129 COLLIER DEVELOPMENT SITE
RETAIL AND ECONOMIC DEVELOPMENT STUDY

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Prepared by:
360 Collective
John Archer, Chief Development Officer
647 339 9008
john@360collective.co

THREE SIXTY collective

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1.0 INTRODUCTION

The 129 Collier Development Site is located on the east end of the Barrie Urban Growth Centre (UGC) boundary. It extends the entire block from Collier Street to Dunlop Street East.

Barrie has experienced significant growth over the years, especially within the UGC. The recent developments in the UGC attract a broad range of residents including commuters who can take advantage of the transit oriented development, older residents and retirees, as well as young adults. It will be important for these new residents to be located within comfortable walking distance to support the existing retail and service businesses located in Barrie's UGC.

THREE SIXTY COLLECTIVE MANDATE

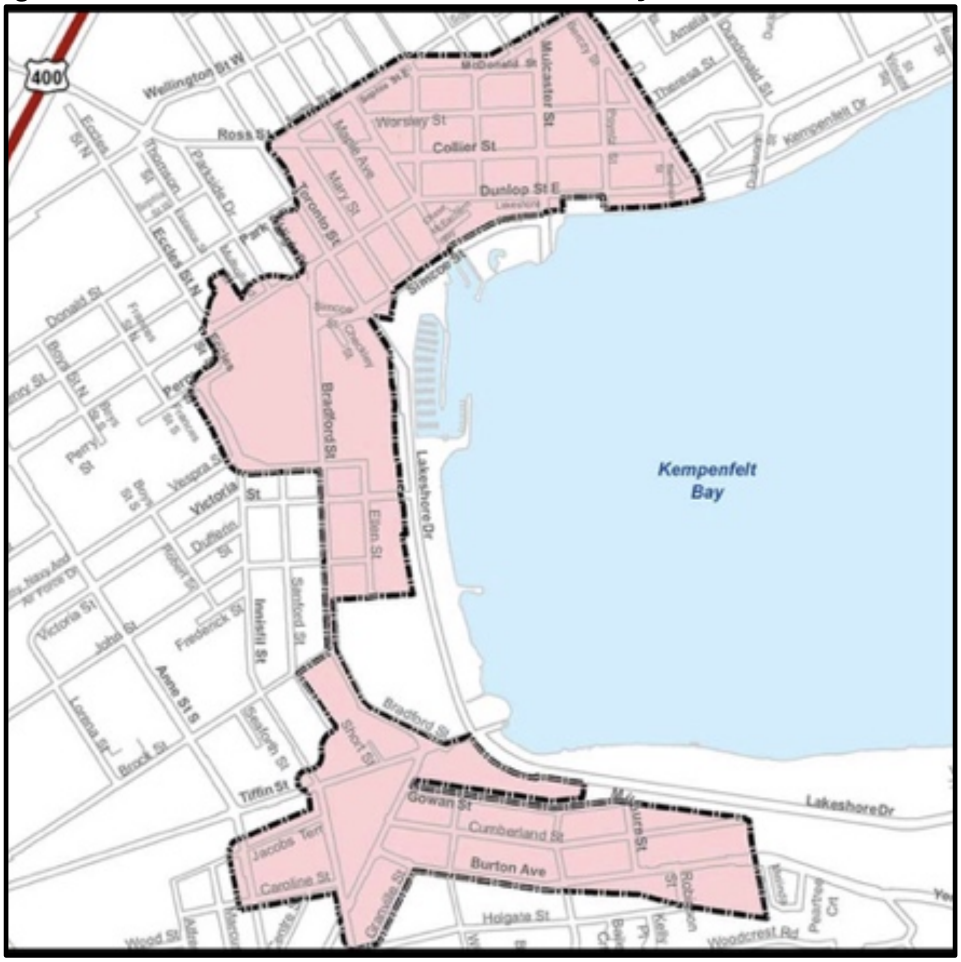
Three Sixty Collective was retained by Pinemount Holdings as part of Pinemount Development to undertake a retail and economic development study of the 129 Collier Development Site in the context of Barrie's UGC commercial supply conditions.

Assumptions

For the purposes of this study, Three Sixty Collective and Pinemount Developments have agreed on using the UGC boundaries as the retail and office commercial trade area. The boundaries are defined by the Ontario website on size and location of the UGCs.

https://www.ontario.ca/document/size-and-location-urban-growth-centres-greater-golden-horseshoe/size-and-location-urban-growth-centres-greater-golden-horseshoe

Figure 1: Barrie Urban Growth Centre Boundary



Source: Provincial Urban Growth Centre

The field research and data analysis were conducted in November 2021. It reflects the best data available at that time. Much of the data analysis relies on data available from CoStar.

CoStar Group is a provider of information, analytics and marketing services to the commercial property industry in Canada and in many other countries. The platform is constantly being updated with leasing and sales information related to commercial properties across south central Ontario which includes Barrie and the UGC.

In addition, Three Sixty Collective conducted in-person field research of the commercial properties in Barrie UGC to update and verify the CoStar data for occupancy, tenancy, and size. This was conducted in November 2021.

Note

It must be noted that the CoStar data used for the UGC comparison is based on their data using Gross Floor Area (GFA) statistics.

Study Work Plan
The study work plan carried out by Three Sixty Collective included:

- Review of Barrie retail and commercial planning documents including the Official Plan and Downtown Commercial Master Plan.

  https://www.barrie.ca/City%20Hall/Planning-and-Development/Policies-Strategies/Pages/City-Centre-Revitalization.aspx#:~:text=The%20Downtown%20Commercial%20Master%20Plan,between%20Ross%20and%20Simcoe

- Review of current development applications both approved and submitted as of November 2021.
- Review of Barrie UGC retail and office commercial characteristics as provided by CoStar as of November 2021 including supply inventory, vacancy and availability rates, market rents, asking rents, and ownership patterns.
- Review of Barrie UGC retail and office commercial compared to other Ontario UGC.
- Analysis of Statistics Canada data for Ontario retail and food service sales as well as their business open close database.
- Review of Barrie UGC forecasted socio-economic characteristics.

The analysis includes key findings and summary of implications for the retail viability of the 129 Collier Development Site.

2.0 129 COLLIER DEVELOPMENT SITE DETAILS

129 Collier Development Site Details

Element	Details
Site Size	6,093 m2 or 0.6 ha
Number of Stories	12 Storeys North Tower; 12 Storeys South Tower
Residential Units	102 units North Tower; 175 units South Tower: Total 293 units
Retail m2	0 m2
Vehicular Parking	249 spaces Total
Amenity Space	298 m2 North Tower; 734 m2 South Tower: Total 1,032 m2

Planning Context

Three Sixty Collective reviewed the Barrie Official Plan and Zoning By-law context relevant to 129 Collier. Key points include:

- Zoning By-law designates the 120 Collier Development site at Commercial Transition Zone (C2-1). As stated, the site is close to the fringe, eastern boundary of the UGC.
- The requirement is for the site to contain 50% commercial based on site area.
- The Official Plan includes policies that commercial uses should avoid negatively impacting the City's Downtown revitalization efforts. The 2005-2006 Downtown Commercial Master Plan for Downtown Revitalization defines Dunlop Street between Bayfield and Mulcaster as the main shopping area and Mulcaster as an Artistic Zone.
- For further planning context reference the MHBC Planning Justification Report.

Key Findings

- The 129 Collier Development Site is located to the east of the main shopping area and is separated from it by a variety of non-retail uses (see following discussion). Retail space in this location will not contribute to the critical mass and attractiveness of the downtown shopping district. Rather, it will create another small isolated retail node that competes with the downtown for business.
- The future residents of 129 Collier Development Site will be within walking distance of the main downtown shopping area. They will add to the local market for goods and services, supporting the vitality of downtown businesses and contributing to downtown revitalization.

3.0 RETAIL CHARACTER AROUND THE DEVELOPMENT SITE

Overall Site Area Character

- The site is in a transition zone on the fringe of the UGC. This gateway area is characterized as residential and residential to office conversions. This area that the Site is located transitions from east to west as active residential to the east to active retail frontages to the west (Dunlop Street west of Mulcaster Street).
- In addition, topographically, the site has a significant grade differential from Dunlop Street to Collier Street that can act as a barrier connected to the frontages.

Collier Street

- East of Mulcaster Street, Collier Street is characterized by larger homes that have been converted to offices including financial advisors, legal, and medical uses. Any customer interaction would be through appointment-based meetings. The buildings are set back from the street and offer surface parking for the owners, staff and customers.
- West of Mulcaster Street, Collier Street is the civic and financial street for Downtown Barrie. Many banks have head offices and branches along Collier Street including Scotia Bank, RBC, TD Canada Trust and BMO. Many are located near the larger above-grade parking garage near Collier Street and Bayfield Street. In addition, City Hall is located on Collier St. as well as houses of worship and the art gallery (on Mulcaster Street).
- Mulcaster Street provides a dividing line between the Downtown core and the other areas. Mulcaster is noted as an arts and culture corridor for the Downtown. West of Mulcaster Street, the office and civic uses are located fairly tight together. However, many of the buildings have long street frontages with few entrances. East of Mulcaster, the offices are spaced further apart. As noted, these are residential to office/medical office conversions. Many are owner-occupied. Most of the offices in this area are clustered around Collier Street and Poyntz Street to the west of the 129 Collier Development Site. See Appendix for mapped locations of offices.
- At present, the Collier Centre's retail and office space is mostly vacant. This creates a significant barrier along the street.

Figure 2: Residential to Office Conversions on the north side of Collier Street Opposite the 129 Collier Development Site

	125 Collier Street, Barrie

Dunlop Street

- Dunlop Street is the main retail street in Downtown Barrie.
- The section from Bayfield Street (Five Points) to Mulcaster Street is the most active retail section. This section is characterized by food services including larger eating/entertainment places as well as a mixture of personal services, home furnishings, clothing/sporting goods, and other typical downtown and main street type retail businesses.
- The traditional active retail main street ends at Mulcaster Street. East of Mulcaster there are plazas and residential to office conversions. There is parkland overlooking the bay. However, the active pedestrian-oriented nature of Dunlop Street ends at Mulcaster Street.

Poyntz Street

- As noted, Poyntz Street is similar to Collier Street in that there are many residential to office conversions between Collier Street and Dunlop Street East.

Remainder of Barrie UGC

- The remainder of Barrie UGC is characterized by low-intensity retail and office development fronting on Toronto Street, Maple Avenue, Mary Street, Ross Street, among others.
- Essa Road is primarily a vehicular-dependent retail commercial corridor.
- Bayfield Street has an existing low-intensity retail commercial character including office buildings and vehicular-oriented plazas.
- There are emerging centres located near the GO Train station in Allandale, along the Lakeshore/Bradford section, and near the west Downtown transit station area.

Key Findings

- The 129 Collier Development Site is part of a transitioning area in the Barrie UGC that includes residential and residential to office conversions.
- The proposed residential development at the site will support the existing retail and services along the active retail frontages to the west of the site.

4.0 KEY MAIN STREET TRENDS IMPACTING THE DEVELOPMENT SITE

- There is growing interest in the idea of Complete Streets, Complete Communities, and 10- and 15-minute Neighbourhoods.
- This includes growing the density of residential near the retail main street to support local visitation and shopping.
- Pedestrian retail main streets need to have active street frontages that include high visibility, high accessibility, and are clustered together to create critical mass.

Key Findings

- The 129 Collier Development Site supports the principles of building complete communities by increasing the density of residential in close proximity to the main concentration of active retail street frontages (on Dunlop west of Mulcaster) within an easy 5- to 10-minute walk.

5.0 BARRIE URBAN GROWTH CENTRE RETAIL AND OFFICE CHARACTERISTICS

REPORT SECTIONS

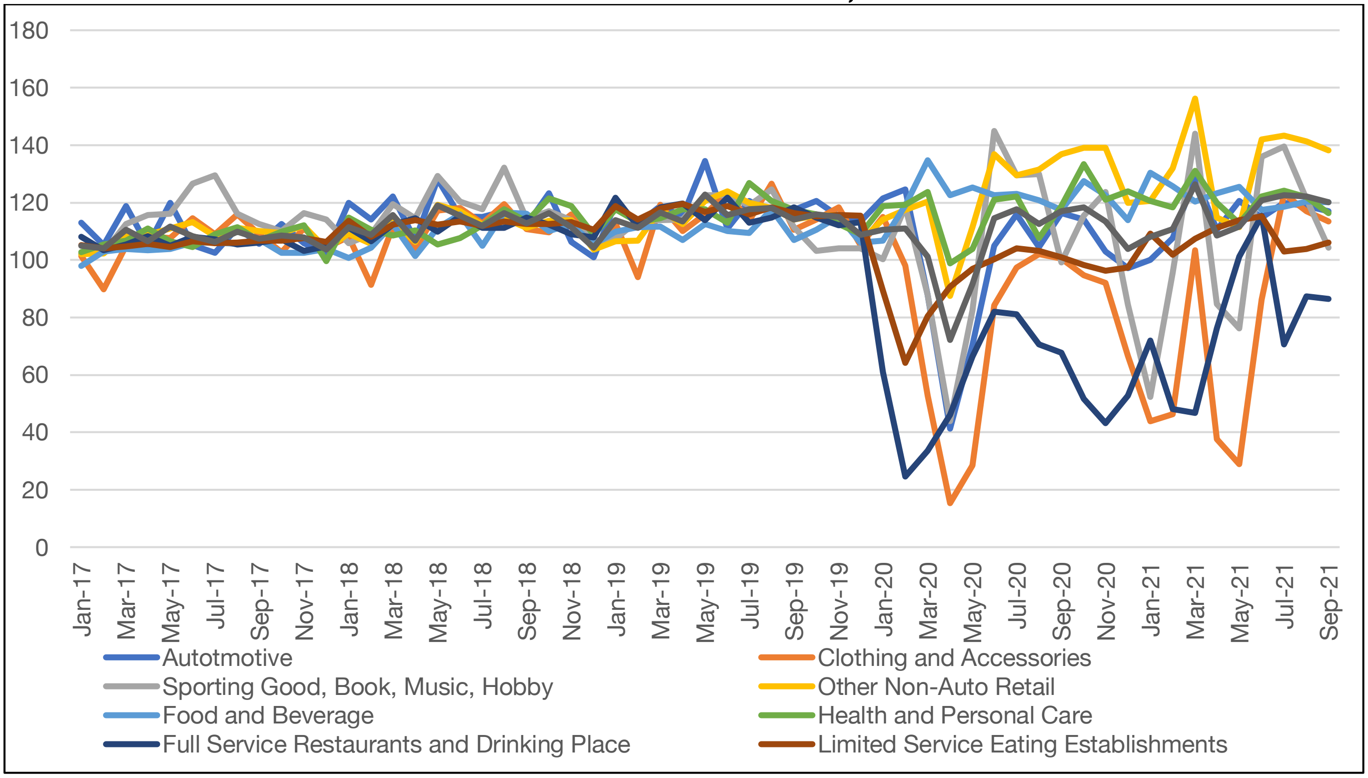
- The report moves from the macro to the micro in terms of analysis.
- It starts with an analysis of Ontario retail and food service sales highlighting the pandemic's impact on retail and food service sales volatility and the extensive catch-up that many businesses still must go through before they are on sure footing and active retail leasing can move forward.
- Second, the Ontario and Barrie CMA open close database of businesses illustrates that for many Downtown and main street type businesses there is still a lag in the number of active and open businesses compared to pre-pandemic levels.
- Third, Barrie UGC retail and office supply characteristics are compared to other similar UGCs in Ontario. The analysis shows that Barrie UGC has a large amount of retail square footage and that it is characterized by low retail rental rates. These two combined facts make retail leasing difficult in Barrie UGC. Also, a high proportion of retail and office space is owner-occupied, further diminishing prospects for leasing space to prospective tenants.
- The analysis of Barrie UGC's retail and office characteristics further delves into market rents, asking rents, vacancy and availability rates, and leasing activity that show Barrie UGC has limited retail development opportunities.
- The Barrie UGC retail and office inventory for November 2021 assesses the mix and re-affirms the vacancy issue from a gross leasing area perspective. It includes data on new developments that will further add to the retail inventory square footage making leasing difficult. The new developments and retail areas are focused on other growth areas of the Barrie UGC including Allendale GO station, Lakeshore/Bradford, and west Downtown.
- Barrie UGC socio-economic factors point to an older middle-income market. However, the report acknowledges that there is very significant and needed residential growth coming to the area that are required to support existing retail and service businesses in the UGC.

5.1 ONTARIO RETAIL AND FOOD SERVICE SALES

ONTARIO RETAIL AND FOOD SERVICE SALES METHODOLOGY

- Monthly retail and food service sales for Ontario were analyzed from 2016 to August 2021.
- Some categories were grouped for analysis purposes including:
  - Automotive: Automotive and gasoline stations.
  - Other Non-Auto Retail: Furniture and home furnishings, electronics and appliances, building supply and garden equipment, general merchandise and miscellaneous stores.
- The dollar figures are unadjusted and indexed to 2016 equals 100.
- Source: Statistics Canada.

Chart 1: Ontario Retail and Food Service Sales Growth Index, 2016 = 100



Source: Statistics Canada

Key Findings:

- Key downtown and main street type retail and food service businesses have suffered significantly during the pandemic. This includes full service restaurants and drinking places, clothing and accessory stores, and sporting goods, book, music, hobby stores.
- Preceding the pandemic, sales growth had been relatively stable and consistent.
- For several business categories, there has been significant volatility in sales during the pandemic where for one month sales are good and the following month sales are below average. For example, see sporting goods, book, music, hobby stores (light grey line).
- While sales growth has returned for many categories, there is still significant uncertainty in the retail marketplace.
- Many businesses are still building back sales to pay deferred expenses accumulated during the pandemic. On a total pandemic period, perspective (March 2020 to November 2021), sales are still below pre-pandemic levels.

5.2 OPEN CLOSE BUSINESS DATABASE FOR ONTARIO

OPEN CLOSE BUSINESS DATABASE METHODOLOGY

- The basic measures of short-term business dynamics are monthly counts of openings, closures, continuing and active businesses. Openings are defined as businesses with employment in the current month and no employment in the previous month, while closures are defined as businesses that had employment in the previous month, but no employment in the current month. Continuing businesses are those that have employment in both months, and the active population in any given month is the number of opening and continuing businesses in that month.
- Counts are provided for December of each year including July 2021.
- Note this is a measure of the number of businesses that are open or closed based on whether or not wages were paid. It is not a measure of locations open or closed.
- Data for Barrie CMA is available but only for all businesses and not for the main street business categories due to suppression of the data for confidentiality purposes.
- Data for Ontario all businesses as well as typical downtown and main street businesses as classified by the NAICS system.
- Source: Statistics Canada.
- Some downtown and main street type businesses as classified by NAICS definitions which include:
  - Retail Trade NAICS 44, 45: automotive, furniture and home furnishings, electronics, building supplies and garden equipment, food and beverage, health and personal care, gasoline stations, clothing and accessories, general merchandise, sporting goods, hobby, book and music, miscellaneous retail.
  - Accommodation and Food Services NAICS 72): traveller accommodation, RV parks and camps, room and boarding places, drinking places, specialty food preparation, full-service and limited-service eating establishments.
  - Arts, Culture, Recreation (NAICS 71): performing arts, heritage institutions, amusement, gambling, and recreation including fitness and recreation sporting centres.
  - Other Services (NAICS 81): repair and maintenance, personal and laundry services, religious, grant-making, civic, professional and other similar organizations, as well as employees in a private household including caretakers, gardeners, nannies, cleaning staff, cooks, etc.
  - Note that some of the NIACS business categories include businesses that would not be found on a main street.

Table 1: Open Close Business Database: Ontario

Business Dynamics Measure	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Jul-21
Active businesses	329,497	335,571	340,644	344,810	349,086	333,084	341,361
Opening businesses	15,649	16,517	15,309	17,214	16,501	18,637	17,629
Continuing businesses	315,424	319,152	324,907	328,802	333,634	314,083	321,953
Closing businesses	14,859	15,480	16,196	17,017	16,173	15,067	12,303
	Retail Trade (44, 45)						
Active businesses	31,275	31,454	31,330	31,525	31,183	29,390	30,572
Opening businesses	1,065	1,142	972	1,174	1,080	1,463	1,141
Continuing businesses	30,275	30,330	30,344	30,591	30,364	28,206	28,859
Closing businesses	1,088	1,028	1,112	1,135	1,039	1,063	1,067
	Accommodation and food services [72]						
Active businesses	21,535	22,036	22,129	22,536	22,738	20,571	21,032
Opening businesses	881	955	887	922	910	1,176	816
Continuing businesses	20,665	21,101	21,279	21,664	21,965	19,572	19,955
Closing businesses	878	851	862	954	776	909	770
	Arts, entertainment and recreation [71]						
Active businesses	4,444	4,485	4,519	4,705	4,744	4,269	4,341
Opening businesses	251	270	269	252	267	291	288
Continuing businesses	4,180	4,203	4,239	4,455	4,489	3,986	4,050
Closing businesses	264	238	276	263	239	235	186
	Other services (except public admin.) [81]						
Active businesses	24,712	24,879	24,874	25,376	25,452	23,323	23,028
Opening businesses	872	871	886	1,011	1,023	1,344	1,940
Continuing businesses	23,954	24,001	24,033	24,388	24,424	21,900	19,690
Closing businesses	885	826	851	913	837	1,345	1,029

Source: Statistics Canada. Table 33-10-0270-01 Experimental estimates for business openings and closures for Canada, provinces and territories, census metropolitan areas, seasonally adjusted

Table 2: Open Close Database Barrie CMA

Business Dynamics Measure	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Jul-21
Active businesses	4,647	4,745	4,752	4,870	4,902	4,785	4,958
Opening businesses	194	209	186	219	193	245	230
Continuing businesses	4,466	4,531	4,561	4,664	4,711	4,525	4,728
Closing businesses	180	210	210	223	197	190	205

Source: Statistics Canada. Table 33-10-0270-01 Experimental estimates for business openings and closures for Canada, provinces and territories, census metropolitan areas, seasonally adjusted

Key Findings

Ontario

- The number of total active businesses in Ontario is greater in July 2021 than before the pandemic.
- However, for businesses often found in Downtowns and main streets in Ontario, there remains a deficiency in the number of active businesses in July 2021 compared to before the pandemic.
- Retail businesses (NIACS 44, 45), there are 611 fewer businesses in July 2021 compared to December 2019.
- Accommodation and food services (NAICS 72), there are 1,706 fewer businesses in July 2021 compared to December 2019.
- Arts, entertainment and recreation (NAICS 71), there are 403 fewer businesses in July 2021 compared to December 2019.
- Other services (NAICS 82), there are 2,827 fewer businesses in July 2021 compared to December 2019.

Barrie CMA

- The number of total active businesses in Barrie CMA is greater in July 2021 compared to post-pandemic levels. This is similar to Ontario's results. The number of business openings is greater than the number that are closing. But there remains a high level of business closings in Barrie CMA. By comparison to the provincial data, in July 2021 for Ontario, 43% more businesses opened than closed, while in Barrie CMA only 12% more businesses opened than closed.
- However, as noted in the Ontario details, most business categories found in downtowns and main streets across Ontario have not returned to their pre-pandemic open levels. Although detailed data are unavailable, one might reasonably surmise that a similar trend is being experienced in Barrie CMA.

5.3 URBAN GROWTH CENTRE COMPARISON FOR RETAIL AND OFFICE CHARACTERISTICS

URBAN GROWTH CENTRE COMPARISON METHODOLOGY

- Six other UGCs were compared to Barrie UGC.
- These included areas with similar characteristics, including:
  1. Downtowns
  2. On high order transit lines including GO Transit
  3. Similarly sized populations

Table 4: UGC Comparison Criteria

	Downtown	High Order Transit – GO Train Station	City Population in comparison to City of Barrie
Barrie UGC	Yes	Yes	n/a
Burlington UGC	Yes	No, but in City	24% Greater
Guelph UGC	Yes	Yes	-7% Lower
Kitchener UGC	Yes	Yes	62% Greater
Milton UGC	Yes	Yes	-11% Lower
Oshawa UGC	Yes	No, but in City	10% Greater
Peterborough UGC	Yes	No, GO Bus in UGC	-44% Lower

Source: Environics 2021, Statistics Canada

- While not all UGCs are 100% directly aligned, some similarities warrant comparisons to Barrie UGC for this analysis.
- Square footages are expressed in Gross Floor Area (GFA) or Gross Building Area.
- The data is based on the most recently available data as of November 2021.
- Barrie UGC and each of the comparison UGCs were compared for both retail and office space including total GFA square footage, vacancy and vacancy/availability rate, market rental rates, and property ownership structure (i.e., User Occupied, Institutional Investor, Private Owned and Rented Out, and REIT owned).

Definitions

Market Rent

The rental income that a property would most probably command in the open market based on the average of rental rates.

Asking Rent

Also known as Face Rent, this represents the current dollar amount the landlord or lessor is asking for or has publicly listed to lease their building/space/land as of the date in question.

Availability Rate

The percent of space available that is not occupied. This includes spaces for lease, for sale, or sublease.

Vacancy Rate
Expressed as a percentage - it identifies the amount of vacant space that can be leased out (not for sale).

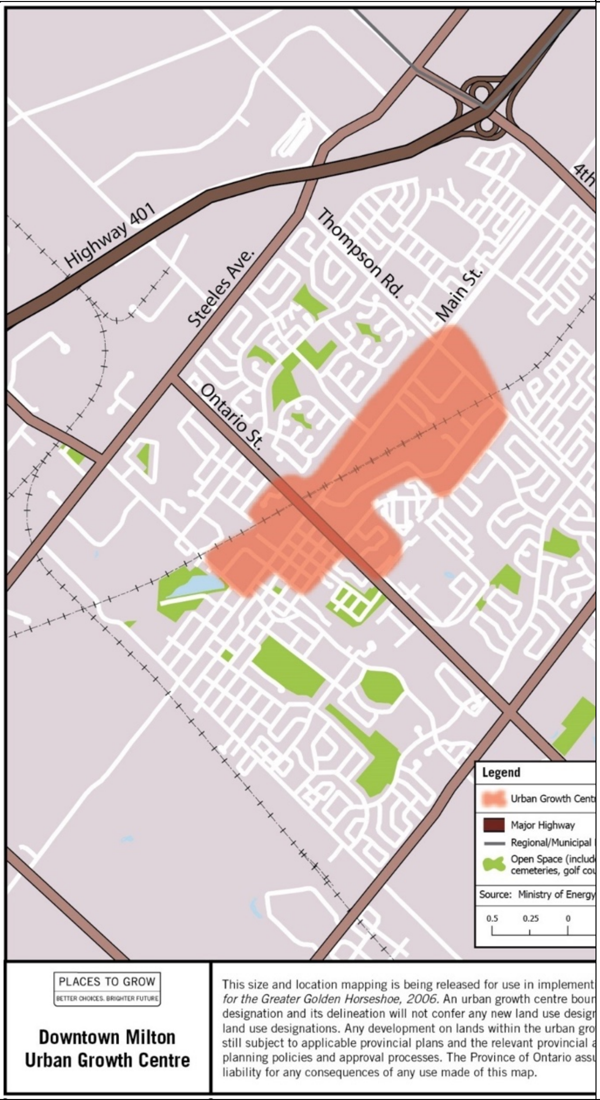
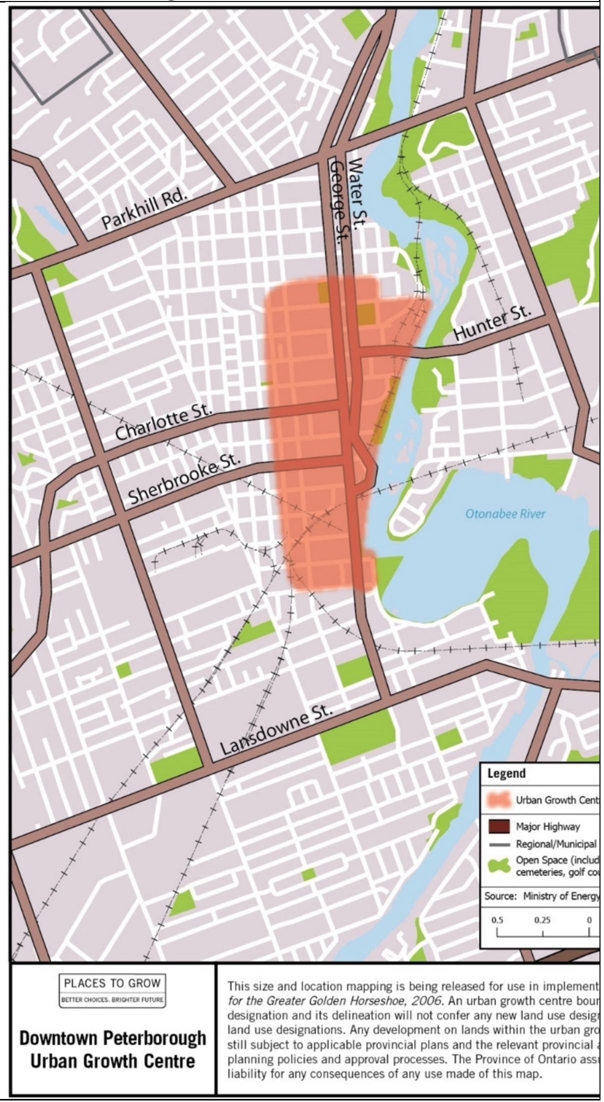
Leasing Activity
Leasing activity refers to the volume of square footage that is committed to and signed in a given period. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in under construction, planned buildings or under renovation buildings.

Figure 3: Geographic boundaries for each UGC are based on the following Ontario Places to Grow defined areas.

Barrie UGC		Burlington UGC
		

Guelph UGC

Kitchener UGC

Milton UGC	Peterborough UGC
	

Oshawa UGC

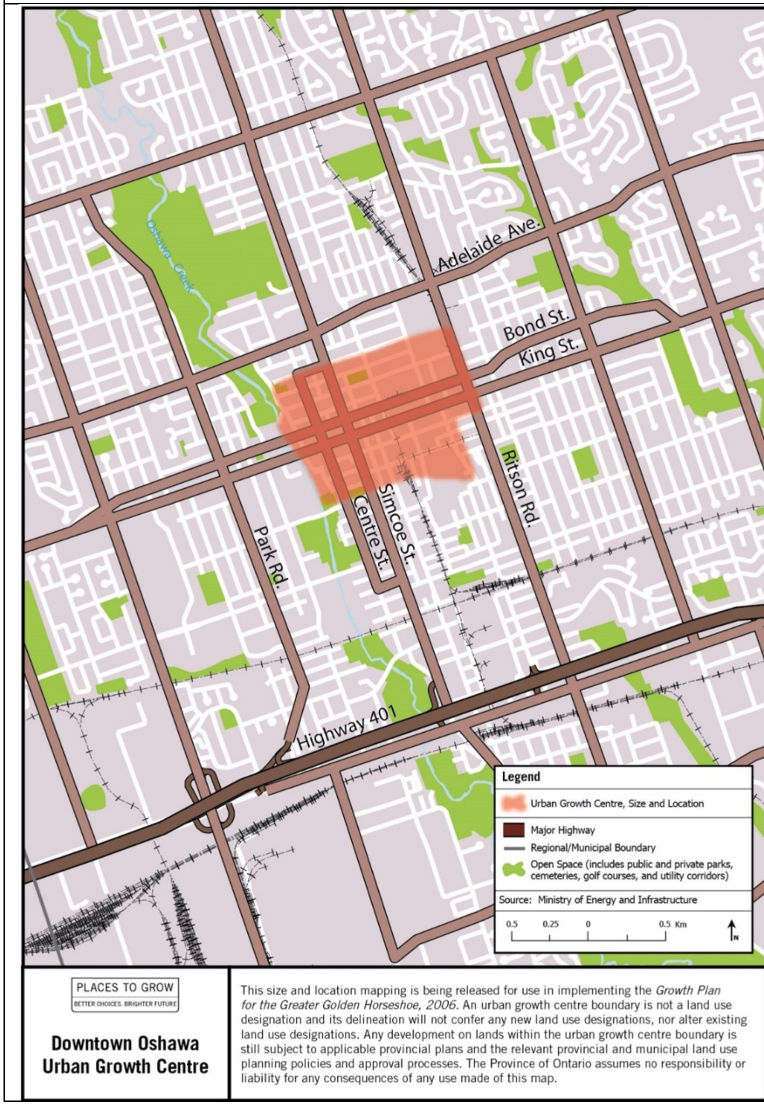

Adelaide Ave.
Bond St.
King St.
Ritson Rd.
Simcoe St.
Centre St.
Park Rd.
Highway 401
Legend
Urban Growth Centre, Size and Location
Major Highway
Regional/Municipal Boundary
Open Space (includes public and private parks, cemeteries, golf courses, and utility corridors)
Source: Ministry of Energy and Infrastructure
0.5 0.25 0 0.5 Km
PLACES TO GROW
BETTER CHOICES. BRIGHTER FUTURE
Downtown Oshawa Urban Growth Centre
This size and location mapping is being released for use in implementing the *Growth Plan for the Greater Golden Horseshoe, 2006.* An urban growth centre boundary is not a land use designation and its delineation will not confer any new land use designations, nor alter existing land use designations. Any development on lands within the urban growth centre boundary is still subject to applicable provincial plans and the relevant provincial and municipal land use planning policies and approval processes. The Province of Ontario assumes no responsibility or liability for any consequences of any use made of this map.

Table 5: Urban Growth Centre Comparison of Key Retail and Office Metrics

						Property Ownership by Value			
Urban Growth Centre	**City Population**	**Total Gross Floor Area SF**	**Vacancy Rate**	**Vacancy and Availability Rate**	**Market Rent**	**User Occupied**	**User Occupied**	**User Occupied**	**User Occupied**
Barrie	**159,618**								
Retail		**1,200,000**	**12.0%**	**16.5%**	**$15.91**	**33%**	**34%**	**33%**	**0%**
Office		**791,000**	**0.6%**	**10.8%**	**$26.20**	**47%**	**28%**	**25%**	**0%**
Total Comm.		**1,991,000**	**7.7%**	**14.2%**	**$19.98**	**43%**	**31%**	**26%**	**0%**
Burlington	**197,435**								
Retail		707,000	0.1%	1.4%	$24.44	39%	57%	2%	2%
Office		806,000	1.0%	6.1%	$27.55	55%	33%	10%	2%
Total Comm.		1,513,000	0.6%	3.9%	$26.10	48%	44%	6%	2%
Guelph	**147,931**								
Retail		959,000	3.6%	6.4%	$18.40	18%	78%	4%	0%
Office		560,000	1.1%	1.9%	$24.43	1%	99%	0%	0%
Total Comm.		1,519,000	3.0%	4.7%	$20.62	12%	85%	3%	0%
Kitchener	**259,162**								
Retail		1,000,000	3.7%	9.7%	$19.90	6%	91%	3%	0%
Office		4,200,000	16.8%	21.2%	$26.76	52%	25%	9%	14%
Total Comm.		5,200,000	14.3%	19.2%	$25.44	49%	30%	8%	13%
Milton	**142,128**								
Retail		973,000	0.0%	0.2%	$25.30	1%	58%	37%	4%
Office		63,800	2.3%	2.3%	$27.34	79%	21%	0%	0%
Total Comm.		1,036,800	0.1%	0.3%	$25.43	2%	58%	36%	4%

Table 5: Urban Growth Centre Comparison of Key Retail and Office Metrics (Continued)

						Property Ownership by Value			
Urban Growth Centre	**City Population**	**Total Gross Floor Area SF**	**Vacancy Rate**	**Vacancy and Availability Rate**	**Market Rent**	**User Occupied**	**User Occupied**	**User Occupied**	**User Occupied**
Oshawa	**176,009**								
Retail		1,100,000	0.40%	0.70%	$18.92	6%	84%	10%	0%
Office		1,800,000	2.30%	2.70%	$27.99	88%	12%	0%	0%
Total Comm.		2,900,000	1.6%	2.0%	$24.55	13%	80%	7%	0%
Peterborough	**89,500**								
Retail		745,000	0.00%	2.20%	$14.88	41%	47%	12%	0%
Office		319,000	1.80%	1.80%	$20.16	64%	28%	8%	0%
Total Comm.		1,064,000	0.5%	2.0%	$16.46	54%	35%	11%	0%

Source: CoStar November 2021

Retail Key Findings:

- Barrie UGC has more retail square footage compared to the six other UGCs including larger centres such as Kitchener.
- The retail vacancy/availability rate (combination of units for lease, sublease, available and for sale) for Barrie UGC is 17%. This is significantly higher than the other UGCs.
- Barrie UGC retail market rent is relatively low. Only Peterborough UGC has a lower retail market rent.
- Barrie UGC has a high proportion of retail that is User Occupied (owner-occupied).

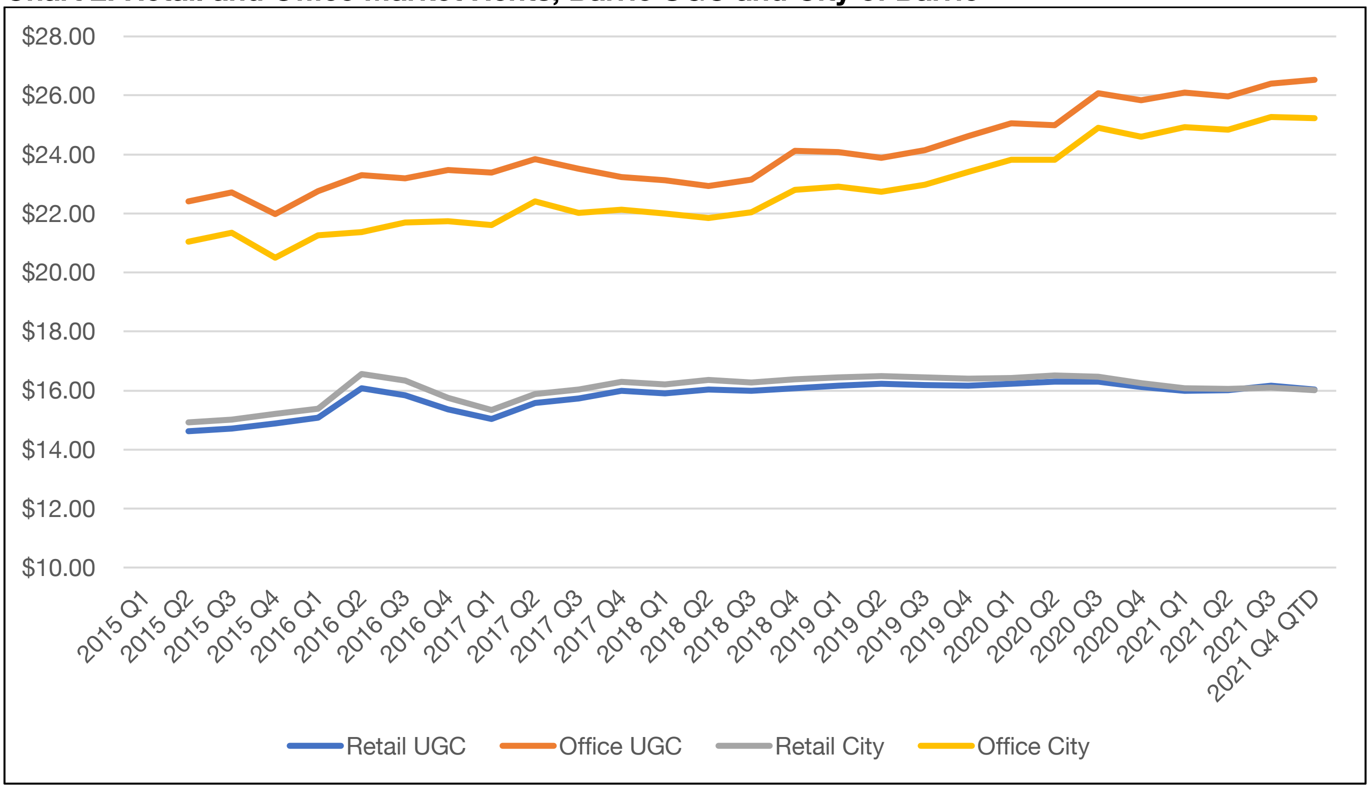
Office Key Findings:

- Barrie UGC has an average amount of office square footage. Three of the other six UGCs have more office square footage.
- Barrie UGC has a higher office vacancy/availability rate than all other UGCs except for Kitchener UGC.
- Office market rental rates are similar to most other UGCs.
- 47% of the office property value is owner-occupied.

5.4 KEY BARRIE UGC RETAIL AND OFFICE MARKET CHARACTERISTICS

RETAIL AND OFFICE MARKET RENTS

Chart 2: Retail and Office Market Rents, Barrie UGC and City of Barrie



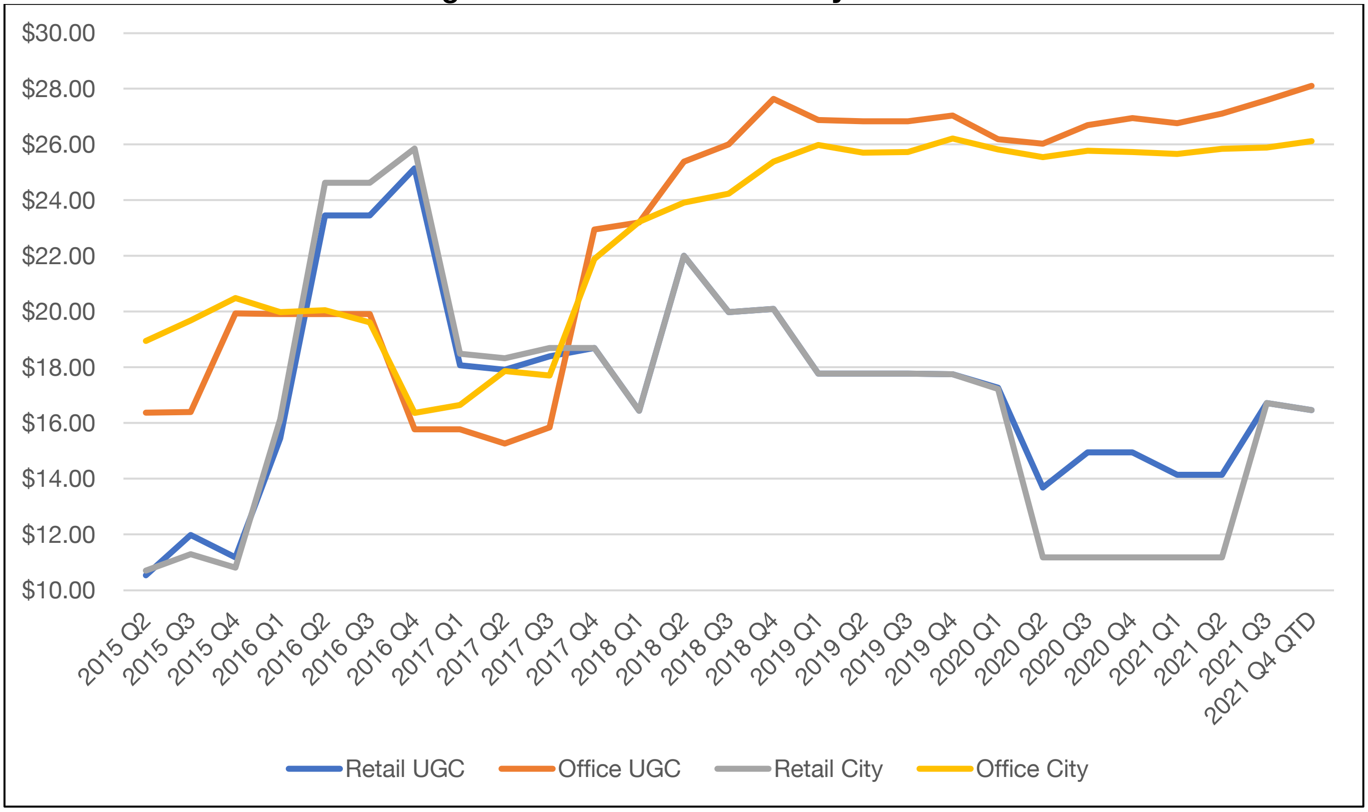
Source: CoStar November 2021

Key Findings

- Retail market rents in Barrie UGC and in the City of Barrie are very similar. Overall the City is undifferentiated in terms of retail market rents from a leasing perspective.
- Retail market rents in the UGC and the City have been stable since 2016 offering limited growth opportunities.
- Office market rents in Barrie UGC are higher than in the City.
- Office market rents grew from 2019 to 2020. The office market rents were stable in 2020/2021 during the pandemic.

RETAIL AND OFFICE ASKING RENT

Chart 3: Retail and Office Asking Rents: Barrie UGC and City of Barrie



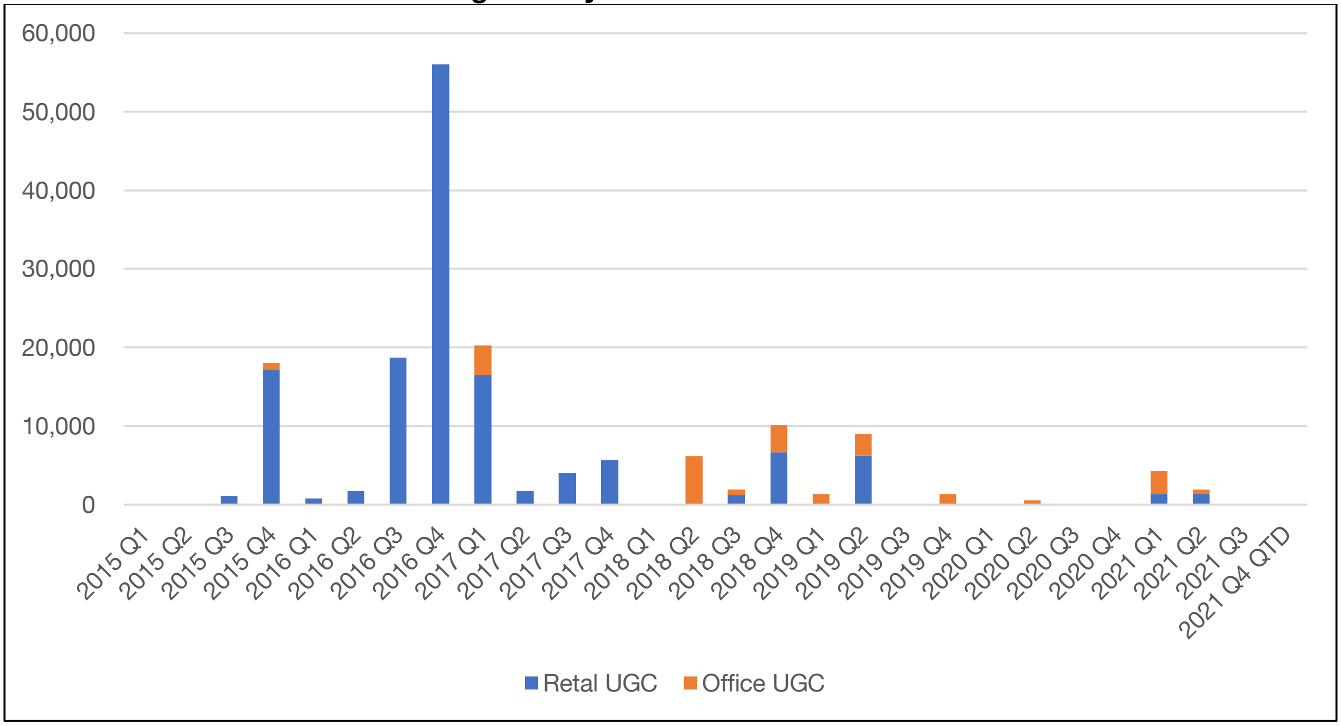
Source: Costar November 2021

Key Findings:

- Retail asking rents in Barrie UGC and the City have declined since Quarter 1 2017 from over $25/SF to $16.46/SF in Quarter 4 2021.
- Office asking rents rose during the same corresponding time but have stabilized in Quarter 4 2018 to present.

BARRIE UGC RETAIL LEASING ACTIVITY

Chart 6: Barrie UGC Retail Leasing Activity



Source: CoStar November 2021

Key Findings

- Since Quarter 2 2017, retail leasing activity has been very low. Note this is solely leasing and does not include changes in tenancy due selling transactions.

6.0 BARRIE UGC RETAIL AND OFFICE INVENTORY

BARRIE UGC RETAIL AND OFFICE INVENTORY METHODOLOGY

- An inventory of current occupied and vacant space was conducted by Three Sixty Collective in November 2021.
- The inventory is based on data supplied by CoStar and observation on the ground.
- The inventory is based on the Gross Floor Area (GFA).
- Note that the vacancy based on the number of units is under-reported as the combined vacancy at Colliers Centre is treated as one vacant unit rather than several divided units.
- Sites with retail of office that are subject to redevelopment have been removed from the current inventory analysis to avoid any potential double counting of spaces.
- Maps illustrating these findings are located in the Appendix.

Figure 3: Barrie UGC Retail and Office Commercial

Table 6: Barrie UGC Retail and Office Inventory November 2021

	Number of Units	% of Total	Est. GFA SF	% of Total
Retail Merchandise				
Automotive	18	3.6%	48,716	2.4%
Clothing and Accessories	12	2.4%	16,431	0.8%
Sporting Good, Book, Music, Hobby	7	1.4%	8,779	0.4%
Other Non-Auto Retail	41	8.1%	113,098	5.7%
Total Retail Merchandise	**78**	**15.4%**	**187,024**	**9.4%**
Food and Health Retail				
Food and Beverage Retail	24	4.8%	47,137	2.4%
Health and Personal Care Stores	6	1.2%	16,006	0.8%
Total Food and Health Retail	**30**	**5.9%**	**63,143**	**3.2%**
Food Services				
Full Service Restaurants and Drinking Places	54	10.7%	169,813	8.5%
Limited Service Eating Establishments	23	4.6%	28,068	1.4%
Total Food Services	**77**	**15.2%**	**197,880**	**9.9%**
Consumer Services				
Personal Services	53	10.5%	84,928	4.3%
Amusement, Gaming, Recreation	9	1.8%	50,245	2.5%
Financial	9	1.8%	30,765	1.5%
Other Services	19	3.8%	57,264	2.9%
Total Consumer Services	**90**	**17.8%**	**223,201**	**11.2%**
Professional Services				
Offices	134	26.5%	831,953	41.8%
Medical	48	9.5%	204,284	10.3%
Total Professional Services	**182**	**36.0%**	**1,036,237**	**52.0%**
Vacancy				
Total Vacant	**48**	**9.5%**	**283,515**	**14.2%**
TOTAL	**505**		**1,991,000**	

Source: Three Sixty Collective, CoStar November 2021

Key Findings

- There is 1.99 million SF of retail and office space as measured on a Gross Floor Area basis.
- There is over 280,000 SF of vacant retail and office space.
- Combined retail and office vacancy is 14%.
- In terms of the business mix:
  - 52% of the total square footage is office and medical services related.
  - 10% of the total square footage is food services. A further 11% is consumer services.

- The predominant form of food and beverage retail is convenience stores and small specialty food retailers.
- See maps in the Appendix for further information on business clustering.

Figure 4: Barrie UGC Proposed and Under Construction Developments as of November 2021

NEW AND PROPOSED DEVELOPMENTS IN BARRIE UGC

Barrie UGC development applications and approved and sites under construction include the following:

Table 7: Barrie UGC New Developments

Address	Street	Residential Units	Proposed Retail GFA SF	Other Comments
34	Bradford St.	600	0	YMCA
51	Bradford St.	1723	37,992	Hotel 145 Rooms
111	Bradford St.	0	0	Office 7,460 SF
220	Bradford St.	121	5,526	
170	Burton Ave	0	2,000	
181	Burton Ave	22	2,617	
196	Burton Ave	96	0	
79	Collier St.	136	4,585	
129	Collier St.	293	0	Subject Site
185	Dunlop St. E.	178	18,997	
217	Dunlop St. E.	41	4,329	
14	Dunlop St. W.	203	7,885	
39	Dunlop St. W.	495	20,156	
28	Essa Rd.	0	0	Office 100,000 SF
41	Essa Rd.	1276	9,649	
17	Jacobs Terrace	565	0	Part of 41 Essa Rd.
79	Gowan St.	7	0	
272	Innisfil St.	164	0	
55	McDonald St.	278	10,231	
1	Milburn St.	14	0	
9	Owen St.	290	700	
31	Ross St.	0	0	Paramedic Services
17	Sophia St. E.	TBD	TBD	
66	Tiffin St.	4	0	
TOTAL Retail GBA		**6,506**	**124,666**	

Source: City of Barrie Development Applications, CoStar, Three Sixty Collective, individual site reports

Note:

- The exact number of units and sizes of some of these developments may change before construction as some applications are subject to further review and legal proceedings.
- SF are stated in GFA.
- The information provided is valid as of November 2021. Any subsequent updates to the applications or new applications have not been reflected in this analysis.

Key Findings

- There is 124,666 GBA SF of retail and over 107,460 GBA SF of office proposed or under construction in the UGC.
- Two projects, 17 Sophia Street and 34 Bradford indicate that there may be retail or office commercial but have not confirmed the details.
- The 6,506 residential units will increase the viability of the existing built retail form especially for those projects such as the 129 Collier Development Site that are within a comfortable walking distance of the active retail street area of Dunlop Street.

ICSC COMPARISON

The amount of retail space in Barrie UGC is compared to the ICSC definitions of Shopping Centres.

ICSC or Innovating Commerce Serving Communities, was previously known as the International Council of Shopping Centers. It is global trade association dedicated to retail real estate with over 70,000 members globally. It serves shopping centres, developers, managers, marketing specialists, investors, retailers, brokers, academics and public officials.

Table 8: ICSC Shopping Centre Definitions

Type	Typical Gross Leasable Area (SF)	Anchors	Description
Super Regional Mall	800,000	3+	Similar in concept to the regional mall but has a deeper breadth and depth of merchandise and stores (including destination retailers), a larger food court, a greater offering of food stores and service uses and a more comprehensive mix of entertainment activities and dining options. It is often situated on mass transit lines and along major highway corridors.
Regional Mall	300,000 to 799,000	2+	Enclosed comparison-based centre that focuses on general merchandise or fashion-oriented offerings but that also provides services in full depth and variety. It usually has an inward orientation of the stores connected by common areas/walkways or "malls," flanked on one or both sides by various entrances with off-street surface and/or structured parking surrounding the outside perimeter. It could be multi-leveled with escalators, stairs and elevators between levels. There may be outparcels or pad store locations. A regional mall could be located in downtown areas of major metropolitan markets and be called a "downtown regional mall."
Community	100,000 to 400,000	1+	Open-air and/or enclosed property that also focuses on daily needs but with a wider range of soft goods and services than neighbourhood centres. It is basically a cluster of attached retail units that can be open-air and/or enclosed with significant off-street paved parking surrounding the building that can be generally accessed from two or more sides.
Neighbour-hood	40,000 to 99,999	1	Open-air property designed to address the daily needs of consumers in the immediate neighbourhood but with a broader offering than the convenience centre. It is usually configured as a straight-line strip with adequate off-street parking at the front.

Table 8: ICSC Shopping Centre Definitions (Continued)

Type	Typical Gross Leasable Area (SF)	Anchors	Description
Power Centre	100,000 to 1,000,000	3+	Open-air centre that typically comprises three or more large-format retailers ("big boxes" or "category-dominant retailers") that are mostly freestanding (unconnected). It may also have a few small specialty tenants-mostly in the scattered multi-tenant buildings on the site. As with other open-air centres, ample on-site paved parking is located in front of the stores and around the site at the ground level.
Mixed Use	50,000 + for the retail component and a minimum of 3 units	n/a	Multi-component structure developed as a single and coherent entity; its retail component is predominant, accounting for one of at least two significant revenue-producing uses. The non-retail uses could be residential, offices, hotel, transportation (airport, train or bus stations where there is a consolidation of retail units on the premises), entertainment, recreation, sport, civic or cultural venues and/or other uses that mutually support a substantial retail component. Its primary trade area can vary widely, depending on the project's composition. Downtown Retail Mixed-Use is a subset of Retail Mixed-Use that is located in downtown areas of major metropolitan markets. The retail component of a downtown mixed-use project could share several characteristics with regional malls -a reasonably large selection of goods and services and a covered and multi-level layout. It may also comprise underground parking and connections to mass transit, including subways. However, the project is not exclusively retail-oriented and may not necessarily include an anchor.

Source: ICSC

Findings

- The total retail square feet in Barrie UGC is similar in size to a super regional mall in terms of clustering and concentration of retail.
- For context, Yorkdale Shopping Centre is 2.0 million SF, Vaughan Mills is 1.3 million SF, Sherway Gardens is 1.3 million SF, and Toronto Eaton Centre is 1.1 million SF.
- The new developments will add a retail space that is similar in scale to a community centre.

7.0 BARRIE UGC SOCIO-ECONOMIC CHARACTERISTICS

Key socio-economic data from Barrie UGC boundary is provided below based on estimated demographic information for 2021:

Table 9: Barrie UGC Key Metrics, 2021 Estimates and Projections

	Barrie UGC	City of Barrie
Population Est. 2021	5,221	159,618
Growth Rate 2016 to 2021	14%	9%
Median Age	53.9	38.0
Persons Per Household	1.7	2.8
Average Household Income	$77,845	$108,809
Housing Own/Rent	41% / 59%	70% / 30%
Labour Force Participation Rate 15 yr +	52%	69%
Take Public Transit, Walk, Bike to Work 15 yr +	25%	11%
Daytime Worker Population	5,337	52,041

Source: Environics 2021, Statistics Canada

Key Findings

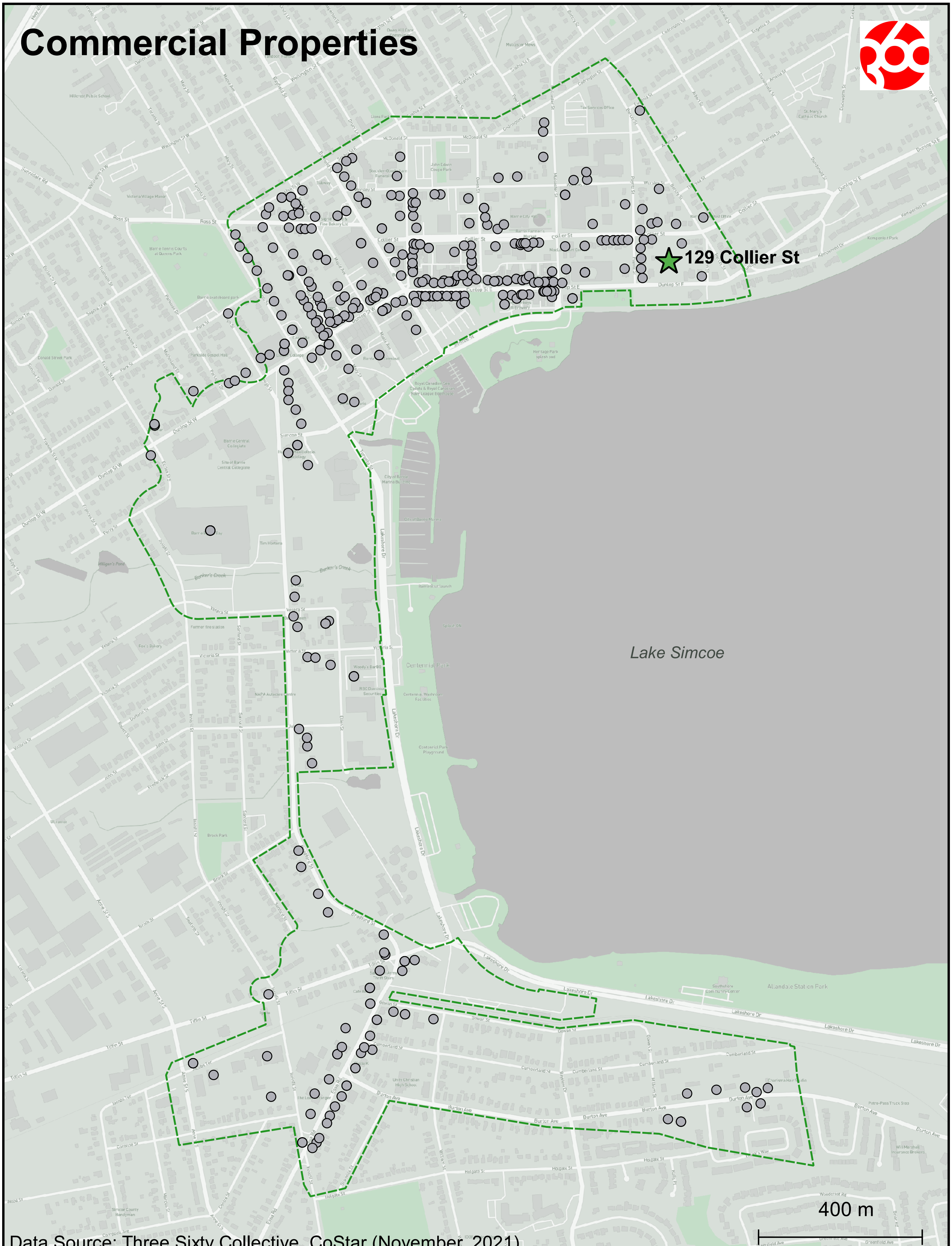
- At present, the Barrie UGC population estimate for 2021 is 5,221. At present, it is not large enough to support a full range of local shopping needs such as a medium to large grocery store or pharmacy.
- The population in the UGC is anticipated to grow.
- The household income and age profile skews older and medium to lower-income.

8.0 SUMMARY 129 COLLIER DEVELOPMENT SITE RETAIL IMPLICATIONS

- The 129 Collier Development Site is located in a transition zone on the fringe of the UGC.
- It will add needed residential density to the UGC that will complement and support the active retail street frontage to the west of the Site.
- The new residents will be within a comfortable walking distance of the active retail street area.
- This will help to keep vacancies low and keep the existing retail structure of Barrie UGC strong. It will avoid the dilution of the existing retail in comparison to the upcoming development proposals and keeps certain key areas with higher concentrations that are accessible and visible to wider target markets.
- Given the above analysis, Three Sixty Collective recommends that no retail space be included in the 129 Collier Development Site.

APPENDIX

Commercial Properties

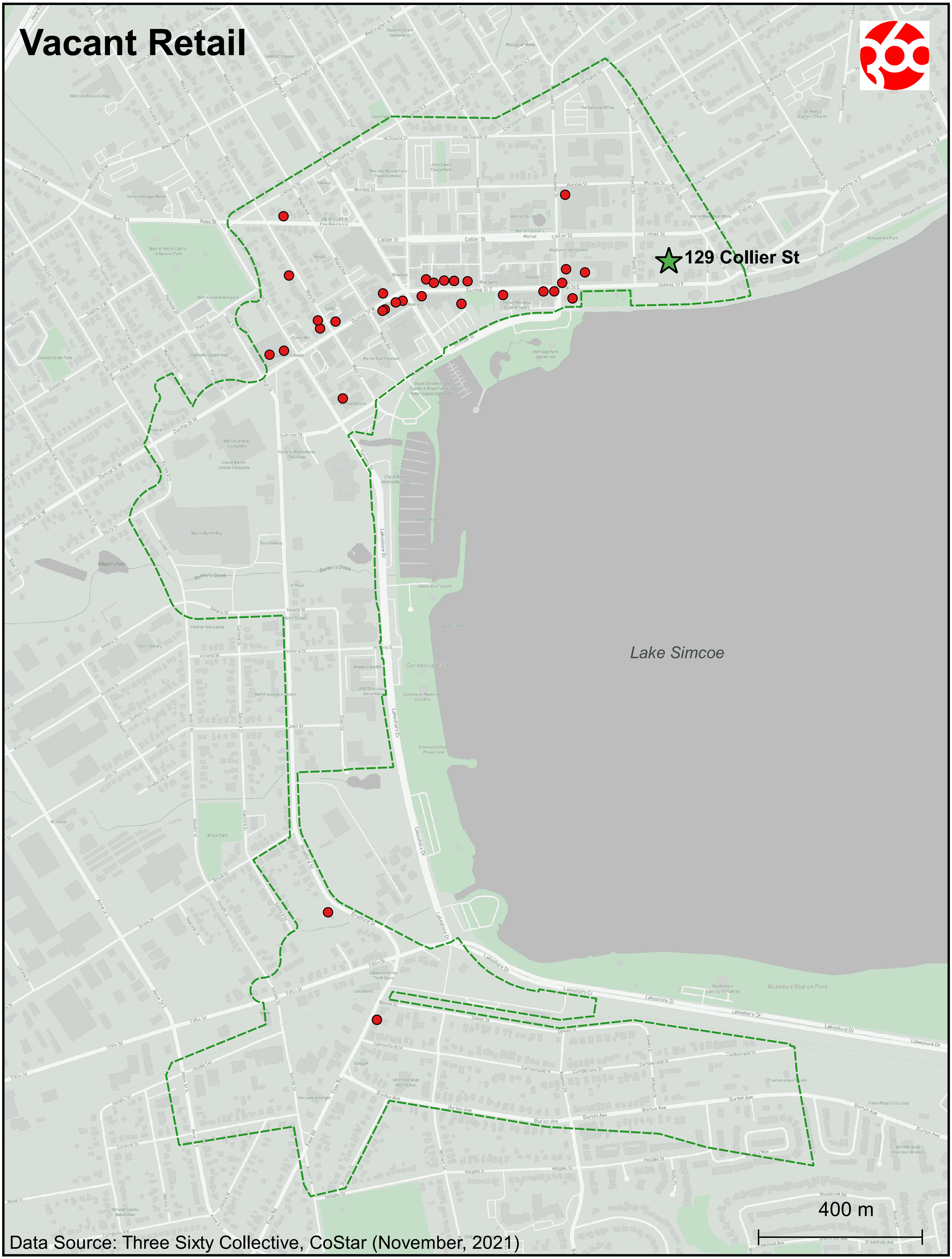


Data Source: Three Sixty Collective, CoStar (November, 2021)

Proposed & Under Construction Developments

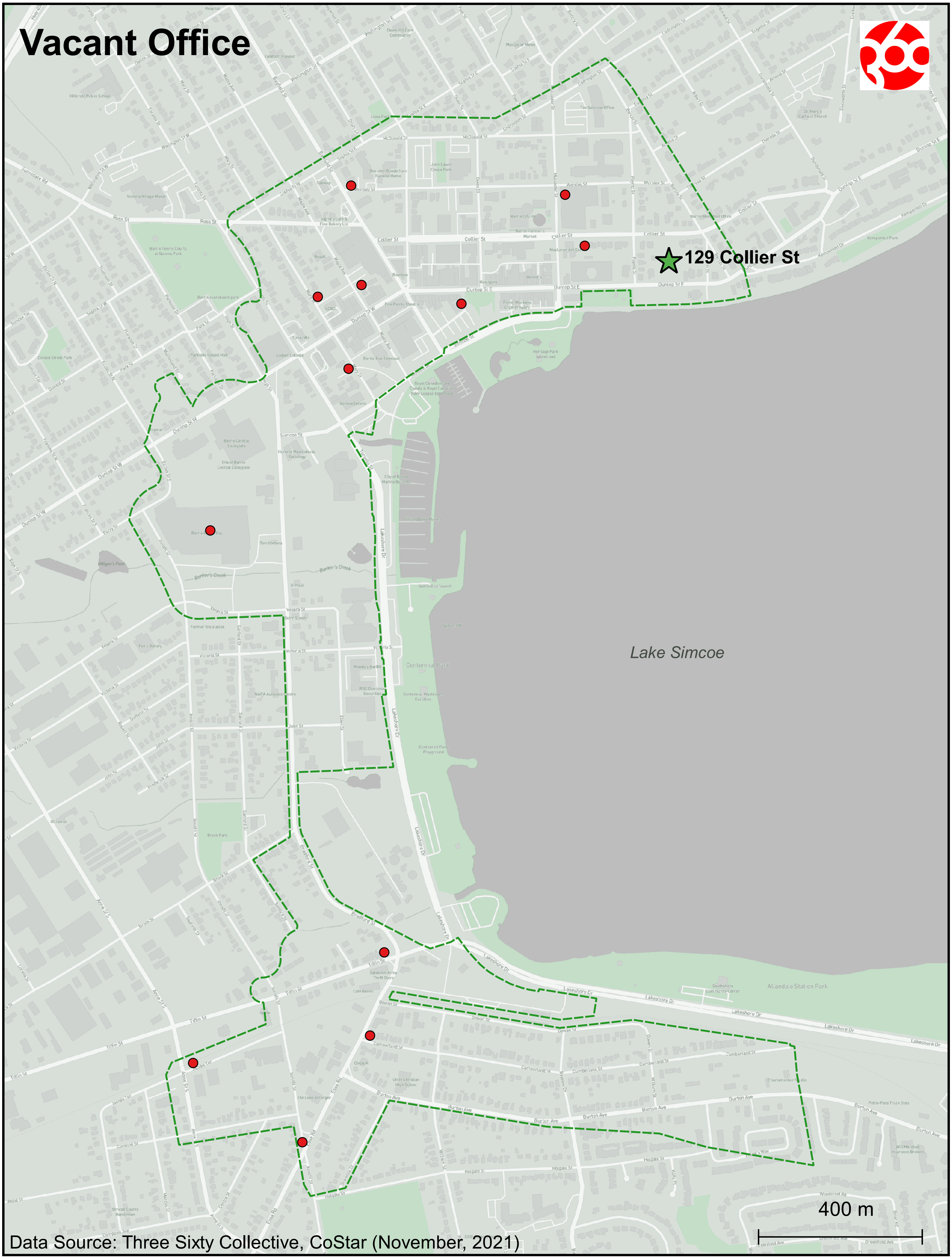
Data Source: Three Sixty Collective, CoStar (November, 2021)

Vacant Retail



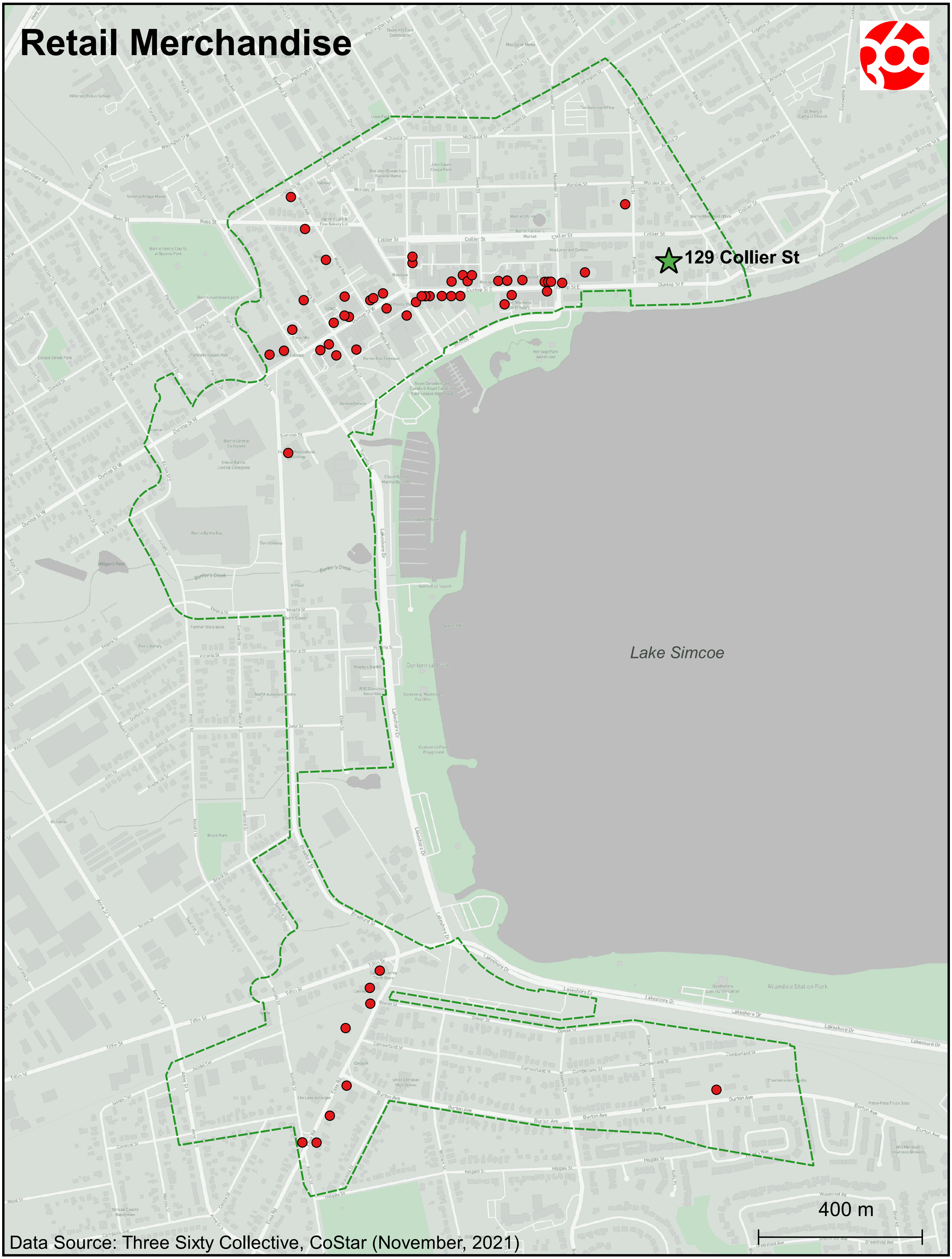
Data Source: Three Sixty Collective, CoStar (November, 2021)

Vacant Office



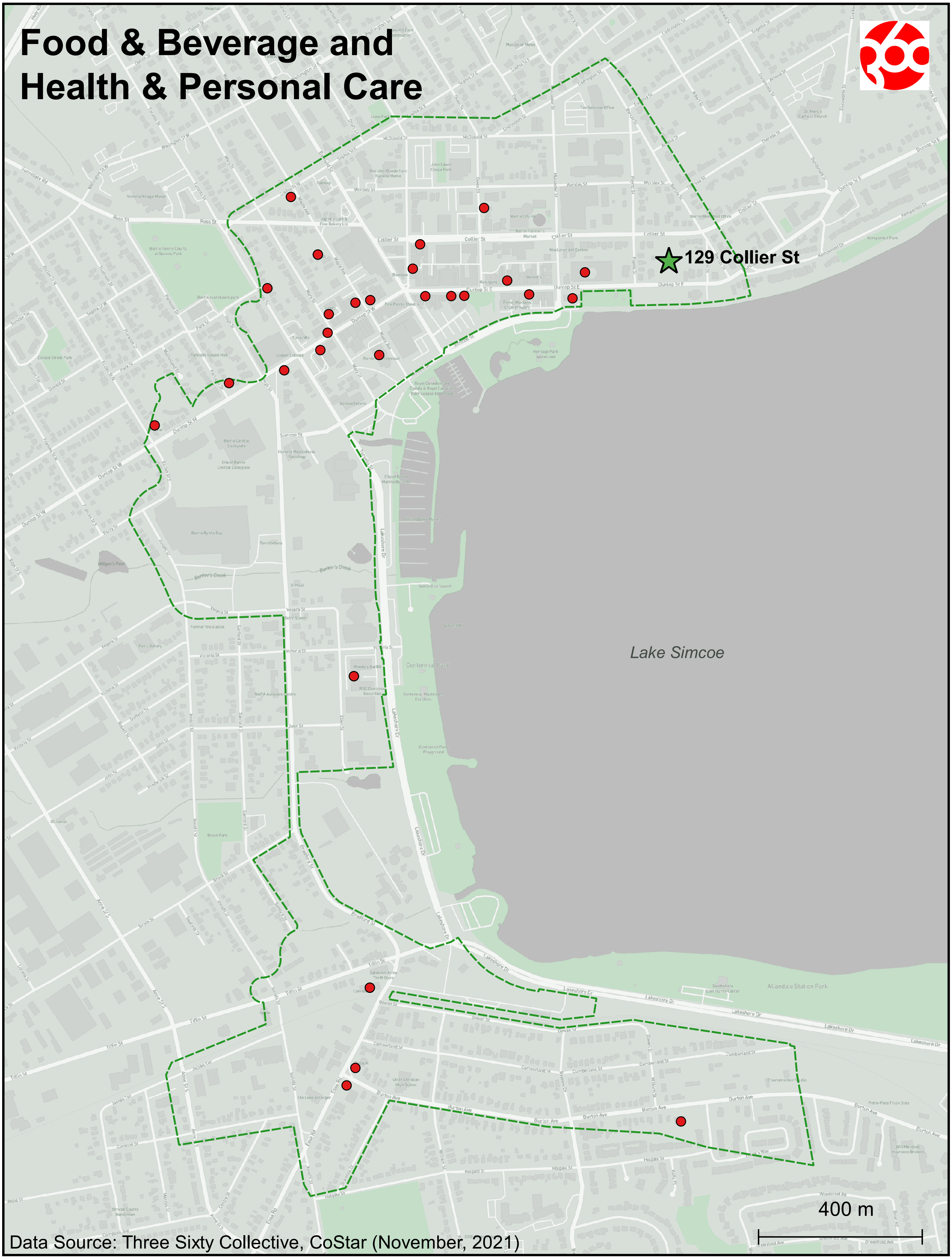
Data Source: Three Sixty Collective, CoStar (November, 2021)

Retail Merchandise



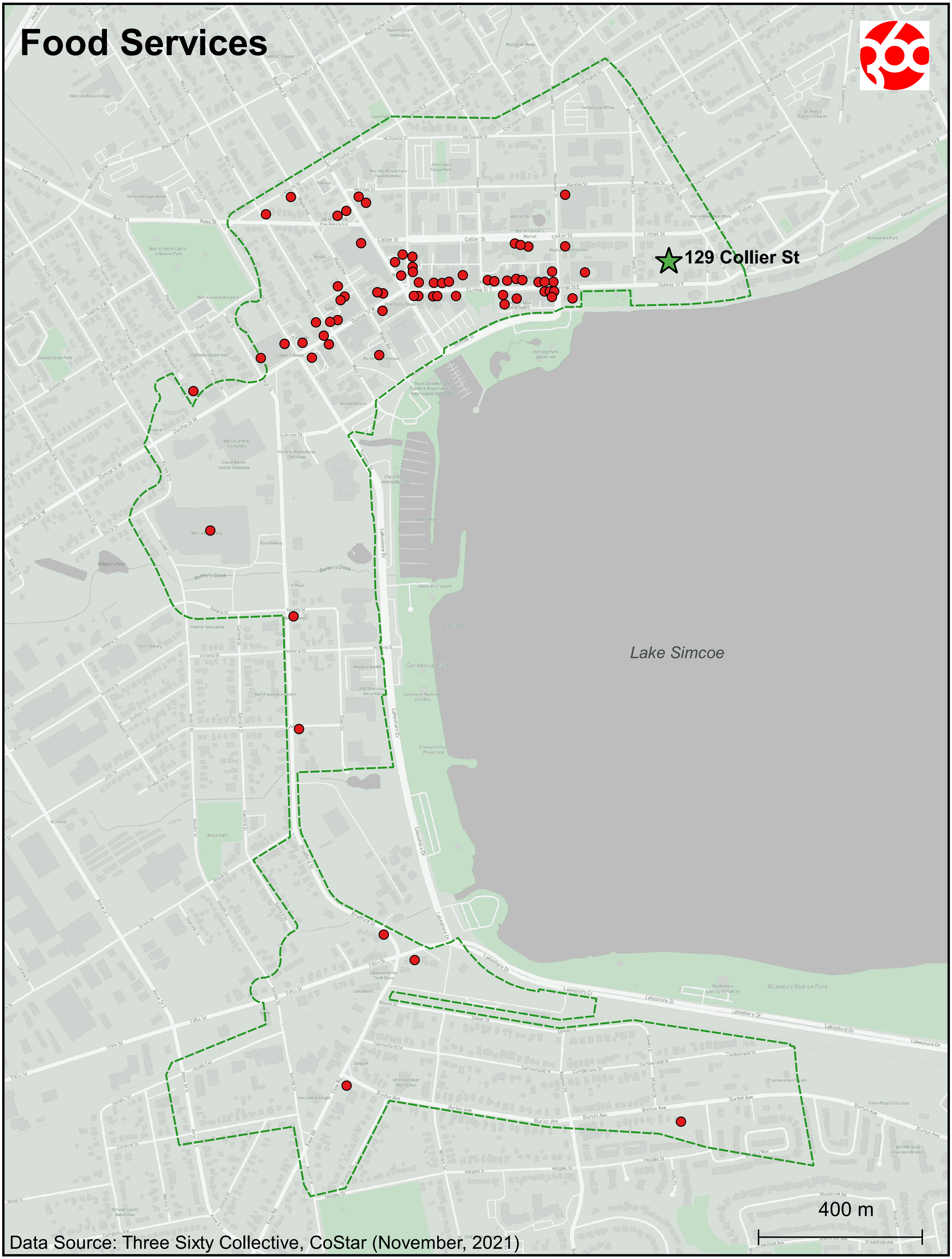
Data Source: Three Sixty Collective, CoStar (November, 2021)

Food & Beverage and Health & Personal Care



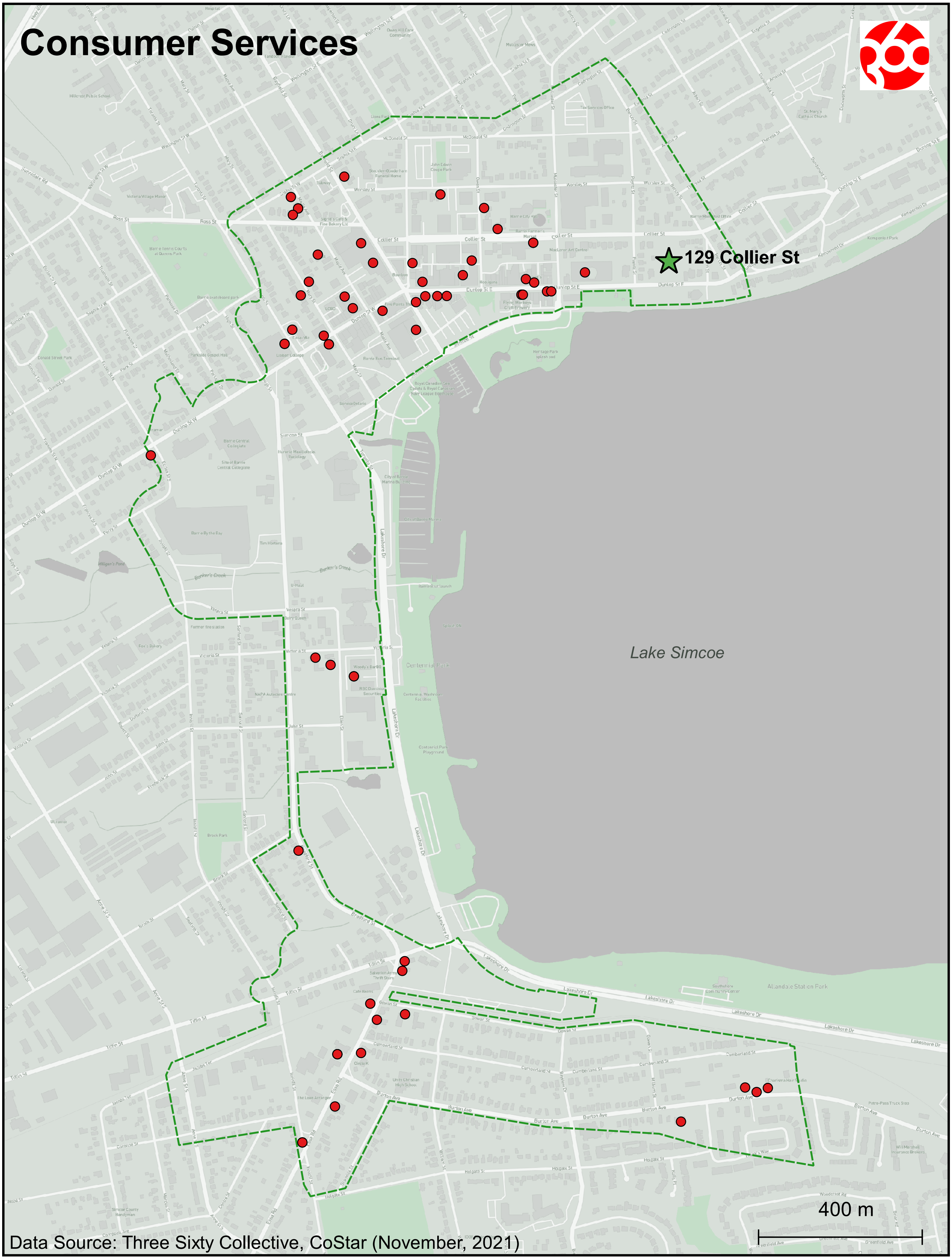
Data Source: Three Sixty Collective, CoStar (November, 2021)

Food Services



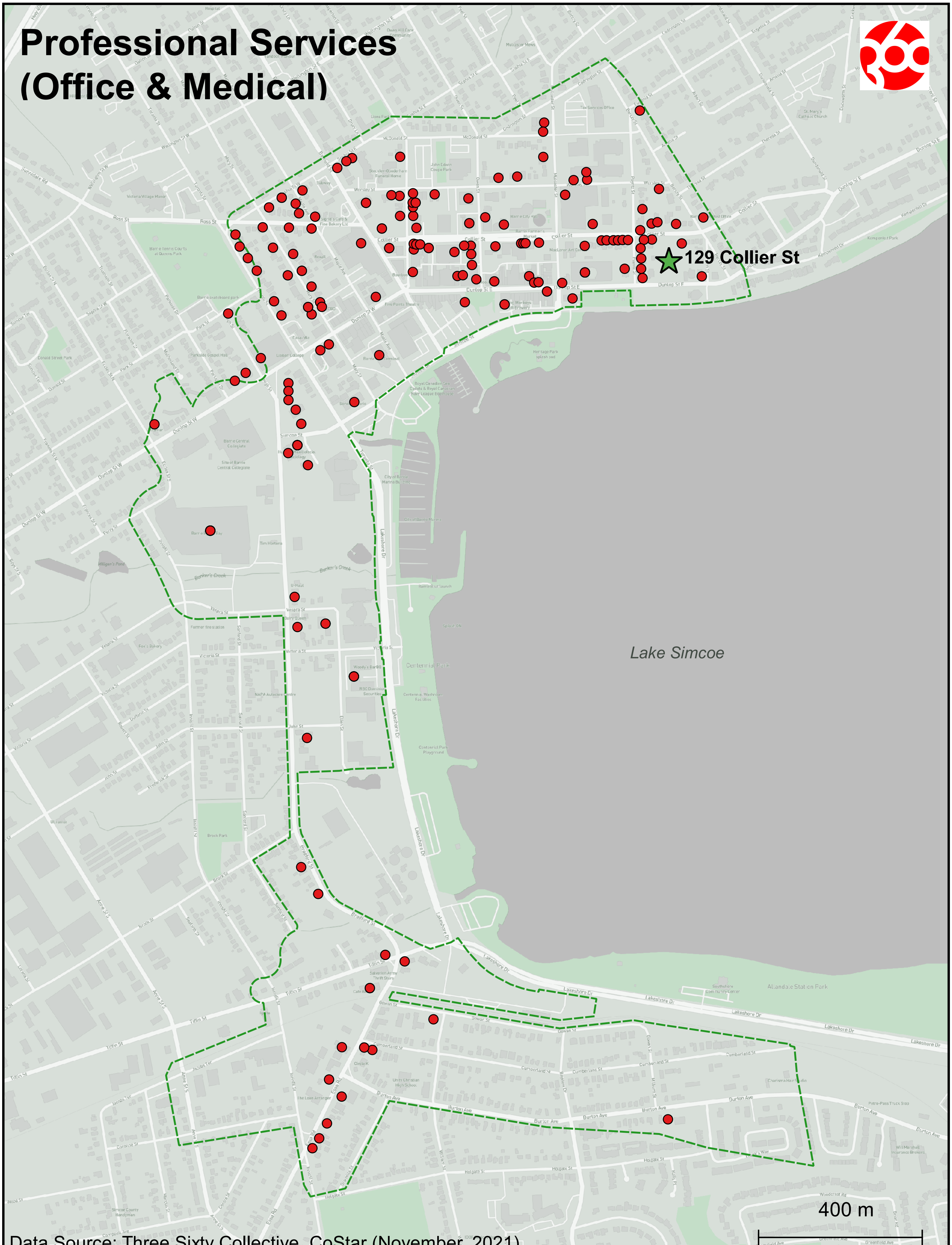
Data Source: Three Sixty Collective, CoStar (November, 2021)

Consumer Services



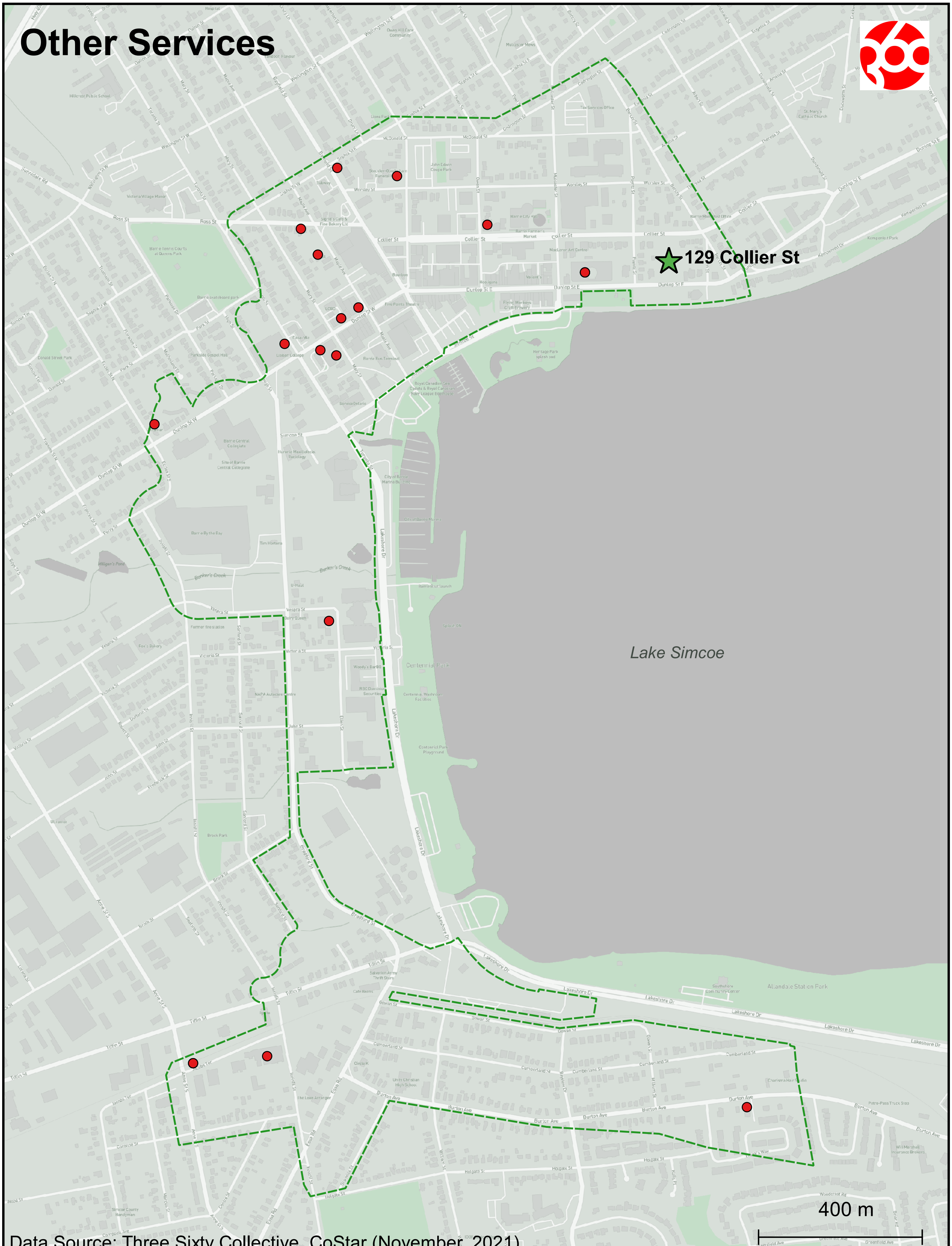
Data Source: Three Sixty Collective, CoStar (November, 2021)

Professional Services (Office & Medical)



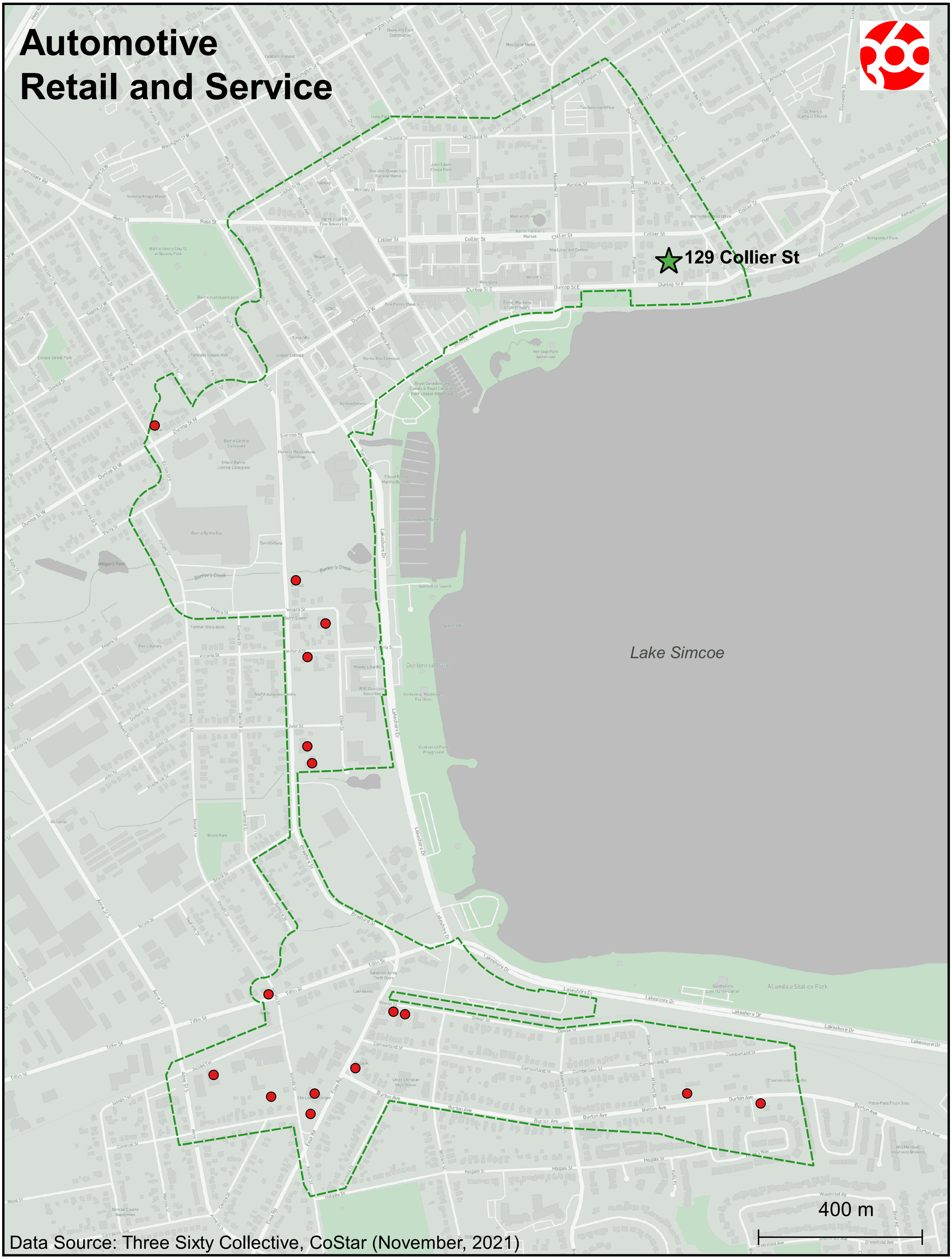
Data Source: Three Sixty Collective, CoStar (November, 2021)

Other Services



Data Source: Three Sixty Collective, CoStar (November, 2021)

Automotive Retail and Service



Data Source: Three Sixty Collective, CoStar (November, 2021)