



urban  
Metrics

# NEYAGAWA URBAN CORE

## Commercial Demand Study

Oakville, Ontario

Prepared for Argo Neyagawa Corporation

March 11, 2024



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# ARGO

**DEVELOPMENT CORP**

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March 11, 2024

Mr. Bartosz Lopat,  
Argo Neyagawa Corporation  
4900 Palladium Way, Suite 105  
Burlington, ON, L7M 0W7

Dear Mr. Lopat,

**RE: Neyagawa Urban Core – Commercial Demand Study (Oakville, Ontario)**

urbanMetrics inc. is pleased to provide Argo Neyagawa Corporation (“Argo”) with the following Commercial Demand Study relating to the lands located to the northwest of Neyagawa Boulevard and Burnhamthorpe Road, known municipally as Part of Lot 20, Concession 2, North of Dundas Street. It is our understanding that Argo is seeking to develop this site as a new residential neighbourhood and have retained urbanMetrics to assess the market opportunity for a potential non-residential commercial component for consideration as part of their preliminary development concept plan. Based on our analysis, it is our professional opinion that the subject site is not a viable location to accommodate a significant amount of commercial space. Additionally, other, better suited locations, in the Neyagawa Urban Core are expected to offer a sizable amount of commercial space that will contribute to the planned function of the Neyagawa Urban Core.

Overall, based on the research and analysis provided in our study, it is the opinion of urbanMetrics Inc. that the opportunity for the Site to accommodate any degree of commercial uses is marginal, at best, relative to the overall amount of space that will be in demand from local residents over the long-term. Furthermore, this study also finds that the Argo site would be better suited to being developed with intensive residential housing supply as shown on the preliminary development plan, rather than to attempt to accommodate a small amount of commercial space.

It has been a pleasure conducting this study on your behalf.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Shawn Donahue".

Shawn Donahue, PLE  
Partner,  
urbanMetrics Inc.

A handwritten signature in black ink, appearing to read "Rowan Faludi".

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

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# 1.0 Introduction

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# 1.1 Background

urbanMetrics inc. (“urbanMetrics”, “uMi”) has been retained by Argo Neyagawa Corporation (“Argo”) to provide a *Commercial Demand Study* evaluating the market opportunity for a potential non-residential commercial component to be incorporated into the development of their lands proposed for the northwest corner of Neyagawa Boulevard and Burnhamthorpe Road West (the “Subject Site” or “Site”) in the Town of Oakville, ON (the “Town” or “Oakville”). This land use component is being contemplated as ancillary part of a broader preliminary development concept proposed to consist largely of a range of residential unit formats presently under consideration by Argo.

In total, Argo’s Site, as shown in Figure 1-1 below, comprises approximately 11.3 ha (27.8 acres) and forms a significant portion of the lands representing the northwest quadrant of the Neyagawa Urban Core Area. This Core Area is intended to allow for a variety of land uses and higher density forms of development. Argo’s preliminary block concept plan indicates a potential development yield of approximately 1,000 residential units of various types on the Subject Site. The residential units are currently proposed to consist of a mix of townhouse and apartment units. The potential for up to 10,000 ft<sup>2</sup> of ground floor commercial space is also being contemplated by Argo, as an ancillary component of a high density mixed use parcel that is under consideration for the southeast corner of the Site. uMi has been asked, by Argo, to evaluate the suitability of the Subject Site for retail/service commercial uses as well as to assess the opportunity for these types of uses on the Subject Site from a market demand perspective.



Figure 1-1: Subject Site Location

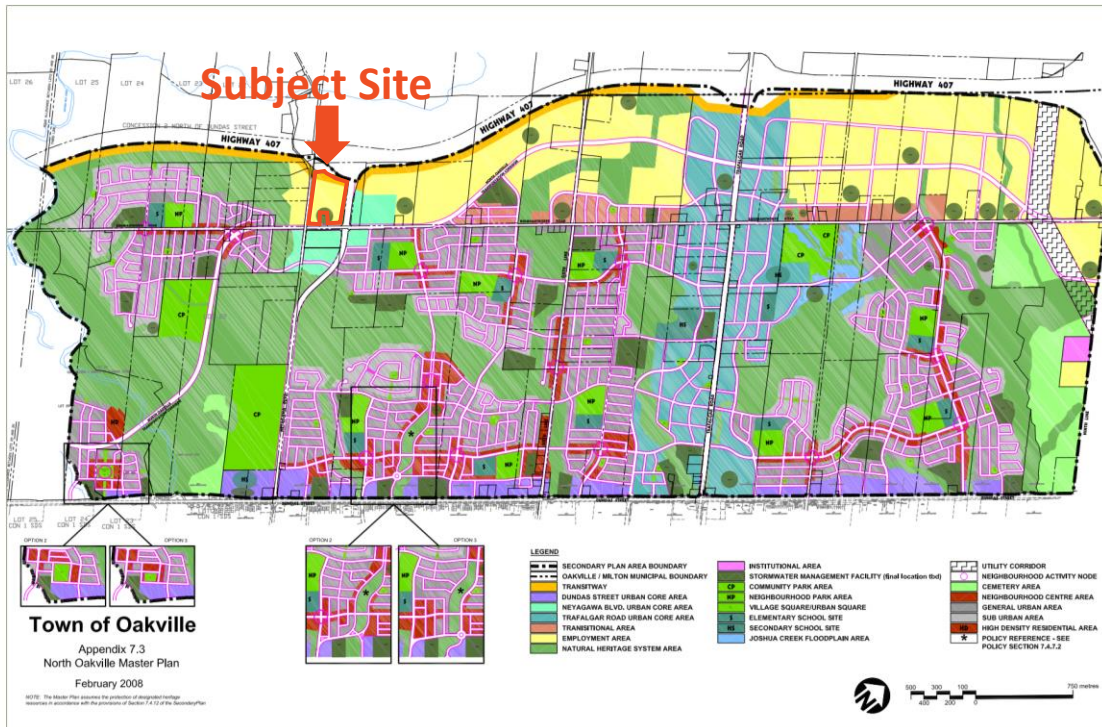


SOURCE: urbanMetrics Inc. with ESRI Basemap.

## 1.2 Oakville Planning Context

The North Oakville East Secondary Plan (NOESP) was passed in February, 2008 and delineated a wide range of land uses, as shown in Figure 1-2, to follow. Within the NOESP area, three Urban Core Areas (“UCA”) have been designated. According to the NOESP policies, the Trafalgar Urban Core is identified as the primary UCA of the NOESP’s commercial structure. This UCA is intended to be “...the focal point for development in North Oakville East...” (s. 7.5.14). The Subject Site forms part of the lands designated within the Neyagawa Urban Core of the NOESP. The NOESP policies for this UCA, define that the Neyagawa UCA is intended to provide a mixed use area that could accommodate a range of commercial, residential and institutional uses as a focal point of the western portion of the NOESP. Also, the policies have not prescribed any specific size, scale or composition of these uses for the UCA. However, one of the key defining criteria influencing the development potential of the range of uses for the Neyagawa UCA is that land uses included in the mixed use area be developed “...at lower densities than [sic] those found in the Trafalgar Urban Core...” (s. 7.5.16).

Figure 1-2: North Oakville East Master Plan Map



SOURCE: Town of Oakville, *North Oakville East Master Plan Map*. Subject site identification by urbanMetrics Inc.

Generally, most of the UCAs in north Oakville are situated along major traffic corridors and as shown in Figure 1-3, intersect with one another in a focal point at Dundas Street East and Trafalgar Road. In contrast, the Neyagawa Urban Core is generally isolated from the other UCAs defined in north Oakville and its location is largely sheltered from higher volumes of traffic given the detachment of the local road infrastructure and the obstruction of the Highway 407 corridor. Relative to the other UCA nodes in north Oakville, the Neyagawa Urban Core is likely to function more in an ancillary capacity within the Town’s broader commercial structure, given its more isolated location characteristics.

Figure 1-3: Select Urban Core Areas



SOURCE: urbanMetrics Inc., based on appendix 7.3 of the NOESP, and Appendix E of Update Report – Halton Region Joint Best Planning Estimates, August 15, 2023.

## Population Density Increases Proposed for the NOESP

As identified in section 7.3.6.1 of the existing NOESP, the target buildout population for the NOESP planning area was originally directed at between 45,000 and 55,000 residents. However, recent changes in the planning directives of the Town have set new, more aggressive, growth objectives for the future, to provide for more intensive, higher density, built forms of development. Through a joint, collaborative effort, put forth by the Town and the Region of Halton, called the Joint Best Planning Estimates (JBPE), new preliminary housing forecasts for Oakville have been developed (see Appendix A for details relating to the JBPE). These new housing forecasts have significantly increased the long term population growth target for the Town overall as well as set new individual targets for specific sub-areas. Specifically, the NOESP area is forecast to allow for upwards of 142,000 residents in this sub area. This updated forecast will result in achieving a threefold increase in the NOESP population targets over those previously planned for in the NOESP policy area.

As a result, in order to achieve these updated population targets and given that the land supply of the area is largely predetermined, it will require a significant increase to the overall land use densities planned under the current NOESP policies.

Until recently, the Subject Site was planned as part of the Town’s future employment land inventory and were not expected to accommodate any share of the NOESP population targets. As such, Argo’s proposed residential development of the Subject Site is considered as a new source of supply to contribute towards the Town’s updated future housing supply targets for the area and will add upwards of approximately 2,000 additional residents to the population potential of the NOESP. However, it is also important to acknowledge, that any increase in commercial non-residential land uses assigned to the Subject Site, will likely result in an increase in the need for additional surface parking supply thus reducing the amount of land available to accommodate higher density residential built form on the Subject Site.

## 2.0 Site Assessment

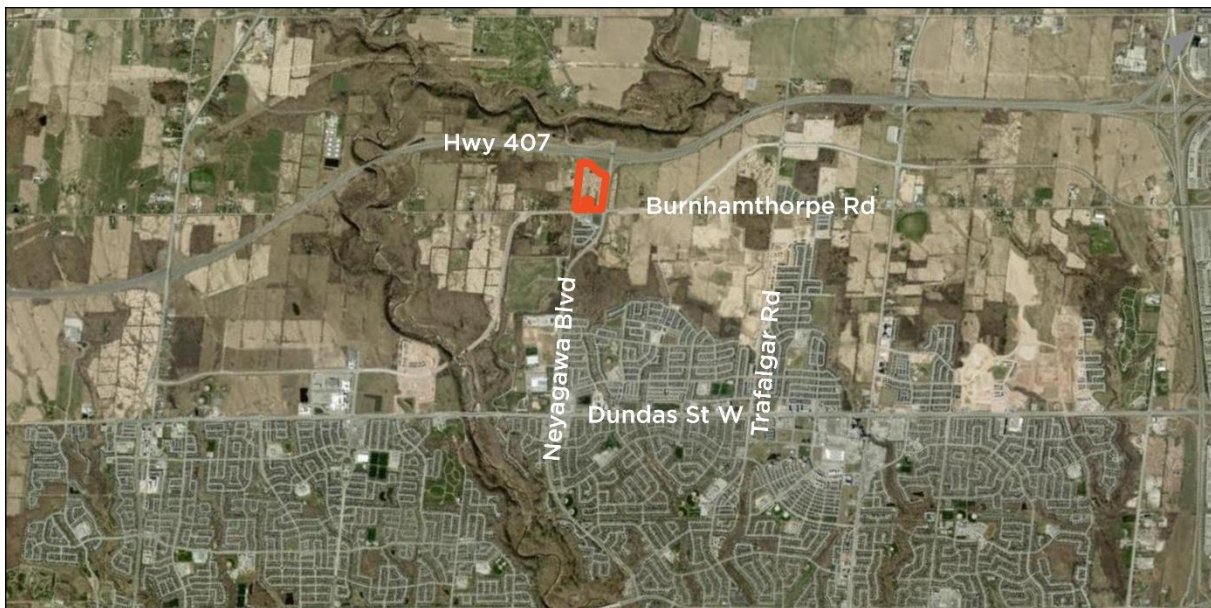
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This section of the report provides a more detailed assessment of various physical characteristics of the Subject Site as they relate to the potential for a possible non-residential commercial space component. Specifically, this assessment provides commentary relating to the suitability and competitive character of the Subject Site to deliver a portion of future commercial uses anticipated to form part of the Neyagawa UCA of the NOESP.

## 2.1 The Subject Site Location

The Subject Site is situated approximately 600m south of the Milton-Oakville municipal boundary (see Figure 2-1), just south of the Highway 407 Corridor. Currently the Subject Site is largely used for agricultural purposes and is planned to form part of a significant future greenfield development area for the remaining undeveloped north district of the Town. These lands are referenced municipally as Part of Lot 20, Concession 2, North of Dundas Street. The Subject Site also forms part of a broader area designated as the future Neyagawa Urban Core of the NOESP.

Figure 2-1: Subject Site Location



SOURCE: urbanMetrics Inc., with ESRI basemap.

## 2.2 Proposed Development Concept

Argo's preliminary block concept for the Subject Site proposes to develop a future residential inventory of approximately 350 townhouses and 650 apartment units. The design of this concept plan takes into consideration the Subject Site's frontage at the intersection of two major arterial roads bounding the Site and forms the centre of the Neyagawa UCA. This block plan also takes into account other significant characteristics of the Site in its design and distribution of the various residential unit types over the property.

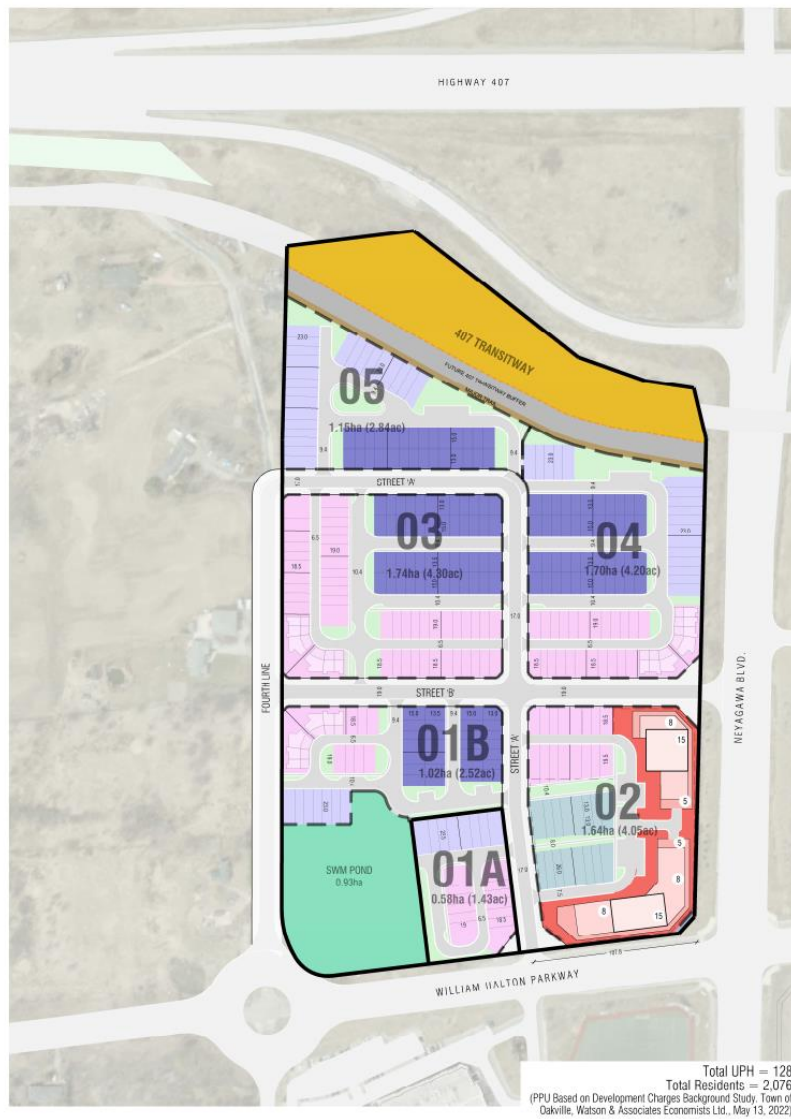
To increase site density and contribute to the broader objectives of the Neyagawa UCA, the preliminary block concept plan developed by Argo, shown in Figure 2-2, is proposing higher density residential apartment blocks along the southeast portion of the Site that fronts onto Neyagawa Boulevard and Burnhamthorpe Road West. In this concept, Argo is also contemplating whether the higher density blocks could be developed in a mixed use format through the consideration of incorporating a small ground floor commercial component of up to 10,000 square feet of convenience oriented retail/service uses. While this commercial component would potentially benefit from the traffic exposure characteristics associated with the southeast portion of the Subject Site, it is important to acknowledge that other characteristics of the Site significantly confine the opportunity to deliver a sizable amount of commercial space, in a high-density mixed-use format without coming at the expense of the residential density on the Site. Therefore, relative to these factors and objectives, the scale of viable commercial uses that are under consideration by Argo for the Subject Site, in fact, reflect a scenario for the upper limit<sup>1</sup> of commercial uses that could reasonably be under consideration on the Subject Site and supported by localized sources of resident consumer demand.

This preliminary block concept for the Subject Site has also taken into consideration the requirements for internal roads, stormwater management, parking, and potentially a future transitway along Highway 407.

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<sup>1</sup> It should be noted that there is an inherent trade-off between the delivery of increased residential supply and ancillary commercial uses on the Subject Site, particularly in the absence of any extensive public transportation and corresponding reduction in parking, where one use will ultimately come at the expense of the other use in a mixed-use development format. Given a balance is needed between the size and scale of the commercial component as well as the needed parking requirements relative to the parcel size of the subject site, a simplifying assumption for this analysis is that the most efficient use of the subject site is to first accommodate new housing supply followed by commercial uses as an ancillary use for the development of the Subject Site.

Figure 2-2: Preliminary Concept Plan



**DRAFT**

ARGO NEYAGAWA | Oakville, Ontario  
 PRELIMINARY CONCEPT PLAN

- All Units to Meet or Exceed Otherwise Noted
- Base Information Obtained From Various Sources And Is Approximate
- Schedule / Plan Information is Conceptual And Requires Verification by Appropriate Agency
- Aerial Photo: Google Earth



DEC 11, 2023  
 PROJECT 2142  
 SCALE 1:2000

**CP-42**

SOURCE: Gerrard Design, *Preliminary Concept Plan CP-43*. December 2023.



## 2.3 Site Context for Commercial Uses

The area surrounding the Subject Site is largely in a rural state, however the area is expected to change significantly in the near future as the development of north Oakville advances. As Figure 2-3 illustrates, the Site is presently surrounded by agricultural lands, an institutional academic use, natural heritage system (NHS) space, and a small enclave of lower density residential uses. The Site is also somewhat disconnected from the areas to the north by the Highway 407 corridor and the current impasse to traffic between Neyagawa Boulevard and Fourth Line. The existing surroundings are largely undeveloped. Specifically, the current state of the surrounding lands are summarized as follows:

- North: Highway 407 lies directly to the north, with natural areas and the Oakville-Milton boundary north of the 407.
- East: agricultural uses extend east of Neyagawa Boulevard.
- South: a private high school is located on the south side of Burnhamthorpe Road West, with a residential townhouse subdivision south of the school. Agricultural lands are located to the southeast of Neyagawa Boulevard and Burnhamthorpe Road West. Natural heritage system lands run generally east-west south of the agricultural and residential lands.
- West: agricultural and estate residential uses lie to the west of the subject site, with natural heritage system lands to the west of these lands.

Figure 2-3: Subject Site Context



SOURCE: urbanMetrics Inc. with ESRI imagery.

## 2.4 Site Access

### Vehicle Access

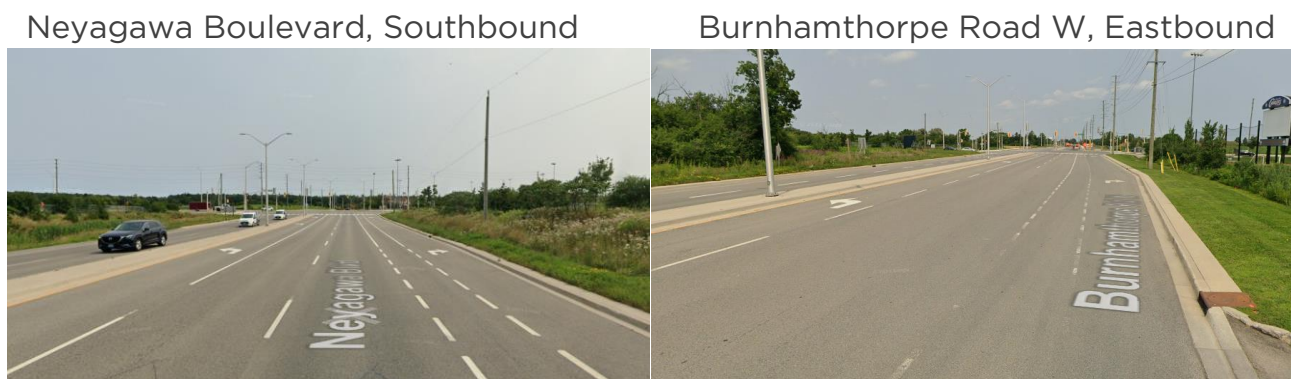
The Subject Site is accessible by two Major Arterial roads as identified on Schedule C of the Livable Oakville Official Plan: Neyagawa Boulevard (ending to the north at Highway 407) and Burnhamthorpe Road West. As shown in Figure 2-4, both Neyagawa Boulevard and Burnhamthorpe Road West have been upgraded to 6-lane roads with a concrete median in the vicinity of the subject site. These roads provide the primary connectivity to the Subject Site and will be used mainly by residents of north Oakville to access other areas of the Town or neighbouring municipalities.

However, the width of each arterial road and the existing median at the intersection of Neyagawa Boulevard and Burnhamthorpe Road West limits the ingress and egress to the subject site and may create an impediment for some automotive traffic to access the property from the west and south. Further, these road characteristics are not ideal for supporting a pedestrian friendly environment for commercial customers, particularly for pedestrian traffic derived from the areas south of Burnhamthorpe Road West and east of Neyagawa Boulevard. These road

characteristics also prevent the opportunity to provide for on-street parking to facilitate quick access by potential customers to commercial businesses.

It is also our understanding that direct access to the Subject Site will be limited to a right turn in, right turn out access onto the Argo lands. As such, accessibility to the Subject Site for most pass-by traffic will have to be provided from the local road network from within the Site. These characteristics are viewed as an impediment for various types of auto-oriented commercial uses and will limit interest levels from various types of retail tenants requiring maximum accessibility to customer traffic.

Figure 2-4: Road Access



SOURCE: Google Streetview, August 2023.

Also to benefit the most from being situated in the Neyagawa UCA, customer traffic patterns, at the intercity level, demonstrate that tenants are more likely to favour commercial sites on the northeast and southeast corners of Neyagawa Boulevard and Burnhamthorpe Road West due to the ease of access of these sites and their ability to capture larger pass-by traffic.

The Highway 407 Neyagawa exit connects to Neyagawa Boulevard and provides regional east-west vehicle access. However, Highway 407 is a toll road and retail customers typically are unlikely to use a tolled highway to access a neighbourhood scale shopping location providing no direct benefit to a commercial component on the subject site.

Similarly, it is our understanding that Halton Region plans to extend Neyagawa Boulevard north across Sixteen Mile Creek to connect to the James Snow Parkway in Milton in the future. However, as Milton has a significant amount of local retail locations planned, and there is already existing retail in Oakville in the near vicinity

of the Subject Site, this connection is not expected to result in a significant inflow or outflow of customers.

## Parking

Private vehicles are expected to be the primary mode of access for the Subject Site. As such, this will require a significant amount of surface land area to accommodate the parking requirement of tenants and customers. In order to accommodate residents in apartments, underground parking may only be feasible at the highest scales of development, evading the need for large surface parking lots. However, from a competition context, most commercial tenants most certainly prefer commercial locations which can provide surface parking, due to their ease of wayfinding and convenience for their customer base.

Further, various impediments associated with the physical characteristics of the arterial road system in the vicinity of the Site along Neyagawa Boulevard and Burnhamthorpe Road also prevents the likelihood that any form of on-street parking supply could ever be realized along these corridors. This adds an additional obstacle to achieving greater intensification of residential uses on the Site, through having to allocate a redundant share of the Site's land area towards providing onsite parking for ancillary non-residential uses. Without allocating for the appropriate amount of surface parking on the Site, this directly influences the function of any commercial component and impacts occupying tenants' ability to easily accommodate customers from beyond the immediate vicinity of the Subject Site. In contrast, competing stand-alone commercial centres proposed to the east of Neyagawa Boulevard, opposite the Subject Site, are expected to be serviced with onsite surface parking, as well as local street connectivity to their surrounding neighbourhoods, making these commercial locations more attractive to tenants and customers.

Overall, while the Subject Site has good exposure to vehicle traffic, direct access to the Site is constrained by various site related impediments limiting the ability of off-site customers to access the proposed commercial uses on the Subject Site.

## Transit Access

There is currently no transit access to the Subject Site, however Neyagawa Boulevard and Burnhamthorpe Road West are both identified as future Secondary Transit Corridor Service roads in Figure NOE 4 of the NOESP and are likely to have transit service added in the future. Consideration for a transitway stop on the north end of the subject site, which would run along Highway 407, is also contemplated. However, a final decision with respect to this transit stop by transit officials has yet

to be made. This transitway would be primarily used for interregional transit. In general, interregional transit is typically not viewed as a significant mode of access for neighbourhood scale retail uses.

## Active Transportation Access

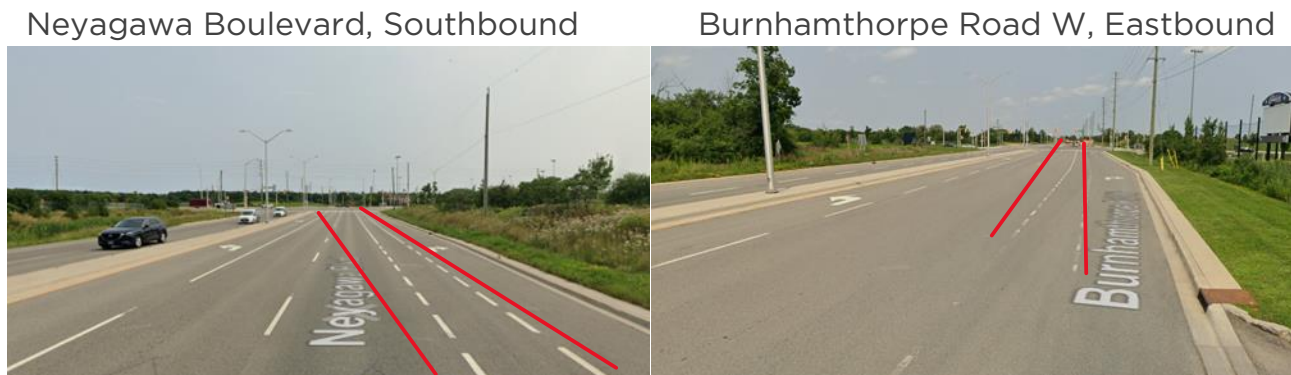
The block design of the Subject Site provides for an internal street network, which facilitates internal active transportation. However, the external infrastructure of the area surrounding the subject site are likely to require a range of upgrades to improve access to the Subject Site for commercial customer traffic via active transportation means.

The preliminary sidewalk connections have been installed on the corners of the Neyagawa Boulevard and Burnhamthorpe Road West. There is also an asphalt walkway on the west side of Neyagawa Boulevard on the south side of Burnhamthorpe Road. Upgrades and additional active transportation infrastructure is likely to be needed in the future as the area develops. To provide the adequate capacity to encourage the safe movement of commercial customer traffic internally within the Neyagawa UCA is likely to require upgrades to localized infrastructure in order to address the current design of the arterial road infrastructure used to manage large volumes of vehicle traffic passing through the Neyagawa UCA. The design of localized infrastructure that currently exists for managing pedestrian movements in the Neyagawa UCA is not well suited to support the movement of pedestrian customers to gain access to a commercial component on the Subject Site particularly for pedestrian traffic derived from the areas to the south, east.

There are on-street bike lanes on both Neyagawa Boulevard and Burnhamthorpe Road West as shown in (Figure 2-5), however as they are not physically separated and are on high-traffic routes they are not expected to be significant routes of cycling access to the subject site.

Overall, based on the current state of external infrastructure investment supporting active transportation for the general area surrounding the Subject Site, it is not expected that this mode of accessibility will contribute a significant source of customer support for commercial uses on the Subject Site.

Figure 2-5: Bicycle Lanes



SOURCE: Google Streetview, August 2023. Bicycle lane identification by urbanMetrics.

## Site Assessment Conclusion

Overall, a very limited scale of commercial uses are feasible on the Subject Site, most of which are only possible primarily due to the immediate proximity of a localized population source resulting from the broader development of the Site and secondly because of its central location in the Neyagawa UCA. However, a commercial component directly within the subject site is not vital to the realization of residential uses on the Argo Site and in fact is more likely to ultimately limit the opportunity to optimize the residential density population of this location within the Neyagawa UCA. As a commercial location offered in a mixed-use format, the Subject Site has a range of site-related challenges which constrain its potential to becoming a preferred location for various types of commercial tenants. Given the property's limited parcel size, positioning along the north side of Burhamthorpe Road West, ingress and egress characteristics, accessibility impediments for traffic, impaired attraction for pedestrian use and limited capacity to provide at-grade parking, the scale of commercial uses that can be achieved on the site are unlikely to significantly contribute to the greater purpose of the Neyagawa UCA. Given these challenges and the Town's objectives to move forward with higher density residential development, it would be more impactful for the quadrant of the Neyagawa UCA containing the subject site, to focus primarily on the delivery of additional housing supply rather than accentuate the need for a limited scale of commercial uses in a mixed-use format.

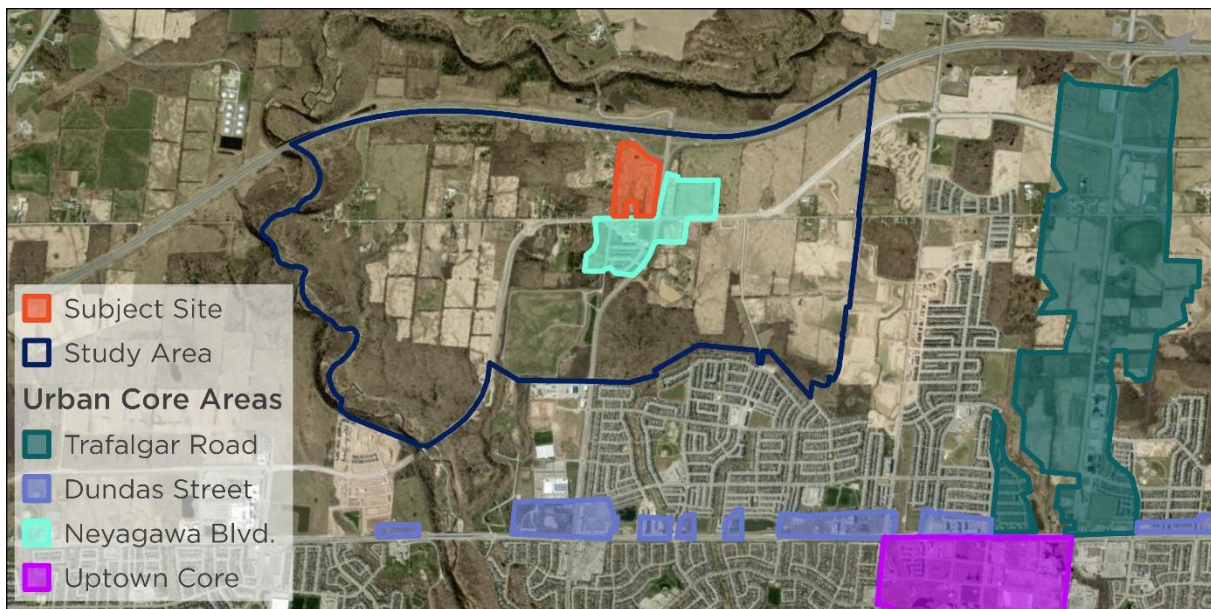
## 3.0 Study Area

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The overall market influence of commercial space often extends beyond any prevailing and defined geographic area. However, in order to define the extent of the captive market for any new commercial space to be added to the marketplace as well as to gather any associated competitive inventory and consumer profile data to assess competitive market conditions, it is vital to establish a geographic study area for context. The following section summarizes the market specifications and rationale relating to a study area that will be used for gathering data to assess the opportunity to incorporate a commercial component onto the Subject Site.

Proximity and convenience are major considerations for customers that will support any neighbourhood scale commercial uses. Taking this into account the study area delineated by uMi for this analysis was defined to be approximately equidistant between the three UCAs of north Oakville, as shown in Figure 3-1. Given the predominantly greenfield character of the area, the current market conditions are not an accurate reflection of the area’s future market conditions, and as a result, uMi has determined it is unnecessary to employ license plate surveys or mobile phone data in the delineation of a study area.

Figure 3-1: Study Area Boundaries



SOURCE: urbanMetrics Inc, with ESRI basemap

This study area will be used to identify where existing retail uses are established relative to the Neyagawa UCA as well as to estimate the future population levels that will support any future commercial space incorporated into the development of the Subject Site.



## 4.0 Population and Retail Space Estimates

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The study area population estimates and retail space forecast to follow, have been based on a review of development application data and a series of overarching simplifying assumptions used to estimate the development buildout potential of the lands located within the study area. These forecasts represent the latest available information representing the full buildout potential of the area and are not associated with any specific development phase or target year.

## Buildout Population Estimates

Figure 4-1 to follow, summarizes the distribution of estimated buildout population across the study area. These estimates are based on a variety of sources including:

- 2021 Census data;
- Land use distribution based on NOESP land use schedules;
- Population estimates using the latest published development application data and assumed persons per unit (“ppu”) factors;
- Preliminary development numbers shared by private developers with Argo for sites which have not yet submitted an application; and
- uMi estimates applying predefined housing density assumptions and ppu factors for the remaining vacant land in the study area.

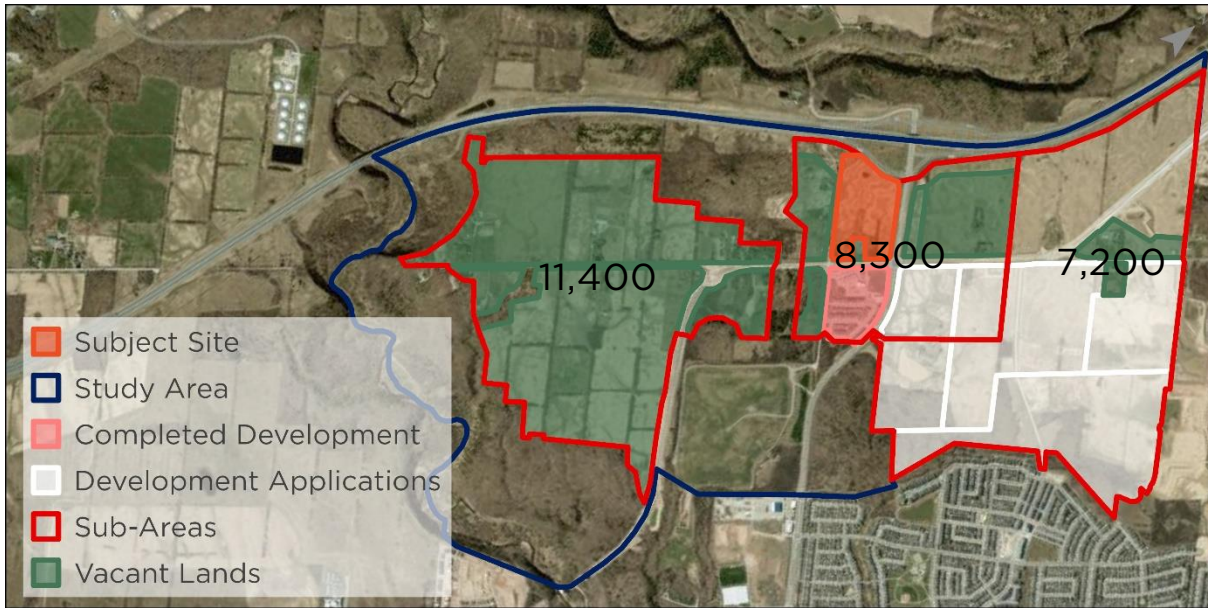
In estimating the development potential of the lands comprising the study area, uMi’s has also made various simplifying assumptions to account for Natural Heritage System (“NHS”) lands, major roads, and other non-developable lands in our calculations.

Based on these data sources and assumptions, uMi forecasts that the study area will contain approximately 26,900 residents on buildout.<sup>2</sup> The assumptions and methodology used to calculate the population and retail potential of the study area components, shown below, are detailed in Appendix B. Also, as shown below, over 40% of the study area population is expected to live west of the Neyagawa Urban Core, where there are currently no significant commercial sites presently allocated for.

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<sup>2</sup> The Neyagawa Core population forecast in the JBPE is 10,500, while urbanMetrics forecasts 8,300 residents. This is likely the result of the inclusion of a significant non-residential component on the northeast corner of Neyagawa Boulevard and Burnhamthorpe Road West, assumed by uMi based on discussions with Argo regarding the preliminary intentions of other local stakeholders in the study area, as well as the use of PPU’s from the Town’s DCBS as opposed to the higher JBPE 2051 PPU’s.

Figure 4-1: Study Area Population and Retail Space at Buildout



Component	Population	Retail (sq.ft.)
<b>West of Neyagawa UCA</b>	<b>11,400</b>	<b>0</b>
Vacant Land	11,400	0
<b>Neyagawa UCA (Regional)</b>	<b>8,300</b>	<b>186,200</b>
Vacant Land	3,300	150,000
Subject Site	2,100	0
Completed Development	500	0
Development Applications	2,400	36,200
<b>East of Neyagawa UCA</b>	<b>7,200</b>	<b>13,400</b>
Vacant Land	700	0
Development Applications	6,500	13,400
<b>Total</b>	<b>26,900</b>	<b>199,600</b>

SOURCE: urbanMetrics Inc., based on 2021 Census data, 2022 Oakville DCBS PPU, Census undercoverage ratio, development application data from Town of Oakville. with Town of Oakville Development Applications shapefile from Open Data Portal. Development application shapefile used under the following open data licence: <https://www.oakville.ca/town-hall/town-studies-plans-projects/town-initiatives/open-data/open-data-licence/>

## Potential Commercial Space Assumptions

Based on the significant increase in the population levels now being planned for in north Oakville, as well as the geographic extent and overall distribution of population to be developed across study area, uMi has assumed that there will be a need for additional concentrations of commercial space over multiple locations throughout

the NOESP area (i.e. including the study area). Also, depending on the ultimate density allocation throughout the NOESP, it is also reasonable to assume these additional commercial locations will most likely be needed in the areas to the southeast and the west of the Neyagawa UCA, the areas which provide the largest concentrations of future population potential.

While the allocation of commercial demand of these areas are yet to be determined, the following preliminary sources of commercial space have been taken into account in determining the amount of commercial that would be appropriate for the Subject Site.

- Currently, there are three applications containing approximately 49,600 ft<sup>2</sup> of commercial space in the study area, proposed for the southeast quadrant of the Neyagawa Boulevard and Burnhamthorpe Road West intersection.
- Based on preliminary information obtained on these parcels, uMi has assumed that the northeast quadrant of Neyagawa Boulevard and Burnhamthorpe Road West intersection, currently designated for employment uses, will also provide commercial uses. This quadrant is estimated to have the potential for between 108,000-150,000 ft<sup>2</sup> of commercial retail space. There is also consideration for additional other non-residential uses such as a hotel in this quadrant.

Therefore, for the purpose of the demand analysis to follow, the assumed commercial space development potential identified for the Neyagawa UCA is estimated at approximately 186,100 ft<sup>2</sup>. This does not include any potential commercial space on the Subject Site.

## 5.0 Per Capita Retail Analysis

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The following analysis estimates the approximate amount of local serving, convenience-oriented commercial space that local residents are likely to support, throughout the study area and beyond, when the long-term buildout population target for the study area is achieved. This analysis is based on current space per capita demand levels for convenience-oriented retail and service commercial categories. This group of retail and service categories are considered to be the most common and appropriate type of tenants uses for a commercial component within a high-density mixed-use development or neighbourhood retail centres. Large format retailers, clothiers, and others various non-discretionary goods retailers, that would generally have more refined location criteria than appears to be available within the Neyagawa UCA environment, have been excluded from this analysis. This analysis also takes into consideration the influence of market support derived from both consumer “inflow” and “outflow” traffic.

## Study Area Buildout - Commercial Space Demand

As shown in Figure 5-1, the demand analysis estimates that at a target buildout population level of 26,900 people, study area residents would support up to approximately 316,800 ft<sup>2</sup> of convenience-oriented retail and service commercial uses<sup>3</sup> located throughout the study area and beyond. This estimate also includes demand generated from the local population residing on the Subject Site.

As previously identified, there is approximately 199,600 ft<sup>2</sup> of commercial space anticipated to be developed elsewhere in the study area, excluding any commercial component on the Subject Site. This space, largely proposed across the eastern quadrants of the Neyagawa UCA, will contribute directly to satisfying the immediate needs of the local resident population. Further, it is important to also recognize that other existing commercial shopping destinations, located elsewhere throughout north Oakville and beyond, will also continue to offer viable alternative shopping options for study area residents.

The residual or ‘market gap’ of approximately 117,200 square feet of unallocated market potential estimated over the long term for the study area, is not a symptom that residents commercial needs are being left unmet but rather an indication that there will be opportunities, in the long term future, for additional local competition to be added and supported by growing demand from local residents. In fact, the

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<sup>3</sup> It is important to note, that these space estimates are intended solely as guidelines and should not be interpreted as absolute values for any specific tenant category or commercial location in the marketplace. Furthermore, the calculation of these estimates are dependent on range of market variables and trends as well as being subject to a wide variety of delivery models to service consumers.

allocation of additional commercial space, warranted over the longer-term horizon, will likely be better suited to be established in other locations in north Oakville, rather than in the Neyagawa UCA, as these neighbourhood continue to grow in population and density.

Taking into account the anticipated geographic distribution of population throughout the study area relative to the limited number of locations currently identified to service the future commercial needs of a future resident population that is anticipated to increase at a rate three times higher than previously planned for, it is likely that other future commercial nodes will be required in the study area beyond the planned function of the Neyagawa UCA. For instance, the lands situated to the west of the Neyagawa Urban Core are currently estimated to accommodate 11,400 people in the future. This size of population would be sufficient enough to support commercial anchor tenants such as a modern format supermarket and drug store, as well as other ancillary retail/service uses. Given the characteristics of this sub-market within the study area, it is likely that a future neighbourhood scale commercial location will need to be defined for this area in the future.

Also, the growth and evolution of the other principle UCAs and their capacity to deliver commercial space in north Oakville in the future is also likely to have a long term influence on the amount of overall commercial space that will be realized in the Neyagawa UCA. Being that the future development potential in the Trafalgar Urban Core, to the east, is still largely unknown at this time, it is important to recognize that there is a strong probability that the development of the Trafalgar UCA (i.e. the primary UCA in north Oakville), is likely to hinder the full realization of commercial uses in the in Neyagawa UCA, over the long term. As such, given the long term buildout forecast for the area, there is also a degree of uncertainty associated with whether this market demand for commercial space in Neyagawa UCA will be sustained. As such, the fulfillment of market gaps in the study area in the future are going to be subject to a variety of unresolved assumptions that are likely to have a significant influence on the scale of space that will ultimately be realized in the Neyagawa UCA over the long term.

## **Commercial Space Demand Conclusion**

Given the current size limitations and site characteristics of the Subject Site, various types of commercial tenants, including anchor tenants such as grocery stores and large pharmacies, as well as high frequency, high volume businesses like take-out food services are unlikely to be able to be easily accommodated into a ground-floor commercial component under consideration for the Subject Site. Further, in terms of competing as a mixed use location, many of these same site challenges will also

constrain interest from a broad spectrum of convenience oriented type tenants particularly given that other, purpose built, commercial space options are expected to be available elsewhere in the Neyagawa UCA.

With the expectations that demand for other local serving commercial locations in the study area will evolve in the future, the demand for commercial space in Neyagawa UCA is likely to diminish as more detailed planning for the growth of the study area is completed.

Therefore, in light of these market conditions, the opportunity for the Subject Site to accommodate any significant scale of commercial uses that would influence the overall planned function of the Neyagawa UCA is at best, marginal, relative to the overall level of demand for commercial space that will be supported by local residents on the Subject Site as well as the future long term population of surrounding area. Further, it is also the opinion of urbanMetrics that the Subject Site would be better suited to being fully developed with intensive residential housing supply as shown on the preliminary concept, rather than obliging a relatively small amount of ancillary commercial space on to the Subject Site.



Figure 5-1: Study Area Per Capita Retail Demand

Local Commercial Needs - Retail Category	Typical Space Per Capita (Sq Ft)	Total Space Required by Residents (Sq Ft)	Target Capture	Space Required (Sq Ft)	Inflow	Total Warranted Space (Sq Ft)
<b>Study Area Buildout Population</b>	<b>26,900</b>	A × B	C = D ÷ (1-E)	F		
<b><u>Store Categories</u></b>						
<b>Food Store Retail</b>	<b>5.0</b>					
Convenience and Speciality Food	1.5	40,350	70%	28,200	5%	29,700
Supermarkets & Grocery	3.5	94,150	80%	75,300	10%	83,700
<b>Beer, Wine Liquor</b>	<b>0.5</b>	13,450	80%	10,800	10%	12,000
<b>Non-Food Store Retail</b>	<b>5.0</b>					
Pharmacies & Personal Care Stores	1.5	40,350	85%	34,300	10%	38,100
Other Non-Food Store Retail <sup>1</sup>	3.5	94,150	25%	23,500	10%	26,100
<b>Services</b>	<b>12.0</b>					
Food Services & Drinking Places	3.0	80,700	35%	28,200	25%	37,600
Finance, Insurance and Real Estate	1.5	40,350	25%	10,100	20%	12,600
Health Care	1.5	40,350	40%	16,100	20%	20,100
Personal Care	2.0	53,800	60%	32,300	15%	38,000
Other Services <sup>2</sup>	4.0	107,600	15%	16,100	15%	18,900
<b>Total</b>	<b>22.5</b>					<b>316,800</b>

<sup>1</sup>Excludes large format merchandisers in the following categories: Automotive, Home Furnishings and Appliances, Home Improvement & Building Supplies, Apparel and Accessories, General Merchandise, and Miscellaneous Retailers.

<sup>2</sup>Includes: Cultural, Entertainment and Recreation, Personal & Household Goods Repair and Maintenance, Social Services, Professional, Scientific and Technical Services, Select Civic and Social Organizations, Selected Office Administration and Selected Educational Services

SOURCE: urbanMetrics Inc. Capture rates and inflow based on professional experience.



## 6.0 Conclusions

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The Subject Site is located at the northwest corner of the of Neyagawa Boulevard and Burnhamthorpe Road.

The surrounding study area is characterized by Natural Heritage System (NHS) lands, agricultural lands designated for residential and employment development, and limited estate residential/on-farm residential and a single small subdivision. As a result, the current conditions are not indicative of future conditions.

The preliminary concept plan for the subject site proposes a residential development with approximately 350 townhomes and 650 apartments.

Based on the commercial market evaluation prepared herein, urbanMetrics findings and conclusions are summarized as follows:

## **Policy Alignment**

- The prevailing policy context from Halton Region and the Town of Oakville are for the creation of a dense residential neighbourhoods throughout the North Oakville East Secondary Plan (NOESP) area, and particularly in the Neyagawa Urban Core area. Relatively high-density development will be needed to meet these population forecasts. The Subject Site will add necessary density to achieve these population targets.
- Current plans for sites to the east of Neyagawa Boulevard include stand-alone retail and other non-residential uses, which are expected to reduce the achievable population in the Neyagawa Urban Core. However, this stand alone-retail is critical for meeting the needs of study area residents.

## **Subject Site Suitability for Retail**

- The Subject Site has good vehicle connectivity, however limitations on site access and convenient on-street parking along external roads. will limit the ability to attract passing customers. This will especially impact retail categories which rely on passing traffic such as food services.
- Ground-floor retail in suburban areas is unlikely to be able to accommodate grocery or large pharmacy retail due to size and layout restrictions. Such uses are better suited to stand-alone retail plazas and neighbourhood shopping centres such as those proposed on the east side of Neyagawa Boulevard, and are not able to be accommodated in the built form of the Subject Site.

## Summary of Supply and Demand Analysis

- The study area is projected to have approximately 26,900 residents and 199,600 ft<sup>2</sup> of retail space on buildout, excluding the Subject Site.
- The residual or ‘market gap’ of approximately 117,200 square feet of unallocated market potential estimated over the long term for the study area, is not a symptom that residents commercial needs are being left unmet but rather an indication that there will be opportunities, in the long term future, for additional local competition to be added and supported by growing demand from local residents.
- Neighbourhood shopping centres are suitable for the large size, parking needs, and loading requirements of grocery stores and major pharmacies as anchor tenants.
- The lands situated to the west of the Neyagawa Urban Core are currently estimated to accommodate 11,400 people in the future. This size of population would be sufficient to support commercial anchor tenants such as a modern format supermarket and drug store, as well as other ancillary retail/service uses. Given the characteristics of this sub-market within the study area, it is likely that a future neighbourhood scale commercial location will need to be defined for this area in the future.

## Planning Justification for Development Proposal

- Many retail types would not be viable on the Subject Site given the apartment condominium built form, and various obstacles influencing ease-of-access and parking requirement on the Site.
- The Subject Site would face significant challenges in accommodating most retail uses, especially considering the more competitive locations anticipated for the east side of Neyagawa Boulevard.

# Appendix A Joint Best Planning Estimates (JBPE)

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The Town of Oakville is currently working with Halton Region to create new Joint Best Planning Estimates (JBPE) for the town, and Town staff presented an update to Oakville council on August 15, 2023. The JBPE provides updated population and employment forecasts to 2051 based on current trends. As shown in Figure A - 1 the JBPE forecasts a 2051 population in the NOESP area of over 142,000, roughly triple the 45,000-55,000 residents target in the NOESP. The JBPE has higher 2051 PPU's across all unit types than those used in the 2022 Town of Oakville Development Charges Background Study (DCBS). As shown below, the largest gap in PPU's are among apartments, which form a large share of the anticipated growth in the study area.

Table 1: Comparison of JBPE and DCBS PPU's

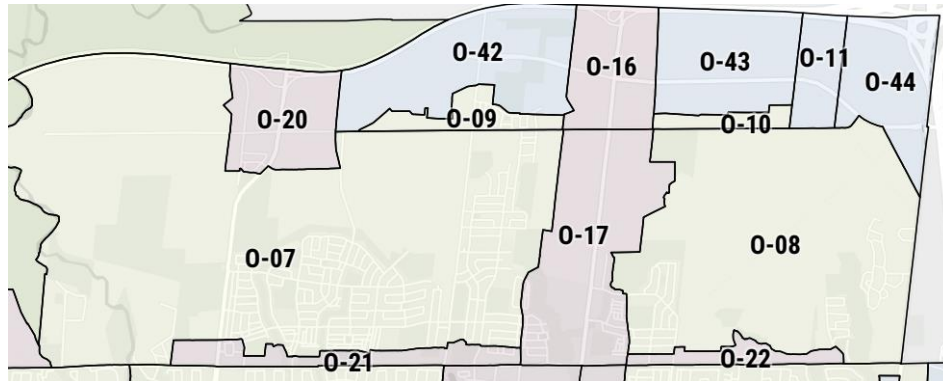
Housing Type	JBPE 2051	DCBS
Singles & Semis	3.88	3.68
Rowhouses	2.97	2.73
Apartments	2.54	1.70

SOURCE: Oakville 2022 Development Charges Background Study, and Oakville PPU's (Historic & Forecast) Slide.

Of note, over 50% of the JBPE population in the NOESP area is forecast to be located in the Dundas Urban Core and Trafalgar Urban Core areas. These areas are expected to be some of the densest areas and are located along major transit routes. These areas are likely to attract significant amounts of retail that subject site residents will travel past when accessing other areas of Oakville or neighbouring municipalities. This will contribute to lower capture rates and lower inflow for retail on the subject site.

In the areas directly around the subject site (Neyagawa Urban Core, Glenorchy, and North Oakville Transitional Area (W)) the 2051 population forecast is over 49,000.

Figure A - 1: Joint Best Planning Estimates North Oakville East Population and Job Forecast



Code Area	Population Jobs	
O-20 Neyagawa Urban Core	10,500	1,176
O-07 Glenorchy	37,505	2,866
O-09 North Oakville Transitional Area (W)	1,120	93
O-21 Dundas Urban Core (W)	7,107	3,198
O-22 Dundas Urban Core (E)	3,352	653
O-16 Trafalgar Urban Core (N)	17,673	10,127
O-17 Trafalgar Urban Core (S)	45,082	7,232
O-10 North Oakville Transitional Area (E)	292	50
O-08 Joshua's Meadows	19,770	2,553
<b>Total</b>	<b>142,401</b>	<b>27,948</b>

SOURCE: map clipped from Appendix E of Update Report – Halton Region, Joint Best Planning Estimates, August 15, 2023. Numbers from same report, tabulated by urbanMetrics Inc.

# Appendix B Population Forecast Methodology

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## B.1 Completed Development

As shown in Figure B - 1, there is only a single completed development within the study area, located directly to the south of the Subject Site. The population of this development was estimated using undercoverage-adjusted 2021 Census population data. There are around 500 residents in the completed development. While there are other estate residential and on-farm dwellings in the study area, these dwellings will likely be demolished as part of future developments.

Figure B - 1: Completed Development



SOURCE: urbanMetrics Inc.

## B.2 Development Applications

There are five development applications within the study area, including the subject site, as shown in Figure B - 2. The unit counts of each application were obtained based on the most recent planning documents available on the Town of Oakville development application website, as well as the subject site preliminary concept plan. There are a total of 3,046 units planned within the study area, with apartment units making up over half of proposed units. There are also 49,000 ft<sup>2</sup> of retail

planned within the study area, with almost half of this space within the commercial retail plaza in the 382 Burnhamthorpe Road West development.<sup>4</sup>

Figure B - 2: Development Applications Within Study Area



### Commercial Space

Application	Commercial Space (sq.ft.)
210 and 374 Burnhamthorpe Road	19,200
382 Burnhamthorpe Road West	27,100
160 Burnhamthorpe Road West	3,300
Part of Lots 17, 18 & 19, Concession 1, NDS	0
Subject Site	0
<b>Total</b>	<b>49,600</b>

SOURCE: urbanMetrics Inc., with Town of Oakville Development Applications shapefile from Open Data Portal. Data used under the open data licence: <https://www.oakville.ca/town-hall/town-studies-plans-projects/town-initiatives/open-data/open-data-licence/>.

Based on the Persons Per Unit (PPU) from the 2022 Town of Oakville Development Charges Background Study, the buildout population of each application was

<sup>4</sup> The retail space at 382 Burnhamthorpe Rd W is taken from the associated traffic study, which estimated the retail GFA based on the lot coverage of comparable plazas. The retail space in 160 Burnhamthorpe Rd W is based on the retail density in 210 and 374 Burnhamthorpe Rd W.

estimated (see Figure B - 3). As shown there will be an estimated 11,000 residents on buildout.

Figure B - 3: Undercoverage-Adjusted PPU and Development Application Population Estimate

<b>Unit Count</b>				
<b>Application</b>	<b>Single &amp; Semi-</b>			<b>Total</b>
	<b>Detached</b>	<b>Townhouses</b>	<b>Apartments</b>	
210 and 374 Burnhamthorpe Road	290	491	1,480	2,261
382 Burnhamthorpe Road West	84	125	296	505
160 Burnhamthorpe Road West	208	74	128	410
Part of Lots 17, 18 & 19, Concession 1, NDS	364	21	0	385
Subject Site	0	339	643	982
<b>Total</b>	<b>946</b>	<b>1,050</b>	<b>2,547</b>	<b>4,543</b>

<b>Adjusted PPUs</b>			
	<b>Single &amp; Semi-</b>		
	<b>Detached</b>	<b>Townhouses</b>	<b>Apartments</b>
PPU (2022) DCBS	3.684	2.727	1.703
Undercoverage	3.0%	3.0%	3.0%
Adjusted PPU	3.794	2.808	1.754

<b>Population Count</b>				
<b>Application</b>	<b>Single &amp; Semi-</b>			<b>Total</b>
	<b>Detached</b>	<b>Townhouses</b>	<b>Apartments</b>	
210 and 374 Burnhamthorpe Road	1,100	1,400	2,600	5,100
382 Burnhamthorpe Road West	300	400	500	1,200
160 Burnhamthorpe Road West	800	200	200	1,200
Part of Lots 17, 18 & 19, Concession 1, NDS	1,400	100	0	1,400
Subject Site	0	1,000	1,100	2,100
<b>Total</b>	<b>3,600</b>	<b>2,900</b>	<b>4,500</b>	<b>11,000</b>

SOURCE: urbanMetrics Inc. Unit counts and commercial space based on most recent application submissions and subject site concept plan. PPUs from the 2022 Town of Oakville Development Charges Background Study. Undercoverage ratio based on the Statistics Canada 2021 Population Estimate of Oakville and Statistics Canada 2021 census. Population may not sum due to rounding.

## B.3 Vacant Land

As shown in Figure B - 4, lands were considered vacant if they were not NHS, and did not have completed developments or active development applications. Vacant lands were manually outlined based on aerial imagery and the NOESPA and Halton OP maps, and categorized into employment, transitway, or residential/commercial. Transitway lands are those that are identified as such in the NOESPA, while employment lands are Regional Employment Area as identified in the Halton OP. All remaining vacant lands were assumed to be developable with residential and/or commercial uses.

Based on current development applications including the subject site, a net to gross ratio of 55% was applied to the vacant land area. This represents the need for local roads, parks, schools, stormwater management, and other supporting infrastructure. Population density factors were then applied to the net land, based on the average density by building type of residential blocks within development applications.

It should be noted that Argo provided the unit count and retail square footage for the northeast quadrant of Neyagawa Boulevard and Burnhamthrope Road, based on their discussions with current landowners, and those figures are not estimated using the above methodology. Overall, we anticipate a buildout population of approximately 15,400 residents and buildout retail GFA of 150,000ft<sup>2</sup> on the vacant lands within the study area.

Figure B - 4: Population on Vacant Lands Within Study Area



Label	Type	Hectares	Net to Density		Population	Retail (sq.ft.)	Development Type
			Gross Ratio	(Pop./net ha)			
1	Vacant Land	133	55%	155	11,400	0	Half single/semi-detached, and half townhouses.
2	Transitway	2	n.a.	n.a.	0	0	Transitway
3	Vacant Land	7	55%	284	1,100	0	Townhouse and apartments, with no retail.
4	Vacant Land	3	55%	284	400	0	Townhouse and apartments, with no retail.
5	Vacant Land	1	55%	185	100	0	Townhouses. From subject site concept plan.
6	Transitway	4	n.a.	n.a.	0	0	Transitway
7 & 8	Vacant Land	15	n.a.	n.a.	1,800	150,000	Apartments with ground floor retail, stand alone retail with potential for grocery store, and other commercial uses.
9	Employment Land	26	n.a.	n.a.	0	0	Industrial, with no retail.
10	Vacant Land	5	55%	202	600	0	Townhouses
11	Vacant Land	1	55%	202	100	0	Townhouses
12	Employment Land	4	n.a.	n.a.	0	0	Industrial, with no retail.
13	Employment Land	2	n.a.	n.a.	0	0	Industrial, with no retail.
14	Transitway	5	n.a.	n.a.	0	0	Transitway
<b>Total</b>		<b>209</b>			<b>15,400</b>	<b>150,000</b>	

SOURCE: urbanMetrics Inc. Vacant land areas are approximate. Numbers may not sum due to rounding.