

REDEVELOPMENT OPPORTUNITY FOR SALE OR EXCHANGE

BEFORE RETROFIT



520 Hugel Avenue
Midland, Ontario

LIST PRICE: \$995,000



Darryl McCullough
Broker of Record
Ph: (905) 331-5700 x20
Cell: (705) 641-8052
dmccullough@rockaptadvisors.ca

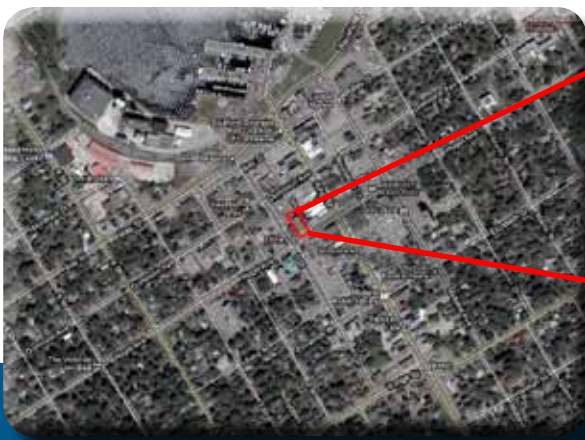
Chris George
Sales Representative
Ph: (905) 331-5700 x24
Cell: (905) 484-4882
cgeorge@rockaptadvisors.ca

Audrey Busbridge
Unlicensed Assistant
Ph: (905) 331-5700 x10
abusbridge@rockaptadvisors.ca



KEY STRENGTHS

Existing well known building ready for retrofit. Located within 2 ½ blocks of Georgian Bay and the picturesque Midland Harbour. Options include building for sale and/or rental with limited availability for good quality accommodation in this sub-market.



Rock Advisors Inc., Brokerage | 51-5100 South Service Rd. | Burlington ON, L7L 6A5 | (905)331-5700 | www.rockaptadvisors.ca

Information furnished regarding this property is from sources deemed reliable but no warranty or representation is made as to the accuracy thereof. The same is submitted subject to errors, omissions, change of price or other conditions, prior sale or lease, or withdrawal without notice.



Market Study

520 Hugel, Midland, Ontario

DEMOGRAPHICS

Table 1 below summarizes major demographic and economic statistics for the town of Midland (CA = Census Agglomeration). Included for comparison is data for the province of Ontario.

Table 1 - Summary of demographic and economic statistics for Midland vs Ontario (2006)

Census 2006 Statistical Indicators	Ontario	Midland (CA)
Population 2006	12,160,282	35,402
Population 2001	11,410,046	33,692
Population Change 2001-2006	6.6%	5.1%
Median Age	39.0	43.5
Households:		
Couples with Children	31.2%	25.2%
Couples Only	28.3%	32.9%
One Person	24.3%	25.4%
Median After Tax Household Income:		
Couples with Children	\$74,095	\$64,984
Couples Only	\$58,755	\$49,605
One Person	\$26,473	\$20,957
Mobility: Lived at Same Address 5 Years Previously	58.7%	60.2%
Mobility: Lived at Different Address 5 Years Previously in Same Municipality	22.4%	17.6%
Unemployment Rate	6.4%	6.4%
Method of Transportation to Work:		
Vehicle as Driver/Passenger	79.2%	88.6%

SOURCE: Statistics Canada (Census 2006).

Statistics show that Midland grew in population by a smaller percentage than the province overall, which is typical for smaller cities and towns in Ontario outside the GTA. Midland has a much higher median age than the province, suggesting an older population; we have found that cities and towns in rural Ontario often have high senior populations as people move closer to essential services. Related to age is the relatively high proportion of “couples only” and “lone person” households in Midland, which also suggests an older population; these proportions are good for the rental market since couples and singles are most likely to be renters (“couples with children” households, i.e. families, are more likely to be homeowners). Median after-tax household incomes are lower in Midland than the provincial medians, which is no surprise as the highest-paying jobs are nearly always found in larger cities; rents should be correspondingly lower in Midland so lower incomes are not necessarily priced out of the rental market.



Market Study

MARKET ANALYSIS

Rental Data:

Table 2 below summarizes rental market data reported by CMHC (2010) for rental apartments in Midland, separated by bedroom type.

Table 2 - CMHC rental data for Midland (2010)

	Bachelor	1 Bed	2 Bed	3 Bed+	TOTAL
Total Apt. Universe	31	404	570	18	1,023
Average Vacancies	n/a	7.2%	4.4%	0.0%	5.6%
Average Rents \$	\$533	\$687	\$791	\$848	\$744
Est. Change in Rents 2009-2010	n/a	+1.8%	+2.9%	n/a	+1.4%

SOURCE: CMHC (2010)

Table 3 below compares rental density (number of apartments versus population) for Midland and selected cities and towns in Ontario. Comparing rental density provides an indication of whether a rental market is over-supplied or under-supplied with rental apartments: markets which are under-supplied are generally ready for the development of new apartments. We have included in Table 3 cities and towns located outside the GTA.

Table 3 - Comparison of rental density (ranked by rental density)

City/Town	Population (2006)	Total Apt. Universe (2010)	Rental Density: Apts / 100 People*
Barrie	177,061	3,284	1.85
Midland	35,402	1,023	2.89
Collingwood	17,290	584	3.38
Pembroke	23,195	890	3.84
Orillia	40,532	1,654	4.08
North Bay	63,424	3,126	4.93
Cobourg	18,210	909	4.99
Brockville	39,668	2,078	5.24
Owen Sound	32,259	1,760	5.46
Tillsonburg	14,822	865	5.84
Sarnia	88,793	5,434	6.12
Belleville	91,518	5,706	6.23
Cornwall	58,485	3,642	6.23
Woodstock	35,480	2,218	6.25
Windsor	216,473	13,836	6.39
Stratford	30,461	1,965	6.45
Kingston	152,358	14,407	9.45
London	352,395	38,031	10.79

SOURCE: DALA market research department.

* DALA calculation using data from Statistics Canada (2006) and CMHC (2010).

Midland's rental density is one of the lowest in Ontario, suggesting Midland is under-supplied with rental apartments compared to other cities and towns in Ontario, particularly smaller centres outside the GTA—this is good news for developers considering adding to Midland's rental apartment supply.



Market Study

Comparables:

Tables 4 and 5 below compare rents, utilities, and parking fees for selected comparable properties located in Midland (for 1 and 2 bedroom units). Note that condominium-rentals from two condominium properties are included. Note also that the two rental apartment properties operated by Williams McDaniel and Hannah Property Management are the market leader in the local rental market and are B quality properties; the other rental listings are C or D quality.

Table 4 - Market Analysis for 1 bedroom rents (sorted by listed rent)

Address	Owner/Mgr	Type	Rent/Mo.	Utilities	Parking
280 Aberdeen Blvd	n/a	condo	\$1000	+ extra	2 included
280 Aberdeen Blvd	n/a	condo	\$850		included
676 King St	Williams McD.	rental apt	\$850	included	\$25
303 Midland Ave	Hannah PM	rental apt	\$725	included	included
493 Colborne St	n/a	rental apt	\$725	+ extra	n/a

SOURCE: DALA market research department.

Table 5 - Market Analysis for 2 bedroom rents (sorted by listed rent)

Address	Owner/Mgr	Type	Rent/Mo.	Utilities	Parking
699 Aberdeen Blvd	n/a	condo	\$1600		included
699 Aberdeen Blvd	n/a	condo	\$1400	+ extra	1 included
676 King St	Williams McD.	rental apt	\$950	included	\$25
768 Hugel Ave	n/a	rental apt	\$855	included	\$40
303 Midland Ave	Hannah PM	rental apt	\$825	included	included
495 Irwin St	n/a	rental apt	\$825	+ extra	included
559 Elizabeth St	n/a	rental apt	\$765	+ extra	included

SOURCE: DALA market research department.

The condominium-rentals listed above are the best comparables for the subject properties since unit sizes, amenities, finishes, and overall quality are equivalent to newly constructed rental apartments at the upper end of the rental market. Condo-rentals in the two major condominium properties in Midland are asking monthly rents \$1,000 and higher, which the subject properties should be able to match or exceed, if built.



Market Study

DEVELOPMENT PROJECTS

The following table and map list residential development projects in Midland up to May 2010 separated by type of development (this information is available from the Town of Midland planning department).

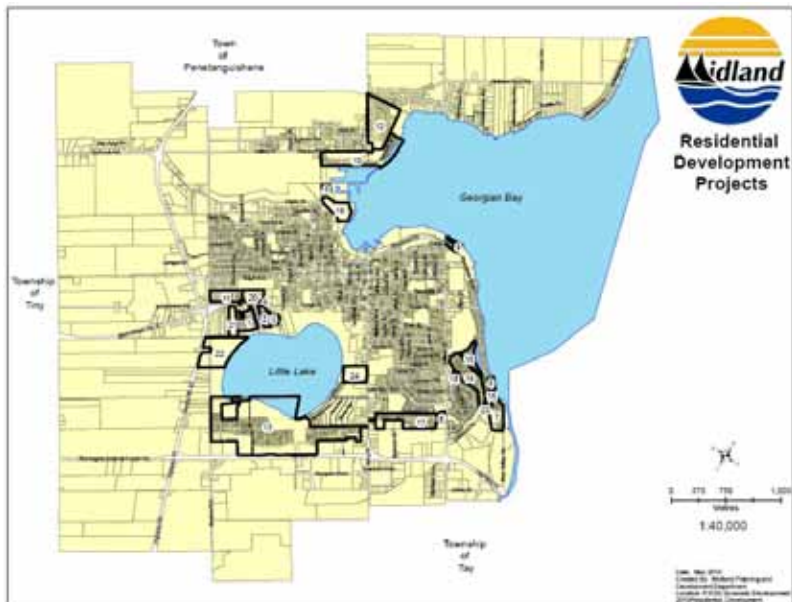
Map Number	Owner	Total Units	Single Detached	Semi Detached	Townhouses	Apartment	Built/Under Construction
Approved Development							
1	J. Stollar Construction	65	65	0	0	0	6
2	J. Stollar Construction	31	31	0	0	0	26
3	Little Lake Village Homes	38	0	0	38	0	7
4	Helicon Properties	6	0	0	6	0	0
5	Marina Park Resort	55	0	0	0	55	55
6	Georgian Landing	41	0	0	41	0	0
7	Captain's Cove	61	61	0	0	0	36
8	Tiffin Pier	89	0	0	0	89	89
10	Bay Port Village	63	63	0	0	0	25
Draft Approved Development **							
7	Captain's Cove	104	0	0	0	104	0
9	Mundy's Harbour	12	0	0	12	0	0
10	Bay Port Village	507	0	0	177	330	0
11	LRG Midland	175	9	40	126	0	0
12	Midland Bay Estates	92	92	0	0	0	0
13	Hanson Development	1126	570	0	556	0	0
14	Midland Shores	145	145	0	0	0	0
15	Tiffin By The Lake	47	47	0	0	0	0
16	Sunrise Pier	126	0	0	0	126	0
17	Pratt Homes	202	111	0	91	0	0
Application for Development **							
18	Sayward Investments	30	0	0	0	30	0

** all plans that are not approved are subject to change

Potential Development Lands		
	Zoning	Area
19	RT-H & RA-H	6.6 ha
20	R1-H	4.4 ha
21	R1-H	4.2 ha
22	R1-H & EP	17.4 ha
23	I	0.5 ha
24	R1-H & OS	6.5 ha

Zoning Symbols
 RT - Residential Townhouses Zone
 R1 - Residential Zone "R1"
 RA - Residential Apartment Zone
 OS - Open Space Zone
 EP - Environmental Protection
 "H" - Holding Provision

Economic Development Information Package 2010
 Residential Development





SUITE LAYOUTS

APPROVED

<u>LOWER LEVEL</u>	<u>Sq. Ft.</u>
Billiards Hall	3,212
Commercial A	1,828
Commercial B	1,185
Sub-Total	6,225

<u>MAIN LEVEL</u>	<u>Sq. Ft.</u>	<u>Bdrms</u>
Commercial A	1,374	
Commercial B	1,030	
Residential 1	1,116	2
Residential 2	881	1
Residential 3	1,080	2
Sub-Total	5,481	

<u>Second Floor</u>	<u>Sq. Ft.</u>	
Residential 4	1,000	2
Residential 5	1,000	2
Residential 6	994	1 + Den
Residential 7	1,142	1 + Den
Residential 8	1,030	2
Residential 9	953	1 + Den
Sub-Total	6,119	

<u>Third Floor</u>	<u>Sq. Ft.</u>	
Residential 10	794	2
Residential 11	1,022	2
Residential 12	996	1 + Den
Residential 13	877	1 + Den
Residential 14	1,030	2
Residential 15	953	1 + Den
Sub-Total	5,672	

TOTAL GROSS SALES 23,497

Residential	15
Commercial	4
	19

REVISED POTENTIAL

<u>LOWER LEVEL</u>	<u>Sq. Ft.</u>	<u>Bdrms</u>
Residential L1	1,116	2
Residential L2	881	1
Residential L3	1,080	2
Residential L4	1,828	4
Residential L5	1,185	3
Sub-Total	6,090	

<u>MAIN LEVEL</u>	<u>Sq. Ft.</u>	<u>Bdrms</u>
Commercial A	1,374	
Commercial B	1,030	
Residential 1	1,116	2
Residential 2	881	1
Residential 3	1,080	2
Sub-Total	5,481	

<u>Second Floor</u>	<u>Sq. Ft.</u>	<u>Bdrms</u>
Residential 4	1,000	2
Residential 5	1,000	2
Residential 6	994	1 + Den
Residential 7	1,142	1 + Den
Residential 8	1,030	2
Residential 9	953	1 + Den
Sub-Total	6,119	

<u>Third Floor</u>	<u>Sq. Ft.</u>	<u>Bdrms</u>
Residential 10	794	2
Residential 11	1,022	2
Residential 12	996	1 + Den
Residential 13	877	1 + Den
Residential 14	1,030	2
Residential 15	953	1 + Den
Sub-Total	5,672	

TOTAL GROSS SALES 23,362

Residential	20
Commercial	2
	22



CONSTRUCTION COSTS

Soft Costs

Architect	
Structural	
Mechanical	
Electrical	\$ 100,000
Town Permits	\$ 200,000
Financing	\$ 100,000
Marketing	\$ 100,000
Sub-Total	\$ 500,000

Common Area

Demolition	\$ 50,000
Facade	\$ 50,000
Roof	\$ 50,000
Landscaping	\$ 25,000
Elevator	\$ 75,000
Structural	\$ 100,000
New 3rd Floor	\$ 300,000
Sub-Total	\$ 650,000

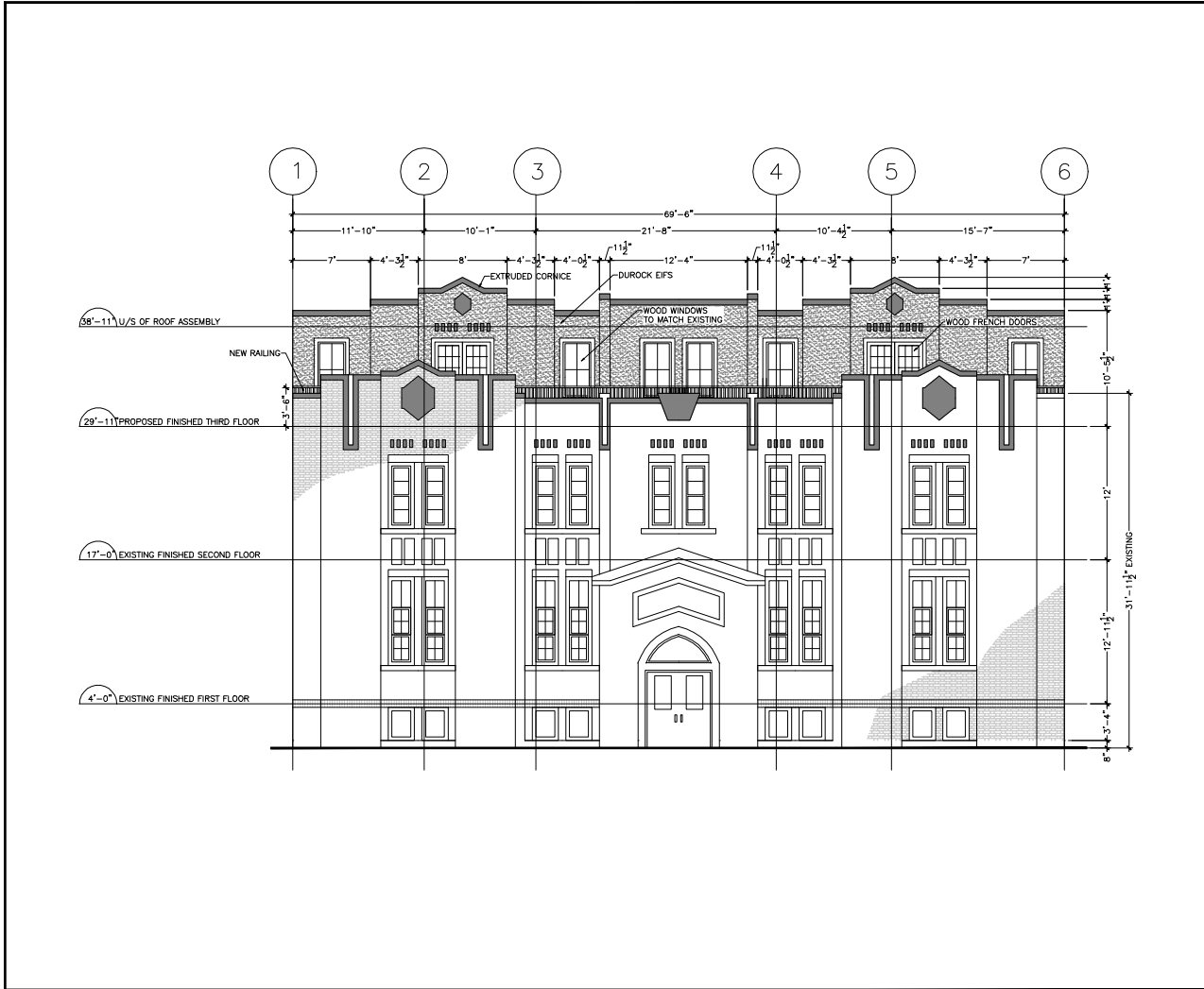
Residential Finish

Kitchens	\$ 5,000 per unit
Washrooms	\$ 5,000 per unit
Floors	\$ 5,000 per unit
Doors & Trim	\$ 5,000 per unit
Electrical	\$ 5,000 per unit
HVAC	\$ 5,000 per unit
Plumbing	\$ 5,000 per unit
Paint & Trim	\$ 5,000 per unit
Appliances	\$ 5,000 per unit
Windows	\$ 5,000 per unit
Drywall	\$ 10,000 per unit
Reserve	\$ 5,000 per unit
Sub-Total	\$ 65,000 per unit

Commercial Finish

8,629 sq. ft. \$30 per sq. ft.

NOTE: Figures supplied by Owner. ROCK Advisors assumes no responsibility for accuracy. Prospective Buyers are encouraged to undertake independent research.



REVISIONS

The drawing and specifications are to be used for construction only. It is the responsibility of the contractor to verify all dimensions, materials, and conditions on site. The responsibility of the contractor is to ensure that the construction complies with the drawings and specifications. The contractor shall be liable for any errors or omissions.

Rev. No.	Comments	Date
1	CLIENT REVIEW	NOV. 2008
2	ISSUED FOR REZONING	NOV. 2008

ISSUED FOR REZONING APPLICATION ONLY

AXIS ARCHITECTS INC.

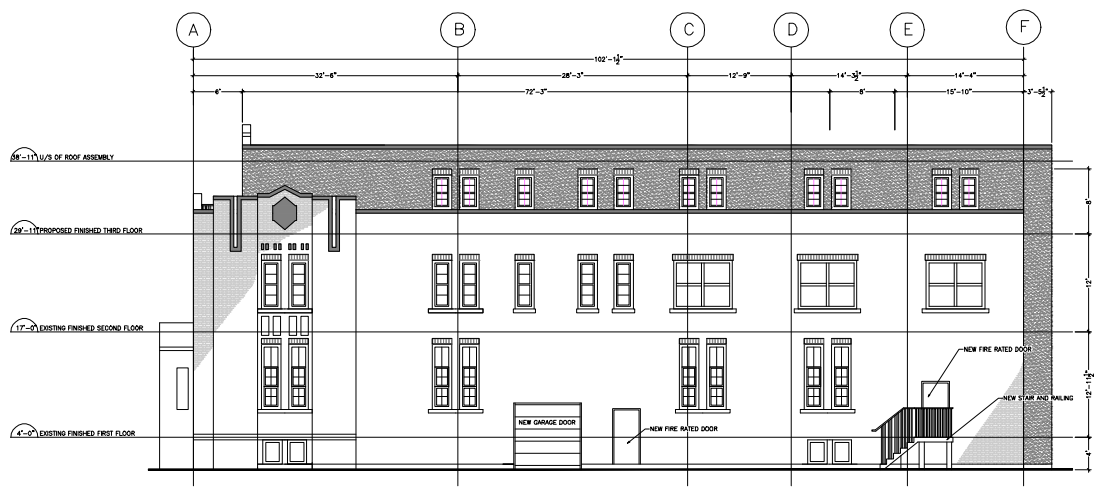


450 Wellington St. West
Toronto, Ontario
M5W 1K7
Tel: (416) 977-0844
Fax: (416) 977-6822

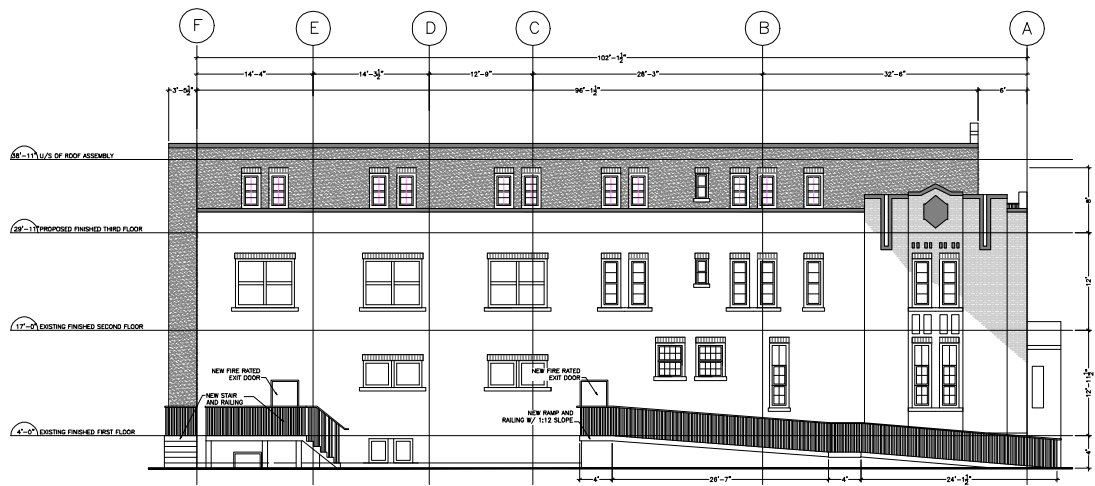
Project: HUGEL CONDOMINIUMS
830 HUGEL AVENUE
MIDLAND, ONTARIO

Drawing: FRONT ELEVATION

Drawn By: MG	Reviewed By: RP
Project No.:	A3.0
Scale: 3/16" = 1'-0"	
Date: NOV. 2008	



1. EAST ELEVATION



2. WEST ELEVATION

AXIIS ARCHITECTS INC.

The drawings and specifications are to be used for the construction of the project. The drawings and specifications are the property of AXIIS ARCHITECTS INC. and shall remain the property of AXIIS ARCHITECTS INC. unless otherwise stated. The drawings and specifications are not to be used for any other project without the written consent of AXIIS ARCHITECTS INC.

Rev. No.	Description	Date
1	CLIENT REVIEW	NOV. 2008
2	ISSUED FOR PERMITTING	NOV. 2008
3		
4		
5		
6		

ISSUED FOR ZONING APPLICATION ONLY

AXIIS ARCHITECTS INC.

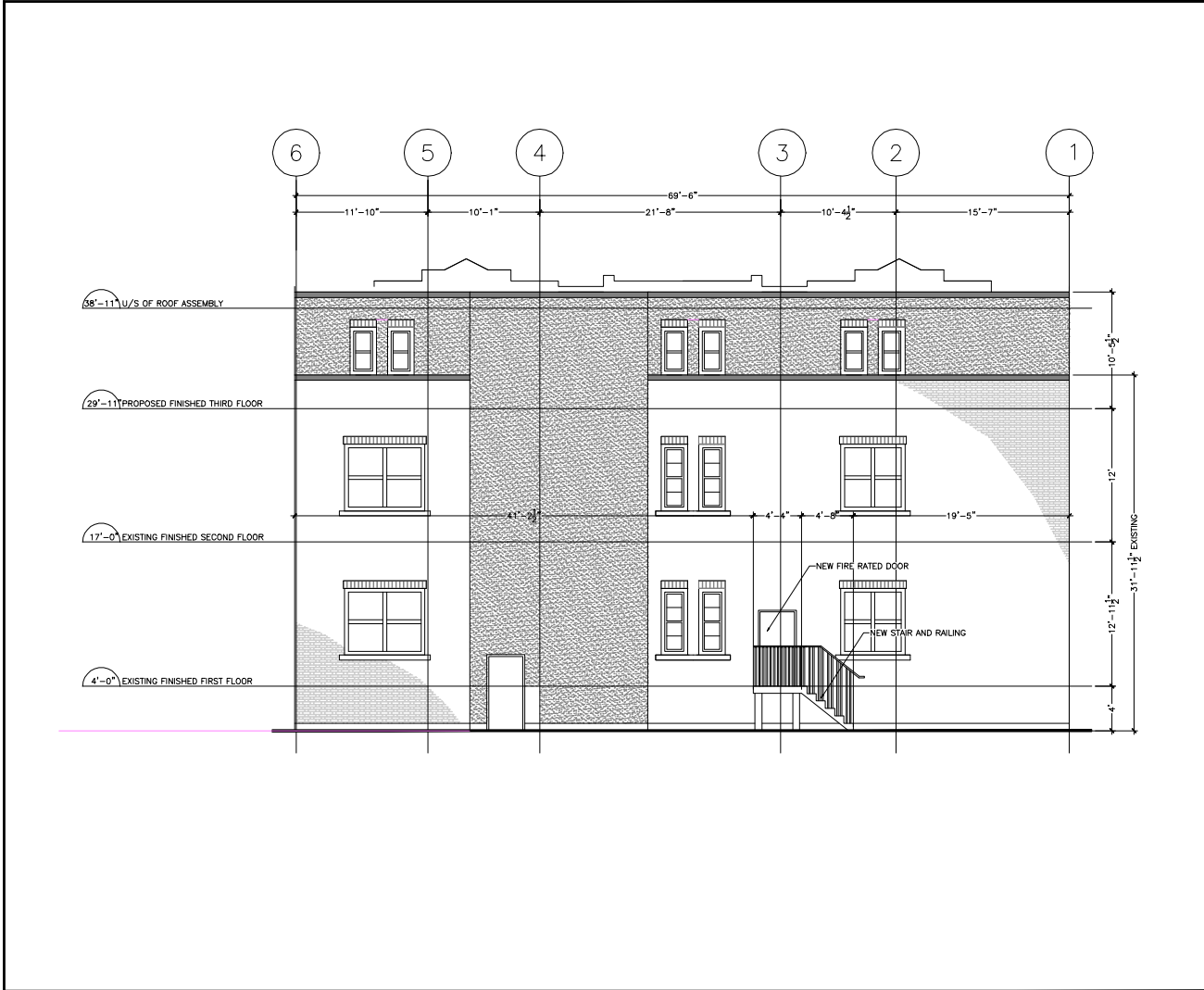


480 Wellington St. West
Toronto, Ontario
M5W 0B7
Tel: (416) 977-8814
Fax: (416) 977-8888

Project: HUGEL CONDOMINIUMS
530 HUGEL AVENUE
MIDLAND, ONTARIO

Drawing: EAST AND WEST ELEVATIONS

Drawn By: MG	Reviewed By: RP
Project No.	A3.2
Scale: 1/8" = 1'-0"	
Date: NOV. 2008	



Axis Architects Inc.
 This drawing and specifications have been used for construction and are subject to the terms and conditions of the contract. The client is responsible for obtaining all necessary permits and approvals. The architect is not responsible for the construction of the project.

Rev. No.	Comments	Date
1	CLARIFY REVISION	NOV. 2008
2	ISSUED FOR REZONING	NOV. 2008

ISSUED FOR REZONING APPLICATION ONLY

AXIIS ARCHITECTS INC.



488 Wellington St. West
 Toronto, Ontario
 M5T 1B7
 Tel: 416 977-2814
 Fax: 416 977-2822

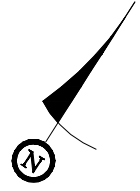
Project: **HUGEL CONDOMINIUMS**
 650 HUGEL AVENUE
 MIDLAND, ONTARIO

Drawing: **REAR ELEVATION**

Drawn By: MAG	Reviewed By: FP
Project No.	A3.1
Scale 3/16" = 1'-0"	
Date NOV. 2008	

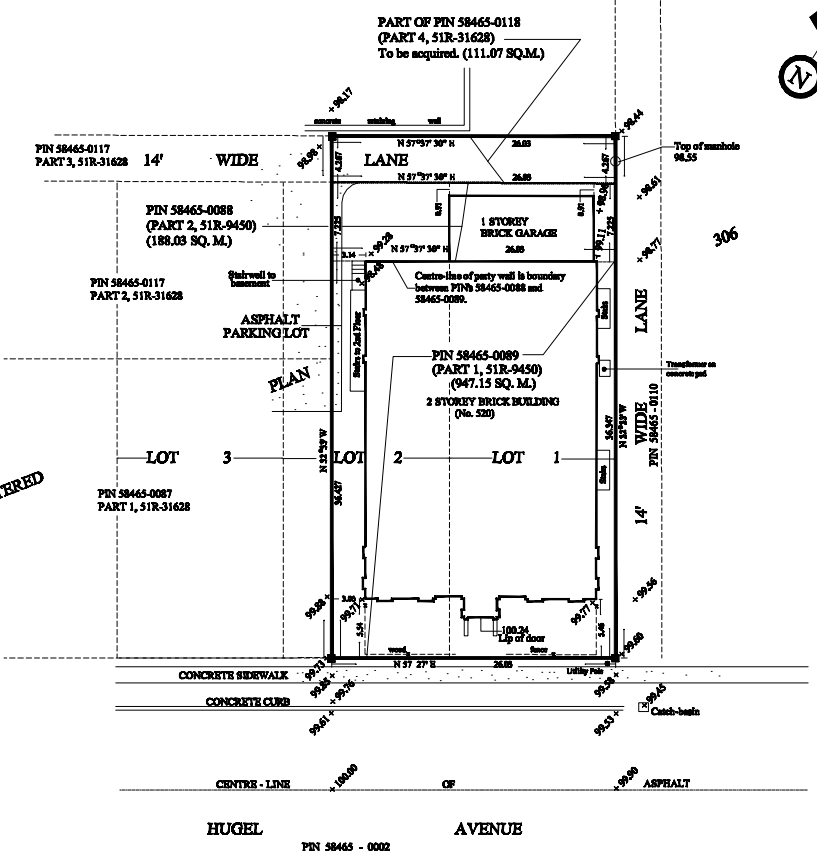


Elevations shown herein are assumed and are referred to the centre-line of Hugel Avenue which has an assumed elevation of 100 metres.



**PLAN OF TOPOGRAPHY OF
LOT 1 & PART OF LOT 2
NORTH SIDE OF HARDIES STREET
& PART OF A 14' WIDE LANE
REGISTERED PLAN 306
TOWN OF MIDLAND
COUNTY OF SIMCOE
SCALE: 1:250**

PETER J. MANSFIELD, OLS - 2008



NOTES

BEARINGS SHOWN ON THIS PLAN ARE ASTRONOMIC AND ARE REFERRED TO THE N 57°27'00" E OF THE NORTHERLY LIMIT OF HUGEL AVENUE IN ACCORDANCE WITH PLAN 51R-9450.

■	DENOTES	SURVEY MONUMENT FOUND
□		SURVEY MONUMENT SET
SB		STANDARD IRON BAR
IB		IRON BAR
OU		ORIGIN UNKNOWN
MS		MEASURED
PI		PLAN 51R-9450

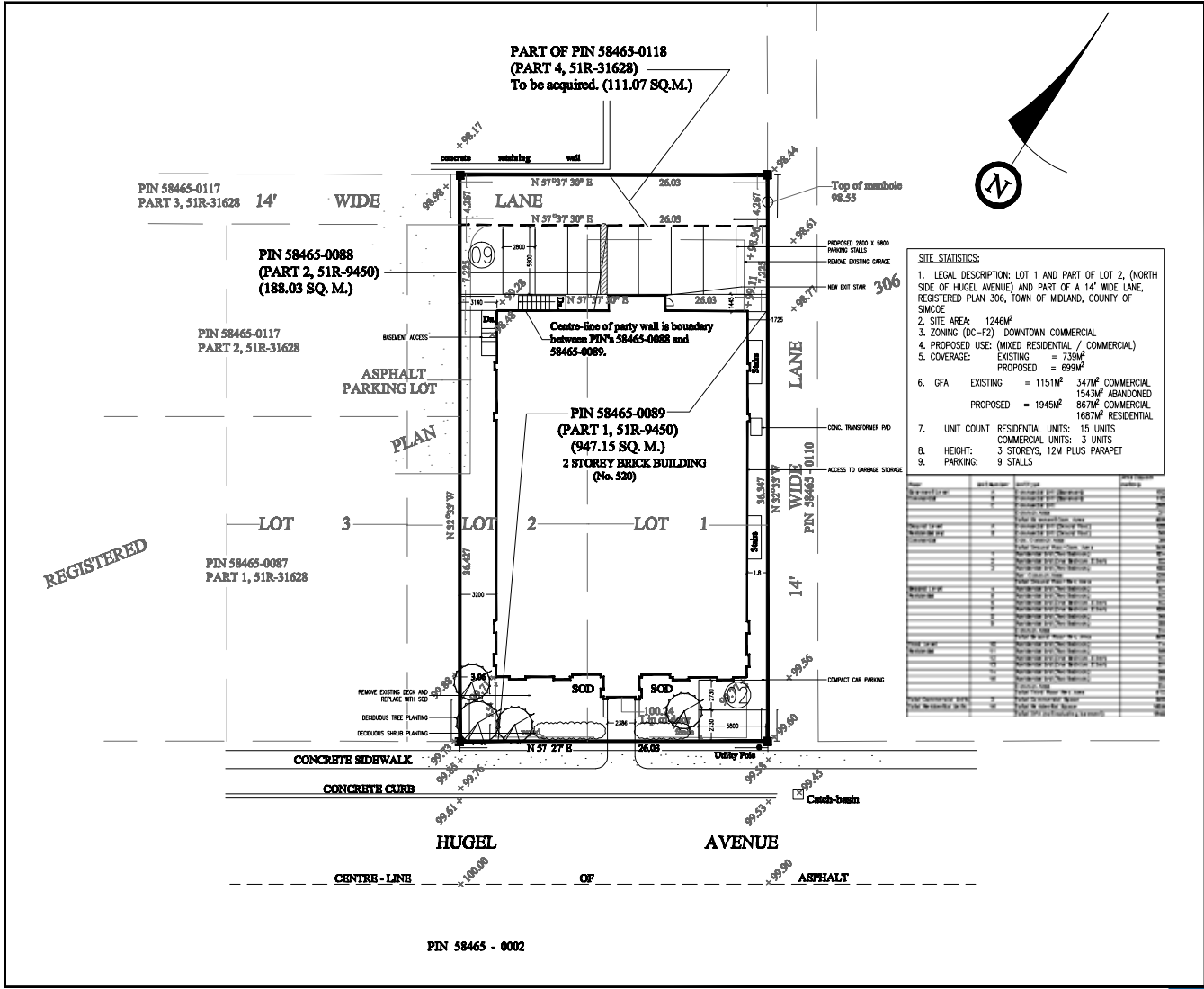
SURVEYOR'S CERTIFICATE

I CERTIFY THAT:
 1. THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYORS ACT, THE SURVEYORS ACT AND THE LAND TITLES ACT AND THE REGULATIONS MADE UNDER THEM;
 2. THIS SURVEY WAS COMPLETED ON
 DATE _____ P. J. MANSFIELD
 ONTARIO LAND SURVEYOR

METRIC CONVERSION
 DISTANCES SHOWN ON THIS PLAN ARE IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048.

P. J. MANSFIELD
 Ontario Land Surveyor
 58 CHIEFTAIN CRESCENT
 BARRIE ONTARIO L4N 4L8
 705 - 728 - 8832

Job No. 08-3787



SITE STATISTICS:

- LEGAL DESCRIPTION: LOT 1 AND PART OF LOT 2, (NORTH SIDE OF HUGEL AVENUE) AND PART OF A 14' WIDE LANE, REGISTERED PLAN 306, TOWN OF MIDLAND, COUNTY OF SIMCOE
- SITE AREA: 1246M²
- ZONING (DC-F2) DOWNTOWN COMMERCIAL
- PROPOSED USE: (MIXED RESIDENTIAL / COMMERCIAL)
- COVERAGE: EXISTING = 739M²
PROPOSED = 699M²
- GFA EXISTING = 1151M² 347M² COMMERCIAL
1543M² ABANDONED
PROPOSED = 1945M² 867M² COMMERCIAL
1687M² RESIDENTIAL
- UNIT COUNT RESIDENTIAL UNITS: 15 UNITS
COMMERCIAL UNITS: 3 UNITS
- HEIGHT: 3 STOREYS, 12M PLUS PARAPET
- PARKING: 9 STALLS

AXIIS ARCHITECTS INC.
 This drawing was prepared by me or under my supervision and I am a duly Licensed Professional Architect in the Province of Ontario. I am a member in good standing of the Association of Architects and Architectural Technicians of Ontario (A.A.A.T.O.) and I am duly registered with the Ontario College of Architects (O.C.A.).
 I hereby certify that this drawing was prepared by me or under my supervision and I am a duly Licensed Professional Architect in the Province of Ontario.

Rev. No.	Description	Date
1	Client approval	10/14/2008
2	Revised Plan (residential)	10/14/2008
3		
4		
5		
6		
7		
8		
9		

ISSUED FOR REZONING APPLICATION ONLY

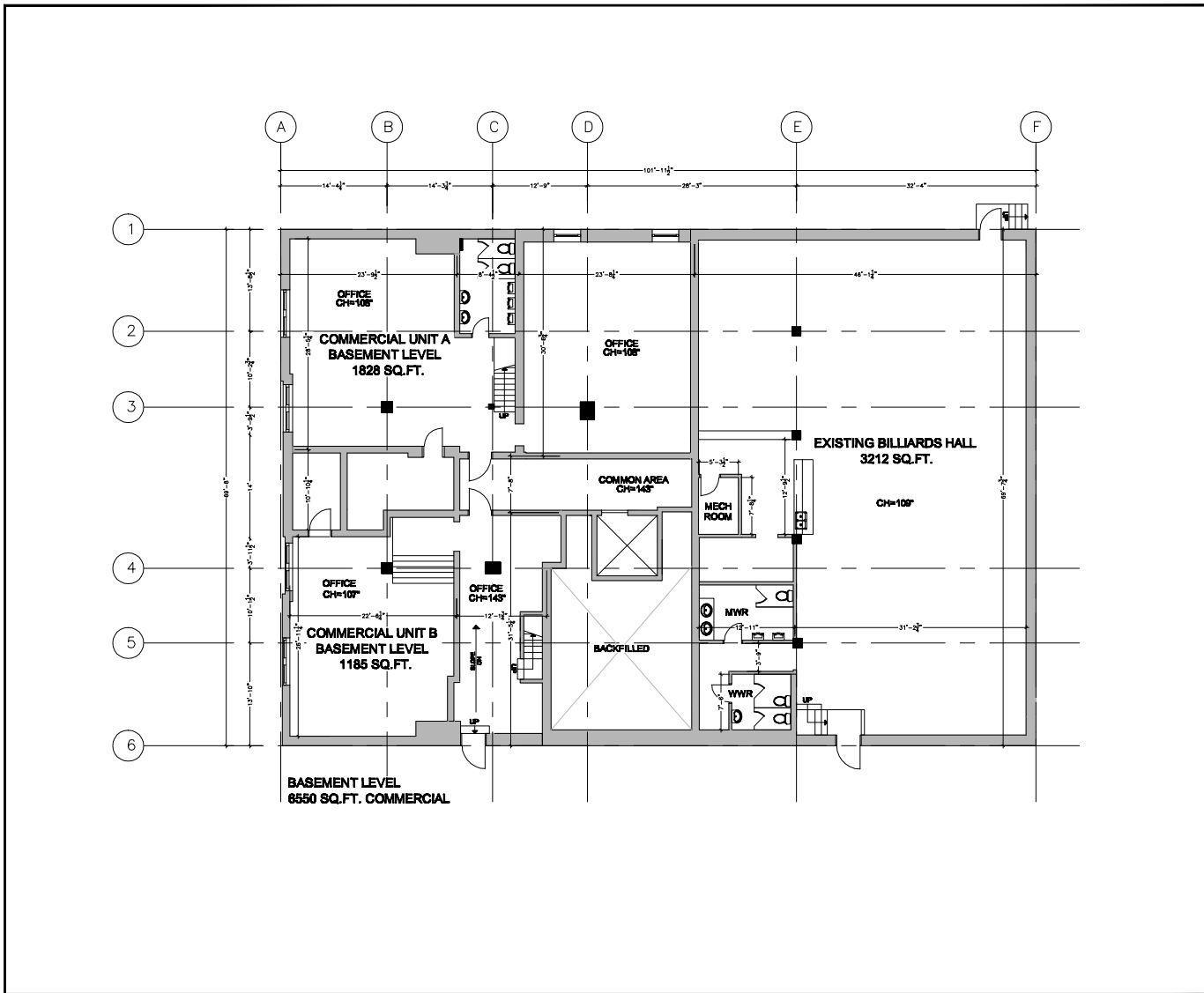
AXIIS ARCHITECTS INC.
 450 Wellington St. West
 Toronto, Ontario
 M5W 1K7
 Tel: (416) 593-8944
 Fax: (416) 597-6888

MEMBER ASSOCIATION OF ARCHITECTS OF ONTARIO

Project: HUGEL CONDOMINIUMS
 680 HUGEL AVENUE
 MIDLAND, ONTARIO

Drawing: SITE PLAN
 OPTION B

Drawn By: MMS	Reviewed By: RP
Project No.	A1.0
Scale: 1:200	
Date: NOV. 2008	



Architectural Note:
 The floor plan and drawings are to be used for informational purposes only. They do not constitute a contract. The contractor shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities. The contractor shall be responsible for all construction and installation work shown on the drawings and shall be responsible for all construction and installation work shown on the drawings and shall be responsible for all construction and installation work shown on the drawings.

Rev. No.	Comments	Date
1.	CLIENT REVIEW	NOV. 2006
2.	ISSUED FOR REZONING	NOV. 2006
3.		
4.		
5.		
6.		

ISSUED FOR REZONING APPLICATION ONLY

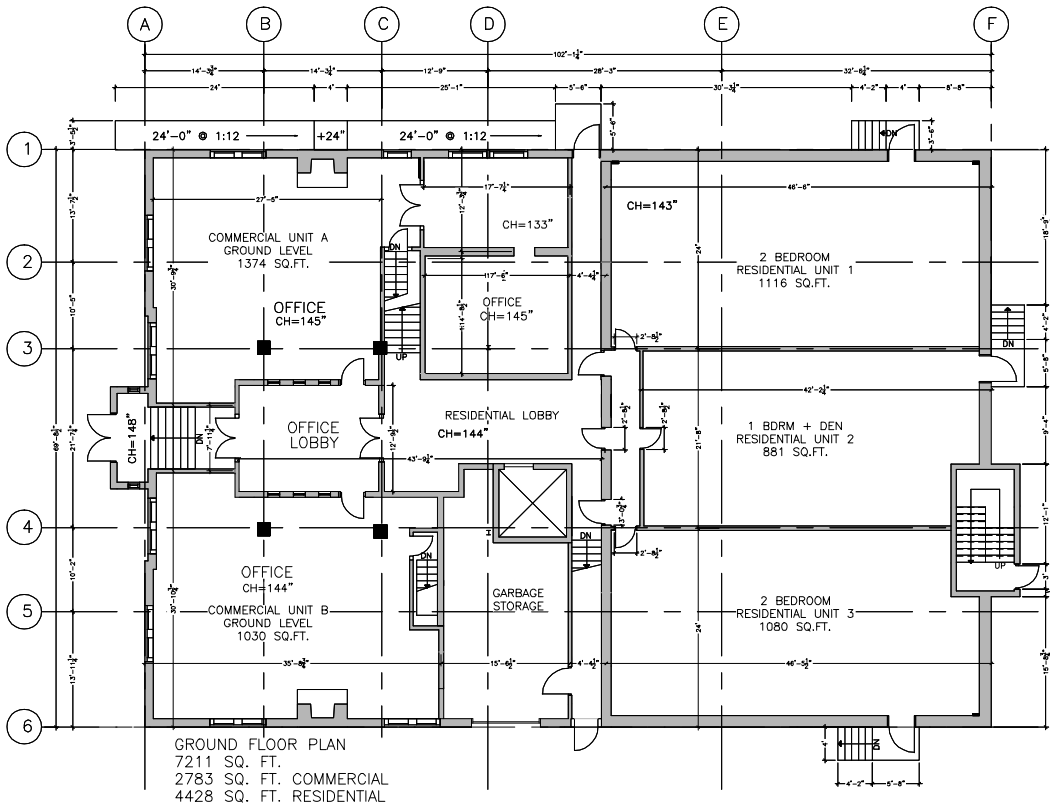
AXIIS ARCHITECTS INC.
 ARCHITECTS ASSOCIATED
 ARCHITECTS INC.

488 Wellington St. West
 Toronto, Ontario
 M5W 1K7
 Tel: (416) 593-8811
 Fax: (416) 597-8888

Project: HUGEL CONDOMINIUMS
 2001 HUGEL AVENUE
 MIDLAND, ONTARIO

Drawing: BASEMENT FLOOR PLAN

Drawn By: MIG	Reviewed By: RP
Project No.	
Scale: 1/8" = 1'-0"	A2.0
Date: NOV. 2006	



Job Acknowledges

This document is the property of the architect and is not to be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage and retrieval system, without the prior written permission of the architect.

Rev. No.	Description	Date
1.	CLIENT PROVIDED	NOV. 2008
2.	ISSUED FOR REZONING	NOV. 2008

ISSUED FOR REZONING APPLICATION ONLY

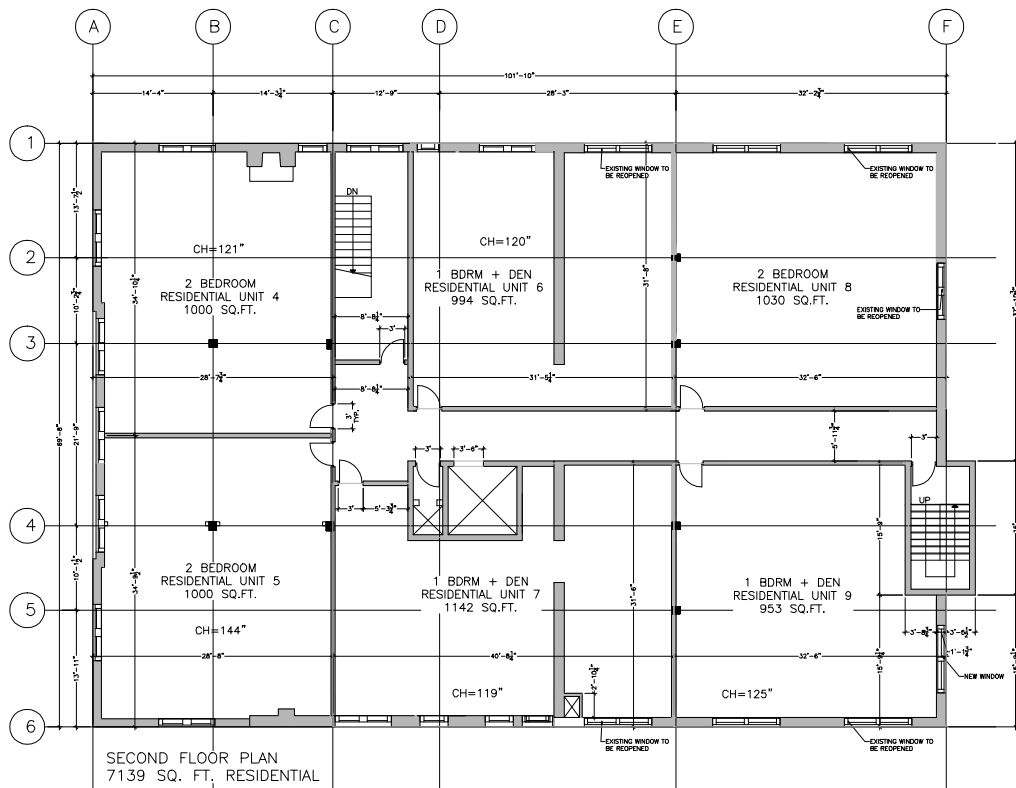


4880 Wellington St. West
Toronto, Ontario
M3J 1K7
Tel. (416) 879-4214
Fax. (416) 879-8888

Project: HUGEL CONDOMINIUMS
528 HUGEL AVENUE
MIDLAND, ONTARIO

Drawing: GROUND FLOOR PLAN

Drawn By:	Reviewed By:
MG	RP
Project No.	
Scale: 1/8" = 1'-0"	
Sheet: A2.1	
Date: NOV. 2008	



Revisions

The Designer and Approver are to be held responsible for the accuracy of the information provided in this drawing. The Designer and Approver shall be held responsible for the accuracy of the information provided in this drawing. The Designer and Approver shall be held responsible for the accuracy of the information provided in this drawing.

Rev. No.	Comments	Date
1	CLIENT REVIEW	NOV. 2008
2	REVISION FROM REZONING	NOV. 2008
3		
4		
5		
6		

ISSUED FOR REZONING APPLICATION ONLY

AXIIS ARCHITECTS INC.

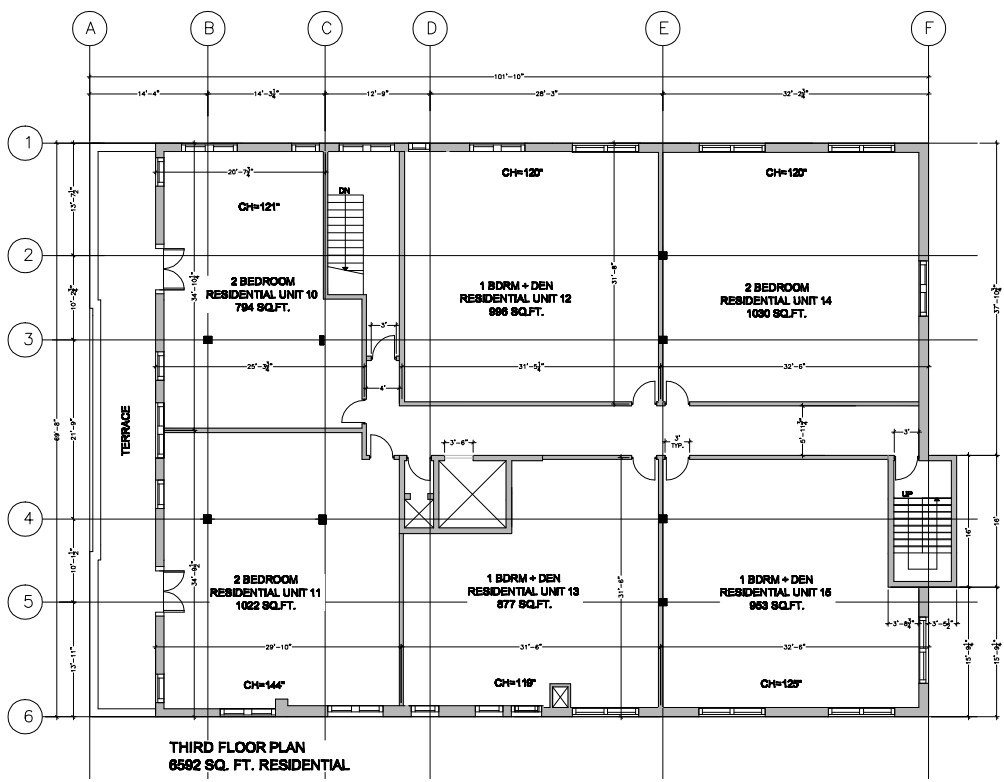


488 Wellington St. West
Toronto, Ontario
M5W 1G7
Tel: (416) 593-8811
Fax: (416) 597-8888

Project: HUGEL CONDOMINIUMS
850 HUGEL AVENUE
MIDLAND, ONTARIO

Drawing: SECOND FLOOR PLAN

Drawn By: NIG	Reviewed By: RP
Project No.	A2.2
Scale: 1/8" = 1'-0"	
Date: NOV. 2008	



Axis Architects Inc.
The drawings and specifications are prepared by Axis Architects Inc. and are intended to be used for the construction of the project. The drawings and specifications are subject to change without notice. The drawings and specifications are not to be used for any other purpose without the written consent of Axis Architects Inc.

Rev. No.	Comments	Date
1.	CLARIFY REVISIONS	NOV. 2008
2.	ISSUED FOR REZONING APPLICATION ONLY	NOV. 2008
3.		
4.		
5.		
6.		

ISSUED FOR REZONING APPLICATION ONLY

AXIS ARCHITECTS INC.



488 Wellington St. West
Toronto, Ontario
M5T 1B7
Tel: (416) 597-9884
Fax: (416) 597-9885

Project: **HUGEL CONDOMINIUMS
820 HUGEL AVENUE
MIDLAND, ONTARIO**

Drawing: **THIRD FLOOR PLAN**

Drawn By: MG	Reviewed By: RP
Project No.	A2.3
Scale: 1/8" = 1'-0"	
Date: NOV. 2008	



STAFF REPORT

DEPARTMENT/FUNCTION: Planning and Development

CHAIR: Councillor Gord McKay

DATE: May 27, 2009

**SUBJECT: ZONING BY-LAW AMENDMENT APPLICATION ZBA-01-09
o/b HUGEL LOFTS LTD. – 520 Hugel Avenue**

RECOMMENDATION:

1. That the input and comments received at the Public Hearing regarding Zoning By-law Amendment Application ZBA-01-09 (520 Hugel Avenue, O/B Hugel Lofts Ltd.) be referred to the Planning Advisory Committee for a further review and consideration of the Application.
2. That a final decision on Application No. ZBA-01-09 be deferred pending the receipt of the report from the Council Working Group on a Comprehensive Parking Policy for Downtown Midland.

BACKGROUND:

Proposal and Application Request

The Town has received an application for a Zoning By-law Amendment with respect to lands known municipally as 520 Hugel Avenue, being known locally as the former YMCA building. The Application was submitted by AXIIS Architects Inc. on behalf of the owner Hugel Lofts Ltd.

The lands are zoned Downtown Core Commercial - DC-F2 Zone and are proposed to be renovated for three commercial units and 15 residential units. The application requests an amendment to the Zoning By-law to permit residential uses on the ground floor of the existing building and to permit the residential floor area on the 2nd and proposed new 3rd floor to exceed the floor area of the ground floor commercial uses.

Attached to this report are Drawings A1.0 Site Plan Option D, A3.0 Front Elevation and A.3.2 East and West Elevations. The proposed renovation of the existing building would include a third floor addition of approximately 613 square metres which would be step backed from the existing front façade by 1.53 metres. An elevator is proposed for the renovation to provide barrier free access within the building. The proposed uses consist of three commercial units totalling 916.7 square metres of commercial floor area on the main and basement floors and fifteen residential units totalling 1689.7 square metres. Of the residential units, three would be located on the ground floor, six on the second floor and six on the proposed third floor. The residential units range in size from a



74 square metre two bedroom unit to the largest unit at 106 square metres as a two bedroom + den. The total GFA of the development, excluding the basement, would be 1,945 square metres.

The owner has indicated that the building would be the subject of a future application for condominium ownership.

Site and Surrounding Area

The subject lands and building are located at the intersection of Hugel Avenue and Borsa Lane, on the north side of Hugel Avenue, and are known municipally as 520 Hugel Avenue. The lands are legally described as Part Lots 1 & 2, Registered Plan 306 and more particularly described as Part 1, Reference Plan 51R-9450. The property has a frontage of 26 metres on Hugel Avenue, a depth of 36.38 metres and an area of 947.15 square metres. The land is bounded on the south by Hugel Avenue, on the west by the Library Restaurant, on the east by Borsa Lane and on the north by a Municipal Parking Lot. A Location Map is provided at the end of this report.

The property supports a two storey building of 1889.6 square metres, including the basement, which supports one existing commercial unit on the basement floor. The balance of the building is currently vacant.

As noted above, the building is known locally as the former YMCA building. Constructed over 7 weeks in 1928 and financed by local industrialist D.L. White, the YMCA operated from this location from 1928 to 1979 until its new location in Little Lake Park was completed. The building has supported a range of uses since the early 1980's including the gallery of renowned landscape photographer Budd Watson, office uses, and a series of restaurants.¹ Although part of the Town's cultural and built history, the building is not listed on the Town's Heritage Inventory.

Provincial Policy Statement and Provincial Plan

Section 3 of the *Planning Act* states that all planning applications must be consistent with the Provincial Policy Statement (PPS). The PPS contains a number of policies regarding development in fully serviced settlement areas. Settlement areas are to be the focus of growth and the vitality and regeneration of settlement areas is to be promoted. Land use patterns within settlement areas are to be based on densities and a mix of land uses which are appropriate for the efficient use of infrastructure and public services which are planned and available. Long term economic prosperity is promoted by the PPS and is to be supported by maintaining and where possible enhancing the vitality and viability of downtowns and mainstreets.

Section 14(1) of the *Places to Grow Act*, 2005 requires that all decisions under the *Planning Act* shall conform to the Growth Plan for the Greater Golden Horseshoe (Growth Plan) area. Generally the Growth Plan directs growth to built-up areas within communities that have the capacities to accommodate the growth and development and requires intensification of development and greater densities within communities to create more compact, vibrant and complete communities. This includes encouraging towns to develop as complete communities with a diverse mix of land uses including employment uses. The subject lands are located within the "Built-up" area boundary as established under the Growth Plan for the Greater Golden Horseshoe area.

¹ William Northcott and William Smith, Midland on Georgian Bay – an illustrated history of Midland, Ontario, 2008 and pers. cons. with William Smith.



County Official Plan

The Town of Midland is designated as a "SETTLEMENT AREA" in the County's Official Plan (OP). The County OP generally indicates that settlements should be the focus of growth and that compact form that provides efficient use of land on full services should be promoted.

Town Official Plan

The subject lands fall within the DOWNTOWN DISTRICT designation on Schedule "A" to the Official Plan. The Downtown District designation is intended to identify the historic core of the Town, with King Street being the main focus of commercial activity within the designation. The policies of the Plan recognize the cultural and economic importance of this area and to encourage its growth and vitality as a multi-functional centre of the Town. The intent of the policies, as described in Section 3.2, are to encourage and foster economic and community confidence in the downtown and to promote and enhance its role as the Town's prime business and cultural centre. The objectives for the Downtown District include "to foster and promote the historic importance, qualities and opportunities" that the area offers as "a unique and attractive area" and "to promote and encourage mixed commercial/residential development to support the community focus of the area." Residential uses are permitted and encouraged in accordance with the policies of section 3.2.3 of the Plan. Relevant policies from Section 3.2.3 are provided below:

- e) On-site parking may not be required where Council is satisfied that an adequate alternative exists. The implementation of this policy is intended to encourage development and redevelopment, which might otherwise not be possible or practical. Cash-in-lieu or the exemption from cash-in-lieu of parking may be considered by Council. See Section 8.5 for additional policies.
- i) Residential uses are recognized and encouraged in the Downtown District. An increased residential presence will be supportive of business and cultural activities and reinforce the community focus of the area. High and medium density residential development and mixed commercial/residential development are permitted in accordance with the policies of section 3.3. Residential uses, associated with commercial uses should be located above the ground floor. On King Street, ground floor uses shall be reserved for retail and business use. Residential development, although viewed as an important aspect within this designation, is not a primary use and as such should not interfere with commercial and business uses and may not enjoy the setbacks, separations and buffering that might be expected elsewhere.
- k) Development and redevelopment within this designation may be subject to site plan control as set out in Sections 8.8 and 3.1.5 e).

Section 8.5 of the Official Plan provides specific guidance regarding exemptions from required parking. The five policies are provided below:

- 8.5.1 *The Planning Act permits the owner or occupant of a building to enter into an agreement with Council, exempting the requirement of providing or maintaining parking facilities otherwise required.*
- 8.5.2 *Council should strive to ensure that development or redevelopment meets the parking requirements of the Zoning By-law. However, where circumstances dictate, this section may be implemented.*



- 8.5.3 *Notwithstanding anything to the contrary contained within this Plan or the Zoning By-law, no amendment to the Zoning By-law will be required to permit a change in the regulations for maintaining parking facilities where an agreement has been entered into. Any changes made in regard to the regulations of the Zoning By-law shall be deemed to be in conformity with the Zoning By-law.*
- 8.5.4 *The agreement may provide for the payment of money or alternate provisions in consideration for the granting of the exemption.*
- 8.5.5 *Monies received under the agreement may be paid into a special account used to offset Town parking related expenses.*

Section 5 of the Official Plan also provides guidance with respect to heritage resources in the Town. It is the intent of the Plan that the Town's heritage resources be conserved and preserved where possible and that development occur in a manner that respects heritage. The objectives of the Plan for heritage resources include discouraging the demolition, destruction, or inappropriate alteration or use of cultural heritage resources.

Section 8.3 Holding Zones of the Official Plan sets out the policy framework for the use of the Holding Symbol described in Section 36 of the *Planning Act*. The Holding Symbol can be used in association with any land use zone, shall prevent or limit the use of the land in order to achieve orderly development that meets all the Town's servicing and design conditions, and prior to removal of the holding symbol Council can be satisfied that all conditions and agreements required have been or will be met in accordance with the Official Plan.

Zoning

The subject lands are zoned Downtown Core Commercial Zone - DC-F2 by Zoning By-law 2004-90, as amended. The DC-F2 zone permits a broad range of commercial uses including retail stores, professional offices, banks, health and fitness clubs and restaurants. Residential uses are permitted uses as accessory dwelling units "over commercial uses".

The performance standards for the DC-F2 zone set out in section 4.10.2 indicate that minimum yards (setbacks to property lines) are 0 metres, a maximum floor space index of 2 is permitted and the maximum building height is 11.0 metres. Zone Regulations described in 4.10.3 includes that a residential use, which is located above the main floor of a commercial use shall permit multiple units provided that the gross floor area of the residential units do not exceed the gross floor per floor of the principal main floor commercial use.

Parking requirements for new development are described in Section 3.13 of the Zoning By-law. Section 3.13 c) states that "there shall be no minimum number of parking spaces required for all permitted uses in the Downtown Core Zone - DC-F2 in the geographic area of the downtown core bounded by the centre line of Elizabeth Street on the south, the centre line of Bayshore Drive on the north, the centre line of Midland Avenue on the east and the centre line of First Street on the west." This general exemption applies to all uses including commercial and residential. Parking for multi-residential apartment units elsewhere in Town requires 1.5 spaces per unit of which 25% shall be designated for visitor parking.



The subject application meets most of the performance standards of By-law 2004-90, as amended. As noted above, the By-law does not differentiate between residential and commercial uses and as such the proposed redevelopment does not require the provision of any on-site parking associated with the intended uses. The Application for amendments to the Zoning By-law are by way of zone exceptions to permit residential uses on the ground floor of the existing building and to permit the residential uses on the 2nd and proposed 3rd floor to exceed the area the ground floor commercial uses.

Departmental and Agency Comments

Technical Review Committee (TRC) – The subject application was reviewed by the staff TRC on January 21, 2009. Extracts from the TRC minutes are attached to this report.

TRC identified two concerns with the application. First, the application assumed the use and ownership of the Town owned rear lane in the development proposal and analysis. Second, the various options for on-site parking were reviewed and considered. Staff did not support the proposal for on-site parking on the Hugel Avenue frontage by way of either removal or partial removal of the on-street metered parking or the provision of parking accessed from Borsa Lane. In the case of the parking issue staff acknowledged that while there is no requirement for on-site parking, the application was requesting changes to the zoning that would permit an intensification of the site and as such the Town identified this issue as one for the developer to find a solution for the parking problems for the proposed residential units.

Planning Advisory Committee

PAC considered the application at its May 6th meeting and had considerable discussion on the application. PAC passed the following recommendations at the meeting:

1. *Support in principle of Application No. ZBA-01-09 for an Amendment to Zoning By-law 2004-90, as amended, respecting lands owned by Hugel Lofts Ltd. – 520 Hugel Avenue.*
2. *That staff be directed to finalize the draft Zoning By-Law Amendment in accordance with Report PL-2009-42 to be considered at a Public Hearing.*
3. *That a Public Meeting be scheduled to further consider the application and that Notice of the Public Hearing under the Planning Act be given in accordance to the regulations under the Planning Act.*
4. *That Council consider establishing a Working Group of Council to examine a Comprehensive Parking Policy for the Downtown Core of the Town Of Midland.*

Council, at its May 25th regular meeting, approved recommendation #4 to establish the Working Group. Neither the first meeting nor the membership of the Working Group has been set.

ANALYSIS:

Land Purchase

Council, at its April 27, 2009 meeting, approved the General Committee recommendation and passed Resolution No. 2009-131 to proceed with the sale of said lands described as the 14 foot wide lane abutting lots 1, 2 and 3 north side of Hugel Avenue West more particularly described as 51R-31628 Part 4 to the abutting property owner, Hugel Lofts Ltd. The process to sell the lands will now follow the requirements under the *Municipal Act* and the Town's land sale policy. As the



proposed redevelopment is based on these lands forming part of the development site, the sale and transfer must be completed prior to the final approvals are granted.

PPS and Plan Conformity

Mixed use developments comprising both commercial and residential uses in the defined downtown core of an urban settlement like Midland is both supported and encouraged in the PPS and in the approved Growth Plan for the Greater Golden Horseshoe area. The application is therefore consistent with the PPS and conforms to the Provincial Growth Plan. This type of intensification within the defined Built Boundary of the Town is the type and form of development particularly encouraged by the Province.

Official Plan Conformity

Bringing more people downtown would support the existing businesses in the downtown core and would bring life and activity to the downtown in the evenings and outside the normal business hours. The subject application and the proposed redevelopment generally meets the overall goal and vision for the downtown core as set out in the Official Plan.

The Plan states that only commercial uses be permitted on the main floor of buildings on King Street, but that in other areas of the downtown the Plan provides some flexibility to permit residential uses on the main floor. In this instance, the proposed redevelopment would provide both commercial and residential uses on the main floor of the building. The Plan also indicates that on-site parking may not be required where Council is satisfied that an adequate alternative exists and where development or redevelopment might not otherwise be possible. In these instances, a cash-in-lieu of parking agreement could be considered. Subject to the decision on the parking issue and the requirement or need for a Cash-in-lieu of Parking Agreement, the subject application would conform to the Town's Official Plan and propose a redevelopment of an under-utilized building in a manner that would support the health and vitality of the downtown.

Parking Issues and Options

The Town's current zoning regulations exempts the proposed development (both the commercial and the residential components) from providing any on-site parking. This public policy is in support of the Downtown and has been supported by the Town's active Municipal Parking Lot program that has provided a total of nine (9) Municipal Park Lots with a total of 545 spaces. The parking exemption contained in the Town's Zoning By-law has worked in relation to all forms of commercial development that generate requirements for



short term parking for customers to complete their business transactions. The parking that would be generated from the proposed commercial units and floor space in the redeveloped former YMCA building (totalling approximately 868 sq.m.) can be accommodated in the Municipal Parking Lots located within easy walking distance of the subject development. (See inset map)



Residential parking, which is typically overnight and longer term in nature, is more problematic. The development proposal includes the provision of nine (9) spaces on-site which could accommodate parking for nine (9) units based on one (1) space per unit. This leaves a deficiency of six (6) spaces in relation to the proposed residential units. Staff eliminated two (2) other parking proposals that would have seen additional spaces provided on-site. Option A would have provided 16 parking spaces, with nine (9) at the rear of the building and seven (7) as front yard pad parking. The front yard parking would have required the removal of the three (3) on-street metered parking spaces and the removal of the roadside concrete curbs. Option B proposed 11 spaces, comprised of the nine (9) rear yard spaces and two (2) front yard spaces accessed off of Borsa Lane. Both options were rejected for aesthetic, urban design, traffic and pedestrian safety, and maintenance reasons. It is staff position that no front yard parking should be permitted in order to maintain the current Hugel Avenue streetscape in this important area of downtown.

While the Zoning By-law exempts the site from providing any on-site parking, it is staff's position that the Town needs to consider the potential impacts of the increase density contained within the proposed redevelopment application on the demand for overnight residential parking. The policies in the Official Plan with respect to utilizing the cash-in-lieu of parking tool provided in Section 40 of the *Planning Act* should be considered for us in this redevelopment.

The Town has several options to address the parking issue:

1. Restrict the number of residential units to the nine (9) on-site parking spaces to be provided.
2. Require no additional arrangements for residential parking beyond the nine (9) spaces provided.
3. Accommodate the deficient overnight residential parking (six (6) spaces) in the Municipal Parking Lot(s) at no fee/cost. This would require operational changes in respect of snow clearance and removal.
4. Consider a long term lease or agreement for all or a portion of the adjacent Municipal Parking Lot #3 for the six (6) required residential spaces which cannot be provided on-site.
5. Options 2 or 3 plus the requirement for a cash-in-lieu of parking agreement and upfront and/or yearly payments.

It is the Planning and Development Department's opinion that the subject application would achieve a number of clear public policy objectives in the redevelopment of the former YMCA building and site. In addition to revitalizing a substantially abandoned building and refurbishing it to its historic condition, the proposal would introduce new commercial space in the downtown and bring new residents to the core who would bring life and activity to the downtown beyond its traditional day time hours. In support of the achieving these objectives, the Town should support the proposed development by finding a reasonable accommodation for the development through the various tools at its disposal. Staff would support options 3 or 4 as noted above along with Cash-in-lieu of Parking Agreement to be negotiated with the developer.



Zoning Issues and Options

The application meets all but two of the performance standards in Zoning By-law 2004-90, as amended, for the proposed redevelopment. The application for a Zoning By-law Amendment requests a rezoning to a site specific zone to permit residential uses on the ground floor of the existing building and to permit the residential floor area on the 2nd and proposed new 3rd floor to exceed the floor area of the ground floor commercial uses. Any decision on overnight residential parking is exempted by Section 8.5.3 of the Official Plan from any further amendments where an agreement has been entered into.

Two options are available with respect to the rezoning application if Council is in support of the proposed redevelopment:

1. Approve the application and pass the necessary Zoning By-law Amendment for a site specific Zone Exception along with the use of the Holding Symbol (H). The Holding Symbol would not be removed until the required land sale and development agreements (Site Plan and Cash-in-Lieu of Parking) are completed. Council could approve the development applications and removal of the Holding Symbol at the same meeting.
2. Approve the application and pass the necessary Zoning By-law Amendment for a site specific Zone Exception without a Holding Symbol (H). The Town would rely on the provisions of Section 41 of the *Planning Act* and Site Plan Control Area By-law 2005-8 to require both agreements prior to the issuance of the building permit.

As there are significant issues in respect of this application and potentially precedent setting decisions in regard to accommodating the overnight residential parking, staff support the further consideration of the application by way of a site specific Zone Exception and the use of the Holding Symbol as permitted under the Section 8.3 of the Official Plan and Section 36 of the *Planning Act*. A draft Zoning By-law is attached.

Site Plan Approval

Site Plan Control Area By-law 2005-8 requires that all new development in the 14 listed zones, including the Downtown Core Commercial Zone DC-F2, shall be subject to the requirement for a site plan application and approval under Section 41 of the *Planning Act*. The required site plan submission would address:

- the massing and conceptual design of the building, relationship of the building to adjacent buildings, streets and exterior areas to which members of the public have access
- the provision of interior walkways, stairs and elevators to which members of the public would have access to from the street
- access ramps and curbs and directional signs
- off-street parking facilities, access driveways, and the surfacing of these areas
- walkways and walkway ramps and all other means of pedestrian access
- facilities designed to have regard for accessibility for persons with disabilities
- facilities for lighting
- landscaping
- central storage and collection areas for the storage of garbage and other water material
- grading and provisions for the disposal of storm water from the lands and building



Conclusions

Staff supports the further consideration of this application and the proposed redevelopment of the former YMCA building. The proposed redevelopment would save and enhance an existing and important architectural and historic building in the Town's cultural heritage resources, would redevelop a currently vacant and underutilized building, and would bring new life and vitality to in the overall downtown core. The Town, through the use of the various tools provided under the *Planning Act*, including site plan control and a cash-in-lieu of parking agreement, can accommodate the proposed redevelopment in a manner that minimizes or eliminates the potential impacts of the any deficient overnight residential parking generated that would have to be accommodated off-site.

FINANCIAL IMPACT:

The consideration of the Application for an Amendment to the Town's Zoning By-law has no direct financial or budgetary impacts. The accommodation of the deficient overnight residential parking may have a financial impact, which would be off-set through a Cash-in-Lieu of Parking Agreement.

Prepared By: Wes Crown, Director of Planning and Development

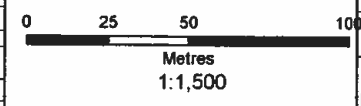
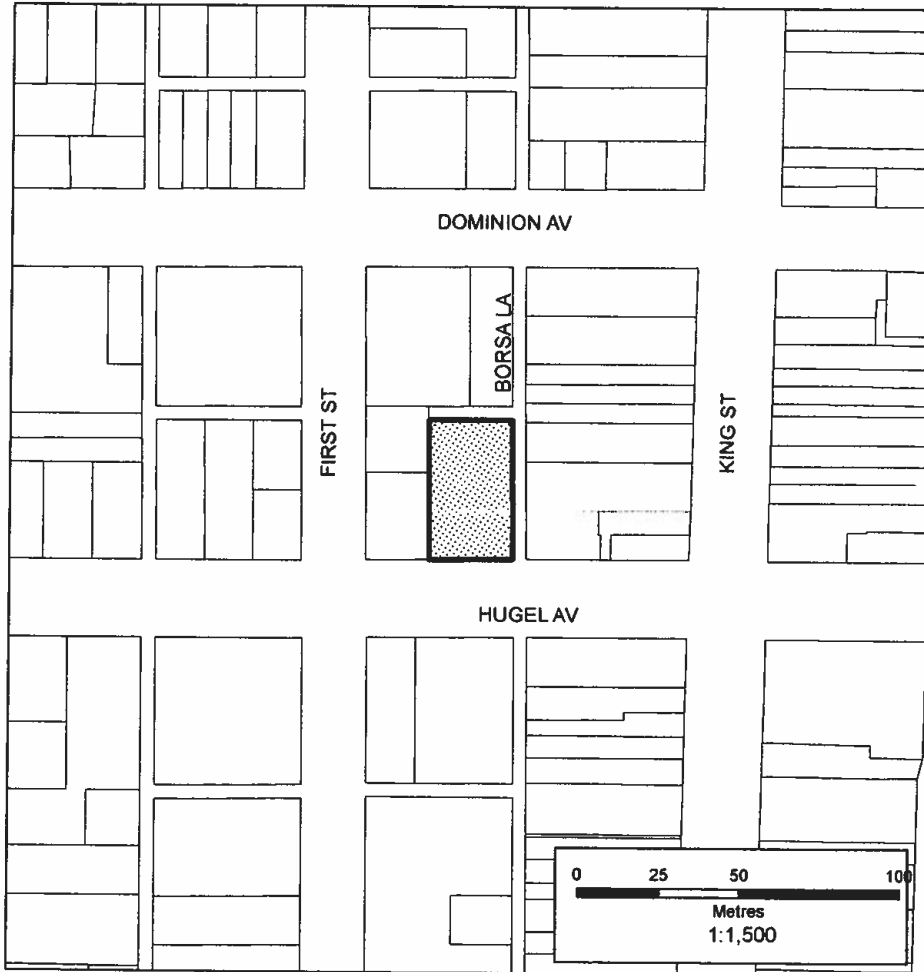
Attachments:

1. A1.0 Site Plan Option D
2. A3.0 Front Elevation
3. A.3.2 East and West Elevations
4. TRC Extracts
5. Draft Zoning By-law



Town of Midland

Location Map



Zoning By-law Amendment Application - 520 Hugel Avenue
The application is to amend Section 4.10.3.2 Zone Regulations of the by-law to permit residential uses on the ground floor and to permit the residential uses on the second and proposed third floor to exceed the Gross Floor Area of the principal main floor commercial use.

Date: January 19, 2009

Created By: Planning and Development Department



THE CORPORATION OF THE
TOWN OF MIDLAND

575 Dominion Avenue
Midland, ON L4R 1R2
Phone: 705-526-4275
Fax: 705-526-9971
info@town.midland.on.ca
www.town.midland.on.ca

September 18, 2009

Mike Galea
AXIIS Architects Inc.
439 Wellington Street W., First Floor
Toronto, Ontario
M5V 1E7

Dear Mr. Galea:

**Re: Town of Midland Zoning By-Law 2009-58
Hugel Lofts Ltd. – 520 Hugel Avenue**

Please be advised that the above-mentioned Zoning By-law Amendment has received final approval.

Attached is the Certificate as prescribed under Section 34 of the *Planning Act*, R.S.O. 1990.

If you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

THE CORPORATION OF THE TOWN OF MIDLAND

Sherri Edgar, AMCT
Executive Assistant – Planning Department

Enclosure



THE CORPORATION OF THE
TOWN OF MIDLAND

575 Dominion Avenue
Midland, ON L4R 1R2
Phone: 705-526-4275
Fax: 705-526-9971
info@town.midland.on.ca
www.town.midland.on.ca

August 28, 2009

Mike Galea
AXIIS Architects Inc.
439 Wellington Street W., First Floor
Toronto, Ontario
M5V 1E7

Dear Mr. Galea:

**Re: Town of Midland Zoning By-Law 2009-58
Hugel Lofts Ltd. – 520 Hugel Avenue**

Please be advised that the above-mentioned Zoning By-Law was passed by the Municipal Council of the Corporation of the Town of Midland on Monday, August 24, 2009.

Enclosed for your information and file, is a certified copy of the By-Law with accompanying Notice of Passage, as prescribed under Section 34 of the *Planning Act*, R.S.O. 1990.

If you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

THE CORPORATION OF THE TOWN OF MIDLAND

Sherri Edgar, AMCT
Executive Assistant – Planning and Development Department

/se
Encls.



**THE CORPORATION OF THE TOWN OF MIDLAND
BY-LAW 2009-58**

A By-law to amend Zoning By-law 2004-90, as amended,
to rezone the lands at 520 Hugel Avenue.

WHEREAS the Municipal Council of the Corporation of the Town of Midland passed By-law 2004-90, known as the Zoning By-law, on the 22nd day of November, 2004, to regulate the development and use of lands within the Town of Midland; and

WHEREAS the Municipal Council of The Corporation of the Town of Midland now deems it expedient to amend Zoning By-law 2004-90, pursuant to that authority given to it under Section 34 of the *Planning Act*, R.S.O. 1990.

NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWN OF MIDLAND HEREIN ENACTS AS FOLLOWS:

That Zoning By-law 2004-90, as amended, is hereby further amended as follows:

1. That this By-law applies to the lands described legally described as Part Lots 1 & 2, Registered Plan 306 and more particularly described as Part 1, Reference Plan 51R-9450 with a municipal address of 520 Hugel Avenue, as shown on Schedule "A", attached hereto and forming part of this By-law.
2. That the lands described above and as shown on Schedule "A", attached hereto and forming part of this By-law, shall be rezoned from the Downtown Core Commercial Zone – DC-F2 to the Downtown Core Commercial Exception Holding Zone – DC-F2-3(H).
3. That Zoning Map Schedule A-1 of Zoning By-law 2004-90, as amended, is hereby further amended to conform with Section 2 of this By-law as shown on Schedule "A" attached hereto and forming part of this By-law.
4. That SECTION 4.10.4 ZONE EXCEPTIONS, is hereby further amended by inserting a new Zone Exception 3 immediately following Exception 2 with the following:
 - "3. Notwithstanding SECTION 4.10.1 PERMITTED USES, the following shall be permitted on those lands zoned DC-F2-3 and described as Part Lots 1 & 2, Registered Plan 306 and more particularly described as Part 1, Reference Plan 51R-9450 with a municipal address of 520 Hugel Avenue:

- Dwelling Units on the main floor (maximum 3 units) in conjunction with permitted commercial uses

Notwithstanding SECTION 4.10.3 ZONE REGULATIONS, the following shall apply to those lands zoned DC-F2-3:

- Gross Floor Area for the Dwelling Units may exceed the Gross Floor Area per floor of the main floor commercial use