



**City of Kingston  
Report to Council  
Report Number 24-223**

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**To:** Mayor and Members of Council  
**From:** Paige Agnew, Commissioner, Growth & Development Services  
**Resource Staff:** Tim Park, Director, Planning Services  
**Date of Meeting:** September 17, 2024  
**Subject:** Commercial Land Review & Strategic Directions

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**Council Strategic Plan Alignment:**

Theme: 5. Drive Inclusive Economic Growth

Goal: 5.3 Diversify Kingston's economic base.

Goal: 5.4 Support Kingston's economic competitiveness through workforce development and talent attraction.

Goal: 5.5 Continue to enhance Kingston as a tourist destination.

Goal: 5.8 Ensure the downtown remains vibrant.

**Executive Summary:**

Following Council's endorsement of the Medium Population, Housing and Employment Growth Scenario for the City of Kingston for the 2021-2051 period ([Report Number 24-016](#) dated December 5, 2023), urbanMetrics inc. (urbanMetrics) has prepared a Commercial Land Review & Strategic Directions report as one of the key background studies for the Official Plan project. This study includes a review of Kingston's commercial structure, a long-term technical assessment of the city's commercial needs, including determining if there is sufficient land within the urban boundary to accommodate the required commercial development forecast to the year 2051, and provides strategic policy recommendations to inform the development of commercial policies in the new Official Plan.

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The study considers both qualitative and quantitative data and uses the following methodology:

- **Commercial inventory update:** The previous inventory database of the city's commercial floor space and vacant commercial land was updated. This included a review of different categories of commercial inventory, including food store retail, non-food store retail, and service commercial establishments.
- **Market analysis:** A market analysis was conducted to understand the current market characteristics and to project future demand for warranted commercial space up to 2051.
- **Stakeholder engagement:** The engagement included one-on-one interviews with 24 public and private sector stakeholders, a consumer survey which received 1,190 completed responses, and a public information centre to gather insights and feedback on commercial needs.
- **Warranted space projection:** The market analysis results, 2023 retail trade data from Statistics Canada, and urbanMetrics' commercial projection model were combined to estimate the commercial space that is anticipated to be supported by population and/or expenditure growth in the market.
- **Supply-demand reconciliation:** Existing commercial space and vacant land supply were compared with projected demand to identify gaps or surpluses.
- **Other municipal practices:** A review was undertaken of commercial policies and strategies from other municipalities to identify practices that can be adapted to Kingston.
- **Policy recommendations:** Based on the findings, a series of recommendations for policy directions were developed for consideration through the Official Plan project.

The key findings and recommendations of the Commercial Land Review & Strategic Directions study prepared by urbanMetrics are as follows:

- The city should plan to accommodate 1.47 million square feet of new commercial space to the year 2051.
- The city will need a total of 57.4 hectares of lands for commercial purposes by the year 2051.
  - The city has a supply of 31.2 hectares of vacant commercially designated land within the urban boundary.
  - Approximately 11.1 hectares of new commercial lands would be needed beyond the existing urban boundary for local-serving commercial uses, if existing lands remain designated commercial. Approximately 8.2 hectares of lands would be needed to accommodate commercial uses that have traditionally been located in industrial areas and would have represented demand for land within those areas. Staff note that these land need requirements have already been incorporated as part of the Community Area Land Needs and Intensification Analysis ([Report](#)

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[Number 24-172](#)) and the Employment Area Lands Review ([Report Number 24-221](#)) prepared by Watson & Associates Economists Ltd.

- For the remaining 6.9 hectares of commercial lands needed (i.e. 57.4 - 31.2 - (11.1 + 8.2) hectares), the study recommends that the city either expand mixed-use permissions that allow for the inclusion of new commercial space in residential developments or incorporate additional commercial land in an expanded urban boundary.
- The consultant team predicts that there is likely sufficient residual demand to support an additional large-scale general merchandise store within Kingston, potentially including a grocery component, particularly if this is an anchor tenant for a new commercial node in the urban boundary expansion area.
- The consultant team notes that Kingston's projected population growth of more than 60,000 people is likely to support between 5 and 7 new supermarkets over the projection period.

Based on the analysis undertaken, urbanMetrics has included a set of policy directions for consideration through the Official Plan project, including recommendations for restructuring the existing commercial designations, supporting intensification and commercial mixed-use developments and increasing flexibility, accommodating commercial space in greenfield areas that is appropriately sized and optimally located to integrate into the urban fabric and meet the local commercial needs, and facilitating high-quality commercial developments. The full set of policy recommendations is included in the Commercial Land Review and Strategic Directions report (Exhibit A).

Employment land requirements for the city have been reviewed separately, and the assessment was provided in Report Number 24-221, delivered to Council on September 3, 2024. As noted in previous reports to Council, the location of future urban boundary expansion lands will be reviewed as part of the Official Plan project. The identification of these lands will be done in a manner that supports the protection and enhancement of the natural heritage system, which is one of the seven critical public interests to be met through the new Official Plan project.

The purpose of this report is to seek Council's endorsement of the Commercial Land Review & Strategic Directions. Staff will take the policy directions of the study, as appropriate, to help inform the drafting of new policies related to commercial uses in the new Official Plan. There may be additional policies that are developed by staff and brought forward for Council's consideration through the Official Plan project.

### **Recommendation:**

**That** Council endorse the City of Kingston Commercial Land Review and Strategic Directions, dated August 28, 2024, prepared by urbanMetrics inc., attached as Exhibit A to Report Number 24-223; and

**That** the policy directions included in Exhibit A to Report Number 24-223 inform the drafting of new policies related to commercial uses in the new Official Plan.

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**Authorizing Signatures:**

ORIGINAL SIGNED BY COMMISSIONER

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**Paige Agnew, Commissioner,  
Growth & Development Services**

ORIGINAL SIGNED BY CHIEF

ADMINISTRATIVE OFFICER

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**Lanie Hurdle, Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Jennifer Campbell, Commissioner, Community Services	Not required
Neil Carbone, Commissioner, Corporate Services	Not required
David Fell, President & CEO, Utilities Kingston	Not required
Peter Huigenbos, Commissioner, Major Projects & Strategic Initiatives	Not required
Brad Joyce, Commissioner, Infrastructure, Transportation & Emergency Services	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required

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**Options/Discussion:****Background**

As part of the preparation for the Official Plan project, key background studies have been initiated by Planning Services, including a Population, Housing and Employment Forecast, an Employment Land Review, and a Commercial Land Review. A team led by Watson & Associates Economists Ltd. (Watson) was retained to undertake these studies. The analysis, conclusions and recommendations resulting from the studies will inform the drafting of the residential, industrial, and commercial land use policies in the City's new Official Plan.

urbanMetrics inc. (urbanMetrics), as part of the broader Watson team, has prepared a Commercial Land Review & Strategic Directions report (Exhibit A) to review Kingston's commercial structure, provide a long-term technical assessment of the City's commercial needs, including determining if there is sufficient land within the urban boundary to accommodate the required commercial development forecast to the year 2051 and to provide strategic policy recommendations to inform the development of the new Official Plan.

The analysis carried out in the Commercial Land Review & Strategic Directions indicates that the city will need a total of 57.4 hectares of commercial land by the year 2051 to accommodate new commercial development. The city has a supply of 31.2 hectares of vacant commercially designated land within the urban boundary. The analysis confirms that the city has a shortfall of commercial land within the urban area to accommodate future commercial development to the year 2051. Approximately 11.1 hectares of new commercial lands would be needed beyond the existing urban boundary for local-serving commercial uses. Approximately 8.2 hectares of lands would be needed to accommodate commercial uses that have traditionally been located in industrial areas and would have represented demand for land within those areas. Staff note that these land requirements have already been incorporated as part of the Community Area Land Needs and Intensification Analysis (Report Number 24-172) and the Employment Area Lands Review (Report Number 24-221) prepared by Watson. For the remaining 6.9 hectares of commercial lands needed, the study recommends that the city either expand mixed-use permissions that allow for the inclusion of new commercial space in residential developments or incorporate additional commercial land in an expanded urban boundary.

**Commercial Land Review & Strategic Directions**

The following is a summary of the approach used by urbanMetrics for the Commercial Land Review & Strategic Directions report.

**Commercial Policy Review**

The report examines the existing commercial designations and zones within the current City of Kingston Official Plan and Kingston Zoning By-Law Number 2022-62 respectively, as well as the additional Williamsville and Downtown mixed-use zones. An analysis of the zones uses three impact areas that are often cited as barriers to successful mixed use or commercial development, including development limitations, connectivity and public realm, and tenant

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restrictions. A summary of the current policy and regulatory context observes that while the City is continuing to make efforts to integrate and simplify the planning framework, there are still opportunities to build greater degrees of adaptability and flexibility into new and amended policy and regulatory documents going forward. It is emphasized that while there are provisions for mixed use development, new policies will need to continue to accommodate mixed use projects with a goal of reducing the need for site-specific amendments for future development.

### **Commercial Market Overview**

The commercial market overview includes a market profile of Kingston, which is considered a mature and complete regional market – residents of adjacent municipalities are more likely to visit Kingston than vice versa. It is identified as a centre for post-secondary education and tourism, with the observation that students and tourist behaviours lead to a strong market of food and drink establishments with a concentration in the downtown. It is noted that at 10% of the total commercial inventory, there is a lack of grocery and supermarkets compared to other comparable cities and this may be an expanding market gap as Kingston grows. The retail and commercial space in Kingston totals approximately 7.7 million square feet, with most of the space concentrated in six general areas of concentrated commercial activity. At 5%, the vacancy rate is consistent with a balanced market. Also of note is that almost 1 million square feet of commercial space is located on lands originally planned for industrial uses. There may be future implications in this regard as the city prepares for changes in way that the Province now defines Employment Areas in the new Provincial Planning Statement, 2024 (PPS, 2024), precluding many commercial uses from future development in these areas.

The report also addresses what appears to be an approximate 20% reduction in commercial space between 2016 and 2023, observing that several factors including the exclusion of professional services and the demolition and redevelopment of some older commercial areas have contributed to what appears to be a decline, but they are actually dynamic adaptations to changing local conditions.

A consumer origin analysis was undertaken based on cell phone data focused on the origin of visitors to Kingston's largest commercial areas – Downtown Kingston, the RioCan Centre, and the Cataraqui Centre. Local residents comprise two thirds of visitation, underscoring the importance of local residents in sustaining commercial vitality. To this end, efforts are recommended that will maintain and enhance the accessibility and appeal of these areas including convenient public transportation, parking, and pedestrian-friendly environments. Regional visitation also emphasizes the need for regional planning considerations. Downtown Kingston receives the highest proportion of visitors from further away, including from other provinces and international travellers. The crucial role that the area plays in the city's tourism necessitates targeted planning and investment to ensure that the heritage buildings, pedestrian-friendly streetscapes and cultural and recreational offerings that attract tourists are further protected and strengthened.

The study identifies key national, regional and local trends that will continue to influence the demand for commercial space to serve Kingston's future growth:

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- Mixed use intensification is occurring in Kingston, as it is in other comparable cities in Canada, creating more intensive use of existing built-up areas. This approach integrates residential, commercial and occasionally institutional uses into a single development, promoting walkable neighbourhoods and vibrant communities that attract residents and businesses. Integrating student housing with commercial spaces can also help with seasonality by ensuring commercial areas are vibrant all year round.
- Due to the challenges of incorporating commercial space into mixed-use projects and the relatively greater profitability of residential development, the redevelopment of older retail sites often reduces retail uses and floor area. Food and food service uses are more challenging to incorporate into mixed-use developments. Many mixed-use projects are moving towards a tenant mix dominated by personal and health-related services which require less space.
- Changing how commercial space is utilized as a result of repositioning anchor tenants, public health measures, and incorporating community and temporary uses, requires adaptable zoning and land use policies for flexible and innovative uses.
- E-retailing and the e-commerce space has resulted in reduction of physical footprints and locations while at the same time driving need for distribution and warehousing facilities with the associated delivery traffic. Higher density mixed-use buildings with limited on-site parking and loading can face challenges of delivery and pick-ups, precipitating a need for creating efficient delivery hubs to streamline logistics to reduce traffic congestion. This is especially true of areas with higher student populations with a higher reliance on online shopping.
- Curb competition, in a related manner, is the change in usage of shared curb and sidewalk infrastructure due to ride sharing, online grocery orders, and electric mobility devices that requires balancing the needs of pedestrians, cyclists, public transport and delivery services through effective curb space management.
- Category blending occurs when larger retailers provide diversified offerings such as groceries to capture broader market segments. This drives adaptation of store formats and may necessitate new and adaptable approaches to managing retail uses. Changes in technology and social behaviour will continue, and Kingston should consider how it can adapt its planning framework in such a way that local economic growth is supported by accommodating consumer preferences.

### **Warranted Commercial Space – Technical Assessment**

A technical assessment of the warranted commercial space was undertaken to assess the quantity and type of commercial space required to support Kingston's population growth through 2051. urbanMetrics used their commercial projection model and applied regression equations to Statistics Canada Retail Trade Data. The model outputs include projections of the space required to serve the projected 2051 population using the following three categories:

- Food Store Retail: Stores selling a general or specialized selection of food or beverage products including grocery and convenience, specialty food (butchers, greengrocers, etc.), and beer, wine and liquor retailers.

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- Non-Food Store Retail: Stores selling a range of non-food products such as apparel and accessories, household goods and merchandise, consumer electronics, and more.
- Services: Businesses and organizations provide various services, including restaurants and food services, educational programs, and commercial health care, among other consumer-focused services.

As shown in Table 1, the gross warranted commercial space to the year 2051 is estimated to be between 1.45 and 1.75 million square feet. urbanMetrics also reviewed building permit and development application data for commercial uses. Considering the commercial space in the development pipeline, the gross warranted space of between 1.45 and 1.75 million square feet was adjusted downward to a range of between 1.18 and 1.47 million square feet. For planning purposes, urbanMetrics has utilized the high end of this range to provide for vacancy and increased flexibility to ensure that commercial needs can be met.

**Table 1: Warranted Commercial Space to 2051**

Category	Low Estimate (square feet)	High Estimate (square feet)
Food Store Retail	272,800	304,900
Non-Food Store Retail	572,400	695,000
Services	611,900	747,900
<b>Gross Warranted Space</b>	<b>1,457,100</b>	<b>1,747,800</b>
<b>Adjusted Total Warranted Space</b>	<b>1,182,700</b>	<b>1,473,400</b>

Market and competitive considerations were taken into account in the analysis. Specific retailer consideration was also given to dominant large retailers such as Walmart, Canadian Tire and Costco, which are important facilitators of future commercial growth. The consultant team predicts that there is likely sufficient residual demand to support an additional large-scale general merchandise store within Kingston, potentially including a grocery component, particularly if this is an anchor tenant for a new commercial node in an expanded Community Area.

For purposes of the land needs assessment, urbanMetrics considered commercial space needs using a commercial hierarchy, where businesses meet local needs, municipal-wide needs, and



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the needs of the business community through quasi-industrial uses. The analysis also considers the requirements of specialty commercial uses such as hotels and car dealerships.

Local market dynamics were considered, and the amount of space was translated into a land need based on criteria such as floor area ratios for different types of development. The supply of commercial land was then reviewed accounting for recent and active development. Finally, the need for commercial land and the current supply and pending development were reviewed to ultimately determine the amount of net new amount of commercial space and land area required.

The consultant team has identified 31.2 hectares of vacant land under existing commercial designations within the urban boundary, with space primarily concentrated along Princess Street, Midland Avenue, Bath Road, and Centennial Drive and at the Division Street/Weller Avenue intersection.

Table 2 provides a summary of the warranted space and associated land needs for new commercial development by the year 2051 based on the technical assessment completed.

**Table 2 – Market-Supported Commercial Space and Associated Land Needs**

Type of Commercial Use	Gross Leasable Area (Square Feet)	Net Acres	Net Hectares
Local Serving Commercial Uses – Urban Boundary Expansion Area	417,400	27.4	11.1
Local Serving Commercial Uses – Existing Urban Boundary	556,600	41.2	16.6
Municipal Serving Commercial Uses	322,600	21.2	9.9
Other Commercial Uses	176,800	20.3	8.2
<b>Subtotal</b>	<b>1,473,400</b>	<b>110.1</b>	<b>45.8</b>

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Type of Commercial Use	Gross Leasable Area (Square Feet)	Net Acres	Net Hectares
Specialty Commercial Uses (hotels, convention centre, car dealerships)	-	28.7	11.6
<b>Total</b>	-	<b>138.8</b>	<b>57.4</b>

As shown in Table 1, of the approximately 1.47 million square feet of warranted commercial space, approximately 974,000 square feet is projected to be local-serving commercial uses, 322,600 square feet is projected to be municipal-serving commercial space, and an additional 176,800 square feet is projected to be other commercial space that has traditionally been located in industrial areas due to the nature of the business.

Of the local-serving space, 556,600 square feet is expected to develop within the existing urban boundary, and the remaining 417,400 square feet will require additional lands beyond the urban boundary at an estimated 11.1 hectares. Approximately 8.2 hectares of lands would be needed to accommodate 176,800 square feet of commercial uses that has traditionally been located in industrial areas and would have represented demand for land within those areas.

The study recommends that the city make up the difference between the remaining land need of approximately 38.1 hectares and the supply of vacant commercially designated land within the urban boundary of 31.2 hectares by either expanding mixed-use permissions that allow for the inclusion of new commercial space in residential developments or by incorporating additional commercial land in an expanded urban boundary.

**Case Studies**

Case studies were undertaken to provide examples of how other cities have delivered improved mixed-use and commercial areas, including Calgary, Toronto and Surrey in Canada, Hillsboro, Asheville and Boulder in the United States, and Ouseburn in the United Kingdom. The key takeaways are noted below:

- Maximize the benefit of underground parking to provide parking for broader commercial area.
- Share parking among multiple uses or tenants.
- Provide commercial uses along the entire frontage to animate the street front.
- Identify the location for community anchors, such as grocery stores, early in area planning process.
- Identify the anchor tenant and their space requirements early in the planning and design process.

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- Design buildings to deliver productive and functional lower-level space.
- Ensure adequate sidewalk width, particularly at corners.
- Have a planning framework in place to capitalize on transit investments.
- Prioritize connectivity between different forms of transportation and mitigate the potential for conflicts.
- Ensure parks and community amenities are phased in tandem with development.
- Identify areas to focus commercial and pedestrian activities that are supported by the rest of the planning framework and infrastructure delivery.
- Explore opportunities to deliver traditional commercial functions that support higher densities.
- Identify main street areas to serve as core commercial and pedestrian areas serving as the focus of surrounding infrastructure.
- Orient commercial functions internal to the site, as opposed to facing the major roadway, to support pedestrian activity.
- Ensure sufficient commercial space is provided to have a critical mass of activity.
- Treat the creation of planning frameworks and development strategies as participatory and collaborative rather than following a create and receive feedback approach.
- Align with other funding sources for the arts, tourism, and other sector-specific opportunities.
- Consider strategies to add public places, such as plazas and parks, to support adjacent businesses by creating places where people want to meet and linger.
- Use redevelopment projects as opportunities to deliver public infrastructure and improve connectivity through pathways and active transportation networks.
- Leverage existing heritage assets to create high-character spaces through adaptive re-use.
- Use festivals and other activations to increase pedestrian traffic in commercial areas and showcase local businesses. This is particularly relevant to support newly redeveloped spaces.
- Prioritize increasing residential options in new commercial areas to support their long-term vibrancy, including family-sized and affordable units where possible.

### **Strategic Directions**

Based on the analysis undertaken, urbanMetrics has included a set of policy directions for consideration through the Official Plan project, including recommendations for restructuring the existing commercial designations, supporting intensification and commercial mixed-use developments and increasing flexibility, accommodating commercial space in greenfield areas that is appropriately sized and optimally located to integrate into the urban fabric and meet the local commercial needs, and facilitating high-quality commercial developments.

The following is a high-level summary of the policy directions for the new Official Plan:

- Introduce a new land use designation adjacent to industrial areas to accommodate commercial uses historically located within industrial areas that complement industrial uses.

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- Introduce a new “Local Commercial” designation to accommodate retail and service uses designed to serve the surrounding neighbourhoods. This could be further divided into a Local Commercial 1 designation to contain a large food store or similar anchor and a Local Commercial 2 designation for smaller scale convenience type uses. The existing Neighbourhood Commercial designation could be re-classified as Local Commercial 2.
- Transform the existing Regional Commercial, District Commercial, Main Street Commercial, and Business Commercial designations into a new "Mixed Use" designation.
- Eliminate the requirement for market justification and impact assessment for new commercial development over 5,000 square metres outside the Central Business District for all properties under any Mixed-Use designation.
- Reduce the prevalence of the Arterial Commercial Designation across the city, transitioning these lands into the new Mixed-Use designation, with exceptions in key areas such as Bath Road between Centennial Drive and Tanner Drive and Midland Avenue from along Princess Street.
- Enhance the flexibility of the ground floor commercial space requirement to allow for commercial space to be provided both horizontally and vertically in multi-property development projects.
- Implement flexible zoning for various commercial and residential uses within mixed-use zones, particularly in the proposed Major Transit Station Areas, strategic growth areas, and areas adjacent to universities and transit stops to adapt to market changes and demographic shifts.
- Allow hotels and conference facilities to be permitted in the new Mixed-Use designation.
- Consider preparing a “Made in Kingston” retail design manual.

The full set of policy recommendations is included in the Commercial Land Review and Strategic Directions report (Exhibit A).

Ultimately, the City of Kingston is well positioned to accommodate commercial development both within the existing urban boundary and through additional urban boundary expansion lands. Continuing to bring a flexible approach to the planning framework will aid in reducing barriers to commercial adaptation and supporting economic success in the community.

### **Public Engagement**

A public commercial survey was undertaken by the project team to assess the shopping habits of Kingston residents and visitors. A total of 1,704 respondents contributed 1,190 completed surveys, of which 93% were living in Kingston and 53% were working in Kingston. Almost 70% of respondents were over the age of 50. It was recognized that younger shoppers were under-represented, which is typical of municipal surveys. Among other criteria, the survey evaluated respondents' favourite types of stores and locational preferences. Downtown Kingston was identified as where Kingston residents spend the most money. Respondents also provided information on preferences in how they shop, which identified that the number of online shoppers is less than other regional and national surveys. This provides input into projections for future commercial space as the greater the preference for online shopping, the less physical

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retail space is required. Most respondents indicated a preference for in-person shopping, followed by a mix of online and in-person. At 77%, the typical mode of transportation is driving, with a much smaller 15% typically walking and 4% using bicycles and public transit. The most popular ways of encouraging shoppers to use alternatives to private vehicles included encouraging stores and locations closer to residential areas, improving winter clearing of paths, and improving safety, security and lighting. Respondents also indicated preferences for main street and pedestrian retail areas. The responses generally aligned with a more flexible land use framework which permits commercial uses in mixed use or residential areas and prioritizes main street-type retail with consideration for pedestrians.

In addition to the survey, a series of interviews with public and private sector stakeholders were conducted to gain insight into the commercial market. Stakeholders underscored the need for enhanced infrastructure and connectivity including transit; support for mixed-use and infill development; and additional economic development and support for small businesses. The need for flexible and supportive zoning and concerns about serviced site availability were raised, along with the need for support for public realm improvements including parks, a revitalized waterfront, and active street life. Flexibility and diversity were key with adaptable uses for mixed-use developments, along with economic diversification, specifically in healthcare and biomedical sectors.

Additionally, on April 17, 2024, a public information session was held to discuss the draft commercial lands needs. The session was held at INVISTA centre and was attended by 29 members of the public. The session included a presentation by the consultant team including urbanMetrics, followed by a question-and-answer session. A summary of the feedback received at the public information session along with responses from the project team was included as an exhibit to [Report Number 24-172](#).

**Existing Policy/By-Law:**

This report considers the existing Provincial Policy Statement, 2020, the new Provincial Planning Statement, 2024 (in effect as of October 20, 2024), as well as the current City of Kingston Official Plan.

**Notice Provisions**

None

**Financial Considerations**

None

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**Other City of Kingston Staff Consulted:**

None

**Exhibits Attached:**

Exhibit A – Commercial Land Review & Strategic Directions, urbanMetrics inc.



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Metrics

# City of Kingston

## Commercial Land Review & Strategic Directions

Kingston, Ontario

Prepared for **City of Kingston**

August 28, 2024







urban  
Metrics

August 28, 2024

City of Kingston  
216 Ontario St  
Kingston, ON, K7L 2Z3

RE: **City of Kingston** – Commercial Land Review & Strategic Directions  
(Kingston, Ontario)

urbanMetrics inc. is pleased to submit this Commercial Lands Review & Strategic Directions Report to the City of Kingston. The objectives of this report are to review Kingston's commercial structure, provide a long-term technical assessment of the city's commercial needs, and augment this technical analysis with strategic policy direction to inform the development of a new Official Plan.

The first part of the study, a technical analysis of the commercial space warranted by the City's projected population growth, builds upon a previous Commercial Lands Review completed in 2016 on behalf of the City. The methodology used herein is comparable to that previous work and similar approaches used on behalf of other municipalities by urbanMetrics across the province.

In addition to this technical analysis, the study also incorporates perspectives from residents and expert stakeholders, as well as the experiences of other municipalities. Supported by our professional experience, these insights contribute valuable context to the review of the City's current commercial policies and zoning categories relative to commercial best practices in other jurisdictions and, ultimately, the recommendations for strategic policy directions for the City of Kingston.



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# 1.0 Introduction

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## 1.1 Terms of Reference

The City of Kingston (“the City”) retained urbanMetrics inc. (“urbanMetrics”) as part of a consulting team led by Watson & Associates Economists Ltd. (“Watson”) and including Dillon Consulting Limited (“Dillon”) (together referred to as the “Consultant Team”), in January 2023 to prepare a growth analysis and urban land needs assessment study to support the City’s new Official Plan. This study is being prepared in two parts: Part 1: Technical Analysis and Part 2: Strategic Directions.

This study is intended to provide a foundation for the City’s long-term planning based on an assessment of the City’s present and future commercial land needs. It also exists alongside separate but related studies completed by Watson and Dillon, including updating the City’s Population, Housing, and Employment forecasts and assessing Residential and Employment Area land needs to 2051.

urbanMetrics’ specific role within this multidisciplinary effort is to evaluate the commercial land needs, which involves analyzing existing commercial space, projecting future space requirements, and recommending policy direction to guide the City’s planning framework in facilitating the delivery of future commercial space.

## 1.2 Purpose

This study is a technical assessment, strategic tool, and resource for the City. It provides a detailed analysis of Kingston’s current and future commercial land requirements, a crucial aspect of good planning practices. By ensuring the community has sufficient retail, office, and service spaces, the City supports economic growth and enhances the quality of life for residents.

The study’s utility as a strategic resource for the City is predicated on combining a variety of perspectives, including best practices in other jurisdictions, public engagement with Kingston residents and key stakeholders, spatial and technical analysis, and urbanMetrics’ professional experience. Combined, these sources paint a clear picture of the challenges and opportunities

## 1.3 Approach

Our approach to this study is structured and methodical, drawing on quantitative and qualitative data. The critical steps in our methodology include:

1. Commercial Inventory Update: The first step was updating the inventory database of the City’s commercial floor space and vacant commercial land.

2. **Market Analysis:** We conducted a detailed market analysis to understand the current market characteristics and to project future demand for warranted commercial space up to 2051.
3. **Stakeholder Engagement:** This involved one-on-one interviews with 24 public and private sector stakeholders, consumer surveys, and public open houses to gather insights and feedback on commercial needs.
4. **Warranted Space Projection:** We combine the market analysis results of 2023 Statistics Canada retail trade data and urbanMetrics' commercial projection model to estimate the commercial space that will be supported by population and expenditure growth in the market.
5. **Supply-Demand Reconciliation:** We compared the supply of existing commercial space and vacant land with projected demand to identify gaps or surpluses.
6. **Best Practices Review:** We reviewed commercial policies and strategies from other municipalities to identify best practices that can be adapted to Kingston.
7. **Policy Recommendations:** Based on our findings, we developed a series of recommendations for policy directions to consider in updating the municipal planning framework to support the City's development goals.

## 1.4 Assumptions

Several vital assumptions underpin our analysis:

**Economic Stability:** We assume a reasonable degree of economic growth and stability in Kingston, Ontario, and Canada over the forecast period up to 2051.

**Population Projections:** We have relied on population projections undertaken by our consulting team partners whose mandate was defined by the City.

We are confident in the accuracy and validity of the population projections, but any unforeseen events that significantly impact Kingston's ability to realize or exceed the population projections may influence the accuracy of the analysis presented in this report.

**Market Data Reliability:** We rely on various sources of data and information to calculate retail expenditures, capture rates, and sales performance levels, which are considered sufficiently reliable.

**Stakeholder Input:** We assume that stakeholders' insights accurately reflect current market conditions and future trends. We also assume that stakeholders have acted in good faith and are not attempting to exert undue influence on the planning process.

These assumptions are critical to ensure that our analysis remains effective and that our recommendations are practical and actionable.

# 1.5 Population Growth

This report is based on the Medium Growth Scenario endorsed by Kingston City Council on December 5th, 2023. Under this scenario, the City is expected to reach a permanent resident population of 197,000 in 2051. After considering non-permanent residents such as students and other community members who contribute to the city's commercial economy, the total projected population by 2051 is 220,900 people.

**Figure 1: Table 1 in Report to Council 24-016**

Scenario	Permanent Population	Total Population (Permanent & Students)	Permanent Housing (number of units)	Total households (Permanent & Students)	Employment (number of jobs)
Existing (2021)	136,600	154,100	57,800	62,900	71,900
Low Growth (2051)	186,600	210,500	80,800	88,200	107,800
Medium Growth (2051)	197,000	220,900	84,800	92,200	113,900
High Growth (2051)	207,400	231,300	88,500	95,900	119,900

SOURCE: City of Kingston Population, Housing and Employment Growth Scenarios in Report to Council Report Number 24-016 December 5, 2023.



# 2.0 Commercial Policy Review

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## 2.1 Official Plan

This section provides an overview of the principal commercial land use designations within the City of Kingston’s Official Plan (“OP”), consolidated on December 1<sup>st</sup> 2022 and Kingston Zoning By-law Number 2022-62. We understand that the City is preparing modernized updates to both the OP and the Zoning By-law to integrate modern planning best practices and ensure consistency with ongoing policy developments by the Province of Ontario.

### Commercial Designations in the Urban Boundary

Section 3.4 of the Official Plan identifies six categories of commercial land uses that currently form the basis of the City’s commercial structure. The next page illustrates the various locations of these land use categories within Kingston’s Urban Boundary (Figure 2). The following highlights the key characteristics of each land use category:

1. **Central Business District (CBD).** The CBD is intended to be the centre for commercial, recreational, and institutional uses for the City of Kingston and the broader region. Within the CBD, the OP permits a wide range of commercial and cultural/institutional uses that complement the pedestrian-oriented structure of Downtown Kingston.
2. **Regional Commercial.** This commercial designation is intended to support large-scale retail facilities which attract a large regional market and are typically located in highly accessible sites along collector or arterial roads. Two key criteria for ‘Regional Commercial’ sites include a minimum site area of 14 hectares or larger and a minimum leasable floor area of 30,000 square metres. There are currently four regional commercial areas designated in the City (Figure 2).
3. **Main Street Commercial.** Commercial uses under the Main Street Commercial designation are intended to serve the surrounding neighbourhoods in a pedestrian-focused setting. Land uses permitted under this commercial designation include hospitality, personal services, community uses, and small office buildings.

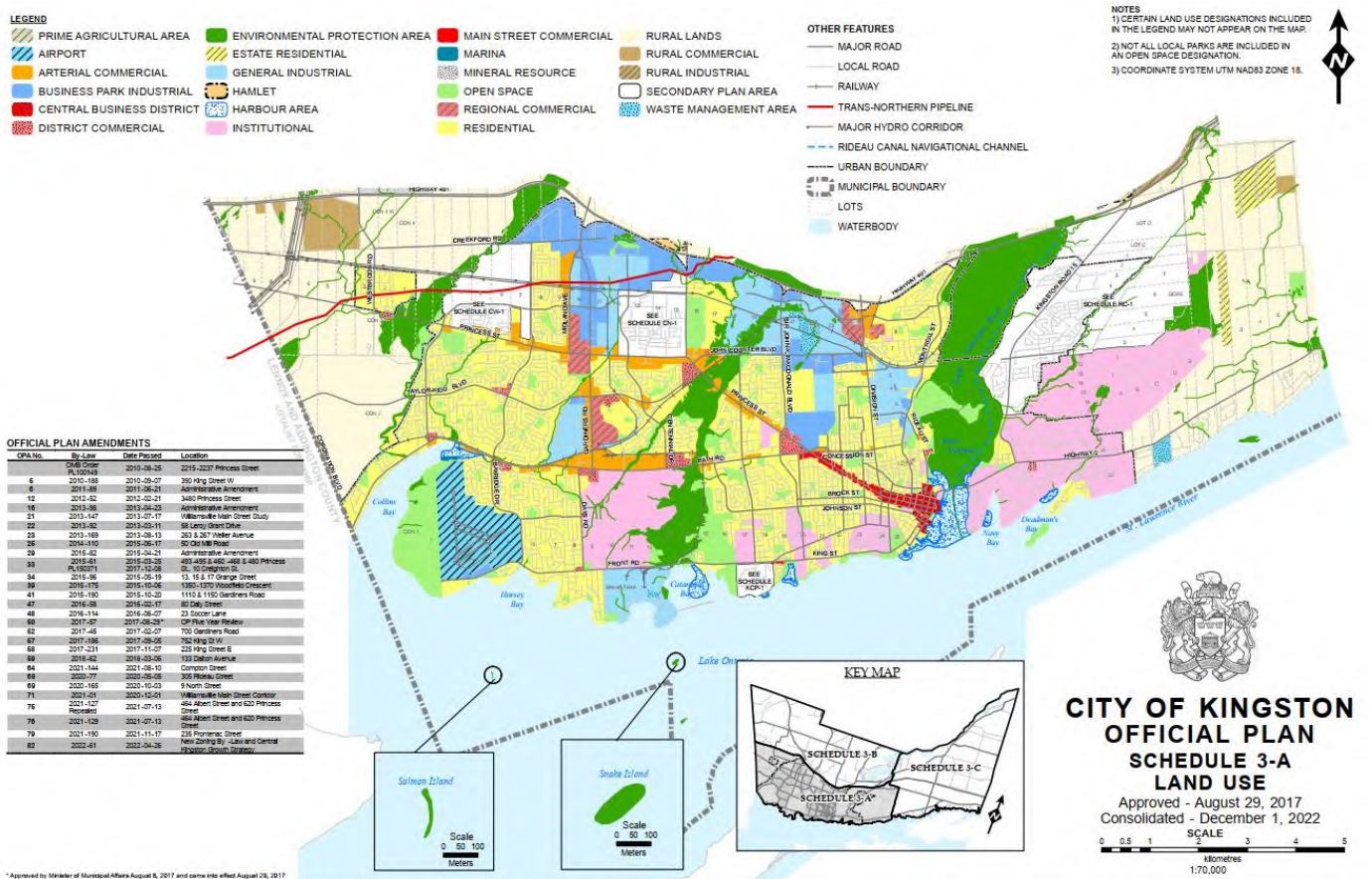
The Main Street Commercial designation is limited to a corridor surrounding Princess Street, which runs from the edge of the CBD to Concession Street.

4. **District Commercial.** The District Commercial designation is intended to serve the daily shopping needs of multiple surrounding neighbourhoods. These locations are typically anchored by food-store retail and include other local-serving goods and services (e.g., restaurants, pharmacies, convenience stores, and dollar stores).
5. **Arterial Commercial.** This designation is largely intended for commercial uses oriented towards the travelling public. It typically accommodates uses with larger space requirements,

such as automotive and hospitality activities, where opportunities may be limited on other designations. Arterial Commercial sites are typically visible and easily accessible by motor vehicle traffic.

- Neighbourhood Commercial.** This designation is permitted within Residential designated areas. It is intended to facilitate the development or operation of small-scale commercial sites designed to serve residents' day-to-day convenience needs. Permitted uses include local retail (e.g., convenience stores), personal services, small take-out restaurants, and live-work units. Policy 3.4.F.4 allows the municipality to strictly limit the location and size of neighbourhood commercial establishments, while Policy 3.4.F.6 sets out development criteria for proposed neighbourhood commercial uses.

Figure 2: Official Plan Schedule 3A



SOURCE: City of Kingston Official Plan Consolidated Dec 1st 2022

The various Secondary Plans (e.g., Rideau Community, Cataraqui North, Cataraqui West) and policy areas (e.g., Princess Street Corridor, Central Kingston) identify additional guidelines regarding the

development of commercial uses. In addition, the OP identifies subsets of the six commercial categories permitted within each of these Secondary Plans and specific policy areas.

## Commercial Designations Outside the Urban Boundary

### Rural Commercial

In addition to lands within Kingston’s urban boundary, the Rural Commercial designation allows commercial uses to support the rural/agricultural community and the travelling public. Many of these locations accommodate light industrial users and agricultural support uses requiring open storage. It is important to note that small-scale commercial uses are also permitted in the Rural Land designation, which is not reflected in the Rural Commercial designation in Schedule 3.

### Hamlet

The Hamlet designation allows for various uses within small and compact rural communities. It is intended to support limited commercial uses and is oriented towards serving the convenience commercial needs of residents of the surrounding rural area and the agricultural community.

## 2.2 Zoning By-law

The City of Kingston Zoning By-law 2022-62 outlines seven types of commercial zones, each designed to implement the Commercial Land Use Designations from the Official Plan. Additionally, the By-law includes Mixed-Use Zones, which are planned to continue supporting commercial development in Kingston. These zones balance residential and commercial development while promoting vibrant, accessible, and sustainable urban environments.

### Zoning Classes Permitting Retail and Service Commercial Uses

In addition to the land use designations included in the Official Plan, Section 15.1 of Zoning By-law 2022-62 identifies seven types of commercial zones:

- Neighbourhood Commercial Zone (CN)
- Arterial Commercial Zone (CA)
- District Commercial Zone (CD)
- Regional Commercial Zone (CR)
- General Commercial Zone (CG)
- Marine Commercial Zone (CW)
- Harbour Zone (HB)

These zones generally implement the Commercial Land Use Designations outlined in the Official Plan. Additional zoning classes significant to the Kingston commercial market include Mixed Use Zones:

- Williamsville Zone 1 (WM1)
- Williamsville Zone 2 (WM2)
- Downtown Zone 1 (DT1)
- Downtown Zone 2 (DT2)

The following section summarizes the commercial zones based on their ability to support mixed-use and commercial development over the forecast period. To do so, we have identified three impact areas: Development Limitations, Connectivity and Public Realm, and Tenant Restrictions. These three areas are often cited as barriers to successful mixed-use or commercial development.

Zoning Class	Development Limitations	Connectivity & Public Realm	Tenant Restrictions
Neighbourhood Commercial (CN)	<ul style="list-style-type: none"> <li>• Maximum height 12 metres (2/3 storeys).</li> <li>• Ground Floor Commercial Use Requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Ground floor uses provide for a connected and animated streetscape</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum GFA of 185 square metres for specific uses</li> </ul>
Arterial Commercial (CA)	<ul style="list-style-type: none"> <li>• 20% minimum landscaped open space</li> </ul>	<ul style="list-style-type: none"> <li>• Provisions for mixed-use buildings encourage the integration of residential and commercial uses, improving mobility.</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum lot area for dwelling units (1,393 square metres).</li> <li>• Ground floor commercial use requirements</li> </ul>
District Commercial (CD)	<ul style="list-style-type: none"> <li>• Minimum lot frontage requirements (60 meters) and rear setback (15 meters)</li> </ul>	<ul style="list-style-type: none"> <li>• Setback requirements create auto-oriented streetscape and disincentivize active transportation</li> </ul>	<ul style="list-style-type: none"> <li>• A broad range of permitted uses</li> <li>• Large setback requirements limit how companies can utilize their property.</li> </ul>
Regional Commercial (CR)	<ul style="list-style-type: none"> <li>• 14-hectare minimum lot area</li> <li>• 30,000 square metre gross leasable area requirement</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to accommodate comprehensive mobility solutions</li> <li>• Big parking lots may reduce pedestrian connectivity.</li> </ul>	<ul style="list-style-type: none"> <li>• Wide range of permitted uses allows some adaptability within the constraints of large-scale development</li> </ul>
General Commercial (CG)	<ul style="list-style-type: none"> <li>• Flexible lot area requirements (as low as 464.5 sq. meters), making it accessible for various businesses</li> <li>• Maximum gross leasable area (2,000 sq. meters) for multi-use buildings could limit expansion</li> </ul>	<ul style="list-style-type: none"> <li>• The requirement for ground floor commercial uses promotes street-level activity and walkability</li> </ul>	<ul style="list-style-type: none"> <li>• This zone supports diverse commercial activities, allowing businesses to respond to changing market conditions</li> </ul>
Marine Commercial (CW)	<ul style="list-style-type: none"> <li>• Minimum lot area requirements (560 sq. meters)</li> </ul>	<ul style="list-style-type: none"> <li>• The restriction of outdoor storage to rear yards ensures organized and navigable environments</li> </ul>	<ul style="list-style-type: none"> <li>• Restrictions on outdoor storage</li> <li>• Provide adaptability within the maritime sector.</li> </ul>
Harbour Zone (HB)	<ul style="list-style-type: none"> <li>• Variety of setback and site-specific requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Generally supportive of marine mobility above pedestrian and vehicle</li> </ul>	<ul style="list-style-type: none"> <li>• Potential restrictions on non-maritime uses could impact overall vibrancy and diversity of uses within the zone</li> </ul>

## 2.3 Current Policy Summary

While the City continues to make efforts to integrate and simplify Kingston's planning and land use framework, there are opportunities to build greater degrees of adaptability and flexibility into a new Official Plan and Zoning By-law. Positively, many of the Official Plan Amendments and Site-Specific Policies integrated into the current framework permit a variety of mixed-use developments, which are expected to support a significant portion of development moving forward.

While the current Official Plan does provide for mixed-use development, the new Official Plan development process will need to continue to accommodate mixed-use projects with the goal of reducing the need for site-specific amendments and policies. It will also need to thoroughly evaluate the City's policy intents and priorities and assess whether the Official Plan and Zoning By-law align in achieving these priorities. This could take the form of a decision tree analysis. As an example, ensuring that the intent of a landscaped open space provision as part of a zoning class, whether to limit the density of development, to provide a permeable area for flood mitigation, to achieve a desired public realm, or for another reason, is still the most effective way of achieving this goal. This requires consideration of its unrelated impacts. These lines of thinking help guide the adaptation of current policies and ensure that the entire land use planning framework aligns with the City's policy intents and priorities.

# 3.0 Commercial Market Overview

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## 3.1 Market Profile

The commercial retail and service market in the City of Kingston can be generally considered a mature and complete regional market. This means it has no critical commercial gaps or missing retail or service categories that leave large population segments unable to meet its needs within the city. This is not to say that every resident can purchase everything they want at a store in the city or has access to every service, but that, in general, Kingston serves as a complete hub for a broad market area that extends outside of its boundaries into neighbouring municipalities.

Residents of adjacent municipalities are generally more likely to visit Kingston to purchase goods or services than Kingston residents are to travel to neighbouring municipalities, such as Loyalist or Frontenac. In addition to its function as a mature and complete regional market, Kingston serves as a centre for post-secondary education and tourism. As a result, Kingston tends to have more space relative to its size than other municipalities, including goods and services tailored specifically to these markets. Students and tourists tend to eat a larger proportion of their meals outside of the home or lodging, leading to a strong concentration of food services and drinking places, with a particularly dense concentration in the downtown and along Princess Street.

One factor to consider in the Kingston market is the comparative lack of food store retail (grocery and supermarket) space compared to other retail and service categories. As Kingston continues to grow, supermarket and grocery uses have the potential to emerge as a commercial market gap.

## 3.2 Inventory

Kingston has approximately 7.7 million square feet of retail/service commercial space. As shown in Figure 3, approximately 6.6 million square feet are concentrated across six general areas, with some 1.1 million square feet distributed throughout the remainder of the city. The inventory has been distributed among a number of different store categories, which are based on the North American Industry Classification System (NAICS):

- FSR = Food Store Retail, which comprises large format supermarkets and smaller specialty food stores.
- NFSR = Non-Food Store Retail, which comprises a wide range of store types which sell merchandise to retail customers.
- BWL = LCBO stores, The Beer Store, and independent wine and beer outlets, except where the predominant function is alcohol production or food service.
- Services = Commercial establishments which provide a service rather than selling goods. Examples, include restaurants, fast food establishments, hair salons, and financial institutions. It



also includes a wide range of offices in street front, plaza, or shopping centre locations, such as health care offices, accounting, financial, real estate, insurance offices, and others. This category excludes offices in multi-storey or purpose-built office buildings, hotels, motels, and other forms of accommodation, outdoor recreation facilities, cemeteries and funeral homes, and others.

The Appendix section of this report provides a complete list of the store types included under each category.

The commercial market has a vacancy rate of approximately 5%. This vacancy level is consistent with a balanced market as it allows for a degree of movement and opportunity for new businesses to enter the marketplace without an oversupply of space.

Figure 3: Kingston Commercial Space Inventory – Node Breakdown

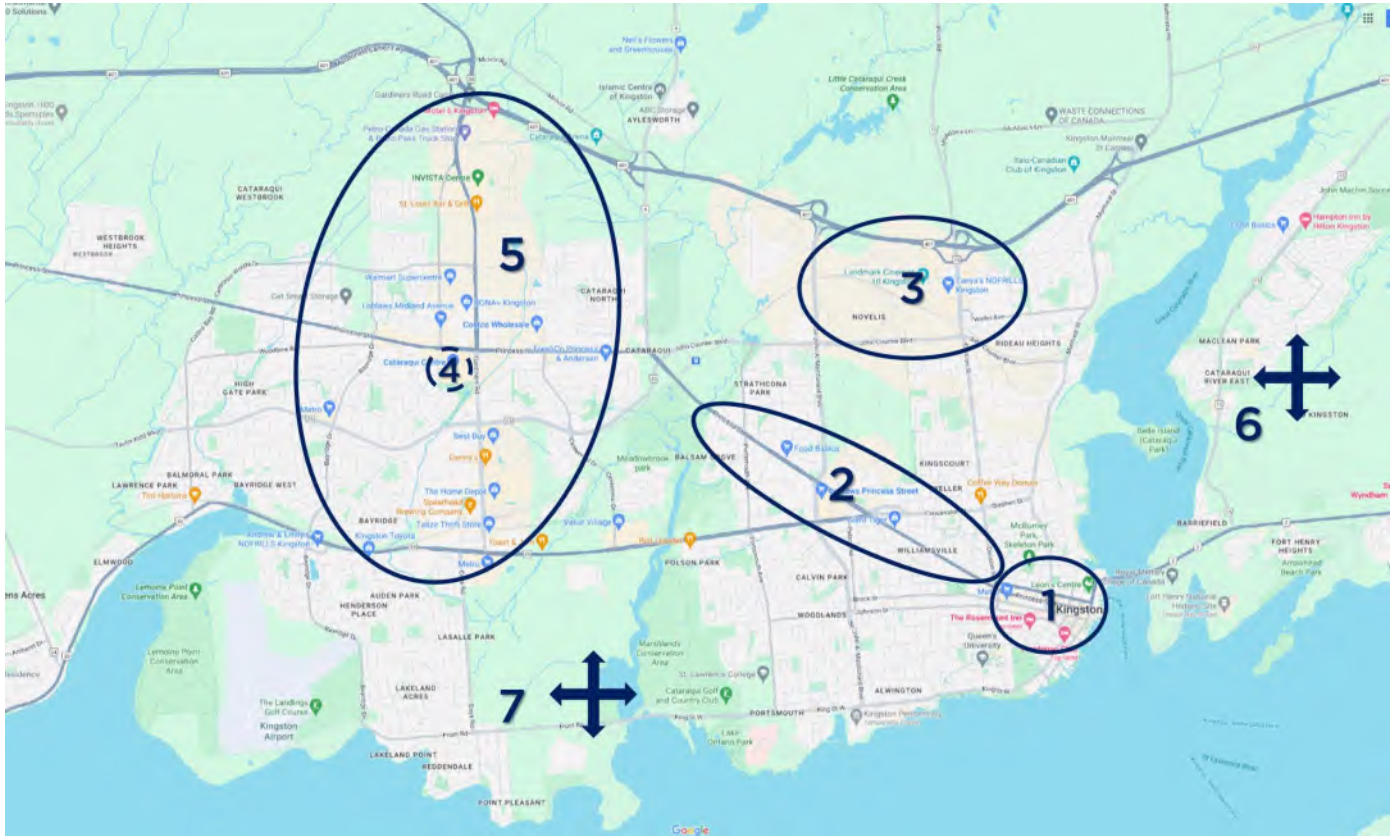
Category	1 - Downtown Kingston	2 - Kingston Centre and Princess St (Parkway to Division St)	3 - Hwy 401 and Division St	4 - Cataraqui Centre	5 - Gardiners Rd and surrounding Princess St & Bath Road	6 - Pittsburgh / Kingston East	7 - Other	Total (SF)	% of Total Inventory
<b>Beer, Wine, Liquor (BWL)</b>	<b>13,200</b>	<b>14,600</b>	<b>16,900</b>	<b>0</b>	<b>30,800</b>	<b>9,400</b>	<b>12,400</b>	<b>97,300</b>	<b>1.3%</b>
<b>Food Store Retail (FSR)</b>	<b>78,500</b>	<b>115,900</b>	<b>41,200</b>	<b>1,400</b>	<b>260,800</b>	<b>63,000</b>	<b>98,100</b>	<b>658,900</b>	<b>8.5%</b>
Convenience & Specialty Food	29,200	4,600	4,200	1,400	42,900	19,500	50,300	152,100	2.0%
Supermarkets & Grocery	49,300	111,300	37,000	0	217,900	43,500	47,800	506,800	6.6%
<b>Non-Food Store Retail (NFSR)</b>	<b>316,700</b>	<b>283,200</b>	<b>357,900</b>	<b>401,000</b>	<b>1,882,000</b>	<b>67,100</b>	<b>268,200</b>	<b>3,576,100</b>	<b>46.3%</b>
<b>Services</b>	<b>629,100</b>	<b>281,100</b>	<b>153,900</b>	<b>28,000</b>	<b>1,119,900</b>	<b>106,100</b>	<b>708,500</b>	<b>3,026,600</b>	<b>39.2%</b>
<b>Vacant</b>	<b>43,400</b>	<b>33,100</b>	<b>20,200</b>	<b>118,300</b>	<b>136,700</b>	<b>5,500</b>	<b>13,900</b>	<b>371,100</b>	<b>4.8%</b>
<b>Grand Total</b>	<b>1,080,900</b>	<b>727,900</b>	<b>590,100</b>	<b>548,700</b>	<b>3,430,200</b>	<b>251,100</b>	<b>1,101,100</b>	<b>7,730,000</b>	
<b>Vacancy Rate (%)</b>	4.0%	4.5%	3.4%	21.6%	4.0%	2.2%	1.3%	4.8%	

SOURCE: urbanMetrics Inc.

While each area plays a role in the commercial hierarchy, most of Kingston’s commercial space is located along Gardiners Road and the surrounding area, including Princess Street and Bath Road (Area 5). This node accounts for approximately 45% of all NFSR space in Kingston and approximately 25% of all commercial space.

A key commercial gap evident in reviewing the distribution of space across Kingston’s commercial areas is that the Food Store Retail Category accounts for less than 10% of the total commercial inventory. This is below what is typically observed in other cities comparable to Kingston, where their function as regional hubs tends to correlate with food stores comprising between 12% and 15% of the total inventory. The total amount of food store space (4.2 square feet per capita) is also below average per person compared to other medium to large municipalities, which typically have 5.0 or more square feet of food store space per resident.

Figure 4: Commercial Node Map

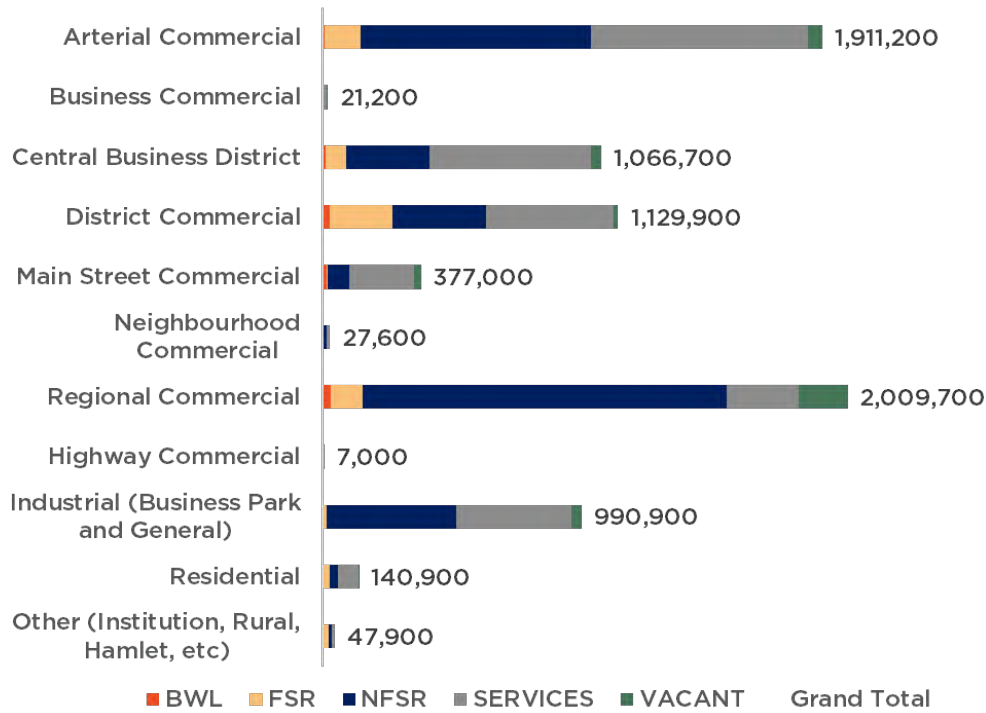


SOURCE: urbanMetrics inc.,

More than 50% of Kingston’s commercial space is located within Arterial Commercial and Regional Commercial Land Use designations (Figure 5). Arterial Commercial designations typically accommodate FSR and Service uses, while Regional Commercial designations tend to host more NFSR uses. As shown in Figure 5, lands originally planned for Industrial uses accommodate almost 1 million square feet of commercial space. It is essential to recognize that employment areas have historically played an important role in accommodating certain types of retail and service uses, particularly large-scale uses that rely on large amounts of storage, combine a retail function with a wholesale function, or are associated with potential nuisance impacts. These may include autobody and repair facilities, home improvement facilities (e.g. flooring, cabinetry, electrical, pool/spa, etc.), as well as a variety of other stores and services that either are challenged to be located in traditional commercial areas or are oriented to serving nearby employees and businesses.

It is important that municipal zoning and land use policies provide for these types of important employment area uses while limiting commercial uses in employment areas that can be accommodated elsewhere in the commercial hierarchy.

Figure 5: Commercial Space by Land Use Designation and Store Category



SOURCE: urbanMetrics inc.,

### Note on Inventory Changes from 2016

urbanMetrics conducted an inventory of commercial space in 2016. The inventory identified herein differs in methodology and outcome from the 2016 version. First and foremost, there is an approximately 20% reduction in commercial space between 2016 and 2023. Several factors contributed to this measured reduction:

- The inventory excludes professional services in office buildings that were previously included (e.g., the Cornell Corporate Centre at 321 Concession Street). These services are not included in the updated inventory to better reflect Services intended to serve the general population.
- Demolition of portions of Frontenac Mall, totalling approximately 272,000 square feet.
- Fewer population-serving retail/service tenants in industrial land uses (Business Park or General), which are thus no longer included in our inventory
- Old commercial properties were demolished and redeveloped into mixed-use buildings still under construction (e.g., 575 Princess Street), or the total retail space was smaller than the previous retail space.
- Demolition of some commercial buildings which, at the time of this inventory, were empty lots (e.g., 855 Princess Street)

These factors contribute to what appears to be a decline in commercial space. However, this decline is overstated, and the principal conclusion is that the Kingston commercial real estate market is dynamically adapting to changing local and macroeconomic conditions.

### 3.3 Customer Origins Analysis

Before undertaking the consumer survey, the consulting team undertook a spatial customer origins analysis focusing on the origin of visitors to three of Kingston’s largest commercial areas: Downtown Kingston, the RioCan Centre, and the Cataraqi Centre. Data on visitation was collected for the entirety of 2023. This section discusses the results of this analysis and its applications to the rest of the commercial land review.

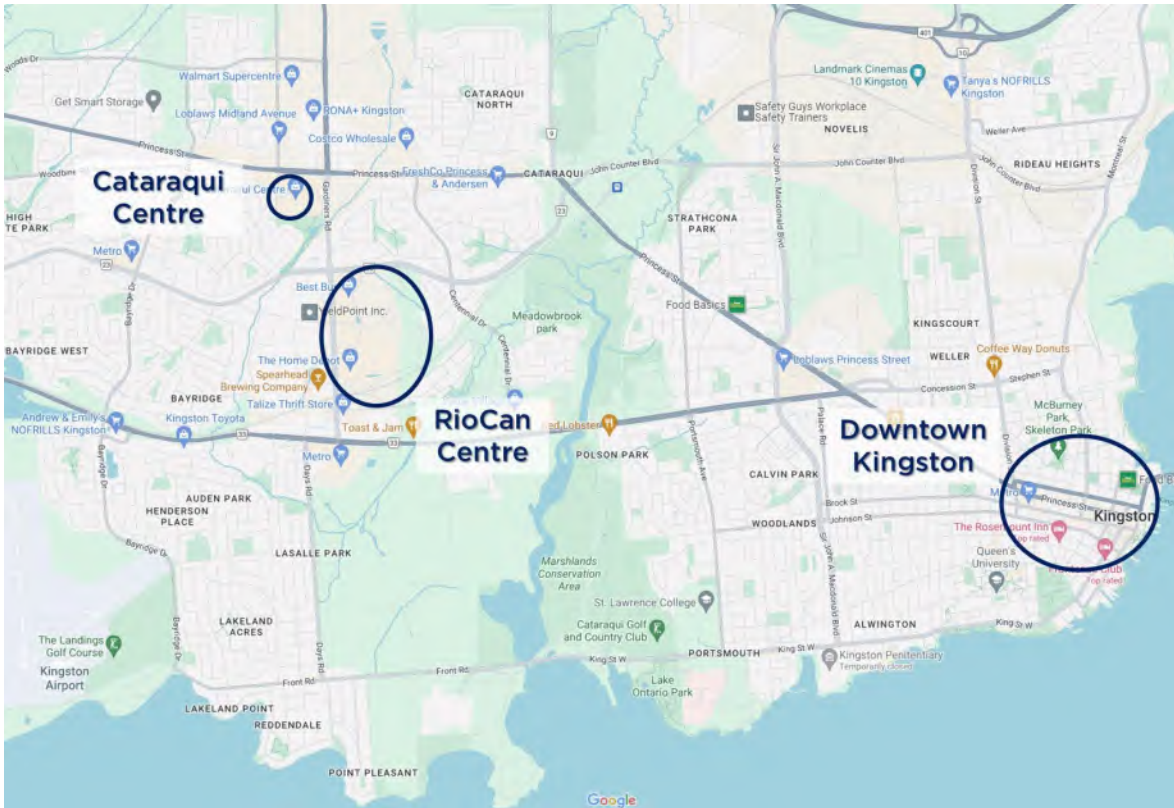
The data is based on an analysis of cell phone usage. The appendix provides a more detailed description of the methodology. This type of analysis is commonly used in retail and real estate market analysis.

Figure 6: Customer Origins Data: Three Key Commercial Nodes

	Downtown Kingston	RioCan Centre	Cataraqi Centre	Total
Kingston	<b>67.6%</b>	64.0%	65.4%	66.3%
<i>Elsewhere in Frontenac County</i>	5.5%	<b>9.9%</b>	6.9%	6.9%
Loyalist Township	2.7%	<b>7.4%</b>	6.9%	4.5%
<i>Elsewhere in Lennox and Addington County</i>	1.8%	<b>4.7%</b>	4.1%	2.8%
Leeds and Grenville	3.4%	4.0%	<b>6.2%</b>	3.8%
City of Ottawa	2.1%	<b>3.0%</b>	1.1%	2.3%
Greater Toronto and Hamilton Area	<b>6.4%</b>	2.8%	4.0%	5.1%
All other areas	<b>10.6%</b>	4.3%	5.3%	8.2%
<b>Total</b>	100.0%	100.0%	100.0%	100.0%

SOURCE: urbanMetrics inc., via Azira LLC.

Figure 7: Map of Customer Origins Nodes



SOURCE: urbanMetrics inc., with imagery from ESRI.

## Local Visitation

Kingston residents comprise nearly two-thirds (66.3%) of visitation to the three tracked commercial areas: Downtown Kingston, RioCan Centre, and Cataraqi Centre. This high percentage underscores the critical role that residents play in sustaining the commercial vitality of these areas. The 2019 Kingston Household Travel Survey evaluated modes of transportation to “special generators,” which included the Downtown, the RioCan Centre, and the Cataraqi Centre. Results from the survey aligned with the customer origins analysis and the public commercial survey (discussed in Section 4.1) in highlighting the role of Kingston residents in supporting commercial areas and the reliance of

Given residents' importance in supporting these commercial nodes, planning efforts can capitalize on this by maintaining and enhancing the accessibility and appeal of these areas to Kingston residents. This includes ensuring convenient public transportation, access to parking, and pedestrian-friendly environments to encourage local shopping and reduce leakage to other regions.

## Regional Visitation

Both the RioCan Centre and Cataraqui Centre, which are regional-serving commercial nodes, attract approximately 7% of their visitors from Loyalist Township. This indicates their significant role in serving Kingston residents and neighbouring communities, enhancing their regional importance.

Excluding the City of Kingston, residents from Frontenac County, Lennox and Addington County, and Leeds and Grenville make up 18% of all visits to these commercial nodes. This suggests that these areas contribute notably to the commercial activity in Kingston, emphasizing the need for regional planning considerations.

## Downtown Kingston

Among the three commercial nodes, Downtown Kingston experiences the highest visitation from Greater Toronto & Hamilton Area residents and other Canadian and international visitors. This highlights Downtown Kingston's broader appeal and function as a key tourist destination vital for local economic development.

Downtown Kingston's commercial offerings are more strongly oriented to tourists and international visitors than the RioCan Centre or Cataraqui Centre. This wider geographic reach indicates that Downtown Kingston serves local and regional needs and plays a crucial role in the city's tourism strategy, necessitating targeted planning and investment to support and enhance its attractiveness.

What attracts tourists to Downtown Kingston is the visitor experience delivered by heritage buildings, pedestrian-friendly streetscapes, and diverse cultural and recreational offerings.

# 3.4 Key Trends

The following section elaborates on national, regional, and local trends that will continue influencing the demand for commercial space to serve Kingston's future growth. These trends should be considered when creating a planning framework to support commercial uses moving forward. Additionally, special consideration is given to the unique needs of student populations, seasonality, and the potential for mutual benefits between students and surrounding residents.

## Mixed Use Intensification

Like many comparable cities across Canada, Kingston is experiencing a gradual transition towards higher-density formats and mixed-use buildings that more intensively use existing built-up areas and support sustainable urban growth. This approach integrates residential, commercial, and sometimes institutional spaces within a single development, promoting walkable neighbourhoods and reducing urban sprawl. Intensification can lead to more efficient use of land and infrastructure, reducing the need for urban sprawl and preserving green spaces. For Kingston, this trend supports creating vibrant mixed-use communities that attract residents and businesses, boosting local economic activity and enhancing the quality of life.

Mixed-use developments can offer amenities catering to students and permanent residents in municipalities with a large student population, fostering a sense of community. Integrating student housing with commercial spaces can also help mitigate the seasonality of tourist visitation to Kingston, helping provide a steadier flow of potential customers and ensuring that commercial areas remain vibrant year-round. Such developments can create opportunities for students to access essential services within walking distance, reducing their reliance on transportation and enhancing their overall college experience.

### **Reduction of Commercial Space with Mixed-Use Redevelopments**

The downside of intensification is that due to the challenges of incorporating commercial space into mixed-use projects and the relatively greater profitability of residential development, the redevelopment of older retail sites often reduces retail uses and floor area. In addition, there can be a marked change in function, away from food and food service uses, which are more challenging to incorporate into mixed-use developments. Instead, many mixed-use projects are moving towards a tenant mix dominated by personal and health-related services which require less space; are associated with fewer conflicts with apartment residents on the upper floors, have lower customer flows, and put a much lower strain on supporting infrastructure needed for deliveries, garbage collection, outdoor patio space, and customer parking.

### **Changing Use of Commercial Space**

Public health measures, repositioning anchor tenants, and incorporating community and temporary uses in shopping centers have led to dynamic changes in how commercial spaces are utilized. These fluctuations drive demand for adaptive strategies to maintain the relevance and profitability of commercial properties amid changing consumer behaviours and market conditions. As commercial spaces undergo dynamic changes, Kingston must adapt its zoning and land use policies.

These changes necessitate that commercial spaces be designed and located to easily accommodate transitions to new uses. This adaptability is critical to maintaining high occupancy rates, supporting diverse business activities, and fostering economic resilience.

In areas where the student population is a significant market influence or where tourism visitation fuels business operations, fluctuations in commercial space usage can be particularly pronounced due to the academic calendar and seasonal visitation trends. Adaptive strategies should consider the seasonal ebb and flow of these populations. Policies encouraging pop-up shops and seasonal businesses can help maintain vibrancy during quieter months. Additionally, flexible leases can attract startups and small companies, which often align well with the innovative spirit of student communities.

### **E-retailing and the E-Commerce Space**

Some retail categories are reducing their physical footprints and number of locations. At the same time, there is an increased need for distribution and warehousing facilities to support the growth of e-commerce transactions. This shift also necessitates accommodating a significant increase in delivery





Penguin Pick Up Location via PenguinPickUp Social Media

traffic, impacting the design and functionality of both commercial and residential spaces. There has been a marked increase in commercial delivery traffic via automobiles and e-bikes at the local neighbourhood level, particularly in higher-density neighbourhoods. While newer higher-density buildings with smaller floor plates reduce the amount of on-site parking required, they can also create more logistical challenges (both on-site and on public roadways) in accommodating short-term stops and movements by delivery drivers and customers picking up orders. By getting ahead of this trend and planning infrastructure to manage delivery traffic and incorporating last-mile delivery solutions, cities can improve efficiency and support the competitiveness of local businesses and quality of life for nearby residents.

For example, creating efficient delivery hubs in high-density areas can streamline logistics and reduce traffic congestion. Shared delivery points or smart lockers within mixed-use developments can also cater to residents, enhancing convenience and fostering a seamless urban experience.

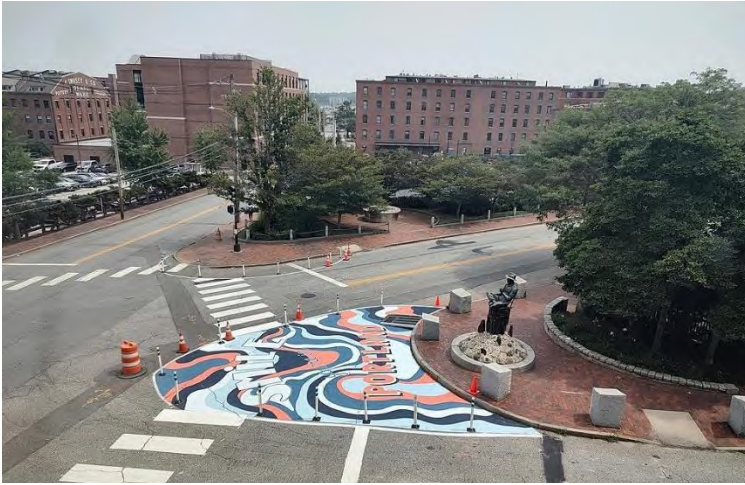
Incorporating student populations into planning for e-retailing and e-commerce involves recognizing their tech-savvy nature and high reliance on online shopping. Creating efficient delivery hubs near student residences can streamline logistics and reduce traffic congestion. Shared delivery points or smart lockers within mixed-use developments can cater to students and residents, enhancing convenience and fostering a seamless urban experience.

### Curb Competition

In addition to changing fulfillment patterns for commercial businesses, e-retailing has changed the usage patterns of shared infrastructure. Ridesharing, expanded patio licensing programs, online grocery orders, electric micro-mobility devices, and an increased volume of online consumption have increased pressure on curb and sidewalk space from a diverse and expanding user group. This trend highlights the need to manage urban public spaces efficiently.

Mitigating the negative impacts of this curb competition involves balancing the needs of pedestrians, cyclists, public transport, and delivery services to ensure a seamless urban experience<sup>1</sup>. Effective curb space management is essential for balancing the diverse needs of urban users and enhancing mobility and accessibility. Prioritizing pedestrian-friendly designs and integrating multimodal transport solutions can improve the urban environment and support economic vitality.

<sup>1</sup> Urban Freight Lab. "Managing Increasing Demand for Curb Space in the City of the Future". Pacific Northwest Transportation Consortium. (Fall 2022).



A Pilot Pedestrian Improvement/Activation in Portland, Maine. Image via Jeff Parsons 949whom.com

In student towns, curb competition can be intensified by the high volume of foot traffic and the need for efficient public transportation. Designing curb spaces that accommodate bike-sharing programs, ride-hailing services, and dedicated pedestrian zones can significantly improve mobility. Additionally, creating areas for social interaction, such as outdoor seating and plazas, can enhance the urban experience for both students and residents, fostering a vibrant community atmosphere.

Other cities have approached this challenge by implementing “road diets”, which use a variety of methods to reclaim road space for other uses by constructing bump outs on corners and mid-block to increase the turning radius and slow traffic, improving pedestrian safety and creating more curb space for bicycle parking and other uses, as well as carving out dedicated on-street parking spaces. Alternative approaches have seen bicycle parking, patios, etc., oriented towards side streets adjacent to the main street frontage, reducing competition for space on the primary pedestrian area and activating the quieter corners where side streets and main streets intersect.

### Category Blending

Another key trend in retailing across Canada is category blending. This occurs when larger retailers diversify their offerings by moving into different categories, including food, to capture broader market segments. This trend blurs the traditional lines between retail sectors, driving innovation and adaptation of store formats and marketing strategies and necessitating new approaches to managing retail uses.

Some recent examples include the expansion of Shoppers Drug Mart to include large prepackaged, frozen and refrigerated foods, and discount and dollar stores, such as Giant Tiger and Dollarama, to include food and grocery items. The student population is an especially important market for food purchases in these stores.



Giant Tiger grocery section. Source: Canadian Grocer

New Provincial regulations regarding the sale of beer, wine, and liquor will see many stores diversify their current offerings to include alcohol, which may shift the draw for certain stores and commercial areas. A review may need to be conducted once more is understood about how this new legislation will impact local areas and specific locations.

Kingston should consider ways to support the evolution of retail spaces to accommodate category blending, understanding that previous approaches to zoning and other

regulations may not reflect businesses' current retail and service offerings. This adaptability can attract larger retailers and stimulate local economic growth by providing consumers with a broader range of products and services.

# 4.0 Stakeholder Perspectives

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## 4.1 Public Commercial Survey

Part of the commercial study and land review process involves gathering information on the shopping habits and purchasing patterns of Kingston residents and visitors to the area. This information is used to assess the current state of the City’s commercial hierarchy. It provides crucial context for developing policy directions for planning the City’s future commercial environment. The primary method of collecting this information is a Consumer Survey.

The Consumer Survey was made available online and in paper formats and had 1,704 respondents who contributed to 1,190 completed surveys. Of the completed surveys, 93% of respondents were living in Kingston (including students), while 53% of all respondents worked in Kingston (Figure 8).

Figure 8: Survey High-Level Results

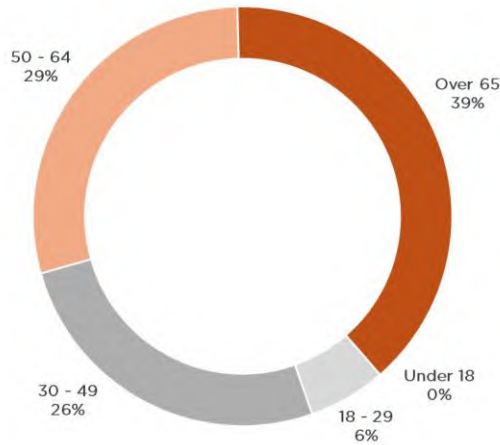


SOURCE: urbanMetrics inc., Kingston Consumer Survey

Of the 1,190 completed surveys, 39% of respondents were over 65, with 6% between 18 and 29, 26% between 30 and 49, and 29% between 50 and 64. Kingston's population is older than many comparable municipalities, so the relative overrepresentation of the over-65 age group is understandable. The most underrepresented group in the survey is the 18-to 29-year-old age group. This is typical of municipal surveys, as fostering engagement in consumer or other public surveys can be challenging with this younger demographic.

This relative lack of respondents aged between 18 and 29 indicates a less-than-representative sample, given the large student population in Kingston. This lack of response from this demographic highlights the need to consider the student population's needs in the commercial needs analysis.

Figure 9: Age of Respondents

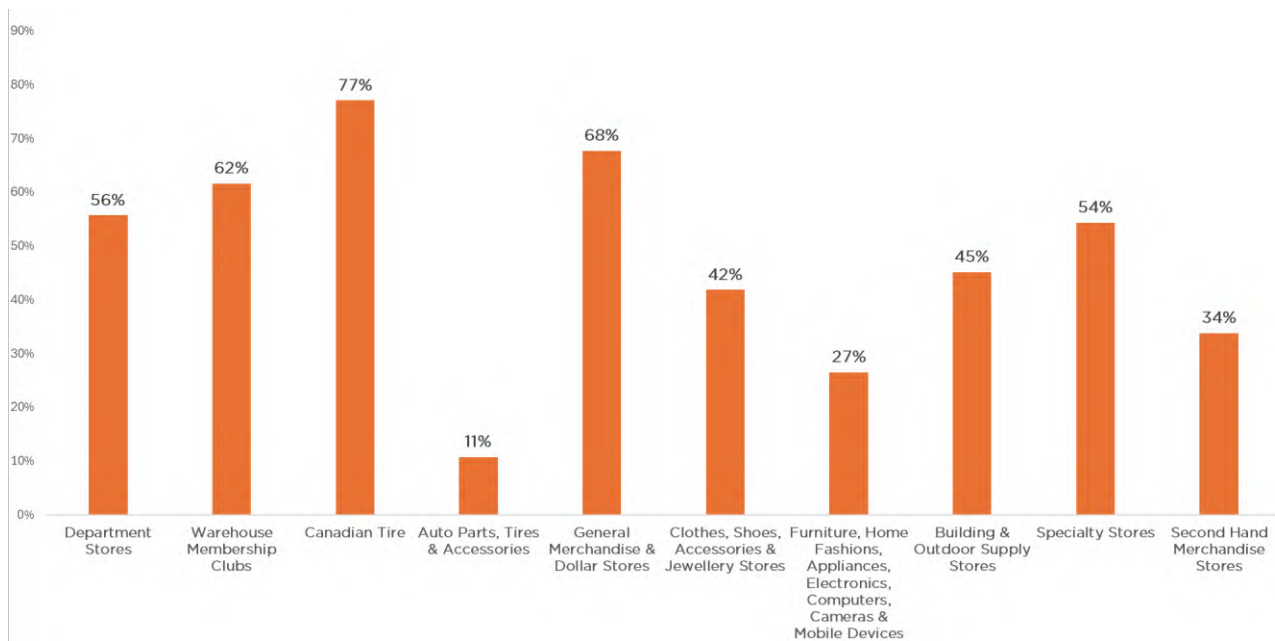


SOURCE: urbanMetrics inc., Kingston Consumer Survey

### Store Types & Locations

Figure 10 indicates the most popular or most influential retailers in Kingston. As shown, Canadian Tire, other General Merchandise and Dollar Stores, Warehouse Membership Clubs such as Costco, and Department Stores such as Walmart and the Bay are some of the most popular store types or categories among respondents.

Figure 10: Favoured Non-Food Store Types (% of Reported Expenditures in Last 3 Months)



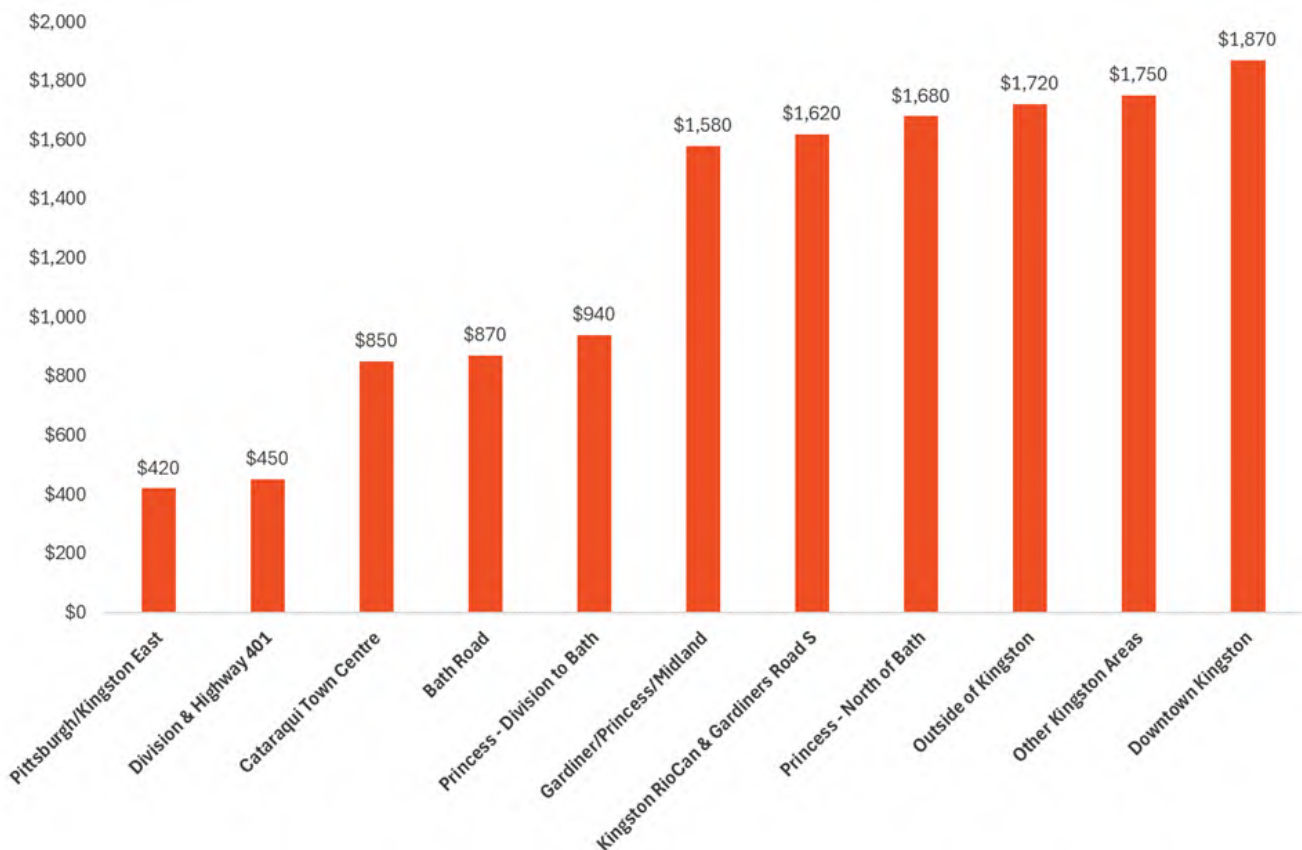
SOURCE: urbanMetrics Inc. Original question: In the past three months, have you visited and shopped at any of the following types of stores? N=1,263

Beyond the types of stores favoured by respondents, this question category also evaluated their locational preferences by asking them to quantify expenditures across eleven different commercial nodes across the city; a map was provided to aid in the accuracy of responses.

Downtown Kingston was identified as where Kingston residents spend the most money, with the shops, restaurants, and services downtown fueling strong consumer spending. Reported average expenditures of \$1,870 over the last three months were more than \$100 more than the location, with the subsequent highest reported spending, Other Kingston Areas, with reported spending of \$1,750 (Figure 11).

In addition, respondents cited areas outside of Kingston where they spent a large amount of money. This is a typical response in consumer surveys, as spending on travel and vacations is not only typically elevated compared to day-to-day expenditures but is also more memorable than day-to-day spending, which can be under-reported due to its repetitive nature.

**Figure 11: Index of Respondent Average Total Expenditure (All Store Types)**



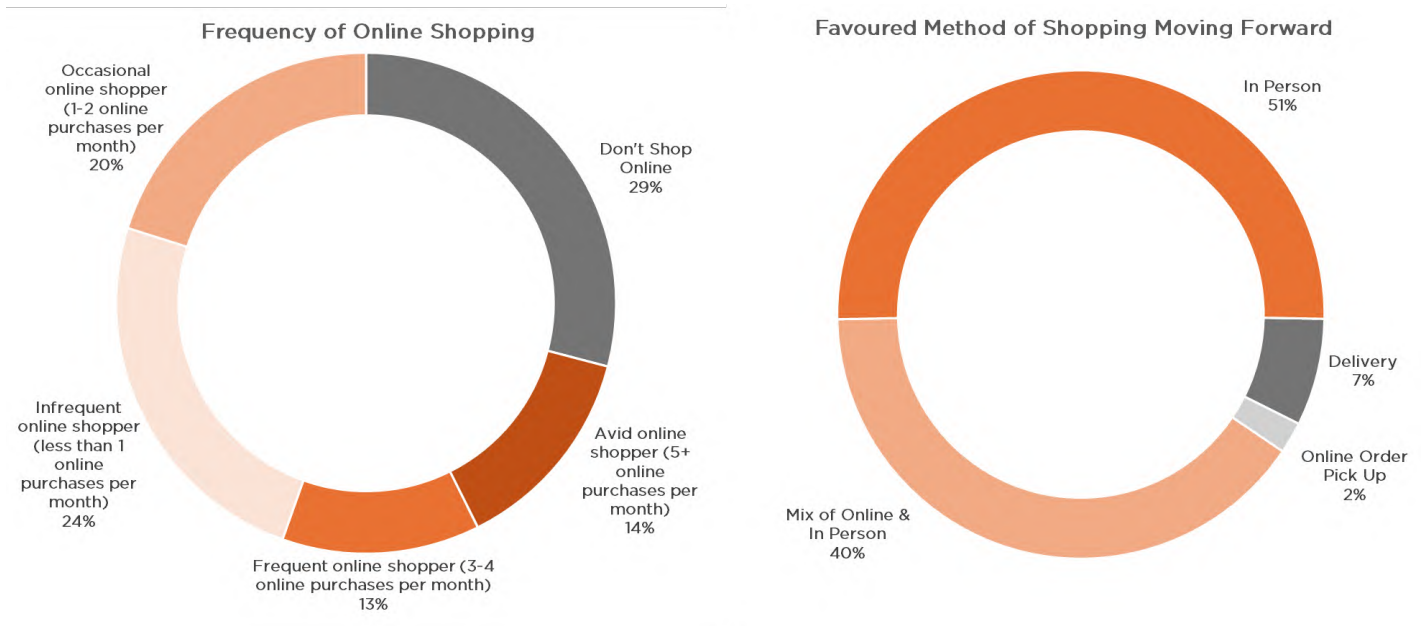
SOURCE: urbanMetrics Inc. based on the average of respondents' reported expenditures by store category, aggregated for each node.

## Places and Transportation

Another critical aspect of the consumer survey was preferences in how people shop, particularly concerning online versus in-person spending. This helps obtain local insights on the preference to shop online versus in-person spending, which serves as an input into the expenditure model that projects the need for future commercial space. The greater the preference for online shopping, the less physical retail space is needed to meet commercial needs.

14% of respondents indicated they are avid shoppers who make online purchases five or more times per month (Figure 12). Conversely, 29% of respondents indicated that they do not shop online. The remainder shopped online 3 or 4 times per month (13%), 1 or 2 times per month (20%), or less than once per month (24%). This is less than other regional or national surveys on online shopping and potentially reflects the age bias of the respondents to the consumer survey.

Figure 12: Online Shopping Now and Moving Forward



SOURCE: urbanMetrics inc.,

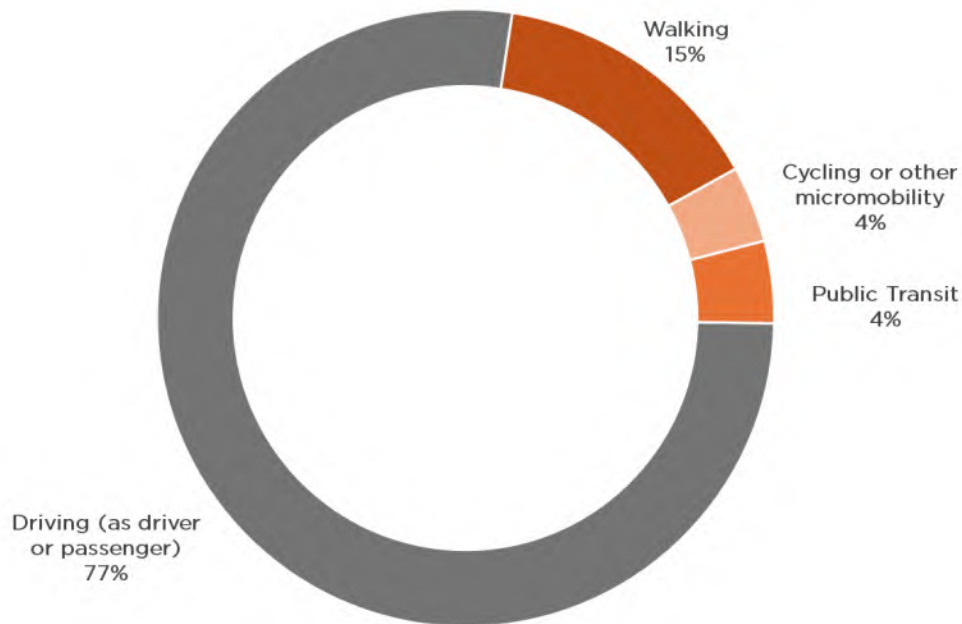
In addition to their current online shopping preferences, respondents provided insights on their favoured method of shopping moving forward. Most respondents (51%) indicated they prefer to continue or return to shopping in person. The next largest category (40%) prefers a mix of online and in-person shopping, with a minority (7%) preferring delivery and an even smaller proportion (2%) preferring online order pickup.

Given this preference for, and the continued importance of, in-person shopping, respondents provided relevant insights on how to fulfill this in-person preference. 77% of respondents indicated that their



typical mode of transportation is driving, either as a driver or passenger (Figure 13). 15% of respondents typically walk to shopping destinations, and 4% cycle or use other micro-mobility and public transit, respectively. These preferences have changed slightly since the 2019 Household Travel Survey, which saw 79% of respondents typically drive, 13% walk, and approximately 7% use other micromobility or public transit.

Figure 13: Typical Mode of Transportation to Shopping Destinations

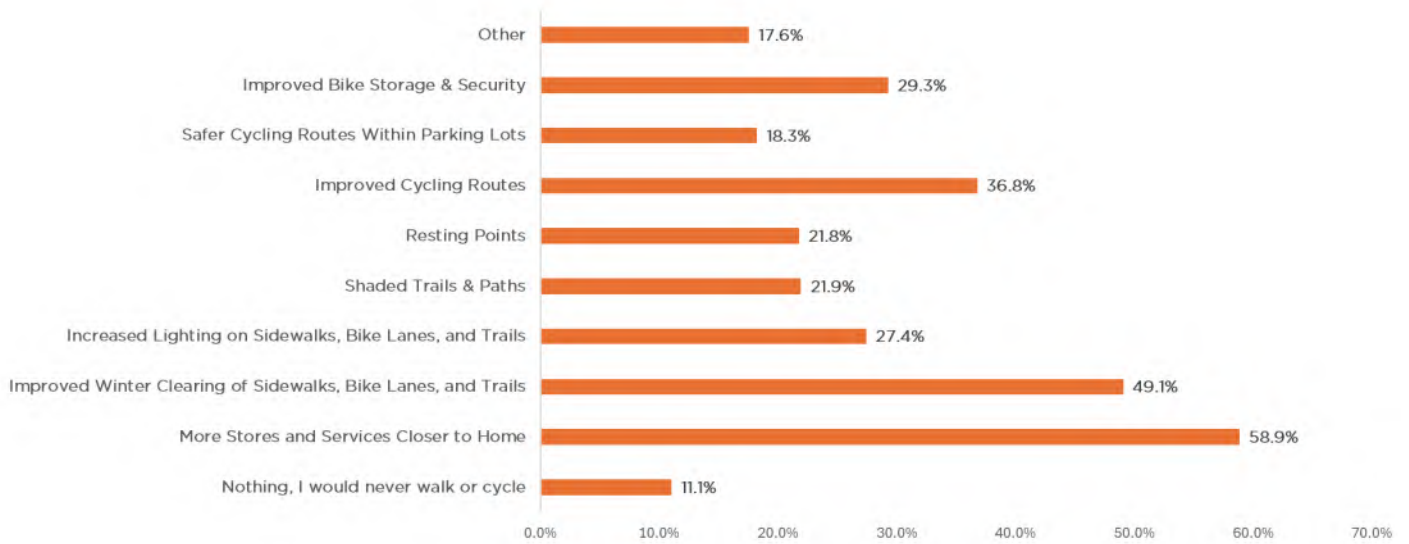


SOURCE: urbanMetrics inc.,

Subsequent questions addressed how the City could impact transportation choices and encourage healthier options over personal vehicles, such as active transportation and micro-mobility (Figure 14). Some of the ways to encourage alternative transportation to commercial destinations that most resonated with respondents included encouraging more stores and locations closer to residential areas (58.9% of respondents), improving winter clearing of active transportation paths (49.1%), improving the safety of cycling routes (36.8%), more and improved options for bike storage and security (29.3%), and increasing lighting on bike lanes and trails (27.4%) (Figure 14).

Other areas cited as increasing the likelihood of alternative modes of transportation include safer cycling routes within the parking lots surrounding many commercial plazas and shopping centres, shaded trails and paths to reduce heat in the summer, resting points on bike lanes and trails, and many other considerations.

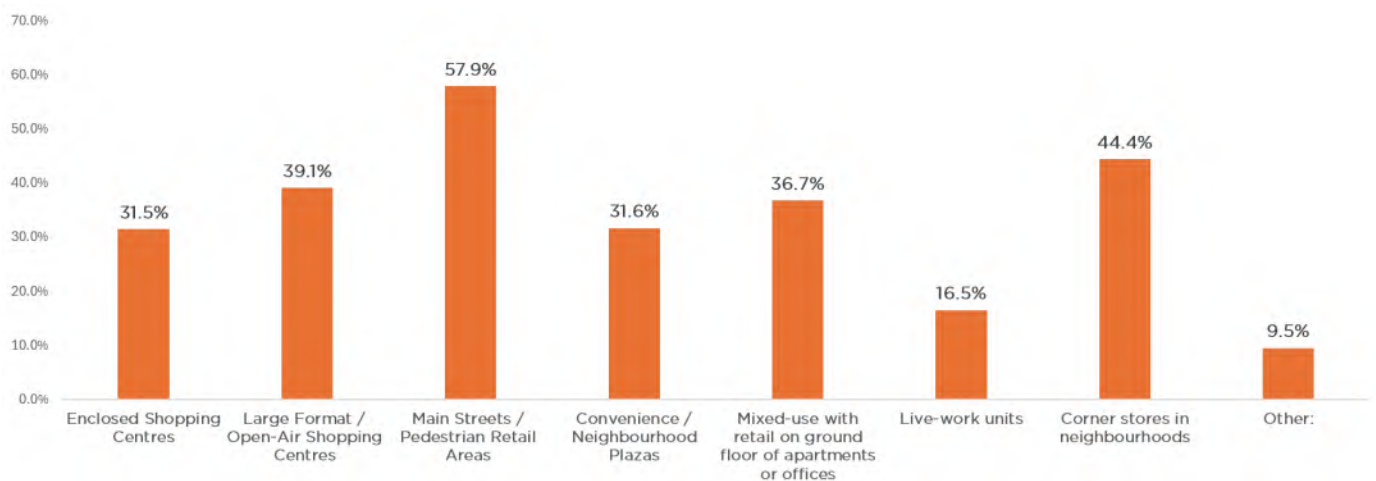
Figure 14: How the City Could Impact Transportation Choices



SOURCE: urbanMetrics. What would encourage you to increase the number of times you would walk or cycle to a store or service? N=1,167

Further questions in this thematic area revealed respondents’ preferences for the built form and typology of new commercial space. 57.9% of respondents identified main streets or pedestrian retail areas as a format they liked (Figure 15). Other popular options included corner stores in neighbourhoods (44.4%), large-format or open-air shopping centres (39.1%) (such as those along Gardiners Road), and mixed-use retail integrated into taller buildings with office or residential uses (36.7%).

Figure 15: Preferred Types of New Commercial Spaces



SOURCE: urbanMetrics Inc. If more stores were added to Kingston, which formats would you prefer? N= 1,188

These responses generally align with a more flexible land use framework that permits commercial uses in mixed-use or residential areas and prioritizes main street-type retail with a more significant focus on pedestrian options. However, there is public support for planning policy and infrastructure interventions to encourage alternative modes of transportation that align with these preferred types of commercial spaces and ensure the success of businesses in new commercial developments (Figure 14).

## 4.2 Commercial Stakeholder Engagement

As part of our comprehensive review of Kingston's policy framework and commercial development environment, we collaborated closely with City staff to develop a robust stakeholder engagement process. This involved identifying and reaching out to a diverse list of 24 public and private sector organizations, reflecting a broad spectrum of perspectives and interests. Our engagement efforts culminated in 12 in-depth interviews, each lasting 30 to 60 minutes. These interviews provided invaluable insights on various topics critical to Kingston's commercial landscape.

The interview guide covered vital themes such as the strengths and challenges of the commercial real estate market, the pressures and opportunities associated with mixed-use development, and the ongoing challenges to doing business in Kingston. Additionally, discussions delved into the importance of tourism, the needs of the student market, and the impact of current zoning policies on various sectors. Several unifying themes emerged through these conversations, highlighting the need for flexible zoning, enhanced infrastructure and connectivity, and robust support for economic development and small businesses.

### Public Sector Stakeholders

#### Need for Enhanced Infrastructure and Connectivity

- Stakeholders mentioned the need for better transit connectivity, particularly to and from the Via Rail station, and the importance of serviceable land for tourism infrastructure like conference centers and deep-water docks.
- It was cited that efforts to create tourism districts or attractions outside the downtown core could support independent stores and businesses.
- Stakeholders noted the lack of off-campus meal plans and a preference for services within walking distance of campuses, indicating a need for improved local infrastructure and connectivity to support student needs.
- An exciting trend of small grocery stores opening near key streets, like Princess Street, suggests a growing demand for accessible local services.
- The City overall has significant growth potential, but site availability and connectivity to essential services such as transit and commercial spaces are limiting factors.

- The permanent closure of call centers and the shift towards remote work were mentioned, emphasizing the need for infrastructure that supports modern work arrangements.

### **Support for Mixed-Use and Infill Development**

- Stakeholders emphasized the need for more infill development and increased residential density to support businesses during off-peak periods.
- There is a demand for balancing street closures with maintaining business accessibility.
- The importance of revitalizing the waterfront to enhance downtown livability and attractiveness was highlighted.
- The push towards mixed-use development is demonstrated by redevelopment projects that include neighbourhood commercial uses.
- Certain populations felt the loss of major retailers, like Indigo downtown, indicating a need for more diverse commercial offerings in mixed-use developments.
- Advocacy for creating permanent pedestrianized streets downtown was mentioned to enhance the tourism experience and support local businesses.
- Public realm improvements in parks and other areas were stressed to support mixed-use developments.

### **Economic Development and Support for Small Businesses**

- The need for complementary uses in outer areas and the demand for wet labs and pre-built commercial spaces for start-ups were pointed out.
- It was noted that recent efforts to update zoning By-laws have significantly improved flexibility for businesses, making Kingston more attractive for investment.
- The importance of making it easier to do business in Kingston and supporting tourism districts outside the downtown core to grow independent stores and businesses was stressed.
- The importance of creating experiences that attract discretionary spending from tourists and residents alike was emphasized.
- Rising commercial leasing costs and the loss of independent retailers were mentioned, highlighting the need for policies that support small businesses and reduce overheads.
- The need for more diverse commercial offerings, such as hardware stores and specialty food stores, to meet the needs of downtown residents was discussed.

## Private Sector

### Need for Flexible and Supportive Zoning

- Stakeholders highlighted that zoning challenges are a significant barrier, particularly for healthcare and mixed-use developments. They call for more consistency and flexibility in zoning regulations to support diverse commercial and residential uses.
- The importance of designing buildings with flexible uses from the start was emphasized, noting that different uses need to be integrated seamlessly to support long-term viability.
- The need for more serviced land to accommodate residential and commercial developments was mentioned as critical for supporting growth and attracting businesses.

### Enhancing Infrastructure and Connectivity

- Stakeholders noted the need for better transit options and improved traffic flow to support commercial and residential growth. This includes rerouting bus routes and providing more parking solutions to accommodate increased density.
- The significance of connectivity between different parts of the city, such as linking Queens University with downtown and improving access to commercial areas, was highlighted.
- There was mention of the need for more tourist facilities and attractions to encourage longer stays and enhance visitors' overall experience.

### Support for Economic Development and Small Businesses

- The need for economic diversification was emphasized, with growth areas identified in the healthcare and biomedical sectors. Supporting start-ups and small businesses through flexible commercial spaces and incentives was seen as vital.
- Stakeholders expressed the importance of creating vibrant commercial spaces that enhance community feeling and attract residents and tourists. This includes maintaining a good mix of commercial facilities across different areas of the city.
- The role of high-density residential developments in supporting ground-floor commercial uses and activating street life was noted, as well as the potential benefits of pedestrianized areas.

# 5.0 Warranted Commercial Space - Technical Assessment

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This section outlines the technical analysis assessing the quantity and type of commercial space required to support Kingston’s population growth through 2051. This analysis is based on industry-standard approaches developed into urbanMetrics’ projection model. This model relies primarily upon Statistics Canada Retail Trade Data, which provides aggregate and per capita expenditures by 2-digit North American Industry Classification System (NAICS) code. This model is applied to Kingston using regression equations that adjust provincial average spending to local areas based on local incomes and the established relationship between income and expenditure in each NAICS category.

### **Projected Space**

The model outputs begin with a top-down projection of space required to serve a projected 2051 population of 220,900 across three categories: Food Store Retail (FSR), Non-Food Store Retail (NFSR), and Services. This technical calculation, in line with projects completed in municipalities across Ontario, is supported by market and competitive considerations based on Kingston’s local context and our professional experience.

### **Space Adjusted to Land Need**

After accounting for local market dynamics and competitive factors, the amount of space is translated into a land need based on space ratios per capita, floor area ratios of different types of development, special considerations for large-format commercial uses, and commercial uses that are projected to be developed on lands not currently designated commercial.

### **Land Supply**

The following subsection outlines the current supply of commercial land after accounting for commercial development between 2021, the base year of the growth projections, and the third quarter of 2023, the base year for the commercial analysis. This part of the analysis also considers the proposed pipeline of commercial space as part of active development applications.

### **Supply & Demand Reconciliation**

Lastly, the need for commercial land is reconciled with the current supply and development pipeline to conclude how much space is market-supported to serve the population and the quantity of land in various land use designations needed to facilitate the development of the required space.

## 5.1 Projected Future Demand

The warranted commercial space for a 2051 projected population of 220,900 is divided into three main categories:

- **Food Store Retail**  
Stores selling a general or specialized selection of food or beverage products including grocery and convenience, specialty food (butchers, greengrocers, etc), and beer, wine and liquor retailers.
- **Non-Food Store Retail**  
Stores selling a range of non-food products such as apparel and accessories, household goods and merchandise, consumer electronics, and more.
- **Services**  
Businesses and organizations provide various services, including restaurants and food services, educational programs, and commercial health care, among other consumer-focused services.

The amount of warranted space in the Kingston market is calculated based on various factors. The following summarizes our methodology utilized to calculate warranted space for each of the categories analyzed:

1. The customer origin of all expenditures made in Kingston is estimated based on various considerations, including commercial survey results, customer origins data, and previous urbanMetrics analysis in Kingston. For example, 90% of consumer expenditures by Kingston residents typically occur within the Kingston market, with the remaining 10% referred to as “outflow” as they occur outside the city. Conversely, expenditures in Kingston by residents of other municipalities (visitors, tourists, etc.,) are accounted for later as “inflow.”
2. Estimated per capita retail expenditures are adjusted to account for online spending at retailers outside of the Kingston area. This analysis is based on a weighted average of linear trends in e-commerce spending from 2014 to 2019 and the changes to these spending patterns during the COVID-19 pandemic. Approximately two-thirds of the weighting is placed on a linear forecast based on pre-pandemic trends, with one-third on the pandemic-impacted data.
3. Future Kingston market shares have been forecast over the study period (until 2051), based on the potential for changing spending patterns. These shares have been held constant over the forecast period.
4. Kingston’s share is applied to the available expenditure potential, and inflow rates are added to account for expenditures by non-residents. The total market expenditure is then calculated. This total market expenditure is forecasted alongside population growth over the study period.



- The warranted space in each category is then calculated based on expected sales performance levels applied to the total sales volume available.

The following chart (Figure 16) highlights per capita retail expenditures for all Kingston residents using a 2023 base year. It is important to note that this exercise relies on per-capita, not per-household data, and does not discriminate between household members. In addition, it represents an average of all residents of disparate income levels. The estimated total expenditure of \$11,479 also reflects adjustments for online spending unrelated to geography or trade areas like in-person spending.

**Figure 16: Kingston Per Capita Retail Expenditures 2023**

<b>2023 Dollars</b>	<b>2023</b>	<b>Share</b>
<b><u>Province of Ontario</u></b>		
<b>Food Store Retail (FSR)</b>	<b>\$ 3,409</b>	<b>29.7%</b>
Beer Wine & Liquor	\$ 651	5.7%
Supermarket & Grocery	\$ 2,330	20.3%
Other Specialty Food	\$ 428	3.7%
<b>Selected Non-Food Store Retail (NFSR)</b>	<b>\$ 8,071</b>	<b>70.3%</b>
Building & Outdoor Home Supply	\$ 1,041	9.1%
Large Format Retailers	\$ 2,389	20.8%
Other General Merchandise	\$ 232	2.0%
Apparel & Accessories	\$ 976	8.5%
Furniture, Home Furnishings & Electronics	\$ 1,106	9.6%
Other Miscellaneous Retail	\$ 963	8.4%
Health & Personal Care	\$ 1,363	11.9%
<b>Total Retail Expenditures <sup>1</sup></b>	<b>\$ 11,479</b>	<b>100.0%</b>

SOURCE: urbanMetrics inc., with inputs from Statistics Canada Table 20-10-0056-01 and Table 20-10-0065-01, as well as the 2024 Kingston Consumer Survey

<sup>1</sup> The base year percentage distributions are urbanMetrics’ estimates based on our review of the provincial distribution and accounting for local considerations and the influence of e-commerce expenditures.

Moving forward, per capita expenditures are projected to increase to an estimated \$11,803 in 2031, \$12,289 in 2041, and \$12,774 in 2051, based on constant 2023 dollars (Figure 17). Total market expenditures are estimated to increase by \$940 million, from \$1.8 billion in 2023 to approximately \$2.8 billion in 2051.

Figure 17: Kingston Total Retail Expenditure Potential Forecast

2023 Dollars	2023	2031	2041	2051
<b>Kingston</b>				
Per Capita Retail Expenditures <sup>1</sup>	\$ 11,415	\$ 11,803	\$ 12,289	\$ 12,774
Population <sup>2</sup>	160,450	178,400	200,700	220,900
<b>TOTAL RETAIL EXPENDITURE POTENTIAL (\$Millions)</b>	<b>\$ 1,831.5</b>	<b>\$ 2,105.7</b>	<b>\$ 2,466.4</b>	<b>\$ 2,821.8</b>
<b>Food Store Retail (%)</b>	<b>29.7%</b>	<b>24.0%</b>	<b>24.0%</b>	<b>24.0%</b>
Beer Wine & Liquor (%)	5.7%	5.7%	5.7%	5.7%
Supermarket & Grocery (%)	20.3%	20.3%	20.3%	20.3%
Other Specialty Food (%)	3.7%	3.7%	3.7%	3.7%
<b>Non-Food Store Retail (%) <sup>3</sup></b>	<b>70.3%</b>	<b>70.3%</b>	<b>70.3%</b>	<b>70.3%</b>
Building & Outdoor Home Supply (%)	9.1%	9.1%	9.1%	9.1%
Large Format Retailers (%)	20.8%	20.8%	20.8%	20.8%
Other General Merchandise (%)	2.0%	2.0%	2.0%	2.0%
Apparel & Accessories (%)	8.5%	8.5%	8.5%	8.5%
Furniture, Home Furnishings & Electronics (%)	9.6%	9.6%	9.6%	9.6%
Other Miscellaneous Retail (%)	8.4%	8.4%	8.4%	8.4%
Health & Personal Care (%)	11.9%	11.9%	11.9%	11.9%
<b>TOTAL</b>	<b>100.0%</b>	<b>94.3%</b>	<b>94.3%</b>	<b>94.3%</b>
<b>Food Store Retail (\$Millions)</b>	<b>\$ 543.8</b>	<b>\$ 625.2</b>	<b>\$ 732.3</b>	<b>\$ 837.9</b>
Beer Wine & Liquor (\$Millions)	\$ 103.9	\$ 119.4	\$ 139.9	\$ 160.0
Supermarket (\$Millions)	\$ 371.7	\$ 427.3	\$ 500.5	\$ 572.6
Other Food (\$Millions)	\$ 68.3	\$ 78.5	\$ 92.0	\$ 105.2
<b>Non-Food Store Retail (\$Millions)</b>	<b>\$ 1,287.7</b>	<b>\$ 1,480.5</b>	<b>\$ 1,734.1</b>	<b>\$ 1,983.9</b>
Building & Outdoor Home Supply (\$Millions)	\$ 166.1	\$ 191.0	\$ 223.7	\$ 255.9
Large Format Retailers (\$Millions)	\$ 381.2	\$ 438.3	\$ 513.3	\$ 587.3
Other General Merchandise (\$Millions)	\$ 37.0	\$ 42.5	\$ 49.8	\$ 57.0
Apparel & Accessories (\$Millions)	\$ 155.7	\$ 179.0	\$ 209.6	\$ 239.8
Furniture, Home Furnishings & Electronics (\$Millions)	\$ 176.5	\$ 203.0	\$ 237.7	\$ 272.0
Other Miscellaneous Retail (\$Millions)	\$ 153.7	\$ 176.7	\$ 207.0	\$ 236.8
Health & Personal Care (\$Millions)	\$ 217.5	\$ 250.1	\$ 292.9	\$ 335.1
<b>TOTAL (\$Millions)</b>	<b>\$ 1,831.5</b>	<b>\$ 2,105.7</b>	<b>\$ 2,466.4</b>	<b>\$ 2,821.8</b>

SOURCE: urbanMetrics inc., based on inputs from Statistics Canada and 2024 Kingston Consumer Survey.

1 Per Capita expenditure calculated based on differences from the provincial average and adjusted based on insights obtained from the 2024 Kingston Consumer Survey.

2 Population projections from Watson & Associates 2024 Population, Housing and Employment Growth Forecast: Update to 2051, 2023 estimate extrapolated from 2021 base and 2026 projection.

3 Large-Format Retailers represent the Department Stores and Major Retailers in the General Merchandise Category, including the Bay, Walmart, Costco, and Canadian Tire. Their expenditure calculations have been adjusted by 50% to reflect their ability to drive improved sales performance numbers. As a result, their locational and expansion decisions differ from those of other retailers.

## Food Store Retail

Trade Area residents currently spend an estimated \$543.8 million in the food store retail category, of which an estimated \$503.0 million occurs within the City of Kingston (Figure 18).

Historically, liquor, beer, and wine stores have been analyzed separately from food store retailers. However, with anticipated Provincial legislation permitting the sale of alcohol in a much wider array of stores, including convenience stores, it is expected that over the long term, a large sale of liquor, beer, and wine will occur within stores traditionally classified as food stores. For long-term planning purposes, we have combined food and alcohol stores into a single category. As a result, sales per square foot estimates have increased, as alcohol sales are typically a merchandise category with relatively high profit margins.

Based on expenditure trends, the total available expenditure in this category is projected to increase by \$272 million by 2051. After accounting for inflow and assuming existing stores in Kingston can capture some market growth by improving their sales efficiency, a total increase of \$272 million in food store retail spending by 2051 will result in an estimated \$259.2 million in residual sales potential that fuels demand for between 272,800 and 345,600 square feet of new food store retail space.

**Figure 18: Food Store Retail Warranted Space Projections**

2023 Dollars	2023	2031	2041	2051
<b>Kingston</b>				
Food Store Retail (FSR) Expenditures (\$Millions) <sup>1</sup>	\$ 543.8	\$ 625.2	\$ 732.3	\$ 837.9
Estimated Kingston Share (%) <sup>2</sup>	92.5%	92.5%	92.5%	92.5%
Estimated Kingston Share (\$Millions)	\$ 503.0	\$ 578.4	\$ 677.4	\$ 775.0
Residual Potential (\$Millions)		\$ 75.3	\$ 174.4	\$ 272.0
<b>STUDY AREA WARRANTED FSR SPACE (including inflow)</b>				
Additional Residual Potential Available from Kingston Residents		\$ 75.3	\$ 174.4	\$ 272.0
Plus Inflow Sales <sup>3</sup>		10.0%	10.0%	10.0%
Inflow Sales		\$ 8.4	\$ 19.4	\$ 30.2
<b>TOTAL SALES POTENTIAL AVAILABLE IN THE TRADE AREA (\$Millions)</b>		<b>\$ 83.7</b>	<b>\$ 193.8</b>	<b>\$ 302.2</b>
Estimated Allocation of Additional Sales Captured by Existing Stores (\$Millions)		\$ 12.3	\$ 27.7	\$ 43.0
<b>Available Additional Potential for New Stores</b>		<b>\$ 71.4</b>	<b>\$ 166.1</b>	<b>\$ 259.2</b>
Square Feet Warranted (excluding sales transfers from Trade Area Stores) <sup>3</sup>		Square Feet <sup>4</sup>		
@\$750 per square foot		95,200	221,500	345,600
@\$850 per square foot		84,000	195,400	304,900
@\$950 per square foot		75,100	174,800	272,800

SOURCE: urbanMetrics inc., with inputs from Watson & Associates Economists, Statistics Canada Table: 21-10-0019-01, Table: 20-10-0008-01

<sup>1</sup> based on Statistics Canada Provincial Expenditure Data, the results of the online consumer survey, and urbanMetrics regression model.

<sup>2</sup> urbanMetrics inc., estimates.

<sup>3</sup> Assumes existing stores in Kingston achieve an annual productivity increase of 0.25% (not compounded).

## Non-Food Store Retail

Trade Area residents spend an estimated \$1,287.7 million in non-food store retail. \$1,094.5 million, approximately 85%, is estimated to occur within the City of Kingston (Figure 18).

Based on expenditure trends, this category's total available expenditure growth is projected at \$591.8 million by 2051. After accounting for inflow, the total expenditure increase is estimated at \$739.8 million. This amount is then adjusted to account for the competitive influence of incumbent major retailers (\$136.0 million) and the allocation of sales performance improvements to other existing stores (\$117.2 million). These adjustments reflect that market growth will be insufficient for many large-scale retailers to open additional stores in Kingston and that a large share of additional sales will accrue to existing outlets. After these adjustments, a total increase of \$486.5 million in non-food store retail spending by 2051 supports between 572,400 and 884,600 square feet of new NFSR space.

**Figure 19: Non-Food Store Retail Warranted Space Projection**

2023 Dollars	2023	2031	2041	2051
<b>Kingston</b>				
Non-Food Store Retail (NFSR) Expenditures (\$Millions) <sup>1</sup>	\$ 1,287.7	\$ 1,480.5	\$ 1,734.1	\$ 1,983.9
Estimated Kingston Share (%) <sup>2</sup>	85.0%	85.0%	85.0%	85.0%
Estimated Kingston Share (\$Millions)	\$ 1,094.5	\$ 1,258.4	\$ 1,473.9	\$ 1,686.3
Residual Potential		\$ 163.9	\$ 379.4	\$ 591.8
<b>STUDY AREA WARRANTED ADDITIONAL NFSR SPACE (including inflow)</b>				
Additional Residual Potential Available from Trade Area Residents		\$ 163.9	\$ 379.4	\$ 591.8
Plus Inflow Sales <sup>3</sup>		20.0%	20.0%	20.0%
Inflow Sales		\$ 41.0	\$ 94.9	\$ 148.0
<b>TOTAL ADDITIONAL SALES POTENTIAL AVAILABLE IN THE TRADE AREA (\$Millions)</b>		<b>\$ 204.8</b>	<b>\$ 474.3</b>	<b>\$ 739.8</b>
Major Retail Adjustment Factor		\$ 37.7	\$ 87.2	\$ 136.0
Estimated Allocation of Additional Sales Captured by Existing Stores (\$Millions)		\$ 32.8	\$ 75.4	\$ 117.2
<b>TOTAL ADDITIONAL SALES POTENTIAL AVAILABLE FOR STORE EXPANSION (\$Millions)</b>		<b>\$ 134.3</b>	<b>\$ 311.7</b>	<b>\$ 486.5</b>
Square Feet Warranted (excluding sales transfers from Trade Area Stores) <sup>3</sup>		Square Feet <sup>4</sup>		
@\$550 per square foot		244,200	566,700	884,600
@\$700 per square foot		191,900	445,300	695,000
@\$850 per square foot		158,000	366,700	572,400

SOURCE: urbanMetrics inc., with inputs from Watson & Associates Economists, Statistics Canada Table: 21-10-0019-01, Table: 20-10-0008-01

<sup>1</sup> based on Statistics Canada Provincial Expenditure Data, the results of the online consumer survey, and urbanMetrics regression model.

<sup>2</sup> urbanMetrics inc., estimates.

<sup>3</sup> Assumes existing stores in Kingston achieve an annual productivity increase of 0.25% (not compounded).

In addition to the integrated assumption that incumbent store efficiency will increase by 0.25% per year (non-compounding) over the projection period, we have also assumed an increase in overall performance levels per square foot. This assumption is that per-square-foot performance levels will rise to between \$550 and \$850 per square foot by 2051. This assumption reflects the continual improvement and innovation in the retail industry but also incorporates the need for increased

performance to survive in a denser urban environment. Mixed-use store formats require higher performance levels to justify the existence of commercial space alongside the residential component of development.

## Services

This section uses a per capita space ratio technique to examine future demand for service-oriented space in Kingston. This methodology is used because of the difficulties in standardizing a sales performance level on a square foot basis for services that vary significantly in nature, and all have a different relationship with the size of the space in which they occur. However, this approach can impose a generic or typical market demand conditions on Kingston's current and future population.

These conditions are based on existing service levels in the city and observations made in other comparable markets around southern Ontario. As such, they do not directly reflect uniquely local circumstances. In addition, services are a growing proportion of the Canadian economy and are subject to trends and changing formats that can alter per capita space ratios over time. As a result, a flexible and realistic interpretation of the findings is important to this approach.

The following retail and service space facilities are included in this analysis:

- Bank services and other financial services;
- Consumer goods rental and repair;
- Eating and drinking services, including both quick and full-service facilities;
- Entertainment such as theatres, bowling alleys, etc.;
- Medical and dental care space;
- Personal care services include hair salons, nail salons, tanning, and dry cleaners.

Interpolating the population forecast to arrive at a 2023 population estimate of 160,450, Kingston is expected to see a population increase of 60,450 residents by 2051. This population is projected to drive demand for some 674,900 square feet of additional service commercial space (Figure 20: Warranted Service Commercial Space - Population Growth 2023-2051).

Figure 20: Warranted Service Commercial Space - Population Growth 2023-2051

Commercial Needs - Retail Category	Typical Space Per Capita (Sq Ft)	Total Space Required by Residents (Sq Ft)	Target Capture	Space Required (Sq Ft)	Inflow Growth	Total Warranted Space (Sq Ft)						
<b>Net New Population (2023-2051)</b>	<b>60,450</b>	A	=	B	x	C	=	D	x	E	=	F
<b>Store Categories</b>												
<b>Services</b>												
Food Services & Drinking Places	3.5	211,575	90%	190,400	5.0%	200,400						
Finance, Insurance and Real Estate	1.5	90,675	70%	63,500	0.0%	63,500						
Health Care	1.5	90,675	90%	81,600	0.0%	81,600						
Personal Care	2.0	120,900	90%	108,800	0.0%	108,800						
Business Services <sup>1</sup>	1.5	90,675	80%	72,500	0.0%	72,500						
Other <sup>2</sup>	3.5	211,575	70%	148,100	0.0%	148,100						
<b>Total</b>	<b>13.5</b>	<b>816,075</b>		<b>664,900</b>		<b>674,900</b>						

<sup>1</sup> Includes: Professional, Scientific and Technical Services, Select Civic and Social Organizations, Select Office Administrative Services

<sup>2</sup> Includes: Cultural, Entertainment and Recreation, Personal & Household Goods Repair and Maintenance, Select Educational Services, Social Services, Consumer Goods Rental

SOURCE: urbanMetrics inc.,

## Aggregate Demand for Commercial Space

Based on low vacancy rates across retail and service commercial properties and considering the strong influence of tourists and other inflow sources in local spending, we have assumed Kingston’s present commercial service space is mainly balanced.

However, it is important to note that, at 18 square feet per capita, the city has an elevated level of service space per resident compared to other municipalities, which typically average between 12 to 14 feet per capita. As such, to support the growth of existing businesses and not over-deliver space, we have projected a lower per capita space ratio for new residents over the projection period than is experienced by current residents.

As shown in Figure 21, the current ratio of 48 square feet of total (FSR, NFSR and Services) commercial space per capita is projected to reduce to 41 square feet per capita in 2051, with 24 square feet serving net new population growth. This considers the rationalization of space resulting from e-commerce and continued merchandise blending.

Figure 21: Per Capita Commercial Space 2023 to 2051

Time Period	Population	Space	Per Capita
Current: 2023	160,500	7,730,000	48
Growth: 2023-2051	60,400	1,423,700	24
Future: 2051	220,900	9,153,700	41

SOURCE: urbanMetrics inc.

Our professional opinion is that this reduction in commercial space per capita will ensure a more balanced commercial market that supports existing small businesses and retains a healthy vacancy rate while encouraging the intensification of commercial areas and higher sales performance for retailers on a per-square-foot basis.

To allow flexibility in projecting space needs over an extended period to align the projected Services space with the high and low estimates for Food Store and Non-Food Store retail space, we have utilized a plus or minus 10% margin of error for Services space. This results in a range of between 611,900 square feet and 747,900 square feet of additional warranted service space by 2051. Combining the high and low projections of Food Store Retail, Non-Food Store Retail, and Service space results in an aggregate range of between 1.45 million and 1.74 million square feet of market-supported commercial space in Kingston over the projection period (Figure 22: Gross Warranted Space). These projections are the primary building block for the calculations in Section 5.3.

**Figure 22: Gross Warranted Space**

	2051	
	Low	High
Food Store Retail	272,800	304,900
Non Food Store Retail	572,400	695,000
Services	611,900	747,900
<b>Total Space Warranted</b>	<b>1,457,100</b>	<b>1,747,800</b>

SOURCE: urbanMetrics inc.,

## 5.2 Market & Competitive Considerations

A key consideration in understanding the need for commercial space to serve a growing Kingston population is an awareness of the decision-making factors for larger retailers. Canada’s largest and highest-performing retailers are concentrated in the grocery and general merchandise categories and ubiquitous in larger population centres nationwide.

Examples include the various Loblaw grocery brands (No Frills, Zehrs, Real Canadian Superstore, etc.), Shoppers Drug Mart, Canadian Tire, Walmart, Empire grocery brands (Sobeys, Farm Boy, etc.), and more specialized retailers such as Costco. These retailers and their brands significantly influence the nature of a commercial marketplace as they often serve as the anchors for commercial plazas, main streets, and shopping centres. As previously mentioned, Kingston is a mature commercial market with a presence of these major retailers.

As Kingston plans for population growth from 2023 to 2051, the amount of commercial space that supports this growth will be impacted by the considerations of these retailers. Businesses must consider expanding a store, opening a new store, bringing a new banner or brand into the market, or absorbing demand within their existing footprint through increased sales per square foot. Our

professional judgement of the competitive marketplace in Kingston supports the conclusion that Kingston’s future growth will likely lead to three to five major commercial anchor locations from these large retailers.

Approximately 10,000 residents are typically needed to support a large-format supermarket store of approximately 35,000 square feet, a standard store module. A larger superstore-type format would need a population of roughly 20,000 or more. Considering a balance between the ongoing trend of smaller grocery store formats in urbanizing areas and a growing share of grocery expenditures occurring at large format retailers with grocery options, Kingston’s projected population growth of more than 60,000 people is likely to support between 5 and 7 new supermarkets over the projection period.

### Decision-Making Factors

Retail locational decisions are influenced by several key factors, including:

- **Market Saturation:** The existing presence of stores and the potential for market cannibalization
- **Population Density & Growth:** Neighbourhoods with more planned growth will be more attractive than stable communities.
- **Accessibility:** Proximity to major roads and public transportation.
- **Competition:** Presence and timing of competitive retailers and overall competitive landscape.

### Specific Retailer Considerations

While Kingston’s population growth represents a potential new market for retailers, it is important to consider the unique challenges for dominant large retailers such as Walmart, Canadian Tire and Costco, which fall into the General Merchandise NAICS category. These stores often serve as the anchor tenants for larger commercial developments and are important facilitators of future commercial growth, particularly in greenfield areas.

- **Costco**

Costco’s locational decisions are characterized by large trade areas encompassing multiple smaller or mid-size municipalities and hundreds of thousands of residents. Under its current operating model, Kingston’s projected population growth is likely insufficient to support a second Costco location. However, if Costco were to transition to alternative models or smaller format stores, this could impact potential expansion decisions.

- **Walmart**

Since entering the Canadian market, Walmart has typically employed sub-regional trade areas, with multiple locations in mid and large-size urban areas. This is evidenced by Walmart’s previous interest in opening a second location in Kingston in the late 2010s, which did not come



to fruition. As Kingston grows and the nature of the urban area shifts, Walmart might revisit its approach and consider new formats or locations.

- **Canadian Tire**

Canadian Tire stores typically serve smaller trade areas, as evidenced by the three full-sized existing stores in Kingston alongside locations in Napanee and Gananoque. Given its strong existing presence in the market and locations spread across northern, central, and western Kingston, we believe that geographic considerations mean Kingston is unlikely to support another full-size Canadian Tire, except in the event of a community area expansion to the east, farther from the areas serviced by existing locations. However, Canadian Tire has begun to pursue smaller format locations in mixed-use developments within more dense urban areas. As such, there is potential for this type of store format to be accommodated within the built-up area over the projection period.

### **Future Retail Development**

As illustrated in the expenditure model projections for NFSR space, there is likely to be sufficient residual demand to support an additional large-scale general merchandise store within Kingston. This store could also include a grocery component and support the absorption of some residual FSR expenditures, particularly if this location serves as the anchor tenant for a new commercial node in an expanded community area.

## 5.3 Land Needs

Calculating land needs begins with translating the space warranted by the expenditure and per capita analysis into the space that needs to be constructed. This step considers the commercial developments since the 2023 base year, and the developments that are currently in various stages of planning and engineering approvals.

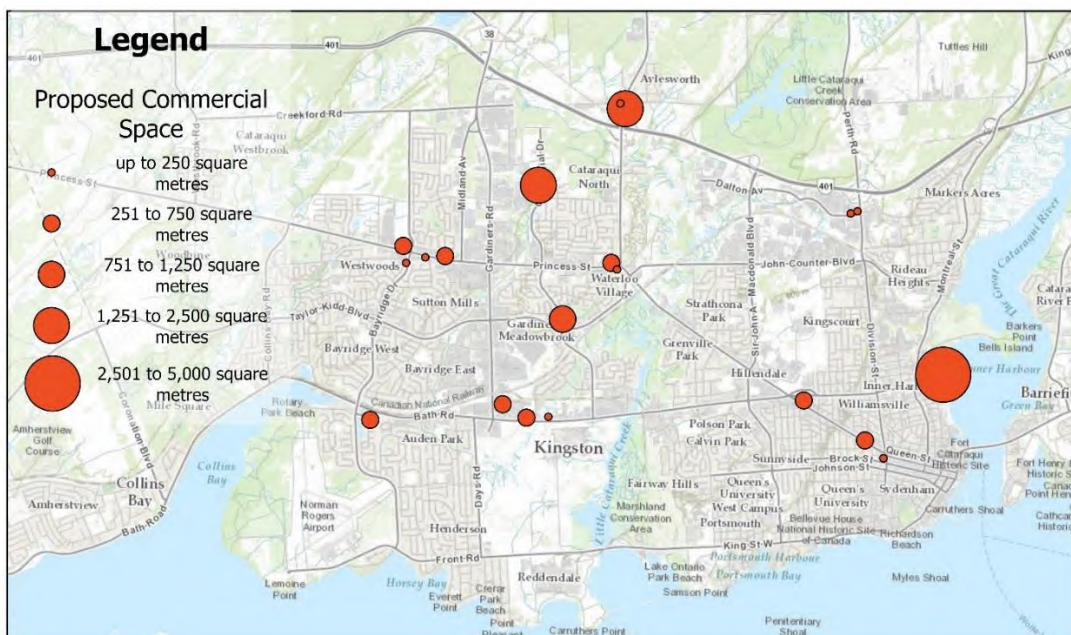
### Proposed Space & Space Built Since 2021

A review of City of Kingston building permit and development application data identified a total of 274,400 square feet of commercial space that should be adjusted to the gross total warranted space (Figure 24).

- 72,300 square feet of space constructed since the inventory was finalized
- 202,100 square feet (18,766 square metres) of commercial space in the development pipeline.

Of the currently active total, 142,200 square feet (approximately 13,200 square metres) of this space is in active developments that have already been submitted to the City (Figure 23). The remaining 59,900 square feet result from applications that will likely be subject to revision as they progress through the development approval process. We have assumed a 50% split between non-food store retail and services space for developments where the specific future use is unknown. The review identified no proposed supermarket or explicitly pre-identified goods store space.

Figure 23: Proposed Commercial Space in Active Developments



SOURCE: urbanMetrics inc., via the City of Kingston DASH application. Does not include vacant commercial lands or applications in the pre-application stages.

As a result of this completed and in-process space (Bin Figure 23), gross warranted space of between 1.45 and 1.75 million square feet (A in Figure 23) is adjusted downward to a range of between 1.18 and 1.47 million square feet (C in Figure 24).

The rest of this analysis utilizes the high end of the range (1.47 million square feet) to provide for vacancy and increased flexibility to ensure that commercial needs can be met.

**Figure 24: Residual Warranted Space Summary**

<b>GROSS WARRANTED SPACE SUMMARY</b>			
		<b>2051</b>	
		<b>Low</b>	<b>High</b>
<b>A</b>	Food Store Retail	272,800	304,900
	Non Food Store Retail	572,400	695,000
	Services	611,900	747,900
	<b>Total Space Warranted</b>	<b>1,457,100</b>	<b>1,747,800</b>
<b>- LESS PROPOSED SPACE &amp; SPACE BUILT SINCE 2021</b>			
		<b>2024</b>	
		<b>Low</b>	<b>High</b>
<b>B</b>	Food Store Retail		
	Non Food Store Retail	137,200	137,200
	Services	137,200	137,200
	<b>Total Space Proposed</b>	<b>274,400</b>	<b>274,400</b>
<b>= RESIDUAL (SURPLUS / SHORTFALL)</b>			
		<b>2051</b>	
		<b>Low</b>	<b>High</b>
<b>C</b>	Food Store Retail	272,800	304,900
	Non Food Store Retail	435,200	557,800
	Services	474,700	610,700
	<b>Total Space Surplus/Shortfall</b>	<b>1,182,700</b>	<b>1,473,400</b>

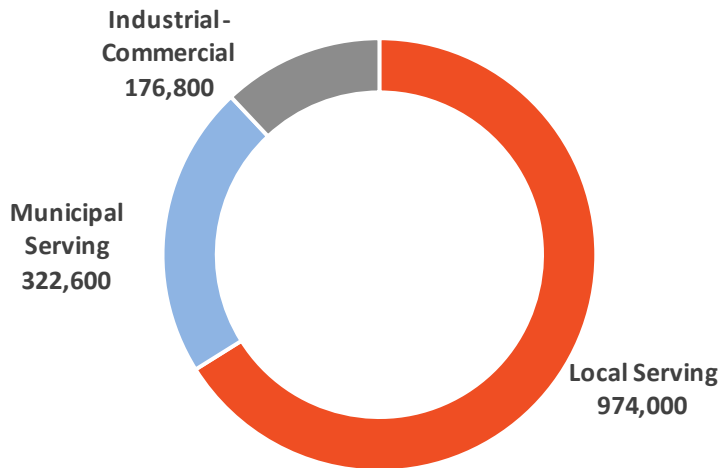
SOURCE: urbanMetrics inc., with data from the City of Kingston

### Commercial Space by Market Type

In addition to being distributed by retail category (i.e. Food Store, Non-Food Store, and Service space), market-supported commercial space needs to be considered as part of the commercial hierarchy, where businesses meet local needs, municipal-wide needs, and the needs of the business community through quasi-industrial uses that are captured under commercial NAICS and sales data. The 1.47 million square feet of commercial space can be broken down based on the markets it serves and the planning policy geography of the city.

At a high level, the space can be broken out into Local-Serving, Municipal-Serving, and Industrial-Commercial Space (Figure 25).

Figure 25: Commercial Space Hierarchy Breakdown



SOURCE: urbanMetrics inc.,

Of the total 1.47 million square feet of market-supported commercial space, some 974,000 square feet is expected to be local-serving, with 322,600 square feet of municipal-serving space and an additional 176,800 square feet of industrial-commercial space also supported by a growing commercial market (Figure 25).

### Local-Serving Space by Policy Area

The 974,000 square feet of local-serving commercial space can then be allocated into three different policy areas based on the unit allocations in the Kingston Community Area Land Needs and Intensification Analysis and an adjustment process that considers the current supply of commercial space in the area, available commercial lands, and high-level intensification opportunities.

- **417,400 square feet of local-serving space requiring 11.1 hectares to serve an expanded community area.**

The projected growth in an expanded community area is expected to be served by 20 square feet of local serving space per person. Adjusting for competitive and land supply factors, the future population of this area is expected to support an additional 417,400 square feet of commercial space. Assuming a 35% floor area ratio, this will require 11.1 net hectares of land. This land is factored into the other community area lands in the Community Area Land Needs and Intensification Analysis through the 50% net to gross assumption for local roads, parks, trails, stormwater ponds, and non-residential uses (1 in Figure 26).

- **101,600 square feet of local-serving space requiring some 3.1 hectares to serve the build out of the current Designated Greenfield Area.**

Planned development in the existing Designated Greenfield Area is expected to support demand at a rate of roughly 20 square feet per capita. Adjusting for competitive and land supply factors results in 101,600 square feet of warranted local-serving space. Assuming a 30% floor area ratio, this will require some 3.1 hectares of land (2 in Figure 26).

- **455,000 square feet of space, requiring an estimated 13.5 hectares, to serve the growing population of the Built Up Area.**

The projected population increase in the Built-Up Area is expected to be served by a lower per capita ratio of 17.5 square feet per capita to reflect the existing concentration of commercial space, ensuring additional space to serve new residents while allowing population growth to support existing businesses. Accounting for these and other considerations, this is expected to result in 455,000 square feet of new commercial space (3 & 4 in Figure 26).

This local-serving space within the Built-Up Area is assumed to occur in freestanding and mixed-use developments. Based on recent trends and the availability of large commercial parcels, the calculations assumed that 30% of new space will be freestanding commercial buildings, requiring approximately 3.6 hectares of land, and 70% will occur in mixed-use formats, requiring 9.9 hectares of land for a total of 13.5 hectares of land (3 & 4 in Figure 26).

In total, Kingston is expected to support 974,000 square feet of local serving space over the projection period, which is estimated to require 27.7 hectares of land.

Figure 26: Market-Supported Commercial Space & Associated Land Needs

		Commercial Growth Share <sup>1</sup>	Square Feet GLA	FAR	Net Acres	Net Hectares
<b>Growth - Warranted Commercial Space</b>			1,473,400			
<b>Local Serving Commercial Uses</b>						
1	Expansion Area	43%	417,400	35%	27.4	11.1
2	Current DGA	10%	101,600	30%	7.8	3.1
	BUA Intensification	47%	455,000			
3	Freestanding Format (30%)		136,500	35%	9.0	3.6
4	Mixed-Use Format (70%)		318,500	30%	24.4	9.9
<b>Total Local Serving</b>			974,000		68.5	27.7
5	<b>Municipal Serving Commercial Uses</b>		322,600	35%	21.2	9.9
6	<b>Other Commercial Uses<sup>2</sup></b>		176,800	20%	20.3	8.2
7	<b>Specialty Commercial Uses<sup>3</sup></b>				28.7	11.6
<b>Sub -Total</b>			1,473,400		138.6	57.4

SOURCE: urbanMetrics inc.,

<sup>1</sup> Growth shares are urbanMetrics estimates of the share of direct population-related commercial development that can be expected in area based on a combination of the unit allocations by policy area in Figure 7 of the Community Area Land Needs Analysis, Persons Per Unit Ratios for low density, medium density, and high density units, the distribution and concentration of existing commercial space across the city, and the likelihood of commercial development based on locational, lot size, and other requirements.

<sup>2</sup> Other Commercial Uses are commercial enterprises that tend to locate within industrial areas or near industrial users due to their generally business-to-business orientation, potential for nuisance activities that require separation from sensitive land uses, or requirements for large lot sizes and/or heavy vehicle traffic.

<sup>3</sup> Specialty commercial uses refers to commercial operations with unique spatial requirements such as mid or large scale hotel and conference space, and automobile dealerships.

## Non-Local Commercial Space

- **322,600 square feet of municipal serving space requiring 9.9 hectares.**

In addition to the Local-Serving uses, market growth is expected to support some 322,600 square feet of Municipal-Serving commercial uses. These uses are expected to largely take the form of freestanding commercial buildings. Based on an assumed 35% floor area ratio, these uses would require 9.9 hectares of land (5 in Figure 26)

- **176,800 square feet of other commercial space requiring 8.2 hectares.**

Beyond local or broader serving uses, other commercial uses have requirements or characteristics that lead them to seek out locations within or adjacent to industrial areas. This analysis assumes that the rate of commercial development within what is currently referred to as Employment Areas will follow historical trends. This results in approximately 176,800 square feet of commercial uses that would have historically occupied employment areas. Assuming a lower floor area ratio of 20%, these uses will occupy a projected 8.2 hectares (6 in Figure 26).

These uses would include specialty automotive repair and autobody shops, specialty home improvement stores (e.g. flooring, lighting, cabinetry, pool/spa, plumbing, etc.) and similar uses that would not be compatible with traditional commercial areas or mixed-use developments. In addition, we anticipate that a small amount of ancillary retail and services space would be required within Employment Areas to support local employees and businesses.

The projected 8.2 hectares of land to support other commercial uses will require careful consideration under the new Provincial Policy Statement, 2024 to ensure that lands within or adjacent to industrial areas are provided for commercial uses with these specific requirements to both support the local economy and ensure sufficient distance between potential nuisance activities associated with these commercial users and sensitive land uses.

- **An estimated 11.6 hectares for specialty commercial uses.**

The analysis also considers the requirements of specialty commercial uses such as hotels and car dealerships. To ensure land is available for these uses, we have incorporated 4.6 hectares to accommodate more than 1,000 new hotel rooms based on modern standards of hotel unit size, as well as 7 hectares to accommodate 5-6 new auto dealers. These assumptions are conservative in that they overstate the likely land requirements of these uses. The resulting land need is 11.6 hectares (7 in Figure 26).

## Gross Commercial Land Need

In aggregate, Kingston is expected to require 57.4 hectares of commercial land to accommodate commercial development supported by market growth to 2051 (Figure 26).

If the 11.1 hectares of land already accounted for in assumptions made in the Kingston Community Area Land Needs and Intensification Analysis are excluded to avoid double counting, there are 6 categories to be planned for, resulting in 46.3 hectares of land (Figure 27). We have assumed varying floor area ratios depending on the policy area and types of buildings. Kingston’s projected population growth will require approximately 46.3 hectares of commercial land to meet its growing commercial needs, in addition to those met in other land use designations and other planning exercises.

Figure 27: Commercial Space to be Accommodated on Commercial Lands

	Residual Space Category	Commercial GLA	FAR	Net Acres	Net Hectares
2	Current DGA	101,600	30%	8	3.1
3	Local Serving Freestanding - BUA	136,500	35%	9	3.6
4	Local Serving Mixed Use - BUA	318,500	30%	24	9.9
5	Municipal Serving	322,600	35%	21	9.9
6	Other Commercial Uses	176,800	20%	20	8.2
7	Specialty Commercial Uses			28.7	11.6
	Space to be Accounted For	879,200		111.3	46.3

SOURCE: urbanMetrics inc., with inputs from Watson & Associates Economists Ltd.

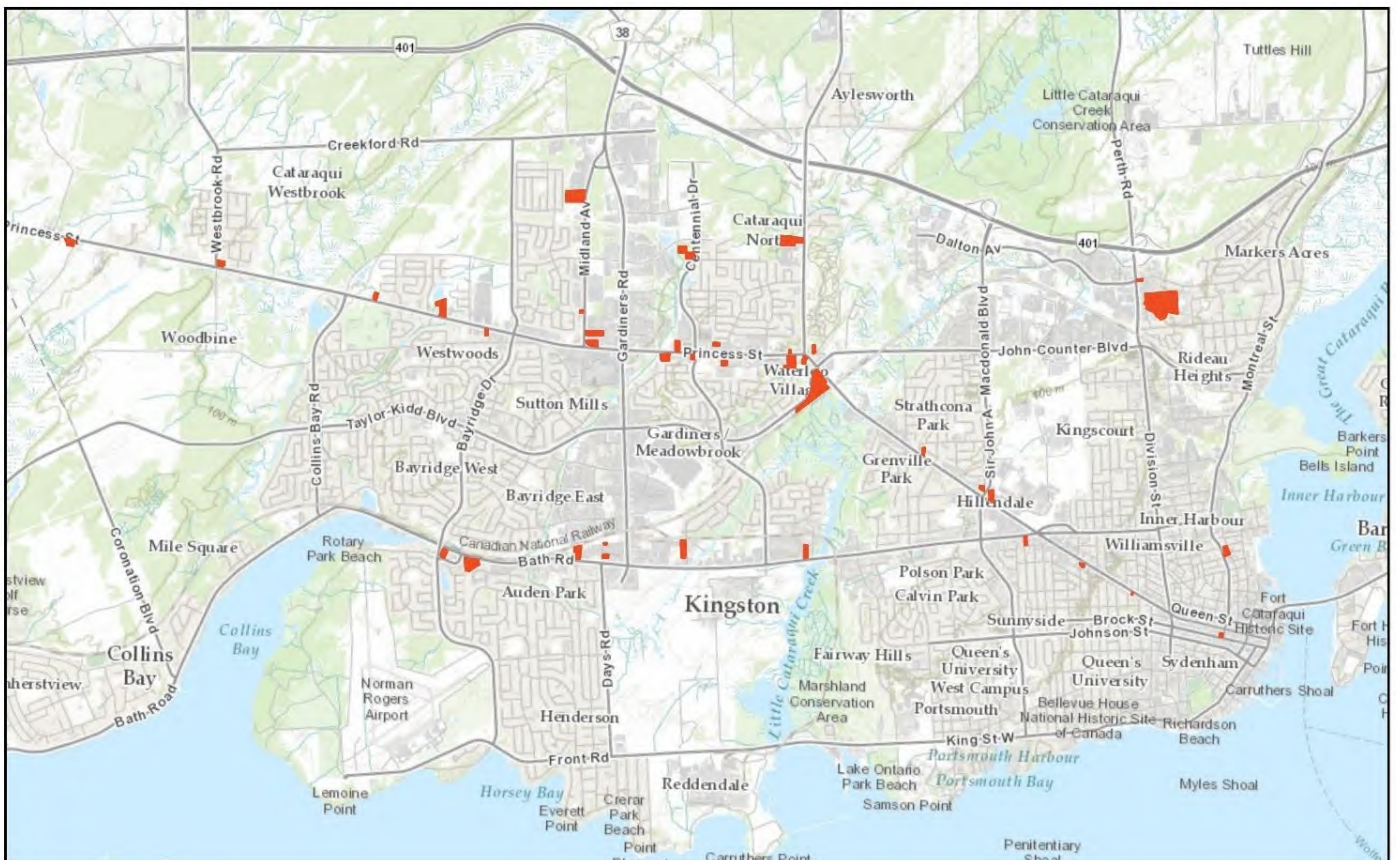


## 5.4 Land Supply

A land needs assessment was conducted alongside the rest of the consulting team and the City of Kingston’s project team, and 31.2 hectares of vacant land were identified under existing commercial designations within the urban boundary. In addition, there are limited but additional opportunities for commercial development in rural areas on Rural Commercial and Hamlet designations. Still, these primarily take the form of intensification opportunities that depend on individual landowners' decisions.

This space is primarily concentrated along Princess Street and Gardiners Road in the Kingston Centre Protected Major Transit Station Area, along Bath Road, and Centennial Drive (Figure 28). The largest currently vacant parcel is 23 Soccer Lane, an approximately 7.3-hectare property adjacent to the Days Inn near the Division Street and Weller Ave intersection.

**Figure 28: Vacant Commercial Land Supply Map**



SOURCE: urbanMetrics inc., with inputs from the City of Kingston and imagery from ESRI & OpenMap

## 5.5 Land Needs Summary

Approximately 1.47 million square feet of new retail and service commercial space is required to meet projected growth in demand by 2051. The Kingston Community Area Land Needs and Intensification Analysis identified a need for community areas beyond those within the current settlement boundary to accommodate population growth, which results in a need for commercial space to serve new communities. Simultaneously, a growing population in the Built-Up Area will intensify commercial space demand, particularly in strategic growth areas, Protected Major Transit Station Areas, and designated centres and corridors.

### Gross Market-Supported Space Projections

- Growth in the Kingston market is projected to support a high-end estimate of 1.74 million square feet of gross commercial space in Kingston between 2021 and 2051 (Figure 22).
- 274,000 square feet of this space has already been constructed or is currently included in active development applications, reducing the net need for new commercial space to 1.47 million square feet.
- Of this 1.47 million square feet of market-supported space, 974,000 square feet is expected to take the form of local-serving commercial uses. The remainder is comprised of 322,600 square feet of larger municipal-serving commercial facilities, and 176,800 square feet is projected to take the form of commercial uses that historically choose or are restricted to locate on non-commercial lands because of the nature of their business (Figure 25).

### Local & Municipal Serving Space

- Of the 974,000 square feet of warranted local-serving space, 417,400 square feet (43%) is expected to be developed in community areas added to the urban boundary to accommodate Kingston’s growing population. Based on a 35% floor area ratio, these uses will require an estimated 11.1 hectares accounted for in the Kingston Community Area Land Needs and Intensification Analysis by including a 50% net to gross assumption for new community area lands.

The remaining 556,600 square feet of local-serving warranted space (57%) is expected to develop within the existing settlement area through intensification and developing the 31.2 hectares of vacant commercial land within the current urban boundary. This space is assumed to be developed in various types based on differing typologies between greenfield, intensification, and mixed-use developments. Based on floor area ratios ranging from 30% to 35%, this local-serving space will require approximately 16.6 hectares (Figure 27).

- In addition to local serving space, we project that market growth will support approximately 322,600 square feet of more prominent municipal-serving commercial uses. Assuming a 35% floor area ratio these uses will require 9.9 hectares of land.

### Other & Specialty Commercial Space

- In conjunction with the Employment Area Lands Review, this analysis projects that growth in the Kingston economy will support some 176,800 square feet of other commercial uses through 2051. These uses would typically be located within or adjacent to employment areas. At a 20% floor area ratio, these uses would require 8.2 hectares of land.
- The process also accounts for the land needs of specialty commercial uses such as hotels, convention centres, and car dealerships. These uses have unique land needs, which are assumed to require some 11.6 hectares (Figure 26).

### Net Commercial Land Need

1. With 57.4 hectares of projected need and 31.2 hectares of identified supply, the City has an aggregate shortfall of 26.2 hectares of commercial land over the 2051 projection period.
2. The City must plan to accommodate 11.1 hectares (417,400 square feet) of commercial land within an expanded community area for local-serving commercial uses. Sufficient accommodation for this space was made during the Community Area Land Needs and Intensification Analysis, which reduces the aggregate land need to 46.3 hectares.
3. A further 8.2 hectares (176,800 square feet) would previously have been assumed to develop on employment lands, but must be considered separately to be consistent with the Provincial Policy Statement, 2024. The City must structure changes to its Official Plan to bring it into conformity with the new definition of areas of employment in the Provincial Policy Statement in such a way that accounts for the estimated 8.2 hectares (176,800 square feet) of other commercial uses that represent commercial demand for land within employment areas absent any policy changes.
4. After accounting for the 11.1 hectares of local-serving commercial land within an expanded community area and resolving the need for 8.2 hectares of land that would historically have been located within employment areas, the City has a residual requirement of 38.1 hectares of commercial land.
5. The City's supply of vacant commercial land within the urban boundary is estimated at 31.2 hectares. It should be noted that while preliminary due diligence to avoid the consideration of environmentally protected lands has been undertaken, portions of this vacant land supply may be undevelopable and increase the estimated shortfall.
6. The City can seek to address this shortfall of commercial land by expanding Mixed-Use permissions to include new commercial space in currently residential areas, by incorporating additional commercial land in an expanded urban boundary, by increasing the permitted or required density of commercial developments, or by reconsidering the role of rural commercial and hamlet designations outside of the urban boundary.

# 6.0 Commercial Best Practices & Case Studies

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This section provides analysis and commentary on seven best practices in the planning and delivery of urban commercial space, alongside supporting case studies that are examples of these best practices. Each case study is not presented as a perfect outcome but as an example of plans and tactics utilized by other cities or towns to deliver improved mixed-use and commercial areas.

## 6.1 Mixed-Use Development in Greenfield Areas

Combining commercial space alongside other uses will be vital to achieving the City’s planning and economic development goals. Kingston has already seen mixed-use transformations along key corridors such as Princess Street, and similar redevelopments are likely to serve as a significant source of new commercial space within the built-up area. Promoting mixed-use development integrates residential, commercial, institutional, or other uses within the same neighbourhoods, blocks, or buildings, fostering vibrant neighbourhoods suitable for various transportation options and lifestyles. Further, ensuring mixed-use development delivers solid, usable commercial space supports local businesses by increasing foot traffic and creating opportunities for small businesses to thrive within dynamic, multi-purpose environments.

### Related Policies:

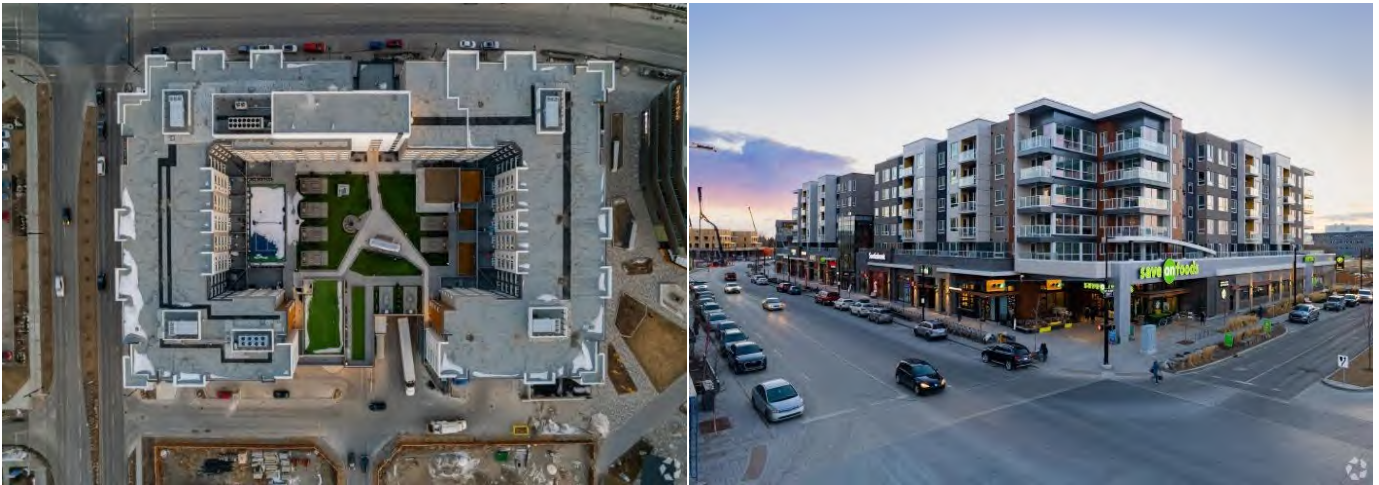
- **Permitted Uses:** Mixed-use buildings are encouraged, combining residential, commercial, and institutional uses to create vibrant, walkable neighbourhoods.
- **Ground Floor Uses:** Ground floor commercial uses are mandated along major streets, with residential or office uses on upper floors.

### University District in Calgary, AB

The University District in Calgary is an example of a greenfield development integrating a variety of uses, housing types, and built forms at above-average densities. This example looks at a mixed-use building that integrates a Save On Foods supermarket into the podium of a rental apartment building.

- 65,000 square feet of commercial space integrated into the podium with 288 residential units above.
- Anchored by 38,000 square foot Save-On-Foods grocery store.
- Residential amenity space located on top of commercial services and parking.
- Part of University District Master Plan for 200-acre site.
- Residential amenity space located on top of commercial services 488 underground and surface parking spots.

Figure 29: University District in Calgary, Alberta



SOURCE: CoStar Realty Group Ltd.

### Key Takeaways

- Maximize benefit of underground parking to provide parking for broader commercial area
- Share parking among multiple uses or tenants
- Provide commercial uses along entire frontage to animate streetfront
- Identify location for community anchors, such as grocery stores, early in area planning process
- Identify anchor tenant and their space requirements early in the planning and design process

## 6.2 Intensifying Through Mixed-Use Development

Cities can encourage redeveloping and converting aging commercial sites into higher-density formats by directing development to infill, brownfield, and underutilized properties. This uses land more efficiently, reduces distances between essential community sites, and accommodates population growth within existing infrastructure. Moreover, it boosts economic activity and supports the development of businesses. This is achieved by reducing the tax burden on individuals and organizations and spreading it across a growing tax base. This strategy is one of multiple planning approaches to enhancing the community's economic health.

When planning for intensification, it's crucial to ensure a human scale of development that provides attractive outdoor spaces and green space. This is not just about increasing density but also about creating a livable environment. Planning for public squares, parks, and other green spaces is vital to intensifying urban areas in a way that supports residents and business owners. Modern approaches to delivering these critical community assets include green infrastructure, which provides opportunities to increase the attractiveness and health of built spaces by incorporating green roofs, urban parks, and garden space in new developments.<sup>2</sup>

### Related Policies:

- **Height and Density Increases:** Policies support moderate increases in building height and density at the edges of neighbourhoods, particularly near transit routes, community facilities, and mixed-use centres.
- **Infill Development:** Encourages residential intensification through infill and converting existing buildings to multiple units.

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<sup>2</sup> MMAH & OPPI. "Planning by Design: A Healthy Communities Handbook. Fall 2009

## King High Line – Toronto, ON

King High Line is a mixed-use development on the edge of Liberty Village in downtown Toronto. The project, which was completed in 2019, includes 160,000 square feet of commercial space and 10,000 office spaces. Over 500 rental units are located above the non-residential podium and condominium towers throughout the development. The project is in a prime location with excellent frontages, street exposure, multiple entrances, underground parking, and public transit access.

- Completed in 2019.
- 160,000 square feet of commercial space.
- 10,000 square feet of co-working office space.
- 500 high-end residential units including both condominium and purpose-built rental.
- Anchored by 42,000 ft<sup>2</sup> Longo's supermarket, Canadian Tire, and Shoppers Drug Mart.

Figure 30: King High Line Development in Toronto, ON



SOURCE: CoStar Realty Group Ltd.

### Key Takeaways

- Design buildings to deliver productive and functional lower-level space
- Share parking amongst multiple uses or tenants
- Commercial uses along entire frontage to animate street front
- Adequate sidewalk width, particularly at corners.



## 6.3 Flexible Zoning & Transit-Oriented Development

It has been long acknowledged that walkability and access to public transportation are key conditions for commercial success in urban areas. Kingston’s infrastructure and culture support an automobile-reliant commercial environment. While intensifying the urban area will support active transportation and walkability, it will be important to ensure that community members who rely on their cars can continue to be conveniently served by commercial spaces.

However, reliance on personal cars is diminishing, and creating attractive streetscapes that serve as places, rather than roads, to travel from home to a store will support small businesses and investment in the local economy. It will also reduce transportation costs for consumers while contributing to sustainable economic development and the overall liveability of the community.

### Related Policies:

- **Transit-Oriented Development:** The planning framework encourages higher densities and mixed-use development along priority transit routes to support public transportation but is only beginning to support this targeted development with an expansion of transit service.
- **Shared Parking and Access:** Promote shared parking facilities and minimize surface parking to encourage active transportation and transit use.

### Orenco Station - Hillsboro, OR

Orenco Station in Hillsboro, a suburb of Portland, Oregon. The first development phase was completed in 2003 and was ongoing until 2018. It provides an enduring example of how flexible zoning can support mixed-use, higher-density development around a major transit hub using several key strategies<sup>3</sup>. The masterplan provides almost 2,000 dwelling units over 135 acres, including a diverse mix of housing types and a main street style core with offices and housing above ground floor retail<sup>4</sup>.

- **Flexible Zoning:** The area was planned to accommodate a mix of residential, commercial, and recreational uses in proximity to the Orenco MAX light rail station. This land use framework was supported with zoning flexibility to eliminate barriers to creating a walkable neighbourhood with diverse land uses.
- **Public-Private Partnerships:** The planning and development process involved collaboration between local government, private developers, and the transit authority to ensure that the project met transportation and housing needs while ensuring it was financially feasible for developers and the infrastructure costs to the public sector.

<sup>3</sup> Congress for the New Urbanism. “Orenco Station Project Details”. (October 2003).

<sup>4</sup> Urban Land Institute. “Orenco Station Development Case Studies”. (November 1999).

- **Community Amenities:** The plan and subsequent development include parks, retail spaces, and community centres to encourage a vibrant pedestrian-friendly environment and ensure a vibrant place where people can spend time and patronize businesses.

Figure 31: Orenco Station in Hillsboro, Oregon



SOURCE: City of Hillsboro.

### Key Takeaways

- Have planning framework in place to capitalize on transit investments
- Prioritize connectivity between different forms of transportation and mitigate the potential for conflicts
- Ensure parks and community amenities are phased in tandem with development
- Identify areas to focus commercial and pedestrian activities that are supported by the rest of the planning framework and infrastructure delivery

## 6.4 Complete Communities

Already a part of Kingston’s planning framework, planning for neighbourhoods where residents can more easily access most of their daily needs supports healthier communities by incentivizing walking and biking and bringing community members closer to the stores and services they rely on. This concept supports living locally by creating smaller commercial market areas and helping small businesses attract and retain nearby customers. This process also contributes to a sense of community, a hard-to-measure facet of local economies.

Example policy approaches include “complete streets” and the incorporation of active transportation infrastructure to accommodate a wider variety of users and improve the public realm by prioritizing how people interact with a space<sup>5</sup>.

### Current Policies:

- **Accessibility and Connectivity:** Policies promote improved pedestrian linkages and accessibility within neighbourhoods and to adjacent areas.
- **Local Services and Amenities:** Supports the integration of neighbourhood commercial uses, parks, and community facilities to serve residents within walking distance.

### Shops at Morgan Crossing - Surrey, BC

- Completed in 2011
- Commercial Space: 393,000 square feet
- 457 Residential Units
- Anchor Commercial Tenants: Thrifty Foods, Best Buy, London Drugs

The Shops at Morgan Crossing, completed in 2011, is a mixed-use development located in Surrey, British Columbia. It features almost 400,000 square feet of leasable space and more than 500 residential units, with spin-off development of hundreds more units. Main anchor commercial tenants include Thrifty Foods, Best Buy, and London Drugs, providing residents with essential services and retail options.

This project demonstrates how to intensify lower-density commercial properties by integrating residential and public spaces, contributing to a complete community with a balanced mix of living, shopping, and recreational areas. The development provides a compromise between low-density commercial development and successful urban intensification by up-zoning commercial uses with residential units and bringing population growth into the proximity of large-format retail uses.

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<sup>5</sup> Town of Whitchurch-Stouffville. “Planning for Complete Communities” Discussion Paper. March 2021.

Including diverse commercial options alongside residential units enhances residents' convenience and livability, fostering a walkable neighbourhood without completely sacrificing parking and relying on access to higher-order transit.

Figure 32: Shops at Morgan Crossing in Surrey, British Columbia



SOURCE: MCM Architects

### Key Takeaways

- Explore opportunities to deliver traditional commercial functions that support higher densities.
- Identify main street areas to serve as core commercial and pedestrian areas serving as the focus of surrounding infrastructure.
- Orient commercial functions internal to the site as opposed to facing the major roadway, to support pedestrian activity.
- Ensure sufficient commercial space to have a critical mass of activity.

## 6.5 Prioritizing Community and Stakeholder Engagement

Community and stakeholder engagement is crucial in planning and delivering commercial space and mixed-use developments. It ensures that the needs and aspirations of residents and businesses are met. Active engagement with various stakeholders fosters a sense of ownership and pride, allowing the development to reflect the unique character and identity of the community.

This collaborative approach helps address concerns and incorporate feedback, resulting in more inclusive and sustainable projects. Engaging the community builds trust and ensures the development is socially and culturally enriching, making it a space where people feel connected and invested.

### Relevant Policies

- **Public Engagement Policies:** The public engagement policies embedded in the current Official Plan encourage diverse engagement strategies to ensure broad participation in the planning process. These include public meetings, surveys, workshops, and online platforms to gather input from various community members.
- **Community Vision:** The current Official Plan includes community visioning policies that support the development of a community vision through stakeholder engagement, helping to shape the long-term goals and priorities for the city's growth and development.

### River Arts District – Asheville, NC

Asheville's River Arts District revitalization relied on extensive community and stakeholder engagement in the transformation of an industrial area into a vibrant arts and cultural district using several related tactics integrated into the Wilma Dykeman RiverWay Masterplan<sup>6</sup>. The plan builds upon more than 20 years of planning and design efforts.

- **Public Forums and Workshops:** A key part of the development process, and one that is followed in Kingston and throughout Ontario, is holding public meetings and workshops to gather input from residents, artists, and business owners. The process in Asheville went further, soliciting creation from the public rather than feedback.
- **Collaborative Planning:** The design and construction process involved partnerships with local artists, arts organizations, and community groups to plan, deliver, and occupy spaces. The active involvement of these stakeholders from the beginning of the process resulted in more successful outcomes and immediate take-up of space by stakeholder groups acting as first movers, supporting the initiative's success.

<sup>6</sup> City of Asheville. "Planning and Urban Design: Urban Design + Place Strategies". March 2023.

- **Cultural Programming:** Through participation and collaboration, the district hosts regular events, exhibitions, and festivals that engage the community and attract visitors, fostering a sense of ownership and pride among residents.
- **Funding and Support:** The City and its partners secured funding through as many disparate sources as possible, including federal and state grants and public-private partnerships to support infrastructure improvements and cultural initiatives.

Figure 33: River Arts District in Asheville, NC



SOURCE: River Arts District Asheville via Instagram

### Key Takeaways

- Treat the creation of planning frameworks and development strategies as participatory and collaborative rather than following a create and receive feedback approach.
- Align with other funding sources for the arts, tourism, and other sector-specific opportunities.

## 6.6 Revitalizing Infill Areas

Revitalizing infill areas is a critical strategy for sustainable urban development. It efficiently uses existing land and infrastructure while enhancing the urban fabric. Transforming underutilized areas into dynamic, mixed-use neighbourhoods integrates residential, commercial, and public spaces, creating walkable, transit-oriented communities that support a high quality of life.

Focusing on infill development addresses urban sprawl, reduces environmental impact, and promotes economic vitality. This approach optimizes land use and fosters vibrant urban environments where people can live, work, and play. The success of such revitalizations demonstrates the potential of infill development to rejuvenate cities and create sustainable, interconnected communities.

### Related Policies

- **Infill Development:** Support infill development in the urban area to utilize existing infrastructure efficiently.
- **Urban Intensification:** Support urban intensification efforts on brownfield sites, vacant lots, and utilized properties to create vibrant, livable communities with a mix of uses.

### Boulder Junction - Boulder, Colorado

Boulder Junction integrates residential, commercial, and recreational spaces with a focus on sustainability and community connectivity applying several key strategies<sup>7</sup>. The planned area has expanded, and Phase 2 consultation, guided by the Transit Village Area Plan, is now underway.

- **Integrated Design:** The development features a mix of housing types, retail spaces, offices, and public parks, using a cohesive design typology oriented around walkability and community interaction between uses and users.
- **Sustainability:** The development was used as a case study to incorporate green building standards, energy-efficient systems, and green infrastructure throughout the extensive green spaces. A priority was placed on active transportation and transit infrastructure, reducing the reliance on cars and parking minimums and improving developers' financial feasibility.

<sup>7</sup> City of Boulder. "Boulder Junction Phase 2". January 2023.

- **Community Spaces:** The development prioritized public plazas, parks, and community centres to create spaces where people want to linger, gather, and socialize, increasing the likelihood of support for local businesses.

Figure 34: Boulder Junction Redevelopment Plans & Images



SOURCE: City of Boulder

### Key Takeaways

- Consider strategies to add public places such as plazas and parks, to support adjacent businesses by creating places where people want to meet and linger.
- Use redevelopment projects as opportunities to deliver public infrastructure and improve connectivity through pathways and active transportation networks.



## 6.7 Leveraging Interim Uses and Space Activations

Leveraging interim uses and space activations can breathe new life into underutilized urban areas, catalyzing long-term development. Encouraging temporary uses and creative activations, such as pop-up shops, art installations, and events, transforms neglected spaces into vibrant community assets. These interim uses generate interest and activity, paving the way for more permanent developments while maintaining flexibility.

Using space activations and supporting interim uses maximizes the utility of public spaces and vacant or underutilized spaces and contributes to a sense of community and civic innovation. Adaptive reuse and interim activations in urban planning are highlighted by their contribution to the gradual revitalization of urban areas, showcasing how temporary interventions can lead to lasting positive change.

### Related Policies

- Facilitate the issuance of temporary use permits to support events, festivals, and seasonal markets. It supports the activation of public spaces and provides flexible solutions for temporary activities that benefit the community. Examples include temporary pedestrianization of downtown streets.
- Supports identifying areas where pedestrian movement is prioritized in the city. This includes developing pedestrian malls, enhanced crosswalks, and traffic calming measures to create safe and attractive walking environments.

### Ouseburn - Newcastle, UK

The Ouseburn area's transformation involved a non-profit entity, the Ouseburn Trust, overseeing its rehabilitation. The trust leveraged creative temporary uses to activate spaces and attract community engagement and future development using key strategies.<sup>8</sup> The area began with a small district of 300 houses and 20,000 square feet of permanent commercial space but sought to grow larger using creative activations to foster arts and cultural development.

- **Pop-Up Shops & Markets:** Temporary retail spaces and markets were established in underutilized buildings and open spaces, bringing economic activity and vitality to the area.
- **Cultural Events:** The area hosts festivals, art exhibitions, and performances in temporary venues, drawing visitors and fostering a vibrant cultural scene.

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<sup>8</sup> Ouseburn Futures and Newcastle City Council. "Ouseburn Regeneration Plan 2012-2020". (October 2012).

- **Adaptive Reuse:** Old industrial buildings were repurposed for temporary and permanent uses, including studios, galleries, and creative office space.
- **Community Engagement:** Local artists, businesses, and residents were actively involved in planning and implementing temporary uses, ensuring that initiatives meet community needs and interests.

Figure 35: Ouseburn - Newcastle, UK



SOURCE: Igloo Regeneration

### Key Takeaways

- Leverage existing heritage assets to create high-character spaces through adaptive re-use.
- Use festivals and other activations to increase pedestrian traffic in commercial areas and showcase local businesses. This is particularly relevant to support newly redeveloped spaces.
- Prioritize increasing residential options in new commercial areas to support their long-term vibrancy, including family-sized and affordable units where possible.

# 7.0 Conclusions & Strategic Directions

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## 7.1 Land Needs Conclusions

As identified in Section 5.0, the City should plan to accommodate 1.47 million square feet of new commercial space over the projection period. This has several implications for the new Official Plan.

Approximately 1.47 million square feet of new retail and service commercial space is projected to be required to meet growth in demand by 2051. The Kingston Community Area Land Needs and Intensification Analysis identified a need for community areas beyond those within the current settlement boundary to accommodate population growth, which results in a need for commercial space to serve new communities. Simultaneously, a growing population in the Built-Up Area will intensify commercial space demand, particularly in strategic growth areas, Protected Major Transit Station Areas, and designated centres and corridors.

1. With 57.4 hectares of projected need and 31.2 hectares of identified supply, the City has an aggregate shortfall of 26.2 hectares of commercial land over the 2051 projection period.
2. The City must plan to accommodate 11.1 hectares (417,400 square feet) of commercial land within an expanded community area for local-serving commercial uses. Sufficient accommodation for this space was made during the Community Area Land Needs and Intensification Analysis, which reduces the aggregate land need to 46.3 hectares.
3. A further 8.2 hectares (176,800 square feet) would previously have been assumed to develop on employment lands, but must be considered separately to be consistent with the Provincial Policy Statement, 2024. The City must structure changes to its Official Plan to bring it into conformity with the new definition of areas of employment in the Provincial Policy Statement in such a way that accounts for the estimated 8.2 hectares (176,800 square feet) of other commercial uses that represent commercial demand for land within employment areas absent any policy changes.
4. After accounting for the 11.1 hectares of local-serving commercial land within an expanded community area and resolving the need for 8.2 hectares of land that would historically have been located within employment areas, the City has a residual requirement of 38.1 hectares of commercial land.
5. The City's supply of vacant commercial land within the urban boundary is estimated at 31.2 hectares. It should be noted that while preliminary due diligence to avoid the consideration of environmentally protected lands has been undertaken, portions of this vacant land supply may be undevelopable and increase the estimated shortfall.
6. The City can seek to address this shortfall of commercial land by expanding Mixed-Use permissions to include new commercial space in currently residential areas, by incorporating additional commercial land in an expanded urban boundary, by increasing the permitted or required density of commercial developments, or by reconsidering the role of rural commercial and hamlet designations outside of the urban boundary.

## 7.2 Accommodating Specialty Commercial Uses Under a New Provincial Policy Framework

On October 20, 2024, the Provincial Planning Statement (“PPS”) will come into force. This new policy document will replace the current Provincial Policy Statement. Among other policy changes, the new PPS will implement an updated definition of *Employment Area* based on 2023 amendments to the *Planning Act* that newly define the term “area of employment”. Under this new definition, municipalities are required to protect employment areas for a more limited range of industrial uses and other uses associated or ancillary to this primary use, with non-conforming uses not permitted to develop in employment areas in the future. Lands not meeting this definition would not be subject to provincial protections and would, therefore, be open to residential and non-employment uses. This policy change and its broader consequences are discussed in more detail in the Kingston Employment Lands Review.

While this change affects employment areas, it is relevant to this Commercial Land Review because of its implications for the approximately 1 million square feet of commercial uses (as identified in the inventory and discussed in Section 3.2) that have historically chosen locations within Kingston’s employment areas. Under the new definitions, these types of uses would, for the most part, not be permitted in areas of employment. How existing uses that do not conform to the new definition will be treated under the new PPS will likely be worked out over time. However, it is clear that new non-conforming uses would not be permitted.

These locational decisions are made based on a variety of factors, including a need for larger land parcels, requirements for industrial fixtures such as loading bays and ceiling heights, the potential for nuisance impacts, a need for outdoor storage where applicable, as well as co-location or cluster benefits from being adjacent to industrial users. Based on historical trends and market growth, Kingston is expected to support the development of approximately 176,800 square feet of this type of space, requiring approximately 8.6 hectares of land using a 20% floor area ratio.

### Policy Directions

- **Consider A New Land Use Designation for Certain Commercial Uses:** Introduce a land use designation to accommodate the other commercial uses historically located within employment areas, including vehicle and equipment sales and storage, home improvement facilities, autobody and repair facilities, public storage depots, and other large-format or potential nuisance-impact commercial uses. Another option could be to permit these commercial uses within a land use designation that replaces Business Park Industrial as a result of any changes made to the new Official Plan to bring it into conformity with the new Provincial Policy Statement.

- **Plan for Commercial Uses to Support Areas of Employment:** Designate lands adjacent to areas of employment or rural industrial clusters to accommodate the aforementioned commercial uses. These commercial uses complement industrial uses in the local economy, and planning for their co-locating will benefit both users and mitigate truck and other vehicle traffic in different parts of the city related to business-to-business purchases between industrial and these more specialized commercial operations.

## 7.3 New Commercial Facilities in Greenfield Areas

Greenfield Areas allow Kingston to expand and accommodate new communities through thoughtful planning and development. The challenge is balancing the need for commercial space with integrating these areas into the existing urban fabric. If done successfully, orienting commercial development to support active transportation and vehicle access will lead to convenient and vibrant neighbourhoods. Strategic stakeholder engagement and leveraging new planning frameworks can help fill geographical market gaps, reduce reliance on car travel, and enhance local amenities.

From a technical perspective, the primary planning challenges for commercial space in greenfield areas are twofold. Firstly, the City needs to plan for approximately 417,400 square feet in 11.1 hectares of land (35% lot coverage) to meet the local commercial needs of new communities in an expanded Settlement Area. Secondly, of the estimated 556,600 square feet of remaining local serving commercial space, we have assumed that, based on the unit counts allocated to the existing Designated Greenfield Area in the Community Area Land Needs and Intensification Analysis, 101,700 square feet will serve the build-out of the existing greenfield areas. Using a 30% lot coverage ratio, this will require approximately 3.1 hectares of land.

To maximize the potential for successful local commercial spaces, the City should continue its participatory planning practices with further stakeholder engagement opportunities. Business owners, operators, and commercial developers should all participate in the Official Plan process to learn lessons from the planning, policy incentives, and urban design of past commercial developments, leading to the improvement of new offerings.

The potential to expand the urban boundary offers a chance to plan for a complete community with population-related commercial uses integrated into a low and medium-density community area that fulfills market demand for ground-related housing. A potential urban boundary expansion and the remaining vacant land within the existing Designated Greenfield Area are opportunities to address geographical gaps in the Kingston commercial market and expand options for residents outside of the city's core. This would reduce the need for regular car travel and provide another option for those travelling to Kingston to make irregular purchases.

## Policy Directions

- **Increase the Permitted Density of Formalize Local Commercial Uses:** Introduce a “Local Commercial” designation to accommodate retail and service uses designed to serve the surrounding neighbourhoods. Sites designated local commercial could be permitted to be developed as mixed commercial-residential provided that the predominant use of the site was for commercial uses. This designation could allow the relative intensification of existing neighbourhood commercial uses within residential areas experiencing or expected to experience residential intensification.
- **Create Local Commercial 1 and 2 Designations:** A Local Commercial designation could be further divided into a Local Commercial 1 designation, which should contain an urban-format large food store or similar anchor, and Local Commercial 2, which would be reserved for smaller sites (e.g., under 1 hectare or current Neighbourhood Commercial sites) and provide for smaller-scale convenience-type uses.
- **Shape Greenfield Designations Around Infrastructure:** The Local Commercial designation should also be integrated into the planning of greenfield areas to facilitate the creation of walkable complete communities and support small businesses and entrepreneurship. The consideration of these sites should prioritize local active and public transportation when deciding the location of commercial designations in an expanded settlement area through the official plan or secondary plan process.
- **Amend Policy 3.4.10 of the Official Plan:** This would eliminate the requirement that a proponent undertake a market justification and impact assessment for new commercial development over 5,000 square metres outside the Central Business District for all properties under any Mixed-Use designation.

## 7.4 Supporting Intensification and Commercial Mixed-Use Development

The Built-Up Area of Kingston faces the challenge of integrating large-format commercial uses within a competitive and space-limited environment. This requires careful planning to meet commercial needs while retaining valuable commercial space during residential development. However, a significant opportunity exists to add gentle density to existing low-density commercial areas and redevelop underutilized sites, driving economic growth and creating mutually beneficial environments for businesses and residents.

As Kingston grows, optimizing land use by promoting higher-density and mixed-use developments is crucial. These developments combine residential, commercial, and recreational spaces, fostering vibrant, resilient, and economically diverse urban environments. Mixed-use projects help

accommodate the city's growing population and unique needs, including those of its student community, while promoting walkability, reducing the need for long commutes, and creating more dynamic neighbourhoods.

One key challenge in planning to meet the commercial needs of Kingston residents is accommodating traditionally large format uses such as grocery stores, home goods, furniture, and home improvement retailers within a market environment with a limited supply of developable land. Additionally, there is a need to ensure that the pressure from residential development does not result in the loss of significant amounts of commercial space or land to residential uses without including new commercial space.

Despite these challenges, intensification offers clear opportunities to create mutual benefits for residents and business owners. By increasing density within the Built-Up Area, Kingston can support higher performance levels for existing businesses and facilitate the intensification of underutilized properties, such as surface parking lots. These efforts can enhance the urban experience, support local businesses, and contribute to economic growth.

## Policy Directions

- **Review and Align Neighbourhood Commercial Uses:** Ensure that the Neighbourhood Commercial Policies and provisions of the Official Plan and Zoning By-law do not place unnecessary burdens on proponents of generally conforming commercial uses within residential areas. As neighbourhoods gently densify, these commercial facilities are likely to be better supported, fostering future growth in their popularity. The City of Kingston was an early adopter of policies permitting small-scale commercial uses within residential areas, and the new Official Plan presents an opportunity to continue to lead the way in Neighbourhood Commercial planning. To maintain consistency with new commercial facilities in Greenfield Areas, the Neighbourhood Commercial Areas could be reclassified as Local Commercial 2.
- **Create New Mixed Use Designations:** The Regional Commercial, District Commercial, Main Street Commercial, and Business Commercial designations could be transformed into a new "Mixed Use" designation. This could be further subdivided. Mixed Use 1 would be for priority Retail sites, such as the Cataraqui Town Centre, Kingston Centre and strategically located sites, where retail uses should be the predominant use of the site, but residential and other uses would be permitted. Stand-alone commercial sites would also be permitted under this designation. Mixed Use 2 would be for other sites where ground floor commercial uses would be required but could be of a small sale subordinate to the principal residential use. Additional site plan and urban design guidelines could be used to distinguish between the two designations (see below).
- **Reduce Arterial Commercial Designation:** Reduce the prevalence of the Arterial Commercial Designation across the city, transitioning these lands into the new Mixed Use designation, with exceptions in key areas such as Bath Road between Centennial Drive and Tanner Drive and Midland Avenue from along Princess Street. This transition supports a more integrated and dynamic land



use approach while preserving land for auto-centric uses that will continue to play a role in the local economy.

- **Enhance the Flexibility of the Ground Floor Commercial Space Requirement:** Consider altering requirements for ground-floor commercial uses within the Main Street Commercial designation (to be converted into Commercial Mixed-Use) to allow for commercial space to be provided both horizontally and vertically in multi-property development projects that meet key other criteria outlined in Specific Policy Area & Urban Design Guidelines. While maintaining the requirement for commercial space, this approach should consider broader configurations that accommodate market needs and ensure that commercial space is considered and delivered at a high level of quality as opposed to being included solely as a policy consideration.
- **Increase Zoning Flexibility:** Implement flexible zoning for various commercial and residential uses within mixed-use zones, particularly in PMTSAs (Protected Major Transit Station Areas), Strategic Growth Areas, and areas adjacent to universities and transit stops. This flexibility ensures that the Official Plan and Zoning By-law can adapt to market changes and demographic shifts.
- **Evaluate Incentives for Mixed-Use Projects:** Evaluate existing and potential future financial incentives, such as density bonuses and tax abatements, to encourage the development of mixed-use projects that include affordable housing and green spaces. These incentives will help attract investment and promote urban intensification.

## 7.5 Commercial Uses to Support the Tourism Sector

Kingston's role as a tourist destination brings distinct challenges and opportunities for commercial planning. Addressing the need for larger conference and hotel facilities can help maintain and grow the city's tourism sector year-round. Enhancing the public realm, especially in the walkable and historic downtown, is crucial for attracting tourists. The city's planning framework must balance development with preserving Kingston's unique heritage and charm. Kingston can strengthen its appeal to tourists and support the local economy by fostering developments that improve the public realm and provide high-quality amenities.

Of particular importance is the longstanding need for a conference centre and hotel complex that would allow Kingston to host regional or national-level conferences, which presents a simultaneous challenge and opportunity. Previous work by Tourism Kingston has identified a need for additional conference and hotel space to allow Kingston to host more significant regional and national events. Based on the 2021 census population, Kingston provides approximately 19.5 hotel rooms per 1,000 residents, roughly between destinations such as Ottawa (10 rooms per 1,000) and Quebec City (29 rooms per 1,000).

Previous studies have identified Block 4, currently used as parking for Slush Puppy Place, as a suitable location for a hotel and conference centre<sup>9</sup>. The analysis of vacant commercial land herein has not considered lots currently employed for interim uses, such as parking. 8.6 hectares of commercial land were identified for commercial uses with specific land needs, including hotels.

In addition to tourist accommodating facilities, one of Kingston’s main tourist attractions is its walkable downtown and charming heritage buildings. Contributing to an improved public realm that continues to develop Kingston’s signature look and feel should be an essential part of the Official Plan process. The City’s planning framework must facilitate development that supports an attractive public realm without negatively impacting the features that make Kingston attractive to tourists. The key challenge is balancing incentives and restrictions to deliver an integrated and improved public realm without overly restricting development.

### Policy Directions

- Permit hotels and conference facilities in the new Commercial-Mixed Use designation, allowing them to be located along primary corridors and in key centres throughout the City.

## 7.6 Facilitating High-Quality Commercial Development

The City can augment its role as an approval authority for development applications by playing an educational and facilitation role in shaping future mixed-use and commercial development. Having high-quality spaces is a significant factor in the success of businesses, and the City can help tenants, property managers, owners, and developers understand what a high-quality commercial space is and the mutual benefit of constructing it in new buildings.

Many of the challenges commercial tenants face in built-up areas are related to the design of the building or streetscape. The City began work on the Density by Design: Kingston’s Mid Rise and Tall Building Policies program in 2019. We understand that work has culminated in the Density by Design: Issues and Options Report.

The City should continue working to implement this policy program while ensuring that best practices in designing the commercial components of mixed-use buildings are a key part of the program. In addition, beyond creating a design manual that identifies best practices, the City should evaluate ways of using the program to educate developers who may not be familiar with commercial uses on how to improve their assets, as well as evaluate ways of building incentives for good commercial-serving

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<sup>9</sup> Kingston Conference Centre Hotel Capacity Research Paper by FLOOR13 for Kingston Accommodation Partners in October 2021

design into a Community Improvement Plan, either as a standalone commercial spaces program or integrated into a broader Community Improvement Plan.

### **Quality Commercial Spaces in Mixed-Use Development**

For a variety of reasons, in municipalities across the Province, where retail is required on the ground floor of mixed use buildings, often retail units are given very low priority compared to the residential component. This results in units that are extremely limited in their desirability and the types of tenants they can accommodate.

These spaces are characterized by some or all of these conditions:

- Small spaces (500 square feet and smaller)
- Poorly configured units often with supporting columns interfering with floor area or the visibility through the shop windows.
- Minimal variety in unit sizes with limited or no opportunity to re-demise units to accommodate tenant growth or tenants looking for larger units.
- Units without rear loading capabilities to accommodate deliveries and trash removal.
- Insufficient and poorly placed parking to accommodate high traffic retail uses, such as food stores, restaurants and quick food establishments.
- Lack of ventilation and utility connections to accommodate restaurants, quick food establishments, food stores, which require cooking or freezer facilities.
- Low ceiling heights (i.e. below 12 ft).
- Residential lobbies and other non-public uses which occupy a large portion of the street front.

In addition, the design of the public realm in front of mixed-use developments sometimes does not adequately complement the needs of the ground floor retail units, which can also limit their attractiveness to potential tenants. This can include:

- High road speeds without mid-block crossing points;
- Narrow sidewalks, which do not encourage pedestrian activity and limit opportunities for patios and other retail activities that help to animate the street front;
- Lack of bike lock facilities and bike infrastructure;
- Lack of curbside parking, which increases the need for more on-site parking and less efficient building use; and,
- Lack of mid-block connections from rear parking or from nearby neighbourhoods.

On priority retail sites, i.e. those that might be considered for the Mixed Use 1 designation, the City should work with the developer and where appropriate, incorporate urban design guidelines and site plan policies to ensure that:

- There is a variety of retail unit sizes to accommodate various tenant types (e.g. 500 to 1,500 sf or more).
- Where possible, units should be designed to retain the adaptability to be demised (expanded or contracted) differently in the future to provide greater flexibility in attracting tenants with different space needs. Developers should be discouraged from condominium-izing retail units for similar reasons.
- Larger units should have rear-loading facilities.
- Some units should be designed to install ventilation and utilities to support food and food service tenants.
- Ceiling heights are at least 15 to 20 feet, depending on the retail unit size.
- Where significant pick-ups and deliveries are anticipated, the City should work with the developer to agree on a plan for short-term vehicle stopping.

### **Policy Directions**

- Evaluate best practices in municipal commercial design policies, manuals, and guidelines, such as the City of Toronto’s Retail Design Manual (2019). Consider preparing a “Made in Kingston” retail design manual.
- Seek feedback and first-hand information on design standards during the next phases of the Density by Design engagement processes with business owners and operators and property owners and operators.
- Prioritize commercial design best practices and incorporate an economic development lens into the finalized Density by Design: Kingston’s Mid-Rise and Tall Building Policies.
- Evaluate how storefront design guidelines can be incorporated into planning policies, such as the Official Plan, Zoning By-law and site plan control. The intent is to encourage high-quality design without being so prescriptive as to discourage the development of retail units.
- Evaluate ways to integrate incentives, such as grants or loans, for commercial best practices into Community Improvement Plan policies in future updates.

## 7.7 Downtown (Central Business District)

The Central Business District is the heart of Kingston and, although it is recognized in the current Official Plan, as a “commercial designation”, this area is truly a multi-functional area containing retail, office, institutional, tourist, residential and other uses, that is distinct from any other part of the City. For this reason, it should retain a separate land use designation to reflect the fact that there is a synergy created by the diversity of uses that needs to be retained and supported.

The current Central Business District designation is intended to contain the broadest range of commercial uses, tourist and hospitality facilities, and civic activity within a context that preserves human scale, historic amenities and vibrant pedestrian activity. The official plan already has policies that require retail frontage on pedestrian streets. Where mixed-use infill development is permitted, the above policy recommendations for mixed-use development could be applied downtown.

## Appendix A Glossary of Terms

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**Anchor Tenants:** Key stores attracting customers to a shopping center.

**Arterial Commercial:** Commercial uses oriented toward the travelling public.

**Best Practices:** Most efficient and effective methods.

**Brownfield Development:** Development on previously industrial or contaminated land.

**Category Blending:** Merging different retail product categories.

**Community Amenities:** Facilities like parks and retail spaces that enhance community life.

**Complete Communities:** Communities with a mix of housing, jobs, and services.

**Curb Competition:** Competition for curb space among different users.

**Customer Origins:** Analysis of where customers come from.

**District Commercial:** Serves multiple neighbourhoods with daily or weekly shopping needs.

**E-commerce:** Selling goods and services primarily oriented towards other businesses online.

**E-retailing:** Selling goods and services primarily oriented towards the public online.

**Expenditure Potential:** Projected spending capacity of consumers.

**Flexible Zoning:** Zoning that allows for a range of land uses.

**Floor Area Ratio (FAR):** Ratio of building floor area to land area.

**Greenfield Development:** Development on previously undeveloped land.

**Gross Leasable Area (GLA):** Total area available for lease in a property.

**Inflow Rate:** Percentage of spending or visitation by non-residents.

**Last-Mile Delivery:** Final step of the delivery process to the end user.

**Main Street Commercial:** Commercial designation for pedestrian-focused neighbourhood services on major or historic streets.

**Market Incumbents:** Established businesses in a market.

**Mixed-Use Development:** A building or property where residential, commercial, and sometimes institutional uses occur on the same property.

**NAICS:** North American Industry Classification System

**Neighbourhood Commercial:** Small-scale sites serving day-to-day needs.

**Official Plan (OP):** The guiding local policy document for land use planning in Ontario municipalities.

**Per Capita Space Ratio:** The quantity of commercial space per person in a given area.

**Population Growth Scenario:** Projection of population increase over time

**Public-Private Partnerships (PPP):** Collaborations between government and private sector.

**Reconciliation:** Aligning data to resolve differences.

**Regional Commercial:** Retail and service facilities serving the entirety of Kingston and broader region.

**Settlement Boundary:** A designated area within which urban development is permitted.

**Spatial Analysis:** Study of geographical patterns and relationships.

**Stakeholder Engagement:** Involving interested parties in decision-making.

**Strategic Directions:** Long-term planning and policy recommendations.

**Technical Analysis:** Detailed examination of data for decision-making.

**Transit-Oriented Development (TOD):** Development designed to maximize access to public transportation.

**Zoning By-law:** Regulations specifying land use and building requirements for different properties and activities.



## **Appendix B Retail Sales Data**

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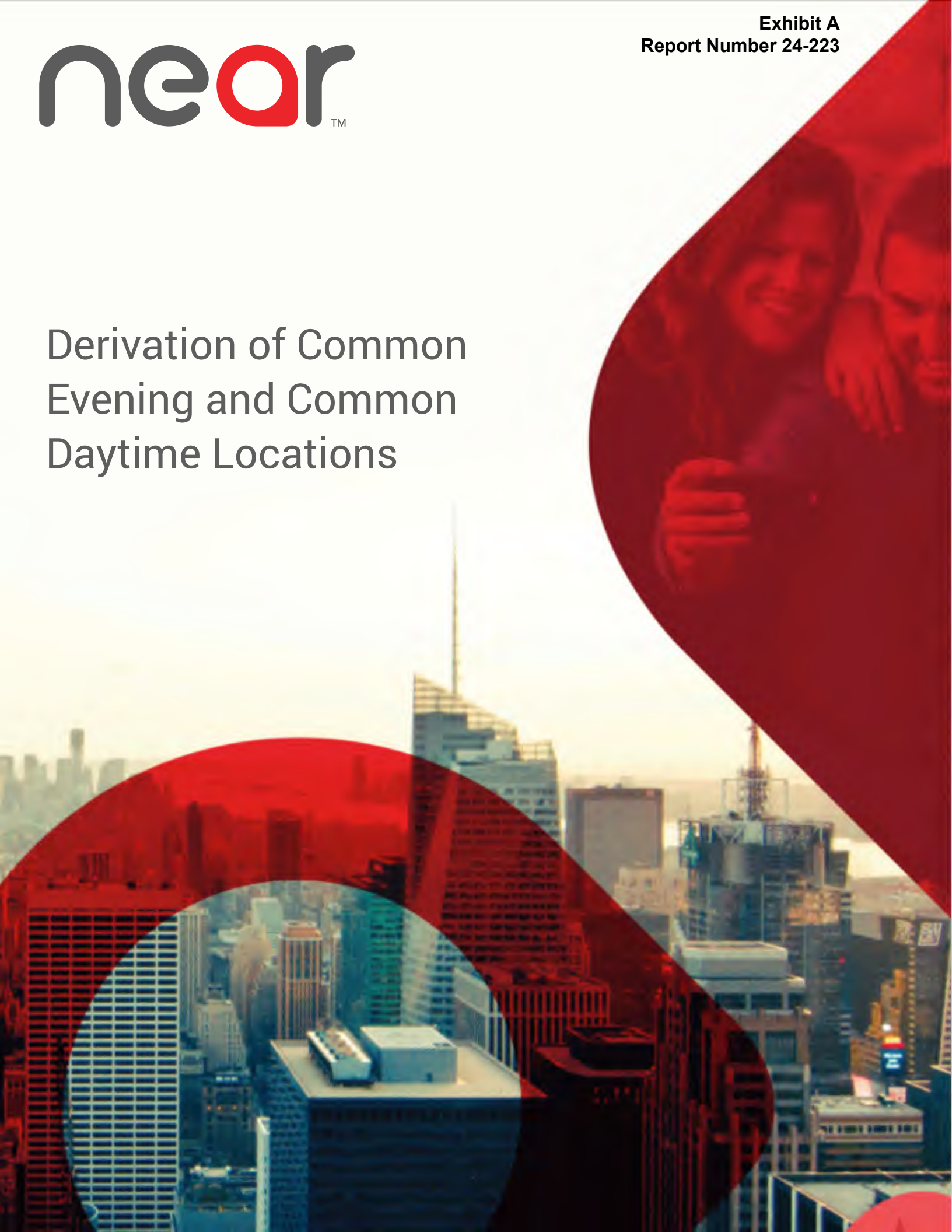
Month	Year	TOTAL Retail Trade 44-45	Motor vehicle and parts dealers[441]	New car dealers[4411]	Used car dealers[4412]	Other motor vehicle dealers[442]	Automotive parts, accessories and tire stores[443]	Furniture, home furnishings, electronics and appliances retailers [449]	Furniture and home furnishings stores [4491]	Furniture stores [44911]	Home furnishings stores [44912]	Electronics and appliance stores [4492]	Building material and garden equipment and supplies dealers [444]	Food and beverage stores [445]	Grocery stores [4451]	Supermarkets and other grocery stores (except convenience stores) [44511]
1	2023	20351349	5010035	4113524	460334	460334	287084	1397160	620804	586908	394417	250036	776356	979280	4016042	2392089
2	2023	2011914	5278165	4515812	496833	496833	295603	1358763	586908	566908	354417	232492	771854	973810	3873687	2950466
3	2023	23906461	6779721	5311887	699551	699551	338574	1701771	752552	681344	415489	549220	1247967	1482060	4442088	3114639
4	2023	24343156	6882956	5304743	68220	648220	414934	1446725	681344	681344	263852	705384	850572	930340	4482535	3089039
5	2023	27214715	7223484	6223484	671420	651420	488877	1640380	798807	798807	439467	283852	890572	1392802	4760149	3345343
6	2023	26585798	7885624	6108420	673121	673121	419317	1800729	686905	686905	441680	282425	903834	1782600	4885570	3344441
7	2023	25387317	6542060	5307491	624865	624865	353419	1600729	705117	705117	453587	287499	921732	1392974	4968543	3303029
8	2023	25781736	6999780	5683112	680696	680696	415246	1719134	741285	741285	453587	287499	977870	1392935	4687028	3386325
9	2023	25122350	6888508	5459358	682735	682735	340306	1719438	682735	682735	453587	287499	987735	1392114	4687028	3386325
10	2023	2528311	6888508	5459358	682735	682735	340306	1719438	682735	682735	453587	287499	987735	1392114	4687028	3386325
11	2023	3298911	6888508	5459358	682735	682735	340306	1719438	682735	682735	453587	287499	987735	1392114	4687028	3386325
12	2023	3583316	5881411	4578823	532870	532870	324883	2300510	781457	781457	440698	340722	1131902	1086612	5382840	3465817
Total Annual Spending		297154400	79227510	63738073	7363346	7363346	466462	2968437	466462	466462	5005789	3519338	1144472	1700832	54873437	40441501
...Pct CapEx		18.805	5.014	4.033	4.66	4.66	0.295	4.48	0.295	0.295	3.17	2.23	0.724	1.076	3.73	2.559
175	2017	4151349	10281897	651	1.694	1.694	828	1114	828	145	141	366	2.639	722	2011833	127
2,764,482		27,644,822	2,764,482	1,764,482	1,694	1,694	828	1,114	828	145	141	366	2,639	722	20,118,333	127
		2,764,482	2,764,482	1,764,482	1,694	1,694	828	1,114	828	145	141	366	2,639	722	20,118,333	127

# Appendix C Customer Origins Data Methodology

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# Derivation of Common Evening and Common Daytime Locations





## Overview

The Near user database is developed by associating a hashed consumer device ID (Apple IDFA or Android AAID) with a Common Evening Location (CEL) and a Common Daytime Location (CDL), then associating each of those locations with various geographic districts. District assignments always includes the country. In several countries, various additional districts are available, including the province, postal code and census region.

## Data Source Discussion

Near sources data from a variety of partners which provide us with human movement data—latitude and longitude coordinates which are returned from smart-device “location services.” This data is generated device-manufacturer-proprietary combination of satellite (GPS) and often terrestrial signals (Wifi) that yields the most accurate possible location of the mobile device.

In order to ensure that the data signals are derived from interaction with the GPS on devices and not by some other means, Near scores each ingested data point, and discards those data points deemed low quality—points that were determined at the time of the device registration, or that have been derived via an IP lookup, or that were cached while the owner had location services turned off for example.

All location data points are time-stamped with UTC time. For efficiency, local time is approximated by adjusting the recorded UTC time by the reported longitude; detailed timezone information is ignored.

## Analysis Timeframes

The **Common Evening Location (CEL)** for a device is estimated by determining where a device most frequently appears during the “non-work” hours (evening through morning and weekends). The overnight hours are defined as after 6pm and before 8am, weekends include Saturday and Sunday.

The **Common Daytime Location (CDL)** for a device is estimated by determining where a device most frequently appears during the “work” hours (daytime on weekdays). The hours are defined as after 8am and before 6pm from Monday through Friday.

## Estimating Locations

For each device with sufficient data, estimates of CEL and CDL are made monthly, combining data from the most recent month with results from the two previous months to form updated location estimates. CEL and CDL are estimated independently for each device, each using the same process described below.



Location data for a device over the course of the month may contain many distinct points that represent the presence in the same building or land parcel. However, we are not concerned in small variations in position (e.g., if a device is at one end of a house or the other.) In order to collect statistics on position data which represent the same meaningful location, we group all the points which fall close to each other (within approximately 100 feet) into “groupings” and count the number of points in that grouping. If a device has at least two groupings, or one grouping of two requests, during the month then the estimation will proceed. A device’s groupings are ranked by the number of points contained in each grouping. The top five groupings per device, per month are retained indefinitely.

For each monthly update, the groupings from the current and two previous months are considered. Groupings are scored by the number of points in each, subject to a fading memory weighting. A grouping of 10 points from this month will have a higher score than a different grouping of 10 points seen one month ago. Similarly, a third grouping seen with 10 points in each of two distinct months (20 total points) will have a higher score than either of the previous two examples, but a value less than 20. The current month’s CEL or CDL update will use the highest scoring grouping.

To combine the points in the highest scoring grouping efficiently, the simple average latitude and average longitude of all points in the grouping over all months are formed. These become the updated CEL or CDL coordinates for the month. Recall that these points are no more than about 100 feet apart, so average-distorting outlier points will not be present; the averaging simply acts as a minor geographic refinement in position.

From January 2018-forward, each monthly update is stored in order to maintain a historic record of movements of the devices CELs and CDLs over time. These movements are then reflected in the various CEL-CDL reports output.

## District Assignments

Once the CEL or CDL locations are derived for a given months, the data is loaded into our platform. When a CEL or CDL data point is set to be returned within a data set, any geographic districts associated with the CEL or CDL are applied.

A set of geographic boundary files have been collected which define country boundaries, postal districts, municipality boundaries, administrative and/or demographic reporting regions and similar (e.g., US Census Block Groups, Australian SA1 boundaries, Romanian Communes, or Obces in Czechia). These are used to assign district codes to any CEL or CDL points which fall within one of the defined shapes. The list of these available and automatically assigned boundaries is available for download [here](#).

Some specific caveats on the geographic district assignments. For all countries, at a minimum, devices seen in the country and meeting viewability thresholds in the CEL-CDL database are assigned



a home country. This is generally taken from the country corresponding to the CEL location, but if only a CDL is available, the home country will be assigned as the country of the CDL. The country boundaries are defined by a country's high resolution district files when available, or by a coarser public-domain global country boundary shapefile. Note that because the district boundaries come from various sources, the spatial resolution is variable and borders are not necessarily consistent at all scales, thus some inconsistency may occur in assignment when a CEL or CDL is very near a geographic border defined by these shapefiles.

### Boundary Licensing

Near offers the ability to license any of the geographic shapes through a partnership (MBI) which specializes in gathering these boundaries and generating structured outputs. Contact your Near representative to discuss further.

Beyond standard government-created geographic boundaries, there may be an interest in applying a custom context shape to the output of any given CEL or CDL report. Near has developed a system whereby our partners can license or create shape files for their own use and load those into the platform. When a report is requested by that company (and that company alone), these special district assignments will appear within the report. Segmentation tiles, custom grid shapes, congressional districts, etc are all examples of districts supported on a company-by-company basis; other companies do not have rights to shape files sourced from another partner.

Geohex, geohash or h3 hex are available instead of lat-long are also available for CEL/CDL outputs.

## Notes on Privacy

In addition to hashing, all CEL and CDL locations output by Vista are jittered 50m in a random direction in order to help maintain the de-identification of device-level data.

In the EU, no lat-long points, including jittered points, are present in the output of the CEL and CDL reports. The latitude and longitude columns are empty.

## Expectations of CEL-CDL Placement

*Note: while the following analysis references the United States, the general logic applied is also applicable to other countries as well.*

About half of the US devices in the CEL/CDL database have very little spatial separation (less than 100ft) between the CEL and CDL. This is expected and consistent with the US labor force participation rate and other labor statistics described in more detail below. When interpreting CDL reports, it is important to keep in mind that it is an estimate where the device most often spends its weekday daytimes. Although the CDL time window (8am-6pm, M-F) corresponds to traditional "business hours", not all devices are owned by people employed in traditional businesses. In fact, a





large fraction of the US adult population is not in the labor force at all. For example, in 2017 only 60% of adults in the US were employed [1].

Overall, multiple factors contribute large number of devices having an estimated daytime location in about the same place as their common evening location:

- The sizable population not in the labor force (retirees, homemakers, people on permanent disability, etc.), as well as the unemployed. This is about 40% of the adult population.
- Teenage device owners, who may be home in the afternoon and over the summer. Teenagers make up about 12% of the population [2].
- Shift workers (e.g. hourly retail, restaurants, etc.) whose work hours are variable and may be home on some weekdays.
- Work-from-home workers, and a growing fraction of employees who do so part of their time. As many as 43% of employed people spent some time working remote [3].
- “Gig economy” workers who are potentially not in one place consistently enough to establish a single daytime location (e.g. Uber/Lyft drivers).
- Some tablet devices may stay at home permanently.
- Device owners may preferentially use some apps at home rather than at work.
- Some workplaces have restrictive policies which do not allow phone use.

Together these factors should be considered when evaluating CDL reports. The CDL estimates do show where the device most often spends its weekday daytimes, even if it is not a traditional workplace. A large fraction of the population is either not employed, does not have consistent daytime working hours or does not have an out-of-home workplace. Near’s location reports can help reveal these diverse patterns of life across the population.

References:

[1] Bureau of Labor Statistics, *The Employment Situation - December 2017*, [https://www.bls.gov/news.release/archives/empsit\\_01052018.pdf](https://www.bls.gov/news.release/archives/empsit_01052018.pdf)

[2] US Census, *American Community Survey 2012-2016*, [https://factfinder.census.gov/bkmk/table/1.0/en/ACS/16\\_5YR/DP05](https://factfinder.census.gov/bkmk/table/1.0/en/ACS/16_5YR/DP05)

[3] New York Times, 2017-02-15, <https://www.nytimes.com/2017/02/15/us/remote-workers-work-from-home.html>