



# City of Camrose

## Administrative Report

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To: Committee of the Whole Council

Date: January 22, 2024

From: Manager – Planning & Development

Re: For Information – 2023 Annual Development Statistics

### **RECOMMENDATION:**

THAT Committee of the Whole Council accept this report as information.

### **BACKGROUND:**

#### **Summary:**

- Planning & Development has committed to tracking several development permit, business license, and land development statistics in order to provide greater transparency and accountability on the department's operations.
- As many of these statistics have now been tracked for over 10 years, the data presented provides a more relevant view of changing conditions in the development industry in Camrose.
- In 2023, the total number of permits is down 25% relative to the 10-year average. However, larger commercial and industrial projects that are non-exempt from taxation remain strong, and drastically exceed recent growth levels.
- 13 non-exempt projects over \$500,000 in quoted construction value were approved, including 6 projects over \$1,000,000. Even after excluding projects that haven't broken ground in 2023, this is double the annual average.
- The total number of businesses operating in Camrose grew for the first time in 3 years.
- A substantial amount of development continues downtown. In the time since the Downtown Area Redevelopment Plan was under development, the amount of vacant and underutilized land downtown has been reduced by 1/3 (or 10 acres).
- The full report is attached for review.

### **STRATEGIC PLAN ALIGNMENT/MUNICIPAL DIRECTIVES:**

#### **Build a Strong Economy**

The City develops strong relationships with the local business community to encourage their growth. Camrose further builds our economic base by attracting sustainable, innovative industries and entrepreneurs.

### **ADVOCACY / COLLABORATION OPPORTUNITIES:**

N/A

### **COMMUNICATION CONSIDERATIONS:**

N/A

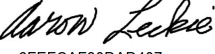
**IMPLICATIONS OF RECOMMENDATION:**

N/A

**ATTACHMENTS:**

- Development Statistics – 2023 Annual Summary

**SUBMITTED BY:**

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Aaron Leckie

Manager – Planning and Development

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Report Prepared by: Kari Burnstad – Planning Services Assistant

# City of Camrose Planning & Development

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## Development Statistics – 2023 Annual Summary

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## Summary:

The Planning & Development Department (P&D) is responsible for Current Planning and Long-Range Planning activities for the City of Camrose. Current Planning consists of approvals which fall into the categories of licenses, permits, subdivisions, and bylaw amendments. This annual summary focuses on Current Planning activities and the overall volume of work as just one way of tracking development activity in Camrose.

Overall, the total number of permits is down 25% relative to the 10-year average. However, in 2023, P&D continues to see a record number of large projects non-exempt from taxation. There are fewer total development permits, but the valuation and scale of the projects that are submitted are significantly larger than in the past.

There were 13 non-exempt projects over \$500,000 in quoted construction value, 6 of which were over \$1,000,000. Even after excluding projects that did not break ground in 2023, this is double the annual average. Note that construction value is just one of the datapoints that factors into assessed value. Approval of a development permit does not always lead to construction.

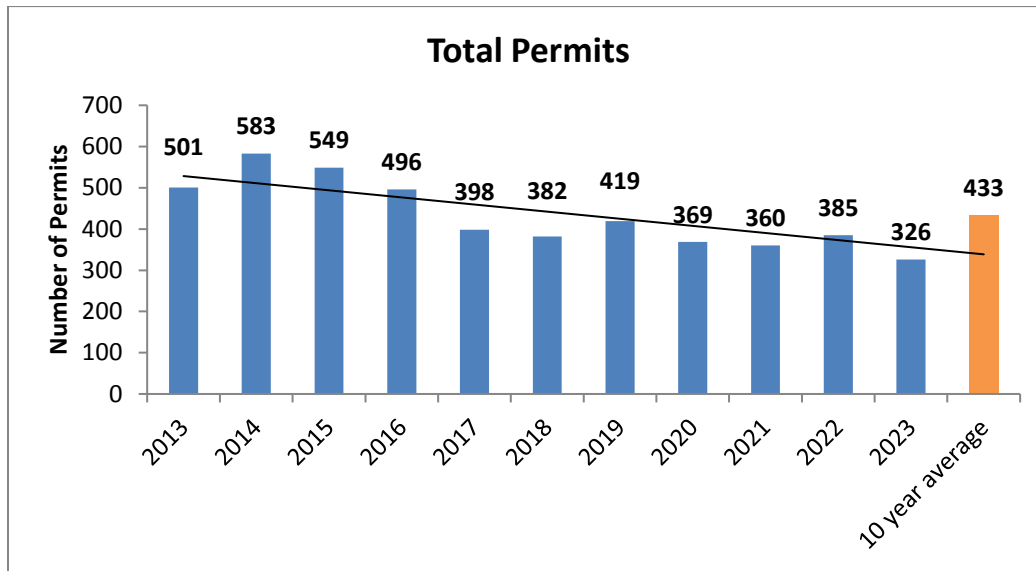
The dynamics of residential development in Camrose continues to change. There are just as many multi-unit development projects in new communities as single detached dwellings. For infill development, single detached dwellings are almost exclusively replaced by multi-unit developments. P&D expects the development of West Park phase 5 in 2024 will pull back new development towards single detached dwellings.

There was an increase in city (storefront) and regional business licenses. The active home business licenses were comparable to 2023. The total number of new business licenses grew for the first time in 3 years.

P&D continues to update the development of vacant and underutilized lands in downtown Camrose. Properties were added to the map as buildings were vacated, reclassified, or developed. The amount of vacant land decreased substantially in 2023 as a result of several large-scale infill development projects. Since reporting started as the Downtown Area Redevelopment Plan project was underway, the amount of vacant and underutilized land downtown has been reduced by approximately 10 acres or approximately 1/3 from when reporting started in 2016. Downtown development optimizes existing assets such as municipal servicing, adds value, and ensures downtown is the cultural center of Camrose.

## Total Development Permits

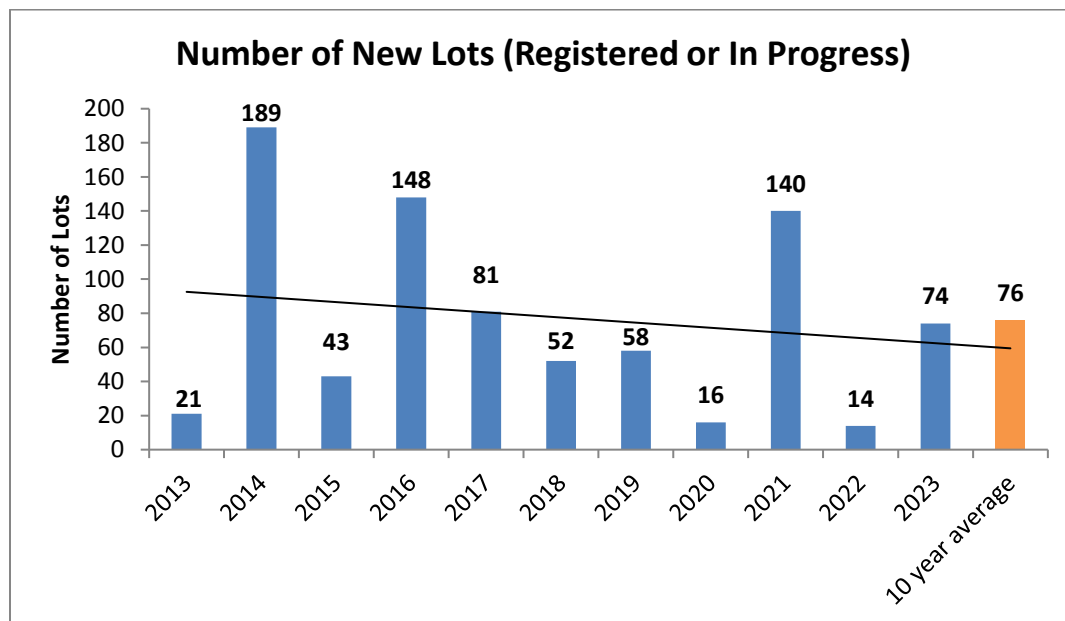
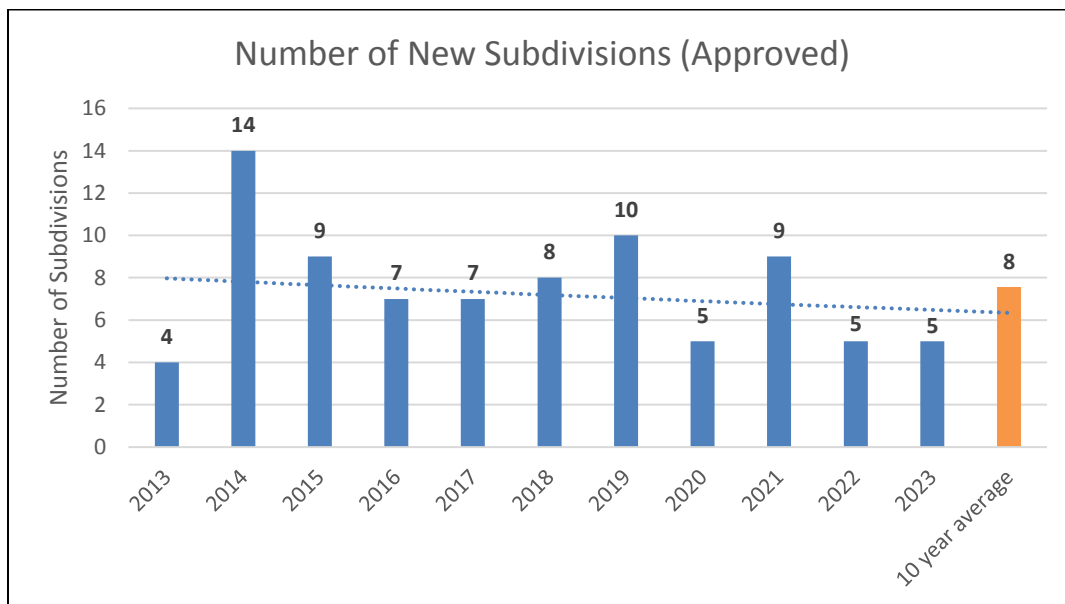
The total number of permits is down 25% relative to the 10-year average. However, a trend since 2020 has been the replacement of lower value permits (such as accessory buildings) with higher value permits (such as multi-unit developments). When calculating the total number of permits, each of these examples are still counted as 1.



## Subdivisions

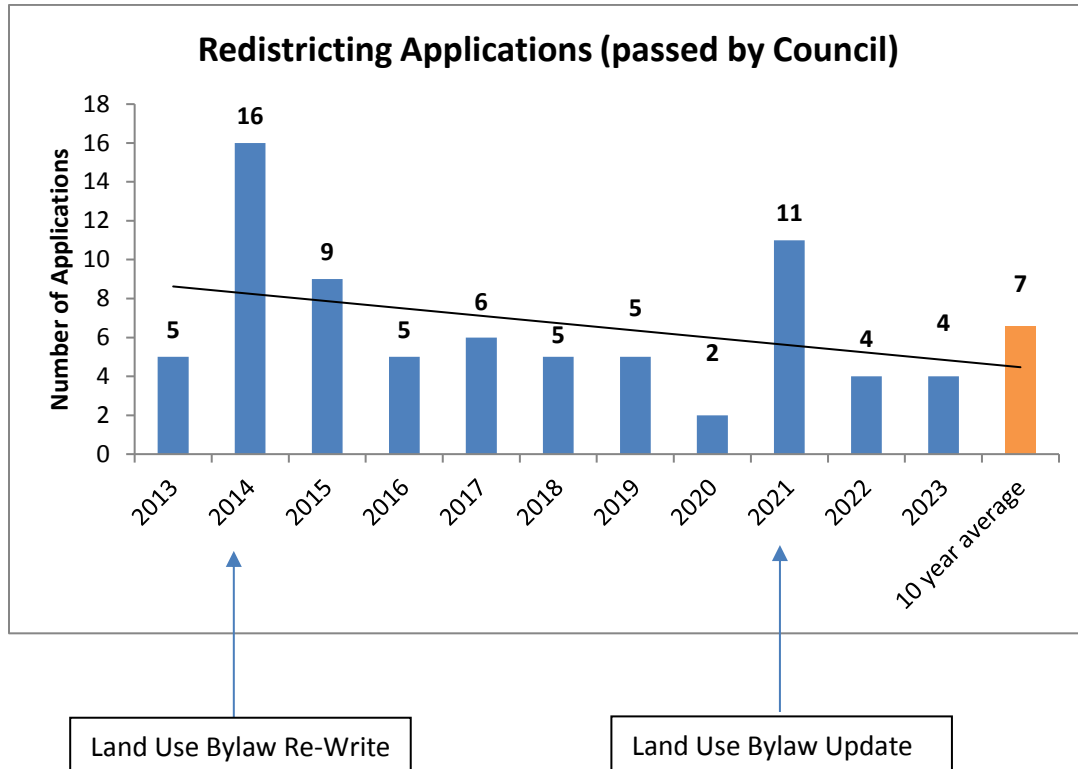
2023 was a below-average year for approved subdivisions, and an average year for lot development. The inventory increased substantially in 2021 as West Park phase 5, Valleyview West phase 2, and Creekview Estates were all developed, at roughly the same timeframe. Camrose still has a large inventory of undeveloped lots dating back to 2008.

New subdivisions that were not registered by January 1<sup>st</sup>, 2023 do not generate taxable growth until 2024. Most of these lots will transition to real growth in 2024, as home development has recently or will soon commence. In 2024, West Park and Stoney Creek Estates are expected to drive most of the dwelling construction in new areas.



## Redistricting, Road Closure, & Plan Amendments

In 2023, 2 Redistricting applications and 2 Land Use amendments were approved; this is below the 10-year average. Camrose continues to see a low instance of amendments under these application categories, indicating the LUB remains a workable document.



## Development Permits (Major)

Major development permits consist of residential (single-family dwellings & multi-family), commercial, institutional, industrial, and mixed-use applications. A continuing trend from 2020–2023 is a lower total number of permits, but the projects are much larger in size.

7 approved non-exempt (i.e. taxable) development permits provided an estimated construction value of over \$500,000.

- Evolve Surface Strategies (Communication Tower)
- Span Architecture (Clinic/Pharmacy)
- IPEC Developments (Triplex)
- IPEC Developments (Fourplex)
- (2) Battle River Homes (Duplex)
- Battle River Homes (Single Family Dwelling)

6 approved non-exempt (i.e. taxable) development permits provided an estimated construction value of over \$1 million each.

- Jason Beisick (Commercial Development Amendment, Camrose Square)
- Goransrud Holdings Ltd. (24 Unit Residential)
- Aodbt Architecture and Interior Design (Wildrose Co-op Administration Building and Liquor Store)
- DeJong Architecture (2 Floors Commercial Office Building, Olson & Rau)
- Nejmark Architecture (Commercial Renovation, Superstore)
- Scott Builders (Toyota Dealership)

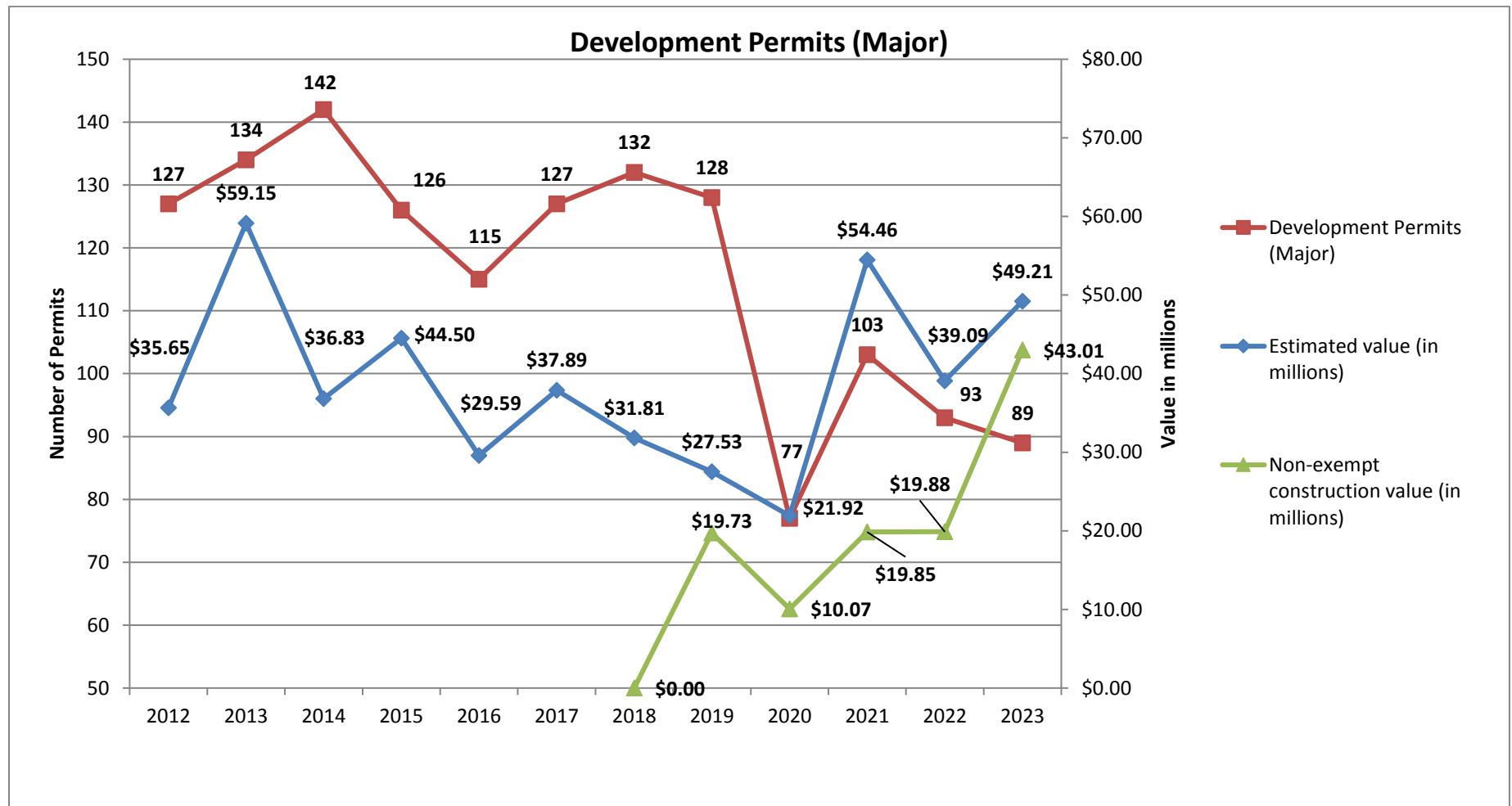
As with previous years, there are a number of major permits approved in 2023 that were exempt (i.e. non-taxable). The most significant project that falls into this category is the Open Doors facility at 4707 56<sup>th</sup> Street. However, the combined total of all non-taxable construction projects accounted for only 13% of the total estimated construction value in 2023. Typically, non-taxable projects account for over 50% of all construction value in any given year.

In 2023, the total value of non-exempt construction more than doubled, even after excluding the two largest projects, accounting for \$40M estimated construction value as these projects did not break ground in 2023. Approval of a development permit does not always lead to construction.

Development Permits currently in progress that are not included in this report, as they have not been approved, are as follows:

- Arc Studios – Joao Deus (98 Unit Residential Apartment)
- Steven Ho (88 Unit Residential Apartment)
- Kimmy Holdings (Dealership – Commercial Addition)



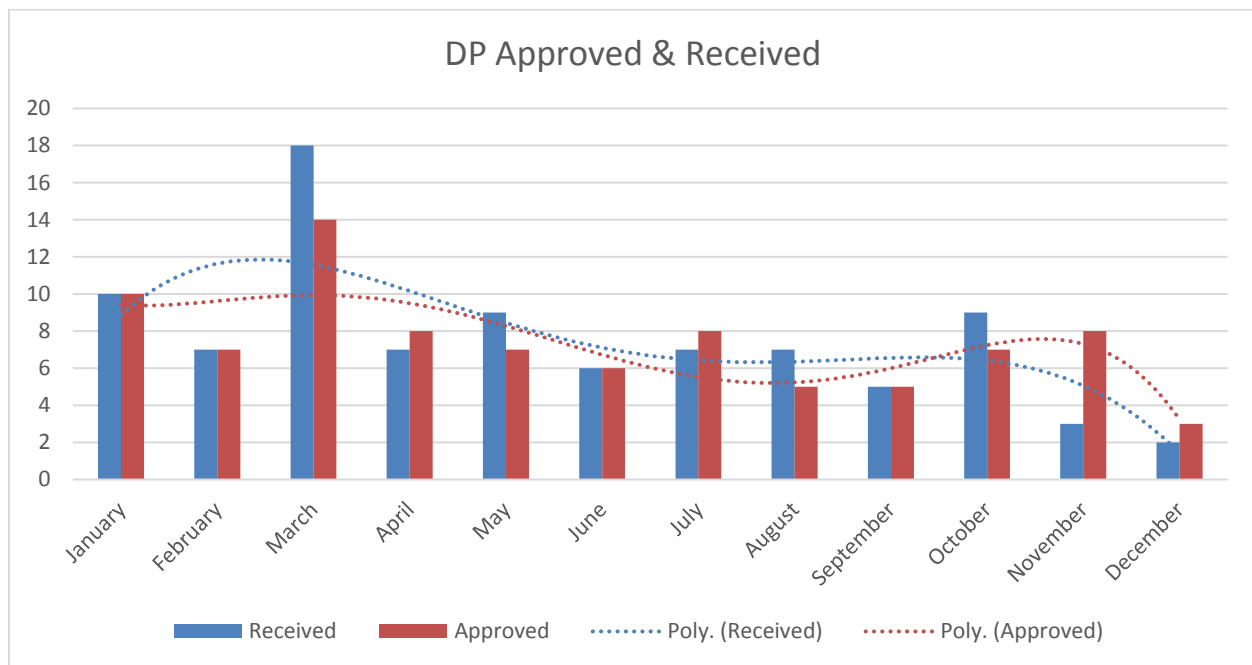


\*\* This chart does not include in progress development permits of which have not been approved. The total estimated construction amount of in progress permits is \$39,675,000.

### Development Permits (Major) – Volume of Work by Month

There is seasonality to the volume of work related to applications. 2023 was a “return to normal” with a strong “spring surge” in advance of the start of the construction season. However, the typical “autumn push” was much more subdued as the above-seasonal weather smoothed out the rush to complete projects before the onset of cold weather. Some residential homes started construction as late as early December, which is not typical.

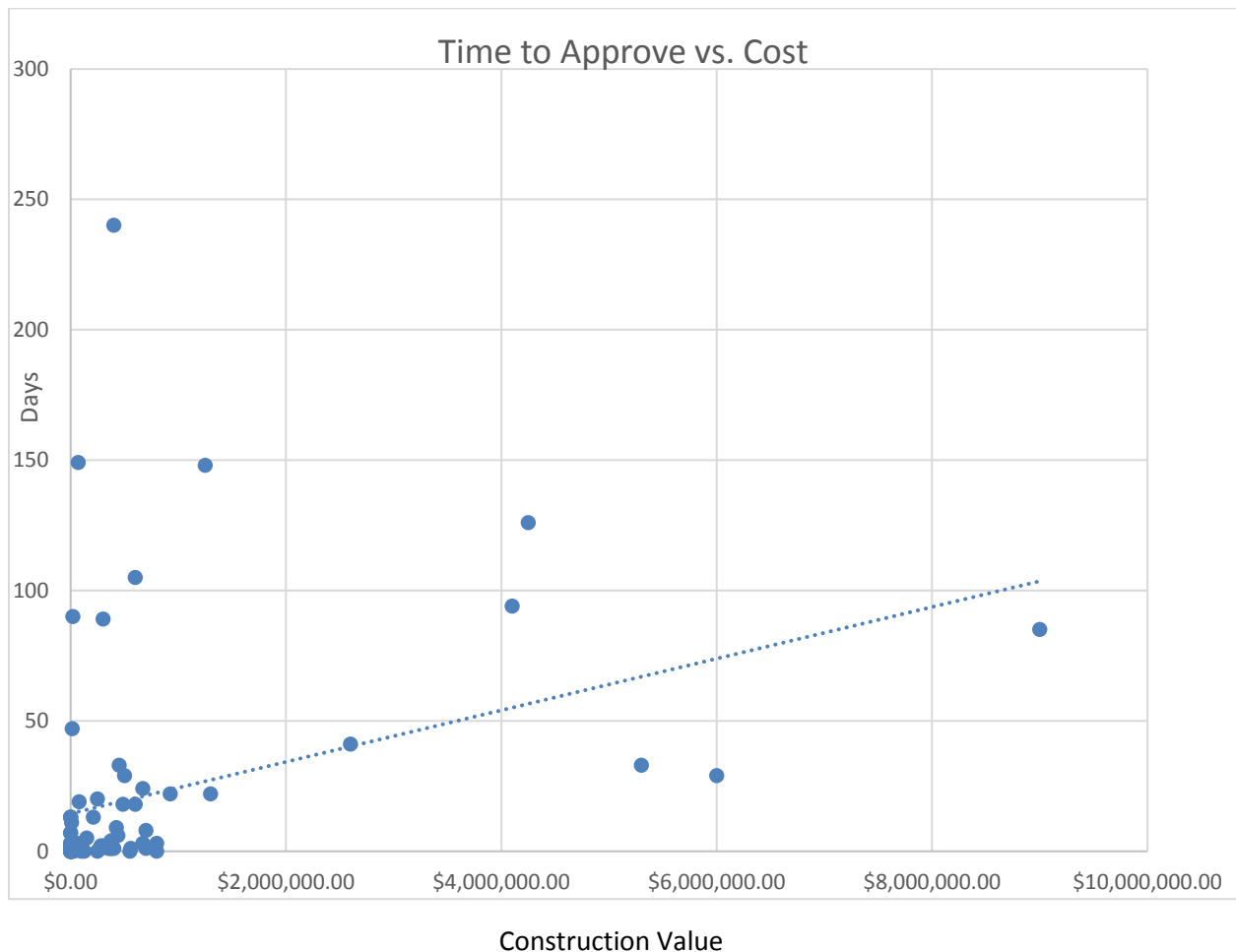
Internal resources are deployed accordingly to address surge times.



### Development Permits (Major) – Approval Time vs. Cost

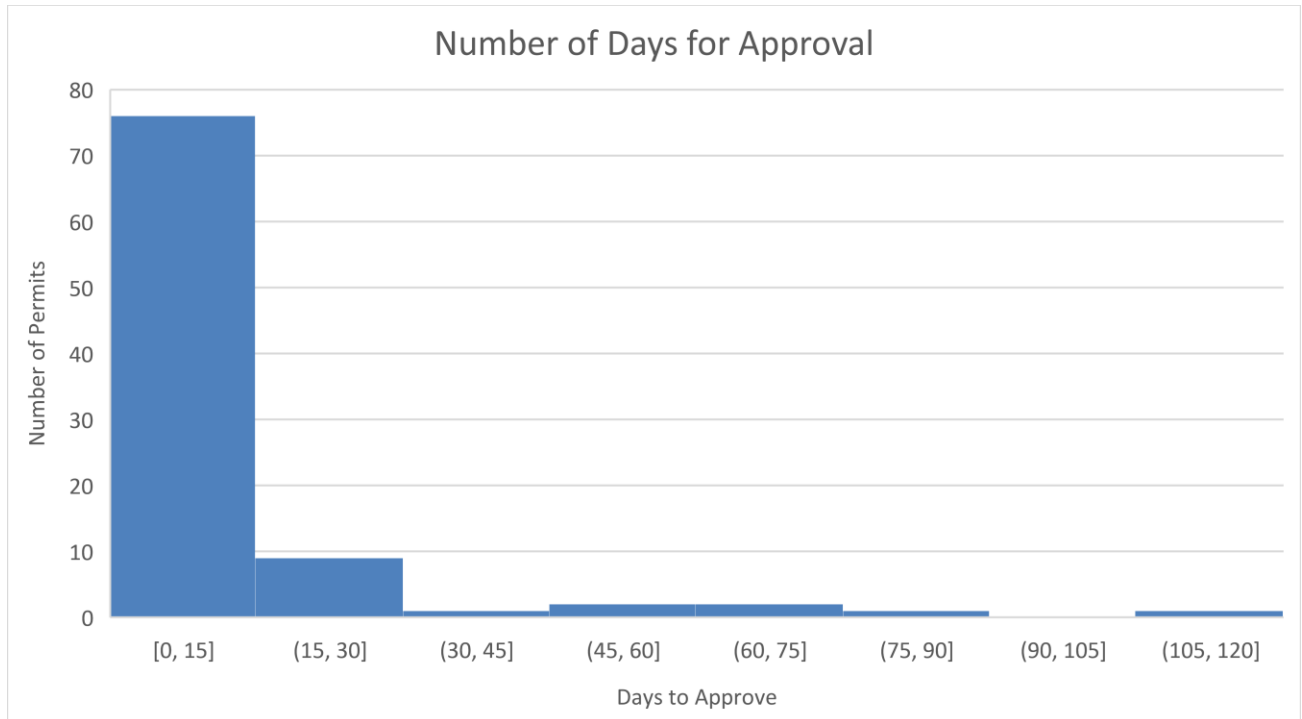
Most major development permits are under \$1 million dollars in value and are approved well within mandated timelines. In some cases, advertising requirements, public engagement, or the necessity of further studies or applications can delay a project but these are rare occurrences.

Higher valued construction projects usually require supportive studies like a traffic impact assessment, stormwater management plan, detailed utility information, or other data to support the application. As such, there is some correlation between the projected construction cost and the time it takes to review and approve.



## Development Permits (Major) – Days to Approval

The Development Authority has 20 days to deem an application complete or incomplete, and a further 40 days to review the application once it is deemed complete. Almost all major permits are approved well within mandates timeframes. In some instances, extensions are required if additional information is required by the Development Authority. This information usually comes to light through internal or public referrals.

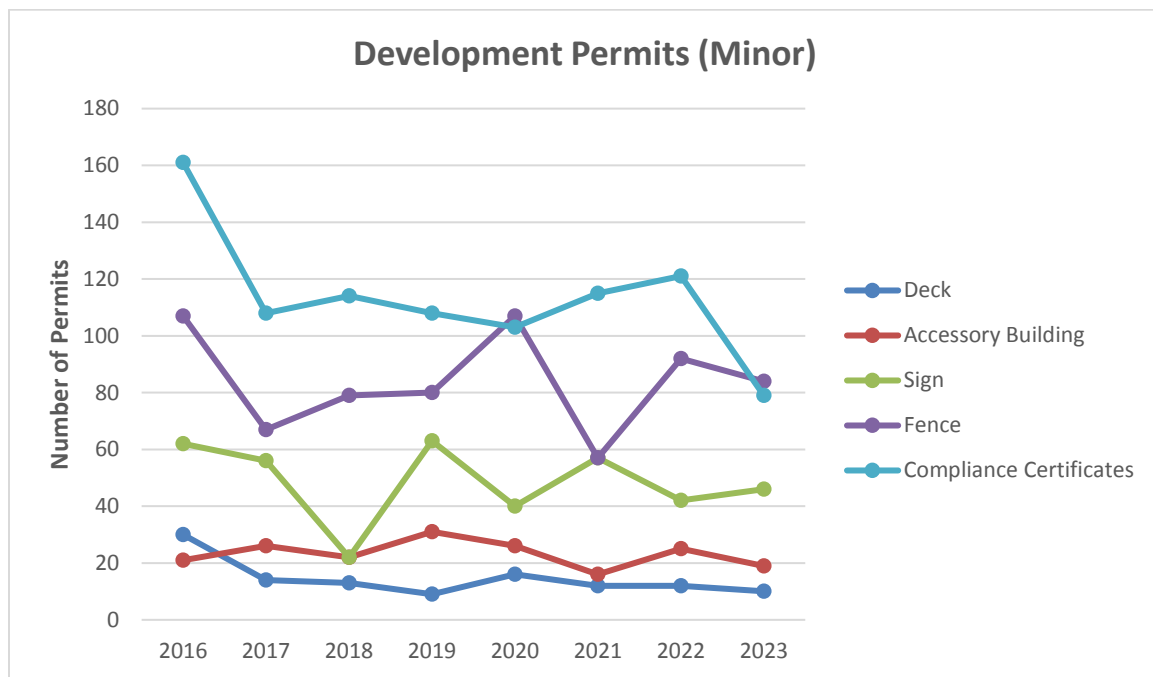


## Development Permits (Minor)

P&D processes development permits for accessory structures, decks, fences, and signs. As well, P&D provides compliance certificates on request; these are usually requested as part of real estate transactions, but not always. Feedback received indicates that the local housing market is running quite hot, and compliance certificate requests have dropped in number not because of a lack of demand for this service, but rather, the speed in which these home transactions must close making a 2–3 day wait period for a municipal compliance review unrealistic. As well, P&D has received information that less real estate transactions are being conditioned with the need for compliance certificates with the current market dynamics, speed of transactions, and multiple competitive bids cited as reasons.

Overall, minor permits were relatively stable compared to previous years.

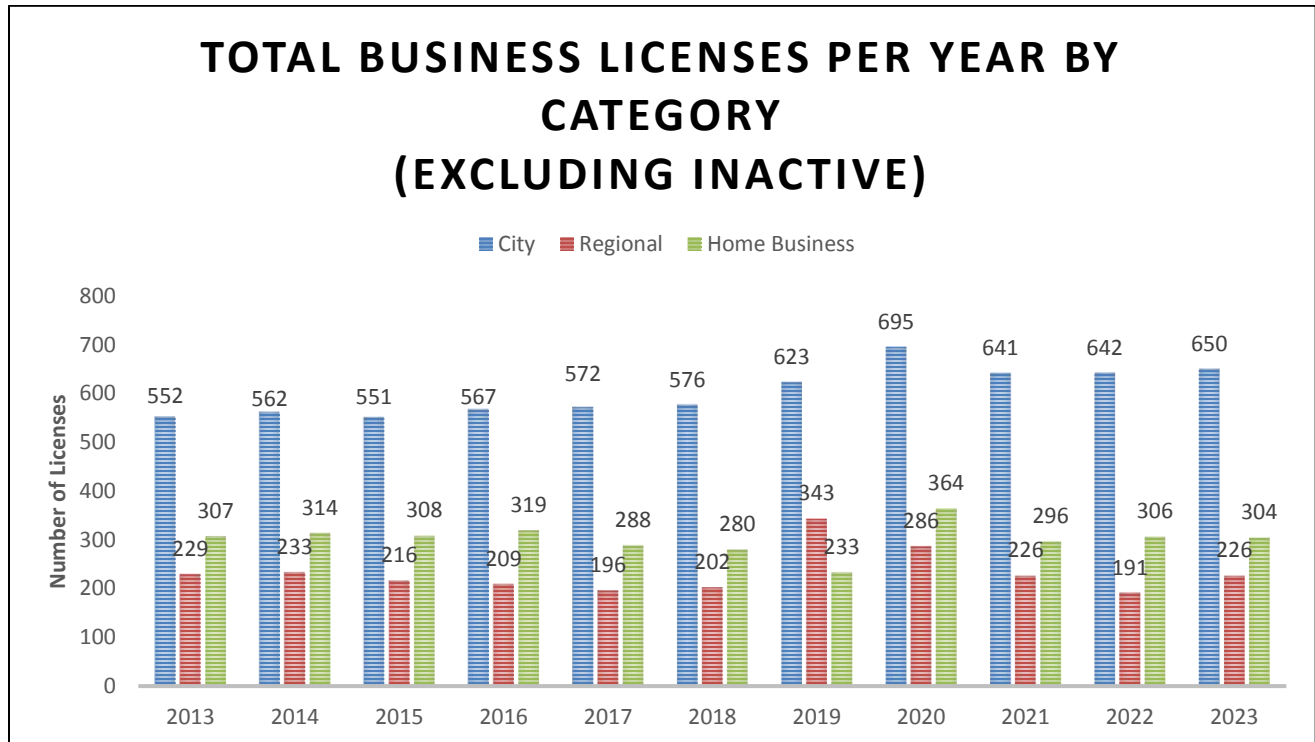
Minor permits have historically varied significantly year to year and are not a good representation of the daily activities in P&D.

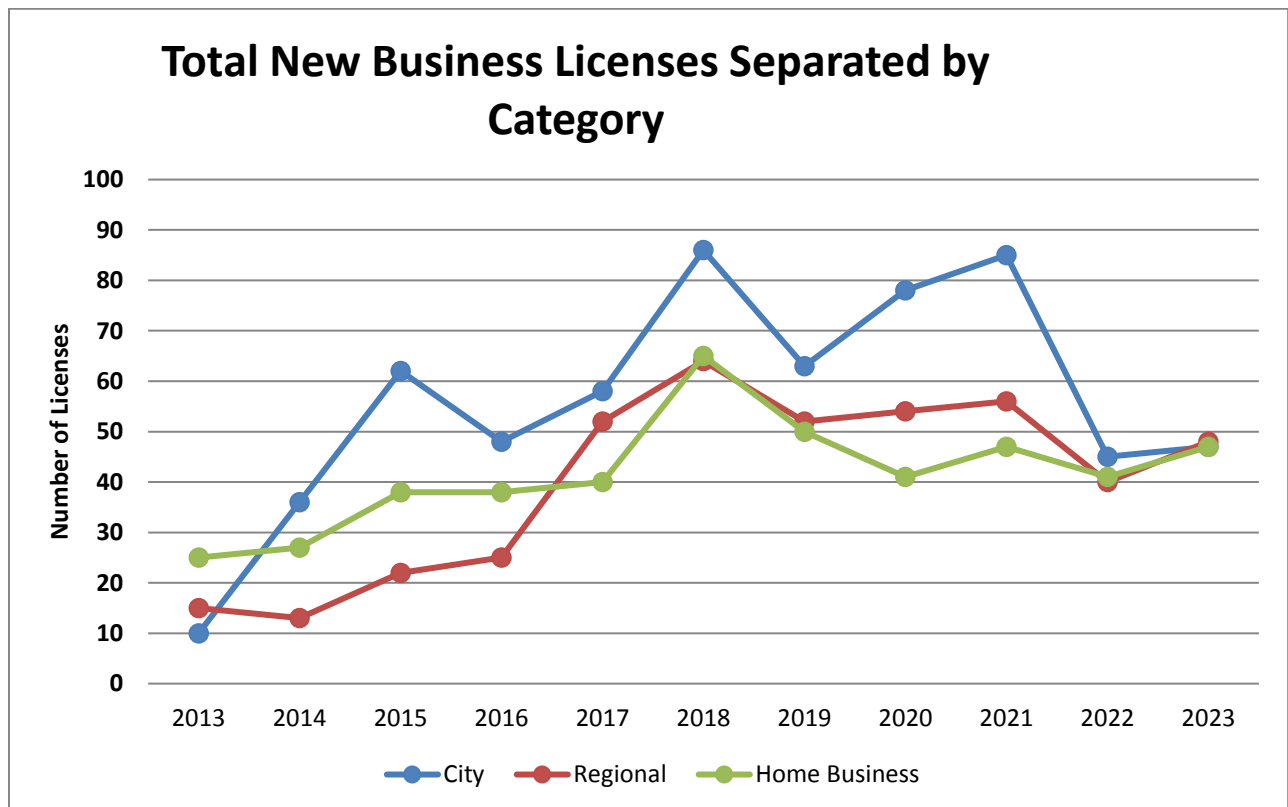
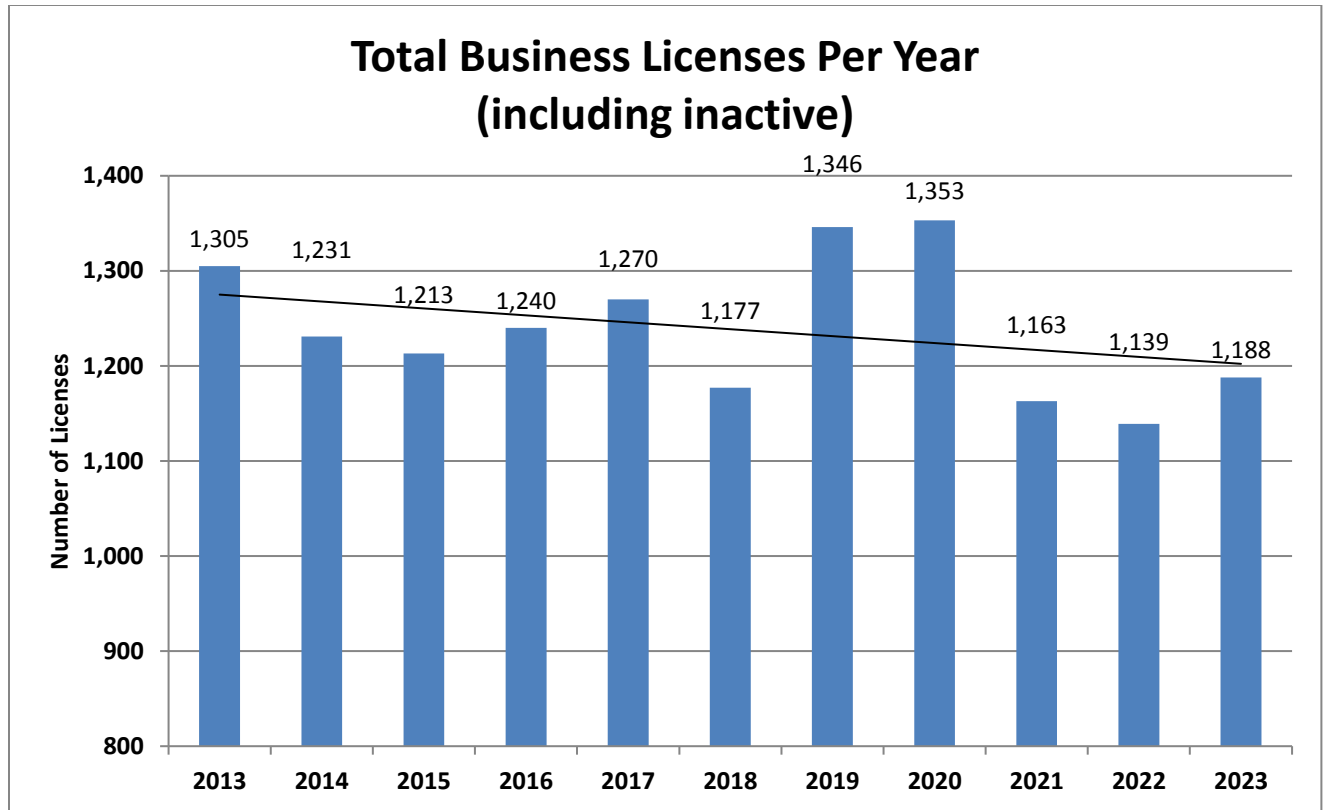


## Total Business Licenses

For the first time in 3 years, new businesses opening offset those that closed, which created an increase in the total number of active businesses in Camrose. However, local businesses continue to face some pressures and headwinds such as:

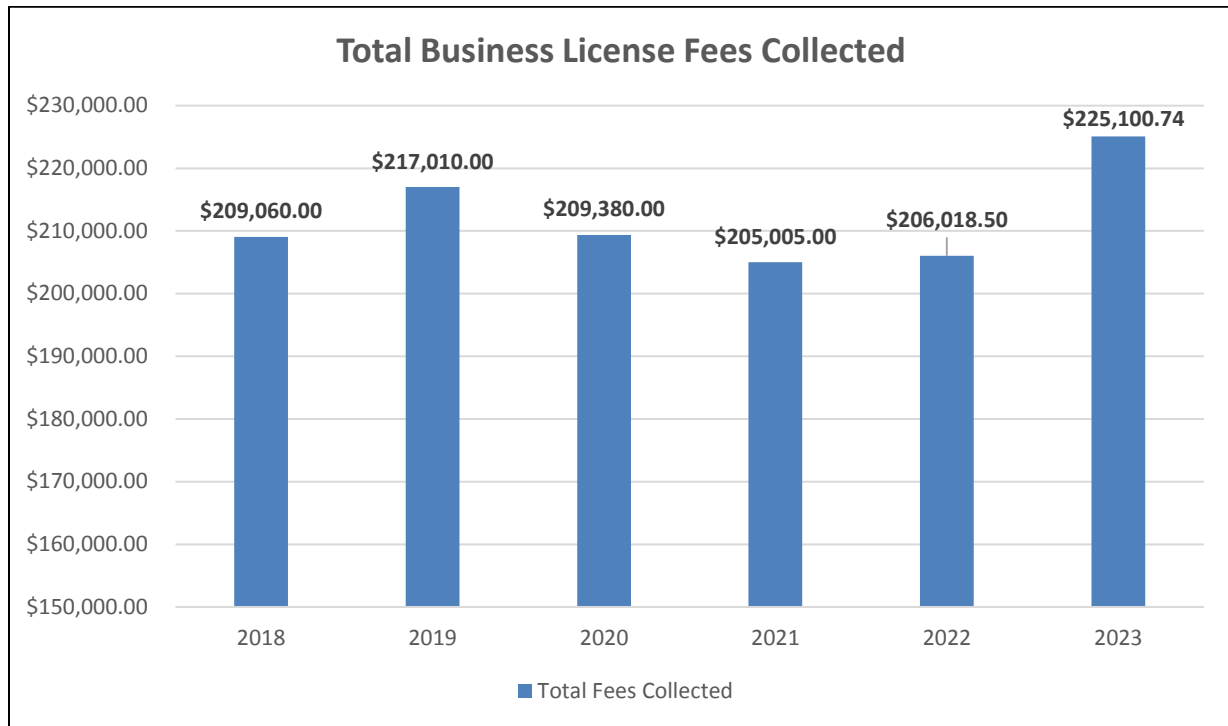
- End of government supports (COVID-19).
- E-commerce and omnichannel distribution.
- Right-sizing businesses as a result of demand.





## Business License Revenues

Business License revenues increased due to the increase of new businesses and changes to business license fees.



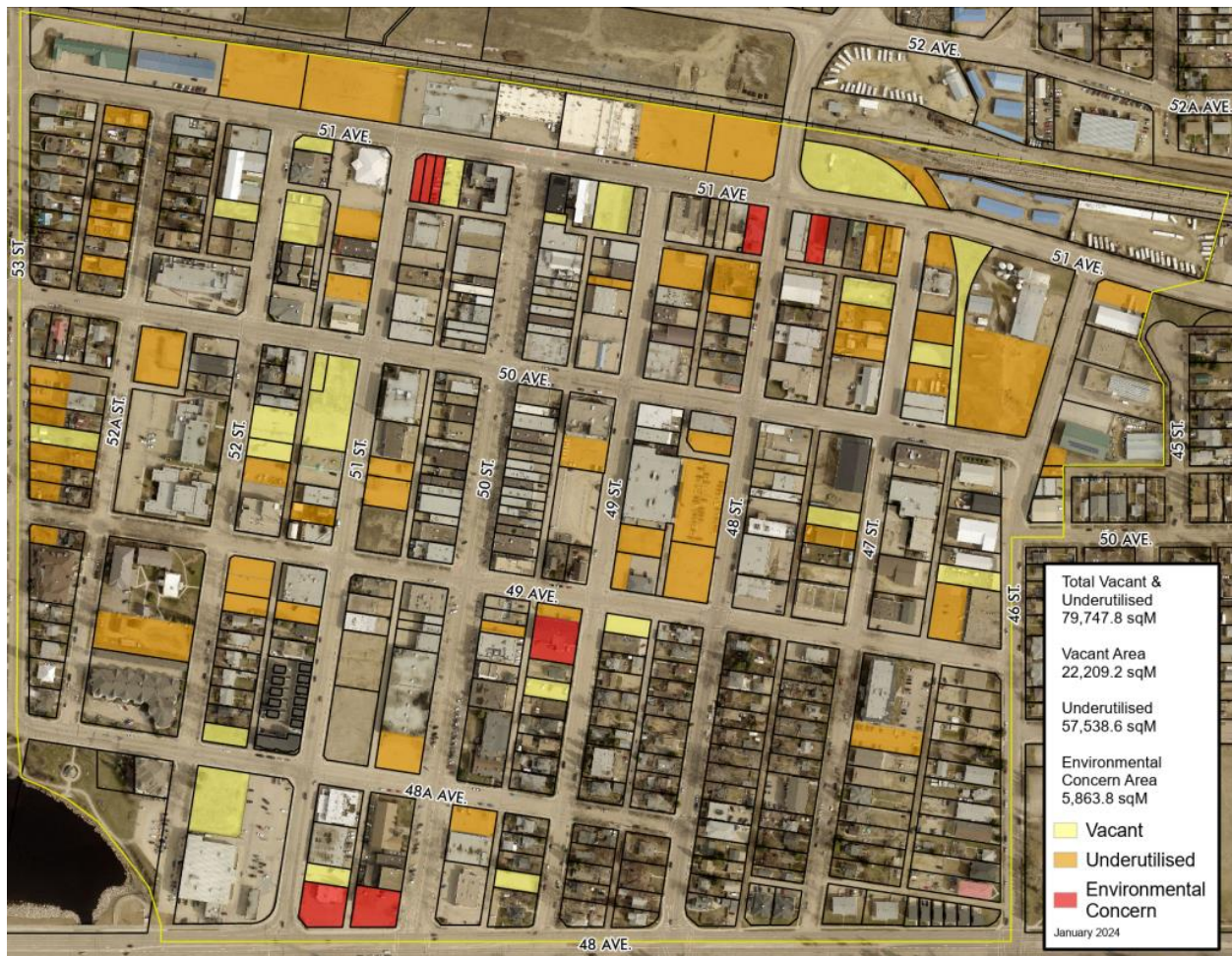


## Downtown Vacant & Underutilized Lands Map

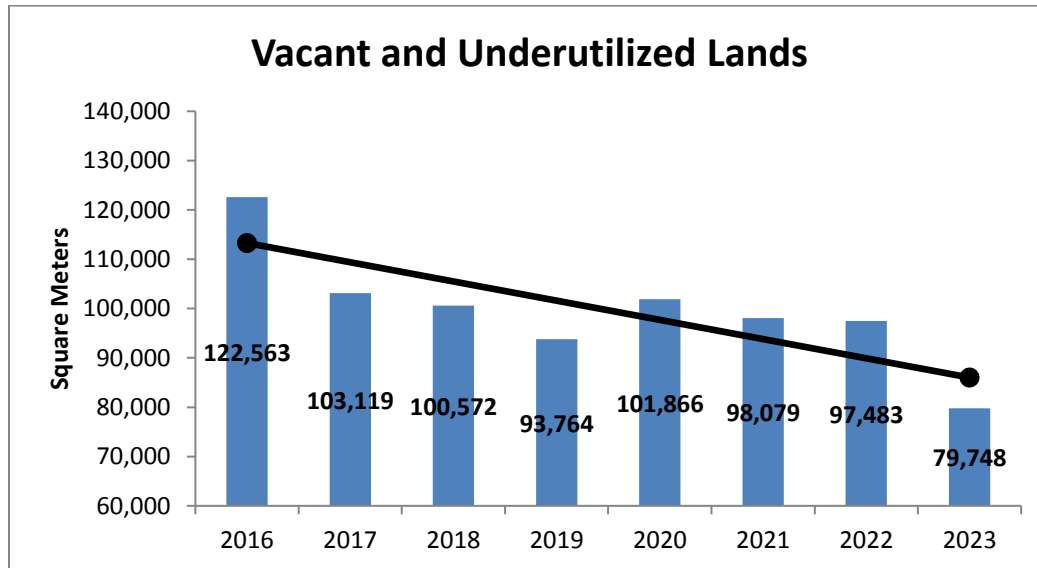
A total of 79,748m<sup>2</sup> (approximately 20.0 acres) of vacant and underutilized land remains undeveloped in downtown.

- Lands are classified vacant if there is no development or the use of surface parking and could be optimized by providing collective parking arrangements.
- Lands are classified as underutilized if there is a structure on the site but the site could accommodate additional development with no impact on parking, services, or the existing businesses.
- Lands are classified as having environmental concerns if there is documentation in the file regarding potential or proven contamination.

## Downtown Vacant & Underutilized Lands Map



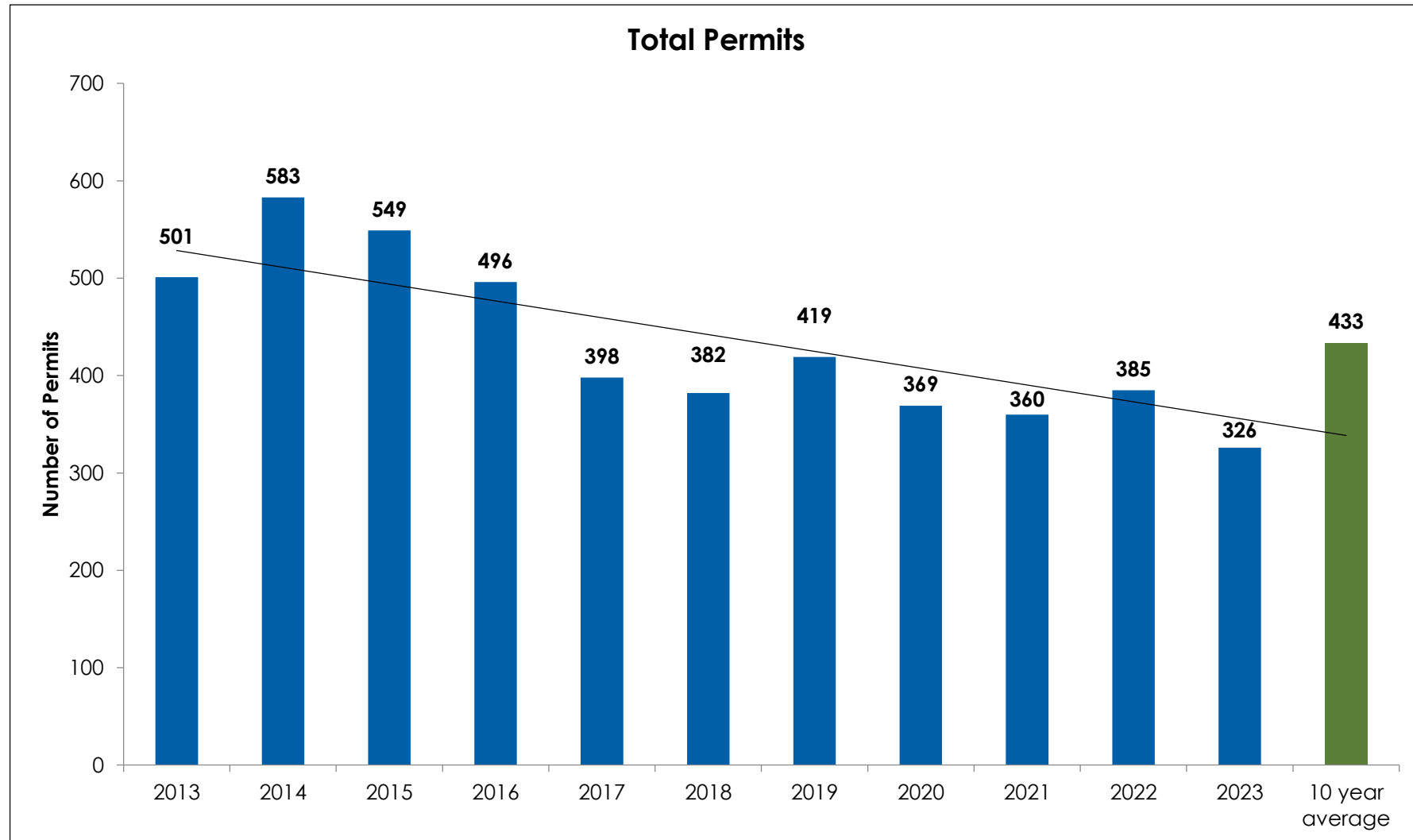
A review of property development in downtown is conducted annually. Properties are removed from the map as they are developed, new vacant and underutilized land is added if permanent structures are demolished, and environmentally contaminated lands are reclassified as they are remediated. The amount of vacant and underutilized land downtown has declined since reporting started in 2016. Downtown development optimizes existing assets such as municipal servicing, adds value, and ensures downtown is the cultural center of Camrose.





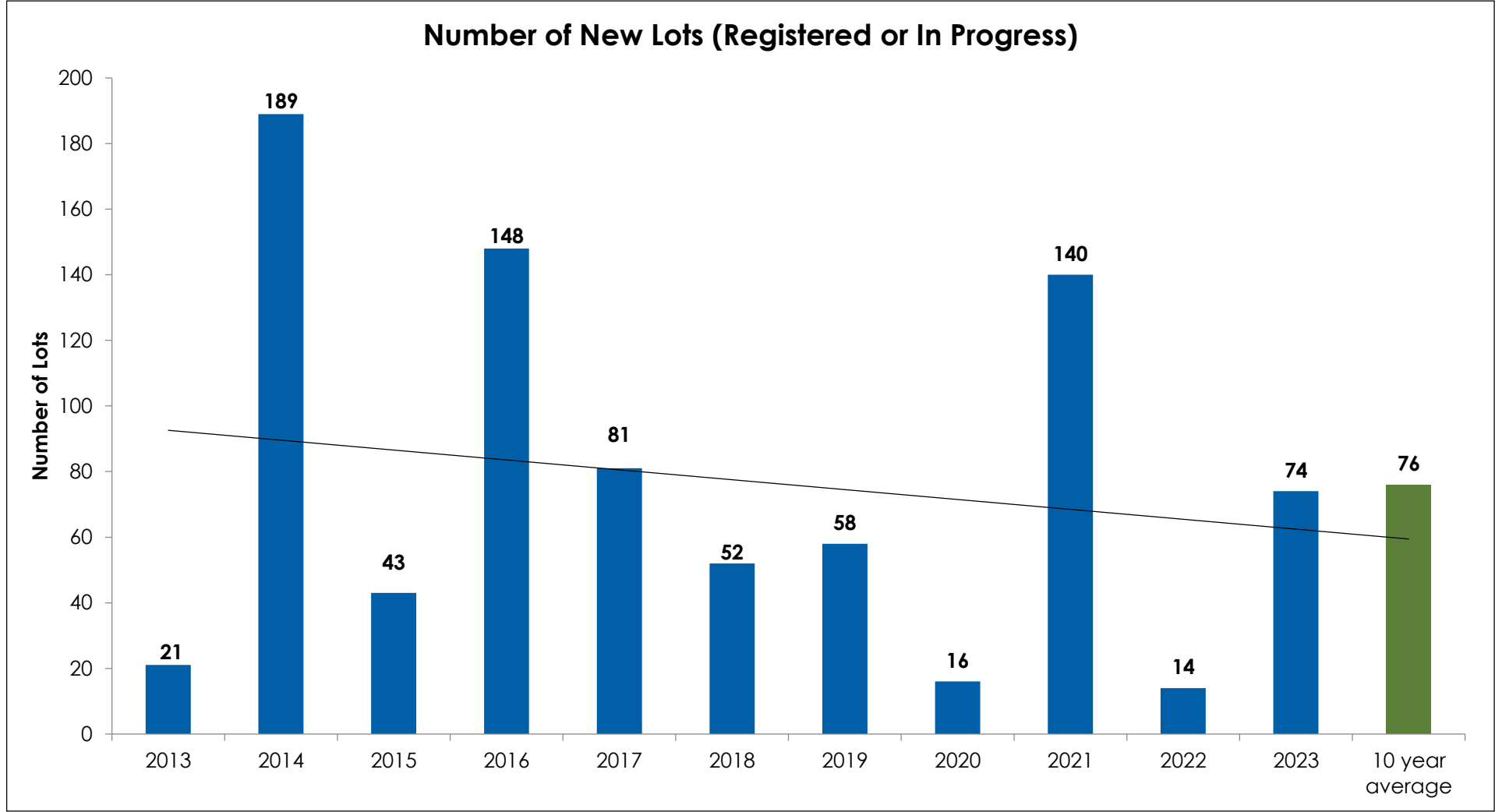
# **Development Statistics 2023 Annual Summary**

Aaron Leckie – Manager Planning & Development



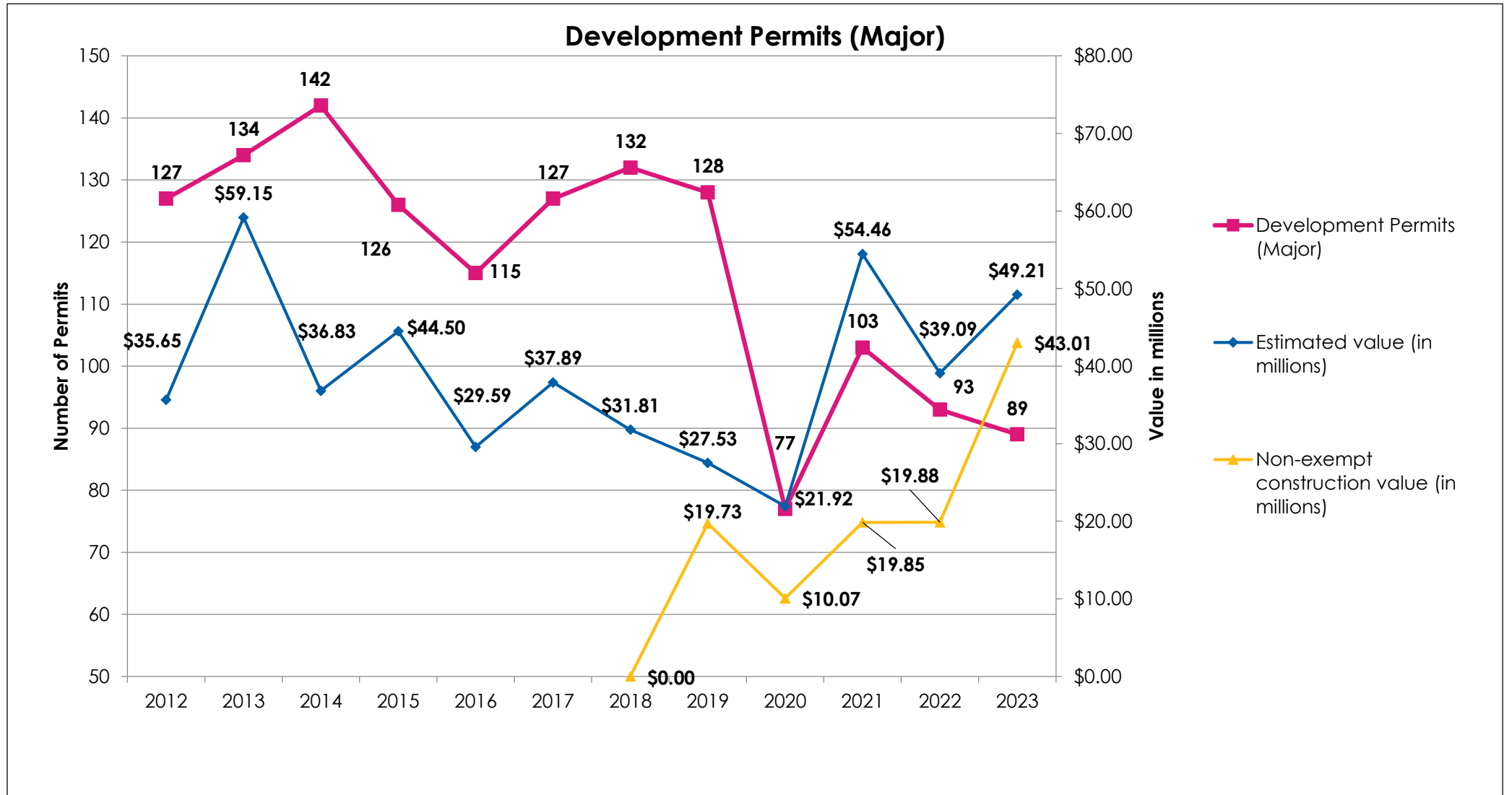
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## Subdivisions



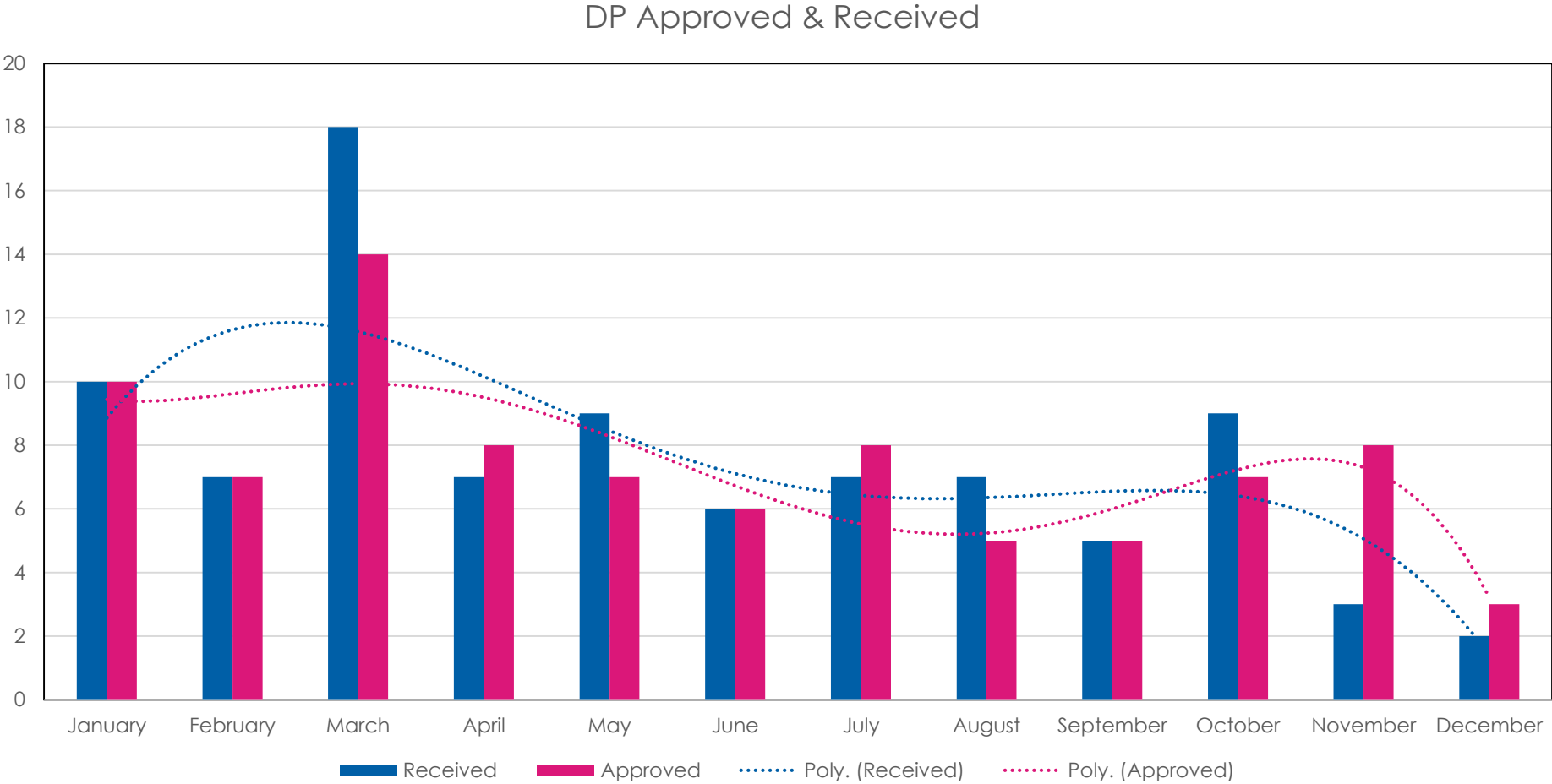
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## Major Permits



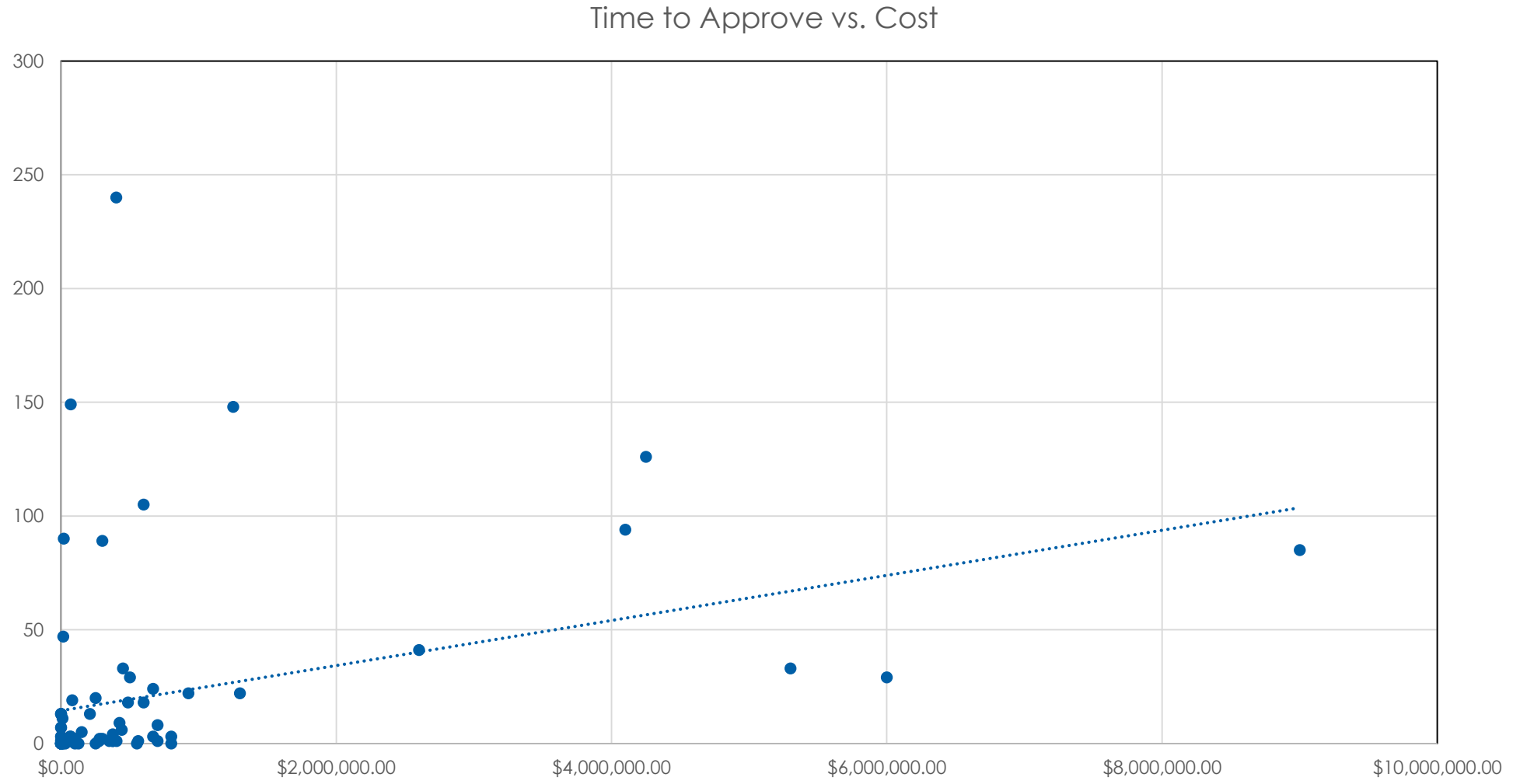
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## DP Received & Approved



# 04

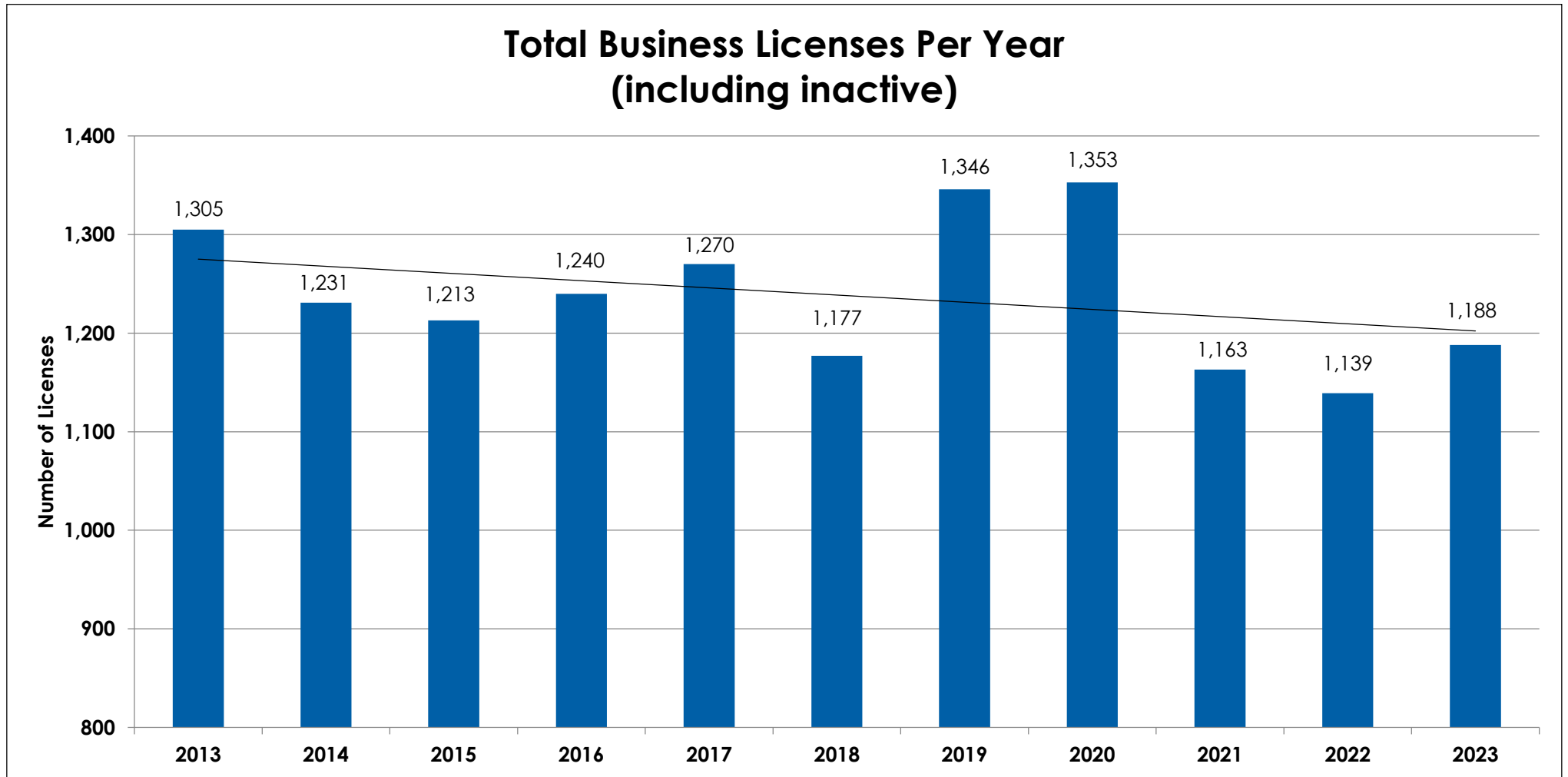
## Development Permits (Major)





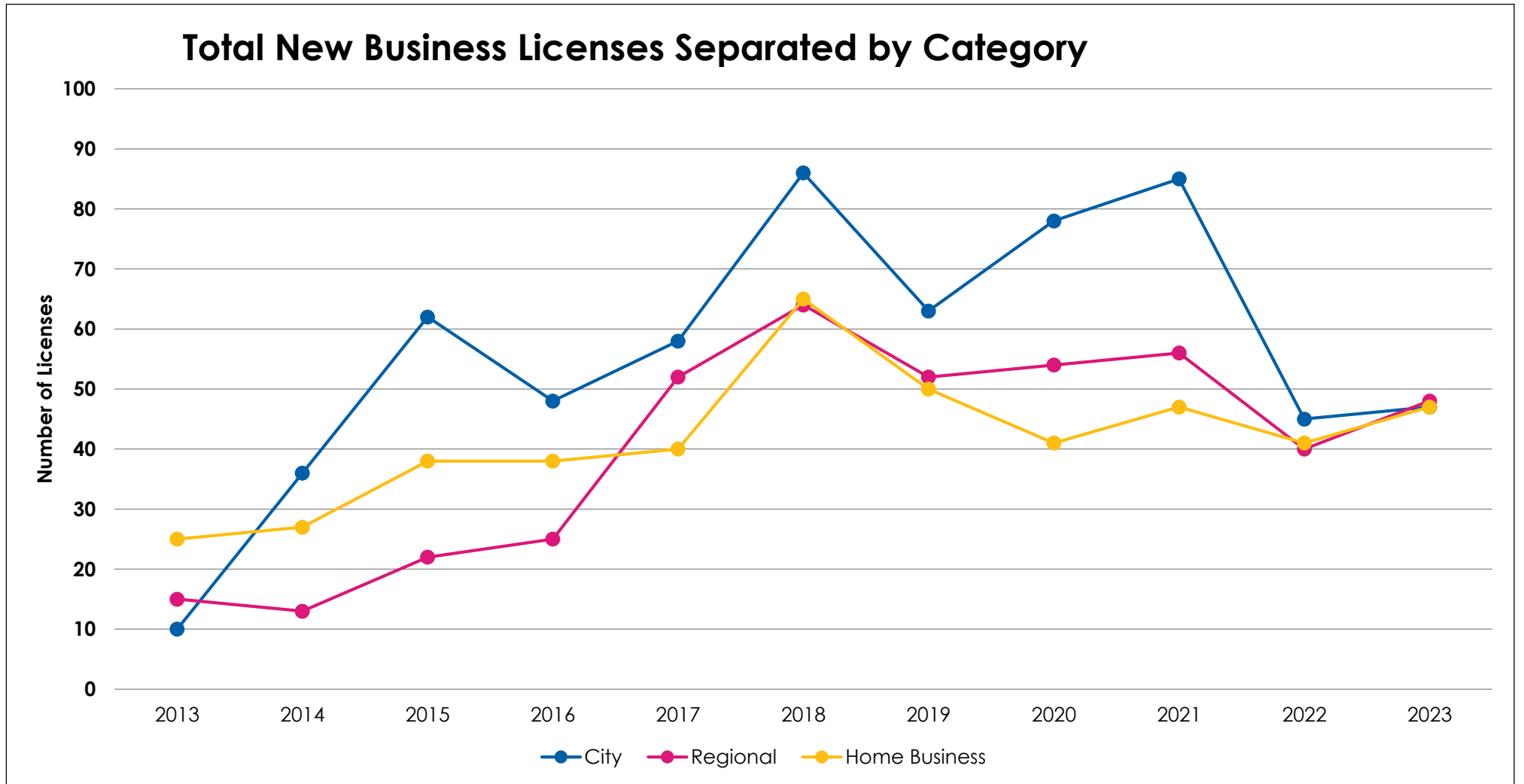
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## Business Licenses



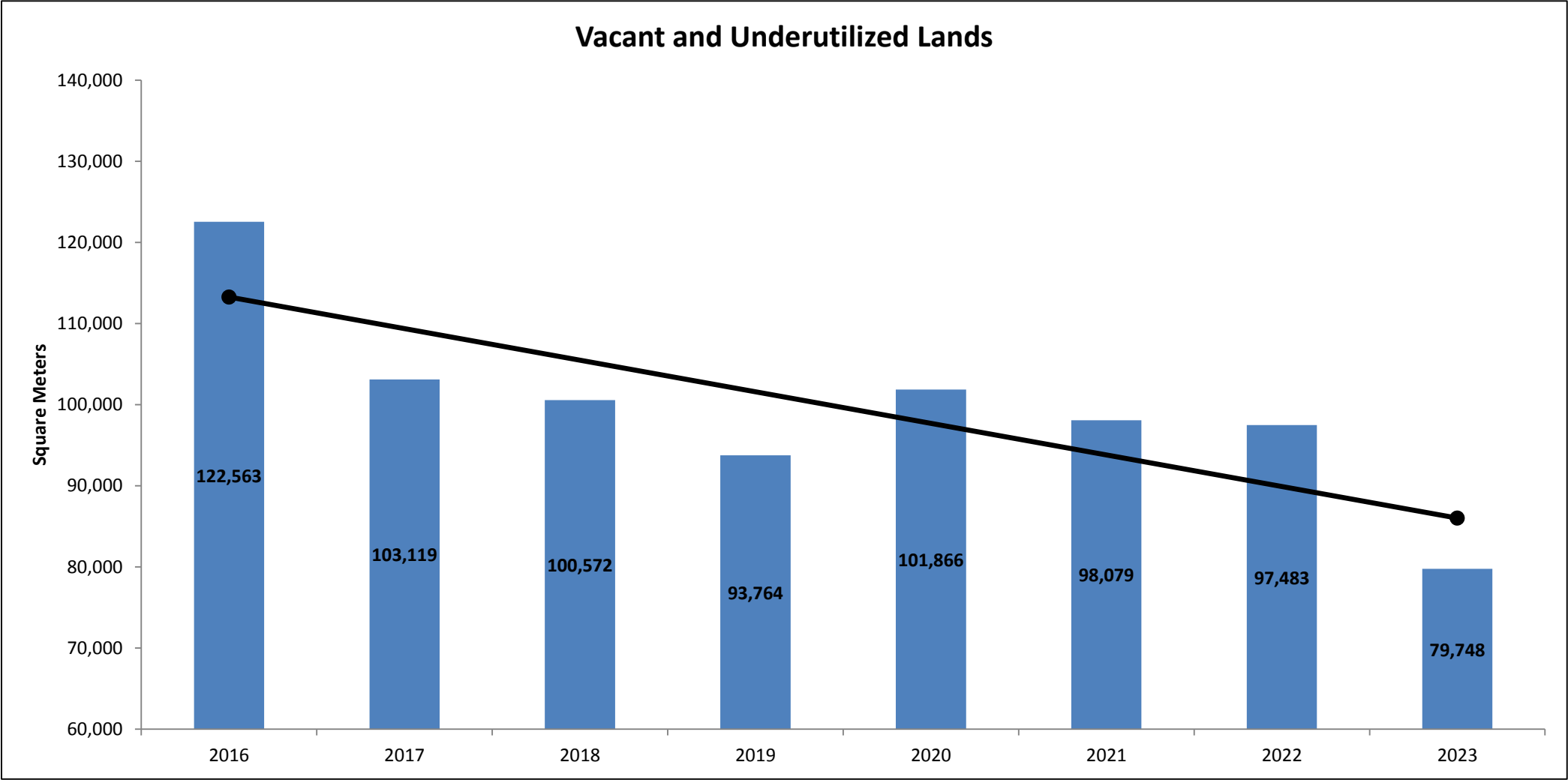
# 05

## Business Licenses



# 06

## Downtown Vacant & Underutilized Lands



# 06

## Downtown Vacant & Underutilized Lands

