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BY FACSIMILE AND BY HAND
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November 20, 2013
File No.: 134434.1001

City Clerk
City Clerk's Office
Toronto City Hall, 10th Floor, West Tower
100 Queen Street West
Toronto, ON M5H 2N2

Attention: Nancy Martins, Administrator, Planning and Growth
Management Committee

Dear Madam:

**Re: Planning and Growth Management Committee Meeting November 21, 2013
Proposed Official Plan Amendment Pertaining to Economic Health and
Employment Lands Policies and Designations
844 Don Mills Road and 1150 Eglinton Avenue East - Request to Convert
Employment Lands**

We are the solicitors for Celestica, the owners of the substantial 64 acre property known municipally as Nos. 844 Don Mills Road and 1150 Eglinton Avenue East, located at the northwest corner of the intersection of Don Mills Road and Eglinton Avenue East (the "Property"). Celestica also owns a 3.5 acres parcel of land on the south side of Eglinton Avenue which provides dedicated site access from Eglinton Avenue East by a private road. A familiar Toronto landmark-the Ontario Science Centre, is located just south of the south-west corner of this intersection.

Mapping in the proposed Official Plan Amendment pertaining to Economic Health and Employment Lands Policies (the "OPA") appended to the November 5, 2013 Final Report on the OPA(the "Final Report"), indicates that the Property is proposed be redesignated General Employment Area in accordance with the provisions of the Official Plan.

Assessment of Conversion Request for the Property

Included on pages 144 to 148 of the Attachment to the Final Report is Staff's assessment of our client's conversion request for the Property. This conversion request seeks the redesignation of the current Employment designation of the Property to a Mixed Use Areas designation to permit a robust mix of uses, including residential uses.

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The staff assessment concludes that it would not be appropriate to designate the Property to a Mixed Use Area due to concerns that the introduction of residential uses on the lands will adversely affect the overall viability of the larger *Employment Area*, and potentially displace a major employer in a critically important industry and create a precedent for further conversion for residential uses in this *Employment Area*.

We respectfully submit that redesignating the Property to Mixed Use Areas on the edge of the *Employment Area* would **not** adversely affect the overall viability of this *Employment Area* and that such permission would in fact enhance the viability of Celestica's head office use to continue on the Property. Conversion of the Property to a Mixed Use designation would also further the City's intention to allow residential development on office sites on the edges of business parks, intensify development on lands at a key transit intersection and provide the impetus for the intensification of office uses on the Property.

Planning Rationale to support the Redesignation of the Property to Mixed Use Areas

(i) Continuation of Employment Uses on the Property

Celestica's Toronto location employs approximately 1,100 people and serves as the company's global headquarters. Celestica's revenue in 2012 was approximately \$6.5 billion. Celestica's business revolves around design and engineering, electronics manufacturing and supply chain management services.

The Property currently contains two large separate facilities. The facility oriented to the Don Mills frontage contains the company's offices as well as several adjoining manufacturing wings that have been added over time. The facility oriented to Eglinton Avenue East is currently vacant and surplus to Celestica's needs. In addition to the two buildings, the Property contains several large surface parking lots.

Celestica intends to retain its Head Office use on the Property. Given that only 27% of the Property is occupied by buildings or structures, the Property is underutilized in terms of its development potential. Celestica is in the process of selling its Property but intends to lease back new office space to continue its Head Office use, potentially including research facilities.

Celestica recognizes the importance of retaining permissions for employment uses on the Property and accordingly, is proposing that the Mixed Use Areas designation be approved with a condition requiring a minimum of 50,000 square metres of employment space be provided on the Property should residential uses be permitted.

Celestica is a very important component of the local, Provincial and National economy. The City's support of the Company's transition to higher order use of the Property including the intensification of employment uses is critical to Celestica's continued Head Office use on the Property.

(ii) Compatibility with Existing and Planned Land Use

To the west of the Property are three residential towers of 13, 16 and 20 storeys in height and a distinctive six-sided tower (formerly Inn on the Park) that is being renovated to create 128 adult lifestyle rental residences for seniors.

The City is undertaking planning initiatives for adjacent sites to understand how they will respond to the new Eglinton LRT. This creates an opportunity to reimagine the Celestica Property in response to the changing context.

The properties owned by BUILD Toronto on the south-west and south-east corners of the Don Mills Road and Eglinton Avenue East intersection have been included in the Don Mills Focus Area as part of the EGLINTONconnects study work undertaken for the Eglinton-Crosstown LRT. An extract from mapping shown at the October 8th EGLINTONconnects Open House indicates that vacant lands at the south-west corner (north of the Ontario Science Centre) are expected to accommodate buildings ranging from 30-40 storeys in height. As noted at this Open House and seen on the attached mapping, the lands at the south-east corner of the intersection are expected to accommodate buildings of similar height.

As noted in the Final Assessment of the conversion request, the lands have access, across Eglinton Avenue East and Don Mills Road, to a residential neighbourhood with community infrastructure such as parks, schools and a library to serve new residents. Given the intensity and range of uses that will be permitted on properties at the other two corners of this important intersection and taking into consideration surrounding land uses, it would be appropriate to grant similar permissions allowing a mix of employment and residential uses on the Celestica Property.

(iii) City Council directed that Residential Development should be permitted on Office sites on the Periphery of Business Parks

A number of Staff reports produced during the Municipal Comprehensive Review/Official Plan Review Process articulated that residential development should be permitted on office sites on the edges of business parks. Specifically, the recommendation from Staff in the August 27, 2012 report as amended and endorsed by City Council at its meeting on October 2, 3 and 4, 2012, was as follows:

“Identify “Business Parks” where there are concentrations of offices in the existing Employment Areas and allow a mix of uses that would provide better amenity for the offices, including restaurants and other services for employees, and provide for residential development on district edges near rapid transit stations provided it is in a mixed use development that includes offices and provides for intensification of employment uses. “

As noted above, given the intensity and range of uses that will be permitted on properties at the other two corners of this important intersection and taking into consideration surrounding land uses, it would be appropriate to grant similar permissions allowing a mix of employment and residential uses on the Celestica Property.

(iv) Proximity to Approved and Planned Transit Infrastructure

The Celestica Property is located at a very important intersection in the City of Toronto, with respect to rapid transit infrastructure. The Eglinton-Crosstown LRT is currently under construction, and Don Mills Road has repeatedly been identified as an important corridor in the city's future network of rapid transit infrastructure.

The Eglinton-Crosstown LRT's Don Mills Station is also proposed to include a large bus terminal and provision for a Don Mills Road LRT (also referred to as the Downtown Relief Line)/subway connection as part of its design. A majority of the Property will be located within a five minute walk from the planned Crosstown LRT and bus terminal.

(v) Investment in Transit Infrastructure Warrants a More Diversified and Higher Density of Land Use

The multi-billion dollar investment in the Eglinton-Crosstown LRT expected to be completed in 2020 warrants a more diversified and higher density use of land on the Property, due to the planned location of the Don Mills Station at the south-west corner of Don Mills Road and Eglinton Avenue East and the bus station to be located on the north-east corner of the intersection. Over time, the intersection is planned to become an important rapid transit node in Toronto.

While the Property and the surrounding area currently contain a high concentration of jobs, a greater variety of land uses, particularly high density residential uses are critical to maximizing the multi-billion dollar investment in transit infrastructure.

Celestica strongly opposes the application of proposed policy 9 in Section 3.5.1 to its Property which will require that new development that includes residential units on a property with at least 1,000 square metres of existing non-residential gross floor area used for offices be required to increase the non-residential gross floor area used for such purpose where the property is located within 500 metres of an existing or an approved and funded subway, light rapid transit or GO station.

While Celestica supports redevelopment of office space in close proximity to the proposed Don Mills station on the Eglinton-Crosstown LRT line at the intersection of Don Mills Road and Eglinton Avenue, a great proportion of the western and north-western portions of the Property are located further distant than 500 metres from the intersection and should not be subject to this enhancement policy. Development in these areas should respect the character of the planned and existing residential land uses in the vicinity and be allowed to develop for residential use without the "bonusing" requirement related to existing office use.

Moreover, Celestica is of the view that the subject policy does not reflect modern day office employment trends in that the area required for office uses is not necessarily indicative of the level of employment being maintained within such area. Whereas historically, one employee would require 200 square feet of space, today's numbers are closer to 120 square feet per employee. This is a result of technological innovation,

electronic filing and records management, hoteling, employees working from home, etc. Consequently, more jobs can be accommodated in a significantly smaller area.

Celestica is particularly concerned with application of proposed Site and Area Specific Policy 394 which will limit new major retail developments in the Don Valley Parkway Corridor to 6,000 square metres per property as it does not reflect the unusual scale, accessibility and development potential of its Property.

As only 27% of the Property is developed with buildings, additional development on the Property will further the City's goals of intensification along major transit corridors.

Conclusion

In conclusion, we submit that there is strong planning rationale to support the designation of the Property as Mixed Use Areas, and have attached a draft site-specific Official Plan Amendment (the "Site Specific OPA") which will require the following:

- a minimum of 50,000 square metres of employment space be provided on the Property;
- the development of a phasing plan to ensure that employment space is provided in early phases of the development plan;
- residential uses proposed must be compatible with existing and newly developed on-site employment uses and existing employment uses in the adjacent area in order to ensure a satisfactory living environment for the residential uses; and
- Policy 9 in Section 3.5.1 dealing with office replacement and Site and Specific Area Policy 394 limiting retail to 6,000 square meters shall not apply.

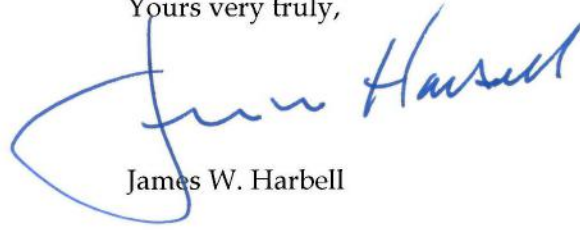
The Request to the Committee

For the reasons noted above, we submit that there is strong planning rationale to support the redesignation of the Property to a Mixed Use Areas designation.

Accordingly, we respectfully request the Committee to direct the Planning Department amend the mapping in the OPA to redesignate Celestica's property at 844 Don Mills Road and 1150 Eglinton Avenue East to Mixed Use Areas and to include the site specific policies noted in the proposed Site-Specific Official Plan Amendment attached.

Should you have any questions respecting this request, kindly contact the writer at your earliest convenience.

Yours very truly,



James W. Harbell

JWH/vs
Attachments

- cc. Councillor John Parker, *Ward 26, City of Toronto*
Mr. Paul Bain, *Project Manager, Strategic Initiatives, City Planning Division*
Mr. Todd Melendy, *Chief Compliance Officer, Celestica*
Mr. Pino DiMascio, *Partner, Urban Strategies Inc.*



DON MILLS FOCUS AREA DEMONSTRATION CONCEPT SITE PLAN

CITY OF TORONTO
BY-LAW No. ~ 2013

To adopt an amendment to the Official Plan for the City of Toronto with respect to the lands municipally known as 844 Don Mills Road and 1150 Eglinton Avenue East.

WHEREAS authority is given to Council under the *Planning Act*, R.S.O. 1990, c.P 13, as amended, to pass this By-law.

The Council of the City of Toronto HEREBY ENACTS as follows:

1. The attached Amendment No. ~ to the Official Plan is hereby adopted pursuant to the *Planning Act*, as amended.

DRAFT AMENDMENT NO. ~ TO THE OFFICIAL PLAN
LANDS MUNICIPALLY KNOWN IN THE YEAR 2013 AS 844 Don Mills Road and 1150
Eglinton Avenue East.

1. The Land Use Map of The Official Plan of the City of Toronto is amended as follows:
 - a. Redesignating the lands shown on Map I from “Employment Areas” to “Mixed Use Areas”.

No. 844 Don Mills Road and 1150 Eglinton Avenue East

Context:

- a) New development will be planned to:
 - i. Provide a variety of uses, including employment use, in tandem with residential units provided that:
 - a. a minimum of 50,000 square metres of employment space is provided on the site;
 - b. a phasing plan is developed to ensure that employment space is provided in early phases of the development plan; and,
 - c. residential uses will have a satisfactory living environment compatible with existing and newly developed on-site employment uses and existing employment uses in the adjacent area.



Schedule 1
844 Don Mills Road and 1150 Eglinton Avenue East