – all facilitated by technology. However, the bond between colleagues is hampered by exclusively working from home, as is the connection employees feel with their company's culture. Many workers who are executing well with work from home policies by necessity will be glad to return to the office when it is safe to do so, and they again have the choice. Of most significance to this Employment Land Strategy are the questions "*what is the outlook for future office demand?*", and "*will there be lasting impacts on office employment density?*"

There is a clear variance in how working from home is experienced by different departments/functions and generations of employees. Many Millennials and Gen Z employees are pleased to work remotely; however, their living situations – often in apartments or smaller homes in more dense parts of cities, and with childcare needs to be addressed – can make it more difficult to execute work comfortably. Approximately 70% of Gen Z and Millennials report challenges in working from home, compared to 55% of baby boomers. Going forward, businesses will need to create an environment that people will want to spend time in, as opposed to seeing it as a daily chore. This will impact space layouts, amenities, and location (given the pain of employee commutes across large, urban areas).

Cushman & Wakefield Research recently released a report titled *Global Office Impact Study & Recovery Timing*, which explores the cyclical and structural changes impacting the global office market, as well as the implications for the timing of a recovery. The pandemic has created several forces that directly affect the office sector's fundamentals. Some of the impacts are cyclical – for example, the COVID-19 recession will result in office-using job losses, higher vacancy, and will place downward pressure on rental rates. Other impacts are structural, such as a greater share of employees who will regularly work from home. The research concludes that the structural impacts of work from home trends will be offset by factors such as economic growth, population growth, and office-using penetration, which means demand for office will continue to grow over the next 10 years. An increase in permanent work from home and agile workers (those who work away from the office on an occasional basis) is counter-balanced by increased office-type employment growth and a potential reversal of the office space densification trend (at a minimum, we believe that densification will stop).

In order to establish an office employment benchmark density figure for Greater Sudbury, it is necessary to consider two key metrics: office space per employee, and floor space index.

- **Office Space per Employee** – Guided by Cushman & Wakefield research, precedents in other Canadian markets, and our outlook for workplace trends, office space per employee in a range of 14-18.5 m² (roughly 150-200 sf of net rentable area) per employee is an appropriate benchmark for assessing future land demand in Greater Sudbury. This figure needs to be “grossed up” to account for the total building area (for common areas such as the lobby and corridors), and a factor of 0.85 reflects a typical gross to net space conversion for office construction. We have selected 16.5 m² of net rentable area per employee – grossed up to 19.4 m² per employee – in our modeling. This accounts for the prospect of a lasting impact on office density as a result of the changing office work ecosystem post-COVID.
- **Floor Space Index** – A Floor Space Index (FSI) is defined as a building’s floor area divided by the site area. For the purposes of this Employment Land Strategy, we will consider only suburban-style development (since a dense, Downtown office development needs comparatively limited land, and ensuring a suitable future office land supply city-wide is principally concerned with identifying the quantum of suburban-format development required). A suitable FSI for suburban office development (which includes surface parking) is in the range of 0.3. To the extent that future office space located in the Downtown, this would diminish the amount of overall lands required to accommodate anticipated office-type job growth, since the built form would presumably be at a greater density (hence, our approach should be viewed as conservative).

Conclusion

For the purposes of our land demand modeling, the Consultant Team will utilize an **office employment benchmark density of 155 jobs per net hectare** for new office construction that will be home to the growing number of future office workers through 2046. Implicit in this benchmark are two components:

- A measure of the amount of office space per employee – benchmarked at 19.4 m², for the purposes of our analysis, and guided by the market trends discussed above; and,
- A measure of the land area required to accommodate office development – benchmarked at an average floor space index (FSI) of 0.3, which reflects a suburban-style office built form.

OFFICE EMPLOYMENT DENSITY	
Metric	Value
Site Size (net hectares)	1
Floor Space Index	0.3
Floor Area (m ²)	3,000
Office Space per Employee (m ²)	19.4
Employees per Net Hectare	155

5.4 Industrial Land Need Projection

5.4.1 Reference Scenario

The exhibit below presents the Reference Scenario Industrial Land Need Projection. Some industry groups linked to industrial land demand will see employment growth, while others are anticipated to decline over the forecast horizon. The modeling illustrated below is only concerned with those growth sectors that will contribute to additional need for industrial lands going forward. We have considered all jobs in the manufacturing and wholesale trade sectors, as well as the freight trucking and warehousing and storage industry groups within the transportation and warehousing sector. Overall positive growth of nearly 1,050 industrial-type jobs translates to a need for 42 net hectares of land, at a density of 25 jobs per net hectare.

INDUSTRIAL LAND NEED PROJECTION – REFERENCE SCENARIO					
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046) ¹	Jobs per Net Hectare	Required Net Hectares
Manufacturing	2,930	2,543	419		
Wholesale trade	2,017	1,419	157		
Transportation, warehousing	2,354	3,191	473		
TOTAL	10,381	10,685	1,049	25	42.0
<i>Note 1: "Change (2021-2046)" captures the industry groups within each sector that are anticipated to see employment growth from 2021-2046. While some industry groups expand and others decline, we are only identifying those growth sectors that will contribute to additional need for industrial lands going forward.</i>					

5.4.2 Low and High Scenarios

The scenarios presented below result in a range of land demand from a low approximately 35 net hectares to a high of approximately 50 net hectares.

INDUSTRIAL LAND NEED PROJECTION – LOW SCENARIO					
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046) ¹	Jobs per Net Hectare	Required Net Hectares
Manufacturing	2,930	2,543	323		
Wholesale trade	2,017	1,419	135		
Transportation, warehousing	2,354	3,191	410		
TOTAL	10,381	10,685	868	25	34.7
<i>Note 1: "Change (2021-2046)" captures the industry groups within each sector that are anticipated to see employment growth from 2021-2046. While some industry groups expand and others decline, we are only identifying those growth sectors that will contribute to additional need for industrial lands going forward.</i>					

INDUSTRIAL LAND NEED PROJECTION – HIGH SCENARIO					
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046) ¹	Jobs per Net Hectare	Required Net Hectares
Manufacturing	2,930	2,543	519		
Wholesale trade	2,017	1,419	179		
Transportation, warehousing	2,354	3,191	538		
TOTAL	10,381	10,685	1,236	25	49.4
<i>Note 1: "Change (2021-2046)" captures the industry groups within each sector that are anticipated to see employment growth from 2021-2046. While some industry groups expand and others decline, we are only identifying those growth sectors that will contribute to additional need for industrial lands going forward.</i>					

5.4.3 Summary

The preceding analysis utilized the three projections of employment by industry, and focused on those growth sectors associated with industrial space demand. The Consultant Team has concluded that **there is demand for roughly 35-50 net hectares of industrial land from 2021-2046** (the resulting range of the three projections). For the purposes of land use planning, the **Consultant Team advises ensuring a suitable supply of at least 100 net hectares of industrial land (essentially double the forecast need) to accommodate anticipated demand through 2046.** Ideally, the city's available land supply would be even greater, to ensure a broad range of options among prospective occupiers in terms of location, land pricing, servicing, and planning designation/permitted uses.

5.5 Office Land Need Projection

5.5.1 Reference Scenario

The exhibit below presents the Reference Scenario Office Land Need Projection. Employment in sectors that associated with office-type space demand is anticipated to increase by a net 465 jobs through 2046 (some sectors expand, while others contract). This excludes institutional-type office employment such as health care and government workers who might occupy office premises. To the extent that these functions require offices in private sector buildings, this has not been accounted for (other than jobs situated in retail-commercial environments, such as a medical clinic at a shopping centre). At 155 jobs per net hectare (suburban-style low or mid-rise office buildings), this results in a need for 3 net hectares of land.

OFFICE LAND NEED PROJECTION – REFERENCE SCENARIO						
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046) ¹	Share of Jobs	Jobs per Net Hectare	Required Net Hectares
Information, culture	932	854	-78	100%		
Finance, insurance, real estate, leasing	3,192	3,127	-65	100%		
Professional, scientific, technical	3,474	3,999	525	100%		
Other business services	2,312	2,591	84	30%		
TOTAL	9,911	10,572	465		155	3.0
<i>Note 1: "Change (2021-2046)" captures the "Share of Jobs" by industry sector that generate demand for office-type premises.</i>						

5.5.2 Low and High Scenarios

The Low and High Scenarios presented below result in a range of office land demand for the 2021-2046 period from a low of 0.2 net hectares to a high of 6 net hectares of suburban-style office land.

OFFICE LAND NEED PROJECTION – LOW SCENARIO						
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046) ¹	Share of Jobs	Jobs per Net Hectare	Required Net Hectares
Information, culture	929	809	-120	100%		
Finance, insurance, real estate, leasing	3,181	2,962	-219	100%		
Professional, scientific, technical	3,462	3,788	326	100%		
Other business services	2,304	2,455	45	30%		
TOTAL	9,876	10,014	33		155	0.2

Note 1: "Change (2021-2046)" captures the "Share of Jobs" by industry sector that generate demand for office-type premises.

OFFICE LAND NEED PROJECTION – HIGH SCENARIO

Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046) ¹	Share of Jobs	Jobs per Net Hectare	Required Net Hectares
Information, culture	937	901	-36	100%		
Finance, insurance, real estate, leasing	3,207	3,299	92	100%		
Professional, scientific, technical	3,490	4,219	728	100%		
Other business services	2,323	2,734	123	30%		
TOTAL	9,957	11,152	908		155	5.9

Note 1: "Change (2021-2046)" captures the "Share of Jobs" by industry sector that generate demand for office-type premises.

5.5.3 Summary

The preceding analysis utilized the three projections of employment by industry, focused on those sectors associated with office space demand. The Consultant Team has concluded that **there is demand for between roughly 0-6 net hectares of office land from 2021-2046** (the resulting range of the three projections). For the purposes of land use planning, the **Consultant Team advises ensuring a suitable supply of at least 10 net hectares of office land to accommodate anticipated demand through 2046**, in order to provide a range of site selection options, and to account for institutional-type office space demand not captured in our methodology.

Our forecast assumes suburban-style building forms. To the extent that future office employment is accommodated in the Downtown area in new development at higher densities, the quantum of overall land demand would decline accordingly. Depending on the prevalence of work from home arrangements going forward, excess supply in the exiting Downtown office market could absorb a share of future employment growth. Conservatively, our modeling does not account for this, and instead identifies the likely upper end of prospective office land requirements.

5.6 Institutional Land Need Projection

5.6.1 Introduction

The workplace setting of persons employed across the spectrum of industrial-type jobs is fairly uniform: spaces for raw materials storage; manufacturing and/or assembly process areas; storage of finished goods; areas for distribution/logistics; etc. This is common across a range of types of industrial jobs. Similarly, whether an office worker is involved in the finance industry, technology sector, or some other business services, the workplace environment is fairly homogenous, from a space utilization perspective. Accordingly, it is straight-forward to apply a benchmark of workspace per employee (generally translated to number of workers per unit of land area, for the purposes of land demand planning) as an input to a land demand model, as we have done above. In contrast, workers in jobs associated with the institutional sector have more varied workplace environments, which range from schools (education) to hospitals and medical office settings (health care) to residential care facilities (social services) to public administration offices (government).

It is a significant challenge to assign a benchmark employment density to institutional-type jobs. Rather, it is more appropriate to recognize the types of buildings/facilities that will be required to accommodate anticipated future jobs in the institutional sector, and their associated land need city-wide. Some of these facilities are found spread across a community (schools) and are planned for in new expansion areas. Others represent intensification on an existing institutional campus (such as

colleges and universities, and hospitals/health care/social services uses). Others may be found in retail-commercial settings (medical clinics, and some government functions – such as Service Canada/Service Ontario offices).

5.6.2 Reference Scenario

The Reference Scenario institutional employment projection identifies growth of some 4,320 jobs across industry sectors linked with demand for institutional space. Within the Education, Health and Social Services, and Government sectors, prominent sub-sectors driving job growth include the following:

- Education – Employment at elementary and secondary schools accounts for close to 90% of total anticipated employment growth in the Education sector through 2046. This is due to a growing population base in the city over that time horizon. New schools will be constructed on lands in residential growth areas, and existing school sites will be intensified as needed.
- Health and Social Services – Jobs in hospitals; offices of physicians, dentists, and other health practitioners; and individual and family services account for approximately 75% of total employment growth in this sector. While some of these jobs can be accommodated in the community in mixed use commercial areas (such as medical office buildings), a significant component will still be institutionally-based.
- Government – Jobs in public administration are forecast to decline in Greater Sudbury by 2046, compared to 2021. However, the picture is mixed; Municipal public administration will see growth, although this will likely be offset by declines in Federal and Provincial employment in the city, corresponding with the anticipated trend in Ontario and Canada.

INSTITUTIONAL JOB GROWTH – REFERENCE SCENARIO			
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046)
Education	6,390	7,242	852
Health, social services	11,284	14,914	3,630
Government	5,841	5,682	-159
TOTAL	23,516	27,838	4,322

5.6.3 Low and High Scenarios

The outlook for institutional-type employment growth varies from a low of 3,150 jobs added through 2046 (Low Scenario), to a high of approximately 5,520 jobs (High Scenario). These types of jobs comprise a segment of employment that is referred to as “population-related employment”, since their increase/decrease is closely linked with population growth in a community.

INSTITUTIONAL JOB GROWTH – LOW SCENARIO			
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046)
Education	6,368	6,861	493
Health, social services	11,261	14,296	3,035
Government	5,830	5,454	-376
TOTAL	23,459	26,611	3,152

INSTITUTIONAL JOB GROWTH – HIGH SCENARIO			
Industry Sector	Jobs (2021)	Jobs (2046)	Change (2021-2046)
Education	6,420	7,640	1,220
Health, social services	11,321	15,557	4,236
Government	5,859	5,920	60
TOTAL	23,601	29,117	5,516

5.6.4 Summary

Among Greater Sudbury's largest employers today are those linked to institutional land demand. While increased jobs in the health care and social services sector is anticipated to be a leading driver of employment growth over the forecast horizon, employment in the post-secondary education sector is more muted. A modest rise in university-related employment is offset by a decline in college-related employment during the 2021-2046 period, while most job growth in the education sector occurs in elementary and secondary schools.

As noted earlier, given the varied types of workplaces required for institutional sector jobs, it is a challenge to assign a benchmark employment density to these jobs. A component of this job growth can be accommodated through intensification on existing properties/campuses; another component will occur in new growth areas as the city's population increases; and a further component will need lands designated for employment uses. In discussion with major local institutional employers, the following perspective on anticipated growth and potential land requirements were identified:

- **Health Sciences North (HSN)** – In addition to its Ramsey Lake Health Centre – which is basically landlocked – HSN has 12 or 13 other sites across the city, and is seeking to reduce this number. HSN recently completed a 20-year Capital Master Plan. There are a number of factors influencing current/future space requirements (which HSN's facilities are challenged to address):
 - HSN is an academic teaching hospital, and this requires additional space.
 - There is a movement in the health care field towards an increasing share of private rooms with dedicated washrooms, so this requires more space.
 - In the pre-COVID environment, HSN was in need of additional beds. Going forward, there is a need for superior infection controls, which could affect space allocations.
 - The Walford Road access point is blocked off, which causes issues for on-site traffic movement.

At the Ramsey Lake site, there is a need to “build out and build up”, but structured parking is very expensive to construct. Ideally, this site would be expanded to make it easier for staff to move around among the various facilities on the site, rather than elsewhere in the city.

- **Laurentian University** – The University's main campus is located at 935 Ramsey Lake Road, and the McEwen School of Architecture (opened in 2016) is located in Downtown Sudbury. The University has a Master Plan in place, and has sufficient owned lands on the campus to accommodate future growth. While post-COVID space requirements are unknown, there is probably suitable facility space for the foreseeable future. The University is open to future partnerships – such as its existing relationships with the Northern Ontario School of Medicine and the Vale Living with Lakes Centre – which could bring future uses to the campus.

- **Cambrian College** – The College is located at 1400 Barrydowne Road, between Lasalle Boulevard and Maley Drive, in the north part of Sudbury. In addition to the on-campus facilities, the College has some leased space off campus in retail-commercial strip malls. While there are two satellite campuses – the Manitoulin Campus in Little Current, and the Espanola Campus – there is no interest in a new off-campus site in Sudbury. A challenge to considering off-campus programming is that the College would prefer to provide similar services to students whether on or off-campus, and this is challenging if sites are dispersed. The College does not have a current Master Plan. However, the Barrydowne Road property has considerable excess (undeveloped) land remaining, should future new development be required over time to accommodate growth.
- **Collège Boréal** – Located at 21 Lasalle Boulevard, north of Downtown Sudbury, the Collège Boréal campus has significant remaining undeveloped land to accommodate growth.

5.7 Retail-Commercial Land Need Projection

5.7.1 Introduction

The analysis of retail market trends, retail inventory, and retail space per capita in a prior section of this report are all key inputs to our land demand projection. Below, we utilize a forecast of future population, along with a site coverage benchmark, to anticipate future retail-commercial land needs.

5.7.2 Population Projection

A key input to the retail-commercial land demand projection is a forecast of population growth. The Consultant Team's guidance is based upon the Reference Scenario.

POPULATION PROJECTIONS				
Scenario	2016 (Census)	2021 (Forecast)	2046 (Forecast)	Change (2021-2046)
Reference Scenario	166,130	167,800	172,990	5,190
Low Scenario	166,130	167,130	165,090	-2,040
High Scenario	166,130	168,720	181,290	12,570

5.7.3 Site Coverage

A benchmark site coverage of 25% is utilized in our land demand projections. This recognizes the reality of parking ratio requirements for retail-commercial establishments. While parking may be accommodated in parking structures as part of mixed use development/redevelopment, increasing the extent of retail density is a challenge from a site design perspective (with the exception of regional-scale shopping centres, underground or structured parking is relatively uncommon, given the expense associated with its construction and maintenance).

5.7.4 Land Demand Scenarios

In the Baseline Retail-Commercial Land Demand Scenario illustrated below, space demand is projected to continue at the current ratio per capita in Greater Sudbury, (which is 1.95 m², for the purposes of this modeling). Based upon a population increase of 5,190 persons in the Reference Scenario, this translates to a need for land to accommodate 10,125 m² of new shopping centre space. When this space demand is translated to a land requirement at a benchmark site coverage of 25%, this equates to a need for 4.1 net hectares of land by 2046. The alternative population growth scenarios produce a range of land demand from -1.6 (or 0) to nearly 10 net hectares.

RETAIL-COMMERCIAL LAND DEMAND – BASELINE SCENARIO			
Variable	Reference Scenario	Low Scenario	High Scenario
Population Growth	5,190	-2,040	12,570
Retail Space per Capita (m ²)	1.95	1.95	1.95
Retail Demand (m ²)	10,125	-3,980	24,523
Site Coverage (%)	25%	25%	25%
Land Required (net hectares)	4.1	-1.6	9.8

A second set of scenarios has been developed that tests the impact of a reduction in retail space per capita in the future. This assumption is influenced by the secular trends apparent in the consumer market today towards online shopping, mobile commerce, same-day/next day delivery of goods, and declining store sizes among certain retail categories, as discussed previously. The current shopping centre inventory in Greater Sudbury is approximately 312,265 m² (based on CSCA data). In these Reduced Space per Capita scenarios, retail space demand per capita is reduced from the current rate of 1.95 m² to 1.76 m² per person (a 10% reduction) and 1.56 m² per person (a 20% reduction).

A population increase of 5,190 persons in the Reference Scenario – on its own – would translate to a requirement for land to accommodate new retail-commercial space. However, this does not take into account the fact that the reduced amount of retail space per capita demand also impacts the existing retail-commercial environment; this must also be taken into consideration.

- 10% Reduction in Demand per Capita** – If retail space demand declines by 10% as a result of retail and consumer market dynamics (represented by the reduced demand factor of 0.90 in the exhibit below), then there is an excess inventory of approximately 32,450 m² of retail-commercial space in the Reference Scenario. This exceeds the Reference Scenario new retail demand growth figure of approximately 9,100 m², meaning that not only is no new retail supply required by 2046, but that the existing inventory would represent an over-supply of space of around 23,300 m². The alternative population growth scenarios generate a range of retail demand outcomes, from an excess supply of 36,000 m² in the Low Scenario, compared to 10,400 m² in the High Scenario. All cases result in no new land being required for shopping centre development.
- 20% Reduction in Demand per Capita** – If future demand for retail space declines by 20% (represented by the reduced demand factor of 0.80 in the exhibit below), then there is an excess inventory of approximately 64,900 m² of retail-commercial space in the Reference Scenario. This exceeds the Reference Scenario new retail demand growth figure of 8,100 m², meaning that not only is no new retail supply required by 2046, but that the existing inventory would represent an over-supply of space of 56,800 m². The alternative scenarios generate a range of demand outcomes, from an excess supply of 68,100 m² in the Low Scenario, to 45,300 m² in the High Scenario. Again, all cases result in no new land being required for future shopping centre development.

RETAIL-COMMERCIAL LAND DEMAND – REDUCED SPACE PER CAPITA SCENARIO (10% REDUCED DEMAND)			
Variable	Reference Scenario	Low Scenario	High Scenario
Population Growth	5,190	-2,040	12,570
Retail Space per Capita (m ²)	1.76	1.76	1.76
Population Growth-Driven New Retail Demand (m ²)	9,113	-3,582	22,071
Current Inventory (m ²)	324,500	324,500	324,500
Reduced Demand Factor	0.90	0.90	0.90
Future Required Inventory (m ²)	292,050	292,050	292,050
Excess Retail Space – Future Required Inventory Less Current Inventory (m ²)	32,450	32,450	32,450
Population-Growth Driven New Retail Demand Less Excess Retail Space (m ²)	-23,337	-36,032	-10,379
Site Coverage (%)	25%	25%	25%
Land Required (net hectares)	-9.3	-14.4	-4.2
Land Required – Adjusted (net hectares)	0	0	0

RETAIL-COMMERCIAL LAND DEMAND – REDUCED SPACE PER CAPITA SCENARIO (20% REDUCED DEMAND)			
Variable	Reference Scenario	Low Scenario	High Scenario
Population Growth	5,190	-2,040	12,570
Retail Space per Capita (m ²)	1.56	1.56	1.56
Population Growth-Driven New Retail Demand (m ²)	8,100	-3,184	19,619
Current Inventory (m ²)	324,500	324,500	324,500
Reduced Demand Factor	0.80	0.80	0.80
Future Required Inventory (m ²)	259,600	259,600	259,600
Excess Retail Space – Future Required Inventory Less Current Inventory (m ²)	64,900	64,900	64,900
Population-Growth Driven New Retail Demand Less Excess Retail Space (m ²)	-56,800	-68,084	-45,281
Site Coverage (%)	25%	25%	25%
Land Required (net hectares)	-22.7	-27.2	-18.1
Land Required – Adjusted (net hectares)	0	0	0

5.7.5 Summary

The retail-commercial land demand scenarios presented above are guided by the same population forecasts, but different assumptions about the future amount of retail space demanded per capita. The Baseline Retail-Commercial Land Demand Scenario assumes that the current rate of retail space per capita is held constant over time (1.95 m² per capita in Greater Sudbury). This results in a range of land demand from 0-10 net hectares, with the Reference Scenario indicating a need for approximately 4 net hectares to satisfy future demand. 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 future population growth occurring through 2046.

It is the view of the Consultant Team that new retail-commercial uses will continue to emerge, notwithstanding the downward pressure on retail space per capita. It is highly likely that some buildings within the existing inventory will become obsolete (due to their format, orientation, age, or other factors), and repurposed to a mixed use or other form of redevelopment, which would reduce the present space inventory. As well, small-scale projects, and lands for freestanding properties, will be demanded. Accordingly, lands must continue to be planned for and designated to meet requirements for new developments. **The Consultant Team recommends planning for 20 net hectares of retail-commercial land through 2046.** 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, while at the same time centrally-situated infill sites will still be sought-after by prospective retail-commercial developers.

5.8 Land Demand Summary

The Reference Scenario population and employment growth projections guide the Consultant Team's recommended employment land demand conclusions and recommendations. The Low and High Scenarios allow us to identify a broader range of land requirements that could occur, should growth lag or surpass the Reference Scenario. Together, the scenarios inform our ultimate planning policy and strategic guidance.

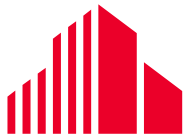
LAND DEMAND CONCLUSIONS				
Employment Land Type	Reference Scenario (Net Hectares)	Low Scenario (Net Hectares)	High Scenario (Net Hectares)	Consultant Team Recommendation (Net Hectares)
Industrial	42.0	34.7	49.4	100
Office	3.0	0.2	5.9	10
Institutional	Land needs to be monitored over time			
Retail-Commercial – Baseline	4.1	-1.6	9.8	20
Retail-Commercial – 10% Reduced Space per Capita	-9.3	-14.4	-4.2	
Retail-Commercial – 20% Reduced Space per Capita	-22.7	-27.2	-18.1	
Note: Where negative land need is indicated, this means that no additional lands are required based on population/employment growth – although planning for employment lands must also consider the provision of suitable sites to satisfy site selection criteria such as location, accessibility, visibility, land price, lot size and orientation, servicing, and other economic/market factors.				

It is important to note that while this land *demand* analysis is expressed in *net* hectares (the developable land area), the preceding land *supply* analysis is discussed in *gross* hectare terms (total land area). It is not possible within the scope of this project to identify the gross to net factor for individual employment land parcels (which in the case of parcels in the built-up area of the city may be nil), since there is a vast supply of vacant lands with development constraints such as natural features (waterways, wetlands, forests, etc.), potential issues related to site grading (un-level sites), site configuration (irregular shapes that may limit developability), and in the case of undeveloped areas, a requirement to provide for roads and stormwater management before the actual developable lands can be created. We have assumed that the majority of new industrial lands will require some adjustment to account for undevelopable lands, while new office and retail-commercial properties will develop across the existing urban areas of the city, and require no adjustment from gross to net land area.

The following summarizes the Consultant Team's recommended employment land allocation by type, for the 2021-2046 horizon.

- **Industrial land – 100 net hectares/125 gross hectares.**
- **Office land – 10 net hectares.**
- **Retail-Commercial land – 20 net hectares.**
- **Institutional land – ongoing land needs are to be monitored in collaboration with major local institutional employers.**

DRAFT October 23rd



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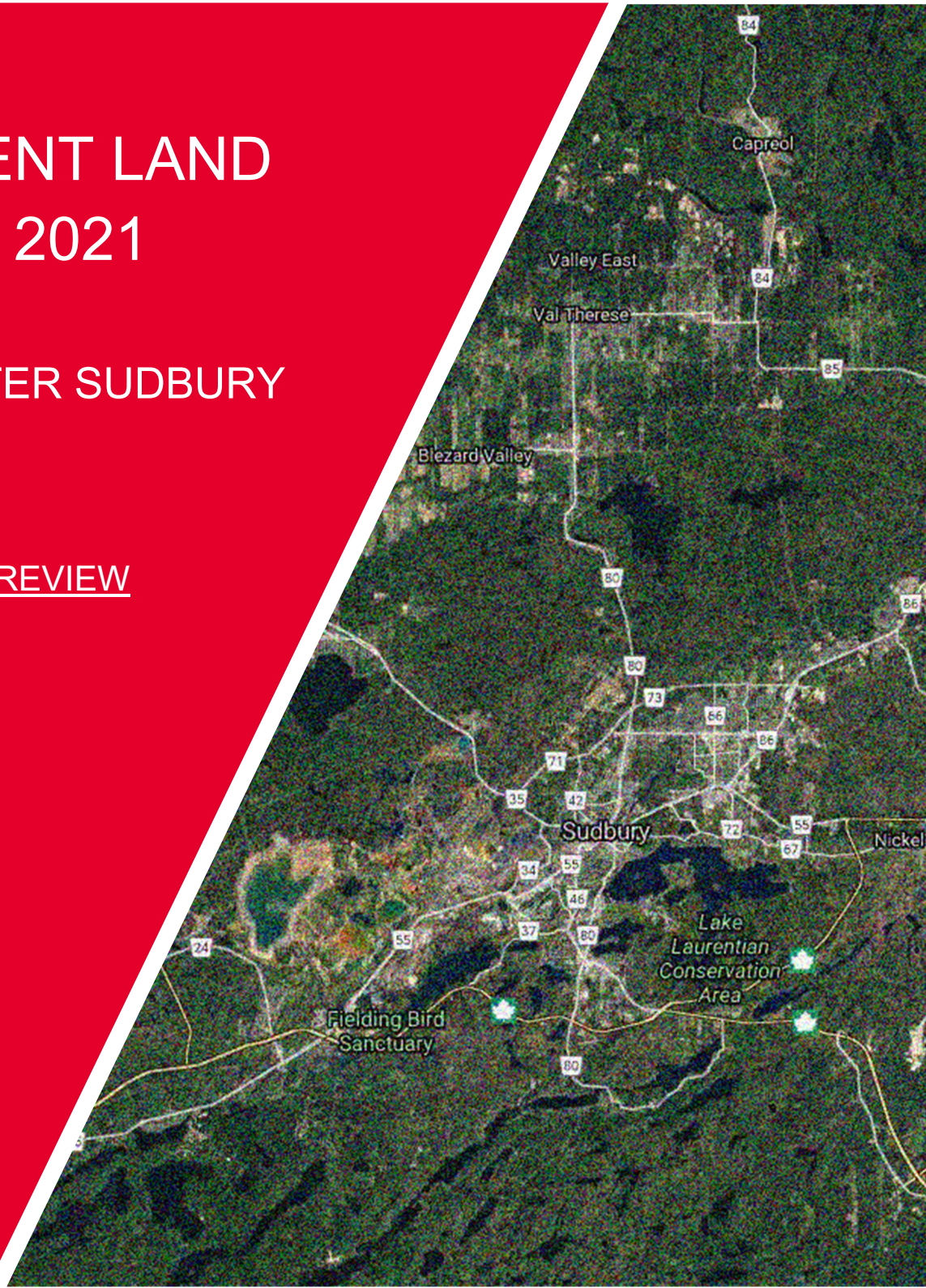


EMPLOYMENT LAND STRATEGY 2021

CITY OF GREATER SUDBURY

DELIVERABLE #6A

PLANNING POLICY REVIEW



6.0 PLANNING POLICY REVIEW

6.1 Introduction

The following is an examination of the planning policy framework affecting the principles for the management of employment-generating land uses within the City of Greater Sudbury. Through the lens of focusing on elements that are of particular importance to this Employment Land Strategy, this overview includes a review of the following documents:

1. From the Ground Up 2015-2025: A Community Economic Development Strategic Plan;
2. City of Greater Sudbury Official Plan; and,
3. City of Greater Sudbury Zoning By-law 2010-100Z.

Each of these important documents provides a level of guidance for the future development of a range of employment-generating land uses. 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.

6.2 From the Ground Up 2015-2025: A Community Economic Development Strategic Plan

6.2.1 Introduction

From the Ground Up is a crucial foundational document that provides the City's economic development road map from 2015 to 2025. While the document identifies directions, objectives, and actions within a defined timeframe, the direction provided in From the Ground Up is expected to influence planning and investment decisions in the city for quite some time. Some of the important observations in the Strategic Plan include:

- The Sudbury economy is rooted in the mining sector, health care, and education.
- Sudbury is a global leader in the mining supply and services industry.
- It is Northern Ontario's hub for health care, and has three post-secondary institutions, making it the largest research hub in Northern Ontario.
- It is one of the few communities in Northern Ontario that has positive population growth.

6.2.2 Strategic Directions

From the Ground Up identifies strategic directions and an Action Plan. The Strategic Plan is guided by its "Everest" goal of 10,000 net new jobs by 2025. In order to meet and support this "Everest" goal, From the Ground Up provides an Action Plan that contains nine goals, as well as objectives and actions that support the realization of the "Everest" goal.

6.2.3 Action Plan

- **Goal 1: A robust entrepreneurship ecosystem.**
 - Work to strengthen the entrepreneurship network and help grow businesses.
 - Objectives and actions include leveraging private sector resources to stimulate job growth, encouraging entrepreneurship, and strengthening business support structures – including the streamlining of the development approval process.
- **Goal 2: A welcoming and open community.**
 - To support adding 10,000 new jobs, there is a need to support and facilitate immigration to the area.
 - Objectives and actions include improving integration services and creating a more welcoming environment for newcomers.
- **Goal 3: A highly-skilled and creative workforce.**
 - To support a continued move toward a knowledge-based economy, the city needs to continue to attract and retain a highly skilled workforce.
 - Objectives and actions include facilitating workforce attraction and integration, developing the skills of the existing community, and capitalizing on post-secondary assets (students).
- **Goal 4: A quality of place and lifestyle that is second to none.**
 - The City needs to focus on creative placemaking in order to attract people to Sudbury. The Plan indicated that there should be a focus on revitalizing and redeveloping the Downtown.
 - Objectives and actions include revitalizing and redeveloping the Downtown, implementing the Retail Attraction Strategy, diversifying the city's retail sector, promoting multi-residential mixed use development, implementing infrastructure upgrades that support the efficient movement of residents and visitors, developing public spaces, and leveraging buildings and infrastructure as a catalyst for private sector investment.
- **Goal 5: The global leader in the mining supply and services industry.**
 - The mining industry will continue to be the primary driver of economic growth and prosperity, with manufacturing and technology sectors having developed and continuing to develop around the mining sector.
 - Objectives and actions include promoting industrial land development, strengthening Sudbury's position as a mining hub, strengthening support structures for the mining supply and services sector, and connecting business with research interests.
- **Goal 6: A nationally recognized centre of artistic excellence, vibrancy, and creativity.**
 - Looking to attract new film industry activity, and positioning Sudbury as a "film friendly" regional hub.
 - Objectives and actions include developing cultural spaces and facilities, and updating policies related to filming.
- **Goal 7: One of Ontario's top tourism destinations.**
 - The City is looking to continue to promote tourism to the area, leveraging the numerous events that the city holds each year, as well as its two science centres and proximity to nature. In addition, promoting retail diversification and investing in infrastructure to support tourism have been identified as important factors to achieving this goal.
 - Objectives and actions include developing a multi-purpose facility for arts, culture, business, and sport within the Downtown, and marketing and promoting the city as a tourist destination.

- **Goal 8: A leader in health and life sciences.**
 - The core of this sector consists of Northern Ontario Medical School and Health Sciences North, and recent growth in this sector includes the construction and operation of new research centres. This sector will continue to play a crucial role in the local economy, and will require an increased focus on research commercialization moving forward.
 - Objectives and actions include leveraging the City’s public sector assets, including expanding the space available across the city’s health and educational facilities; attracting, developing, and retaining talent in this field; creating and commercializing high-value health research; and maximizing its position as the regional centre for health care services.
- **Goal 9: One of the most integrated education and innovation ecosystems in Ontario.**
 - Continue to support the education sector, which plays a large role in research and development.
 - Objectives and actions include developing programs that fill gaps in the region, and coordinate services to address opportunities within the region.

Overall, it is the intent of From the Ground Up to promote the diversification of the economy of Greater Sudbury, in recognition of its historic role as a leader in the mining, mining supply, and mining services industry. The goal of 10,000 new jobs by 2025 is certainly an aspirational objective – well in excess of the Official Plan objective of 8,600 new jobs between 2011 and 2036. The recession brought on by the COVID-19 crisis undermines the achievement of this goal, with the economic recovery still presently underway.

The diversification of the economy focuses on key sectors that are already well established in the city (mining, education, and health care), as well as a few other sectors that are new, or are emerging within the city (tourism and film/culture). From the Ground Up does not subdivide job growth among the various desired sectors, although it does make a clear link between the attraction of new jobs to the need to accommodate a supportive workforce and the need to enhance the quality of place and the lifestyle that quality will support.

6.3 City of Greater Sudbury Official Plan

6.3.1 Introduction

The City of Greater Sudbury Official Plan was first adopted by City Council on June 14, 2006. It was approved by the Ontario Municipal Board, in parts, beginning in 2008 and through to 2010. It has been amended on numerous occasions over time. The version of the Official Plan reviewed here is a Consolidated version that includes all Amendments in effect up to May, 2019.

Importantly, the Official Plan is a key implementing document for From the Ground Up 2015 to 2025. The objectives and actions of the Community Economic Development Strategic Plan have been appropriately recognized in the Official Plan, and have led to corresponding policy frameworks that will result in land use planning decisions that support the City’s economic development aspirations.

6.3.2 The Vision for Greater Sudbury

Section 1.4 of the Official Plan articulates a Vision for Greater Sudbury. Of relevance to this review, the Official Plan includes within its broad vision the following statements:

- *“Greater Sudbury is an important centre in Northern Ontario, and focal point for regional investment and growth. Greater Sudbury’s regional role as a centre for business and professional services, higher learning, health and medicine, research and innovation, shopping, and tourism, is solidified through renewal and expansion of existing assets.”*

- *“Greater Sudbury is open to business, providing an economic environment that retains and grows a wide variety of industrial, institutional, and commercial enterprises. The natural resources that form the basis for our economy – in particular, the mineral and mineral aggregate resources – are protected, and will see additional investment and activity. The community’s Economic Development Strategic Plan has been realized, making the city a magnet for new investment and human capital.”*
- *“Downtown Sudbury is the biggest, brightest, and best downtown in Northern Ontario. The Downtown Sudbury Master Plan is complete. Downtown is more active and better connected. It exemplifies the best in heritage conservation, and urban, architectural, and landscape design. A Nodes and Corridors Strategy is fully underway, and Downtown is better connected to revitalized Town Centres and other strategic core areas by new and distinctive corridors – all featuring mixed uses, a strong public realm, and public transit.”*

The Vision for Greater Sudbury, as articulated in the Official Plan, establishes a number of crucial concepts that are important for the key issues related to Greater Sudbury’s role in the Northeastern Ontario region, and its aspirations for ongoing economic development. It also clearly identifies the role of Downtown Sudbury as the primary urban centre – both within Greater Sudbury, and the broader regional context.

6.3.3 Underlying Principles

The Official Plan *“is based on and informed by four broad principles that will help guide future growth and change in our city.”* Of key importance to this overview are Sections 1.3.2 Economic Development and 1.3.4 Focus on Opportunities.

In Section 1.3.2 Economic Development, the Official Plan states: *“Economic development is essential to the future of this community, and an important building block of a Healthy Community.”* The Official Plan goes on to state that *“the City recognizes the link between planning, design, and economic development.”* The Official Plan includes a policy framework *“which supports economic development and prosperity in many different ways.”* The Official Plan:

- *“Ensures that there is an adequate supply of land to meet a variety of economic opportunities.”*
- *“Provides a framework to reinforce the urban structure, achieve a more efficient urban form, infrastructure, public service facilities, and transportation system.”*
- *“Protects important economic assets like the Sudbury Basin and Greater Sudbury Airport from incompatible uses.”*
- *“Enhances the viability of Downtown Sudbury.”*
- *“Promotes brownfield regeneration.”*
- *“Provides opportunities for local food production.”*
- *“Promotes opportunities for economic development and sustainable tourism development.”*
- *“Complements and supports the community’s Economic Development Strategic Plan.”*

Section 1.3.4 Focus on Opportunities indicates that *“The Economic Development Strategic Plan identifies several economic engines as the focus of potential growth.”* This Section of the Official Plan identifies that *“The mining and supply services cluster in particular offers tremendous potential for the development of products, services, and expertise, that can be exported globally. This sector will be facilitated by research and development centres based at our post-secondary institutions, including the Northern Centre for Advanced Technology (NORCAT), Sudbury Neutrino Observatory, and the numerous research centres affiliated with the Mining Innovation, Rehabilitation, and Applied Research Corporation (MIRARCO).”*

6.3.4 Urban Structure

The Official Plan identifies that *“The existing urban structure is a result of our geography and the historical development of industrial uses. Many settlements were established as company towns linked to specific industrial activities, such as mining and rail transportation. Other settlements originated as agricultural service centres that further expanded in a dispersed nature along major roads. Over time, these communities and settlements have developed their own unique character and function.”*

The Official Plan recognizes that the City of Greater Sudbury *“has evolved into a global centre of mining, and a regional service and administrative centre in Northeast Ontario.”* To a large extent, this defined functional role for the city affects the policy framework that is articulated in the Official Plan.

The Official Plan goes on to describe the urban structure of the City as consisting of *“a large, central urban area surrounded by more than 20 smaller urban and non-urban settlements that are all tied together through an extensive network of hard and soft infrastructure.”* Further, the Official Plan notes that *“Over half of the total population of Greater Sudbury resides in the former City of Sudbury. The former City of Sudbury, as the location of three-quarters of the jobs in the Greater City, is the main employment centre.”*

6.3.5 Anticipated Growth/Economic Development

The Official Plan indicates that the City's *“population is expected to grow modestly over the next 20 years, given our role as a global mining centre and regional service centre. This growth will be driven by labour force turnover and ongoing economic development efforts.”* With a more specific reference to economic development, the City's *“economy is expected to also grow modestly in the future, as it continues to expand and diversify. Although mining and its related supply and service sector remain our core economic activity, Greater Sudbury is a centre of higher learning, health and medicine, research and innovation, retail, services and tourism. Growth in these and other sectors will be supported through various means, including appropriate infrastructure investments, public realm improvements, and other strategic projects.”* The Official Plan goes on to say that *“The aging of the population and retirement of the baby boomers, coupled with increased retention and net migration of working age individuals, as well as ongoing economic development efforts, are expected to sustain this growth. Between 2011 and 2036, Greater Sudbury is expected to grow by up to 8,600 jobs, 20,000 people, and 13,000 households.”*

These statements in the Official Plan are very explicit in their description of the role of the city in the broader regional context, and its aspirations for ongoing economic development. There is a clear focus on the city continuing its evolution as a centre for major institutional growth (higher learning, health, and medicine), as a research and innovation hub, and with a focus on providing higher-order retail, service commercial uses, and tourism-related functions. All of this future growth will happen in the context of a recognition that the mining sector will continue to play a vital economic role. This anticipated evolution will have an impact on planning decisions, as well as decisions about infrastructure investment.

6.3.6 The Pattern of Growth

The Official Plan states: *“Looking ahead, the key will be to direct this growth to reinforce the existing urban structure, and improve the efficiency of the urban form, as well infrastructure and service provision.”* Further, and in keeping with its stated aspirations of economic evolution, the Official Plan directs that *“growth must be harnessed and directed to reinforce the efficiency, sustainability, health, and resiliency of our communities. The community of Sudbury will continue as the central urban area, and focus of the majority of growth and change. Our local communities will also grow and change.”*

With that stated, the Official Plan goes on to state that *“land supplies in our service communities are more than adequate to meet future demand associated with employment and population growth. There is no need to expand our communities beyond what is currently planned.”* This is a very explicit and important statement that clearly indicates that future growth is to be focused within existing communities, and that the need for an enhanced land supply for any particular land use activity is not required. That statement in the Official Plan is further reinforced in Section 2.3.2 The Settlement Area, which states that *“The City of Greater Sudbury’s land supply consists of land at different stages in the land use planning cycle. This supply is designed to accommodate an appropriate range and mix of employment opportunities, housing, and other land use needs in the short, medium, and long term. The city’s existing supply of land is more than adequate to meet these needs.”* This statement is reinforced by the conclusions of the preceding land supply and demand analysis. It is a policy of the City that *“Future growth and development will be focused in the Settlement Area through intensification, redevelopment, and, if necessary, development in designated growth areas.”*

6.3.7 The Role of Employment Areas/Rural Areas

A deeper review of the Official Plan continues into Section 4.0 Employment Areas and Section 5.0 Rural Areas. These Sections of the Official Plan set the stage for how and where key economic development activities are to be accommodated within the city. The relevant statements of intent, associated policies, and programs are expected to support the more general elements of the Official Plan, as they are articulated in the Vision and Underlying Principles. The following is a review of Sections 4.0 and 5.0 of the City of Greater Sudbury Official Plan.

Section 4.0 Employment Areas

This Section begins with some overarching statements about the philosophy of the City with respect to ongoing economic development. The Official Plan states that *“Diversification forms the foundation of the City’s approach to economic development, and it remains essential to our future growth prospects. While mining continues to function as our core economic activity and primary export generator, Greater Sudbury has diversified over the last three decades to evolve as a regional centre of education, health care, government, business, retail, and tourism services. The establishment of several important advanced institutions and research facilities, combined with the city’s growth as a retail and tourism destination, has contributed to a local economy now focused on a full range of services production.”* This statement is crucial in considering the direction for the types of jobs the City is expecting to attract and accommodate in the coming years, and that, in turn, will have an impact on the land supply for various forms of employment-generating land uses that are desirable.

The policy direction of the Official Plan is a very clear indication that while the mining sector remains important, and will always be a core economic activity and primary export generator, the aspiration of the City is to focus on its evolving role as a regional centre of education, health care, government, business, retail, and tourism services – its function as a regional service and administrative centre. To that end, the Official Plan identifies that *“Employment Area designations acknowledge Greater Sudbury’s changing economy and labour force, and are intended to help implement the City’s long-term strategic planning goals.”* The Official Plan then goes on to identify a number of objectives that apply to all of the Employment Area designations.

The Official Plan states that *“It is the objective of the Employment Area policies to:*

- a) ensure that an adequate supply and variety of serviced employment land exists throughout Greater Sudbury in accordance with the settlement pattern, allowing for the expansion and diversification of the employment base;*
- b) ensure that a broad range of commercial opportunities are provided for residents, employees, and tourists;*
- c) promote the intensification and revitalization of commercial, industrial, and institutional areas;*

- d) *ensure adequate institutional facilities – such as educational, health care, and social service facilities and services – are provided at suitable locations to meet the evolving needs of residents of all ages and physical capabilities in the city;*
- e) *promote the development of the Downtown as an employment and business centre for the city;*
- f) *ensure that existing industrial lands are used efficiently, and promote the development and redevelopment of existing, underutilized, or unused sites;*
- g) *promote environmentally sound industrial practices, and mitigate conflicts with sensitive uses;*
- h) *ensure that new developments do not preclude future extraction of known or potential mineral or aggregate deposits;*
- i) *ensure that mining and aggregate operations are located, designed, and developed so as to minimize impacts upon the social and natural environment;*
- j) *embrace new technologies to harness emerging areas of growth; and,*
- k) *encourage the co-location of public service facilities in community hubs, where appropriate, to promote cost-effectiveness and facilitate service integration, access to transit, and active transportation.”*

These objectives support and reinforce the stated Vision and Underlying Principles of the Official Plan, and they set the stage for subsequent and more detailed policy frameworks. The Official Plan discusses the range of economic activities across four categories, and identifies nine land use designations shown on Schedules 1a, 1b and 1c, Land Use Map. The categories and designations are summarized below.

Section 4.2 Commercial

To service Greater Sudbury’s broad market base and high-order service activities, three types of Centres are established in this Plan: Downtown, Regional Centres, and Town Centres. The Official Plan provides specific guidance for the development of the City’s hierarchy of urban Centres. The Official Plan states that *“Centres essentially form nodes of retail, tourism, business, education, and government services. Depending on their location, character, and function, Centres may service a large regional market, or a smaller local neighbourhood. It is the intent of this Plan to provide sufficient lands in appropriate locations to ensure that all consumer and service needs can be addressed by the market.”*

The Official Plan provides the following policy framework for the array of land use designations that articulate the Commercial Category, as discussed below.

Section 4.2.1 Downtown Designation

The Official Plan identifies and characterizes Downtown Sudbury as *“the heart of Greater Sudbury, and a strategic core area in Northern Ontario. It forms the historic core of the amalgamated city, retaining its important function as a local and regional centre of government services, business services, retail, sport and entertainment uses, arts and culture, and community and institutional uses... the Downtown possesses a distinct built form that sets it apart from other urban areas, offering unique opportunities to protect, develop, and sustain its role as the vibrant hub of a dynamic city.”* This policy articulates the primacy of function for the Downtown – both within the City of Greater Sudbury and across the broader Northern Ontario region. This primary function anticipates that the highest order of government, business, retail, sport and entertainment, arts and culture, and community and institutional uses and facilities, will be focused primarily on the Downtown, and that the Downtown will continue to thrive and expand based on its location and identification as the key urban centre in the region.

The Official Plan is very permissive in terms of land use within Downtown Sudbury. It states that *“A wide variety of uses are permitted in the Downtown, consistent with its function as the most diversified commercial Centre in the city. Residential, commercial, institutional, entertainment uses, and community facilities are permitted as set out in the Zoning By-law.”* The only uses specifically prohibited in Downtown Sudbury are drive-through facilities.

Further, the only specified requirement to approve new development in Downtown Sudbury is the need to ensure that sewer and water capacities are adequate. On the other hand, the Official Plan identifies some significant development incentives. To encourage development in Downtown Sudbury, new development will be exempt from density and maximum height limits, and new non-residential development will be exempt from parking requirements.

This identification of primacy for the Downtown is crucial in considering opportunities for the creation of business office and population-serving employment opportunities (institutional, retail and service commercial, entertainment, and cultural uses) region-wide. The land supply required for the accommodation of those various employment-generating land uses within Downtown Sudbury will either be satisfied through development on unoccupied sites, intensification of existing underutilized lands, or perhaps the delineation of new areas adjacent to the Downtown that may be required to accommodate those uses.

Overall, the planning policy regime for Downtown Sudbury is considered to be very permissive, and is intended to facilitate substantial new development across a very broad range of land use categories. This approach to planning is supportive of the Vision and Guiding Principles of the Official Plan, and must be considered highly supportive of the City's aspirations for economic development.

Section 4.2.2 Regional Centres Designation

The Official Plan identifies three Regional Centres, which correspond to large-scale retail commercial agglomerations including existing malls and large format/big box clusters. The Official Plan characterizes these Regional Centres as *“local and regional retail and tourism destinations, and strategic core areas in Northern Ontario.”* Three Regional Centres are designated based on the existing pattern of development as indicated on Schedules 1a and 1b, Land Use Map:

- Kingsway at Barrydowne Road/Second Avenue;
- Lasalle Boulevard at Barrydowne Road; and,
- Regent Street at Paris Street/Long Lake Road.

The intent of the Official Plan with respect to Regional Centres *“is to encourage planning for these areas to function as vibrant, walkable, mixed use districts, that can accommodate higher densities and provide a broader range of amenities accessible to residents and visitors.”* Permitted uses in Regional Centres *“may include retail, service, institutional, recreational, entertainment, office, and community-oriented activities.”* The Official Plan also indicates that medium and high density residential uses may be included within a Regional Centre as a way to utilize existing infrastructure and achieve increased urban intensification.

Further, the Official Plan states that Regional Centres *“may be appropriate locations for certain light industrial uses which are conducted entirely indoors – provided that appropriate landscaping and buffering can be established to shield any adjacent sensitive uses. Outside storage is not permitted, unless it is for the purpose of displaying goods for retail sale.”*

Similar to the Downtown Sudbury designation, the Regional Centres designation permits a host of supportive land uses, and considers their evolving function as significant mixed use urban centres within the urban structure. The Official Plan, in identifying permitted uses in the Regional Centres, does not differentiate or restrict employment-generating land uses, including offices. Rather, the Official Plan is considered very flexible, because it does not assign any level of importance or rank in the hierarchy of employment-generating land uses in comparison to Downtown Sudbury, or anywhere else within the hierarchy. This is seen as a market-supportive approach, allowing individual employment generators to have a say in determining where their use may wish to locate. However, unlike the Downtown Sudbury designation, the Official Plan does not provide any explicit incentives to stimulate new development within the Regional Centres.

Overall, it is expected that these Regional Centres have a substantial capacity to accommodate a host of economic development initiatives through future development of their employment-generating functions, including opportunities for new or intensified retail, service, institutional, recreational, entertainment, office, and community-oriented activities. It is also interesting to note that the introduction of medium and high density residential uses is contemplated as part of the ongoing evolution of these Regional Centres.

Section 4.2.3 Town Centres Designation

The Official Plan identifies that the city *“is known for its diverse collection of Communities spread across a wide geographic area. Linked to the historical development of the region, each has developed a distinct character, providing a range of alternative lifestyle and housing options for residents. The existing and historic commercial centres of Communities are thus recognized as Town Centres.”* It is the intent of the Official Plan that *“These areas will provide for the development of commercial uses to service Communities and surrounding residential neighbourhoods and rural areas.”*

The policies of the Official Plan indicates that *“Town Centres will be planned to include a diverse mix of land uses, an appropriate range of housing types, high quality public spaces, and the provision of easy access to stores, services, and recreational opportunities.”* To help achieve this policy, the Official Plan notes that the *“City has shown its commitment to these areas through the adoption of the Town Centre Community Improvement Plan.”*

The Official Plan indicates that *“Permitted uses in Town Centres may include retail, offices, institutional, and other related community services and activities”... “Town Centres may also be appropriate locations for light industrial uses. Outside storage for the display and sale of goods is permitted. Proper landscaping and buffering must also be established for light industrial uses.”*

It is understood that the Town Centre Community Improvement Plan includes financial incentives that facilitate the ongoing improvement of buildings and properties within the Town Centre designation. In addition, the Official Plan helps to facilitate new development by providing the opportunity to consider reduced parking standards *“where off-street municipal or privately-owned communal parking facilities already exist, and can accommodate additional automobiles.”*

The Official Plan states that *“Town Centres will continue to serve the needs of local communities.”* This is an important role, providing retail and service commercial opportunities, as well as some office, cultural, and entertainment uses that service local populations throughout what is a vast and dispersed urban system. The overall contribution of these Town Centres is a key consideration from an economic development perspective, as they certainly provide opportunities for population-related employment growth, in concert with population growth. It is important to keep in mind that the Official Plan does recognize the role and function of these Town Centres, as they are expected to continue to grow and to accommodate future economic opportunities – likely more or less proportionate to their population.

In general, the Official Plan supports Town Centres as important but modestly scaled locations that accommodate a range of uses and facilities complementary to the local communities that they serve. These Town Centres are expected to evolve over time, but are not specifically identified as locations for substantial growth or intensification. They are not expected to play any significant role in accommodating projected employment growth in the City of Greater Sudbury.

Section 4.3 Mixed Use Commercial Designation

While not specifically a part of the defined hierarchy of commercial Centres within the city, the Official Plan does recognize that there are areas of the city – typically located along Arterial Roads – that *“have been developed with a mix of land uses.” “These areas meet a variety of needs. They also support and, in some instances, connect strategic core areas.”* The Official Plan states that *“It is the intent of this Plan to recognize the development potential of these areas by permitting a balance of mixed uses, including commercial, institutional, residential, and parks and open space, through the rezoning process. General industrial uses may also be permitted, subject to their compatibility with surrounding uses, and their overall visual impact on mixed use corridors.”*

In general, the Official Plan supports Mixed Use Commercial areas as important but modestly-scaled locations that accommodate a range of uses and facilities adjacent to the Arterial Road network. These areas are complementary to the local communities that they serve. Further, these Mixed Use Commercial areas are expected to evolve over time, but are not specifically identified as locations for substantial economic development initiatives.

Section 4.4 Institutional Areas Designation

The Institutional Areas designation has been established in the Official Plan *“to harness the potential of the institutional sector in the form of research and product development. Institutional Areas that form a concentration of advanced Education, Health, and Research activity are identified.”* The Official Plan goes on to say that *“The Institutional Areas designation acknowledges the important role of the city’s institutions and their contribution to community-based initiatives. Institutional uses are permitted throughout the municipality in accordance with the needs of area residents and policies of this Plan.”*

Greater Sudbury *“has various institutional uses such as elementary and secondary schools, libraries, recreation centres, colleges, a university, and other community facilities that are intended for public use. Some of these uses are small scale and serve local needs. Others are large scale and serve both local and regional needs.”* Further, the Official Plan recognizes that *“Certain compatible uses are permitted in order to facilitate economic development initiatives linked to our post-secondary institutions, hospitals, and research facilities.”* As noted, The Official Plan identifies two scales of institutional uses:

- *“Small scale institutional uses play an important role in the day-to-day life of Greater Sudburians. They are an essential part of our neighbourhood and community fabric. They are places where we go to learn, worship, or play. The intent of this Plan is to recognize the important role that these uses play. Therefore, small-scale institutional uses that are compatible with a residential setting, such as elementary schools, libraries, day nurseries, retirement homes, places of worship, and recreation centres, are incorporated within and permitted by the Living Areas designation. They are generally not shown on Schedules 1a, 1b and 1c, Land Use Map.”*

- *“Major public institutions form some of our largest employers, and have a significant impact on the quality of community life. These strategic core areas include Laurentian University, Cambrian College, Collège Boréal, Health Sciences North, Science North, and Dynamic Earth. In recent years, some major public institutions have developed strategic, long-term Master Plans, to guide the ongoing evolution of these areas. The intent of this Plan is to encourage comprehensive, long-term planning for these areas to function as compact, vibrant, walkable, mixed use districts that can accommodate higher densities and provide a broader range of amenities accessible to residents and visitors. Major public institutions are designated as Institutional on Schedules 1a, 1b and 1c, Land Use Map.”*

It is important to recall that the Official Plan is very clear in its recognition that *“Although mining and its related supply and service sector remain our core economic activity, Greater Sudbury is a centre of higher learning, health and medicine, research and innovation, retail, services, and tourism. Growth in these and other sectors will be supported through various means including appropriate infrastructure investments, public realm improvements, and other strategic projects.”* As identified earlier in the projections of employment growth by industry, institutional-type employment accounts for a considerable share of overall job growth through the 2046 forecast horizon.

Building on that statement, it is also very clear that the City recognizes and supports the importance of its array of major institutional uses and facilities, and promotes them as key economic drivers – consistent with the Vision and Underlying Principles of this Official Plan. In the Official Plan, the City identifies its major institutional partners by *“identifying Institutional Areas which form a concentration of Education, Health, and Research activity. These areas include the Laurentian University campus (including the Willet Green Miller Centre and the Northern Ontario School of Medicine), the campuses of Cambrian College and Collège Boréal, Health Sciences North, and the Sudbury Neutrino Observatory.”* The City also recognizes that its major institutional partners have developed Master Plan documents that are intended to identify and manage their individual needs over time. As such, the Official Plan does not provide any significant planning policy regulations that either promotes or restricts their ongoing development. These major institutional partners are expected to play a crucial role in accommodating and attracting the economic drivers of the future of the City of Greater Sudbury.

Section 4.5 Industrial

Due to Sudbury's strong industrial base, the Official Plan has recognized that the designation of sufficient lands to accommodate existing and potential industrial uses is essential. It states that *“The adequate provision of industrial lands, including the creation of additional Industrial and Research Parks, is closely aligned with the City’s long-term strategic planning goals related to economic development.”* Earlier statements in the Official Plan have indicated that the City has enough designated land, and its focus is to accommodate all new development on lands already designated for growth.

To accommodate existing and future industrial forms of development, two broad industrial designations have been established: General Industrial and Heavy Industrial.

Section 4.5.1 General Industrial Designation

The Official Plan allows a range of industrial activities, such as manufacturing and processing facilities, within the General Industrial Designation. More specifically, permitted uses may include: *“manufacturing, fabricating, processing, and assembling of industrial and consumer products; repair, packaging, and storage of goods and materials; and related industrial activities. Complementary uses, such as administrative offices, hotels, and restaurants – which do not detract from, and which are compatible with the operation of industrial uses – are also permitted.”*

Section 4.5.2 Heavy Industrial Designation

Within the Official Plan, the Heavy Industrial designation *“permits all industrial uses, including core infrastructure facilities such as water and wastewater treatment plants and landfill sites. Any expansion to these areas will require an amendment to the Zoning By-law.”... “Mining and related smelting, refining, and processing operations, are generally not permitted in Heavy Industrial areas, as the Mining/Mineral Reserve designation applies to those uses.”*

Overall, it is anticipated that the existing supply of the lands within the General Industrial and Heavy Industrial designations is sufficient to accommodate the long-term needs of this sector of the economy. The Official Plan does not include significant policy frameworks that would unduly restrict the use of these lands for the purposes that they have been planned for – except that expansions to existing heavy industrial uses within the Heavy Industrial designation will be facilitated through a Zoning By-law Amendment. In general, these land use designations are not considered to be restrictive, but rather identify a land supply that is available to accommodate multiple forms of industrial development, as well as complementary land uses. This is aligned with the intent of ensuring a range of options for prospective occupiers.

Section 4.6 Mining and Aggregate

As noted, the City of Sudbury's economy has historically been inextricably linked to the mining sector of the economy. The Official Plan states that *“It is the intent of this Plan to responsibly manage mineral and aggregate resources by protecting them for long-term use. This will be achieved by protecting existing and potential resources, controlling and regulating current surface operations, minimizing adverse impacts of operations on the environment, requiring proper and progressive rehabilitation of closed mines and mineral aggregate operations, protecting mineral resources from incompatible uses, and by providing for sequential uses.”*

“Reflecting the importance of natural resources to the local economy, separate land use designations are created for the extraction and processing of mineral and aggregate resources. The Plan designates areas to be included as part of the Mining/Mineral Reserve and Aggregate Reserve.” It is, however, important to note that *“Due to the extensive geographical nature of these designations, the Mining/Mineral Reserve and the Aggregate Reserve are not included as Employment Areas for the purposes of calculating the protection of a 20 year supply of employment areas as required by the Provincial Policy Statement. * (2019 MMAH Mod # 11 and # 12)”* For this reason, these two Official Plan designations are not a focus of this Employment Land Strategy.

Section 4.6.1 Mining/Mineral Reserve Designation

The Mining/Mineral Reserve designation covers a substantial part of Greater Sudbury. These lands are *“considered to have significant mineral potential, including areas forming the Sudbury Igneous Complex, as well as current producing mines, past producing mines, ore processing plants, major tailings areas”... “and other mineral deposits.”* Key policies associated with the Mining/Mineral Reserve designation include the following:

- *“Lands designated Mining/Mineral Reserve may be used for a variety of uses related to the extraction of minerals. Permitted uses may include mining and mining-related uses, mineral aggregate uses, smelting and refining uses, pits and quarries and related uses, and accessory uses and structures associated with mining.”... “For land in the Mining/Mineral Reserve to be used for mining purposes, an amendment to the Zoning By-law must occur where such lands are not pre-zoned.”*
- *“Other uses such as forestry and other resource-related compatible uses, recreation, parks and open space, and wildlife management may be permitted, provided they do not preclude future extraction. Other industrial uses that will not preclude future mining activities may be permitted, subject to zoning permission and site plan control where appropriate.”*

The Official Plan protects identified mineral resources for long-term use by controlling and regulating current surface operations, minimizing adverse impacts of operations on the environment, requiring proper and progressive rehabilitation of closed mines and mineral aggregate operations, protecting mineral resources from incompatible uses, and by providing for sequential uses. It is expected that the ongoing protection of resources through the appropriate application of the Mining/Mineral Reserve designation is key to the preservation of this crucial component of the city's historic, existing, and future economy.

Section 4.6.2 Aggregate Reserve Designation

The Official Plan states that *“Aggregates and other industrial minerals extracted through pit or quarry methods are valuable, non-renewable raw materials that are utilized extensively for construction, industrial, and manufacturing purposes.”* It is the intent of the Official Plan to *“protect all primary and secondary deposits identified in an Aggregate Resource Inventory Paper (ARIP)”... “or aggregate shown on a Northern Ontario Engineering Geology Terrain Study”... “and all sources currently under license and permit under the Aggregate Resources Act.”* The policy framework that applies to the Aggregate Reserve designation includes the following:

- *“The primary use of lands designated as Aggregate Reserve will be pit and quarry operations. Other uses that do not preclude the possibility of future expansion and extraction may also be permitted.”*
- *“Mineral aggregate operations shall be protected from development and activities that would preclude or hinder their expansion or continued use, or which would be incompatible for reasons of public health, public safety, or environmental impact.”*
- *“All new pit and quarry operations are subject to the Aggregate Resources Act.”*

It is recognized that these important resources require the protection of the policies of the Official Plan. These resources are important as non-renewable raw materials that fuel construction, industrial, and manufacturing operations.

Section 5.0 Rural Areas

The Official Plan recognizes that *“Given Greater Sudbury’s vast geographic area, a significant proportion of the municipality is comprised of Rural Areas.”... “Rural Areas require well-defined policies that protect existing uses, while recognizing that the focus of future development will be fully serviced areas within Communities.”* Further, *“The intent of this designation is to accommodate a variety of land uses that are appropriate for a rural location – especially those that provide rural economic benefits that are balanced with protection of the natural environment and the agricultural resource base.”* It is a key objective of the Official Plan to *“promote opportunities to support a diversified rural economy by protecting agricultural and other resource-related uses, and directing non-related development to areas where it will minimize constraints on these uses.”*

Section 5.2 Rural Area Designation

The Official Plan describes lands within the Rural Area designation as containing *“a variety of land uses, such as farms, woodlots and forests, small industry, and clusters of rural residential development.”* More specifically, the Rural Area designation permits *“rural industrial/commercial uses.”* Relevant policies from Section 5.2.5 include the following:

- *“Rural industrial/commercial uses are generally resource-based, and may include agriculture, dry industrial/commercial uses, and forestry”;* and,
- *“Pits and quarries are permitted in appropriately zoned areas.”*

While the Rural Area is expected to accommodate appropriate rural commercial/industrial land uses, it is not expected to be a major contributor to the economic growth of the City of Greater Sudbury. It is clear that most of the new economic opportunities will be focused on the serviced settlement areas, with a particular emphasis on the former City of Sudbury.

6.4 City of Greater Sudbury Zoning By-law 2010-100Z

6.4.1 Introduction

The City of Greater Sudbury Zoning By-law is a substantial document, providing detailed development regulations for various land use categories. The Zoning By-law conforms with – and provides additional detail to – the policies of the City's Official Plan. This review of the Zoning By-law focuses on the key zones that will accommodate identified economic drivers into the future.

It is important to note that the array of commercial and industrial uses that are permitted within the Rural Area, as identified in the Official Plan, are generally provided with zoning on the basis of the commercial and industrial categories of the Zoning By-law.

6.4.2 Commercial Zones (Part 7)

The Zoning By-law establishes a hierarchy of Commercial Zones that is intended to recognize various scales and functional roles within the urban centres and corridors of the city, as well as within the smaller outlying communities and within the rural parts of Greater Sudbury. There are seven Commercial Zones, as follows:

- Local Commercial – C1;
- General Commercial – C2;
- Limited General Commercial – C3;
- Office Commercial – C4;
- Shopping Centre Commercial – C5;
- Downtown Commercial – C6; and,
- Resort Commercial – C7.

From an economic development perspective, and while all of these zones accommodate and will produce jobs, it is not likely that the C1 and C7 categories will play a role in accommodating significant new job opportunities in line with the City's economic development aspirations. Those zone categories are either neighbourhood supporting, or specifically focused on resort commercial development. Similarly, the C3 zone is for smaller-scale medical offices, and other supporting land uses, with a maximum building height of 2 storeys. It is zoning categories C2 and C4 through C6 that are expected to accommodate the most significant elements of both mixed use and single use developments, with a focus on retail and service commercial uses and offices.

- C2 permits the broadest array of land uses, including residential uses, and permits large buildings with relatively reasonable lot coverage. Building heights, however, are limited to 15 metres.
- C4 is focused on office development, with a number of supportive uses also permitted. Lot coverage at 50% is acceptable, and building heights are limited to 34 metres – a mid-rise built form. Permitted residential land uses are limited in height to 8 metres.
- C5 is focused on the city's shopping centres. There is a substantial list of permitted retail and service commercial land uses, as well as a number of uses that support the broader retail function. Office uses are limited, and must be contained within the shopping centre. Residential uses are not permitted. Lot coverage at 50% is generous in this context, but building heights are limited to 20 metres, which is typical of shopping centre/mall development.

- C6 is the zone category that is applicable to Downtown Sudbury. The regulatory regime permits significant built forms with no defined lot coverage limit or height limit. The use permissions are quite broad, with a few logical omissions, and a few that are somewhat less logical (commercial tourist facility, parking garage, and taxi stands, for example). This zone reflects the higher density and mixed use urban centre that Downtown Sudbury is, and will continue to evolve into.

The City's hierarchy of commercial uses is logical, and supportive of the urban structure that is desired and promoted in the Official Plan.

6.4.3 Industrial Zones (Part 8)

Similar to the Commercial Zones, the Zoning By-law establishes a hierarchy of Industrial Zones that reflect an array of functional and physical characteristics. In terms of accommodating future job growth in line with the City's economic development objectives, a range of industrial lands will be required, and need to be made available in order to capitalize on opportunities as they arise. The hierarchy of Industrial Zones includes:

- Business Industrial – M1-1;
- Mixed Light Industrial/Service Commercial – M1;
- Light Industrial – M2;
- Heavy Industrial – M3;
- Mining Industrial – M4;
- Extractive Industrial – M5; and,
- Disposal Industrial – M6.

The M1-1 and M1 Zones, notwithstanding the permissions for light industrial uses, could be considered part of the commercial hierarchy. Those zone categories permit an array of retail and service commercial uses, as well as office uses. The regulatory elements of these two zones are identical, and generally promote a low-rise built form and surface parking. These zones have the potential to accommodate a significant array of new job creation, in line with the City's economic development objectives.

M2 is a very important zone category, as it can be expected to accommodate the more traditional industrial job types, including manufacturing and warehousing facilities. The M3 Zone is a heavy industrial zone, and incorporates a limited array of supporting uses.

M4 and M5 are focused on resource opportunities – although lands identified as Mining/Mineral Reserve in the Official Plan are outside of the scope of this Employment Land Strategy. M6 is a municipal function that will react to need.

6.4.4 Institutional Zone (Part 10)

The Institutional Zone permits a limited range of residential development that is institutional in nature (group homes and special needs facilities), as well as an array of typically publicly owned/operated facilities. The regulatory elements of this zone are considered to be relatively flexible, and can accommodate significant buildings – up to a height of 50 metres. In reviewing this zone, it would appear that it is intended for those institutional uses found throughout the city, not including the major institutions (Laurentian University, Cambrian College, Collège Boréal, Health Sciences North, Science North, and Dynamic Earth), which are likely developed through site or area-specific zoning regulations.

The Institutional Zone applies primarily to existing institutional uses. However, ongoing job growth within the institutional sector is a key part of the economic development strategy of the City. This zone category is an important contributor to that job growth, but it is difficult to predict institutional growth, including their individual requirements, and therefore difficult to pre-zone for those uses.