

City of Winnipeg Employment and Commercial Lands Study

Phase 1 & 2 Study Findings

November 27, 2017



Stakeholder Workshop # 2



Outline

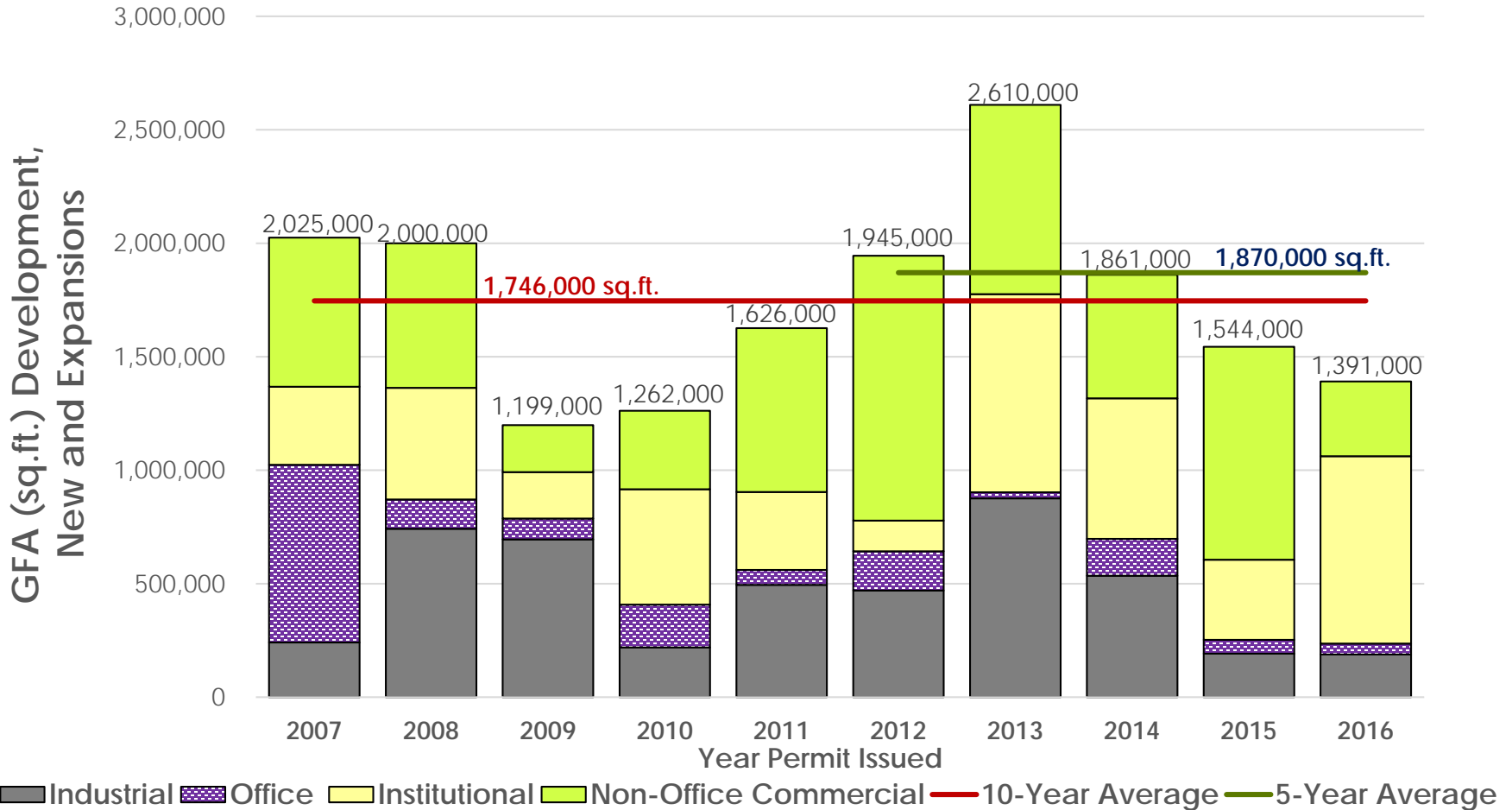
- ❑ Study Purpose
- ❑ City of Winnipeg Development Trends on Employment Lands
- ❑ Employment Land Needs
 - Population & Employment Forecast
 - Employment Land Supply vs. Demand
- ❑ Commercial Land Needs
 - Commercial Development Trends
 - Commercial Structure and Supply
 - Commercial Demand Analysis
- ❑ Phase 2: Strategic Policy Recommendations

Study Purpose

- ❑ The primary objective of this assignment is to provide a comprehensive long-term review of the City's designated commercial and employment land (industrial) needs
- ❑ This review is necessary to ensure that an adequate supply of non-residential lands by type and location is available to accommodate long-term demand and to satisfy the City's employment and economic objectives
- ❑ Provide strategic policy recommendations

City of Winnipeg Development Trends

Winnipeg's Non-Residential Building Permit Development Activity (2007 to 2016)

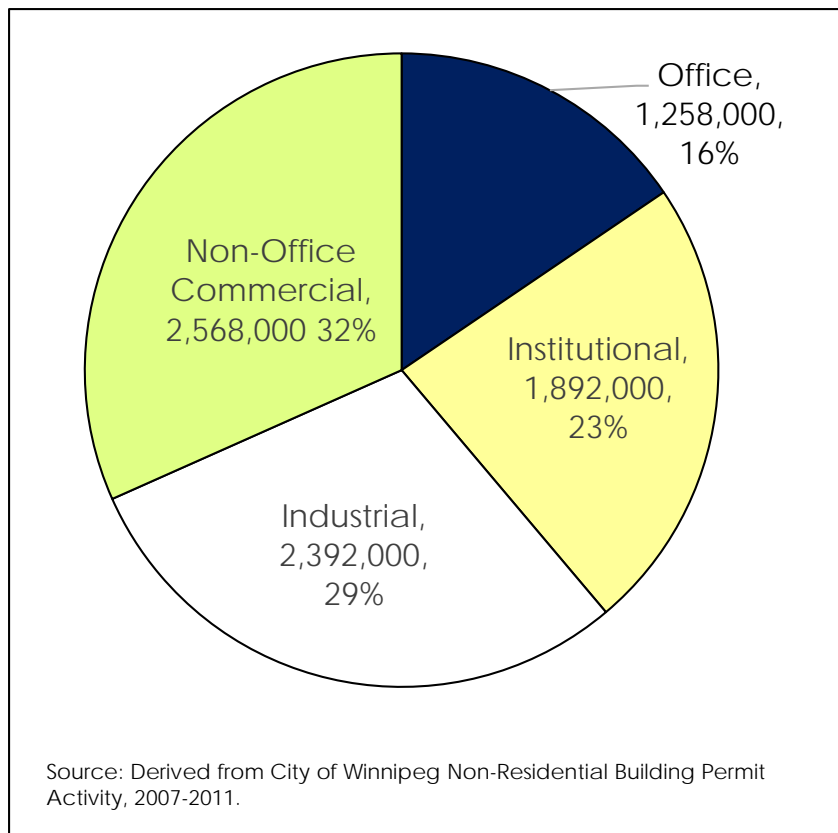


Source: Derived from City of Winnipeg Non-Residential Building Permit Activity, 2007-2016.

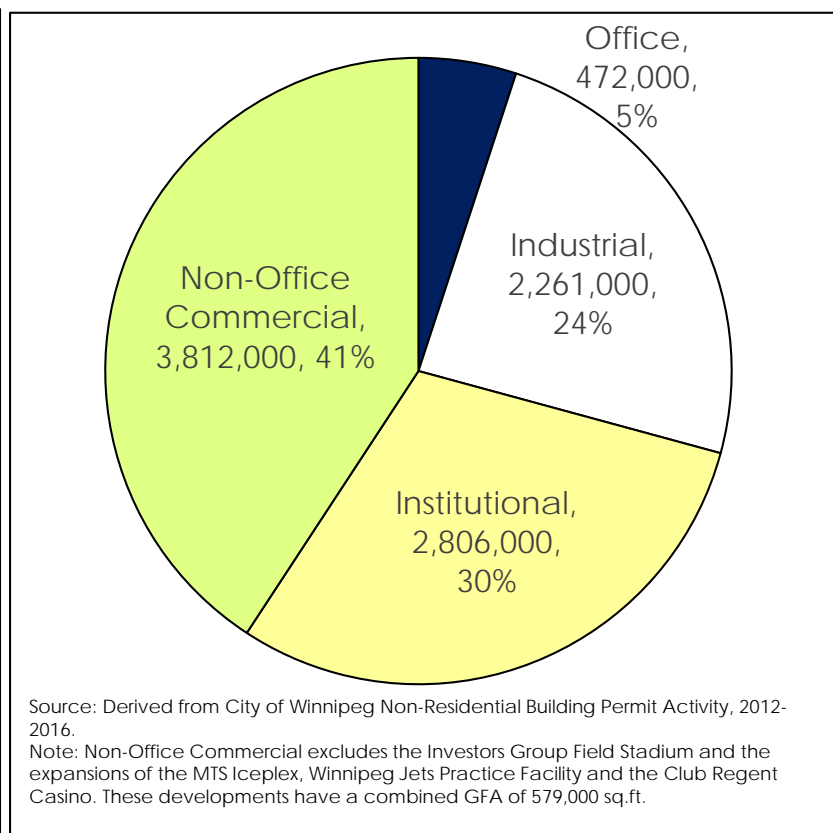
Note: Non-Office Commercial excludes the Investors Group Field Stadium, and the expansions of the MTS Iceplex, Winnipeg Jets Practice Facility and the Club Regent Casino. These developments have a combined GFA of 579,000 sq.ft.

Winnipeg's Non-Residential Building Permit Development Activity by Sector

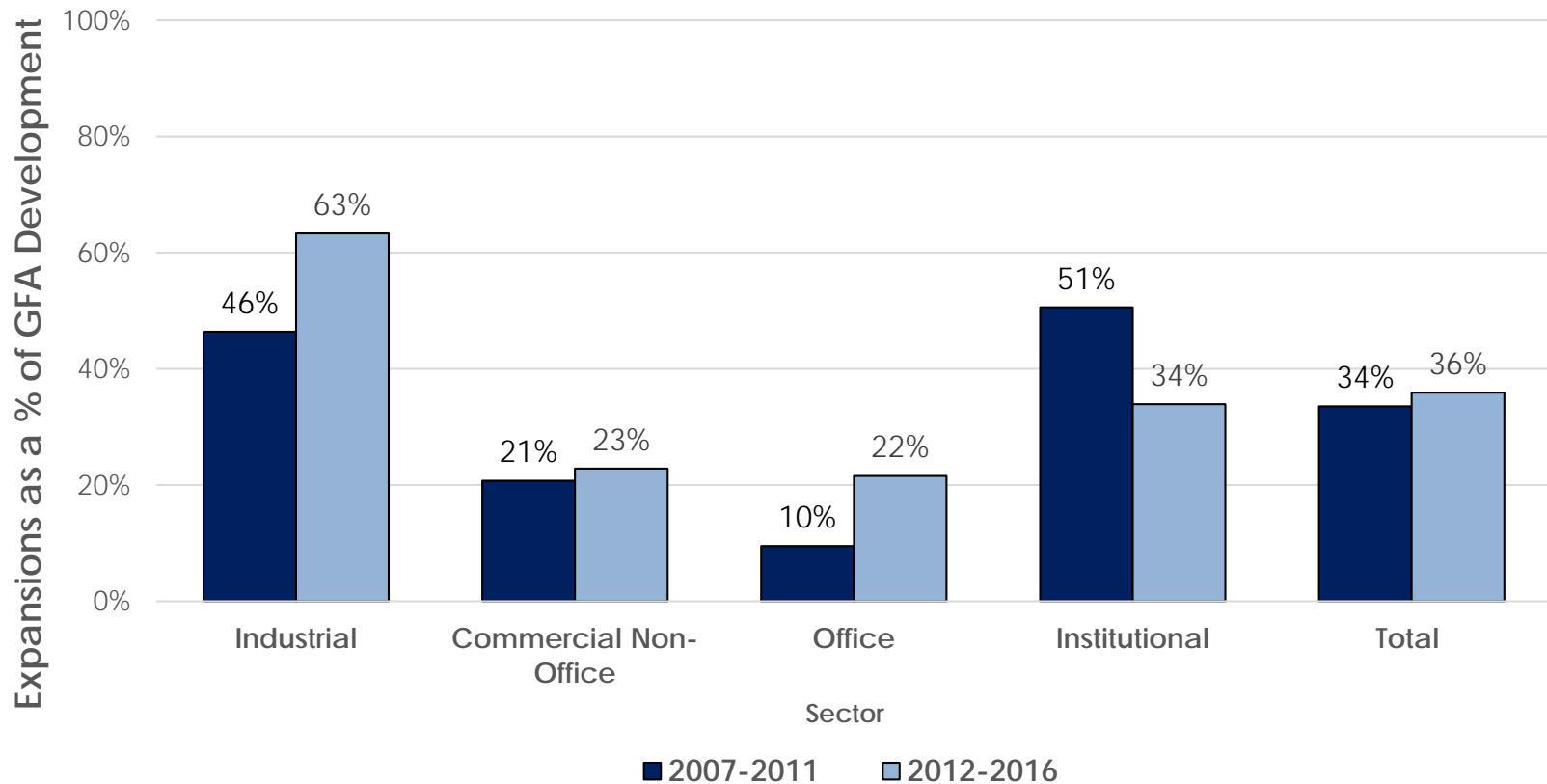
2007 to 2011



2012 to 2016



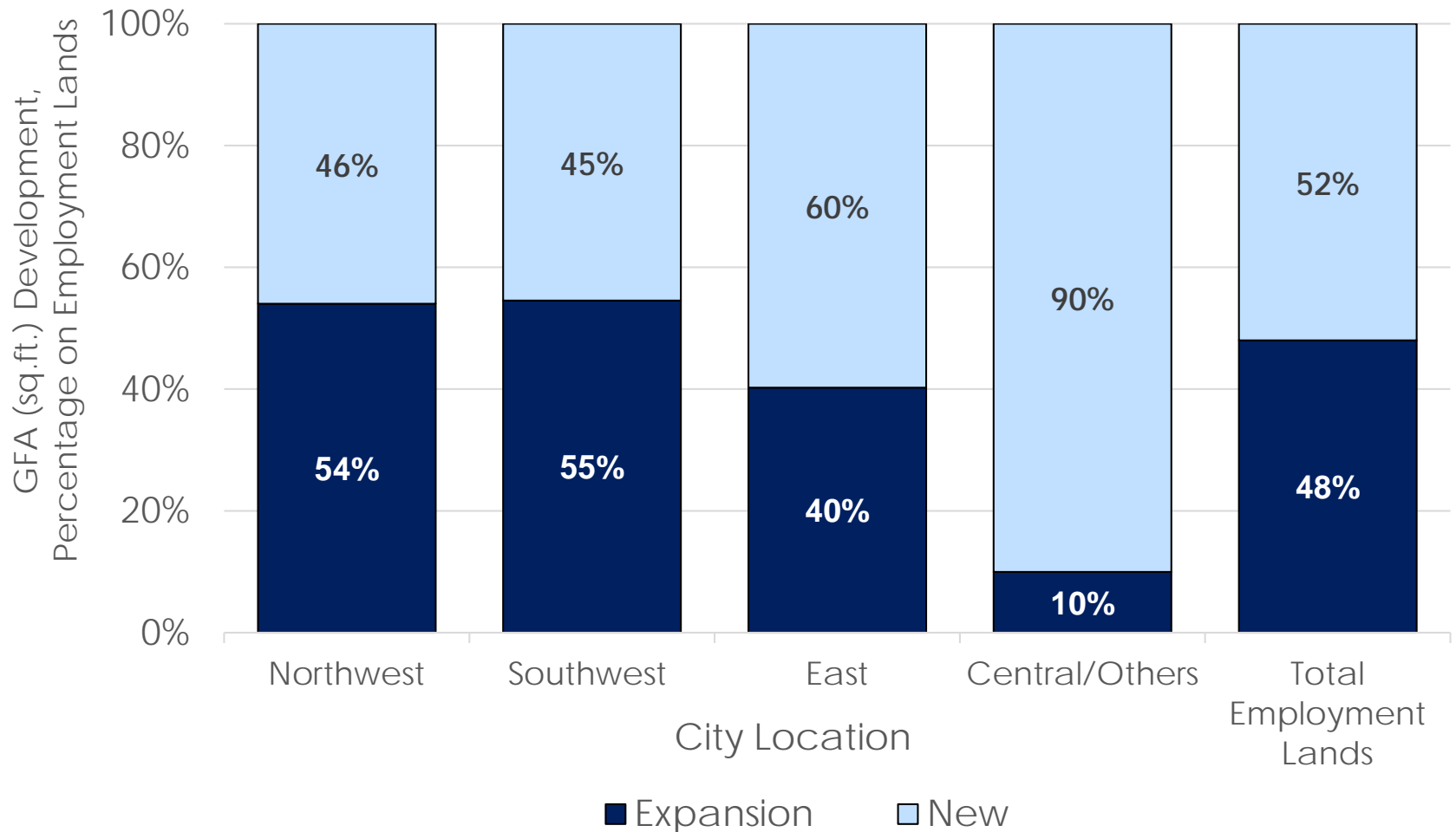
Winnipeg's Expansion as a Share of Total Non-Residential Building Permit Development Activity



Source: Derived from City of Winnipeg Non-Residential Building Permit Activity, 2007-2016.

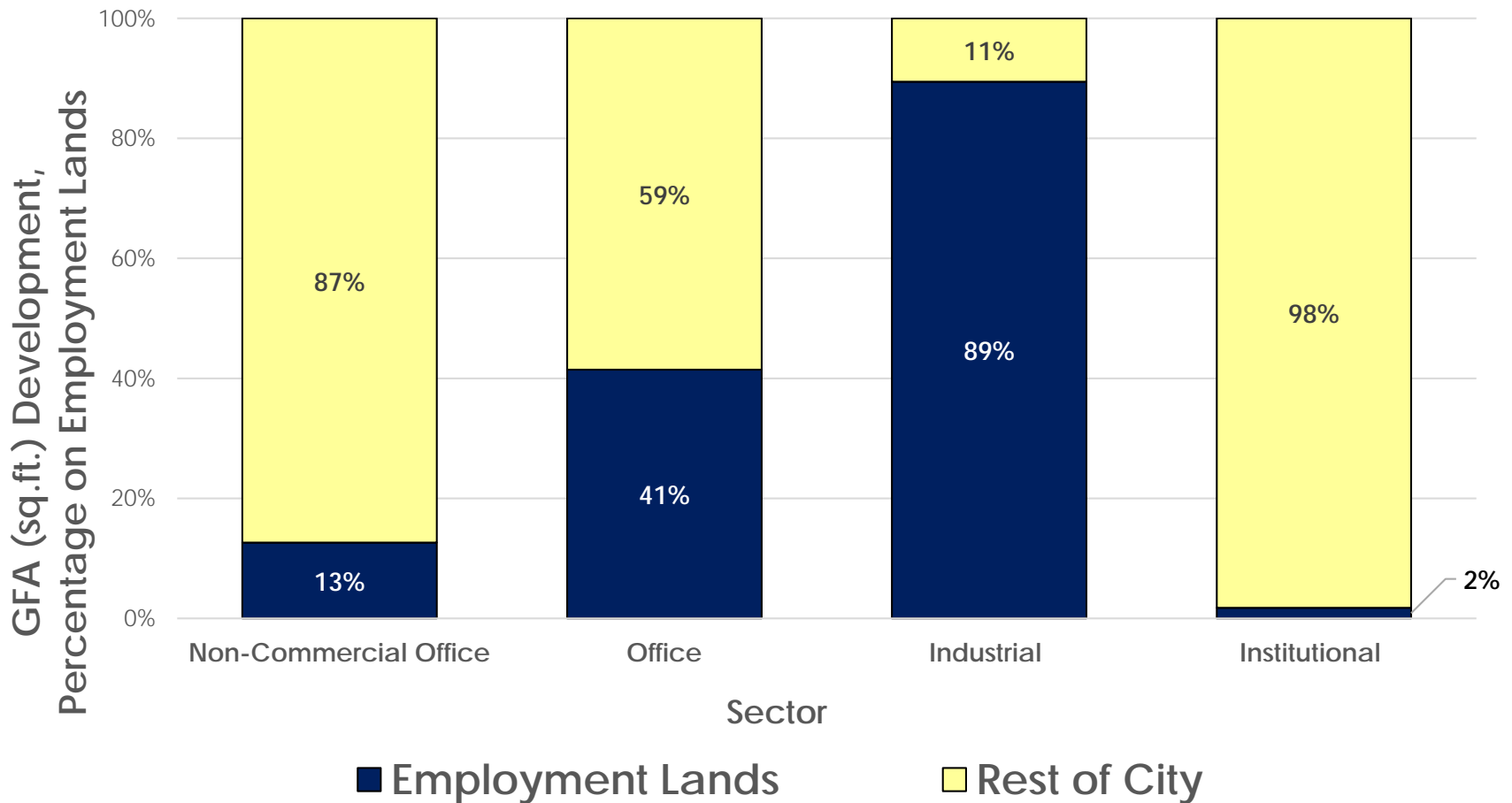
Note: Non-Office Commercial excludes the Investors Group Field Stadium and the expansions of the MTS Iceplex, Winnipeg Jets Practice Facility and the Club Regent Casino. These developments have a combined GFA of 579,000 sq.ft.

Winnipeg's Percentage of Expansion and New Construction GFA on Employment Lands, 2011 to 2016



Source: Derived from City of Winnipeg Non-Residential Building Permit Activity, 2007-2016.

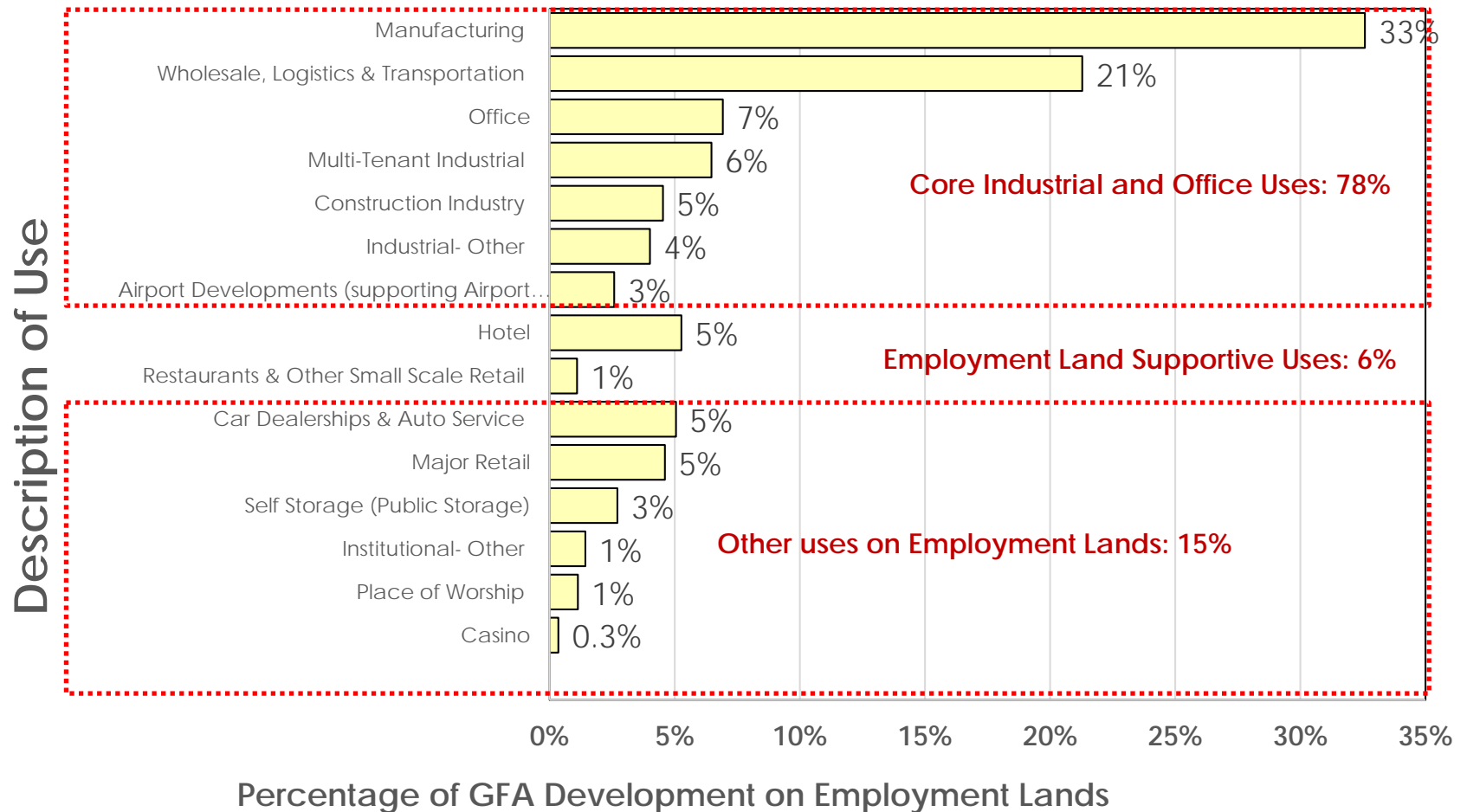
Winnipeg's Non-Residential Development Activity on Employment Lands by Sector, 2011 to 2016



Source: Derived from City of Winnipeg Non-Residential Building Permit Activity, 2007-2016.

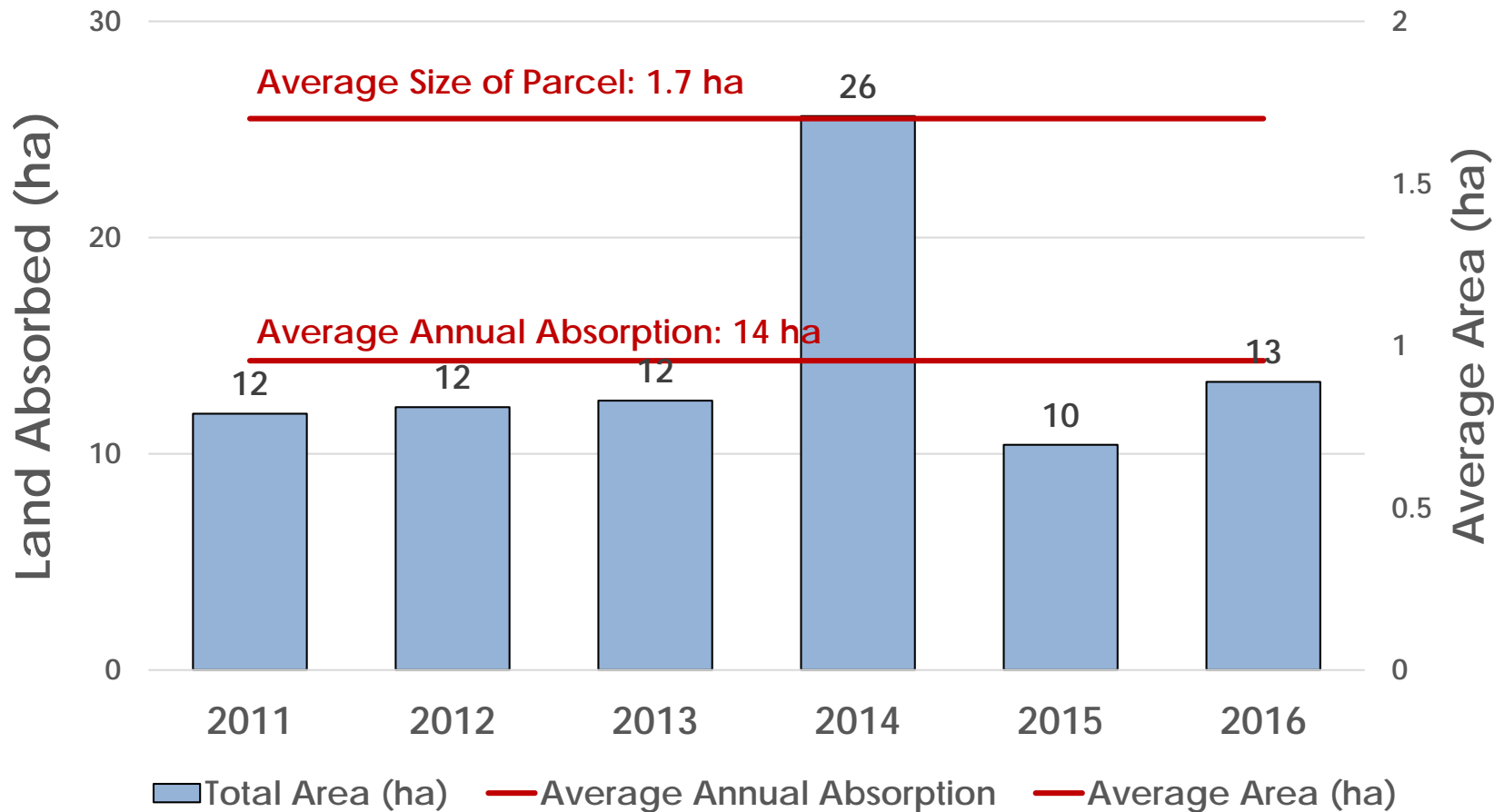
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Winnipeg's Non-Residential Development Activity on Employment Lands by Sector, 2011 to 2016



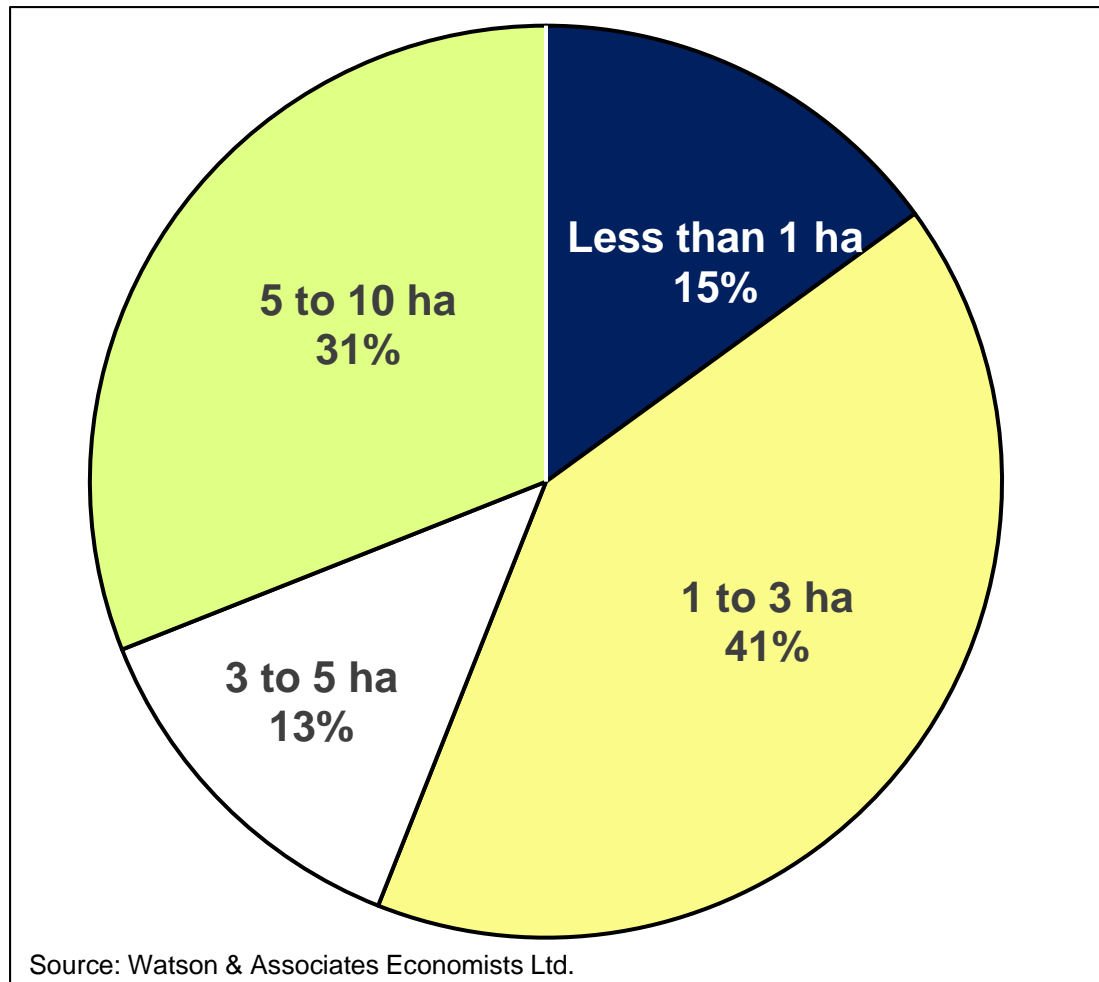
Source: Derived from City of Winnipeg Non-Residential Building Permit Data by Watson & Associates Economists Ltd.

Winnipeg's Annual Employment Land Absorption on Employment Lands, 2011 to 2016



Source: Derived from City of Winnipeg Non-Residential Building Permit Activity, 2011-2016.

Winnipeg's Absorption on Employment Lands by Parcel Size (ha), 2011 to 2016

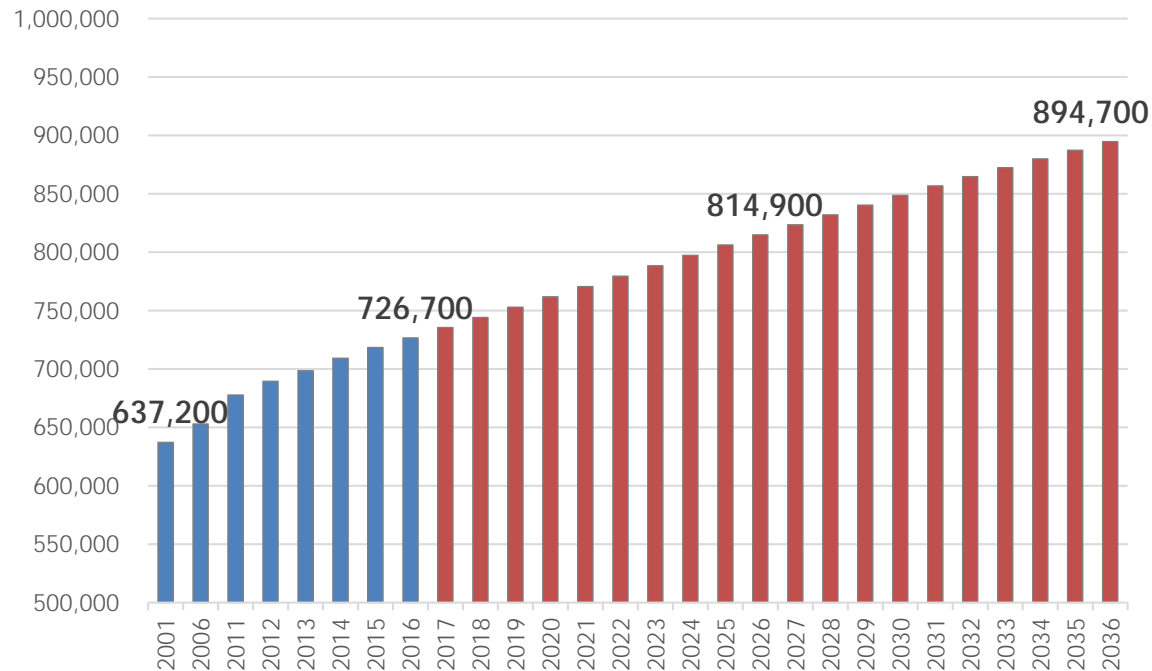


Population & Employment Forecast

City of Winnipeg Population Forecast, 1996 to 2036

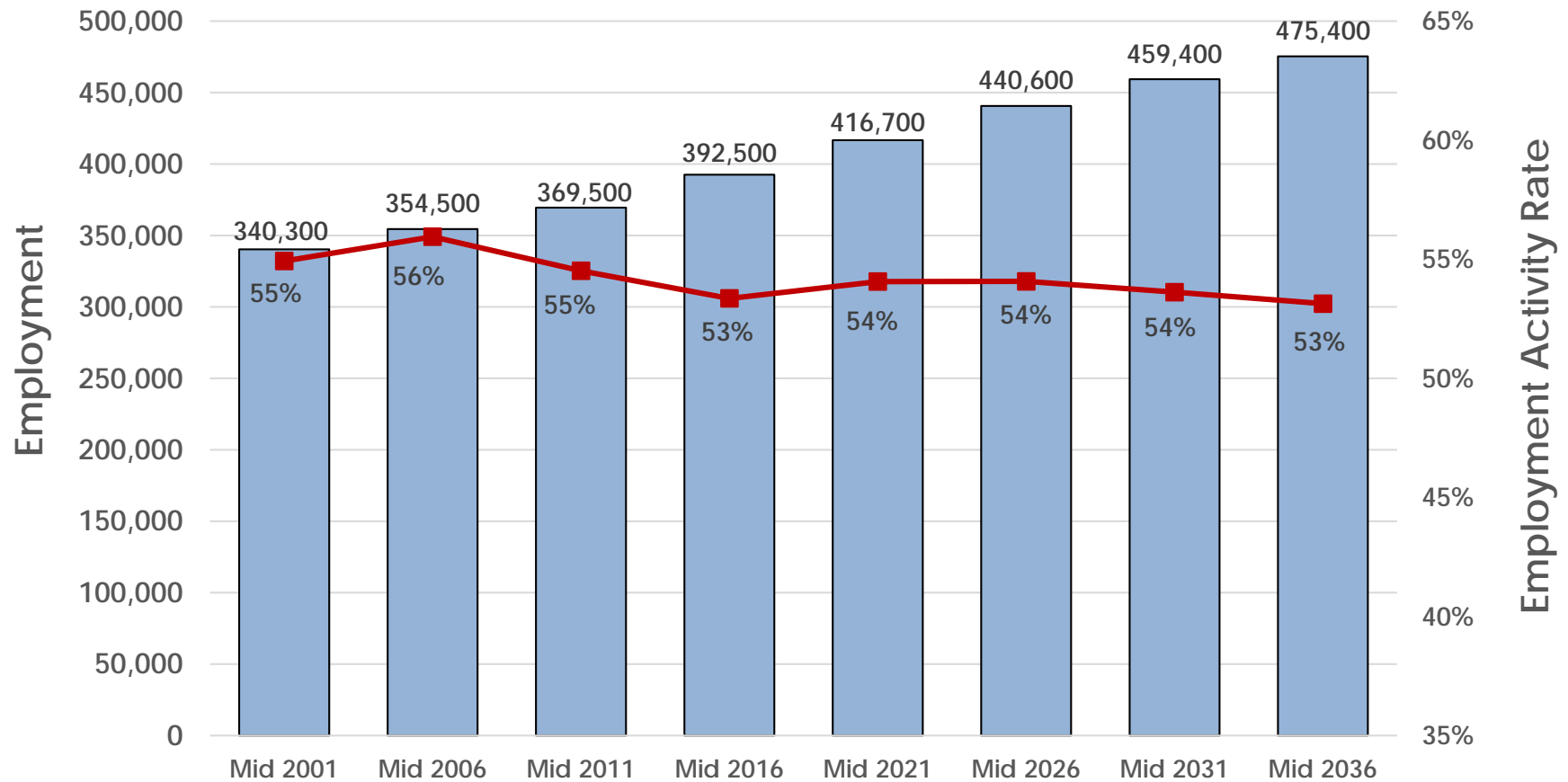
Population Forecast

- Population in the City of Winnipeg has grown by 89,500 persons between 2001 and 2016
- Growth rate of 0.9% annually
- Winnipeg's population is projected to grow from approximately 726,700 persons in 2016 to 894,700 persons in 2036
- Growth of 168,000 persons or 1.2% annually



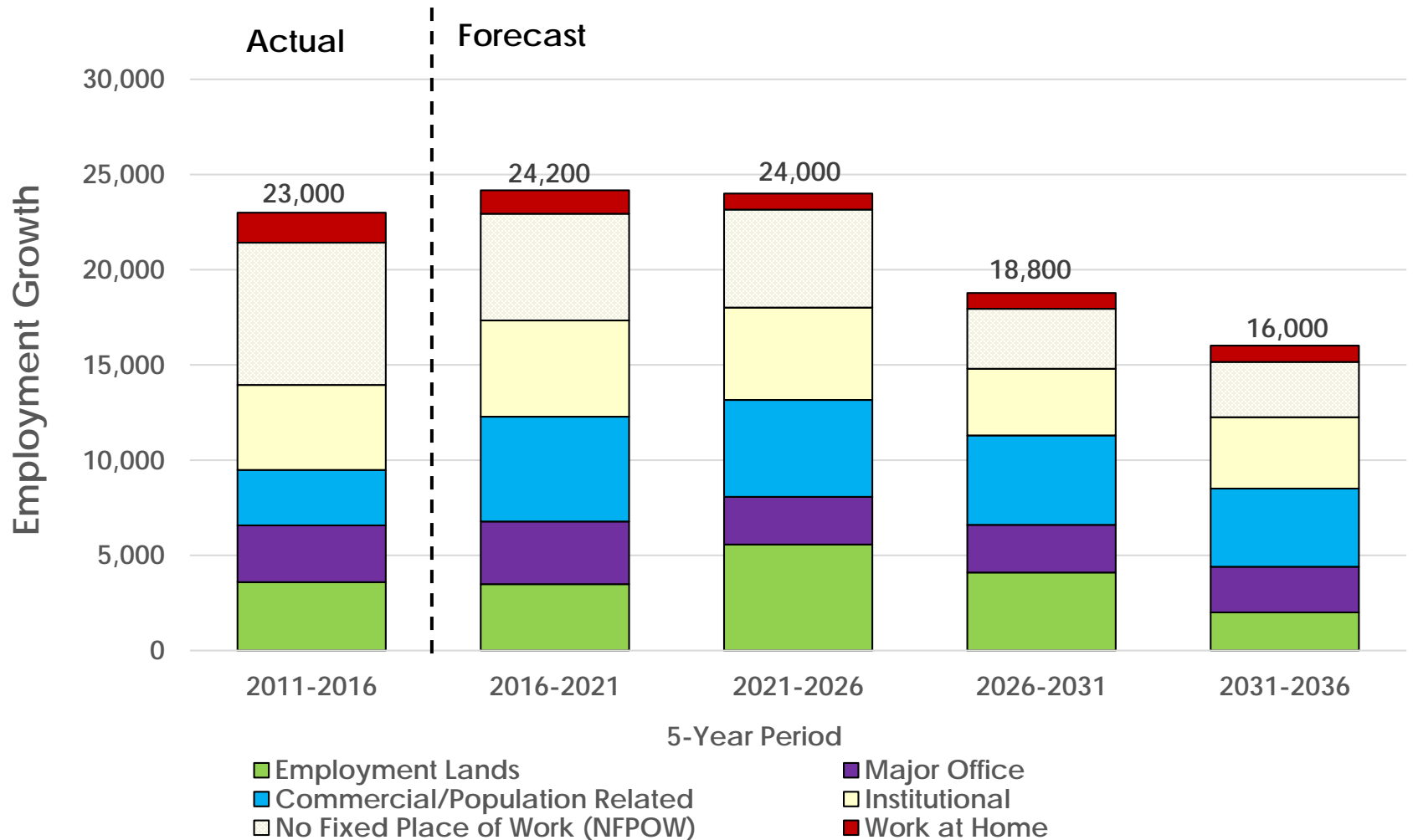
Source: TATE ECONOMIC RESEARCH INC. based on City of Winnipeg Population, Housing and Economic Forecast, 2016 and the Conference Board of Canada, 2017.

City of Winnipeg Employment Forecast to 2036



Source: Derived from Statistics Canada, 2001-2011 Census by Watson & Associates Economists Ltd. 2016 is an estimated and 2016 to 2036 is a forecast by Watson & Associates Economists Ltd.

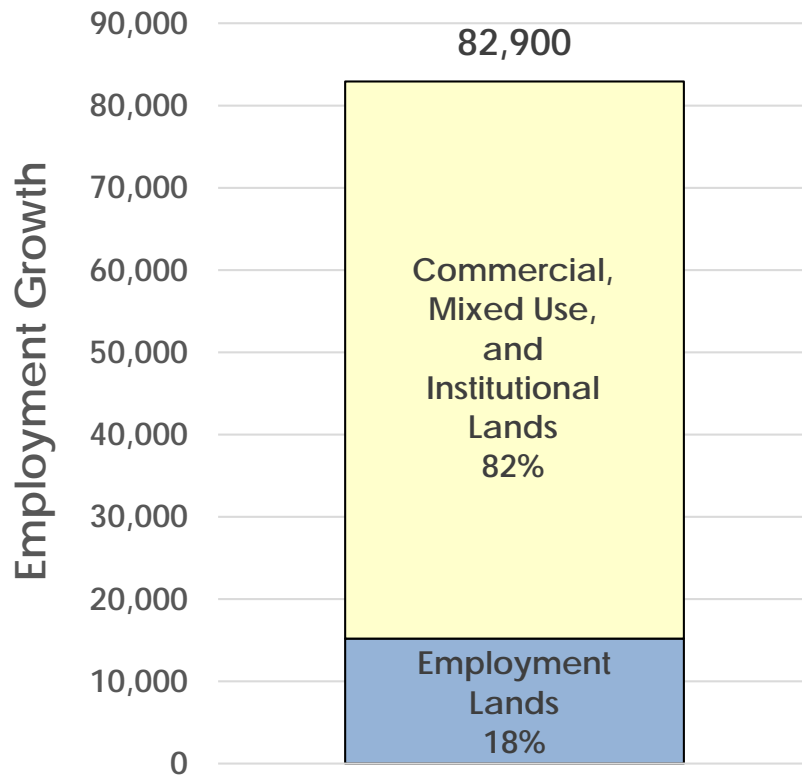
City of Winnipeg Employment Forecast to 2036 (Cont'd)



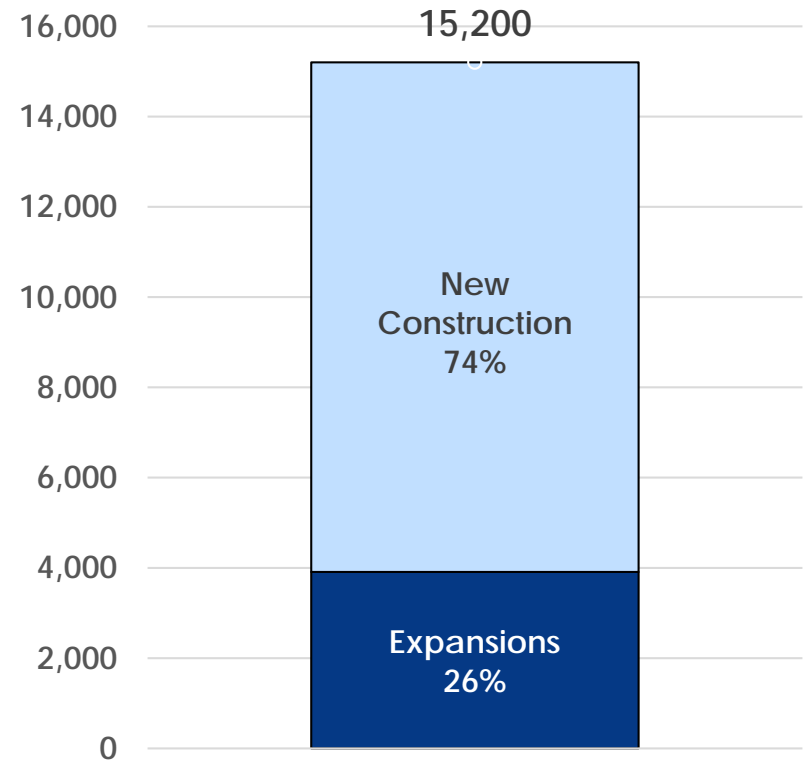
Source: Watson & Associates Economists Ltd.

Employment Land Needs

City of Winnipeg Employment Growth and Employment Land Needs, 2016 to 2036



Total City-Wide Employment Growth

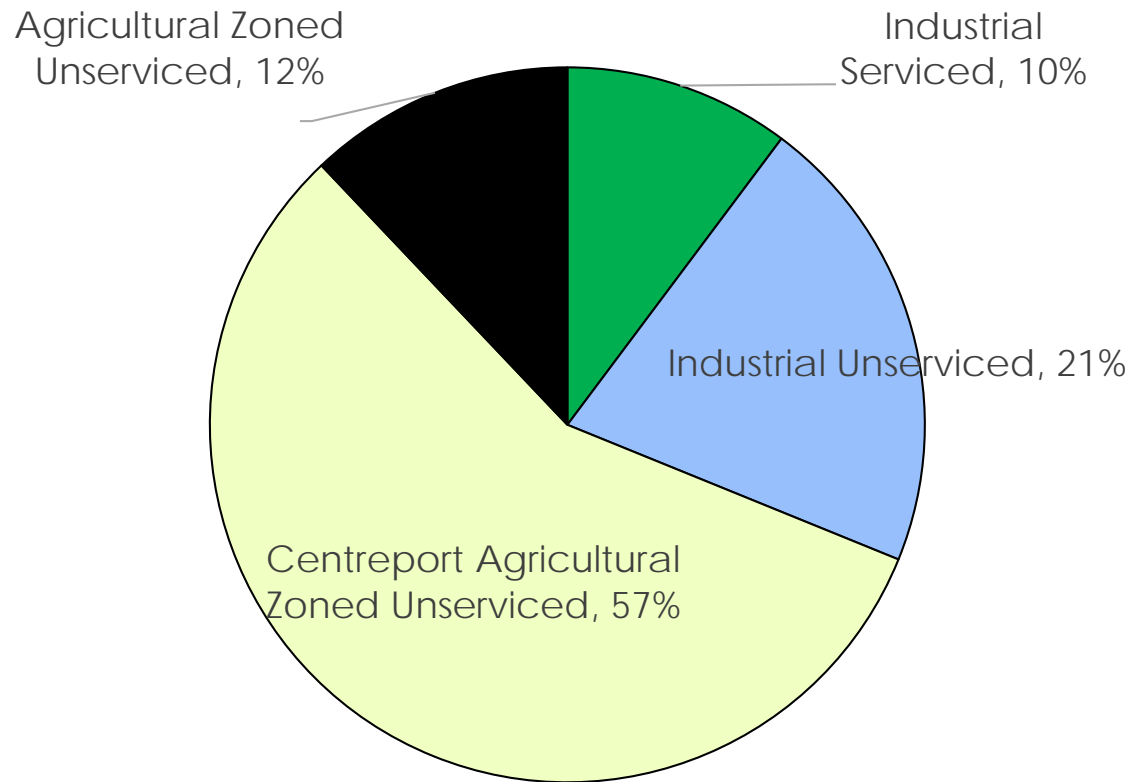


Employment Lands

11,260 jobs @ 22 jobs/ha = 512 ha
(1,265 acres)

Source: Watson & Associates Economists Ltd.

City of Winnipeg Employment Land Supply

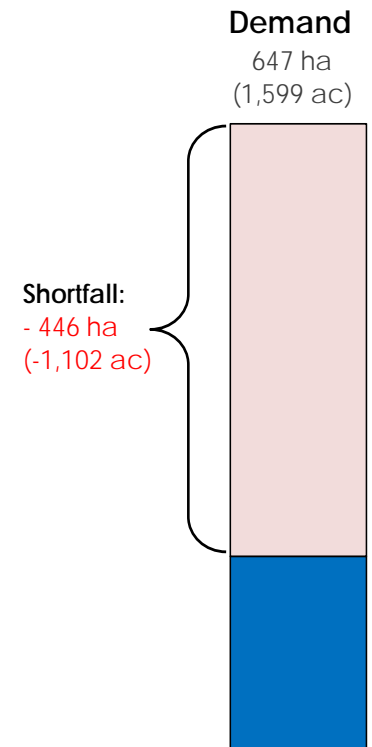


- Total vacant designated industrial lands: 2,318 ha (5,700 acres)
- Total vacant zoned and serviced industrial lands: 237 ha (557 acres)

Source: Dillon Consulting Ltd.

Employment Land Needs, 2016 to 2036

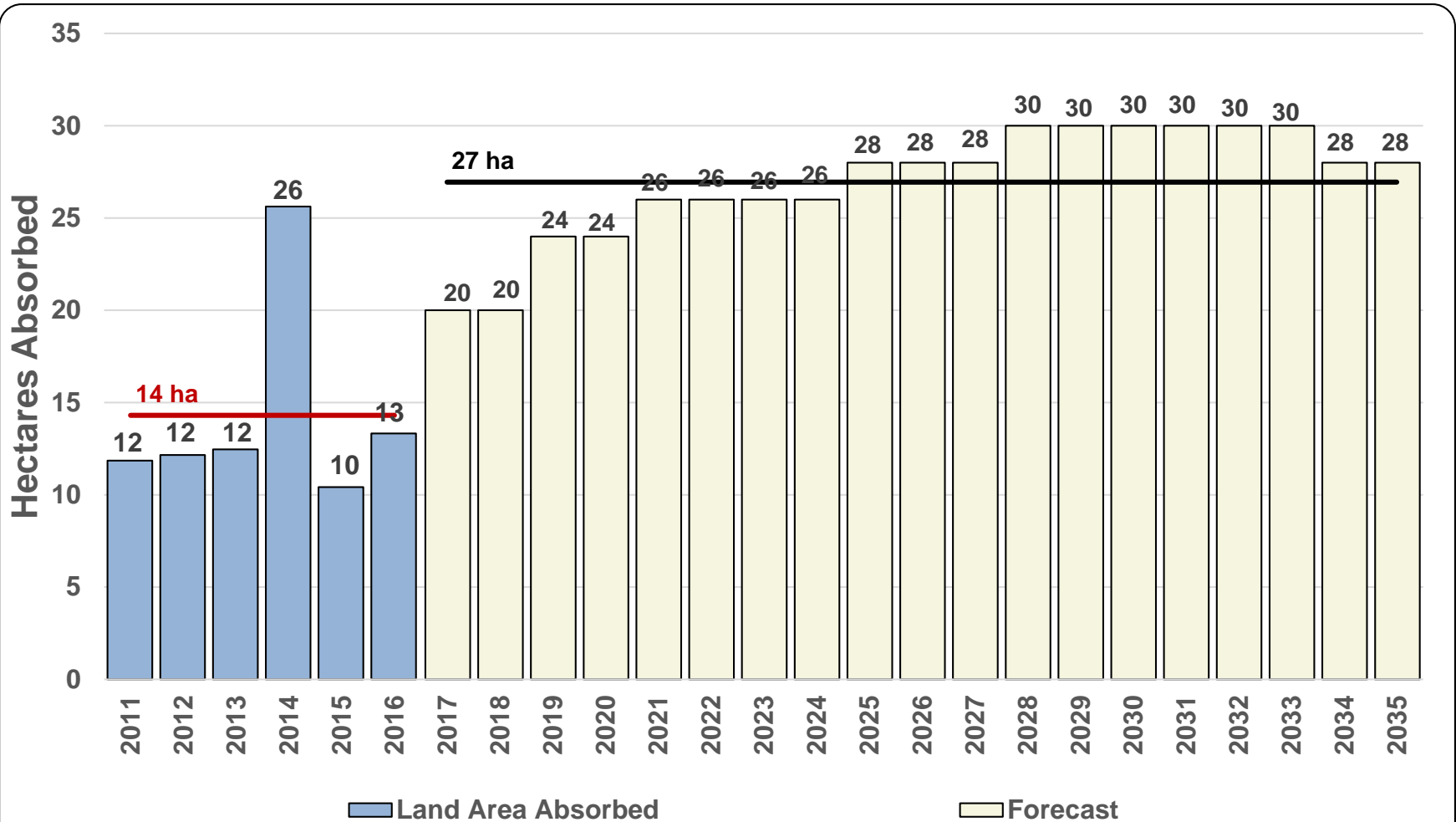
	Net Hectares	Net Acres
Employment Land Needs, 2017-2036	512	1,265
Market Choice Provision ¹	135	334
Total Employment Land Needs Adjusted for Market Choice Provision	647	1,599
Existing Supply of Vacant Designated Serviced Employment Lands	237	585
Existing Supply of Vacant Designated Employment Lands Adjusted for Land Vacancy - 15%	201	497
Forecast Surplus/Shortfall of Serviced Employment Lands	-446	-1,102



1. Based on average five-year demand during 20-year forecast period.

Source: Watson & Associates Economists Ltd.

City of Winnipeg Employment Forecast to 2036



Source: Watson & Associates Economists Ltd., 2016.

Commercial Development Trends

Retail Trends

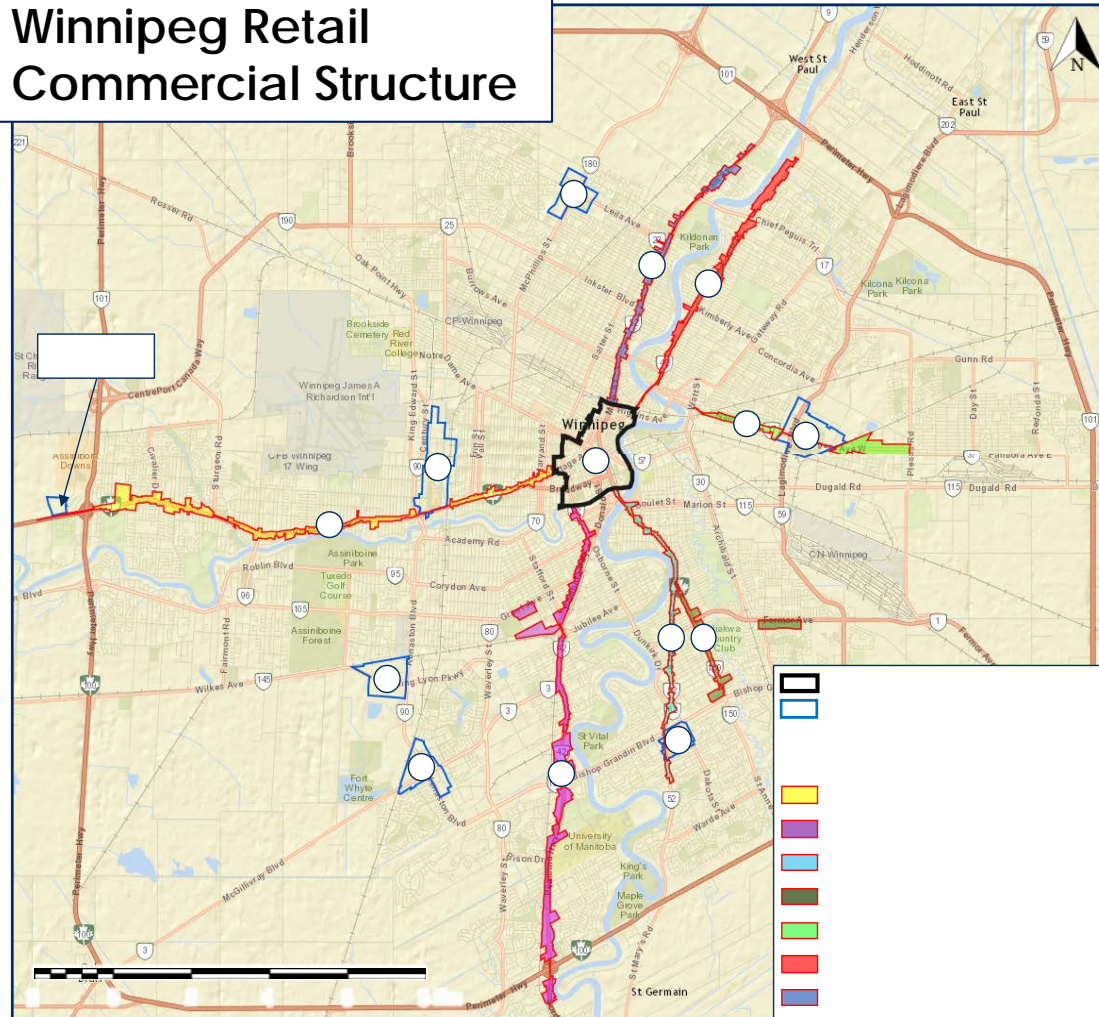
- ❑ Consumer Preferences
- ❑ Public Policy
- ❑ Developer Strategy
- ❑ Blurring of Retail Channels
- ❑ E-Commerce



Commercial Structure and Supply

Commercial Structure and Supply

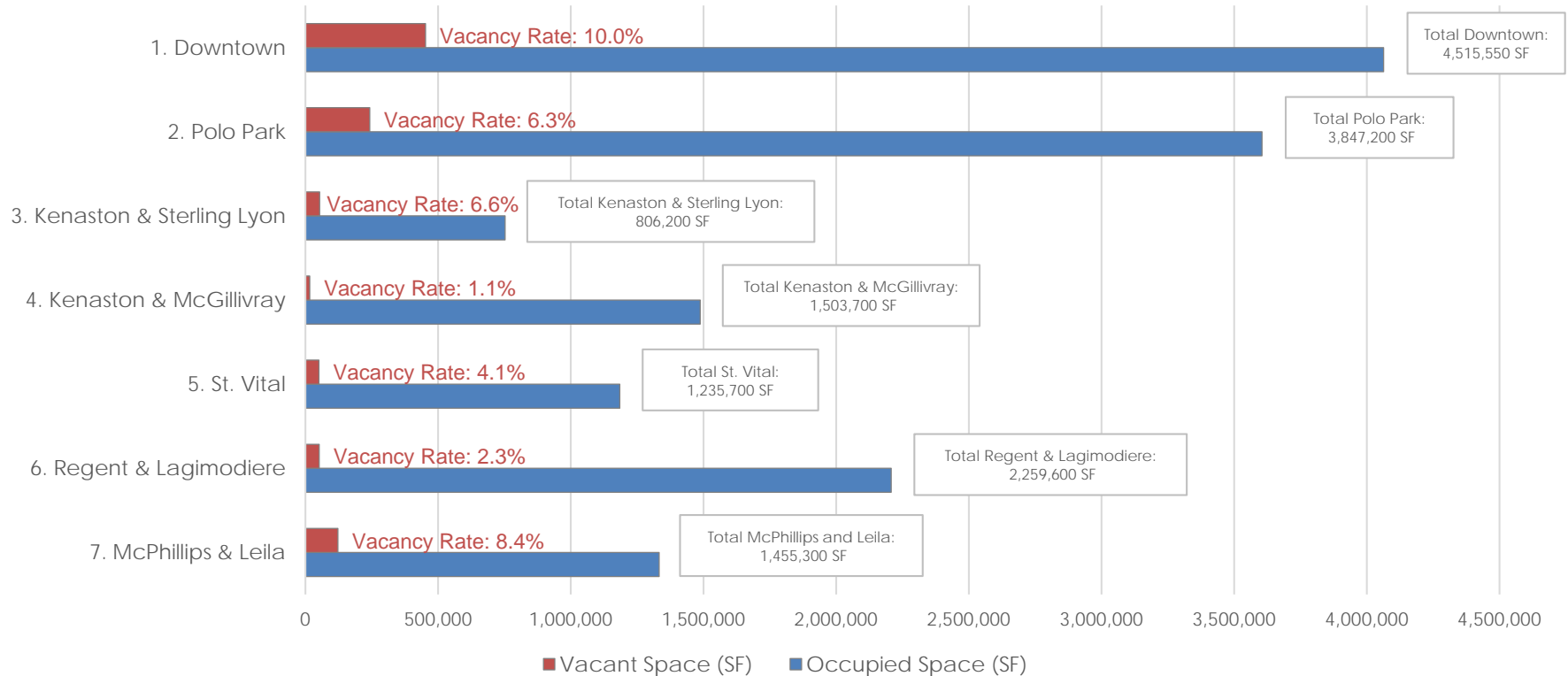
Winnipeg Retail Commercial Structure



Commercial Structure and Supply

(Cont'd)

Summary of Retail Commercial Space Downtown and Regional Mixed Use Centres ⁽¹⁾



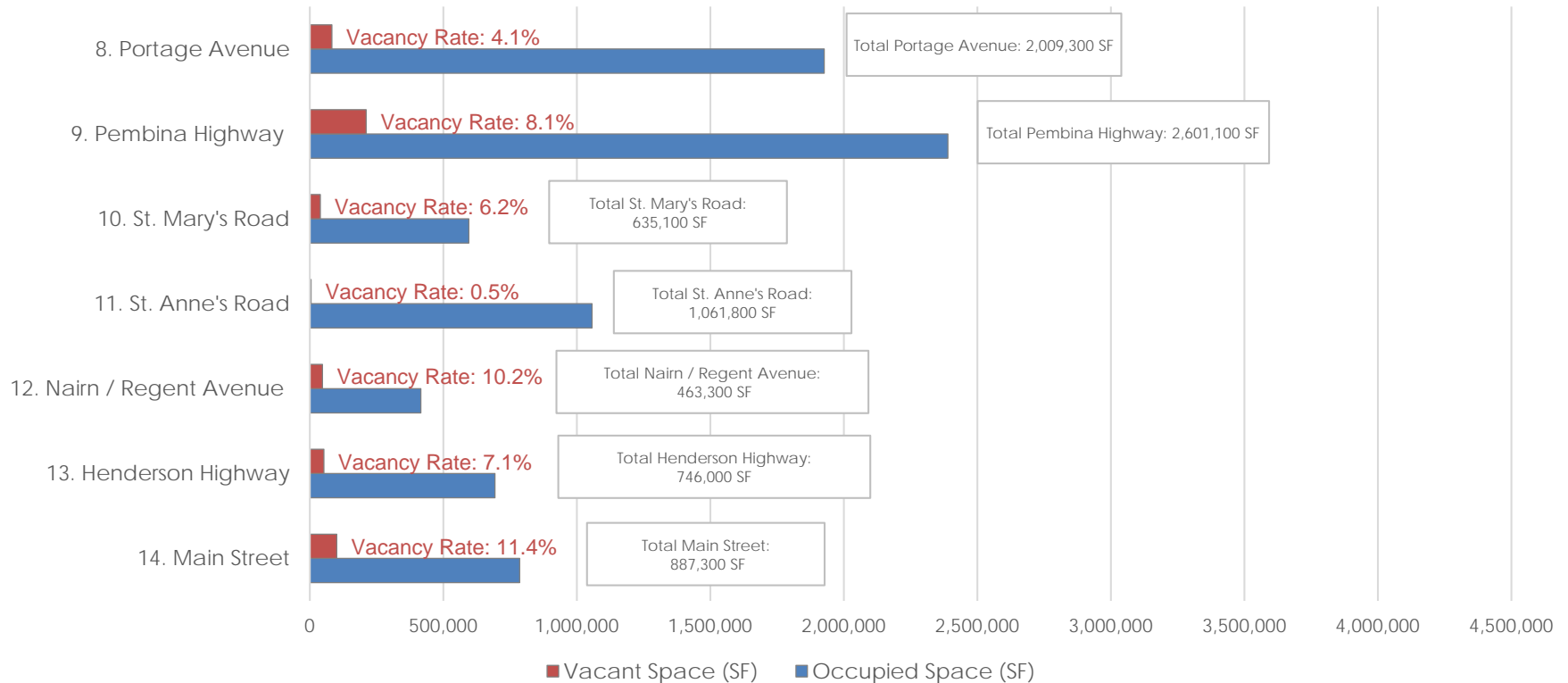
Source: TATE ECONOMIC RESEARCH INC.

¹⁾ Based on Winnipeg municipal land parcel data as well as a vacant space inventory and site inspections completed by TER in May 2017. Rounded to the nearest 100 square feet.

Commercial Structure and Supply

(Cont'd)

Summary of Retail Commercial Space Regional Mixed Use Corridors ⁽¹⁾



Source: TATE ECONOMIC RESEARCH INC.

¹⁾ Based on Winnipeg municipal land parcel data as well as a vacant space inventory and site inspections completed by TER in May 2017. Rounded to the nearest 100 square feet.

Commercial Structure and Supply

(Cont'd)

Summary of Retail Commercial Space

	Downtown	Regional Mixed-Use Centres	Regional Mixed-Use Corridors	Downtown, Centres and Corridors	TOTAL CITY OF WINNIPEG
Occupied Retail & Service Space	4,063,150	10,570,400	7,864,500	22,498,050	-
Vacant Space	452,400	537,300	539,400	1,529,100	-
Vacancy Rate	10.0%	4.8%	6.4%	6.4%	-
Total Built Retail and Service Space	4,515,550	11,107,700	8,403,900	24,027,150	33,767,080

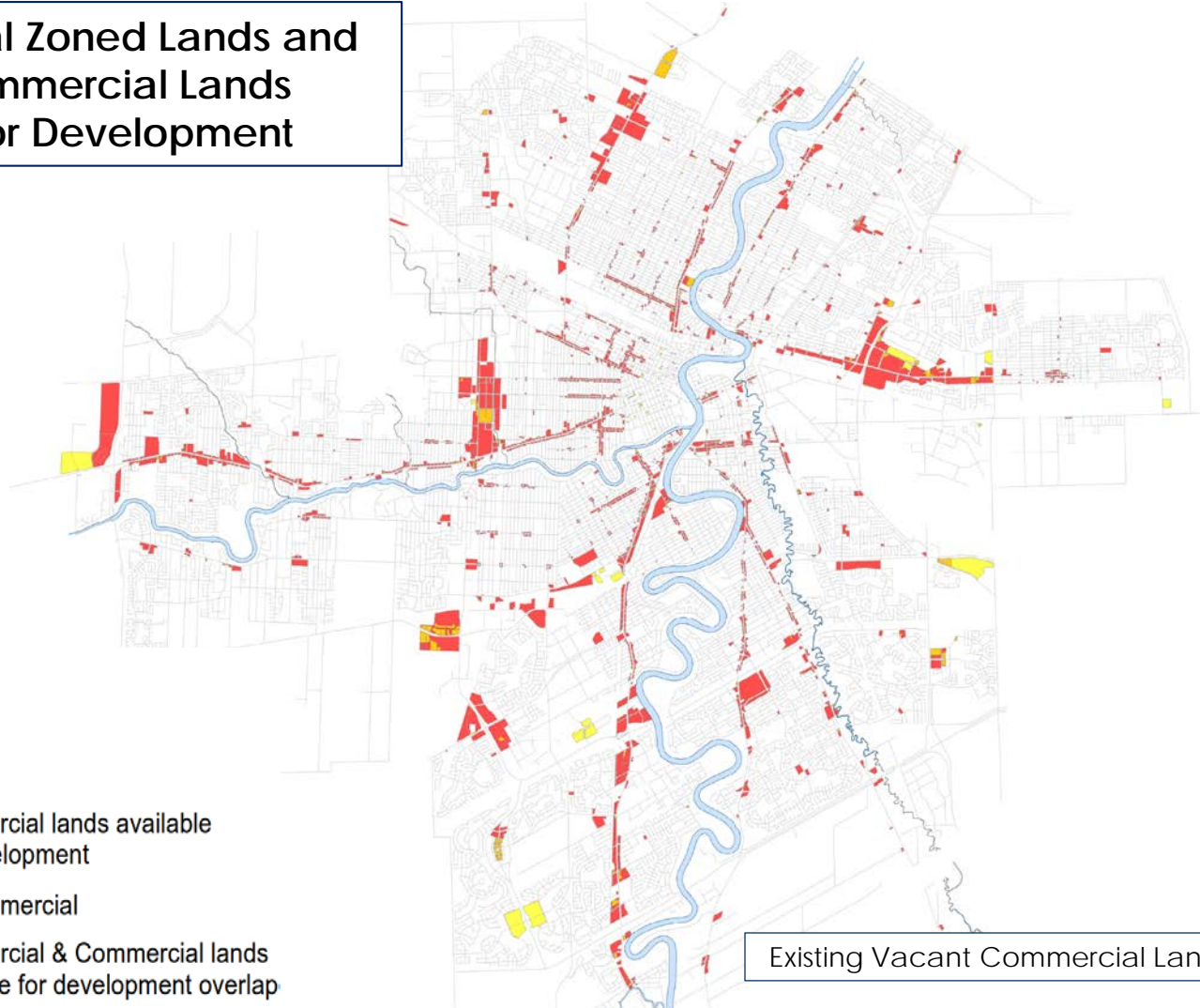
Source: TATE ECONOMIC RESEARCH INC.

¹⁾ Based on City of Winnipeg 2016 Property Tax Assessment data as well as a vacant space inventory and site inspections completed by TER in May 2017. Rounded to the nearest 100 square feet.

Commercial Structure and Supply

(Cont'd)

Commercial Zoned Lands and
Vacant Commercial Lands
Available for Development



Legend

- Streets
- Commercial lands available for development
- All Commercial
- Commercial & Commercial lands available for development overlap

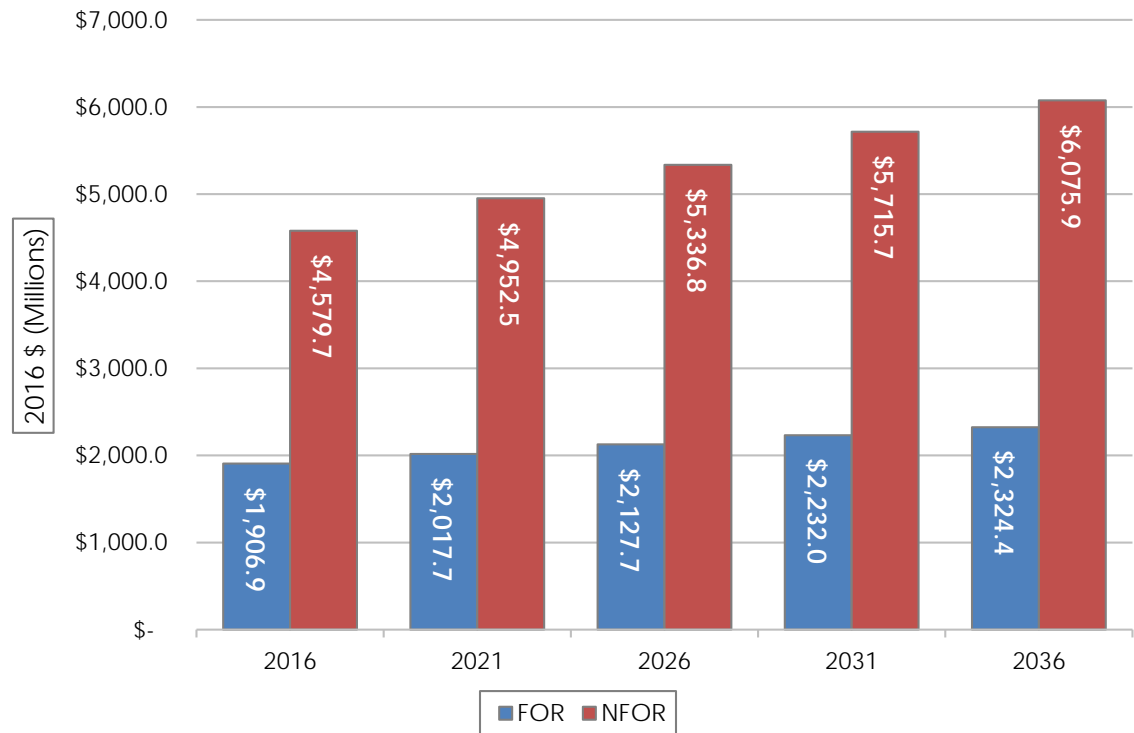
Existing Vacant Commercial Land: **718 Acres**

Commercial Demand Analysis

Commercial Demand Analysis

□ Retail Expenditure Forecast 2016 to 2036

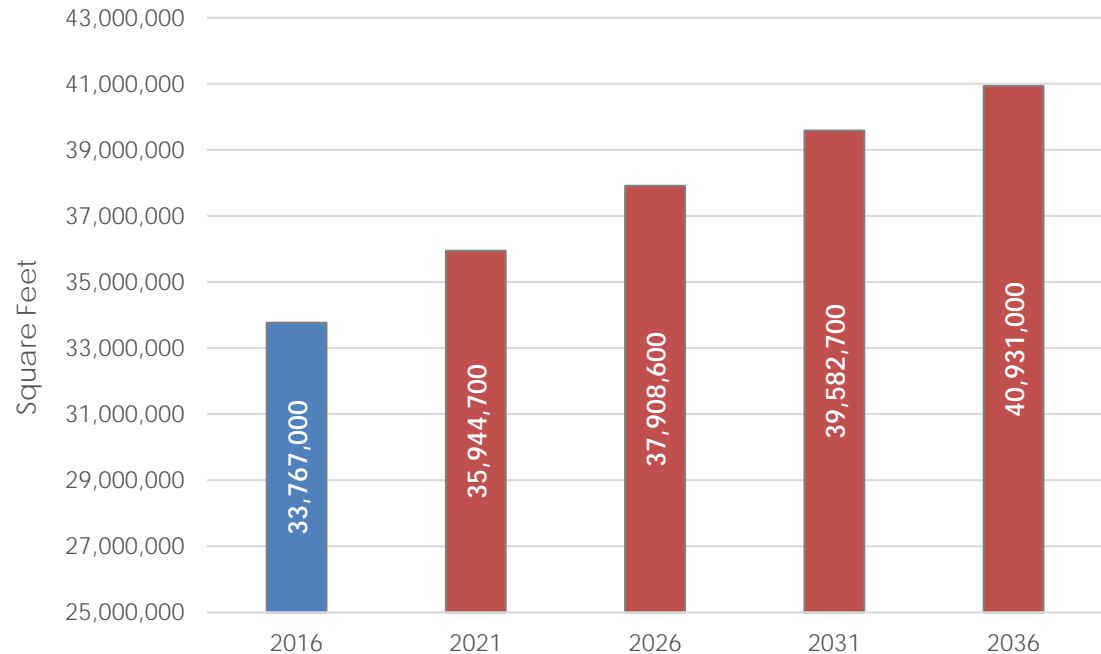
- Growth due to population and per capita expenditure growth
- Expenditures recognize E-commerce
- NFOR expenditures are forecast to increase from \$4,579.7 million in 2016 to \$6,075.9 million in 2036
- FOR expenditures are forecast to increase from \$1,906.9 million in 2016 to \$2,324.4 million in 2036



Commercial Demand Analysis (Cont'd)

Warranted Retail Commercial Space 2016 to 2036 ⁽¹⁾

- The City currently has approximately 33.8 million square feet of retail commercial space
- By 2036, there will be forecast demand for a total of 40.9 million square feet of retail commercial space
- Demand for 7.1 million square feet of new space
- Growth of 21.2%



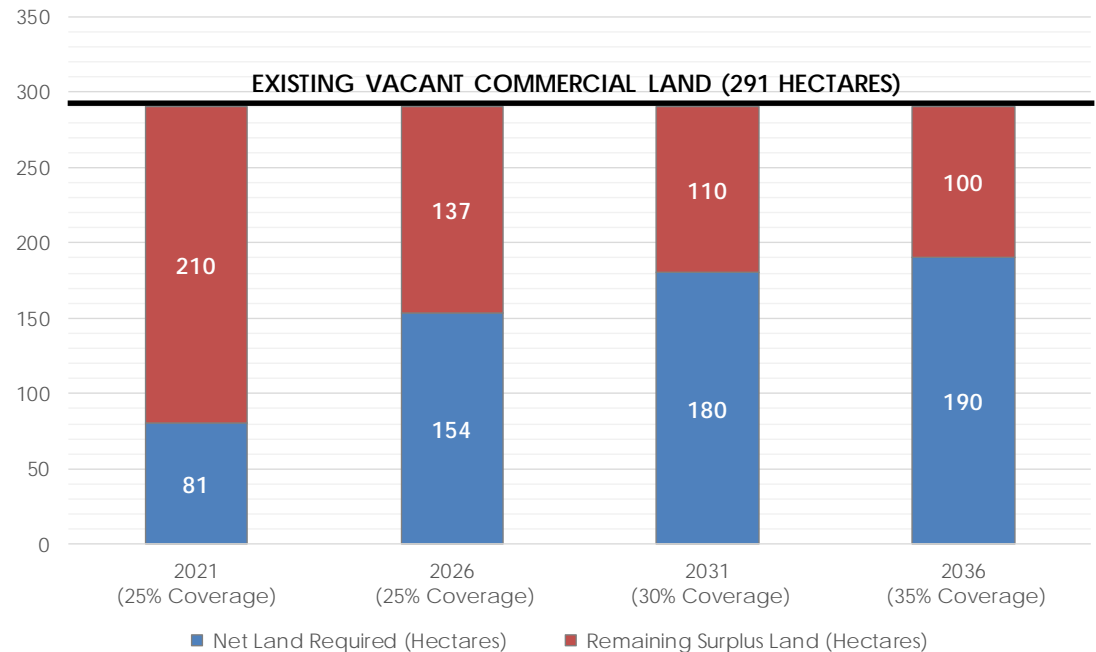
Source: TATE ECONOMIC RESEARCH INC.

¹⁾ 2016 base number is from City of Winnipeg Property Assessment Database and TER fieldwork

Commercial Demand Analysis (Cont'd)

Commercial Land Needs (2021 to 2036)

- Currently, Winnipeg has 291 hectares (718 acres) of vacant commercial land
- Coverage is forecast to increase post-2026, from 25% 2016 to 2026, to 30% by 2031, and to 35% by 2036
- By 2036, Winnipeg will require 190 hectares (470 acres) of vacant commercial land to meet demand
- Surplus of 100 hectares (248 acres) in 2036



Phase 2: Strategic Policy Recommendations

Strategic Policy Recommendations

□ Broad themes to be discussed:

1. Enhancements to the Employment Lands Policy Framework
 - Revisiting the existing policy and zoning framework
 - Explore the potential creation of a new employment category
 - Restrict Sensitive uses in Employment Areas
 - Employment supportive uses
 - Transit-oriented development areas
 - Revisit major redevelopment designation sites

Strategic Policy Recommendations

(Cont'd)

□ Broad themes to be discussed:

2. Protection of Employment Areas

- Conversion of Employment Lands to non-employment uses
- Major Retail in Employment Areas
- Protection of prime industrial sites

Strategic Policy Recommendations

(Cont'd)

□ Broad themes to be discussed:

3. Financing Approaches to Infrastructure Servicing in Employment Areas + Employment Intensification
 - Financial development strategies
 - Cost competitiveness
 - Intensification within Employment Areas
 - Brownfield strategy

Strategic Policy Recommendations

(Cont'd)

□ Broad themes to be discussed:

4. Enhancements to the Commercial Lands Policy Framework
 - Approaches to intensification in Regional Mixed-Use Centres and Regional Commercial Centres

Next Steps

- ❑ Incorporate comments from November 27, 2017 stakeholder workshop into final report

- ❑ Release final report in late December 2017/early January