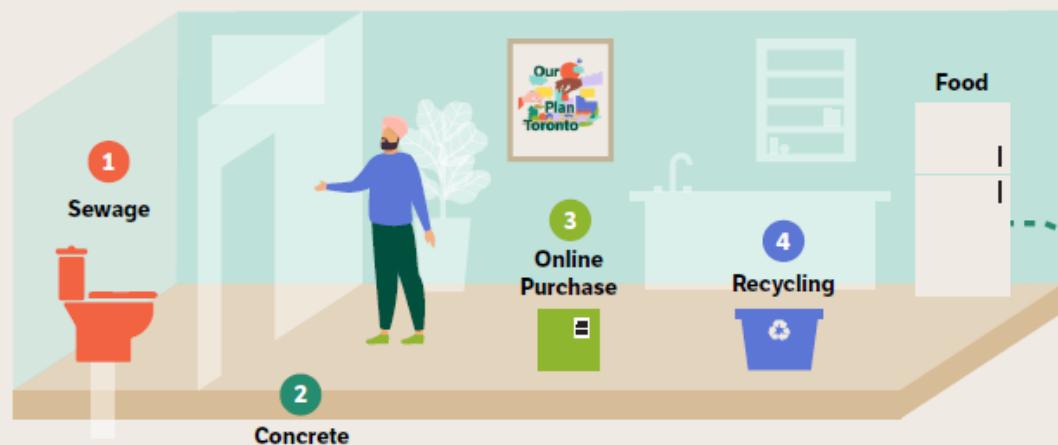


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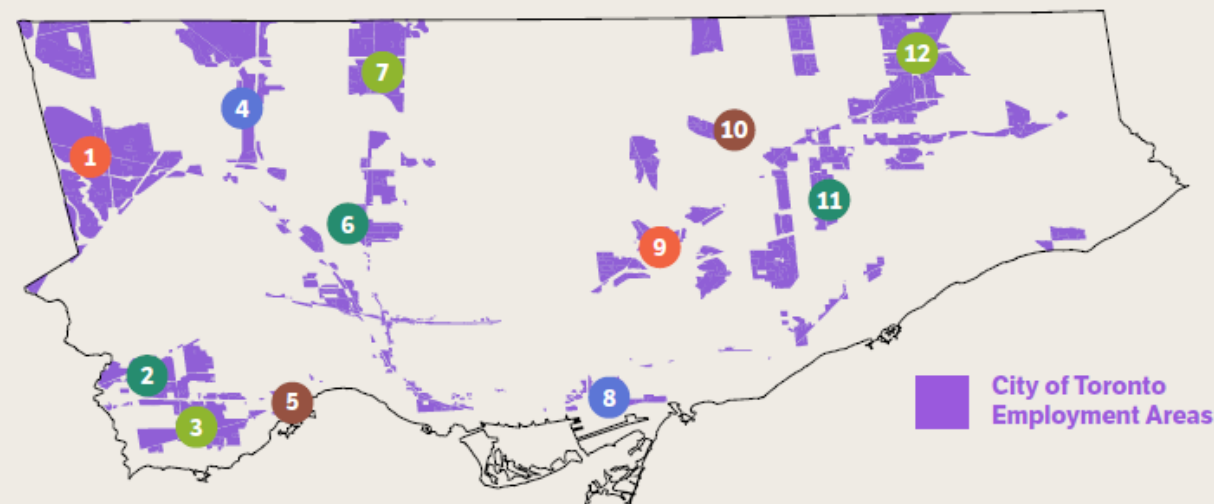
*Protecting our Employment
Areas:
A Place for Business &
Employment to Grow*

February 2023





Your Essentials, Brought to you by Employment Areas



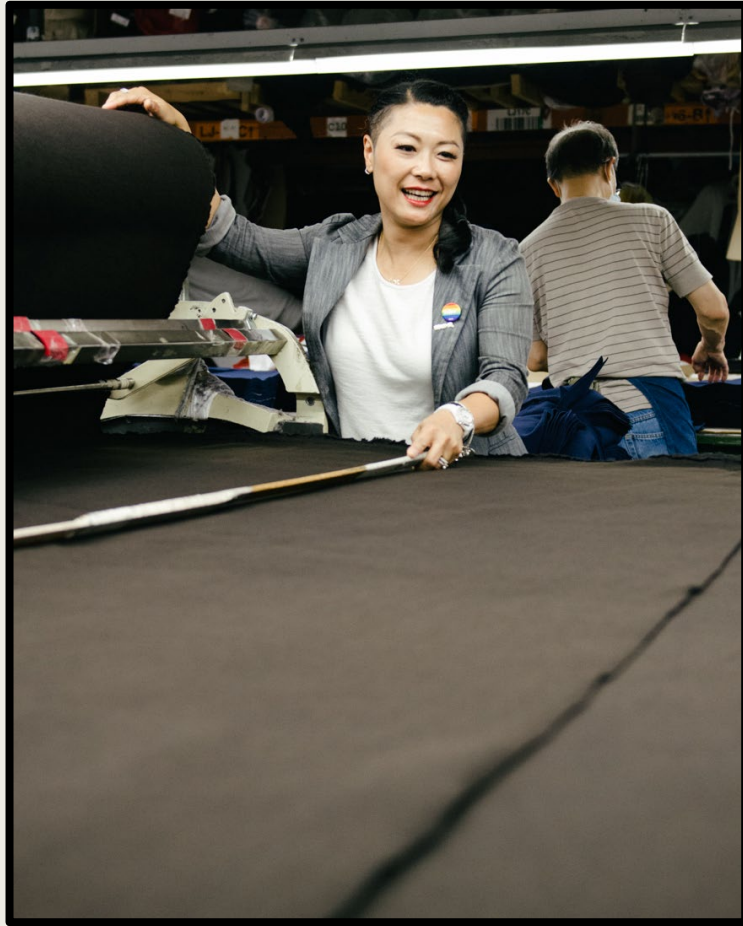
Employment Areas and their importance

Toronto's employment areas are essential places for promoting economic activity and ensuring growth and prosperity of their surrounding residential communities. But beyond the facts and figures of land economics, they are a critical means of maintaining a diversity of employment opportunities for Toronto residents. These lands provide the only viable home in the city for businesses requiring separation from residential and other uses that are sensitive to traffic, noise, vibrations or odour. They are the only home for businesses that cannot survive in a mixed-use setting, whether for compatibility considerations or land value considerations.

Key to understanding the critical nature of these lands, and protecting them through Official Plan policy, is to provide a visual narrative that informs decision-makers, staff, and residents. In the summer of 2022, EDC conducted interviews and site visits to several businesses in vulnerable locations across the city.

Their stories follow.

WS & Co. and Redwood Classics



Made in Toronto dream

Kathy Cheng remembers a moment standing amongst the rolls of fabric and humming machines at WS & Co., the Scarborough garment manufacturer her family had built from 1978 into one of the leading boutique clothing producers working with clients like Roots, GAP and HBC. It was 2008, the height of the recession, and the business had a tough decision to make: do they continue producing in Canada and fight the battle against offshoring or retire like many textile families in Toronto had and walk away from the business that, at its height, had employed 500 people.

It was a family decision, but it also hinged on Cheng because her father had asked her to step in as his business partner. “I felt a sense of emotion... I don’t know if it was in my head but I swear I hear sobbing... these tears of sadness... and it hit me like a ton of bricks,” she says. “I realized the amazing life I’d lived... I grew up in this factory.”

The WS & Co. factory floor was her summer camp and babysitter. It was her place to explore filled with nooks for naps and hide away with her colouring books, says Cheng. “I’m an only child and the factory has been my sibling.”

She wasn’t sure it was a weight she wanted to carry, that older sibling who’d always seemed to define her path. But something changed at that moment on the factory floor. “I realized I had to do this... if it wasn’t for the loyalty to my immediate family, it should be at least for loyalty to my family of makers that have been with us for 10, 15, 20 years,” says Cheng. **“Our factory was a place where we were able to onboard so many new immigrants and make a socioeconomic impact on new immigrants – because we were once new immigrants ourselves.”**

WS & Co. and Redwood Classics



In January 2009, Cheng and her dad made the decision to fight through the tough times, to restructure to 40 people and return to a smaller, more humble factory space, one they'd formerly occupied, its washroom tiles still broken and recognizable from the place they'd left behind years before. They made the decision to fight through the economic uncertainty and a waning interest in Made in Canada clothing and press onwards. They survived. They rebuilt. And, if need be, they'll do it again.

"Fast forward now, we've tripled our headcount, we've tripled our workspace," says Cheng. WS & Co. has innovated, launching Redwood Classics, a private-label, sustainably-produced in-stock apparel line featuring classic, staple pieces ready for made-to-order branding. Cheng also developed WS & Co.'s Novelty Knit In-Stock Fabric Program, which offers in-stock trending fabrications that can be custom dyed, giving designers the ability to order smaller quantities to capitalize on trends without the risk of larger orders.



It's continued to be an incubator for talented newcomers and makers from Hong Kong and marginalized communities looking to start a new life in Canada. Since 2009, as a proponent of creating a women-led business ecosystem that empowers marginalized voices, Cheng has built a workforce of 103 people at Redwood Classics which is 80% women. According to the business' recently released [Impact Report](#), 69% of the factory spend is with women-owned and minority-owned businesses. "If we were to aggregate our local suppliers that we use, we've been part of creating 302 jobs," says Cheng.

WS & Co. and Redwood Classics



A few years ago, she started using #factoryfridays as a way to elevate the voice of makers, like the ones who have helped build WS & Co. “It doesn’t matter if products are made in Toronto, in Bangladesh or China, apparel making is still done with human hands,” she says. **“Yes, we have sewing machines, but it’s the operator and their skill [is] what makes the quality, it’s that inherent knowledge and experience.”**

However, the socioeconomic impact of WS & Co. and Redwood Classics label is under threat as the conversion of employment lands – areas designated for businesses – are changing the dynamics of the area surrounding the business. “My rent’s coming up next year... we’re up for negotiation – I can’t afford to be here anymore.”

To compete with offshore pricing and run the ready-made approach to private label garments, WS & Co. needs employment lands to both produce and store those products. They also need to be close to their makers. “We used to run our own, I guess you could say private Uber,” says Cheng. She remembers driving around with her dad in the minivan to pick their team of makers up from designated stops. The expansion of the TTC into Scarborough helped remove that barrier and make it easier for employees to get to work.

WS & Co.’s Scarborough community has helped the business survive. The absence of that is an existential crisis not just for the business but the maker diaspora it employs. “(In Canada) we have a big gap in immigration, we have a lot of jobs that cannot be fulfilled, not a lot of people want to be in a factory environment,” says Cheng. But the extended family of employees at WS & Co. feel valued, they know their skills are unique and they know the existence of the business is special. “We’ve weaved ourselves into the fabric of Canada – we’re so Canadian proud.”

Plastic Plus



Access to Toronto Talent is Key to Homegrown Success

Plastic Plus was a failing lens business when Paul Faibish and his father took it over.

“My father had invested (and) it wasn't doing very well... naively, he'd signed a personal guarantee at the bank,” says Faibish. His father was an optometrist with a large practice in downtown Toronto and Faibish had worked there in the gaps between classes at the University of Toronto. When the owner came to Faibish's father and said he was going to bankrupt the company unless Faibish and his father wanted to take it over, the pair decided they'd try operating it for a couple of years to see what they could do.

Now, more than 40 years later, Plastic Plus is Canada's largest independent lens manufacturer. “We're somewhere in the top 10 in North America right now,” says Faibish. The company employs 90 people and has a 30,000-square-foot state-of-the-art facility on Leswyn Rd, an employment area in North York a few blocks from Yorkdale. **“We're very proud of the fact that we do all our work locally, we hire local people, we buy goods and services in Toronto, and we pay our taxes in Canada.”**

Faibish estimates that Plastic Plus delivers lenses to about 700 independent offices and eyewear chains across the country with 15% of the business being exported to places like the United States, the Caribbean and Europe. The business looks nothing like it did 42 years ago when Faibish walked through the door.

Plastic Plus



But then again, neither does the area in North York where the business is located. Faibish says their stretch of industrial land was mostly manufacturing in the 1980s, transitioning into a haven for wholesale in later years. “Now it’s starting to become more – I wouldn’t say upscale, but mid-scale retail,” he says. **“There’s no manufacturing in this area anymore... my bank manager says I’m his best performing manufacturing company because I’m his only manufacturing company in the area.”**

And he suspects it’ll evolve even more quickly as Yorkdale digs in on its 25-year plan to build on the surface of its parking lot and put the parking underneath. “25 years from now, this building isn’t going to be manufacturing space, this will be whatever the *condo du jour* is or high-end retail.”

On the one hand, Faibish admits by that time his investment in his current building will pay dividends as it did when they sold their building next door in 2018 amidst a red hot real estate market and bought their current one. But what that would mean for Plastic Plus’ legacy in the area feels less rosy.

Faibish says they’ve looked at moving the business out to Markham or Vaughan in the past. “We felt more comfortable with the labour pool in Toronto and we also felt a little bit of an obligation,” he says. “I probably have 30 to 40 employees that have been with me more than 20 and 25 years and it would’ve been very burdensome to them... we like the city, we like being close to the subway.”

Plastic Plus



Sarah McGoldrick, director of communications for Plastic Plus, has been with the business for just shy of a decade. She lives downtown and commutes to work but says there are a lot of employees that can't afford to live in Toronto anymore. **“A lot of our staff are new Canadians – we’re essentially their first job in Canada so we're not just a company that provides some work, we’re also their introduction into life in Toronto and Canada.”**

There are a lot of factors that shape an area, especially one like the segment of North York that Plastic Plus is located within. Toronto is a growing city – it added 62,000 residents between 2016 and 2021 according to [census data](#). Housing is necessary to afford that growth but so are employment areas. “Every time you build a condo, you remove diverse employment opportunities in that area,” says McGoldrick.

She suspects the erosion of employment areas will also impact the ability of people to live close to where they work. “I think that's really going to affect our employment structure going forward,” says McGoldrick.

Plastic Plus



The employment diversity is what makes Plastic Plus special, she adds. “We’re creating an opportunity for new Canadians to have a career where, if they’re keen on it, they can work their way up through the lab,” says McGoldrick.

She points to one of their employees who came as a new immigrant from Vietnam. “He was just one of the regular lab workers and now he practically runs the place,” he says. “Plastic Plus has worked really hard to give our employees the opportunity to go beyond just moving boxes or that kind of thing – there are not too many opportunities for new Canadians to do that.”

William F. White International



Proximity to the City Helps Offset the Film Industry's Sporadic Hours

Few things keep Gautier Gacon from riding his bike to work at William F. White International on Islington Avenue in Etobicoke. In downpours and heat waves, heavy winds and snowstorms – the lighting department supervisor is on his bike, navigating drivers and weather conditions to get to work because it's important to him.

“There was the snowstorm this year... I tried,” says Gacon with a laugh. “Some days can be really complicated – if I can't make it, I walk.”

Gacon, who grew up in France, moved to Canada to work in the film industry, taking a post at William F. White International in Vancouver. He put in for a transfer to the iconic production services and equipment rental agency's Toronto location and found an apartment within biking distance of work. He's since shortened that commute to three kilometres and admits it's something he feels grateful for, both in snowstorms and when he glances at the stopped commuter traffic on Lake Shore Boulevard or the Gardiner Expressway as he makes his way to work unhindered.

William F. White International



“I think more and more people realize that we can't sustain by putting more cars on the road, it's just not working... you can only create a certain amount of infrastructure to not have people stuck,” says Gacon. “When we include the sustainability part of it, it seems like a logical thing to push transit and biking.”

But for that to happen, you need employment areas that are accessible for people like Gacon. It's something David Hardy, vice president of sustainability and stakeholder affairs at William F. White International thinks about constantly. “The quality of life of a film technician can be pretty tenuous – the hours are crazy, commuting at different hours of the day,” says Hardy, who is also a part of a contingent of employees that cycle to work. **“So trying to keep land designated as employment lands and have the opportunity for studio development in areas that are still reasonably close to the core of the city, is a huge piece for the entire film industry.”**

Direct spend in Toronto's film, television and digital media productions reached a historical \$2.5 billion in 2021 and the screen industry, which employs over 35,000 Torontonians, brought 1468 productions and over 7,800 production days to the city, according to the [Toronto Screen Industry 2021 report](#) by Economic Development and Culture.

William F. White International



“There's still a significant portion of the film industry that works in downtown Toronto, so being where we are is important,” says Hardy. “You push too far out (of the city) and then you're going to Hamilton and nobody wants to be driving... it comes down to the quality of life for anybody who is participating in the production.”

For the film industry, employment lands are critical, even if they're not within the downtown core. “It factors into sustainability too,” says Hardy. **“Maintaining employment lands in the city of Toronto is a huge boost to our decarbonization efforts because you're not compelling crew to be on the highways... nobody carpools in the film industry because of the hours.”**

However, employment land conversions across the city are encroaching on that. “There's a section of Etobicoke that is under huge duress right now for zoning changes and it's going to really start to impact us when people don't want a so-called huge industrial facility right down the street with trucks and fumes and noise,” says Hardy. “So that's something that's always in the back of our minds.”

As for Gacon, he's not planning to get a car anytime soon. In fact, he shudders at the thought of no longer being able to work and live in the same area. “If I have to start driving, that's not ideal,” he says. “That just feels like it would be reducing my quality of life... I'd be the one that's stuck on the highway.”



Why Aid Agencies Like GlobalMedic Rely on Employment Areas to Produce Aid Efficiently

On Saturdays, volunteers meet at GlobalMedic's headquarters in a stretch of employment lands in Etobicoke to pack dried goods and water purification kits. The aid is loaded on skids and in shipping containers destined for war-torn zones like Yemen or Ukraine or areas plagued by natural disasters. Other times it's repacked for Toronto food banks and food security programs. What the humanitarian-aid and non-governmental organization (NGO) – the operational arm of the David McAntony Gibson Foundation – is able to accomplish is a feat of frugality.

“We’re able to produce for a quarter of the cost that a food bank could buy,” says Rahul Singh, a Toronto paramedic and the founder and executive director of GlobalMedic. He uses green peas as an example. At a retailer, they would typically cost around \$3 for a pound. “I can do 500 grams, which is 10% more than a pound, for 75 cents,” says Singh. **“So because of our model, I need to have places for my staff to work in order to lead those volunteers in order to put that product out there, which then, in turn, feeds vulnerable families in our cities.”**

Since 2004, GlobalMedic has delivered aid and responded to 241 crises in 80 countries. Domestically, the NGO repacked and supported community food banks and food security programs with over 1.2 million pounds of food in 2021. Its Hygiene Hub supplied over 1.1 million hygiene items and over 56,000 litres of hand sanitizer to those in need.

GlobalMedic



The impact is both massive and measurable. And perhaps most importantly, it's recognizable from a community standpoint. Singh says the challenge has never been to find volunteers. In 2021 alone, GlobalMedic logged 38,000 volunteer hours. "There are lots of people that want to give service time," he adds. "They're basically employees because the work that they're doing – if we had to pay for it – would be very expensive but the work they do helps us lower costs to pack and assemble aid and by driving costs down, we can give more."

However, to provide aid efficiently and inexpensively both domestically and abroad, Singh requires large, open spaces for volunteers to assemble kits and space for full-time employees to coordinate aid efforts. Industrial lands – often designated employment areas within Toronto – are experiencing unprecedented demand. Availability rates sat at 1.1% in the first quarter of 2022, according to RE/MAX Canada's 2022 Commercial Real Estate Report. Vacancy rates are below 1%.

It's a predicament, says Singh. "I'm competing with Amazon for that space... I can't compete with Amazon. I can't compete with Purolator – these are multi- billion dollar conglomerates."



And yet the need for aid is growing. Prior to the pandemic, Singh says there were 150 million people in need of humanitarian assistance around the world. He puts that number at 240 million people now. “Apply it to the city of Toronto and I think what you’ll see is twice as many people are using food banks today than were using food banks before the pandemic started,” he says. “Foodbank funding hasn’t doubled, but their rent did... so their costs have doubled and the cost of food is going up too.”

To Singh, the economic link between the availability of employment lands and the existence of social support agencies like GlobalMedic is clear.

“If we don’t have better models and better opportunities, we will lose agencies like ours, plain and simple... we’ll move and we will be forced to move because it’s not financially sustainable to be here,” says Singh. Moving further out of the city could save on the rent side but it will also cost more in logistics and could start to deter volunteers with rising gas prices and longer travel time. He’s already had to do so with the vertical farm GlobalMedic launched to help produce food and cut down on costs. It was cost-prohibitive to build the farm in the city so he went to Oakville instead.

“We’re at a significant point here where if we don’t have a balanced approach to our development and just go all in and decide that we’re going to be only a residential city, we’re going to wipe out our industry and our industry is our backbone,” says Singh. “The products that we’re making are life-sustaining, you can’t live without food – no ifs, ands or buts.”

Redpath Sugar



How Redpath Sugar Became One of the Last Bastions of Toronto's Waterfront Industrial Roots

Over 36 years ago, Terry Brooks walked through the door of the Redpath Sugar refinery on Toronto's waterfront as a student. "I got a summer job through a family friend," recalls Redpath's industrial sales manager. By mid-summer, he was offered a full-time position and when he countered with his plans to return to Western University that fall, the company offered to pay for his schooling to keep him onboard.

Predictably, Brooks stayed. He stayed on while years became decades and roles evolved. He stayed while he moved from desk to desk until he found himself with an office overlooking Toronto's stretching waterfront, watching cranes disappear into high-rise elevator shafts and the gap between buildings shrink just enough to create slivers of light across Queen's Quay below. He stayed while everything around one of the few remaining employment areas on the waterfront became unrecognizable.

For 36 years, Brooks has watched what was once a reminder of Toronto's waterfront industrial roots change into something new. "Up until now, it has been gradual," he says. To him, one of the best ways to illustrate that evolution is the way the sugar refinery handles parking. With 270 employees, parking is essential. "When I first started here, our parking extended to the east, around the slipway to what is now Sugar Beach and into what used to be a vacant lot where the Corus building now sits," says Brooks. When the Corus building went up, Redpath's parking was moved to the west, a lot which was eventually replaced with a new condo. "We also used it for truck staging and the truck traffic that came in and out."

Redpath Sugar



Redpath eventually struck a deal with a condo development to take its parking underground. Brooks says it's a small part of the story but an apt symbol for the evolution of the surrounding area.

The refinery has been in operation since 1959. It's an essential processor of raw sugar from Brazil, Central America, and Mexico, supplying the Greater Toronto and Hamilton Area and regional markets. The site is an active commercial port, with an annual capacity of approximately 650 metric tonnes, explains Cyril Ryan, senior vice president of Redpath. **The refinery's proximity to the Gardiner Expressway allows for 30,000 truck trips annually to access regional highways, providing 48% of the sugar consumed in Canada. The plant is also Redpath parent ASR Group's most energy-efficient North American refinery, generating its own steam and power.**

Simply put: for Redpath, this small sliver of Toronto's shapeshifting waterfront couldn't be more critical. Ryan says sometimes he gets asked when the company is going to leave Toronto. "There's not a lot of places to go," he says. "We need a deep water port."

Instead of delving into a hunt for some goldilocks location, Ryan says Redpath feels like it's exactly where it needs to be, even if it is one of the last remaining industrial standouts along the waterfront. A regional boom in food manufacturing means the business has "never been in a better position to exist."

Redpath Sugar

But to do so, the company has focused on being a “good neighbour.” It’s worked proactively to address potential noise and scent mitigation issues with new developments. When residential developments cropped up on the west side of the refinery, Redpath developed an innovative sound barrier to co-exist within the mixed-use neighbourhood.

As the waterfront evolves, Ryan says Redpath continues to be actively engaged in Queens Quay planning, the Waterfront East LRT Extension, Waterfront Toronto’s Marine Use Strategy, Toronto’s Freight and Goods Movement Strategy, Noise Bylaw matters, and other local placemaking projects.

“Our position in Toronto on the waterfront is special,” says Ryan. “There’s not a lot of other industries that really exist around here anymore so we understand that we really have to adapt if we plan on being here for the long term.”

It isn’t always easy. As more planned developments turn into shadows across Queen’s Quay, it’s hard not to imagine the nearby waterfront trails and sidewalks becoming busier. “We are an industrial site that is moving trucks in and out of our facility, all day, almost seven days a week,” says Ryan. “So we’re really concerned about safety and making sure there are protocols in place that we can operate the site as best we can and make sure that the people around the area are safe and aware.”

He says the way the area is changing creates plenty of scenarios where there could be a conflict. “My job is to focus on ways to try and coexist,” adds Ryan. For Brooks, he says he’s optimistic about the direction the neighbourhood is going. Even still, the area isn’t the one he first visited over 30 years ago.

“It’s going to be a place that the kid who walked in the door in 1986 wouldn’t recognize,” says Brooks. “I’d get lost because I wouldn’t be able to see the refinery from where I’m standing... back then you could see it from three miles away because there was nothing else here.”

Album Studio



Growth Shuttered by Dwindling Supply of Employment Area Space

Over a decade ago, James Tse's search for an inexpensive industrial space to build into a photography studio brought him to Geary Avenue. At the time, it felt like an unknown enclave. The road was just a stretch of commercial kitchens, body shops and rehearsal spaces sandwiched between the train tracks paralleling Dupont Street and a residential neighbourhood to the north – a stark contrast to the Geary Avenue of today with its breweries, hip restaurants and coffee shops.

Tse didn't really feel like he'd tapped into something up and coming, he just wanted inexpensive space and found it. "It was a good price for an industrial location," says the award-winning photographer. "One of those pockets that nobody thought about." He bought the building and since there was more space than he needed, he decided to build it into three studios and launch it under the moniker Album Studios. He figured he'd use one to shoot campaigns for high-profile clients like the LCBO and Candian Tire and rent out what he wasn't using to videographers, producers and photographers.

Four years later, fed by the success of Album's initial location, he opened a second spot in the Junction. "We took over a body shop on Cawthra Avenue," explains Tse. They converted it into three more studios and opened Album EQ, an equipment rental space, on the same stretch of Cawthra Avenue. Now, he's in the midst of launching a third location in the Mount Dennis neighbourhood. But this time feels different.

Album Studio



Demand for the type of content that countless makers flow through his studios to create has never been higher, says Tse, adding that Album caters to the smaller and medium-sized productions. It's a growing market, fed by Toronto's rich community of photographers, producers and videographers and contributes to the city's reputation as a vibrant and diverse place for creators to live and work. **Investment in commercial production – one of Album's target markets – reached \$568 million in Toronto in 2021, despite setbacks from COVID-19, according to the [Toronto Screen Industry 2021 report](#) by Economic Development and Culture. "As film and photo production gets busier in the city, there will be more demand for studios," says Tse.**

However, Tse says he's uncertain businesses like his will be able to expand in step with that demand. Pockets of the city like the ones Album's studios occupy are designated Employment Areas reserved for industrial uses and businesses that need large, open space. The lack of industrial space has hit record lows in the city with availability falling to 0.8% and the vacancy rate for industrial space in Toronto sitting at 0.5% as of Q1 2022, according to [data](#) from CBRE.

Album Studio



Pressures to convert employment areas to other uses and rising real estate prices make it hard for studios like Tse's to exist within Toronto where the creators who rely on these spaces live and hope to work. "It'll probably become more difficult for companies like myself which need space," he says.

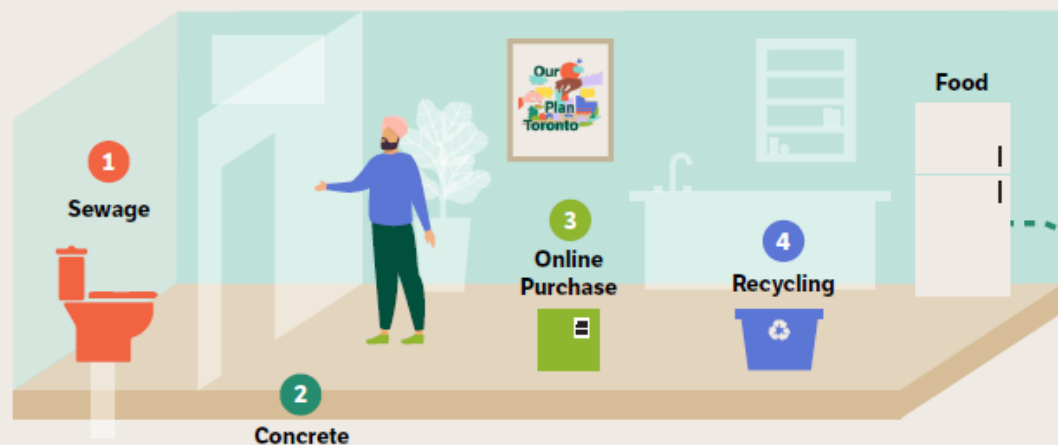
Tse says renting may be an option for some companies but for him, he's wary of the risks of setting up studio spaces and then losing the location. He feels like his growth is capped. "We paid the most for this space in Mount Dennis and it's further out," he says. "I don't think it would get cheaper to get another space in Toronto... **it's one of those things where it could end there, this could be our last space in Toronto.**"

Acknowledgments

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<https://www.toronto.ca/business-economy/business-operation-growth/>





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