INDUSTRIAL LAND SUPPLY

2023 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 industrial areas form part of the non-residential opportunities network to support the economic development, land use and employment objectives outlined in ConnectEdmonton, The City Plan, the Edmonton Economic Action Plan and the Industrial Investment Action Plan.

The City Plan (policy 3.3.2.1) states 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 business activity. This report also supports the Industrial Investment Action Plan, sub-Action 2.2, which calls for "...a shovel-ready land supply forecast...by establishing a vacant land inventory data set...".

This report summarizes the amount and distribution of vacant industrial-zoned land available for future development, as well as reserve industrial land. Reserve industrial land is located in industrial neighbourhoods, but is not yet zoned for industrial use[1]; the land is anticipated to be available for industrial use once rezoned. Figure 1 and Map 1 also show the Agricultural/Non-Residential area defined in the non-residential opportunities network on Map 5 of The City Plan. These lands will transition to become new non-residential areas over time. The data included in this report can be used to assess whether the city has an adequate supply of land to support projected industrial activities. Development trends were determined by comparing past and current vacant industrial land supply reports (follow this link for past reports).

INDUSTRIAL LAND SUPPLY

The City Plan's Non-Residential Opportunities Network identifies the established non-residential and new non-residential areas as two distinct areas. These areas are intended to accommodate and support industrial development in Edmonton. The established non-residential area consists of existing industrial and mixed-use neighbourhoods separated into three key industrial areas: Northeast, Northwest and South.

The new non-residential area includes the designated non-residential lands in the city's Future Growth Area (Crossroads) and the Edmonton Energy and Technology Park (EETP) in the northeast. The outlines of the established and new non-residential areas include some lands that are either commercial or not yet part of a planned industrial area (no Area Structure Plan is in place), as shown by the unshaded portions in Figure 1.

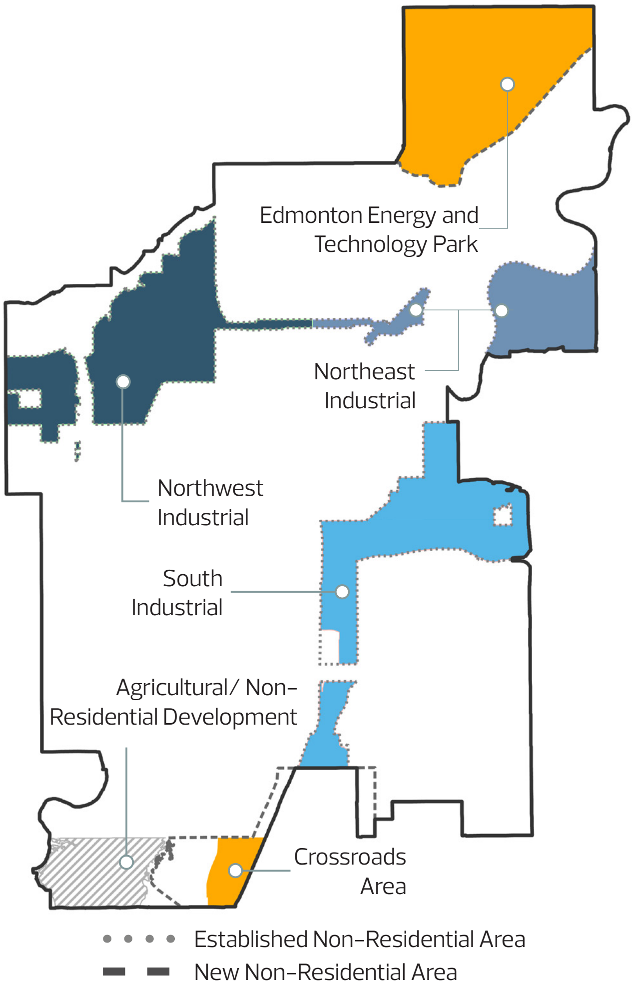


Figure 1. Designated Industrial Areas

[1]Under the Edmonton Zoning Bylaw 12800 (which was in effect through December 21, 2023) the lands were zoned Agricultural (AG) and Industrial Reserve (AGI). Refer to Bylaw 12800 for a list of industrial zones and the types of industrial development that were permitted within each of the different industrial zones. With the approval of the new Zoning Bylaw 20001 (effective January 1, 2024), future reporting will be aligned with the equivalent industrial zones accordingly.

In 2023, Edmonton had 6,687 hectares (ha) of vacant land across all industrial areas, not including the Agricultural/ Non-Residential Development area. This is a decrease of 28 hectares from the 6,715 hectares of vacant land in 2022 (Table 1). Over the past five years (2019 to 2023), the vacant industrial land supply decreased by an average of 27 hectares per year. This change in land supply is due to absorption, as well as other actions that can either decrease or increase the total amount of industrial land available. These include rezonings, permit cancellations, changes in land use or subdivision road area removals. Furthermore, in previous versions of this report, smaller parcels (under 0.5 ha) were excluded. This year, the threshold was lowered to 0.3 ha to capture more of the potential supply of developable parcels for industrial development. This added 11 ha of potential land supply to the vacant industrial land inventory.

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

Industrial Areas		2019	2020	2021	2022	2023
Established Non-Residential Area	Northeast	188	186	175	176	151
	Northwest	799	796	752	717	738
	South	528	520	524	547	527
	Sub Total	1,515	1,502	1,451	1,440	1,415
New Non-Residential Area	EETP*	4,753	4,746	4,746	4,746	4,746
	Crossroads Area**	552	551	549	529	526
	Sub Total	5,305	5,297	5,295	5,275	5,272
Grand Total		**6,820**	**6,799**	**6,746**	**6,715**	**6,687**

**Edmonton Energy and Technology Park*

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

The Northeast and South Industrial areas saw the greatest change in available vacant industrial land in 2023, with a decrease of 25 hectares and 20 hectares respectively. This reduction in vacant industrial land is mainly due to new industrial development and subdivision. In contrast, the Northwest area increased by 21 hectares due to rezonings and permit cancellations.

Within the New Non-Residential Area, the Crossroads Area vacant industrial land has decreased by 26 hectares in the past 5 years, which also aligns with the date the land was annexed by the City. The majority of that decrease occurred shortly after The City Plan came into effect (20 ha, from 2021 to 2022).

The proportion of vacant industrial land between the established and new non-residential areas has been consistent at 21 per cent in established areas and 79 per cent in new areas since 2019.

INDUSTRIAL LAND ABSORPTION

Overall, 25 net hectares of industrial land was absorbed specifically for development approvals in 2023. This amount is half of the amount of the absorption in 2022 (Figure 2.A).

Industrial land absorption calculations are obtained from site area (not parcel area) in hectares based on development permits issued by the City. The industrial area with the greatest absorption in 2023 was the South Industrial area with 19 hectares in the established non-residential area. The remaining 3 hectares was absorbed in the Northeast Industrial area. Figure 2.A also depicts that the amount of land absorbed can vary notably from year to year.

Five industrial neighbourhoods experienced the highest industrial land absorption in 2023. The top three neighbourhoods are located in the South Industrial area, with the remaining in the Edmonton South Central and Clover Bar Area neighbourhoods. The Pylypow Industrial neighbourhood led with 9 hectares, followed by the Parsons Industrial neighbourhood and Southeast Industrial neighbourhood, each recording an absorption of 5 hectares of industrial land respectively. The Crossroads, within the Edmonton South Central Industrial neighbourhood in the new non-residential area, had 3 hectares of industrial land absorbed due to development approvals. The Clover Bar Area neighbourhood in the Northeast Industrial area also had 3 hectares of land absorbed for industrial development.

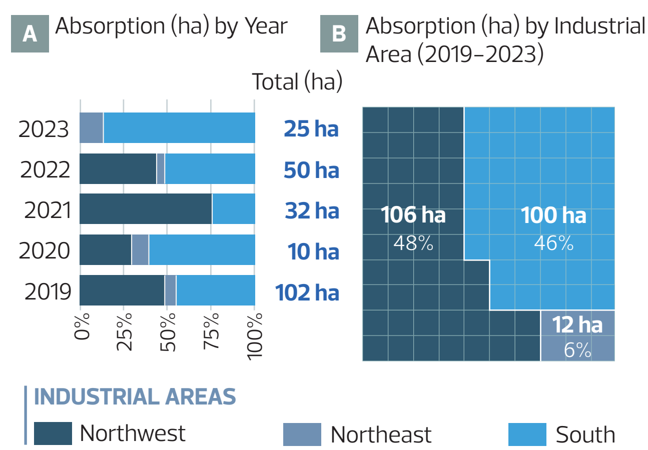


Figure 2. Industrial Land Absorption by Year and by Industrial Area (2019- 2023)

Over the past five years, a total of 218 hectares of industrial land have been absorbed (Figure 2. B), at an average of 44 hectares per year. Even though the Northwest Industrial area had no absorption in 2023, it has experienced the most overall industrial development in the past five years, with 106 hectares or 48 per cent of the total land absorption, followed by the South Industrial area with 100 hectares or 46 per cent of the total land absorption. Six per cent of vacant industrial land was also absorbed in the Northeast.

VACANT LAND AVAILABILITY BY ZONE AND PARCEL SIZE

Vacant lands in new non-residential areas, including the AG and AGI zones, are typically unsubdivided parcels. Many are larger than 10 hectares in size. Sixty-six per cent (4,432 hectares) of Edmonton's total vacant industrial land supply falls in the AG zone (Figure 3). The EETP has the largest share of the AG zone land (4,058 hectares). The rest of the land supply is more evenly distributed among the major industrial zones, including the Industrial Business Zone (IB), Light Industrial Zone (IL), Medium Industrial Zone (IM) and Heavy Industrial Zone (IH).

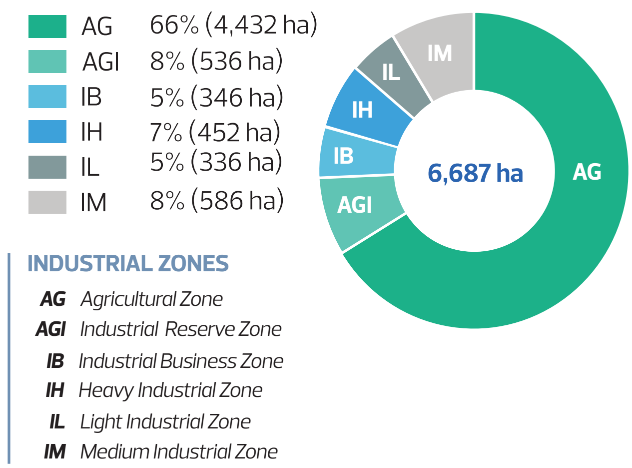


Figure 3. Vacant Industrial Land Area by Zone (2023)

The two most common parcel sizes of industrial land in Edmonton in 2023 were those greater than 10 hectares and those less than 2 hectares in size (Figure 4). Thirty-seven (37) per cent of vacant parcels (179 sites) were larger than 10 hectares and 34 per cent of parcels were smaller than 2 hectares (168 sites). Together, the parcels greater than 10 hectares constitute 5,888 hectares. Changes to the distribution of parcel sizes over time are most often the result of subdividing large sites.

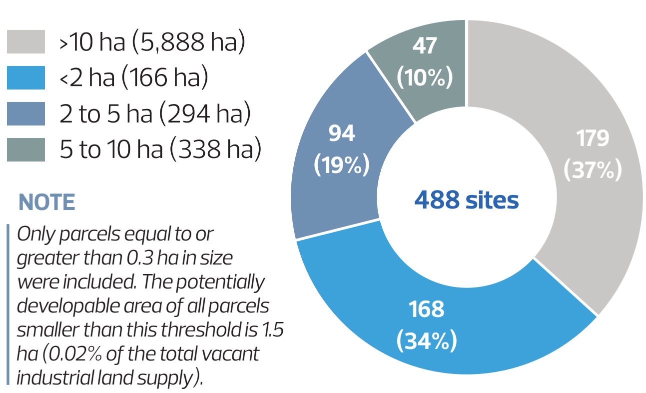


Figure 4. Number of Vacant Industrial Land Sites by Parcel Size (2023)

INDUSTRIAL NEIGHBOURHOODS WITH PROMINENT CHANGES

The top five neighbourhoods with the most significant decrease in vacant industrial land inventory between 2019 and 2023 were all in the established non-residential area. They were Mistatim Industrial, Rampart Industrial, Winterburn Industrial Area West, Kinokamau Plains Area and Gorman (Figure 5). Gorman includes lands planned for both non-residential and residential uses. Vacant industrial lands in Mistatim and Rampart Industrial in the Northwest Industrial area declined by 45 hectares and 23 hectares over the 5-year period respectively, with an average annual land supply decrease of 9 hectares and 5 hectares respectively.

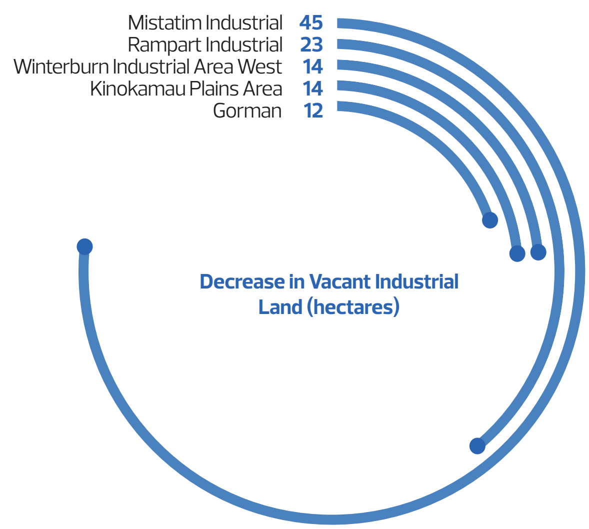


Figure 5. Top Five Neighbourhoods with the Greatest Decrease in Vacant Industrial Land Supply (2019 – 2023)

VACANT LAND SUPPLY DISTRIBUTION

In the established non-residential area, seven neighbourhoods had more than 100 hectares available for future industrial growth and development in 2023 compared to eight neighbourhoods in 2022. These neighbourhoods are Winterburn Industrial Area East, Ellerslie Industrial, Winterburn Industrial Area West, Clover Bar Area, Maple Ridge Industrial, Mistatim Industrial and Rampart Industrial. The absorption of 9 hectares in the Pylypow Industrial neighbourhood means that it no longer has over 100 hectares available.

The EETP and Crossroads are the newest non-residential areas, and they have notable vacant industrial land available, with 4,746 hectares and 526 hectares respectively. This land will support Edmonton's long-term industrial development (Figure 6). The EETP is planned with specific precincts to accommodate medium industrial, petrochemical development, and research and development.

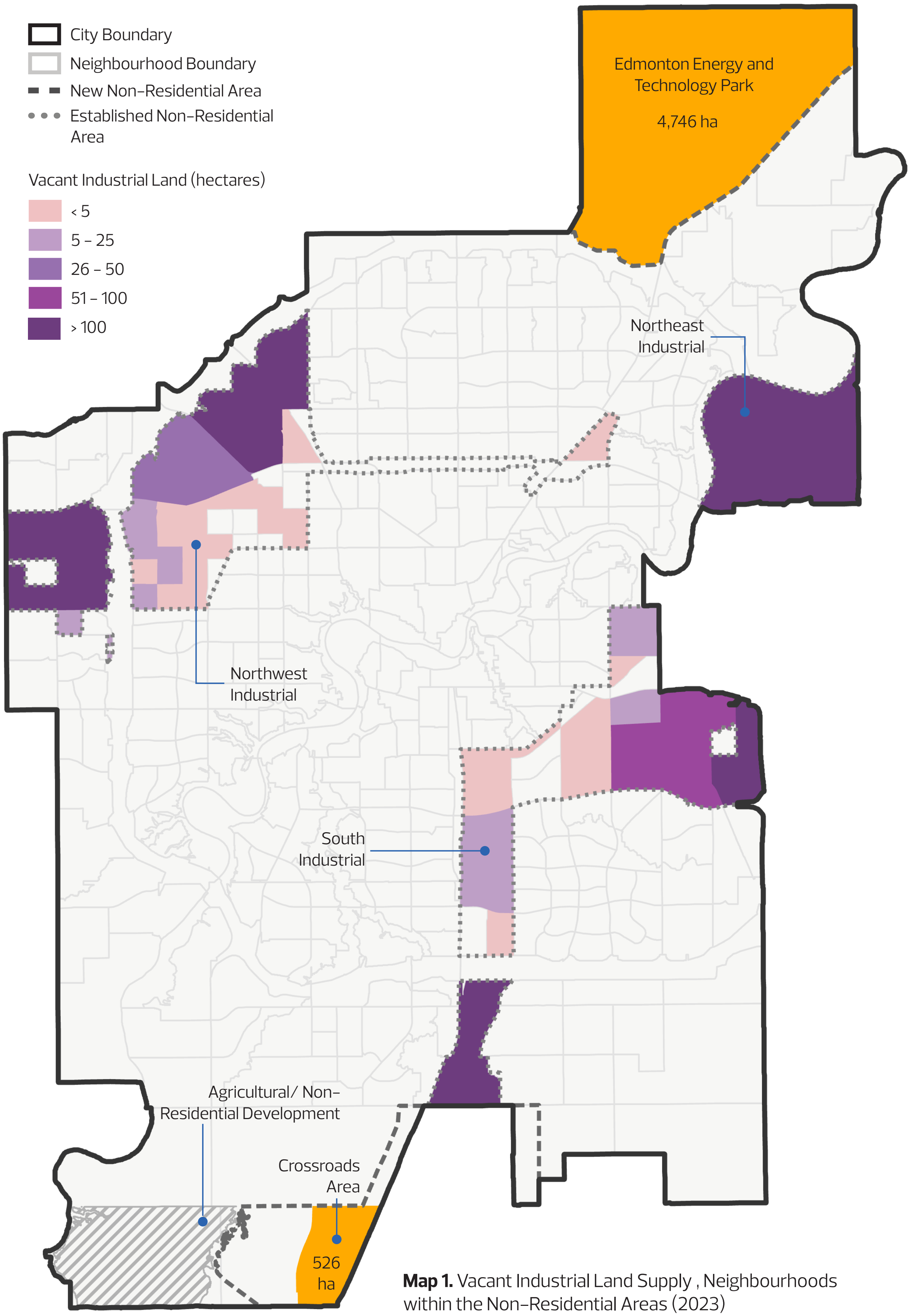
CONCLUSION

The data shows that 21 per cent of Edmonton's industrial vacant land in 2023 was located in the established non-residential area, comprising a total of 1,415 hectares (Figure 1). As compared to 2022, the total area of vacant industrial land available in the established non-residential area decreased by 25 hectares (2 per cent) in 2023, generally due to the absorption and subdivision of land by new development.

The new non-residential areas contain the majority of the vacant industrial land and reserve land in 2023, with a total of 5,272 hectares, representing 79 per cent of the overall total of vacant industrial lands available. The total area of vacant industrial land decreased by 3 hectares from 2022 to 2023, constituting a decrease of less than 0.1 per cent.

There was a decrease in industrial land absorption in 2023, compared to 2022 (25 hectares in 2023, compared to 50 hectares in 2022). This change was reflected in the annual average absorption rate that decreased slightly from 45 hectares for the 5-year period from 2018 and 2022 to 44 hectares for 2019 - 2023.

Based on the current 5-year average absorption rate of 0.7 per cent (44 hectares) per year and the remaining vacant industrial land supply of 6,687 hectares, Edmonton has sufficient land supply to meet the demand for industrial development and redevelopment. At the same time, as the city grows to a population of 2 million following the shift envisioned in The City Plan, it is important to maintain a sufficient supply of industrial lands in appropriate areas.



Map 1. Vacant Industrial Land Supply , Neighbourhoods within the Non-Residential Areas (2023)