



# 15 LOYALIST TRAIL

## Commercial Market Study

Oakville, Ontario

Prepared for Rowhedge Construction Limited

September 10, 2024



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September 10, 2024

Mr. Leo Wu M.A. P.Eng.  
Rowhedge Construction Limited  
145 Reynolds Street, Suite 400  
Oakville, Ontario  
L6J 0A7

Dear Mr. Wu:

RE: **15 Loyalist Trail** – Commercial Market Study (Oakville, Ontario)

urbanMetrics inc. is pleased to submit this report which examines the need for commercial uses on the subject 1.6 acre site located at 15 Loyalist Trail in North Oakville.

The following report summarizes our findings and conclusions. It was a pleasure to conduct this report on your behalf.

Yours truly,

A handwritten signature in blue ink that reads "Rowan Faludi".

Rowan Faludi, MCIP, RPP, PLE, CMC  
Partner,  
urbanMetrics Inc.

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# 1.0 Introduction

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## 1.1 Background

The subject property is some 1.6 acres in size and is situated on the north side of Loyalist Trail east of Sixth Line in the developing northern portion of Oakville. To the west of the subject property is a 1.5-acre parcel which will be the future site of a fire station. To the east is a large woodlot. Further east is an industrial lot. To the south are the developing neighbourhoods of North Oakville. To the north is a water reservoir operated by Halton Region.

Rowhedge Construction is planning to develop 5 blocks of stacked townhomes on the site containing a total of 40 units.

A pre-consultation report prepared by the Town of Oakville Planning Department has advised that a Commercial Needs Assessment is required with the application to address two principal questions.

- 1) Whether the site should be developed either wholly or partially with commercial uses to provide amenities for Neighbourhood 1.
- 2) Whether the live-work units on Burnhamthorpe Road to the southeast of the site would provide sufficient amenities for the additional units proposed?

## 1.2 Approach and Methodology

This study follows the terms of reference for commercial market studies provided by the Town and will contain the following components.

- An introduction of the study approach and methods, with a review of background, issues, objectives, assumptions and rationale
- A review of the site location and access characteristics from a market perspective, as well as a review of surrounding land uses.
- The delineation of a study area, which would represent the trade area for commercial uses on the site, as well as, the nearby live-work units on Burnhamthorpe Road.
- An inventory of existing and future retail space which would serve the local commercial needs of the subject lands and nearby neighbourhoods.
- An estimate of the build-out population within the study area.

- An analysis of the feasibility for additional retail/commercial space, the competition, with a projection of market growth and potential.
- A review of market demand in the vicinity of the site.

## 1.3 Assumptions

The site is situated in the North Oakville East planning area which is currently under development, although some sites are still subject to development applications and ultimately approval by the Town. We have assumed that the lands in the vicinity of the site will be developed largely in conformity with the North Oakville East Secondary Plan and subsequent amendments known as of this date. Population estimates were derived from existing development applications, draft and final plans of subdivision, and housing estimates based on the planning regulations in each area.

While we would anticipate some change in land uses over time, significant deviation in the development of the North Oakville lands in the vicinity of the site beyond those anticipated in this report would require a review of our findings and recommendations.

## 2.0 Site and Access

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The site is situated east of Sixth Line on the north side of Loyalist Trail. The site is surrounded on three sides by non-residential uses, including a woodlot, a future fire station and a reservoir.

On the southside of Loyalist Trail is an existing residential neighbourhood, which is part of the growing North Oakville East community. Approximately one kilometre east of the site is Trafalgar Road. Lands on either side of Trafalgar Road are designated as Urban Core within the North Oakville East Secondary Plan. These lands are intended for high-density mixed-use development with a full range of supporting commercial facilities and services.

Figure 2-1: Site and Access



### Nearby Commercial Uses

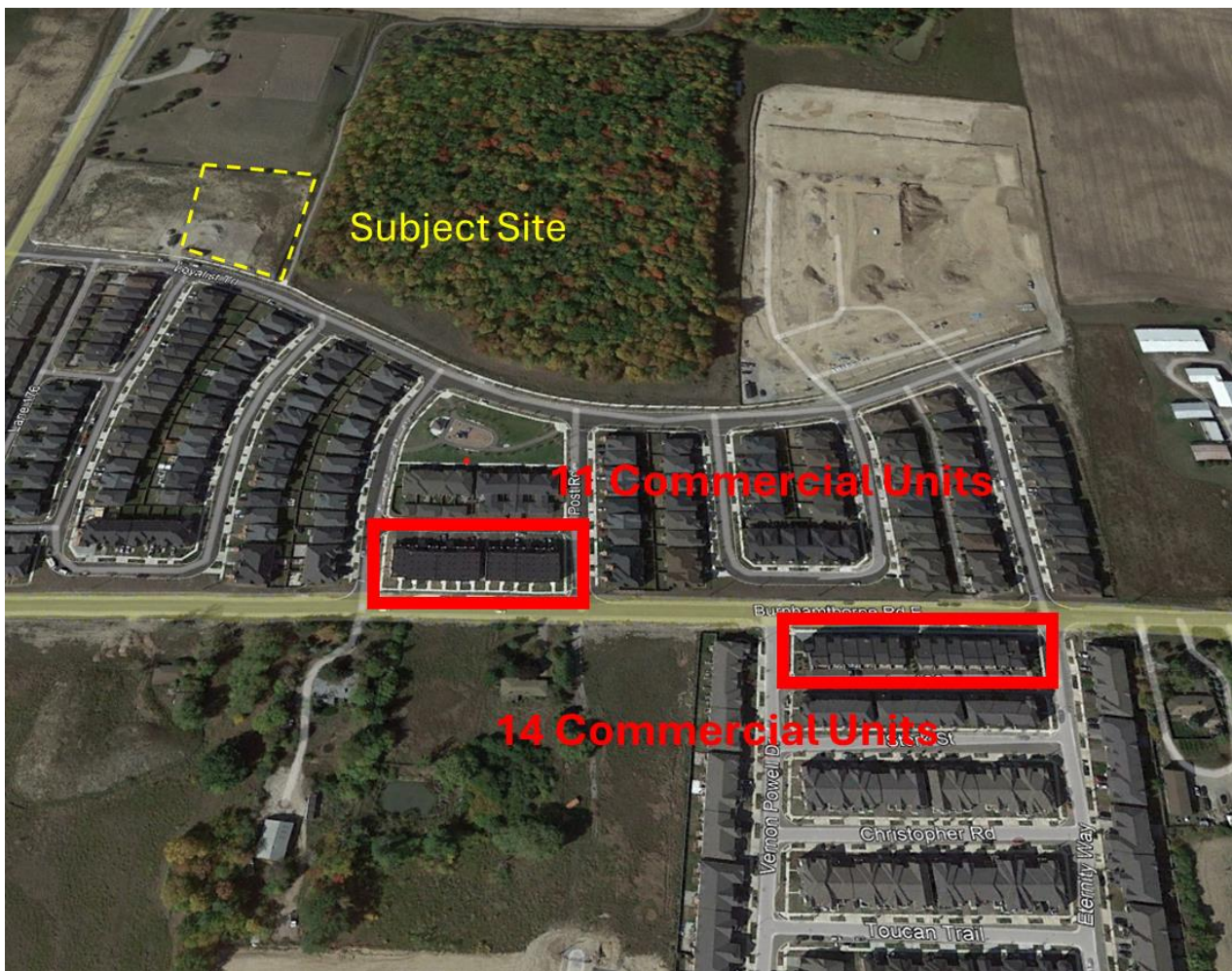
As illustrated in Figure 2-2, approximately 400 metres southeast from the site on the north side of Burnhamthorpe Road is a row of 11 retail units on the ground floor of a three storey mid-rise residential building with approximately 6,600 square feet of commercial space. These units include a barber shop, three beauty/nail salons, a dog groomers, a tea shop and several small scale office uses. These units would

serve the local needs of the neighbourhood and would be within easy walking distance of the subject development.

About 100 metres east of this retail cluster is another row of 14 retail units on the south side of Burnhamthorpe Road with approximately 8,400 square feet of commercial space, which would also be within easy walking distance of the subject site. The uses include a convenience store, a pharmacy, a bakery, four hair/beauty salons, a food service establishment and several offices.

As with the other retail block, these uses would also serve the local retail needs of the surrounding neighbourhoods. In our opinion, these uses would offer future residents of the subject site with excellent nearby access to convenience retail uses and services.

Figure 2-2: Nearby Commercial Uses





## Viability of the Site for Commercial Uses

In our opinion, the site is not viable for commercial uses for several reasons:

- The site is surrounded on three sides by non-residential uses, which would severely limit its market area;
- The site lacks a location on an arterial road or at the gateway to a subdivision. This would severely limit its exposure to passing traffic.
- Other than the subject site, there would only be residential development on the south side of Loyalist Trail, while the majority of residential traffic in the vicinity of the site is expected to be served by Burnhamthorpe Road. Again, this would severely limit the attractiveness of the site for retail tenants.
- The local neighbourhood is already served by two commercial blocks - both within walking distance of the subject site. These commercial blocks are situated on Burnhamthorpe Road and would be much better positioned to serve neighbourhood needs than the subject site. In practical terms, there would be no rationale related to need or market to provide additional commercial uses on an inferior site in the immediate vicinity of existing commercial blocks.

## 3.0 Study Area

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In our opinion, commercial uses cannot be justified on the subject site, however, the terms of reference provided by the Town of Oakville require that a study area representing the market area for potential commercial uses be considered. In this case, we have used the study area to provide a better understanding of the site and context as the location for hypothetical commercial uses.

## Hypothetical Commercial Function

Before a market area can be delineated, it is necessary to understand the commercial function of a development. At 1.6 acres, the site is very small for commercial uses and, if developed as a commercial site, the maximum commercial space it could contain would be about 16,000 square feet given typical suburban commercial densities. Even at maximum build-out the site would be suitable only for local convenience uses, which would typically be expected to draw from within about 1 kilometre of the site. As noted above, due to the locational aspects of the site, this amount of space would not be viable on the subject site.

## Hypothetical Study Area

A study area has been delineated which extends approximately 1 kilometre from the site in all directions. The boundaries of the study area would be Trafalgar Road to the east, Highway 407 to the north, Bowbeer Road/Jack Bowerbank Boulevard to the south, and approximately Audrey Crescent to the west. Based on the 2021 Census of Canada and a review of development activity since 2021, the estimated current population of this area is approximately 2,700 persons, all of whom reside south of Loyalist Trail.

No residential development is anticipated to the north of the subject site. To the south and west, future development will comprise the filling in and completion of residential subdivisions. Future population growth in the area will be dominated by the development which will occur within the Trafalgar Road Urban Core Area. As discussed below, the population of the Trafalgar Road Core is not well oriented to the site and is planned to be served by retail facilities within this high-density mixed-use area. As a result, we have not considered this population in terms of future study area growth.

Excluding the Trafalgar Road Urban Core Area, future subdivision activity in the Study Area is projected to add an additional 2,800 residents, bringing the total build-out population of the Study Area to 5,500 persons. This population, on its own, would be too small to support anything more than convenience retail uses

and services. The site itself is too small to support anything larger than a convenience retail plaza or node.

## Inventory of Retail Uses in and Near the Study Area

As noted above, there are two existing convenience commercial clusters on Burnhamthorpe Road and three additional Neighbourhood Activity Nodes with commercial potential. In addition, the Trafalgar Road Urban Core is intended to provide for retail uses and services that would serve the broader secondary plan area, and would be situated in close proximity to the subject site.

As per the North Oakville East Secondary Plan, Trafalgar Road Urban Core is planned to accommodate the full range of commercial uses required to serve the residents of this area.

*Retail and service commercial development will be encouraged in a “main street” format where retail and service commercial uses are oriented to the street creating a pleasant pedestrian shopping environment. These retail and commercial uses may be in stand alone stores or in the ground floors of mixed use buildings. Although the entirety of Trafalgar Road shall have a strong street related built edge, it is anticipated that the areas of retail and service commercial development will be clustered into a few areas. (Policy 7.5.14 f)*

*The development in the area of the Trafalgar/Dundas and the Trafalgar/Burnhamthorpe intersections is envisioned as mixed use nodes with a commercial focus that serve to anchor the Trafalgar Urban Core Area; and in the case of the Trafalgar/Dundas intersection ensures a strong relationship with the Uptown Core to the south. (Policy 7.5.14c)*

*The commercial node south of existing Burnhamthorpe Road shall provide for a large scale commercial development serving the commercial needs of the community. It is intended that the built form in this area may be primarily single storey, but over time, this area may intensify to a more mixed use, multi-storey character. The commercial node should be integrated into the pattern of streets and blocks of which it is a part. (Policy 7.5.14 g)*

A minimum of 55,000 square metres (600,000 square feet) is required for Urban Core Area 2, which is situated south of Burnhamthorpe Road (Policy 7.6.4.2). This large scale commercial node is intended to serve the entire community and would be situated in or adjacent to the hypothetical study area for the subject site. This

node would be situated within a distance of just over one kilometre from the subject site - a distance that is both walkable and cyclable or within a few minutes drive.

In our opinion, despite its relative proximity to the subject site, the future Trafalgar urban core population would have little to no physical relationship with the subject site. While there are currently no planned retail uses along Trafalgar Road within the Study Area at this time, the intent of the Secondary Plan is to provide for the full range of commercial uses to serve the population of this area.

We would note, that for a variety of reasons, including restrictive urban design requirements, developers in North Oakville have been reluctant to develop commercial space and it is possible that the node on Trafalgar Road south of Burnhamthorpe Road may not materialize with the amount of commercial space envisioned by the Secondary Plan. Regardless, the subject site is not positioned to serve this population either from a market perspective or from a policy perspective. In other words, if there is a shortfall of commercial space on Trafalgar Road, the site would not be suitable to fill any market gap that may occur.

In addition to the space along Trafalgar Road, there are three Neighbourhood Activity nodes which have the potential to include local serving commercial space within or in close proximity to the study area. These include:

- A small amount of retail space at the ground floor of townhomes and in a mixed use building is proposed in the vicinity of 6<sup>th</sup> Line and Jack Bowerbank Blvd.
- Commercial space is proposed to be included in mixed use buildings at the intersection of Carding Mill Trail and William Halton Parkway.
- An Neighbourhood Activity Node has been identified in the Secondary Plan in the vicinity of Settlers Road West and Preserve Drive.

These activity nodes will serve portions of the study area to the west and south of the subject site.

## Study Area Market Demand

Figure 3-1 summarizes the calculation of convenience retail space needs for North Oakville East, based on a build-out population of approximately 5,500. This would include the types of stores and services that could be supported by the study area population, as well as could physically be accommodated on the subject site.

These would include: convenience stores, small pharmacies and personal care stores, restaurants, coffee shops and take-out facilities, independent health care offices, hair/beauty/nail services, and selected other services. The calculation of Figure 3-1 considers the amount of space that would be required in these categories required to serve the day-to-day shopping needs of the estimated build-out population. These calculations consider changes to retail demand caused by internet shopping, the income and spending characteristics of Oakville residents, the existence of competitive shopping facilities in elsewhere in North Oakville.

The calculation in Figure 3-1 is based on the following assumptions:

- The Typical Space Per Capita (Column A) are based on ratios determined in municipalities across the GTA and Ontario and reflect our estimates of retail and service needs on a person basis over the build-out period.
- The Total Space Required by Residents (Column B) represents the total retail and service space required by the build-out population of 5,5000 and is calculated by multiplying Column A by the build-out population of 5,500. This represents space required both inside and outside of the Study Area.
- The Target Capture (Column C) represents the share of each category that should ideally be provided for within the Study Area, based on our knowledge of the local geography, spending patterns for each category and nearby competition. The Space Required (Column D) represents the amount of space in each category supported by Study Area residents that should be located within the Study Area. It is calculated by multiplying the Target Capture by the Total Space Required by Residents.
- The Inflow (Column E) represents the space that would be supported by non-residents, including employees in the local area, passby-traffic and other visitors. The inflow rates recognize that much of the space within the Study Area are primarily intended to serve local residents.
- The Total Warranted Space (Column F) represents the amount of space required within the North Oakville East, recognizing the spending by local resident within the community and additional spending by non-study area residents.



Figure 3-1: Study Area Demand for Convenience Space

Commercial Needs - Retail Category	Typical Space Per Capita (Sq Ft)	Total Space Required by Residents (Sq Ft)	Target Capture	Space Required (Sq Ft)	Inflow	Total Warranted Space (Sq Ft)						
<b>Target Population</b>	<b>5,500</b>	A	=	B	x	C	=	D	x	E	=	F
<b>Food and Convenience Retail</b>												
Supermarkets & Grocery	3.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Convenience and Speciality Food	1.5	8,250	50%	4,125	10%	4,600						4,600
Beer, Wine Liquor	0.4	N/A	N/A	N/A	N/A	N/A						N/A
Pharmacies & Personal Care Stores	1.5	8,250	25%	2,063	10%	2,300						2,300
<b>TOTAL FOOD AND CONVENIENCE RETAIL</b>	<b>6.9</b>	<b>16,500</b>		<b>6,188</b>		<b>6,900</b>						<b>6,900</b>
<b>Convenience Services</b>												
Food Services & Drinking Places	4.5	24,750	25%	6,188	10%	6,900						6,900
Financial Services	1.0	N/A	N/A	N/A	N/A	N/A						N/A
Health Care	3.0	16,500	20%	3,300	10%	3,700						3,700
Personal Care	1.5	8,250	50%	4,125	10%	4,600						4,600
<b>TOTAL CONVENIENCE SERVICES</b>	<b>10.0</b>	<b>49,500</b>		<b>13,613</b>		<b>15,200</b>						<b>15,200</b>
<b>Other Retail and Services</b>												
Other Services <sup>1</sup>	7.0	38,500	5%	1,925	10%	2,100						2,100
<b>TOTAL OTHER RETAIL AND SERVICES</b>	<b>7.0</b>	<b>38,500</b>	<b>0.1</b>	<b>1,925</b>	<b>0.1</b>	<b>2,100</b>						<b>2,100</b>
<b>SUB-TOTAL</b>	<b>23.9</b>	<b>104,500</b>	<b>0.1</b>	<b>21,725</b>	<b>0.1</b>	<b>24,200</b>						<b>24,200</b>

<sup>1</sup> Includes: Professional, Scientific and Technical Services, Select Civic and Social Organizations, Selected Office Administration and Selected Educational Services, Cultural, Entertainment and Recreation, Personal & Household Goods Repair and Maintenance, Transportation & Social Services, Insurance and Real Estate

Overall, we estimate that the study area would require approximately 24,200 square feet of convenience space.

Geographically, the study area population will be well served in terms of convenience space including two existing convenience nodes on Burnhamthorpe Road, which together occupy approximately 15,000 square feet near to the site, as well as two planned convenience nodes and the potential for a fifth node. In addition, the study area would be served by retail facilities which would be included within the Trafalgar Urban Core.

We would note, however, that the study area is lacking a more traditional convenience shopping centre situated at a high traffic volume location that could contain uses larger than those which could be accommodated within the types of

spaces typical of Activity Nodes (i.e. small units in mixed use developments). This could include uses such as banks, restaurants, fast food facilities, full service pharmacies, and full-service convenience stores. As discussed above, the site is not appropriate for commercial uses, especially this type of development which would rely on a relatively high volume of pass-by traffic and should be oriented along a major corridor, ideally within a gateway to a neighbourhood.

## 4.0 Summary

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1. In our opinion, the site is not viable for commercial uses for several reasons:
  - The site is surrounded on three sides by non-residential uses, which would severely limit its market area;
  - The site lacks a location on an arterial road or at the gateway to a subdivision. This would severely limit its exposure to passing traffic.
  - Other than the subject site, there would only be residential development on the south side of Loyalist Trail, with the majority of east-west local residential traffic in the vicinity of the site expected to be served by Burnhamthorpe Road. Again, this would severely limit the attractiveness of the site for retail tenants.
  - The local neighbourhood is already served by two commercial blocks - both within walking distance of the subject site. These commercial blocks are situated on Burnhamthorpe Road and would be much better positioned to serve neighbourhood needs than the subject site. In practical terms, there would be no rationale related to need or market to provide additional commercial uses on an inferior site in the immediate vicinity of existing commercial blocks.
2. The site is only 1.6 acres in size, which would be limited to accommodating small scale predominantly convenience uses.
3. A study area has been delineated to analyze the market for convenience retail and service uses in the vicinity of the site. The study area encompasses an area of approximately one kilometre from the subject site. We have excluded lands within the Trafalgar Road Urban Core, which are planned to be served by a large scale commercial structure which would provide for retail uses and services to meet both local needs and needs of the broader North Oakville community.
4. The build-out study area population, excluding the Trafalgar Road Urban Core, would be approximately 5,500 persons. This population is projected to require approximately 24,000 square feet of convenience retail space and services.
5. Geographically, the study area population will be well served in terms of convenience space including two existing convenience nodes on Burnhamthorpe Road, which together occupy approximately 15,000 square feet near to the site, as well as two planned convenience nodes and the

potential for a fifth node. In addition, the study area would be served by retail facilities which would be included within the Trafalgar Urban Core.

6. A pre-consultation report prepared by the Town of Oakville Planning Department has advised that a Commercial Needs Assessment is required with the application to address two principal questions.
  - 1) Whether the site should be developed either wholly or partially with commercial uses to provide amenities for Neighbourhood 1.
  - 2) Whether the live-work units on Burnhamthorpe Road to the southeast of the site would provide sufficient amenities for the additional units proposed?

In terms of the first question, the site is inappropriate for commercial uses for the reasons outlined above. The study area will be well served by convenience space and there would be no need to provide additional retail uses and services on the subject site.

In terms of the second question, there are some 25 commercial units within walking distance of the subject site which already provide for a range of convenience commercial uses to serve residents day-to-day needs. This commercial space will be sufficient to provide for the convenience needs of the future population planned for the site.