Region of Waterloo

Region of Waterloo

2008 Industrial and Business Park Vacant Land Inventory

Prepared in Co-operation with the Region of Waterloo Economic Development Liaison Committee

Summary

This report is the annual update to the Region of Waterloo Industrial and Business Park Vacant Land Inventory (the "Inventory"). The purpose of this update is to provide Regional and Area Municipal politicians, planners, economic development officers, economic development agencies and stakeholders involved in marketing industrial and business park lands within Waterloo Region with an accurate a representation of the vacant land available today in the Region. Further, the preparation of this Inventory allows trends in industrial and business park land building activity and availability to be identified and tracked. The Inventory was completed by comparing the unbuilt parcels of industrial and business park land in the previous Inventory with yearly sales, building permits, real estate listings and anecdotal information provided by area municipal economic development officials and the Region of Waterloo Economic Development Liaison Committee.

Key findings of this Inventory include:

- Refinements to the Inventory classification process have been undertaken as part of this update process. As a result, any future monitoring and tracking of vacant industrial and business park lands should use this report as the baseline from to undertake such activities.

- A significant amount of the land within the Inventory remains as vacant parcels available as build to suit. This tenure type is still gaining acceptance in Waterloo Region.

- The overall area of designated serviced land within the Regional Inventory has not changed sufficiently enough to warrant amending the overall recommendations contained in the 2005 Industrial and Business Park Vacant Land Inventory and Demand Analysis Report (see Appendix 3 of this Report). One recommendation in particular should become the focus of efforts over the next several years, that being the need for all agencies to actively work to overcome roadblocks to the sale and development of currently designated vacant parcels of land. A multi-stakeholder group, including the Region of Waterloo, Area Municipalities, CTT Inc. and the Prosperity Council of Waterloo Region has recently be formed to assist in "unlocking" this employment potential

- The one significant change to be noted in the Inventory relates to the City of Waterloo. The City's Inventory of vacant industrial land particularly in the A categories (7.39 acres remaining), has declined to the point where conversion of industrial land to other uses should be strongly discouraged.

- The recent closing of several major manufacturing facilities in the Region has resulted in a significant inventory of large parcels with existing buildings that have or may become available to accommodate future employment growth. While extremely unfortunate, these closures also represent an opportunity to accommodate large new or expanding industries in the community with relatively little expenditure in new municipal infrastructure as compared to that required to designate new industrial land. The Region, Area Municipalities, Canada's Technology Triangle Inc. (CTT), the Prosperity Forum and other stakeholders need to work together to develop strategies to assist in bringing such parcels back onto the market place within a reasonable period of time.

1.0 Introduction

In March 2006, the Regional Municipality of Waterloo, in co-operation with the Region of Waterloo Economic Development Liaison Committee, completed an inventory of industrial and business park vacant land based on year end 2005 data. This study originated out of public concern over the amount of immediately available industrial and business park lands within the region to accommodate employment growth. The inventory was undertaken to understand the expressed concern, and to detail the location and the availability of the vacant land. The 2005 inventory report found that there was sufficient designated industrial and business park land to accommodate forecasted employment growth, but that much of the land was privately owned, and very few of the parcels were of a sufficient size to accommodate a larger format manufacturer. In 2006 and 2007 the inventory of vacant lands was updated to reflect the availability of land as of year end for each respective year. This report restructures the inventory to reflect experiences over the past three years, particularly in the characteristics of vacant land to be tracked in the future.

With an eventual goal of tracking year-over-year change in the availability of vacant industrial and business park land, this report builds on the work completed in the 2005 Inventory as well as other updates that have been completed in order to establish quality data that represents the available industrial and business park lands in the Region. The work completed thus far has allowed adjustments to be made to each category within the inventory and has created a benchmark categorization and quantities of vacant land within the inventory so that changes can be more accurately tracked over time.

This inventory will be used by the Region of Waterloo for their planning needs and will be made widely available to the public and specifically, the Area Municipal planning and economic development departments, CTT Inc., the local Chambers of Commerce, planning consultants and realtors within the region for use in their particular applications.

2.0 Methodology

2.1 Participants

The Regional Economic Development Liaison Committee, which includes representatives from the Prosperity Council of Waterloo Region's Regional Growth Management Strategy Liaison Task Force and economic development representatives from each area municipality, worked hand in hand with Regional staff to input and verify inventory data. This is the same group that participated in development of the initial inventory (completed in 2006) and, as a result, was familiar with the data and resources needed to complete the Inventory.

2.2 Type of Land Included within the Inventory

Only vacant lands within established greenfield industrial areas and business parks, which were designated for industrial and business park uses at the end December 2008 were included within the inventory. This inventory does not include lands available or potentially available to accommodate future employment growth through infill, intensification, adaptive re-use or redevelopment in urban core areas, or within what are traditionally considered residential areas. The inventory also does not include any vacant lands which are designated and zoned principally for commercial uses, institutional development, or are currently designated for agricultural uses within the area municipal official plan.

2.3 Process for Identifying Specific Land for Inclusion in the Inventory

The original inventory was created using a database within a GIS (Geographic Information Systems) environment at the parcel level. Sources used to create the inventory were the same used to update the data in 2006 and 2007 as well as this update. Information was collected from the area municipalities, listings on ICX (a website subsidiary of MLS), building permit data and in some cases aerial photography. Parcels are removed from the inventory based on the issuance of a building permit prior to year end, in this case December 31, 2008. Parcels were also removed if it was determined through consultation with the area municipalities that a specific parcel was designated for uses other than industrial and business park uses.

The term 'designated serviced' in this report refers to all parcels within the City or Township Urban Areas. If a parcel in the inventory is designated as "Serviced", it is within the Urban Area and it is or has the potential to be fully serviced by municipal services. If a parcel is categorized as "Unserviced", the parcel is located outside of either the City or Township Urban Areas and is to be developed utilizing private services (septic systems and private wells).

2.4 Categories of Vacant Parcels

Categories of vacant parcels were developed and assigned initially by the Economic Development Liaison Committee in 2005. Categories were assigned based on the ability of the parcel to accommodate employment from both timing and tenure perspectives. For this inventory, all category definitions (except Category 9) have remained the same. Category 9 was updated to better represent parcels in the inventory. For the 2008 Inventory, refinements were made to the Category labels themselves as a part of establishing a benchmark inventory. A description of the categories within the inventory is listed below. For reference purposes, the related category title from the previous inventories is included.

AVAILABLE FOR SALE OR USE IMMEDIATELY BY OWNER

1 Vacant parcels available immediately – These parcels are currently on the market, zoned, with no known disincentives to development. (Formerly Category A1)

2 Vacant parcels available immediately as Build to Suit – These parcels are no longer available for sale, they are still immediately available to accommodate new or expanding businesses. (Formerly Category A2)

3 Vacant parcels available immediately in the University of Waterloo Research and Technology Park – This vacant land located in this business park is owned by the University of Waterloo and available only to University associated firms on long term lease. (Formerly Category A3)

AVAILABLE FOR USE BY OWNER

4 Vacant parcels no longer on the market, which are anticipated to be utilized by the current owner - These parcels were purchased for the specific purpose of expansion or development by the current owner. Although no longer on the market, these parcels will accommodate employment growth through new development. (Formerly Category E)

ANTICIPATED TO COME THE MARKET IN THE FUTURE

5 Vacant parcels without significant constraints, not on the market and not expected to be developed by the current owner - Many of these parcels have the potential to be placed on the market at any time, but are not currently available for sale at this time and no knowledge exists as to when they may come on to the market. For example, parcels in this category include parcels where the owner is known to be holding a parcel as a longer term investment. (Formerly Category D1)

6 Vacant parcels available in one to two years – These parcels are anticipated to be on the market, zoned, with no known disincentives to development later in 2009 or 2010. (Formerly Category B)

7 Vacant parcels with expectation of availability in over 2 years – These parcels are anticipated to be on the market, zoned, with no known disincentives to development beyond 2010. All parcels within this category have the potential to be available within 10 years based on demand. (Formerly Category C)

CONSTRAINED LANDS

8 Vacant parcels not on market for reasons other than timing - Disincentives can include contamination, servicing difficulties (e.g. capacity constraints of topography), or grading issues. (Formerly Category F)

POTENTIALLY IN TRANSITION TO OTHER USES

9 Vacant parcels without significant constraints where development applications have been submitted for conversion - This category includes parcels currently designated and/or zoned for industrial or Business Park uses which are subject to a development application proposing a non-industrial end use. This also includes lands where a municipality anticipates the use of the lands for municipal purposes. Placement in this category does not constitute endorsement of the application, but rather simply the recognition that an application has been filed. (Formerly Category D2)

2.5 Mapping, Review and Modifications

During the development of the development of this inventory, and as part of each annual update, area municipal staff evaluated each parcel within the inventory, assigning the appropriate category to each parcel as applicable. The associated mapping of parcels in the inventory was provided to the entire Economic Development Liaison Committee for review to assist in insuring the proper identification of parcels within the inventory. Comments were collected from the Committee and the inventory was revised accordingly. The inventory has evolved through the yearly updates, with parcels having been added , moved between categories and removed based on the established criteria with the allotment of parcels being further refined year over year.

Provincially significant constraints such as Provincially Significant Wetlands and Environmentally Sensitive Policy Areas were removed from the area of land available for development identified for each inventory parcel. Where applicable, other features such as steep slopes or locally significant woodlands were also removed. Each parcel was assigned an identification number, with other information about the parcel being documented as follows:

- the municipal address and/or legal description;
- the physical size of each parcel;
- the physical extent of any constraints to development located within the parcel;
- zoning category applicable to the parcel;
- whether designated for serviced or unserviced development; and
- any additional comments, such as proximity to major arterials, Hwy 401 exposure, whether it is located on a rail line, or the topography of the parcel, ownership and potential uses etc.

THIS INVENTORY REFLECTS THE STATUS OF PARCELS AS OF December 31, 2008. A complete copy of the inventory can be found in Appendix 5 to this Report

3.0 Analysis of the Inventory

The following data summarizes the data collected as of December 31, 2008. The inventory is based on the categories identified in Section 2.4 of this report.

3.1 Categories 1, 2 and 3 – Lands Available for Sale or Use Immediately by Owner

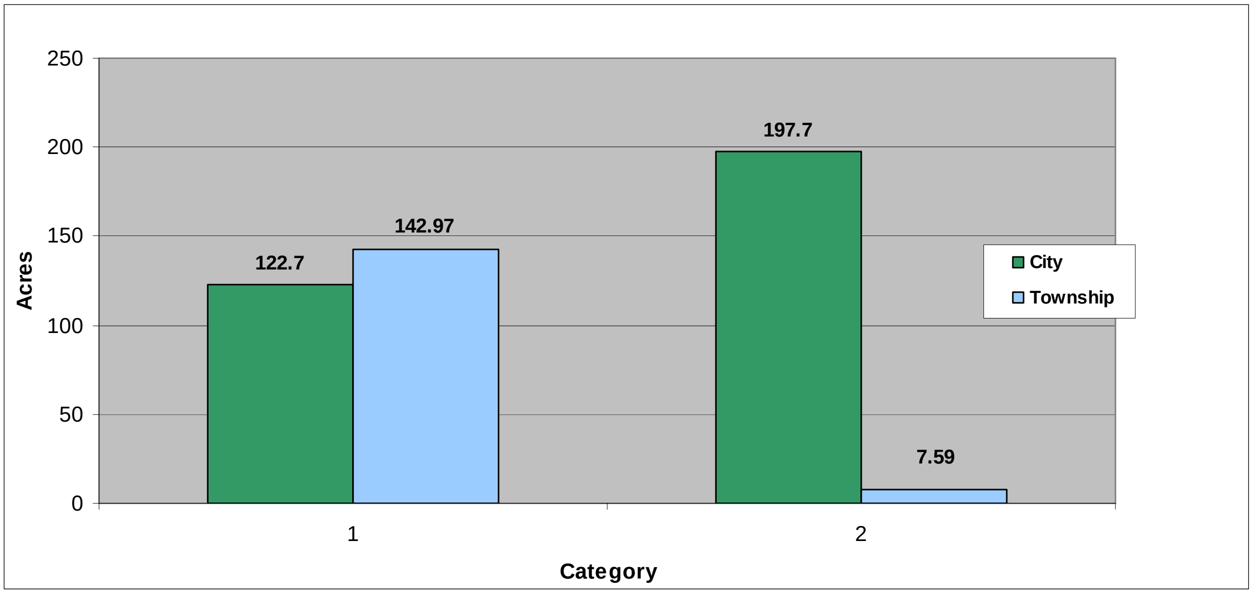
Parcels of land within Categories 1, 2 or 3 are lands which are immediately available and currently on the market for sale or lease. As noted in the descriptions outlined in Section 2.4, Categories 1, 2 and 3 represent the Region's capacity to meet immediate and short term industrial and business park land needs. Category 1 parcels are parcels of vacant land currently on the market, while Category 2 parcels are on the market but represent area of land that is available for build to suit opportunities. Category 3 lands are lands located within the University of Waterloo Research park, available only to University associated firms on long term lease.

Although Category 2 and 3 lands are not available for purchase, these lands still represent significant opportunities to accommodate new or expanding businesses.

3.1.1 Location of Lands within Categories 1, 2 and 3

Figure 1 illustrates the distribution of the 470.96 acres of land within Categories 1 and 2 between the cities and the townships. There were no lands designated Category 3 in the inventory. In total, the cities accounted for 320.4 acres (68%) of land designated as Category 1 or 2, with the City of Cambridge having the most at 231.16 acres (49%). Lands within the townships accounted for 150.56 acres (32%). As of year end 2008, lands within Categories 1 and 2 represented 16.5% of the overall inventory.

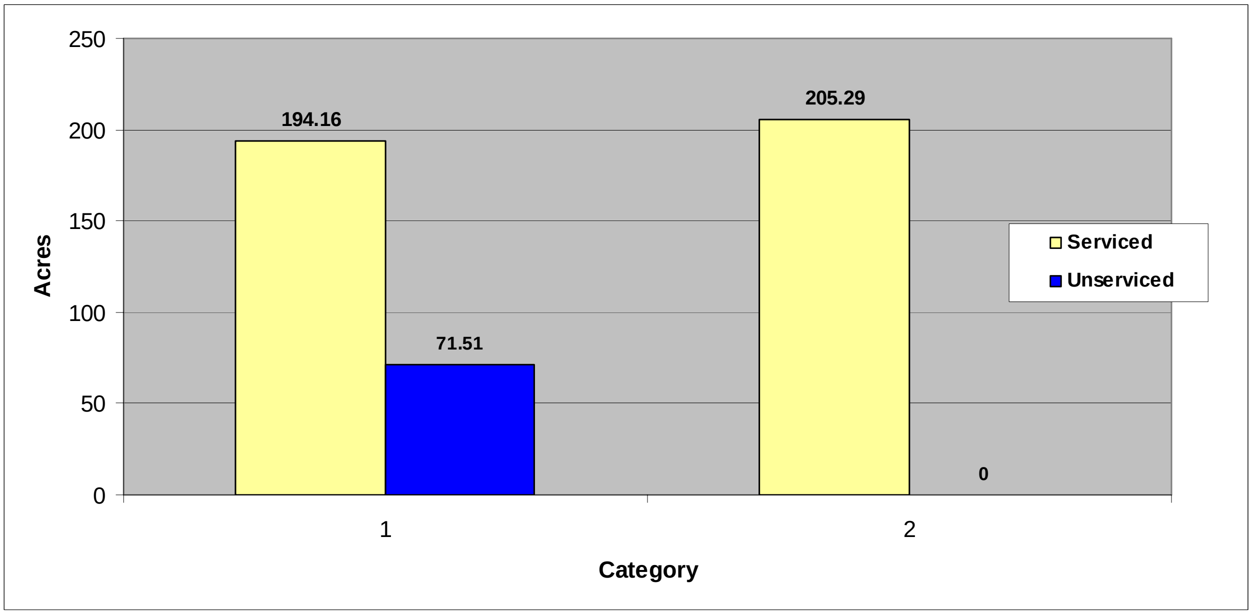
Figure 1: Location of Inventory Lands for Categories 1, 2 and 3, Township vs. City



3.1.2 Servicing of Land within Categories 1, 2 and 3

Figure 2 compares parcels of land in Categories 1, 2 and 3 related to servicing. All parcels within Category 2 were designated as serviced. Lands within Categories 1 and 2 which were designated for serviced development (399.45 acres) account for 85% of the land immediately available for sale or use by the owner.

Figure 2: Serviced Vs. Unserviced Lands for Categories 1, 2 and 3



3.1.3 Categories 1, 2 and 3 Summary by Servicing, Ownership and Parcel Size

Table 1: Serviced vs. Unserviced Lands for Categories 1 and 2 by Municipality

Municipality	Servicing	Total Acres	Category (Total Area in Acres)	
			1	2
Cambridge	Serviced	231.16	68.27	162.89
Kitchener	Serviced	81.85	47.04	34.81
Waterloo	Serviced	7.39	7.39	-
North Dumfries	Unserviced	30.61	30.61	-
Wellesley	Unserviced	2.85	2.85	-
Wilmot	Serviced	13.09	5.5	7.59
Woolwich	Serviced	104.01	65.96	-
	Unserviced		38.05	-

Table 2: Private vs. Public Ownership of Lands for Categories 1 and 2 by Municipality

Municipality	Ownership	Total Acres	Category (Total Area in Acres)	
			1	2
Cambridge	Private	231.16	59.48	162.89
	Municipal		8.79	-
Kitchener	Private	81.85	47.04	34.81
Waterloo	Private	7.39	5.79	-
	Municipal		1.6	-
North Dumfries	Private	30.61	30.61	-
Wellesley	Private	2.85	2.85	-
Wilmot	Private	13.09	5.5	7.59
Woolwich	Private	104.01	104.01	-

Table 3: Summary of Category 1 and 2 Parcels by Size and Municipality

Cambridge	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	68.27	4	5	2	0	0
2	162.89	2	8	7	0	0
Total	231.16	6	13	9	0	0
Kitchener	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	47.04	6	9	1	0	0
2	34.81	1	3	2	0	0
Total	81.85	7	12	3	0	0
Waterloo	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	7.39	3	1	0	0	0
2	0	0	0	0	0	0
Total	7.39	3	1	0	0	0
North Dumfries	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	30.61	2	4	1	0	0
2	0	0	0	0	0	0
Total	30.61	2	4	1	0	0
Wellesley	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	2.85	3	0	0	0	0
2	0	0	1	0	0	0
Total	2.85	3	1	0	0	0
Wilmot	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	5.5	3	1	0	0	0
2	7.59	0	2	0	0	0
Total	13.09	3	3	0	0	0
Woolwich	Total Acres	Number of Parcels by Size				
		<2	2 to 8	8 to 25	25 to 50	Over 50
1	104.01	14	12	4	0	0

2	0	0	0	0	0	0
Total	104.01	14	12	4	0	0

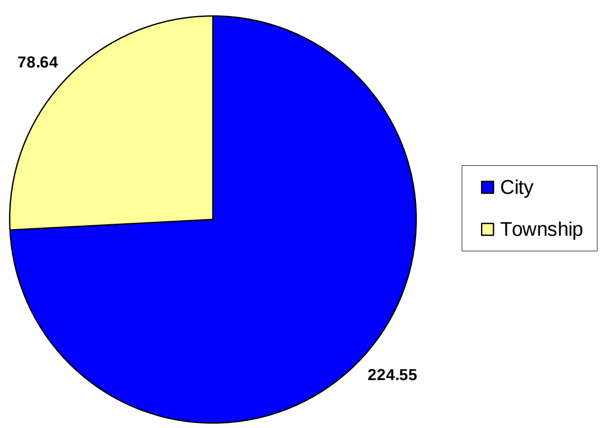
3.2 Category 4 – Available for Use by Owner

Lands within Category 4 are stand-alone parcels which have been purchased by businesses to provide for future expansion or development. These parcels are no longer available for sale, but are immediately available for development by the purchaser/owner to accommodate employment.

3.2.1 Location of Land within Category 4

Figure 3 illustrates the distribution of the 303.19 acres of land within Category 4 between the cities and the townships. In total, the cities accounted for 224.55 acres (74%) of land designated as Category 4 and 78.64 acres (26%) were located within the townships. As of year end 2008, land within Category 4 accounts for 10.6% of the total inventory .

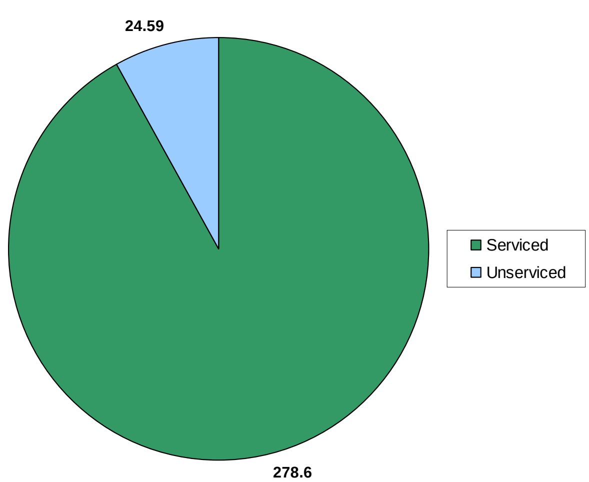
Figure 3: Location of Inventory Lands for Category 4, Township vs. City



3.2.2 Serviced Land within Category 4

Figure 4 compares parcels of land within Category 4 related to servicing, which are immediately available for development by the purchaser/owner to accommodate employment. There were 278.6 acres (92%) of land within Category 4 designated for serviced development, while 24.59 (8%) were designated for unserviced development.

Figure 4: Serviced Vs. Unserviced Lands for Category 4



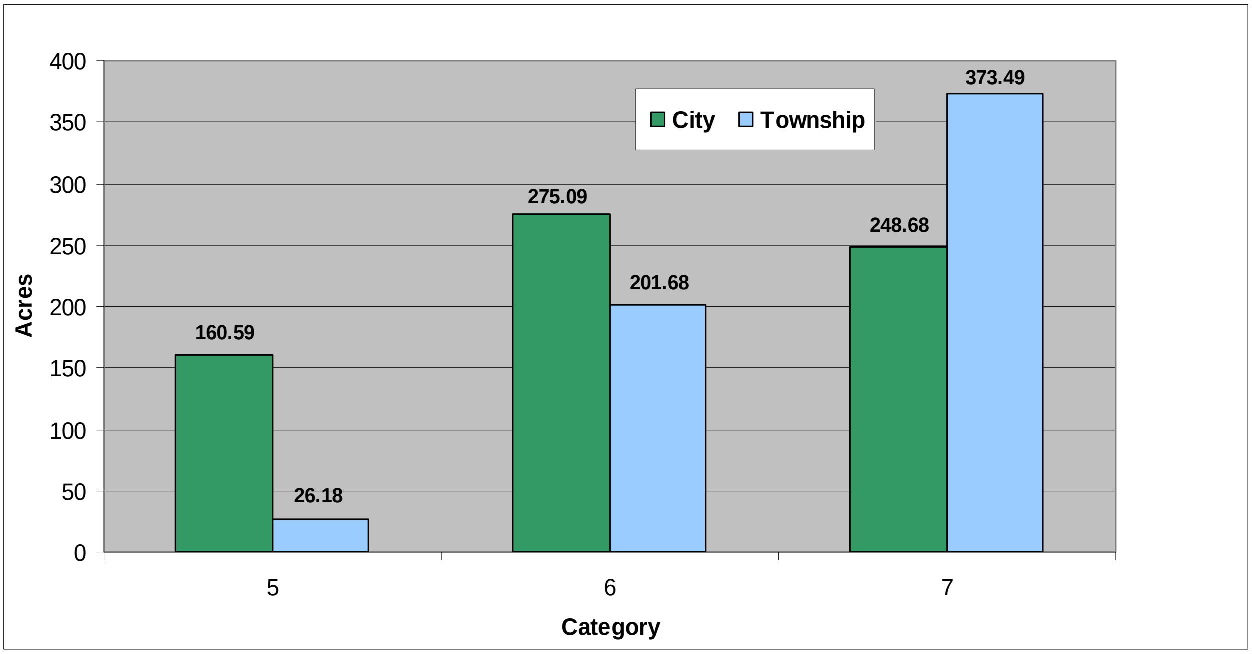
3.3 Categories 5, 6 and 7 – Lands Anticipated to Come on to the Market in the Future

Categories 5, 6 and 7 represent vacant parcels where there is an expectation the land will be brought to market within a reasonable period of time. While the timeframe associated with development of Category 5 lands is unknown, there are no apparent constraints to the immediate development of the lands should the owner decide to bring them to the market place. Lands within Category 6 are expected to be brought to market within two years, while lands within Category 7 lands are expected to be available for development in between two to ten years.

3.3.1 Location of Land within Categories 5, 6, and 7

Figure 5 illustrates the distribution of the 1285.71 acres of land within Categories 5 (186.77 acres), 6 (476.77 acres) and 7 (622.17) between the cities and the townships. In total, the cities accounted for 684.36 acres (53%) of land designated as Category 4, while 601.35 acres (47%) were located within the townships. As of year end 2008, land within Categories 5, 6 and 7 account for 45% of the total inventory.

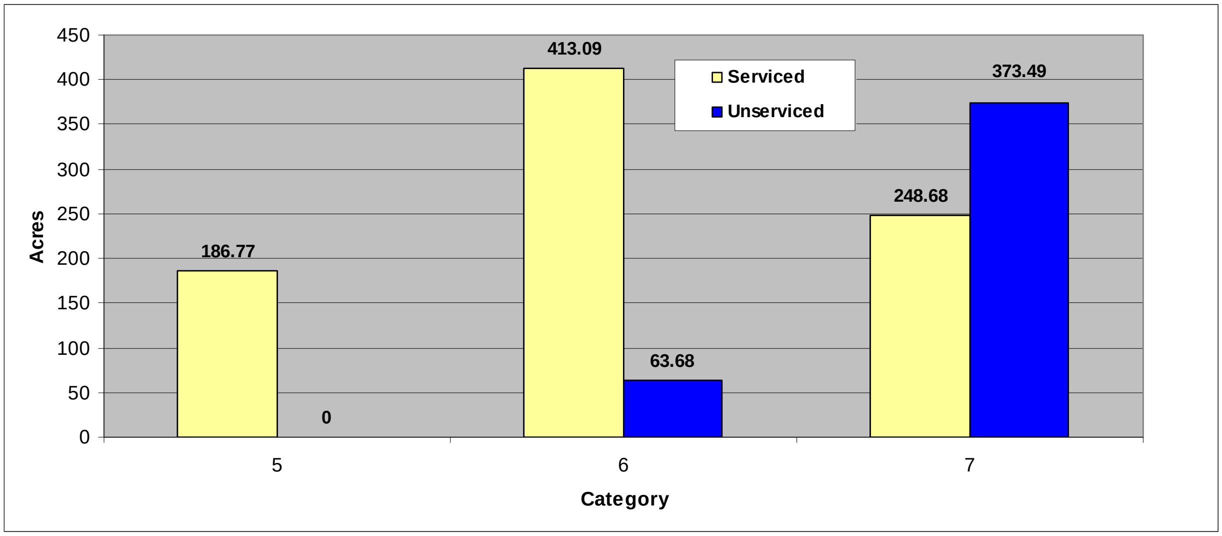
Figure 5: Location of Inventory Lands for Categories 5, 6 and 7, Township vs. City



3.3.2 Serviced Land within Categories 5, 6 and 7

Figure 6 compares parcels of land within Categories 5, 6 and 7 related to servicing. There were 848.54 acres (66%) of land within Category 4 designated for serviced development, while 437.17 (34%) were designated for unserviced development.

Figure 6: Serviced Vs. Unserviced Lands for Categories 5, 6 and 7



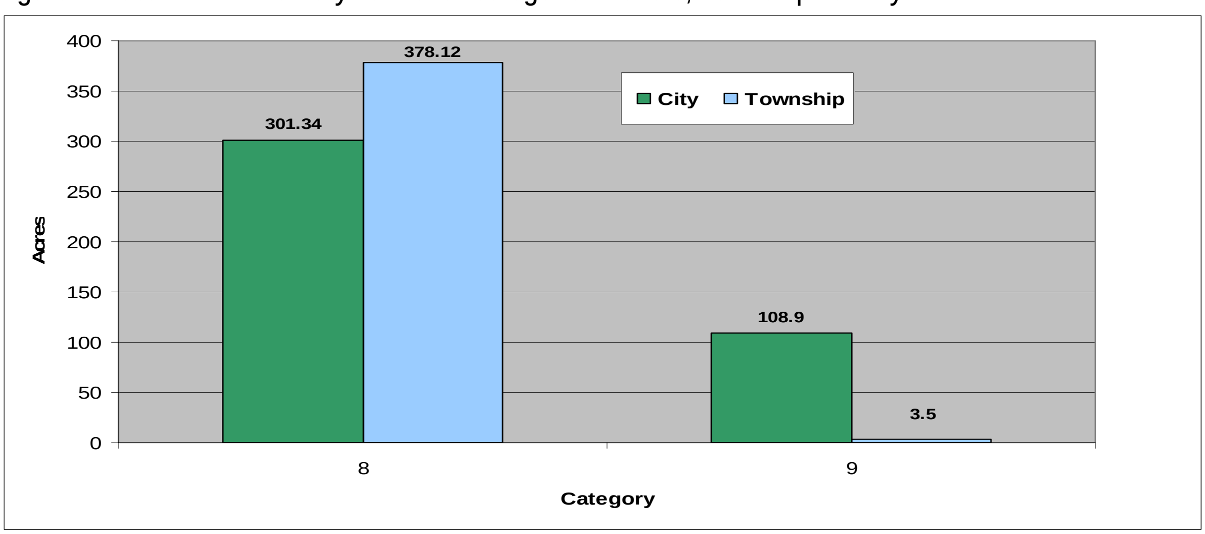
3.4 Categories 8 and 9 – Lands with Constraints or Potentially in Transition to Other Uses

Parcels in Category 8 are subject to significant disincentives to development such as contamination, topographical constraints, servicing restrictions or transportation limitations. Land in Category 9, although currently zoned and potentially suited for industrial and business park uses, is currently subject to planning application to convert the land for other uses.

3.4.1 Location of Land within Categories 8 and 9

Figure 7 illustrates the distribution of the 791.86 acres of land within Categories 8 (679.46 acres) and 9 (112.4 acres) between the cities and the townships. In total, the cities accounted for 410.24 acres (52%) of land designated as Categories 8 and 9, while 381.62 acres (48%) were located within the townships. As of year end 2008, land within Categories 8 and 9 account for 27.8% of the total inventory.

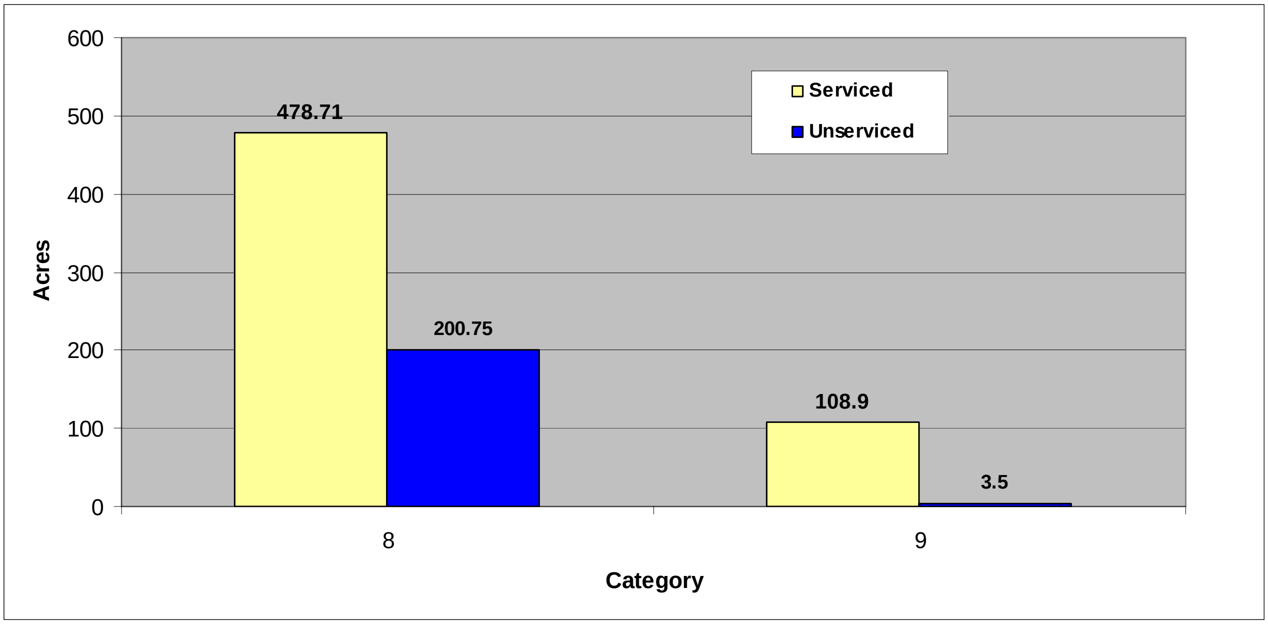
Figure 7: Location of Inventory Lands for Categories 8 and 9, Township vs. City



3.4.2 Serviced Land within Categories 8 and 9

As illustrated in Figure 8, of the parcels in Categories 8 and 9, a total of 587.61 acres were designated for serviced development, if industrial development was to occur on these lands.

Figure 8: Serviced Vs. Unserviced Lands for Categories 8 and 9



3.5 Region Wide Inventory of Vacant Industrial and Business Park Lands

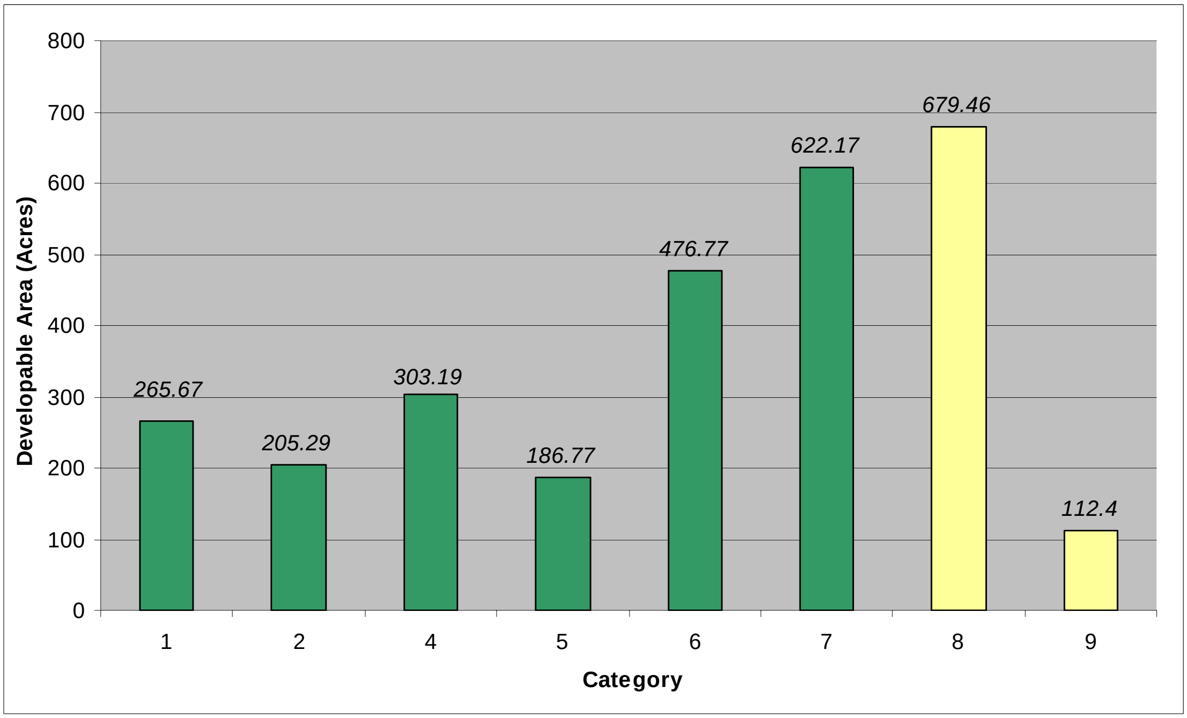
Overall, the current Inventory revealed that there are 2851.72 acres (1154.05 hectares) of vacant industrial and business park land in Waterloo Region. This includes all parcels of land categorized 1 through 9. While this is the total area of land currently listed in the Inventory, not all land is equal. All categories of land are different, with the potential to accommodate future employment and growth varying considerably depending on the characteristics of individual properties.

3.5.1 Overall / Effective Inventories by Category

Figure 9 indicates how land in the Overall Inventory was divided among the Categories 1 – 9. Category 8 (lands with constraints to development) was the largest in terms of area at 679.46 acres, where as Category 3 (University of Waterloo Research Park lands was the smallest in the inventory had 0 acres of available land.

The Effective Inventory of vacant industrial and business park lands, which comprised Categories 1, 2, 3, 4, 5, 6 and 7, represents 2059.86 acres (833.60 hectares) of land, or 72% of the total overall inventory. The Effective Inventory represents vacant parcels of land that were currently available and/or had the potential in the near future to accommodate forecasted employment. Categories 8 and 9, which capture parcels having constraints or proposed for conversion, included 791.86 acres (320.45 hectares) of land, or 28% of the overall Inventory. These parcels are not considered part of the Effective Inventory due to the uncertainty surrounding their future uses.

Figure 9: Acres of Vacant Land in the Inventory by Category

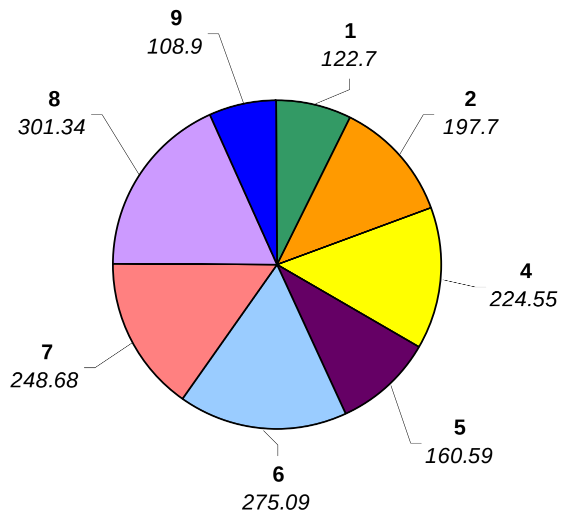


Total Acres: 2851.72 acres Effective Inventory: 2059.86 acres

3.5.2 Vacant Parcel Inventory – Servicing and Location

Within the cities there were a total of 1639.08 acres of vacant industrial and business park lands in the inventory. All of this land was designated for serviced development. The Effective Inventory (Categories 1, 2, 3, 4, 5, 6 and 7) for cities was 1228.84 acres at year end 2008.

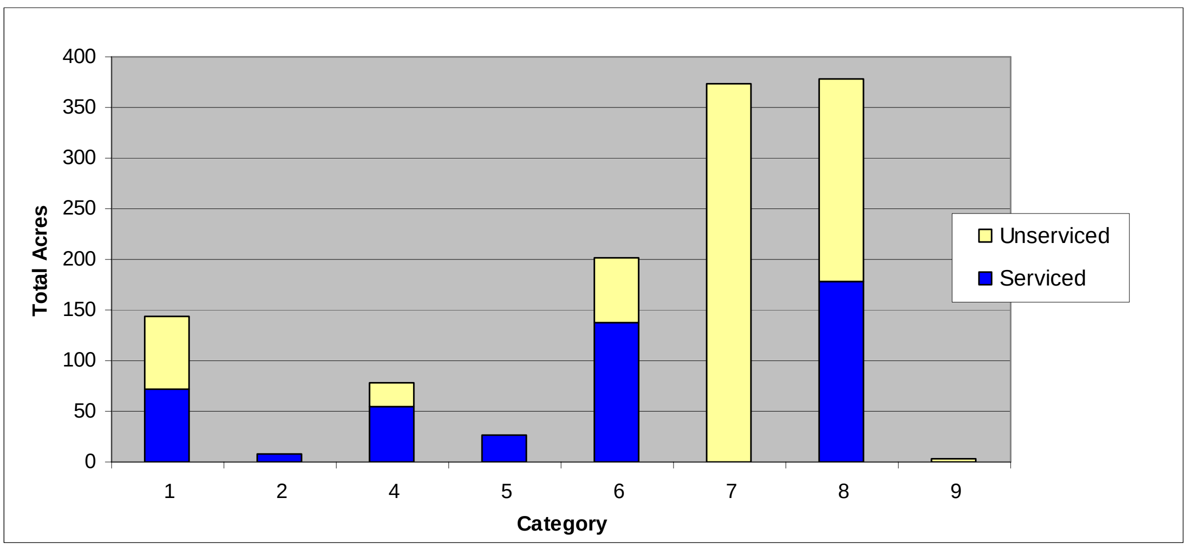
Figure 10: Vacant Land by Category in Cambridge, Kitchener and Waterloo



Total Acres: 1639.55acres (all designated serviced)

Figure 11 shows all vacant land by category found in the Townships of North Dumfries, Wellesley, Wilmot and Woolwich. The total developable area within the Inventory was 1212.17 acres (490.55 hectares), of which 474.65 acres (39%) was designated for serviced development. The majority of land designated unserviced falls under Category 8, which are constrained lands that were not on the market for reasons other than timing.

Figure 11: Vacant Land by Category in Area Townships (North Dumfries, Wilmot, Wellesley, Woolwich)

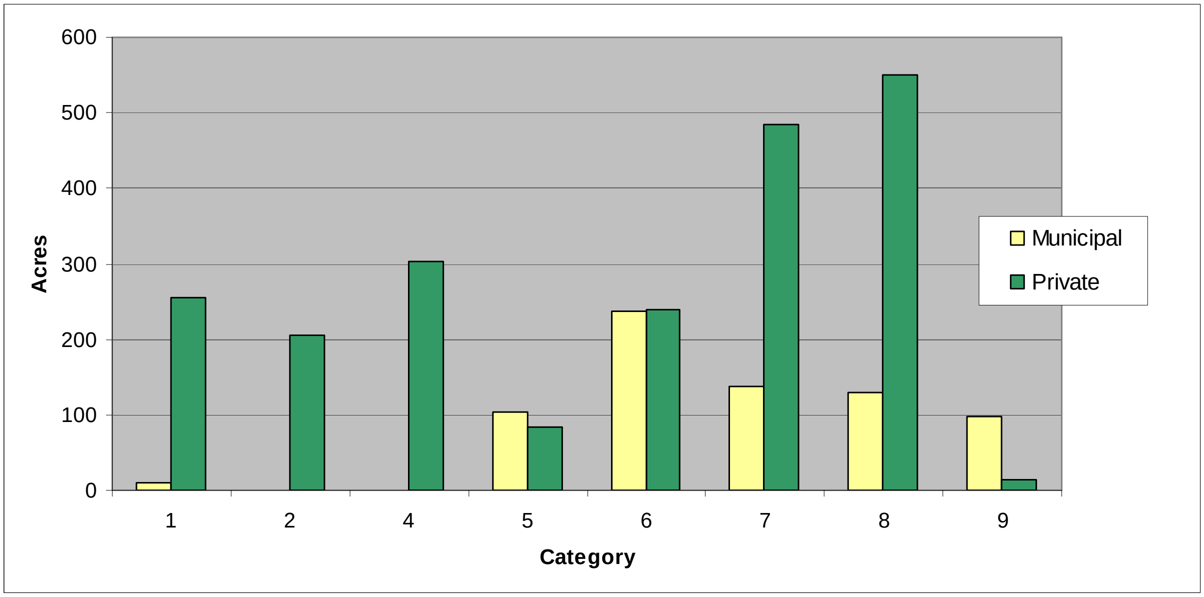


Total Serviced: 474.65 acres Total Unserviced: 737.52 acres

3.5.3 Municipally Owned versus Privately Owned Industrial and Business Park Lands

Figure 12 indicates ownership by category for all land within the inventory. In total, 2134.42 acres (69%) of lands in the Inventory are privately owned. The majority of municipally owned land is located within the City of Kitchener.

Figure 12: Municipally Owned Vacant Land vs. Privately Owned Vacant Land



4.0 Inventory Lands within the Built Boundary as Defined by the Province

The built boundary identifies the built-up urban area in Waterloo Region as of June 16, 2006. This boundary is established by the Province in accordance with the provisions of the Places to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan). The built boundary is to be used for delineating the Designated Greenfield Areas of the Region and provides a means to monitor intensification. Overall, 25% of the total land area within the inventory was within the Built Boundary as of year end 2008. Of the land that was inside the built boundary, 90% was designated for serviced development. Figures 13 and 14 illustrate the division of land within the inventory by category and municipality. In accordance with the provisions of the Growth Plan, lands outside the Built Boundary (all employment and residential areas combined) are subject to a minimum density consideration of 50 jobs per hectare. Lands that are inside the Built Boundary are not subject to any minimum density standards.

Figure 13: Industrial and Business Park Vacant Lands within the Built Up Area by Category

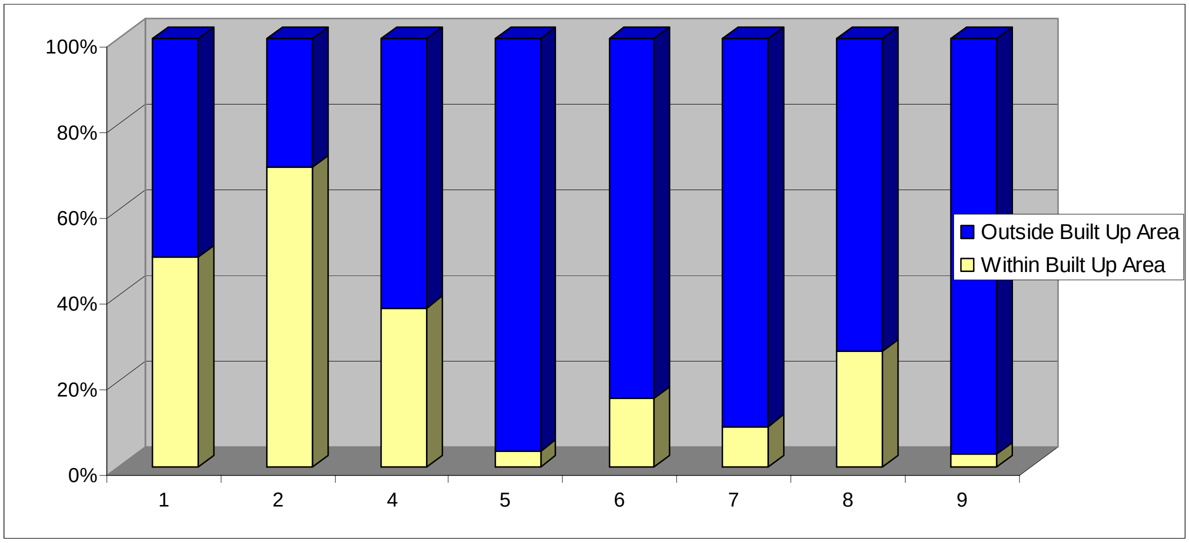
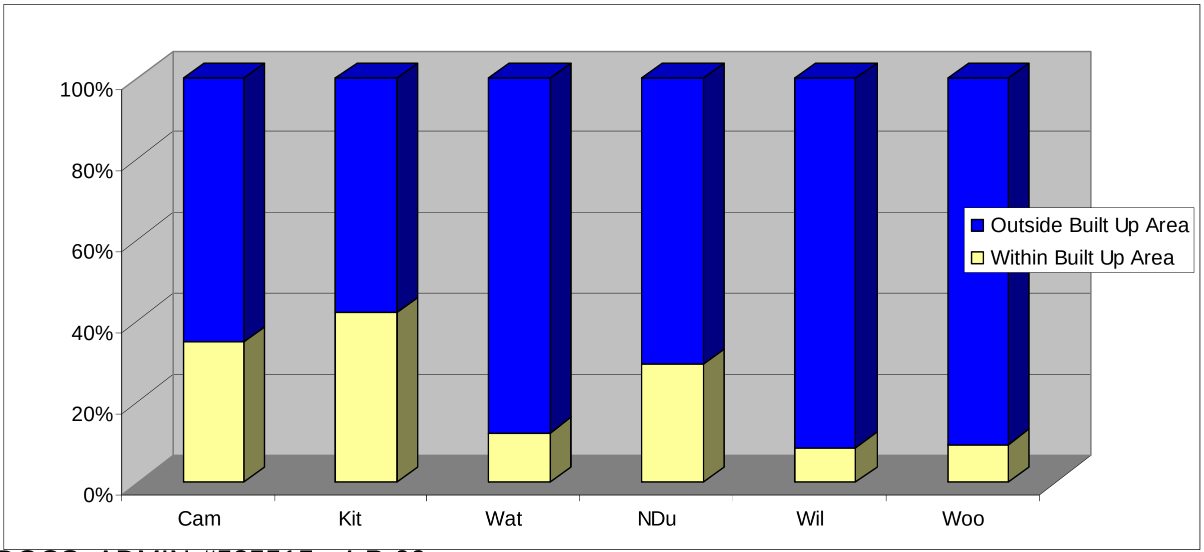


Figure 14: Industrial and Business Park Vacant Lands within the Built Up Area by Municipality



5.0 2008 Building Permit Analysis – Regional Inventory

As shown in Table 4, there were 91 building permits issued on land designated in local official plans for industrial and business park uses. Similar to what has been seen in the past, most of the activity was for industrial uses. Permits issued for uses which are considered employment uses account for 91% of the activity in 2008. Of all building permits issued on land designated for industrial and business park uses in 2008, 27 were issued for new buildings, while 64 permits were issued for additions.

Table 4: Building Permits Issues on Industrial & Business Park Designated Land by Use

Use	Permits	Total (Sq Ft)	Total Value	Price/sq ft	% sq ft	% $	% of total Activity
Industrial	52	798,797	$105,060,000	$131.52	52%	55%	57%
Office	10	256,593	$ 26,115,000	$101.78	17%	14%	11%
Warehousing	21	285,610	$18,458,000	$64.63	19%	10%	23%
Institutional	2	182,951	$40,025,000	$218.77	12%	21%	2%
Commercial	6	11,063	$1,126,000	$101.78	1%	1%	7%
Total	91	1,535,014	$ 190,784,000				

In 2008, a total of 21 building permits were issued for lands that were previously listed in the inventory as summarized in Table 5. This compares to 24 permits issued for these lands in 2007 and 22 in 2006. The total amount of land absorbed through the issuance of these permits in 2008 was 106.81 acres. Of the building permits issued on land within the Inventory, 57.1% of the permits (12 in total) were issued on lands within Category 4, while 42.9% (9 in total) were issued on land which was currently available for sale or use by owner (Category 1 or 2). This trend is what would be expected as Category 4 lands are anticipated to be used by the current owner, and Category 1 and 2 parcels are ones which are immediately available.

Table 5: 2008 Building Permit Activity on Parcels Previously Listed in the Inventory.

Location	Total Area of Vacant Parcels (acres)	No. of Parcels for which Building Permits were issued	Total sq ft of the Building Permits	Value of Building Permits	% Coverage of the Vacant Parcels
Cambridge	37.86	10	342,447	$30,255,000	21%
Kitchener	20.40	5	189,843	$13,405,000	21%
Waterloo	37.50	1	185,035	$30,000,000	11%
Woolwich	0.82	1	5,702	$950,000	16%
North Dumfries	8.93	3	47,905	$5,713,462	12%
Wilmot	1.30	1	10,934	$1,300,000	19%
Wellesley	-	0	-	-	
Total	106.81	21	781,86621	$81,623,462	17%

6.0 Conclusions

1) Over the past three years the participants in the Industrial and Business Park Vacant Land Inventory have refined the categories of vacant land into which specific properties should be slotted. While these changes have made year to year comparisons of the Inventory difficult to date, they have been necessary to refine the process in order to establish a solid base line from which to monitor and make recommendations for the Inventory in the future.

The refinements completed as part of the latest update process have significantly improved the quality of the data contained in this report, and should be used as the baseline for all future monitoring of the Inventory.

2) Notwithstanding the changes that have been made to the categories within the Inventory, both the overall quantum of land and the amount of serviced land within each of the categories has not changed sufficiently enough (-18% in the Effective Inventory, reflecting in part refinements to the inventory as opposed to development occurring) to alter the overall recommendations contained in the 2005 Industrial and Business Park Vacant Land Inventory and Demand Analysis Report (see Appendix 3 of this Report) which continues to be endorsed through this process.

3) A significant amount of the land within the Inventory remains vacant parcels available as build to suit. This type of land which is a tenure type is still gaining acceptance in the Region of Waterloo.

4) The one significant change to be noted in the Inventory relates to the City of Waterloo. The City's Inventory of vacant industrial land particularly in the A categories (7.39 acres remaining), has declined to the point where conversion of industrial land to other uses should be strongly discouraged.

5) During the preparation of this inventory closing of several major manufacturing facilities in the Region has resulted in a significant inventory of large parcels with existing buildings that have or may become available to accommodate future employment growth. While extremely unfortunate, these closures also represent an opportunity to accommodate large new or expanding industries in the community with relatively little expenditure in new municipal infrastructure as compared to that required to designate new industrial land. The Region, Area Municipalities, Canada's Technology Triangle Inc. (CTT), the Prosperity Council of Waterloo Region and other stakeholders need to work together to develop strategies to assist in bringing such parcels back onto the market place within a reasonable period of time.

6) As a part of the next update (2009), the Industrial and Business Park Vacant Land Inventory should:

- Reflect the results of the Airport Master Pan with respect to any lands that may be available for vacant aviation related uses.
- Have all land areas converted from imperial units (acres) to metric units (hectares).

Appendix 1 – Regional Industrial and Business Park Vacant Land Inventory Participants

Name	Organization
Bo Densmore	City of Cambridge
Leah Bozic	City of Cambridge
Rod Regier	City of Kitchener
Kathy Weiss	City of Kitchener
Terry Boutilier	City of Kitchener
Pat Rutter	City of Waterloo
Marlene Coffey	City of Waterloo
Joel Cotter	City of Waterloo
Grant Whittington	Wilmot Township
Harold O'Krafka	Wilmot Township
John Scarfone	Woolwich Township
Steve Jefferson	North Dumfries & Wellesley Townships - Ksmart Associates
Susan Duke	Wellesley Township
John Jung	Canada's Technology Triange Inc.
Bill Elliot	Canada's Technology Triangle Inc.
Glenn Scheels	GSP Group
John Whitney	Communitech / JJ Barnicke Whitney Ltd.
Todd Letts	Greater KW Chamber of Commerce
Art Sinclair	Greater KW Chamber of Commerce
Raymond Carter	Cambridge Chamber of Commerce / Dillon Consulting Ltd
Angelo Innocente	MTE Consultants
Kevin Eby	Region of Waterloo
Bridget Coady	Region of Waterloo
Chantelle Thompson	Region of Waterloo

Appendix 2 – Industrial and Business Park Vacant Land Inventory – Categories of Vacant Parcels

AVAILABLE FOR SALE OR USE IMMEDIATELY BY OWNER

1 **Vacant parcels available immediately –** These parcels are currently on the market, zoned, with no known disincentives to development. (Formerly Category A1)

2 **Vacant parcels available immediately as Build to Suit –** These parcels are no longer available for sale, they are still immediately available to accommodate new or expanding businesses. (Formerly Category A2)

3 **Vacant parcels available immediately in the University of Waterloo Research and Technology Park –** This vacant land located in this business park is owned by the University of Waterloo and available only to University associated firms on long term lease. (Formerly Category A3)

AVAILABLE FOR USE BY OWNER

4 **Vacant parcels no longer on the market, which are anticipated to be utilized by the current owner -** These parcels were purchased for the specific purpose of expansion or development by the current owner. Although no longer on the market, these parcels will accommodate employment growth through new development. (Formerly Category E)

ANTICIPATED TO COME THE MARKET IN THE FUTURE

5 **Vacant parcels without significant constraints, not on the market and not expected to be developed by the current owner -** Many of these parcels have the potential to be placed on the market at any time, but are not currently available for sale at this time and no knowledge exists as to when they may come on to the market. For example, parcels in this category include parcels where the owner is known to be holding a parcel as a longer term investment. (Formerly Category D1)

6 **Vacant parcels available in one to two years –** These parcels are anticipated to be on the market, zoned, with no known disincentives to development later in 2009 or 2010. (Formerly Category B)

7 **Vacant parcels with expectation of availability in over 2 years –** These parcels are anticipated to be on the market, zoned, with no known disincentives to development beyond 2010. All parcels within this category have the potential to be available within 10 years based on demand. (Formerly Category C)

CONSTRAINED LANDS

8 **Vacant parcels not on market for reasons other than timing -** Disincentives can include contamination, servicing difficulties (e.g. capacity constraints of topography), or grading issues. (Formerly Category F)

POTENTIALLY IN TRANSITION TO OTHER USES

9 **Vacant parcels without significant constraints where development applications have been submitted for conversion -** This category includes parcels currently designated and/or zoned for industrial or Business Park uses which are subject to a development application proposing a non-industrial end use. This also includes lands where a municipality anticipates the use of the lands for municipal purposes. Placement in this category does not constitute endorsement of the application, but rather simply the recognition that an application has been filed. (Formerly Category D2)

Appendix 3 - 2005 Industrial and Business Park Vacant Land Inventory Recommendations for Consideration

<u>Designation of Additional Lands to Accommodate Industrial and Business Park Employment</u>

<u>East Side Study Area</u>

1. That the Region of Waterloo, in cooperation with the City of Cambridge, the Township of Woolwich and the City of Kitchener, expand the City Urban Area boundary in the Regional Official Policies Plan as required to provide for the designation of 300 net hectares (741 acres) of fully serviced land (in parcels greater than 8 hectares or 20 acres in size, with a minimum of half being in parcels of 20 to 40 hectares or 50 to 100 acres) within the East Side Study Area for Prime Industrial / Strategic Reserve purposes. The 300 net hectares shall be over and above any lands currently designated or zoned for industrial and business park uses within Local Municipal Official Plans and/or zoning by-laws.

2. That the location and extent of the City Urban Area expansion as required to provide for 300 net hectares of Prime Industrial / Strategic Reserve be determined through the East Side Structure Plan process currently under way. It is recognized that lands over and above the 300 net hectares will be captured as part of the required urban area expansion, including lands of environmental significance and smaller parcels which do not meet the criteria for consideration as Prime Industrial / Strategic Reserve.

3. That the Region, the City of Cambridge, the Township of Woolwich and the City of Kitchener cooperate in the development of infrastructure necessary to service the Prime Industrial and Strategic Reserve lands, and other strategies as required to ensure such lands are made available for development as soon as reasonably possible.

4. That the lands identified as Prime Industrial / Strategic Reserve be retained in parcels greater than 8 hectares in size, with a minimum of half of the land initially being retained in parcels of 20 to 40 hectares, to ensure land remains available to accommodate future large lot industrial and business park uses.

5. That any developable lands included within the expanded City Urban Area boundary which are not of an appropriate size (greater than 8 ha) to be considered as Prime Industrial / Strategic Reserve, be designated and zoned to provide for small to medium sized industrial and business park and ancillary uses.

6. That the inventory of industrial and business park land be monitored on an on-going basis to ensure adequate and appropriate lands are available to accommodate the diverse land requirements of new and expanding businesses.

7. That where monitoring clearly demonstrates that there is a critical shortfall in the inventory of lands available in the short to medium term to meet the needs of new and expanding businesses requiring lot sizes less than 8 hectares, that consideration may be given to converting a portion of the Prime Industrial / Strategic Reserve lands to meet these needs.

<u>97/401 Industrial Area</u>

8. That the 97/401 Industrial Area in North Dumfries Township be designated in the Regional Official Policies Plan as a Regional Employment Area and that policies be established to promote its use for logistics and dry industrial uses.

9. That the 97/401 Industrial Area be expanded by up to 100 net hectares (247 acres) to provide additional capacity to accommodate logistics and dry industrial uses. Given the importance of aggregate to the local economy, the prime aggregate designation in the Regional Official Policies Plan, and in keeping with the Provincial Policy Statement, appropriate extraction of the aggregate resources available on such lands should occur before the redesignation to industrial is permitted. Development of these lands will also be contingent on ensuring such uses do not negatively impact private or regional water supplies.

Future Consideration

10. That the Region and the Local Municipalities undertake the necessary planning, environmental and servicing studies as required to ensure additional industrial and business park lands can be made readily available to accommodate future employment should they be required for an industry with exceptionally large land requirements or as a result of faster than anticipated uptake of the existing and Prime Industrial / Strategic Reserve inventories. Land to be considered for such purposes shall include the following:

    - The remaining East Side Lands anticipated to be developed for industrial and business park purposes as determined through the East Side Structure Plan process;
    - Lands adjacent to the 97/401 Industrial Area anticipated to be developed for industrial and business park purposes as determined through the 97/401 Industrial Area Structure Plan process;
    - The lands located south of the CN rail line, immediately to the west of the Baden Township Urban Area in the Township of Wilmot; and
    - The special study area lands adjacent to the Wellesley Township Urban Area as identified in Wellesley Township Official Plan.

Maximizing Use of Employment Opportunities on Currently Designated Land

11. That the Region support Local Municipalities in maximizing and expediting employment opportunities available through infill, intensification, adaptive re-use and redevelopment.

12. That the premature division of industrial and business park land into small parcels be discouraged to maximize flexibility in the future use of such lands.

13. That Local Municipalities be encouraged to review their official plans and zoning by-laws to ensure industrial and business park lands are designated and zoned primarily to accommodate manufacturing employment. Such plans and by-laws should be revised to restrict the use of such lands for major office and other uses which can reasonably locate elsewhere within the municipality, and in particular along the Central Transit Corridor.

14. That the conversion of industrial or business park lands to major commercial or residential uses be strongly discouraged where such lands can reasonably accommodate light or heavy industrial uses. Such conversions will only be considered following completion of a comprehensive review consistent with the provisions of the Provincial Policy Statement which considers the information contained in this inventory and demand analysis both within a regional context and in the context of the available supply and anticipated short, medium and long term demand for such lands within local municipalities.

15. That Local Municipalities review the lands identified in Category 'F' in this inventory and demand analysis to determine if these lands are better suited for the development of recreational, open space, residential and/or institutional uses supportive of reurbanization and improved quality of life within the community.

16. That Local Municipalities be strongly encouraged to provide for increases in the density of development on industrial and business park lands by revising set backs and other requirements to allow a greater density of building area on the lands to help in accommodating the needs of expanding businesses.

17. That the Region and Local Municipalities develop strategies to increase transit ridership within industrial and business park areas through provision of higher levels of transit services, the development of pedestrian and cycling facilities and the implementation of transportation demand management (TDM) programs to assist in reducing the overall parking requirements on such lands.

18. That the Region, Local Municipalities, CTT Inc and other stakeholders develop strategies to proactively facilitate the development of underutilized industrial and business park lands to make better use of existing infrastructure.

19. The Region, Local Municipalities, CTT Inc and other stakeholders develop strategies to ensure large parcels with vacant manufacturing facilities remain attractive for re-use or redevelopment to maximize the use of existing infrastructure.

Maintenance and Use of the Information Contained within the Industrial and Business Park Vacant Land Inventory and Demand Analysis

20. That the information and mapping contained within the land inventory be maintained on a regular basis for use in future planning and economic development exercises.

21. That this report be used as a background document in the preparation of the Regional Land Budget.

Appendix 4 - Comparison of Categories for the 2005 and 2008 Inventory

2008 Inventory				2005 Inventory			
Category	Total Acres	Percent of 2008 Inventory	Designated Serviced Total	Category	Total Acres	Percent of 2005 Inventory	Designated Serviced Total
1	265.67	9.32%	194.16	A1	729.21	22.30%	222.49
2	205.29	7.20%	205.29	A2	211.61	6.50%	211.61
3	0	0%	0	A3	91.11	2.80%	91.11
4	303.19	10.63%	278.60	E	294.11	9.00%	257.29
5	186.77	6.55%	186.77	D1	190.41	5.80%	190.41
6	476.77	16.72%	413.09	B	722.83	22.10%	582.46
7	622.17	21.82%	248.68	C	284.61	8.70%	217.72
Total	2059.86	-	1526.59	Total	2523.89	-	1773.09
8	679.46	23.83%	478.71	F	559.79	17.10%	459.37
9	112.40	3.94%	108.90	D2	189.96	5.80%	189.96
Total	791.86	-	587.61	Total	749.75	-	649.33
Overall Totals	2851.72	-	2114.20	Overall Totals	3273.64		2422.42

Appendix 5 - Summary of the 2008 Region of Waterloo Industrial and Business Park Vacant Land Inventory & Detailed Summaries by Parcel

Region of Waterloo Industrial and Business Park Vacant Land Inventory – 2008
SUMMARY SHEET

	Cat.	Region of Waterloo			Cambridge		Kitchener		Waterloo		Woolwich		North Dumfries		Wilmot		Wellesley	
		Total Acres	Percent	Designated Serviced Total	Total Acres	Designated Serviced	Total Acres	Designated Serviced	Total Acres	Designated Serviced	Total Acres	Designated Serviced	Total Acres	Designated Serviced	Total Acres	Designated Serviced	Total Acres	Designated Serviced
Available for sale or use immediately by owner	1	265.67	9.32%	194.16	68.27	68.27	47.04	47.04	7.39	7.39	104.01	65.96	30.61	0.00	5.50	5.50	2.85	0
	2	205.29	7.20%	205.29	162.89	162.89	34.81	34.81	0	0	0	0	0	0	7.59	7.59	0	0
	3	0.00	0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Available for use by owner	4	303.19	10.63%	278.60	106.27	106.27	62.88	62.88	55.40	55.40	48.38	41.79	18.40	2.40	9.86	9.86	2.00	0
Anticipated to come on to the market in the future	5	186.77	6.55%	186.77	10.39	10.39	52.87	52.87	97.33	97.33	0	0	0	0	26.18	26.18	0	0
	6	476.77	16.72%	413.09	176.03	176.03	72.69	72.69	26.37	26.37	0	0	53.34	0	138.00	138.00	10.34	0
	7	622.17	21.82%	248.68	87.04	87.04	95.39	95.39	66.25	66.25	307.88	0	38.35	0	0	0	27.26	0
Constrained land	8	679.46	23.83%	478.71	178.76	178.76	106.15	106.15	16.43	16.43	214.27	169.49	155.97	0	7.88	7.88	0	0
Potentially in transition to other uses	9	112.40	3.94%	108.90	0.00	0.00	98.38	98.38	10.52	10.52	0	0	3.50	0	0	0	0	0
	Total	2851.72		2114.20	789.65	789.65	570.21	570.21	279.69	279.69	674.54	277.24	300.17	2.40	195.01	195.01	42.45	0

Acres Net of Constraints
Data as of December 31st 2008