

City of Regina Office Development Policies Stakeholder Session

Feb 28, 2019

Question 1 – What issues, if any, do you have with the existing policies?

Dawn Martin's Table

- A willingness and ability to enforce the existing policies
- There may be some lack of clarity (i.e. wide interpretation) ex. Staples on North Winnipeg, Medical Building (east end) with non-medical uses
- Parking is too restrictive

Ben Mario's Table

- Too much emphasis on downtown
- But doesn't work for everyone
 - o Parking, space, customers, etc.
- Too much emphasis on using office as a driver to meet downtown development objectives
 - o More emphasis on residential and entertainment
- Current policy would not accommodate a major non-downtown user even if it meets other growth objectives

Lauren Miller's Table

- City policy doesn't support office users with multiple needs/uses
- Definition of office has changed
- City not proactive in allowing more parking downtown
- Companies are condensing, employees are more mobile, the way people work is changing and the relationship to the physical office
- Substantial difference in operating costs/taxes between downtown and suburban/industrial
- Downtown is congested and not easy to access major expressways

Shanie Leugner's Table

- It may not result in the intent/desired outcome (does not necessarily increase the vibrancy of the downtown)
- Limits viable office development
- Policies/Zoning – Office, General versus Office, Industry
- May simply be an increased demand for Office, Industry than Office, General, but policy restricts
- Not allowed medium outside of Downtown if high vacancy – and they won't go downtown, so they may be driven to other municipalities
- Drives up land prices in downtown. Lowers land value outside of the downtown.
- Creates traffic and parking issues for the downtown
- The 80% value is not scientific, what is the data that indicates that this is an appropriate threshold?
- May prohibit the vibrancy of other areas of Regina and affect the desire of creating Complete Neighbourhoods
- It may limit the vibrancy and viability of the Regina Airport

- Creating “donut hole” in Warehouse District, they are experiencing development on the perimeter but not in the centre.

Autumn Dawson’s Table

- Threshold for downtown vacancy rate is too low (6.5%)
- Thresholds do not work
- Solutions may include a discretionary use process if threshold can’t be met or change the percentage or eliminate the percentage
- Concept of 80% being downtown, the solution may be to eliminate or reduce this percentage
- Certain office users cannot be accommodated downtown
- Existing office buildings should be grandfathered
- Not adapting quickly to mixed-use market

Question 2 – What benefits, if any, do you see from the existing policies?

Dawn Martin’s Table

- We HAVE a downtown
- It (the policy) keeps a high tax base
- Policy has resulted in significant reinvestment in recent years

Ben Mario’s Table

- Protects the downtown market
- Without office/daytime population, the downtown would have even less activity after 5 p.m.
- Cities the size of Regina need policy support to prevent loss of market – downtown is only 15-minute drive from the outskirts

Lauren Miller’s Table

- Current policy is protecting the downtown
- Supports hospitality industry
- Creates density – synergies like supporting community events and gathering spaces
- Forces more efficient use of infrastructure

Shanie Leugner’s Table

- Existing downtown buildings and businesses have preferred access to tenants
- Creates concentration of uses/density and customers can meet many of their needs in one central location (support industries benefit from this concentration)
- Supports public transit and efficient use of infrastructure
- Creates level playing field
- Benefits are greater for those in the downtown

Autumn Dawson’s Table

- Establishes guidelines for office development in the city
- Spirit of policy is live/work/play, but this may not be fully supported

Question 3 – How have the existing polices affected your operations or objectives?

Ben Mario's Table

- The 80% threshold has benefitted downtown owners and provides certainty (provides space AND that space will be utilized)

Lauren Miller's Table

- Space in suburban areas remain vacant due to size restrictions
- Limited players in new office development in the downtown
- Inability to accommodate fleet and office uses in one compound
- Perceived to restrict development
- Attracting new companies to Regina
- Limited ability to develop infill sites

Shanie Leugner's Table

- Restricts supply-demand for office outside of downtown
- Restricts options for businesses with mixed operations which may negative affect operation of tenants
- Can calculations exclude warehouse space or other types of use?
- Businesses are going to other municipalities
- Doesn't allow flexibility for special/unique circumstances
- No discretion for new ideas
- Process takes too long
- Affects ability to meet sales goals
- Not allow reuse and revitalization of vacant buildings and spaces

Autumn Dawson's Table

- High density office (9:00-5:00) in downtown has restricted other users (restaurants, etc.)
- Parking
- Some businesses are unable to expand and/or unable to relocated
- May be more appropriate outside of the downtown and may not want to locate downtown
- Definitions in current Zoning Bylaw (Office, Industry)
- The inability to think outside of the box. We need more flexibility (ex. Discretionary Use Option)
- Caused a decision to invest in other areas (municipalities and/or province)

Dawn Martin's Table

- Constraints within existing policy prohibit development
- Need better flexibility to ensure investment is sustainable into the future
- Very restrictive - protectionist
 - o Potential businesses go to other jurisdictions where it is easier and cheaper
- Reduces investment
 - o Not competitive
 - o Developers will follow the path of least resistance
 - o Complexity costs time and money

Question 4 – How do you regard the current state of the Regina office market?

Ben Mario's Table

- Question: Will there be large scale users to bump the market versus organic growth?
- Similar office vacancy rates in downtown versus suburban areas
- Less concern to downtown interests if a major user (100k) builds in suburbs, no loss to downtown. More concerned about "bleeding" of users from downtown to suburban locations
- Conversions of industrial to office are a concern – Downtown cannot compete (\$\$)

Lauren Miller's Table

- No demand – regardless of rental rate
- At a crossroads
- Our growth is primarily in industry not traditional large office market
- City should not dictate where office development goes
- The office market is dysfunctional
- Aging office spaces
- Disconnect between logistics
- 12th Avenue is dysfunctional – it doesn't work

Shanie Leugner's Table

- Expect increase in vacancy (25% - 30% vacancy) especially in Class B
- Saskatchewan in poor economic state, generally
- Consider the distribution of government office staff. Are there many that could be relocated downtown?
- Regina may be behind in adapting to change in economic conditions.
- Policies should be adaptable to changing conditions of supply/demand, not set based on a snap shot in time
- New office buildings outside of downtown and city may affect downtown office vacancy rate

Autumn Dawson's Table

- Weak – not a lot of movement, downsizing, not landlord friendly (tenant friendly), lots of vacancy
- Office work is changing, not always a need for an "office tower", shifting work space
- Business are growing but don't need new space
- Traditional office work (ex. Government, Head Office) are contracting
- Regina is less innovative than other markets
- Regina does not invest as much tax revenue as other municipalities

Dawn Martin's Table

- Soft
- No new cranes
- Policy is not helping
- Not always helpful to talk about "Office" in isolation
 - o More and more mixed use

- Can't be accommodated downtown but the mix doesn't work in suburban
- Parking is a huge issue
 - Can't get enough in the downtown
 - Too expensive

Open Discussion

- Regina's policy is seen as a best practice in Canada in terms of retaining the downtown as the focus for major office
- We need to keep the policy, just need to look at what "adjustments" may be needed to improve the existing policies
- Question about feedback on the draft zoning regulations: Answer that comments will be accepted on Zone Forward until March 15.