


An aerial, stylized illustration of a campus. In the foreground, there are several large, multi-story buildings with flat roofs and numerous windows. One building on the right is under construction, showing its steel framework. There are several parking lots filled with cars of various colors. The middle ground is filled with a dense forest of trees in various shades of green, yellow, and orange, suggesting an autumn setting. In the background, more residential-style buildings are visible among the trees. The sky is a deep blue with several white, fluffy clouds.

# Development Process Overview

An aerial, stylized illustration of a city street scene. The scene shows a mix of residential and commercial buildings, green spaces with trees, and a parking lot with several cars. The sky is blue with scattered white clouds. The overall style is clean and modern, with a focus on urban development.

This document outlines the development process to show how complex sites like the Grand Trunk property are successfully positioned for investment.

Meaningful redevelopment begins with a set of critical, upfront decisions around

- contamination,
- heritage,
- building condition, and
- site strategy.

These reduce uncertainty and establish a clear framework for the market.

When these fundamentals are addressed and a strong, municipally led vision is in place, the site can **credibly move toward** market readiness and attract serious, qualified development interest.

# Where are we today...

The site presents many open questions that need resolution.

With a coordinated plan, Stratford can provide the certainty and commitment that buyers and lenders need to engage, creating a credible and achievable path to transforming the Grand Trunk site into a viable community.

This is municipally owned land, and only the municipality has the authority to make the critical decisions that will shape the vision, strategy, and value of what goes to market.

Before any direction is set, Stratford must fully understand the cost, revenue, and risk implications of the seven components of the master plan:

1. Remediation
2. Grand Trunk building
3. Community Facilities
4. Parkland
5. Parking
6. Housing
7. Supporting infrastructure

To ensure responsible decision-making, any vision should be supported by **rigorous financial stress-testing**, so that **long-term impacts** on future generations of Stratford residents are fully understood.



Making decisions without a plan is like pouring concrete before you've drawn the blueprints:

You'll end up with a hardened mess in the wrong place.



# Development Synopsis

At its core, real estate development is the disciplined process of identifying risks, quantifying them, and translating those risks into clear costs and revenues.

When uncertainty is reduced and assumptions are grounded in evidence, projects become financeable, investable, and ultimately buildable.

When uncertainty remains unresolved, the market does not naturally fill in the blanks, particularly around contamination, structures in decay, and the long-term vision for the site as a whole. In those conditions, risk cannot be reliably priced, financing becomes difficult, and market interest weakens, not because of a lack of opportunity, but because the fundamentals needed to assess it have not yet been defined.



# The Proforma





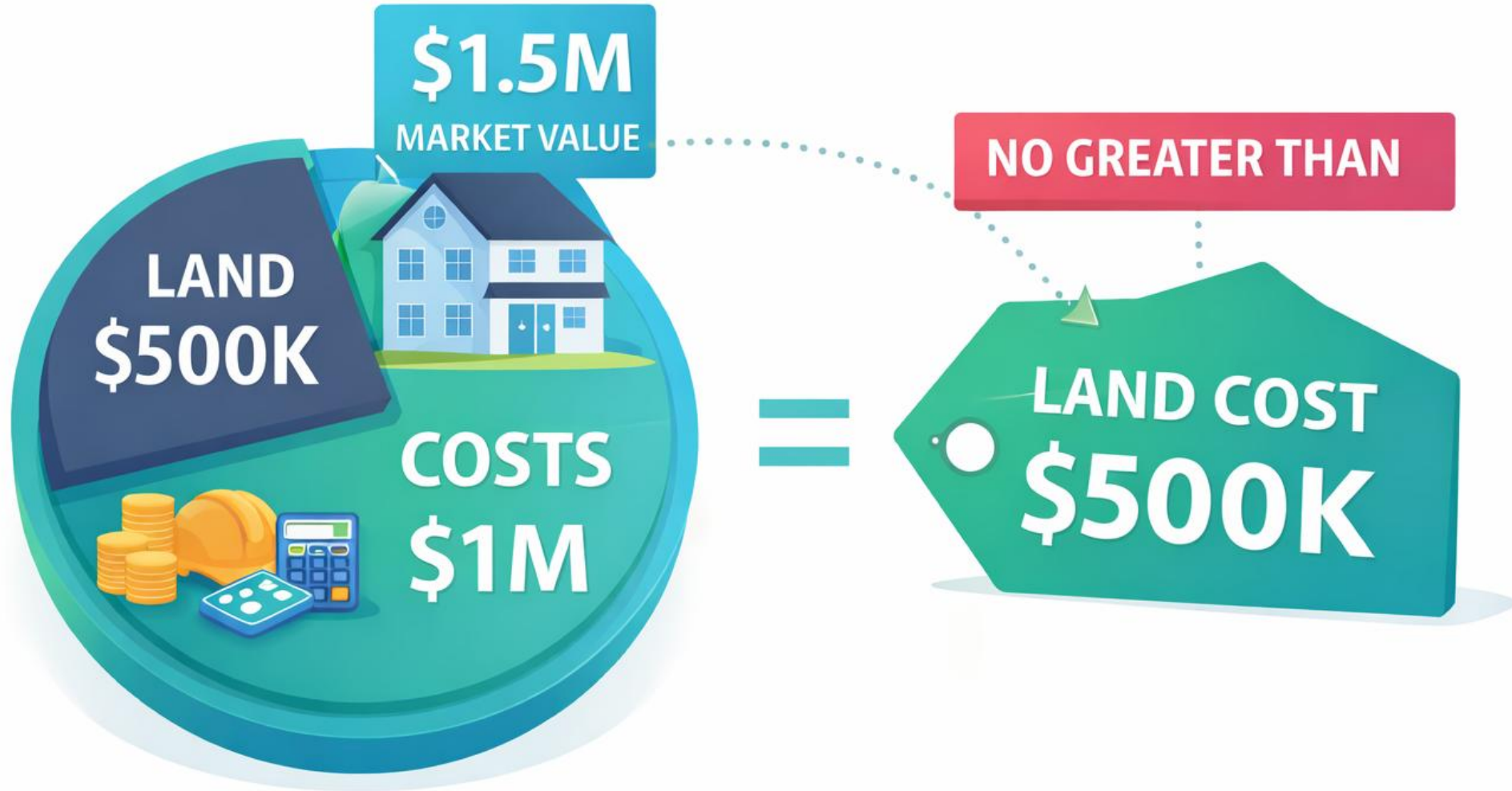
# How Land Value is Assesd?

Land value is not an input – it is a result of what the project can support.

$$\text{Land Value} = \text{Required Developer Profit} - \text{Total Costs}$$

- **Project Value:** sales revenue or stabilized value (cap rate driven)
- **Hard Costs:** construction, servicing, site works
- **Soft Costs:** design, consultants, development charges, financing, fees
- **Financing:** interest, fees, contingency, carry
- **Profit:** developer desired profit or min. required by the Lender

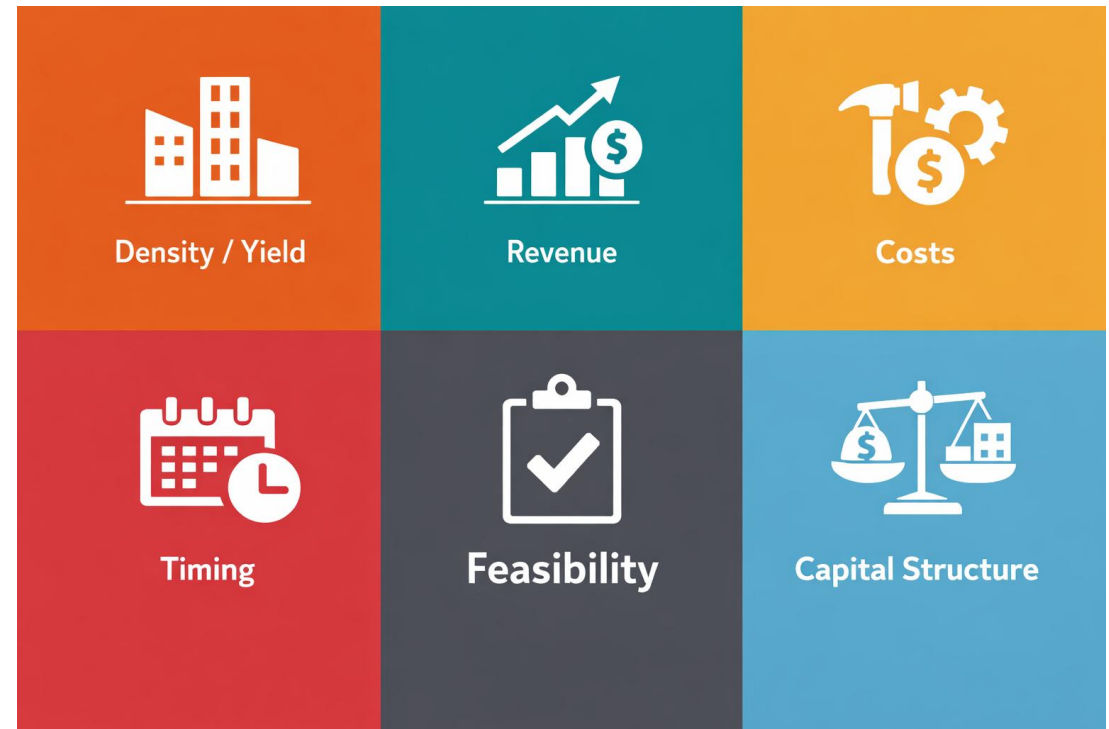
**Implication:** Small changes in revenue, cost, or timing can move land value materially



# What is Feasibility?

Feasibility can be determined based on the following variables:

- **Density / Yield:** GFA, efficiency, unit mix
- **Revenue:** pricing or rents, absorption, cap rates
- **Costs:** construction, municipal charges, site conditions
- **Timing:** approvals, construction duration, lease-up
- **Capital Structure:** debt terms, equity return targets



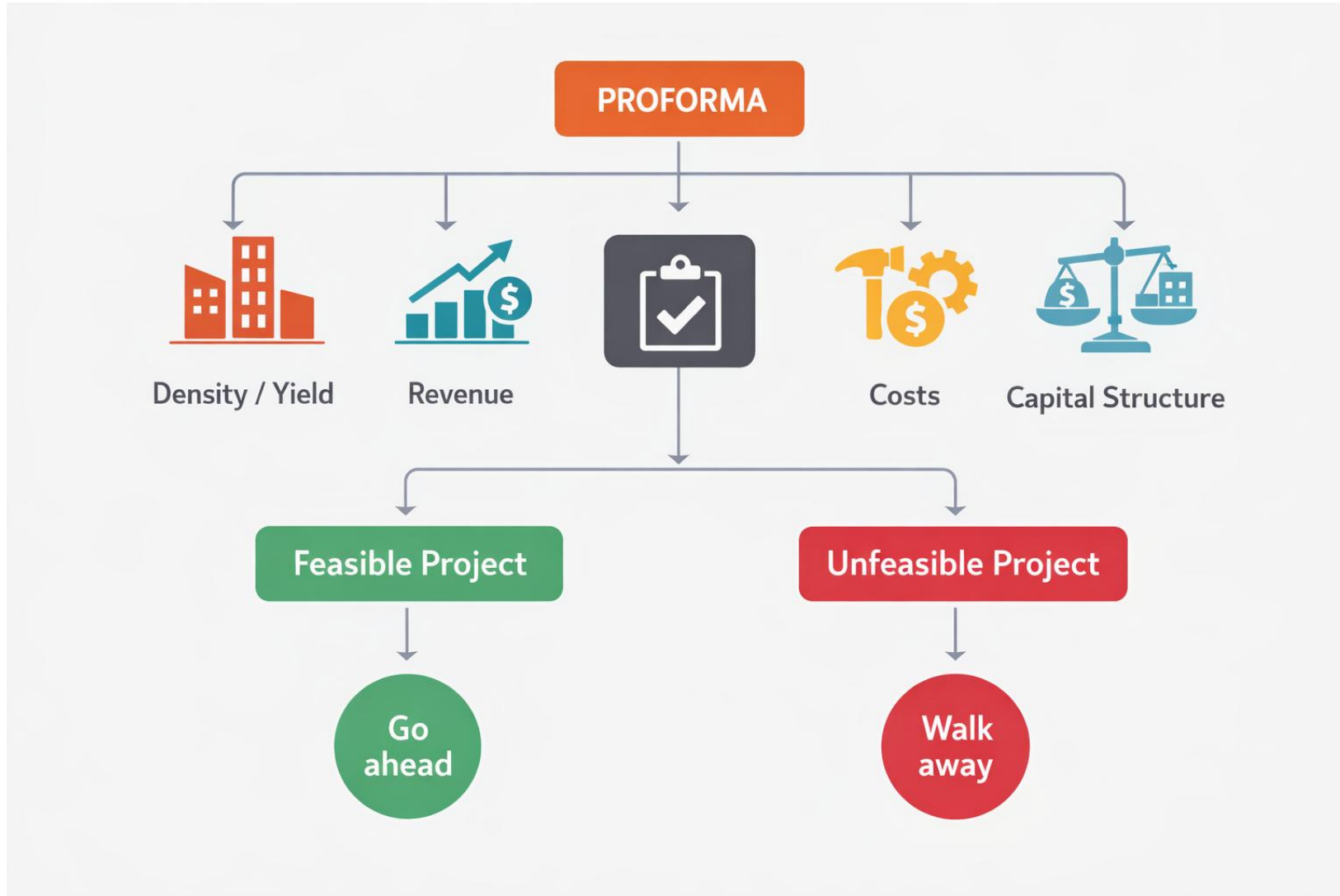


# What Goes into a Proforma?

Proforma assumptions Feasibility variables translated into numbers:

- Zoning / density
- Unit mix and suite sizes
- Construction pricing
- Development charges, parkland, utilities
- Financing terms subject to market conditions

# Sample Proforma (not real values, for illustration only)



Project Budget			
Item	QS	Per Unit	\$PSF
<b>Land</b>			
Land Cost	\$1,000,000	\$47,619	\$10
LTT & Transfer	\$1,000,000	\$47,619	\$10
Property Tax	\$100,000	\$4,762	\$1
Appraisal Surplus	\$0	\$0	\$0
<b>Land Costs</b>	<b>\$2,100,000</b>	<b>\$100,000</b>	<b>\$21</b>
<b>Hard Costs</b>			
Construction Hard Costs	\$1,000,000	\$47,619	\$10
Parking Hard Costs	\$100,000	\$4,762	\$1
FF&E	\$100,000	\$4,762	\$1
Other Hard Costs	\$100,000	\$4,762	\$1
Other Hard Costs	\$100,000	\$4,762	\$1
Construction Management Fees	\$100,000	\$4,762	\$1
<b>Total Hard Costs</b>	<b>\$1,500,000</b>	<b>\$71,429</b>	<b>\$15</b>
<b>Soft Costs</b>			
Development Charges	\$1,000,000	\$47,619	\$10
Administration	\$1,000,000	\$47,619	\$10
Planning & Preconstruction	\$1,000,000	\$47,619	\$10
Marketing & Leasing	\$1,000,000	\$47,619	\$10
Development Management Fee	\$1,000,000	\$47,619	\$10
Other Soft Costs	\$1,000,000	\$47,619	\$10
Operating Reserve	\$0	\$4,400	\$1
<b>Total Soft Costs</b>	<b>\$6,000,000</b>	<b>\$290,114</b>	<b>\$61</b>
<b>Financing Costs</b>			
Project Monitor	\$100,000	\$4,762	\$1
Appraisal	\$100,000	\$4,762	\$1
Lender Fees	\$100,000	\$4,762	\$1
Letter of Credit Fees	\$100,000	\$4,762	\$1
Arrangement Fees	\$100,000	\$4,762	\$1
Misc Financing Fees & Admin	\$100,000	\$4,762	\$1
Financing Fees	\$100,000	\$11,110	\$2
Interest Costs	\$100,000	\$35,901	\$8
<b>Total Financing Costs</b>	<b>\$800,000</b>	<b>\$75,583</b>	<b>\$16</b>
<b>HST Self Assessment</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Contingency</b>			
Construction Contingency	\$1,000,000	\$47,619	\$10
Soft Costs Contingency	\$0	\$0	\$0
Additional Contingency	\$0	\$0	\$0
<b>Contingency</b>	<b>\$1,000,000</b>	<b>\$47,619</b>	<b>\$10</b>
<b>Total</b>	<b>\$11,400,000</b>	<b>\$584,744</b>	<b>\$123</b>



# Examples of Municipalities Marketing Land



**CreateTO** is the City of Toronto's real estate development agency, responsible for transforming surplus municipal lands into projects that deliver on City Council's long-term city-building goals.

The agency ensures that sites go to market with a clear, implementable plan that attracts **qualified development partners and delivers public value.**

This process is the baseline industry standard: a transparent, data-driven model that balances market interest with civic priorities, ensuring that **what is envisioned by Council is ultimately built.**

# Leading Example:

# Bloor-Kipling (CreateTo)



CreateTO recently went to market with the Bloor-Kipling site, armed with a clear vision, detailed master plan, and a **complete data room** of technical studies that allowed developers to fully understand the site's potential and risks.

**BLOOR-KIPLING (SIX POINTS) BLOCK 5**  
970 KIPLING AVENUE, ETOBICOKE, ON

**BEST-IN-CLASS, MASTER PLANNED MIXED-USE COMMUNITY**

Covering 745 ha (18.42 acres), the Bloor-Kipling (Six Points) Area site comprises seven land parcels. Blocks 1, 3, 5, 6, and 7 have been designated for mixed-use developments. Block 4 will house the new Etobicoke Civic Centre (ECC), and Block 2 is planned as a future City park. Currently Blocks 1 and 4 are under construction. The five development blocks will collectively feature approximately 2,700 residential units, including 900 affordable rental homes. A District Energy plant is currently being constructed at Block 4. The plant will be operated by Enwave and has been designed to have capacity to support all its customers within the development blocks. The District Energy plant will provide heating and cooling through a low-carbon Thermal District Energy network.

**PROJECT HISTORY**

2014	2019	2021	2024
MASTER PLAN PROCESS COMPLETED	HOUSING NOW INITIATIVE APPROVED	BLOCK 1 MARKETED FOR DEVELOPMENT & BLOCK 5 ZONING APPROVAL RECEIVED	BLOCK 1 & NEW ETOBICOKE CITY CENTRE (BLOCK 4) UNDER CONSTRUCTION
2017-2020	2021		
SIX POINTS INTERSECTION RECONFIGURATION	ETOBICOKE CENTRE BLOCK CONTENT PLAN COMPLETED		

Today

Tomorrow

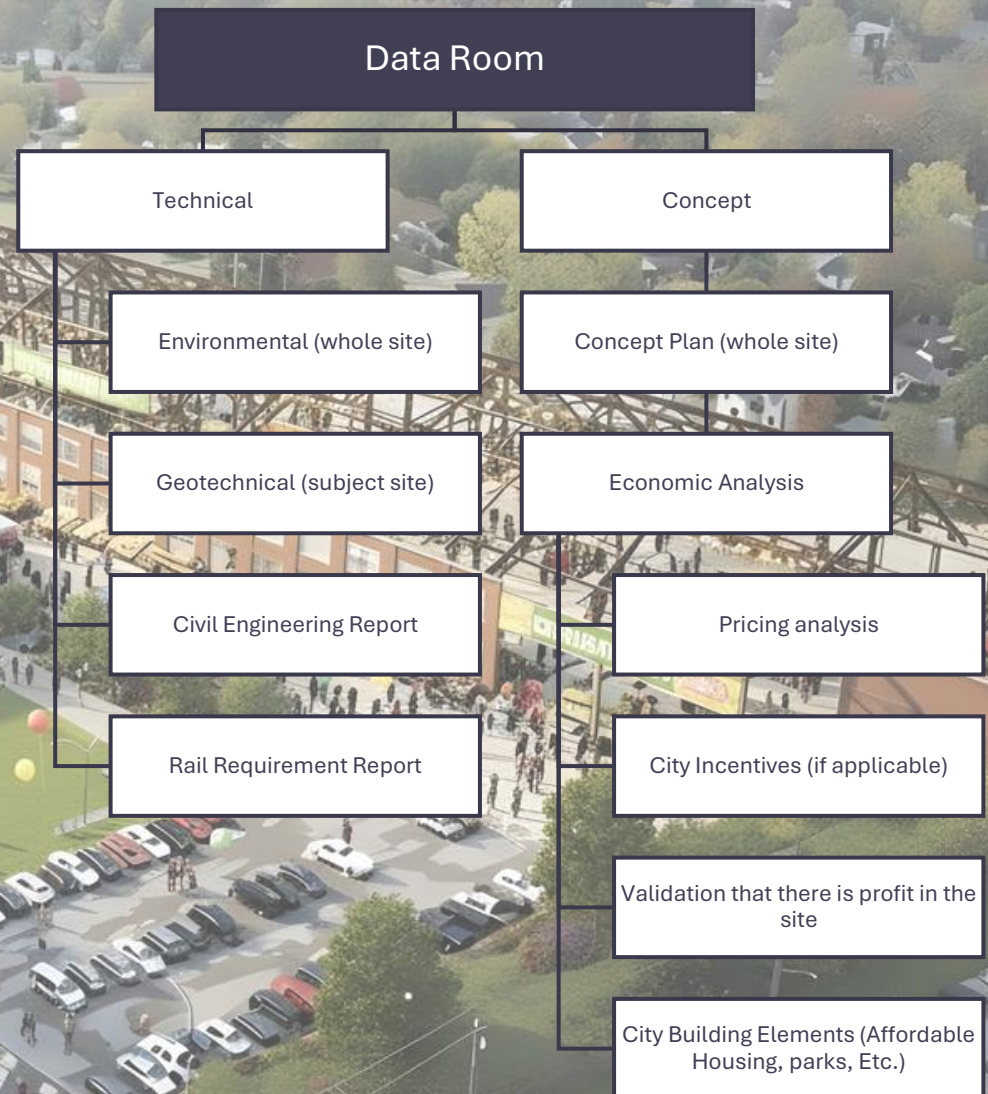
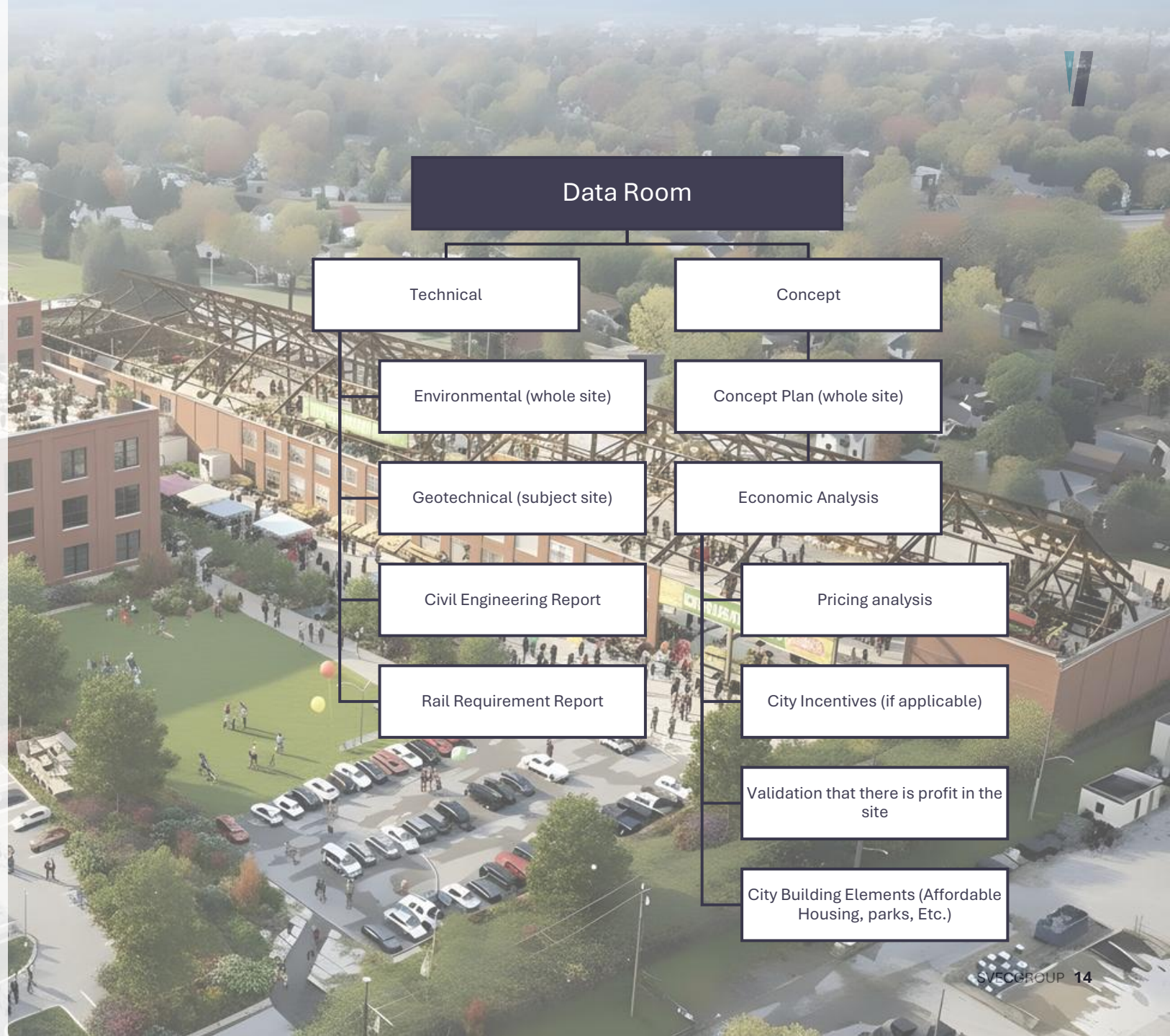
# Data Room: Base Requirements

A **complete data room** containing all key studies and background information is required to go to market.

Without it, developers cannot credibly assess how much of the Grand Trunk building can be retained, how the site will be serviced, or how much housing can be delivered near the rail line: issues that directly affect land value, feasibility, and lender confidence.

A full data room creates a clear municipal vision and commitment to revitalization, giving the private sector **confidence to invest**.

Success depends on showing how today's industrial, deteriorated site will evolve into a modern, desirable neighbourhood.





# Data Room Components: Overview

## Soil Study

A soil study (geotechnical investigation) assesses the soil's composition, density, and stability to inform foundation design and construction feasibility. Engineers drill 3–6 test holes, analyze samples for bearing capacity, moisture, and compaction, and complete the process within about **2–3 months**.

### Why this is essential to a purchaser:

A soil study is essential to confirm the ground can safely support proposed buildings and infrastructure. Without it, a **buyer cannot assess risks** like unstable soils, contamination, or costly foundations.

The results are critical to estimating construction costs and ensuring the project is feasible and financeable.



## Servicing Plan

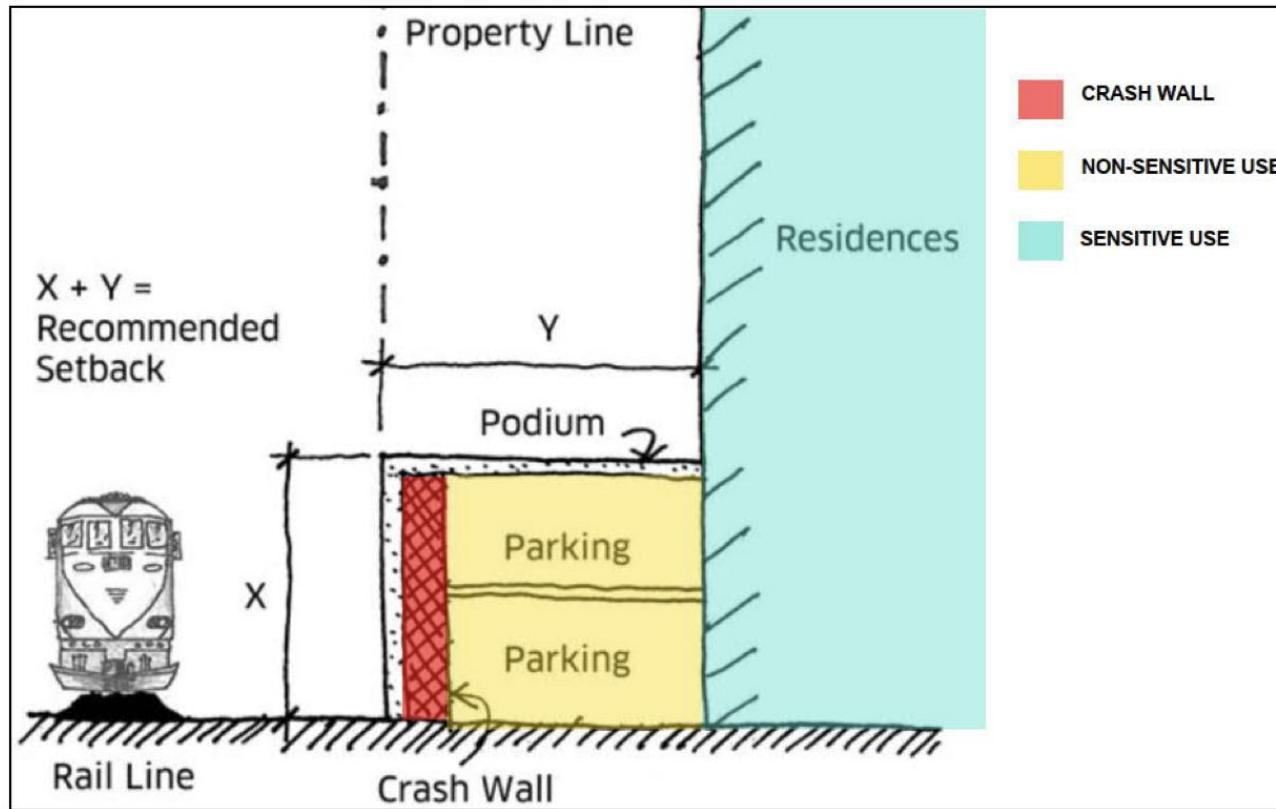
A servicing plan is an engineering study that shows how water, sewer, and stormwater systems will support future development. It maps existing infrastructure, identifies needed upgrades or extensions, and sets connection points and phasing to ensure the site can be serviced safely and efficiently.

### Why this is essential to a purchaser:

For a buyer, servicing capacity determines how much and how quickly housing can be built. Without confirmed sewer, water, and storm infrastructure data, developers can't estimate costs, plan phasing, or prepare a viable proforma.

At the Grand Trunk site, verifying servicing solutions is essential to prove the land can support the proposed housing, without it, development potential is uncertain, and no credible buyer or lender will proceed.





(Source: FCM/RAC Guidelines)

## Rail Feasibility Study

A rail feasibility study assesses how an active rail corridor impacts a site's safety, design, and development potential. It evaluates vibration, noise, and collision risks, and identifies required mitigations—such as crash walls, berms, or setbacks—to meet safety standards and determine how close buildings can be built to the tracks.

### Why this is essential to a purchaser:

For the Grand Trunk site, this study is critical as the property borders an active rail line and proposed housing sits directly beside it. Results could require a 30-metre safety buffer—cutting developable land in half—or, with proper crash walls and sound barriers, allow full build-out. Until complete, the true housing capacity, cost, and value of the site remain unknown.

## Masterplan

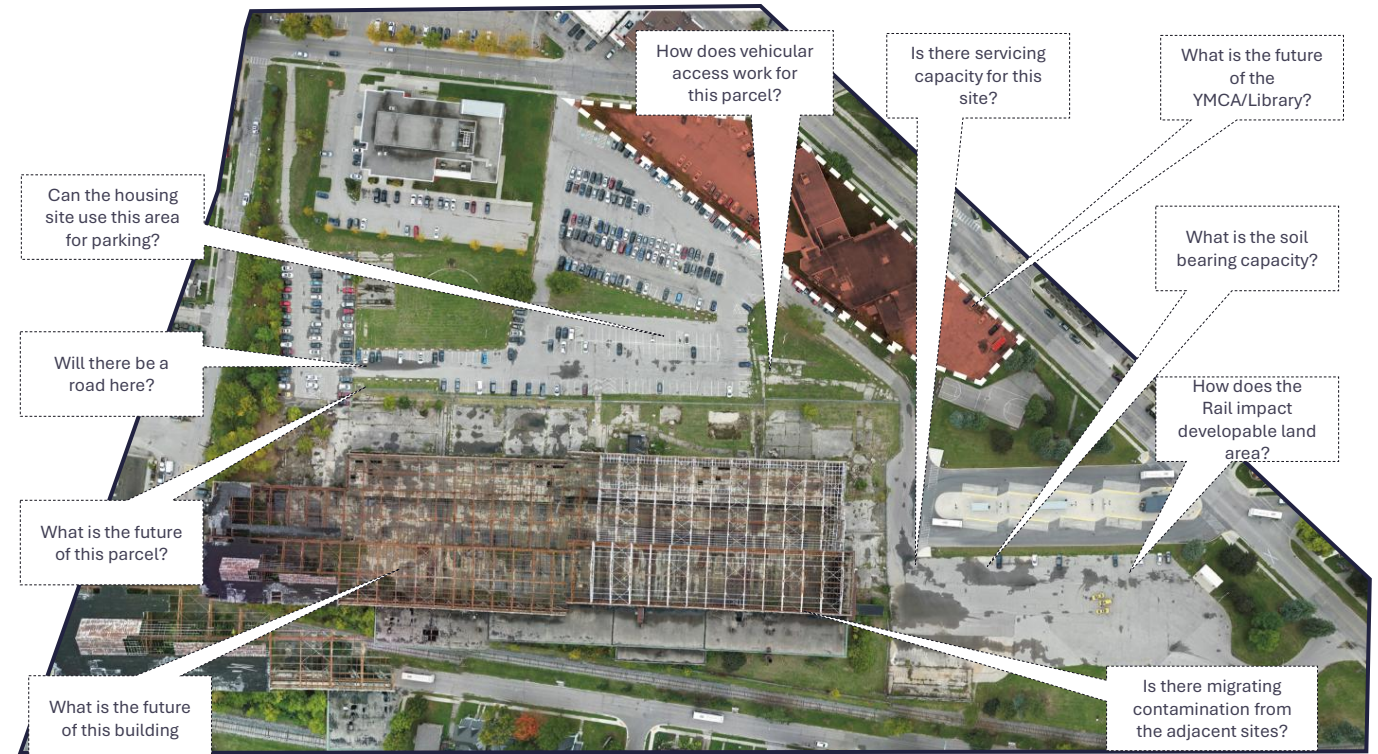
A masterplan study is the blueprint that defines the long-term vision, structure, and phasing of development. It coordinates land use, transportation, servicing, and design into one framework.

For the Grand Trunk site, it must set a clear vision for the building's reuse, outline strategies for the YMCA / Library, and define streets, blocks, and servicing. It serves as the roadmap guiding public and private investment toward a cohesive mixed-use district.

### Why this is essential to a purchaser:

For a buyer, the masterplan is critical. The Grand Trunk site's current state: a rough parking lot and deteriorated building poses major risk.

Without a City-backed plan with clear commitments and timelines, the property remains speculative and unattractive to lenders or developers. The masterplan is what transforms a distressed site into an investable opportunity.



Foundational questions which need answers before marketing

## **Preliminary Architectural Plans for Housing Site**

An architectural plan study translates the site's physical, environmental, and regulatory conditions into a realistic development concept.

It defines unit counts, housing types, and layout, integrating servicing, access, and open space. For the Grand Trunk site, it must also address remediation and construction sequencing, producing a coordinated, buildable vision for the property.

### **Why this is essential to a purchaser:**

For a buyer, this study is essential. It defines the development's scale, character, and feasibility, driving the financial proforma, land value, and investment decisions.

**This is the basis on which an offer to purchase is made.**





# Quantifying Benefits for Stratford

The project feasibility needs to calculate both the direct and indirect economic benefits that Stratford could realize from new housing on the Grand Trunk site.

## Direct Economic Benefits

Property Tax Revenue – 300 units could generate \$X annually.

**Construction Jobs & Wages** – \$X in wages and hundreds of jobs during the build-out.

**City Fees** – Significant one-time revenue from building permits, inspections, and related municipal fees.

## Indirect Economic Benefits

Resident Spending Power – 300 households (500–700 residents) living downtown could spend \$X annually on local restaurants, retail, groceries, entertainment, and services.

**Multiplier Effect** – Local dollars circulate: each \$1 spent can create \$X more in indirect activity, supporting Stratford's broader economy through housing, healthcare, and education.

**It is imperative to clearly measure the real economic value of the Grand Trunk site and ensure future decisions are grounded in facts, not assumptions**





# Putting all the Pieces Together

A clear and compelling design vision for the site's Masterplan will test a range of options for:

- density
- unit mix
- land uses
- phasing
- built form

A developed Masterplan provides City Council with essential insight into **costs and risks, creating the foundation for confident, informed decision-making.**

Without this foundation, decisions risk being speculative, exposing the City to costly missteps and missed opportunities.

# A Business Plan Turns Difficult Decisions into Clear Choices



## Next Steps

It is essential that Stratford go to market with all key studies in place, as they provide the critical technical and financial answers on:

- contamination,
- servicing,
- rail safety,
- building retention,
- redevelopment potential.

**Only City Council can define this vision.**

Without this information, developers and lenders cannot price the land, assess risk, or make a credible offer on the site.

