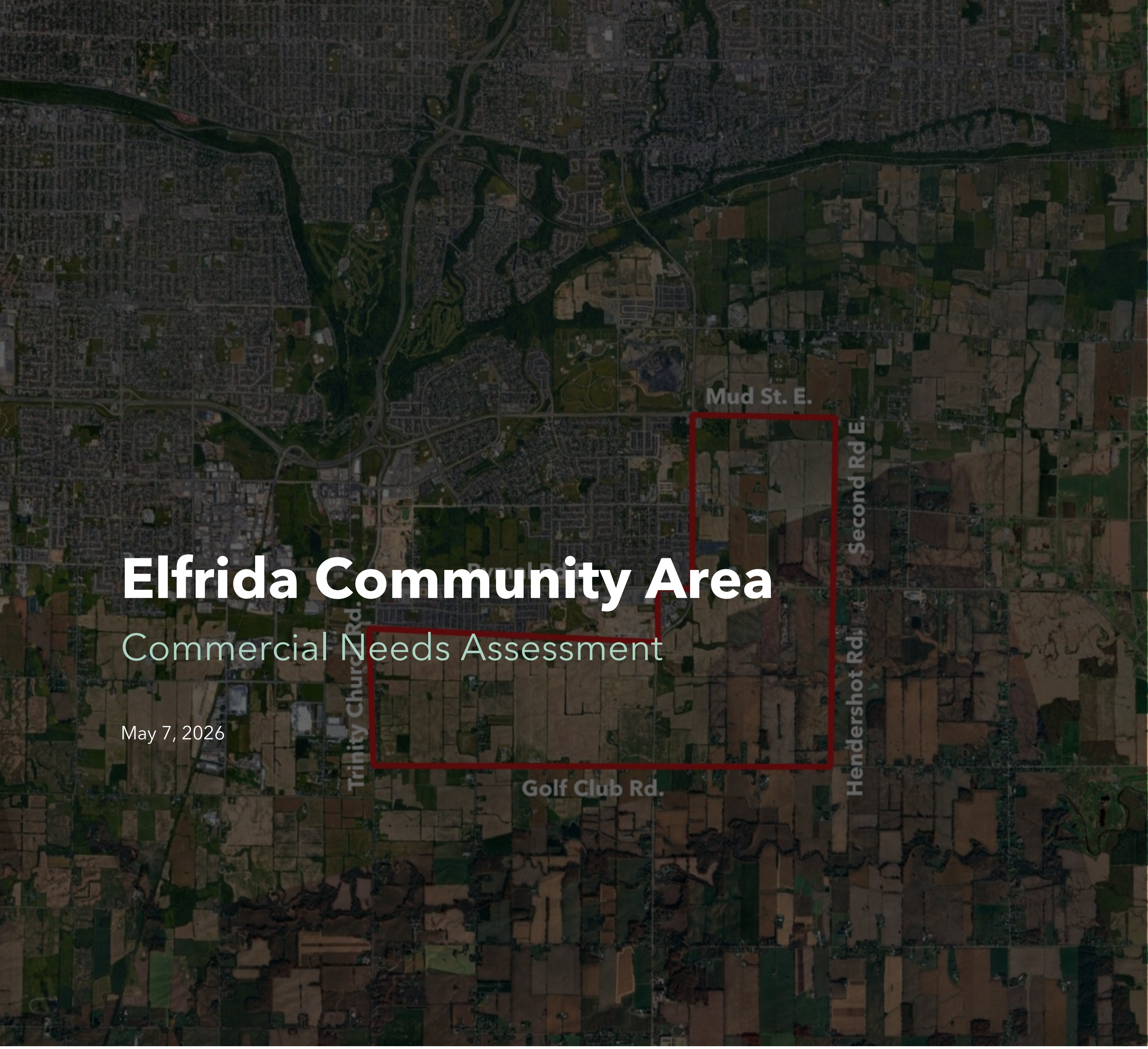

Elfrida Community Area

Commercial Needs Assessment

May 7, 2026

Parcel

PREPARED FOR:

Elfrida Community Builders

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Cover Image: Google Earth.

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Executive Summary

Background

Parcel Economics Inc. ("Parcel") has been retained by the Elfrida Community Builders Group Inc. to complete a *Commercial Needs Assessment* for the Elfrida Community Area.

The primary purpose of this study has been to determine the total **amount, type, location and function** of commercial uses necessary to support growth in the Elfrida Community Area. As part of the evolution of this area, this study will help ensure that future residents, employees and visitors to the area are adequately served by retail and service commercial space in the fullness of time.

Key Findings: Location & Context

- Based on the current concept plan, the Elfrida Community is anticipated to accommodate nearly 25,300 residential units, approximately 64,400 persons and 5,975 jobs at full build-out. While the gross floor area of retail/service commercial uses to be integrated in the Elfrida Community has not yet been determined, it is anticipated that future uses will be accommodated across lands designated *Mixed Use – Medium Density* and *Mixed Use – High Density*. Currently this includes opportunity across 87.8 hectares of land designated *Mixed Use – Medium Density* and 10.3 hectares of land designated *Mixed Use – High Density*. A concentrated supply of these lands are located east of Upper Centennial Parkway, north of Rymal Road, in addition to other lands located at key intersections throughout the community.

- Retail/service commercial uses accommodated within the Elfrida Community are intended to satisfy policies in the Provincial Planning Statement ("PPS"), 2024. They must also conform to policies of the Urban Hamilton Official Plan ("UHOP"), which establish a hierarchy for commercial functions and activity across Urban Hamilton. Outside of limited circumstances, this includes clear direction that future commercial areas shall be planned to support a broader range of uses in a mixed use format.

- Based on existing policies, it is also evident that the Elfrida Community benefits from its location near a number of established commercial nodes. This includes distinct locations where regional serving commercial uses are concentrated, as directed by municipal planning policy (e.g., Lime Ridge and Eastgate

Malls, Centre Mall). Existing *Mixed Use – High Density* nodes near the Elfrida Community are anticipated to continue fulfilling regional retail/service commercial needs, particularly as they are planned to intensify overtime. As a result, it is expected that future retail/service commercial uses accommodated within the Elfrida Community will support the daily and weekly needs of local residents, visitors and employees, of the surrounding community.

Key Findings: Retail Market Demand

- There is approximately 1.34 million square feet of retail/service commercial space in the Trade Area delineated for this analysis. This includes 190,100 square feet of **Food Retail** space (14%), 675,300 square feet of **Non-Food Retail** space (51%) and 418,800 square feet of **Service** space (31%). It also includes 51,900 square feet of **Vacant** retail/service commercial space, nearly 4% of all space in the Trade Area. Existing retail nodes in the Trade Area, including the SmartCentres on Rymal Road and the Heritage Green Shopping Centre at Stone Church Road East and Upper Red Hill Valley Parkway, include a diversity of regional-serving, large format tenants (e.g., Walmart, Canadian Tire, Home Depot etc.). Proximity to these stores and services furthers the likelihood that retail/service commercial tenants in the Elfrida Community will primarily serve local residents and visitors.

- By 2051, the Trade Area is expected to grow to a population of 114,100 persons. This represents growth of 73,800 persons from 2025, or 7.0% per year between 2025 and 2051. It is estimated **that 87% of this growth, or growth of approximately 64,400 persons, will occur in the Elfrida Community.**

- Based on population growth, expenditure potential, as well as assumed local area shares and inflow, it is estimated that there will be market demand for between **1.74 and 2.07 million square feet** of new retail/service commercial space in the Trade Area by 2051. To put this in context, this amounts to some 24 to 28 square feet of retail/service commercial space per capita, below the 33 square feet of retail/service commercial space per capita provided in the Trade Area today. A reduction in the existing supply of commercial space per capita in the Trade Area is due to a range of factors, including the anticipated format of retail/service commercial space being developed (i.e., mixed use), a rise in e-commerce and rising lease rates. It is also due to the proximity and concentration of existing regional serving retail/service commercial uses in the Trade Area today, which make it challenging, and unnecessary, to accommodate a significant amount of destination-type uses within Elfrida.

- Approximately 87% of Trade Area demand, or **between 1.51 and 1.80 million square feet of space by 2051, should be accommodated within the Elfrida Community**. This is based on the significant amount of population growth that this anticipated to occur in the Elfrida Community relative to elsewhere in the Trade Area.

Conclusion

- Recognizing the amount, type and form of retail/service commercial uses anticipated across the Trade Area and more specifically within the Elfrida Community, there are a number of things that should be considered as the area develops, including:

  - Future retail/service commercial space in the Elfrida Community is anticipated to be in a mixed use format. While it is likely that the majority of retail/service commercial uses can be accommodated in a mixed use format in the fullness of time, there may be some need to accommodate some commercial uses in stand-alone buildings. This could be particularly important in the early stages of development in Elfrida (i.e., as the population is evolving) or for store categories that are less likely to locate in a mixed-use building in a suburban setting (i.e. supermarkets).

  - Further to above, the development of retail space in a mixed use environment typically occurs overtime, as a local population (i.e., consumer base) is established. As a result, policies should permit stand-alone commercial buildings in the early stages of development. Minimizing the number of requirements and/or restrictions will help balance macroeconomic shifts impacting the retail industry (i.e., e-commerce, construction costs, tenant locational preferences etc.), combined with the immediate need to deliver new retail / service commercial space over realistic timelines and development horizons to serve local residents.

  - New commercial space in the Elfrida Community Area should be directed to locations that have the highest visibility. Specifically, this could include a concentrated supply of commercial uses across buildings with frontage on Upper Centennial Parkway, north of Rymal Road and other key intersections.

1.0

Introduction

1.1 Background

Parcel Economics Inc. (“Parcel”) has been retained by the Elfrida Community Builders Group Inc. to prepare a *Commercial Needs Assessment* for the Elfrida Community Area.

The Elfrida Community Area (“Elfrida”, “subject site”) is located in southeast Hamilton and was previously identified as a preferred area to accommodate population and employment growth in Hamilton to 2031.

Figure 1.1 shows the current land use plan for the Elfrida Community. The area is anticipated to accommodate nearly 25,300 residential units, approximately 64,400 persons and 5,975 jobs at full build-out. Based on the current concept plan, retail/service commercial uses are anticipated to be accommodated across lands designated *Mixed Use – Medium Density* and *Mixed Use – High Density*. Specifically, this includes 87.8 hectares of land designated *Mixed Use – Medium Density* and 10.3 hectares of land designated *Mixed Use – High Density*.

Figure 1.1

Elfrida Community Area, Land Use Plan

Source: Elfrida Secondary Plan Land Use Map prepared by Bousfields, April 2026.

1.2 Purpose

The purpose of this study has been to determine the total amount, type, location and function of commercial uses necessary to support growth in the Elfrida area.

This analysis will be used to ensure that residents, employees and visitors to the area are adequately served by retail and service commercial space in the fullness of time, and to ensure that future retail/service commercial uses are situated at key locations that maximize opportunities for success and best support the needs of future users.

1.3 Approach

The following summarizes the key elements of the work completed by Parcel as part of this market assessment:

- **Review of policy documents** which could impact land use planning and commercial land needs required to support future residents and businesses which may locate in the Elfrida Community Area.
- **Review of the Elfrida Community Area** from a commercial market perspective, including evaluating its physical and access characteristics, visibility and exposure, as well as relationship with surrounding land uses (e.g., proximity to other existing / planned amenities established areas of Hamilton which could be considered competitive to the site);
- **Delineation of a relevant Trade Area** for existing and proposed new commercial uses that reflects the geography from which retailers and service providers are likely to derive the majority of their sales volumes;
- **Examination of customer origins** as input to the foregoing Trade Area delineation—and in order to gain a more nuanced understanding of the current retail function of the local market area.
- **Examination of existing commercial areas** across the surrounding area in terms of their own locational characteristics and inventory of existing retail/service commercial space operating in the local market area;
- **Identify any potential locations for planned major commercial development** which could impact the demand for commercial space within Elfrida;
- Calculation of key performance measures for the community in terms of the area's **existing and proposed new supply of retail/service commercial space**, grouped by store type, unit size (floor area) and other relevant factors (e.g., vacancy);
- Investigation of the **current and anticipated market profile** of Elfrida and surrounding areas (e.g., population forecasts, income characteristics, demographics, etc.);
- Consideration of **trends in retail development** and the extent to which these will influence the appropriateness of new commercial development in this area, including within the Elfrida Community Area;

- **Undertake a detailed market demand analysis by major store type**, specific to the anticipated scale of development contemplated in Elfrida, using both a residual-based expenditure analysis and—where necessary—per capita space methodology.

- **Prepare a high-level sensitivity analysis** to understand various potential growth and demand trajectories for commercial space in the Elfrida area.

- **Provide targeted recommendations** related to future space needs, as well as the optimal type, size, phasing and location of commercial uses as part of the future development of Elfrida.

1.4 Assumptions

When completing this type of early-stage market assessment, it is important to identify the key assumptions and limitations inherent to our approach. To this end, the following provides a summary of the key assumptions that must be understood as limitations to the analysis undertaken as part of this assignment.

- It is assumed that a **reasonable degree of economic stability** will prevail in the Province of Ontario, and specifically in the context of the City of Hamilton, over the course of the development planning horizon identified in this study.

- The **statistical inputs relied upon in our analysis** are considered sufficiently accurate for the purposes of this analysis. These statistical sources—including available Statistics Canada Census data, Canada Mortgage and Housing Corporation ("CMHC") data, municipal information and third-party real estate information—have ultimately informed a number of the key underlying assumptions and inputs utilized in our analysis.

In the event that material changes occur that could influence the foregoing assumptions, the various analytical assumptions, key research findings and other strategic recommendations contained in this report should be reviewed or updated, accordingly.

2.0

Site Context

Key Findings

- The Elfrida Community Area is located adjacent to Hamilton's settlement area boundary, whereby future residents will be well connected to a range of existing commercial amenities. It benefits from access to Lime Ridge Mall, as well as Eastgate Square via Upper Centennial Parkway. It also benefits from access to Hamilton International Airport via Rymal Road East.

- In the future, Elfrida is planned to be supported by comprehensive transportation infrastructure, providing connectivity across Hamilton.

- Based on policy direction in the Hamilton Urban Official Plan, **commercial uses in Elfrida are anticipated to support day to day retail needs of local residents**, with more regional needs met through existing nodes, namely SmartCentres WalMart Centre and Effort Trusts' Heritage Green.

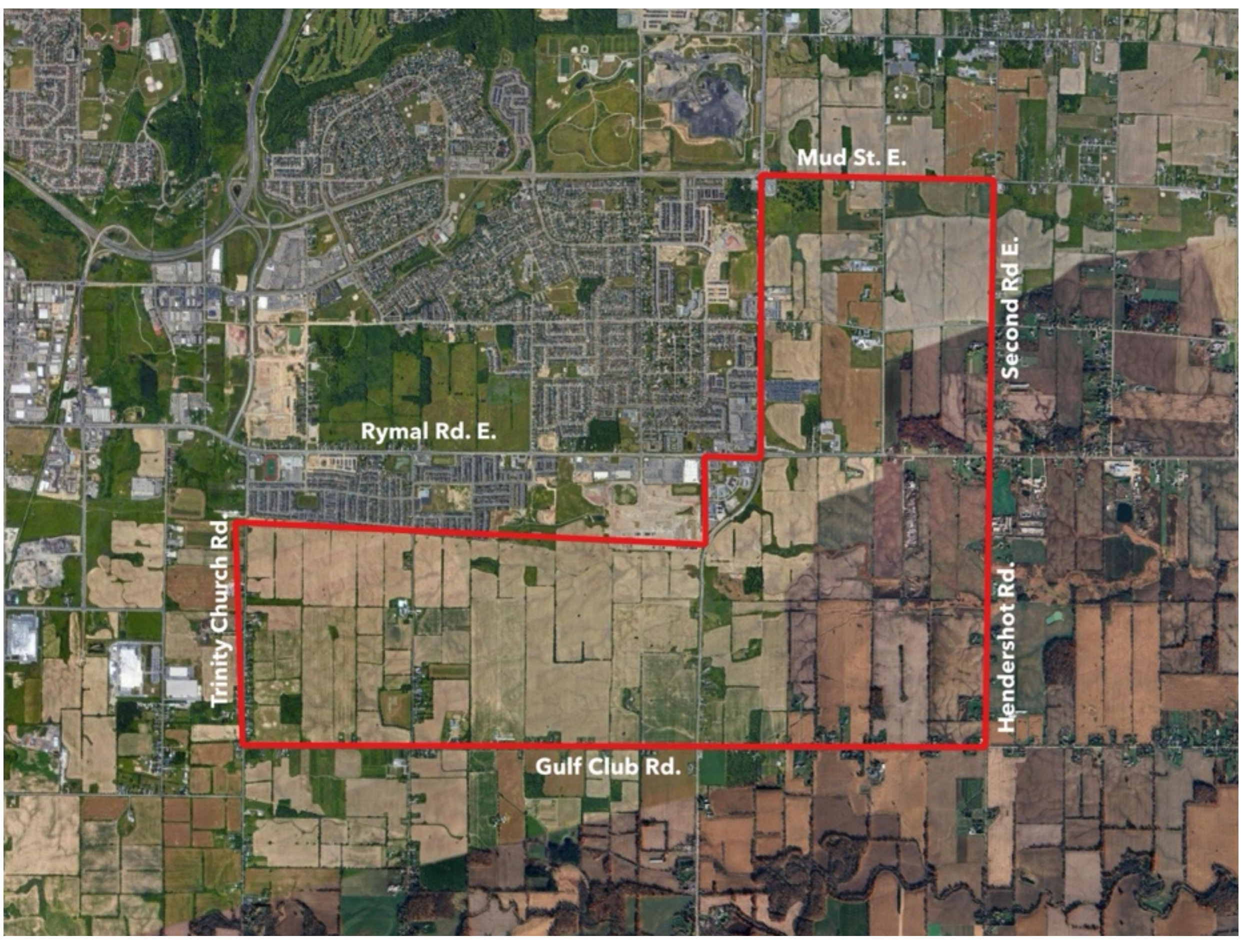
2.1 Site Characteristics

Surrounding Context

The Elfrida Community Area is located at the southeastern edge of Hamilton's settlement area boundary, generally located south of Rymal Road East, and to the east of Upper Centennial Parkway. As shown in Figure 2.1, Elfrida comprises a large portion of southeast Hamilton and is adjacent to several established and emerging communities in the city.

Figure 2.1

Elfrida Community Area



Source: Parcel, based on Google Maps.

Lands generally **north** and **west** of Elfrida include established residential and commercial areas. These areas are generally lower density in nature, including primarily ground-related housing. However, recent development activity has seen some higher density development, with proposals for apartment uses being brought forward in the area. Existing retail/service commercial uses north and west of Elfrida effectively **support the daily and weekly needs** of existing residents, by providing ample access to goods and services including supermarkets, pharmacies, personal care and food services. Existing commercial nodes in this area also support a **broader range of regional uses**, including such commercial uses as building and outdoor home supply, department stores and home and auto retailers. While supporting local residents in the community, these uses likely increase the appeal of these sites to a broader geography.

Lands generally to the **south** and to the **east** of Elfrida are largely rural and agricultural in nature. Some limited settlement areas exist, which support small, highly local-serving commercial functions.

Access

As the Elfrida Community Area is a large greenfield site at the edge of an established urban area, different parts of Elfrida are likely to benefit from differing accessibility characteristics. As the area develops, it is also likely that this area will evolve with a fulsome road network, supportive active transportation options (sidewalks, cycling infrastructure), and public transit service. This includes accessibility within Elfrida itself, in addition to connectivity across other parts of Hamilton. The following commentary provides an overview of the current access characteristics as it relates to the Elfrida Community Area more generally.

Automobile

Various points of Elfrida are accessible by several major roadways. In particular, east-west connectivity is likely to be facilitated via Rymal Road and Mud Street, two four-lane roadways in the built-up area. Rymal Road serves as the primary east-west connection across the southern edge of Hamilton, including towards Hamilton International Airport. Mud Street provides direct connectivity into the Lincoln M. Alexander Parkway / Red Hill Valley Parkway interchange. This freeway network provides automobile access both west across Hamilton as well as north, towards Queen Elizabeth Way ("QEW") and Lake Ontario.

Upper Centennial Parkway is expected to provide the primary north-south access into Elfrida. This four-lane roadway runs along the eastern edge of Hamilton's built boundary. Lands immediately to the east, beyond the roadway, comprise the Elfrida area. Upper Centennial Parkway provides direct access to the QEW to the north. To the south, Upper Centennial Parkway becomes Highway 56 connecting with rural and agricultural areas, and the settlement area of Binbrook.

Cycling Infrastructure

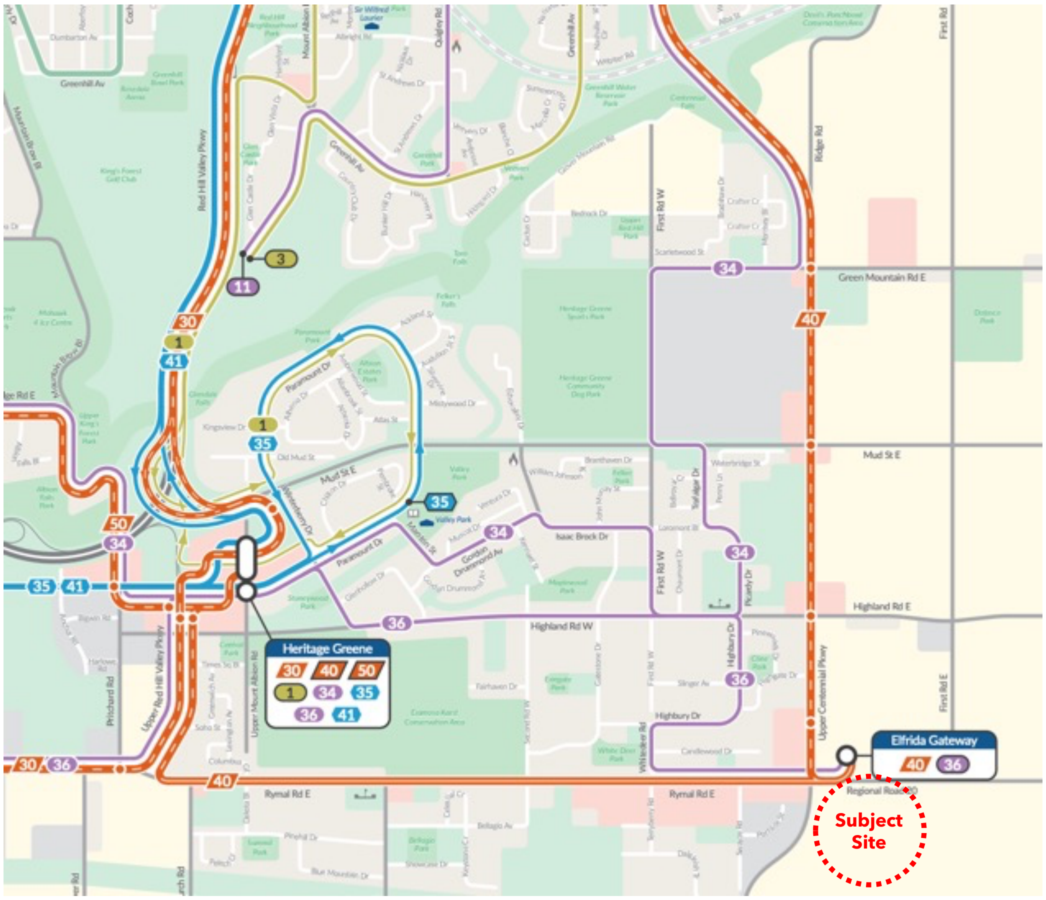
There is currently limited dedicated cycling infrastructure in this portion of Hamilton. A dedicated east-west bike lane is provided for on Highland Road, which connects Elfrida to Upper Red Hill Valley Parkway.

Public Transportation

As the Elfrida community is built out, there will likely be extended and additional public transit routes to support the communities need. Upon completion of Hamilton's under construction LRT, the community will be supported by the Elfrida Gateway hub, shown in Figure 2.2. This hub will initially provide for two bus routes. Route 36 is planned to be classified as a "local" bus route, connecting to adjacent local communities and the Heritage Green Transit Hub / shopping centre. Further, Route 40 will be classified as a "Rapid Limited Stop" route, connecting north along Upper Centennial Parkway and providing direct connections to Eastgate Square as well as the Confederation GO Station.

Figure 2.2

Planned Transit Network in Areas Surrounding Elfrida



Source: Parcel, based on City of Hamilton.

2.2 Policy Context

Provincial Planning Statement, 2024

The *Provincial Policy Statement 2024* ("PPS"), is issued under the *Planning Act* and reflects the priorities and focus of the provincial government in issues of planning.

Under the *Planning Act*, regional and municipal planning policy implemented in Ontario "shall be consistent" with the foundational direction provided for in the *PPS*. The following provides an overview of relevant policy directions and guidance as it relates to commercial development within the Elfrida Community Area.

The *PPS* maintains a focus on building homes to support the needs of Ontarians. There is limited focus on retail and service commercial uses in the *PPS*, beyond ensuring that commercial space supports the needs of the residential population, and a focus on accommodating commercial space in walkable and mixed-use communities.

Planning authorities are encouraged to identify strategic growth areas, which are primarily focused on delivering a range of housing options, specifically:

> *2.4.1.2 to support the achievement of complete communities, a range and mix of housing options, intensification and more mixed-use development, strategic growth areas should be planned:*
>
> > *b) …as focal areas for education, commercial, recreation and cultural areas.*

These strategic growth areas are also intended to function as community focal points for retail and commercial services.

An additional focus of the *PPS* is the redevelopment of commercial lands to support mixed-uses as outlined in Section 2.4.3 e):

> *Planning authorities should support redevelopment of commercially-designated retail lands (e.g. underutilized shopping malls and plazas) to support mixed-use residential*

This policy guidance augments the traditional role of retail plazas with additional, complementary residential development. It offers an opportunity to reinvest and "right-size" long established commercial spaces to meet current needs. As well, intensifying these sites with mixed-use development provides opportunity for growing the local customer base that could shop at commercial uses.

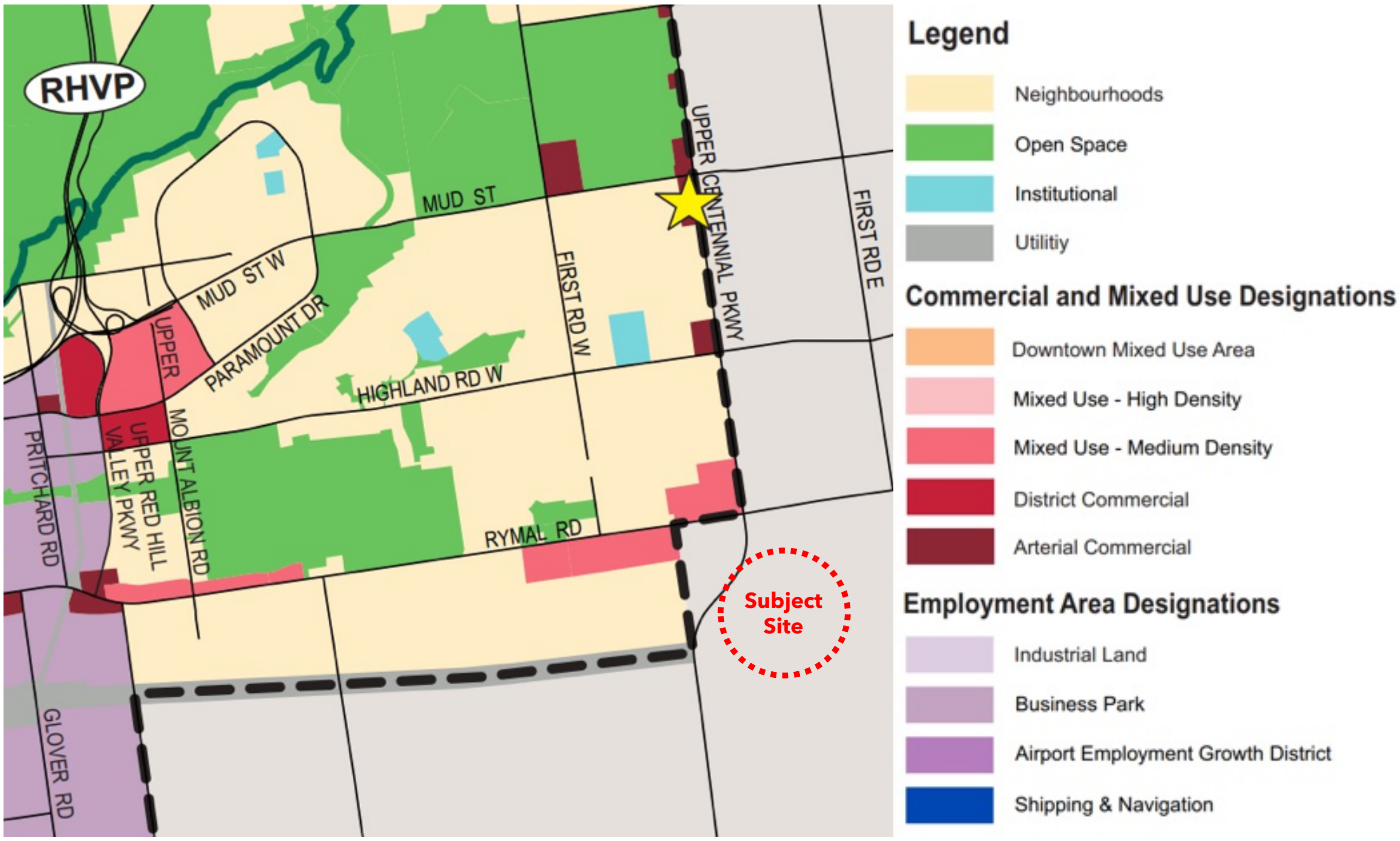
Hamilton Official Plan

The Urban Hamilton Official Plan, 2013 ("UHOP"), applies to all lands in urban areas of the City of Hamilton, whereas the Rural Hamilton Official Plan, 2013 ("RHOP") addresses areas outside of the built boundary.

Figure 2.3 shows the urban land use designations of the portion of the City of Hamilton located adjacent to the Elfrida community. The figure highlights that there are a range of different commercial and residential designations located in areas closest to Elfrida, which may support some of the shopping needs of future residents and workers.

Figure 2.3

City of Hamilton Land Use Designations



Source: Parcel, based on City of Hamilton Urban Official Plan.

Section E.4.0 outlines policies related to commercial and mixed-use designations in the UHOP, several of which are near to Elfrida. It outlines several different designations which address commercial space including the following:

> *The Mixed Use designations support the development of Urban Nodes and Corridors. The retail and service commercial uses permitted in the Mixed Use designations are a key component of the planned function since these areas provide a service to the surrounding communities and neighbourhoods, attract people to the Nodes and Corridor, and create the street activity fundamental to a vibrant and viable mixed use corridor.*

> *The District Commercial Designation is intended to provide retail and service commercial uses which cater to the weekly and daily shopping needs of residents in the surrounding neighbourhoods. New*

and redeveloped District Commercial centres are intended to create street character that improves and enhances the pedestrian experience.

The Arterial Commercial designation is intended to cater to the travelling or drive-by consumer as well as provide for land extensive retail stores which require outdoor storage or sales and cannot be appropriately accommodated in other designations.

Existing designations establish a clear hierarchy of commercial functions in the UHOP. In terms of Elfrida, the proximity of these uses suggest that that future residents and employees of the Elfrida community will be supported by a range of commercial areas in existing and emerging portions of Hamilton. These commercial areas are already permitted and encouraged to support a range and diversity of retail/service commercial tenants, thereby satisfying the ongoing needs and commercial demands of nearby residents. Further to above, as the Elfrida community develops, so too will the commercial areas in this portion of Hamilton. This will include new commercial opportunities within the Elfrida Community Area, or those more specifically designed to support the day to day needs of future residents.

As it relates to the possibility of future commercial development in Elfrida, the following relevant policy goals are outlined:

4.1.1 Create and retain vibrant mixed use areas that accommodate a range of uses and are accessible by automobile, transit, and active transportation

4.1.4 Maintain an appropriate distribution of retail and commercial services in each neighbourhood in order to meet the day-to-day and weekly shopping needs of residents and in locations which are highly accessible by active transportation and transit, as well as automobile;

4.1.5 Maintain an appropriate distribution of retail and commercial services across the City to meet the discretionary and occasional shopping needs of the public in locations highly accessible by transit as well as the automobile

Additionally, specific direction is provided as to where and how future commercial areas should be planned. Outside of limited circumstances, it is clear that future commercial areas in Hamilton shall be planned to support a broader range of uses in a mixed use format. Uses which cannot be easily accommodated in this mixed use format are to be provided for in Arterial Commercial designations, however are to be limited in scope to less than 25,000 square metres (269,100 square feet).

4.2.4 The majority of retail and service commercial uses shall be directed to the Mixed Use designations in the Urban Nodes and Urban Corridors. The Mixed Use designations also apply to *smaller Mixed Use areas outside the Urban Nodes and Urban Corridors. These smaller Mixed Use areas are intended to serve the needs of the surrounding neighbourhoods.*

4.2.5 A more limited range of retail and service commercial uses catering to the travelling consumer, are land extensive retail establishments, or cannot be appropriately accommodated in areas designated Mixed Use, shall be permitted in, and directed to the Arterial Commercial designation.

4.2.10 It is not the intent of this Plan to create additional major commercial areas exceeding 25,000 square metres of retail and commercial space which are not mixed use.

Within the mixed use commercial designation are directions pertaining to different densities. These policy directions also present implications for the commercial space introduced within each policy area.

Generally, policy direction positions the highest density designations for regional serving retail, with other (medium and lower) density designations focused on supporting day to day or weekly need. Locations designated *Mixed Use High Density* are surrounding Lime Ridge and Eastgate Malls, as well as the Centre Mall Community Node. According to the UHOP, these locations are where regional commercial uses should be accommodated. Currently, these areas are found in the two sub-regional service nodes, specifically:

4.5 Lands designated Mixed Use - High Density are located in the two Sub-regional Service Nodes at Limeridge and Eastgate, and in the Centre Mall Community Node. The Mixed Use - High Density designation permits a full range of retail, service commercial, entertainment, office and high density residential uses. The range of retail uses are intended to appeal to a broad regional market and serve residents across the City and the surrounding area. The designation also provides day-to-day retail facilities and services to residents in the immediate area. New development should enhance the pedestrian ambience of the area and create a people place through the design and physical arrangement of retail and service commercial uses.

4.5.1 The range and breadth of commercial uses are intended to serve a regional market as well as provide day-to-day retail goods and services to residents in the immediate area.

Based on this direction, it is less likely that lands in Elfrida will be planned to support regional-serving commercial uses and will instead be more likely to support the day to day and week to week needs of residents, visitors and employees in the community. Continued focus will be placed on established *Mixed Use-High Density* nodes in providing for regional needs, particularly as they are planned to intensify and evolve over time.

The Elfrida community will be planned to support commercial uses which meet ***most*** of the needs of the surrounding community on a regular basis.

The below passages address the land use permissions that are expected to guide the development of new commercial space in Elfrida:

> *4.6 The Mixed Use – Medium Density designation is found within the Community Nodes, Urban Corridors, and Neighbourhood elements of the Urban Structure. The intent of the Mixed Use – Medium Density designation is to permit a full range of retail, service commercial, entertainment, and residential accommodation at a moderate scale and to increase the proportion of multiple storey, mixed use buildings that have retail and service commercial uses at grade. The designation recognizes the traditional mixed use main streets in the City (outside of the Downtown Mixed Use area), as well as other large commercial areas which serve the surrounding community or a series of neighbourhoods and which are intended to evolve and intensify into mixed use, pedestrian oriented areas. Increasing the number of people who work and live within the area designated Mixed Use – Medium Density will also contribute to the planned function of the area as a people place. (OPA 142)*
>
> *4.6.1 The range of commercial uses is intended to serve the surrounding community or series of neighbourhoods as well as provide day-to-day retail facilities and services to residents in the immediate area. These areas shall also serve as a focus for the community, creating a sense of place.*
>
> *4.7 Areas designated District Commercial are intended to provide retail and service commercial uses to the immediate neighbourhood. District Commercial areas shall contain a range of retail shops and services that cater primarily to the weekly and daily shopping needs of residents in the surrounding neighbourhoods. These retail shops and services may currently be clustered in a plaza forms but new areas or expansions and redevelopment of existing areas can create an improved street presence by bringing the stores up to the edge of the street.*
>
> *4.8 The Arterial Commercial designation is intended to provide for a range of uses catering to the traveling or drive-by consumer as well as retail stores, which are land extensive and require outdoor storage or sales and cannot be appropriately accommodated in the other designations.*

3.0

Retail Context

Key Findings

- Recognizing the presence of surrounding retail nodes, transportation characteristics and anticipated growth patterns, Parcel has delineated a Trade Area which includes existing established neighbourhoods near the Elfrida Community Area and other areas within southeast Hamilton.

- This Trade Area is intended to capture the surrounding population which is most likely to shop for goods and services from new commercial operators in the Trade Area, including the Elfrida Community Area.

- Customer origins data collected for major commercial nodes in and adjacent to the Trade Area confirm that an significant share of customer support is from residents living within three miles of each site. Further examination also details each site serves a broader regional market, owing to the type, diversity and amount of commercial space provided.

- Given proximity to existing retail nodes, future Elfrida residents are positioned to benefit from accessibility to established nodes and are likely to secure at least some of their shopping needs at these locations.

3.1 Trade Area Delineation

The total market influence of any retail / service commercial development extends across a wide geographic area that is difficult to capture through any particular boundary. However, in order to determine if there is demand for any retail use, including the potential need for new retail/service commercial uses in the Elfrida Community Area, it is key to establish an appropriate Trade Area.

A "Trade Area" represents the geographic area from which a commercial development or individual retailer would expect to derive a majority of their sales volume.

It is necessary to estimate the associated market, competitive inventory and market conditions that could influence the future operation of commercial uses within the Elfrida Community Area, in addition to the anticipated need for additional retail/service commercial uses to support a growing population.

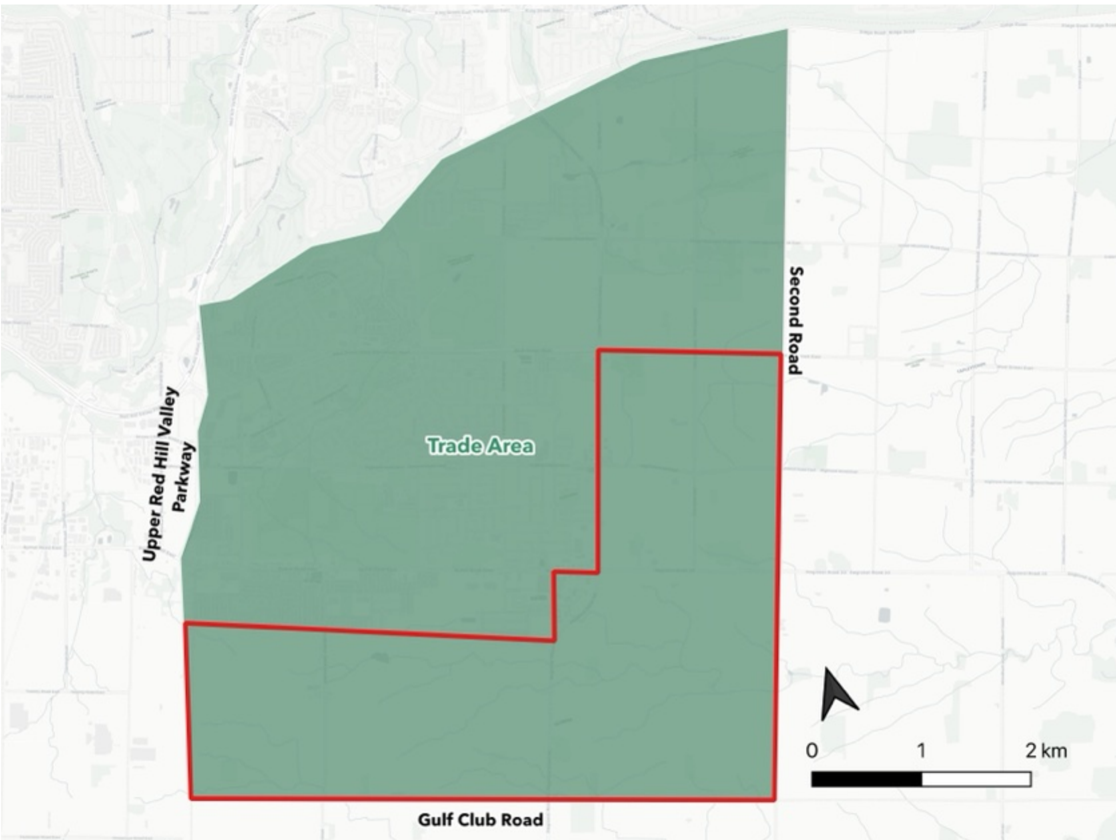
The main Trade Area delineated for the purposes of this analysis (see Figure 3.1) is intended to capture the surrounding population which is most likely to shop for goods and services from new commercial operators in the vicinity of the Elfrida Community Area. As shown, the Trade Area is generally bound by Upper Red Hill Valley Parkway to the west, the escarpment to the north, Second Road to the east and Golf Club Road to the south.

The delineation of this Trade Area was informed by several factors, including:

- Geographical distance and travel times to various other locations in the area, including existing or established residential neighbourhoods near the Elfrida Community Area;
- The location and distance to surrounding retail/service commercial competition;
- The nature and size of the potential future retail/service development in this area;
- Natural and man-made barriers, which may inhibit or restrict the ease of movement for customers;
- The access characteristics, including the accessibility and visibility of areas within the Elfrida Community Area provided by the local and regional road network; and,
- The results of multiple customer origin surveys, which explore the directional flows of traffic to existing commercial developments in the surrounding area.

Figure 3.1

Trade Area



Source: Parcel.

In addition to residents of the Trade Area, additional sales potential and market support is anticipated to be available from **"inflow"** traffic, including employees who work in the area but live elsewhere, the visiting public and other passing traffic. As detailed below, the inflow assumptions have been informed, at least in part, by mobile analytics data, as well as consideration for the existing distribution, location and size of stores located across the Trade Area and elsewhere (i.e., those in Hamilton and beyond). Inflow is intended to capture additional sales affiliated with permanent residents of the surrounding area, in addition to sales affiliated with employees, tourists and other visitors.

3.2 Customer Origins

To better understand the existing draw, competitive landscape and potential customer support for new retail and service commercial space in Elfrida, we have evaluated visitation patterns to surrounding retail/service commercial nodes.

One of the factors used to inform this Trade Area has been the use of anonymized cell phone data to determine customer origins (i.e., "mobile analytics" data). Specifically, this mobile analytics information was used to understand the shopping patterns of existing Hamilton residents. It was also used to provide a more direct understanding of potential "inflow" to existing retail / service commercial uses of various forms and function.

Note: Customer Origins Source Data

This research has involved partnering with a third-party data provider to determine the estimated geographic origins of local residents, employees and other individuals that visited selected commercial districts across Hamilton over a full one-year period.[1] For the purposes of this analysis, data collected is based on full year 2024 visitation patterns.

It is also important to note that mobile analytics data captures a representative segment or sample of total visitation to a given geography. The estimates presented herein are reported in percentage terms, representing a reasonable approximation of macro-level origins, but not necessarily *total* visitation.

[1] Based on the "common evening location" of unique mobile devices that entered a pre-defined geographic area–or "geo-fence" delineated by Parcel.

For the purposes of this analysis, we have analyzed customer origins for several retail/service commercial nodes which are designated as *Mixed Use – High Density* or *Mixed Use – Medium Density* in the UHOP (see Figure 3.2). This includes two locations, SmartCentres Hamilton and the Heritage Green Shopping Centre, which are in proximity to the Elfrida Community Area and will ultimately influence the type of retail/service commercial services required in the Elfrida Community Area. It also includes other sites located elsewhere in Hamilton, that are useful in providing broader representation of patterns across the city. Taken together, we believe these serve as reasonable proxies for potential future residents, employees and visitors in the Elfrida Community Area:

- **Rymal Road – SmartCentres Hamilton** – Large, regional serving power centre comprising over 300,000 square feet of retail space at the intersection of Rymal Road East and Upper Centennial Parkway. Located at the southeastern edge of the built-up area of Hamilton, and anchored by a Walmart Supercentre, Canadian Tire and Winners, this site sits directly north of the Elfrida Community Area.

- **Heritage Green Shopping Centre** – Located a few kilometres north of the Elfrida Community Area at the intersection of Stone Church Road East and Upper Red Hill Valley Parkway, this large regional serving power centre comprises over 500,000 square feet of retail/service commercial space. Key anchor tenants include Cineplex, Home Depot and Best Buy.

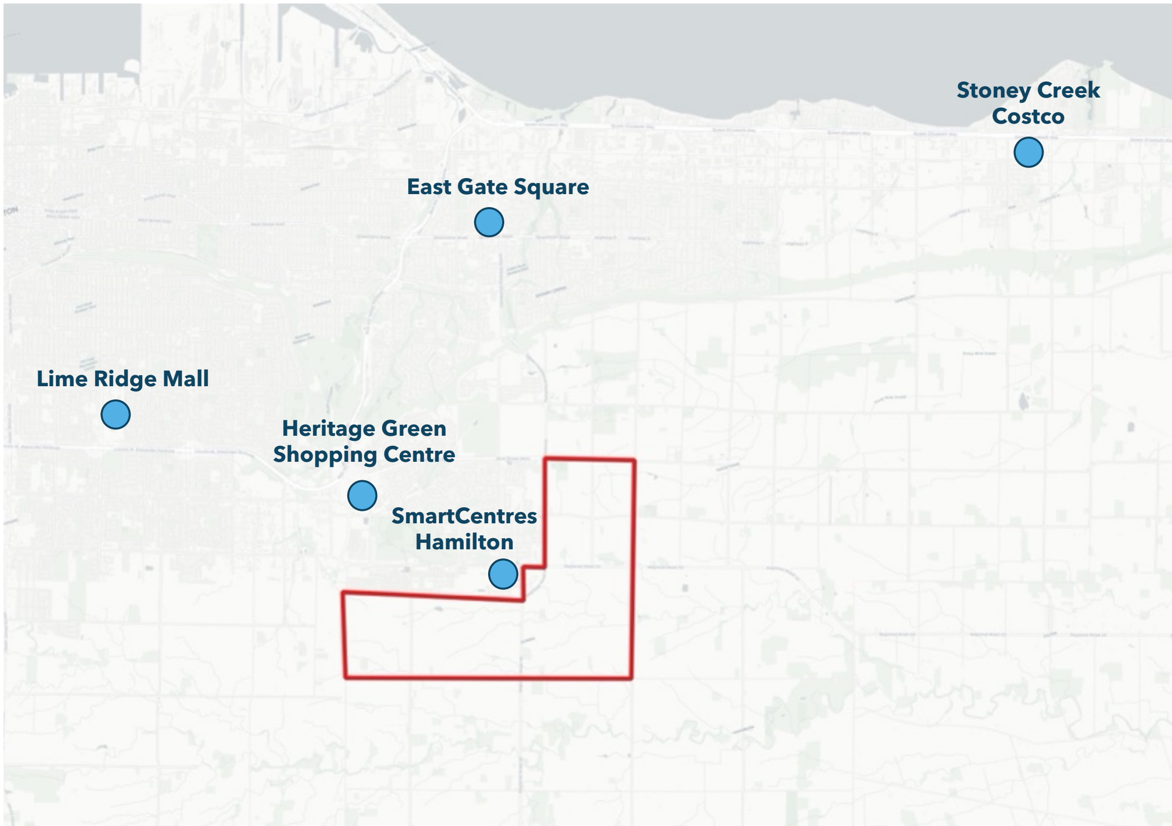
- **Lime Ridge Mall** – Generally viewed as Hamilton's primary regional mall, comprising exclusive tenants that serve as destination retailers, including Lululemon, Aritzia and Sephora.

- **Eastgate Square** – Regional serving enclosed shopping centre, featuring a range of day to day retailers in a variety of store categories like Fortino's and the LCBO, as well as those with larger draw, including Foot Locker, HomeSense, Miniso and Sport Chek.

- **Stoney Creek Costco** – One of Hamilton's two Costco locations, located at the eastern end of the city, south of Queen Elizabeth Way at Fifty Road.

Figure 3.2

Customer Origin Locations



Source: Parcel.

Visitation & Customer Origins

Figure 3.3 shows the results of this analysis. Specifically it shows the distribution and percentage breakdown associated with total visits to each site. The estimates provided in Figure 3.3 include repeat visitation, to highlight the tendency of local residents to visit a given node more frequently, while similarly highlighting the more limited visitation of people who come from further afield (e.g., tourists, seasonal residents, or visitors).

The following observations are noted:

- **Excluding the Costco location, a significant share of visitation (i.e., between 40% and 60%) is associated with individuals residing within approximately five kilometres of each site.** This suggests that these sites serve an important function for the more immediate surrounding population, regardless of the scale and diversity of uses provided. Identification of this trend is useful in validating the Trade Area delineated for this analysis, which spans approximately five kilometres east-west and six kilometres north-south. In-line with trends summarized above, this Trade Area reflects the tendency of residents to frequent retail/service commercial locations nearest to their home.

- Excluding the Costco location, between 45% and 60% of visits to each site are affiliated with those living further than three kilometres. This is likely reflective of the range and diversity of retailers located at each site, including many larger format regional retailers that typically support a larger population. Larger format food stores, building and outdoor supply stores and general merchandisers increase the drawing power of these nodes, particularly given some of the tenants at these sites represent one of few opportunities for tenants in this retail category. As these lands are designated *Mixed Use – High Density* and *Mixed – Use Medium Density*, these trends validate the current and intended future function of these sites as locations that **provide day-to day goods and services,** while also providing a range of **uses that are intended to serve a broader regional market**, including residents from across the City and beyond.
- **Over 80% of visitation to all of the sites was associated with Hamilton residents**, well above the Stoney Creek Costco at 65%. This reinforces the local and regional serving natures of these sites as destinations largely for Hamilton residents, rather than visitors from further beyond the city.
- **Visitation trends are likely influenced by the type of development surrounding each site.** Other than the Costco site, the SmartCentres site has the lowest share of its visitation affiliated with those living within five kilometres. Lands to the south and east of the SmartCentres site are largely agricultural in nature, limiting the total population of residents that live within a five kilometre radius. As development continues, including residential development within the Elfrida Community Area, this share is likely to rise significantly to account for a greater local population base.

Figure 3.3

Summary of Visitation

	Smart Centres Hamilton	Heritage Green	Lime Ridge Mall	Eastgate Square	Stoney Creek Costco
Lives Approximately 5km of Location	37%	44%	57%	54%	16%
Rest of Hamilton	44%	40%	24%	30%	49%
City of Hamilton	**81%**	**84%**	**81%**	**84%**	**65%**
Outside Hamilton	19%	16%	19%	16%	35%

Source: Parcel, based on mobile analytics data for full-year 2024.

Subject Proposal Context

Considering the visitation trends above is key to understanding potential future visitation and support for retail/service commercial establishments across the Trade Area and within Elfrida. The format and scale of uses likely to be contemplated in this more localized area is expected to be comparable, or smaller, than those contained in nearby commercial sites (e.g. SmartCentres and Heritage Green). This is because:

- Future commercial uses in the Trade Area and within the Elfrida Community Area are likely to benefit from the same access characteristics to existing nodes (i.e., at the intersection of two major streets, more frequent transit, etc.) and local population. As a result, future retailers are likely to benefit from the same exposure and access characteristics that have made nearby sites attractive and successful retail locations.

- That said, future commercial uses in the Elfrida Community Area are anticipated to be accommodated in a mixed use format. The form and function of retail/service commercial space is therefore expected to draw a more limited share of its market support from inflow traffic when compared to existing retail/service commercial sites that offer a greater diversity of commercial shops and services intended to serve a regional market, provide ample parking and are located at more central locations.

- The UHOP designates locations where regional commercial uses should be accommodated, including lands surrounding the Lime Ridge and Eastgate Malls, as well as the Centre Mall Community Node. Based on this direction it is less likely mixed-use lands in Elfrida will develop as locations to support large-format retailers and regional serving uses. Instead, future commercial development will be focused on supporting the daily and weekly needs of residents in the community, decreasing potential "inflow" support when compared to broader serving nodes in the area.

4.0

Retail Market Trends

Key Findings

- Growth in the retail sector has faced a variety of changes in recent years, ranging from increased construction costs that make it most costly to build brick and mortar commercial space, to the impacts from online shopping and the COVID-19 pandemic

- A number of trends are expected to impact the Elfrida Community Area going forward:

  - **E-Commerce** – the shift towards e-commerce has resulted in the need for less brick and mortar commercial space per person.

  - **Typologies and Unit Sizes** – renewed interest in smaller commercial units in response to the shift towards more service-based businesses and the impact of e-commerce.

  - **Mixed-Use Feasibility** – in the short-term, there may not be sufficient demand from tenants for mixed-use space to command the commercial rents necessary to counteract the significant costs of new construction.

  - **Construction Costs** – record increases to hard construction costs as well as a rising interest rate environment have caused additional uncertainty and risk in developing mixed-use projects.

From substantial growth in online shopping activity to increasing construction costs, the retail sector has faced a range of material changes in recent years.

The following highlights selected trends that will undoubtedly influence the evolution of retail / service commercial space in the Elfrida Community Area and in the Trade Area more generally. It is not expected that all trends identified will be felt equally. However, each is likely to influence broader growth and development trends in the city both today and going forward.

4.1 Key Themes

Theme #1 – E-Commerce

Among the most profound shifts in shopping patterns over the last decade has been the growth of e-commerce (online shopping) activities, which has caused a fundamental change in the way retail / service commercial providers do business. The convenience of shopping from home, the ability to easily compare products / prices and same-day delivery, has obvious appeal to consumers. That said, it is important to recognize the following key factors at the outset of this discussion:

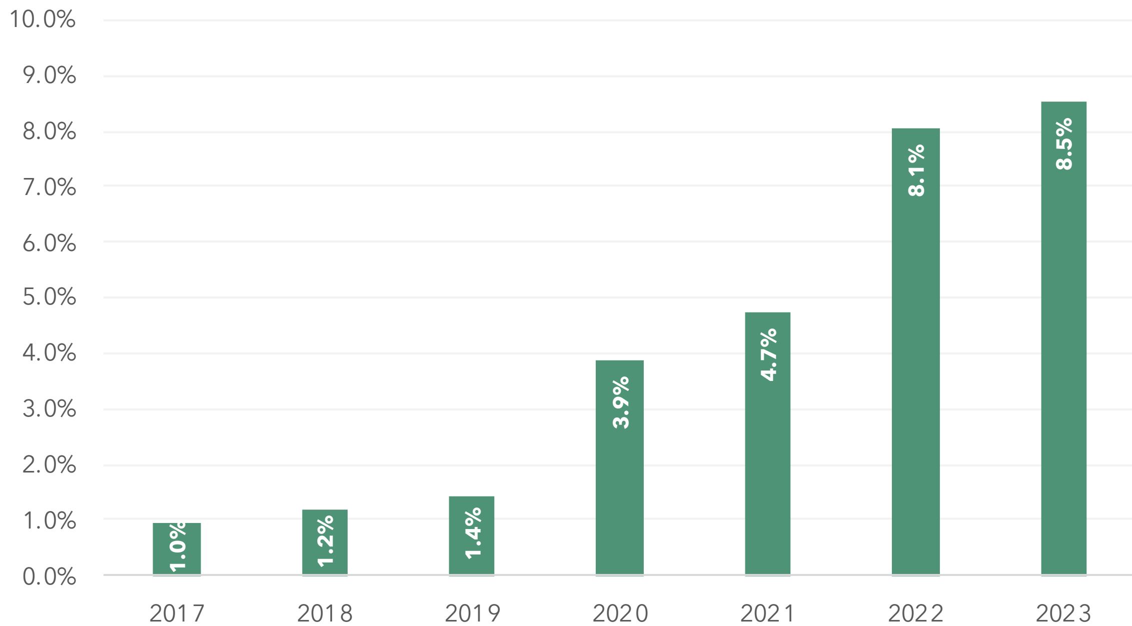
- Although there is a general characterization in the media that this form of convenience shopping has come directly at the expense of traditional brick and mortar retailers, e-commerce has had limited impact overall. Furthermore, it has **not been felt equally** across all store categories.
- It is unclear how much impact e-commerce is having, based on a general lack of available (and reliable) data to properly evaluate the magnitude of these types of shopping activities. There is a significant "grey" area when it comes to capturing expenditures at retailers that have both a physical and online presences (e.g., how these sales are reported to Statistics Canada, inconsistent treatment of online orders picked up in-store / delivered directly to a residence via a nearby store, etc.).
- The future impact of e-commerce is unknown. It is unclear if the impact of COVID-19 will represent a more permanent shift in shopping patterns or if the amount of online shopping during the pandemic was simply borne out of necessity vs. actual consumer preferences. In-person shopping, dining and other service-

provisions continue to be both a necessary occurrence, as well as a desirable leisure-based activity for many.

Figure 4.1 highlights the recent growth in e-commerce activity, based on available Statistics Canada data for “Retail Trade”. This represents the most recent data relied upon in a range of traditional retail market analyses, including this Commercial Needs Assessment. Unsurprisingly, e-commerce is growing. That said, excluding “online-only” retail formats such as Amazon, e-commerce still only accounts for less than 10% of retail sales on average.

Figure 4.1

Growth in E-Commerce – Percentage of Total Retail Sales (2017 – 2023)



Source: Parcel based on Statistics Canada Tables 20-10-0064-01 & 20-10-0084-01 (Retail Trade, In-Store Sales & E-Commerce). Retail e-commerce sales only includes online sales made at Canadian-based retailers.

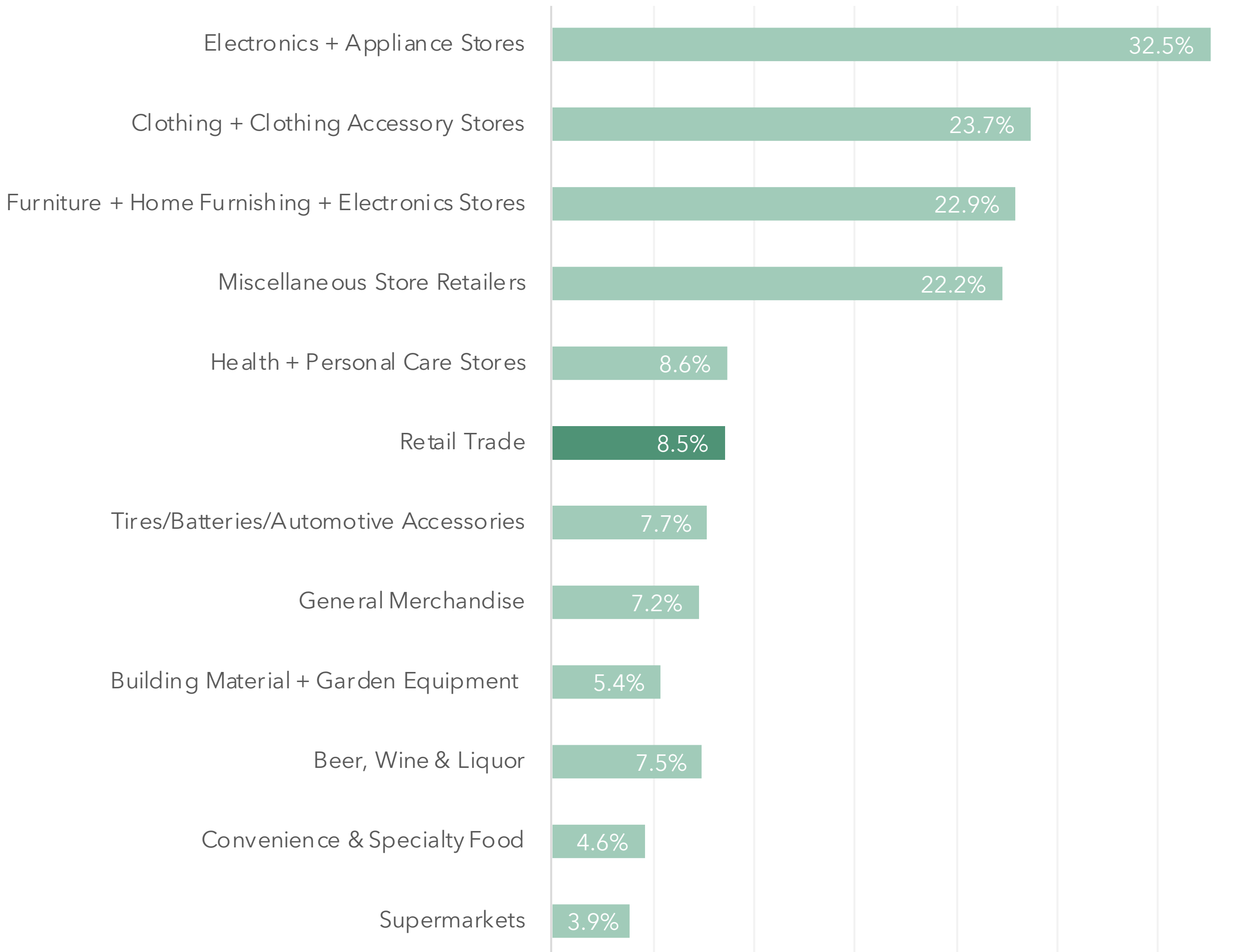
Figure 4.2 further shows that the impact of e-commerce is not consistent, with obvious variation in the level of e-commerce penetration across traditional market segments that involve products that are not necessarily customizable, do not benefit from substitution/testing, and are relatively easy to ship (e.g., electronics, sporting goods, and to a certain extent clothing).

Many retailers in these categories have shifted to more of a centralized “showroom” format where consumers can browse for products but, ultimately, purchase online. In turn, e-commerce **has impacted the size and number of**

brick and mortar stores required by many of these retailers, particularly their desire to locate in secondary or tertiary locations.

Figure 4.2

Percentage of Total Sales by Subcategory (2023)



Source: Parcel based on Statistics Canada Table 20-10-0084-01 (Retail Trade, In-Store Sales & E-Commerce). Retail e-commerce sales only includes online sales made at Canadian-based retailers.

As it relates to e-commerce sales, it is our opinion that—while the pandemic has undoubtedly resulted in material changes in the retail sector and accelerated its evolution—it is nonetheless important to recognize that growth in **e-commerce has and continues to be a function of pre-existing conditions**. That is, many of the foregoing trends have been developing for some time and the pandemic simply catalyzed these changes, albeit seemingly "overnight".

Considerations for the Elfrida Secondary Plan Area

E-commerce is not anticipated to result in significant changes to the types of spaces required for convenience-oriented retail categories and/or service-oriented commercial (e.g., restaurants, personal care service, healthcare, etc.) or those anticipated to represent the largest share of demand within the Elfrida Community Area. This is because **these tenants continue to offer experiences and goods that cannot be replicated** by online shopping. The store-types most impacted by growth in e-commerce are the types of tenants that locate in regional retail nodes and in some cases require large-format, single-storey buildings that are not anticipated to be accommodated within the Elfrida Community Area.

As a result, growth in e-commerce suggests that these uses will account for a growing share of tenants in commercial space, as they are also those which will be less impacted by e-commerce. For the Elfrida, this is anticipated to be particularly noticeable given larger-format, regional serving uses are already concentrated throughout other nearby and established retail nodes.

Stores with less customizable products (and those stores whose products are relatively easy to ship) are expected to continue to compete with online retailers. Many of these stores have already had to shift their store locations, sizes, scale and conditions to remain competitive. This has implications for Hamilton more broadly but is unlikely to impact development specifically within Elfrida, as this area is less likely to accommodate larger format spaces in the intensified, mixed-use environment being envisioned for the area.

Theme #2 – Typologies & Unit Sizes

There has been renewed interest and emphasis in developing smaller commercial unit sizes. This stems from a shift to convenience-oriented tenants that are less impacted by growth in e-commerce, rising lease rates for commercial space, as well as technological advancements (including artificial intelligence) that are allowing tenants to do more with less space or reconfiguring how tenants use their space (i.e. food delivery apps have resulted in some restaurants needing less space for tables/seating and more space for people to pick up orders).

Considerations for the Elfrida Secondary Plan

The anticipated evolution of the Elfrida community presents an opportunity for the City of Hamilton to develop a more fine-grained and walkable retail fabric in areas where more mixed-use development is proposed. The smaller commercial units typically found on the ground floor of mixed-use buildings, some of which may be owner-occupied, will also provide the City with **an opportunity to accommodate a range of shops and services**, including independent businesses and retail chains.

As tenants strive to use less space and make more efficient use of space, there will also likely be a **reduction in the total amount of retail space provided per capita**. This is important in light of more intensified development being envisioned for the Elfrida community, as it will likely reduce the amount of retail / service commercial to be accommodated on the Elfrida Community Area.

Theme #3 – Mixed-Use Feasibility

It is also important to consider the **implications of financial feasibility on the delivery of commercial space in new developments**. As it relates to project viability, market-based housing generally represents the highest return on investment for lands across Hamilton, the broader Region and many other parts of the GTHA.

Despite historically favourable market conditions for residential development, mixed use projects are increasingly overburdened financially by the cumulative effects of various other limiting factors affecting feasibility. Factors such as expensive underground parking and the need to provide separate parking for commercial uses, can be especially impactful for **low and mid-rise building typologies that are generally incapable of spreading the added costs (or reduced revenues) across the profit of the rest of the project**.

Considerations for the Elfrida Secondary Plan

Based on our experience preparing development pro forma analyses for both public and private sector interests, when a project is forced to include too significant a share of non-revenue (or limited revenue) generating uses, it begins to materially strain feasibility, thereby disincentivizing investment. This represents a material risk to new developments.

As a result, future retail / service commercial uses in the Elfrida Community Area are likely to develop overtime, as residential uses and a local population is established. This is particularly likely given the broader nature of greenfield development in this area, which will inherently delay the development of mixed-use buildings and a more fulsome ribbon of retail storefronts.

This delay is also likely given that in the short–term, there is unlikely to be sufficient demand characteristics (i.e., population) to command the commercial rents (i.e., revenues) necessary to counteract the significant capital costs of new construction in the early stages of development.

Supermarkets in Mixed-Use Developments

The supermarket store category supports a local population base, and it is anticipated that the built-out population of the Elfrida Community Area will ultimately support a significant quantum of supermarket space,. In many cases, supermarket operators continue to have a preference for standalone facilities supported by abundant surface parking. However, recent trends have seen operators more open to exploring integrated, mixed-use supermarkets in denser communities. In Southern Ontario, these integrated supermarkets are typically found in transit-oriented development clusters (e.g. Yonge / Eglinton, North York Centre, etc.), which are supported by significant population, employment and transfer traffic. There are fewer examples of integrated supermarket developments in less dense urban areas throughout Canada.

Considerations for the Elfrida Secondary Plan

Despite being a local-serving use, the densities and locational characteristics of the Elfrida Secondary Plan are unlikely to present the conditions required to support a meaningful amount of supermarket space in a mixed-use format, particularly over the short to medium term. There may be some opportunities to accommodate a limited quantum of space at select key nodes, however, the bulk of space in this category will likely be accommodated in standalone forms that already exist in the Trade Area.

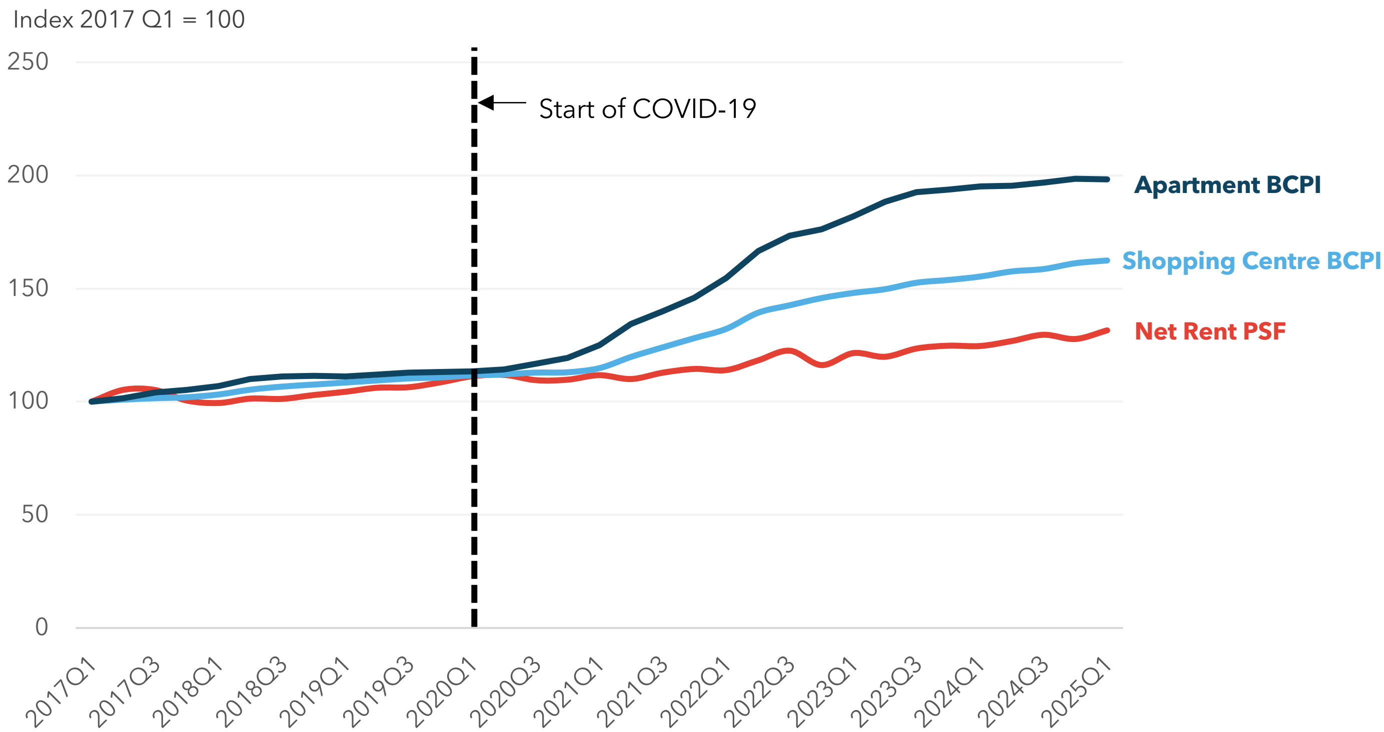
Theme #4 – Macroeconomic Trends Impact Construction Costs

The past several years has brought significant challenges to the advancement of feasible real estate projects of all kinds. This includes **record increases to hard construction costs as well as a rising interest rate environment,** that have caused additional uncertainty and risk. This is impacting not only the financial feasibility of developing ground floor commercial units in mixed use buildings, but also commercial projects more generally.

As shown in Figure 4.3, prior to the COVID-19 pandemic, growth in commercial net rent per square foot (PSF) across the GTA was similar to increases in construction costs. This was the same for both apartment buildings (which includes mixed-use buildings) and shopping centres. Since the pandemic, construction costs have increased at a much faster rate than commercial net lease rates, putting pressure on the ability to provide new commercial space. In some cases, this delays the construction of new commercial space until a larger customer base is present to support the new tenants.

Figure 4.3

Asking Rents for Retail Space Across the GTA (PSF)



Source: Parcel based on CoStar Realty and Statistics Canada
Note: BCPI = building construction price index; PSF = per square foot

To make development of new commercial units financially viable, developers are requiring lease rates that are substantially higher than "market" rates for existing commercial units. While some tenants are willing to pay these net lease rates, many are not able to as they require a larger population within a trade area to maintain profit margins. Further, retailers are having to find creative ways to ensure they can protect their margins by seeking smaller spaces to mitigate the impact of higher lease rates.

Rising lease rates also impact the type and diversity of tenants that can locate in an area, as it often reduces the competitiveness of smaller businesses and community organizations in favour of larger chains. This is because smaller businesses often lack the capital to survive significant upswings in costs, relative to well supported chain retailers.

Considerations for the Elfrida Secondary Plan

Rising construction costs and corresponding lease rates could limit the diversity of retail/service commercial uses attracted to this area, at least in the short-term. Significant mixed use development envisioned for this area is anticipated to coincide with retail spaces with higher lease rates. This has the potential to impact opportunities for independent businesses in the area and could more generally limit the diversity of tenants who find the area attractive from a feasibility perspective.

Higher construction costs and interest rates also has the potential to delay the construction of new retail / service commercial space until tenants are comfortable that the population in the area will be sufficient to warrant the higher lease rates necessary to support new construction. For example, whereas before the pandemic a tenant may have been willing to consider a location that had a surrounding population of 5,000 persons, higher lease rates could mean that the same tenant would need to see a surrounding population of 7,500 or 10,000 persons. Understanding this dynamic and its impact on development patterns will be important as the Elfrida Community Area begins to develop.

5.0

Market Profile

Key Findings

- The Elfrida Community Area is anticipated to accommodate over **64,400 residents** upon full build-out in 2051.
- The broader Trade Area is projected to grow to **114,100 residents** by 2051, inclusive of future growth in the Elfrida community. Based on anticipated development elsewhere in the Trade Area, growth in the Elfrida Community Area is estimated to represent 87% of population growth in the Trade Area between 2025 and 2051.
- A growing population in the Trade Area will provide additional market support for existing and future commercial uses in the area. It will also necessitate the development of new retail/service commercial uses to support a growing local population.

5.1 Population Characteristics

In evaluating the commercial market demand in the Trade Area, it is important to establish the local population base and any projected changes in future years. Both represent key inputs in determining the current and anticipated future demand for commercial space in an area, particularly with respect to the scale of growth anticipated in Elfrida.

The following section identifies the current and forecasted population levels of the Elfrida Community Area and Trade Area, benchmarked against the City of Hamilton.

Trade Area Population

Historical & Current

The 2025 population of the Trade Area is estimated at 40,300 persons, some 6.1% of the City's total population. This represents growth of about 70% from the Trade Area's 2011 population, far outpacing the growth seen across Hamilton, which increased 24% over this period.

While growth in the Trade Area has been significant since 2011, it has slowed recently. Specifically, between 2021 and 2025, the population of the Trade Area grew by less than 2% per year. This is less than the City, which grew by over 3% per year between 2021 and 2025. More limited growth in the Trade Area recently could be related to most Trade Area lands (excluding the Elfrida Community Area) approaching build-out, with limited opportunity for new greenfield residential development available.

Figure 5.1

Historical & Current Population

	2011		2016		2021		2025
Trade Area	**23,800**		**29,100**		**37,400**		**40,300**
Average Annual Growth		*1,060*		*1,660*		*725*	
Average Annual Growth Rate		*4.5%*		*5.7%*		*1.9%*	
City of Hamilton	**535,400**		**553,600**		**594,100**		**662,400**
Average Annual Growth		*3,640*		*8,100*		*17,075*	
%		*0.7%*		*1.5%*		*3.7%*	

Source: Parcel, based on Census of Canada and CMHC. Figures have been rounded to the nearest 100.
2011, 2016 and 2021 figures are based on Census of Canada and adjusted for undercoverage.
2025 estimate based on CMHC housing completions data and person per unit factors prepared by Watson Economists Ltd as part of the Hamilton Development Charges Background Study, 2024, and Census of Canada intercensal population estimates (for City of Hamilton in 2024 only).

Forecast Population

The estimated future population of the Trade Area is primarily based on future growth in the Elfrida Community Area, but also reflects additional development activity anticipated across other portions of the Trade Area. Specifically:

- The anticipated future population of the Trade Area considers residential development applications in the area, as provided by the City of Hamilton's development application information. This includes potential for nearly 5,100 residential units, that are currently under application. Based on person per unit (PPU) factors from the 2024 Hamilton Development Charges Background Study ("Hamilton DCBS"), these units could amount to growth of 9,400 persons over the forecast period to 2051.

- Further to above, the future population of the Trade Area considers the anticipated build-out population of Elfrida, which has been estimated by Bousfields based on the most recent concept plan prepared for the community in February 2026. Residential development planned as part of Elfrida includes 25,300 residential units or potential for 64,400 additional persons.

Combining growth planned as part of the Trade Area, Figure 5.2 details the build-out population of the Trade Area. By 2051, the Trade Area is expected to grow to a population of 114,100 persons. This represents growth of 73,800 persons from 2025, or 7.0% per year between 2025 and 2051. Recognizing anticipated population growth in the

Elfrida Community Area, this means that growth in **Elfrida is estimated to account for 87% of population growth across the Trade Area between 2025 and 2051**.

Figure 5.2

Forecast Population

	2025		2031		2041		2051
Elfrida Community Area	**0**		**21,500**		**43,000**		**64,400**
Average Annual Growth		*3,583*		*2,150*		*2,140*	
Average Annual Growth Rate		-		*10.0%*		*5.0%*	
Trade Area	**40,300**		**65,300**		**92,700**		**114,100**
Average Annual Growth		*4,167*		*2,740*		*2,140*	
Average Annual Growth Rate		10.3%		4.2%		2.3%	

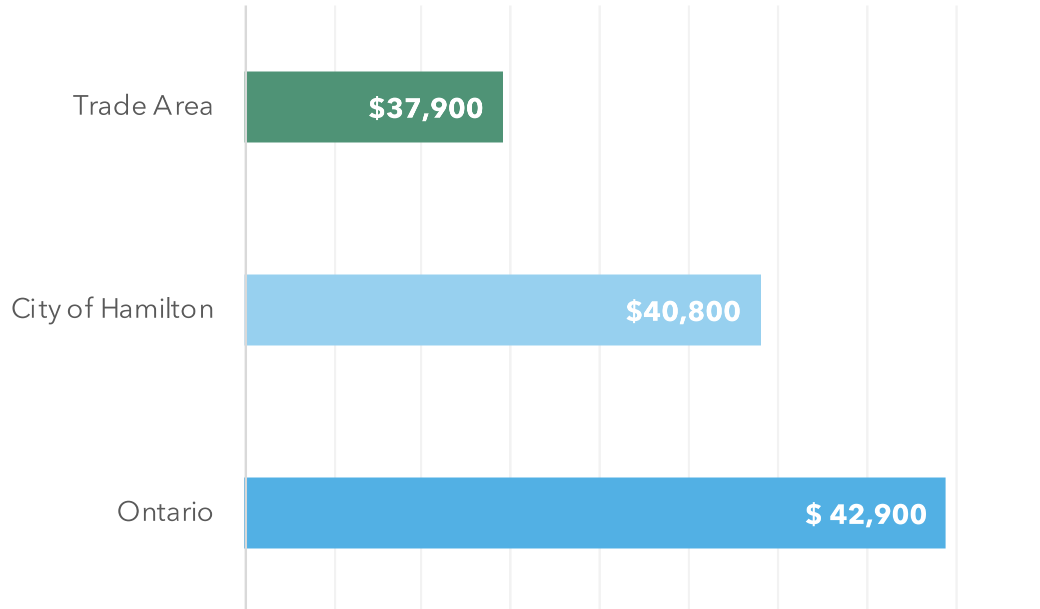
Source: Parcel, based on Census of Canada and CMHC. Figures have been rounded to the nearest 100.
2025 estimate based on CMHC housing completions data and person per unit factors prepared by Watson Economists Ltd as part of the Hamilton Development Charges Background Study, 2024.

Income

The income level of residents in a Trade Area is an important input to any retail market demand assessment. It provides an indication of the expenditure potential of residents, influencing current and future demand for retail/service commercial space. As of the 2021 Census, Figure 5.3 details that the average per capita income in the Trade Area was about 7% below the City of Hamilton benchmark of $40,800, which is modestly below the provincial average. As the population of the area grows, particularly in new housing developments planned as part of the Elfrida community, per capita incomes in the Trade Area are expected to grow in-line with municipal trends.

Figure 5.3

Per Capita Income, by Geography (2020)



Source: Parcel, based on 2021 Census.

6.0

Commercial Inventory

Key Findings

- The Trade Area is estimated to contain some **1.3 million square feet** of retail/service commercial space. This includes 51,900 square feet of **vacant** retail/service commercial space, representing nearly 4% of all retail/service commercial space.

- Non-Food Retailers constitute the greatest category of uses (51%) in the Trade Area, followed by Services (31%) and Food Retailers (14%). The high share of Non-Food Retailers in the Trade Area is likely related to the quantum of larger-format, regional serving uses presently located in key commercial nodes (i.e., SmartCentres Hamilton and Heritage Green Shopping Centre).

- There is a total of approximately 268,300 **square feet of new commercial space under application in** the Trade Area. Almost two-thirds is tied to a proposed expansion of the existing regional retail node, with plans to include seven additional commercial buildings.

- Excluding active proposals, there are no other vacant lands designated or planned for commercial development in the Trade Area.

6.1 Existing Commercial Space

A review of the existing and potentially competitive retail and service facilities surrounding the Elfrida Community Area is key to understanding what commercial roles and functions are currently provided for residents and visitors to the Trade Area. In a context like this, such an analysis is also important in understanding the regional-serving nature of established commercial facilities in order to identify the role and scale of development which could ultimately be supported in Elfrida.

To this end, an inventory of existing retail and service commercial space in the Trade Area was conducted by Parcel in June, 2025. This inventory includes all retail stores and service-based commercial facilities, specifically:

- **Food Retail Stores:** Inclusive of Supermarkets & Grocery Stores, and Other Food Retail Stores (e.g., Convenience & Specialty Food Stores (e.g., baked goods stores, butchers etc.) and Beer, Wine & Liquor Stores).

- **Non-Food Retail Stores:** Health & Personal Care Stores (e.g., pharmacies etc.), General Merchandise stores (e.g., dollar stores, Canadian Tires, etc.), Clothing & Accessory stores, Furniture & Electronic stores, and Building & Outdoor Home Supply stores.

- **Services:** Financial Institutions, Health services, Personal Care services (e.g., hair salons, nail salons etc.), Food services (e.g., restaurants, fast-food etc.), Other Professional & Educational services.

Existing Space (Total)

Figure 6.1 summarizes the results of the commercial inventory and identifies that the Trade Area contains **1.3 million square feet of retail / service commercial space**, including:

- 190,100 square feet of **Food Retail** space (14% of total inventory);

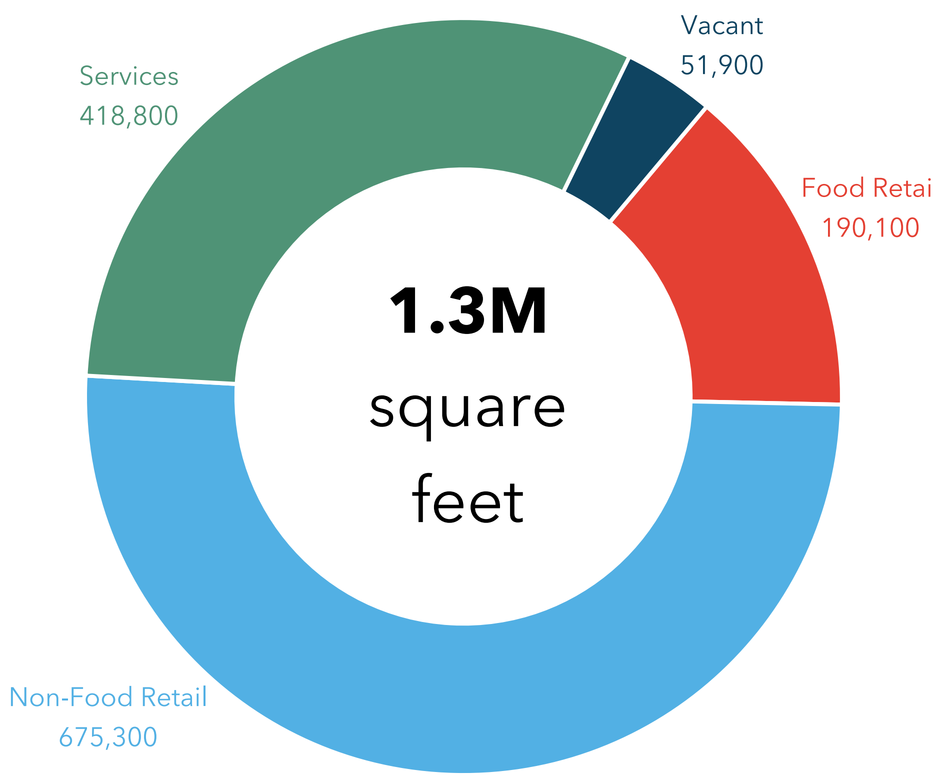
- 675,300 square feet of **Non-Food Retail** space (51% of total inventory); and,

- 418,800 square feet of **Service** space (31% of total inventory);

There is also 51,900 square feet of **vacant** retail/service commercial space, representing nearly 4% of all retail/service commercial space in the Trade Area. This can be considered on the lower end of a healthy vacancy rate range, which typically falls between 4 – 6% (depending on the context and location) and could be an indicator that there may be market opportunity for the addition of a modest amount of new commercial space in the area.

Figure 6.1

Current Trade Area Retail/Service Commercial Inventory



Source: Parcel based on inventory completed in June 2025.

A significant share of the commercial space in the Trade Area is concentrated at two key locations (see Figure 6.2). These two locations operate a significant range and diversity of retailers, supporting Trade Area residents in addition to a broader regional market. Specifically:

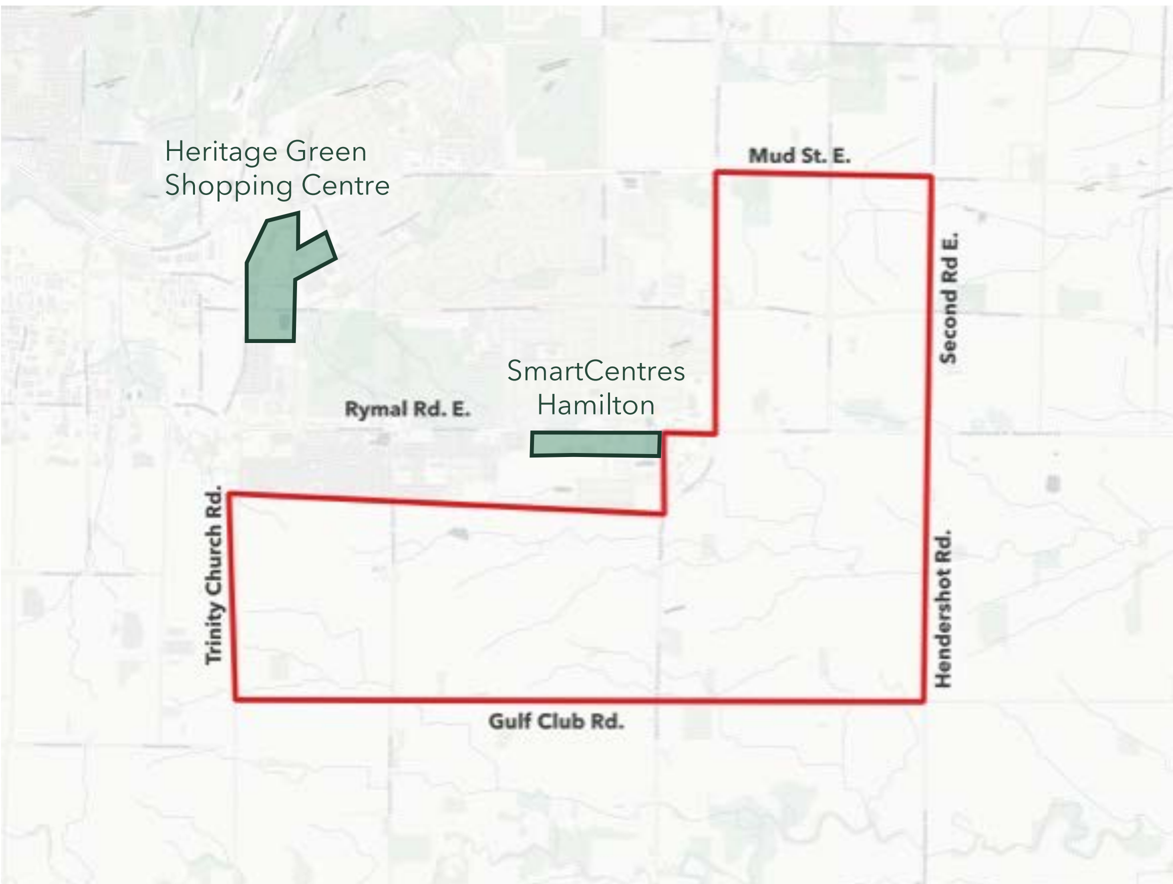
- **Rymal Road – SmartCentres Hamilton:** Anchored by a Wal-Mart Supercentre and Canadian Tire, this power centre contains over 400,000 square feet of retail/service commercial space. Located near the southeastern edge of Hamilton's built boundary, it is likely this node will draw and support future Elfrida residents.

- **Heritage Green Shopping Centre:** This node is located immediately adjacent to Red Hill Valley Parkway and supports over 460,000 square feet of regional-serving retail space. It is anchored by a Cineplex, Home

Depot and Sobeys, and supports a range of other larger format retailers. Although this site is a further distance from the Elfrida Community Area, the range of regional-serving retailers is still expected to benefit future residents.

Figure 6.2

Location of Major Commercial Clusters in Trade Area



Source: Parcel

These sites benefit from many locational characteristics that make them desirable to a range of retail/service commercial uses and a key amenity for future residents of the Elfrida Community Area and Trade Area, including:

- Both sites are located along arterial roadways, at the intersection of two arterials. They offer strong connectivity, not only for future Elfrida residents, but for other areas to the north and west;
- Each of these nodes offers connectivity to public transit;

- Each node offers a mixture of regional-serving retailers (e.g. Wal-Mart, Home Depot, CinePlex, Canadian Tire), coupled with more local serving, day-to-day businesses (e.g. supermarkets, restaurants and personal care);

- The commercial space in these two regional nodes are located within an **approximate 10-minute driving time of most portions of the Elfrida Community Area**.

Recognizing that these two nodes are within a 10-minute drive of the Elfrida Community Area, the analysis included herein builds upon their presence and influence, particularly the accessibility of each to future residents of the Elfrida community. The analysis herein also considers the likelihood that the emerging population on the Elfrida Community Area will warrant the development of new regional retail tenants given the proximity to existing facilities.

Current Service Levels

Estimated at 33 square feet of retail/service commercial space per capita (see Figure 6.3), the existing service level in the Trade Area is slightly below, but within range, of the amount of retail/service commercial space typically required to support residents of an area (typical comprehensive service levels can range up to 40+ square feet per capita depending on the context and location). This leads to several related observations:

- Although service levels fall within a reasonable range, there are still some store types (e.g. large-scale merchandisers such as Costco, boutique miscellaneous retailers, etc.) that are notably absent from the existing inventory. The absence of these store categories is likely because most regional-serving retailers typically locate at select, central locations, meaning that each may not have a location tied specifically to the Trade Area. The absence of these store categories contributes, at least in part, to the lower per capita service level in the Trade Area.

- Nonetheless, Trade Area residents are able to satisfy the bulk of their day-to-day and destination-based shopping within the Trade Area. The area is well served, largely by national banner retailers which appeal to a wider, regional market. For more niche, or unique retailers (e.g. boutique clothing, electronics or specialized retail), current and future residents will likely be drawn to locations outside of the Trade Area. Some examples of this could be market exclusive retailers at Lime Ridge Mall (e.g. Apple, Lululemon, Aritzia), or boutique restaurants, clothing boutiques and services which may concentrate on high streets in Downtown Hamilton, like James Street.

- It is possible that some retailers may elect not to serve the local Trade Area, or Hamilton more generally. Instead, these retailers may rely on the drawing power of other locations in surrounding communities, particularly within the Greater Toronto Area. Examples of this could include retailers like Ikea, Holt Renfrew, Decathlon, or Sporting Life.

Figure 6.3

Trade Area Commercial Inventory

2025 Population	40,300			
Store Category	**Sq. Ft.**	**Sq. Ft. Per Capita**	**Sq. Ft. Per Capita Benchmark**	**Difference**
Food Retail				
Supermarkets + Grocery	137,500	3.4 sf	3.5 sf	(0.1)
Convenience + Specialty Food	32,900	0.8 sf	1.5 sf	(0.7)
Beer, Wine, Liquor Stores	19,700	0.5 sf	1.0 sf	(0.5)
Non-Food Retail				
Building + Outdoor Home Supply	146,200	3.6 sf	3.5 sf	0.1
Furniture, Home Furnishings + Electronics	51,000	1.3 sf	2.5 sf	(1.2)
Health + Personal Care	46,700	1.2 sf	2.0 sf	(0.8)
Apparel + Accessories	41,500	1.0 sf	2.0 sf	(1.0)
General Merchandise	266,100	6.6 sf	6.5 sf	0.1
Miscellaneous Retailers	123,800	3.1 sf	2.0 sf	1.1
Services				
Finance, Insurance + Real Estate	61,500	1.5 sf	2.0 sf	(0.5)
Professional + Business Services[1]	20,400	0.5 sf	1.5 sf	(1.0)
Health Care + Social Services	65,200	1.6 sf	2.5 sf	(0.9)
Food + Drinking Places	163,200	4.0 sf	4.5 sf	(0.5)
Cultural, Entertainment + Recreation	63,000	1.6 sf	1.5 sf	0.1
Personal Care	41,400	1.0 sf	2.0 sf	(1.0)
Other[2]	4,100	0.1 sf	2.0 sf	(1.9)
Grand Total	**1,336,100**	**33.2 sf**	**40.5 sf**	**(7.3)**

Source: Parcel, based on site visit and desktop inventory work completed in June 2025. Rounded to nearest 100 square feet.

6.2 Proposed Commercial Space

Parcel has also gathered information on any planned / proposed commercial developments in the Trade Area to better understand the competitive influences that could impact market support and the need for new retail/service commercial space.

Parcel also reviewed if there were any vacant lands designated "District Commercial" in the Hamilton Official Plan that could ultimately develop with retail/service commercial uses. This review did not identify any vacant designated lands available to commercial development in the Trade Area.

Based on a review of recently approved and proposed developments that incorporate new retail/service commercial space (See Figure 6.4), there is approximately **268,300 square feet of commercial space** under application in the Trade Area. Almost two-thirds of this space is located in a single project, which proposes to expand the existing Heritage Green Shopping Centre with seven additional commercial buildings.

Figure 6.4

Proposed Commercial Space in Trade Area

Application #	Address	Year Submitted	Square Feet
FC-23-087	1725 Stone Church Road East	2023	175,500
ZAC-23-026	196 Upper Mount Albion Road	2023	3,600
DA-21-017	1865 Rymal Road	2021	9,700
UHOPA-24-002	1866 Rymal Road East	2024	4,800
DA-23-005	1933 Rymal Road	2023	9,400
UHOPA-23-007	2070 Rymal Road East	2023	11,000
RHOPA-22-003	2153 Rymal Road East	2022	20,200
FCSP-24-047	2240 Rymal Road West	2024	29,200
FC-22-060	157 Upper Centennial Parkway	2022	4,900
		Total	**268,300**

Source: Parcel, based on information available through the City of Hamilton development application portal. Figures rounded to the nearest 100.

Given their proximity to these proposed new commercial developments, it is likely that a significant share of residents from the Trade Area will patronize these locations upon completion. Future residents in Elfrida will also likely support these businesses, particularly those with larger-format, regional-serving uses.

7.0

Market Assessment

Key Findings

- Future demand for retail / service commercial space in the Trade Area will largely be a function of population growth, as new residents will result in increased spending, both in the Trade Area and elsewhere.

- Overall, our estimates suggest that at full build-out, the Trade Area could support more than 1.74 million square feet of additional commercial space. Services are anticipated to account for the largest share of future demand.

- At least some of this demand is expected to be met with new supply proposed to be entering the market over the same forecast period to 2051 and/or other commercial opportunities that will undoubtedly surface as the Elfrida Community Area builds-out.

- Recognizing significant population growth in the Elfrida Community Area, it is anticipated that over 87% of future demand should be accommodated within the Elfrida community. This includes a range of retail/service commercial tenants to support the daily and weekly needs of future residents and visitors to this site.

- Future uses integrated as part of mixed use developments in Elfrida will complement broader serving retail entities established throughout other portions of the Trade Area from both a format and function perspective.

- Other demand anticipated across the Trade Area is anticipated to be accommodated through active development applications that are expected to build-out over the forecast period to 2051.

7.1 Market Demand

Relying on the various research inputs presented above, we have prepared a market demand assessment to estimate the amount of commercial space that may be required to support population growth across the Trade Area. This has applied to both typical retail store categories and other “service”-based store categories, where applicable.

Food Retail

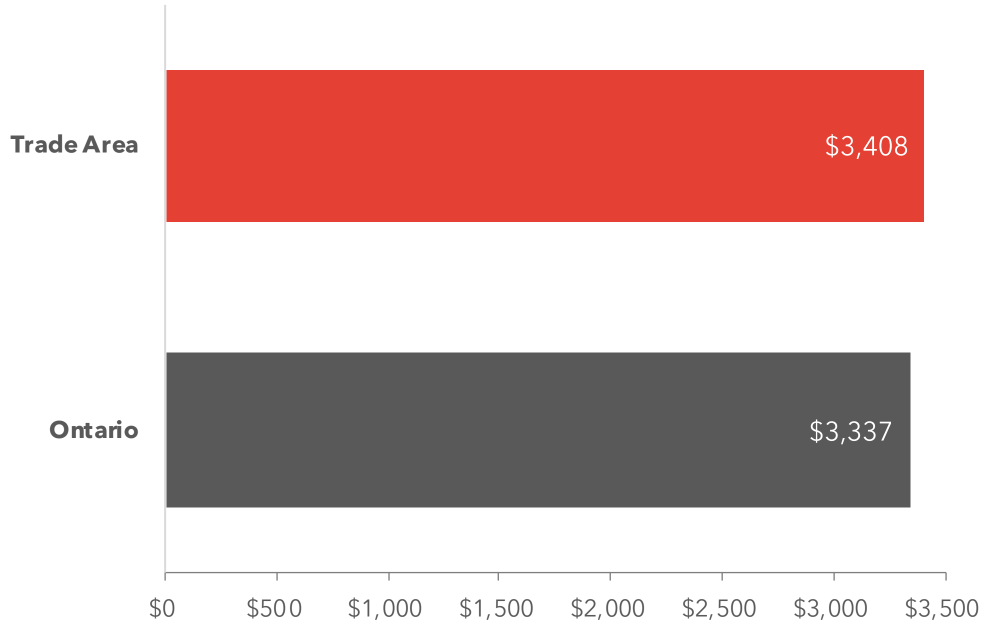
In 2025, the average Ontarian spent over $3,300 annually at Food Retail stores. This includes spending at supermarkets, in addition to convenience and specialty food stores. It also includes spending at beer, wine and liquor stores, including nearly $600 (18%) in 2025.

Annual spending at Food Retail stores is relatively inelastic, meaning that spending does not necessarily rise significantly with income. As a basic necessity without many substitutes, demand remains relatively constant regardless of the income capacities of individuals. Additional income translates more directly to enhanced spending at adjacent or alternative food options, such as food services (e.g., restaurants).

Recognizing Trade Area residents’ per capita income relationship to the provincial average (as illustrated previously in Figure 5.3) and based on a regression analysis of Ontario household spending by income quintile, we have adjusted Trade Area residents’ Food Retail spending per person as shown in Figure 7.1.

Figure 7.1

Food Retail Spending Per Capita (Including BWL)



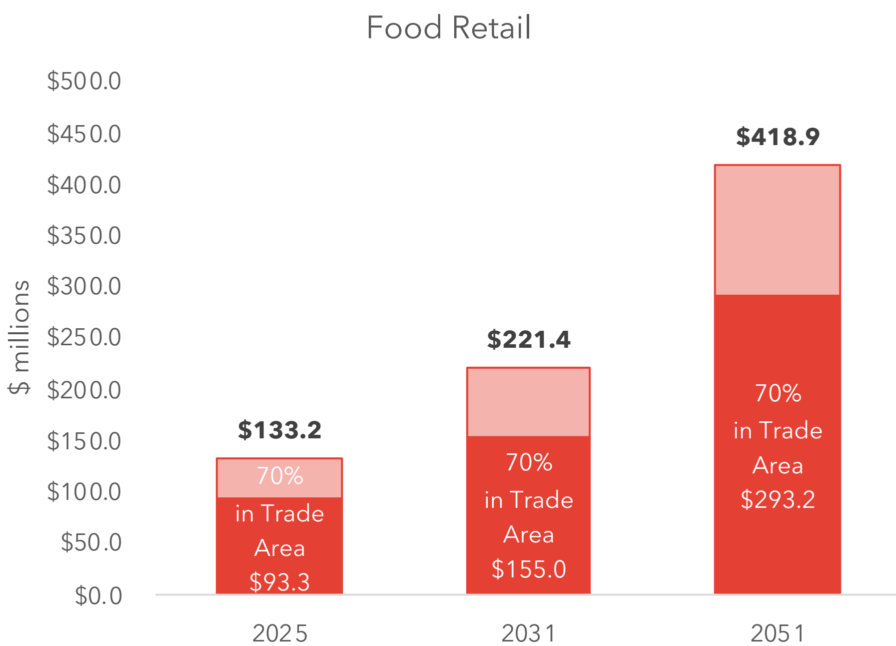
Source: Parcel, based on Statistics Canada Retail Trade (20-10-0008-01) and Household Spending by Household Income Quintile (11-10-0223-01) data. Includes an adjustment for e-commerce spending.

Based on the trends in food spending identified in Figure 7.1 and the current 2025 population for the Trade Area from Figure 5.2, it is estimated that in 2025 Trade Area residents spent some **$133.2 million** dollars on Food Retail stores. This includes $23.7 million at beer, wine and liquor stores.

Approximately **$93.3 million** (70%) of this spending was estimated to be spent at Food Retail stores in the Trade Area as shown in Figure 7.2.

Figure 7.2

Forecast Food Retail Expenditures



Source: Parcel based on population forecasts in Figure 5.2, food retail spending in Figure 7.1, and estimations of current and future capture and inflow rates.

As previously summarized, Parcel analyzed customer origins to existing retail nodes in Hamilton to better understand residents shopping patterns. Part of the reason for this assessment was to understand the impact of inflow (i.e., customers who live outside the Trade Area) on existing retailers.

Based on this assessment, it was identified that between 45% and 60% of visits to regional-serving sites were made by those living further than five kilometres away. Approximately 20% of visits to these nodes were made by individuals living outside of Hamilton. These estimates were used, in part, to inform the potential inflow that could be experienced in the Trade Area. Specifically, this includes consideration for the types of retail/service commercial uses that could be introduced in the area, and the amounting inflow or regional-serving draw that each could support as a result.

Recognizing the anticipated function for future commercial uses in this area, including uses that could be accommodated in the Elfrida Community Area, the analysis herein estimates that currently, 20% of consumer sales are affiliated with those living outside the Trade Area. This estimate considers the anticipated role of these uses relative to existing retail nodes in the Trade Area and beyond. It is also based on our own evaluation of Food Retail stores in Hamilton more broadly in addition to any existing and potential future gaps in the local market.

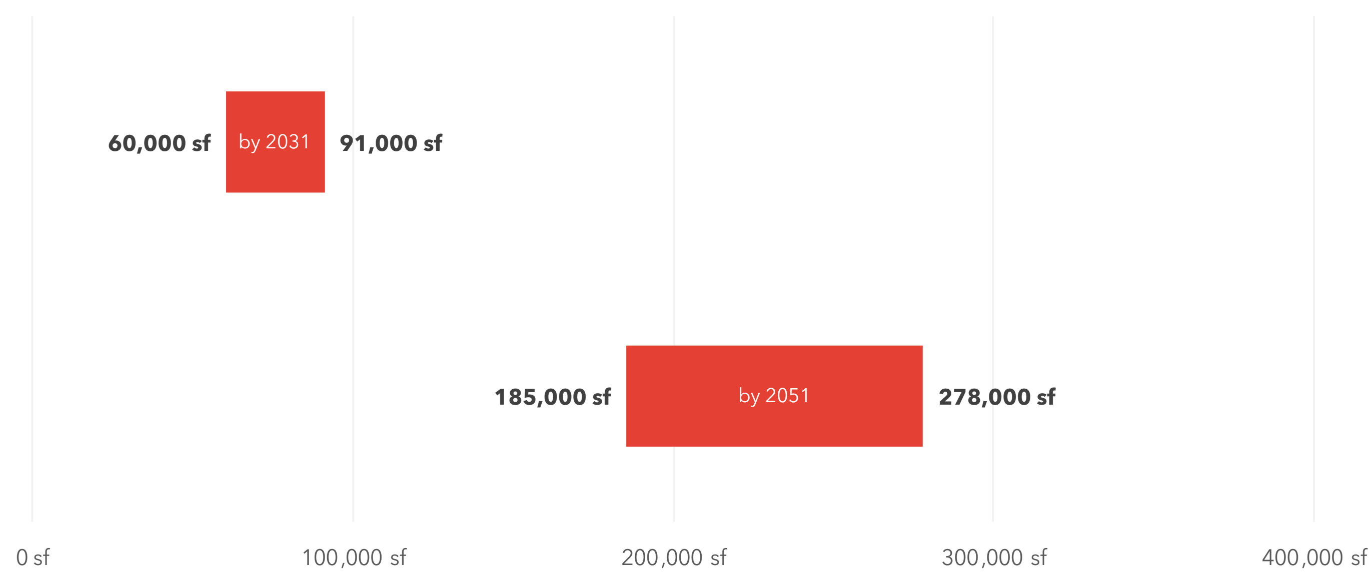
Going forward, it Is estimated that there will be a gradual reduction in the share of consumer sales affiliated with inflow, reducing to 15% in 2031 to 10% in 2051. This assumption recognizes that the majority of growth over the forecast period is based on a significant increase in the local population across the Elfrida Community. As this local population increases, inflow is therefore anticipated to decline as a share of total growth. A reduction to inflow over the forecast period also considers the anticipated format for new commercial uses, including a continued push for mixed use development.

In combining the estimated market share of Trade Area resident spending with inflow sales accrued from other visitors, it is estimated that existing Food Retail stores in the Trade Area achieve an average sales performance of over $600 per square foot. This reflects the combination of beer, wine and liquor stores, which are typically higher performing, in addition to a range of convenience food stores that often perform at comparably low levels.

Based on an anticipated reduction in inflow over the forecast period and based on sales per square foot performance levels ranging from $800 to $1,200 for the Trade Area, we estimate that between 60,000 and 91,000 square feet of additional Food Retail store space could be supported in the Trade Area by 2031. This is anticipated to increase to **upwards of 185,000 square feet of space by 2051**, the anticipated build-out of the Elfrida Community Area.

Figure 7.3

Forecast Demand for Additional Food Retail Space, 2031 & 2051



Source: Parcel, based on Figure 7.2 and average food store retail sales of between $800 and $1,200 per square foot.

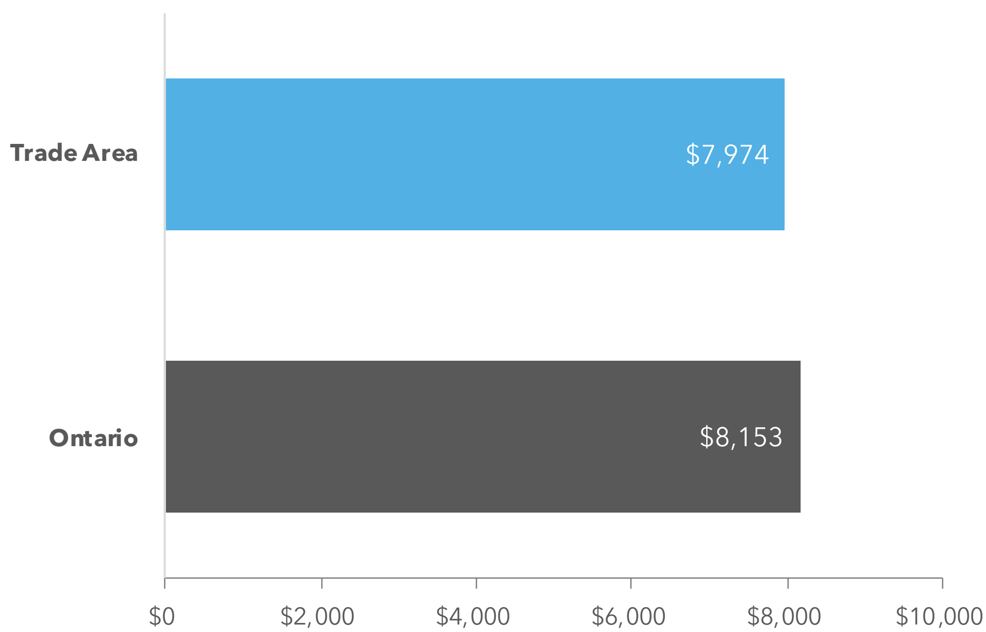
Non-Food Retail

The average Ontarian spends almost $8,200 annually at Non-Food Retail stores, including on items such as sporting goods, clothing, home goods, electronics and health stores (e.g., pharmacies, supplement stores etc.).

Unlike spending at Food Retail stores, spending at these types of Non-Food Retail stores is much more elastic, rising considerably with income. The lower per capita income of the Trade Area will reduce residents' anticipated Non-Food Retail spending in the short-term. That said, overtime current and future Non-Food Retailers in the Trade Arae and beyond, are likely to benefit from the anticipated growth in spending capacities amongst new residents in the Trade Area, helping support business longevity, sustainability and business development.

Figure 7.4

Non-Food Retail Spending



Source: Parcel, based on Statistics Canada Retail Trade (20-10-0008-01) and Household Spending by Household Income Quintile (11-10-0223-01) data. Includes an adjustment for e-commerce spending by store type.

Based on the non-food retail spending in Figure 7.4 and the 2025 population in Figure 5.2, we estimate that Trade Area residents currently spend some **$325.4 million** on non-food items in retail stores (e.g., clothing, electronics, sporting goods, health stores etc.). Specifically:

- Approximately $58.1 million was spent at Health and Personal Care stores, **$46.5 million (80%)** of which was spent at stores in the Trade Area.

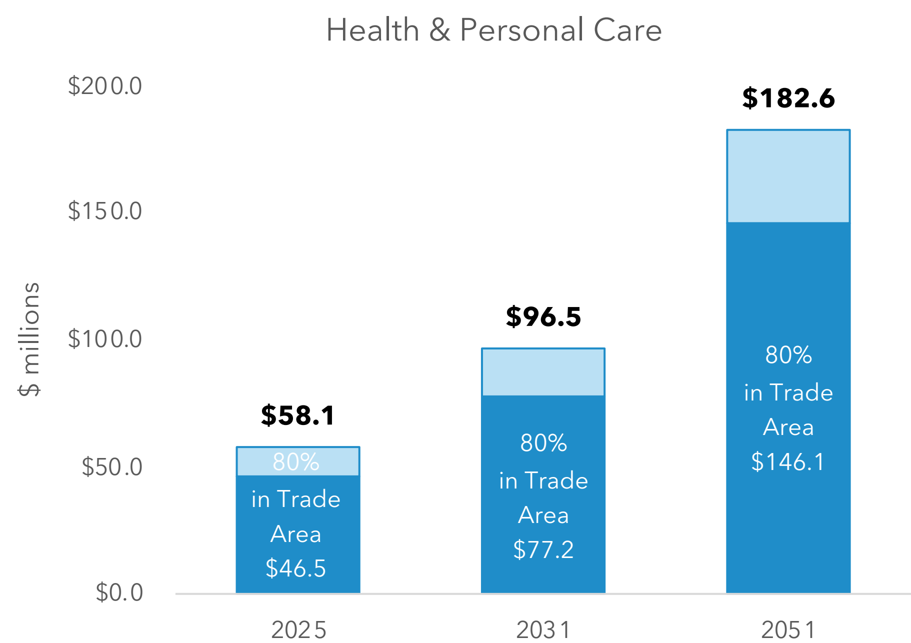
- Approximately $267.4 million was spent at Other Non-Food Retail stores, **$160.4 million (60%)** of which was spent at stores in the Trade Area.

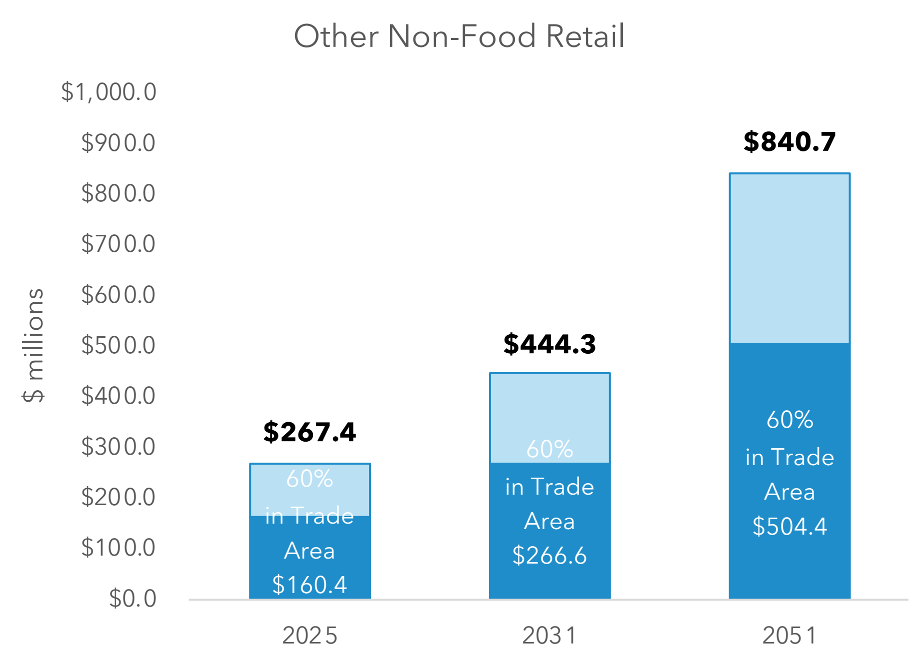
The portion or market capture relied upon for this analysis is based on a range of factors including typical consumer spending patterns for various types of goods and services, transportation and access, and other opportunities available in the area.

Figure 7.5 forecasts the expected growth in non-food retail expenditures in the Trade Area to 2051. These estimates are primarily tied to population growth and a reasonable increase in the amount of population that could be captured by non-food stores in the Trade Area today and in the future.

Figure 7.5

Forecast Non-Food Retail Expenditures





Source: Parcel based on population forecasts in Figure 5.2, non-food retail spending in Figure 7.1, and estimations of current and future capture and inflow rates.

Similar to anticipated future demand for Food Retail store space, this analysis also considers additional customer support from those who live outside the Trade Area (i.e., inflow). Specifically, recognizing our customer origins analysis includes a number of locations that offer various Non-Food Retail stores, we have similarly relied on this assessment to inform our inflow estimates herein.

As mentioned previously, inflow assumptions have also been based on a range of other factors including consideration for existing regional serving retailers in the area and the anticipated form and function of new commercial space planned for this area over the forecast period. Relative to existing nodes operating in the Trade Area, future demand is expected accrue less inflow support, primarily due to the intended local-serving nature of new uses and their goal to more directly support the daily and weekly needs to local residents.

Like Food Stores, and recognizing existing patterns across commercial nodes in Hamilton, it is estimated that 20% of Non-Food Retail store sales are from inflow. Going forward, it is similar estimated that there will be a gradual reduction in the share of consumer sales affiliated with inflow, reducing to 15% in 2031 to 10% in 2051. Consistent with above, this reduction recognizes that growth in the Trade Area is due to a significant increase in population across the Elfrida Community, which ultimately means that inflow sales will gradually represent a smaller share of growth over this period.

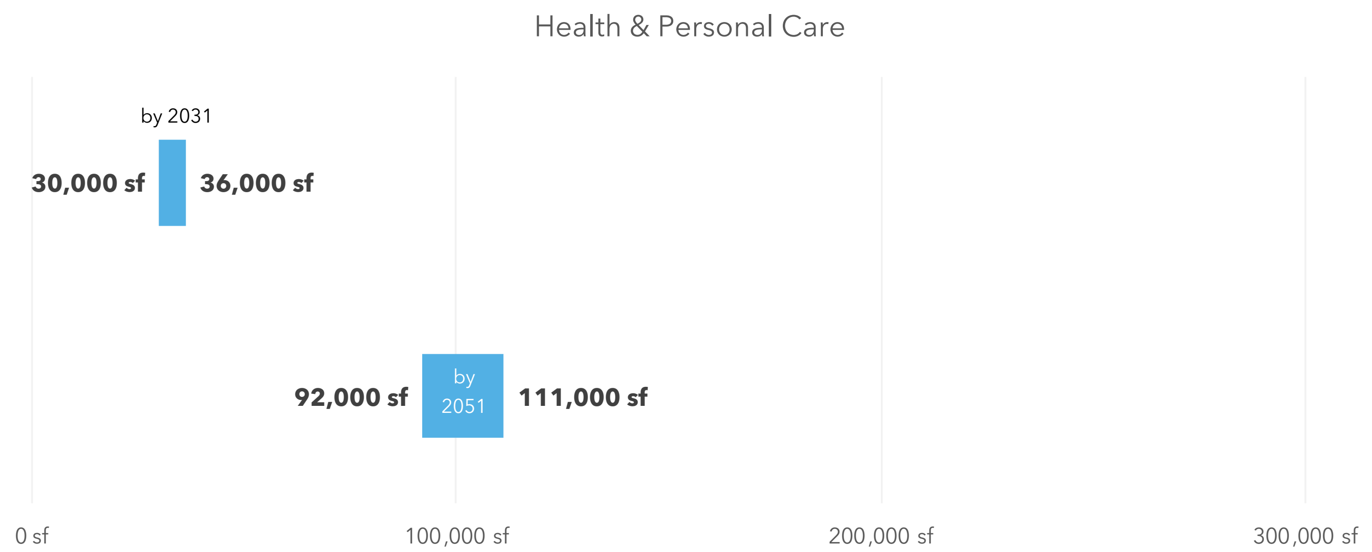
Based on an anticipated shift in inflow to the Trade Area over the forecast period and sales per square foot performance levels ranging between $1,000 to $1,200 for health and personal care stores and between $500 to $700 for other Non-Food Retail stores, we estimate that between 208,000 and 286,000 square feet of additional Non-Food Retail store space could likely be supported in the Trade Area by 2031, increasing to between **638,000 and 875,000 square feet** by 2051.

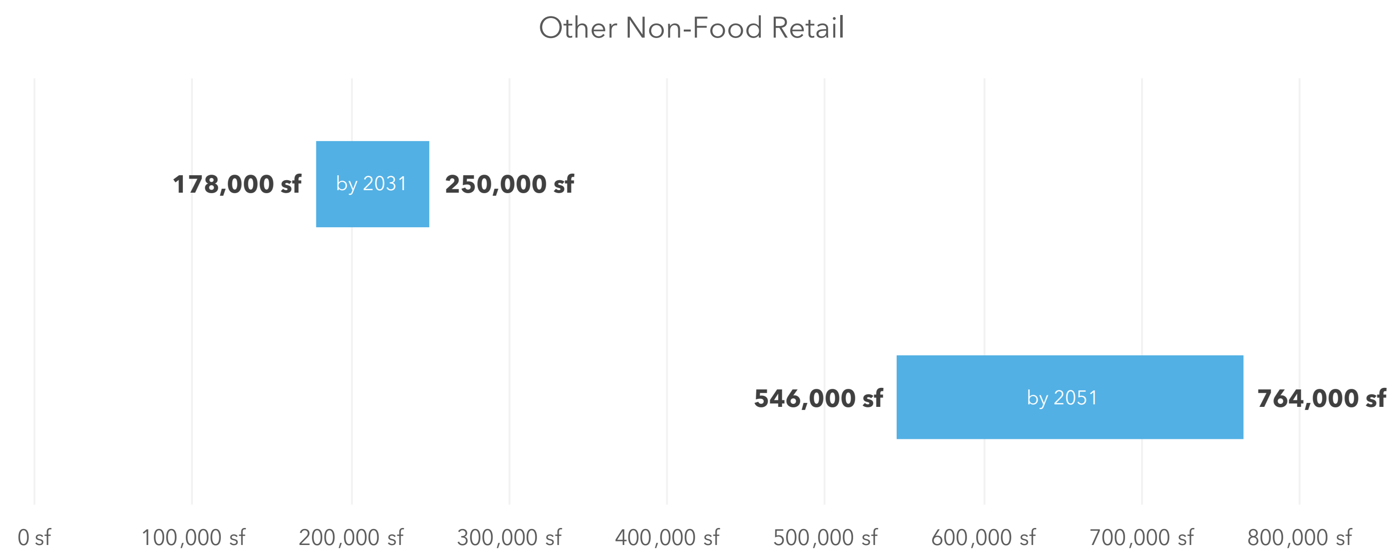
By 2051, this includes:

- Between 92,000 and 111,000 square feet of Health and Personal Care store space; and,
- Between 546,000 and 764,000 square feet of other Non-Food Retail space.

Figure 7.6

Forecast Demand for Addition Non-Food Retail Space, 2031 & 2051





Source: Parcel, based on Figure 7.4 and average non-food store sales ranging from $500 PSF for other non-food retailers to a maximum of $1,200 PSF for health and personal care stores.

Services

Parcel has forecast demand for service commercial space in the Trade Area using a slightly different per capita approach. Our extensive experience inventorying commercial space in communities across Southern Ontario has yielded a typical amount of service commercial space that can be estimated or expressed on a per capita basis.

This 'per capita' approach has been used to estimate the future amount of additional service commercial space warranted in the Trade Area over the forecast period.

Below we have summarized our assessment, based on the underlying assumption that every resident requires approximately 16.0 square feet of Services space per capita. This assumes the full spectrum of stores typically considered as Service tenants, including larger format space uses in addition to those more conducive to smaller unit sizes and/or mixed-use development formats.

Parcel has intentionally included all categories to **estimate the full range or maximum amount of space** that could be supported by the Trade Area over the forecast period. Realistic assumptions with respect to likely market captures and inflow have also been included. These assumptions vary by service category to reflect differences in shopping patterns across various store types. Similar to estimates included in the expenditure analysis, inflow estimates are informed by an assessment of existing services in the Trade Area and other outside markets. They are also informed by mobile analytics surveys, which identified the share of inflow to multiple retail nodes that include commercial services.

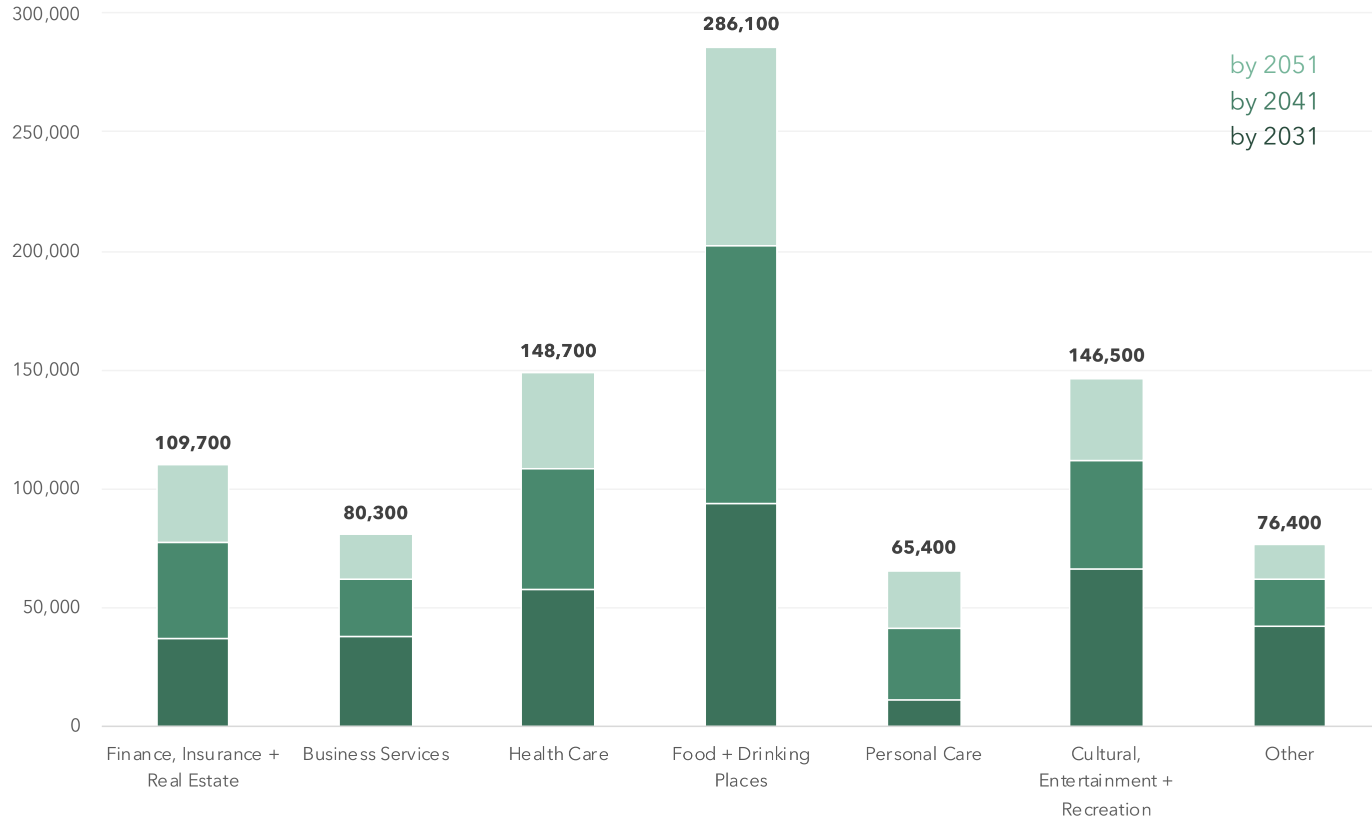
In estimating the potential additional amount of Services space required in the Trade Area over the forecast period, it appears that a number of store categories (i.e., Food Services and Personal Care Services) warrant additional space even in our base year of 2025.

Significant population growth anticipated in the Trade Area over the short and longer-term is therefore anticipated to generate demand for a full range of service categories by 2051. Specifically, Figure 7.7 shows that by 2051 population growth will generate demand across the full spectrum of Service categories.

Furthermore, by 2031, it is estimated that Trade Area residents could support 343,500 square feet of additional Services space, increasing to 913**,100 square feet** of additional Services space by 2051.

Figure 7.7

Additional Service Commercial Space



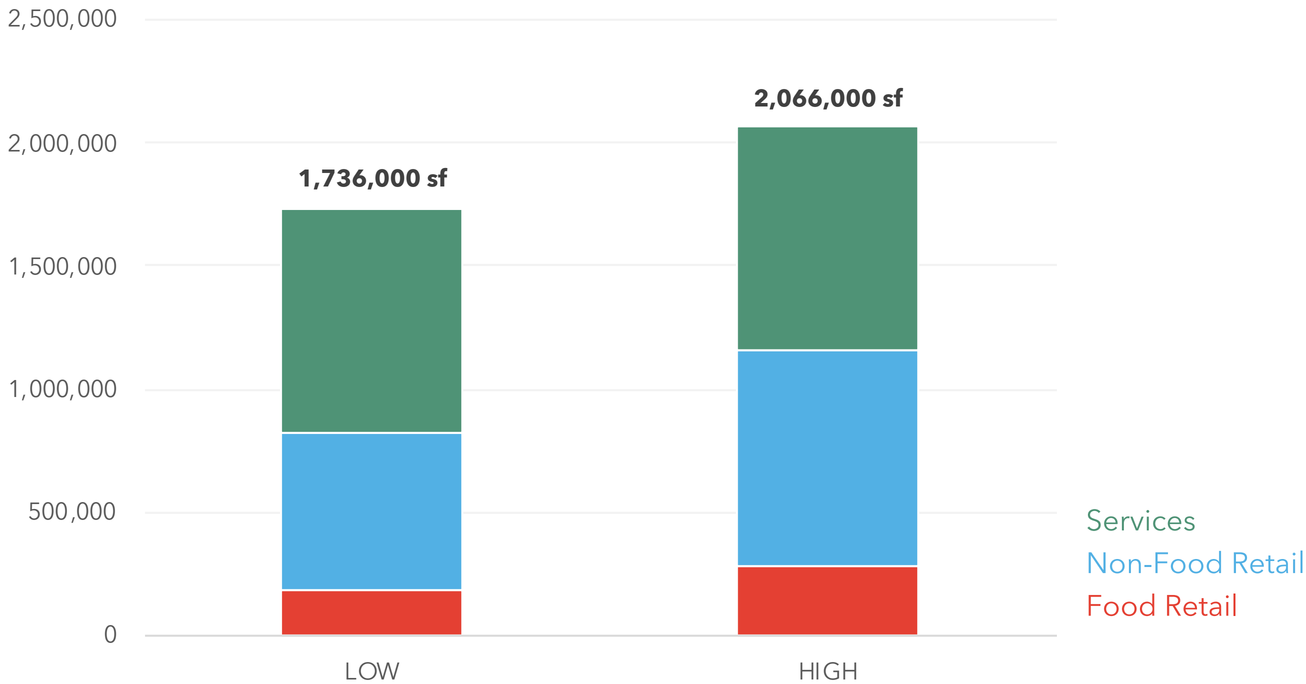
Source: Parcel.
Business Services includes: Professional + Scientific Services; Selected Office Administrative Services; Selected Educational Services.
Other includes: Consumer Goods Rental; Personal + Household Goods Repair + Maintenance; Selected Civic + Social Organizations; Transportation.

7.2 Summary

Aggregating the distinct analyses by store category above, it is estimated that current and future Trade Area residents could support between **611,500 and 720,500 square feet of additional retail/service commercial space in the Trade Area by 2031**. By 2051, Trade Area residents could support between **1.74 million and 2.07 million square feet of additional retail/service commercial space in the Trade Area,** as detailed in Figure 7.8.

Figure 7.8

Total Demand Warranted in the Trade Area, 2051



Source: Parcel.

Between 2025 and 2051, the Trade Area is estimated to grow by 73,800 persons. Based on the total demand estimates summarized in Figure 7.7, this means that new residents of the Trade Area will be supported by between 24 and 28 square feet of retail/service commercial space on a per capita basis. To put this in perspective, existing residents of the Trade Area—some 40,300 residents—are served by approximately 1.34 million square feet of retail/service commercial space currently. This equates to approximately 33 square feet per capita.

Population growth, and ultimately the future 2051 population of the Trade Area, are therefore estimated to be supported at a lower per capita service level than existing residents. This trend is driven by many factors, including a rise in e-commerce, a reduction in tenant's in-store inventory and amounting space needs, in addition to rising lease rates. These factors are prompting many tenants to make more efficient use of space than they may had previously.

In the context of the Trade Area, an anticipated reduction in the retail/service commercial service level is also based on the surrounding area and the broader function of the Trade Area in Hamilton more generally. Many large-format stores (e.g., Walmart, Home Depot, Costco etc.) are already present in other parts of Hamilton and are therefore unlikely to require additional store space to support population growth in the Trade Area specifically. These types of “destination” retail facilities (e.g., larger format commercial uses like movie theatres / home improvement stores, etc.) do not necessarily reflect the regular or "day-to-day" required to support growth in the Trade Area, thereby reducing the overall space required in the Trade Area on a per capita level.

Future Demand For Retail/Service Commercial Space in Elfrida

Forecasts included in this analysis are based on anticipated future demand affiliated with the Trade Area. Recognizing that this assessment has been requested in support of the Elfrida community, Parcel has also estimated the share of Trade Area demand that should be accommodated within Elfrida versus elsewhere in the Trade Area.

As previously mentioned, population growth in Elfrida is estimated to account for 87% of population growth across the Trade Area from 2025 to 2051. Consistent with this growth trajectory, estimating that 87% of retail/service commercial demand should be accommodated in the Elfrida community results in **between 1.51 million and 1.80 million square feet** of commercial space. The remaining 13%, or between some 221,100 and 263,100 square feet, would therefore be required at other locations in the Trade Area.

To further explore the share of Trade Area demand that could be accommodated within the Elfrida Community Area versus other Trade Area locations Parcel has also assessed the degree by which demand could be accommodate through existing development applications. As summarized previously, there is approximately 268,300 square feet of retail/service commercial space under application in the Trade Area. Subject to future changes to existing applications in the pipeline or the addition of other applications proposing to include retail/service commercial space, this means that existing applications already have the potential to account for between 13% and 15% of the space warranted by Trade Area residents to 2051. These applications would also result in the need to accommodate between 1.46 million and 1.80 million square feet of retail/service commercial space in the Elfrida Community Area. Recognizing that existing applications are planned to support growth outside the Elfrida Community Area, this further validates that the Elfrida Community Area could accommodate at least 1.51 million square feet, or 86% of demand, at full build-out.

Land Needs

Based on typical lot coverage factors, Parcel has estimated the amount of land that could be required to accommodate the forecast need for retail / service commercial space in the Elfrida Community Area. Considering a lot coverage factor of 40%, the Elfrida Community Area would need at least 35.2 hectares (352,000 square metres) of land to accommodate anticipated demand to 2051. This decreases to a minimum of 31.5 hectares (315,000 square metres) based on a 45% lot coverage factor.

Based on the most recent plan prepared by Bousfields, there is approximately 87.8 hectares of land designated *Mixed Use – Medium Density* and some 10.3 hectares of land designated *Mixed Use – High Density*.

Therefore, the supply of land that could support retail/service commercial uses is sufficient to accommodate anticipated demand to 2051. In exceeding the potential land required to support demand, the concept plan for the Elfrida Community Area appropriately provides for flexibility in the ultimate location and amount of retail/service commercial space that is integrated as part of lands designated for mixed use.

8.0

Conclusions

Based on the foregoing research, the following summarizes our key research findings and professional opinions as to the delivery of commercial space in the Elfrida community.

Anticipated Amount

Amount

The Trade Area is anticipated to need between 1.74 and 2.07 million square feet of retail/service commercial space by 2051. Based on the anticipated distribution of population growth across the Trade Area, approximately 87% of this space, or **between 1.51 and 1.80 million square feet of space**, is allocated to the Elfrida Community Area. Put another way, based on anticipated growth in the Trade Area, this equates to a need for between 24 and 28 square feet per capita.

An anticipated reduction in the existing supply commercial space per capita is due to a number of factors. This includes the format and function of commercial space anticipated in Elfrida (i.e. mixed-use commercial space), including direction from the UHOP that suggests that the Elfrida community is less likely to support regional-serving commercial uses and will instead will be more likely to support the daily and weekly shopping needs of residents, visitors and employees.

It is also borne out of the proximity of Elfrida to significant retail/service commercial nodes nearby, which already offer goods and services (e.g., department stores, clothing and accessory stores, furniture stores and building and outdoor home supply stores etc.) to support the regional market. The availability of these stores and services makes it more challenging, and unnecessary, to accommodate destination-type uses within Elfrida.

An anticipated reduction in the per capita service level is also driven by other factors, including a rise in e-commerce, a reduction in tenant's in-store inventory and amounting space needs, in addition to rising lease rates. These factors are prompting many tenants to make more efficient use of space than they may had previously and is a trend anticipated to impact future demand in Elfrida.

Type

Recognizing the form and function of retail/service commercial uses anticipated in Elfrida, the total space warranted across the Trade Area is anticipated to be comprised of the following by 2051:

- 185,000 to 278,000 square feet of **Food Retail**;
- 638,000 to 875,000 square feet of **Non-Food Retail**; and,
- Up to 913,100 square feet of **Services** space.

Key Takeaway:

Future retail/service commercial uses within Elfrida will likely be comprised of tenants that **support the day to day needs of the local population and workforce**. Established, regional retail clusters will continue to meet needs for more specialized goods while also providing locations for larger format retailers.

Form & Function

Retail/service commercial space in the Elfrida Community Area is anticipated to be accommodated in mixed-use forms (i.e. at the base of residential buildings). Determining the overall quantum of space which could be warranted across various buildings, and at what location, is subject to a range of market, locational, architectural and land use planning considerations. However, the following provides an overview of some considerations.

Flexibility

It is important to recognize that the adoption and development of mixed use buildings, particularly in a greenfield environment, typically occurs overtime as a local population (i.e., consumer base) is established. This is particularly important for food and non-food retailers who often require more specific building requirements (i.e., loading, unit sizes, parking etc.) and market characteristics (i.e., population/employment base, business proximity, growth etc.) to consider locating in an area.

As a result, stand-alone commercial buildings should be permitted in the early stages of development, as requirements for mixed-use buildings it could delay the development of retail/service commercial space in some areas.

Further to above, the retail industry continues to evolve, including changes related to e-commerce, construction costs and location preferences. These and other macroeconomic shifts necessitate some flexibility **to adapt to changing market conditions** over the longer-term planning horizon. At the same time, there is an immediate need for the delivery of new retail / service commercial space which ought to be achieved over more realistic timelines and development horizons.

Key Takeaway:

Flexibility for the retailing of goods and services in this area is important, particularly as the retail/service commercial industry continues to evolve. **Minimizing the number of requirements and/or restrictions** on these lands will allow the area to adapt to changing market condition overtime while also ensuring the needs of residents and employees are met over the short and longer term.

Format

The successful format of retail/service commercial space will be influenced by the type of space warranted in the Elfrida Community Area. As shown earlier, the largest share of warranted retail/service commercial space will be for service uses. These types of uses have the highest likelihood of being accommodated in a mixed-use format. Similarly, specialty food stores and various non-food retail tenants can successfully be accommodated in the mixed-use format being proposed for the Elfrida Community Area.

Key Takeaway:

While the majority of warranted retail/service commercial space in Elfrida could be accommodated in a mixed-use format over the long-term, there may be a need to accommodate some commercial uses in stand-alone buildings. This is the case in the early stages of development in Elfrida or for store categories that are less likely to locate in a mixed-use building in a suburban setting (i.e. supermarkets).

Location

New commercial space in the Elfrida Community Area should be directed to locations in the secondary plan area that have the highest visibility. Specifically, this could include a concentrated supply of commercial uses across buildings with frontage on Upper Centennial Parkway, north of Rymal Road and other key intersections.

Appendix:

Retail/Service Commercial Market Analysis

Figure A.1

Retail Expenditure Analysis

Province of Ontario	2025	
Food Store Retail (FSR)	**$3,500**	***27.1%***
Supermarket & Grocery	$ 2,397	*18.5%*
Convenience & Specialty Food	$ 461	*3.6%*
Beer, Wine & Liquor	$642	*5.0%*
Non-Food Store Retail (NFSR)	**$9,427**	***72.9%***
Tires/Batteries/Automotive Accessories	$ 305	*2.4%*
Furnishing, Home Furnishing & Electronics	$ 1,334	*10.3%*
Building & Outdoor Home Supplies	$ 993	*7.7%*
Health & Personal Care	$ 1,592	*12.3%*
Clothing & Accessories	$ 1,187	*9.2%*
General Merchandise Stores	$ 2,792	*21.6%*
Miscellaneous Retailers	$ 1,225	*9.5%*
Total Retail Expenditures	**$12,927**	**100%**

Total Trade Area	2025		2031		2041	2051	
Food Store Retail (FSR)	**$133.2**	***29.0%***	**$221.4**	***29.0%***	***29.0%***	**$418.9**	***29.0%***
Supermarket & Grocery	$ 92.0	*20.0%*	$ 152.8	*20.0%*	*20.0%*	$ 289.1	*20.0%*
Convenience & Specialty Food	$ 17.5	*3.8%*	$ 29.2	*3.8%*	*3.8%*	$ 55.2	*3.8%*
Beer, Wine & Liquor	$ 23.7	*5.2%*	$ 39.4	*5.2%*	*5.2%*	$ 74.6	*5.2%*
Non-Food Store Retail (NFSR)	**$325.4**	***71.0%***	**$540.8**	***71.0%***	***71.0%***	**$1,023.2**	***71.0%***
Tires/Batteries/Automotive Accessories	$ 11.2	*2.4%*	$ 18.7	*2.4%*	*2.4%*	$ 35.3	*2.4%*
Furnishing, Home Furnishing & Electronics	$ 41.1	*9.0%*	$ 68.2	*9.0%*	*9.0%*	$ 129.1	*9.0%*
Building & Outdoor Home Supplies	$ 37.5	*8.2%*	$ 62.3	*8.2%*	*8.2%*	$ 117.9	*8.2%*
Health & Personal Care	$ 58.1	*12.7%*	$ 96.5	*12.7%*	*12.7%*	$ 182.6	*12.7%*
Clothing & Accessories	$ 36.2	*7.9%*	$ 60.1	*7.9%*	*7.9%*	$ 113.7	*7.9%*
General Merchandise Stores	$ 103.4	*22.5%*	$ 171.8	*22.5%*	*22.5%*	$ 325.1	*22.5%*
Miscellaneous Retailers	$ 38.0	*8.3%*	$ 63.2	*8.3%*	*8.3%*	$ 119.6	*8.3%*
Total Total Trade Area Expenditure Potential ($M)	**$458.7**	100%	**$762.2**	100%	100%	**$1,442.1**	100%
Cumulative Growth in Expenditure Potential							
Food Store Retail (FSR)			**$88.2**			**$285.6**	
Supermarket & Grocery			$ 60.9			$ 197.2	
Convenience & Specialty Food			$ 11.6			$ 37.6	
Beer, Wine & Liquor			$ 15.7			$ 50.9	
Non-Food Store Retail (NFSR)			**$215.4**			**$697.8**	
Tires/Batteries/Automotive Accessories			$ 7.4			$ 24.1	
Furnishing, Home Furnishing & Electronics			$ 27.2			$ 88.0	
Building & Outdoor Home Supplies			$ 24.8			$ 80.4	
Health & Personal Care			$ 38.4			$ 124.5	
Clothing & Accessories			$ 23.9			$ 77.5	
General Merchandise Stores			$ 68.4			$ 221.7	
Miscellaneous Retailers			$ 25.2			$ 81.5	
Total Trade Area Retail Expenditures ($M)			**$303.5**			**$983.4**	

Category Specific Analysis

Food Store Retail (FSR)	2025	2031	2041	2051
Trade Area				
Food Store Retail (FSR) Expenditures ($M)	$ 133.2	$ 221.4	$ 327.3	$ 418.9
Estimated Trade Area Share (%)	70.0%	70.0%	70.0%	70.0%
Estimated Trade Area Share ($M)	$ 93.3	$ 155.0	$ 229.1	$ 293.2
Residual Potential ($M)		$ 61.7	$ 135.9	$ 200.0
Total Trade Area				
Food Store Retail (FSR) Expenditures ($M)	$ 133.2	$ 221.4	$ 327.3	$ 418.9
Estimated Trade Area Share ($M)	$ 93.3	$ 155.0	$ 229.1	$ 293.2
Estimated Trade Area Share (%)	70.0%	70.0%	70.0%	70.0%
Residual Potential ($M)		$ 61.7	$ 135.9	$ 200.0
Existing Food Store Retail (FSR) Store Space	190,100			
Existing Inflow	20.0%			
Existing Food Store Retail (FSR) Sales Performance	$613			
Total Trade Area Warranted Additional Food Store Retail (FSR) Space				
Additional Residual Potential from Total Trade Area Residents		$ 61.7	$ 135.9	$ 200.0
Inflow (%)		15.0%	12.5%	10.0%
Inflow ($M)		$ 10.9	$ 19.4	$ 22.2
		$ 72.6	**$ 155.3**	**$ 222.2**
Space Warranted				
@ $800 per square foot		*91,000 sf*	*194,000 sf*	*278,000 sf*
@ $1000 per square foot		*73,000 sf*	*155,000 sf*	*222,000 sf*
@ $1200 per square foot		*60,000 sf*	*129,000 sf*	*185,000 sf*

Health & Personal Care	2025	2031	2041	2051
Trade Area				
Health & Personal Care Expenditures ($M)	$ 58.1	$ 96.5	$ 142.7	$ 182.6
Estimated Trade Area Share (%)	80.0%	80.0%	80.0%	80.0%
Estimated Trade Area Share ($M)	$ 46.5	$ 77.2	$ 114.1	$ 146.1
Residual Potential ($M)		$ 30.7	$ 67.7	$ 99.6
Total Trade Area				
Health & Personal Care Expenditures ($M)	$ 58.1	$ 96.5	$ 142.7	$ 182.6
Estimated Trade Area Share ($M)	$ 46.5	$ 77.2	$ 114.1	$ 146.1
Estimated Trade Area Share (%)	80.0%	80.0%	80.0%	80.0%
Residual Potential ($M)		$ 30.7	$ 67.7	$ 99.6
Existing Health & Personal Care Store Space	46,700			
Existing Inflow	20%			
Existing Health & Personal Care Sales Performance	$1,243			
Total Trade Area Warranted Additional Health & Personal Care Space				
Additional Residual Potential from Total Trade Area Residents		$ 30.7	$ 67.7	$ 99.6
Inflow (%)		15.0%	12.5%	10.0%
Inflow ($M)		$ 5.4	$ 9.7	$ 11.1
		$ 36.2	**$ 77.3**	**$ 110.7**
Space Warranted				
@ $1000 per square foot		*36,000 sf*	*77,000 sf*	*111,000 sf*
@ $1100 per square foot		*33,000 sf*	*70,000 sf*	*101,000 sf*
@ $1200 per square foot		*30,000 sf*	*64,000 sf*	*92,000 sf*

Non-Food Store Retail (NFSR)	2025	2031	2041	2051
Trade Area				
Non-Food Store Retail (NFSR) Expenditures ($M)	$ 325.4	$ 540.8	$ 799.6	$ 1,023.2
Less: Health & Personal Care	$ 58.1	$ 96.5	$ 142.7	$ 182.6
Difference	$ 267.4	$ 444.3	$ 656.9	$ 840.7
Estimated Trade Area Share (%)	60.0%	60.0%	60.0%	60.0%
Estimated Trade Area Share ($M)	$ 160.4	$ 266.6	$ 394.1	$ 504.4
Residual Potential ($M)		$ 106.2	$ 233.7	$ 344.0
Total Trade Area				
Non-Food Store Retail (NFSR) Expenditures ($M)	$ 267.4	$ 444.3	$ 656.9	$ 840.7
Estimated Trade Area Share ($M)	$ 160.4	$ 266.6	$ 394.1	$ 504.4
Estimated Trade Area Share (%)	60.0%	60.0%	60.0%	60.0%
Residual Potential ($M)		$ 106.2	$ 233.7	$ 344.0
Existing Non-Food Store Retail (NFSR) Store Space	628,600			
Existing Inflow	20%			
Existing Non-Food Store Retail (NFSR) Sales Performance	$319			
Total Trade Area Warranted Additional Non-Food Store Retail (NFSR) Space				
Additional Residual Potential from Total Trade Area Residents				
Inflow (%)		$ 106.2	$ 233.7	$ 344.0
Inflow ($M)		15.0%	12.5%	10.0%
		$ 18.7	$ 33.4	$ 38.2
		$ 124.9	**$ 267.1**	**$ 382.2**
Space Warranted				
@ $500 per square foot		*250,000 sf*	*534,000 sf*	*764,000 sf*
@ $600 per square foot		*208,000 sf*	*445,000 sf*	*637,000 sf*
@ $700 per square foot		*178,000 sf*	*382,000 sf*	*546,000 sf*

Figure A.2

Retail Per Capita Analysis

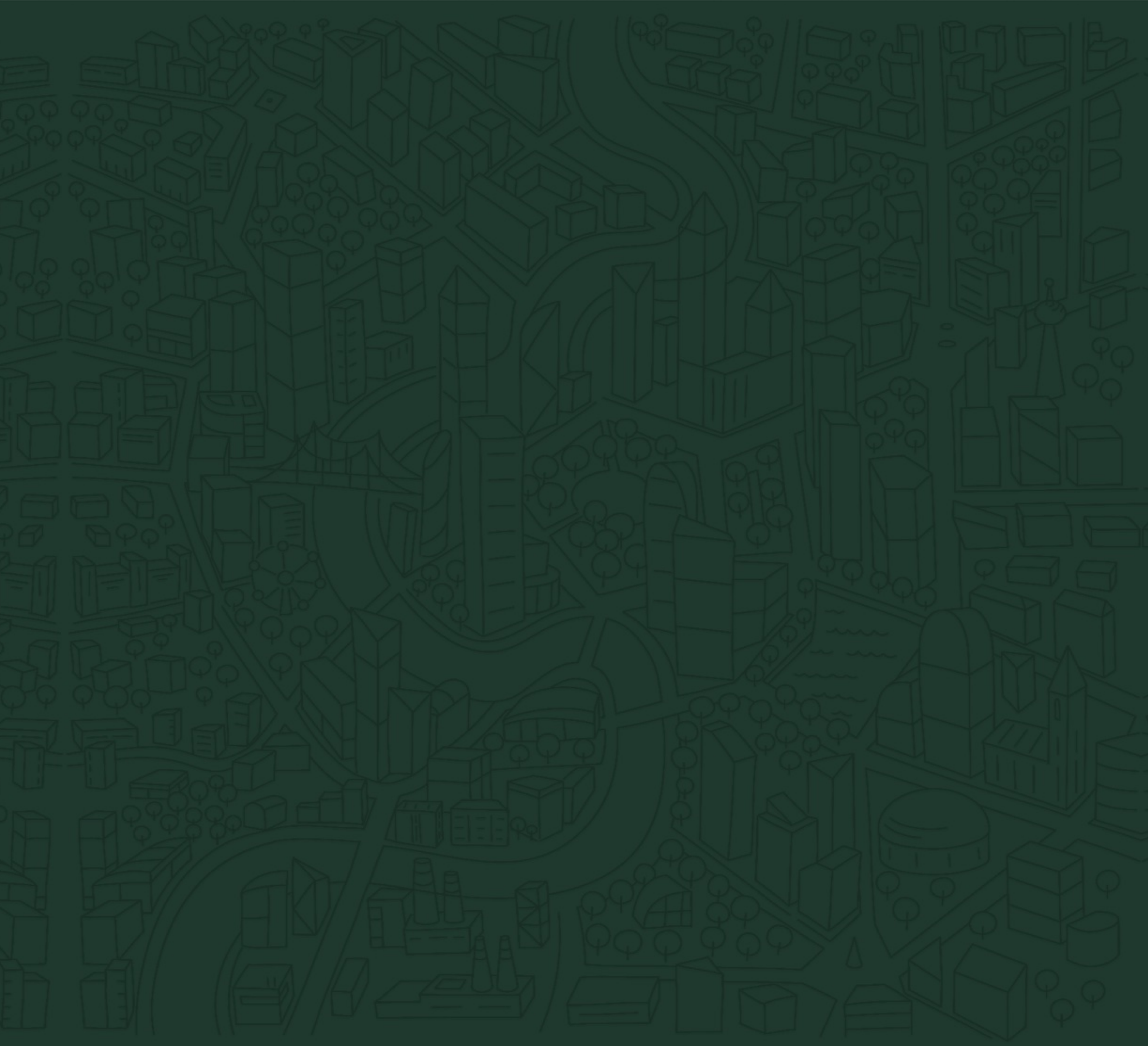
	Typical Space per Capita	Space Req'd by Residents	Target Capture	**Adjusted Space**	Inflow	**Warranted Space**	Less: Existing Space	**Net New Space**
2025 Trade Area Population **40,300** x	A =	B x	C =	D x	E =	F -	G =	H
Services								
Finance, Insurance + Real Estate[1]	2.0 sf	80,600 sf	60%	48,360 sf	20%	60,500 sf	61,500 sf	(1,000) sf
Business Services[2]	1.5 sf	60,450 sf	50%	30,225 sf	15%	35,600 sf	20,400 sf	15,200 sf
Health Care	2.5 sf	100,750 sf	60%	60,450 sf	20%	75,600 sf	65,200 sf	10,400 sf
Food + Drinking Places	4.5 sf	181,350 sf	70%	126,945 sf	20%	158,700 sf	163,200 sf	(4,500) sf
Personal Care	1.5 sf	60,450 sf	60%	36,270 sf	20%	45,300 sf	63,000 sf	(17,700) sf
Cultural, Entertainment + Recreation	2.0 sf	80,600 sf	70%	56,420 sf	15%	66,400 sf	41,400 sf	25,000 sf
Other[3]	2.0 sf	80,600 sf	30%	24,180 sf	15%	28,400 sf	4,100 sf	24,300 sf
TOTAL	**16 sf**	**644,800 sf**	**59%**	**382,850 sf**	**19%**	**470,500 sf**	**418,800 sf**	**51,700 sf**

	Typical Space per Capita	Space Req'd by Residents	Target Capture	**Adjusted Space**	Inflow	**Warranted Space**	Less: Existing Space	**Net New Space**
2031 Trade Area Population **65,300**	A =	B x	C =	D x	E =	F -	G =	H
Services								
Finance, Insurance + Real Estate	2.0 sf	130,600 sf	60%	78,360 sf	20%	98,000 sf	61,500 sf	36,500 sf
Business Services[1]	1.5 sf	97,950 sf	50%	48,975 sf	15%	57,600 sf	20,400 sf	37,200 sf
Health Care	2.5 sf	163,250 sf	60%	97,950 sf	20%	122,400 sf	65,200 sf	57,200 sf
Food + Drinking Places	4.5 sf	293,850 sf	70%	205,695 sf	20%	257,100 sf	163,200 sf	93,900 sf
Personal Care	1.5 sf	97,950 sf	60%	58,770 sf	20%	73,500 sf	63,000 sf	10,500 sf
Cultural, Entertainment + Recreation	2.0 sf	130,600 sf	70%	91,420 sf	15%	107,600 sf	41,400 sf	66,200 sf
Other[2]	2.0 sf	130,600 sf	30%	39,180 sf	15%	46,100 sf	4,100 sf	42,000 sf
TOTAL	**16.0 sf**	**1,044,800 sf**	**59%**	**620,350 sf**	**19%**	**762,300 sf**	**418,800 sf**	**343,500 sf**

	Typical Space per Capita	Space Req'd by Residents	Target Capture	**Adjusted Space**	Inflow	**Warranted Space**	Less: Existing Space	**Net New Space**
2051 Trade Area Population **114,100**	A =	B x	C =	D x	E =	F -	G =	H
Services								
Finance, Insurance + Real Estate	2.0 sf	228,200 sf	60%	136,920 sf	20%	171,200 sf	61,500 sf	109,700 sf
Business Services[1]	1.5 sf	171,150 sf	50%	85,575 sf	15%	100,700 sf	20,400 sf	80,300 sf
Health Care	2.5 sf	285,250 sf	60%	171,150 sf	20%	213,900 sf	65,200 sf	148,700 sf
Food + Drinking Places	4.5 sf	513,450 sf	70%	359,415 sf	20%	449,300 sf	163,200 sf	286,100 sf
Personal Care	1.5 sf	171,150 sf	60%	102,690 sf	20%	128,400 sf	63,000 sf	65,400 sf
Cultural, Entertainment + Recreation	2.0 sf	228,200 sf	70%	159,740 sf	15%	187,900 sf	41,400 sf	146,500 sf
Other[2]	2.0 sf	228,200 sf	30%	68,460 sf	15%	80,500 sf	4,100 sf	76,400 sf
TOTAL	**16.0 sf**	**1,825,600 sf**	**59%**	**1,083,950 sf**	**19%**	**1,331,900 sf**	**418,800 sf**	**913,100 sf**

[1] Professional + Scentific Services; Selected Office Administrative Services; Selected Educational Services.

[2] Selected Civic + Social Organizations



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