



ByWard Market Redevelopment Scenario: Benefits Assessment Report

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Introduction

This document provides an assessment of the potential social, economic, and environmental benefits of the project proposal outlined in the ByWard Market Redevelopment Scenario staff report.

The direction and magnitude of potential benefits assessed are grounded in the proposed redevelopment's programmatic, operational, and physical frameworks. These frameworks provide the basis for illustrating the project's potential to advance economic inclusion, cultural vitality, local entrepreneurship, and place-based activation.

Key elements of physical interventions include:

- **55 ByWard Market Square:** The rehabilitation of the historic Market Building
- **70 Clarence Street:** The redevelopment of the municipal parking garage into a cultural legacy asset and public destination building
- **York Street Plaza:** The redevelopment of York Street as a flexible plaza (part of the greater ByWard Market Public Realm Plan)

Key programmatic and operational elements informing this analysis include:

- **Tenants:** Tenant selection criteria, tenant support services post-redevelopment
- **Procurement:** Procurement requirements and processes for construction and post-redevelopment operations
- **Transition Support:** Transition support for existing businesses impacted by redevelopment work
- **Culture Engagement:** Diverse forms of cultural stewardship across exhibition, education, and culinary arts; community informed programming
- **Programming:** Expanded cultural programming and festivals in the plaza; community partnership commitment

- **Space:** Expanded access to flexible and affordable vendor space; availability of community organization space

As project design, tenancy, governance, and delivery mechanisms are further refined, the assumptions underpinning the proposal's estimated social, economic, and environmental benefits will be revisited. Subject to successful implementation and operational capacity, effective integration of these elements is likely to demonstrate an increase in projected benefits from the proposed redevelopment scenario. For further detail on the plans for subsequent study, see the Legislative Approach and Phasing sections of the Council Report.

While the financial business case in support of the proposed redevelopment scenario outlines expected costs, revenue projections, and fiscal implications, this benefits assessment highlights the broader city-wide impacts such as projected tax yield (i.e., municipal property taxes, personal income taxes, corporate taxes, and sales taxes arising from the wages, profits, and spending generated by the project), spending activity, and social value. Together, the financial analysis and benefits assessment provide a more holistic view of feasibility and benefits for Ottawa in supporting the case for change and investment.

Methodology & Approach

This benefits assessment has been developed following a structured and evidence-based process with strategic advisory from Colliers Project Leaders (Colliers) and Bloomberg Associates. The study incorporated feasibility analysis findings, benchmarking and economic impact assessment, field research, and policy alignment to establish the proposed redevelopment scenario's technical and strategic foundation.

Logic Model: A program logic model was developed to map the relationships between proposed redevelopment scenario activities, outputs, and expected outcomes. The capital investments in 55 ByWard Market Square, 70 Clarence Street, and York Street, the anticipated outputs, and outcomes of the proposed redevelopment concept were modeled and studied alongside Colliers Project Leaders' economic impact assessments.

Quantitative and Qualitative Indicators: Economic, social, and environmental benefits were assessed using both quantitative and qualitative indicators. Economic analysis considered employment, spending, and property value uplift, while social and environmental dimensions were evaluated through indicators such as accessibility, safety perception, civic participation, and environmental performance. A more detailed methodology of the economic impact assessment is available in the appendix.

Current Redevelopment Proposal: This assessment is based on current redevelopment concepts, program definitions, design concepts, and cost assumptions available at the time of analysis. Quantitative estimates are based on the proposed redevelopment scenario as presented today and reflects current data and benchmarks. As elements of the proposed redevelopment scenario are further defined in subsequent phases, staff can undertake more tailored assessment of anticipated impacts, maximization of benefits, and risk mitigation measures.

Timeframe: Returns on the construction-related investment are assessed through approximately 2030, reflecting the period over which capital spending occurs and its near-term economic effects. Other benefits, such as those related to property values and the social value experienced by both direct and indirect users, are estimated over a longer horizon, through 2069, to reflect their cumulative and compounding nature.

Ongoing Impacts to Operations: The immediate and ongoing economic impacts associated with the redevelopment post-construction period remain to be calculated, reflecting the need for further refinement of project assumptions. Impacts on near-term employment and spending effects, shifts in perceptions of safety, and changes in transportation mode choice are expected to begin upon project completion and continue to emerge over time. However, broader impacts will materialize on a longer time horizon, becoming more observable and quantifiable as programming, tenancy, and operational decisions are defined and stabilized.

Estimated Benefits

This section summarizes the estimated social, economic, and environmental benefits of the proposed redevelopment scenario, including elements across 55 ByWard Market Square, 70 Clarence Street, and the York Street Plaza. The following table summarizes the proposed redevelopment scenario benefits, which are described in more detail below the table.

It is organized into 10 categories of benefits, including direct and indirect benefits to residents and visitors, providing as broad a view possible.

#	Impact Category	Benefits	Primary Beneficiaries
1	Total Construction Spend Investment	<ul style="list-style-type: none"> • +\$300.1M in total economic impact • +\$93.8M labour income, +1,268 jobs • +\$153.5M in Ottawa GDP, \$47.3M tax yield 	<ul style="list-style-type: none"> • City of Ottawa (revenue from income, corporate, sales taxes arising from construction spending and wages) • Ottawa residents (construction jobs; labour income) • Local and regional firms (contractors, suppliers, logistics) • Regional economy (GDP contribution)

#	Impact Category	Benefits	Primary Beneficiaries
2	Property Value Uplift & Tax Revenue	<ul style="list-style-type: none"> • +\$19.9M incremental property tax yield through 2069 • +1.7-2.7% property value uplift • Project investment will spur investment in the surrounding area 	<ul style="list-style-type: none"> • City of Ottawa (revenues from increased property values) • Local property owners (value uplift) • Local businesses (improved district conditions, increased customer spending) • Residents (Improved municipal service delivery supported by increased property tax revenue)
3	Benefit Value to Market Visitors (Existing and New)	<ul style="list-style-type: none"> • +\$295M total user benefit value through 2069 • +\$239.9M benefit value to existing users through 2069 • +\$55.1M benefit value to new users through 2069 • Improved destination appeal and visitor attraction • Improved placemaking contributes to economic activity, public safety • Improved accessibility and community cohesion 	<ul style="list-style-type: none"> • Local residents who visit the Market • Ottawa residents visiting from outside downtown (repeat visits, recreation) • Domestic and international visitors/tourists • Local businesses (increased foot traffic, customer spending) • City of Ottawa (destination image; brand perception, public safety)

#	Impact Category	Benefits	Primary Beneficiaries
4	Benefit Value to Other Residents	<ul style="list-style-type: none"> • +\$3.1M social benefit value to non-users through 2069 • Improved civic pride and appreciation for landmark civic space • Improved confidence in the City to steward cultural, economic assets 	<ul style="list-style-type: none"> • Residents of Ottawa (non-users) who value improved civic assets, downtown • City of Ottawa (strengthened public trust and stewardship reputation) • Local businesses (improved district reputation increases visitation)
5	Employment and Small Business Gains	<ul style="list-style-type: none"> • Flexible retail space reduces barriers, supports growth of small and micro-businesses • Spending at small/local retailers retains 66 cents of every dollar spent in the local economy • 8,373 m² of commercial and community space supporting ~160 direct on-site jobs • New market operations will support new staff and contracts for events, activations, hospitality 	<ul style="list-style-type: none"> • Local entrepreneurs and small businesses (increased revenue, new opportunities) • Residents of Ottawa (improved consumer options) • Equity-seeking business owners (lower entry barriers) • Local supply chains (regional farms, producers, makers) • Hospitality industry workers (new jobs, business opportunities) • City of Ottawa (stronger, more resilient small business ecosystem, local economy)

#	Impact Category	Benefits	Primary Beneficiaries
6	Diversified, Increased Year-Round Activity	<ul style="list-style-type: none"> • Flexible layout supports year-round day/night events and introduces new potential income stream (permits, rentals, advertising, etc.) • Flexible event space supports cultural exchange year-round, supporting community cohesion • Assets' combined event spaces project \$19.6M in revenue over 40 years. • Assets project \$35.3M and \$58.7M in combined sponsorship and advertising revenue over 40 years. 	<ul style="list-style-type: none"> • City of Ottawa / BMDA (new revenue streams, improved operations) • Local cultural groups and event producers (new programming space, contracts) • Local businesses (improved foot traffic) • Residents and visitors (more free/low-cost cultural experiences and activations)
7	Improved Perceptions of Safety, and Dwell Time	<ul style="list-style-type: none"> • +15% in visitation, +20% dwell time, +30% pedestrian volume • Public realm enhancements (lighting, seating, pedestrianization) reduce crime and antisocial activity, improve perceptions of safety • Pedestrian enhancements support increased spending activity 	<ul style="list-style-type: none"> • Residents and visitors (perceived and real safety improvements) • Local businesses (increased dwell time and sales conversion) • City of Ottawa (reduced public-safety demand and cost pressures) • Nearby property owners (higher attractiveness, reduced vacancy)

#	Impact Category	Benefits	Primary Beneficiaries
8	Environmental Benefits	<ul style="list-style-type: none"> • +466 trees lead to 4.3 tons of CO₂ captured • CO₂ sequestration from +30% canopy cover valued at \$48.1K • Retrofitting is associated with a potential 56-72% decrease in GHG emissions 	<ul style="list-style-type: none"> • Residents of Ottawa (cleaner air, shade, cooling, health benefits, reduced GHG) • City of Ottawa (progress toward climate targets) • Local businesses + visitors (improved comfort, more visitation) • Green/rehab construction industry (increased support, opportunity)
9	Active Transportation and Mode Shift	<ul style="list-style-type: none"> • Public realm enhancements support shift to active transportation modes • Increased pedestrian volume supports more retail spend in project area • Active mode shift supports healthful outcomes for visitors 	<ul style="list-style-type: none"> • Residents of Ottawa, especially downtown visitors (improved experience, traffic, health) • Tourists and visitors (improved navigation and comfort) • Local businesses (higher active-mode visitation and sales conversion) • City of Ottawa (alignment with transportation and climate policies)

#	Impact Category	Benefits	Primary Beneficiaries
10	Operational Efficiency, and Durability	<ul style="list-style-type: none"> • Improved operational efficiency • Improved fit of back-of-house infrastructure • Extended plaza lifetime from granite paving (~+50 years more than concrete) 	<ul style="list-style-type: none"> • City of Ottawa / ByWard Market District Authority (lower long-term O&M costs; more resilient asset) • Local businesses and vendors (more reliable operations, fewer disruptions) • Visitors and residents (more consistent service quality)

Total Construction Spend Investments

The project will stimulate Ottawa’s economy through direct construction activity and associated supply-chain and contractors. Based on Colliers’ input–output modeling and the current order-of-magnitude budget Colliers developed, the total economic impact of the construction is estimated at **\$300.1 million**, supporting **1,268** total jobs across combined direct, indirect, and induced effects during the construction period between 2027 and 2030, in 2025 dollars.¹ Total economic impact (output at scale) represents the

¹ Direct impacts are the immediate economic effects generated by the project’s own construction spending and activity. Indirect impacts are the ripple effects created as suppliers and related industries respond to the direct spending. Induced impacts capture the additional reactionary spending activity from the new income created by the direct and indirect activity.

gross value of all goods and services produced as a result of the proposed redevelopment scenario's direct, indirect, and induced spending.²

Total Economic Activity Impact by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	\$89.8 million	\$57.4 million	\$37.1 million	\$184.3 million
55 ByWard Market Square	\$29.8 million	\$19.1 million	\$12.3 million	\$61.2 million
York Street Plaza	\$26.6 million	\$17.0 million	\$11.0 million	\$54.6 million
Total	\$146.2 million	\$93.5 million	\$60.4 million	\$300.1 million

Source: Colliers

The combined net value added to Ottawa's economy from construction spend (GDP) is estimated at **\$153.5 million**. This explicitly reflects the new economic value created from profits, wage, excluding intermediate transactions. The construction spend is also estimated to yield **\$47.3 million** in combined tax revenues over the construction horizon.

This includes benefits to labor income, encompassing wages/salaries and supplementary benefits paid to workers directly or indirectly employed through the construction period total **\$93.8 million**. In parallel, contractors, investors, and self-employed trades are projected to generate **\$48.8M** in operating surplus, reinforcing local business performance and reinvestment capacity.³

² Colliers' economic impact analysis is based on the estimated construction cost of \$208.8 million developed through the financial case.

³ Operating surplus refers specifically to revenue, less operating expenses, before subtracting for rents and interest.

These estimated benefits are specific to the total investments in construction between 2027 and 2030. The subsequent sections will speak to the longer-term benefit of the operation of the proposed redevelopment scenario.

Category	Direct	Indirect	Induced	Total
Total Economic Activity Impact	\$146.2 million	\$93.5 million	\$60.4 million	\$300.1 million
Total Added Value (GDP) Impact	\$66.2 million	\$48.0 million	\$39.3 million	\$153.5 million
Tax Revenue Impact	\$20.7 million	\$12.5 million	\$14.2 million	\$47.3 million
Gross Operating Surplus Impact	\$13.7 million	\$17.8 million	\$17.2 million	\$48.8 million
Labour Income Impact	\$48.2 million	\$29.5 million	\$16.1 million	\$93.8 million
Job Creation Impact	585	401	282	1,268

Source: Colliers

Subject to approval and implementation, applying local procurement and hiring targets have the potential to increase the share of construction-related economic impacts actually retained within the local economy.

As design advances, policy goals are approved, and operating partners are confirmed in subsequent phases of the proposed redevelopment scenario, estimates for the construction and future operation phase will be revisited to reflect final scope, sourcing, tenancing, and schedule.

Property Value Uplift & Tax Revenue

The proposed redevelopment scenario is expected to modernize key facilities and improve public spaces across the Market District. As these investments strengthen functionality, accessibility, and civic value, the proposed redevelopment concept will generate measurable uplift in surrounding property values, strengthening Ottawa’s municipal revenue base, in addition to the social benefits of the final vision.

Interventions which will most directly affect property values include:

- **55 ByWard Market Square:** Rehabilitation of the historic market building, modernization of building systems, expanded vendor and event space, and enhanced indoor–outdoor connections.

- **70 Clarence Street:** Creation of an arts and cultural hub with studio, gallery, and incubation space, complemented by upgraded facilities and mixed-use programming.
- **York Street Plaza and surrounding public realm:** New seating, new lighting, expanded programming capacity, improved accessibility, and a reconfigured pedestrian environment that maintains key sightlines to Parliament Hill.

Total Present Value of Incremental Property Tax Revenue for 2030 and the Full Evaluation Period (2030-2069)

Category	2030	2030 - 2069
Incremental Property Tax Revenue	\$0.8 million	\$19.9 million

Source: Colliers

As the real estate market internalizes the capital investment, the area’s property values will experience an uplift. The improved conditions for residents, businesses, and investors will be reflected in additional property tax revenue gains, estimated to reach **\$19.9 million** by 2069.

- Colliers estimates an **\$800,000** increase in incremental property tax yield by 2030. This is based on estimated uplift rate and base property values within a 1,000-meter radius of the project area.
- Within the immediate 250 meters of the project area, the estimated uplift in property value is **2.5%** reflecting the positive impact of the proposed redevelopment scenario investments.
- Within a 250 to 500-meter radius, total property values are estimated to increase by **2.7%** above baseline growth.

The uplift Colliers estimates captures both direct effects from new and renovated facilities and indirect spillovers to adjacent properties benefiting from improved access, visibility, and visitor draw. These estimates are conservatively based on benchmark rates on appraisal guidance. As operating partners, programmed uses, design, and

construction timelines are confirmed, the projected performance of the redeveloped assets may increase.

Comparable redevelopment projects also demonstrate a consistent relationship between public investment in civic and public-realm assets and subsequent increases in surrounding private investment activity. Following the \$50 million redesign of [Cleveland's Public Square](#) completed in 2016, the surrounding district experienced over \$1.2 billion in new property and development investment within five years. The 2020 study found the project triggered the following impacts as improved public space quality translated into higher asset values and investor confidence:

- \$559 million in office investment
- +20% retail occupancy growth
- +342% more multifamily construction nearby

Benefit Value to Market Visitors (Existing and New)

The proposed redevelopment scenario is expected to generate gains for the +22 million annual (2024) tourists and residents who use or visit the project's buildings and public spaces today, as well as the additional visitors who will be attracted by the investment enhancements. For this analysis, Colliers used a willingness-to-pay (WTP) model which functions to assign a monetary value to the investment's impact on consumer experience, considering things like improved comfort, accessibility, satisfaction, and safety over time.

Such consumer benefits reflect the combined effects of the proposed redevelopment scenario's physical/programmatic interventions on individual experience and destination appeal. In the proposed redevelopment concept, elements driving the increased social benefits reflected in the WTP values include:

- **55 ByWard Market Square:** Improved indoor comfort and circulation, upgraded vendor and event infrastructure, and expanded year-round programming (e.g., demonstrations, community events) will increase visitors' WTP by enhancing convenience, usability, quality, and the range of activities available.

- **70 Clarence Street:** New studios, galleries, and flexible cultural/educational spaces will broaden access to arts and creative activity, increasing visitors' WTP by improving the local brand and offering more opportunities for meaningful engagement and repeat participation.
- **York Street Plaza and surrounding public realm:** Added seating, shade, lighting, and accessible pedestrianized streets, along with new outdoor programming infrastructure, will increase visitors' WTP by improving comfort, safety, and the variety of activities the space can support.
- **Cross-asset integration:** Stronger indoor–outdoor connectivity, coordinated programming, and improved wayfinding and lighting will create a more coherent and inclusive district experience, increasing visitors' WTP through easier navigation, broader participation, and higher civic pride / attraction value in the Market.

Colliers estimates that the social benefit to existing users will be **\$7.9 million** in 2030 when construction is expected to be complete. This reflects the value that the public will recognize upon ribbon cutting, simply from knowing that these investments have been made. As visitors engage with the improvements over time, the value to previously existing visitors increases to a cumulative **\$239.9 million** by 2069.

Additional benefit attributable to new users who will be attracted to the district after the proposed redevelopment concept's enhancements was also calculated. New user benefit is estimated at an additional **\$500,000** realized in 2030, and **\$55.1 million** by 2069. This is based on an assumed 15% increase in visitation, as seen in comparable markets.⁴

⁴ 15% estimate provided by Colliers' benchmarking precedents where public-realm improvements were paired with market enhancements.

Direct User Benefit – Medium Scenario

Category	2030	2030 - 2069
Existing Users' Benefits	\$7.9 million	\$239.9 million
New Users' Benefits	\$0.5 million	\$55.1 million
Total User Benefits	\$8.4 million	\$295.0 million

Source: Colliers

These estimates were conservatively based on benchmark projects and standard appraisal guidelines. Though, the proposed program specifies introducing arts-education uses, culturally diverse offerings, community gathering space, and a creative-industries hub. These elements would embody the public's value on local community, broadening access to cultural and health-promoting resources.⁵ As the experiential concept and programming framework are further refined, such emphasis on initiatives with social value can be expected to contribute to the anticipated willingness-to-pay.

Benefit Value to Other Residents (Civic Pride and Brand Identity)

The proposed redevelopment scenario is also expected to generate benefits to non-users. The benefits to non-users manifest through improved civic pride, and place/community identity. This is distinct from new anticipated users discussed in the previous section.

⁵ [A 2016 Urban Land Institute](#) study on the intersections of food systems and real estate investment described that public-private partnerships (like markets) can address health goals by stacking services within the context of a project, such as wellness clinics, food co-ops, and nutrition and cooking education programs in food-centric and mixed-use developments. They can also serve as investments in strengthening local food systems to mitigate economic externalities will increasing system resilience.

Non-users are members of the broader population who do not directly visit or engage with the project area but still derive value from its existence as a civic asset.⁶ This may include residents in suburban or rural parts of the city who do not visit the ByWard Market, but regard it as a defining element of the city’s core.

Colliers’ model estimates this non-user benefit at **\$100,000** in 2030, increasing to a cumulative **\$3.1 million** by 2069. This represents the value that residents who do not personally visit the project area associate with the visible public investment in heritage assets in the city, and perceptions of municipal effectiveness in stewarding civic spaces.

Total Non-User Benefits for 2030 and Full Evaluation Period (2030-2069)

Category	2030	2030 - 2069
Total Non-User Benefits	\$0.1 million	\$3.1 million

Source: Colliers

Supporting evidence can also be found in Sudbury’s Place des Arts, where investing in the multiveneue arts hub has produced a cultural landmark in the downtown.

- The building’s design was informed by a manifesto of literature and artifacts that speak to Sudbury, life in Northern Ontario, and Francophone culture with the design goal expressing collective cultural memories.
- Its accessible, street-level design created an open cultural hub where people of all ages and abilities feel welcome.
- This asset of civic pride has elevated the downtown’s overall destination value – producing tangible benefits for residents and visitors who do *not* visit the Arts Commons facilities.

⁶ Non-users still derive value from *knowing* the good exists. This can be because of altruistic value in supporting others’ benefit, value in knowing they have the option, or public benefit to all. This capture broader societal value.

Comparable heritage-district projects in Toronto's St. Lawrence Market and Vancouver's Granville Island exhibit how visible reinvestment in *public market infrastructure* and community participation enhanced city brand equity and long-term visitor appeal, even among non-visitors, as they reflect strong city identity.

The magnitude of non-user benefits will also be informed by the design and quality across 55 ByWard Square, 70 Clarence Street, and the York Street Plaza. As the architectural and programmatic design of the cultural hub concept is defined, the project team will be better positioned to discuss how these choices can influence the scale of social and cultural benefits generated under the proposed redevelopment scenario.

Employment and Small Business Gains

The proposed layout reconfigures and expands upon the available commercial and events space across both buildings and the connecting plaza. The project team intends to incorporate targeted support for small and locally owned businesses through tenancing practices, programming commitments, and construction/transition strategy. While the specific interventions will be subject to detailed analysis and refinement through the Implementation Plan scheduled for the next phase of work, the proposed work streams are outlined in the *Legislative Approach and Phasing* section.

Once the redevelopment work is complete and tenants/users are in place, the proposed redevelopment scenario is expected to support increased employment and economic activity over its operating lifetime. Such gains will manifest through several project elements described below.

- **55 ByWard Market Square**
 - Vendor kiosks, and pop-up stalls that will be located in the main hall will host small and independent businesses on-site.
 - Special event infrastructure, including concerts and performances, that supports new businesses and the associated hospitality, retail, and operations jobs.

- **70 Clarence Street (Arts + Creative Hub)**
 - Shared/public gallery and atrium space to host immersive cultural experiences, including events and exhibitions, supplemented by ground-floor retail.
 - Studio, gallery, and classroom space with flexible labs that create jobs for artists, instructors, administrative staff, and technical support.
 - A creative-industries incubator that fosters new business formation and early-stage growth through shared workspace, services and maker-to-market opportunities.

- **York Street Plaza and surrounding public realm**
 - Additional outdoor vending capacity that enables pop-up business activity during markets, increasing overall business density.⁷
 - Infrastructure for outdoor events, performances, and festivals that drives new event-related employment and vendor revenue.

- **Cross-asset effects**
 - Coordinated programming across all redeveloped assets that expands the district's year-round events economy and associated staffing needs.
 - Integrated operations, wayfinding, and activation that improve business performance and increase demand for ongoing operational roles.

⁷ A [2024 study of farmer's markets](#) reported that 87% of surrounding businesses experienced positive effects from having the market, with 80% of study participants reporting they would spend \$47 shopping in the area surrounding the market during visits.

Employment Potential: The proposed redevelopment concept includes roughly 8,373 m² of commercial and community uses, with potential to support 160 full-time equivalent direct on-site jobs, subject to final program, tenancy, and operational decisions.

Data on job density per use type and floor area provides indication of the potential for direct employment gains through the proposed redevelopment's facilities. The tables presented below were developed using the assumptions from Colliers Project Leaders' Functional Program concept drawings, and the [Toronto Dept. of City Planning's Floor Space per Worker \(FSW\) Ratios from January 2024](#). The FSW Ratios show the average number of workers associated with different land uses based on the total area occupied.

	User/ Program	Activity Type	Total Area (m ²)	FSW Ratio (m ² /worker)	Estimated Workers (FT)
55 ByWard Square	Bakery / Café	Retail – Food & Beverage	405	47	9
	Grocer (food anchor)	Retail - (Restaurant + Large Retail Avg.)	422	29.5	14
	Vendor Kiosks (2 kiosks)	Small Format Retail	72	26	3
	Public Market Hall (central hall + circulation)	Retail – Entertainment	497	54	9
	Office /Event /Restaurant (flexible space + terrace)	Office	277	31	9
	Restaurant (indoor seating + terrace)	Restaurant / Tavern	277	12	23
	Mezzanine / Overlook	Retail – Entertainment	313	54	6
	Total (job-bearing)	—	2,034.30	—	73
	70 Clarence Street	User/Program	Activity Type	Total Area (m²)	Toronto Ratio (m²/worker)

	Gallery	Public Gallery	3,196	77	42
	Art Hub – Ground Fl (retail)	Retail – General Merchandise	345	35	10
	Art Hub Core (2nd Floor)	Office	53	31	2
	Community Art Hub (3rd Fl)	Institutional / Education	2,128	86	25
	Atrium (GF + 2 nd Fl)	Community / Institutional	455	49	9
	Total (job-bearing)	—	6,342.60	—	87

Public Realm Improvement: Well-designed plazas have been shown to increase foot traffic, commercial activity, and business diversity. York Street Plaza's 3,800 m² of flexible and pedestrianized space would promote similar spillover activity for the ByWard Market.

- A comparable pedestrian plaza intervention in New York City saw [a 47%](#) increase in combined sales within 3 years of implementation.
- Willoughby street also saw a mix of local and non-local businesses opening locations facing the plaza in that time.
- Willoughby Street's plaza introduced permanent public seating and flexible public space at the intersection of civic buildings and retail corridors, increasing dwell time and visibility for surrounding businesses.
- York Street's flexible outdoor space will also directly accommodate temporary pop-up vendors and micro-entrepreneurs, with 840 m² of space able to host up to 56 vending tents.⁸

Cultural Hub Development: Evidence of success in leveraging synergetic cultural activities to support a successful destination hub producing positive economic activity includes:

- The Place des Arts (Sudbury): gathered multiple Francophone cultural institutions under one roof and introduced a mix of theatre, gallery, retail, and community spaces. Post-construction, it delivers \$15 million in annual economic impact to Sudbury's downtown and supports the creation of [29 ongoing jobs](#).

⁸ While employment associated with the outdoor vending tents is not explicitly quantified, such stalls typically support flexible, part-time work opportunities that enable early-stage entrepreneurs to test ideas, refine and grow their businesses.

- The Werklund Centre (Calgary): incorporated a major expansion of cultural venues and new public gathering spaces. Since reopening, it generates an annual contribution of [\\$59 million to Alberta's GDP](#), [683 full-time jobs](#), and \$11.1 million in annual government revenues.
- The Culinary Institute of America at Copia (Napa, California): redeveloped to integrate education, culinary retail, museums, and flexible event spaces. Since launch, it has functioned as a year-round cultural and tourism hub, hosting 20+ public events per month and supporting local businesses through continuous foot traffic tied to food, wine, and cultural programming.

Local Economic Benefit: Evidence shows local economic and social value is amplified when redevelopment prioritizes local businesses. For the ByWard Market, these local employment and commercial benefits would flow into Ottawa's Downtown.

- Local tenanting strategies increase the proportion of visitor spending retained within the local economy by directing demand toward locally owned firms.
- Evidence from the [Canadian Federation of Independent Business \(CFIB\)](#) shows that \$0.66 of every dollar spent at small, locally owned retailers remains in the local economy, compared to \$0.11 for multinational businesses and \$0.08 for online enterprises.
- Business incubation and growth support additionally promotes the number of local enterprises and jobs able to capture that spending over time.
- The Selden Market (Norfolk, VA) runs a structured incubation program which launched 30+ new storefront ready businesses within 4 years. Graduated businesses are actively supported in relocating into surrounding downtown retail space.⁹

⁹ Similar to the BMDA, the Selden Market's organizational parent functions through the local BID.

- Emphasis on local entrepreneurship and legacy vendor retention is also associated with higher social value, reinforcing user satisfaction and non-user civic pride reflected in willingness-to-pay measures discussed earlier.
- At Essex Market (New York) and Lexington Market (Baltimore), retention of legacy local vendors following redevelopment accelerated public acceptance and strengthened consumer loyalty, contributing to visitation and sales.

Diversified, Increased Year-Round Activity

The proposed redevelopment scenario is designed to improve the financial resilience of its operations by diversifying income streams and extending revenue activity across all seasons. Driving project elements that expand revenue potential year-round include:

- Modernized back-of-house systems at 55 ByWard, supporting different uses, including flexible facilities rentals
- New climate-controlled public hall and indoor seating at 55 ByWard to host patrons and vendors
- New atrium and gallery space across 3 floors of 70 Clarence for flexible use
- Upgraded canopies, enhanced lighting, durable paving, improved indoor-outdoor connection, flexible event equipment on York Street for continuous day-to-night activity, and across seasons

Assuming the proposed redevelopment scenario, Colliers' financial model anticipates the following net operating incomes over a 40-year period (estimated revenues minus estimated operating costs at the end of 40 years only):¹⁰

- \$57M for 55 ByWard Market Square

¹⁰ These projections do not account for debt service and ultimate cashflow. Refer to the financial analysis to understand the costs and revenues together over time.

- \$194M for 70 Clarence Street (main building)
- \$24M for 70 Clarence Street (below-grade parking)
- \$9.4M for York Street Plaza

Program Diversity: A diverse, locally oriented program mix can support sustained visitation and recurring revenue by attracting multiple user groups across different times of day and seasons.

- The project team intends to prioritize programming that reflects local interests and community benefit, with emphasis on heritage, arts and culture, and culinary exchange.
- Essex Market (New York) provides a relevant reference, where a year-round schedule of aligned accessible cultural and culinary programming contributes to strong attendance and repeat visitation.
- Regular activities at Essex Market include community cooking workshops, a guest speaker series, dance classes, and twice-weekly food tours that introduce visitors to local businesses within the market and surrounding neighborhoods.

Income Diversity: Comparable public markets also serve to demonstrate how designing for flexible, community-oriented building uses enables diverse revenue streams and supports long-term operational sustainability. Opportunities for the ByWard Market under the proposed redevelopment concept include tenant rent, short term vendor licenses, event fees, sponsorships, and facility rentals within a consolidated operating framework.

At Selden Market (Norfolk, VA), the diverse operating revenue model has allowed the operator to maintain stable income through economic fluctuations and seasonal variation and invest in its own expansion. Revenue sources include:¹¹

¹¹ Revenue breakdown provided during investigative interview in 2024, 2025.

- 35% from storefront leases (also receives a fee from tenants for shared marketing and promotion)
- 25% from pop-up vendors
- 25% from commercial kitchen rentals
- 15% from storage and community programming

Improved Perceptions of Safety, and Dwell Time

The proposed redevelopment scenario is estimated to increase pedestrian volume by **30%** (further discussed in Section 9 below). Colliers also estimates the average visitor's trip will extend to one hour, representing a **20%** increase in existing visitor duration. This would bring average weekday and weekend pedestrian projections to 7,127 and 10,473, respectively.

Across the ~22 million current annual visitor baseline, these shifts represent a substantial potential for the rise in total visitor hours and sustained public presence in the area.

The project will introduce new lighting, upgraded canopies, new weather-proof outdoor furniture. Such enhancements to the public realm support pedestrian activity, extend public presence (dwell), which leads to the additional "eyes on the street" that reinforce feelings of safety. References include:

- [Vancouver's Water Street Pilot](#) tested pedestrian-realm upgrades in 2024 and saw overall increased foot traffic by 35% and improved public perception of safety.
- [NYC](#) found that enhanced street lighting reduced outdoor nighttime crime by 36%.
- [In Stoke-on-Trent, England](#), crime declined 43% in lit areas compared to 2% in control sites.

Environmental Benefits

The proposed redevelopment scenario incorporates a range of environmental design features intended to reduce carbon emissions, improve microclimate conditions, and enhance the energy performance of the district. Key interventions include the adaptive reuse of the historic market building at 55 ByWard Market Square, 466 new trees throughout the district, and granite hardscaping.

- **Arbory Benefits:** The proposed redevelopment scenario introduces approximately 466 new trees across the district which expands total canopy coverage to approximately 30%. Colliers estimates the trees will sequester **4.3 tons of CO₂**, representing an environmental value of approximately **\$48,100** over their lifespan. Tree planting is also supported by the addition of other landscaping features. These improvements will enhance storm-water absorption, mitigate heat-island effects, and improve overall air quality.
- **Conservation and Retrofitting:** Retrofitting in the construction process in the City of Ottawa can be expected to result in [56-72% savings](#) depending on the nature of upgrades to the building envelope and energy systems. The project intends to pursue rehabilitation for 55 ByWard Square and pursue the highest possible degree of conservation. As such, the project can expect some positive impact from environmentally friendly construction practices.
- The retained building fabric from conservation of the exterior additionally minimizes waste and supports the City's circular-economy principles.

The social value and public health (physical and mental) benefits associated with these environmental interventions are captured in Colliers' user and non-user values, described previously.

Active Transportation and Mode Shift

The integrated public realm network will reduce vehicular access and expand pedestrian infrastructure to support a shift toward active modes of travel. By doing so, the proposed redevelopment scenario will also improve accessibility, safety, environmental performance and social cohesion outcomes reflected in the project's direct user-benefit valuation.

Evidence suggests that improvements to pedestrian infrastructure will result in measurable increases in walking and biking, with reduced vehicle use.¹² For example, in New York City's Willoughby Street pedestrianization, where roads were closed and public seating (chairs, umbrellas, planters) was introduced, [pedestrian volume increased 18%](#).¹³

Operational Efficiency and Durability

The proposed redevelopment scenario will modernize key building systems and introduce high-quality materials across all project components, improving the performance and longevity by reducing operating and maintenance costs. While impacts cannot yet be quantified at the current design stage, these investments are being advanced to improve asset performance and lifecycle sustainability.

¹² This is different from reduced overall trip volume. Based on these findings, improved infrastructure facilitates new users and improves perceptions of safety such that users are more engaged, together increasing active trips.

¹³ In [Toronto's Bloor Street bike lane pilot](#), the majority of merchants were reported to believe that 25%+ of customers drove, but only 10% of customers reported arriving by car. This finding speaks to a broader misconception around the relationship between vehicular access and retail consumption.

Facility Improvement: Planned upgrades to waste management, loading, mechanical, electrical, storage, and heating/cooling systems will directly address deficiencies identified in the building conditions. This will enhance day-to-day efficiency and reduce recurring maintenance requirements.

- **55 ByWard Market Square:** Enhanced basement storage and utility, improved loading and delivery infrastructure for vendors and events operations
- **70 Clarence Street:** Redevelopment of the existing parking structure to eliminate significant short-term capital needs associated with maintaining the present parking garage

Outdoor Maintenance: The proposed use of granite paving in the York Street Plaza also provides a significant increase in material lifespan compared with conventional concrete. Granite surfaces have an expected service life of over 60 years, compared with approximately 10–15 years for standard concrete, yielding lower replacement frequency and waste generation.

Conclusion

This assessment of Colliers's analyses and additional case study research demonstrates that the potential for social, economic, and environmental benefits is notable, measurable, and distributed across City residents, visitors, and businesses. The projected gains indicate that the proposed redevelopment concept represents a strategic public investment with city-wide impact and clear alignment with policy objectives. Benefits have been estimated across user and non-user value, increased employment and business activity, improved safety and accessibility, strengthened cultural infrastructure, and long-term operability.

As with any major capital project, the proposed redevelopment scenario carries transitional risk, like construction disruption, business transition/displacement challenges, and potential variability in market response. Mitigation strategies for these considerations are referenced in the Legislative Approach and Phasing section of the Council report, including construction and communication management planning, business-transition supports, and ongoing refinement of the operating model with the

BMDA. These efforts will help reduce adverse impacts and support business stability and visitor experience throughout implementation.

The proposal demonstrates potential for localized social and economic benefits, contingent on the conceptual theme and design being carried out into tenanting policy, transition support strategy, and activation and programming. As these elements are further defined, the scale of benefits may be refined and, in some cases, increase.

Taken together, the assessment indicates that the proposed redevelopment scenario has the potential to deliver enduring public value while aspiring to informed decision-making in subsequent phases to further strengthen social, economic and environmental outcomes.

APPENDICES

Benefits Assessment Methodology

Colliers Project Leaders conducted detailed feasibility and construction analyses to evaluate multiple redevelopment scenarios for 55 ByWard, 70 Clarence, and the York Street Plaza. The assessments included building condition reviews, capital repair estimates, constructability of methods in place, and phasing analysis. Financial and operational considerations were modeled around the team's proposed concepts and programming strategy to produce estimates around cost efficiency and long-term performance of the redevelopment proposal.

Benchmarking and Precedent Research

The project team conducted extensive research on comparable public and private markets, destination hubs that engage directly with the public realm, operate within heritage or cultural districts, and have undergone major redevelopment with an emphasis on community benefit. The review examined policy and programming objectives, financial and operational models, and broader civic and economic contributions at both the neighborhood and citywide scale. In parallel, the team analyzed "Made-In" policies and tenanting frameworks used by peer cities to support local production and circulation, jointly informing assessment of the proposed approach to local entrepreneurship, vendor incubation, and market identity.

Markets and Food Halls

The project team completed a comparative study of leading public and private market precedents across Canada, the United States, and Europe. The research assessed market governance models, tenant composition, interior layout and functional design, operational structures, and capital reinvestment strategies. Key cases included Lexington Market (Baltimore), Essex Market (New York), Granville Island Market (Vancouver), St. Lawrence Market (Toronto), and Selden Market (Norfolk). The team also studied private markets including Baltimore Peninsula, R. House, and Time Out Market.

Market	Tenant Mix	Structure	Local Policy	Small Business Policy	Tenant Policy?	Notes
Lexington Market – Baltimore • 53K SF • 45+ vendors	• 25% grocery • 75% F&B	• City-owned • Non-profit operated	Yes - Extensive tenant selection and approval process consider tie to the local history and culture.	Yes – All tenants are small businesses from Baltimore.	Yes	• As part of market rebuild, they transitioned the mix from legacy tenants to almost entirely new tenants.
Essex Market – New York • 37K SF • 40+ vendors	• 30% grocery • 50% F&B • 20% retail	• City-owned and operated	Yes – Focus on local vendors, but there is not a policy on sourcing, etc.	Yes – Some markets in the system include larger anchors, but Essex focuses on small and local.	Yes	• Market operating in a new building since 2019, many vendors sustained the move/transition. • Balance of local customers and tourist.
Granville Island Market – Vancouver • 50K SF • 50 vendors	• 50% grocery • 50% F&B	• Owned and managed by Crown Corporation	Yes - Must produce >60% of their goods on Granville Island with the 40% coming from within 2 km away.	Yes - All tenants are small businesses.	Yes	• Provide financial support for non-profit arts organization, “cultural partners” • Generate 17-20% of revenues from parking.
St. Lawrence – Toronto • 120K SF • 104 vendors	• 35% F&B • 30% grocery • 35% retail	• City-owned and operated	• No – No requirement, but there is a rule against franchisees.	Yes - All tenants must be small independent businesses. A business can have multiple locations, but no franchisees.	No	• Meant to be a traditional market hall, informed by the city-wide public market study. • Rents and any discounts are guided by city council.

Market	Tenant Mix	Structure	Local Policy	Small Business Policy	Tenant Policy?	Notes
Selden Market – Norfolk, Virginia • 35K SF • 12+ vendors	• 30% F&B • Remainder retail and some services	• City-owned • Non-profit operated (BID)	• No – Only a preference for M/WBE.	Yes - Tenants are small businesses but can come from anywhere.	No	• Focused on incubating new businesses. BID helps graduating businesses from the incubator into retail space downtown.

Made In and Local Procurement

The project team conducted a scan and comparative study of leading “Made In” initiatives across cities. These programs reflected set standards for promoting locally produced goods, some of which had technical support, or retail operations for Made In (local) products. Key cases included Seattle Made (Se, Made in Baltimore, SFMade (San Francisco), Made in NYC, and Maker City (Knoxville).

City	"Made In" Definition	Retail	Marketing	Technical Support	Workforce	Industrial Space	Notable Programs
Seattle 650 members	Seattle Made members manufacture or produce physical products in the city of Seattle, offer one or more standard product lines, have the equivalent of at least one full-time employee, and have one or more products for sale at a retail store or online (if consumer product).	X	X	X	X		<ul style="list-style-type: none"> • Connects manufacturers to Seattle youth • Seattle Made Branded Wine and Beer
Baltimore 300 members	Produce a replicable, physical product, in whole or in part, in Baltimore City as your primary business function	X	X	X			<ul style="list-style-type: none"> • Maker and Manufacturer Facility Tours • Online store with shared fulfillment center

City	"Made In" Definition	Retail	Marketing	Technical Support	Workforce	Industrial Space	Notable Programs
San Francisco 730 members	Your company manufactures a physical product in San Francisco or contracts the production of a physical product that is made in San Francisco.		X	X	X	X	<ul style="list-style-type: none"> • SFMade developed and spun out the Manufacturing Foundry, a 55k sq/ft 100% affordable industrial building for local manufacturers • Provides an online listing of available industrial space
New York 1,500 members	A Made in NYC member has to be a manufacturer or maker making a tangible product within the five boroughs of New York City.		X	X			<ul style="list-style-type: none"> • Policy and Advocacy for Manufacturing and Equitable Economic Development • Programming focused on equity and sustainability
Knoxville 400 members	Programs are developed for businesses and individuals who produce handmade goods or offer creative services in the Knoxville region.		X	X			<ul style="list-style-type: none"> • Holiday Marketplace via Instagram Auction

Destination Hub Concept

The project team also considered international and domestic destination hub models to inform assessment of market-oriented venues as cultural anchors. This research examined how the intentional clustering of complementary uses such as performance, education, retail, and public programming contributes to place identity and sustained activation. Key cases included the Werklund Centre in Calgary, Place des Arts du Grand Sudbury, the Wacoal Art Centre (Spiral Building) in Tokyo, and the Culinary Institute of America at Copia in Napa.

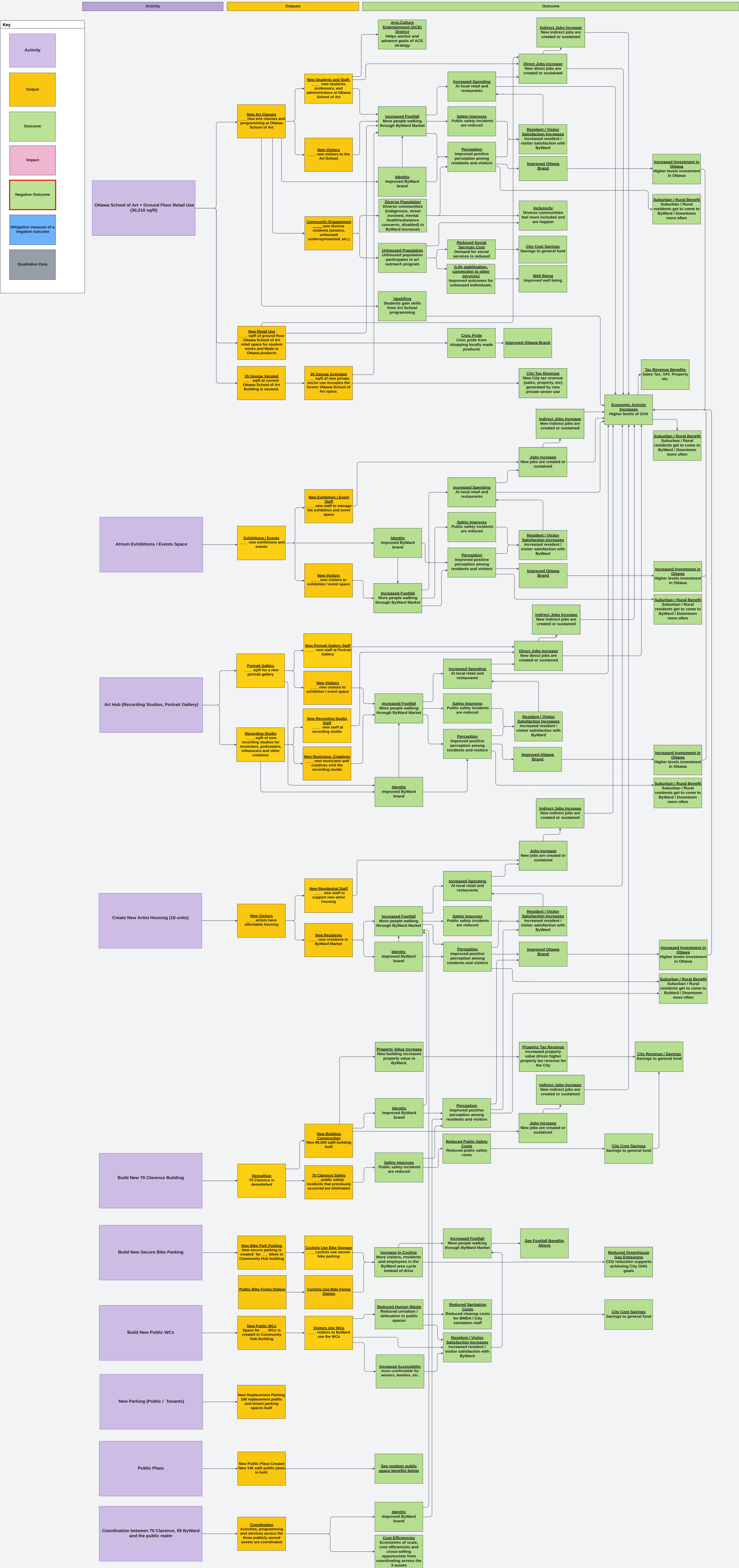
Center	Main Use	Other Use	Tenants	Notes
Werklund Centre – Calgary, Alberta (560,000 sq ft. + 162,000 sq ft underway)	<ul style="list-style-type: none"> • Live theatre and hall concerts • Music • Dance • Spoken word • Visual arts exhibitions 600,000 annual visitors	<ul style="list-style-type: none"> • Rehearsal and production spaces • Community events and educational programs • Public forums, weddings, and conferences • Galleries and free public programming 	<ul style="list-style-type: none"> • Alberta Theatre Projects • Calgary Philharmonic Orchestra • Downstage • One Yellow Rabbit • Theatre Calgary 	The facility boasts Multiple Performance and Gallery halls and is a model example of what a Grand Arts Hub would be.
Place des Arts du Grand Sudbury - Sudbury, Ontario (40,000 sq ft)	<ul style="list-style-type: none"> • Performances • Rehearsals • Visual arts exhibitions • Educational workshops 40,00 annual visitors	<ul style="list-style-type: none"> • Performance space, community events and cultural festivals, galleries • Youth arts programs and mentorship • Bistro, gift shop, and meeting spaces • Public rentals and cross-cultural programming 	<ul style="list-style-type: none"> • Théâtre du Nouvel-Ontario (TNO) • Cinéfest Sudbury International Film Festival • La Galerie du Nouvel-Ontario (GNO) • Salon du livre du Grand Sudbury • Jazz Sudbury • Concerts La Nuit sur l'étang • Coalition des organismes culturels de Sudbury 	This facility combined 7 key francophone arts and culture institutions under one roof in Sudbury. Includes a designated youth studio, areas for children's summer camps and after-school programs, and a daycare with an outdoor terrace.

Center	Main Use	Other Use	Tenants	Notes
The Wacoal Art Centre (Spiral Building) – Minami-Aoyama, Tokyo, Japan (+150,000 sq ft)	<ul style="list-style-type: none"> • Art and design exhibitions • Theatre and performance events • Cultural retail. 	<ul style="list-style-type: none"> • Workshops, lectures, and creative pop-ups • Café, restaurant, and lifestyle spaces • Multipurpose Hall for fashion shows and talks, gallery space 	<ul style="list-style-type: none"> • Showcase (Retail) • Robin Club (Food) • Sakurai Japanese Tea • Spiral Cafe • Tricot hair salon • Spiral nail salon • Studio Beula (yoga) 	This facility has incredible architectural design. It serves as an Arts hub while containing several retail elements that are not common in art hubs.
The Culinary Institute of America at Copia – Napa, California, USA (80,000 sq ft)	<ul style="list-style-type: none"> • Culinary education • Hands-on classes • Food and wine industry training • Large events 	<ul style="list-style-type: none"> • Public lectures, gallery events, and chef demonstrations • Culinary marketplace and retail space • Museum and exhibition galleries • Event and conference rentals • Outdoor amphitheatre and garden programs • Two theatres (250-seat and 72-seat) for classes/events 	<ul style="list-style-type: none"> • The CIA's Food Business School / Culinary Arts program • The Grove Restaurant • Wine Bar • Marketplace (retail store) • Chuck Williams Culinary Arts Museum 	Major culinary anchor that holds a culinary school, restaurants, museum, and a marketplace. It is a unique example of what a cultural hub can be without it's primary usage being an arts-centric institution.

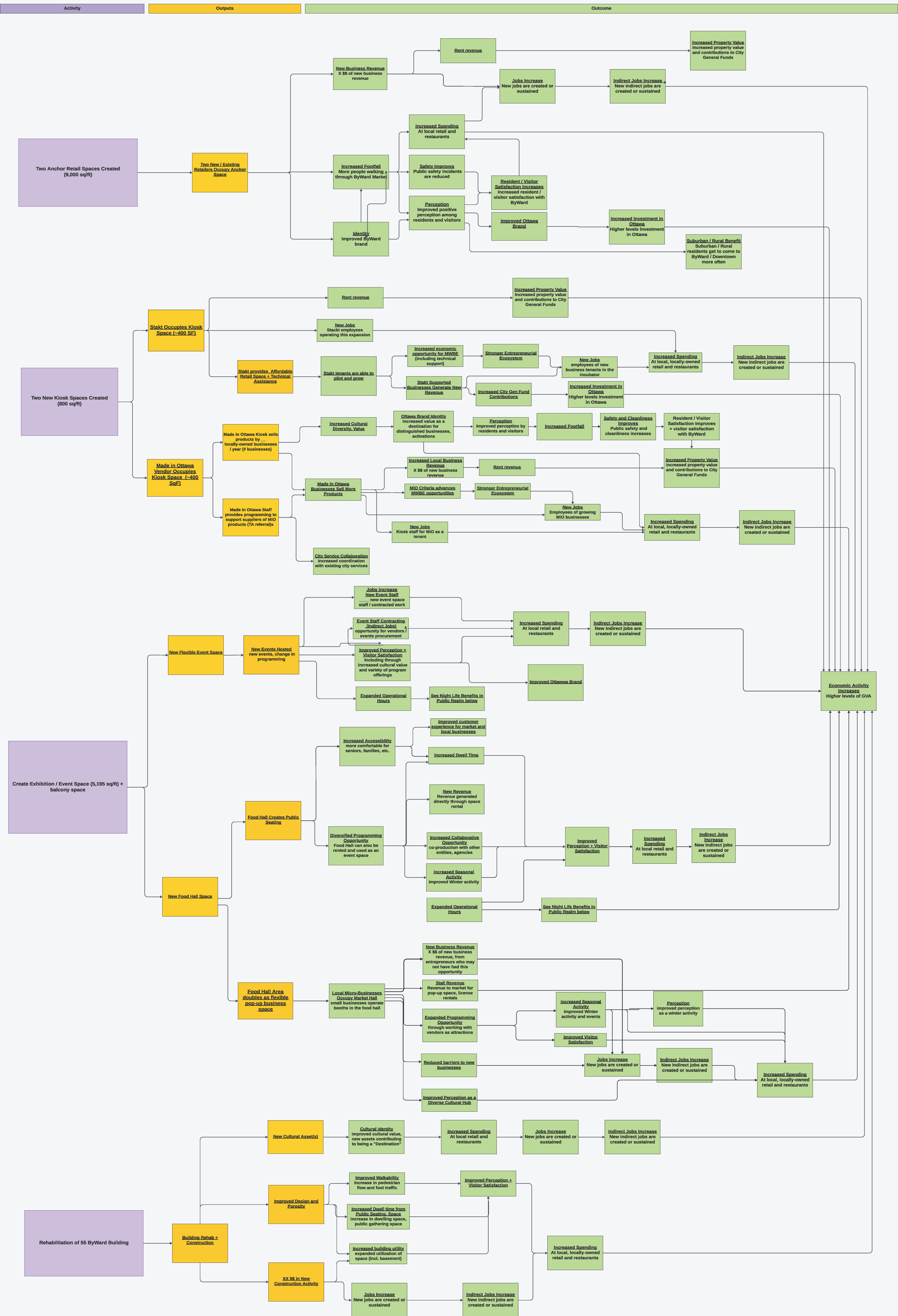
Logic Model Development

This program logic model reserved capital investment as the key input. Key outputs identified included new market and cultural space, outdoor vendor stalls, public amenities, lighting, and cycling infrastructure. These outputs were then linked to anticipated outcomes such as increased visitation, transportation mode shift, extended dwell time, enhanced safety, higher spending, and improved property values. The model was reviewed with partner departments including Ottawa Public Health, Cultural Services, and the Ottawa Police Service to confirm cross-agency consistency.

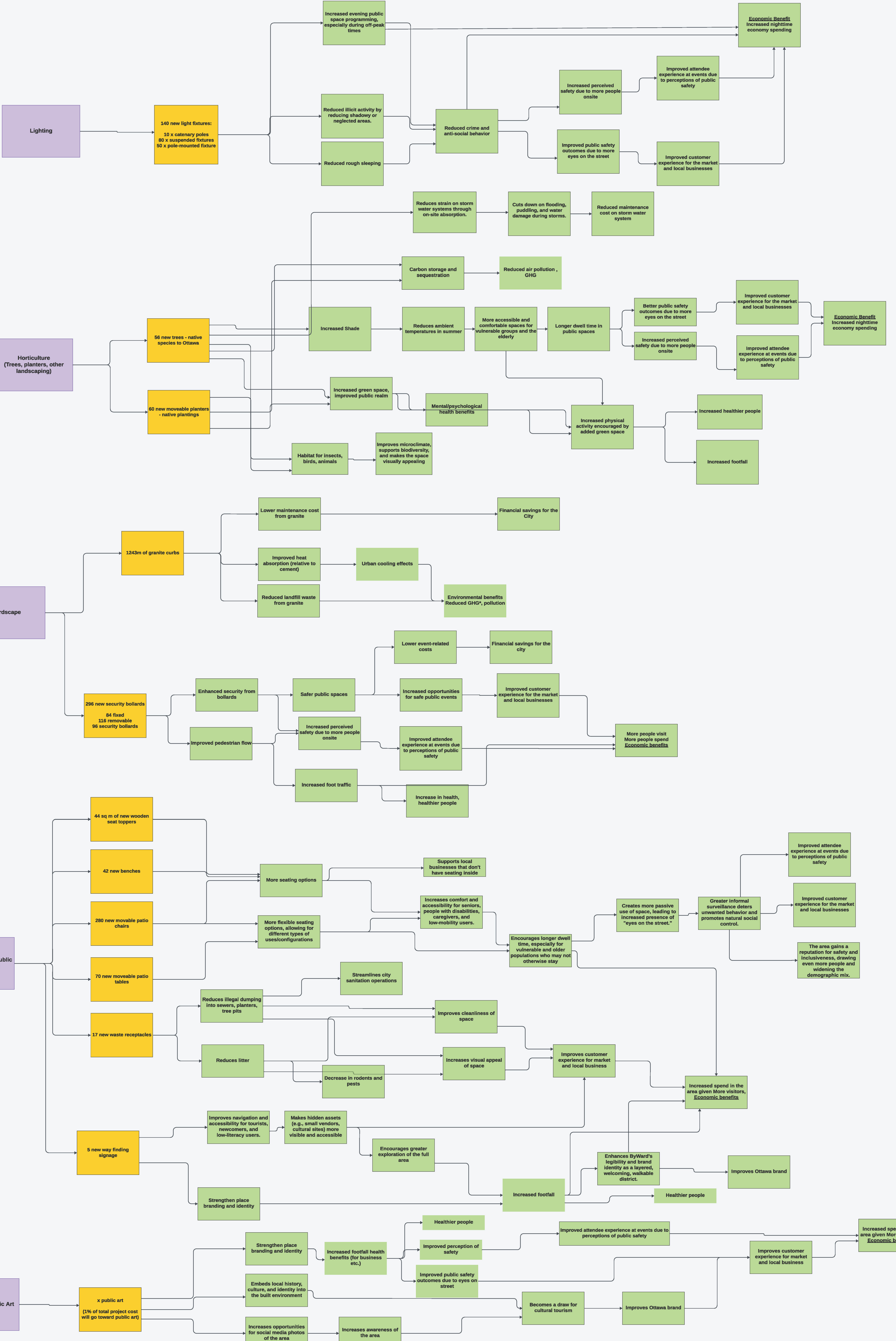
70 Clarence



55 ByWard Market



Public Realm Improvements



Public Realm Improvements





ByWard Market - Economic Benefit Assessment Memorandum

January 2026



Project
Leaders

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1.0 Introduction

1.1 Background and Context

The ByWard Market (the “Market”) is one of Ottawa’s most recognizable public destinations, serving as a central hub for commerce, culture, and tourism within the downtown core. Over time, the Market’s public areas have experienced functional challenges that limit accessibility and the visitor experience.

Recognizing both the opportunities and challenges facing the Market, the City of Ottawa (the “City”) has identified priority real property assets for redevelopment and renewal: 70 Clarence Street, 55 ByWard Market Square, and the York Street Plaza. These sites will help shape the Market into a place that blends its historic character with contemporary urban design, reflecting Ottawa’s commitment to sustainable development, inclusive growth, and global urban excellence.

To guide future investment, the City has established a staged analytical framework that connects technical feasibility, financial due diligence, and socio-economic outcomes within a single evidence-based process. The feasibility analysis provides a detailed review of development options, site conditions, design concepts, and delivery strategies. Its findings form the technical and strategic foundation for future redevelopment.

Building on this foundation, the financial business case evaluates capital and operating costs, potential revenue streams, and partnership opportunities to assess overall financial sustainability. In parallel, the economic case examines the anticipated social, cultural, and economic benefits of the proposed redevelopment scenario.

The project is now advancing into the stage of business case integration, where the technical, financial, and economic analysis brought together to form a cohesive investment narrative. This integration will ensure that the City’s decision-making process is transparent, evidence-based, and aligned with broader strategic objectives.

1.2 Purpose

This Economic Benefit Assessment memorandum provides the analytical foundation to support the preparation of the Case for Change. The Case for Change will present the broader social, cultural, and economic impacts of the ByWard Market redevelopment. It will demonstrate how the project contributes to the holistic revitalization of the district by improving accessibility, safety, and the overall quality of the public realm; supporting tourism and business activity; and creating opportunities for recreation, events, and community engagement.

The findings in this memorandum are intended to inform the Case for Change by providing the quantitative analysis needed to capture and monetize benefits. This approach helps translate complex economic evidence into outcomes that are meaningful to residents and decision-makers, showing how the redevelopment can enhance quality of life, strengthen community identity, and generate long-term economic value for Ottawa.

1.3 Summary of Benefit Analysis

Through the economic benefit analysis, the ByWard Market redevelopment demonstrates a clear and meaningful return for the community. The table below summarizes the range of benefits generated by the revitalization and indicates that the project creates substantial value across multiple dimensions, benefiting visitors, residents, and the wider Ottawa community.

Summary of Estimated Economic Benefits for the ByWard Market Redevelopment (2030-2069)

Economic Benefits	Estimated Value Range
User Benefits	\$254.2 – \$370.5 million
Non-User Benefits	\$2.6 – \$3.6 million
Health Benefits from Increased Walking Activity	\$441.1 – \$540.1 million
Carbon Sequestration Benefits	\$0.04 – \$0.1 million
Incremental Property Tax Revenue	\$16.9 – \$22.9 million
Total Economic Output from Construction Expenditure	\$255.1 – \$345.1 million
Employment Generated from Construction Expenditure	1,078 – 1,458 employees

In summary, the following benefits can be expected as outcomes of the proposed redevelopment scenario.

A better experience for every visitor

Upgrades to amenities, landscaping, and circulation will create a more welcoming environment for everyday visitors and tourists. People will spend more time in the Market, feel more comfortable navigating its spaces, and engage more deeply with its local shops, cafés, and cultural attractions. The total value of these user benefits is estimated between \$254.2 million and \$370.5 million, reflecting the tangible improvement in visitor experience and satisfaction.

A healthier and more active city

With expanded pedestrian zones and new public spaces, more people will walk through and spend time in the Market area. Increased walking activity contributes directly to physical and mental health, leading to measurable reductions in chronic illness and healthcare costs. The health benefits associated with increased walking and outdoor activity are valued between \$441.1 million and \$540.1 million. It is one of the largest and most meaningful long-term impacts of the project.

A stronger local economy

Redevelopment of the Market is also expected to strengthen Ottawa's fiscal base. Rising property values in and around the district could generate an estimated \$16.9 million to \$22.9 million in additional property tax revenue over time. These funds can be reinvested into other community priorities across the city.

New jobs and economic activity

During construction, the project will generate significant economic output, estimated between \$255.1 million and \$345.1 million, and support approximately 1,078 to 1,458 jobs across the region. These positions will range from construction trades and materials suppliers to retail and service workers supporting increased local spending.

A greener and cleaner environment

The addition of trees and green infrastructure will not only enhance the visual appeal of the Market but will also help capture and store carbon from the atmosphere. Although modest in scale, this \$0.04 million

to \$0.1 million carbon sequestration value represents an important environmental contribution toward Ottawa's broader climate and sustainability goals.

A renewed sense of civic pride

Even those who may not visit regularly will benefit from the Market's revitalization. The project is expected to instill a renewed sense of pride and confidence among Ottawa residents, reinforcing the Market's role as a cultural anchor and symbol of a vibrant, modern downtown. This broader community value is estimated between \$2.6 million and \$3.6 million.

2.0 Economic Benefit Assessment Assumptions

2.1 Introduction

The economic benefit assessment evaluates the social and economic value that can be generated by the ByWard Market public realm improvements, a key initiative aimed at revitalizing one of Ottawa's most historic and active districts. The redevelopment enhances the Market's public spaces, improves accessibility, and upgrades key amenities and surrounding pedestrian corridors. These interventions are intended to strengthen the Market's role as a welcoming civic space and economic anchor within the downtown core.

The assessment focuses on some key benefit categories identified in the Case for Change report, which capture the major public values created by the project. These include:

- Direct user benefits, reflecting improved visitor experience, accessibility, and comfort within the renewed Market environment.
- Non-user benefits, representing the sense of civic pride and urban identity among Ottawa residents who may not directly visit the Market.
- Health benefits, resulting from higher walking activity and greater use of public spaces.
- Environmental benefits, achieved through new tree planting and carbon sequestration.
- Fiscal benefits, driven by property value uplift and incremental municipal tax revenue from the enhanced surroundings.
- Economic impacts, generated through construction investment, local procurement, and employment creation.

These benefit assessments support the development of the Case for Change report and help illustrate how the ByWard Market improvements contribute to a more vibrant, healthy, and economically resilient downtown, consistent with the City of Ottawa's broader goals for urban regeneration and public-realm enhancement.

2.2 Limitations

The benefits presented in this report represent a selected set of quantifiable outcomes based on available data and recognised analytical methodologies. They do not capture full range of potential benefits that may arise from the ByWard Market redevelopment, as some effects are difficult to measure or require more detailed information.

For instance, improvements to the public environment can help reduce crime, foster cultural vibrancy and community diversity, and create secondary economic gains through increased tourism, expanded programming, and a greater number of local events. While these outcomes are significant, they are not easily captured through standard quantitative analysis or within current data constraints.

These broader qualitative benefits will be examined in the Case for Change, using the logic model developed to identify and describe the full spectrum of potential social, cultural, and economic benefits associated with the ByWard Market redevelopment.

At this stage, all key inputs such as visitor and pedestrian forecasts, willingness-to-pay values, and property uplift assumptions are derived from Colliers' high-level benchmark analysis and adjusted for the

ByWard Market context. These inputs are suitable for this assessment but should not be used beyond the scope of this study without further validation.

Aside from the economic impact analysis, the remaining benefits are not evaluated at the individual site level. These benefits should be considered collectively, as the sites generate interconnected and mutually reinforcing effects. Assessing benefits for a single site in isolation would overlook the synergistic impact created by the redevelopment as a whole.

The quantified results provide an indicative understanding of the potential economic and social benefits relative to the project's capital investment. No weighting or prioritization is applied among benefit categories, as each represents a different dimension of value. The results are intended solely to support the Case for Change report by illustrating the scale and nature of potential benefits. They do not constitute a full cost-benefit analysis and should not be used for final investment or implementation decisions.

2.3 Explanation of Assumptions and Parameters

All monetary values in this report are presented in 2025 Canadian dollars. The total benefits over the entire appraisal period from 2030 to 2069 are expressed as present values, discounted to 2025. A summary of the key assumptions and parameters used in the analysis is presented below.

Inputs	Details
Base Year	2025
Opening Year (after the project completed)	2030
Evaluation Period	40 Years of the project (2030 -2069)
Real Economic Discount Rate	3.5%
Inflation Rate	2%

2.4 Economic Benefit Assessment Framework

The financial case has assessed the total construction cost associated with the proposed ByWard Market redevelopment, including improvements to 70 Clarence Street, 55 ByWard Market Square, and the York Street Plaza. The total estimated construction cost is \$197.2 million. This figure includes all major public-realm enhancements, building redevelopment, and site infrastructure works required to support the long-term renewal of the Market district.

To complement the financial analysis, an economic benefit assessment was conducted to demonstrate the potential value the redevelopment could generate for the community, local economy, and the City as a whole. This analysis provides an early understanding of the magnitude of benefits associated with the project and offers a foundation for future economic evaluation as more detailed design and operational information becomes available.

The results summarized in this memorandum represent the quantifiable benefits derived from the available data and consistent with recognized socio-economic methodologies. While all figures provide valuable insight into the scale of impacts, they capture only part of the broader benefits identified in the Bloomberg Logic Model. Several outcomes, such as reduced crime, increased cultural and recreational

programming are anticipated but cannot yet be quantified due to current data limitations and the early stage of project definition.

Scenario analysis was applied to user benefits and the health benefits from increased walking activity, as these are directly linked to changes in projected visitor and pedestrian volumes and are meaningfully sensitive to variations in foot traffic.

For the other benefits, scenario analysis was not applied because the underlying assumptions are more uncertain. Examples include the property value uplift rate used in estimating incremental property tax revenue. In addition, the expected variation in some benefits, such as carbon sequestration, is relatively limited. As a result, a +/-15 percent sensitivity range was applied to these remaining benefits to reflect reasonable variability in outcomes without overstating the precision of the underlying assumptions.

Summary of User Benefits and Health Benefits from Increased Walking Activity (2030-2069)

Category	Low Scenario	Medium Scenario	High Scenario
User Benefits	\$254.2 million	\$295.0 million	\$370.5 million
Health Benefits from Increased Walking Activity	\$441.1 million	\$490.6 million	\$540.1 million

Summary of Other Benefits in the Framework (2030-2069)

Category	Lower Bound (-15%)	Base Value	Upper Bound (+15%)
Non-User Benefits	\$2.6 million	\$3.1 million	\$3.6 million
Carbon Sequestration Benefits	\$0.04 million	\$0.05 million	\$0.1 million
Incremental Property Tax Revenue	\$16.9 million	\$19.9 million	\$22.9 million
Total Economic Output from Construction Expenditure	\$255.1 million	\$300.1 million	\$345.1 million
Employment Generated from Construction Expenditure	1,078 employees	1,268 employees	1,458 employees

3.0 User Benefits

3.1 Introduction

User benefits represent the primary and most tangible category of socio-economic value in public realm and cultural development projects. They measure how much value people place on the improved quality, accessibility, and experience of public spaces following investment.

In the case of the ByWard Market redevelopment, direct user benefits reflect how visitors, residents, and workers experience improvements across the Market area. These improvements include enhanced plaza amenities, a restored and modernized Market Hall, expanded green spaces, and more pedestrian-friendly streets.

User benefits capture the increase in satisfaction and comfort that people feel when visiting or using the Market. This includes a stronger sense of safety, more enjoyable walking and shopping experiences, and a higher level of appreciation for the area's cultural and artistic features. The upgraded lighting, paving, and public furniture also contribute to a more attractive and accessible environment.

The groups considered in this category include local residents, regular shoppers, daily pass-through users, employees, and tourists. Each of these groups benefits from a better quality public space that encourages longer visits, more frequent trips, and greater engagement with local businesses and cultural activities.

3.2 Methodology

The assessment of direct user benefits is based on the concept of Willingness to Pay (WTP), which estimates the total economic value that visitors are willing to pay for improvements in the public realm.

To operationalize this framework, it is first necessary to estimate how many people will experience the benefits of the improved Market environment. This requires projecting future visitor volumes, which form the foundation for quantifying how many individuals will benefit and the magnitude of those benefits.

The first step is to project the growth in total visitors, which provides the basis for estimating how many people will benefit from the redevelopment. Visitor estimation involves two forecasts.

- Business-as-Usual (BAU) Case, which projects visitor growth assuming the project does not proceed. In this case, visitor volumes are expected to increase naturally by approximately 1 percent per year, consistent with Ottawa's historical population growth.
- Alternative Case, which assumes the project is implemented. Under this scenario, total visitors are expected to increase by 15 percent following completion, based on comparable precedent cases such as the Pike Place Market expansion in Seattle, a project similar in scale to the ByWard Market redevelopment. A 3-year uplift period attributable to the project is applied, after which visitor volumes are assumed to continue growing at a steady rate of 1 percent per year.

Estimating visitor growth under both the BAU and Alternative cases allows the analysis to distinguish between existing users, who continue to visit the Market, and new users, who are attracted by the enhanced public spaces and amenities.

The next step is to assign a WTP value to each visitor. The marginal WTP estimates are based on precedent studies of market and public-space redevelopments in comparable urban settings. It captures the increased perceived value people assign to a higher-quality public environment, such as enhanced comfort, accessibility, and experience.

Marginal WTP Value for ByWard Market User Benefit Estimation

Variable	Value	Unit
Marginal WTP Value for ByWard Market Users	\$0.38	per person per annum

Based on these projections, the analysis estimates the direct user benefits for both existing and new users, as detailed below.

3.2.1 Benefits for Existing Users

Existing visitors are people who already use the Market and will continue to visit regardless of redevelopment. Their number is assumed to follow the historical visitation trend. Each of these users experiences the full benefit of the improvement, represented by the increase in WTP after the project is completed.

$$Benefit_{existing} = (WTP_{after} - WTP_{before}) \times \text{Number of Existing Visitors}$$

This captures the total gain in perceived value among current users resulting from a more comfortable, accessible, and attractive market environment.

3.2.2 Benefits for New Users

New visitors are individuals who previously did not visit ByWard Market but are expected to do so after redevelopment. Their benefits are valued using the Rule of Half, a standard approach in economic appraisal that represents the average benefit new users receive along the demand curve.

$$Benefit_{new} = \frac{1}{2} \times (WTP_{after} - WTP_{before}) \times \text{Number of New Visitors}$$

This adjustment reflects that new users generally gain a smaller marginal benefit than existing users.

3.3 Scenario Analysis

To assess potential user benefits from the ByWard Market redevelopment, three scenarios were developed to model different levels of future visitor growth. Each scenario applies a different assumed increase in visitors attributable to the project, based on outcomes observed in comparable market and public-realm redevelopments. These scenarios help illustrate how changes in visitor volumes can influence the scale of user benefits.

- Low Scenario

The Low Scenario assumes a 5 percent annual increase in total visitors between 2030 and 2033 following project completion. This reflects outcomes from projects with modest public-realm upgrades and limited changes to adjacent retail activity, such as the Swanston Street pedestrianization in Melbourne, Australia.

- Medium Scenario

The Medium Scenario assumes a 15 percent annual increase in visitors over the same period. This is informed by precedents where public-realm improvements were paired with market enhancements, including the Adelaide Central Market and Market Square expansion in Adelaide, Australia, and the Pike Place Market redevelopment in Seattle, US.

- High Scenario

The High Scenario assumes a 30 percent annual increase in visitors from 2030 to 2033. This reflects a more transformative outcome from interventions, such as the Director Park redevelopment in Portland, US, where the public-realm improvement addressed long-standing safety issues such as crime, vandalism, and social violence, and result in a more well-used civi

The table below summarises projected visitor volumes under the Low, Medium, and High scenarios for 2030 and across the full evaluation period (2030–2069). For comparison, the BAU case, assuming no redevelopment, is expected to generate approximately 23.4 million annual visitors in 2030.

Visitor Projections for 2030 and Full Evaluation Period (2030-2069) by Scenario

Scenario	2030	2030 - 2069
Low Scenario	24.3 million	1,282.3 million
Medium Scenario	26.6 million	1,676.5 million
High Scenario	30.1 million	2,408.3 million

3.4 Results

The total direct user benefit is a combined value of benefits for existing and new users, discounted over the full analysis period to reflect the present value of future gains. The resulting estimates for 2030, and for the entire appraisal period (2030-2069) under the Low, Medium, and High scenarios are summarised in the table below.

Across all scenarios, these benefits capture a range of improved experience that locals and tourists will have within the redeveloped Market. The revitalized public spaces, upgraded amenities, and enhanced accessibility will make the area more comfortable and engaging, encouraging people to stay longer, explore more, and connect more deeply with the Market's shops, cafés, and cultural offerings.

Direct User Benefit – Low Scenario

Category	2030	2030 - 2069
Existing Users' Benefits	\$7.9 million	\$239.9 million
New Users' Benefits	\$0.2 million	\$14.3 million
Total User Benefits	\$8.1 million	\$254.2 million¹

¹ While the assessment quantifies several key benefit categories, such as user, non-user, health, and environmental benefits, it does not capture the full range of impacts, nor the level of detail required for a comprehensive Cost Benefit Analysis.

When considering only the measurable benefits included in this report (user, non-user, health, and environmental), the project's benefit-cost ratio would likely exceed 1. However, this result should be interpreted as indicative, not as a formal cost-benefit outcome.

Direct User Benefit – Medium Scenario

Category	2030	2030 - 2069
Existing Users' Benefits	\$7.9 million	\$239.9 million
New Users' Benefits	\$0.5 million	\$55.1 million
Total User Benefits	\$8.4 million	\$295.0 million

Direct User Benefit – High Scenario

Category	2030	2030 - 2069
Existing Users' Benefits	\$7.9 million	\$239.9 million
New Users' Benefits	\$1.1 million	\$130.6 million
Total User Benefits	\$9.0 million	\$370.5 million

4.0 Non-User Benefits

4.1 Introduction

Non-user benefits capture the value perceived by individuals who do not visit ByWard Market regularly. These individuals might visit the Market once every few years or even just once in their lifetime. Reasons may include limited interest in visiting public spaces, distance or accessibility constraints, or lack of available time.

From a socio-economic perspective, however, these individuals still derive value from the Market's existence. They benefit from the satisfaction and civic pride associated with a well-maintained public space, as well as the assurance that the Market will continue to serve as a cultural and historical asset for future generations. This category of benefit reflects the existence value and intergenerational value commonly recognized in cultural and public-realm appraisals.

4.2 Methodology

The methodology for estimating non-user benefits follows the same logic as that for user benefits but applies specifically to residents of the City of Ottawa who do not visit the ByWard Market regularly.

The projection of non-user numbers follows the UK appraisal guidelines, which suggest that, in the absence of local data, approximately 20% of city residents can be assumed to visit a major public destination like the ByWard Market on a regular basis. Applying this assumption implies that about 800,000 residents in Ottawa do not visit the ByWard Market frequently. The number of non-users is projected to increase in line with the city's overall population growth, at an average annual rate of 1%.

The valuation also uses marginal WTP to measure how much residents value the preservation and improvement of the Market even without visiting it. In line with standard practice, the marginal WTP for non-users is lower than that of active users, reflecting a more passive form of appreciation.

Marginal WTP Value for ByWard Market Non-User Benefit Estimation

Variable	Value	Unit
Marginal WTP Value for ByWard Market Non-Users	\$0.22	per person per annum

It is recognized that the strength of a project's social and economic benefits often varies with distance from the point of impact. In this case, the influence of the ByWard Market redevelopment gradually weakens as residents live farther away from the site.

To better reflect this spatial variation, the analysis applies a distance-based adjustment that captures the declining intensity of non-user benefits across the city:

- Residents within 1.5 kilometres of the Market are assumed to receive 100 percent of the non-user benefit.
- Residents in mid-range areas such as Alta Vista and Ottawa East are assigned 75 percent of the benefit.
- Residents in outer communities such as Riverside South and South Nepean are assigned 50 percent, as their likelihood of interacting with or valuing the Market is lower.

This distance-band approach ensures the estimated non-user benefits reflect realistic variations in perception and accessibility across the city.

The function used for the calculation is:

$$Benefit_{non-user} = (WTP_{after} - WTP_{before}) \times \text{Number of Non - Users} \times \text{Impact Factor}$$

4.3 Results

By applying the distance-based impact factors and population projections, the non-user benefits were calculated for the full evaluation period. Annual benefits were aggregated and discounted to determine the present value shown in the table below.

This benefit captures the broader sense of pride and identity that the ByWard Market redevelopment will bring to Ottawa's residents, even for those who may not visit the Market regularly. A renewed, vibrant downtown landmark strengthens community connection and civic confidence, reinforcing the Market's role as a cultural anchor and symbol of Ottawa's evolution into a more dynamic and inclusive city.

Total Non-User Benefits for 2030 and Full Evaluation Period (2030-2069)

Category	2030	2030 - 2069
Total Non-User Benefits	\$0.1 million	\$3.1 million

5.0 Health Benefits from Increased Walking Activity

5.1 Introduction

Health benefits are a key component of government appraisal frameworks, as they represent measurable improvements in social welfare through reduced healthcare costs, higher productivity, and enhanced quality of life resulting from increased physical activity.

In the context of the ByWard Market redevelopment, the expansion of green space, creation of pedestrian-oriented areas, and improvement of the overall public environment are expected to encourage more walking and movement throughout the Market. Whether for shopping, socialising, or leisure, this increase in walking activity contributes directly to better public health outcomes.

These outcomes include lower rates of premature mortality, reduced incidence of chronic illness, and savings in healthcare costs. The health benefits estimated in this assessment therefore capture the economic value of avoided premature deaths, reduced morbidity, and healthcare cost savings generated by the project.

5.2 Methodology

The estimation of health benefits uses the Health Economic Assessment Tool (HEAT) developed by the World Health Organization (WHO). HEAT is an evidence-based model that quantifies the health and economic benefits of walking and cycling. It estimates how increases in walking time reduce the risk of premature mortality and converts the number of avoided deaths into economic value using the Value of a Statistical Life (VSL). In this study, HEAT is applied to estimate the health benefits generated by the increased walking activity expected from the ByWard Market redevelopment.

The increase in walking activity is assessed for two groups:

- Existing Pedestrians

Existing pedestrians are expected to spend more time in the Market following redevelopment. Current survey data shows an average walking time of 49 minutes per visit. With the public-realm area designed to increase by 52 percent, the weighted average walking duration is estimated to rise by 12 minutes, resulting in an overall average of approximately 61 minutes per visit in the redeveloped Market.

- New Pedestrians

The improved environment features expanded pedestrian zones, upgraded outdoor spaces, and enhanced amenities. It is anticipated to attract additional pedestrians from new visitors and nearby residents. New pedestrians are assumed to experience the full 61-minute average walking duration within the upgraded Market.

With these information, HEAT model is able to estimate the health benefit – monetary value of avoided premature deaths due to the increased walking activity. Other benefits associated with increased walking activity, such as reduced morbidity and healthcare cost savings from chronic diseases, are not included in the model results. Therefore, in line with WHO guidance, a multiplier of 1.1 is applied to estimate the total health benefits and capture the additional value of these complementary health outcomes.

Projected pedestrian volumes for the Low, Medium, and High scenarios are provided in Section 5.3 Scenario Analysis. The walking-time assumptions for existing and new pedestrians form the behavioural parameters applied in HEAT to estimate total health benefits.

Based on historical pedestrian counts, the current average daily footfall at the ByWard Market was estimated after adjusting for weekday, weekend, and seasonal variations. The future pedestrian volume reflecting the impact of the redevelopment was estimated by incorporating a 30 percent increase in footfall, consistent with findings from comparable public-realm improvement projects, where similar upgrades led to equivalent growth in pedestrian activity.

5.3 Scenario Analysis

To assess the potential health benefits attributable to increased walking activity, three scenarios were developed to model different levels of future pedestrian volumes. Each scenario applies a different assumed uplift in footfall based on outcomes observed in comparable market and public-realm redevelopments.

Precedent projects, including the Heart of the City redevelopment in Sheffield, UK; the Piccadilly public-realm expansion in Hanley, UK; and the Bond Street improvements in London, UK, have demonstrated increases in pedestrian activity ranging from 25 to 35 percent following completion. Based on these observed outcomes, three footfall-uplift scenarios were established:

- Low Scenario: 25 percent increase in pedestrian volumes
- Medium Scenario: 30 percent increase in pedestrian volumes
- High Scenario: 35 percent increase in pedestrian volumes

Projected pedestrian volumes under each scenario are presented below and compared against current weekday and weekend counts of 5,482 and 8,056 pedestrians, respectively.

Weekday and Weekend Pedestrian Projections by Scenario

Scenario	Weekday	Weekend
Low Scenario	6,853 pedestrians	10,070 pedestrians
Medium Scenario	7,127 pedestrians	10,473 pedestrians
High Scenario	7,401 pedestrians	10,876 pedestrians

5.4 Results

The estimated number of prevented premature deaths per year resulting from increased walking activity under Low, Medium, and High scenarios is presented in the table below. These results illustrate how the overall rise in physical activity translates into measurable health outcomes.

Prevented Premature Deaths Due to Increased Walking Activity – Low Scenario

Category	Value	Unit
Annual Prevented Premature Deaths	3.2	cases
Total Prevented Premature Deaths (2030-2069)	125.0	cases

Prevented Premature Deaths Due to Increased Walking Activity – Medium Scenario

Category	Value	Unit
Annual Prevented Premature Deaths	3.5	cases
Total Prevented Premature Deaths (2030-2069)	139.0	cases

Prevented Premature Deaths Due to Increased Walking Activity – High Scenario

Category	Value	Unit
Annual Prevented Premature Deaths	3.9	cases
Total Prevented Premature Deaths (2030-2069)	154.0	cases

To monetise these health outcomes, the analysis applies a Value of a Statistical Life (VSL) of \$5.7 million, as recommended by the World Health Organization and consistent with international appraisal practice. The VSL reflects the population's willingness to pay for small reductions in mortality risk, capturing both the direct and indirect economic value of longer life expectancy, improved well-being, and avoided healthcare and productivity losses.

Using this parameter, the avoided premature deaths were monetised to estimate the annual health benefits from increased physical activity. Because the baseline VSL is relatively high, the resulting monetary value of total health benefits, including prevented deaths, reduced morbidity, and healthcare cost savings, is also substantial. The results estimated under Low, Medium, and High scenarios are summarised in the table below.

Annual Undiscounted Health Benefits from Increased Walking Activity by Scenario

Scenario	Value	Unit
Low Scenario	\$19.9	million
Medium Scenario	\$22.1	million
High Scenario	\$24.4	million

The total discounted value of health benefits over the appraisal period under Low, Medium, and High scenarios is presented below.

This benefit reflects the health gains from creating a more walkable, pedestrian-friendly Market district. As more people walk through and spend time in the area, overall physical activity will increase, leading to better health outcomes and lower healthcare costs.

Total Present Value of Health Benefits from Increased Walking Activity (2030-2069) by Scenario

Category	Value	Unit
Low Scenario	\$441.1	million
Medium Scenario	\$490.6	million
High Scenario	\$540.1	million

6.0 Carbon Sequestration Benefits

6.1 Introduction

Tree planting and landscape enhancement within public realm projects contribute directly to carbon sequestration, the process by which vegetation absorbs and stores carbon dioxide from the atmosphere. As trees grow, they capture CO₂ through photosynthesis and store carbon in their biomass and surrounding soils, gradually reducing the overall concentration of greenhouse gases.

In the context of the ByWard Market redevelopment, increased tree planting and green-space expansion are expected to strengthen the area's environmental performance by offsetting a portion of urban emissions. Over time, the accumulation of this stored carbon contributes to improved air quality, mitigation of climate change, and a more resilient urban ecosystem.

The resulting carbon sequestration benefits can be expressed in monetary terms by applying the social cost of carbon or equivalent carbon market prices. This allows the environmental value of tree planting and green infrastructure to be integrated into the project's broader socio-economic assessment, highlighting the long-term sustainability benefits of the ByWard Market improvements.

6.2 Methodology

The estimation of carbon sequestration benefits is based on the annual amount of CO₂ absorbed by newly planted trees, monetized using the social cost of greenhouse gas emissions.

Annual CO₂ Sequestered

$$= \text{Canopy Area per Tree} \times \text{Number of New Trees} \times \text{Average Carbon Sequestration Rate}$$

$$\text{Carbon Sequestration Benefits} = \text{Annual CO}_2 \text{ Sequestered} \times \text{Social Cost of GHG Emission}$$

According to the Australian Guideline, the average carbon sequestration rate is 0.47 kilograms of CO₂ per square metre per year. With 466 new trees planned for the ByWard Market redevelopment, the total annual carbon sequestered is estimated at 4.3 tonnes of CO₂.

The sequestered carbon is monetized using the social cost of greenhouse gas emissions published by the Government of Canada, where the 2025 value is CAD \$175 per tonne of CO₂. This value increases gradually over time to reflect the growing importance of greenhouse gas reduction as climate impacts intensify globally.

6.3 Results

The total carbon sequestration benefits are discounted to present value and summarised in the table below, reflecting the long-term environmental contribution of increased tree planting and improved green infrastructure at the ByWard Market.

Total Carbon Sequestration Benefits for the Full Evaluation Period (2030-2069)

Category	Value	Unit
Total Carbon Sequestration Benefits	\$48.1	thousand

7.0 Incremental Property Tax Revenue

7.1 Introduction

Public realm and open space investments often lead to increases in nearby property values. Improvements such as upgraded streetscapes, landscaping, lighting, and pedestrian environments enhance the attractiveness and functionality of an area, making it more desirable for residents, businesses, and investors. As property values rise, the municipal assessment base expands, generating additional property tax revenue for the City.

The increase represents a secondary economic benefit of public-realm projects, alongside the direct social and cultural gains they create. In the case of the ByWard Market redevelopment, this fiscal impact reflects the improved market environment, enhanced pedestrian experience, and stronger sense of place that make the district a more desirable location for residents, visitors, and businesses.

7.2 Methodology

The estimation of increased property tax revenue follows three main steps.

The first step is to identify the baseline property values and municipal tax revenues within the Impact Area (defined as the area within 1.5 kilometres of the ByWard Market). These values establish the foundation for assessing how redevelopment may influence nearby properties. The table below presents the estimated total capital value and property tax base in 2024 within this area.

Total Property Value and Total Municipal Property Tax within the Impact Area in 2024

Distance from ByWard Market	Total Property Value	Total Municipal Property Tax
0 – 250 meters	\$719.2 million	\$12.2 million
250 – 500 meters	\$605.6 million	\$7.8 million
500 – 1000 meters	\$1,979.4 million	\$28.7 million

The next step applies property value uplift factors based on benchmark rates from the UK Appraisal and Evaluation Guide. These benchmarks, supported by Lutzenhiser and Netusil (2001), show that public-realm investments generate the strongest property value impacts within 250–500 metres of the intervention, with effects gradually diminishing beyond that range.

Drawing on these references, and adjusted for Ottawa's downtown market conditions, the analysis applies an average uplift rate to property capital values within the Impact Area, as summarised in the table below.

Average Uplift Rate by Distance Range within the Impact Area

Distance from ByWard Market	Average Uplift Rate to Property Capital Value
0 – 250 meters	2.5%
250 – 500 meters	2.7%
500 – 1000 meters	1.3%

Using this factor, the additional property tax revenue is calculated as follows:

$$\text{Incremental Property Tax Revenue} = \text{Capital Value Uplift Factor} \times \text{Property Tax Baseline}$$

The calculation assumes that assessed values fully reflect the uplift and that municipal tax rates remain constant. Annual increases are projected over the appraisal period and discounted to obtain the present value of the fiscal benefit.

7.3 Results

Applying this methodology, the annual increase in property tax revenue attributable to the ByWard Market redevelopment was estimated. The resulting annual in 2030 and discounted present-value figures through the entire appraisal period (2030-2069) are summarised in the table below.

The benefit reflects the fiscal value generated through increased property assessments in and around the revitalized Market district. As the area becomes more attractive to residents, businesses, and investors, surrounding property values are expected to rise, creating additional tax revenue for the City. These incremental revenues would strengthen Ottawa's fiscal capacity to reinvest in other community priorities and public services.

Total Present Value of Incremental Property Tax Revenue for 2030 and the Full Evaluation Period (2030-2069)

Category	2030	2030 - 2069
Incremental Property Tax Revenue	\$0.8 million	\$19.9 million

8.0 Economic Impact Analysis

8.1 Introduction

The economic impact analysis evaluates the broader economic activity generated by the construction phase of the ByWard Market redevelopment. It measures how construction spending circulates through the local and regional economy, creating employment, income, and business output across multiple sectors. The analysis helps quantify the project's contribution to economic growth beyond its direct capital investment.

The total economic impact is presented in three components: direct, indirect, and induced effects. Direct impacts capture the immediate economic activity within the construction sector.

- Direct economic impacts are the initial effects from ByWard Market total capital expenditure.
- Indirect economic impacts capture the linkages due to sector interdependence. Indirect impacts represent industry effects that would not occur if it were not for the direct impacts. Thus, stemming from the direct impacts, the indirect impacts represent multiplier effects of inter-industry linkages.
- Induced economic impacts capture the repeated reactionary spending due to income creation. Induced impacts represent additional economic activity captured by multipliers due to additional spending from the additional income generated in the process.

8.2 Methodology

The analysis uses an Input-Output (I-O) model, a widely adopted and practical tool for estimating how expenditures in one sector stimulate activity in others. The model represents interdependencies among industries and traces how initial construction spending on materials, labour, and services leads to further rounds of production and income generation throughout the economy.

By incorporating the net present value (NPV) of total construction costs at each site, the economic impact assessment was completed for the redevelopment program at 70 Clarence Street, 55 ByWard Market Square, and the York Street Plaza.

The table below presents the 2025-discounted NPVs of construction costs incorporated into the I-O model.

NPV of Construction Cost for Each Site within the ByWard Market Redevelopment Scope

Site	NPV of Construction Cost	Unit
70 Clarence Street	\$89.8	million
55 ByWard Market Square	\$29.8	million
York Street Plaza	\$26.6	million

8.3 Results

8.3.1 Total Economic Activity

Total economic activity represents the overall value of all production generated by the ByWard Market redevelopment during its construction phase. It captures the combined value of added value (GDP), labour income, gross operating surplus, and tax revenue across all industries linked to the project.

In this case, the redevelopment of the Market's public spaces, streetscape, and civic amenities stimulates a broad network of economic transactions, from direct construction spending to supply-chain purchases and consumer spending by workers. This measure reflects the full economic momentum generated by the project within the regional economy.

The analysis is based on the estimated construction cost of \$197.2 million in the financial case, covering the proposed ByWard Market redevelopment, including improvements to 70 Clarence Street, 55 ByWard Market Square, and the York Street Plaza.

The table below presents the economic activity generated by construction spending, expressed in discounted 2025 millions of dollars and broken down into direct, indirect, and induced impacts for each site.

Total Economic Activity Impact by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	\$89.8 million	\$57.4 million	\$37.1 million	\$184.3 million
55 ByWard Market Square	\$29.8 million	\$19.1 million	\$12.3 million	\$61.2 million
York Street Plaza	\$26.6 million	\$17.0 million	\$11.0 million	\$54.6 million
Total	\$146.2 million	\$93.5 million	\$60.4 million	\$300.1 million

8.3.2 Added Value (GDP)

Added value, or Gross Domestic Product (GDP), measures the net contribution of the ByWard Market redevelopment to the economy after accounting for intermediate inputs. It represents the new economic value created through construction activity, such as wages, profits, and taxes generated within Canada. This indicator highlights the project's contribution to overall economic growth and productivity during the construction period.

The table below presents the added value (GDP) generated by construction spending, expressed in discounted 2025 millions of dollars and broken down into direct, indirect, and induced impacts for each site.

Added Value (GDP) Impact by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	\$40.7 million	\$29.5 million	\$24.1 million	\$94.3 million
55 ByWard Market Square	\$13.5 million	\$9.8 million	\$8.0 million	\$31.3 million
York Street Plaza	\$12.0 million	\$8.7 million	\$7.2 million	\$27.9 million
Total	\$66.2 million	\$48.0 million	\$39.3 million	\$153.5 million

8.3.3 Labour Income

Labour income includes all wages, salaries, and supplementary benefits paid to workers directly or indirectly employed through the redevelopment. In the context of the ByWard Market project, it captures the income earned by construction workers, tradespeople, consultants, and employees in related industries who benefit from increased demand for goods and services. This measure reflects the project's role in supporting household earnings and local spending power.

The table below presents the labour income generated by construction spending, expressed in discounted 2025 millions of dollars and broken down into direct, indirect, and induced impacts.

Labour Income Impact by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	\$29.6 million	\$18.1 million	\$9.9 million	\$57.6 million
55 ByWard Market Square	\$9.8 million	\$6.0 million	\$3.3 million	\$19.1 million
York Street Plaza	\$8.8 million	\$5.4 million	\$2.9 million	\$17.1 million
Total	\$48.2 million	\$29.5 million	\$16.1 million	\$93.8 million

8.3.4 Gross Operating Surplus

Gross operating surplus represents the business income generated from the project, including corporate profits, returns to capital, and payments to self-employed contractors. For the ByWard Market redevelopment, this includes profits earned by construction firms, material suppliers, equipment providers, and other service companies involved in delivering the project. It reflects the project's impact on private-sector profitability and investment returns.

The table below presents the gross operating surplus generated by construction spending, expressed in discounted 2025 millions of dollars and broken down into direct, indirect, and induced impacts for each site.

Gross Operating Surplus Impact by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	\$8.4 million	\$11.0 million	\$11.6 million	\$30.0 million
55 ByWard Market Square	\$2.8 million	\$3.6 million	\$3.5 million	\$9.9 million
York Street Plaza	\$2.5 million	\$3.2 million	\$3.1 million	\$8.9 million
Total	\$13.7 million	\$17.8 million	\$17.2 million	\$48.8 million

8.3.5 Tax Revenue

Tax revenue represents the fiscal contribution of the redevelopment to government finances. It includes personal income taxes, corporate taxes, and sales taxes arising from the wages, profits, and spending generated by the project. The ByWard Market redevelopment therefore supports public revenue that can be reinvested in community services and future infrastructure initiatives.

The table below presents the tax revenue generated by construction spending, expressed in discounted 2025 millions of dollars and broken down into direct, indirect, and induced impacts for each site.

Tax Revenue Impact by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	\$12.7 million	\$7.7 million	\$8.7 million	\$29.1 million
55 ByWard Market Square	\$4.2 million	\$2.5 million	\$2.9 million	\$9.6 million
York Street Plaza	\$3.8 million	\$2.3 million	\$2.6 million	\$8.6 million
Total	\$20.7 million	\$12.5 million	\$14.2 million	\$47.3 million

8.3.6 Job Creation

Job creation reflects the number of full-time equivalent (FTE) positions supported during the construction phase. This includes direct jobs within the construction sector and additional jobs created through supplier industries and household spending. For the ByWard Market redevelopment, job creation illustrates the project's immediate and widespread contribution to employment opportunities in the region.

The table below presents the job creation generated by construction spending through the whole construction period for each site.

Job Creation by Redevelopment Site

Site	Direct	Indirect	Induced	Total
70 Clarence Street	360	246	173	779
55 ByWard Market Square	119	82	58	259
York Street Plaza	106	73	51	230
Total	585	401	282	1,268



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