

Commercial Market Study

City of St. Thomas

Final Report

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In association with: DILLON CONSULTING

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List of Acronyms and Abbreviations

C.M.A.	Census Metropolitan Area
G.A.F.O.	General Merchandise, Apparel, Furniture and Other Retailers
G.L.A.	Gross Leasable Area
O.P.	Official Plan
O.P.A.	Official Plan Amendment
P.P.S., 2020	Provincial Policy Statement, 2020
P.P.S., 2024	Provincial Planning Statement, 2024
P.T.A.	Primary Trade Area
S.A.B.E.	Settlement Area Boundary Expansion
S.T.A.	Secondary Trade Area

Executive Summary

Terms of Reference

The City of St. Thomas retained Watson & Associates Economists Ltd. (Watson) in association with Dillon Consulting Ltd. (Dillon) in the summer of 2024 to provide an Updated Commercial Market Study as a part of the Official Plan Review. A key objective of the study is to assess the anticipated commercial market demand in the City to the 2051 planning horizon and identify corresponding commercial land needs over the forecast period.

Previous Commercial Market Study

Watson has conducted a review of the Retail Market Study prepared in 2015 by W. Scott Morgan & Associates (Morgan). The 2015 study conducted by Morgan indicated that the City was in a state of commercial equilibrium, meaning that the market was balanced without being under-stored or over-stored in that year. This assessment was made despite significant store closures that took place just before the study, including the closing of Sears and Zellers. Overall, the 2015 study by Morgan concluded that the City would require 250,000 sq.ft. (approximately 23,200 sq.m) of retail floor space by 2031, representing between 8 hectares (19 acres) and 9 hectares (23 acres) of commercial land. It is important to note that Morgan does not identify the net commercial land needs, which would determine the commercial demand for land versus the available commercial land supply. This is likely due to the modest commercial floor space demand anticipated over the 2015 to 2031 period and that the vacant floor space in the City at the time was estimated at 313,000 sq.ft. (approximately 29,100 sq.m).

Provincial Policy Context

On August 19, 2024, the Province released the Provincial Planning Statement, 2024 (P.P.S., 2024), which replaces the Provincial Policy Statement, 2020 (P.P.S., 2020) and A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 (Growth Plan) as an integrated document. The P.P.S., 2024 was released in coordination with Bill 185, *Cutting Red Tape to Build More Homes Act*. The P.P.S., 2024 came into effect on October 20, 2024. The P.P.S. stresses the importance of embracing "complete community" principles, such as providing an adequate mix of employment opportunities for residents, accommodating a range of retail and services, encouraging pedestrian movement, and establishing a sense of place. While the P.P.S., 2024 encourages the

planning of complete communities and providing a range of employment opportunities, it does not provide a policy framework for the protection of designated commercial lands.

Under the new provincial definition of Employment Area, the City of St. Thomas, along with other Ontario municipalities, is required to plan for and protect industrial uses based on a more narrowly scoped definition of Employment Area and is limited to these uses. The new definition of Employment Area is primarily industrial in nature, or includes other uses associated or ancillary to the primary use. It is crucial for the City to ensure that opportunities for commercial uses previously permitted in Employment Areas remain viable in light of the provincial updates to the definition of Employment Area in the P.P.S., 2024 and the *Planning Act*, which now limits these areas exclusively to industrial uses. These commercial uses would include the following that typically require industrial site characteristics or a site to serve business-to-business trade:

- Construction and trade suppliers (tile shops, spa/pool providers, flooring stores, plumbing supply stores, HVAC/electrical distributors and auto parts shops);
- Auto repair/services and collision/autobody services (requires buffering from Community Area uses);
- Banquet halls and large assembly meeting facilities (requires significant parking, high-ceiling spaces, and often requires large loading facilities for the movement of equipment, furniture/décor, and catering);
- Car/truck rentals and equipment rental facilities (requires large sites for parking and large loading facilities); and
- Automotive dealerships (requires large sites for on-site vehicle storage and service bay facilities).

In addition to the above, there may be a need to provide food services (restaurants), fitness centres, hotels, daycares, and other services and amenities in a node near an Employment Area to support its function. In 2018, the City of St. Thomas established through Official Plan Amendment 90 a Business Employment designation which accommodates these employment uses and also acts as a transition and buffer between residential and Employment Area uses. It is recommended that the City regularly assess its Business Employment lands supply to ensure that an adequate supply of lands is designated and available to support growth opportunities related to the above-mentioned sectors.

Local Policy Context

The City's downtown represents the historical core of the community and provides a mix of uses, including a range of commercial uses. The City's primary commercial areas consist of the Major Commercial area (Elgin Centre) and the Power Centre Commercial area at Talbot Street and First Avenue. Additionally, the City's commercial structure includes a Secondary Commercial area at Wellington Road and First Avenue and various Minor Commercial areas that function as neighbourhood commercial uses. In addition, three Highway Commercial areas are accommodated to cater to the travelling public, with one located in the east end (in proximity to Talbot Street), one to the northwest (Sunset Drive/Major Line) and the third in the northeast part of the City (Highbury Avenue/Ron McNeil Line).

Commercial Market Considerations

Over the past decade, Canada's largest retailers have successfully sustained an extensive portfolio of stores, albeit with only a slight increase in square footage and an emphasis on renovations and upgrades. During the height of the coronavirus disease (COVID-19) pandemic, many retailers pivoted and migrated to a hybrid store model with e-commerce capabilities. Across Canada, retail vacancy rates are generally considered to be in a healthy range. Certain retail sectors and retail location types in Canada are facing challenges, particularly small indoor shopping malls and retail corridors that serve the office market, such as those found in downtown Toronto or downtown London. Unlike the United States, Canada's retail market was not in an over-stored position leading up to the pandemic.

The following are key considerations for the commercial market:

- A key driver of commercial demand is population growth;
- E-commerce is expected to affect the regional commercial attractiveness of the City, as residents increasingly turn to online platforms for comparison shopping (e.g., apparel, office supplies, electronics, décor, household goods, toy and hobby goods, etc.), facilitated by continuous enhancements in shipping services (i.e., delivery time improvements, especially in rural areas);
- Commercial growth is anticipated to largely consist of commercial uses serving the local population base (e.g., drug stores, health care stores, food stores, restaurants, personal and professional services, and medical/health care offices); and

- There will still be a need to plan for regional-serving retail uses, as well as large stand-alone commercial uses and uses that do not fit in with mixed-use environments.

Planning for Mixed-Use

While e-commerce may be putting downward pressure on commercial demand, it is recognized that, over time, there will be a need to redevelop some of the City's existing building space that will become obsolete due to the building's age and format. The commercial demand forecast assumes that a portion of the new retail and service commercial building space requirements can be accommodated through redevelopment. In addition, it is expected that other intensification may be accommodated on developed commercial lands through the addition of buildings or the expansion of existing commercial space. Overall, it is anticipated that approximately 20% of the City's retail and service commercial space demand will be accommodated through intensification, which includes redevelopment and infill development.

Commercial uses accommodated in a mixed-use environment typically include retailers with smaller footprints, including commercial services, food services (restaurants), health care stores, convenience stores, personal and professional services, and medical/health services.

Approach to Commercial Market Study

The trade area for St. Thomas has not changed since the 2015 study; this is supported by recent mobile ping data from a third-party provider, which identifies the origins of customers shopping in St. Thomas. The trade area includes the following municipalities in the Elgin County Census Division and is unchanged from the 2015 Commercial Market Study:

- Primary Trade Area: City of St. Thomas.
- Secondary Trade Area: Municipality of Central Elgin, Township of Southwold, Township of Malahide, and Town of Aylmer.

Over the 2024 to 2051 period, the trade area is anticipated to reach a population of 129,600, an increase of 44,900 persons, or 1,700 persons annually.

Existing Commercial Base

With the assistance of City of St. Thomas staff, Watson has compiled a summary of the total commercial floor space in St. Thomas, including vacant commercial space. As of 2024, it is estimated that the City has approximately 2,559,000 sq.ft. (approximately 237,700 sq.m) of commercial floor space. It is estimated that the City averages approximately 55 sq.ft. (5.1 sq.m) per resident. The vacancy rate is estimated at 7%, which is considered within a healthy range. A vacancy rate between 5% and 8% is considered a healthy vacancy rate in a balanced market. It allows new retail businesses to have market choice when looking for retail space in the short term and provides existing retail businesses opportunities to review lease renewal options, such as expansion or relocation. Appendix B provides a summary of the City's commercial inventory.

Vacant Commercial Lands

Excluding sites less than 0.25 hectares (0.6 acres), the City has 10 designated commercial sites totalling approximately 8 hectares (10 acres). The City lacks vacant sites of at least 2 hectares in size, which limits the opportunities for a wide range of commercial uses, including food stores (grocery stores) and large non-food stores. Appendix C provides the mapping of the vacant commercial land inventory.

Commercial Demand

It is forecast that the City will require at least 1,115,000 sq.ft. (103,600 sq.m) of commercial floor space over the 2024 to 2051 period. Furthermore, it is estimated that approximately 20% of the commercial floor space will be accommodated through intensification opportunities. Detailed tables by commercial category are provided in Appendix D.

Based on the discussed commercial floor space demand, it is estimated that the commercial floor space per resident in the City of St. Thomas will decrease from 55 sq.ft. (5.1 sq.m) per resident to 46 sq.ft. (4.3 sq.m) per resident, recognizing key commercial disruptors such as e-commerce. As such, e-commerce is anticipated to downwardly impact commercial floor space per resident by 20%. As previously discussed, it is anticipated that local-serving retail uses will drive commercial development.

Commercial Land Needs

The City is anticipated to accommodate a significant increase in commercial floor space to 2051, driven by anticipated robust population growth. The trade area is expected to accommodate a population growth of 44,900 people, with the City of St. Thomas accommodating 74% of the population growth (population growth of 33,100 people). To accommodate this population growth, the City will require 1.1 million sq.ft. (approximately 103,600 sq.m) of commercial floor space over the 2024 to 2051 period. Adjusted for intensification opportunities, it is anticipated that commercial land absorption will amount to 33 hectares (approximately 82 acres). Based on a review of the vacant commercial land supply, there is a shortfall of **24 hectares (approximately 59 acres)** to accommodate commercial development by 2051.

Opportunities in the City's New Growth Areas (S.A.B.E.s)

The City's new growth areas, referred to as S.A.B.E.s, offer a chance to optimize the distribution of commercial services within the City. Chapter 5 provides insights into the opportunities available in each S.A.B.E. area. Area #1 is identified as an ideal location for a grocery store-anchored commercial node covering 4 hectares, which would include a variety of local-serving businesses. Furthermore, it is recommended to establish another grocery store-anchored commercial node of the same size along Fingal Line to serve the residents of Areas #2 and #3. This node would also act as a community service centre, benefiting the nearby elementary school within the Township of Southwold. Additionally, in Area #4, a small commercial site of about 1 hectare is recommended, which would house a convenience store and other small retail establishments to serve the local population over the long-term. It is important to note that the City has opted not to pursue S.A.B.E. Area #4 for urban development at this time, as the costs of extending municipal water and sanitary services to the area, along with the need to upgrade Bush Line to municipal standards.

Regional serving commercial uses should be explored along Sunset Drive and in Area #1 that would support the City's need for 14 hectares of non-food store retail uses.

Policy Considerations

The following policy considerations have been provided:

- Establishing commercial land conversion principles;

- Allow commercial areas to evolve into mixed-use sites while protecting commercial function for the long-term;
- Encourage commercial development on utilized commercial lands;
- Support the distribution of retail and commercial uses across the City;
- Plan for the development of commercial nodes in the City's new growth areas (S.A.B.E.s); and
- Continue to support opportunities within the Business Employment designation.

1. Introduction

1.1 Terms of Reference

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Commercial lands provide an important component in building complete communities by providing access to retail goods and services to residents. A key component of planning for commercial uses requires consideration of the anticipated types of commercial uses needed to support the current and future population and visitors, as well as the opportunity to accommodate commercial uses in mixed-use environments.

1.2 City of St. Thomas Commercial Market Study, 2015

Watson has conducted a review of the Retail Market Study prepared in 2015 by W. Scott Morgan & Associates (Morgan). This study identified the commercial demand and corresponding land requirements for the period from 2015 to 2031, spanning 16 years. It is important to note that the long-term analysis conducted by Morgan covers a shorter time frame than the time frame being examined by Watson, which extends from 2024 to 2051, a total of 27 years. Additionally, Morgan's 2015 study was based on accommodating commercial demand associated with population growth of 7,540 residents (an annual population growth rate of 1.1%). In contrast, this updated assessment carried out by Watson is based on accommodating commercial demand for a population increase of 33,100 residents, reflecting a longer time horizon and a more substantial rate of population growth (an annual population growth rate of 2.0%).

The 2015 study conducted by Morgan indicated that the City was in a state of commercial equilibrium, meaning that the market was balanced without being under-stored or over-stored in that year. This assessment was made despite significant store closures that took place just before the study, including the closing of Sears and Zellers. Overall, the 2015 study by Morgan concluded that the City would require 250,000 sq.ft.

(approximately 23,200 sq.m) of retail floor space by 2031, representing between 8 hectares (19 acres) and 9 hectares (23 acres) of commercial land. It is important to note that Morgan does not identify the net commercial land needs, which would determine the commercial demand for land versus the available commercial land supply. This is likely due to the modest commercial floor space demand anticipated over the 2015 to 2031 period and that the vacant floor space in the City at the time was estimated at 313,000 sq.ft. (approximately 29,100 sq.m).

1.3 Policy Context

1.3.1 Provincial Planning Statement, 2024

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Under the new provincial definition of Employment Area, the City of St. Thomas, along with other Ontario municipalities, is required to plan for and protect industrial uses based on a more narrowly scoped definition of Employment Area and is limited to these uses. The new definition of Employment Area is primarily industrial in nature, or includes other uses associated or ancillary to the primary use. It is crucial for the City to ensure that opportunities for commercial uses previously permitted in Employment Areas remain viable in light of the provincial updates to the definition of Employment Area in the P.P.S. 2024 and the *Planning Act*, which now limits these areas exclusively to industrial uses. These commercial uses would include the following that typically require industrial site characteristics or a site to serve business-to-business trade:

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- Automotive dealerships (requires large sites for on-site vehicle storage and service bay facilities).

In addition to the above, there may be a need to provide food services (restaurants), fitness centres, hotels, daycares, and other services and amenities in a node near an Employment Area to support its function. In 2018, the City of St. Thomas established through O.P. Amendment (O.P.A.) 90 a Business Employment designation which accommodates these employment uses and also acts as a transition and buffer between residential and Employment Area uses. It is recommended that the City regularly assess its Business Employment lands supply to ensure that an adequate supply of lands is designated and available to support growth opportunities related to the above-mentioned sectors.

1.3.2 City of St. Thomas Official Plan

The City of St. Thomas O.P. includes the following designations that primarily permit commercial uses:

City's Downtown

- Talbot Central
- Talbot West
- Talbot East

Major Commercial Areas

- Power Centre
- Major Commercial

Other Commercial Designations

- Secondary Commercial
- Office Professional

- Highway Commercial
- Minor Commercial

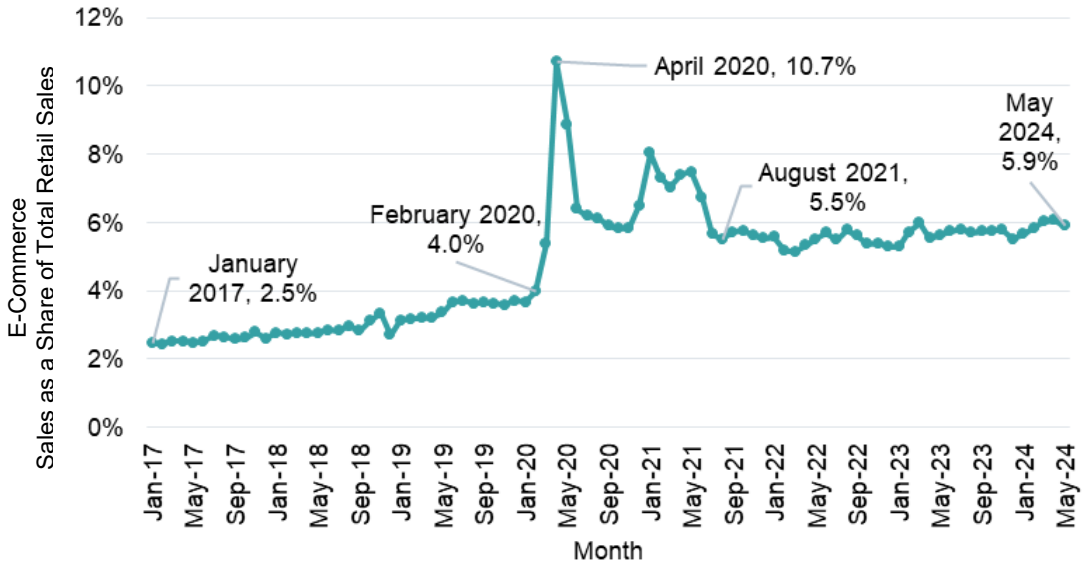
The City's downtown represents the historical core of the community and provides a mix of uses, including a range of commercial uses. The long-term objective of the O.P. is to protect the commercial function of the Downtown. The City's primary commercial areas consist of the Major Commercial area (Elgin Centre) and the Power Centre Commercial area at Talbot Street and First Avenue. Additionally, the City's commercial structure includes a Secondary Commercial area at Wellington Road and First Avenue and various Minor Commercial areas, which function as neighbourhood commercial uses. In addition, three Highway Commercial areas are accommodated to cater to the travelling public, with one located in the east end (in proximity to Talbot Street), one to the northwest (Sunset Drive/Major Line), and the third in the northeast part of the City (Highbury Avenue/Ron McNeil Line). The existing commercial structure has effectively served the City for many years; however, as the City is now poised to experience significant growth, there is an opportunity to adjust the commercial policy structure in the O.P. to support of this next wave of population and employment growth.

2. Commercial Market Considerations

2.1 E-Commerce Impact

It is important to consider the current market conditions in the commercial market today. E-commerce sales in Canada have grown significantly over the past decade, with a notable acceleration during the coronavirus disease (COVID-19) pandemic. In the last two years, however, sales have decreased from peak levels attained during the pandemic, resulting in a stabilization of the market towards e-commerce. The expansion of e-commerce has not had the catastrophic impact on the retail market that many may have anticipated. Figure 1 summarizes the share of e-sales since 2017. As shown in the figure, e-commerce sales in Canada have stabilized and are estimated to represent 5.9% of Canadian retail sales as of May 2024.

Figure 1
Canada
E-Commerce Sales as Share of Total Retail Sales, 2017 to May 2024



Source: Derived from Statistics Canada, Table 20-10-0081-01, Historical (real-time) releases of monthly retail trade, sales (x 1,000) by Watson & Associates Economists Ltd.

An essential component of the e-commerce landscape is the need for physical retail spaces to effectively manage returns and fulfill local online orders, which emphasizes the growing relevance of bricks-and-mortar retail. For example, Canadian Tire and Ikea are developing stores that feature significant logistics capabilities, with areas designated for warehousing popular e-commerce items, such as on upper floors or mezzanine levels. Canadian Tire recently opened a store in Welland, Ontario, its largest store in Canada, which includes a dedicated section for fulfilling online orders. Moreover, many large Walmart stores and several major grocery chains in Canada have begun to allocate portions of their commercial floor space as micro-fulfillment centres for e-commerce orders. Additionally, bricks-and-mortar stores are being utilized by e-commerce companies. Staples, for example, facilitates Amazon returns at all its stores in Canada. Logistics firms like Intelcom, Purolator, FedEx, and UPS are progressively depending on retailers to act as intermediaries for managing their e-commerce return processes. These arrangements have become essential for managing the "last mile" of delivery, which represents the most costly aspect of the delivery process, while also offering retailers additional revenue opportunities.

Over the past decade, Canada's largest retailers have successfully sustained an extensive portfolio of stores, albeit with only a slight increase in square footage and an emphasis on renovations and upgrades. During the height of the pandemic, many retailers pivoted and migrated to a hybrid store model with e-commerce capabilities. Across Canada, retail vacancy rates are generally considered to be in a healthy range. Certain retail sectors and retail location types in Canada are facing challenges, particularly small indoor shopping malls and retail corridors that serve the office market, such as those found in downtown Toronto or downtown London. Unlike the United States, Canada's retail market was not in an over-stored position leading up to the pandemic.

The following are key considerations for the commercial market:

- A key driver of commercial demand is population growth;
- E-commerce is expected to affect the regional commercial attractiveness of the City, as residents increasingly turn to online platforms for comparison shopping (e.g., apparel, office supplies, electronics, décor, household goods, toy and hobby goods, etc.), facilitated by continuous enhancements in shipping services (i.e., delivery time improvements, especially in rural areas);
- Commercial growth is anticipated to largely consist of commercial uses serving the local population base (e.g., drug stores, health care stores, food stores, restaurants, personal and professional services, and medical/health care offices); and
- There will still be a need to plan for regional-serving retail uses, as well as large stand-alone commercial uses and uses that do not fit in mixed-use environments.

2.2 Planning for Mixed-Use



A major objective of provincial planning policy is that municipalities ensure land is available to accommodate a range and mix of land uses to support mixed-use developments that embrace "complete community" principles, such as providing an adequate mix of employment opportunities for residents, accommodating a range of retail and services, encouraging pedestrian movement, and establishing a sense of place. Striking a balance in supporting mixed-use development and ensuring an adequate supply of non-residential lands in St. Thomas will be a key challenge for the City going forward, especially with increasing pressure to accommodate residential development. The assumption for commercial land demand is that, over time, some of the designated lands may support opportunities for mixed-use development, including residential uses. The addition of residential uses on commercial lands could be realized by increasing the utilization level of designated commercial lands (i.e., reducing land allocated for parking to accommodate residential uses) and by changing the built-form of retail uses. In order to support this, the City may need to explore updating O.P. policies that include measures aimed at safeguarding the commercial viability and function of mixed-use sites.

While e-commerce may be putting downward pressure on commercial demand, it is recognized that, over time, there will be a need to redevelop some of the City's existing building space that will become obsolete due to the building's age and format. The commercial demand forecast assumes that a portion of the new retail and service commercial building space requirements can be accommodated through redevelopment. In addition, it is anticipated that other intensification may be accommodated on developed commercial lands through the addition of buildings or the expansion of existing commercial space. Overall, it is anticipated that approximately 20% of the City's retail and service commercial space demand will be accommodated through intensification, which includes redevelopment and infill development. This is discussed later in Chapter 5.

Commercial uses accommodated in a mixed-use environment typically include retailers with smaller footprints, such as commercial services, food services (restaurants), health

care stores, convenience stores, personal and professional services, and medical/ health services.

3. Approach to Commercial Market Study

3.1 Trade Area Delineation

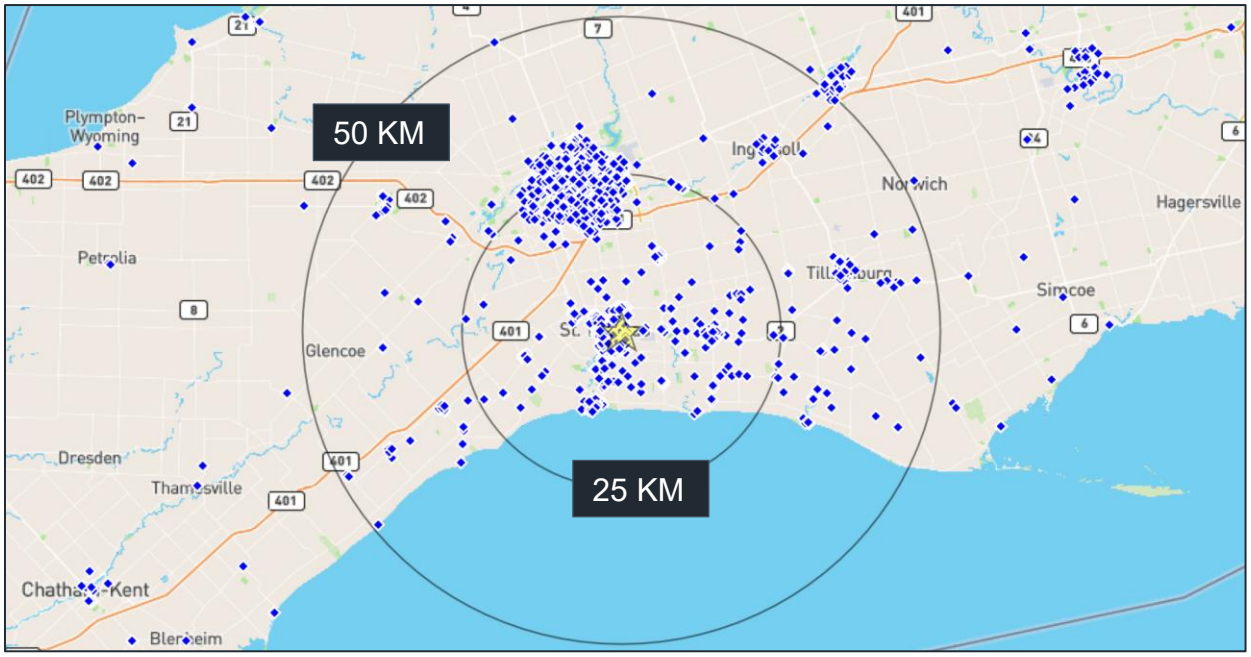
The trade area for St. Thomas has not changed since the 2015 study; this is supported by recent mobile ping data from a third-party provider, which identifies the origins of customers shopping in St. Thomas. Mobile pings are signals that are made periodically from cell phones to nearby cell towers. Each ping includes the cell phone's unique identifier (similar to an internet IP address). Third-party data providers are able to supply privacy-compliant customer data that identifies the number of unique visitors to a given retail site, including the frequency of visits over a time period and the origin of the visitor by postal code. Cellular ping data has become a common data source in understanding customer origins in the retail industry, replacing licence plate surveys. The Elgin Centre Mall in St. Thomas was used as the location to observe trends, since this commercial area would have the largest customer draw within the City given the number of comparison retailers (retailers that sell apparel, accessories, jewellery, general merchandise, electronics, sporting goods, toys, etc.).

The cellular ping data provided interesting insights into the patterns of visitors to St. Thomas. It is estimated that over the past year, approximately 62% of visitors (number of unique visitors) were residents from the City of St. Thomas. Beyond the City of St. Thomas, penetration levels were highest from the adjacent municipalities of Southwold, Aylmer, Malahide, and Central Elgin. It is estimated that the City of St. Thomas and these adjacent municipalities represent 69% of visitors to the Elgin Centre Mall in St. Thomas.

Figure 2 provides a map of the visitors to the Elgin Centre Mall in St. Thomas. As shown, most of the visitors are from within 25 km of the Elgin Centre Mall. Beyond a 25 km radius, visitors are largely from the City of London, Ingersoll, Tillsonburg, and the surrounding rural area. Residents from the City of London represent 11% of visitors; however, given the population size of the City of London, these visitors represent a very small portion of the City's population base (i.e., penetration levels are low, which is calculated based on visitors divided by total number of residents). Visitor origins south of Highway 401 and within 25 km of the City of St. Thomas and the adjacent

municipalities of Southwold, Aylmer, Malahide, and Central Elgin, are not only highly concentrated, but have high penetration levels. Appendix A provides a summary of this data, confirming the trade area delineation.

Figure 2
Elgin Centre Mall Commercial Sites
Visitors' Origins, November 1, 2023 to October 31, 2024



Notes: Device residences are shown within 25 and 50 km and beyond. Sample based on a period covering November 1, 2023 to October 31, 2024. During the study period, 8,743 unique devices were observed in the study area, comprising 27,539 unique visits.
Source: Kalibrate Canada Inc., SiteIntel Report (custom request), 2024.

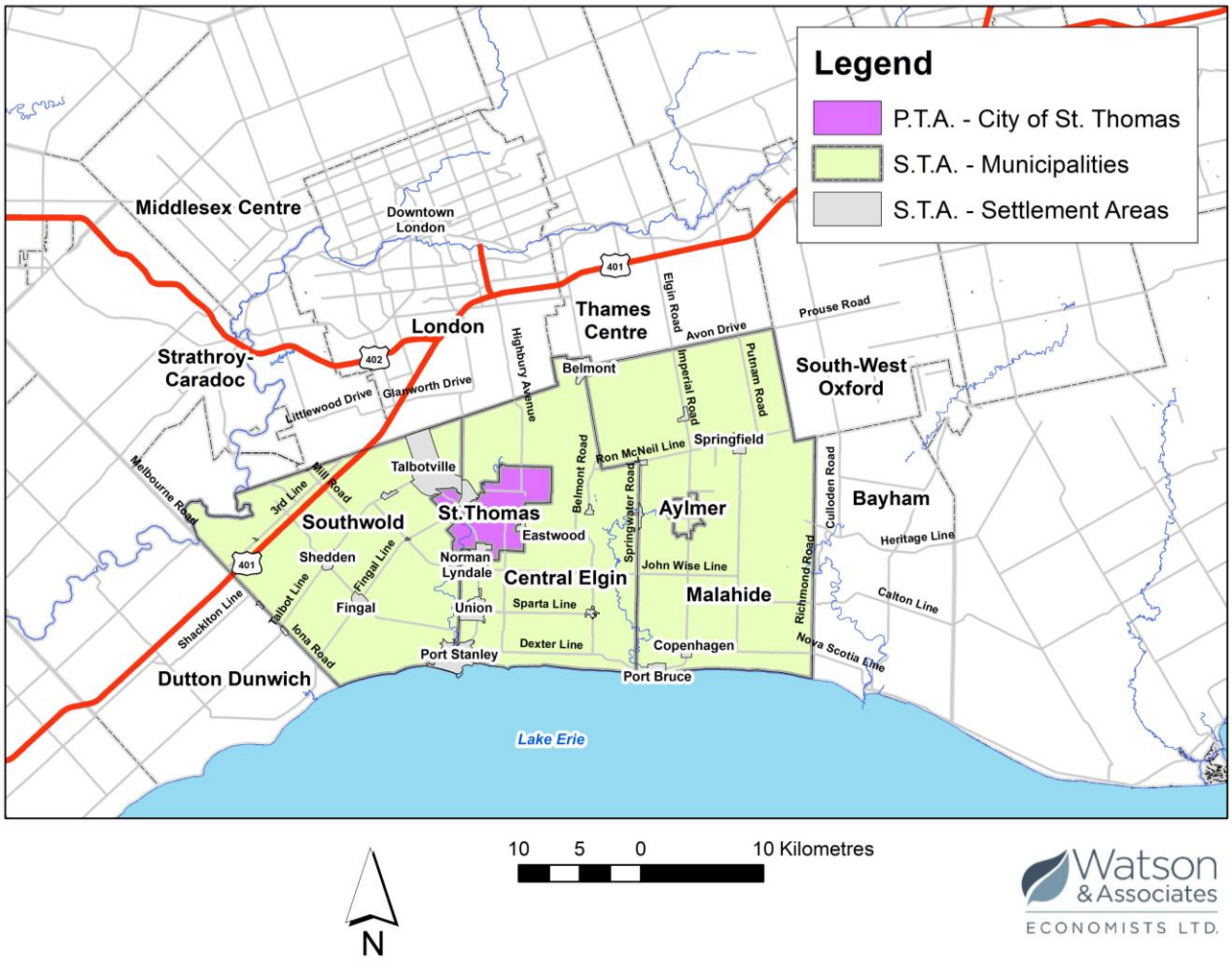
Figure 3 provides a map of the trade area delineation. Based on the previously mentioned review, the trade area includes the following municipalities in the Elgin County Census Division and is unchanged from the 2015 Commercial Market Study:

- Primary Trade Area (P.T.A.): City of St. Thomas.
- Secondary Trade Area (S.T.A.): Municipality of Central Elgin, Township of Southwold, Township of Malahide, and Town of Aylmer.

It is important to note that the trade area dynamics vary by retail category, and Figure 3 represents the maximum extent of the trade area for a number of retail categories. The P.T.A. (St. Thomas) accounts for the largest proportion of sales within this trade area.

Residents of the S.T.A. have retail options that are conveniently located nearby, including grocery and convenience stores, along with other local services (for instance, the Town of Aylmer). Additionally, as one moves further away from the City of St. Thomas, larger urban centres, particularly the City of London, become increasingly appealing to the S.T.A. residents.

Figure 3
City of St. Thomas
Commercial Trade Area Delineation

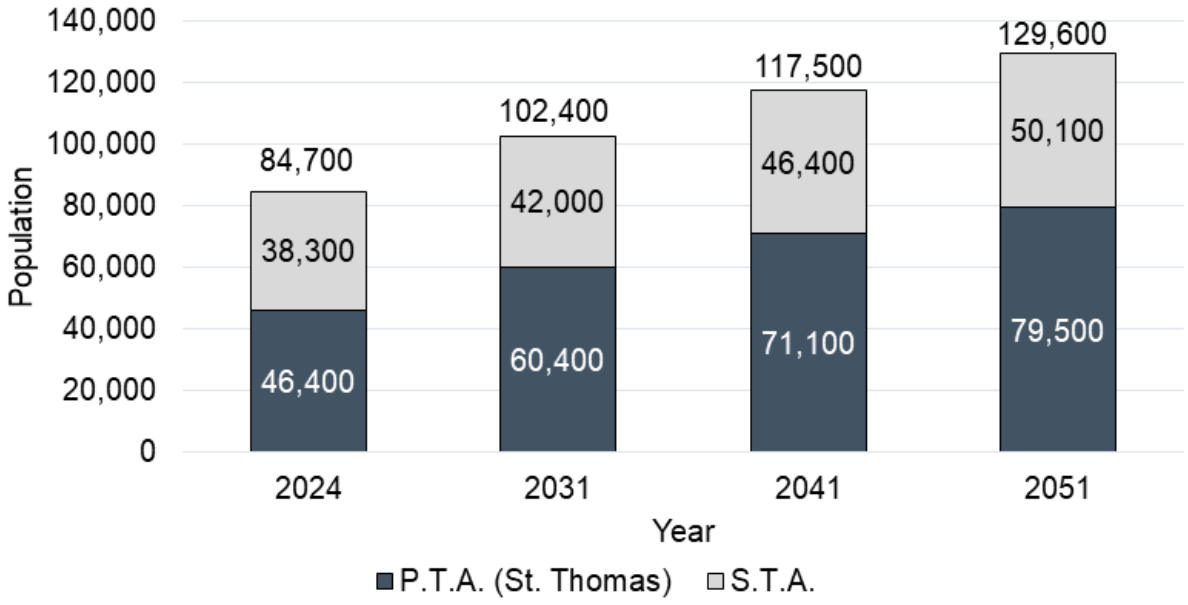


3.2 Trade Area Demographics

3.2.1 Population Forecast

It is estimated that the total population of the trade area is approximately 84,700 people as of 2024 (includes population undercount). Over the 2024 to 2051 period, the trade area is anticipated to reach a population of 129,600, an increase of 44,900 people, or 1,700 people annually. Population utilized in the commercial technical work by Watson is based on recent forecasts carried out for O.P. reviews, growth forecasting studies, and recent forecasts prepared for development charges background studies. Figure 4 provides a summary of the trade area population growth to 2051.

Figure 4
City of St. Thomas
Trade Area Population Growth to 2051



Notes: Includes population undercount. P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area.
Source: Based on the City of St. Thomas Population and Household Projections prepared by Watson & Associates Economists Ltd., August 2022. S.T.A. population forecast based on Official Plan and development charges background study forecasts prepared for the Township of Southwold, Town of Aylmer, Municipality of Central Elgin, and Malahide.

3.2.2 Average Per Capita Income

Figure 5 provides a comparison of the average household income per capita (a commercial metric that identifies the relative purchasing potential based on income and household size). As summarized in Figure 5, the City of St. Thomas has a lower household income per capita (column D) average than the Province and the London Census Metropolitan Area (C.M.A.). It is important to recognize that spending patterns are based not only on average household income but also on household size. The spending patterns of a one-person household will differ from a family household.

Figure 5
Trade Area
Average Per Capita Income

Location	Average Household Income (2020)	Persons per Unit	Average Household Income per Capita	Income Index to Province
-	A	B	C = A / B	D = C / $43,900
Ontario	$116,000	2.642	$43,900	100.0
County of Elgin Census Division (Includes City of St. Thomas)	$95,900	2.591	$37,000	84.3
London C.M.A.	$98,500	2.495	$39,500	90.0
City of St. Thomas	**$86,600**	**2.458**	**$35,200**	**80.2**
S.T.A.: Central Elgin, Aylmer, Southwold, and Malahide	$108,800	2.756	$39,500	90.0

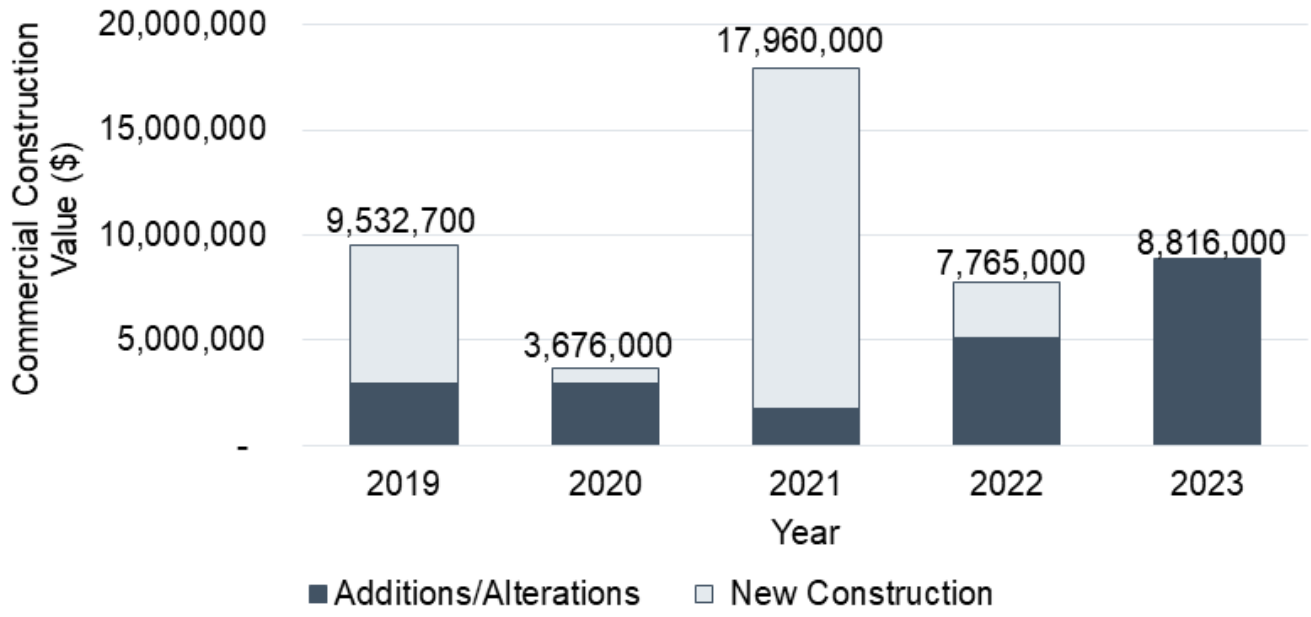
Note: Figures have been rounded. C.M.A. means Census Metropolitan Area. S.T.A. means Secondary Trade Area.
Source: Derived from Statistics Canada, 2021 Census by Watson & Associates Economists Ltd.

3.2.3 City of St. Thomas Commercial Construction Trends

As summarized in Figures 6a and 6b, over the 2019 to 2023, investment in the commercial market in St. Thomas has consisted of a large amount of investment in improving and expanding existing commercial buildings in St. Thomas. It is estimated that approximately 45% of the construction value in the St. Thomas commercial market

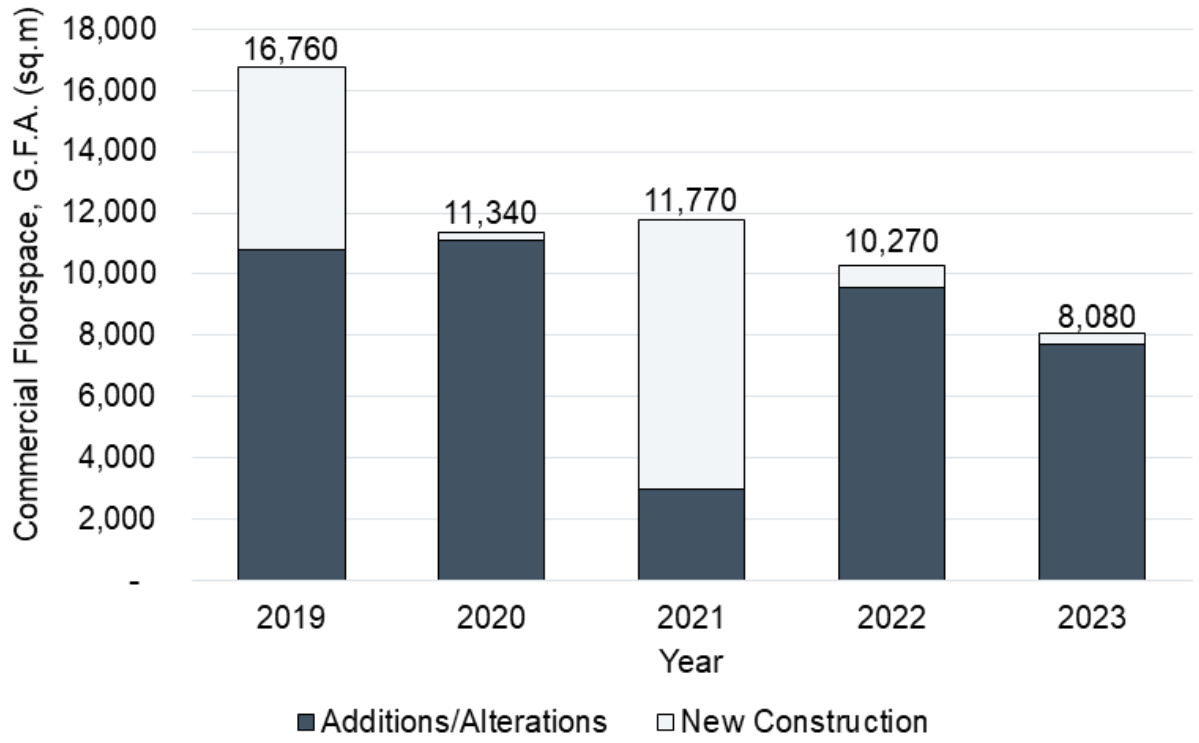
has included alterations and new additions to existing commercial buildings. For example, Elgin Centre has transformed the former Zellers commercial area by filling it with smaller tenants. From 2019 to 2023, new construction accounted for 55% of the total construction value associated with building permits for commercial development, leading to the establishment of new commercial structures consisting of 11,400 sq.m (123,000 sq.ft.) of new commercial G.F.A. This new construction includes a hotel, two medical office buildings, a multi-tenant retail plaza, and various smaller commercial projects such as service-oriented businesses and restaurants. The majority of this commercial development has taken place on infill sites and already developed commercial properties. For the past five years, a key focus of commercial development in St. Thomas has been through intensification. That said, the annual absorption rate of commercial G.F.A. has been relatively low and has significantly lagged behind population growth.

Figure 6a
City of St. Thomas
Construction Value of Commercial Improvements and New Construction,
Building Permits Issued, 2019 to 2023



Note: Additions/alternations include investments in existing commercial structures. New construction includes G.F.A. added for the construction of new commercial buildings.
Source: Based on City of St. Thomas non-residential building permit activity for commercial developments by Watson & Associates Economists Ltd.

Figure 6b
City of St. Thomas
G.F.A. (sq.m) of Commercial Improvements and New Construction,
Building Permits Issued, 2019 to 2023



Note: Additions/alternations include investments in existing commercial structures. New construction includes G.F.A. added for the construction of new commercial buildings.
Source: Based on City of St. Thomas non-residential building permit activity for commercial developments by Watson & Associates Economists Ltd.



Construction of new hotel on Elgin Centre site.

3.2.4 Categories and Methodology in Commercial Demand

Watson follows a residual sales approach similar to the Morgan study, whereby commercial demand is based on sales expenditures potential by retail category in the trade, minus sales of existing retailers. Watson has established more streamlined retail categories in response to the increasingly blurred lines of merchandise offerings among retailers today. For example, Watson does not provide a separate forecast for the needs of specialty grocery stores versus other traditional grocery stores, as many traditional grocery stores are increasingly focused on providing alternative food options (e.g., gluten-free foods, cultural foods, etc.) that typically are accommodated in specialty stores. Furthermore, a forecast of commercial demand is not provided for a department store category, since this category is difficult to distinguish today. Instead, any potential of this category is provided in Non-Food Store Retail. This is consistent with the approach used in the industry.

3.2.5 Commercial Categories in Residual Analysis

Provided below are the categories that have been assessed by Watson, based on a residual sales approach:

- **Food Store Retail:** grocery stores, specialty stores, bakeries, delicatessen, butcher shops, and convenience stores. This is considered a key growth component for commercial development. While e-commerce in the grocery sector is growing (e.g., click-and-collect and delivery services), it often complements rather than replaces bricks-and-mortar retail, as most e-commerce grocery activity is dependent on the physical store as micro-fulfillment centres.
- **Health Care Stores:** drug stores, optical stores (e.g., Hakim Optical), vitamin supplement stores (e.g., Popeyes Nutrition Stores) and health and beauty stores. This is another key component of commercial development. E-commerce is not as fully developed for this retail category, as shoppers in this category generally still prefer the bricks-and-mortar store model with its in-store consultation (such as a pharmacist or optician). Goods in this category are also regulated by the government.
- **Restaurant (Food Services):** food and drinking places, including fast food outlets, cafés, full dining and casual restaurants, frozen yogurt/ice cream stores, and bars/taverns. Similar to food store retail, e-commerce complements this category and does not have a negative impact on bricks-and-mortar locations.

- **Non-Food Store Retail:** stores that sell general merchandise (e.g., Walmart, Winners, Dollarama), clothing and accessories stores, furniture and home furnishing stores, electronic stores, toy and hobby stores, sporting goods stores, and office supply stores. This category is often referred to as G.A.F.O. (General Merchandise, Apparel, and Furniture and Other Retailers) and is a distinct retail category, as consumers will travel a further distance for price and selection. A large component of this category has been impacted by e-commerce growth, as well as the selection of retailers in nearby urban centres (such as the City of London). It is anticipated that the demand for bricks-and-mortar retail in this category will decline on a per capita basis.
- **Home Improvement Stores:** hardware stores (Home Hardware), home improvement stores and garden centres (RONA, Home Depot, and Peavey Mart), paint stores, flooring stores, and building materials stores. This category is separate from Non-Food Store Retail, recognizing unique site requirements such as on-site storage for building materials. This category has limitations on e-commerce given the cost of shipping bulky goods (such as lumber, building materials, etc.)
- **Liquor, Wine and Beer Stores:** LCBO outlets, The Beer Store, and wine kiosks. In Ontario, this category is regulated and largely controlled by the Province. Going forward, it is anticipated that growth in this category will be increasingly accommodated in supermarkets and convenience stores, due to changes to distribution policy by the Province.

3.2.6 Other Commercial Categories

Watson has also assessed the demand for other commercial categories that cannot be evaluated by a residual sales approach, including the following:

- **Services, Entertainment, Recreation and Leisure:** includes a wide range of service providers, such as hair salons/barber shops, nail salons, movie theatres, fitness centres, bowling alleys, dry cleaners, and tutoring centres.
- **Office and Institutional Services:** includes a wide range of customer-facing professional services and government/social services, such as legal and accounting offices, insurance branches, real-estate offices, government agencies, and organizations.
- **Automotive Sales and Services:** includes automotive dealerships, automotive service and repair, autobody and collision repair, and equipment rentals and

services. These uses generally require specific site requirements, such as on-site storage and buffering from residential uses.

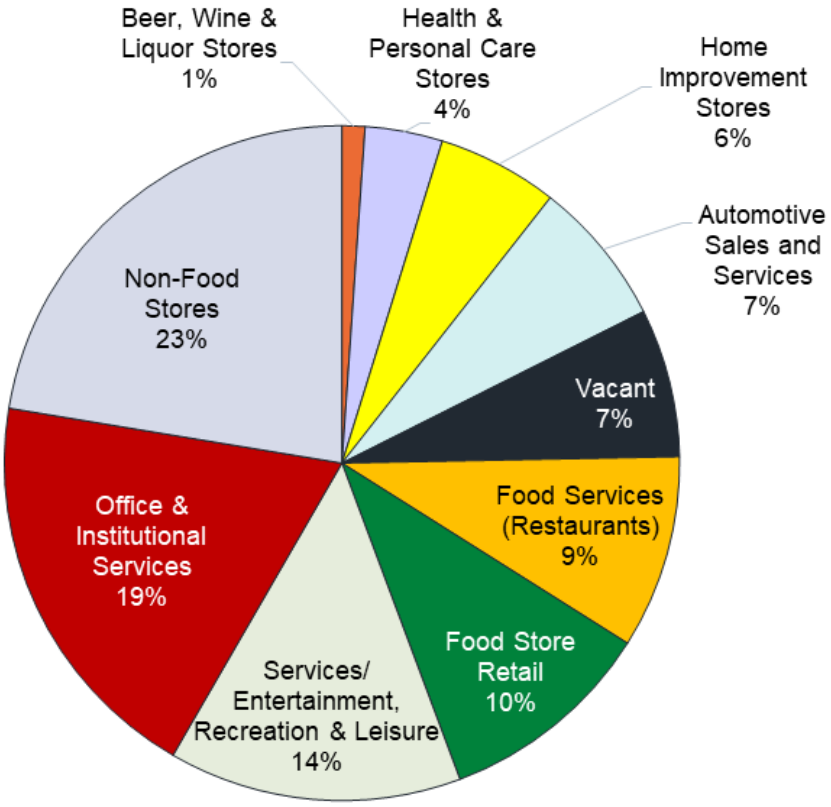
These categories account for 40% of the commercial floor space in the City of St. Thomas as of 2024. It is estimated that the commercial floor space associated with these retail activities amounts to 22 sq.ft. (2 sq.m) per resident in St. Thomas. Going forward, Watson has assumed 17 sq.ft. (1.6 sq.m) per resident by 2051 for these categories, recognizing growth in this category will be fuelled by services and small offices that typically have smaller footprints.

3.3 Existing Commercial Floor Space in the City of St. Thomas

With the assistance of City of St. Thomas staff, Watson has compiled a summary of the total commercial floor space in St. Thomas, including vacant commercial space. As of 2024, it is estimated that the City has approximately 2,559,000 sq.ft. (approximately 237,700 sq.m) of commercial floor space. It is estimated that the City averages approximately 55 sq.ft. (5.1 sq.m) per resident. The vacancy rate is estimated at 7%, which is considered to be within a healthy range. A vacancy rate between 5% and 8% is considered a healthy vacancy rate in a balanced market. It allows new retail businesses to have market choice when looking for retail space in the short term and provides existing retail businesses with opportunities to review lease renewal options, such as expansion or relocation.

The commercial floor space is used to understand the base conditions of the commercial market. Figure 7 provides a summary of the City's commercial floor space, while key highlights are provided below. Detailed information on the inventory is provided in Appendix B.

Figure 7
City of St. Thomas
Existing Commercial Floor Space by Commercial Category



Source: Based on an inventory prepared by the City of St. Thomas staff and Watson & Associates Economists Ltd., September 2024.

4. Commercial Land Supply

4.1 Vacant Commercial Land Supply

Watson has reviewed the City's current designated commercial land supply (designations of Talbot Central, Talbot West, Talbot East, Power Centre, Major Commercial, Secondary Commercial, Office Professional, Highway Commercial, and Minor Commercial) and has identified the vacant land supply based on a desktop review utilizing aerial imagery, which was then verify by City of St. Thomas staff. As summarized in Figure 8, it is estimated that the City has a vacant designated commercial land supply of 9 hectares (approximately 22 acres) which includes 21

parcels. For the purposes of the land needs, parcels of less than 0.25 hectares are excluded due to the viability of the site to accommodate commercial uses. Excluding sites less than 0.25 hectares (0.6 acres), the City has 10 designated commercial sites totalling approximately 8 hectares (10 acres). The City lacks vacant sites of at least 2 hectares in size, which limits the opportunities for a wide range of commercial uses, including food stores (grocery stores) and large non-food stores. Appendix C provides the mapping of the vacant commercial land inventory.

Figure 8
City of St. Thomas
Vacant and Developed Designated Commercial Lands, Hectares

Commercial Designated Lands by Status	Total Land Area, hectares	Share of Land Area by Status (%)	Number of Commercial Parcels
Developed	130	88%	627
Land Utilized for Parking	2	1%	12
Constrained Land	7	5%	3
Vacant	**9**	**6%**	**20**
<0.25 hectares	1	0.7%	10
0.25 to 0.9 hectares	4	2.7%	7
1 to 1.9 hectares	4	2.7%	3
2 to 3.9 hectares	0	0%	0
4 to 4.9 hectares	0	0%	0
5 hectares and larger	0	0%	0
Total Designated	**148**	**100%**	**662**

Source: Based on a desktop review by Watson & Associates Economists Ltd. and review by City of St. Thomas staff.

4.2 Intensification Potential

Local Intensification Trends

As discussed in sub-section 3.2.3, the City's commercial sector has concentrated on existing buildings over the past five years, emphasizing renovations, expansions, and re-purposing investments. It is estimated that approximately 45% of the construction value in the St. Thomas commercial market has included alterations and new additions

to existing commercial buildings.[1] Furthermore, over that period, the City has seen an increase in the take-up of vacant commercial space. For example, Elgin Centre has transformed the former Zellers commercial area by filling it with smaller tenants. As a result, the City's commercial vacancy rate is at the lowest it has been over the past decade. Despite the emphasis on intensification in commercial development in St. Thomas, the annual absorption rate of commercial gross floor area has been relatively low, significantly lagging behind the pace of population growth in the City. The commercial market in the City has predominantly facilitated the growth of commercial floor space for medical/health services, restaurants, personal services, and a new hotel over the last few years. All these uses are generally characterized as uses that can be accommodated through intensification.

Intensification Outlook

The long-term perspective on retail and commercial demand in this Report provides a framework for understanding the requirements for spaces that facilitate a range of retail and commercial operations, thereby enhancing the vitality of complete communities. Furthermore, the commercial demand forecast assumes that a portion of the new retail and service commercial building space requirements can be accommodated through redevelopment and infill. In addition, it is anticipated that other intensification may be accommodated on developed commercial lands through the addition of buildings or the expansion of existing commercial space.

Commercial uses accommodated through intensification typically include retailers with smaller footprints, such as commercial services, food services (restaurants), health care stores, convenience stores, personal and professional services, and medical/health services. Other than the take-up of vacant commercial floor space, full-service supermarkets (e.g., large-format grocery stores that have frequent deliveries) and retailers that sell goods (e.g., furniture, appliances, clothing, building supplies, sporting goods and general merchandise) are less likely to be accommodated through intensification in small urban markets such as St. Thomas. Large sites for parking are typically essential for these retail uses to support regional trade, along with ample loading facilities for deliveries. Additionally, as previously highlighted, in the era of e-commerce, retailers are not reducing their retail space; they are repurposing existing floor space to enhance e-commerce fulfillment capabilities. The majority of Canada's

[1] Based on City of St. Thomas non-residential building permit activity for commercial developments by Watson & Associates Economists Ltd.

largest retailers (e.g., Walmart, Canadian Tire, Staples, Home Hardware, Home Depot, Loblaws, Sobeys, Metro, etc.) utilize bricks-and-mortar retail for e-commerce at some level.

It is acknowledged that, over time, some of the City's existing commercial sites will redevelop into mixed-use sites. Throughout Ontario, municipalities are transitioning from traditional commercial sites to mixed-use developments. In many cases, commercial sites are reconfigured into mixed-use environments by integrating residential spaces along the outer edges of the commercial sites, often utilizing lands for parking that are considered excess. In extreme cases, this includes the "de-malling" of shopping centres, where these spaces are reconfigured to blend local retail offerings with residential uses. This trend is largely a result of a commercial node no longer being able to effectively draw customers on a regional scale. As the commercial node loses its regional draw, the retail and commercial services use need to be scaled to serve the local population.

St. Thomas Intensification Opportunities

Watson has identified developed parcels with a low utilization rate (ratio of building space versus parcel) that provide opportunities for intensification. This is based on parcels with a building overage of less than 20%; mapping and further information can be found in Appendix C. In terms of underutilized parcels, Watson has identified 57 parcels representing a combined land area of 36 hectares (89 acres). The underutilized parcels are concentrated in seven clusters as identified in the mapping provided in Appendix C. Key opportunities for intensification include the SmartCentres site (designated Power Centre) and on lands designated Highway Commercial in the City. Limited infill opportunities exist in the City's other commercial designations.

Based on a review of intensification opportunities, the City is anticipated to have the potential to accommodate at least 20% of its commercial floor space requirements over the long-term horizon (approximately 222,000 sq.ft. or 20,600 sq.m). This would require up to 8 hectares (20 acres) of designated commercial land from infill opportunities or redevelopment of underutilized sites. Moreover, a considerable share of commercial space will be created through the expansion of existing buildings. Unlike the trends observed in the last ten years, the options for occupying vacant commercial floor space are now quite limited given the low commercial vacancy rate (7%) of commercial space in the City. Furthermore, the rate of growth anticipated for the City over the long-term

will require retail and commercial uses that require a mix of greenfield and intensification sites, as well as ensuring that commercial development is integrated within new growth areas.

5. Commercial Demand and Land Needs

5.1 Retail and Commercial Service Floor Space Requirements, 2024 to 2051

It is forecast that the City will require at least 1,115,000 sq.ft. (103,600 sq.m) of commercial floor space over the 2024 to 2051 period. Figure 6 summarizes the commercial floor space requirements by retail category. As summarized in Figure 9, it is estimated that approximately 20% of the commercial floor space will be accommodated through intensification opportunities. Detailed tables on the market warranted additional gross leasable area (G.L.A.) by category are provided in Appendix D.

Figure 9
City of St. Thomas
Retail and Commercial Service Floor Space (sq.ft.) Requirements, 2024 to 2051

Retail and Commercial Service Category	Existing Base, 2024	2024-2031	2024-2051
Food Store Retail	265,000	64,000	158,000
Beer, Wine & Liquor Stores	28,000	7,000	17,000
Food Services (Restaurants)	237,000	59,000	144,000
Health & Personal Care Stores	95,000	23,000	58,000
Non-Food Stores	573,000	142,000	352,000
Home Improvement Stores	148,000	5,000	51,000
Other	-	-	-
Services/Entertainment, Recreation and Leisure	359,000	57,000	148,000
Office & Institutional Services	493,000	48,000	125,000
Automotive Sales and Services	179,000	24,000	62,000
Sub-Total Other	*1,031,000*	*129,000*	*335,000*
Vacant	182,000	-	-
Total	**2,559,000**	**429,000**	**1,115,000**
Adjusted for Intensification (20%)		**343,200**	**892,000**

Source: Watson & Associates Economists Ltd.

Provided below are some highlights on growth opportunities by commercial category:

Food Store Retail

- It is forecast that the City will need an additional **158,000 sq.ft. (approximately 14,700 sq.m) of commercial floor space** to support the needs of food store operations.
- Strong population growth and an increase in new families will drive the need for food store space.
- This demand could translate into the establishment of two mid-sized grocery stores, each ranging from 40,000 to 60,000 sq.ft. (3,700 to 5,600 sq.m), and potential opportunities for convenience and specialty stores, while also acknowledging the possibilities for the expansion of current grocery establishments. A mid-sized grocery store typically requires sites of at least 2 hectares (5 acres) with frontage on a road of 100 to 150 feet (30 to 46 metres).

Beer, Wine, and Liquor Stores

- It is forecast that the City will need an additional **17,000 sq.ft. (approximately 1,600 sq.m) of commercial floor space** to support the need for Beer, Wine, and Liquor Stores. This demand could translate into the establishment of one additional LCBO store or The Beer Store operation.
- Changes in provincial distribution policy on the sale of alcohol will impact the need for additional free-standing retail uses in this category.

Food Services (Restaurants)

- It is forecast that the City will need an additional **144,000 sq.ft. of commercial floor space** to support a range of restaurants and drinking places (e.g., bars and taverns).
- The growth in this category will be driven not only by population growth but also by the robust employment growth expected, which will cater to the requirements of the workforce in the area.
- Restaurants typically range in size from 2,000 sq.ft. to 6,000 sq.ft. (approximately 190 sq.m to 600 sq.m) and require small sites of less than 1 hectare (approximately 2.5 acres), although they require frontage on a road of 40 to 80 feet (12 to 24 metres). Restaurants are typically commercial uses that can be accommodated through infill opportunities.

Health Care Stores

- It is forecast that the City will need an additional **58,000 sq.ft. (5,400 sq.m) of commercial floor space** to support the need for health care stores, such as drug stores, vitamin stores, and optical stores.
- With an aging population anticipated for the City, this category is anticipated to experience robust growth.
- Drug stores represent the largest uses in this category and typically require 8,000 sq.ft. to 15,000 sq.ft. of commercial floor space for an establishment. Drug stores prefer sites that are adjacent to grocery stores and integrated with medical facilities (e.g., hospitals and medical clinics).

Non-Food Store

- It is forecast that the City will need an additional **352,000 sq.ft. (32,700 sq.m) of commercial floor space** to support the need for Non-Food Store uses.
- This category includes a wide range of retailers, including furniture stores, electronics stores, discount retailers, general merchandise stores, sporting goods stores, clothing and accessories stores, and toy and hobby stores.
- E-commerce is anticipated to have a downward impact on the demand for this category in terms of commercial floor space. Furthermore, the City of London is considered a significant draw for local residents in the trade area for this retail category due to its selection.
- Opportunities in this category for St. Thomas will mainly involve additional floor space for discount general merchandise stores (dollar stores, Winners, HomeSense, and Giant Tiger). Additionally, opportunities are anticipated to include retailers specializing in essential household items like mattresses and refrigerators. Retailers that specialize in selling products to meet more specific needs, including offering a wide range of styles (such as sofas, clothing, and footwear) will be influenced by the options available in the City of London.
- Retail uses in this category generally require sites with good visibility and exposure from traffic (i.e., pedestrians or motorists) and with a preference to locate in a cluster with other similar uses. Site and building size requirements for retail uses in this category vary; mid- to large-sized retailers may require sizes of 2 hectares (5 acres) in land area with road frontage requirements of 150 to 200 feet (46 metres to 61 metres).

Home Improvement Stores

- It is forecast that the City will need an additional **51,000 sq.ft. (approximately 4,700 sq.m) of commercial floor space** to support the needs of the Home Improvement category. This category includes hardware stores, home improvement and garden centres, paint stores, flooring stores, and other building supply stores.
- Most retail uses in this category generally require sites of 2 hectares (5 acres) or larger with opportunities for on-site storage for building materials and garden centres. Generally, these uses prefer locations along highways, which provide easy access for contractors.

Other Commercial Uses

- As previously discussed, the other commercial use category accounts for 40% of the commercial floor space in the City of St. Thomas as of 2024. It is estimated that the commercial floor space associated with these retail activities amounts to 22 sq.ft. (2 sq.m) per resident in St. Thomas. Going forward, Watson has assumed 17 sq.ft. (1.6 sq.m) per resident by 2051 for these categories, recognizing growth in this category will be fuelled by services and small offices that typically have smaller footprints.
- It is forecast that the City will need an additional **335,000 sq.ft. (approximately 31,100 sq.m) of commercial floor space** to support the needs of these uses.

5.1.1 City of St. Thomas Anticipated Commercial Floor Space Per Capita, 2051

Based on the discussed commercial floor space demand, it is estimated that the commercial floor space per resident will decrease from 55 sq.ft. (5.1 sq.m) per resident to 46 sq.ft. (4.3 sq.m) per resident, recognizing key commercial disruptors such as e-commerce. As such, e-commerce is anticipated to downwardly impact commercial floor space per resident by 20%. As previously discussed, it is anticipated that local-serving retail uses will drive commercial development. Figure 10 provides a summary of the change in commercial floor space per capita for the City of St. Thomas.

Figure 10
City of St. Thomas
Retail and Commercial Service Floor Space (sq.ft.) Per Capita

Year	Population	Commercial Floor Space (sq.ft.)	Commercial Floor Space Per Capita (sq.ft. per resident)
2024	46,400	2,559,000	55
2031	60,400	2,988,000	49
2051	**79,500**	**3,674,000**	**46**
2024-2051	**33,100**	**1,115,000**	**34**

Source: Watson & Associates Economists Ltd.

5.1.2 Hotel/Motel Accommodations

It is estimated that the City has approximately 53,000 sq.ft. (approximately 4,900 sq.m) of travel accommodation floor space (hotels/motels) in three hotels/motels, as of 2024. The three hotels/motels in St. Thomas provide 189 rooms. The commercial demand does not specifically provide requirements for this industry, as it is largely driven by tourism and the business base. With the anticipated robust growth associated with the Volkswagen Electric Vehicle Battery Plant, the current number of hotel rooms will likely not be sufficient.

5.2 Commercial Land Requirements to 2051

It is forecast that, considering the expected commercial floor space and the potential for accommodating additional commercial floor space through intensification, approximately 33 hectares (approximately 82 acres) of designated vacant commercial land will be absorbed, assuming a building coverage of 25%, as summarized in Figure 11. It is estimated that these lands would accommodate an average employment density of 54 jobs per net hectare. Further details on the employment density are provided in Appendix E.

Figure 11
City of St. Thomas
Commercial Land Absorption to 2051

Building Coverage	2031	2051
@20% Building Coverage	16	41
@25% Building Coverage	13	33
@30% Building Coverage	11	27
@35% Building Coverage	9	24

Source: Watson & Associates Economists Ltd.

Based on a review of the vacant designated commercial land supply of 9 hectares (approximately 22 acres), compared to the anticipated absorption of 33 hectares (approximately 82 acres), the City of St. Thomas has a shortfall of approximately 24 hectares (approximately 59 acres), as illustrated in Figure 12.

Figure 12
City of St. Thomas
Commercial Land Supply and Demand to 2051

Commercial Land Needs	Land Area, hectares
Vacant Designated Commercial Lands, hectares	9
Commercial Absorption Required, 2024 to 2051, hectares	33
Shortfall of Commercial Land, hectares	**-24**

Note: Subject to change based on a further review of land supply.
Source: Watson & Associates Economists Ltd.

5.3 Shortfall of Designated Commercial Lands by Commercial Use

Based on the review of the vacant designated commercial land supply, the City has approximately 11 vacant sites totalling 9 hectares. It is anticipated that the remaining vacant lands will be positioned for various commercial uses that are feasible on smaller lots, including food service establishments (e.g., restaurants), convenience stores, personal care and professional services, and medical/health services.

Based on a review of the vacant sites, the vacant designated land supply is unable to accommodate the following commercial uses identified in the demand analysis, since there are no sites of at least 2 hectares (5 acres):

- **Home Improvement Store (hardware and buildings supplies store):** The projected demand of 51,000 sq.ft. (4,700 sq.m) by 2051 does not warrant the establishment of a large home improvement store at the scale commonly constructed in the market. Nevertheless, over the longer term, the City will eventually need a site of **at least 2 hectares (5 acres)** to support a home improvement store or provide opportunities for the relocation/expansion of existing operations. Generally, home improvement stores exceed 100,000 sq.ft. (9,200 sq.m) in commercial floor space and require sites large enough to accommodate on-site storage and garden centres of at least 20,000 to 30,000 sq.ft. (1,900 sq.m to 2,800 sq.m). Furthermore, this land requirement would be best suited to the City's Highway Commercial designation and in an area that benefits from exposure to vehicular traffic.
- **Food Store (grocery store):** The demand for a food store could translate into the establishment of two mid-sized grocery stores, each ranging from 40,000 to 60,000 sq.ft. (3,700 to 5,600 sq.m). It is anticipated that this commercial use would be accommodated within grocery-anchored commercial developments that include health care stores (e.g., drug stores), food services (restaurants), and retail outlets for beer, wine, and liquor, in addition to a variety of personal service and medical/health care providers. It is anticipated that these sites would require up to 4 hectares (10 acres) each, **totalling 8 hectares (20 acres)**. Additionally, the land needed for this use would be ideally located adjacent to a new growth area, supporting complete community principles.
- A large portion of the commercial land needed, approximately **14 hectares (35 acres)**, would be required to support a range of **non-food store uses**. Non-food store uses would include appliance stores, furniture stores, general merchandise stores, toy and hobby stores, and apparel stores. These sites may also offer opportunities to accommodate food services (restaurants), health care stores, and personal services. This land requirement would be best suited by a designation that supports similar uses currently found in the City's Highway Commercial or Power Centre designations.

5.4 Existing Distribution of Commercial Uses

Figure 13 highlights that the majority of the City's commercial sector is concentrated in the central area along Talbot Street, a central location in the City. This area is also home to a large number of the City's large retailers, including grocery stores that cater to the weekly needs of the community. The commercial structure has effectively served the City for many years; however, the City is now poised to experience significant growth. By 2051, the population is expected to reach 79,500, leading to new communities in addition to increased infill and redevelopment within established neighbourhoods. The City's growth areas, including Settlement Area Boundary Expansion Areas (S.A.B.E.s), are identified in Figure 13. As illustrated, City's greenfield growth is largely concentrated along the western and southern edge of the City. In addition, the large Volkswagen Battery Plant and its related Employment Area (situated at the northeast end of the City) will play a key role in reshaping the City's urban landscape.

Figure 14 provides further illustrates the growth areas (S.A.B.E.s) and other greenfield sites) in the City within a regional context, including surrounding highways. The residential growth areas are situated in the western and southern extent of the City. It is estimated that the communities in the four S.A.B.E. areas will provide a population base of approximately 10,800 residents, nearly a quarter (24%) of the City's population growth anticipated to 2051.

Figure 13
City of St. Thomas
Commercial Base and Growth Areas

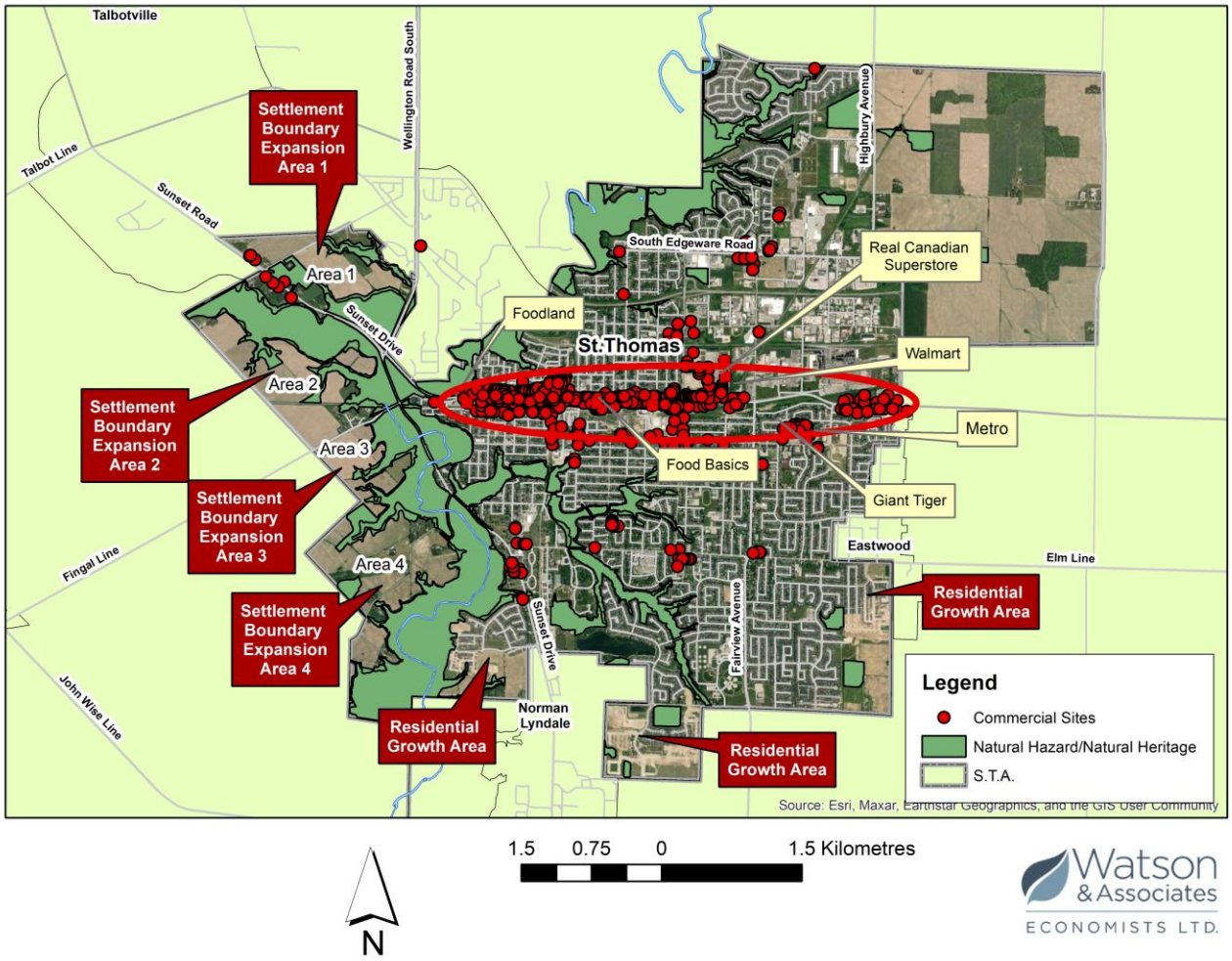
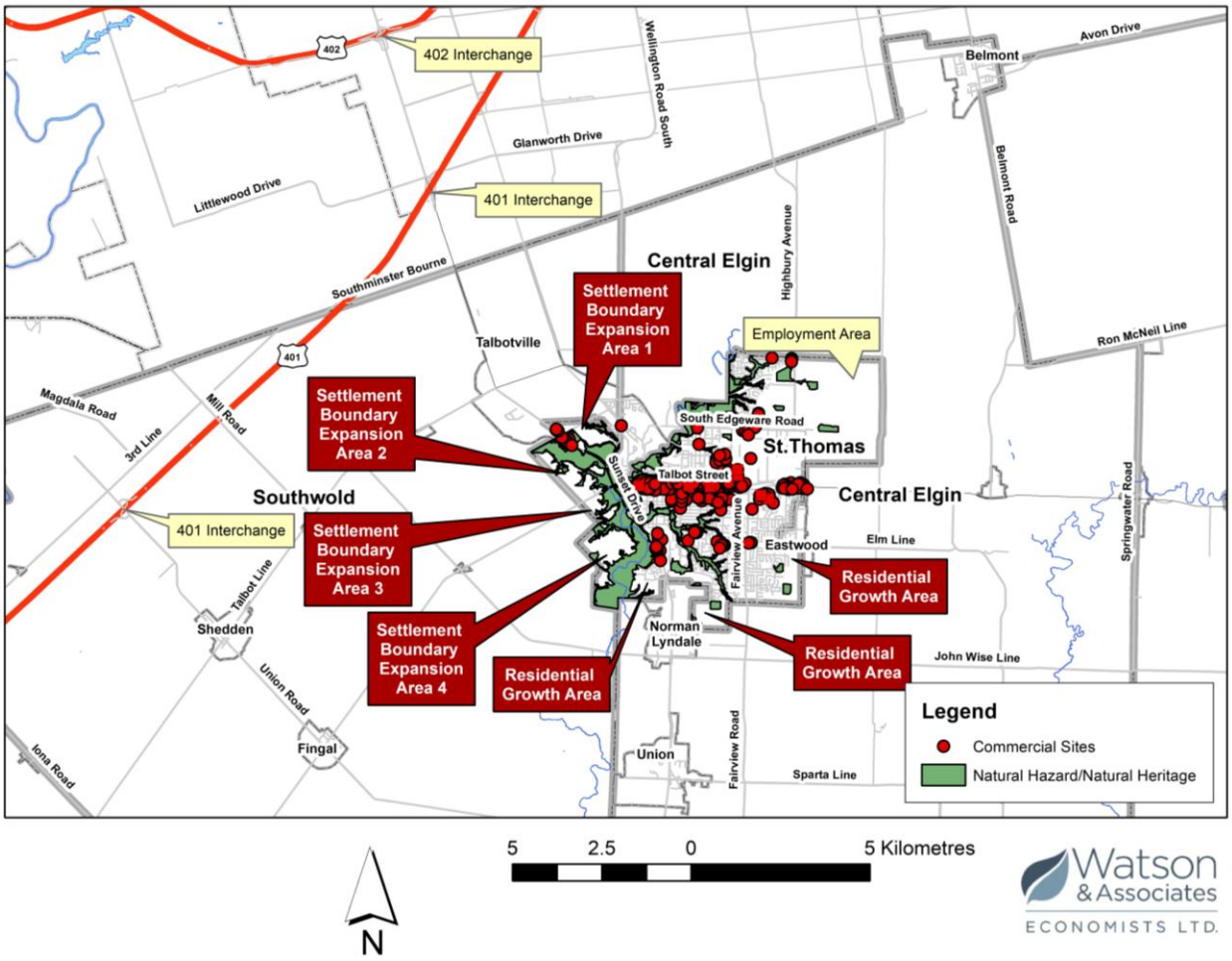


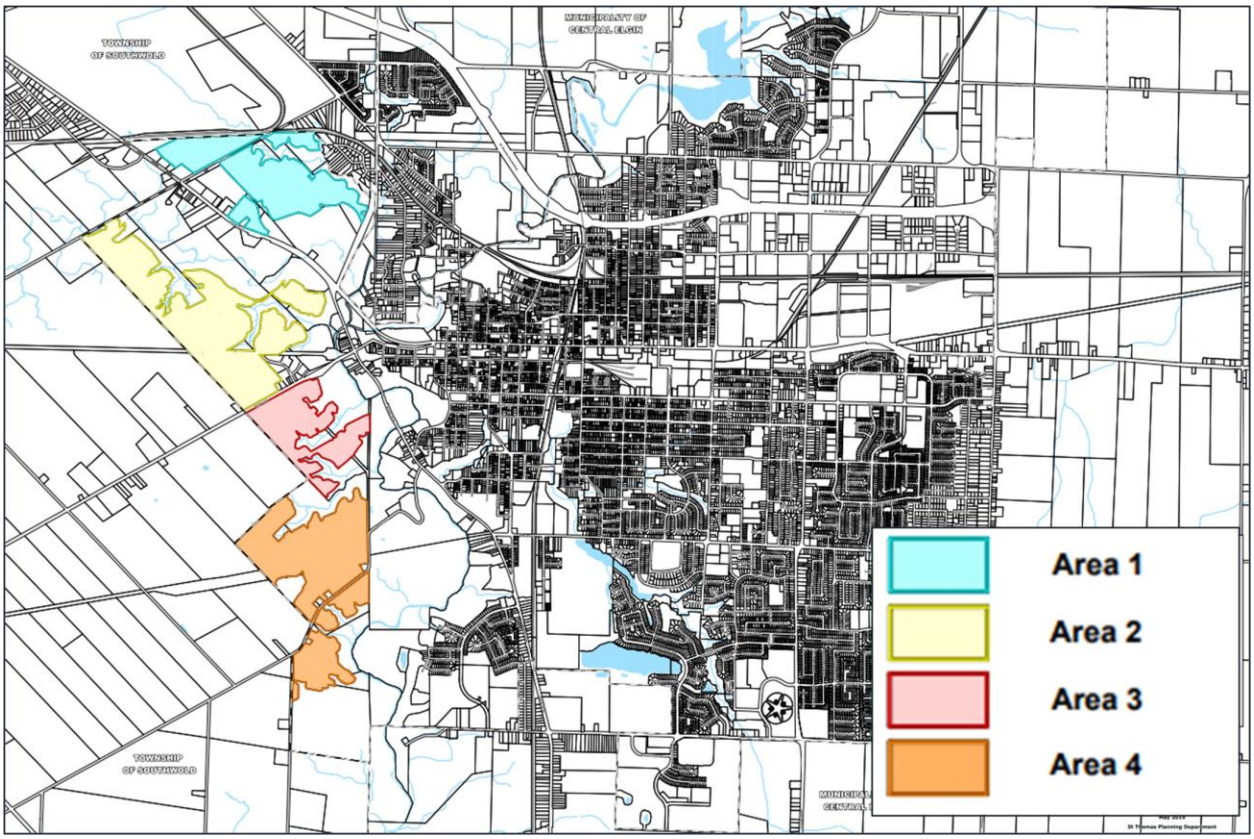
Figure 14
City of St. Thomas
Regional Context of Growth Areas and Commercial Base



5.5 Opportunity of Commercial Uses by Area

Figure 15 provides a map of the S.A.B.E. areas, followed by a brief description of each of the City's S.A.B.E.s. and the commercial opportunities for each area.

Figure 15
City of St. Thomas
S.A.B.E. Areas



Source: City of St. Thomas, June 2020 public meeting.

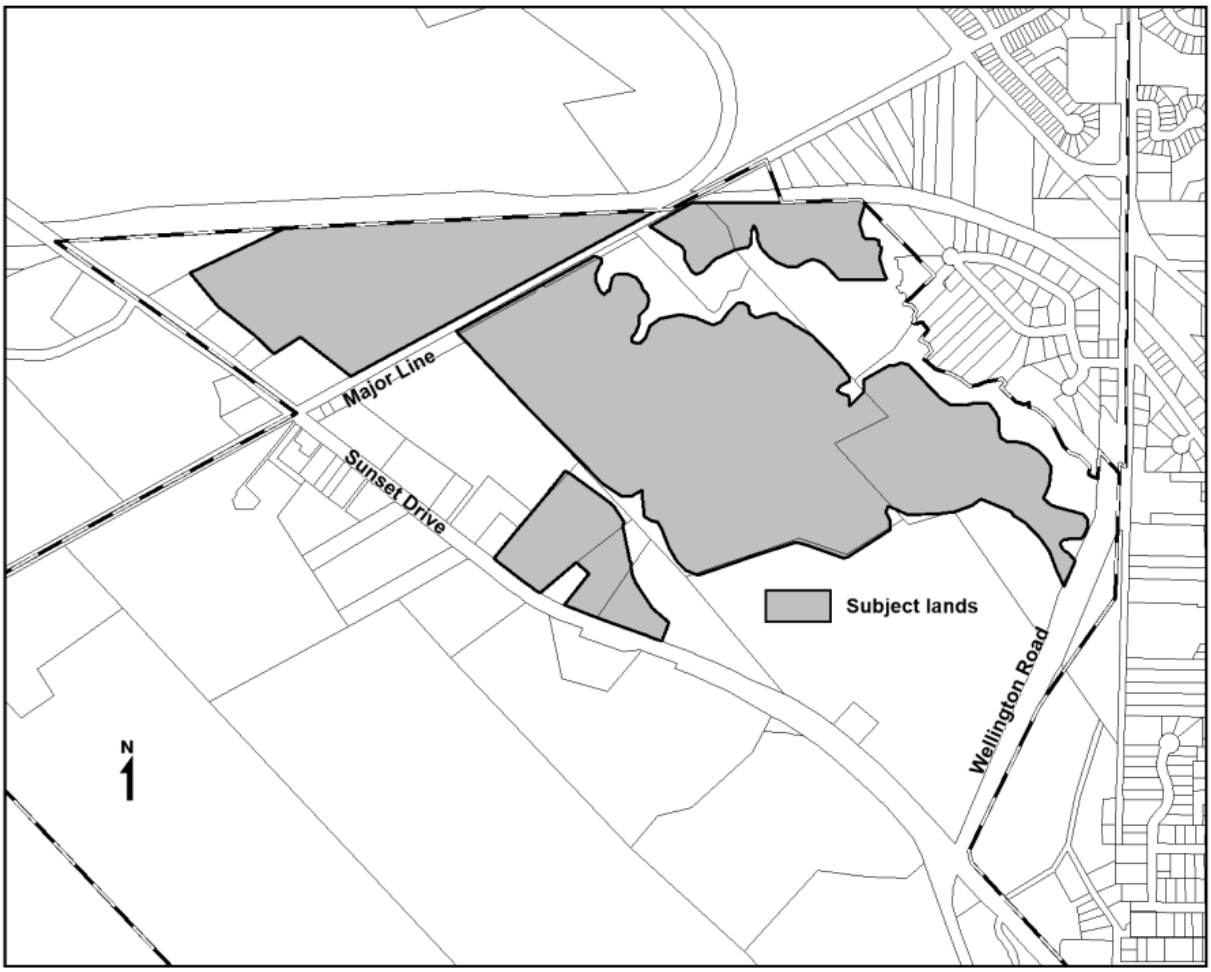
S.A.B.E. Area #1

- Figure 16 provides a map of the S.A.B.E. Area #1 which is situated along Major Line with access to Sunset Drive and Wellington Road.
- This area provides an opportunity to support the communities along the western side of the City. It is noteworthy that these communities are separated from the rest of the City due to natural features, establishing them as a distinct local area.
- While Area #1 is anticipated to accommodate just over 2,300 residents, this area has the potential to effectively serve as the main commercial node for all communities on the western edge of the City.
- The site is positioned to provide a range of commercial uses that will support the local area and intercept commuter traffic from the new Employment Area in the

northeast, as they travel to the 401 and 402 highway interchanges via Highway 3 and Sunset Drive.

- In proximity to Area #1, Sunset Drive includes underutilized commercial sites, including gas stations, motel and automotive services, as illustrated in Figure 16. This corridor could serve as a key opportunity for the City to consider redevelopment to promote additional commercial trade oriented towards trade beyond the local area.
- Area #1 also offers the opportunity to enhance trade from the S.T.A., specifically from residents of communities in the Township of Southwold and communities in the northern portion of the Municipality of Central Elgin, including the community of Lynhurst.
- Opportunities for this area include the following:
    - A mid-size grocery store 40,000 to 60,000 sq.ft. (3,700 to 5,600 sq.m), anchoring a commercial node on approximately **4 hectares (10 acres)** of land**.** A total commercial floor space of 100,000 to 120,000 sq.ft. (9,200 to 11,200 sq.m). The commercial node would include health care stores (e.g., drug stores), food services (restaurants), and retail outlets for beer, wine, and liquor, in addition to a variety of personal service and medical/health care providers.
    - In addition, due to the Area #1's location, the City should consider opportunities for commercial use typically found in City's Highway Commercial or Power Centre designations that would support a range of non-food store uses. Non-food store uses would include appliance stores, furniture stores, general merchandise stores, toy and hobby stores, and apparel stores. A total land requirement of 14 hectares (35 acres) has been identified at the City-wide level.

Figure 16
City of St. Thomas
S.A.B.E. #1



Source: City of St. Thomas Official Plan Amendment 97, February 16, 2021.

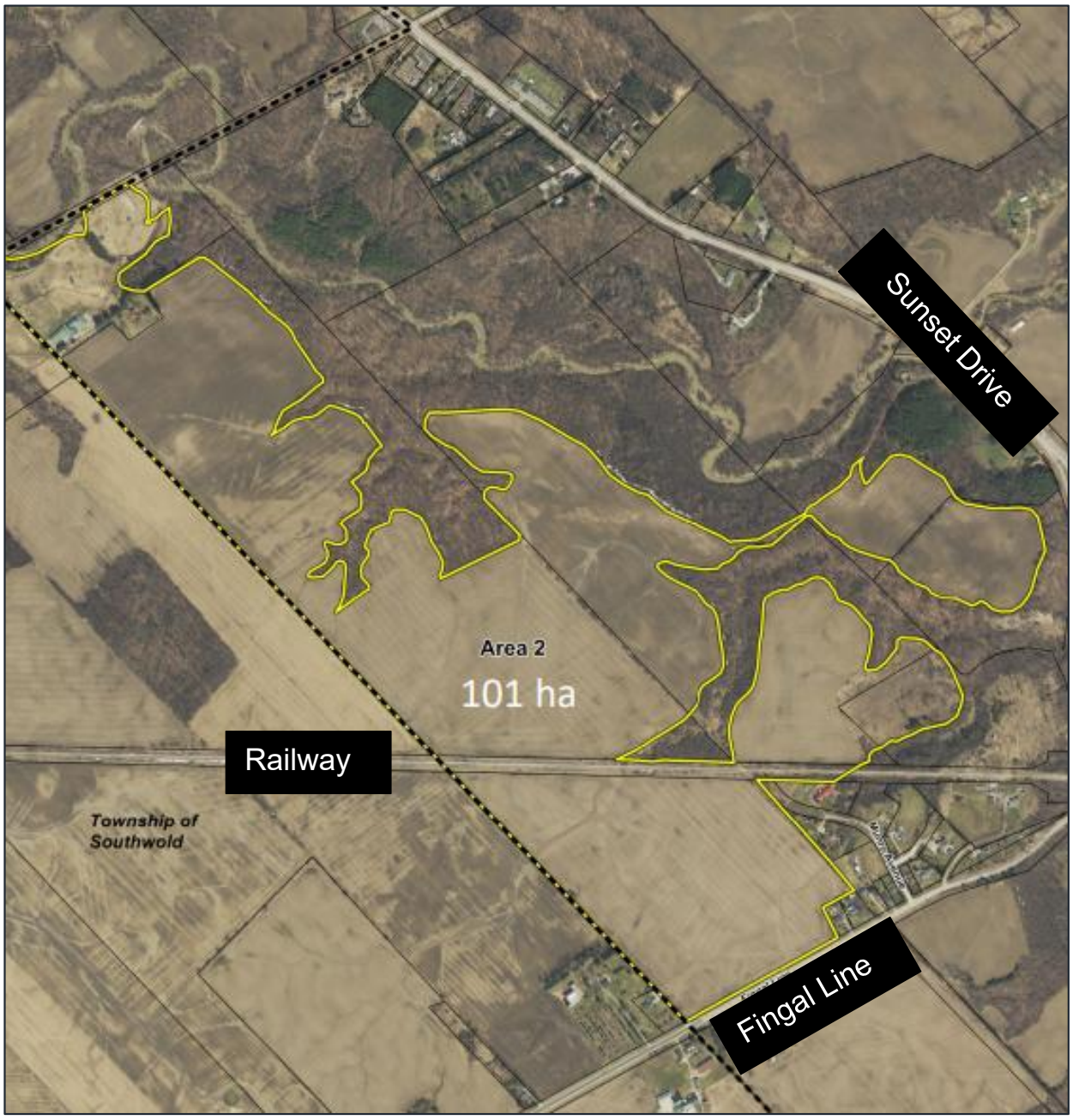
Figure 17
City of St. Thomas
S.A.B.E. #1 and Underutilized Commercial Lands (Sunset Drive)



S.A.B.E. Area #2

- Figure 18 provides an aerial image of Area #2, as illustrated in Figure 17, the area includes a large area, however, only a small portion of the area has access to a major road (Fingal Line).
- Site Area #2 is anticipated to accommodate a population of 3,800 residents.
- Site Area #2 the physical site conditions of the site area constrain the opportunity for a large commercial development. The topography of the area includes steep hills and the natural heritage features (ability to access the north portion), and a rail corridor bisects the area.
- Commercial opportunities in Site Area #2 should be integrated within Site Area #3 along Fingal Line. Commercial opportunities for S.A.B.E. #2 are included in the demand for Site #3.

Figure 18
City of St. Thomas
S.A.B.E. #2



S.A.B.E. Area #3

- Figure 19 provides an aerial image of Area #3, as illustrated in Figure 18, the northern portion of the area has frontage along Fingal Line. To the east, is an

elementary school in the Township of Southwold, which provides an opportunity to build on creating a community service node in the area.

- Site Area #2 is located on the north side of Fingal Line, as previously discussed.
- The southern portion of the site has an irregular configuration that limits opportunities for commercial development.
- Site Area #3 is anticipated to accommodate a population of 1,400 residents.
- From a commercial market perspective, the area along Fingal Line, provides an opportunity for commercial uses to serve both S.A.B.E. #2 and S.A.B.E. #3. Effectively serving a population base of 5,200 residents. Commercial opportunities should be focused along Fingal, including the north side in S.A.B.E. #2.
- Opportunities for this area include the following:
    - A mid-size grocery store 40,000 to 60,000 sq.ft. (3,700 to 5,600 sq.m), anchoring a commercial node on approximately **4 hectares** (10 acres) of land**.** A total commercial floor space of 100,000 to 120,000 sq.ft. (9,200 to 11,200 sq.m). The commercial node would include health care stores (e.g., drug stores), food services (restaurants), and retail outlets for beer, wine, and liquor, in addition to a variety of personal service and medical/health care providers.

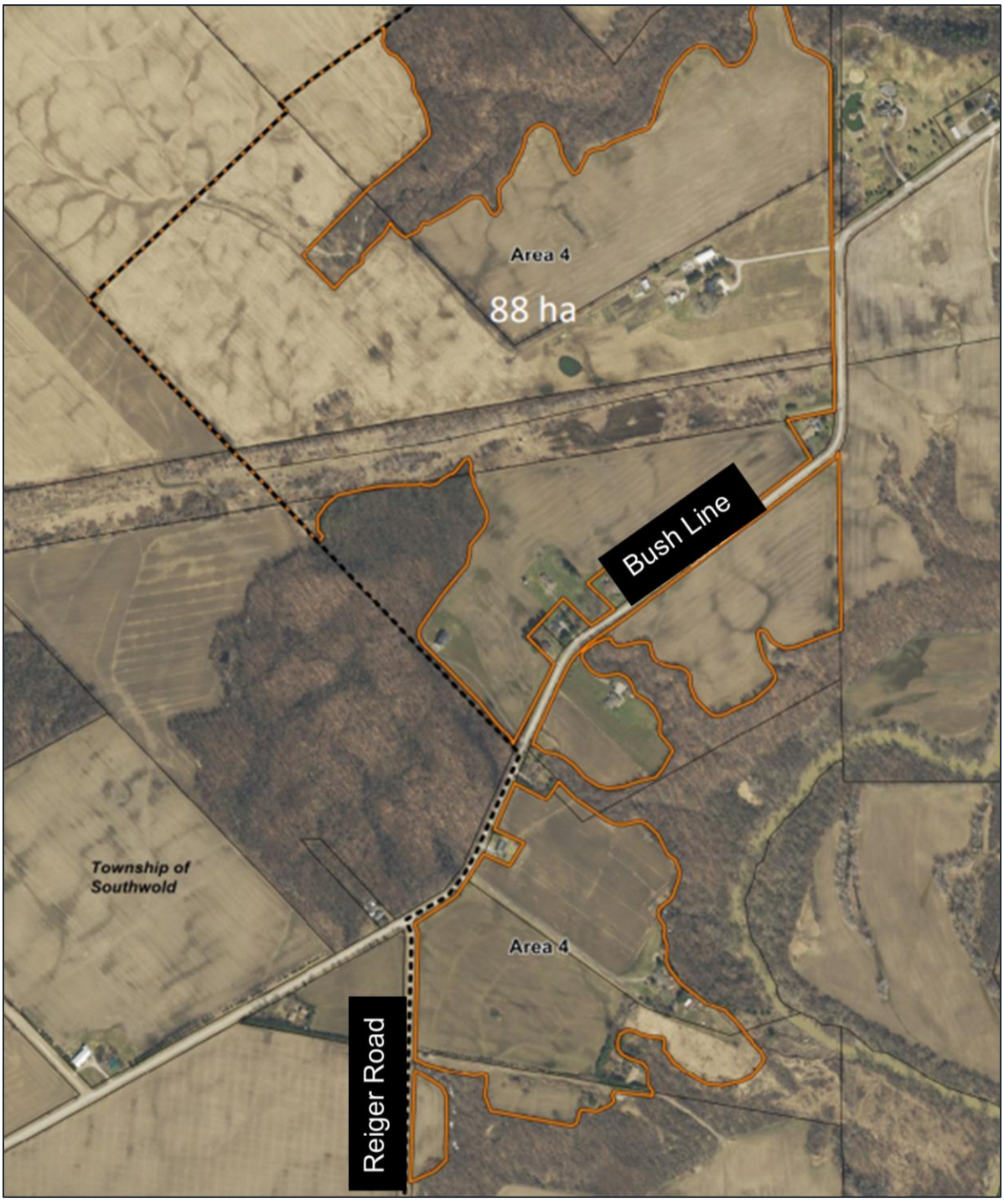
Figure 19
City of St. Thomas
S.A.B.E. #3



S.A.B.E. Area #4

- Figure 20 provides an aerial image of Area #4. As illustrated in Figure 20, the site is situated along Bush Line and Reiger Road. The site area forms an irregular area and is surrounded by significant environmental features that fragment the land in the area and separate the area.
- It is important to note that the City has opted not to pursue this S.A.B.E. for urban development at this time, as the costs of extending municipal water and sanitary services to the area, along with the need to upgrade Bush Line to municipal standards.
- Site Area #4 is anticipated to accommodate a population of approximately 3,300 residents.
- From a commercial market perspective, the area provides commercial opportunities to largely serve local residents, due to the surrounding site context.
- Opportunities for this area include the potential for a small neighbourhood commercial site that would include commercial uses such as convenience stores, restaurants and commercial and institutional services (medical/health care services, day care, professional and personal services). The commercial site requirements would be anticipated to range between 10,000 sq.ft. to 20,000 sq.ft. (900 to 1,900 sq.m) of commercial floor space on a site of approximately 1 hectare (2.5 acres).

Figure 20
City of St. Thomas
S.A.B.E. #4



6. Strategic Policy Directions

6.1 Support the Distribution of Retail and Commercial Uses Across the City

Implementing a strategic framework for the distribution of commercial uses is crucial for building strong communities, focused on developing lively, accessible, and complete communities. The seamless integration of commercial activities within residential and mixed-use settings encourages economic growth, enhances the quality of life for local residents, and aids in encouraging pedestrian movement of local residents.

The majority of the City's commercial sector is concentrated in the central area along Talbot Street, a central location in the City. This area is also home to a large number of the City's large retailers, including grocery stores that cater to the weekly needs of the community. The commercial structure has effectively served the City for many years; however, the City is now poised to experience significant growth. By 2051, the population is expected to reach 79,500, leading to new communities. In addition, the large Volkswagen Battery Plant and its related Employment Area (situated at the northeast end of the City) will play a key role in reshaping the City's urban landscape.

A significant challenge for the City is to promote a more distributed approach to commercial development that integrates seamlessly with emerging residential areas. Retailers and developers often favour locations within areas that have proven to be successful and those with cross-shopping potential. Additionally, for a large new retail establishment to be viable, retailers and developers generally seek sites with established population density and substantial traffic to capture trade. From a market perspective, this may take a long time to materialize. Other municipalities in Ontario have dealt with a similar challenge. For example, the City of Guelph, the City of Hamilton, and the Town of Grimsby have a commercial policy framework that requires a minimum threshold of commercial space in mixed-use areas before permitting further residential development. While a commercial policy framework exists to enable a more disperse commercial distribution, the City of Guelph, for example, still encounters difficulties in fostering commercial development in the eastern end of the City, which is characterized by a limited selection of retail options, including the absence of a grocery store.

The City has an opportunity to support the distribution of retail and commercial growth by developing a new commercial land use structure for the City and planning for the development of commercial nodes within new growth areas.

6.1.1 Develop a New Commercial Land Use Structure for the City

The existing commercial land use structure has served the City well. Today, the commercial land use designations are numerous and more complex as the City continues to evolve. For example, the addition of the Power Centre designation and, more recently, the Mixed Use designation reflects this growing complexity. What has remained the same over this evolution is a policy framework that supports the goal of protecting the commercial function of the Downtown (Talbot East, Talbot Central, and Talbot West). Maintaining this policy objective will be important to the overall urban structure of the City as it continues to grow.

To serve the growth of the City in the future, it is recommended that the City develop a new commercial land use structure reflecting the evolving trends in retail commercial as part of the next O.P. Review. A simplified, contemporary commercial structure would complement a broader urban structure vision by identifying the Downtown, regional nodes/major commercial centres, and/or mixed-use corridors/nodes. A new commercial structure and land use permissions should also address recommendations on permitting commercial areas to evolve into a mix of uses while protecting their commercial function (section 6.3).

The new structure should include a commercial hierarchy that recognizes the function of the Downtown as a commercial anchor, along with regional/mixed use nodes being the Power Centre/Mixed Use Development designation site and the Major Commercial (Elgin Mall) site. Some of the Highway Commercial uses to the east on Talbot Street could be redesignated as mixed-use corridors and/or Business Employment, recognizing the need for transition land uses between Employment and Residential.

In addition, as part of updating the commercial hierarchy, the City should consider making the O.P. more enabling by allowing Minor Commercial type uses in the Residential designation, subject to specific criteria.

Please note that this report will continue to reference the existing commercial land use designations where appropriate, and in some cases the direction is generalized when

referring to functional land use designations. Additional discussion on location of commercial uses and hierarchy can be found in subsection 6.1.2.

6.1.2 Plan for the Development of Commercial Nodes in the City's New Growth Areas (S.A.B.E.s)

The City's new growth areas, referred to as S.A.B.E.s, offer an opportunity to optimize the distribution of commercial services within the City. Chapter 5 provides insights into the opportunities available in each S.A.B.E. area.

It is recommended that the City plan for the development of commercial nodes in the City's new growth areas as part of a Secondary/Concept Plan. Area #1 is identified as an ideal location for both local and regional commercial uses that would support the City's need for 14 hectares of non-food store retail uses and the need for one of two grocery-store-anchored commercial nodes (4 hectares), which would include a variety of local-serving businesses. A commercial node should be located along Sunset Boulevard (existing Highway Commercial designation) and northeast of Sunset Boulevard and Major Line. Just outside the City municipal boundary north of Major Line, the Township of Southwold is planning to build a Wastewater Treatment Plant, which will have land use compatibility impacts that will need to be considered when planning land uses in the surrounding areas. This provides an opportunity to buffer the treatment plant use from the future residential uses with a regional retail node.

It is recommended that the City establish another grocery store-anchored commercial node of the same size (4 hectares) along Fingal Line to serve the residents of Areas #2 and #3. This node would act as a mixed use community centre comprising retail and service commercial and community facilities serving residents in these residential neighbourhoods.

The commercial land use designations included in these areas would be informed by the guidance in this report and further study such as a secondary/concept level plan and a potential new commercial land use structure.

In addition, as part of this exercise, policy language and permitted uses should be amended in the O.P. as part of a housekeeping exercise (e.g., update references to the commercial market study, update permitted use language to align with uses referenced in recent commercial market studies, etc.).

6.2 Continue to Support Opportunities within the Business Employment Designation

Under the new provincial definition of Employment Area, the City of St. Thomas, along with other Ontario municipalities, is required to plan for and protect industrial uses based on a more narrowly scoped definition of Employment Area and is limited to these uses. The new definition of Employment Area is primarily industrial in nature, or includes other uses associated or ancillary to the primary use. It is crucial for the City to ensure that opportunities for commercial uses previously permitted in Employment Areas remain viable in light of the provincial updates to the definition of Employment Area in the P.P.S., 2024 and the *Planning Act*, which now limits these areas exclusively to industrial uses.

In 2018, the City of St. Thomas established a Business Employment designation through O.P.A. 90, which accommodates employment uses that do not fit the definition of Employment Area but require Employment Area site characteristics. This designation also provides the provision for restaurants, takeout, and various service uses to support the workers and businesses in the adjacent Employment Area. Furthermore, the Business Employment designation also acts as a transition and buffer between residential and Employment Area uses. As previously noted, it is recommended that the City regularly assess the Business Employment lands designation to ensure there is an adequate supply of land to support growth opportunities directed to these areas.

It is not recommended that commercial permissions be expanded in this designation. It should be recognized, however, that with the Employment Area definition changes, this designation plays an important role as a transitional use as well as permitting some commercial uses to serve the Employment Areas.

6.3 Allow Commercial Areas to Evolve into Mixed-Use Sites While Protecting Commercial Function for the Long-Term

Commercial sites across Ontario are transforming, reflecting a desire to incorporate mixed-use opportunities that include residential elements, guided by market dynamics and provincial policy objectives. The City will face the challenge of balancing the support for mixed-use development with the need to maintain an adequate supply of

commercial land, particularly as the pressure for residential development increases. It is important to recognize that accommodating commercial uses in a mixed-use development is more challenging than accommodating residential use, due to the commercial site and market requirements, such as density, visibility, shipping/loading access, parking/and or transit access and preference for ground floor space. The City should actively support the intensification of development across the City, including identifying opportunities for additional housing on designated commercial lands.

It is crucial, however, that the redevelopment of these commercial areas for residential use is carried out in a way that safeguards their commercial purpose and function. The existing City policy framework includes policy direction on allowing residential uses (typically as part of a mixed-use development) within some commercial designations. With consideration to the P.P.S., 2024 and trends across the Province, the City should consider expanding permissions for residential uses in commercial designations.

To support the continued commercial function of these areas, one approach is to require applicants to carry out a Commercial Function Study to support the addition of residential uses on the commercial site. Unlike a Commercial Market Study, a Commercial Function Study would examine the commercial function beyond the market dynamics (e.g., creating a focal point for the community and creating a pedestrian-oriented mixed-use environment). The City of Guelph, the Town of Grimsby, and the City of Hamilton, for example, require a Commercial Function Study if the proposal seeks to provide less commercial space than the minimum commercial floor space requirement for a commercial node or the inclusion of residential development on a neighbourhood commercial designation. The Commercial Function Study policy in the City of Guelph O.P. requires the following to be demonstrated by an applicant seeking to add residential uses while providing less commercial floor space than the minimum threshold:

- The availability of commercial floor space within the designation to meet daily and weekly needs of the surrounding community, especially for food stores, food-related stores, and/or drug stores;
- Opportunities for additional commercial floor space to be provided elsewhere and thereby sustain the local provision of commercial floor space within that designation or in the immediate area;

- Impacts on the ability of residents and employees in the area to use active transportation options to access commercial shopping areas and commercial services; and
- The role of commercial space in creating a community focal point.[2]

It is recommended that commercial designations be adjusted to mixed-use designations to permit residential uses, either as part of a mixed-use development or standalone use, with enhanced policies to support the long-term commercial function of these areas. Residential uses should be permitted subject to criteria similar to what is currently in the O.P. (e.g., O.P. policies 5.6.3.13 and 5.4.3.9) and could include a requirement for a Commercial Function Study as described above. The City could consider outlining the requirements of such a study within the O.P. If the City chooses to require a Commercial Function Study, O.P. implementation policies would also need to be updated.

6.4 Establish Commercial Land Conversion Criteria

The City of St. Thomas faces a shortfall of commercial land and will require all its designated lands to support population-related employment growth and meet the shopping and commercial service needs of its residents. It is essential to recognize that there is currently no specific provincial framework for assessing the conversion of designated commercial land to residential uses. The P.P.S., 2024, includes policies aimed at safeguarding Employment Areas and outlines a framework for evaluating conversions within these areas. While there are no policies regarding the protection of designated commercial lands, the P.P.S., 2024 requires municipalities to provide an adequate market-based range and mix of residential and employment uses, such as commercial uses. As highlighted in Chapter 5, St. Thomas has an estimated shortfall of around 24 hectares of designated commercial land necessary for accommodating commercial development through 2051. Therefore, it is crucial for the City to strategically safeguard the commercial viability of its existing lands. Additionally, commercial activities play a significant role in fostering vibrant and well-rounded communities. It is recommended that the City include policies in the O.P. outlining criteria to assess a change in the principle of land use from commercial to non-commercial designations. It is proposed that these criteria apply to all commercial land

[2] City of Guelph, Official Plan, 2022 Consolidation, policy 9.4.2.2.

use designations that fall outside the Downtown area in order to protect the commercial function of the Downtown. The following should be considered in reviewing applications where conversion pressure exists:

- The conversion would not undermine the commercial structure and the broader urban structure;
- The site offers limited opportunities for commercial uses based on site characteristics (e.g., site configuration and size and access);
- The proposed conversion considers land use compatibility and would not result in adverse impacts; and
- If applicable, the commercial site acts as an important transition between Employment Areas and residential uses.

Applications could also be required to include a Commercial Function Study.

6.5 Encourage Commercial Intensification on Commercial Lands

The City should support the redevelopment of commercial areas to meet its regional retail and commercial service needs. It is recommended that the City add a new policy to the O.P. that states the objective of supporting and encouraging commercial intensification. A prime opportunity would be those lands designated Highway Commercial along Sunset Boulevard (refer to Appendix C-4 for intensification opportunities). This area is well-positioned to attract regional trade from the west; however, a change in permitted uses or land use designation would be required.

Moreover, the City should promote additional development at its current regional commercial sites, such as the Elgin Centre and SmartCentres, that already draws customers from both the City and the surrounding areas. The study indicates a need to accommodate a minimum of 20% of commercial floor space demand through intensification by 2051. Recognizing the limited supply of commercial lands, the City should strive to exceed this level of intensification. Within the current O.P. structure, this could be located in section 4.0 General Development policies. Alternatively, if the overall commercial structure is revised (see section 6.1), this could be located in a section specific to commercial land uses.

The City should consider additional strategies to support commercial intensification. This should include working with Economic Development to facilitate and support commercial intensification, similar to the strategies successfully used by the City to support employment uses.

7. Conclusions

The City is anticipated to accommodate a significant increase in commercial floor space to 2051, driven by anticipated robust population growth. The trade area is expected to accommodate a population growth of 44,900 people, with the City of St. Thomas accommodating 74% of the population growth (population growth of 33,100 people). To accommodate this population growth, the City will require 1.1 million sq.ft. (approximately 103,600 sq.m) of commercial floor space over the 2024 to 2051 period. Adjusted for intensification opportunities, it is anticipated that the commercial land absorption will amount to 33 hectares (approximately 82 acres). Based on a review of the vacant commercial land supply, there is a shortfall of **24 hectares (approximately 59 acres)** to accommodate commercial development by 2051.

The City's new growth areas, referred to as S.A.B.E.s, offer a chance to optimize the distribution of commercial services within the City. Chapter 5 provides insights into the opportunities available in each S.A.B.E. area. Area #1 is identified as an ideal location for both local and regional commercial uses that would support the City's need for 14 hectares of non-food store retail uses and the need for one or two grocery-store-anchored commercial nodes (4 hectares). Furthermore, it is recommended that another grocery-store-anchored commercial node of the same size be established along Fingal Line to serve the residents of Areas #2 and #3. This node would also act as a community service centre, benefiting the nearby elementary school within the Township of Southwold.

Appendices

Appendix A
Mobile Ping Data

417 Wellington Street, St. Thomas, ON N5R 5J5

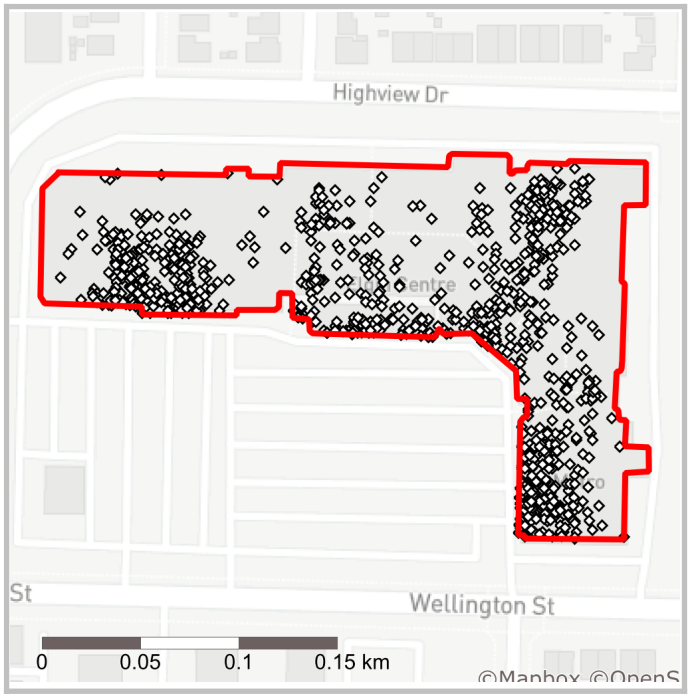
42.776049, -81.160121
Ontario
London, ON CMA
St. Thomas, ON (CY) CSD

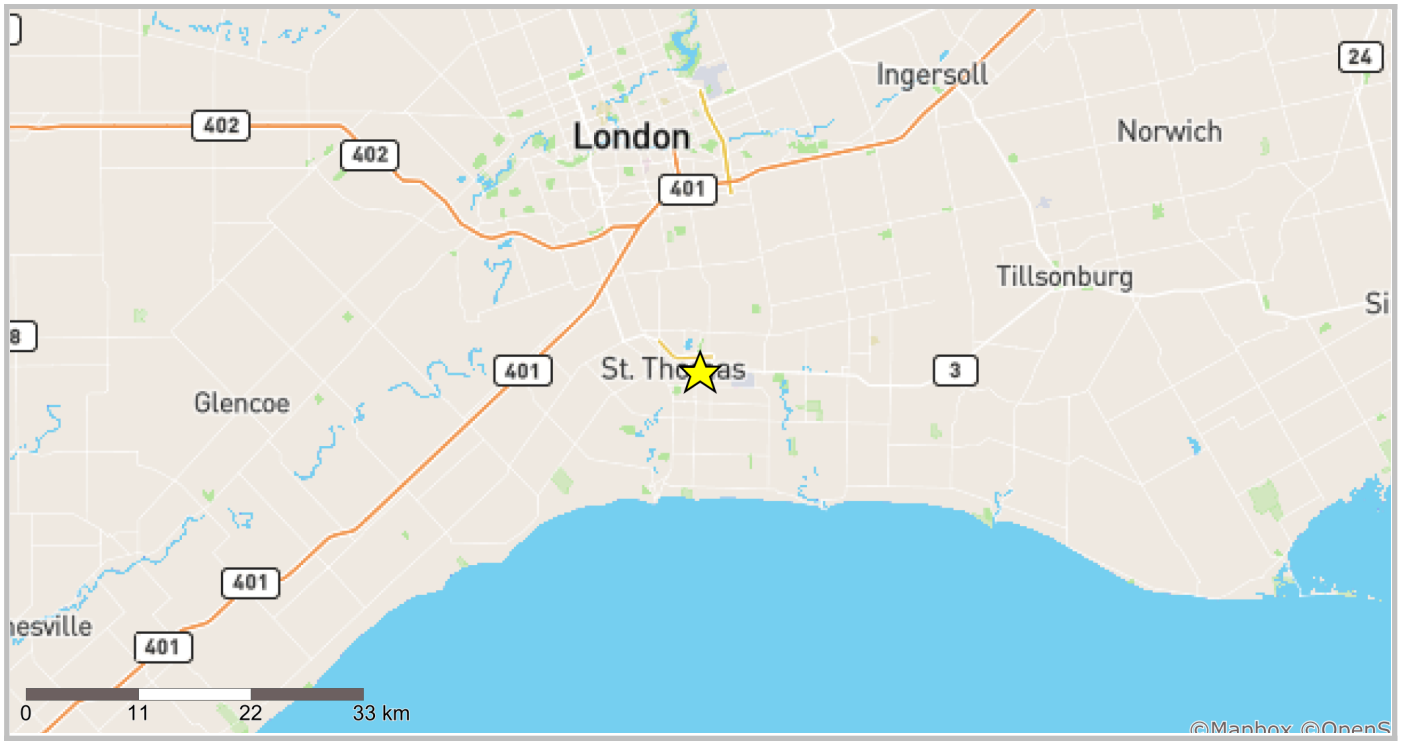
Area = 29,416 square meters
Date Range = 2023-11-01 to 2024-10-31
Days Studied = All Days
Time Range = 08:00:00 to 00:00:00 (D)

Study Area:

Up to 1,000 device pings will be shown on the map (selected at random).







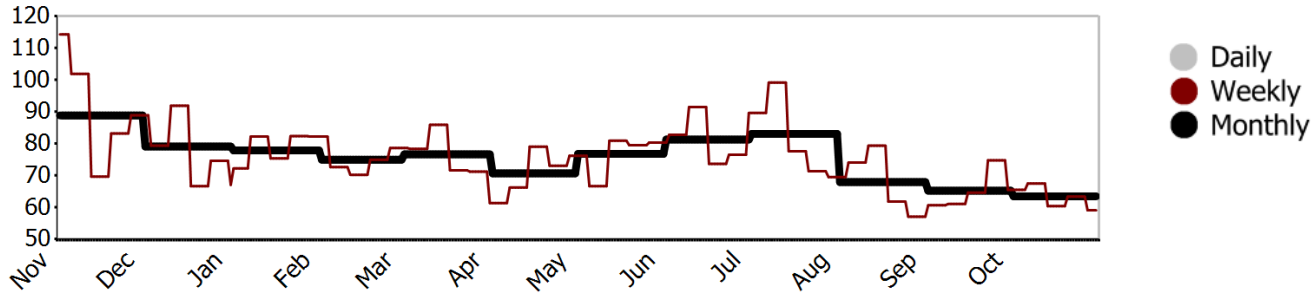
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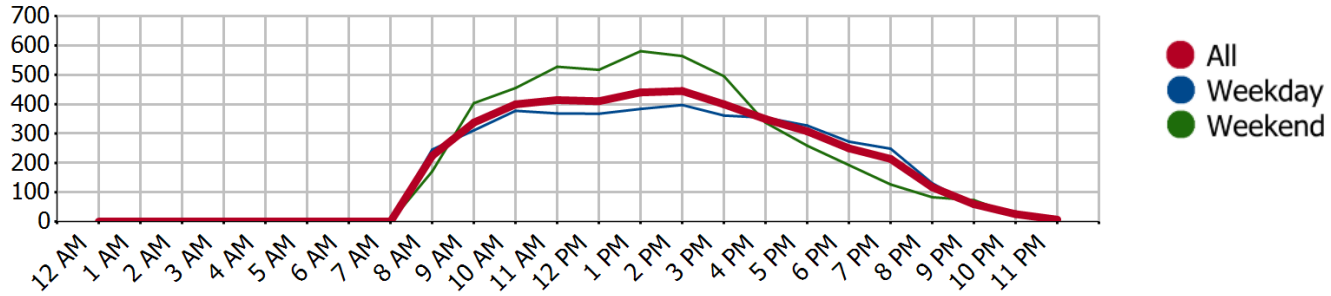
42.776049, -81.160121
Ontario
London, ON CMA
St. Thomas, ON (CY) CSD

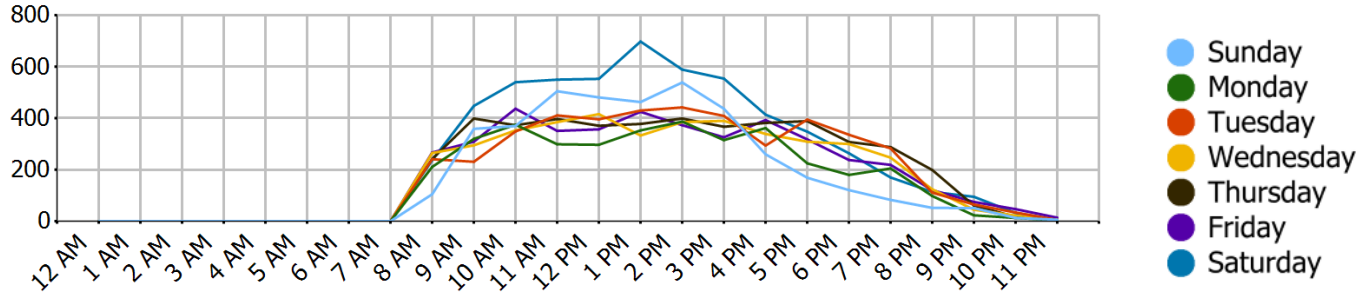
Area = 29,416 square meters
Date Range = 2023-11-01 to 2024-10-31
Days Studied = All Days
Time Range = 08:00:00 to 00:00:00 (D)

Boundary Activity Summary:

During the study period, 8,743 unique devices were observed in the study area, comprising 27,539 unique visits.
The data presented in the charts below have had corrective adjustments applied to normalize for growth in total device counts.







417 Wellington Street, St. Thomas, ON N5R 5J5

42.776049, -81.160121
Ontario
London, ON CMA
St. Thomas, ON (CY) CSD

Area = 29,416 square meters
Date Range = 2023-11-01 to 2024-10-31
Days Studied = All Days
Time Range = 08:00:00 to 00:00:00 (D)

Boundary Activity Summary:

During the study period, 8,743 unique devices were observed in the study area, comprising 27,539 unique visits.
The data presented in the charts below represent the start time of each unique visit, regardless of duration. User settings for days of week and times of day in study range will affect results.

Visit Start Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
12:00 AM								
1:00 AM								
2:00 AM								
3:00 AM								
4:00 AM								
5:00 AM								
6:00 AM								
7:00 AM								
8:00 AM	0.77%	0.88%	0.96%	0.88%	0.97%	0.86%	0.38%	**5.69%**
9:00 AM	1.05%	0.73%	0.96%	1.30%	0.99%	1.50%	1.25%	**7.77%**
10:00 AM	1.20%	1.15%	1.15%	1.18%	1.37%	1.75%	1.22%	**9.03%**
11:00 AM	1.00%	1.27%	1.28%	1.32%	1.12%	1.73%	1.68%	**9.41%**
12:00 PM	0.95%	1.29%	1.35%	1.13%	1.13%	1.85%	1.51%	**9.20%**
1:00 PM	1.11%	1.33%	1.09%	1.26%	1.36%	2.27%	1.58%	**10.01%**
2:00 PM	1.30%	1.43%	1.28%	1.26%	1.30%	1.95%	1.72%	**10.26%**
3:00 PM	1.05%	1.29%	1.25%	1.19%	1.02%	1.83%	1.37%	**9.00%**
4:00 PM	1.17%	1.01%	1.17%	1.29%	1.29%	1.33%	0.82%	**8.08%**
5:00 PM	0.69%	1.31%	0.97%	1.29%	1.03%	1.11%	0.56%	**6.97%**
6:00 PM	0.57%	1.07%	0.99%	1.01%	0.77%	0.88%	0.41%	**5.71%**
7:00 PM	0.65%	0.85%	0.82%	0.96%	0.71%	0.56%	0.28%	**4.82%**
8:00 PM	0.28%	0.32%	0.35%	0.60%	0.34%	0.33%	0.13%	**2.35%**
9:00 PM	0.06%	0.18%	0.11%	0.19%	0.21%	0.31%	0.15%	**1.21%**
10:00 PM	0.03%	0.07%	0.05%	0.04%	0.13%	0.07%	0.02%	**0.41%**
11:00 PM	0.00%	0.01%	0.01%	0.02%	0.01%	0.01%	0.00%	**0.08%**
Total	**11.89%**	**14.19%**	**13.79%**	**14.92%**	**13.77%**	**18.36%**	**13.08%**	**100.00%**

Visit Start Time	Weekday	Weekend	Total
6:00 AM - 10:59 AM	15.53%	6.96%	**22.49%**
11:00 AM - 1:59 PM	17.99%	10.63%	**28.62%**
2:00 PM - 4:59 PM	18.32%	9.03%	**27.34%**
5:00 PM - 7:59 PM	13.71%	3.79%	**17.50%**
8:00 PM - 11:59 PM	3.02%	1.03%	**4.05%**
12:00 AM - 5:59 AM			
Total	**68.56%**	**31.44%**	**100.00%**

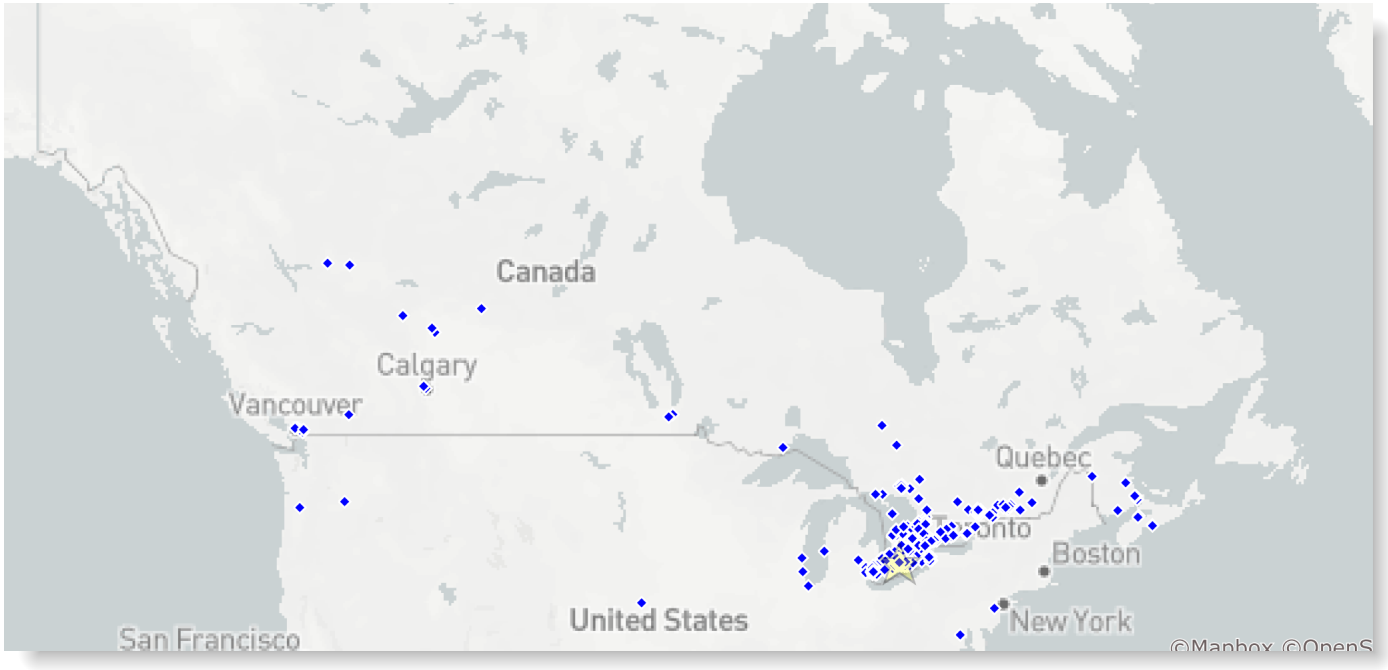
417 Wellington Street, St. Thomas, ON N5R 5J5

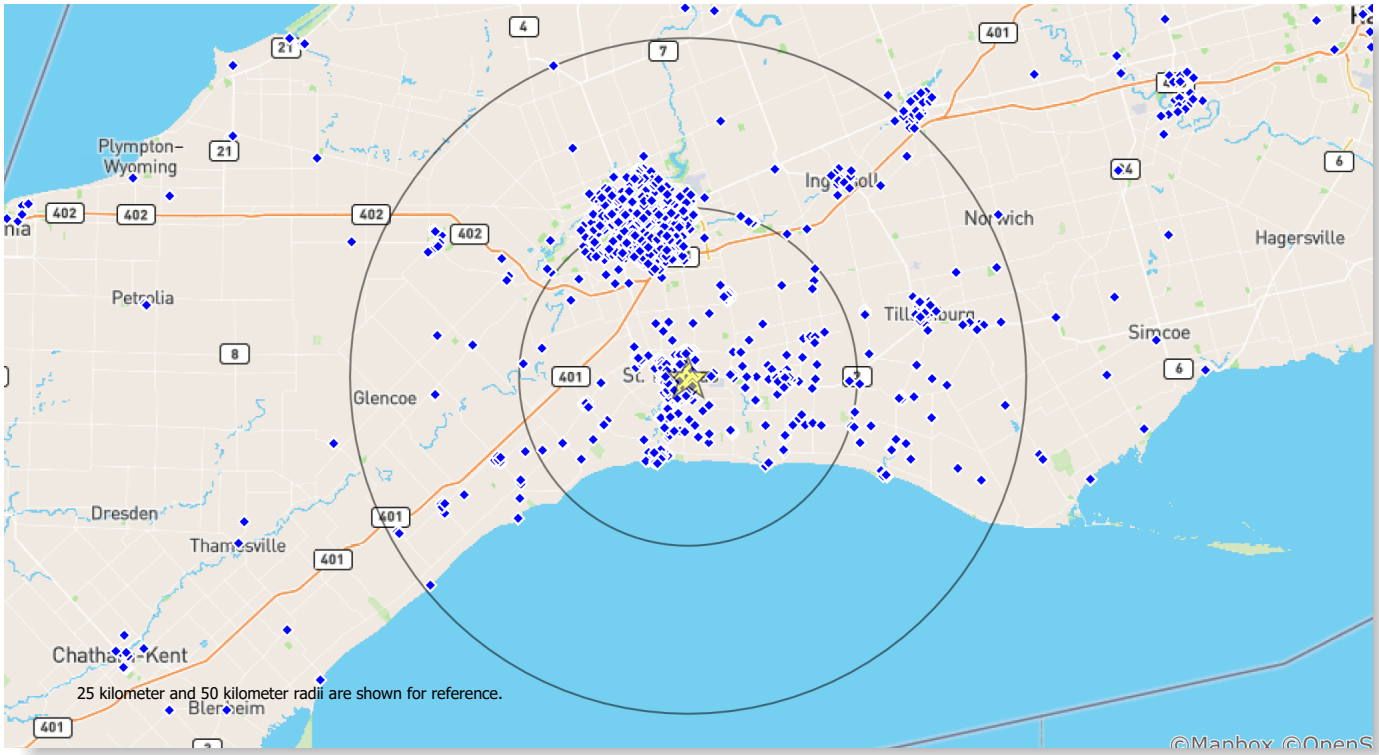
42.776049, -81.160121
Ontario
London, ON CMA
St. Thomas, ON (CY) CSD

Area = 29,416 square meters
Date Range = 2023-11-01 to 2024-10-31
Days Studied = All Days
Time Range = 08:00:00 to 00:00:00 (D)

Device Home Analysis - Device Night Locations:

Device residences are shown across the country and within a large area (25 and 50 kilometers).





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42.776049, -81.160121
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Device Home Analysis - Home Market:

The top 45 markets with at least 0.1% of devices are shown.

CMA	% of Devices
London, ON	76.7%
Strong MIZ	9.1%
Toronto, ON	4.5%
Kitchener - Cambridge - Waterloo, ON	1.1%
Moderate MIZ	1.1%
Tillsonburg, ON	0.8%
Norfolk, ON	0.8%
Hamilton, ON	0.7%
Woodstock, ON	0.6%
Windsor, ON	0.5%
Brantford, ON	0.4%
Chatham-Kent, ON	0.4%
Ottawa - Gatineau, QC/ON	0.3%
Oshawa, ON	0.3%
Weak MIZ	0.3%
Montréal, QC	0.3%
Ingersoll, ON	0.2%
Kingston, ON	0.2%
St. Catharines - Niagara, ON	0.2%
Sarnia, ON	0.1%
Barrie, ON	0.1%
Vancouver, BC	0.1%

Province	% of Devices
Ontario	98.9%
Quebec	0.4%
Alberta	0.2%
British Columbia	0.2%
New Brunswick	0.1%
Nova Scotia	0.1%

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Device Home Analysis - Home Postal/City:

The top 45 Postal codes and cities with at least 0.1% of devices are shown.

Postal	% of Devices
N5R (ST THOMAS, ON)	44.8%
N5P (ST THOMAS, ON)	17.4%
N5H (AYLMER WEST, ON)	5.7%
N0L (DORCHESTER, ON)	4.0%
N0J (NORWICH, ON)	1.7%
N5V (LONDON, ON)	1.3%
N5L (PORT STANLEY, ON)	1.2%
N6G (LONDON, ON)	1.0%
N6E (LONDON, ON)	1.0%
N6H (LONDON, ON)	0.9%
N5W (LONDON, ON)	0.9%
N4G (TILLSONBURG, ON)	0.9%
N6C (LONDON, ON)	0.9%
N5Z (LONDON, ON)	0.8%
N6K (LONDON, ON)	0.7%
N5X (LONDON, ON)	0.6%
N5Y (LONDON, ON)	0.6%
N6J (LONDON, ON)	0.5%
N4S (WOODSTOCK, ON)	0.5%
N6B (LONDON, ON)	0.3%
N6L (LONDON, ON)	0.3%
N6M (LONDON, ON)	0.3%
N0M (CLINTON, ON)	0.3%
N7G (STRATHROY, ON)	0.3%
N0E (WATERFORD, ON)	0.3%
N5C (INGERSOLL, ON)	0.3%
N6A (LONDON, ON)	0.2%
N0P (BLENHEIM, ON)	0.2%
N6P (LONDON, ON)	0.2%
N2P (KITCHENER, ON)	0.2%
N0H (WIARTON, ON)	0.2%
N0N (PETROLIA, ON)	0.1%
N6N (LONDON, ON)	0.1%
L6E (MARKHAM, ON)	0.1%
N2M (KITCHENER, ON)	0.1%
N3T (BRANTFORD, ON)	0.1%
L7A (BRAMPTON, ON)	0.1%
N3S (BRANTFORD, ON)	0.1%
N7M (CHATHAM, ON)	0.1%
L6R (BRAMPTON, ON)	0.1%

City	% of Devices
St Thomas, Ontario	62.2%
London, Ontario	10.9%
Aylmer West, Ontario	5.7%
Dorchester, Ontario	4.0%
Norwich, Ontario	1.7%
Toronto, Ontario	1.3%
Port Stanley, Ontario	1.2%
Tillsonburg, Ontario	0.9%
Kitchener, Ontario	0.8%
Woodstock, Ontario	0.6%
Hamilton, Ontario	0.6%
Mississauga, Ontario	0.5%
Brampton, Ontario	0.5%
Brantford, Ontario	0.4%
Windsor, Ontario	0.4%
Cambridge, Ontario	0.3%
Clinton, Ontario	0.3%
Scarborough, Ontario	0.3%
Strathroy, Ontario	0.3%
Waterford, Ontario	0.3%
Etobicoke, Ontario	0.3%
Ingersoll, Ontario	0.3%
Ottawa, Ontario	0.3%
Markham, Ontario	0.2%
Kingston, Ontario	0.2%
Blenheim, Ontario	0.2%
Montreal, Quebec	0.2%
York, Ontario	0.2%
Willowdale, Ontario	0.2%
Chatham, Ontario	0.2%
Oshawa, Ontario	0.2%
Wiarton, Ontario	0.2%
Petrolia, Ontario	0.1%
Oakville, Ontario	0.1%
Burlington, Ontario	0.1%
Sarnia, Ontario	0.1%
Ajax, Ontario	0.1%
Barrie, Ontario	0.1%
Richmond Hill, Ontario	0.1%

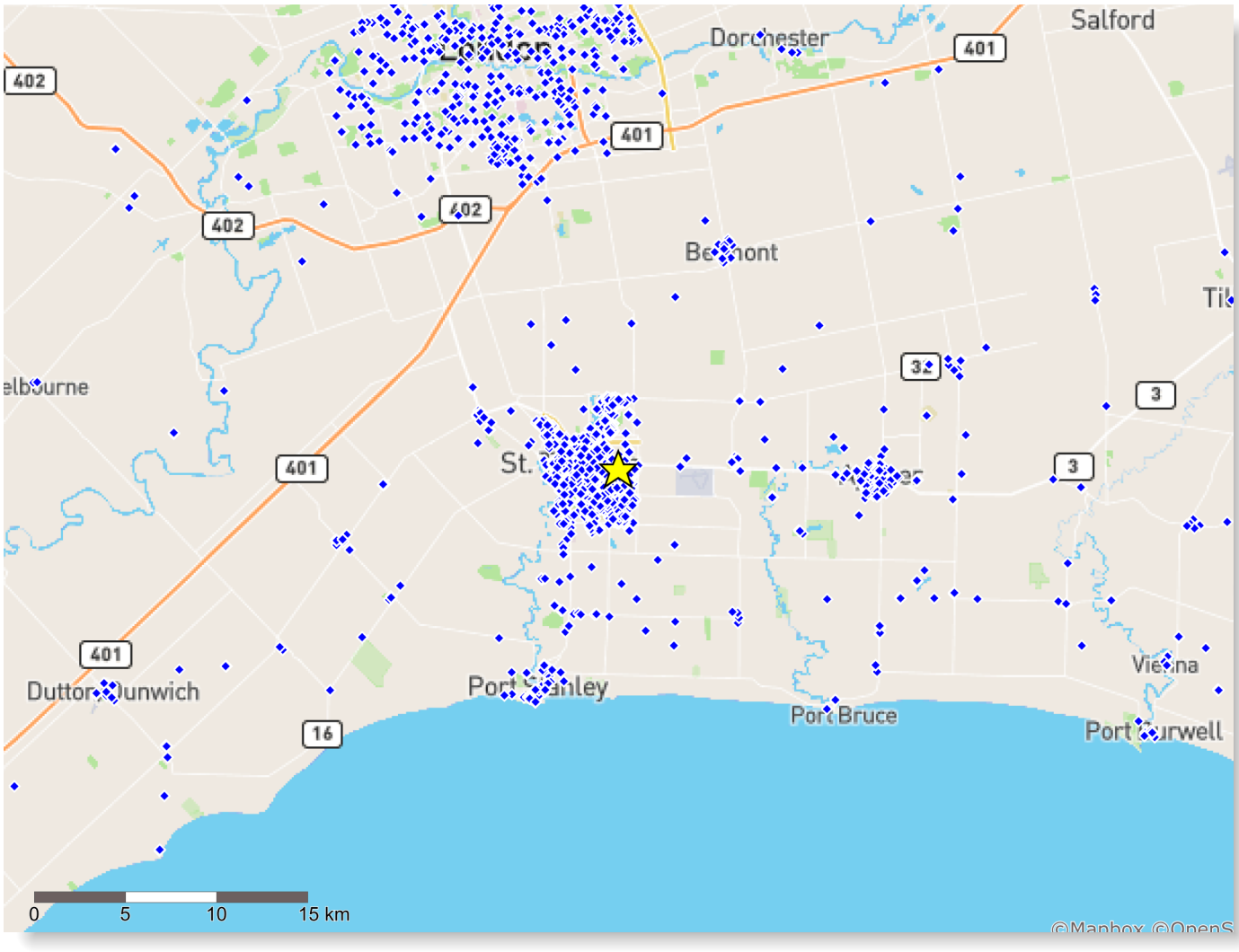
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Ontario
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St. Thomas, ON (CY) CSD

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Time Range = 08:00:00 to 00:00:00 (D)

Device Home Analysis - Device Night Locations:

The map is scaled to show at least 60-80% of device locations.
Up to 5,000 device locations will be shown on the map (selected at random).



Cumulative Capture Rates (Kilometers):

Cumulative %	Distance
5%	0.69
10%	0.93
15%	1.22
20%	1.66
25%	1.86
30%	2.07

Cumulative %	Distance
35%	2.3
40%	2.6
45%	2.9
50%	3.2
55%	3.8
60%	7.6

Cumulative %	Distance
65%	13.7
70%	17.6
75%	23.0
80%	27.0
85%	37.2
90%	112.9

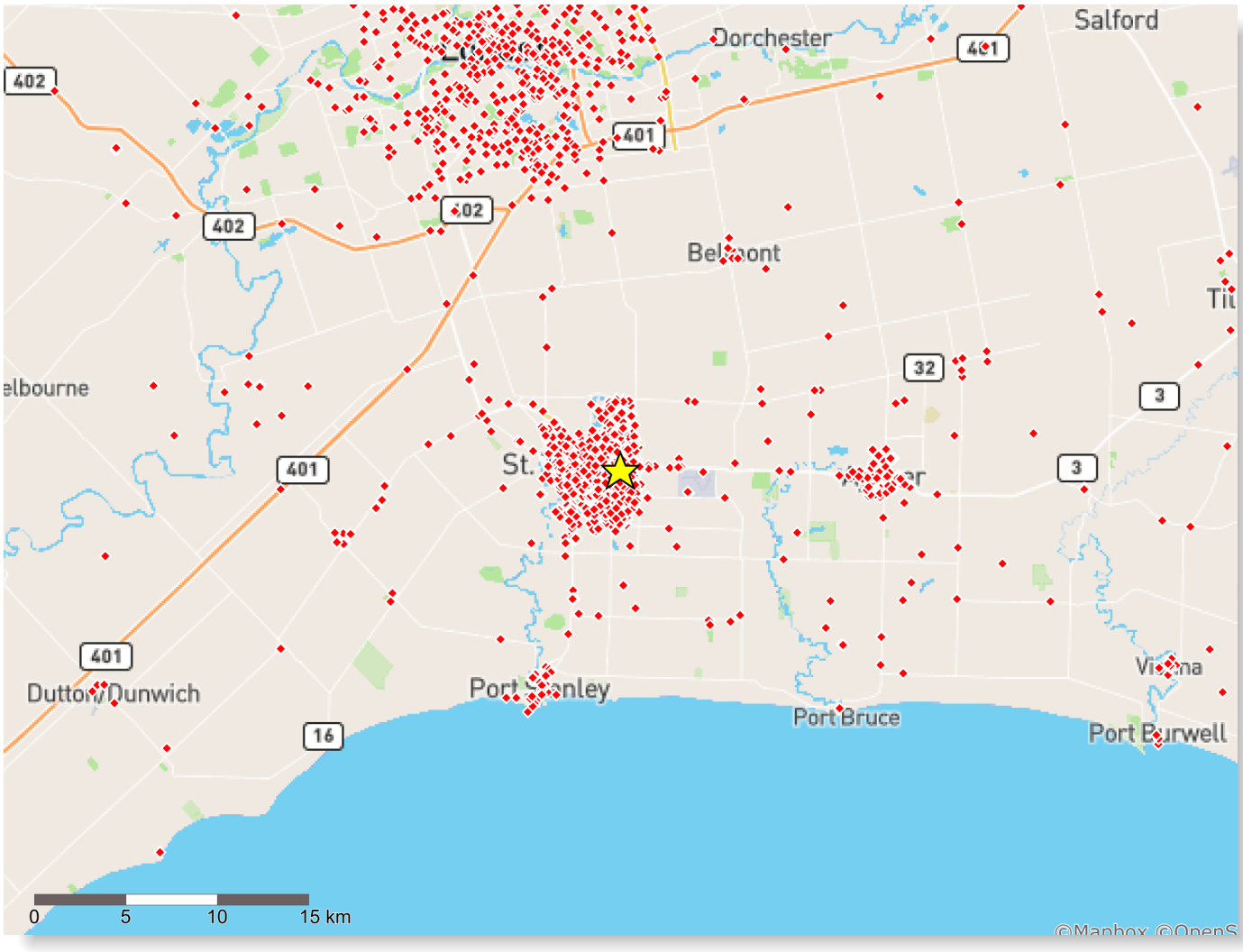
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Device Home Analysis - Device Daytime Locations:

The map below shows the most prominent locations where visitor devices are found during the daytime. This could include home/night location, workplaces, schools, residences of friends/family, and more.



Cumulative Capture Rates (Kilometers):

Cumulative %	Distance
5%	0.86
10%	1.28
15%	1.52
20%	1.78
25%	2.01
30%	2.30

Cumulative %	Distance
35%	2.7
40%	3.2
45%	4.3
50%	13.7
55%	17.8
60%	20.7

Cumulative %	Distance
65%	23.2
70%	25.6
75%	30.7
80%	51.0
85%	116.0
90%	166.2

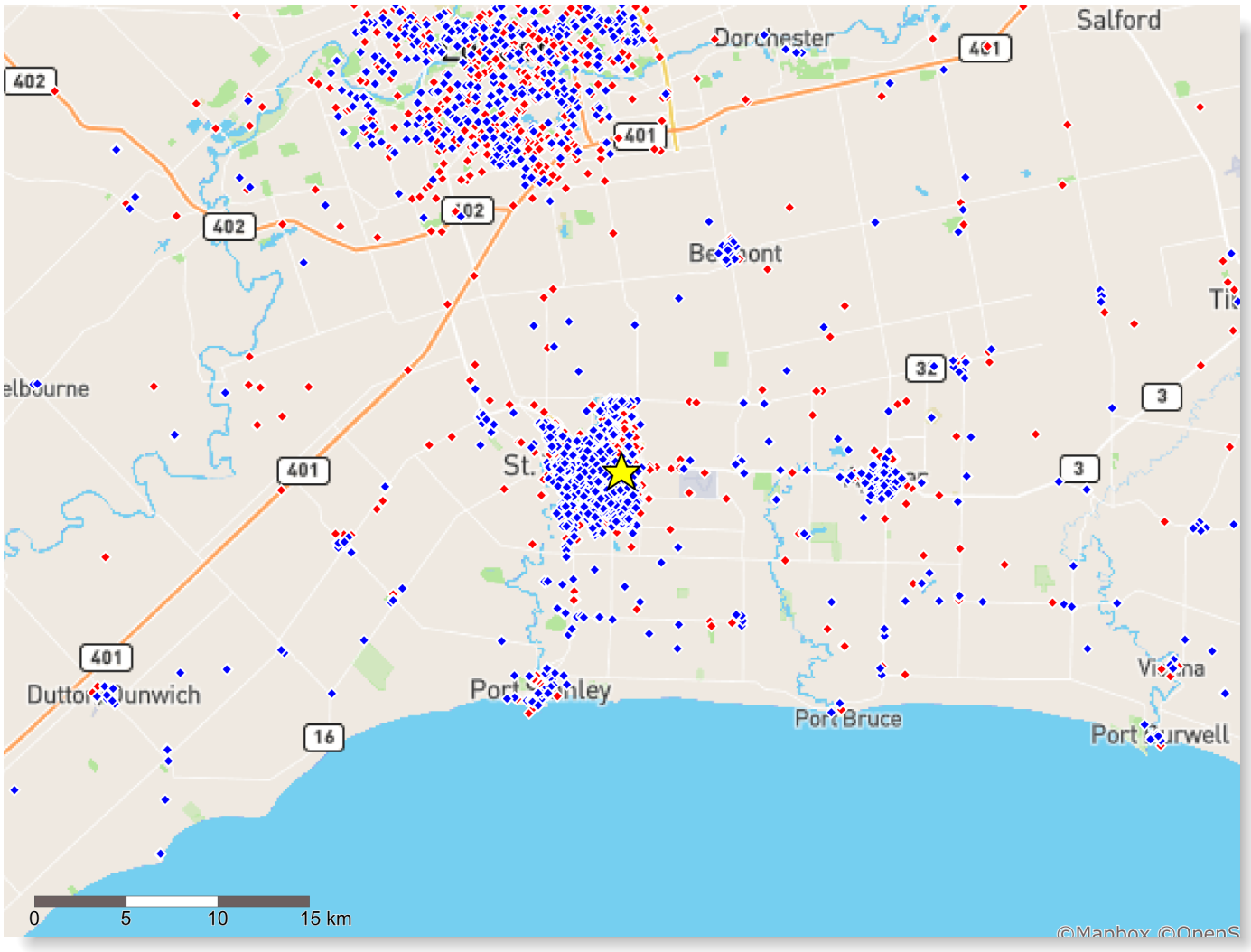
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Device Home Analysis - Device Night and Daytime Locations:

The map below combines the locations where deviceholders likely reside (**blue**/nighttime) and the locations where those devices are found during the daytime (**red**/daytime).



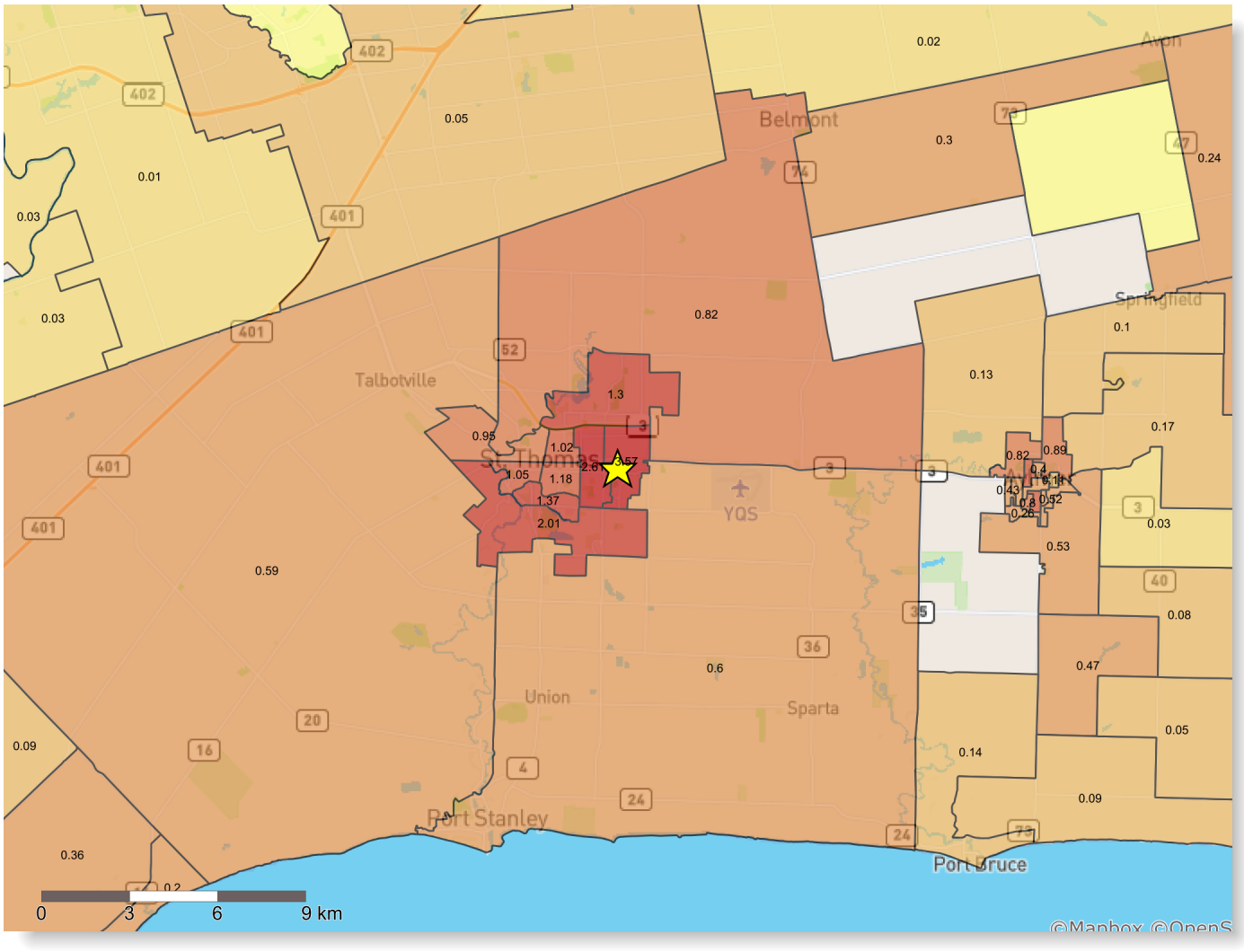
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Device Home Analysis - Visit Penetration:

The map below shows the relative penetration rate of census geographies in the area surrounding the store. Each neighborhood is shaded based on its visits per resident (population count), indexed against areas in the map view.



- 2.61 +
- 1.3 - 2.6
- 1.02 - 1.29
- 0.77 - 1.01
- 0.19 - 0.76
- 0.05 - 0.18
- 0.01 - 0.04
- 0.01 - 0

An index of 1.00 indicates average penetration for the map area. Geographies not represented among device holder home/night locations have an index of 0.00, and are not shown on the map or included in the indexing calculations.

Relative penetration index =

(visits from geography / population in geography)
(visits from map area / population in map area)

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Time Range = 08:00:00 to 00:00:00 (D)

Device Home Analysis - Demographic Summary:

Data © Environics Analytics • All rights reserved.

Category	Variable	Devices
Age		
	Under 5 years	4.9%
	5-14 years	11.4%
	15-19 years	6.0%
	20-24 years	6.1%
	25-34 years	12.8%
	35-44 years	12.2%
	45-54 years	12.2%
	55-64 years	13.5%
	65-74 years	11.4%
	75+ years	9.4%
	Median age	42.6
Ethnicity		
	Arab	1.2%
	Black	2.4%
	Chinese	1.1%
	Filipino	1.0%
	Japanese	0.1%
	Korean	0.3%
	Latin American	1.2%
	South Asian	3.1%
	Southeast Asian	0.9%
	West Asian	0.4%
	Multiple Visible Minorities	0.4%
	All Other Visible Minorities	0.3%
	Not A Visible Minority	87.6%
Household Size		
	1 Person	26.6%
	2 Persons	36.3%
	3 Persons	15.2%
	4 Persons	13.5%
	5+ Persons	8.4%
	Average Persons per Household	2.5
Household Composition		
	One family household	66.8%
	Multiple family household	0.4%
	Non-family hosuehold	30.3%

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Days Studied = All Days
Time Range = 08:00:00 to 00:00:00 (D)

Device Home Analysis - Demographic Summary:

Data © Environics Analytics • All rights reserved.

Category	Variable	Devices
Educational Attainment		
	Apprenticeship Or Trades Certificate Or Diploma	5.6%
	College, CEGEP Or Other Non-University Certificate Or Diploma	26.1%
	High School Certificate Or Equivalent	31.7%
	No Certificate, Diploma Or Degree	17.0%
	University Certificate Or Diploma Below Bachelor	1.6%
	Bachelor's Degree	12.8%
	Above Bachelor's	5.4%
Labor Force		
	In the labor force	60.1%
	Not in the labor force	39.9%
Occupation		
	Management	0.8%
	Business Finance Administration	14.8%
	Occupations In Sciences	6.0%
	Occupations In Health	8.9%
	Occupations In Social Science, Education, Government, Religion	11.3%
	Occupations In Art, Culture, Recreation, Sport	2.1%
	Occupations In Sales And Service	22.6%
	Occupations In Trades, Transport, Operators	20.3%
	Occupations Unique To Primary Industries	2.5%
	Occupations Unique To Manufacture And Utilities	8.3%
	Occupation Not Applicable	2.3%
Household Income		
	Under $20,000	3.4%
	$20,000 - $39,999	12.1%
	$40,000 - $59,999	13.6%
	$60,000 - $79,999	14.0%
	$80,000 - $99,999	12.4%
	$100,000 - $124,999	12.2%
	$125,000 - $149,999	10.1%
	$150,000 - $199,999	10.9%
	$200,000 - $300,000	7.4%
	$300,000+	3.9%
	Median household income	$93,416
Housing Tenure		
	Owner-occupied	71.9%
	Renter-occupied	28.0%

Appendix B
Commercial Categories and Existing Commercial Floor Space Inventory

Appendix B: Commercial Categories and Existing Commercial Floor Space Inventory

Figure B-1
City of St. Thomas
Retail and Commercial Service Categories

Retail and Commercial Service Category	Retail Use Descriptions
Food Store Retail	grocery stores, specialty stores, bakeries, delicatessen, butcher shops, and convenience stores
Beer, Wine & Liquor Stores	stores that sell alcohol (excludes stores within a store, e.g., grocery stores)
Food Services (Restaurants)	food and drinking places, including fast food outlets, cafés, full dining and casual restaurants, frozen yogurt/ice cream stores, and bars/taverns
Health & Personal Care Stores	drug stores, optical stores (e.g., Hakim Optical), vitamin supplement stores (e.g., Popeyes Nutrition Stores) and health and beauty stores
Non-Food Stores	stores that sell general merchandise (e.g., Walmart, Winners, Dollarama), clothing and accessories stores, furniture and home furnishing stores, electronic stores, toy and hobby stores, sporting goods stores, and office supply stores
Home Improvement Stores	hardware stores (Home Hardware), home improvement stores and garden centres (RONA, Home Depot, and Peavey Mart), paint stores, flooring stores, and building materials stores
Services/Entertainment, Recreation & Leisure	includes a wide range of service providers, including hair salons/barber shops, nail salons, movie theatres, fitness centres, bowling alleys, dry cleaners, and tutoring centres
Office & Institutional Services	includes a wide range of customer-facing professional services and government/social services, including legal and accounting offices, insurance branches, real-estate offices, government agencies, and organizations
Automotive Sales & Services	includes automotive dealerships, automotive service and repair, autobody and collision repair, and equipment rentals and services
Vacant	retail units identified as vacant as of September 2024

Source: Watson & Associates Economists Ltd.

Figure B-2
City of St. Thomas
Existing Commercial Floor Space Inventory, Sq.ft.

Retail and Commercial Service Category	2024
Food Store Retail	265,000
Beer, Wine & Liquor Stores	28,000
Food Services (Restaurants)	237,000
Health & Personal Care Stores	95,000
Non-Food Stores	573,000
Home Improvement Stores	148,000
Other	-
Services/Entertainment, Recreation & Leisure	359,000
Office & Institutional Services	493,000
Automotive Sales & Services	179,000
Vacant	182,000
Total	**2,559,000**

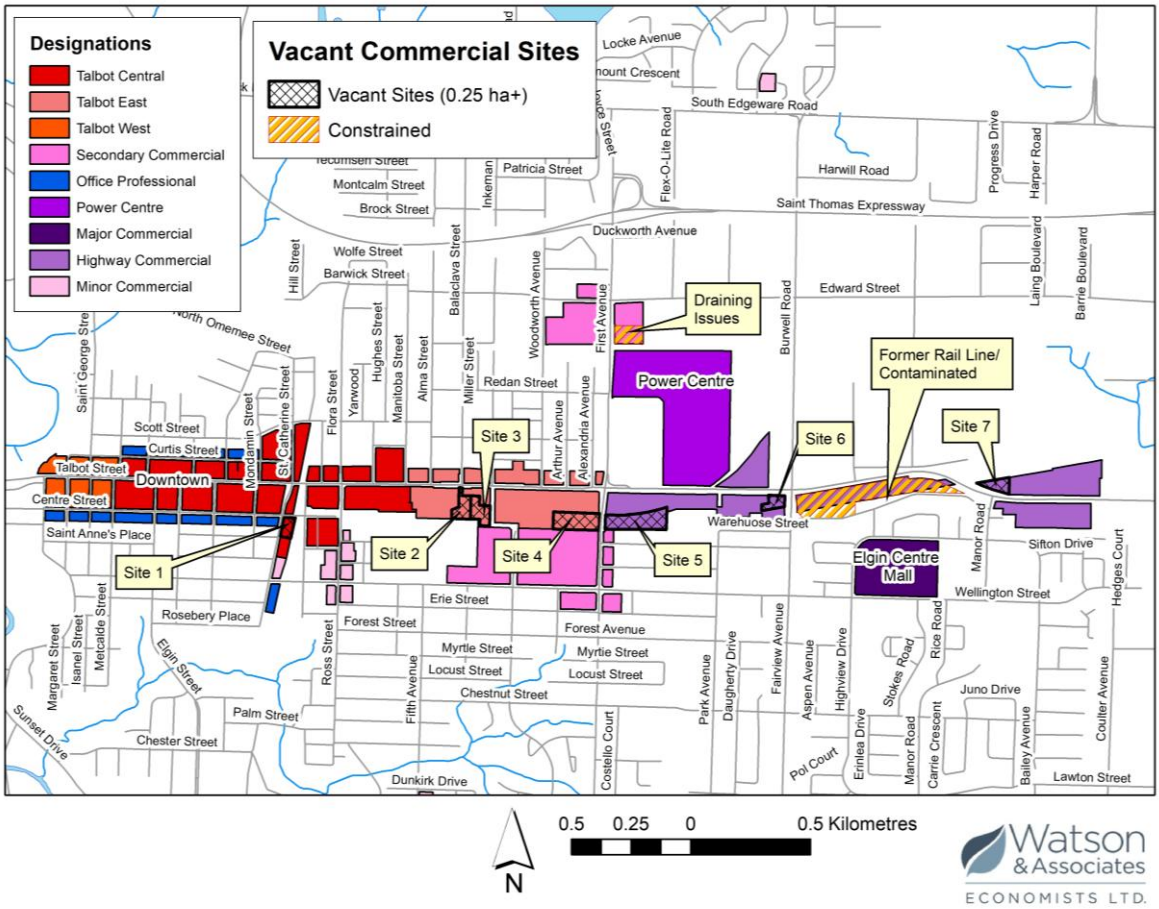
Source: Based on an inventory prepared by the City of St. Thomas staff and Watson & Associates Economists Ltd., September 2024.

Appendix C
Commercial Land Supply Inventory

Appendix C: Commercial Land Supply Inventory

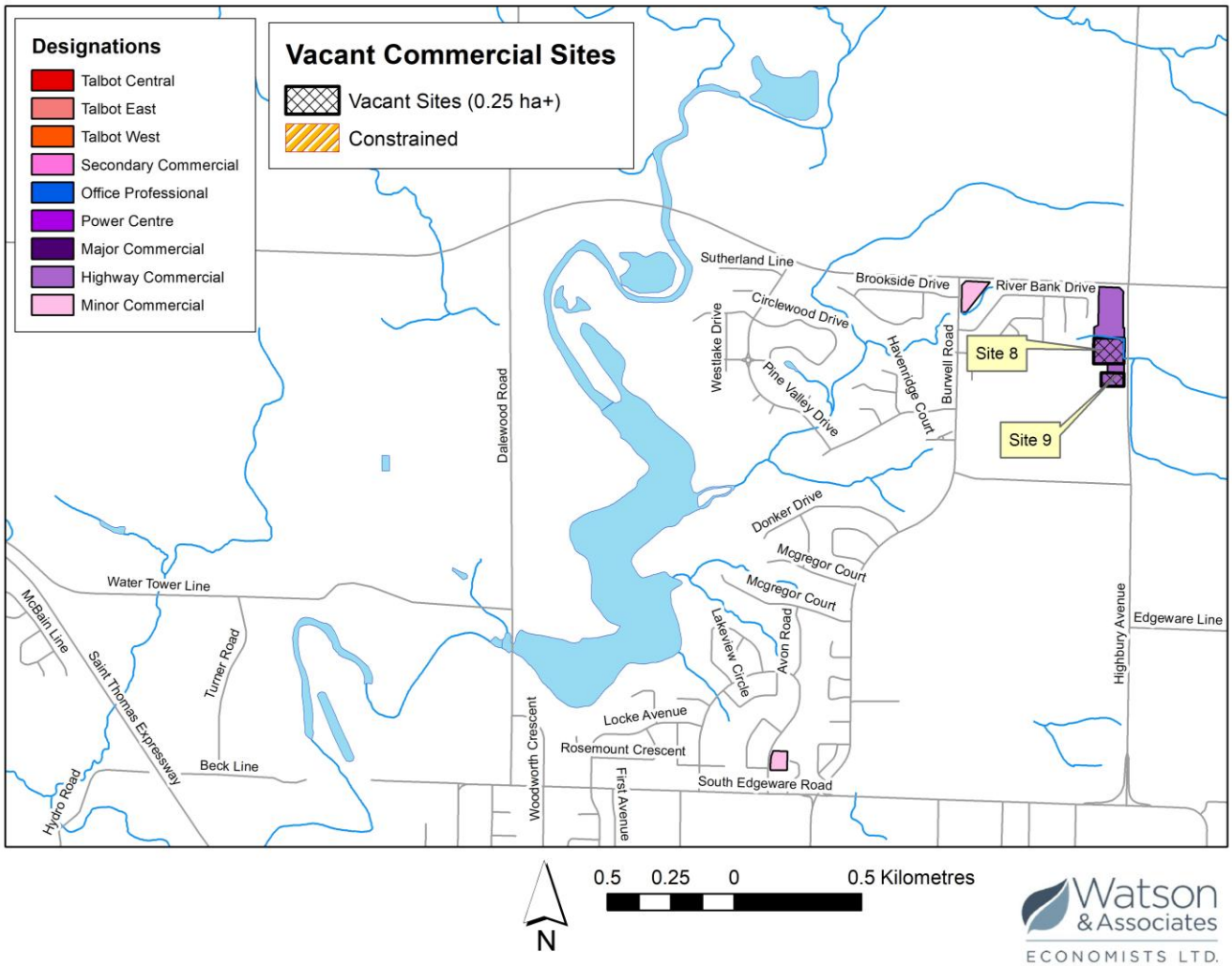
The following figures illustrate the vacant commercial land supply in the City of St. Thomas, based on a desktop review of the status of parcels designated in the City of St. Thomas Official Plan as: Talbot Central, Talbot West, Talbot East, Power Centre, Major Commercial, Secondary Commercial, Office Professional, Highway Commercial, and Minor Commercial.

Figure C-1
City of St. Thomas
Commercial Sites Inventory Central Area



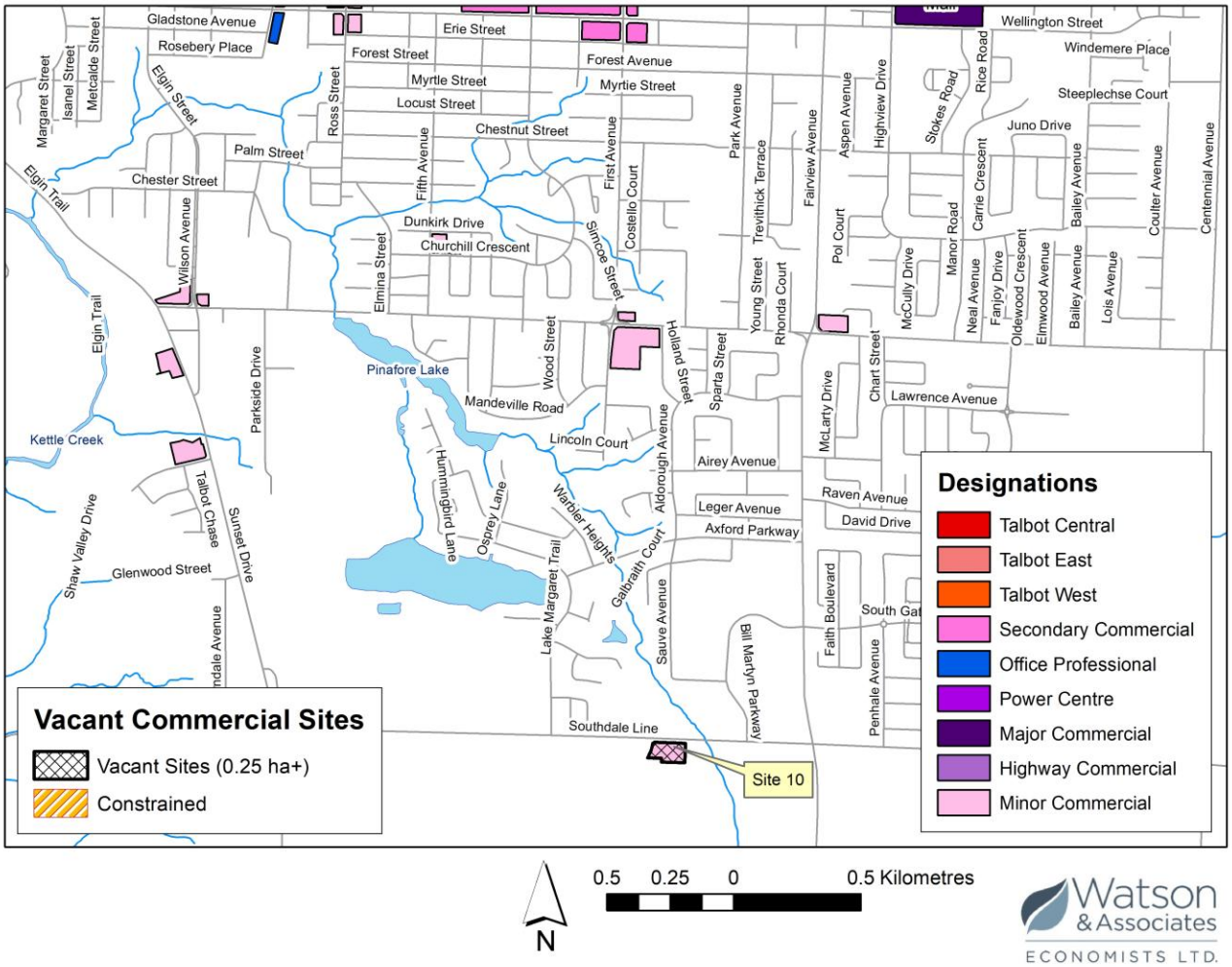
Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Figure C-2
City of St. Thomas
Commercial Sites Inventory North Area



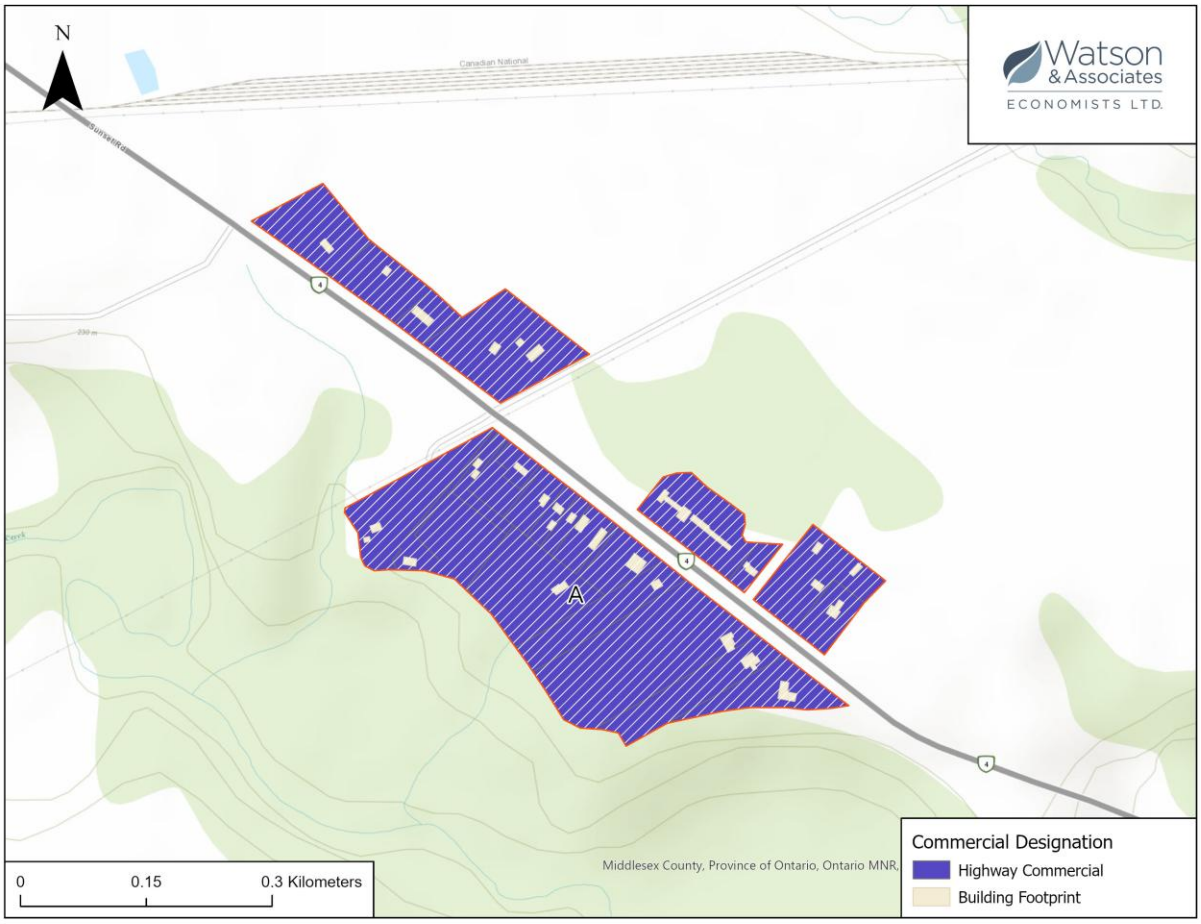
Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Figure C-3
City of St. Thomas
Commercial Sites Inventory South Area



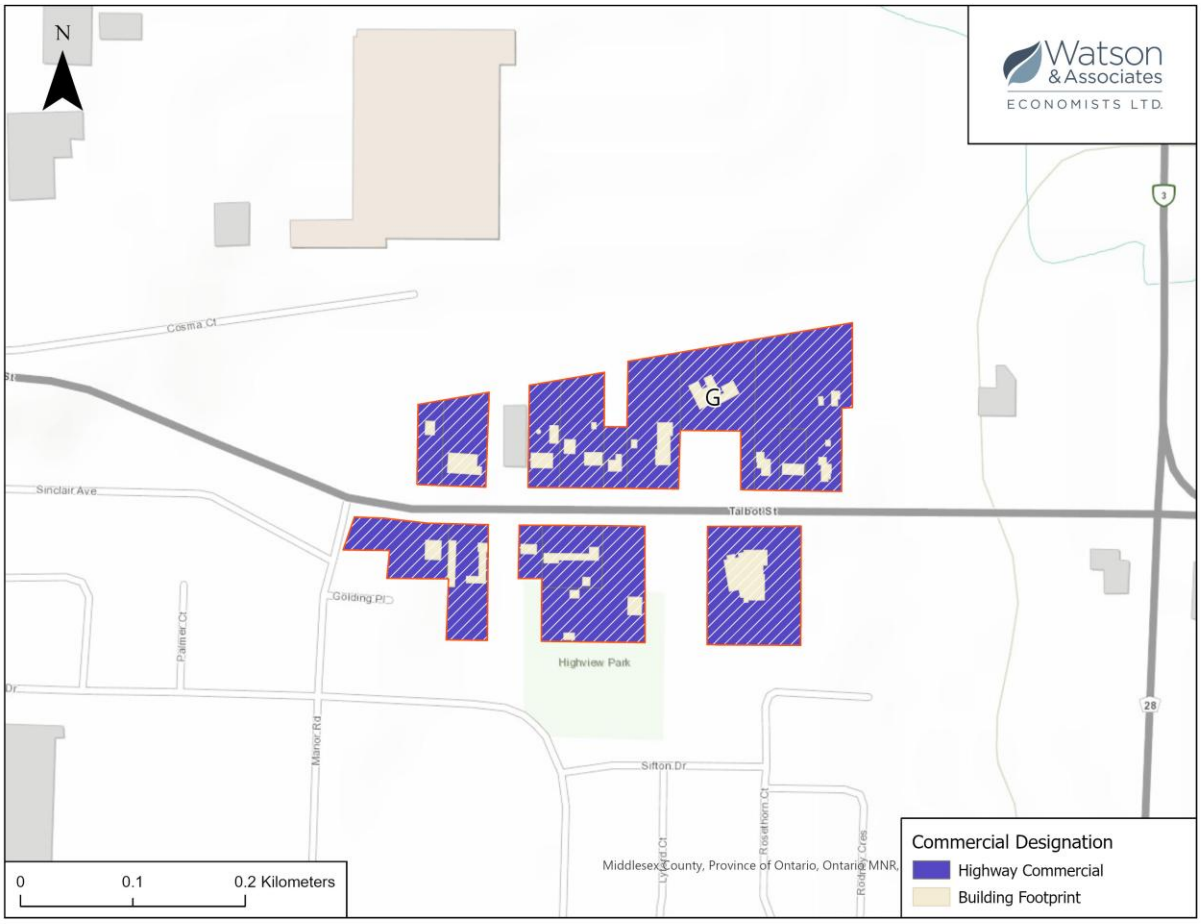
Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Figure C-4
City of St. Thomas
Intensification Opportunities West Area



Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Figure C-5
City of St. Thomas
Intensification Opportunities East Area



Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Figure C-6
City of St. Thomas
Intensification Opportunities Central Area



Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Figure C-7
City of St. Thomas
Intensification Opportunities

Map Reference Cluster	Official Plan Land Use Designation	Number of Parcels	Sum of Existing Building Area (hectares)	Sum of Parcel Land (hectares)	Average of Utilization Rate
A	Highway Commercial	23	0.5	16.0	5%
B	Talbot Central	6	0.2	1.5	17%
C	Talbot East	8	0.5	3.9	15%
D	Secondary Commercial	2	0.5	3.0	15%
E	Power Centre	1	1.0	5.2	20%
F	Highway Commercial	1	0.0	0.3	8%
G	Highway Commercial	16	0.6	6.2	11%

Source: Based on a desktop review by Watson & Associates Economists Ltd. utilizing Google Earth imagery and the following layers from the City of St. Thomas: parcel outline, Official Plan designation, and building footprints.

Appendix D
Detailed Market Warranted Additional Gross Leasable Area by Category

Appendix D: Detailed Market Warranted Additional Gross Leasable Area by Category

Figure D-1
Food Store Retail Demand, 2051

P.T.A. (St. Thomas)	Calculation	2024	2031	2051
Population	-	46,400	60,400	79,500
Food Store Expenditure per capita	-	$2,735	$2,735	$2,735
Food Store Total Expenditure ($ millions)	-	$126.9	$165.2	$217.4
S.T.A. (Extended Trade Area)	**-**	**2024**	**2031**	**2051**
Population	-	38,300	42,000	50,100
Food Store Expenditure per capita	-	$2,735	$2,735	$2,735
Food Store Total Expenditure ($ millions)	-	$104.8	$114.9	$137.0
Existing Situation	**-**	**-**	**-**	**-**
Existing Food Store G.L.A. (sq.ft.)	-	265,000	-	-
P.T.A. Capture Rate (%)	90%	$114.2	-	-
S.T.A. Capture Rate (%)	42%	$44.0	-	-
Total Trade Area Capture Rate (%)	**68%**	**-**	-	-
Inflow (%)	15%	$27.3	-	-
Total Current Sales @ $700/sq.ft.	$700	$185.5	-	-
Residual Sales & G.L.A./Forecast Additional G.L.A. Space				
P.T.A. Capture Rate (%)	90%	$114.2	$148.7	$195.7
S.T.A. Capture Rate (%)	42%	$44.0	$48.2	$57.5
Total Trade Area Capture Rate (%)	**68%**	**-**	**-**	**-**
Inflow (%)	15%	$27.3	$33.5	$43.1
Total Sales	-	$185.5	$230.4	$296.3
Minus Existing Sales	-	$185.5	$185.5	$185.5
Residual	-	$0.0	$44.9	$110.8
Potential Food Store G.L.A. (sq.ft.)	$700	-	64,000	**158,000**
Potential Food Store G.L.A. (sq.ft.)	$650	-	69,000	170,000
Potential Food Store G.L.A. (sq.ft.)	$600	-	75,000	185,000

Notes: G.L.A. means gross leasable area; P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area.
Source: Watson & Associates Economists Ltd.

Figure D-2
Beer, Wine and Liquor Demand, 2051

P.T.A. (St. Thomas)	Calculation	2024	2031	2051
Population	-	46,400	60,400	79,500
Beer, Wine and Liquor Expenditure per capita	-	$570	$570	$570
B.W.L. Total Expenditure ($ millions)	-	$26.4	$34.4	$45.3
S.T.A. (Extended Trade Area)	**-**	**2024**	**2031**	**2051**
Population	-	38,300	42,000	50,100
Food Store Expenditure per capita	-	$605	$605	$605
B.W.L. Total Expenditure ($ millions)	-	$23.2	$25.4	$30.3
Existing Situation	-			
Existing B.W.L. G.L.A. (sq.ft.)	-	28,000	-	-
P.T.A. Capture Rate (%)	85%	$22.5	-	-
S.T.A. Capture Rate (%)	34%	$7.9	-	-
Total Trade Area Capture Rate (%)	**61%**	**-**	-	-
Inflow (%)	10%	$3.2	-	-
Total Current Sales @ $1,200/sq.ft.	$1,200	$33.6	-	-
Residual Sales & G.L.A./Forecast Additional G.L.A. Space				
P.T.A. Capture Rate (%)	85%	$22.5	$29.3	$38.5
S.T.A. Capture Rate (%)	34%	$7.9	$8.6	$10.3
Total Trade Area Capture Rate (%)	**61%**	**-**	**-**	**-**
Inflow (%)	10%	$3.2	$4.2	$5.4
Total Sales	-	$33.6	$42.1	$54.2
Minus Existing Sales	-	$33.6	$33.6	$33.6
Residual	-	$0.0	$8.5	$20.6
Potential B.W.L. G.L.A. (sq.ft.)	$1,200	-	7,000	**17,000**
Potential B.W.L. G.L.A. (sq.ft.)	$1,150	-	7,000	18,000
Potential B.W.L. G.L.A. (sq.ft.)	$1,100	-	8,000	19,000

Notes: G.L.A. means gross leasable area; P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area; B.W.L. means Beer, Wine and Liquor.
Source: Watson & Associates Economists Ltd., 2024.

Figure D-3
Food Services (Restaurants), 2051

P.T.A. (St. Thomas)	Calculation	2024	2031	2051
Population	-	46,400	60,400	79,500
Food Services (Restaurants) Expenditure per capita	-	$1,795	$1,795	$1,795
Restaurants Total Expenditure ($ millions)	-	$83.3	$108.4	$142.7
S.T.A. (Extended Trade Area)	**-**	**2021**	**2031**	**2046**
Population	-	38,300	42,000	50,100
Restaurants Expenditure per capita	-	$1,920	$1,920	$1,920
Restaurants Total Expenditure ($ millions)	-	$73.5	$80.6	$96.2
Existing Situation	-	-	-	-
Existing Restaurants G.L.A. (sq.ft.)	-	237,000	-	-
P.T.A. Capture Rate (%)	85%	$70.8	-	-
S.T.A. Capture Rate (%)	35%	$25.7	-	-
Total Trade Area Capture Rate (%)	**62%**	**-**	-	-
Inflow (%)	15%	$17.2	-	-
Total Current Sales @ $480/sq.ft.	$480	$113.8	-	-
Residual Sales & G.L.A./Forecast Additional G.L.A. Space	-	-	-	-
P.T.A. Capture Rate (%)	85%	$70.8	$92.2	$121.3
S.T.A. Capture Rate (%)	35%	$25.7	$28.2	$33.7
Total Trade Area Capture Rate (%)	**62%**	**-**	**-**	**-**
Inflow (%)	15%	$17.2	$21.7	$27.9
Total Sales	-	$113.8	$142.0	$182.9
Minus Existing Sales	-	$113.8	$113.8	$113.8
Residual	-	$0.0	$28.3	$69.1
Potential Restaurants G.L.A. (sq.ft.)	$480	-	59,000	**144,000**
Potential Restaurants G.L.A. (sq.ft.)	$430	-	66,000	161,000
Potential Restaurants G.L.A. (sq.ft.)	$380	-	74,000	182,000

Notes: G.L.A. means gross leasable area; P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area.
Source: Watson & Associates Economists Ltd., 2024.

Figure D-E
Health Care & Personal Care Stores, 2051

P.T.A. (St. Thomas)	Calculation	2024	2031	2051
Population	-	46,400	60,400	79,500
Health & Personal Care Stores Expenditure per capita	-	$1,210	$1,210	$1,210
Health & Personal Care Total Expenditure ($ millions)	-	$56.1	$73.1	$96.2
S.T.A. (Extended Trade Area)	-	2024	2031	2051
Population	-	38,300	42,000	50,100
Health & Personal Care Stores Expenditure per capita	-	$1,265	$1,265	$1,265
Health & Personal Care Total Expenditure ($ millions)	-	$48.4	$53.1	$63.4
Existing Situation	-			
Existing Health & Personal Care Stores G.L.A. (sq.ft.)	-	95,000	-	-
P.T.A. Capture Rate (%)	85%	$47.7	-	-
S.T.A. Capture Rate (%)	30%	$14.5	-	-
Total Trade Area Capture Rate (%)	**60%**	-	-	-
Inflow (%)	6%	$4.2	-	-
Total Current Sales @ $700/sq.ft.	$700	$66.5	-	-
Residual Sales & G.L.A./Forecast Additional G.L.A. Space	-	-	-	-
P.T.A. Capture Rate (%)	85%	$47.7	$62.1	$81.8
S.T.A. Capture Rate (%)	30%	$14.5	$15.9	$19.0
Total Trade Area Capture Rate (%)	**60%**	-	-	-
Inflow (%)	6%	$4.2	$4.7	$6.0
Total Sales		$66.5	$82.7	$106.8
Minus Existing Sales		$66.5	$66.5	$66.5
Residual		$0.0	$16.2	$40.3
Potential Health & Personal Care Stores G.L.A. (sq.ft.)	$700	-	23,000	**58,000**
Potential Health & Personal Care Stores G.L.A. (sq.ft.)	$650	-	25,000	62,000
Potential Health & Personal Care Stores G.L.A. (sq.ft.)	$600	-	27,000	67,000

Notes: G.L.A. means gross leasable area; P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area.
Source: Watson & Associates Economists Ltd., 2024.

Figure D-F
Non-Food Store Retail, 2051

P.T.A. (St. Thomas)	Calculation	2024	2031	2051
Population	-	46,400	60,400	79,500
Non-Food Store Expenditure per capita	-	$6,455	$6,455	$6,455
Non-Food Store Total Expenditure ($ millions)	-	$299.5	$389.9	$513.2
S.T.A. (Extended Trade Area)	**-**	**2024**	**2031**	**2051**
Population	-	38,300	42,000	50,100
Non-Food Store Expenditure per capita	-	$6,745	$6,745	$6,745
Non-Food Store Total Expenditure ($ millions)	-	$258.3	$283.3	$337.9
Existing Situation	-		-	-
Non-Food Stores G.L.A. (sq.ft.)	-	573,000	-	-
P.T.A. Capture Rate (%)	70%	$209.7	-	-
S.T.A. Capture Rate (%)	22%	$56.8	-	-
Total Trade Area Capture Rate (%)	**48%**		-	-
Inflow (%)	11%	$34.3	-	-
Total Current Sales @ $525/sq.ft.	$525	$300.8	-	-
Residual Sales & G.L.A./Forecast Additional G.L.A. Space	-	-	-	-
P.T.A. Capture Rate (%)	70%	$209.7	$272.9	$359.2
S.T.A. Capture Rate (%)	22%	$56.8	$62.3	$74.3
Total Trade Area Capture Rate (%)	**48%**	-	-	-
Inflow (%)	11%	$34.3	$40.2	$52.0
Total Sales	-	$300.8	$375.5	$485.6
Minus Existing Sales	-	$300.8	$300.8	$300.8
Residual	-	$0.0	$74.6	$184.8
Potential Non-Food Store G.L.A. (sq.ft.)	$525	0	142,000	352,000
Potential Non-Food Store G.L.A. (sq.ft.)	$475	0	157,000	389,000
Potential Non-Food Store G.L.A. (sq.ft.)	$425	0	176,000	435,000

Notes: G.L.A. means gross leasable area; P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area.
Source: Watson & Associates Economists Ltd., 2024.

Figure D-G
Home Improvement Stores

P.T.A. (St. Thomas)	Calculation	2024	2031	2051
Population	-	46,400	60,400	79,500
Home Improvement Store Expenditure per capita	-	$1,387	$1,387	$1,387
Home Improvement Store Total Expenditure ($ millions)	-	$64.4	$83.8	$110.3
S.T.A. (Extended Trade Area)	**-**	**2024**	**2031**	**2051**
Population	-	38,300	42,000	50,100
Home Improvement Store Expenditure per capita	-	$1,450	$1,450	$1,450
Home Improvement Store Total Expenditure ($ millions)	-	$55.5	$60.9	$72.6
Existing Situation	-			
Home Improvement Stores G.L.A. (sq.ft.)	-	148,000	-	-
P.T.A. Capture Rate (%)	70%	$45.0	-	-
S.T.A. Capture Rate (%)	35%	$19.4	-	-
Total Trade Area Capture Rate (%)	**54%**	-	-	-
Inflow (%)	12.9%	$9.5	-	-
Total Current Sales @ $500/sq.ft.	$500	$74.0	-	-
Residual Sales & G.L.A./Forecast Additional G.L.A. Space			-	-
P.T.A. Capture Rate (%)	70%	$45.0	$58.6	$77.2
S.T.A. Capture Rate (%)	35%	$19.4	$7.8	$9.3
Total Trade Area Capture Rate (%)	**54%**	-	-	-
Inflow (%)	13%	$9.5	$10.0	$13.0
Total Sales	-	$74.0	$76.4	$99.5
Minus Existing Sales	-	$74.0	$74.0	$74.0
Residual	-	$0.0	$2.4	$25.5
Potential Home Improvement Store G.L.A. (sq.ft.)	$500	0	5,000	**51,000**
Potential Home Improvement Store G.L.A. (sq.ft.)	$450	0	5,000	57,000
Potential Home Improvement Store G.L.A. (sq.ft.)	$400	0	6,000	64,000

Notes: G.L.A. means gross leasable area; P.T.A. means Primary Trade Area; S.T.A. means Secondary Trade Area.
Source: Watson & Associates Economists Ltd., 2024.

Figure D-H
Summary of Retail Demand by Category

Retail and Commercial Service Category	2024	2024-2031	2024-2051
Food Store Retail	265,000	64,000	158,000
Beer, Wine & Liquor Stores	28,000	7,000	17,000
Food Services (Restaurants)	237,000	59,000	144,000
Health & Personal Care Stores	95,000	23,000	58,000
Non-Food Stores	573,000	142,000	352,000
Home Improvement Stores	148,000	5,000	51,000
Other	-	-	-
Services/Entertainment, Recreation and Leisure	359,000	57,000	148,000
Office & Institutional Services	493,000	48,000	125,000
Automotive Sales and Services	179,000	24,000	62,000
Vacant	182,000	-	-
Total	**2,559,000**	**429,000**	**1,115,000**

Source: Watson & Associates Economists Ltd., 2024.

Appendix E
Employment Growth on Commercial Lands, 2051

Appendix E: Employment Growth on Commercial Lands, 2051

Figure E-1
Associated Employment Growth on Commercial Lands, 2051

Retail and Commercial Service Category	Average Floor Space Per Worker Assumptions (sq.ft.)	2051 Employment
Food Store Retail	480	330
Beer, Wine & Liquor Stores	550	30
Food Services (Restaurants)	400	360
Health & Personal Care Stores	375	150
Non-Food Stores	645	550
Home Improvement Stores	750	100
Services/Entertainment, Recreation & Leisure	600	250
Office & Institutional Services	340	370
Automotive Sales and Services	750	100
Total	**500**	**2,240**

Note: Floor space per worker assumptions based on averages observed within comparable communities.
Source: Watson & Associates Economists Ltd., 2024.

Figure E-2
Average Anticipated Employment Density on Vacant Commercial Lands

Commercial Employment Growth	Commercial Employment Growth, Adjusted for Intensification	Commercial Demand Land Area, hectares	Jobs per net hectare
2,240	1,790	33	**54**

Note: Based on an average building coverage of 25% on vacant commercial lands.
Source: Watson & Associates Economists Ltd., 2024.