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REYFIELD REDEVELOPMENT

CASE STUDIES

Built Project Initiatives

LAKESHORE VILLAGE

Oakville

PROJECT SUMMARY

Lakeshore Village is a mixed-use project located on a site previously dominated by car-oriented retail establishments in Oakville's Central Business District (CBD). The project is composed of 14 townhouse units in two blocks; one block of 10 live-work units and another block of four live-only units. Located on a major transportation route, the project represents renewed interest and revitalization in the western portion of Oakville's CBD.



Figure 1: The live-work spaces: street front view

AREA CONTEXT

With a population of approximately 145,000, Oakville is one of several municipalities in the Halton Region on the west side of the Greater Toronto Area (GTA). Located off the Queen Elizabeth Way (QEW) Highway, Oakville is about 60 kilometres west of downtown Toronto.

The Lakeshore Village project is located in Oakville's western CBD area on the corner of Lakeshore Road West (an arterial street with commercial uses) and Kerr Street (a collector), with direct accesses to both streets. The lands to the south are occupied by an older residential neighbourhood with a mix of detached, semi-detached and attached housing (about 20 units per hectare). Facing the site from the north side of Lakeshore Road West is a mixed-use building with retail on the ground floor and apartments above (80 units per hectare). Behind this building is a medium-density neighbourhood with street-fronting townhouses (about 30 units per hectare). Numerous parks, a swimming pool, arena, and a seniors' centre are located within two blocks of the project, but there are no schools or hospitals in the immediate vicinity.

The western CBD area of Oakville had been in decline for several years. Because of its central location and relatively low land prices, however, the area has recently begun to attract new investment; in the past three years, many redevelopment and infill projects have been built along Lakeshore Road West. Revitalization has mostly taken the form of higher-density residential projects, such as condominiums and townhouses, along with some commercial redevelopment. The Lakeshore Village project is important in a broader municipal context as it represents a major step in the continued revitalization of the West Harbour area of Oakville's CBD and an important first step in the revitalization of Kerr Street.

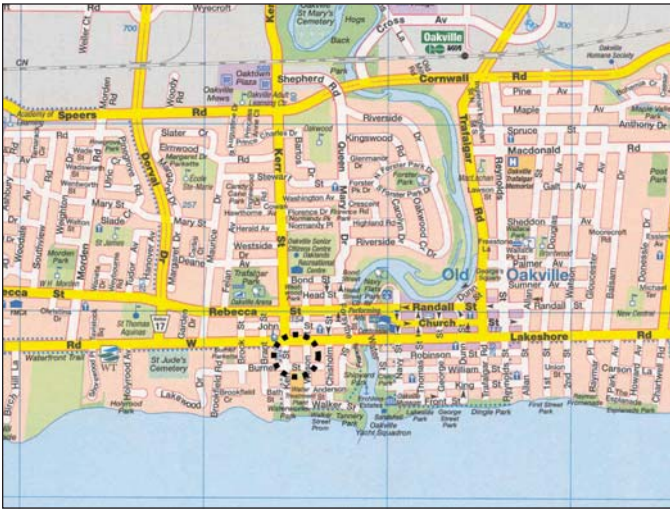


Figure 2: Map of the Lakeshore Village vicinity

While the project is located on a major thoroughfare, these sections of Lakeshore Road and Kerr Street are not currently serviced by public transit. The closest transit service to this area is about two blocks away.



Figure 3: Site plan of Lakeshore Village

SITE HISTORY

Prior to redevelopment, the site accommodated a collection of unrelated businesses. The primary use was a drive-in fast food restaurant (Dairy Queen), but other uses included a ramshackle single residence, a tombstone retail establishment, and a garden centre. None of the structures had heritage value. Central to the location was a large paved area used for parking, giving rise to the auto-oriented appearance of the site.

Two years prior to the redevelopment of the site, the Dairy Queen closed due to the decline of the area as a whole and the unwillingness of the owner to invest in the maintenance of the building. Up until 2001, when the developer bought the site, the asking price of the property was perceived to be too high to attract investors.

PROJECT CHRONOLOGY

The Dairy Queen restaurant closed in 2000. In September 2002, the developer submitted a development proposal for a 14-unit residential-commercial project. The proposal was approved rapidly thereafter. Construction began in 2003 and was finished at the time of writing. Residents are expected to occupy the units in spring 2004.

PHYSICAL DESCRIPTION

The project is on a corner lot that measures 50.3 by 45.7 metres. The existing buildings on the site were completely demolished and replaced with two blocks of townhouses in an L-shape with 10 three-storey live-work units that front onto Lakeshore Road and four three-storey townhouses that front onto Kerr Street. All 14 units are condominium ownership. Units range from 204.4 to 232.3 square metres. The site density is about 60 units per hectare.

The 10 live-work units were designed to allow the business owner to live upstairs and have his/her business in the commercial area on the ground floor. The workspaces are intended for cottage industries or “low impact” businesses; a chiropractor, dermatologist, real estate agent, and an architect will be among those moving into the live-work units.

Commercial signs are permitted at street level outside the units and the appearance of the development from the street is typical for the Oakville downtown. This is due in part to the fact that the project was modelled after a heritage block in Oakville’s downtown area. Human-scale details, such as all-brick facades add to the aesthetic quality, and have contributed to community acceptance of the project. The back facade of the live-work units was terraced to diminish the bulk of the building, mitigating the visual impact of the new building on existing medium-density residential areas to the south of the site. All units have private outdoor spaces in the form of terraces or patios, measuring approximately three by six metres.



Figure 4: Before: The site at Lakeshore and Kerr streets facing south



Figure 5: After: The completed project facing Lakeshore Street

Oakville’s zoning bylaw states that two parking spaces must be provided for each residential unit, a requirement that the project meets. The bylaw also requires that one space be provided for every 28 square metres of commercial floor area in order to serve employee and client parking needs. This would have required that the Lakeshore Village project provide 17 commercial parking spaces. However, because it was assumed that owners of the live-work units would be working on site, commercial parking requirements were relaxed; only 12 such spaces were provided in this project.

The live and work components of each live-work unit are physically distinct with separate entrances. Although the current live-work proprietors do intend to live and work in their respective units, owners have the option of renting out either or both components of the units.

PROJECT PARTNERS

Lakeshore Village was completely driven by the private sector. Matas Homes was the primary developer and builder on the site, but a real estate firm helped finance the project.

PLANNING PROCESS

Oakville does not offer financial incentives or other programs to encourage redevelopment of commercial sites for residential uses. While there are no specific provisions in the OP addressing live-work development, OP policies support such projects by encouraging retail and residential uses in the CBD. In addition, the project enhances the range of housing in Oakville and creates a more pedestrian-friendly, street-oriented use of the land, two other OP objectives.

The Plan also notes that any development on this site “must be carried out at a scale and with a character in sympathy with the surrounding neighbourhoods.” The project achieves this aim by featuring a three-storey brick building with architecture based on existing development in one of the historic blocks in the CBD area. The plan also notes, with regard to the residential aspects of development in this area, that the project should “exhibit considerable ingenuity in (its) design to afford residents ample private open space in the form of terraces and patios”. To this end, the rear-facing elements of the residential units all have private outdoor spaces in the form of terraces or patios, measuring approximately three by six metres.

The OP designation for this site was compatible with a live-work project and therefore no OP amendment was required to accommodate the project. The subject property is zoned C3R, or “Central Business District (Residential–Commercial)”, which permits live-work uses, but a minor zoning change was required in order to accommodate the reduced parking standards (described above). Site plan approval was also required but did not result in any changes to the proposal. The approvals process for the project took about eight months.



Figure 6: The brick facades

The project proposal was well received by all stakeholders. The planning department recognized that it had the potential to strengthen the revitalization of the western part of the CBD and strongly promoted the project to Council and the community.

The community wanted to see the vacant property redeveloped and generally supported the project. However, a few specific concerns were raised at public meetings, including the architectural integration of the project with the surrounding neighbourhood and stormwater management issues.

Both issues were addressed to the satisfaction of residents. Architectural modifications (for example, brick detailing and terracing) were made to the project as a result of the input received at the public meetings.

The public meetings also reassured surrounding property owners that the project would not have adverse drainage impacts on their properties. The developer had an engineering study carried out in order to determine the impact of the development on stormwater drainage in the area. A stormwater management plan was created for the site, and as discussed in the section below, the developer was required to upgrade stormwater infrastructure, which improves stormwater drainage both on- and off-site.

MARKETING

The Lakeshore Village project was first advertised in September 2002, and was sold out by the end of December. Dwellings in the project were sold at prices ranging from \$499,900 to \$519,000. As this is the first live-work development in Oakville, there is no information about the average costs of this type of project. The average price for a condominium townhouse in Oakville is \$235,750. For a single family detached home, the average cost is \$423,058.

Despite the above average prices in Lakeshore Village, the project sold out quickly; advertising started in September 2002, and by the end of December 2002, all units had been sold. Due to the success of the Lakeshore Village project, the developer plans to redevelop another nearby site that houses a car wash, a hamburger stand and two old houses into a 32-unit project. As mentioned above, the project is located in a neighbourhood that is undergoing considerable reinvestment and redevelopment; it is currently considered a “hot spot” in Oakville.

FINANCIAL ASPECTS

The total cost of the project was approximately \$5,000,000. Approximately \$200,000 were paid in development charges, and \$14,800 per unit or a total of \$208,000 was paid in parkland dedication fees. The developer was also faced with significant infrastructure upgrade costs for the site related to the installation of surge tanks (tanks that dampen surges to protect pipelines and equipment and store sewage effluent).

The project has increased municipal property tax assessment by \$81,000 (annually) on the site and will result in a \$73,000 (annually) addition to the property taxes paid to the Town.

EVALUATION

From the developer's point of view, Lakeshore Village is considered highly successful. The project sold out quickly and investors who bought units in the preliminary phases of the project have subsequently sold the properties at substantially higher prices. As mentioned, Lakeshore Village is the first live-work development in Oakville. The marketing success of the project has spurred similar developments elsewhere in the town.

Lakeshore Village is also considered successful from a planning point of view. Redevelopment of the site represents a major step in the continued revitalization of the west CBD and West Harbour area, and is considered the beginning of a major revitalization of Kerr Street. The provision of commercial and residential uses in the CBD also meets OP policy objectives for the site. Live-work development is recognized for its role in reducing traffic as it eliminates the daily commute for its residents. Finally, the project meets one of the municipality's economic development goals of improving the diversity of housing available within the community over the next three years.

The Town, developer and community consider the project to be successful from an architectural design point of view. Modelling the project after a heritage block in Oakville's downtown, and giving attention to the massing and exterior materials used, ensured the successful integration of the project into the neighbourhood.

FURTHER INFORMATION

Bob Zsadanyi, Project Planner
Planning Services
Town of Oakville
Tel: (905) 845-6601 Ext. 3041
Fax: (905) 338-4414
Email: bsadanyi@town.oakville.on.ca
Website: <http://www.oakville.ca>

John Matas, President
Matas Homes (developer)
Tel: (905) 849-0208
Fax: (905) 849-0217
Email: jmatas@cogeco.ca
Website: <http://www.matashomes.com>

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