



Making a difference...together

Agenda Item # 9

**REPORT TO PLANNING AND TRANSPORTATION COMMITTEE
MEETING OF WEDNESDAY, MARCH 25, 2009**

SUBJECT **RGS Review: Updated Industrial Land Inventory Report**

PURPOSE

The purpose of the industrial land inventory is to establish a detailed geographic information system (GIS) based industrial land inventory that will be used to inform the Regional Growth Strategy review. The inventory will estimate how much land is currently zoned or designated as industrial; where it is located; and what type and amount may be required in the future.

BACKGROUND

The last regional industrial land inventory was completed in 1983. At that time the region had 1,252 acres of industrial lands (not including extraction lands), most of which was located within the West Shore communities. The report stated that the Core municipalities had minimal provision for further industrial land.

In 1999, a land use review was undertaken as part of the RGS development which examined industrial land (but did not include a detailed inventory). The resulting report, the *CRD OCP Option Report Summary for the Regional Growth Strategy*, described concerns from planners that very little vacant industrial land was available in the region thus limiting the economic development potential and the ability of the region to attract industrial employers. In that same year Colliers International estimated that all the designated industrial land was in use.

In 2000, the CRD estimated that 14% more industrial land would be required to sustain economic expansions through 2026. These numbers were based on a combined commercial and industrial land supply projection completed by the Sheltair group. Sheltair and the CRD examined 3 RGS scenarios (Metro Core and Major Centres; Transit Linked Towns; Walkable Centres) however, no one scenario allocated sufficient industrial land to meet the projected demand. This shortage of industrial supply was reflected in the rates reported in the *1999 Colliers Victoria Industrial Land Report* identifying the rates as the highest among major cities in Canada.

The intent of the attached draft report *CRD Industrial Land Use Inventory and Assessment 2008* (Attachment A) is to update the land use inventory for the region; assess the regional distribution of industrial land; assess the projected demand for industrial land and any related servicing requirements.

Initial Findings

There is a total of 2,133.7 acres of land within the CRD designated and/or zoned for industrial use. The majority of industrial land is within the Core subregion (1,034 acres), followed by the West Shore (685 acres) and Peninsula (415 acres). The two municipalities with the largest amount of industrial land are Saanich and Victoria, each containing more industrial land than the Peninsula municipalities combined, at 531 acres and 458 acres respectively.

The table below breaks down the results to the municipal level:

	Total Industrial Land Area (acres)	Regional Share	Light Industrial (acres)	General Industrial (acres)	Heavy Industrial (acres)	Extraction Industrial (acres)	Marine Industrial (acres)
North Saanich	8.0	0.4%	8.0	0.0	0.0	0.0	0.0
Sidney	151.2	7.1%	104.8	0.0	0.0	0.0	46.4
Central Saanich	255.8	12.0%	164.6	0.0	0.0	91.2	0.0
Peninsula	414.9	19%	277.3	0.0	0.0	91.2	46.4
Saanich	530.8	24.9%	210.7	9.9	310.2	0.0	0.0
Oak Bay	0.0	0.0%	0.0	0.0	0.0	0.0	0.0
Victoria	458.0	21.5%	249.9	69.6	113.0	0.0	25.5
View Royal	3.7	0.2%	3.7	0.0	0.0	0.0	0.0
Esquimalt	41.6	1.9%	33.4	4.0	4.2	0.0	0.0
Core	1,034.0	48%	497.7	83.5	427.4	0.0	25.5
Langford	112.5	5.3%	29.5	82.4	0.6	0.0	0.0
Colwood	28.3	1.3%	1.3	27.1	0.0	0.0	0.0
Metchosin	6.0	0.3%	0.0	0.0	6.0	0.0	0.0
*Highlands	217.8	10.2%	65	97.5	55.19	0.0	0.0
Sooke	143.6	6.7%	4.3	116.0	4.7	0.0	18.6
JdF	176.5	8.3%	0.0	176.5	0.0	0.0	0.0
West Shore	684.7	32%	100.2	499.4	66.5	0.0	18.6
Capital Regional District	2,133.7	100.00%	875.2	582.9	493.9	91.2	90.4

In addition to the supply analysis, employment information was obtained for employers and employees located within the industrially zoned or designated areas. Industrial land in the Core accommodated over 1,500 employers and 17,572 employees. The Peninsula accommodated nearly 400 employers supporting nearly 5,000 employees. The West Shore has 144 employers supporting over 1,100 employees. Based on this analysis the Core accommodated nearly 10 times more industrial employees and employers than the West Shore at the time of this study.

In the Core communities, housing and other non-industrial development has been identified as a key priority. Victoria and View Royal are both expected to update their OCP's in 2009, and it is anticipated that these new plans will rezone some of the industrial land supply to residential. This trade off in favor of housing could force industrial based businesses into other regional districts and subregions.

FINANCIAL IMPLICATIONS

N/A

GROWTH MANAGEMENT IMPLICATIONS

The availability and location of land designation for industrial uses has implications for the economic sustainability of the region. According to the *Technical Evaluation of Vital Economy Indicators* prepared for the CRD (Sheltair, 2000), even the modest employment growth rates projected in 2000 might be difficult to obtain given the limited amount of industrial land available to accommodate certain businesses. The same report suggested industrial losses were likely within the Core, however, a solid alternative for relocating industrial land and businesses was not made.

SUMMARY

The CRD has 2,133.7 acres of industrial land with the majority of which is located in the Core subregion. Proposed changes to municipal zoning and OCP designations would see decreases in supply, with unknown effects on the local economy.

The August 2008, *The Knowledge Report – Industrial for Victoria (Colliers)* (Attachment B) indicated low vacancy rates and high rental costs for industrial land due to limited supply. The high absorption rates that were reported typically follow any new supply figures, meaning that newly available industrial land is leased or bought quickly.

Next steps in this project are to develop an updated demand forecast which should indicate the amount of industrial land required to sustain projected economic and employment growth.

RECOMMENDATION

The attached report be received for information.

Jeff Weightman
Planning Analyst
Regional Planning

Tracy Corbett, MCIP
Senior Manager
Regional Planning

Robert Lapham, MCIP
General Manager
Planning & Protective Services