
Identifying the Needs for Lab Space in Brampton

November 7, 2024

Study Goals

CBRE, in partnership with Santis Health, conducted a feasibility study **to assess lab space demand for the life science sector in Brampton.**

This feasibility study aims to **identify the market demand for lab space, opportunities for partnerships, and the ideal composition of ecosystem players to create a thriving lab environment in Brampton** that supports the growth of institutional players, collaboration with industry partners, and development of early-stage companies through a collaborative life sciences community.

This work will support the City of Brampton in:

- Providing insights to help start-up retention in Brampton and Ontario
- Acknowledging investments (past and future) in its Innovation District
- Help develop talent for growing firms
- Enhancing Brampton's role in Ontario Life Sciences Strategy growth

This study provides insights using **two approaches:**

- 1) Ecosystem Analysis
- 2) Real Estate Analysis

Study Approach: (1) Ecosystem Analysis



Semi-structured interviews:

1-hour semi-structured **interviews.**

Target groups: Government, Healthcare, Academia, Industry, Ecosystem Partners

27 Completed Interviews

1 Scheduling in Progress

2 Declined / Non-Responsive Interviews

We provided interviewees with overall questions in advance.

Overall interview questions:

1. *What is the current state of lab space in Brampton?*
2. *Do you feel Brampton has the pieces/components for a thriving life sciences ecosystem?*
3. *What is the optimal location for new lab space in Brampton?*
4. *What would success look like for lab space in Brampton in 2-5 years?*

Stakeholders Engaged

Government (n=3), Academia (n=4),
Industry (n=11), Ecosystem partners (n=9)



Ministry of Economic
Development, Job
Creation and Trade



Study Approach: (2) Real Estate Analysis



Assessing the Demand

Determine the estimated **demand for laboratory space** and evaluate its **viability**.

- 1) Market outreach through CBRE's proprietary "Tenants in the Market" list
- 2) Establish any demand from key local institutions and assess their needs



Location intelligence

To identify the **ideal location for a thriving life science asset** we analyzed the following criteria:

- 1) Demand and industry clusters
- 2) Transportation and accessibility
- 3) Proximity to skilled workforce and ideation
- 4) Partnership and collaboration opportunities

Our Research Generated 5 Key Insights

1. Many Stakeholders Possess a **General Awareness of Brampton's Advantages...BUT Knowledge** of Brampton's Specific Innovation Assets **is Insufficient and Incomplete**
2. Brampton Has the **Critical Mix of "Anchor Institutions"** Required to Support a Thriving Ecosystem and **Strengthening Those Institutional Ties** Will Be Critical to Future Growth
3. **MedTech** is Brampton's **Area of Greatest Opportunity**, while Start-Ups and SMEs Need **Space AND Services**
4. **Phase II of Ontario's Life Sciences Strategy** Comes at the Perfect Time
5. Brampton Has a Number of **Logical Development Sites**

1. Many Stakeholders Possess a General Awareness of Brampton's Advantages...BUT Knowledge of Brampton's Specific Innovation Assets is Insufficient and Incomplete

- **Brampton's location**, in the Toronto and Kitchener-Waterloo corridor, makes it attractive for medical innovation and talent access.
- Brampton offers **more affordable real estate** compared to neighbors.
- **Close proximity to key partners** enables engagement among healthcare professionals, academic institutions, and startups.
- Significant **political will** exists in Brampton to develop the life sciences sector.
- However, many stakeholders outside Brampton are **uninformed about its strengths and unsure** what differentiates the city in this sector.

Physical proximity is key in the context of how you sort of package it together and don't create an island unto yourself ...but leverage it

Brampton has political will, it is a less tangible piece but that is huge. It's really important because that would accelerate the development of this.

I was doing some Googling to try and understand if there was any sort of centralized repository of assets that are available but I could not find it

I know the medical school is coming but other than that, no.

2. Brampton Has the Critical Mix of “Anchor Institutions” Required to Support a Thriving Ecosystem and Strengthening Those Institutional Ties Will Be Critical to Future Growth



Partnerships with key stakeholders are essential for driving innovation and providing resources.



Medical and academic institutions can provide resources, such as Principal Investigators (PIs) and access to patient populations for **preclinical studies**.



Existing collaborations between startups, hospitals, and research institutions **need better integration** to provide access to lab spaces, product validation, and equipment.



The **need for streamlined processes** in place was emphasized for a **successful collaboration** in Brampton.

“

It would be great if the city would work collaboratively with the medical school to try to get funding from the FedDev regional development innovation program.

”

“

The medical school at TMU would be a great collaborative partner so that clinicians at the Med school would be on site as PIs to help access the patient population.

”

“

Success looks like an integrated partnership with hospital researchers and the industry working together to achieve the impossible. To improve the health of the Brampton community through partnership, through collaboration, through an integrated approach, rather than everybody working in their own buildings with their own interests.

”

“

There needs to be more of a streamlined pathway that makes sense so that it's a bit less segregated

”

3. MedTech is Brampton's Area of Greatest Opportunity, while Start-Ups and SMEs Need Space AND Services



Brampton's medtech sector as its key strength in contrast with the biotech sector.

- There is currently **no incubator or accelerator** in the region for MedTech companies in areas such as **quality management systems and regulatory needs**.
- Biotech potential exists in oncology and mental health, supported by clinical research **capabilities at William Osler**.



Companies need space and services

- Early-stage MedTech companies in Brampton **need clear processes and guidance** to navigate **commercialization**.
- There is a lack of **high-caliber mentors and regulatory advice**.
- Startups struggle with **funding for pre-clinical trials and pilot studies**, making it difficult to enter new ecosystems effectively.

“If Brampton decides to take a Medtech angle, they have to make sure it's complementary to whatever neighbors are doing. It is important to recognize what's their strength.”

“It might be that a coalition of those big medtech companies in Brampton gets formed.”

“So far we haven't had access to that caliber of mentor. We're looking for mentors that have been in the Medtech space for Class 2 devices.”

“The problem is to commercialize the technology, and commercialize an idea requires a very different skill set. Research groups are usually not good at that.”

4. Phase II of Ontario's Life Sciences Strategy Comes at the Perfect Time

October 15, 2024: Announcement of **Phase II of Life Sciences Strategy**

- The Strategy focuses on promoting innovation, increasing investments, and advancing research to strengthen the province's position as a global leader in biomanufacturing and health sciences.
- The Strategy came with an **investment of \$146 million**. Some of the investments include:
 - Up to **\$46 million** for the Ontario Biosciences Research Infrastructure Fund, to help **boost research capacity** at **academic institutions and research hospitals**.
 - **\$15 million** for a new wet labs program to make it easier for companies to **access lab spaces**.
 - **\$40 million** from the Venture Ontario Fund to **support venture capital for Ontario-based life sciences companies and biomanufacturers**.
- Phase II promises a **new Health Innovation Pathway**, aimed to **streamline and simplify access** for health care organizations **to adopt groundbreaking technologies** with the priority to support Ontario-based innovations.

Real Estate Analysis - Assessing the Demand (I)

CBRE entered into the project with an expectation that the commercial demand it had been tracking throughout the GTHA would not justify a new lab development in Brampton. While that assumption wasn't proven to be wrong, **we found something that proved to be far more critical.**



118 active tenant requirements were surveyed on both their requirement status and asked the question of “**what about Brampton**”unsurprisingly, **results were mixed**



General sentiment was **a desire to stay close to where the company was founded** due to existing employee bases and founder participation in ongoing institutional work, however, 37% of respondents indicated that they would consider making the **move to Brampton if the lab space and support services they require exist there**



It should be noted that these companies are generally looking for turnkey space and don't have the capital for build-outs, budget for market rent based on cost, nor **covenants that would be deemed “bank financeable”**

The question that needed to be answered was whether or not the type of tenant demand that can support the underwriting of a new development existed. We found that the **viable institutional demand to support a development pro forma seems to exist from within Brampton**.....the question then is, how do we bring that together?

Real Estate Analysis - Assessing the Demand (II)

As mentioned, the project initially assumed that lab demand external to Brampton was the key factor to growing the sector, however, the City needs to **build the environment that not only attracts, but more importantly, fosters from within**...building this starts with the needs of the institutional anchors.



Early indications for the new school of medicine are that it will be focused on training clinical staff...**TMU needs to have innovation planned into that facility**



WOH needs to expand their research operations and if this can be done as part of a multi-tenanted facility, this would be a catalyst for innovation and collaboration



Both the location and space needs at BVZ are under consideration...**if lab space was accessible, it would support start-up programming and provide a key component in the “suite of services”**



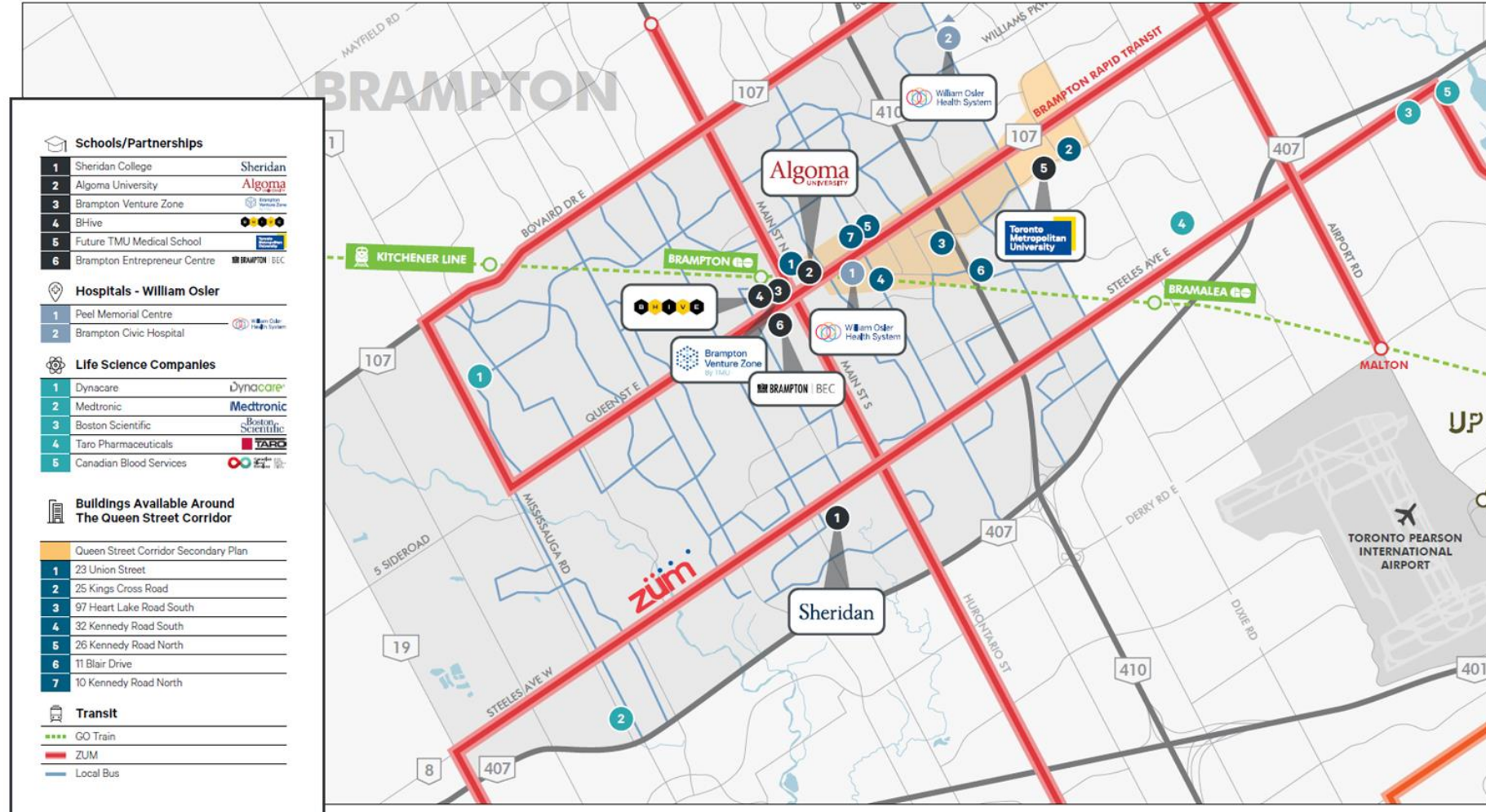
Both **Algoma University and Sheridan College are expanding** science programming and could be a piece of the puzzle

Fostering a research partnership between academia and WOH will develop IP and new companies. Ensuring local **academic institutions develop talent** to support both healthcare research and large-local industry needs, will grow the existing employment base in Brampton.

Real Estate Analysis - Location Intelligence



After extensive stakeholder engagement, the sentiment was clear as to the corridor of innovation and opportunity for lab assets to support sector growth.



“The proximity to universities, hospitals, and transit hubs (like GO Transit and the upcoming LRT) should play a key role in determining the location for a life sciences development”

5. Brampton has a Number of Logical Development Sites

The clustering of research significantly impacts the proclivity for innovation and Brampton's foundational building blocks are the gravitational pull for future laboratory assets, **making the Queen St corridor between downtown and Bramalea Civic Centre the key area of interest.**



Downtown possesses the “B-Ecosystem” in the Innovation District, including the BEC, BVZ and B-Hive, as well as the presence of **Algoma University and their continued expansion** into health sciences



The **land on Queen Street directly in front of Peel Memorial Hospital and William Osler's research operations** presents a great opportunity to have clinical services at your doorstep



The **TMU Medical School at Bramalea Civic Centre** presents an opportunity for ideation to turn into IP if innovation is part of the programming

All three areas present strengths from an ecosystem building standpoint, but possess development hurdles that would need to be overcome for a project to advance.

What a Successful Outcome Looks Like

Two phases of development are required in a long term vision:

- Phase 1 should be a multi-tenanted facility which brings academic and healthcare research together and will give organic IP and early stage companies a place to germinate

- Phase 2 would be a larger facility where companies can expand when they've outgrown the phase 1 facility

“An integrated partnership between institutional researchers and industry, working together to achieve the impossible. So, whether it be cures, drugs or medical devices, improve the health of the Brampton community through partnership, through collaboration, through an integrated approach, rather than everybody working in their own buildings with their own interests.”

Phase 1- Stacking Plan



*potential construction – partnership and affiliations are conceptual

Preliminary Recommendations

Overview

Our recommendations are clustered into 3 broad buckets:

Funding

- 1) Work with supporters at Queen's Park to ensure that Phase II of Ontario's Life Sciences Strategy is flexible enough to accommodate the engineering and "dry labs" the Medtech sector needs - not just the "wet labs" required by biopharma start-ups.
- 2) Identify existing and new opportunities to access funding from FedDev, based on the agency's previous investments in life sciences.

Partnerships and Programs

- 3) Develop an integrated marketing platform that highlights the Brampton ecosystem - and clearly communicates how to access its key institutions, assets and initiatives.
- 4) Collaborate with Brampton's anchor institutions - including WOH, TMU, Algoma, and Sheridan - to foster the growth of early-stage companies by providing support with pre-clinical validation, clinical trials, access to animal facilities, mentorship, and regulatory consultation.

Infrastructure

- 5) Work with anchor institutions to determine their ability to integrate their future programming into a new facility that includes incubation space with the necessary physical traits and suite of services including partnerships for the start-up community to accelerate their commercialization process.
- 6) Encourage institutional labs and research requirements to come together in a collaborative, multitenant facility along the Queen Street Corridor. CBRE recommends the vacant land in front of Peel Memorial Hospital or downtown Brampton for any new build site, or, if possible, within the TMU Medical School if there is excess space that has yet to be programmed.

Thank you.