The
Land Economist

ILLUSTRATIONS: Fernbrook Homes

Fernbrook/Cityzen's Absolute project brings signature architecture to Mississauga's downtown and helps to develop an urban streetscape. The 'Marilyn' building (right) will soon top off at 56 storeys, while construction of her 50-storey companion has reached about thigh level. The development has five towers, loft townhouses, street level commercial and 3-storey, 30,000 sf rec centre.

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Capturing shared dreams

Our Future Mississauga (www.ourfuture-mississauga.ca) was a community engagement strategy that began in 2007. Its aim was to capture the shared hopes and dreams of the city. The most comprehensive public engagement in the city's history, it connected with more than 100,000 people and resulted in a new 40 year Strategic Plan that reflects participants' views, prioritizes where change should happen and outlines how to achieve it.

Through this process, five key themes arose which became the Strategic Pillars for Change:

- Developing a Transit-Oriented City
- Ensuring Youth, Older Adults and New Immigrants Thrive
- Completing our Neighbourhoods
- Cultivating Creative and Innovative Businesses
- Living Green

To keep us on track, our annual Progress Report will monitor the Actions and Indicators and reflect the refinements we make as situations and priorities change. The first Progress Report will be released this spring. The Plan has become the guiding document – informing business decisions and driving policy development. The result will be a city transformed – a leading city for the 21st century.

By Lori Kelly, Manager of Strategic Community

New 'norm' for building

Before the recession, the City enjoyed a decade of unprecedented construction activity with an annual permit value of $1.4 billion. Then came 2009, when permits plummeted by 43%, affecting all sectors. The brakes went on quickly! While ongoing projects kept building officials busy, division staff was reduced by approximately 15%.

Constructing Marilyn

The City is, however, far from finished. Commercial and industrial opportunities and stimulus program projects are numerous, higher density transportation-oriented residential development is an attractive option, and Mississauga will continue to be a location of choice for business and residents. Going forward, we expect a 'new norm' for construction/development activity of $800 million to $1 billion per year.

By Agris Robeznieks PEng, Chief Building Official, Mississauga

All photos and renderings: City of Mississauga

21st Century plan for Mississauga

By Ed Sajecki, PEng, MCIP, OPPI, PLE, and Paulina Mikicich, MCIP, RPP

Today Mississauga sits at a pivotal moment in its evolution. Greenfields are virtually non-existent and supporting new development through an automobile-focused transportation network is no longer sustainable.

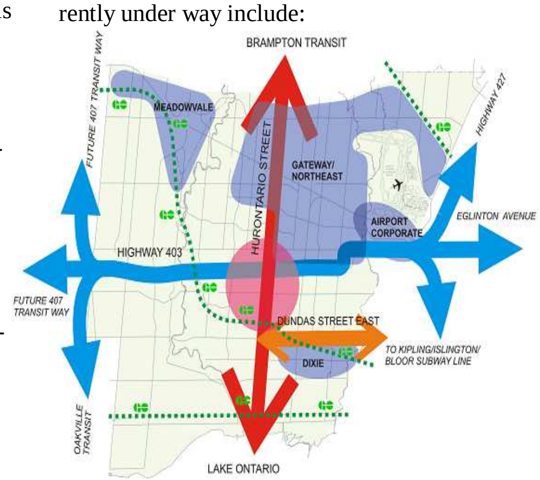
Mississauga's current population of 730,000 is expected to increase to 840,000 by 2031 with the number of jobs growing from 450,000 to nearly 520,000. With both population and employment prospects continuing to remain strong, new growth will need to be accommodated through the intensification of existing developed areas supported by transit.

In its relatively short existence Mississauga's downtown has established a public focus around its Civic Centre, Central Library and Living Arts Centre. Innovative planning regulations introduced for the downtown in the 1990s have attracted substantial high density residential development to the city's core, with more than 10,000 new residential units approved or currently being constructed within the downtown. With the assistance of federal and provincial infrastructure stimulus funding, Mississauga is revitalizing its downtown Civic Square as an outdoor community centre.

Recognizing that the process of building a great city takes leadership, informed planning, and a long term perspective, the city embarked on a series of strategic initiatives to assist with the transformation of the city:

- a new action-oriented Strategic Plan;
- a new approach to land use planning which links together land use and transportation planning with urban design;
- new plans to better balance growth, deliver appropriate community services, attract new office employment to the downtown, promote transit and active transportation, and enhance cultural activities in the city; and
- a new master plan for the downtown creating a more walkable, transit-supportive, vibrant mixed-use area.

Major transit initiatives will be important in shaping our future urban form. Projects currently under way include:



- the new Bus Rapid Transit (BRT) system along the Highway 403/Eglinton Avenue corridor scheduled to commence construction later this year, will enhance commuter regional travel by transit.
- an Environmental Assessment and planning study for higher order/light rail transit along the Hurontario Street corridor and the downtown. This will be the backbone of a rapid transit system tying together existing inter-regional GO Transit commuter rail stations, the new BRT, our waterfront, the downtown and major employment areas, and Brampton.

Ed Sajecki is Commissioner of Planning and Building for the City of Mississauga, and a member of the AOLE Board of Directors.

Paulina Mikicich is a Planner, City-Wide Planning, in the Department's Policy Planning Division.

New Official Plan is 'fundamentally different'

Preparation of Mississauga's first Official Plan started in the 1970s and was approved in 1981. At that time, Mississauga had vast areas of greenfield land and was widely regarded as a bedroom community to Toronto. Suburban development supported by a car-dominated transportation system pervaded planning thinking and became the underlying planning philosophy of the city.

The philosophy of two subsequent Official Plans - City Plan in 1997 and Mississauga Plan in 2003 - remained largely unchanged. The new Mississauga Official Plan is the first major rethinking of the city's planning framework and embodies a fundamentally different approach to planning. As Canada's sixth largest city and a net importer of employment, Mississauga's greenfield growth phase is now complete. So this new Plan promotes growth in locations where it is financially sustainable and where it can be developed in compact efficient forms

Conceptual cross-section view of the proposed Hurontario Light Rapid Transit line through Cooksville

supported by existing and planned infrastructure necessary to create complete communities.

The transportation system will be designed to support all modes of travel, with transit as a priority and walking and cycling regarded more than recreational activities. There is a greater emphasis on urban design to ensure a high quality built form with an attractive public realm. The importance of "soft" infrastructure is recognized as vital in creating complete communities where people of all ages and walks of life can thrive. This approach also includes the protection and enhancement of stable areas, including the city's natural and cultural heritage resources and residential neighbourhoods.

When approved, the new Official Plan will guide growth and development in the City of Mississauga to 2031 and beyond, and help achieve the vision articulated in the City's Strategic Plan.

By Angela Dietrich, Manager, City-Wide Planning, Policy Planning Division, Planning and Building Department, Mississauga

Pedestrian- and transit-oriented concept for Main Street District.

City Vision: an urban downtown

Downtown21 is not just another Master Plan but a tremendous effort by the City to engage the community and create a very urban place in the heart of Mississauga's already thriving and growing city centre.

Expected to go before City Council later this spring, the bold new plan is designed to promote the evolution of a livable, pedestrian oriented, compact and sustainable downtown that will enhance Mississauga's competitive advantage and reputation. Through the plan the City is sending a strong message that there is no room to apply traditional suburban thinking to investment and land use decisions.

Identified as an urban growth centre in *Places to Grow*, downtown Mississauga has more than 70,000 residents and 35,000 employees within walking distance of the core. The plan sees the potential capacity for the entire urban growth centre to reach 223,000 people plus jobs beyond 2031.

Already, a new Sheridan College campus is under construction, taking advantage of strong civic and cultural amenities and Square One Shopping Centre which welcomes upwards of 23 million visitors a year. Building on this success, the City is starting construction of bus rapid transit that will link the downtown to the western suburbs, the airport and points further east in the GTA. It also has its sights set on light rail linking the downtown to nearby GO rail service, Lake Ontario and north through a massive employment area and into the City of Brampton.

Does it sound ambitious? You bet, but Mississauga planners know they are starting with the right ingredients to catalyze renewed success.

While key landowners are supportive of the long term vision, the challenge is how to initiate the necessary shift to private sector decision making so that the transition to a vibrant downtown can be realized sooner. When a suburban downtown is so successful, and the formula for attracting users to a suburban culture is relatively straight forward, it is hard to push landowners to commit the time and effort to navigate an unfamiliar course.

Mississauga planners are convinced that if the public and private sectors work together and find the right mix of incentives, partnerships, land use controls and infrastructure investments, Mississauga will have a sound economic strategy in place for an edgy and tremendously successful downtown with a healthy rate of return.

By Marilyn Ball, Director of Development and Design, Planning and Building Department, Mississauga.

News Briefs

Third announcement of Renewable Energy projects

In early April, Ontario's third announcement of contract offers for renewable energy brought 184 large-scale (>500 kW) projects into play across the province. They are expected to produce 2,500 megawatts (MW) of energy, or enough to power 600,000 homes. Seventy-six of the approved projects are ground-mounted solar photovoltaic, 47 are on-shore wind and 46 are waterpower. The rest use biogas, biomass, landfill gas, rooftop solar or off-shore wind.

This is the third announcement under the Green Energy Act's Feed-In Tariff (FIT) and microFIT programs. In March, contract offers for some 510 medium-sized projects (10 kW to 500 kW) were approved, for a total of 112 Mw capacity. About 95% are for solar generation. Projects in these two announcements are expected to create 20,000 direct and indirect jobs, and attract about $9 billion in private sector investment.

"Everybody is participating, from everywhere in Ontario, from farmers, schools and hospitals to large scale retail and commercial operations," said Brad Duguid, Minister of Energy and Infrastructure.

Last December, contracts were also approved for 700 'micro-FIT' (< 10 kW) projects by homeowners, small business and others.

While some people say the contract guarantees of high prices will impose undue costs on consumers, others applaud the way they recognize the hidden costs of power.

Future expansion to the transmission system will open up capacity for more green projects.

Green Energy Investment Co-op

The people behind affordable ownership housing developer Options for Homes are aiming at a new goal: affordable financing for renewable energy.

The new Options for Green Energy will create investment co-ops where people can get involved with the process of providing green energy, for an investment of $5,000 or more.

Options President Michel Labbé says the group has made three presentations since November and already raised pledges for more than $600,000. Potential investors initially make a $100 deposit. Options prepares a business plan, which investors discuss and vote on before making their final commitment.

Projects are expected to include rooftop solar, wind turbines, etc. which can benefit from Ontario's generous Feed-In Tariff programs. Once the project has been built, investors are repaid from the revenue from electricity sales. The initial rate of return is 5%, increasing with increases in hydro rates. Next presentation is planned for May 6. See www.optionsforgreenenergy.ca.

GTA new home sales strong

In late March, the Building Industry and Land Development Association (BILD) reported new home and condo sales in the Greater Toronto Area had reached their highest levels since 2006.

Based on member feedback, the association expects "a very solid first quarter for new home sales," said BILD president and CEO Stephen Dupuis.

According to RealNet Canada Inc. figures, January and February sales of new singles semis and townhomes were up by 166% over 2009 figures, totaling 2,849, while sales of high rise units were up 246%, totaling 5,446.

Creating Our New Blue Edge:

with **John W. Campbell**
President and CEO
Waterfront Toronto

After years of land assembly, consultations, planning, design, zoning approvals, negotiations and infrastructure, things are really starting to happen on Toronto's waterfront, says John Campbell. So, "Now is the time to get the word out".

In a far-reaching presentation to AOLE's April 14 reception, he gave details of what is already under way and coming soon. And he didn't shy away from the huge challenges of bringing North America's biggest urban intensification project into being.

Highlights included:

- an animated fly-through showing actual designs for major parks, waterfront promenade, wavedecks, Corus Entertainment (occupancy in May), George Brown College (under construction), the Great Gulf / Moshe Safdie Parkside building, and massing for later parcels
- background on the wooing of North American and international developers (announcement on Bayside bid expected in May or June)
- plans to ensure the Pan Am athletes' village transitions into a successful neighbourhood
- unique stormwater management (under boardwalk collection, UV treatment sculptures, etc.)
- anticipated timing of future land releases (including Lower Don Portlands)
- challenge of balancing development costs, revenue expectations, release schedule and land values

With such a knowledgeable audience, the post-presentation discussion ranged from the feasibility of a 'no car' zone, lake cooling, rink questions and yacht facilities, to funding uncertainties and how climate issues favour shipping by water.

Revitalization of Toronto's Waterfront

Rule change could hurt condo and rental markets

It is still too early to tell the long term impact of federal Finance Minister Jim Flaherty's changes to mortgage rules. Particularly worrisome is the requirement that any buyer not intending to live in a unit must provide a 20% down payment.

Dr. Peter Andersen told a recent Canadian Home Builders' Association meeting that approximately 30% of condominiums are sold for rental purposes. While the measure is aimed at discouraging speculation, he said, "in provinces like Ontario that have rent controls, high rise condo investors have been a source of supply for the rental market". The new measures may discourage investors more than intended,and if so, that could impact the future of the rental market.

Craig Alexander, Deputy Chief Economist at TD Bank Financial Group, expects volumes to be affected. In an interview with the National Post, Alexander said: "instead of buying four properties with the same amount of money, maybe (investors will) end up buying one."

Look for rate increases

With economic indicators stronger than expected and inflation moving higher, the Bank of Canada is expected to make a series of interest rate increases.

Watch for changes at the next interest rate announcement dates: April 20, June 1 and July 20.

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Legislative Beat *cont'd* *from Page 1 ...*

through programs such as ReNew Ontario have had a positive GDP impact of $1.11.

In addition, 70,000 people retained their jobs in 2009 as a result of government infrastructure investments. In 2010, when infrastructure spending peaks, another 40,000 jobs will be added to the payrolls. The Province signalled in the budget that it will announce a 10-year investment strategy in next year's pre-election budget.

Andy Manahan, Executive Director of the Residential and Civil Construction Alliance of Ontario (RCCAO), is a member of AOLE's Board of Directors and its Legislative Chair.

Students share AOLE Award

Each year, AOLE sponsors a bursary award for top students in Seneca College's Real Property Administration diploma program.

The award is presented to the group of students with the highest grade on their Urban Planning Group Project. For the academic year 2009-10, the winning team members were:

- Shauna Shiffrin
- Victoria Papachristu
- Antonio Ong
- Jeremy Aaron Silbert
- Jordon Lee Katz

Keep an eye out for these talented students in the future!

Warehouse markets poised to bounce back

MARKET	PRIME WARE-HOUSE RENT C $ / sf	PRIME WARE-HOUSE RENT 6-mo change, %	PRIME BULK RENT C $ / sf	PRIME LAND VALUE C $ / sf
Ottawa	6.75	(3.6)	6.75	6.40
Toronto	5.15	(6.4)	4.71	12.61
Waterloo Reg	4.96	(3.1)	4.43	6.20

U.S. and Canadian warehouse markets languished in 2009, says a report released in March by Colliers International. Year over year, U.S. rents fell 9.7% while Canadian rents dropped 8.3%.

However, towards the end of the 2nd half, signs began to emerge indicating that the worst was over. Tenants were still largely wary of taking additional space but the rush to return space began to show signs of subsiding.

As 2010 unfolds, the Global Industrial Highlights - Second Half 2009 report said, leasing activity is expected to pick up, with rents hitting bottom in the second half. However, occupancy rates are not expected to register a significant improvement until 2011.

Colliers reported that the highest warehouse rent globally was Tokyo's US $21.76/sf/year. It was followed by London-Heathrow, Oslo, Hong Kong and Geneva.

For prime industrial land prices, Hong Kong's US $1,063.59/sf was top in the world – 124% higher than 2nd place Tokyo's $474.12. Next three were Singapore, Seoul and London-Heathrow. Toronto's US $12.02 came in 12th place out of the 139 markets studied.

The chart above gives Colliers' figures for three Ontario markets. RM

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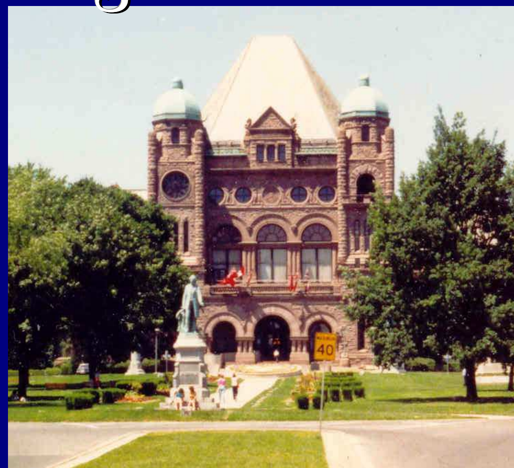
Founded in 1962, the Association of Ontario Land Economists (AOLE) is a resource and advocate for professionals involved with the economics of land ownership, use and development in Ontario. Members include leading economists, planners, appraisers, municipal assessors, property tax consultants, developers and brokers. Qualifying members receive the widely recognized Professional Land Economist designnation (PLE). See www.aole.org.

The Legislative Beat



By Andy Manahan PLE

Cabinet Shuffle

On January 18th, Premier McGuinty announced that significantly different portfolios had been given to Brad Duguid (Energy and Infrastructure), Leona Dombrowsky (Education), Kathleen Wynne (Transportation) and Jim Bradley (Municipal Affairs and Housing).

New appointments to cabinet included: Sophia Aggelonitis (Consumer Services), Linda Jeffrey (Natural Resources), Carol Mitchell (Agriculture, Food and Rural Affairs) and Eric Hoskins (Citizenship and Immigration).

Watchdogs to be Shuffled Out?

Notice has been given that Environmental Commissioner Gord Miller and Integrity Commissioner Lynn Morrison will not have their contracts extended by the province. Miller, whose contract expires April 25, will reapply for a third term before the all-party committee. His office is in the midst of preparing three major reports, including the well-researched and often controversial review of government initiatives.

Although Ombudsman Andre Marin's term was to have expired on March 31, an all-party committee extended his contract by another six months.

Budget

Finance Minister Dwight Duncan delivered his fourth budget – albeit not consecutive – on March 25. Billed as "Open Ontario: Ontario's Plan for Jobs and Growth" it forecasts that the current fiscal year deficit of $21.3B will be incrementally reduced over the next eight years. Even though the province is officially predicting that Ontario will once again be in a balanced budget position by 2017-2018, this forecast was put in doubt by the minister only days later when he projected an earlier date.

Some of the budget highlights were already announced in the March 8 Throne Speech. A five-year plan was put forward that included developing and exporting clean water technologies as a way to improve our economic prospects. Also, the province hopes to exploit the potential of the 'Ring of Fire', a large deposit of chromite (a key ingredient in stainless steel) in northwestern Ontario.

A three-year Northern Industrial Electricity Rate Program will assist the forestry and mining sectors by applying annual rebates of $150 million. Electricity rebates of up to $200 per family will also assist low-to-middle income northern residents.

Land Transfer Tax Act

The budget will help to facilitate reorganization of registered charities, so that certain transfers of land will be exempt from land transfer tax, effective after March 25, 2010.

Transfers from trustees to a non-share capital corporation or between two such corporations will be exempt provided that the recipient corporation will be continuing the same charitable purpose and there is no consideration other than the assumption of existing liabilities on the land.

Transit Investment Takes a Hit

The budget's postponement of $4B worth of transit projects already approved by the province is a significant casualty, as this represents nearly half of the $9.3 billion worth of Transit City projects previously announced for the Toronto area.

Metrolinx will be developing a phase-in strategy and will likely ramp up discussions on ways to fund transportation in non-traditional ways.

The group's November 2008 Regional Transportation Plan known as 'The Big Move' contained an investment strategy which advocated for a 'results-first' approach before any new funding tools are sought:

> "People are sceptical about the pattern of continuing re-announcements with no construction ground-breaking in sight … they want Metrolinx to build implementation credibility and a track record first, using existing resources, before seeking any new revenue and financial tools."

Places to Grow

The Ontario Growth Secretariat has commenced the first five-year review of the population and employment forecasts contained in the 2006 Growth Plan for the Greater Golden Horseshoe.

Not all municipalities have brought their Official Plans into conformity with the Growth Plan yet. Durham Region, in particular, continues to raise the ire of the Province because of an OP Amendment: Durham's employment projections are viewed as being too ambitious and would result in an unnecessary greenfield expansion in northeast Pickering according to the Ministry of Municipal Affairs and Housing.

A wild card in this is whether the Seaton lands in north Pickering can be brought on stream in a timely fashion (The Ministry of Energy and Infrastructure intends to phase in a sustainable community for 70,000 people with 35,000 jobs, and will release an Implementation Plan this spring).

It should be noted that MEI decided to provide additional time to lower-tier municipalities to be in conformity if an upper-tier municipality was unable to meet the June 2009 deadline but it will be interesting to see how flexible the province will be in the spring/summer of 2010 (see Vol.38, no.3).

Certain local municipalities within Durham Region, for instance, have requested extensions to their own conformity exercises because of the regional delay and the upcoming October municipal elections.

ReNew Ontario/Move Ontario

The province plans to spend $13.2 billion on infrastructure in 2010-2011, up from $11.1 billion in 2009-2010. Federal government transfers for capital investments are expected to total near $2.7 billion, up from around $1 billion in 2009-2010.

Although the short-term stimulus funding has been fully committed by the provincial government, the lion's share of the actual spending will occur in 2010-2011. In fact, the largest infrastructure-related expenditure increase is in short-term stimulus investments as they are expected to rise from $1.6 billion in 2009-2010 to $4.4 billion in this fiscal year.

A new Conference Board of Canada report on 'The Economic Impact of Public Infrastructure in Ontario' concluded that each dollar of real public infrastructure spending

***Legislative Beat** concludes on page 5 ...*