



Project No. 14203

June 6, 2018

Councillor David Shiner, Chair, and Members  
Planning and Growth Management Committee  
c/o Nancy Martins  
10<sup>th</sup> Floor, West Tower, City Hall  
100 Queen Street West  
Toronto, ON M5H 2N2

Dear Sirs/Mesdames:

**Re: *Item PG30.4 - June 7, 2018 Planning and Growth Management Committee  
Midtown in Focus: Yonge-Eglinton Secondary Plan OPA  
30 Merton Street, Toronto***

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We are planning consultants to BCIMC Holdco (2007) Inc. with respect to its site at 30 Merton Street, located on the north side of Merton Street, just east of Yonge Street, at the northeast corner of Merton Street and Al Green Lane (“the subject site”).

On behalf of our client, we filed an application for an Official Plan Amendment and Zoning By-law Amendment for the subject site on June 5, 2017 (File No. 17 173706 STE 22 OZ), in order to permit a 37-storey purpose-built rental building and a commercial parking garage below-grade to replace the existing commercial parking garage on the site.

### **Transition/Exemption**

Since the time of submission of the application, we submitted the attached letter on behalf of our client to City Planning dated February 23, 2018, which outlined our concerns with the November 2017 version of the draft Yonge-Eglinton Secondary Plan Official Plan Amendment (“the Yonge-Eglinton Plan”). Further to that letter, we have reviewed the revised Yonge-Eglinton Plan dated April 30, 2018, and we continue to have a number of planning concerns, as described below.

The Yonge-Eglinton Plan does not currently include any transition policies or protocols to recognize proposed redevelopments that are in process or were the subject of applications filed prior to the adoption of the Yonge-Eglinton Plan. In this regard, the above-noted applications for the subject site pre-dated the initial draft of the Yonge-Eglinton Plan in

November 2017 and, as such, we would request that the subject site be exempted from the proposed new Yonge-Eglinton Plan.

In the event that the subject site is not specifically exempted from the Yonge-Eglinton Plan, it is our opinion that transition provisions should be incorporated into the Yonge-Eglinton Plan so as to ensure that development proposals which are the subject of “complete” applications, such as the subject application, are reviewed on the basis of the planning framework that was in force at the time they were filed.

### **Consistency and Conformity**

With respect to the merits of the Yonge-Eglinton Plan as it applies to the subject site, it is our opinion that, as currently drafted, it is not consistent with the Provincial Policy Statement and does not conform with the Growth Plan for the Greater Golden Horseshoe (the “Growth Plan”). More specifically, the Yonge-Eglinton Plan does not optimize the use of land and infrastructure, particularly as it applies to the subject site.

In this regard, and as further set out below, the Yonge-Eglinton Plan does not take into account Provincial policy directions to optimize the use of land and infrastructure along transit and transportation corridors, and in particular within “major transit station areas”. In this regard, “optimization” means making something “as fully perfect, functional, or effective as possible”.

### **Height**

With respect to height, the Yonge-Eglinton Plan provides for a maximum height of 14-16 storeys on the subject site, excluding mechanical penthouse. Fundamentally, it is our opinion that the proposed imposition of numerical height limits (and other such numerical standards) is generally inappropriate and undesirable in a policy document and is more appropriately included in a regulatory document (the zoning by-law) or a guideline.

Furthermore, it is our opinion that the proposed limit of 14-16 storeys for the subject site is inappropriately low and does not take into account the location of the site within a major transit station area, its existing context, or the site-specific development attributes and considerations.

One of the site-specific considerations in this case is that the subject site is currently developed with a 4-storey above-grade commercial parking garage, which was built to serve the adjacent medical office building at 1849 Yonge Street. The parking requirements for the office building were satisfied through the provision of off-site parking on the subject site. As such, we believe it is important and in the public interest to replace a portion of the existing commercial parking on the subject site. Given the challenges that make it difficult to provide both the commercial and residential parking below grade, the proposed height limit presents a fundamental challenge to this project.

Another site-specific consideration in this case is that the proposal is for a purpose-built rental housing building. The preamble to Section 3.2.1 (Housing) of the Official Plan (the “OP”) indicates that what is needed is a healthier balance among high-rise ownership housing and other forms of housing, including purpose-built rental housing. The OP’s housing policies support a full range of housing in terms of form, tenure and affordability, across the City and within neighbourhoods, to meet the current and future needs of residents (Policy 3.2.1(1)). Policy 3.2.1(3) encourages investment in new rental housing, particularly affordable rental housing, by a co-ordinated effort from all levels of government through implementation of a range of strategies, including effective taxation, regulatory, administrative policies and incentives.

In addition to these site-specific considerations, it is our opinion that the subject site is a contextually appropriate location for a tall building, significantly taller than the 14 to 16 storeys proposed in the Yonge-Eglinton Plan, for a number of reasons, including: its location within a 170 metre radius of the Davisville subway station; its location within a high-rise apartment concentration immediately adjacent to the Yonge Street corridor; its overall site size and dimensions; and its proximity to a number of other existing and approved tall buildings in the Yonge-Davisville node.

In this regard, it is noted that the height map in the Yonge-Eglinton Plan (Map 21-14) would permit a height of 14-16 storeys on several other sites along the north side of Merton Street, the furthest being more than 700 metres from the Davisville subway station. In our opinion, the subject site, at 170 metres distance from the Davisville subway station, should be permitted greater height and density than a site which is just west of Mount Pleasant Road, located more than four times the distance from the subway station as the subject site.

Given that additional height can be accommodated on the subject site with no unacceptable built form impacts on surrounding lands, including no incremental shadow impact on Balliol Parkette, the distance to the Davisville subway station should be a key consideration in determining an appropriate height for the site. In our opinion, the apparent failure to take this consideration into account or to give it proper weight does not conform with the direction in the Growth Plan to maximize “the number of potential transit users that are within walking distance of the station”. Instead, the October 15, 2017 staff report appears to consider only the minimum density requirements set out in the Growth Plan.

### **Character Area Classification**

As noted in our February 2018 letter, it is our opinion that the subject site should be included within the “*Midtown Cores – Davisville Station*” character area or, failing that, should be treated as an exception to the “*Special Places – Merton Street*” area. The subject site is located immediately adjacent to the “*Cores – Davisville Station*” character area, which generally applies to the lands fronting Yonge Street within the southeast quadrant of the intersection of Yonge and Davisville, as well as some lands within the northwest and northeast quadrants.

In reviewing the Yonge-Eglinton Plan and associated staff report, we are of the opinion that there has been insufficient analysis of intensification around subway stations. Recognizing the land use and transportation planning benefits associated with nodal intensification, planning and future development within the Yonge-Davisville node should seek to provide for intensification and taller building heights around the Yonge-Davisville intersection and within a radius of approximately 250 metres from the Davisville subway station.

It is our opinion that the inclusion of the subject site within the “Cores – Davisville Station” character area would be appropriate given that the subject site is immediately adjacent to the Yonge Street corridor, is located 170 metres from the Davisville subway station and is, and has historically been, linked to the Yonge Street frontage by virtue of its direct relationship with the 1849 Yonge Street medical office building. The expansion of the “Cores – Davisville Station” character area to include the subject site would conform with the direction in Policy 2.2.4(2) of the 2017 Growth Plan to delineate the boundaries of major transit station areas in a transit-supportive manner that maximizes the size of the area.

### **Other Concerns**

#### **1. Transit Station Areas - Secondary Zone**

Proposed Map 21-3 identifies the subject site as being within a Secondary Zone notwithstanding the fact that the subject site is located less than 250 metres from the Davisville subway station. Furthermore, some lands located further than 250 metres from the Davisville subway station, and which are further removed from the Yonge Street frontage than the subject site, are identified as Station Area Cores, which by virtue of Policy 2.4.2, would be permitted increased height and density beyond what is permitted for the subject site (Secondary Zone).

By identifying the subject site within a Secondary Zone with a lesser height permission than lands further from the subway station identified as Station Area Cores, and by proposing the same height permission on sites much further from the Davisville subway station than the subject site, Map 21-3 is contrary to Policy 5.4.9 of the Yonge-Eglinton Plan, which states that “the objective of the height ranges is to ensure height variability within the permitted height ranges, with the highest heights located in closest proximity to transit stations.”

As noted above, planning and future development within the Yonge-Davisville node should seek to provide for intensification and taller buildings within a radius of approximately 250 metres from the Davisville subway station.

#### **2. Mixed Use Areas ‘B’**

In our opinion, the designation of the subject site as *Mixed Use Areas ‘B’*, and in particular Policy 2.5.7 requiring a certain proportion of office uses, is inappropriate.

Historically, there have been both residential buildings and non-residential buildings along Merton Street, which provide a mix of employment and non-employment uses on an

overall basis, consistent with the intent that Merton Street be a mixed-use street. Accordingly, it is not necessary or appropriate to require each new development to provide office, institutional and/or cultural uses, regardless of site constraints and site-specific considerations.

In the case of the subject site, the development program consists of purpose-built rental residential uses and replacement commercial parking. Inclusion of additional non-residential gross floor area would be at the expense of these elements and would not, on balance, result in as good a development as what is proposed.

3. Parkland

It is our opinion that proposed Policy 3.3.18, which proposes an alternative parkland dedication rate proportionate with proposed densities, building types, heights, etc., is inappropriate. First, as noted above, the lands in proximity to the Davisville subway station should be utilized to support nodal intensification rather than requiring a larger parkland dedication in areas where the land is better suited to accommodating growth and maximizing the number of potential transit users within walking distance of the station. Second, if such policies are to be included in the Official Plan, a comprehensive city-wide study should be required to analyze the impacts and allow the opportunity for broad-based consultation. In this regard, it appears that, contrary to the approach set out in the city-wide (2006) Official Plan, the Yonge-Eglinton Secondary Plan is proposing to defer the important decisions regarding rates and caps to the Section 42 by-law, which has no provision for public notice and consultation or a right of appeal.

4. Above-Grade Parking Structures

Proposed Policy 3.1.7 would restrict above-grade parking structures to sites where alternatives are not technically feasible. Our concern relates to the words “not technically feasible”, which could be read to mean that it would be necessary to demonstrate that it would be “impossible” to provide the parking below grade.

As noted in our February 2018 letter, given that the 3-level below grade parking structure on the subject site will provide replacement commercial parking, it is not practical or desirable to require an additional 2 to 3 levels of residential parking below grade, creating a 5- to 6-level below grade parking garage. In other words, although it may not be “impossible” to build a 6-level below grade parking garage, it would not be practical for a development of this scale. In our opinion, the wording of this policy should be amended to allow sites that have existing above-grade parking garages to be exempt from this policy if the redevelopment includes the replacement of some or all of the existing above-grade parking spaces.

5. Tower Setback

Proposed Policy 5.3.39 would require a minimum of a 3-metre setback above the base building, including balconies. Typically, the 3-metre tower setback above base building is to the tower face, excluding balconies. If such policy is to be included, rather than requiring balconies to also be set back 3 metres, the wording should be amended to

permit balconies within the stepback so long as they are designed to accentuate the stepback.

6. Tower Floorplate

Proposed Policy 5.3.41 stipulates that residential tower floorplates will not exceed 750 square metres gross construction area, excluding balconies, and that minor increases, such as 5%, may be considered where increases are required to address building structural requirements and where there is additional attention to shape and articulation, and where additional separation distance and stepbacks are provided.

In our opinion, additional flexibility should be built into the reasons/conditions set out in this policy to permit increases to the maximum floorplate size for matters such as providing a significant number of large family-sized units, provision of purpose-built rental units, etc.

7. Floor Heights

Proposed Policy 5.4.4 prescribes height limits based on type of use. As noted above, it is our opinion that such detailed numerical standards are inappropriate and undesirable in a policy document. In our opinion, this policy is overly restrictive and would stifle design creativity and context-specific design responses, and could ultimately create monotony in the visual appearance along the street. In our opinion, this policy should be deleted.

8. Unit Mix / Sizes

We have significant concerns with proposed Policy 7.1, which would require 15% two-bedroom units and 10% three-bedroom units, as well as an additional 15% as a combination of 2- and 3-bedroom units, and would specify minimum unit sizes of 87 square metres for two-bedroom units and 100 square metres for three-bedroom units. As outlined in our February 2018 letter, setting minimum sizes for units will have unintended negative consequences by reducing affordability. We strongly believe that advancing these prescriptive measures without an in-depth review of market demand/supply and income/affordability presents significant risks and could potentially counter affordability objectives that the City is trying to achieve.

9. Monetary Contributions

Finally, it is our opinion that proposed Policy 9.4.5, which provides that the amount of a monetary contribution will be equal to 25% of the incremental market value of the gross floor area, is inappropriate in a number of respects. First, as with the unit size and minimum gross floor area for office, any such policy should be considered on a City-wide basis. Second, a formulaic approach to monetary contributions (Section 37) is not supported by the City's Section 37 implementation guidelines. Third, while the City's practice has been to use a percentage of the incremental increase in land value as a guideline for calculating a Section 37 contribution, that percentage has historically been much less than 25%.

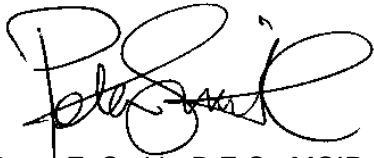
**Deferral Request**

The foregoing is not a comprehensive list of all of the concerns that would arise from the application of the Yonge-Eglinton Plan to the subject site. If our request to exempt the subject site from the Yonge-Eglinton Plan is not granted, then on behalf of our client, we request that the approval of the Yonge-Eglinton Plan be deferred, at least as it applies to the subject site, so that all of the concerns can be discussed with City Planning staff and the results be reported to Council.

We appreciate your consideration of the foregoing submission. Should you require any additional information, please do not hesitate to contact one of the undersigned.

Yours very truly,

**Bousfields Inc.**



Peter F. Smith, B.E.S., MCIP, RPP



Sasha Lauzon, M.PL., MCIP, RPP

cc: *Alex Teixeira, Toronto City Planning*  
*Toby Wu, QuadReal Property Group*  
*Cynthia MacDougall, McCarthy Tétrault LLP*





Project No. 14203

February 23, 2018

Paul Farish  
Senior Planner, Strategic Initiatives, City Planning  
City of Toronto  
Metro Hall, 22nd Floor  
55 John Street  
Toronto, ON M5V 3C6

Dear Mr. Farish:

**Re: *Midtown in Focus: Proposed Yonge-Eglinton Secondary Plan Update  
30 Merton Street, Toronto***

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As you are aware, we are planning consultants to QuadReal Property Group with respect to the above-noted property (the “subject site”).

Our client and certain members of the consulting team attended a meeting with yourself, Cassidy Ritz and Alex Teixeira on October 10<sup>th</sup>, 2017, to discuss the consulting team’s approach to the redevelopment of the subject site and the site-specific considerations that resulted in the proposed approach to the Official Plan Amendment and rezoning application (the “development application”), particularly with regard to the proposed height. It should be noted that the development application was submitted in June 2017, well before the release of the proposed secondary plan in November 2017.

We have reviewed the Proposed Yonge-Eglinton Secondary Plan Update - November 2017 (the “proposed secondary plan”), which was received and endorsed by City Council on December 5, 2017 as a basis for stakeholder and public consultation. We, along with our client, have a number of concerns with the proposed secondary plan, which are described below. It is our opinion that the proposed secondary plan, as currently drafted, is not consistent with the Provincial Policy Statement and does not conform with the Growth Plan, more specifically, the proposed secondary plan does not optimize the use of land and infrastructure, particularly as it applies to the subject site.

The most significant site-specific concerns have to do with the proposed height limit, the Character Area classification, and the proposed policies regarding building setbacks, above-grade parking structures and base building heights, as set out below.



1. Height

With respect to height, we note that the proposed secondary plan provides for a maximum height of 14-16 storeys on the subject site, excluding mechanical penthouse (see Map 21-9).

Firstly, it is our opinion that the proposed imposition of numerical height limits (and other such numerical standards) is generally inappropriate and undesirable in a policy document and is more appropriately included in a regulatory document (the zoning by-law) or a guideline. Fundamentally, the imposition of numerical standards in an Official Plan has the potential to stifle creativity, to unnecessarily trigger the requirement for site-specific official plan amendments, and to create unnecessary technical debates (e.g. are mezzanine floors counted as storeys?, how is height measured on a sloping site?, etc.).

As well, it should be recognized that the pre-determination of site-specific heights across a broad geographic area, such as Yonge-Eglinton, is inherently limited. It is not practically possible to undertake a thorough analysis of each and every site and to consider all of the potential site-specific considerations that would be necessary to properly determine site-specific heights. It is more appropriate to conduct that type of analysis through the review of a site-specific application, with the requisite supporting reports and further information to allow a more thorough review of site-specific considerations.

Secondly, even if a height limit were to be inserted in the secondary plan, the proposed limit of 14-16 storeys for the subject site is inappropriately low and does not appropriately take into account the location of the site within a major transit station area or its existing context. In our opinion, the site-specific height limit in the proposed secondary plan should be deleted or a height considerably greater than 16 storeys should be permitted on the subject site, for the reasons set out below.

One of the site-specific considerations in this case is that the subject site is currently developed with a 4-storey above-grade commercial parking garage, which was built to serve the medical office building at 1849 Yonge Street. The parking requirements for the office building were satisfied through the provision of off-site parking on the subject site. It is our opinion that the complete elimination of the existing commercial parking use would be undesirable. Retention of a commercial parking use will serve general demand for public parking in the area and, more specifically, will address functional and zoning requirements for parking to serve the medical office building at 1849 Yonge Street. The importance of retaining commercial parking on site has been consistently reinforced through comments received at the City's community consultation meeting on November 30, 2017 and at the 12 separate meetings with various neighbours and community groups leading up to our rezoning submission.

As such, we believe it is important and in the public interest to replace a portion of the existing commercial parking on the subject site. Given the significant geotechnical and hydrogeological challenges that make it difficult to provide both the commercial and residential parking below grade, the proposed height limit presents a fundamental challenge to this project.

In addition to these specific considerations, it is our opinion that the subject site is a contextually appropriate location for a tall building, significantly taller than the 14 to 16 storeys proposed in the proposed secondary plan, for a number of reasons, including: its location within a 170 metre radius of the Davisville subway station (within the primary zone of a “major transit station area”); its location within a high-rise apartment concentration immediately adjacent to the Yonge Street corridor; its overall site size and dimensions; and its proximity to a number of other existing and approved tall buildings in the Yonge-Davisville node.

In this regard, it is noted that the height map in the proposed secondary plan (Map 21-9) would permit a height of 14-16 storeys on several other sites along the north side of Merton Street, the furthest being over 700 metres from the Davisville subway station. In our opinion, the subject site, at 170 metres distance from the Davisville subway station, should logically be permitted greater height and density than a site which is just west of Mount Pleasant Road, located more than four times the distance from the subway station than the subject site.

Given that additional height can be accommodated on the subject site with no unacceptable built form impacts on surrounding lands, including no incremental shadow impact on Balliol Parkette, the distance to the Davisville subway station should be a key consideration in determining an appropriate height for the sites. In our opinion, the apparent failure to take this consideration into account or to give it proper weight does not conform with the direction in the Growth Plan to maximize “the number of potential transit users that are within walking distance of the station”. Instead, the October 15, 2017 staff report appears to consider only the minimum density requirements set out in the Growth Plan.

## 2. Character Area Classification

Building on the comments above, it is our opinion that the subject site should be included within the “*Midtown Cores – Davisville Station*” character area or, failing that, should be treated as an exception to the “*Midtown Special Places – Merton Street*” area. The subject site is located immediately adjacent to the “*Midtown Cores – Davisville Station*” character area, which generally applies to the lands fronting Yonge Street within the southeast quadrant of the intersection of Yonge and Davisville, as well as some lands within the northwest and northeast quadrants.

In reviewing the proposed secondary plan and associated staff report, we are of the opinion that there has been insufficient analysis of intensification around subway stations. Recognizing the land use and transportation planning benefits associated with nodal intensification, planning and future development within the Yonge-Davisville node should seek to provide for intensification and taller building heights around the Yonge-Davisville intersection, particularly within a radius of approximately 250 metres from the Davisville subway station.

It is our opinion that the inclusion of the subject site within the “*Midtown Cores – Davisville Station*” character area would be appropriate given that the subject site is

immediately adjacent to the Yonge Street corridor, is located 170 metres from the Davisville subway station and is, and has historically been, linked to the Yonge Street frontage by virtue of its direct relationship with the 1849 Yonge Street medical office building. The expansion of the “*Midtown Cores – Davisville Station*” character area to include the subject site would conform with the direction in Policy 2.2.4(2) of the 2017 Growth Plan to delineate the boundaries of major transit station areas in a transit-supportive manner that maximizes the size of the area.

3. Building Setback

Proposed Policy 3.2.28(c) would require a 4.0 metre building setback above and below grade on the north side of Merton Street. As noted above, it is our opinion that such detailed numerical standards are inappropriate and undesirable in a policy document. The proposed redevelopment plans for the subject site incorporate a 7.05 metre sidewalk zone, which exceeds the 6 metre sidewalk zone guideline in the Tall Building Design Guidelines, and provides adequate width for a pedestrian clearway and landscaping. A 4.0 metre building setback, as proposed in the secondary plan, would create a sidewalk zone in excess of 10 metres, which is beyond what is typically required and is not necessary to create a user-friendly and attractive public realm.

In addition, the requirement to provide the building setback below grade, in addition to above grade, is unnecessarily restrictive and essentially creates a 4-metre wide no build zone. In this case, the below grade area within the proposed building setback is required to accommodate the below-grade commercial parking garage.

If such policies are to be included, the above-grade building setback policy should be revised to provide for a 6-metre sidewalk zone, consistent with the Tall Building Design Guidelines. As well, the below-grade building setback policy should be amended to permit an encroachment within the below grade building setback at a certain depth (e.g. the below-grade building setback should be limited to a depth of 1.2 metres to accommodate sufficient depth for landscaping requirements, but below the 1.2-metre depth, no building setback would be required).

4. Above-Grade Parking Structures

Proposed Policy 3.2.11 would restrict above-grade parking structures to sites where alternatives are not technically feasible. Our concern relates to the wording “not technically feasible”, which could be read to mean that it would be necessary to demonstrate that it would be “impossible” to provide the parking below grade.

In this case, given that the 3-level below grade parking structure will provide replacement commercial parking, it is not practical or desirable for a development of this scale to have an additional 2 to 3 levels of residential parking also below grade, creating a 5- to 6-level below grade parking garage. In other words, although it may not be “impossible” to build a 6-level below grade parking garage, it would not be practical for a development of this scale. In our opinion, the wording of this policy should be amended to allow sites that have existing above-grade parking garages to be exempt from this policy if the redevelopment includes the replacement of some or all of the existing above-grade parking spaces.

5. Base Building Heights

Proposed Policy 4.5.6.6 would restrict base building heights along Merton Street to a maximum of 5 storeys (approximately 16.5 metres). As noted above, it is our opinion that such detailed numerical standards are inappropriate and undesirable in a policy document.

Furthermore, the recently approved Life Condos building, three properties to the east at 68 Merton Street, incorporates a 7-storey podium with a height of 23.8 metres (to the top of the 7<sup>th</sup> storey parapet), taller than the proposed 16.5 metres. The proposed redevelopment plans for the subject site contemplate a 5- to 7-storey base building height, with a 7-storey streetwall at a height of 22.9 metres. In our opinion, the proposed streetwall height is appropriate and would fit into the surrounding built form context, including the recently built 68 Merton building. It is our opinion that a variation in streetwall height it is desirable, would add to the articulation along the street and would create visual interest. A rigid base building limit of 5 storeys would stifle design creativity and context-specific design responses and could ultimately create monotony in the visual appearance along the street.

As well, we have identified a number of other general concerns with the proposed secondary plan policies, as set out below:

6. We have concerns with the proposed non-residential floor area policies in 3.1.5 and 3.4.2. It is not clear how, or if, these policies would be applied on a site-by-site basis. In the case of the subject site, the development program consists of purpose-built rental residential uses and replacement commercial parking. Inclusion of additional non-residential gross floor area would be at the expense of these elements and would not, on balance, result in as good a development as what is proposed.
7. We have significant concerns with proposed Policy 3.6.2, which would require 30% two-bedroom units and 20% two-bedroom units, and would specify minimum unit sizes of 90 square metres for half of the two-bedroom units and 106 square metres for half of the three-bedroom units. Similar to our comments above, such detailed numerical standards are inappropriate in a policy document. Furthermore, if such policies are to be introduced in the Official Plan, that should be done on a City-wide basis with the requisite comprehensive study and opportunity for broad-based consultation. There is no apparent rationale for imposing such requirements in Yonge-Eglinton when they do not apply elsewhere in the City.

Moreover, as discussed at the Feb 1<sup>st</sup> stakeholder meeting, the setting of minimum sizes for units will have unintended consequences of reducing affordability on market condominium or rental units as demonstrated in the table below. For these purposes, we have assumed a typical rental rate of \$3.50 per square foot and a 30% housing cost to income ratio. We strongly believe that advancing these prescriptive measures without an in-depth review of market demand/supply and income/affordability presents significant risks and could potentially counter the very objectives that the City is trying to achieve.

	2 Bed Market	2 Bed Policy	3 Bed Market	3 Bed Policy
<b>Size</b>	72.5 sq.m. (780 sf)	90 sq.m. (968 sf)	83.5 sq.m. (900 sf)	106 sq.m. (1,140 sf)
<b>Rents (\$3.50 psf)</b>	\$2,730/month	\$3,388/month	\$3,150/month	\$3,990/month
<b>Min Income (@30%)</b>	\$109,200	\$135,520	\$126,000	\$159,600

8. As discussed during the February 1<sup>st</sup> stakeholder meeting, the proposed secondary plan includes no consideration of supporting market purpose-built rental housing. As you may be aware, the majority of the market rental housing currently being proposed across the GTA is comprised of projects that are being created through creative intensification of underutilized sites owned by existing owners of rental properties. While this has provided a partial reprieve to the shortage of rental housing in the market, these opportunities are finite and are anticipated to run their course over the next 5 years. Beyond these opportunities, there will be very few new opportunities as land values are now at or above \$200 per buildable square foot in core areas. Without supportive policy for market rental housing (e.g. bonus density, Inclusionary zoning waivers, development charge reductions offered in municipalities such as Vancouver), we anticipate a significant reduction in rental housing development activity across the region. In this respect, we note that the Official Plan’s housing policies in Section 3.2.1 recognize that “all levels of government need to do all they can to create a business environment in which private rental housing, especially at affordable and mid-range rents, is an attractive investment”, including “the provision of municipal incentives”.
9. We have similar concerns about the proposed affordable housing provisions in Policy 3.6.4, which would require 10% of the total residential gross floor area as Affordable Rental Housing or 15% of the total residential gross floor area as Affordable Ownership Housing or a combination of the above. Moreover, no definitions are provided for Affordable Rental Housing or Affordable Ownership Housing, and it appears from a review of proposed Section 5.3 that affordable housing would not be an eligible Section 37 contribution, contrary to the City-wide policies in Policy 5.1.1(6) of the Official Plan. Similar to the proposed unit size policy addressed above, if such policies are to be introduced in the Official Plan, it should be done on a City-wide basis with the requisite comprehensive study and opportunity for broad-based consultation.
10. Finally, it is our opinion that proposed Policy 5.3.5, which provides that the amount of a monetary Section 37 contribution will be equal to 25% of the incremental market value of the gross floor area, is inappropriate in a number of respects. First, as with the unit size and affordable housing policies, any such policy should be considered on a City-wide basis. Second, a formulaic approach to Section 37 contribution is specifically rejected in the City’s Section 37 implementation guidelines. Third, while the City’s practice has been to use a percentage of the incremental increase in land value as a guideline for calculating a Section 37 contribution, that percentage has historically been 7-15% of the increased land value, not 25% of the increased gross floor area.

### Conclusion

In summary, for the reasons outlined above, we request that consideration be given to the following prior to preparing the Final Report to City Council:

- deletion of the site-specific height limit or a significant increase in the height limit applying to the subject site;
- inclusion of the subject site within the “*Midtown Cores – Davisville Station*” character area;
- revision of the policies applying to building setbacks and base building heights along Merton Street (Policies 3.2.28(c) and 4.5.6.6);
- exemption of the subject site from the above-grade parking policy (Policy 3.2.11); and
- reconsideration of the approach to Policies 3.1.5, 3.4.2, 3.6.2, 3.6.4 and 5.3.5.

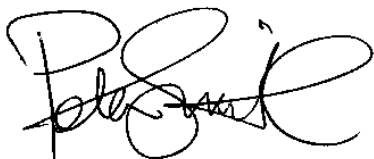
In addition, and in the alternative, we would request that the draft secondary plan recognize that there is an active development application that was filed for the subject site in June 2017, well in advance of the release of the secondary plan proposals; accordingly, any site-specific approval should be included as an exception to the proposed secondary plan.

We acknowledge that the client and consulting team did not have the chance to meet with City staff prior to the preparation of the proposed secondary plan. It does not appear that staff have had the opportunity to review the site-specific considerations related to the 30 Merton site. We would request that staff have a second detailed review of the site, specifically with respect to the height limit.

We appreciate your consideration of the foregoing submission. Should you require any additional information, please do not hesitate to contact one of the undersigned.

Yours very truly,

**Bousfields Inc.**



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