

June 11, 2014

TO: 1. Regional Council Members
1. Staff

WEMAT ONE LIMITED
BLOCK 1, 65M-2665
SOUTH WEST CORNER of HIGHWAYS 7 AND 404

Property Details:

Area: 28.95 acres; 11.72 hectares

Subject to: Easements 1. Storm Water Detention Pond 1.05 hectares
 2. Water Channel 0.27 hectares

Conversion Request:

Office Buildings
Hotels
Theater / Convention Centre
Ancillary Retail

Existing Official Plan:

Major Distinction is that it allows Hotels in addition to Office uses

The Proposal:

From Page 9, Places to Grow: "Urban centers will be characterized by vibrant and more compact settlement and development patterns and will provide a diverse city of opportunities for living, working and enjoying culture. The evolving regional economy of the GGH will have matured into an economic powerhouse of global significance. It will function as Canada's principal international gateway."

From page 15, Places to Grow, item 7: all intensification areas will be planned and designed to –
a) cumulatively attract a significant portion of population and employment growth;
b) provide a diverse and compatible mix of land uses, including residential and employment uses, to support vibrant neighborhoods.

There is nothing in the Growth Plan for the Greater Golden Horseshoe (GGH) that does not support this application. The GGH, while it directs major office use to the corridors, it does not direct the creation of sterile 1960's style of office development. Instead it directs the creation of communities. Indeed, even Markham's Draft Official Plan speaks of complete communities; housing and employment in close proximity and mixed-use intensification.

One must also consider demographics. Currently the Millennials, those individuals generally between the ages of 20 and 40, are the largest demographic group in North America. One of the hallmarks of this particular demographic is that they prefer to have their workplace and entertainment possibilities close to where they live, in other words - **Live, Work, Play. This is the rationale behind the theatre convention facility.**

In response to the Staff Report, firstly and most importantly it must be emphasized that a conversion is not being proposed. A "conversion" would be taking employment land and using it for purely residential purposes. What is proposed is to use the land for employment purposes and to add, if not residential uses, entertainment, convention and hotel uses. This proposal will not diminish Markham's ability to meet its projected need for employment lands or its jobs target. No land or jobs will be lost. Accordingly, Staff's second concern, that the proposal will not meet the test for conversion of employment land, is also obviated.

The third concern that Staff have is the potential incompatibility and destabilization effect of non-office uses in an employment area. This simply does not apply here. This is a prestige employment area which shall be developed for major office uses. This is not a place for factories or manufacturing areas that might give rise to complaints about noise, odor, truck traffic, lighting, waste bins, etc. There exists no incompatibility between the proposed non-office uses and office uses. Indeed, newspaper articles regarding planning applications for mixed-use abound. In many cities buildings are being constructed that themselves are mixed-use. A number of office towers already exist and more are being proposed that combine retail, office use and upper story residential. In addition, the redevelopment of retail sites also envisages a mixed use of office, entertainment and residential as well as retail. In other words – live, work, play. These applications do not see any incompatibility between non-office use and office use. Such perceived incompatibility is an illusion at best.

Staff's final concern is the lack of community infrastructure. Municipal services and transit are either in place or being planned. Wemat One Limited has been working closely with the Region of York to facilitate the construction of the Viva/next rapid transit system. This area is incredibly well served by roads and highways. It is also well served by commercial and retail services. The

nearby Leitchcroft application does not have any "lack of community infrastructure" problem, so this seems to be an inconsistent criticism. This proposal is a unique opportunity for a mixed-use development. Ideally, it should also include residential.

Lest there be any question of the integrity of this proposal, please bear in mind that the Bank of China is a major tenant of a sister company to Wemat One Limited on an adjacent parcel. The Bank of China is seeking to expand and this means hiring new employees, many of whom will be Chinese. In addition to the Millennial effect, it is well known that members of the Chinese community often prefer to live in proximity to their workplace. There is also the dynamic effect that clients of the Bank of China will be drawn to the area. This is what the applicant is seeking to capitalize upon. In order to do so, one must be cognizant of cultural and demographic proclivities and develop land in a manner which is attractive to these populations.

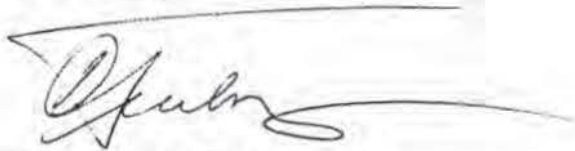
The current Official Plan, in addition to offices, allows hotels. This is specifically being disallowed under the proposed Markham Official Plan. In the Commerce Valley Business Park, the hotels currently existing, namely the two Marriott's and the Hilton Garden Inn, were both integral and required precedents to the construction of the office building at 50 Minthorn Boulevard. Those hotels were the key amenities, together with the restaurant pad at 230 Commerce Valley Drive, in place in order to attract the Fortune 500 and better companies that tenant the building. In removing the opportunity of having additional hotels on the site of Wemat One Limited, the ability to attract quality tenants would be substantially reduced.

Under the current Official Plan, trade and convention centers are also allowed in certain Business Park Areas. Recognition should be given that in an area where there are a large number of office users, especially multinational tenants, facilities that would allow convention use would be an asset to the site. In this instance, what is being proposed is a theater / convention center. The Mayor and the Director of Economic Development of the City of Markham have both been involved in meetings revolving around attracting a major theater operator. The theater / convention centre would serve to make the site 'alive' 18 hours a day as opposed to "9 – 5". It also addresses the desire the Millennials to have their play areas close by.

Lastly, it should be pointed out that the sister companies to Wemat One Limit have a rezoning application in progress which would intensify office development on Blocks 2, 3 and 4 of Plan 65M-2665. Copies of this application and the City's redline suggestions are attached. It must be emphasized that this application is entirely independent of the application of Wemat One Limited. However, cognizance should be given that serious effort and not lip service is being given to intensify the development of the lands held within the Wemat Group of Companies. When Staff examined employment use, no recognition was given to applications in process

designed to increase the intensification of land for office use and therefore the increase in the number of potential jobs generated.

Yours truly,



U. E. Dagmar Teubner

Encls.

1. Schematic of location of site within the road network
2. Plan of Subdivision 65M-2665
3. Extract from adopted Markham Official Plan, item 9.6.6, December, 2013
4. Proposed Master Plan for Block 1 without any residential, version A
5. Proposed Master Plan for Block 1 without any residential, version B
6. Urban Strategies – Growth Plan/Markham OP Employment Conversion Criteria
7. Urban Strategies April 4, 2013 letter to Ron Blake
8. Urban Strategies April 26, 2013 letter to Elizabeth Silva Stewart together with concept plans for the site
9. Commerce Valley Business Park History
10. Globe and Mail article July 13, 2013 – Look Up, Calgary
11. Globe and Mail article July 11, 2013 – The next hot neighbourhoods
12. Email – Cushman Wakefield – GTA East office Market, by Stuart Barron, National Director of Research, Director Real Estate Finance
13. Letter from the National Director of Research, Cushman Wakefield, regarding the office market
14. Applicant's Proposal for the west side of Commerce Valley Drive, Rezoning Application
15. City's Redline response to the rezoning proposal for the west side of Commerce Valley Drive
16. Draft for Discussion combining Wemat One Limited concept plan with a prior rezoning concept for the west side of Commerce Valley Drive – dated March 15, 2013, still showing a residential component but illustrating the overall office intensification
17. Extract from Current Official Plan showing current permitted uses
18. By-Law 108-92 which applies specifically to the plans of subdivision for Marianne Teubner and Thornmark Capital Corporation

Blocks: 1, 2(S), 3, 4
area outlined
in black - still
owned by Teubner

New
Office Building



HWY. 404

BEAVER CREEK

LESLIE STREET

BUSINESS PARK

WEST BEAVER
CREEK ROAD

EAST BEAVER
CREEK ROAD

Hilton

HWY. 7

vacant

4

3

2

1
vacant

5

6

7

COMMERCE VALLEY DRIVE

HWY. 407

Marriott
Hotels



METRIC
DISTANCES SHOWN ON
THIS PLAN ARE IN METRES
AND CAN BE CONVERTED
TO FEET BY DIVIDING BY
0.3048

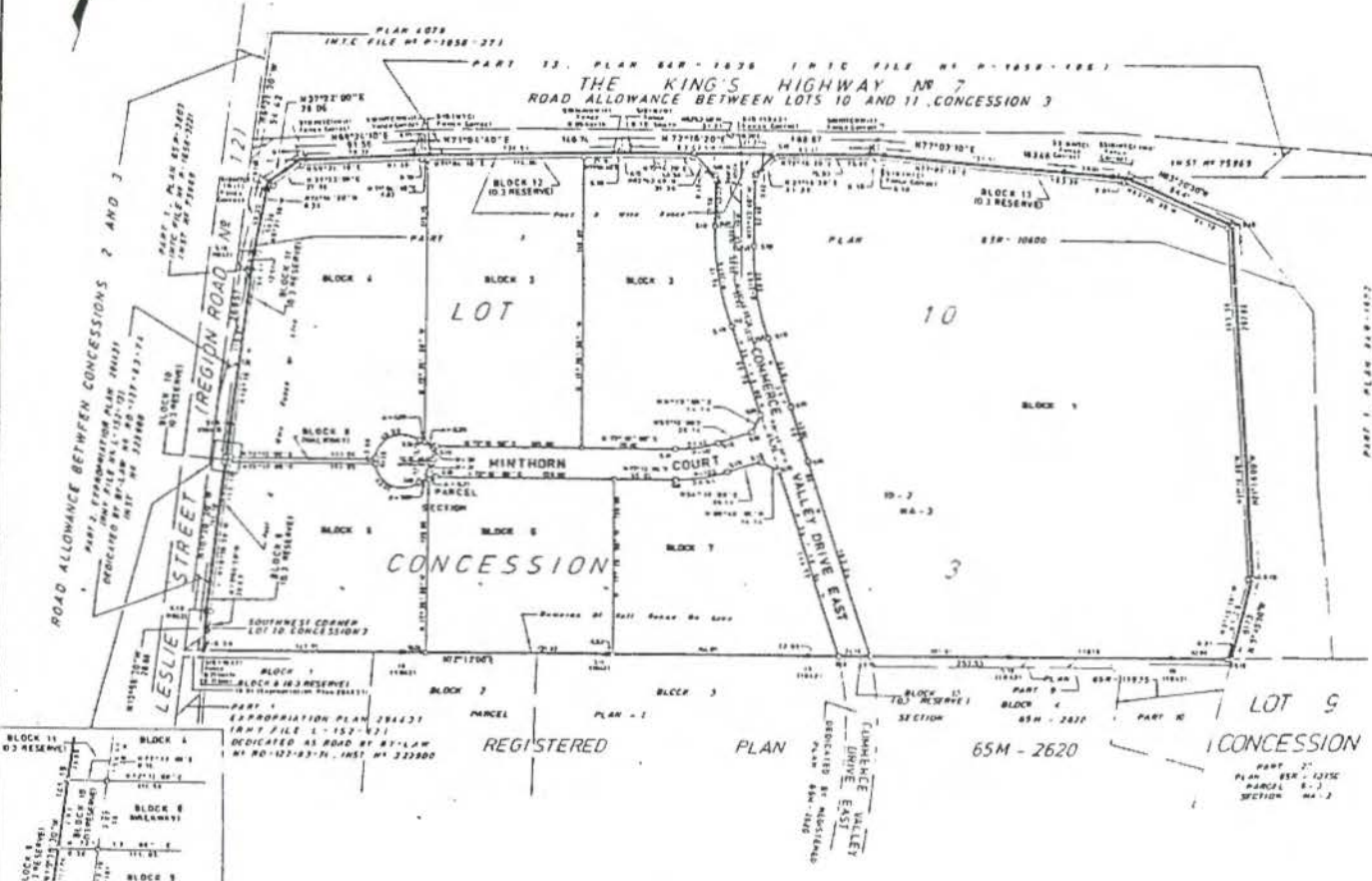
I CERTIFY THAT THIS PLAN 65M-2665
IS REGISTERED IN THE LAND REGISTRY OFFICE
FOR THE LAND TITLES DIVISION OF ONTARIO
REGION NO. 01 AT 2:30 P.M. ON THE
26th DAY OF SEPTEMBER 1988
AND ENTERED IN THE REGISTRY FOR PARCEL
65M-2665 SECTION 65M-2665 AND
ADJACENT CONVEYANCES AND APPROVALS ARE
REGISTERED AS PLAN DOCUMENT NO. 65M-2665

Ant. Chapman
Ant. Chapman REGISTAR

THIS PLAN COMPLETES PART OF
PARCEL 10-3 SECTION 65M-2665

PLAN OF SUBDIVISION OF
PART OF LOT 10, CONCESSION 3
TOWN OF MARKHAM
(FORMERLY TOWNSHIP OF MARKHAM)
REGIONAL MUNICIPALITY OF YORK
FORMERLY COUNTY OF YORK

SCALE 1:2000
B.K. EDWARDS OLS
1988

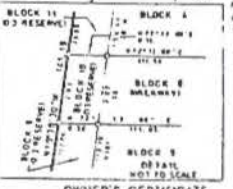


AREA TABLE

Block	Area (sq. m)
1	10,150
2	10,150
3	10,150
4	10,150
5	10,150
6	10,150
7	10,150
8	10,150
9	10,150
10	10,150
11	10,150
12	10,150

CURVE DATA

Curve No.	Stationing	Radius (m)	Angle (deg)	Chord (m)	Offset (m)
1	10+00	100	90	141.42	70.71
2	15+00	100	90	141.42	70.71
3	20+00	100	90	141.42	70.71
4	25+00	100	90	141.42	70.71
5	30+00	100	90	141.42	70.71
6	35+00	100	90	141.42	70.71
7	40+00	100	90	141.42	70.71
8	45+00	100	90	141.42	70.71
9	50+00	100	90	141.42	70.71
10	55+00	100	90	141.42	70.71



OWNER'S CERTIFICATE

WE, THE OWNERS, HEREBY
CERTIFY THAT WE HAVE
EXAMINED THE ABOVE
PLAN AND THE TITLES
REGISTERED THEREON
AND WE HAVE NO
OBJECTION TO THE
SUBDIVISION THEREOF
AND WE HEREBY
AGREE TO THE
SUBDIVISION
DATED THIS 21st DAY OF JUNE, 1988

NOTES

1. SURVEYOR'S NAME AND ADDRESS
2. SURVEYOR'S REGISTRATION NO.
3. DATE OF SURVEY
4. DATE OF REGISTRATION
5. DATE OF THIS CERTIFICATE
6. DATE OF THIS PLAN
7. DATE OF THIS DEED
8. DATE OF THIS MORTGAGE
9. DATE OF THIS LEASE
10. DATE OF THIS EASEMENT
11. DATE OF THIS ENCUMBRANCE
12. DATE OF THIS INTEREST
13. DATE OF THIS RIGHT
14. DATE OF THIS POWER
15. DATE OF THIS AUTHORITY
16. DATE OF THIS PERMISSION
17. DATE OF THIS APPROVAL
18. DATE OF THIS CONSENT
19. DATE OF THIS AGREEMENT
20. DATE OF THIS CONTRACT
21. DATE OF THIS OBLIGATION
22. DATE OF THIS LIABILITY
23. DATE OF THIS RESPONSIBILITY
24. DATE OF THIS ACCOUNTABILITY
25. DATE OF THIS TRANSPARENCY
26. DATE OF THIS INTEGRITY
27. DATE OF THIS HONESTY
28. DATE OF THIS FAITHFULNESS
29. DATE OF THIS DILIGENCE
30. DATE OF THIS INDUSTRY
31. DATE OF THIS PERSEVERANCE
32. DATE OF THIS ENDURANCE
33. DATE OF THIS PATIENCE
34. DATE OF THIS FORGIVENESS
35. DATE OF THIS MERCY
36. DATE OF THIS KINDNESS
37. DATE OF THIS BENEVOLENCE
38. DATE OF THIS CHARITY
39. DATE OF THIS LOVE
40. DATE OF THIS PEACE
41. DATE OF THIS JOY
42. DATE OF THIS HAPPINESS
43. DATE OF THIS WELL-BEING
44. DATE OF THIS FLOURISHING
45. DATE OF THIS PROSPERITY
46. DATE OF THIS SUCCESS
47. DATE OF THIS TRIUMPH
48. DATE OF THIS VICTORY
49. DATE OF THIS TRIUMPHANCE
50. DATE OF THIS GLORY

SURVEYOR'S CERTIFICATE

I, THE SURVEYOR, HEREBY
CERTIFY THAT I HAVE
EXAMINED THE ABOVE
PLAN AND THE TITLES
REGISTERED THEREON
AND I HAVE NO
OBJECTION TO THE
SUBDIVISION THEREOF
AND I HEREBY
AGREE TO THE
SUBDIVISION
DATED THIS 21st DAY OF JUNE, 1988

B.K.E.S.

Ant. Chapman
Ant. Chapman REGISTAR

B.K. EDWARDS SURVEYING LIMITED
ONTARIO LAND SURVEYORS
2500 SHEPPARD AVENUE EAST
MARKHAM, ONTARIO
L3R 9V7
REG. NO. 12345
DATE OF REGISTRATION: 1988

APPROVED UNDER SECTION 17 OF THE
LAND TITLES ACT, R.S.O. 1990, c. 186
BY: *Ant. Chapman*
REGISTAR

Southwest Corner of Highway 404 and Highway 7

9.6.6

A land use designation other than an 'Employment Lands' designation, that does not include residential use permissions, may be considered for the lands on the southwest corner of Highway 404 and Highway 7 as shown in Figure 9.6.6 by amendment to this Plan. Consideration of a designation other than an 'Employment Lands' designation must conform to the policies of the Growth Plan for the Greater Golden Horseshoe and all other policies of this Plan and will also have regard for, among other things, the following criteria prescribed by Council, as applicable:

- Compatibility to adjacent land use;
- Achieving an increase in the number of jobs that would otherwise be provided under the 'Employment Lands' designation on the site, or at a minimum, no net reduction in jobs on the site;
- Proximity to transit;
- Provision of lands for a VIVA terminal;
- Achieving better public amenities, including but not limited to public art, Section 37 community benefits and publicly accessible private amenity spaces; and
- Where the location is appropriate, provide for affordable or seniors housing.

Until a decision is made on the application for amendment to this Plan filed before adoption of this Plan, the 'Business Park Office Priority Employment' designation on the lands shown in hatching as 'Deferral Area' on Map 3 – Land Use is deferred and the provisions of the Official Plan (Revised 1987), as amended, shall apply to the lands. Where the requested amendment to this Plan does not come into force the 'Deferral Area' hatching shall no longer apply and the 'Business Park Office Priority Employment' designation shown on Map 3 – Land Use shall come into force without the requirement for further amendment to the Plan.

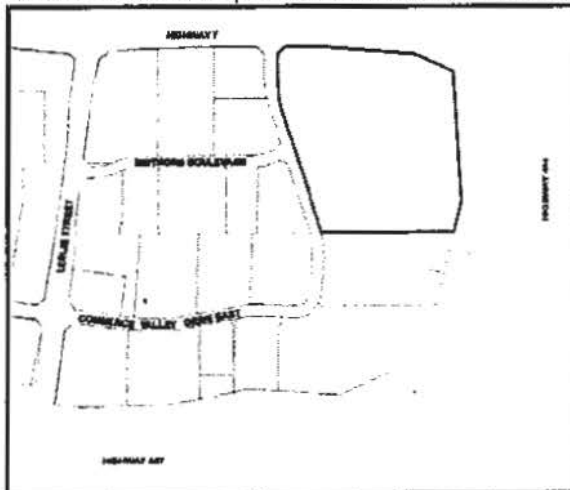


Figure 9.6.6



SITE AREA - 117,214 sq.m (28.06 ACRES)
 GFA - 51,493 sq.m (1,575,817 sq.ft)
 OFFICE PARKING - 1,384 SPACES
 HOTEL PARKING - 1,771 SPACES
 TOTAL GFA - 105,493 sq.m (1,135,554 sq.ft)
 FSI PERMITTED - 90%
 FSI PROVIDED - 90%
 PARKING
 OFFICE PARKING - 1,384 SPACES
 HOTEL PARKING - 1,771 SPACES
 TOTAL PARKING REQUIRED - 3,155 SPACES
 TOTAL PARKING PROVIDED (ON GRADE AND DECK) - 3,160 SPACES

MAIN LEVEL PLAN - SCHEME A
 WEMAT ONE LIMITED - BLOCK-1, MARKHAM - MASTER PLAN



SITE AREA - 117,215 sq. ft. (2.66 ACRES)
 GFA - 141,400 sq. ft. (6,481,177 sq. ft.)
 THEATRE (APPROXIMATELY 7,500 SEATS) - 16,000 sq. ft. (172,228 sq. ft.)
 HOTEL - 12-story (10,000 sq. ft.)
 PARKING STRUCTURE - 4-story (20,000 sq. ft.)
 TOTAL GFA - 161,400 sq. ft. (1,750,825 sq. ft.)
 PERMITTED - 90%
 FSI PROVIDED (EXCLUDING PARKING) - 86.7%
 PARKING - 1,000 SPACES, 1,000 SPACES
 THEATRE PARKING - 7,500 SEATS - 113 SPACES
 HOTEL PARKING - 1,771 sq. ft. - 495 SPACES
 TOTAL PARKING PROVIDED (ON-GRADE AND PARKING STRUCTURE) - 2,507 SPACES

MAIN LEVEL PLAN - SCHEME B
 WEMAT ONE LIMITED - BLOCK-1, MARKHAM - MASTER PLAN



Growth Plan/Markham OP Employment Conversion Criteria
Draft Report (May, 2013)

a. There is a need for the conversion

Provide planning rationale for why the proposed designation/use is more appropriate than the uses provided for in the current designation; how does the proposal adhere to the overall policy direction and employment policy direction of the OP.

The subject site is currently designated Industrial and zoned Select Commercial and Industrial (MC 90%). The concept plan for Block 1 does not propose an employment conversion from this designation. Rather, the proposal supports the continuation of employment uses and aims to intensify the site beyond the 90% currently permitted in the relevant MC Zone to a total of 209%. This increase in employment uses will be achieved through the introduction of new offices and a hotel at a gross floor area of approximately 113,700 m². This will provide an excess of almost 8,206 m² in permitted employment uses.

The proposal also attempts to maximize the site's locational advantage to new transit infrastructure through the integration of additional uses including a theatre/convention centre and residential properties. Though these uses are presently not permitted under **City of Markham Zoning Bylaw 165-80**, they will help establish a vibrant mixed-use community on the subject site.

These additional uses are also proposed in response to changing demographics. The Millennials (persons born between 1971 and 1992) comprise a significant portion of GTHA residents. In recent years, there has been a growing desire among Millennials to locate in areas that are within a close proximity to transit, work, and amenities. The proposal for the site intends to provide similar diversity by providing the same opportunities to live, work and play all within the same neighbourhood.

b. The Region's employment forecasts for Markham can be accommodated on appropriate designated employment lands:

Analysis of impact on land budget (both employment by type, and residential where relevant); provide land area/existing and proposed gfa/units by use, and/or jobs by employment type, to allow staff to analyze impact on Markham and Region land budget

As noted above, the permitted employment uses proposed for the site will exceed the City's employment target. The proposal will include 77,700 m² of major office space within four employment buildings. The City of Markham's 2013 Development Charges Study assumes a total of 25 m² per employee for office uses. Based on this target the proposed development represents 3,108 new jobs. The theatre/convention centre will also provide additional employment uses.

The proposal also aims to further intensify the site with approximately 550 residential properties within three buildings. The City of Markham's 2013 Development Charges Study assumes a total of 2.02 persons per unit. Based on this target the proposed development represents a growth in residents of 1,111 persons.

Identify how reductions in employment by type can be made up on remaining or new employment lands

Though non-employment land uses are proposed for the site, no reductions in employment types or numbers are being requested. The proposal aims to intensify employment on the site while augmenting the number of different uses.

Identify if the additional population generated by the proposed use will exceed the total City population target identified in the ROP and Markham OP, and how to offset this overage, and whether the proposed additional population is in an area that is identified as a priority for intensification in accordance with the intensification and other policies of the Plan.

The Regional Official Plan and Markham Official Plan growth forecast for Markham anticipates a population of approximately 420,000 by 2031. The additional population generated by the proposed use is 1,111. This represents only 0.26% of the total city population target identified. This proposed additional

population will be located in an area identified in Markham's Draft Official Plan as an Intensification Area (2.2.3.6). The proposal is also consistent with the City of Markham's desire to have higher densities on large sites that are well served by transit.

c. The conversion will not adversely affect the overall visibility of the 'Employment Lands', and achievement of the intensification target, density targets and any other policies of the York Region OP, the Markham OP and the Province:

How is the proposed use consistent with the employment policies of the Growth Plan, ROP and Markham OP?

Section 2.2.2 of the Growth Plan for the Greater Golden Horseshoe states that population and employment growth will be accommodated by: directing a significant portion of new growth to built-up areas through intensification (2.2.2.1.a); developing mixed-use, transit-supportive, pedestrian-friendly urban environments (2.2.2.1.d); providing convenient access to intra- and inter-city transit (2.2.2.1.e); ensuring the availability of sufficient land for employment to support economic competitiveness (2.2.2.1.f), and; encouraging cities to develop as complete communities with a mix of land uses, a range of employment and housing types, high quality public open space and easy access to local stores and services (2.2.2.1.h). The Region of York Official Plan recognizes that Regional Centres and Corridors are the preferred location for major office uses along with a diversity of other uses including residential and entertainment, and require a major mixed-use pedestrian environment that promotes transit (4.2). Further, the City of Markham Official Plan identifies the site as part of the Business Park Area category within the Industrial designation. The categories of industrial land use provide for certain additional non-industrial uses that are compatible and complementary to the primary industrial and office functions, such as retail, institutional, recreational, cultural and entertainment uses. The inclusion of additional uses recognizes the positive and supportive interrelationship and vibrancy that occurs through the mixing of complementary and compatible uses (3.5.3.c).

The proposed development for Block 1 supports these directions by preserving and enhancing employment uses along a regional corridor, intensifying employment along a higher-order transit corridor, and by providing for a compact mixed-use development with entertainment for business park employees and guests at nearby hotels.

How will the proposed use not set a precedent for other similar proposals?

Precedent for this type of development has been outlined in the Commerce Valley Site Specific Policies in the Draft Markham Official Plan. Section 11.6.1 states that the land use objective for the district is to provide a mixed-use *key development* area that includes employment and residential development in single use and mixed-use settings. Other permitted uses within the surrounding site include entertainment such as cinemas and theatres, recreational uses such as bowling alleys, retail, service, banquet hall and night club (11.6.4.a). In addition, the Lietchcroft Secondary Plan area, located to the west of the subject site, includes nearly 1,600 newly completed and registered condominium apartment units, which demonstrates a demand for new residential in the area, and appropriateness of locating residential in proximity to employment lands.

Neighbouring municipalities including the City of Toronto have seen employment uses thrive in areas where a diversity of uses (entertainment, hotels, residential) are situated within a close proximity. This is best evidenced in the Toronto's former railway lands, where offices, hotels, residential condominiums, and the entertainment/sport venue, the Air Canada Centre coexist and support each other in a vibrant mixed use area.

In light of the permitted uses, recent development in the surrounding area, and similar trends in other municipalities the proposal represents a good model for development and would enhance the attractiveness and economic viability of the business park area.

Identify land use compatibility issues (including sensitive uses and impact on existing uses successfully obtaining MOE CoAs), particularly in General Employment areas, and how these impacts can be mitigated

There will be no adverse impacts to the subject site as a result of the new development. This area is intended for office uses not potentially hazardous industrial uses. Thus, there is no issue of compatibility.

d. The lands are not required over the long term for the employment purposes for which they are designated:

In addition to the impact on 2031 land budget, provide rationale for why lands will not be needed for the designated uses post 2031; why is proposed use more appropriate?

It is not anticipated that the office development proposed for Block 1 (77,700m²), in addition to those proposed for the blocks on the west side of Commerce Valley (75,100 m²) will be built out by 2031. Should the absorption rate for this year increase significantly from that experienced in recent years, the projected employment will have increased beyond that which is envisaged by the current zoning by-law target of 90% density, with an associated significant increase in total employment attributed and planned for these two development areas.

e. There is existing or planned infrastructure to accommodate the proposed conversion:

Describe transportation, servicing and community infrastructure requirements of proposed use and compare with current availability of this infrastructure

The subject site is part of registered plan of subdivision (65M-2665). As such, all municipal servicing is already in place around the site. The development will be serviced internally with a network of private roads and will connect with the planned rapid transit network along Highway 7. The mixed nature of this community will provide a range of uses including evening entertainment for the residential and employment population. The development is also adjacent to existing and proposed hotel, restaurants, and parking facilities that will further support after hour activities around the site.

Describe impact of proposed use on business-related traffic, truck movements and parking in the surrounding area.

A transportation analysis has not yet been undertaken. However, preliminary traffic analysis indicates that directing traffic through the Minthorn extension, across Commerce Valley and out to Leslie, may not increase the impact on Highway 7. In addition, an overpass is proposed north of Highway 7 connecting Centurian Drive with East Beaver Creek. Construction is anticipated to begin in the spring of 2014 and be completed in 2015. This overpass should help to ameliorate traffic congestion on Hwy 7.

The area will also be served by the planned vivaNext Bus Rapid Transit route on Highway 7 and is an appropriate location for intensification.

f. Cross-jurisdictional issues have been considered:

Describe potential impacts on surrounding municipalities if relevant, e.g., retail impact, transportation impact.

As described above, the transportation impact associated with this development is not anticipated to be significant.

April 4, 2013
Project No.11106

Mr. Ron Blake
Manager
Development West District
City of Markham
101 Town Centre Blvd,
Markham, Ontario L3R 9W3

Dear Mr. Blake,

Pre-Consultation Meeting Request for Wemat One Limited
Proposal for lands at Highway 7 and Commerce Valley Drive East

Please find attached a Pre-Consultation request for the property at Commerce Valley Drive East and Highway 7, being Block 1 of Registered Plan 65M-2655, Town Of Markham, Regional Municipality of York. This property is owned by our client, Wemat One Limited and the development is managed by Dagmar Teubner.

The site is currently designated Industrial and zoned Select Commercial and Industrial (MC90%). The property is approximately 117,215m² (28.95 acres) in size and is currently vacant.

Our client's proposal is to seek an official Plan and Zoning By-Law Amendment to permit a new convention facility and/or theatre together with supporting retail uses along with mid and high-rise residential buildings on the site. This proposal will require permissions to intensify the site from the 90% currently permitted in the relevant MC Zone to a total of 209%. The plan also includes the development of a new 15 storey hotel, 4 mid-rise office buildings, and space for 2,966 parking spaces provided at-grade and through a 6-storey parking deck.

The aim of this proposal is to transform the subject site into an active mixed-use area that maximizes the lands locational advantage to rapid transit along the Highway 7 corridor. A concept plan detailing the proposal for Wemat One is attached.

We look forward to meeting with you and relevant staff in the pre-application meeting to discuss this proposal further and understand what studies will be required to support our application.

Thank you for your consideration.

Yours very truly,
URBAN STRATEGIES INC.



Andrea A. Gabor, FCIP, RPP
Partner

April 26, 2013

Ms. Elisabeth Silva Stewart
 Senior Policy Planner
 Planning & Urban Design Department
 City of Markham
 101 Town Centre Boulevard
 Markham, ON L3R 9W3

Dear Elisabeth:

Re: Proposal for lands at Highway 7 and Commerce Valley Drive East

Following our meeting Wednesday, April 24, 2013, we have revised slightly our projected yields. The GFA numbers below continue to provide the maximum amount of GFA allowed by the in force By-law in permitted uses (office and hotel). In addition to these uses we are proposing a theatre which will provide additional jobs on the site than would otherwise be permitted. As we highlighted at the meeting the additional uses, including a theatre and residential uses, are integral to creating a mixed-use area which is active throughout the entire day with a variety of users and activities.

The deployment of the GFA is still very preliminary at this stage. The concept plan submitted previously illustrates an option for the organization of the site, and will serve as a departure point for future site planning. Generally, it is anticipated office GFA will be located in three to four buildings, with frontage on Highway 404 and on new internal streets. Residential uses will be located towards the north of the site, providing frontage on Highway 7. Theatre and hotel uses will be located at the prominent corner of Commerce Valley Drive East and Highway 7. We are currently confirming the possibility of below grade parking along Commerce Valley Drive, and are also proposing a shared parking strategy for the theatre and hotel with office parking on the west side of Commerce Valley Drive East. The residential buildings may involve integrated above grade parking. The numbers below do not include parking structures. Consequently site coverage would increase once the parking strategy is finalized.

Site Area		Zoning Density Permission	Permitted GFA (m ²)	Proposed office GFA (m ²)	Proposed hotel GFA (m ²)	Proposed residential GFA (m ²)	Proposed theatre GFA (m ²)	Proposed structured parking (m ²)	Proposed total GFA (m ²)
Acres	m ²								
28.95	117,215	Maximum GFA = 90% of Site Area	105,494	77,700	36,000	55,580	16,000	60,000	245,280

We thank you for your consideration. The additional statistics and the response to the criteria will be provided early next week.

Yours very truly,
 URBAN STRATEGIES INC.



Andrea A. Gabor, FCIP, MPP
 Principal

**URBAN
STRATEGIES
INC .**

We look forward to meeting with you and relevant staff in the pre-application meeting to discuss this proposal further and understand what studies will be required to support our application.

Thank you for your consideration.

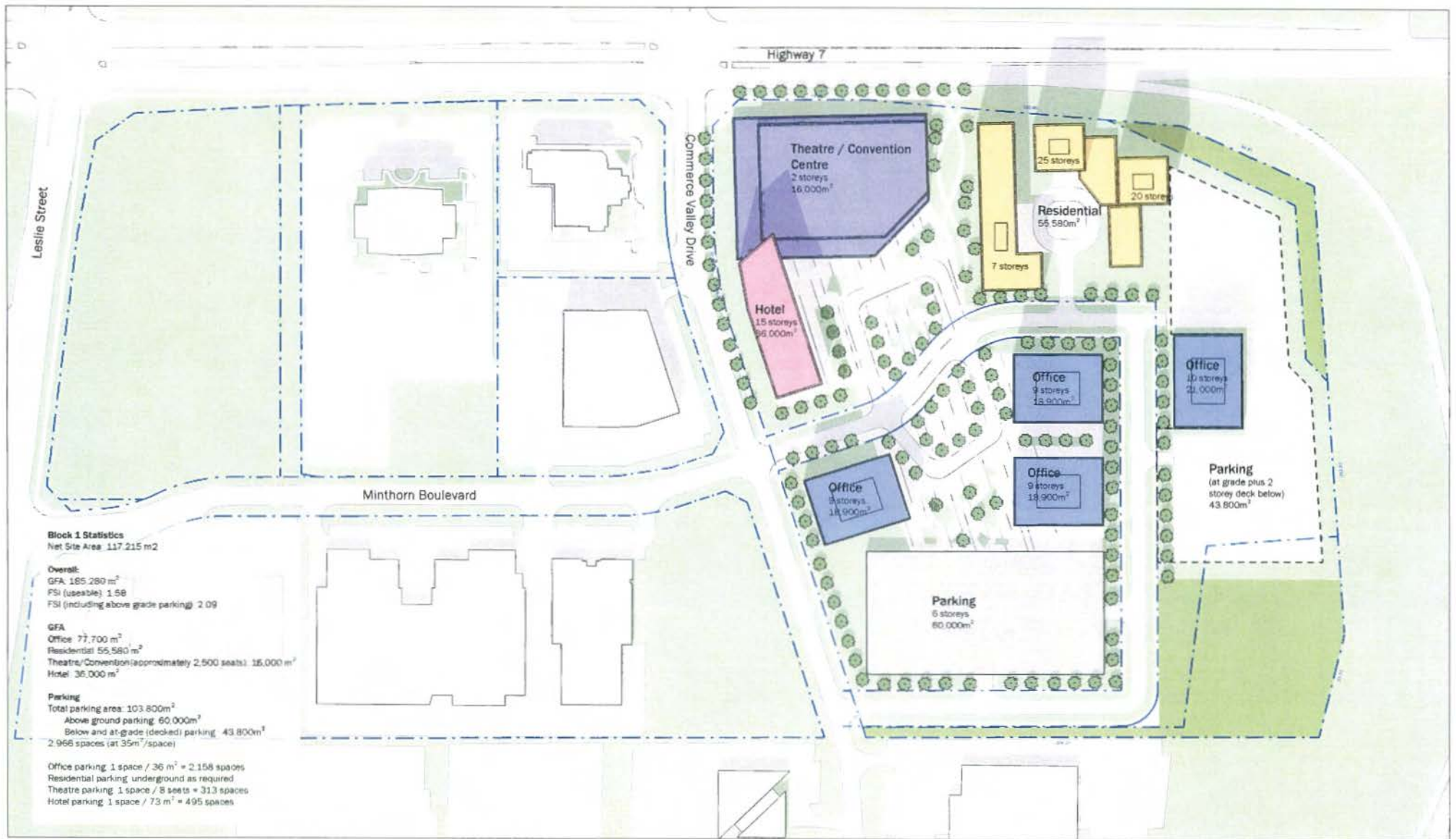
Yours very truly,
URBAN STRATEGIES INC.



Andrea A. Gabor, FCIP, RPP
Partner



WEMAT
Block 1 Context Plan
March 2013



Block 1 Statistics
Net Site Area: 117,215 m²

Overall:
GFA: 185,280 m²
FSI (useable): 1.58
FSI (including above grade parking): 2.09

GFA
Office: 77,700 m²
Residential: 55,580 m²
Theatre/Convention (approximately 2,500 seats): 16,000 m²
Hotel: 36,000 m²

Parking
Total parking area: 103,800m²
Above ground parking: 60,000m²
Below and at-grade (decked) parking: 43,800m²
2,966 spaces (at 35m²/space)

Office parking 1 space / 36 m² = 2,158 spaces
Residential parking underground as required
Theatre parking 1 space / 8 seats = 313 spaces
Hotel parking 1 space / 73 m² = 495 spaces

WEMAT
Block 1 Mixed-use concept
March 2013



COMMERCE VALLEY BUSINESS PARK

HISTORY

The land contained within Registered Plan of Subdivision 65M-2665 is owned beneficially by Mrs. Marianne Teubner through four companies: Wemat One Limited; Wemat Two Limited, Wemat Holdings Limited and Wemat Four Limited. Block 1 is held in Wemat One Limited.

This land has been owned since 1956. The property was used for agricultural purposes until 1986, whereafter it was serviced by in anticipation of development as a prestige business park. It was the joint vision of the then mayor of Markham, Anthony Roman and Mr. and Mrs. Teubner that this land become the "Gateway to Markham".

The development of the business park was negatively affected by the introduction of the Parkway Belt Plan West, under which the use of the land was severely restricted. Mrs. Teubner commenced applications to the Ministry of Municipal Affairs in 1978 with a view to having the property either upgraded in its permitted uses or removed from the Parkway Belt West Plan. The applications were repeatedly denied for many years. As a result, all of the land still controlled by Mrs. Teubner (two industrial parcels had been sold in 1990 to assist in paying for the servicing; the hotel sites for the Marriott and the Hilton Garden Inn were sold later to assist in paying for the construction of the office building at 50 Minthorn Boulevard) remained vacant until 2000.

In the mid 1980's Mrs. Teubner was also advised that there was a shortfall in sewer capacity and that in order not to be denied a share of the available capacity she, together with the adjacent property owner, Leitch Transport, would have to service their respective properties. Thus, in 1987 the properties in what would be Commerce Valley Drive East and West were jointly serviced. The Subdivision Agreement governing Mrs. Teubner's property was registered on October 31, 1988. Not only did Mrs. Teubner pay lot levies at that time, but she paid the full cost of servicing her land and also the upgrades to the adjacent road (Leslie Street) and the nearby intersections (Highway 7 and Commerce Valley Drive East; Highway 7 and Leslie Street; Highway 7 and Commerce Valley Drive West).

By the time that the subdivision agreement was registered, the only uses permitted for her land under the Parkway Belt West Plan were agriculture and limited industrial with maximum 40% coverage. It should be noted that the impediment of being in the Parkway Belt West did not apply to either of the other three quadrants of the interchange of Highways 404 and 7. It only applied to the south east quadrant. From the time that Mrs. Teubner's lands were serviced, that service capacity was taken up by others who purchased and developed the surrounding land but who had not borne the cost of the servicing as had Mrs. Teubner.

In 1995, the land was finally released from the Parkway Belt West by the Ministry of Municipal Affairs. It was only then that Markham's bylaw giving rise to a business park

for the area became effective. The average density of the lands within the plan of subdivision was set at 70% coverage, with Block 1 being set at 90% and Blocks 2, 3, 4 and 5 being set at 70%. This finally made it possible to have an office use on the lands.

At the time the land was released from the Parkway Belt West, a real estate recession, which commenced in 1990, was another significant impediment to the development of the land. The land remained undeveloped for another 4 years.

As the market for office development improved, plans were made for the building of the first office building which now stands at 50 Minthorn Boulevard. Concurrently, efforts were made to create a Business Park containing amenities – hotels and restaurants. With this in mind, Mrs. Teubner decided that the development should be anchored by the transactions which gave rise to the two Marriott hotels and the Hilton hotel. A further two years were spent creating the restaurant complex at 230 Commerce Valley Drive East. This complex is within a five minute walk of each existing and potential building within the subdivision. These amenities, together with the location, have served and will continue to serve to attract and maintain “Fortune 500” tenants – the majority of the tenants in the existing office building have been and continue to be Fortune 500 or better companies.

EPIC Realty Partners Inc., a company created by the former president and vice-president of Oxford Properties, was retained to act as the Property Manager for 50 Minthorn Blvd. and all future office development on the site. As an outside measure of success, AltusInsite’s survey of tenant satisfaction showed that 50 Minthorn Boulevard had the highest level of tenant satisfaction ever recorded by AltusInsite (96% compared with the industry average of 76%).

Once again, since 2007 – the start of the global financial meltdown - the real estate market has been for new office building construction has been flat. Clear evidence of this is that a sister building to 50 Minthorn Boulevard has had site plan approval since 2006, but it has been impossible to find the major tenant to enable financing to be obtained and construction to commence.

Globe Arts

ARTS EDITOR: GABE GONDA



ARCHITECTURE

LOOK UP, CALGARY

In a city still bailing out, a rock star architect has plans for a transformative skyscraper. **Alex Bozikovic** asks Bjarke Ingels about a 60-storey tower forged of civic ambition

A skyscraper is a building, but it is always something else: a bird, a cathedral, a sail, a signal to the heavens. As long as people have been building tall — over a century now — they have been filling the tower with poetic meaning. “It must be tall, every inch of it tall,” the pioneering architect Louis Sullivan wrote in 1896. “It must be every inch a proud and soaring thing, rising in sheer exultation.”

And Calgary, a city that is hav-

ing a really rough summer, could use some exultation. Just before the Stampede, it got some with the announcement of a new highrise called Telus Sky. It will be a 700-foot-tall signpost to a new city — with a more vibrant downtown, a concern for sustainability and soaring design.

Planned to be 60 storeys and 750,000 square feet, Telus Sky is a forceful and sophisticated argument for 21st-century urbanism. Its design, led by the well-

travelling Danish architect Bjarke Ingels, is a tower with a twist. It begins at the ground with retail space, sheltered by a glass skirt, and rises as hefty floors of offices, wrapped in a flat facade; about halfway up, it rotates 45 degrees and thins out into a skinny baguette of apartments studded with balconies.

As Ingels explains it, the tower's unusual form is sculpted by practical considerations. “I like this idea of trying not to come

up with a design just for fun — but to explore what the opportunities of this mixture of programs are on this site,” the 38-year-old says from his office in a Copenhagen loft. “We try to make sure that every design decision is defined by information, by the characteristics that give birth to it.”

This is the sort of argument about “context” that architects often use to excuse bland boxes. **Calgary, Page 6**

The Telus Sky tower will be an unusual mix of residential and first-class office space with a strong environmental agenda.

Calgary: The Telus tower promises to raise the bar for other developers

» And yet this tower will look like nothing else in Calgary – not even the curving Bow Building a block away, designed by Foster + Partners, which just won an award as the best tall building in the Americas last year. What sets the Sky apart? Its unusual mix of residential and first-class office space, a strong environmental agenda, and the high aspirations of its developers for Calgary and for Canadian cities.

All this comes together in the hands of Ingels and his office, which is known by its initials: BIG.

That name is no accident. Ingels, still absurdly young by the standards of his profession, is the first great architect of the YouTube era: a brilliant designer and equally great content producer. He is a source of sound bites and TED talks, a relentless optimist with charisma to burn. (A journalist last year said he “looks like a former boy-band star who is not getting quite enough sleep in the next stage of his career.”) And he is seemingly unstoppable. BIG has built an apartment building in the shape of a mountain, and one in a figure-eight; they are now designing a million-square-foot tower in Shenzhen, curved condo towers in Miami, and the National Library of Kazakhstan. Ingels wrote and drew a graphic novel about his work called *Yes Is More*.

And yet Ingels couches his desire to build big, sustainably and boldly in a language of collaboration. “I don’t see architects as people that create the city,” he says. “We are the midwives of helping the city birth itself.”

In Calgary, there is birthing to be done. As the Vancouver developer Ian Gillespie, who is the force behind the project, says, this is a young city, mostly built with a frontier mentality, and “architecturally, there’s very little outstanding about it.” BIG’s work means building a new vision for this place. Ingels says his first impression of Calgary came years ago from Gary Burns’ film *Waydowntown*, in which a group of Gen X office workers compete to see who can stay indoors the longest within the Plus 15 system, a 16-kilometre enclosed pedestrian walkway. “There is a reason this film was set in Calgary,” he says



Danish architect Bjarke Ingels (above) is transforming the Calgary skyline with his Telus Sky building. LAURA LEYSHON FOR THE GLOBE AND MAIL

dryly. Beyond its cultural ambitions, the tower (says Ingels) is shaped by ideas about its occupants. The building’s façade, as it has been imagined so far, curves on two different arcs at the point where the building changes from offices to homes. “The design works this way so that, for two kinds of people – workers and tenants – the conditions are optimized.”

This twist, which occupies about 15 floors and uses complex geometry to resolve the gap between the offices and the thinner residential tower, is turned slightly to capture western and eastern sun. A team of local architects from the firm DIALOG is working on the details with BIG.

Unity is important for reasons of branding. Telus – like most corporate clients – prefers to have the tower express one unified identity, an ideal that Ingels

aligns with his own design preferences. (Yes is more!) “You don’t want a Frankenstein, one building on top of another; you have a single building with a seamless transformation from the ground toward living in the sky.”

What Ingels is reluctant to say is that the building will look great. Like generations of architectural avant-gardists before him, he’s determined to cast his visual and spatial innovations as the fruit of immutable logic; and yet Telus Sky’s distorted geometry evokes the mountain ranges, with dollops and squeezes of other BIG buildings. In New York, where Ingels lives part-time, the firm is building a 32-storey apartment tower in the form of a twisted pyramid with a garden in the middle.

Such fanciful forms have, with the last two decades of technological innovation, become buildable. That’s true even in Calgary, where DIALOG staff and local builders use the same software, Revit (and Skype, too). But the building’s visual showiness masks a bold environmental agenda. It is designed to reach Platinum certification, the highest level, in the LEED environmental-design ratings system. This represents a serious commitment to sustainability; the tower, its builders say, will use 35 per cent less energy than a comparable new building, and that will drop much lower over time. Telus owns two other buildings on the block; the plan is to renovate them, with a shared energy and heat-exchange system.

Toronto-based Allied Properties owns a three-storey studio and retail building, Art Central, which will be levelled to make room for the tower. (The new building will include a public gallery by way of penance.) It was Gillespie who approached Allied and Telus with a proposal to do something bold with the sites. His company, Westbank, is working on Telus’s new headquarters in Vancouver, which includes a condo project; he is also working with Ingels on a bold tower for Vancouver, squished on to a lot beside the Granville Street Bridge.

Gillespie believes that good architecture is good business – “the market is screaming for it,” he says, and he hints that a Toronto project with BIG “would be a natural place to go from here.” But he also thinks the Telus tower will, and should, set an example to “raise the bar” for other developers. “Calgary’s economy is built upon the oil and gas extraction industries,” Gillespie says. “So what can we do to add to a more well-rounded conversation about energy, and about what Calgary can and should be in the future?” One answer: greener, more urbane, proud and soaring.

URBAN PLANNING

The next hot neighbourhoods

Malls are being refashioned as community anchors – not places you drive to, but places you live above

DAVE MCGINN

Honeydale Mall sits at the back of an oceanic parking lot, about as far from the street as it is from current urban-design thinking. A so-called “dead mall,” most of this shopping centre in Etobicoke, on Toronto’s west side, is practically empty. The giant space that Walmart once occupied has been vacant for a decade, as are the majority of the smaller retail spaces inside. Only a dentist’s office, nail salon and electronics store are still in business.

Customers have moved on. So has time. Opened in 1973, Honeydale, like so many other shopping centres, was designed to cater to a car culture. But the mall’s owners hope to modernize the site and revive its economic fortunes. Azuria Group has applied to have the 16-acre site rezoned and plans to add shops closer to the street, as well as residential and green space, creating a mixed-use community centred on a new and improved retail.

Many other malls across Canada and the United States have similar plans, or have recently undergone such a transformation, especially shopping centres with plenty of land and sagging economic fortunes. They’ve attracted better retail thanks to the addition of residential and, often green space.

For anyone who grew up in suburbia, the mall has almost always been a far-off place surrounded by a giant parking lot that you drove to, bought what you needed, and then drove back home. But with urban planners now making higher-density, walkable neighbourhoods a priority, and people looking for more convenient – not to mention environmentally friendly – alternatives to the car culture, shopping centres in Canada and the United States are undergoing a fundamental shift, being reborn as the anchors of communities, places you don’t drive to, but live above.

“It’s really about the fact that cities are moving from a car-dominated thinking to a multi-modal way of thinking,” says Brent Toderian, president of the Council for Canadian Urbanism.

The trend is growing quickly in the U.S., says Ellen Dunham-Jones, who teaches architecture at the Georgia Institute of Technology and is the author of *Refitting Suburbia: Urban Design Solutions for Redesigning Suburbs*. Green Street Advisors, which specializes in real estate analysis, has forecast that 10 per cent of the enclosed shopping malls in the U.S. will fail by 2022. Often, this trend, referred to as the “urbanization of malls,” sees parking lots scrapped for residential towers at so-called dead malls, defined as economically failing shopping centres with sales less than \$150 per square foot.



A rendering of the reimagined Oakridge Centre in Vancouver, which will include residences, a civic centre, library, daycare and community centre.



Oakridge Centre will have 11 acres of green space on top of the mall.

In Canada, many malls have had to seek out non-traditional tenants to fill space, Dunham-Jones points out. City Plaza, in London, Ont., is home to a public library. Hamilton City Centre is home to government offices.

Making malls the centre of communities has demographics on its side, Toderian says.

“Both aging boomers and the millennials support more compact, walkable living, transit, walkable shopping,” he says.

Cities, too, are often looking to get more out of a space than just a sprawling piece of retail. Calgary, for instance, plans to redevelop the Stadium Shopping Centre, a strip mall built in the

1960s, to include a 400-unit high-rise residential tower.

At more successful malls, however, parking can still be king. One parking spot at Yorkdale Shopping Centre in Toronto supports 15 shoppers a day, on average, equalling approximately 45,000 visits a year. A 400-unit condo building that holds 800 residents who shop three times a month at a mall, which is average, equals just 30,000 visits, according to Michael Kitt, executive vice-president of Oxford Properties Canada, the company that manages Yorkdale.

The better that public transit systems become, the easier it is

to urbanize malls, he adds.

Several mall urbanization projects under way in British Columbia show how this might be a new workable model for urban living, where people can eat, do errands and go shopping all in one localized spot.

The owners of Brentwood Town Centre in Burnaby have proposed a plan to include 11 high-rise residential towers, two office towers and a public plaza on the site. The redevelopment of the Station Square shopping centre, also in Burnaby, will include five residential towers ranging from 35 to 57 storeys. The Oakridge Centre in Vancouver is the biggest Canadian example of the trend, and perhaps the most interesting given that it is a very successful shopping centre.

“The idea is to create a complete community on the site,” says Matt Shillito, a city planner.

The redevelopment calls for doubling the size of the mall, to almost 1.4-million square feet of retail space, from 600,000 square feet. The plan adds approximately 300,000 square feet of office space to the site and introduces about 2.7 million square feet of residential space, mostly in the form of mid- and high-rise apartments. There are also plans to build a civic centre, library, daycare and community centre.

“What we’re doing here is more than simply putting towers in a parking lot or on the edge of the mall. We’re actually

integrating these towers into the fabric of the mall itself,” says Graeme Silvera, vice-president of western region retail developer for Ivanhoe Cambridge, which owns the mall.

There also will be 11 acres of green space on top of the mall, three storeys above street level, that will boast a half-acre jogging track, reflecting pool, community gardens and a wedding pavilion. Such redevelopment is really only possible thanks to the success of the Canada Line, a rapid transit line that opened in 2009, Silvera says.

People still drive to the mall, of course, but many arrive on transit. Eventually, people will arrive by elevator.

To anyone who thinks of the term “the mall” pejoratively, the idea of living and playing on top of one, or getting married on top of one for that matter, is probably hard to swallow. And there is perhaps something unsettling in structuring our lives so that we are primarily consumers.

But Toderian cautions against such thinking. Creating higher density, mixed-use neighbourhoods that are easily walkable is in everyone’s best interests, especially when you look at the toll on health and the environment that the old model of driving to the mall has taken.

“This should not be about snobbery between urbanism and suburbanism,” he says. “What this is about is the true cost of things.”

Dagmar Teubner

From: Mark McLaughlin <mark.mclaughlin@ca.cushwake.com>
Sent: July-09-13 11:52 AM
To: dteubner@rogers.com
Cc: Mike D.Brown; Paul Langer
Subject: FW: Some thoughts on the GTA east office market

Hi Dagmar

As requested, below is a commentary on the north office market from our National Director of Research.

Regards.

Mark L. McLaughlin
Vice President, Industrial
Cushman & Wakefield Ltd.

3100 Steeles Ave. East, Suite 1100
Markham, Ontario L3R 8T6
T: 416-756-5451
F: 416-756-5417
C: 416-419-5080
mark.mclaughlin@ca.cushwake.com

From: Stuart Barron
Sent: Monday, July 08, 2013 4:42 PM
To: Mark McLaughlin
Cc: Paul Langer; David Lan
Subject: Some thoughts on the GTA east office market

Mark,

My thoughts on the GTA east office market as requested,

Truth be told, the GTA east office market has never seen anything like what is happening right now in terms of experiencing remarkably weak overall demand strength. More so than the GTA west – ever since the great recession hit in the fourth quarter of 2008.

Remember, our best measure of demand strength is absorption, which measures the change in occupied space.

For your reference, and breaking down the stats by recession vs expansionary period, the results are as follows. Between 1996 and 2000, the GTA east saw some pretty respectable demand with average absorption of about 195,000 sf per quarter, or almost 800,000 per year. Development activity was much more robust and the GTA east was truly experiencing an expansionary office environment. After the downturn /tech bust in late 2000, the office markets became much weaker (period of economic weakness). As you might recall, downtown Toronto saw 3.8 million square feet return to market over this period. The GTA east, on the other hand, still saw positive absorption of about 35,000 square feet per quarter. So even during this weak economic period, the GTA east was still growing!

During the moderate expansionary period that followed, between Q4 03 and Q3 08, right before the great recession, demand or absorption rose to an average of 130,000 square feet per quarter or about 520,000 sf per year in the east. This would be considered a moderate expansionary period.

Now here is the kicker. Over the past 19 quarters, since the great recession hit, average absorption has been (-18) negative 18K per quarter. The overall cumulative negative absorption has been (341,000) SF. This has never been experienced before as far back as I am aware. Now what is remarkable about this statistic, is that even though the numbers are negative, these numbers include the positive impact of companies that have relocated from industrial quasi-office, into higher class office buildings. In other words, the situation is actually worse from a demand perspective than the picture these numbers paint.

In part, the suburban markets have been heavily influenced by consolidation activity and further, the densification of workplace environments, driven by a desire to develop collaborative workplace designs while generating occupancy cost savings, is reducing occupancy footprints. Now that is just a fancy way of saying that companies are cramming more people than ever before into a square foot of office space.

Keep in mind that while this is happening, we've seen a ton of growth downtown. Why? After all companies downtown are densifying too.

One key drive downtown, has been the continued development of residential condominiums. The growing educated workforce in the downtown area has attracted companies from the suburban markets who want to tap into both the workforce, and the energy and productivity levels that can be found in downtown Toronto. We refer to this as reverse migration, because it bucks the old trend that people used to talk about. Hiring the right employees and retaining them has become a priority for companies across the Americas. So where the people go, the concept is, the companies will follow. Of course there are other factors, but there is no question that this has accounted for about 15% to 18% of the growth in downtown Toronto. Coca Cola, is a good example of a company who just left the GTA east to locate into the Downtown east fringe at 333 King East last quarter occupying 100,000 sf.

That same well educated work force is also attracting companies such as Google, Apple, SNC Lavalin, as companies decide where they want to locate and where they want to grow in the years ahead.

Those are some thoughts,

Stuart

Stuart Barron, CA
National Director of Research
Director, Real Estate Finance
Cushman & Wakefield Ltd.
33 Yonge Street, Toronto
416-359-2652



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June 11, 2014

Dagmar Teubner
215 Banbury Road
Toronto, ON
M3B 3C6

Dear Dagmar,

While historically, the suburban markets experienced solid growth, including the GTA East, which saw average positive absorption from 1992 to Q3 2008 of about 110,000 per quarter, or about 440,000 SF per year, demand has significantly softened in recent years.

Since the recession hit the office markets in the fourth quarter of 2008 (22 quarters), absorption in the GTA East has averaged negative 47,000 SF per quarter, generating about a million square feet in negative absorption. This has resulted in a slow steady increase in vacancy. Total availability in the east increased from 2.8 MSF to its current level of 3.3 MSF.

Additionally, it has also meant that rental rates have been much softer than what would have been achieved had we experienced ongoing expansionary demand.

Part of the reason for this is that companies are significantly densifying as they relocate. Many companies, after acquisition, or who have multiple locations are consolidating as they address and reduce space standards. This means that while growth is occurring, it is being masked, and total occupied space is experiencing little growth.

This is of particular note with larger tenants, who are focused on cutting costs. Companies of size continue to contract when they relocate, although there are some new entrants into the market, and a small amount of migration into the GTA east is occurring. American Express for instance will relocate into 194,000 SF and will be displacing 306,000 SF into the market.

With an expected strengthening of the U.S. economy, it is possible that by the fourth quarter, we see a pick-up in expansionary demand momentum, and this could translate into positive ongoing absorption, but it remains to be seen whether the cycle of densification will significantly offset any growth that will occur in the GTA East market.



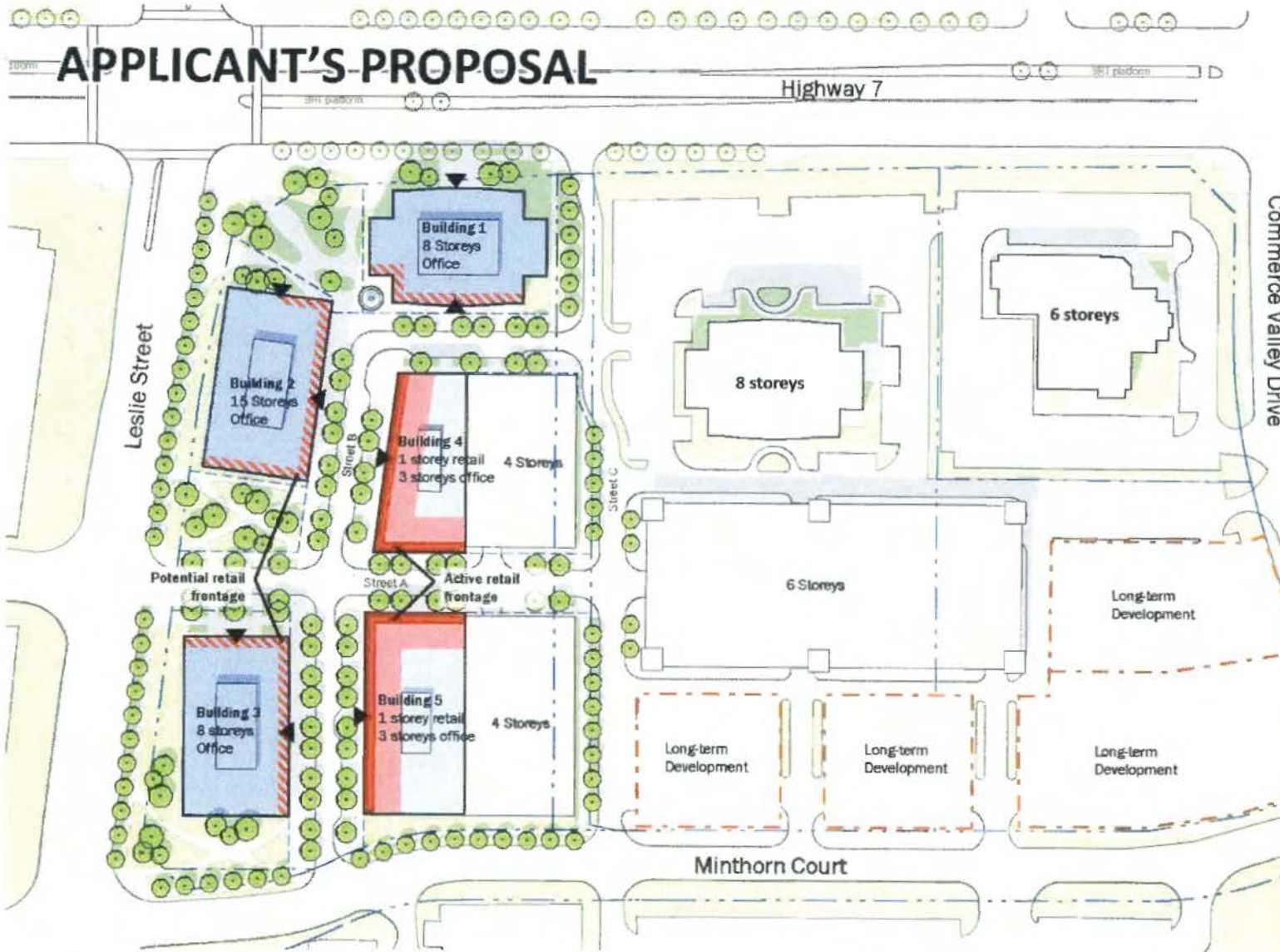
Markham contains about 48% of the GTA East inventory, and as such, is experiencing the same trends as identified above. Markham has seen no increase in occupied space over the past five years and in the past year has seen a reduction in occupied space of 133K per quarter, or over 500,000 SF over the year. This lack of growth is contributing to softer achievable rental rates in the east.

Sincerely,

A handwritten signature in blue ink that reads "Stuart Barron".

Stuart Barron, CA
National Director of Research
Cushman & Wakefield Ltd.
33 Yonge Street, Toronto
416-359-2852

APPLICANT'S PROPOSAL



Commerce Valley Drive

	Floorspace (m ²)	Storeys (m ²)	GFA (m ²)	
Existing	2,000	8	16,000	16,000 m ²
Office	2,000	8	16,000	
	2,100	10	21,000	
	2,100	0	16,900	64,300
Office above retail	1,000	5	8,000	
	2,000	8	16,000	30,800 m ²
Retail	1,500	1	1,500	
	2,000	1	2,000	
	888	1	888	4,088 m ²
				TOTAL 95,188 m ²
				TOTAL 1,024,594 ft ²

Parking	6,700	6	40,200	
	2,100	1	8,400	
	2,500	4	10,000	
				70,600 m ² structured parking area
				14,000 m ² surface parking area
				7,000 parking spaces
				1,300sq / 47m ²
				1.96 acres / 1,000 ft ²

	Site area	Usable GFA	Parking GFA	PSI (usable)	PSI (total)
Block 2	1,100	3,600	9,150	0.29	0.96
Block 3	24,541	11,488	40,700	0.66	2.29
Block 4	29,440	75,700	18,400	2.67	3.30
TOTAL	67,840	90,988	67,700	1.46	2.46

06 - Buildings

URBAN STRATEGIES INC.



WEMAT
November 2012

west side: Commerce Valley Drive
Rezoning Application

CITY REDLINE -- FRONT OFFICES ON EXISTING PUBLIC STREETS

UTILIZE AT-GRADE RETAIL TO ANIMATE RAPID TRANSIT CORRIDOR
DISTRIBUTE HEIGHT ON HIGHER ORDER STREET

PARKING STRUCTURES ARE VISIBLE FROM PUBLIC STREETS. ELEVATION SHALL BE UPGRADED TO VISUALLY INTEGRATED INTO THE DEVELOPMENT.



FRONTAGES WITH AT GRADE USES THAT GENERATE PEDESTRIAN ACTIVITIES AND VISUAL ANIMATION

BUILDING ENTRANCES ON PUBLIC STREETS

UTILIZE AT-GRADE RETAIL TO ANIMATE PUBLIC STREET AND STIMULATE REVITALIZATION OF MINTHORN COURT
UTILIZE SOUTH FACING AREA FOR RESTAURANTS/PATIOS

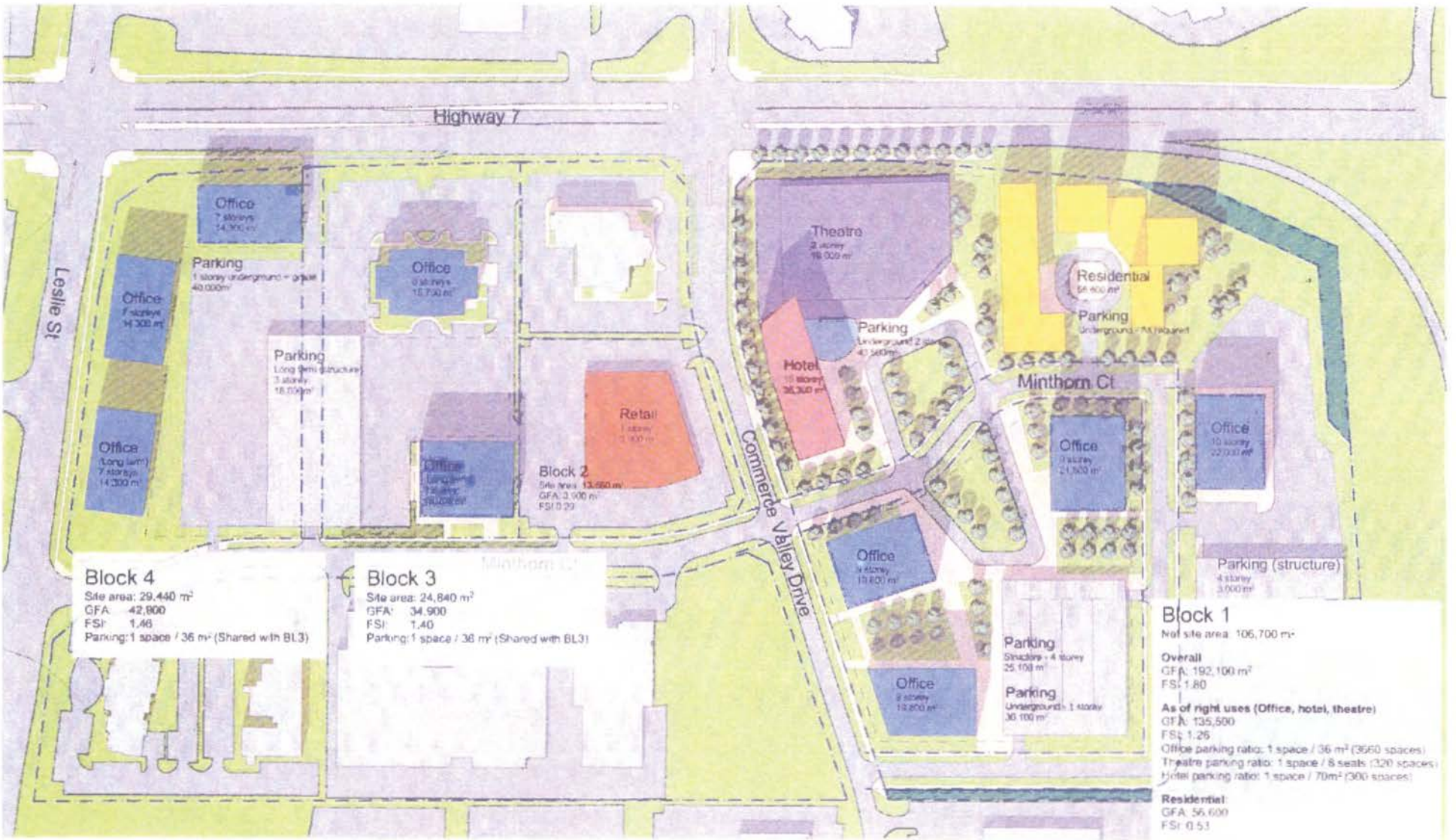
06 - Buildings

STRATEGIES INC



WEMAT
November 2012

west side : Commerce Valley Drive
Rezoning Application



8. Office, entertainment, residential

1/27/2012 Wemat Markham

Scale: 1:2000

TOWN OF MARKHAM

OFFICIAL PLAN

(Revised 1987)

AMENDMENT NO.26

To amend the Official Plan (Revised 1987) as amended (Commercial and Industrial policies).

OFFICE CONSOLIDATION FOR CONVENIENCE ONLY

INCORPORATES MMA'S MODIFICATIONS

AS PER DECISION DATED APRIL 7, 1995

AND SUBSEQUENT RESOLUTION OF DEFERRALS/REFERRALS

(* indicates modifications)

appropriate development standards relating to the location of any required outdoor storage:

- automobile repair uses;
- autobody paint and repair;
- contractor's yards;
- controlled outdoor storage accessory to permitted industrial uses.

- iii) In circumstances where current zoning permits offices as a primary use, such permission shall continue.
- iv) The following uses shall be prohibited on lands designated General Industrial Area:
 - retail uses;
 - funeral homes;
 - entertainment uses;
 - night clubs;
 - residential uses.

3.5.6.2 Business Park Area

a) Planned Function

The Business Park Area category applies to office/industrial business parks characterized by development displaying high design standards including corporate head offices and research facilities. The visual attractiveness and consistent image of such areas is of prime importance. Retail and service commercial activities will be strictly controlled.

b) Location

- i) Areas which exhibit a clear business park image with extensive landscaping, high quality building design and comprehensive area planning.
- ii) Generally, lands having exposure to provincial highways or major arterial roads, good access to major roads and of sufficient overall size to enable comprehensive planning. Area should be served by public transit.

c) Land Uses

- i) Lands designated Business Park Area may be zoned to permit the following uses, subject to the provisions of this Plan and any implementing Secondary Plan:

- offices;

- light industrial uses consistent with the planned function and policies of the designation;
 - accessory and incidental retail uses to permitted light industrial uses;
 - hotels;
 - ancillary retail and service uses and restaurants, where internally integrated as a component of an office building and clearly intended for the convenience use of local businesses and employees; ancillary retail and service uses and restaurants where internally integrated as a component of a hotel, as customarily provided to cater to the needs of hotel patrons;
 - research and training facilities;
 - data processing and related facilities;
 - institutional uses including government services compatible with and complementary to the planned function and policies of the development;
 - day care centres;
 - banks and financial institutions;
 - trade and convention centres;
 - other similar uses consistent with the planned function and policies of the designation.
- ii) Lands designated Business Park Area may be approved to also permit the following uses, subject to the review of a specific development proposal and rezoning, pursuant to the provisions of this Plan and any implementing Secondary Plan:
- private and commercial schools;
 - community facilities;
 - places of worship;
 - motels;
 - sports, health and fitness recreational uses;
 - banquet halls;
 - entertainment uses and night clubs, where internally integrated as a component of an office building or hotel.
- iii) The following commercial uses shall be prohibited on lands designated Business Park Area:
- funeral homes;
 - commercial "self-storage" warehouses;

- outdoor storage accessory to a permitted industrial use;
- automobile service stations;
- car washes;
- automobile repair uses;
- autobody paint and repair;
- retail uses involving accessory outdoor storage and/or display of merchandise.

d) Development Requirements

- i) Siting, massing, scale and extensive, complementary landscaping shall contribute to a visually attractive streetscape.
- ii) Pedestrian accessibility, convenience, safety and provision of amenity areas shall be a primary consideration in development and redevelopment.
- iii) Large surface parking areas should not be highly visible from public streets.

3.5.6.3 Business Corridor Area

a) Planned Function

This category identifies locations for a mix of high quality business activities in corridors along major road frontages, primarily adjacent to industrial areas. Business corridor areas are intended for industrial and commercial uses that require the exposure offered by such locations in order to accommodate the business and service needs of companies and employees, and to accommodate at appropriate locations certain businesses that may also serve the general public. A high level of urban design is required to maintain the positive business image of the industrial area.

b) Location

Generally, this category will be applied to locations along major roads within, or at the periphery of, industrial areas.

c) Land Uses

- i) Lands designated Business Corridor Area may be zoned to permit the following uses, subject to the provisions of this Plan and any implementing Secondary Plan:
 - offices;
 - light industrial uses;
 - banks and financial institutions;

SECTION 6 - ZONE REQUIREMENTS

6.1 SELECT INDUSTRIAL ZONE - M

Except as provided elsewhere in this by-law, all permitted uses shall be located within a wholly enclosed BUILDING or STRUCTURE.

6.1.1 USES PERMITTED

EXCEPTION
B/L 48-90
(7.53)

(a) Industrial:

- (i) Warehousing of goods and materials.
- (ii) Assembly of manufactured goods.
- (iii) Manufacture within enclosed BUILDINGS of goods.
- (iv) Repair and servicing of goods.
- (v) Data Processing Centre and computer related functions.
- (vi) Research Laboratories.
- (vii) Printing Establishments.
- (viii) Other industrial uses similar to the above uses.

(b) Private Clubs and Health Centres.

EXCEPTION SEE B/L 15-87
SECTION (c): 7:25(a)

(c) Public:

Public uses as described in Section 4.3.2 of this by-law.

(d) Residential:

No residential uses shall be permitted except for one (1) DWELLING UNIT for a caretaker employed on the PREMISES concerned within part of a BUILDING subject to the requirement of minimum GROSS GROUND FLOOR AREA per BUILDING under this by-law.

USES PROHIBITED

TEXT CHANGE BY B/L 70-82
SEC. 1.2

6.1.2 ~~USES PERMITTED~~

EXCEPTION B/L 48-90
(7.57)

In addition to the provisions of Section 4.3.7 the following uses shall also be prohibited in M ZONES:

- Transport Terminals for the loading or unloading of goods and wares from transport vehicles
- Repair and servicing of internal combustion engines, motor vehicles and similar uses.

6.4 SELECT INDUSTRIAL AND LIMITED COMMERCIAL ZONE - M.C

Except as provided elsewhere in this by-law, all permitted uses shall be located within a wholly enclosed BUILDING or STRUCTURE.

6.4.1 USES PERMITTED

ADDITIONAL Permitted Uses

EXCEPTION SEE
B/L 125-89
16-90
18-90
45-90
142-90



B/L 200-90

B/L 244-90

B/L 251-94

B/L 53-94

Added new category B.C.
B/L 108-95 Business
Corridor
from M.C. to B.C.

Exception added permitted uses
B/L 108-95

See B/L 122-95 [M.C. to B.C.]

See B/L 174-95 Additional uses.

(a) All of the uses permitted in Section 6.1.1 - (M ZONE).

(b) Commercial - banks and financial institutions chartered under the laws of Canada, professional and business offices, Commercial schools, HOTELS and MOTELS.

(c) Notwithstanding the provisions of Section 4.3.5 and 4.3.9 of this by-law, the following ACCESSORY USES shall be permitted in business and professional office BUILDING, HOTELS and MOTELS only:

- (i) RESTAURANTS and Taverns in HOTELS and MOTELS.
- (ii) RETAIL STORES and PERSONAL SERVICE SHOPS to serve the occupants of an office BUILDING or BUILDINGS or the patrons of a HOTEL or MOTEL and, notwithstanding the generality of the foregoing, retail stores shall only include convenience goods such as newspapers, magazines, tobacco products and candy.

(d) The ACCESSORY USES permitted in Section 6.4.1(c)(ii) above shall be subject to the following provisions:

- (i) No access shall be permitted except from the interior lobby of a BUILDING.
- (ii) Outdoor exterior signs advertising the ACCESSORY USES shall not be permitted.
- (iii) The FLOOR AREA devoted to these uses per BUILDING shall not exceed five percent (5%) of the GROSS FLOOR AREA or 100 square metres whichever is the lesser.

FORM 1
PLANNING ACT, 1990

NOTICE OF THE PASSING
OF A ZONING BY-LAW BY

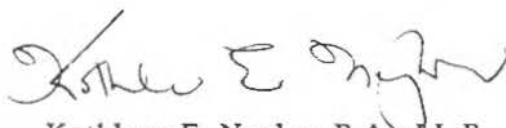
THE CORPORATION OF THE TOWN OF MARKHAM

TAKE NOTICE that the Council of the Corporation of the Town of Markham passed By-law 108-92 on the 23rd day of June, 1992, under Section 34 of the Planning Act, 1990.

AND TAKE NOTICE that any person or agency may appeal to the Ontario Municipal Board in respect of the by-law by filing with the Clerk of the Corporation of the Town of Markham not later than the 23rd day of July, 1992, a notice of appeal setting out the objection to the by-law and the reasons in support of the objection.

An explanation of the purpose and effect of the by-law, describing the lands to which the by-law applies, and a key map showing the location of the lands to which the by-law applies are attached. The complete by-law is available for inspection in my office during regular office hours, 8:30 a.m. to 4:30 p.m. Monday to Friday.

DATED at the Town of Markham this 3rd day of July, 1992.



Kathleen E. Naylor, B.A., LL.B.,
Acting Clerk
Town of Markham
101 Town Centre Boulevard
Markham, Ontario
L3R 9W3

EXPLANATORY NOTE

BY-LAW NO. 108-92

A by-law to amend By-law 165-80, as amended

THORNMARK CAPITAL CORPORATION & M. TEUBNER

Part of Lots 9 and 10, Concessions 2 and 3

This proposed by-law amendment applies to approximately 74 hectares (180 acres) of land comprising parts of Lots 9 and 10, Concessions 2 and 3. The lands are generally bounded on the north by Highway 7, on the east by Highway 404, on the south by proposed Highway 407, and on the west by the Richmond Hill tributary of the German Mills Creek.

The subject lands are currently zoned Select Industrial and Limited Commercial (40%) [M.C. (40%)], which includes a restriction limiting the height of industrial buildings to two (2) storeys, or 8 metres, and office buildings to four (4) storeys, or 14 metres.

The purpose and effect of this by-law amendment is to rezone selected lots in the subject area so as to increase the maximum permitted floor area ratios to 70%, 72%, 76%, 90% and 100%, and to permit the maximum height of office buildings to be increased to 8 storeys, or 29 metres.

THE CORPORATION OF THE TOWN OF MARKHAM

BY-LAW NO. 108-92

A by-law to amend By-law 165-80, as amended

THE COUNCIL OF THE CORPORATION OF THE TOWN OF MARKHAM
HEREBY ENACTS AS FOLLOWS:

1.1 By zoning the lands shown on Schedule 'A' within the designated area of this by-law:

- Select Industrial and Limited Commercial (40%) M.C. (40%)
- Select Industrial and Limited Commercial (70%) M.C. (70%)
- Select Industrial and Limited Commercial (72%) M.C. (72%)
- Select Industrial and Limited Commercial (76%) M.C. (76%)
- **Select Industrial and Limited Commercial (90%) M.C. (90%)**
- Select Industrial and Limited Commercial (100%)M.C. (100%)

1.2 By deleting section (b) of subsection 7.25 of Section 7 - Exceptions, as contained in amending by-law 15-87, and replacing it with the following:

"(b) Notwithstanding the provisions of Section 5.2(g) the maximum height of a building or structure shall be as follows:

- (i) industrial buildings or structures: two (2) storeys, provided the maximum height does not exceed 8 metres;
- (ii) office buildings or structures: eight (8) storeys, provided the maximum height does not exceed 29 metres".

1.3 By deleting subsection 7.37 to Section 7 - Exceptions in its entirety.

1.4 By deleting subsection 7.61 to Section 7 - Exceptions in its entirety.

1.5 By adding to Section 7 - Exceptions, subsection 7.63 as follows:

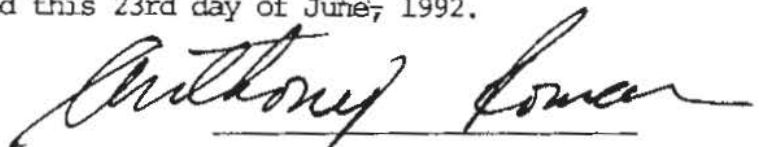
"7.63 The following provisions shall apply to the 5.97 hectare parcel of land located on the south west corner of Highway 7 and Leslie Street, described as Part 2, Plan 65R-9431:

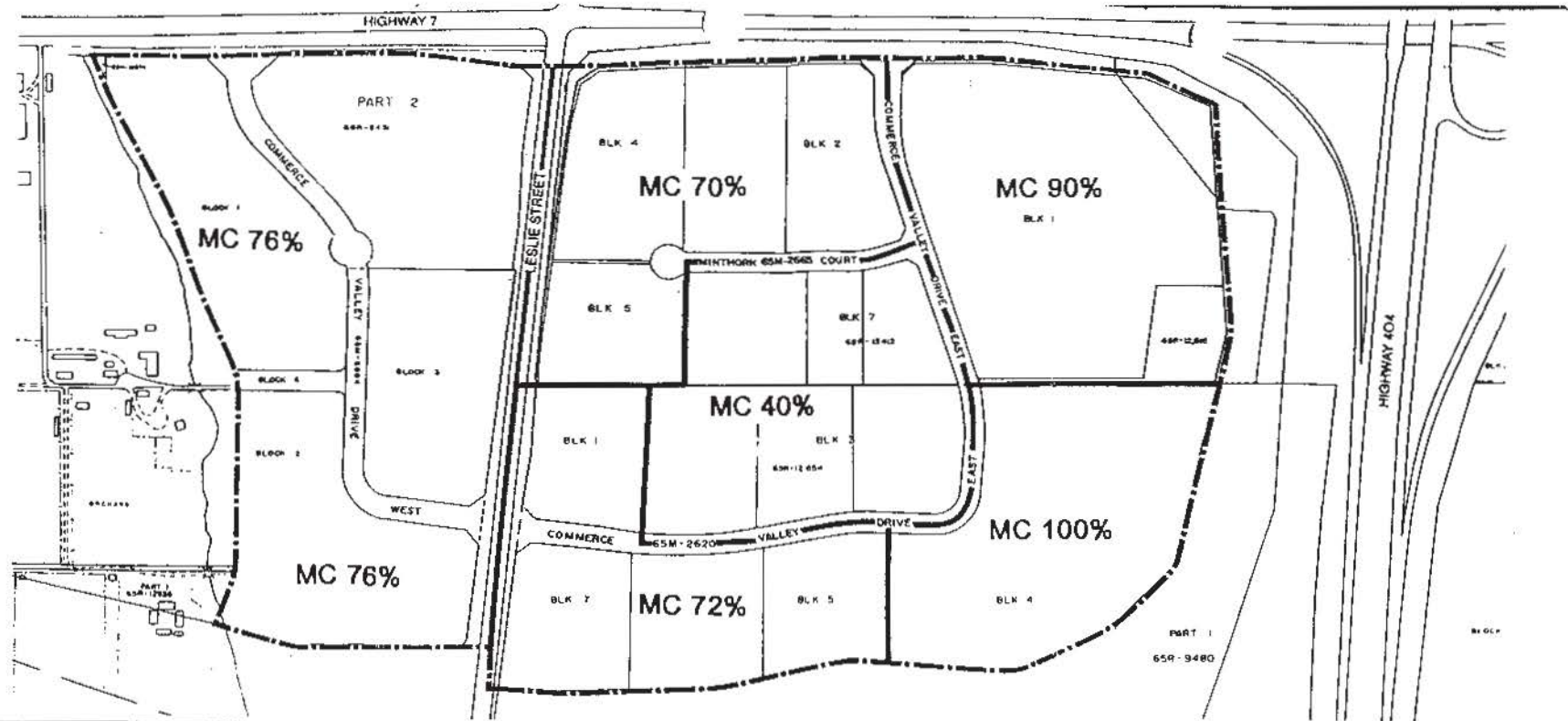
- (i) Notwithstanding the provisions of Section 4.4.1(b) and Exception 7.29, the minimum number of PARKING SPACES required for one RESTAURANT and accessory facilities having a maximum GROSS FLOOR AREA of 9037 square metres and two office BUILDINGS having a maximum GROSS FLOOR AREA of 9361 square metres and 12,466 square metres, respectively, shall be 1,417 provided that additional parking shall be required for any additional uses in accordance with Section 4.4.1.
 - (ii) Notwithstanding Section 4.5.1, only one LOADING SPACE shall be required for office buildings having a maximum GROSS FLOOR AREA of up to 12,466 square metres."
2. All other provisions of By-law 165-80, as amended, not inconsistent with the provisions of this by-law shall continue to apply.

READ a first and second time this 23rd day of June, 1992

READ a third time and passed this 23rd day of June, 1992.


Deputy Clerk


Mayor



NOTE: 1) DIMENSIONS IN METRES
 2) FOR ACCURACY, REFERENCE SHOULD BE MADE TO THE ORIGINAL BY-LAW LODGED IN THE OFFICE OF THE CLERK

NOT TO SCALE

THIS IS SCHEDULE 'A' TO BY-LAW 108-92
 PASSED THE 23 DAY OF June, 19 92

Anthony Louca MAYOR
Quintus Palm Deputy CLERK

TOWN OF MARKHAM

A BY-LAW TO AMEND BY-LAW No.165-80

----- BOUNDARY OF AREA COVERED BY THIS BY-LAW

MC 100% - SELECT INDUSTRIAL AND LIMITED COMMERCIAL (100%)
 MC 90% - SELECT INDUSTRIAL AND LIMITED COMMERCIAL (90%)
 MC 72% - SELECT INDUSTRIAL AND LIMITED COMMERCIAL (72%)
 MC 76% - SELECT INDUSTRIAL AND LIMITED COMMERCIAL (76%)
 MC 70% - SELECT INDUSTRIAL AND LIMITED COMMERCIAL (70%)
 MC 40% - SELECT INDUSTRIAL AND LIMITED COMMERCIAL (40%)