# **TORONTO** REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

# 149, 151, 171 Front Street West, 7 Station Street, 20 York Street – Zoning By-law and Official Plan Amendments – Request for Further Direction Regarding Ontario Land Tribunal Hearing

Date: September 22, 2021To: City CouncilFrom: City SolicitorWards: Ward 10 - Spadina-Fort York

# **REASON FOR CONFIDENTIAL INFORMATION**

This report is about litigation or potential litigation that affects the City or one of its agencies or corporations.

This report contains advice or communications that are subject to solicitor-client privilege.

# SUMMARY

20 York Inc. (the "Applicant") is the owner of the properties municipally known as 149, 151, 171 Front Street West, 7 Station Street, 20 York Street (the "Site"), located on the block generally boarded by Lower Simcoe Street to the west, Front Street to the north, York Street to the east, and the railway corridor to the south. The Site currently contains an 8-storey non-residential building fronting onto Front Street, a commercial building and enclosed pedestrian walkway known as the SkyWalk that ranges from 1 to 4 storeys, and is traversed by an east-west private driveway with surface parking known as Station Street.

In March 2019, the Applicant submitted an Official Plan and Zoning By-law amendment proposal to the City for a new office development of the Site (the "Applications"). In August 2020, the Applicant appealed the Applications to the Local Planning Appeal Tribunal (the "LPAT"), now continuing as the Ontario Land Tribunal ("OLT"). The appeal is known as OLT case number PL200354.

On July 14, 2021, City Council adopted recommendations to support a with prejudice settlement offer from the Applicant (the "July 2021 Settlement Offer"), which was based on revised architectural plans prepared by architecture firm Bjarke Ingels Group (the "Revised Plans"). The Revised Plans and July 2021 Settlement Offer were the result of discussions between the City and the Applicant.

149, 151, 171 Front Street West, 7 Station Street, 20 York Street – Zoning By-law and Official Plan Amendments – Request for Further Direction Regarding Ontario Land Tribunal Hearing Page Since that time, further discussions between the Applicant and City Planning staff and the City Solicitor have taken place to implement the settlement. As a result, refinements to the proposal as reflected in the July 2021 Settlement Offer have been made and additional details about the design of the proposed office building as shown in the Revised Plans have been clarified.

The Applicant's solicitors, Stikeman Elliot LLP, have now submitted a further with prejudice settlement offer dated September 16, 2021 (the "Updated Settlement Offer") to allow the City to obtain updated instructions that reflect the proposal intended to be brought before the OLT for approval. The Update Settlement Offer includes updated architectural plans prepared by architecture firm Bjarke Ingels Group (the "Updated Plans"). The Updated Settlement Offer is included as Public Attachment "1" to this report. The Updated Plans are also included as Public Attachment "2" to this report.

The Updated Settlement Offer confirms that the overall building height of the proposed office building will not exceed 300 metres and the total new gross floor area ("GFA") will not exceed 135,000 square metres. The Updated Settlement Offer also adds an additional \$500,000 to the \$4,500,000 Section 37 contribution already offered in the July 2021 Settlement Offer, for a new total cash payment of \$5,000,000. The Section 37 contribution is proposed to be allocated to the following matters: (i) \$1,750,000 towards public art; (ii) \$1,000,000 towards new off-site affordable housing; (iii) \$1,000,000 towards towards arts and culture in Ward 10; (iv) \$1,000,000 for the study of and/or capital investment into the implementation of the Downtown Parks and Public Realm Plan; and (v) \$250,000 towards the City of Toronto's Residential School Survivor's Legacy Structure.

The OLT settlement hearing originally scheduled for September 17, 2021, has been adjourned on consent of the Applicant and the City to allow City Council the opportunity to consider the Updated Settlement Offer and provide further instructions to the City Solicitor. A new settlement hearing date is being scheduled by the OLT for the week of November 29, 2021.

# RECOMMENDATIONS

The City Solicitor recommends that:

1. City Council adopt the confidential recommendations contained in the Confidential Attachment 1 to this report.

2. City Council authorize the public release of the confidential recommendations contained in the Confidential Attachment 1 to this report, if adopted by City Council.

3. City Council direct that all other information contained in Confidential Attachment 1 to remain confidential at the discretion of the City Solicitor, as it contains advice subject to solicitor-client privilege.

# FINANCIAL IMPACT

Adopting this report will have no financial impact beyond what has already been approved in the current year's budget.

#### **DECISION HISTORY**

On March 5-8, 2007, City Council considered and adopted the recommendations of a Final Report by City Planning as Item TE3.5 approving Official Plan and Zoning By-law Amendment applications required to permit a 36-storey office tower and technology centre on the Subject Site (the "2007 Council Approval"). A copy of City Council's decision and City Planning's report can be found on page 92 of City Council's decision document at the following link:

https://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-03-05-cc03-dd.pdf

The amending by-laws enacted by Council for the 2007 Council Approval, By-laws 594-2007 and 595-2007, can be found at the following links:

https://www.toronto.ca/legdocs/bylaws/2007/law0594.pdf

https://www.toronto.ca/legdocs/bylaws/2007/law0595.pdf

On August 24, 2014, City Council considered and adopted the recommendations of a Final Report by City Planning as Item TE34.11 approving new Official Plan and Zoning By-law Amendment applications required to permit a 48-storey office building on the Subject Site (the "2014 Council Approval"). A copy of City Council's decision and City Planning's report can be found at the following link:

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2014.TE34.11

On August 24, 2014, City Council also considered and adopted the recommendations of a related Heritage Demolition and Alterations Report by the Director, Urban Design, City Planning, as Item TE34.12 required to permit the demolition of the heritage properties known as the Skywalk, 7, 7A, and 7B Station Street and to allow for the alteration of 151 Front Street and 20 York Street as part of the 48-storey office development proposal ("2014 Heritage Demolition Approval"). A copy of City Council's decision and the Director, Urban Design's report can be found at the following link:

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2014.TE34.12

On July 14, 2021, City Council considered and adopted the recommendations of a Solicitor's Report regarding a with prejudice settlement offer (the "July 2021 Settlement Offer") from the Applicant as Item CC35.15. A copy of City Council's decision and the Solicitor's Report can be found at the following link:

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.CC35.15

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# COMMENTS

The City Solicitor requires further instructions regarding the Updated Settlement Offer. This report is about litigation before the OLT and contains advice or communications that are subject to solicitor-client privilege. Confidential Attachment 1 to this report contains confidential information and should be considered by Council *in camera*.

#### CONTACT

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#### SIGNATURE

Wendy Walberg City Solicitor

#### ATTACHMENTS

1. Public Attachment 1 - Updated Settlement Offer dated September 16, 2021

2. Public Attachment 1 - Updated Plans

3. Confidential Attachment 1 - Confidential Recommendations and Confidential Information