



REPORT FOR ACTION

1 Eglinton Avenue East – Clarification of Section 37 Benefits Secured

Date: July 10, 2018

To: City Council

From: City Solicitor

Wards: Ward 22 - St. Paul's

SUMMARY

At its meeting on November 7, 8 and 9, 2017, City Council adopted Toronto and East York Community Council Item 27.4, headed "1 Eglinton Avenue East – Zoning Amendment – Final Report", which recommended approval of a redevelopment of the lands at 1 Eglinton Avenue East. In connection with the approval, City Council directed that the Owner be required to enter into an Agreement with the City pursuant to Section 37 of the *Planning Act* in order to secure various community benefits. In working with the applicant to prepare the required Section 37 Agreement, it became apparent that the Council direction misstated the intent with respect to how the community benefits would be secured and provided. While part of the benefit package will be in the form of a cash contribution to the City, several components of the benefits package are intended to be contributions in kind that will be constructed by the developer at the developer's expense. Accordingly, this report seeks to clarify the Section 37 benefits package and to provide direction to the City Solicitor regarding how the benefits are secured.

RECOMMENDATIONS

The City Solicitor recommends that:

1. Recommendation 5. a. of City Council Item TE27.4 be deleted and replaced with the following:

a. the community benefits recommended to be secured in the Section 37 Agreement are as follows:

i. a cash contribution of \$1,000,000.00 to be indexed upwardly in accordance with the Statistics Canada Non-Residential Building Construction Price Index for Toronto, calculated from the date of execution of the Section 37 Agreement to the day the payment is made, to be

provided to the City for upgrades to the Davisville Community Centre recreational facilities, payable when the zoning by-laws described in Parts 1 and 2 above come into force and effect; in the event the cash contribution has not been used for the intended purpose within three (3) years of the by-law coming into full force and effect, it may be redirected for another purpose(s), at the discretion of the Chief Planner and Executive Director City Planning, in consultation with the Ward Councillor, provided that the purpose(s) is identified in the Official Plan and will benefit the community in the vicinity of the lands;

ii. upgrades to the Privately Owned Publicly-Accessible Space (POPS), generally as detailed in accordance with the Landscape Plan and cost estimates prepared by Terraplan Landscape Architects, estimated to have a value of \$885,760.00;

iii. upgrades to Cowbell Lane from Eglinton Avenue East to Soudan Avenue, exact details to be determined in the context of a site plan approval, estimated to have a value of \$418,348.00;

iv. a connection to the existing pedestrian tunnel under Yonge Street as detailed in architectural plans prepared by Hariri Pontarini Architects, estimated at \$1,918,000 as detailed in the report prepared by Altus Group Limited dated January 22, 2016; any additional cost of providing this connection will be absorbed by the Owner; but this does not include providing barrier free access beyond the property line of the subject lands; the Owner shall also enter into any required agreements with the TTC and/or the City of Toronto, pay any fees, and prepare any documents necessary for this entrance at the owner's sole cost.

2. That the draft by-laws be updated to reflect the changes in the Section 37 benefits being secured in accordance with Recommendation 1.

3. That City Council, pursuant to Section 34(17) of the Planning Act, hereby determine that no further notice to the public is required of the changes to the draft by-laws noted herein.

FINANCIAL IMPACT

There is no financial impact arising from this report.

DECISION HISTORY

At its meeting on November 7, 8 and 9, 2017, City Council adopted Toronto and East York Community Council Item 27.4, headed "1 Eglinton Avenue East – Zoning Amendment – Final Report", which recommended amendments to City of Toronto

Zoning By-laws 438-86 and 569-2013 in order to permit the redevelopment of the lands at 1 Eglinton Avenue East with a 65-storey mixed use building with retail uses on the ground floor, commercial office uses in the rest of the base building and 600 residential units in the tower above (the "Development"). The Final Report on this 2017 Approval can be viewed at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.TE27.4>

COMMENTS

In connection with the November, 2017 approval of the Development, City Council directed that the Owner be required to enter into an Agreement with the City pursuant to Section 37 of the *Planning Act* prior to the introduction of the Bills to City Council in order to secure community benefits consisting of a cash contribution of \$3,222,108.00 for capital improvements including: \$885,760.00 for upgrades to a Privately Owned Publicly Accessible Space (POPS); \$418,348.00 for upgrades to Cowbell Lane; \$918,000.00 for a TTC connection to an existing pedestrian tunnel under Yonge Street; and \$1,000,000.00 for upgrades to the Davisville Community Centre recreational facilities.

In working with the applicant to prepare the required Section 37 Agreement, it became apparent that the Council direction misstated the intent with respect to how the community benefits are to be secured and provided. While the \$1,000,000.00 for the upgrades to the Davisville Community Centre is to be in the form of a cash contribution to the City, the improvements to the POPS and Cowbell Lane and the pedestrian connection to the TTC were intended to be contributions in kind that will be constructed by the developer at the developer's expense. Accordingly, no cash payment to the City is required in connection with those benefits, although they must be appropriately secured in a Section 37 Agreement to be registered on title to the satisfaction of the City Solicitor.

CONTACT

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SIGNATURE

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