

Clause embodied in Report No. 9 of the Toronto East York Community Council, as adopted by the Council of the City of Toronto at its meeting held on December 4, 5 and 6, 2001.

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**Request for Release from Agreements -  
Block 21 - Railway Lands Central  
(Trinity-Spadina, Ward 20)**

*(City Council on December 4, 5 and 6, 2001, adopted the following recommendations:*

*“It is recommended that:*

- (a) Concord Adex be requested to provide, in its future Agreements of Purchase and Sale (with the exception of those buildings where it has commenced marketing, namely Blocks 21, 19 and the first two towers on Block 20/23), a warning clause regarding potential noise from jet engine aircraft; and*
- (b) the supplementary report dated December 3, 2001, from the City Solicitor, embodying the following recommendations, be adopted:*

*‘It is recommended that:*

- (1) authority be granted to release Block 21 in the Railway Lands Central from the development agreements recommended for release in the City Solicitor’s report dated December 3, 2001; and*
- (2) authority be granted for the City to enter into a site-specific agreement, to be registered against Block 21, securing ongoing obligations as set out in the City Solicitor’s report dated December 3, 2001.’ ”)*

**The Toronto East York Community Council submits this matter to Council without recommendation.**

The Toronto East York Community Council reports, for the information of Council, having requested the City Solicitor to report directly to Council with respect to the request by Concord Adex to release Block 21 from certain development agreements.

**The Toronto East York Community Council submits the following report (November 1, 2001) from the City Solicitor:**

Purpose:

To obtain authority to report directly to City Council at its December 4, 5 and 6, 2001 meeting with respect to the release of development agreements currently registered against Block 21 in the Railway Lands Central.

Finance Implications and Impact Statement:

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

Recommendations:

It is recommended that the City Solicitor be authorised to report directly to City Council at its meeting to be held on December 4, 5 and 6, 2001 with respect to the request by Concord Adex to release Block 21 from certain development agreements.

Background:

Block 21 in the Railway Lands Central is located on the south side of Front Street West and between Spadina Avenue and John Street. It is currently being developed for residential condominiums and the owner, Concord Adex, has requested the City to release Block 21 from the existing development agreements prior to the condominium registration.

Comments:

City Legal staff is currently reviewing these agreements in conjunction with the related City Departments but is not yet in a position to report on the terms and conditions that may apply to their release. However, as the owner's solicitors have advised that condominium registration may occur in mid January 2002 it might not be possible to report to another meeting of the Toronto East York Community Council before the registration of the condominiums. I am therefore requesting permission to report directly to City Council at its meeting to be held on December 4, 5 and 6, 2001 on the request by Concord Adex to release Block 21 from the existing development agreements.

Conclusions:

It is appropriate for City Council to authorise the City Solicitor to report directly to City Council at its meeting to be held on December 4, 5 and 6, 2001 on the request by Concord Adex to release Block 21 from existing development agreements.

Contact:

Stephen M. Bradley, Solicitor  
Tel: (416) 392-7790; Fax: (416) 397-4420; E-mail: sbradley@city.toronto.on.ca

*(City Council on December 4, 5, and 6, 2001, had before it, during consideration of the foregoing Clause, the following report (December 3, 2001) from the City Solicitor:*

Purpose:

*To obtain authority to release certain agreements from Block 21 in the Railway Lands Central and to enter into a replacement agreement.*

Finance Implications and Impact Statement:

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

Recommendations:

*It is recommended that:*

- (1) authority be granted to release Block 21 in the Railway Lands Central from the development agreements recommended for release in the City Solicitor's report dated December 3, 2001, and*
- (2) authority be granted for the City to enter into a site-specific agreement, to be registered against Block 21, securing ongoing obligations as set out in the City Solicitor's report dated December 3, 2001.*

Background:

*The 1985 Railway Lands Official Plan divided the Railway Lands into a number of precincts each one of which were intended to be capable of independent development. As the required hard and soft infrastructure were not then in place, the 1985 Plan provided that the zoning for each precinct would be subject to a holding designation. It was intended that the owner of each precinct would utilize the City of Toronto Act, 1971 to enter into development agreements, known as precinct agreements, that would guarantee the timely provision of the required infrastructure and that the City would then lift the holding designation for the precinct. It was also contemplated that the first precinct agreement would secure additional matters, such as streets, parks and housing, pertaining to the balance of the Railway Lands.*

*The first CNR precinct agreement, being the 1986 Stadium Precinct Agreement, therefore contained provisions relating not only to the SkyDome precinct, which includes the SkyDome and its abutting blocks, but also included provisions relating to the development of streets, parks and housing within other CN precincts, (being the lands between the Stadium Precinct and Bathurst Street). The Stadium Precinct Agreement was registered against title to the Stadium Precinct and certain other lands, including the SkyDome bus parking block, the lands to be conveyed for social housing and the land to be conveyed for a major park (the "Community Park"). Accordingly, the 1985 Railway Lands Zoning By-law permitted as of right zoning for the SkyDome precinct but imposed a holding designation on all other CNR precincts, including the lands now known as Block 21.*

*In 1991 the City passed By-law No. 637-91, which amended the densities permitted by the 1985 Zoning By-law. CNR appealed to the OMB but the appeal was resolved by the approval of the 1994 Railway Lands Central Zoning By-law. As a precondition to this settlement, CNR and the*

*City entered into a number of agreements, described below, which among other matters secured the provision of sufficient infrastructure to permit the zoning by-law to remove the holding designation for the remaining Railway Lands Central blocks (essentially, the lands east of Spadina Avenue).*

*The 1994 Railway Lands Central Zoning By-law therefore did not impose a holding designation on Block 21, which is located on the south side of Front Street West and between Spadina Avenue and John Street. In 1997 the zoning was amended to permit residential development on Block 21 and the owner entered into several further agreements, the 1997 and 1999 agreements as described below, as a precondition to the residential development. Block 21 is currently being developed for four condominiums, two residential and two commercial, and the developer, Concord Adex, has requested the City to release Block 21 from these various agreements prior to the registration of the condominiums. As the owner's solicitors have advised that the first registration may occur in mid January 2002, it is appropriate to obtain authority from this meeting of City Council.*

*Comments:*

*The following is a summary of each of the agreements Concord Adex has requested the City to release from Block 21 and my comments upon the request:*

*The 1994 Acknowledgement Agreement*

*Under this Agreement, the parties confirmed their rights and obligations pursuant to the terms of the 1986 Stadium Precinct Agreement and, among other matters, agreed to two major terms, namely: (1) the parties agreed to a cost sharing formula for hard and soft infrastructure for all of the lands west of Spadina, and (2) the owner agreed to advance the construction of the Community Park from the date stipulated in the Stadium Precinct Agreement to such time as the owner had sold at least 50% of its development blocks within either the Railway Lands West or the Railway Lands Central.*

*As the owner in 1994, CNR, has since sold all of its lands to the present owner, Concord Adex, the obligation to commence construction of the Community Park has been triggered. However, given that no residential development has occurred in the area surrounding the parklands, the Commissioner of Economic Development, Culture & Tourism has not yet asked the owner to commence construction of the Community Park. Concord Adex has advised that there is sufficient security to ensure development of the Community Park and has asked that the Block 21 condominium unit owners not be subject to the Agreement.*

*Given that the infrastructure required for Block 21 has either been provided or otherwise secured I am recommending that the 1994 Acknowledgement Agreement be released from Block 21 on the condition that Concord Adex agrees that the Agreement shall not be released from any further development blocks unless a satisfactory arrangement has been reached regarding the construction of the Community Park. This arrangement should be secured prior to any release in respect of Block 19, located immediately west of the SkyDome, which has received site plan approval and is currently under construction.*

*The 1994 Railway Lands Central Environmental Agreement and the 1999 Supplementary Environmental Agreement (collectively, the “Environmental Agreements”)*

*These Agreements provide that any site plan application for Block 21 must address the environmental issues applicable to the Block. I have been advised by Urban Development Services that the various environmental studies have been provided and that occupancy will be permitted upon receipt of the required compliance certificates. However, the Environmental Agreements also contain certain ongoing obligations such as a requirement that warning clauses respecting air quality and noise are to be registered on title and that non-glare glass be used above 35 metres.*

*The Environmental Agreements, which are registered against all of the development blocks, stipulate that they shall be discharged against each block as it is developed provided that all ongoing obligations are secured by a site specific development agreement. I am therefore recommending that the Environmental Agreements be released from Block 21 provided that the required environmental compliance certificates are delivered and the owner enters into a replacement agreement, to be registered against Block 21, securing the ongoing obligations in respect of the Block.*

*The 1994 Railway Lands Central Heritage Agreement*

*This Agreement contains provisions related to archaeological resources. As Block 21 has been fully excavated, it is appropriate to release this agreement upon confirmation from Urban Development Services that all heritage obligations have been performed in respect of the Block.*

*The 1994 Central Daycare Agreement and the 1997 Supplementary Daycare Agreement (the “Daycare Agreements”)*

*These Agreements require the owner to provide a daycare centre when building permits have been approved for more than 133, 521 sq. metres of residential or non-residential gross floor area within the Railway Lands Central. I have been advised by Urban Development Services that this daycare trigger has not yet been reached. The City is therefore obligated pursuant to Section 4.2 of the Supplemental Daycare Agreement to release the Daycare Agreements from Block 21 and I accordingly recommend their release. The daycare centre will be provided, when the daycare trigger is reached, on one of the remaining Railway Lands Central blocks.*

*The 1994 Escrow Agreement*

*This Agreement provides for the deposit into escrow of park and street conveyances. As the Escrow Agreement is registered against the title to the park and streets to be conveyed to the City and as deeds have been delivered to the escrow agent, I recommend that the Escrow Agreement be released from Block 21.*

*The 1994 Railway Lands Central Agreement*

*Section 3.1, which is the only section imposing a positive obligation on the owner, requires the owner to provide the Southern Linear Park on that part of Block 20/23 abutting the north side of Lakeshore Boulevard West. As this obligation is currently being addressed as part of the site plan approval conditions for Block 20/23, it is appropriate to release Block 21 from the Agreement.*

*The 1997 CityPlace Central and CityPlace West Acknowledgement Agreement (the “1997 Acknowledgement Agreement”)*

*The most significant obligations under this Agreement are a requirement for public art and a requirement to indemnify the City in respect of soil excavated from Block 21 and placed on those City lands, within the Railway Lands West, which are intended to be used for roads and parks, including the Community Park.*

*Concord Adex agrees that the City must be satisfied the public art has been provided prior to the release of the Agreement. However, Concord Adex wants Block 21 to be released from the Agreement notwithstanding that Section 3.2 requires the owner to pay such additional costs as the City may incur resulting from the placement of soils excavated from Block 21 on the future roads and parks. As these roads and parks have still to be developed, the City cannot yet determine if it will incur any such additional costs. It is my opinion that notice of the Section 3.2 indemnity obligations should continue to be registered against Block 21 until the roads and parks are developed or such other arrangements as are satisfactory to the City have been secured. As no such other arrangements have been proposed by Concord Adex, I recommend that the 1997 Acknowledgement Agreement not be released from Block 21 unless all outstanding obligations, including those set out in Section 3.2, are secured to the satisfaction of the City Solicitor in a site specific replacement agreement.*

*The 1994 Development Levy Agreement and the 1997 Development Levy Agreement (collectively, the “Development Levy Agreements”)*

*These agreements require the owner to pay a levy in lieu of development charges and educational development charges. The levies collected by the City are to be applied by the City and by the school boards to, among other matters, construct a joint community centre and school facility adjacent to the proposed Community Park. It may be appropriate to release Block 21 from these Agreements, provided all outstanding levies have been paid; however, the owner has not yet raised this issue with the school boards and it is therefore premature to release the Development Levy Agreements. To facilitate any such future release I will request Concord Adex to provide and register a covenant whereby Block 21 could be released from the Development Levy Agreements without the consent of the future condominium owners in the event the City and school boards decide to release Block 21 from the Development Levy Agreements.*

*The 1997 Acknowledgement Agreement re Stadium Precinct Agreement*

*There are no outstanding obligations in this Agreement as it simply acknowledges the 1997 release of the owner's obligations under the Stadium Precinct Agreement to provide Tower Park East and Tower Park West at the base of the CN Tower. This was done to permit the expansion of the building at the base of the CN Tower. As this Agreement was originally registered against Block 21 because of the 1994 Acknowledgement Agreement, I recommend the 1997 Acknowledgement Agreement re Stadium Precinct Agreement be released from Block 21 upon the release of the 1994 Acknowledgement Agreement from Block 21.*

*The 1998 Acknowledgement Agreement re Closing of Station Street*

*There are no outstanding obligations in this agreement as it simply acknowledges the fulfilment of a condition contained in the Stadium Precinct Agreement. As this Agreement was originally registered against Block 21 because of the 1994 Acknowledgement Agreement, I recommend the 1998 Acknowledgement Agreement re Closing of Station Street be released from Block 21 upon the release of the 1994 Acknowledgement Agreement from Block 21.*

Conclusions:

*It is appropriate for City Council to authorise the release of the agreements as recommended in this report. It is also appropriate to grant authority for the required replacement agreement.*

Contact:

*Stephen M. Bradley, Solicitor*

*Tel: (416) 392-7790; Fax: (416) 397-4420; E-mail: sbradley@city.toronto.on.ca)*