

Bayfield Street Community Design Plan

Commercial Market Study

July 24, 2025

Parcel

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1.0

Introduction

1.1 Context

The City of Barrie is preparing to develop a comprehensive Community Design Plan (CDP) for the Bayfield Street Corridor (BSC). This CDP is intended to create a vision and development framework for the future (re)development of the BSC.

A new Barrie Official Plan was created and adopted in 2022. This Official Plan provided for a range of new land uses and development permissions for the properties along the BSC to facilitate the creation of complete and transit oriented community along this key corridor in the city. In light of this, the BSC represents an opportunity to create a focal point for enhanced mobility, revitalization and sustainable urban redevelopment.

Evolving land uses, transportation, built form, infrastructure and community services and amenities, will optimize this corridor's potential as a vibrant, sustainable and inclusive area for residents, visitors and businesses.

The BSC currently encompasses and connects a mix of residential, commercial and recreational uses. As uses evolve and lands are redeveloped, it will be important to ensure that there are continued **opportunities for a range of uses, including retail / service commercial uses necessary to support local residents, visitors and employees of the area**.

Purpose

Further to above, the purpose of this Commercial Market Study is to forecast demand for commercial space by form and function along the BSC and lay out a foundation for how existing auto-oriented commercial uses and sites may transition over the longer-term, particularly as the City of Barrie and BSC continues to grow and intensify.

In light of the key objectives above, our commercial analysis and related professional advice has explored existing and future gaps in the market, as well as potential strategies to appropriately support population growth while contributing to the creation of walkable, mixed-use, and complete communities.

1.2 Location

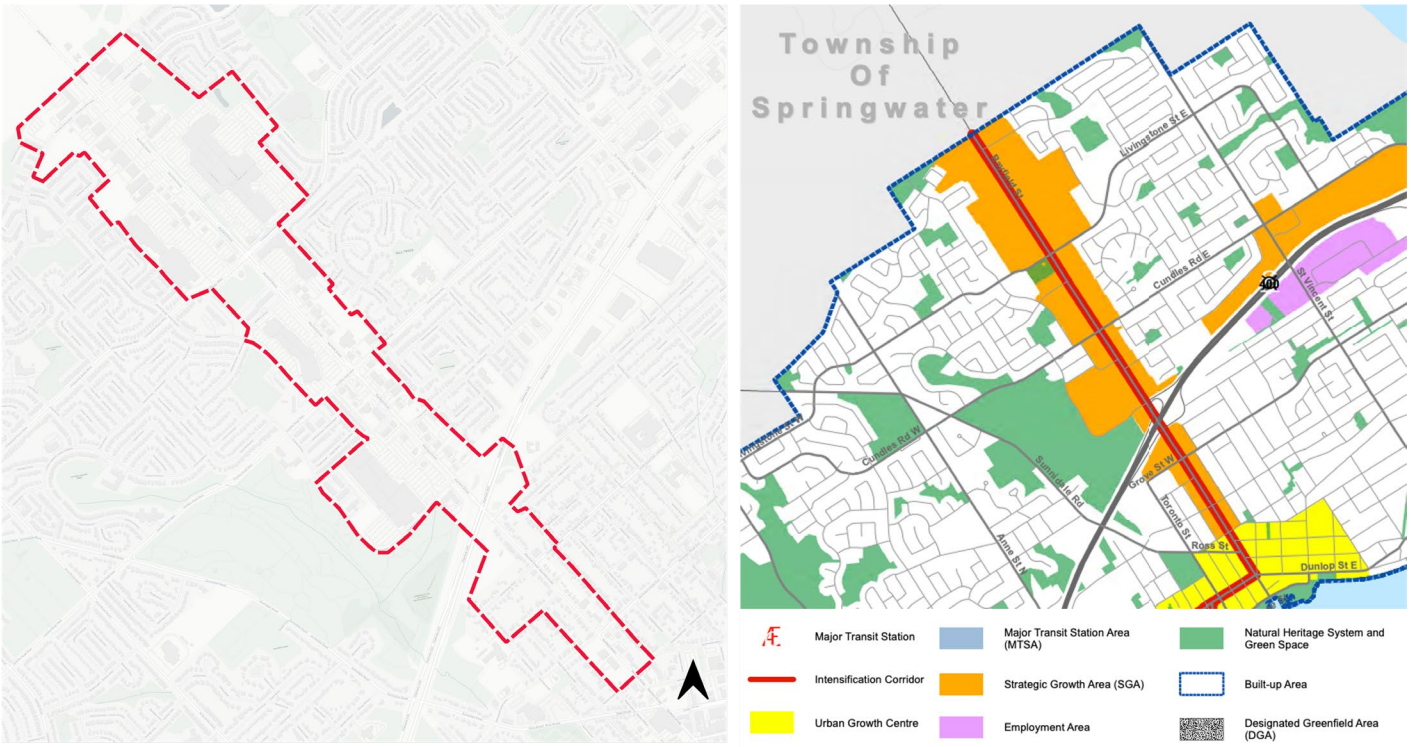
The following provides an overview surrounding the locational context of the BSC.

- The BSC extends along Bayfield Street, from Sophia Steet and the boundary of the Urban Growth Centre in the south, to the northern limit of the City of Barrie as shown in Figure 1.1. The corridor includes properties on the east and west side of Bayfield Street, or those identified as part of a "Strategic Growth Area" in "Map 1 – Community Structure" of the City of Barrie's *Official Plan 2051*.
- Figure 1.1 also shows that the BSC (or Bayfield Street more specifically) is bisected by Highway 400. It is also accessible by other significant roadways, including Highway 26 and 27. Given its location and accessibility, existing development, land uses and **commercial establishments are largely designed for vehicular traffic**.
- The **BSC is a vital artery of the city**. It connects a range of commercial uses, residential neighbourhoods, community hubs, the waterfront, parks and other non-residential uses.

In light of its existing function, the BSC is intended to evolve as a focal point in Barrie. This includes development as a key location for multi-modal throughfare, which supports a range of attractive, walkable and transit-oriented mixed-use developments.

Figure 1.1

Map of the Bayfield Street Corridor



Source: Parcel based on the BSC Master Plan & Map 1 – Community Structure of the City of Barrie Official Plan 2051.

The BSC is comprised of three character areas that differ in form and function (see Figure 1.2). More specifically:

- **Character Area 1:** This area is primarily comprised of low-density residential uses, with limited commercial uses integrated within existing dwellings. Block sizes are smaller and well connected to surrounding neighbourhoods to the east and west of Bayfield Street.

- **Character Area 2:** This area contains larger lot sizes, located amidst low-rise residential uses to the east and west. A range of scale of retail / service commercial uses are located in Character Area 2, including restaurants, offices, smaller scale strip plazas and larger malls (i.e., the Bayfield Mall). While located adjacent to significant residential development, shops and services in this area are not easily accessible to residents of the area.

- **Character Area 3:** Similar to Character Area 2, this area is characterized by large parcels of land that are not well connected to surrounding residential neighbourhoods. From a retail / service commercial perspective, this area hosts a mix of limited office uses and smaller scale commercial uses (i.e., restaurants, drive thru's

etc.) in addition to Georgian Mall, a key commercial destination in Barrie. Georgian Malls offers residents and visitors access to a range of shopping opportunities while also serving as a transit hub and gathering place for people in the area.

Figure 1.2

Composition of the Barrie Bayfield Corridor



Source: Parcel based on the BSC Master Plan.

1.3 Transportation & Access

Existing

Existing retail / service commercial uses benefit from their adjacency to Bayfield Street, a prominent corridor in the city that helps attract retail uses to the area due its high visibility to pass-by traffic:

- Bayfield Street connects from the South end of Barrie at Dunlop Street, north to the Community of Midhurst, in the Township of Springwater. In turn, retail / service commercial uses benefit from **being directly connected to residents, visitors and the travelling public** coming from these neighbouring areas and from further afield. Access from Highway 400 also furthers connectivity and exposure to a wide range of residents and visitors. The access to Highway 400 will impact how people travel to retail/service commercial uses along the BSC, and by extension, the form and function of development.

- Designated as an Arterial street, Bayfield Street is also intended to carry high traffic volumes while also accommodating all transportation modes, including—where possible—high occupancy-vehicles (HOV), bus lanes and separate bike lanes.

- Retail / service commercial uses also benefit from exposure to some existing transit infrastructure operating along Bayfield Street:

    - **Route 12** which connects between Georgian Mall, Downtown Terminal to Park Place and the Barrie South GO in the east; and,

    - **Route 100** which connects users along Bayfield Street between the Downtown Terminal, Georgian Mall, Georgian College and Johnson at Napier.

While the BSC benefits from significant automobile traffic, it is currently not in a walkable environment, as existing businesses are dominated by single-storey commercial structures on large-lots with limited access between and across properties, particularly as land is divided by large surface parking lots abutting the corridor.

Future

As one of the city's main Arterial streets, the BSC is challenged by ongoing congestion, poor walkability and limited transportation facilities. Large, continuous commercial blocks and a lack of connectivity to the streetscape also make it fairly disconnected from residential uses in the area.

Going forward, and in light of evolving land uses in this area, the Bayfield Corridor is anticipated to benefit from a range of transportation improvements that will better support all modes of travel and transit.

In response to existing challenges and as part of the intended evolution of this corridor towards a more mixed-use regional throughfare, the City of Barrie is seeking to **improve the local transportation network**. These improvements (detailed below) are intended to complement evolving land uses in this area while also enhancing the corridors pedestrian and cyclist friendly realm. Included in these improvements are:

- Replacement of the existing Bayfield Street / Highway 400 interchange and crossing structure with the intent of enhancing existing traffic operations and active transportation infrastructure between Grove Street and Coulter Street. Planned by the Ministry of Transportation (MTO), this project includes the widening of Bayfield Street to six lanes, localized intersection improvements and over the longer-term, the creation of an enhanced pedestrian and cycling friendly realm.

- Implementation of a Transit Priority network through the integration of HOV lanes along Bayfield Street, extending along Bayfield Street north of Georgian Mall and south to the city's Downtown Terminal. The goal is to improve transit times along Bayfield Street as a means to promote transit usage by more residents and visitors of the area.

- The goal of the BSC Community Design Plan is to introduce a vision that embraces complete street principles and fosters an enhanced pedestrian and cyclist friendly realm, while simultaneously balancing the role this corridor plays as a regional connector.

2.0

Policy Context

New retail / service commercial development along the BSC will be influenced by a range of provincial and local planning policies. The purpose of this section of the Commercial Market Study is to provide a summary of how these policy documents will influence the form, function and location of retail / service commercial development along the BSC.

2.1 Provincial Planning Statement

The Provincial Planning Statement ("PPS"), 2024, is a province-wide planning policy framework that replaces and consolidates the *Provincial Policy Statement, 2020* and *A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019*.

As part of its planning framework, the PPS, 2024 promotes an appropriate mix of uses, including commercial uses. Each are intended to support the achievement of livable communities, a thriving economy, a healthy and clean environment and social equity, such that the quality of life of all Ontarians is improved.

In supporting housing development, the plan emphasizes the importance of strategic growth. This includes a mix and range of housing, **intensified development at transit-oriented** and other identified locations and housing options that better accommodates local needs. Additionally, the PPS, 2024 highlights the importance of protecting differing land uses and forms in light of increased growth pressures and an overarching need to use land more efficiently.

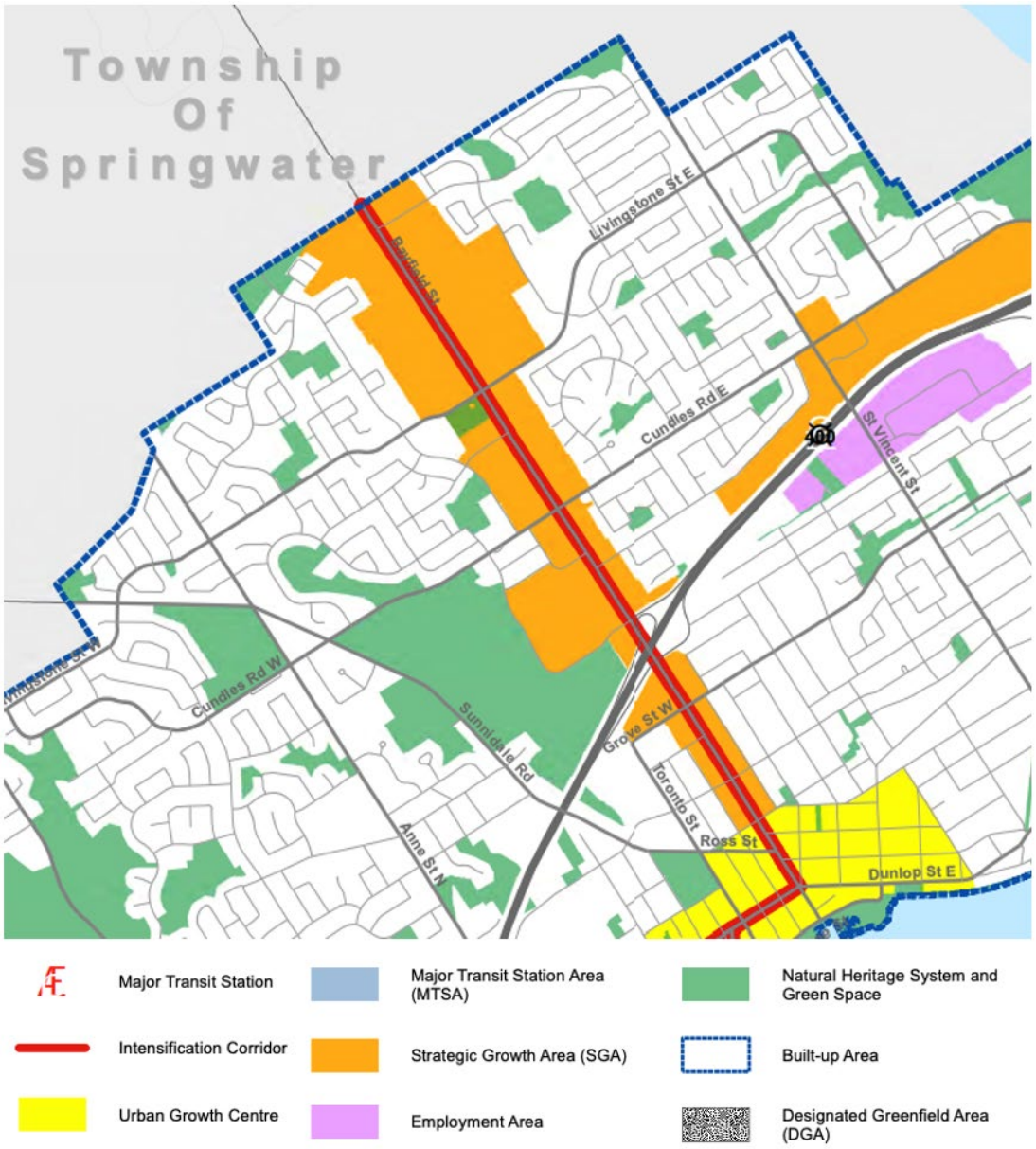
2.2 City of Barrie Official Plan

Community Structure

The City of Barrie Official Plan 2051 ("BOP 2051") identifies properties along the BSC as a 'Strategic Growth Area' in "Map 1 - Community Structure", meaning that Bayfield Street is intended to develop as a focal point of the city and as a long-term centre of social, residential and economic growth (see Figure 2.1).

Figure 2.1

City of Barrie Official Plan – Map 1 Community Structure



Source: Parcel based on City of Barrie Official Plan, Map 1 Community Structure Approved as Modified Bill 162 – May 16, 2024.

Section 2.3.3 c) and Section 2.3.3 d) of the Barrie Official Plan highlights that Strategic Growth Areas are intended to develop into complete communities, that accommodate higher levels of intensification, existing regional shopping destinations and mixed-use development that includes residential development and a range of other uses.

As key locations for intensified development, Strategic Growth Areas—per Section 2.3.3 f)—are also intended to be planned as areas that maximize and take advantage of existing and planned infrastructure, including the development of transit-supportive densities and a mix of uses.

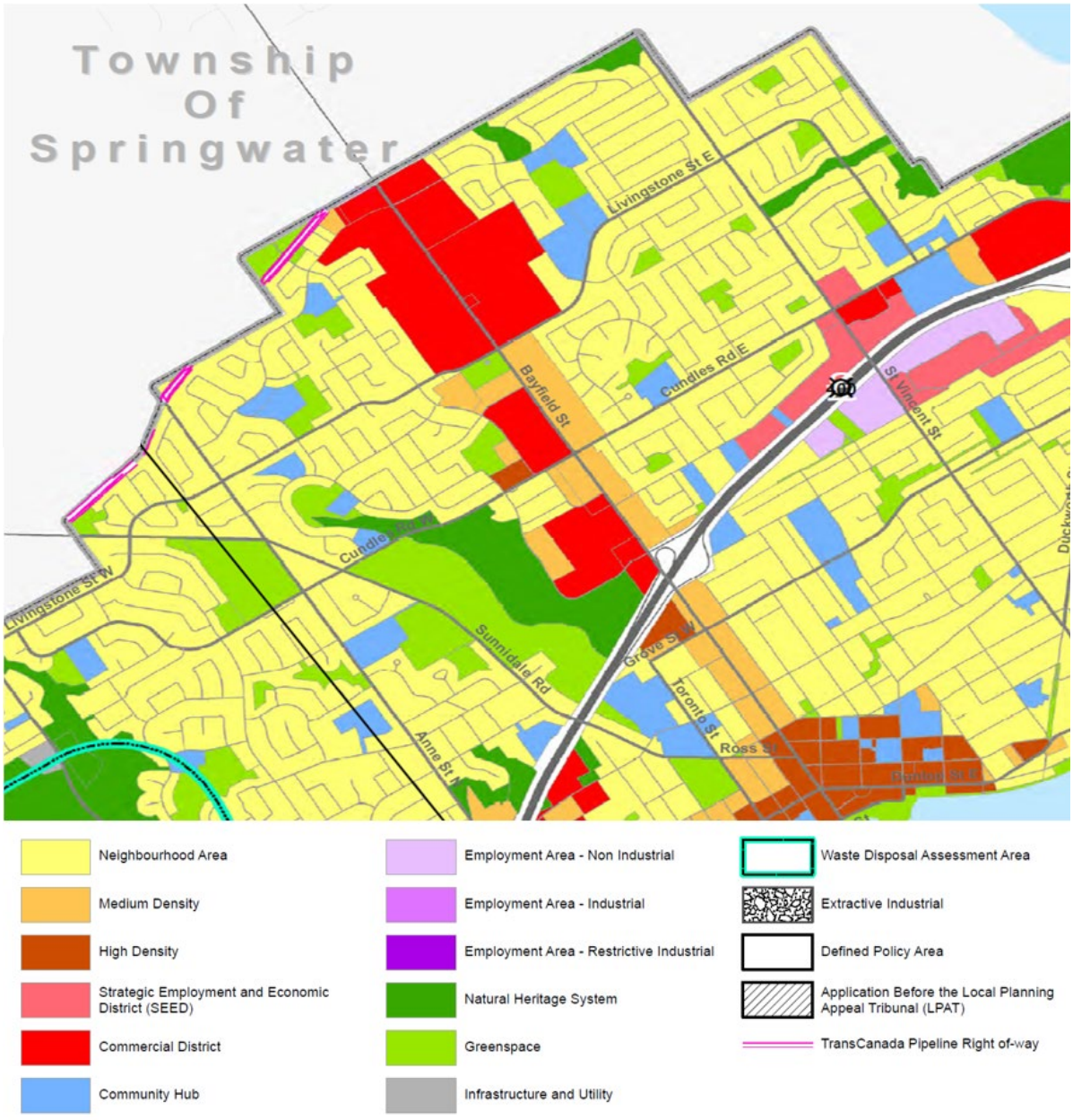
Further to above, properties along the BSC are located along an 'Intensification Corridor' per "Map 1 - Community Structure". Bayfield Street is anticipated to develop in support of higher-order transit development and walkability particularly as Intensification Corridors are intended to be supported by both public transit and active transportation infrastructure.

Land Use

In alignment with the desired evolution of this corridor, properties along Bayfield Street are primarily designated "Commercial District" and "Medium Density" in "Map 2 – Land Use Designations", as shown in Figure 2.2.

Figure 2.2

City of Barrie Official Plan – Map 2 Land Use Designations



Source: Parcel based on City of Barrie Official Plan, Map 2 Land Use Designations Approved as Modified Bill 162 – May 16, 2024.

Local policies attributed to lands under these designations will influence the form, function and location of retail / service commercial development along the BSC to 2051. This includes how retail / service commercial uses will be integrated within residential and other non-residential uses.

Medium Density

Lands designated Medium Density are intended to support increased densities and more diverse built form as addressed in Section 2.6.2 of the Barrie Official Plan. This coincides with permissions for a range of uses, including: residential, retail, commercial, institutional, office and other uses.

Sections 2.6.2.3 details more specific policies that are intended to guide the development of Medium Density lands. Specifically:

a) Development in the Medium Density land use designation is encouraged to be mixed use.

b) Where limited or no commercial and retail uses exist within 450.0 metres of a proposed development, a mix of uses would be required, as per the following:

    i) The mix of uses would need to include a combination of two of the following: residential, commercial, retail, institutional and office use development; and,

    ii) A minimum of 50% of the building frontage should consist of non-residential uses. Variation from this target may be considered and will be evaluated against the needs of the surrounding area.

c) Buildings should be a minimum of six storeys and shall be limited to 12 storeys.

…

Further to above, Section 2.6.2.3 indicates that these lands are to include a residential density for development ranging between 125 and 300 units per hectare.

Commercial District

Policies applicable to lands designated Commercial District are included in Section 2.6.5. This includes permissions for a range of retail / service commercial uses, including: retail, major retail (e.g., big-box), office and community facilities in addition to other non-residential (institutional) uses.

Residential development is also permitted as part of a mixed-use development that contains retail or service commercial uses (Policy 2.6.5.1 m)). Policy 2.6.5.2 a) also emphasizes that:

Development on lands designated Commercial District are planned to accommodate a mix of land uses. A combination of two or more of the Commercial District's primary permitted uses is encouraged, either within one building or in multiple buildings, on the same property or parcel.

That said, Commercial District lands are permitted to accommodate major retail uses, including shopping malls (Policy 2.6.5.2 b)). Section 2.6.5.3 includes policies around development on Commercial District lands. Specifically:

a) *Residential development is encouraged to be in the form of stacked townhouses and apartment buildings.*

…

c) *Development with a residential component shall have a minimum residential density of 125.0 units per hectare.*

…

e) *While building heights greater than 12 storeys may be permitted in the Urban Growth Centre, Major Transit Station Areas and Strategic Growth Areas, maximum heights will be further directed by the Zoning By-law.*

2.3 Draft City-Wide Community & Sustainable Design Guidelines

The City released an updated draft *City-Wide Community and Sustainable Design Guideline* document in 2025, which includes demonstration of principles and objectives. The intent is that these guidelines will provide direction for site and building design in the city, helping establish baseline expectations for the development community. This document includes a conceptual vision of the development character along the BSC, based on the BOP 2051 policies. This includes potential opportunities and direction for lands designated Medium Density and Commercial District as applied in the context of Strategic Growth Areas. Key considerations for each include:

Commercial District

- Compact block development, including larger blocks that can facilitate major retail uses on the ground floor.
- Appropriate building height transition to abutting Neighbourhood Areas.
- Integrated pedestrian connectivity that better supports walkability between amenities, transit, neighbourhoods, destinations and active transportation facilities along Bayfield Street.
- Human scale design with internal retail street, squares and plazas. High-quality pedestrian environments are intended to development with uses that cater to pedestrians and reinforce the human scale.

Medium Density

- Development of a walkable, connected and open space network that provides pedestrian connection between existing neighbourhoods and the range of uses along Bayfield Street.
- Compact block development with pedestrian connections to surrounding neighbourhoods.
- Integration of internal streets and varying building types and scales that consider coordinated parking and servicing for both residential and commercial uses
- High quality pedestrian environment that includes comprehensive block planning and coordinated development that contains integrated building design and open space.

Specific demonstrations plans are provided for the SmartCentres Bayfield site and other properties that have frontage along Bayfield Street. It is important to note that the information included in this document is intended as overarching guidance and direction for the future development of Bayfield Street and do not constitute a policy-based plan for the future development of this area.

3.0

Market Profile

Key Findings

- The Trade Area delineated for this study represents the primary geographic area for which retailers and service-providers along the BSC are expected to generate the majority of their customer support.
- The Trade Area is comprised of a PTA (North Barrie) in addition to two STAs, (South Barrie and Springwater).
- In 2024, the population of the Trade Area was approximately 188,100 persons. Nearly 40% of this population is tied to individuals residing in the PTA, or North Barrie.
- Going forward to 2051, the population of the Trade Area is anticipated to grow to 330,500 persons. This represents growth of almost 76% from the current 2024 population.
- A significant 71% of growth in the Trade Area over this period is affiliated with the STA South (South Barrie).
- The average per capita income of the PTA (North Barrie) and STA South (South Barrie) was below the County and Province, at $38,980 and $42,000 respectively. The average per capita income of STA North (Springwater) residents was nearly 20% above the Province at $53,696 by comparison.
- Relative to other portions of the Trade Area, the PTA is home to a heightened share of young adults and individuals over the age of 65. This coincides with a heightened share of young couples and single persons.

3.1 Trade Area

For the purposes of this assessment, we have delineated a "Trade Area" that is intended to represent the primary geographic area from which retailers and service-providers along the BSC are expected to derive the majority of their customer support. Illustrated in Figure 2.2, this Trade Area has served as the primary focus for much of our supporting research program summarized herein.

As shown in Figure 2.2, Parcel has delineated a Trade Area that includes a Primary Trade Area ("PTA") and a Secondary Trade Area ("STA") to recognize different consumption patterns and likely differences in expenditure patterns across the key geographies surveyed. Specifically, these areas are subdivided as follows:

Primary Trade Area (PTA)

Based on the results of our customer origins analysis, the PTA for this analysis includes "North Barrie" or the area located within the City of Barrie, north of Tiffin Street. The PTA serves as the primary focus of our analysis, particularly as existing trends show that the largest share of visitors (see Section 3.2 below) to stores and services along Bayfield Street are from this area of Barrie.

Secondary Trade Area (STA)

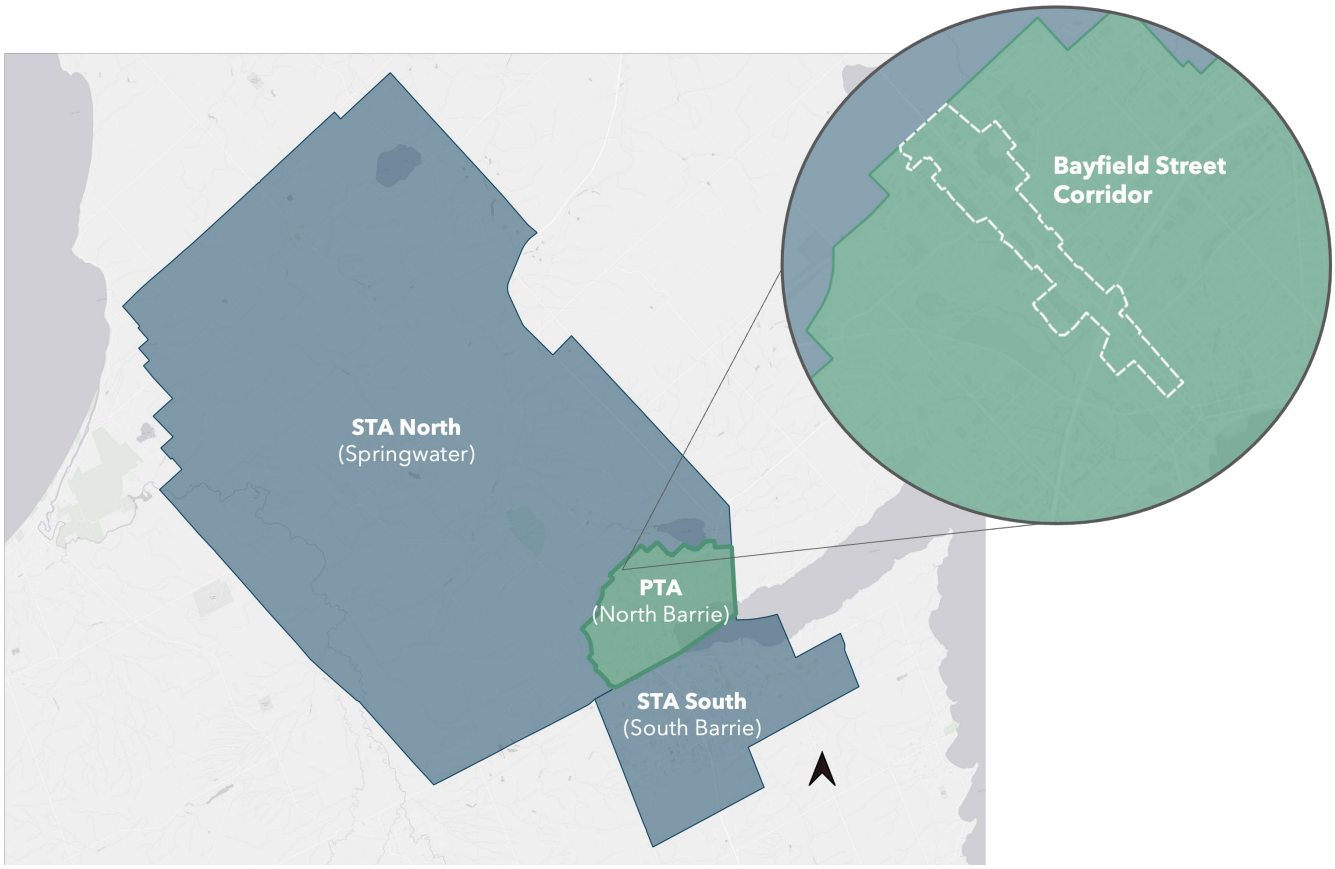
Recognizing the proximity of these areas, in addition to the results of our customer origins survey, the extended secondary portion of the Trade Area—or STA—has been defined with reference to two nearby areas, including:

- **Secondary Trade Area South ("South Barrie")** – This area includes the area located within the City of Barrie, south of Tiffin Street. This area maintains relatively easy access to the BSC and surrounding amenities, and through the results of our customer origins analysis (see Section 3.2 below) represents a key area with which existing visitors to the area originate from.

- **Secondary Trade Area North ("Springwater")** – This area includes the Town of Springwater. Consistent with existing trends, the Town of Springwater will continue to utilize retail and services along the BSC due to their existing proximity to this area, in addition to the absence of some shops and services within the Town.

In addition to these areas, our analysis herein also considers "inflow" or additional expenditure support anticipated from those living beyond these delineated areas (e.g., local employees, visitors to the area, etc.).

Figure 3.1
Trade Area Map



Source: Parcel.

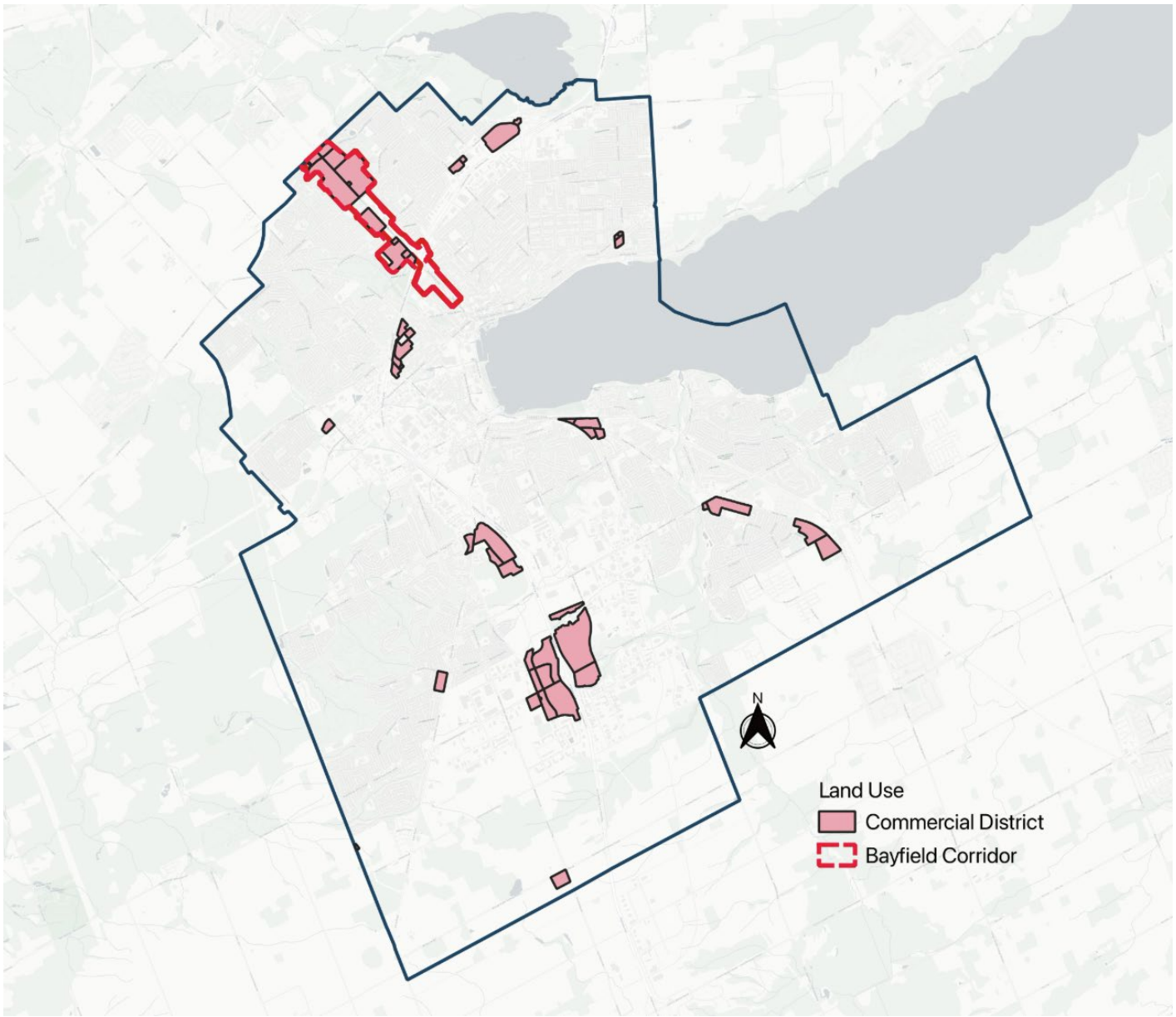
Location of Commercial Lands

As it relates to the location of Commercial District lands within the City, Figure 3.2 shows the location of these lands within the BSC, relative to other lands throughout the municipality. As shown, the BSC and lands at the intersection of Highway 400 and Mapleview Drive, which includes Park Place, represent the largest concentrations of Commercial District lands within Barrie. In total, the BSC accounts for 26% of lands designated as Commercial District in the City of Barrie

Aside from BSC and lands located at the intersection of Highway 400 and Mapleview Drive, the remaining Commercial District lands in Barrie are typically smaller concentrations that likely serve the local community, rather than being regional serving destinations.

Figure 3.2

Location of Commercial District Lands in Barrie



Source: Parcel based on information from the City of Barrie.

3.2 Customer Origins

Parcel has utilized data from a mobile analytics provider to better understand visitation to retail nodes along the Bayfield Corridor. In assessing mobile analytics data, the goal is to better understand the travel behaviours of visitors to existing retail establishments in the community. This is important in understanding the current and likely future impact of inflow traffic on existing retail stores in the community and is useful in informing the potential future demand that could be expected along the BSC as the population in the Trade Area grows.

Figure 2.3 shows that Parcel surveyed four retail locations along Bayfield Street. Each was chosen to assess if there were differences in the capture patterns of retail locations that offer differing amounts, types and formats of retail / service commercial space. Their location along Bayfield Street—including their relative position within the City of Barrie and/or proximity to the neighbouring municipality of Springwater is also important in understanding the role and drawing power of each location.

Figure 3.3

Surveyed Retail Locations along the Barrie Bayfield Corridor



Source: Parcel.

The mobile analytics data included below signifies a representative sample of total visitation to a given geography. The capture is collected based on a range of mobile applications installed on individual's devices. In turn, the estimates are provided in percentage terms as they each represent an approximation as to the geographic origin of visitors at a high-level, rather than an exact indication of a specific total in absolute terms.

Total Visitation

Figure 2.4 shows the share of visitation to each node that originates from within the PTA, each STA, and outside the Trade Area. As shown, each node attracts a significant share of its visitation from people that reside in the PTA (upwards of 44%). Each node also draws a notable share of visitation from each STA Zone, particularly STA South or South Barrie.

There is some correlation between the location of each node and the share of visits associated with each STA Zone. In the case of Bayfield Mall—the most southern node of the four examined—18% of its visits are affiliated with those residing in STA South. This compares to Springwater Market Place that draws only 14% of its visitation from STA South. By contrast, the SmartCentres node draws a mores significant share of its visitation from the STA North. Like Springwater Market Place, this node is located to the north end of the Bayfield Corridor, in proximity to those who reside in the neighbouring municipality of Springwater.

Trends are also clearly influenced by the type and amount of stores and services located at each of these locations. Georgian Mall has the lowest share of visitation from the PTA and the highest share affiliated with inflow, some 36%. This highlights the regional pull of the area's most significant shopping centre.

Figure 3.4

Customer Origins by Geography & Node

	Springwater Market Place	Bayfield Mall	SmartCentres	Georgian Mall
PTA	49%	45%	49%	44%
STA South	14%	18%	15%	15%
STA North	7%	5%	7%	4%
Trade Area	**70%**	**68%**	**71%**	**64%**
Outside Trade Area (Inflow)	30%	32%	29%	36%
Total	**100%**	**100%**	**100%**	**100%**

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

3.3 Population

As of 2024, it is estimated that approximately 188,100 persons reside in the Trade Area. Approximately 75,400 residents (or 40% of the Trade Area) live in the PTA as of 2024 (i.e., the baseline year for purposes of our retail expenditure analysis herein), representing an average annual increase of some 1.0% from 2021. A heightened 47% of the Trade Area's population—or some 89,100 persons—live within the STA South (or South Barrie).

Over the forecast period to 2051, the Trade Area population is anticipated to grow by some 142,400 persons (see Figure 3.4). This includes accelerated growth across the PTA and STA South, which will collectively account for 94% of population growth in the Trade Area over this period. The population forecasts to not anticipate significant redevelopment of the BSC to 2051.

Figure 3.5

Trade Area Population

	Historical[1]	Current[1]	Forecast[2]		
	2021	2024	2031	2041	2051
PTA (North Barrie)	**73,100**	**75,400**	**80,600**	**94,400**	**107,600**
Average Annual Growth	767	743	1,380	1,320	
Average Annual Growth Rate	1.0%	1.0%	1.7%	1.4%	
STA South (South Barrie)	**79,200**	**89,100**	**112,300**	**153,500**	**190,400**
Average Annual Growth	3,300	3,314	4,120	3,690	
Average Annual Growth Rate	4.2%	3.7%	3.7%	2.4%	
STA North (Springwater)	**22,300**	**23,600**	**26,600**	**29,500**	**32,500**
Average Annual Growth	433	429	290	300	
Average Annual Growth Rate	1.9%	1.8%	1.1%	1.0%	
Trade Area	**174,600**	**188,100**	**219,500**	**277,400**	**330,500**

Source: Parcel. Rounded to the nearest 100 residents.

[1] Statistics Canada Census data, adjusted for net undercount.

[2] City of Barrie population forecast based on City of Barrie SGU data provided through Watson & Associates Ltd., 2023. Simcoe County and Springwater forecasts are based on the Revised County of Simcoe Growth Forecasts and Land Needs Assessment, 2022, prepared by Hemson Consulting Ltd.

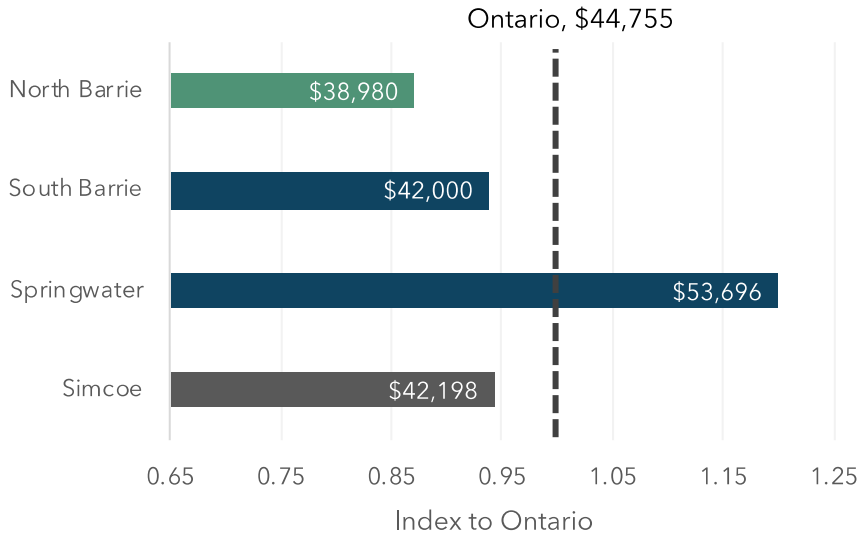
3.4 Income

As of the 2021 Census, the average per capita income—an important input in our retail/service commercial demand assessment to follow—of the PTA and STA South was below income in Simcoe County and the Province. Conversely, STA North residents had an average per capita income well above the County and provincial average.

Existing and future retail/service commercial businesses will rely, at least in part, on capturing spending from nearby STA North residents who have a greater ability to spend across all store categories. While outside the scope of this study, which focuses on retail / service commercial market demand, incomes will also influence residential typologies. The relative income of PTA residents could result in demand for apartment units (either condominium or purpose-built rental), which could potentially incorporate retail / service commercial space in the base of buildings.

Figure 3.6

Per Capita Income



Source: Parcel based on 2021 Statistics Canada Census data.

3.5 Other Demographics

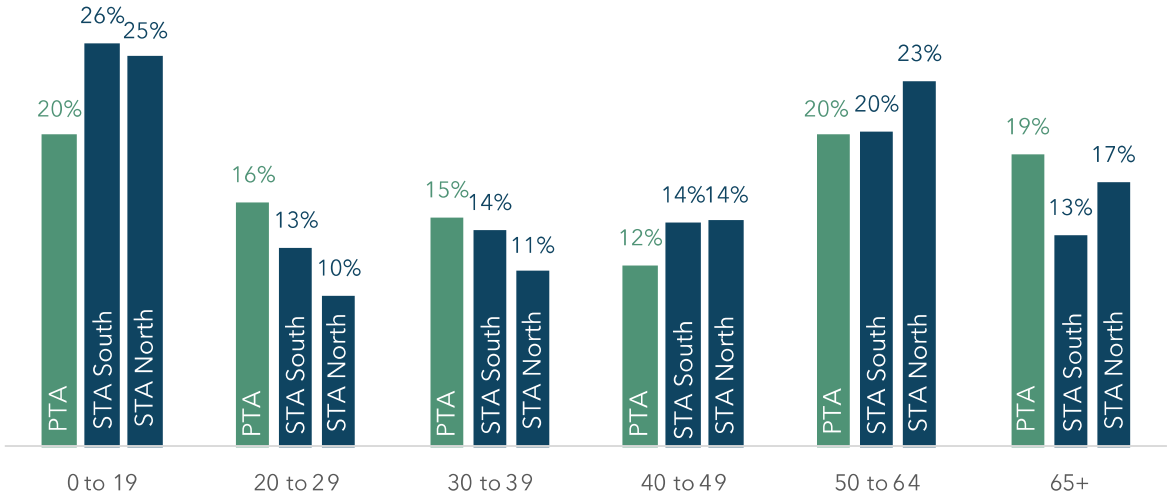
The trade area zones included as part of this work—including the municipalities of Barrie and Springwater—are evolving communities. In the context of the future retail/service commercial potential along the BSC we have reviewed the following additional demographic factors to help inform how the size, location and built-form of commercial uses could evolve in this area of the City.

Age

The PTA is home to a **higher proportion of people between 20 and 39 years old**, in addition to a relatively higher share of persons over the age of 65. By comparison, they include a much **lower proportion of people under the age of 19 and between the ages of 50 and 64** years old relative to both STA zones. These demographic characteristics will influence demand for retail / service commercial space, including the accessibility of this space and the types of tenants.

Figure 3.7

Age Cohorts



Source: Parcel based on 2021 Census data.

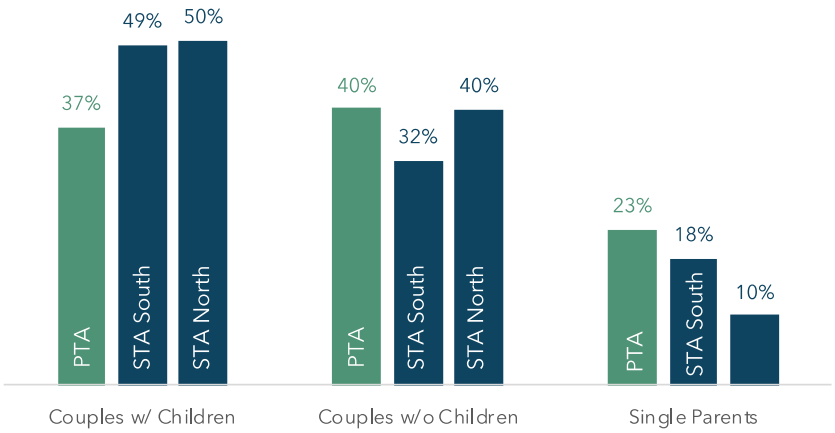
Family Characteristics

The following details stand out from Figure 3.4:

- The PTA is home to a smaller share of couples with children than both STA zones.
- The PTA is also home to a heighted proportion of single parents than either STA zone.
- Combined with age cohorts above, the PTA seems to be home to a higher share of young couples, older retirees and single persons households. Conversely, the STA zones appear to be home to a larger share of families, including couples with children. These demographic factors are supportive of apartment development, which could incorporate ground floor retail / service commercial uses.

Figure 3.8

Census Family Characteristics

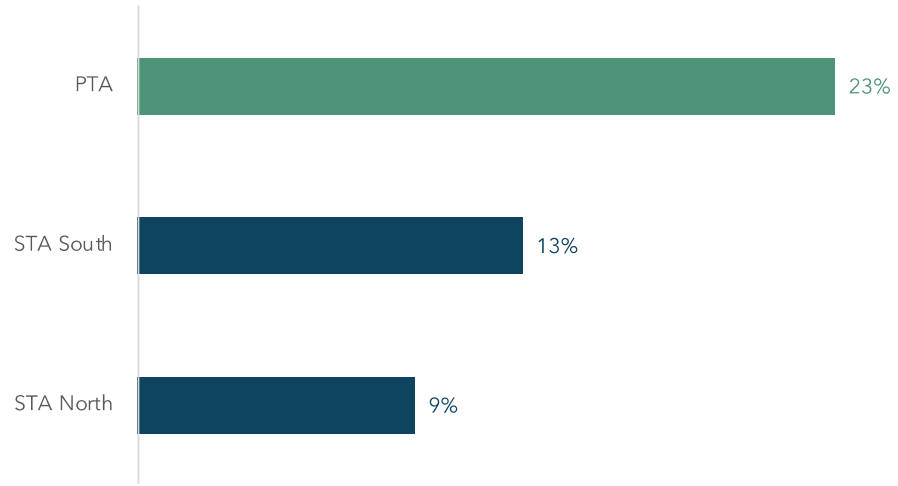


Source: Parcel based on 2021 Census data.

The PTA also contains a larger concentration of single persons than either STA. Nearly 1 in 4 people in the PTA are single while only about 1 in 10 residents across the two STA Zones are single. Single persons typically have a lower household income, simply by the virtue that only one person is earning an income as opposed to two or more.

Figure 3.9

Persons Not in a Census Families (Single Persons)



Source: Parcel based on 2021 Census data.

4.0

Market Context

Key Findings

- There is currently around 2.2 million square feet of retail / service commercial space in the BSC.
- At the time our inventory was completed, the BSC included some 97,500 square feet of vacant space, or 4% of all retail / service commercial space along the Corridor. This generally represents a healthy vacancy rate and could be an indicator of demand.
- The recent liquidation of the Hudson's Bay location in the Georgian Mall will result in this vacancy rate increasing to 8.6% if the store remains vacant.
- There are six active development applications in this area. Only one of these applications proposes to reduce the existing supply of retail / service commercial space on-site as part of their application.
- Collectively, existing applications that involve a net change in the supply of retail / service commercial space amount to a potential net gain of 71,900 square feet.
- Discussions with current landowners along the BSC identified a few key themes related to retail space in this area. Many suggested existing retail / service commercial space is performing well along the corridor. In terms of future development, discussions with landowners highlighted that there are short-term opportunities to intensify larger sites where parking areas can support mixed-use buildings.
- Interviews also identified that this area is still very vehicle centric and that parking is still an important consideration for existing and new developments.

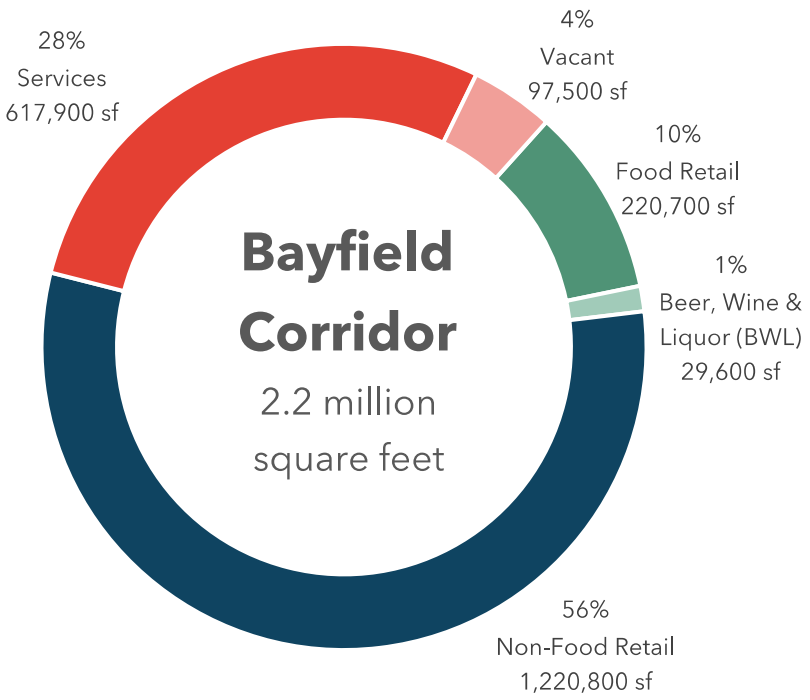
4.1 Existing Commercial Supply

An inventory of all retail / service commercial space along the BSC was completed by Parcel in March 2025, including a total of nearly **2.2 million square feet** of space as detailed in Figure 4.1. In the case of the BSC, a significant 56% of space is also comprised of Non-Food Retail space. While this is relatively high, it aligns with the significant share of big-box stores located along this corridor and the regional serving nature of the commercial uses.

Furthermore, Georgian Mall is also located along the BSC. Georgian Mall is a community focal point and prominent commercial entity for the city and region more broadly. It hosts 24% of the retail / service commercial space along the BSC, including unique compliment of larger Non-Food Retailers (e.g., Sportschek, H&M, Structube, etc.).

Figure 4.1

Existing Retail / Service Commercial Space



Source: Parcel based on inventory completed in March 2025.

At the time Parcel completed the commercial inventory, there was approximately 97,500 square feet of vacant space along the Bayfield Corridor. This represents **approximately 4%** of all retail / service commercial space. Typically, a healthy vacancy rate ranges from 4% to 6% depending on the context and location and suggesting that there could be demand for additional retail / service commercial space in this area.

However, we note that the recent liquidation of the Hudson's Bay location in the Georgian Mall will result in this vacancy rate increasing to 8.6% if the store remains vacant.

Recognizing the evolving and changing nature of this corridor, it is important to note how this potential need or demand could be impacted by evolving development patterns and population growth in the area.

Proposed Commercial Supply

Parcel has examined development applications and development approvals along the BSC to determine the quantity and location of planned or approved development being contemplated along the BSC. These applications represent the most current and up to date information available through the City of Barrie as of April 2025.

The purpose of this analysis is to identify any differences in the amount of retail / service commercial space being proposed on select sites, relative to the existing supply of retail / service commercial space provided. This information is also key in identifying how new applications or redevelopment plans along this corridor could impact the supply and potential need for retail / service commercial uses in the area going forward and how the area is transitioning.

In conducting this analysis, Parcel has examined all proposals which plan to increase or decrease the amount of retail / service commercial space currently provided on-site. The applications summarized below detail the potential **net change in retail / service commercial space**, on a site-by-site basis.

Figure 4.2 shows that there are currently four applications that—if developed—would amount to a net change in the supply of retail / service commercial space. Three of these applications propose a net gain, while one application proposes a net reduction in the existing retail / service commercial supply.

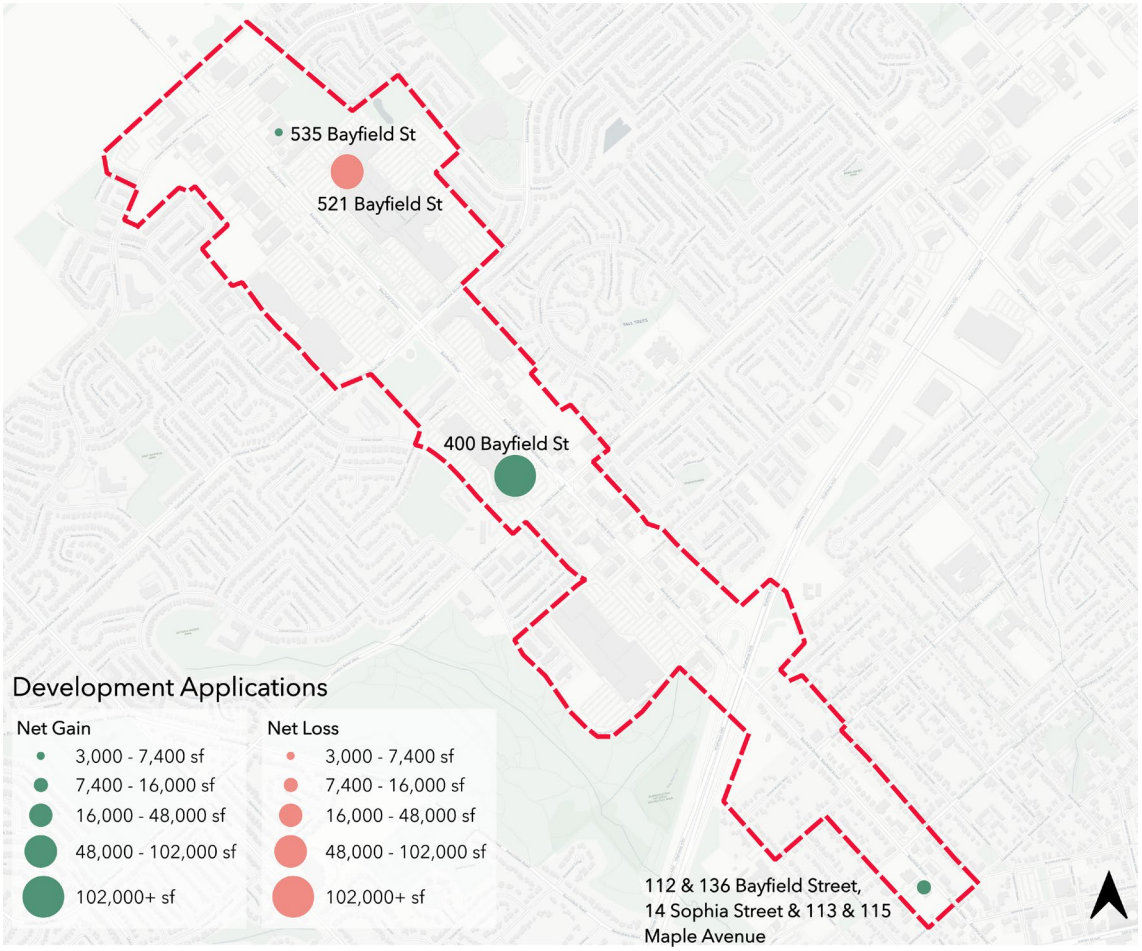
Collectively, existing applications would amount to growth of some 71,900 square feet of retail / service commercial space.

Figure 4.2 also shows that there are two applications that do not anticipate a net change in the retail / service commercial supply. The proposal at 547 Bayfield Street includes the development of a car-wash within the existing retail square footage provided on-site, while the proposal at 10-24 Grove Street proposes to include only residential units.

Within the BSC, there are currently two applications that propose mixed-use development. This includes lands located at 535 Bayfield Street & 10-24 Grove Street. Increased interest in mid- and high-rise mixed-use development along this corridor will continue to emerge overtime, as development can benefit from planned transportation and infrastructure improvements and accommodate higher levels of intensification that better combines a range of residential and non-residential uses. As the BSC shifts towards mixed-use environment, there will be a need to accommodate new retail / service commercial space on the ground floor of buildings, rather than in standalone buildings that currently exist along the corridor.

Figure 4.2

Applications Resulting in a Net Increase / Decrease in Commercial Supply



Address	Net Change in Retail GFA
547 Bayfield St.	-
535 Bayfield St.	3,000 sf
521 Bayfield St.	-90,300 sf
400 Bayfield St.	150,700 sf
10-24 Grove St W	-
112 & 136 Bayfield Street, 14 Sophia Street & 113 & 115 Maple Avenue	8,500 sf
Total	**71,900 sf**

Source: Parcel based on development application provided by the City of Barrie and inventory data.

4.2 Research Interviews

Parcel conducted virtual research interviews with eight landowners along the BSC throughout March and April 2025. These landowners operated both regional shopping facilities on large sites, as well as local serving commercial uses. Also, some landowners had active development applications for their lands. The following themes were gleaned from those discussions.

Retail Along Bayfield Street is Doing Well

- All landowners that we spoke with agreed that retail / service commercial uses along Bayfield Street continue to perform well. Landowners indicated that they have seen some turnover in tenants overtime, but there has been no apparent reduction in demand or long-term vacancies.
- Landowners also noted that the corridor is successful in sustaining a range of tenants, including local-serving offices, restaurants, charities and educational services.

Retail Space Along Bayfield Street is Currently Auto Centric

- As a major arterial that runs through the centre of Barrie, Bayfield Street is a busy roadway, particularly north of Highway 400. This has influenced the existing form of development along the corridor.
- Landowners highlighted that in the early stages of redevelopment along the BSC, mixed-use developments would be challenged to attract tenants if there was not grade-related parking when there are so many other vehicle-centric options (big-box stores etc.) where parking is available.
- In light of this, landowners felt that the development of mixed use buildings would be challenging in the near-term.

Parking is Still Necessary

- Landowners highlighted that given the prominence of driving in this area, ample parking is still important in attracting and retaining tenants. In the current environment, tenant requirements for parking could make the intensification of parking along the BSC challenging, especially when existing tenants have leasehold covenants that require a fixed number of parking spaces.
- Tenants are often the drivers of parking requirements, seeking a certain number of spaces as part of their locational considerations. This is because not having parking often puts tenants at a disadvantage, particularly in more suburban areas where it is often available at another or nearby site.

Tenants Needs Are Changing

- A growing share of tenants are seeking smaller retail units than they have historically. The trend towards smaller commercial units is supportive of mixed-use development. In time, this may assist in meeting increased commercial demand along the BSC.
- Some landowners indicated they are starting to see the impact of this shift, with larger units (~2,000 square feet +) being the hardest to tenant today.

Intensified Development Along the BSC Will Be More Focused in the Short-Term

- The market for medium and higher-density mixed-use development along the BSC is in the early stage of materializing, particularly given recent challenges in the condominium apartment market and high-density opportunities elsewhere in Barrie, such as the UGC.
- At the time of the interviews, many landowners were not focused on the redevelopment of their properties along Bayfield Street, partly due to the existing function of this area and because existing retailers are still doing well. In the short-term, demand for this type of development may be concentrated more specifically south of Highway 400 near the UGC, where walkability is better supported, or on larger sites with underutilized parking.
- Rather than full redevelopment, some landowners showed interest or consideration for putting residential uses on a portion of their existing site, particularly the rear portion of their lands to avoid obstructing views for existing commercial tenants. This type of intensification would allow for a mix of uses on the site, without impacting the overall shopping areas. That said, there was recognition that when the market is conducive to it, landowners will be happy to intensify their lands.

- Some landowners indicated that redevelopment opportunities are restricted by existing leasehold agreements and tenant commitments. However, this may not be the case for all landowners, or for larger sites where tenants can be moved within the site.

Integrating Ground Floor Retail in Mixed-Use Buildings is Challenging Financially

- Rising costs—including construction costs, interest rates, development charges and property taxes—are limiting the desirability and viability of building commercial space in a mixed-use building. The lease rates necessary to justify its inclusion are often so high that it then becomes unrealistic from a tenanting perspective. However with recent changes to Bill 17 and the opportunity to defer development charges to occupancy could assist in improving development feasibility.

Opportunities for the City to Support Mixed Use

- With landowners and their investors, success is always a function of time. Anything the City can do to expedite the application process is helpful.
- Many suggested that flexibility of form and density is what the City should focus on. In the short-term, this could involve emphasizing the importance of a mix of uses across a site, rather than mixed-use buildings.

See Appendix A for details of Landowner Interviews

4.3 Commercial Market Trends

From substantial growth in online shopping activity, continued shifts in merchandise / service offerings, and other ongoing responses to the COVID-19 pandemic, the retail sector has faced a range of material changes in recent years.

Consistent with many of the observations and feedback provided via the research interview process outlined above, the following highlights a few selected trends that are also likely to influence the future commercial landscape in this area. This includes varying levels of impact on the physical, "bricks-and-mortar" space likely to be accommodated within the community, and along the BSC, over the longer-term.

Trend #1:
Blurring of Merchandise Categories

The COVID-19 pandemic and other factors have reinforced the position of many retailers as effective "one-stop shop" locations for a broad range of merchandise offerings. There has also been increased overlap between what have historically been distinct store categories (e.g., Shoppers Drug Mart deviating from their core offering and now offering food products via a more recent affiliation with Loblaws) and other broadening of retail goods / service offerings within single commercial businesses to make ends meet financially.

This has resulted in increased competition among/between retail nodes within a given community.

Trend #2:
Segmentation of Commercial Hierarchy

There have been clear "winners" and "losers" through recent changes in the retail sector, with the most successful typically being high-end regional / super-regional shopping centres, local-serving / grocery-anchored type corridors and districts or trendy / destination-based "main street" commercial environments.

As the BSC contains many of these retail formats and the market sounding interviews have suggested a strong retail environment along the corridor, it will impact the desire of landowners to redevelop or intensify their properties unless there is a demonstrated strong market demand for mixed-use development.

Trend #3:
E-Commerce

Although often over-stated and misrepresented in the context of commercial development planning—especially for growing communities like Barrie—there has been a discernable and

undeniable growth in e-commerce activity as of late, amplified through the COVID-19 pandemic. With significant variation across different store categories (e.g., electronics stores vs. food stores), this has in many cases limited the pool and diversity of retailers opting to locate in certain markets (i.e., instead choosing to reduce their physical space footprints to very few selected locations or key areas).

While the BSC contains many store types impacted by the growth in e-commerce (i.e. clothing and accessories, electronics, etc.), these store types are now concentrating in regional-serving locations.

Trend #4:
Typology & Unit Size Differentiation

Factors relating to affordability, the economics of new real estate construction and consumer preferences have all resulted in changes to the types and sizes of commercial units now being integrated in new development projects (if any). With a general shift towards smaller units and less overall space, this has created an opportunity for mixed use developments, such as those envisioned in more intensifying areas of Barrie, including the BSC.

Trend #5:
Shifting Tenant Formats & Requirements

In response to the foregoing, the type and composition of tenants occupying space in both existing and new commercial developments has also continued to shift. This has involved an emphasis on more experience-based and "showroom" style retail offerings, a growth in cultural / entertainment / recreation type facilities (both civic and privately operated), as well as nuances among chains vs. independents and urban vs. suburban development contexts.

See Appendix B for further details of Commercial Trends

5.0
Market Assessment

Key Findings

- Future demand for retail / service commercial space along the BSC will largely be a function of population growth, as new residents throughout the Trade Area will result in increased spending, both along the corridor and elsewhere.
- It is estimated that current and future residents of the Trade Area could support up to 440,000 square feet of additional retail / service commercial space in the BSC by 2031, increasing to up to 2.2 million square feet by 2051. This excludes any space that may be accommodated across existing development applications.
- Non-Food Retail and Services space are anticipated to account for the largest share of future demand in this area.
- Subject to future changes to applications in the development pipeline, existing applications have the potential to account for between 16% and 19% of the space warranted by Trade Area residents along the BSC to 2031. This reduces to between 3% and 4% of the space required to 2051. Put another way, existing applications could reduce the net new space required by 2051 to between 1.7 million square feet and 2.1 million square feet.

5.1 Market Demand

Relying on various research and statistical inputs, we have undertaken a detailed expenditure-based market demand assessment to estimate the amount of retail space that may be required to support population growth.

Food Retail

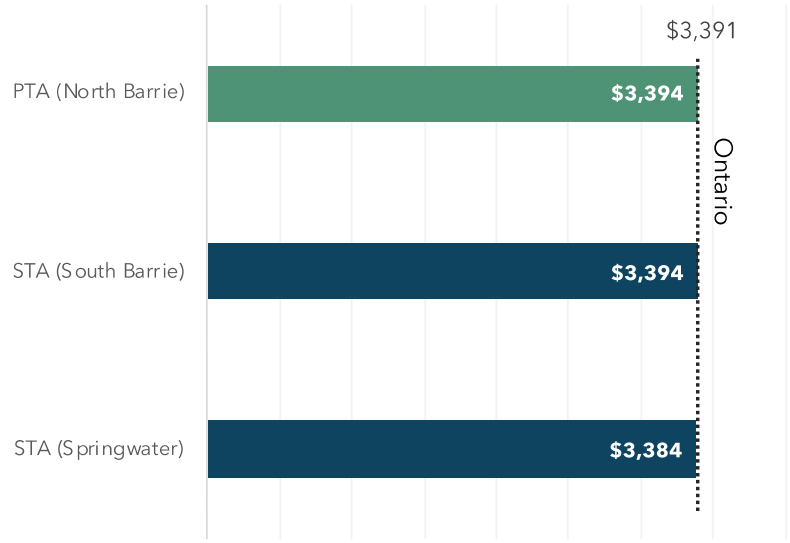
The average Ontarian spends nearly $3,400 annually on food at supermarkets, convenience and specialty food stores. Over $600 of this spending is affiliated with spending at Beer, Wine and Liquor (BWL) stores.

Food spending is relatively inelastic, meaning that spending does not necessarily rise significantly with income. This is likely, in part, because at a certain point higher income individuals spend more money on food services (e.g., restaurants) as opposed to spending more at the grocery store.

Recognizing Trade Area residents' per capita income relationship to the provincial average (as illustrated previously in Figure 3.2) 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 5.1.

Figure 5.1

Food Retail Spending per Capita



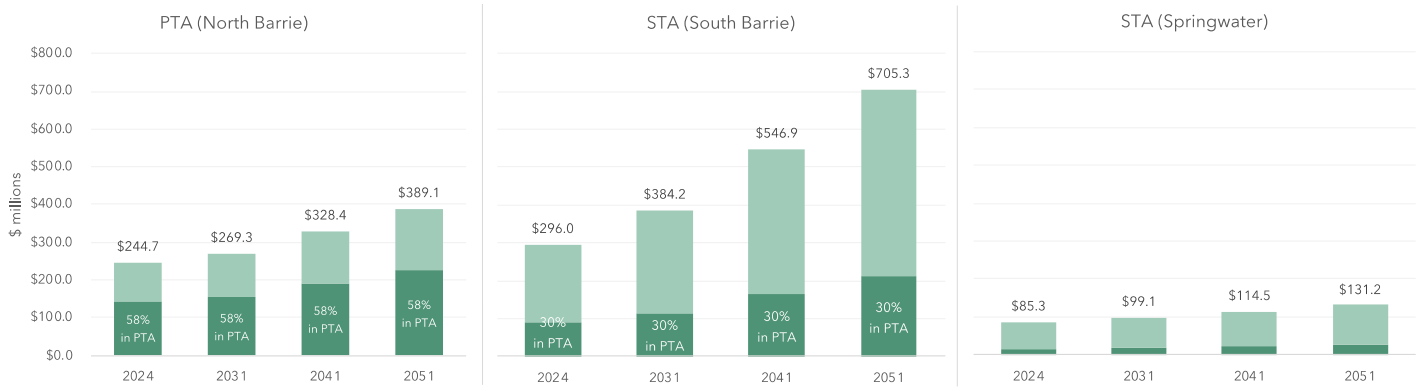
Source: Parcel, based on Figure 3.2, Statistics Canada Retail Trade (20-10-0008-01) and Household Spending by Household Income Quintile (11-10-0223-01) data. **Includes an adjustment for e-commerce spending at some 2.5%.**

Based on the food retail spending in Figure 5.1 and the 2024 population in Figure 3.1, we estimate that current Trade Area residents spent approximately $626.0 million on food at retail stores in 2024 (including BWL), approximately $246.6 million (40%) of which was spent at stores in the PTA, including stores in the BSC.

Figure 5.2 forecasts the expected growth in food retail expenditures by Trade Area zone to 2051, primarily as a result of population growth, and a reasonable amount of spending that could be captured by food stores in the PTA – both existing and future.

Figure 5.2

Forecast Food Retail Expenditures



Source: Parcel.

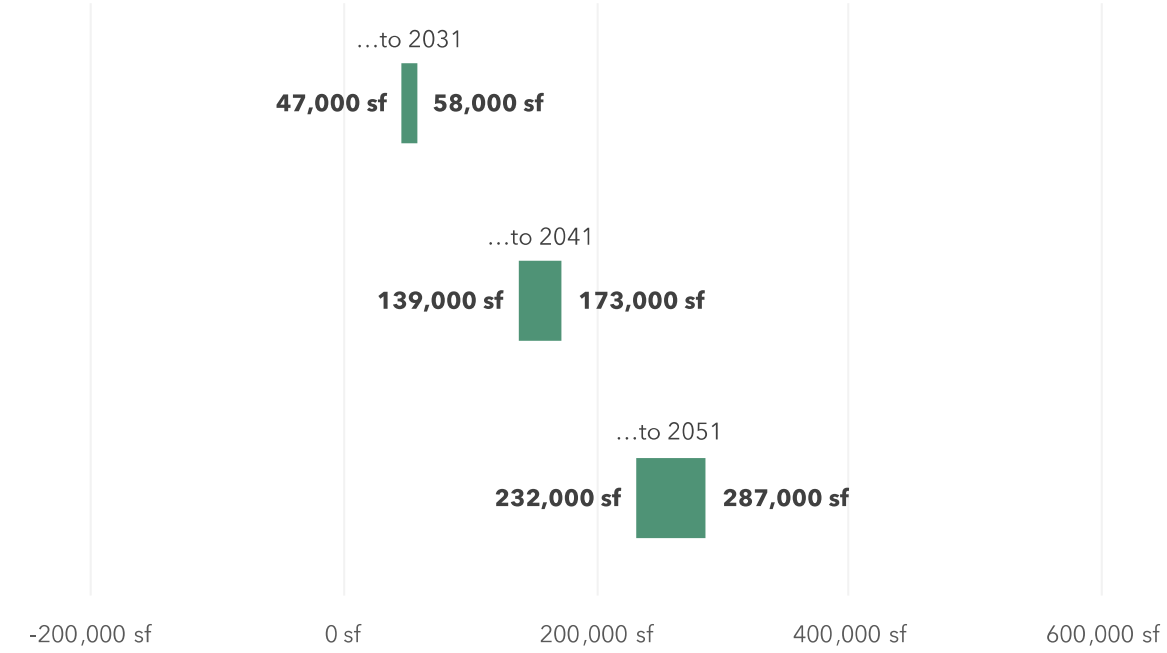
Maintaining existing capture shares going forward, and based on population growth, a significant amount of food retail space will be warranted throughout the PTA, including along the BSC to 2051.

It is important to note that the future space estimates included herein are intended to act as a guideline based on anticipated market growth and change. This includes anticipated population growth, future adjustments in expenditure spending potential and possible inflow considerations.

Based on our analysis, Parcel has identified market support as much as **58,000 square feet** of additional food retail store space in the PTA by 2031, increasing to as much as **287,000 square feet** by 2051. The potential distribution of new food retail space is summarized in Figure 5.3.

Figure 5.3

Additional Food Store Space Required



Source: Parcel.

We have allocated a share of this demand for additional space to the BSC based on the share of lands designated as Commercial District, Medium Density and High Density, as well as our experience with the share of FSR space that occurs on similar land uses. This results in demand for an additional **173,000 square feet of FSR space in the BSC by 2051**.

As it relates to potential store sizes, for **grocery stores and supermarkets**, based on our experience in completing inventories in markets across southern Ontario, store sizes generally range between 25,000 square feet and 90,000 square feet, with an average of approximately 40,000 square feet. In built-up urban markets where there is limited available land, or where land prices are sufficiently high, there are examples where this space could be located in a mixed-use building and spread across multiple floors. However, in a more suburban context, this space is generally located in a single-purpose building.

For **specialty food stores**, in our experience, store sizes generally range between 1,000 square feet and 7,000 square feet, with an average of approximately 2,000 square feet. Based on these store sizes and loading requirements, there are opportunities to accommodate these types of uses on the ground floor of a mixed-use building, including the types of buildings envisioned for the BSC.

Non-Food Retail

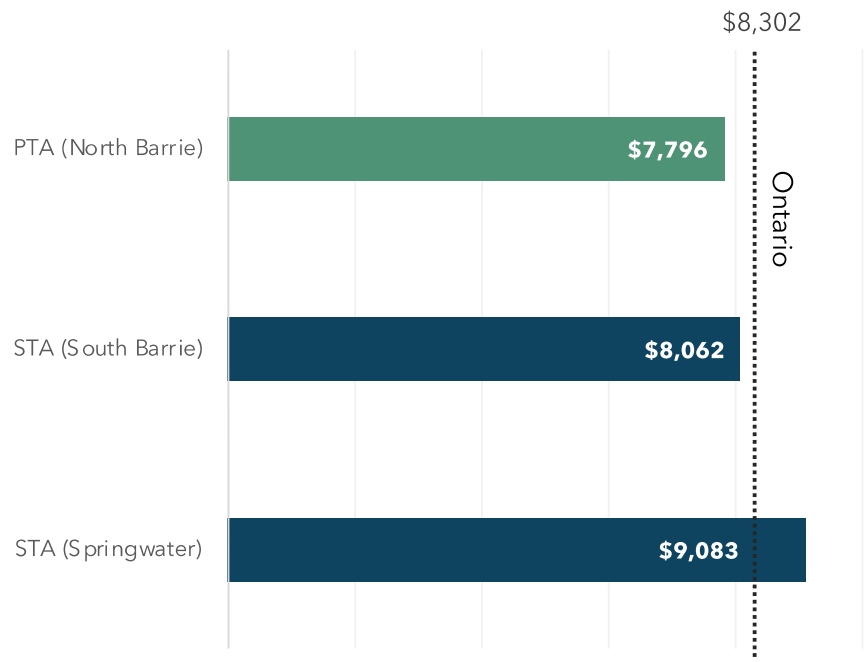
The average Ontarian spends nearly $8,300 annually on non-food retail stores, including items such as sporting goods, clothing, home goods, electronics and health stores (e.g., pharmacies, supplement stores etc.).

Unlike food store spending, spending on these types of non-food store goods is much more elastic, rising considerably with income. Current and future non-food retailers will benefit from the higher spending capacities of some people living in proximity to their stores (i.e., across Springwater), helping support business longevity, sustainability and business development.

Recognizing Trade Area residents' per capita income relationship to the provincial average (as illustrated previously in Figure 3.2) and based on a regression analysis of Ontario household spending by income quintile, we have adjusted Trade Area residents' non-food retail spending per person as shown in Figure 5.4.

Figure 5.4

Non-Food Retail Spending per Capita



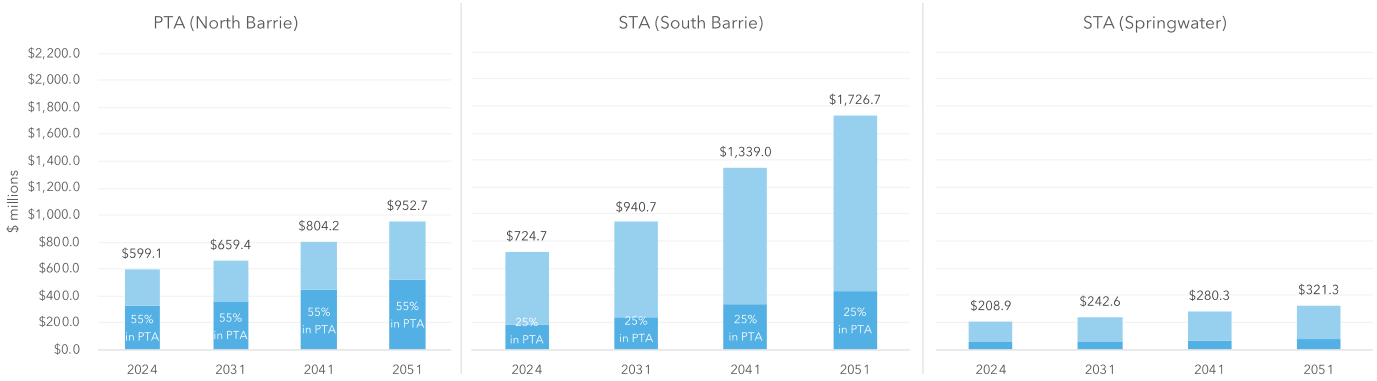
Source: Parcel, based on Figure 3.2, Statistics Canada Retail Trade (20-10-0008-01) and Household Spending by Household Income Quintile (11-10-0223-01) data. **Includes an adjustment for e-commerce spending ranging between 3.5% and 17% of non-food retail spending.**

Based on the non-food retail spending per capita in Figure 5.4 and the 2024 population in Figure 3.4, we estimate that current Trade Area residents spent approximately $1,532.7 million on non-food items at retail stores in 2024, approximately $562.9 million (37%) of which was spent at stores in the PTA, including in stores located in the BSC.

Figure 5.5 forecasts the expected growth in non-food retail expenditures by Trade Area zone to 2051, primarily as a result of population growth, and a reasonable amount of spending that could be captured by non-food retail stores in the PTA – both existing and future.

Figure 5.5

Forecast Non-Food Retail Expenditures



Source: Parcel based on population forecasts, non-food retail spending in Figure 5.1 and estimations of current and future capture and inflow rates.

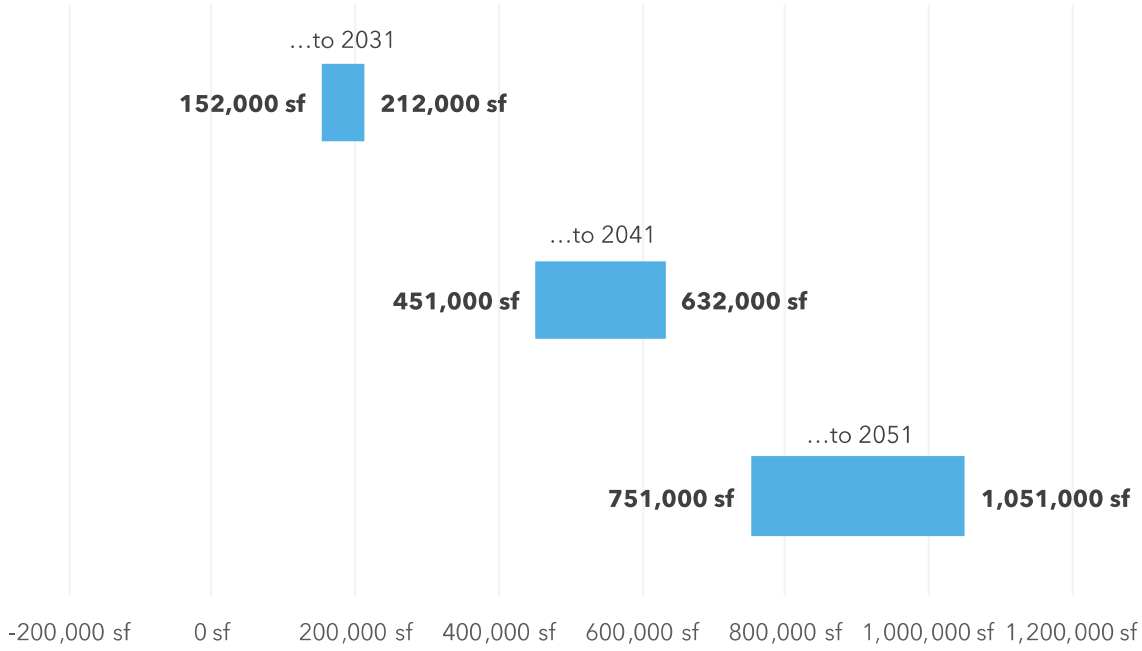
In maintaining existing capture shares going forward, and based on population growth, a significant amount of non-food retail space will be warranted throughout the PTA to 2051.

It is important to note that the future space estimates included herein are intended to act as a guideline based on anticipated market growth and change. This includes anticipated population growth, future adjustments in expenditure spending potential and possible inflow considerations.

Based on our analysis, Parcel has identified market support for between some **152,000 and 212,000 square feet** of additional non-food retail store space by 2031, increasing to between **751,000 and 1.0 million square feet** by 2051. The potential distribution of new non-food retail space is summarized in Figure 5.6.

Figure 5.6

Additional Non-Food Store Space Required



Source: Parcel.

We have allocated a share of this demand for additional NFSR space to the BSC based on the share of lands designated as Commercial District, Medium Density and High Density, as well as our experience with the share of NFSR space that occurs on similar land uses. This results in demand for an additional **633,000 square feet of NFSR space in the BSC by 2051**.

In terms of store sizes within the NFSR category, it is typical for general merchandise stores and building supplies stores to have larger store sizes that are more challenging to accommodate on the ground floor of mixed-use buildings. For **general merchandise stores**, these store sizes can range from 3,000 square feet to as large as 150,000 square feet. There is potential for the small general merchandise stores to be located on the ground floor of a mixed-use building. However, for larger general merchandise stores, aside from built-up urban markets where there is limited available land, or where land prices are sufficiently high, these stores are generally located in a single-purpose building. For example, in the Vaughan Metropolitan Centre, within 1-kilometre of a Toronto Transit Commission subway station, there is a recently built Walmart Supercentre.

Similarly for **building supply stores**, store sizes generally range from 2,000 square feet to as large as 140,000 square feet. It will be challenging to accommodate these types of stores on the ground floor of mixed-use buildings due to loading requirements, specifically for customers.

For store types such **health & personal care**, **clothing & accessories**, **sporting goods**, **miscellaneous stores**, **furniture stores** and **electronics stores**, these types of stores can range in size from 1,000 square feet, to as large as 60,000 square feet. Similar to general merchandise stores, on the smaller end of the spectrum, there is the possibility for them to locate on the ground floor of a mixed-use building. Whereas, the larger store sizes are more likely to cluster in destination retail environments, such as big-box centres and shopping malls to allow for cross-shopping.

See Appendix C for Detailed Expenditure Tables

Services

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 includes an underlying assumption that each resident typically requires approximately 12.5 square feet to 17 square feet per capita, across the select range of service commercial categories included in this per capita analysis. We have chosen to integrate the lower end of the benchmark to account for shrinking store footprints, evolving development formats (i.e., push for mixed-use), and growth in e-commerce.

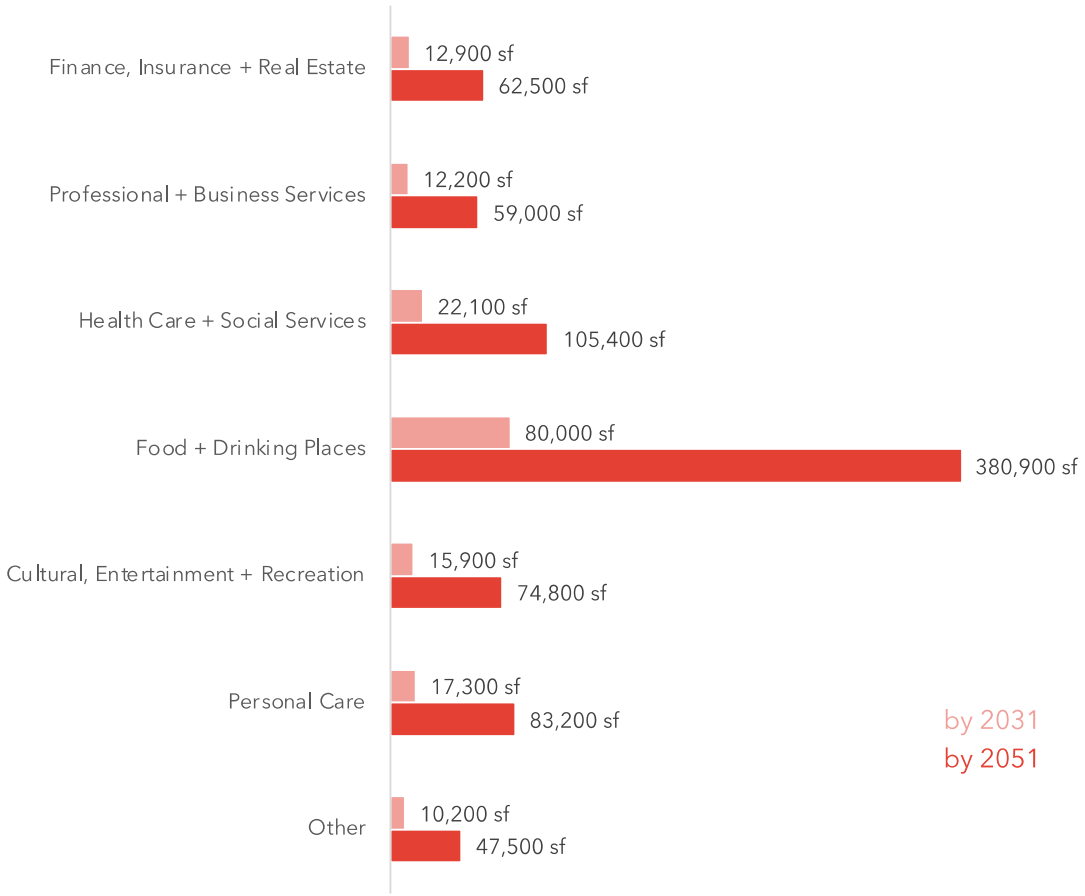
Other assumptions have been made with respect to likely market captures and inflow. These assumptions vary by service store category, to reflect differences in shopping patterns between more local versus regional store types. Similar to our approach utilized in our expenditure analysis above, market captures have also been adjusted for the various PTA and STA geographies that comprise the Trade Area.

Forecast demand for additional Service space along the BSC has been based on anticipated population growth in the Trade Area only. This means that future space estimates reflect **net new space** required in the PTA to 2031 and 2051. Adjustments have also been made to account for additional inflow support, including customer support generated by individuals residing outside the Trade Area.

Significant population growth anticipated in the Trade Area over the short and longer-term is anticipated to generate demand for a full range of service categories. As detailed in Figure 5.7, by 2031, it is estimated that there could be demand for approximately 170,600 square feet of space within the PTA, increasing to up to 813,300 square feet by 2051.

Figure 5.7

Additional Service Commercial Space Required by 2031 & 2051



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

We have allocated a share of this demand for additional Services space to the BSC based on the share of lands designated as Commercial District, Medium Density and High Density, as well as our experience with the share of Service space that occurs on similar land uses. This results in demand for an additional **381,000 square feet of Service space in the BSC by 2051**.

Service commercial uses have the highest potential to accommodate on the ground floor of mixed-use buildings, including the types of buildings envisioned for the BSC. Aside from cinemas and fitness centres, average unit sizes for service commercial uses are approximately 2,000 to 3,000 square feet and have fewer restrictions for deliveries and loading in comparison to FSR and NFSR tenants.

See Appendix C for Detailed Per Capita Tables

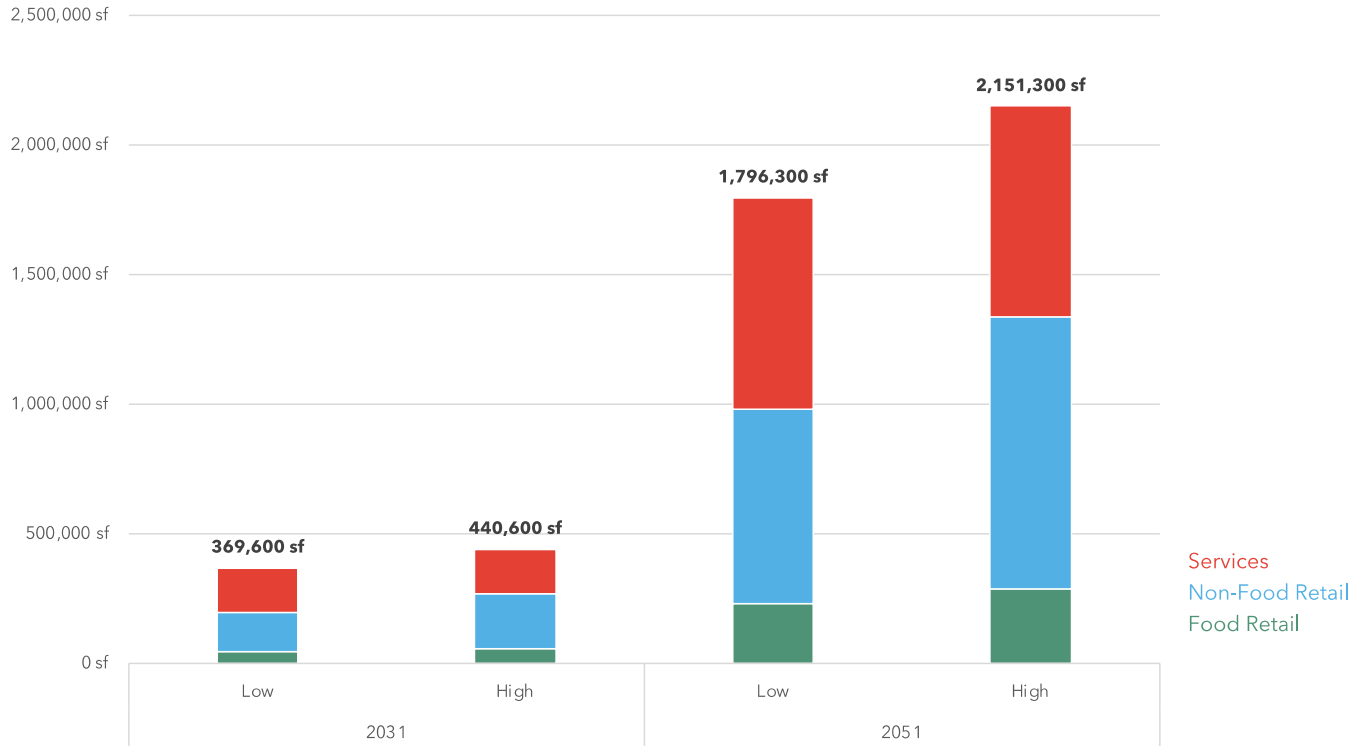
5.2 Summary of Demand

Aggregating the analyses by store category detailed above, it is estimated that current and future Trade Area residents, as well as inflow traffic, could support between 370,000 and 440,000 square feet of additional retail / service commercial space in the in the PTA by 2031. By 2051, this increases to support for between 1.8 million and 2.2 million square feet in the PTA.

Figure 5.8 also shows that by 2051, Non-Food Retail stores and Services are anticipated to account for the largest share of demand, 45% and 42% respectively. These estimates do not consider the potential space that could be accommodated across existing development applications that propose to include a retail / service commercial component. This has been reconciled separately in the following section (see Section 5.3).

Figure 5.8

PTA Total Demand Warranted by 2031 & 2051



Source: Parcel.

We have allocated a share of this demand for additional space to the BSC based on the share of lands designated as Commercial District, Medium Density and High Density, as well as our experience with the share of Service space that occurs on similar land uses. This results in demand for an additional **1,187,000 square feet of space in the BSC by 2051**. This equates to approximately 55% of demand across the entire PTA.

5.3 Supply & Demand Reconciliation

Aggregating the distinct analyses by store category above, we estimated that there could be demand for an additional 1.2 million square feet of retail / service commercial space along the BSC by 2051. Approximately 71,900 square feet of this space (6% of space) could be accommodated by existing applications in the development pipeline. This results in residual demand for approximately 1.1 million square feet of retail / service commercial space. This also assumes that as buildings re-develop, the at least replace existing GFA.

6.0

Conclusions & Recommendations

6.1 Key Takeaways

Established "Need" for Additional Retail / Service Commercial Space Along the BSC

Based on population growth and established shopping patterns, there is anticipated to be need for an additional 1.2 million square feet of retail/service commercial space along the BSC by 2051. Combined with the existing 2.2 million square feet of space that currently exists along the BSC, in preparing the Community Design Plan, there will be a need to plan for nearly 3.4 million square feet in various formats.

Phasing of Development

Notwithstanding the foregoing, there are **barriers that will limit the delivery of new commercial space across the City and within the BSC**. This includes challenges specific to the evolution of this area from an existing "suburban" corridor, where consumer patterns and preferences are still largely tied to vehicular movement. This will result in challenges moving to a more mixed-use, walkable and intensified community across the entire corridor, as there will continue to be customer and tenant demand for surface parking.

In the early stages of redevelopment, these challenges could be mitigated, in part, by focusing development on larger parcels with underutilized parking. These larger parcels could continue to provide surface parking opportunities for commercial tenants that are accommodated on the ground floor of mixed-use buildings. In the early stages of redevelopment, it will be important for commercial tenants in mixed-use buildings to have exposure to Bayfield Street. There will also be opportunities for commercial space second and third floors of mixed-use buildings for service-based tenants that are less reliant on foot traffic. This includes healthcare uses (i.e. dentists, chiropractors, optometrists, etc.), as well as small-scale office-type uses, including the office of realtors, wealth management companies, etc.

Type (Store Category)

Our research highlights the variety of retail / service commercial uses required along the BSC to 2051. This demand is primarily associated with population growth in the area surrounding the BSC necessitating additional space beyond what is operating in the area today.

To keep pace with a growing residential population while also remaining cognizant of broader retail industry and development trends, future demand and supply will depend on achieving a diversity of space that continues to

satisfy the shopping needs of current and future residents across the Trade Area. This is particularly important given the corridor's role as a regional commercial centre and shopping destination for people across Barrie and beyond.

Comprising the total space warranted above, forecast demand across BSC could include the following by 2051:

- 173,000 square feet of **Food Retail**;
- 633,000 square feet of **Non-Food Retail**; and,
- 381,000 square feet of **Services** space.

As noted above, Service-based uses provide the greatest opportunity to accommodate space on the ground floor of mixed-use buildings in the early stages of redevelopment. Within the Food Retail and Non-Food Retail categories, there will also be certain tenants that can be accommodated within early-stage mixed-use buildings, including specialty food stores, pharmacies and some types of electronics stores.

Location (Geography)

As a vital retail corridor in the City of Barrie, it will be important to ensure that new growth in the BSC does not compromise or impact the areas existing retail function or role.

In light of this, the concept of fostering a "complete" and balanced mixed use community in its entirety rather than in each and every building may be the most effective short-term opportunity to (i) enable and encourage intensified development, including housing and (ii) ensure that new developments do not restrict the ability for the corridor to host a critical or distinguished mass of retail / service commercial space.

Format (Building Typology)

The amount of space warranted above (up to 3.4 million square feet of total space in the BSC) will necessitate a **mix of different unit sizes and development formats** going forward. Given the scale and type of retail / services required over this period, it is unlikely that mixed-use, intensified development formats will be able to exclusively accommodate this demand. This is because mixed-use development formats typically tend to appeal to only certain types of tenants. Many specific types of retailers and service providers identified (i.e., personal and health care services, convenience stores etc.) could be accommodated in these mixed-use development formats. However, there is still expected to be demand from tenants that are unwilling / unable to locate in mixed-use buildings. This includes tenants such as larger food stores, building supply stores, general merchandise stores etc. Even in built-up urban markets where there is limited available land, or where land prices are sufficiently high, these stores are generally located in a single-purpose building.

In light of this, the key may be to allow a hybrid of development formats or a mix of uses on-site, rather than focusing efforts on the integration of mixed-use development patterns and land uses along the entirety of the corridor. Examples where this has been achieved include projects by RioCan Living and SmartCentres, which have intensified existing large-format retail centres. Both RioCan and SmartCentres own lands along the BSC. This type of approach is likely necessary to ensure an adequate supply of commercial space, while also enabling opportunities for intensified development that better aligns with the planned evolution and transportation improvements associated with this area.

Sustaining opportunities for a diversified mix of building formats is also likely more appropriate given the function of this corridor more generally (e.g., existing resident / consumer preferences, vehicular nature). Acceptance and intensification will take time and evolve in-line with adapting consumer preferences, shifting transportation habits and modal splits, evolving retail tenant preferences, in addition to evolving developer expectations or interests.

6.2 Recommendations

Location of Commercial Space

In preparing the Bayfield Street Community Design Plan emphasis should be placed on locating most commercial space in mixed-use buildings along the Bayfield Street frontage and avoid large concentrations of retail / service commercial space internal to sites where lease rates could make the development of these spaces unviable or units could remain vacant. Many businesses require visibility to pass by traffic (either auto-oriented or pedestrian) to generate customer support. By locating most commercial space along the Bayfield Street frontage it provides opportunities for businesses to thrive.

Sustain Opportunities for Varied Development

Some existing land uses along Bayfield Street (i.e., Commercial District and Medium Density lands) include permissions for a range of retail / service commercial uses, including: retail, major retail (e.g., big-box). While these land uses also encourage mixed-use development, they also allow lands to be developed with a diversity of uses across one or multiple buildings. The land use permissions along the BSC should continue to allow for this flexibility.

Recognizing the role of this corridor as the City's regional commercial centre, the City should maintain permissions for a **mix of uses to be achieved across multiple buildings** on one property (i.e. horizontal mixed-use), in addition to a mix of uses within one building (i.e. vertical mixed use). This allows landowners to consider the redevelopment of portions of their property or the integration of other uses, without compromising the sites existing function as a

retail location. It will also ensure future population growth accrued on intensifying properties elsewhere along Bayfield Street (i.e., lands designated Medium Density etc.) will continue to have access to a range of retail / service commercial amenities. This approach may also be valuable in the short-term, as walkability and transit—which are typically critical to supporting retail tenants in mixed-use buildings—are still lacking.

Where possible, the City should also encourage any development applications that do come forward to—at minimum—**sustain the existing retail / service commercial GFA** provided on-site as part of their redevelopment. While not necessarily a problem today, a push for intensification and more transit-oriented development, often comes at the cost of providing sizeable retail space, particularly when it comes to the redevelopment of properties with large-format retail space. The City should seek to avoid this trajectory and sustain what they have where possible.

To improve financial viability, particularly in the early stages of redevelopment, the City could also consider the **use of incentives** that are targeted specifically at new commercial development in mixed-use buildings. Apprehension to develop mixed-use buildings is often related to the added difficulty of leasing (i.e., reduced accessibility, more limited unit sizes). Given the existing function of Bayfield Street, this is likely even more of a factor given the abundance of retail opportunities available in traditional retail formats with ample parking nearby. To reduce the cost and minimize the risk, the City could provide incentives—such as no development charges or reduced development charges—for commercial units in a mixed-use format to help lower costs and make the construction of this type of retail space more attractive.

Focus on Larger Sites in the Early Stages

The BSC faces obstacles to mixed use development and intensification over the near term, particularly as the area sustains itself as a prominent, successful retail area within the City. Prevailing market conditions, consumer preferences and the economics of new development will impact the timing of redevelopment. In the early stages of redevelopment, the City should focus on larger sites with underutilized parking, as these sites provide the greatest potential for redevelopment. In many cases, these sites are owned by large institutional landowners with experience in mixed use development and can also leverage retail/service commercial space on site to create a more pedestrian friendly environment. Once market acceptance for mixed use development along the BSC is established on larger sites, it can have a cascading effect which will lead to the redevelopment of smaller sites, which may require land assembly. In developing a phasing plan for the BSC, the early stages should focus on concentrating redevelopment larger sites to create a large local population and a sense of place.

Local vs. Regional Serving Retail Uses

As summarized in our above analysis, nearly one-third of forecast demand for new retail / service commercial space in the BSC is anticipated to be from tenants engaged in Services. These types of tenants can be more easily

accommodated across various development formats, including the ground floor of mixed-use buildings and more traditional, stand-alone shopping centres. Demand from these tenants may support the shift in the form of commercial development along this corridor overtime, including the transition to more mixed-use development. That said, there will continue to be demand for large-format regional serving commercial uses that support weekly shopping visits from across the Trade Area. The framework for the Community Design Plan should allow for these types of regional service commercial uses to expand as an interim use as the area transitions.

Parking

Given the vehicle-centric nature of this corridor, parking is key to the viability and success of existing shops and services in this area. However, anticipated transportation improvement should encourage and increase walkability and transit usage in the area, reducing the need or importance of parking along Bayfield Street.

As the BSC transitions to include more intensified and mixed-use development, the City should strive to allow more flexibility in surface parking requirements. This is particularly important given the unfamiliarity of customers and tenants to underground parking and in ensuring tenants of these development are not at a competitive disadvantage to more traditional shopping opportunities. This could include consideration for:

1) Allow for lower interim parking requirements where a landowner is proposing a phased intensified redevelopment format, including mixed-use development in place of a traditional shopping centre. This could allow for surface parking spaces to be shared across tenants in the mixed-use building and tenants in the traditional shopping centre.

2) Allow for neighbouring properties or landowners to share parking across multiple sites. Some properties along Bayfield Street are too small to allow for phasing or sufficient ground related parking necessary to support visitors. In these instances and where landowners can reach an agreement, the City could allow for the sharing of surface parking across multiple sites. This would subsequently also help alleviate concerns of new tenants when they sign a lease.

Appendix A:

Market Sounding Interviews

Retail Along Bayfield is Doing Well

- Respondents indicated that there is continuous demand for retail spaces along the Bayfield Corridor. This includes interest from a range of highway commercial type uses (restaurants, hardware etc.). While there has been cyclical change tied to a range of factors, there has been no obvious reduction in demand.
- Turnover among and within retail spaces has been minimal, with many tenants located along this corridor for more than 10-years. This is particularly apparent when compared to existing offices uses, which have experienced significant change in recent years. particularly when compared to office uses more recently.
- Any redevelopment that has occurred has been based on tenant need, including construction that is tailored to what a specific tenant is after (e.g., restaurants seeking small square footage etc.).
- The BSC **sustains a wide array of tenants** including employment offices, local-serving places of worship, professional offices, charities, restaurants and educational services.
- As things evolve and change, it is key that existing tenants are kept in the loop. Tenants want to see that any development—new or adjusted—will benefit their own operations (e.g., job creation, foot traffic etc.) and outweigh the short-term impact of construction or site impacts.

Bayfield Street is Very Vehicle Centric

- As a major arterial, Bayfield Street feels like a smaller-scale highway, particularly north of the 400-series Highway. South of the 400-series highway, to Sophia Street is slightly more walkable and may be conducive to a mix of uses more imminently.
- A car centric corridor makes the development of mixed-use very challenging as these types of buildings need walkability and transit to support tenants. Furthermore, many of the existing parcels are small, meaning they do not have the individual land mass to make their sites walkable.
- The City may be challenged to acquire mixed-use development along this stretch, they are pushing for something that is not natural. From a retail perspective, the area also still has many vehicle-centric options (big-box stores etc.), meaning future retailers in a mixed-use format would be at a huge disadvantage.

- The BSC used to serve a much larger geographic area, extending beyond Barrie to other portions of Simcoe and beyond. That said, in addition to Barrie residents, retail uses along this corridor tend to draw people living in Midhurst. In other words, respondents emphasized that retail uses cater to individuals who depend on driving to larger big-box stores available along this corridor.

Tenants Needs Are Changing

- An increasing share of retail / service commercial tenants are seeking spaces that range between 700 and 1,200 square feet. While this has been a desirable unit size historically, a growing sharing of tenants that have often sought larger spaces are also now seeking units of this scale. There was recognition that this shift may bolster the potential for retail as part of more mixed-use development.
- Some of this shift is also tied to growth in demand from food-service retailers (e.g., restaurants, fast-food retail etc.), who generally require smaller units. Landowners identified that any tenanting difficulty they were having was tied to larger units within their existing properties, some 2,000 square feet and above.

Parking is Still Necessary

- In light of the vehicle-centric nature of Bayfield Street, ample parking is still critical along this corridor. It was emphasized that **parking is the life blood of retail** and is often the first thing to be lost with a shift towards mixed-use development. This poses a risk to this corridor which is still very suburban. People want to be able to drive, park and go into stores.
- If surface level parking is available at competitor locations, this becomes an automatic disadvantage for tenants in a mixed-use building. In turn, mixed-use development along Bayfield Street may struggle to find tenants to locate within their commercial spaces.
- It is not uncommon for tenants to impose parking requirements on developments. Something like a clothing retailer or general merchandiser often want 4.5 to 5 spots per site. This inherently restricts the type of development that can be integrated on a site, particularly if a certain tenant is being sought. Some suggested that **tenants are actually driving parking requirements**.
- Others suggested that municipal parking requirements are still an issue and that the City would need to **reassess parking ratios** if mixed-use development is the way they want to go.
- Parking ratios also need to be considered in light of transportation improvements being implemented along the corridor. Interviewees suggested that impacted properties should be given concessions and should not be expected to sustain parking ratios.

- Interviewees vocalized that they feel they would lose all major retailers if there was no or even less parking available along this corridor.
- Parking requirements are sometimes prohibitive to developing residential uses. Recognizing the dominance of driving in this area, there needs to be a balance in what amount of parking is necessary to support residents and attract tenants, relative to what is required to make the redevelopment of these properties viable.

Intensified Development Will Come Eventually

- The market for medium and higher-density development in Barrie is not quite there. To this end, it was vocalized that the City is not interested or prepared for buildings as tall as 10-12 storeys. Intensified development is more often a consideration at locations **supported by higher order transit and walkability**, particularly as markets mature.
- Landowners showed little interest in the development of their properties along Bayfield Street. This is partly as most feel intensified **mixed-use development is not suitable in this area yet** and because existing retailers are still doing well.
- Rather than full redevelopment, some landowners showed interest or consideration for putting residential uses on a portion of their existing site. This would allow for a mix of uses on the site, without impacting the overall shopping areas. In the interim, there could be value in the city straying from the typical "mixed-use" definition, allowing instead for residential uses on commercially designated lands.
- There was sentiment that **landowners are always happy to intensify** if the market is conducive to it. The lack of intensification occurring along this corridor to date likely suggests the area is not ready for it yet.
- In the short-term, there may be more opportunity for intensified development south of the 400-series highway. It is a bit closer to the downtown and the waterfront, likely increasing the prominence of foot traffic and other factors necessary to support more intensified development formats.
- Some landowners indicated that the redevelopment of their sites are impacted by existing agreements, long-term leases and tenant commitments. Others are tied to neighbouring properties, meaning there would have to be agreement across landowners to make any sort of development change. Each of these factors further influence why landowners may or may not consider redevelopment.

Integrating Retail in Mixed-Use Buildings is Challenging Financially

- Rising costs—including construction costs, interest rates, development charges and property taxes—are limiting the desirability and viability of building commercial space in a mixed-use. The lease rates necessary to justify the inclusion are often so high that it then becomes unrealistic from a tenanting perspective.
- More generally, many landowners indicated that that ground floor retail in a residential tower sounds great but often struggles, unless you get high quality tenants. You can see why people would go for straight residential instead because there is less risk involved.

Opportunities for the City to Support Mixed Use

- Anything the City can do to help speed things along is valuable. With landowners and their investors, success is always a function of time. Anything the **City can do to expedite the process** is helpful as a result.
- Many **emphasized the importance of flexibility**, suggesting that flexibility of form and density is what the City should focus on. Emphasizing the importance of a mix of uses on site instead of mixed-use development may be the better approach, particularly in the short-term.
- In the same vein, it was mentioned that the City should **not require all buildings to meet the exact same conditions**. This will just result in everything looking the same, with a lack of vision across the corridor more generally.
- Many places outside of Barrie have **more relaxed parking ratios**, if the City really wants intensified development this is something they could consider.

Appendix B:
Commercial Market Trends

independent retailers are also finding creative ways to tackle affordability and expand their offerings to meet the demands of premium rental rates and other operating costs.

- Traditional large format, "big-box" general merchandise retailers such as Wal-Mart, Costco, Real Canadian Superstore and Canadian Tire have all leveraged an opportunity to serve as a singular source for a full range of typical consumer-grade products, both in the context of physical store locations and their online presence.

- Similarly, retailers such as Shoppers Drug Mart—now affiliated with Loblaw Companies Ltd.—and establishments like London Drugs in Western Canada have now started to offer goods such as groceries, electronics, home furnishings / electronics, which deviate significantly from their original core offering of drugstore products (pharmacy, cosmetics, etc.).

- In an effort to provide a unique offering to local consumers, as well as make ends meet financially, many smaller and mid-sized urban commercial tenants have explored opportunities to broaden their product offerings, including "store-within-a-store" formats and other discernable merchandise mixing that deviate from typical norms. This trend also applies to service providers too (e.g., spaces being operated as cafes by day and bars / drinking establishments by night).

As a function of all of the above, retailers of all sizes and statures (chains and independents) have created significant overlap between what were historically distinct store categories. Unfortunately, this has resulted in retail nodes frequently competing for the same or similar customers, and also for the same individual store tenants. Furthermore, the volume and scale at which larger general merchandisers—including "online-only" platforms like Amazon—are able to purchase goods provides a distinct advantage in cost savings. It is important to note that these **cost savings are rarely matched by retailers operating within more narrowly defined segments and/or at smaller scales, including at the community- or secondary plan-specific levels of geography** (e.g., in the context of many of the specific nodes / settlement areas in Innisfil, as is the subject of this study).

Trend #2:

Segmentation of Commercial Hierarchy

Within the rapidly growing Greater Toronto Area, the retail sector has grown increasingly segmented, reinforcing an urban and suburban divide, as well as yielding a distinct parcelling of retail "winners" and "losers". As highlighted in our corresponding inventory of existing commercial space in the Trade Area, as well as related experience profiling other commercial nodes elsewhere in the region, the separation between various levels of the broader retail/service hierarchy have never been more distinct. The most successful formats as of late include:

- Major **regional and super-regional shopping centres** (e.g., traditional enclosed shopping centres and/or large format, open-air plazas) which have been able to withstand the challenges posed throughout the retail sector in recent years and anchored by a wide selection of national and international retailers. These typically include higher-end, luxury shopping destinations focused on fashion and design, as well as some lower-performing community-scaled shopping centres that are now seeking to reposition their properties as new high density mixed use communities.

- **Local-serving, grocery anchored corridors and districts** able to find success in meeting the day-to-day needs of local residents and employees (e.g., local-serving, community-based retail clusters typically located in either established, stable residential neighbourhoods and/or master planned new communities contemplating significant intensification and redevelopment).

- Traditional **street-facing, fine-grained commercial strips or "main streets"** that often have less clearly defined commercial and community functions. These areas typically include vibrant, animated and trendy shopping and/or entertainment districts or more fledgeling new commercial nodes competing to establish a unique identity and—in effect—a unique customer base. They are not focused exclusively on retail, but rather a broader experience capable of attracting visitation from a much larger geographic area.

Trend #3:

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 that retail/service commercial providers do business. The convenience of shopping from home, the ability to easily comparison shop for products / prices and in many cases to be offered 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 view and characterization in the media that this form of convenience shopping has come directly at the expense of traditional brick and mortar retailers (i.e., as households redirect an increasing proportion of their overall retail spending to these channels), the effects are: (a) largely overstated; and (b) have not been felt equally across all store categories.

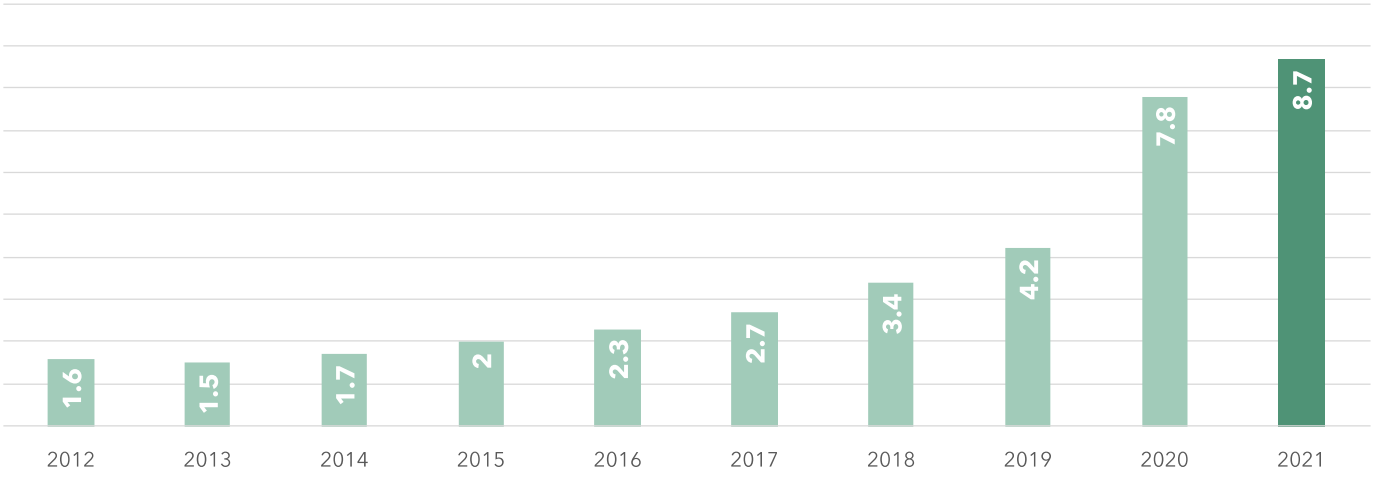
- For better or worse, the true impacts of online shopping are not currently well understood, based on a general lack of available (and reliable) data to properly evaluate the magnitude of these types of shopping activities. There is a significant "grey" area when it comes to capturing expenditures at omni-channel retailers with both 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.).

- It remains to be seen whether the impact of COVID-19 will ultimately represent a more permanent shift in shopping patterns or—at least in part—simply borne out of necessity vs. actual consumer preferences. In-person shopping, dining and other service-provisions continues to be both a necessary occurrence, as well as a desirable leisure-based activity for many.

The figure below highlights the recent growth in e-commerce activity, based on available Statistics Canada data for "Retail Trade". This represents the main source data relied upon in a range of traditional retail market analyses, including that outlined in this study as part of our warranted space / "demand" analysis. Unsurprisingly, the total percentage of sales being redirected to e-commerce has been steadily increasing. That said, excluding "online-only" retail formats such as Amazon, the overall share is not as pronounced as many think, albeit also likely skewed by the underlying quality of this dataset and uncertainty in how these sales are being reported.

Figure B.6.1

Growth in E-Commerce – Percentage of Total Sales (2012 – 2021)



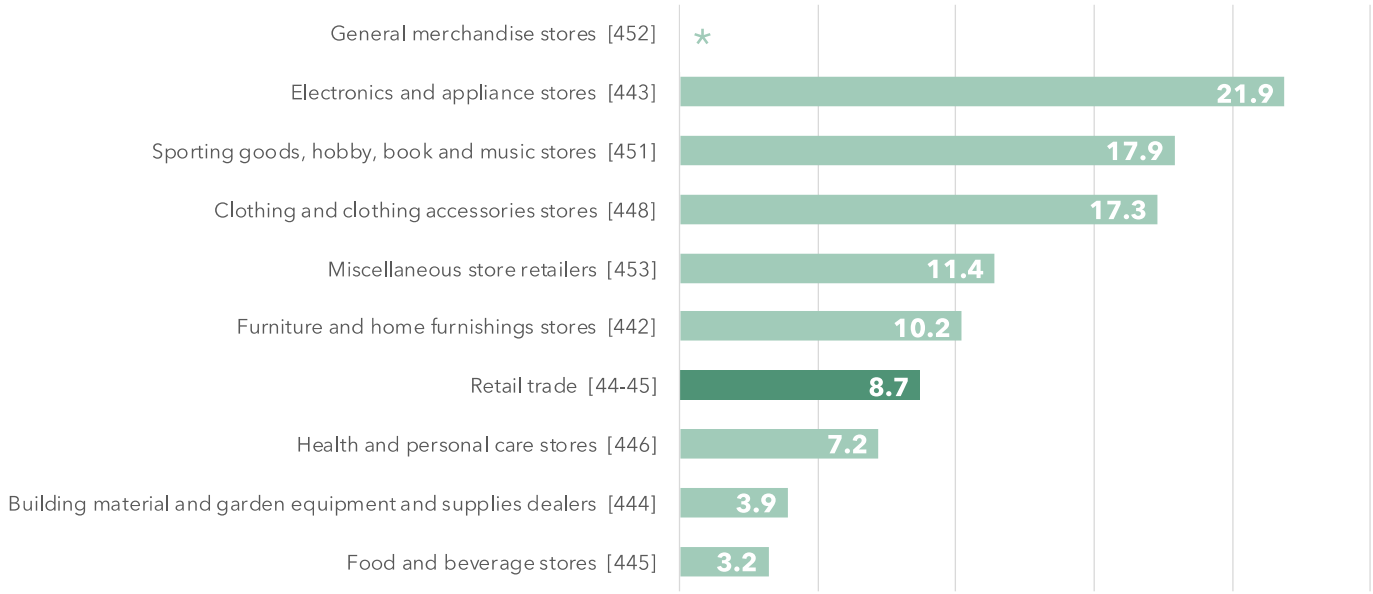
Source: Parcel, based on Statistics Canada Table 20-10-0065-01 (Retail trade, total sales and e-commerce sales).

This figure also demonstrates the lack of consistency across store categories, with obvious variation in the level of e-commerce penetration across traditional market segments that involve material 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 in major shopping districts where consumers can browse for products but ultimately purchasing online. This **limits the extent to which many traditional retailers will now locate in secondary or tertiary locations**—even in major urban centres—instead limiting their physical store presence to a few selected locations.

Figure B.2

Growth in E-Commerce – Percentage of Total Sales by Subcategory (2021)



Source: Parcel, based on Statistics Canada Table 20-10-0065-01 (Retail trade, total sales and e-commerce sales).

*Percentage of e-commerce sales for the General merchandise stores category suppressed for the purposes of confidentiality by Statistics Canada (per requirements of the Statistics Act). Equivalent data for previous annual periods since 2012 were in the range of 0.2 to 0.7.

Trend #4:

Typologies & Unit Sizes

As a function of both broader shifts in the retail sector (e.g., e-commerce, segmentation of "winners" and "losers", etc., as noted earlier), as well as challenges to affordability of commercial space in an environment with heightened operating and development-related costs for all types of real estate, there has been a renewed emphasis on unit sizes and typologies in the context of the delivery of new / operation of existing commercial spaces. These can differ substantially across locational contexts.

Fine-Grained Commercial Corridors

In the context of the Greater Toronto Area and across much of North America, there has been a renewed focus on retail "main streets" and other related commercial corridors. Regardless of their overall health and real estate performance, these **typically take the form of well-established, neighbourhood-oriented commercial corridors on major arterial roads**. In many cases, these areas are primarily centred around downtowns (e.g., Downtown Oakville), near higher order transit infrastructure and/or around premier shopping and cultural destinations capable of leveraging their own unique identities and therefore customer draws that have been established over many decades (e.g., Toronto's West Queen West or Yorkville neighbourhoods).

Although routinely accommodating much larger retail anchors and chain stores as well, smaller unit sizes in this type of commercial environment typically range between 800 to 1,500 square feet and often favour independent retailers and/or service providers (e.g., restaurants / cafes / bars, boutique shops, etc.).

By comparison, these types of commercial environments can be challenging to establish "from scratch" in new-build contexts, especially in the absence of one or more of the following pre-conditions:

- Substantial existing and/or planned residential densities offering a source of "built-in" customer support and a scale of development that supports viable mixed use projects;
- Replacement or evolution of pre-existing commercial functions that are being repurposed and/or "right-sized" through redevelopment (e.g., mall redevelopment or infill projects); and/or,

- Locations offering immediate access to higher-order transit infrastructure (e.g., major transit station area developments or similar).

Mixed Use Feasibility

Although not comprising a core element of the scope of work for this study, 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, it is unsurprising that market residential uses continue to represent the "highest and best use" of lands throughout Barrie, consistent with surrounding Simcoe County, and across many other parts of the GTA / beyond. Despite the historically favourable market conditions for residential development, however—mixed use projects are often challenged or overburdened financially by the cumulative effects of various other limiting factors affecting feasibility (e.g., including requirements for commercial or other non-residential space where demand may not be available, but also conditions such as carve-outs for other non-revenue or relatively limited revenue-generating uses, such as affordable housing, parkland dedication, etc.).

Based on our own experience preparing development pro forma analyses for both public and private sector interests, any time that 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 that begins to look elsewhere. This represents a material risk to new developments and—for better or worse—could counteract the underlying evolution intended for Bayfield Street. For retail / service commercial uses at this type of location in particular, this dynamic could be especially strong given more restrictive walkability and transit in the area, further enhancing the risk of introducing retail space as part of a mixed-use building. Furthermore, there is likely not **sufficient demand from tenants for this type of space in the market today to command the commercial rents (i.e., revenues) necessary to counteract the significant capital costs of this type of construction**. Along with factors such as expensive underground parking, these underlying conditions can be especially impactful for smaller properties and developments **that are generally less capable of spreading the added costs (or reduced revenues) across much larger projects**.

Lastly, notwithstanding the potential successes or failures of other mixed-use developments across the GTA as of late, the past several years have brought significant challenges to the advancement of feasible real estate projects of any / all kinds. This includes **record increases to hard construction costs, a rising interest rate environment, as well as shifting land use policy conditions at all levels of government** that have caused additional uncertainty and risk. All of these factors have affected the delivery of a full range of preferred development formats and use types, including but not necessarily unique to retail/service commercial uses. In this manner, commercial uses have become similar to affordable housing insofar as they represent important elements of complete and healthy communities, but ultimately extremely challenging to achieve due to strained financial feasibility conditions.

These conditions may encourage landowners to sustain the existing function and operation of commercial uses on their sites, particularly given continued demand from tenants in the near term.



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