

Hotel X Phase 2 – 2 Strachan Avenue and 135 Princes' Boulevard - Site Plan Update Report

Date: July 19, 2022
To: City Council
From: Chief Planner and Executive Director, City Planning
Ward: 10 - Spadina-Fort York

Planning Application Number: 22 120103 STE 10 SA

SUMMARY

This report responds to a request by City Council to report directly to the July 19 and 20, 2022 meeting on the status of the site plan application for Phase 2 of Hotel X at Exhibition Place. A site plan application was submitted to the City on March 7th, 2022. City Planning has provided all comments on the first submission to the applicant on May 13th, 2022.

This application for site plan approval proposes a 30-storey, 382 suite hotel which is connected to a 7,000 seat entertainment venue that will host E-sports events, concerts and other large gatherings. A surface parking lot of 108 spaces is proposed together with 358 underground parking spaces.

The lands at Exhibition Place are not subject to a zoning By-law but are governed by s. 406 of the City of Toronto Act and s. 43 of the Municipal Code. The proposed hotel complex is, however, subject to planning review through a site plan application. Site plan control is delegated to the Chief Planner and Executive Director, City Planning. There is typically no public consultation process as part of site plan approval. At the request of the Ward Councillor, City Planning and Exhibition Place held a community consultation meeting in order to provide an opportunity for public input at an early stage of the Site Plan review process.

This report provides an update on the public consultation processes, the approach being considered to satisfy archaeological requirements, and sets out the next steps in anticipation of a resubmission.

RECOMMENDATIONS

The City Planning Division recommends that this report be received for information.

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

At its meeting of May 14, 2019, City Council, through Item TE5.26, adopted the recommendations of the Exhibition Place Cultural Heritage Landscape Assessment and directed City Planning staff to utilize those recommendations in the development of the Exhibition Place Master Plan, in accordance with a proposed study framework and including public and stakeholder consultation.

<http://www.toronto.ca/legdocs/mmis/2019/te/bgrd/backgroundfile-131737.pdf>

At its meeting of September 18, 2020, by Item EP13.5, the Board received an information report on Hotel X Development - Phase 2 Lands, that the Phase 1 Tenant had provided written notice that it wished to exercise its option rights for a second hotel tower and other related amenities. The Board requested the Chief Executive Officer, Exhibition Place to commence discussions with the City of Toronto's Corporate Real Estate Management staff and Hotel X representatives to start negotiations on the Phase 2 development and report back to the Board.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EP13.5>

At its meeting on September 30, 2020, through Item TE18.42, Council adopted Exhibition Place Master Plan – Phase 1 Proposals Report. The report describes the outcomes from the first phase of the Master Plan exercise, including a Proposals Report comprising a recommended Vision, Guiding Principles, emerging strategies and draft Structure Plan to support and enhance the continued success of Exhibition Place.

<http://www.toronto.ca/legdocs/mmis/2020/te/bgrd/backgroundfile-156142.pdf>

At its meeting of October 26, 2020, through Item EP14.5, the Board received from the Phase 1 Tenant's principal shareholder, Mr. Henry Kallan, Overactive Media Corporation and their architect, Populous, a power point presentation on the progress of the Phase 2 development design concept for the benefit of the Board Members.

<https://www.toronto.ca/legdocs/mmis/2020/ep/bgrd/backgroundfile-157468.pdf>

At its meeting of April 21, 2021, by adoption of Item TE24.95, Toronto and East York Community Council requested the Chief Planner and Executive Director, City Planning, to work with the Chief Executive Officer, Exhibition Place, and the Ward Councillor to undertake public consultation for the proposed Phase 2 Hotel X development at

Exhibition Place and report back at an early stage of the Site Plan review process.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.TE24.95>

At its meeting of October 29, 2021, by adoption of Item EP20.1, the Exhibition Place Board of Governors approved the Phase 2 Lease between the City of Toronto, as landlord, Lakeshore Princess West Limited Partnership and the Board, based on the terms and conditions negotiated by the parties and included in that report under Appendix A and Confidential Attachments 1 and 2, subject to City Council approval.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EP20.1>

At its meeting on December 15, 2021, by adoption of Item GL27.18, City Council approved the Phase 2 Lease for Hotel X. City Council also approved, subject to the Site Plan Application review process developed for Exhibition Place by City Planning, the Phase 2 Tenant's design proposal for the Phase 2 Hotel and Performance Venue development as set out in the proposed design plan and situated on the Phase 2 Lands.
[Agenda Item History - 2021.GL27.18 \(toronto.ca\)](#)

At its meeting of April 21, 2022, by adoption of Item TE32.20, Toronto and East York Community Council received a staff report for information. The report outlined the outcome of public consultation for the proposed Phase 2 Hotel Site Plan review process. Issues raised at the public consultation included site programming, energy efficiency opportunities and how public amenity could be provided.
[Agenda Item History - 2022.TE32.20 \(toronto.ca\)](#)

At its meeting on June 15, 2022, City Council adopted with amendments members' motion MM45.52 directing City staff to expedite the review of the application and further directing the Chief Planner and Executive Director, City Planning to report to the July 19 and 20 meeting of City Council on the status of the site plan application.
[Agenda Item History - 2022.MM45.52 \(toronto.ca\)](#)

ISSUE BACKGROUND

Following the completion of a successful Request for Proposal process held in 2007, the City of Toronto and the Board of Governors of Exhibition Place (the "Board"), collectively as landlord, executed a 49-year lease agreement for a hotel complex (Hotel X). The first phase of Hotel X opened for operations on March 20, 2018. In the Lease for Hotel X, the Tenant had an option to lease certain additional lands to the west for the development of second hotel tower. The Tenant is now proceeding with Phase 2, which includes a 30-storey, 382 suite hotel which is connected to a 7,000 seat entertainment venue that will host E-sports events, concerts and other large gatherings. A surface parking lot of 108 spaces is proposed together with 358 underground parking spaces is also proposed. The site represents an important gateway south to Ontario Place and Lake Ontario. Detailed information on this site plan application can be found at www.Toronto.ca/2Strachan.

COMMENTS

Planning Process

As noted earlier, City Council has adopted the Exhibition Place Master Plan Phase 1 Proposals Report and the recommendations of the Exhibition Place Cultural Heritage Landscape Assessment (CHLA). These reports affirm a vision to maintain Exhibition Place as a unique and valuable City asset, with diverse roles as Toronto's preeminent gathering place, a place with a unique and valuable heritage and landscape and a place of innovation and economic activity. The Guiding Principles that will direct decision making at Exhibition Place are:

- Removing Barriers/ Making Connections/ Prioritizing Transit
- Building a Network of Spectacular Waterfront Parks & Public Spaces
- Promoting a Clean & Green Environment
- Creating a Dynamic and Diverse New Place
- Openness and Transparency/Responsiveness to the Broader Community and Stakeholders

Although there is no zoning approval required for changes at Exhibition Place such as the proposed hotel, the hotel complex is subject to planning review through a site plan control application. Site plan control is delegated to the Chief Planner and Executive Director, City Planning. There is typically no public consultation process as part of site plan control approval.

In the case of this application, a public consultation process was initiated at the request of Community Council given the considerable interest in the Exhibition Place Master Plan process and the importance of the site in connecting to the parks and public realm south to Ontario Place and Lake Ontario.

Design Review Panel

City Planning and Exhibition Place staff worked with the applicant to refine design concepts and planning principles. Design concepts came before the City of Toronto Design Review Panel ("D.R.P.") for the first time on March 11, 2021. The Phase 2 Tenant and City Planning staff, along with Exhibition Place staff, presented the Phase 2 Tenant design proposal to the D.R.P. The panel members unanimously voted non-support and noted the proposed Phase 2 Development design proposal did not meet fundamental design excellence objectives. Full details and comments of the D.R.P. review can be found here:

[Design Review Panel Meeting Minutes March 11 2021 \(toronto.ca\)](#)

The application came before the D.R.P. for the second time on March 10, 2022. Comments from the panel members include:

- Ensure the north-south connection through the site has continuous access and reads as public;
- Relationships between the proposed new buildings and significant heritage resources, including Stanley Barracks and the New Fort archaeological site, require more consideration and emphasis through design;
- Careful execution and quality control of both the building and plaza designs are central to activating this site as a gateway south to Lake Ontario;
- Concerns around the amount of parking in the context of the planned Exhibition Station and the inclusion of surface parking; and
- Responding to the interface with Lake Shore Boulevard West.

Overall, the panel recognized the significant changes to the design from the first appearance at the D.R.P. as substantial improvements and voted in support of the application.

Summary of Consultation

A virtual community consultation meeting was held on the site planning process on March 22, 2022. There were technical issues with the meeting which prevented attendees from viewing the presentations, but staff have reached out to those who registered and with interested parties and have made the presentations and the recording of the meeting available. Planning staff have offered to meet with anyone interested in a follow-up meeting. Community comments include:

- Questions around the types of events to be held at the performance venue;
- Inquiries regarding the business case for additional hotel uses in the area;
- Suggestion to integrate solar panels and take advantage of the building orientation for energy production;
- The need to provide more public space and park-like amenity in the area; and
- Potential for impacts to the operations of the emergency respite centre at 701 Fleet Street.

Ongoing informal stakeholder discussions and public feedback is expected as participants review the presentation materials in more detail.

Status of the Site Plan Application

At the June 15, 2022 meeting of City Council, the following members motion was adopted:

1. City Council request the Chief Planner and Executive Director, City Planning to continue to expedite the review of the Site Plan Application Number 22 120103 STE 10 SA for the Hotel X Phase 2 – 2 Strachan and 135 Princes' Boulevard, and City Council direct the Chief Planner and Executive Director, City Planning to report directly to the July 19 and 20 meeting of City Council on the status of the site plan application.

The applicant has received all comments on the first site plan submission and the City has subsequently convened several meetings with the applicant team. A meeting was

held with City Planning staff and the applicant's design team on June 23rd, 2022 to discuss the comments and to discuss potential revisions and additional details required for the completion of the site plan review. The applicant and their design team are currently working toward a resubmission of the application.

Archaeology

The subject site is a registered archaeological site (New Fort site AjGu-32) that holds considerable significance for the City of Toronto and represents rare and significant vestiges of Canada's military history. Conservation of these archaeological resources, and the mitigation of development impacts on those resources, is required by Provincial legislation.

A meeting was held with City Planning staff and the applicant and their archaeological consultants on June 21st, 2022 where the consultants presented for City consideration a conceptual phasing plan to undertake the required Stage 4 archaeological work while allowing for construction activities to begin concurrently on the subject lands. A subsequent meeting was held on June 28th, 2022 to include City Legal, the local Councillor and Exhibition Place stakeholders in discussions on next steps to establish a work plan. A further meeting was held with the consultant archeologists and City staff on July 4th, 2022.

City staff support the proposal to undertake the required archaeological work in phases that would enable construction activities to occur concurrently with the required Stage 4 archaeological work and have agreed to continue to work with the applicant consulting team and other City divisions to finalize the details of this approach. All parties agree that the integrity of the Stage 4 archaeological process will be maintained and associated legislative and regulatory requirements will be satisfied, with a view to expediting pre-construction activities wherever possible. Legal staff are working concurrently on the mechanisms required to secure and scope pre-construction and construction excavation works and archaeological requirements, which may include appropriate provisions in the Phase 2 Lease approved by City Council at its meeting on December 15, 16 and 17, 2021, by adoption of Item GL27.18

Items to be Further Considered

Staff input provided in the site plan comments and meetings with the applicant team will continue to inform the review of the site plan application. Key considerations include:

- Enhancements to public realm and pedestrian connections that carry through and past the site;
- Building design to frame and complement Stanley Barracks.
- Integration of signage and lighting in a complementary manner;
- Prioritize sustainability, green infrastructure, and accessibility;
- Improve in-situ conservation of the Men's Barracks; and
- Archaeological resources to be conserved, incorporated, and a comprehensive and innovative heritage interpretation plan for this significant heritage site to be developed and implemented.

Staff are awaiting a resubmission and continue to be in active discussion with the applicant and stakeholders.

Next Steps

City staff continue to work across divisions and with the applicant to finalize an appropriate archaeological conservation approach that will allow for the mitigation of development impacts and for concurrent and expedited construction activities to occur. The applicant continues to work toward a fulsome resubmission of the site plan package.

CONTACT

Alison Torrie-Lapaire, Project Manager

Tel. No. (416) 392-4395

E-mail: Alison.Torrie-Lapaire@toronto.ca

Colin Wolfe, Senior Planner

Tel. No. (416) 338-1857

E-mail: Colin.Wolfe@toronto.ca

SIGNATURE

Gregg Lintern, MCIP, RPP

Chief Planner and Executive Director

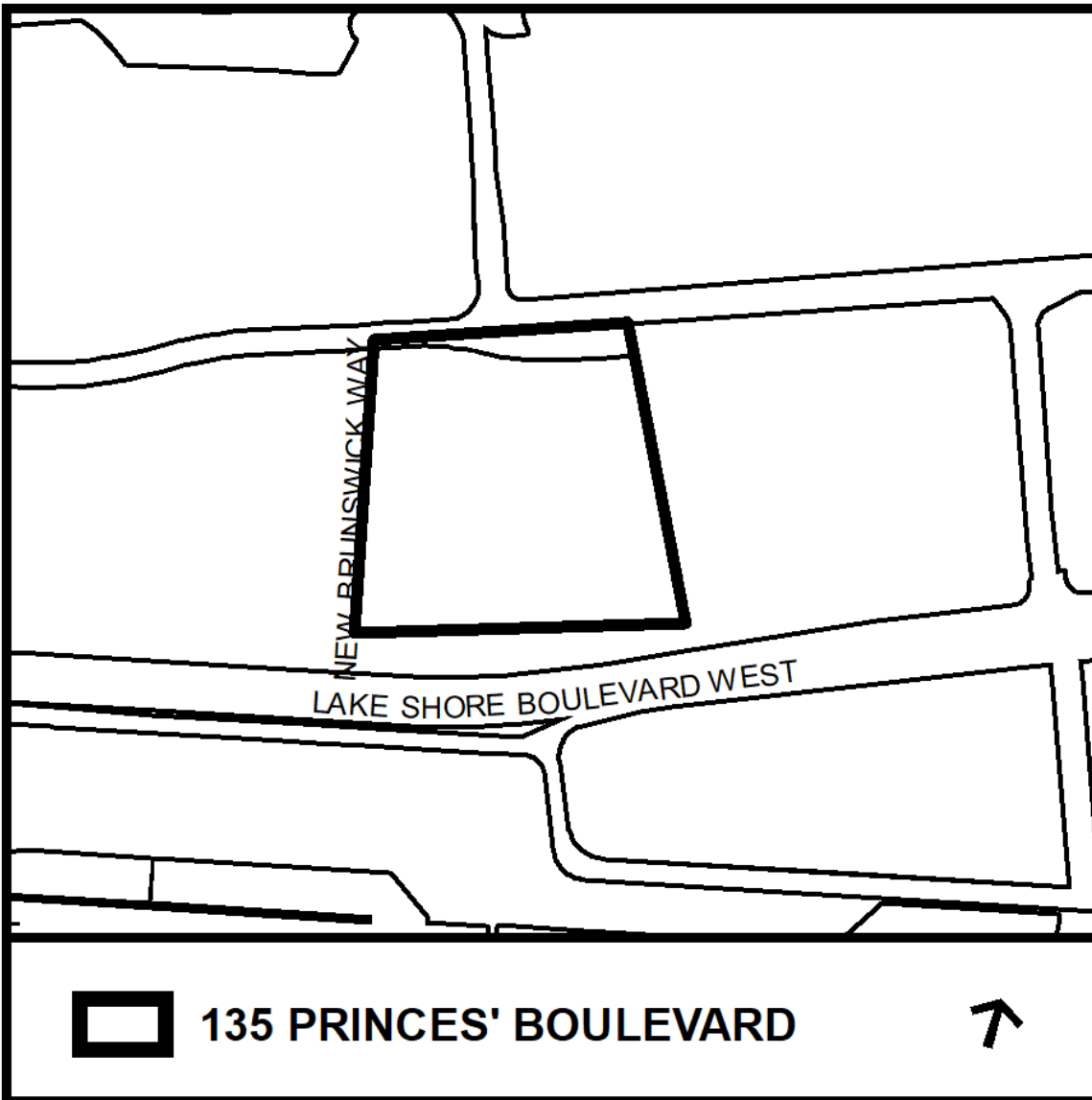
City Planning

ATTACHMENTS

Attachment 1: Location Map

Attachment 2: Application Data Sheet

Attachment 1 Location Map



Attachment 2: Application Data Sheet

Municipal Address: 2 Strachan and 135 Princes' Boulevard Date Received: March 7, 2022
Application Number: 22 120103 STE 13 OZ
Application Type: Site Plan

Project Description:

This application for site plan approval proposes a 30 storey, 382 suite hotel which is connected to a 7,000 seat venue that will host E-sports events, concerts and other large gatherings. A surface parking lot of 108 spaces is proposed. Both the hotel and venue are currently identified as the "Phase 2: Hotel and Performance Venue" proposal located at Exhibition Place..

Applicant	Agent	Architect	Owner
ARMSTRONG PLANNING		POPULUS ARCHITECTS	City of Toronto

EXISTING PLANNING CONTROLS

Official Plan Designation:	Regeneration Areas	Site Specific Provision:	
Zoning:	Delegated	Heritage Designation:	Y
Height Limit (m):	n/a	Site Plan Control Area:	Y

PROJECT INFORMATION

Site Area (sq m): 27,600 Frontage (m): 138 Depth (m): 170

Building Data	Existing	Retained	Proposed	Total
Ground Floor Area (sq m):			5162.0	5162.0
Residential GFA (sq m):				
Non-Residential GFA (sq m):			40252.0	40252.0
Total GFA (sq m):			45,413.0	45,413.0
Height - Storeys:			30	30
Height - Metres:			112	112
Lot Coverage Ratio (%)	0.87	Floor Space Index:	1.64	

Floor Area Breakdown Above Grade (sq m) Below Grade (sq m)

Residential GFA:

Retail GFA:

Office GFA:

Industrial GFA:

Institutional/Other GFA: 45,413.0 6,800

Residential Units by Tenure	Existing	Retained	Proposed	Total
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Rental:

Freehold:

Condominium:

Other:

Total Units:

Total Residential Units by Size

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 bedroom
Retained:					
Proposed:					
Total Units:					

Parking and Loading

Parking Spaces:	466	Bicycle Parking Spaces:	137	Loading Docks:	6
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CONTACT:

Colin Wolfe, Senior Planner

416-338-1857

Colin.wolfe@toronto.ca