

**Preservation of the Former Canada Malting Silos and
Phased Development Plan for Silos Site
- 5 Eireann Quay**

Date:	October 26, 2009
To:	Executive Committee
From:	Richard Butts, Deputy City Manager Cam Weldon, Deputy City Manager and Chief Financial Officer
Wards:	20
Reference Number:	09 179913 STE 20 TM [p:\2009\Cluster B\pln\ec090046.doc]

SUMMARY

This report recommends that City Council direct staff to pursue a two-phased plan for the Canada Malting site. Phase 1 would include improvements to the site to secure safe waterfront access to Ireland Park, dockwall repairs and removal of the structures to the west of the Canada Malting silos. Phase 2 would involve developing a master plan for the site that would incorporate the sale of a portion of the site to permit private development and use of the funds from the development to complete parkland improvements to the entire site and stabilize the 1929 and 1944 Silos.

RECOMMENDATIONS

The Deputy City Manager, Cluster B and Deputy City Manager and Chief Financial Officer recommend that City Council:

1. Approve a phased plan to preserve the Canada Malting silos and a master planning exercise to complete improvements to the remainder of the site for public and private use as described in this report.

2. Direct staff to proceed immediately with Phase I improvements which have been funded in the Approved 2009 Capital Budget
 - the remediation of the east face of the silos to facilitate the opening of the East Promenade to Ireland Park including removal and storage of the marine leg
 - repairs to the eastern dockwall, and
 - demolition of the structures to the immediate west of the 1929 and 1944 concrete silo structures
3. Direct staff to prepare a Phase II Master Plan for the silos site and surrounding parkland identifying additional improvements and funding sources including a potential private development site in accordance with the framework outlined in this report.
4. Authorize the Chief Corporate Officer, in consultation with the Chief Planner and Executive Director, City Planning Division, to explore the private development potential for a portion of the site.
5. Authorize the Chief Planner and Executive Director to proceed at the appropriate time with all necessary planning studies required to consider and/or accommodate the proposed redevelopment on the Canada Malting site.
6. Direct that any redevelopment of the Canada Malting site retain the 1929 and 1944 silos as iconic, landmark elements and that proceeds from any sale or lease of adjacent lands be directed to complete the required restoration as a first priority.
7. Authorize the Chief Corporate Officer to enter into negotiations with the Toronto District School Board to amend the lease and licence agreements and any other relevant agreements between the parties on such terms and conditions as are deemed appropriate by the Chief Corporate Officer to facilitate any proposed redevelopment of the Canada Malting site; and
8. Authorize the Chief Corporate Officer, in consultation with the Chief Planner and Executive Director, City Planning Division to take the necessary steps to amend or remove the restrictive covenants on title to the Canada Malting site to allow for the proposed redevelopment, on such terms and conditions as are deemed appropriate by them, in a form satisfactory to the City Solicitor.

Financial Impact

The Facilities and Real Estate 2009 Approved Capital Budget included a project for \$12.2 million with \$3 million of cash flow in 2009 and \$9.2 in 2010 to carry out the Phase I improvements to the site. \$3.8 million of this amount is required for the east dock wall repairs, \$6 million is required for demolition of buildings to the west of the

silos, \$1.5 million for removal of the marine leg and stabilization of the east face of the silos to secure a safe walkway with the remaining \$900,000 to be spent on necessary stabilization and repair work designed to address the rapid decay of the silo structures. Facilities and Real Estate will retain responsibility for ongoing operational costs relating to the site that are estimated at approximately \$140,000 annually and will be provided from the current Base budget of the program.

Any additional improvements to the area are anticipated to follow a successful process to facilitate redevelopment of a portion of the site. Assumptions to guide a restoration plan for the silos are not yet firm. Estimates for that aspect of the work are in the order of \$9.0 million. It is anticipated that other funding sources such as a land sale and other contributions could yield in excess of \$10 million.

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

DECISION HISTORY

The Executive Committee at its meeting of June 3, 2008, item EX21.1.10, recommended that the Chief Corporate Officer submit a report to the September 2008, Executive Committee identifying the estimated expenditure and funding options to stabilize and/or make safe the 1929 and 1944 silos inclusive of access along the east side of the silos.

[<http://www.toronto.ca/legdocs/mmis/2008/ex/decisions/2008-06-03-ex21-dd.pdf>]

This report submission was deferred at that September 2009 meeting of Executive Committee to allow further consultation with the City's Planning Division and the Toronto Preservation Board. The Toronto Preservation Board considered a staff report and recommended the heritage designation of the former Canada Malting Silos on March 27, 2009.

ISSUE BACKGROUND

The Canada Malting Complex (CMC) sits at the foot of Bathurst Street at 5 Eireann Quay. The complex is a collection of landmark heritage structures originally built in 1929 and expanded in subsequent years. The CMC and surrounding lands are owned by the City and zoned 'G' (Parkland). They currently reside under the City's F&RE Division buildings portfolio. The City has been committed to the adaptive re-use of the silos and has pursued a number of private/public partnerships to restore them. Most recently the silos site was studied and proposed as the future site of the Toronto Museum Project.

In 2007 F&RE commissioned Trow Associates Inc. to perform a comprehensive Structural Condition Assessment of the complex for future use considerations. Safety concerns resulting from the deterioration of the structures required the site to be secured. Public access to Ireland Park along the east elevation of the silo structures was restricted due to the structurally unsafe marine legs projecting on the east side. There have been

increased requests from the community to reopen the east walkway (along the east side of the silo structures) to access Ireland Park at the south. Work has commenced on this portion of the project.

Based on the structural deterioration and safety concerns identified in Trow's 2007 report, F&RE put forth a recommendation to City Council to demolish all structures west of the silo units and to rehabilitate the silos. City Council deferred its decision since the City's Economic Development Culture and Tourism (EDCT) Department was pursuing the Toronto Museum Project and associated development of the site by independent parties.

With the decision not to locate the Toronto Museum Project at the silos site, F&RE prepared a report on options for the silos and recommended retention of a symbolic representation of the silos. This raised significant issues for the City related to its heritage policies, the Central Waterfront Plan, Council's environmental agenda and City leadership/precedent in terms of protecting other heritage resources in the City.

The current proposal, supported by F&RE, the Planning Division and the Waterfront Secretariat outlines an alternative strategy to address necessary and immediate objectives within the existing budget envelope, and recommends a plan for the revitalization of the entire site including the retention and restoration of the iconic landmark silos.

COMMENTS

Site and Surrounding Context

The Canada Malting Silos sit in the Bathurst Quay Neighbourhood on a former industrial site on reclaimed land that was created by the Toronto Harbour Commissioners in the early 20th Century. The silos are shown on Attachment 1. The property and structures are owned by the City of Toronto. The site context is as follows:

East: the Harbourfront Neighbourhood comprised of mid to high-rise residential buildings and a series of parks and marinas along the water's edge

North: A community complex including the TDSB Waterfront School, Community Centre and daycare

West: Little Norway Park and the Bathurst Quay Neighbourhood composed of low to mid-rise residential buildings

South: Lake Ontario and the Toronto City Centre Airport

Heritage

The former Canada Malting Company complex at 5 Eireann Quay is owned by the City of Toronto and has been listed on the City's inventory of heritage properties since June 20, 1973. It is a federally, provincially and municipally significant landmark, worthy of designation for its cultural heritage value under Part IV of the Ontario Heritage Act. It is the only remaining group of intact silos on the Toronto Waterfront, the other, at the gateway to the Portlands (privately owned) is not intact although the City is still requiring the owner to retain and restore the structure to "bookend" the Central Waterfront.

In 2007, as part of F&RE's site review process and at the request of the Manager, Heritage Preservation Services (HPS), a Heritage Impact Assessment was undertaken by Historical Research Limited (October 2007) to recommend an overall conservation strategy to guide the City's decision making. A staff report on the structural condition of the complex and Heritage Impact Assessment was brought to the Toronto Preservation Board in December 2007, along with F&RE's request to demolish buildings to the west of the silos. The Board recommended that it would be premature to approve the demolition of any part of the Canada Malting site prior to a more comprehensive understanding of the site's current adaptive re-use potential.

Subsequently, a meeting was arranged with HPS to discuss the demolition and preservation alternatives considered by F&RE and to obtain feed back on a variety of options. HPS was in full support of the alternative that would demolish the buildings to the west and restore the 1929 and 1944 silos they recommended that an Industrial Heritage Consultant be retained to comment on the various heritage aspects for each of the four alternatives to be presented.

Historical Research Limited was retained by F&RE to comment on the alternatives being considered and, in summary, the consultant concluded that in order to best achieve the conservation of the architectural and landmark characteristics of the site, preservation of all the silos would be the most preferred recommendation. HPS concurred with this recommendation.

There is strong community interest in the silos, especially with the recent focus on preserving concrete structures. Demolition of the silos by the City weakens our opportunity to protect heritage and sets the precedent of the City ignoring its own policies. A decision on this City owned site could not only diminish the City's ability to save other heritage structures but it could threaten many millions of dollars currently being invested in heritage preservation that has been secured by City staff.

Proposal

City Staff have reviewed the Canada Malting Site and its context to look at a long-term solution that will address the entire site, not just the silos structure. Staff has also identified additional funding sources that can help to complete this important piece of the Central Waterfront. The \$12.2 Million already approved for the site has been earmarked

for repairs to the dockwall and demolition of the silos but does not address, nor is the funding sufficient, to complete other improvements to the site.

To address the entire site, staff has developed a two-phased approach that secures extra funding through the sale of a part of the site for private development. The plan would preserve the eastern 1929 and 1944 silos. Attachment 2 – Site Plan labels the various parts of the site.

As part of Phase I, work has started to remove and store the marine leg on the east face of the silos and repair the east face to make the east promenade safe for pedestrians. In late spring of 2010, the eastern dock wall will be repaired and later in the year the structures west of the silos would be demolished. The remaining silo structures would be stabilized pending Phase II.

Phase II would entail development of master plan for the entire site, taking into account the sites context across from the City Centre Airport and within the Bathurst Quay Neighbourhood. This Master Plan process would include all City divisions and engage the local community.

The execution of Phase II would provide the additional funds required to restore the silos and provide an appropriate landscaped setting for this site. Parks, Forestry and Recreation staff will investigate the feasibility of incorporating a community pool into the master plan for the area. Funds for Phase II would be obtained through a Request for Proposal (RFP) process to sell a portion of the site for a redevelopment. The type of development would be determined through an open proposal call to the private sector that could include residential, cultural, hotel or other mixed use development. Any development would have to comply with a list of criteria that would need to be developed including conditions such as:

- new buildings would be no taller than the silos to maintain their prominence and not be visible from the east;
- there would be no significant shadow impact on the schoolyard or Little Norway Park
- the project would contribute to and complement other improvements to the site such as parkland and heritage

The Administration Building at the south end of the site beside Ireland Park could continue as a Forestry Yard and be screened. If an alternative location is found for Forestry, the opportunity exists for the City to work with the Ireland Park Foundation to lease and renovate the building as a Cultural Centre that could support interpretation of Ireland Park along with a range of other activities as appropriate. Portions of the silos themselves could also be leased to provide ongoing revenue to cover maintenance costs for the heritage structures and the site. The remainder of the site would be improved as parkland and opened up to the public.

Currently the City is working with the community to address concerns and improvements to the space surrounding the silos and synergies with the existing school, community centre and parkland. There is considerable space around the silos, and through re-use of the heritage buildings on the property, to add parks and recreational programming and other cultural or commercial uses.

Budget and anticipated timelines

The financial requirements to redevelop the Silos site are being evaluated and opportunities to leverage private investment have been looked at so as to have minimal financial impact on the City of Toronto beyond the already approved budget envelope. The funding approach is outlined below.

The already approved budget of \$12.2 M would fund the following and clear the site for future improvements.

Budget Item	Cost	Balance
Total Approved Budget		\$12,200,000
Marine Leg Removal	\$1,500,000	\$10,700,000
Dock Wall Repair	\$3,800,000	\$ 6,900,000
Demolition of Western Structures	\$6,000,000	\$ 900,000
Additional repairs to silos	\$ 900,000	\$ 0

The budget breaks down to \$8.4 Million for the silos and \$3.8 Million for the eastern dock wall repair.

Additional funding could be secured for Phase II of approximately \$10 million. Waterfront Toronto has committed \$1 million toward the construction of the waterfront promenade along the east side. The City is holding Section 37 funds of approximately \$730,000 that have been earmarked for improvements to parkland on Bathurst Quay. In addition several million more dollars could be realized from the sale of development rights and sponsorship of various elements of the proposal. These additional funding sources could add more than \$10 million for improvements to the site

Other sources of revenue on the site include interest by the Ireland Park Foundation that raised the funds to build Ireland Park, to assist with fundraising and to lease the Administration Building and improve parkland around it. Leasing opportunities also exist for portions of the silos themselves. The following is a rough timeline for the project.

Fall 2009

- Removal of the marine leg and other structures and the stabilization of the east face of the silos to secure a safe walkway;
- City staff begins negotiations to remove restrictive covenants on site with federal government.

Late Spring 2010

- Repairs to the eastern dock wall in order to permit the construction of a promenade;
- demolition of the western structures and interim stabilization of the silos.

2010

- Develop a master plan for the site and detailed plans to stabilize silos
- Initiate the process to permit a private development on part of the site
- Issue a developer proposal call
- Amend the Official Plan and Zoning to permit mixed- use
- Sell/lease development parcel
- Identify other funding sources and uses for Administration Building and possibly portions of the silos

2011/2012

- Use funds from land sale to restore and potentially adaptively re-use the silos, improve parkland and provide additional community facilities and programming on the site

Official Plan Policies

The Official Plan (see Attachment 3) describes Toronto as a City of diversity and opportunity where people want to understand their past. Toronto's future, it says, must be one where the City's waterfront is a vital, healthy and beautiful asset; where heritage buildings and features are conserved, and where significant views and focal points are preserved. In the section entitled Heritage Resources (3.1.5) the Plan says that in the past, many of our architectural gems and historical landmarks were lost, but that the Plan now focuses on conserving Toronto's remaining irreplaceable heritage resources.

The Official Plan directs that significant heritage resources will be "conserved" and that City owned heritage resources will be conserved and maintained in a state of good repair and that the City will work with private owners to preserve heritage. The Plan also states that when a City owned property is sold, leased or transferred to another owner, a heritage easement agreement will be secured and public access to valued heritage areas will be maintained

Further, Official Plan Policy 2.2.1.5 states that the architectural and cultural heritage of Downtown should be preserved by designating buildings, districts and open spaces with heritage significance and by working with owners to restore and maintain historic buildings. To this end, the Planning Division has worked with private landowners to preserve heritage assets, including industrial features across Toronto's waterfront and throughout the City.

The Central Waterfront Secondary Plan contained within the City of Toronto Official Plan, identifies that the Canada Malting Silos, a landmark and important heritage feature on the Central Waterfront, will be retained and improved. The Plan states that the City will pursue innovative proposals for a mix of public and private activities and uses that can successfully transform the silos building into a unique special place on the Toronto waterfront. The Plan identifies the Canada Malting site as an Inner Harbour Special Place.

While the entirety of the Central Waterfront Secondary Plan has yet to be adopted and included in the current City of Toronto Official Plan, its policies are still relevant to the vision for the City's waterfront. However, because the Secondary Plan has yet to be adopted, the Part II Plan policies contained in the former City of Toronto Official Plan are in force and effect.

The Harbourfront Part II Plan identifies that the Canada Malting Silos lands are included in the Bathurst Quay South Area. Within this area, site-specific designations of BQ-11 and BQ-12 apply. The BQ-12 designation applies to the lands occupied by the silos themselves, with BQ-11 applying to the lands surrounding the malting silos. The Official Plan policies identify that it is "the policy of Council to encourage the retention or renovation of the existing structures of historical significance on Parcels BQ-11 and BQ-12"

The Toronto Official Plan is available on the City's website at:
www.toronto.ca/planning/official_plan/introduction.htm.

Environment

Heritage and environmental groups, as well as the LEED standard, recognize that the preservation and re-use of heritage buildings protects the embedded energy and materials in existing structures. Through the preservation of the silos the City is not only preserving an important heritage resource but also achieving environmental objectives. Re-use not only creates demand for skilled and labour intensive employment but represents a significantly smaller carbon footprint than demolition. Within the present plan an Environmental Assessment and Brownfield site remediation could be undertaken by the chosen proponent who would be responsible for the remediation of the development site for which funding is available. Such an approach has proved successful in both Port Credit and Collingwood, where private developers have incorporated industrial heritage into residential redevelopment on the Lake Ontario and Georgian Bay waterfronts.

Municipal Planning Approvals

Policies specific to Bathurst Quay South identify the Canada Malting site as “an area of public park” permitting public park uses, community services and facilities, institutional uses, and surface parking for the Toronto Island Airport. While the Canada Malting site is still subject to the former Official Plan and Secondary Plan policies, any mixed-use redevelopment must have regard for the new Official Plan and the Central Waterfront Secondary Plan. The new Official Plan designates the Canada Malting site as “Parks”. The Central Waterfront Secondary Plan designates the site Parks and Open Space, Inner Harbour Special Places permitting parks, open spaces, natural areas and plazas.

The Canada Malting site is zoned G in the Harbourfront Zoning By-law which permits parks and public recreation uses, and uses accessory to parks and public recreation as set out in the By-law. The zoning map is shown on Attachment 4. Given that the Official Plan and Harbourfront Zoning By-law would not allow for a mix of uses proposed for the site, official plan amendments would be required.

Any future proposal for the site would be subject to environmental standards, including the City of Toronto Green Development Standard and the Ministry of Environment’s Record of Site Condition. Further, the development will be subject to the City of Toronto Harbourfront Design Guidelines.

Site Agreements and other Encumbrances

During the course of site review for the Toronto Museum Project a number of legal and physical impediments were identified that would need to be dealt with before any redevelopment could occur. This includes two (2) restrictive covenants encumbering the site agreed to by the City in 1992 in exchange for the transfer of the Harbourfront Lands from the federal government. One restricts the use of the land or any part to "public purposes" which would not include the mix of uses envisioned for the redevelopment. The other restricts sponsorship opportunities so as not to conflict with existing Harbourfront activities. These agreements must be renegotiated and the restrictions removed to allow for a mixed-use redevelopment to proceed.

There are also a number of leases and licenses and other agreements involving third parties, including the Toronto District School Board, affecting title or redevelopment that would need to be reassessed and either renegotiated or removed. This in turn would require that appropriate City staff be authorized to negotiate amendments or new agreements with the affected parties, in a form satisfactory to the City Solicitor, to allow the redevelopment to proceed.

Public Consultation

A substantial amount of community engagement and consultation has occurred relative to the silos site over the past few years and the present proposal will build on the results to date, particularly as they pertain to the expressed needs of the surrounding community.

At a design charette and community meeting held for the Toronto Museum project in 2008 there was general agreement on the needs and wants of the community. The community was excited about the museum concept, particularly as it connected to the restoration of the silos; there was concern over the accessibility of the site and to the water's edge; community amenities; non-residential uses, and parking. The idea of residential and hotel development proved the most concerning, although it was generally communicated that if they were deemed to be a necessary revenue source to allow for site improvements, the community would be more open to the idea.

In a 2008 report on the Toronto Museum Project, Toronto Culture identified two key community priorities and these priorities will be carried forward in the current proposal.

1. The community must maintain a meaningful and continuing role in the decision making process; and
2. The development, if it is to include a mix of commercial, retail and residential, must be carefully planned as a precinct that takes into account community amenities and aspirations, and green space.

A community meeting to discuss the proposed plan was hosted by Councillor Adam Vaughan, the Ward Councillor on October 21, 2009. Approximately 60 people attended the meeting. A number of issues were raised including the following:

- the attendees were evenly split on the issue of whether or not the silos should be retained
- if there were to be private development on the site, residents preferred that it be a mix of commercial and cultural uses rather than residential
- there were a range of comments on whether private development should be permitted on the site or not
- residents wanted to ensure that any improvements to the silos site include additional community facilities, recreational programming and a pool
- residents asked for more opportunity to be involved in developing a master plan and recommendations for the site
- concerns were raised about existing traffic, congestion and taxi stacking for the airport and the effect of more development in the area
- adaptive re-use of the silos was discussed including opportunities for green infrastructure and uses in the silos to animate the site

The Councillor noted that a report was being prepared for the November 2 Executive Committee that would provide an additional opportunity for comment.

Conclusion

Redevelopment of industrial heritage sites is a complex and challenging task, particularly within the current economic climate. However, the current proposal, supported interdivisionally and endorsed by the Waterfront Secretariat, outlines a straightforward and manageable strategy that addresses heritage considerations, public safety concerns and community aspirations, all within the existing budget envelope. The development and revitalization of the entire site, including the retention and restoration of the iconic landmark silos, will provide the City with an enviable waterfront public space while securing an important part of our City's heritage for future generations.

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SIGNATURE

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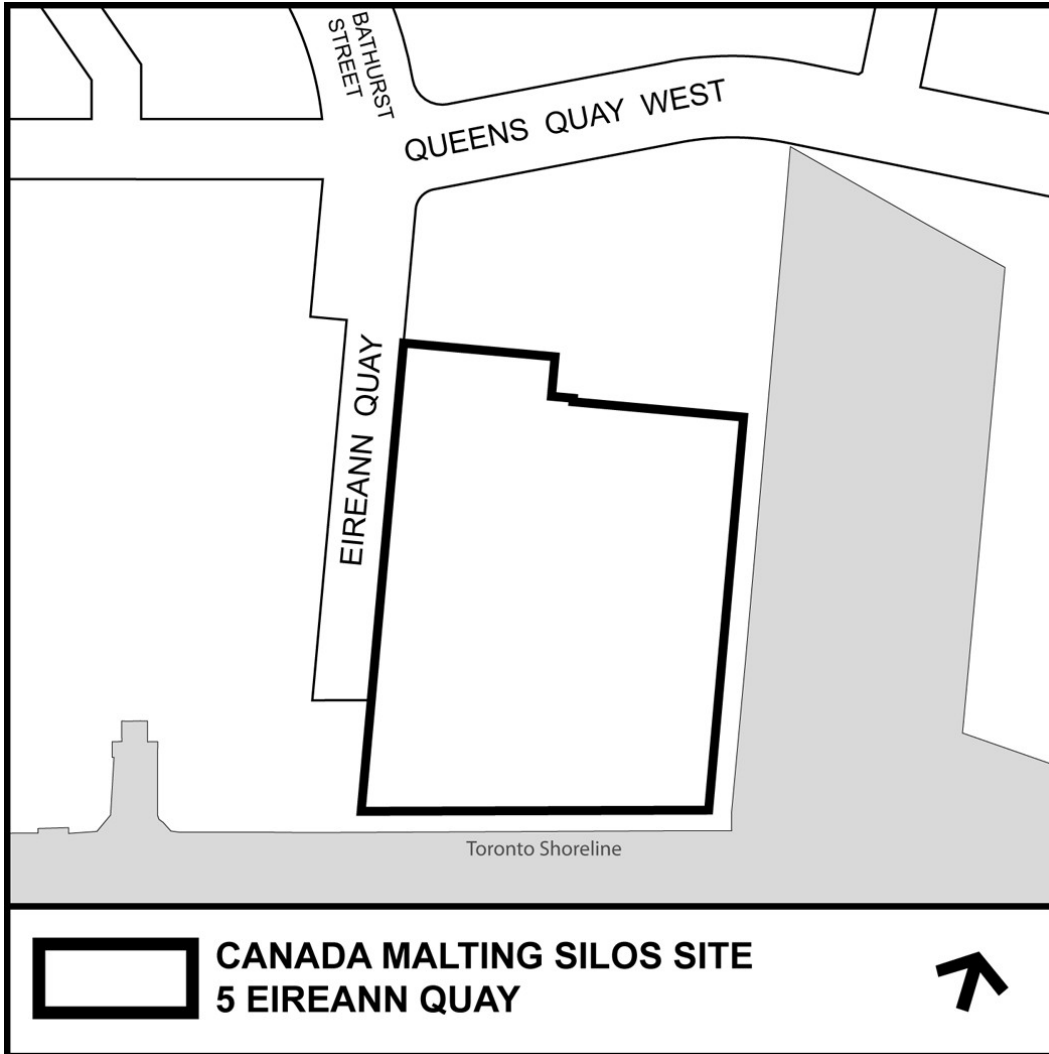
Cam Weldon
Deputy City Manager and
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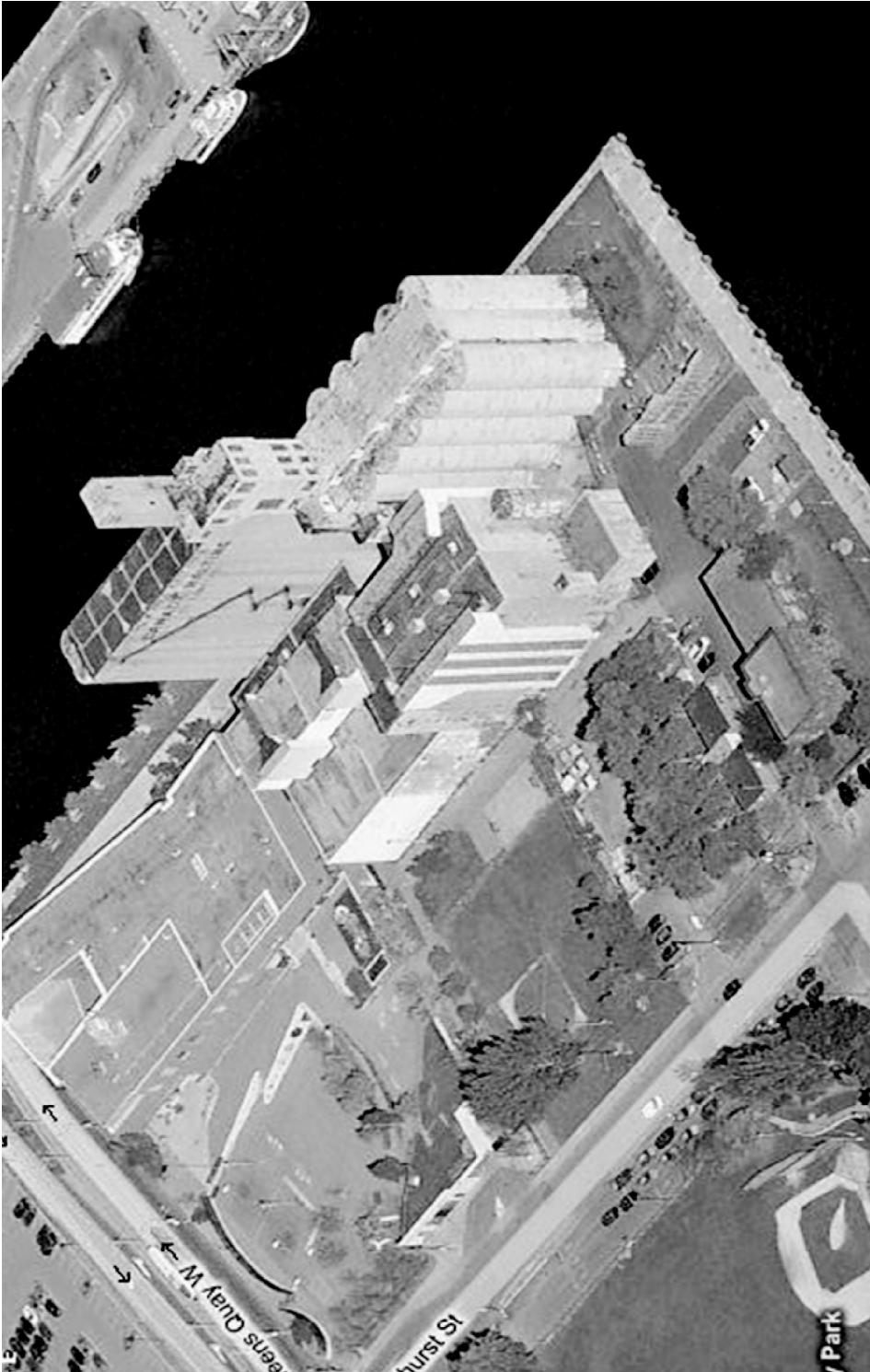
Attachments

Key Map
Attachment 1 – Aerial Photo of the Canada Malting Site
Attachment 2 – Site Map
Attachment 3 – Official Plan
Attachment 4 – Zoning

Key Map



Attachment 1

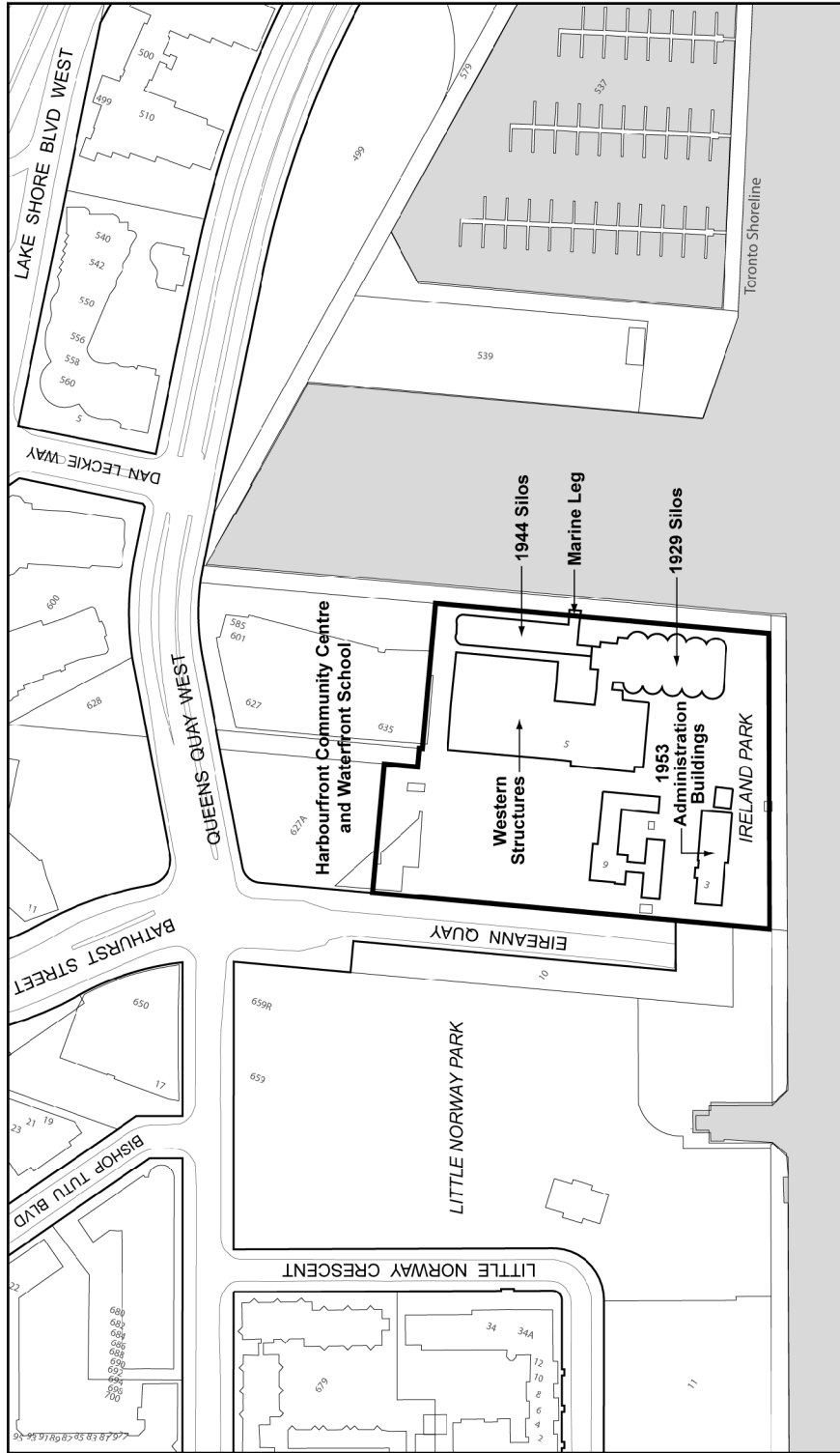


Canada Malting Silos Site

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Not to Scale
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Attachment 2



Canada Malting Silos Site - 5 Eireann Quay

File # 09-179913



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Attachment 3



Toronto City Planning Official Plan

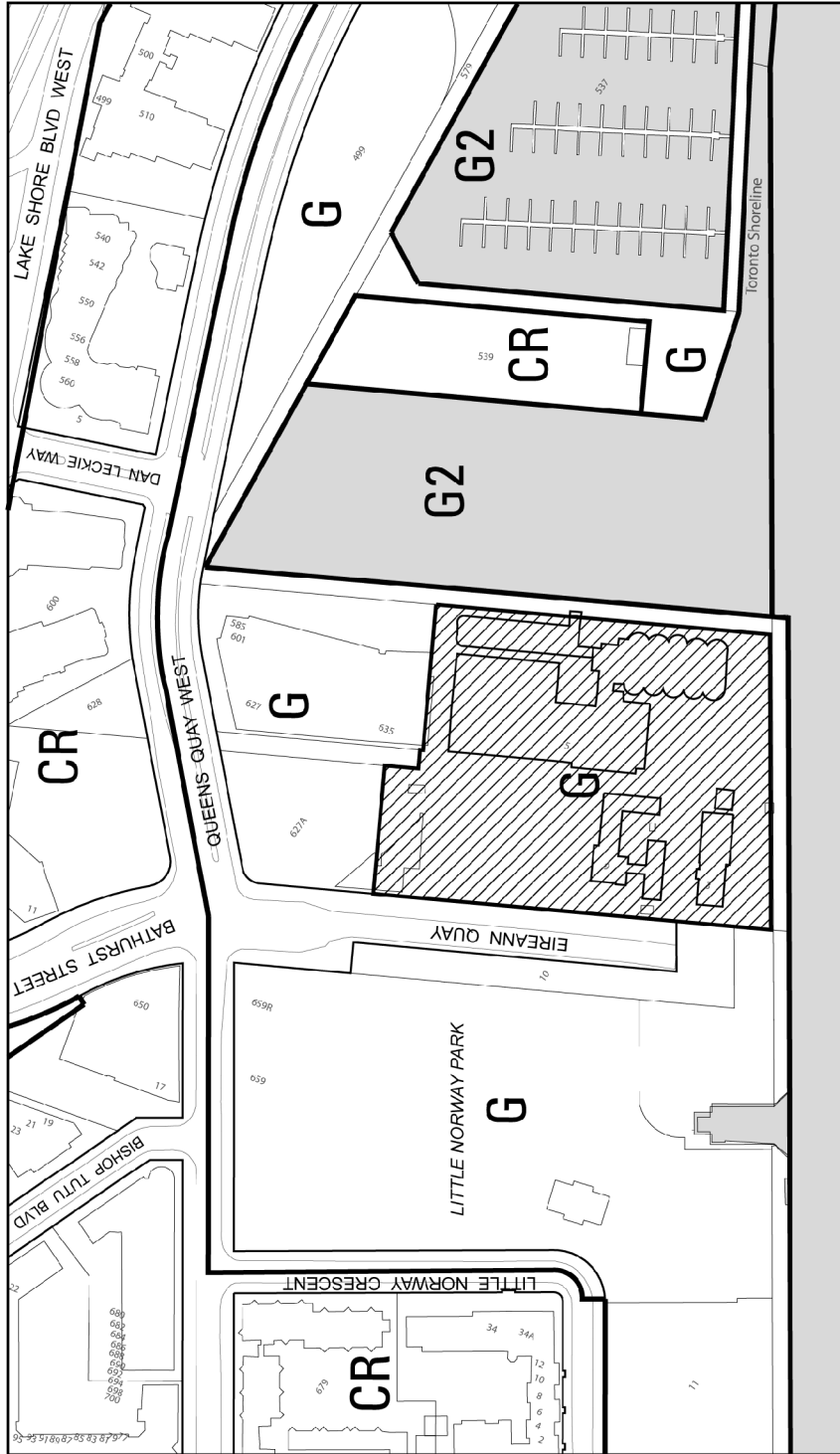
Canada Malting Silos Site - 5 Eireann Quay

File # 09-179913

-  Subject Site
-  Apartment Neighbourhoods
-  Mixed Use Areas
-  Parks & Open Space Areas
-  Parks


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10/22/2009

Attachment 4



Toronto City Planning
Zoning
Canada Malting Silos Site - 5 Eireann Quay
 File # 09-179913

 Subject Site
 Parks District
 Mixed-Use District

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 10/22/2009