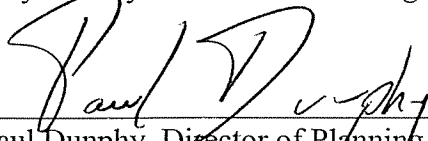
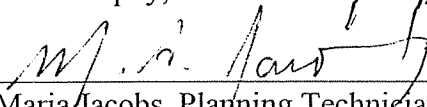

Halifax Regional Council
March 5, 2002

TO: Mayor Kelly and Members of Regional Council

SUBMITTED BY:



Paul Dunphy, Director of Planning and Development Services



Maria Jacobs, Planning Technician

DATE: February 27, 2002

SUBJECT: Annual Development Statistics and Trends Report

Information Report

ORIGIN:

This report originates with Planning & Development Services staff.

DISCUSSION:

The attached report entitled Development Statistics and Trends is prepared for Regional Council and for distribution to the public. The information was collected using HRM records, Canada Mortgage and Housing (CMHC), Royal LePage and Colliers International information.

The Development Statistics and Trends report is updated annually.

BUDGET IMPLICATIONS:

There are no budget implications from this report.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN:

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS:

Development Statistics and Trends, February, 2002.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4234 (TEL) or 490-4208 (FAX)

Report prepared by: Maria Jacobs, Planning Services at 490-4427.

Halifax Regional Municipality

Development Statistics and Trends -2001

Development Activity

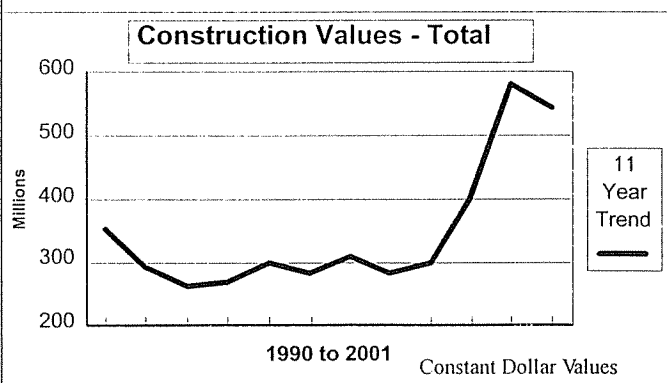
The total value of all construction permits issued in 2001 was about \$480 million.

Table 1 Development Activity Summary

HRM	2001
Lots Approved	1830
Building Permits Issued	3669
*Value of Permits	\$480,089,682

*Note: Includes all types of Building Permits.

Figure 1 shows the past eleven years of construction values, based on constant dollar values. Permit values decreased from about \$352 million in 1990 to around \$293 million in 1991, and then remained relatively constant up to 1999, ranging between \$260 and \$300 million per year. Dramatic increases were recorded in 1999 and 2000. There has been a slight decrease in 2001.



The actual value of all permits issued in 2001 (Table 1) was down about 6 percent over 2000. The

institutional sector accounted for the most significant decline. There was, however, a significant increase in the construction value within the industrial category (Table 2).

Table 2 Permits By Type and Value

Type	2000	2001
Residential	266,179,816	269,783,548
Commercial	170,356,785	167,542,363
Industrial	11,847,800	23,917,039
Institutional	57,785,578	10,250,169
HRM	506,169,979	471,493,119

Note: Includes new construction, additions, alterations and repair permits only. Does not include garages, decks, etc

The Western sub-region of HRM dominated in construction permit values for 2001, and was also slightly ahead in the total number of permits issued (Table 3).

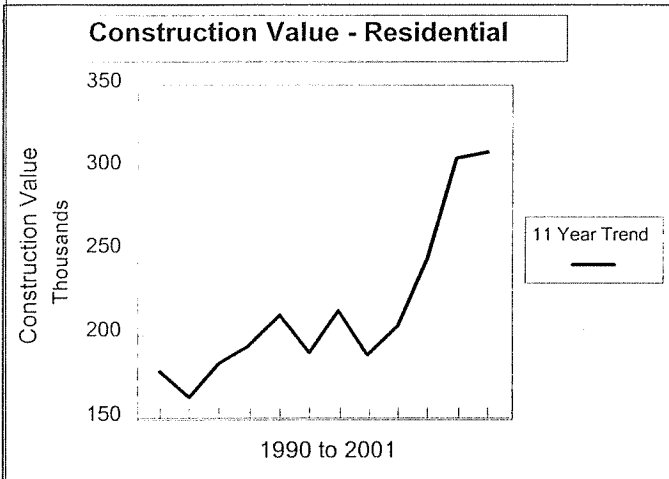
Table 3 Permits and Value By Region

Region	Permits	Value
Western	1332	251,693,734
Eastern	1184	95,735,109
Central	1153	132,659,839
HRM	3669	480,088,682

Residential

As indicated in Table 2 above, the total value of all permits for residential construction was about \$270 million in 2001, compared to \$266 million in 2000, an increase of approximately 1.5 percent.

Figure 2 below, shows residential permit values for HRM for the last eleven years, in constant dollar values.



Data provided by the Canada Mortgage and Housing Corporation (CMHC) shows that new housing construction starts in HRM were down 12 percent in 2001 compared to the 13 percent increase from 1999 to 2000. In 2001, both single dwelling and rental unit starts declined, with the greatest decrease in multi units. Nevertheless, multiple units still accounted for nearly 45% of total housing starts.

According to CMHC projections, housing starts for both singles and multiple units will decrease further in 2002 and 2003. Condominium starts are an exception, as they are expected to remain at current levels over the next two years while rental apartment starts decline.

CMHC data indicate an overall apartment vacancy rate in the Halifax CMA for 2001 of 2.8 percent. The number of multiple unit starts in 2001 was 1044, a decrease of 19 percent over 2000. Multiple unit residential construction is especially active on the Halifax Mainland and in Bedford. Some continued activity is also occurring on the Halifax Peninsula following the surge of construction there last year.

The following major developments are some of those proposed or planned to be initiated in the region in 2002:

- 50,000 sq. ft. grocery store and plaza (Musquodoboit Harbour)
- Seniors apartments - 48 unit and 60 townhouse lots (Pinegrove Estates)
- 150 mixed housing units, 144 condominiums, 134 units (Lancaster Dr. & Woodlawn Ave., Horizon Crt. (Dartmouth).
- 18 hole golf course & 30 tourists cottages (Cow Bay)
- 44 unit condominium, Pine St. (Dartmouth)
- 50,000sq.ft. commercial Plaza(Fall River)
- 150 Single units (First Lake)
- 64 Multiple units Dartmouth Rd.(Sackville)
- Approx. 130 lot subdivision (Beaver Bank)
- Approx. 348 multiple units, 488 single units, 226 townhouses, 102 semi-detached Royale Hemlocks (Bedford)
- 770 multiple units Regency Park Dr.(Clayton Park)
- 18 hole golf course, 3000 units 10yr. proj.(Hwy 103)
- 128 multiple units, 34 townhouses Barrington St.(Halifax)
- 49 multiple units Grafton St. (Halifax)
- Retail and 30 units Blowers (Halifax)

CMHC reports that housing sales increased 10 percent in 2001 from 2000, surpassing sales in the 1999 boom by 6 per cent. This increase was experienced in all areas, but was especially marked in Bedford-Hammonds Plains. Sales are expected to decrease slightly (by 2.6 percent) in 2002.

Within the HRM, the Western sub-region dominated the other two regions in terms of residential units permitted in 2001, as well as in permit values (Table 4). Overall, in HRM, there were over one hundred fewer units created in 2001 than in 2000.

Table 4 Residential Units By Region

Region	Units	\$ Value
Western	1359	115,386,520
Eastern	600	65,665,241
Central	723	82,654,487
HRM	2,682	263,706,248

There were 17 residential construction projects, with a value over \$500,000 approved in 2001. The majority were in the Western sub-region and within the former City of Halifax (Table 5).

Table 5 Residential Projects >\$500,000

	Address	\$ Value
Central		
1	John Gorman Lane	800,000
2	Long Lake Drive	600,000
3	WaterFront Dr.	5,800,000
4	Nelson's Landing	4,272,000
Eastern		
5	108 Ochterloney	1,000,100
Western		
6	9 Birchdale ave.	600,000
7	Highway 3	600,000
8	Shore Club Rd.	700,000
9	Almon St.	3,378,124
10	Parkland Dr.	4,041,104
11	Parkland Dr.	4,457,692
12	Bedford Hwy.	6,078,741
13	Regency Park Dr.	6,262,378
14	Prestwick Close	7,896,668
15	Parkland Dr.	11,964,360
16	6360 Coburg	5,415,000
17	Morash	750,000

Commercial

As indicated in Table 2, the value of all commercial permits issued within HRM in 2001 was about \$168 million, a slight decrease of approximately 1 percent over 2000.

Office

According to Colliers International, "The Halifax office market experienced fall-out from the softened IT sector, raising the overall vacancy rate to 9.2%. This increase is anticipated to be temporary and the office market should stabilize during 2002. The region-wide Class A office vacancy rate for the

fourth quarter of 2001 rose to 7.4% from 6.3% for the third quarter. The Downtown Halifax vacancy rate rose to 6.4%, while the Suburban Halifax office vacancy rate increased to 11.3%. Part of this increase was due to conversion of retail to office space. (Colliers)

The Class A vacancy rate for Downtown Halifax rose 1.2 points to 5.7%. Several downtown Halifax expansions were unable to compensate for new vacancies due to the loss of IT firms and closure of Air Canada ticket office.(Colliers)

According to Royal LePage, market conversions and corporate downsizing have produced an additional 200,000 sq.ft. of office space returning to the market. This figure is larger than anticipated. Sublet spaces is not included in the vacancy figures. A report generated from their database indicates that there is over 140,000sq.ft. of office sublet space available in the market during the last quarter of 2001.

Royal LePage reports that, "although the office market will slow down, Nova Scotia's diverse economy should not experience the recession that is expected elsewhere."

Retail

Colliers reports gains and losses this year, but ending with the same overall vacancy rate as the year 2000 of 7.1%.

Industrial

The overall Halifax industrial vacancy rate was 5.9 percent for 2001. In Burnside Industrial Park this year, the vacancy rate fell to 2.7%, which is down from 6.2% in 2000. This dramatic decrease in vacancy rate was fuelled by both tenant expansions and new arrivals.(Colliers) Burnside Industrial Park maintains 80 percent of industrial leased space in the metro area.

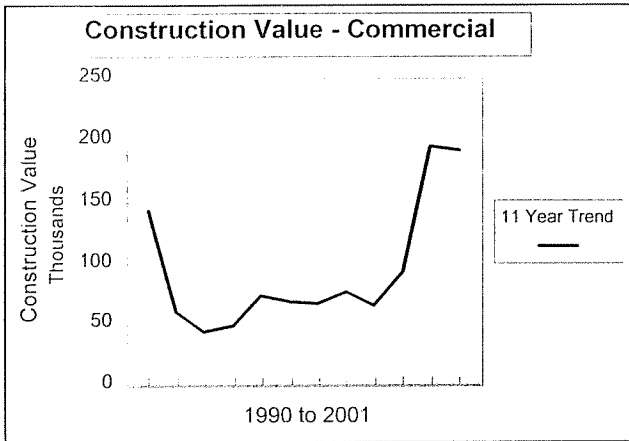


Figure 3 shows commercial permit values for HRM for the last eleven years, in constant dollar values.

The Western sub-region of HRM dominated the other two regions again in terms of the number of commercial permits issued in 2001, and in permit values (Table 6).

Table 6 Commercial Permits By Region

Region	Permits	\$ Value
Western	281	128,276,888
Eastern	157	15,619,934
Central	118	23,644,541
HRM	556	167,541,363

There were 32 commercial construction projects, with a value over \$500,000 approved in 2001. The number of projects was higher in the Western over the eastern and western sub-regions. (Table 7).

Table 7 Commercial Projects >\$500,000

	Address	\$ Value
Central		
Winners Retail	1658 Bedford Hwy.	550,000
Transport Canada	Barnes Dr.	520,000
Superstore	Sackville Dr.	5,700,000
Bedford Mall	1658 Bedford Hwy.	1,300,000
46 unit Residential & Commercial	99 Waterfront Dr.	5,400,000

Eastern		
Future Inns	20 Highfield Park Dr.	1,000,000
Burnside Business	35 Akerley Blvd.	1,294,831
Staples Store	114 Wood lawn Rd.	1,550,000
Residential and Commercial	108 Octerloney	1,000,100
Burnside Business	130 Eileen Stubbs	2,500,000
Western		
Mountain Equip. Coop	1577 Barrington	2,000,000
Fairview Villa Nursing Home	245 Main Ave.	5,055,128
Web Atlantic Ltd.	1 Ragged Lake Blvd	1,335,000
Imperial Oil	111 Kearney Lake	805,000
Sears & Walmart	6990 Chebucto Rd.	10,358,108
Dept. of Justice	2000 Barrington St.	534,497
Halifax Professional Center	5991 Spring Garden Rd.	800,000
Boston Pizza	194 Chain Lake Dr.	800,000
CAW/TCA Canada	63 Otter Lake Crt.	2,500,000
BMW Ltd	3240 Kempt Rd.	1,000,000
Sobeys	4 Westwood Blvd.	960,000
Wilson Fuel Co.		50,941,454
Sobeys	6990 Chebucto Rd.	1,900,000
J.W. Lindsay Ltd	7001 Mumford Rd.	1,500,000
	6050 University Ave.	700,000
	36 Fox Run Dr.	2,000,000
Ultramar	280 Lacewood Dr.	900,000
HRM Parking Garage	1547 Granville St.	9,223,000
Sobeys	6990 Chebucto Rd.	1,900,000

Walmart	6990 Chebucto Rd.	1,245,500
Future Inns	30 Fairfax Dr.	6,000,000
Fairview Villa	245 Main Ave.	4,255,128
Strip Mall	6990 Chebucto Rd.	3,100,000

Industrial

The value of all industrial permits issued in 2001 was about \$24 million, an increase of approximately 100 percent from 2000.

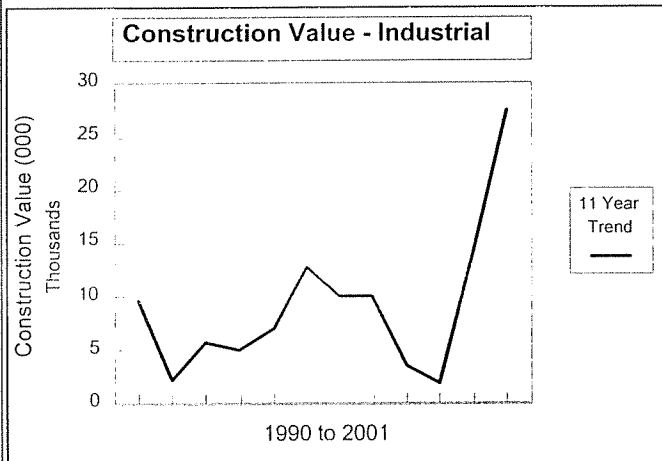


Figure 4 shows industrial permit values for HRM for the last eleven years, in constant dollar values. The Eastern sub-region of HRM slightly dominated in the number of industrial permits issued in 2000, where as the central region significantly dominated in construction value. (Table 8).

Table 8 Industrial Permits By Region

Region	Permits	\$ Value
Western	1	620,000
Eastern	11	800,073
Central	8	22,496,966
HRM	20	23,917,039

There were four permits issued over \$500,000 in value in 2001. Three projects in the Central region and one in the Western Region, as shown in Table 9.

Table 9 Industrial Permits >\$500,000

	Address	\$ Value
Central		
Pierce Leahy Warehouse	25 Command Crt.	1,421,000
Tansport Canada	Barnes Dr.	19,283,057
Tansport Canada	Barnes Dr.	1,392,909
Western		
New Era Farms	61 Evergreen Place	620,000

Institutional

As indicated in Table 2, the total value of all permits for institutional (public) construction was about \$10 million in 2001, compared to \$58 million in 2000, an increase of approximately 480 percent.

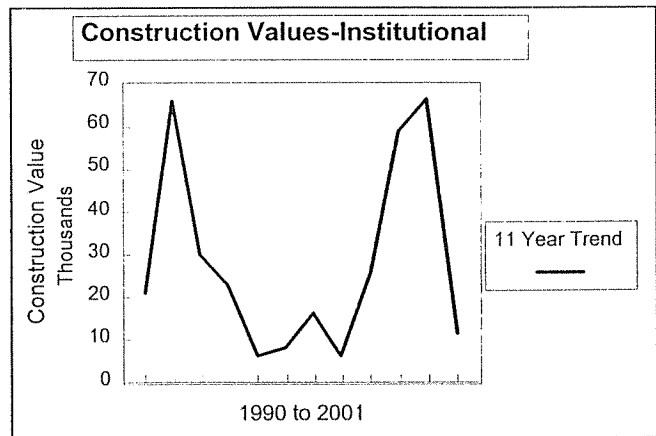


Figure 5 shows institutional permit values for HRM for the last eleven years, in constant dollar values.

The Western sub-region of HRM dominated in the number of permits issued, but the Eastern region in value in 2001. (Table 10).

Table 10 Institutional Permits By Region

Region	Permits	\$ Value
Western	19	3,581,555
Eastern	9	6,349,614
Central	3	319,000
HRM	50	10,250,169

There were only 3 institutional construction projects approved with a value over \$500,000 as opposed to 5 in 2000. Two permits were issued in the Western sub-region. (Table 11)

Table 11 Institutional Projects > \$500,000

	Address	\$ Value
Western		
HRM Police Station	1975 Gottingen St.	770,545
IWK Health Center	5980 University Ave	1,283,010
Eastern		
Dartmouth Hospital	325 Pleasant St.	6,024,082

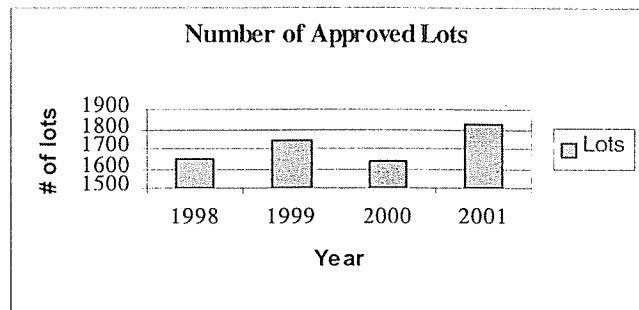
Subdivision Activity

The dominant centre of activity in subdivision approval in 2001 was in the Western sub-region of HRM, with 630 lots approved. The ratio of lots per subdivision application was highest in the Central sub-region. The other two regions are very close behind. This is an indication that developers feel confident in all three land markets.

The Western sub-region received 35 percent of all new lots approved, with Eastern and Central close behind with 33 and 32 percents respectively.

Table 12 Subdivision Activity By Sub-Region

Region	Applications	Lots
Western	166	630
Eastern	200	614
Central	147	586
HRM	513	1830



This year HRM has seen an increase in the number of approved lots. On average since 1998, HRM has approved between 1600 and 1800 new lots per year

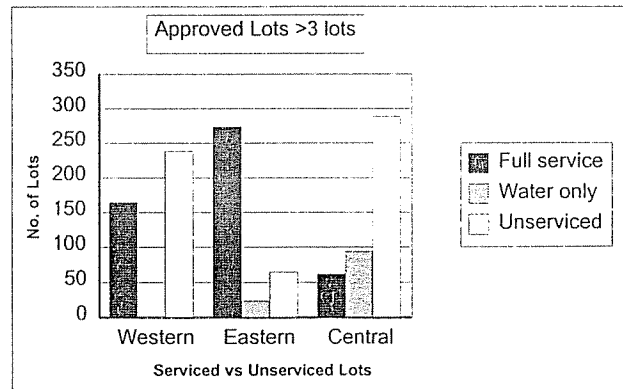


Figure 6 and Map 1 illustrate the distribution of approved lots by sub-region for subdivisions of greater than 3 lots. For the region as a whole, about 52 percent of approved lots are located in unserved areas; 48 percent in serviced areas, 10 percent of which are in areas with water services only. The Central and Western regions were similar in number of lots approved in unserved areas in 2001.

Notes

- 1) In this report, HRM has been divided into the three geographical sub-regions (Western, Central and Eastern) utilized by Planning and Development Services and Regional Operations for administrative purposes. The three regions include the following electoral districts:

Western Region: 11, 12, 13, 14, 15, 16, 17, 18 & 22 (Timberlea portion)
Central Region: 2, 19, 20, 21 & 22 (Hammonds Plains portion)
Eastern Region: 1, 3, 4, 5, 6, 7, 8, 9 & 10

- 2) The 11 year trend, construction value charts are based on constant dollar values derived from the CPI index and using 1992 as the base year.
- 3) Data from 1990 to 1997 was obtained from Statistics Canada, with 1998 and 2001 data obtained from HRM records.

