

Retail Gap Analysis RFQ

Intent:

The City of Lloydminster (City) is seeking Quotations from qualified contractors to complete work for the City of Lloydminster. The intent of the Work is to complete a Retail Gap Analysis.

Background:

The City of Lloydminster Retail Gap Analysis will assess the current and future retail and commercial opportunities for city. Additionally, a realistic estimate of the Trade Area of the retail market will be determined. By comparing the available retail supply against the present retail demand, a comprehensive study will be completed.

The City of Lloydminster is a bi-provincial city bordering Alberta and Saskatchewan. Historically the majority of the retail growth has been on the Alberta side, however 2018 to current has seen a significant growth in development. Lloydminster has a total agglomeration population of 36,508 but services a larger population to the north, south, east, and west on both sides of the province. The City is located on two major highways, highway 16 (E/W) and highway 17 (N/S) between the City of Edmonton AB and the City of Saskatoon SK.

The City of Lloydminster has two predominant economic drivers, Oil and Gas, and Agriculture. There are several subsidiary services and emerging industries including: manufacturing, food processing, warehousing, and several others. With a total of 1829 business licenses captured by the City of Lloydminster Business License program, 192 are non-residential business licenses (19.3 km radius is non regional between that and City boundaries is considered regional), and 1533 general licenses (within City boundaries).

According to the 2015 municipal census, the Lloydminster population is 31,377 with 19,740 on the Alberta side and 11,637 on the Saskatchewan side. 2021 Statistics Canada reported a slight increase in overall population with an increase on both the Saskatchewan and Alberta side of the City of Lloydminster. According to Statistics Canada, the Alberta side of Lloydminster's population is 19,739 and Saskatchewan is 11,843 totaling at 31,582 within the City boundaries.

As such, ensuring that the City has the retail and commercial services to sustain current population and encourage population growth, relocation, and diversification in the economy is very important. The most recent Strategic Plan for Economic Development prepared by the City of Lloydminster identified that "improving overall attractiveness, livability and investment readiness" is one of the key priorities. Thus, ensuring the right retail and commercial amenities are in the community is important and the Retail Gap Analysis will assist with ensuring this.

Study Area:

The study area is the City of Lloydminster [municipal boundaries](#). However, the City of Lloydminster is the largest service centre between Saskatoon SK – Edmonton AB (east to west), and Fort McMurray – Medicine Hat (north to south). While the span of the retail/commercial catchment is not as significant as point to point for each of the cities mentioned, there is a significant population that travels to Lloydminster. Part of this study will determine a more definite retail/commercial catchment.

The City of Lloydminster is bi-provincial and operates with a [PST exemption](#) for businesses operating within the City boundaries on the Saskatchewan side of the province. This can be an advantage to the City of Lloydminster's attraction of both consumers and retailers alike.

Understanding the span of possible catchment for the City of Lloydminster, and the relative "local" market(s), the primary study area for the City's Retail Gap Analysis, also known as a Retail Commercial

Market Study, is the City boundaries, and a realistic estimate of the Trade Area of the market the community.

Scope of Work:

a. Objectives

The City intends to solicit firms with qualifications to better understand the retail and commercial landscape, identify gaps in the market, and evaluate the impact of retail and commercial growth in the surrounding trade area. The firm will be required to inventory and evaluate current and potential retail and commercial locations and compare the City of Lloydminster market to other similar-sized communities. It is expected that recommendations based on the analysis will be presented with attainable short term (2-5 yrs) to long-term goals (5-10 yrs).

Establish the characteristics of the Trade Area

The Trade Area will be the retail and commercial profile. This profile will estimate the demand for a given retail or commercial category. The profile will estimate the dollars that could be spent in the City of Lloydminster for a given category based on the Trade Area profile characteristics. Characteristics that will be important in establishing the profile are the estimated population and average income of those in the Trade Area, as well as any identifiable trends in spending.

Identify the Retail and Commercial Market Supply

The study of the Market Supply will provide an inventory of the current retail and commercial establishments in Lloydminster by the major categories identified in the profile. For each category, the Retail and Commercial Market Supply will identify the total inventory (based on floor space), the comparative size of the inventory compared to the total market across all categories, the number of establishments, the number of stores compared to the total number of stores in the market, as well as the average size of the stores.

Using the estimated square footage for a given category, the estimated annual sales will be extrapolated using a sales productivity value appropriate to the given category. This value provides a benchmark for what the expected sales are per square foot of store space. This benchmark sales/per square foot will vary depending on the category. The Retail and Commercial Market Supply will identify the present supply in a given market category.

Determine Retail and Commercial Demand and Gap Analysis

Analyzing and comparing the available market (demand) against the current supply available to that market will be the third critical component. For each category, the study will reveal whether the inventory of retail and commercial establishments presently supports the need of the Trade Area, whether the inventory of establishments is underdeveloped, or, if there is a surplus of a certain category of retail or commercial establishments. This will identify the "surplus/leakage" or "inflow/outflow" for each category. This concept of surplus/leakage and inflow/outflow is a central concept to a retail gap analysis.

Although the above is the desired scope, the City of Lloydminster will accept proposals suggesting lesser or greater scope of work providing the Consultant clearly identifies their understanding of the project needs and reason for the suggested change to the scope.

b. Outcomes and Results

Through the evaluation of the Trade Area's characteristics, the retail and commercial demand and gap analysis will be determined. Evaluated characteristics include: driving times and available transportation networks, planned infrastructure projects that will improve access, development trends, The City of Lloydminster's municipal planning documents (area structure plans, municipal development plans,

economic strategic plans, etc.), demographic profiles, the availability of services versus the proximity to competition, and other aspects as deemed necessary.

For each market category, the Retail Gap Analysis will estimate how much spending is occurring outside of the trade area, how much remains in the Trade Area, and whether there is an excess or short fall of inventory. Below highlights the desired results structure:

Conduct market research to identify trade area, identify gaps, evaluate impact and growth in surrounding area;

Provide an inventory of what types of retail goods and services are garnering inflow of sales dollars and which categories are exhibiting outflow of sales (or leakage);

Provide consumer profile and behavior analysis including a calculated daily spend for consumers. Ideally this calculation would include a breakdown of residents, regional residents, and visitors (day and overnight).

Provide a detailed inventory of retail, commercial, and service offerings by type throughout the City of Lloydminster;

Determine the gaps in the retail/commercial market for the City;

Engage with businesses and business support organizations to collect data and trends and engage the stakeholders in the study;

Outline current trends and best practices that may be transferrable to the City of Lloydminster;

Develop a retail recruitment plan with recommendations for prospective targets, site developments, marketing material development, and support required;

Suggest improvements to make for the City to be more attractive to retail and commercial businesses; and

Present findings to City Council as well as prepare a final report and a recommended implementation plan.

Project Timelines:

Wednesday, February 24, 2022	City of Lloydminster posts the Request for Quote and related documentation on the Alberta Purchasing Connection website, SaskTenders, and Cities procurement site.
Wednesday, March 9, 2022 2:00:00 PM	Final opportunity for the City to receive any questions regarding the RFP
Monday, March 14, 2022	City distributes Final Addenda, if required, for the RFP to respondents
Wednesday, March 23, 2022 2:00:00 PM	Closing Date and Time for RFP (Submission of Proposals)
Tuesday, April 5, 2022	Notification to Successful Consultant
Tuesday, April 26, 2022	Anticipated Contract Start Date
Tuesday, July 26, 2022	Anticipated Contract Completion Date

Questions or Inquiries:

Ideally the successful proponent would conduct a site visit to the City of Lloydminster, however due to the current state of COVID-19, previous site visit to Lloydminster, or working with a local subcontractor to conduct the ground work would be sufficient. Alternatively, Vendors may partner with a local firm to gain that requirement.

All questions and inquiries should be directed via email to economy@lloydminster.ca.

Quotation Mandatory Requirements:

Vendors must provide proof that they can comply with the following Mandatory requirements to be considered by the City:

- During the term of the Agreement, the Vendor must carry the following:
 - General liability insurance in an amount not less than five million dollars (\$5,000,000) per occurrence for personal injury and/or third-party property damage.
 - Automobile liability coverage in an amount not less than five million dollars (\$5,000,000) per occurrence for bodily injury and/or third-party property damage.
 - Professional liability insurance covering the Services provided by the Consultant with policy limits not less than two million dollars (\$2,000,000) per occurrence.
 - The Vendor must be capable of adding the City as an additional insured to their General Liability policy.
- The Vendor must be able to provide a Workers Compensation Board Coverage Clearance Letter (AB), a Letter of Good Standing (SK), or Special Coverage Letter for the province(s) in which the Work is to be performed.
- The Vendor must complete and attach to their Quotation, the Contractor Safety Information Request Form, attached.
- The Vendor must be able to provide proof of a valid City of Lloydminster Business License (temporary licenses are available).

In the event of a crisis, including, but not limited to, a pandemic, a state of emergency, or otherwise, the successful Vendor will be solely responsible for creating, implementing, and maintaining a risk mitigation strategy that meets the minimum standards as identified by Occupational Health and Safety Legislation and Public Health Orders issued for the province in which the work will be completed. In the event the work is to be completed in two (2) provinces, the minimum standards followed shall be the more stringent. The risk mitigation strategy shall be appropriate to the job scope and hazards and risks present at the site. The City of Lloydminster may require a copy of the risk mitigation strategy at any time during the duration of Work however the City of Lloydminster does not assume any liability or ownership as it pertains to the creation, implementation, and maintenance of the risk mitigation strategy.

Evaluation Criteria:

EVALUATION CRITERIA
Agency Background, Profile
Firm background, and profile
References
Suitability for the project
Agency Resources and Expertise
Previous relevant experience: examples of success
Creative and Innovative Approach: examples of success

Knowledge of Rural Communities
Agency Resources and Expertise in relation to this study
Project Understanding, Methodology and Approach
Demonstrate knowledge; retail sectors (tourism, downtown, hamlet/county, other)
Highlight project deliverables and proposed tactics to achieve it
Outline of proposed forums related to the study
Creative and Innovative Approach
Schedule and Capacity
Detailed schedule of all activities including public engagement, milestones project meeting and interim reports and progress
Experience and ability to service an account this size
Agency Remuneration
Outline of fees, expenses (including travel costs), hourly rates, payment schedule

Proposals submitted should have enough detail to allow the City to determine the Proponent's qualifications and capabilities from the documents received. Including the complete details of the proposed work.

Deliverables	Description
Facilitation of the Process	Stakeholder engagement, communication plan and development of key messages
Retail Gap Analysis	Full report outlining the Retail Gap Analysis including methodology, existing retail services and the gaps in service in Lloydminster; including benchmarking of comparative communities. Report to include all scope identified under Scope of Work in this RFQ Summary report to be provided with high-level key findings
Leakage Analysis	Report to include leakage resulting from loss of consumer spending within Lloydminster
Retail and Commercial Attraction Strategy	Report to include outline of targeted recruitment strategies to attract retail and commercial business to Lloydminster, include a prospect list and attraction plan
Presentation	Slide deck including a summary of the process, key findings and recommendations. List of key findings and supporting data that will support marketing efforts and implementation
Biweekly Status updates and check-ins	Biweekly check-ins to review progress

Financial Summary:

Vendors are to submit pricing in the format of a breakdown of cost per deliverable with approximate hours to complete each deliverable. Should a vendor wish to provide an hourly rate with the hours required that will be acceptable as well.

Submission Requirements:

The quotation submission shall include, but not be limited to the following:

- Mandatory Requirements (or acknowledgement)

- Total Quotation Amount excluding GST.
 - Base Price
 - Delivery
 - Support
 - Hourly Rate
- Timeline/Schedule
- *Information as it pertains to the Scope of Work*
- Value Added information

Vendors are to ensure they have read this RFQ and include all other requirements outlined herein.

Changes in the Work:

The Owner, or the Consultant on the authority of the Owner and as the Owner's agent, may, without invalidating the Contract, make changes by altering, adding to or deducting from the Work. When a change in the Work is proposed or required, the Contractor shall present to the project coordinator, representing the City, the Contractor's claim for an adjustment to the Contract Price and/or the Contract Time, if any, with appropriate documentation in a form acceptable to the project coordinator. The City representative shall review the claim for adjustment and shall promptly respond as to the acceptability of the proposed adjustments, no later than seven (7) Days from receiving the claim. No changes in the Work shall be undertaken without written authorization of the project coordinator or the City representative and no claim for addition to or deduction from the Contract Price shall be valid unless so authorized. All changes in the Work shall be executed under the conditions of the original Contract.

The valuation of any changes in the Work shall be determined, at the City's discretion, by one or more of the following methods:

- By unit prices provided for in the Bid Form;
- By unit prices agreed upon;
- By estimate and acceptance in a lump sum; or
- On a force account basis.

Compensation for work done on a force account basis or authorized by a Change Order issued by the City representative or project manager, shall be calculated as follows:

- **Subcontractors** – For subcontract work, the allowance to the Contractor for profit, superintendence, and all other expenses shall be ten percent (10%) of the subcontractor's invoice for such work performed.

If the valuation, measurement and adjustment to the Contract Price and/or the Contract Time cannot be promptly agreed upon, and the change is required to be proceeded with, then the Project Coordinator the valuation, measurement and adjustment to the Contract Price and/or the Contract Time. In this case the terms are to be documented and agreed upon with an executed Change Order being issued and signed within three (3) business days or in accordance with the applicable Contract.

The balance of the Work of the Contractor shall not be delayed pending agreement on resolution of the valuation of any change in the Work.

Quotation Closing:

The City of Lloydminster will **ONLY** accept **ELECTRONIC QUOTATION SUBMISSIONS** submitted via email to the Project Owner no later than 2:00:00PM M.D.T./M.S.T., on **March 23, 2022**, unless the City has instructed otherwise by an issued Addendum. The Project Owner for this project will be **Jana Rosychuk**,

Business Retention Specialist. Katlin Ducherer, Economic Development will be the Project Manager. Questions and inquiries can be directed to 780-875-6184 or by email at economy@lloydminster.ca.

The City reserves the right to: accept or reject any Quotation, to award a Quotation in whole or in part (for example, due to budgetary constraints), to award the Quotation that is in the City's best interest and not necessarily the lowest cost, and the right to cancel this Quotation at any time without obligation.

The City also reserves the right to enter into discussions with one or any Vendor for clarifications.

If you have any questions or require any clarification with respect to the attached please feel free to contact me to discuss. Addenda will be issued to all Vendors to answer any questions, up until **March 14, 2022, 2:00 P.M.**

Thanks,

Jana Rowe, Business Retention Specialist