



Real Estate Market Demand Study for the New Minas Growth Centre

JANUARY 2021

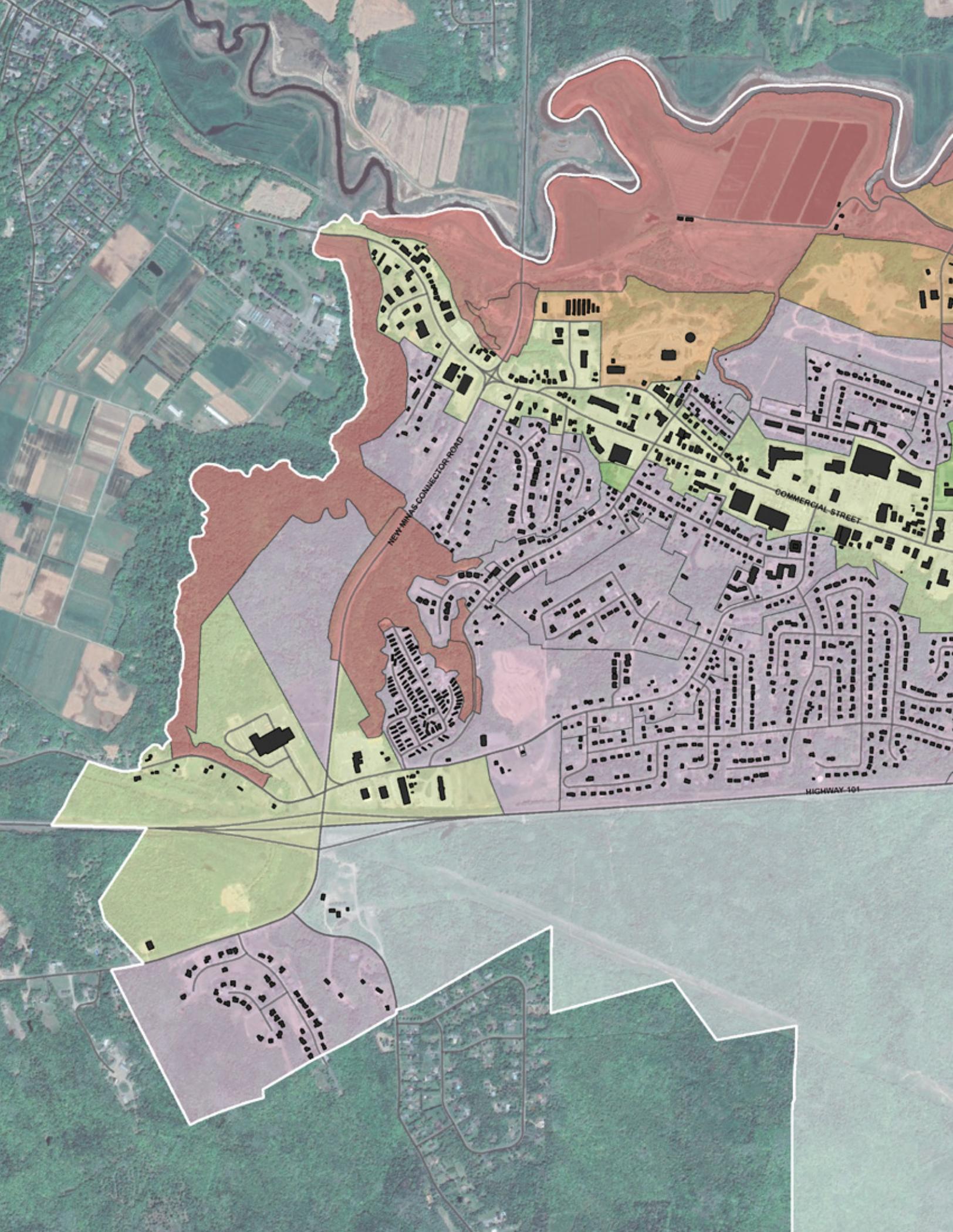


Prepared for:



MUNICIPALITY OF THE COUNTY OF KINGS NOVA SCOTIA, CANADA

UPLAND



NEWY MINAS CONNECTOR ROAD

COMMERCIAL STREET

HIGHWAY 101

ST. JOHN'S



**Real Estate Market
Demand Study for
the New Minas
Growth Centre**

FBM
architecture
interior design
planning

 **TURNER DRAKE
& PARTNERS LTD.**

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Preface

Fowler Bauld & Mitchell Ltd. (“FBM”) and Turner Drake Partners (“Turner Drake”) were commissioned by the Municipality of the County of Kings (“the Municipality”) to provide a technical analysis of real estate market supply and demand in support of the project to develop a Secondary Planning Strategy (“SPS”) for the Growth Centre of New Minas. The study was carried out over the period of August 2020 to January 2021.

The process to develop the SPS is being conducted by UPLAND Planning + Design (“UPLAND”). Through this work, a Working Group consisting of Councillors, Village Commissioners, and citizen representatives was established to inform the project by providing information on the community, identifying stakeholders, and reviewing deliverables. This SPS will include the creation and refinement of policies related to development on or adjacent to Commercial Street, housing, active transportation, industrial lands, and more. The SPS is also an opportunity to create a plan for development of lands south of Highway 101, (also referred to as the Granite Interchange Lands).

The objectives of this study include forecasting opportunities for new retail, office, industrial, accommodation and residential demand in the Growth Centre, which includes the Village of New Minas and a small amount of land that is just outside the Village boundaries. This document is intended to assist the Municipality, the Village, and partners in developing the SPS, promoting the community, working with developers and investors, as well as attracting new development opportunities.

Reference material for this report was obtained from, but not limited to: Statistics Canada, Municipality of the County of Kings, Manifold Data Mining Inc., Environics Analytics, Commercial Real Estate/Property Management Firms, International Council of Shopping Centers, FBM, and Turner Drake.

FBM and Turner Drake do not warrant that any estimates contained within the study will be achieved over the identified time horizons, but that they have been prepared conscientiously and objectively on the basis of information obtained during the course of this study.

This analysis was conducted by FBM and Turner Drake as an objective and independent party, and is not an agent of the Municipality or Village, or UPLAND.

As is customary in an assignment of this type, neither our names nor the material submitted may be included in a prospectus, or part of any printed material, or used in offerings or representations in connection with the sale of securities or participation interest to the public, without the expressed permission of the Municipality of the County of Kings, FBM or Turner Drake.

-FBM/Turner Drake

Executive Summary

RETAIL MARKET FINDINGS AND RECOMMENDATIONS

Existing conditions

- New Minas is the regional retail and service hub for the Annapolis Valley, serving as a key centrality for a Trade Area of over 100,000 people.
- There is a total estimated retail floor space of 1.70 million sq. ft. with an estimated vacancy of 175,000 sq. ft., (10.3%). Most of this vacancy is located at County Fair Mall.

Future conditions

- Recognizing minimal anticipated population growth, a feasible forecast for new retail space is approximately 100,000 sq. ft. to 120,000 sq. ft. over the next 10 years in New Minas. This considers New Minas capturing a 60% market share of Trade Area retail demand.
- Retail is constantly changing, yet adaptable in terms of retail and developer space and land needs, as well as expansion plans. It is important that demand be re-evaluated at a minimum of every five years to ensure opportunities are being captured.

Future demand

- The Commercial Street corridor should continue attracting a variety of retail uses and formats, with qualities including high traffic counts, a variety of destinations, accessibility from the 100-series highway, visibility along the corridor, as well the market of residents and workers in the nearby area.
- New Minas will continue to be the primary location for junior box retailers (10,000-25,000 sq. ft) and larger format retailers (>25,000 sq. ft.) who will prefer to locate at the centrality of the Trade Area.
- New retailers attracted New Minas are expected to be brands or strong regional franchises often with space needs of 1,000 to 1,500 sq. ft. This may require some landlords to modify currently available units.
- Assuming all of the 10-year new retail floor space forecast demand were accommodated in new lands, the total land area required would only be between 10 and 15 acres.
- While a portion of the latter demand could be captured in existing vacant space along Commercial Street, land assets also along the Commercial

Street corridor and at Exit 12 are sufficient to accommodate future demand prior to needing to develop in the Granite Interchange Lands south of the 101. It is however prudent and realistic to forecast new retail lands needed in the Granite Interchange Lands being in the order of 3 to 5 acres for the purposes of the SPS.

Recommendations & Considerations

- Development opportunities along Commercial Street should be premised on infill development, with resulting formats being freestanding pad sites as well as smaller mixed-use nodes with retail at the ground level and office, professional services, or residential above.
- From a retail perspective, the overall focus of the SPS should be to concentrate activity and connectivity rather than diluting and disconnecting the retail fabric. Anticipating pressures at some point for larger commercial development in the Granite Interchange lands, there should be a consideration that large-scale retail development at this location would likely to come at the expense of Commercial Street businesses. Retailers often exhibit a herd mentality and if the Granite Interchange lands became a new major retail node, it could result in a gravitational shift of retail activity resulting in numerous vacancies along Commercial Street. This would disrupt the retail vitality and also require significant transportation and infrastructure investment for connectivity across the highway.
- The SPS should consider zoning in the Granite Interchange Lands for neighbourhood-scale retail shops and services with associated future residential development. This could be achieved with a total development size limitation of no more than 50,000 sq. ft. for retail floor space.
- In addition to this total development size limitation, consideration should be given to implementing a specific retail store size limit in the Granite Interchange lands to restrict large format retail to no greater than 25,000 sq. ft. This size would still allow for a grocery format retailer to locate when and as residential demand would support such retail. The purpose of a store size limitation is to proactively prevent an exodus or relocation of valuable large format retailers already on Commercial Street.

OFFICE MARKET FINDINGS AND RECOMMENDATIONS

Existing conditions

- New Minas does not have an overly large nor defined office presence. The core offering of office services comprise smaller professional and medical services, with much of the office uses taking place in retail or industrial areas.

Future conditions

- Recognizing minimal anticipated population growth, a feasible forecast for new office space is approximately 18,000 sq. ft. to 20,000 sq. ft. over the next 10 years in New Minas. This considers New Minas capturing a 45% market share of Trade Area office .
- Office demand, like industrial can often fluctuate depending upon external economic development-driven factors that could well change the profile of the region and thereby introducing a larger office space user. One such example is the current Workforce Strategy being undertaken by the Valley Regional Enterprise Network, which will seek to identify areas of employment growth in the Annapolis Valley.

Future demand

- Office space demand is likely to continue to be accommodated as part of existing vacancies or possibly in the form of second level space in future mixed-use projects.
- There is a potential for additional medical and professional services along the Commercial Street corridor.
- Some available commercial space could be suitable for office users. One such trend for struggling enclosed Mall assets is to convert former anchor spaces into office precincts and this could be an option for the County Fair Mall.

Recommendations & Considerations

- Considerations in the SPS should encourage infill redevelopments along Commercial Street that can include either office spaces on the ground level or upper levels.
- Office space conversions should also be explored for older retail nodes to provide opportunities for employment growth or to incubate affordable local entrepreneurial office uses.

ACCOMMODATIONS MARKET FINDINGS AND RECOMMENDATIONS

Existing conditions

- As a regional shopping node, New Minas is a logical centrality for the Annapolis Valley, however it lacks tourist-friendly accommodations infrastructure and it is therefore not as desirable, nor a promoted tourist destination to which traditional accommodations formats are drawn.
- The prospects for growth were documented and profiled in a 2013 Hotel Market Demand Study for Kentville and a hotel has not been built to-date. This Study's findings are still relevant today whereby the analysis notes that the existing hotel stock in the area is dated and low quality. The depth of the market is limited, given proximity to larger urban markets, seasonality of demand, and small corporate base in the community, as well as the AirBNB market. The study concluded that the market opportunity was marginal and those findings are still relevant today, particularly as the tourism economy works its way back from the impact of the COVID-19 pandemic.

Future prospects

- The nature of the Annapolis Valley region suggests that smaller communities are more appealing for smaller, boutique accommodations, while New Minas may be more appropriate for a future branded format that could have conference facilities attached.
- The results of the coronavirus pandemic have yet to be fully realized for the accommodations sector, which has been among the hardest hit, and any recovery will take time.

Recommendations & Considerations

- Current lands are more than sufficient for future accommodations needs.
- It is also possible and compatible that the Granite Interchange lands could be a strategic location for a future branded accommodation format and thus zoning should ensure this possible land use.

INDUSTRIAL MARKET FINDINGS AND RECOMMENDATIONS

Existing Conditions

- There has been little to no demonstrated market demand for industrial property in New Minas in the past decade.
- The existing industrial land supply is poorly located. It is close to wellheads which limit its use for industrial purposes, close to conflicting land uses such as residential neighbourhoods, and far from regional transportation networks.
- Current industrial users are often retail uses in reality, and true industrial uses are often legally non-conforming, having pre-dated the wellhead restrictions, which can limit expansion or changes in their operations.
- Some owners of property in the existing industrial areas have already started to consider alternative development options, recognizing the poor compatibility of those lands for industrial use.
- The industrial land market is competitive in the area, with Kentville's Business Park offering superior opportunities at below-replacement costs.

Future Conditions

- The population is aging and future growth is likely to be weighted towards older age groups, shrinking the available labour force and acting as a headwind on all employment-related uses.
- New Minas' employment base is less focussed on industrial sectors than the Kings County average, and this is expected to continue.
- Infrastructure extensions into the expansion areas of New Minas south of Highway 101 at the Granite Interchange Lands would likely create an opportunity for better industrial land supply. These areas would offer superior visibility and access to the highway, and potential for separation from more sensitive land uses, which would be a more attractive offering for industrial uses.
- However, stiff competition for industrial development is expected to continue given the supply reserve held by other municipalities and private landowners in the local area.

Future Demand

- There is little expected change in demand for industrial development in New Minas without active promotion and economic development activity that changes the current market fundamentals. The success of such efforts, if undertaken, is speculative given competition in the surrounding communities and the lack of specific advantage that would differentiate New Minas in this context.

Recommendations & Considerations

- Industrial development is unlikely to be an important aspect of New Minas' future based on current and expected trends.
- Economic promotion and development activity may generate more demand than is present in the market under "natural" conditions. However, any attempts to do so should be undertaken after careful consideration of the expected costs and benefits.
- If industrial development is a goal for the community, opportunities should be made for this in the expansion lands at the Granite Interchange where more suitable development sites could be created.
- The existing industrial lands are a legacy issue. Further industrialization of these areas should be limited, and policy should seek to phase them out by relocating the focus of development to a better location in New Minas, and transitioning current industrial lands to more suitable uses as the opportunities arise.

RESIDENTIAL MARKET FINDINGS AND RECOMMENDATIONS

Existing Conditions

- Population growth in the general area of New Minas has been strong in recent years compared to longer-term trends. This is predominantly a result of international immigration, and migration to the area from elsewhere in Canada.
- New Minas has not achieved its proportionate share of growth likely due to a dwindling supply of development opportunities, which is a function of both land availability challenges, and outdated development regulations.
- The existing housing stock in New Minas is generally 40 to 50 years old, predominantly low density detached housing, and tenured by owner-occupiers.
- Some rental and higher density housing options are available, and these have become more popular with both households and developers in recent years.

Future Conditions

- Population growth is expected to continue at its recent pace; increased immigration is the expected policy at the Federal level, and conditions within Canada will likely continue to support a trend of relocation to the area by retiring and downsizing households.
- This growth is likely to be more heavily skewed towards older segments of the population, making age-friendly housing a more important factor than it has been historically.
- As a retail and service centre, New Minas exhibits an employment base that is more heavily weighted towards lower-paying industries and occupations compared to other communities in the area. This will likely continue, and points toward a need for housing options which are affordable, rental tenured, and located in areas which reduce other household expenses (such as locations accessible by public transit).

Future Demand

- With adequate policy changes to increase residential development options New Minas could capture between 15% and 22% of future growth in the broader area. This range is based on two potential scenarios; similar to recent years, or similar to the peak development period of New Minas' history.
- Based on these two scenarios, the demand forecast suggests planning policy for New Minas should accommodate between 270 and 321 new housing units over the coming decade.
- These are reasonable, but optimistic estimates; in the context of a plan review, there is lower risk in over-estimating future growth as opposed to under-estimating it.

Recommendations and considerations

- Regardless of overall growth target, it can be expected that housing demand will require a greater mix of housing types than have been provided in New Minas historically, including more ground-oriented units that are denser than typical detached housing, such as semidetached, rowhouse, and small multiplex buildings.
- New development should be a mix of both greenfield expansion, and redevelopment within the existing community.
- Commercial Street is an opportunity to allow for more mixed-use development that enhances retail and service offerings and introduces more affordable and conveniently located housing options at higher densities.

Forecasted New Minas Residential Housing Demand

New Minas Forecasted Housing Development Demand (dwelling units required over next ten years)			
Forecast Scenario		Market-Driven	Policy-Driven
Type	Detached	135	160
	Attached	41	48
	Apartment	81	97
	Other	13	16
	TOTAL	270	321
Tenure	Owned	170	202
	Rented	100	119



1.0 Introduction

1.1 SCOPE OF STUDY

FBM and Turner Drake were commissioned by the Municipality to provide a technical analysis of real estate market supply and demand for the New Minas Growth Centre in support of the project to develop the SPS for the New Minas Growth Centre. This SPS will include the creation and refinement of policies related to development on Commercial Street, housing, active transportation, industrial lands, and more. The SPS is also an opportunity to create a detailed plan for development of lands south of Highway 101 (also referred to as the Granite Interchange Lands). This study was carried out over the period of August 2020 to January 2021.

Market supply and demand is analyzed for the following sectors:

- Retail (small retail, service, and restaurant, as well as large-format retail);
- Office;
- Accommodations;
- Industrial (light and heavy); and
- Residential (low-density and multi-unit).

Within the discussion of each sector, the relevant market area or trade area is outlined.

The consultant team conducted on-the-ground research in August 2020 to gain a firm understanding of existing and future prospects in New Minas, within the context of the Annapolis Valley region, with consideration for nearby communities, including the Town of Kentville, the Town of Wolfville and the Village of Port Williams. The Consulting Team held one-on-one stakeholder meetings by teleconference with a range of landlords and community stakeholders for their perspectives on the residential, retail, office and industrial market in the Growth Centre and the region.

1.2 REPORT STRUCTURE

This report is structured around the following sections:

1.0 Introduction

Introduces the study process and structure.

2.0 Location and Background Information

Lays out the important regional and local context of New Minas, in terms of geographic location, planning, and recent development, and findings from stakeholder engagement.

3.0 Retail Market Demand Assessment

Identifies the New Minas Trade Area and demographics, including retail spending. The profile assesses the location and characteristics of current nodes of retail activity (“supply”) and estimates current retail market share while quantifying future retail demand over the next 10 years.

4.0 Office Market Demand Assessment

Identifies the New Minas Office Market to determine overall office demand that would support office growth over the next 10 years.

5.0 Accommodations Market Demand Assessment

Provides a high level overview of the accommodations market to determine the overall demand that could be supportable in New Minas.

6.0 Industrial Market Demand Assessment

Identifies and discusses the current and expected balance of supply and demand for industrial development in New Minas as a function of market activity, employment data, and stakeholder feedback. The industrial analysis also describes the conditions under which such development occurs within the broader study area, and how this relates to New Minas as the SPS process moves forward.

7.0 Residential Market Demand Assessment

Identifies and defines expected population growth and demographic profile in New Minas over the next 10 years, and translates this into a quantity and mix of housing types and tenures that will be demanded by this population.

1.3 COVID-19

This study was undertaken during the COVID-19 pandemic, which has presented a challenge in the retail and tourism sectors. At the time of completing this study, full impacts are unknown. Many retail and accommodations businesses experienced a dramatic decrease in revenue. This resulted in some cases, in the permanent closure of retail businesses, while there have been many retailers and businesses that have responded in creative ways to the crisis.

Because of the economic impact that the COVID-19 crisis has had on businesses, it is expected that forecasts in this study will need to be tempered over the next year, while businesses recover and slowly attract customers. The impact will be further impacted by the role that online shopping will have on those businesses that don't embrace omni-channel retailing (i.e. physical and online). Other impacts that are sure to be felt by the COVID-19 crisis will include the tourism and

accommodations industry, but with good collaborative marketing, this industry may recover and rebuild. Many federal, provincial and local organizations are stepping up to provide support and financial aid to impacted businesses throughout the region.

Conversely, numerous forces arising out of the pandemic have led to increases in demand and price for residential property throughout Nova Scotia. The receipt of generous government emergency benefits, sudden broad shift towards remote work, accumulation of pent-up demand during the spring lockdown, acceleration of retirement and relocation plans, and differences in pandemic conditions between regions of the country have resulted in an increase in home-buying activity and interest in relocation to more affordable secondary markets such as New Minas. At the same time, the uncertainty associated with the situation and the reluctance to expose homes to unknown individuals has resulted in a dramatic decrease in residential listings. This combination of a condensed period of elevated demand and diminished supply have resulted in dramatic price escalation across the country and "hot" market conditions. Little is known or foreseeable about how these unprecedented trends may evolve, and how long they may persist as the prospect of the end to the pandemic become closer to reality. The intention of this analysis is to provide a long-term forecast for demand, and therefore this report takes the position that current conditions are time-limited and a return to the anticipated trends will materialize.



2.0 Location and Background Information

2.1 COMMUNITY AND PLANNING CONTEXT

The Growth Centre of New Minas is located along Highway 1 between the Towns of Wolfville and Kentville and within the Municipality of the County of Kings. New Minas is the largest retail centre in the Municipality. Commercial Street (Highway 1) bisects the community and is lined with retail shops, big box stores, and shopping centres. New Minas is the most populous Growth Centre in the Municipality, while also offering recreation facilities, a golf course, public schools, and a number of industrial and institutional uses. The northern extent of the community includes industrial uses, however, intensification of industrial uses is constrained in this area by the need to protect municipal drinking water wells located there. The Village of New Minas is responsible for implementing recreational programming and facilities, undertaking sidewalk maintenance, providing drinking water, and partnering with the Municipality for sewer servicing.

In November 2019, Municipal Council adopted the new Municipal Planning Strategy (“MPS”) and Land Use Bylaw (“LUB”). These documents provide a vision and approach to development for the Municipality as a whole. The MPS provided direction for the development of a Secondary Planning Strategy for the Growth Centre of New Minas (“SPS”). The SPS will include the creation and refinement of policies related to development on Commercial Street, housing, active transportation, and industrial lands. The opening of the Granite Drive Interchange at the end of 2018 has shifted transportation patterns and enabled new development opportunities; the SPS is an opportunity to create a detailed plan for future development of these lands.

This Real Estate Market Demand Study is intended to support decision-making around land allocation (zoning), development standards, servicing, and transportation needs in New Minas. The SPS process necessitates a thorough understanding of current and potential

conditions, including expected demand for a variety of land uses in the retail, residential, office, and industrial sectors. This study aims to respond to the need for current information and analysis to support decision-making. Market demand in these sectors is quantified and the study aims to describe where in the New Minas Growth Centre is anticipated new demand is likely to occur. This includes Commercial Street redevelopment sites, greenfield sites, highway commercial areas, and lands south of Highway 101.

New Minas is part of a larger, interconnected market that includes housing, retail, industrial, employment, institutional and education options in surrounding communities including Centreville, Port Williams, North Kentville, and the Towns of Kentville and Wolfville. Within the discussion of each sector, the relevant market area or trade area and regional context is described and considered.

Kings County Demographics

Kings County’s most recent census data released by Statistics Canada revealed a population of 60,600 in 2016. (Kings County consists of: The Municipality of the County of Kings; Towns of Berwick, Kentville and Wolfville; and Cambridge and Glooscap reserves.) This is compared to 60,589 in 2011, representing no significant population growth over this time. Similarly, the province as a whole grew from 921,727 to 923,598, representing a 0.2% population growth over 5 years. Age distribution in the County is consistent with that for the province, with the median age being 46.5 in Kings County, and 45.5 for the province as a whole.

Municipal Planning Strategy (MPS)

According to the MPS, the largest and most populated area in Kings County encompasses the Towns of Kentville and Wolfville and Growth Centres of North Kentville, Centreville, New Minas, and Port Williams. This cluster accounts for approximately one third of the population in the County and is the key business, industrial and residential area.

The goal of the MPS is to provide growth management on a regional scale, with a focus on growth within vibrant, complete communities in 12 Growth Centres, including the New Minas Growth Centre. The continued development of Growth Centres maximizes existing infrastructure investment without imposing on rural areas. Issues and trends noted in the MPS include:

- A changing environment, and the need to mitigate the impact of climate change;
- Challenging demographics, with aging population;
- The need to attract and retain skilled workers in a global marketplace, through strong economic opportunities as well as a superior quality of life and recreation opportunities;
- Promoting the appeal of the municipality in its sense of culture, community, access to agriculture and industry, and proximity to Halifax as a major economic and social hub;
- Responding to a desire for communities with a mix of uses, active transportation opportunities, affordable housing, and services to improve public health and safety; and
- Promoting and retaining major employers in manufacturing, agriculture, and academia.

In response to these issues, the MPS aims to:

- Concentrate new commercial, residential, and mixed-use in Growth Centres, while encouraging a diversity of housing options;
- Encourage housing that is affordable, sustainable, adequate, safe, and accessible;
- Reflect a deeper understanding of agriculture through access to affordable, local food;
- Support a blend of traditional and non-traditional industrial and jobs sectors, including support for new areas for economic growth; and
- Support a “buy local” movement and develop comprehensive support systems for local entrepreneurs, organizations, and businesses.

While providing public transit is challenging for a rural settlement pattern, for the largest communities along Highway 1, transit service is more practical. Policies permit the greatest mix and density of uses near transit routes and bus transfer areas.

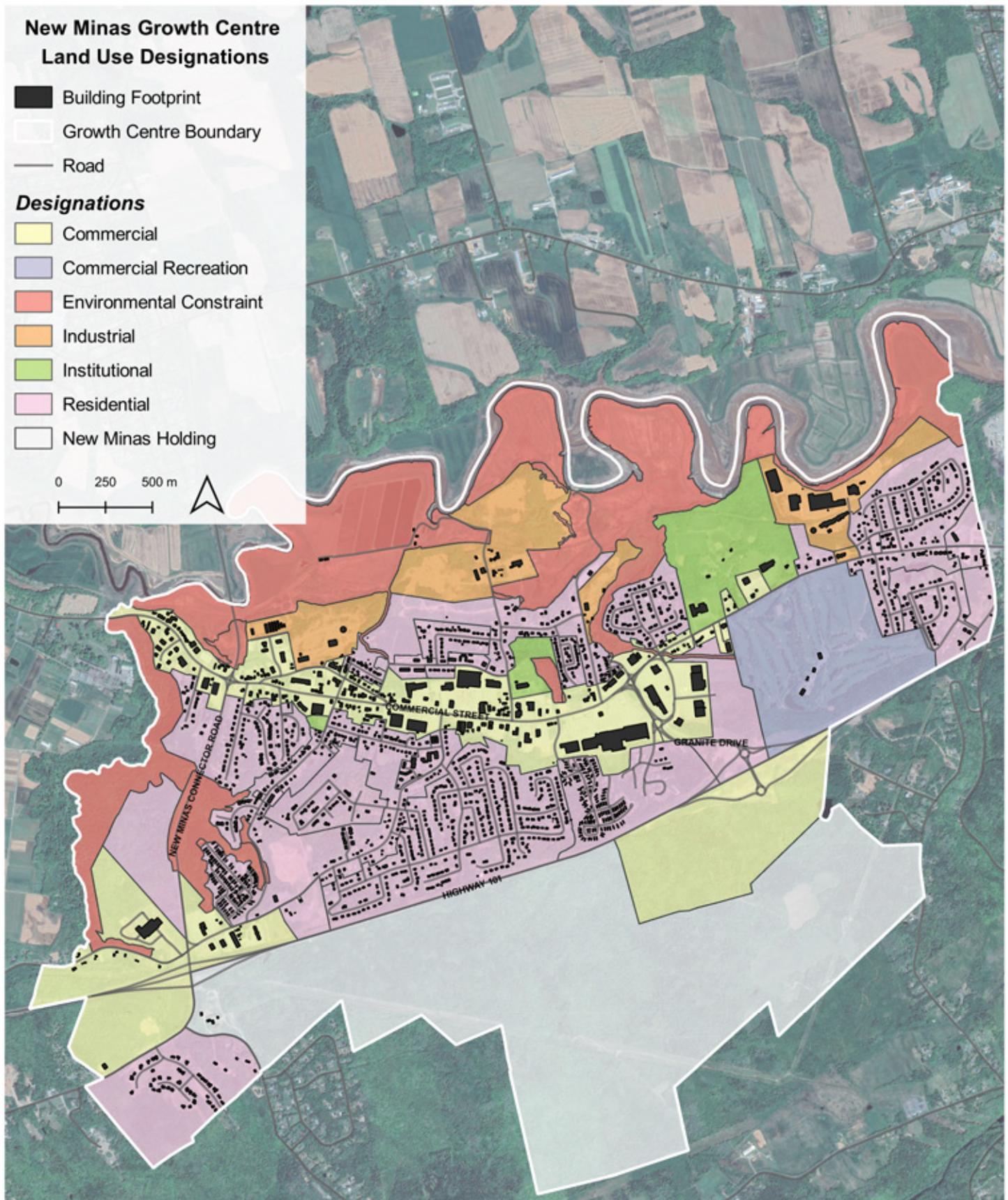
Land Use policies to support Economic Development seek to ensure there are sufficient development and redevelopment opportunities to accommodate anticipated business growth. This includes supporting new businesses not previously contemplated to locate in appropriate locations. Policies also look to promote the Municipality as a location for new businesses, and encourage businesses to engage in cooperative efforts to enhance and revitalize commercial areas.

Zoning in the New Minas Growth Centre

A map of land use designations for the New Minas Growth Area is provided as **Figure 2.1**.

Commercial Street, between the New Minas Connector and Granite Drive is zoned C1 (General Commercial). The LUB permits in the C1 zone a broad range of commercial uses, as well as business offices, and low-impact industrial development. Limited residential opportunities are available located in commercial

Figure 2.1: Zoning in New Minas (Data Source: Municipality of the County of Kings)



buildings above or behind ground floor commercial uses. The intention is to ensure that commercial uses continue to be the most prominent uses on the ground floor on a given property and to ensure that a commercial presence is maintained.

Small areas of C3 (Mixed Commercial Residential) zoning is provided on Commercial Street (east of Granite Drive) and on Crescent Drive. This zone provides flexibility to permit both multi-unit residential and lower impact commercial uses, such as local retail or business offices.

C6 (Comprehensive Business Development) zoned lands are also provided. This zone enables the development of large-scale and comprehensively planned business areas by development agreement.

C5 zoning (Highway commercial) exists near the partially developed lands at Exit 12 and the undeveloped lands south of the 101 at Exit 11A (Granite Drive Interchange). The purpose of this is to complement established commercial areas like Commercial Street by permitting commercial uses to serve the traveling public, uses that are not usually desired within main street commercial or mixed use areas, and to provide for commercial uses that benefit from exposure to high traffic volumes or require direct access to a major transportation route.

Drive-through facilities are permitted within any Commercial zone except C2 and C3. Parking minimums are established based on square footage for a particular use. Business offices may be located in commercial zones, as well as in the R4 and M1 zones.

Residential development is permitted under a number of zones, however most are geared towards single-unit or low density formats, with the most prevalent zones being R1 (One Unit) and R2 (One and Two Unit).

Some high-density residential zoning, R3 and R4 specifically, exist in pockets throughout New Minas.

These are also largely built out, and often to lower density formats that follow the R1 and R2 standards. Some undeveloped areas also carry this higher intensity residential zoning, however these tend to be oddly shaped lot assemblies and remnant lands located within or close to environmentally constrained areas. Lack of higher intensity development in these areas is likely due to a number of reasons: site constraints, policy constraints, or simply an insufficient timeframe within which to observe a full development process. Ultimately, these constraints can be addressed with sufficient time and investment if market conditions justify it. Therefore, regardless of the precise combination of reasons, their lack of development can be taken as a high-level indication of marginal economic feasibility in those sites under current conditions.

Two categories of industrial zoning, M1 and M2, exist to permit light and heavy industrial development in New Minas, respectively. However, due to the presence of wellfield protection overlays, virtually all M2 zoned lands function as M1 due to restrictions on heavy industrial uses within these protection areas. The existing heavy industrial uses are legally non-conforming; they predate the wellfield restrictions and it is unlikely that they would be permitted under current regulations. These industrial lands are located primarily in the northern extent of New Minas, close to the riverfront and in proximity to environmental constraints such as flood plains and wetlands. They abut largely residential neighborhoods to the south, through which traffic must flow to reach Commercial Street and the broader arterial road network.

The New Minas Holding Zone (H1) is established to accommodate rural uses that will not impact future urban development south of Highway 101, as per policy 2.1.9 of the Municipal Planning Strategy. The intention of this zone is that detailed planning would come as part of this SPS.

2.2 STAKEHOLDER AND WORKING GROUP ENGAGEMENT

Stakeholder meetings

Stakeholder meetings were held with the following groups and individuals:

- Commercial landlords (Crombie, Plaza, Pro REITs);
- Valley Regional Enterprise Network;
- Jeff Kelly (New Minas Business Association and Flower Cart Group);
- Lindsay Young (Kentville Industrial Park);
- NSBI;
- Parson Investments;
- Safeguard Property Management; and
- Somerled Properties.

The following notes below summarize themes that were discussed with consideration for various sectors.

Retail, Office and Accommodations:

- Retail niche for New Minas is value and essentials (those looking for fashion comparison shopping will typically travel to Halifax);
- High level of vacancy at County Fair Mall, with larger “big box” retailers, less viable in the current market. There is an opportunity to focus on services rather than fashion, and to re-demise the Mall (i.e. alter entries and interior divisions and circulation to better serve tenant needs);
- Some retail vacancy in a soft retail market - for the most part, those retailers who want to be there are already there and change will be about “moving of pieces” rather than new entries;
- Mixed-use tends not to be of interest to current commercial landlords;
- There may be an opportunity for hotel – though some of the current inventory needs updating;
- Convention space is also lacking, with current

opportunities for meetings are Louis Millett Centre, with a max 200 people, and Acadia University and CFB Greenwood;

- It would be helpful if there was staff or resources at the Village or Municipality focused on business attraction and retention in New Minas, or closer coordination with the Valley Regional Enterprise Network (Valley REN);
- While Kentville has actively beautified its downtown recently and tried to attract businesses, this has not as much been the case in New Minas and there is a local interest in improved beautification and branding along Commercial Street;
- There is interest in positioning New Minas as a place where people could stop and walk between destinations, rather than drive-in & drive-out;
- There is a lack of small-scale commercial space (approx. 1,000 sq. ft. or smaller);
- There are traffic issues on Commercial Street, but this improved with the recently built roundabout (traffic congestion is worst at 4-6 Thu and Fri);
- Walmart is a draw to Commercial Street, though speculatively they may wish to relocate near the highway and this would negatively impact nearby businesses;
- It is unclear if Cineplex will survive the pandemic and this could be another big box vacancy;
- Goal of the recently formed New Minas Business Association is to improve communication and advocacy between the Village, Municipality and retailers (Association has approximately 50 members, including Canadian Tire, Burger King, and small entrepreneurs);
- Some see food trucks as unfair competition for bricks and mortar restaurants;
- There are labour challenges for retailers, which relate also to accommodating demand as well as affordable and adequate housing and transit needs; and

- Retail rental rates are stabilized and healthy, but can lead to smaller local retailers relocating to Kentville for perceived better value.

Industrial:

- Current industrial lands are poorly located by a number of measures. As an example, a current owner of facilities in the industrial area noted that they have discontinued use of their facility there (shifted all activity to a similar facility in Kentville that was purchased at the same time as their New Minas property) due to poor road connectivity to major transportation routes (for large vehicles) and conflicts arising from the proximity to nearby residential areas through which their vehicles would have to travel;
- Windsor-Berwick corridor users seek highway access, separation from residential, highway visibility, and development-ready land; and
- There is no “organic” demand for industrial property in New Minas; Kentville captures demand because subsidized land is available.

Residential:

- There is an increase in residential demand from outside local region for retirement living;
- Detached housing is still big part of market, but emphasis on apartment or attached housing for future development;
- Demand for multi-unit on Commercial Street and expansion lands for downsizers; and
- Convenient location is a big selling point for residential, with access to shops and services, with less reliance on vehicles.

Presentation to the Working Group

The FBM and Turner Drake team presented preliminary findings of this study to the Working Group on October 27, 2020.

2.3 RECENT REDEVELOPMENT AND PROPOSALS

This study is informed by a number of recent developments, transportation changes, and proposals:

Kent relocation

In 2017, Kent relocated from a central location on Commercial Street to a larger store near exit 12. The building on Commercial Street is currently vacant, but has been purchased with intention to renovate as a warehouse with a frontage comprised of smaller retail spaces. (see **Figure 2.2**).

Granite Interchange and Plaza REIT build-out at Commercial and Granite

Three sites owned by Plaza REIT, (Commercial Street Plaza, Silver Fox Plaza, and Granite Drive Plaza) near the corner of Commercial Street and Granite Drive, were largely developed over the last 10 years, in part replacing a Future Shop location. These sites are now nearly completely built out and occupied. They benefit from improved access via the new interchange and contain a number of major brands, including Home Depot, Lawtons, Michaels, Winners/Home Sense Giant Tiger, Pet Valu and others at this gateway into the community (See **Figure 2.3**). The Granite Interchange further provides access to expansion lands south of Highway 101.

9406 Commercial Street (Pinehurst Apartments)

39 units were recently completed on Commercial Street. (See **Figure 2.4**)

9209 Commercial Street Mixed Use proposal

Proposal from Kadray Holdings for 40 units of housing with retail fronting the street. (See **Figure 2.5**)

Figure 2.2: Former Kent site



Figure 2.5: 9209 Commercial Street site



Figure 2.3: Plaza REIT lands at Commercial and Granite



Figure 2.6: Flower Cart Group proposal
(Source: Flower Cart Group)



Figure 2.4: Pinehurst Apartments
(Source: rentalslocator.ca)



Figure 2.7: RCMP New Minas Detachment



Flower Cart Group proposal

Flower Cart Group is a growing social enterprise, with woodworking, co-pack, employment and bakery operations, with 22 staff and 200 workers, focused on those with complex barriers to employment. A future facility and storefront is planned for a site next to the Louis Millett complex. (See **Figure 2.6**)

Valley Crossroads Health & Wellness Centre

Recently completed as a collaboration between local health care providers, this new centre provides space for family practices and other health-related businesses.

RCMP New Minas Detachment

The new facility on Commercial Street brings together administrative units for RCMP Kings District and operational units for 73 full-time employees. (See **Figure 2.7**)

Miners Landing Apartments

Located just west of New Minas Growth, the development contains a recently completed apartment building of 47 units and plans for three additional buildings of the same scale. With higher than expected demand for the first building, development of the following phases is being accelerated, with two of the three remaining buildings already under construction.

2.4 TRANSPORTATION CONTEXT

Transportation attributes are an essential foundation to meeting demand in the Retail, Office, Accommodations, Industrial and Residential sectors. An understanding of these attributes can help create the necessary conditions for attracting and retaining businesses and residents to locate in a community.

Highway 1 (Commercial Street) is the heavily traveled spine of New Minas, whereas Highway 101 provides a bypass of the community for regional connections. The most recent traffic counts available for the area

are from Nova Scotia Transportation and Infrastructure Renewal 2009-2016 and a 2007 traffic impact study, produced by Atlantic Road and Traffic Management for The Plaza Group. Traffic volumes are mapped on **Figure 2.8**. Volumes show consistently an Annual Average Daily Traffic (AADT) of approximately 4,000 to 9,000 vehicles per direction per day on Highway 1. There is a peak spike at the afternoon rush hour of 4 to 6 pm, and approximately 10% are trucks (See **Figure 2.9**). It is anticipated that updated traffic counts and analysis will be produced in the near future through a traffic study as part of the SPS development process. The New Granite Drive Interchange (Exit 11A) was completed in 2018 to improve connection to New Minas. As shown in **Figure 2.10**, a new collector roadway is proposed as part of new development south of the 101.

Five regional bus routes are operated by Kings Transit. (See **Figure 2.11**). Buses run every two hours, without service on Sundays and Holidays. Typical ridership in June 2019 was 1,300 to 1,400 per day. During the pandemic, in June 2020, ridership has been 350 to 400 people per day (Source: Saltwire, June 23, 2020).

2.5 BUILDING PERMITS

Historical building permit activity can provide empirical evidence of growth trends and dynamics to confirm and support projected real estate opportunities. **Table 2.1** and **Figure 2.12** illustrate historic volume of building permits in the New Minas Growth Centre. This reveals a stable pattern of development permit activity overall, with approximately 1 new commercial construction per year over the past 5 years. There was approximately 5 to 10 new residential units constructed per year, with the notable exception of 2018, which saw a permit for a 39-unit residential building at 9406 Commercial Street. The total permits estimated value fluctuates between approximately \$2m and \$10m. The high value in 2016 includes the Kent redevelopment, with an estimated value of \$5.75m.

Figure 2.8: Traffic Counts (Source: Nova Scotia Transportation and Infrastructure Renewal, traffic counts and analysis since 2008)

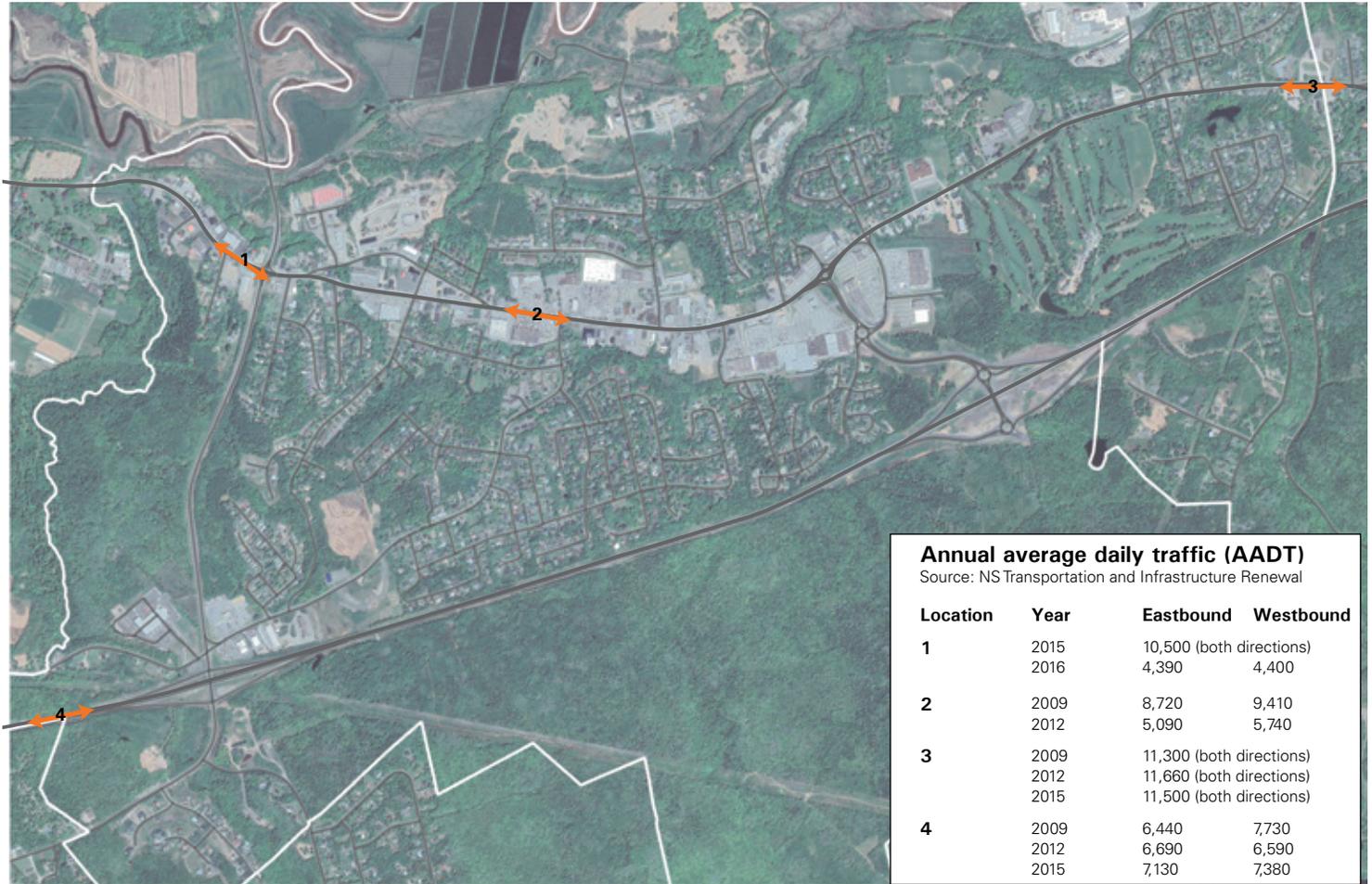


Figure 2.9: Hourly Volumes on Highway 1 (Source: Atlantic Road and Traffic Management, 2007 traffic study for Plaza Group)

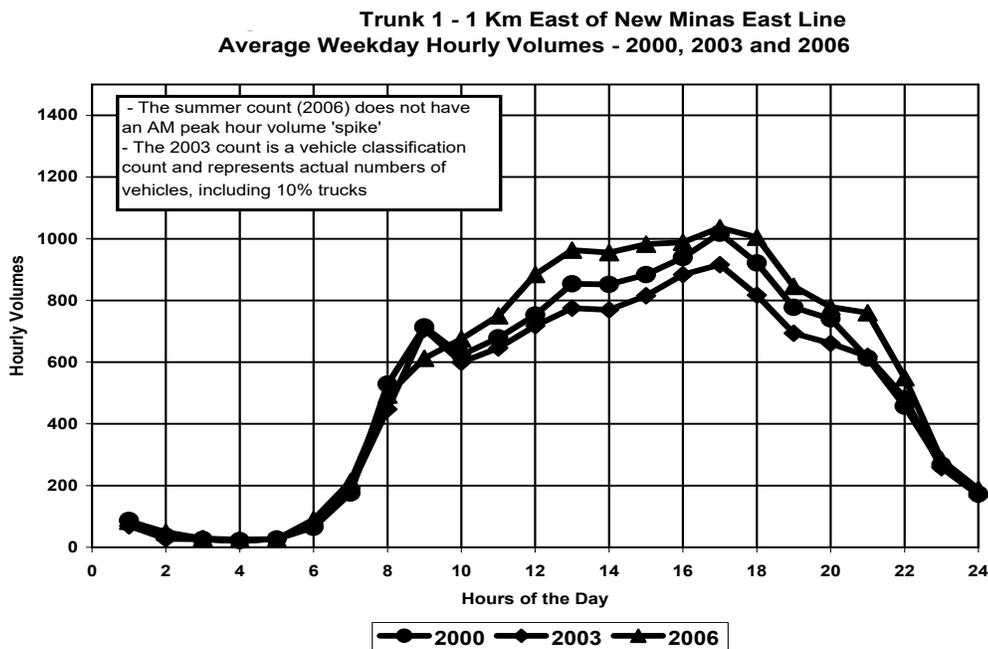


Figure 2.10: Identified Road Improvements from Kings 2050
 (Source: Hatch Mott MacDonald Kings 2050 Road Network Assessment (2012))

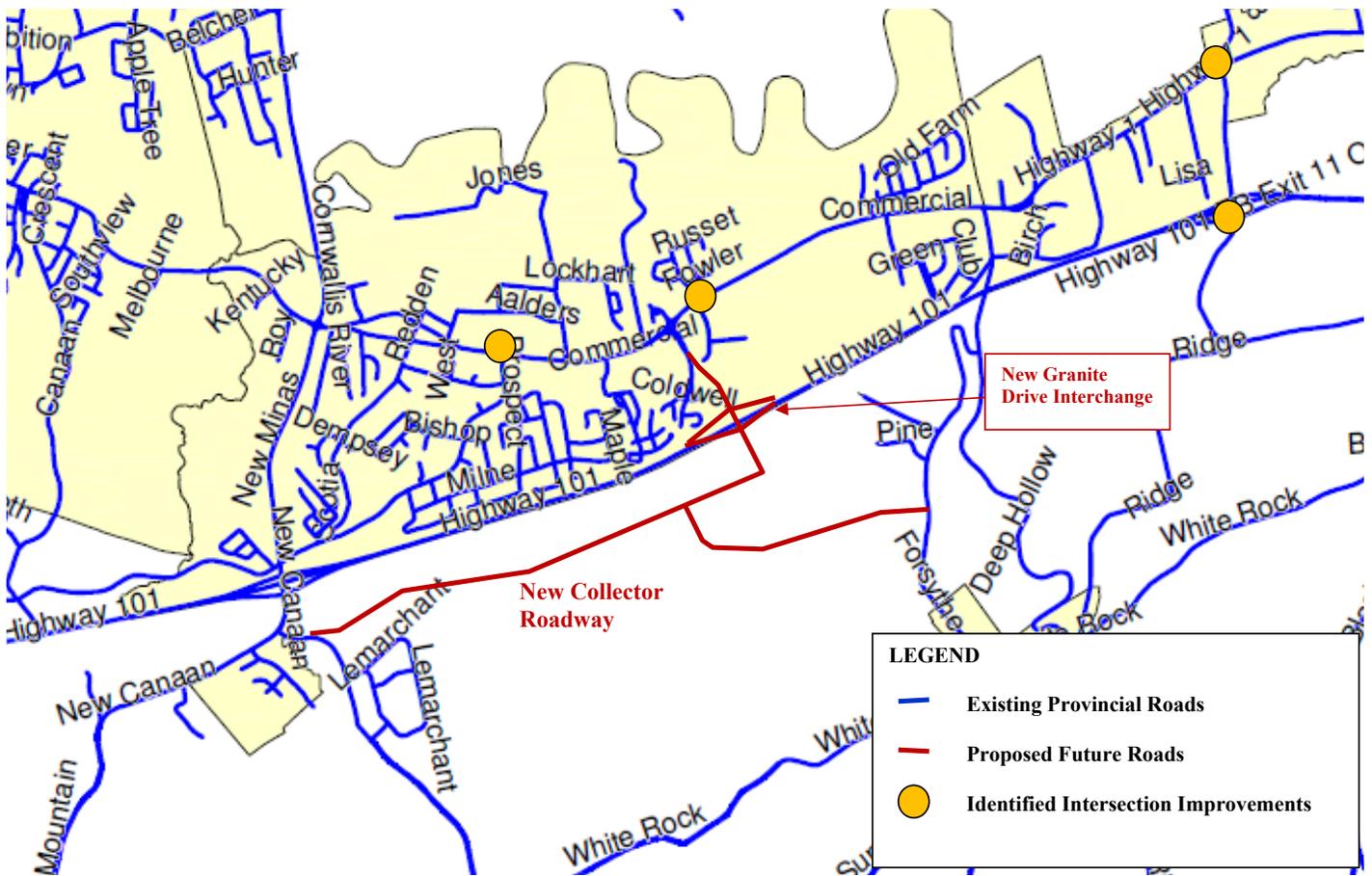


Figure 2.11: Kings Transit Route Map (Source: Kings Transit Rider Guide)



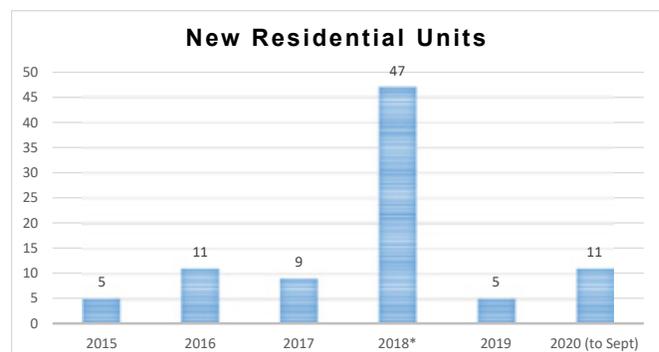
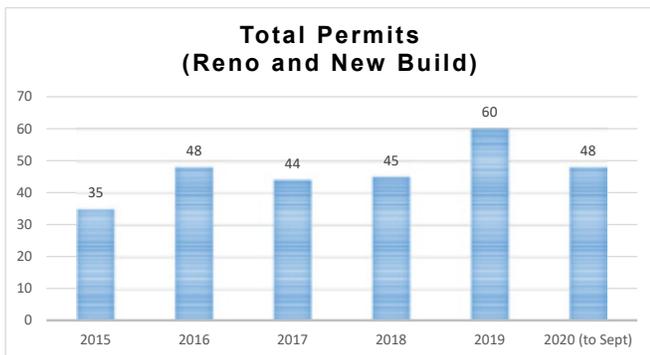
Table 2.1: New Minas Growth Centre Building Permit Overview, 2015-2020

(Data Source: Municipality of the County of Kings)

Year	Total Permits	Commercial		Industrial		Park/Institutional		Residential		Total New residential units	Total Permits Estimated Value
		Reno/Add/ Garage/Shed	New Construction								
2015	35	8	0	0	0	1	0	22	4	5	\$ 1,849,830
2016	48	15	2	2	1	2	0	18	8	11	\$ 10,902,530
2017	44	16	0	1	0	4	0	20	3	9	\$ 2,090,440
2018	45	16	2	1	0	3	0	19	4	47	\$ 8,583,212
2019	60	25	1	2	0	1	0	30	1	5	\$ 5,646,145
2020	48	21	1	1	0	0	0	20	5	11	\$ 6,895,101

(YTD Sep 18, 2020)

Figure 2.12: Building Permit Overview, 2015-2020 (Data Source: Municipality of the County of Kings)



* 2018 includes a 39-unit residential building at 9406 Commercial Street.

3.0 Retail Market Assessment

3.1 LOCATION FACTORS, LOCAL AND REGIONAL CONTEXT

Location factors are an essential foundation to retail success, and an understanding of these factors can help create the necessary conditions for attracting and retaining businesses in a community. New Minas is understood as the “big box” and service centre for the Annapolis Valley Region. In contrast, the towns of Kentville and Wolfville (refer to photos in **Figure 3.1**) present a comparatively more walkable, finer grained retail experience, with a focus on smaller, local independent retail businesses. **Figure 3.2** provides representative imagery of retail storefronts in New Minas.

3.2 TRADE AREA

In order to create a framework for evaluating retail demand, it is necessary to initially define and identify the Trade Area from which retail sales in New Minas are most frequently and likely to be sourced. A Trade Area(s) recognize drive times, demographics, spending attributes and competition, which collectively portray the market to prospective tenants, developers and investors.

Identifying the Trade Area is important for understanding the total market potential available to current and future retailers and developers. The local and regional residential base has particular demographic and spending habits that provide insight as to the type of compatible retail tenants, the amount of retail floor space supportable in the market, and the current inflow or outflow of retail sales, and for which categories such inflow or outflow exists.

Major considerations in defining Trade Areas were applied to New Minas to determine the most realistic Trade Areas, as well as to help sensitize potential market share inputs of corresponding Trade Area retail spending.



Figure 3.1: Comparison retail environments

From top to bottom, New Minas, Wolfville, Kentville, Windsor

New Minas represents a key centrality for Annapolis Valley residents. Trade Area determinants include:

1. Transportation networks, including streets and highways, which affect access, drive times, commuting and employment distribution patterns;
2. Major infrastructure projects both planned or under development which could affect future travel patterns;
3. Overall community development vision, including an understanding of key nodes' characteristics;
4. Local and regional competitive environment, present and future;
5. Proposed generative uses (retail, cultural, civic, etc.) and their relationship within the wider area;
6. Significant natural and man-made barriers (e.g. water features, highways, industrial areas);
7. De facto barriers resulting from notable socioeconomic differentiation; and

8. Patterns of existing and future residential and commercial development.

For this particular study, the Trade Area is delineated utilizing a combination of drive times with regard to competitive forces including Halifax's retail draw, and that of Yarmouth and Bridgewater. The resulting Trade Area is shown in **Figure 3.3**. This Trade Area is reflected in both the Retail and Office sectors analysis.

The Primary Trade Area has a population of approximately 84,000 people. A Secondary Trade Area, with a population of approximately 16,000 people, is indicated extending further to the west. This latter population would likely travel to New Minas for some "bigger ticket" or less frequent discretionary purchases. Retail in New Minas also benefits from purchases by visitors, students, and drive-through traffic.

Figure 3.3: Trade Area Determinants and drivetimes to competitive markets



3.3 TRADE AREA DEMOGRAPHICS

Demographic information for the Trade Area is provided in **Figure 3.4** and **Table 3.1**. Using the province as a benchmark, the population in the Total Trade Area has a slightly higher number of people aged over 65, and fewer in the 25 to 34 year age range. Household incomes are among the most direct determinants of spending patterns and the potential for spending on retail, food and beverage, entertainment, and services.

Overall, individual, family and household incomes in Trade Area are roughly aligned, though slightly lower than the provincial average. This represents overall economic health, considering that the region represents an area with a slightly lower cost of living compared to urban areas. Furthermore, seniors, who represent a higher proportion of the population, would typically have a lower income than working age adults.

Figure 3.4: Trade Area Demographics (Source: Manifold Data Mining and FBM)

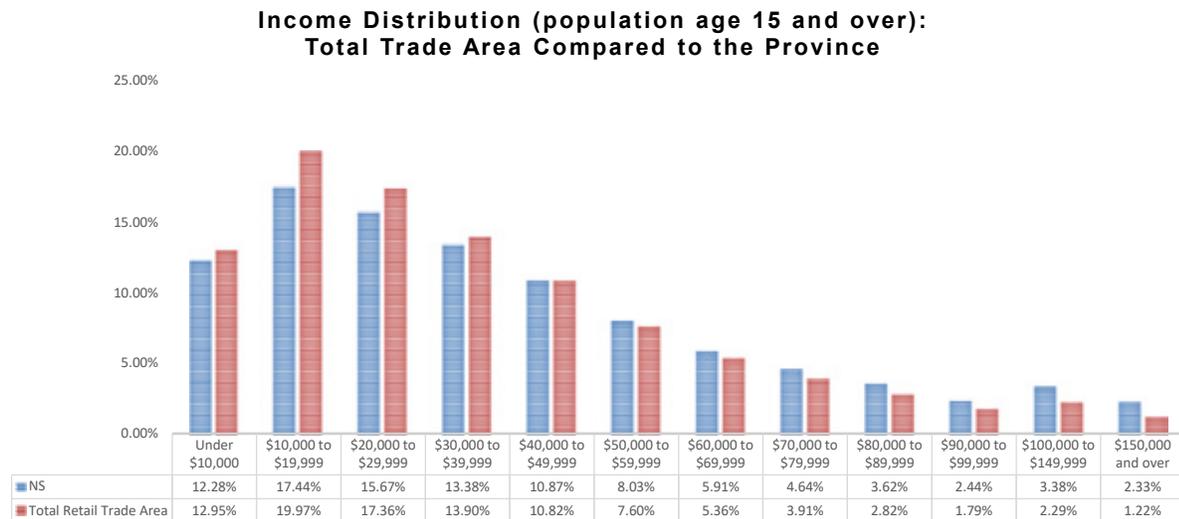
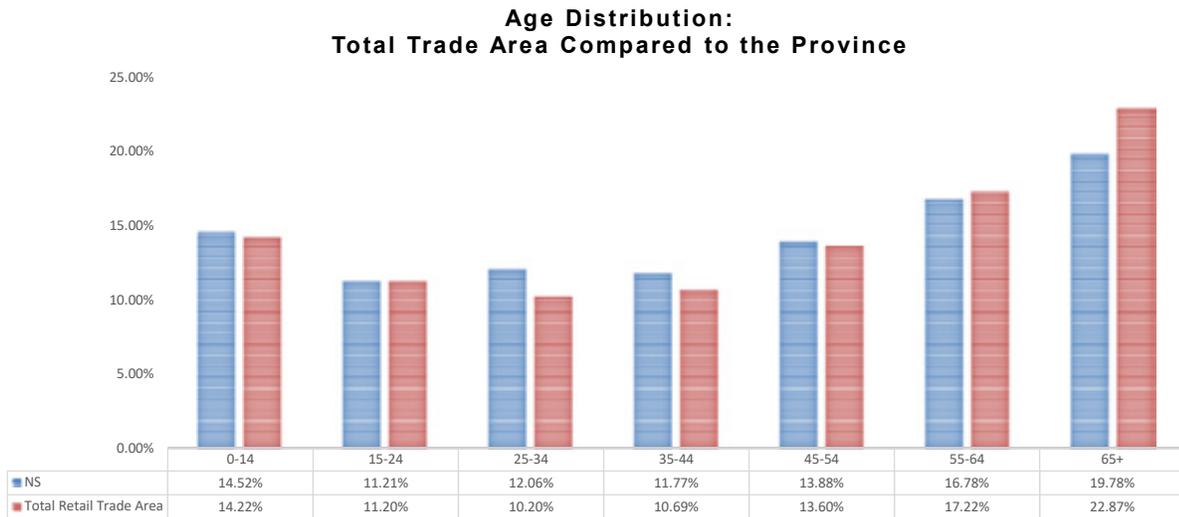


Table 3.1: Trade Area Demographics
(Source: Manifold Data Mining and FBM)

Demographic Attributes	Benchmark: Nova Scotia		New Minas Primary Trade Area			New Minas Secondary Trade Area			New Minas Total Trade Area		
	value	percent	value	percent	index	value	percent	index	value	percent	index
Total population	943,650		84,238			16,364			100,603		
Total population age 15 and over	806,590		71,906			14,393			86,299		
Total number of private households	417,428		38,053			7,397			45,450		
Average number of persons in private households	2.22		2.14		96	2.15		97	2.14		96
Total population in private households	927,383		81,549			15,891			97,440		
Total number of census families in private households	278,437		25,339			5,229			30,569		
Average number of persons per census family	2.72		2.62		96	2.55		94	2.61		96
Total population in families	756,609		66,391			13,326			79,718		
Total number of labour force age 15 and over	502,787		40,103			8,768			48,871		
POPULATION AGE											
Population age 0-14	137,060	14.52%	12,333	14.64%	101	1,971	12.05%	83	14,304	14.22%	98
Population age 15-24	105,757	11.21%	9,663	11.47%	102	1,603	9.80%	87	11,266	11.20%	100
Population age 25-34	113,786	12.06%	9,029	10.72%	89	1,234	7.54%	63	10,263	10.20%	85
Population age 35-44	111,109	11.77%	9,256	10.99%	93	1,495	9.14%	78	10,752	10.69%	91
Population age 45-54	130,944	13.88%	11,479	13.63%	98	2,203	13.46%	97	13,682	13.60%	98
Population age 55-64	158,362	16.78%	14,189	16.84%	100	3,138	19.17%	114	17,327	17.22%	103
Population age 65+	186,632	19.78%	18,289	21.71%	110	4,720	28.85%	146	23,010	22.87%	116
DWELLING											
Total number of occupied private dwellings	417,428		38,053			7,397			45,450		
Average dwelling value \$	\$277,097		\$241,441		87	\$197,366		71	\$234,268		85
Home owners	286,393	68.61%	26,847	70.55%	103	5,627	76.08%	111	32,475	71.45%	104
Home tenants	128,606	30.81%	11,145	29.29%	95	1,718	23.22%	75	12,862	28.30%	92
Band housing	2,429	0.58%	61	0.16%	28	52	0.70%	121	113	0.25%	43
HOUSEHOLDS											
One-family households	270,377	64.77%	24,790	65.15%	101	4,631	62.61%	97	29,421	64.73%	100
Multiple-family households	5,483	1.31%	438	1.15%	88	49	0.66%	50	487	1.07%	82
Non-family households	141,568	33.91%	11,429	30.03%	89	2,496	33.75%	100	13,925	30.64%	90
EDUCATION											
Total population aged 15 years and over by highest certificate, diploma, or degree	806,590		71,906			14,393			86,299		
No certificate, diploma, or degree	158,993	19.71%	15,475	21.52%	109	3,714	25.80%	131	19,189	22.24%	113
High school diploma or equivalent	203,897	25.28%	18,818	26.17%	104	3,504	24.35%	96	22,323	25.87%	102
Post-secondary certificate, diploma, or degree	443,699	55.01%	37,612	52.31%	95	7,175	49.85%	91	44,787	51.90%	94
Apprenticeship or trades certificate or diploma	79,569	9.87%	7,199	10.01%	101	1,694	11.77%	119	8,894	10.31%	104
College, CEGEP or other non-university cert or diploma	174,829	21.68%	16,524	22.98%	106	3,202	22.24%	103	19,726	22.86%	105
University certificate or diploma below bachelor level	19,960	2.48%	1,535	2.14%	86	368	2.56%	103	1,903	2.21%	89
University cert, diploma, or degree at bach level or above	169,341	21.00%	12,353	17.18%	82	1,911	13.28%	63	14,264	16.53%	79
INCOME											
Average family income \$	\$106,068		\$91,311		86	\$78,634		74	\$89,142		84
Average household income \$	\$85,693		\$76,258		89	\$63,926		75	\$74,251		87
Average income population age 15 and over (\$)	\$46,290		\$41,476		90	\$36,312		78	\$40,610		88
Population with income Under \$10,000 (including loss)	95,134	12.28%	8,679	12.62%	103	2,021	14.58%	119	10,700	12.95%	105
Population with income \$10,000 to \$19,999	135,140	17.44%	13,251	19.27%	110	3,250	23.45%	134	16,501	19.97%	115
Population with income \$20,000 to \$29,999	121,421	15.67%	11,725	17.05%	109	2,623	18.92%	121	14,348	17.36%	111
Population with income \$30,000 to \$39,999	103,665	13.38%	9,445	13.73%	103	2,041	14.73%	110	11,486	13.90%	104
Population with income \$40,000 to \$49,999	84,226	10.87%	7,547	10.97%	101	1,394	10.05%	92	8,940	10.82%	100
Population with income \$50,000 to \$59,999	62,178	8.03%	5,421	7.88%	98	859	6.20%	77	6,279	7.60%	95
Population with income \$60,000 to \$69,999	45,776	5.91%	3,886	5.65%	96	544	3.92%	66	4,430	5.36%	91
Population with income \$70,000 to \$79,999	35,969	4.64%	2,879	4.19%	90	350	2.53%	55	3,230	3.91%	84
Population with income \$80,000 to \$89,999	28,056	3.62%	2,075	3.02%	83	252	1.82%	50	2,327	2.82%	78
Population with income \$90,000 to \$99,999	18,874	2.44%	1,312	1.91%	78	171	1.23%	50	1,482	1.79%	73
Population with income \$100,000 to \$149,999	26,215	3.38%	1,671	2.43%	72	222	1.60%	47	1,894	2.29%	68
Population with income \$150,000 and over	18,055	2.33%	880	1.28%	55	132	0.96%	41	1,012	1.22%	52

Index Legend: Compared to Benchmark (%)		Color
>=180	Extremely High	
>=110 and <180	High	
>=90 and <110	Similar	
>=50 and <90	Lower	
<50	Extremely Low	

3.4 TRADE AREA RETAIL SPENDING

Building upon the demographic analysis, an assessment was made of the Trade Area’s retail spending profile. This provides a refined understanding of the opportunity for retail in New Minas. The key questions it seeks to answer are:

- How much do Trade Area residents spend on Convenience retail (such as Grocery and Pharmacy), on Comparison or Departments Store Type Merchandise (DSTM) retail (such as Fashion and Home Furnishings), and Leisure (Food & Beverage, Fitness and Entertainment)?
- What spending patterns or trends does the Trade Area expenditure profile demonstrate?
- What types of retail goods and services are garnering inflow of sales dollars and which categories are exhibiting outflow of sales (or leakage)?

Detailed information of retail spending within the Trade Area was collected from Manifold Data Mining, using 2019 year-end data.

Having established the Trade Area boundary, population and demographic profile, the size of the retail market and its anticipated growth was projected.

Each of the major three categories of spending (Convenience, Comparison and Leisure) was assessed at a detailed category-by-category level then aggregated into major categories.

As illustrated in **Table 3.3**, the Trade Area spending (residents plus estimated visitor inflow) is estimated at \$1.32 billion (2019 year-end estimate).

When excluding automotive and health care spending categories this figure comes in at \$983 million. Therefore, it is reasonable to say that the New Minas Trade Area represents a \$1 billion market spending potential.

This figure includes an estimated annual visitor spending of approximately \$39 million, or an average visitor spending of \$104 per trip spent by visitors in the New Minas Trade Area.

The top spending segments for the Total Trade Area (excluding Auto Fuel) are:

Grocery & Convenience	\$243 million
Auto/RV/Motorsports Dealers	\$200 million
Personal Services	\$100 million
Restaurants & Pubs	\$97 million
(including Quick Service F&B -----	\$149 million)
Home Improvement & Gardening	\$89 million
Fashion & Accessories	\$87 million

The New Minas Primary Trade Area share of the Total Trade Area spending is estimated at 83%, which is a reasonable share for a Primary Trade Area, which typically falls in the range of 70% to 80%. However, because New Minas is the regional service centre and more distant from Halifax, this share can realistically be slightly higher.

3.5 RETAIL SUPPLY

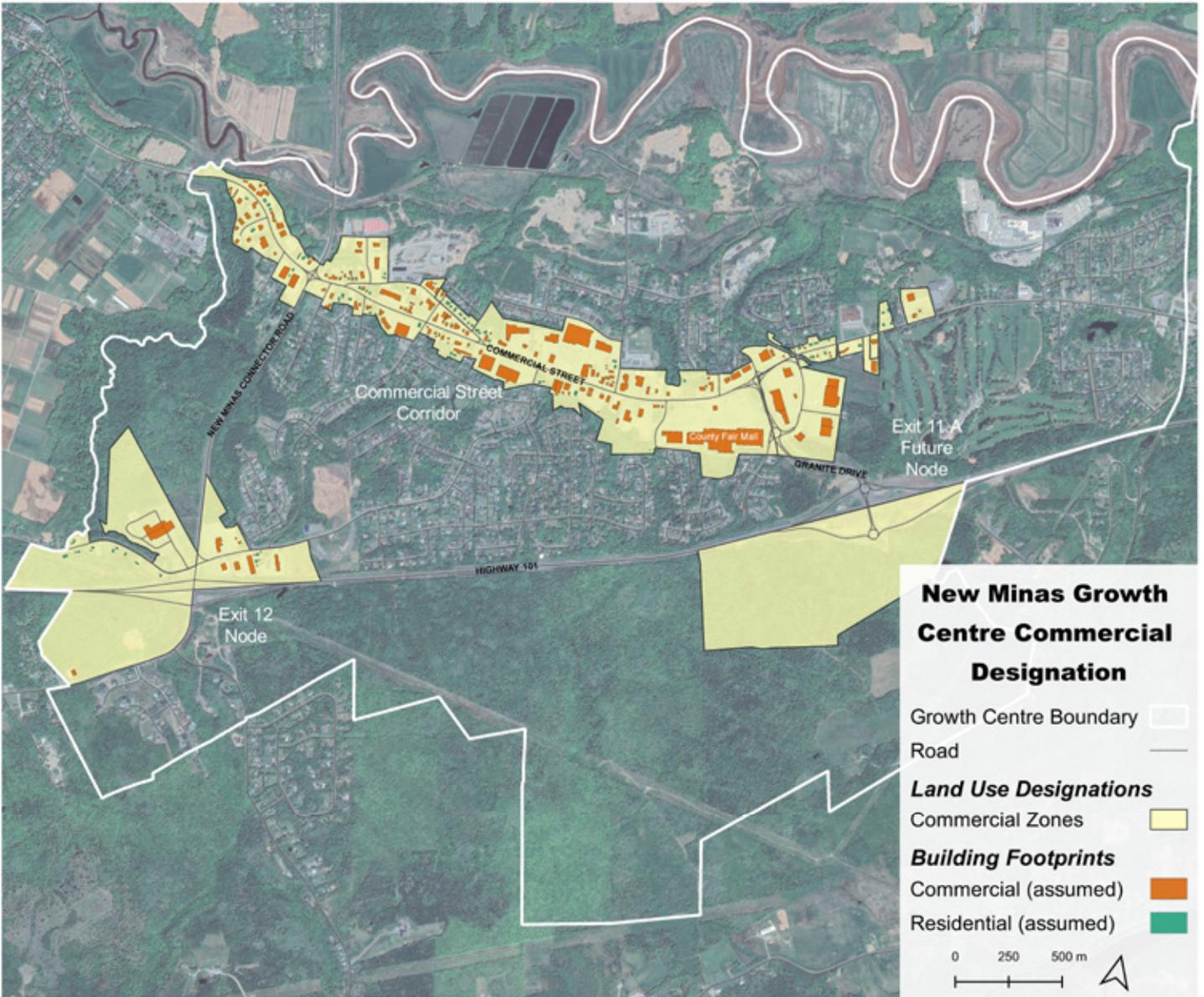
The majority of retail commercial activity is along an approximate 3.5 km length of Commercial Street, which is part of Highway 1/Evangeline Trail, a continuous spine that also connects to Greenwich and Wolfville’s Main Street to the east and to Kentville’s downtown to the west. Another retail node exists at Exit 12, anchored by the Kent, Irving Big Stop, Slumber Inn and car dealerships. A planned commercial node is zoned for lands south of the 101 at the new Exit 11A. **Figure 3.5** shows the comparative size and building footprints within these Commercially zoned lands while **Figure 3.6** visually shows some of the retail inventory.

Table 3.3: Trade Area Spending Year-End 2019 (Source: Manifold Data Mining and FBM)

Merchandise Spending Category	New Minas Primary Trade Area	New Minas Secondary Trade Area	New Minas Primary Trade Area	New Minas Secondary Trade Area	Visitor Spending	Visitor Spending	TOTAL
	HOUSEHOLD SPENDING	HOUSEHOLD SPENDING	AGGREGATE SPENDING	AGGREGATE SPENDING	PER CAPITA PER TRIP	AGGREGATE SPENDING	TOTAL RESIDENT & VISITOR
Grocery & Convenience	\$5,388	\$4,704	\$205,018,903	\$34,792,089	\$10.35	\$3,890,842	\$243,701,835
Pharmacy	\$792	\$840	\$30,132,809	\$6,215,993	\$3.11	\$1,167,253	\$37,516,055
Alcohol & Tobacco	\$1,166	\$1,025	\$44,370,975	\$7,582,914	\$5.18	\$1,945,421	\$53,899,311
Personal Services	\$2,250	\$1,892	\$85,607,579	\$13,994,415	\$2.07	\$778,168	\$100,380,162
Health Care & Medical Services	\$380	\$315	\$14,466,864	\$2,327,118	\$0.00	\$0	\$16,793,982
Fashion & Accessories	\$1,934	\$1,571	\$73,587,096	\$11,616,576	\$5.18	\$1,945,421	\$87,149,093
Jewelry	\$140	\$115	\$5,317,604	\$851,765	\$1.04	\$389,084	\$6,558,452
Health & Beauty	\$475	\$399	\$18,077,068	\$2,948,768	\$1.04	\$389,084	\$21,414,920
Home Furniture & Décor	\$731	\$575	\$27,815,326	\$4,253,429	\$1.04	\$389,084	\$32,457,840
Appliances & Electronics	\$1,060	\$868	\$40,337,958	\$6,418,921	\$0.00	\$0	\$46,756,879
Home Improvement & Gardening	\$1,972	\$1,885	\$75,024,143	\$13,942,643	\$0.00	\$0	\$88,966,786
Books & Media	\$508	\$355	\$19,319,029	\$2,623,822	\$2.07	\$778,168	\$22,721,019
Sporting Goods	\$166	\$131	\$6,311,222	\$970,918	\$2.07	\$778,168	\$8,060,308
Toys & Hobbies	\$219	\$181	\$8,318,288	\$1,340,014	\$2.07	\$778,168	\$10,436,470
Specialty Retail	\$945	\$857	\$35,958,754	\$6,336,037	\$14.49	\$5,447,179	\$47,741,971
Quick Service F&B	\$978	\$886	\$37,223,042	\$6,551,661	\$21.74	\$8,170,769	\$51,945,472
Restaurants & Pubs	\$2,006	\$1,682	\$76,328,904	\$12,444,100	\$20.71	\$7,781,685	\$96,554,689
Arts & Entertainment	\$156	\$117	\$5,923,368	\$867,765	\$11.39	\$4,279,927	\$11,071,059
Fitness & Leisure	\$363	\$291	\$13,824,619	\$2,151,413	\$0.00	\$0	\$15,976,032
Auto Parts & Accessories	\$526	\$458	\$20,006,289	\$3,387,254	\$0.00	\$0	\$23,393,543
Auto/RV/Motorsports Dealerships	\$4,538	\$3,745	\$172,701,526	\$27,697,601	\$0.00	\$0	\$200,399,127
Auto Fuel	\$2,225	\$2,169	\$84,673,030	\$16,041,328	\$0.00	\$0	\$100,714,358
TOTAL	\$28,916	\$25,059	\$1,100,344,396	\$185,356,544	\$103.53	\$38,908,424	\$1,324,609,364
TOTAL (excluding Health Care/Medical Services & Auto)	\$21,247	\$18,374	\$808,496,687	\$135,903,244	\$103.53	\$38,908,424	\$983,308,354

Note: The calculation for the estimated number of visitors to the New Minas area is based on data from Tourism Nova Scotia Visitor Exit Survey Community Report (2017) and Tourism Performance Summary (2019). Because New Minas was not singled out among the 30 destinations visited in the community visitation for the Bay of Fundy and Annapolis Valley Region, estimates were applied using the following methodology. A tourism figure of 375,818 visitors to Nova Scotia will visit the Annapolis Valley & Bay of Fundy Region and 43% of that 38% will specifically visit communities that fall in the Trade Area for New Minas' shops and services (e.g. Wolfville, Kentville, Windsor, Middleton, Blomidon and Grand Pres. While the overall overnight visitor duration in Nova Scotia is on average 5.1 nights, it is further assumed for the purposes of this study, and given limited data, that New Minas visitors will typically spend 1 night in the New Minas area and therefore one full day of spending. Additionally spending on categories such as auto fuel are excluded from this analysis as this spending is typically aggregated under "transportation" spending.

Figure 3.5: New Minas Retail Nodes (Data Source: Municipality of the County of Kings)



County Fair Mall Internal Vacancy



Former Kent Home Improvement (recently sold)



Figure 3.6: Representative Retail Imagery



A Geographic Information Systems analysis of building footprints combined with on-the-ground fieldwork indicates an approximate total retail floor space of 1.70 million sq. ft. with an estimated vacancy at around 175,000 sq. ft., which equates to a vacancy rate of 10.3%. As a benchmark, a healthy retail environment would typically have in the range of 3% to 5% vacancy. Most of the vacancy in New Minas is at or within the County Fair Mall (141,796 sq. ft. vacant of total leasable area of 263,641 sq. ft. or 54%). Approximately half (72,000 sq. ft.) of this total vacancy is accounted for by the former Zellers/Target space though there are a number of available units inside the mall.

County Fair Mall represents an important asset for the community and moreover represents a prime redevelopment opportunity to intensify and better utilize the commercial property for attracting new-to-market retailers and particularly those that might be classified as large format (>25,000 sq. ft.) or junior box type retailers (10,000 sq. ft. to 25,000 sq. ft.). The location of the Mall combined with its surplus parking should be a major site selection and SPS consideration for keeping the vitality and concentration of retail in the Commercial Street area rather than potentially further dispersing commercial activity.

Other than the mall, there are also numerous smaller vacancies scattered along Commercial Street. The overall vacancy figure excludes the currently vacant former Kent location (approx. 43,000 sq. ft.). This building was recently purchased and plans are to convert the space into a warehouse operation with small retail frontage.

3.6 TOTAL TRADE AREA RETAIL DEMAND

Three methods are used to “triangulate” and determine overall retail demand in the Trade Area that would support retail growth over the next 10 years to the year 2030.

This study utilizes the following data inputs:

- Retail Space Per Capita Population Growth;
- Household Retail Spending Growth; and
- Retail Employment Growth (Kings County).

The three methods are blended as an average to create reasonable forecasts for demand, rather than relying on solely one method, which may or may not tell the whole story for demand forecasting.

The current retail inventory estimate combined with the higher overall vacancy rate and slow historic building permit suggest limited demand from developers and retailers and therefore, it is logical to assume that any residual or unmet demand is not appropriate for consideration in this study. Consequently, this study assumes that the market is at a balance or inflection point upon whereby future new demand will be applied from a 2020 baseline.

Retail Space Per Capita Population Growth

The retail space per capita population growth method measures the current retail inventory as applied as a ratio against the Trade Area population base. Using this figure and applying to forecasted population growth in the Trade Area allows for estimates of demand to be forecast to 2030.

To account for the fact that almost all new space will be in some form of organized shopping format (i.e. a purpose built retail format of a minimum 10,000 sq. ft.), a figure of 20 sq. ft. per capita was used. This figure is consistent with the average for Nova Scotia as referenced in a study by the Ryerson Centre for Study for Commercial Activity in its 2018 Shopping Centre Data Release (see **Figure 3.7**) and reflects a variety of standard Canadian shopping center formats as defined by the International Council of Shopping Centres, Canada Shopping Centre Classification & Typical Characteristics (see **Figure 3.8**).

As a reference point, the current per capita retail space ratio of the New Minas Growth Centre is estimated at approximately 17 sq. ft. per capita (1.70 million sq. ft. total floor area divided by the Trade Area population 100,603).

The inventory does not account for other communities in the Trade Area, but per capita is a generalized estimate for retail space. As an industry standard, a typical urban market would see a retail space per capita figure as high as 30 sq. ft. per capita. However, given the context of New Minas and its importance as a regional destination, 20 sq. ft. per capita is a reasonable figure to use for forecasting, as validated by the Centre for Study for Commercial Activity in **Figure 3.7**.

Population growth is anticipated to be minimal, at approximately 0.6% (Manifold Data Mining Inc.) over the next 10 year period from 2020 to 2030 and therefore its impact on retail demand is low.

This first method (as summarized in **Table 3.5**, forecasts total new floor space demand in the Trade Area by 2030 of only 2,027 sq. ft.

Household retail spending growth

Retail spending is a method that uses documented Statistics Canada household expenditure data in the Trade Area (sourced by Manifold Data Mining) divided against an average sales productivity estimated at \$275 per sq. ft. for the New Minas market (see **Table 3.3**). It also reflects a combination of household population growth and a conservative spending growth of 1.0% per year.

As a comparable for New Minas, a rural market would perform at around \$200 per sq. ft., while smaller urban markets with an expanded offering of retail stores would likely perform at \$300 to \$350 per sq. ft., and those in larger urban settings with power centres or enclosed malls could perform at \$400 to \$600 per sq. ft.

This second method, as summarized in **Table 3.5**, forecasts total new floor space demand in the Trade Area by 2030 of approximately 240,292 sq. ft.

Retail employment growth

Retail employment is a method that applies a typical floor space ratio per retail employee against forecasted employment growth in retail-related categories.

Table 3.4 provides a summary of the estimated 2020 Labour Force profile for Kings County, using Environics Analytics and Statistics Canada Census data. In the County, retail-specific employment totals approximately 6,061 persons. With an estimated floor space ratio per worker of 350 sq. ft., which is considered an approximation of the amount of retail space per employee in a market like New Minas with the type of retail currently present, this indicates a total supportable and employable retail-specific floor space of 2.12 million sq. ft.

This third method, as summarized in **Table 3.5** forecasts total new floor space demand in the Trade Area by 2030 of approximately 318,489 sq. ft.

Blended average

Using a blended average of the three methods, as shown in **Table 3.5**, the forecast total new floor space demand in the Trade Area by 2030 is estimated to be 186,879 sq. ft.

The impact of total new floor space demand on the New Minas' Trade Area by 2030 means that the total supportable retail floor space demand in the Trade Area is estimated at:

- 2.94 million sq. ft. in 2020
- 3.03 million sq. ft. in 2025
- 3.13 million sq. ft. in 2030

These growth figures are generally supported both by current vacancies in the market as well as the slow pace of historical building permits for newly constructed retail, and stakeholder conversations which indicated a soft market for new retail demand in New Minas. Moreover, these figures represent total Trade Area retail demand and for this reason the next step applies market shares to reasonably rationalize the amount of supportable retail demand specifically in the New Minas Growth Centre.

3.7 NEW MINAS RETAIL DEMAND

Upon determining a total Trade Area blended average, the next step is to apply reasonable market shares to the total Trade Area demand in order to estimate the amount of retail floor space that could be reasonably and feasibly supported in the New Minas Growth Centre.

Not all demand will take place in New Minas and in order to ensure that New Minas' retail development does not negatively or adversely impact other nearby retail locations, a market share sensitivity is applied that respects the region-wide growth dynamics and ultimately the need for balanced growth throughout the Municipality, County and region. The market share approach provides estimates recognizing the important continuing role of the New Minas Growth Centre as a regional retail destination for the Annapolis Valley.

Table 3.6 provides a range of market share scenarios to illustrate the magnitude of retail floor space that could be introduced over time in New Minas. For example, a conservative 40% market share of forecasted total Trade Area floor space demand could support approximately 74,751 sq. ft. of net new floor space by 2030, while a more aggressive market share of 70% could support approximately 130,815 sq. ft. of net new retail space by 2030.

3.8 DEMAND SUMMARY

On the basis of the blended average method used to quantify New Minas' future retail demand, a realistic and reasonable market share of 60% has been applied, which results in forecasted demand for new retail floor space in New Minas of 112,127 sq. ft. by 2030.

It is logical to assume that some of the new demand could occupy current vacant spaces where compatible. The goal for New Minas should be to strive for a minimal healthy vacancy of 5%. This would support demand as well as keep retail lease rates from escalating, which can happen when vacancies get too low.

Therefore, for the purposes of the SPS, a comfortable demand range for new retail floor space in New Minas could conservatively be 100,000 to 120,000 sq. ft. over the next 10 years.

Demand Attributes

Future demand is forecast to be low to moderate and will need to factor the number of vacancies in New Minas that are also important considerations in fulfilling demand.

The Trade area of over 100,000 residents is among the most important marketing attributes for attracting retail to New Minas. Marketing efforts should leverage the central location and existing prominence, with a variety of retail uses and formats particularly along the Commercial Street corridor.

It is important to recognize the importance of strategic infill and redevelopment opportunities along Commercial Street. The ability to capitalize on existing infrastructure, services as well as key transportation linkages and favourable traffic counts all point to Commercial Street continuing its role as the retail and service centre for the Annapolis Valley.

Also, as the retail industry emerges from the pandemic

Table 3.4: Employment Growth Retail Floor space Demand

(Source: Statistics Canada, Environics Analytics, and FBM)

EMPLOYMENT CATEGORY	Census Year	Census Year	Environics Analytics	change per year 11-20	% of Employees in Retail Related Uses	Number of Employees in Retail Related Spaces		
	2011	2016	2020			2020	2025	2030
Agriculture, forestry, fishing & hunting	1,870	1,795	1,770	-0.6%	0%	0	0	0
Mining and oil and gas extracton	70	135	185	11.4%	0%	0	0	0
Utilities	70	60	76	0.9%	0%	0	0	0
Construction	1,670	2,040	2,113	2.6%	0%	0	0	0
Manufacturing	2,475	2,630	2,601	0.6%	0%	0	0	0
Wholesale Trade	855	865	919	0.8%	0%	0	0	0
Retail Trade	3,735	4,120	3,951	0.6%	100%	3,951	4,071	4,200
Transportation and warehousing	740	915	912	2.3%	0%	0	0	0
Information and cultural industries	335	335	372	1.2%	0%	0	0	0
Finance and insurance	590	700	756	2.8%	50%	378	428	492
Real estate and rental and leasing	385	325	339	-1.4%	25%	85	80	75
Professional, scientific and technical services	1,070	1,055	1,130	0.6%	0%	0	0	0
Management of companies and enterprises	1	25	31	46.5%	0%	0	0	0
Administrative support & waste management	1,265	1,275	1,305	0.3%	0%	0	0	0
Educational services	2,390	2,340	2,341	-0.2%	0%	0	0	0
Health care and social assistance	3,745	4,265	4,307	1.6%	0%	0	0	0
Arts, entertainment and recreation	260	450	485	7.2%	50%	243	326	461
Accommodation and food services	1,525	1,900	1,873	2.3%	75%	1,405	1,555	1,743
Other services	1,070	1,225	1,264	1.9%	0%	0	0	0
Public administration	2,835	3,110	3,020	0.7%	0%	0	0	0
Total Retail-Related Workforce in County of Kings	26,956	29,565	29,750	1.1%		6,061	6,461	6,971
Estimated Floorspace Ratio per Worker						350	350	350
Total Retail Related Floorspace	1,890,000	2,170,438	2,121,350			2,121,350	2,261,321	2,439,839
Total New Retail Space Demand							139,971	318,489

Table 3.5: Trade Area Total Retail Demand

(Source: FBM)

		2020	2025	2030
Method 1 Per Capita Growth	Total Trade Area Retail Demand by Pop Growth (sq.ft.)	2,012,232	2,012,952	2,014,087
	Total Trade Area New Retail Demand by Pop Growth (sq.ft.)	172	892	2,027
Method 2 Household Spending Growth	Total Trade Area Demand by Household Retail Spending (sq.ft.)	4,698,692	4,817,340	4,938,984
	Total Trade Area New Demand by Household Retail Spending (sq.ft.)		118,648	240,292
Method 3 Employment Growth	Total Kings County Demand by Retail-Related Employment Growth (sq.ft.)	2,121,350	2,261,321	2,439,839
	Total Kings County New Demand by Retail-Related Employment Growth (sq.ft.)	0	139,971	318,489
	Total Trade Area Demand Based on Blended Average (sq.ft.)	2,944,091	3,030,538	3,130,970
	Total Trade Area New Demand Based on Blended Average (sq.ft.)		86,446	186,879

Table 3.6: New Minas Growth Centre Feasible Retail Floor space Demand by Market Share Scenarios

New Minas Market Share Sensitivity of Trade Area Retail Demand			
40% MARKET SHARE			
	2020	2025	2030
Trade Area Total Retail Floorspace Demand (sq.ft.)	2,944,091	3,030,538	3,130,970
New Minas Market Share of Trade Area Demand (%)	40%	40%	40%
Total New Minas Retail Floorspace Demand (sq.ft.)	1,177,637	1,212,215	1,252,388
Total New Minas Net New Retail Floorspace (sq.ft.)	0	34,579	74,751
New Minas Market Share Sensitivity of Trade Area Retail Demand			
50% MARKET SHARE			
	2020	2025	2030
Trade Area Total Retail Floorspace Demand (sq.ft.)	2,944,091	3,030,538	3,130,970
New Minas Market Share of Trade Area Demand (%)	50%	50%	50%
Total New Minas Retail Floorspace Demand (sq.ft.)	1,472,046	1,515,269	1,565,485
Total New Minas Net New Retail Floorspace (sq.ft.)	0	43,223	93,439
New Minas Market Share Sensitivity of Trade Area Retail Demand			
60% MARKET SHARE			
	2020	2025	2030
Trade Area Total Retail Floorspace Demand (sq.ft.)	2,944,091	3,030,538	3,130,970
New Minas Market Share of Trade Area Demand (%)	60%	60%	60%
Total New Minas Retail Floorspace Demand (sq.ft.)	1,766,455	1,818,323	1,878,582
Total New Minas Net New Retail Floorspace (sq.ft.)	0	51,868	112,127
New Minas Market Share Sensitivity of Trade Area Retail Demand			
70% MARKET SHARE			
	2020	2025	2030
Trade Area Total Retail Floorspace Demand (sq.ft.)	2,944,091	3,030,538	3,130,970
New Minas Market Share of Trade Area Demand (%)	70%	70%	70%
Total New Minas Retail Floorspace Demand (sq.ft.)	2,060,864	2,121,377	2,191,679
Total New Minas Net New Retail Floorspace (sq.ft.)	0	60,512	130,815

it is expected that retail attraction and expansion will be challenged as brands review existing portfolios and identify compatible markets.

Floor Space: In terms of accommodating the majority of demand in the form of new-to-market branded tenants that includes small, medium and larger formats, New Minas will continue to be the primary location and therefore justifies a more aggressive demand forecast. Junior box retailers (10,000 sq. ft. to 25,000 sq. ft) and larger format retailers (>25,000 sq. ft.) are likely to have a preference for locating in New Minas at the centrality of the Trade Area. Given current market trends, there are fewer and fewer larger format retailers and thus the goal should not necessarily be based on size, but rather quality and compatibility with the market consumer profile.

Communities like Wolfville, Kentville and Windsor are likely to provide more compatible locations for smaller independent and local retailers and entrepreneurs, driven by cost and availability of smaller retail spaces.

Land Size: There are some valuable land assets that represent ideal locations capable of accommodating new retail in New Minas along Commercial Street and in the node at Exit 12. Such locations are able to accommodate retail demand prior to needing to develop in the expansion lands at Exit 11A.

If assuming all forecasted demand were accommodated in new lands, the total land area required would only be 15 to 20 acres. However, as mentioned, it is recommended that some of this demand could be captured in existing vacant space and lots along Commercial Street. Therefore, it is more realistic to forecast a new land allocation for future retail in the order of 10 to 15 acres, of which 3 to 5 acres could be allocated for the Granite Interchange Lands.

Vacancy: Current vacancies in New Minas range from smaller 1,500 sq. ft. to larger 50,000 sq. ft. spaces, most of which is at the County Fair Mall. Retailers attracted New Minas are expected to be predominantly brands or strong regional franchises. For the majority of these retailers, other than larger formats, the evolving “sweet spot” for space needs are less than 1,500 sq. ft., which may require some landlords to look at modifying their available units.

Type and Format: Development opportunities along Commercial Street should be premised on infill development on smaller lots which are predominantly less than one acre in size and distributed throughout the Commercial Street corridor. The resulting formats that would be most realistic include freestanding pad sites as well as smaller mixed-use nodes with retail at the ground level and office or professional services, or residential above.

The repositioning or potential intensification of lands at the County Fair Mall, which currently has the majority of vacant retail space, is one of the most significant opportunities for creating an outdoor Power Centre type retail development (see **Figure 3.8** at the end of this section for definition) with additional pad developments that could be single or multiple retail units. Traditional enclosed malls outside of major urban centres continue to face challenges and many owners are re-examining their positioning and value. Some are undergoing an externalizing redevelopment that turns the enclosed mall “inside-out”.

As much as demand forecasts can be driven by population growth, they also have a correlation with developer and tenant driven demands. Therefore, it is important for New Minas to set realistic expectations for the scale, type and formats of retail that could or should be targeted in the community by working with developers, retailers and brokers to understand their needs.

Location: The Commercial Street corridor is well suited to accommodate the range of retail sizes that would be attracted to locate in New Minas. Key attributes that many branded retailers actively seek - and which New Minas offers - include high traffic counts, accessibility from the 100-series highway, visibility along the corridor, as well as to residents and workers in the area and in neighbouring communities.

Development Readiness: Many of the currently available commercial lands throughout the length of Commercial Street are development-ready with full services with strong access and parking opportunities.

The Granite Interchange lands on the other hand are not yet development-ready and will require proper road and servicing infrastructure to be established in order to fully realize development potential for commercial development.

Context and Competition: Assuming New Minas and Commercial Street in particular become the preferred destination for attracting branded tenants with larger floor space needs, the smaller more specialized communities like Wolfville, Kentville, and Windsor can continue to attract and provide opportunities for local independent retail and food & beverage operators who can benefit from more localized trade areas where smaller spaces can be provided with corresponding more affordable rents.

3.9 POLICY CONSIDERATIONS

New retail development, either infill or redevelopment should be focused along the Commercial Street corridor in established areas. Any large scale greenfield development in new lands such as the Granite Interchange area would likely to come at expense of Commercial Street businesses. The overall focus of New Minas' retail strategy should be to concentrate activity and connectivity rather than diluting and disconnecting the retail fabric.

There a number of existing vacancies in New Minas with a notable concentration in and around the County Fair Mall. Not only is the Mall in a highly strategic location, the current parking area is likely surplus to its needs and therefore the land would be a sought after commodity for infill and intensification.

If larger boxes begin expressing interested in New Minas, it is important that the SPS put the necessary bylaws in place to focus and direct growth to County Fair Mall as first priority node.

The Granite Interchange lands south of the 101 represent an important future land holding for New Minas. While these lands may not represent a near term land use, there will be pressures at some point for potential commercial development.

Granite Interchange lands should consider zoning for neighbourhood-scale retail shops and services. It is recommended for the sake of maintaining commercial viability and balance in the community that the SPS ensure that any commercial development that could take place in the Granite Interchange lands be comprised of a neighbourhood-scale commercial total development size limitation of no more than 50,000 sq. ft. in total development floor space. The timing of such development is not envisioned to occur until after 2030, based on current demand forecasts.

In addition to this total development size limitation, consideration should be given to implementing a retail store size limitation in the Granite Interchange lands to restrict large format retail to no greater than 25,000 sq. ft. This size range would still allow for a grocery format retailer to locate when and as the residential demand would support such retail.

The purpose of a store size limitation at the Granite Interchange lands is to proactively prevent an exodus or relocation of valuable large format retailers already on Commercial Street, who may show an interest in locating in a new highway interchange location. Retailers often have a herd mentality and are known to follow others. If the Granite Interchange lands became a new major retail location, it could result in numerous vacancies along Commercial Street, which could disrupt the retail energy and also require significant investment in transportation connectivity across the highway.

Figure 3.7: Ryerson Centre for the Study of Commercial Activity, Canadian Shopping Centre Data Release 2018 (Source: CSCA)

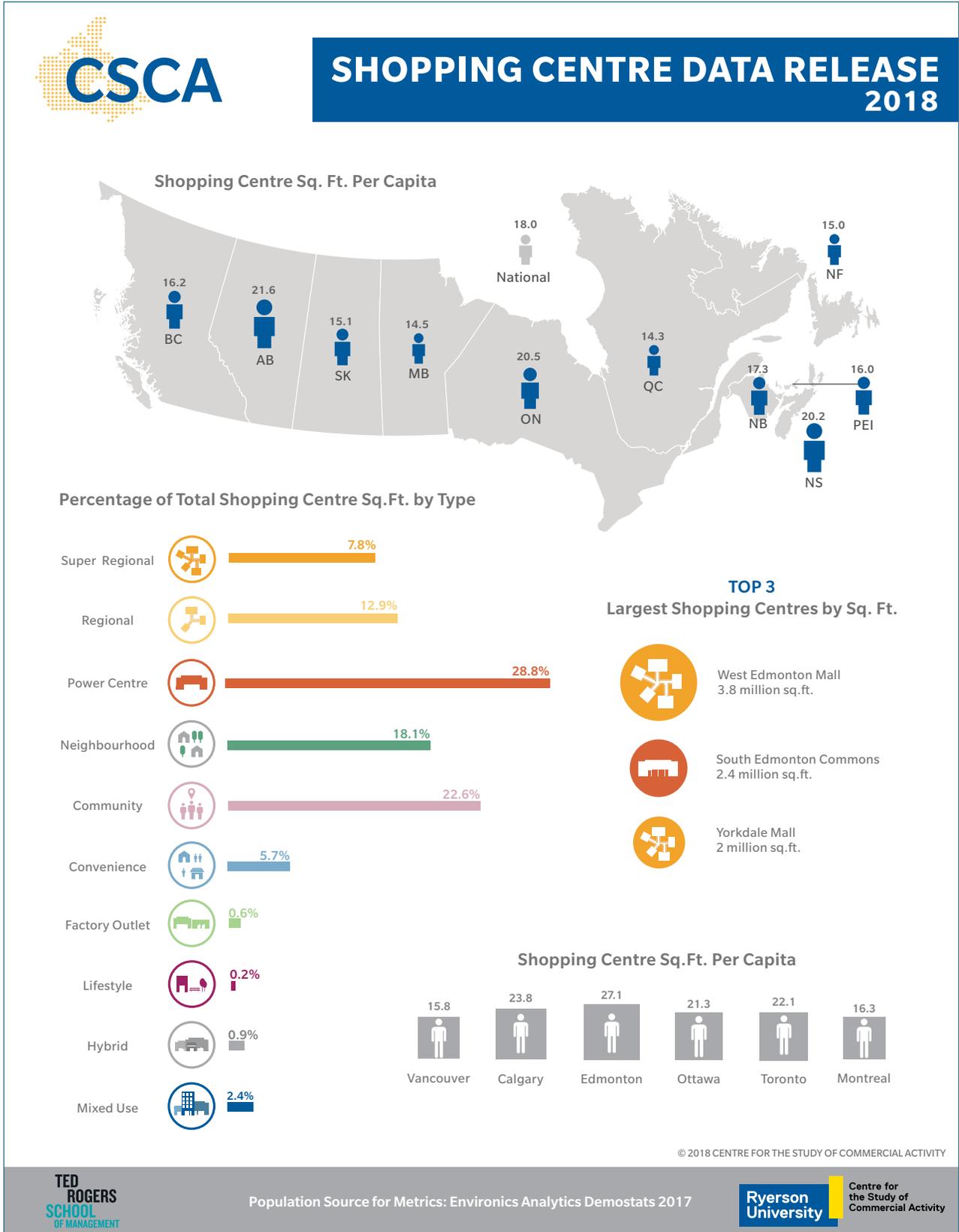


Figure 3.8: International Council of Shopping Centres, Canada Shopping Centre Classifications & Typical Characteristics (Source: ICSC)

Canada Shopping-Centre Classification and Typical Characteristics*								
Type of Shopping Centre	Concept	Typical GLA Range (Sq. Ft.)	Acres	# of Anchors	% Anchor GLA	Typical Number of Tenants	Typical Type of Anchors	Trade Area Size
Traditional Shopping Centre								
Super-Regional Mall	Similar in concept to the regional mall but has a deeper breadth and depth of merchandise and stores (including destination retailers), a larger food court, a greater offering of food stores and service uses and a more comprehensive mix of entertainment activities and dining options. It is often situated on mass transit lines and along major highway corridors.	800,000+	NA	3+	NA	NA	Generally anchored by at least three large-format stores and of the same type as for regional malls. However, anchors tend to be more numerous in super-regional than regional malls.	10-30 kms
Regional Mall	Enclosed comparison-based centre that focuses on general merchandise or fashion-oriented offerings but that also provides services in full depth and variety. It usually has an inward orientation of the stores connected by common areas/walkways or "malls," flanked on one or both sides by various entrances with off-street surface and/or structured parking surrounding the outside perimeter. It could be multi-leveled with escalators, stairs and elevators between levels. There may be outparcels or pad store locations. A regional mall could be located in downtown areas of major metropolitan markets and be called a "downtown regional mall."	300,000-799,999	NA	2+	NA	NA	Generally anchored by at least two large-format stores, most often department stores occupying typically a minimum of 70,000 square feet. Possibly anchored as well in recent years by large-format discount stores and/or mini-anchors or big-box specialty retailers occupying between 15,000 and 40,000 sq. ft.	8-20 kms
Community	Open-air and/or enclosed property that also focuses on daily needs but with a wider range of soft goods and services than neighbourhood centres. It is basically a cluster of attached retail units that can be open-air and/or enclosed with significant off-street paved parking surrounding the building that can be generally accessed from two or more sides.	100,000-400,000	NA	1+	NA	NA	Usually anchored by more than one large-format store, which could be a convenience-based tenant, such as a supermarket or a super drugstore, or a more general merchandise-oriented tenant, such as a discount department store or a value-oriented big-box category-dominant retailer.	<10 kms
Neighbourhood	Open-air property designed to address the daily needs of consumers in the immediate neighbourhood but with a broader offering than the convenience centre. It is usually configured as a straight-line strip with adequate off-street parking at the front.	40,000-99,000	NA	1	NA	NA	Generally anchored by a supermarket or, in recent years, a drugstore or a discount store.	<5 kms
Convenience	Open-air property with a few tenants that offer a narrow mix of goods and personal services to a very limited trade area, including walk-in traffic. The configuration is typically linear, with an attached row of stores or service outlets owned and managed as a coherent retail unit and with on-site parking usually in front of the stores.	10,000-39,000	NA	Anchor-less or a small convenience store anchor.	NA	NA	Convenience store, such as a mini-mart.	NA
Specialty Shopping Centre								
Power Centre	Open-air centre that typically comprises three or more large-format retailers ("big boxes" or "category-dominant retailers") that are mostly freestanding (unconnected). It may also have a few small specialty tenants-mostly in the scattered multi-tenant buildings on the site. As with other open-air centres, ample on-site paved parking is located in front of the stores and around the site at the ground level.	100,000-1,000,000	NA	3+	NA	NA	Usually anchored by discount department stores, warehouse clubs, off-price stores or other "category killers," i.e., stores that offer a vast selection in related merchandise categories at very competitive retail prices.	8-20 kms
Outlet	Open-air and/or enclosed centre that comprise manufacturers' and retailers' outlet stores selling brand-name goods at a discount-usually selling surplus stock, prior-season or slow-selling merchandise and especially designed merchandise.	50,000-400,000	NA	NA	NA	NA	Generally not anchored, although certain brand-name stores may serve as "magnet" tenants	20-50 kms
Shopping Centre Hybrid								
	A centre that significantly combines predominant elements from two or more distinct traditional and/or specialty shopping centre types, e.g. power centre, regional mall and lifestyle centres. Its primary trade area can vary widely, depending on the composition of the project.	250,000+	NA	NA	NA	NA	Anchored according to the shopping centre types integrated in the property.	NA
Retail Mixed-Use Development								
	Multi-component structure developed as a single and coherent entity; its retail component is predominant, accounting for one of at least two significant revenue-producing uses. The non-retail uses could be residential, offices, hotel, transportation (airport, train or bus stations where there is a consolidation of retail units on the premises), entertainment, recreation, sport, civic or cultural venues and/or other uses that mutually support a substantial retail component. Its primary trade area can vary widely, depending on the project's composition. <i>Downtown Retail Mixed-Use</i> is a subset of Retail Mixed-Use that is located in downtown areas of major metropolitan markets. The retail component of a downtown mixed-use project could share several characteristics with regional malls-a reasonably large selection of goods and services and a covered and multi-level layout. It may also comprise underground parking and connections to mass transit, including subways. However, the project is not exclusively retail-oriented and may not necessarily include an anchor.	50,000+ for the retail component and a minimum of 3 commercial retail units	NA	NA	NA	NA	Depends on the composition of the project.	NA
Freestanding Stores								
	1-A single store is stand-alone, self-contained, not physically connected to other stores in the vicinity, or not in outparcels on the peripheries of shopping centres. It is managed and owned as a single entity and may have its own parking.	No minimum size	NA	NA	NA	NA	Depends on the store	NA
	2-Multi-stores (e.g. street front) are retail stores with a street front, located side by side (e.g. in an urban, suburban or rural community retail strip) but not in a planned shopping centre. In some metro areas, similar retailers may concentrate to form a unique retail destination (e.g. high street/fashion district/entertainment district).	No minimum size	NA	NA	NA	NA	Depends on the stores	NA

*Disclaimer: While every effort is made to ensure the accuracy and reliability of the information contained in this report, ICSC does not guarantee and is not responsible for the accuracy, completeness or reliability of the information contained in this report. Use of such information is voluntary, and reliance on it should only be undertaken after an independent review of its accuracy, completeness, efficiency, and timeliness. Criteria used in the definitions above are intended to be only typical of general features, rather than covering all situations.

4.0 Office Market Assessment

4.1 INTRODUCTION

New Minas does not have an overly large nor defined office presence. The core offering of office services comprise smaller professional and medical services. There are also specialized institutional facilities such as the RCMP detachment or public services offices.

It is estimated that New Minas has approximately 250,000 sq. ft. office floor space, or approximately 50% of the Total Trade Area’s estimated office floor space demand (500,000 sq. ft.).

In terms of recent office activity, the most significant office development was the recent completion of the Valley Crossroads Medical and Wellness Centre. Outside of New Minas, Kentville has a strong local office sector, which works well with its compact downtown. Projects like the recently retrofitted Main Street Business Centre as well as other new office-specific developments illustrate the attractiveness of Kentville as core office locale (see **Figure 4.1**).

Figure 4.1: Main Street Business Centre and Covington Station, Kentville



Much of the new development in the region has in many cases resulted in the relocation of existing businesses along with the introduction of some new businesses. This moving of pieces give the perception of significant new demand, but the reality is that new demand is minimal, albeit in improved higher quality and better performing spaces.

4.2 TOTAL TRADE AREA OFFICE DEMAND

Three methods are used to determine overall office demand in the Trade Area that would support office growth over the next 10 years to the year 2030.

This study utilizes the following data inputs:

- Population Office Space Per Capita Growth;
- Historic Office Floor Space Absorption; and
- Office-Related Employment Growth (Kings County).

The three methods are blended as an average to create reasonable forecasts for demand.

Office Space Per Capita Growth Method

Similar to retail, the office space per capita method measures the current office inventory as applied against the population base. Using this figure and applying to forecasted population growth allows for estimates of demand to be forecast to 2030.

To account for the fact that most new office space will be in some form of newer development or higher quality existing space, some of which could be in traditional commercial strip centre types of formats, a figure of 5 sq. ft. per capita is used. As a reference point, the current per capita office space ratio of New Minas’ inventory is estimated at around 2.5 sq. ft. per capita (250,000 sq. ft. divided by the Trade Area population of 100,603).

Population growth is anticipated to be minimal, at approximately 0.6% over the 10 year period from 2020 to 2030 and therefore its impact on office demand is expected to be low.

This per capita method is summarized in **Table 4.2** (along with other methods). It indicates total new demand in the range of only 507 sq. ft. of new office demand by 2030. This figure is not significant, but per capita space figures are a reflection of vacancies and overall performance of the office market.

Historic absorption growth method

Although no statistical data is available for the Kings County and New Minas market, historic absorption has also been quite low. For the purposes of the demand forecasting triangulation in this study an average annualized historic absorption of 5,000 sq. ft. was used. Even this figure may be high, but it does reflect the entry of the Valley Crossroads Health and Wellness Centre, even though that project itself was not 100% new absorption as it included local professionals that relocated from elsewhere in the New Minas and Valley area (See **Figure 4.2**).

For the blended average methodology, the total new demand assumes a baseline office inventory in the trade area of 500,000 sq. ft., to which future absorption is added. This method, as summarized in **Table 4.2**, indicates total new demand in the range of only 50,000 sq. ft. of office demand by 2030 (assuming a base of 500,000 sq. ft. as of 2020).

Employment growth method

Office employment is a methodology that applies a typical floor space ratio per office worker against forecasted employment growth in traditional office-related categories. It is understood that office related categories can be located in a variety of areas including industrial areas and residential, and therefore estimated percentages have been applied based on an understanding of the New Minas marketplace context.

Table 4.1 provides a summary of the estimated 2020 Labour Force profile for the , using Environics Analytics and Statistics Canada Census data. In the County, office-specific employment totals approximately 4,163 persons. With an estimated floor space ratio per worker of 200 sq. ft., this indicates a total supportable office-specific floor space for the Trade Area of just under 832,520 sq. ft.

Like retail, examining office growth in the absence of an employable workforce often represents challenges for attracting new businesses. This method for future demand is based on conservative employment growth forecasts estimated at 0.8% per year over the period 2020 to 2030. **Table 4.2** indicates future total new demand estimated at 70,924 sq. ft. in the Trade Area by 2030.

Blended average

The blended average approach illustrates that demand for total office space in the New Minas Trade Area could grow from 611,859 sq. ft. in 2020 to 631,774 sq. ft. by 2025 and 652,322 sq. ft. by 2030. This represents net growth in demand for the Trade Area of 40,463 sq. ft. by 2030.

4.3 NEW MINAS OFFICE FLOOR SPACE DEMAND

Upon determining the total Trade Area blended average demand, the next step is to apply reasonable market shares to the total Trade Area demand in order to estimate the amount of office floor space that could be reasonably and feasibly supported in New Minas. Office space in New Minas can be found in a wide variety of areas and formats and may not be freestanding, but could also be integrated within retail and/or light industrial land uses.

Table 4.1: Employment Growth Office Floor space Demand

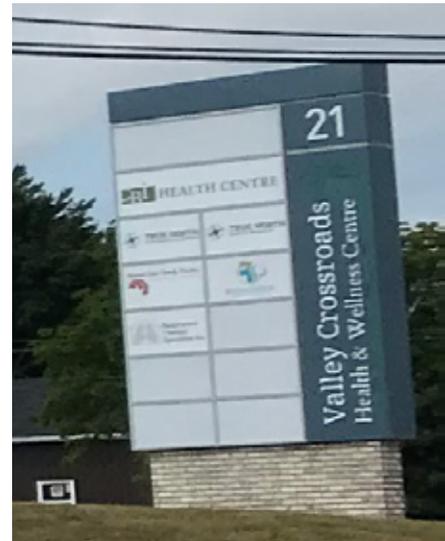
(Source: Statistics Canada, Environics Analytics, and FBM)

EMPLOYMENT CATEGORY	Census Year	Census Year	Environics Analytics	change per year 11-20	% of Employees in Office Related Uses	Number of Employees in Office Related Spaces		
	2011	2016	2020			2020	2025	2030
Agriculture, forestry, fishing & hunting	1,870	1,795	1,770	-0.6%	5%	89	91	93
Mining and oil and gas extracton	70	135	185	11.4%	5%	9	9	10
Utilities	70	60	76	0.9%	5%	4	4	4
Construction	1,670	2,040	2,113	2.6%	5%	106	111	117
Manufacturing	2,475	2,630	2,601	0.6%	5%	130	133	137
Wholesale Trade	855	865	919	0.8%	5%	46	47	48
Retail Trade	3,735	4,120	3,951	0.6%	5%	198	203	208
Transportation and warehousing	740	915	912	2.3%	5%	46	48	50
Information and cultural industries	335	335	372	1.2%	100%	372	391	411
Finance and insurance	590	700	756	2.8%	50%	378	407	439
Real estate and rental and leasing	385	325	339	-1.4%	75%	254	261	267
Professional, scientific and technical services	1,070	1,055	1,130	0.6%	50%	565	594	624
Management of companies and enterprises	1	25	31	46.5%	100%	31	32	33
Administrative and support & waste management	1,265	1,275	1,305	0.3%	50%	653	669	686
Educational services	2,390	2,340	2,341	-0.2%	10%	234	240	246
Health care and social assistance	3,745	4,265	4,307	1.6%	10%	431	453	476
Arts, entertainment and recreation	260	450	485	7.2%	25%	121	134	148
Accommodation and food services	1,525	1,900	1,873	2.3%	5%	94	98	103
Other services	1,070	1,225	1,264	1.9%	20%	253	259	266
Public administration	2,835	3,110	3,020	0.7%	5%	151	152	153
Total Office-Related Workforce in Kings County	26,956	29,565	29,750	1.1%		4,163	4,335	4,517
Estimated Floorspace Ratio per Worker						200	200	200
Total Office Related Floorspace	754,400	803,050	832,520			832,520	867,084	903,444
Total New Office Space Demand						0	34,564	70,924

Table 4.2: Trade Area Total Office Demand
(Source: FBM)

		2020	2025	2030
Method 1 Per Capita Growth	Total Trade Area Office Demand by Pop Growth (sq.ft.)	503,058	503,238	503,522
	Total Trade Area New Office Demand by Pop Growth (sq.ft.)	43	223	507
Method 2 Historic Absorption	Annual Office Demand by Historic Absorption (sq. ft.)	0	5,000	5,000
	Total Trade Area New Office Demand by Historic Absorption (sq. ft.) <i>***Assumes a base 2019 total inventory of 500,000 sq. ft.</i>	500,000	525,000	550,000
Method 3 Employment Growth	Total Kings County Demand by Office-Related Employment Growth (sq.ft.)	832,520	867,084	903,444
	Total Kings County New Demand by Office-Related Employment Growth (sq.ft.)	0	34,564	70,924
Total Trade Area Demand Based on Blended Average (sq.ft.)		611,859	631,774	652,322
Total Trade Area New Demand Based on Blended Average (sq.ft.)		0	19,915	40,463

Figure 4.2: New Crossroads Health and Wellness Centre



Because New Minas competes with Kentville and other locations as an office locale, it is reasonable that New Minas could capture slightly more market share than it does today growing from 41% to an estimate of 45% of future demand. As shown in **Table 4.3** this would mean that New Minas could support approximately 18,208 sq. ft. new office space by 2030, or a range of 15,000 to 20,000 sq. ft. for the purposes of the SPS.

4.4 DEMAND SUMMARY

Demand Attributes

As much as demand forecasts can be driven by population growth, they also have a correlation with workforce and economic development initiatives. These forecasts should be evaluated if and as the region diversifies and develops an economic development vision that could potential result in office demand that exceeds these projections. However, such demand must correlate with available employment and housing opportunities to accommodate envisioned growth.

Floor Space

Total floor space for office in New Minas is reasonably estimated to be 18,208 sq. ft. by 2030. This figure is generally supported both by the slow pace of historical absorption, office employment and building permit data for newly constructed office, as well as stakeholder conversations which generally indicated a soft market for new office demand in New Minas.

Additionally, office space uses, excluding Public Service and Institutional, typically have small space needs. It is important to note that office, like industrial can often fluctuate depending upon external economic development-driven factors that could well change the profile of the region and thereby introducing a larger office space user. One such example is the current Workforce Strategy being undertaken by the Valley Regional Enterprise Network, which will seek to identify areas of employment growth in the Annapolis Valley.

Land Size

Any future office space is likely to require minimal dedicated land beyond the potential vacant spaces and infill lots along Commercial Street. The reality of the office market needs suggest that any office space is likely to be accommodated as part of existing vacancies or possibly in the form of second level space in future mixed-use projects.

Vacancy

Vacancy rates for office in New Minas are not high, but this is also because there are not many traditional office type developments and in fact many office users are located in amongst retail or streetfront strip centre type projects. Expectations are that vacancies should not be a factor in New Minas for office users in the near future.

Types and Format

Office uses in the future should be in either 2 to 3 storey mixed-use commercial buildings along Commercial Street or in smaller spaces in existing commercial strip centres throughout the corridor.

Office growth in general can fluctuate with trends, as evidenced through the current COVID-19 pandemic which has resulted in a downsizing of office space and a re-emergence of home-based offices and more remote working opportunities.

Location

Even with increased demand, it is a strong possibility that some available commercial space could be suitable for office users. One such trend for struggling enclosed Mall assets is to convert former anchor spaces into office precincts and this could be an option for the County Fair Mall.

Table 4.3: New Minas Feasible Office Floor space Demand by Market Share Scenarios

(Source: FBM)

New Minas Market Share Sensitivity of Trade Area Office Demand			
15% MARKET SHARE			
	2020	2025	2030
Trade Area Total Office Floorspace Demand (sq.ft.)	611,859	631,774	652,322
New Minas Market Share of Trade Area Demand (%)	15%	15%	15%
Total New Minas Office Floorspace Demand (sq.ft.)	91,779	94,766	97,848
Total New Minas Net New Office Floorspace (sq.ft.)	0	2,987	6,069
New Minas Market Share Sensitivity of Trade Area Office Demand			
30% MARKET SHARE			
	2020	2025	2030
Trade Area Total Office Floorspace Demand (sq.ft.)	611,859	631,774	652,322
New Minas Market Share of Trade Area Demand (%)	30%	30%	30%
Total New Minas Office Floorspace Demand (sq.ft.)	183,558	189,532	195,697
Total New Minas Net New Office Floorspace (sq.ft.)	0	5,974	12,139
New Minas Market Share Sensitivity of Trade Area Office Demand			
45% MARKET SHARE			
	2020	2025	2030
Trade Area Total Office Floorspace Demand (sq.ft.)	611,859	631,774	652,322
New Minas Market Share of Trade Area Demand (%)	45%	45%	45%
Total New Minas Office Floorspace Demand (sq.ft.)	275,337	284,298	293,545
Total New Minas Net New Office Floorspace (sq.ft.)	0	8,962	18,208
New Minas Market Share Sensitivity of Trade Area Office Demand			
60% MARKET SHARE			
	2020	2025	2030
Trade Area Total Office Floorspace Demand (sq.ft.)	611,859	631,774	652,322
New Minas Market Share of Trade Area Demand (%)	60%	60%	60%
Total New Minas Office Floorspace Demand (sq.ft.)	367,116	379,064	391,393
Total New Minas Net New Office Floorspace (sq.ft.)	0	11,949	24,278

Development Readiness

The limited nature of office demand, combined with the available lots throughout the Commercial Street corridor, suggests that New Minas has sufficient development ready sites for commercial office development as either freestanding or mixed-use formats. Given the nature of retail development envisioned for the Granite Interchange lands as neighbourhood scale commercial totalling 50,000 sq. ft. or less of predominantly retail, any office space in this area would be minimal and ancillary to the retail, and may well fall within the ground level streetfront retail floor space or in mixed-use above retail.

Context and Competition

Kentville remains a primary office centrality in the Trade Area with its cohesive downtown environment. However New Minas has the potential to be further entrenched as a strong office location, particularly for medical and professional services. This can be considered as part of the SPS for potential urban design, transportation, streetscape and land use improvements changes along the Commercial Street corridor.

4.5 POLICY CONSIDERATIONS

With limited traditional office space demand forecasted, along with the emerging trends coming out of the COVID-19 pandemic, office space recommendations in the SPS should be tailored around encouraging infill and redevelopments along Commercial Street that can include either office spaces on the ground level or upper levels.

Office space conversions should also be explored for older commercial formats that may be considered obsolete or non-viable, but could provide good opportunities to incubate local entrepreneurial office uses.

5.0 Accommodations Market Assessment

5.1 INTRODUCTION

The accommodations market in New Minas comprises a wide array of formats ranging from motels to hotels to Bed & Breakfasts and AirBnB/VRBO short-term home rentals. A high level overview of the accommodations market was undertaken to assess the overall demand that could be supportable in the New Minas Growth Centre.

There are many key drivers that enable accommodations development. These include, but are not limited to: A strong visitor segment, cultural events, sporting events and conferences, proximity of destinations, and concentration of shops and services.

New Minas is a logical centrality for the Annapolis Valley, however it lacks tourist-friendly infrastructure that would be widely attractive to a traditional accommodations sector. Two properties are located in New Minas (See **Figure 5.1**). Comparable markets to New Minas would have a highway traveler segment or conference element that would support hotel accommodations.

Figure 5.1: Slumber Inn and Greensboro Inn, New Minas



Table 5.1: Selected Inventory of Traditional Hotel/Motel Accommodations in Local Area

Property Name	Community	# of Rooms
Beach Breeze Motel	Grand Pre	9
Evangeline Inn & Motel	Grand Pre	23
Greensboro Inn	New Minas	12
Slumber Inn	New Minas	80
Blomidon Inn	Wolfville	33
Gingerbread House Inn	Wolfville	7
Locust & Starr Inn	Wolfville	2
Micro Boutique Living Wolfville	Wolfville	
Old Orchard Inn & Spa	Wolfville	129
Reta's Hideaway by the Harbour	Wolfville	
Roselawn Lodging	Wolfville	18
Tattingstone Inn	Wolfville	14
Victoria's Historic Inn	Wolfville	16
	Median	16
	Average	30
	Total	343

Table 5.2: Selected Inventory of Bed & Breakfasts in Local Area

Property Name	Community
Candle Inn the Window B & B	Berwick
Hidden Gardens Bed & Breakfast	Berwick
Glooscap BnB	Blomidon
Grand St Inn Bed and Breakfast	Kentville
The Wickwire House	Kentville
Gaspereau Bed & Breakfast	Wolfville
In Wolfville Luxury Bed and Breakfast	Wolfville
Stella Rose B & B	Wolfville

5.2 INVENTORY AND MARKET OVERVIEW

For this analysis, the accommodations market within a smaller area was examined rather than the full Trade Area utilized for Retail and Office sectors. This smaller area includes the communities of New Minas, Wolfville, Kentville, Grand Pré, Blomidon and Berwick.

As documented in **Tables 5.1 and 5.2**, there are currently 13 registered hotel accommodations in the nearby area totaling 343 rooms with an average format size of 30 rooms. There are also 8 registered Bed & Breakfast Accommodations in the nearby area. These figures don't include unregistered accommodations within the AirBnB and VRBO platforms.

The overview of hotel accommodations illustrates that the preferred formats are hotels with kitchenettes or "Inn" formats, which are indicative of a longer-stay or family market. This is important because a more modern branded hotel format would typically need to have a minimum of 80 rooms, which tends not to be the preferred size in the Annapolis Valley marketplace.

A 2017 Visitor Exit Survey by Tourism Nova Scotia profiled the Bay of Fundy and Annapolis Valley Region revealed an interesting pattern of visitation, which itself provides indirect insight into potential accommodations needs and desired locations. **Figures 5.2 and 5.3** documented those specific areas to which visitors are drawn including a very comprehensive list of the communities visited. The results of these surveys illustrated a notable absence in desired visitation to New Minas. This presents both a challenge and opportunity.

New Minas is the regional shopping centrality for a large Trade Area, but its challenge is that it is not as desirable as a tourist destination to which traditional accommodations formats are drawn. However, this does present an opportunity through the SPS to redefine the future for New Minas so that it could

become a more attractive location for larger destination events and conferences for which new accommodations would be desirable and appropriate.

The nature of the Annapolis Valley region suggests that smaller communities are more appealing for more boutique-style accommodations, while New Minas would be more appropriate for a future branded format that could have small conference or meeting facilities attached.

The prospects for growth were documented and profiled in a 2013 Hotel Market Demand Study by PKF. The focal point for the study was Kentville and a hotel has not been built to-date, but those findings are still likely relevant and appropriate for the current day even for the New Minas context.

PKF Hospitality and Tourism Business Advisors conducted an evaluation to determine if the market exists for a private sector developer to build and operate a new hotel in the Kentville area. This study involved analyses of existing accommodations in the area, demand from tourism, sport, meetings and conferences, as well as an estimate of the future growth in supply and demand for hotel demand in the competitive market area.

The analysis notes that the existing hotel stock in the area is dated and low quality. With the limited number of units available, there are peaks wherein potential demand cannot be accommodated. However the depth of the market is limited, given proximity to larger urban markets, seasonality of demand, and small corporate base in the community. The study concluded that, while there is a market opportunity to build a 60-unit hotel in Kentville, it would be challenging to exceed occupancy in the 45% range, and make economic sense of the project in the current economic climate.

The market has not changed significantly since 2013 and it is important to note that any flag or branded hotel operator would seek an average annualized occupancy of a minimum 60% to make a hotel viable. With the current levels of seasonal visitation to the region and amount of unregistered accommodations, combined with the lower performance of the existing hotel/motel stock, a new hotel would be challenged in the market and if introduced would take significant market share from existing properties, which could result in zero net gain in rooms.

To compound with this slower market and a strong desire in the region for smaller non-traditional formats (such as B&Bs or small inns), the results of the coronavirus pandemic have yet to be fully realized for the accommodations sector, which has been among the hardest hit. Any recovery in the accommodations market will take time, which further suggests limited demand over the next few years.

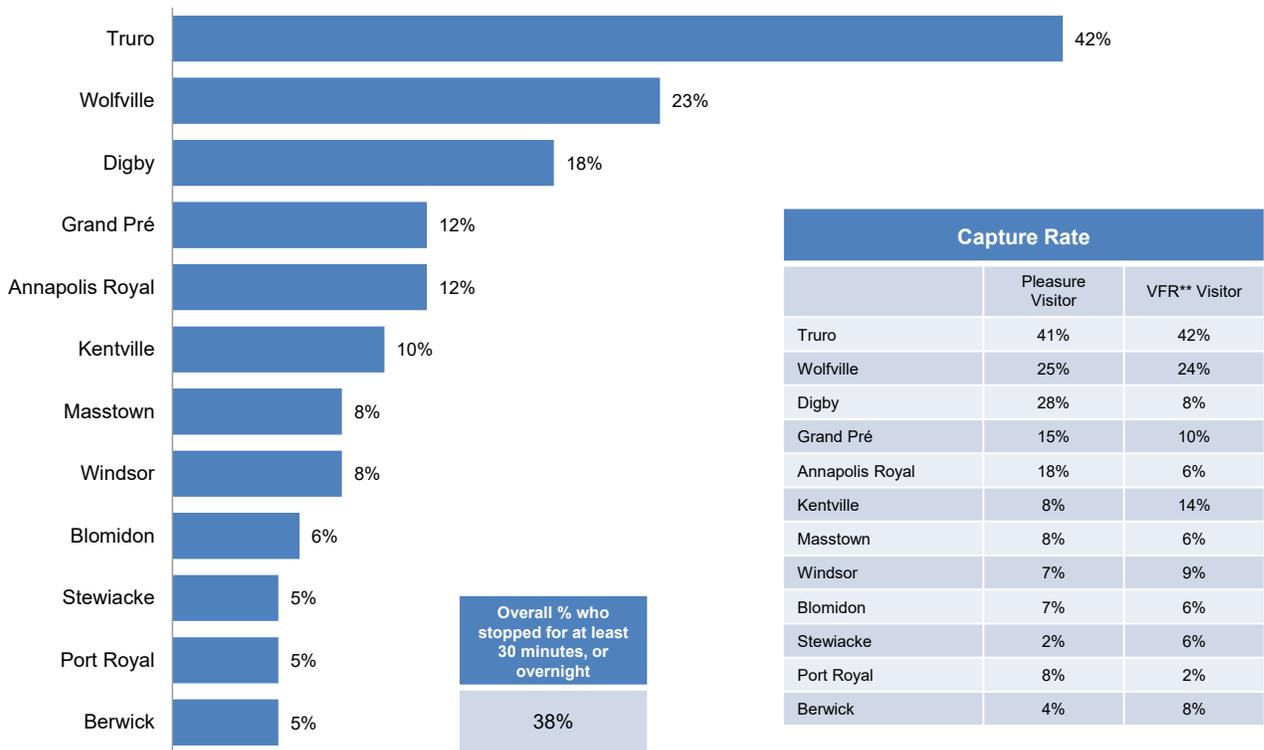
5.3 POLICY CONSIDERATIONS

On the basis of this overview as it pertains to the SPS, current lands are more than sufficient for future accommodations.

It is also possible and compatible that the Granite Interchange lands could be a strategic location for a future branded accommodation format and thus zoning should ensure this possible land use.

Figure 5.2 Tourism Nova Scotia - Bay of Fundy and Annapolis Valley Capture Rates
 (Source: Tourism Nova Scotia)

BAY OF FUNDY & ANNAPOLIS VALLEY - CAPTURE RATE*



* Capture rate identifies where visitors go within a particular region, using those who visited the region as a base. For example, among all visitor parties who visited the Bay of Fundy & Annapolis Valley 42% visited Truro.

** Visiting friends or relatives

Figure 5.3 Tourism Nova Scotia - Bay of Fundy & Annapolis Valley Community Visitation

(Source: Tourism Nova Scotia)

COMMUNITY VISITATION

Bay of Fundy and Annapolis Valley Region	Total Trips (% who stopped or stayed)	Same-day Trips (% who stopped, not overnight)	Overnight Trips (% who stayed at least one night)	Average Number of Nights Stayed	Capture Rate
Bay of Fundy and Annapolis Valley	38%	28%	22%	3.9	
Advocate Harbour	1%	1%	0%	1.8	2%
Annapolis Royal	4%	3%	1%	2.8	12%
Berwick	2%	2%	1%	6.5	5%
Blomidon	2%	2%	0%	2.0	6%
Bridgetown	1%	1%	0%	2.1	3%
Brookfield	1%	0%	0%	2.2	2%
Digby	7%	4%	3%	1.7	18%
Five Islands	1%	1%	0%	1.4	3%
Grand Pré	4%	4%	1%	2.4	12%
Hantsport	1%	1%	0%	3.6	2%
Joggins	1%	1%	0%		3%
Kejimikujik National Park	2%	1%	1%	1.9	4%
Kentville	4%	3%	1%	4.4	10%
Middleton	2%	1%	0%	4.5	4%
Noel	0%	0%	0%	2.8	1%
Parrsboro	1%	1%	0%	1.5	3%
Port Royal	2%	2%	0%	2.2	5%
South Rawdon	0%	0%	0%	2.5	1%
Springhill	1%	1%	0%	2.1	3%
Stewiacke	2%	1%	0%	3.2	5%
Truro	16%	9%	8%	3.2	42%
Walton	0%	0%	0%	2.3	1%
Westport	1%	1%	0%	1.7	3%
Weymouth	0%	0%	0%	2.1	1%
Windsor	3%	2%	1%	4.6	8%
Wolfville	9%	6%	3%	3.2	23%
Greenwood	1%	0%	0%	4.7	1%
Halls Harbour	1%	1%	0%	2.0	2%
Kingston	1%	0%	0%	13.0	2%
Masstown	3%	3%	0%	1.0	8%

6.0 Industrial Market Assessment

6.1 INTRODUCTION

The Broad Market Area (BMA) for the industrial analysis is Kings County, but the majority of commercial activity, including industrial, is concentrated in the eastern portion of the county, in the Kings County portion of the Valley commercial corridor that extends between Windsor (Hants County) to the east, and the Town of Berwick to the west (See **Figure 6.1**).

The major industrial player in Kings County is Michelin, whose tire plant in Waterville accounts for approximately half of the manufacturing employment in the area. Kings County is the agricultural centre of the province, with industrial uses in support of agriculture also playing a major part in the industrial base of the County.

Industrial land uses in New Minas itself are divided between light industrial, which treads the line between industrial and commercial/retail, and heavy industrial, including concrete facilities, large automotive repair, and a PepsiCo Foods plant. The blurred line between industrial and retail in New Minas’s light industrial segment is not dissimilar to that found in other locales, but it is particularly unsurprising in the context of New Minas, which serves as the retail hub of the Annapolis Valley, with industrial playing a distant second fiddle.

The BMA area is comprised of three towns, Wolfville, Kentville, and Berwick, with the remainder of the

County, including New Minas, falling under the jurisdiction of the Kings County. Thus, there are four relevant land use zoning by-laws in play in the BMA. The land use by-law for the Kings County includes three zones that allow industrial uses: M1 - Light Industrial Commercial; M2 - Heavy Industrial; and M3 - Rural Industrial. New Minas has areas zoned each of M1 and M2. The Town of Wolfville has a very limited amount of industrial land, zoned as C-3 - Industrial/Commercial, which allows the continuation of existing industrial uses and some other light industrial uses. The Town of Kentville has a dedicated industrial business park, and one zone under its land use by-law covering industrial uses, M1 - Industrial Zone, which allows uses associated with each of light and heavy industry. The Town of Berwick has one zone allowing industrial uses, C2 Commercial/Industrial Enterprise, which allows each of heavy and light industrial uses.

Tables 6.1 and 6.2 show the number of parcels and total land area of land zoned to allow industrial uses, broken down by zone and improved/unimproved. It is noted that the well field protection areas in New Minas overlap with the areas that are zoned for industrial (See map, **Figure 6.2**). This impacts the allowable uses for new development in M2 – Heavy Industrial zones, effectively rendering them M1 – Light Industrial.

Table 6.1: Number of Parcels Zoned for Industrial Use

	New Minas		Remainder of County of Kings			Wolfville	Kentville	Berwick
	M1	M2	M1	M2	M3	Industrial		
Improved	11	8	45	10	50	4	45	2
Unimproved	14	5	81	13	63	1	52	11
Total	25	13	126	23	113	5	97	13

Table 6.2: Total Land Area Zoned for Industrial Use (acres)

	New Minas		Remainder of County of Kings			Wolfville	Kentville	Berwick
	M1	M2	M1	M2	M3	Industrial		
Improved	56	54	646	63	860	4	277	43
Unimproved	127	8	522	87	1,447	0	216	52
Total	183	62	1,168	150	2,307	4	493	95

Figure 6.1: Industrial Properties

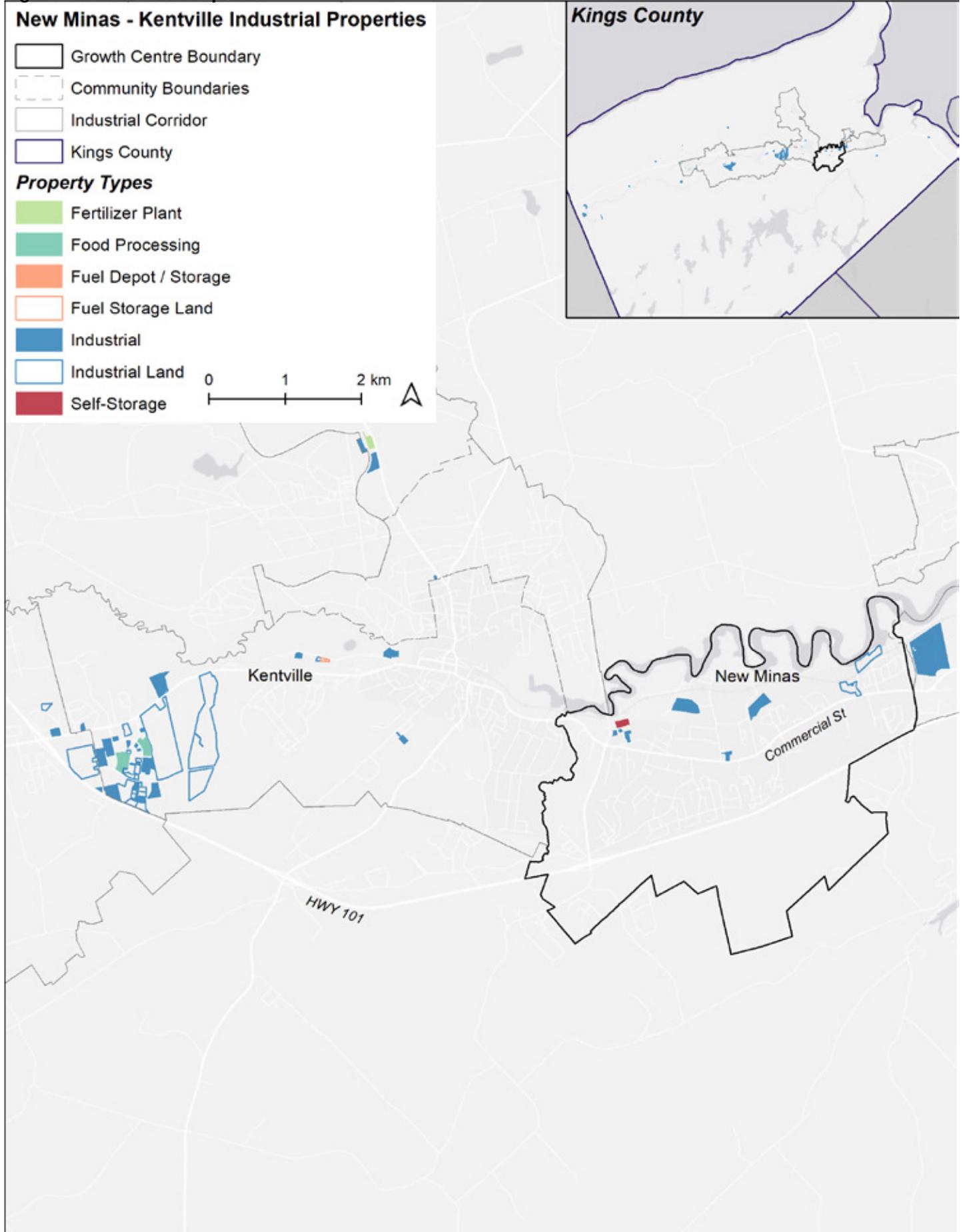
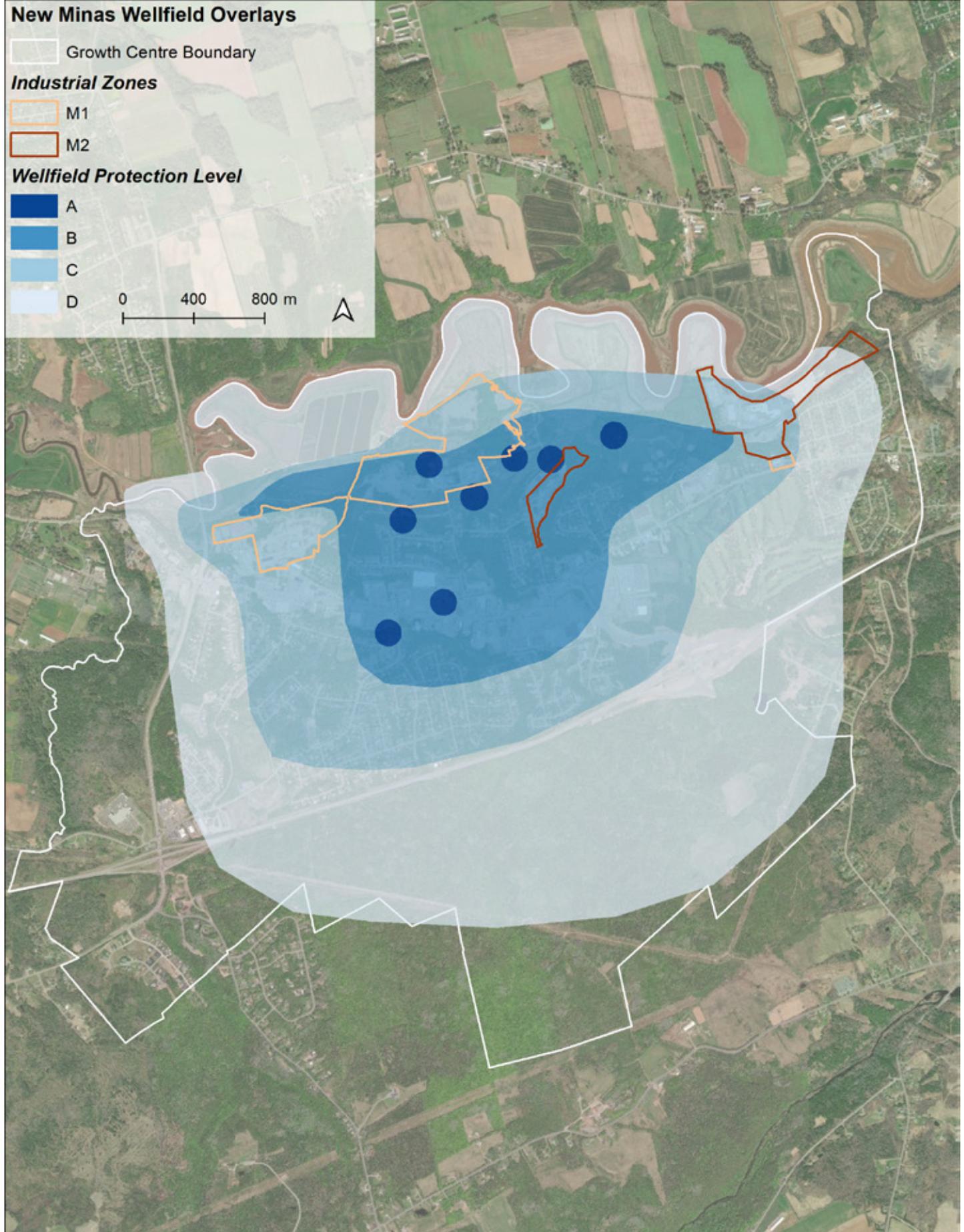


Figure 6.2: New Minas Wellfield Protection Areas



6.2 EMPLOYMENT PROFILE – INDUSTRIAL SECTOR

As shown in **Table 6.3**, employment in industrial related industries accounts for ±28% of the total labour force in the Kings County, approximately 3 percentage points higher than in New Minas. The number of people employed in industrial-related employment sectors is estimated to have increased since the 2016 census, in each of New Minas (3.6%) and Kings County (1.6%). Each of these outpaces the growth in the labour force overall, which is estimated at 1.8% for New Minas and 0.6% for Kings County.

Unlike office-related employment, for which there is a supportable ratio estimate of floor area per employee,

there is a wide variation in the square footage of industrial space required per employee, having regard to the varying nature of industrial-related employment sectors (e.g. manufacturing versus warehousing), and the increased likelihood in these sectors that other factors, such as equipment, will determine how much space is required. Nevertheless, the examination of trends in employment in industrial sectors is useful in that it indicates recent growth in the sector; since historic patterns are oftentimes good indicators of future performance, some amount of growth in the industrial sector is considered likely over the projection period. The specific location of associated incremental demand for industrial land and buildings may not be a product of market forces, but rather is expected to be driven by economic development activities.

Table 6.3: Employment Profile – Industrial Sector

(Source: Statistics Canada Census, Environics Analytics, both via Sitewise)

	New Minas						Kings County					
	Census 2016		Environics Analytics 2020		Chg. 2016-2020		Census 2016		Environics Analytics 2020		Chg. 2016-2020	
		%base		%base	overall	per annum		%base		%base	overall	per annum
2020 Labour Force 15 years and over by Industry	2,279		2,319		1.8%	0.4%	30,170		30,348		0.6%	0.1%
Industry - Not Applicable	70	3.1%	74	3.2%	5.7%	1.4%	600	2.0%	598	2.0%	-0.3%	-0.1%
All industries	2,201	96.6%	2,245	96.8%	2.0%	0.5%	29,570	98.0%	29,750	98.0%	0.6%	0.2%
Agriculture, forestry, fishing and hunting	50	2.2%	54	2.3%	8.0%	1.9%	1,795	5.9%	1,770	5.8%	-1.4%	-0.4%
Mining, quarrying, and oil and gas extraction	0	0.0%	2	0.1%	n/a	n/a	135	0.4%	185	0.6%	n/a	n/a
Utilities	0	0.0%	0	0.0%	n/a	n/a	60	0.2%	76	0.3%	n/a	n/a
Construction	119	5.2%	120	5.2%	0.8%	0.2%	2,040	6.8%	2,113	7.0%	3.6%	0.9%
Manufacturing	283	12.4%	291	12.6%	2.8%	0.7%	2,630	8.7%	2,601	8.6%	-1.1%	-0.3%
Wholesale trade	40	1.8%	45	2.0%	12.5%	3.0%	865	2.9%	919	3.0%	6.2%	1.5%
Retail trade	468	20.5%	460	19.8%	-1.7%	-0.4%	4,120	13.7%	3,951	13.0%	-4.1%	-1.0%
Transportation and warehousing	65	2.9%	65	2.8%	0.0%	0.0%	915	3.0%	912	3.0%	-0.3%	-0.1%
Information and cultural industries	55	2.4%	54	2.3%	-1.8%	-0.5%	335	1.1%	372	1.2%	11.0%	2.7%
Finance and insurance	40	1.8%	45	1.9%	12.5%	3.0%	700	2.3%	756	2.5%	8.0%	1.9%
Real estate and rental and leasing	10	0.4%	11	0.5%	10.0%	2.4%	325	1.1%	339	1.1%	4.3%	1.1%
Professional, scientific & technical services	56	2.5%	72	3.1%	28.6%	6.5%	1,055	3.5%	1,130	3.7%	7.1%	1.7%
Management of companies and enterprises	0	0.0%	5	0.2%	n/a	n/a	25	0.1%	31	0.1%	n/a	n/a
Admin & support, waste mgt & remediation	134	5.9%	128	5.5%	-4.5%	-1.1%	1,275	4.2%	1,305	4.3%	2.4%	0.6%
Educational services	184	8.1%	177	7.6%	-3.8%	-1.0%	2,340	7.8%	2,341	7.7%	0.0%	0.0%
Health care and social assistance	288	12.6%	291	12.5%	1.0%	0.3%	4,265	14.1%	4,307	14.2%	1.0%	0.2%
Arts, entertainment and recreation	45	2.0%	40	1.7%	-11.1%	-2.9%	450	1.5%	485	1.6%	7.8%	1.9%
Accommodation and food services	130	5.7%	139	6.0%	6.9%	1.7%	1,900	6.3%	1,873	6.2%	-1.4%	-0.4%
Other services (except Public Administration)	120	5.3%	122	5.2%	1.7%	0.4%	1,225	4.1%	1,264	4.2%	3.2%	0.8%
Public administration	114	5.0%	125	5.4%	9.6%	2.3%	3,110	10.3%	3,020	10.0%	-2.9%	-0.7%
Total Industrial-Related Workforce	557	24.4%	577	24.9%	3.6%	0.9%	8,440	28.0%	8,576	28.3%	1.6%	0.4%

6.3 INVENTORY & MARKET PERFORMANCE

Tables 6.4 and **6.5** quantify the land in Kings County that is zoned to allow industrial uses (all types), broken down by size range of the individual land parcels.

The foregoing data indicate that 9.2% of the individual parcels in Kings County zoned for industrial use are located in New Minas, but just 5.5% of the total area of industrial land is in New Minas. Of the supply of unimproved industrial land in Kings County, i.e. land this is readily available for new development, 7.9% of the parcels are located in New Minas, accounting for 5.5% of the land.

Table 6.6 shows the percentage of land zoned for industrial in each of New Minas and the remainder of Kings County that is improved.

The data suggest a preference for land sized between 1 acre and 10 acres in the study area. This is in keeping with the anecdotal information gathered during the course of this study, discussed in further detail in the following “Industrial Demand” section of this report.

The market for industrial properties in the study area is a relatively stable one, without notable demand growth attributable to market forces. Rather, incremental demand is often linked with economic development action to attract investment. A secondary source of incremental demand is via expansion of established market participants. Some of the demand for “industrial” properties in the study area is quasi retail in nature, e.g. storefronts, sometimes with warehousing behind, located in light industrial business parks.

Table 6.4: Number of Parcels Zoned for Industrial Use

Size Range (acres)	New Minas			Remainder of County of Kings		
	Improved	Unimproved	Total	Improved	Unimproved	Total
< 1	7	4	11	50	104	154
1 to 3	4	2	6	49	47	96
3 to 5	2	4	6	15	15	30
5 to 10	2	4	6	17	12	29
10 to 50	4	5	9	16	31	47
> 50	0	0	0	9	12	21
Total	19	19	38	156	221	377

Table 6.5: Total Land Area Zoned for Industrial Use (acres)

Size Range (acres)	New Minas			Remainder of County of Kings		
	Improved	Unimproved	Total	Improved	Unimproved	Total
< 1	4.6	0.7	5.3	25	46	71
1 to 3	6	4	9	89	81	170
3 to 5	8	14	22	58	55	113
5 to 10	16	27	43	112	85	197
10 to 50	75	90	165	312	802	1,113
> 50	0	0	0	1,298	1,254	2,555
Total	110	134	245	1,894	2,323	4,219

Table 6.6: Percent of Land Zoned for Industrial Use – Improved

Size Range (acres)	Parcels		Total Area	
	New Minas	Remainder of County of Kings	New Minas	Remainder of County of Kings
< 1	63.6%	32.5%	87.0%	35.1%
1 to 3	66.7%	51.0%	60.8%	52.6%
3 to 5	33.3%	50.0%	36.0%	51.4%
5 to 10	33.3%	58.6%	37.1%	56.8%
10 to 50	44.4%	34.0%	45.5%	28.0%
> 50	N/A	42.9%	N/A	50.8%
Total	50.0%	41.4%	44.6%	44.9%

6.4 DEMAND SUMMARY

Over the past ten years, there have been nine sales of industrial properties in New Minas, three of which involved the same property. Two of these sales were unimproved land, while the remainder were for improved properties. An investigation of construction using data from Property Valuation Services Corporation (PVSC) indicates that over the same ten-year time frame, there has been little to no construction of true industrial buildings in New Minas.

Demand Attributes

While noting that overall demand for industrial land and buildings is low, our inquiries revealed some commonalities in the sought-after attributes for what demand there is.

Land Size: Most of the demand is from light industrial users, who typically seek sites sized $\pm 1-3$ acres. An emerging demand trend from larger operators is to select lots with excess capacity, such as a 10-acre site to meet a 3-acre requirement, which serves the dual purpose of offering capacity for future expansion, as well as serving as an asset on their balance sheet.

Type: The majority of industrial demand, as measured by number of businesses, is for light industrial land rather than heavy industrial. Demand on this front is often for “flex” style space for uses such as gyms, sales operations, and warehousing.

Location: There are two sides to the location equation: geographic location within the broad market area and site specific locational characteristics. The former appears to be of relatively little import to those seeking an industrial site within the BMA, provided it is located along the commercial corridor somewhere between Windsor and Berwick/Coldbrook. Site-specific locational characteristics, on the other hand, are reported to play a more important role in locational decision making; the primary concerns are:

- **Accessibility:** Sites which have convenient access to the Trans-Canada Highway, including access via roads with adequate turning radii for 53’ tractor trailers. This allows for smooth business operations, but companies also want to be good neighbours, and do not want their large trucks to have to pass through or near residential neighbourhoods; and
- **Visibility:** From the highway or commercial-oriented streets, to give businesses exposure and credibility (e.g. clear indication that they are a legitimate operation).

Development Readiness: Businesses looking for new premises for industrial uses are typically seeking sites that are move-in ready, or can be made ready quickly. That is, those seeking existing buildings want them to be vacant and ready for occupancy, and those seeking development land want pad-ready sites. Our inquiries indicate that each of time and cost are factors in the desire for development / move-in readiness.

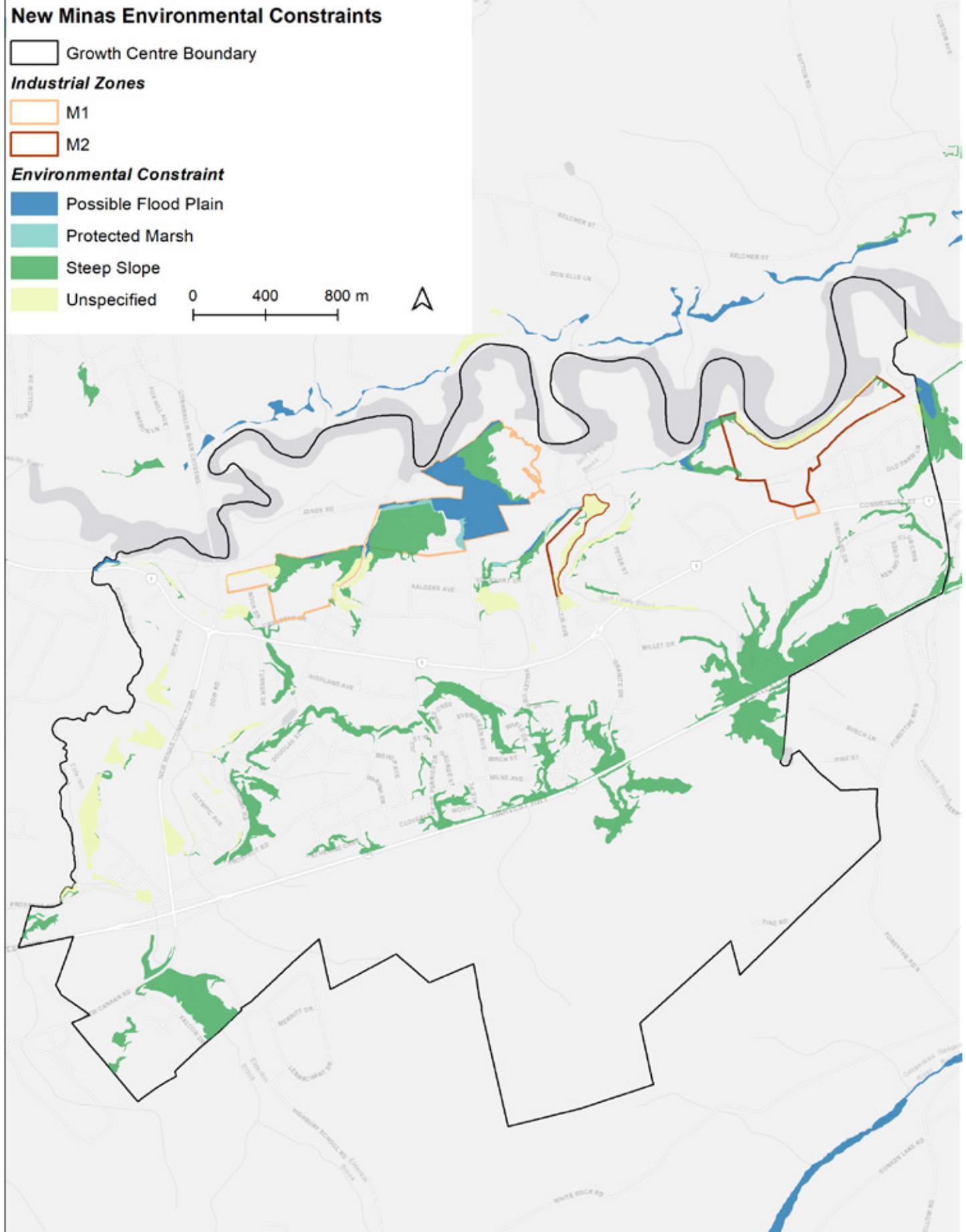
Services: Common services which are in demand for industrial users include:

- Three-phase power (electricity)
- High-speed internet
- Water / wastewater
- Natural gas – conspicuous by its absence from the BMA; it was noted that the high cost of alternatives to natural gas serves as a barrier to entry for some potential businesses, and an area of complaint for others established in the area.

Constraints

The supply of industrially zoned land in New Minas is located in the northern portion of the Village, south of the Cornwallis River. There are several factors that may serve to constrain demand of industrial land in the New Minas Growth Centre.

Figure 6.3: New Minas Environmental Constraints



Environmental: As shown on the **Figure 6.2**, “New Minas Wellfield Protection Areas,” and **Figure 6.3**, “New Minas Environmental Constraints,” there is considerable overlap between the lands zoned industrial in New Minas, wellfield protections, and other environmental constraints. The wellfield protection areas effectively render obsolete the M2 - Heavy Industrial zones, with the exception of existing uses. We do note that most of the M2 zoned land has existing uses thereupon, and thus this is largely an academic constraint. We also note that the environmental constraints that overlap the industrial zones will impact developability to varying degrees, with little expectation of the “steep slope” designation acting as a substantial barrier to development in most cases. Nevertheless, these constraints must be considered in future planning exercises.

Locational: The industrial land in New Minas is located in the northern portion of the Village. In contrast, the Trans Canada Highway (Highway 101) runs along the southern boundary of the built-up area of New Minas. Thus, access between the Village’s industrial areas and the highway requires passing through the built-up commercial area, potentially including traversing Commercial Street and usually requiring passing residential areas. We note, too, that Commercial Street, the main thoroughfare in New Minas, and the centre of the retail hub of the Valley, at times suffers from heavy traffic congestion, further exacerbating the issues of accessibility to the industrial lands of the Village. There is no visibility to the industrial areas from either the Trans Canada Highway or Commercial Street. Thus, from the perspective of the aforementioned demand attributes for industrial land, that of New Minas is poorly located, given it has neither ease of access nor visibility/exposure.

Compatibility: In New Minas, some industrial lands are located in close proximity to residential areas. These two land uses are largely incompatible, with noise from

industrial operations and associated transportation requirements (e.g. heavy trucks) creating a nuisance for nearby residents. With the majority of businesses cognizant of being “good neighbours”, this presents issues on both sides of the equation, and serves as a deterrent to new or expanded industrial operations.

Active Competition: The Town of Kentville has a dedicated business park, originally developed and managed by the province via an arms’ length organization. Forty acres of the land were eventually purchased outright by the Town of Kentville, who took over the marketing and made some strategic decisions regarding the businesses they sought to attract. Roads are in place and the lots are serviced. The Town is active in attempting to attract business investment. The park offers two price points, one for lands with visibility from Highway 101 (\$45,000 per acre) and one for lots without highway visibility (\$25,000 per acre). The low prices represent an intersection of incentives: the Town is incentivized to set prices that attract demand because they will benefit from subsequent property tax revenues as well as spinoff economic benefits, while businesses are incentivized to locate in the park because of the low costs for pad-ready land. In addition to low land costs, there is a special realty tax rate for industrial land in the park, set to be equivalent to commercial tax rates in the Municipality of the County of Kings. The Town indicates that they are pleased with the uptake on the park, which saw strong demand prior to the Covid-19 pandemic and continues to garner interest even during the current economic climate. The land adjacent to the park is owned by a private sector developer and marketed as commercial and industrial development land with a build-to-suit option, offering expansion room for the park once it is fully built out, with similar easy access to the highway. However, at the present time, the Town-owned lands are absorbing most of the incremental demand in the area.

6.5 POLICY CONSIDERATIONS

Market data and stakeholder consultation confirm there is little to no natural demand for industrial development in New Minas. This is a function of both the relative unsuitability of the existing supply of industrial lands, as well as the fact that industrial development is agnostic about location within the BMA, and other communities are outcompeting New Minas to capture this demand. The competitive advantage of other communities in the BMA is built on a combination of offering better suited and serviced lands, as well as offering these lands at below-replacement prices, effectively subsidizing industrial development. The expansion area of the New Minas Growth Centre could offer more attractive lands for industrial development compared to the current inventory; however, it should be kept in mind that even with a more competitive land supply, capturing demand will require an active economic development-based investment strategy on the part of the local government. Therefore, new industrial land supply should not be part of the vision for future growth unless the intent is also to support this supply with upfront investment in development readiness, marketing, and other economic development activities which may not directly cover their own costs.

Having regard for the foregoing, if the community decides to pursue industrial development, this market study does point to some ways in which that development should be tailored to the New Minas context. This community is the predominant retail centre of the Annapolis Valley, as indicated by its community slogan. The Village also identifies strongly as a residential area. Thus, the type of industrial growth – if any – to be encouraged in the Growth Centre of New Minas may benefit from being targeted and in line with the established identity and economic base of the Village. For example, light industrial uses that offer retail space and supporting warehousing, may be a good fit, whereas increased heavy industry may not.

Careful consideration of the planning goals should be given when determining how much land will be allocated to allow industrial – and where that land should be located.

A “blank slate” analysis would indicate that allocating industrial land near the highway, especially adjacent an interchange, makes more sense than having it on the opposite side of the retail and residential area and proximate the river. Conversely, near the river (outside of the flood zone) is likely an attractive location for residential land uses, whereas near the highway is less desirable. In the long-term, if industrial land uses are considered desirable in New Minas, consideration could be given to incentivizing relocation of existing industrial uses to a new industrial park located adjacent the highway, with the former industrial lands to be reallocated for alternative purposes in the long-term.

7.0 Residential Market Assessment

7.1 INTRODUCTION

This section examines historic and anticipated trends in residential real estate demand. In order to construct a longer-term forecast of residential demand, we forecast population change and household formation, and translate this basis into an expectation of future housing need based on observed trends, professional expertise, and the insights gathered via key stakeholder engagement.

In order to draw insights for the relatively small area represented by the New Minas Growth Centre, we have collected and analyzed data for a Broad Market Area

(BMA) roughly consisting of the north-eastern half of Kings County, though at times the full County is used if data sources do not enable more detailed geographic analysis. This Broad Market Area was identified as a reasonable contextual geography for New Minas based on three key factors:

1. The area aligns with established boundaries for critical data sources such as Census Subdivisions.
2. The area generally aligns with a broad nexus of population growth centered on the Wolfville-Kentville corridor.

Figure 7.1: Focal Residential Study Areas



- The area generally captures the main core of an integrated residential market area as confirmed by speaking with local industry stakeholders. Ideally, we would extend the boundary to include data from Coldbrook, however this is a necessary compromise to maintain factor 1).

The principal focus of the residential analysis, and the extent to which our specific conclusions apply, is defined by the boundaries of the New Minas Growth Centre. We note that in some cases data collected for this area is actually limited to the smaller administrative boundary (such as the case of demographic data from the Census). However, as the expansion area itself is almost entirely uninhabited and undeveloped, we have elected to treat these instances as applying to the entirety of the Primary Market Area.

7.2 DEMOGRAPHICS

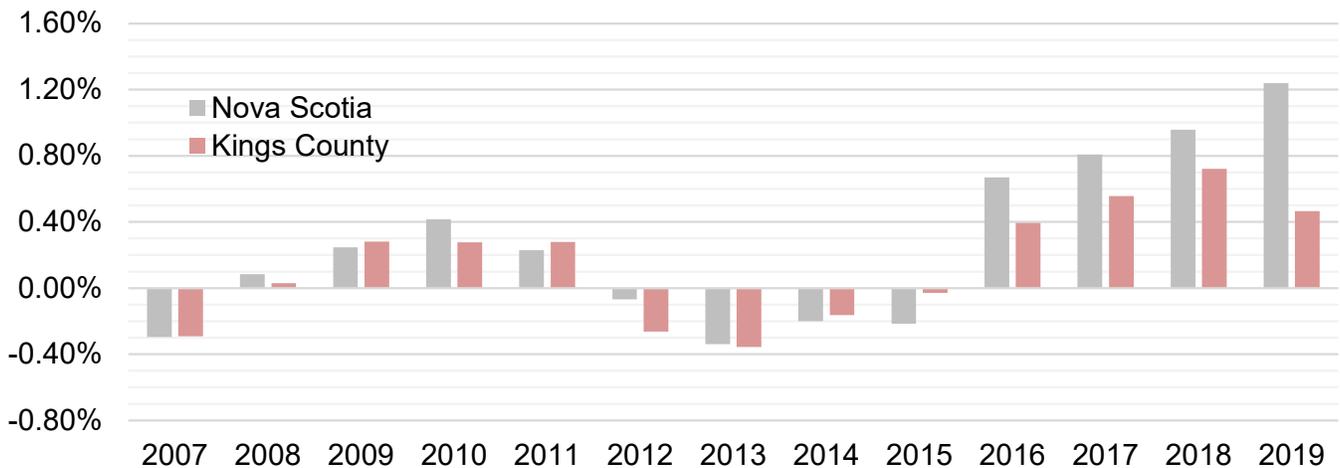
New Minas has had a stable if slightly-declining population over the past two census periods, generally in-line with the Broad Market Area, and non-Halifax areas of the Province generally. For 2006, 2011, and 2016, New Minas has represented roughly 13% of the BMA population, or 8% of the entire County (**Table 7.1**). Despite the similar overall trends in population, New Minas does have a slightly different structure, with less of its population in younger (5-24) age ranges while older (65-79) age groups are more heavily represented.

More recently, growth in Nova Scotia has deviated from the previous trend of stagnant/declining population. This has been due to an influx of international immigrants, a reduction in outmigration of youth thanks to declining economic conditions in other areas of Canada, and an influx of Canadians from elsewhere in the country. These trends post-date the most recent census, therefore analysis of the New Minas Growth Centre itself is not possible.

Table 7.1 Population by Age and Geography

Population by Age and Geography												
Age Cohort	Kings County				Broad Market Area				New Minas			
	2006	2011	2016	Distribution	2006	2011	2016	Distribution	2006	2011	2016	Distribution
0-4	2,964	2,949	2,933	██████	1,690	1,645	1,560	██████	240	210	210	██████
5-9	3,459	3,035	3,056	██████	1,875	1,700	1,670	██████	195	190	195	██████
10-14	4,065	3,506	3,104	██████	2,265	1,975	1,820	██████	260	240	200	██████
15-19	4,368	4,091	3,658	██████	2,550	2,495	2,145	██████	280	315	230	██████
20-24	3,794	3,990	3,648	██████	2,505	2,630	2,415	██████	300	340	280	██████
25-29	3,306	3,291	3,261	██████	1,985	1,865	1,885	██████	315	250	300	██████
30-34	3,551	3,508	3,309	██████	2,010	1,995	1,770	██████	280	280	230	██████
35-39	4,191	3,643	3,394	██████	2,340	2,055	1,975	██████	270	270	275	██████
40-44	5,339	4,147	3,642	██████	2,895	2,420	2,070	██████	360	285	290	██████
45-49	5,252	5,056	4,039	██████	3,045	2,890	2,450	██████	375	400	275	██████
50-55	4,434	5,229	5,112	██████	2,760	3,055	2,910	██████	340	405	365	██████
56-59	4,255	4,470	5,282	██████	2,575	2,755	3,085	██████	355	360	390	██████
60-64	3,406	4,342	4,575	██████	2,030	2,610	2,840	██████	330	370	360	██████
65-69	2,750	3,318	4,204	██████	1,625	2,010	2,555	██████	250	325	370	██████
70-74	2,302	2,589	3,034	██████	1,360	1,560	1,845	██████	215	265	305	██████
75-79	1,746	2,036	2,297	██████	1,100	1,210	1,375	██████	185	170	210	██████
80-84	1,278	1,391	1,650	██████	775	885	960	██████	150	145	140	██████
85+	1,150	1,374	1,507	██████	750	870	970	██████	115	120	105	██████
Total	61,610	61,965	61,705		36,135	36,625	36,300		4,815	4,940	4,730	

Figure 7.2 Annual Population Growth Rate



However, annual population estimate data at the Census Division level is available and confirms Kings County has benefited from these demographic trends in the past few years.

Statistics Canada produces province-level population forecasts, and recently released updated figures which take into account the demographic and economic trends observed since 2016. Their High Growth forecast scenario for Nova Scotia most closely matches the observed trends for the past four years, and we have therefore adopted it as our guiding high-level forecast, as shown in **Table 7.2**. Based on the historical relationship of population growth between local, County-wide, and Provincial demographic trends, we anticipate that the next decade could see the New Minas Growth Centre increase in population by approximately 380 people so long as suitable housing opportunities exist (see Inventory & Market Performance for further discussion). Despite this overall growth, the additional population is likely to be heavily focussed in older age groups, consequently, New Minas will likely have fewer people under the age of 65 in 2030 than it has today. As older populations tend to have smaller household sizes (fewer families with children, greater incidence of single-person households due to divorce or death of a partner), we

anticipate the growth in population will translate into an even greater growth in households requiring dwellings.

The current coronavirus pandemic is understandably causing disruptions to demographic factors considered in this analysis; however, we expect these to be temporary in the scope of this study. It is unlikely for these contemporary challenges to alter the basic factors driving longer-term growth trends, namely; declining growth rates in oil-producing regions of Canada, increasing inflow of Canadians seeing this region as an attractive retirement location, and increasing international immigration as a strategy to mitigate the economic headwinds of an aging population and below-replacement level birth rates.

Longer term trends (beyond 2030) are less certain by virtue of their distance in the future; much can happen in the next two decades to alter the course of demographic trends in a small geographic area such as New Minas. However, looking further into the future can provide useful guidance so long as the focus is on general trends and not precise numbers. Extending our forecast methodology from **Table 7.2**, we anticipate slightly lower rates of growth from 2030-2040. By the early 2030s the peak of the Baby Boomer generation aging into retirement (65+) years will have passed. As

the calendar approaches 2040 (Table 7.3), population growth will likely be concentrated in the 80+ age groups, with some growth returning to middle age groups as millennials transition into their late 40s and early 50s. Having a significant concentration of population in these advanced age groups will invariably lead to a spike in death rates which will become a significant demographic headwind soon after 2040. We anticipate this dynamic could possibly cut overall population growth rates in half as compared to the rate experienced 2020-2030.

Table 7.2 Forecasted Incremental Population Growth

Anticipated Incremental Growth from 2020-2030		
Age	Population	Households
<25	14	3
25-34	-65	-27
35-44	45	23
45-54	-52	-38
55-64	-128	-79
65-74	91	56
75+	474	333
Total	378	271
<i>10 Yr Growth Rate</i>	<i>7.0%</i>	<i>9.6%</i>

Table 7.3 Forecasted Household Age Distribution

Anticipated Distribution of Households by Age			
Age	2020	2030	2040
<25			
25-34			
35-44			
45-54			
55-64			
65-74			
75+			

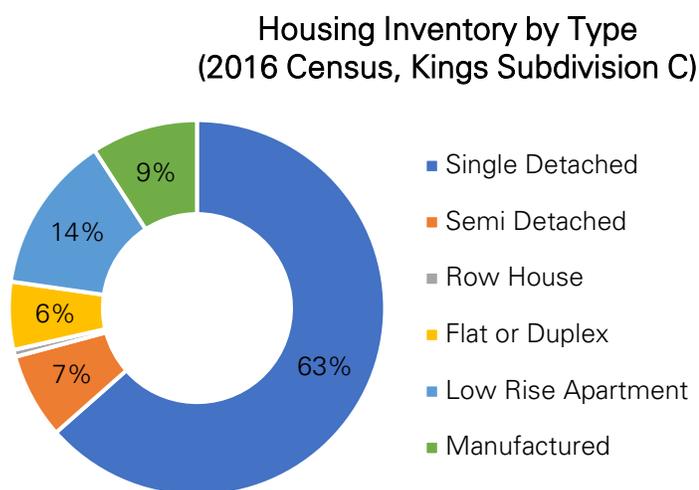
7.3 RESIDENTIAL MARKET CHARACTERISTICS AND TRENDS

New Minas’ housing inventory consists predominantly of low-density residential housing types, single and semi-detached dwellings, and manufactured dwellings. A minority of the housing stock consists of apartments, mostly in low-rise multi-unit buildings or sets of flats. Census data covering housing types is not available for New Minas specifically. We have used data for Kings County Census Subdivision C, which includes New Minas as well as additional rural areas south of Highway 101, as an indicative dataset (Figure 7.3). This broadly illustrates the housing mix of the main study area, though it can be expected to mildly

overstate the prevalence of single detached housing as a consequence of including rural communities in the vicinity.

Most housing in New Minas dates from the mid-1970s to mid-1980s, a time of rapid urban development during which most of the community was built-out. Consequently, the average age of a New Minas dwelling is about 40 years old. Based on the same data used above, we estimate that roughly 35% of households in New Minas are rental tenured, with the remaining 65% owner-occupied. This is a heavier rental share than is typically observed in communities throughout Nova Scotia, though not unreasonable given its location between two larger, more heavily rental-tenured Towns.

Figure 7.3 Housing Inventory By Dwelling Format



The bulk of these rental housing units are likely in the secondary market (i.e. renting flats or housing that could easily be owner-occupied, such as duplex or semi-detached units in contrast to purpose-built apartment properties).

In the very recent past there has been an increase in development of rental-tenured multi-unit housing. The local example is a 39-unit apartment building which opened in the summer of 2020 (we note this project does not yet exist in the various datasets examined as part of this analysis). In addition, there are other similar projects underway in the Broad Market Area, but in close proximity to New Minas.

Several residential property managers and developers were contacted as part of this study to provide further insights into current conditions and near-term market trends. Where applicable, these insights have been incorporated in this analysis. We include the full summary of stakeholder feedback below for reference, taking opinions at face-value:

- There is an increasing demand for high-quality multi-unit apartment living. Demand for this housing is primarily from retired households that are seeking more convenient living arrangements, however there is also more demand from families compared to the past, and young professionals as well.

- Throughout the Valley, there is a clear premium on market rents for buildings located in more walkable areas. Consequently, Commercial Street is an ideal location for new mixed-use and multi-unit residential development owing to its proximity to services and shops (grocery stores and department stores are of notable importance). Development in this area has been stymied by unsuitable zoning, and to a lesser degree, the current urban design environment.
- There is a nascent trend of Canadians moving to the Broad Market Area from elsewhere in the country as part of their post-retirement lifestyle plans. Some of this is accounted for in the apartment demand, but new residents from outside the province tend to be more inclined towards owner-occupied detached housing. These households still value simplicity and convenience, and therefore options for smaller homes with less yard maintenance and one-level living arrangements are attractive. There is often a synergy with Acadia University, with parents of students coordinating their move around the children starting or completing studies in the area.
- There is a large workforce in the area that is employed in local retail and service industries. These jobs tend not to pay high incomes, and therefore create a need for affordable housing options in close proximity to transit. Rental options tend to be more important, however owner-occupied options are also needed to allow for these households to remain in the area long-term. Much of this need is currently met only through manufactured housing, and it is hard to develop other forms of housing at an attainable price point without non-profit or other non-market housing partnerships.
- Development approval processes are often too convoluted to allow for development that is in-demand (i.e. current land use regulation is out of line with market direction and requires

amendments or agreements). That said, experiences working with the municipality itself tend not to be viewed as negative. There are some suggestions that a more formal or organized process (e.g. mandatory pre-application meetings) might help streamline projects and make for a more efficient process.

- There is pent-up demand for housing, however not at a significant price premium as compared to other communities in the area, notably Wolfville. Housing options that are modest and practical meet the market character in New Minas.
- Environmental performance is becoming an increasingly important feature of residential and commercial buildings. Some of this is driven by consumers placing value of mitigating climate change and other environmental issues, however it is principally driven by operating cost concerns with users looking to maintain low and predictable utility costs.

7.4 MARKET PERFORMANCE

Activity in New Minas on the resale market (i.e. listed and sold on MLS® by a REALTOR®), has been relatively steady in and of itself, and as a share of the regional market. Data aggregation does not allow for isolation of the Broad Market Area, instead we compare New Minas to the entirety of Kings County. Over the past decade, New Minas has accounted for between 5% and 9% of the market activity in the County with no clear directional trend up or down. Similarly, average selling prices have remained consistent over the same period, indicating a steady, stable market that is successful in capturing its share of demand. Unsurprisingly, detached homes and manufactured homes are the two most popular property types to transact. Other property types are not abundant enough to establish trends over this period.

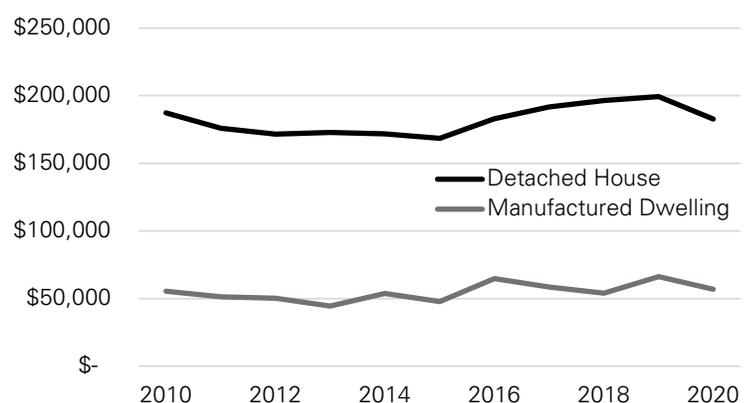
Unlike activity in the resale market, New Minas has exhibited a declining share of new development in recent years. We attribute this to a lack of development

Table 7.4 New Minas Residential Resale Trends

New Minas Resale Trends (MLS® Market Capture)	
Year	% Share of MLS-Listed Sales
2010	5.2%
2011	6.4%
2012	7.1%
2013	8.7%
2014	7.2%
2015	7.0%
2016	4.8%
2017	6.6%
2018	4.7%
2019	5.9%
2020*	7.6%

*Year to date (as of July 2020)

Figure 7.4 Average Resale Price of Homes in New Minas



opportunities; as the community has become essentially built-out in its current extent, the supply of feasible development sites has declined and therefore fewer new development projects come forward relative to activity elsewhere in the BMA.

With the opportunity to expand the Village boundaries and bring new lands into development consideration, we expect this “soft cap” on development can be alleviated, and residential growth moving forward can regain the larger proportionate share it had previously exhibited.

7.5 DEMAND SUMMARY

Forecasts for housing demand are a function of the expected population growth over the projection period, and the number of individual households that population is likely to organize itself into. By definition, each household requires a dwelling to reside within, and therefore long-term forecasts of household change are synonymous with expected demand for residential development over the same period.

Starting from the forecasted household figures, we have forecasted residential development demand by researching age-specific home ownership rates, examining recent development trends, and considering stakeholder feedback. The result is a more detailed expectation of how population changes will translate into needs for different housing types and tenure.

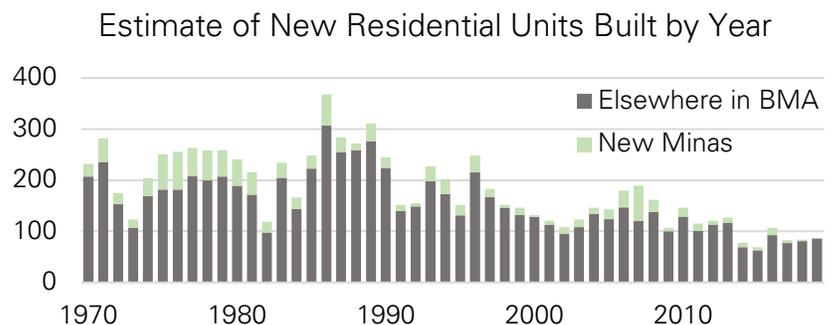
Our primary forecast, what may be called the “Market-Driven” scenario, is based on the assumption that the future of the New Minas Growth Centre will track the share of population growth exhibited prior to the past 5-10 years where geographic constraints may have been acting as a “soft cap” on new residential development. It therefore models an uninhibited continuation of the longer-term status quo, translating into approximately 15% of expected population growth in the Broad Market Area.

Recently, the Municipality has adopted new planning policy for the region that seeks to direct more growth towards established communities such as New Minas, and away from less dense rural areas. This is a change from past trends and could lead to greater growth in New Minas if the Municipality is successful in implementing this policy direction.

Table 7.5 New Minas New Residential Market Capture

New Minas Development Trends (New Residential Market Capture)	
Decade	% Share of New Development
1960s	8.6%
1970s	19.6%
1980s	13.5%
1990s	10.0%
2000s	14.5%
2010s	8.7%

Figure 7.5 Estimate of New Residential Units Built By Year



One prerequisite for successful implementation would be to allow for sufficient development capacity in the Growth Centres that are intended to capture most of the future growth outside of the municipalities of Wolfville and Kentville, of which New Minas is the largest. We have therefore also modelled a “Policy-Driven” scenario in which growth exceeds the rates that would otherwise be suggested by status quo trends. In this scenario we have assumed that New Minas will capture a share of growth which is similar to those observed in the mid-1970s to mid-1980s when the community experienced its most significant period of development. This translates into approximately 22% of expected population growth in the Broad Market Area.

It is important to recognize that under any forecast scenario, a considerable number of assumptions about future events is required, many of which are likely to be incorrect if only by small margins of error. Therefore, the creation of demand forecasts, and their subsequent use in community planning exercises, should be done with an understanding of the risks involved if forecasts are too optimistic or too pessimistic. In this case, we have tended to make liberal assumptions which are more likely to overestimate the need for

residential development over the coming decade, than underestimate it. This is because most residential development is undertaken by the private sector in dynamic response to real-world market conditions, and therefore will adequately match supply with demand in real time. Where this report is meant to inform a community planning process, the ability of the private sector to curtail housing production in low demand conditions will mitigate the risk of zoning for “too much” development. However, if the planning policy and zoning allocations informed by this report underestimate the development that is actually required, the private sector does not possess a similar ability to increase development beyond this regulatory limit. The consequence would then be an under supply of new development, leading to lost growth opportunities for New Minas, and escalating costs within the existing supply. Therefore, the potential harms of reasonably overestimating development need are far smaller than the harms of reasonably underestimating it.

Based on these forecasts, planning for the New Minas Growth Centre should accommodate between 270 and 321 additional residential dwellings over the coming decade.

Table 7.6 Forecasted New Minas Residential Housing Demand

New Minas Forecasted Housing Development Demand (dwelling units required over next ten years)			
Forecast Scenario		Market-Driven	Policy-Driven
Type	Detached	135	160
	Attached	41	48
	Apartment	81	97
	Other	13	16
	TOTAL	270	321
Tenure	Owned	170	202
	Rented	100	119

This overall total figure is broken down between probable tenures and housing types. Tenure categories are self-explanatory and in either scenario rental tenured housing need is expected to make up 36% of the total, with the remainder being owner-occupied. For additional detail, each housing type category can be further described as such:

- **Detached** – Traditional free-standing and self-contained house. Can be structured as a freehold property in conjunction with a lot, as a bare-land condominium in conjunction with other dwellings and common lands, or as a freehold property for an owner who then rents to the occupant. Detached homes are typically the largest housing forms and lowest density, however within this category they could range in size and style considerably. Demographic trends and stakeholder feedback points to an increasing need for detached homes that are more modestly sized, and offering one-level designs specifically.
- **Attached** – Higher density ground-oriented housing types. This category is meant to be somewhat fuzzy and capture various housing forms that occupy the spectrum between fully detached houses and formal multi-unit apartments, commonly referred to as “missing middle” housing. This can include common forms that already exist in New Minas, such as semi-detached houses or rowhouses, as well as other less common formats such as flats in small multiplex buildings. Despite the name, it can also include forms that rely on clustering of detached housing, such as cottage courts or pocket neighbourhoods which locate a number of smaller detached housing units onto a single property. The future population of New Minas is likely to have a greater variety of household types, and a larger shared of single-person households.

This category of housing has the potential to offer greater choice in size, features, tenure, location, and price, all of which will assist in meeting the increasing variety of needs.

- **Apartment** – Typical purpose-built apartments in a multi-unit building with common access and lobby areas leading to private dwelling units, may include commercial uses on ground floors, or ground-oriented residential uses such as integrated rowhouses. Typically these projects are large enough to be delivered as a commercial real estate investment rather than by individual property owners.
- **Other** – A collection of housing types that typically represent the smallest and most accessible market-rate housing options. These may include existing forms, such as manufactured homes, or potentially new housing forms such as secondary or in-law suites, laneway houses, garden suites, tiny houses, and any number of other innovative dwelling formats that are typically referred to as “invisible density”. Often, these housing types are delivered as an accessory use to a primary residence, such as a detached house.

7.6 POLICY CONSIDERATIONS

Thanks to several demographic shifts, a long-standing trends of overall population stagnation has changed to one of steady growth, and this is expected to continue for the coming decade. New Minas has struggled in recent years to attract the same share of new residential development that it used to, and this is likely caused by a lack of development opportunities. With a new planning framework and expanded administrative boundary, New Minas will be positioned to capture it's share of expected growth, which may be as much as 270 dwelling units over the next ten years. Regional planning policy is in place to direct more future development towards Growth Centres, and if local planning for New Minas is also put in place to achieve this, growth may be higher, possibly up to 321 units in total. While many of these units will be similar to existing forms of residential development in the community, the future population will be more heterogeneous, older, and in smaller households, and therefore options that cater to these needs will be more important than in the past.

The bulk of this residential demand will be for owner-occupied dwellings, and detached single-family housing will still be the predominant form. However, it can be anticipated that new detached housing will be of a different mix of styles than historically observed, with a greater prevalence of smaller dwellings, and dwelling designs that are more age-friendly. In addition, medium-density housing forms will be needed to a greater degree than in the past and a suite of various missing middle type units, supplemented with secondary or "invisible density" style units, will help provide a greater variety of housing options to meet the increasingly diverse preferences of future households. Examples of such missing middle housing typologies are provided in **Figures 7.6 to 7.8**. Finally, purpose-built rental apartments, generally located in larger multi-unit or mixed-use buildings, will be required.

Development of these housing styles is already increasing within New Minas and the Broad Market Area.

As much as possible, planning should look to emphasize and facilitate infill or redevelopment along Commercial Street as the principle location for multi-unit development in order to site new apartments with convenient access to the shops, amenities, and services already located there. Not only will this facilitate existing market trends, it will also provide a synergistic support to commercial redevelopment along the street. Some apartment development should also be considered in greenfield expansion areas in order to provide a variety of development opportunities, however care should be taken to ensure these are part of a coordinated neighbourhood design and located close to future commercial uses and planned transit or active transportation routes in order to achieve a similar level of convenience. Various attached and accessory dwelling unit types should be considered for both greenfield locations, as well as within existing residential areas to maximize the number of development opportunities and allow for these neighbourhoods to change with the needs of their residents and facilitate aging in place. Most new detached housing will likely be located in greenfield areas by necessity.

Figure 7.6: Missing Middle Housing Typology - Fourplex, Front-loaded



LOT	
Width	60 feet
Depth	130 feet
Area	7800 sq. ft.
	0.179 acres
UNITS	
Number of Units	4
Typical Unit Size	1200 sq. ft.
DENSITY	
Net Density	22 du/acre
Gross Density	18 du/acre
PARKING	
Off-street Ratio	1.0 space per unit
On-street Spaces	2
Off-street Spaces	4
SETBACKS	
Front	15 feet
Side	5 feet
BUILDING	
Width	40 feet
Depth	60 feet
Height (to Eave)	21 feet
Floors	2

Figure 7.6: Missing Middle Housing Typology - Cottage Court, Front-loaded



LOT	
Width	125 ft.
Depth	150 ft.
Area	18,750 sq. ft.
	0.430 acres
UNITS	
Number of Units	6
Typical Unit Size	840 sq. ft.
DENSITY	
Net Density	14 du/acre
Gross Density	12 du/acre
PARKING	
Off-street Ratio	1.0 spaces per unit
On-street Spaces	5
Off-street Spaces	6
SETBACKS	
Front	15 ft.
Side	5 ft.
BUILDING	
Width	24 ft.
Depth	35 ft.
Height (to Eave)	15 ft.
Floors	1

Figure 7.6: Missing Middle Housing Typology - Courtyard Apartments, Front-loaded



LOT	
Width	90 ft.
Depth	130 ft.
Area	11,700 sq. ft.
	0.269 acres
UNITS	
Number of Units	7
Typical Unit Size	667 sq. ft.
DENSITY	
Net Density	26 du/acre
Gross Density	21 du/acre
PARKING	
Off-street Ratio	0.85 spaces per unit
On-street Spaces	3
Off-street Spaces	6
SETBACKS	
Front	15 ft.
Side	5 ft.
BUILDING	
Width	67 ft.
Depth	47 ft.
Height (to Eave)	22 ft.
Floors	2

Source: Parolek, D. Missing Middle Housing – Thinking Big and Building small to Respond to Today’s Housing Crisis. Washington, D.C.: Island Press. 2020.

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