



# 1 HERON'S HILL WAY

## Economic Benefits Study

Toronto, Ontario

Prepared for Paradise Developments

April 3, 2020



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# PARADISE

DEVELOPMENTS®

This document is available in alternative formats upon request by contacting:

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April 3, 2020

Mr. Ron Baruch, B.A., LL.B.  
Principal, Executive Vice President  
Paradise Developments  
1 Herons Hill Way  
Toronto, Ontario  
M2J 0G2

Dear Ron:

**RE: 1 Heron's Hill Way – Economic Benefits Study (Toronto, Ontario)**

urbanMetrics inc. is pleased to submit our *Economic Benefits Study* for the lands located at 1 Herons Hill Way in the City of Toronto. The purpose of this study has been to demonstrate how the subject proposal will contribute to the creation of a high quality and functional commercial component of a Mixed Use Area as stated in Policy 4.5.(2)(a)(b) of the Official Plan.

As the subject site is currently designated Employment Areas in the City of Toronto Official Plan, this study will demonstrate that the proposed development meets the conversion tests of Employment Areas to non-employment uses set out in the Official plan, is consistent with the Provincial Policy Statement (PPS) and conforms to the Growth Plan for the Greater Golden Horseshoe (Growth Plan). The study will also assess the impact and economic benefits of the proposed development given its characteristics and ability to achieve key city-building objectives.

Our study concludes that the proposed mixed-use building is an extension of the current office uses on the western portion of the site and is compatible with the existing Mixed Use Areas land uses to the north and east of the site and will support the existing or future business located in the Employment Areas to the south. In addition to meeting the conversion tests/criteria, the proposed development furthers the goals and vision of the ConsumersNext Secondary Plan, as adopted by City Council, including the delivery of a new local road which enhances connectivity to the interior of the business park. The analyses and appendices in the attached report provide our detailed study findings and conclusions.

Yours truly,

A handwritten signature in black ink, appearing to read "D. R. Annand".

Douglas R. Annand, CMC, PLE  
Partner  
dannand@urbanMetrics.ca

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# 1.0 Introduction

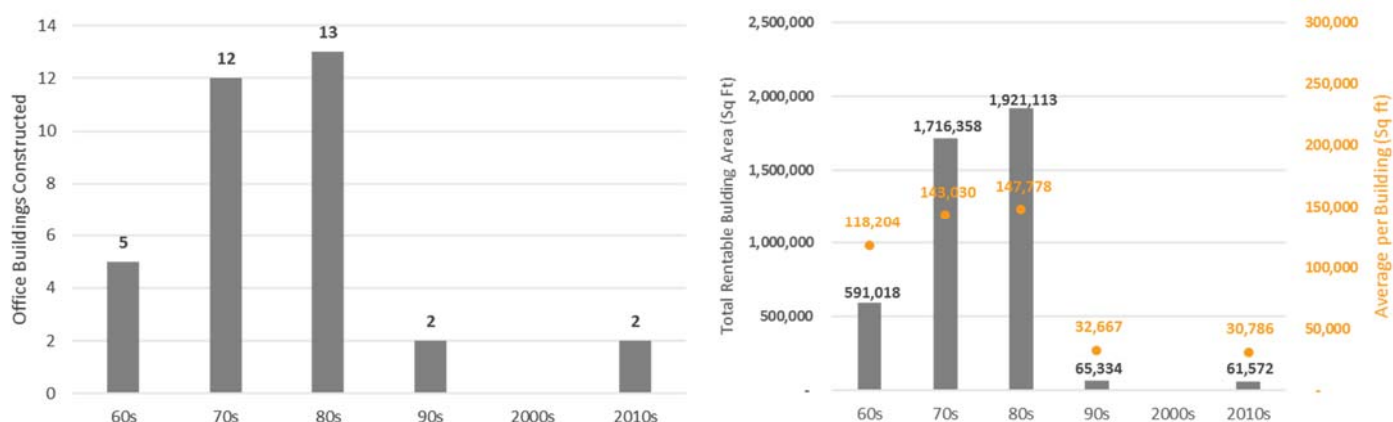
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# 1.1 Background

Previously referred to as the Consumers Road Employment District and still often referred to as the Consumers Road Business Park (“Consumers Road”), the area around the subject site was originally developed as an industrial park to take advantage of its access to Highway 401 and the later extension of the Don Valley Parkway, Highway 404. Later in the 1970’s, development in Consumers Road shifted to office development resulting from an evolving to the development of ‘employment lands’. This shift to office development was in part driven by the long-awaited Sheppard subway, however, when the subway was never completed across the DVP and with increased competition from neighbouring municipalities with lower tax rates, office development in the Consumers Road Business Park stalled. Figure 1-1 below illustrates this trend in the development of office buildings in the area since the early 1960’s.

**Figure 1-1: ConsumersNext Secondary Plan Area Office Buildings**



SOURCE: urbanMetrics inc., based on CoStar Realty data.

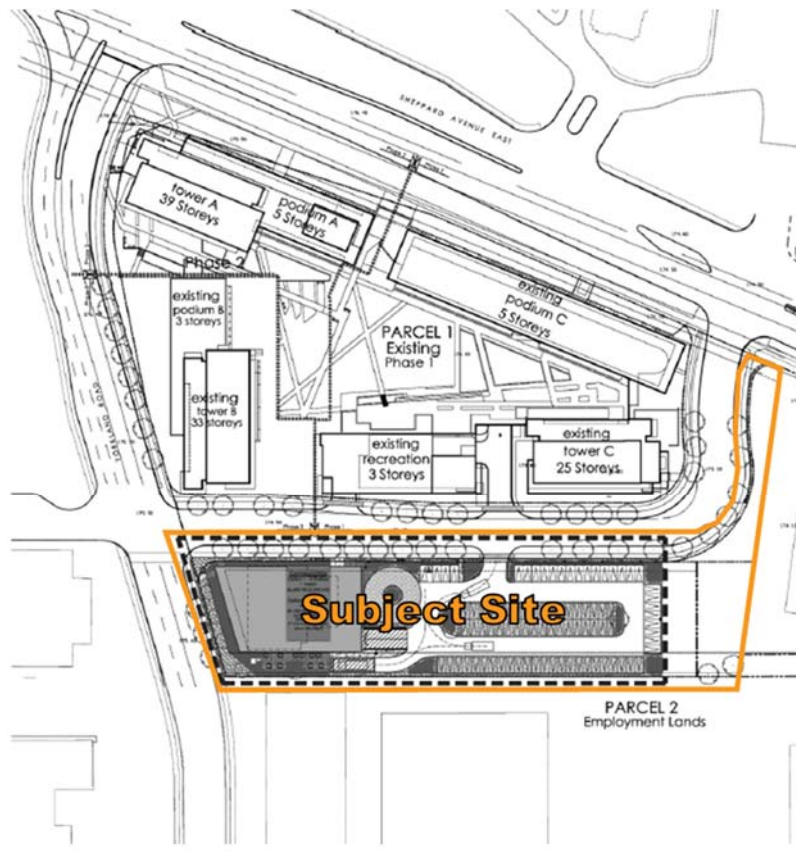
Despite a lack of recent development, office-based employment has grown in the area over recent decades (see Section 4.0) as Consumers Road’s supply of “B” and “C” class space offers reasonably affordable rents in relation to higher demand areas of the City (e.g., Downtown and the Centres).

Similar to the shift which occurred in the 1970’s and 1980’s, the area is once again undergoing a major development shift aligned with changing employment needs and proposed transit investment, most notably with the introduction of the Mixed Use Areas land use designation through the City’s Official Plan Amendment 231 (OPA 231) and more recently, through the introduction of the ConsumersNext Secondary Plan. These changes are a recognition of office tenant’s desire to be located in mixed-use, amenity rich areas of the City which provide employees access to higher order transit and housing options located in proximity to their place of employment.



Consistent with these trends and the evolving nature of Consumers Road, the previous owner of the subject site proposed a mixed-use development on the site, then known as 2025 – 2045 Sheppard Ave East. Official Plan Amendment No. 586 to the North York Official Plan and Zoning By-law 295-2010 which were ultimately approved by the Ontario Municipal Board (OMB) permit development of three residential buildings and commercial uses on the lands located on the north side of a new public road and south of Sheppard Avenue East, with office and commercial uses on the south side of the new public road (i.e., the subject site). As shown in Figure 1-2, the subject site was previously known as Parcel 2 in this original mixed-use application and it was through this mixed-use lens that the existing commercial permissions on the subject site were secured and registered into a Section 37 agreement. This Section 37 agreement required a building with a minimum of 1,970 square metres of commercial uses to be built on the subject site.

**Figure 1-2: 2025-2045 Sheppard Avenue East Master Plan**



Master Plan

2025 - 2045 Sheppard Ave. E.

Applicant's Submitted Drawing

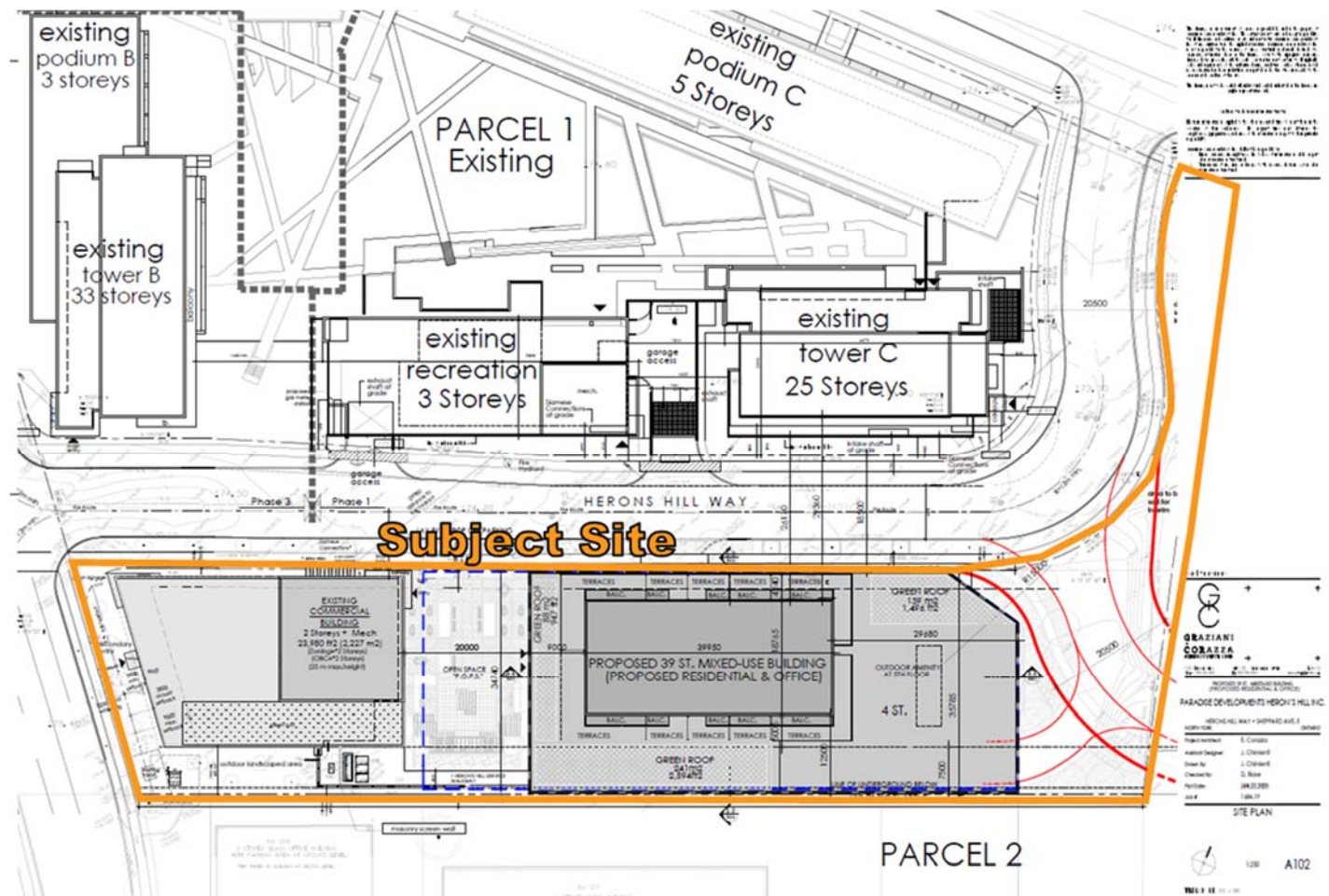
Not to Scale  
08/20/2013

File # 13 219804 NNY 33 02

SOURCE: urbanMetrics inc., based on the 2025-2045 Sheppard Avenue East Official Plan Amendment and Zoning By-law Amendment Applications - Preliminary Report, September 19, 2013. For illustration only.

Since purchasing the subject site (i.e., identified as Parcel 2 in the previous owner’s mixed-use application), the current owners–Paradise Developments (“Paradise”)–have recently constructed a 2,227 square metre, 2-storey office building on the western portion of the subject site. As shown in Figure 1-3, in keeping with the site’s mixed-use vision, Paradise is now proposing to include an additional 288 square metres (3,100 square feet) of office commercial space at the base of a 350-unit purpose-built rental residential building. This proposed mixed-use building will be located on the eastern portion of the subject site where a surface parking lot has always been considered as the appropriate use and continues to exist. The proposed development will intensify the subject site to accommodate more residents and employees than was ever contemplated for this portion of the site, as well as facilitate the road connection contemplated by the ConsumersNext Secondary Plan

**Figure 1-3: Proposed Development**



SOURCE: urbanMetrics inc., based on the site plan provided by Paradise Developments, January 22, 2020. Site boundaries for illustration only.

## 1.2 Purpose

Consistent with the Term of Reference issued by the City, the purpose of this study has been to demonstrate how the subject proposal will contribute to the creation of a high quality and functional commercial component of a Mixed Use Area as stated in Policy 4.5.(2)(a)(b) of the Official Plan. Furthermore, this study will demonstrate that the proposed development is consistent with the Provincial Policy Statement (PPS) and conforms to the Growth Plan for the Greater Golden Horseshoe (Growth Plan) by meeting the conversion tests of Employment Areas to non-employment uses set out in the plan. The study will also assess the impact and economic benefits of the proposed development given its characteristics and ability to achieve key city-building objectives.

## 1.3 Approach

The following describes the major work steps that have been undertaken by urbanMetrics in preparing this *Economic Benefits Study*.

### 1) Site and Location Assessment

We have visited the site and inventoried surrounding land uses to assess whether the development as proposed would support and be compatible with existing, proposed or potential employment and non-employment uses in the vicinity of the site. In particular, we have assessed whether the subject site's characteristics—including proximity to other employment and non-employment uses, accessibility, and other factors—would make it a location that is likely or unlikely to attract employment uses similar to those that already exist in the area or are currently permitted.

### 2) Policy Framework Review

We have reviewed the Provincial Policy Statement, the Growth Plan, the City of Toronto Official Plan, the ConsumersNext Secondary Plan (as adopted by City Council), the Zoning By-law, and other relevant policy documents to assess the consistency of the proposed development with the existing and potential future policy framework. In particular, we have assessed whether the subject proposal meets the conversion criteria set-out in the Growth Plan and the City of Toronto Official Plan.

### 3) Study Area Delineation

In order to remain consistent with recent work undertaken by the City, we have delineated a Study Area that is equivalent to the ConsumersNext Secondary Plan Area.

#### **4) Examination of Historical Employment and Real Estate Trends in the City of Toronto**

Where available, we have examined historical employment and real estate trends using time-series data from a variety of sources, including the City of Toronto Employment Survey, the Census of Canada, Colliers International and CoStar Realty Data. This data has been used to evaluate the prospects for development of the subject site with offices uses, as currently permitted.

#### **5) Future Employment Needs**

We have reviewed the Growth Plan employment growth forecasts for the City to 2041 and analyzed how the proposed office commercial space will contribute to the achievement of the City's forecast.

#### **6) Employment Opportunities/Fiscal Benefits**

We have calculated the number of jobs accommodated through this proposed development, including the ultimate employment accommodating potential of the recently constructed two-storey office building on the site. In addition, we have calculated the fiscal benefits accruing to the City that would result from development of the subject site as a mixed-use proposal in terms of tax revenues and one-time development fees, and development charges.

#### **7) Evaluation & Summary of Economic Impacts**

Based on the above analysis and a review of the types of businesses that have been attracted to the Study Area in recent years, we have established the market potential available to the office employment uses proposed in the Study Area and specifically on the subject site.

Finally, we have summarized the results of our *Economic Benefits Analysis* and provided our professional opinion as to whether the subject proposal meets the City's tests regarding the potential impacts of the development on other economic activities in the surrounding area, as well as whether the proposed concept plan meets the conversion tests set-out in the Growth Plan and the Toronto Official Plan.

The following sections of this report present the results of our analysis and summarize our detailed research findings.

## 2.0 Site Context

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## Key Findings

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The following provides a brief summary of our key findings, based on our review of the subject site's characteristics, its accessibility, and its relationship to the surrounding land uses which exists on and around the subject site:

- The subject site is located on the south side of Herons Hill Way in the ConsumersNext Secondary Plan Area.
  - The subject site is currently designated General Employment, however, lands immediately to the north and northeast have recently been re-designated to Mixed Use Areas as a part of OPA 231.
  - The future Sheppard East LRT will include a stop just steps from the subject site.
  - The subject site is located within 950 metres of the TTC Don Mills subway station and in proximity to the Sheppard Avenue interchange with Highway 404, providing access to Highway 404, Highway 401 and the Don Valley Parkway.
  - A new road along the eastern boundary of the subject site will provide enhanced connectivity to the office business park to the south and east of the site.
  - The proposed conversion of the subject site from Employment Areas to Mixed Use Area is consistent with Provincial policy.
- 

## 2.1 Site Characteristics & Surrounding Land Uses

The subject site 1.60 acres (0.64 hectares) in size and is currently occupied by a 23,980 square foot (2,227 square metre) office building— which serves as the headquarters of Paradise Developments— and a surface parking lot that serves the office building.

As shown in Figure 2-1, the site is located on the south side of Herons Hill Way, with existing high-rise residential development on Sheppard Avenue East to the north, office and warehouse uses on Yorkland Boulevard to the south, low-density retail and service uses to the east and office uses with above-grade parking on Yorkland Road to the west. Additional high-density residential uses are located further east of the site.



**Figure 2-1: Subject Site Location**

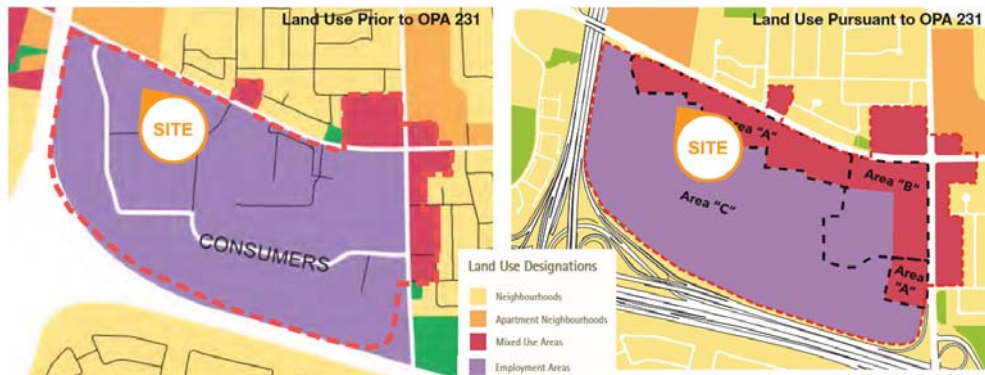


SOURCE: urbanMetrics inc. with Google Earth imagery. For illustration only.

The subject site is located within the ConsumersNext Secondary Plan Area; one of Toronto’s most concentrated areas of office jobs and significant residential growth. As shown in Figure 2-2, recent changes to the Official Plan through Official Plan Amendment (OPA) 231 have allowed for an increase in development and intensification within the study area, particularly in the form of mixed-use development.

**The subject site is designated as General Employment Area and Mixed Use Area in the Official Plan. The General Employment Area designation would preclude residential development.** The site is located directly adjacent to lands that have been designated “Mixed Use Areas” in OPA 231 and the ConsumersNext Secondary Plan.

**Figure 2-2: Official Plan Policy Changes (OPA 231 and SASP 386)**



SOURCE: ConsumersNext Secondary Plan



## 2.2 Site Accessibility

Based on the location of the site, and the established and planned transportation infrastructure in the area, the subject site has good accessibility to the greater transportation and mobility network within Toronto, including:

- Good access to public transit including the TTC Don Mills subway station on the Sheppard Line. The station is only 950 metres from the subject site, which equates to a 12-minute walk or 5-10-minute bus ride on various high-frequency routes along Sheppard Avenue East.
- Directly adjacent to Highway 404 which is a major north-south connecting route between Toronto's downtown and the northern municipalities in York Region. Signalized intersections at both access points to the subject site (at Yorkland Road/Sheppard Avenue East and Herons Hill Way/Sheppard Avenue E.) provide ease of access to Sheppard Avenue East and the 404.
- Proximity to the major intersection of Highway 404 and Highway 401 that provides access to both north-south and east-west connections across the GTHA.
- Directly adjacent to the potential Sheppard East LRT, which would add 13 kilometres of transit infrastructure between Don Mills Station and Morningside Avenue. Timelines and funding for this LRT line are uncertain at this time.
- Furthermore, consistent with the Structure Plan in the ConsumersNext Secondary Plan, the proposed development will add a new road along the eastern edge of the site, increasing connectivity within the local area. **This important piece of infrastructure will not be possible without development of the subject site.**

## 2.3 Land Use Planning Framework

### Provincial Policy Statement (PPS)

Section 1.3.2 of the PPS 2014 relates specifically to Employment Areas, which are defined as 'those areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.' Policy 1.3.2.2 addresses the conversion of employment lands and states:

*"Planning authorities may permit conversion of lands within employment areas to non-employment uses through a comprehensive review, only where it has been demonstrated that the land is not required for employment purposes over the long term and that there is a need for the conversion."*

The proposed amendments to the PPS (“PPS 2019”) continue to include this policy, now labeled as Policy 1.3.2.4, as well as adding the following Policy 1.3.2.5:

*“Notwithstanding policy 1.3.2.4, and until the official plan review or update in policy 1.3.2.4 is undertaken and completed, lands within existing employment areas may be converted to a designation that permits non-employment uses provided the area has not been identified as provincially significant through a provincial plan exercise or as regionally-significant by a regional economic development corporation working together with affected upper- and single-tier municipalities and subject to the following:*

- a) there is an identified need for the conversion and the land is not required for employment purposes over the long term;*
- b) the proposed uses would not adversely affect the overall viability of the employment area; and*
- c) existing or planned infrastructure and public service facilities are available to accommodate the proposed uses.”*

#### **Subject Site:**

As detailed in the sections to follow, there is an identified need for the conversion of the subject site to Mixed Use Areas in order to further the vision of the ConsumersNext Secondary Plan, and equally important, to better utilize the subject site in a manner that is viable from a market perspective. This conversion will not adversely affect the overall viability of the neighbouring employment areas (i.e., the Consumers Road Business Park), but conversely will better utilize the existing infrastructure and maximize public services facilities which are in place and designed to accommodate the proposed development.

## **Growth Plan for the Greater Golden Horseshoe (Growth Plan)**

The Province’s Growth Plan for the Greater Golden Horseshoe (“Growth Plan”) which was updated in May 2019 also outlines a number of specific policies relating to the development and conversion of employment lands.

Section 2.2.5 of the Growth Plan relates specifically to employment and the promotion of economic development and competitiveness. Policy 2.2.5.1 states:

*“Economic development and competitiveness in the GGH will be promoted by:*

- a) making more efficient use of existing employment areas and vacant and underutilized employment lands and increasing employment densities;*
- b) ensuring the availability of sufficient land, in appropriate locations, for a variety of employment to accommodate forecasted employment growth to the horizon of this Plan;*

- c) *planning to better connect areas with high employment densities to transit; and*
- d) *integrating and aligning land use planning and economic development goals and strategies to retain and attract investment and employment.”*

**Subject Site:**

The proposed development promotes the economic development and competitiveness of the adjacent Employment Areas by making more efficient use of an underutilized site that is connected to existing infrastructure through the development of a mix of office and residential uses. This type of development is precisely what the Province envisions and is encouraging because it puts people within a close walking distance of where they work, integrating communities, reducing congestion and green house gas emissions while making the region more competitive overall.

Policy 2.2.5.9 of the Growth Plan outlines the conversion criteria for lands within an employment area, and states:

*“The conversion of lands within employment areas or prime employment areas to non-employment uses may be permitted only through a municipal comprehensive review where it is demonstrated that:*

- a) *there is a need for the conversion;*
- b) *the lands are not required over the horizon of this Plan for the employment purposes for which they are designated;*
- c) *the municipality will maintain sufficient employment lands to accommodate forecasted employment growth to the horizon of this Plan;*
- d) *the proposed uses would not adversely affect the overall viability of the employment area or prime employment area or the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan; and*
- e) *there are existing or planned infrastructure and public service facilities to accommodate the proposed uses.”*

In addition, the 2019 update to the Growth Plan added Policy 2.2.5.10, which states:

*“Notwithstanding policy 2.2.5.9, until the next municipal comprehensive review, lands within existing employment areas may be converted to a designation that permits non-employment uses, provided the conversion would:*

- a) *satisfy the requirements of policy 2.2.5.9 a), d) and e);*
- b) *maintain a significant number of jobs on those lands through the establishment of development criteria; and*
- c) *not include any part of an employment area identified as a provincially significant employment zone.”*

**Subject Site:**

It is our opinion that the subject site—which is not located within a proposed Provincially Significant Employment Zone—can be converted outside of a Municipal Comprehensive Review as per Policy 2.2.5.10. There is a demonstrated need for the conversion of the subject lands as they are underutilized in their current form. The conversion of the subject site to Mixed Use Areas will improve the viability and attractiveness of the adjacent Employment Areas, advance the vision of the ConsumersNext Secondary Plan Area, facilitate a net gain of jobs on the subject lands and provide much needed purpose-built rental residential to the area.

As stated in Attachment 2 to the City of Toronto final staff report related to employment land conversion requests, dated November 5, 2013:

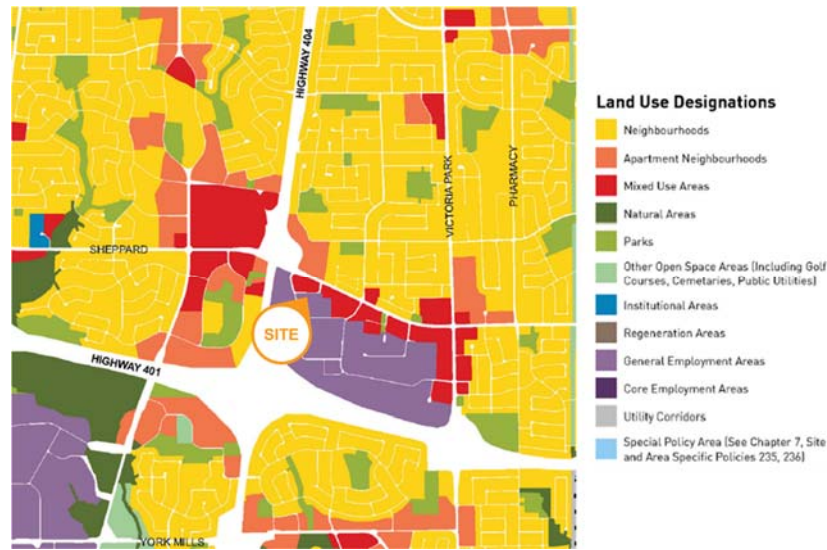
*“The existing supply of Employment Areas is sufficient to meet the 2031 Provincial employment forecasts in Toronto and it is anticipated that the City will meet the employment forecasts allocated to the municipality pursuant to the Growth Plan.”*

As the Employment Area lands on the subject site are not required for employment purposes over the long-term, the subject application meets the policy tests in the PPS and the Growth Plan for conversion of the site to accommodate the proposed mixed-use development. In addition, the office and work-at-home components of the proposal will create additional employment opportunities as, detailed in Section 7.0, significantly more than the existing surface parking lot, which currently does not accommodate any jobs. In fact, it is our opinion that if the site was to remain as currently designated and zoned its future development would be very unlikely.

**City of Toronto Official Plan**

Figure 2-3 below indicates that the subject property is designated as *General Employment Areas* in the current Toronto Official Plan (See Figure A-1 in Appendix A for full-sized map).

**Figure 2-3: Land Use Map**



SOURCE: urbanMetrics inc., based on Toronto Official Plan (Map 19 – Land Use Plan, February 2019).

Policy 4.6(6) of the Official Plan states:

*“Development will contribute to the creation of competitive, attractive, highly functional Employment Areas by:*

- a) supporting, preserving and protecting major facilities, employment uses and the integrity of Employment Areas;*
- b) encouraging the establishment of key clusters of economic activity with significant value-added employment and assessment;*
- c) providing a high-quality public realm with a connected, easily understood, comfortable and safe network of streets, parks and accessible open spaces;*
- d) integrating the development into the public street network and systems of roads, sidewalks, walkways, bikeways and transit facilities, and establishing new segments where appropriate;*
- e) mitigating the potential negative impacts from traffic generated by development within Employment Areas and adjacent areas;*
- f) providing adequate parking and loading on-site;*
- g) sharing driveways and parking areas wherever possible;*
- h) avoiding parking between the public sidewalk and retail uses;*
- i) mitigating the potential adverse effects of noise, vibration, air quality and/or odour on major facilities and/or other businesses as determined by noise, vibration, air quality and/or odour studies;”*

**Subject Site:**

The proposed development is consistent with the Official Plan policies in that it supports and enhances competitive, attractive and highly functional Employment Areas. The proposal makes efficient use of a currently underutilized site by accommodating a number of high-quality jobs and adding much needed purpose-built rental residential uses all of which bolster the vitality of the adjacent businesses in the ConsumersNext Secondary Plan Area through the potential addition of locally based employment.

The conversion and removal policies for Employment Areas in the current Toronto Official Plan are currently under appeal at the Local Planning Appeal Tribunal (LPAT). These policies include Policy 2.2.4.14 through Policy 2.2.4.17, as detailed below.

**Policy 2.2.4.14**

*“The re-designation of land from an Employment Area designation to any other designation, by way of an Official Plan Amendment, or the introduction of a use that is otherwise not permitted in an Employment Area is a conversion of land within an Employment Area and is also a removal of land from an Employment Area, and may only be permitted by way of a Municipal Comprehensive Review. The introduction of a use that may be permitted in a General Employment Area into a Core Employment Area or the re-designation of a Core Employment Area into a General Employment Area Designation is also a conversion and may only be permitted by way of a Municipal Comprehensive Review.”*

**Policy 2.2.4.15**

*“The conversion of land within an Employment Area is only permitted through a City-initiated Municipal Comprehensive Review that comprehensively applies the policies and schedules of the Provincial Growth Plan.”*

**Policy 2.2.4.16**

*“Applications to convert lands within an Employment Area will only be considered at the time of a municipal review of employment policies and designations under Section 26 of the Planning Act and a concurrent Municipal Comprehensive Review under the Growth Plan for the Greater Golden Horseshoe. Applications to convert lands within an Employment Area received between such City-initiated Official Plan Reviews will be not be considered unless Council directs that a Municipal Comprehensive Review be initiated.”*

**Subject Site:**

As currently written and under appeal, the conversion policies in the Toronto Official Plan are no longer in conformity with the conversion policies outlined in the Growth Plan, as

amended in 2019. Most notable, Policy 2.2.5.10 of the Growth Plan (2019) now allows for the conversion of existing employment areas outside of an MCR, provided they meet the criteria previously outlined in this Section. This conversion request meets those requirements/tests.

#### **Policy 2.2.4.17**

*“During a Municipal Comprehensive Review, the City will assess requests to convert lands within Employment Areas, pursuant to the Provincial Growth Plan Policy 2.2.6.5, both cumulatively and individually, by considering the following matters:*

- a) *there is a demonstrated need for the conversion(s) to meet population forecasts allocated to the City in the Growth Plan for the Greater Golden Horseshoe;*

#### **Subject Site:**

Although it is nearly impossible to assess the need for a singular site to meet the City's Growth Plan allocated population forecasts, we note that the proposed development will provide a meaningful number of purpose-built rental homes to supplement the aging supply of rental accommodation across the City. In addition, the recently constructed office building on the western portion of the subject site was originally secured by the City as part of a mixed-use development application including the lands to the north. This highlights the importance of a continued mixed-use lens on the subject site in evaluating the proposal on the eastern portion of the subject site.

- b) *the City will meet the employment forecasts allocated to the City in the Growth Plan for the Greater Golden Horseshoe;*

#### **Subject Site:**

As previously noted, the City has stated that, *“The existing supply of Employment Areas is sufficient to meet the 2031 Provincial employment forecasts in Toronto and it is anticipated that the City will meet the employment forecasts allocated to the municipality pursuant to the Growth Plan.”*

- c) *there is a demonstrated need for the conversion(s) to mitigate existing and/or potential land use conflicts;*
- d) *the lands are not required over the long-term for employment purposes;*

#### **Subject Site:**

As previously noted, *“The existing supply of Employment Areas is sufficient to meet the 2031 Provincial employment forecasts in Toronto and it is anticipated that the City will meet*



*the employment forecasts allocated to the municipality pursuant to the Growth Plan.”* Furthermore, given the market conditions for office-based employment space in the ConsumersNext Secondary Plan area, it is unlikely that office development on the subject site will be viable for the foreseeable future without the inclusion of residential uses in a mixed-use configuration. In fact, it was the introduction of residential uses on the north side of Herons Hill Way which originally allowed for the securing of office space on the 1 Herons Hill Way portion of the original development application submitted by the previous land owners and approved by the City.

- e) *the conversion(s) will not adversely affect the overall viability of the Employment Area and maintenance of a stable operating environment for business and economic activities with regard to the:*
- i. *compatibility of the proposed land use with existing employment uses or employment uses permitted in the zoning by-law in the Employment Area;*
  - ii. *interference with the function of existing employment uses by affecting Environmental Compliance Certificates of industries and their renewal, or complaints of adverse effects to the Ontario Ministry of the Environment under the Environmental Protection Act which could require changes to industrial operations or restrict operating hours;*
  - iii. *ability to provide appropriate buffering of employment uses from sensitive residential and institutional uses;*
  - iv. *implementation of the Ontario Ministry of the Environment D series guidelines for compatibility between industry and sensitive uses or any successor guidelines;*
  - v. *impact on the affordability of property or building leases or land purchase costs for employment uses and tax assessments in the Employment Area;*
  - vi. *reduction or elimination of visibility of, and accessibility to, employment lands or uses;*
  - vii. *impact upon the capacity and functioning of the transportation network and the movement of goods for existing and future employment uses;*
  - viii. *removal of large and/or key locations for employment uses; and*
  - ix. *maintenance of the identity of the Employment Area.*

#### **Subject Site:**

The proposed development is compatible with both the existing and evolving Mixed Use Areas to the north and north east, as well as the established office and warehouse uses in the adjacent Employment Areas to the south and west. This compatibility has been further confirmed in the *Land Use Compatibility & Mitigation Study* prepared by Paradise's

environmental consultant, SLR Consulting (Canada) Ltd. and the *Urban Transportation Considerations* report prepared by BA Group. We note that the uses included in this application can already be found on almost every one of the adjacent parcels, and therefore, it is our opinion that no compatibility issues exist.

- f) *the existing or planned sewage, water, energy and transportation infrastructure can accommodate the proposed conversion(s);*

**Subject Site:**

The *Functional Servicing and Stormwater Management Report* prepared by Counterpoint Engineering found that the existing municipal infrastructure (Storm, Sanitary & Water) within the vicinity of the proposed redevelopment has available capacity to support the proposed redevelopment.

- g) *in the instance of conversions for residential purposes, sufficient parks, libraries, recreation centres and schools exist or are planned within walking distance for new residents;*

**Subject Site:**

As noted in the *Community Services and Facilities Study* prepared as part of the ConsumersNext Study and updated by your planning consultant, Bousfields, there are sufficient existing and planned services within walking distance from the subject site.

- h) *land already appropriately designated and zoned for the proposed non-employment use(s) is available outside of Employment Areas;*
- i) *new residents or institutional users on the lands would be adversely affected by noise, vibration, odours and other air emissions, dust and other particulates or other contaminants;*

**Subject Site:**

The proposed mixed-use development is consistent with the large residential development on the north side of Herons Hill Way and will ensure that there will be no adverse effects to the growing residential population in the area.

- j) *the ability to provide opportunities for the clustering of similar or related employment uses is maintained;*

**Subject Site:**

Due to the physical size of the property, the subject site does not represent an important parcel in the clustering of office uses in the area, as the majority of existing major office

uses can be found around the perimeter in the Highway Edge District or in the Mixed Use Areas fronting onto Sheppard Avenue East.

- k) *a sufficient supply of optimum-sized land parcels is maintained in the Employment Area for the range of permitted employment uses;*

**Subject Site:**

At only 1.6 acres (0.64 hectares) in size, the subject site is not particularly well suited to the development of major office as market conditions do not support the construction of expensive underground parking required in order to meet the City's parking requirements for office uses. As is evident across the Consumers Road Business Park—and elsewhere in various suburban office nodes across the GTA—most large office complexes have a significant amount of surface parking and larger parcel sizes than the subject site.

- l) *employment lands proximate to essential linkages, such as supply chains, service providers, markets, and necessary labour pools are preserved;*

**Subject Site:**

The proposed mixed-use development on the subject site increases the labour pool for the business park to the south by providing some 350 new homes to the area, in addition to more office-based employment space than has historically been located on the site.

- m) *employment lands are strategically preserved near important transportation infrastructure such as highways and highway interchanges, rail corridors and airports to facilitate the movement of goods;*

**Subject Site:**

Through the conversion of the subject to Mixed Use Areas, the proposed development will accommodate more high-quality office jobs than if it remains Employment Areas. Market conditions are not favourable now, or in the foreseeable future, to build a major office on the site. Furthermore, the existing and planned transportation network can accommodate both the existing overall transportation demands and those contemplated in the future (i.e. the ConsumersNext Transportation Master Plan), as noted in the *Urban Transportation Considerations* report prepared by BA Group. Therefore, the proposed development is the best option to accommodate a mix of additional employment and population near existing and future potential transportation infrastructure.

- n) *the proposal(s) to convert lands within an Employment Area will maintain and grow, or potentially diminish the City's tax base;*

**Subject Site:**

As detailed in Section 7.0, the proposed development is expected to significantly increase the City's tax based.

- o) the proposal(s) to convert lands in an Employment Area will help to maintain to a diverse economic base accommodating and attracting a variety of employment uses and a broad range of stable full-time employment opportunities in Toronto;*

**Subject Site:**

The recently completed and proposed office space on the subject site will accommodate the same high-quality office jobs currently found in the ConsumersNext Secondary Plan area.

- p) the conversion(s) will retain work opportunities for residents of nearby neighbourhoods; and*

**Subject Site:**

As previously noted above.

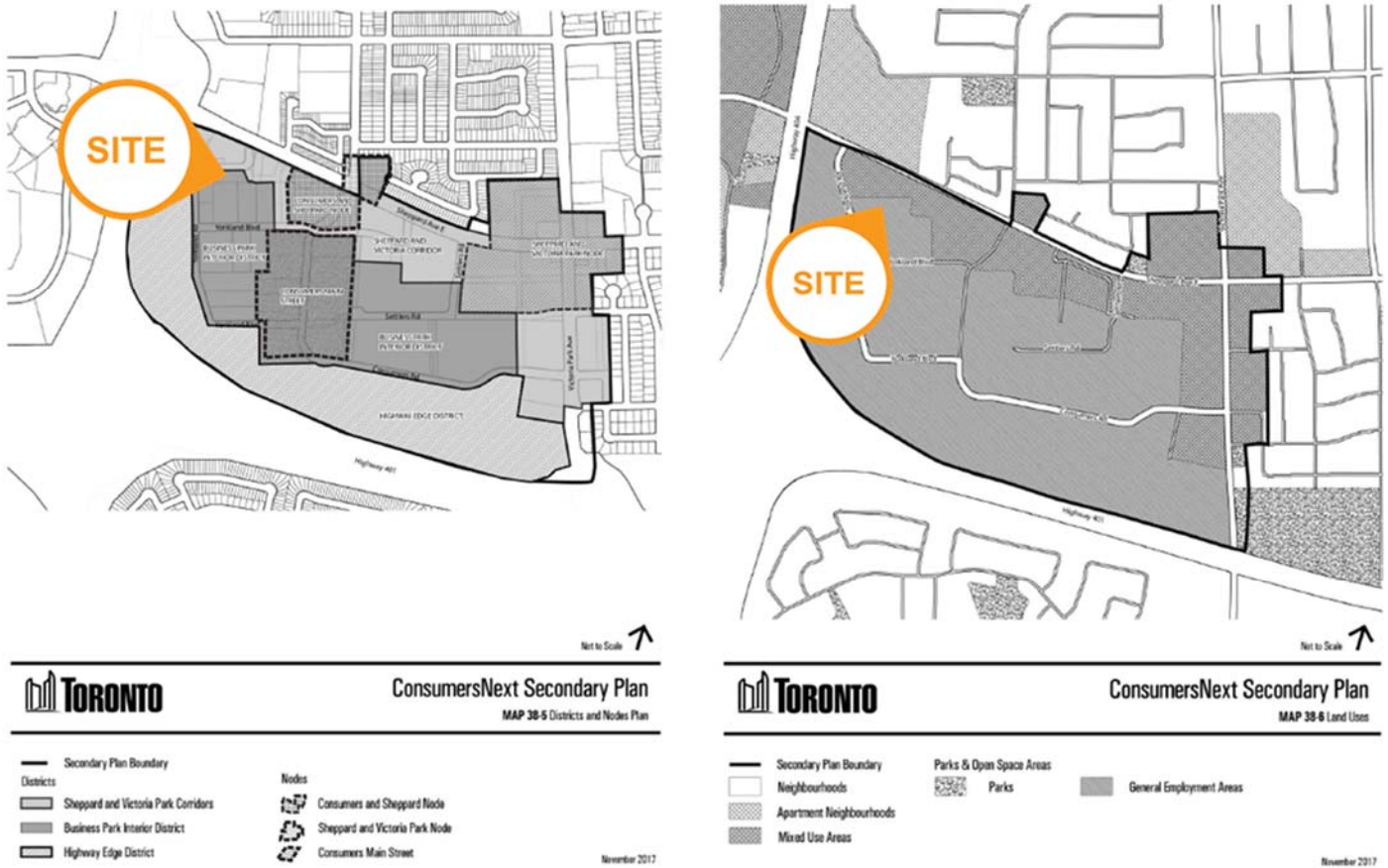
- q) cross-jurisdictional issues have been considered.”*

## ConsumersNext Secondary Plan

As previously noted, the subject site is located in the ConsumersNext Secondary Plan Area. This secondary plan represents a significant effort by the City of Toronto to ensure that this area of the City continues to evolve into a vibrant, mixed-use area which maintains and attracts future residents and businesses, and takes advantage of the potential future investment in higher-order transit along Sheppard Ave East and Victoria Park Avenue.

The subject site is located at the northern edge of the western Business Park Interior District, adjacent to the Sheppard and Victoria Corridor District. Furthermore, the land use map in the Secondary Plan is consistent with the City's Official Plan, designating the subject site as General Employment Areas. Figure 2-4 illustrates the Secondary Plan districts and land uses.

**Figure 2-4: ConsumersNext Secondary Plan District, Nodes, and Land Uses**



SOURCE: urbanMetrics inc., based on Attachment 2 - Draft Official Plan Amendment, ConsumersNext Secondary Plan.

As illustrated in Map 38-3 Public Street Plan of the Secondary Plan, a new public street is proposed along the eastern edge of the subject site. This new street will connect to a new public street further east, providing a new connection to Sheppard Avenue East to the north and Yorkland Boulevard to the south, enhancing connectivity to the interior of the business park.

The new public street on the east edge of the subject site will be delivered as part of the proposed development, fulfilling the vision of the Secondary Plan. Therefore, it is important that the site be developed to ensure that this street connection is built.

The ConsumersNext Study, which informed the Secondary Plan, included an *Economic Potential Study*. As noted in *ConsumersNext Economic Potential Study Phase 2: Final Analysis and Recommendations, January 2017* (the “*Economic Potential Study*”), the goals and objectives of the *Economic Potential Study* include:

- “To undertake a study of the opportunities to support sustained employment and non-residential investment within the Business Park;
- To assess the current building stock and employment in the Study Area to recommend strategies, tactics, incentives and amenities to retain existing and attract new businesses and tenants; and,
- To identify actions and policies recommended for the Consumers Road Business Park that can be transferred to other office-based Employment Districts in Toronto.”

When characterizing the Consumers Road Business Park, the *Economic Potential Study* noted that,

*“Consumers Road contains the highest concentration of Class ‘B’ and ‘C’ buildings in the City. These buildings provide affordable rents and serve an important role in a balanced office market. No new office development has occurred in the Business Park since the early 1990s, but significant employment growth and investment has occurred, largely through alterations to existing buildings.”*

In order to better understand the economic viability and investment potential of office development in the area, the *Economic Potential Study* undertook a series of financial pro forma analyses. The Study notes,

*“The analysis demonstrates the limited potential for new office development within Consumers Road in the near term. The low rents currently experienced in Consumers Road do not support new office development, but they are part of the value proposition of the Business Park.”*

urbanMetrics will revisit these analyses in Section 5.0 of this study when evaluating the real estate market trends in the Study Area.

## Zoning By-law

The site is subject to former City of North York Zoning By-law 7625, as amended by Bylaw No. 295-2010. The subject site—denoted as “Parcel 2” in the amending bylaw—is zoned C1(127) General Commercial. The following uses are permitted:

- adult education schools
- automatic laundry shops
- banks
- banquet halls
- business and professional offices
- car rental agencies
- clubs
- colleges
- health science research laboratories
- information processing
- laundries
- parking lots
- personal service shops
- professional medical offices
- places of worship
- public libraries

- commercial galleries
- commercial schools
- communications and broadcasting
- community centres
- custom workshops
- day nurseries
- dry-cleaning and laundry collecting establishments
- financial institutions
- fitness centres
- research laboratories
- retail stores
- sales offices
- service shops
- studios
- synthetic dry-cleaning establishments
- restaurants (including accessory outdoor cafe)
- showrooms
- take-out restaurants



## 3.0 Study Area

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In order to assess the economic benefits associated with the proposed mixed-use development on the local employment area, we have delineated a study area which is consistent with the *ConsumersNext Secondary Plan Area* prepared for the City in November 2017. As shown in Figure 3-1, our Study Area is generally bounded by Sheppard Avenue East to the north, Highway 401 to the south, Victoria Park Avenue to the east and Highway 404 to the west.

**Figure 3-1: Study Area**



SOURCE: urbanMetrics inc.

## 4.0 Employment Trends

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## Key Findings

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The following provides a brief summary of our key findings from our review of employment trends in the Study Area:

- Based on the Toronto Employment Survey, the Office Sector has been far and away the primary employer in the Study Area since the survey's inception in 1983. Like the City, Office Sector employment in the Study Area has increased significantly over the period, even when the number of establishments has decreased.
  - Establishments across the City and the Study Area have followed a similar trend; Manufacturing Sector establishments have declined with all other Sectors, including Office, increasing.
  - Historically, Manufacturing Sector establishments across the City have employed more employees per establishment than any other Sector, however, more recently this Sector has reduced its employment per establishment while the Office Sector has increased significantly. Office Sector establishments in the Study Area have consistently employed more employees per establishment than the City-wide average since 1983.
  - Based on the TES data, it appears that the Study Area contains several large employers in the Office Sector. It also appears that over the past 25 years, many of these employers have expanded their number of employees in the Study Area. These employers can primarily be found along the Highway 401 and Highway 404 fronting areas of the Study Area, as well as in the Atria and Lansing Square office complexes in the northeast quadrant.
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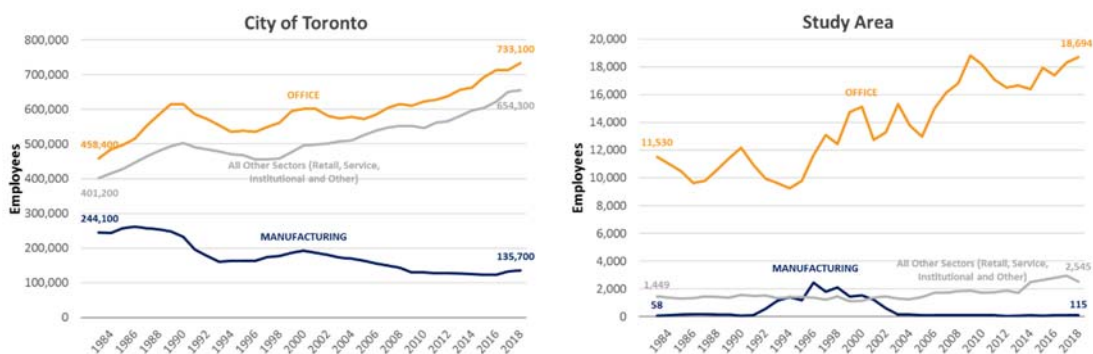
The statistics presented in this section are based exclusively on data provided by the City of Toronto's Research and Information department. The data is collected via the Toronto Employment Survey (TES), which has been conducted annually since 1983 by the City's Planning Division. Among other things, this survey determines the total number of employees and establishments across the City. More importantly, however, the results of this survey illustrate relative changes in the level of employment activity within each of the following employment six Sectors, as defined by the City: *Manufacturing and Warehousing; Retail; Service; Office; Institutional; and Community & Entertainment (formerly Other)*.

The following subsections of this report include a series of graphs which illustrate major employment trends in both the City of Toronto and the Study Area, focusing on the period between 1983 and 2018. The detailed results of the TES, from which these graphs are derived, are summarized in Appendix B at the end of this report.

# 4.1 Employment

As clearly illustrated in Figure 4-1, Office Sector employment is, and has been, far and away the largest employer in the Study Area. Like the City-wide trend, Office Sector employment in the Study Area has risen steadily since the inception of the TES, despite that lack of new office development in the Consumers Road Business Park since the late 1980's. We also note that over the period, Study Area employment in all other sectors has increased steadily, while Manufacturing Sector employment has only been a noticeable employer in the Study Area during a brief period.

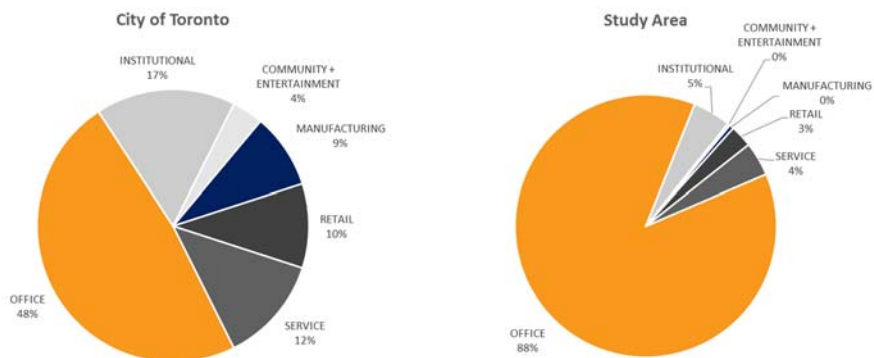
**Figure 4-1: Employment, 1983 - 2018**



SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 1983 - 2018. Data for 1984 and 1988 has been estimated by urbanMetrics.

As of 2018, the most recently published TES data, the Office Sector has clearly emerged as the largest employer accounting for nearly half (48%) of all jobs in the City of Toronto. As shown in Figure 4-2, this is even more extreme in the Study area where some 88% of employment is in the Office Sector.

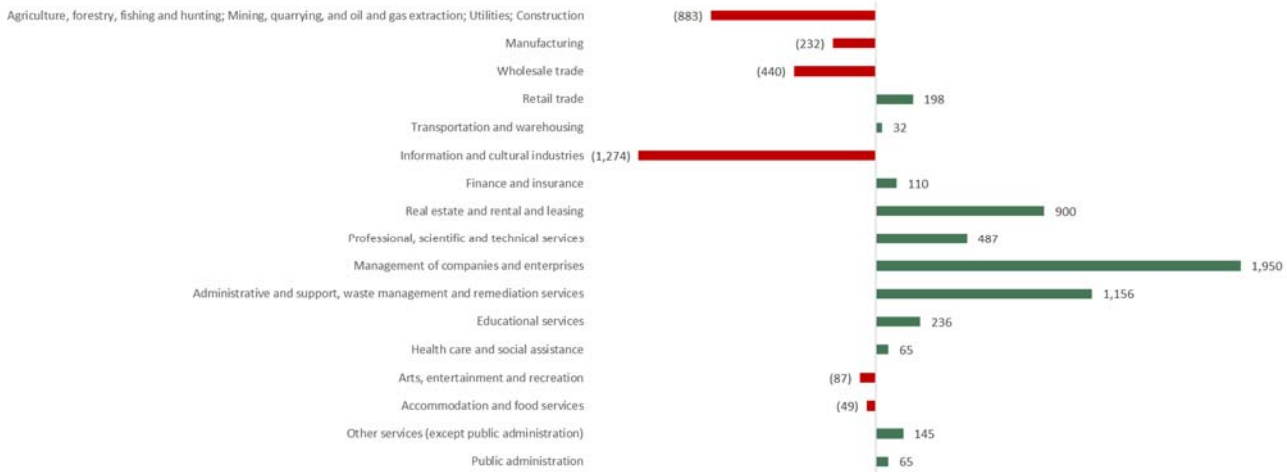
**Figure 4-2: Employment by Sector, 2018**



SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 2018.

Beginning in 2011, the TES also began publishing employment data by North American Industry Classification System (NAICS) code. This additional detail allows us to better pinpoint the industry groups which have contributed toward employment growth in the Study Area. Figure 4-3 illustrates the change in Study Area employment by NAICS between 2011 and 2018. As shown, significant increases can be seen in primarily office-based NAICS industries, including 55 – Management of Companies and Enterprises, 56 – Administrative and Support, Waste Management and Remediation Services and 53 – Real Estate and Rental and Leasing. We note that tenant of recently completed office space on the subject site (i.e., Paradise Developments) is classified in one of the se growing industry and that proposed office space on the subject site is equally capable of accommodating several of the NAICS industries below.

**Figure 4-3: Study Area Change in Employment by NAICS Industry, 2011 - 2018**

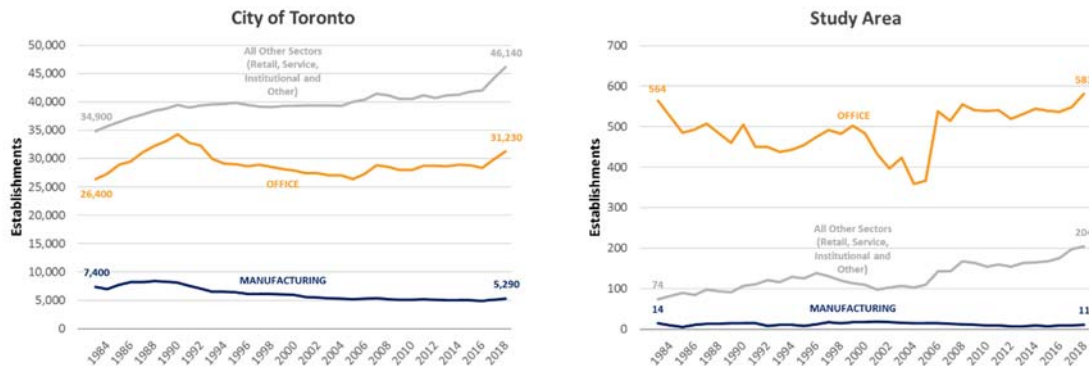


SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 2011 and 2018.

## 4.2 Establishments

Similar to the TES employment data in the previous section, Office Sector establishment have been the primary employer in the Study Area since the inception of the TES, as shown in Figure 4-4. Until around 2006, Office Sector establishments declined year-over-year in the Study Area, only recently returning to 1983 levels. Although City-wide data shows some periods of decline in Office Sector establishment, overall, they have increased substantially since 1983. Considering the Office Sector employment data from the previous section, it appears that the majority of the Study Area’s employment growth has come from existing Office Sector establishments expanding their work force with existing Study Area buildings. This is likely made possible by the relative affordability of office space in the area, as well as the trend toward collaborative and open office space design.

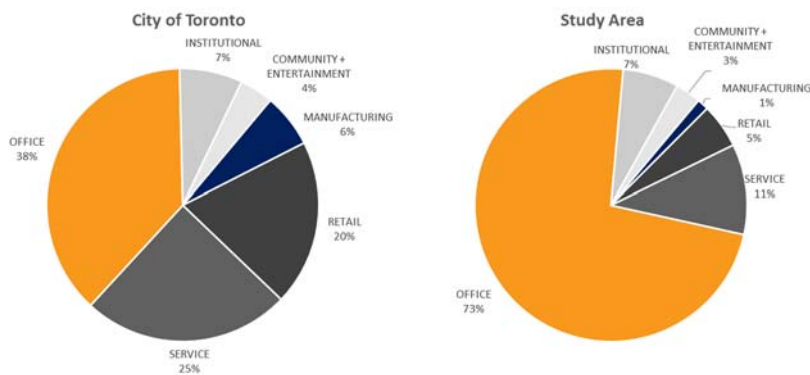
**Figure 4-4: Establishments, 1983 - 2018**



SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 1983 - 2018. Data for 1984 and 1988 has been estimated by urbanMetrics.

Similar to the employment data observed in Figure 4-2, Figure 4-5 shows that the Office Sector is a significantly larger proportion of the Study Area establishments than in the City overall. In fact, at 73% of Study Area establishments the Office Sector is proportionally larger in the Study Area than in the City’s Downtown (at some 50%) or any of the Centres (between 33-66%).

**Figure 4-5: Establishments by Sector, 2018**

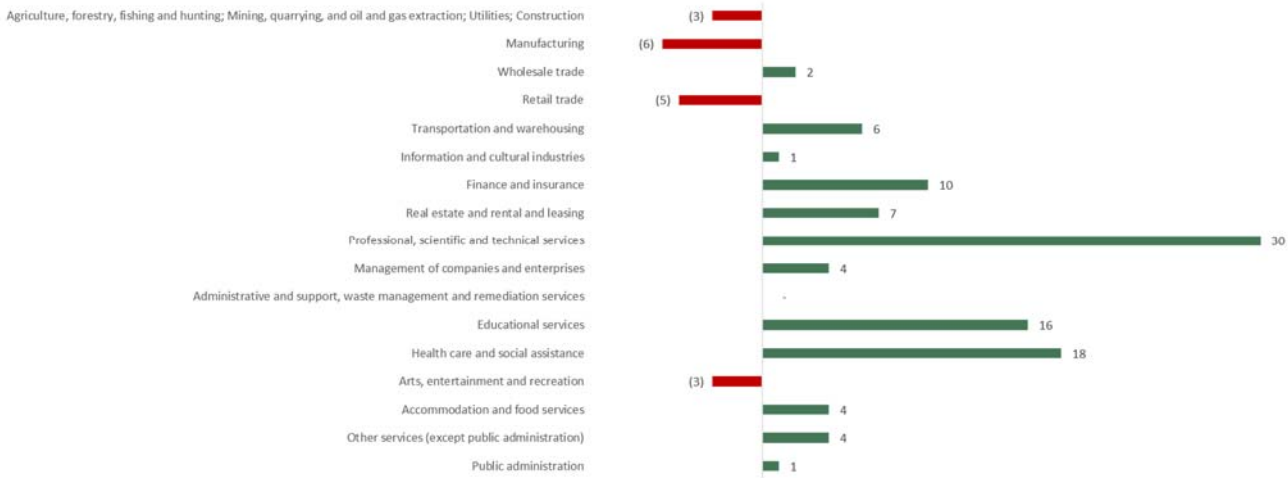


SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 2018.

Focusing on establishments by NAICS, Figure 4-6 shows the most growth in 54 – Professional, Scientific and Technical Services, 62 – Health Care and Social Assistance and 61 – Educational Services establishments. Interestingly, the NAICS industry with the most employment growth over the period were not those with the most growth in establishments, once again signifying that existing businesses have been expanding within the Study Area.



**Figure 4-6: Study Area Establishments by NAICS Industry, 2011 - 2018**

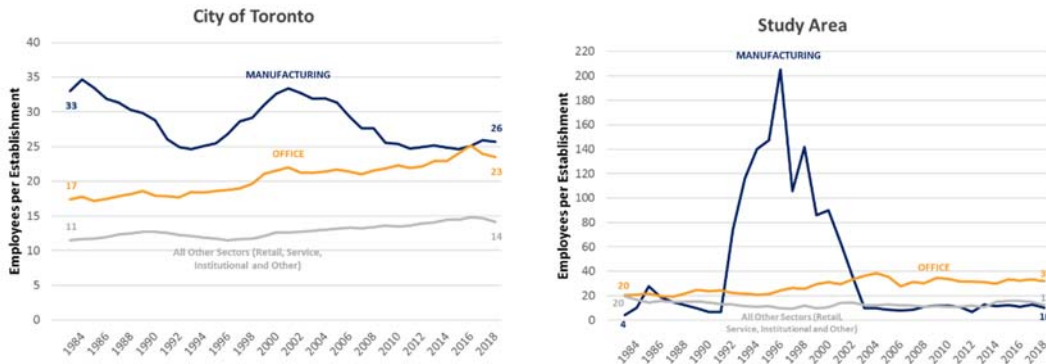


SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 2011 and 2018.

### 4.3 Employees per Establishment

Often of interest is the number of employees per establishment. As shown in Figure 4-7, historically since the inception of the TES the City’s Manufacturing Sector could be attributed with higher employment per establishment, however, in recent years the Office Sector has caught up. At many times during the period, with the exception of the mid to late 1990’s, the Office Sector in the Study Area employed by far the most employees per establishment, including currently.

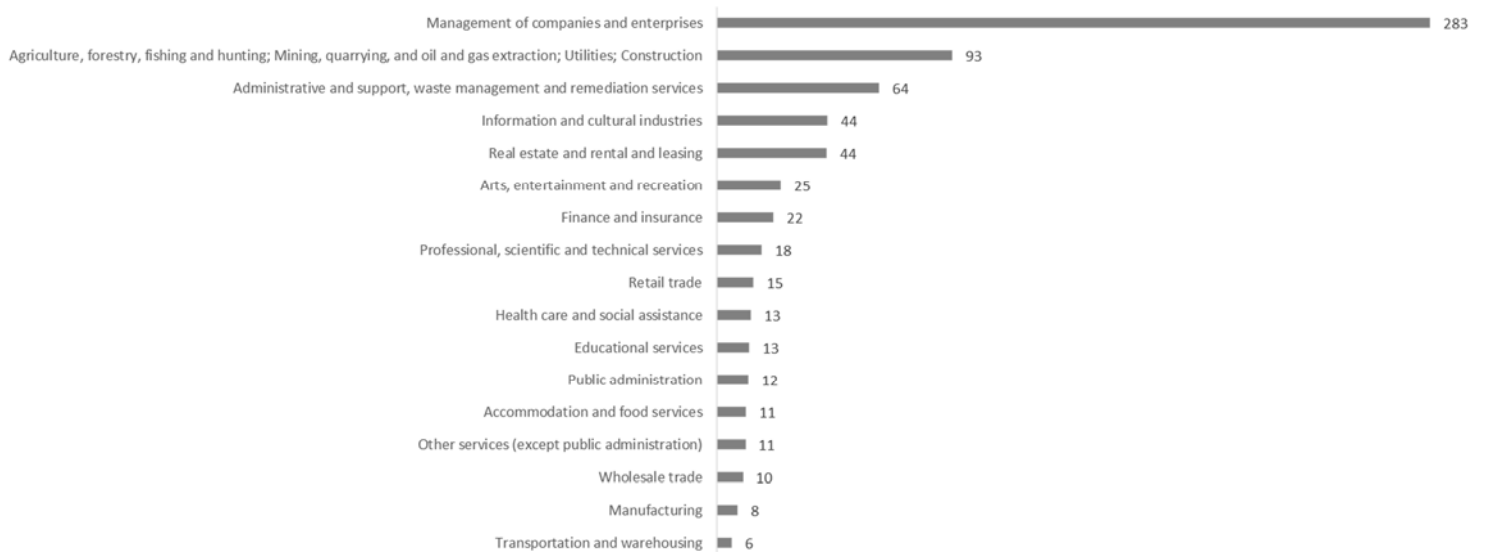
**Figure 4-7: Employees per Establishment, 1983 - 2018**



SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 1983 - 2018. Data for 1984 and 1988 has been estimated by urbanMetrics.

Unsurprisingly, Figure 4-8 shows the Study Area NAICS industries with the highest employment per establishment also correspond with the NAICS industries with the most employment growth since 2011. This also likely signifies the presence of several large employers in the Study Area.

**Figure 4-8: Study Area Employees per Establishment by NAICS (2018)**



SOURCE: urbanMetrics inc., based on the Toronto Employment Survey 2018.

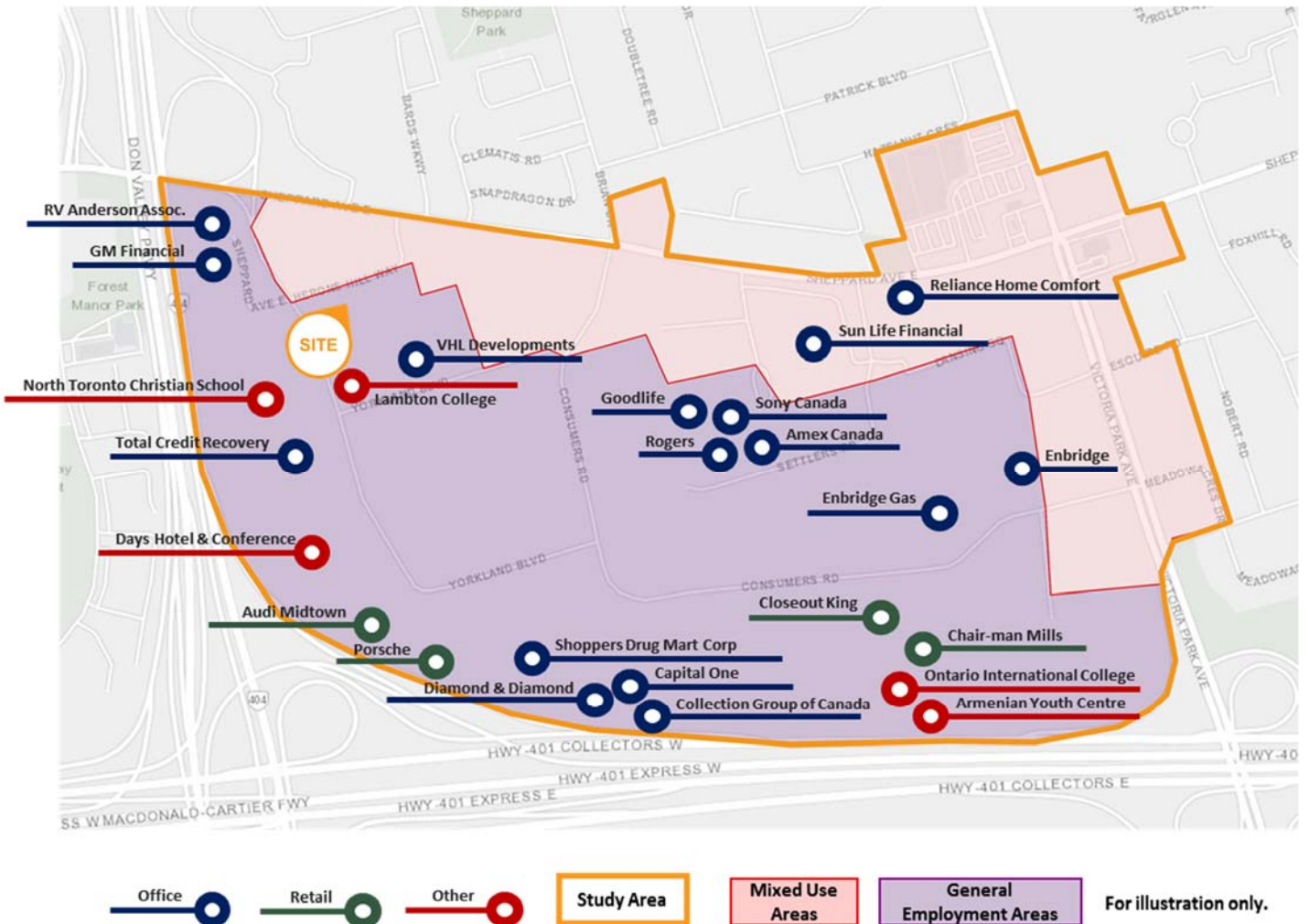
## 4.4 Major Employers

Based on tenant information collected by CoStar Realty, the Study Area contains several large, stable employers with significant amounts of leased space, as well as many smaller office-based businesses such as those that could be accommodated in the proposed mixed-use building on the subject site. The 25 largest employers by leased space are summarized in

Figure 4-9. As shown, these 25 businesses span 13 different NAICS industries, illustrating the diversity in employment across the Study Area. Approximately one third of the top 25 employers by space leased are not office-based employers, including 4 retail commercial business and 5 non-traditional employment uses, including: private schools; hotel & conference centre; and a youth centre. Furthermore, these 25 businesses lease approximately 41% of the office space currently tracked by CoStar in the Study Area and are unlikely to be affected by the conversion of the subject site to Mixed Use Areas.

Figure 4-9 also illustrates the location of these 25 employers in the Study Area. As shown, more than half of these employers (i.e., 15) are located in buildings with Highway 401 or Highway 404 exposure. The office-based employers are clustered in the Atria and Lansing Square office buildings in the northeast quadrant of the business park, as well as the Parkway Place office complex on near the junction of Highway 401 and Highway 404. The portion of the Study Area around the subject site is already transitioning into a mixed-use residential node and as such, does not include a significant cluster of major office-based employers. In fact, several of the major employers by space leased in the vicinity of the subject site are education services, while the area also includes several large places of worship not shown on the map.

**Figure 4-9: 25 Largest Study Area Tenants by Space Leased**



Continued...

	<b>Sq Ft Occupied</b>
<b>Finance and insurance</b>	<b>532,726</b>
Amex Canada Inc	354,516
Sun Life Financial	135,626
Capital One	42,584
<b>Retail trade</b>	<b>386,743</b>
Shoppers Drug Mart Corp	132,990
Closeout King	97,018
Audi Midtown Toronto	62,523
Sony Of Canada LTD	52,212
Porsche	42,000
<b>Real estate and rental and leasing</b>	<b>185,654</b>
Chair-man Mills Corp	144,254
VHL Developments Inc.	41,400
<b>Professional, scientific and technical services</b>	<b>146,806</b>
Diamond & Diamond Lawyers	71,503
RV Anderson Associates	38,862
Reliance Home Comfort	36,441
<b>Educational services</b>	<b>136,651</b>
Ontario International College	60,000
North Toronto Christian School	47,975
Lambton College in Toronto Classrooms	28,676
<b>Administrative and support, waste management and remediation services</b>	<b>101,911</b>
Total Credit Recovery Limited	59,012
Collection Group of Canada Inc.	42,899
<b>Mining, quarrying, and oil and gas extraction</b>	<b>61,977</b>
Enbridge	61,977
<b>Information and cultural industries</b>	<b>59,090</b>
Rogers	59,090
<b>Accommodation and food services</b>	<b>37,926</b>
Days Hotel & Conference Centre	37,926
<b>Utilities</b>	<b>36,418</b>
Enbridge Gas Distribution Inc	36,418
<b>Arts, entertainment and recreation</b>	<b>35,000</b>
Goodlife Fitness	35,000
<b>Health care and social assistance</b>	<b>29,941</b>
Armenian Youth Centre of Toronto	29,941
<b>Manufacturing</b>	<b>28,916</b>
General Motors Financial of Canada Ltd	28,916
<b>Grand Total</b>	<b>1,779,759</b>

SOURCE: urbanMetrics inc., based on CoStar Realty data.

## 5.0 Real Estate Market Trends

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## Key Findings

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The following provides a brief summary of our key findings from our review of the Study Area real estate market trends:

- Although an established office node in the City, the Study Area represents only a small portion (approximately 2%) of the City's office space supply, the majority of which is in buildings constructed in the 1970's and 1980's.
  - Although the City's supply of office space has increased significantly over the past ten years, the inventory of office space in the Study Area has increased only slightly.
  - The recently constructed office building on the western portion of the subject site is the first Class A office building to be constructed in the Study Area since 1987 (i.e., the Atria towers to the southeast).
  - Over the past five years, **Study Area vacancy rates have remained well above the City-wide average**. In recent quarters the Study Area has shown some improvement, decreasing from a 4-quarter rolling average of **almost 14% to just over 10%**, still well above the City-wide rate of 3.9%. This is in large part due to the extreme tightening of office vacancy in other higher-demand office nodes in the City.
  - In recent years, office buildings within 3-kilometres of the subject site have sold at a significant discount in comparison to more in-demand areas of the City (e.g., Downtown), while average net rental rates in the Study Area continue to remain at levels unsupportive of new office space development.
  - The majority of active development applications in the Study Area are for mixed-use development with a significant residential component on the lands in the Study Area designated Mixed Use Areas.
  - As concluded in the ConsumersNext Economic Potential Study and further updated by urbanMetrics, **major office space development in the Study Area is not economically viable and will likely remain so for many years to come.**
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### 5.1 Office Market Metrics

To understand the potential for additional office space on the subject site, we have reviewed historical and current office market metrics from both CoStar Realty Inc. ("CoStar") and Colliers International ("Colliers"), including: inventory of space, lease rates, vacancy rates, and recent office sales transactions. This review has focused on office market metrics in the Study Area, benchmarked

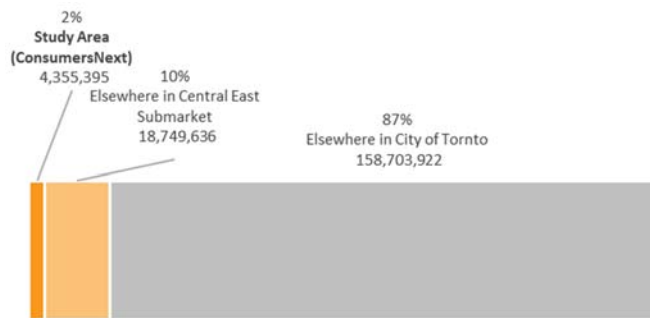


against other office submarkets as defined by Colliers and the City as a whole (see Appendix C for the Colliers office submarket map).

## Inventory

As of the third quarter of 2019, the Study Area—located in the Colliers Consumers Road submarket of the Colliers Central East submarket—contained approximately 4.3 million square feet of office space or 2% of the City-wide supply, as tracked by CoStar. We note that this amount of space has remained unchanged in recent years with only the recently built office building on the subject site and the medical office building at 2901 Sheppard Avenue East (built in 2012) increasing the Study Area supply.

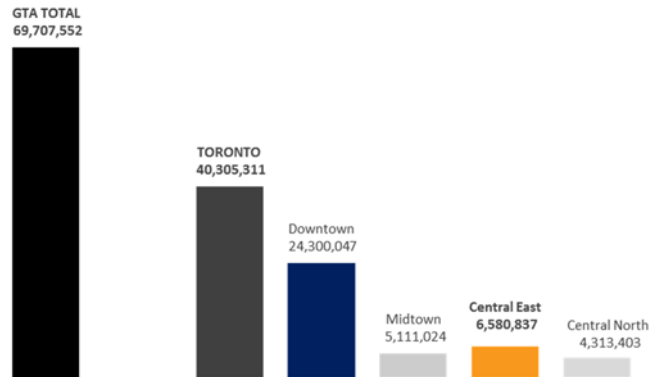
**Figure 5-1: City of Toronto Office Space**



SOURCE: urbanMetrics inc., based on CoStar Realty data for Q3 2019. Includes all classes.

Our review of historical data from Colliers confirms that the majority of new office space construction in the City has been in the Downtown submarket. As illustrated in Figure 5-2, nearly 58% of the office space constructed in the GTA over the past 10 years was built in the City of Toronto, 60% of which was constructed Downtown. Conversely, only 16% of the space constructed in the City over the period was built in the Central East, of which only a small portion—including the recently constructed building on the subject site—was constructed in the Study Area. In fact, the recently completed office building on the western portion of the subject site is one of only three new office buildings constructed in the Consumers Road submarket over the period.

**Figure 5-2: Growth in Office Space Inventory, 2009 - 2019**



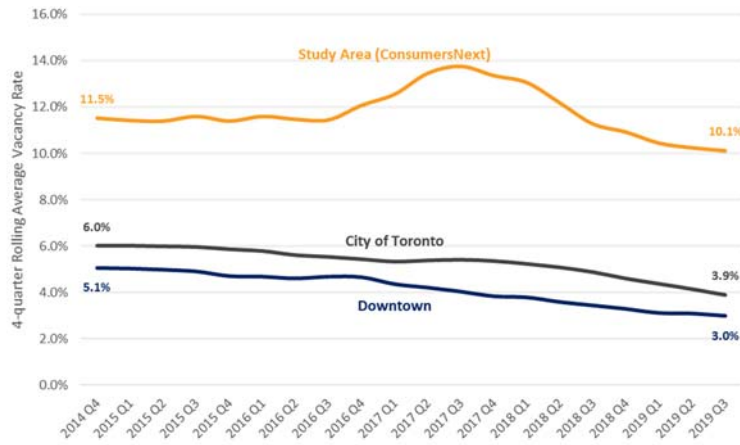
SOURCE: urbanMetrics inc., based on Colliers International data for all office classes.

## Vacancy

CoStar currently estimates that the Study Area contains some 409,000 square feet of vacant space which represents a rolling 4-quarter average vacancy rate of 10.1%. This represents a recent improvement from the almost 14% rolling 4-quarter average vacancy in mid-2017. In addition, we note that the office building on the western portion of the subject site, which is currently tenanted by Paradise, includes an additional 5,000 square feet of vacant space.

Looking back over the past five years, rolling 4-quarter average vacancy rates across the City have been on the decline, however, the Study Area remains well above the City-wide average and the more in-demand Downtown submarket. We note that the tightening of the office market city-wide, especially in the Downtown, have contributed toward the decline in vacant space across the Study Area as office-based employers search for space wherever it can be found. CoStar data for the Study Area shows vacancy rates have historically been above Central East vacancy rates.

**Figure 5-3: Historical Office Vacancy Rate, 2014 - 2019**

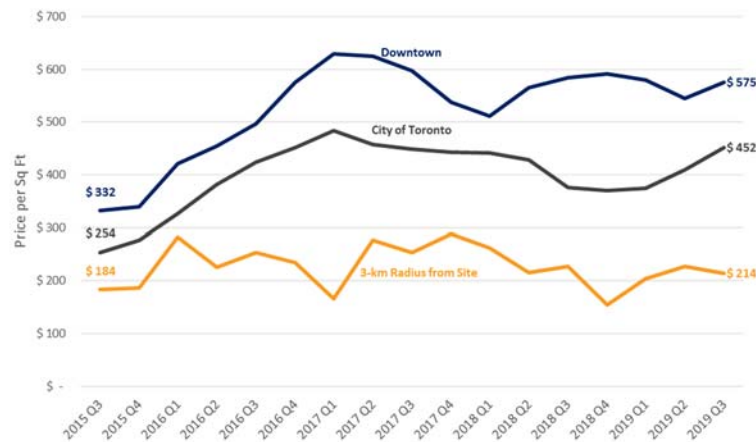


SOURCE: urbanMetrics inc., based on CoStar Realty data for all office classes. Represents a 4-quarter rolling average.

### Office Building Sales and Lease Rates

Sales data and asking net rental rates (e.g., base rents) are a good indicator for market demand. Figure 5-4 illustrates the recent sales data for office buildings across the City. As shown, office buildings within a 3-kilometre radius of the subject site (e.g., slightly larger than the Study Area to ensure a reasonable sample size) have consistently sold for between \$200 and \$300 per square foot, while prices elsewhere in the City have risen dramatically over the period.

**Figure 5-4: Office Building Sales (Past 5 Years)**

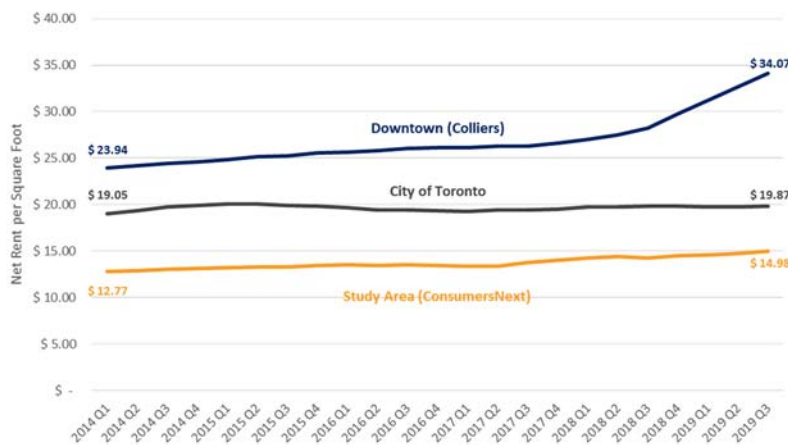


SOURCE: CoStar Realty data. Sales transactions exclude the Lansing Square redevelopment in the Study Area which was purchased as a mixed-use redevelopment site. Data represents a 4-quarter rolling average.

Focusing on lease rates, CoStar currently estimates the average net rental rate for office space in the Study Area is \$15.46 per square foot, resulting in a 4-quarter rolling average net rental rate of \$14.98, as illustrated in Figure 5-5. We note that this is similar to the net rental rates assumed in the ConsumersNext *Economic Potential Study*, which ultimately found that new office space development was not feasible at these net rental rate levels.

Reviewing historical data over the past five years, it is evident that while City-wide net rental rates have remained relatively flat over the period, net rents have increased significantly in high demand areas of the City, most notably in the Downtown submarket where the 4-quarter rolling average net rental rate has increased by 42%. In the Study Area the 4-quarter rolling average net rental rate has increased by some 17% over the past five years, however, we note that it remains among the lowest in the City at well below half (i.e., 44%) of the Downtown submarket 4-quarter average shown in Figure 5-5.

**Figure 5-5: Historical Office Net Rental Rates, 2014 - 2019**



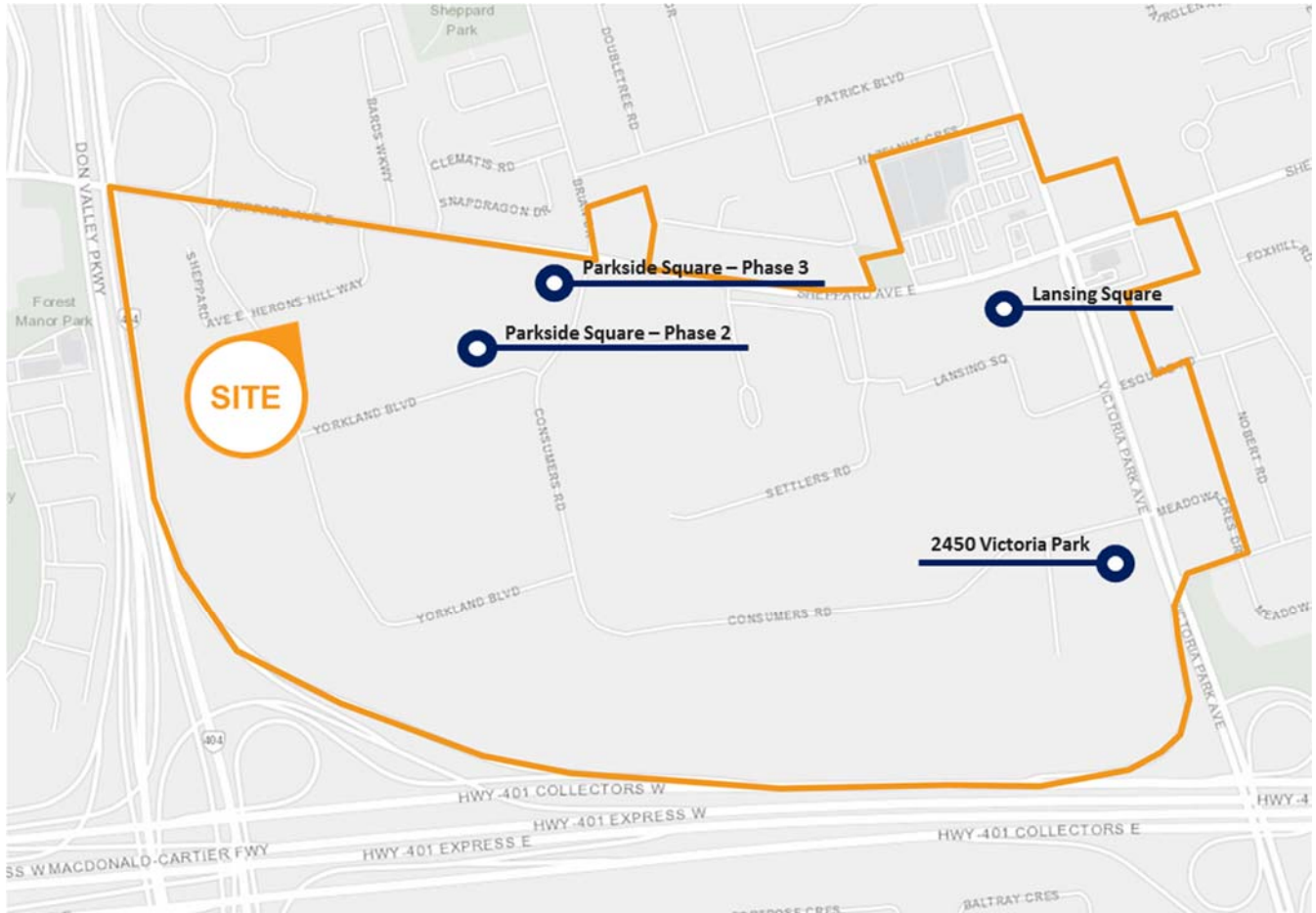
SOURCE: urbanMetrics inc., based on CoStar Realty data for all office classes. Represents a 4-quarter rolling average.

## 5.2 Development Pipeline

Figure 5-6 illustrates the active development applications containing new residential and non-residential space in the Study Area, all of which are on lands designated Mixed Use Areas. These applications include more than 3,100 residential units, 115,724 square feet (10,751 square metres) of net new office space and 257,400 square feet (23,913 square metres) of net new retail space. The current development pipeline, as well as recently constructed projects (e.g., 2025-2045 Sheppard Avenue East, Atria at 2205 Sheppard Avenue East) clearly demonstrate the trend toward mixed-use

development in the Study Area. We note that only one of these applications—the re-development of the Lansing Square office complex—contains a net new addition of office commercial space.

**Figure 5-6: Active Development Applications**



Development Name	Address	Land Use Area	Residential	Office	Retail/Service	Industrial	Other	Development Status
Parkside Square - Phase 2	2135 Sheppard Ave E	Mixed Use Areas	510 units	-	-	-	-	- SPA
Parkside Square - Phase 3	2135 Sheppard Ave E	Mixed Use Areas	-	-	18,746 sq m	-	-	- Approved
Lansing Square	2550 Victoria Park Ave	Mixed Use Areas	1,354 units	18,506 sq m	3,561 sq m	-	-	- OPA & Re-zoning
2450 Victoria Park Ave	2450 Victoria Park Ave	Mixed Use Areas	1,247 units	-7,755 sq m	1,606 sq m	-	-	- Re-zoning
			<b>3,111 units</b>	<b>10,751 sq m</b>	<b>23,913 sq m</b>	-	-	

SOURCE: urbanMetrics inc., based on the City of Toronto Development Application website.

## 5.3 Feasibility of Development / Investment Potential

As part of the ConsumersNext Study, the City commissioned the *ConsumersNext Economic Potential Study* to look at “the opportunities to support sustained employment and non-residential investment in the area, including the recommendation of strategies, tactics, incentives and amenities to retain existing and attract new businesses and tenants” to the area. As part of this study, two types of pro forma analysis were undertaken to better understand the economic viability and investment potential of office development in the Business Park (i.e., the Study Area). The analysis considered three representative development sites, as summarized in Figure 5-7. Each site was considered under a “Development and Sale scenario”, as well as an “Income Stream” approach which evaluates the financial viability of a period of time. We note that the subject site is most comparable to Site 1, albeit much smaller at just 0.3 hectares. This section will re-visit the findings of the 2017 study, with some high-level consideration for any changes that have taken place in Study Area market conditions since it was published.

**Figure 5-7: Development Details of Representative Development Sites (Table 3.1)**

	Site 1	Site 2	Site 3
Site Area (ha)	0.8	1.5	4.0
Existing Building Area to be Demolished (sq.m.)	5,500	0	18,000
New Building Coverage	35%	22%	13%
New Building GFA (sq.m.)	12,000	22,500	60,000
Total Leasable Area (sq.m.) - 85% of GFA	10,200	19,125	51,000
Office (sq.m.) - 95% of Leasable Area	9,690	18,169	48,450
Retail (sq.m.) - 5% of Leasable Area	510	956	2,550
Parking Spaces Provided (1.5 per 100 sq.m.)	153	287	765
Landscaped Area (sq.m.) - 15% of Site Area	1,200	2,250	6,000

SOURCE: Table 3.1, *ConsumersNext Economic Potential Study Phase 2: Final Analysis and Recommendations*, January 6, 2017.

### Development and Sale (i.e., Residual Land Value) Approach

Under the Development and Sale approach, the commonly accepted residual land valuation method was utilized. This approach evaluates the financial viability of redeveloping a site in Study Area and selling the project immediately upon completion. It considers the future value of the office building upon completion, less the cost of development (including a developer’s expected profit) to arrive at a residual amount which is available for the developer to purchase the land (i.e., the residual land



value). As described in the *Economic Potential Study*, “If the residual land value is equal to or greater than actual market land prices, this represents a viable development opportunity. If the residual land value is below the market price for land, the development is not financially feasible.”

Figure 5-8 summarizes the Development and Sale analysis for the Consumers Road Study Area. As shown, the *Economic Potential Study* found that each representative redevelopment site had a residual land value well below its actual land cost, based on market conditions in 2016 – 2017. In fact, all three sites resulted in a negative residual land value, indicating that the representative sites would not return industry standard targeted profits even if the land was free.

**Figure 5-8: Summary of Development and Sale Residual Land Value Analysis for Consumers Road (Table 3.2)**

	Site 1	Site 2	Site 3
Construction Costs	\$30,473,585	\$56,190,293	\$150,474,006
Financing Costs (6%)	\$1,828,415	\$3,371,418	\$9,028,440
Developer Profit (10%)	\$3,047,359	\$5,619,029	\$15,047,401
<b>Total Costs</b>	<b>\$35,349,359</b>	<b>\$65,180,740</b>	<b>\$174,549,847</b>
Sale Price <sup>1</sup> (\$205/sq.ft.)	\$26,479,194	\$49,648,489	\$132,395,970
<b>Residual Land Value</b>	<b>(\$8,870,165)</b>	<b>(\$15,532,251)</b>	<b>(\$42,153,877)</b>
<b>Actual Land Cost<sup>2</sup></b>	<b>\$6,496,800</b>	<b>\$6,390,000</b>	<b>\$32,484,000</b>

Note: 1. Sale Price based on recent comparable sales of office buildings in Consumers Road Business Park and adjusted to reflect a new building.  
 Note 2. Actual Land Value based on recent property sale data from Consumers Road Business Park.

SOURCE: Table 3.2, *ConsumersNext Economic Potential Study Phase 2: Final Analysis and Recommendations*, January 6, 2017.

The study goes on to include the following:

*“Recent sales prices experienced in Consumers Road are generally below \$200 per square foot which would not support the cost of office development in the near term. Sales prices would need to be approximately \$270 per square foot for residual land values to be positive and approximately \$300 per square foot for the residual land values to exceed current market value for land. Future sales prices are expected to be bolstered by the provision of higher order transit, higher-quality amenities and other improvements to the Business Park. These uplifts coupled with increased market demand could make office development more feasible in the long term.”*

As shown in Figure 5-4, based on recent sales transaction near the subject site, office buildings continue to sell for closer to \$200 per square foot, well below the \$300 per square foot levels necessary to exceed 2016 land values previously identified in the *Economic Potential Study*.

Furthermore, although the study notes that the provision of higher-order transit and improvements to the business park would bolster future sales prices, we note that funding for the Sheppard LRT is not secured and the timeline for transit investments remains uncertain.

### Income Stream (i.e., Discounted Cash Flow) Approach

Under the Income Stream approach, an analysis was prepared for each representative site considering the cost to development each site and the resulting operating cash flows over a 10-year holding period. This approach assumes the sale of the property after 10 years, at which point any potential profit is calculated. As further detailed in the *Economic Potential Study*, “The net present value (NPV) is also used to evaluate whether the project is worth pursuing. When discounted at the target rate of return the NPV of the cash flow generated by an investment is positive, the project is acceptable. A project is not viable if the NPV is negative.”

As summarized in Figure 5-9, under this approach each one of the representative development sites results in a loss upon its sale after a 10-year holding period, as well as a negative NPV at the target rate of return (i.e., 15%). Even if the area receives an uplift in net rental rates as a result of higher order transit improvements (i.e., \$7.00 more per square foot or a 47% increase), which seems unlikely in the near future, all three sites still result in losses at the time of sale and negative NPV over the timeline of the investment.

**Figure 5-9: Summary of Income Stream Analysis, Including Transit Uplift Sensitivity Analysis**

**Table 3.3: Summary of Income Stream Analysis for Consumers Road**

	Site 1	Site 2	Site 3
Profit	(\$41,165,507)	(\$64,352,598)	(\$199,518,440)
Net Present Value at 15%	(\$12,966,036)	(\$20,482,039)	(\$62,927,264)

**Table 3.4: Summary of Income Stream Analysis for Consumers Road including Uplift in Rental Rates from Provision of Higher Order Transit**

	Site 1	Site 2	Site 3
Profit	(\$23,439,108)	(\$31,115,599)	(\$110,886,444)
Net Present Value at 15%	(\$8,076,063)	(\$11,313,340)	(\$38,477,401)

SOURCE: Table 3.3 and Table 3.4, *ConsumersNext Economic Potential Study Phase 2: Final Analysis and Recommendations*, January 6, 2017.

As noted in the Economic Potential Study:

*“This affirms that investment in a Class ‘A’ office building in Consumers Road Business Park is not economically viable under current market conditions. The up-front development costs for a new office building are too high when compared with the potential revenue generated. The cash flows are such that they will not be corrected within a reasonable timeframe. A significant increase in market rents in Consumers Road is required to make office development feasible.”*

## Market Updates

Based on our review of this analysis and the market conditions previously outlined in Section 5.1 of this study, we note the following:

- Continued Low Net Rental Rates** – Although some market metrics have improved in the Study Area since the *Economic Potential Study* was completed (e.g., a decline in the Study Area vacancy rate), perhaps the most important metric, net rental rates, continues to hover around \$15.00 per square foot, as assumed in the 2017 study. Given that the value of an office building is tied directly to the net income it is capable of producing, these low net rental rates will continue to result in low building values over the foreseeable future. Even with cap rates—the other important component of the office valuation equation—compressing from the 7% assumed in 2017 to as low as 5.75% for suburban Class A space in recent quarters, the Study Area still requires a significant increase in rental rates to overcome the costs of new office space construction.
- Rising Construction Hard Costs** – The GTA continues to experience significant increases in hard construction costs, further reducing the amount remaining for land value in the analysis. Since 2016, hard construction costs have risen approximately 12%<sup>1</sup>. For example, the 2019 Altus Construction Cost Guide estimates that hard construction costs for a 5 to 30 storey Class A office building range between \$220 and \$290 per square foot across the GTA, significantly higher than the \$181.50 assumed in the *Economic Potential Study*. For perspective, this increase would result in as much as a \$2.7 million dollar cost increase to the construction of an office building similar to the one recently constructed on the subject site, or as much as \$10.8 million added to the cost of constructing a 100,000 square foot office building. Similarly, the costs associated with delivering the required parking, site servicing, demolition and landscaping have also increased over the period, further increasing the development costs.

Given that revenue generating potential and building values have remained flat in this area of the City, these cost increases only serve to further reduce the residual land value of a redevelopment site in the Study Area.

<sup>1</sup> Based on the Statistics Canada Building Construction Price Indexes, Non-Residential Buildings, Table 18-10-0135-01.

- **Rising Land Values** – Further worsening the redevelopment potential analysis is the rising land values across the City, including in the Study Area. As land becomes scarcer and values rise, a redevelopment project must achieve a higher residual land value in order to be considered economically viable.
- **Residential Uses Necessary to Subsidize Office Development** – The integration of office commercial uses into mixed-use developments has been identified in other suburban office markets—similar to the Study Area—as important to improve the financial viability of developing new office space outside of a Downtown or City Centre environment. This strategy allows the land owner/developer to leverage the strength of the GTA residential market to deliver office space which contributes to a complete community, where appropriate. This strategy was acknowledged in the *York Region Office Space Financial/Market Analysis and Marketing Plan Study*, March 2015, illustrating that other GTA municipalities competing with the City of Toronto for office tenants are already considering this need.

Based on the Development and Sale approach and assumptions in the *Economic Potential Study*, urbanMetrics' has undertaken our own residual land value calculations for an office development on the subject site. Based on updated construction costs and taking into account subject site characteristics, a new 107,000 square foot (10,000 square metres) office building on a site the size of the subject site would need to achieve a value of at least \$382 per square foot to result in a residual land value equal to the market land value previously assumed in the *Economic Potential Study* of approximately \$1.3 million or just over \$1.7 million per acre<sup>2</sup>. At a cap rate of 5.75%, this would require a net operating income of approximately \$2.36 million or a net rental rate of approximately \$25.85 per square foot to achieve this valuation, significantly higher than the \$15.00 net rental rates currently found across the Study Area.

Assuming no increase in development costs from the 2019 values, no increase in land values from the 2017 *Economic Potential Study*, and a 3% annual compound growth in rents<sup>3</sup>, **net rental rates won't be supportive of new major office development of this scale on the subject site until at least 2037**. However, **it would likely be many years later as development costs and land values will continue to increase** between the date of this study and a potential construction start many years into the future. This will have the effect of further squeezing the residual land value and raising the bar of comparison against market land values.

See Figure D-1 in Appendix D for our detailed Residual Land Value calculation.

<sup>2</sup> Based on the assumptions contained in the *ConsumersNext Economic Potential Study Phase 2: Final Analysis and Recommendations*, January 6, 2017. Hard Costs, City Charges and Fees updated to reflect 2019 levels.

<sup>3</sup> As per Table A.3, *ConsumersNext Economic Potential Study Phase 2: Final Analysis and Recommendations*, January 6, 2017.

## 6.0 Future Employment Needs

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## Key Findings

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The following provides a brief summary of our key findings from our review of the Growth Plan allocated employment forecast to the City of Toronto:

- Based on its physical characteristics and existing permissions, the subject site could potentially accommodate only a very small portion (i.e., 0.4%) of the Growth Plan allocated Major Office employment growth in the City of Toronto.
  - The City of Toronto's Municipal Comprehensive Review found that the City is well on track to meet the Employment forecast of the Growth Plan.
- 

### 6.1 Growth Plan Forecasts

Hemson Consulting Limited ("Hemson") prepared employment forecasts for municipalities across the GTA as input to the Province of Ontario's Growth Plan for the Greater Golden Horseshoe. These forecasts were subsequently updated in 2013. It is important to note that the Hemson forecasts consider three distinct growth scenarios (i.e., a low, reference and high growth scenario), which include varying amounts of employment growth in each of the municipalities identified. Unless specifically stated otherwise, all of the information presented herein is based on the "reference" scenario prepared by Hemson.

The Hemson forecasts of future employment levels have been distributed between three distinct employment categories. For the purpose of this study, we have focused on Major Office Employment, which is defined as follows:

- Major Office Employment – refers to office type employment located in free standing buildings of more than 20,000 square feet (1,858 square metres) net floor area. It is important to note that this is slightly different from the Growth Plan definition of major office, which refers to freestanding office buildings of 108,639 square feet (10,000 square metres) or greater, or with 500 jobs or more.

Figure 6-1 summarizes long-term employment growth forecasts for the GTA region based on the updated reference scenario projections prepared by Hemson Consulting in their latest technical report of June 2013.

**Figure 6-1: City of Toronto Office Employment Growth Forecast (2011 to 2041)**

AREA	VARIABLE	YEAR				PERIOD GROWTH	GROWTH RATE	SHARE OF GROWTH
		2011	2021	2031	2041			
City of Toronto	Total Employment	1,515,530	1,618,460	1,659,380	1,715,930	200,400	13.2%	14.8%
	Office Employment	604,580	664,880	695,860	734,030	129,450	21.4%	31.8%
	% Office Employment	39.9%	41.1%	41.9%	42.8%	-	-	-
GTAH	Total Employment	3,463,650	4,011,100	4,375,300	4,821,610	1,357,960	39.2%	100.0%
	Office Employment	<b>842,530</b>	<b>1,004,500</b>	<b>1,114,820</b>	<b>1,250,090</b>	<b>407,560</b>	<b>48.4%</b>	<b>100.0%</b>
	% Office Employment	24.3%	25.0%	25.5%	25.9%	-	-	-

SOURCE: urbanMetrics inc., based on the “reference scenario” employment projections prepared by Hemson Consulting Limited as input to the Province of Ontario’s Growth Plan, as summarized in Hemson’s technical report addendum of June 2013.

We note that even if the subject site was to be built-out to the maximum allowed under By-law 295-2010 (i.e., 10,000 square metres or 107,000 square feet), the subject site would only be capable of accommodating approximately 500 Major Office employees<sup>4</sup>. This represents just 0.4% of the forecast growth in Major Office employment from 2011 to 2041.

Furthermore, it is our understanding that based on site characteristics and constraints, as well as the site requirements (e.g., parking, landscaping etc.) mandated by the City, the subject site could not accommodate significantly more office space than contained in the recently constructed office building without resorting to expensive underground parking, which would make the development financially unviable (see Section 5.3). **As such, we do not consider the subject site as a key Major Office employment site in the City achieving its allocated employment growth.**

## 6.2 City of Toronto Municipal Comprehensive Review

As noted in the November 5, 2013 City Staff Report, *Official Plan and Municipal Comprehensive Reviews: Amendments to the Official Plan for Economic Health and Employment Lands Policies and Designations and Recommendations on Conversion Requests*, the City was on track as of 2013 to meet its Growth Plan allocated employment forecast. As noted in the staff report:

*“Census data in 2006, the year the Official Plan came into force, demonstrated that Toronto had approximately 1.47 million jobs and would need to add approximately 6,800 new jobs each year between 2006 and 2031 to meet the Growth Plan forecast of 1.64 million jobs. In the five year interval between 2006 and 2011 an average of 10,720 jobs were added each year. The*

<sup>4</sup> Assumes 20 square metres per employee as per the City of Toronto Development Charges Background Study, 2018.



*annual growth in employment between 2006 and 2011 exceeds the forecasts supporting the Growth Plan to 2031 and 2041. The City is on course to meet the Employment forecast of the Growth Plan.”*

The staff report also states that the City is “*well on its way to reaching the 2031 population forecast in the Growth Plan, and is also on track to achieve the 2041 population forecast.*” This was based on an average population growth of 28,510 persons per year between 2006 and 2011, well above the 21,600 persons per year allocated by the Growth Plan.

## 7.0 Employment & Fiscal Benefits

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## Key Findings

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The following provides a brief summary of our key findings from our review of the employment accommodated and fiscal benefits realized as a result of the proposed mixed-use building on the subject site:

- Upon full build out of the subject site (east and west portions) the subject site will be able to accommodate approximately 149 full-time equivalent employees, primarily in well-paid, office-based jobs and work-at-home positions.
  - The proposed mixed-use building proposed to replace the surface parking lot on the eastern portion of the subject site will generate almost \$13.7 million in one-time fees and charges to the City and approximately \$712,000 in annual property tax revenues, significantly more than the \$17,000 in annual property taxes currently collected on the eastern portion of the subject site.
  - In addition, the proposed mixed-use building will ensure the delivery of a new local road along the eastern edge of the site, increasing connectivity to the interior of the Employment Areas and furthering the vision of the ConsumersNext Secondary Plan.
  - Additional residential units will further support the amenitization of the business park, providing nearby housing for employees and attracting/retaining high-quality retail/service commercial businesses.
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The subject development is expected to generate a variety of fiscal and employment related benefits that would flow directly to the City of Toronto. The following subsections provide our estimation of the number of jobs that would be accommodated by the proposed development concept, as well as our calculation of the one-time fees and annual property tax revenues that would be generated based on the proposed concept plan.

### 7.1 Employment Accommodation

The subject site has historically served as a surface parking lot, serving the office building previously located to the North. After 2009, the previous owner of the subject site erected a temporary residential sales office to sell the residential condo towers to the north of the site. At no point during this period was a significant amount of employment accommodated on the subject site.

Paradise subsequently purchased the subject site and has since constructed a 2-storey, 23,980 square foot (2,227 square metre) office building on the western portion of the site. This new office building is currently tenanted by Paradise, albeit with some 5,000 square feet of vacant and underutilized space.

Paradise is further proposing to add an additional 3,100 square feet (288 square metres) of office space in the base of a new purpose-built rental apartment building on the eastern portion of the site.

Based on typical employment densities, we estimate that upon full build-out the subject site will be able to accommodate upwards of approximately 149 employees, as detailed below in Figure 7-1. Absent this development, the site would likely continue to function as a surface parking lot and provide no employment.

**Figure 7-1: Employment Accommodation**

	<b>Proposed Space</b>	<b>Employment Density</b>	<b>Employees</b>
2-storey Office Building	2,227 SM	20 SM/Emp	111
Mixed-use Building	288 SM	20 SM/Emp	14
Work From Home	609 Residents	3.7% of Pop	23
<b>Total Employees Accommodated on Subject Site</b>			<b>149</b>

SOURCE: urbanMetrics inc.

Employment density based on the City of Toronto Development Charges Background Study (2018) and Statistics Canada.

## 7.2 Fiscal Benefits

The proposed development is expected to generate a variety of direct financial benefits to the City of Toronto. For example, fees for planning applications, building permits, and development charges will provide an immediate source of revenue to the municipality, in addition to the on-going benefits derived from increased property tax revenue in future years. In order to quantify these benefits, we have conducted an analysis based on the City's current rates and fees. The results of our analysis, summarized in Figure 7-2, focus on the mixed-use building proposed for the eastern portion of the site only as the City has already begun receiving the benefits from the recently constructed office building on the western portion. The fees, assessment values and tax rates used to derive the fiscal benefits are detailed in Appendix E.

Overall, our findings suggest that the proposed mixed-use development concept for the eastern portion of the site would generate a total initial benefit of almost \$13.7 million in on-time fees to the City. On an annual basis, City-based property tax revenue will total approximately \$712,000, significantly more than the \$17,000 the City currently collects from the parking lot and vacant field occupying the eastern portion of the site today.

**Figure 7-2: Fiscal Benefits of Proposed Development Concept**

<b>SOURCE OF BENEFIT</b>	<b>INITIAL BENEFIT <sup>1</sup></b>	<b>ANNUAL BENEFIT <sup>2</sup></b>
<b>PLANNING APPLICATION FEES</b>	<b>\$402,000</b>	
Combined Official Plan & Zoning Bylaw Amendment	\$243,000	
Site Plan Approval	\$143,000	
Legal Service fee for S. 37 Agreement	\$16,000	
<b>BUILDING PERMIT FEES</b>	<b>\$23,000</b>	
Residential (@ \$52.08 per unit)	\$18,000	
Office (@ \$17.99 per sq m)	\$5,000	
<b>DEVELOPMENT CHARGES</b>	<b>\$13,269,000</b>	
Residential	\$13,209,000	
Office	\$60,000	
<b>PROPERTY TAX</b>		<b>\$712,000</b>
Residential (@ 0.61477%)		\$694,000
Office (@ 2.276751%)		\$18,000
<b>TOTAL</b>	<b>\$13,694,000</b>	<b>\$712,000</b>

SOURCE: urbanMetrics inc.

<sup>1</sup> Based on the City of Toronto planning application fees (effective January 1, 2020), City of Toronto building permit fees and the City of Toronto Development Charge Rate Schedule (effective November 1, 2019).

<sup>2</sup> Based on the City of Toronto 2019 property tax rates and urbanMetrics estimates of the future assessment value of the preliminary development concept.

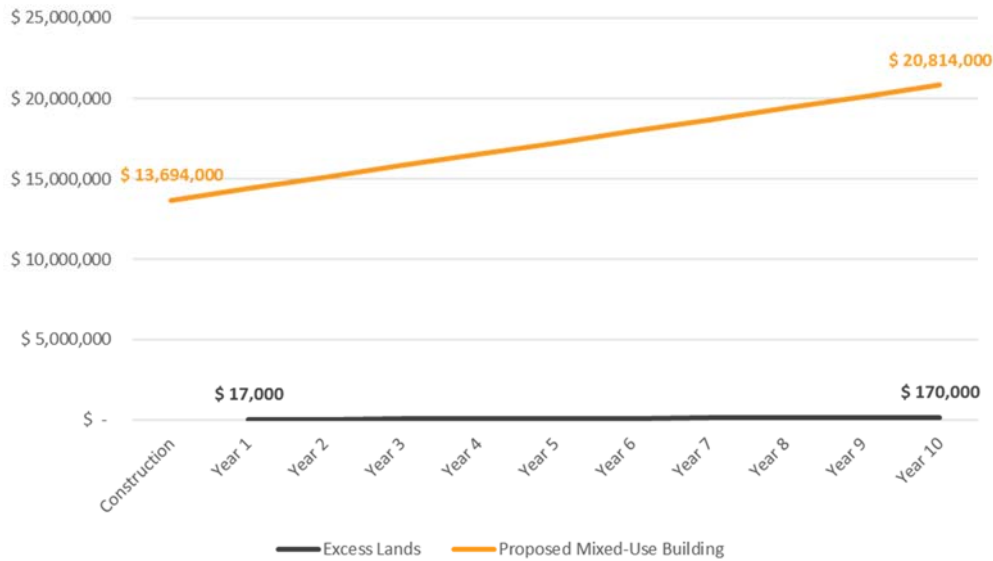
See Appendix E for background information.

Rounded to the nearest \$1,000.

In addition to the initial financial benefits to the City resulting from the proposed development, we note that significant economic benefit would be realized from the construction spending required to build the proposed mixed-use building. These direct, indirect and induced benefits include value-added GDP, construction jobs and wages and additional tax revenues at the municipal, provincial and federal levels. Although these new benefits have not been calculated in this study, we note that no benefit will be realized if the eastern portion of the subject site remains a surface parking lot and vacant field.

As shown in Figure 7-3, the proposed development will generate more than \$20.8 million in revenue to the City from construction to the end of its first 10 years. This amounts to approximately \$20.6 million more than if this portion of the site remains a parking lot, as it likely would without re-designation to Mixed Use Areas given the office market conditions in the Study Area.

**Figure 7-3: Cumulative Fiscal Benefits to the City of Toronto, 10 Year Period**



SOURCE: urbanMetrics inc., based on Figure 7-2. Based on City of Toronto 2019 Property Tax Rates. See Appendix E.

## 7.3 Additional Public Benefits

In addition to the employment accommodated on the site and the fiscal benefits which will accrue to the City, the following public benefits will also be realized through the construction of the proposed mixed-use development on the eastern portion of the subject site.

### New Public Road

As detailed in the site plan shown in Figure 1-3, a new public road along the eastern edge of the subject site—as envisioned in the ConsumersNext Secondary Plan—will be realized. This new public road will ultimately connect Herons Hill Way to Yorkland Boulevard to the south, increasing connectivity within the Consumers Road Business Park. The additional mixed-use development on the subject site allows for the delivery of the lands for the new public road, in keeping with the ConsumersNext Secondary Plan and without the need for expropriation, as the first part of this important network link.

### Amenitization of the Business Park

As identified in the *Economic Potential Study*, the ConsumersNext Study Area—liking many automobile-oriented business parks in the City—is lacking in amenities. In our professional experience, residential in the form of mixed-use development is an important ingredient in the modern office

node. Not only do residential units in proximity to major office clusters provide employees with places they can live and benefit from a short, economical commute, but they also help to support the retail/service commercial businesses in the area both inside and outside of normal business hours. This is important for a healthy retail/service commercial environment and helps to support a diverse and resilient retail/service commercial structure. Without a healthy daytime (e.g., employees) AND nighttime (e.g., residents) population, the Study Area will struggle to attract and retain quality retail/service commercial businesses.

### **Privately Owned Public Space (POPS)**

The proposed site plan in Figure 1-3 illustrates the inclusion of a Privately Owned Public Space (POPS) in between the recently constructed office building on the western portion of the subject site and the proposed mixed-use building on the eastern portion of the site. This much needed amenity will serve both employees and residents of the subject site, as well as adjacent businesses and residential buildings to the north. The proposed POPS space would not be possible without the development of the eastern portion of the subject site.



## 8.0 Conclusion

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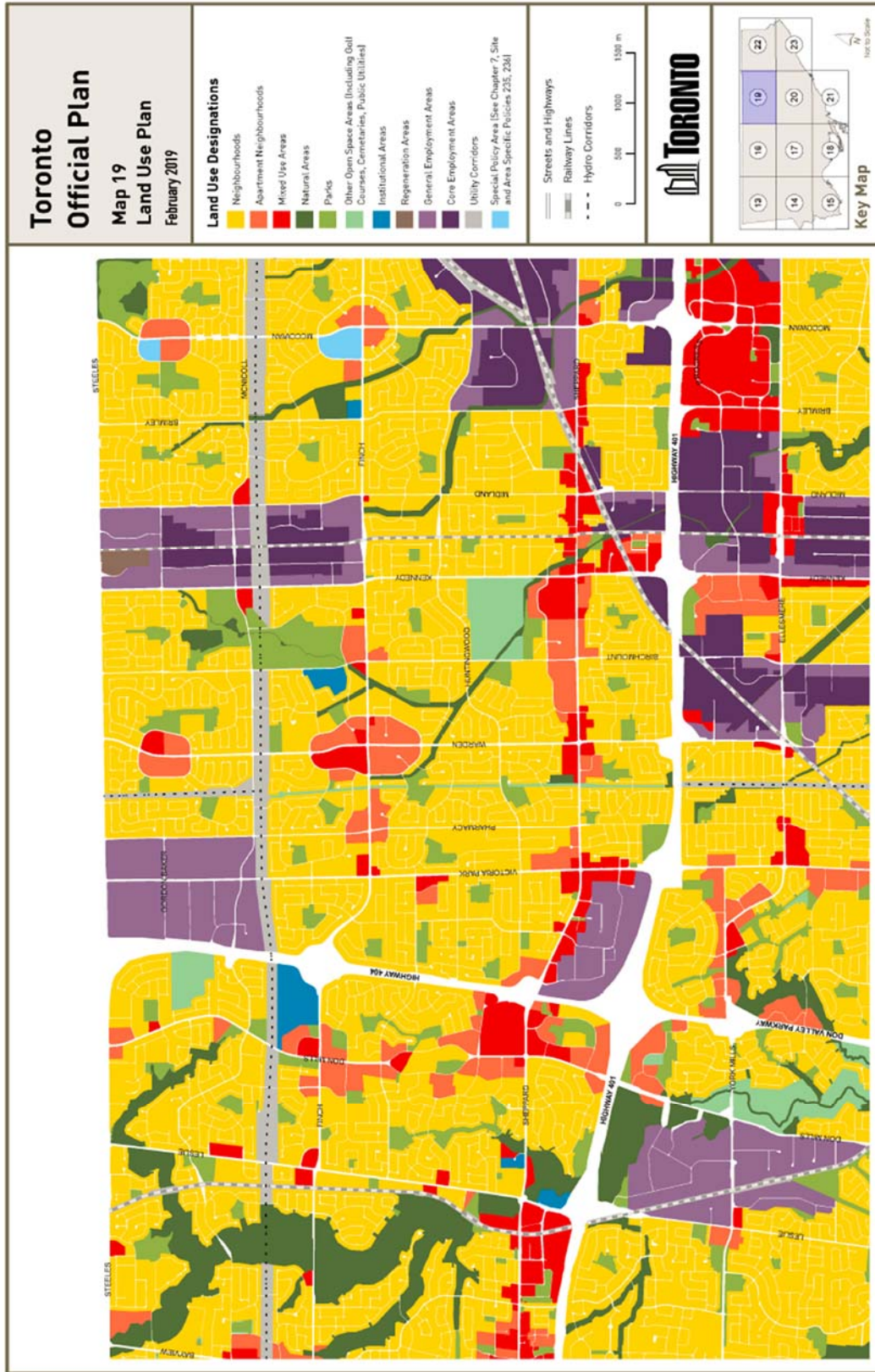
urbanMetrics has been retained by Paradise Developments to undertake an *Economic Benefits Study* for the subject site located at 1 Heron's Hill Way in the ConsumersNext Secondary Plan Area in the City of Toronto. Based on our review of the recently completed office building on the western portion of the site and the mixed-use development proposal for the underutilized eastern portion of the site, it is our opinion that it is supportive of provincial, regional and local planning policy by providing an opportunity to intensify the site to its maximum potential.

The proposed office space in the mixed-use building will add to the employment supported in the recently completed office building, allowing the site to accommodate more employees than possible under the planning permissions granted to the previous owners of the subject site. In addition, the rental apartment units in the mixed-use building will provide an essential amenity to the Consumers Road business park, ensuring its strength and stability into the future. Further amenitization will be achieved through the delivery of a POPS space on the sites, as well as through the realization of a new public road enhancing connectivity to the interior of the business park. As such, **it is our opinion that the proposed mixed-use building—in conjunction with the recently completed office building—is the optimal use for the underutilized portion of the subject site and will further the vision set forth in the ConsumersNext Secondary Plan (as adopted by City Council).**

## Appendix A City of Toronto Land Use Maps

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Figure A-1: Toronto Official Plan – Land Use Plan



SOURCE: Toronto Official Plan – Map 19 Land Use Plan, February 2019

## **Appendix B** Toronto Employment Survey (TES) Data

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This appendix contains Toronto Employment Survey data for the entire City of Toronto and the Study Area, as follows:

- Employment by Sector (1983-2018);
- Study Area Employment by NAICS (2011 & 2018);
- Establishments by Sector (1983-2018); and
- Study Area Establishments by NAICS (2011 & 2018).

**Figure B-1: Employment by Sector (1983-2018)**

**TOTAL EMPLOYMENT** CITY OF TORONTO

YEAR	MANUFACTURING		RETAIL		SERVICE		OFFICE		INSTITUTIONAL		COMMUNITY & ENTERTAINMENT		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
1983	244,100	22.1%	133,600	12.1%	117,800	10.7%	458,400	41.5%	130,600	11.8%	19,200	1.7%	1,103,700	100.0%
1984	242,600	21.3%	132,900	11.6%	124,200	10.9%	484,100	42.4%	133,600	11.7%	24,100	2.1%	1,141,500	100.0%
1985	257,700	21.8%	133,000	11.3%	128,800	10.9%	496,600	42.0%	139,200	11.8%	26,500	2.2%	1,181,800	100.0%
1986	261,600	21.4%	138,400	11.3%	132,500	10.8%	515,100	42.1%	146,900	12.0%	27,800	2.3%	1,222,300	100.0%
1987	256,800	20.1%	145,300	11.4%	138,900	10.9%	553,800	43.4%	150,100	11.8%	31,000	2.4%	1,275,900	100.0%
1988	254,500	19.3%	154,100	11.7%	142,400	10.8%	584,800	44.3%	154,300	11.7%	29,300	2.2%	1,319,400	100.0%
1989	247,300	18.2%	154,800	11.4%	146,000	10.8%	614,700	45.3%	159,900	11.8%	33,800	2.5%	1,356,500	100.0%
1990	232,900	17.3%	155,200	11.5%	149,600	11.1%	614,900	45.5%	164,100	12.2%	33,400	2.5%	1,350,100	100.0%
1991	195,300	15.4%	141,700	11.1%	142,600	11.2%	585,800	46.1%	176,900	13.9%	29,700	2.3%	1,272,000	100.0%
1992	177,200	14.4%	141,000	11.4%	139,500	11.3%	571,400	46.3%	174,400	14.1%	29,400	2.4%	1,232,900	100.0%
1993	160,300	13.5%	136,600	11.5%	133,900	11.2%	553,200	46.4%	179,600	15.1%	28,100	2.4%	1,191,700	100.0%
1994	163,100	14.0%	133,700	11.4%	132,200	11.3%	535,200	45.8%	176,800	15.1%	27,900	2.4%	1,168,900	100.0%
1995	162,700	13.9%	133,600	11.4%	133,300	11.4%	539,000	46.1%	174,300	14.9%	27,100	2.3%	1,170,000	100.0%
1996	163,800	14.2%	133,600	11.6%	131,300	11.4%	535,500	46.4%	162,800	14.1%	27,300	2.4%	1,154,300	100.0%
1997	174,500	14.8%	132,900	11.3%	135,400	11.5%	548,400	46.5%	158,400	13.4%	28,900	2.5%	1,178,500	100.0%
1998	177,800	14.9%	134,600	11.2%	136,400	11.4%	560,600	46.8%	159,800	13.3%	27,900	2.3%	1,197,100	100.0%
1999	186,200	14.8%	140,100	11.1%	140,500	11.2%	594,800	47.3%	165,700	13.2%	31,000	2.5%	1,258,300	100.0%
2000	192,300	14.9%	141,400	11.0%	143,900	11.2%	600,700	46.6%	179,100	13.9%	30,900	2.4%	1,288,300	100.0%
2001	186,800	14.5%	142,600	11.1%	146,800	11.4%	601,500	46.8%	176,400	13.7%	32,300	2.5%	1,286,400	100.0%
2002	180,000	14.2%	143,900	11.4%	142,500	11.3%	581,500	46.0%	183,300	14.5%	32,100	2.5%	1,263,300	100.0%
2003	172,100	13.7%	142,600	11.4%	142,700	11.4%	573,500	45.7%	189,700	15.1%	33,100	2.6%	1,253,700	100.0%
2004	169,200	13.5%	144,100	11.5%	141,900	11.3%	577,500	45.9%	189,100	15.0%	35,100	2.8%	1,256,900	100.0%
2005	163,100	12.9%	148,800	11.8%	142,200	11.3%	572,400	45.3%	196,900	15.6%	38,800	3.1%	1,262,200	100.0%
2006	155,200	12.1%	149,800	11.7%	145,500	11.4%	584,200	45.7%	205,500	16.1%	38,000	3.0%	1,278,200	100.0%
2007	149,200	11.5%	151,500	11.6%	148,900	11.4%	604,200	46.4%	207,800	16.0%	40,000	3.1%	1,301,600	100.0%
2008	143,800	11.0%	147,800	11.3%	149,600	11.4%	614,700	46.9%	214,400	16.4%	40,700	3.1%	1,311,000	100.0%
2009	130,100	10.1%	142,300	11.0%	151,000	11.7%	610,900	47.2%	216,500	16.7%	42,500	3.3%	1,293,300	100.0%
2010	129,500	10.0%	140,500	10.8%	150,900	11.6%	623,300	48.0%	213,500	16.4%	40,500	3.1%	1,298,200	100.0%
2011	128,600	9.8%	141,600	10.7%	155,500	11.8%	627,900	47.7%	219,800	16.7%	43,900	3.3%	1,317,300	100.0%
2012	128,200	9.6%	143,300	10.8%	158,300	11.9%	638,100	47.9%	218,400	16.4%	45,200	3.4%	1,331,500	100.0%
2013	126,200	9.3%	146,800	10.8%	164,500	12.1%	656,700	48.2%	222,700	16.3%	46,600	3.4%	1,363,500	100.0%
2014	124,600	9.0%	144,500	10.4%	170,600	12.3%	663,000	47.9%	233,700	16.9%	47,900	3.5%	1,384,300	100.0%
2015	124,000	8.7%	145,300	10.2%	176,900	12.4%	693,900	48.8%	231,700	16.3%	50,500	3.6%	1,422,300	100.0%
2016	123,400	8.4%	147,600	10.1%	180,600	12.4%	713,900	48.9%	245,700	16.8%	49,200	3.4%	1,460,400	100.0%
2017	132,300	8.8%	151,900	10.2%	189,100	12.6%	714,100	47.7%	253,400	16.9%	55,500	3.7%	1,496,300	100.0%
2018	135,700	8.9%	151,800	10.0%	192,500	12.6%	733,100	48.1%	253,600	16.7%	56,400	3.7%	1,523,100	100.0%



**TOTAL EMPLOYMENT** STUDY AREA (ConsumersNext)

YEAR	MANUFACTURING		RETAIL		SERVICE		OFFICE		INSTITUTIONAL		COMMUNITY & ENTERTAINMENT		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
1983	58	0.4%	259	2.0%	1,061	8.1%	11,530	88.4%	13	0.1%	116	0.9%	13,037	100.0%
1984	99	0.8%	280	2.2%	988	7.9%	11,013	88.1%	17	0.1%	100	0.8%	12,496	100.0%
1985	140	1.2%	300	2.5%	915	7.7%	10,496	87.8%	21	0.2%	83	0.7%	11,955	100.0%
1986	207	1.9%	369	3.3%	870	7.8%	9,650	86.3%	8	0.1%	83	0.7%	11,187	100.0%
1987	196	1.7%	428	3.7%	836	7.3%	9,786	85.6%	23	0.2%	163	1.4%	11,432	100.0%
1988	168	1.4%	403	3.3%	877	7.2%	10,611	87.0%	16	0.1%	123	1.0%	12,196	100.0%
1989	139	1.1%	377	2.9%	917	7.1%	11,436	88.2%	8	0.1%	83	0.6%	12,960	100.0%
1990	93	0.7%	369	2.7%	1,010	7.3%	12,176	88.0%	8	0.1%	176	1.3%	13,832	100.0%
1991	101	0.8%	446	3.6%	916	7.3%	10,949	87.3%	7	0.1%	118	0.9%	12,537	100.0%
1992	592	4.9%	617	5.1%	636	5.3%	9,958	82.5%	75	0.6%	199	1.6%	12,077	100.0%
1993	1,159	9.6%	524	4.3%	618	5.1%	9,621	79.4%	74	0.6%	124	1.0%	12,120	100.0%
1994	1,400	11.6%	491	4.1%	760	6.3%	9,260	76.6%	113	0.9%	59	0.5%	12,083	100.0%
1995	1,177	9.5%	434	3.5%	769	6.2%	9,773	79.0%	175	1.4%	50	0.4%	12,378	100.0%
1996	2,460	15.9%	338	2.2%	803	5.2%	11,634	75.2%	157	1.0%	81	0.5%	15,473	100.0%
1997	1,796	11.2%	275	1.7%	790	4.9%	13,084	81.3%	139	0.9%	11	0.1%	16,095	100.0%
1998	2,124	13.3%	455	2.8%	843	5.3%	12,429	77.7%	132	0.8%	9	0.1%	15,992	100.0%
1999	1,462	8.4%	157	0.9%	795	4.6%	14,756	85.1%	146	0.8%	24	0.1%	17,340	100.0%
2000	1,531	8.6%	155	0.9%	834	4.7%	15,140	84.9%	150	0.8%	26	0.1%	17,836	100.0%
2001	1,212	7.9%	286	1.9%	853	5.6%	12,736	83.0%	212	1.4%	48	0.3%	15,347	100.0%
2002	611	4.0%	289	1.9%	827	5.4%	13,283	86.4%	235	1.5%	125	0.8%	15,370	100.0%
2003	159	0.9%	293	1.7%	681	4.1%	15,328	91.3%	240	1.4%	91	0.5%	16,792	100.0%
2004	145	1.0%	258	1.7%	670	4.4%	13,801	90.7%	239	1.6%	105	0.7%	15,218	100.0%
2005	126	0.9%	347	2.4%	696	4.8%	12,994	89.3%	261	1.8%	126	0.9%	14,550	100.0%
2006	115	0.7%	336	2.0%	929	5.5%	14,991	89.0%	344	2.0%	134	0.8%	16,849	100.0%
2007	111	0.6%	350	1.9%	917	5.1%	16,112	89.8%	355	2.0%	107	0.6%	17,952	100.0%
2008	131	0.7%	433	2.3%	824	4.4%	16,837	89.5%	487	2.6%	96	0.5%	18,808	100.0%
2009	120	0.6%	346	1.7%	813	3.9%	18,803	90.4%	579	2.8%	128	0.6%	20,789	100.0%
2010	108	0.5%	312	1.6%	800	4.0%	18,163	90.9%	466	2.3%	143	0.7%	19,992	100.0%
2011	96	0.5%	331	1.7%	824	4.3%	17,097	90.1%	467	2.5%	160	0.8%	18,975	100.0%
2012	42	0.2%	458	2.5%	742	4.0%	16,525	89.7%	492	2.7%	169	0.9%	18,428	100.0%
2013	76	0.4%	342	1.8%	717	3.9%	16,667	90.2%	556	3.0%	130	0.7%	18,488	100.0%
2014	104	0.5%	426	2.2%	637	3.4%	16,383	86.3%	1,309	6.9%	116	0.6%	18,975	100.0%
2015	86	0.4%	489	2.4%	648	3.1%	17,930	86.8%	1,383	6.7%	112	0.5%	20,648	100.0%
2016	100	0.5%	456	2.2%	718	3.5%	17,401	85.8%	1,507	7.4%	102	0.5%	20,284	100.0%
2017	115	0.5%	518	2.4%	910	4.3%	18,317	85.6%	1,448	6.8%	97	0.5%	21,405	100.0%
2018	115	0.5%	585	2.7%	892	4.2%	18,694	87.5%	1,000	4.7%	68	0.3%	21,354	100.0%

SOURCE: urbanMetrics inc., based on data provided by the City of Toronto from the Toronto Employment Survey (1983-2018).

**Figure B-2: Study Area Employment by NAICS (2011 & 2018)**

**EMPLOYMENT by NAICS** STUDY AREA (ConsumersNext)

<u>Code(s)</u>	<u>Description</u>	<u>2011</u>	<u>2018</u>
11, 21, 22, 23	Agriculture, forestry, fishing and hunting; Mining, quarrying, and oil and gas extraction; Utilities; Construction	2,472	1,589
31-33	Manufacturing	315	83
41	Wholesale trade	730	290
44-45	Retail trade	297	495
48-49	Transportation and warehousing	37	69
51	Information and cultural industries	2,019	745
52	Finance and insurance	1,969	2,079
53	Real estate and rental and leasing	1,061	1,961
54	Professional, scientific and technical services	4,038	4,525
55	Management of companies and enterprises	1,162	3,112
56	Administrative and support, waste management and remediation services	2,509	3,665
61	Educational services	331	567
62	Health care and social assistance	699	764
71	Arts, entertainment and recreation	188	101
72	Accommodation and food services	668	619
81	Other services (except public administration)	458	603
91	Public administration	22	87
		<b>18,975</b>	<b>21,354</b>

SOURCE: urbanMetrics inc., based on data provided by the City of Toronto from the Toronto Employment Survey (2011 & 2018).

**Figure B-3: Establishments by Sector (1983-2018)**

**TOTAL ESTABLISHMENTS** CITY OF TORONTO

YEAR	MANUFACTURING		RETAIL		SERVICE		OFFICE		INSTITUTIONAL		COMMUNITY & ENTERTAINMENT		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
1983	7,400	10.8%	16,900	24.6%	13,700	19.9%	26,400	38.4%	3,100	4.5%	1,200	1.7%	68,700	100.0%
1984	7,000	10.0%	17,200	24.6%	13,900	19.9%	27,300	39.0%	3,100	4.4%	1,500	2.1%	70,000	100.0%
1985	7,700	10.5%	17,400	23.8%	14,300	19.6%	28,900	39.5%	3,300	4.5%	1,500	2.1%	73,100	100.0%
1986	8,200	10.9%	17,800	23.8%	14,600	19.5%	29,500	39.4%	3,400	4.5%	1,400	1.9%	74,900	100.0%
1987	8,200	10.6%	18,300	23.7%	14,600	18.9%	31,100	40.3%	3,600	4.7%	1,300	1.7%	77,100	100.0%
1988	8,400	10.6%	18,600	23.5%	14,800	18.7%	32,200	40.8%	3,700	4.7%	1,300	1.6%	79,000	100.0%
1989	8,300	10.3%	18,800	23.4%	14,900	18.6%	33,100	41.3%	3,700	4.6%	1,400	1.7%	80,200	100.0%
1990	8,100	9.9%	19,000	23.2%	15,400	18.8%	34,300	41.9%	3,800	4.6%	1,300	1.6%	81,900	100.0%
1991	7,500	9.5%	18,400	23.2%	15,500	19.5%	32,800	41.4%	4,000	5.0%	1,100	1.4%	79,300	100.0%
1992	7,100	9.0%	18,500	23.5%	15,700	19.9%	32,300	41.0%	4,100	5.2%	1,100	1.4%	78,800	100.0%
1993	6,500	8.5%	18,300	24.0%	15,900	20.9%	30,000	39.4%	4,300	5.7%	1,100	1.4%	76,100	100.0%
1994	6,500	8.6%	18,200	24.2%	15,900	21.1%	29,100	38.6%	4,400	5.8%	1,200	1.6%	75,300	100.0%
1995	6,400	8.5%	18,100	24.1%	16,200	21.5%	29,000	38.6%	4,400	5.9%	1,100	1.5%	75,200	100.0%
1996	6,100	8.2%	18,100	24.4%	16,300	22.0%	28,600	38.5%	4,000	5.4%	1,100	1.5%	74,200	100.0%
1997	6,100	8.2%	17,700	23.9%	16,400	22.1%	28,900	38.9%	4,000	5.4%	1,100	1.5%	74,200	100.0%
1998	6,100	8.3%	17,600	23.9%	16,400	22.3%	28,500	38.7%	4,000	5.4%	1,100	1.5%	73,700	100.0%
1999	6,000	8.2%	17,300	23.5%	16,600	22.6%	28,200	38.4%	4,300	5.9%	1,100	1.5%	73,500	100.0%
2000	5,900	8.1%	17,300	23.7%	16,600	22.7%	27,900	38.2%	4,300	5.9%	1,100	1.5%	73,100	100.0%
2001	5,600	7.7%	17,200	23.8%	16,700	23.1%	27,400	37.8%	4,400	6.1%	1,100	1.5%	72,400	100.0%
2002	5,500	7.6%	17,200	23.8%	16,600	23.0%	27,400	37.9%	4,500	6.2%	1,100	1.5%	72,300	100.0%
2003	5,400	7.5%	17,100	23.8%	16,700	23.3%	27,000	37.6%	4,500	6.3%	1,100	1.5%	71,800	100.0%
2004	5,300	7.4%	16,900	23.6%	16,700	23.3%	27,000	37.7%	4,600	6.4%	1,100	1.5%	71,600	100.0%
2005	5,200	7.3%	17,100	23.9%	17,000	23.7%	26,400	36.9%	4,700	6.6%	1,200	1.7%	71,600	100.0%
2006	5,300	7.3%	17,100	23.4%	17,100	23.4%	27,300	37.4%	4,900	6.7%	1,300	1.8%	73,000	100.0%
2007	5,400	7.1%	17,300	22.9%	17,600	23.3%	28,800	38.1%	5,200	6.9%	1,300	1.7%	75,600	100.0%
2008	5,200	6.9%	16,700	22.3%	17,400	23.2%	28,500	38.1%	5,200	6.9%	1,900	2.5%	74,900	100.0%
2009	5,100	6.9%	16,200	22.0%	17,200	23.4%	28,000	38.0%	5,300	7.2%	1,800	2.4%	73,600	100.0%
2010	5,100	6.9%	16,000	21.7%	17,400	23.6%	28,000	38.0%	5,300	7.2%	1,800	2.4%	73,600	100.0%
2011	5,200	6.9%	16,000	21.3%	17,800	23.7%	28,700	38.2%	5,400	7.2%	2,000	2.7%	75,100	100.0%
2012	5,140	6.9%	15,740	21.1%	17,940	24.1%	28,780	38.6%	5,440	7.3%	1,550	2.1%	74,590	100.0%
2013	5,020	6.7%	15,680	20.9%	18,170	24.3%	28,640	38.3%	5,630	7.5%	1,710	2.3%	74,850	100.0%
2014	5,010	6.7%	15,360	20.4%	18,400	24.5%	28,940	38.5%	5,730	7.6%	1,740	2.3%	75,180	100.0%
2015	5,030	6.6%	15,370	20.3%	18,640	24.6%	28,870	38.1%	5,820	7.7%	1,990	2.6%	75,720	100.0%
2016	4,920	6.5%	15,090	20.0%	18,500	24.6%	28,360	37.7%	5,840	7.8%	2,580	3.4%	75,290	100.0%
2017	5,110	6.5%	15,750	19.9%	19,480	24.6%	29,860	37.7%	6,010	7.6%	2,970	3.8%	79,180	100.0%
2018	5,290	6.4%	16,230	19.6%	20,420	24.7%	31,230	37.8%	6,180	7.5%	3,310	4.0%	82,660	100.0%

**TOTAL ESTABLISHMENTS** STUDY AREA (ConsumersNext)

YEAR	MANUFACTURING		RETAIL		SERVICE		OFFICE		INSTITUTIONAL		COMMUNITY & ENTERTAINMENT		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
1983	14	2.1%	19	2.9%	51	7.8%	564	86.5%	1	0.2%	3	0.5%	652	100.0%
1984	10	1.5%	23	3.7%	55	8.8%	525	85.1%	3	0.4%	3	0.4%	616	100.0%
1985	5	0.9%	26	4.5%	58	10.0%	485	83.6%	4	0.7%	2	0.3%	580	100.0%
1986	11	1.9%	27	4.6%	54	9.2%	493	83.7%	2	0.3%	2	0.3%	589	100.0%
1987	13	2.1%	32	5.2%	57	9.2%	507	82.2%	4	0.6%	4	0.6%	617	100.0%
1988	14	2.3%	31	5.2%	58	9.8%	484	81.8%	3	0.4%	3	0.5%	591	100.0%
1989	14	2.5%	29	5.1%	59	10.4%	460	81.4%	1	0.2%	2	0.4%	565	100.0%
1990	14	2.2%	34	5.4%	64	10.2%	505	80.7%	1	0.2%	8	1.3%	626	100.0%
1991	15	2.6%	39	6.8%	67	11.7%	449	78.1%	2	0.3%	3	0.5%	575	100.0%
1992	8	1.4%	49	8.5%	62	10.7%	450	77.7%	4	0.7%	6	1.0%	579	100.0%
1993	10	1.8%	46	8.2%	60	10.6%	438	77.7%	5	0.9%	5	0.9%	564	100.0%
1994	10	1.7%	42	7.2%	72	12.4%	443	76.1%	9	1.5%	6	1.0%	582	100.0%
1995	8	1.4%	36	6.1%	73	12.4%	455	77.4%	11	1.9%	5	0.9%	588	100.0%
1996	12	1.9%	41	6.6%	78	12.5%	475	76.0%	13	2.1%	6	1.0%	625	100.0%
1997	17	2.7%	34	5.3%	78	12.2%	492	77.0%	15	2.3%	3	0.5%	639	100.0%
1998	15	2.4%	28	4.5%	75	12.2%	482	78.1%	14	2.3%	3	0.5%	617	100.0%
1999	17	2.7%	23	3.6%	73	11.6%	502	79.4%	13	2.1%	4	0.6%	632	100.0%
2000	17	2.8%	23	3.8%	69	11.3%	484	79.2%	13	2.1%	5	0.8%	611	100.0%
2001	19	3.5%	22	4.0%	59	10.7%	433	78.7%	13	2.4%	4	0.7%	550	100.0%
2002	17	3.3%	25	4.8%	60	11.6%	397	76.8%	12	2.3%	6	1.2%	517	100.0%
2003	16	2.9%	23	4.2%	62	11.4%	423	77.5%	16	2.9%	6	1.1%	546	100.0%
2004	15	3.1%	24	5.0%	56	11.7%	359	75.3%	17	3.6%	6	1.3%	477	100.0%
2005	15	3.0%	27	5.5%	57	11.6%	367	74.6%	20	4.1%	6	1.2%	492	100.0%
2006	14	2.0%	30	4.3%	68	9.8%	538	77.5%	35	5.0%	9	1.3%	694	100.0%
2007	13	1.9%	32	4.8%	71	10.6%	514	76.7%	31	4.6%	9	1.3%	670	100.0%
2008	12	1.6%	37	5.0%	71	9.7%	555	75.6%	41	5.6%	18	2.5%	734	100.0%
2009	10	1.4%	36	5.0%	69	9.7%	541	75.7%	41	5.7%	18	2.5%	715	100.0%
2010	9	1.3%	34	4.8%	69	9.8%	539	76.8%	35	5.0%	16	2.3%	702	100.0%
2011	9	1.3%	36	5.1%	78	11.0%	541	76.2%	37	5.2%	9	1.3%	710	100.0%
2012	6	0.9%	41	6.0%	72	10.6%	519	76.4%	34	5.0%	7	1.0%	679	100.0%
2013	6	0.9%	39	5.6%	74	10.6%	532	75.9%	40	5.7%	10	1.4%	701	100.0%
2014	9	1.3%	39	5.4%	78	10.8%	545	75.8%	40	5.6%	8	1.1%	719	100.0%
2015	7	1.0%	38	5.3%	79	11.1%	539	75.5%	41	5.7%	10	1.4%	714	100.0%
2016	9	1.2%	36	5.0%	79	10.9%	537	74.4%	44	6.1%	17	2.4%	722	100.0%
2017	9	1.2%	40	5.3%	86	11.4%	548	72.6%	54	7.2%	18	2.4%	755	100.0%
2018	11	1.4%	42	5.3%	85	10.7%	581	73.0%	53	6.7%	24	3.0%	796	100.0%

SOURCE: urbanMetrics inc., based on data provided by the City of Toronto from the Toronto Employment Survey (1983-2018).

**Figure B-4: Study Area Establishments by NAICS (2011 & 2018)****ESTABLISHMENTS by NAICS** STUDY AREA (ConsumersNext)

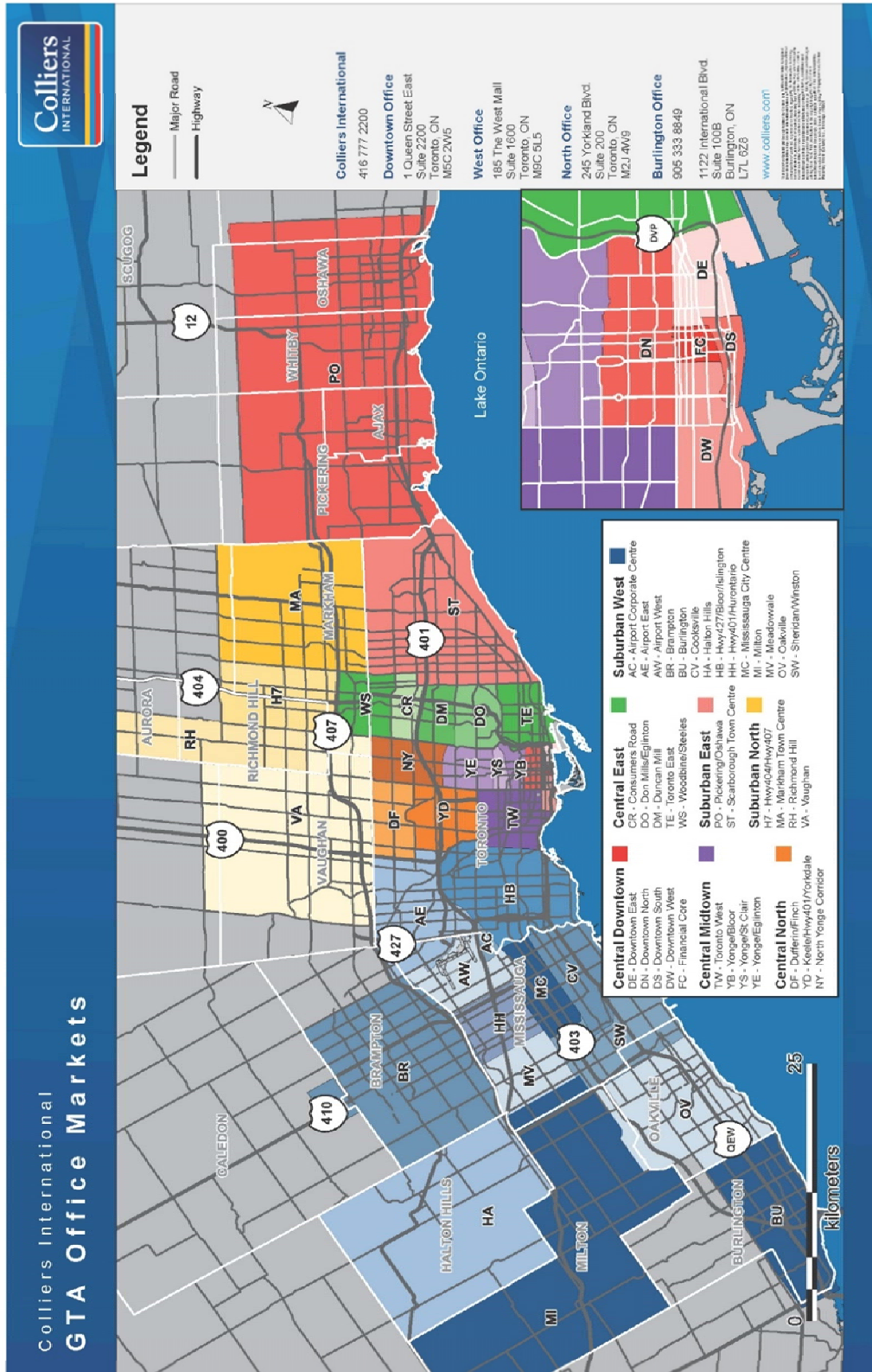
<u>Code(s)</u>	<u>Description</u>	<u>2011</u>	<u>2018</u>
11, 21, 22, 23	Agriculture, forestry, fishing and hunting; Mining, quarrying, and oil and gas extraction; Utilities; Construction	20	17
31-33	Manufacturing	16	10
41	Wholesale trade	26	28
44-45	Retail trade	39	34
48-49	Transportation and warehousing	6	12
51	Information and cultural industries	16	17
52	Finance and insurance	83	93
53	Real estate and rental and leasing	38	45
54	Professional, scientific and technical services	223	253
55	Management of companies and enterprises	7	11
56	Administrative and support, waste management and remediation services	57	57
61	Educational services	28	44
62	Health care and social assistance	39	57
71	Arts, entertainment and recreation	7	4
72	Accommodation and food services	50	54
81	Other services (except public administration)	49	53
91	Public administration	6	7
		<b>710</b>	<b>796</b>

SOURCE: urbanMetrics inc., based on data provided by the City of Toronto from the Toronto Employment Survey (2011 & 2018).

## Appendix C Real Estate Market Trends

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Figure C-1: Colliers International Office Submarkets



SOURCE: Colliers International



## Appendix D Development Feasibility

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**Figure D-1: Residual Land Value Calculation**

**Site Stats & Assumptions**

<u>Site Stats</u>	<u>Hectares</u>	<u>Acres</u>	<u>Sq M</u>	<u>Sq Ft</u>	<u>Assumption</u>	<u>Source</u>
Site Area	0.3035	0.750	3,035	32,669		Site Plan
Existing Building to Demo			-	-		Assumes completely vacant site
<b><u>New Building Stats</u></b>			<b><u>Sq M</u></b>	<b><u>Sq Ft</u></b>		
Storeys	6					Maximum in By-law 295-2010
<b>GFA</b>			<b>10,000</b>	<b>107,640</b>		Maximum in By-law 295-2010
Office			9,500	102,258		
Retail			500	5,382		
<b>GLA</b>			<b>8,500</b>	<b>91,494</b>	85% efficiency, GFA:GLA	as per Economic Potential Study
Office			8,075	86,919	95% of GLA	as per Economic Potential Study
Retail			425	4,575	5% of GLA	as per Economic Potential Study
<b>Parking Spaces</b>	<b>207</b>	spaces	<b>5,765</b>	<b>62,054</b>	300 Sq Ft per space	as per Economic Potential Study
Office	198				48 Sq M per space	based on By-law 295-2010
Retail	9				56 Sq M per space	based on By-law 295-2010
<b>Landscaped Area</b>			<b>455</b>	<b>4,900</b>	15% of Site Area	as per Economic Potential Study

**Residual Land Value Analysis**

<u>Revenues</u>			<u>Assumption</u>	<u>Source</u>
Sale Price	\$ 41,081,795		\$ 382 per Sq Ft	Sale price set to the minimum amount that allows for RLV >= Market Value
<b><u>Costs</u></b>				
<b>Construction Costs</b>	<b><u>Costs</u></b>	<b><u>% Costs</u></b>		
Hard Costs				
Demolition	\$ -	0.0%	\$ 4.00 per Sq Ft	as per Economic Potential Study
Site Servicing	\$ 143,993	0.4%	\$ 192,000 per Acre	Bottom of Altus Range 2019
Construction	\$ 23,680,800	65.1%	\$ 220.00 per Sq Ft	Bottom of Altus Range 2019 - 5-30 Storeys Class A
Structured Parking	\$ 4,654,018	12.8%	\$ 75.00 per Sq Ft	Bottom of Altus Range 2019
Landscaping	\$ 245,016	0.7%	\$ 50.00 per Sq Ft	as per Economic Potential Study
Hard Cost Contingencies	<u>\$ 1,436,191</u>	<u>4.0%</u>	5.0% of Hard Costs	as per Economic Potential Study
Total Hard Costs	\$ 30,160,018	83.0%		
Soft Costs				
Consulting	\$ 2,368,080	6.5%	10% of Hard Costs	as per Economic Potential Study
Marketing	\$ 608,435	1.7%	\$ 7.00 per sq ft (office only)	as per Economic Potential Study
Soft Cost Contingencies	\$ 148,826	0.4%	5.0% of Consulting + Marketing	as per Economic Potential Study
Development Charges	\$ 671,467	1.8%	\$ 402.88 per Sq M (Ground Floor Only)	City of Toronto DC as of Nov 1, 2019 & Education Charge effective June 1, 2019
Building Permit Fees				
Office	\$ 214,890	0.6%	\$ 22.62 per Sq M	City of Toronto effective Jan 1, 2019
Retail	\$ 9,600	0.0%	\$ 19.20 per Sq M	City of Toronto effective Jan 1, 2019
Planning Fees	\$ 93,591	0.3%	\$ 7.19 per Sq M	\$21,691 Base Fee
Cash in Lieu of Parkland	<u>\$ 25,858</u>	<u>0.1%</u>	2.0% of Land Value	as per Economic Potential Study
Total Soft Costs	\$ 4,140,747	11.4%		
<b>Total Construction Costs</b>	<b>\$ 34,300,764</b>	<b>94.3%</b>		
<b>Financing</b>	<b>\$ 2,058,046</b>	<b>5.7%</b>	6.0% of Construction Costs	as per Economic Potential Study
<b>Total Costs</b>	<b><u>\$ 36,358,810</u></b>	<b>100.0%</b>		
Developer's Profit	\$ 3,430,076		10.0% of Construction Costs	as per Economic Potential Study
<b>Residual Land Value</b>	<b>\$ 1,292,908</b>			
Market Land Value	\$ 1,292,908		\$ 1,723,961 per acre, vacant land \$ 16.02 per buildable Sq Ft	As per MGP Site 2, which is assumed vacant

SOURCE: urbanMetrics inc.



## **Appendix E**    **Employment & Fiscal Benefits Analysis Inputs**

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**Figure E-1: City of Toronto Planning Fees**

**Effective January 1, 2020**  
 These Planning Application Fees reflect the Cost of Living Adjustment (+2.46%).

Planning Application	Application Fee
*Official Plan Amendment	\$58,241.56
	Base fee: \$43,560.56
*Zoning Bylaw Amendment	Additional fee if building GFA is over 500 m <sup>2</sup> : <ul style="list-style-type: none"> <li>• Residential Use: \$9.06/m<sup>2</sup></li> <li>• Non-Residential Use: \$7.50/m<sup>2</sup></li> <li>• Mixed Use (secondary use): \$4.77/m<sup>2</sup></li> </ul>
Legal Service fee for S. 37 Agreement	\$16,324.32
	Base fee for Residential or Non-Residential: \$41,382.54
*Combined Official Plan and Zoning Bylaw Amendment	Base fee for Mixed Use: \$30,492.39
	Additional fee if building GFA is over 500 m <sup>2</sup> : <ul style="list-style-type: none"> <li>• Residential Use: \$8.14<sup>2</sup></li> <li>• Non-Residential Use: \$7.25/m<sup>2</sup></li> <li>• Mixed Use (secondary use): \$3.01/m<sup>2</sup></li> </ul>
*Holding Bylaw Amendment	\$22,286.68
*Plan of Subdivision Approval	Base fee: \$55,539.72 + \$2,011.41 for each proposed lot
	Base fee: \$55,539.72 + \$2,011.41 for each proposed lot
*Combined Zoning Bylaw Amendment and Plan of Subdivision Approval	Additional fee if building GFA is over 500 m <sup>2</sup> : <ul style="list-style-type: none"> <li>• Residential Use: \$9.06/m<sup>2</sup></li> <li>• Non-Residential Use: \$7.50/m<sup>2</sup></li> <li>• Mixed Use (secondary use): \$4.77/m<sup>2</sup></li> </ul>
*Plan of Condominium Approval: Standard, Phased, Leasehold	Base fee: \$9,801.13 + \$27.11 per unit
*Plan of Condominium Approval: Common Elements & Vacant Land	Base fee: \$13,793.45
*Plan of Condominium Approval: Rental Conversion	Base fee: \$16,424.52
*Plan of Condominium Approval: Amendment	Base fee: \$4,215.56
	Base fee: \$22,224.60
	Additional fee if building GFA is over 500 m <sup>2</sup> :
	Residential Use:
	<ul style="list-style-type: none"> <li>• 500-700 m<sup>2</sup>: \$15.67/m<sup>2</sup></li> <li>• 700-1,400 m<sup>2</sup>: \$12.11/m<sup>2</sup></li> <li>• 1,400-4,400 m<sup>2</sup>: \$7.86/m<sup>2</sup></li> <li>• Over 4,400 m<sup>2</sup>: \$3.91/m<sup>2</sup></li> </ul>
	Non-Residential Use: \$7.37/m <sup>2</sup>
	Mixed Use (secondary use): \$5.05/m <sup>2</sup>
	Amendment: \$22,224.60
Part Lot Control Exemption	Base fee: \$9,256.63 + \$597.87 for each proposed lot
Telecommunication Tower Application	\$5,308.64
Rental Housing Demolition and Conversion Bylaw	Please see the <a href="#">Rental Housing Declaration of Use and Screening Form</a>
	Clear Title: \$1,238.10
	Additions and alterations to existing dwellings with 3 units or less: \$1,652.17
Minor Variance	Residential dwellings with 3 units or less: \$3,714.33
	All other residential, commercial, industrial or institutional uses: \$4,807.28
	*After the fact variances*: Double the regular fee
	Base fee for severing one lot into two, or establishing a new easement: \$5,989.58
Consent	Fee for each additional lot created: \$4,863.54
	Validation of Title, Technical Severance, Leases, Mortgage Discharge, Lot Additions, Re-Establishing Easements: \$1,686.96
Committee of Adjustment Research Request Fee	Committee of Adjustment (COA) Research Request
Research and Information Fee	\$120.00 per hour (subject to HST)

SOURCE: City of Toronto website.

**Figure E-2: City of Toronto Building Permit Fees**

<b>A. Construction - Group C (Residential Occupancies)</b>	
	<b>Fee Effective Jan. 1, 2019</b>
Residential Unit Fee Each new residential unit included in an application	\$52.08/unit
Single Family Dwellings, Semis, Townhouses, Duplexes, Live/Work Units	\$17.16
Motels above two storeys and hotels	\$27.16
<b>Certified Plans – Housing</b>	
(i) For Certification of Plans	\$8.59
(ii) Permits for Certified Plans	\$14.56
All other multiple unit buildings and any other residential occupancies	\$17.16

<b>A. Construction - Group D (Business and Personal Service Occupancies)</b>	
	<b>Fee Effective Jan. 1, 2019</b>
Office Buildings (Shell), all other Group D Buildings (shell)	\$17.99
Office Buildings (finished), Banks, Medical Clinics, Fire Halls, and all other Group D Buildings (finished)	\$22.62

SOURCE: City of Toronto website.

**Figure E-3: City of Toronto Development Charges**

**CITY OF TORONTO**

**RESIDENTIAL DEVELOPMENT CHARGES RATES  
\$ PER DWELLING UNIT OR DWELLING ROOM**

EFFECTIVE NOVEMBER 1, 2019

Service	Residential Charge By Unit Type (1)						Percentage of Charge
	Singles & Semis	Multiples 2+ Bedrooms	Multiples 1 Bed and Bach.	Apartments 2+ Bedrooms	Apartments 1 Bed and Bach.	Dwelling Room	
Spadina Subway Extension	\$2,648	\$2,194	\$1,155	\$1,559	\$1,026	\$717	3.45%
Transit (balance)	\$26,610	\$22,046	\$11,600	\$15,668	\$10,307	\$7,201	34.64%
Parks and Recreation	\$10,082	\$8,351	\$4,395	\$5,936	\$3,905	\$2,728	13.12%
Library	\$1,910	\$1,582	\$833	\$1,124	\$740	\$517	2.49%
Subsidized Housing	\$4,912	\$4,068	\$2,141	\$2,892	\$1,902	\$1,329	6.39%
Shelter	\$772	\$640	\$337	\$455	\$299	\$209	1.01%
Police	\$1,085	\$899	\$473	\$639	\$420	\$294	1.41%
Fire	\$459	\$380	\$200	\$270	\$178	\$124	0.60%
Paramedic Services	\$469	\$388	\$204	\$276	\$182	\$127	0.61%
Development-related Studies	\$493	\$408	\$215	\$290	\$191	\$133	0.64%
Civic Improvements	\$256	\$212	\$112	\$151	\$99	\$69	0.33%
Child Care	\$736	\$609	\$321	\$433	\$285	\$199	0.96%
Health	\$9	\$7	\$4	\$5	\$3	\$2	0.01%
Pedestrian Infrastructure	\$52	\$43	\$23	\$31	\$20	\$14	0.07%
<b>Subtotal General Services</b>	<b>\$50,493</b>	<b>\$41,827</b>	<b>\$22,013</b>	<b>\$29,729</b>	<b>\$19,557</b>	<b>\$13,663</b>	<b>65.7%</b>
Roads and Related	\$11,982	\$9,925	\$5,223	\$7,054	\$4,641	\$3,242	15.60%
Water	\$4,962	\$4,110	\$2,163	\$2,921	\$1,922	\$1,343	6.46%
Sanitary Sewer	\$7,268	\$6,020	\$3,168	\$4,279	\$2,815	\$1,967	9.46%
Storm Water Management	\$2,125	\$1,760	\$926	\$1,251	\$823	\$575	2.77%
<b>Subtotal Engineered Services</b>	<b>\$26,337</b>	<b>\$21,815</b>	<b>\$11,480</b>	<b>\$15,505</b>	<b>\$10,201</b>	<b>\$7,127</b>	<b>34.3%</b>
<b>TOTAL CHARGE PER UNIT</b>	<b>\$76,830</b>	<b>\$63,642</b>	<b>\$33,493</b>	<b>\$45,234</b>	<b>\$29,758</b>	<b>\$20,790</b>	<b>100.0%</b>

**CITY OF TORONTO  
NON-RESIDENTIAL DEVELOPMENT CHARGES RATES  
\$ PER SQUARE METRE**

Effective November 1, 2019

Service	Development Charge	Percentage of Charge
Spadina Subway Extension	\$16.75	4.29%
Transit (balance)	\$167.97	42.98%
Parks and Recreation	\$8.01	2.05%
Library	\$1.50	0.38%
Subsidized Housing	\$0.00	0.00%
Shelter	\$0.00	0.00%
Police	\$6.85	1.75%
Fire	\$2.90	0.74%
Paramedic Services	\$2.97	0.76%
Development-related Studies	\$3.12	0.80%
Civic Improvements	\$1.62	0.41%
Child Care	\$4.65	1.19%
Health	\$0.05	0.01%
Pedestrian Infrastructure	\$3.22	0.83%
<b>Subtotal General Services</b>	<b>\$219.61</b>	<b>56.19%</b>
Roads and Related	\$77.66	19.87%
Water	\$32.86	8.41%
Sanitary Sewer	\$47.02	12.03%
Storm Water Management	\$13.68	3.50%
<b>Subtotal Engineered Services</b>	<b>\$171.22</b>	<b>43.81%</b>
<b>TOTAL CHARGE PER SQUARE METRE</b>	<b>\$390.82</b>	<b>100.00%</b>

NOTE: Non-residential development charges are applicable to the non-residential gross floor area located on the ground floor only.

SOURCE: City of Toronto website.

**Figure E-4: City of Toronto Property Taxes**

**2019 Property Tax Rates**

Description	City Tax Rate	Education Tax Rate	City Building Fund	Total Tax Rate
Residential	0.451568%	0.161000%	0.002202%	0.614770%
Multi-Residential	1.032342%	0.161000%	0.000000%	1.193342%
New Multi-Residential	0.451568%	0.161000%	0.002202%	0.614770%
Commercial General	1.243691%	1.030000%	0.003060%	2.276751%
Residual Commercial Band 1	1.104768%	1.030000%	0.002719%	2.137487%
Residual Commercial Band 2	1.243691%	1.030000%	0.003060%	2.276751%
Industrial	1.215805%	1.110878%	0.002028%	2.328711%
Pipelines	0.868620%	1.290000%	0.004235%	2.162855%
Farmlands	0.112892%	0.040250%	0.000550%	0.153692%
Managed Forests	0.112892%	0.040250%	0.000550%	0.153692%

**Step 1: Estimate Future Assessment Values**

**Step 2: Estimate Future Property Taxes based on Assessment Values**

**EXISTING PROPERTY TAXES**

LAND USE	Value per Sq Ft	Building Area	2019 Assesed Value	City Tax Rate	Education Tax Rate	City Building Fund	TOTAL TAX
Office	\$255 per Sq Ft GLA	23,980 Sq Ft	\$6,115,100	\$76,053	\$62,986	\$187	\$139,226
Excess Land			\$802,900	\$8,870	\$8,270	\$22	\$17,162
<b>TOTAL</b>			<b>\$6,918,000</b>	<b>\$84,923</b>	<b>\$71,255</b>	<b>\$209</b>	<b>\$156,387</b>

**PROPOSED ADDITIONAL PROPERTY TAXES**

LAND USE	Assumed Value <sup>1</sup>	Building Area	Assesed Value	City Tax Rate	Education Tax Rate	City Building Fund	TOTAL TAX
Residential	\$ 475 per Sq Ft NSA	237,652 Sq Ft	\$ 112,884,463	\$509,750	\$181,744	\$2,486	\$693,980
Office	\$ 255 per Sq Ft GLA	3,100 Sq Ft	\$ 790,526	\$9,832	\$8,142	\$24	\$17,998
<b>TOTAL</b>			<b>\$ 113,674,988</b>	<b>\$519,582</b>	<b>\$189,886</b>	<b>\$2,510</b>	<b>\$711,978</b>

SOURCE: urbanMetrics inc., based on City of Toronto Property Tax Rates, 2019.

<sup>1</sup> Based on assessed value of recently completed office building on the subject site and urbanMetrics' research of comparable residential properties in the Study Area.



## **Appendix F**    **North American Industry Classification System (NAICS)**

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**Figure E-1: Retail Store Types, Based on North American Industry Classification System (NAICS)**

Group	NAICS	Description
<b>FOOD</b>		
90	Supermarkets	
	44511	Supermarkets and Other Grocery (except Convenience) Stores
100	Convenience and Specialty Food Stores	
	44512	Convenience Stores
	44521	Meat Markets
	44522	Fish and Seafood Markets
	44523	Fruit and Vegetable Markets
	44529	Other Specialty Food Stores, including Baked Goods Stores, & Confectionary & Nut
<b>BEVERAGE STORES</b>		
110	Beer, Wine and Liquor Stores	
	44531	Beer, Wine and Liquor Stores
<b>NON-FOOD STORE RETAIL (NFSR)</b>		
<b>Automot</b>		
20	Used and Recreational Motor Vehicle and Parks Dealers (Tires, Batteries, Automotive Accessories component)	
	44131	Automotive Parts and Accessories Stores
	44132	Tire Dealers
<b>Furniture, Home Furnishings and Electronics Stores</b>		
30	Furniture Stores	
	44211	Furniture Stores
40	Home Furnishings Stores	
	44221	Floor Covering Stores (excludes retailers or only ceramic or only hardwood flooring which are in Building Supply)
	44229	Other Home Furnishings Stores (e.g. window treatments, fireplace/accessories, kitchen and tableware, bedding and linens, brooms and brushes, lamps and shades, and prints and picture frames).
50	Computer and Software Stores	
	44312	Computer and Software Stores (includes retailing new computers, computer peripherals, pre-packaged software, game software and related products)
60	Home Electronics and Appliance Stores	
	44311	Appliance, Television and other Electronics Stores
	44313	Camera and Photographic Supplies Stores
<b>Building and Outdoor Home Supplies Stores</b>		
70	Home Centres and Hardware Stores	
	44411	Home Centres
	44413	Hardware Stores (includes tool stores)
80	Specialized Building Materials and Garden Stores	
	44412	Paint and Wallpaper Stores
	44419	Other Building Material Dealers (excluding manufacturing and construction firms) (includes doors, windows, kitchen cabinets, electrical, glass, plumbing,
	44421	Outdoor Power Equipment Stores (lawn mowers, tractors, hedge trimmers, snow blowers)
	44422	Nursery Stores and Garden Centres
<b>Pharmacies and Personal Care Stores</b>		
120	Pharmacies and Personal Care Stores	
	44611	Pharmacies and Drug Stores
	44612	Cosmetics, Beauty Supplies and Perfume Stores
	44613	Optical Goods Stores
	44619	Other Health and Personal Care Stores (includes stores retailing health and personal care items, such as vitamin supplements, hearing aids, and medical

Continued...

Group	NAICS	Description
<b>Clothing and Accessories Stores</b>		
140	Clothing Stores	
	44811	Men's Clothing Stores
	44812	Women's Clothing Stores
	44813	Children's and Infant's Clothing Stores
	44814	Family Clothing Stores
	44819	Other Clothing Stores
150	Shoe, Clothing Accessories and Jewellery Stores	
	44815	Clothing Accessories Stores
	44821	Shoe Stores (includes athletic shoe retailers)
	44831	Jewellery Stores
	44832	Luggage and Leather Goods Stores
<b>General Merchandise Stores</b>		
170	Department Stores	
	45211	Department Stores
175	45211	Department Stores with a Large food component (i.e. Walmart Supercentres)
180	Other General Merchandise Stores	
	45291	Warehouse Clubs and Superstores
	45299	All Other General Merchandise Stores: <i>Home &amp; Auto (i.e. Canadian Tire)</i> <i>Other General Merchandise Stores (e.g. general stores, variety stores, "dollar" stores)</i>
<b>Miscellaneous Retailers</b>		
160	Sporting Goods, Hobby, Music and Book Stores	
	45111	Sporting Goods Stores (excludes athletic shoe retailers)
	45112	Hobby, Toy and Game Stores (excludes computer games and software)
	45113	Sewing, Needlework and Piece Goods Stores
	45114	Musical Instrument and Supplies Stores
	45121	Book Stores and News Dealers
	45122	Pre-Recorded Tape, Compact Disc and Record Stores
190	Miscellaneous Store	
	45311	Florists
	45321	Office Supplies and Stationery Stores
	45322	Gift, Novelty and Souvenir Stores
	45331	Used Merchandise Stores
	45391	Pet and Pet Supplies Stores
	45392	Art Dealers (excludes art galleries)
	45399	All Other Miscellaneous Store Retailers (e.g. tobacco supplies, artist supplies, collectors items, beer & wine making, swimming pool/spas/accessories, religious goods and accessories)

Continued...

Group	NAICS	Description
<b>SERVICES</b>		
200	<b>Consumer Goods Rental</b>	
	53221	Consumer Electronics and Appliance (Appliance rental and leasing, rental of consumer audio-visual equipment (including rent-to-own), Television
	53222	Formal Wear and Costume Rental
	53223	Video Tape and Disc Rental
	53229	Other Rental (sporting goods, garden equipment, home health, fitness etc.)
	53231	General Rental Centres (including contractors' and builders' tools and equipment, home repair tools, lawn and garden equipment, moving equipment
210	<b>Finance</b>	
	52211	Banks
	52213	Credit Unions
215	52239	Other Financial (including cheque cashing, mortgage brokers, other financial services (e.g. Edward Jones))
220	<b>Insurance and Real Estate</b>	
	52421	Insurance Agencies and Brokerages
	53121	Offices of Real Estate Agents and Brokers
	53132	Office of Real Estate Appraisers
230	<b>Professional, Scientific &amp; Technical Services</b>	
	54111	Offices of Lawyers
	54119	Other Legal Services (eg. Paralegal, Title search, immigration consultation, notaries)
	54121	Offices of Accountants, Tax Preparation Services, Bookings, Payroll
	54131	Architectural Services
	54132	Landscape Architecture (includes urban planners, industrial development planning, landscape architects)
	54134	Drafting Services
	54137	Survey and Mapping Services
	54138	Testing Labs (excluding medical, auto, veterinary)
	54141	Interior Design Services
	54143	Graphic Design Services (includes art studios)
	54149	Other Specialized Design Services (e.g. clothing, jewellery, fashion)
	54151	Computer Systems Design and Related Services (e.g. computer consulting and programming)
	54161	Management Consulting Services
	54162	Environmental Consulting Services
	54169	Other Scientific and Technical Consulting (e.g. economic, hydrology, safety)
	54171	Research & Development in the Physical, Engineering and Life Sciences (includes medical research labs)
	54172	Research & Development in the Social Sciences and Humanities (eg. demographic, education, psychology research)
	54181	Advertising Agencies
	54182	Public Relations Services (e.g. lobbyists, political consultants)
	54191	Marketing Research & Public opinion polling
	54192	Photographic Services (e.g. passport photography, photo studios portrait photography studios)
	54193	Translation and Interpretation Services
	54194	Veterinary Services (excludes pet care (81291))
	54199	All Other Professional, Scientific and Technical Services (includes consumer credit counselling)
240	<b>Selected Office Administrative Services</b>	
	56131	Employment Services (includes placements, executive search, casting agencies etc.)
	56141	Document Preparation Services (proofreading, word processing, desktop publishing etc.)
	56142	Telephone Call Centres
	56143	Business Service Centres (eg. printing, copying, mail centres) (excludes commercial printing)
	56144	Collection Agencies
	56145	Credit Bureaus
241	56151	Travel Agencies
	56159	Other Travel Arrangement & Reservation Services (eg. ticket sales agency, tourist info, busticket offices, etc.)
	56162	Security Systems (includes security system sales, installation and monitoring; locksmiths (excluding key duplication - 81149))
245	<b>Selected Educational Services</b>	
	61161	Fine Arts Schools (e.g. dance, drama, music, art, handicrafts)
	61162	Athletic Instruction (e.g. aerobic dance, gymnastics, judo, karate, martial arts, scuba, swimming) (excludes athletic instruction in sport and recreation)
	61163	Language Schools
	61169	All Other Schools and Instruction (e.g. driving instruction, public speaking, Kumon, Oxford)

Continued...

Group	NAICS	Description
250	<b>Health Care</b>	
	63111	Offices of Physicians
	62121	Offices of Dentists
	62131	Offices of Chiropractors
	62132	Offices of Optometrists (excludes eyeglass stores - 44613)
	62133	Offices of Mental Health Practitioners (psychologists, psychiatric social workers)
	62134	Offices of Physical, Occupational, Speech Therapists and Audiologists
	62135	Offices of Other Health Practitioners (eg. acupuncturists, dental hygienists, dieticians, naturopath, podiatrists)
	62141	Family Planning Centres
	62142	Outpatient Mental Health and Substance Abuse Centres
	62149	Other Outpatient Care Centres (e.g. public health clinics, hearing testing, dialysis)
	62151	Medical and Diagnostic Laboratories (e.g. medical, x-ray, dental lab (excluding making of dentures, ortho appliances, teeth))
255	<b>Social Services</b>	
	62411	Child and Youth Social Services (e.g. Children's aid, youth centres, adoption)
	62149	Other Individual and Family Services (eg. AA, marriage counselling, outreach)
	62441	Child Day Care
260	<b>Cultural, Entertainment and Recreation</b>	
261	71312	Amusement Arcades (e.g. indoor play areas, pinball arcades, video game arcades) Fitness & Recreational Sports Centres (includes athletic clubs, spas (w/o accommodation), aerobic dance centres, health clubs)
262	71394	
263	71395	Bowling Centres
264	71399	All other Amusement and Recreation Industries (includes billiards parlours)
265	51213	Motion Picture and Video Exhibition (includes cinemas)
270	<b>Food Services and Drinking Places</b>	
271	72211	Full-Service Restaurants
272	72221	Limited-Service Eating Places
273	72232	Caterers (includes banquet halls)
274	72241	Drinking Places (Alcoholic Beverages) -( includes night clubs, bars (including those with gaming), pubs, taverns
280	<b>Personal and Household Goods Repair and Maintenance</b>	
281	81111	Automotive Mechanical & Electrical Repair & Maintenance (includes engine repair, exhausts, transmission, electrical system repair)
281	81112	Automotive Body, Paint, Interior and Glass Repair (includes collision repair, auto upholstery, paint & body shops)
281	81119	Other Automotive Repair & Maintenance (includes auto detail, washing, diagnostic centres, lub, rustproofing, undercoating, emissions testing)
282	81121	Electronic and Precision Equipment Repair and Maintenance (includes ink jet cartridges (cleaning and refilling), tv repair)
	81141	Home and Garden Equipment and Appliance Repair & Maintenance (e.g. small engine repair)
	81142	Reupholstery and Furniture Repair
	81143	Footwear and Leather Goods Repair (e.g. shoe repair)
282	81149	Other Personal and Household Goods Repair and Maintenance (includes key cutting, china firing/decorating, jewellery repair, sharpening of knives, skate sharpening, watch repair etc.)
290	<b>Personal Care Services</b>	
	81211	Hair care and Esthetic Services (includes barber, beauty, hair salons)
	81219	Other Personal Care services (includes day spa, diet centres, hair removal, massage parlours, tanning salons, tattoo parlours, weight reduction centres)
	81231	Coin-operated Laundries and dry cleaners (self service)
	81232	Dry Cleaning and Laundry services (except coin operated)
	81233	Linen and Uniform Supply (includes work clothing supply services - industrial)
	81291	Pet Care (except veterinary)
	81292	Photofinishing Services
	81299	All other Personal Services (e.g. fortune tellers, dating services, psychic services, shoeshine)
295	<b>Civic and Social Organizations</b>	
	81341	Civic and Social Organizations (includes clubs)
	81391	Business Associations (includes board of trade, real estate boards etc.)
	<b>Transportation</b>	
296	49111	Postal Service (post office)
300	<b>VACANT</b>	
	9999	VACANT RETAIL/SERVICE SPACE

SOURCE: urbanMetrics inc.

