

1-7 Yonge Street – Application to Lift Holding Provisions "(H)" on Phase 2 – Final Report

Date: October 19, 2020

To: Toronto and East York Community Council

From: Director, Community Planning, Toronto and East York District

Ward 10 - Spadina-Fort York

Planning Application Number: 19 234404 STE 10 OZ

SUMMARY

This application proposes to lift the holding provisions "(H)" for Phase 2 of the 1-7 Yonge Street development. The "(H)" for Phases 3-5 of the 1-7 Yonge Street development will continue to apply.

The lifting of the "(H)" for Phase 2 will permit the development of a 95 storey (294.2 metre) mixed-use building with 79,728 square metres of residential gross floor area (GFA), 16,795 square metres of hotel GFA, 763.33 square metres of retail GFA, and 534 square metres of non-residential GFA (including the PATH connection) as previously approved by way of Local Planning Appeal Tribunal (LPAT) Settlement. For Phase 2, the "(H)" requires the clearance of a number of conditions related to the planned transportation network, servicing, parkland and public realm infrastructure within the Lower Yonge Precinct, which have been further outlined below. These conditions have now been satisfied by the landowner.

The proposed development is consistent with the Provincial Policy Statement (2020) and conforms with A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020).

This report reviews and recommends approval of the application to amend the Zoning By-law.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council amend Zoning By-law 249-2020, for Phase 2 of the 1-7 Yonge Street development to remove the holding provisions "(H)" substantially in accordance with the draft Zoning By-law Amendment attached as Attachment No. 1 to this report.

2. City Council authorizes the City Solicitor to make such stylistic and technical changes to the draft Zoning By-law Amendment(s) as may be required.

FINANCIAL IMPACT

The City Planning Division confirms that there are no financial implications resulting from the recommendations included in the report in the current budget year or in future years.

DECISION HISTORY

A Zoning By-law Amendment application was submitted by Pinnacle International for the subject site in March 2013. In consultation with City Staff, the applicant later determined that an Official Plan Amendment to the former City of Toronto Official Plan was required, as the proposal did not confirm to some of the policies within this Plan that are still in force for portions of the waterfront area. The Official Plan Amendment application was submitted in November 2013. Both applications were subsequently appealed to the Local Planning Appeals Tribunal (formerly Ontario Municipal Board) due to Council's lack of decision on the application. The Preliminary Reports for both those applications are located at the following links:

Zoning By-law Amendment:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.TE25.64>

Official Plan Amendment:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.TE30.53>

In June 2016, Council endorsed a Report from Community Planning recommending the City proceed to a Settlement based on merits of the improved proposal. The Request for Directions report for this application is located at the following link:

Request for Direction:

<https://www.toronto.ca/legdocs/mmis/2016/te/bgrd/backgroundfile-93840.pdf>

The LPAT approved a settlement (PL140008) between Pinnacle and the City of Toronto in July 2018, and subsequently issued an order in April 2019. The settlement allows for a mixed-use residential and commercial development to include buildings ranging in heights from 65 storeys (204.2 metres) to 95 storeys (294.2 metres) for the mixed use residential buildings on the north block, and 22 storeys (92.2 metres) to 35 storeys (144 metres) for the commercial development on the south block. It also requires that Pinnacle satisfy its parkland dedication requirements through an off-site contribution to the Lower Yonge Park, which will be located on the neighbouring LCBO lands.

The settlement includes a number of community benefits including the development of a Community Centre within the Phase 1 mixed use residential building (under

construction), 10% affordable rental housing to be located within the Phase 1 and the Phase 3 mixed use residential buildings, the development of a corner plaza on a remnant of City-owned right-of-way made available through the regularization of Harbour Street through the Lower Yonge Precinct, and a financial contribution to the Jack Layton Ferry Terminal.

The settlement also includes a number of holding provisions within the approved By-law to address technical matters, which may be lifted through a phased-approach.

PROPOSAL

This application proposes to lift the "(H)" for Phase 2 of the 1-7 Yonge Street development as outlined within By-law 249-2020 in order to permit the 95 storey (294.2 metre) mixed-use building with 79,728 square metres of residential GFA, 16,795 square metres of hotel GFA, 763.33 square metres of retail GFA, and 534 square metres of non-residential GFA (including the PATH connection) as previously approved by way of Local Planning Appeal Tribunal (LPAT) Settlement. Lifting of the "(H)" may only occur after the landowner satisfies the following conditions:

- i. resolution of sanitary servicing capacity issues through completion of any necessary capital improvements, or through any "interim" condition as detailed by the owner, all to the satisfaction of the General Manager, Toronto Water and the Chief Engineer and Executive Director, Engineering and Construction Services;
- ii. demonstration to the satisfaction of the Chief Planner and Executive Director, City Planning and the General Manager, Transportation Services, that the owner has implemented, or provided financial contributions to the City so that the City can implement, the recommendations of the Lower Yonge Precinct Municipal Class Environmental Assessment (MCEA) for Phase 2 including: the location, design and provision of the planned transportation network, including improvements or interim improvements thereto, necessary to support the proposed development on the lot;

Should a financial contribution be made, the owner will be responsible for the following prior to the lifting of the H Symbol for Phase 2, as the case may be:

- a. Submit construction staging and traffic management plans to the satisfaction of the General Manager, Transportation Services and Chief Engineer & Executive Director, Engineering and Construction Services identifying in detail how construction will be staged and traffic managed during construction of Phase 2, including securing the owner's implementation of such plans;
- b. Submit a traffic impact study to the satisfaction of the General Manager, Transportation Services and Chief Engineer & Executive Director, Engineering and Construction Services demonstrating how access to/from the site will be provided for Phase 2 in advance of the recommendations of the Lower Yonge Precinct MCEA being implemented; and,

c. Implement any interim on-site and off-site improvements to the transportation network that are identified in the traffic impact study in subsection 6 a) (ii) b. above as needed to accommodate site traffic for Phase 2 in advance of the recommendations of the Lower Yonge Precinct MCEA being implemented;

iii. submission of streetscape plans for all existing and required streets adjacent or abutting all or any part of the proposed development in Phase 2, as the case may be, all to the satisfaction of the Chief Planner and Executive Director, City Planning and the General Manager, Transportation Services, including securing the owner's implementation of such plans and including provision for financial securities;

iv. final confirmation and conveyance to the City, or satisfactory securing of such conveyance, of the entirety of the required off-site parkland dedication for the lot, including pursuant to Section 42 of the Planning Act, and including provision for financial securities, all to the satisfaction of the Chief Planner and Executive Director, City Planning, the City Solicitor and the General Manager, Parks, Forestry and Recreation; and

v. the submission of a Master Functional Servicing Plan for the Lower Yonge Precinct satisfactory to the Chief Engineer & Executive Director, Engineering and Construction Services, including securing implementation of such plan and including provision for required conveyances and financial securities, all to the satisfaction of the Chief Engineer & Executive Director, Engineering and Construction Services.

APPLICATION BACKGROUND

Application Submission Requirements

The following reports/studies were submitted in support of the lifting of the "(H)":

Master Functional Servicing Plan
Transportation Study Update
Landscape Drawings
Off-site Parkland Dedication Agreement

These reports/studies can be found on the City's Application Information Centre at the following link:

<http://app.toronto.ca/AIC/index.do?folderRsn=LI9X6uTqSRt0abCvGn0wjA%3D%3D>

Agency Circulation Outcomes

The application, together with the applicable reports noted above, have been circulated to all appropriate agencies and City Divisions. Responses received have been used to assist in evaluating the application and to facilitate the lifting of the "(H)" for Phase 2 of the 1-7 Yonge Street development. As noted above, the "(H)" will continue to apply for Phases 3-5 of the 1-7 Yonge Street development.

POLICY CONSIDERATIONS

Provincial Land-Use Policies: Provincial Policy Statement and Provincial Plans

Provincial Policy Statements and geographically specific Provincial Plans, along with municipal Official Plans, provide a policy framework for planning and development in the Province. This framework is implemented through a range of land use controls such as zoning by-laws, plans of subdivision and site plans.

The Provincial Policy Statement (2020)

The Provincial Policy Statement (2020) (the "PPS") provides policy direction province-wide on land use planning and development to promote strong communities, a strong economy, and a clean and healthy environment. It includes policies on key issues that affect communities, such as:

- the efficient use and management of land and infrastructure;
- ensuring the sufficient provision of housing to meet changing needs including affordable housing;
- ensuring opportunities for job creation;
- ensuring the appropriate transportation, water, sewer and other infrastructure is available to accommodate current and future needs; and
- protecting people, property and community resources by directing development away from natural or human-made hazards.

The provincial policy-led planning system recognizes and addresses the complex inter-relationships among environmental, economic and social factors in land use planning. The PPS supports a comprehensive, integrated and long-term approach to planning, and recognizes linkages among policy areas.

The PPS is issued under Section 3 of the Planning Act and all decisions of Council in respect of the exercise of any authority that affects a planning matter shall be consistent with the PPS. Comments, submissions or advice affecting a planning matter that are provided by Council shall also be consistent with the PPS.

The PPS recognizes and acknowledges the Official Plan as an important document for implementing the policies within the PPS. Policy 4.7 of the PPS states that, "The official plan is the most important vehicle for implementation of this Provincial Policy Statement. Comprehensive, integrated and long-term planning is best achieved through official plans."

Provincial Plans

Provincial Plans are intended to be read in their entirety and relevant policies are to be applied to each situation. The policies of the Plans represent minimum standards.

Council may go beyond these minimum standards to address matters of local importance, unless doing so would conflict with any policies of the Plans.

All decisions of Council in respect of the exercise of any authority that affects a planning matter shall be consistent with the PPS and shall conform with Provincial Plans. All comments, submissions or advice affecting a planning matter that are provided by Council shall also be consistent with the PPS and conform with Provincial Plans.

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020)

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020) came into effect on August 28, 2020. This was an amendment to the Growth Plan for the Greater Golden Horseshoe, 2019. The Growth Plan (2020) continues to provide a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe region, of which the City forms an integral part. The Growth Plan (2020), establishes policies that require implementation through a Municipal Comprehensive Review (MCR), which is a requirement pursuant to Section 26 of the Planning Act.

Policies not expressly linked to a MCR can be applied as part of the review process for development applications, in advance of the next MCR. These policies include:

- Directing municipalities to make more efficient use of land, resources and infrastructure to reduce sprawl, contribute to environmental sustainability and provide for a more compact built form and a vibrant public realm;
- Directing municipalities to engage in an integrated approach to infrastructure planning and investment optimization as part of the land use planning process;
- Achieving complete communities with access to a diverse range of housing options, protected employment zones, public service facilities, recreation and green space, and better connected transit to where people live and work;
- Retaining viable lands designated as employment areas and ensuring redevelopment of lands outside of employment areas retain space for jobs to be accommodated on site;
- Minimizing the negative impacts of climate change by undertaking stormwater management planning that assesses the impacts of extreme weather events and incorporates green infrastructure; and
- Recognizing the importance of watershed planning for the protection of the quality and quantity of water and hydrologic features and areas.

The Growth Plan (2020), builds upon the policy foundation provided by the PPS and provides more specific land use planning policies to address issues facing the GGH region. The policies of the Growth Plan (2020), take precedence over the policies of the PPS to the extent of any conflict, except where the relevant legislation provides otherwise. In accordance with Section 3 of the Planning Act all decisions of Council in respect of the exercise of any authority that affects a planning matter shall conform with the Growth Plan (2020). Comments, submissions or advice affecting a planning matter that are provided by Council shall also conform with the Growth Plan (2020).

The Growth Plan (2020) contains policies pertaining to population and employment densities that should be planned for in major transit station areas (MTSAs) along priority

transit corridors or subway lines. MTSA's are generally defined as the area within an approximately 500 to 800 metre radius of a transit station, representing about a 10-minute walk. The Growth Plan (2020) requires that, at the time of the next municipal comprehensive review (MCR), the City update its Official Plan to delineate MTSA boundaries and demonstrate how the MTSA's plan for the prescribed densities.

Toronto Official Plan

Official Plan Implementation Section 5.1.2, respecting Holding By-laws, recognizes that there are instances where development of lands should not take place until specific facilities are in place or conditions are met. Policy 1 of this Section indicates a holding provision may be placed on lands where the desired use of the lands is specified but cannot take place until conditions set out in the by-law are satisfied. Policy 2 of this Section indicates conditions to be met prior to the removal of the holding provision may include servicing improvements.

The City of Toronto Official Plan can be found here: <https://www.toronto.ca/city-government/planning-development/official-plan-guidelines/official-plan/>.

The Official Plan and Rezoning Application at 1-7 Yonge Street resulted in a site-specific policy within the Central Waterfront Secondary Plan ("CWSP") and site-specific zoning for this development, approved by way of LPAT settlement. They provide for a high-density, mixed use development at the site, with all phases beyond the first tower subject to a series of "H" provisions.

The current Lifting of the Holding Provisions "(H)" Application is intended to unlock Phase 2 of the 1-7 Yonge Street development, given satisfactory resolution of the transportation, servicing, parkland and public realm obligations.

Zoning

The site is subject to site-specific By-law 249-2020, which amends By-law 438-86, and is the outcome of the LPAT settlement which took place in July 2018, with a final decision issued in April 2019. The subject site is zoned Commercial Residential (CR) with an "(H)" which addresses a series of technical matters. Site-specific provisions allow up to 238,600 square metres of Gross Floor Area for the north block, with the caveat that the total number of dwelling units permitted on the lot shall not exceed 2,875, inclusive of the affordable rental housing units. By-law 249-2020 also sets out specific built form standards including heights and setbacks for the 1-7 Yonge Street development.

Site Plan Control

The Site Plan Application for Phases 2 and 3 of the development was submitted on January 26, 2017, and is presently under review by Staff. It is expected that this Application will be split into two separate Applications, as Phase 3 of the development will be held through continued application of the "(H)". The Site Plan Application is being reviewed against applicable policy and regulatory considerations outlined within By-laws

248-2020 and 249-2020, as well as applicable design guideline documents such as the the Tall Building Guidelines, the Lower Yonge Public Realm Concept Plan, the Growing Up Guidelines, the Pet Friendly Guidelines, and the Retail Design Guidelines.

Draft Plan of Subdivision

The Draft Plan of Subdivision was submitted on March 11, 2016 and is currently being reviewed by Staff.

COMMENTS

Provincial Policy Statement and Provincial Plans

Staff have determined that the proposal is consistent with the PPS (2020) and conforms with the Growth Plan (2020):

Policy 1.1.1 a) of the PPS promotes efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. Policy 1.6.6.1 d) of the PPS directs that planning for servicing be integrated with land use considerations at all stages of the planning process. This application has addressed the servicing and capacity impacts of the proposed mixed-use development, and is consistent with the PPS in this regard.

The Growth Plan establishes that population and employment growth will be accommodated by directing a significant portion Urban Growth Centres through intensification. Furthermore Section 2.2.3.2 establishes minimum density targets at 400 residents and jobs combined per hectare in Downtown Toronto which is supported by his application.

This application demonstrates there are no outstanding servicing or capacity issues pertaining to the development and therefore does not conflict with the Growth Plan in this regard.

Official Plan

This application has been reviewed against the Official Plan policies described in the Policy Considerations section of this report as well as the policies of the Toronto Official Plan as a whole. The application is consistent with the Official Plan.

Traffic Impact, Access, Parking

Transortation networks for the Lower Yonge Precinct were assessed through the Lower Yonge Precinct Municipal Class Environmental Assessment (MCEA). The Applicant is working with the City through various channels outlined within the Section 37 Agreement to facilitate the development of transportation network within the Lower Yonge Precinct.

Streetscape

Interim and ultimate streetscaping conditions have been reviewed by City Planning and Waterfront Toronto in accordance with the Lower Yonge Public Realm Concept Plan to ensure that a cohesive approach is taken to the interim and ultimate streetscaping conditions across the Lower Yonge Precinct. Financial securities will be provided to facilitate the development of the ultimate condition through the development review process.

Servicing

Engineering and Construction Services has confirmed that the Master Functional Servicing Plan and all other materials submitted with this Application have been reviewed and accepted for the purposes of lifting the "H" for Phase 2 only at this point in time.

Open Space/Parkland

The Official Plan contains policies to ensure that Toronto's systems of parks and open spaces are maintained, enhanced and expanded. The Applicant has agreed to work with the abutting developer in the Lower Yonge Precinct to provide for an off-site parkland dedication that will contribute to the assembly of a 1 hectare centralized park at 55 Lake Shore Boulevard East. The park has been secured through the 'Multiple-party Agreement for Dedication of Land within the Lower Yonge Precinct for Park Purposes' between the applicant, Menkes Developments Ltd., and the City, executed on January 28, 2019 and registered on title to the future park site on April 18, 2019. The applicant has therefore met the parkland dedication requirement for this application.

The dedication of on or off-site parkland is subject to Official Plan Policy 3.2.3-7 and 3.2.3-8 including the condition that the conveyed parkland shall meet applicable Provincial soil regulations and/or guidelines for parkland use. Conveyed parkland must also meet the City's Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act, which was approved by Council on February 10, 2015.

Section 37

The Official Plan provides for the use of Section 37 of the Planning Act to pass by-laws for increases in height and/or density not otherwise permitted by the Zoning By-law in return for the provision by the applicant of community benefits in the form of capital facilities. It is standard to secure community benefits in a Section 37 Agreement which is then registered on title. The development at 1-7 Yonge Street is subject to an existing Section 37 Agreement.

The approval of Phase 2 will unlock the following benefits:

1. A cash payment of \$1,000,000 towards the Jack Layton Ferry Terminal redevelopment;
2. A cash contribution of \$4,375,000.00 towards the following projects:

- Two-way conversion of Harbour Street between Yonge and York Streets;
- The full upgrade of Yonge Street from Queens Quay to Front Street;
- Removal of the Bay Street on-ramp to the eastbound Gardiner Expressway;
- The shortening of the Lower Jarvis off-ramp from the eastbound Gardiner Expressway; and,
- The re-construction of Lake Shore Boulevard East from Yonge Street to Lower Jarvis Street.

3. A cash contribution of \$350,991.00 to pay for the full costs of an upgraded cycling facility on Yonge Street between Queens Quay and Front Street.

4. A cash contribution of \$2,350,000.00 to the City for the design, provision and maintenance of public realm enhancements along Yonge Street next to the two development blocks on the lot, as well as the design and construction of intersection improvements for the Yonge Street and Harbour Street and Yonge Street and Lake Shore Boulevard East intersections that can accommodate large pedestrian and cyclist volumes.

Conclusion

The application has been reviewed against the policies of the PPS (2020), the Growth Plan (2020), and the Toronto Official Plan, the Central Waterfront Secondary Plan, and site-specific approvals by way of LPAT Settlement. Staff are of the opinion that the proposal is consistent with the PPS (2020) and does not conflict with the Growth Plan (2019). The conditions of the holding provisions in By-law 249-2020 have been satisfied for Phase 2 of the 1-7 Yonge Street development. Staff recommend that Council approve the application.

CONTACT

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SIGNATURE

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ATTACHMENTS

City of Toronto Drawings

Attachment 1: Draft Zoning By-law Amendment to 249-2020

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