

Mature Neighbourhood Reinvestment Report 2017

Introduction	Neighbourhood Classification	Construction Value	Number of Permits	Unit Growth	Secondary Suites	Net Residential Units (% Share)
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Introduction

The Mature Neighbourhood Reinvestment report provides a picture of private investment into residential units in mature neighbourhoods. The mature neighbourhood reinvestment analysis is undertaken annually to examine trends related to residential building permits granted within Edmonton's mature neighbourhoods. Residential building permits are divided into two categories: single-family permits and multi-family permits. Multi-family permits include semi-detached dwellings and duplexes, as well as low and high-rise apartments/condominiums; and single-family permits include secondary suites.

The permits are analyzed by neighbourhood based on the:

- total number of residential permits granted
- number of permits for additions and interior/ exterior alterations
- number of secondary suites
- number of net single family unit gain per neighbourhood (new units minus demolitions)
- number of multi-family unit gain per neighbourhood (new units minus demolitions)
- estimated construction value for all residential projects in each neighbourhood and the overall value for all mature neighbourhoods.

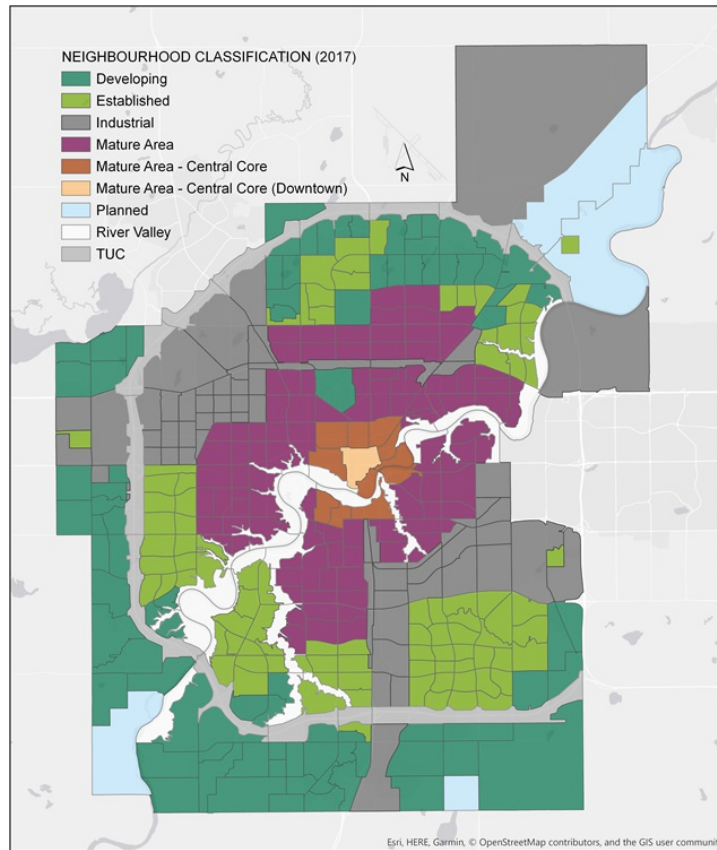
MATURE NEIGHBOURHOODS, DEFINED

Mature neighbourhoods in Edmonton are those generally completed before 1970, the majority of which experienced their greatest growth in the post-WWII era. These neighbourhoods form a rough concentric oval around the city centre and are formally defined by the "Mature Neighbourhood Overlay" (MNO). The Griesbach and Downtown neighbourhoods do not fall within the MNO but are considered mature neighbourhoods for the purpose of this analysis based on their central location and specific characteristics, as are older industrial neighbourhoods where recent plan amendments have added a residential component. There are 291 residential neighbourhoods in Edmonton, and 112 of these are classified as mature neighbourhoods for the purpose of this analysis.

** This report is based on an automated pull of data as of February 23, 2018. Minor changes to the data may occur throughout the year which will not be reflected in this report.

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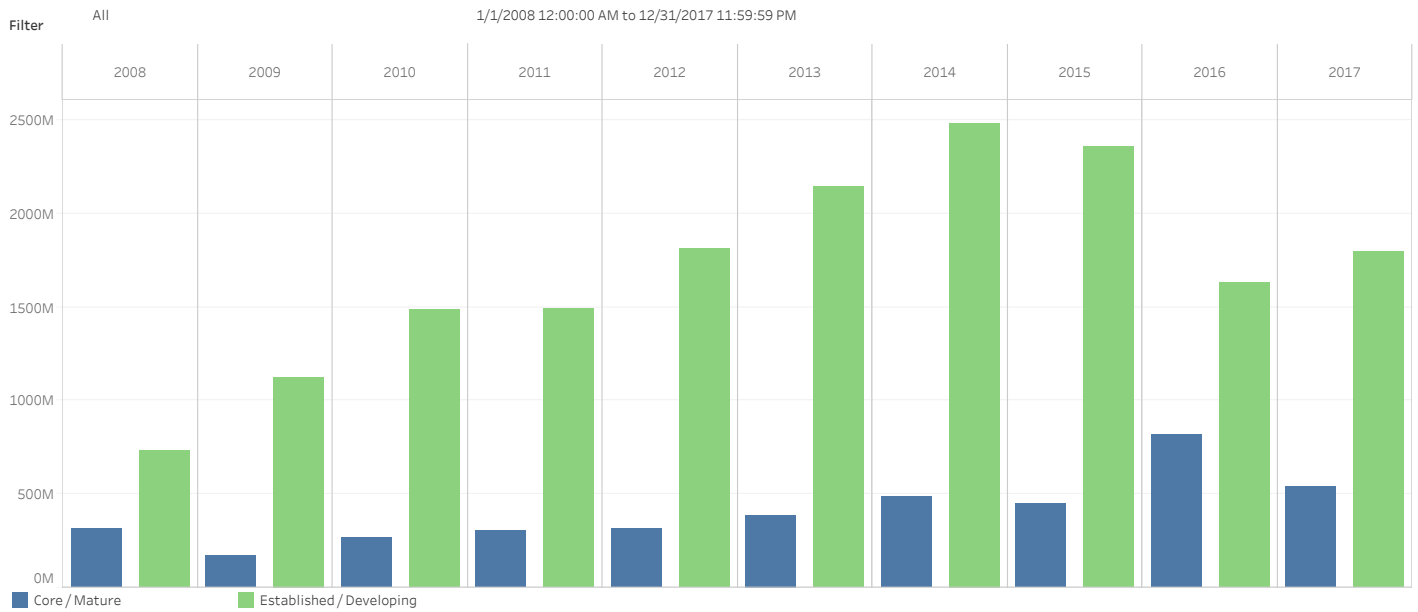


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The value of residential construction in the mature neighbourhoods (including Downtown) decreased significantly in 2017, down around 35% to \$536 million. For the remainder of the city, residential construction values (including developing and established neighbourhoods) increased by 10% to approximately \$1.8 billion. In total, city-wide residential construction value experienced a 5% decrease in value to approximately \$2.32 billion as compared to \$2.44 billion in 2016.

In 2017, single-family (including Secondary Suites) construction was valued at approximately \$217.6 million. Multi-family construction was valued at \$268 million. Of the total residential permits, two were valued at over \$73 million (in Oliver and Inglewood). These high-value permits accounted for 451 new dwelling units in the mature neighbourhoods.



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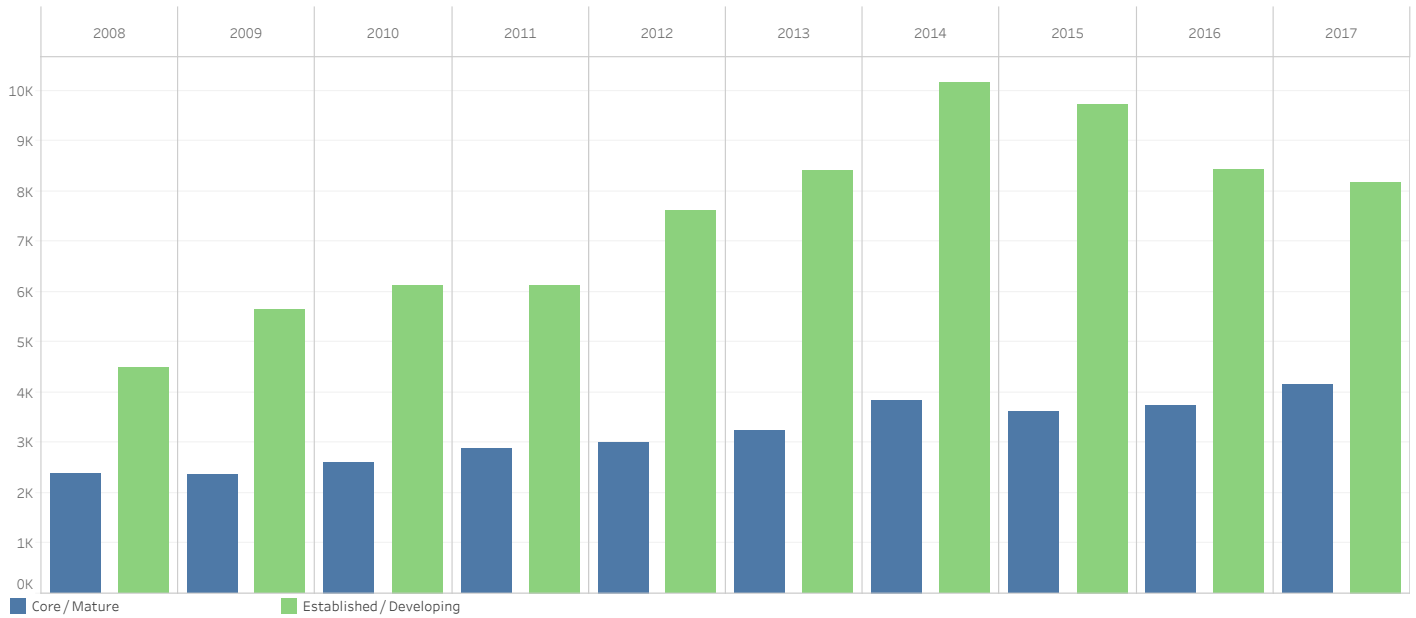
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The total number of residential permits issued in mature neighbourhoods increased from 3,718 in 2016 to 4,159 in 2017. The average number of yearly residential building permits in mature neighbourhoods over the last ten years is 3,180.

Permits such as alterations, additions, demolitions of existing structures etc. accounted for 64% of the residential permits. New dwelling units (including single, multi and secondary suites) accounted for 36% of residential building permits issued.

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Residential Building Permits



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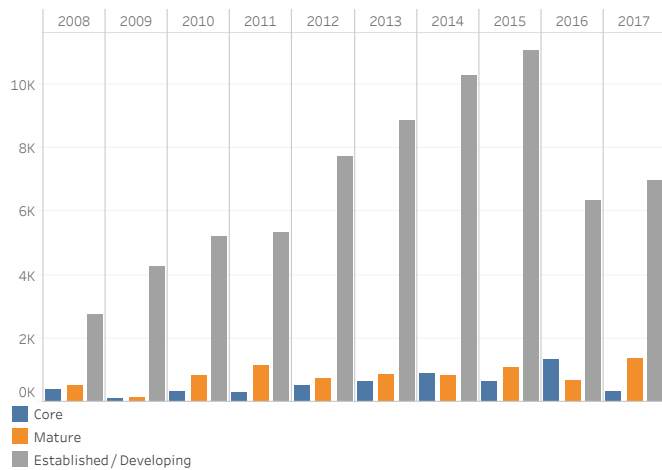
In 2017, net new unit growth in mature neighbourhoods (including secondary suites) decreased by 17.6% to 1,658 dwelling units from 2,012 units in 2016. The highest net new unit growth in the last ten years was achieved in 2016 with 2,012 units. 2014 was the second highest with 1,714 units.

The core neighbourhoods saw approximately 19% of all net new unit gains in the mature area with 318 net new dwelling units. The highest gains in mature and core neighbourhoods were in Griesbach (230), Inglewood (222), Oliver (215) and Belvedere (110).

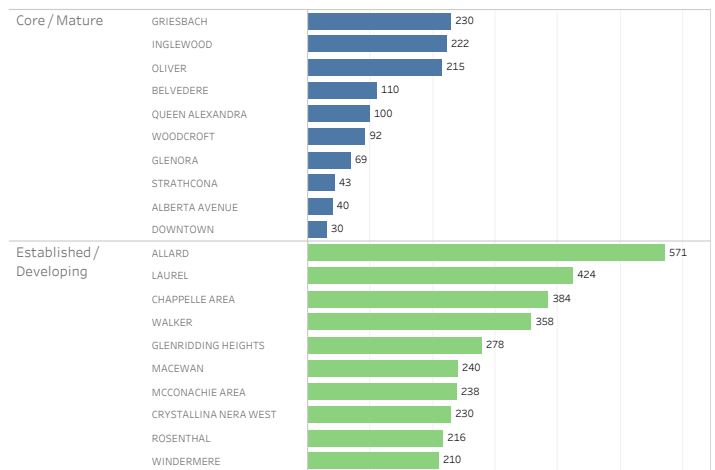
Within the mature neighbourhoods, new dwelling construction continued to follow the trend of more multi-family units than single-family units. While many mature neighbourhoods have not experienced a notable change in the number of dwelling units, some mature neighbourhoods have had significant net unit gains as shown in the second graph below.

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Net Unit Gain



Top Neighbourhoods with the Highest Net Unit Gain - 2017



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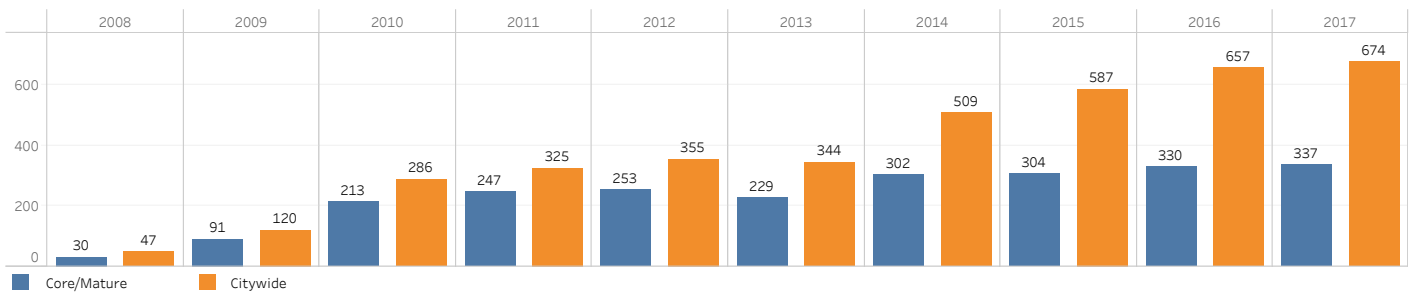
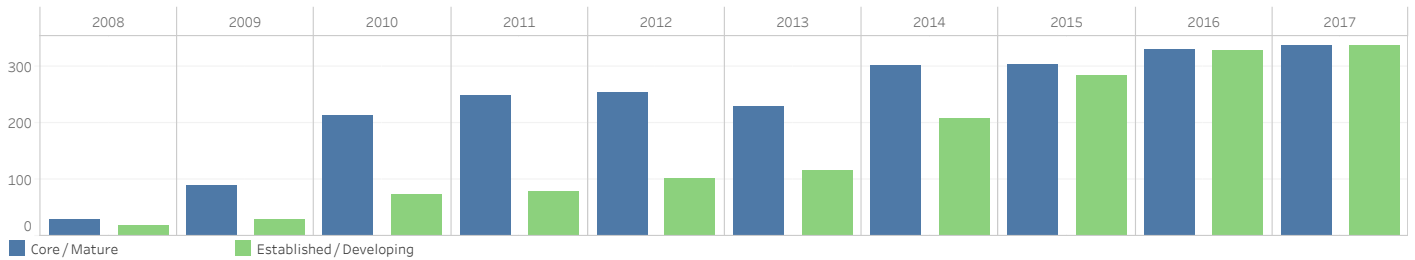
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In 2007, the Zoning Bylaw was amended to allow for Secondary Suites in single-family dwellings. In 2009 the Zoning Bylaw was further amended to allow for Garden and Garage Suites in restricted areas on lots that have a single-family dwelling. As a result, the number of permits issued for Secondary Suites within the City has grown significantly.

In 2017, total net new unit growth in secondary suites (including garage and garden suites) increased by 2% to 337 units from 330 units in 2016. 2017 has had the highest number of net new secondary suite units to date in core and mature areas. Permits included the addition of secondary suites to both new construction (single-family dwellings) and existing single-family dwellings. Secondary suites made up around 20% of net new dwelling units in the mature areas.

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Net Unit Gain - Secondary Suites



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Over ten years, the city has grown by 82,330 units that is an average of 8,233 net new units per year. From 2012 to 2017, net new unit growth was above this average citywide with mature and core neighbourhoods making up 16% of the ten-year total. In 2017, core and mature neighbourhoods accounted for 19% of net new dwelling units citywide. In 2016, core and mature neighbourhood experienced a percentage share of 24% of net new dwelling units which is a level that has not been seen since 2008.

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Net Residential Units (% Share)

