



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

505 University Avenue - Demolition of a Designated Heritage Property under Section 34(1)2 of the Ontario Heritage Act - Request for Directions

Date: September 9, 2025

To: Toronto Preservation Board and City Council

From: City Solicitor

Wards: Ward 11 - University-Rosedale

REASON FOR CONFIDENTIAL INFORMATION

This report contains advice or communications that are subject to solicitor-client privilege. This report contains information regarding litigation or potential litigation.

SUMMARY

On August 31, 2022, a Zoning By-law Amendment application was submitted to permit a 64-storey mixed-use building with 25,700 square metres of non-residential gross floor area and 704 dwelling units. The historic Shell Oil Building at 505 University Avenue was proposed to be demolished, with some of its materials re-used in the construction of a new base building.

On October 23, 2023, the applicant appealed the Zoning By-law Amendment application to the Ontario Land Tribunal (the "Tribunal") due to Council's failure to make a decision within the timeframe in the *Planning Act* for 505 University Avenue.

On February 23, 2024, an Official Plan Amendment application was submitted to establish a Site and Area Specific Policy and among other matters, amend the Downtown Plan to remove the requirement to replace the existing non-residential gross floor area in the proposed development.

On July 9, 2024, the applicant appealed the Official Plan Amendment application to the Tribunal due to Council's failure to make a decision within the timeframe in the *Planning Act*. The Official Plan Amendment and Zoning By-law Amendment applications for 505 University Avenue are referred to as the "**Original Development Applications**".

On September 2, 2025, the owner filed a Heritage Permit Application requesting Council's consent to demolish the designated heritage property at 505 University Avenue.

This report focuses on the owner's Heritage Permit application (described below) under Section 34(1)2 of the *Ontario Heritage Act*, which requests City Council's consent to demolish the historic former Shell Oil Building at the designated property at 505 University Avenue. The Heritage Impact Assessment prepared by GBCA Architects dated August 22, 2025 (the "**HIA**"), including a comprehensive structural review (Heritage Retention Study) prepared by Jeff Watson, P. Eng, Jablonsky Ast and Partners dated November 25, 2024 (the "**Heritage Structural Study**") and a Site Investigation Report by Clifford Restoration dated October 8, 2024 and Stone Cladding memo prepared by Clifford Restoration dated January 13, 2025 (the "**Site Investigation/Restoration Report**") (collectively, the "**Applicant's Heritage Impact Documents**") all contained in Public Attachment 3 to this Report.

The Applicant's Heritage Impact Documents state that the demolition is being requested because of structural concerns with the existing building resulting from an "imbalance in the stiffness between the flexibility of the structural steel frame and that of the stiff Queenston Limestone masonry exterior". This imbalance will over time cause the stone to become "over-stressed" and crack. The Applicant's Heritage Impact Documents state that repairing the cracks will over time result in "a patchwork of mis-matched stones" that will result in "an accelerating loss of heritage value". The Applicant's Heritage Consultant therefore recommends that the building be carefully dismantled and the Queenston Limestone be salvaged and reused as part of a new building that would commemorate the heritage building by incorporating its reconstructed facades as part of a new mixed-used building.

The owner now seeks City Council's consent to demolish the designated property at 505 University Avenue. Council requires the advice of the Toronto Preservation Board in respect of matters which may impact a designated heritage property.

RECOMMENDATIONS

The City Solicitor recommends that:

1. City Council adopt the confidential instructions to staff contained in Confidential Attachment 1 to this report from the City Solicitor.
2. City Council authorize the public release of the confidential instructions to staff contained in Confidential Attachment 1 to this report from the City Solicitor, if adopted by City Council, at the discretion of the City Solicitor.
3. City Council direct that the information contained in Confidential Attachment 1 to this report from the City Solicitor is to remain confidential at the discretion of the City Solicitor, as it is about litigation before the Ontario Land Tribunal and contains advice or communications that are subject to solicitor-client privilege.

FINANCIAL IMPACT

There is no financial impact arising from the adoption of the Confidential Recommendations beyond what has already been approved in the current year's budget.

DECISION HISTORY

Designation of the Property

On February 6 and 7, 2024, City Council stated its intention to designate the property at 505 University Avenue under Part IV, Section 29 of the *Ontario Heritage Act*. Council's decision may be found here:

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH9.11>

On May 22 and 23, 2024, City Council considered the objection of the owner to the notice of intention to designate the property at 505 University Avenue and despite the objection reaffirmed its decision to designate the property under the *Ontario Heritage Act*:

<https://secure.toronto.ca/council/agenda-item.do?item=2024.CC18.21>

City Council passed City of Toronto By-law 505-2024 designating the property under Part IV, Section 29 of the *Ontario Heritage Act* on May 23, 2024. By-law 505-2024 was appealed to the Tribunal. Despite the appeal, subsection 30(2) deems the designation to be in effect until such time as the appeal is withdrawn or disposed of and therefore subsection 33 and 34 of the *Ontario Heritage Act* are operative to require a permit on the heritage property. The designation by-law can be found here:

<https://www.toronto.ca/legdocs/bylaws/2024/law0505.pdf>

Concurrent Development Applications

On July 24 and 25, 2024, City Council directed the City Solicitor and appropriate staff to attend the Tribunal in opposition to the appeal of the Zoning By-law Amendment for 505 University Avenue and continue discussions to resolve matters.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.TE15.17>

On July 24 and 25, 2024, City Council refused the Official Plan Amendment application for 505 University Avenue and authorized the City Solicitor to take any necessary steps to implement Council's decision in opposition to the Development Applications.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.TE15.16>

COMMENTS

Heritage Permit Application and Appeal

This report focuses on the owner's Heritage Permit Application (described below) under Section 34(1)2 of the *Ontario Heritage Act*, which requests City Council's consent to

demolition of the designated property at 505 University Avenue by-way of dismantling and as part of a reconstruction and commemoration strategy. The proposed reconstruction and commemoration strategy on the development site would be integrated into the new mixed-use development. Approval is required for this proposal under Section 34 of the *Ontario Heritage Act* to permit demolition of the designated heritage property at 505 University Avenue.

Heritage Planning staff have been consulted in the preparation of this report. Their description of the heritage property and application are reflected below.

Heritage Properties

Located on the east side of University Avenue north of Edward Street and south of Elm Street, the property at 505 University Avenue comprises a 20-storey office building designed by the architectural firm, Marani & Morris, and completed in two phases: 13 storeys (1958); 7-storey vertical addition (1966).

Originally conceived as a taller structure, the Shell Oil Building was designed and built in two phases by Marani & Morris and its successor firms. Marani & Morris produced a remarkable output of institutional and commercial buildings that earned it the reputation of being one of the leading mid-20th century architectural firms in the country. The Shell Oil Building is a fine representative example of a transitional office building from the post-World War II era designed in the Modern Classical style.

The scale, materials and features of the Shell Oil Building were inspired by, and yet challenged, the urban design guidelines established for University Avenue in the early 20th century. It is distinguished by its proportions, its emphasis on verticality with its slender stone fins rising from the second through the nineteenth floors between the openings on the principal (west) elevation fronting onto University Avenue. It is also distinguished by the interplay of the Queenston limestone cladding with the regular rhythm of punched window openings across its west, north and south elevations.

The Shell Oil Building is also valued as a rare example of a building structurally designed in the 1950s for future expansion and for additional floors. The addition in 1966 of seven storeys to the building on a very constricted site required modifications to existing mobile tower crane technology and capabilities and was recognised as an engineering feat.

The Shell Oil Building defines, maintains and supports the character of the University Avenue Precinct, one of Toronto's major streets and a significant ceremonial avenue. University Avenue is home to a collection of significant buildings associated with important institutions in Toronto's history and constructed during the 20th century. These buildings were constructed following the adoption of the University Avenue By-law (1931) that established guidelines directing the scale, materials and appearance of commercial and institutional buildings along the ceremonial boulevard leading to Queen's Park. As one of five buildings designed by Marani & Morris along this grand ceremonial boulevard, the Shell Oil building is historically linked to the postwar phase of development along University Avenue.

The property's Statement of Significance and full list of heritage attributes can be found in [Designation By-law 505-2024](#).

Heritage Adjacency

The property at 505 University Avenue is adjacent to the MacLean-Hunter Building (481 University Avenue), a property designated under Part IV of the *Ontario Heritage Act* and completed in 1961 by Marani & Morris, the same architectural firm as the subject property.

Original Proposal

While no heritage application had been previously submitted, through the Zoning By-law Amendment application, the Original Development Applications had proposed to demolish the 20-storey Shell Oil Building for a new 64-storey mixed use building, and to commemorate it by re-using some of its materials in the construction of a new 12-storey podium. The podium design in the Original Development Applications were intended to reinterpret some of the design intentions and architectural expression of the heritage building, but would have significantly changed the building's proportions, scale, form and massing, as well as its width, location on the site and design of the ground level.

Heritage Permit Application

The Heritage Permit Application submitted advances revisions to the Original Development Applications that commemorates the Shell Oil Building by incorporating a reconstruction of the heritage building in its original location and to its full 20-storey height on its public-facing facades (full west, south and east elevations and partial north elevation), duplicating the building's design and re-using the original Queenston limestone cladding, with some alterations to accommodate the building's new use. The demolition and reconstruction are proposed by way of dismantling and panelization. A new mixed use building is proposed to connect to the north elevation of the reconstructed heritage building with stepbacks and setbacks.

The reasons for demolition described in the Heritage Permit Application have been informed by the new understanding of the structural issues that has been discovered since the time of the Original Development Applications and have informed the revisions to the Original Development Applications and the Reconstruction and Commemoration Strategy.

Condition and Proposed Demolition

The Applicant's Heritage Impact Documents, in particular the Heritage Structural Study and the Site Investigation/Restoration Report describe the former Shell Oil Building as representing the culmination of a period of transitional structural design dating from the late-19th century to the latter 20th century, when the interaction between flexible steel structures and stiff masonry, and the implications of this type of system being used on such a tall and slender building, was not fully understood at that time.

The building's original construction method results in an imbalance between the flexible steel frame that is intimately bonded to stiff and inflexible load-bearing exterior walls causing the building to be "over-stressed". The slender form of the building means it is also subject to torsional, or twisting, loads with the bending most severe at the corners at the lower portion of the tower. Consequently, visible distress to the building was found through cracking for over five storeys at the northeast, southeast and southwest corners of the facades. The cracks have seen repeated repairs, but the repairs are unable to address the structural issues that are the root cause of the "over-stressing" of the buildings stone exterior.

The original Queenston limestone that clads the building is no longer available. As such, repairs have been made using Indiana limestone, which is of a lower strength and different appearance. The HIA identifies that the repairs to the cracks are only a temporary stop-gap measure and over time they add further stress to the remaining Queenston limestone cladding, causing it to deteriorate at an ever-increasing rate. The Applicant's Heritage Consultant considers that the building will require significant interventions within the next 30 years. The HIA states that "the long-term impact of on-going piecemeal and substantial repairs and replacements represents a degradation of the original design intent of having a thin tower of monochromatic limestone (Queenston Limestone)", and thus its cultural heritage value will be further degraded over time.

Potential alternative approaches and interventions that could address the structural concerns while incorporating the existing building into the redevelopment were explored within the HIA but the Applicant's Heritage Consultant concludes that these "would essentially equate to that of demolishing and reconstructing the building".

The Applicant's Heritage Impact Documents state that the long-term viability of the heritage building cannot be assured due to inherent flaws in its design, nor could the existing building be conserved as part of the proposed development on the site.

Reconstruction and Commemoration Strategy

To mitigate the impact of demolishing this significant heritage resource the HIA recommends a Reconstruction and Commemoration Strategy (the "**Strategy**"). The objectives of this Strategy are to commemorate its heritage value by placing a new building in the exact location of the existing building. The new building would replicate the scale, form and massing of the original building with its one storey podium. The original Queenston limestone cladding would clad the new building, and it would be designed to include features such as punched window openings, decorative metal grilles and cantilevered roof overhang that match those on the original building. It is the opinion of the Applicant's Heritage Consultants that the Strategy is an acceptable last resort and mitigation measure that would continue to convey the building's cultural heritage and values along University Avenue for generations to come.

The Strategy is to inventory, dismantle, panelize, store, repair and then re-erect the building in its original location and to its full 20-storey height on its public-facing facades (full west, south and east elevations and partial north elevation), duplicating the building's design with some alterations to accommodate the building's new uses. All interiors will be removed, including the steel framing and floors. Elements found not to

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be original or identified as heritage attributes will be carefully removed. The HIA notes the option of reconstructing the building to a specific period of significance, such as the original date of completion, will be explored in the Reconstruction and Commemoration Plan in consultation with City staff. The following scope is proposed to be refined through the Reconstruction and Commemoration Plan:

- All existing windows will be replaced in the reconstruction with new energy efficient units, using framing materials of the same style, based on site examples, archival photography and drawings.
- The decorative metal grilles will be salvaged and reinstated to be used, in part, for a consolidated venting system to avoid installation of new vents on other portions of the exterior of the building.
- All viable Queenston limestone from the portions of the north wall not being reconstructed will be preserved for re-use.
- The existing open arcade on the ground floor of the south elevation along Edward Street, which formerly led to the parking area, is proposed to be reconstructed with new glazing to infill the previous openings.
- Two new windows are proposed on the ground floor of the south elevation.
- The existing blank east elevation is proposed to be reconstructed with window openings to provide light into the new units. The new windows are proposed to be contemporary in design while respecting the proportions and geometry of the original building's openings.
- The roof overhang at the top floor will be reinstated to its original design. A new railing on top of the roof, for associated new amenity space, will be designed to be primarily transparent with a discrete solid cap rail to minimize visual impacts when viewed from the public realm.
- The one-storey pavilions clad in Norwegian Blue Granite, framing and entrances will be removed, restored, and reconstructed using the same design as the original. A new canopy is proposed over the primary entrance, which will be designed to be of minimal visual impact and compatible with the character of the original building.

New Addition

The detailed design of the new building addition will be further refined through subsequent development stages and the heritage permit process. The Applicant proposes to attach to the north elevation of the reconstructed Shell Oil Building, incorporating setbacks or reveals to allow for the original extent of the reconstructed heritage building to be read, with 3 windows being reconstructed on the north elevation. The portion of the building above the reconstructed Shell Oil Building is stepped back on all elevations as follows: 3.6 metres from the south elevation, 5.03 metres from the

east elevation and 9.7 metres from the principal west elevation along University Avenue. The floor-to-floor heights of the new mixed-use building are proposed to match those of the reconstructed building. The design is to be distinguishable from and subordinate to the Shell Oil Building. A regular pattern of fenestration is proposed to reference the regularity of the Shell Oil Building and the overall context of University Avenue.

The City Solicitor requires further instructions regarding the Heritage Permit Request. This report contains advice or communications that are subject to solicitor-client privilege. Confidential Attachment 1 to this report contains confidential advice and it should be considered by Council *in camera*.

CONTACT

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SIGNATURE

Wendy Walberg
City Solicitor

ATTACHMENTS

1. Public Attachment 1 - Location Map
2. Public Attachment 2 - Photographs of Existing Building
3. Public Attachment 3 - Heritage Impact Assessment prepared by GBCA Architects, dated August 22, 2025
4. Confidential Attachment 1 - Confidential Information