Agenda – Executive Policy Committee – March 18, 2025

Report – Standing Policy Committee on Property and Development – March 6, 2025

Item No. 3 2024 Complete Communities Land Monitoring Report

STANDING COMMITTEE RECOMMENDATION:

On March 6, 2025, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the 2024 Complete Communities Land Monitoring Report (attached as Appendix A) be received as information.

Agenda – Executive Policy Committee – March 18, 2025

Report – Standing Policy Committee on Property and Development – March 6, 2025

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On March 6, 2025, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

On February 6, 2025, the Standing Policy Committee on Property and Development laid the matter over to its meeting on March 6, 2025.

David Grant submitted a communication with respect to the matter.

ADMINISTRATIVE REPORT

Title: 2024 Complete Communities Land Monitoring Report

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Veitch	J. Veitch (Acting)	T. Graham	S. Armbruster, Interim CAO

EXECUTIVE SUMMARY

The *2024 Complete Communities Land Monitoring Report* (Appendix A) seeks to provide an accurate picture of recent residential and non-residential development activity and estimated land supplies to support policy and decision-making. As per *Complete Communities 2.0* (CCDS) policy, it is required to be updated annually as a critical tool to monitor and inform the CCDS's implementation. It provides an update based on development activity in the last year.

Its main findings are similar to last year, and include the following:

- In 2023, 53 percent of all permits issued for the construction of new residential dwelling units were located in the intensification target area[1]. This is the same figure as in 2022. Over the last five years, the City has averaged 57 percent. Both figures exceed CCDS's 50 percent target; this is expected to continue going forward.
- As of January 1, 2024, the City has a healthy supply of vacant greenfield residential land, with estimated supplies of 12.5 years of vacant planned land, nine years of vacant serviced land, and 5.5 years of vacant serviced land where infrastructure is installed and the subdivision by-law is approved. This compares to 13.5, 10, and 6.5 years in last year's report, and exceed CCDS targets of 10, five-to-seven, and three-to-five years respectively. Council will need to continue to invest in timely planning and servicing as appropriate in order to maintain this healthy supply.
- As of January 1, 2024, the City has an estimated 5.3 years of unencumbered, shovel-ready vacant industrial-zoned land. This is a slight decrease from 5.6 years in the previous report. While this may seem reasonable at first glance, its ability to accommodate growth is limited by the site preferences of potential users and the limited

[1] Defined in *Complete Communities 2.0,* this is the portion of the urban area of the city that is considered to be built out (on a neighbourhood basis). Development that occurs within the intensification target area is generally considered infill development, while outside is either greenfield or rural development. It includes a range of Urban Structure designations, including Downtown and Mature Communities, as well as most Corridors and Recent Communities.

extent to which these sites are being actively marketed. Additional supply stands to be added in the coming years with the servicing of the first phase of CentrePort South.

- As of January 1, 2024, the City has an estimated 26 years of vacant commercial land, marking the continued persistence of an oversupply first identified in the 2018 *Employment and Commercial Lands Study*. This is a slight decrease from 27 years in last year's report. Limited market-related incentive to retail intensification and increased interest in developing commercial lands for residential uses can be expected.

It also links land supply monitoring with CCDS implementation by reporting on City initiatives that will help it achieve its intensification targets, updating the Greenfield Development Opportunities and Constraints table found in the Appendix of *Complete Communities 2.0*, and by providing timing recommendations for growth-enabling infrastructure and secondary plans needed to maintain a healthy supply of greenfield land.

RECOMMENDATIONS

1. That the 2024 Complete Communities Land Monitoring Report (attached as Appendix A) be received as information.

REASON FOR THE REPORT

On May 26, 2022, the *Complete Communities Direction Strategy 2.0 By-law* 119/2020 came into effect as a secondary plan covering the entire city. It is intended to guide growth, development, and land use in support of the City's development plan, *OurWinnipeg 2045*.

Policy B1.5.2 (General Growth) of Complete Communities 2.0 directs the Public Service as follows:

5.2 Report annually to Council on:

a. Residential development patterns and the City's progress towards achieving the intensification target;
b. Actions undertaken by the City in the previous year aimed at achieving the intensification target;
c. The supply of vacant serviced and planned greenfield land;
d. Changes to conditions described in the table of greenfield development opportunities and constraints contained in Appendix A; and
e. Other contextual economic measures as appropriate.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications to receiving this report as information.

HISTORY/DISCUSSION

Introduction

The *2024 Complete Communities Land Monitoring Report* (Appendix A) seeks to provide an accurate picture of recent residential and non-residential development activity and estimated land supplies to support policy and decision-making and City investment planning. As per *Complete Communities 2.0* (CCDS) policy, it is required to be updated annually as a critical tool to monitor and inform the CCDS's implementation. In particular, it will help implement its policies, including:

- Prioritizing growth in areas that best support Complete Communities principles;
- Accommodating market demand for new housing;
- Providing for predictable development through the timely delivery of City-funded growth-enabling and growth-supportive infrastructure; and
- Optimizing existing infrastructure and services (Policy B1.1.1, General Growth).

The report's findings were developed in consultation with industry stakeholders, including close collaboration with the Urban Development Institute (UDI Manitoba) in quantifying its greenfield residential land supply.

Intensification target

In 2023, 53 percent of all permits issued for the construction of new residential dwelling units were located in the intensification target area.

In each of the last five years, the City has exceeded *Complete Communities'* 50 percent target, with an annual average of 57 percent. This can be largely attributed to the increase in multifamily units relative to the forecast upon which the target was based. This is a notable shift in the residential market in that, prior to 2018, the City had exceeded 50 percent intensification only once.

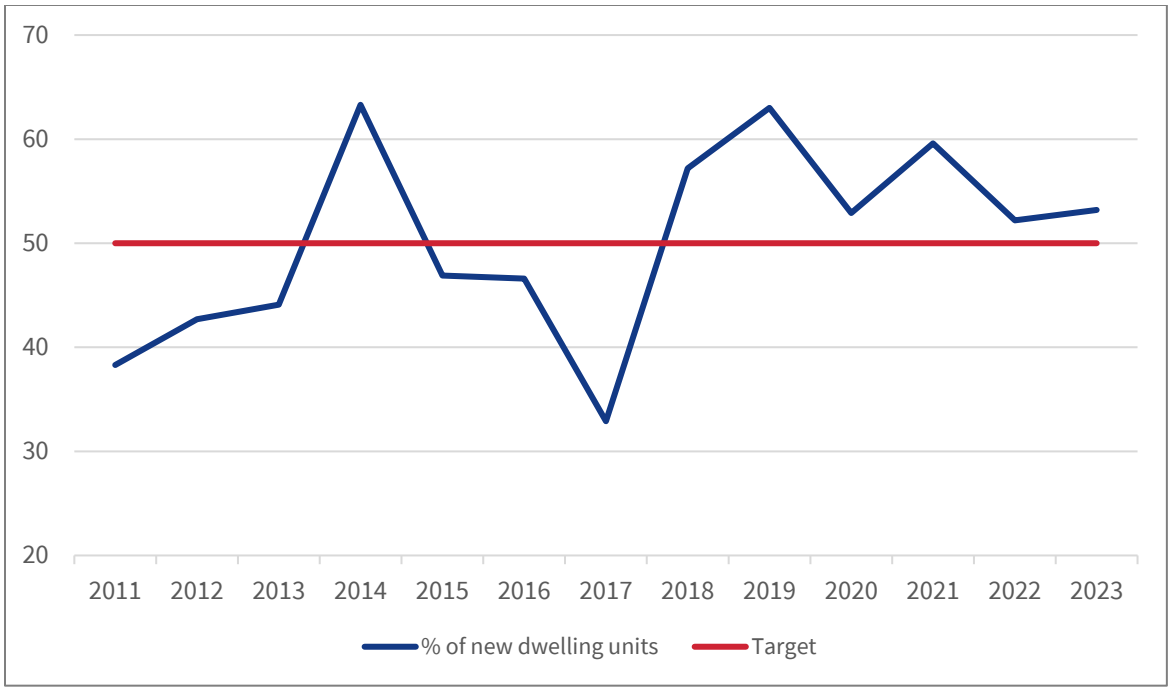


Figure 1: Percent of new residential dwelling units as intensification, by year

Based on the City's *25-Year Population, Housing, and Employment Projections*, released by the Office of Economic Research in August 2024, and assuming forecasted dwelling types are distributed to infill and greenfield areas in line with recent historical averages, it can be expected that the City's intensification rate will consistently surpass its 50 percent target over the next 25 years.

For Downtown, *Complete Communities 2.0* establishes a minimum target of 350 new dwelling units per year to 2030, and 500 units per year after that. In 2023, permits were issued for 334 new dwelling units. However, its annual average over the last five years has been 375. Given the size of Downtown projects, a high level of year-over-year variance is common.

Other residential development trends

In 2023, 73 percent of new residential units were accommodated in apartment dwelling types, as opposed to 18 percent in single-detached dwellings ("singles"), 5 percent in rowhouse dwellings ("rows"), and 4 percent in semi-detached ("semis") dwellings. This is comparable to the five-year average of 65 percent apartments, 25 percent singles, 6 percent rows, and 4 percent semis, but a significant increase from 2022, which saw 59 percent of all new dwelling units as apartments.

Over the longer term, the share of new dwelling units as apartments has been accelerating. 2023 marked the first year since 2001 that housing starts for single-detached dwellings were well below 1,000. That year saw 906 singles against 1,135 total starts, while 2023 saw 981 singles against 4,788 total starts.

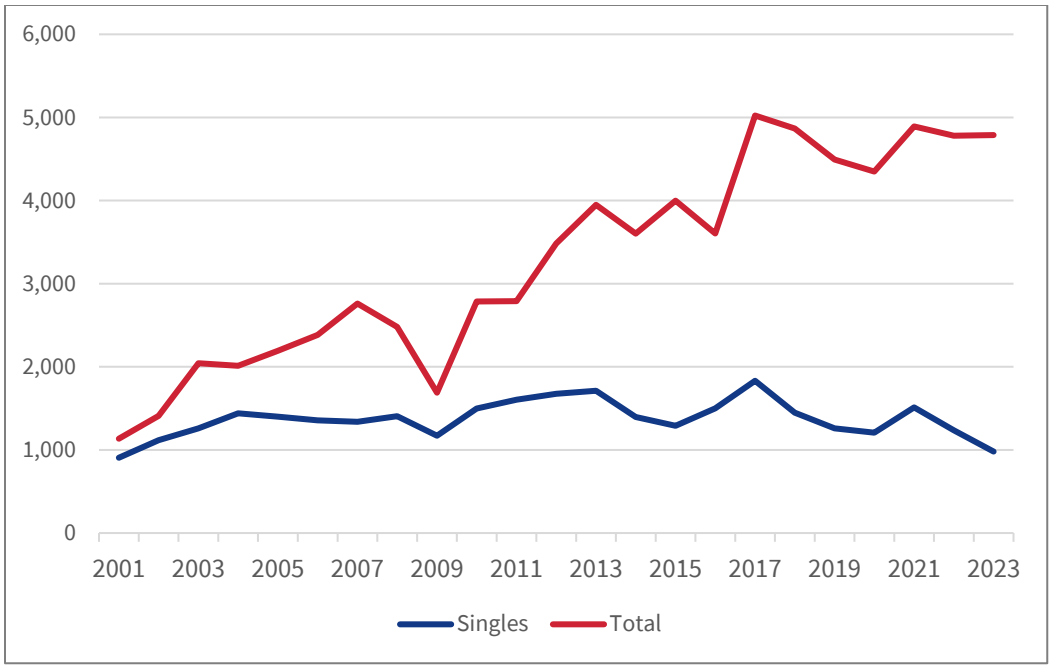


Figure 2: Housing starts, single-detached and total dwellings, 2001-2023 (source: CMHC Housing Market Information Portal)

Compared to recent history, 2023 saw an unusually high number of new greenfield apartment dwelling units at 1,409. This compares to an annual average of 831 over the last five years. 485 of these dwelling units were located in Waverley West (Bridgwater) Town Centre alone.

In 2023, permits were issued for the construction of 163 secondary suites, which is a slight decline from 187 the previous year.

Greenfield residential land supply summary

Greenfield land refers to urban development that occurs on previously-undeveloped land, and is needed to reliably and predictably accommodate demand for housing, particularly ground-oriented dwelling units[2]. The City of Winnipeg currently has a healthy supply of vacant greenfield land, with its supplies exceeding all *Complete Communities'* targets (see below). But while the timing of precinct planning processes and growth-enabling infrastructure is not immediately urgent, Council will need to continue to appropriately invest in these items in order to maintain this healthy supply.

[2] Ground-oriented housing has a separate exterior door that opens directly onto the street without passing through a common lobby or corridor. Includes single-detached, semi-detached, and rowhouse dwellings.

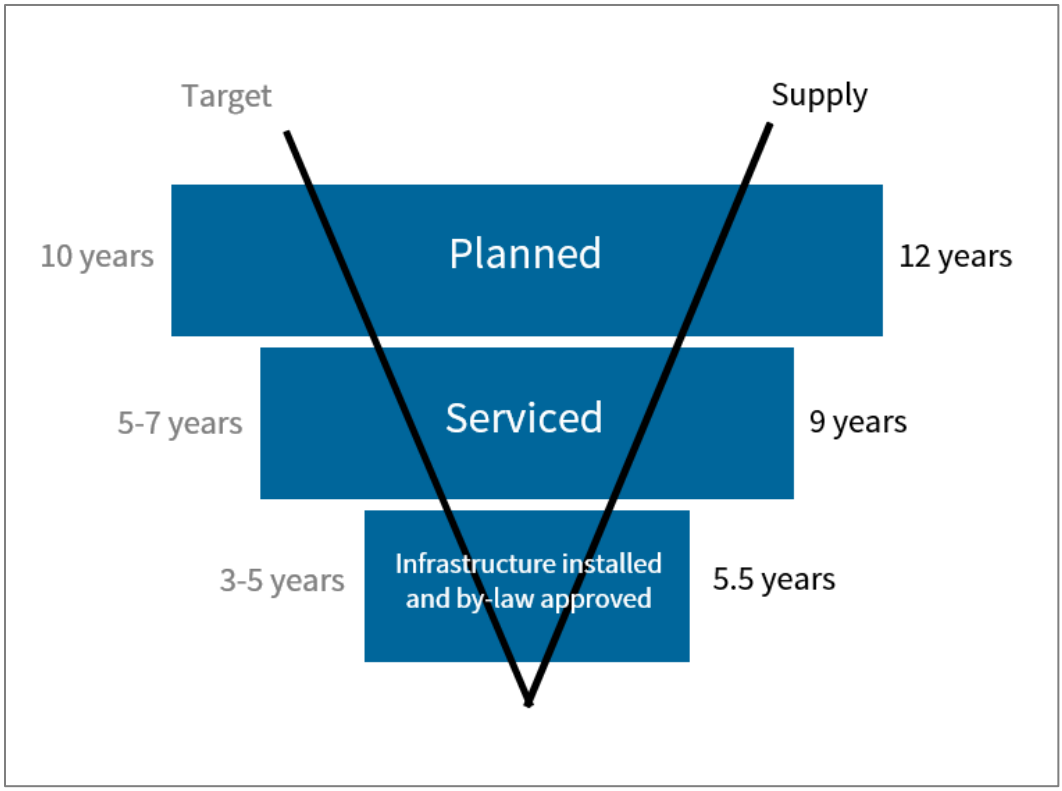


Figure 3: Greenfield land supplies in relation to Complete Communities 2.0 targets, as of January 1, 2024

These estimates are based on a demand scenario that assumes the continuation of existing development trends. Changes in greenfield development rates and/or densities would impact this estimated supply. The implications of more drastic demographic and/or market changes are also considered.

Non-residential land supplies and development trends

This analysis identified 308 acres of unencumbered, shovel-ready, vacant industrial zoned land in the City of Winnipeg as of January 1, 2024, which translates to an estimated 5.3-year supply. Additional supply exists where sites may be regionally serviced but locally unserviced, where they may be designated but not zoned for employment uses, and where a reasonable amount of intensification could occur on existing occupied sites. While this supply may appear reasonable at first glance, its ability to accommodate growth is limited by the site preferences of the potential user and land availability at a given time.

In 2023, 88 acres of vacant industrial-zoned land were absorbed[3] in the City of Winnipeg. This compares to a five-year average of 71 acres. In 2022, 63 total acres of vacant industrial land were absorbed in the City, compared to 41 acres in the RM of Rosser, 27 acres in the RM of Headingley, and 11 acres in the RM of East St Paul; the City of Winnipeg accounted for 41 percent of all vacant land absorbed in adjacent Capital Region employment areas in this time.

This analysis also identified a vacant commercial land supply of 554 acres, which is estimated to translate to a 26-year supply. These results affirm the continued persistence of an oversupply

[3] In this context, a property is considered absorbed if a new building is erected on previously-vacant land.

of commercial land first identified in the 2018 *Employment and Commercial Lands Study*. This continued oversupply can be expected to result in limited market conditions for retail intensification and increased interest in developing commercial lands for alternative uses.

In 2023, the volume of non-residential development activity saw a notable decline from previous years. Permits were issued for the construction of approximately 1.2 million square feet of non-residential floor area, down from 2.4 million in 2022. It is estimated that this permit activity is the equivalent of 1,530 jobs. Notable non-residential projects include:

- A two storey, 211,413 sq. ft. addition to an existing manufacturing/warehouse building for Winpak at 100 Saulteaux Crescent in the Murray Industrial Park neighbourhood.
- A 120,640 sq. ft. warehouse addition to an existing building for Future Transfer Co. at 1 Warman Road in the Mission Industrial neighbourhood.
- A 103,000 sq. ft. new school at 355 Des Hivernants Boulevard in the Sage Creek neighbourhood.

Growth management

The report concludes by linking City development activity and land supplies with CCDS 2.0 implementation in a section focused on growth management. It describes actions undertaken by the City in the past year to help achieve the intensification target. Items include rapid zoning bylaw amendments, Housing Accelerator Fund initiatives, and the approval of a downtown secondary plan.

An update to the Greenfield Development Opportunities and Constraints table is provided, a tool originally provided in the Appendix of CCDS 2.0 to help communicate and implement its greenfield phasing policies by highlighting vital information, including anticipated growth-enabling and -supportive infrastructure investments. Sites included in this table have been identified as having at least one planning and/or infrastructure constraint to development which the City will be responsible for overcoming. Anticipated infrastructure projects were updated to reflect current status, need, and recommended timing based on ongoing department analysis.

Finally, in combining infrastructure need with existing land supplies and Council targets, this analysis provides timing recommendations for growth-enabling infrastructure and secondary plans needed to maintain a healthy supply of greenfield land. These recommendations align with City investment planning and are being provided to inform Public Service planning and Council decision-making.

FINANCIAL IMPACT

Financial Impact Statement

Date: **December 19, 2024**

Project Name:

2024 Complete Communities Land Monitoring Report

COMMENTS:

There are no financial implications associated with this report.

Mike McGinn Dec. 19, 2024

Mike McGinn, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

N/A

OURWINNIPEG POLICY ALIGNMENT

OurWinnipeg 2045 policies related to land monitoring activities include the following:

LEADERSHIP AND GOOD GOVERNANCE

a. **Integrated Knowledge and Resources**. Coordinate inter-departmental systems, projects, and resources, making the best use of internal and external expertise to better understand service needs, find the most appropriate solutions, optimize resources, and maximize community outcomes.
b. **Evidence-Informed Decisions**. Invest in data and technology in order to support objective, evidence-informed decision-making; support open government and open data principles for collection and sharing; help coordinate records and information management; and improve process efficiency, results-based service delivery, and accountability.

ECONOMIC PROSPERITY

3.5 **Strategic Enterprise Supports**. Invest in employment lands servicing based on an analysis of municipal and regional supply, municipal return on investment, and future land requirements in industry sectors that are integral to achieving sustainable, local economic growth.

CITY BUILDING

6.6 **Intensification Target**. Achieve the intensification target by making development in intensification target areas easier and more desirable and predictable, as directed in Complete Communities.
6.8 **Plan for and Accommodate Forecasted Growth**. Provide for predictable development, through the timely delivery of City-funded growth-enabling and growth-supportive infrastructure, within the City's financial capacity.
6.14 **Greenfield Phasing**. Provide for timely capital infrastructure and local area plans to enable and support the full build out of greenfield lands in accordance with Complete Communities greenfield phasing policies.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

The *Winnipeg Climate Action Plan* prescribes key directions and actions to implement the City's climate change mitigation efforts. The following plan directions relate to growth management:

- Direction 1.4 Encourage Sustainable Transportation Options.
- Direction 1.8 Ensure that City Land Use, Transportation, and Built Environment Policy, Bylaw, and Regulation Recognize Climate Mitigation and Climate Protection Priorities.
- Direction 3.1 Increase Use and Efficiency of Public Transit Systems
- Direction 3.2 Increase the Density of Urban Development Along Key Transit Corridors.
- Direction 3.3 Design New Suburban Communities to Enable Enhanced Transit Services and Access to Transit Corridors.
- Direction 4.1 Increase Strategic Infill Development that Provides Access to and Capitalizes on Existing and Planned Corridors with Frequent Transit Service.
- Direction 4.2 Ensure New Areas of Growth are Designed According to the Principles of Complete Communities.
- Direction 4.3 Pursue Transit-Oriented Development.
- Direction 4.4 Support Redevelopment of Former Commercial and Industrial Lands into Active Use.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

The *Winnipeg Poverty Reduction Strategy* (2021-2031) is framed around 10-year goals and objectives intended to implement the plan's mission to demonstrate leadership in poverty reduction and to provide City services using a poverty reduction lens. The following goals and objectives relate to growth management:

Goal 2, The City Actively Plans for and Partners in Affordable Housing. 10-year objectives include:

C. Municipal tools, resources, and partnerships are developed and used to encourage and facilitate affordable housing development.

Goal 5, Transportation System Equity is Enhanced. 10-year objectives include:

A. The affordability and accessibility of transportation and transit service is increased.

SUBMITTED BY

Department: Planning, Property, and Development
Division: Urban Planning and Design
Prepared by: Michael Pyl, RPP, MCIP
Date: December 27, 2024

Attachments:

Appendix A: *2024 Complete Communities Land Monitoring Report*