

1100 Lansdowne Avenue – Clarification of Parkland Development in Section 37 Agreements

Date:	November 28, 2008
To:	City Council
From:	Brenda Patterson, General Manager, Parks, Forestry and Recreation
Wards:	Ward 17 – Davenport
Reference Number:	File Nos. 03 176582 WET 17 OZ (Phase 3-7), 04 127295 WET 17 OZ (Phase 2) and 02 035337 WET 17 OZ (Phase 1)

SUMMARY

The purpose of this report is to recommend amendments to the Section 37 Agreements for Phases 1, 2 and Phases 3 to 7 of the mixed use development at 1100 Lansdowne Avenue related to the development of a new park. Specifically, the recommendations authorize a credit from the Parks and Recreation component of the Development Charges towards above base park improvements for the public park proposed within the development, consistent with previous approvals granted by City Council.

RECOMMENDATIONS

The General Manager of Parks, Forestry and Recreation recommends that:

1. City Council, in respect of the Phase 1 lands, being the lands described in the Section 37 agreement between the City and the owner dated October 7, 2004 (the “Phase 1 Section 37 Agreement”):
 - a. Authorize a credit against the Parks and Recreation component of development charges payable for the development for above base park improvements to be



installed by the owner, to the satisfaction of the General Manager of Parks, Forestry and Recreation, at the “Proposed Consolidated Parkland” referenced in the Phase 1 Section 37 Agreement.

- b. Require the credit to be in an amount that is the lesser of the cost to the owner of installing the above base park improvements, as approved by the General Manager, Parks, Forestry and Recreation, and the Parks and Recreation component of Development Charges payable for the development in accordance with the City’s Development Charge By-law, as may be amended from time to time. The credit shall be conditional upon the owner providing a letter of credit to secure this obligation.
 - c. Authorize staff, upon receipt of the letter of credit, to return to the owner the Parks and Recreation component of development charges previously paid to the City by the owner.
 - d. Provide authority to amend the Phase 1 Section 37 Agreement in respect of this recommendation and to amend a provision, which currently indicates that there would not be a development charge credit for matters provided under that Agreement.
2. City Council, in respect of the Phase 2 lands, being the lands described in the section 37 agreement between the City and the owner dated December 6, 2005 (the “Phase 2 Section 37 Agreement”) provide authority to amend the agreement to delete reference to the development charge credit being “indexed” and to notwithstanding a conflicting reference, which indicates that there would not be a development charge credit.
3. City Council, in respect of the Phase 3 to 7 lands, being the lands described in the section 37 agreement between the City and the owner dated August 14, 2006 (the “Phase 3-7 Section 37 Agreement”):
 - a. Authorize a credit against the Parks and Recreation component of development charges payable for the development for above base park improvements to be installed by the owner to the satisfaction of the General Manager of Parks, Forestry and Recreation at the “Public Park” referenced in the Phase 3-7 Section 37 Agreement.
 - b. Require the credit to be in an amount that is the lesser of the cost to the owner of installing the above base park improvements, as approved by the General Manager, Parks, Forestry and Recreation, and the Parks and Recreation component of Development Charges payable for the development in accordance with the City’s Development Charge By-law, as may be amended from time to time. The credit shall be conditional upon the owner providing a letter of credit to secure this obligation.

- c. Provide authority to amend the Phase 3-7 Section 37 Agreement to secure this obligation and to amend a provision, which currently indicates that there would not be a development charge credit for matters provided under that Agreement.

Financial Impact

The recommendations in this report will result in the City providing development charge credits against the Parks and Recreation component of development charges payable. The credit shall be in an amount that is the lesser of the cost to the owner of installing the above base park improvements, as approved by the General Manager, Parks, Forestry and Recreation, and the Parks and Recreation component of development charges payable for the development in accordance with the City's Development Charge By-law, as may be amended from time to time. The cost of the above base park improvements is estimated to be in the range of \$700,000-\$800,000.

The recommendations also require the City to refund \$99,926.62, representing the Parks and Recreation component of development charges paid by the owner for the development during Phase 1. In lieu of this refund, the owner shall be obligated to install above base park improvements at the proposed park, and such obligation will be secured through a letter of credit to be provided by the owner prior to the refund being issued.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

Etobicoke York Community Council at its meeting of November 18, 2008, directed City Staff through a Motion moved by Councillor Palacio to report to the next Toronto City Council meeting with recommendations related to revising the Section 37 agreements for 1100 Lansdowne Avenue so as to ensure that the Parks and Recreation component of the development charges payable for the development would be credited towards the installation of above base park improvements by the owner.

Etobicoke York Community Council Decision Document, Page 50 (EY21.57)
<http://www.toronto.ca/legdocs/mmis/2008/ey/decisions/2008-11-18-ey21-dd.pdf>

ISSUE BACKGROUND

The Davenport Village project is a multi-phased development of the former General Electric lands. The development is to be completed over seven phases and will consist of a mix of residential and commercial uses and a public park. The proposed park will be 0.56 hectares in size and will be located within a parkland priority area. The park is to be conveyed as part of Phase 3 and 4 of the development.

Currently, Phases 1 and 2 of the development have been completed and a site plan application has been submitted for Phase 3. As well, a subdivision application has been submitted for Phases 3 to 7 of the development lands as required by the Secondary Plan.

Following the Ontario Municipal Board approval for Phase 1, and all subsequent Planning approvals leading to the Secondary Plan and zoning approvals for the lands, it was always intended that a development charge credit would be provided against the Parks and Recreation component (13.3%) of development charges, for above base park improvements to be installed by the owner. The location of the proposed park is located within an area that has been identified as having deficient parkland suitable to families with children. It is also within an older established area of the city where there are few opportunities to acquire additional lands for park purposes. The ability to develop a new park with above base park improvements is a rare opportunity in this ward and will fulfill an immediate need while contributing to creating a successful new neighbourhood established by the proposed development.

COMMENTS

The intention that a credit toward the Parks and Recreation component of the development charge be provided was not specifically addressed when the Phase 1 documents were finalized. As a result, the owner paid the applicable development charge and a mechanism was not established to secure the intended above base park improvements. The recommendations of this report would enable the owner to post a letter of credit in lieu of payment of the Parks and Recreation component of the owner's development charges. Upon receipt of the Letter of Credit, staff will refund the owner the Parks and Recreation component of development charges previously paid to the City by the owner. The owner would then be obligated to install the above base park improvements to the satisfaction of Parks, Forestry and Recreation and would have received a development charge credit against the Parks and Recreation component of the development charges payable for the development in that phase.

The Section 37 Agreement for Phase 2 did establish the above arrangements. The owner provided the letter of credit prior to building permit issuance and was provided a development charge credit against the Parks and Recreation component of development charges payable for the development in that phase. This report provides an opportunity to revise certain minor inconsistencies in that agreement to provide for internal consistency.

This report establishes authority for a similar credit in respect of Phases 3-7 of the development. The Section 37 Agreement for Phases 3-7 would be amended to establish a record of this obligation.

No amendments will be required to the site specific official plan amendments and zoning by-laws related to development on this issue. This report has been prepared in consultation with City Legal, City Planning, Finance and the Owner.

IMPLEMENTATION

The credit shall be in an amount that is the lesser of the cost to the owner of installing the above base park improvements, as approved by the General Manager, Parks, Forestry and Recreation, and the Parks and Recreation component of development charges payable for the development in accordance with the City's Development Charge By-law, as may be amended from time to time. The credit shall be conditional upon the owner providing a letter of credit to secure this obligation. After the improvements are installed to the satisfaction of the City, the letter of credit would be released.

CONTACT

Anne Marra, Director, Parks Development & Infrastructure Management, Tel: 416- 394-5723, Fax: 416-394-8935, E-mail: amarra@toronto.ca

Gary Short, Acting Manager, Tel: 416-394-8504, Fax: 416-394-8935, E-mail: gshort@toronto.ca

Randy Jones, Acting Program Manager, Tel: 416-395-7899, Fax: 416-395-7886, E-mail: rjones@toronto.ca

SIGNATURE

Brenda Patterson
General Manager, Parks, Forestry and Recreation