

For Information Only

Strengthening Development Approval Services Update

Presented To: Finance and
Administration
Committee

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Resolution

For Information Only

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to objectives related to Asset Management & Service Excellence, Business Attraction, Development and Retention and Economic Capacity and Investment Readiness in the City's Strategic Plan 2019-2027.

Report Summary

This report provides an overview of the efforts advanced over the last year as part of the continuous improvement process for the City's development approval services and sector supports. It also includes the summary of a literature scan of the impacts of Covid-19 on municipalities across North American and outlines some potential options to foster economic recovery post pandemic.

Financial Implications

There are no financial impacts associated with this report.

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Strengthening Development Approval Services and Supports

Finance & Administration Committee – July 7, 2020

PURPOSE

This report summarizes the collaborative work of the City of Greater Sudbury's Planning, Building and Economic Development Services teams to engage the development community, enhance and deliver services, and respond to and anticipate a dynamic external environment, while advancing Council's strategic objectives for ongoing investment in the community. The report also provides the summary of a literature scan of the impacts of Covid-19 on municipalities across North American and outlines some potential options to foster economic recovery post pandemic.

BACKGROUND

In May 2019, the General Manager of Growth and Infrastructure reported to Finance and Administration Committee on steps taken to further improve development services to the community as part of a cycle of continuous process improvement. This report described a series of policy and process issues identified by development community stakeholders as part of outreach undertaken earlier that year and responses to those issues (see Reference 1).

Process improvements made at that time included:

1. The creation of a Development Ambassador pilot position;
2. Building capacity for the new Customer Service Strategy principles;
3. Adjustments to stormwater management requirements for urban sites;
4. Improvements to the City's Development Liaison Advisory Committee (DLAC);
5. Senior leadership participation in Sudbury Planning Application Review Team (SPART) meetings;
6. An expanded 311 knowledge base for planning and building to support first point of contact resolution;
7. Incorporating economic development considerations into major land use planning applications;
8. Introducing technology based performance dashboards;
9. Organizing a "peer to peer" learning exchange with the City of North Bay;
10. Preliminary work on the RFP for the Land Management Information System.

Similarly, policy improvements made at that time included:

1. Changes to the Lot Grading Policy made in consultation with DLAC's Lot Grading Subcommittee;
2. Exploring, with DLAC members, further changes various policies and processes; and,
3. Stakeholder consultation on the new Development Charge By-law.

The report also identified further process and policy improvements to be undertaken, including the Land Management and Information System (LMIS), responding to provincial changes to the land use planning system and further advancements to the Customer Service Strategy amongst other items. The status of these initiatives is described later in this report.

Finally, with the onset of the Covid-19 in March, staff began to curate articles and other resources related to the impact of the pandemic on municipalities and ways that municipalities could help assist with the economic recovery. The findings of that research are summarized in this report.

DISCUSSION

RESPONDING TO A DYNAMIC ENVIRONMENT FOR DEVELOPMENT

Since May 2019, the City of Greater Sudbury continued to provide high quality planning and building services to the development community. Last year, for example, 84 percent of the 330 Planning Act applications received by the City were processed within legislative service standards. Similarly, 91 percent of building permit applications were processed within legislative service standards.

While the development sector is always dealing with new and emerging issues, the past year has been a particularly busy one for changes in policy direction, external industry trends and other factors. Some of these changes were anticipated in the May 2019 report. Other factors were not anticipated, including the COVID-19 pandemic.

One change anticipated in the May 2019 report was the Province's plans to update the land use planning and building code framework to encourage the provision of more affordable housing. Since this time the Province of Ontario enacted changes to the Planning Act and seven other pieces of associated legislation (and regulations) to effect these changes. The City continues to navigate these changes. For example, a report was recently brought forward to Planning Committee to harmonize Zoning By-law 2010-100Z with provincial regulation to permit additional accessory residential units. These changes also saw the release of a new Provincial Policy Statement and further transformations to the Local Planning Appeal Tribunal.

One of the most impactful changes requiring Council approval has already been brought forward to Council, through a joint effort by Planning, Building, Finance and Legal. The deferral payment of Development Charges (DC) was passed by Council and we have already seen four projects taking advantage of these deferral agreements for projects amount to close to \$15 million dollars in construction value.

In September 2019, the Province released a discussion paper on "Transforming and Modernizing the delivery of Ontario's Building Code Services", which proposed a wholesale paradigm shift to building service delivery in the Province. Building Services through its membership participated with the large Municipality Chief Building Officials Association (LMCBO) and the Ontario Building Official Association (OBOA) responded to these proposals by the Province's November 2019 comment deadline.

In January 2020, the Province released a series of 680 regulatory changes to the Ontario Building Code. These changes were communicated and discussed with the development industry through DLAC and a builder bulletin and other communication techniques.

In March 2020, the COVID-19 pandemic introduced considerable uncertainty in various aspects of service delivery, including planning and building services. Following the initial provincial emergency declaration, the Province has passed several Emergency Orders to manage the pandemic that directly impacted planning and building service delivery. These orders temporarily suspended (and subsequently re-opened) land use planning decision making by Planning Committee and the Committee

of Adjustment and largely closed and subsequently re-opened the construction industry in stages. The City successfully navigated these changes to ensure that development services continued through the pandemic to date. Elements of these services have been modified in response to provincial and public health direction (e.g. electronic applications, virtual meetings).

Building Services has remained open for Business throughout this COVID-19 period. Its staff have pivoted to provide a modified electronic application and processing system to support the Construction, Design, Legal and Real Estate sectors through this time line.

Currently this year we have seen strength in value of construction activity despite the challenges of COVID-19 and as of June 1, 2020 we have issued \$94.5 million YTD in construction value, on par with the \$93.1 million issued in the same time period for 2019. The new residential construction sector is exhibiting a strong rebound in activity when compared to 2019.

ECONOMIC OUTLOOK

As noted in previous reports to Council, the world is experiencing one of the largest contractions in global economic activities in modern times due to COVID-19. Mainly, measures implemented to slow the rapid spread of COVID-19 and physical distancing requirements, together with closure of non-essential businesses, have triggered an unprecedented economic situation.

Here in Ontario, the province's economy is anticipated to shrink by 3.2 per cent this year due to these impacts. On a positive note, however, it is nevertheless expected that the province's economy will grow at a faster pace than the economies of most provinces. Significantly for Greater Sudbury and for the themes covered in this report, a good portion of the population in major centers like Ottawa and Toronto working in the professional and business services sectors will be able to work remotely. Greater Sudbury's competitive advantages will rely on a responsive and forward-thinking approach to supporting investment through Development Approvals processes.

At the local level, Economic Development staff have been conducting outreach to businesses throughout Greater Sudbury to assess COVID-19 impacts is having on business. This outreach indicates that hardest hit sectors appear to be in the service industries (tourism, hospitality, retail, etc.) while the mining sector and the mining supply and services sector – which are still facing challenges – appear to be faring better. Again, this data bolsters the City's efforts to ensure Industrial and Commercial development opportunities are maximized.

The latest Economic Bulletin is included as an Appendix to this report (June 2020). As indicated in the Bulletin data, Greater Sudbury is seeing positive indications of its resiliency and position for positive growth despite current challenges.

For instance and as noted previously, Conference Board of Canada has released Metropolitan Housing Starts, showing that while nearly 60 per cent of Canadian metropolitan areas have negative short-term and long-term expectations, Greater Sudbury is one of only six municipalities out of twenty eight with positive trend expectations for both the short and long terms, and our community is currently occupying the best position on the Up-Up quadrant in the Expectation Matrix. That shows positive prospects for both short- and long-term growth.

This is borne by the City's current housing starts as well, noting that year-over-year analysis shows an increase of 23 per cent of Housing Starts in Greater Sudbury in April 2020. Residential home sales, remaining strong, may also indicate some opportunity to position the community as a competitive choice for remote workers.

STATUS UPDATE ON PROJECTS

Notwithstanding these anticipated and unanticipated changes in the external environment, City staff continue to advance improvements, both large and small, to development services to support Council's strategic objectives.

LAND MANAGEMENT INFORMATION SYSTEM (LMIS)

Work is ongoing to implement the LMIS, which is a technology designed to support and enhance streamlined services for development. For example, this system will allow the introduction of electronic application and approval processes. The work that is being undertaken for this project is related primarily to business process and service mapping related to development services. These will result in the establishment of new service benchmarks that will enable more consistent reporting to support ongoing improvements in this key area.

The RFP for the LMIS was tendered in Q1 2020 and closed on May 2020 with seven submissions. These are currently being reviewed by a committee consisting of Subject Matter Experts from the City's Planning, Building, Engineering, IT and GIS systems staff teams. The time line for completion of assessment is late August 2020, with a goal of contact review and execution with the successful proponent by November 2020.

DEVELOPMENT AMBASSADOR/LIAISON ROLE

As noted in the previous report, the Development Ambassador position has been established to act as a point person for developers and investors pursuing Industrial, Commercial and Institutional (ICI) projects and helps to guide them through the municipal development approval. The position sits in the City's Economic Development Division to support investors in navigating the complexities of all three areas of the development world (economic development, building, and planning).

This role is currently in place and continues to help advance the objectives of continuous improvement and support for Greater Sudbury's development community, while also providing an economic development perspective for development projects from the initial stages onward.

- As part of the collaboration with Planning and Building Services, this role is a regular part of the SPART process (Site Plan Application Review Team) as well as attending Planning Committee meetings.
- The Liaison role has been an important component in strengthening relationships and opening new lines of communication for developers and sector stakeholders, with a significant increase in customer touch-points achieved in the last year.
- Ms. Franklin has also assisted in resolving issues such as clarifying process for permit approvals, providing an important perspective on developments resulting job creation, and connecting sector stakeholders with resources for support.
- For example, the Development Liaison:
 - o Assists with direct referrals from other City departments as well as from the Mayor's office and members of Council

- Works with investors to successfully achieve a development charge deferral which allows them a more flexible approach to development
- Ensures more consistent engagement in collaboration with Planning and Building Services, which in the case of a large property owner/developer has resulted in an application to significantly change the lands around new development opportunities in the vicinity of Silver Hills
- Attends SPART and Planning meetings to provide support for the goals of the Provincial Policy Statement (PPS) which include opportunities for economic development and job creation
- Facilitates introductions with proponents and consultants which enables participation from the Development Liaison role early on in the process
- Has increased knowledge transfer through cross-departmental interaction which has provided insight and strengthened the work of the Economic Development team for investment attraction
- Averages five to 10 contact points with developers on a weekly basis in addition to direct work on issues management and support

To summarize, the Development Liaison role has proven a successful resource in the year since its introduction, and will continue to provide benefits in line with the other process improvements underway.

EMPLOYMENT LAND STRATEGY

The firm of Cushman and Wakefield has been selected as the successful proponent to undertake the City's Employment Land Strategy, which was approved by Council in September 2019 and is being completed with funding contributed by the Greater Sudbury Development Corporation (GSDC). Cushman & Wakefield provides market and land asset strategies to Canada's leading public and private sector institutions and corporations, combining robust economic and financial analytics with a current understanding of market realities to deliver achievable strategies and solutions. The consultant team's experience includes the development of an Employment Land Strategy for the City of Thunder Bay, Municipal Comprehensive Review of Employment Lands for the City of Mississauga and the Niagara Gateway Economic Zone and Centre Employment Lands Strategy.

The project team, including City staff, has conducted its initial kick-off meeting, and the work is now underway, expected to take approximately 12 months to complete. Council will be invited to provide input as part of the stakeholder engagement components, and will receive regular updates on progress. A final strategy is expected by Q2 of 2021.

DEVELOPMENT LIAISON ADVISORY COMMITTEE (DLAC) & FIRE FLOW SUBCOMMITTEE

Over nearly two decades, the City's Development Liaison Advisory Committee (DLAC) has brought together an important network of industry stakeholders and municipal staff to discuss and resolve concerns associated with development approval policies, standards and business processes.

As part of this effort, DLAC has developed a number of smaller working groups charged with addressing more technical or detailed aspects of issues affecting the sector, and suggesting solutions or changes. One of these working groups is the Fire Flow Committee, formed in part as a result of a request by the Sudbury District Home Builders Association (SDHBA) Executive to review the City's longstanding Fire Flow policy. This policy was established as an Engineering Policy as part of the two-tier Regional Government structure in the early 1980's, and was reviewed by DLAC in the mid 1990's as part of a

change in the Ontario Building Code. The policy was again reviewed and supported by the new amalgamated City in 2004.

The latest review of the Fire Flow policy will be done using representation from the Home Builders Association, North Eastern Ontario Construction association, Civil/Mechanical Engineering Consultants and the local Architects Association, with support from Fire, Building, and Engineering Services. Consultants from Fire Underwriters Services Canada and the Ontario Fire Marshall's Office are key components of the review, together with input from the engineering consultants involved in the City's Water Wastewater Master Plan. The results of this Fire Flow Committee review are scheduled to be completed and presented to DLAC and subsequently Council in Q4 2020.

Other standing subcommittees of DLAC are reviewing policies and processes for Site Plan Control, subdivision design, lot grading, road grades, customer service and consultant reporting standards.

OTHER IMPROVEMENTS

In addition to the above, the following chart provides a status update on the business process improvements that were to be advanced as an outcome of the May 2019 staff report. Work on these improvements will continue through 2020 and beyond.

Initiative	Status
Customer Service Strategy	Ongoing: customer service training is being delivered to foster a customer-focused, solutions oriented approach aligning with Customer Service Strategy
Exit Interview planning/building permit applications	In progress: A customer satisfaction survey/exit interview for planning and building permit applications has been developed and will be implemented in Q3 2020
Citizens Guides to Planning and Building Services Process	In progress: Citizen Guides are being created based on earlier work to update the City of Greater Sudbury's website. This work will be complete by Q4 2020.
Expanding scope of SPART	In progress: staff applying the principles of SPART to support early stages of building permits including renovations, expansions and new builds
Prioritized approval stream net economic value projects	Upcoming: Reviewing the City's business processes to create a prioritized approval stream for projects that deliver net economic value to the community, to draw from the findings of the Employment Land Strategy now underway
Review Letters of Credit and Designated Authority	Not started: Reviewing policies and processes for letters of credit and delegated authority to ensure that they align with organizational requirements as well as stakeholder expectations, and that they are appropriate
Third Party Perspectives	Not started: Researching systems to enable a joint evaluation and sharing of perspectives related to professional advisors whose services may be required

	by developers to navigate municipal development services
Northern municipalities regulatory	Ongoing: City staff regularly engage with colleagues in other large northern municipalities on the application of regulatory requirements in Northern Ontario and other geographically-specific and unique environments
Issues Resolution Process	Ongoing: Issue identification, escalation and resolution processes have been strengthened and producing more timely strategic decisions.

COVID-19 COMMUNITY ECONOMIC RECOVERY

The COVID-19 pandemic has effected the economic, environmental and social health of communities in many different ways and will continue to do so for the foreseeable future. Given that the pandemic began just over three months ago, there is not a large body of research to draw from to assist with socio-economic recovery planning. However, there is a growing volume of literature on the issues that municipalities will face in the post recovery period and specifically where resources could be directed to facilitate a return to normal.

Over the past weeks, staff have gathered and reviewed over 50 publications dealing with the future of North American municipalities post Covid-19. Staff in Planning, Building Services and Economic Development are currently developing a report that will further break down these themes into potential action items that will allow City Council to consider how it can best support community economic recovery in Q3 2020. Overall, several socio-economic themes have emerged, and these are summarized below:

1. Impacts of Working From Home

The move to working from home was abrupt and necessary to mitigate the health concerns of COVID-19. As a result, many private and public office buildings now sit mainly empty. Whether or not working from home continues in a significant form post COVID-19 would be significant for downtowns and town centers and the businesses that rely on those weekday workers (such as restaurants and retail shops), coupled with the potential for a drop in demand for commercial office space.

2. Opportunities to Align Capital Projects with Long Term Resiliency

COVID-19 has dramatically changed the way that the public can access and enjoy public spaces and community infrastructure. As seen with 2008 financial crisis, there may be an opportunity to access funds from upper levels of government for public infrastructure projects to kick start the local economy. COVID-19 has demonstrated the need to focus these opportunities on long lasting projects that foster long term community resiliency, including, active transportation infrastructure, trails, social housing and public spaces.

3. The Need for Flexible and Adaptable Regulatory Frameworks

The longer-term lasting effects of the pandemic won't be known for some time; however, it is anticipated that there will be a period of significant adjustment as work patterns change. These changes should be met with a more flexible municipal regulatory framework that will allow business owners to

adapt and avoid the potential for vacant or underutilized properties. Additionally, people may need greater flexibility to work from home and access goods and services within walking distance. This period of change could be facilitated through zoning by-law changes that provide this flexibility.

4. Small and Medium Sized Businesses Will Need Assistance

Small and medium sized business employ a significant amount of people and are at the most risk during the pandemic and into the recovery phase. There is an opportunity for municipalities to play a role in assisting small and medium sized businesses. This could take many different forms; examples may include assistance in sourcing PPE, grants for social distancing upgrades (like glass partitions), city-wide CIPs for industrial development, energy efficiency upgrades, assistance with recruitment and succession planning and so on.

5. Food Security

The COVID-19 pandemic has highlighted the limitations of “just in time” delivery chains and reliance on global imports. Building local capacity to produce essential items such as food should be a municipal focus moving forward. This capacity can take a number of forms from local gardens, to support for local farms, urban production and the attraction of larger food processing facilities.

6. The Essence of Cities will be Tested

The physical distancing requirements imposed to combat the Covid-19 pandemic will challenge many of the norms and amenities that residents have valued and grown accustomed to in urban environments, such as public transportation, densification, restaurants and patios, and public spaces that foster interaction. While there may be a push to move away from these environments in the short term, history has proven that they will continue to work and that cities will recover. It will be important not to lose sight of that over the short term.

CONCLUSION

Even before the arrival of COVID-19, the last year has seen considerable change in the external environment which has impacted the delivery of development services to the community. The City is and will continue to navigate these changes to deliver quality services, while advancing strategic projects such as LMIS and other business process improvements. As Greater Sudbury emerges from the COVID-19 pandemic, efforts should shift towards community recovery. A further report will be brought forward in Q3 2020 to provide Council with an opportunity to consider how the City can best support community economic recovery.

References

1. Strengthening Development Approval Services - May 2019 Finance & Administration
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&id=1367&itemid=16785&lang=en>
2. Employment Land Strategy Proposal – September 2019 Finance & Administration
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=7&id=1371>

Appendix

GREATER SUDBURY ECONOMIC BULLETIN, June 2020

ECONOMIC BULLETIN | June 2020

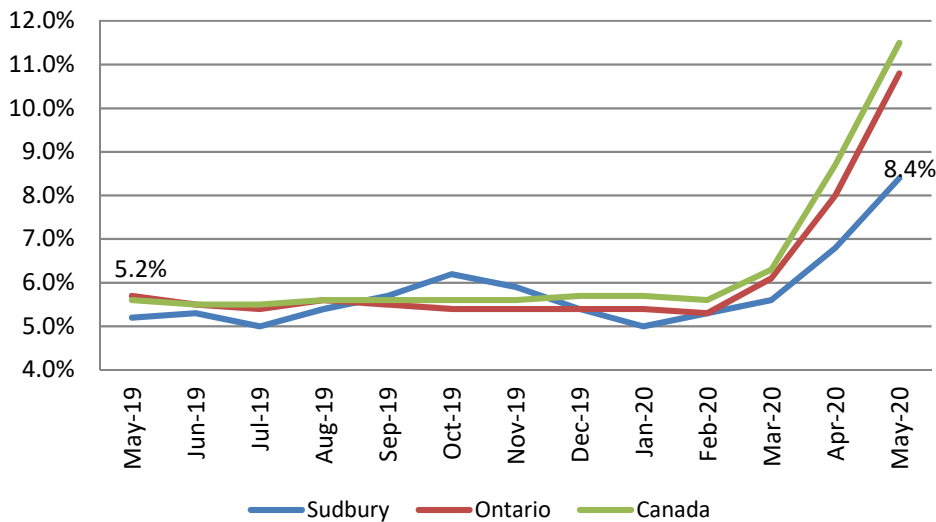


OVERVIEW

	Geography	Most Recent Period	Last period (Reported in April Bulletin)	Same Period Last Year	Status
Unemployment Rate	Greater Sudbury	8.4%	5.6%	5.2%	R
May 2020 (3 Month Avg)	Ontario	10.8%	6.1%	5.7%	R
Total employment	Greater Sudbury	76,000	83,600	86,300	R
May 2020 (3 Month Avg)	Ontario	6,671,400	7,421,900	7,408,400	R
Participation Rate	Greater Sudbury	58.8%	62.7%	64.5%	R
March 2020 (3 Month Avg)	Ontario	60.8%	64.4%	64.7%	R
Employment Insurance Recipients	Greater Sudbury	2,270	2,270	2,030	Y
February 2020	Ontario	119,620	119,620	114,830	Y
GDP	Greater Sudbury	\$8,817	\$8,817	\$8,731	G
Forecast 2020 (millions \$)					
Average House Price	Greater Sudbury	\$298,431	\$319,860	\$274,556	G
May 2020	Ontario (April)	\$593,794	\$691,887	\$574,792	G
Building Permits Issued	Greater Sudbury	\$40.03	\$19.28	\$31.94	G
May 2020 (millions \$)		\$94.46(YTD)	\$49.93(YTD)	\$93.10(YTD)	G
Retail Sales	Greater Sudbury	\$2,481	\$2,481	\$2,416	G
Forecast 2020 (millions \$)					
Consumer Price Index	Greater Sudbury	1.40	1.40	1.376	G
Forecast 2020 (2002 = 1.000)					
Business Bankruptcies	Greater Sudbury	1	2	0	R
Q1 2020	Ontario	222	205	239	G

LABOUR FORCE

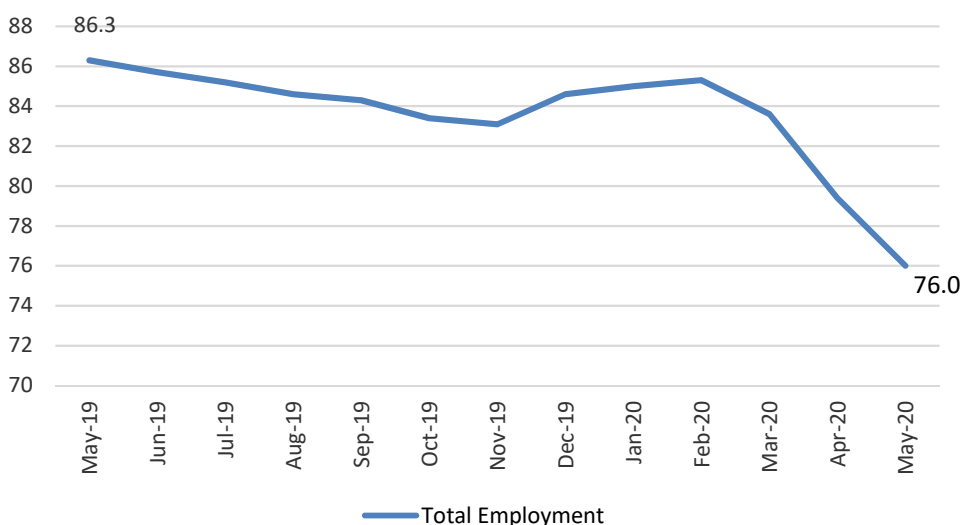
UNEMPLOYMENT RATE



The seasonally adjusted monthly unemployment rate for Greater Sudbury increased from 5.2% in May 2019 to 8.4% in March 2020. The sudden spike is due to the economic challenges presented by COVID-19.

	May 2020	April 2020	May 2019
Greater Sudbury	8.4%	6.8%	5.2%
Ontario	10.8%	8.0%	5.7%
Canada	11.5%	8.7%	5.6%

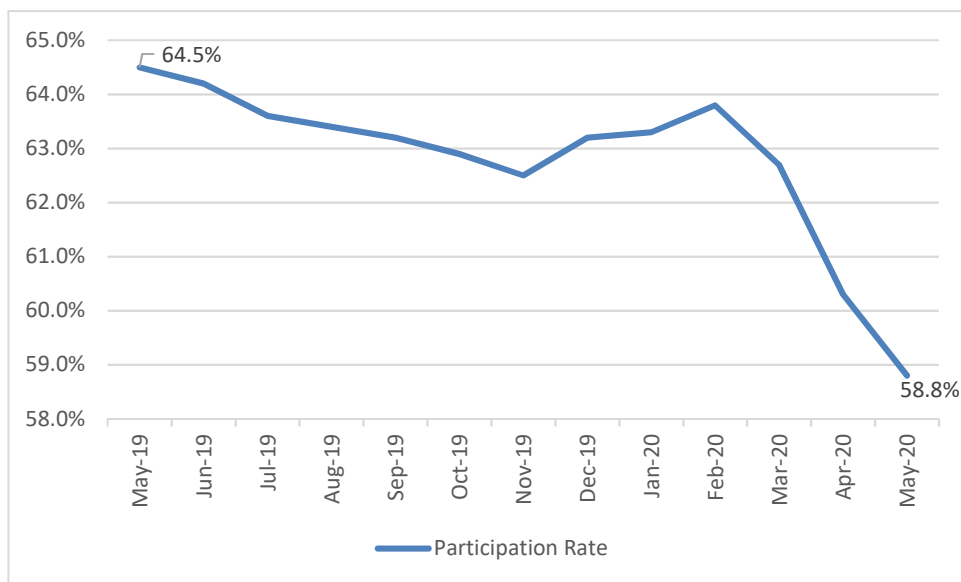
EMPLOYMENT



The total number of people employed in Greater Sudbury is 76,000. The number of people employed decreased by 10,300 compared to May 2019, primarily due to the layoffs caused by the pandemic.

	May 2020	April 2020	May 2019
Greater Sudbury	76,000	79,400	86,300

PARTICIPATION RATE



The seasonally adjusted monthly participation rate for Greater Sudbury is 58.8% for May 2020 compared to 64.5% in May 2019.

	May 2020	April 2020	May 2019
Greater Sudbury	58.8%	60.3%	64.5%

Labour Force Statistics Source: Statistics Canada

The Labour Force Survey (LFS) by Statistics Canada is seasonally adjusted monthly data. The results are presented as three-month moving averages, because the single month data is considered volatile. As per Statistics Canada recommendations, data should always be compared to the previous year.

EMPLOYMENT BY INDUSTRY

EMPLOYMENT (000s)	2017	2018	2019	2020 (F)	2021 (F)
Manufacturing	3.0	3.2	2.7	2.8	2.7
Construction	6.4	6.8	7.8	7.5	7.4
Primary and utilities	7.7	8.2	9.2	9.0	8.9
Wholesale and retail trade	12.9	11.9	11.9	11.5	11.4
Transportation and warehousing	2.9	3.3	3.1	2.8	2.9
Information and cultural industries	1.5	1.5	1.5	1.5	1.5
Finance, insurance, real estate, business, building, and other supporting industries	5.7	6.9	6.5	6.4	6.4
Professional, scientific, and technical services	3.1	4.6	4.8	4.4	4.5
Educational services	6.2	6.3	6.9	6.8	6.8
Health care and social assistance	14.2	13.5	14.0	14.5	14.7
Arts, entertainment, and recreation	2.6	2.4	1.9	2.2	2.2
Accommodation and food services	5.7	4.5	4.8	5.0	5.1
Other services (except public administration)	3.3	2.5	3.6	3.6	3.6
Public Administration	5.9	5.8	6.7	6.7	6.8
Total Employment	81.1	81.4	85.4	84.7	84.9

Source: The Conference Board of Canada, Metropolitan Outlook – Winter 2020. (First reported in April 2020 Economic Bulletin)

The Conference Board of Canada issues the Metropolitan Outlook twice a year. Due to this, the numbers of sectoral employment differ from the monthly data issued by Statistics Canada. The Metropolitan Outlook also provides a forecast for several years ahead.

Year-Over-Year Change (000s) (NAICS)	May -19	May -20	Variance
Goods-producing sector	20.2	15.6	-4.6
Forestry, fishing, mining, quarrying, oil and gas	8.3	7.3	-1.0
Construction	7.6	5.4	-2.2
Manufacturing	3.1	2.3	-0.8
Services-producing sector	65.5	58.9	-6.6
Wholesale and retail trade	13.2	10.6	-2.6
Transportation and warehousing	3.5	4.3	0.8
Finance, insurance, real estate, rental and leasing	3.7	3.7	0.0
Professional, scientific and technical services	4.9	3.5	-1.4
Business, building and other support services	2.8	2.9	0.1
Educational services	6.8	5.6	-1.2
Health care and social assistance	14.2	13	-1.2
Information, culture and recreation	1.5	2.1	0.6
Accommodation and food services	4.5	2.6	-1.9
Other services (except public administration)	3.5	3.1	-0.4
Public administration	6.9	7.7	0.8
Total employed, all industries	85.7	74.5	-11.2

Source: Statistics Canada, Labour Force Survey, Table: 14-10-0097-0. NAICS – North American Industry Classification System

GROWING LABOUR FORCE

The May Labour Force Survey issued by Statistics Canada indicates that Sudbury has lost 11,200 jobs compared to May 2019, with decline in all sectors except transportation and warehousing; finance, insurance, real estate, rental and leasing; business, building and other support services; Information, culture and recreation; and public administration.

The Conference Board of Canada reports that nearly 4,300 new jobs were created over the last two years, almost 4,000 of these in 2019 alone. This was the best two-year performance since 2009 recession and lifted Sudbury employment to a record high. The local unemployment rate fell to a post-recession low of 5.7% last year. Sudbury is set to surrender some of these gains in 2020, with employment falling by about 700 positions and the unemployment rate edging up to 6.0%. A 250-job gain and a drop in the unemployment rate to 5.9% is the projection for 2021. Employment is forecasted to rise steadily, with jobs creation expected to post an annual average of just under 550 positions between 2022 and 2024. The unemployment rate will fall to 5.6% by 2024.

Total net in-migration to the area soared to 1,941 people in 2018, the most since 1991. This boosted population growth by 1.1% the fastest since 1992. Net in-migration then eased to an estimated 347 people last year, but the area's population still managed to expand by 0.7%.

Sudbury has seen a jump in the number of non-permanent residents over the past couple of years. Many of these newcomers are international students attending Laurentian University and Cambrian College. Persistent net inflows of international newcomers, combined with ongoing positive net intercity migration, will offset modest net interprovincial outflows to keep net in-migration at an annual average of 220 people between 2020 and 2024.

GDP

Greater Sudbury	2017	2018	2019	2020 (F)	2021 (F)	2022 (F)
Real GDP at basic prices (\$ millions)	8,489	8,625	8,731	8,817	8,892	8,965
%-change	1.3	1.6	1.2	1.0	0.8	0.8

Source: The Conference Board of Canada, Metropolitan Outlook – Winter 2020. (First reported in April 2020 Economic Bulletin)

HOUSING STARTS

According to the Canada Mortgage and Housing Corporation statement, housing starts for semi-detached homes have increased in May 2020 compared to May 2019.

	May 2020	YTD 2020	Change
Single	2	8	-27.3%
Semi-detached	2	8	33.3%
Row	0	0	Unchanged
Apartment	0	0	Unchanged
Total	4	16	-5.9%

SUDBURY REAL ESTATE MARKET

Residential sales activity recorded through the MLS® System of the Sudbury Real Estate Board **numbered 184 units in May 2020. This was a large decline of 32.1% from May 2019** and marked the lowest May in over 20 years.

On a year-to-date basis, home sales totaled 739 units over the first five months of the year. This was a decrease of 16.1% from the same period in 2019. **The average price of homes sold in May 2020 was \$298,431**, up 8.4% from May 2019. The more comprehensive year-to-date average price was \$288,471, up 9.3% from the first five months of 2019.

There were **298 new residential listings in May 2020**. This was a large decline of 36.7% on a year-over-year basis to the lowest level for this month in over three decades.

Overall supply levels continue to decline at an accelerating pace. Active residential listings numbered 519 units at the end of May. This was a substantial decline of 38.8% from the end of May 2019.

Months of inventory numbered 2.8 at the end of May 2020, down from the 3.1 months recorded at the end of May 2019 and below the long-run average of 4.8 months for this time of year. The number of months of inventory is the number of months it would take to sell current inventories at the current rate of sales activity.

The total dollar value of all home sales in May 2020 was \$54.9 million, falling 26.4% from the same month in 2019.

Sales of all property types numbered 219 units in May 2020; this was a large decline of 32% from May 2019. The total value of all properties sold was \$65 million, falling 28.9% from May 2019.

Source: The Canadian Real Estate Association <http://creastats.crea.ca/sudb/>

RENTAL MARKET

VACANCY RATES (APARTMENT)

Primary Rental Market	October 2017	October 2018	October 2019
Bachelor	5.7%	N/A	3.1%
1 Bedroom	4.6%	2.4%	2.5%
2 Bedroom	4.3%	2.8%	1.9%
3 Bedroom +	6.0%	N/A	0.6%
Total	4.5%	2.6%	2.1%

Source: Canada Mortgage and Housing Corporation (Rental Market Survey)

AVERAGE RENT (APARTMENT)

Apartment Type	October 2017	October 2018	October 2019
Bachelor	\$659	\$641	\$676
1 Bedroom	\$848	\$855	\$904
2 Bedroom	\$1,048	\$1,052	\$1,114
3 Bedroom +	\$1,195	\$1,204	\$1,183

Source: Canada Mortgage and Housing Corporation (Rental Market Survey).

BUILDING PERMITS

The City of Greater Sudbury issued 149 building permits with a combined value of \$40.03 million in May 2020, compared to 278 permits issued with a combined value of \$31.94 million in May 2019.

Source: Building Services, City of Greater Sudbury

TOTAL VALUE OF BUILDING PERMITS (millions \$)

	May 2020 YTD	May 2019 YTD	YoY
Value	\$94.46	\$93.10	G
Number of Permits	398	604	R

TOTAL VALUE ICI BUILDING PERMITS (millions \$)

Industrial, Commercial and Institutional Building

	May 2020 YTD	May 2019 YTD	YoY
Value	\$72.22	\$72.56	R
Number of Permits	102	166	R

VALUE OF BUILDING PERMITS – Greater Sudbury (millions \$)

	May 2020 YTD	May 2019 YTD	YoY
Residential	\$22.04	\$20.32	G
Commercial	\$19.53	\$11.85	G
Industrial	\$32.56	\$21.68	G
Institutional	\$20.13	\$39.03	R

RETAIL SALES

	2017	2018	2019	2020 (F)	2021 (F)
Retail sales (\$ millions)	2,270	2,355	2,416	2,481	2,534
%-change	7.3	3.7	2.6	2.7	2.1
Consumer Price Index (2002 = 1.000)	1.319	1.350	1.376	1.404	1.434
%-change	1.7	2.4	1.9	2.0	2.2

Source: The Conference Board of Canada, Metropolitan Outlook – Winter 2020. (First reported in April 2020 Economic Bulletin)

FINANCIAL ACTIVITY

INSOLVENCIES

Greater Sudbury	Q1 2020	Q1 2019	%-change	YoY
Business Bankruptcies	1	0	n/a	R
Consumer Bankruptcies	265	206	28.6%	R

Ontario	Q1 2020	Q1 2019	%-change	YoY
Business Bankruptcies	222	239	-7.1%	G
Consumer Bankruptcies	11,174	10,171	9.9%	R

Consumer bankruptcies increased in Greater Sudbury by 28.6% in Q1 2020 comparing to Q1 2019.

Source: Office of the Superintendent of Bankruptcy Canada.

MAJOR FUNDING AND ANNOUNCEMENTS

- Northern Ontario Exports Program run by the City of Greater Sudbury in collaboration with Ontario's North Economic Development Corporation (ONEDC) has successfully launched Export Marketing Assistance (EMA) Program funding in late May. The program will help export-ready companies to enhance their export potential.
- The City of Greater Sudbury and the Greater Sudbury Development Corporation (GSDC) have launch a Tourism Development Fund with up to \$1 million available for investment into private sector, public sector and non-profit proposals to increase visitation and overnight stays in the community. Revenue from the local Municipal Accommodation Tax has been building the investment fund since 2018.

Legend

R – Unfavourable **Y** – No/Small Change **G** – Favourable