Real Estate Forum

Wednesday
December 2
2015

Session A2:
What is driving City Building and how much more can we expect?

Moderator

Rob Spanier

Partner & Principal, LiveWorkLearnPlay

Chair, Urban Land Institute, Toronto District Council

Wednesday December 2 2015

Panel

Michael Emory

President & CEO, Allied Properties REIT

ULI Management Committee

David Gerofsky

Chief Executive Officer, First Gulf Corporation

ULI Advisory Committee

Jennifer Keesmaat

Chief Planner, City of Toronto

ULI Advisory Committee

Dermot Sweeny

President, Sweeny&Co

ULI Member

Real Estate Forum

What is driving City Building and how much more can we expect?

Toronto: 2015

- Population: 2,615,060+
- 4th largest City in North America
- No. 1 – The Economist's "Best Place to Live"
- No. 1 – "The World's Most Livable City"
- No. 1 – PwC's "Building Better Cities"
- No. 1 – "Best place for 18-25 year olds to start"
- No. 5 – Scorecard on Prosperity
- No. 8 – Global Financial Centres Index 18
- No.8 – "Safe Cities Index"
- No. 12 – "Sustainable Cities Index"
- No. 19 – Times' "Higher Education World University Rankings" – UofT
- No 25 – "How Global is the Business of Retail"

Immigration

Toronto has become the new gateway to Canada – helping the GTA welcome approximately 100,000 people per year.

Stable Banking

Canada's banking system has been ranked #1 – soundest in the world for 7 years in a row by the World Economic Forum (2009-2015).

Interest Rates

Bank of Canada's Prime Loan Rate has been at less than 6% for the past decade.

“I think what is happening in the real estate industry, with the intensification of the inner cities and land being so valuable, the only way to optimize the land is to pursue a well conceived mixed-use vision.”

-Michael Emory
CEO & President, Allied

On Residential

26

new rental apartment buildings currently under construction (a 25-year high)

885 SF

average size of a 3-bedroom "family sized" unit in Toronto in 2014 (down from 1,087 SF in 1996)

$1,050,000

average price for a single family home in Toronto

(Condo) Boom-Town Toronto?

On Office

88,644,574SF

of office currently in Downtown and Midtown Toronto (with a further 3,483,880SF under construction)

70,000

jobs planned from the development of the Unilever Site (outside the downtown core)

92%

of Toronto's Manufacturing jobs sit in Employment Districts (accounting for 9% of Toronto's total employment)

Maintaining Canada's Economic Engine?

Photo Credit Doublespace

On Retail

$325/SF

average rent on Bloor Street's "Mink Mile" (ranked 21st overall in the world)

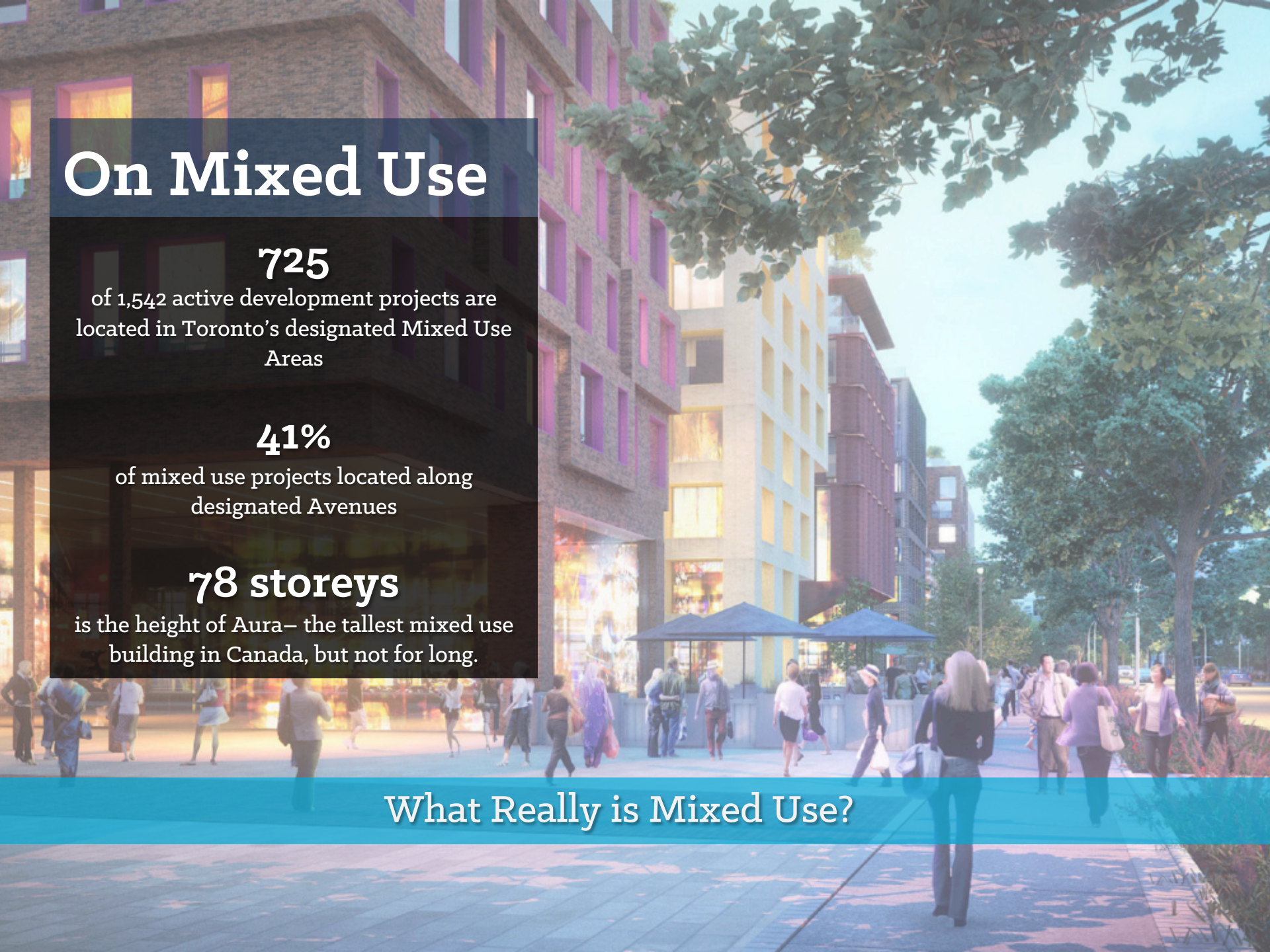
4M SF

of retail space in the PATH open Monday to Friday

10%

of all retail sales expected to be made online in 2019 (6% in 2014)

How Strong is Toronto's Retail Market?



On Mixed Use

725

of 1,542 active development projects are located in Toronto's designated Mixed Use Areas

41%

of mixed use projects located along designated Avenues

78 storeys

is the height of Aura– the tallest mixed use building in Canada, but not for long.

What Really is Mixed Use?

“Now is the moment that we need to, once again, take action for great city building… Now is the moment where we need to pause, and we need to think really carefully about the legacy that we’re creating moving forward.”

-Jennifer Keesmaat
Chief Planner,
City of Toronto

On Urban Design

1/4

Toronto residents surveyed identified "City Beauty" as a major weakness

45

projects that affect the public realm reviewed by Design Review Panel in 2014 (up from 28 in 2011)

14,500

Residential units approved or constructed at Yonge-Eglinton without associated secondary plan (2002-2013)

How do we move away from the "banal"?

On Demographics

49%
of Toronto's population identify as visible minorities*

80%
of high-rise communities are made up by visible minorities*

16.2%
growth in Downtown Toronto's population, between 2006-2011

How are we designing a Multicultural city?

* As defined by Statistics Canada

On Mobility

500,000+

UberX riders per month in the City of Toronto

90%

of Bloor Street shoppers arrive by modes other than car (and spend more money on average than car drivers)

22

proposed new stations for the new Smart Track line.

What does a connected future look like?

What does a connected future look like?

TORONTO RAIL TRANSIT NETWORK

SUBWAY
LRT
RER

UNDER THE GREATER TORONTO TRANSIT AGENCY FARE SYSTEM

SUBWAY/LRT

1 YONGE-UNIVERSITY
3 DON MILLS-CITY CENTRE
4 SHEPPARD
5 EGLINTON
6 SHEPPARD EAST
7 FINCH WEST

REGIONAL EXPRESS RAIL (RER)

A OAKVILLE <> AJAX
Bs SCARBOROUGH SHUTTLE
LINES B+Bs COMBINED SERVICE (KENNEDY<>MALVERN):
PEAK: EVERY 4-5 MIN
OFF PEAK: EVERY 6 MIN
HOLIDAY SCHEDULE: NO SHUTTLE SERVICE, USE LINE 5
C GEORGETOWN <> MT JOY
E NEWMARKET <> RICHMOND HILL (MAJOR MACKENZIE)
PEAK: EVERY 10 MIN
OFF PEAK: EVERY 15 MIN
F MIDTOWN EXPRESS (LISGAR <> SEATON)
PEAK: EVERY 8 MIN
OFF PEAK: EVERY 15 MIN

THIS MAP DOES NOT INCLUDE BUSES, STREETCARS (except 501, 510, 512), OR INTERREGIONAL/INTERCITY

UNOFFICIAL MAP BY ZIROCKET, 2015

What does a connected future look like?

“Great city building involves extraordinary collaboration, research, vision, passion and clarity of purpose.”

-Dermot Sweeny
President, Sweeny&Co.

On the Core vs. "Urban" Suburbs

17 km²

where majority of growth is happening (City is 650km²)

45%

of 18-34 year olds are "seriously" considering leaving GTA due to high cost of home ownership

74%

of Toronto residents prefer "walkable" neighbourhoods, vs. 46% in the suburbs

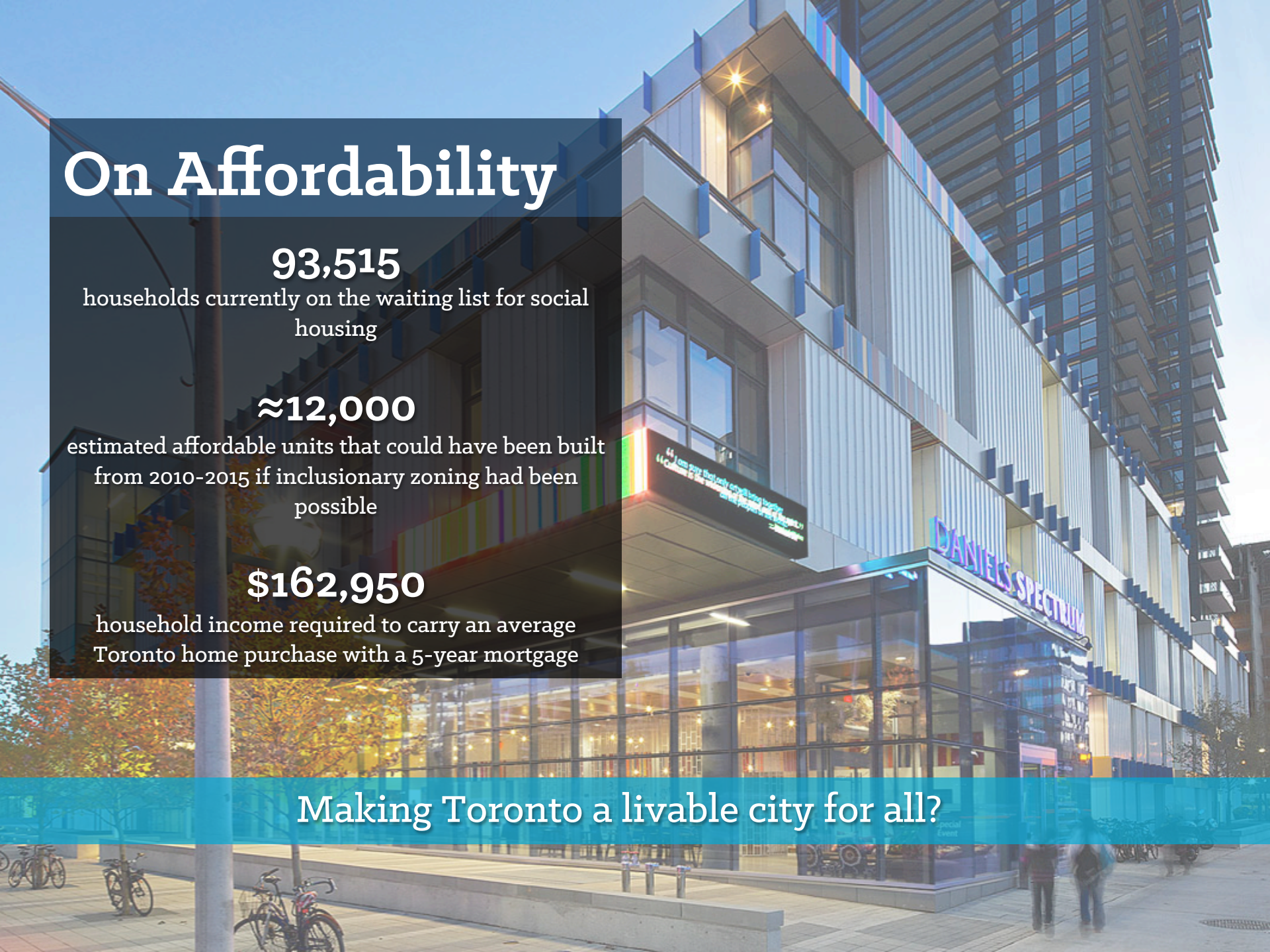
Hub vs. Sub?

On Affordability

93,515
households currently on the waiting list for social housing

≈12,000
estimated affordable units that could have been built from 2010-2015 if inclusionary zoning had been possible

$162,950
household income required to carry an average Toronto home purchase with a 5-year mortgage



Making Toronto a livable city for all?

“The City of Toronto is not yet a great City, but it has the potential to become one. Do we recognize that there is a battle being waged for the best and the brightest?”

-David Gerofsky
CEO, First Gulf

NY	$34,400,000 2012 TOURISM BUDGET	57.2 MILLION VISITORS	$39 BILLION TOURISM EXPENDITURES	$36,800,000 2013 TOURISM BUDGET
CH	$17,800,000 2012 TOURISM BUDGET	47.8 MILLION VISITORS	$12.8 BILLION TOURISM EXPENDITURES	$27,700,000 2013 TOURISM BUDGET
TO	$35,363,000 2012 TOURISM BUDGET	9.9 MILLION VISITORS	$3.6 BILLION TOURISM EXPENDITURES	$27,295,831 2013 TOURISM BUDGET

Is Toronto a World-Class City?

Is this what we can expect?

Credit Scott Dickson – Looking East from Mimico

Thank you!

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On the Future of Neighbourhoods

140
unique neighbourhoods in Toronto

$25M
from private philanthropy to fund the Under Gardiner project

64
TDSB school sites sold since 2009

Toronto, a city of neighborhoods?