



NECHAKO CENTRE

MARKET ASSESSMENT & CONCEPT PLAN | OCTOBER, 2022



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DISTRICT OF KITIMAT

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1. INTRODUCTION

Urban Systems was retained by the District of Kitimat to undertake a market assessment and prepare a supporting concept plan for Nechako Centre. Nechako Centre was once a prominent shopping hub in the community. Disinvestment from this area over the years has led to the underutilization of Nechako Centre as a commercial hub. Through the market assessment and development of a concept plan, the potential for new residential units, employment opportunities and attractive public spaces were evaluated. The goal of this project was to develop a realistic concept plan that can reimagine the future of Nechako Centre. This process represents the first step towards the ultimate repositioning of the area as an important community node.

Community and stakeholder engagement formed a critical component of this process. Through two community engagement events, residents, visitors, and business owners were provided the opportunity to share their concerns about Nechako Centre today, and their ideas for the future. Council, District staff, School District No.82, Nechako Elementary School staff, as well as local real estate professionals were engaged to provide input.

The concept plan included in this report illustrates the findings of this process, highlighting opportunities for future land uses, public realm enhancements and improved connectivity. The concept plan is accompanied by supportive recommendations and precedent photographs to further describe the opportunities for Nechako Centre.

This process represents an important and critical first step towards reimagining Nechako Centre. However, there are additional tasks and further studies to be completed in order to implement the findings. These next steps have been highlighted in this report, providing action-oriented items to achieve the re-imagination of Nechako Centre.

As such, this report is organized into the following sections:

Section 1: Site Context

Section 2: Nechako Repositioning Market Report

Section 3: Community and Stakeholder Engagement

Section 4: Opportunities and Challenges

Section 5: A Reimagined Nechako Centre

Section 6: Summary and Implementation



Figure 1. Photo of Nechako Centre, view of storefronts and First United Church background (Source: Kitimat Museum & Archives)



Figure 2. View of Nechako Centre, Shop Easy and Parking Lot, 1974 (Source: Kitimat Museum & Archives)

2. SITE CONTEXT

A. NEIGHBOURHOOD CONTEXT AND SITE LOCATION

Nechako Centre is located within the Nechako neighbourhood of the District of Kitimat. Nechako borders the neighbourhoods of Whitesail to the north, Imatra Heights to the northwest, and City Centre or 'Downtown Kitimat' to the south. Unpopulated Provincial lands lie to the south of Nechako (see Figure 3).

Nechako is a residential neighbourhood that is characterized by its curvilinear street grid and the formerly prominent Nechako Centre commercial hub. Due to the limited range of land uses in the neighbourhood and distance to other centres in the District, Nechako is a predominately automobile-oriented neighbourhood.

Centrally located within the Nechako neighbourhood, Nechako Centre is bounded by Kingfisher Avenue to the northwest, Nightingale Street to the northeast and Nechako Elementary School to the southeast. The residences along Oriole Street form the southern boundary of the Nechako Centre site (see Figure 4).

Nechako Centre's central location provides a significant opportunity to serve the surrounding neighbourhood with commercial and lifestyle-oriented uses.

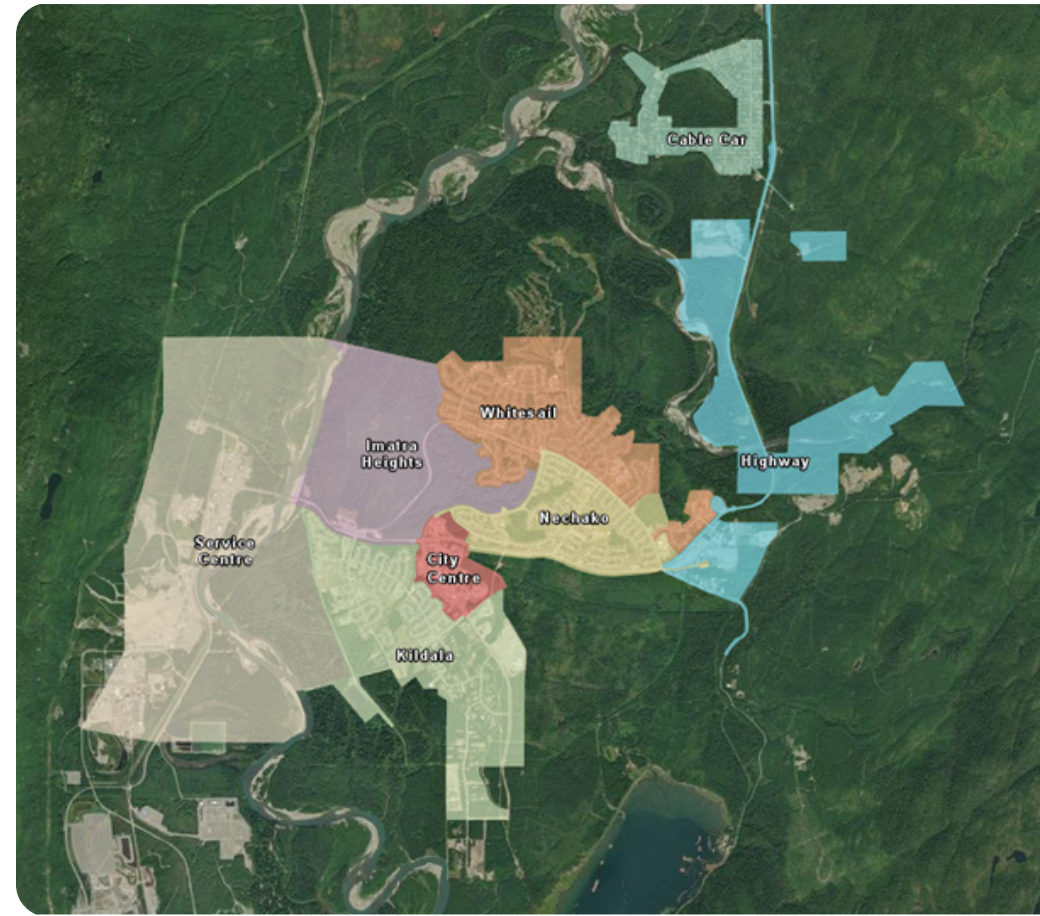


Figure 3. District of Kitimat Neighbourhoods

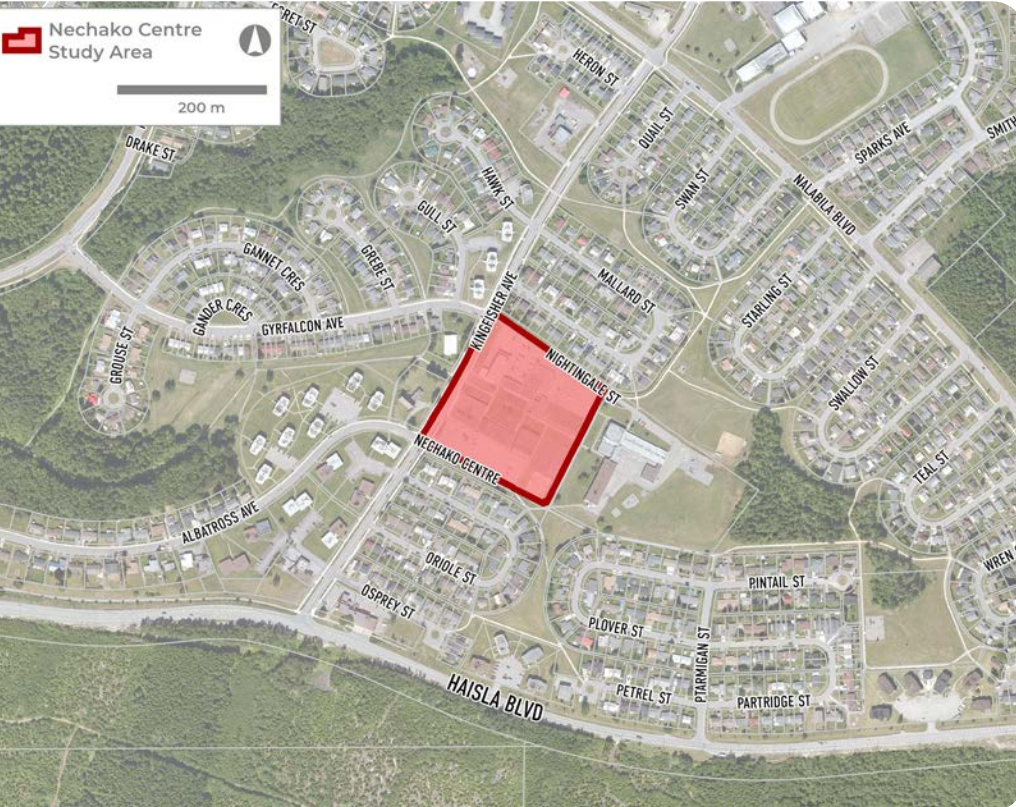


Figure 4. Nechako Centre Study Area Boundary

B. SITE DESCRIPTION AND EXISTING CONDITIONS

A review of the District's Official Community Plan (2008) and Kitimat Municipal Code identified the existing regulatory regime for the study area. Existing uses and conditions of Nechako Centre were reviewed, including land ownership. Discussions with District staff also provided an understanding of the site's current context.



Figure 5. OCP Land Use Designations

i. DISTRICT OF KITIMAT OCP (2008)

The District of Kitimat Official Community Plan (2008) outlines current land use designations that apply to Nechako Centre and the surrounding area (see Figure 5).

The OCP designates the entire Nechako neighbourhood as Neighbourhood. A Neighbourhood designation applies to areas that are predominantly residential and supports a range of housing densities and typologies. These include single and two-

dwelling housing, multi-residential buildings, and single/multi-residential buildings that may include care facilities, housing for seniors and group homes, mobile homes and home-based businesses. The Neighbourhood designation also supports commercial uses, temporary worker accommodation facilities, institutional uses, as well as parks and recreational uses.



Figure 6. Zone regulations in Nechako Centre and surrounding area

ii. KITIMAT MUNICIPAL CODE

Permitted uses within the Nechako Centre study area and beyond are further clarified by zone regulations outlined in the Kitimat Municipal Code (see Figure 6).

The entirety of the Nechako Centre study area is zoned as Commercial, specifically as a C2 Neighbourhood Centre Zone. The C2 Neighbourhood Centre Zone accommodates a wide range of neighbourhood-oriented commercial uses to support residents locally. Residential uses are not permitted within a C2 Neighbourhood Centre Zone.

Lands surrounding the Nechako Centre study area are zoned Residential and Greenbelt. Residential zones accommodate a range of housing typologies and densities and reflect where existing residential uses are located. There are four specific Residential zones surrounding the Nechako Centre study area, each regulating a different form of housing density:

- R1-B One Family – Detached or Semi-Detached
- R1-C One Family – Semi-Detached or Terrace
- R2-B Two Family – Detached or Semi-Detached
- R3-A Multi-Family – Apartment or Terrace.

The most common form that applies to the areas immediately to the north and south of Nechako Centre, is R2-B Two Family – Detached or Semi-Detached. The range of residential zones and associated built form indicates a potential for additional and continued residential growth in the surrounding neighbourhood, reinforcing the need for a neighbourhood-serving commercial node.

A Greenbelt designation supports a range of purposes including the following:

- To concentrate intensive commercial, industrial, residential development to increase the efficiency of municipal services.
- To provide appropriate lands, close to built-up areas, for schools, churches, and other institutions serving local residents and to enhance the general amenity and recreation of Kitimat residents.
- To separate intensive residential development from intensive, long-term, forest harvesting.

There are two Greenbelt Zones established for lands surrounding Nechako Centre:

- G1 Institutional
- G2 Local Park.

The G1 Institutional Zone includes Nechako Elementary School, the Anglican Church of Canada, and the United Church of Canada. The G2 Local Park zone includes the Mallard Street Playground located to the north of Nechako Elementary School as well as green connections throughout the residential areas.

iii. LAND OWNERSHIP

Land ownership type in Nechako Centre and in adjacent sites is depicted in Figure 7. The District of Kitimat is one of the main landowners of the Centre with ownership of the recreational facilities including a tennis court and skate park, and most of the greenspace surrounding the existing buildings and parking lots. The District also owns the adjacent school site, Nechako

Elementary School, and playground located to the northeast of the Nechako Centre study area. This presents an opportunity to coordinate uses for the sites to ensure alignment. All buildings in Nechako Centre are currently privately-owned.



Figure 7. Land Ownership in Nechako Centre

iv. SERVICING & INFRASTRUCTURE

The District's Engineering and Operations Departments were engaged to understand existing servicing and infrastructure associated with Nechako Centre. Figure 8 illustrates the existing water, sanitary and stormwater infrastructure on the site. The following section summarizes opportunities and challenges identified by District staff with respect to future development and the reimagining of Nechako Centre:

Existing Servicing Capacity

- Most existing pipes (water, sanitary, stormwater) intersect in the middle of Nechako Centre. Services will need to be carefully located and incorporated into redevelopment plans.
- Sanitary capacity is limited to 50 single family units. Impacts on the lift station on Albatross Avenue and sewer mains will need to be assessed prior to redevelopment.
- The location of existing stormwater servicing and the water table present challenges for underground development as they are not located deep enough in the ground. If future development wishes to provide underground parking, a pumping system will need to be carefully considered.
- There are no known limitations on stormwater capacity.
- It is unknown if there is an adequate water supply for firefighting purposes.
- There is a low spot at the northwest corner of Nechako Centre where the property currently drains to. There is potential to underground the drainage on Nightingale Street, but further investigation will be required.
- Nightingale Street is not formally classified as a road, but it is part of the parking lot right-of-way which is classified as a public highway. Test pits will need to be completed prior to any street upgrades to determine the road base.
- Road closure application will be required to redevelop the north parking lot.

Snow Storage & Garbage Disposal

- Large portions of the southern parking lot are currently used for snow storage during the winter months. The District-owned land, north of the tennis court, is also used for seasonal snow storage.
- There is potential to relocate snow storage across from Nechako Elementary at Mallard Street Playground (District-owned land).
- Garbage collection on-site is private. The current bylaw requires commercial and multi-family uses to coordinate own garbage pick-up.

School Drop-Off

- School drop-off is currently accommodated in both Nechako Centre parking lots. The southern parking lot is used for parent drop-off, and the northern parking lot is where the school bus conducts drop-offs.
- There is an opportunity to relocate school drop-off on the Nechako Elementary property, or other nearby locations (between Mallard Street Playground and Nightingale Street) to accommodate Nechako Centre redevelopment.

Buildings

- Existing buildings are heavy concrete, which assumes the soils are suitable for development. A geotechnical study will be required to confirm.
- New buildings will need to meet seismic requirements. Retrofitting of existing buildings to meet seismic requirements will require further study.
- Most existing buildings have full basements, which indicates potential opportunity for underground parking.

Recreation & Public Realm

- Recreation spaces are well used. The tennis court is used for road hockey more than tennis.
- There is a five-year plan to resurface the tennis court, identified in the Leisure Master Plan.
- Public pathways are maintained by District Engineering and Operations.

Access & Circulation

- A Traffic Impact Assessment will likely be required in support of any future development.
- The District is working to bring a transit stop to Nightingale Street.
- There are three existing access points to the site. Two are used for school drop-off on the northern and southern parking lots and the third is through the underpass on Kingfisher Avenue.
- There is no sidewalk along Nightingale Street.

Implementation

- There is no Development Cost Charge (DCC) collection, and all upgrades will be funded through capital budgets.



Figure 8. Servicing in Nechako Centre



Figure 9. Current Conditions and Uses in Nechako Centre

V. CURRENT CONDITIONS

The current conditions of Nechako Centre are depicted in Figure 9. Nechako Centre's reputation as a prominent shopping hub is reflected in the concentration of varied commercial businesses and medical services in the existing buildings, as identified in red. Notable commercial businesses and medical services include Tony's Corner Store, Sujitra's Suds and Seams, Pizzarama Pizzeria, Thom Boys Enterprises Inc. (Cold Beer & Wine Pub), Kitimat Family Dental, Kitimat Dental, Knight Chiropractic Inc., and Kitimat Fitness. These services are located in the buildings on the northern half of the site and in the building adjacent to Kingfisher Avenue and directly north of the site's southern parking lot.

Buildings that are not actively used for commercial purposes are currently vacant, identified in grey. Two of these buildings, adjacent to the southern parking lot, have remained vacant for many years and are in poor condition. These buildings have been the subject of much concern in the community over their derelict state and impact on neighbourhood safety. The third vacant building, adjacent to Kingfisher Avenue, was formerly known as the Eagle Centre Theatre and has recently undergone a transition in private ownership.

Nechako Centre's existing commercial uses are supported by its recreational facilities – the tennis court and skate park. Given the proximity to Nechako Elementary School, the facilities are well-used by students of all ages.

A large part of the Nechako Centre site is currently dedicated to parking lot use. Two parking lots exist in Nechako Centre, one on the north end of the site and one on the south end. However, given the limited traffic accessing the site's existing commercial and recreational uses, the available parking lot space currently exceeds demand. As such, the parking lots are used as school drop-off zones. The northern parking lot is used as a school bus drop-off zone and the southern parking lot is used by parents for private vehicle drop-off. A portion of the southern parking lot is also used for snow storage during the winter months.

Greenspace in Nechako Centre currently exists primarily in the form of a greenway corridor that divides the site into a northern node and southern node. This greenway corridor is the location for underground servicing infrastructure including sanitary, stormwater and water mains. Despite the corridor's function as a connection through the site, it is currently underutilized as a greenspace and offers poor connectivity between the northern and southern nodes. A portion of this greenspace that lies adjacent to the northern parking lot is also used for snow storage.

3. NECHAKO REPOSITIONING MARKET REPORT

A. OBJECTIVES & PROCESS

Urban Systems undertook a review of retail-commercial and residential market conditions in Kitimat to understand the repositioning potential and enhancement of Nechako Centre. The Nechako Repositioning Market Report provided an up-to-date review of the Nechako Centre's retail-commercial potential, exploring the viability of the site to be repositioned into a "lifestyle convenience centre". The Report also reviewed residential demand in the study area, and the site's suitability to support mixed-used development.

The Nechako Repositioning Market Report completed an assessment of the following factors:

- Retail-commercial trade areas (distinct geographic areas)
- Demographic characteristics and population growth by trade area
- Annual resident retail spending potential by trade area
- Competitive commercial clusters (within & outside Kitimat)

Ultimately, the Market Report determined the following for Nechako Centre:

- Realistic trade area market shares and associated on-site sales capture by category

- Potential for inflow spending (from non-trade area residents, including visitors, seasonal workers)
- Conversion of on-site sales volume into warranted retail-commercial floor area by category
- Site planning / repositioning concept implications of market-supportable retail floor area
- Preliminary review of multi-family market conditions and potential implications

An overview of the Market Report components is provided below.

B. RETAIL – COMMERCIAL MARKET ANALYSIS

Given the limited retail-commercial supply in north Kitimat (i.e., "up the hill"), as well as the area's historical role as a commercial centre, it was vital to re-evaluate the node's commercial potential within the current – and foreseeable future – market context. Urban Systems reviewed the Nechako node's commercial market context in Kitimat and delineated the following retail trade area geographies (Figure 10), which are further described below:

PRIMARY TRADE AREA (PTA): Nechako & Whitesail

- Day-to-day needs of residents and workers within easy walking (or short driving) distance
- Approx. 5,000 residents

SECONDARY TRADE AREA SOUTH (STA-S): Downtown Kitimat, Kildala, Strawberry Meadows

- Commercially populated
- Approx. 2,200 residents

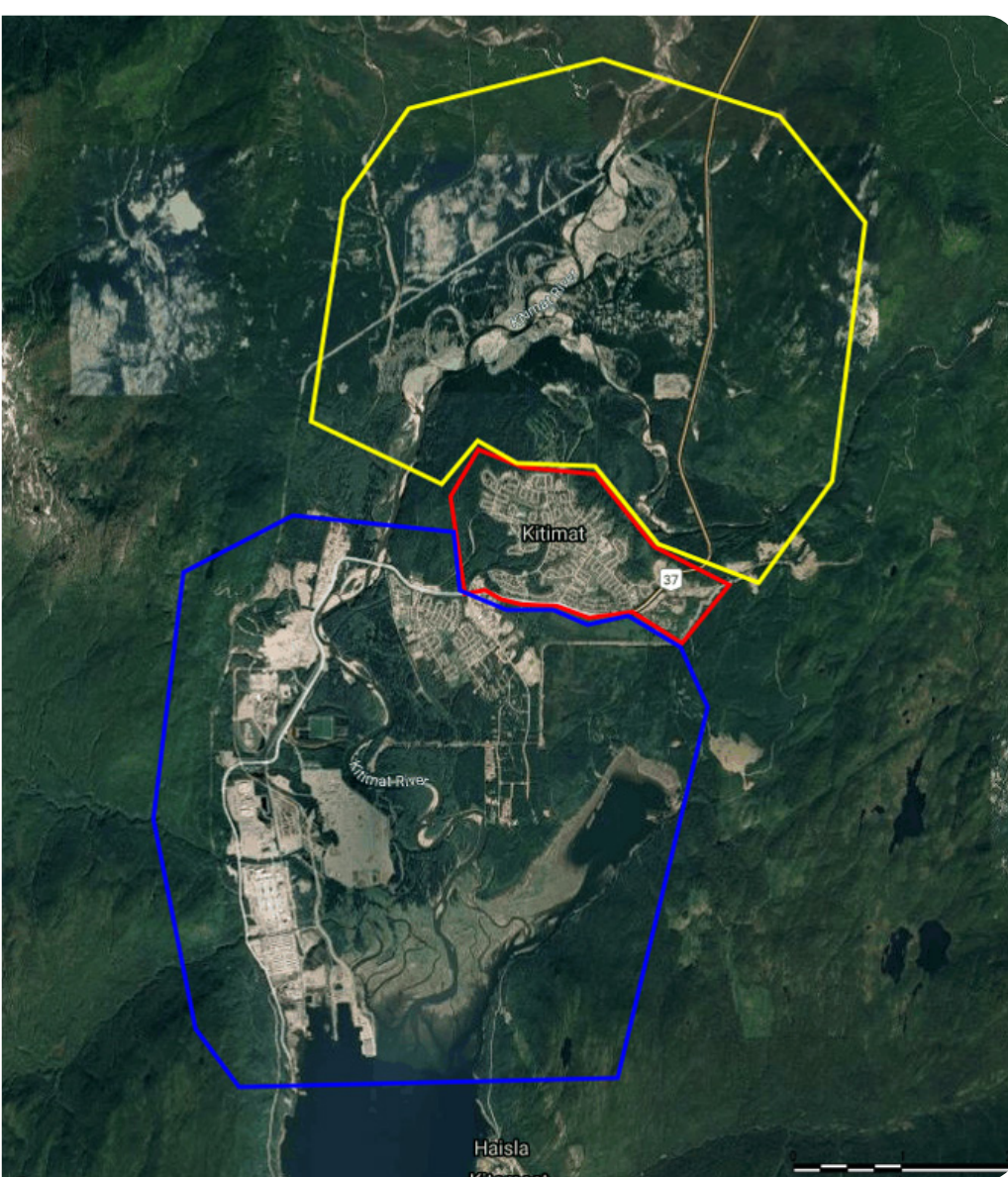


Figure 10. Nechako Centre Trade Area Delineation

SECONDARY TRADE AREA NORTH (STA-N): Cable Car

- Under-served in terms of commercial facilities
- Approx. 1,350 population

Over the past decade, Nechako has experienced significant decline in terms of its consumer activity and tenant mix. This is most clearly reflected in the state of buildings immediately west of Kitimat Fitness and east of the on-site tennis courts. The extent of outflow spending to Terrace, less than one hour's drive from Kitimat, the modest size of the Kitimat market, and a continued shift to online spending in comparison goods categories, all make significant recapture of this outflow spending a challenge. Significant outflow spending to Terrace, especially locally less well-represented sectors include:

- Department stores
- Discount supermarket
- Home improvement
- Clothing & accessories
- Home furniture & furnishings

Given the Nechako commercial node's scale and primarily residential context, what is most likely is an opportunity to round out the Primary Trade Area's commercial offerings with an enhanced array of convenience-oriented retail, restaurants, and specialty stores currently unrepresented in Kitimat.

MODELLING RETAIL DEMAND

Urban Systems has assessed the retail spending potential (and thus market support for commercial floor area) for the Nechako commercial node based on trade area population growth and spending by category as quantified in its proprietary retail demand model. This model adapts provincial level retail sales data by North American Industry Classification System (NAICS) category to local geographies (i.e., local trade areas) by extrapolating relationships between income levels and spending by category.

The model's key steps include:

1. Assessing likely **population growth by retail trade area**
2. Evaluating **key demographics**, most notably income levels
3. Estimating **per capita spending by retail category** driven by income differentials relative to BC and based on retail trade data as tracked by Statistics Canada
4. Estimating **per capita restaurant food & beverage spending** based on household spending levels for "food purchased from restaurants" and "alcoholic beverages served on licensed premises" at the local trade area level, as tracked by Environics Analytics
5. **Quantifying spending potential for all relevant categories** by multiplying projected trade area populations by their respective annual per capita spending estimates
6. **Assessing potential on-site spending by applying trade-area-specific market shares** based on a solid understanding of supply conditions, local patronage patterns, and likely outflow spending to larger markets (i.e., Terrace).

7. Converting anticipated net (i.e., on-site Nechako) sales volumes by retail-commercial category to **market-supportable floor area** (sq. ft.) by applying appropriate sales productivity (\$ per sq. ft.) rates by retail-commercial category.

Table 1. Nechako Market - Supportable Retail – Commercial Floor Area (Sq. Ft.) by Category

Retail-Commercial Category	2021	2026	2031
Supermarket, grocery, convenience	6,350	6,700	6,900
Building materials, garden supplies	4,000	4,300	4,500
General merchandise	6,400	6,800	7,200
Liquor stores	4,300	4,600	4,900
Specialty retail (sports, miscellaneous)	4,100	4,250	4,400
Health and personal care	5,800	6,300	6,800
Restaurant food & beverage	7,000	7,500	8,000
Total – Above Categories	37,900	40,300	42,600
Service Commercial / Local Office Uses	15,200	16,200	17,000
Total Market-Supportable Commercial	53,000	56,400	59,600

Table 1 above summarizes the output of the model, illustrating the anticipated sales volumes that have been converted to market-support retail areas by floor area. Retail-commercial categories were grouped together in clusters to be more relevant and aligned with local market opportunities.

These clusters of potential opportunity can then be considered in the context of rounding out the existing tenant mix, including expansion of existing categories (e.g., convenience foods, health and personal care, restaurant food & beverage) and attraction of new, unrepresented categories (e.g., general merchandise/dollar store, garden supplies, specialty retailers).

These potential market-supportable floor area figures should be thought of as options rather than targets, as it remains to be seen how other commercial nodes in Kitimat continue to evolve. Some potential tenants may, for example, prefer a location with more traditional exposure to a more significant arterial road (e.g., Horizon North node, Crossroads), while others will see the benefit of being part of a revamped node at the heart of an existing, under-served residential concentration.

C. RESIDENTIAL MARKET OVERVIEW

The Nechako Repositioning Market Report also provided a brief review of local multi-family market conditions. A review of residential market activity concluded that there is increasing local demand and limited local supply, particularly in terms of the rental market. This has resulted in affordability challenges and employee retention concerns. Through conversations with key stakeholders (i.e., local brokers, School District, Nechako Elementary staff), there is a clear opportunity for local demand from specific target groups not currently represented in existing housing stock (e.g., Healthcare, education, retail employment, etc.).

Nechako Centre provides a unique opportunity to explore partnership opportunities with non-profits and government agencies (e.g., BC Housing, School District, etc.) in the provision of affordable and non-market rental apartment units.

D. KEY TAKEAWAYS

Though the market-supportable commercial floor area for the Nechako commercial node is modest, its scale and orientation across categories make the program ideally suited to support a mixed-use redevelopment concept that includes some new multi-family residential over at-grade commercial units. This is in part due to the scale of opportunity by category, but also due to the primarily local-serving nature of supportable categories.

An increased array of specialty foods, expanded grocery, health, and personal care (e.g., pharmacy), restaurant food and beverage (e.g., café, full-service restaurant), and services, can all be well accommodated within a mixed-use building format in this context. The primary focus of new-build mixed-use apartment over at-grade commercial should be in the mixed-use node directly adjacent to the tennis court and skate park, as the current buildings in this location are in poor condition and not suitable for adaptive re-use.

Further work investigating the potential development viability of new mixed-use building formats at Nechako is needed to determine optimal building form and fit-out.

4. COMMUNITY & STAKEHOLDER ENGAGEMENT

A critical component of the planning process for the Nechako Centre Concept Plan was engagement with the community and key stakeholders. When the project was launched in Summer 2021, District residents were notified of the project and invited to participate in the process through various engagement activities. Two engagement activities were held for the public – a community survey and an open house. Targeted stakeholder engagement was also undertaken to seek input from key actors with a connection to Nechako Centre or who are otherwise impacted by its uses and function in the community.

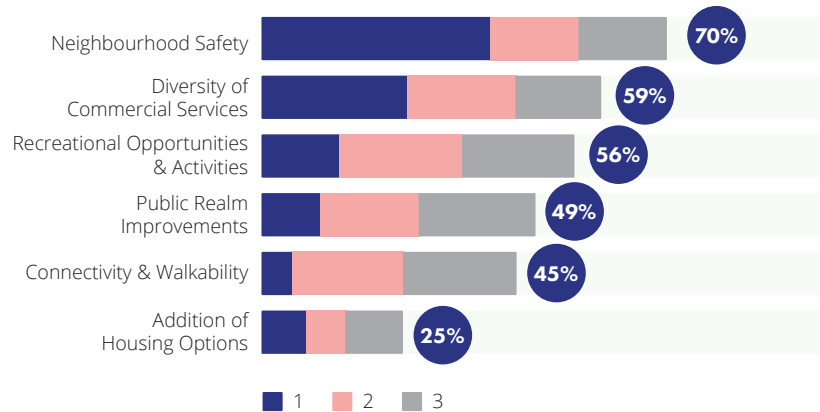
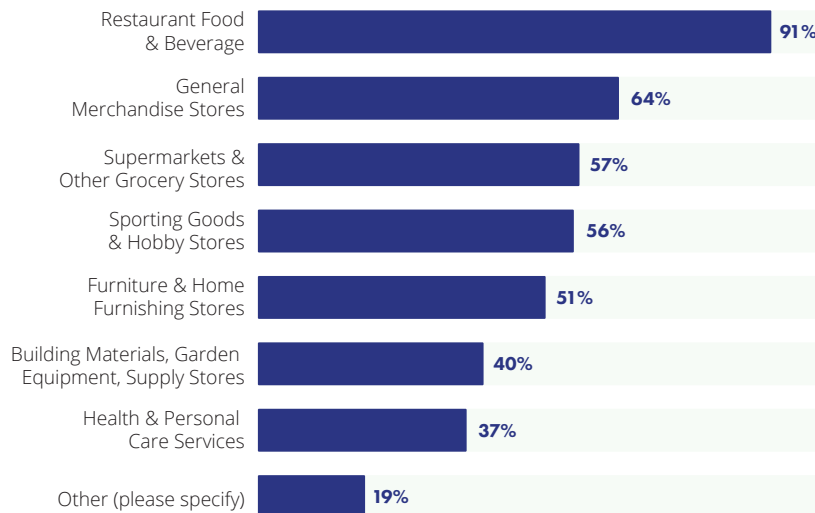
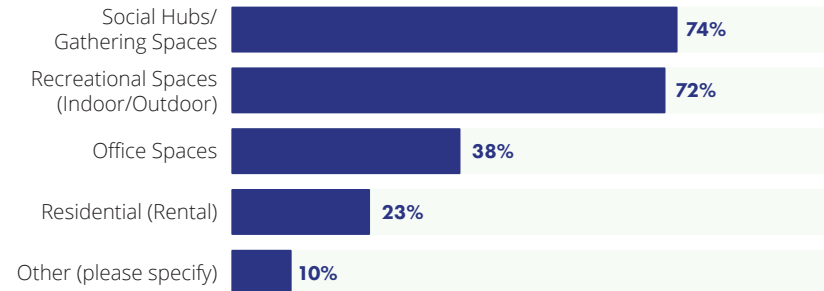
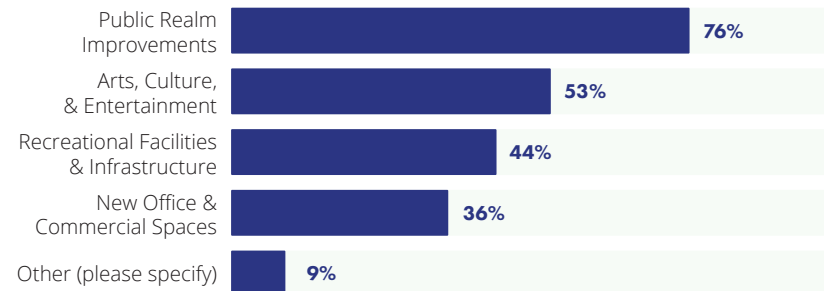
A. COMMUNITY SURVEY

In October 2021, the District of Kitimat launched a community survey to provide an opportunity for District residents to share their initial ideas for the future of Nechako Centre. Feedback collected through the survey contributed to the understanding of community values and helped to identify opportunities to ensure Nechako Centre meets the needs of current and future residents.

The survey received an astounding total of 820 responses, the equivalent of 10% of Kitimat's population. Most respondents are residents of the neighbourhoods of Whitesail and Nechako – the two geographic areas that are most impacted by future development in Nechako Centre.

KEY TAKEAWAYS:

- District residents who currently visit Nechako Centre, primarily go there to access services (e.g., dentist) or to shop there. Those who do not visit Nechako, do not go there because the current services offered do not interest them or meet their needs.
- Most District residents access daily needs in Downtown Kitimat (City Centre and Mountainview Square) and look to Terrace or online for other household needs.
- District residents like Nechako for the shops and services it offers, its central location, and the potential it has to offer more shops, services, recreational opportunities, entertainment, and family-oriented activities.
- District residents currently dislike Nechako due to its poor appearance associated with abandoned, derelict buildings, graffiti, and garbage. The underutilized space offers limited variety of shops, services, amenities, and entertainment opportunities. Residents also have concerns regarding safety.

PRIORITIES FOR NECHAKO CENTRE:**COMMERCIAL SERVICES DESIRED IN NECHAKO CENTRE:****SUITABLE USES FOR NECHAKO CENTRE:****OTHER INVESTMENTS NEEDED IN NECHAKO CENTRE:**

B. STAKEHOLDER ENGAGEMENT

In addition to community consultation, feedback from key stakeholders was sought. The School District was engaged early in the planning process, given their immediate adjacency to the study area. Both the School Board, and Nechako Elementary School staff were consulted. Two presentations to Council were made, presenting results from the community survey and an overview of the Nechako Repositioning Market Report. Conversations with the District's Economic Development, Engineering and Operations Departments were held. A series of conversations with local real estate professionals early on provided on the ground realities of market conditions, challenges, and opportunities.

Findings from these conversations include:

- **Recreation** areas are not utilized based on design. Tennis courts are overgrown and often used for road hockey. An enclosed or covered multi-purpose sports area would allow for activities year-round. The skate park is well used and should be retained and enhanced.
- There is an opportunity to explore **residential** use to support teachers with housing challenges. School District as a potential partner to explore opportunities for teacherages. It was stated that a similar model between Northern Health and healthcare workers should be explored. There is a general lack of and strong need for affordable and non-market multi-family residential in the community.

- **Concerns over existing conditions** were raised by most groups. This includes the state of the current site (e.g., vacant and destroyed buildings, unmaintained public space, no lighting, feels unsafe, graffiti, etc.).
- With most **retail** located downtown, there is an opportunity to have local serving commercial at this location. Lots of artists and craft makers in the community looking for space.
- There is a need for **community event space**. This could include farmer's markets, craft fairs, performances, etc.
- **Public realm and greenspace** improvements are critical to making Nechako feel safe and welcoming for all user groups.
- A large portion of the site is currently used for **parking, snow storage and school drop off**. These uses cannot be ignored. There is an opportunity to plan for them in a more efficient way.

C. OPEN HOUSE

The District of Kitimat held an open house for the Nechako Centre Concept Plan project on September 28, 2022, in the Riverlodge Recreation Centre in Nechako (Figure 11). The purpose of the open house was to gather community feedback on the Nechako Centre Concept Plan and policy recommendations. District residents were provided an opportunity to provide feedback by attending the open house in-person and use the engagement boards available; by completing an online survey; or by contacting the District Planning Department. In total, 131 District residents provided feedback – 80 residents attended the open house in-person, 49 completed the online survey, and 2 contacted District Planning staff.



Figure 11. Nechako Centre Concept Plan Open House

District residents were asked to indicate their level of support for the future vision for Nechako Centre as well as policy recommendations that were grouped into four themes: (1) Commercial and Residential Development, (2) Recreation and Community Use, (3) Greenways and Public Space, and (4) Operations. Overall, there is strong support for the vision and policy recommendations. District residents are eager to see a positive change at the Nechako Centre site and support the initiatives identified to help with the site's transformation into a thriving community hub once again.

The vision, concept plan and final policy recommendations are presented in Section 6.

5. OPPORTUNITIES & CHALLENGES

Throughout the planning process, key opportunities and challenges were identified for Nechako Centre, which have been summarized below in Table 2.

Despite the site's current state and underutilization, Nechako Centre presents an abundance of opportunities for improvement that can contribute to the Centre's revitalization and transformation into a prominent community hub of activity once again.

OPPORTUNITIES	CHALLENGES
Central location within a residential neighbourhood and a community to support	Poor general appearance and maintenance of the site due to presence of abandoned, derelict buildings, graffiti, and litter
Adjacency to Nechako Elementary School and function as a school drop-off zone ensures regular foot traffic of both students and parents	Concerns over community safety due to poor site condition and lack of lighting
A small range of well-established and successful businesses and medical services that continue to attract customers	Site used for snow storage for the area presents an operational challenge when considering new development or enhancement of parking lot and recreational space
Well-used recreational facilities (skate park, tennis court) with potential to diversify use for year-round outdoor activity	Retaining sites for snow storage in close proximity to a school presents a potential hazard as young children play on large piles of snow
Some existing pedestrian connections and underutilized greenspace with potential to be formalized and enhanced	Likely some services will need to be upgraded to accommodate future development
District of Kitimat is the primary landowner and can be a catalyst for transformation of the site	Upgrades to recreational facilities are needed
Underutilized buildings present opportunities for adaptive re-use	Existing commercial services, amenities, and entertainment are limited and do not meet the needs of local residents
Vacant and derelict buildings present opportunities for new development to support community needs	Poor connectivity and walkability through the site
Ample parking lot space can support spillover of commercial and recreational uses through temporary, pop-up, outdoor events	Private ownership of buildings with lack of interest by the owners to develop/retrofit.
Potential to attract residents from the broader District region	

Table 2. Opportunities and Challenges for Nechako Centre

6. A REIMAGINED NECHAKO CENTRE

A. FUTURE VISION

The following community vision for the future of Nechako Centre was developed based on community and stakeholder feedback:

Nechako Centre is a thriving community hub for commercial, residential and recreational activity. It is modern, safe and well-used by diverse members of the community. Residents from all throughout the District visit Nechako Centre to enjoy a range of locally based commercial services, vibrant public spaces and family-oriented activities.

B. CONCEPT PLAN

The concept plan for Nechako Centre is presented in Figure 12. The concept plan presents new uses for the site that align with the community and District's vision for the future of Nechako Centre. The concept plan serves to enhance and reimagine the Centre as a prominent community hub and is supported by policy recommendations outlined below. Bringing this concept plan to life will require additional actions and further study. Implementation steps are outlined in Table 3 in Section 7.

COMMERCIAL & RESIDENTIAL DEVELOPMENT

1. Demolish derelict buildings in poor condition.

Vacant buildings in poor condition should be demolished to allow for redevelopment and the accommodation of new uses at the site. The removal of these buildings is the first step towards addressing the deteriorated appearance and concerns over safety at Nechako Centre.

2. Retain and enhance existing buildings in good condition for commercial use.

Buildings that currently support commercial and medical services accessed by community members should continue to support these uses. Some improvements may be needed to ensure the buildings are maintained in good condition long-term.

3. Support mixed-use development on properties currently occupied by vacant, derelict buildings abutting the southern parking lot.

Mixed-use development is currently not permitted in Nechako Centre. However, the introduction of mixed-use development in the form of ground floor retail with office and residential use (non-market rental/affordable) above, will help to address local demand for more affordable housing options, non-market housing, and employment space.

4. Support the adaptive reuse of the former Eagle Theatre site into a dynamic, multi-purpose public market space.

New ownership of the building presents an exciting opportunity to repurpose the property and introduce commercial uses that are currently missing in Nechako Centre.

5. Explore opportunities for future development of the site currently used for snow storage, adjacent to the northern parking lot.

The District-owned site is currently underutilized both as a greenspace and as a snow storage area yet has potential for development. Until the site is ready for development, the District should retain ownership and explore temporary, seasonal uses when the site is not used for snow storage. Possibilities include supporting outdoor recreation and pop-up events.

NECHAKO CENTRE CONCEPT PLAN



Figure 12. Concept Plan for Nechako Centre

RECREATION & COMMUNITY USE

1. Retain and enhance existing recreational uses and facilities.

The skate park and tennis court are well used facilities by the community that support desired recreational activities in Nechako Centre. There is potential to explore opportunities for year-round use of these facilities such as repurposing the tennis court into a skating or hockey rink in the winter.

2. Invest in new recreational facilities and infrastructure to support additional recreational uses.

Existing recreational facilities could be upgraded to support a greater diversity of sports and outdoor activities. This includes exploring the potential for upgrading the tennis court to a multi-purpose court space that also supports basketball, soccer, and pickleball. The addition of covered bicycle parking is also encouraged to support access to the site through active transportation.

3. Enhance the use of the existing parking lots to support additional uses.

Both the northern and southern parking lots are currently underutilized as spaces for parking, school drop off, and snow storage. Through better management of space dedicated to these operational uses, there is ample opportunity to explore additional uses for the parking lots. The northern parking lot could function as a spill-over site for outdoor commercial uses such as a farmer's

market, while the southern parking lot could function as a spill-over site for recreational uses, outdoor pop-up events, food trucks, and temporary art installations. The uses would introduce desired family-oriented events and activities into Nechako Centre and encourage community members to visit the site and have a positive experience. In time, these parking lots represents redevelopment opportunities.

GREENSPACE & PUBLIC REALM

1. Formalize the east-west green connection across the site.

The primary corridor through the Nechako Centre site currently functions as an underutilized greenspace with no formal walkway to connect the adjacent residential area and churches to the west of the site and Nechako Elementary School to the east. There is much opportunity to enhance the use of this greenspace to not only increase its utility as a greenspace and recreational area but also to formalize the connection through the site.

2. Improve connections between the northern and southern nodes of the site.

There is a clear division of the site into a northern half and southern half due to the greenway corridor crossing the site east to west. Existing footpaths show preferred routes between the two segments. These footpaths should be formalized and enhanced to increase site connectivity.

3. Improve the Kingfisher Avenue underpass to provide a safe and comfortable access to the site from the adjacent neighbourhood.

As one of the main access points to Nechako Centre by pedestrians and cyclists, it is important to prioritize this connection for aesthetic improvements to increase pedestrian comfort and safety.

4. Pursue greenspace and public realm enhancements throughout the site to improve visual appearance, safety, and comfort for all users.

The existing greenspace corridor and overall public realm of Nechako Centre would benefit from improvements such as landscaping, lighting, seating, and public art.

5. Provide gathering spaces for community use.

As a community hub, Nechako Centre will continue to attract users as its uses increase and diversify over time. To support community members and to facilitate social interactions, it will be important to ensure there are spaces for gathering and building connections. These could be in the form of new seating areas in the greenway corridor and by the recreational facilities, or the arrangement of outdoor events activities in the multi-purpose parking lots.

OPERATIONAL & OTHER

1. Consolidate the two school drop-off areas into one location on the northern parking lot.

While relocating the school drop-off zone entirely off the Nechako Centre site is encouraged in the future, in the interim,

it is recommended to reduce the amount of parking lot space dedicated solely to school drop-off and pick-up. This will be important to ensure the parking lots can support an increase of traffic to the site as well as to accommodate different uses and activities in the future.

2. Consolidate the two snow storage sites into one location at the site adjacent to the northern parking lot.

While the long-term use of the District-owned property is considered, the site can continue functioning as a snow storage area for all snow in Nechako Centre.

3. Coordinate school drop-off and snow storage uses to ensure safety.

While the site's northeast quadrant continues to be used as a school drop-off zone and snow storage area in the interim, District Operations will need to consider how both activities can be conducted adjacent to each other to ensure the safety of all community members.

C. PRECEDENTS TO INFORM THE CONCEPT

This section showcases precedent images of examples from other communities that support the Concept Plan and associated policy recommendations. The images are intended to generate ideas for what is possible in Nechako Centre in the future.

I. MIXED USE DEVELOPMENT



Mission Group Rentals – Kelowna, BC



King Road Rental – Abbotsford, BC



The Crossing at Belmont – Langford, BC



The Robert on Carnarvon – Vancouver, BC

II. RECREATIONAL USE



Artscape Wychwood Barns – Toronto, ON



Outdoor Cinema/Drive-In Theatre – Victoria, BC



Corktown Common – Toronto, ON

III. COMMERCIAL USE



Chemainus Public Market – Chemainus, BC



Eastside Studios – Vancouver, BC



Artscape Wychwood Barns – Toronto, ON



Eastside Studios – Vancouver, BC

IV. PUBLIC REALM ENHANCEMENTS & PUBLIC ART



Belleville Underpass – Lower Don Trail, Toronto, ON



Painted parking spaces



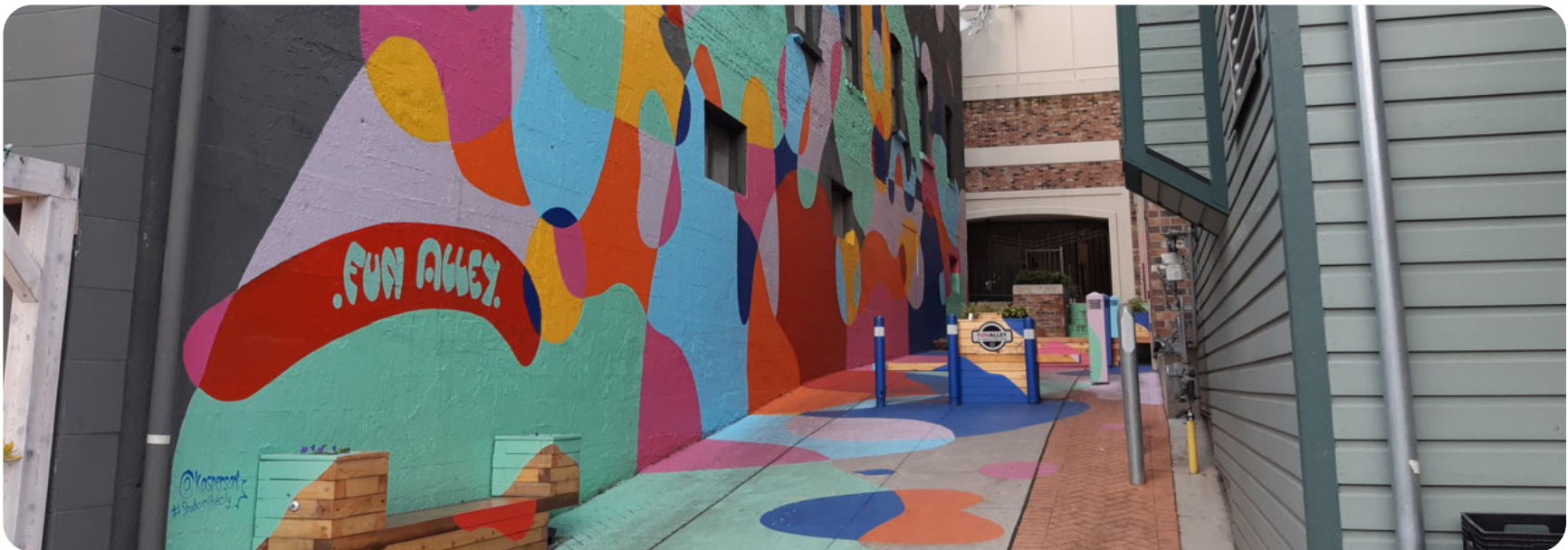
Don Valley Rainbow Tunnel – Toronto, ON



Basketball court mural



Vancouver Mural Festival



Murals and alleys

7. SUMMARY & IMPLEMENTATION

This report represents a critical first step in the reimagining of Nechako Centre. The process collected critical input from the community and stakeholders to understand the opportunities and challenges associated with redevelopment potential and the Centre's future as a community hub. The concept plan is an illustrative representation of the revitalization of Nechako Centre. However, there are several steps and additional studies required to implement the ideas illustrated in the concept plan.

The following key next steps ('Action Items') have been identified to advance the concept plan and supporting policy recommendations. Next steps have been categorized and assigned a timeline of Short Term (1 to 2 years), Medium Term (3 to 5 years) or Long Term (5+ years). Next steps have also been assigned to an appropriate District Department(s) to facilitate capital planning.

Table 3. Implementation Plan for Nechako Centre

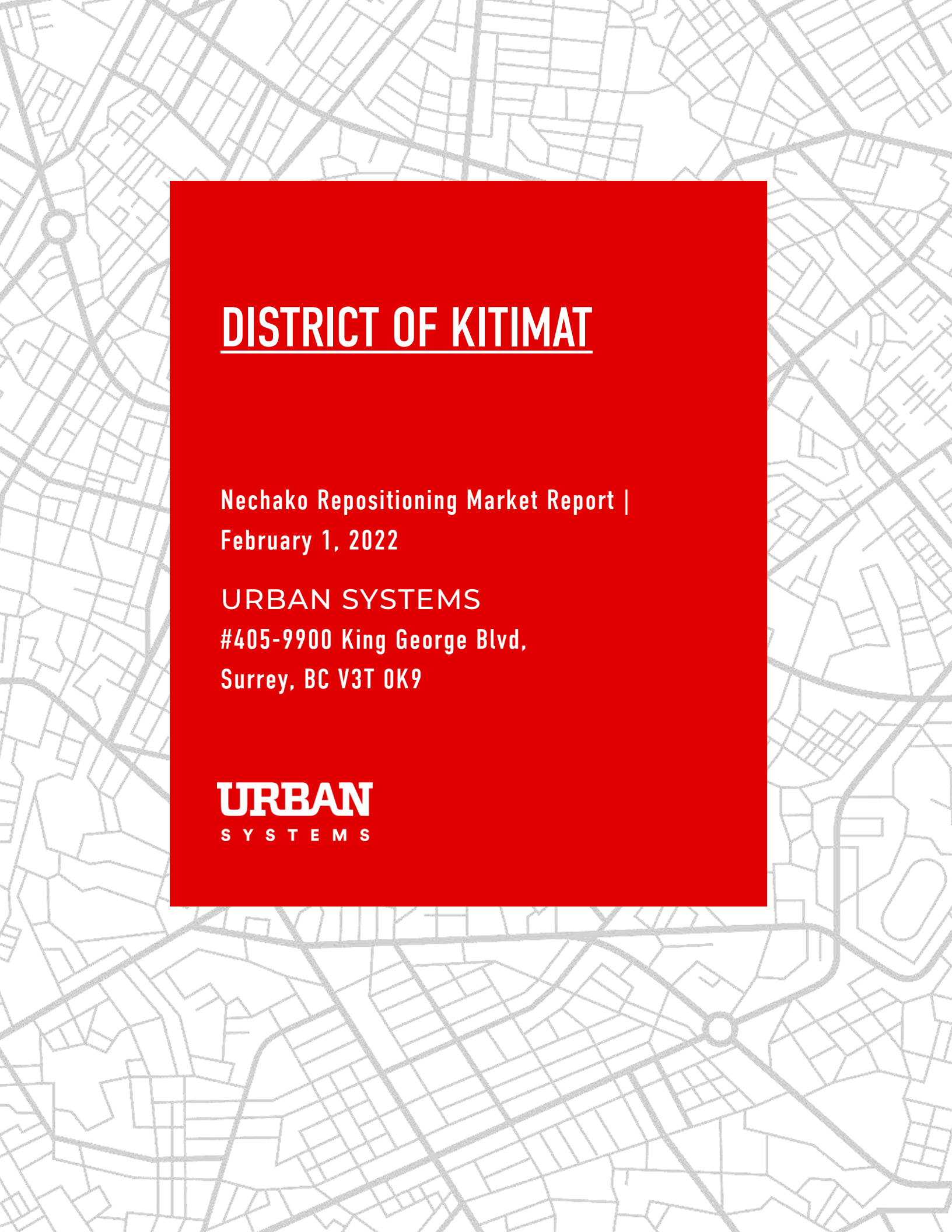
ACTION ITEM	TIMELINE	RESPONSIBLE ACTOR
COMMERCIAL & RESIDENTIAL DEVELOPMENT		
Prepare a Mixed-Use Zone for the three redevelopment sites, allowing for commercial, office, and apartments as principal uses.	Short Term	Planning
Undertake a Development Feasibility Analysis for District-owned properties to understand development scenarios that are financially viable based on a proforma analysis.	Short Term	Consultant through Planning
Following the Development Feasibility Analysis, undertake an Engineering Capacity Assessment to determine capacity of existing infrastructure to support mixed-use development (i.e., water, sewer, parking) on District-owned properties.	Medium Term	Engineering, or Consultant through Engineering and Planning
Prepare a Development Permit Area for Nechako Centre, as permitted under the Local Government Act for the "revitalization of an area in which a commercial use is permitted". The DPA will regulate form and character of new development and site planning considerations (e.g., access, public realm, urban design etc.).	Short Term	Planning

ENGAGEMENT & PARTNERSHIPS		
Explore partnership opportunities with BC Housing to deliver affordable / non-market housing.	Medium Term	Planning / Economic Development
RECREATION & COMMUNITY USE		
Determine best tool to permit accessory uses such as seasonal outdoor markets, social event spaces, food trucks (temporary use permit, zoning, etc.).	Short Term	Planning / Leisure / Operations
Create a policy to permit temporary patio areas with seasonal banners, event lighting etc., for markets, art shows and pedestrian level lighting.	Short Term	Planning / Leisure / Operations
Introduce pedestrian and cycling enhancements such as improved pedestrian connections and covered bicycle parking areas.	Medium Term	Engineering / Leisure / Operations / Planning
Work with the Leisure Department to ensure resurfacing of the tennis court. Explore opportunities to make the tennis court a multi-purpose recreation space (e.g., tennis, road hockey, pickle ball, etc.), including year-round recreation.	Medium Term	Planning / Leisure
GREENSPACE & PUBLIC REALM		
Prepare a Public Realm Improvement Plan that provides direction on landscaping, lighting, wayfinding signage, furniture, and public art guidelines. The Plan should include realistic timelines and capital costs associated with implementation.	Medium Term	Engineering / Operations / Planning
OPERATIONAL & OTHER		
Pursue conversations with the School District to relocate and consolidate the school drop-off area onto the school property.	Short Term	Planning / Operations
Work with District Engineering and Operations to consider long-term solutions for snow storage off-site to accommodate future development on District-owned property.	Medium to Long Term	Engineering / Operations / Planning
Promote the use of electric vehicles through the designation of an area of parking lot space for electric vehicle charging.	Medium to Long Term	Economic Development / Planning



APPENDIX A

NECHAKO REPOSITIONING MARKET REPORT

A light gray background map of Kitimat, British Columbia, showing a dense network of streets and a few larger roads. The map is centered behind a large red rectangle.

DISTRICT OF KITIMAT

**Nechako Repositioning Market Report |
February 1, 2022**

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EXECUTIVE SUMMARY

This report, prepared for the District of Kitimat, summarizes Urban Systems' review of retail-commercial and residential market conditions in Kitimat, in support of the potential repositioning and enhancement of Nechako Centre. Given the site's history as a commercial node, the report's primary focus is on assessing its potential first and foremost for a range of retail-commercial uses. This retail-commercial review is a market-driven assessment of Nechako Centre's true potential given the:

- Size and composition of Nechako Centre's retail trade area
- Demographics and spending implications of trade area residents
- Extent, proximity and quality of competitive retail-commercial facilities elsewhere in Kitimat
- Degree to which spending is likely flowing to other larger centres, including Terrace

As the trade area and retail demand analysis supports a repositioning of Nechako Centre as an enhanced "lifestyle convenience centre", and given the site's residential neighbourhood context, an initial review of multi-family residential market conditions was also undertaken, with the following conclusions:

- Mixed-use affordable multi-family (both affordable market and affordable non-market) housing forms are deemed suitable for further exploration on the site
- Target resident groups driving current unmet demand for this type of housing include local:
 - Teachers and school workers
 - Health care workers
 - Retail and other service-sector workers

Based on both the retail trade area market opportunity analysis and supporting residential market overview, it is recommended that mixed-use residential over at-grade commercial building forms be further explored as avenues for on-site infill redevelopment.

1.0 INTRODUCTION

Given the District and stakeholders' need to enhance and reposition the Nechako commercial node to better fit its current and future context, it is critical to first reevaluate the site's core historical role as a retail-commercial centre. This reevaluation of Nechako's function from a retail market perspective is an essential first step, as it will help to provide some realistic parameters around potential expansion and refinement of the current retail-commercial tenant mix.

The primary intent of this Nechako market analysis is therefore to provide an up-to-date review of the site's retail-commercial potential, which includes assessments of Nechako's:

- Retail-commercial **trade areas** (distinct geographic areas it will continue to serve)
- Trade area **demographic characteristics** and **population growth**
- Annual **resident retail spending potential** by defined trade area
- **Competitive commercial clusters** (both within and outside of Kitimat)
- Determination of **realistic trade area market shares** and associated on-site sales capture by category
- Potential for inflow spending (from non-trade area residents, including visitors, seasonal workers)
- **Conversion of on-site sales volume into warranted retail-commercial floor area** by category
- **Site planning / repositioning concept implications** of market-supportable retail floor area

While the primary focus of this market review is on Nechako's potential retail-commercial repositioning, there is also need to consider the site's potential from a multi-family perspective. Though the District of Kitimat's multi-family market is still very modest, the subject site's suitability for mixed-use development forms necessitates a preliminary look at multi-family market conditions and potential implications. Market statistics, while limited, have therefore been supplemented by interviews with local realtors who have a good understanding not only of recent market activity, but also of potentially unmet demand in the local multi-family housing market.

It is highly recommended that further investigation into the mixed-use redevelopment potential of the Nechako node be pursued, including development proforma analyses that can determine the market viability, return metrics and optimal approach needed to initiate redevelopment. This work would naturally entail the collection of more information and data to support both development cost and revenue inputs, including potential acquisition of key properties.

2.0 NECHAKO RETAIL-COMMERCIAL MARKET ANALYSIS

Given the limited retail-commercial supply in north Kitimat (i.e., “up the hill”), as well as the area’s historical role as a commercial centre, it is vital to reevaluate the node’s commercial potential within the current – and foreseeable future – market context. As observed in markets across Western Canada, retail consumers have continued to shift more of their spending online and away from physical retail stores. This trend, which has been most clear in categories such as books, music, home electronics, and clothing/accessories, was only accelerated by the COVID-19 pandemic, as even residents with some reticence to shop online began to explore online alternatives to in-store shopping due to convenience and health restrictions.

This shift has unduly impacted comparison goods retailers (those goods typically found in retail shopping centres, which in turn has created challenges for property owners and managers of retail centres with a high degree of exposure in these categories and a relatively meagre visitor experience (e.g., the 1990’s era open-format power centre). More local-serving commercial centres have tended to fare better, as their focus is primarily on day-to-day lifestyle convenience goods and services.

NECHAKO RETAIL TRADE AREA DELINEATION

Urban Systems has reviewed the Nechako node’s commercial market context in Kitimat and delineated the following retail trade area geographies, which are further described below:

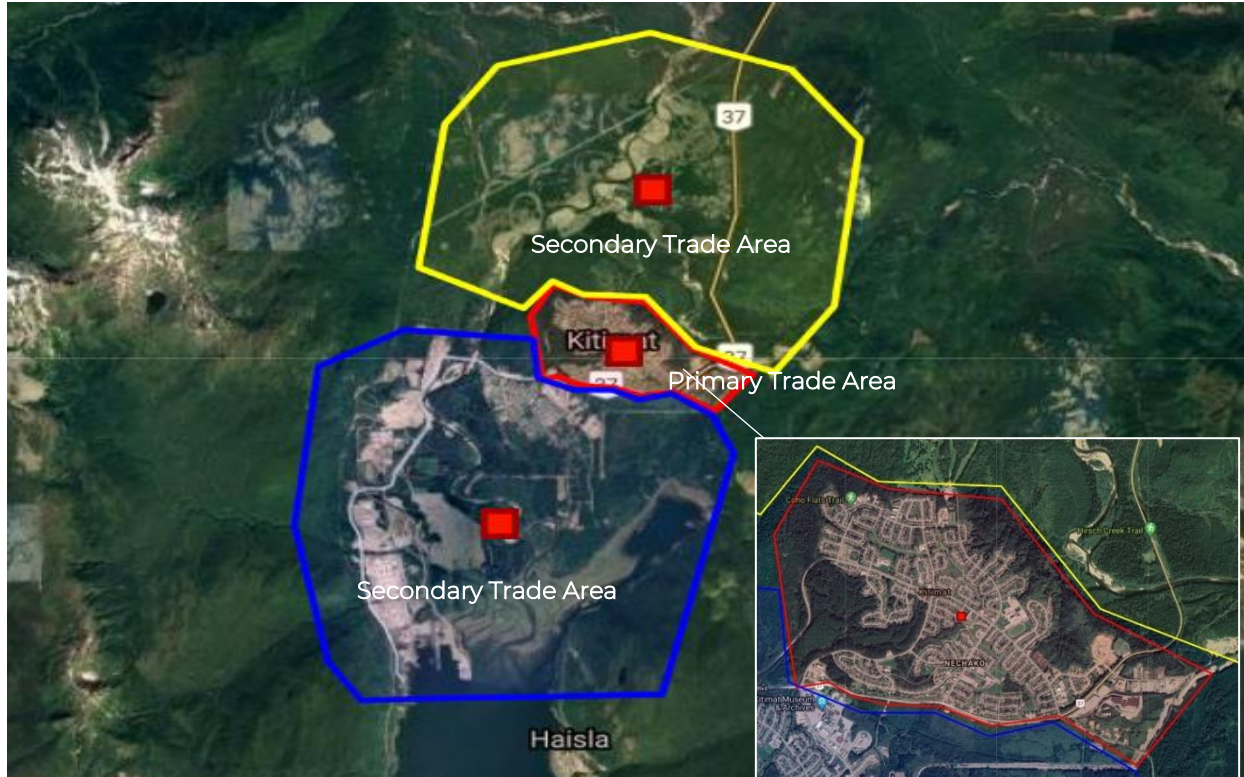


Figure 1 - Nechako Retail Trade Area Delineation

District of Kitimat

Nechako Repositioning Market Report

Though the Nechako node will continue to serve a local/community-serving function, the District of Kitimat market is compact enough for Nechako to serve the following distinct trade areas, with varying degrees of market capture driven by the extent of competitive facilities within each area:

- **Primary Trade Area (PTA):** Nechako will first and foremost serve the day-to-day needs of residents and workers within easy walking (or short driving) distance of the subject site, as outlined in the aerial below. The site is surrounded by a healthy concentration of residential development and an estimated population approaching 5,000 residents. The PTA is also significantly under-served from a community retail standpoint, which means that PTA residents will need to regularly travel to the STA South to meet their broader goods and service needs. The Nechako node can be expected to draw its strongest market shares from within the PTA.

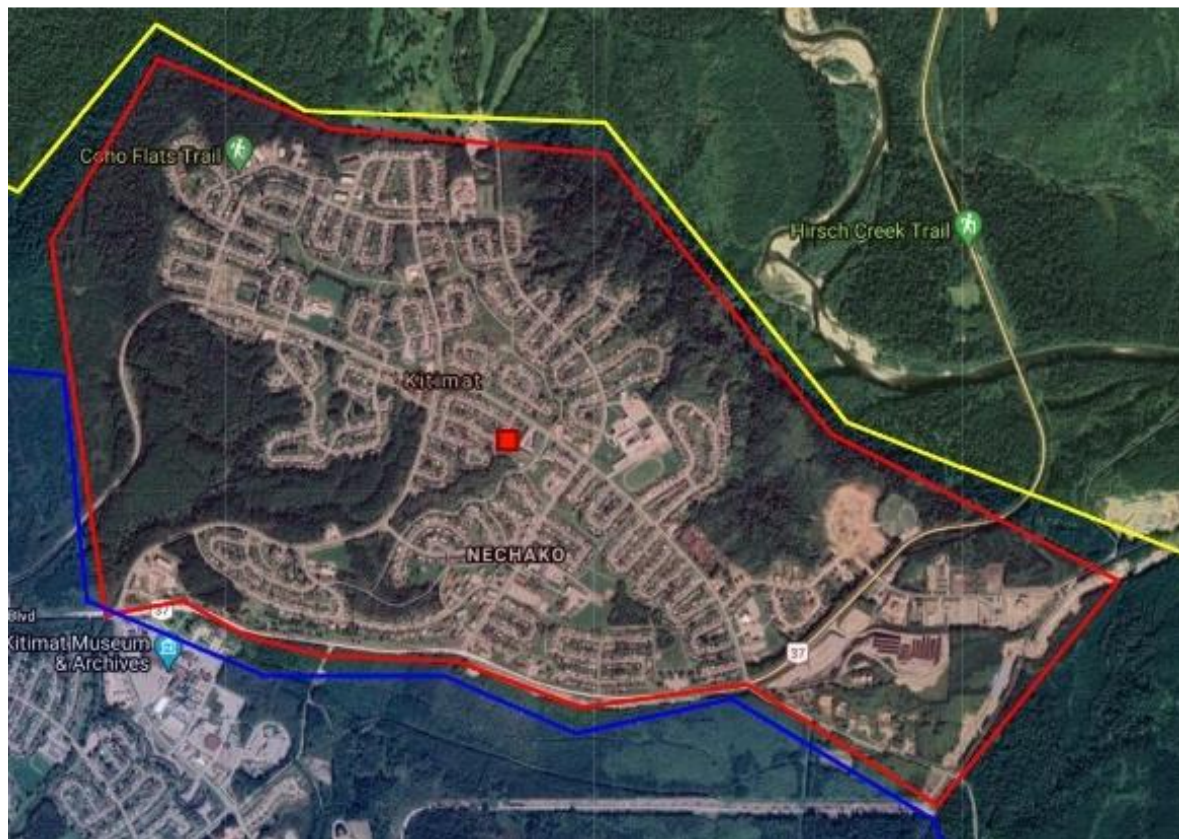


Figure 2 - Nechako Commercial Node Primary Trade Area

- **Secondary Trade Area North (STA-N):** The STA-N extends well beyond the northern border of the PTA and includes residential clusters that require a longer drive to reach the subject site. Though more sparsely populated, with an estimated population of just under 1,350 residents, Nechako is nevertheless well positioned to attract potential interest and patronage from STA-N residents who are also under-served in terms of commercial facilities.

District of Kitimat

Nechako Repositioning Market Report

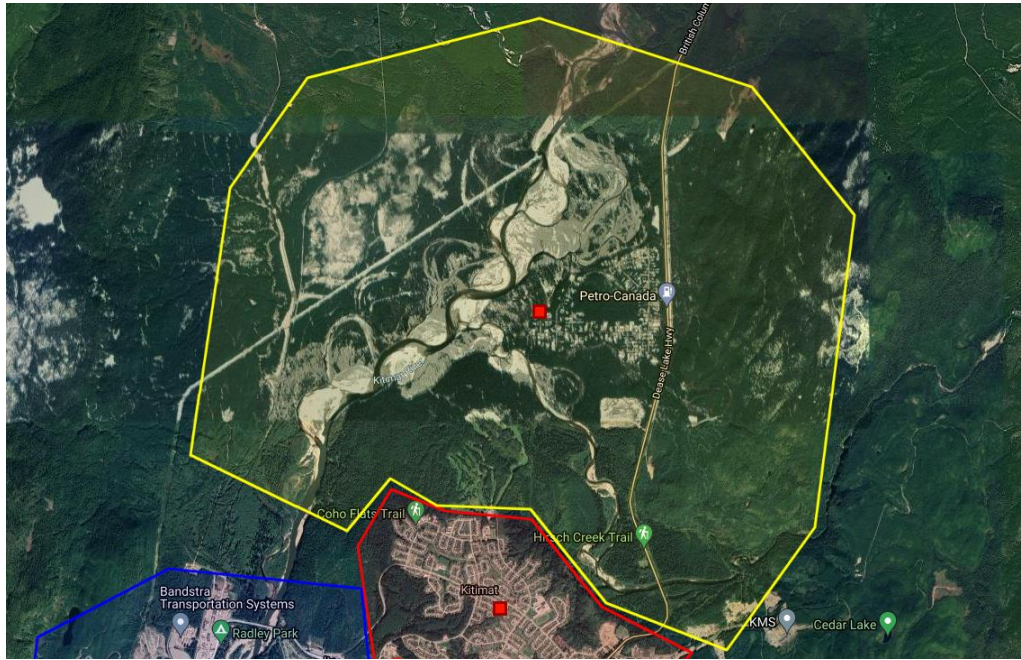


Figure 3 – Nechako Commercial Node Secondary Trade Area North

- **Secondary Trade Area South:** The more commercially populated STA-South is outlined below.



Figure 4 – Nechako Commercial Node Secondary Trade Area South

District of Kitimat

Nechako Repositioning Market Report

Though with a modest full-time resident population estimated at roughly 2,200 residents in 2021, the STA-S contains the largest concentration of Kitimat's retail-commercial businesses.

This is more clearly outlined in Figure 5, which offers a closer look at the land use patterns and commercial uses located in the northern portion of the STA South.

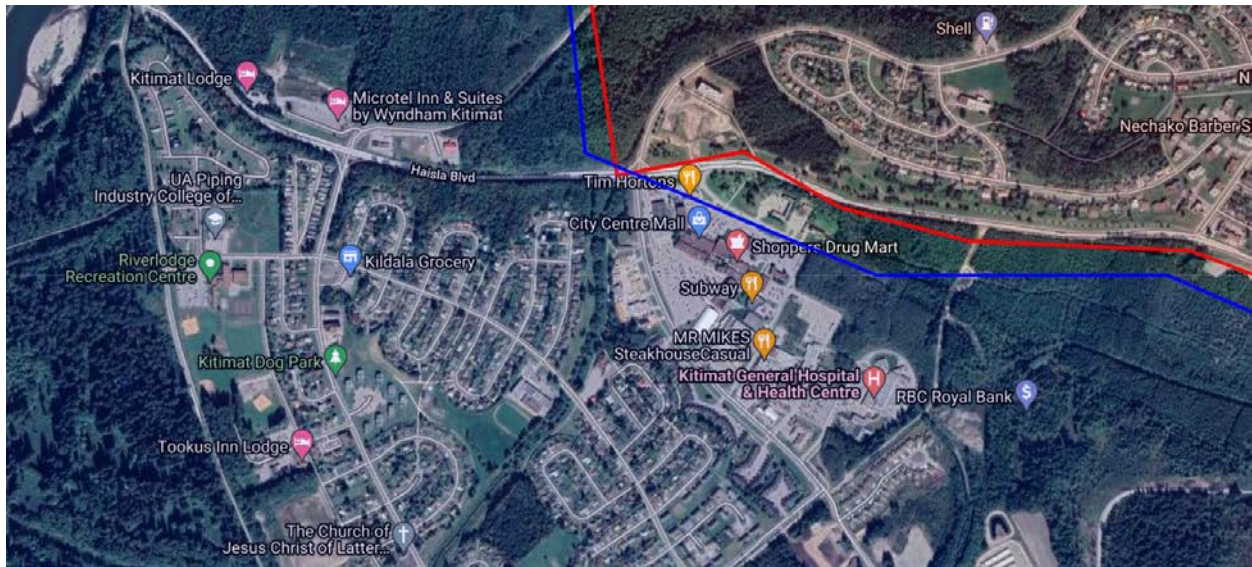


Figure 5- Nechako Commercial Node STA South Commercial Uses

Notable retailers, restaurants and commercial businesses in this area include:

- **Restaurants:** Mr. Mike's Steakhouse Casual, Dolce Verona Pizza, Pedro's Grill, Subway, The Bistro, Dairy Queen, A&W, Tim Horton's, Sushi J, Mom's Cuisine, Chilly and Dancer's Pub, The Chalet Restaurant
- **Supermarkets:** Save-On-Foods (30,000 sq. ft.), Kyle's No Frills (14,000 sq. ft.)
- **Liquor Stores:** B.C. Liquor Store, Big Jim's Spirits Store, Inland Coast
- **Clothing & Accessories:** Epic Clothing, Mark's Work Wearhouse, WD Fashion
- **Hotels:** MStar Hotel Kitimat, The Chalet
- **Pharmacies / Lifestyle Pharmacies:** Shoppers Drug Mart, Rainforest Wellness Pharmacy
- **General Merchandise:** Fields, Your Dollar Store with More, Pacific Variety Store
- **Specialty Retail:** Pet Valu, Ron's Mobile Fishing Tackle and Bait Shop, Bradley's Bait & Tackle, Cooks Jewellers, Deviant Fibres, Pyramid Office Supplies, Andre's Electronic Experts, Small Town Vapes, Beitz Computers & Office Supplies, Fusion Eye Care, Lace Beauty Lounge, Vitality

District of Kitimat

Nechako Repositioning Market Report

- **Banks / Financial:** CIBC, BMO Bank of Montreal, Scotiabank, Envision Financial, Primerica Financial Services, MoneyGram

The largest single retail-commercial development is City Centre Mall, a two-level community shopping centre first opened in 1974 featuring 600 parking stalls, 33 commercial retail units and more than 100,000 sq. ft. of gross leasable area. The centre, which was last sold to Earls Cove Financial Corp. by Narland Properties in 2006, is anchored by a Fields department store (11,500 sq. ft.) and Scotiabank (3,200 sq. ft.).

Though modest in its retail breadth and depth, this is to be expected given its limited population (estimated at roughly 8,400 residents) and relative proximity to the larger and more mature Terrace retail market (45-minute drive time). Significant outflow spending to Terrace will continue to occur, with a primary focus on those retail categories that are less well-represented in the local Kitimat market, including:

- Walmart Supercentre, Canadian Tire (department stores)
- Great Canadian Wholesale Club (discount supermarket)
- RONA Terrace Builders Centre (home improvement)
- Clothing & Accessories – Winners, Ardene, Reitman's, Elizabeth Fashions, Glow Boutique, Warehouse One)
- Home Furniture & Furnishings – easyhome Rent to Own, Your Décor, Ashley HomeStore

The extent of outflow spending to Terrace less than one hour's drive from Kitimat, the modest size of the Kitimat market, and a continued shift to online spending in comparison goods categories, all make significant recapture of this trade area outflow spending a challenge.

Given the Nechako commercial node's scale and primarily residential context, what is most likely is an opportunity to round out the Primary Trade Area's commercial offerings with an enhanced array of convenience-oriented retail, restaurants, and specialty stores currently unrepresented in Kitimat. This potential will be explored in the following sections.

NECHAKO RETAIL TRADE AREA POPULATION GROWTH

According to Sitewise data sourced from Environics Analytics, the District of Kitimat population is expected to reach roughly 8,800 residents by 2030, which would equate to very modest market-wide growth of 0.32% per annum.

Urban Systems leveraged this dataset to extract reasonable population estimates for the Nechako retail trade areas, as defined in the previous subsection. Highlights of this population growth, which will help to assess local demand, are presented in the following table:

Table 1 Nechako Retail Trade Area Population Growth

Nechako Retail Trade Area	2016 (Actual)	Estimated 2021	Projected 2026	Projected 2031	Projected 2036
Primary Trade Area	4,786	4,853	4,912	4,938	4,964
Secondary Trade Area South	2,104	2,203	2,305	2,406	2,511
Secondary Trade Area North	1,279	1,344	1,407	1,451	1,497
Nechako Retail Trade Area Totals	8,169	8,399	8,624	8,795	8,972

Source: Sitewise data, Environics Analytics

Modest growth rates associated with these Nechako retail trade areas are as follows:

Table 2 Nechako Retail Trade Area Population Growth Rates by Period

Nechako Retail Trade Area	2016-2025 Average Annual Growth	2025-2036 Average Annual Growth
Primary Trade Area	0.28%	0.11%
Secondary Trade Area South	0.92%	0.86%
Secondary Trade Area North	0.99%	0.62%
Nechako Trade Area Totals	0.56%	0.39%

NECHAKO RETAIL SUPPLY AND LIKELY OUTFLOW CONDITIONS

As noted earlier in this section, the primary commercial concentrations in Kitimat are located within what is defined for Nechako as the Secondary Trade Area South (STA-S). Within the Nechako node itself, at the heart of the Primary Trade Area (PTA), the following businesses and related categories are represented:

Table 3 - Nechako Business Mix

Retail-Commercial Category	Nechako Businesses
Supermarket and Convenience Stores	Tony's Corner Store
Liquor Stores	Thom Boys Cold Beer & Wine
Restaurant Food & Beverage	Pizzarama Pizzeria, Wee Geordie's Pub
Medical / Dental / Health Services	Kitimat Family Dental, Kitimat Dental, Teresa Lamb RMT, Knight Chiropractic, Dr. Gottschlin and Stevenson Dentists
Recreation / Fitness Services	Kitimat Fitness Centre
Personal Services	Nechako Barber Shop, Arcane Arts, Sujitra's Suds & Seams
Employment	Century 21 – store front in mall

Urban Systems also understands that there have been early discussions on the potential to redevelop the Eagle Centre Theatre into mix of different spaces that could support a range of uses, including office space, artisan / local craft retail space, and a gym. It is understood that the District and interested parties are currently in the process of confirming zoning requirements and related design requirements.



Despite the Nechako node's residential and school context, it has, over the past decade, experienced significant decline in terms of its consumer activity and tenant mix. This is most

District of Kitimat

Nechako Repositioning Market Report

clearly reflected in the state of buildings immediately west of Kitimat Fitness and east of the on-site tennis courts, as shown below.



Nechako Centre – Commercial building sites intended for redevelopment

Despite the challenges and costs associated with redevelopment, which will need to be more fully explored following a determination of base market viability, the focused nature of the Nechako node's commercial mix – i.e., the core of what may be termed a “lifestyle convenience centre” – offers clues as to the commercial categories likely to be most relevant in Nechako's market repositioning.

Assuming further exploration of the development viability of on-site multi-family residential rental apartments, the most market-relevant development form would be for three-to-four stories with at-grade commercial units. This would allow for a modest increase in the PTA / on-site population, which in turn would help to support an enhanced tenant mix.

To support further discussions related to concept planning, the extent and nature of the Nechako commercial node's market support by category is examined in the following section.

NECHAKO RETAIL TRADE AREA DEMOGRAPHICS

Though population growth is an important driver of retail demand, an understanding of base demographics is also instructive, particularly when considering market repositioning opportunities. As noted earlier in this section, the Nechako retail trade area's permanent population is estimated at about 8,400 residents for 2021 and this is expected to grow to nearly 9,000 residents by 2036.

Select demographic characteristics for the defined Nechako retail trade areas are as follows:

Table 4 - Nechako Retail Trade Area Demographic Characteristics (2021)

2021 Nechako Demographic	PTA	STA-S	STA-N	B.C.
Median Age	42.8	43.1	43.1	42.5
Average Household Size	2.33	2.17	2.49	2.50
Home Ownership / Renter %	81% / 19%	77% / 23%	82% / 18%	68% / 32%
% Employed in Trades	27%	24%	23%	14%
Apartment share of homes %	11%	10%	13%	43%
Proportion of housing stock built before 1980	86%	86%	43%	42%
Average Household Income \$	\$129,000	\$117,000	\$172,000	\$114,000
Est. Per Capita Income	\$55,000	\$54,000	\$69,000	\$46,000

Source: Sitewise data, Environics Analytics

Kitimat's income levels, at both the household and per capita levels, are well above the provincial averages of \$114,000 and \$46,000, respectively. This is in large part due to the preponderance of high paying jobs in trades and related professional occupations. Home ownership rates are also 10-14% above the provincial average of 68%.

While the share of apartments to total housing stock is low throughout the trade area, interviews with local realtors indicated potential demand for rental apartments driven by low vacancy rates, low supply, and demand from workers in occupations (some contract-based) related to teaching and education and health services, among potentially others.

NECHAKO RETAIL DEMAND ANALYSIS

Urban Systems has assessed the retail spending potential (and thus market support for commercial floor area) for the Nechako commercial node based on trade area population growth and spending by category as quantified in its proprietary retail demand model. This model adapts provincial level retail sales data by North American Industry Classification System (NAICS) category to local geographies (i.e., local trade areas) by extrapolating relationships between income levels and spending by category.

The model's key steps include:

1. Assessing likely **population growth by retail trade area**
2. Evaluating **key demographics**, most notably income levels
3. Estimating **per capita spending by retail category** driven by income differentials relative to BC and based on retail trade data as tracked by Statistics Canada
4. Estimating **per capita restaurant food & beverage spending** based on household spending levels for “food purchased from restaurants” and “alcoholic beverages served on licensed premises” at the local trade area level, as tracked by Environics Analytics
5. **Quantifying spending potential for all relevant categories** by multiplying projected trade area populations by their respective annual per capita spending estimates
6. **Assessing potential on-site spending by applying trade-area-specific market shares** based on a solid understanding of supply conditions, local patronage patterns, and likely outflow spending to larger markets (i.e., Terrace).
7. Converting anticipated net (i.e., on-site Nechako) sales volumes by retail-commercial category to **market-supportable floor area** (sq. ft.) by applying appropriate sales productivity (\$ per sq. ft.) rates by retail-commercial category

Step 6, which involves assessing the potential market capture rates for each reviewed category, and for each identified Nechako trade area, requires a base understanding of the competitive clusters throughout the local Kitimat market. As noted earlier in this section, the highest concentration of retail, restaurant and service businesses is located within the northern portion of the STA-S, within the City Centre and Mountainview Square projects in particular.

Market shares for a repositioned Nechako commercial cluster will need to allow for regular patronage at these competitive clusters (highlighted below in Figure 6), as well as outflow spending to larger businesses in Terrace.

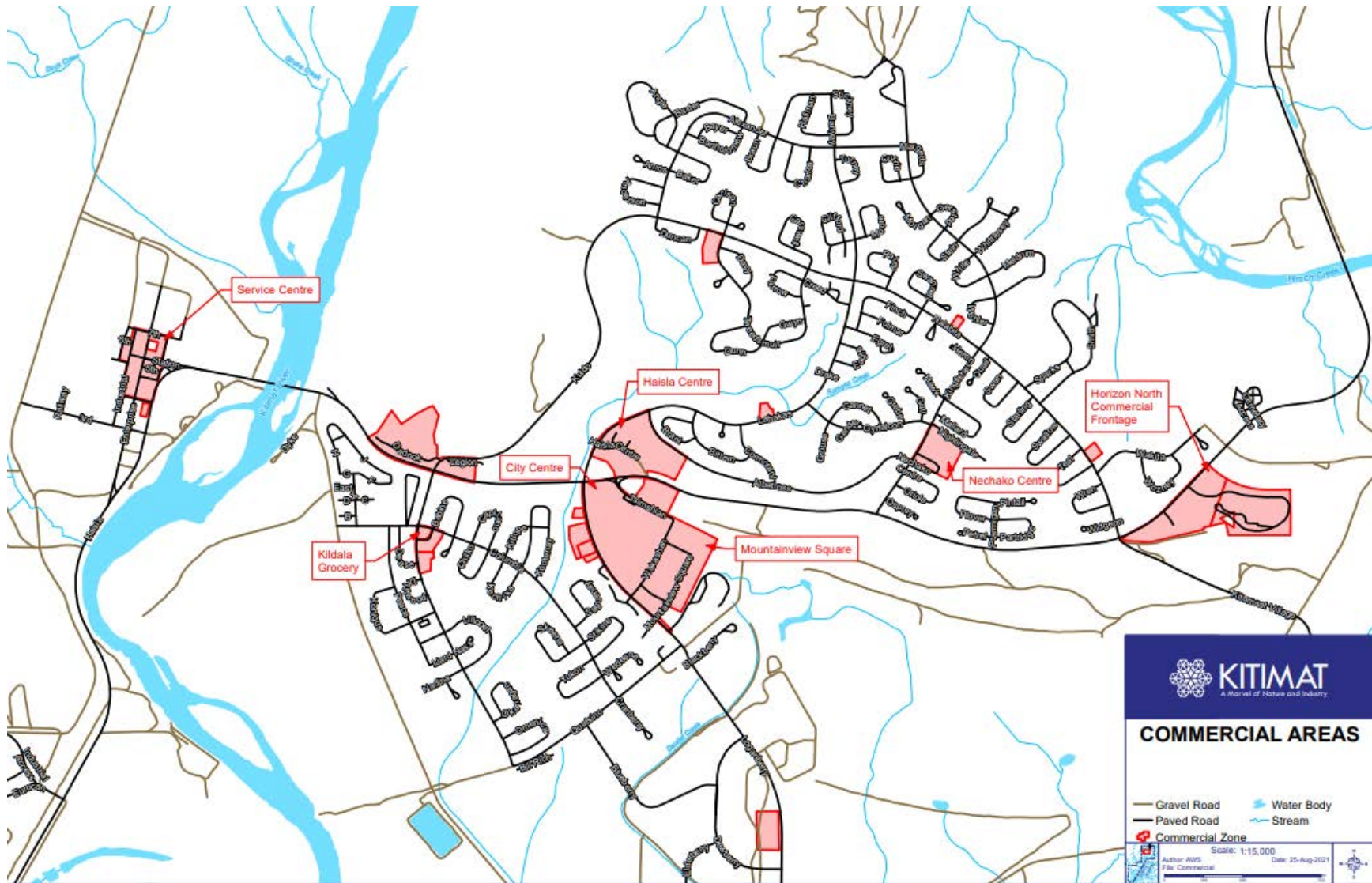


Figure 6 - District of Kitimat Retail-Commercial Nodes

NECHAKO RETAIL-COMMERCIAL EXPENDITURE POTENTIAL

Urban Systems ran its retail-commercial demand model with population, demographic, and spending inputs for each of the Nechako retail trade areas and evaluated total annual trade area resident expenditure potential by category for each trade area. These figures were then combined to quantify total annual expenditure potential for all defined trade areas, as summarized in Table 5:

Table 5 - Nechako Retail Trade Area Expenditure Potential (Annual)

Retail-Commercial Category	2021	2026	2031
Furniture and home furnishings stores	\$4,853,000	\$5,072,000	\$5,268,000
Home electronics and appliance stores	\$2,526,000	\$2,381,000	\$2,204,000
Building materials, garden equipment stores	\$9,673,000	\$10,273,000	\$10,839,000
Supermarkets and other grocery stores	\$21,859,000	\$22,631,000	\$23,280,000
Convenience stores	\$1,701,000	\$1,829,000	\$1,952,000
Specialty food stores	\$3,036,000	\$3,293,000	\$3,546,000
Liquor stores	\$11,141,000	\$12,028,000	\$12,893,000
Clothing stores	\$10,953,000	\$11,906,000	\$12,844,000
Shoe stores	\$1,226,000	\$1,315,000	\$1,400,000
Jewellery, luggage, and leather goods stores	\$1,849,000	\$2,024,000	\$2,197,000
Sporting goods, hobby, book, and music stores	\$3,224,000	\$3,319,000	\$3,395,000
General merchandise stores	\$19,949,000	\$21,313,000	\$22,618,000
Miscellaneous retail stores	\$4,651,000	\$4,932,000	\$5,197,000
Health and personal care stores	\$15,056,000	\$16,354,000	\$17,629,000
Restaurant food and beverage	\$26,074,000	\$28,155,000	\$30,185,000

Source: Urban Systems market analysis and review of competitive influences

These annual expenditure figures represent the sum of Nechako trade area residents' annual total spending potential for each relevant retail-commercial category. These spending dollars flow not only to commercial establishments throughout the District of Kitimat, but also to larger commercial centres including Terrace, which is only roughly a 45-

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minute drive time from Kitimat. As such, these “gross” expenditures need to be converted into realistic net (i.e., “on-site”) expenditures that can be reasonably captured by a repositioned Nechako commercial tenant mix.

Having assessed the District of Kitimat’s competitive retail-commercial supply (nodes beyond Nechako), as well the extent of competitive businesses likely drawing spending to the Terrace market (among potentially others), Urban Systems projects the following realistic market captures by relevant category:

Table 6 - Nechako Market Capture of PTA Spending Potential

Retail-Commercial Category	Potential Nechako Capture of PTA	Other Kitimat Capture	Outflow Spending (beyond Kitimat)
Furniture and home furnishings	10%	30%	60%
Electronics and appliances	10%	50%	40%
Building materials, garden equipment	15%	50%	35%
Supermarkets and other grocery	15%	60%	25%
Convenience stores	20%	65%	10%
Specialty foods	20%	40%	40%
Liquor stores	30%	50%	20%
Clothing stores	0%	40%	60%
Shoe stores	0%	40%	60%
Jewellery, luggage, leather goods	0%	40%	60%
Sporting goods, hobbies, books, music	20%	50%	30%
General merchandise	10%	25%	65%
Miscellaneous retail stores	10%	40%	50%
Health and personal care	30%	40%	30%
Restaurant food and beverage	20%	40%	40%

Source: Urban Systems market analysis and review of competitive influences

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These anticipated market capture rates align with Nechako's role and function as a lifestyle convenience centre, which will continue to serve a more local neighbourhood and community-serving, rather than a destination role. Therefore, while there is no expectation that Nechako will develop a broader array of traditional comparison retail goods businesses in categories such as clothing, shoes, and automotive parts, there is clear opportunity for Nechako to better meet local community needs in categories such as specialty grocery/specialty foods, sporting goods/hobbies, health and personal care, and restaurant food & beverage. These categories also tend to be those that serve as the most effective retail-commercial amenities supporting new forms of multi-family residential development.

As noted in Table 6, however, there will continue to be spending in other parts of the District of Kitimat, as well as a large amount of outflow spending to larger markets including Terrace, particularly in destination retail categories with representation from larger-scale businesses (e.g., Walmart, Canadian Tire) not supportable in a market of Kitimat's scale.

Anticipated Nechako market capture rates within the STA-S trade area are as follows:

Table 7 - Nechako Market Capture of STA-S Spending Potential

Retail-Commercial Category	Potential Nechako Capture of STA-S	Other Kitimat Capture	Outflow Spending (beyond Kitimat)
Furniture and home furnishings	5%	35%	60%
Electronics and appliances	5%	55%	40%
Building materials, garden equipment	10%	55%	35%
Supermarkets and other grocery	10%	65%	25%
Convenience stores	15%	70%	15%
Specialty foods	10%	45%	45%
Liquor stores	15%	55%	30%
Clothing stores	0%	45%	55%
Shoe stores	0%	45%	55%
Jewellery, luggage, leather goods	0%	45%	55%
Sporting goods, hobbies, books, music	10%	55%	35%
General merchandise	5%	30%	65%

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Retail-Commercial Category	Potential Nechako Capture of STA-S	Other Kitimat Capture	Outflow Spending (beyond Kitimat)
Miscellaneous retail stores	5%	45%	50%
Health and personal care	15%	45%	40%
Restaurant food and beverage	10%	40%	50%

These market capture rates are lower than within the PTA in part due to the extent of STA-S businesses.

Anticipated Nechako market capture rates within the STA-N trade area are as follows:

Table 8 - Nechako Market Capture of STA-N Spending Potential

Retail-Commercial Category	Potential Nechako Capture of STA-N*	Other Kitimat Capture	Outflow Spending (beyond Kitimat)
Furniture and home furnishings	8%	30%	62%
Electronics and appliances	8%	50%	42%
Building materials, garden equipment	12%	50%	38%
Supermarkets and other grocery	12%	60%	28%
Convenience stores	20%	65%	15%
Specialty foods	15%	40%	45%
Liquor stores	25%	50%	25%
Clothing stores	0%	40%	60%
Shoe stores	0%	40%	60%
Jewellery, luggage, leather goods	0%	40%	60%
Sporting goods, hobbies, books, music	15%	50%	35%
General merchandise	10%	25%	65%
Miscellaneous retail stores	10%	40%	50%
Health and personal care	25%	40%	35%
Restaurant food and beverage	15%	40%	45%

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*** Higher than STA-S rates due to the relative lack of competitive facilities located within the STA-N area and the fact that the PTA occupies an interceptor position for those STA-N residents traveling into the city centre for work or other purposes**

Based on these realistically achievable market capture rates, and assuming continued market outflow to larger centres including Terrace, projected on-site sales volumes by category can then be calculated, with resident spending potential being a function of total expenditure potential and the above market capture rates. With modest inflow spending (from visitors, non-trade-area residents), these potential on-site sales volumes are summarized below:

Table 9 - Nechako Commercial Node Net On-Site Sales Volume by Category

Retail-Commercial Category	Inflow %	\$ 2021	\$ 2026	\$ 2031
Furniture, home furnishings	10%	\$452K	\$471K	\$487K
Electronics, appliances	10%	\$233K	\$219	\$201
Building materials, garden	10%	\$1.42M	\$1.50M	\$1.58M
Supermarket / grocery	10%	\$3.21M	\$3.31M	\$3.40M
Convenience store	10%	\$408K	\$437K	\$465K
Specialty foods	10%	\$560K	\$605K	\$648K
Liquor, spirits	10%	\$3.15M	\$3.39M	\$3.62M
Sporting goods, hobby, books	15%	\$629K	\$645K	\$657K
General merchandise	10%	\$1.95M	\$2.08M	\$2.20M
Miscellaneous retail	15%	\$480K	\$508K	\$534K
Health and personal care	5%	\$4.03M	\$4.36M	\$4.69M
Restaurant food & beverage	15%	\$5.10M	\$5.48M	\$5.85M

Source: Urban Systems – Retail Demand Model

NECHAKO RETAIL-COMMERCIAL OPPORTUNITY

These achievable on-site sales volume figures can then be converted into supportable commercial floor area by applying market-appropriate sales performance (i.e., required sales per sq. ft.) rates. For the Nechako commercial node, Urban Systems has applied the following sales productivity rates to determine market-supportable floor area:

Table 10 - Target Commercial Sales Productivity Rates

Nechako Retail-Commercial Category	Target Sales Productivity Rate (\$/sq.ft./year)
Furniture and home furnishings stores	\$372
Electronics and appliance stores	\$1,488
Building materials, garden equipment and supplies	\$350
Supermarkets and other grocery stores	\$630
Convenience stores	\$630
Liquor stores	\$740
Sporting goods, hobby, book, and music stores	\$450
General merchandise stores	\$306
Miscellaneous retail stores	\$366
Health and personal care stores	\$694
Restaurant food and beverage	\$732

Source: Urban Systems estimates adapted from provincial data as provided by ICSC¹

Applying these target sales per sq. ft. productivity figures to previously calculated on-site sales volume potential by category then establishes reasonable estimates of market-supportable floor area by category within a repositioned Nechako commercial node. These market-supportable commercial floor area figures can then be used to inform the Nechako Concept Plan, as they will contribute to a clearer understanding of how to build and expand on the existing tenant mix, including filling merchandising gaps with new tenant types to meet market demand and complement on-site amenities.

¹ International Council of Shopping Centres – Canadian market performance tracking

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These supportable retail-commercial floor area estimates are summarized below in Table 11.

Table 11 - Nechako Market Supportable Retail-Commercial Floor Area (sq. ft.)

Retail-Commercial Category	2021	2026	2031
Furniture and home furnishings	1,200	1,300	1,300
Electronics and appliances	200	150	150
Building materials, garden supplies	4,000	4,300	4,500
Supermarkets, other grocery	5,100	5,300	5,400
Convenience stores	650	700	750
Specialty foods	600	700	750
Liquor stores	4,300	4,600	4,900
Sporting goods, hobbies	1,400	1,400	1,450
General merchandise	6,400	6,800	7,200
Miscellaneous retail	1,300	1,400	1,500
Health and personal care	5,800	6,300	6,800
Restaurant food & beverage	7,000	7,500	8,000
Total – Above Categories	37,900	40,300	42,600
Service Commercial / Local Office Uses	15,200	16,200	17,000
Total Market-Supportable Commercial	53,000	56,400	59,600

Source: Urban Systems retail demand modeling for the Nechako trade area

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These retail-commercial categories can then be grouped together in clusters to be more relevant and aligned with local market opportunities, as follows:

Table 12 - Nechako Market-Supportable Retail-Commercial Floor Area (Sq. Ft.) by Category

Retail-Commercial Category	2021	2026	2031
Supermarket, grocery, convenience	6,350	6,700	6,900
Building materials, garden supplies	4,000	4,300	4,500
General merchandise	6,400	6,800	7,200
Liquor stores	4,300	4,600	4,900
Specialty retail (sports, miscellaneous)	4,100	4,250	4,400
Health and personal care	5,800	6,300	6,800
Restaurant food & beverage	7,000	7,500	8,000
Total – Above Categories	37,900	40,300	42,600
Service Commercial / Local Office Uses	15,200	16,200	17,000
Total Market-Supportable Commercial	53,000	56,400	59,600

Source: Urban Systems retail demand modeling and clustering

These clusters of potential opportunity can then be considered in the context of rounding out the existing tenant mix, including expansion of existing categories (e.g., convenience foods, health and personal care, restaurant food & beverage) and attraction of new, unrepresented categories (e.g., general merchandise/dollar store, garden supplies, specialty retailers).

These potential market-supportable floor area figures should be thought of as options rather than targets, as it remains to be seen how other commercial nodes in Kitimat continue to evolve. Some potential tenants may, for example, prefer a location with more traditional exposure to a more significant arterial road (e.g. Crossroads), while others will see the benefit of being part of a revamped node at the heart of an existing, under-served residential concentration.

NECHAKO RETAIL-COMMERCIAL SITE PLANNING IMPLICATIONS

Though the market-supportable commercial floor area for the Nechako commercial node is modest, its scale and orientation across categories make the program ideally suited to support a mixed-use redevelopment concept that includes some new multi-family residential over at-grade commercial units. This is in part due to the scale of opportunity by category, but also due to the primarily local-serving nature of supportable categories.

An increased array of specialty foods, expanded grocery, health, and personal care (e.g., pharmacy), restaurant food and beverage (e.g., café, full-service restaurant), and services, can all be well accommodated within a mixed-use building format in this context. As noted in Figure 7 below, the primary focus of new-build mixed-use apartment over at-grade commercial should be in the mixed-use node directly adjacent to the tennis court and skate park, as the current buildings in this location are in poor condition and not suitable for adaptive re-use.

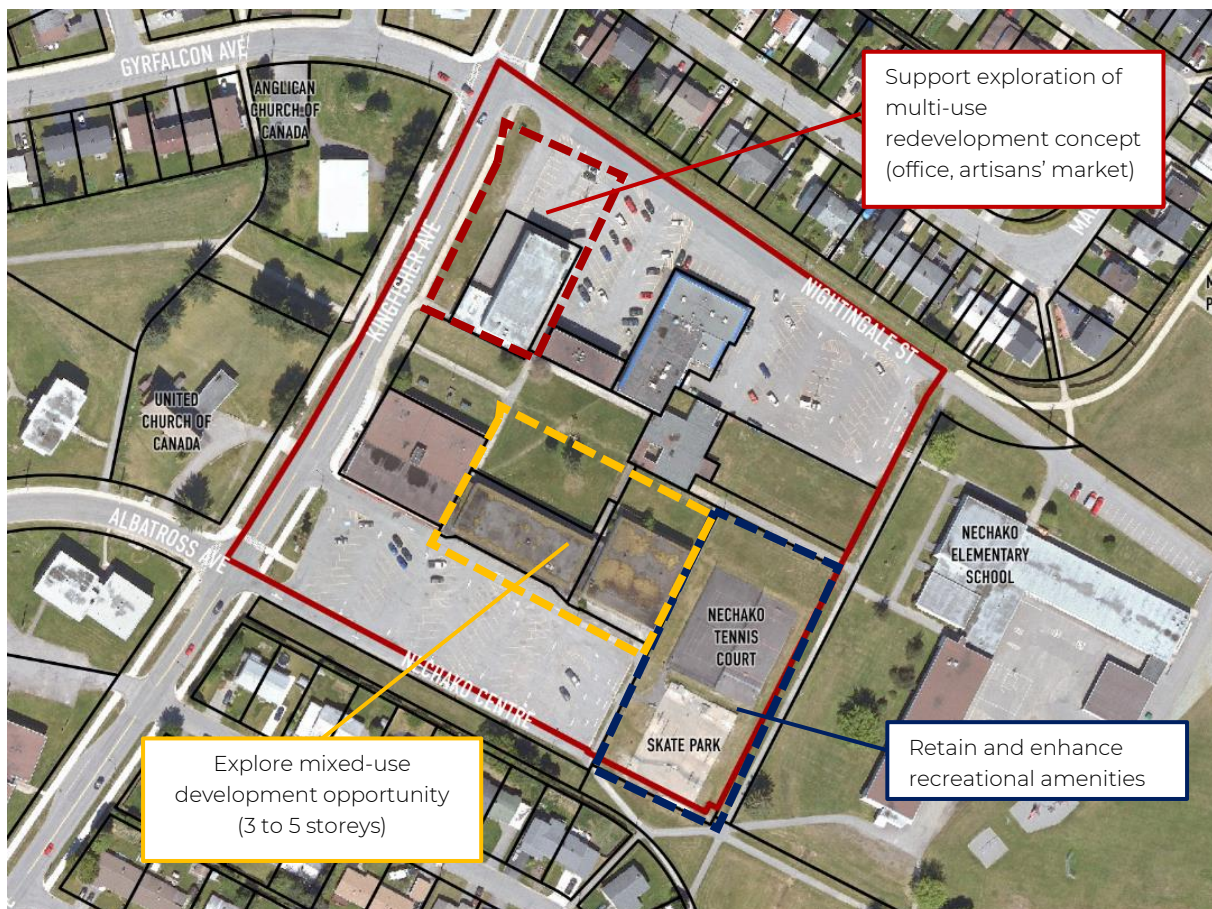


Figure 7 - Nechako Retail-Commercial Repositioning Opportunities

This preliminary illustrative concept is purely market-driven and has not yet been vetted from either an engineering / servicing or financial development viability perspective. This should be explored as a next step in evaluating Nechako Centre's repositioning potential.

3.0 NECHAKO RESIDENTIAL MARKET OVERVIEW

With a better understanding of Nechako's true potential from a retail market perspective, a brief review of local multi-family market conditions is in order, as mixed-use development forms will be the delivery vehicle for quality new at-grade retail-commercial spaces.

DISTRICT-WIDE RESIDENTIAL MARKET TRENDS

Table 13 summarizes the number of residential homes sold in the District of Kitimat each year from 2017 to present according to the BC Northern Real Estate Board (BCNREB) market statistics. From 2017 to 2020, the total number residential units sold in the District of Kitimat increased by 69%. Sales for the period averaged 162 homes per year.

There was a sharp increase in the total number of units sold in the District (+ 148%) from 2017 to 2018. Though the units sold in subsequent years were not as high as in 2018, the numbers are still well above 2017 volumes and trending toward 160 homes per year.

In terms of housing sales activity by type, more than 70% of residential units sold from 2017 to 2020 were single-family homes, though this proportion declined to 61% of units sold in 2021 as of September. The proportion of half-duplexes increased from only 4% in 2017 to nearly 18% in 2021 (September year-to-date).

Table 13 - Residential units sold in Kitimat (2017 – 2021 YTD)

	Single-family homes	Half-duplexes	Townhouses	Rental apartments and others	Total
2017	83	4	7	4	98
2018	168	30	27	18	243
2019	100	17	6	21	144
2020	118	19	19	10	166
2021 (Jan – Sept)	96	28	13	21	158
Period Average	113	20	14	15	162
% Change (2017-2020)	42%	375%	171%	150%	69%

Source: BC Northern Real Estate Board (BCNREB)

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Apartment activity in Kitimat has been very modest, with an average of only 15 apartment homes sold per year, though this is in large part due to very limited supply. Period high sales of 21 apartment homes occurred in 2019 and 2021.

The BCNREB also reported that the average time for a single-family home to be sold is 81 days through the first three quarters in 2021. Figure 8 shows the average sale price of single-family homes sold in Kitimat over the 2017-2021 period. The average sale price increased by 71% over this period, from roughly \$222,600 in 2017 to \$380,200 year-to-date in 2021.

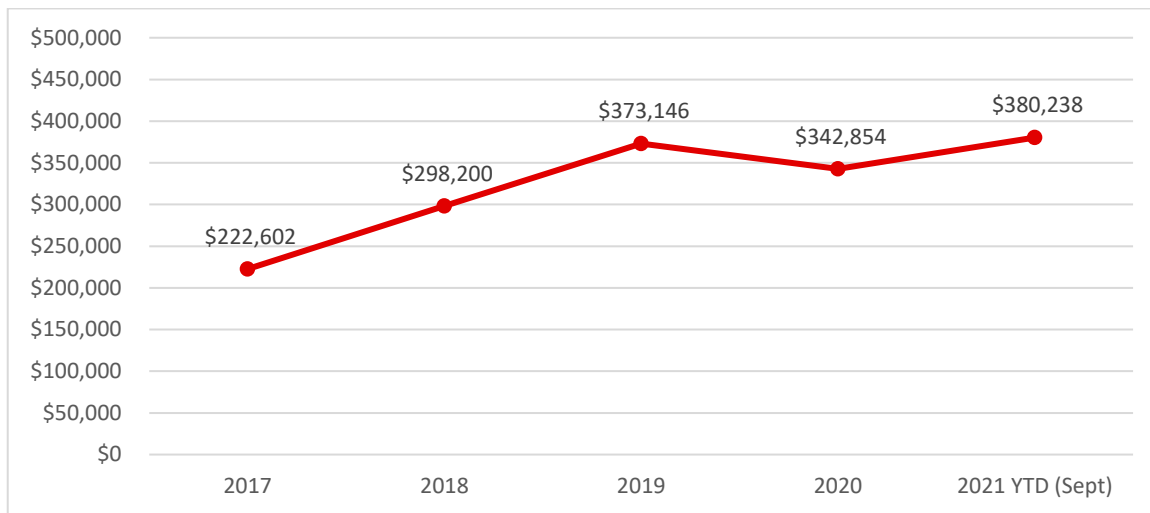


Figure 8 - Average sale price for single-family homes

Source: BC Northern Real Estate Board (BCNREB)

Both the number of units sales and the average sale price of single-family homes show that market activity in Kitimat's residential market is showing signs of growth, particularly in terms of multi-family activity. In 2017, multi-family home sales totaled only 11 units, accounting for 11% of all unit sales. In 2020 this increased to 29 units or 17% of all unit sales. Year-to-date figures for 2021 (through September) indicate 34 multi-family home sales accounting for 22% of all home sales.

This may be explained in part by the announcement by LNG Canada in October 2018 that the joint venture would build a new liquefied natural gas (LNG) facility in Kitimat with a \$40 billion price tag and an estimated construction time of six to seven years. This is one of the largest private-sector developments in Canada and is expected to generate increased demand for a broader array of local housing options to support the project management teams, corporate executives and other highly skilled specialists working in the District.

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Table 14 summarizes the average sale price for different dwelling types in the District of Kitimat market in 2020 (as of July).

Table 14 - Average Sale Price of dwelling types, 2020

Dwelling Type	Average Sale Price 2020 (YTD as of July)
Built residential properties	
Single-family dwellings	\$342,452
Duplexes	\$272,900
Townhouses	\$206,750
Rental apartments	\$293,500
Residential lots	
Single-family residential lots	\$130,000
Multi-family lots	\$515,000

Source: Housing Fact Sheet, 2020 July, District of Kitimat

Table 15 - Rental Market Indicators in the District of Kitimat (2017-2021)

	2017 Oct	2018 Oct	2019 Oct	2020 Oct	2021 June	Change (2017-2021)
Rental vacancy rate	42%	44%	38%	15%	14%	-28%
Average Rent	\$ 879	\$ 1,295	\$ 1,263	\$ 1,491	N/A	70%

Source: Canada Mortgage and Housing Corporation (CMHC), Telephone Survey of property management companies by Big River Analytics (2021 Rental vacancy rate, quoted from District Housing Fact Sheet).

As for the District of Kitimat rental market, Table 15 presents a summary of key rental market indicators for the 2017 to 2021 period. The rental vacancy rate has declined by 28% from 42% in 2017 to 14% as of June 2021, while the average rent has increased by 70% from \$879 in 2017 to \$1,491 in 2020. This rental rate appreciation is indicative of both limited supply and an uptick in local demand.

According to local realtors, there is likely untapped demand for quality rental apartments in Kitimat, particularly for workers in education and health care.

4.0 RESIDENTIAL MARKET LISTINGS

Among the residential listings that are currently active in the Northern portion of the District of Kitimat, most are single-detached homes, mainly 3-bedroom or 4-bedroom units. A number of duplex homes, townhouses and apartment units are also available. Table 16 summarizes the average price and size of houses of different types.

The majority of single-family listings are homes that were built before 1970, while the apartment units available were all constructed in 2014. The average asking price for single family homes built after 1990 is \$666,327, while the average price per square foot (sq. ft.) is \$220.

Table 16 - Residential Market Statistics for Current Listings in Northern District of Kitimat (2021)

	Average size (sq. ft.)	Average asking price (\$)	Average price per square foot (\$/sq. ft.)
Single-family house	1,810	\$385,800	\$200
Duplex	1,280	\$232,400	\$180
Townhome	1,310	\$223,300	\$210
Apartment	970	\$353,700	\$360

The following map shows some of the active representative residential listings in the Northern portion of the District of Kitimat.

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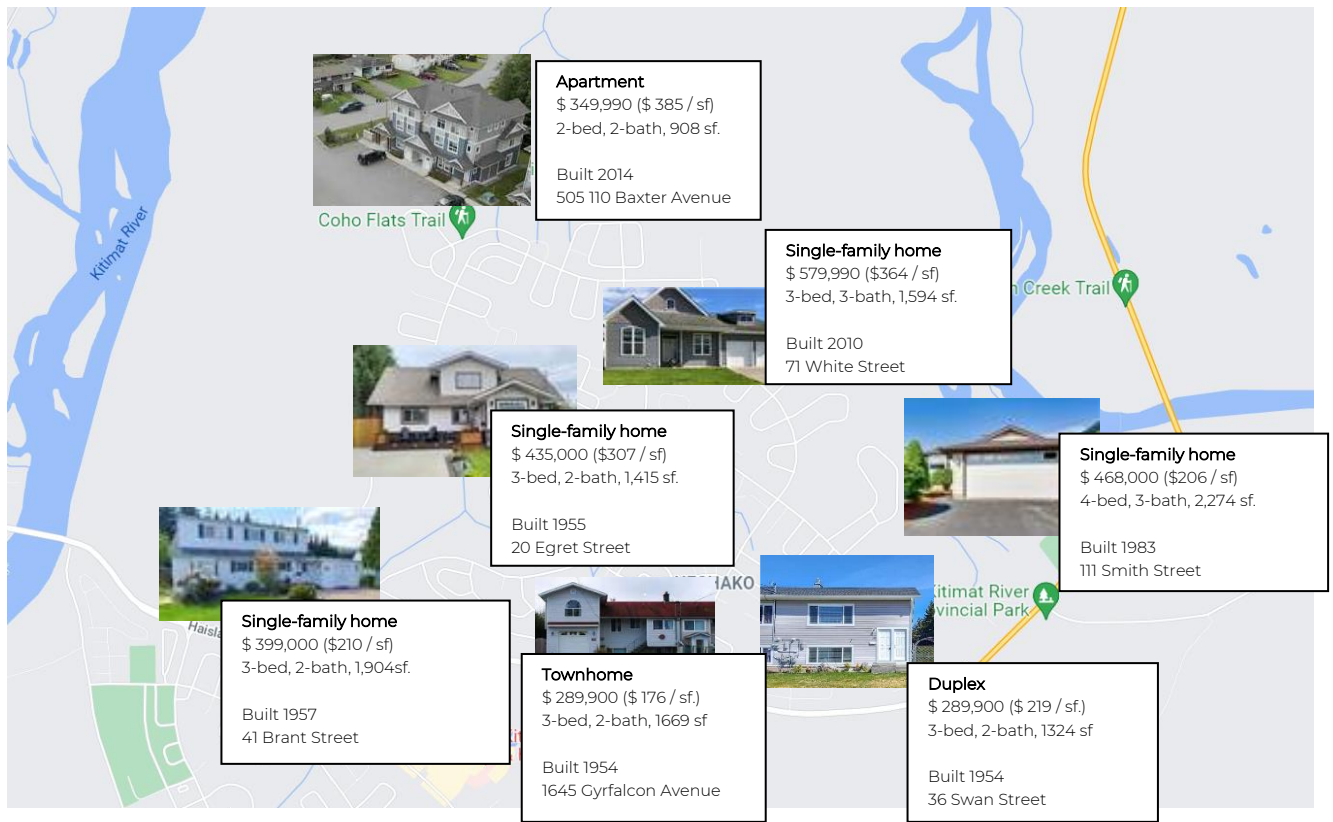


Figure 9 - Illustrative Sale Prices for Various Home Types

Photo Source: Google Map, YouTube, realtors page for individual listings

Given the scale of enhanced potential retail-commercial uses at Nechako, along with relatively limited supply of quality apartment home types (particularly rental tenure), it is recommended that mixed-use residential over at-grade commercial building forms be explored for the subject property. Local lifestyle convenience retail-commercial uses with likely market support would benefit directly from an increase in on-site population. Rental apartment unit absorption would also, in turn, be accelerated by the presence of a broader array of retail and restaurant amenities on-site.

ILLUSTRATIVE MIXED-USE BUILDING FORMATS

Though further work investigating the potential development viability of new mixed-use building formats at Nechako is needed to determine optimal building form and fit-out, the following images provide some illustrative and relevant mixed-use concept ideas that can be explored as part of next stage site planning.



Mission Group Rentals – Kelowna, BC



King Road Rental – Abbotsford, BC

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The Crossing at Belmont – Langford, BC



The Robert on Carnarvon – Vancouver, BC

APPENDIX A: SITE PROFILE

THE PUBLIC MARKET | CHEMAINUS

KEY INFORMATION

- Location: Chemainus, BC
- Size: 12,000 sq. ft.
- Official opening: June 1, 2020
- Flexible market space hosting ~13 vendors selling a wide variety of goods
- Two permanent eateries



Source: 2021 Chemainus Public Market, Chemainus BC



Source: Google Maps, 2022

PROJECT OVERVIEW

The Chemainus Public Market is located in the heart of downtown Chemainus, BC, on Vancouver Island. It is nestled among a variety of retailers located on Willow Street near Waterwheel Park, the Chemainus Theatre Festival, a historic fire hall and other community serving institutions. The Market itself is a flexible space that hosts multiple vendors within one 12,000 sq. ft. building. There are currently 13 vendors selling a wide assortment of goods including artisanal products, clothing, books, local produce, baked goods, antiques, and more, from unique boutique-style shops. Permanent fixtures of the Market are a vintage video arcade, a café, and two eateries – Archie's Ice Cream Parlour and Diner and Captain Andy's Fish and Chips. The newest feature is Market Square, a relaxing public space in the centre entrance offering seating by a fountain.

The Chemainus Public Market has become a prominent community anchor for local shopping and activities since its opening in 2020. Open seven days a week between 9 am and 7 pm, the Market attracts local residents and visitors, especially from the neighbouring communities of Nanaimo, Ladysmith, Duncan and Victoria. In addition to the indoor boutique shopping experience, the Market offers two weekly outdoor events during the summer months in the parking lot: Classic Car Tuesdays – a showcase of old vehicles – and an Outdoor Market on Wednesdays. Both events bring the community together for shared interests and in support of local vendors.

Before it was the Chemainus Public Market, the building was the location of Chemainus Foods. The local grocery store was in operation for about 30 years before its permanent closure in late 2015. The building was left vacant for several years, and during this time, new uses were contemplated by the community. The idea for a market space emerged early on as the public voiced support for a range of new businesses, especially ones that would create opportunities for the many artists and craftspeople in Chemainus.

When the building was purchased by Warren Goulding and Tony van de Mortel, the co-owners applied their expertise in business and property development to bring the public market concept into reality. At 12,000 sq. ft., the building was considered too large for retail but too small for another grocery store. Instead, the layout of the space was designed to be flexible and multi-use in order to accommodate a range of activities that could change over time. After a delayed opening due to the COVID-19 pandemic, the Chemainus Public Market officially opened on June 1, 2020 to the public.

KEY TAKEAWAYS

- The revival of the vacant former Chemainus Foods building into a flexible year-round indoor marketplace, the Chemainus Public Market, is an example of an adaptive re-use project. The project showcases the transition of a previously dormant and underutilized space into a popular and interactive community hub for both residents and seasonal visitors. The initiative re-imagined a more attractive and appropriate use for the 12,000 sq. ft. building and has since brought new life into the downtown core of Chemainus.
- Community feedback was an important consideration in the site's redevelopment process as the primary goal for the space was to ensure it served the local community. Since the closure of the Chemainus Foods building, there was a lot of community interest for introducing new retail opportunities into the space. The community especially wanted to see local craftspeople, artists and writers represented since Chemainus has a prominent community of artists.
- The Chemainus Public Market offers flexibility with the large amount of space that is available. This and its potential to be adapted to suit the needs of individual vendors is key to its success.

Market spaces are available for both short- and long-term leasing. This allows for an ongoing rotation of vendors to sell their goods in the Market while also giving vendors the flexibility of setting up a shop without a permanent commitment to the location.



Original use as Chemainus Foods (Source: Google Maps, 2014)



Vacant former Chemainus Foods building (Source: Cowichan Valley Citizen, 2018)



Chemainus Public Market (Source: Nice Local, n.d.; Vancouver Hot Rods, 2021)



Source: Vancouver Island Hot Rods, 2021

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