



## STAFF REPORT ACTION REQUIRED

### 100 Adelaide Street West, 104 Adelaide Street West, 22 Sheppard Street – Amendments to Section 37 Agreement

<b>Date:</b>	April 19, 2013
<b>To:</b>	Toronto and East York Community Council
<b>From:</b>	Director, Community Planning, Toronto and East York District
<b>Wards:</b>	Ward 28 – Toronto Centre-Rosedale
<b>Reference Number:</b>	12 298093 STE 28 SA 99 036275 ATO 27 OZ

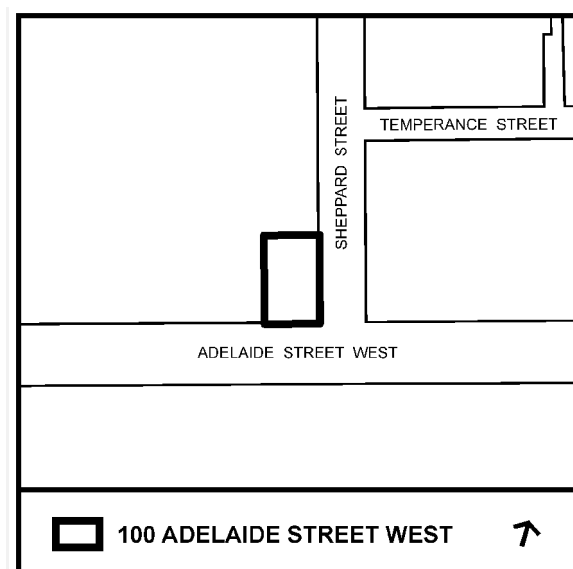
#### SUMMARY

The purpose of this report is to seek Council authorization to amend the Section 37 Agreement for the Richmond Adelaide Centre (including the municipal addresses known as 100, 104, 120 and 130 Adelaide Street West, 12 and 22 Sheppard Street and 85 and 111 Richmond Street West) to revise requirements for the demolition permit timing; the letter of credit amount and timing; and a letter of credit reduction for the redevelopment of the portion of the site located at 100 Adelaide Street West, 104 Adelaide Street West and 22 Sheppard Street.

#### RECOMMENDATIONS

**The City Planning Division recommends that:**

1. City Council authorize the City Solicitor, in consultation with relevant City staff, to amend the registered Section 37 Agreement for 100, 104, 120 and 130 Adelaide Street West, 12 and 22 Sheppard Street and 85 and 111 Richmond Street West to secure the variances to the Section 37 provisions of By-law No. 875-2000 permitted by



Committee of Adjustment decision in File No. A0003/13TEY, as more specifically outlined in the report dated April 19, 2013 from the Director, Community Planning, Toronto and East York District, pertaining to the following matters:

- a. demolition permit timing;
  - b. the letter of credit amount;
  - c. the letter of credit reduction; and
  - d. accessibility of publicly accessible open space.
2. City Council authorize the appropriate City officials to take the necessary action to give effect to the above, including execution of the amended Section 37 Agreement; and
  3. City Council authorize the City Solicitor to make such stylistic and technical changes to the Section 37 Amendment as may be required.

### **Financial Impact**

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

### **DECISION HISTORY**

The site specific by-law for the property, By-law 875-2000, permits a new office building with a reconstructed heritage building within the Richmond Adelaide Centre site, which comprises most of the block bounded by Adelaide Street West, Sheppard Street, Richmond Street West and York Street. To implement the original approval, Section 37 and Heritage Easement Agreements (HEA) secured the provision for: the retention, restoration and conservation of the buildings at 85 and 111 Richmond Street West and a portion of the building at 100 Adelaide Street West; public art; daycare; PATH connection; and other matters. Background information is available at the following link: <http://www.toronto.ca/legdocs/2000/agendas/council/cc/cc000509/to8rpt/cl024.pdf>

A site plan application was filed in December 2012 for the proposed building, with some revisions to the original design. The application has been circulated and is under review. Variances were also required for the design changes. Committee of Adjustment File No. A0003/13TEY was heard by the Committee on April 10, 2013, and was approved with conditions. Approved variances include an increase in non-residential gross floor area and height, changes for driveway width and slope, and parking space dimensions. The Committee also approved the variances to zoning provisions pertaining to: demolition permit timing; letter of credit amount and timing; and letter of credit reduction conditional on consent from Council on Section 37 Agreement and HEA amendments.

### **ISSUE BACKGROUND**

The variances to demolition permit timing, letter of credit amount and timing, and letter of credit reduction are conditional on consent from Council to amend the Section 37 and

HEA agreements. The amendments to the HEA are being addressed through a separate report from Heritage Preservation Services.

## **COMMENTS**

Amendments to the HEA and Section 37 Agreement are required to address the provisions regarding demolition permit timing, the letter of credit amount and timing and the letter of credit reduction. The applicant will substantially increase the letter of credit amount to cover the cost of the conservation of the building and provide an additional letter of credit to ensure the completion of the project. Heritage Preservation Services staff have reviewed the conservation and restoration budgets and are reporting on these items. Their report also addresses the removal, storage, restoration and reassembly of the lower three floors of the building. A separate report to Toronto Preservation Board (and TEYCC) regarding amendments to the Heritage Easement Agreement are required to implement these changes. Consent from City Council is outlined as a condition of approval for the variances. Conditions have been secured, pursuant to Section 45(9) of the *Planning Act*, to tie the demolition permit for 100 Adelaide Street West to the amendment of the Section 37, HEA and receipt of the letter of credit.

## **Section 37**

The previous Section 37 Agreement was registered on October 3, 2000. The revisions recommended to be secured in the amending Section 37 Agreement are as follows:

Section 4.2.12: Demolition Permit Timing - An amendment is required to remove the requirement for the applicant to obtain a building permit and to provide an undertaking or approval under section 41 of the *Planning Act* prior to obtaining a demolition permit;

Section 4.2.7: Letter of Credit Amount and Timing - An amendment is required to increase the letter(s) of credit amount and to require the submission of the letter prior to the issuance of a demolition permit; and

Section 4.2.10: Letter of Credit Reduction – An amendment is required to address provisions and timing for the reduction to the letter(s) of credit.

The applicant has requested revisions to these requirements to implement their current proposal to meet the timing requirements for the major anchor office tenant. The intent of these provisions are to ensure that the heritage building at 100 Adelaide Street West is not demolished prior to approval and issuance of a building permit for the new office building and reconstructed heritage building. In order to address the applicant's timing requirements, staff have reviewed the conservation plans and associated cost estimates, and would accept increased letters of credit to secure the retention, restoration, conservation and maintenance of the heritage elements. As well, to address securing the costs of the conservation of the building and an amount to be used by the City to mitigate the loss of the building should demolition occur and the project not proceed, an additional letter of credit will be provided. The proposed new conditions would require the following:

Deposit with the City a Letter of Credit in a form and amount of \$15,404,162.00 satisfactory to the Manager of Heritage Preservation Services;

\$7,845,000.00 of the Letter of Credit will secure the conservation of the facades as part of the redevelopment proposal with the ability to draw down as the project proceeds reflecting the completion of the major phases of the building's conservation; and

\$7,559,162.00 would be held and used by the City to mitigate the loss of the building should demolition occur and the project not proceed and would be released after issuance of the first above-grade structural permit.

Another minor amendment regarding accessibility of the site (5.5) is recommended to ensure that the publicly accessible open space and mid-block connections through the site are accessible to the public in the same manner and with the same hours as the PATH and TTC subway.

## **CONTACT**

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## **SIGNATURE**

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