

# **Employment Land, Office and Retail Market Analysis and Next Steps**

Planning and Development Committee

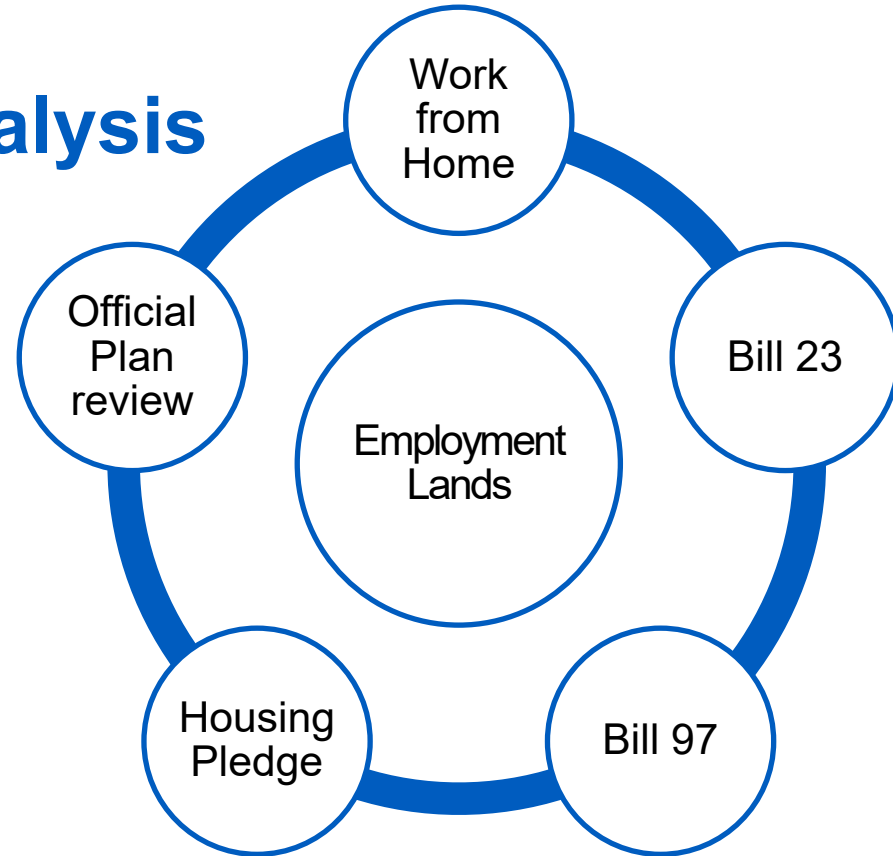
Item 6.3 | May 26, 2025

# Market Review and Analysis

**Goal:** help inform future conversion advice to Council

**Experts:**

- Cushman and Wakefield Inc: office, retail and industrial markets
- Hemson Consulting Ltd: land economics



# Employment Market Analysis

# Office

- Preferred suburban office location
- 1/3 of total GTA suburban office inventory
- Almost 50% of new GTA suburban office since 2000

**Well-located, top-tier office is in high demand**

# Industrial

- Second largest industrial market in GTA
- Limited vacant employment lands

**Preservation and intensification of existing employment lands is needed to meet employment targets**

## Retail

- Retail space is distributed across the city
- Vacancy declined to 1% at mid-year 2024

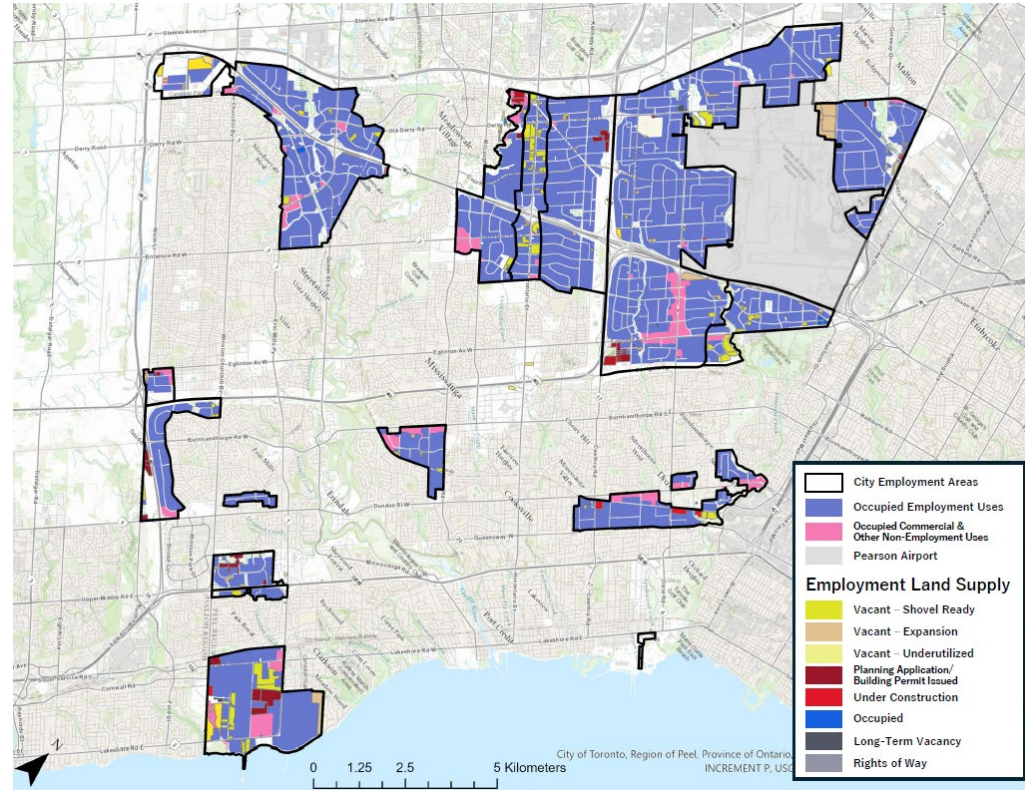
**Retail serves nearby residents and workers**  
(explored further in forthcoming Retail Study)

# Local Land Economic Assessment

# Employment Land

- 250 ha removed
  - Region of Peel Official Plan
  - SmartCentres
- 10 ha (Southdown) under consideration

**385 net ha remain**



Employment Land Supply – Year-end 2023 (Hemson Map 1)



## Conversion Challenges

- Shifting residential growth from preferable locations
- Taxation implications
- Destabilizing effects on nearby properties
- Economic development objectives
- Available infrastructure

**High bar should be met for conversion requests**

# Next Steps

## Downtown Community Improvement Plan (CIP)

- **Expand the CIP** given the preference for residential on mixed-use lands:
  - Uptown, Fairview, Cooksville, Hospital, Port Credit
- **Look at increasing incentive values**, such as:
  - Longer and/or deeper Tax Increment Equivalent Grant (TIEG)
  - Development Charges reductions
  - Encourage Region to match incentives

## Manufacturing Uses

- New Official Plan permits compatible manufacturing uses (e.g. life sciences) in office-oriented areas
  - Downtown, Gateway, Sheridan Research Park
- **Zoning conformity** will enable development to proceed typically only requiring site plan approval

## Office Retention

- New Official Plan requires existing office area on Office lands to be maintained if redeveloped
- **Consult to see if further Official Plan changes are needed** given pressure to convert offices on mixed-use lands
- **Explore grant opportunities** for bringing existing spaces up to modern standards (note Bill 17)

## Key Test for Land-use Conversions

Will the conversion create a **superior residential environment** compared to existing residential lands where ~370,000 new housing units are already permitted?

## Recommendations

1. Consider **Downtown CIP** geographic expansion and additional incentives
2. Explore ways to encourage more **employment growth** and **office retention**
3. Encourage the **Region of Peel** to match future Downtown CIP amendments

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