



STAFF REPORT INFORMATION ONLY

Supplementary Report – Real Estate and Cultural Perspective of the Sale of a Public Lane within the Toronto International Film Festival Redevelopment Block

Date:	March 30, 2010
To:	City Council
From:	General Manager of Economic Development and Culture General Manager of Parks Forestry and Recreation
Wards:	Trinity-Spadina – Ward 20
Reference Number:	

SUMMARY

The purpose of this supplementary report submitted directly to City Council is to examine both the real estate as well as cultural perspective of the selling of a public lane and in exchange the securing of a 420 sq. m. gross floor area parcel on the ground floor for community performance space associated with the redevelopment of 21-31 Widmer Avenue and 299 Adelaide Street West lands.

From a real estate perspective, the community performance space will be very useful for creative purposes and is strategically located in area of downtown which has the highest concentration of cultural workers in the City of Toronto according to research prepared by city staff in consultation with the Martin Prosperity Institute. The community performance facility is located in an area of the city where individual artists, arts organizations and creative industries struggle to obtain affordable and sustainable space.

From a cultural perspective, the City receiving the community performance space located within the same block as the new Toronto International Film Festival's "Bell Lightbox" provides an opportunity that dovetails with the vision of Toronto as a creative city. This opportunity to secure community performance space is an excellent example of the City going forward in implementing a creative city planning framework.

Financial Impact

The City will receive in cash and a letter of credit the \$2.17 million representing the value of the sale of the public lane which will be held until the 470 square metre community performance space is constructed and independently appraised. If the value of the space is less than the value of the laneway, the balance will be directed into an operating reserve for the maintenance and operation of the community performance space. The City will pay no more for the performance space than the \$2.17 million value of the laneway. It is intended that any “fit up” costs will be the responsibility of the incoming operator of the space (suggested to be Artscape).

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

DECISION HISTORY

At its meeting of March 11, 2010, the Government Management Committee recommended that City Council authorize the City to accept, in lieu of a cash purchase price of \$2,170,000.00, on the closing of the Lane, the deposit of \$217,000.00 together with an irrevocable letter of credit, in a form acceptable to the Chief Financial Officer, in the amount of \$1,953,000.00 to secure the conveyance to the City, or to such entity as the City may direct, on or before September 30, 2013, of a stratified fee simple ground floor parcel, having a gross floor area of no less than 420 square meters, for uses as a community performance space in the development to be constructed by Daniels on the site.

COMMENTS

Potential New Park Space

Negotiations have recently begun to create a potential parkland dedication on the 21-31 Widmer Avenue and 299 Adelaide Street West site. When the proposed development was reviewed prior to the Final Planning Report there was no opportunity for an on-site dedication, and the parkland requirement was to be satisfied through a 10% Cash-in-lieu of parkland payment.

If the negotiations are successful, there will be a small parkette created on site that will be a point of origin for the internal public circulation system that has been created to link this new development with the two abutting developments, allowing the public to move through-out this whole King-Adelaide-Widmer-John block. This circulation system makes use of one of the former City-owned lanes, as well as various connections through each of the three buildings.

If the parkette is to be created, it will be secured through the Section 37 agreement that is to be prepared for this site.

Real Estate Perspective on the Community Performance Space

The proposed redevelopment project is located within a census tract bounded by Queen Street West, Simcoe Street, Front Street West and Bathurst Street with this census tract having the highest number of cultural workers in the city according to research prepared by city staff in consultation with the Martin Prosperity Institute. This neighbourhood, not unlike other neighbourhoods within the city, faces a dearth of affordable and sustainable creative space.

The Daniels' redevelopment project previously approved by City Council in September 2009 that incorporates the 420 sq. m. of community performance space is located on the same block as the Toronto International Film Festival's new home, "The Bell Lightbox", at King and John Streets. The proposed community performance space is uniquely positioned and could provide a permanent home for one or more non-profit arts organizations with the design being flexible to accommodate not only performance, film display but gallery, administrative, storage and other cultural uses.

While the community performance space is useful and much needed, additional community benefits have been secured such as a reconditioned laneway that will serve as a pedestrian street through the site as well as a new park. As such the General Manager of Parks, Forestry and Recreation has reviewed this report and concurs.

Cultural Perspective on the Community Performance Space

From a cultural perspective, acquiring the community performance space as part of the community benefits approved previously by City Council in September 2009 is in keeping with both the *Agenda for Prosperity* and the *Creative City Planning Framework*.

The *Agenda for Prosperity*, a new economic development strategy for the City of Toronto which recognizes creative and cultural resources form one of the four foundations of Toronto's future success as a world city and regional economy. More specifically the *Agenda for Prosperity* promotes the adoption of a cultural planning model to identify clusters of creative sectors and advocates taking a place-based approach to establish creative hubs and districts.

Experience has shown that by working together, creative clusters can achieve significant synergies. For instance the success of the screen-based arts industry, which grew from an \$80,000 annual industry in 1979 to a \$1.3 billion industry in 2001, illustrates the success that Toronto's industry clusters can realize by deliberately working together.

Toronto Artscape; with its long history of working in buildings owned by the City of Toronto by providing affordable and sustainable space to the arts community through property management services on a cost recovery basis; has expressed interest in entering into a possible occupancy or ownership agreement with the City as it relates to the community performance space.

There are important opportunities to connect creativity and culture to land use planning and the *Creative City Planning Framework* is based on an understanding of the interconnectivity between culture, the local economy and the built and/or natural environment or place. The *Creative City Planning Framework* promotes the building of vibrant and authentic places in order to attract the best talent in the world. It also advocates in the investing in creativity and culture in order to play a major role in this vibrancy and authenticity.

If the City were to accept this creative space within the TIFF block in lieu of accepting money for the sale of a public lane than this would be an example of how Toronto develops creative hubs using a creative city planning framework.

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