



Blending Commerce into the Urban Fabric

Hallmarks of suburban city-building are the "business park", the "employment area", and retail centres-- areas given exclusively to commerce and distinctly separated from residential areas of the city. Typically, these areas consume relatively large amounts of land, and are too distant or dispersed to access by means other than motorized transport, usually the personal automobile. Most of the land area of non-residential properties is allocated to parking for automobiles, limiting building size. In retail and commercial areas, structures are typically a single storey.

In the 21st century, efficiency in the use of land, energy, and material resources will be highly important. The separation of uses in urban areas, long codified in municipal by-laws, is strategically obsolete.

Does it matter to business whether it is located in a separate employment district or a retail district, or in a high-density mixed use environment? For some businesses, an imposing steel and glass architectural monument highly visible from a major highway provides "visibility", a marketing asset. But these businesses also have other needs. In a very competitive market, quality of life for employees is also an important factor. For instance, the workplace location can sometimes add to employees' time and cost of getting to and from work -- both of which can increase stress levels that adversely affect productivity.

Aside from getting to work, employees in most suburban business parks and industrial districts have poor access to local amenities. They typically cannot walk to restaurants or cafés at lunch hour, there are few shops and services they can access nearby, and they are isolated from their families for long hours (almost no one can go home for lunch). Even on weekends, traffic is becoming congested as a result of the location of retail businesses away from neighbourhoods and into large shopping centres and low-density commercial strips. Few homes are a convenient walk to a neighbourhood restaurant or shop.

From a financial perspective, sprawling employment areas and commercial areas require extensive road, water, sewer and electronic infrastructure that must be funded through development charges and property taxes. For business property owners, the land required to accommodate vehicle parking is an expense that can't be used for business expansion.

In the Toronto region, where a large area of rural and natural lands have been protected as 'greenbelt' against urban sprawl through the Ontario Greenbelt Act (2005), there is a concern that there will not be enough land to accommodate urban growth beyond a 15- to 20-year horizon. If the way land is urbanized does not become much more efficient, real estate prices are likely to rise faster than normal inflation, reflecting the scarcity of developable land.

The growing need to conserve land, energy and the cost of travel, and to reduce overall environmental damage, requires that cities become much more compact in ways that also accommodate business needs. A number of key opportunities for building sustainable communities exist, many of which require a coordinated implementation. Some steps that can be taken:

- A recognition that both traffic congestion and much higher gasoline prices in the future will create substantial demand for better access to daily destinations by walking, cycling and public transit in all parts of the urban area.
- Plan all new development and redevelopment on the assumption that people should be able to access all of their daily needs without having to use a car;
- Work with business to replace the requirement of property owners to provide parking spaces with shared public lots and garages that serve a variety of uses at different times of the day in an immediate surrounding area. Recognize that the total amount of parking spaces can be substantially reduced by modal shifts to transit and walking, and time-of-day turnover of spaces.
- Support walkability and the viability of shared parking spaces by mixing uses and increasing densities. For example, multi-storey office buildings and residential buildings can be required to have retail uses at ground level.
- Create a transit-supportive environment by locating buildings with the highest human occupancy at transit intersections. These would normally be multi-storey buildings (residential and office towers). Lower density uses such as gas bars should be zoned away from transit intersections.
- Increase development charges and property taxes for low-density development, and reduce them for higher density development. Where needed, adjust legislation to enable this to happen.
- Provide financial incentives or other incentives that enable and promote construction of multi-storey industrial buildings.
- Abolish most industrial and business park designations, except for activities that produce excessive noise, noxious emissions, intensive trucking activities, or involve disruptive round-the-clock operations.
- Generally speaking, bring retail operations much closer to where people live and work. Bring buildings close to the street, by eliminating setback requirements and encouraging retail uses to be housed in multi-storey, multi-use buildings. Where access by transit and walking is improved, retail entrances can be focused on the street, with walkways to the street from rear parking lots.
- Recognize that adding a floor or more of office space to a retail building, where normally they would each be on separate properties, can (with shared parking) cut land consumption in half. Up-front construction costs may be higher, but building heating/cooling costs will be lower and revenues from rents may be higher.
- Recognize that retail activities will locate to where markets exist, i.e. residential and non-residential customers, and that business operators will adjust to requirements to locate in mixed use buildings. Where large, multinational retailers cannot adjust to urban environments, smaller retailers can fill the gap.
- Increase minimum floor space indices for non-residential or mixed use buildings by factors of two or more, and reducing parking requirements.
- Recognize that a result of compact land use is that, over time, it produces greater property tax revenues for municipalities while lowering per capita servicing costs. For both commerce and residents, this can support transit expansion costs, the creation of public amenities such as urban parks and community centres, and/or lower taxes. In an era of constrained municipal budgets, integrating commerce into compact and mixed use urban environments is a solution that benefits all parties.