



**STAFF REPORT
ACTION REQUIRED**

**4759-4789 Yonge Street- Willowdale Plaza
OMB Hearing- Status Report**

Date:	March 31, 2009
To:	North York Community Council
From:	City Solicitor
Wards:	Ward 23- Willowdale
Reference Number:	File No. 06 163756 NNY 23 OZ (related Site Plan Control Application 08 120530 NNY 23 SA)

SUMMARY

Official Plan Amendment and Zoning By-law Amendment applications have been submitted by Hullmark Centre Inc. (“Hullmark”) to permit a high density mixed use development, including a major office component, on the Willowdale Plaza lands located at the southeast corner of Yonge Street and Sheppard Avenue. After extensive negotiations between Hullmark and its team and City staff, which have resulted in a number of important improvements and refinements to the proposed project, Hullmark submitted an offer to settle (“Offer”) on March 27, 2009.

Staff is making Community Council aware of the Offer and requests direction with respect to the processing of this matter. It is contemplated that if the Official Plan Amendments being proposed are satisfactory to City Council, then it is expected that a detailed site-specific zoning by-law will follow.

RECOMMENDATIONS

1. That the Director, Community Planning, North York District bring forward a proposed general Official Plan Amendment to the Secondary Plan based on an offer to settle (“Offer”) submitted by Hullmark Centre Inc. (“Hullmark”), to the next possible North York Community Council meeting, for public consultation via a statutory Public Meeting pursuant to the *Planning Act*.
2. That the Director, Community Planning, North York District bring forward a proposed site-specific Official Plan Amendment to the Secondary Plan based on the Offer submitted by Hullmark to the next possible North York Community

- Council meeting for public consultation via a statutory Public Meeting pursuant to the *Planning Act*.
3. That the Director, Community Planning, North York District bring forward to the next possible North York Community Council meeting a Planning Report regarding the Offer to be considered concurrently with the Public Meeting to consider the proposed Official Plan Amendments.
 4. That notice for the Public Meeting(s) under the *Planning Act* be given according to the Regulations of the Planning Act.

FINANCIAL IMPACT

There are no financial implications resulting from the adoption of this report.

DECISION HISTORY

Hullmark submitted the Official Plan and Zoning Amendment applications to the City on August 3, 2006, and filed a related Site Plan Control application on March 19, 2008.

The August 29, 2006 Preliminary Report on the Official Plan and Zoning Amendment applications was considered by City Council at its meeting of September 25, 26 and 27, 2006. City Council adopted Planning staff's recommendations and further directed that prior to scheduling a Community Consultation Meeting, staff report to the North York Community Council on:

- 1) the applicability of current and past versions of the North York Centre Secondary Plan to the proposed development in relation to its outstanding appeals; and
- 2) the exact Official Plan Amendments, and modifications to the City's new Official Plan, that would be entailed by approval of the development in its presently proposed form.

The December 14, 2006 Information Report from the Director, Community Planning, North York District was received by North York Community Council at its meeting of January 16, 2007. The report may be accessed via the following link:

<http://www.toronto.ca/legdocs/mmis/2007/ny/bgrd/backgroundfile-453.pdf>

The Community Consultation Meeting on the proposed development was held on June 6, 2007.

The project has also been before the City's Design Review Panel. At its meeting of July 26, 2007, the Design Review Panel voted to support the project's continued evolution in the proposed direction.

ISSUE BACKGROUND

The purpose of this report is to introduce the Offer by Hullmark and to recommend that the Offer, the related Planning Report, and the statutory Public Meeting to consider the proposed Official Plan Amendments proceed to the next possible North York Community Council meeting. It is intended that the Offer be brought forward to the Community Council meeting at which the Official Plan Amendments are to be considered. In this way, the Offer by Hullmark may be fully understood.

The generalized density, range of building heights, and layout and massing of the proposed tower components are largely consistent with the initial 2006 submission. Through ongoing discussions that have taken place with the Hullmark team and City staff, there have, however, been a number of important revisions and improvements to the project since earlier submissions.

Revisions and improvements to the project include matters related to: the provision of increased office space (which is now also incorporated into the low-rise block); security intended to help achieve the office component; the proposed conveyance of off-site lands for parkland and for the Service Road; security for the two proposed TTC connections within the development; and various improvements to elements of the project's design.

It is recommended that a Planning Report proceed to the next possible North York Community Council meeting in order to discuss in more detail the Offer and to bring forward the proposed general and site-specific Official Plan Amendments to a statutory Public Meeting. The Planning Report would also outline additional details of the proposed process of dealing with the outstanding appeal of the Official Plan, as well as the related Zoning By-law Amendment and Site Plan Control applications.

PROPOSAL

The proposed development consists of two towers of 35 storeys (south tower, along Yonge Street) and 44 storeys (north tower, along Sheppard Avenue), and a third low-rise "link building" block of 5 storeys (see Schedule A of Attachment, site plan sheet A-2).

The proposed 44-storey north tower contains an 11-storey office component and residential uses above that level. The proposed 35-storey south tower contains retail uses at the ground floor and residential uses above. The 5-storey link building would include office space, retail uses and amenity space for the two residential towers. Retail and service commercial uses are proposed at grade level along the Yonge Street and future Anndale Drive frontages.

The proposed development includes two new pedestrian connections to the Yonge/Sheppard TTC subway.

The project has a total proposed gross floor area of 90,591m². The total proposed commercial floor area of 29,339m² is comprised of 23,035m² office and 6,305m² retail.

The proposed residential uses have a total floor area of 61,251m² containing 685 residential units. The total proposed floor space results in a density of just under 6.0 FSI. The applicant is proposing that this density be achieved by providing Section 37 incentives including street-related retail uses, indoor residential amenity space, the conveyance of two off-site properties for future Service Road purposes, and a monetary contribution for density which would be offset by the costs of providing two proposed pedestrian connections to the Yonge/Sheppard subway.

The proposal includes a publicly accessible “Grand Plaza” located directly at the southeast corner of Yonge Street and Sheppard Avenue.

Anndale Drive is to be extended westward to connect with Yonge Street and Poyntz Avenue. As indicated in the Downtown Plan South of Sheppard Avenue Environmental Study Report, lands for the new road extension are required along the length of the site’s south property boundary.

A proposed driveway along the east side of the site connects to both Sheppard Avenue and the future Anndale Drive. A total of approximately 1,070 vehicular parking spaces is proposed including both commercial and residential parking.

The proposed site plan is included in Schedule A to Hullmark’s proposed Offer (see Attachment). The proposed general and site-specific Official Plan amendments to the North York Centre Secondary Plan are found in Schedules B and C to the Offer.

SITE AND SURROUNDING LAND USES

The 1.5 ha site is located at the southeast corner of Yonge Street and Sheppard Avenue within the North York Centre and is currently developed with a commercial plaza. A stairwell to the TTC subway station at Yonge/Sheppard is located at the southwest corner of the site and a TTC building (emergency exit) is located at the northwest corner of the site. The proposed Service Road alignment (Anndale Drive extension) cuts through the southern part of the site and requires the conveyance of lands 23m in width along that entire boundary.

The surrounding land uses are as follows:

- North: across Sheppard Avenue is the Sheppard Centre consisting of 9-storey and 19-storey office buildings with commercial retail at the base, 3-storey rental townhouses, and three 29-storey apartment buildings
- South: 15-storey Procter and Gamble office building; to the southeast is a residential development consisting of two 23-storey apartment buildings and 3-storey townhouses, with a 22-storey building and additional townhouses proposed further to the east
- East: 33-storey condominium apartment building along the Sheppard Avenue frontage; an application has also been approved for a 33 storey residential building fronting onto the future Anndale Drive extension

West: across Yonge Street is a parking lot at the southwest corner of Yonge Street and Sheppard Avenue West, and further west is the 22-storey Nestle office building. The TTC Bus Terminal and Subway lands are located at the northwest corner of Yonge Street and Sheppard Avenue.

COMMENTS

Official Plan Background

The history of Official Plan policy for the Willowdale Plaza site includes an unresolved non-decision of OPA 447 (the North York Centre Secondary Plan) dating back to 1998, and an appeal of the Toronto Official Plan adopted by City Council in November, 2002. The Offer by Hullmark includes proposed general and site-specific Official Plan Amendments for Council's consideration.

North York Official Plan and OPA 447 Non-Decision

The Willowdale Plaza lands are designated Mixed Use by the D.2 Downtown Plan for the former North York, as amended by OPA 393. OPA 393 is an area-specific amendment for lands in the southeast Yonge/Sheppard quadrant and was approved by the Ontario Municipal Board in 1998.

The Willowdale Plaza's Mixed Use designation includes permission for either, or both, non-residential as well as residential uses. The maximum density permission is 4.5 FSI plus available transfers and special density incentives.

In September 1997, North York City Council adopted OPA 447, which is the North York Centre Secondary Plan (including both the Downtown and Uptown areas). OPA 447 sought to establish a "Downtown Mixed Use-1" land use designation for identified sites within the Downtown area, including the Willowdale Plaza lands. This designation does not permit residential uses.

On December 8, 1998, the Minister of Municipal Affairs and Housing approved OPA 447, subject to a number of modifications. The Minister did not issue any decision on several portions of OPA 447, including "Non-Decision No. 6" regarding site-specific policy 12.19 respecting the Willowdale Plaza lands, and all related Schedules as they apply to the site. These policies and schedules have not been approved and are not in effect for the subject site. However, other aspects of OPA 447 do apply to the site.

One of the matters to which Sun Life (the previous owner of the Willowdale Plaza lands) had objected, as outlined in its solicitor's letter dated March 6, 1998, to the Minister of Municipal Affairs and Housing, was the proposed designation of the lands as "Downtown Mixed Use – 1". This designation proposed to permit only non-residential uses, whereas the D.2 Downtown Plan as amended by OPA 393 had permitted complete flexibility for either non-residential or residential uses on the site under its "Mixed Use" designation.

The matter of the land use mix has not yet been resolved and the non-decision related to OPA 447 is still outstanding.

Applicant's Appeal of the Toronto Official Plan

The new City of Toronto Official Plan adopted by City Council in November, 2002 brought forward the North York Centre Secondary Plan in the same general form as OPA 447, including a proposed designation of "Mixed Use Area – A" that would permit only non-residential uses on the Willowdale Plaza site. The previous owner, Sun Life, appealed the North York Centre Secondary Plan of the new Toronto Official Plan as it relates to this site. The current owner (Hullmark Centre Inc.) has assumed this appeal.

The majority of the new Official Plan came into effect on July 6, 2006, however, given the outstanding appeal of the new Official Plan's Secondary Plan policies as they apply to the subject lands, and given the application that is currently in process, no decision has been made regarding these Secondary Plan policies for the subject lands.

Official Plan Policy Framework - Summary

To summarize, the site-specific policies and the schedules of the D.2 Downtown Plan, as amended by OPA 393 for the southeast Downtown, remain in force and effect for the subject lands. This includes the mixed land use permission which authorizes residential uses. In all other aspects, the subsequently approved policies for the North York Centre Secondary Plan (OPA 447) are in effect for the subject lands. The new Toronto Official Plan policies as they relate to this site have not yet been adjudicated.

Offer to settle

Highlights of the Offer are as follows:

- Overall maximum gross floor area of the development will be 90,591m², including 23,035m² office space, 6,305m² retail uses and 61,251m² residential uses
- Number of density incentives will bring density to just under 6.0 FSI (5.985 FSI)
- Proposed density incentives include the conveyance of two off-site properties for the Service Road, a monetary contribution for density which is to be offset by the costs of providing two subway connections to the development, and the provision of street-related retail uses, bicycle parking and indoor residential amenity space
- Letters of credit will be filed by Hullmark to help secure the construction of the pedestrian connections to the subway and the office elements of the project
- Hullmark to receive from the City a strata fee interest for lands with a total area of 222.0m²

- Hullmark will construct the Anndale Drive extension at its own expense and have the right to utilize any or all of it for construction staging for a period of four years, without payment to the City or it may deed the land for the service road to the City and then apply at a later date to occupy a portion of the land and pay the fees that are in effect at that time
- Hullmark and the City will, on consent, seek an order from the Ontario Municipal Board resolving Hullmark's outstanding appeal to the City's Official Plan consistent with the terms and conditions of the Offer
- If the City does not accept the Offer, Hullmark reserves the right to modify its development proposal so as to reduce or eliminate the office element

The Offer, including its schedules, is attached below and may be referred to for more detailed information. It is recommended that Planning staff bring forward the Offer to the next possible North York Community Council meeting for consideration along with the statutory Public Meeting to consider the proposed Official Plan Amendments.

CONTACT

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SIGNATURE

Anna Kinastowski
City Solicitor

ATTACHMENTS

1. Offer to settle