INDUSTRIAL LAND SUPPLY

2022 ANNUAL REPORT

URBAN GROWTH | PLANNING & ENVIRONMENT SERVICES | URBAN PLANNING & ECONOMY

OVERVIEW

Industrial areas support the provision, movement and storage of goods, while also supporting commercial and other land uses in an appropriately serviced environment that includes roads, water mains, storm and wastewater systems, and public transit. These non-residential areas support the economic development, land use and employment objectives outlined in the Edmonton Economic Action Plan, The City Plan and ConnectEdmonton.

The City Plan (policy 3.3.2.1) indicates that Edmonton must "maintain land supply necessary to support continued industrial growth", while also using its established industrial lands efficiently to support reinvestment and diversification of businesses. This report identifies the amount and distribution of vacant industrial-zoned land available for future development, as well as reserve industrial land. Reserve industrial land is land located in industrial neighbourhoods that are zoned Agricultural (AG) and Industrial Reserve (AGI) that will be available for industrial use once rezoned. The data included in this report can be used to inform an assessment of whether or not the city has an adequate supply of land to support future industrial development. Development trends were determined by comparing past and current vacant industrial land supply reports.

INDUSTRIAL LAND SUPPLY

The City Plan's Non-Residential Opportunities Network identifies two distinct areas in Edmonton designated to accommodate industrial development: the established non-residential area and the new non-residential area. The established non-residential area comprises existing industrial and mixed-use neighbourhoods separated into three key industrial areas: Northeast, Northwest and South (Figure 1). The new non-residential area includes the Edmonton Energy and Technology Park (EETP) in the northeast and designated non-residential lands in the city's future growth area (Crossroads area).

In 2022, Edmonton had 6,715 hectares (ha) of vacant land in designated industrial areas, a decrease of 31 ha from 6,746 ha in 2021 (Table 1). Over the past five years (2018 to 2022), the vacant industrial land supply has decreased by an average of 30 ha per year. This change in land supply is due to actions that both decrease and increase the total amount of industrial land available through new development and approval-related processes, such as rezonings, permit cancellation, changes in land use or subdivision road area removals.

The Northwest Industrial area saw the greatest change in available land in 2022, with a decrease of 35 ha. This reduction in vacant industrial land is mainly due to new industrial development and subdivision. In contrast, the South Industrial area increased by 23 ha due to rezonings and permit cancellations.

Overall, 21 per cent of vacant industrial land in 2022 was in the established non-residential area and 79 per cent was in the new non-residential area. This division has been consistent since 2018. Every year from 2018-2021 inclusive has had 22 per cent of vacant industrial land in the established non-residential area and 78 per cent in the new non-residential area.

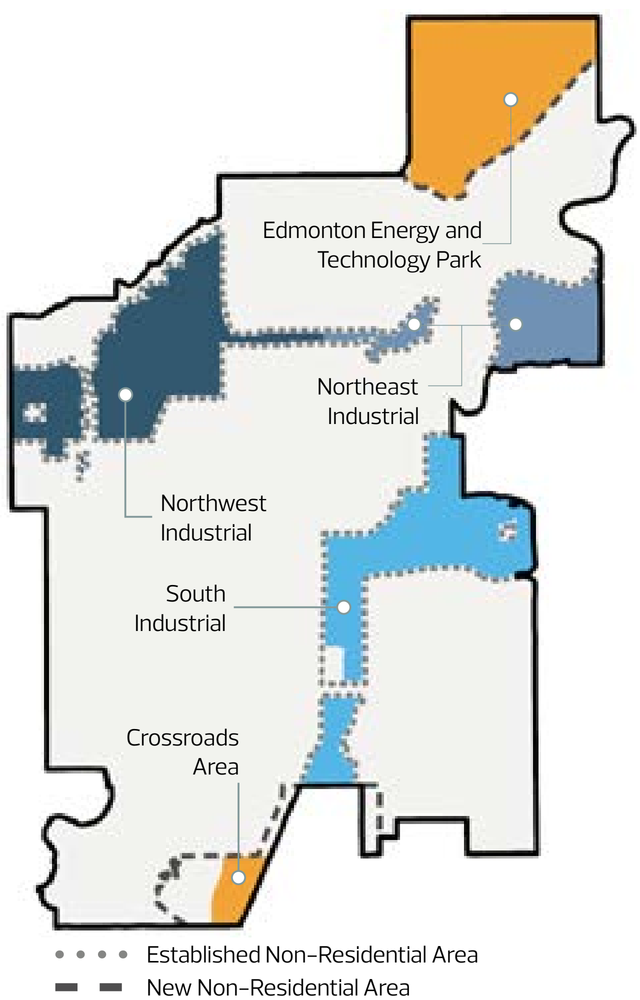


Figure 1. Designated Industrial Areas

Table 1. Vacant Industrial Land by Industrial Area (ha)

Industrial Areas		2018	2019	2020	2021	2022
Established Non-Residential Area	Northeast	188	188	186	175	176
	Northwest	802	799	796	752	717
	South	547	528	520	524	547
	Sub Total	1,537	1,515	1,502	1,451	1,440
New Non-Residential Area	EETP*	4,753	4,753	4,746	4,746	4,746
	Crossroads Area**	574	552	551	549	529
	Sub Total	5,327	5,305	5,297	5,295	5,275
Grand Total		**6,864**	**6,820**	**6,799**	**6,746**	**6,715**

**Edmonton Energy and Technology Park*

***Crossroads Area was annexed in Jan 2019. The City started tracking the associated Vacant Industrial land in 2018.*

INDUSTRIAL LAND ABSORPTION

In 2022, three industrial projects contributed the highest industrial land absorption, including those located in the Mistatim industrial neighbourhood, in the Ellerslie industrial neighbourhood, and in the Edmonton South Central Industrial neighbourhood. The new non-residential lands, especially Crossroads, with a consolidated Area Structure Plan, experienced new development approvals. In 2022, 14 ha were absorbed in the Crossroads area.

Industrial land absorption calculations are obtained from site area (not parcel area) in hectares based on development permits that the City issues. In 2022 there was an increase in industrial vacant land absorption to 50 ha from 32 ha in 2021 (Figure 2.A). The area with the greatest absorption in 2022 (25 ha) was the South Industrial area. Figure 2.A also illustrates that the amount of land absorbed each year can vary significantly.

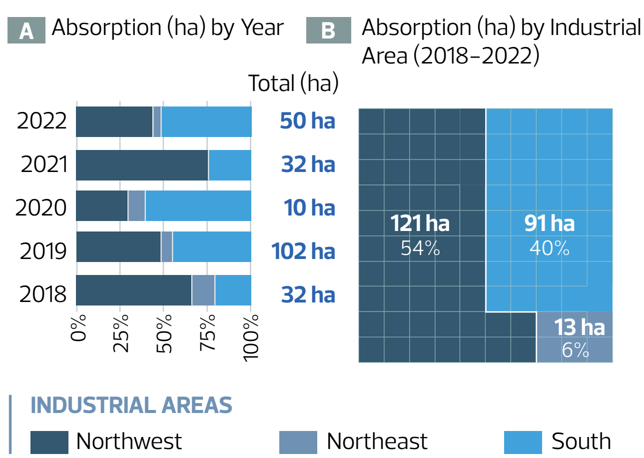


Figure 2. Industrial Land Absorption by Year and by Industrial Area (2018– 2022)

Over the past five years, a total of 224 ha of industrial land was absorbed (Figure 2. B), at an average of 45 ha per year. The Northwest Industrial area experienced the most active industrial development, with 121 ha or 54 per cent of the total land absorption, followed by the South Industrial area with 91 ha or 40 per cent of the total land absorption.

VACANT LAND AVAILABILITY BY ZONE AND PARCEL SIZE

Vacant lands in new non-residential areas reserved for future long-term industrial use, including the AG and AGI zones, are typically unsubdivided parcels larger than 10 ha in size. Figure 3 shows that 67 per cent (4,471 ha) of the city's vacant industrial land supply falls in this category, the majority of which (4,067 ha) is AG land in the EETP. The rest of the land supply is more evenly distributed among the major industrial zones, including Industrial Business Zone (IB), Light Industrial Zone (IL), Medium Industrial Zone (IM) and Heavy Industrial Zone (IH).

See the Edmonton Zoning Bylaw for a list of the types of industrial development that can occur in the above industrial zones.

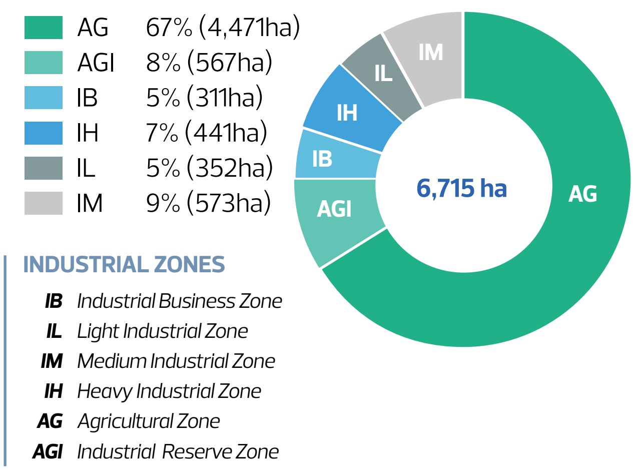
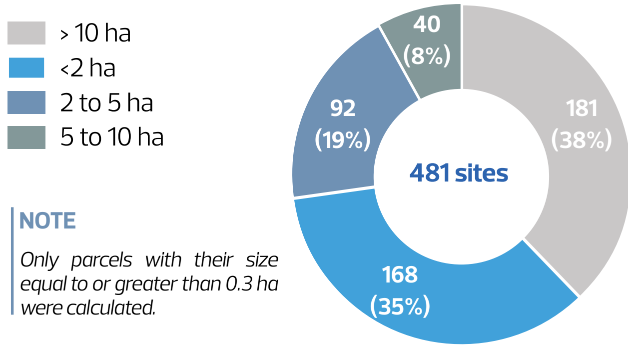


Figure 3. Vacant Industrial Land Area by Zone (2022)

The most common parcel sizes of industrial land in Edmonton in 2022 were parcels greater than 10 ha and parcels less than 2 ha in size (Figure 4). Thirty-eight (38) per cent of vacant parcels (181 sites) were larger than 10 ha and 35 per cent of parcels were smaller than 2 ha (168 sites). Changes to the distribution of parcel sizes over time are most often the result of large site subdivisions and servicing.

Note that lots with a size below 0.3 ha are not tracked. Some of these smaller parcels may also be subdivided for intensified land uses.



NOTE

Only parcels with their size equal to or greater than 0.3 ha were calculated.

Figure 4. Number of Vacant Industrial Land Sites by Parcel Size (2022)

INDUSTRIAL NEIGHBOURHOODS WITH PROMINENT CHANGES

The top five neighbourhoods with the most significant absorption in vacant industrial land inventory between 2018 and 2022 were all in the established non-residential area. They are: Mistatim Industrial, Rampart Industrial, Gorman, Maple Ridge and Winterburn Industrial Area West (Figure 5). Vacant industrial land in Mistatim Industrial in the Northwest Industrial area was reduced by 54 ha of vacant land over the 5 year period, with an average annual land supply decrease of 11 ha.

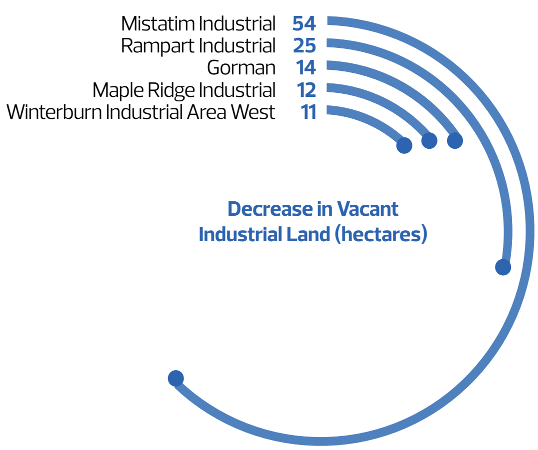


Figure 5. Top Five Neighbourhoods with the Greatest Decrease in Vacant Industrial Land Supply (2018 - 2022)

VACANT LAND SUPPLY DISTRIBUTION

In 2022, eight neighbourhoods in the established non-residential area each had more than 100 ha available for future industrial growth and development. These are unchanged from 2021 and included Winterburn Industrial Area East, Ellerslie Industrial, Winterburn Industrial Area West, Clover Bar Area, Maple Ridge Industrial, Mistatim Industrial, Rampart Industrial and Pylypow Industrial (Figure 6).

The EETP (4,746 ha) and Crossroads Area Structure Plan (549 ha) are the newest non-residential areas and have a significant amount of vacant industrial land available to support Edmonton's long-term industrial development. The EETP is planned with specific precincts to accommodate petrochemical development, medium industrial, and research and development.

CONCLUSION

The report shows that 21 per cent of Edmonton's industrial vacant land was located in the established non-residential area in 2022, comprising a total of 1,439 ha including 820 ha of zoned industrial land and 619 ha of reserved land (zoned as AG and AGI). As compared to 2021, the total hectares of vacant industrial land available decreased by 0.8 per cent (11 ha) in 2022, generally due to the absorption of land by new development.

The new non-residential areas comprise the majority of the vacant industrial land and reserve land. The total hectares of vacant industrial land decreased by 20 ha from 2021 to 2022, representing only a 0.3 per cent decrease.

The annual average absorption rate increased from 42 ha for the five year period from 2017 and 2021 to 45 ha for 2018-2022. The economic slowdown in 2016 and the impacts of the COVID-19 pandemic significantly decreased annual vacant land absorption rates compared to before 2017 (the average annual absorption rate was 156 ha from 2012 to 2016). Edmonton's pandemic recovery momentum carried onward from 2021 into 2022 (City of Edmonton Q4 2022 Economic Update, p. 1). If this trend continues, faster industrial growth and development may play a role in the city's economic recovery.

Based on the current 5 year average absorption rate of 0.7 per cent per year and the remaining vacant industrial land supply of 6715 ha, it appears that Edmonton has sufficient land supply to meet the long-term demand for industrial development as the city grows to a population of 2 million following the vision described in the City Plan.

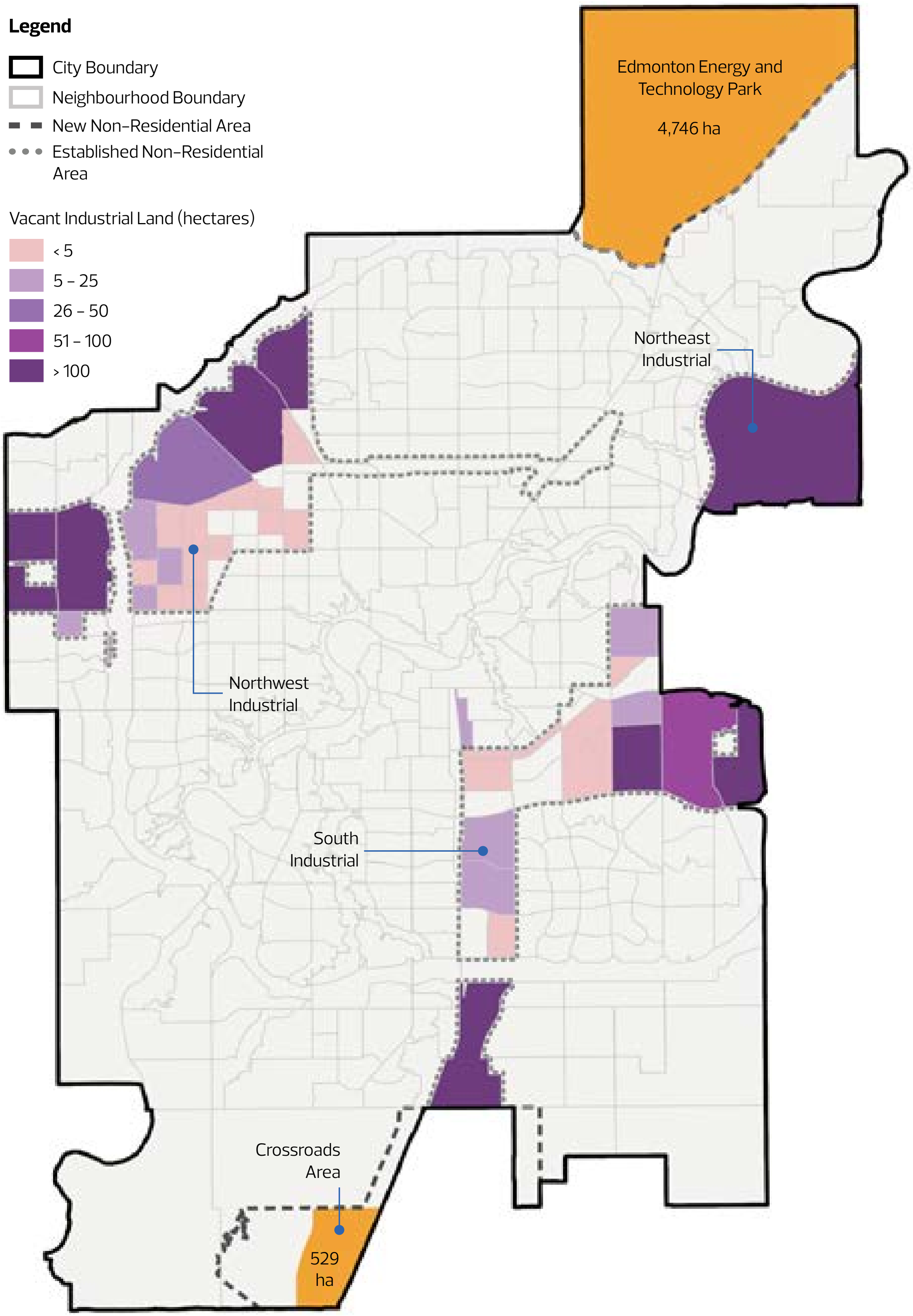


Figure 6. Vacant Industrial Land Supply (2022)