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Date: April 6th, 2016

To: The Economic Development and Culture Division and DUKE Heights BIA

Re: Duke Heights BIA Economic Development Study and Strategy Recommendations

Executive Summary

The purpose of this report is to present the DUKE Height's BIA's Economic Development Study. The BIA represents an area with nearly 30,000 employees and 2,500 business, predominantly in the Office, Manufacturing and Retail/Service industries. The following recommendations aim to assist the BIA in achieving its vision:

*The Duke Heights BIA will leverage its **strategic location** both at the **gateway** to the City of Toronto and at the **center of the regional economy**, along with proximity to world class academic and government institutions, high order transit and a supportive business network to foster development in **advanced manufacturing, health care, research and development and professional services.***

Recommendations:

For City of Toronto Adoption:

1. Establish Development Incentives using the Community Improvement Plan framework – Establish a Community Improvement Plan for the BIA. As part of this initiative, directed by City of Toronto Planning and Economic Development, conduct a review of existing development incentives (e.g. The Gold Star Program, Municipal Incentive Grant, a building modernization grant to address the industrial nature of the area and Tax Increment Equivalent Grants, etc.);
2. Enhancement of the Public Realm – The City of Toronto Planning Department in coordination with the BIA to support a “Public Realm Concept Plan Study” for the BIA. The outcome of the study to include Parks and Open Space Improvements, Public Realm Opportunities and Streetscape and Network Opportunities;
3. Improve Fiber Optic Network and Hydro Reliability – City Council direct staff to investigate the reliability of local utilities and the impact on economic development and attracting employment;
4. Implement Transportation Strategy to Improve Access – City of Toronto to direct the Planning Department to undertake a transportation master plan for the Duke Heights BIA which builds upon current City of Toronto Official Plan policies, studies and transportation infrastructure investments;
5. Review Employment Land Use Policies – City Council direct the Planning Department to review the current employment land use permissions to maximize employment growth in and around the new subway station and adjacent corridors, particularly on Finch Avenue West and with consideration to the opportunities along edges of the BIA;
6. Establishment of a Physical Hub – The City of Toronto in partnership with the BIA establish a physical hub which will act as the heart of the business community, offering opportunities for networking and small business incubation;
7. Provide Access to Funding and Grants – The City of Toronto in partnership with the BIA and the Province of Ontario, through Enterprise Toronto, to include the BIA into the Business Incubatory Directory and coordinate seed funding grants to provide starter funding to DUKE Heights SMEs (Small and Medium Enterprises);
8. Establish Annual Reporting – the BIA work with the City of Toronto and Economic Development to establish quarterly and annual reporting, including new tenants and businesses, employment growth and new opportunities; and

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DUKE Heights BIA
- April 6th, 2016

9. Review by BIA Office of Policies to Ensure These Are Applicable to Industry Oriented BIA's – The BIA Office to review its policies and programs in order to include elements which will assist industrial/employment BIAs to build employment in their areas. Consider the addition of policy to assist employment BIAs, which could include the creation of a new category of BIA's, in providing funding and services which would drive new industrial or office business creation, cluster strategies, and improve the area for local employees.

For BIA Adoption:

1. Establish Industry Clusters – The BIA support the development and branding of five industry clusters – food, pharma, furniture, medical and professional services;
2. Attract and Leverage Anchor Tenants – The BIA foster relationships with institutions and industry associations, create marketing brochures in order to attract targeted industries and build upon existing tenants;
3. Leverage Large Institutions – The BIA coordinate an outreach and communications plan through the BIA to target identified institutions;
4. Private Sector Champions – The BIA encourage existing tenants and landowners to support the BIA through their presence at networking events in the BIA and the Region. Promotion of the BIA, its vision and hosting networking events for industry and other stakeholders to promote the area and create opportunities to showcase local facilities and businesses;
5. Hosting Networking Functions – The BIA establish an outreach committee to work with Economic Development by holding monthly breakfast meetings, classes, social events and information sessions; and
6. Establish a Shovel Ready Land and Real Estate Inventory – The BIA create an easily accessible database of real estate information for the area including listings for land, vacant space off-market opportunities and contacts. Further, an updated quarterly report to circulate to EDO, the brokerage community and members of the BIA.

Background

IBI Group was retained to create a three phase economic development study in order to answer two major questions:

1. What type of employment should the BIA target?; and
2. Where should this employment grow?

The project was completed in three phases.

Phase 1 – SWOT (Strength, Weakness, Opportunity, Threat) Analysis

This section reviews the built environment, policy environment, employment environment and the market environment, including a cluster analysis comparing the BIA to other Employment Areas in Toronto and the Region to find areas of competitive advantage and opportunity. A pro forma looking at the financial feasibility of development opportunities was included in this review.

Phase 2 – Employment Vision for the BIA

Translating the SWOT into Visions & Objectives supported by Case Studies across Ontario and Internationally.

Phase 3 – Policy Recommendations

Finalization of the Vision and Objectives, and creating strategic initiatives to implement the Vision and best practices reflecting conversations with Economic Development.

Full Report is attached in Appendix A

DUKE Heights Economic Development Study

DUKE Heights Business Improvement Area
by: IBI Group
April 6, 2016

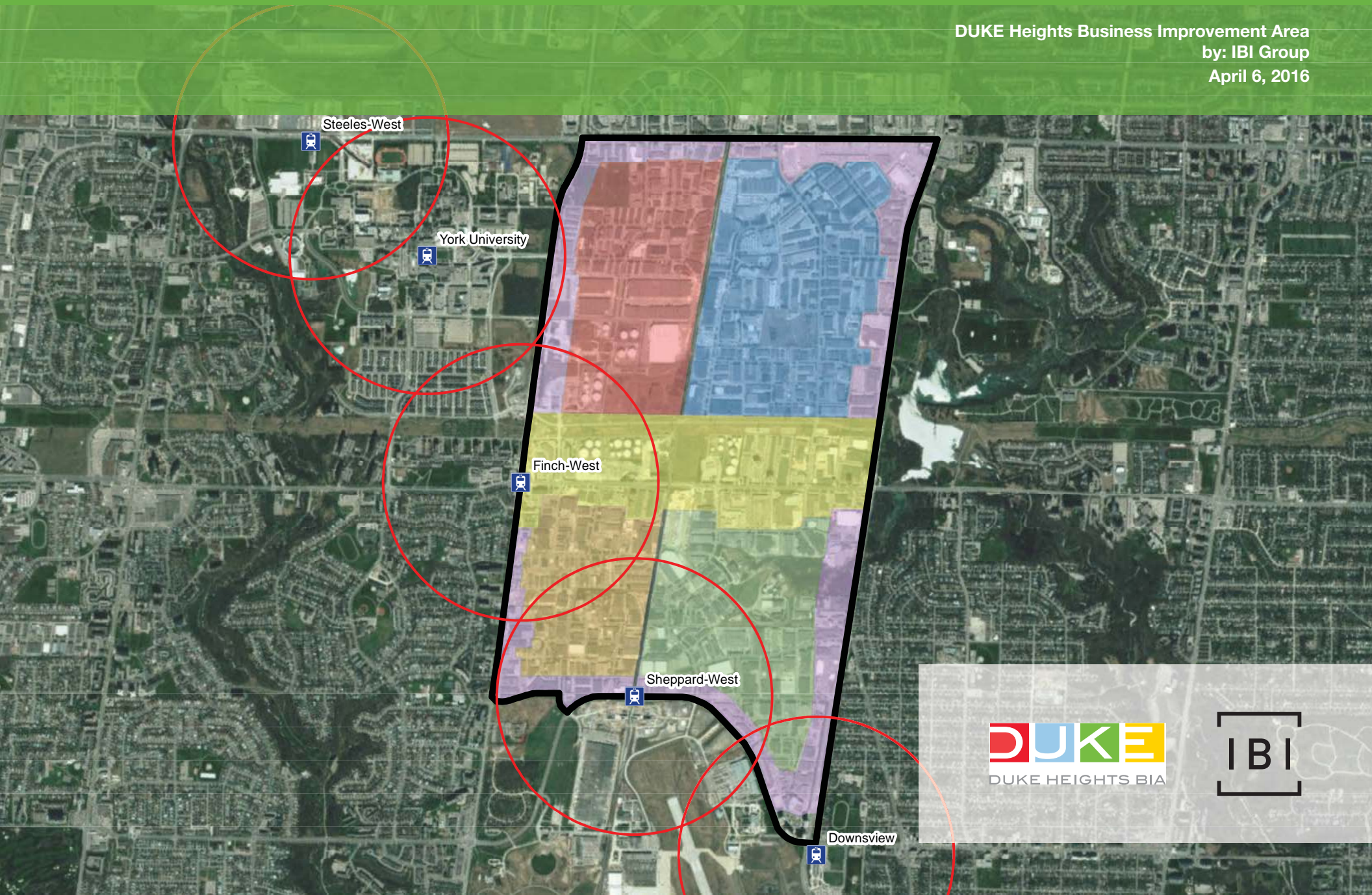


Table of Contents

1.0 Introduction	1
2.0 Built Environment.....	2
2.1 Context	2
2.1.1 History of Development in the Area	3
2.2 Facilities/Landmarks in the Area	4
2.2.1 Universities	4
2.2.2 University of Toronto	8
2.2.3 Government Institutions.....	8
2.2.4 Community/Business Support Facilites.....	10
2.2.5 Sensitive Uses	13
2.3 Transportation Context	14
2.3.1 Roads	15
2.3.2 Rail	15
2.3.3 Transit	16
3.0 Market Environment.....	18
3.1 Market Indicators.....	18
3.1.1 Industrial.....	18
3.1.2 Retail	18
3.1.3 Office.....	19
3.2 Land Use Context	20
3.2.1 North-West Quadrant	21
3.2.2 North-East Quadrant	21
3.2.3 Finch Corridor.....	22
3.2.4 South-West Quadrant.....	22
3.2.5 South-East Quadrant.....	23
3.3 Recent Developments	24
3.3.1 35 Tangiers.....	24

3.3.2 2 Brisbane Road.....	24
3.3.3 3711 Keele Street.....	24
3.3.4 Ontario Municipal Board Hearings	24
4.0 Policy Environment	26
4.1 Economic Development.....	26
4.1.1 City of Toronto Economic Development Policy	26
4.1.2 City of Toronto BIA and Neighbourhood Improvement Programs	26
4.1.3 Toronto’s Imagination, Manufacturing, Innovation and Technology Business Incentive.....	27
4.1.4 Commercial Façade Improvement Program.....	27
4.1.5 Development Charges	27
4.2 Official Plan.....	28
4.2.1 Employment Area - Economic Development Policy.....	30
4.3 Zoning By-law	30
5.0 Employment Environment.....	32
5.1 Types of Employment in BIA	33
5.1.1 City of Toronto Employment Classifications - Explained & Merits.....	33
5.1.2 City of Toronto Employment Trends	35
5.2 Employment Trends in the DHBIA.....	36
5.2.1 Establishments in the BIA by Sector	36
5.2.2 Employment Totals in the DHBIA by Sector	37
5.2.3 Office.....	38
5.2.4 Manufacturing	38
5.2.5 Retail	38
5.2.6 Service	38
5.2.7 Institutional	38
5.3 Comparative Employment Analysis – Nodes.....	39
5.4 Detailed Employment Analysis	42

Table of Contents Cont...

5.4.1 NAICS Classifications	42
5.5 Comparative Employment Analysis – Nodes	42
5.5.1 Methodology	42
5.5.2 DUKE Heights BIA Cluster Results - Competitive Advantage	44
5.5.3 Toronto CMA & Toronto Employment Trends, 2008-2015 – Opportunity Analysis.....	44
5.5.4 Cluster Analysis Results.....	46
6.0 Case Studies	48
6.1 McMaster Innovation Park, Hamilton, ON	50
6.2 Kitchener Innovation District	52
6.3 Advanced Manufacturing District, London ON	54
6.4 South Lake Union Area, Seattle, Washington.....	56
6.5 Quartier De L’Innovation, Montreal, QUE.....	58
6.6 Boston South Waterfront Navy Yard, Massachusetts	60
6.7 22@Barcelona – El Districte de la innovacio, Barcelona, Spain	62
7.0 Project Vision.....	64
7.1 Objectives	64
7.2 Strategic Policy Directions	65
7.2.1 Economic Assets.....	65
7.2.2 Networking Assets	67
7.2.3 Physical Assets	69
Appendix.....	74
A.1 Pro-Forma.....	74
A.2 DUKE Heights BIA Context Map.....	83
A.3 Additional Planning Initiatives/Studies for BIA Consideration	84
A.4 Policy Recommendation Matrix	85
A.5 Employment Districts in Toronto	86

List of Figures

Figure 1: Three Phases of Economic Development Study	1
Figure 2: Project Methodology	1
Figure 3: DUKE Heights Business Improvement Area - Land Use Context	2
Figure 4: DUKE Heights Predominant Land Use.....	2
Figure 5: DUKE Heights Business Improvement Area	3
Figure 6: Built Environment - Facilities.....	4
Figure 7: York University Prominent University Programs	4
Figure 8: Proposed Lassonde School of Engineering Campus Centre	5
Figure 9: Future Student Housing Development.....	5
Figure 10: Future Academic Space - York University.....	5
Figure 11: York University - SWOT	6
Figure 12: Downsvie Aerospace Campus – Initial Renderings of Future Campus	7
Figure 13: Downsvie Aerospace - SWOT	7
Figure 14: University of Toronto - SWOT.....	8
Figure 15: Humber River Regional Hospital	8
Figure 16: Humber River General Hospital- SWOT.....	8
Figure 17: North York General Hospital.....	9
Figure 18: Environment Canada - SWOT	9
Figure 19: City of Trails - Parks and Trail Network.....	10
Figure 20: Communities & Parks and Open Space	11
Figure 21: Business Support Infrastructure - SWOT.....	12
Figure 22: Sensitive Uses - SWOT	13
Figure 23: DUKE Heights BIA - Transportation Map	14
Figure 24: CN Rail Network Map & Logistics Facilities	15
Figure 25: Future Finch West Station on York Spadina Subway Extension	16
Figure 26: DHBIA Existing and Planned Transit Connections	16
Figure 27: Transportation - SWOT.....	17
Figure 28: Real Estate Trends - SWOT.....	19
Figure 29: Geographic Breakdown of the BIA by Land Use	20
Figure 30: Land Use - SWOT	23
Figure 31: City of Toronto Tax Incentive Policies	24
Figure 32: TIEG Grants.....	25
Figure 33: Official Planning Designations in the DUKE Heights BIA	27
Figure 34: City of Toronto Zoning By-law in DUKE Heights BIA	29
Figure 35: Employment Environment Assessment.....	30
Figure 36: City of Toronto Employment Trends	33
Figure 37: DUKE Heights BIA – Establishments by Industry 2001 - 2014	34
Figure 38: Proportion of Establishments by Sector in the DHBIA 2014.....	34
Figure 39: Establishment Growth in the DHBIA by Sector – 2001 to 2014.....	34
Figure 40: DUKE Heights BIA – Total Employment by Industry 2001 - 2014.....	35
Figure 41: Total Employment by Sector - 2014.....	35
Figure 42: Employment in the DHBIA – 2001 to 2014.....	35
Figure 43: Average Number of Employees by Firm	35

Figure 44: Employment Districts in Toronto	37
Figure 45: Office Growth in Employment Nodes - 2011 - 2014.....	37
Figure 46: Manufacturing Growth in Employment Nodes - 2011 - 2014	38
Figure 47: Institutional Growth in Employment Nodes - 2011 - 2014	38
Figure 48: Service Growth in Employment Nodes - 2011 - 2014.....	38
Figure 49: Retail Growth in Employment Nodes - 2011 - 2014	39
Figure 50: Total Growth in Employment Nodes - 2011 - 2014.....	39
Figure 51: NAICS Classification Code.....	40
Figure 52: Dufferin Keele North Employment Area Boundary.....	41
Figure 53: Major Employment Sectors by Two Digit NAICS Code.....	41
Figure 54: DHBIA Competitive Advantage Industries.....	42
Figure 55: Toronto CMA and Ontario 2008 to 2015 Growth by Employment Sector.....	43
Figure 56: Competitive Advantage and Opportunity Analysis.....	44
Figure 57: Evaluative Framework.....	46
Figure 58: Urban Context Spectrum	47
Figure 59: DUKE Heights Context	47
Figure 60: DUKE Heights Land Use Context	47
Figure 61: Case Study Spectrum	47
Figure 62: Aerial Render of McMaster Innovation Park.....	48
Figure 63: Render of Research and Development Building	49
Figure 64: Office Facility McMaster Innovation Park	49
Figure 65: Aerial Render of McMaster Innovation Park.....	49
Figure 66: Downtown Kitchener Action Plan Areas of Focus	50
Figure 67: Downtown Kitchener Core Areas of Focus.....	50
Figure 68: Aerial Render of Kitchener Downtown	51
Figure 69: Research and Development Building in Kitchener Innovation District.....	51
Figure 70: The Breithaupt Block.....	51
Figure 71: AMP Proposed Integrated Campus	52
Figure 72: AMP Master Plan.....	53
Figure 73: AMD Land Allocation.....	53
Figure 74: Aerial View of South Lake Union Area.....	54
Figure 75: Office Building in South Lake Union Area	55
Figure 76: Research and Development Building	55
Figure 77: Aerial View of the Innovation District.....	56
Figure 78: Redevelopment in Quartier De L'innovation	57
Figure 79: Innovation Districts.....	57
Figure 80: Quartier De L-innovation context map	57
Figure 81: Aerial View of the Waterfront Navy Yard.....	58
Figure 82: Location Maps of the Navy Yard Area.....	59
Figure 83: Office Building.....	59
Figure 84: Redevelopment Render.....	59
Figure 85: Land Use Plan - 22@Barcelona.....	60
Figure 86: City Aerial	61
Figure 87: 22@Barcelona Industrial Aerial.....	61
Figure 88: Project Vision	62

1.0 Introduction

In consultation with BIA stakeholders and the City's Economic Development and Culture Division, IBI Group has prepared the Economic Development Study for the DUKE Heights Business Improvement Area (DHBIA).

The overall goal of the project is to answer two major questions - 1) which type of employment should the BIA target and 2) where should this employment grow. A detailed SWOT analysis informs both questions in the first phase. The competitive advantage and unique attributes of the area have been identified there, which then allows for a BIA 'vision' to be established in the second phase. Finally, a strategic action plan has been created in the third phase which provides the tools and strategies to realize the vision and mission of the BIA.

In the first phase of the project, a SWOT Analysis has been undertaken in four categories. These include the: 1) Built Environment 2) Policy Environment 3) Employment Environment and 4) Market Environment.

Figure 1: Three Phases of Economic Development Study



First, an assessment of the *Built Environment* helped to understand the physical attributes of the BIA, and how they may provide a competitive advantage for key employment sectors. The *Built Environment* includes facilities and landmarks which have the ability to promote economic development and business synergies in specific sectors. Next, a transportation assessment explored how investment can be leveraged to attract specific types of employment. Lastly, the existing land uses not only influence which types of employment the BIA should target, but will play a role in where this growth may occur.

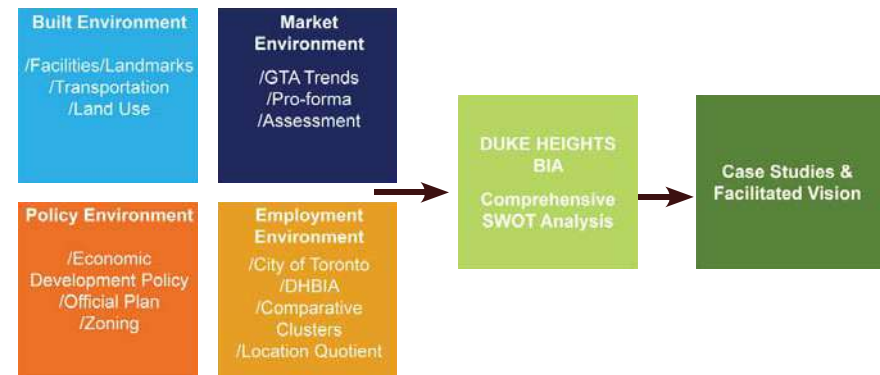
Secondly, the *Market Environment* is assessed. Example pro-formas have been created for industrial, office and retail developments. These highlight current development opportunities and constraints from a financial perspective.

Next, the *Policy Environment* is reviewed. This includes relevant local and provincial policy which governs uses in the area. It also includes economic development policies which may give certain sectors an advantage. Land use policies are influenced by infrastructure investment, and policies specific to high order transit investment are identified.

A cornerstone of Phase 1 of the study was the *Employment Environment* assessment. In order to understand employment sectors to target, the BIA must understand the composition of their existing employment base. An overview of the employment categories and the benefits of each, along with trend analysis can help to identify growth opportunities.

A 'Location Quotient' analysis which identifies industry clusters in the BIA has also been presented. Existing industry clusters may have developed through a local competitive advantage and present an opportunity for further development and incubation. Employment trends in eight competitive employment districts will be assessed to understand how the DHBIA is faring compared to other areas. This will highlight any competitive strengths or weaknesses of the DHBIA.

Figure 2: Project Methodology





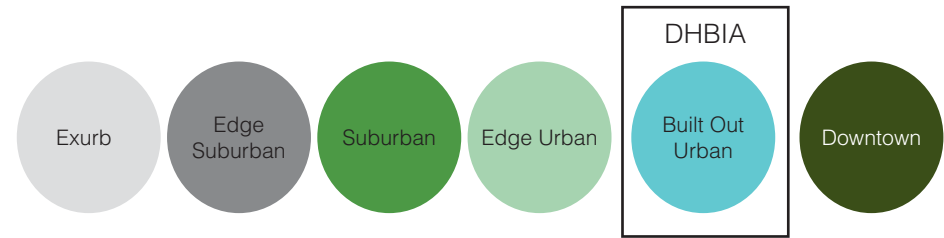
2.0 Built Environment

2.1 Context

The DUKE Heights Business Improvement Area (DHBIA) is uniquely situated within the City of Toronto. While historically located on the periphery of the City in a road-access only environment, changing social, political and economic factors have led to an evolution in site context. As the surrounding municipalities have built out, land values have increased and the GTA has become an 'economic region', the DHBIA is no longer located operating along the urban periphery, but is centrally located within the regional economy.

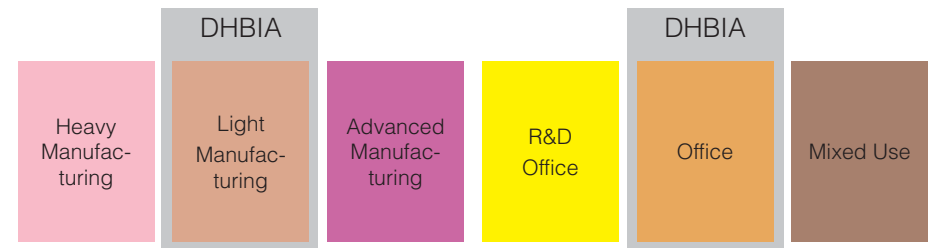
In understanding ways to unlock the potential area, it is important to understand and define the site's land use context. In later stages of the project when case studies are identified, lessons learned from successful implementation measures have the highest chance of success when they are drawn from comparable examples. For example, policies leveraged in greenfield industrial areas where land is abundant, values are inexpensive and congestion is minimal will not necessarily apply or succeed in a Downtown Business Park. Building off of emerging research in the area of reimagined employment areas, six land use contexts have been identified.¹ The DHBIA is located in a 'Built-Out Urban' area. These areas tend to be in older industrial areas, often along waterfronts or near downtowns, typically with a low density built form. Significant opportunities exist for these areas, especially in large cities where downtown rents are high.

Figure 3: DUKE Heights Business Improvement Area - Land Use Context



The predominant land use in the BIA has also been identified. The employment sector with the highest number of jobs is 'Office'. However, the largest land area component is Light Manufacturing.

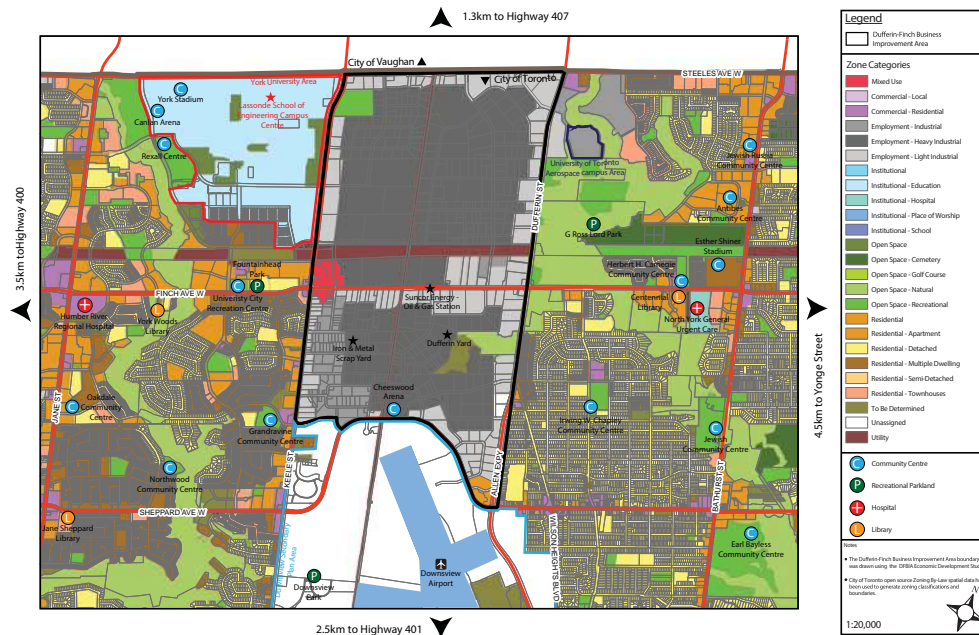
Figure 4: DUKE Heights Predominant Land Use



¹ Katz B. and Wagner J. The Rise of Innovation Districts: A New Geography of Innovation in America. May 2014. Brookings Institute

2.1.1 History of Development in the Area

Figure 5: DUKE Heights Business Improvement Area



*Refer to Appendix A.2 for an enlarged version of the map above.

The *DUKE Heights Business Improvement Area* (DHBI) is an Employment Area located in North York in the City of Toronto. It is bordered by Steeles Avenue to the north, Dufferin Street to the east, Sheppard Avenue West to the south and Keele Street to the west.

Although the DHBI has a large established employment base, the area experienced a decline in employment and establishment count between 2002 and 2014. In 2002, total employment in the BIA was 30,304, falling to 28,852 in 2014, a decrease of 4.79%.² Pockets of development emerged which did not offer high density or quality employment.³ Some older industrial buildings did not have the physical dimensions required to be competitive with new builds in other areas of the GTA.

In 2010, responding to the changing physical and economic landscape, the Economic Development Office (EDO) at the City of Toronto launched a marketing campaign to help attract large employers to the area. They teamed up with CBRE, Cushman & Wakefield and Colliers to increase investor awareness. The EDO produced marketing materials, including a 'Business Park Overview', along with a 'Business Profile' for large employers over 50 people. The Business Park Overview outlined the benefits of operating in the BIA, emphasizing the improved transit and transportation connectivity anticipated in the area. A launch was held with over 100 businesses, in partnership with the City of Toronto.

Recently, investment has increased in the BIA, with several high profile industrial, office and retail developments in the area. These include a retrofit at 2 Champagne, and new builds at 44 Chesswood and 35 Tangiers. There has been a consolidation of land parcels to accommodate a pharmaceutical company and an urban format Wal-mart within the BIA. While current economic fundamentals do not always incentivize redevelopment of old industrial buildings, the EDO has partnered with 'Rooflifters' to increase ceiling heights on an older industrial building. These developments point to an improving local economy.

² City of Toronto. Employment Districts Profile. Toronto City Planning Research and Information. June 2010

³ L.Fava, personal communication, August 27, 2015



2.2 Facilities/Landmarks in the Area

In the first stage of the SWOT analysis, key institutions or landmarks are reviewed. The analysis will extend south to the 401, east to Bathurst, west to Jane and north to Highway 407. The goal is to identify facilities which can be leveraged to enhance specific industries or the overall economic development in the DHBIA.

Four categories of facilities were identified for the DHBIA, these include; Universities, Government Institutions, Community & Business Support Services and Sensitive Uses⁴.

Figure 6: Built Environment - Facilities

Universities	Government Institutions	Community/ Business Support Services	Sensitive Uses
<ul style="list-style-type: none"> • York University • Lassonde School of engineering • Downsview Aerospace Campus • University of Toronto Aerospace Campus • Seneca College 	<ul style="list-style-type: none"> • Humber River Regional Hospital • North York General, Branson Ambulatory • Humber Finch Hospital • Environment Canada 	<ul style="list-style-type: none"> • Park and Open Space • Community Facilities • Conference Facilities & Meeting Space • Internet • Hydro Availability • Incubation Space 	<ul style="list-style-type: none"> • Canada Fuel Association • Dufferin Yard and Organics • Ram & Metal Yard

2.2.1 Universities

2.2.1.1 York University Campus

York University Campus, Canada's third largest university is located immediately west of the BIA. There are several opportunities to leverage proximity to the University for the BIA's economic and physical development.

Programs

York University has high profile research and science programs in the fields of engineering, business and science. There are several programs which are the only ones of their kind in Ontario. The Lassonde School of Engineering was recently established, and offers crossovers with Schulich (business school) and Osgoode Hall (law school)⁵. A large Campus Centre is being planned, which will be a state of the art facility and a major draw to the school⁶ (Figure 3). There are several other programs that are unique to York University.

Figure 7: York University Prominent University Programs

Engineering
<ul style="list-style-type: none"> • Lassonde School of Engineering • Earth & Space & Science Engineering – only school in Ontario – designed several space instruments used by NASA • Geomatics Engineering – only school in Ontario • Civil Engineering • Computer Engineering • Computer Science • Computer Security • Digital Media • Electrical Engineering • Geographic Systems and Remote Sensing

⁴ For the purpose of this report, the term 'Sensitive Uses' refers to uses that may have an undesired impact on neighbouring uses. In turn these uses are permitted in employment areas and the introduction of new land use permissions such as residential or mixed use can negatively impact their ability to function as businesses eg. the loss of MOE permits.

⁵ The Lassonde School of Engineering (n.d.) Home to the Renaissance Engineer – Retrieved from <http://lassonde.yorku.ca/>

⁶ L.Fava, personal communication, Economic Development Officer – City of Toronto - August 27, 2015

Business

• Schulich School of Business

- Ranked 16 best MBA program in the world⁷
- Executive education centre in the Financial District and Satellite Campus in Hyderabad, India
- The School operates representative offices in Beijing, Shanghai, China, Mumbai, Seoul and Moscow – ranked 4th best at international recruitment in the world

Science

• Faculty of Science

- Several prominent research facilities
- Centre for Research in Earth and Space Science
- Centre for Atmospheric Chemistry
- Centre for Research on Biomolecular Interactions
- Institute for Science and Technology Studies
- Sensorium: The Centre for Digital Arts and Technology
- York Centre for Field Robotics

Planned Programs

York University has considered the possibility of opening a medical school in the future to build off of increased health investment in the area. They are also increasing investment and programming in their Information Technology programs.

Master Plan

Based on interviews with staff⁸ at York University there are several important developments anticipated related to the August 2013 Master Plan:

- The August 2013 MP envisions substantial build-out and infill on campus. Two mobility hubs are anticipated around the Pioneer Village and York University future subway stops.
- In addition, substantial student housing is anticipated, with the northern and southern bands of the campus dedicated to housing development. This will bring significant population to the area.
- Between 330,000sm and 448,000sm⁹ of infill academic space has been envisioned in the master plan on 70Ha of land.

Figure 8: Proposed Lassonde School of Engineering Campus Centre



- Two development parcels of note are located on the eastern portion of the site, bordering along Keele. These two buildings are expected to be 7-9 storeys, comprised of 13,000 square metres each. These will have retail bordering the street, along with streetscaping along Keele.

Figure 9: Future Student Housing Development

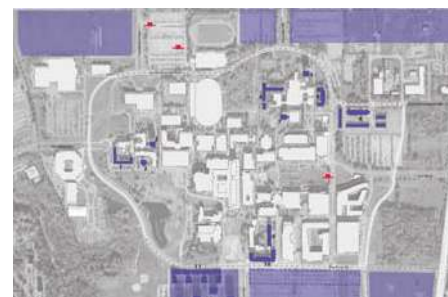


Figure 10: Future Academic Space - York University



⁷ Which MBA? Economist 2014 MBA Rankings – Retrieved from <http://www.economist.com/whichmba/full-time-mba-ranking>

⁸ C. Wong, Personal Communication, Director of Development – York University – October 2015

⁹ Scenarios 1 & 3 respectively in the August 2013 York University Master Plan



York University has also established a program, called 'Innovation York'. Innovation York is the “commercialization and industry liaison office for York University. The unit provides services to faculty members, trainees, and industry within four service streams: agreements, industry liaison, commercialization, and entrepreneurship”. The goal is to provide services which can commercialize research and maximize economic and social potential coming out of the school. Innovation York is located

in Markham Convergence Centre. York’s startup accelerator is also located at the centre. Companies that use this space have access to office and lounge furniture, ORION network, fast/wireless internet, secure storage space and access to meeting rooms. York is also a member of ventureLAB, York Region Regional Innovation Centre.

Figure 11: York University - SWOT

		Built Environment				
		Facilities				
Universities	York University	Strengths	Weakness	Opportunities	Threats	
		York University - Prominent Engineering, Business & Science Programs - unique programming offerings only in Ontario	No physical connection with University - wholesale and manufacturing uses border entrance to the University. Uses are facing inward	Establish co-op programs, shared research space. 'Employment Lands' policy supports research alliances and partnerships with the business community	Existing retail pad in proximity to university has high vacancy and difficult access	
		Significant student population living in close proximity to BIA. Significant student housing development anticipated along the northern and southern portions of the site. Two Metrolinx 'Mobility Hubs' planned for Pioneer Village & York University stops	Winding road network, difficult to cut through York U traveling east/west from the BIA	Opportunity for expansion in partnership with York University - to discuss with Director of Development. Proximity to University can be leveraged in attracting 'innovation' or R&D firms	R&D office niche serviced by the Markham Convergence Centre which has attracted York University entrepreneurship, commercialization programming, including Innovation York	
		Future development along Keele - Two 7-9 storey buildings planned, along with a streetscaping project		Potential medical school development in the future capitalizing on increase in health facilities in the area	Member of MaRS innovation services. Commercializes some of the key research breakthroughs from 16 of Toronto's top universities	
		York University - currently leasing some office space internal to the DHBIA	No plans to expand office space in the DHBIA	Open to potential partnerships with the DHBIA in the future		
Lassonde School of Engineering	Newly built Lassonde School of Engineering - increased investment in the area and improved built environment	No physical connection with DHBIA	Increased awareness and traffic in the area	Lack of programs to foster partnerships and co-ops between BIA and University		

2.2.1.1 Downsview Aerospace Campus

Located in Dufferin Keele South, the Downsview Aerospace campus is anticipating development activity and the injection of significant government funding. Recently an application was filed to permit the development of the 'Centennial College Downsview Park Aerospace Campus' which would occupy a 12,324 sf facility in Downsview Park's Chesswood development parcel. Centennial College currently teaches 300 aircraft technicians, and is expecting to grow to 900. The area is to become a global teaching hub.

The provincial government has committed \$26 million to date. The project is also seeking \$60 million over the next five years to establish 'DAIR', the Downsview Aerospace Cluster for Innovation and Research. DAIR is anticipated to bring 14,400 jobs and will be home to facilities such as Bombardier, Honeywell, MDA Corporation, Pratt & Whitney Canada, Ryerson University, Sumitomo Precision Products Canada Aircraft, Inc., and the University of Toronto Institute for Aerospace Studies, UTC Aerospace Systems, and York University.

To date, none of the anticipated users have signed permanent leases, with the exception of Centennial College. In addition, the area has yet to be re-designated in the City of Toronto Official Plan from 'Core Employment' to 'General Employment'. Core Employment supports heavier manufacturing uses and does not align with the vision for the area as an 'R&D Office' cluster. There are also compatibility issues posed by the presence of Bombardier immediately to the south on account of their Environmental Certification.

Figure 12: Downsview Aerospace Campus – Initial Renderings of Future Campus



Figure 13: Downsview Aerospace - SWOT

Built Environment		Strengths	Weakness	Opportunities	Threats	
Facilities	Universities	Downsview Aerospace - Centennial College	Downsview Aerospace Campus - plans to attract 14,440 jobs to the area. Will be home to prominent manufacturers such as Bombardier, Honeywell, etc.	Significant provincial and federal funding for the project is allowing for redevelopment	Redevelopment opportunities in the southern portion of the site which can leverage investment and economic development of the Downsview Secondary Plan	Redevelopment of existing building typologies required to attract office or retail uses
			Increased economic investment in the area will put upward pressure on rents and land prices	Limited road access between Downsview and BIA	Subway Station planned for Downsview Park - opportunity for intensification	Aging building stock and high vacancy in buildings bordering Downsview
				Restrictive Environmental Certificate at Bombardier limits development options		To date, none of the proposed tenants have signed leases for the planned Downsview R&D space



2.2.2 University of Toronto

The University of Toronto also has a presence immediately east of the BIA, including the Institute for Aerospace Studies and the University of Toronto Press Distribution Centre.

Figure 14: University of Toronto - SWOT

Built Environment Facilities Universities		Strengths	Weakness	Opportunities	Threats
	Downsview Aerospace - Centennial College	University of Toronto Aerospace Campus is also located directly to the east of the DHBIA			DHBIA located directly in between two aerospace academic institutions. Opportunity to establish an R&D cluster

2.2.3 Government Institutions

2.2.3.1 Humber River Regional Hospital – New Campus & Finch Campus

On October 18th 2015, the new Regional Humber River Hospital opened, bringing a new set of industry and economic activity to the area.¹⁰ The Hospital will be located at Keele and Highway 401, approximately 2km south of the DUKE Heights BIA. The Humber River Hospital Finch location to the west of the DUKE Heights BIA will also continue to operate, with expanded emergency services.

The Government of Ontario has recognized the enormous potential of the area, and has announced plan to revitalize the entire 74 acre campus, with the new hospital becoming a much larger complex of government and health services. The development is to become North America's 'First Fully Digital Hospital'. The hospital is expected to host 42,000 surgeries, 450,000 ambulance visits, and 114,000 ER visits in its first year.

Figure 15: Humber River Regional Hospital



Source: Humber River Regional Hospital

Figure 16: Humber River General Hospital- SWOT

Built Environment Facilities		Strengths	Weakness	Opportunities	Threats
	Humber River Regional Hospital	Humber River Regional Hospital opening in proximity to DHBIA - first fully digital hospital. 74 acre campus of government and health services	Distance to the BIA may require increased marketing of the area to attract support services	Opportunity to attract government and health services to the area - this is already occurring at 2 Champagne Drive and 35 Tangiers	Low rents and high redevelopment costs may prevent further conversions to office for medical and health services. Limited vacant land

¹⁰ Humber River Regional Hospital (n.d) – Retrieved from <http://www.hrh.ca/about>

2.2.3.2 North York General Hospital – Branson Ambulatory Care

North York General Hospital – Ambulatory Care is located immediately to the east of the DHBIA.

Figure 17: North York General Hospital

Built Environment Facilities	Strengths	Weakness	Opportunities	Threats
	North York General - Branson Ambulatory Care & Humber Finch	Other hospitals in area - North York General and Humber Finch Campus. North York General is leading academic hospitals in Canada	Distance to the BIA may require increased marketing of the area to attract support services	Opportunity to establish medical research and development services in the area

2.2.3.3 Environment Canada

Located east of the BIA and proximate to the U of T facilities, Environment Canada has their main Climate Research Division located at the Andrew Thomson Labs. The Division works with scientists in other federal departments and provincial governments, and with universities and research centres in Canada and abroad. The Division's focus is on the generation and dissemination of scientific knowledge needed to resolve climate-related issues of regional, national and international significance to Canada.¹¹

Figure 18: Environment Canada - SWOT

Built Environment Facilities	Strengths	Weakness	Opportunities	Threats
	Environment Canada	Environment Canada has their main Climate Research Division located at the Andrew Thomson Labs		Opportunity to establish a research facility in DHBIA in partnership with Environment Canada

2.2.3.4 Other

Other Government Institutions include the Canadian Forces Base (CFB) Toronto at Downsview Park and the Ontario Courthouse located along Finch.

¹¹ http://www.nserc-crsng.gc.ca/Students-Etudiants/PD-NP/Laboratories-Laboratoires/EC-EC_eng.asp

2.2.4 Community/Business Support Facilities

2.2.4.1 Parks & Open Space

There is a network of open space and trails immediately adjacent to the area. These include the Westminster memorial gardens, G. Ross Lord Park, Harryetta Gardens and the Goel Tzedec memorial park. There is also a trail network extending from Martin Ross and Supertest Streets and connecting into the City of Vaughan. The Keele Reservoir is located within the BIA and hosts an 8.8 hectare park and sports fields.

Figure 19: City of Trails - Parks and Trail Network



Source: City of Toronto Parks & Trails Map

2.2.4.2 Community Centres & Libraries

Surrounded by residential communities to the east and west, there is an abundance of community facilities and residential amenities in close proximity to the site. There are 14 community centres in the surrounding area, and two libraries which can meet the needs of both residents and employees. Downsview Park & Recreational facilities offers several amenities to professionals, including conference space, park space and farmers market on the weekend.

Figure 20: Communities & Parks and Open Space

Built Environment	Facilities	Community Amenities	Strengths	Weakness	Opportunities	Threats	
			Downsview Park & Recreational Facilities (TFC, Hanger)	Parks & Open Space network directly to the south of the DHBIA Farmer's Market at Downsview Park	Limited connectivity with DHBIA	Amenities to attract office professionals	Lack of marketing and awareness of park system
				Large park space with numerous amenities and large performance venues Attract people to the southern portion of the DHBIA after typical working hours	Event space is costly & there is a lack of space for the performing arts and artists	Downsview Airport may be a replacement for the closure of Buttonville Airport	Too expensive and not directly connected - resulting in lost community feel
			Westminster memorial gardens, G. Ross Lord Park, Harryetta Gardens and the Goel Tzedec memorial park	Support for G. Ross Lord Park is lacking			
			Community Centers	Surrounded by residential communities to the east and west - in addition to 15 community centers and 2 libraries	Lack of a artist hub and space for the performing arts No permanent venue for festivals and events	Amenities to attract office professionals	Lack of space for community centers in the BIA Little community space that is centrally focused in the BIA



2.2.4.3 Business Support Infrastructure

An area where the DHBIA needs significant investment is in 'Business Support Infrastructure'. Respondents to the on-line survey indicated there were issues with reliability of hydro and internet service, which interfered with their business functions. In addition, it was cited that there were limited conference and meeting spaces. The exceptions to this were the Montecassino Hotel and Downsview Park conference space. And while there is some incubation space in the area including the new York Entrepreneurship Development Institute an innovation and accelerator program, there were no options for 'growing in place' when businesses were set to expand.

Figure 21: Business Support Infrastructure - SWOT

Built Environment Facilities Business Support Infrastructure		Strengths	Weakness	Opportunities	Threats
		Internet		The existing high speed service is unreliable for companies running multiple sites	Improved internet infrastructure can attract more industries ex. R&D
Hydro	The BIA territory contains a power line corridor	Disruptive power outages	With the power line corridor running through the BIA improvements to the hydro system should be possible without drastic investment	Power outages can cost companies a lot of money if their operation has substantial start up costs	
Montecassino Hotel and Event Venue	Future transit infrastructure will make the area more accessible	Only conference space available in the DHBIA	Opportunity for more restaurants to service the working population In close proximity to Downsview Park which opens businesses for people coming into the city for certain events	Attracting Business Support Facilities will need government or supportive investment under current economic conditions	
Incubation Space	The availability of small units in the DHBIA York Entrepreneurship Development Institute	Difficult to find space in the same area for expansion	Provide incubation space with availability for expansion	The incubator may move to a different location if a suitable internal location is not found in the DHBIA Moving to places with more space and less rent outside the BIA once expanding	

2.2.5 Sensitive Uses

Canada Fuels Association

There is a large petroleum processing facility along the Finch Corridor which spans a significant area of the central BIA. This prevents cohesive corridor development along Finch and visually brands the area as a manufacturing hub.

Dufferin Yard and Organics Processing Facility

There is a waste processing facility in the south east portion of the BIA. The facility reduces access to the area, along with interaction with the street.

Scrap Metal Facility

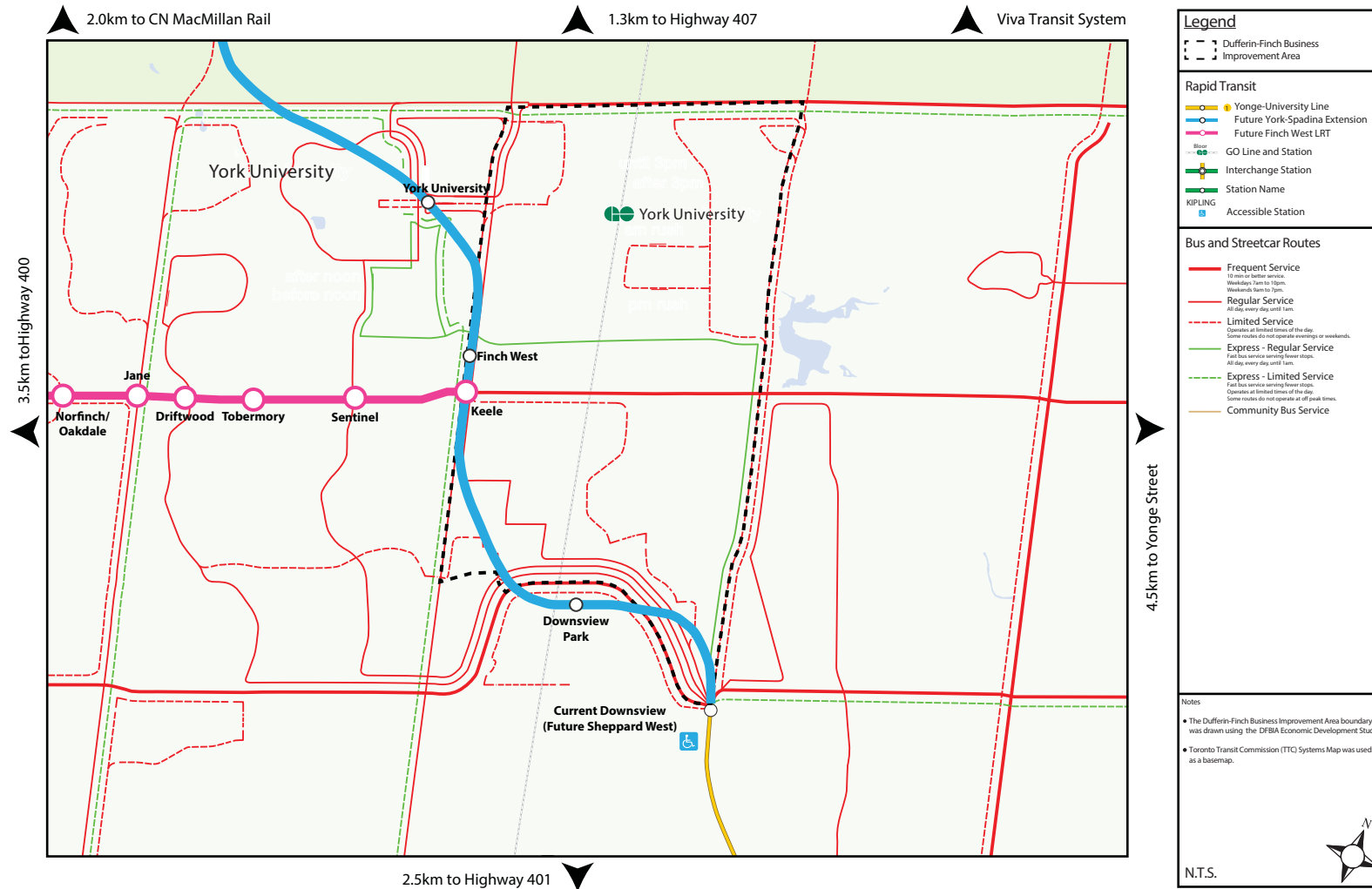
There is a large iron and scrap metal yard in the south west portion of the BIA. This has attracted a wide variety of auto-oriented business. While it has brought auto related employment to the area, it may deter other forms of employers from locating nearby on account of outside storage.

Figure 22: Sensitive Uses - SWOT

Built Environment	Facilities	Sensitive Uses	Strengths	Weakness	Opportunities	Threats	
			Canada Fuels Association	The DHBIA is home to Canada's largest fuel storage and distribution complex in Canada, a large infrastructure investment		Concentrate development into node at Keele and Finch OPA 231 - roads in employment areas will give priority to the movement of transit vehicles and trucks	Limits development along Finch in proximity of planned subway and LRT stations If employment land conversions go through then the longevity of the environment certificate is at risk
			Energy Corridor	Provides a strong energy link to areas beyond the DHBIA	Takes up a large chunk of land	Enhance the pathway along the corridor	
			Dufferin Yard and Organics Processing Facility	Only one of two facilities in the GTA providing an important service	There is a waste processing facility in the south east portion of the BIA	Plans for expansion to increase the amount of tones from 25,000 to 55,000 annually	The facility reduces access to the area, along with interaction with the street
			Scrap Metal Facility		There is a large iron and scrap metal yard in the south west portion of the BIA	Has attracted a wide variety of auto-oriented business	Deter other forms of employment in the area due to prevalence of outside storage

2.3 Transportation Context

Figure 23: DUKE Heights BIA - Transportation Map



2.3.1 Roads

The area is well serviced by provincial highways. Highway 401 is located 2.5km to the south, while Highway 407 is located 1.7km to the north. Highway 400 is located 3.5km to the east, with Yonge St. 4.5km to the west. Access to Highway 407 provides an alternative given congestion on Highway 401. However, due to toll rates, trucking activity along the 407 is more limited.

2.3.2 Rail

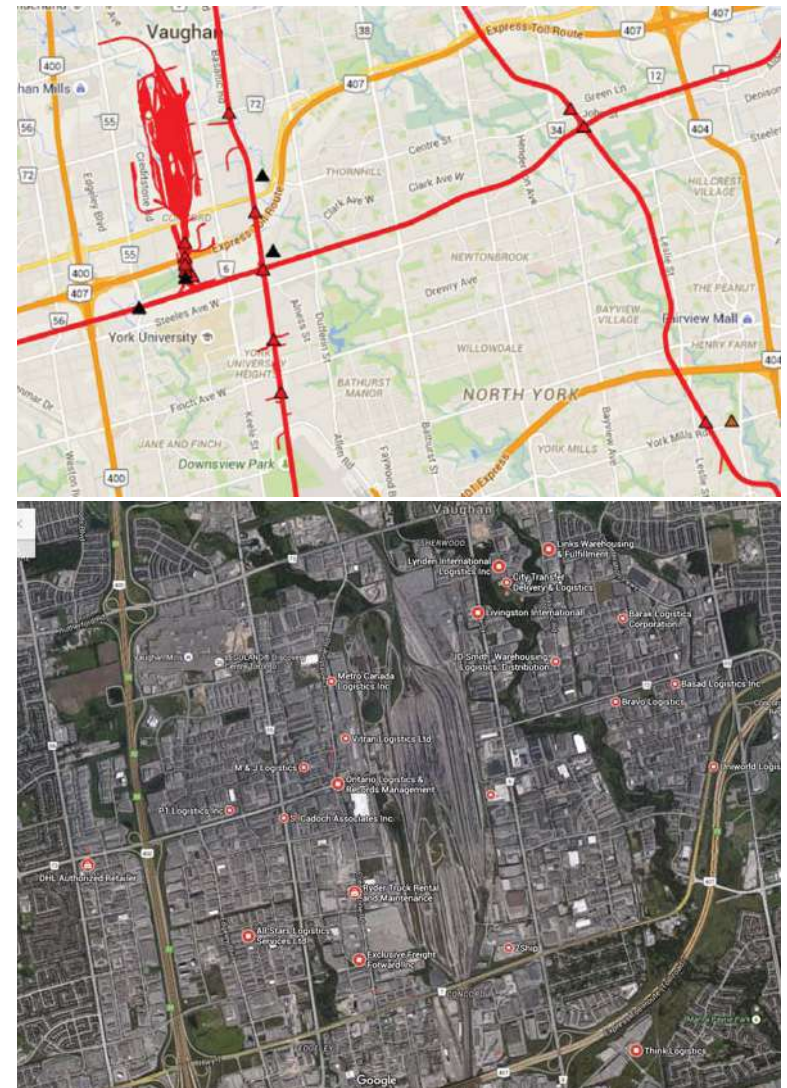
Vaughan's CN 'Macmillan' Rail Yard is located immediately to the north of the DHBIA. There are direct rail linkages connecting to the central portion of the study area via two CN Rail stops: Snider South and Downsview.¹²

Logistics

The yard operates 24 hours a day and handles over 1 million containers per year. The area is also a logistics hub, in which storage facilities in proximity to the rail yard are used to store goods for transport into the surrounding urban areas. Numerous distribution facilities have located here, including UPS, Midland Truck Transport, Metro Canada and numerous smaller logistics facilities.

While improving logistical access to the area, the rail way impedes access to several areas of the BIA, including the south side of Finch and Steeles Avenue West.

Figure 24: CN Rail Network Map & Logistics Facilities



Source: CN Rail

¹² CN Rail Network Map – Retrieved at <http://cnebusiness.geomapguide.ca/>

2.3.3 Transit

There is significant transit investment planned for the area. This is in addition to a comprehensive bus network currently operating frequent and express routes.

The major transit projects impacting the DHBIA are the York Spadina Subway Extension (YSSE) and the Finch West LRT.

2.3.3.1 GO Transit

A GO Transit station is located at Keele and Sheppard, known as the York University Go. There is a shuttle that takes York University students directly to the campus.

2.3.3.2 York Spadina Subway Extension

The 'York Spadina Subway Station' (YSSE) includes 7 stops, extending from the current Downsview Station to the Vaughan Metropolitan Centre:

- Sheppard West – currently Downsview – bordering the DHBIA
- Downsview Park – bordering the DHBIA
- Finch West – bordering the DHBIA
- York University – proximity to the DHBIA
- Pioneer Village
- Highway 407
- Vaughan Metropolitan Centre

The Finch West stop located at Keele and Finch will connect to the Finch West LRT. Plans for the station include an above ground station, 100 bike and 358 parking spots, and street improvements.

2.3.3.3 Finch West LRT

The 'Finch West LRT' will have 19 stops extending from the DHBIA to Humber College. The Finch West (YSSE) and Finch (LRT) stop on the western border of the DHBIA will be the connection point between the rail line and the subway extension. The LRT is anticipated to handle 40,000 passengers a day by 2031. Currently, the bus route the Finch

West LRT will be replacing is one of the three busiest routes in Toronto - with 42,600 passengers per weekday.

Figure 25: Future Finch West Station on York Spadina Subway Extension



Source: Toronto Transit Commission

Figure 26: DHBIA Existing and Planned Transit Connections

	TTC - Bus	TTC - Subway	TTC - LRT	VIVA	Metrolinx
<i>Existing</i>	Several Frequent, Regular, Limited & Express Routes	Downsview – Future 'Sheppard West' Station		Several Frequent, Regular, Limited & Express Routes	1) York University – Go Train
<i>Planned</i>		Downsview Park Stop Finch West Station (connection to LRT Finch Station) Future Finch Stop (Connection to Finch West Station) York University Station	Downsview Park Stop		

2.3.3.4 Active Transportation

Bike lanes are available along Finch West Trail in a dedicated green corridor. This trail connects with bike lanes at York University.

There are specific 'Employment Lands Policies' impacting high order transit sites in the DHBIA which will be discussed in the next section.

Figure 27: Transportation - SWOT

Built Environment Transportation		Strengths	Weakness	Opportunities	Threats
		Roads	HWY 407, 400 & 401 Four major highways are bordering the DHBIA. Allows for the crucial movement of goods in all directions. Direct access off Dufferin and Keele to HWY 400.	Internal road network does not always follow a grid pattern, reducing ease of access and flow through the BIA. Access to HWY 400 to the west is not ideal as the only access point is off Finch.	Proximity to the 407 toll highway immediately to the north reduces time and congestion costs associated with goods delivery. The potential for more 4 way on ramps to the 400 from Sheppard and Wilson.
Access & Movement		Internal and External Road Capacity issues. Construction on the subway lines causing reduced lanes. No vehicle access through G Ross Lord Park. No vehicle access through Downsview Park. Internally Chesswood Drive has congestion issues from 7-7.	Connecting some arterial roads outside of the BIA. More bridges/underpasses under the railway line traveling east/west.	Winding road network. No access from the south (Downsview Park). Can only go over/under the railway on Sheppard, Finch, Steeles. Hydro corridor restricts movement.	
Rail	Internal Rail Splits Proximity to Macmillan Rail Yard and the associated storage and distribution facilities. Allows for direct rail connections to and from industrial premises.	Railway stops internal to the BIA are accessible only by large gas plant.	Access to import, logistics and goods distribution hub is a key competitive advantage for the area.		
Public Transit	York Spadina Subway Extension Four subway stops on the YSSE will allow access to the DHBIA. Will help retain and attract employees.	"Limited vacant land in proximity to planned subway stops - will require redevelopment. Lane reductions during construction".	Promotion of high density office or retail development node within 500 m of subway, LRT or GO Station.	Low density development failing to capture increased density permissions.	
		Multi-modal stop which will connect the LRT and subway. Significant investment in the public realm, including street improvements, bike & vehicle parking.	Limited vacant land in proximity to planned subway stops - will require redevelopment.	Mixed Use Designation to the north and south of the site. Endorses high density office, retail or residential.	Low office and retail rents in the area do not currently incentivize high density development. Important to ensure that the correct number of traffic lanes are preserved during construction.
		Investment in the public realm, including street improvements, bike & vehicle parking.		Promotion of high density office or retail development node greater than 10,000 sm within 500 m of subway, LRT or GO Station.	
	Finch West LRT High order transit is fundamental to attracting office employment and professional services. Will help retain and attract employees.	Limited vacant land in proximity to planned subway stops - will require redevelopment.	Access to high order transit is a cornerstone of innovation districts - opportunity to establish research facilities in the area.	Does not provide service to the eastern portion of the BIA.	
	GO Train High order transit is fundamental to attracting office employment and professional services. GO Train connection on the Barrie Line & Provides direct passenger access to the downtown.		Access to high order transit is a cornerstone of innovation districts - opportunity to establish research facilities in the area. Expanded Service.		
	Active Bike lanes along Finch.	Minimal places to walk to after working hours and lunch hours. Auto Dependent.	Potential for more bike lanes along Transit Road and in the BIA, connect the disconnected bike lanes. Need to improve/install sidewalk connections to subway stations.	More bike lanes would reduce the amount of space for automobiles.	



3.0 Market Environment

3.1 Market Indicators

3.1.1 Industrial

The GTA industrial market continues to show growth since the recession, spurred by the development of logistics and distribution centres. Recent GTA industrial development have featured higher clear heights than traditional industrials, and heights over 30' are becoming the new norm, as users are demanding space that offer improved cube efficiency. The GTA West has seen the majority of the new construction, in part due to land availability, transportation access including inter-modal facilities and proximity to the American border. The lack of land availability may eventually encourage re-development or re-purposing of older industrial buildings and areas.

Facilities in the GTA central, and those within the study area tend to be smaller than the current high cube distribution facilities which are typical of recent construction. The North York market has a total inventory of 77 million square feet, with approximately 1.2 million square feet currently available. The building typology within the GTA Central/North York is predominantly lower clear heights and higher lot coverage typical of older manufacturing buildings. There are currently no industrial buildings under construction due to the constrained land supply, and current low vacancy rate. Asking rates for buildings within the area are lower than the GTA average, approximately \$4.50 per square foot versus \$5.25 per square foot in the GTA.¹³

High land values within the urban centres will continue to increase the interest in the conversion of industrial areas to residential, retail and mixed use, but strong provincial policies and the recent City of Toronto Municipal Comprehensive review have set out strong policies to preserve employment areas for employment.

¹³ Colliers Industrial Statistics Q1 2015

3.1.2 Retail

The emergence of e-commerce and the growth in luxury retailing are the two largest influences on retail real estate. The growing luxury market, and the associated retailers have begun to enter the urban Canadian marketplace. This growth has led to the modernization and renovation of many suburban malls. "High Streets" such as Bloor West in Toronto, have seen demand and rents increase with the influx of luxury retailers.

E-commerce has been a driving force in shopping habits, forcing standard brick and mortar retailers to consider new formats, and move to improve their logistics operations. Stores such as Ikea, Walmart and Loblaws have recently taking steps to reduce their standard store sizes, and test new strategies to attract shoppers. Smaller formats allow these retailers to locate closer to the higher density urban market. Online shopping has also driven a need for stronger warehousing and logistics infrastructure. Walmart has recently established 33 "Grab and Go" locations for the GTA which allow e-commerce shoppers to easily pick up their purchases. E-commerce also has the capacity to change the future of older industrial areas with good transportation options, as some logistics operators are looking for smaller distribution centres to address the urban market.

3.1.3 Office

The GTA has recently seen a revival of the downtown office market, as major construction in the South Core and the downtown has added significant inventory of A- class, LEED certified space. This has resulted in the return of B and C-class space across Toronto to the market. A-class office continues to drive the suburban market, in particular Airport Corporate Centre and Meadowvale.

Proximity to high-order transit and the competitive environment for talent has driven the return to the downtown market. Older A-class buildings in the downtown core are modernizing and repositioning themselves, absorbing some of the former mid-town and suburban tenants.

B and C-class buildings in Toronto will struggle to compete with the significant new inventory. Lease rates for these buildings are in the twelve dollar range, while downtown rents are currently exceeding thirty dollars. The suburban market varies between locations, but A-class buildings in these locations, which often feature free surface parking, are in the sixteen to eighteen dollar range.

Figure 28: Real Estate Trends - SWOT

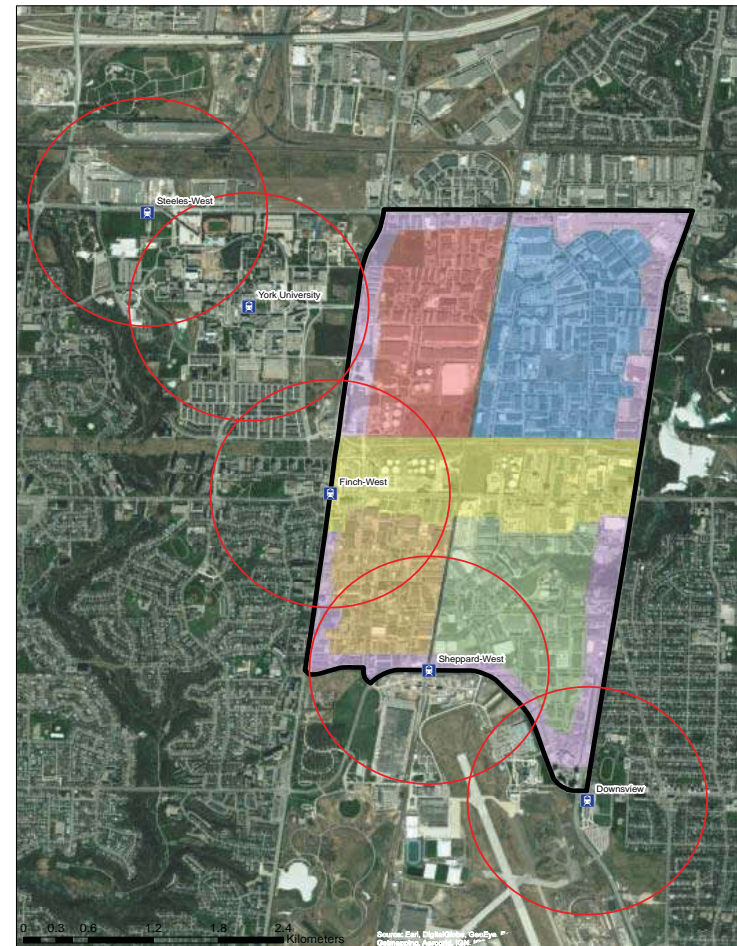
Market Environment Employment and Real Estate Trends		Strengths	Weakness	Opportunities	Threats
		Industrial	Continues to show growth since the recession	With little vacant land there is a lack of space for industrial expansion	Asking rates are lower than the GTA average Toronto's industrial development may be boosted by the low Canadian dollar Redevelopment has been found to be a more cost effective over new development
Office	Revival of the downtown office market as workers want to be closer to amenities. Renewed interest in B and C Class Buildings	There has been a significant inventory of office space added to the downtown core B and C-class buildings will struggle to compete with the significant new inventory. Lease rates for these buildings are in the \$12 versus \$30 downtown	Proximity to high-order transit has driven the urban office markets Increasing investments in new technology Vacancy rates in Toronto are among the lowest in Canada	Increasing supply in downtown Toronto will affect existing B & C class buildings Older A class buildings are renovating and absorbing former mid-town and suburban tenants Worries about older properties being left behind	
Service	Demand for health care services are continually growing This sector has seen continual growth and has consistently maintained its share of employment		As baby boomers age, more investors are putting money into medical offices and healthcare properties	Canadian markets have been slow to see supporting investments in health care	
Retail	E-commerce has changed shopping habits, forcing retailers to improve their logistical operations Historically large stores have started to reduce standard store sizes	Falling retail employment and spending on account of e-tailing	Logistics operators are looking for smaller distribution centres to address urban markets Many retail locations are starting to have both the operations and sales centre seen in one building	Retail rents have increased with the influx of luxury retailers Markets succeed where there is a large market after working hours and weekend and attraction retail	
Other	Has continued to increase in size over the past decade	The entertainment, community and recreational facilities/uses historically have struggled to find funding	There is a lack of entertainment, recreation and community space in the DHBIA		

3.2 Land Use Context

IBI Group has established a geographic breakdown of the BIA which takes into account existing land use, proposed and existing infrastructure. In total, there are five areas referenced on the map:

- North West Quadrant – Bordered by Keele Street to west, Steeles Avenue to the north, the rail tracks to the east and the Hydro/Transitway to the south;
- North East Quadrant – Bordered by the rail tracks to the west, Steeles Avenue to the north, Dufferin to the east and the Hydro/Transitway to the South;
- Finch Corridor – Properties which front Finch Avenue from Keele Street to Dufferin Street
- South West Quadrant – Keele street to the west, south of the Finch corridor to the north, the rail tracks to the east, and Sheppard Avenue/Downsview to the south;
- South East Quadrant – South of the Finch corridor to the north, Dufferin Street to the west, Sheppard Street/Downsview to the south and the rail tracks to the west.

Figure 29: Geographic Breakdown of the BIA by Land Use



Legend

DFBIA Boundary	Quadrant 4 Southeast	Edge Gateway Opportunity Sub-Area
TTC York-Spadina Extension Stops	Quadrant 3 Southwest	
Subway Station 800m Buffer	Quadrant 2 Northeast	
Finch Corridor	Quadrant 1 Northwest	



3.2.1 North-West Quadrant

The edges of the NW Quadrant are predominantly retail and mixed retail/industrial with some wholesale trade. The west side of the site fronts one of the major entrances to York University. The Keele Reservoir covers a significant amount of land. The majority of the interior land uses are mid-sized industrial with some multi-unit buildings. There is limited outside storage. The newest and largest buildings within the overall study area are located here, including the new Apollo Health and Beauty Care facility.

Opportunities - Despite having only one vacant site within this section, there are redevelopment opportunities, in particular around the edges. The retail area which faces York University includes the vacant land and could service the area, providing amenities to employment areas and creating synergies with the university. The north-west corner of Keele Street and Steeles Avenue West offers gateway opportunities for the BIA.

Challenges - The Tank Farms to the south of the site make the area less appealing and impact the ability to attract population related employment. The railway tracks and the Tank Farms create a division between the other quadrants, and impact the area's connections to the rest of the BIA.

Recommendations:

- The planned Public Realm Study offers a number of opportunities to address some of the challenges and issues within the north-west quadrant. The BIA should use the study to:
 - Review opportunities to make the streetscape and retail along Keele Street, and Steeles Avenue more inviting to York University students;
 - Review gateway opportunities at the major intersection of Keele and Steeles in order to stimulate placemaking and develop public awareness of the BIA.
- Develop signage and branding along main arterials to create a sense of place.
- Review the York University Master Plan to inform development opportunities along Keele Street and create stronger physical connections to the Campus.
- Coordinate with York University's business incubation program to see if existing or future space within the north-west quadrant could serve as additional facilities for programs.

3.2.2 North-East Quadrant

There are a variety of land uses within this area, including a significant Teknion/Global campus and their new office building. The industrial buildings are generally mid-sized with a mix of multi-unit buildings and stand-alone users. There is one vacant parcel within the site, however it is not known whether it is currently being marketed for development. There are no development applications on the site. Further south towards the Finch Corridor, there are a number of small standalone buildings. Buildings which abut the railway offer good distribution and significant shipping opportunities.

The edges along Steeles Avenue West and Dufferin have a number of retail and mixed use /industrial/office/retail uses. The lands along Steeles and the south west corner of Steeles and Dufferin are surrounded by modern big box retail with large surface parking lots. The retail/ mixed use along Dufferin includes a grocery store, and some retail/whole sale trade with second floor office.

Opportunities - Most of the lands are currently occupied, though there is one large vacant piece of land in the centre of the area. The lands along Dufferin offer some opportunities for modernization and re-development. The variety of industrial buildings sizes, including small multi-unit building opportunities will allow for a variety of users and assist in retention. The Teknion/Global campus will also attract other users.

Challenges - The institutional uses to the east of the BIA, including Environment Canada and University of Toronto's Institute of Aerospace Studies should be reviewed for synergies. Sanofi Pasteur, a division of a multi-national pharmaceutical company which is located to the east of the BIA is outside of the BIA's boundaries, but may share some of the same concerns and interests as businesses within the area.

The existing big box development along Steeles Avenue has limited redevelopment and intensification options due to the need for large scale surface parking lots. The majority of the lands are currently built-out and will offer limited or no redevelopment in the near future.

Recommendations:

- The planned Public Realm Study offers a number of opportunities to address some of the challenges and issues within the north-east quadrant. The BIA should use the study to:



- Review opportunities to make the streetscape and retail along Dufferin Avenue more appealing to the institutional employees to the east;
- Review opportunities to create connections between the Finch-Hydro Corridor Recreational Trail and the G. Ross Lord Park in order to provide local employees more green space.
- Large users such as Teknion should host larger industry events to showcase the industry cluster existing in the BIA.
- Foster connections with institutional users to the east such as Environment Canada and the University of Toronto Institute for Aerospace Studies through an outreach program in order to review synergies and encourage employees to visit local businesses.

3.2.3 Finch Corridor

The uses along the Finch Corridor are predominantly office and retail, with some industrial. The north side of the Finch Corridor is occupied by Tank Farms. The Champagne Centre is located along the Finch Corridor, and is an example of adaptive reuse of a 270,000 sf industrial building, which now has a variety of medical space along with sports facilities - including an ice rink and indoor soccer. Closer to the planned Finch Subway Station there is an eight-storey office building being marketed to medical users.

Opportunities - The west area of the corridor will soon be serviced by the subway expansion. The planned Finch LRT will also provide high level transit to the area. There are a number of large lots with older retail buildings which might have potential for redevelopment to provide higher density office and retail opportunities. There is also a residential community to the west of the DHBIA which can provide users to the area.

Challenges - Despite the existence of office in the Finch Corridor, and improvements in transportation infrastructure, the area may still have difficulty attracting significant office developments. The continued operation of the Tank Farms will also impact the perception of the area, and means of mitigating their impact on the area should be considered.

Recommendations:

- The BIA should become a vocal stakeholder in the City of Toronto's ongoing and future review of the area around LRT stations, with particular focus on policies which impact the Finch-West station.
- Review with local landlords/landowners any opportunities to house initial hub space in existing vacant office or retail space. Ideally this space will be between 1,000 to 3,000 sf, built-out to include common areas, a board room and small offices for meetings.
- The planned Public Realm Study offers a number of opportunities to address some of the challenges and issues within the Finch Corridor. The BIA should use the study to:
 - Consider how to mitigate the visual impact of the Tank Farms on existing businesses and visitors;
 - Review opportunities to create a more pedestrian friendly streetscape through landscaping and design interventions.
- The BIA to host events at restaurants and sites along Finch in order to drive traffic to local businesses and create greater awareness of local amenities.
- Use the high profile intersections of Finch/Keele and Finch/Dufferin to create gateways to the retail/office and service section of the BIA and encourage pedestrian and automobile visitation to the local amenities.

3.2.4 South-West Quadrant

The interior of the south-west quadrant has a number of auto-oriented uses, including significant outside storage. The street network includes a number of dead-ends which makes transportation difficult. Keele Street offers retail and food-related retail uses, including a new urban-format Walmart. These uses would service the residential community to the west. There are a number of multi-unit industrial buildings in this area, along with a functioning scrap yard. To the south of the area, there are more mid-sized buildings. There is also a senior's residence in this area, which might impact any existing or proposed land uses.

Opportunities - The residential population to the west can potentially support higher density retail redevelopment, much like the Walmart. The redevelopment of the William Baker lands, inside the Downsview Secondary Plan, will also change the retail and employment needs in the neighbourhood.

Challenges - The road network within this area, including the lack of connection to Sheppard will impact the accessibility of the area. The small lots and outside storage make re-development and land gathering difficult and expensive.

Recommendations:

- The planned Public Realm Study offers a number of opportunities to address some of the challenges and issues within the south-west quadrant. The BIA should use the study to:
 - Review opportunities to attract the existing residential population east of the BIA to the services and amenities along Keele Street;
 - Examine if there is an opportunity to review the road connections including improvements to Sheppard Avenue to create better connections to the surrounding area and address ongoing congestion.
- The BIA should become a vocal stakeholder in the City of Toronto's ongoing and future review of the area around subway stations, and future planning initiatives which will impact the south-west quadrant, including Sheppard West Station, the planned re-alignment of Sheppard Avenue and the future planning of the Downsview Park Secondary Plan.

3.2.5 South-East Quadrant

This area has a significant City yard and natural heritage features within the central area. Buildings in this area tend to be older, yet larger manufacturing facilities. The refurbishment of an industrial building, including a roof lifting, is a testament to the appeal of the area. There is significant manufacturing, along with a recreational/hospitality component to the south-west. The east of the site has a large car dealership, big box retail and some institutional office. The south-eastern tip of the area has new high density retail and subway access.

Opportunities - The redevelopment of Downsview, with the potential re-alignment of Sheppard and the extension of the employment area will create better transportation options and more opportunities. The large buildings are still in demand and appeal to manufacturing.

Challenges - The area is essentially built out, and opportunities for re-

development or retrofitting like the Planters site are not common. The road access on Chesswood is often congested and offers one of the only north south routes.

Recommendations:

- The planned Public Realm Study offers a number of opportunities to address some of the challenges and issues within the south-east quadrant. The BIA should use the study to:
 - Review opportunities to create greater connections to the exiting Downsview Station and the residential population to the east;
 - Use a potential streetscape and network opportunities study to address road congestion; and
 - Look for ways to connect the services and facilities along Sheppard West to the larger employment component of the BIA.
- As with the south-west quadrant, the BIA should become a vocal stakeholder in the City of Toronto's ongoing and future review of the area around subway stations, and future planning initiatives which will impact the south-east quadrant, including Sheppard West Station, the planned re-alignment of Sheppard Avenue and the future planning of the Downsview Park Secondary Plan.
- Large food/beverage manufacturers in the area should host industry events in order to showcase the BIA to targeted clusters.
- Increased branding and signage along Dufferin to identify the BIA, in particular at intersections to help create an identity.

Appendix A.3 contains a list of current and future studies that may impact the area and should be monitored.



3.3 Recent Developments

The study area currently has a limited number of development applications, in part this is due to the built-out nature of the area, and the low industrial vacancy.

3.3.1 35 Tangiers

A proposed 8-storey office with retail at grade. The development is currently site plan approved, and is located near the new subway station. Construction has recently begun on this development which will have 260 parking spots, some at grade, but the majority in two levels of underground parking. In total the development would have 2,365 sm of retail space and 11,571 sm of office space. The site is zoned MC (H), which permits the development, but the holding provision (H) is intended to limited the amount of retail permitted on the site.¹⁴ The project is being marketed as “University Heights Professional and Medical Centre”.

3.3.2 2 Brisbane Road

There is currently a proposal to obtain site plan approves for a two-storey addition of 2,107 sm to the existing Toronto Research Chemicals building for warehousing and office uses. This application is currently under review.

3.3.3 3711 Keele Street

This application was approved in 2013, a conversion of an existing industrial building to permit a retail building with a total GFA of 7,322 sm. The building is currently occupied by a Salvation Army Thrift Store.

3.3.4 Ontario Municipal Boad Hearings

There are currently two appeals before the Ontario Municipal Board regarding OPA 231 which are in the Duke Heights BIA area. The owners of the following two properties, are among 178 appeals involved in this hearing:

- **4646 Dufferin Street (PL140860 Appeal #26); and**
- **2 Champagne Drive;1107 Finch Avenue West (PL 140860 Appeal # 31)**

There have been three prehearings held in 2015, and one in 2016. Mediation is planned to begin at the end of May, 2016, with a hearing scheduled in June of 2016. The majority of the appeals in this hearing seek to bring in residential land uses into General and Core Employment Areas and as part of the City’s Municipal Comprehensive Review (MCR), and had submitted applications for land use conversions at that time. The City during the MCR reviewed these applications and denied the conversion, those landowners appealed this decision and the OPA to the Ontario Municipal Board.

¹⁴ City of Toronto Staff Report, May 30, 2014 (12 273550 NNY 08 OZ)

Figure 30: Land Use - SWOT

Built Environment Land Use		Strengths	Weakness	Opportunities	Threats
		North West	West side of the site fronts one of the major entrances to York University. The Keele Reservoir covers a significant area.	Only one vacant site within this section. Retail vacancy.	The newest and largest buildings within the overall study area are located within this area, including the new Apollo Health and Beauty Care facility. Northeast corner offers gateway development opportunity. The retail area which faces York University includes the vacant land and could service the area, and provide good amenities to the employment area and create synergies with the university.
North East	Sectoral Diversity in the area, including Teknion/Global campus and their new office building. Most of the lands are currently occupied, though there is one large vacant piece of land in the center of the area.	One vacant site within the site and it is not known if this site is currently being marketed for development. The existing big box development along Steeles Avenue has limited redevelopment and intensification options due to the need for large scale surface parking lots.	Buildings which abut the railway offer good distribution and significant shipping opportunities. The variety of industrial buildings sizes, including small multi-unit building opportunities will allow for a variety of users and assist in retention. Teknion will attract other users. In addition, there is a furniture manufacturing cluster in the area.	The institutional uses to the east of the BIA, including Environment Canada and University of Toronto's Institute of Aerospace Studies should be reviewed for synergies. The majority of the lands are built-out and will offer limited or no redevelopment.	
Finch Corridor	The west area of the corridor will soon be serviced by the subway expansion. The planned Finch LRT will also provide high level transit to the area.	Area may lack the qualities considered essential to office development, such as walkability, retail and street improvements.	There are a number of large lots with older retail buildings which might have potential for redevelopment to provide higher density office and retail opportunities. This exists on the east side or west side - not central. The east side of the corridor where most of the available land is does not have high order transit access.	The continued operation of the Suncor Oil Facilities will also impact the perception of the area, and means of mitigating their impact on the area should be considered. Rail Facilities prevent street access on the south side of the street in the central portion of the corridor. This disrupts walkability and access.	
South West	There are a number of multi-unit industrial buildings in this area, along with a functioning scrap yard.	The street network includes a number of dead-ends which makes transportation difficult.	Keele Street offers a number of retail and food-related retail uses, including a new urban-format Walmart. High density residential uses to the west offer opportunity for population related employment.		
South East	The redevelopment of Downsview, with the potential re-alignment of Sheppard and the extension of the employment area will create better transportation options and more opportunities.	The road access on Chesswood is often congested and offers one of the only north south routes.	The large buildings are still in demand and appeal to manufacturing.	The area is essentially built out, and opportunities for re-development or retrofitting like the Planters site are not common.	



4.0 Policy Environment

4.1 Economic Development

4.1.1 City of Toronto Economic Development Policy

The City of Toronto has several high level economic development policies aimed at driving growth in the city. In some cases, these high level policies are supported by implementation mechanisms which may be leveraged to support local economic development. A review of the 'Collaborating for Competitiveness' document highlights 8 implementation strategies. These include:

1. Enhance Toronto's Incubation Network
2. Aerospace Campus Cluster in Downsview Area
3. Economic Growth and Job Creation Advisory Committee
4. Strengthening High Value Sectors –
 - 4a. Tech Sector Recruitment Strategy
 - 4b. Tech Sector Space & Expansion
5. State of Manufacturing in Toronto Report
6. Toronto Music Sector
7. Initiatives to Strengthen Food & Beverage
8. Redesigning the Vacant Commercial & Industrial Tax Relief Program

Specific policies which support these economic objectives will be reviewed in later stages of the project to understand whether there is an opportunity to build on the vision of the BIA.

4.1.2 City of Toronto BIA and Neighbourhood Improvement Programs

The City has site-specific economic development policies, both generally and specific to Business Improvement Areas.

One area of economic development policy is tax rebates or exemptions. Policies of note for the DHBIA are the Brownfield

Remediation Tax Assistance policy and Toronto's Imagination Manufacturing, Innovation and Technology Business Incentive.

Figure 31: City of Toronto Tax Incentive Policies

Policy	Municipality	Rebate
Heritage Use Exemption	Toronto	40% off property tax for heritage portions of the property
Vacant Buildings	Toronto	Buildings vacant for more than 90 days receive a rebate
Brownfield Remediation Tax Assistance	Toronto	Tax is exempt for up to 3 years or until all remediation costs have been recovered. Must be developed for non-retail employment uses
Toronto's Imagination, Manufacturing, Innovation and Technology (IMIT) business incentive	Toronto	Rebates on taxes in specific sectors. Up to 60% of City of Toronto tax increases are rebated for the target sectors. These include: Biomedical Operations/ Creative Industries/ Financial Services/ Information and Communications Technology / Manufacturing / Tourism Attraction.
Community Improvement Plans	Toronto	The IMIT program also applies to designated areas in the city where Community Improvement Plans are in place. Desired industries will receive a rebate for commencing operations in these targeted employment zones.

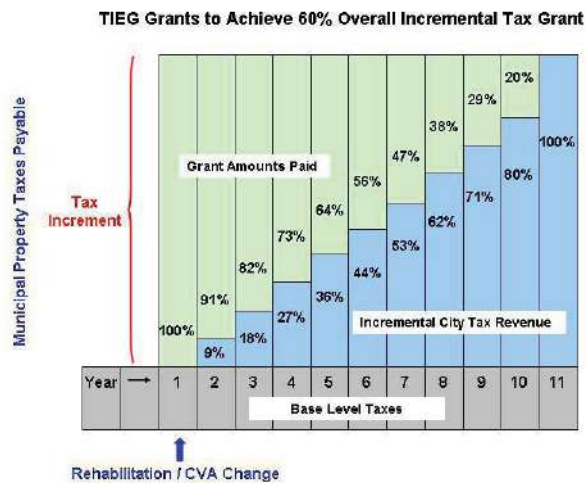
4.1.3 Toronto's Imagination, Manufacturing, Innovation and Technology Business Incentive

The City of Toronto IMIT grant has been increased to 70% of the increase in the municipal taxes attributable to eligible commercial and industrial construction over a 10-year period. When used as part of a combined Brownfield Remediation Tax Assistance (BRTA) application the incentive increases to 77%.

Eligible Sectors

- Biomedical Operations
- Creative Industries
- Financial Services
- Information and Communications Technology
- Manufacturing
- Tourism Attractions

Figure 32: TIEG Grants



4.1.4 Commercial Façade Improvement Program

The Commercial Façade Improvement Program is a widely used tool for BIA's to enhance their public realm and invest in aging buildings. Administered by City of Toronto 'Economic Development', it provides funding to private property owners to redesign, renovate or restore commercial or industrial building facades. This includes brick cleaning, restoration, wheelchair accessibility, doors, signage, windows, lighting and masonry. Up to \$12,500 can be provided by the City, covering up to half of the cost of the improvements.

4.1.5 Development Charges

Development charges are fees levied on residential and non-residential development to pay for infrastructure servicing in growth areas. The City of Toronto has development charge policy which takes into account economic development objectives.

These include:

- No development charges on industrial development. There are select municipalities across Ontario which exempt industrial development to incentivize employment growth.
- No development charges on office development above the first floor. In this case, only the gross floor area of the ground floor is charged a development charge.
- Development charge discount on Green Buildings. Buildings that meet the Tier 2 requirements of the Toronto Green Standard will receive a 20% development charge rebate.
- Development charge exemptions on buildings used or owned by a university.
- Exemptions on IMIT Grant recipients. Buildings approved for a grant under the Imagination, Manufacturing, Innovation and Technology Property Tax Incentive Program (subject to an agreement).



4.2 Official Plan

Figure 33 outlines Official Plan land use designations within the DHBIA. The predominant land use designation within the study area are 'Employment Areas'. There are also 'Natural Areas', 'Parks', 'Other Open Areas' and 'Mixed Use Areas'. Allowable uses for each land use designation will be outlined below.

Employment Areas

Employment Areas are 'to be used exclusively for business and economic activities'.¹⁵ Employment areas are 'designated for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities'.¹⁶

There are two types of employment uses 'Core Employment' and 'General Employment'

Core Employment

The majority of employment uses are designated as '*Core Employment Areas*'. These uses are generally located internal to employment areas. This is to prevent uses which would attract the general public into the interior of employment lands, disrupting operations and includes heavier employment uses such as manufacturing or warehousing.

Uses permitted in Core Employment Areas are manufacturing, warehousing, wholesaling, transportation facilities, offices, research and development facilities, utilities, industrial trade schools, media facilities, and vertical agriculture. Small scale retail outlets that are ancillary to and on the same lot as the principal use may be permitted up to a maximum size set out in the applicable Zoning By-laws.

General Employment

General Employment areas are reserved for business and economic activities generally located on the periphery of Employment Areas and permit retail service, fitness centres and restaurant business activities in addition to manufacturing, warehousing, transportation facilities, offices, research and development facilities and trade schools. Uses in General Employment areas can build off of transit access, and may act as a buffer to heavier employment uses internal to the area.

Mixed Use Areas

Mixed Use Areas allow a broad array of uses, including residential, office, retail services, institutions, entertainment, recreation and cultural activities and parks and open spaces.

On December 18, 2013 the City of Toronto passed Official Plan Amendment No. 231 which applies specifically to 'Employment Areas' of the City. The goal of the plan was to outline new economic policies and programs which would support employment lands and enhance their ability to contribute to the overall economic goals of the City.

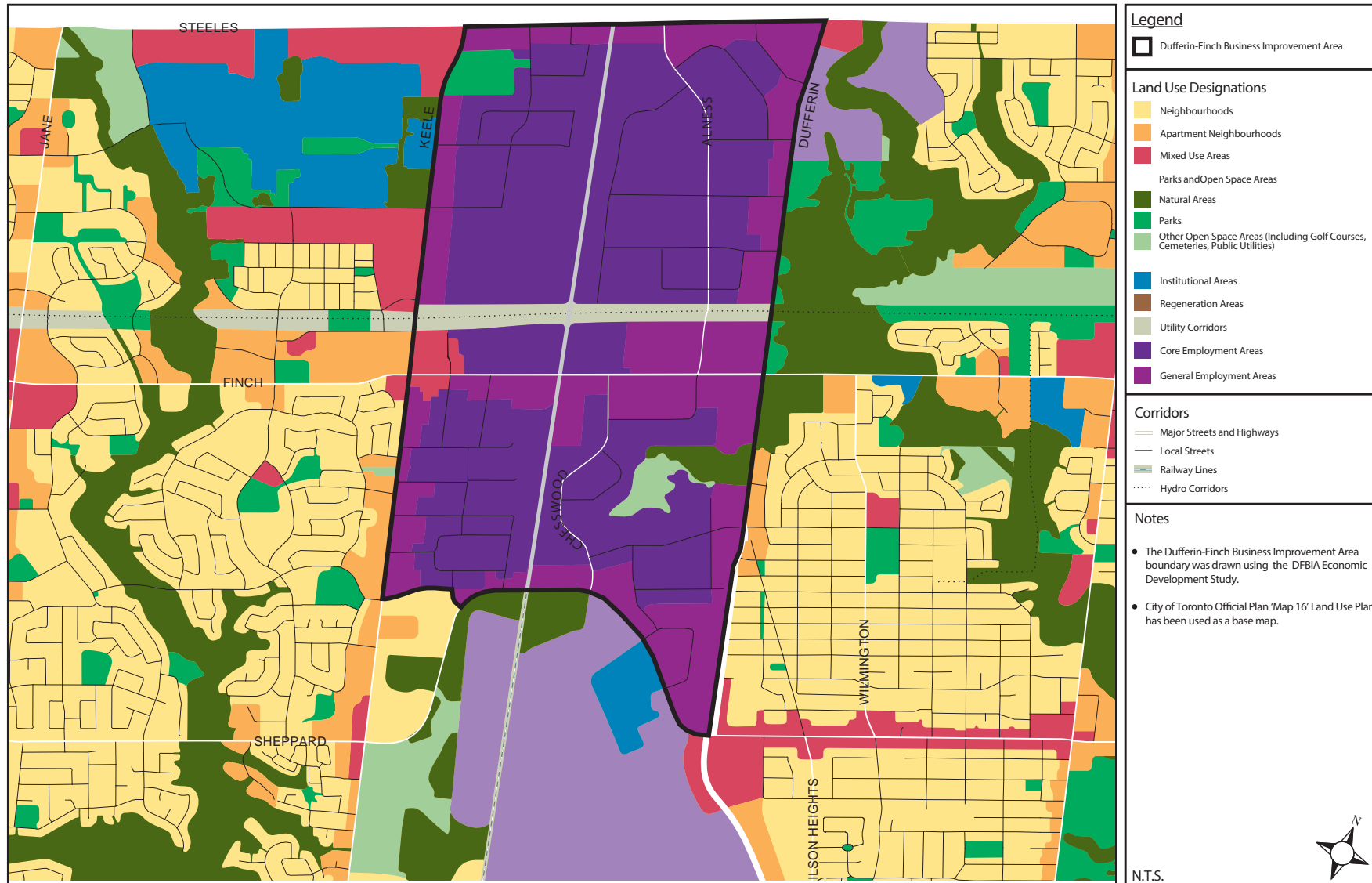
Specifically there are new policies which recognize the changing physical and economic landscape in the City. These include policies which aim to capitalize on increased transit connectivity and a more dense urban form. Overall, the '*Employment Areas*' policy aims to achieve a minimum gross density target of 400 jobs and residents per hectare. Conversion is permitted only through Municipal Comprehensive Review every five years. However, the current City mandate is to preserve employment lands, with minimal conversion of employment land envisioned.¹⁷

¹⁵ *Amendment to the Official Plan of the City of Toronto – Section 2.2.4 'Employment Areas: Supporting Business and Employment Growth'*

¹⁶ *Official Plan Amendment No. 231 – Policy 1 – Employment Areas*

¹⁷ *Personal Communication with Al Rezowski (August 19) – Planning Dept. and Mike Major (August 26) – Economic Development Officer*

Figure 33: Official Planning Designations in the DUKE Heights BIA



Source: IBI Group, City of Toronto



4.2.1 Employment Area - Economic Development Policy

One goal of employment areas is to permit a 'broad array of economic activities that encourage existing business to expand or diversify into new areas of economic activity and facilitate firms with functional linkages to locate in close proximity to one another'.¹⁸ This can be done through cluster analysis by determining what the existing industry focus of an area is. In the next section, a 'Location Quotient' analysis will be undertaken to understand if there are existing clusters in the BIA.

Another goal of the City of Toronto to 'invest in key infrastructure to support employment areas, and incentivize investment through special tools, tax incentives and programs and partnerships' (Section 4.b). Through discussions with BIA staff it was apparent that the typical 'BIA' approach did not suit the requirements and investment needs of employment BIA's. In order to 'promote the distinctive character or specialized function of an area to attract businesses within a particular targeted cluster of economic activity' (Section 4.b.i) and 'address the absence of key physical infrastructure and amenities for workers, poor environmental conditions or poor accessibility' the City of Toronto recommended case study analysis be undertaken as part of this study.¹⁹ This could extend to the mandated need to 'establish a connected network of public streets for use by trucks, automobiles, transit, bicycles and pedestrians' (4.d) and 'promote a high quality public realm and created comfortable streets, sidewalks, parks and open spaces for workers and landscaped streets to promote pedestrian transit use and attract new business ventures' (4e)

Employment Area policy aims to 'facilitate the development of 'vacant lands' (4.b.iii) 'brownfield sites' (4.b.iv) and the adaptive reuse of vacant buildings for employment uses. City of Toronto tax incentives, such as the Vacant Land and Brownfield Tax Credit can be used for these objectives. Finally, Employment Area policy emphasizes transit-oriented office growth in specific areas. Directly relevant to the DHBIA, this extends to GO Stations in Employment Areas. The existing York University GO presents an opportunity for high density office growth – according to the OP. In addition, 'major freestanding office buildings with more than 10,000 square metres should be located in Mixed Use Areas 'within 500 metres of an existing or an approved and funded subway, light rapid transit or GO station'. There are three opportunities for such development in the DHBIA.

4.3 Zoning By-law

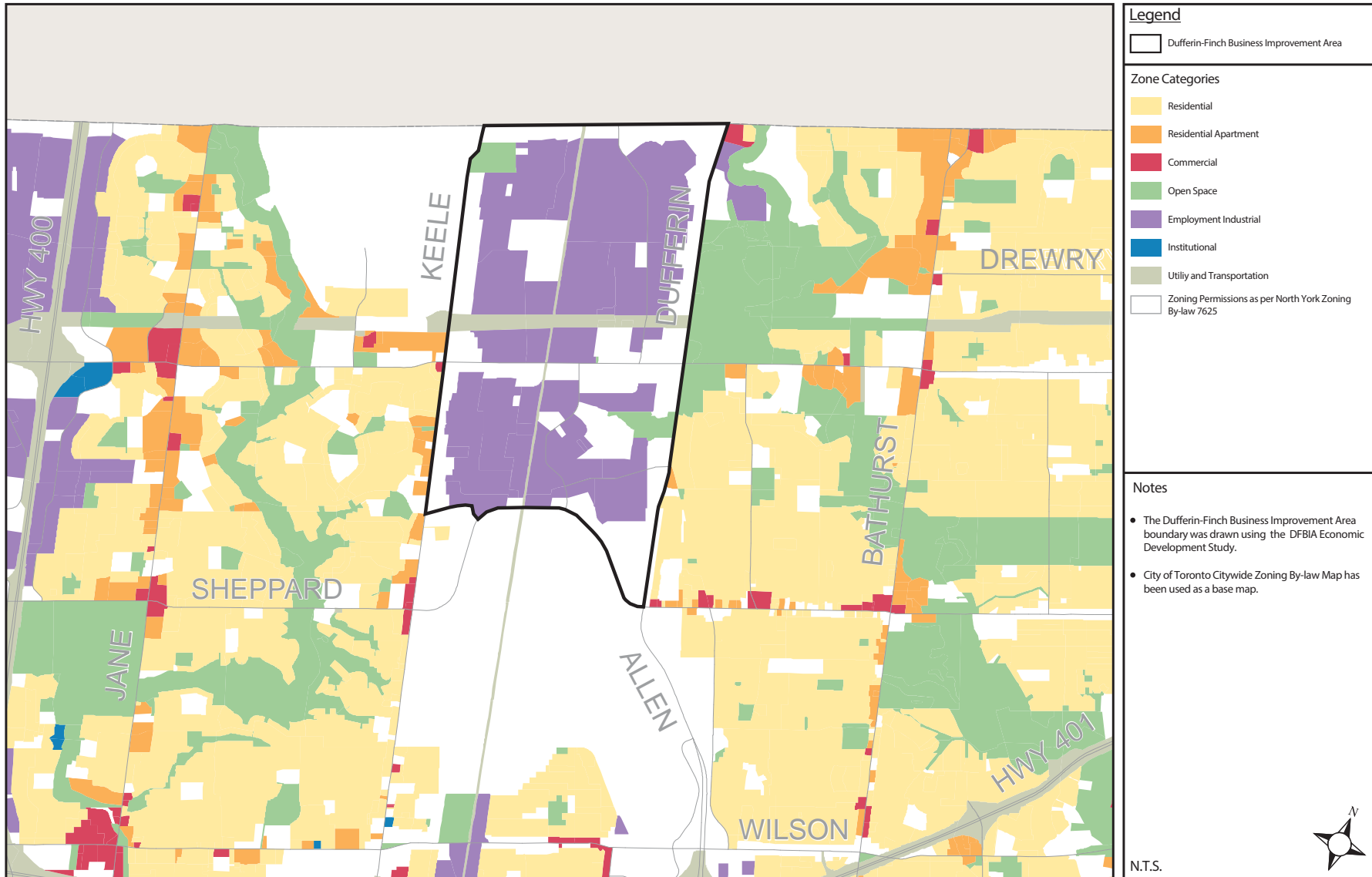
Figure 34 maps out the zoning by-law designations for the DHBIA. Employment Industrial is the predominant use in the BIA, with some zoning provisions for open space.

Through amalgamation, permissions associated with the North York Zoning By-law are still in effect. City of North York Zoning By-law No. 7625 is exempt from the City of Toronto-wide Zoning By-law No. 569-2013.

¹⁸ Section 4.a – OPA No. 231.

¹⁹ Personal Communication with Mike Major (August 26) – Economic Development Officer

Figure 34: City of Toronto Zoning By-law in DUKE Heights BIA



Source: IBI Group, City of Toronto

5.0 Employment Environment

An employment survey is undertaken annually in the City of Toronto, which reviews the distribution of jobs across six sectors; office, manufacturing, institutional, service, retail and other. Total employment by category is collected city-wide, and for each of the major employment districts.

An overview of the employment categories and the benefits of each will be reviewed in the following section, as defined by the City of Toronto Employment Survey (ES). An understanding of the types of employment included in each category and their contribution to the economy will be important when devising a vision for the BIA. City-wide trends will be presented in order to understand if data collected in the BIA is part of a broader or more localized shift.

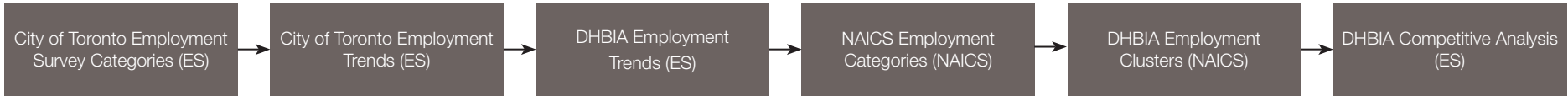
Next, employment in the DHBIA will be assessed for each of the six categories used by the City of Toronto ES. Employment trends since 2001 will be highlighted, enabling a long term view of the area's development. Office and manufacturing specifically will be reviewed in detail, given the focus on these employment categories in the BIA.

While the City of Toronto ES looks at employment in six categories, more detailed information is available. The North American Industry Classification System (NAICS) is the standard used by Statistics Canada in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the economy. NAICS defines industries by 2, 3 or 6 digit code. At the 3 digit level, there are 103 categories, which can provide significant detail as to the type of manufacturing or production occurring at a facility.

Total number of firms by NAICS code is collected by Statistics Canada to form the 'Canadian Business Registry'. This was done for the City of Toronto and is available for the DHBIA specifically. The information collected by IBI Group from the City of Toronto Data Centre enabled a 'Location Quotient' analysis, in which industries which are more prevalent in the BIA could be identified. Alternatively referred to as 'cluster analysis', these industries may have grown due to competitive advantages in the area.

Finally, employment trends in eight competitive employment districts will be assessed to understand how the DHBIA is faring compared to other areas. This will highlight any competitive strengths or weaknesses of the DHBIA. Employment districts chosen to be part of this analysis were similar in size and location.

Figure 35: Employment Environment Assessment



5.1 Types of Employment in BIA

5.1.1 City of Toronto Employment Classifications - Explained & Merits

Office Sector

According to Toronto's 2014 Employment Survey, there are nine subcategories included in the 'Office' category:

City of Toronto Employment Survey - Office Sector		
Offices for Manufacturing	Finance, Insurance & Real Estate	Business Services
Technical Services	Communications & Media	Trade & Personal Services
Health Service Offices	Government	Other Ancillary Office Activities

Office Sector Trends - Toronto

The office sector has seen consistent increases over the last 5 years and is the largest employment sector in Toronto, accounting for 47.9% of all jobs in 2014. Over the past 30 years, office employment has been the dominant growth sector, with concentrations of growth in the Downtown and Central Waterfront districts.

Technology is improving productivity and is contributing to rapid growth in the office sector. The economy continues to create new types of office sector or professional jobs. New forms of office buildings are being incorporated into mixed use areas, enabling greater work life balance and reducing congestion.²⁰ Office employment presents an opportunity build upon planned transit linkages through the establishment of transit oriented development.

But while Toronto is experiencing an increase in office employment, technology is minimizing the amount of area required for each employee. Office employment densities have increased from 4 jobs per 1,000 square feet, to 5 - 6 jobs per 1,000 square feet. In addition, technology has enabled mobile offices such as hoteling, flex work hours and more employees working from home.²¹

Manufacturing Sector

The City of Toronto includes nine sub-categories under the umbrella of 'Manufacturing'.

City of Toronto Employment Survey - Manufacturing Sector		
Energy Production	Raw Material Processing	Processed Goods Processing
Product Assembly	Waste Treatment	Research & Development Labs
Printing, Reproduction, Data Processing and Sorting	Storage	Warehousing

Manufacturing Sector Trends

In 2014, Employment Areas contained 92% of all City of Toronto' manufacturing jobs. Manufacturing is integral to the City of Toronto as it creates quality jobs with significant 'spin-off' benefits, or multiplier effects. When products are manufactured, additional jobs are created up the supply chain such as finishing, packaging, sales and administration, along with export related services.

In 2005, manufacturing had the second highest multiplier effect of all 20 'NAICS' industries in Ontario at 2.06. For every dollar of value generated in the manufacturing sector, an additional 1.06 of indirect or intermediate activity was generated.²² While decreases have occurred in manufacturing employment, manufacturing outputs continue to increase, suggesting improved technology and efficiency.²³ Additionally, manufacturing employment provides competitive salaries for a varied range of skill sets and backgrounds.

As a subcategory of manufacturing, warehousing and logistics are an integral part the functioning of a city. They provide for goods movement and support distribution efforts of other manufacturing establishments.

²⁰ MGP

²¹ MGP 4-19

²² Statistics Canada, Input – Output Multipliers Ontario - 2005

²³ MGP vij



Institutional Sector

The Toronto Employment Survey 'Institutional' classification includes six subcategories:

City of Toronto Employment Survey - Institutional Sector		
Private Education	Public Education	Health Service Institutions
Places of Worship	Protective & Custodial Services	Other Institutions ²⁴

The institutional sector has very high employee totals per establishment. They also generate significant 'spin-off' economic benefits, as local retailers and service employers are established to meet the demands of large employers. In addition, the cultural and other educational contributions of the institutional sector are fundamental to emerging economic sectors.²⁵ The intellectual capital generated at universities can be leveraged in high tech and professional sectors in close proximity to large institutions.

Institutional Sector Trends - Toronto

The institutional sector comprises 16.9% off all jobs in the city, and was the fastest growing sector from 2013 to 2014, adding 11,010 jobs.²⁶

Service Sector

The City of Toronto Employment Survey includes six subcategories under the 'Service' sector:

City of Toronto Employment Survey - Service Sector		
Terminal & Dispatch	Repairing, Cleaning & Servicing Consumer Commodities	Personal Services
Business Plant & Equipment Sales	Rental Services	Accommodation Services

The service sector is generally located in urban downtowns, mixed use areas, or at the edges of employment districts.²⁷ The industry services both employment and residential populations, and provides jobs for a wide array of individuals with varied skill sets, educational levels and availability. The accommodation sector is also fundamental to a healthy tourist economy, which brings with it a whole set of additional spin-off benefits.

Service Sector Trends - Toronto

The service sector represents 12.3% of all jobs in Toronto, and grew by 6,120 jobs between, 2013 and 2014. In total, the service sector has increased by 12.63% over the past four years, making it the fastest growing sector in the City of Toronto.²⁸

Service or 'Population Related Employment' is directly correlated with population growth. Typically there is one service sector job required for each 5 – 7 residents. The rapid growth in the sector is not surprising given the rapidly growing population in the City of Toronto.²⁹

²⁴ Legal, Library, Legislative

²⁵ City of Toronto Official Plan

²⁶ Employment Survey

²⁷ MGP ix

²⁸ Employment Survey

²⁹ MGP 4-24

Retail Sector

There are three categories in the 'Retail' employment sector:

City of Toronto Employment Survey - Retail Sector		
Retail Shopping	Food Retail Shopping	Wholesaling

Retail Sector Trends - Toronto

The retail sector saw the greatest loss of employment from 2013 to 2014 losing 2,270 jobs. This sector was hit hard by the recessions of 1991 to 1992 and 2007 to 2008 and has since seen significant changes to its built form, use of technology and service delivery methods.³⁰

Some of the urban retailing trends include smaller sized and condensed supermarkets ranging from 15,000 to 30,000 sq.ft serving the residents and employees in these urban settings. Recent trends also have noted large sized drug stores of around 15,000 sq.ft offering a range of products extending past health and beauty care items.³¹

Other Sector

The final category in the Toronto Employment Survey is 'Other Services' which represent categories not included in the sections mentioned above.

City of Toronto Employment Survey - Other Sector		
Farming	Forestry	Fish & Wildlife Protection
Shaft Mining	Pumping	Surface Mining & Quarrying
On Site Construction	Transportation Movement	Entertainment
Recreation		

5.1.2 City of Toronto Employment Trends

The City of Toronto experienced significant growth in the Office, Institutional, Service and Other categories. In particular, the institutional sector increased by 32.5%, bringing close to 60,000 new jobs.

Figure 36: City of Toronto Employment Trends

Sector	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	% Change
Office	601,500	581,500	573,470	577,500	573,900	584,200	604,200	614,660	610,870	623,300	627,900	638,080	656,680	662,970	10.2%
Institutional	176,400	183,300	189,710	189,110	196,900	205,500	207,800	214,360	216,500	213,500	219,800	218,420	222,720	233,730	32.5%
Service	146,800	142,500	142,650	141,910	142,300	145,500	148,900	149,580	150,960	150,900	155,500	158,300	164,510	170,630	16.2%
Retail	142,600	143,900	142,600	144,110	149,100	149,800	151,500	147,770	142,280	140,500	141,600	143,310	146,810	144,540	1.4%
Manufacturing	186,800	180,000	172,110	169,210	161,700	155,200	149,200	143,780	130,130	129,500	128,600	128,220	126,190	124,610	-33.3%
Other	32,300	32,100	33,150	35,110	38,800	38,000	32,100	40,700	42,460	40,500	43,900	45,140	46,640	47,920	48.4%
Total	1,286,400	1,263,300	1,253,690	1,256,950	1,262,700	1,278,200	1,293,700	1,310,850	1,293,200	1,298,200	1,317,300	1,331,470	1,363,550	1,384,400	7.6%

³⁰ Employment Survey

³¹ MGP 3-28

5.2 Employment Trends in the DHBIA

Employment trends in the DHBIA have been examined using the City of Toronto Employment Survey. A special data set was ordered which isolated employment growth within the employment district since 2001. Total establishments by industry are presented, along with total employment by industry.

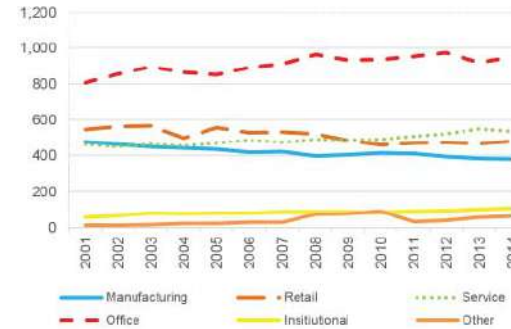
5.2.1 Establishments in the BIA by Sector

The number of establishments in an area does not always correlate with employment. In some cases, employment may rise without an increase in firms, reflecting an increase in the average size of each company. It is therefore important to examine both total employment and number of establishments.

Office (37.8%) makes up the largest number of establishments in the BIA, followed by service (21.2%), retail (19.0%), manufacturing (15.2%), institutional (4.4%) and other (2.6%).

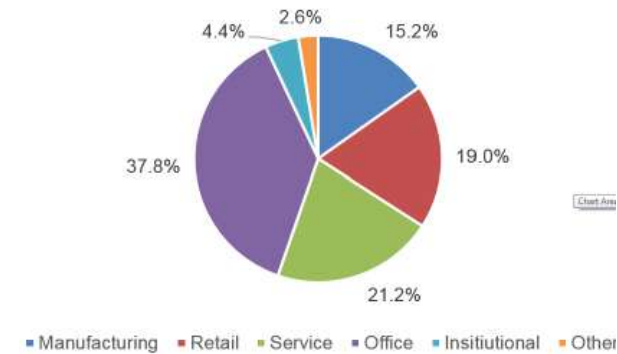
In total, the number of firms in the BIA increased by 6% between 2001 and 2014. Overall, increases in service, office and institutional offset declines in manufacturing and retail. The total number of firms in the BIA increased from 2,363 to 2,520.

Figure 37: DUKE Heights BIA – Establishments by Industry 2001 - 2014



Source: City of Toronto Employment Survey

Figure 38: Proportion of Establishments by Sector in the DHBIA 2014



Source: City of Toronto Employment Survey

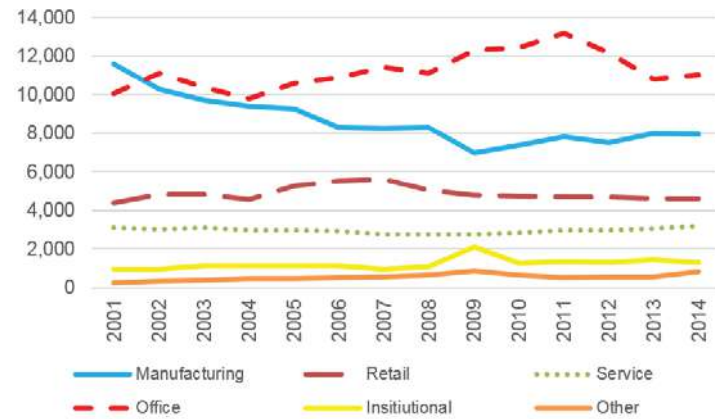
Figure 39: Establishment Growth in the DHBIA by Sector – 2001 to 2014

Sector	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	% Change
Manufacturing	477	462	448	442	435	418	422	398	406	416	410	396	384	382	-19.9%
Retail	546	563	566	497	556	528	530	520	484	460	468	473	466	478	-12.5%
Service	461	448	462	453	468	488	472	491	485	491	507	519	547	533	15.6%
Office	807	854	896	866	851	894	913	964	932	938	954	975	918	952	18.0%
Institutional	58	67	79	78	82	81	89	86	87	85	91	95	102	110	89.7%
Other	14	14	17	22	24	28	28	73	76	90	34	39	58	65	364.3%
Total	2,363	2,408	4,468	2,358	2,416	2,437	2,454	2,532	2,470	2,480	2,464	2,497	2,475	2,520	

Source: City of Toronto Employment Survey

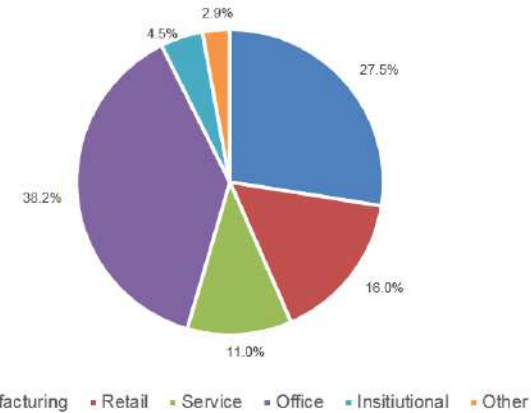
5.2.2 Employment Totals in the DHBIA by Sector

Figure 40: DUKE Heights BIA – Total Employment by Industry 2001 - 2014



Source: City of Toronto Employment Survey

Figure 41: Total Employment by Sector - 2014



Source: City of Toronto Employment Survey

Figure 42: Employment in the DHBIA – 2001 to 2014

Sector	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	% Change
Manufacturing	11,592	10,279	9,716	9,379	9,276	8,271	8,240	8,306	6,949	7,385	7,821	7,504	7,989	7,930	-32%
Retail	4,373	4,810	4,831	4,572	5,259	5,537	5,598	5,060	4,769	4,741	4,703	4,683	4,593	4,612	5%
Service	3,122	3,033	3,098	2,962	2,977	2,941	2,770	2,741	2,734	2,846	2,973	2,990	3,048	3,179	2%
Office	10,036	11,117	10,358	9,802	10,592	10,884	11,393	11,120	12,299	12,426	13,161	12,142	10,810	11,009	10%
Institutional	947	974	1,129	1,120	1,140	1,112	953	1,097	2,109	1,252	1,346	1,326	1,458	1,291	36%
Other	234	344	366	476	469	523	568	650	859	666	535	567	539	831	255%
Total	30,304	30,557	29,498	28,311	29,713	29,268	29,522	28,974	29,719	29,316	30,539	29,212	28,437	28,852	

Figure 43: Average Number of Employees by Firm

Sector	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	% Change
Manufacturing	24	22	22	21	21	20	20	21	17	18	19	19	21	21	-15%
Retail	8	9	9	9	9	10	11	10	10	10	10	10	10	10	20%
Service	7	7	7	7	6	6	6	6	6	6	6	6	6	6	-12%
Office	12	13	12	11	12	12	12	12	13	13	14	12	12	12	-7%
Institutional	16	15	14	14	14	14	11	13	24	15	15	14	14	12	-28%
Other	17	25	22	22	20	19	20	9	11	7	16	15	9	13	-24%

5.2.3 Office

In the DHBIA, the number of office establishments has increased by 18% since 2001, from 807 to 952. The office sector comprises the bulk of organizations in the BIA, or 37.8% of all firms.

Office comprises the largest proportion of employment with 11,009 jobs in the BIA. This proportion is slightly larger than the number of establishments, with 38.2% of total jobs, compared to 37.8% of all firms.

Office employment has grown slightly since 2001, increasing 10% over the period. The average number of employees at each office sector organization has remained constant at 12 employees per establishment.

In comparison with the City of Toronto, where the office sector employs 47.9% of all workers, the DHBIA is less of an office node, comprising only 37.8% of all jobs.

5.2.4 Manufacturing

The number of manufacturing establishments shrunk in the BIA, falling from 477 firms to 382 firms, a drop of 20%. Manufacturing organizations make up 15.2% of all establishments in the BIA, the fourth largest category behind office, service and retail.

Manufacturing is the second largest employer in the BIA, comprising 27.5% of all jobs. Manufacturing employment dropped significantly between 2001 and 2015, falling from 11,592 in 2001 to 7,930 jobs in 2014, or 32%. This is a larger drop than what has been experienced by Toronto as a whole. However, the decline was mostly from 2001 to 2008. Since this time, manufacturing employment has stabilized, even increasing by 1,000 since 2009. The average number of employees per facility fell amongst manufacturing firms, from 24 in 2001 to 21 in 2014.

5.2.5 Retail

The number of retail organizations over the period fell by 12.5%, shrinking from 546 to 478. Service establishments increased slightly from 461 to 533, while institutional establishments almost doubled, from 58 to 110.

Retail employment increased substantially between 2001 and 2007, from 4,300 to 5,600, only to decline back down to 4,600 in 2014. Overall, employment increased by 5% since 2001. Average size increased from 8 to 10 persons per firm. This may be on account of larger retail formats entering the area.

5.2.6 Service

The number of service jobs increased by 2% over the period. However, similar to retail, the sector experienced a steady decline to 2009, followed by a recovery to 2014. The 'other' category has experienced robust growth over the period, growing from 234 to 831 in 2014.

5.2.7 Institutional

The number of institutional establishments in the BIA almost doubled since 2001. During the same period, employment increased 365, growing from 947 to 1,291 jobs. Typically, these firms have more employees, as they include schools, medical and government and other large organizations. However, the average institutional sector firm fell from 16 to 12 employees in the DHBIA.

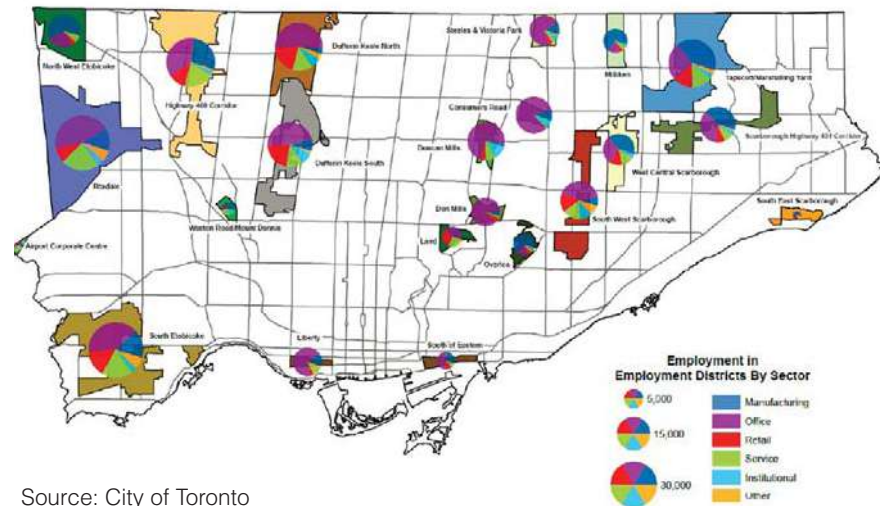
5.3 Comparative Employment Analysis – Nodes

Understanding the employment breakdown in the DHBIA relative to other employment areas in the City of Toronto is also important. We have selected six points of comparison, based on proximity and size. These include:

- Dufferin Keele North
- Dufferin Keele South
- Highway 400 Corridor
- Rexdale
- Tapscott
- NW Etobicoke
- SW Etobicoke

Employment trends since 2011 for the six ‘City of Toronto Employment Survey’ categories were assessed. This includes office, manufacturing, retail, service, institutional and other.

Figure 44: Employment Districts in Toronto



Source: City of Toronto

*Refer to Appendix A.5 for an enlarged version of the map above.

While office employment has increased in the DHBIA since 2001, there has been a 15.2% drop over the past four years. Back in 2011, the DHBIA had the largest share of office employment, followed by Rexdale and South Etobicoke. Since 2011, the BIA has had the largest percentage drop in office employment of the competitive districts assessed.

When the analysis is extended to all 22 employment districts, the DHBIA had the second highest office employment, behind only Consumer’s Road. However, by 2014, DHBIA had fallen to the fifth largest employment/office node. Office employment is growing across the City of Toronto, meaning there are opportunities not being captured by the DHBIA.

Figure 45: Office Growth in Employment Nodes - 2011 - 2014

	Office				
	2011	2012	2013	2014	2011-2014
Dufferin Keele North	13,680	12,770	11,450	11,600	-15.20%
Dufferin Keele South	9,850	10,190	10,800	10,970	11.37%
Highway 400 Corridor	8,610	8,550	7,580	8,130	-5.57%
Rexdale	13,090	14,240	15,580	14,360	9.70%
Tapscott	7,760	7,510	7,620	7,920	2.06%
NW Etobicoke	4,100	4,110	4,250	5,220	27.32%
SW Etobicoke	11,420	11,590	12,090	12,830	12.35%
All Employment Districts	155,060	157,170	160,040	163,720	5.58%
City of Toronto	620,010	638,120	656,680	662,970	6.93%

Source: City of Toronto



The DHBIA contains a large proportion of the City of Toronto's manufacturing employment (7.24%). While manufacturing employment continued to retract in the City of Toronto and Employment Districts, the DHBIA experienced modest gains (1.44%). Dufferin Keele South and the Highway 400 corridor also experienced growth, with Dufferin Keele South experiencing the most significant growth across the City.

Figure 46: Manufacturing Growth in Employment Nodes - 2011 - 2014

	Manufacturing				
	2011	2012	2013	2014	2011-2014
Duffein Keele North	9,050	8,600	9,100	9,180	1.44%
Dufferin Keele South	5,100	5,250	5,640	5,710	11.96%
Highway 400 Corridor	15,810	16,840	16,440	16,230	2.66%
Rexdale	13,310	12,560	12,030	12,680	-4.73%
Tapscott	12,530	12,710	12,940	12,530	0.00%
NW Etobicoke	6,410	6,530	6,750	6,440	0.47%
SW Etobicoke	16,420	15,980	15,470	13,740	-16.32%
All Employment Districts	118,630	117,670	116,460	114,760	-3.26%
City of Toronto	125,180	128,240	126,190	124,610	-0.46%

Source: City of Toronto

Institutional employment has been a key driver of growth. Since 2001, the City of Toronto has experienced a 32.5% increase in institutional jobs. In the comparative employment nodes, notable increases have been along the Highway 400 Corridor, Tapscott and North and South Etobicoke. However absolute employment growth in these areas has been limited. Only 7% of institutional employment occurs in Employment Districts.

Figure 47: Institutional Growth in Employment Nodes - 2011 - 2014

	Institutional				
	2011	2012	2013	2014	2011-2014
Duffein Keele North	1,600	1,610	1,740	1,580	-1.25%
Dufferin Keele South	1,670	1,670	1,770	2,080	24.55%
Highway 400 Corridor	440	480	610	630	43.18%
Rexdale	1,190	1,120	1,120	1,210	1.68%
Tapscott	660	730	740	830	25.76%
NW Etobicoke	160	110	180	200	25.00%
SW Etobicoke	740	720	840	1,260	70.27%
All Employment Districts	13,730	14,880	15,880	17,430	26.95%
City of Toronto	216,810	218,420	222,720	233,730	7.80%

Source: City of Toronto

Figure 48: Service Growth in Employment Nodes - 2011 - 2014

Service employment growth was relatively constant amongst all of the Employment Districts assessed, with the exception of the Highway 400 corridor. Approximately 30% of all service employment occurs in Employment Districts.

	Service				
	2011	2012	2013	2014	2011-2014
Duffein Keele North	2,870	2,870	2,940	3,020	5.23%
Dufferin Keele South	2,830	2,860	2,780	2,930	3.53%
Highway 400 Corridor	4,540	4,510	4,560	4,500	-0.88%
Rexdale	6,690	6,750	6,890	7,210	7.77%
Tapscott	4,090	4,170	4,180	4,300	5.13%
NW Etobicoke	1,120	1,180	1,170	1,240	10.71%
SW Etobicoke	5,290	5,450	5,650	5,900	11.53%
All Employment Districts	47,690	48,370	49,130	50,210	5.28%
City of Toronto	151,760	158,330	164,510	170,630	12.43%

Source: City of Toronto

Approximately 28% of retail employment in the City can be found in Employment Districts. The DHBIA lost 1.7% of retail employment in the previous 4 years. Other areas fluctuated more, with Rexdale increasing 20.47%, Highway 400 shrinking 15.72% and North West and South Etobicoke increasing by 16 and 18% respectively.

Figure 49: Retail Growth in Employment Nodes - 2011 - 2014

	Retail				
	2011	2012	2013	2014	2011-2014
Duffein Keele North	4,710	4,670	4,600	4,630	-1.70%
Dufferin Keele South	4,950	4,880	5,070	5,050	2.02%
Highway 400 Corridor	3,180	2,920	3,010	2,680	-15.72%
Rexdale	2,540	2,710	3,200	3,060	20.47%
Tapscott	4,270	4,100	4,160	4,340	1.64%
NW Etobicoke	870	920	940	1,010	16.09%
SW Etobicoke	4,390	5,040	5,210	5,180	18.00%
All Employment Districts	40,350	41,190	42,070	41,900	3.84%
City of Toronto	137,310	143,310	146,810	144,540	5.27%

Source: City of Toronto

Employment Districts continue to be an important source of employment in the City of Toronto, and are home to 28% of all jobs. In the comparative nodes surveyed, the DHBIA has had the greatest percentage decrease in jobs over the past four years. While, the decline has been relatively modest at 4.87%, three of the six employment categories have experienced a downturn.

Figure 50: Total Growth in Employment Nodes - 2011 - 2014

	Total				
	2011	2012	2013	2014	2011-2014
Duffein Keele North	32,430	31,080	30,360	30,850	-4.87%
Dufferin Keele South	24,610	25,100	26,400	27,100	10.12%
Highway 400 Corridor	32,810	33,540	32,480	32,430	-1.16%
Rexdale	38,940	39,510	40,800	40,730	4.60%
Tapscott	30,950	30,960	31,440	30,900	-0.16%
NW Etobicoke	12,820	13,010	13,460	14,320	11.70%
SW Etobicoke	39,820	40,390	41,080	41,040	3.06%
All Employment Districts	385,690	388,860	393,530	398,530	3.33%
City of Toronto	1,293,960	1,331,570	1,363,550	1,384,390	6.99%

Source: City of Toronto



5.4 Detailed Employment Analysis

5.4.1 NAICS Classifications

The North American Industry Classification System (NAICS) is the standard used by Statistics Canada in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the economy. NAICS defines industries by 2, 3 or 6 digit code. At the 2 digit level there are 20 NAICS employment classifications.

Figure 51: NAICS Classification Code

11	Agriculture, Forestry, Fishing and Hunting
21	Mining and Oil and Gas Extraction
22	Utilities
23	Construction
31-33	Manufacturing
41	Wholesale Trade
44-45	Retail Trade
48-49	Transportation and Warehousing
51	Information and Cultural Industries
52	Finance and Insurance
53	Real Estate and Rental and Leasing
54	Professional, Scientific and Technical Services
55	Management of Companies and Enterprises
56	Administrative and Support, Waste Management and Remediation Services
61	Educational Services
62	Health Care and Social Assistance
71	Arts, Entertainment and Recreation
72	Accommodation and Food Services
81	Other Services(except Public Administration)
91	Public Administration

5.5 Comparative Employment Analysis – Nodes

The goal of an industrial cluster strategy is to identify industrial and business sectors which enjoy a comparative advantage through access to supply chain inputs, transportation linkages or institutional resources. A comparative advantage allows companies to produce goods more cheaply than their competitors.

Part of this analysis includes examination of the infrastructure and resources available to industries in order to understand likely synergies. It is also important to understand which clusters have already emerged in an employment area, as this points to an existing comparative advantage. This can be done through 'Location Quotient' analysis. In this process, the ratio of firms in a specific industry is compared to the ratio of firms in the city as whole. Industries which have a location quotient of higher than 1 mean that there is greater 'agglomeration' in that area than as the city as a whole.

This analysis has been done for the DHBIA using the 103 industries at the 3 digit NAICS level (see appendix). Data was collected from Statistics Canada for the City of Toronto.

These clusters can be taken into account when drafting a vision for the DHBIA. In addition to a Location Quotient analysis, identification of which industries are also growth industries in the City of Toronto as a whole is important. Growth industries for which the BIA also has a competitive advantage or existing cluster, represent ideal industry targets. Industries can be targeted through specific marketing initiatives or construction of supporting facilities and infrastructure.

5.5.1 Methodology

IBI Group undertook an employment cluster analysis for each of the twenty two employment districts in the City of Toronto. The goal of the analysis was to identify which industries and types of employment have a competitive advantage in the DHBIA in comparison to the City of Toronto and the other employment districts.

The first step in the cluster analysis was to collect the necessary data. 'Place of work' employment data from the 2011 National Household Survey was purchased at a census tract level. The census tract data

was collected at a three digit NAICS code level which breaks down the different types of employment into 103 subcategories. It is important to note that even though the census tracts do not line up perfectly with the majority of the employment areas studied, it is the most appropriate level of data due to suppressions in dissemination area information.

After the data was collected at a census tract level, maps were created for each employment area. These maps combined the employment area boundary with a census tract map to determine which census tracts were completely inside and partially inside the employment area. For the analysis IBI Group used all census tracts that had any parcel inside the employment area boundary.

Since any census tract that had a portion inside the employment area was used, IBI Group removed employment uses that were not under the umbrella of industrial/manufacturing and office in the data set. This was done to ensure that locations with portions of census tracts not in the employment areas did not skew the results. An example is seen below in the Dufferin Keele North Employment Area in census tract 0311.06. York University is captured in this census tract but not in the employment area, so removing the educational services category took those educational jobs out of the analysis. Figure 53 lists all of the different employment types by two digit NAICS code and shows which categories IBI Group removed from the analysis (green included & red removed).

Figure 52: Dufferin Keele North Employment Area Boundary



Figure 53: Major Employment Sectors by Two Digit NAICS Code

Primary	11	Agriculture, Forestry, Fishing & Hunting
	21	Mining & Oil & Gas Extraction
Industrial	22	Utilities
	23	Construction
	31-33	Manufacturing
	41	Wholesale Trade
	48-49	Transportation & Warehousing
	56	Admin. & Support Services
Office	51	Information & Cultural Industries
	52	Finance and Insurance
	53	Real Estate & Rental & Leasing
	54	Professional, Scientific & Technical Services
	55	Mgmt. of companies & Enterprises
Retail/ Personal Services	44-45	Retail Trade
	71	Art, Entertainment & Recreation
	72	Accommodation & Food Services
Institutional	81	Other Services
	61	Educational Services
	62	Health Care & Social Assistance
	91	Public Administration



5.5.2 DUKE Heights BIA Cluster Results - Competitive Advantage

IBI Group completed the cluster assessment using Location Quotient analysis. This tool reviews employment clusters in specific areas to regional totals. For this case it was all of the employment areas in Toronto relative to the City as a whole. In general, the Location Quotient tool distinguishes the concentration of each employment sector for each employment area. A score over 1.0 shows that there is a higher concentration of that type of employment over the city.

Once each Location Quotient was calculated, a ranking system was established to see which employment category in the DHBIA ranked in the top ten in comparison to the other 21 employment areas. The Location Quotient and rank were then combined to determine which locations had a competitive advantage. Below is a graph summarizing the employment clusters by three digit NAICS code where a competitive advantage exists for the DHBIA.

Figure 54: DHBIA Competitive Advantage Industries

Industry (NAICS Code)	Rank	L.Q.
236 Construction of buildings	5	1.71
238 Specialty trade contractors	7	1.89
313 Textile mills	4	2.56
314 Textile product mills	7	1.88
321 Wood product manufacturing	2	2.67
325 Chemical manufacturing	3	5.45
326 Plastics and rubber products manufacturing	10	1.65
327 Non-metallic mineral product manufacturing	6	1.20
333 Machinery manufacturing	8	1.24
334 Computer and electronic product manufacturing	8	1.04
335 Electrical equipment, appliance and component manufacturing	6	4.32
337 Furniture and related product manufacturing	1	10.50
339 Miscellaneous manufacturing	1	2.61
412 Petroleum product wholesaler-distributors	2	2.62
413 Food, beverage and tobacco wholesaler-distributors	10	1.15
414 Personal and household goods wholesaler-distributors	6	1.52
418 Miscellaneous wholesaler-distributors	4	2.31
519 Other information services	2	1.72

Source: 2011 NHS Place of Work Data

5.5.3 Toronto CMA & Toronto Employment Trends, 2008-2015 – Opportunity Analysis

Employment trends at the Toronto CMA and Provincial level were also reviewed. For this section of the analysis, IBI Group collected labour pool employment totals at a three digit NAICS code level for the two geographies. This information was collected for the 2008 to 2015 to review which employment sectors have seen growth in employment totals over the time frame.

Due to data availability, IBI Group used Labour Pool' data for this section of the analysis. 'Labour Pool' data varies from 'Place of Work' data, which tracks employment totals based on the location of where the individual works. On the other hand, Labour Pool data tracks employment information based on where the individual lives. Since the goal of this section was to identify overall industry trends and since we looked at the CMA and Province as a whole, we concluded employment trends for the GTA and Ontario would be captured in Labour Pool trends.

IBI group reviewed two time periods for this study. The first timeframe of 2008 to 2015 was used to see how growth has occurred since the recession. The second timeframe was 2012 to 2015 which looks at the economic rebound from the recession and identifies the employment sectors that have excelled in the short term. Similarly to the cluster analysis in 5.7.2, IBI Group only looked at categories that fall under the industrial/manufacturing and office employment categories.

Below are the results of the analysis. In total there were 42 employment categories that saw either short or long term growth for Toronto CMA or Ontario.

Figure 55: Toronto CMA and Ontario 2008 to 2015 Growth by Employment Sector

Industry (NAICS Code)	Toronto CMA		Ontario	
	2008 to 2015	2012 to 2015	2008 to 2015	2012 to 2015
236 Prime Contracting	29%	1%	36%	7%
237238 Trade Contracting	1%	-5%	8%	2%
312 Beverage and Tobacco Product Manufacturing	9%	-31%	5%	-3%
313-314 Textile Mills and Textile Product Mills	-35%	98%	-33%	13%
321 Wood Product Manufacturing	-7%	77%	2%	31%
325 Chemical Manufacturing	-32%	48%	-24%	4%
326 Plastics and Rubber Manufacturing	-21%	63%	-28%	14%
327 Non-Metallic Mineral Product Manufacturing	-19%	13%	-13%	12%
331 Primary Metal Manufacturing	-37%	-17%	6%	6%
333 Machinery Manufacturing	-6%	9%	19%	17%
334 Computer and Electronic Product Manufacturing	-40%	2%	-48%	-1%
335 Electrical Equipment, Appliance and Component Manufacturing	4%	-6%	-11%	-12%
336 Transportation Equipment Manufacturing	1%	15%	-15%	7%
339 Miscellaneous Manufacturing	39%	-2%	36%	17%
411 Farm Product Wholesaler-Distributors	0%	0%	139%	110%
412 Petroleum Product Wholesaler-Distributors	0%	-100%	111%	-11%
413 Food, Beverage and Tobacco Wholesaler-Distributors	96%	164%	73%	115%
414 Personal and Household Goods Wholesaler-Distributors	26%	22%	18%	18%
415 Motor Vehicle and Parts Wholesaler-Distributors	11%	32%	-7%	23%
416 Building Material and Supplies Wholesaler-Distributors	32%	16%	11%	-9%
417 Machinery, Equipment and Supplies Wholesaler-Distributors	5%	-1%	17%	6%
418 Miscellaneous Wholesaler-Distributors	52%	211%	31%	91%
481 Air Transportation	-11%	31%	-13%	13%

Industry (NAICS Code)	Toronto CMA		Ontario	
	2008 to 2015	2012 to 2015	2008 to 2015	2012 to 2015
485 Transit and Ground Passenger Transportation	25%	29%	17%	19%
491 Postal Service	-19%	-11%	-5%	2%
492 Couriers and Messengers	20%	84%	-1%	45%
493 Warehousing and Storage	83%	-17%	43%	-16%
511 Publishing Industries	29%	29%	-11%	-3%
512 Motion Picture and Sound Recording Industries	9%	9%	4%	6%
515 Broadcasting (except Internet)	-10%	15%	-14%	9%
518 Internet Service Providers, Web Search Portals, and Data Processing Services	6%	0%	-9%	68%
519 Other Information Services	171%	-25%	36%	0%
516 & 518 Internet Sub-Total	6%	0%	-9%	68%
522 Credit Intermediation and Related Activities	22%	22%	6%	12%
523 Securities, Commodity Contracts, and Other Intermediation and Related Activities	119%	40%	87%	16%
524 Insurance Carriers and Related Activities	7%	27%	3%	4%
531 Real Estate	0%	-6%	2%	-6%
532 Rental and Leasing Services	-19%	60%	-24%	5%
54 Professional, Scientific and Technical Services	16%	3%	17%	4%
561 Administrative and Support Services	27%	16%	10%	17%
562 Waste Management and Remediation Services	0%	-32%	16%	-12%



5.5.4 Cluster Analysis Results

IBI Group completed the cluster assessment using Location Quotient analysis. This tool reviews employment clusters in specific areas to regional totals. For this case it was all of the employment areas in Toronto relative to the City as a whole. In general, the Location Quotient tool distinguishes the concentration of each employment sector for each employment area. A score over 1.0 shows that there is a higher concentration of that type of employment over the city.

Once each Location Quotient was calculated, a ranking system was established to see which employment category in the DHBIA ranked in the top ten in comparison to the other 21 employment areas. The Location Quotient and rank were then combined to determine which locations had a competitive advantage. Below is a graph summarizing the employment clusters by three digit NAICS code where a competitive advantage exists for the DHBIA.

Figure 56: Competitive Advantage and Opportunity Analysis

Industries Identified - NAICS Code	Existing Cluster	Toronto CMA		Ontario		Industry Potential	Opportunity Type
		Long Term Growth	Recent Growth	Long Term Growth	Recent Growth		
236 Prime Contracting/Construction of Buildings	✓	29%	1%	36%	7%	High	Competitive Advantage
313-314 Textile Mills and Textile Product Mills	✓	-35%	98%	-33%	13%	High	Competitive Advantage
321 Wood Product Manufacturing	✓	-7%	77%	2%	31%	High	Competitive Advantage
325 Chemical Manufacturing	✓	-32%	48%	-24%	4%	High	Competitive Advantage
326 Plastics and Rubber Manufacturing	✓	-21%	63%	-28%	14%	High	Competitive Advantage
327 Non-Metallic Mineral Product Manufacturing	✓	-19%	13%	-13%	12%	High	Competitive Advantage
333 Machinery Manufacturing	✓	-6%	9%	19%	17%	Medium	Competitive Advantage
334 Computer and electronic product manufacturing	✗	-40%	2%	-48%	-1%	Medium	Competitive Advantage
336 Transportation Equipment Manufacturing	✓	1%	15%	-15%	7%	High	Opportunity
339 Miscellaneous Manufacturing	✓	39%	-2%	36%	17%	High	Competitive Advantage
413 Food, Beverage and Tobacco Wholesaler-Distributors	✓	96%	164%	73%	115%	High	Competitive Advantage
414 Personal and Household Goods Wholesaler-Distributors	✓	26%	22%	18%	18%	High	Competitive Advantage
418 Miscellaneous Wholesaler-Distributors	✗	52%	211%	31%	91%	High	Competitive Advantage
511 Publishing Industries	✗	29%	29%	-11%	-3%	Medium	Opportunity
512 Motion Picture and Sound Recording Industries	✗	9%	9%	4%	6%	Medium	Opportunity
515 Broadcasting (except Internet)	✗	-10%	15%	-14%	9%	Medium	Opportunity
518 Internet Service Providers, Web Search Portals, and Data Processing Services	✓	-15%	28%	-29%	24%	High	Opportunity
519 Other Information Services	✗	171%	-25%	36%	0%	High	Competitive Advantage
516 & 518 Internet Sub-Total	✗	-15%	28%	-29%	24%	High	Opportunity
522 Credit Intermediation and Related Activities	✗	22%	22%	6%	12%	High	Opportunity
523 Securities, Commodity Contracts, and Other Intermediation and Related Activities	✗	119%	40%	87%	16%	High	Opportunity
524 Insurance Carriers and Related Activities	✗	7%	27%	3%	4%	High	Opportunity
532 Rental and Leasing Services	✗	-19%	60%	-24%	5%	High	Opportunity
54 Professional, Scientific and Technical Services	✗	16%	3%	17%	4%	High	Opportunity
561 Administrative and Support Services	✗	27%	16%	10%	17%	High	Opportunity

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6.0 Case Studies

The next stage of the report involves identification of successful employment case studies both nationally and internationally. There are several goals of this stage of the analysis.

First, the development of an evaluative framework for the Dufferin Finch BIA enables the distillation of the SWOT analysis into a set of defining attributes for the BIA. This serves to succinctly outline the competitive advantages of the BIA, along with components which need enhancement. This will be fundamental to building the vision for the area in later stages.

Second, case study review can provide a road map for future development and help to illustrate a range of visions for the BIA. The evaluative matrix helps to select case studies which share similar attributes with the BIA, but are further along in the execution process. Accordingly, the BIA can model themselves off of a successful case study, or choose elements of several case studies which best represent their ideas for the future.

Lastly, policies and programs which were leveraged in each case study can be tested for viability as recommendations or action items for the BIA. Best practices or lessons learned from each successful employment area may be applicable in the City of Toronto and can form the basis of the implementation and action plan.

Figure 57 outlines the 'Evaluative Framework' used for each of the case studies. When a case study shares an attribute with the BIA it will receive one point. In the ideal successful case study outlined above – all characteristics are shared with the BIA and 18 points are awarded. The greater the number of similarities with the DHBIA, the greater the chances of success of emulating successful best practices.

The two most important metrics in the case study analysis include the 'Urban Context' and 'Predominant Land Use'. The urban context is particularly important as it influences a whole host of factors including land values, accessibility and context.

Figure 57: Evaluative Framework

		DUKE HEIGHTS BIA	Case Study #1
Land Use Context	Urban Context		✓
	Land Use Spectrum		✓
	Size (HA)	667 HA	✓
	Ownership Structure	Fragmented	✓
Institutions	Universities	3 Universities	✓
	Health Care Institutions	2 Hospital	✓
	Government Institutions	Environment Canada	✓
Business Support Services	Conference Space	Downsview	✓
	Business Support Amenities	Retail & Service	✓
	Incubation Space	Small Units	✓
	Physical Assets	Parks & Community Centres	✓
	Networking Assets	BIA & EDO	✓
Transportation	Highway Access	4 Hwys	✓
	High Order Transit	LRT/Subway	✓
	Rail Access	Rail Hub	✓
	Active Transportation	Bike Lanes	✓
Sensitive Uses	Environmental Restrictions	Limitations	✓
	Outdoor Storage	Yes	✓
			18/18

Figure 58: Urban Context Spectrum

Urban Context	
Exurb	
Edge Suburban	
Suburban	
Edge Urban	
Built Out Urban	
Downtown	

The DUKE Heights BIA is located in a 'Built-Out Urban' area, which presents a range of opportunities and constraints. They have the greatest chance of success when they are in close proximity to downtown in high rent cities and are coupled with transit access. They are typically underutilized and thus represent an opportunity for intensification of employment uses. Older employment areas also provide an opportunity for extending employment to lower and middle class groups as they are typically nearer to low and moderate income neighbourhoods.

Figure 59: DUKE Heights Context

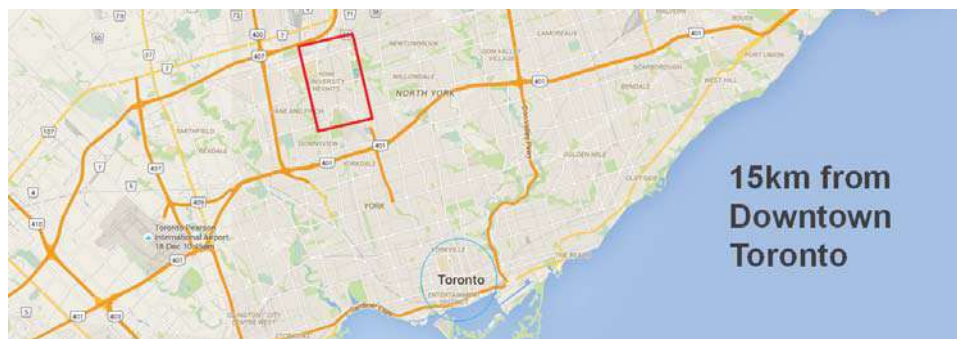
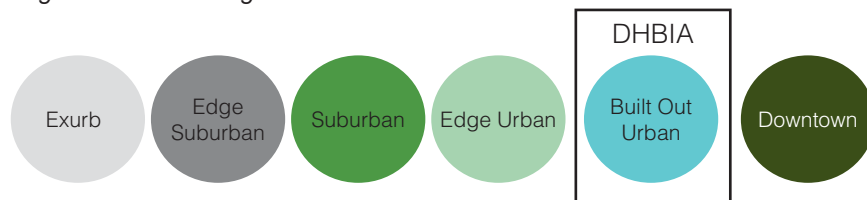
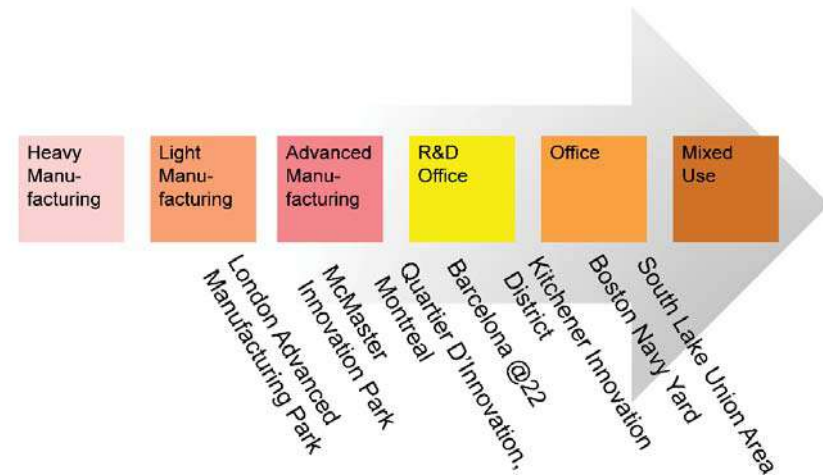


Figure 60: DUKE Heights Land Use Context

- A Anchor Plus**
Tends to be located in downtowns and mid-towns of central cities close to established research institutions.
- B Re-imagined Urban Area**
Tends to be located in redeveloped older industrial areas, often along waterfronts or near downtowns.
- C Urbanized Science Park**
Tends to be located in suburban and even exurban areas, often revitalizing older research parks.



Figure 61: Case Study Spectrum



6.1 McMaster Innovation Park, Hamilton, ON

6.1.1 Project Description

- Award winning premier research and innovation park, located on a former brownfield site. Founded in 2005 by McMaster University, it officially opened in 2009. Tenanted by McMaster research departments and private companies.
- Features a state of the art, award-winning, LEED Platinum, 167,000 sf building. The building includes offices, laboratories, welding facilities and computer modelling labs.
- MIP provides on-going project management support to the McMaster Automotive Research Centre, including 92,000 sf of university labs. This facility is connected to programs at Mohawk College and McMaster.
- The Atrium@MIP is the hub of innovation at the park, and offers a variety of spaces and business opportunities. It is the first multi-tenant building at the park and includes collaborative spaces, offices and laboratories.
- The City of Hamilton is prepared to release an additional 17 acres in order to help the MIP capitalize on demand.



6.1.2 Success Indicators

- 718 full time jobs, \$38-50 million to the Hamilton Economy, 61 tenants, with 15,000 sf of innovation space in a total of 3 buildings, 536,000 sf with 26 acres to develop.
- Single largest tenant at MIP is the Natural Resources Canada CanmetMATERIALS research laboratory which moved from Ottawa to be a part of the centre of the Canadian Manufacturing sector.
- Researchers, students and industry professionals work to resolve issues in the automotive industry, including a focus on battery and hybrid technologies.
- There are over 40 small businesses and organizations at MIP, which are fostering innovation and the development of new businesses and research initiatives.
- Forged good connections with the universities, private industries and small businesses.

Figure 62: Arial Render of McMaster Innovation Park



Source: McMaster University

6.1.3 Implementation Policies

- Site was designated Industrial, which allowed for the expansion of existing industries and attractions of new firms along with allowing ancillary uses.
- City of Hamilton Economic Development Strategy – encouraged cluster development, including advanced manufacturing, to attract business investment and improve the infrastructure and future development of the West Hamilton Industrial Area.
- City to donate 17 more acres to attract and expand research park.

<p>Master planned to provide a phased, range of office space including small office space, incubation space and laboratories</p>	<p>Hosting of entrepreneurial fairs, McMaster Liaison Office, Don Pether Incubation Centre to provide a business and innovation accelerator for the Hamilton Community</p>	<p>Funded by financial stakeholders, McMaster University, City of Hamilton and the Province of Ontario. Annual Reports track the successes and growth along with financial contributions</p>
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Figure 63: Render of Research and Development Building



Source: McMaster University

Figure 64: Office Facility McMaster Innovation Park



Source: McMaster University

Figure 65: Aerial Render of McMaster Innovation Park



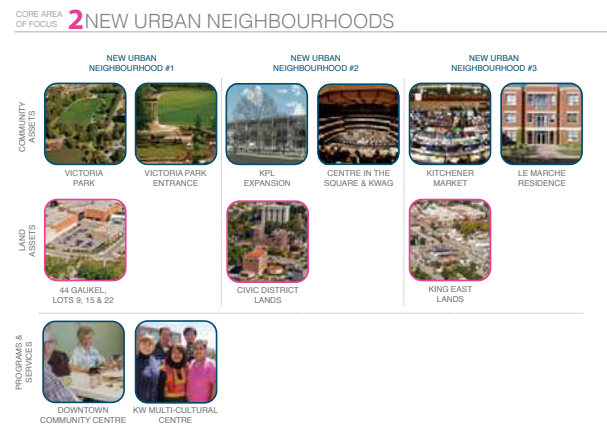
Source: McMaster Innovation Park Annual Report

6.2 Kitchener Innovation District

6.2.1 Project Description

- The City of Kitchener and its partners pursued an asset-based approach, investing in the development in downtown Kitchener. This process organized the City and BIA programs, services and resources to leverage assets to simulate investment and attract industry.
- The Innovation District (formerly the Warehouse District) is one of four downtown Districts. It features large former industrial buildings (some historic) which are being converted into office and residential.
- Master Planned, including an overall brand/marketing strategy, a master streetscaping plan, long term plan for vacant lands, and development of a multi-modal station.
- The Innovation District builds on current and planned investment in transportation, including 22 stations along 35 km which will connect Waterloo, Kitchener and Cambridge.
- Part of the City of Kitchener's Innovation Cluster Strategy, aimed at sustaining a strong economic presence in the region.

Figure 66: Downtown Kitchener Action Plan Areas of Focus

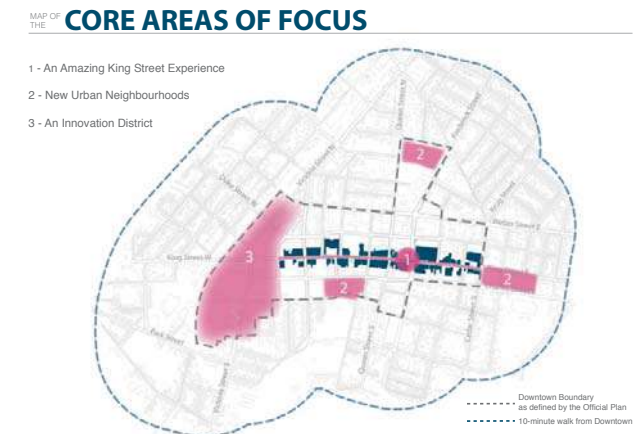


Source: Downtown Kitchener Action Plan 2012-2016

6.2.2 Success Indicators

- Current partners include: UW School of Pharmacy, The City of Kitchener, WLU Faculty of Social Work, UW Health Sciences Campus, Communitech Hub.
- Part of the re-urbanization of Kitchener which includes the re-use of buildings, this has attracted Google. The additional build out will provide more opportunities for small and medium business who wish to located in close proximity.
- Capitalized on existing and planned assets, to attract new businesses, retail and residential to the existing downtown.
- Developed a Central Transit Corridor Community Building Strategy to leverage transit investment and identifying key location and directions and future locations for growth.
- Current Kitchener Innovation District focused on the digital media and life sciences clusters, attracting various small and larger digital media users and attracting existing institutions.

Figure 67: Downtown Kitchener Core Areas of Focus



Source: Downtown Kitchener Action Plan 2012-2016

6.2.3 Implementation Policies

- The City of Kitchener created a Economic Development Investment Fund (EDIF), a \$110-million commitment to invest in projects to strengthen the local community, with particular emphasis on Downtown Kitchener. This was funded by a special ten-year tax levy.

<p>The EDIF contributed to \$500,000 to <i>Communitech Hub</i>, a 50,000 + sf facility which brings together startups, global brands, government agencies, government institutions, academic institutions, tech incubators and accelerators</p>	<p>The City contributed \$30 million UW's downtown School of Pharmacy which will include a Centre of Family Medicine, Family health Team and UW's School of Optometry Clinic</p>	<p>The Kitchener Downtown Action Plan is a five-year partnership between the City and the Downtown Kitchener BIA. The Innovation District is one of the core areas of focus</p>
<p>The WLU Faculty of Social Work, located in a former high school campus, is a component of the education and knowledge-creation cluster, supported by a \$6.5 million investment from the EDIF</p>	<p>Downtown Design Policies aim to promote the unique characteristics of the City Centre including of the Warehouse/ Innovation District</p>	<p>Other financial incentives include: Brownfield remediation, façade grants, Startup Landing Pads, and heritage tax rebates and grants</p>

Figure 68: Aerial Render of Kitchener Downtown



Source: Federation of Canadian Municipalities Conference

Figure 69: Research and Development Building in Kitchener Innovation District



Source: Federation of Canadian Municipalities Conference

Figure 70: The Breithaupt Block



Source: Colliers

6.3 Advanced Manufacturing District, London ON

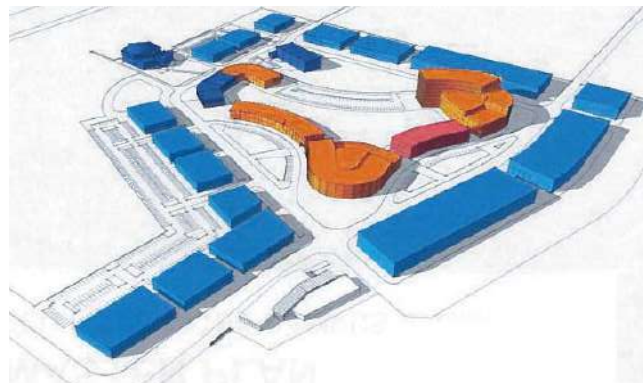
6.3.1 Project Description

- Located in close proximity to highway 401, the 130 acre Advanced manufacturing park is a partnership between the City of London, Western University and Fanshawe College, it is part of a larger 500 acres of serviced land. The AMP is phase IV in the City of London's innovation park.
- The sites are serviced and zoned for full-scale manufacturing and large-scale research facilities, and the aim is to leverage the close proximity of nearby industries such as Hanwha, 3M Canada, Trojan Technologies and Toyota manufacturing.
- The primary focus is on the established strengths in automotive and aviation parts and assembly, green energy and healthcare.
- Part of a larger initiative of the London Economic Development Corporation cluster building initiative, to support and foster growth in the London Manufacturing industry.
- The project aims to capitalize on highway infrastructure and the close proximity to American borders.

6.3.2 Success Indicators

- The AMP allows students of Western's Mechanical Engineering program and Fanshawe's Manufacturing Engineering Technology program to specialize and work on industry specific sector projects in world-class research facilities.
- As an extension of Western's Research Park, there are more than 100 tenants, 2,000 jobs and more than \$100 million dollars in investment. It is estimated that the economic impact is over \$200 million dollars.
- Western's Research Parks were named in the top 25 of global university business incubators in 2014.
- Western's Research links the Sarnia-Lambton park, the Discovery Park and Advanced Manufacturing Park, linking industry within the Region.

Figure 71: AMP Proposed Integrated Campus



Source: Advanced Manufacturing Park Presentation to Council

6.3.3 Implementation Policies

- Along with the institutional component, FedDev contributed \$13.7 million to cover the cost of the Collider and Fraunhofer Project Centre.
- The project is a joint venture with the City of London, UW, Fanshawe, the federal and provincial governments.

The Collider, a 50,000 sf central hub with multi-tenant space, which combines modern high-bay industrial space and shared office suites is a multi-stakeholder incubator center. There was a \$4 million dollar capital investment for machining and materials

The park is the location of WindEEE Dome, the world's first 3-D wind-testing chamber which aids research in understanding the scientific, economic and societal challenges related to wind

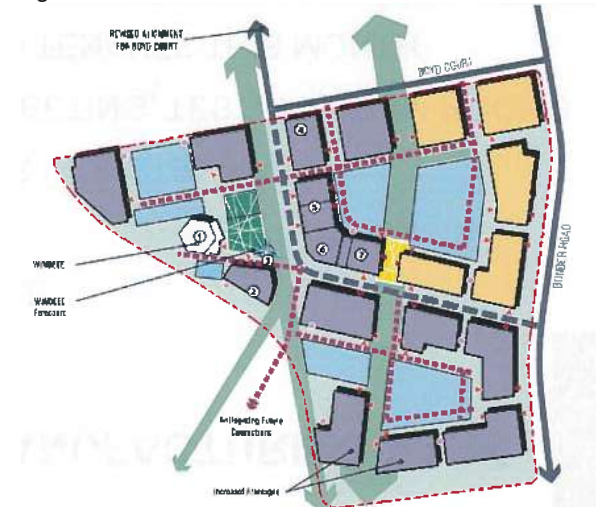
The Fraunhofer Project Centre, a 10,000 sf purpose-built heavy industry space, is a leading site for materials research and testing. This facility had a \$13.6 million capital investment

The Catapult Centre of Technology Commercialization supports collaborative projects in the Fraunhofer Centre, to develop into their own independent research centres

The 50 acre Discovery Park, adjacent to Western University, is focused on technology, including the Stiller Centre for Technology Commercialization, a biotechnology incubator

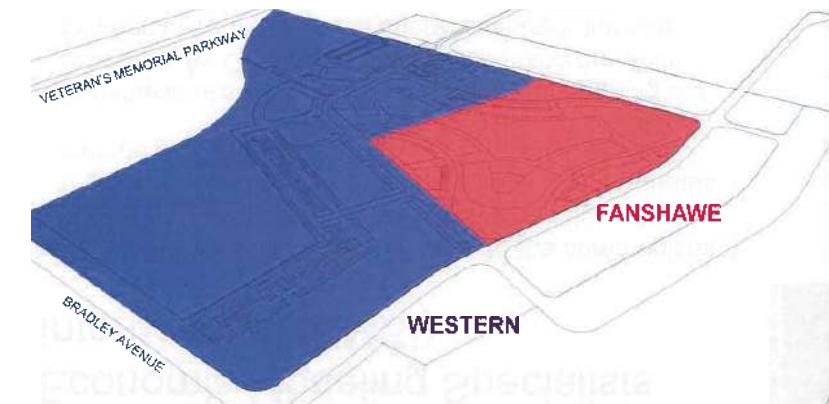
The 80 acre Western-Sarnia-Lambton Research Park is home of Canada's largest clean-tech incubator. Conference facilities assist in hosting industry events

Figure 72: AMP Master Plan



Source: Advanced Manufacturing Park Presentation to Council

Figure 73: AMD Land Allocation



Source: Advanced Manufacturing Park Presentation to Council

6.4 South Lake Union Area, Seattle, Washington

6.4.1 Project Description

- The South Lake Innovation District is a transformation of an older manufacturing area within Seattle. Key investments by private developer Vulcan Real Estate have assisted in attracting industry.
- The Innovation District has pursued relationships with civic and institutional partners such as universities to support their mandate.
- Support the growth of innovative industries in South Lake Union including biotechnology, information technology, environmental sciences and technology, and sustainable building. This has been coupled with investment in public realm, civic and retail amenities.
- In order to foster a collaborative and creative community engagement with arts and culture, human services and education, as well as neighborhood businesses and other organizations have been prioritized.

6.4.2 Success Indicators

- The current growth targets are for 8,000 additional households and 16,000 additional jobs over the twenty year period between 2004 and 2024.
- The University of Washington has relocated its medical and bioscience campus to South Lake, along with the Fred Hutchinson Cancer Research Centre, the Seattle Biomedical Research Institute and the Seattle Children's Hospital.
- Investment has energized the area by spurring millions of square feet of new development, creating hundreds of employment opportunities, and attracting thousands of retail visitors.

Figure 74: Aerial View of South Lake Union Area



6.4.3 Implementation Policies

- In 2004, Seattle's Comprehensive Plan update designated South Lake Union as an Urban Center to recognize the expected growth with short and long term goals.

<p>Stakeholder consultations to identify priorities for industrial lands and resulted in some reductions in the permitted accessory office and retail</p>	<p>Partnered with Amazon 1.64million sf. of headquarters space in 11 new buildings for 7,000 employees</p>	<p>High Order Transit South Lake is located on the New Seattle Streetcar Line</p>
<p>Establishment of UW Medicine in the heart of the South Lake District</p>	<p>Bioscience Campus, Cancer Research Centre, Biomedical Research was shifted to the Innovation District</p>	<p>Vulcan Real Estate Development Champion with large ownership stake in the community</p>

Figure 75: Office Building in South Lake Union Area



Figure 76: Research and Development Building



6.5 Quartier De L'Innovation, Montreal, QUE

6.5.1 Project Description

- Innovation Quarter in Montreal – composed of four neighbourhoods. Launched by McGill and ETS in 2013.
- Centre d'entreprises et d'innovation de Montréal established in the heart of the QI primarily for commercialization purposes.
- Established two clusters – Multimedia City and Information Technology Hubs.
- Established several social innovation projects including the Laboratory of Urban Culture, Social Innovators Integration Lab, Walking Tours, Internship programs.
- McGill Innovation Week in 2014 was attended by 1,500 individuals with its 14 events and activities.
- Montreal Summit on Innovation (MSI) on converging health and creative industries.

6.5.2 Success Indicators

- Largest concentration of information technology and multimedia workers in Canada.
- Largest concentration of information technology and multimedia workers in Canada.
- Planned real estate projects worth an estimated \$6 billion.
- Home to a dynamic artistic community and numerous non-profit organizations.
- 20 development projects, in industries as diverse as biofuels, communication technology and urban design.

Figure 77: Aerial View of the Innovation District



Source: http://www.btmm.qc.ca/en/m_sf_smi_1115/

6.5.3 Implementation Policies

- Key role of ETS and McGill in the first phase of planning - to integrate industrial and education/research sectors with urban and sociocultural spheres. An “ecosystem of innovation.”

<p>The SPP will invest \$93 million over the next few years to repair and retrofit infrastructure</p>	<p>Substantial focus on Networking – including conferences, summits, internship programs and international competitions</p>	<p>Establishment of the CEIM which commercializes ideas</p>
<p>\$6.3 Million in funding announced in 2014 to fund SME Development at the CEIM</p>	<p>Planned realty projects worth an estimated \$6 billion with Devimco as Leader</p>	<p>Local/Provincial/Federal level of development - \$800,000 investments used to attract new and promising projects for Montreal</p>

Figure 78: Redevelopment in Quartier De L'innovation



Source: http://www.btm.ca/en/m_sf_smi_1115/

Figure 79: Innovation Districts



Source: http://www.btm.ca/en/m_sf_smi_1115/

Figure 80: Quartier De L-innovation context map



Source: http://www.btm.ca/en/m_sf_smi_1115/

6.6 Boston South Waterfront Navy Yard, Massachusetts

6.6.1 Project Description

- South Boston is one of the largest privately funded innovation site in the US.
- District Hall, a dedicated civic space within South Boston was the result of a collaborative public-private partnership. Includes 'Venture Café' offers networking space.
- The facility features open workspace, classrooms, assembly space, and flexible use 'pods'. The building is part of the City of Boston's vision for an Innovation District.
- One of the World's largest startup competition and accelerator.
- Venture Café selects 128 companies annually to enter a four-month program which allows entrepreneurs access to resources, funding options, mentors and marketing.

6.6.2 Success Indicators

- Over 4,000 new jobs.
- Currently the area has 3.5M SF of office under construction.
- 200 new companies since 2010.
- 1,000 housing units since 2000.

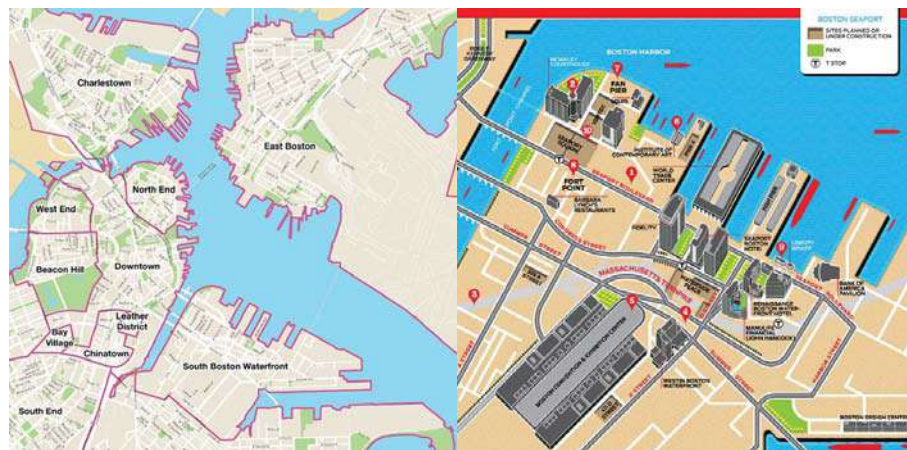
Figure 81: Aerial View of the Waterfront Navy Yard



6.6.3 Implementation Policies

<p>Boston Redevelopment Authority: Arms length body votes on implementation strategy – involved with the community</p>	<p>Mayor Tom Menino promoted development of the Boston Convention & Exhibition Center. Coined the term 'Innovation Hub' to rival Cambridge</p>	<p>The Big Dig infrastructure project: \$14.6 Billion I-93/I-90 buried underground & the Silver Line RT (bus) to the airport</p>
<p>Convention Centre opened 2004: Generated \$520 Million in 2011 through conferences & meetings</p>	<p>US Federal Courthouse relocated to the area - transforming a rundown dock into a place of vital civic importance</p>	<p>Fine Arts Museum opened 2006 – draws 200,000 visitors per year</p>

Figure 82: Location Maps of the Navy Yard Area



Source: Boston South Waterfront Navy Yard

Figure 83: Office Building



Source: Boston South Waterfront Navy Yard

Figure 84: Redevelopment Render



Source: Boston South Waterfront Navy Yard

6.7 22@Barcelona – El Districte de la innovació, Barcelona, Spain

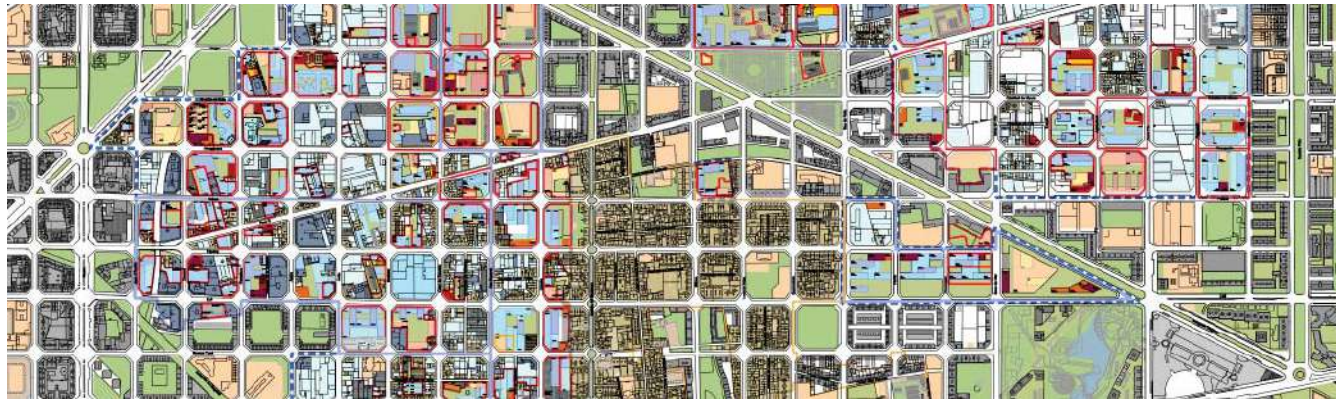
6.7.1 Project Description

- Municipal Company @22Barcelona created in 2000 -transform dilapidated industrial area into bustling knowledge center – 180 million euros of public money has been invested, however most has come from private sector.
- Five knowledge-intensive clusters were established: Information and Computer Technology (ICT), Media, Bio-Medical, Energy, and Design.
- Each cluster has companies, institutions, shared spaces, universities, technological centres, incubators and networking group.
- The 22@District fosters social interactions through the professional spaces designated in the districts – 66 member companies belong to networking groups.
- The area is home to 10 universities and over 25,000 students.
- Monthly breakfast meetings, Virtual Memory in Elderly, Net Multimedia classrooms, Computer recycling, Education Project, 22@CreaTalent and Family Network.

6.7.2 Success Indicators

- 114,000 m2 of new green space & 37 kilometres of new roads.
- New trams, metro, and high speed rail.
- 56,000 employees since 2000.
- 4,500 companies entered the area from 2000 - 2010 - 47.3% were start-ups.
- Several international, high-tech companies -Dolby Labs, Oracle, Iberica, and many others.
- Model of development applied in Rio de Janeiro, Boston, Istanbul and Cape Town.

Figure 85: Land Use Plan - 22@Barcelona



Source: 22@Barcelona

6.7.3 Implementation Policies

- Establishment of 3 part urban planning policy strategy:
 - Modification of the General Metropolitan Plan (MPGM) - Designates six areas to be developed through public initiatives.
 - Special Infrastructure Plans (PEI) - (165 million) which allow for urban improvements on 37 kilometers of streets in the 22@Barcelona with highly competitive utilities.
 - Modification of the Special Plan for Historical/Artistic Architectural Heritage.

Each block in the area was equipped with the latest high-speed, fiber-optic network

Barcelona Activa - a government-sponsored start-up co-working facility has fostered hundreds of companies

22@media, ICT, Bio, Campus, Entrepreneur, Tech - Seven public facilities initiatives for each of the clusters

Range of office space provided – temporary office space, incubation space and international venture hub

Urban Pilot Project – public can recommend pilot projects – has led to public lighting, bike sharing program, traffic control program

InnoActiva – development company set up to facilitate SME development

Figure 86: City Aerial



Source: 22@Barcelona

Figure 87: 22@Barcelona Industrial Aerial

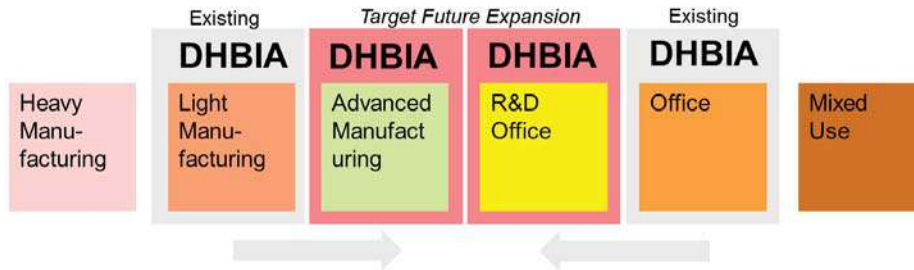


Source: 22@Barcelona

7.0 Project Vision

The DUKE Heights BIA will leverage its **strategic location** both at the **gateway** to the City of Toronto and at the **center of the regional economy**, along with proximity to world class academic and government institutions, high order transit and a supportive business network to foster development in **advanced manufacturing, health care, research and development and professional services.**

Figure 88: Project Vision



Advanced Manufacturing	<ul style="list-style-type: none"> 31 - Food & Clothing Manufacturing 32 - Wood, Paper, Chemicals & Plastics Manufacturing 33 - Equipment & Product Manufacturing
Research & Development Services	<ul style="list-style-type: none"> 5416 - Management, Scientific and Technical Consulting Services 5417 - Scientific Research and Development Services
Health Care	<ul style="list-style-type: none"> 62 - Health Care and Social Assistance
Professional Services	<ul style="list-style-type: none"> 51- Information and Cultural Industries 52 - Finance and Insurance 54 - Professional, Scientific and Technical Services

7.1 Objectives

- A** DUKE Heights BIA will build off an existing employment base in manufacturing and office to support employment growth in advanced manufacturing, health care, research and development and professional services.
- B** The BIA will establish a hub which will act as the heart of the community, offering opportunities for networking and small businesses incubation.
- C** The BIA will support development and branding of five industry clusters – food, pharma, furniture, medical and professional services.
- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.
- E** The BIA will support networking opportunities where traditional industries can converge with emerging sectors.
- F** The BIA will support small business and innovation by providing opportunities to bring together development, design, production and administration in one place.
- G** The BIA will facilitate investment in business support infrastructure, technology, and investor outreach which encourages employment uses to cluster and converge.
- H** The BIA will work with the City of Toronto to increase investment in the public realm in order to support the compact, walkable community needed to attract and retain quality employers and professional employees.
- I** The BIA will work to attract the service and retail uses which support a dynamic working environment.

7.2 Strategic Policy Directions

7.2.1 Economic Assets

7.2.1.1 Policy Direction #1 - Establishment of a Physical Hub

Objective Achieved

B The BIA will establish a hub which will act as the heart of the community, offering opportunities for networking and small businesses incubation.

Case Studies

- Hamilton – Atrium@MIP
- Kitchener – Communitech Hub
- London – The Collider
- Montreal – Laboratory of Urban Culture
- Barcelona – Barcelona Activa

Description

Case study research has demonstrated that a physical hub is an important asset to innovation/business districts, and can offer opportunities for the business community to meet, network and grow. The DUKE Heights BIA should work to establish a physical hub to act as the heart of the business community; providing for collaborative space, inexpensive offices for start-ups and conference venues for networking and showcasing industries within the BIA, along with offering a centralized resource and education centre for existing and new businesses. A dedicated hub within the BIA would serve as a business community resource. Partnerships with the City of Toronto (Enterprise Toronto), private landowners/businesses and institutions should be pursued as part of the development of the DUKE Heights Hub. This hub will also assist in the marketing of the BIA and provide a focal point of innovation. (See Section 3.2 Finch Corridor)

Recommendation

- *The BIA, in partnership with the City of Toronto should work to establish a physical hub to act as the heart of the business community. The hub will provide for collaborative space, inexpensive offices for start-ups, conference venues for networking and showcasing industries within the*

BIA, along with offering a centralized resource and education centre for existing and new businesses.

- **Short Term** – *The BIA should pursue coordinating with existing landlords and possibly local institutions to provide some small/ shared office facilities within an existing building, facilitated and programmed by the BIA and Enterprise Toronto.*
- **Medium/Long Term** – *Pursue funding through grants, private donations and partnerships to fund the development of a dedicated space/building with office, conference, education and networking space, potentially partnering with a large institution.*

7.2.1.2 Policy Direction #2 – Establish Industry Clusters

Objective Achieved

C The BIA will support development and branding of five industry clusters – food, pharma, furniture, medical and professional services.

Case Studies

- McMaster Innovation Park – Hamilton
- Kitchener Innovation District – Kitchener
- Montreal Quartier De l’Innovation
- 22@Barcelona – El Districte de la innovacion

Description

A ‘Location Quotient’ analysis was undertaken which identified clusters of industries that have developed in the DUKE Heights BIA. (See Section 5.4) Existing industry clusters may have developed through a local competitive advantage and present an opportunity for further development and incubation. According to the GTA Food Beverage Cluster - “Cluster-based economic development initiatives are about collaboration among the private sector and groups including governments, universities, think tanks, vocational training providers and industry associations.” As companies enjoy supply chain economies, marketing and awareness, knowledge transfer and networking benefits from collocating, it will be important to continue to support growth in these areas.

Five clusters were chosen for the DHBIA. The four manufacturing clusters were chosen based on existing location quotient in the top ten of all



Toronto employment districts. The professional services were selected as they represent a previously untapped growth cluster in the BIA.

Medical Cluster	<ul style="list-style-type: none"> • Proximity to institutions; • High profile tenants; • Recent development trends.
Furniture Cluster	<ul style="list-style-type: none"> • Highest LQ of all employment districts in Toronto; • High profile tenants; • Clusters in upstream industries - wood, plastics and rubber.
Food Cluster	<ul style="list-style-type: none"> • Existing cluster; • Wholesale and distribution hub; • GTA 2nd largest cluster in North America; • Growth industry; • Opportunities for SME firms.
Pharma Cluster	<ul style="list-style-type: none"> • Existing cluster; • High profile tenants; • Clusters in upstream industries; • Ontario R&D tax credits highest in G7.
Professional Services	<ul style="list-style-type: none"> • Builds off high order transit; • Growth industries.

Recommendation

- Establish a cluster working group which will be responsible for several initiatives. This includes understanding the sub-sectors within each cluster industry and the facility requirements of each. They will also be responsible for creating a marketing brochure which outlines the clusters, why they are offered a competitive advantage in the BIA and available funding opportunities. The group will organize networking events held for each industry to understand emerging trends and labour gaps.
- Importantly, it is recommended that the Gold Star program be extended to development applications for each of the cluster industries.

7.2.1.3 Policy Direction #3 – Attract and Leverage Anchor Tenants

Objective Achieved

- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.

Case Studies

- Hamilton – Canmet Materials Research Laboratory
- Kitchener – Google
- Seattle – Amazon
- Boston – US Federal Courthouse
- City of Mississauga

Description

It will be important to gain an understanding of existing large anchor tenants, and to leverage this economic activity to attract like firms. This will involve developing marketing materials for the BIA which highlights prominent anchor tenants, business clusters, local amenities and infrastructure investments. Use the land and real estate inventory established (Policy Direction #10) to create awareness of the real estate opportunities in the area in order to facilitate growth. Coordinate outreach to the market and new tenants in the market with Economic Development and the local commercial brokerage community.

Recommendation

- Establish marketing brochure which highlights competitive advantages of operating in the City of Toronto, specifically the DUKE Heights BIA. This would include access, infrastructure and locational benefits along with existing industrial clusters and prominent tenants in each cluster. Brochure to include information regarding land inventory (when completed), development incentives in the area and employment incentives for each relevant cluster. Make this brochure available to the BIA, EDO, online and in hardcopy, coordinating with the BIA's communication/branding consultants.

7.2.1.4 Policy Direction #4 - Leverage Large Institutions

Objective Achieved

- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.

Case Studies

- Hamilton – McMaster, Mohawk College and Natural Resources Canada
- Kitchener – UW School of Pharmacy, WLU Faculty of Social Work and UW Health Sciences Campus
- London – Western University and Fanshawe College
- Seattle – University of Washington Medical and Bioscience Campus, Fred Hutchinson Cancer Research Centre and Seattle's Children's Hospital
- Boston – US Federal Courthouse and Fine Arts Museum
- Barcelona – home to 10 universities

Description

The DUKE Heights BIA is fortunate to have several large institutions, including universities/colleges and government institutions, in close proximity to the area. These organizations offer a locational advantage to the BIA, as they provide opportunities for networking, physical or shared space, programs, research opportunities and proximity to students and recent graduates. The BIA should look to these large institutions to foster connections, including reviewing existing programs to find commonalities, and entering into discussions about opportunities for partnering.

York University in particular provides a strong opportunity as a growing neighbour to the west who will be connected to the BIA through improved and new transportation infrastructure.

Institutions (for a full description see Section 2.2)

- Universities/Colleges – York University, Lassonde School of engineering, Downsview Aerospace Campus, University of Toronto Aerospace Campus and Seneca College.
- Government Institutions – Humber River Regional Hospital, North York General, Humber Finch Hospital and Environment Canada.

Recommendation

- *Coordinate an outreach and communications plan through the BIA in order to target the identified institutions, beginning with York University. A review of their current programs and initiatives, including the York University Master Plan should be undertaken in order to find synergies. Individual points of contacts, once identified, should be approached to understand possible opportunities for networking, shared physical space, programs and other opportunities.*

7.2.2 Networking Assets

7.2.2.1 Policy Direction #5 - Provide Access to Funding and Grants

Objective Achieved

- E** The BIA will support small business and innovation by providing opportunities to bring together development, design, production and administration in one place.

Case Studies

- Montreal Quartier De l'Innovation
- 22@Barcelona – El Districte de la innovacion

Description

In order to encourage business expansion and retention, provide a resource where access to grants, incentives and most importantly venture capital firms are provided:

- Canadian Venture Capital and Private Equity Association
- BDC Capital, Venture Capital Action Plan
- Ontario Venture Capital Fund Finder
- Canadian Association of Business Incubation
- Access Community Capital Fund

Recommendation

- *Work with Enterprise Toronto and the Province of Ontario to get DUKE Heights Employment District onto the Business Incubation Directory. Coordinate seed funding grants to provide starter funding to DUKE Heights SME's. Pilot program could be undertaken in partnership with York Entrepreneurship Development Institute.*



7.2.2.2 Policy Direction #6 – Private Sector Development Champions

Objective Achieved

- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.

Case Studies

- Kitchener – Communitech
- Seattle – Vulcan Real Estate

Description

For DUKE Heights to be a successful area for business, it will require the support of the City, Economic Development and the BIA. However, it will be important to partner with the private-sector to foster redevelopment and growth in the area. The outcome of the public realm enhancement process and community improvement program will provide opportunities for land pooling and redevelopment. Private sector champions can facilitate change and invest in areas, along with championing the area locally and abroad.

Recommendation

- *Supporting the BIA through the attendance at networking events in the BIA and the Region. Promotion of the BIA, its vision and strategies through industry associations. Hosting networking events for industry and other stakeholders in order to promote the area and create opportunities to showcase local facilities and businesses.*

7.2.2.3 Policy Direction #7 – Host Networking Functions

Objective Achieved

- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.
- E** The BIA will support networking opportunities where traditional industries can converge with emerging sectors.

Case Studies

- Hamilton – Entrepreneurial Fairs, Atrium@MIP events
- Kitchener – Communitech Hub – events and conference space
- Boston- Vulcan Café – networking breakfasts and informal after work
- Barcelona – Monthly breakfast meetings

Description

In order to grow the businesses and target clusters within the BIA, networking functions - both internally and externally for industries and other stakeholders such as the brokerage community, neighbouring institutions and entrepreneurs - must be a priority. These provide opportunities to foster relationships, and showcase the BIA and its various companies. Networking breakfasts for small businesses, job and innovation fairs, educational workshops for local businesses will all foster the success of the area. The presence of a physical hub, and increased amenities for businesses such as restaurants and coffee shops can also encourage informal networking.

The BIA has begun coordinating networking events with their branding and marketing consultant US Communications via DUKE Talks. There are currently three planned for 2016, with an increase in frequency in 2017.

Recommendation

- *Establish an outreach committee whom will work with EDO to hold monthly breakfast meetings, social interactions, classes and projects and information sessions.*
- *Encourage local businesses to host and organize gatherings to showcase their own facilities.*

7.2.2.4 Policy Direction #8 – Establish Annual Reporting

Objective Achieved

- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.
- E** The BIA will support networking opportunities where traditional industries can converge with emerging sectors.

Case Studies

- Kitchener – Downtown Kitchener BIA
- Hamilton – MIP

Description

An important component of successful innovation districts/business parks and BIAs is annual reporting. Quality annual reporting provides an understanding of how the area is growing and how projects and

programs are impacting the area. Data can be sourced not only from the BIA, but also from the City of Toronto's Employment Survey, and input from local businesses. Annual reporting can include, job generation, impact to the Toronto economy, new business, business retention, occupancy and vacancy, BIA tenant and owner satisfaction, financial results of the BIA and other key indicators of the overall performance of the BIA. Annual reporting can be supplemented with quarterly newsletters.

Recommendation

- *Work with the City of Toronto to establish an Annual Report which includes: Mission, vision, objectives, new tenants, new business support services, total employment, new incubation space tenants, and business support services. Supplement with quarterly newsletters and blog posts, coordinated through the DUKE Heights communication and outreach strategy.*

7.2.3 Physical Assets

7.2.3.1 Policy Direction #9 – Enhancement of the Public Realm

Objective Achieved

H The BIA will work with the City of Toronto to increase investment in the public realm in order to support the compact, walkable community needed to attract and retain quality employers and professional employees.

I The BIA will work to attract the service and retail uses which support a dynamic working environment.

Case Studies

- Eglinton Cross-town Public Realm Concept Plan, Toronto, ON
- St. James Town Community Improvement Plan, Toronto, ON
- South Lake Union – Seattle, WA

Description

A key factor in attracting professional services and office employment is the physical environment. Urbanization trends in recent years have demonstrated that employers seek dynamic work environments where a range of services and public amenities are offered. Rental rates for downtown office space have increased dramatically, while suburban office environments have experienced a weaker performance.

Employees have begun to place a premium on access to transit, restaurants, entertainment, arts and culture, shopping and other urban amenities. In order for the BIA to overcome issues with the existing physical realm, such as a lack of services, low density development and lack of public infrastructure - a public realm enhancement strategy is needed. This will help to provide the walkable, compact public realm needed to attract professional workers and younger start-up firms.

The BIA is currently going to tender with a Public Realm Strategy, in order to improve the public realm and functionality of nine main intersections. Recommendations for the quadrants and the Finch Corridor contained in Section 3.2 should be reviewed in order to find improvement opportunities and create a Terms of Reference. In particular the edges of the quadrants which face the surrounding communities should be reviewed as these lands are designated Core Employment and have more employment planning permissions.

Recommendation

- *Coordinate with the City of Toronto Planning Department to approve a 'Public Realm Concept Plan' for the BIA. Key components to be reviewed in the plan include; a breakdown of property ownership (for potential land pooling opportunities), building uses, existing parking availability, pedestrian realm attributes and existing neighbourhood gateways in the BIA. The outcome of the study will be recommendations for 'Park and Open Space Improvements', 'Public Realm Opportunities' and 'Streetscape and Network Opportunities'.*

7.2.3.2 Policy Direction #10 – Establish Development Incentives using CIP Framework

Objective Achieved

H The BIA will work with the City of Toronto to increase investment in the public realm in order to support the compact, walkable community needed to attract and retain quality employers and professional employees.

I The BIA will work to attract the service and retail uses which support a dynamic working environment.

Case Studies

- VMC Community Improvement Plan



- **Niagara Gateway Employment Lands Community Improvement Plan**
Description

One of the major impediments to industrial and office development in the area is the current economic environment. Sample pro-formas reveal there is little return on investment, on account of low rents and competition for employment uses with other areas of the GTA. (See Appendix) It is important to bridge this gap with development incentives. CIPs offer a great opportunity to provide a set of incentives that apply to a targeted focus area.

CIPs are plans that focus on the maintenance, development and redevelopment of targeted area. They provide a framework for enhancement of the public realm and the provision of development incentives. They require council to establish a by-law to designate a CIP area and require partnership with the City of Toronto. Under the framework, municipalities to provide grants and loans to stimulate private sector investment in targeted areas of the community. They can promote revitalization, economic development and business investment in specific sectors.

Recommended Policies with the CIP

Establish a Community Improvement Plan for the BIA. Direct City of Toronto Planning and EDO to review recommended development incentives, including:

- **Gold Star Program** – *It is recommended that a Pilot Gold Star Monitoring Program be established for the BIA where development permitting times will be monitored to ensure efficient functioning of the program. Conversations with developers and stakeholders in the area have revealed the Gold Star program does not deliver on the time savings that are promised by the program.*
- **Municipal Incentive Grant** - *development fees waived for applications within the BIA.*
- **Building Modernization Grant (replaces Façade Improvement Program)** – *replace Façade Improvement Program with Building Modernization Grant. This would incentivize retrofitting of older industrial buildings which do not suit modern standards (thereby increasing rents and providing greater viability for new business relocation). Direct council to review attributes of the program in order to understand funding requirements.*

- **Parkland Dedication Reduction** – *100% parkland dedication reduction for office uses.*
- **Landscape Grant** - *Landscape Improvement Grant Program established to promote the enhanced landscaping to improve the existing image of the area.*
- **Tax Increment Grant (TIEG Grant)** – *extend IMIT grant to all uses within the BIA in the form of a TIEG Grant in order to offset a portion of the property tax increase resulting from the development or the redevelopment of the qualifying property.*

7.2.3.3 Policy Direction #11 – Establish Shovel Ready Land Inventory

Objective Achieved

- D** The BIA will foster partnerships with institutions and industry associations to generate employment growth.
- E** The BIA will support networking opportunities where traditional industries can converge with emerging sectors.

Case Studies

- London – Fanshawe College

Description

Coordinating with the Economic Development department and the local commercial brokerage community, the BIA should set up a real estate profile for prospective new businesses. Attributes to be provided in the inventory include: available space (for lease and sale) and lands available for development. Facts about the clusters in the area, other businesses and institutions along with demographics including labour pool information will be important additions to the inventory. This information can be used as a marketing piece for the BIA and assist in targeting identified clusters.

Recommendation

- *Establish an easily accessible database of real estate information for the area, including listings for vacant space, off-market opportunities and contacts. This should be updated quarterly, and circulated to Economic Development, members of the BIA and the brokerage community in order to ensure the BIA as a business destination is top of mind.*

7.2.3.4 Policy Direction #12 – Improve Fiber Optic Network & Improve Hydro Reliability

Objective Achieved

- G** The BIA will facilitate investment in business support infrastructure, technology, and investor outreach which encourages employment uses to cluster and converge.

Description

Discussions with stakeholders in the BIA have indicated that there is considerable concern by local businesses regarding the impact of unreliable utilities on local businesses. Lack of reliable power and internet access can not only impact the success of the current BIA members, but may also impact the ability to attract other users. These services are fundamental to the functions of local businesses, and will be increasingly important in the future.

Recommendation

- *Direct City of Toronto council to investigate reliability of local utilities and the impact on economic development and attracting employment.*

7.2.3.5 Policy Direction #13 – Implement Transportation Strategy to Improve Access

Objective Achieved

- H** The BIA will work with the City of Toronto to increase investment in the public realm in order to support the compact, walkable community needed to attract and retain quality employers and professional employees.
- I** The BIA will work to attract the service and retail uses which support a dynamic working environment.

Case Studies

- McMaster Innovation Park – Hamilton
- Kitchener Innovation District – Kitchener
- Montreal Quartier De l’Innovation
- 22@Barcelona – El Districte de la Innovacion

Description

A first step of any successful innovation district or employment area is the establishment of a transportation master plan. This provides the foundation for improved transportation access and a reduction in congestion, in addition to opportunities for enhanced density, land pooling or improved connectivity to high order transit connections. In addition, key feedback from the study survey indicated congestion in the area was an impediment to business operations and expansion. With the changing context of the employment district, including investment in high order transit, the planned redevelopment of Downsview Park to the south, a shifting employment landscape and increased population in the surrounding area, a transportation strategy is a vital first step for development of the area.

The City of Toronto Planning Department has completed Phase 3 of “Feeling Congested” a public consultation on the Five Year OP and MCR. This study includes a section on Goods Movement, which is important to implementing a transportation strategy for the BIA. Policies were approved in December 2014.

Recommendation

- *Direct City of Toronto Planning Department to approve a transportation master plan for the DUKE Heights BIA. Factors included in the masterplan will include: new and expanded roadways; typical cross-sections, “greenway” provisions for future storm water or greywater systems; roadway improvements; integrated transit facilities, cycling lanes, and a pedestrian and trails network; transit recommendations for intra-BIA connectivity; Transportation Demand Management (TDM) measures; Cycling/Pedestrian/Trails network developed to provide multi-modal connections, potential truck routes identified based on the need for goods movement.*
- *Direct City of Toronto Planning Department to work with the BIA to develop a comprehensive strategy.*



7.2.2.2 Policy Direction #14 – Review Employment Land Permissions to Encourage Employment Growth

Objective Achieved

- A** DUKE Heights BIA will build off an existing employment base in manufacturing and office to support employment growth in advanced manufacturing, health care, research and development and professional services.
- I** The BIA will work to attract the service and retail uses which support a dynamic working environment.

Case Studies

- McMaster Innovation Park – Hamilton
- South Lake Union Area – Seattle
- 22@Barcelona – Barcelona, Spain

Description

It is important that the City of Toronto and the BIA are able to capitalize on the new and planned transit infrastructure investments in the area, i.e. the Keele/Finch Transit Hub. A review of the current policies should look at how these policies are currently encouraging employment growth and density in proximity to transit investments, and how additional employment land use permissions could maximize employment in these areas. Other transit improvements such as the Sheppard-West Station, and new connections for Downsview Station should also be reviewed for additional opportunities.

Recommendation

- *Direct City of Toronto Planning Department to review the current employment land use permissions to maximize employment uses around the new subway station and along the Finch Corridor. The City Planning Department has already begun a study of land uses surrounding the Finch LRT as a result of investment in rapid transit along the corridor, and has proposed that the area around Keele Street and Finch Avenue West be studied first. It would be a natural progression to study the land uses along Finch Avenue from Keele Street to Dufferin Avenue, in order to review the current land use permissions with a view to improving and increasing employment along this corridor.*

7.2.2.3 Policy Direction #15 – Review by BIA Office of Policies to Ensure These Are Applicable to Industry Oriented BIAs

Objective Achieved

- G** The BIA will facilitate investment in business support infrastructure, technology, and investor outreach which encourages employment uses to cluster and converge.
- H** The BIA will work with the City of Toronto to increase investment in the public realm in order to support the compact, walkable community needed to attract and retain quality employers and professional employees.

Case Studies

- McMaster Innovation Park – Hamilton
- South Lake Union Area – Seattle
- 22@Barcelona – Barcelona, Spain

Description

It is important that the BIA is able to have access to and utilize the tools and policies which are most pertinent to the concerns and requirements unique to predominantly industrial/employment BIA's. The City's current BIA programs and policies are not necessarily the types of investments that employment BIAs require to support their businesses. For example, community events and street festivals, though they can attract the public to an area, may not be appropriate for an employment BIA which is hoping to attract new businesses and technology.

Recommendation

- *The BIA Office to review its policies and programs in order to include elements which will assist industrial/employment BIAs to build employment in their areas. Consider the addition of policy to assist employment BIAs, which could include the creation of a new category of BIA's, in providing funding and services which would drive new industrial or office business creation, cluster strategies, and improve the area for local employees.*

Appendix A.4 contains a summary of the recommendations, timeframes, priorities and responsible parties

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Appendix

A.1 Pro-Forma

Sample Industrial Development - Dufferin Finch BIA

Site Dimensions			Source
Site Size	2.0 acres		IBI Group
Site Coverage	70%		IBI Group
Building Size	60,984 square feet		IBI Group
Existing Building			
Number of Buildings	2		IBI Group
Building Size	20,000		IBI Group
Total GFA	40,000		
Land Costs			
	\$ 1,200,000	acre	Colliers
Total Land Costs	\$ 2,400,000		Colliers
Demolition Costs			
Cost per square foot	\$ 5.00		IBI Group
Total Demolition Costs	\$ 200,000		
Construction Costs ¹			
28' Clear Height	\$ 72.5	per sf	Altus 2015
Soft Costs	20%		IBI Group
28' Clear Height	\$ 87.0	per sf	Altus 2015
Total Construction	\$ 5,305,608		
Site Servicing	\$ 50,000	per acre	
Total Site Servicing Costs	\$ 100,000		
Parking Required	45		IBI Group
Cost per space	\$ 4,000		IBI Group
Total Parking Costs	\$ 180,000		
Scenario 1			
HST on servicing and building materials (\$)	\$ 344,911		
Total Development Costs w/o Land Purchase	\$ 6,130,519		
Scenario 2			
HST on servicing and building materials (\$)	\$ 351,086		
Total Development Costs with Land Purchase	\$ 8,536,694		
Time of Development	2 years		IBI Group

¹Altus 2015 Cost Construction Guide

Net Rents	\$ 5.00
Vacancy	5%
Annual Rental Appreciation	10.4%
Off Site Management Expense	2.5%
Replacement Reserve	27,928
Type of Lease	Triple Net
Replacement Reserve is 0.05% of annual construction costs	
Financing - Scenario 1	
Total Costs	\$ 6,130,519
Owner Equity (25%)	\$ 1,532,630
Mortgage (75%)	\$ 4,597,889
Mortgage Interest	3.25%
Amortization	30
Monthly Payment	\$ 19,956
Interim Financing	4.00%
Cap Rate	10.00%
Financing - Scenario 2	
Total Costs	\$ 8,536,694
Owner Equity (25%)	\$ 2,134,174
Mortgage (75%)	\$ 6,402,521
Mortgage Interest	3.25%
Amortization	30
Monthly Payment	\$ 27,789
Cap Rate	10%
Interim Financing	4.00%

	IRR
Industrial without Land Purchase	4.63%
Industrial with Land Purchase	3.15%

Duffield Finch BIA																												
September 21, 2015																												
Industrial Development - Redevelopment, No Land Purchase																												
(All \$ in 2015 Values)																												
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Real Estate Price Appreciation					1.00	1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.21	1.21	1.21	1.21	1.21	1.31	1.31	1.31	1.31	1.31	1.42	1.42	1.42	1.42
Industrial Space	SF				60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984
Occupancy Rate	Stabilized	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Total Occupied SF		SM	0	0	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935
Operating Revenue	Net Rents		0	0	289,674	289,674	289,674	289,674	289,674	319,824	319,824	319,824	319,824	319,824	349,973	349,973	349,973	349,973	349,973	380,123	380,123	380,123	380,123	380,123	410,272	410,272	410,272	410,272
(I) Annual Rents	5.00 /annum																											
Total Revenue			-	-	289,674	289,674	289,674	289,674	289,674	319,824	319,824	319,824	319,824	319,824	349,973	349,973	349,973	349,973	349,973	380,123	380,123	380,123	380,123	380,123	410,272	410,272	410,272	410,272
Other Revenue streams		0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue			-	-	289,674	289,674	289,674	289,674	289,674	319,824	319,824	319,824	319,824	319,824	349,973	349,973	349,973	349,973	349,973	380,123	380,123	380,123	380,123	380,123	410,272	410,272	410,272	410,272
Operating Expenses			-	-	7,241.85	7,242	7,242	7,242	7,242	7,996	7,996	7,996	7,996	7,996	8,749	8,749	8,749	8,749	8,749	9,503	9,503	9,503	9,503	9,503	10,257	10,257	10,257	10,257
Off Site Management Expense		3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Replacement Reserve		0%	-	-	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928
Total Operating Expenses			-	-	35,170	35,170	35,170	35,170	35,170	35,924	35,924	35,924	35,924	35,924	36,677	36,677	36,677	36,677	36,677	37,431	37,431	37,431	37,431	37,431	38,185	38,185	38,185	38,185
					88%	88%	88%	88%	88%	89%	89%	89%	89%	89%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	91%	91%	91%	91%
EBITDA			-	-	254,504	254,504	254,504	254,504	254,504	283,900	283,900	283,900	283,900	283,900	313,296	313,296	313,296	313,296	313,296	342,691	342,691	342,691	342,691	342,691	372,087	372,087	372,087	372,087
Development Costs	2015 Cost	Adj. Aggregate																										
Development Costs																												
Total Development Costs		6,130,519	3,065,260	3,065,260																								
Interim Financing (18 months)																												
Owner Equity	0%	-																										
Debt Service	100%	6,130,519	122,610	61,305																								
Development Financing																												
Owner Equity	25%	1,532,630																										
Debt Service	75%	4,597,889	119,738	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	\$1,517,469
Proceeds from Reversion	8%																											4,651,090
Net Cash Flow		(1,532,630)	(122,610)	(181,043)	15,029	15,029	15,029	15,029	15,029	44,425	44,425	44,425	44,425	44,425	73,821	73,821	73,821	73,821	73,821	103,216	103,216	103,216	103,216	103,216	132,612	132,612	132,612	3,505,708
Internal Rate of Return (IRR)																												4.625%
Net Present Value (NPV)																												(\$1,194,520)

Dufferin Finch DIA September 21, 2015 Industrial - Redevelopment, Land Purchase (All \$ in 2015 Values)			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Real Estate Price Appreciation			1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.10	1.21	1.21	1.21	1.21	1.21	1.31	1.31	1.31	1.31	1.31	1.42	1.42	1.42	1.42	
Industrial Space			60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	60,984	
Occupancy Rate	Stabilized	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	
(I) Total Occupied SM		SM	0	0	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	57,935	
Operating Revenue	Net Rents																												
(I) Annual Rents	5.00 /annum		0	0	289,674	289,674	289,674	289,674	289,674	319,824	319,824	319,824	319,824	319,824	349,973	349,973	349,973	349,973	349,973	380,123	380,123	380,123	380,123	380,123	410,272	410,272	410,272	410,272	
Total Revenue			-	-	289,674	289,674	289,674	289,674	289,674	319,824	319,824	319,824	319,824	319,824	349,973	349,973	349,973	349,973	349,973	380,123	380,123	380,123	380,123	380,123	410,272	410,272	410,272	410,272	
Other Revenue streams		0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Revenue			-	-	289,674	289,674	289,674	289,674	289,674	319,824	319,824	319,824	319,824	319,824	349,973	349,973	349,973	349,973	349,973	380,123	380,123	380,123	380,123	380,123	410,272	410,272	410,272	410,272	
Operating Expenses			-	-	7,241.85	7,242	7,242	7,242	7,242	7,996	7,996	7,996	7,996	7,996	8,749	8,749	8,749	8,749	8,749	9,503	9,503	9,503	9,503	9,503	10,257	10,257	10,257	10,257	
Off Site Management Expense		3%	-	-	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	27,928	
Replacement Reserve		1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses			-	-	35,170	35,170	35,170	35,170	35,170	35,924	35,924	35,924	35,924	35,924	36,677	36,677	36,677	36,677	36,677	37,431	37,431	37,431	37,431	37,431	38,185	38,185	38,185	38,185	
EBITDA			-	-	254,504	254,504	254,504	254,504	254,504	283,900	283,900	283,900	283,900	283,900	313,296	313,296	313,296	313,296	313,296	342,691	342,691	342,691	342,691	342,691	372,087	372,087	372,087	372,087	
Development Costs	2015 Cost	Adj. Amortization																											
Development Costs			4,268,347	4,268,347																									
Total Development Costs		8,536,694																											
Interim Financing (18 months)																													
Owner Equity	0%	-																											
Debt Service	100%	256,101	170,734	85,367																									
Development Financing																													
Owner Equity	25%	2,134,174																											
Debt Service	75%	6,402,521	119,738	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	239,475	\$1,517,469
Proceeds from Reversion	8%																												4,651,090
Net Cash Flow		(2,134,174)	(170,734)	(205,104)	15,029	15,029	15,029	15,029	15,029	44,425	44,425	44,425	44,425	44,425	73,821	73,821	73,821	73,821	73,821	103,216	103,216	103,216	103,216	103,216	132,612	132,612	132,612	3,505,708	
Internal Rate of Return (IRR)																													3.148%
Net Present Value (NPV)																													(\$1,787,103)

Sample Office Development - Dufferin Finch BIA

Site Dimensions			Source	Net Rents	\$ 15.00
Site Size	1.5 acres		IBI Group	Vacancy	8%
Site Coverage	41%		IBI Group	Annual Rental Appreciation	3.0%
Building Footprint	26,070 square feet		IBI Group	Management Expense	5.0%
Number of Storeys	8			Replacement Reserve	0
Total Area	161,458 square feet			Type of Lease	Net
Leasable Area (85%)	137,239 square feet			Vancancy - Operating Costs	\$ 87,833
Existing Building					
Number of Buildings	-		IBI Group		
Building Size (square feet)	-		IBI Group		
Total GFA	-				
Land Costs					
	\$ 1,600,000 acre		Colliers		
Total Land Costs	\$ 2,352,000		Colliers		
Demolition Costs					
Cost per square foot ¹					
Total Demolition Costs					
Construction Costs²					
5-10 Storey Building (with U/G parking)	\$ 170.0 per sf		Altus 2015		
Soft Costs	20%		IBI Group		
5-10 Storey Building (with U/G parking)	\$ 204.0 per sf		Altus 2015		
Total Construction	\$ 32,937,432				
Site Servicing					
Total Site Servicing Costs	\$ 100,000 total		IBI Group		
Parking Required					
Underground Cost per Space	\$ 36,000		Altus 2015		
Total Parking Costs	\$ 7,920,000				
Scenario 1					
HST on servicing and building materials (\$)	\$ 2,529,121				
Total Development Costs without Land Purchase	\$ 43,486,553				
Scenario 2					
HST on servicing and building materials (\$)	\$ 2,529,121				
Total Development Costs with Land Purchase	\$ 45,838,553				
Total Years of Development	2 years		IBI Group		

²Altus 2015 Cost Construction Guide

	IRR
Office without Land Purchase	4.24%
Office with Land Purchase	3.48%

Scenario 1	
Total Costs	\$ 43,486,553
Owner Equity (25%)	\$ 10,871,638
Mortgage (75%)	\$ 32,614,915
Mortgage Interest	3.25%
Amortization Years	30
Monthly Payment	\$ 1,698,705
Interim Financing	4%
Cap Rate	10%
Scenario 2	
Total Costs	\$ 45,838,553
Owner Equity (25%)	\$ 11,459,638
Mortgage (75%)	\$ 34,378,915
Mortgage Interest	3.25%
Amortization Years	30
Monthly Payment	\$ 1,790,581
Interim Financing	4%
Cap Rate	10%

Dufferin Finch BIA September 21, 2015 Office Development - Vacant, No Land Purchase (All \$ in 2015 Values)			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040		
			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25		
Real Estate Price Appreciation					1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.10	1.21	1.21	1.21	1.21	1.21	1.31	1.31	1.31	1.31	1.31	1.42	1.42	1.42	1.42		
Office Space					137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	
Occupancy Rate	Stabilized	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	
Total Occupied SF		SM	0	0	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	
Operating Revenue	Net Rents		0	0	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,288,140	2,288,140	2,288,140	2,288,140	2,288,140	2,485,259	2,485,259	2,485,259	2,485,259	2,485,259	2,682,378	2,682,378	2,682,378	2,682,378	2,682,378	
(l) Annual Rents	15.00 /annum																													
Total Revenue			-	-	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,288,140	2,288,140	2,288,140	2,288,140	2,288,140	2,485,259	2,485,259	2,485,259	2,485,259	2,485,259	2,682,378	2,682,378	2,682,378	2,682,378	2,682,378	
Other Revenue streams		0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Revenue			-	-	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,288,140	2,288,140	2,288,140	2,288,140	2,288,140	2,485,259	2,485,259	2,485,259	2,485,259	2,485,259	2,682,378	2,682,378	2,682,378	2,682,378	2,682,378	
Operating Expenses			-	-	47,348	47,348	47,348	47,348	47,348	52,276	52,276	52,276	52,276	52,276	57,204	57,204	57,204	57,204	57,204	62,131	62,131	62,131	62,131	62,131	67,059	67,059	67,059	67,059	67,059	
Off Site Management Expense		3%	-	-	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	
Vacancy Operating Costs			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses			-	-	135,181	135,181	135,181	135,181	135,181	140,109	140,109	140,109	140,109	140,109	145,037	145,037	145,037	145,037	145,037	149,965	149,965	149,965	149,965	149,965	154,893	154,893	154,893	154,893	154,893	
					93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	
NET OPERATING INCOME (NOI)			-	-	1,758,722	1,758,722	1,758,722	1,758,722	1,758,722	1,950,913	1,950,913	1,950,913	1,950,913	1,950,913	2,143,103	2,143,103	2,143,103	2,143,103	2,143,103	2,335,294	2,335,294	2,335,294	2,335,294	2,335,294	2,527,485	2,527,485	2,527,485	2,527,485		
Development Costs	2015 Cost	Adj. Aggregate																												
Total Development Costs		43,486,553	21,743,277	21,743,277																										
Interim Financing (18 months)																														
Owner Equity	0%	-																												
Debt Service	100%	1,739,462	869,731	869,731																										
Development Financing																														
Owner Equity	25%	10,871,638																												
Debt Service	75%	32,614,915	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	1,698,705	
Proceeds from Reversion	8%																													
Net Cash Flow		(10,871,638)	(869,731)	(869,731)	60,016	60,016	60,016	60,016	60,016	252,207	252,207	252,207	252,207	252,207	444,398	444,398	444,398	444,398	444,398	636,589	636,589	636,589	636,589	636,589	828,780	828,780	828,780	828,780	23,356,959	
Internal Rate of Return (IRR)																														
Net Present Value (NPV)																														

Dufferin Finch BIA September 21, 2015 Office Development - Vacant, Land Purchase (All \$ in 2015 Values)			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Real Estate Price Appreciation					1.00	1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.21	1.21	1.21	1.21	1.21	1.31	1.31	1.31	1.31	1.42	1.42	1.42	1.42		
Office Space			137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	137,239	
Occupancy Rate	Stabilized	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	
Total Occupied SF	SM	0	0	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	126,260	
Operating Revenue (I) Annual Rents	Net Rents 15.00 /annum	0	0	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,288,140	2,288,140	2,288,140	2,288,140	2,288,140	2,485,259	2,485,259	2,485,259	2,485,259	2,485,259	2,682,378	2,682,378	2,682,378	2,682,378
Total Revenue		-	-	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,288,140	2,288,140	2,288,140	2,288,140	2,288,140	2,485,259	2,485,259	2,485,259	2,485,259	2,485,259	2,682,378	2,682,378	2,682,378	2,682,378
Other Revenue streams		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	0%	-	-	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	1,893,902	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,091,021	2,288,140	2,288,140	2,288,140	2,288,140	2,288,140	2,485,259	2,485,259	2,485,259	2,485,259	2,485,259	2,682,378	2,682,378	2,682,378	2,682,378
Operating Expenses	3%	-	-	47,348	47,348	47,348	47,348	47,348	47,348	52,276	52,276	52,276	52,276	52,276	52,276	57,204	57,204	57,204	57,204	57,204	62,131	62,131	62,131	62,131	62,131	67,059	67,059	67,059	67,059
Off Site Management Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Operating Costs		-	-	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833	87,833
Total Operating Expenses		-	-	135,181	135,181	135,181	135,181	135,181	135,181	140,109	140,109	140,109	140,109	140,109	140,109	145,037	145,037	145,037	145,037	145,037	149,965	149,965	149,965	149,965	149,965	154,893	154,893	154,893	154,893
NET OPERATING INCOME (NOI)		-	-	1,758,722	1,758,722	1,758,722	1,758,722	1,758,722	1,758,722	1,950,913	1,950,913	1,950,913	1,950,913	1,950,913	1,950,913	2,143,103	2,143,103	2,143,103	2,143,103	2,143,103	2,335,294	2,335,294	2,335,294	2,335,294	2,335,294	2,527,485	2,527,485	2,527,485	2,527,485
Development Costs	2015 Cost	Adi. Aggregate																											
Total Development Costs		45,838,553	22,919,277	22,919,277																									
Interim Financing (18 months)																													
Owner Equity	0%	-																											
Debt Service	100%	45,838,553	916,771	916,771																									
Development Financing																													
Owner Equity	25%	11,459,638			1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581	1,790,581
Debt Service	75%	34,378,915																											
Proceeds from Reversion	8%																												
Net Cash Flow		(11,459,638)	(916,771)	(916,771)	(31,859)	(31,859)	(31,859)	(31,859)	(31,859)	160,331	160,331	160,331	160,331	160,331	160,331	352,522	352,522	352,522	352,522	352,522	544,713	544,713	544,713	544,713	544,713	736,904	736,904	736,904	22,805,423
Internal Rate of Return (IRR)																													
Net Present Value (NPV)	12%																												

Sample Retail Redevelopment Project - Dufferin Finch BIA

Site Dimensions			Source
Site Size	1.5 acres		IBI Group
Site Coverage	60%		IBI Group
Building Size	39,204 square feet		IBI Group
Leaseable Area	33,323 square feet		
Existing Building			
Number of Buildings	1		IBI Group
Building Size (square feet)	28,987		IBI Group
Total GFA	28,987		
Land Costs			
	\$ 1,600,000 acre		Colliers
Total Land Costs	\$ 2,400,000		Colliers
Demolition Costs			
Cost per square foot	\$ 5.00		IBI Group
Total Demolition Costs	\$ 144,936		
Construction Costs ¹			
Anchor Department Store	\$ 150.0 per sf		Altus 2015
Soft Costs	20%		IBI Group
Anchor Department Store	\$ 180.0 per sf		Altus 2015
Total Construction	\$ 7,056,720		
Site Servicing			Altus 2015
Total Site Servicing Costs	\$ 100,000 total		
Parking Required	40		IBI Group
Cost per space	\$ 4,000		IBI Group
Total Parking Costs	\$ 160,000		
HST on servicing and building materials (\$)	\$ 451,807		
Total Development Costs w/o Land Purchase	\$ 7,942,451		
HST on servicing and building materials (\$)	\$ 451,807		
Total Development Costs w/ Land Purchase	\$ 10,313,463		
Total Years of Development	2 years		IBI Group

	IRR
Retail without Land Purchase	6.91%
Retail with Land Purchase	3.15%

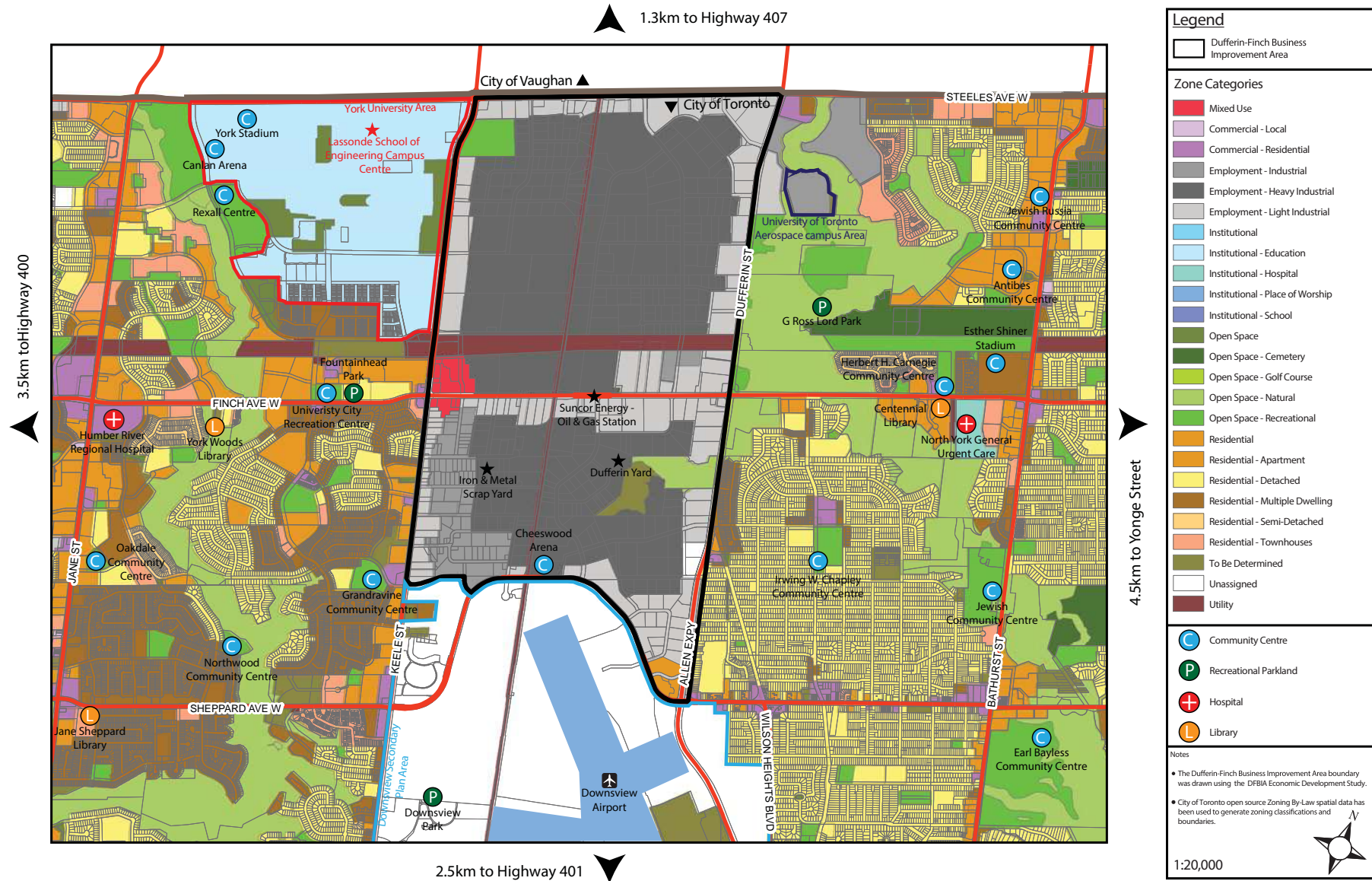
Net Rents	\$ 13.00
Vacancy	5%
Annual Rental Appreciation	1.5%
Management Expense	5%
Replacement Reserve	1%
Type of Lease	Net
Vacancy - Operating Costs	\$ 13,329
Financing - Scenario 1	
Total Costs	\$ 7,942,451
Owner Equity (25%)	\$ 1,985,613
Mortgage (75%)	\$ 5,956,838
Mortgage Interest	3.25%
Amortization Years	30
Annual Payment	\$ 310,254
Cap Rate	8%
Interim Financing	4%
Financing - Scenario 2	
Total Costs	\$ 10,313,463
Owner Equity (25%)	\$ 2,578,366
Mortgage (75%)	\$ 7,735,098
Mortgage Interest	3.25%
Amortization Years	30
Monthly Payment	\$ 402,872
Cap Rate	8%
Interim Financing	4%

¹Altus 2015 Cost Construction Guide

Dufferin Finch BIA September 21, 2015 Retail Development - Redevelopment, No Land Purchase (All \$ in 2015 Values)			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Real Estate Price Appreciation					1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.10	1.21	1.21	1.21	1.21	1.21	1.31	1.31	1.31	1.31	1.31	1.42	1.42	1.42	1.42
Retail Area			33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323
Occupancy Rate	Stabilized	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Total Occupied SF		SM	0	0	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657
Operating Revenue	Net Rents		0	0	411,544	411,544	411,544	411,544	411,544	454,378	454,378	454,378	454,378	454,378	497,212	497,212	497,212	497,212	497,212	540,045	540,045	540,045	540,045	540,045	582,879	582,879	582,879	582,879
(l) Annual Rents	13.00 /annum																											
Total Revenue			-	-	411,544	411,544	411,544	411,544	411,544	454,378	454,378	454,378	454,378	454,378	497,212	497,212	497,212	497,212	497,212	540,045	540,045	540,045	540,045	540,045	582,879	582,879	582,879	582,879
Other Revenue streams		0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue			-	-	411,544	411,544	411,544	411,544	411,544	454,378	454,378	454,378	454,378	454,378	497,212	497,212	497,212	497,212	497,212	540,045	540,045	540,045	540,045	540,045	582,879	582,879	582,879	582,879
Operating Expenses																												
Off Site Management Expense		3%	-	-	10,289	10,289	10,289	10,289	10,289	11,359	11,359	11,359	11,359	11,359	12,430	12,430	12,430	12,430	12,430	13,501	13,501	13,501	13,501	13,501	14,572	14,572	14,572	14,572
Vacancy Operating Costs		3%	-	-	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329
Total Operating Expenses			-	-	23,618	23,618	23,618	23,618	23,618	24,689	24,689	24,689	24,689	24,689	25,760	25,760	25,760	25,760	25,760	26,830	26,830	26,830	26,830	26,830	27,901	27,901	27,901	27,901
					94%	94%	94%	94%	94%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
NET OPERATING INCOME (NOI)			-	-	387,926	387,926	387,926	387,926	387,926	429,689	429,689	429,689	429,689	429,689	471,452	471,452	471,452	471,452	471,452	513,215	513,215	513,215	513,215	513,215	554,978	554,978	554,978	554,978
Development Costs																												
Development Costs	2015 Cost	Asst. Aggregate																										
Total Development Costs			7,942,451	3,971,225	3,971,225																							
Interim Financing (18 months)																												
Owner Equity		0%																										
Debt Service		100%	317,688	158,849	158,849																							
Development Financing																												
Owner Equity		25%	1,985,613																									
Debt Service		75%	5,956,838	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254	310,254
Proceeds from Reversion		8%																										
Net Cash Flow			(1,985,613)	(158,849)	(158,849)	77,672	77,672	77,672	77,672	119,435	119,435	119,435	119,435	119,435	161,198	161,198	161,198	161,198	161,198	202,961	202,961	202,961	202,961	202,961	244,724	244,724	244,724	5,526,232
Internal Rate of Return (IRR)																												
Net Present Value (NPV)																												

Dufferin Finch BIA September 21, 2015 Retail Development - Redevelopment, Land Purchase (All \$ in 2015 Values)		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Real Estate Price Appreciation				1.00	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.10	1.21	1.21	1.21	1.21	1.21	1.31	1.31	1.31	1.31	1.42	1.42	1.42	1.42	
Retail Area				33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	33,323	
Occupancy Rate	Stabilized	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	
Total Occupied SF	SM	0	0	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	31,657	
Operating Revenue	Net Rents																										
(f) Annual Rents	13.00 /annum	0	0	411,544	411,544	411,544	411,544	411,544	454,378	454,378	454,378	454,378	454,378	497,212	497,212	497,212	497,212	497,212	540,045	540,045	540,045	540,045	540,045	582,879	582,879	582,879	
Total Revenue		-	-	411,544	411,544	411,544	411,544	411,544	454,378	454,378	454,378	454,378	454,378	497,212	497,212	497,212	497,212	497,212	540,045	540,045	540,045	540,045	540,045	582,879	582,879	582,879	
Other Revenue streams	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Revenue		-	-	411,544	411,544	411,544	411,544	411,544	454,378	454,378	454,378	454,378	454,378	497,212	497,212	497,212	497,212	497,212	540,045	540,045	540,045	540,045	540,045	582,879	582,879	582,879	
Operating Expenses																											
Off Site Management Expense	3%	-	-	10,289	10,289	10,289	10,289	10,289	11,359	11,359	11,359	11,359	11,359	12,430	12,430	12,430	12,430	13,501	13,501	13,501	13,501	13,501	14,572	14,572	14,572		
Vacancy Operating Costs	3%	-	-	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	13,329	
Total Operating Expenses		-	-	23,618	23,618	23,618	23,618	23,618	24,689	24,689	24,689	24,689	24,689	25,760	25,760	25,760	25,760	25,760	26,830	26,830	26,830	26,830	26,830	27,901	27,901	27,901	
NET OPERATING INCOME (NOI)		-	-	387,926	387,926	387,926	387,926	387,926	429,689	429,689	429,689	429,689	429,689	471,452	471,452	471,452	471,452	471,452	513,215	513,215	513,215	513,215	513,215	554,978	554,978	554,978	
Development Costs	2015 Cost Adj. Aggregate																										
Development Costs																											
Total Development Costs	10,313,463	5,156,732	5,156,732																								
Interim Financing (18 months)																											
Owner Equity	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service	100%	412,539	206,269	206,269																							
Development Financing																											
Owner Equity	25%	2,578,366																									
Debt Service	75%	7,735,098			402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872	402,872		
Proceeds from Reversion	8%																									6,937,225	
Net Cash Flow	(2,578,366)	(206,269)	(206,269)	(14,946)	(14,946)	(14,946)	(14,946)	(14,946)	26,817	26,817	26,817	26,817	26,817	68,580	68,580	68,580	68,580	68,580	110,342	110,342	110,342	110,342	110,342	152,105	152,105	152,105	
Internal Rate of Return (IRR)																										3.145%	
Net Present Value (NPV)	12%																									(\$2,245,715)	

A.2 DUKE Heights BIA Context Map



A.3 Additional Planning Initiatives/Studies for BIA Consideration

Finch Avenue West Corridor - Planning Study

The Finch Avenue West Corridor Planning Study was initiated as a result of a proposed LRT along Finch Avenue. The study prioritizes areas along the corridor for future planning studies. Based on the prioritization, sites located near Finch Avenue and Keele Street were identified for as locations destined for imminent change due to the infrastructure investments along Finch Avenue. Namely, these are the Finch LRT and new subway station. Planning Reports and public consultation opportunities which impact the lands along the Finch Avenue West Corridor and Keele Street should be monitored for direct impacts on the BIA.

Downsview Area Secondary Plan Review

The Downsview Park Secondary Plan establishes local development policies to guide growth and development. This plan will bring considerable new population, employment and infrastructure growth to the south of the BIA. Due to expected changes in the area, the Secondary Plan addresses goals specific to each varied precinct in the Downsview Park area. This Secondary Plan should be monitored for impacts on the built form just south of the BIA, including recent applications in Stanley Green, and the potential re-alignment of Shepard Avenue.

York University Secondary Plan

The York University Secondary Plan adapts and implements policies, objectives and land use designations on the York University Campus. The Plan recognizes major transit investments in the area and the impact that it will have on the built form around the University. The University has recently begun the York University Master Plan Update. The BIA should monitor these updates to the plan along with any additional development planning as part of their strategy to engage local institutions and to become stakeholders in any changes that may impact their area.

Future Reports

Transit Node Studies at the new Subway Stations

Planning reports related to the new transit nodes at new Subway stations along the Spadina Subway Extension and LRT should be monitored for impacts to the BIA. These reports can address land use, density and planning permissions

around the new subway stations and it may affect the built form of the area in the BIA's immediate area and west side.

Future Planning Reports along Steeles Avenue and Sheppard Avenue

The Finch Avenue West Corridor has already been established but Steeles and Sheppard Avenue should also be monitored for any future planning reports. Any changes to the permissions of the surrounding areas of the two streets could impact the BIA's northern and southern portions.

The BIA should also be watching for other studies which may impact the area:

- Transportation and goods movement studies;
- Employment land conversion requests;
- New development applications/renovations in the area; and
- New economic development tools/policies which could provide incentives to the area and local businesses.

A.4 Policy Recommendation Matrix

Strategic Policy Directions		Champion					Timeframe			Priority		
		City	BIA	Private Landowners	EDO	Other	Short (1 -2 years)	Medium (3 - 5 years)	Long (5+ years)	Low	Med	High
1	Developing a Physical Hub	✓	✓	✓	✓		✓	✓				✓
2	Establish Industry Clusters	✓	✓		✓		✓	✓				✓
3	Attract & Leverage Anchor Tenants		✓	✓	✓		✓					✓
4	Leverage Large Institutions		✓		✓	✓	✓	✓			✓	
5	Provide Access to Funding & Grants		✓		✓	✓		✓			✓	
6	Private Sector Champions		✓	✓	✓		✓	✓				✓
7	Host Networking Functions		✓	✓	✓	✓	✓					✓
8	Establish Annual Reporting	✓	✓				✓					✓
9	Enhancement of the Public Realm	✓	✓					✓		✓		✓
10	Development Incentives via CIP Framework	✓			✓			✓		✓		✓
11	Establish Real Estate Inventory	✓	✓		✓	✓	✓					✓
12	Improve Fiber Optic Network & Hydro Reliability	✓	✓	✓			✓	✓				✓
13	Implement Transportation Strategy	✓	✓					✓			✓	
14	Review Employment Land Permissions to Encourage Employment Growth	✓	✓		✓		✓	✓				✓
15	Review of BIA Office Policies to Ensure These Apply to Industry Oriented BIA's	✓	✓		✓			✓				✓

A.5 Employment Districts in Toronto

