

SCHEDULE D

Peer Review Process

1. Owen Sound Exemption to Zoning Restrictions for 1665 18th Avenue E. Market Impact Report for Andpet Realty by J.C. Williams Group – February 2022
2. Email re Market Impact Report for 1665 18th Avenue
3. Addendum to Owen Sound Exemption to Zoning Restrictions for 1665 18th Avenue E. Market Impact Report for Andpet Realty by J.C. Williams Group – March 2022
4. Peer Review of Market Impact Report 1665 18th Avenue E by Tate Economic Research Inc. – April 22, 2022



J.C. WILLIAMS GROUP

Owen Sound Exemption to Zoning Restrictions for 1665 18th Avenue E.

Market Impact Report for Andpet Realty

February 2022

This report is in response to the Pre-Consultation Report from the City of Owen Sound regarding 1665 18th Avenue East dated June 29, 2021. Andpet Realty has asked J.C. Williams Group (JCWG), as global retail experts, to provide an analysis and rationale to respond to the City's report based on their extensive knowledge of how retail functions and previous work that they have conducted in Owen Sound.

1.0 Introduction

Andpet Realty owns the commercial site at 1665 18th Avenue East in Owen Sound, which consists of uses that support adjacent automotive uses such as the Kia car dealership on 16th Street E. and the Sunrise Car Wash to the south and east of the site, respectively. Andpet has a vacant 1,378 square foot unit that was formerly part of an auto parts store. In considering potential tenants, Andpet has identified a need for a laundromat in the area, especially one that can serve commercial customers such as restaurants that need larger industrial machines.

The site at 1665 18th Avenue is in the East Commercial District of Owen Sound. This area has a very specific list of retail tenants that are allowed. Any other type of tenant requires a Zoning By-law Amendment Application supported by Market Impact Report and a Planning Justification Report. While the Official Plan allows a laundromat within the East Commercial District, the Zoning By-law does not permit it on this land. Part of the work conducted for this report has included working with the City to focus in on only what is required for this change of use.

In the pre-consultation report for this change of use, the City requested that Andpet Realty provide a market report that confirms that following:

- *Designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area.*
- *Available commercial property in the Downtown is not economically viable for the intended scale and type of development.*
- *The proposed increase in commercial floor space will not be premature by increasing the amount of commercial floor space in the City beyond the 5-year market demand.*
- *The proposed development will not undermine the economic viability or planned function of a significant commercial component of the Downtown or impair the function of a designated commercial district as identified in this Plan.*¹

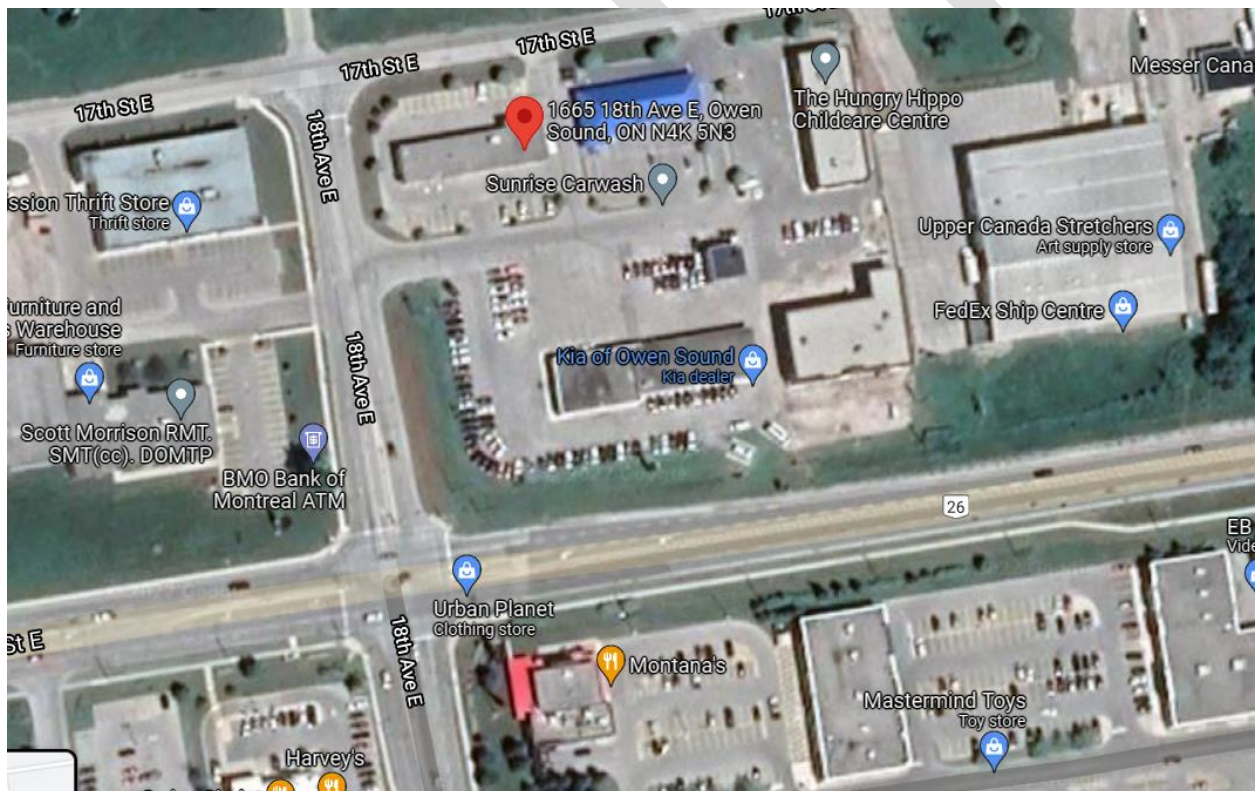
¹ Pre-consultation Response RE 1665 18th Avenue East, City of Owen Sound, June 29, 2021, Schedule A

It should be noted that the above wording is extracted from the Owen Sound 2006 Official Plan. JCWG has reviewed the City's 2021 Official Plan and we believe that this section in the new plan is essentially the same as the wording for the existing 2006 Official Plan. Our report and conclusions apply to both Official Plans.

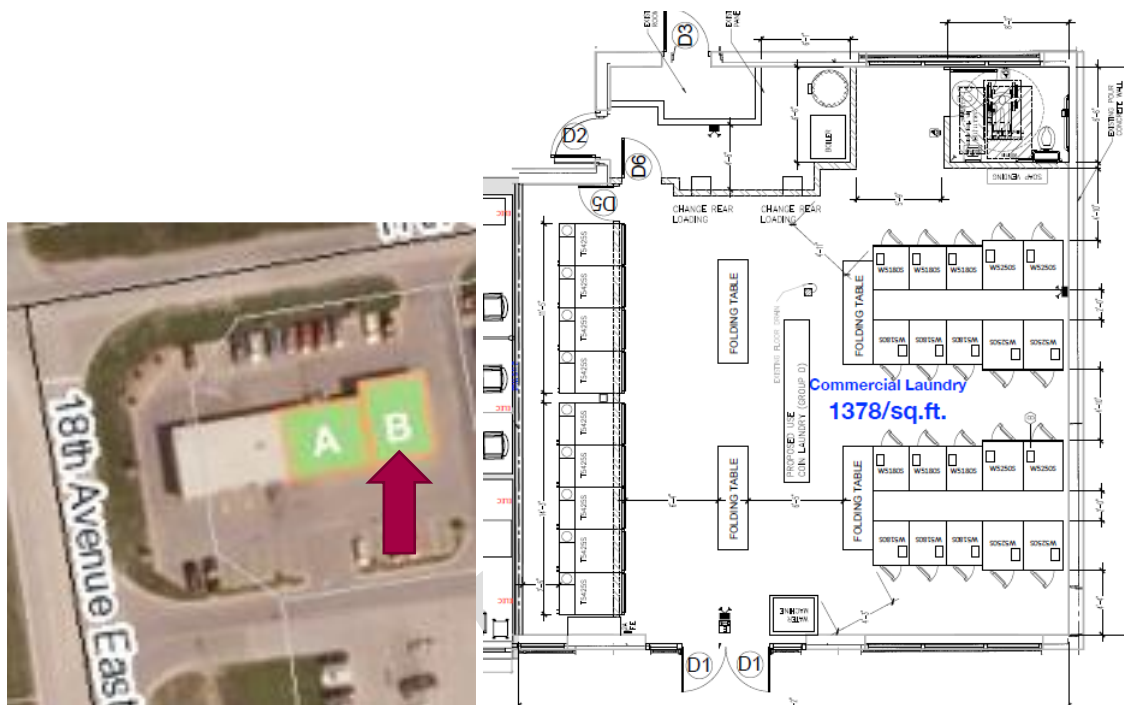
2.0 Description of the Project and Site

This section describes in more detail the site and vision for the new business to be located at 1665 18th Avenue East.

The scan below shows the context for the laundromat location. The site is located at the corner of 17th Street E and 18th Avenue E which is a secondary location compared to 16th Street E. The site is located behind the Kia dealership on 16th Street E.



The plan below shows in more detail the context for the laundromat. The location for the proposed laundromat is labeled B. The architectural drawing shows the layout within the laundromat.



The site is envisioned to function as a laundromat that would service a primarily commercial clientele who require larger washers and dryers for larger heavier loads than the average consumer would require. The area around the store can accommodate light commercial vehicles such as cube vans and light utility vehicles.

3.0 Response to Official Plan Tests

In response to the City of Owen Sound's request for market justification for the laundromat, the four issues mentioned in the Official Plan are noted below with our response.

- *Designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area.*

Since this laundromat is intended to serve commercial customers, the assumption is that the customers would be arriving in cube vans and light utility vehicles and would be unloading larger quantities of soiled items. A site in Downtown Owen Sound is not suitable as this activity would interfere with pedestrian traffic and the general ambiance of the Downtown area.

- *Available commercial property in the Downtown is not economically viable for the intended scale and type of development.*

While the scale of the laundromat site may be appropriate for Downtown Owen Sound; the activity that will occur there is not appropriate. Many buildings in Downtown lack the kind of access by cube vans and light utility vehicles that would be required to service this business. In addition, landlords would be unhappy with the loading situation that may obstruct access to other tenants in their buildings.

- *The proposed increase in commercial floor space will not be premature by increasing the amount of commercial floor space in the City beyond the 5-year market demand.*

The floorspace for this site already exists so it is not increasing commercial space, so this requirement is not an issue.

- *The proposed development will not undermine the economic viability or planned function of a significant commercial component of the Downtown or impair the function of a designated commercial district as identified in this Plan.²*

The last inventory of retail in the Downtown area³, conducted in 2020, showed a total of over one million square feet of space. In order to have significant impact on Downtown, a site would have to have a very large size and/or a very unique activity that exists nowhere else in the trade area. The square footage of the laundromat is 1378 square feet. It is impossible that a service business that size could undermine the economic viability or planned function of a significant commercial component of the Downtown or impair the function of the commercial district. This is especially true since the laundromat has been developed to service commercial clientele.

4.0 Conclusion

It is our opinion that the proposed laundromat will provide a needed service to the businesses of Owen Sound and will not compete with the consumer-focused businesses in Downtown. As noted in Section 3.0, the laundromat easily meets the tests of the Official Plan.

² Pre-consultation Response RE 1665 18th Avenue East, City of Owen Sound, June 29, 2021, Schedule A

³ Retail Impact Study for Sydenham Heights Centre, Owen Sound, December 2020 by J.C. Williams Group

From: [James Tate](#)
To: [Amy Cann](#); [Dave Aston \(daston@mnhbcplan.com\)](mailto:daston@mnhbcplan.com)
Cc: [Sabine Robart](#)
Subject: RE: Market Impact Report for 1665 18th Avenue
Date: February 15, 2022 2:25:30 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)

Hi Amy,

As discussed, I have had an opportunity to conduct an initial review of the JC Williams report.

I would recommend that it be revised to include:

- A discussion of existing laundromat competition in the City, with a particular focus on the downtown.
- An analysis of the vacant units / sites in the downtown that could accommodate the use. This information would help the applicant address the Official Plan requirement to confirm that “designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area” and “Available commercial property in the Downtown is not economically viable for the intended scale and type of development.”

In terms of costs for a peer review, I would estimate that a budget of \$2,000 (plus taxes) would be appropriate for our firm to complete this peer review.

Best regards,

Jamie

James P. Tate, MBA, PLE
President
Tate Economic Research Inc.
8 King Street E. Suite 1013
Toronto, On M5C 1B5

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Cell: 416-723-7907
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From: Amy Cann <acann@owensound.ca>
Sent: February 11, 2022 3:33 PM
To: Dave Aston (daston@mnhbcplan.com) <daston@mnhbcplan.com>; James Tate <jtate@tateresearch.com>
Cc: Sabine Robart <srobart@owensound.ca>
Subject: FW: Market Impact Report for 1665 18th Avenue
Importance: High

Hi Dave and Jamie,

We are in receipt of the attached RMIS in support of the establishment of a laundromat at 1665 18th Ave E.

The lands are designed East City Commercial in the City's OP and are zoned 'General Industrial' (M1) with Special Provision 14.88 in the City's Zoning By-law 2010-078, as amended. A laundromat is not among the uses permitted in the M1 zone. As you know, where a rezoning is proposed to permit a commercial use within the East City Commercial Designation, a retail market impact study is required. This requirement is set out in Sec. 4.4.2.9 of the 2006 OP and Sec. 3.5.2.5 of the 2021 OP.

Please give the attached a cursory review and let me know:

1. The general acceptability of the report for the intended purpose;
2. The extent of peer review work required; and
3. The anticipated timeline and costing for such review.

Thanks so much!!

Amy Cann, M. Pl., MCIP, RPP
Manager of Planning & Heritage
519-376-1440, ext. 1232

From: Maureen Atkinson <matkinson@jcwg.com>
Sent: February 9, 2022 10:03 AM
To: Amy Cann <acann@owensound.ca>
Cc: Peter Van Dolder <peter@andpetrealty.com>
Subject: Market Impact Report for 1665 18th Avenue

Amy,

Thank you for your responses to my questions about this Market Impact Report. I have tried to structure it to respond to the requirements in the Official Plan. Please let me know if there is anything that you feel has been missed or that would enhance Andpet Realty's case.

Best regards,

Maureen

Maureen Atkinson
Senior Advisor
Work: 416.921.4181
Cell: 416-949-4181
Email: matkinson@jcwg.com



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<http://www.jcwg.com/>





J.C. WILLIAMS GROUP

*Addendum To Owen Sound Exemption to Zoning Restrictions
for 1665 18th Avenue E. Market Impact Report February 2022.¹*

March 2022

Background

On February 9, 2022, Andpet Realty submitted the report noted above to the City of Owen Sound in support of its Zoning Bylaw Amendment application. This report responded to the pre-consultation commentary from the City for the original submission on this project dated June 26, 2021.

On February 16, 2022, Sabine Robart, Senior Planner sent an email to Andpet Realty with several requests for additions and edits including the following:

Market impact report revised to include:

- A discussion of existing laundromat competition in the City, with a particular focus on the downtown.
- An analysis of the vacant units / sites in the downtown that could accommodate the use. This information would help the applicant address the Official Plan requirement to confirm that “designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area” and “Available commercial property in the Downtown is not economically viable for the intended scale and type of development.”¹

This addendum specifically addresses the issues related to the market impact report noted by the city in the February 16, 2022 communication.

¹ Email from Sabine Robart, Senior Planner, City of Owen Sound to Peter Van Dolder, Andpet Realty dated February 16, 2022

Methodology

In order to comply with the above request, J.C. Williams Group, author of the Market Impact Report, contacted the City of Owen Sound Economic Development Department because they provide vacancy rates for Downtown Owen Sound. Economic Development reports that the current vacancy rate is estimated to be 12%. However, the department could not provide specific information about vacant properties and reported that there was no central source for downtown vacancies currently available.²

In order to understand the availability of relevant retail space in downtown, a list of vacancies was drawn from the inventory of downtown retail from 2020 that was noted in the original market impact report. Andpet Realty staff checked the status of these vacancies and reported back that those that continued to be vacant were not suitable for the kind of laundromat which is slated for 1665 18th Street.

In addition, a search was done to understand the current existing laundromats within Owen Sound.

² Availability of data and vacancy rate confirmed by Brent Fisher, Manager of Community Development and Marketing

Request for Additional Information

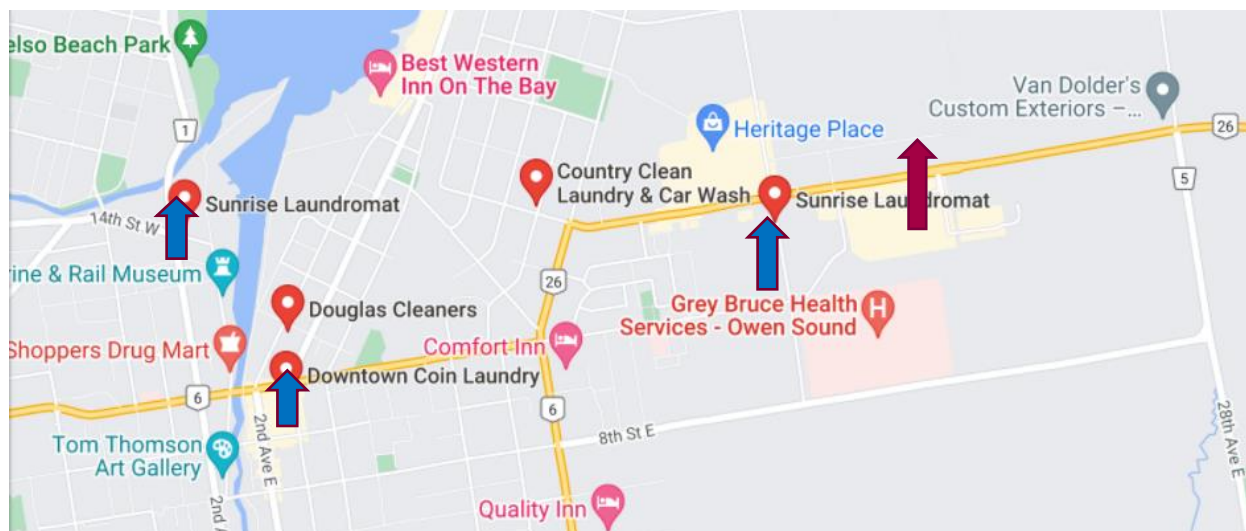
This section addresses the request for additional information. Each item is addressed separately showing the specific commentary from the City email.

Laundromat Competition in Owen Sound

A discussion of existing laundromat competition in the City, with a particular focus on the downtown.³

There are three public laundromats (note blue arrows on the map below) in all of Owen Sound. One laundromat, Downtown Coin Laundry is located in Downtown. One is in the northeast, and one is in the East Commercial District near the hospital. The subject site (designated by the dark red arrow below) is at the east end of the East Commercial District. While it is recognized that there are likely private laundry facilities in apartment buildings, three public facilities to service a community of 79,000 would suggest that the area is underserved at this point.

It should also be pointed out that there is a laundromat in Downtown. Adding a second location within downtown may divide the existing customers and stress the existing business.



It is our opinion that there is a need for additional laundromat facilities in Owen Sound. The fact that this facility will be focused on commercial customers with larger loads will ensure that this customer base will now be better served in Owen Sound.

³ Email from Sabine Robart, Senior Planner, City of Owen Sound to Peter Van Dolder, Andpet Realty dated February 16, 2022

Availability of Suitable Space

An analysis of the vacant units/sites in the downtown that could accommodate the use was performed. This information would help the applicant address the Official Plan requirement to confirm that “designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area” and “Available commercial property in the Downtown is not economically viable for the intended scale and type of development.”⁴

In order to address the concerns expressed by the City Planning Department, the vacant spaces from the 2020 inventory of space⁵ in Downtown Owen Sound was used as a base for analysis. As mentioned in methodology, this was used since no more current specific site data was available from the City.

The chart below shows the location of vacant spaces in the size range appropriate to the laundromat that existed in 2020. At that time there were a total of 7 spaces with 2 of the spaces (320 8th Street E) being beside each other. Note that one of these spaces is now occupied.

1 - Downtown	271	9th St East	Rock Hard	Vacant	Vacant	1225
1 - Downtown	265	10th St East	Vacant	Vacant	Vacant	1235
1 - Downtown	320	8th St East	Vacant	Vacant	Vacant	1250
1 - Downtown	320	8th St East	Vacant	Vacant	Vacant	1250
1 - Downtown	978	3rd Ave East	Vacant	Vacant	Vacant	1380
1 - Downtown	824	3rd Ave East	Vacant	Vacant	Vacant	1465
1 - Downtown	1014	2nd Ave East	Vacant	Vacant	Vacant	1500

Currently 3 of these spaces appear to be available. There are several challenges that make these spaces inappropriate for a laundromat related to security and access/parking.

Since a laundromat is often unattended and machines can store cash, these businesses are susceptible to vandalism. This kind of activity can add significantly to the operating cost of the laundromat. Therefore, safety and security in the neighbourhood is a key location requirement.

⁴ Ibid

⁵ Retail Impact Study for Sydenham Heights Centre, Owen Sound, December 2020 by J.C. Williams Group

Addendum To Owen Sound Exemption to Zoning Restrictions for 1665 18th Avenue E. Market Impact Report February 2022.

In addition, a busy laundromat, especially one that services commercial businesses requires good access, wide doorways and ample parking. This ensures that customers can move soiled and newly cleaned items quickly and easily.

Commentary on the vacant locations is shown in Appendix and illustrate the challenges of finding appropriate space for the laundromat within Downtown. Currently, the available spaces in the suitable size range does not meet the requirements of a well-run laundromat.

In our opinion, this analysis shows that the spaces available in Downtown are not suitable for the laundromat use. The space available is not “suitable for the intended scale and type of development” and “Available commercial property in the Downtown is not economically viable for the intended scale and type of development.”

Conclusions

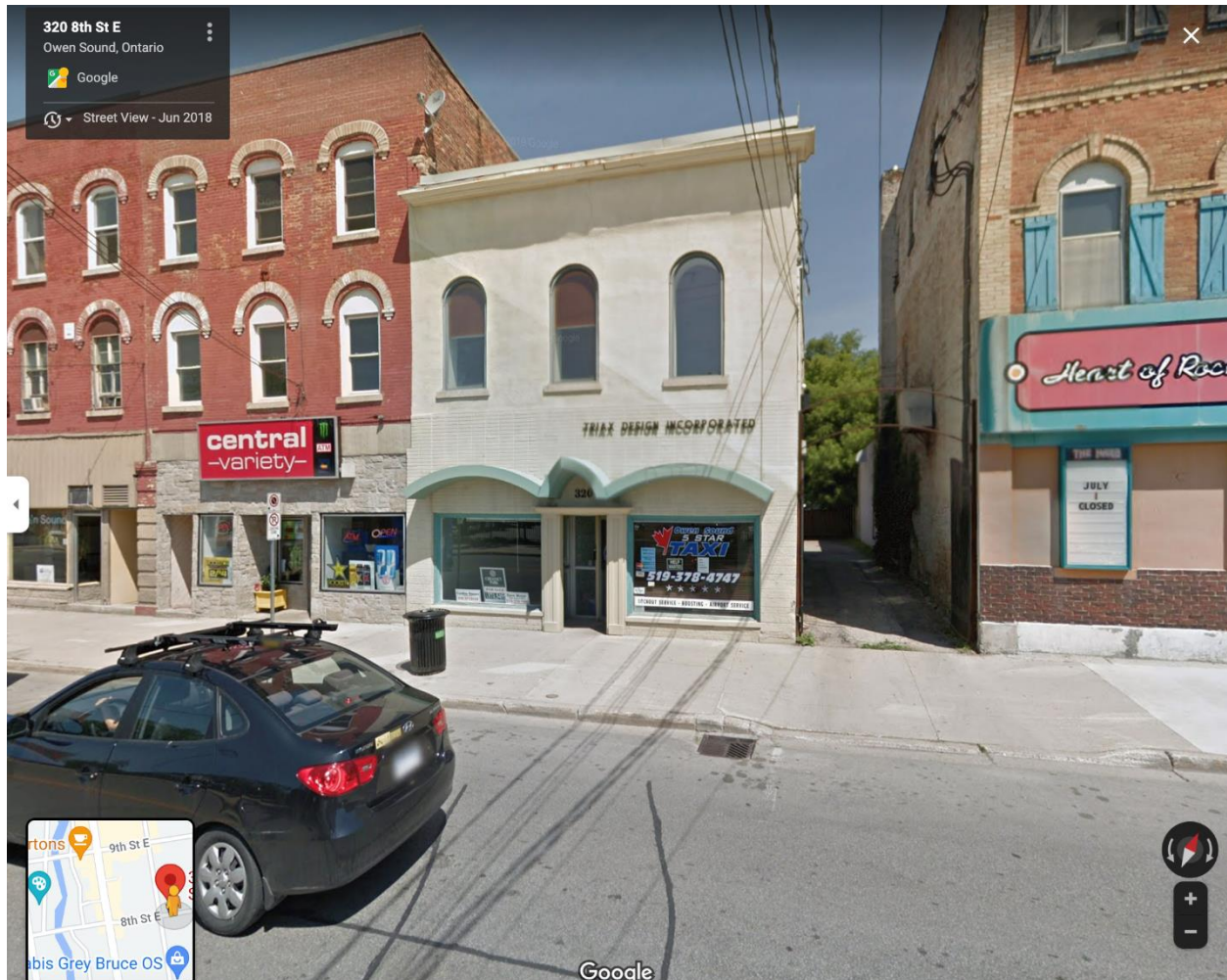
The additional information included in this addendum provides further evidence that the Application for the Exemption to Zoning Restrictions for the laundromat at 1665 18th Street should be granted.

The location of this business does not:

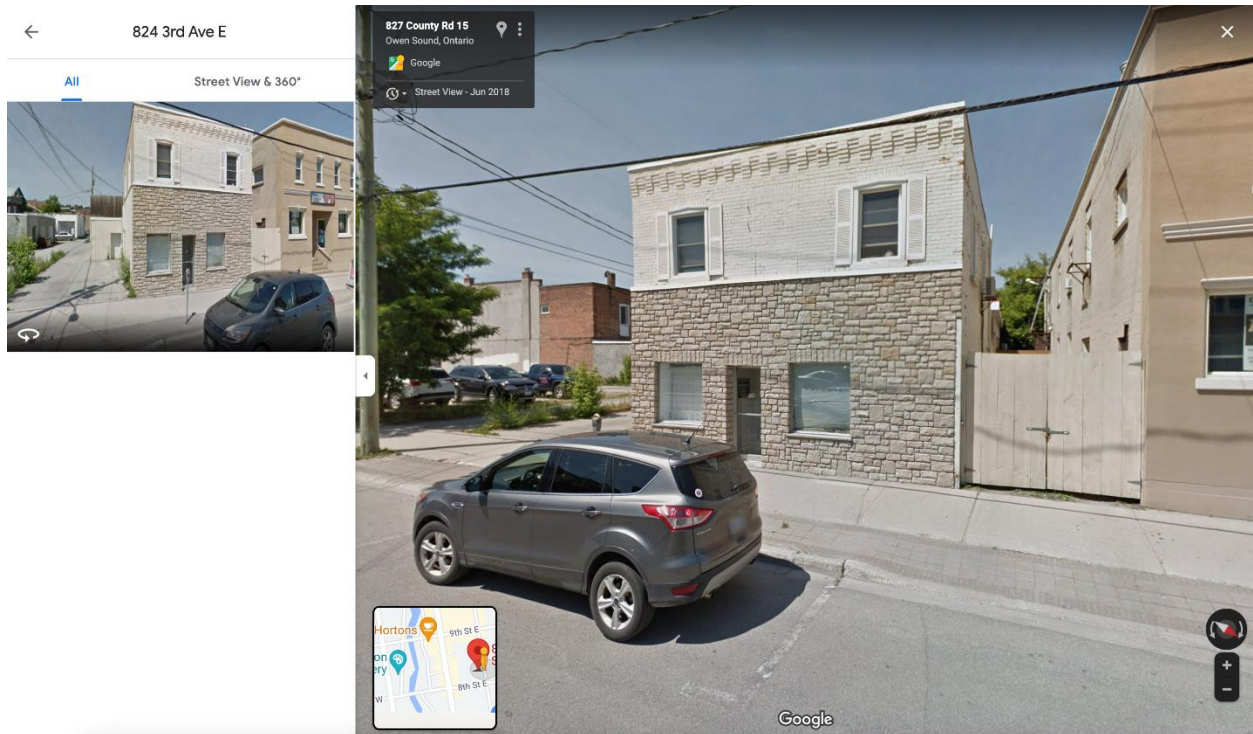
- Create undue competition within Owen Sound and/or in Downtown
- Available commercial property with Downtown Owen Sound is not suitable nor economically viable for this type of use.

Appendix

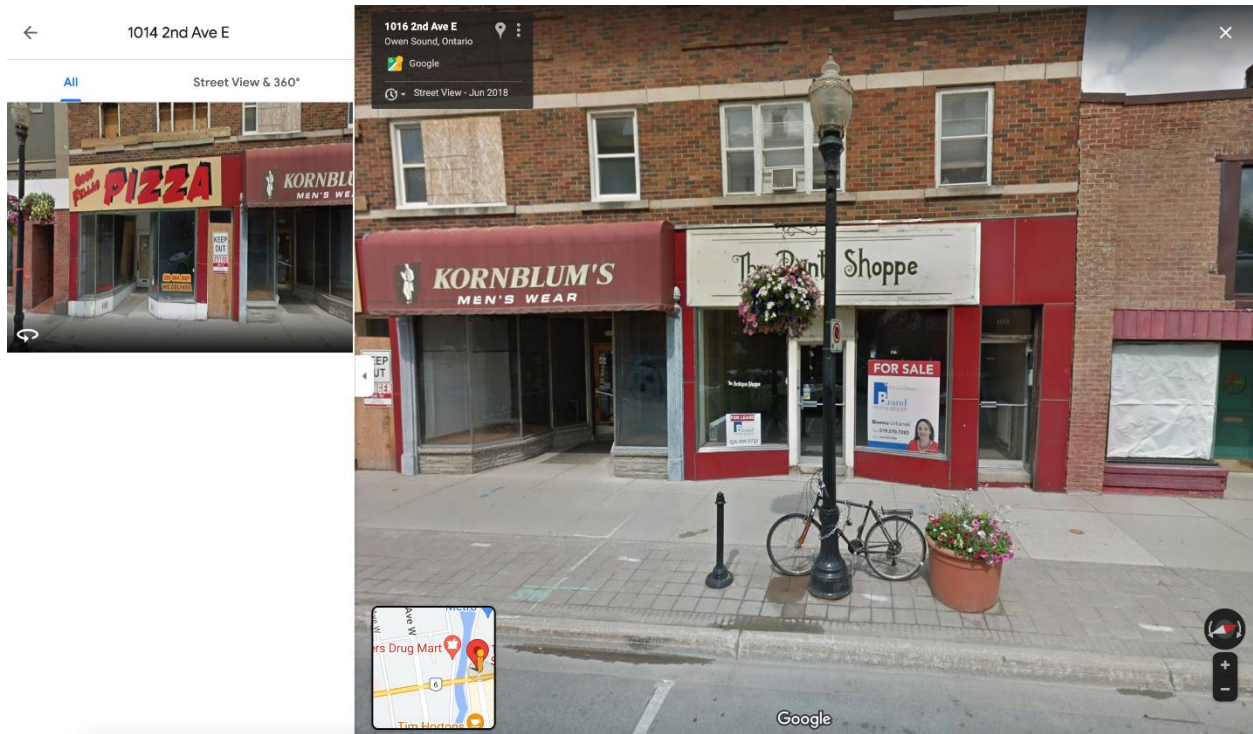
Appendix A: Analysis of Owen Sound Vacancies by Andpet Realty



- Only one side is available
- No parking
- No access
- Bad neighborhood
- Poor Presence and Poor Location for a new business
- Always broken windows to businesses in this area since its right beside a bar



- Busy Main Steet
- No parking / Paid Parking
- No access
- Bad neighborhood
- Poor Presence and Poor Location for a new business



Burnt out Building being rebuilt. You can still smell smoke when you walk by it
 Busy Main Street
 No parking
 No access
 Bad neighborhood
 Poor Presence and Poor Location for a new business
 Just down the street from a bar (Jasons Pub) windows are always being broken.

Peer Review of Market Impact Report

1665 18th Avenue E

City of Owen Sound

April 22, 2022

Prepared for: City of Owen Sound

Prepared by: Tate Economic Research Inc.



Tate
Economic Research Inc.
1501 West Beaver Creek Road, Suite 100
Richmond Hill, Ontario L4B 1M2



**TATE
ECONOMIC
RESEARCH INC.**

Amy Cann, M. Pl., MCIP, RPP
Manager of Planning & Heritage
City of Owen Sound
808 2nd Ave E
Owen Sound ON N4K 2H4

April 22, 2022

Re: Peer Review of Market Impact Report
1665 18th Avenue E, City of Owen Sound

Dear Ms. Cann:

As you are aware, Tate Economic Research Inc. ("TER") was retained by the City of Owen Sound ("City") to conduct a peer review of the JC Williams Group ("JCWG") report titled *Owen Sound Exemption to Zoning Restrictions for 1665 18th Avenue E., Market Impact Report for AndPet Realty* ("JCWG Report"). The JCWG Report is dated February 2022. Further to the JCWG Report, JCWG prepared "Addendum to Owen Sound Exemption to Zoning Restrictions for 1665 18th Avenue E. Market Impact Report February 2022 ("JCWG Addendum"). The JCWG Addendum is dated March 2022.

1 Background – The Application

The JCWG Report includes a summary of the application. It states on Page 1:

Andpet Realty owns the commercial site at 1665 18th Avenue East in Owen Sound, which consists of uses that support adjacent automotive uses such as the Kia car dealership on 16th Street E. and the Sunrise Car Wash to the south and east of the site, respectively. Andpet has a vacant 1,378 square foot unit that was formerly part of an auto parts store. In considering potential tenants, Andpet has identified a need for a laundromat in the area, especially one that can serve commercial customers such as restaurants that need larger industrial machines.

The site at 1665 18th Avenue is in the East Commercial District of Own Sound. This area has a very specific list of retail tenants that are allowed. Any other type of tenant requires a Zoning By-law Amendment Application

supported by Market Impact Report and a Planning Justification Report. While the Official Plan allows a laundromat within the East Commercial District, the Zoning By-law does not permit it on this land. Part of the work conducted for this report has included working with the City to focus in on only what is required for this change of use.

2 Official Plan Tests – Pre Application Comments

As noted in the JCWG Report, there are specific requirements in the City's Official Plan that are to be addressed by a Market Impact Report. The JCWG Report refers to wording from the 2006 Official Plan and indicates that the wording is similar to the 2021 Official Plan. Furthermore, the JCWG Report indicates that its conclusions apply to both Official Plans.

There was a "Pre-Consultation Review" meeting held between the applicant and the City. The City prepared a report: "Pre-Consultation Review, Schedule 'A', Issue Summary & Completeness Requirements". This report is undated. This report refers to Section 4.4.2.9 of the OP, which outlines the following requirements of a Retail Market Impact Study:

- *Designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area.*
- *Available commercial property in the Downtown is not economically viable for the intended scale and type of development.*
- *The proposed increase in commercial floor space will not be premature by increasing the amount of commercial floor space in the City beyond the 5-year market demand.*
- *The proposed development will not undermine the economic viability or planned function of a significant commercial component of the Downtown or impair the function of a designated commercial district as identified in this Plan.*

The report also states: "Please provide a Terms of Reference for the market study to the City prior to work starting on the study. The Terms of Reference will be reviewed and approved the City's third party peer reviewer." No Terms of Reference were provided to TER.

3 JCWG Report – TER Comments

TER reviewed the JCWG Report and provided comments to the City on February 15, 2022. The TER comments were:

As discussed, I have had an opportunity to conduct an initial review of the JC Williams report. I would recommend that it be revised to include:

- *A discussion of existing laundromat competition in the City, with a particular focus on the downtown.*
- *An analysis of the vacant units / sites in the downtown that could accommodate the use. This information would help the applicant address the Official Plan requirement to confirm that “designated commercial property, suitable for the intended scale and type of development is not available within the Downtown Area” and “Available commercial property in the Downtown is not economically viable for the intended scale and type of development.”*

Jamie Tate of TER had a discussion with Maureen Atkinson of JCWG on March 4, 2022 regarding these comments and ‘next steps’. Based partially on these comments and discussions, JCWG prepared the JCWG Addendum.

4 JCWG Addendum – TER Comments

TER reviewed the JCWG Addendum. It was prepared to address the two specific points outlined above. The JCWG Addendum indicates there are three other laundramats in the City. Furthermore, the JCWG Addendum states there are no suitable locations in the Downtown that are available and appropriate for the proposed laundramat.

TER has some concerns with the adequacy and reliability of the research and analysis undertaken by JCWG and Andpet. However, based on the analysis presented in the JCWG Addendum and TER’s market expertise and professional judgement, TER agrees with the JCWG sentiment that there would be challenges associated with locating the proposed laundramat in the Downtown.

It is also noted that the Andpet application is for a retenancing of an existing building with a small scale, service oriented use. As such, it can be expected to have limited impacts on the planned function of Downtown Owen Sound. These factors have been noted in TER’s review of the report and the development application.

5 Conclusion

In the context of the scale and type of development proposed, TER concurs with the sentiment expressed on Page 4 of the JCWG Report that the proposed rezoning to permit the laundramat will not ‘...undermine the economic viability or planned function of a significant commercial component of the Downtown or impair the function of the commercial district.’”

Thank you for the opportunity to undertake this peer review on behalf of the City of Owen Sound. We look forward to discussing these results with you.

Yours truly,
TATE ECONOMIC RESEARCH INC.

A handwritten signature in black ink, appearing to read 'James P. Tate', with a stylized flourish at the end.

James P. Tate
President