

City of Cambridge

Terms of Reference for a Site-Specific Market Impact Study

A) Purpose: A Market Impact Study where required, is to demonstrate to the satisfaction of the City of Cambridge that there is market demand and support for a proposed retail/commercial *development* and that it would not have a significant negative impact on the planned function of existing and planned commercial areas, shopping centres, and Nodes in the city, in particular, the three Community Core Areas of Galt City Centre, Preston Towne Centre, and Hespeler Village.

This Terms of Reference identifies the minimum components and requirements of a Market Impact Study and the criteria to be addressed. The Malone Given Parsons Ltd. study titled “City of Cambridge, Comprehensive Commercial Review, Cambridge, Ontario” prepared for the City dated September 2014 (the CCR), should be referenced in context of a site-specific Market Impact Study.

The City’s Official Plan requires the preparation of a Market Impact Study by a qualified market professional to the satisfaction and approval of the City for the following:

- i) A proposed amendment to the Official Plan and/or Zoning By-law required to permit a new retail/commercial *development* of 5,000 m² *gross leasable area* (GLA) or greater;
- ii) A proposed amendment to the Official Plan and/or Zoning By-law required for expansion of an existing retail/commercial *development* or Node of 5,000m² GLA or greater;
- iii) Notwithstanding items i) and ii), a proposed amendment to the Official Plan and/or Zoning By-law required to permit a new or expansion of 1,860 sq.m. GLA or greater of either a food store, food related space, department store space, or 1,390 m² GLA or greater of drug store space; and,
- iv) Where required by City Staff, any proposal to amend retail/commercial minimum unit size(s) specified in a Zoning By-law.

B) Study Scope

The Market Impact Study shall include the following components. All references to “proposed *development*” relate to proposals described by items A i) to iv) above.

1. Site Location/Context and Proposal

- Information and assessment of the site location, context, and access.

City of Cambridge

Terms of Reference for a Site-Specific Market Impact Study

- Summary of the proposed *development* and site concept plan including total *development* size in GLA and gross floor area (GFA) if different, intended merchandise category or categories, composition of space, any known tenant(s) including square foot size(s), *development* timing, and any phasing.
- If amendments to unit size are proposed, a summary of the proposed unit sizes should be included.

2. Existing Supply of Retail/Commercial Space

- Quantitative and qualitative analysis of the existing supply of retail/commercial space in Cambridge and of similar and competitive space within the surrounding market area. The analysis should be focused on relevant categories to the proposed *development*. Any relevant changes in retail/commercial space compared with the inventory provided in the CCR should be identified.
- If amendments to unit size are proposed, an assessment of unit size within the commercial areas and Community Core Areas should be included.
- Assessment of the role and function, and relative health of commercial areas, shopping centres, commercial designations, Nodes, and the Community Core Areas.
- Identify and summarize planned and proposed retail/commercial *developments* in Cambridge including location, site size, planning status, and where available, *development* components and timing, as well as those in the surrounding area that would have an influence on the Cambridge market and in particular the proposed *development*. Planned *development* includes any undeveloped commercial land of relevance.

3. Trade Area and Population

- Assess current shopping patterns, market and trade area draw, inflow trade, role and function of commercial areas and Nodes in Cambridge.
- Identify a trade area from which the majority of customers of the proposed *development* would reside.
- Identify current population and forecast future population within the trade area. Identify data sources of existing population and population projections.

City of Cambridge

Terms of Reference for a Site-Specific Market Impact Study

4. Market Demand and Impact Analysis

- Calculate current and forecast future demand in relevant and corresponding categories to those proposed.
- Assess shopping patterns, retail trends, existing market capture rates, and inflow trade, which may include survey research. Forecast future market captures and inflow trade with the proposed *development* in combination with any other planned and/or proposed and approved *developments*.
- Forecast market demand and impact in the first full year of operation, third, and fifth year of the proposed *development* and if phased, for each phase.
- Conduct a quantitative analysis of market demand and support including the amount of space, mix, and any phasing of the proposed *development*.
- Compare findings regarding market demand and support for the subject proposed *development* with the retail/commercial demand forecasts provided in the CCR. Assess the implications.
- Evaluate the degree of competitive effects and potential impact with the introduction of the proposed *development*.
- Assess whether or not the proposed *development* would have a significant negative impact on the planned function of the existing and planned designated commercial areas, shopping centres, and Nodes in Cambridge, in particular the three Community Core Areas.

Findings will be used to assess market demand and potential impact with the addition of the proposed *development*. The analysis and findings of the market impact study are to be summarized a report for submission to the City of Cambridge.

In accordance with Policy 10.14.3 of the Cambridge Official Plan, these Terms of Reference will also be used as a basis of any peer review of a submitted Market Impact Study. The City of Cambridge reserves the right to conduct a peer review of the submitted Market Impact Study. Such a peer review shall be completed by a qualified market professional to be retained by the City, at the proponent's expense.