OAKRIDGE CENTRE

RETAIL IMPACT ASSESSMENT

Coriolis Consulting Corp. and Site Economics Ltd.

June 2013

Objectives

1. Evaluate risk of material decline in viability of existing commercial locations in City due to expansion of Oakridge
2. Timeframe: 2012 to 2021

Oakridge Expansion Plan

Retail Category	Existing Square Feet 2012	% of Total	Proposed Addition Square Feet	Expanded Centre Square Feet 2021	% of Total
Department Store	262,000	47%	204,500	466,500	39%
Clothing & Footwear	115,000	21%	104,500	219,500	18%
Jewelry	15,000	3%	20,000	35,000	3%
Supermarket	50,000	9%	4,500	54,500	5%
Home Furnishings	28,000	5%	33,500	61,500	5%
Pharmacy & Personal Care	12,000	2%	19,500	31,500	3%
Cinema	0	0%	36,500	36,500	3%
Restaurant & Fast Food	10,000	2%	42,500	52,500	4%
Electronics	13,000	2%	20,000	33,000	3%
Financial Services	19,000	3%	18,000	37,000	3%
Specialty Retail	11,000	2%	16,500	27,500	2%
Personal Services	9,000	2%	15,500	24,500	2%
Specialty Food	12,000	2%	10,500	22,500	2%
Vacant	2,000	0%	10,500	12,500	1%
Liquor	0	0%	13,000	13,000	1%
Fitness & Recreation	0	0%	39,500	39,500	3%
Auto Showrooms	0	0%	15,500	15,500	1%
Entertainment	0	0%	16,000	16,000	1%
Total	**558,000**	**100%**	**640,500**	**1,198,500**	**100%**
Source: Ivanhoe Cambridge					

1. Total expansion = 640,000 square feet.
2. Addition over Policy Statement = 250,000 square feet

Retail Categories Included in Impact Analysis

Retail Category	Included in Analysis	Notes
Department Store	Yes	Key Anchor in Downtown
Clothing & Footwear	Yes	Key businesses in some street front locations
Jewelry	Yes	Accounts for a large amount of space in Downtown
Supermarket	Yes	Key business in many local commercial areas
Home Furnishings	Yes	Account for large amount of space in some shopping areas
Pharmacy & Personal Care	Yes	Key business in some local commercial areas
Cinema	No	Risks are due to redevelopment, not additional competition
Restaurant & Fast Food	No	Planned increase is small in comparison to City inventory
Electronics	No	Not a key anchor in local commercial areas
Financial Services	No	Chains unlikely to close outlets in existing commercial areas
Specialty Retail	No	Small addition planned at Oakridge
Personal Services	No	Small addition planned at Oakridge
Specialty Food	No	Small addition planned at Oakridge
Liquor	No	Small addition planned at Oakridge
Fitness & Recreation	No	Not a key anchor business in existing commercial areas
Auto Showrooms	No	Not a key anchor business in existing commercial areas
Entertainment	No	Small addition planned at Oakridge

Approach

1. Impact on overall city-wide inventory
2. Impact on local/convenience categories
3. Impact on department stores
4. Impact on key comparison shopping categories (fashion, home furnishings)
5. Impact on local commercial areas with overlap in key categories

Overall Retail and Service Inventory

	Estimated Total Retail and Service Floorspace	Estimated Floorspace per Capita
City of Vancouver	20.1 million square feet	33 square feet
Rest of Metro Vancouver	72.4 to 84.0 million square feet	42 to 49 square feet
Metro Vancouver Total	92.5 to 104.1 million square feet	40 to 45 square feet

Local Convenience Categories

1. Local trade area overlaps with Marpole, Kerrisdale, Marine Gateway, South Hill (Fraser), Marine Drive and South Main
2. Growing population in local trade area
3. Small additions to convenience categories planned at Oakridge
4. No impact

Department Stores

1. Trade area population increasing
2. Increase in department store space at Oakridge
3. Reduction in department store space at Pacific Centre
4. Net overall reduction in department store space in City
5. No impact

Key Comparison Shopping Categories

1. Categories:
   - Apparel
   - Jewelry
   - Home furnishings
2. Increased space at Oakridge in each category
3. Increasing trade area population will generate additional sales potential
4. Estimated 2021 trade area sales sufficient to support existing space in City plus planned space at Oakridge (and other locations)

Apparel - Existing

	Size in Sq Ft	Sales Per sq.ft.	Total Sales	Sales from Trade Area Residents	Sales from Inflow	Distribution
Oakridge Existing	115,000	$736	$84,640,000	$59,248,000	$25,392,000	**12%**
Pacific Centre	210,000	$1,000	$210,000,000	$105,000,000	$105,000,000	**21%**
Regional Street Retail Downtown	324,500	$630	$204,463,279	$134,945,764	$69,517,515	**27%**
Local Street Retail	566,393	$316	$178,854,682	$178,854,682	$0	**36%**
Outflow			$22,805,654	$22,805,654		**5%**
Clothing and Shoe store Sales Vancouver	1,215,893		$700,763,615	$500,854,100	$199,909,515	**100%**

Apparel - 2021

2021	Size in Sq Ft	Sales Per sq.ft.	Total Sales 2021	Sales from Trade Area Residents	Sales from Inflow	2021 Distribution
Oakridge Existing	115,000	$736	$84,640,000	$59,248,000	$25,392,000	**10%**
Oakridge Expansion (75% of existing)	104,500	$552	$57,684,000	$40,378,800	$17,305,200	**7%**
Subtotal - Oakridge	219,500	$648	$142,324,000	$99,626,800	$42,697,200	**18%**
Pacific Centre	245,000	$1,000	$245,000,000	$122,500,000	$122,500,000	**22%**
Regional Street Retail Downtown	324,500	$630	$204,463,279	$134,945,764	$69,517,515	**24%**
Local Street Retail	566,393	$316	$178,854,682	$178,854,682	$0	**32%**
Outflow			$31,390,814	$31,390,814		**6%**
Clothing and Shoe Store Sales Vancouver	1,355,393		$802,032,775	$567,318,060	$234,714,715	**100%**

Jewelry - Existing

	Size in Sq Ft	Sales Per sq.ft.	Total Sales	Sales from Trade Area Residents	Sales from Inflow	Distribution
Oakridge Existing	15,000	$2,400	$36,000,000	$25,200,000	$10,800,000	**35%**
Pacific Centre	11,000	$1,300	$14,300,000	$7,150,000	$7,150,000	**10%**
Regional Street Retail Downtown	38,153	$477	$18,215,634	$12,022,319	$6,193,316	**17%**
Local Street Retail	36,367	$351	$12,781,411	$12,781,411	$0	**18%**
Outflow			$14,781,278	$14,781,278		**21%**
Jewellery Store Sales Vancouver	100,520		$96,078,324	$71,935,008	$24,143,316	

Jewelry - 2021

2021	Size in Sq Ft	Sales Per sq.ft.	Total Sales 2021	Sales from Trade Area Residents	Sales from Inflow	2021 Distribution
Oakridge Existing	15,000	$1,600	$24,000,000	$16,800,000	$7,200,000	**21%**
Oakridge Expansion	20,000	$900	$18,000,000	$12,600,000	$5,400,000	**15%**
Subtotal	35,000	$1,200	$42,000,000	$29,400,000	$12,600,000	**36%**
Pacific Centre	15,000	$1,300	$19,500,000	$9,750,000	$9,750,000	**12%**
Regional Street Retail Downtown	38,153	$477	$18,215,634	$12,022,319	$6,193,316	**15%**
Local Street Retail	36,367	$351	$12,781,411	$12,781,411	$0	**16%**
Outflow			$17,527,143	$17,527,143		**22%**
Jewelry Store Sales Vancouver	124,520		$110,024,188	$81,480,873	$28,543,316	

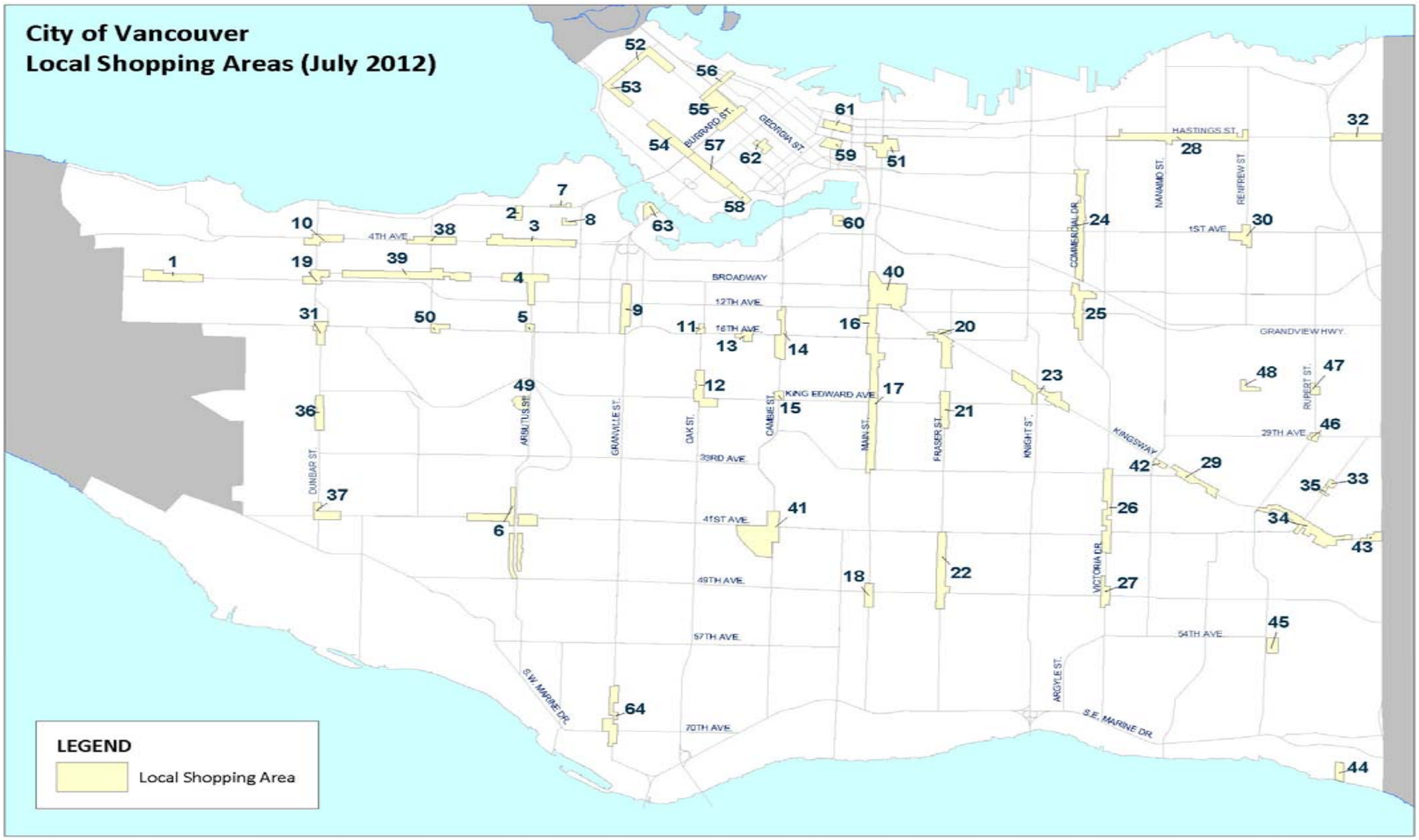
Home Furnishings - Existing

	Size in Sq Ft	Sales Per sq.ft.	Total Sales	Sales from Trade Area Residents	Sales from Inflow	Distribution
Oakridge Existing	2,000	$720	$1,440,000	$1,008,000	$432,000	**1%**
Pacific Centre	0	$0	$0	$0	$0	**0%**
Regional Street Retail Downtown	50,919	$325	$16,548,766	$10,922,186	$5,626,580	**9%**
Local Street Retail	264,407	$321	$84,800,528	$84,800,528	$0	**73%**
Outflow			$18,668,760	$18,668,760		**16%**
Home Furnishings Sales Vancouver	317,327		$121,458,054	$115,399,473	$6,058,580	

Home Furnishings - 2021

2021	Size in Sq Ft	Sales Per sq.ft.	Total Sales 2021	Sales from Trade Area Residents	Sales from Inflow	2021 Distribution
Oakridge Existing	2,000	$720	$1,440,000	$1,008,000	$432,000	**1%**
Oakridge Expansion (26,000 sq.ft in 2013)	59,500	$432	$25,704,000	$17,992,800	$7,711,200	**14%**
Subtotal	61,500	$441	$27,144,000	$19,000,800	$8,143,200	**15%**
Pacific Centre	0	$0	$0	$0	$0	**0%**
Regional Street Retail Downtown	50,919	$325	$16,548,766	$10,922,186	$5,626,580	**8%**
Local Street Retail	264,407	$321	$84,800,528	$84,800,528	$0	**65%**
Outflow			$15,989,613	$15,989,613		**12%**
Home Furnishings Sales Vancouver	376,827		$144,482,907	$130,713,127	$13,769,780	

Impact on Local Commercial Areas with Overlap in Key Categories



Areas with Limited Fashion and Home Furnishings

Shopping Area ID	Name of Area	Clothing & Shoes		Home Furnishings		Jewellery		Total	
		Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores
2	Yew / York	0	0	0	0	0	0	28,306	30
4	Broadway / Arbutus	1,980	2	0	0	0	0	209,350	119
5	Arbutus / 16th	0	0	0	0	0	0	17,101	14
7	Cornwall	0	0	0	0	0	0	27,837	20
8	1st / Cypress	4,377	2	0	0	800	1	38,106	31
10	4th / Alma	8,147	4	0	0	0	0	104,158	90
11	Oak / 15th	1,548	1	0	0	0	0	18,889	12
12	Oak / King Ed	0	0	0	0	0	0	107,572	60
13	16th / Heather	0	0	0	0	0	0	33,006	31
15	Cambie / King Ed	0	0	5,923	1	0	0	56,769	28
19	10th / Alma	3,472	3	1,464	1	0	0	108,464	90
20	Fraser / Kingsway	6,157	2	2,288	1	0	0	186,659	102
21	Fraser / King Ed	1,050	1	0	0	0	0	156,432	126
23	Knight / Kingsway	4,286	3	0	0	349	1	187,372	159
25	Commercial Drive - South	0	0	0	0	0	0	204,727	88
26	Victoria / 41st	9,286	7	4,416	1	2,813	3	288,511	257
27	Victoria / 49th	0	0	666	1	0	0	107,217	87
28	Hastings-Sunrise	11,399	6	0	0	3,624	4	399,567	259
29	Norquay	0	0	0	0	0	0	106,895	89
30	1st / Renfrew	479	1	0	0	0	0	97,946	48
31	Dunbar / 16th	0	0	0	0	0	0	86,551	67

Areas with Limited Fashion and Home Furnishings (continued)

Shopping Area ID	Name of Area	Clothing & Shoes		Home Furnishings		Jewellery		Total	
		Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores
33	Vanness / Joyce - North	809	1	0	0	0	0	5,972	10
34	Kingsway / Joyce	5,461	4	0	0	0	0	283,383	172
35	Vanness / Joyce - South	0	0	0	0	0	0	14,431	17
36	Dunbar Centre	4,001	3	532	1	975	1	133,527	92
37	Dunbar / 41st	975	1	0	0	0	0	101,605	59
38	4th / MacDonald	6,590	4	1,040	1	0	0	118,575	122
42	Nanaimo / Kingsway	0	0	0	0	0	0	4,995	8
43	Kingsway / Boundary	0	0	0	0	0	0	33,589	30
46	Rupert / 29th	0	0	0	0	0	0	5,225	12
47	Rupert / 22nd	0	0	0	0	0	0	34,926	20
48	Renfrew / 22nd	0	0	0	0	0	0	5,511	8
49	Arbutus Centre	0	0	0	0	234	1	124,087	51
50	16th / Macdonald	0	0	0	0	0	0	21,140	12
51	Main - Chinatown	13,803	11	0	0	3,318	5	251,019	156
52	Denman / Robson	4,348	3	0	0	0	0	82,799	73
53	Davie / Denman	1,540	2	0	0	0	0	116,168	85
54	Davie - West End	5,148	4	0	0	0	0	238,211	130
55	Robson / Alberni / Burrard	2,116	1	0	0	0	0	38,696	15
56	Bute	0	0	0	0	0	0	2,566	2
57	Davie / Granville	773	1	0	0	0	0	79,823	81
58	Davie - Yaletown	0	0	0	0	0	0	51,005	20
59	Abbott - International Villag	0	0	0	0	0	0	234,751	7
61	Abbott - Woodward's	4,192	2	0	0	0	0	201,364	32
63	Granville Island	0	0	0	0	0	0	80,945	6
64	Granville - Marpole	7,348	4	2,200	1	2,574	1	179,124	118

Areas with Fashion and Home Furnishings

Shopping Area ID	Name of Area	Clothing & Shoes		Home Furnishings		Jewellery		Total		Included in Local Area Analysis
		Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	Floor Area (Sq. Ft.)	Number of Stores	
14	Cambie Village	36,078	6	0	0	1,392	1	364,731	114	no
18	Punjabi Market	18,871	13	0	0	7,915	7	112,742	92	no
22	South Hill	14,064	6	0	0	1,023	1	354,842	216	no
24	Commercial Drive	25,139	16	0	0	0	0	442,923	337	no
32	Hastings North	35,684	13	0	0	1,313	1	133,692	63	no
1	West Point Grey	11,495	8	7,697	5	2,319	3	231,404	166	yes
3	West 4th	73,798	37	6,005	4	796	1	411,343	237	yes
6	Kerrisdale	44,129	25	22,273	9	3,613	2	530,306	330	yes
9	South Granville	99,965	42	102,536	26	2,144	2	531,269	175	yes
14,17,40	Main	91,337	48	29,640	19	2,937	3	950,182	613	yes
39	West Broadway	38,471	26	8,021	6	1,546	2	448,729	281	yes
N/A	Robson/Alberni/Granville	295,116	94	0	0	15,579	10	1,598,336	656	yes
N/A	Homer/Hamilton/Mainland	2,900	3	26,038	6	0	0	449,708	188	yes

Included in Local Area Evaluation

1. Main Street (Kingsway to 33rd Ave)
2. South Granville
3. West 4th Avenue (Fir to Balsam)
4. West Broadway (Larch to Waterloo)
5. Kerrisdale
6. West Point Grey
7. Robson/Alberni/Granville
8. Hamilton/Mainland/Homer

Main Street

- Apparel accounts for 8% of businesses
- Home furnishing stores account for 3% of businesses
- Primarily independent businesses
- Concentration of used/consignment stores
- Different target market than Oakridge
- Marketable location
- Little or no impact on viability of area

South Granville

- Apparel accounts for 24% of businesses
- Home furnishing stores account for 15% of businesses
- Mix of independent and chain stores
- Some stores (i.e., chains) may see increased direct competition
- City-wide analysis indicates sufficient demand
- Area is well established, marketable, vibrant commercial location
- One of premium locations in City
- Any impact on area will be modest and temporary

West 4th Avenue

- Apparel accounts for 16% of businesses
- Mix of independent and chain stores
- Some stores (i.e., chains) may see increased direct competition
- City-wide analysis indicates sufficient demand
- Different geographic trade area and target market than Oakridge
- Area is well established, marketable location
- Any impact on area will be limited and temporary

West Broadway

- Apparel accounts for 9% of businesses
- Primarily independent businesses
- Different target market than Oakridge
- Closer to Downtown than Oakridge
- Well established, marketable location
- Little or no impact on viability of area

Kerrisdale

- Apparel accounts for 8% of businesses
- Home furnishing stores account for 3% of businesses
- Primarily independent businesses
- Close to Oakridge, but different target market
- City-wide analysis indicates sufficient demand
- Changing demographics has led to evolving tenant mix - small number of fashion retailers
- Well established, marketable location
- Little or no impact on viability of area

West Point Grey

- Apparel accounts for 5% of businesses
- Home furnishing stores account for 5% of businesses
- Primarily independent businesses
- Different target market than Oakridge
- Closer to Downtown than Oakridge
- Well established, marketable location
- Little or no impact on viability of area

Hamilton/Mainland/Homer

- Little apparel
- Home furnishing stores account for 3% of businesses
- Some stores may see increased direct competition, but small share of inventory
- City-wide analysis indicates sufficient demand
- Well established, marketable location
- Little or no impact on viability of area

Robson/Granville/Alberni

- Apparel accounts for 14% of businesses
- Jewelry stores account for 2% of businesses
- Primarily chain stores
- Dominant street front location in City
- Main source of increased competition will come from changes at Pacific Centre
- City-wide analysis indicates sufficient demand
- Little or no impact on viability of area

Conclusions

1. City has low retail space per capita
2. Trade area population is growing
3. Expansion of Oakridge will reduce retail leakage
4. No impact on local convenience retail categories
5. No impact on department stores
6. No impact on 50+ local commercial areas with limited fashion and household furnishings businesses
7. Little or no impact on 8 commercial areas with significant fashion and home furnishings
8. Possible transference from some specific businesses, but no lasting impact on commercial areas