

May 18, 2018

Our File No.: 180542

Via Email

City Council
12th Floor, West Tower, City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Attention: Marilyn Toft, Clerk (clerk@toronto.ca)

Dear Sirs and Mesdames:

**Re: Item PG29.4 – TOcore: Downtown Plan Official Plan Amendment
Oxford Properties Group**

We are solicitors for Oxford Properties Group (“**Oxford**”). On behalf of the Ontario Municipal Employees Pension System (“**OMERS**”), Oxford owns and manages, either for OMERS alone or, in the case of certain properties, together with various other pension fund/institutional investor co-owners (collectively with OMERS, the “**Owners**”), a number of significant properties within the boundaries of the area affected by the draft Downtown Official Plan Amendment (the “**Downtown OPA**”).

Oxford discussed the proposed amendments with City Staff on several occasions, and appreciates Staff’s efforts to respond to the comments raised. As the current draft of the amendment addresses some, but not all, of Oxford’s previous commentary, we are providing this comment letter to express Oxford’s key remaining concerns in regard to the Downtown OPA and the proposed policies for the *Financial District* in particular.

Oxford is a major supporter and supplier of downtown office development. This is evidenced by its significant portfolio within the downtown including the recently completed: 100 Adelaide Street West office tower within the Richmond Adelaide Centre complex, and the Waterpark Place III office tower and associated PATH connection extension in the South Core neighbourhood. Further, Oxford recently made application to permit a new office tower at 30 Bay Street that will add over 134,000 square metres of Class A office space to the South Core neighbourhood.

A more complete list of Oxford’s properties and ownership within the Downtown Plan Boundary (the “**Downtown**”) is included on the List of Properties attached as Schedule “A”.

In combination with its support for office development in the Downtown, Oxford remains concerned that a number of the requirements of the Downtown OPA do not provide the flexibility required to address the long term best interests of the City and do not support future development in a manner that would ensure the continued evolution of the Downtown into a complete community. The following is a summary of Oxford's concerns:

1. Office Development:

a. Office Floorplates:

The Downtown OPA provides, in policy 9.16, that floorplates larger than 750 square metres above the base building will be considered for commercial developments provided the City is satisfied that an unlimited list of potential impacts can be mitigated. This policy is open ended and does not provide sufficient certainty that office floor plates compatible with the needs and requirements of modern office users will be permitted.

In all instances, class A office towers, or "prestige commercial office buildings" as they are referred to in the text of the Downtown OPA, require floorplates that significantly exceed 750 square metres. As the support and encouragement of office development is a key driver of the Downtown OPA, appropriate flexibility and certainty should be provided to ensure that the larger commercial floorplates required by the users of "prestige commercial office buildings" will be permitted.

b. Office Setbacks:

The prescriptive setback requirements of policy 9.7 of the Downtown OPA state that more than 6 metres from curb to building face may be required in a number of situations including where a development is located on a corner site.

In order to avoid creating a barrier to the delivery of appropriate development projects, policy 9.7 should be revised to incorporate the flexibility to determine site layout through the detail development planning undertaken as part of the Site Plan approval process.

c. Office Lobbies:

In order to provide the amenities required to meet tenant requirements, modern office buildings require large, open, ground floor lobbies. These ground floor lobbies provide animated, interesting and dynamic spaces. Further, these modern open spaces provide a different type of life and animation at the ground floor level that can be more attractive and animating than retail display and restaurant windows.

The Downtown OPA requires, at policy 6.3, that development in the *Financial District* include uses that "animate the space at grade". In order to ensure that modern office buildings can

continue to provide the required large ground floor office lobbies, the Downtown OPA needs to be clarified to reference commercial lobbies as appropriate uses to animate at grade spaces within the *Financial District*.

2. Residential Constraints and Requirements:

a. Incorporation of Residential Density:

Our client is concerned that the application of policy 6.2, that freezes residential development in the *Financial District* at current permissions, will inappropriately constrain the flexibility of development in the Downtown and runs counter to the desire to develop the Downtown as a mixed use complete community.

The existing as-of-right residential density varies widely from site to site in the *Financial District*, in many cases based on historical events rather than specific planning decisions, and does not necessarily represent an appropriate level of residential development on a property or larger block.

Further, while Oxford agrees with the City's overall planning goal of promoting office development in the Downtown, it is important that the City not lose track of the various purposes for which residential was enticed into the Downtown, that accord with Provincial Policy and Provincial Plans including:

- bringing activity to the Downtown after business hours resulting in more efficient use of infrastructure;
- encouraging workers to live in close proximity to their place of work to assist in relieving traffic issues, transit overcrowding and automobile dependence; and
- creating a vibrant mix of uses within the Downtown.

The above purposes should not be lost in the application of new planning tools which currently go too far in unfairly freezing residential permissions in a way that is unlikely to achieve the appropriate balance of uses and future development necessary to realize the City's vision for the Downtown.

b. Large Block Development:

As the owner and manager of several large blocks within the Downtown, it is and remains Oxford's view that redevelopment and intensification of large sites will require a mix of residential and non-residential uses if the objectives of the plan are to be realized. As a general matter, the Downtown OPA should include recognition that residential uses in excess of the current zoning by-law entitlements may be appropriate as part of a comprehensive block development strategy.

A comprehensive block development strategy for large block development within the Downtown which incorporates a mix of residential and non-residential uses will allow for the ambitious level of anticipated public realm and public infrastructure improvements to be realized on these well situated areas in the heart of the Downtown.

c. Metro Toronto Convention Centre and Adjacent Lands:

Oxford agrees that the future development of the lands between Blue Jays Way and Simcoe Street on the south side of Front Street should be considered in further detail through a subsequent study that assess the range of uses appropriate for all or part of the lands and the opportunities to support city building objectives.

As the owner and manager of those lands, Oxford recommends that the policy be revised to provide that the future Study can be undertaken by the owner of the site, or jointly by the City and the Owner for all or a portion of the lands.

d. Unit Mix Requirements:

Oxford is a proponent of family sized units in the Downtown but is concerned that the unit mix percentages proposed alone and in combination with the specific unit size requirements are a significant departure from previous secondary plan and in force policies and will not allow for an appropriate level of flexibility to plan, construct and administer residential buildings now and throughout their life span.

A more nuanced approach would be beneficial that takes into consideration:

- the inherent differences between ownership and rental tenure buildings;
- the ability to construct combinable units particularly in the rental tenure context;
- market demand; and
- the specific design and demand for unit types in each building in its specific context.

The goal of this type of policy should be to deliver family sized units at the number and size that is appropriate for each specific area, that respond to market demand and that appropriately address housing availability and affordability both now and through the buildings' lifespan.

3. Parkland and Open Spaces:

a. David Pecaut Square:

Oxford is concerned that David Pecaut Square is classified as a "Sun Protected Open Space" on Map 3. David Pecaut Square was designed as an urban square, surrounded by tall buildings and is leased in strata to the City by Oxford. Policy 9.18 imposes unnecessarily prescriptive

requirements that development cast no net new shadow on this urban square from March 21st to September 21st from 10:18am - 4:18pm.

It is problematic to create such a specific technical constraint on new development at the official plan level before appropriate study can be undertaken to determine the actual impact future intensification on that block will have on that specific space. We would suggest that this Square be removed from Map 3 or that flexibility be incorporated into policy 9.18 to allow for appropriate deviations from this prescriptive requirement further to appropriate study.

b. Parkland Dedication Requirements:

The Downtown OPA at policy 7.41 has been revised from earlier iterations to reference a forthcoming by-law for the Downtown area that will potentially include a new parkland dedication rate. As the Downtown parkland dedication rate policies are still under development as part of ongoing work by the City on the City-Wide Parkland Strategy, Oxford agrees with the City's approach, and recommends that the City develop a comprehensive Downtown parkland strategy in consultation with community stakeholders including the development industry.

4. Appropriate Transition and Measurement of Outcomes:

a. Appropriate Transition for Existing Applications:

At this time, the Downtown OPA provides no form of transition for in-process redevelopment proposals within the Downtown, such as Oxford's 30 Bay Street class A office application. Appropriate transition policies should be incorporated into the Downtown OPA to allow the planning process for these applications to be completed pursuant to the policy regime currently in place to avoid unnecessary delays and unfairness to applicants working to bring forward the very type of development encouraged by the Downtown OPA.

b. Measurement of Outcomes:

The Downtown OPA imposes a number of restrictive development requirements "to encourage future job growth and to protect the economic competitiveness of the City" among other objectives. It is important that the results of these requirements, such as the imposition of a freeze on residential development at the often arbitrary existing permissions, can be measured and tested at regular intervals to evaluate the effectiveness of these new measures and ensure that the goals of the Downtown Plan are being achieved. If they are not being met, or if there are consequences that are contrary to Provincial Policy objectives, these restrictions should be reviewed and amended.

In summary, Oxford is pleased to provide these comments and to work with the City to support and enhance the many functions and features of the Downtown with a mind to providing the necessary flexibility to ensure its long term viability and success.

Please also accept this letter as our client's request for notice regarding any decision made in respect of this matter.

Yours truly,

Goodmans LLP



Anne Benedetti
AKB/

cc: Cory Estrela, Oxford Properties Group
Greg Lintern, City of Toronto
Lynda MacDonald, City of Toronto

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Schedule "A"
List of Properties

Co-owned by OMERS and CPP Investment Board Real Estate Holdings Inc.

- 130, 120 and 100 Adelaide Street West, 12, 14 and 22 Sheppard Street, 85, 111, 117 and 121 Richmond Street West (Richmond Adelaide Centre)
- 30 Bay Street and 60 Harbour Street
- 88 Queens Quay West (Waterpark Place III)
- 1 Adelaide Street East, 85 Yonge Street, and 20 Victoria Street
- 200 Bay Street (Royal Bank Plaza)

Owned by OMERS

- 215, 225 King Street West, 200 Wellington Street West,
- 225, 255, 277 and 285 Front Street (Metro Toronto Convention Centre and Intercontinental Hotel)
- 315 and 325 Front Street West
- 1 University Avenue
- 123 Front Street (Citibank Place)

Co-Owned with Others

- 161 Bay Street (Canada Trust Tower) and portions of BCE Place