

555 Rexdale Boulevard – Planning Act Applications - Status Report and Construction Schedule

Date: August 23, 2021

To: Etobicoke York Community Council

From: Acting Director, Community Planning, Etobicoke York District

Ward: 1 - Etobicoke North

Planning Application Numbers: 17 158705 WET 02 SB
18 119828 WET 02 SA
18 117779 WET 02 SA

SUMMARY

In July 2015, City Council approved, in principle, expanded gaming at the Woodbine Racetrack lands at 555 Rexdale Boulevard, subject to the gaming service provider meeting 21 conditions. The conditions include 12 planning conditions, and 9 other conditions focused on community benefits (economic development, local employment, access to community space and Responsible Gambling matters). Condition No. 1 requires the expanded gaming on the Woodbine Racetrack lands to occur within the context of an integrated entertainment complex to be built concurrently.

In April 2018, City Council approved two Zoning By-law amendment applications to permit expanding gaming and endorsed the draft approval of the Plan of Subdivision for the northern portion of the Woodbine Racetrack lands to establish a framework for public roads, delivery of municipal services and development blocks to facilitate the development of an integrated entertainment complex. The Notice of Decision to approve the Draft Plan of Subdivision was subsequently appealed by a third-party and approved by the Local Planning Appeal Board (now the Ontario Land Tribunal) in 2019.

Fulfillment of Condition No. 1, to require an integrated entertainment complex be built concurrently with expanded gaming, was to be achieved through the development of Woodbine Square ("Block 9"), the Gaming District ("Block 10") and the introduction of public roads and facilities on the site as proposed through the submitted planning applications noted above. At the time, City Council adopted staff's recommendation that this condition could be fully satisfied through the following conditions:

- The finalization of the Draft Plan of Subdivision application and the Site Plan Control applications for Block 9 and Block 10;
- The owner – Woodbine Entertainment Group, entering into a Subdivision Agreement that included a condition requiring Block 9 and Block 10 to be built concurrently, the

subdivision plan be registered prior to any site plan approval, and submission of a 20 million dollars (\$20,000,000.00) financial guarantee to secure the obligation; and

- The implementation of the development, as outlined in Woodbine Entertainment Group's Letter of Commitment dated March 27, 2018, confirming their intention to construct Block 9, concurrently with the construction of Block 10.

This report provides a status update on the applicant's progress in constructing the integrated entertainment complex and recommends endorsement of a revised schedule in order to provide a basis for continued construction.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council approve the revised construction schedule for the construction of the integrated entertainment complex at 555 Rexdale Boulevard as shown in Attachment 6 to the report dated August 23, 2021 from the Acting Director, Community Planning, Etobicoke York District.
2. City Council direct the City Solicitor, together with other staff as appropriate to work with the owner to expedite the registration of the draft approved Plan of Subdivision, File No. 17 158705 WET 02 SB as indicated in the revised construction schedule as shown on Attachment 6 or at an earlier date to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

FINANCIAL IMPACT

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

DECISION HISTORY

In 1998, the Minister of Municipal Affairs and Housing filed Ontario Regulation 688/98 ("O.Reg. 688/98"), a Minister's Zoning Order to allow for the operation by Ontario Lottery Gaming Corporation ("OLG") of slot machines and electronic gaming on the Woodbine Racetrack lands.

On July 16, 2007, City Council adopted the recommendations of the report from City Planning, Item EY7.17, approving an Official Plan Amendment and Zoning By-law Amendment, and endorsed the draft approval of a Plan of Subdivision to implement what was known as the Woodbine Live! Proposal. The resulting Site and Area Specific Policy No. 296 provides an overall planning framework for the Woodbine Racetrack lands and outlines general locations for retail, office, residential and entertainment uses as part of an integrated complex generally to the north and west of the current

grandstand. The corresponding Zoning By-law No. 864-2007 added the permissions for a mixture of land uses along with the gaming uses permitted by O.Reg. 688/98 on the northern portions of the Lands. Zoning By-law No. 864-2007 also provided development standards on gross floor area and building setbacks for the northern portions of the lands, as well as parking standards that are applicable to the entirety of the lands. The draft approved Plan of Subdivision application was subsequently closed when the 2017 Draft Plan of Subdivision application received draft approval. The reports from City Planning can be found here:

<https://www.toronto.ca/legdocs/mmis/2007/ey/bgrd/backgroundfile-4936.pdf> and <https://www.toronto.ca/legdocs/mmis/2007/ey/bgrd/backgroundfile-5532.pdf>

On May 21, 2013, City Council considered a report from the City Manager, item EX30.1 titled "New Casino and Convention Development in Toronto". The report provided analysis of the financial, economic development, social and planning implications of the introduction of gaming sites in downtown Toronto and expanded gaming at the Woodbine Racetrack lands identified by OLG. City Council opposed the introduction of gaming in downtown and the expansion of gaming at the Woodbine Racetrack lands. Further, Council requested the Province to confirm any expansion of existing casino facilities to comply with the City's planning process, and not to utilize Provincial Minister's Zoning Orders. The decision document can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX30.1>

On July 7, 2015, City Council adopted the recommendations of the report from the City Manager, Item EX7.4, which approved, in principle, expanded gaming at Woodbine Racetrack, subject to 21 conditions. City Council's approval was, among other items, subject to expanded gaming occurring in the context of an integrated entertainment complex on the lands to be built concurrently with the expanded gaming. City Council also required OLG, the Service Provider – Ontario Gaming Group Limited Partnership ("OGGLP"), and the owner - Woodbine Entertainment Group ("WEG") to comply with the City's planning process, including City Council approval for any new development on the lands, and confirm that Minister's Zoning Orders will not be utilized. City Council also endorsed a process whereby the City Manager will prepare a report for Council to assess how OGGLP has met or has contractually agreed to meet the 21 conditions. The decision document can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX7.4>

On April 24, 2018, City Council adopted the recommendations of the report from the City Manager, Item EX33.2 titled "Expanded Gaming at Woodbine Racetrack – City Conditions", which included, among other matters, authorization for the City to enter into a Community Benefits Agreement ("CBA") with OGGLP to satisfy the 9 social conditions of the Council approved 21 conditions. The decision document can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX33.2>

Concurrently on April 24, 2018, City Council adopted the recommendations of the report from City Planning, Item EY29.2, approving two Zoning By-law amendment applications and endorsed City Planning's approval of the Draft Plan of Subdivision application. The report also provided commentary on the fulfillment of the 12 planning conditions of the Council approved 21 conditions. The resulting Zoning By-law Nos. 1260-2018 and 1261-2018 would allow for live table gaming on the northeast portion of the Woodbine

Racetrack lands and in the existing Grandstand building respectively. The Draft Plan of Subdivision would permit the creation of roads and blocks required for access and servicing to support the integrated entertainment complex development. Regarding Condition No. 1, staff indicated the requirement was fulfilled by the approval of the Draft Plan of Subdivision which secured conditions for the requirement to finalize site plan applications for an integrated entertainment complex, and the submission of a financial guarantee to secure the obligation. Further, staff required the submission of a construction schedule by the applicant to demonstrate the concurrent construction and approval timing of each application. The decision document can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EY29.2>

The Draft Plan of Subdivision approval was subsequently appealed by a third-party to the Local Planning Appeal Tribunal (now the Ontario Land Tribunal) where the Tribunal dismissed the appeal and approved the Draft Plan of Subdivision by written decision issued May 8, 2019 subject to the fulfillment of conditions prior to final approval.

On December 11, 2019, Executive Committee received the report for information from Social Development, Finance and Administration, Item EX11.12, titled "Progress on the Rexdale - Casino Woodbine Community Benefits Agreement - 2019 Update". The report stated the requirements and associated targets in the Rexdale – Casino Woodbine CBA were on track to being met at the end of 2019. The decision document can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX11.12>

On February 2, 2021, City Council adopted the recommendations of the report from Social Development, Finance and Administration, Item EX20.7, titled "Advancing the Community Benefits Framework", to develop Community Benefits Framework implementation models to support and guide City community benefits initiatives. Attachment 6 of Item EX20.7 is an Update Report on the Rexdale – Casino Woodbine CBA for the period August 2019 to October 2020 and includes an overview of CBA requirements and achievements. The decision document can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX20.7>

On June 8, 2021, City Council adopted the recommendations of the report from City Planning, Item EY24.1, approving a Zoning By-law Amendment application to permit a transportation use with ancillary retail uses on the Woodbine Racetrack lands. The resulting Zoning By-law No. 500-2021 would facilitate the provision of transit facilities such as a new GO station that is currently proposed to be located on the southeast portion of the Woodbine Racetrack lands. The decision document can be found here: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EY24.1>

PLANNING APPLICATIONS AND CONSTRUCTION SCHEDULE FOR THE INTEGRATED ENTERTAINMENT COMPLEX

Plan of Subdivision

This application was submitted in 2017 to create the roads and blocks required for access and servicing to support the development of an expanded gaming complex with associated retail and entertainment uses on the northern portion of the Woodbine

Racetrack lands. Phase 1 of the draft approved Plan includes the Gaming District (Blocks 10, 11, 12 and 14), Woodbine Square consisting of retail uses and privately owned open spaces (Block 9), a public park (Block 13), a stormwater management pond (Block 7) and city-owned public roads identified as Streets A, D, G, F, E, and portions of Street C. The Draft Plan of Subdivision was approved in 2019 by the OLT. The City and the owner have entered into a Subdivision Agreement as a condition of registering the Plan of Subdivision.

WEG is required to fulfill draft approval conditions prior to the registration of the Phase 1 lands and issuance of final approval. The expected timeline for final approval is now targeted for the first quarter of 2022 as per the revised construction schedule submitted jointly by WEG and OGGLP. The registration of the Plan will be required in order for final Site Plan approval to be issued for Blocks 9 and 10.

Subsequent Phase(s) of the draft approved Plan include commercial/institutional developments (Blocks 8, 16 and 17), an open space block (Block 15), future stormwater management ponds (Blocks 6 and 19), future development blocks (Blocks 4 and 5), future residential development blocks (Blocks 12 and 3), and public roads identified as Streets B, C, H and the remaining portion of Street C. Further studies and development applications will be required to implement the future development blocks prior to construction.

Refer to Attachment 1 of this report for the draft approved Plan of Subdivision.

Woodbine Square Site Plan (Block 9)

This site plan application was submitted in 2018 to implement Woodbine Square that is to form part of the integrated entertainment complex, identified as Block 9 in the Draft Plan of Subdivision. Block 9 was envisioned as part of the Urban Village District with retail and entertainment uses in the Woodbine Master Plan. This application remained incomplete and inactive until April 15, 2019 when a resubmission was received with the required outstanding material that would allow for a comprehensive review of the application.

The current application has been substantially revised from the initial concept and proposes four commercial buildings with a total gross floor area of 7,616.5 square metres framing a landscaped walking ring. A total of three covered pedestrian mews provide connections between the proposed buildings, landscaped walking ring and surface parking spaces and private driveways. The initial site plan concept included four buildings with a different siting compared to the current iteration with a combined gross floor area of 6,440 square metres. The application is currently under review in its fourth resubmission by the applicant filed on June 17, 2021. A subsequent resubmission will be required to address outstanding matters on the proposed site plan before a Notice of Approval Conditions can be issued to allow for the commencement of construction. The standard review time period for a site plan resubmission is four weeks. Should no further revision be required after the next resubmission, a Notice of Approval Conditions could be issued within the first quarter of 2022.

Refer to Attachment 2 of this report for the current proposed Block 9 site plan, and Attachment 3 for the original 2018 site plan.

Gaming District Site Plan – Block 10

This site plan application was submitted in 2018 to implement the expanded entertainment and gaming complex, identified as Block 10 in the Draft Plan of Subdivision, and envisioned as part of the Gaming District in the Woodbine Master Plan. The application proposes a total gross floor area of 106,760 square metres consisting of an integrated casino facility of 32,989 square metres that connects to the existing Grandstand building, two hotels of 11 and 12-storeys containing 908 rooms, a theatre of 10,336 square metres, two retail buildings of 3,604 square metres, and a parking structure containing 3,778 spaces. The Notice of Approval Conditions was issued on November 20, 2019.

Refer to Attachment 4 of this report for the draft approved Block 10 site plan.

Summary of Applications and Construction Milestones

Construction of the casino facility, theatre, one of the hotels, and the parking structure have commenced through the issuance of conditional permits. This is all occurring within Block 10. The servicing and infrastructure works underneath the future public roads has also commenced as part of the Plan of Subdivision. No construction activity has commenced on Block 9. Refer to Table 1 below for a summary of the *Planning Act* applications and construction milestones.

Table 1: *Planning Act* Applications and Construction Milestones

Milestones	Woodbine Square (Block 9)	Gaming District (Block 10)	Plan of Subdivision (Phase 1 - blocks, road and servicing)
Draft Approval/NOAC	Q1 2022 (expected)*	Nov. 20, 2019	May 8, 2019
Final Approval (expected)*	March 31, 2022	March 11, 2022	March 11, 2022 (Plan registration)
Construction Start*	July 2022 (expected)	March 16, 2020 (Casino, Theatre, Hotel 1)	October 2019
Construction Completion (expected)*	August 2024	July, 2022 (occupancy)	December 2021

*Based on schedule as shown on Attachment 6

Fulfillment of Condition No. 1

As part of the 2018 Council endorsement of the 12 planning conditions, Condition No. 1 to require an integrated entertainment complex be built concurrently with expanded gaming was to be satisfied based on the fulfillment of the following criteria:

- *The finalization of the Plan of Subdivision and the two site plan applications that would implement Blocks 9 and 10 for the integrated entertainment complex.*

The Plan of Subdivision received draft approval in 2018. The fulfillment of conditions of draft approval and registration for the Plan of Subdivision is anticipated to be completed by the first quarter of 2022 at the earliest based on the revised construction schedule provided jointly by WEG and OGGLP. The timeline for the Plan's registration and subsequent final approval has changed due to construction delays resulting from the COVID-19 pandemic and required material not being submitted in a timely manner to allow for an expedited approval. The registration of the Plan, which will establish the necessary streets and blocks will be required prior to the final Site Plan approval for Blocks 9 and 10.

The finalization of the Block 10 Site Plan application has been expedited in advance of the Block 9 site plan application. In addition, provisions were granted to allow the Subdivision servicing and infrastructure works to proceed in tandem with the construction of Block 10 based on approved construction milestones being reached to the satisfaction of City staff. The Phase 1 Subdivision servicing and infrastructure is to be completed prior to final Site Plan approval of Block 10 and by the end of the first quarter of 2022. The servicing and infrastructure works for the Phase 1 Subdivision is now 75 percent complete.

The Chief Building Official has issued conditional permits with the previous endorsement of City Planning but those circumstances now are such that continued construction of Block 10 without advancing the Block 9 Site Plan application and Phase 1 registration of the Plan of Subdivision mean City Planning can no longer support the issuance or extension of conditional permits for Block 10 without further instructions from City Council, given the overall intent of Council's approval to date. Based on the revised construction schedule, construction for the gaming facilities in Block 10 will be completed prior to the construction of the retail buildings and facilities in Block 9 is targeted to commence. It is staff's opinion the revised construction schedule provided by WEG and OGGLP does not follow the original intention of the WEG and OGGLP's commitment on construction timing of Block 9 and Block 10 as further explained in the third criterion.

- *The execution and registration of the Plan of Subdivision Agreement that stipulates Blocks 9 and 10 be built concurrently and a financial guarantee to be submitted to secure the obligation.*

Based on the revised construction schedule, the registration of the Plan of Subdivision is now targeted for the first quarter of 2022 at the earliest. However, a financial guarantee of 20 million dollars (\$20,000,000) in the form of a letter of credit was submitted as a condition of draft approval to secure the concurrent construction. This requirement has been satisfied.

- *The submission of a letter from OGGLP and WEG on the construction schedule for both Blocks 9 and 10.*

As part of the 2018 Council endorsement, WEG submitted a letter confirming their commitment to construct Blocks 9 and 10 concurrently and outlined how this was to occur. Refer to Attachment 5 for the letter.

In 2019, OGGLP and WEG jointly submitted a letter to City Planning outlining the proposed construction schedule for both Blocks 9 and 10 to be constructed concurrently. The 2019 construction schedule indicated target dates of October 2019 and September 2020 for the commencement of construction of Blocks 10 and 9 respectively. In order to expedite construction based on the 2019 construction schedule, staff endorsed the issuance of conditional permits for the construction of Block 10 prior to the site plan application receiving final approval. Based on the 2019 schedule, it was anticipated the Block 9 site plan application would receive Notice of Approval Conditions by the second quarter of 2020 in order to allow for the concurrent construction of both Blocks 9 and 10. In April 2021, a letter by WEG and OGGLP was submitted with a revised construction schedule projecting the construction of Block 9 to commence in the third quarter of 2022 after the completion of Block 10. It is staff's opinion the revised construction schedule provided by WEG and OGGLP does not follow the original intention of WEG's and OGGLP's commitment on construction timing for Block 9 and Block 10. Refer to Attachment 6 for the revised construction schedule.

Next Steps

The intent of Condition No. 1 was to ensure the expansion of gaming facilities on the Woodbine Racetrack Lands be complemented with non-gaming uses to create an integrated entertainment complex to meet the City's economic and community development objectives. At the time of the 2018 staff report to City Council, staff were satisfied that WEG and OGGLP were maintaining their commitment to construct Block 9 (Woodbine Square) and Block 10 (Gaming District) concurrently through the provision of the draft approval conditions of the Plan of Subdivision that requires the approval of both site plan applications for Blocks 9 and 10, the subdivision plan be registered prior to any site plan approval, and the submission of a \$20,000,000 financial security to guarantee this commitment. This was also bolstered by the previous 2019 construction schedule submitted by WEG and OGGLP showing construction timelines would be on target to ensure concurrent construction. Since 2018, the registration of the Plan of Subdivision and the approval of the Block 9 site plan application have not progressed at the same pace Block 10 site plan application, with approval and construction on the Block 10 site outpacing the potential construction start on the Block 9 site.

Based on the revised 2021 construction schedule submitted by WEG and OGGLP, Blocks 9 and 10 are still planned to be constructed to create the integrated entertainment complex. However, it is staff's opinion that the revised construction schedule does not meet WEG and OGGLP's original commitment for concurrent construction. As such, staff seek City Council's endorsement on the submitted revised

construction schedule in order to proceed with finalizing the development applications and issuance of permits to realize the integrated entertainment complex.

The endorsement of the revised construction schedule by City Council will provide direction for the Chief Planner and Executive Director City Planning to provide the Chief Building Official with City Planning's support and/or refusal for the issuance or extension of conditional permits for Block 10, pending WEG and OGGLP's ability to adhere to the construction timing for Block 9 as indicated in the revised schedule.

In conjunction with the endorsement of the revised construction schedule by City Council, staff notes the fulfillment of conditions and the registration of the Plan of Subdivision will also need to be expedited by WEG and OGGLP in order to grant final site plan approval for Blocks 9 and 10. The revised construction schedule contemplates the registration of the Plan of Subdivision to be completed by the first quarter of 2022. Staff recommends WEG expedite this process by the first quarter of 2022 or an earlier date.

CONTACT

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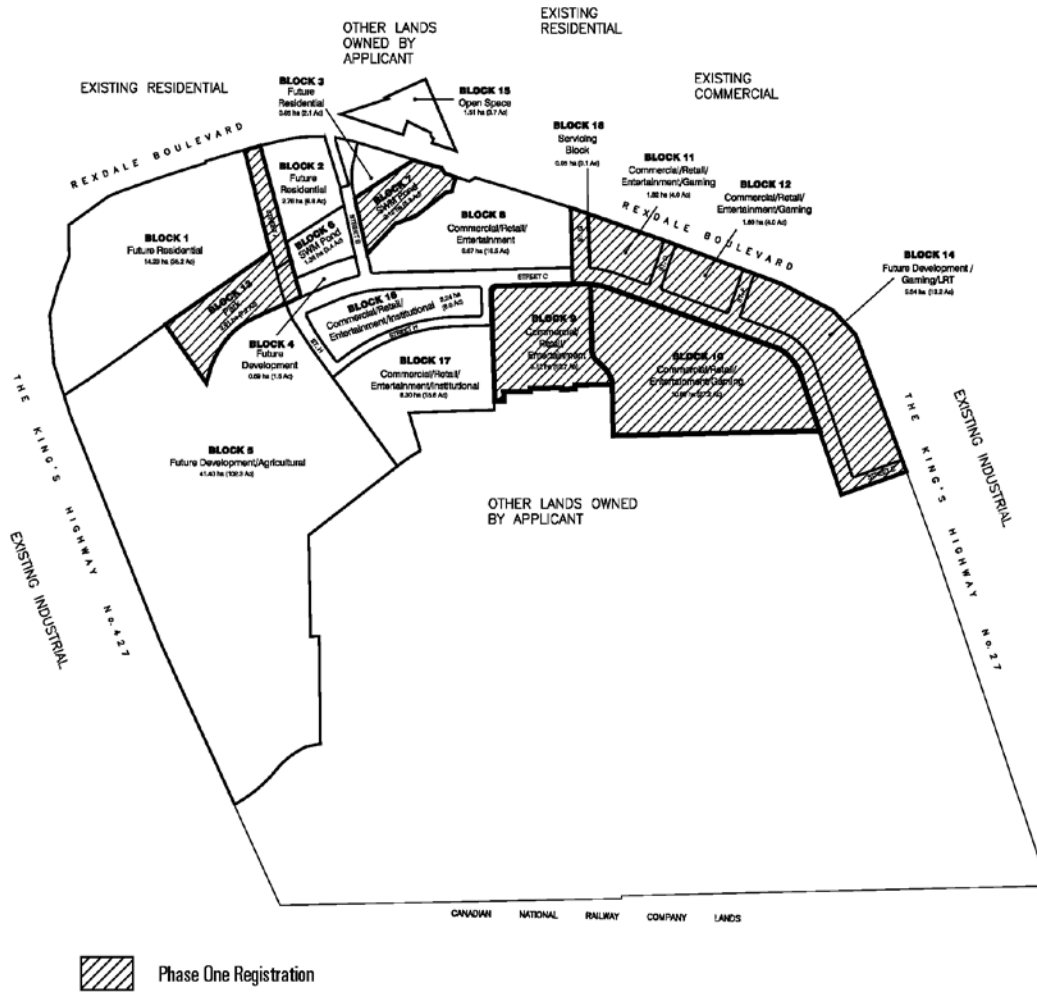
SIGNATURE

Sarah Henstock, MCIP, RPP
Acting Director, Community Planning
Etobicoke York District

ATTACHMENTS

- Attachment 1: Draft Approved Plan of Subdivision
- Attachment 2: Proposed Site Plan – Woodbine Square (Block 9)
- Attachment 3: Original (2018 Site Plan – Woodbine Square (Block 9)
- Attachment 4: Draft Approved Site Plan – Gaming District (Block 10)
- Attachment 5: Woodbine Letter, dated March 27, 2018
- Attachment 6: Revised Construction Schedule, dated April 16, 2021

Attachment 1: Draft Approved Plan of Subdivision



Draft Plan of Subdivision

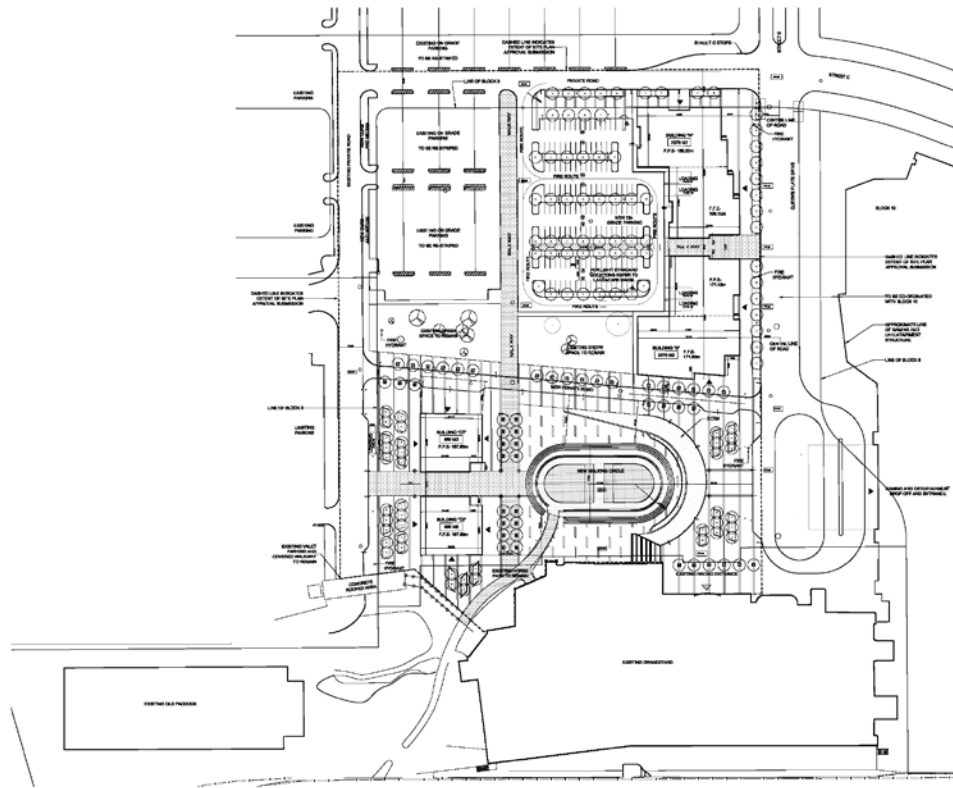


Attachment 2: Proposed Site Plan – Woodbine Square (Block 9)



Proposed Site Plan - Woodbine Square (Block 9) ↗

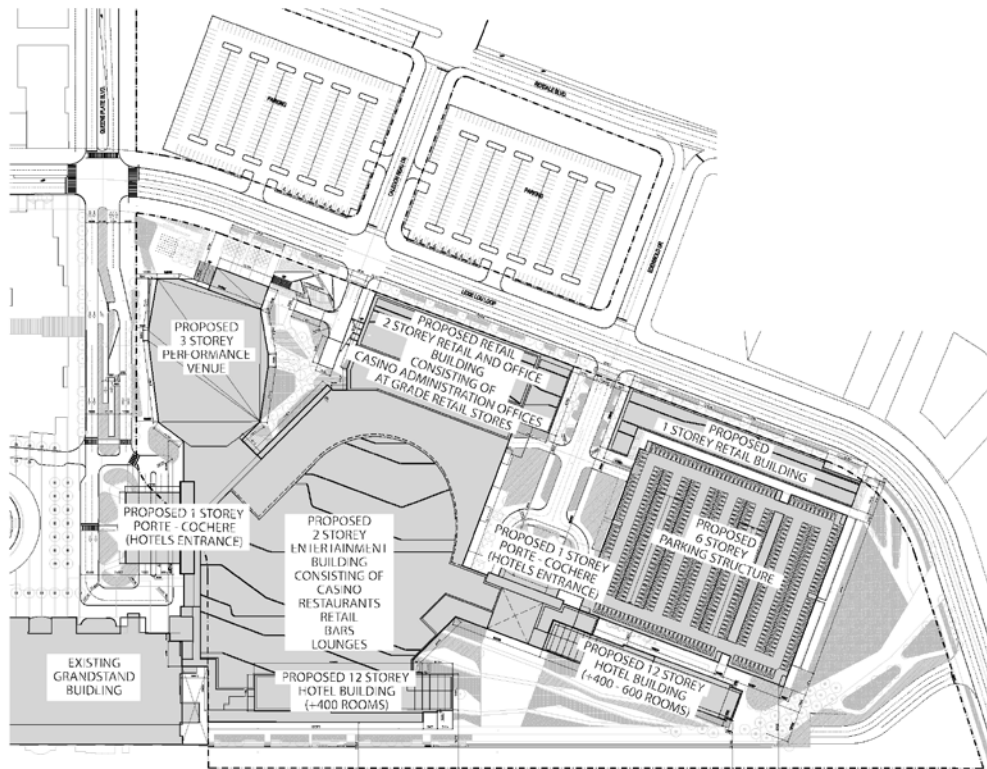
Attachment 3: Original 2018 Site Plan – Woodbine Square (Block 9)



Original Site Plan – Woodbine Square (Block 9)



Attachment 4: Draft Approved Site Plan – Gaming District (Block 10)



Draft Approved Site Plan - Gaming District (Block 10)



Attachment 5: Woodbine Letter, dated March 27, 2018



March 27, 2018

John Livey
Deputy City Manager
City of Toronto
Toronto, ON M5G 1P5

Re: WEG Commitment Letter

This letter confirms Woodbine Entertainment Group's ("WEG") commitment to pursue the approval of its Site Plan Application for Block 9 dated February 23, 2018 (the "Site Plan Application"). In addition, WEG commits to construct, concurrently (at the same time) with the expanded gaming facility on Block 10 to be built by Ontario Gaming GTA Limited Partnership ("OGG"), the improvements to the Walking Ring, landscaping, transportation and the five (5) buildings proposed, subject to revisions to its Site Plan Application that do not reduce the amount of the gross floor areas noted below and are acceptable to the Chief Planner and Executive Director, City Planning for the City of Toronto (the "City") in his or her sole discretion.

WEG commits to phasing the construction of Block 9 as follows:

- The five (5) proposed buildings will have a minimum combined gross floor area of 7,600 square meters on Block 9 and will be developed as generally illustrated in the Site Plan Application, subject to any revisions acceptable to the Chief Planner and Executive Director, City Planning in his or her sole discretion.
- Buildings A, B and D shall be completed and ready for occupancy at the time of the opening of the earliest of the proposed Casino, Retail, Restaurants or Performance Venue on Block 10, as well as all associated improvements to landscaping, transportation, the Walking Ring and pedestrian connections shown on the Site Plan Application.
- A minimum of 5,900 square metres of gross floor area shall be provided within the first three (3) buildings; Buildings A, B, and D. The buildings shall be completed and ready for occupancy at the time of the opening of the earliest of the proposed Casino, Retail, Restaurants or Performance Venue on Block 10, subject to any revisions acceptable to the Chief Planner and Executive Director, City Planning in his or her sole discretion.
- WEG shall construct Buildings C1 and C2 on the Site Plan Application within twenty-four (24) months of Buildings A, B and D being completed and ready for occupancy.

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- WEG will provide the City with a financial security in the amount of CDN\$20,000,000.00 upon the execution of a Subdivision Agreement with the City to secure the construction of the buildings on Block 9 that will be held in its entirety until Buildings C1 and C2 are complete and ready for occupancy.
- WEG shall coordinate with OGG to revise their respective site plan applications to include the provision of the upgraded Queen's Plate Drive, including all associated improvements to landscaping and pedestrian connections, to be opened and accessible to the public at the time of the opening of the earliest of the proposed Casino, Retail, Restaurants, Performance Venue on Block 10 or Buildings A, B and D.

Yours Truly,
WOODBINE ENTERTAINMENT GROUP

William G. Ford, General Counsel

cc. Gregg Lintern, Acting Chief Planner and Executive Director, City of Toronto
Neil Creswell, Director, Community Planning – Etobicoke York District

Attachment 6: Revised Construction Schedule, dated April 16, 2021

[Attachment to be provided under separate cover]