



Report to: Development Services Committee

Report Date: December 3, 2013

---

**SUBJECT:** Request to Remove Restrictions on the Approval of  
Additional Restaurant Floor Space within the Commercial  
Core Area of Historic Unionville  
Unionville Business Improvement Area

**PREPARED BY:** Regan Hutcheson, Manager, Heritage Planning, ext 2080

---

**RECOMMENDATION:**

- 1) That the report entitled “Request to Remove Restrictions on the Approval of Additional Restaurant Floor Space within the Commercial Core Area of Historic Unionville – Unionville Business Improvement Area”, dated December 3, 2013, be received;
- 2) That staff be authorized to call a Statutory Public Meeting to consider amending the Unionville Core Area Secondary Plan (OPA 107) and Zoning By-law 122-72, as amended, to remove current restrictions on the approval of additional restaurant floor space within the Heritage Main Street commercial zone of historic Unionville as well as to permit other types of uses within the Heritage Main Street commercial zone;
- 3) And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

For the last ten years, there has been a restriction on introducing additional restaurant space for properties within the Heritage Main Street zone of Main Street Unionville. Restaurants were removed as permitted uses from the zoning by-law and can only be permitted through by-law amendment when the percentage of retail floor space in the area is above 50%. The concern at the time was that Main Street Unionville could become a restaurant campus. A number of local business representative and area ratepayers had expressed unease related to the number of restaurants on Main Street, the impact on the parking supply and the pressure for ground floor office use. A land use and retail study undertaken by the municipality in 2002 confirmed that the proliferation of restaurants threatened to undermine the planned function of Main Street Unionville. In response, Council amended the Secondary Plan and applicable zoning by-law.

In 2012, the Unionville Business Improvement Area committee requested that the restaurant restrictions be removed due to the negative impact they were having on the economic vitality of the area, and that the marketplace should prevail. The issue was referred to the consultants who are currently undertaking the Main Street Unionville Precinct Master Plan study as it was seen to be one component of the broader study.

In April 2013, a public information meeting was held with local residents and commercial property owners to solicit input on the land use questions. Feedback included the need to re-examine the function that the “Main Street Unionville” commercial core should provide for the community and the desire of the business community for more flexibility regarding current land use restrictions.

The retail consultant associated with the Precinct Master Plan project has now provided advice and recommendations on how the retail environment could be improved. The recommended direction is to re-focus Main Street Unionville as a neighbourhood commercial district primarily serving Markham, and permitting a wider variety of retail and service uses rather than as a unique shopping and leisure destination with a focus on specialty retail. The consultant also recommends that the existing restrictions on restaurants should be removed (albeit not the restriction on tavern/pubs) or at least modified to allow for specialty food retailers (such as bakeries and small grocers which allow patrons to consume some goods on site). A number of additional permitted uses have been suggested with a focus on convenience, neighbourhood-oriented retail.

Staff has explored a number of options for consideration including 1) no change to the existing policy, 2) modification of the existing policy to either change the retail/restaurant ratio and allow restaurants to be introduced with a lower retail percentage as the threshold as well as allow food consumption associated with certain new retail uses (i.e. deli, bakery, specialty grocer, etc) and 3) remove the policy completely, re-introduce most restaurants as permitted uses and allow a greater diversity of neighbourhood oriented retail uses. Staff is suggesting that Council consider the third option and that public notice be provided on this basis for a statutory public meeting to be held early in 2014. The recommended changes to the Secondary Plan and zoning by-law are provided in the appendices to this report.

**PURPOSE:**

The purpose of this report is to recommend that Council hold a Statutory Public Meeting to consider changes to the Unionville Core Area Secondary Plan (OPA 107) and Zoning By-law 122-72, as amended, to remove the restrictions on the approval of additional restaurant floor space within the commercial area of historic Unionville, and to permit additional retail uses. Other possible options available to Council are also addressed in the report.

**BACKGROUND:****There are current restrictions on additional restaurant space for properties on Main Street Unionville**

In 2002, a number of Main Street Unionville business representatives and area ratepayers had expressed concern over the number of restaurants and pubs locating on the Main Street, and their impact on retail uses and parking supply. Concern was also expressed regarding the pressure for ground floor office uses and a general concern with the displacement of retail uses. In response, the Town of Markham retained consultants to undertake the "Main Street Land Use and Parking Study" - a study of the Unionville Core Area to explore the desired planned function of Main Street Unionville, and to make recommendations in respect of land use policies and zoning requirements. .

The 2002-03 study confirmed that the proliferation of restaurants threatened to undermine the planned function of Main Street as a traditional historic shopping area

with a focus on specialty retail. Further controls on restaurant uses were warranted to ensure a vitality of retail uses and continued variety and mix of land uses. As part of the study, Retail/Management Consultant John Winter undertook a Market Analysis of Main Street and his findings included:

- “the current proportion of restaurants [in 2002-03], 27%, exceeds by a wide margin any other commercial area that we are aware of in Canada (excluding restaurant campuses)”;
- “the average for urban areas is some 7% of the commercial area in restaurants...Unionville is currently four times higher than the average”;
- “the future trends indicated that a ‘restaurant row’ or a ‘restaurant campus’ is forming along Unionville Main Street and, while this may increase the diversity and choice of eating areas, it can be seen as contrary to the planned function of Unionville Main Street, which focuses on ‘a traditional shopping experience’”;
- “the success of the restaurants is threatening to choke off the amount of space devoted to retailers, who were the original draw...restaurant rents may outbid other uses”;
- “Experience has shown that successful retail nodes, particularly Main Streets, sell merchandise. A decline in the number and proportion of retail stores could be a predictor of impending decline”;
- **Recommendation #1 – “Maintain the proportion of retail stores in Unionville Main Street at or (preferably) above the 50% level of ground floor space”;**
- “As long as any new restaurants did not crowd out retailers...and maintained their propulsive spin-offs, restaurants could be any proportion below 50%”
- **Recommendation #2 – “To protect the planned function of Unionville Main Street, restrict the areal extent of restaurants”**

### **Changes were made to the Secondary Plan and the zoning by-law**

In 2003, to implement the recommendations of the John Winter study, changes were made to the Markham Official Plan, the Unionville Core Area Secondary Plan, and the relevant Zoning By-law.

The Official Plan was amended to further articulate what was meant by a “traditional shopping experience” in the Heritage Main Street commercial zone. The Unionville Core Area Secondary Plan introduced policies that:

- Ensure that in excess of 50% of the total, at-grade floor area within a defined traditional shopping areas would be in retail use and that Council would only approve additional restaurant floor space when retail uses represented greater than 50% of the total at-grade floor space (Policy 5.1.2)
- Control the amount of new restaurant space by requiring an amendment to the zoning by-law to permit new restaurant space in the defined area (Policy 5.4.2)
- Provide guidance to the Committee of Adjustment to discourage minor variances for parking associated with restaurants and only permit a variance subject to strict guidelines (i.e. no reduction shall be greater than 10%) (Policy 5.6.3); and
- Prohibit certain land uses not conducive to a “traditional shopping experience” or those that do not contribute to the animation of the retail environment including banquet halls, fast food restaurants and banks. (Policy 5.4.4).

The Zoning By-law was amended to remove all forms of restaurant type uses as a permitted use in the Heritage Main Street commercial zone, but individually identified the existing restaurants at their current size as permitted uses.

### **Current percentage of retail floor space is 49.9 %**

Each year since 2003, or as required, Heritage Section staff has undertaken an update to the Building Footprint Inventory to determine the amount of gross ground floor area currently in retail, restaurant and in other uses (personal services, public, residential). This analysis provides information on whether more than 50% of the total at-grade, gross floor area is in retail use. The following chart illustrates the original findings from May 2003 and the most recent results:

	<b>May 2003 m<sup>2</sup></b>	<b>Percentage</b>	<b>July 2012 m<sup>2</sup></b>	<b>Percentage</b>
<b>Retail</b>	3,576.0	45.7%	4,054.1	49.9%
<b>Restaurant</b>	2,187.0	27.9%	2,304.5	28.4%
<b>Other (personal service, residential)</b>	2,064.0	26.4%	1,758.0	21.7%
<b>Total</b>	7,827.0	100%	8,116.6	100%

Note: In 2003, vacant space was included in the 'Other' category. In all other analysis, vacant floor space has been assessed as its former use (i.e. a vacant retail store has been counted as 'retail').

To determine the use of the property, the following definitions are used:

**Retail**- a premise in which the principal activity is the display and sale of merchandise to the general public for household or personal consumption (excluding wholesale) with the majority of sales being conducted by traditional 'over the counter' means direct to the consumer. **Personal service uses are not counted as 'retail'.**

**Restaurant**- a premise for the preparation and sale of food and beverages served by a restaurant employee and includes Café Restaurants, Fast Food Restaurants, Take-out Restaurants and Taverns/Pubs.

**Other** – uses which are not retail establishments or restaurants and may include **public uses** such as the McKay Art Gallery, **personal service shops** (spas, dog grooming, hair salons, etc), **legal offices** (certain properties have the right to have ground floor offices), and **residential**.

### **UBIA now requests the removal of the “50/50 restaurant restriction”**

In November 2012, the Unionville Business Improvement Area Committee (UBIA) prepared and distributed a survey to commercial businesses and property owners on Main Street Unionville seeking feedback on the existing restrictions related to the approval of additional restaurant floor for properties in the historic commercial area. According to a letter from a UBIA member dated November 16, 2012, 48 surveys were completed which represented about 66% of the tenants and property owners. Of the completed surveys, 96% requested the removal of the restaurant restrictions with 2% not in favour and 2% undecided. Council was also informed that the removal of restrictions was also supported at the UBIA General Meeting and at a subsequent UBIA Board Meeting.

---

Development Services Committee received the correspondence and deputation from the UBIA, including copies of the surveys, on December 11, 2012, and referred the matter to staff.

**Council authorized the Main Street Unionville Precinct Master Plan study**

On January 30, 2013, Council approved the Main Street Unionville Precinct Master Plan study to be undertaken by Torti Gallas and Partners Inc and sub-consultants. This study proposal was initiated by the UBIA and submitted to the City for funding authorization. A Working Group (Main Street Unionville Committee) consisting of City representatives, the UBIA and heritage and ratepayer representatives was formed to help guide the study and its implementation. Part of the study includes a review and analysis of existing zoning provisions and land use regulations, including the engagement of a retail consultant.

**Council deferred consideration of the retail/restaurant issue to allow feedback from the Precinct Master Plan study process.**

On March 5, 2013 Council deferred the retail/restaurant issue and directed that the request from UBIA to amend the Secondary Plan and Zoning By-law be referred to the Main Street Unionville Precinct Master Plan study for consideration. Staff was also authorized to hold a public information meeting regarding the request to remove restrictions on the approval of additional restaurant floor space within the commercial core area of historic Unionville as well as to consider other appropriate zoning matters, including expanded uses.

**Public information meeting held in April 2013**

On April 29, 2013, a public information meeting was held in Council Chambers to solicit feedback from the public on the request to remove the current restrictions related to restaurants and other zoning issues or concerns. Individual notice was provided to all property owners in the Unionville Heritage District and the local community groups, and a notice was placed in the local newspaper. Staff provided an overview of the applicable development planning policies and the studies that led to the implementation of these policies. Approximately 40 people were in attendance with eighteen members of the public providing feedback. Key issues raised were as follows with a more comprehensive summary provided in Appendix "A":

1. Unionville Main Street needs to be re-branded – a new “planned function”.
2. Unionville is suffering from a decline in retail and too many empty stores.
3. General support for more flexibility regarding the current land use restrictions – desire for more food related uses and letting the market prevail.
4. Concern regarding property values and high commercial property taxation.
5. Acknowledgement that existing building typologies and heritage district restrictions affects the types of viable businesses, but maintaining the unique heritage character is very much supported.
6. The amount and location of parking and whether it is free or paid is still a major issue.

---

**OPTIONS/ DISCUSSION:****Feedback from the Retail Consultant**

In addition to the feedback from members of the public at the April information meeting, and feedback obtained throughout the Precinct Master Plan study process, staff has received additional advice and recommendations from the consultants undertaking the Precinct Master Plan study. One of the study consultants is retail expert Robert Gibbs of Gibbs Planning Group who visited Unionville during the Study Charrette, undertook a market analysis, provided retail advice to local businesses, and offered recommendations on the current retail/restaurant land use framework.

During the Charrette process, Mr. Gibbs reported his observation that existing policies related to retail/restaurants has resulted in the following:

- No significant expansion in the number of retailers
- Minimal increases in retail sales
- General reduction in rental rates and commercial growth
- Maintained a balance of retail to restaurant

Subsequent to the Charrette, Mr. Gibbs and his associate Adam Cook of Seamless Collaborative prepared a response to a series of questions posed by City staff related to the retail recommendations (see Appendix 'F'). These observations are summarized below followed by staff comments:

**1. Planned Function of Main Street Unionville****Consultant Comments:**

- Due to the small amount of retail, it is difficult to create enough critical mass of retailers to form a shopping destination worth driving to just to shop.
- Many existing retailers are purpose-driven stores – visitation is to a specific store rather than to stroll the district and shop. There is also a lack of synergy amongst existing retailers.
- To become a leading destination would require focusing the merchandise mix and marketing to compensate for the small amount of retail (i.e. focus on antiques and home furnishings, or a designer district or a focus on artists and crafts).
- The preferred option is to transition Main Street Unionville into a “complete neighbourhood business district” and offer more than specialty retail.
- The area is not performing its planned function of a “traditional shopping experience” where daily needs and specialty items can be purchased.
- Research has demonstrated that the area supports a stable population base, within walking distance, suitable to make convenience, neighbourhood-oriented retail viable.

**Staff Comments:**

- The function of Unionville’s Main Street has been changing over the last 10 -15 years. This change was first noted in John Winter’s market analysis report in 2002 stating that although it was a regional attraction due to its ambiance of historic buildings, its eclectic mix of stores and services, and the “uniqueness” of the overall experience, the power of this

attraction was declining. In 1992, 88% of clientele came from outside Markham; in 2002 this had dropped to 54% and based on BIA member comments, it would appear that visitation from outside of Markham has further been eroded from 2002 to 2013.

- In the past, archetypal Main Street uses and convenience stores and services have not been permitted on Main Street. These “daily commodity” uses were found along Highway 7 and in the commercial plaza on Fred Varley Drive. Patrons to Main Street go by choice seeking specialty or unique products or for dining.
- If the desire is to change the “planned function” of Main Street Unionville from a unique shopping and leisure destination with a focus on specialty retail to a neighbourhood commercial district offering a wide variety of goods and services, this should be clearly stated in the Secondary Plan policy and the additional new uses reflected in the zoning by-law.

## 2. Limitation of Number of Restaurants

### Consultant Comments:

- There is a strong local demand for both restaurants and retailers.
- The municipality successfully stopped the expansion of restaurant uses in exchange for a period of stagnation in retail development.
- Three communities in North America have experimented with similar restrictions to those currently found in Unionville, including the City of Toronto (Queen Street West) which was introduced quite recently. The other two examples appear to have achieved their objective of limiting either restaurant or retail uses without stifling growth of the other uses.
- In Toronto, the concern was how to limit the concentration of restaurants, bars and similar uses with many restaurants turning into late night drinking establishments resulting in conflicts with surrounding residential uses. The new by-law (2013) restricts the number of restaurant properties to 25% of the total number of properties in each of four segments of Queen Street.
- The composition of retail spaces versus restaurant spaces (measured on the basis of individual establishments) has shown that Main Street Unionville is not fundamentally different than other smaller main streets in southern Ontario. The average retail to restaurant ratio of the communities surveyed was 69%-31% whereas Unionville is currently at a 62%-38% ratio.
- The consultant is of the opinion that the total number of individual restaurants would have to exceed 50 to 60% of properties to be considered a “restaurant campus”
- GPG suggests that the existing restrictions on restaurants should be removed (and the situation be carefully monitored) or at least modified to allow specialty food retailers (such as bakeries and small grocers which allow patrons to consume certain foods on site). One of the key issues is the current definition of “restaurant” as it encompasses nearly any business concept that involves the consumption of food.

---

Staff Comments:

- The general consensus appears to be that the existing restrictions on most restaurants should be removed to let the market place prevail.
- However, without any limitation on restaurants, there is still the possibility of the area becoming primarily a restaurant district (depending on the market place and subject to how parking requirements are addressed)
- At present, there are 44 properties in this zone (HMS) with 13 properties primarily is restaurant use (29.5%) or 15 properties if take-out restaurants are counted (34%)
- There appears to be a need to provide further clarity in the definition of specific restaurant types in the zoning by-law.
- GPG recommends limiting the number of liquor permits when restaurants are re-introduced to avoid becoming an entertainment district. It is unclear how this would be accomplished in an Ontario context as municipalities do not have jurisdiction over the issuance of liquor licenses, which is a provincial matter.

### 3. Types of Restaurants to be Permitted

Consultant Comments:

- The continued restriction of licensed and fast food type establishments is recommended by GPG.
- It has been the consultant's experience that too many liquor serving/focused restaurants can lead to an entertainment district with negative impacts on surrounding residential neighbourhoods and adjacent office and retail uses.
- Neighbourhood type cafes, coffee shops, bakeries etc should be given priority over bars and large theme restaurants.

Staff Comments:

- The Secondary Plan and zoning by-law would have to be modified to allow certain restaurant types, but exclude taverns/bars.
- May need to develop a clearer definition of fast food type restaurants and tavern/bar

### 4. Types of Uses to be Permitted

Consultant Comments:

- All existing permitted uses in the Heritage Main Street zone of the by-law were acceptable to GPG.
- Additional retail uses that could be permitted included a broader range of neighbourhood type stores such as convenience, drug/pharmacy, electronic, music, camera, hardware, pet, print/copy shop, specialty food, grocery and provincial beer/liquor. Inns/hotels are also supported by GPG.
- The consultant also suggested that non-retail uses such as banks, financial institutions real estate offices and places of worship in moderation can serve as non-commercial anchors for a shopping district.
- GPG indicated that offices could be permitted on the ground floor "as long as the building's street level is designed as a storefront to accommodate future retail".



[This would appear to be directed at new development in the area]. GPG does not recommend any minimum setback between the office use and adjacent retailers.

Staff Comments:

- By introducing the additional use permissions that are commonly found on most Main Streets and in commercial convenience plazas, there will be greater opportunities for retail, but the area could lose its uniqueness from a retail perspective (i.e. no longer a focus on unique boutiques, one-of-kind stores that draw consumers from a wider area) although it would still have its heritage ambiance.
- If the planned function is to become a neighbourhood commercial district, the types of additional retail uses suggested by the consultant would be appropriate. Inns and small hotels would also be compatible.
- Given the small linear extent (400m) of Main Street and the abundant opportunity for these uses elsewhere, the inclusion of banks, financial institutions, and places of worship in this location does not appear appropriate.
- Business and professional offices should not be permitted on the ground floor on properties fronting onto the Main Street in order to maintain the animation of the street. However, locating these uses on the ground floor behind viable retail uses or in new development areas off of Main Street would not appear to be detrimental to the area.

5. Building Size Restrictions

- GPG does not recommend any restrictions on size of restaurant or retail facilities, but instead advises of the need for strict planning and design standards for the building form.

Staff Comments:

- The limited size of existing properties, historic building typologies and parking requirements have limited, and will continue to limit, the size of establishments.
- Redevelopment of certain non-heritage properties or further infill development with underground parking could result in larger floor plates for restaurant or retail use which would not be characteristic of the village environment. Staff may consider a maximum size for restaurants as is often applied in commercial contexts where parking is constrained.

**A number of options are available for consideration by Development Services Committee and Council**

Option 1- Do Nothing

Council could choose to maintain the current policies related to restaurant restrictions in the Unionville Core Area Secondary Plan and the zoning by-law.

---

### Option 2 – Modify the Existing Policy

Council could choose to modify the current policies in the Secondary Plan to reduce the retail percentage to a lower number to allow a moderate amount of restaurant investment to occur. However this approach would still require applicants to have to seek an amendment to the zoning by-law to permit new restaurants to be introduced.

### Option 2a – Allow “Restaurants” associated with Retail Operations

Council could maintain its restrictions on stand alone restaurants, but allow restaurants or food services associated with a retail operation such as a deli, bakery, tea/coffee store, specialty food store, etc. The food consumption component could be limited to a certain percentage of floor space or by number of seats. Other additional uses could be introduced to allow further diversification.

### Option 3 – Removal of the Existing Policy

Council could choose to remove the policies in the Secondary Plan related to restrictions on restaurant use. As noted in the Background Section, there are a number of inter-related policies on the matter of restaurants including the 50% requirement, the need for a zoning by-law amendment, the policy on variances related to restaurant parking requirements, and the prohibition of fast food restaurants. This option would also require the Zoning By-law to be amended to add specific restaurants as a permitted use.

### Option 3a – Removal of the Existing Policy/ Addition of New Uses

This option includes Option 3, but would introduce additional permitted uses for properties zoned Heritage Main Street to allow further diversification with a focus on convenience, neighbourhood-oriented retail.

## **Staff Recommendation**

Based on a review of the feedback received from the BIA and the public, and the recommendations from the retail consultant associated with the Precinct Master Plan study, staff is recommending that Council consider Option 3a. This would require:

- Removing the policies in the Secondary Plan related to restrictions on specific restaurant uses as it relates to the amount of retail uses.
- Modifying Secondary Plan policies related to the area’s planned function, what uses are prohibited uses and the issue of parking variances for restaurants
- Amending the “permitted uses” section in the zoning bylaw to re-introduce specific restaurant types.
- Amending the “permitted uses” section in the zoning bylaw to allow additional uses that are not food related and retail uses that could include food consumption (deli, bakery, specialty food stores).
- Modifying the definitions of certain uses such as Restaurant-Tavern and Restaurant-Fast Food.

To implement the above, details on the proposed changes to the Secondary Plan are summarized in Appendix “D” while the proposed zoning by-law changes are summarized in Appendix “E”.

If Council authorizes a Statutory Public Meeting to consider the identified changes, staff will prepare the necessary draft Official Plan Amendment to modify the Secondary Plan and a draft Zoning By-law Amendment that will be available for viewing 20 days prior to the public meeting. The notice of the public meeting would be based on option 3(a), but other options could also be discussed at the meeting.

**FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)**

Not Applicable

**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable

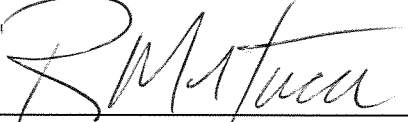
**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Addresses matters relating to Growth Management.

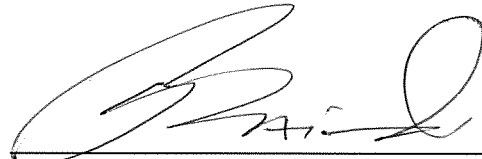
**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not Applicable

**RECOMMENDED BY:**



Rino Mostacci, M.C.I.P., R.P.P.  
Director, Planning & Urban Design



Jim Baird, M.C.I.P., R.P.P.  
Commissioner of Development Services

**ATTACHMENTS:**

Appendix 'A' Summary of Key Issues by Subject Matter – Public Information Meeting – April 29, 2013

Appendix 'B'	Extract from Existing Secondary Plan Policies related to restaurants
Appendix 'C'	Extract from Existing Zoning By-law
Appendix 'D'	Proposed Changes to Secondary Plan
Appendix 'E'	Proposed Changes to Zoning By-law
Appendix 'F'	Retail Consultant Recommendations

File

Q:\Development\Heritage\SUBJECT\Unionville OPA Zoning review 2013\DSC report Dec 3 2013.doc

**Appendix "A"**

**Summary by Planning Staff -- Key Issues by Subject Matter  
Public Information Meeting  
April 29, 2013.**

Branding of Unionville

- Unionville is no longer what it once was - no longer an antique capital or regional day trip attraction.
- Needs to be re-branded, better promotion
- Needs to be known for something once again
- Emphasize a traditional heritage experience
- Need a winter season draw for the street
- Cleanup recycling depot
- Needs public washroom
- Physical decline of the street; decline in maintenance of buildings

Decline in Retail/ Empty Stores

- Declining retail market/ difficult to lease as retail/ street is dying
- Demographics are changing
- Too many empty buildings/ loss of business potential
- Fear that the decline will affect adjacent residential
- Need an anchor commercial tenant

Land Use Restrictions

- Most leasing inquiries are for food related uses and offices
- Fairness is key- regulations affect property values
- Remove the 50/50 restriction. Treat everyone the same.
- Modify the 50/50 but don't remove it
- Let the marketplace prevail/ cannot get maximum usage of property
- Additional uses should be permitted (bakeries, tea houses). More flexibility.
- More restaurants may result in increased noise and vandalism. Possibly other new uses may be better solution
- Certain uses should still remain prohibited
- Chain stores and restaurants -Some have no concerns; others want to try to keep the area more unique
- Wait and see what the current study recommends
- Keep offices off the main floor
- Don't remove the existing restrictions- allowing more restaurants will further erode retail and be detrimental to the historic character- never heard a complaint from visitors that there were not enough restaurants, but heard that there is not enough shopping/stores.

Property Values/ Commercial Taxation

- Owner occupied stores have decreased leading to rent increases.
- Commercial taxes are very high
- Rental rates are too expensive for retail to survive

Building Typology/ Heritage District Restrictions

- Heritage restrictions limit retail; heritage windows are too small and affect views into stores
- Small building sizes affect uses
- Heritage is still a key draw- uniqueness. Main Street is the “jewel of Markham”
- Architectural control is needed to maintain heritage character

Parking Issues

- Paid parking is generally not supported If introduced, fear is that the parking could bleed into residential areas
- Support for integrated parking lots
- City should take lead in providing more parking
- If more restaurants are allowed, parking needs to be increased.

## APPENDIX B

of the SPECIAL POLICY AREA and prescribes the various land use categories permitted, in the context of this Secondary Plan, within the boundaries of the lands designated SPECIAL POLICY AREA. The specific land use policies applicable in the SPECIAL POLICY AREA shall be the policies of Section 3.10.2 of the Official Plan (Revised 1987) as amended and the policies applicable, in this Secondary Plan and in the Official Plan, to the land use categories as shown on Schedule 'AA' hereto.

5. POLICIES5.1 GENERAL

5.1.1 It shall be the policy of the Town to encourage the continued commercial viability of the Unionville Core Area, while preserving and enhancing its distinctive and historic character. To this end, Council will permit limited expansion and intensification of Core Area uses.

5.1.2 It shall be the policy of the Town that Main Street Unionville provide a traditional shopping experience in the form of a historic commercial area where the at-grade uses are predominately retail.

Specifically, it is intended that in the Main Street Unionville Traditional Shopping Area as shown on Schedule 'BB', in excess of 50 percent of the total at-grade, gross floor area shall be in retail use. Council shall only approve additional restaurant floor space within the Traditional Shopping Area shown on Schedule 'BB' when retail uses represent greater than 50% of the total at-grade, gross floor area.

5.1.3 To maintain animation and pedestrian activity and interest at street level, it shall be the policy of the Town to prohibit business and professional Offices on the ground floor of commercial properties facing Main Street Unionville.

5.1.4 Applications for commercial development and expansion within the Core Area shall be evaluated with regard to compatibility with the historic character of the area, the adequacy of parking provided and available in the Core Area and sensitivity to adjacent low density residential areas.

5.1.5 Commercial development shall not be permitted to expand beyond the Unionville Core Area into adjacent residential areas. Council is committed to the retention of a residential component within old Unionville, which shall include the historic

5.3 HAZARD LANDS

- 5.3.1 The lands adjacent to the Rouge River, east of the Kennedy Road original road allowance, are designated HAZARD LANDS as shown on Schedule 'AA'. These HAZARD LANDS, which are outside the SPECIAL POLICY DESIGNATION of the Official Plan, are subject to the HAZARD LANDS policies of Section 3.10.1 of the Official Plan.
- 5.3.2 Within the area designated HAZARD LANDS as shown on Schedule 'AA', provision shall be made for a vegetated riparian habitat zone along the streambank of the Rouge River, having a minimum width of thirty (30) metres (or to the satisfaction of the Town and the Toronto and Region Conservation Authority). Such riparian habitat zone shall be retained in a natural state and, where required, will be planted or supplemented with additional planting in accordance with a riparian vegetation plan, approved by the Town in consultation with the Toronto and Region Conservation Authority.

5.4 PERMITTED USES

- 5.4.1 Permitted uses in the Core Area shall include a diversified mixture of commercial facilities, limited to specialty retail establishments, personal service shops, bed and breakfast establishments and business and professional offices as well as recreational and cultural facilities and residential uses. The nature and location of these uses shall be specified in the implementing zoning by-law.
- 5.4.2 In addition to the uses permitted in Section 5.4.1, restaurant uses may be permitted by Council subject to an amendment to the zoning by-law. When considering such an application, the applicant shall be required to satisfy Council that there is sufficient parking available and that the new use will not negatively affect the predominance of at-grade retail uses along Main Street in accordance with Section 3.4.6.4: a) i) of the Official Plan and Section 5.1 of this Secondary Plan.
- 5.4.3 In addition to the uses permitted in policy 5.4.1, hotels may be permitted by Council subject to an amendment to the zoning by-law. When considering such an application, the applicant shall be required to satisfy Council that there is sufficient parking available and that the new use will not negatively affect the predominance of at-grade retail uses along Main Street, in accordance with Sections 3.4.6.4 a) i) of the Official Plan and Section 5.1 of this Secondary Plan.

5.4.4 Notwithstanding Section 3.4.6.4(c) of the Official Plan (Revised 1987) as amended, the following uses shall be prohibited on lands designated Heritage Main Street Area:

- Places of Worship
- Private and Commercial Schools
- Motels
- Funeral Homes
- Banquet Halls
- Fast Food Restaurants
- Banks and Financial Institutions
- Daycare Centres

5.4.5 The Core Area is characterized for the most part by uses that are complementary and interdependent; each use plays a role in creating and enhancing the overall character and attractiveness of the Core Area. Uses that attract and promote "one stop shopping" contribute little to the overall vitality and amenity of the Core Area. These uses are typically characterized by high user turnover and high parking demand and shall not be encouraged to locate within the Core Area. An example of such a use would be a fast food restaurant franchise outlet, which attracts high volumes of traffic to one specific site.

5.4.6 The value of the small, independent commercial establishments to the overall amenity and vitality of the Core Area is recognized and such uses will be encouraged to remain or locate in the area.

## 5.5 HERITAGE AND URBAN DESIGN

5.5.1 In order to maintain and preserve the existing buildings and historic architectural character of the Core Area and environs, the Town has established the Unionville Heritage Conservation District under Part V of the Ontario Heritage Act.

5.5.2 Council has adopted a heritage conservation district plan, which includes policies and design guidelines respecting the protection and enhancement of the district, in accordance with the guidelines established by the Ministry of Culture and accepted heritage conservation policies and practices.

5.5.3 It is the objective of Council, in consultation with Heritage Markham, that all new development within the Core Area shall be compatible with, and complementary to, the distinctive and historic character of the area. In particular, regard shall be had for building design, building materials and treatments, signage



and landscaping and tree preservation. Uses or establishments that are by nature incompatible with this objective shall be discouraged from locating in the Core Area.

5.6 TRAFFIC AND PARKING

5.6.1 Improvements to the parking areas and traffic circulation patterns shall be initiated and encouraged by Council, with an emphasis on pedestrian convenience and safety. Such improvements will include improved pedestrian and vehicular linkages between Main Street and the parking areas to the east and west. Council will also endeavor to improve signage identifying parking areas within the Core Area.

5.6.2 The availability of convenient and adequate parking is critical to ensure the continued commercial vitality of the Core Area and may have implications for future commercial growth. Consequently, Council will ensure that adequate on-site parking is provided in association with all new development in the Core Area. In addition, the Town will pursue opportunities for supplementing the supply of public parking within the Core Area. Opportunities for additional public parking may include:

- the lands to the east of Main Street;
- the lands on the west side of Main Street north of Carlton Road and the bridge;
- northeast corner of Main Street and Carlton Road;
- historic Unionville train station site;
- former Stiver Mills lands;
- Recycling Depot lands on Main Street.

5.6.3 Parking demand closely mirrors the available parking supply. In keeping with the planned function of Main Street and recognizing that the parking standard for restaurant uses are reduced when compared to other areas of the Town, the granting of minor variance relief from the parking standards of the zoning by-law is strongly discouraged for restaurant uses. Such relief should only be granted in limited circumstances upon the applicant satisfying the Town that a minor reduction of the parking requirement is necessary for the appropriate use and development of the land and that there will be other demonstrable community benefits through the granting of such a request, such as the integration of adjacent parking areas or additional landscaping. It is intended that the Committee of Adjustment be guided in their decisions that in no case shall the reduction be greater than 10 percent of the parking requirement.

## APPENDIX BC

RESTAURANT means an establishment for the preparation and sale of food and beverages served by a restaurant employee to a table located in an area inside or outside the building where the food is prepared and, as an accessory use thereto, such establishment may offer a take-out service. Such establishment may include a licensed dining lounge.

RESTAURANT, CAFÉ means an establishment serving primarily hot beverages such as coffees and teas, and as accessory thereto may offer associated food products.

RESTAURANT, FAST FOOD means an establishment for the preparation and sale of food and beverages for consumption both inside and outside the building(s) on the premises and as accessory thereto may offer drive-in, take-out, or packaged fast food service.

RESTAURANT, TAKE-OUT, means an establishment where food and beverage are prepared and sold, primarily for delivery to or pick-up by customers for consumption off the premises.

RESTAURANT, TAVERN means a Building or part thereof where, in consideration of payment therefore, liquor, beer, or wine or any combination thereof are served for consumption on the premises, with or without food, and shall include a pub-style restaurant.

All other definitions of Section 2 – DEFINITIONS of By-law 122-72, as amended, not inconsistent with the above definitions shall continue to apply.

- 1.5 By deleting Section 14 – COMMERCIAL MAIN STREET (MS) ZONE of By-law 122-72, as amended, and substituting therefore the following:

### "SECTION 14 – HERITAGE MAIN STREET (HMS) ZONE

#### 14.1 HMS USES PERMITTED

No person shall hereafter change the use of any BUILDING, STRUCTURE or land, NOR ERECT and use any BUILDING or STRUCTURE in a HERITAGE MAIN STREET (HMS) ZONE except for one or more of the following uses:

- Display, storage and sale of objects of art and craft work such as in an antique shop
- Custom workshops for the production, repair and storage of works of art and craft work as accessory to the commercial sale of such objects in the same BUILDING
- Photographer's studios
- Historical museums, libraries and art galleries
- 'Speciality' retail sales establishments including boutique fashion stores, tobacco and pipe stores, florists, greeting card stores, book stores and gift stores
- PERSONAL SERVICES SHOPS
- Outdoor displays, exhibitions and kiosks and open air markets
- Amateur and semi-professional theatres and the like
- Business and professional OFFICES, provided that such OFFICE uses shall not be located on the GROUND FLOOR of BUILDINGS
- SINGLE DETACHED DWELLINGS or DWELLING UNITS in the same BUILDING as any of the above permitted uses
- BED AND BREAKFAST INNS

1.1. By amending Section 14.3(iii) to read:

139 Main Street

RESTAURANTS shall be permitted provided the total maximum gross floor area for all RESTAURANTS does not exceed 326.5 m<sup>2</sup> and the second floor shall only be used for Office uses on the lands municipally known as 139 Main Street as shown on Schedule 'B'. In addition, not less than 50% of the at-grade gross floor area of 139 Main Street shall be devoted to RETAIL use.

14.2 PROHIBITED USES

In addition to the uses prohibited by Subsection 5.19 of By-law 122-72, as amended the following uses shall also be prohibited in the HERITAGE MAIN STREET (HMS) ZONE:

- FAST FOOD RESTAURANTS
- DRIVE-IN RESTAURANTS
- Business and professional OFFICES on the GROUND FLOOR of BUILDINGS

14.3 SITE SPECIFIC EXCEPTIONS

(a) Notwithstanding the provisions of Subsections 14.1 and 14.2 above, the following additional uses shall be permitted/prohibited on a site specific exception basis for the properties noted:

- (i) 162, 166 and 170 Main Street, Unionville  
A sporting goods store shall be permitted on the lands municipally known as 162, 166 and 170 Main Street, Unionville, as shown on Schedule 'B'
- (ii) 142, 149, 166, 175, 182, 186, 187, 189, 198, 201, 202 and 205 Main Street, Unionville  
A RESTAURANT, TAVERN, and CAFE, the size as existing as of the day of the passing of this by-law, shall be permitted on the lands municipally known as 142, 149, 166, 175, 182, 186, 187, 189, 198, 201, 202 and 205 Main Street as shown on Schedule 'B'
- (iii) 139 Main Street  
One (1) RESTAURANT shall be permitted having a maximum gross floor area of 296 m<sup>2</sup> on the lands municipally known as 139 Main Street as shown on Schedule 'B'
- (iv) 187 Main Street  
In addition to the RESTAURANT floor space existing on the day of the passing of the by-law, an additional 65 m<sup>2</sup> of ground floor restaurant space shall be permitted on the lands municipally known as 187 Main Street as shown on Schedule 'B'
- (v) 155, 187 and 194 Main Street, Unionville  
A TAKE OUT RESTAURANT, the size as existing as of the day of the passing of this by-law, shall be permitted on the lands municipally known as 155, 187 and 194 Main Street as shown on Schedule 'B'
- (vi) 141, 143 and 145 Main Street, Unionville  
TAVERN RESTAURANTS, TAKE OUT RESTAURANTS, take-out service accessory to a RESTAURANT, and outdoor garbage storage facilities associated with a RESTAURANT shall be prohibited on the lands municipally known as 141, 143 and 145 Main Street as shown on Schedule 'B' which properties are zoned Heritage Main Street Commercial

replaced by  
OMB decision  
See Amendment

(HMS). In addition, the following prohibition or restriction of outdoor patios or decks accessory to a RESTAURANT shall apply to the aforementioned properties:

- 143 and 145 Main Street – outdoor patios or decks associated with a RESTAURANT shall be prohibited
- 141 Main Street – one (1) outdoor patio or deck accessory to a RESTAURANT shall be permitted, having a maximum floor area of 100 square metres, and shall be located in the FRONT YARD only and set back a minimum distance from the LOT LINES as follows:

<u>LOT LINE</u>	<u>MINIMUM SETBACK</u>
EAST	58.0 metres
NORTH	14.0 metres
SOUTH	8.0 metres
WEST	3.0 metres

Any portion of the outdoor patio or deck projecting south of the south wall of the MAIN BUILDING shall be required to be visually screened in relation to the abutting residential ZONE to the east, through a combination of landscaping and privacy screen fencing

- (vii) 136, 141, 143 and 145 Main Street, 2 and 4 Station Lane, Unionville  
Business and Professional OFFICES shall be permitted on the GROUND FLOOR of BUILDINGS on the lands municipally known as 136, 141, 143 and 145 Main Street, and 2 and 4 Station Lane as shown on Schedule 'B'
- (viii) 159 and 159A Main Street, Unionville  
A HOTEL subject to a Holding provision shall be permitted on the land municipally known as 159 and 159 A Main Street, as shown on Schedule 'B'. No person shall use any BUILDING or STRUCTURE on the lands subject to the holding provision for HOTEL until an amendment to this by-law to remove the Holding provision has come into effect pursuant to the provisions of Section 36 of the Planning Act, R.S.O. 1990, c.P. 13. The precondition for removal of the Holding provision by Council shall be the execution of a site plan agreement with the municipality involving a hotel use
- (b) 141 and 143 Main Street, Unionville  
Notwithstanding the provisions of Section 14.4(g)(i) of By-law 122-72, as amended, in the case of the two properties on the east side of the Kennedy Road original road allowance immediately north of Victoria Avenue, municipally known as 141 and 143 Main Street as shown on Schedule 'B', which properties are zoned HERITAGE MAIN STREET COMMERCIAL (HMS), the continuous LANDSCAPED OPEN

## **APPENDIX 'D'**

### **Proposed Changes to the Secondary Plan**

#### Changes Required to Unionville Core Area Secondary Plan

##### **Modify Policy 5.1.2**

*To remove the requirement for 50% retail and provide a new planned function for commercial area.*

##### Existing Policy

“It shall be the policy of the Town that Main Street Unionville provide a traditional shopping experience in the form of a historic commercial area where the at-grade uses are predominately retail.

Specifically it is intended that in the Main Street Unionville Traditional Shopping Area as shown on Schedule ‘BB’, in excess of 50 percent of the total at-grade, gross floor area shall be in retail use. Council shall only approve additional restaurant floor space within the Traditional Shopping Area shown on Schedule ‘BB’ when retail uses represent greater than 50% of the total at-grade, gross floor area.”

##### Replacement Policy

“The planned function of properties within the Heritage Main Street commercial designation of this Secondary Plan is to provide a pedestrian oriented, shopping/dining/cultural experience serving both the local neighbourhood and the wider Markham community in the form of a historic village commercial area.”

##### **Modify Policy 5.1.3**

*To require a specific setback for main floor offices, fitness centres and commercial schools on the ground floor of properties that front onto Main Street.*

##### Existing Policy

“To maintain animation and pedestrian activity and interest at street level, it shall be the policy of the Town to prohibit business and professional Offices on the ground floor of commercial properties facing Main Street Unionville.”

##### Replacement Policy

“To maintain animation, and pedestrian activity and interest at street level, business and professional offices, private and commercial schools and health and fitness centres situated on the ground floor of properties fronting onto Main Street shall be required to be located a minimum of 10m from the front property boundary.”

##### **Modify Policy 5.4.1**

*Remove the limitation of only permitting specialty retail and personal service shops as the commercial uses. Add in restaurants and hotels/inns.*

##### Existing Policy

“Permitted uses in the Core Area shall include a diversified mixture of commercial facilities, limited to specialty retail establishments, personal service shops, bed and breakfast

establishments and business and professional offices as well as recreational and cultural facilities and residential uses. The nature and location of these uses shall be specified in the implementing zoning by-law.”

#### Replacement Policy

“Permitted uses in the Core Area shall include a diversified mixture of commercial, retail and restaurant facilities, personal service shops, hotels/inns, business and professional offices as well as recreational, fitness and cultural facilities and residential uses. The nature and location of these uses shall be specified in the implementing zoning by-law.”

#### **Delete Policy 5.4.2**

*Restaurants are proposed to be a permitted use (replacement policy 5.4.1) but fast food restaurants and taverns/bars are to be prohibited.*

#### Existing Policy to be Deleted

“In addition to the uses permitted in Section 5.4.1, restaurant uses may be permitted by Council subject to an amendment to the zoning by-law. When considering such an application, the applicant shall be required to satisfy Council that there is sufficient parking available and that the new use will not negatively affect the predominance of at-grade retail uses along Main Street in accordance with Section 3.4.6.4.a)i) of the Official Plan and Section 5.1 of the Secondary Plan.”

#### **Delete Policy 5.4.3**

*Hotels are proposed to be a permitted use (replacement policy 5.4.1)*

#### Existing Policy to be Deleted

“In addition to the uses permitted in policy 5.4.1, hotels may be permitted by Council subject to an amendment to the zoning by-law. When considering such an application, the applicant shall be required to satisfy Council that there is sufficient parking available and that the new use will not negatively affect the predominance of at-grade retail uses along Main Street, in accordance with Sections 3.4.6.4 a)i) of the Official Plan and Section 5.1 of this Secondary Plan.”

#### **Modify 5.4.4**

*To remove private and commercial school as prohibited uses and add in taverns/bars.*

#### Existing Policy

Notwithstanding Section 3.4.6.4(c) of the Official Plan (Revised 1987) as amended, the following uses shall be prohibited on lands designated Heritage Main Street Area:

- Places of Worship
- Private and Commercial Schools
- Motels
- Funeral Homes
- Banquet Halls
- Fast Food Restaurants
- Banks and Financial Institutions
- Daycare Centres

#### Modify Policy

- Remove **private and commercial schools** from the list
- Add in **Taverns/Bars**

#### **Modify 5.6.3 (Parking related to restaurants)**

*To be less restriction in giving parking relief for restaurants.*

#### Existing Policy

“Parking demand closely mirrors the available parking supply. In keeping with the planned function of Main Street and recognizing that the parking standard for restaurant uses are reduced when compared to other areas of the Town, the granting of minor variance relief from the parking standards of the zoning by-law is strongly discouraged for restaurant uses. Such relief should only be granted in limited circumstances upon the applicant satisfying the Town that a minor reduction of the parking requirement is necessary for the appropriate use and development of the land and that there will be other demonstrable community benefits through the granting of such a request, such as the integration of adjacent parking areas or additional landscaping. It is intended that the Committee of Adjustment be guided in their decisions that in no case shall the reduction be greater than 10 percent of the parking requirement.”

#### Replacement Policy

“Parking demand closely mirrors the available parking supply. In keeping with the planned function of Main Street and recognizing that the parking standard for restaurant uses are reduced when compared to other areas of the **City**, the granting of minor variance relief from the parking standards of the zoning by-law **should be given careful consideration** for restaurant uses. Such relief should only be granted in limited circumstances upon the applicant satisfying the **City** that a minor reduction of the parking requirement is necessary for the appropriate use and development of the land and that there will be other demonstrable community benefits through the granting of such a request, such as the integration of adjacent parking areas or additional landscaping.”

#### **Delete Schedule ‘BB’ (Traditional Shopping Area)**

*This schedule is no longer required with the removal of Policy 5.1.2*

## APPENDIX 'E'

### Proposed Changes to the Zoning By-law

Changes Required to By-law 2003-167 (an amendment to the parent by-law 122-72)

**Proposed Changes are in bold and [brackets]**

#### Section 1.5 of By-law 2003-167

##### Section 14 – Heritage Main Street Zone (HMS)

##### 14.1 HMS Uses Permitted

- Display, storage and sale of objects of art and craft work such as an antique shop
- Custom workshop for the production, repair and storage of art and craft work as accessory to the commercial sale of such objects in the same building
- Photographer's studios
- Historical museums, libraries and art galleries
- ~~“Speciality” retail sales establishment (such as boutique fashion stores, tobacco and pipe stores, florists, greeting card stores, book stores, gift stores)~~  
*(this can be deleted as the area would no longer be geared to specialty retail and instead would be open to all retail uses)*
- **[Retail Store which, without limiting the generality of the definition thereof, shall include a confectionery store, an ice cream parlour, a delicatessen, a fish and/or meat market, a specialty food store, a wine and/or beer making store, or other similar retail establishment]**  
*(Retail Store is a defined term in the by-law- “means a premise in which the principal activity is the display and sale of merchandise to the general public for household and personal consumption (excluding wholesale) with the majority of sales being conducted by traditional ‘over the counter’ means direct to the consumer (excluding rentals or indirect sales such as vending machines, catalogues or internet sales)”. The retail stores that would be permitted include stores that sell- clothing/fashion, florists, greeting card/gifts, books, music, electronics, cameras, hardware, pets, etc.*
- Personal Service Shops
- Outdoor displays, exhibitions and kiosks and open air markets
- Amateur and semi-professional theatres and the like
- Business and professional offices **[private and commercial school and health and fitness centre]** provided that such **[office]** uses shall not be located on the ground floor of buildings.
- Single detached dwellings or Dwelling units in the same building as any of the above permitted uses *(this statement would be moved further down the listing)*
- Bed and breakfast inns *(defined in the by-law as a dwelling where proprietor resides and provides not more than 3 bedrooms)*
- **[Restaurant, Café Restaurant, Take-Out Restaurant]**
- **[Bake Shop]**
- **[Convenience retail store]**
- **[Home Furnishing store]**
- **[Pharmacy]**
- **[Specialty Food store]**
- **[Grocery Store]**



- **[Liquor or beer store]**

**[The following provisions shall apply to a Bake Shop or Retail store offering the sale of grocery or food type merchandise, inclusive of a confectionery store, a delicatessen, a fish and/or meat market, an ice cream/yogurt parlour or a specialty food store, as its primary use:**

- i) a seating area for up to XX persons shall be permitted as an associated use.]**

#### **Prohibited Uses**

- Fast food restaurants
- Drive in restaurants
- **[Tavern/bar restaurants]**
- **[~~Business and professional offices on ground floor~~]**

#### **Notes**

1) for Business and professional offices, private and commercial school and health and fitness centre, the use cannot be located on the ground floor. However, consideration will be given to these uses on the ground floor through a variance application. The Secondary Plan policy related to these uses that front onto Main Street Unionville would be applicable.

2) Given the heritage character of the area, the size of lots/buildings and other constraints, the following uses are not recommended to be included as permitted uses:

- banks and financial institutions
- places of worship
- banquet halls
- funeral homes
- motels
- fast food restaurants
- day care centres
- Tavern or bars
- medical offices

#### **Section 14.3 Site Specific Exceptions**

- will need to be amended if restaurants become a permitted use once again

#### **Definitions**

- 1) refine the definition of Restaurant, Fast Food to provide additional clarity
- 2) refine the definition of Restaurant, Take Out to provide additional clarity
- 3) refine the definition of Restaurant, Tavern to provide additional clarity
- 4) add Bake Shop definition – “means a premise where the products of a baker, such as cakes, cookies, breads and pies, are baked and offered for retail sale and make include, as an accessory use, a seating area.”

## UNIONVILLE, Ontario

## QUESTIONS FOR GIBBS PLANNING GROUP

30 September 2013

Page | 1

**1. How should the “planned function” of the commercial area be changed?**

- Currently the planned function is to “provide a traditional shopping experience in the form of a historic commercial area where the at-grade uses are predominantly retail.”
  - o Given Unionville's small amount of retail, it is difficult to create enough critical mass of retailers to form a shopping destination worthy of driving to, just to shop. Although Unionville is a major tourist destination, many of the retailers are purpose-driven stores, where customers drive to visit the specific business, rather than to stroll the district and shop for two-plus hours as one would in a shopping center.
- Business and professional office uses are prohibited on the ground floor of commercial properties facing Main Street.
  - o A focused merchandise mix and marketing campaign would be necessary to compensate for the village's small amount of commercial.
  - o For example, Unionville could become a leading destination for one of the following:
    - A leading home furnishings and antiques district
    - An edgy fashion and designer district
    - An artist district
    - An entertainment district
    - A crafts district
    - An ethnic-focused district
    - A complete neighborhood business district offering:
      - Baked goods
      - Produce

- Fish, poultry, meats
- Organic foods
- Handcrafted beverages, sodas, beers, coffees, etc.
- Local cafes & carry-out foods
- Focus is on **specialty retail** uses - certain uses are not permitted in the Unionville Historic commercial designation (places of worship, private and commercial schools, motels, funeral homes, banquet halls, fast food restaurants, banks, financial institutions, daycare centres).
  - Non-retail uses such as banks, financial institutions, inns, real estate offices and places of worship, in moderation, can serve as non-commercial anchors for the shopping district.
  - These non-retail uses can bring visitors to the district on a regular basis and improve foot traffic and sales. Typically, however, offices and restaurants can afford higher rents than many retailers, and may cause an escalation in rents.

## 2. Should there be a limit on the number of restaurants?

- How do we prevent the development of a "restaurant row" or "restaurant campus"? Currently, restaurants represent about 30 percent of ground floor space.
  - There are two primary methods to prevent a restaurant row, if that is desired:
    - Regulate the maximum percent of restaurants by law
    - Implement a business recruitment program to seek out and attract targeted retailers such as fashion, sporting goods, shoes, home furnishings, etc.
- How should we recalibrate the percentage of retail stores on Main Street at ground floor space? E.g., would a 70/30 split (restaurant and non-retail vs. retail) create a meaningful change and in what timeframe can that change be measured?
  - Unionville has a strong demand for both restaurants and retailers. There is a tipping point where the amount of retailers is too small to command the critical mass necessary to sustain a shopping district.
  - A split of 70 percent restaurants to 30 percent retailers will likely reduce Unionville's ability to serve as a shopping destination. Instead, the village will become an entertainment district that offers some infill retailers.

## 3. If restaurants are again permitted in the zoning by-laws, should all types be permitted or just certain types?

- restaurant café Yes
- restaurant tavern Limited numbers only
- restaurant, take out Yes, as long as they have in-house dining
- restaurant, fast food No
- bakery with associated restaurant services Yes, as much as is supportable
- deli with associated restaurant services
  - It has been our experience that too many liquor serving restaurants can lead to an entertainment district, with negative impacts on surrounding residential neighborhoods and adjacent offices and retail.
  - Restaurants create a strong demand for parking and frequently lead to vandalism in the town center. Some business owners reported that vandalism presently occurs from some of Unionville's restaurant patrons.
  - This is not to say that restaurants selling liquor should be prohibited; however, GPG recommends neighborhood-type cafés, coffee shops, bakeries, etc. be given priority over bars and large theme restaurants. The smaller cafés will both support the

- surrounding neighborhoods and, in themselves, become an attraction to regional visitors.
- Drive thru restaurants and banks should be prohibited, unless designed in an exceptionally good walkable format.

#### 4. What uses should be permitted in this commercial area?

##### Zoning By-law Permits

- GPG finds all of the following should be permitted, except as noted below:
  - Display, storage and sale of objects of art and craft work such as an antique shop
  - Custom workshop for the production, repair and storage of art and craft work as accessory to the commercial sale of such objects in the same building
  - Photographers studio
  - Historical museums, libraries and art galleries
  - Specialty retail sales establishment (such as boutique fashion stores, tobacco and pipe stores, florists, greeting card stores, book stores, gift stores)
  - Personal Service Shops (spas, hairdressing, barber, nails)
  - Amateur and semi-professional theatres and the like
  - Business and professional offices (but not on ground floor)
  - Single detached dwellings Limited only
  - Dwelling units in the same building as any of the above permitted uses
  - Bed and breakfast inns (defined as a dwelling where proprietor resides and provides not more than 3 bedrooms)

##### Prohibited Uses

- Fast food restaurants
- Drive-in restaurants
- Business and professional offices on ground floor
  - Should be permitted, as long as the building's street level is designed as a storefront to accommodate future retail:
    - Sign band
    - 70 percent clear glazing
    - Operating door

##### Other uses not typical to or not permitted on Main Street Unionville

- GPG finds all of the following should be permitted, with strict building planning and design requirements, except as noted:
  - convenience store
  - drug store
  - specialty food store
  - bank/ATM
  - provincial liquor/beer store
  - video store
  - electronic
  - music, book store
  - supermarket
  - camera store
  - hardware
  - pet store
  - auto parts



**5. Are some facilities too large? Should restaurant size be restricted/should retail size be restricted?**

- Should there be maximum size restrictions?
  - Generally, GPG does not recommend size restrictions; instead, we recommend strict planning and design standards for the building form be implemented. For example:
    - Minimum amounts of street front glazing, building materials, heights, operating door locations, parking, building setbacks, etc.
    - A large building can be appropriate for a small town if properly designed.

**6. Is there a minimum distance setback from the street where local office activities would not be disruptive to the commercial/retail?**

- Previous advice was that there is no standard distance beyond which the occurrence of office would not harm the operation of a retail street. However, in the example noted in the study, a 10- metre benchmark appeared to work quite well.
  - Ideally, most professional offices would locate at the edge of the shopping street or on upper levels of buildings. GPG finds that some street level office-banks or financial services, for example, can attract shoppers to the district.
  - However, if office is located along the main shopping street, GPG does not recommend any minimum setback between the office and adjacent retailers.

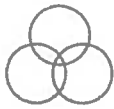
**7. Other than the statutory requirements for a public meeting and notification, what process should we follow for crafting changes to the existing by-law, and how frequently should the by-law be reviewed?**

- Statutory and legal requirements are beyond GPG's abilities and scope of services.
- GPG recommends careful monitoring of basic metrics to measure the effectiveness of various by-way, management and marketing actions. The following should be measured by a qualified independent third party:
  - Pedestrian counts (weekly)
  - Representative retail and restaurant sales
  - Parking & traffic counts
  - Commercial rental & vacancy rates
  - Weather, economic and political conditions
  - Special events attendance & their impacts on retail – restaurant sales

**7. Should the existing 50 percent Retail to 50 percent Restaurant requirement be lifted and then monitored on a regular basis (either annually or biennially).**

- Yes, GPG recommends the 50-50 requirement be lifted and carefully monitored per the above outline of our findings. Note, GPG recommends the lift be tied to the following:
  - Careful building design guidelines to ensure walkability and attractive historic building exteriors
  - Limited numbers of liquor permits in the first period of the easing of the restaurant maximum requirement to avoid Unionville becoming an entertainment district
  - Restrictions against drive-thru windows and carry-out foods
  - Restrictions limiting the amounts and times of outside music
  - A detailed parking management plan

- Monitoring of the additional restaurants' impacts on:
  - Property values
  - Rents
  - Retail sales
  - Pedestrian traffic
  - Vehicular traffic
  - Parking
  - Public safety



seamless collaborative  
urbanism + design + economics

## **MAIN STREET UNIONVILLE PRECINCT MASTER PLAN**

### **RESEARCH BRIEF: RETAIL RECOMMENDATIONS DRAFT VERSION 1.0: NOVEMBER 7, 2013**



Prepared by: Adam A. Cook

Seamless Collaborative

1508 Plymouth Rd.

Ann Arbor, MI, USA

48105

## **1.0 Introduction**

Torti Gallas and Partners, Inc. and Michael Morrissey, lead consultants on the Main Street Unionville Precinct Master Plan for the City of Markham, Ontario, Canada, have received several deliverables from Gibbs Planning Group, Inc. (GPG), which concern a proposed program for future retail uses along the Main Street Unionville corridor within the MSU Study Area. In addition to basic market research, GPG delivered a list of core recommendations, principally relating to a proposed change in a by-law requiring a 50/50 ratio of restaurant to retail uses in the Study Area. This brief report, produced by Adam Cook of Seamless Collaborative (SC), aims to provide the consultant team and the Main Street Unionville community with additional data and research supporting GPG's recommendations, the most important of which being that the existing 50/50 by-law should be repealed.

## **1.5 Executive Summary**

In light of GPG's original recommendations, SC's onsite stakeholder intake, as well as additional research conducted off-site in 2013, this report recommends that:

- Main Street Unionville's "Planned Function" for the Heritage Commercial District NOT be fundamentally changed. It is an appropriate policy statement guiding the development of a traditional neighbourhood shopping experience;
- Rather, it is the local limitation on restaurant uses, as well as the way in which such uses are defined, that are in tandem preventing Main Street Unionville from functioning as planned;
- Three communities throughout North America have experimented with local land use restrictions similar in intent to that of Main Street Unionville; while one such by-law was only recently enacted, the other two appear to have served their intended purpose of limiting restaurant and retail uses, without stifling growth of the compliment;
- Main Street Unionville is not fundamentally different in its composition of retail spaces versus restaurant spaces, measured on the basis of individual establishment counts, from other small "main street" communities in southern Ontario;
- Main Street Unionville's "50/50 by-law" has successfully prevented the growth of restaurant uses, but at the expense of growth in retail uses over a ten-year period;
- The 50/50 by-law should be either lifted completely, or at the very least modified to allow specialty food retailers (such as bakeries and small grocers) to locate on Main Street Unionville, as their business practices are dissimilar to those of traditional restaurants (both full service or take-out establishments);
- If the by-law is modified, it should be done on a trial basis, with the goal of revisiting the issue of lifting the 50/50 by-law in its entirety at the end of the trial period.
- MSU supports a stable population base—within walking distance alone—suitable to make convenience, neighbourhood-oriented retail viable. Compatibility of limited service-oriented uses on MSU can be dealt with through enforcement of rigorous design standards.





## 2.0 Main Street Unionville's "Planned Function" and its ramifications

Markham's current Official Plan states that the "Planned Function" of Main Street Unionville (MSU) is "[t]o provide a *traditional* shopping experience in the form of an historic commercial area where at-grade uses are predominantly retail", and further, "[t]o provide a unique shopping and leisure destination for both residents and visitors, *not normally found in modern commercial development...* provid[ing] for pedestrian-oriented uses at-grade... (emphases added)".<sup>1</sup> This language, little changed, exists in the successor version of this document, currently in draft form<sup>2</sup>. Consultant GPG noted that a consequence of this policy is the lack of a "critical mass" of retail to enjoin locals to perform comprehensive purpose-driven shopping trips on MSU. While there currently exist many worthwhile retailers on MSU, they are specialized in their functions to a degree that those wishing to patronize them will make a special trip to do so; there is thus a lack of synergy among the existing retailers. GPG suggested that MSU promote and market a focused mix of merchandise, or transition into a "complete neighbourhood business district", featuring a greater range of specialty food retail (bakeries, grocers, etc.).

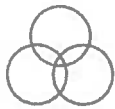
Speaking to the language in the Official Plan and its successor, SC believes that MSU is not currently performing its "planned function": a lack of cohesion amongst the existing retailers precludes the "traditional" shopping experience—one where a combination of daily needs and specialty items can be purchased, with the added ability to dine in the district. Moving in the opposite direction—that is, re-establishing MSU as a specialty district focusing on a specific segment of good—would further undermine established policy. SC's on-site intake suggested that many in the MSU community have memories of the district prior to the 1990s when it functioned as an "antiques row", and would prefer the community not revisit such a concept.

SC furthermore notes that the phrase, "not normally found in modern commercial development" lacks clarity and may add to future confusion over the retail programming of MSU when using the Planned Function as a guide: it is ambiguous to whether it refers to the retail mix within the district or the overall context and character of the district's built form. When interpreting it as referring to the former, it should be noted that "modern commercial development[s]" have widely varying mixes of retail uses relative to their position in the market (e.g., a Neighbourhood Centre anchored by a supermarket with a bakery and dry cleaner positioned in-line versus a Regional Shopping Centre anchored by a major fashion department store with smaller apparel stores in-line). Providing a mix of retail uses on MSU that is diverse and receptive to local markets should not be eschewed solely because modern shopping centre developers make it their goal to perfect this process. Conversely, if the statement is taken as referring to MSU providing resident and visiting shoppers a context and character not found in modern developments, it becomes a redundancy, as the preservation of MSU's built form and character is the *raison d'être* for its Heritage designation.

---

<sup>1</sup> The Corporation of the City of Markham, Ontario. *Town of Markham Official Plan*. 1987 (Rev. 2005). Sec. 3.4.6.4 a.) i.) - iv.)

<sup>2</sup> The Corporation of the City of Markham, Ontario. *Planning Markham's Future: City of Markham Official Plan Part I DRAFT*. September, 2012. Sec. 8.3.7



This phrase has been retained in the 2012 Draft Official Plan, with slight calibration, as "...a unique experience that is not currently available in newer shopping areas". Again, it remains unclear if the term "experience" refers to the retail mix available, the sensory experience created by the built environment, or some combination of both.

Therefore, in response to the question as to whether the Planned Function of MSU be changed, SC recommends that this function is, in fact, an appropriate policy statement to guide the provision of a traditional neighbourhood experience with a diverse mix of retail (both non-food and food related) and dining options. SC however recommends that, in light of any future retail programming on MSU, the ambiguity which may be read as prohibiting any similarities *whatsoever* between MSU and modern retail agglomerations be clarified.

### 3.0 Restaurants, Food-related Retail, and the "50/50" By-law

The debate over retention, modification or elimination of what is known as the "50/50 By-law" on MSU has been central to the retail planning process portion of the MSU master planning effort. Enacted in 2003 in response to fears that MSU was at risk of becoming a "restaurant campus"<sup>3</sup>, the by-law, in essence, precludes new "restaurant uses" from occurring on MSU until retail floor space exceeds 50 percent of the total floor space in the Heritage Main Street commercial zone, and places multiple restrictions on potential restaurant operators when retail floor space is above 50 percent. A full description and history of the by-law may be found in the Staff Report of March, 2013 prepared by Markham's Heritage Planning section<sup>4</sup>. This chapter will explore the following items in relation to the 50/50 by-law:

- What precedents, if any, exist for such by-laws and ordinances;
- The current definitions of "restaurant" and variations on that term in the existing by-law and their limitations in light of potential future retail uses on MSU;
- The current retail/restaurant composition of several shopping districts positioned similarly to MSU;

### 3.1 Case Studies

SC performed comprehensive research examining communities across North America in search of precedential or similar local laws to that of MSU. The following three case studies serve to illustrate the experiences of communities who have tried (or are attempting) in some way to limit the amount of restaurant floor space in a particular district. These case studies were selected as they are the closest known policy examples to MSU's 50/50 by-law; while each district is located in a dense urban environment, motivating the adoption of each policy was the desire for a vibrant and diverse retail mix. It should be noted as well that the definition of "restaurant" in each case study jurisdiction is not construed to preclude the addition of a specialty food retailer, such as a bakery or a grocer who may also serve food for consumption on-site.

<sup>3</sup> John Winter Associates Limited. *Market Analysis of Unionville Main Street*. Working paper. Toronto, ON, June, 2002. p. 16

<sup>4</sup> Hutcheson, Regan. *Staff Report to Development Services Committee on Request to Remove Restrictions on the Approval of Additional Restaurant Floor Space within the Commercial Core Area of Historic Unionville*. Corporation of the City of Markham, ON, Heritage Planning Section, March 5, 2013. Further referenced below as "Staff Report".



### 3.1.1 Washington, DC: A Frontage-Based Restaurant Limitation

The Uptown Arts Overlay District (the “ARTS District”) in Washington, DC is located principally along 14<sup>th</sup> Street and U Streets, approximately 2.5 km north of the National Mall, and near Howard University. The area borders the Logan Circle Historic District to the south, and suffered for decades from disinvestment following civil disturbances in the late-1960s; today the area is adding retail and residential units at record levels<sup>5</sup>. Redevelopment pressures beginning in the 1990s prompted the passage of an “overlay zone” for this area which provided a series of incentives to developers wishing to locate retail and arts-oriented uses in the ARTS district. These original zoning provisions required restaurant uses to comprise at most 25 percent of the total linear street frontage along 14<sup>th</sup> and U streets within the district—though this restriction initially went unenforced due to disagreements over how to conduct measurements. A 2009 committee noted in a review of district zoning that restaurant frontage had approached 30 percent of the total, and recommended that zoning be changed to cap the district-wide total at 50 percent, this time with enforcement<sup>7</sup>. As justification, the report stated, in part:

While the current limitation provision was badly written, its original purpose of preserving the vibrancy of the daytime streetscape (by limiting the proportion of uses that may be closed during the day) remains valid. Without a limitation of this kind, there is a significant risk that restaurant and bar uses crowd out retail and other uses at the streetscape level and harm the daytime street activity, which is critical for a balanced mixed-use (arts/retail/restaurant) environment to survive and thrive... However, restaurants and bars are an important ingredient in having a vibrant ARTS District: they contribute foot traffic to the arts and retail uses, and play an important role in achieving a vibrant and safe nighttime street environment<sup>8</sup>.

The 50 percent frontage ordinance was passed in 2010, and is enforced on a block-by-block basis. Potential restaurant operators raced against each other to get approvals, lest a competitor fill the block’s cap<sup>9</sup>; as early as 2011 one newspaper described the area as having a “critical

<sup>5</sup> The 24 months between May 2012 and May 2014 will see the addition of 1,200 residential units and 85,000 sf of retail space, for example. See Abrams, Amanda. “In D.C., a Street’s Grit Gives Way to Glamour.” *The New York Times*, May 1, 2012. <http://www.nytimes.com/2012/05/02/realestate/commercial/in-washington-14th-street-nw-attracts-upscale-developers.html>.

<sup>6</sup> A summary of the district overlay regulations reads, in part:

The Uptown Arts-Mixed Use (ARTS) Overlay District was established to encourage retail, entertainment and residential uses that require pedestrian activity; an increased presence and integration of the arts and related cultural and arts-related support uses; a design character and identity of the area by establishing physical design standards and adaptive reuse of older buildings in combination with new buildings; and increased public safety... No portion of an eating/drinking establishment located on the ground floor of squares fronting 14th Street or U Street, N.W. is permitted to occupy more than fifty percent (50%) of the linear frontage of that square. Where there are conflicts between the ARTS Overlay and the underlying zoning, the more restrictive provisions of the Zoning Regulations govern.

See District of Columbia, Office of Zoning. “Summary of Overlay Districts.” <http://dcoz.dc.gov/info/overlay.shtm>

<sup>7</sup> Refer to Section 4.4, Recommendation 11 of “Uptown ARTS Overlay Review Committee Report and Recommendations, September, 2009”. The entire document may be accessed at: <http://www.anc2f.org/files/arts/report/ANC2F-ARTS-Report-Part1.pdf>

<sup>8</sup> Ibid., p. 14

<sup>9</sup> Frederick, Missy. “Cap on Restaurants, Bars Could Crimp 14th Street Scene.” *Washington Business Journal*, April 13, 2012. <http://www.bizjournals.com/washington/print-edition/2012/04/13/cap-on-restaurants-bars-could-crimp.html?page=all>. Note the article mistakenly refers to the cap as measured by floor area (as in Unionville) and not block frontage.



mass" of restaurants, despite the regulations<sup>10</sup>. As of mid-2013, data on business locations by SIC/NAICS code provided by ESRI identified a 48% to 52% ratio of establishments classified as "eating and drinking places" to all other retail establishments along the affected corridors, indicating that the cap has been reached on most blocks<sup>11</sup>. Nevertheless, the area continues to attract critical retail and residential infill development, in spite of its limitations on competition<sup>12</sup>. -retail rents rose from US\$35-40 in 2010 to US\$50-55 by 2012, a level on par with similar neighbourhoods in the city<sup>13</sup>.

### 3.1.2 Santa Monica, CA: Restricting Retail, Encouraging Restaurants

Santa Monica's Third Street Promenade is a three-block long pedestrianized shopping street, originally converted in the 1960s in response to a national trend. While the street originally suffered the exodus of business activity endemic to similar projects of the era, the Promenade was re-built in the 1980s and has become a premier shopping destination for locals and tourists<sup>14</sup>. Restaurants were originally capped in number on the Promenade, but had become threatened by rising rents in the mid-2000s as higher-end retail became more prevalent. In response, Santa Monica City Council adopted new zoning in January, 2006 mandating that conversion of an existing ground floor restaurant space fronting the Promenade to a retail use require a conditional use permit<sup>15</sup><sup>16</sup>. Additionally, most cases would require the applicant to demonstrate that the "proposed use would preserve the unique mixture of restaurants, retail and entertainment on the Third Street Promenade and maintain the vitality and diversity of the Promenade and the Bayside District<sup>17</sup>". As of mid-2013, business data provided by ESRI indicated a 63%-37% split between restaurant and retail establishments on the three block Promenade.

The effect of Santa Monica's policy effectively mimics that of MSU's by-law, preserving a rough 60-40 ratio of retail to restaurants. It should be noted that this metric is based on number of establishments, and excludes service-oriented businesses. Using data from the 2012 Unionville Core Area Building Footprint Inventory, MSU is identical in composition when this metric is used, also demonstrating a ratio of 63% retail to 37% restaurant.

<sup>10</sup> Frederick, Missy. "14th Street Reaches Its Restaurant, Retail Prime." *Washington Business Journal*, July 29, 2011. <http://www.bizjournals.com/washington/print-edition/2011/07/29/14th-street-reaches-its-restaurant.html?page=all>.

<sup>11</sup> See McAuley, David. "Compass Rose Still Fighting Red Tape, Community Opposition." *Borderstan* (web log), June 13, 2013. <http://www.borderstan.com/tag/compass-rose/>, for an example of a business fighting to locate in the area.

<sup>12</sup> Kadlec, Cary R., and Timothy H. Watkins. "Restaurant Paradox: Encouraging and Discouraging New Restaurants in Washington, D.C." *Retail Law Advisor*. February 6, 2013. <http://www.retailawadvisor.com/2013/02/06/restaurant-paradox-encouraging-and-discouraging-new-restaurants-in-washington-d-c/>.

<sup>13</sup> Frederick, 2011.

<sup>14</sup> Pojani, Dorina. "Santa Monica's Third Street Promenade: The Failure and Resurgence of a Downtown Pedestrian Mall." *Urban Design International* 13 (Autumn 2008): 141-55.

<sup>15</sup> Ibid, pp. 152-155

<sup>16</sup> Varghese, Anita. "City Council Wants to Preserve Uses for Restaurants on Third Street Promenade." *Argonaut Online* (Santa Monica, CA), February 2, 2006. <http://argonautnews.com/city-council-wants-to-preserve-uses-for-restaurants-on-third-street-promenade/>.

<sup>17</sup> City of Santa Monica, CA. *Santa Monica Municipal Code*. Sec. 9.04.08.15.085, "Conversion of any portion of a food use to any other new or expanded use located on the ground floor level adjacent to the Third Street Promenade".



### 3.1.3 Queen Street West, Toronto

In July, 2013, Toronto City Council passed a by-law restricting restaurants on a portion of Queen Street West—between Roncesvalles Avenue and Dufferin Street—based on the number and composition of use categories along the street<sup>18</sup>. Specifically, the by-law restricts the number of properties that may contain restaurants to 25 percent of the total number of properties within each of four segments of Queen Street. Passage of the by-law was the result of several studies performed in response to complaints from residents and business owners of disruptive nighttime behaviour from patrons of licensed establishments; the by-law, however, makes no distinction between restricting establishments on the basis of alcohol service or category of food service<sup>1920</sup>.

At the time of passage, two of the four street segments met or exceeded the 25% cap on restaurants, and a total of 71 properties with such use were identified. Assuming all quadrants filled their quotas (with the existing surplus restaurants retained through grandfathering), a maximum of nine additional restaurant uses would be permitted under the new by-law. Using data derived by the city, SC computed the current ratio of restaurant to retail uses by storefront on this portion of Queen Street and found a 57%-43% ratio of retail to restaurant uses<sup>21</sup>. Were the restaurant caps to be reached in the absence of any new retail storefronts, Queen Street would then see a 52%-48% ratio, identical to that measured in the thriving ARTS District in Washington, DC (Section 3.1.1, above).

### 3.2 Definition of Restaurant on MSU

The 50/50 by-law in question defines five categories of “restaurant”, though none are compatible with the contemporary concepts of grocery or “specialty food retail”: that is, businesses which fall into one of two categories:

- Retail sales of a wide range of packaged and fresh foods, intended for consumption off-site, with limited capacity for on-site consumption in a café-style area (example: Whole Foods or similar upscale food market);
- Retail sales specializing in one or few types of packaged and/or fresh foods, intended for consumption either off-site or on the premises (examples: a bakery, charcuterie, olive oil shop)

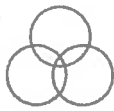
In response to the changing nature of food-related retail stores that lacked clear definition via traditional categorizations, for example, Manassas, VA created a new definition for a “Specialty Food Shop” that specifies that merchandise sold on-site “...cater to the take-out client, and not offer full-service meals or

<sup>18</sup> City of Toronto, ON. City Council Action Item 2013.TE25.3. July 16, 2013. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.TE25.3>

<sup>19</sup> Rogers, Kaleigh. “Council Imposes Quota on Queen West Restaurants.” *The Globe and Mail*, July 19, 2013. <http://www.theglobeandmail.com/news/toronto/council-imposes-quota-on-queen-west-restaurants/article13331118/>.

<sup>20</sup> Alcoba, Natalie. “Efforts to Cap Number of New Restaurants in Parkdale Spread to Other Neighbourhoods.” *National Post*, July 18, 2013. <http://news.nationalpost.com/2013/06/18/efforts-to-cap-number-of-new-restaurants-in-parkdale-spread-to-other-neighbourhoods/>.

<sup>21</sup> City of Toronto, ON. *Staff Report: Final Report - Queen Street West (between Roncesvalles Avenue and Dufferin Street) - Restaurant Study*. Community Planning, Toronto and East York District, May 24, 2013. Reference number 11-232412 STE 14 OZ.



extensive seating...<sup>22</sup>". The fundamental difference in question between a specialty food shop and what might be considered on MSU a "take-out restaurant" is the general focus on one particular type, or a limited range of types, of food items. Thus, one does not typically patronize a specialty food shop to consume an entire traditional meal. However, upscale grocers offering freshly-prepared meals (salads, soups, deli sandwiches) with the option to consume on-site has become a substantial part of the draw to those stores—accounting for 15%-20% of sales—though principally customers are first drawn to buy groceries<sup>23</sup>.

The lack of flexibility on MSU relating to food-oriented retail is suggested in an informational brochure produced by Markham's Heritage Section, which notes that a "a bakery could not serve sandwiches, tea, coffee, etc. as then it would be a restaurant as defined by the by-law", and mentions constraints placed upon a confectioner in order for an ice cream parlor component to be approved as an accessory use<sup>24</sup>. The following table summarizes the existing definitions of "restaurant" applied to MSU and their limitations in light of specialty food-related retail concepts<sup>25</sup>:

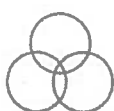
	RESTAURANT	RESTAURANT, CAFE	RESTAURANT, TAKE-OUT	RESTAURANT, TAVERN	HYPOTHETICAL SPECIALTY FOOD STORE
Must food be prepared on-site?	YES	NO—But food product sales accessory to "hot beverages"	YES	YES	Usually YES; depends on store concept
Must food be consumed on-site?	YES—But take-out service may be an accessory use	NO	NO—Food and beverage must be sold "primarily... for consumption off the premises"	YES	Casual on-site consumption allowed
Must food be served to a table by an employee?	YES	NO	NO	YES	NO
Take-out service allowed?	ACCESSORY ONLY	YES	YES	ACCESSORY ONLY	YES
Alcohol sales allowed?	YES—In licensed dining lounge	NO	NO	YES	N/A—Unless a wine shop, etc.

<sup>22</sup> City of Manassas, VA, Department of Community and Economic Development. Staff Report #ZTA 2009-06, "Specialty Food Shops Definition and District Application". November 5, 2008.

<sup>23</sup> Whole Foods café business accounted for 18.8% of sales, holding steady from 2010-2012. See "Whole Foods Market 2012 Annual Report", p. 2

<sup>24</sup> Town of Markham, ON. Heritage Section. "Heritage Matters... in Markham: New Restaurants on Main Street Unionville Heritage Conservation District". January 2012.

<sup>25</sup> Definitions referenced are contained in Markham Zoning By-law 2003-167, as appended to Staff Report.



It becomes apparent that the current zoning by-law lacks the ability to define a business whose primary purpose is to sell packaged and/or fresh foods to take home, yet gives patrons the options to consume some goods on-site. A small-format neighbourhood market—similar to Sobeys's Urban Fresh stores<sup>26</sup>—would be unable to compete in this marketplace. Furthermore, any retailer with a food component would be unable to explore limited on-site service options without needing to make concessions that limit the integrity of concepts such as a bakery or charcuterie.

It should not be understated that redefining the necessary terms in MSU's zoning by-law to allow these types of retailers is crucial to providing the "traditional shopping experience" that is foundational to the community's desires as well as to planning policy. Doing so is key to implementing GPG's recommendations to add "as much [of these uses] as is supportable", and to give these uses "priority over bars and theme restaurants". It should be further noted that allowing specialty food uses as a stand-alone definition in the zoning by-law would not necessarily impact the 50/50 provision, if the retention of such provision continued to be desired by the community. Further, it would not endanger the continued prohibition, recommended by GPG, of fast-food restaurants on MSU.

### 3.3 Retail Mix Analyses in Similar Communities

SC examined the retail merchandise mix in several Ontario Main Street shopping districts, limited by available published data. Data used were collected within the past five years, and may not reflect business counts as of this writing. For purposes of accurate and uniform comparison, the number of storefronts in each category type is used; "retail" includes specialty food retail uses, though the number of specialty food stores is included in parenthesis where it was tabulated; and vacant storefronts are excluded from the total. These data are presented in the table below.

	RETAIL ESTABLISHMENTS	RESTAURANTS	%RETAIL	%RESTAURANT	AREA SURVEYED	YEAR SURVEYED
ANCASTER <sup>27</sup>	19	8	70	30	Wilson St. E	April 2010
DESERONTO <sup>28</sup>	12	6	66	33	Main St.	2009
EXETER <sup>29</sup>	32 (3)	14	70	30	Main St.	2011
GANANOQUE <sup>30</sup>	27 (0)	13	66	33	King St.	2008
GRAND VALLEY <sup>31</sup>	11	4	64	36	Water St.	May 2011
HARRISTON <sup>32</sup>	15	4	79	21	Elora St. S	2011
PALMERSTON <sup>33</sup>	17	4	81	19	Main St. W	2011

<sup>26</sup> For a comprehensive overview of specialty grocers' entry into the Canadian market, see: Pachner, Joanna. "How Sobeys Is Taking on Loblaws." The Globe and Mail, June 23, 2010. <http://www.theglobeandmail.com/report-on-business/rob-magazine/top-1000/how-sobeys-is-taking-on-loblaws/article1373879/>

<sup>27</sup> Urban Marketing Collaborative. Commercial Market Analysis for Ancaster Heritage Village. Report. Toronto, April, 2010. pp. 53-56

<sup>28</sup> Town of Deseronto, ON, Economic Development Department. "Deseronto Market Analysis & Demographic Information". 2009

<sup>29</sup> Ontario Ministry of Agriculture, Food and Rural Affairs. "Town of Exeter Downtown Market Analysis". 2011

<sup>30</sup> Ontario Ministry of Agriculture, Food and Rural Affairs. "Gananoque Business Mix Analysis". 2008

<sup>31</sup> Ontario Ministry of Agriculture, Food and Rural Affairs. "Business Mix Analysis: Grand Valley". May 2011.

<sup>32</sup> Ontario Ministry of Agriculture, Food and Rural Affairs. "Business Mix Analysis: Minto". 2011



SUDBURY <sup>34</sup>	55	50	52	48	Entire District	Sept. 2010
UNIONVILLE	25	15	63	38	Main St.	2012

### 3.4 Impact of the 50/50 by-law in MSU

The following table summarizes the business mix data gathered by John Winter Associates and Markham city staff for Main Street Unionville in 2002, prior to enactment of the 50/50 by-law, and in 2012. It should be noted that the figures most often cited from the Winter report were computed assuming inclusion of floor space of a building (located at 157-159 Main St.) not completed at the time of writing. Inclusion of this floor space, which at the time was neither vacant nor used for non-retail or restaurant businesses, makes an inaccurate comparison with 2012 data.

	RETAIL SF (% OF TOTAL)	RESTAURANT SF (% OF TOTAL)	OTHER SF (% OF TOTAL)	RETAIL ESTABLISHMENTS (% OF TOTAL)	RESTAURANT ESTABLISHMENTS (% OF TOTAL)
2002 (U.C. FLOOR SPACE INCLUDED)	39,000 (46.1)	23,300 (27.6)	18,850 (26.3)	27 (64)	15 (36)
2002 (U.C. FLOOR SPACE EXCLUDED)	39,000 (49.1)	23,300 (29.3)	17,100 (21.5)	27 (64)	15 (36)
2012	43,600 (49.9)	24,800 (28.4)	18,900 (21.7)	25 (63)	15 (38)

It is apparent that the 50/50 by-law, instead of promoting increased intensity of pure retail uses, effectively froze the retail floor space on MSU at 49%. When examining the more accurate comparison between 2002 and 2012 floor space statistics (those which excluded the unfinished space in 2002), retail uses remain virtually unchanged while restaurant floor space actually decreased slightly. When excluding storefronts used for other purposes, the business mix—which can be compared directly with other Ontario main streets—also remained virtually frozen.

### 4.0 Near-Neighbourhood Demographic Overview

SC created custom demographic profiles of the Unionville area using data from ESRI to examine the composition of the MSU marketplace. With information taken from a walking tour of the neighborhood surrounding the MSU district, aerial photographs, and street level imagery provided by Google, SC defined a trade area of residents located within a 5-minute walk (roughly 0.5 kilometre linear distance) from MSU. This trade area took into account the local street pattern, correcting for paths that would be disruptive or unpleasant to traverse on foot. The resulting area encompasses roughly 2 square kilometres, and fits within the trapezoid formed by MSU, Highway 7, Village Parkway and 16<sup>th</sup> Avenue. Key demographics are presented below:

<sup>33</sup> Ibid.

<sup>34</sup> Ontario Ministry of Agriculture, Food and Rural Affairs. "Business Mix Analysis: Sudbury". September 2010





	2007	2012	2017
TOTAL POPULATION	7,838	7,962	7,942
TOTAL HOUSEHOLDS	2,486	2,574	2,594
AVG. HH SIZE	3.09	3.03	3.00
TOTAL FAMILIES	2,166	2,215	2,203
AVG. FAMILY SIZE	3.28	3.27	3.33
AVG. HH INCOME	\$145,575	\$153,623	\$179,978
MEDIAN AGE	42.6	43.1	42.7
HH W/ INCOME >\$100,000	1,253	1,465	1,795
NATIVE LANG. ENGLISH	5,233	5,104	4,858
NATIVE LANGUAGE NON-ENGLISH/FRENCH	2,263	2,513	2,716
IMMIGRANT POPULATION	2,555	2,587	2,636
VISIBLE MINORITY CHINESE	1,587	1,720	1,884

Nearly 8,000 people reside within an unencumbered 5-minute walk of Main Street Unionville. As an area of protected heritage development, and built-out suburban development, there is little room for growth in residential units in the immediate area. Due to the rapid growth regionally, the area's population is projected to remain stable over the next 4-5 years. The area is well-off financially, with average household income projected to increase by 15% by 2017. As with regional trends, the area will continue to see a change in ethnic composition, with a major proportion of new residents of predominantly Chinese origin. It is useful to note, however, that the growth in non-native English or French speakers is roughly indexed to the population of direct immigrants; this suggests that as these people have families, their children are learning English as a native language.

This close-in catchment area has over 2,000 families within a 5-minute walk to MSU. Established research by the International Council of Shopping Centers (ICSC) has shown that certain types of convenience-oriented retail require at least this many families to be viable<sup>35</sup>. This does not take into account the additional 5,000 families residing in the total area bounded by Kennedy Road, Highway 7, Warden and 16<sup>th</sup> Avenues. Retail needs currently unmet on MSU due to market externalities, which fall into the category of "convenience retail" include bakeries, delicatessens and food markets. A provincial LCBO store can be supportable if the city and appropriate authorities partner to ensure quality frontage design standards and coordinate operating hours.

Recapturing traditional retail uses on MSU can include office and/or service uses on the ground floor of buildings, as long as they are held to strict design standards for their storefronts. Such uses include

<sup>35</sup> See Gibbs, Robert A. "Principles of Urban Retail". John Wiley & Sons, 2012. pp. 1-10 for a thorough outline of supportable retail types.



banks, copy/print shops and pharmacies. These uses should be allowed on MSU under the following conditions, as recommended by GPG:

- The street frontage must be configured to house future retail uses with little to no modification;
- Windows should have at least 70% transparency (clear glazing); preferably greater;
- Primary means of ingress and egress is via the door fronting MSU;
- No setbacks greater than presently exist along MSU;
- Ensure that automatic machines, such as ATMs and video rental machines are placed interior to businesses, and not outdoors.

## 5.0 Conclusions and Recommendations

Main Street Unionville appears to be one of a very few communities in North America which have attempted to control the appearance of restaurant uses on a district-wide scale, and the only such community found by SC to do so based on overall floor areas. Whereas Washington DC and Santa Monica have achieved their stated aims through their respective ordinances—and this narrative refrains from placing any value judgment on those aims—Main Street Unionville successfully stopped the expansion of restaurant uses in exchange for a period of stagnation in retail development. It is too soon to judge the impact of the recent Toronto by-law; however, SC strongly encourages Markham city staff and the UBIA to monitor its progress over the following three years. Toronto's aim of limiting the externalities caused by an overconcentration of licensed establishments mirrors that of the MSU community, as well as GPGs recommendations.

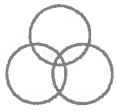
While it is helpful to compare business mixes among main streets within the region, it is important to note that no two communities are identical; there is no “golden ratio” of retail to restaurant uses ideal for any one community. Of total individual ground-floor frontages currently devoted to either retail or restaurant uses, MSU has a 62%-38% ratio, higher than the 69%-31% average of the communities surveyed. It is SCs opinion that a short linear district such as MSU is not considered a “restaurant campus” until such uses exceed 50-60% of the total number of individual establishments<sup>36</sup>.

With an eye toward regulation of externalities, GPG recommends the continued restriction of licensed establishments and “fast food”-type establishments, as a concentration of the former can lead to behavioural issues amongst patrons (see Toronto Queen Street West case study, Section 3.1.3 above); allowing the latter is antithetical to the character and built form of a Heritage Main Street<sup>37</sup>.

Perhaps the biggest hindrance to the expansion of retail uses on MSU is the 50/50 by-law's extremely restrictive definition of a “restaurant”; it encompasses nearly any business concept that involves the sale of food. SCs stakeholder intake encountered a common theme of property owners having to turn away

<sup>36</sup> This is not to be construed as implying that a 50-60% threshold is an appropriate benchmark for regulation.

<sup>37</sup> There are some notable exceptions to this rule: if an area is experiencing a sufficiently high demand, national retailers will acquiesce to rigorous design standards. Starbucks (though not strictly “fast food”) occupies a compatible building at 201 Main Street Unionville; for notable examples see Hogan, Meghan. “Thinking Outside the Big Box”, Preservation Magazine, July 7, 2006. <http://www.preservationnation.org/magazine/story-of-the-week/2006/thinking-outside-the-big-box.html>



potential tenants, such as bakeries and cupcake shops, due to the inherent restrictions the by-law would place on their business practices. Meanwhile, residents clamour for the ability to walk to MSU to purchase basic goods, such as at a grocery store or specialty market. It came to our attention that an independent specialty market located within walking distance from MSU refrained from considering relocation in the district due to the limitations on café-style seating that would be placed on the business.

Therefore, in keeping with GPGs core recommendation, SC recommends one of the following options:

- The 50/50 by-law be lifted in its entirety;
- The 50/50 by-law be modified to allow for expansion of retail uses involving the sale of food, but not classified as traditional restaurants. This can be achieved by defining "Specialty Food Retail" as a separate use category, as a permitted use, leaving all other existing definitions unchanged. The 50/50 provision would remain in effect for traditional restaurant uses.
- If the modification option is chosen, it should be implemented on a trial basis of two to three years. With rigorous monitoring (see below), the issue of moving to lift the 50/50 by-law in its entirety can be revisited at that time.

It should be noted that modifying the 50/50 by-law to incorporate Specialty Food Retail as a permitted use may have the indirect effect of increasing traditional restaurant uses on MSU, if retail floor space were sent above 50% as a result; however under the existing by-law these traditional restaurant uses would still need to gain approval.

Any modification or elimination of the 50/50 by-law should include a strict monitoring policy by city staff and/or the UBIA and be undertaken on an annual or biannual basis. Key metrics to be monitored include:

- Property values;
- Property rental and vacancy rates, through a survey of property owners;
- Retail sales data, through a survey of business owners;
- Pedestrian traffic, preferably monitored on a variety of days/times throughout the year, and certainly on festival days;
- Vehicular traffic, preferably monitored on a variety of days/times throughout the year, and all festival days;
- Parking supply should be monitored by taking account of the ratio of open to occupied spaces in the lots to the east of MSU; on-street parking should be monitored to account for space "turnover" (the number of different vehicles occupying a given space in one hour);
- Catchment area (where shoppers live), through a survey of vehicular license plates;
- If available, acquiring timely data on embarkments and debarkments at nearby transit stations;
- Public safety data