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LS 18.3.1

OXFORD

HOLIDAY SHOPPING

YORKDALE SHOPPING CENTRE

APRIL 18, 2017

THE IMPACT

YORKDALE SHOPPING CENTRE - THE TOURIST ATTRACTION

- Yorkdale Shopping Centre is one of Canada's preeminent retail destinations a major tourist destination and significant employer.
- Yorkdale transacts \$1.3B sales annually. This sales performance is held by very few shopping centres in the world. Opening 6 holidays a year can equate to more than \$20M in sales annually
- Mar 30/2016, Avison Young reported that Yorkdale was Canada's most profitable retail mall in 2016 generating \$1,610 in sales per square foot
- Yorkdale is taxed as a premium property putting pressure on it's retailers to bear this tax burden
 - Yorkdale's assessed 2017 City of Toronto Realty Taxes are \$68 per square foot; Square One is \$27 per square foot.
 - Retailers do not pay additional rent for opening on Holidays.

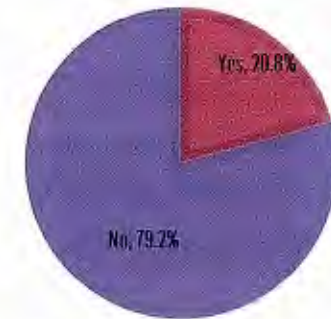
THE IMPACT

YORKDALE SHOPPING CENTRE - THE TOURIST ATTRACTION

- Yorkdale has a large local draw, however tourists also visit the centre.

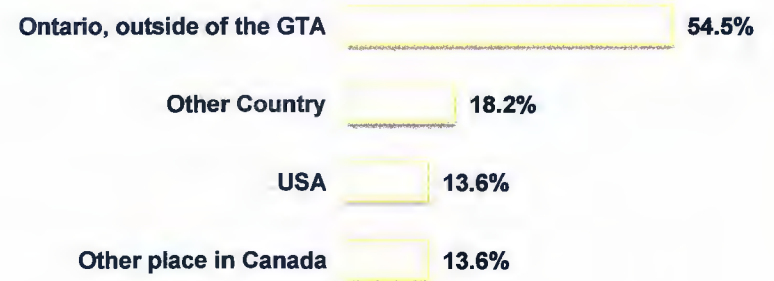
- Reported tourists origins included Bermuda, Brazil, Croatia, Ireland, and the US

VISITING AS TOURIST (IF OUTSIDE THE GTA)



n = 106

IF VISITING AS A TOURIST, WHERE DO YOU RESIDE?



n = 22

THE IMPACT

YORKDALE COMPETITIVE DISADVANTAGE TO OTHER ONTARIO MUNICIPALITIES

	<i>Municipalities with an area exemption by-law to permit holiday shopping*</i>	<i>Percentage of municipalities permitting retail stores to open on public holidays</i>
Canada Day	81	100%
Victoria Day	80	99%
Labour Day	80	99%
Thanksgiving Day	73	90%
Family Day	60	74%
New Years Day	46	57%
Good Friday	43	53%
Easter Sunday	36	44%
Christmas Day	27	33%

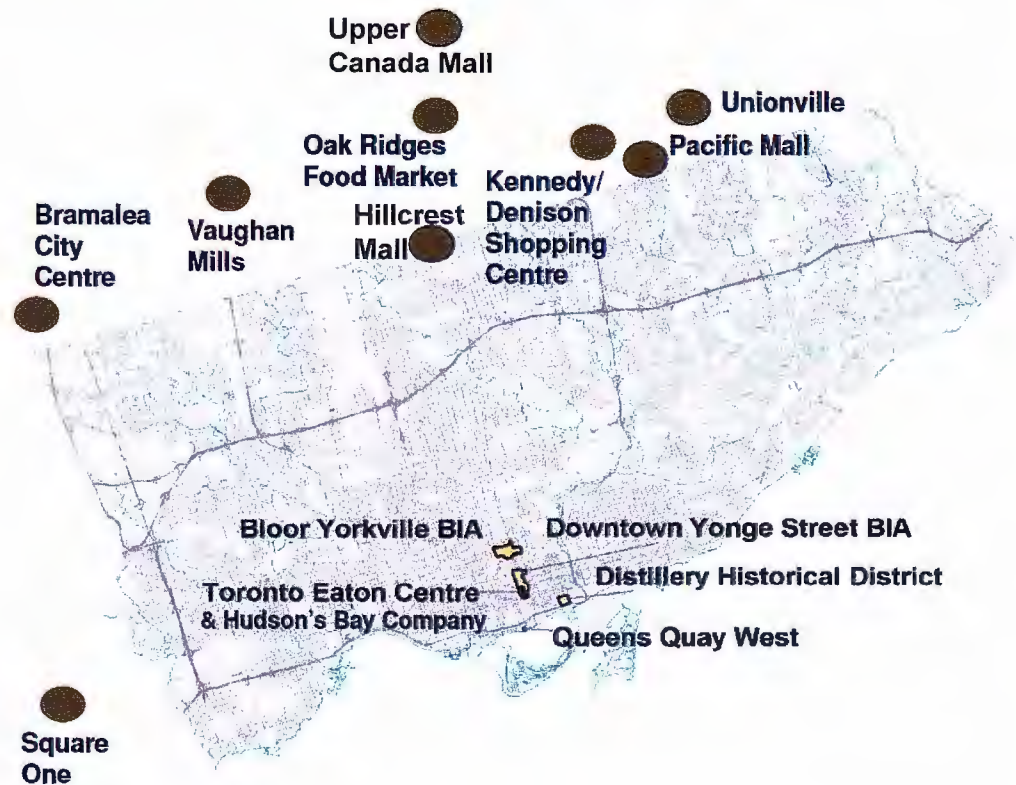
* Total Municipalities 81

Source – Economic Development Committee Holiday Shopping Report, November 2012

THE IMPACT

**YORKDALE
COMPETITIVE
DISADVANTAGE TO
NEIGHBOURING
CENTRES**

There is a migration of retail and tourist dollars out of Toronto to other GTHA municipalities.



Source – Economic Development Committee Holiday Shopping Report, November 2012 (Additional centres added)

THE IMPACT

YORKDALE COMPETITIVE DISADVANTAGE TO ONLINE SHOPPING – ALWAYS OPEN

- Online consumer purchasing has been steadily growing in Canada. Online sales in 2014 were estimated at \$22 billion, accounting for 4.4% of all retail sales. Sales are expected to double in the next four years, increasing to at least \$40 billion by 2019 (10% of all retail sales) *Note 1*
- 2 out of 3 dollars spent online by Canadians goes to a U.S. retail website *Note 2*
- Online consumers want convenience
- High commercial to residential tax ratios mean that businesses pay more of the taxes than residents do. Since municipalities have few means to raise revenue, commercial property taxes provide the most benefit to residents, paying for community centres, water and sewers, road repairs and other necessary services. *Note 3*
- Annual taxes Yorkdale Shopping Centre - \$70M

Note 1 - Forrester Research. Peter Sheldon, et al. Canadian Online Retail Forecast, 2014 To 2019. October 14, 2014.

Note 2 – Canadian Internet Factbook 2014

Note 3 - Ladurantaye, Steve. 2010. Globe and Mail. Commercial property tax is Canada's 'cash cow'.

Accessed 14-October-15 from <http://www.theglobeandmail.com/report-on-business/economy/commercial-property-tax-is-canadas-cashcow/article1320298>

THE BENEFITS TO TORONTO

RETAIL SALES ARE LEAVING TORONTO AND GOING TO THE 905

- 55,000 /day - The number of Torontonians that travel into the 905 (Peel and York Regions) to shop take advantage of Holiday Shopping exemptions.
- 17,000 / day - The number of out-bound car trips Torontonians make to visit 905 shopping centres on each statutory holiday.

Estimated Expenditures Leaving the City of Toronto On a Typical Statutory Holiday

905 Centres Open	Annual Sales per Square Foot*	GLA Size	Annual Sales	Weekly Sales (\$2)	Weekday Sales (@45%)	Weekend Sales (@55%)	Typical Sat/Sun Sales Day	Premium Holiday Shopping Factor	Sales Performance on a Stat Holiday	% 416 Residents	416 Residents Expenditures Leaving to the 905
Square One (Oxford)	\$575	1,600,000	\$ 920,000,000	\$ 17,690,000	\$ 7,960,500	\$ 9,729,500	\$ 4,864,750	120%	\$ 5,840,000	35%	\$2,040,000 Per Stat Holiday
Vaughan Mills (Vanhee)	\$500	1,120,000	\$ 560,000,000	\$ 10,770,000	\$ 4,846,500	\$ 5,923,500	\$ 2,961,750	120%	\$ 3,550,000	45%	\$1,600,000 Per Stat Holiday
Bramlea City Centre (Morguard)	\$500	1,400,000	\$ 700,000,000	\$ 13,460,000	\$ 6,057,000	\$ 7,403,000	\$ 3,701,500	120%	\$ 4,440,000	25%	\$ 1,110,000 Per Stat Holiday
Pacific Mall (Torgon)	\$550	600,000	\$ 330,000,000	\$ 6,350,000	\$ 2,857,500	\$ 3,492,500	\$ 1,746,250	120%	\$ 2,100,000	60%	\$ 1,260,000 Per Stat Holiday
Markville Mall (CF)	\$550	990,000	\$ 544,500,000	\$ 10,470,000	\$ 4,711,500	\$ 5,758,500	\$ 2,879,250	120%	\$ 3,460,000	35%	\$ 1,210,000 Per Stat Holiday
The Promenade (CF)	\$500	705,000	\$ 352,500,000	\$ 6,780,000	\$ 3,051,000	\$ 3,729,000	\$ 1,864,500	120%	\$ 2,240,000	35%	\$ 780,000 Per Stat Holiday
Hillcrest Mall (Oxford)	\$500	588,000	\$ 294,000,000	\$ 5,650,000	\$ 2,542,500	\$ 3,107,500	\$ 1,553,750	120%	\$ 1,860,000	35%	\$ 650,000 Per Stat Holiday
Upper Canada Mall (Oxford)	\$550	947,000	\$ 520,850,000	\$ 10,020,000	\$ 4,503,000	\$ 5,511,000	\$ 2,755,500	120%	\$ 3,310,000	20%	\$ 660,000 Per Stat Holiday
Total (B)		7,950,000	\$ 4,221,850,000	\$ 81,190,000	\$ 36,535,500	\$ 44,654,500	\$ 22,327,250		\$ 26,800,000		\$ 6,010,000 Per Stat Holiday

Sales Performance / SF	\$ 53.105	\$ 10.21	\$ 4.60	\$ 5.62	\$ 2.81	\$ 3.37
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7 No. of Stat Holidays
Open for Retail per year
(excl. Christmas & Easter)

\$42,070,000 ANNUAL RETAIL LEAKAGE

Source: urbanMetrics
Revised: April 28 2015

THE BENEFITS TO TORONTO

LOST EMPLOYMENT OPPORTUNITY

- The retail sector is made up of a large cross-section of part-time and full-time workers.
- Many of the workers are students or hold down multiple jobs to make ends meet.
- According to the City of Toronto's website, youth unemployment is a persistent problem. The City's Youth Employment Partnerships program indicates that unemployment for youth (age 15-24) is high at 16.5% (compared to 6.4% for adults aged 25+).
- The opportunity to earn time-and-a-half is something which we believe would be welcomed by a large cross-section of workers in this sector.

THE BENEFITS
TO TORONTO

EMPLOYMENT
OPPORTUNITY

Yorkdale partnership with TESS (Toronto Employee Social Services)
Recruitment and Initiatives

220+ RESIDENTS
HIRED BY
YORKDALE MALL
FOR A RANGE OF
RETAIL POSITIONS

15 RESIDENTS
HIRED FOR
SEWING MACHINE
OPERATORS WITH
CANADA GOOSE
INCLUDING 4 YOUTH AND 3
RESIDENTS ON OW



**Connecting people to
retail jobs**

Toronto's retail scene is seeing major activity, with some of the city's larger malls undergoing extensive expansions. These projects are providing employment opportunities for residents, ranging from first-work experiences for young people to diverse mid-level positions. In 2016, TESS joined up with a number of organizations and retailers to connect job seekers to these opportunities. Activities range from cross-organizational partnerships that improve coordination and capacity building across the workforce system, to smaller scale efforts with single employers that increase access to available jobs. For instance, through the Yorkdale Mall expansion, TESS partnered with Oxford Properties and Social Development, Finance and Administration (SDFA) to coordinate a city-wide recruitment event that connected hundreds of job seekers to new retail jobs. TESS also partnered with companies such as Canada Goose to meet their growing workforce needs as they opened two new sites in Toronto.

"We have worked with TESS to identify quality candidates for key hiring periods and around the launch of new wings requiring many hundreds of employees. I have been delighted with the quality of organization and support provided by the City and the TESS team in helping meet our employment needs."

-Claire Santamaria, General Manager, Oxford Properties