

## 1. Introduction

urbanMetrics inc. has been retained by the City of Vaughan to conduct a Commercial Land Use Review (CLR). The purpose of this study is to examine the current commercial structure in the City of Vaughan, to project future space requirements, and to prepare recommendations to accommodate new commercial space within the urban area. This study represents one component of the comprehensive Official Plan Review (OPR).

While the conclusions of this study are based on extensive research regarding the current commercial structure in Vaughan and global trends in the commercial development industry, they have been developed in close association with on-going work undertaken through the other studies conducted as part of the overall Official Plan Review. In addition, urbanMetrics has participated in a wide range of meetings, public forums and open houses associated with the following concurrent studies:

- Employment Sectors Strategy;
- Land Budget Strategy;
- Transportation Master Plan;
- Yonge Street Area Study;
- Cultural Master Plan;
- Vaughan Metropolitan Centre Focused Area Study;
- Kleinburg-Nashville Focused Area Study; and,
- Woodbridge Core Area Focused Area Study.

Where available we have reviewed preliminary documents completed as part of these studies.

### 1.1 Background

Vaughan's current commercial hierarchy was first shaped by Official Plan Amendment ('OPA') 400 approved by the Province of Ontario ('the Province') in 1995. It defined a comprehensive policy framework to guide the development of three new communities (now Vellore, Carrville, and the Woodbridge Expansion Area) which were to accommodate the City's growth through to 2016. The commercial policies in OPA 400 were guided by a Retail Planning Study conducted in 1993 and 1994 by Stamm Economic Research. The study addressed the following general areas:

- a) A review of major relevant trends in retailing
- b) An analysis of the City’s long term retail space requirements
- c) Allocation of retail space to new and existing development areas
- d) An assessment of the opportunity for a ‘super-regional shopping centre’ in Vaughan

OPA 400 laid out a retail hierarchy which allowed commercial uses to locate within medium and high density mixed-use developments. It supported the development of a super regional shopping centre at Weston Road and Highway 7 and laid the ground work for what would become the Vaughan Mills specialty/tourist shopping centre.

The Vaughan Corporate Centre Plan (OPA 500) was approved in 1998 and recognized the centre as the appropriate location for the highest order uses in the City’s commercial hierarchy. These policies and objectives were supported and updated with the approval of OPA 600 in 2001.

In the mean time Vaughan’s population continued its rapid pace of growth. The City’s population grew from 182,025 in 2001 to 238,866 in 2006<sup>5</sup>. The lands set for development in OPA’s 400 and 600 have all received block plan approvals, except for block 40/47, and many have also received draft plan of subdivision approval.

The City of Vaughan in the process of developing a new Official Plan in conformity with the Provincial Policy Statements (‘PPS’), Places to Grow (‘PTG’) legislation and the York Region Official Plan. The City is undertaking a strategic planning process to determine the directions the City will take in the future. The resulting document, Vision 2020 (“Vaughan Tomorrow”), advocates for a rethinking of traditional greenfield development and a focus on intensification and redevelopment of existing urban areas. Growing public awareness and concern about existing development patterns have resulted in policy shifts at all levels of government. These are expected to result in developments beginning to adapt and adopt more transit and pedestrian supportive formats focused around mixed-used nodes. Vaughan’s new Official Plan will focus on developing sustainable communities and will address existing built areas, areas presently approved for urban development and remaining developable greenfield areas.

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<sup>5</sup> Census figures excluding undercount.

This Commercial Land Use Review will examine the City of Vaughan’s existing and future commercial structure in light of these historic developments and changing policy directions.

## 1.2 Study Objectives

As identified by the Terms of Reference the Commercial Land Use Review has 6 key objectives. To complete:

1. **An inventory of existing and planned retail and service commercial uses and designations** to provide an understanding of the nature of the City’s current and developing commercial environment.
2. **A Strengths Weaknesses Opportunities and Threats (‘SWOT’) analysis** of the existing commercial supply and distribution within the context of growth projections, emerging retail trends and general development occurring within the City.
3. **An assessment of the City’s current retail and commercial use policy planning approach**, including any current or anticipated issues that should be addressed through the new Official Plan development process.
4. **A forecast of future commercial space requirements** in the City through to 2031, accompanying spatial distribution and hierarchy of commercial areas, based on York Region’s population forecast.
5. **An analysis of current and emerging trends in commercial development**, their implication for the City of Vaughan and any policy directions the City should take in response.
6. **Recommendations** for an appropriate set of goals, objectives, policies, and implementation strategy to guide future commercial development in Vaughan.

## 1.3 Approach

The following steps were undertaken to conduct the Commercial Land Use Review in the City of Vaughan.

- **Relevant background materials were collected, reviewed and analyzed**, including existing Official Plan commercial policies and recent market demand

and impact analysis studies submitted to the City for site specific development applications.

- **A commercial market and trend analysis was completed.** Research was conducted into new and emerging retail development trends in North America that will influence future development in Vaughan. Also examined were desirable retail development formats that could be encouraged within the City.
- **Market dimensions and conditions were analyzed.** Trade areas were delineated for the City and major and specialty shopping nodes based on licence plate surveys undertaken at various shopping destinations in March and April 2009. A telephone consumer survey of approximately 800 Vaughan residents was completed in April and May 2009 to determine local expenditure patterns.
- **A comparison of the commercial space supply in the City of Vaughan was compared with that of nearby municipalities.** This provided context to determine how the current supply should be taken into consideration with regards to determining future space needs.
- **Public/stakeholder consultations were undertaken** to gain insight into commercial issues affecting the City.
- **A commercial needs assessment was completed** through a comprehensive inventory of existing and potential commercial space, as well as potential future market demand and supportable space through 2031 for retail and service space in the City. In order to complete this, an inventory of all commercial space in the City of Vaughan was undertaken in March and April 2009. In addition a review and summary of recent commercial development applications and known commercial proposals was completed.
- **A SWOT analysis of the existing commercial structure was undertaken** based on the commercial space inventory, survey results, trends analysis, and stakeholder consultations.
- **Future space requirements were calculated and reconciled with potential commercial space supplies.** Standard commercial market research methodologies were used to project commercial space needs to 2031 and compared with potential supply available through proposed new developments,

designated sites, vacant units, intensification opportunities, and expansions of existing commercial projects.

- **A competitive analysis of major retail nodes in surrounding communities** was completed.
- **A planning analysis** exploring means to encourage pedestrian focused, mixed-use centres in key locations, preserve the heritage and pedestrian character of villages cores, provide increasingly sustainable and transit supportive development, and stimulate greater site intensification on retail sites was undertaken.
- **Recommendations were developed** regarding opportunities to strengthen Vaughan’s existing commercial structure and appropriate future commercial space requirements, accompanying locational and functional strategies, and suggestions for incorporating sustainable development practices into the commercial structure.

## 1.4 Basic Assumptions

In any analysis requiring estimates of future conditions, it is necessary to make certain basic assumptions. For the purpose of this study the following basic assumptions have been made:

- Over the forecast period, a reasonable degree of long-term economic growth and stability will prevail in Canada, Ontario, York Region and specifically the City of Vaughan.
- The City of Vaughan population and employment allocations prepared by York Region based on the Province’s Places to Grow projections are assumed to be reasonable for the purposes of long range planning.
- The various sources employed in our analysis to calculate retail expenditures, base year Vaughan shares or capture rates, and sales per square foot performance levels for the various retail store types analyzed are considered sufficiently reliable.
- Commercial uses examined in this report include the vast majority of retail/service commercial uses which comprise a typical urban commercial structure. For the purposes of our market analysis, certain specialized

commercial uses have not been evaluated, including automotive sales, service stations, hotel/motel accommodation uses and private childcare facilities.

- All dollar references are in 2009 dollars, which excludes inflation, unless noted otherwise.

If for any reason, there are significant deviations from any of these assumptions, the report and its conclusions should be reviewed or re-examined.