

Scanned Document Notice

This report is a scanned image of the original report. We have included the table of contents only for reference.



You may obtain this report by contacting us directly, however there may be charges associated with the scanning of the original document. Contact us for more details. This report and other related documents can be found at www.mississauga.ca/data

Phone: (905) 615-3200 ext. 5556

Email: eplanbuild.info@mississauga.ca

RSS: <http://feeds.feedburner.com/MississaugaData>

Twitter: www.twitter.com/mississaugadata

Website: www.mississauga.ca/data





*THE OUTLOOK FOR
OFFICE DEVELOPMENT*

City of Mississauga

HEMSON Consulting Ltd.
August 1998

HEMSON

Consulting Ltd.

30 St. Patrick Street, Suite 1000, Toronto, Ontario, Canada M5T 3A3
Facsimile (416) 595-7144 Telephone (416) 593-5090
e-mail: hemson@hemson.com

August 24, 1998

Ms. Angela Dietrich
Manager, Research and Special Projects
Policy Planning Division
Planning and Building Department
City of Mississauga
300 City Centre Drive
Mississauga, Ontario
L5B 3C1

Dear Ms. Dietrich:

Re: The Outlook for Office Development

We are pleased to submit the report, *The Outlook For Office Development*.

This report is a review of office market conditions and forecasts future office development in the city. The report is intended to assist the City in decision making for planning purposes.

Mississauga has enjoyed great success as one of the GTA's most important office centres and is forecast to experience significant growth in new office development over the 25 year forecast period. A number of policy initiatives, however, need to be considered to

ensure the continued success of Mississauga's most important office node, the City Centre District.

We hope that this outlook assists the City of Mississauga as it makes the important transition from the rapidly growing suburban community of the 1980s to the mature city that it will become in the next century.

Yours Truly,

HEMSON CONSULTING LTD.



Raymond J. Simpson, CMC, RPP, MCIP
Partner

I INTRODUCTION

An indicator of Mississauga's economic success has been the strength of the office market. In the mid 1980s Mississauga's office sector emerged as one of the most prominent in the GTA, both in terms of total square footage and the type of business locating in the city. Businesses included significant numbers of Canadian head offices and branch offices of large multi-national corporations. The development of a dynamic office sector, in addition to its strong industrial base, has helped Mississauga maintain consistent employment growth throughout most of the 1990s. In Mississauga, as elsewhere in the GTA, high levels of office construction in the late 1980s combined with the economic downturn of 1990-91 generated high vacancy rates. As a result, there has been a lack of office building construction in the last five years. Vacancy rates and rents are now reaching levels where new construction is becoming more economically feasible, as indicated by current construction activity.

The return of economic optimism and the start of new construction activity in 1998 makes this an ideal time to take a look at Mississauga's office market outlook and the implications for land use planning. The Policy Planning Division of the Planning and Building Department of the City of Mississauga retained Hemson Consulting to undertake this review. There are a number of reasons for undertaking this timely assignment.

The review of the outlook for office space in this report will:

- Provide a context for the ongoing review of the City's District Policies;
- Allow for a better understanding of office space demand as input for ongoing forecasts, including development charges and other purposes; and
- Enable the City to make more informed decisions regarding applications for changing permitted land uses.

This report is divided into five main sections. First, the emergence of Mississauga as a major office centre in the GTA is discussed including the reasons for the City's success in attracting new office development and employment. Secondly, the existing Mississauga office inventory city-wide and by sub-centre is reviewed and analyzed. In the third section, the outlook for future growth of the Mississauga office market is discussed. This is followed by a discussion of the forecasts for short and long term demand for office space including a review of the planned capacity for additional office space development in Mississauga. Finally, policy issues are identified to help ensure the continued success of the office sector in the City.