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# LAKESHORE **EFAX**

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To	COMPANY	CITY	FAX
Christine Archibald	City of Toronto	Toronto	416.392.2980
Councillor Pam McConnell, Ward 28	City of Toronto	Toronto	416.392.7296

<b>FROM:</b> E-MAIL: PAGES WITH COVER: DATE:	<b>RICK PENNYCOOKE - 416.364.5926</b> rpennycooke@lakeshoregroup.ca 5 May 14, 2007
<b>RE:</b>	501 Adelaide Street East

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May 14, 2007

**VIA FAX 416.392.2980**

Ms. Christine Archibald  
Committee Administrator, Toronto East York Community Council.  
City Clerks Office, City Hall, 12<sup>th</sup> Floor West Tower  
100 Queen St. W.  
Toronto, ON., M5H 2N2

Dear Ms. Archibald:

**RE: LANEWAY ABUTTING 286 & 284 KING STREET AND 501 ADELAIDE STREET EAST**

We are the land use planners for NorthWest Value Partners Inc. ("NorthWest"), the owner of 284 King Street East. We wish to provide our comments to the Community Council regarding a number of issues related to the sale of the public laneway which terminates at NorthWest's property boundary adjacent to 286 King Street East/501 Adelaide Street East. 286 King/501 Adelaide is presently owned by Context Developments Ltd ("Context") who has proposed a number of redevelopment schemes for the lands. Our client's view is that the process of dealing with the laneway and the related development projects have been fraught with a serious lack of public communication as well as a series of errors and oversights all of which raise serious concerns about this initiative.

## **LANEWAY SALE BACKGROUND**

Context approached NorthWest in the fall of 2005 to discuss their development proposal. The proposal at that time involved the development of a 223 unit condominium development at 286 King Street East/501 Adelaide Street East including a portion of the east-west laneway connecting NorthWest's property to the north-south laneway extending from Adelaide Street. Context was seeking to address concerns that NorthWest had in order to gain their support for a Minor Variance application required for the project. NorthWest agreed not to take a position regarding the variance request on the basis that they be granted access across the existing east-west laneway by means of an easement to be granted by Context.

On September 26, 2006 a 4.82 foot wide strip of the public laneway, which, as noted, terminates at NorthWest's own private laneway and property border, was declared surplus. It was proposed to be closed and sold presumably to Context for the purposes of its development. Accordingly, on November 7, 2006, the City specifically invited Context to make an offer to purchase the laneway. On March 6, 2007 staff recommended the sale of the 14.82 foot wide public laneway to Context in the amount of \$222,000.00. Having reviewed the notice of proposed laneway closure and sale, and the purchase offer from Context, NorthWest discovered that the City was proposing to close and sell the

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entire east-west public laneway, rather than just a portion of it as provided for in the public notice. NorthWest sought clarification from the City and advised the City of the discrepancies. Upon inspection, the City confirmed that there was an error in the notices and that the portion of the public laneway being proposed for closing and sale was not properly described. In effect, the descriptions of the lands to be sold indicated that the City was selling more land than that advertised in the notice. Accordingly, on April 24, 2007, the notice of the proposed closing and possible sale of the laneway was referred back to Toronto East York Community Council by Toronto City Council.

### **COMPETING PURCHASE OFFER FOR LANEWAY**

Upon NorthWest discovering that the City intended to sell the entire east-west lane, rather than only a portion of it, and prior to Council dealing with the laneway matter on April 24, 2007, NorthWest submitted an offer to purchase the lane for \$500,000.00 on April 19<sup>th</sup> 2007. NorthWest's offer was borne out of the discovery of the actual lands being sold (obviously a 14.82 foot passageway has much more value to a property than a 4.82 foot strip) and a concern about the constantly changing nature of the Context proposal; the likelihood that it would continue to enjoy access to and across the laneway; the ultimate use of the laneway by the Context development being proposed; and, how such usage by TCHC might negatively affect their property in the future.

NorthWest's offer, which was more than twice the amount offered by Context, was returned to them by City staff without being considered or brought to Council's attention. In a public process such as the disposition of City real estate, it would seem prudent for City Council to consider all offers. However, for some reason this was not done. It must be noted that this laneway is not being offered first to a City Department or agency for use. It is being offered to a private developer, Context. As a result, the City's usual policy of offering such laneways up to departments and agencies first does not seem applicable. Given that, it would seem, in this era of tight budgets and the need for revenue generation that the City should seriously consider maximizing the return to taxpayers on the asset it proposes to sell.

### **CLOSURE OF LANEWAY ACCESS MAY REQUIRE OFFICIAL PLAN AMENDMENT**

Section 5.6 of the King-Parliament Secondary Plan states "where appropriate, publicly accessible right-of-ways or public lanes will be established to alleviate the need for parking and loading access from public streets". The subject proposal involves the closure and removal of a laneway which provides public access from a public street, and should be maintained and possibly extended to better serve the properties adjacent to the subject site. In light of the foregoing, it is our opinion that Planning Staff should provide comment on whether the public laneway closure and sale meets the Official Plan policy and whether or not an amendment is required.

### **MINOR VARIANCES IN RELATION TO THE SALE OF THE LANEWAY**

Context's proposal for development on the subject lands has been constantly changing and because of these changes and the multiple use of the Minor Variance process, the opportunity for NorthWest to comprehensively review and comment on the development is being denied. A site plan was submitted in November of 2005 for a 12-story, 223 unit mixed use condominium building with an unspecified

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amount of ground floor retail. There have been two subsequent Minor Variances submitted by Context for the development. One was submitted in 2005 (and later approved in 2006), and one was submitted in 2007 (and later withdrawn). The project has also changed from a residential condominium to a social housing development.

As noted, the January 2006 variance approval permitted a residential condominium development with a) an increase in height from a maximum permissible height of 26.0 metres to a maximum height of 44 metres, and b) a decrease in setbacks along east and west lot lines from 7.5 metres to a range between 6.5 metres on the east lot line, and 4.5 metres on the west lot line.

Subsequent to the 2006 variance, and without prior notice from Context, NorthWest was circulated with another Minor Variance application notice in early 2007 which outlined a request for a reduction in parking for a project which differed in type of use and tenure from that which they had been advised by Context would occur. This second variance sought to reduce the number of parking spaces on the site for a new Social Housing project with street level non-residential space.

During our review of the latest variance application, it was apparent that not only was the supporting Parking Study critically flawed and deficient in analysis, but the date of its preparation being six weeks after the submission of the application raised serious questions about the validity of the study process. It was also apparent from our review that there were additional variances that would be required for this latest development scheme which were not requested as part of the application. Lastly, the type of non-residential uses on the ground floor were not identified or addressed in the parking study, meaning the full impacts could not be quantified. We advised the Committee of these concerns and Context subsequently withdrew their variance application on April 18, 2007. At this time, we have no idea what is being proposed.

**LANEWAY PROPOSED TO BE TEMPORARILY CLOSED ON MAY 30, 2007**

Despite the foregoing, Context circulated a notice to NorthWest and other landowners dated May 4, 2007 advising that they have requested the City of Toronto Transportation Services to approve the closure of the east-west laneway immediately to the rear of Context's property for approximately five months commencing May 30<sup>th</sup>, 2007. As far as we are aware, no temporary closure has been approved by Council. Such an approval would be required as the proposed closure is over 30 days in length. Such an approval will have a negative impact on NorthWest's use of their property. The closure of the laneway will eliminate NorthWest's right to access the laneway, albeit temporarily, and will have a negative affect on the use of their property. No discussion to our knowledge has taken place to address this problem.

**RECOMMENDATION**

In light of the foregoing outstanding issues and problems, we recommend that Council take the following actions:

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1. Real Estate Services Staff be directed to provide Council with a report on NorthWest's offer of \$500,000 to purchase the laneway and that Council be afforded the opportunity to consider its merits.
2. Planning Staff be directed to report back on whether the closure of the lane as proposed by Context requires an Official Plan Amendment.
3. Context be directed to clarify with sufficient detail what the project for the subject lands will consist of including details on the type and amount of non-residential space and the parking proposed to be provided for such space, and a public meeting be held to seek input from the public on the proposal
4. Context be directed to submit a detailed traffic and parking demand study based on the proposal which addresses the number of residential units and the type and amount of non-residential space proposed. The study should also address how the laneway for both the Context proposal and NorthWest's existing lane will function post development.
5. The proposed temporary closure of the laneway set to commence on May 30, 2007 be cancelled until the above issues are satisfactorily addressed.

We will be in attendance at the meeting on May 29, 2007 and will be available to answer any questions that Council may have. In the interim, should you have any questions, please feel free to call me at (416) 364-5926.

Sincerely,

**THE LAKESHORE GROUP**

*for:* Rick Pennycooke, M.C.I.P., R.P.P.  
PRESIDENT

cc

Councillor Pam McConnell, Ward 28  
Paul Dalla Lana, NorthWest  
Carlo Dalla Lana, NorthWest  
Mike Brady, NorthWest  
Jonathan Wigley, Gardiner Roberts