

## **Authority to Fund Off-site Parkland Dedications within the Vicinity of the Development at 1500 St. Clair Avenue West**

**Date:** December 1, 2022

**To:** City Council

**From:** General Manager, Parks, Forestry and Recreation

**Wards:** 9 - Davenport

### **REASON FOR CONFIDENTIAL INFORMATION**

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This report deals with a proposed reimbursement for the acquisition of land for parkland purposes by the City of Toronto (the "City").

### **SUMMARY**

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On June 15, 2022, City Council adopted Item TE33.4 - 1500-1536 St. Clair Avenue West and 20-36 Caledonia Road - Official Plan Amendment and Zoning By-law Amendment Application - Final Report, and passed Bills 535-2022 and 536-2022, which amended the Official Plan and Zoning By-law for the development proposal at 1500 St. Clair Avenue West. City Council's decision also provided approval of the dedication of off-site parkland by the owner, St. Clair Caledonia Partnership, in accordance with Section 42 of the Planning Act and as a legal convenience under the future Section 37 Agreement. The off-site parkland dedications are composed of three properties which have been acquired by St. Clair Caledonia Partnership.

On July 19, 2022, City Council adopted Item MM47.83 - Amend the 2022-2031 Capital Budget and Plan for Parks, Forestry and Recreation to Fund Off-site Parkland Dedications within the Vicinity of the Development at 1500 St. Clair Avenue West, which amended the Parks, Forestry and Recreation 2022-2031 Capital Budget and Plan to create a new capital sub-project known as Acquisition of Land in Vicinity of 1500 St. Clair Avenue West sub-project in the Land Acquisition project, to be funded by Section 42 Above 5% Cash-in-lieu (XR2213).

Since the adoption of MM47.83, St. Clair Caledonia Partnership has finalized the acquisitions and confirmed that the total cost exceeds the preliminary cost that was previously provided to Parks, Forestry and Recreation. This report recommends that City Council amend the Parks, Forestry and Recreation 2022-2031 Capital Budget and Plan for the Acquisition of Land in Vicinity of 1500 St. Clair Avenue West sub-project, in order to complete the transaction, with additional funding from the Section 42 First 5% South District Parkland Acquisition Cash-in-lieu reserve fund (Account XR2208), as outlined in the Confidential Attachment.

## **RECOMMENDATIONS**

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The General Manager, Parks, Forestry & Recreation recommends that:

1. City Council amend the Parks, Forestry and Recreation 2022-2031 Council Approved Capital Budget and Plan for the sub-project known as Acquisition of Land in Vicinity of 1500 St. Clair Avenue West sub-project in the Land Acquisition project, to be funded by the Section 42 First 5% South District Parkland Acquisition Cash-in-lieu reserve fund (Account XR2208) in addition to the Section 42 Above 5% Cash-in-lieu (XR2213) previously allocated as per MM47.83, outlined in Confidential Attachment 1 of this report, for the purpose of reimbursing St. Clair Caledonia Partnership the value in excess of the total required parkland dedication value for the purchase of three properties within the vicinity of the development at 1500 St. Clair Avenue West as an obligation of the off-site parkland dedication.
2. City Council authorize the General Manager, Parks, Forestry and Recreation to reimburse the value in excess of the total required parkland dedication value for the purchase of three properties by St. Clair Caledonia Partnership, as described in Confidential Attachment 1 of this report from the Parks, Forestry and Recreation 2022-2031 Council Approved Capital Budget and Plan from the Acquisition of Land in Vicinity of 1500 St. Clair Avenue West sub-project to St. Clair Caledonia Partnership, upon completion of the purchase and conveyance to the City of all three properties within the vicinity of the development at 1500 St. Clair Avenue West as an obligation of the off-site parkland dedication requirement.
3. City Council authorize the General Manager, Parks, Forestry and Recreation and the Executive Director, Corporate Real Estate Management, in consultation with the City Solicitor, to secure the terms and conditions related to the reimbursement in the Section 37 Agreement, on terms and conditions acceptable to the Executive Director, Corporate Real Estate Management, and in a form satisfactory to the City Solicitor.
4. City Council authorize the public release of Confidential Attachment 1 upon completion of the conveyance to the City of all three properties within the vicinity of the development at 1500 St. Clair Avenue West, and upon the issuance of the reimbursement, to the satisfaction of the General Manager, Parks, Forestry and Recreation and the Executive Director, Corporate Real Estate Management, in consultation with the City Solicitor.

## FINANCIAL IMPACT

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Confidential Attachment 1 of this report identifies the total revised cost for the acquisition of all three properties within the vicinity of the development at 1500 St. Clair Avenue West for conveyance to the City for parkland purposes and the allocation of funds towards this acquisition.

Authority from City Council is required to amend the cost of the Acquisition of Land in Vicinity of 1500 St. Clair Avenue West sub-project in the Land Acquisition project in Parks, Forestry and Recreation's 2022-2031 Council Approved Capital Budget and Plan, to be funded by the Section 42 First 5% South District Parkland Acquisition Cash-in-lieu reserve fund (Account XR2208) in addition to the previously approved funding from Section 42 Above 5% Cash-in-lieu (XR2213), as outlined in Confidential Attachment 1.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

## DECISION HISTORY

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At its meeting on July 19, 2022, City Council amended the Parks, Forestry and Recreation 2022-2031 Capital Budget and Plan to create a new capital sub-project to be fully funded by Section 42 Above 5 percent Cash-in-lieu (XR2213) for the purpose of reimbursing St. Clair Caledonia Partnership the value in excess of the total required parkland dedication value for the purchase of three properties within the vicinity of the development at 1500 St. Clair Avenue West as an obligation of the off-site parkland dedication. The City Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.MM47.83>

At its meeting on June 15, 2022, City Council passed Bills 535-2022 and 536-2022 which amended the Official Plan and Zoning By-law for the development proposal. As part of the recommendations and outlined in the implementing bills the owner was to convey a parkland dedication value of \$6.500 million, indexed upwardly in accordance with the Non-Residential Construction Price Index for Toronto calculated upon the submission of an application for the first above-grade building permit, composed of off-site parkland dedication, of properties acceptable to the General Manager, Parks, Forestry and Recreation and the City Solicitor. The City Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.TE33.4>

At its meeting on April 6, 2022, City Council directed the Chief Planner and Executive Director, City Planning and the General Manager, Parks, Forestry and Recreation to seek off-site parkland dedication or, in the alternative, cash in-lieu for the development application at 1500-1536 St. Clair Avenue West & 20-36 Caledonia Road. The City Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.MM42.41>

A Preliminary Report on the application was adopted by Toronto and East York Community Council on September 9, 2021 amending the Toronto Official Plan and Toronto Zoning By-law 569-2013 for a 16 and 18-storey mixed use development on lands located at 1500-1536 St. Clair Avenue West and 20-36 Caledonia Road. Through the detailed review of the proposal, staff identified that an on-site parkland dedication of 1,641 square metres would be required to support the application. The Toronto and East York Community Council Decision is available here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.TE27.20>

## **COMMENTS**

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Parks, Forestry and Recreation is supportive of the conveyance of the three properties within the vicinity of the development at 1500 St. Clair Avenue West, identified in Confidential Attachment 1, for parkland purposes and use of Section 42 First 5% reserve funds to complete the transaction.

Toronto's Parkland Strategy outlines a methodology to calculate parkland provision per person and identifies Areas of Parkland Need which are priorities for acquisition of land for parkland purposes. The Parkland Strategy also establishes a Parkland Assessment Tool informing the prioritization of parkland acquisition opportunities and the strategic allocation of parkland acquisition reserve funds.

The three properties to be conveyed to the City for parkland purposes are all located within identified Areas of Parkland Need, with very low parkland provision (0 to 4 m<sup>2</sup> per person). This is far below the average City-wide parkland provision rate of 28 m<sup>2</sup> per person.

The acquisitions will also implement a key direction of Parks, Forestry and Recreation's recently-completed Oakwood-St. Clair Parks Plan. The Plan, developed with community input in 2021 and 2022, provides a roadmap for creating and improving parkland in this neighbourhood given its low level of parkland provision. One of the Plan's priorities is to pursue the expansion of select existing parks, two of which will be expanded through this parkland acquisition opportunity.

### **Use of Section 42 Reserve Funds**

Section 42 (6) of the Planning Act allows a municipality to require cash-in-lieu of parkland conveyance, equal to the value of the land that would otherwise be conveyed, in situations where Council deems land unsuitable for conveyance as a park. Cash-in-lieu is to be received and held in a reserve fund or the purposes of parkland acquisition or development.

The Council-approved Cash-in-Lieu Allocation Policy directs that cash-in-lieu collected at the "base rate" set out in the Planning Act, referred to as "First 5%" funds, be divided equally between city-wide projects and projects within the district (West, East, North, South) where the development is located. These allocations are further divided equally between land acquisition and park and facility development. If a development is located in an area of the city where the Alternative Rate applies, then cash-in-lieu payments

received in excess of 5 per cent ("Above 5%") are used to acquire or develop parkland or facilities in the vicinity of the development.

In keeping with Council's previous direction, staff have directed available Above 5% parkland acquisition reserves to this acquisition opportunity. Given that additional funding is now required to complete the transaction, staff recommend the use of First 5% parkland acquisition funds from the "Parkland Acquisition – South – Local Land" reserve fund to complete the transaction.

The use of this fund is consistent with the stated purpose of the reserve fund, set out in Chapter 227 of the Municipal Code, which is to provide funding for land acquisition for parkland within the boundary of South District. It is also consistent with the goals and objectives of the Parkland Strategy, which guides the allocation of parkland acquisition reserves.

### **Terms and Conditions of Reimbursement**

Reimbursement will only be issued to St. Clair Caledonia Partnership upon completion of the purchase and conveyance to the City of all three properties within the vicinity of the development at 1500 St. Clair Avenue West, as an obligation of the off-site parkland dedication requirement.

The detailed terms and conditions for the off-site parkland dedications, including the reimbursement from the City to St. Clair Caledonia Partnership will be captured in the registered Section 37 Agreement.

### **CONTACT**

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### **SIGNATURE**

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Janie Romoff  
General Manager, Parks, Forestry and Recreation

### **ATTACHMENTS**

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Confidential Attachment 1 - Financial Impact