

**21 Grand Magazine Street (known as Block 5 within the Fort York Neighbourhood and formally known as part of 620 Fleet Street) – Amendment to the Amended and Restated Section 37 Agreement**

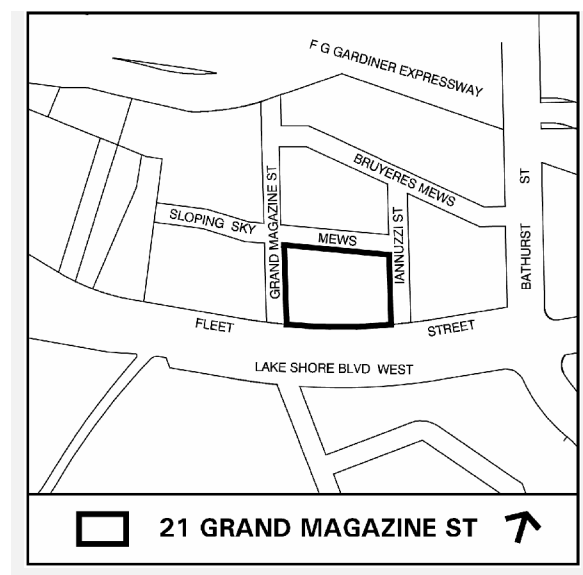
<b>Date:</b>	March 4, 2009
<b>To:</b>	Toronto and East York Community Council
<b>From:</b>	Director, Community Planning, Toronto and East York District
<b>Wards:</b>	Ward 19 – Trinity-Spadina
<b>Reference Number:</b>	03 035117 STE 19 OZ

**SUMMARY**

This report proposes an amendment to the Amended and Restated Section 37 Agreement registered on title to lands that include 21 Grand Magazine Street (Block 5) in the Fort York Neighbourhood.

The site recently received Site Plan Approval for 2 residential towers and a townhouse development with a total of 325 dwelling units. The site specific zoning and related Amended and Restated Section 37 Agreement require that at least 30% of the total units are of a smaller size to assist City Council in implementing its policy of having affordable housing and low-end-of-market housing in new developments. The applicant proposes to increase the maximum size requirement for 20 of the required bachelor and one bedroom units from 62 square metres to 67 square metres.

The Committee of Adjustment recently approved a minor variance to the Zoning By-law to permit this change conditional upon amendment to the Amended and



Restated Section 37 Agreement to reflect the same.

This report reviews and recommends approval of the proposed amendments.

## **RECOMMENDATIONS**

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### **The City Planning Division recommends that:**

1. City Council authorize an amendment to Section 4.2 of the Amended and Restated Section 37 Agreement (dated February 16, 2007, as amended), as it applies to 21 Grand Magazine Street (Block 5) in the Fort York Neighbourhood, to reflect the decision of the Committee of Adjustment (A0121/09TEY) and to provide for an increase to the maximum size specification for 20 of the required affordable bachelor and one bedroom dwelling units from 62 square metres of Residential Gross Floor Area to 67 square metres, as applicable only to 21 Grand Magazine Street (Block 5) in the Fort York Neighbourhood, to the satisfaction of the City Solicitor.
2. City Council authorize the Chief Planner to approve as appropriate, further amendments to the Amended and Restated Section 37 Agreement (dated February 16, 2007, as amended), to also reflect any adjustments to the unit sizes in the Low-End-of-Market Housing provisions applicable to Block 3B in the Fort York Neighbourhood, as may be approved by the Committee of Adjustment and where such amendment is required as a condition pursuant to the Committee's authority under Section 45(9) of the Planning Act.
3. City Council authorize execution of the amending agreements as contemplated in this report as well as all necessary action to give effect to the foregoing.

### **Financial Impact**

The recommendations in this report have no financial impact.

## **DECISION HISTORY**

The original Official Plan and Rezoning amendments for this site in the Fort York Neighbourhood were undertaken in 1996, subsequent to which the original Section 37 agreement was prepared and registered on title. Since that time a number of Zoning By-law amendments and minor variance applications affecting this site have been approved. An Amended and Restated Section 37 Agreement, which applies to Blocks 3A, 3B and 5 was registered on title on February 28, 2007 (the "Section 37 Agreement (2007)").

On February 18, 2009 the Committee of Adjustment approved a minor variance to the site specific Zoning By-law relating to the Low-End-of-Market Housing and Gross Floor Area requirements for Block 5 (see discussion under 'Zoning' below). The Site Plan Agreement was registered on title on March 2, 2009.

For the purposes of the Section 37 Agreement (2007), “Low-End-of-Market Housing” means small private market housing units suitable for households of various sizes and compositions, the price of which would not be monitored or controlled, but which by virtue of their modest size relative to other market housing units would be expected to be priced for households up to the 60<sup>th</sup> percentile of the income distributions for all households in the Toronto Census Metropolitan Area. The Section 37 Agreement (2007) and the site specific By-law require that 30% of the total number of units fall within the following size criteria:

- a) Bachelor or one-bedroom units shall not be greater than 62 square metres of Residential Gross Floor Area;
- b) Two bedroom units shall not be greater than 82 square metres of Residential Gross Floor Area; and
- c) Three bedroom units shall not be greater than 98 square meters of Residential Gross Floor Area.

## **ISSUE BACKGROUND**

### **Proposal**

The proposed development on Block 5 consists of 3 buildings: one 27 storey mixed retail/residential tower, one 11 storey residential tower and nine 3 storey townhouse units for a total of 325 dwelling units. As proposed, there are 114 bachelor and one-bedroom units. Pursuant to the Zoning By-law this would mean that 34 (30%) of those units would need to have a maximum floor area of 62 square metres to fall within the Low-End-of-Market Housing category. However, only 14 of the proposed units (12%) have a maximum size of 62 square metres.

The applicant is seeking an amendment to the Section 37 Agreement (2007) to reflect this deviation and allow for an increase to the maximum size requirement for the remaining 20 required bachelor and one bedroom units being provided, from 62 square metres Residential Gross Floor Area to 67 square metres, in order to create more efficient design layouts and reflect market demand for larger units on Block 5. There will be a total of 32 units in the size range between 62 square metres and 67 square metres. If approved, this change would effectively result in 46, or 40%, of the bachelor and one bedroom units falling within what would be considered the Low-End-of Market Housing category.

The Committee of Adjustment has approved a minor variance to the applicable zoning requirements, but pursuant to its powers under Section 45(9) of the Planning Act, required as a condition that the Section 37 Agreement (2007) be amended to reflect this adjustment. Council authority to amend and execute the agreement is required.

The applicant is also developing Block 3B, which is located to the west of Block 5 and is subject to the same Low-End-of-Market Housing requirements in the Section 37 Agreement (2007). Block 3B has Site Plan Approval and is currently subject to a Draft Plan of Condominium application that is being reviewed by staff. The applicant has

indicated that they intend to apply to the Committee of Adjustment in the near future for a minor variance relating to the Low-End-of-Market Housing requirements for Block 3B. Therefore, staff have included a recommendation in this report that the Chief Planner be given the authority to approve any further amendments to the Section 37 Agreement (2007) as are considered appropriate relating to the unit sizes and Low-End-of-Market Housing requirements for Block 3B in the event that the Committee approves further variances conditional on such an amending agreement.

It is not proposed to change the Section 37 Agreement (2007) as it relates to Block 3A as there is currently no site plan application over the Block 3A lands and in this instance it is preferable to review any future application in the context of the City policies and market trends at that time.

### **Site and Surrounding Area**

Block 5 is located within the Fort York Neighbourhood. This area is bounded by Fleet Street to the South, Bathurst Street to the East, the Rail Corridor to the North of the Fort York Historic District and Fort York Boulevard to the West.

The uses surrounding the site include:

South: Fleet Street, Lake Shore Boulevard West and the Bathurst Quay neighbourhood;

East: Iannuzzi Street, Block 7 and Bathurst Street;

North: The proposed Sloping Sky Mews and Block 4A;

West: The proposed Grand Magazine Street, Block 3B and June Callwood Park.

### **Official Plan**

The site has an *Apartment Neighbourhood* designation in the Toronto Official Plan and is located within the Fort York Neighbourhood Secondary Plan area. The Official Plan and Secondary Plan contain provisions to ensure that housing in the Fort York Neighbourhood will be available to a wide range of household types, age groups, accessibility levels and income levels in a variety of unit sizes.

### **Zoning**

Block 5 is zoned R4 and is subject to By-law No. 438-86, as amended by site specific Zoning By-law numbers 1995-0466, 1996-0245, 870-2003 and 708-2005 and Committee of Adjustment consent and variance application numbers B0102/05TEY, A0598/06TEY, B0113/06TEY and A0121/09TEY.

The Section 37 Agreement (2007) reflects the Low-End-of-Market Housing provisions in the site specific Zoning By-law. The provisions would require that on Block 5, 30% or 34 of the 114 bachelor and one-bedroom units being provided within the development have a maximum size of 62 square metres.

A Committee of Adjustment minor variance application was approved on February 18, 2009 to vary the Zoning By-law requirements for Block 5 to allow 14 bachelor/one-bedroom units having a maximum unit size of 62 square metres and 32 one-bedroom

dwelling units to have a maximum unit size of 67 square metres. The application was approved on the condition that the variance does not come into force and effect until the Amended and Restated Section 37 Agreement (2007) has been amended and approved by City Council to reflect the same.

### **Site Plan Control**

The site received Site Plan Approval on March 2, 2009, following Committee of Adjustment approval of the minor variances application.

### **COMMENTS**

Staff have no objection to increasing the maximum size requirement in the Section 37 Agreement (2007) applicable to bachelor and one bedroom dwelling units from 62 square metres of Residential Gross Floor Area to 67 square metres on Block 5, as contemplated in the Committee of Adjustment Decision. The increase of five square metres is relatively minor and will not negatively impact the City's policy of ensuring Low-End-of-Market Housing in new developments. Given the number of bachelor and one bedroom units proposed by the applicant in the smaller size range, the change will result in 40% of the bachelor and one bedroom units falling within what would be considered the Low-End-of-Market Housing category.

Staff recommend approval of the amendments to the Section 37 (2007) Agreement as they relate to Block 5. Staff also request authority to allow the Chief Planner to approve, as may be considered appropriate, further amendments to the Section 37 Agreement (2007) related to the Low-End-of-Market Housing requirements for Block 3B, if a minor variance to the Zoning By-law is approved by the Committee of Adjustment and a condition for amendment to the agreement is imposed.

### **CONTACT**

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### **SIGNATURE**

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Community Planning, Toronto and East York District

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