

Non-CAMH Retail Market Analysis



camh

Centre for Addiction and Mental Health
Centre de toxicomanie et de santé mentale

January 2008

**Urban Marketing
Collaborative**

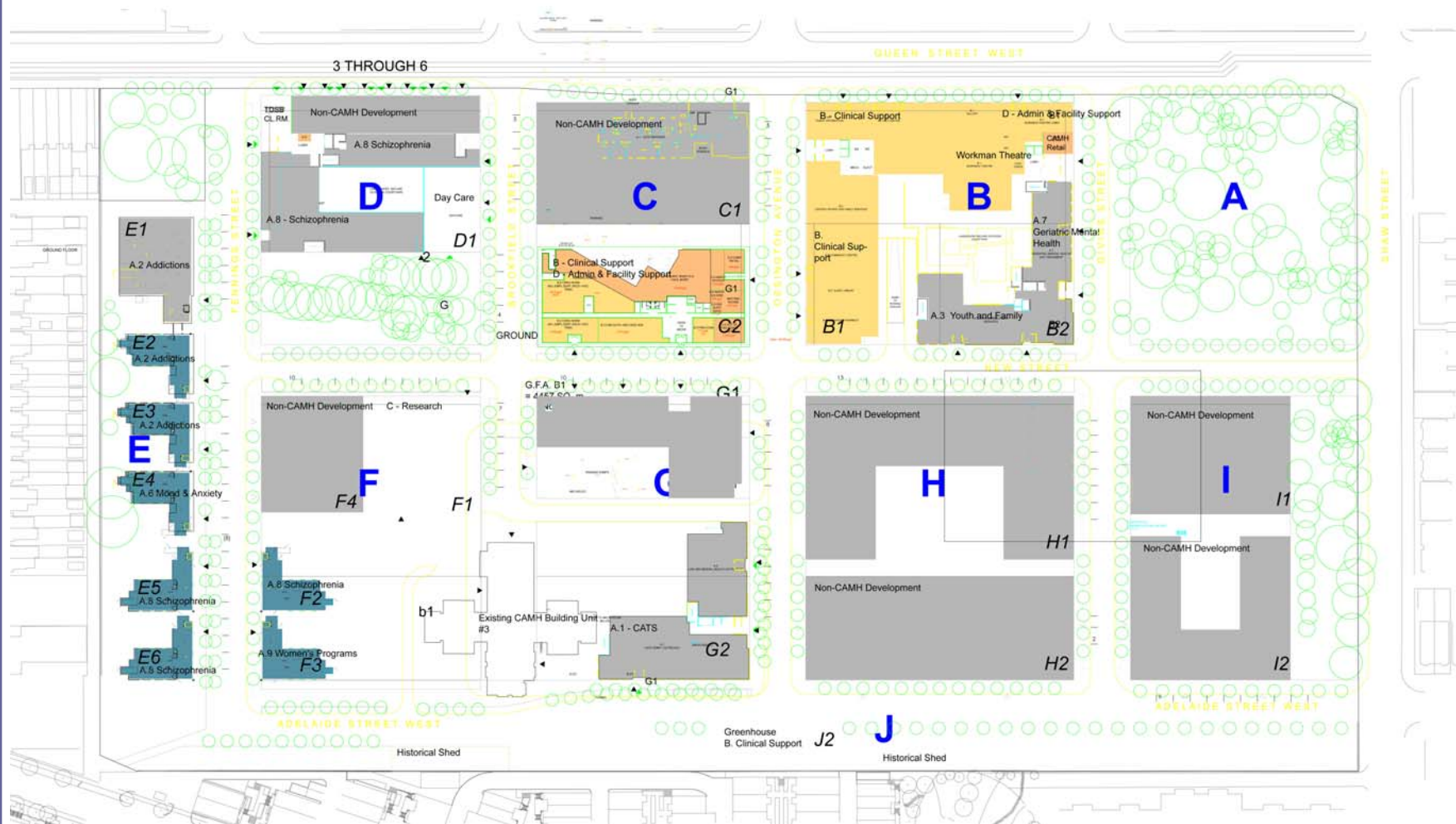
Background: Objectives

- ▶ Maximize CAMH's expansion needs as a place of care
- ▶ Maximize CAMH's vision for urban village
- ▶ Maximize lease or sale revenues

Background: Evaluation Criteria

- ▶ Fit – character and quality
- ▶ Flexibility – evolve with changing needs of of CAMH and neighbourhood
- ▶ Retail intensity – focus to create draw
- ▶ Management – progressive partners
- ▶ Subsidy – cost/benefit to promote vision

CAMH

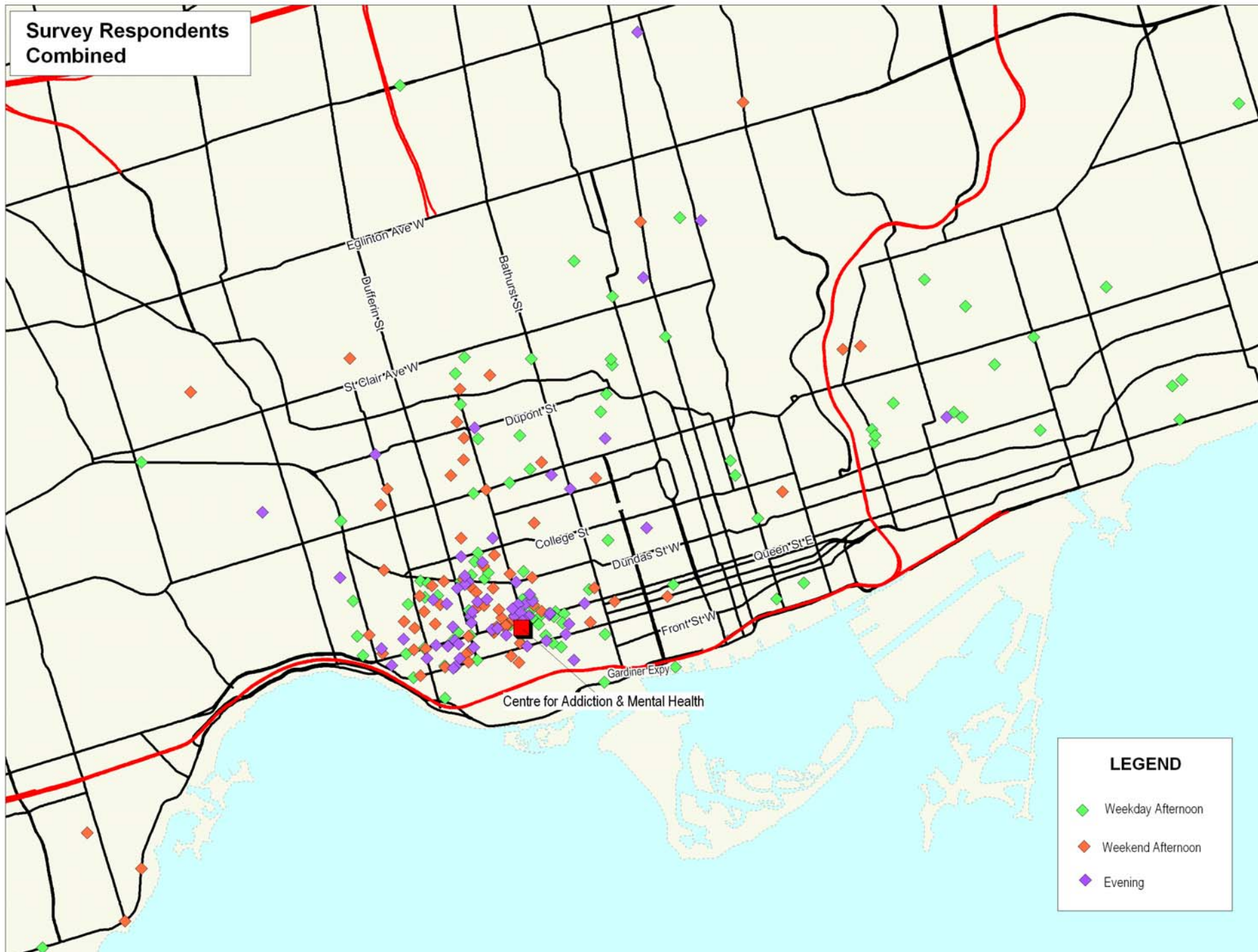


Background: Issues and Design Principles

Issues:

- ▶ Max. 4,800 sq. ft./store
- ▶ Min. 70% street-related retail for Blocks C and D
- ▶ Min. 70% of the exterior wall must be at or within 0.5 m setback
- ▶ One permitted grocery store 38,000 sq. ft.
- ▶ One permitted pharmacy store 12,000 sq. ft.
- ▶ A hotel is NOT permitted
- ▶ Methadone clinic is NOT permitted on Queen St. W.
- ▶ Promotion of substance use and gambling is NOT allowed
- ▶ Parking spaces within the building

**Survey Respondents
Combined**

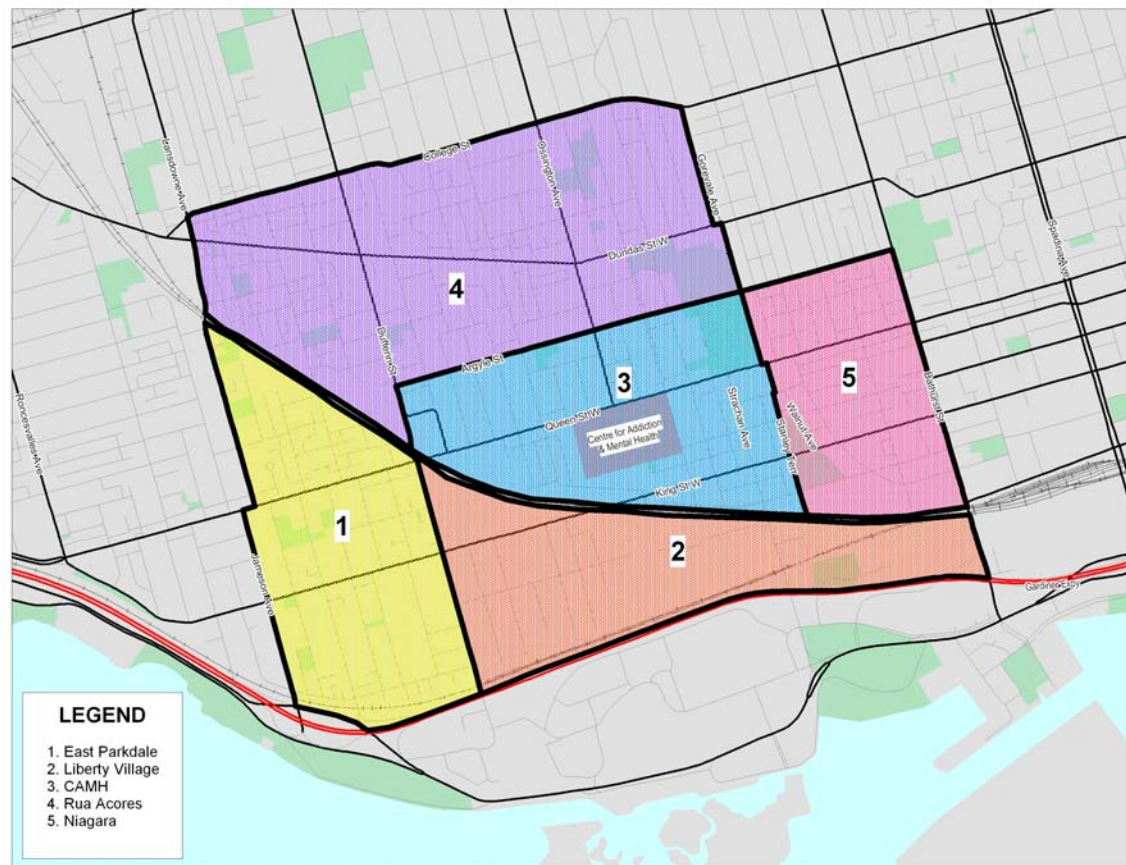


LEGEND

- ◆ Weekday Afternoon
- ◆ Weekend Afternoon
- ◆ Evening

Background: Residential Trade Area

- ▶ West End neighbourhoods effected by and affecting the CAMH Site



District Population

District	2006 Population
CAMH	8,851
East Parkdale	17,057
Rua Açores	17,533
Liberty Village	2,017
Niagara	7,557

Additional Customer Target Markets

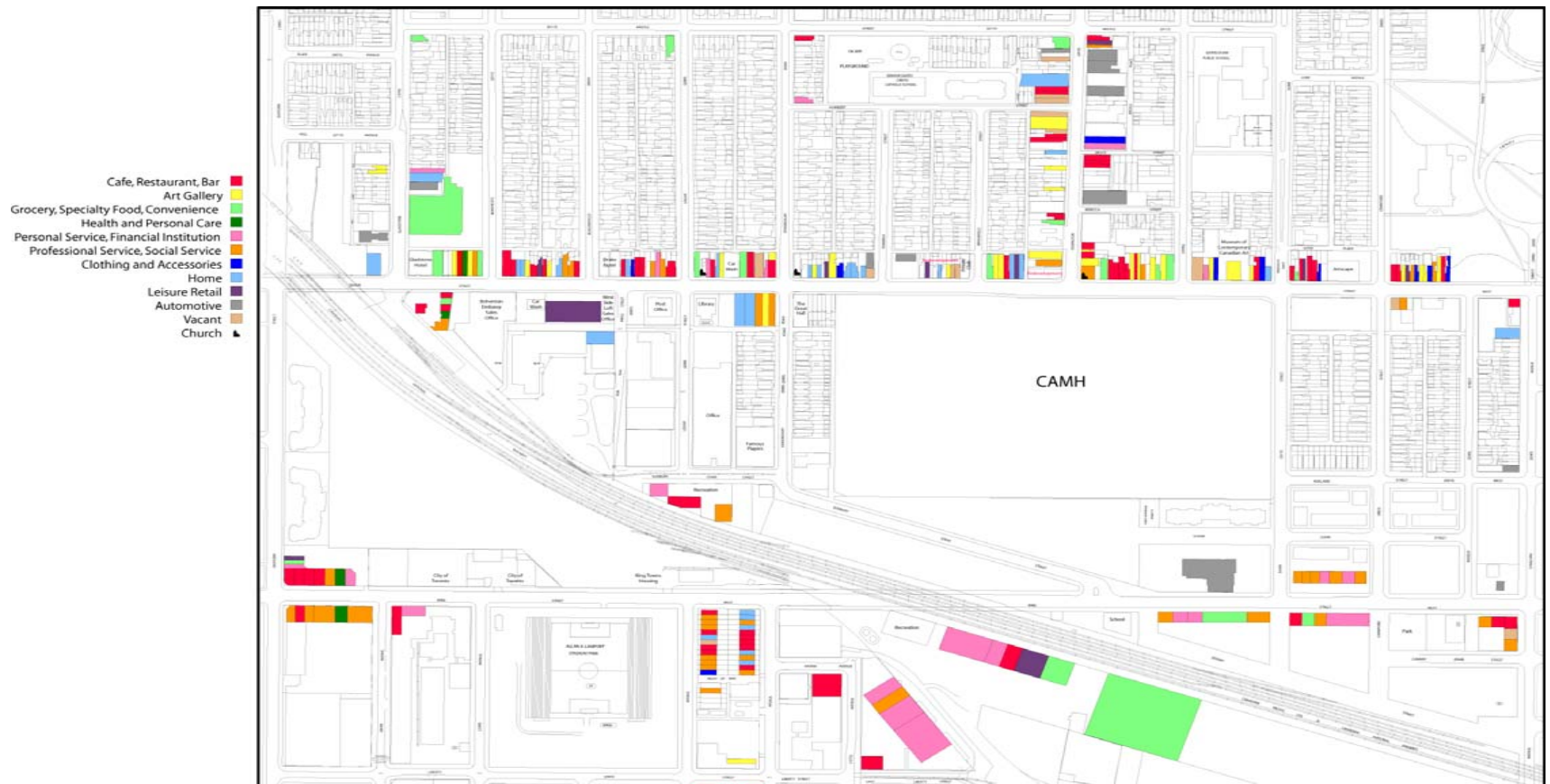
- ▶ CAMH employees and volunteers:
 - 2,800 employees + 700 volunteers
- ▶ CAMH clients:
 - 22,000 clients/year
- ▶ Other non-CAMH employees:
 - Estimated employees
- ▶ Regional and out-of-town visitors

Retail Supply Side Evaluation



Retail Audit

- ▶ High degree of art galleries, leisure retail, and food service
- ▶ Smaller retail units along Queen St. W.
- ▶ Lacks critical mass on south side



Retail Audit

	2001	2006	% of Total
Retail merchandise	49	63	46%
Convenience goods	10	12	9%
Eating & drinking	28	32	23%
Services	20	15	11%
Vacant	30	9	7%
Other	0	6	4%
Total	137	137	100%

Retail Potential Estimates by 2011

- ▶ Based on the conservative analysis, the approx. footages that can be supported by the CAMH area by 2011 is illustrated as below:

Store Category	Approximate Square Footage
Grocery, food, and beverage	52,000
Health and personal care store	24,000
Clothing stores and accessories	18,000
Home furnishings	12,000
Food service	28,000
Total categories	134,000

SWOT Analysis: Strengths

Neighbourhood:

- ▶ Sought after retail location
- ▶ Diverse area
- ▶ Retail and residential redevelopment
- ▶ Art and design district
- ▶ More sophisticated spending patterns
- ▶ Good pedestrian flows
- ▶ Future pedestrian bridge
- ▶ Emerging Ossington Ave.

CAMH:

- ▶ Large parcels to be developed
- ▶ Ownership of the land
- ▶ Retail want to be adjacent to hospital (e.g., drug store)
- ▶ Built-in retail drivers (target markets)
- ▶ Increased future value

SWOT Analysis: Weaknesses

Neighbourhood:

- ▶ Not functioning as a whole neighbourhood
- ▶ Higher rent expectations vs ability to pay
- ▶ Safety and security issues
- ▶ Rents are lower on Ossington Ave.

CAMH:

- ▶ Development restrictions and constraints
- ▶ Lack of critical mass of retail on the south side of Queen St. West
- ▶ Surrounding wall limits retail visibility
- ▶ Limited flow through the site and limited ability to attract visitors into site

SWOT Analysis: Opportunities

CAMH:

- ▶ Development options in store layouts
- ▶ Ability to create critical mass on south side
- ▶ Retail focus and concentration on Queen St. W.
- ▶ New customer base to target
- ▶ Retail improvement opportunities for Ossington Ave.
- ▶ Ability to create a unique design – create long term value
- ▶ Offer several management options

SWOT Analysis: Threats

- ▶ Danger of neighbourhood losing its arts and design identity
- ▶ Probability of moving towards fashion and eating and drinking and away from galleries as rents rise
- ▶ Intense development nearby
- ▶ Difficulty to adapt to fast changing environment

Recommendations: Block D – Grd Fl

- ▶ Flexible retail space
- ▶ 20 ft. x 40–50 ft.:
 - Smaller unit (800 sq. ft.) – café, art gallery
 - Medium unit (1,600 sq. ft.) – apparel, home furnishings
furnishings
 - Large unit (2,400 sq. ft.) – book store, restaurant
- ▶ Create art gallery/SoHo feel – ceiling heights 23 ft.:
 - Ability to create two levels at back – add more space for
for same rent
- ▶ Integral to the look of the local area

Alternatives: Block D – Grd Fl



Recommendations: Block C – Grd Fl

- ▶ Range of retail uses
 - One large, single grocery store – may be easy lease but but very low rent – have to sell or lease land
 - Two large uses including grocery and health care/drug care/drug store – not highest return
 - All smaller units – difficult to lease rear portion
 - A mixture of large uses and smaller units – large use primarily at back (dog's leg)
- ▶ Maximize the square footage of the entire block and rental return:

Alternatives: Block C – Grd Fl



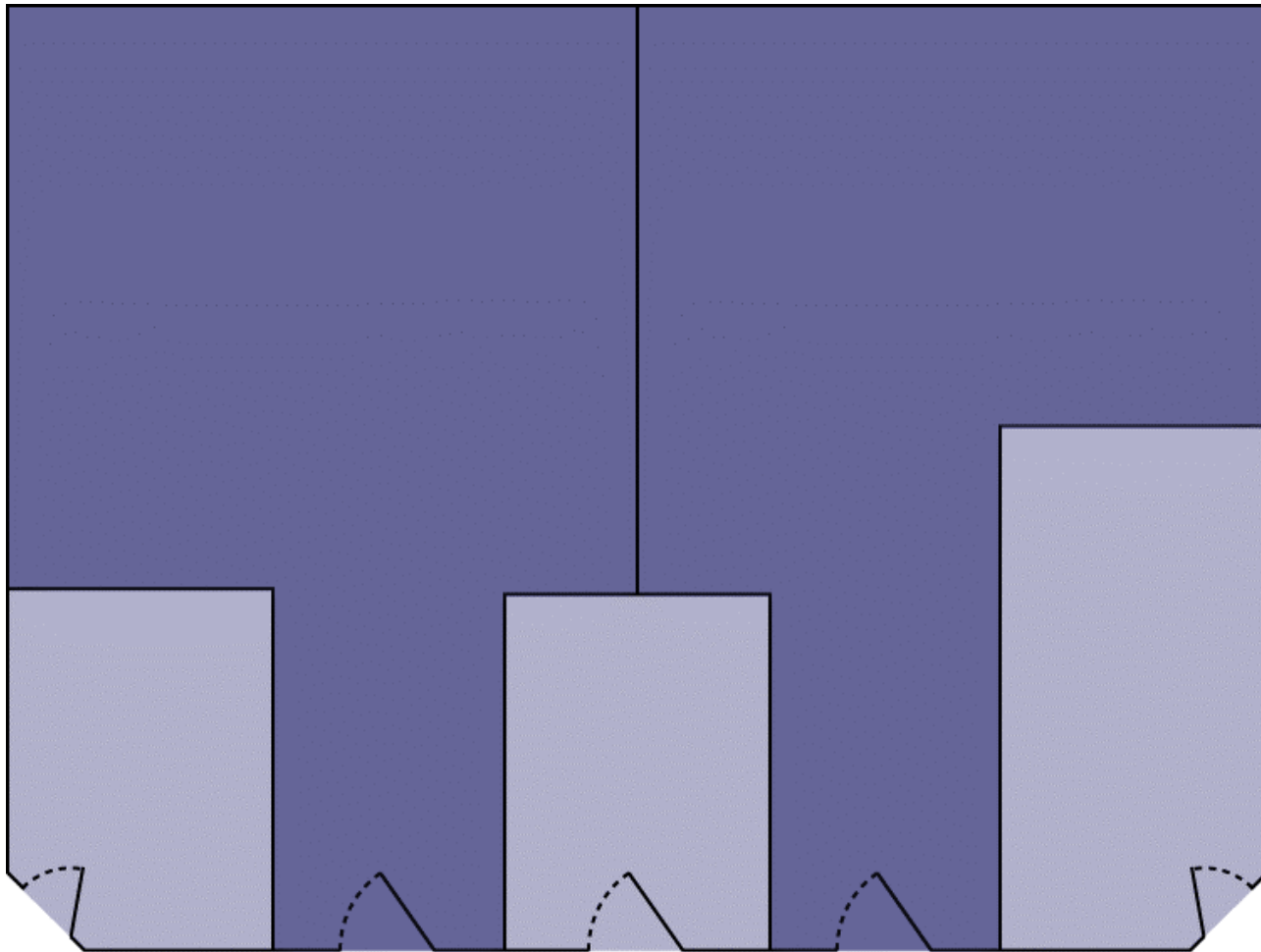
Alternatives: Block C – Grd Fl



Alternatives: Block C – Grd Fl



Alternative Layouts



Alternatives: Block C – Grd Fl



Alternatives: Block C – Grd Fl



Recommendations: Block B – Grd Fl

- ▶ Required for retail to create critical mass
- ▶ Retail must front onto Queen St. W.
- ▶ Transparency between the street and the activity within the building
- ▶ Retail should be located at the corner – requires strong retail corners
- ▶ Similar units as Block D and uses – include CAMH related (e.g., drug store, health book store, health related retail, etc.) and synergy with Workman Theatre

Alternatives: Block G – Grd Fl



Alternatives: Block G – Grd Fl



Alternatives: Block G – Grd Fl



Recommendations Blocks H and I – Grd E1

- ▶ Limited retail use:
 - View obstruction by park land, east wall – away from Queen St. W.
 - Increased rental probability if surface parking is provided
- ▶ Other uses may be considered – cafés, recreation, medical clinics, charity, museums, art venues, etc.

Management

- ▶ Range from CAMH, trust, private sector, to non-profit
- ▶ Need for separate board/staff structure within CAMH to oversee non-CAMH properties (trust organization)
- ▶ Focus on non-hospital requirements
- ▶ Part of retail rental and parking revenues go to staff expenses
- ▶ Can manage farmers' market; activate spaces with special events, etc.
- ▶ Maintains stronger control
- ▶ Use RFP process to solicit retailers for some spaces or develop own partnerships (e.g., Carrot Common)
- ▶ Regardless of development/ownership, common management will be more efficient

Non-CAMH Retail Market Analysis

Thank you

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