At its February 18, 2015 meeting North York Community Council deferred consideration of the Official Plan and Zoning By-law Amendment, Site Plan and Rental Housing Demolition applications for the ‘Sheppard Centre’ at the northeast corner of Yonge Street and Sheppard Avenue East, to allow the applicant an opportunity to include social facilities and to address the concerns presented by area residents and Toronto Catholic District School Board.

This report responds to proposed revisions resulting from Community Council’s motion. This report recommends that City Council adopt the final report on the Official Plan and Zoning By-law amendments as revised to incorporate on-site child care and social facilities. This report is to be considered with Motion MM5.22 which is before this Council meeting.
**RECOMMENDATIONS**

The City Planning Division recommends that:

1. City Council adopt the recommendations in the January 27, 2015 report from the Director, Community Planning, North York District with the changes as summarized in this report to:

   a) Revise the density incentives in the draft by-law and Section 37 Agreement to provide for on-site community facilities in the form of a non-profit child care and social facility and resulting reduced monetary contribution;
   b) Revise the draft Zoning By-law to provide for full replacement of the 25 existing rental units with 19 rental units to be replaced in Phase 1 of the proposed development and 6 rental units to be replaced within the new residential building on Greenfield Avenue;
   c) Revise recommendations under Chapter 667 and Section 33 of the Planning Act to provide for the phased replacement of the existing rental units as identified in (b) above and secure replacement of 6 replacement rental units within three years of the issuance of the first above grade building permit for the residential building on Greenfield; and
   d) Require the applicant to conduct an analysis of potential Doris Avenue and Greenfield Avenue intersection and mid-block crosswalk improvements, and that City staff consult with the Toronto Catholic District School Board (TCDSB) on Site Plan revisions and improvements to enable students to safely walk between Cardinal Carter Academy for the Arts, the TCDSB offices and Sheppard Centre, and that these improvements be required as part of a revised Site Plan approval.

2. Upon receiving revised plans from the applicant that satisfactorily provide for on-site social facilities and the rental replacement units as described in this report, and upon satisfying the conditions in the January 27, 2015 Staff report, the Bills for the Official Plan and Zoning By-law Amendments implementing the revised development be introduced to City Council for enactment.

3. City Council determine that no further notice need to be provided resulting from these revisions.
DECISION HISTORY
On February 18, 2015, North York Community Council held a statutory public meeting and recommended the following:

1. "Deferred consideration of the report (January 27, 2015) from the Director Community Planning, North York District, for not later than two meetings (May 12, 2015), to allow the applicant an opportunity to include social facilities within the proposed development and to address the concerns presented by area residents and the Toronto Catholic District School Board, with the understanding that the matter could be brought forward to the next meeting of the North York Community Council on April 15, 2015, if there is a proposal agreed upon by City Planning staff, the applicant and the Ward Councillor."


PROPOSAL
The January 27, 2015 Staff Report recommended approval of an Official Plan and Zoning By-law Amendment to expand commercial uses on Yonge Street and Sheppard Avenue East, add a 39 storey residential apartment and loading/servicing facility on Greenfield Avenue, and demolish the 25 existing rental apartments on Greenfield Avenue and replace them in a new building on Sheppard Avenue East. The proposal incorporated density incentives under the North York Centre Secondary Plan including a full market value monetary contribution of about $7 million for off-site community benefits such as social facilities. The proposal did not include any social facilities on-site.

REVISED PROPOSAL
In response to the February 18, 2015 Community Council motion, the Councillor, applicant and staff have met to discuss potential changes to the proposed development that would include on-site social facilities. The changes to the development proposed by the applicant include:

- provision of a non-profit child care centre within the development in the same floor space as 6 of the rental replacement units;
- provision of a social facility in the form of a child care community facility either within the 4th floor of the existing office space of the building at 2 Sheppard Avenue East, or alternatively in the location of an additional upper level above the child care facility;
- provision for 6 of the 25 rental replacement units within the proposed 39-storey residential apartment building on Greenfield Avenue;
- revising the replacement units from 21 affordable and 4 market to 19 affordable and 6 market rents; and
- revisions to the Site Plan application, if technically feasible, to incorporate pedestrian improvements between the development block and north side of Greenfield Avenue.
COMMENDS

Non-profit Child Care and Social Facility

Concept plans have been submitted to provide for an on-site child care and social facility. The North York Centre Secondary Plan provides the opportunity for social facilities designed, constructed and equipped to the satisfaction of the City (including day care, schools or other social facilities approved by the City) to receive a density incentive of up to 4 times the gross floor area of the facility. City staff support the applicant's proposal to provide these facilities on-site subject to receiving revised plans that conform with the North York Centre Secondary Plan.

To secure these social facilities as a density incentive, the draft By-law and Section 37 Agreement would need to include a clause identifying the amount of additional gross floor area associated with this use. Based on the concept plans prepared, a new clause should be added to the draft By-law to provide a density incentive of 6,250 m² for the social facility and non-profit child care.

With this additional floor space as a density incentive, the floor space to be provided through a monetary contribution would be reduced from a maximum of 11,395 m² to a maximum of 5,145 m², or in other words, reduced from about $7 million to $3.2 million.

To secure the facility as a public benefit, the applicant's draft term sheet for the child care and social facility space in Attachment 1 to this report would also need to be refined and incorporated into the Section 37 Agreement.

Staff support the inclusion of on-site social facilities and non-profit child care. This report recommends that the density incentives in the draft By-law and Section 37 Agreement be revised to provide for on-site community facilities in the form of a non-profit child care and social facility and resulting reduced monetary contribution.

Rental Housing Replacement – Location and Timing

The development summarized in the January 27, 2015 staff report proposed replacing all 25 rental replacement units in a new building on Sheppard Avenue East, in the first phase of the development with 21 units at affordable rents and 4 units at mid-range rents.

The proposed on-site non-profit child care and social facility is proposed to be located on the Sheppard Avenue East frontage and generally in the same location as 6 of the 25 rental replacement units. These 6 replacement units are now proposed to be replaced as part of the second phase of development and located within the proposed 39 storey residential apartment building on Greenfield Avenue.

It is reasonable to provide 6 rental replacement units at a later stage when the residential apartment building is built in the second phase. All 25 existing rental units would be replaced on-site with the same mix of one-bedroom, two-bedroom and three-bedroom units. The 7 existing tenant households would retain the right to return to a comparable rental unit as part of the first phase of the proposed development. To help ensure there is
no undue delay in achieving full replacement of the 25 existing rental units, the By-law and Section 37 Agreement would need to be amended to ensure the second phase 6 replacement units are completed within a three year timeframe from the issuance of the first above grade permit for the residential apartment building.

The applicant has proposed that the number of affordable rental units be reduced from 21 to 19, and the units with mid-range rents be increased from 4 to 6. Staff are not recommending that the mix of affordable and rental units be amended.

The concept plans show a shared entrance and elevator access to the proposed child care, social facility and 19 rental housing units along Sheppard Avenue East. The final Site Plan should address how privacy and security can be provided for both the new rental replacement units and child care/social facilities.

**Pedestrian Improvements**

The Toronto Catholic District School Board have raised concerns about the safety of their students crossing Greenfield Avenue and Doris Avenue between Cardinal Carter Academy for the Arts, the TCDSB offices and the Sheppard Centre. The applicant has agreed to review the potential for improvements to the signalized crossing at Greenfield Avenue and Doris Avenue as well as to investigate a mid-block crossing of Greenfield Avenue. The results of the review would be incorporated into the final Site Plan and/or Section 37 Agreement and implemented by the applicant.

**Next Steps**

The proposed revisions to the application in response to the February 18, 2015 Community Council decision would be in conformity with Section 37 policies of the North York Centre Secondary Plan. The proposed revisions would also be able to meet the requirements for rental housing replacement. Through continued analysis and consultation, the Site Plan can be revised to address TCDSB concerns for student safety.

The proposed revisions to provide a child care/social facility need to be developed into a formally revised application. If the revised application continues to conform to the Official Plan and Secondary Plan, and no changes beyond what has been discussed in this report are made to the Zoning By-law and Section 37 Agreement, then Staff can prepare
the implementing Bills for City Council enactment once all conditions have been satisfied. This report also recommends that City Council determine that no further notice is required.

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**SIGNATURE**

Jennifer Keesmaat, MES, MCIP, RPP  
Chief Planner and Executive Director  
City Planning Division

**ATTACHMENTS**

Attachment 1: Applicant's Proposed Draft Term Sheet for Non-Profit Child Care & Social Facility
Attachment 1:

Applicant's Proposed Draft Term Sheet for Non-Profit Child Care & Social Facility

Non-Profit Daycare

1. The Owner shall provide a daycare facility space within the Sheppard Centre with a minimum interior gross floor area of 650 m² and a minimum exterior space of 278 m². The daycare facility shall be located in the former cinema space.

2. The Owner shall lease the daycare facility to the City for a term(s) totalling 99 years on a turn-key basis. The lease shall ensure that the facility is free of all rent and any other facility fees and charges, and the Owner shall be responsible for the cost of all utilities and municipal services supplied to the facility, caretaking costs of the building’s common areas, repair and maintenance costs (excluding wear and tear), realty taxes and any local improvement charges.

3. The City shall use and/or sublease the space for no other purpose than as a childcare facility operated by a non-profit childcare provider chosen or created by the City.

4. The Owner shall be responsible for constructing, furnishing, finishing and equipping the daycare facility on the basis of plans approved by the City, and in accordance with the City’s Child Care Design & Technical Guideline (2012), as may be amended or replaced from time to time, (the “Guideline”), and all other applicable licensing and code requirements (including those listed on page 15 of the Guideline). In particular, the Day Care Space shall meet the following design specifications:

   a. exterior fenced rooftop play space adjacent to interior space, suitably weather protected, equipped and landscaped to facilitate year-round use with vandal-proof storage adjacent to the play space;

   b. acceptable safe access to the daycare facility for children, parents, custodians and staff, including pedestrian and vehicular drop-off and pick-up location of children;

   c. parking provision of a minimum of 13 designated pick-up and drop-off spaces to be located within the underground garage in close proximity to the elevator that accesses the daycare facility;

   d. fully functional kitchen;

   e. acceptable wind, sun/shade, noise, and air quality conditions;
f. acceptable security provisions that allow the daycare facility to operate autonomously within the development; and

g. compliance with all physical criteria necessary to obtain a license required to operate a child care facility.

5. The Owner shall be responsible for all up-front development costs including, but not limited to, applicable building permit fees, development charges, park levies, etc.

6. After the 10th year of the term of the lease, the Owner shall have the option, in the event of renovations to, or the redevelopment of, the Sheppard Centre, to relocate the daycare facility within the Sheppard Centre for the remainder of the lease, with the size, location, materials and design of the relocated facility (as well as any temporary facility, if applicable) and terms of the move to be to the satisfaction of the City. The Owner’s obligations herein shall apply mutatis mutandis to the relocated facility.

7. The daycare facility shall have appurtenant to it, through any lease with the City and/or a childcare facility operator, such rights of ingress to and egress from the daycare facility over and through the Sheppard Centre as are necessary and appropriate for the operator and its staff, children enrolled in the facility, and the parents or others having custody of such children.

8. The daycare facility will be made available to the City within 30 months of issuance of the first above-grade building permit for the Phase 1 retail renovations.
Social Facility

1. The Owner shall provide a social facility space within the Sheppard Centre with a minimum gross floor area of 597 m², which shall be located either on the fourth floor of the existing office building at 2 Sheppard Avenue East, or above the non-profit daycare facility that is provided in the former cinema space. The location of the facility space shall be to the City’s satisfaction, and shall be determined in conjunction with the City’s approval of the plans for the facility.

2. The Owner shall lease the facility to the City for a term(s) totalling 99 years on a turn-key basis. The lease shall ensure that the facility is free of all rent and any other facility fees and charges, and the Owner shall be responsible for the cost of all utilities and municipal services supplied to the facility, caretaking costs of the building’s common areas, repair and maintenance costs (excluding wear and tear), realty taxes and any local improvement charges.

3. The City shall use and/or sublease the space for no other purpose than as a non-profit child and family resource centre directly funded by the City and/or any other level of government, government agency or non-profit entity, and shall not be used for any uses which are incompatible with a first-class commercial centre, and/or which materially adversely interfere with the other occupants of any portion of the Sheppard Centre. The City shall obtain the Owner’s approval of any users of the space, such approval not to be unreasonably withheld.

4. “Turn-key” means the following base-building improvements:
   a. concrete floors finished with carpet tiles, except in reception and other areas where vinyl tiles are appropriate;
   b. drywall walls taped, sanded and painted;
   c. dropped ceilings with acoustic tiles;
   d. life safety systems and emergency lighting, lighting, electric panel and heating, cooling and ventilation, plumbing;
   e. handicapped-accessible washroom facilities in accordance with Ontario Building Code standards; and
   f. doors to the common corridor fitted with card readers.

The construction, design and above-noted finishes of the facility shall be on the basis of plans approved by the City.
5. The Owner shall be responsible for all up-front development costs including, but not limited to, applicable building permit fees, development charges, park levies, etc.

6. After the 10th year of the term of the lease, the Owner shall have the option, in the event of renovations to, or the redevelopment of, the Sheppard Centre, to relocate the facility within the Sheppard Centre for the remainder of the lease, with the size, location, and design of the relocated facility (as well as any temporary facility) and terms of the move to be to the satisfaction of the City. The Owner’s obligations herein shall apply mutatis mutandis to the relocated facility.

7. The facility shall have appurtenant to it, through any lease with the City and/or a facility operator, such rights of ingress to and egress from the facility over and through the Sheppard Centre as are necessary and appropriate for the operator and its staff, and the parents and children enrolled in, and/or using, the facility.

8. If it is located on the fourth floor of the existing office building, the facility will be made available to the City no later than the rental replacement units on Sheppard Avenue East being provided, or at the same time that the daycare facility is made available to the City if it is located above the non-profit daycare facility.