

2017

Annual Building & Development and Benchmark Report



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Table of Contents

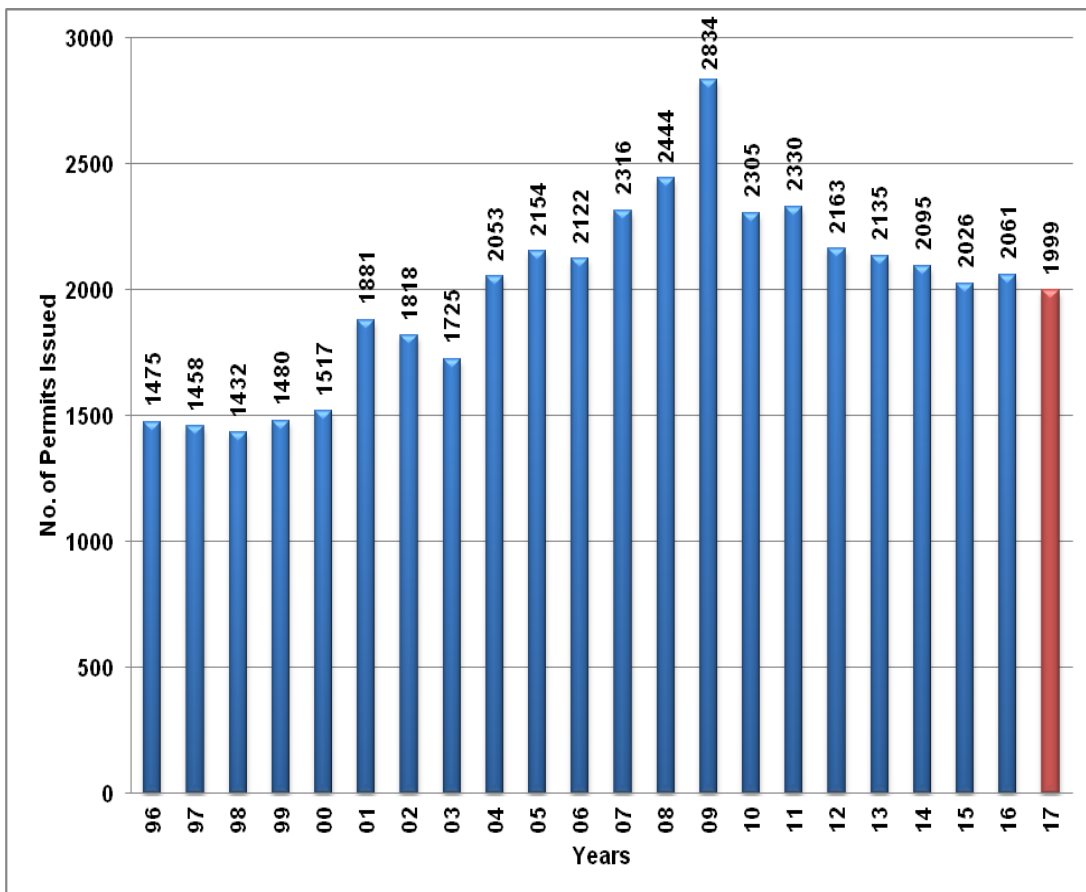
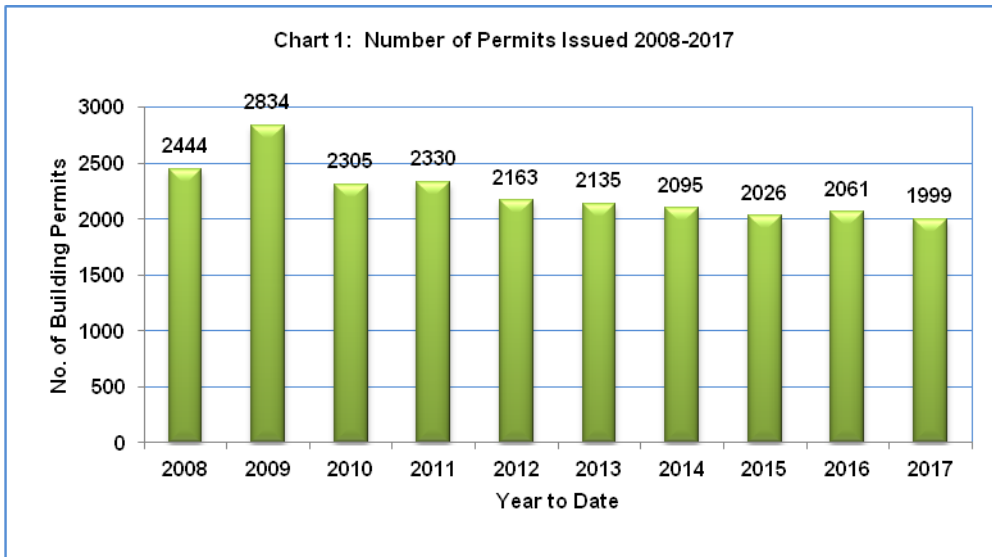
Building Permit Activity	3
Building permits issued:	3
Construction value:	4
Number of permits issued by sector:	4
Residential Development.....	5
Construction value of new dwellings:	5
Number of units created:.....	6
Permits issued for residential construction:	7
Residential accessory buildings:	7
Industrial, Commercial and Institutional (ICI) Development.....	8
New commercial and industrial:	8
New institutional:.....	8
Miscellaneous ICI:.....	8
“Other” Permits.....	9
Swimming pools, demolitions and plumbing permits:	9
Summary.....	9
Turn Around Times for Building Permits	10
Introduction:.....	10
Background information:	10
New residential benchmarks:	11
Number of residential permits reported & excluded:.....	11
Miscellaneous residential benchmarks:.....	12
Number of miscellaneous residential permits reported & excluded:.....	12
New ICI benchmarks:.....	13
Number of new ICI permits reported & excluded:	13
Miscellaneous ICI benchmarks:	14
Number of miscellaneous ICI permits reported & excluded:	14
Conclusion.....	15



Building Permit Activity

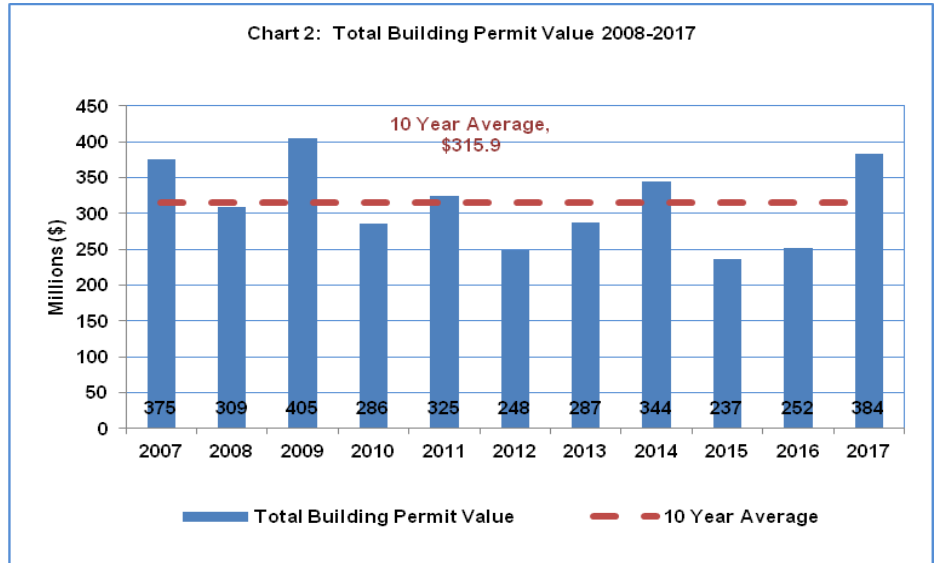
Building permits issued:

This year, 1,999 building permits were issued in the City of Greater Sudbury, a decrease of 3.01%, as compared to 2,061 in 2016 (Chart 1). Again, over the last 20 years we can see the cyclical nature of our economy with some anomalies such as the financial crisis of 2007, and the introduction of ICI Development Charges in 2009 (Chart 1a).



Construction value:

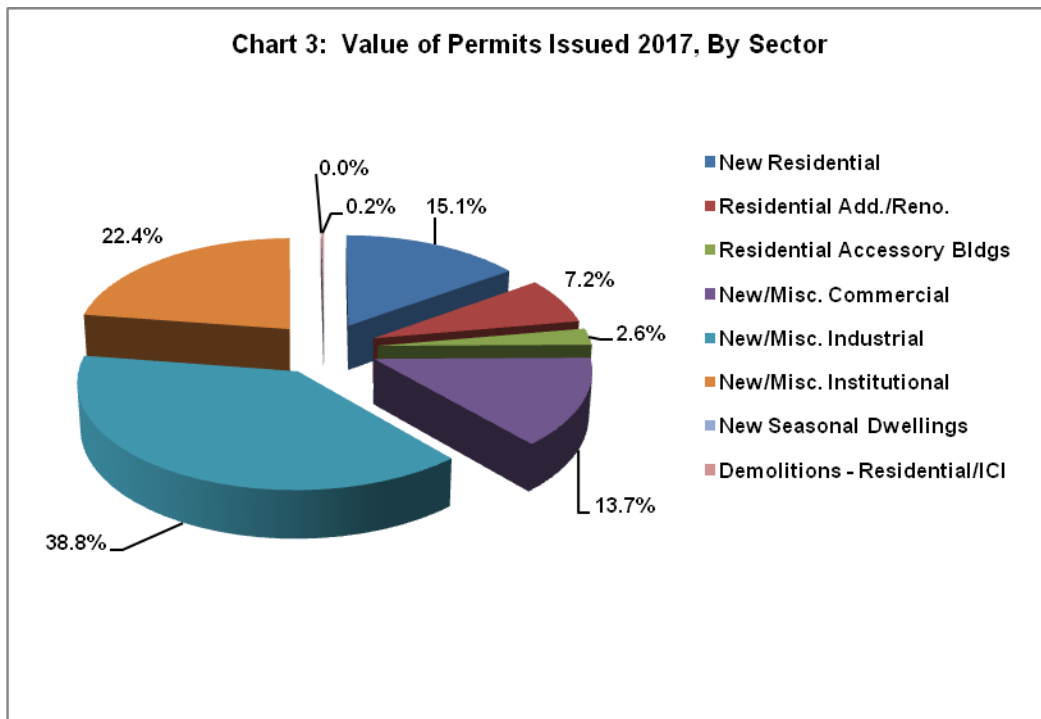
Despite the slight decrease in permit numbers, Chart 2 outlines the total construction value of building permits issued in 2017 was \$384 million, indicating a 65.8% increase as compared to \$252.9 million in 2016. Over the last 10 years, the total construction value of building permits issued in the City of Greater Sudbury has averaged \$315.9 million.



Number of permits issued by sector:

In 2017 residential additions, alterations and renovations accounted for 7.2% of the total number of permits a substantial decrease from the 36.7% they accounted for in 2016. Residential accessory buildings accounted for 2.6% of permits and new residential construction (including seasonal dwellings) at 15.1% were the most common projects. In total, residential construction made up only 24.9% (permit volume) of all construction in the City of Greater Sudbury in 2017 with \$57.9 million in construction value.

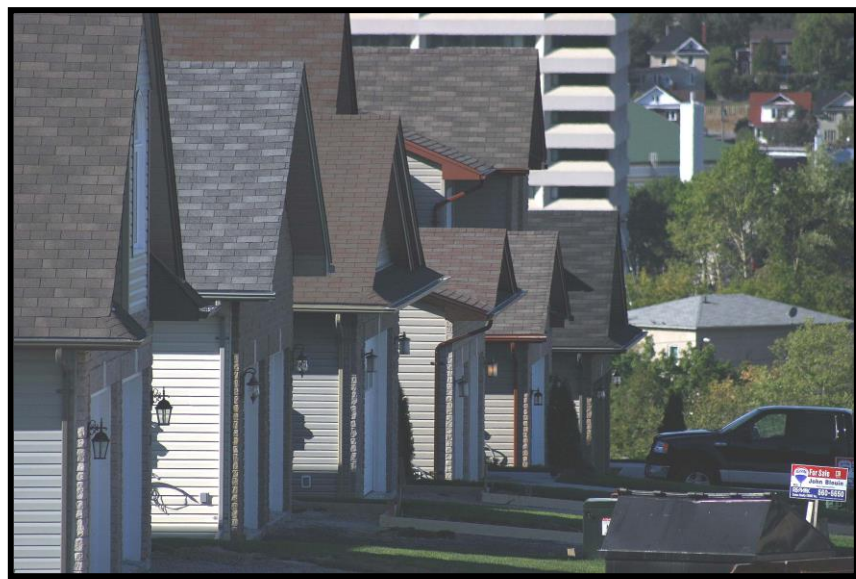
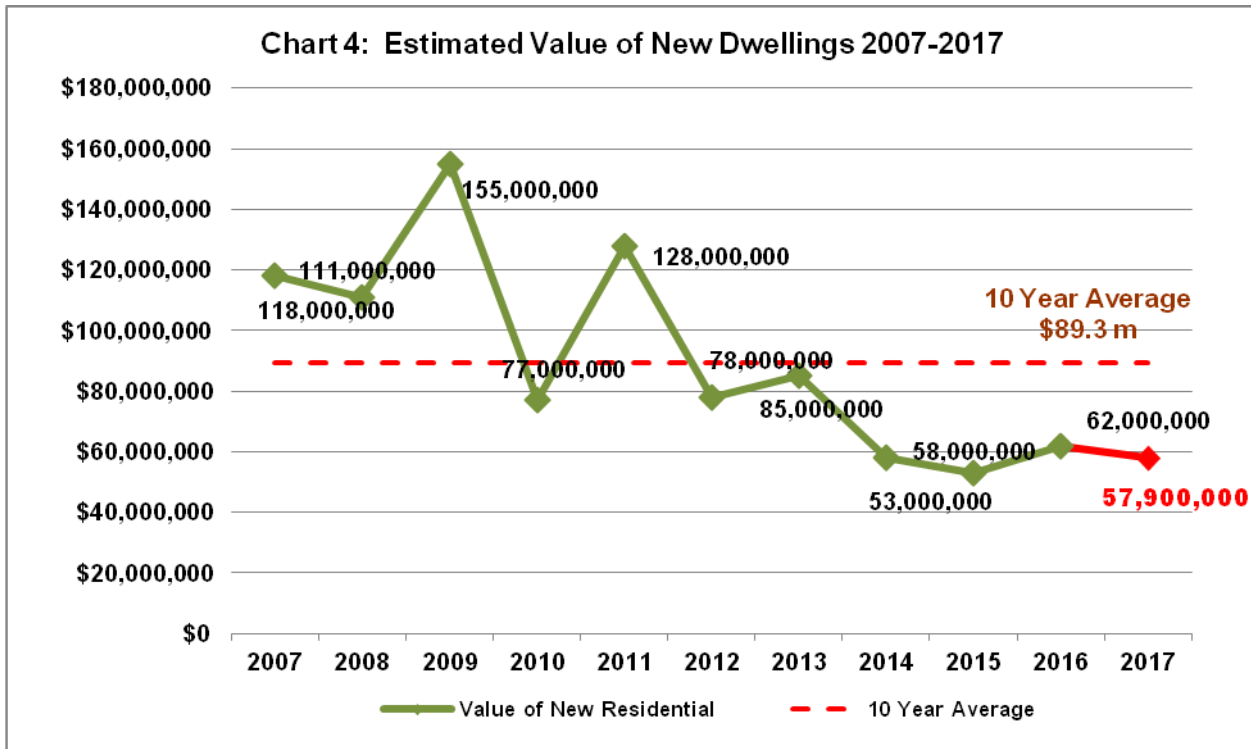
It should be noted that this is has been a continuing trend for the last several years and CMCH is predicting this trend to continue into 2018 and 2019.



Residential Development

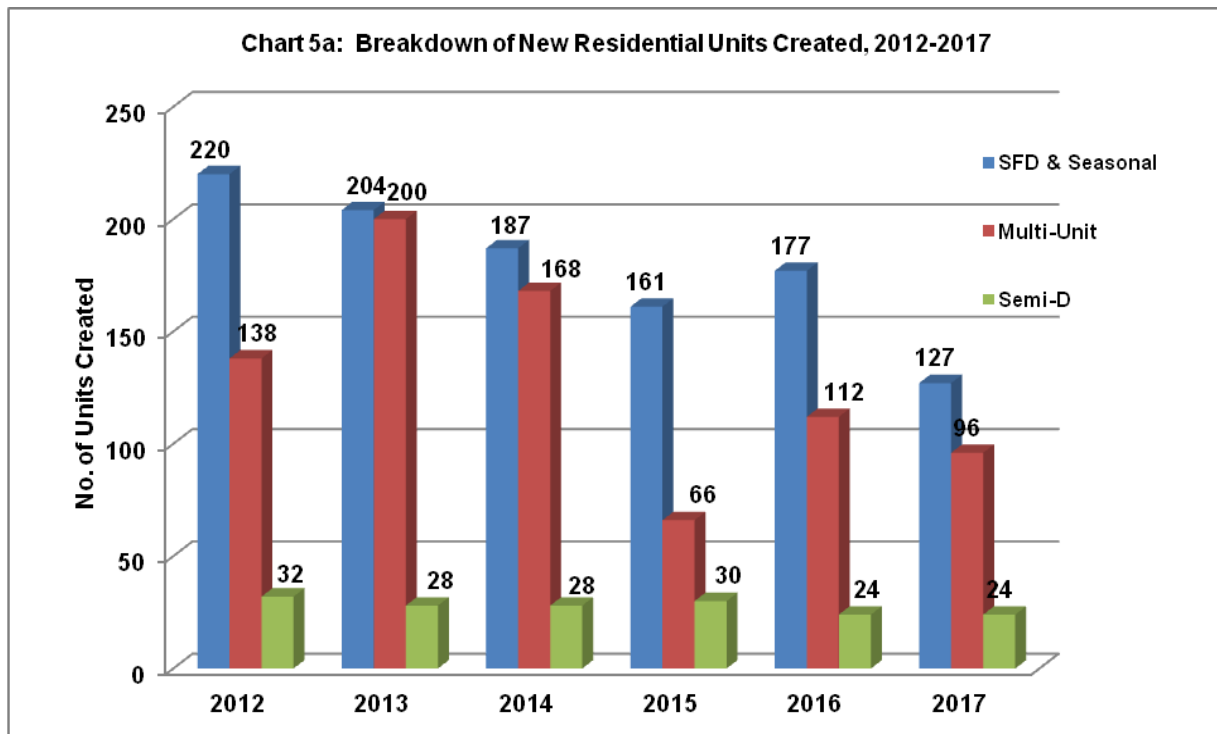
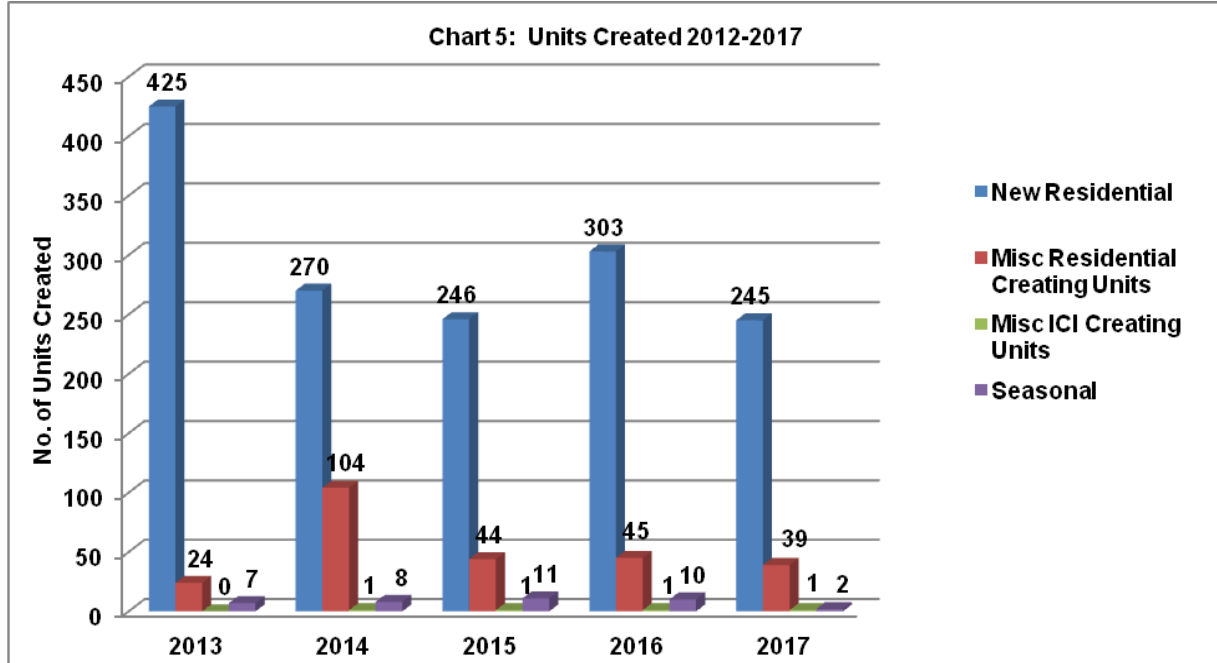
Construction value of new dwellings:

In 2017, the total value of new residential construction (including seasonal dwellings) was \$57.9 million compared to \$62.3 million in 2016, a decrease of 7.1% in 2017 (Chart 4). Total residential building permit value is still below the historical 10 year average of \$89.3 million.



Number of units created:

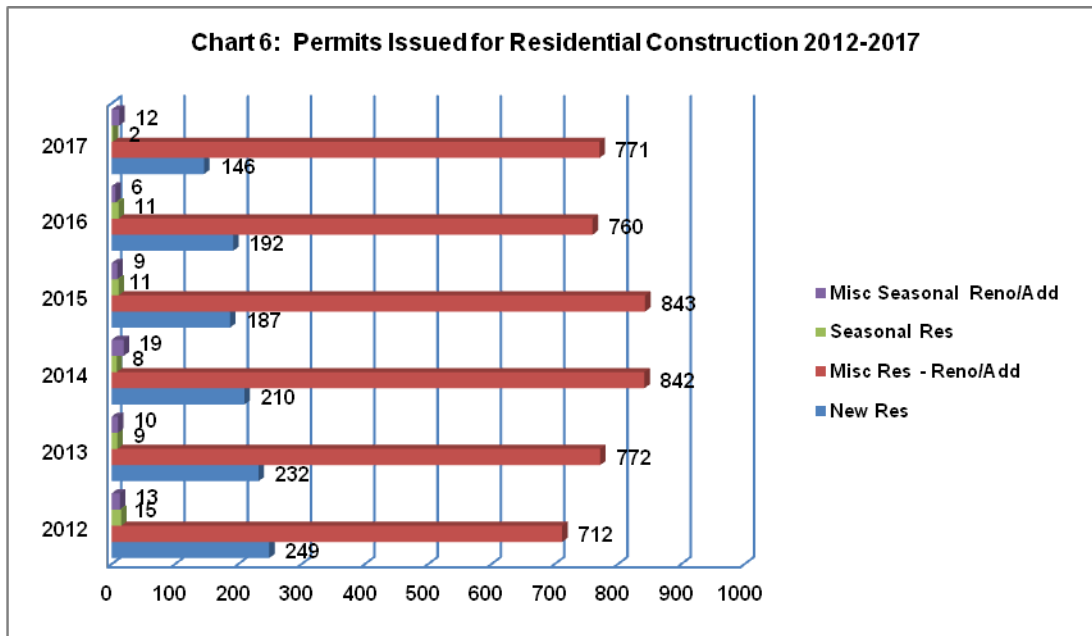
New housing starts in Sudbury showed a decrease of 21.1% with 247 units created in 2017 compared to 313 units in 2016. (Charts 5 and 5a).



Permits issued for residential construction:

Applications for residential renovations/additions (including seasonal) saw a slight increase of 2.2% with 783 permits issued in 2017 as compared to 766 permits issued in 2016. However, there was no notable increase in value as these projects were valued at \$27.5 million and the 2016 value was \$27.8 million (Chart 6).

In 2017 there were 40 units created within an existing structure (both residential and ICI), as compared to the 46 units created in 2016. According to CMHC, the rapidly aging population and decreasing household size in Sudbury have been supporting a growing preference for multiple-unit homes. However, with the high level of rental apartment units already undergoing construction and with the rising vacancy rate, this may continue to deter builders from starting more rental apartment units¹. While there was some speculation that changes implemented to Zoning By-law 2010-100Z regarding Secondary Dwelling Units in 2016 may affect these numbers, the 2017 statistics show that only 18 permits were issued for Secondary Dwelling Units, both in new builds and existing dwellings and/or accessory structures.



Residential accessory buildings:

There were 534 permits issued in 2017 for residential accessory buildings (including seasonal) such as detached garages, sheds, and decks, with a construction value of \$10 million, a decrease in value of 10% as compared to 581 permits issued with a construction value of \$11.1 million in 2016.

¹Housing Market Now, Greater Sudbury CMA, Fall 2017, CMHC

Industrial, Commercial and Institutional (ICI) Development

New commercial and industrial:

In 2017, the total value of new commercial construction at \$26.8 million, an increase of 418.7% with 6 permits issued, whereas, 2016 was \$6.4 million with 4 permits issued. The total value of new industrial construction in 2017 was \$118 million with 22 permits issued as compared to 13 permits issued and a construction value of \$19.8 million in 2016, an increase of 595.9%. Major projects issued in 2017 are:

- Hilton Hotel – Kingsway – \$12.6 million
- Pre-engineered Warehouse & Office Building – M & G Fencing \$4.0 million
- Two storey office building – Long Lake Rd - \$2.4 million
- BMW Car Dealership – Kingsway - \$5.1 million
- VALE Secondary off-gas flues, baghouse and fan building Clean AER Project - \$55.6 million
- VALE Carbon Steel Flues and FRP Ducting – Copper Cliff Smelter - \$17.6 million
- South Mine – 2 Fabric Warehouse Tents - \$3.1 million
- Falconbridge Collision Centre \$4.4 million
- New Industrial Bldg – EMCON – Walden - \$1.0 million
- New Industrial Pre-Eng Bldg – Weber Supply – Walden- \$1.4 million
- Cold Storage Bldg – WM Day – Elm St - \$1.3 million
- Pre-Eng Bldg – Vianet – Chalmers St- \$1.4 million

New institutional:

In 2017 there were 2 permits issued for new Institutional with a value of \$2.8 million. as compared to 2016 when there were no permits issued for new Institutional construction.

Miscellaneous ICI:

The construction of additions and interior renovations within the miscellaneous Institutional, Commercial and Industrial (ICI) sector in 2017 showed a value of \$139.8 million with 425 permits issued as compared to \$125.6 million with 426 permits issued in 2016. Projects such as:

- Int Alt – Food Basics – Lasalle Blvd - \$1.4 million
- Int/Ext Alt – Exist. Canadian Tire Bldg - \$1.8 million
- Addition – Medical Offices – Prete St - \$2.6 million
- Secondary Baghouse/Fluid Bed Roaster – Clean AER Project - \$8.4 million
- Secondary Off-Gas Fan Bldg * Cntrl Rm – Process Gas Project - \$5.6 million
- Int Alt – Flash Furnace No 2 – Copper Cliff Smelter – \$5.2 million
- Secondary Off-Gas & matt Transfer Ducts – Smelter Complex - \$3.9 million
- Stack, Stair, Cem Shltr, Smelter Complex-Process Gas Project - \$2.3 million
- Int Alt – Existing Furnace Bldg & Roof Repairs- \$2.2 million
- CC South Mine Project – 400 Per Dry/8 Office Trailer Complex - \$4.7 million
- CC South Mine Project – Expansion of Substation #5 - \$2.5 million
- Nickel Refinery Complex – Demo Iron Ore Plant/Alt Ext Pumphouse - \$2.6 million

“Other” Permits

Swimming pools, demolitions and plumbing permits:

The Building Services statistics also track “other” permits issued such as swimming pools, demolitions and plumbing permits. There were 107 swimming pool permits issued at a value of \$1.6 million and 79 demolition permits at a value of \$854 thousand. In 2017, there were 390 plumbing permits issued as compared to 470 in 2016.

Summary

CMHC statistical data forecasts the status quo of a softened residential sector in single family and multiple starts for 2018 with a slight increase predicted for 2019. CMHC is also forecasting a slight increase in the MLS average price for 2018 and 2019².

²Housing Market Now, Greater Sudbury CMA, Fall 2017, CMHC

Turn Around Times for Building Permits

Introduction:

Building Services has benchmarked the length of time it takes to issue building permits since 1994. Input from the Development Liaison Advisory Committee (DLAC), stakeholders' feedback and City staff suggestions and actions over that time have assisted in achieving process improvements. Year to year comparators are provided to Council through DLAC on an annual basis. This information serves to identify for Building Services through its automated benchmark tracking what areas within the building permit processing system requires attention. Staff then identifies the practices/procedures and policies requiring further rationalization to meet service demands and improve customer service. The modifications to practices/procedures and policies are vetted by DLAC through its Committee structure and then sent to Council for adoption.

Background information:

Building statistics in this report relate to permits issued for applications processed in 2017 as per DLAC's direction. Benchmark times only reflect the length of time taken to issue permits once all other development approvals have been cleared, such as Site Plan Control, minor variances, zoning changes or Sudbury & District Health Unit approval for buildings being built in unserviced areas such as new dwellings (new septic system and/or field bed).

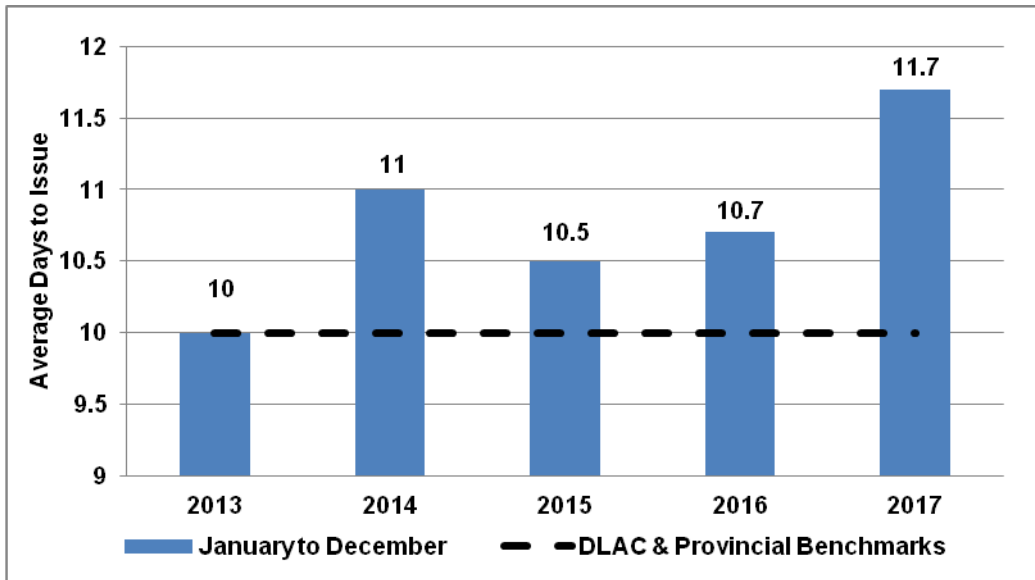
Benchmarks: The following compares the length of time it took to issue permits having a complete application as mandated by the Ministry of Municipal Affairs and Housing for new and miscellaneous construction projects in the residential and ICI sectors during 2017, with those of the previous years.

We have included both DLAC benchmarks as well as Provincial benchmarks:

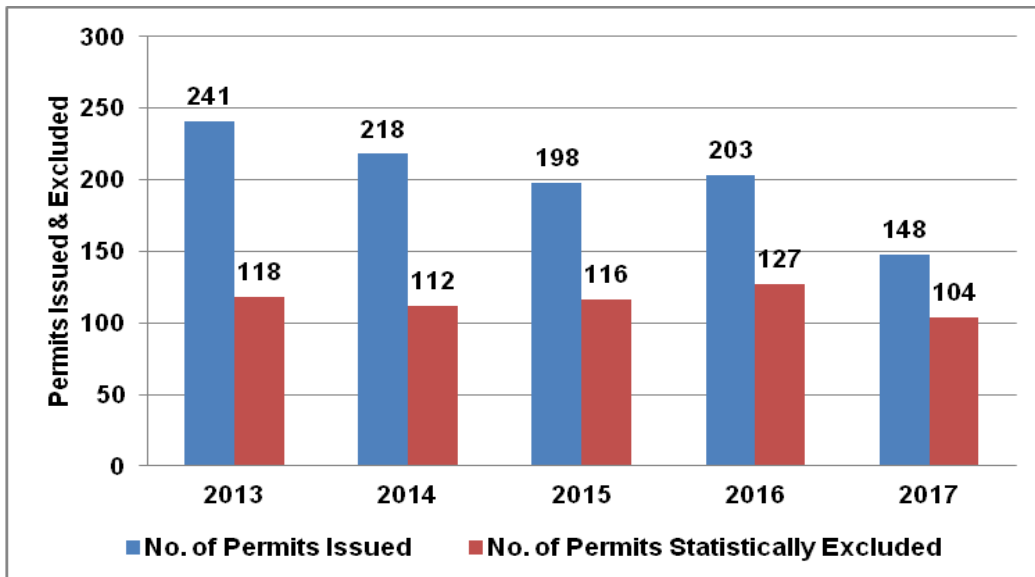
PERMIT TYPE	BENCHMARKS	
	DLAC	Provincial
New Residential	10	10
Misc. Residential	5	10
New ICI	10	15 to 30 ³
Misc. ICI	5	15 to 30 ³

³15 days – Part 9 (other) buildings; 20 days – Part 3, 4, 5, 6 large buildings; 30 days – Part 3, 4, 5, 6 complex buildings

New residential benchmarks:

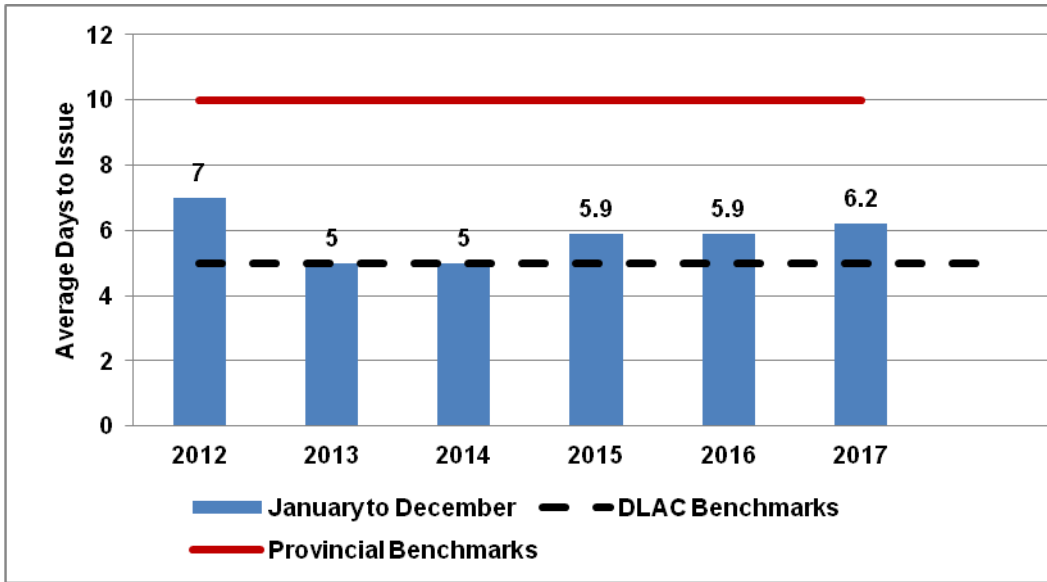


Number of new residential permits issued & excluded:

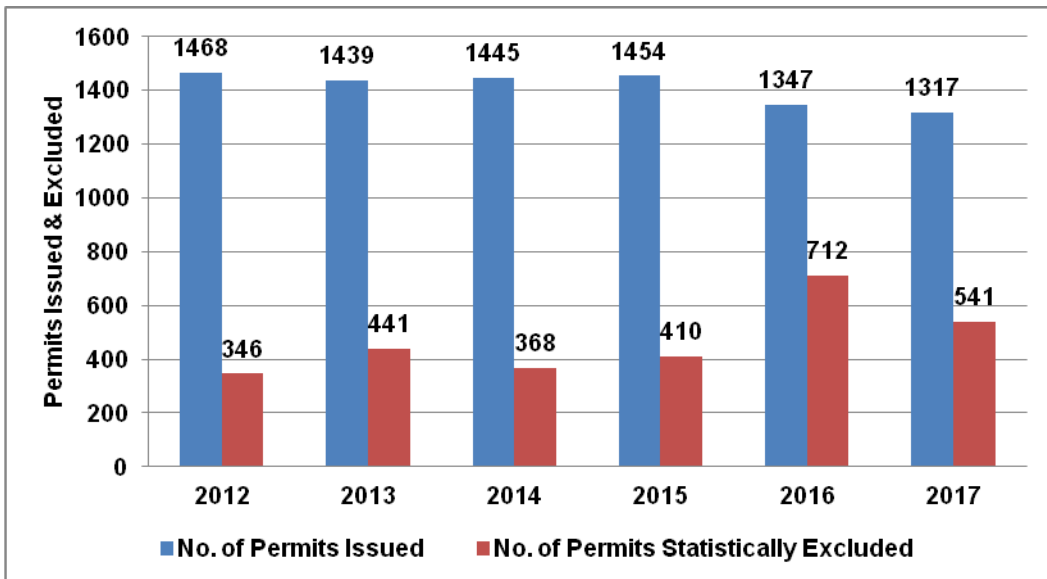


Incomplete applications are excluded and include permits that are subject to City By-laws and regulations such as rezoning, minor variance, site plan control agreement, subdivision agreement, lot grading, etc. which fall outside the control of the building permit process and in theory should be completed prior to a building permit application being received by us in order to deem it a complete application. However, based on DLAC approved policy and customer centric focus, we do not turn away incomplete applications.

Miscellaneous residential benchmarks:

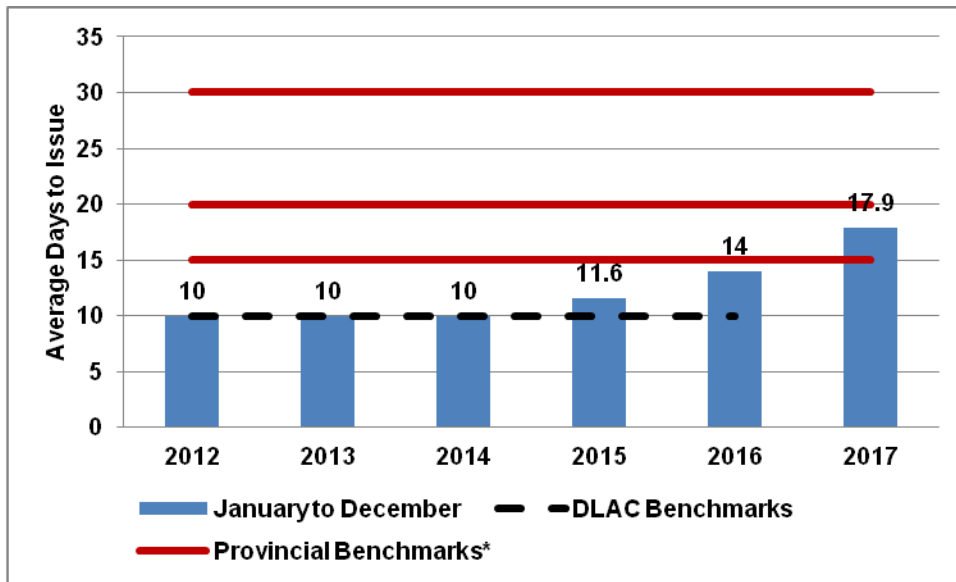


Number of miscellaneous residential permits issued & excluded:



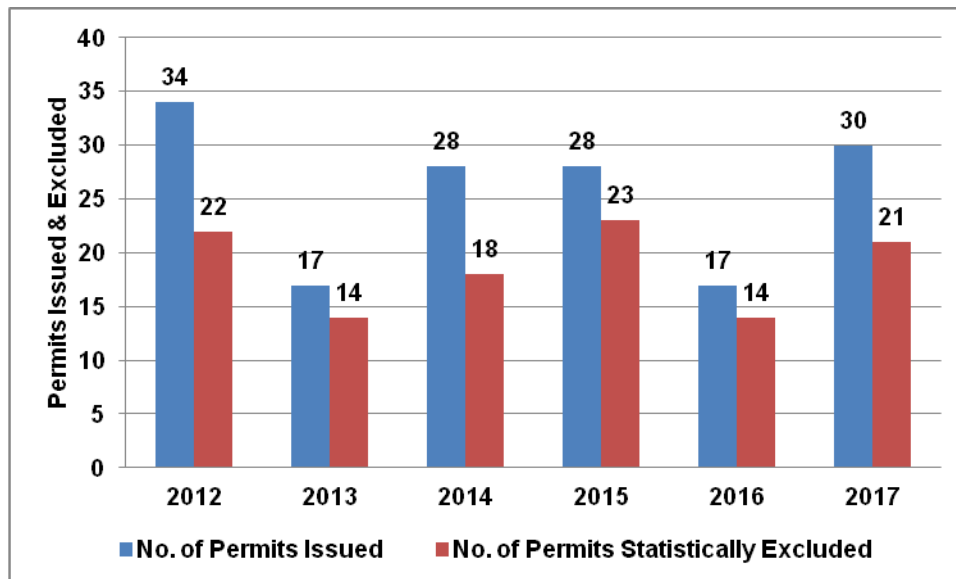
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New ICI benchmarks:



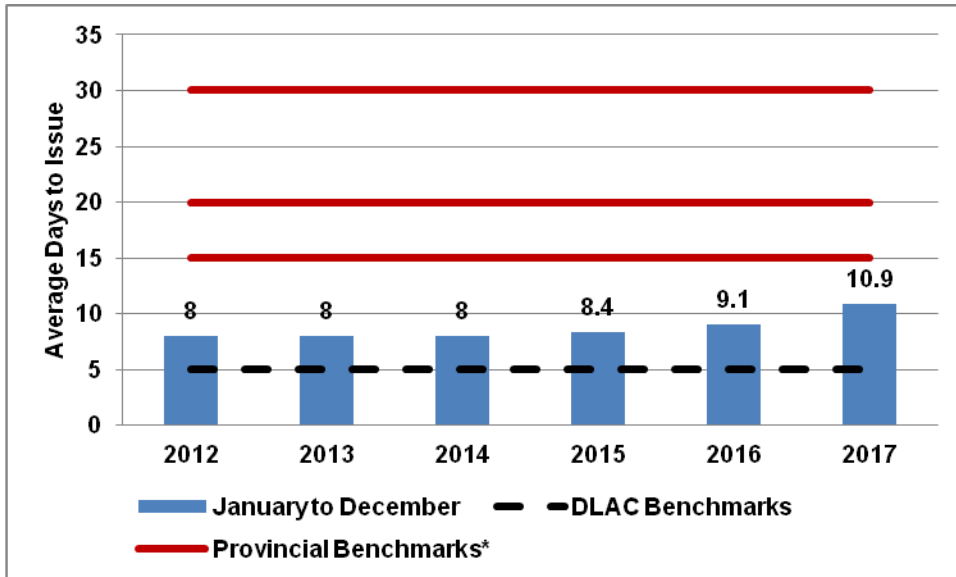
*15 days – Part 9 (other) buildings; 20 days – Part 3,4,5,6 large buildings; 30 days – Part 3,4,5,6 large complex buildings

Number of new ICI permits issued & excluded:



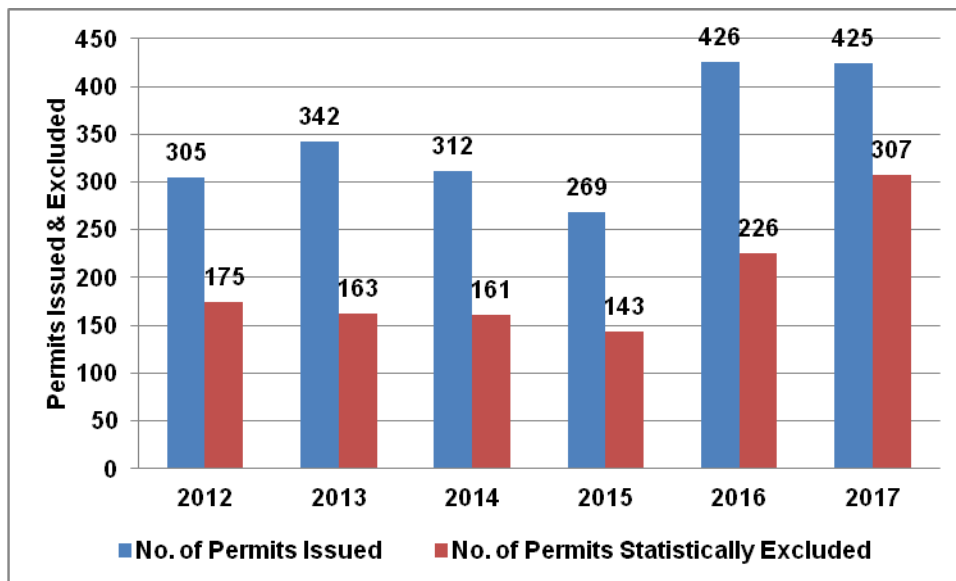
Incomplete applications are excluded and include permits that are subject to City By-laws and regulations such as rezoning, minor variance, site plan control agreement, subdivision agreement, lot grading, etc. which fall outside the control of the building permit process and in theory should be completed prior to a building permit application being received by us in order to deem it a complete application. However, based on DLAC approved policy and customer centric focus, we do not turn away incomplete applications.

Miscellaneous ICI benchmarks:



*15 days – Part 9 (other) buildings; 20 days – Part 3,4,5,6 large buildings; 30 days – Part 3,4,5,6 large complex buildings

Number of miscellaneous ICI permits issued & excluded:



Incomplete applications are excluded and include permits that are subject to City By-laws and regulations such as rezoning, minor variance, site plan control agreement, subdivision agreement, lot grading, etc. which fall outside the control of the building permit process and in theory should be completed prior to a building permit application being received by us in order to deem it a complete application. However, based on DLAC approved policy and customer centric focus, we do not turn away incomplete applications.

Conclusion

In 2017, our turnaround times increased slightly when compared to 2016 being slightly above the DLAC benchmarks but still within the provincially mandated benchmarks for all categories except New Residential. Building Services continued to have challenges with staff due to health issues and a significant shift in the Permit Processing Clerk ranks creating significant staffing pressures for remaining senior staff when hiring and training to replace these lost resources.

The year 2018 brings exciting new building prospects to Greater Sudbury with the development of numerous ICI and residential projects as listed:

- Bruno PET Scan Project - \$5.0 million
- Health Sciences North Medical NEO Kids Learners Unit
- Casino Development
- Red Oak Villa Retirement Expansion
- Laurentian University New Student Centre - \$2.5 million
- Two new Seniors Housing Complexes
 - Algonquin Road
 - Second Avenue

Building Services staff will continue to explore opportunities with the development industry and their representatives on DLAC to improve service and streamline the development permitting process.